Opening Remarks

Stan Kovler // VP Corporate Strategy & Investor Relations
CAUTIONARY STATEMENT ON FINANCIAL MEASURES

Non-GAAP Measures

In preparing the accompanying information Extreme Networks, Inc. (the “Company”) has excluded, where applicable, the impact of certain Non-GAAP costs as listed at the end of this presentation. The Company believes these Non-GAAP measures provide both management and investors with additional insight into its current operations, the trends affecting the Company, the Company’s marketplace performance, and the Company’s ability to generate cash from operations. Accordingly, management uses these Non-GAAP measures along with comparable GAAP information when evaluating the Company’s historical performance and future business activities. The Company’s Non-GAAP measures may be different than those used by other companies and should be considered in conjunction with, and not as a substitute for, the Company’s financial information presented in accordance with GAAP. Please refer to our most recent earnings press release dated April 27, 2022, which is posted on the “Investor Relations” section of our website and to pages 55-56 of this presentation for the required reconciliation to the most comparable GAAP financial measures.

Forward-Looking Statements

This presentation contains forward-looking statements including, but not limited to: the expected financial performance of the Company. These forward-looking statements involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by these statements. You should not place undue reliance on forward-looking statements, which are based on current beliefs, assumptions and expectations, and speak only as of the date of this presentation. We undertake no obligation to update these statements. For a detailed description of these risks and uncertainties please refer to our most recent reports on Form 10-K, Form 10-Q, and Form 8-K filed with the SEC.
## INVESTOR DAY PRESENTATION AGENDA

### 8:30 – 10:00 AM

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speakers</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:30 – 10:00 AM</td>
<td><strong>KICKOFF</strong></td>
<td>Stan Kovler (VP of Strategy and Investor Relations)</td>
</tr>
<tr>
<td></td>
<td><strong>NEW WAYS, BETTER OUTCOMES</strong></td>
<td>Ed Meyercord (President and CEO)</td>
</tr>
<tr>
<td></td>
<td><strong>EXTREME’S CLOUD EXPANSION</strong></td>
<td>Nabil Bukhari (Virtual, Chief Technology Officer &amp; Chief Product Officer)</td>
</tr>
<tr>
<td></td>
<td><strong>Q&amp;A</strong></td>
<td>Ed Meyercord and Nabil Bukhari (Moderated by Stan Kovler)</td>
</tr>
<tr>
<td></td>
<td><strong>BREAK</strong></td>
<td>10 Minutes</td>
</tr>
<tr>
<td></td>
<td><strong>INTERVIEW WITH MLB COO</strong></td>
<td>Ed Meyercord and Chris Marinak (Chief Operating Officer at MLB)</td>
</tr>
</tbody>
</table>

### 10:00 – 12:00 PM

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speakers</th>
</tr>
</thead>
<tbody>
<tr>
<td>10:00 – 12:00 PM</td>
<td><strong>GTM TRENDS AND STRATEGY</strong></td>
<td>Joe Vitalone (Virtual, Chief Revenue Officer)</td>
</tr>
<tr>
<td></td>
<td><strong>SUPPLY CHAIN</strong></td>
<td>Norman Rice (Chief Operating Officer)</td>
</tr>
<tr>
<td></td>
<td><strong>FINANCIALS</strong></td>
<td>Remi Thomas (Chief Financial Officer)</td>
</tr>
<tr>
<td></td>
<td><strong>Q&amp;A, WRAP UP</strong></td>
<td>All Executives</td>
</tr>
<tr>
<td></td>
<td><strong>LUNCH</strong></td>
<td>11:25 AM</td>
</tr>
<tr>
<td></td>
<td><strong>EVENT CONCLUDES</strong></td>
<td>12:00 PM</td>
</tr>
</tbody>
</table>

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New Ways, Better Outcomes

Ed Meyercord // President & CEO
NEW WAYS, BETTER OUTCOMES

**NOVANT HEALTH**

1,600 Physicians / 29,000 Employees

**NEW WAY:** Created mobile, pop-up vaccination events to combat COVID-19.

**BETTER OUTCOME:** Administered vaccines to 120 patients at a time; 4x that of a typical clinic.

---

**VANCOUVER PUBLIC SCHOOLS**

23,500 Students / 37 Schools

**NEW WAY:** Established a hybrid, digital-first learning experience for K-12 students.

**BETTER OUTCOME:** Quickly deployed advanced services for streaming video, online testing, 1:1 learning content, foundation for advanced curriculum.

---

**BORÅS STAD**

12,000 Employees / 110,000 Citizens

**NEW WAY:** Leaned into becoming a ‘smart city’ by embracing cloud and Wi-Fi.

**BETTER OUTCOME:** One network to deploy new apps and services, including wearables for elderly care.

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TAKING SHARE IN FAST GROWING MARKET

Extreme Growth vs Market Growth

Market Growth
Extreme Growth

Source: 650 Group

Extreme Share of Cloud Managed Services

Source: 650 Group
A LEADER IN GARTNER MAGIC QUADRANT FOUR YEARS IN A ROW

#1 Ranked
Service and Support in

Overall Rating of 4.7 out of 5

91% Recommends
Extreme Networks

Source: Gartner Peer Insights (2021)
OUTPERFORMING PRIOR LONG-TERM TARGETS

One Year Ago

<table>
<thead>
<tr>
<th>Product</th>
<th>Services</th>
<th>Subscription</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-6%</td>
<td>3-5%</td>
<td>25-35%</td>
<td>5-9%</td>
</tr>
</tbody>
</table>

FY22 Revenue Outlook**

<table>
<thead>
<tr>
<th>Product</th>
<th>Services</th>
<th>Subscription</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>8%</td>
<td>7%</td>
<td>35%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**2022 Guidance at the midpoint of the Q4 range provided

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EXECUTING ON PRODUCT AND RECURRING REVENUE GROWTH

5 Quarters of Double Digit Product Revenue Growth (Y/Y)

Source: Company Reports

Annual Recurring Revenue ($M)

Source: Company Reports
INVESTMENTS TO EXPAND OUR GROWTH OPPORTUNITIES

2019
- CLOUD NETWORKING
- AEROHIVE NETWORKS

2020
- CLOUD-DRIVEN NETWORKING

2021
- EFFORTLESS CLOUD-DRIVEN NETWORKING

2022-2025
- EXTREME CLOUD SD-WAN
- WAN EDGE
- M&A
- BOOKINGS GROWTH & BACKLOG CONVERSION

EXPAND

INNOVATE
- CLOUD-DRIVEN NETWORKING
TAM EXPANSION DRIVES ACCELERATED GROWTH OUTLOOK

11% CAGR FY22-FY25

EXPAND

CLOUDIFY

LAND

WAN EDGE

SD-WAN

New Cloud Management and Migrations

SaaS ARR Growth

No SaaS ARR

2025 TAM

$9.8B

$5.1B

$5.1B

$31.8B

EXTR TAM

FY18

FY19

FY20-21

FY22

FY23-25

22-25 CAGR

$22.6B

$23.5B

$32.9B

$37.8B

$51.8B

11%

Source: Gartner, IDC, 650 Group, Company Reports)

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ILLUSTRATIVE PRODUCT BACKLOG TO REVENUE MODEL
Outlook Supports Mid-Teens Revenue Growth Beyond FY23

Source: Company Reports

- Product Backlog
- Potential Ending Product Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Book to Bill</th>
<th>Product Backlog</th>
<th>Potential Ending Product Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20</td>
<td>1.0</td>
<td>Purple</td>
<td>Blue</td>
</tr>
<tr>
<td>FY21</td>
<td>&gt;1.0</td>
<td>Purple</td>
<td>Blue</td>
</tr>
<tr>
<td>FY22</td>
<td>&gt;1.0</td>
<td>Purple</td>
<td>Blue</td>
</tr>
<tr>
<td>FY23</td>
<td>&gt;1.0</td>
<td>Purple</td>
<td>Blue</td>
</tr>
<tr>
<td>FY24</td>
<td>&lt;1.0</td>
<td>Purple</td>
<td>Blue</td>
</tr>
<tr>
<td>FY25</td>
<td>&lt;1.0</td>
<td>Purple</td>
<td>Blue</td>
</tr>
</tbody>
</table>
ACCELERATED GROWTH THROUGH FY25

Revenue Growth and Outlook

FY21 ~3%
FY22 10%
FY23 10-15%
FY25 Mid-Teens

FY22 – Current Company Outlook and Guidance at the Midpoint
FY23 – Current Company Outlook
FY25 – Current Company Outlook
Extreme’s Cloud Expansion

Nabil Bukhari // Chief Technology Officer and Chief Product Officer
LOOKBACK AT UNIVERSAL AND CLOUDIFY STRATEGIES

Universal Portfolio Strategy
Universal Platforms Portfolio Transition, Bookings

- Wireless: 99.7%
- Wired: 65%

Cloudify Strategy
FY19 – FY22 Growth

- Market Share: ~2x
- Cloud Subscription Bookings: 3x
- Footprint: 4x

Growth from 7% to 13%

Source: 650 Group, Company Reports
CONNECTING EVERYONE, EVERYWHERE, SECURELY ALL THE TIME

Universal
From Universal Platforms to Universal Fabric

Unified
Bringing security and connectivity together

Instant
Simple Operations, Lower Complexity, Lower TCO
ADVANCING MANAGEMENT THROUGH INTELLIGENCE

Universal
Manage Anything, Anywhere, Anytime

Unified
Going Beyond Cloud Management

Secure by Design
Increased Trust, Reduced Risk
REDCUCING COMPLEXITY AND DELIGHTING CUSTOMERS

Reduce Complexity, Reduce Cost

Expanding Ecosystem

Aligned to Customer Outcomes
TRANSLATING TECHNOLOGY STRATEGY TO BUSINESS GROWTH

Renewals, Migrations and Additional Subscriptions Cohort

WAN Edge Subscriptions Cohort

WAN Edge Subscriptions
SD-WAN, Branch, Edge security and associated subscription licenses

Renewals, Migrations and Additional Subscriptions
subscription licenses for capabilities like AIOps, analytics

Cloud Management Subscriptions Cohort

Cloud Management Subscriptions
for the entire networking portfolio

ARPU\textsuperscript{1} Expansion

ARPA\textsuperscript{2} Expansion | Increasing base

\textsuperscript{1} ARPU: Average Revenue Per Unit
\textsuperscript{2} ARPA: Average Revenue Per Account
**SUBSCRIPTION BUSINESS EXPANSION**

**ARPU Expansion**

<table>
<thead>
<tr>
<th>FY21</th>
<th>FY22</th>
<th>FY23+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewals (Expansion ARR through reduced discounting)</td>
<td>Cloud Management</td>
<td>AIOps</td>
</tr>
<tr>
<td>Renewals (Expansion ARR through reduced discounting)</td>
<td>Cloud Management</td>
<td>AIOps</td>
</tr>
</tbody>
</table>

**ARPA Expansion | Increasing the Base**

<table>
<thead>
<tr>
<th>FY21</th>
<th>FY22</th>
<th>FY23+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions for WAN Edge products</td>
<td>Cloud Management for Wired products</td>
<td>Pilot License</td>
</tr>
<tr>
<td>Subscriptions for WAN Edge products</td>
<td>Cloud Management for Wired products</td>
<td>Pilot License</td>
</tr>
</tbody>
</table>

1. ARPU: Average Revenue Per Unit
2. ARPA: Average Revenue Per Account

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SERVICE PROVIDER AND 5G STRATEGY

On pace to exceed our target of $20M in FY22

$50 - $100M run rate opportunity in 3-5 years

Positioned for multi-year investment cycles from Telcos and Enterprise
INFINITE ENTERPRISE STRATEGY

1 Network

1 Cloud

1 Extreme
Q&A Session
Short Break
GTM Trends and Strategy

Joe Vitalone // Chief Revenue Officer
STRENGTH IN ALL EXTREME MARKETS

Q3 FY22 Revenue by Geography
- Americas: 46%
- EMEA: 37%
- APAC: 17%

Q3 FY22 Bookings by Vertical
- Government and Education
- Manufacturing
- Healthcare
- Retail, Logistics, & Transportation
- Sports, Entertainment, and Hospitality
- Telco and Service Provider
- Other

Bookings by Partner Level FY22 YTD
- Diamond
- Authorized
- Gold
- Strategic
- Distribution Authorized
- Other

Customers Spending $1M+ Total
- Q1-2021: 5
- Q2-2021: 10
- Q3-2021: 15
- Q4-2021: 20
- Q1-2022: 25
- Q2-2022: 30
- Q3-2022: 35
<table>
<thead>
<tr>
<th>Enterprise Vertical</th>
<th>Revenue Contribution*</th>
<th>Recent Trends</th>
<th>Key Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government / Education</td>
<td>~35%</td>
<td>↑</td>
<td></td>
</tr>
<tr>
<td>Enterprise and Other</td>
<td>~30%</td>
<td>↑</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>&gt;10%</td>
<td>↑</td>
<td></td>
</tr>
<tr>
<td>Healthcare</td>
<td>&gt;10%</td>
<td>↑</td>
<td></td>
</tr>
<tr>
<td>Retail and T&amp;L</td>
<td>~10%</td>
<td>↑</td>
<td></td>
</tr>
<tr>
<td>Sports and Entertainment, Hospitality</td>
<td>&gt;5%</td>
<td>↑</td>
<td></td>
</tr>
</tbody>
</table>

*Contribution Based on Q3 FY22 Results
WINNING IN A STRONG MARKET

BOOKINGS STRENGTH

• 51% increase in average transaction size
• 10% increase in services and new subscriptions
• 30+% growth in APAC and service provider

WALLET SHARE

• Subscription renewals and service attach rate is up 5% Y/Y
• New subscription attach rate is up 32% Y/Y to 31% of all APs + Platforms deals
## PARTNERS ARE DRIVING GROWTH

<table>
<thead>
<tr>
<th>Authorized Partner</th>
<th>Gold Partner</th>
<th>Diamond Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>$25k-$250k Annual Sales</td>
<td>$250K - $2M Annual Sales</td>
<td>&gt;$2M Annual Sales</td>
</tr>
</tbody>
</table>

## EXPANDING OUR MARKET PRESENCE

- **AMER**: 49%
- **EMEA**: 45%
- **APAC**: 6%

## GAINING SHARE

- Partner Initiated
- Net New Logos

+8,300 Active Resellers
ONE NETWORK, ONE CLOUD, ONE EXTREME

ONE EXTREME ———— WIPS NAC ANALYTICS IoT LOCATION GUEST SD-WAN

ONE CLOUD

CLOUD NETWORKING
AWS | AZURE | GCP

ExtremeCloud IQ (XIQ)
XIQ SITE ENGINE

NETWORK MANAGEMENT

ONE NETWORK ———— FABRIC

CAMPUS

SECURITY

ISO 27001 | Air Defense Segmented Embedded

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Supply Chain

Norman Rice // Chief Operating Officer
NAVIGATING INDUSTRY-WIDE SUPPLY CHAIN CHALLENGES

CHIP SHORTAGES
- Foundries warn of tight production capacity
- Prolonged chip shortage for Industry thru July 2023

COST PRESSURES
- Higher costs for components across industry
- Variable costs from broker and expedite fees
- Build plan supports improvements by June 2023

COVID LOCKDOWN
- Disrupting production and logistics
- Limited impact of shutdown in Shanghai

LOGISTICS
- Pre-pandemic – 75% Air / 25% Sea
- Current 100% Air / Majority Expedite Air
- Improvements expected as passenger flights return
PROACTIVELY MANAGING TO DELIVER ON CUSTOMER NEEDS

**TASK FORCE**
- Inter Company with key suppliers
- Optimization of production and transportation processes

**SUPPLIER RELATIONS**
- Strategic Alignment w Broadcom
- Extended relationships to secondary suppliers (TI, Microchip, etc.)
- Access to executive escalations

**RE-ENGINEERING**
- Current Q- 150+ Components Qualified
- Designing alternative offerings due to supply availability (BLE)

**INNOVATION**
- Component Shortage Real Time Tracking
- ML for Component availability
- Automation for direct drop shipments from factory
- Policy Enhancements
A CLOSER LOOK AT BACKLOG

Total Backlog (Q3’22) — $426.1M

Backlog by Vertical

Customer Request Date

Backlog Product Mix

- Government & Education
- Manufacturing
- Retail, Logistics, & Transportation
- Healthcare
- Sports, Entertainment, & Hospitality
- Telco and Service Provider
- Other

Universal Switching & Wireless
Non-Universal

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EXPECTED ROAD TO RECOVERY
Estimated Range and Average Lead Time

Finished Goods Lead Time (Weeks)

- FY23 – Incremental Improvements FG Lead Times
- FY24 – Book to Bill <1
- FY25 – Backlog Normalizes

Source: Company Reports

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Financials

Rémi Thomas // Chief Financial Officer
KEY MESSAGES

Current Trends
- Strong demand across all verticals
- Solid execution in a challenging supply chain environment
- Record YTD revenue and profitability achievement

Outlook
- Strong backlog driving long term revenue growth
- Subscription growth driven by WAN Edge, XIQ (new and renewals), and deferred revenue balance
- Growth opportunities in 5G

Operating Model
- Product gross margin poised to expand as elevated supply chain costs ease
- Overall gross margin benefits from higher proportion of services and subscription
- Operating leverage drives margin expansion
PRIOR LONG-TERM TARGET OPERATING MODEL

NON-GAAP LONG-TERM TARGETS

Revenue

<table>
<thead>
<tr>
<th>Product</th>
<th>Services</th>
<th>Subscription</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-6%</td>
<td>3-5%</td>
<td>25-35%</td>
<td>5-9%</td>
</tr>
</tbody>
</table>

Margins

<table>
<thead>
<tr>
<th>Gross Margin</th>
<th>OPEX % of Rev</th>
<th>OP Margin</th>
<th>FCF* % of Rev</th>
<th>CCC (Days)</th>
<th>CAPEX % of Rev</th>
</tr>
</thead>
<tbody>
<tr>
<td>63-65%</td>
<td>46-49%</td>
<td>15-18%</td>
<td>11-13%</td>
<td>35-45</td>
<td>1.5-2%</td>
</tr>
</tbody>
</table>

Cash Drivers

**2022 Guidance at the midpoint of the Q4 range provided

*FCF: Free Cash Flow as defined in our external communications (i.e., cash flow from operations less CAPEX)
OUTPERFORMING PRIOR TARGET OPERATING MODEL

2022 GUIDANCE**

Revenue

<table>
<thead>
<tr>
<th></th>
<th>Product</th>
<th>Services</th>
<th>Subscription</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>%</strong></td>
<td>8%</td>
<td>7%</td>
<td>35%</td>
<td>10%</td>
</tr>
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</table>

Margins

<table>
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<tr>
<th></th>
<th>Gross Margin</th>
<th>OPEX % of Rev</th>
<th>OP Margin</th>
<th>FCF* % of Rev</th>
<th>CCC (Days)</th>
<th>CAPEX % of Rev</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>%</strong></td>
<td>59%</td>
<td>46%</td>
<td>12%</td>
<td>~8%</td>
<td>21 Days</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

Cash Drivers (YTD)

*FCF: Free Cash Flow as defined in our external communications (i.e., cash flow from operations less CAPEX)

**2022 Guidance at the midpoint of the Q4 range provided
1 SaaS Annual Recurring Revenue (ARR): Extreme uses SaaS annual recurring revenue ("SaaS ARR") to identify the annual recurring value of customer contracts at the end of a reporting period. SaaS ARR represents the projected annualized revenue run-rate of active ExtremeCloud™ IQ (XIQ) and other subscription contracts along with bookings we received at the end of a reporting period. Each contract (either fulfilled or yet to be fulfilled) is annualized by dividing the contract value by the number of months in the contract term and then multiplying by 12. ARR should be viewed independently of revenue and does not represent our revenue under U.S. GAAP on an annualized basis. It is an operating metric that can be impacted by contract start and end dates, bookings changes and renewal rates. ARR is not intended to be a replacement for forecasts of revenue.

2 SaaS Ending Deferred Revenue refers to the ending quarterly balance of advance payments received for SaaS goods or services that are to be delivered or performed in the future.
ILLUSTRATIVE PRODUCT BACKLOG TO REVENUE MODEL
Outlook Supports Mid-Teens Revenue Growth Beyond FY23

Book to Bill

>1.0

<1.0

FY20  FY21  FY22  FY23  FY24  FY25

Product Backlog
Potential Ending Product Revenue
SUBSCRIPTION BOOKINGS GROWTH DRIVERS

FY22-FY25 CAGR +25%-35%

Subscription Bookings by Cohort

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud Management</td>
<td>Wired, Wireless</td>
</tr>
<tr>
<td>Renewals, Migrations, and Additional</td>
<td>Migrations, Customer Success, Mobile App,</td>
</tr>
<tr>
<td>Subscription Licenses</td>
<td>AI / ML (Co-Pilot)</td>
</tr>
<tr>
<td>WAN Edge</td>
<td>SD-WAN, SD Branch</td>
</tr>
</tbody>
</table>

- Cloud Management
- Renewals, Migrations, etc
- WAN-EDGE
SUBSCRIPTION REVENUE GROWTH DRIVERS

FY22-FY25 CAGR +35%-45%

Revenue Assumptions

- Gross Retention Rate: 90%+
- Wireless Attach Rate: 90%+
- Average Contract Length: 1.5 – 2 Years

% Driver of Growth:
- FY22 Ending Revenue: ~20%
- XIQ New: ~40%
- XIQ Renewals: ~40%
- WAN-Edge: ~40%
- FY25 Revenue Outlook: ~40%
## PRODUCT GROSS MARGIN EXPANSION

<table>
<thead>
<tr>
<th>Margin Drivers</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply Chain: Expedite Fees, Components</td>
<td>+7 pp</td>
</tr>
<tr>
<td>Supply Chain: Logistics</td>
<td>+2 pp</td>
</tr>
</tbody>
</table>

FY22 Non-GAAP Product GM%: 55%

Target Non-GAAP Product GM%: 64%

+9 pp
SERVICES GROSS MARGIN EXPANSION

FY22 Non GAAP Services GM%  Target Non GAAP Services GM%

Margin Driver | Impact
---|---
Mix (Subscription vs. Maintenance & Other Services) | +3 pp
TOTAL GROSS MARGIN EXPANSION

FY22 Non-GAAP Total GM%: 59%
Target Non-GAAP Total GM%: 65%

+6 pp

Margin Drivers

<table>
<thead>
<tr>
<th>Product vs. Services Mix</th>
<th>+2 pp</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply Chain: Expedite Fees, Components, Logistics</td>
<td>+4 pp</td>
</tr>
</tbody>
</table>

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## STRONG OUTLOOK FOR OPERATING LEVERAGE

### COMMENTARY

<table>
<thead>
<tr>
<th>Category</th>
<th>Commentary</th>
<th>Long-Term Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost of Goods Sold</strong></td>
<td>• Supply chain costs will reduce as constraints ease</td>
<td>34 – 36%</td>
</tr>
<tr>
<td></td>
<td>• Low incremental cost to serve subscription model</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Mix shift to higher margin subscription</td>
<td></td>
</tr>
<tr>
<td><strong>Research &amp; Development</strong></td>
<td>• R&amp;D investments in new products and services</td>
<td>16 – 17%</td>
</tr>
<tr>
<td></td>
<td>• Service provider support</td>
<td></td>
</tr>
<tr>
<td><strong>Sales &amp; Marketing</strong></td>
<td>• Investment in Channel, APAC, Sales Enablement</td>
<td>24 – 25%</td>
</tr>
<tr>
<td></td>
<td>• Customer success to scale along with SaaS business</td>
<td></td>
</tr>
<tr>
<td><strong>General &amp; Administrative</strong></td>
<td>• Continue to drive efficiencies</td>
<td>4 – 5%</td>
</tr>
</tbody>
</table>

### NON-GAAP OPERATING MARGIN

| Non-GAAP Operating Margin       | 18 – 21%                     |
### Revenue Growth Targets

<table>
<thead>
<tr>
<th>Component</th>
<th>Target Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>13-15%</td>
</tr>
<tr>
<td>Services</td>
<td>5-7%</td>
</tr>
<tr>
<td>Subscription</td>
<td>35-45%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13-17%</strong></td>
</tr>
</tbody>
</table>

### Margins

<table>
<thead>
<tr>
<th>Margin Type</th>
<th>Target Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Margin</td>
<td>64-66%</td>
</tr>
<tr>
<td>OPEX % of Rev</td>
<td>44-47%</td>
</tr>
<tr>
<td>OP Margin</td>
<td>18-21%</td>
</tr>
</tbody>
</table>

### Cash Drivers

<table>
<thead>
<tr>
<th>Cash Driver Type</th>
<th>Target Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCF* % of Rev</td>
<td>15-18%</td>
</tr>
<tr>
<td>CCC (Days)</td>
<td>20-30</td>
</tr>
<tr>
<td>CAPEX % of Rev</td>
<td>1.0-1.5%</td>
</tr>
</tbody>
</table>

*FCF: Free Cash Flow as defined in our external communications (i.e., cash flow from operations less CAPEX)
FY22 GAAP GUIDANCE

Revenue**

<table>
<thead>
<tr>
<th>Product</th>
<th>Services</th>
<th>Subscription</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>8%</td>
<td>7%</td>
<td>35%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Margins

<table>
<thead>
<tr>
<th>Gross Margin</th>
<th>OPEX % of Rev</th>
<th>OP Margin</th>
<th>FCF* % of Rev</th>
<th>CCC (Days)</th>
<th>CAPEX % of Rev</th>
</tr>
</thead>
<tbody>
<tr>
<td>57%</td>
<td>51%</td>
<td>6%</td>
<td>~8%</td>
<td>21 Days</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

Cash Drivers (YTD)

**2022 Guidance at the midpoint of the Q4 range provided

*FCF: Free Cash Flow as defined in our external communications (i.e., cash flow from operations less CAPEX)
# Q4 2022 GAAP to Non-GAAP Reconciliation

<table>
<thead>
<tr>
<th></th>
<th>Gross Margin Rate</th>
<th>Operating Margin Rate</th>
<th>Earnings per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP</td>
<td>55.5% - 57.4%</td>
<td>3.1% - 5.5%</td>
<td>$0.02 - $0.07</td>
</tr>
<tr>
<td>Estimated Adjustments for:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of Product Intangibles</td>
<td>1.1%</td>
<td>1.1%</td>
<td>$0.02</td>
</tr>
<tr>
<td>Share-Based Compensation</td>
<td>0.2%</td>
<td>3.9%</td>
<td>$0.08</td>
</tr>
<tr>
<td>Restructuring Charges, net</td>
<td>-</td>
<td>0.1%</td>
<td>$0.00</td>
</tr>
<tr>
<td>Acquisition and Integration Costs</td>
<td>-</td>
<td>0.3%</td>
<td>$0.01</td>
</tr>
<tr>
<td>Amortization of Non-product Intangibles</td>
<td>0.3%</td>
<td>0.5%</td>
<td>$0.01</td>
</tr>
<tr>
<td>Non-GAAP Tax Adjustment</td>
<td>-</td>
<td>-</td>
<td>($0.01)</td>
</tr>
<tr>
<td>Non-GAAP</td>
<td>57.0% - 59.0%</td>
<td>9.1% - 11.4%</td>
<td>$0.12 - $0.18</td>
</tr>
</tbody>
</table>