



CYBERARK®
THE IDENTITY SECURITY COMPANY®

Investor Relations Presentation

May 2025



Cautionary Language Concerning Forward-Looking Statements

This presentation contains forward-looking statements, which express the current beliefs and expectations of CyberArk's (the "Company") management. In some cases, forward-looking statements may be identified by terminology such as "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "expect," "predict," "potential" or the negative of these terms or other similar expressions. Such statements involve a number of known and unknown risks and uncertainties that could cause the Company's future results, levels of activity, performance or achievements to differ materially from the results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Important factors that could cause or contribute to such differences include, but are not limited to: risks related to the Company's acquisitions of Venafi Holdings, Inc. ("Venafi") and Zilla Security Inc. ("Zilla"), including potential impacts on operating results; challenges in retaining and hiring key personnel and maintaining Venafi and Zilla business; risks related to the successful integration of the operations of Venafi or Zilla and the ability to realize anticipated benefits of the combined operations; the rapidly evolving security market, increasingly changing cyber threat landscape and the Company's ability to adapt its solutions to the information security market changes and demands; the Company's ability to acquire new customers and maintain and expand its revenues from existing customers; real or perceived security vulnerabilities and gaps in the Company's solutions or services or the failure of customers or third parties to correctly implement, manage and maintain solutions; the Company's IT network systems, or those of third-party providers, may be compromised by cyberattacks or other security incidents, or by a critical system disruption or failure; intense competition within the information security market; failure to fully execute, integrate, or realize the benefits expected from strategic alliances, partnerships, and acquisitions; the Company's ability to effectively execute its sales and marketing strategies, and expand, train and retain its sales personnel; risks related to the Company's compliance with privacy, data protection and AI laws and regulations; the Company's ability to hire, upskill, retain and motivate qualified personnel; risks related to the integration of AI technology into our operations and solutions; reliance on third-party cloud providers for the Company's operations and software-as-a-service (SaaS) solutions; the Company's ability to maintain successful relationships with channel partners, or if channel partners fail to perform; fluctuation in the Company's quarterly results of operations; risks related to sales made to government entities; economic uncertainties or downturns; the Company's history of incurring net losses, its ability to generate sufficient revenue to achieve and sustain profitability and its ability to generate cash flow from operating activities; regulatory and geopolitical risks associated with the Company's global sales and operations; risks related to intellectual property; fluctuations in currency exchange rates; the ability of the Company's solutions to help customers achieve and maintain compliance with government regulations or industry standards; the Company's ability to protect its proprietary technology and intellectual property rights; risks related to using third-party software, such as open-source software and other intellectual property; risks related to share price volatility or activist shareholders; any failure to retain the Company's "foreign private issuer" status or the risk that the Company may be classified, for U.S. federal income tax purposes, as a "passive foreign investment company"; risks related to issuance of ordinary shares or securities convertible into ordinary shares and dilution, leading to a decline in the market value of the Company's ordinary shares; changes in tax laws; the Company's expectation to not pay dividends on its ordinary shares for the foreseeable future; risks related to the Company's incorporation and location in Israel, including wars and other hostilities in the Middle East; and other factors discussed under the heading "Risk Factors" in the Company's most recent annual report on Form 20-F filed with the Securities and Exchange Commission. Forward-looking statements in this presentation are made pursuant to the safe harbor provisions contained in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements are made only as of the date hereof, and the Company disclaims any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

The Global Leader in Identity Security

Securing every identity – human, machine and AI – with the right level of privilege controls

\$80B

Total Addressable
Market

~10,000

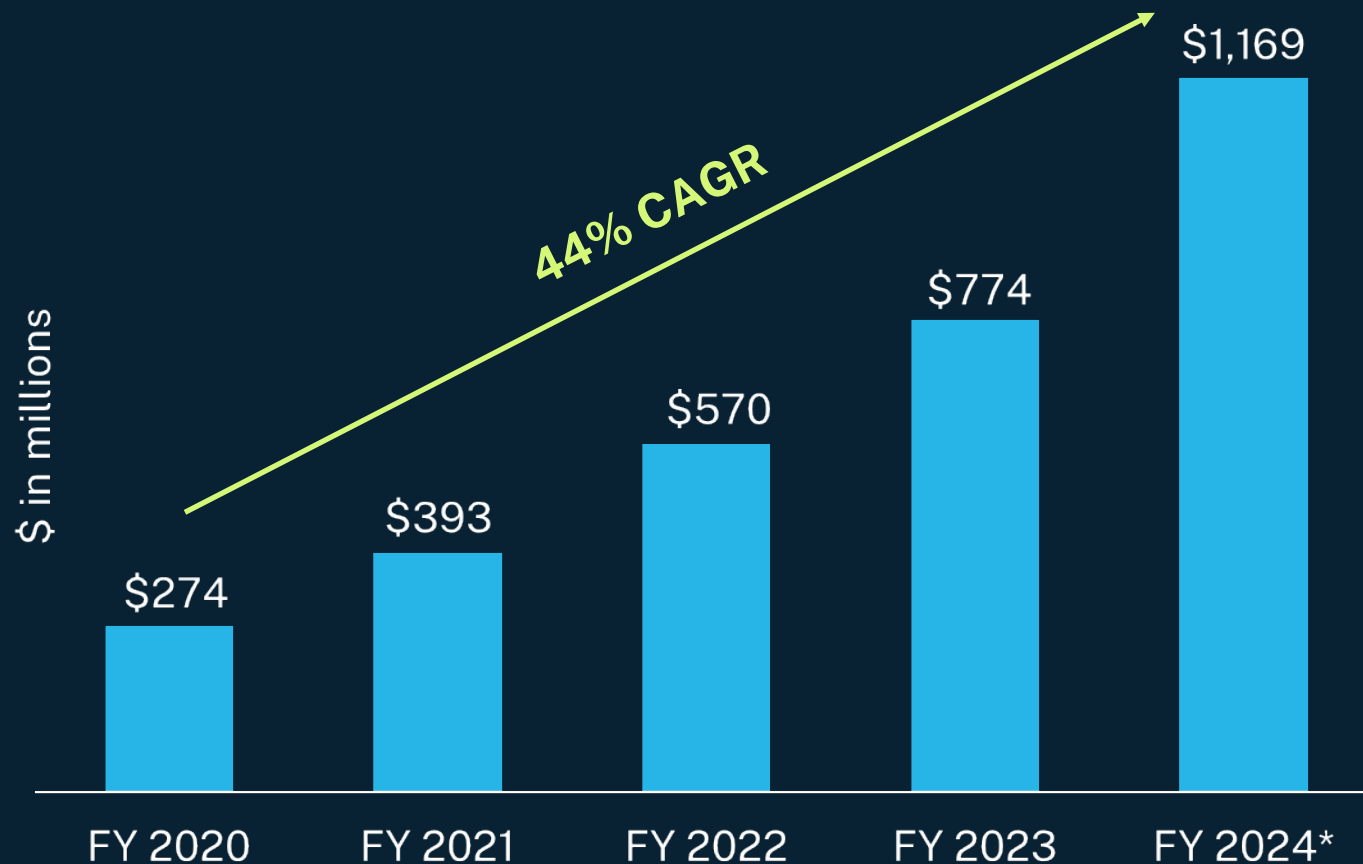
Global
Customers**

**Rule of
40**

In FY 2024

>90%

Of Revenue is
Recurring



■ Annual Recurring Revenue

ARR data as of December 31 of the respective year
Totals may not sum because of rounding.
*FY 2024 includes \$166 million in ARR as of December 31, 2024, from the acquisition of Venafi, which closed on October 1, 2024.
**As of December 31, 2024



CYBERARK®
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CyberArk's Mission

Secure the world against
cyber threats so together we
can move fearlessly forward

Investment Highlights



**Durable Industry
Tailwinds**



**Industry Leading
Innovation**



**Strong Revenue &
ARR Growth**



**Strong Profitability
& Free Cash Flow**



**Platform Selling Motion
Driving Land and Expand**



**Highly Predictable,
Recurring Revenue Model**

Q1 2025 Results At-a-Glance

Strong Topline

Annual Recurring Revenue*

\$1,215M

Total Revenue

\$318M

Expanded Profitability and Free Cash Flow

Non-GAAP Operating Income

\$58 Million

Free Cash Flow

\$96 Million

Non-GAAP Operating Margin

18%

FCF Margin

30%

*as of March 31, 2025

The quarter ended Q1 2025 includes financial contributions from the acquisitions of Venafi, which closed in Q4 2024, and Zilla Security, which closed in February 2025.

Venafi and Zilla are not included in Q1 2024, Q2 2024, and Q3 2024, and Zilla is not included in Q4 2024.

Escalating Threat Landscape

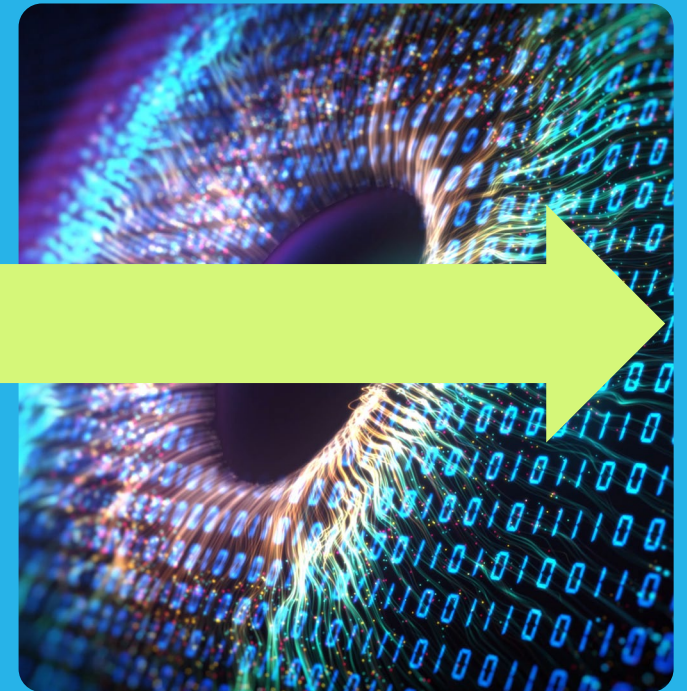
Nation State Attackers



Organized Cyber Criminals



AI-Enhanced Attackers



IDENTITY

Market Dynamics



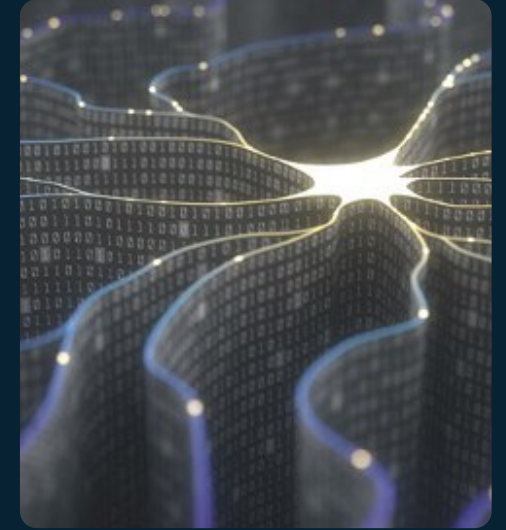
**Proliferation
of Human
Privileges**



**Rise of
Machines**

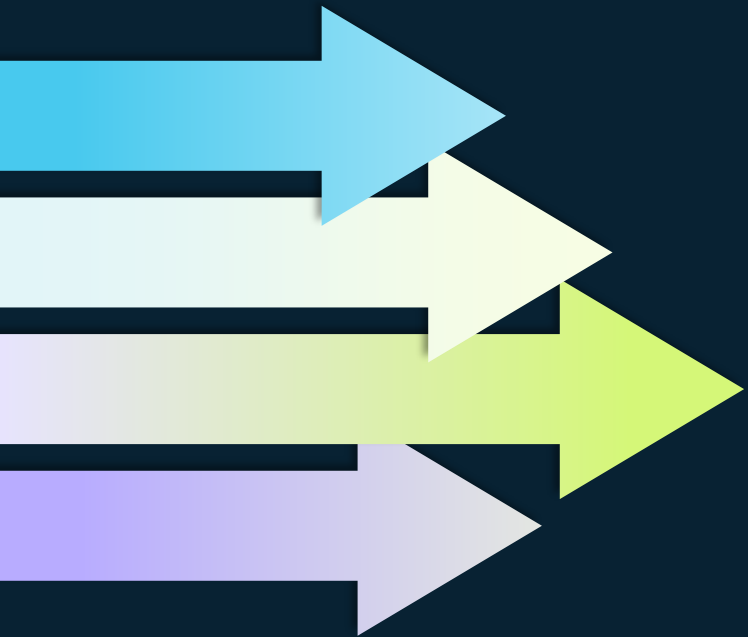


**Security
Leaders
Overwhelmed**



**AI
Everywhere**

Consolidation of Trust



All Roads Lead to **IDENTITY**

93%

Of organizations were victims of an identity-related cyberattack

70%

Say identity silos are a root cause of cybersecurity risk

#1

AI is the number one creator of new identities in 2025

49%

Of organizations report they lack full visibility into entitlements and permissions across their cloud environment

CyberArk's Vision

**Every identity secured
with the right level
of privilege controls**

Proliferation of Human Identities

Work from
Anywhere

Bring
Your Own
Identity

PRIVILEGE



Developer



IT



Workforce



SaaS Apps



Cloud
Service
Providers



Artificial
Intelligence



ANTHROPIC

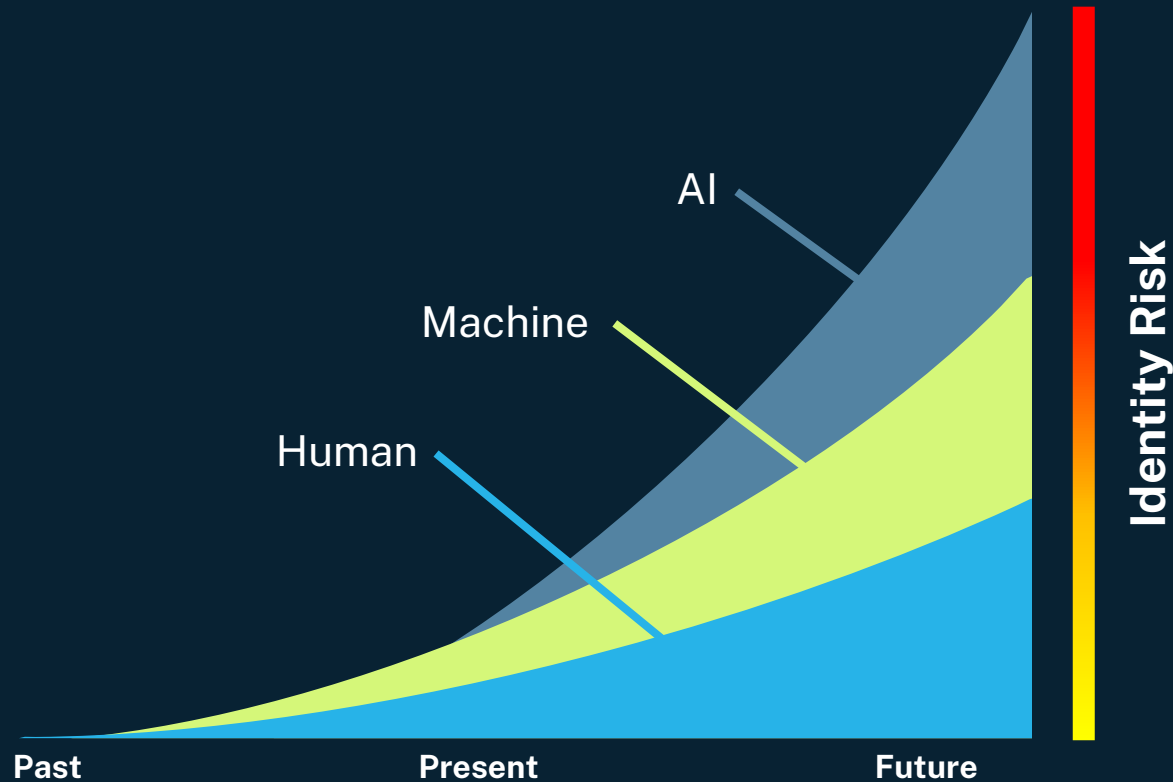


NEW ERA

Rise of the Machines



Security Teams Are Overwhelmed



3,500+
Cybersecurity Vendors¹

83
Average Security Solutions
per Organization²

2.8M
Shortfall in
Cybersecurity Professionals³

AI Everywhere

CyberArk Identity Security Platform

HUMAN

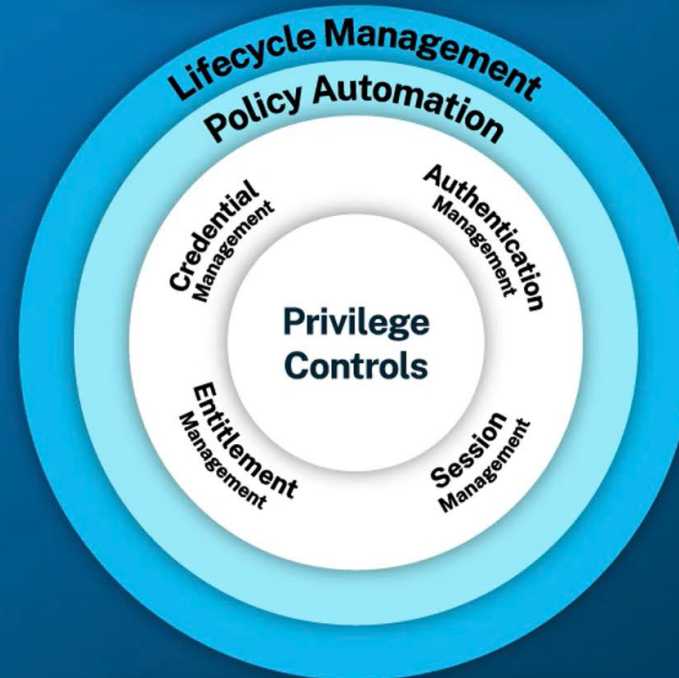
AI

MACHINE

Control Center

CORA AI

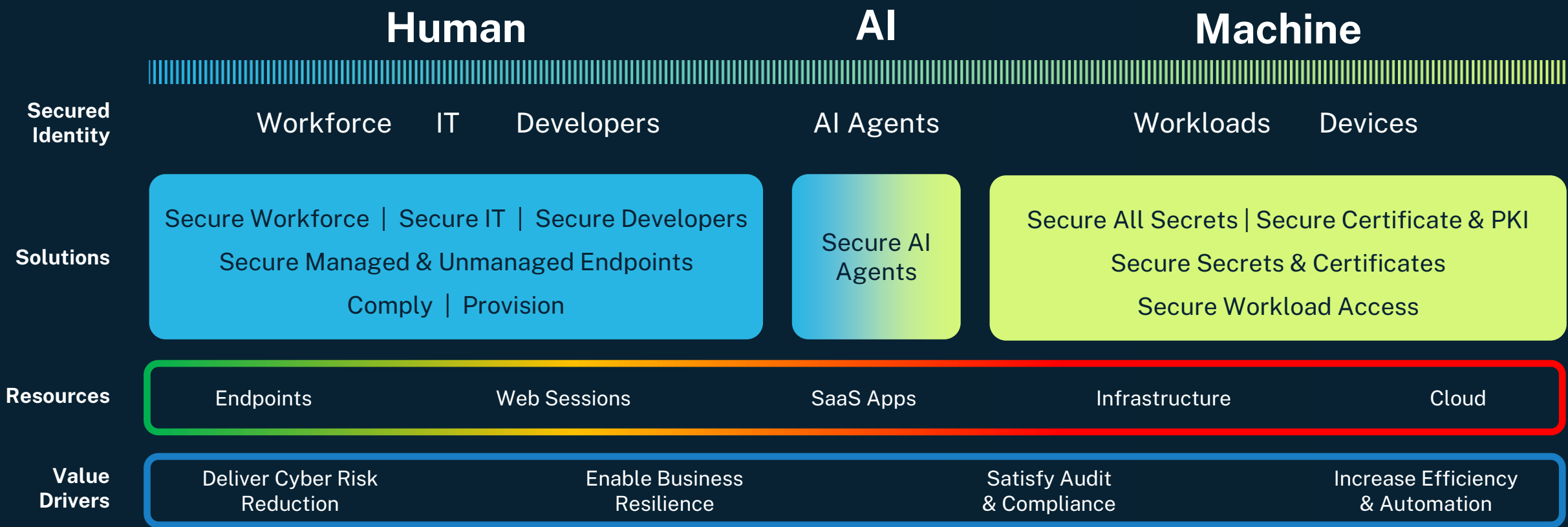
Discovery & Context



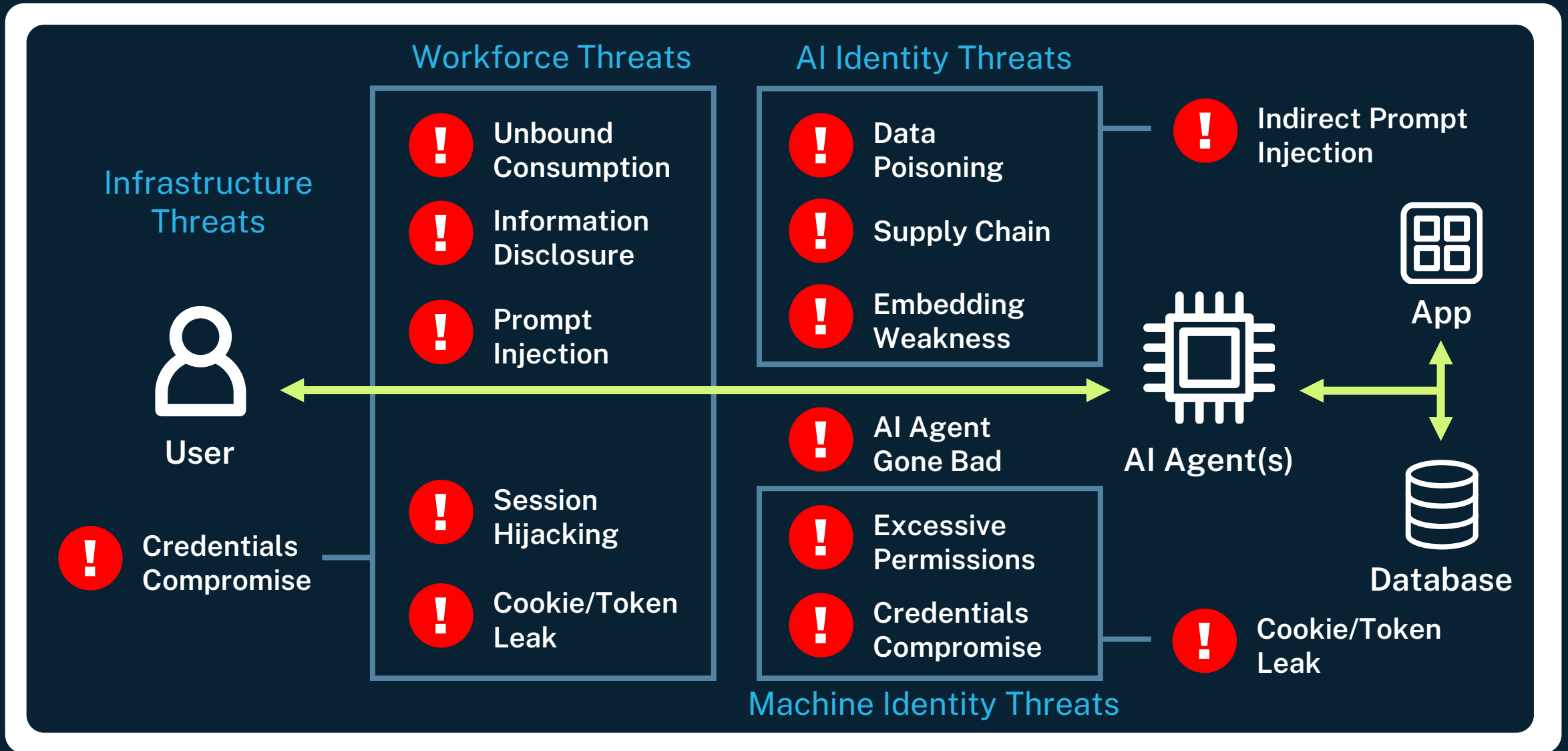
Governance & Compliance

CyberArk Identity Security Solutions

Powered by CORA AI



Securing AI Agents: An Identity Problem



Machine Identity Security

Volume



Variety



Velocity



**Increased
Risk &
Complexity**

State of Machine Identity Security

- In April 2025, the CA/Browser Forum Passed a Ballot to Reduce SSL/TLS Certificates to a Maximum of 47 Days by 2029
- That's down from an average certificate lifespan of 398 days

>80x

Number of machine identities compared to human identities

72%

Of organizations suffered at least one certificate related outage per year

77%

Of security leaders acknowledge an undiscovered machine identity is a potential point of compromise

81%

Believe machine identity will be a vital element of securing the future of AI

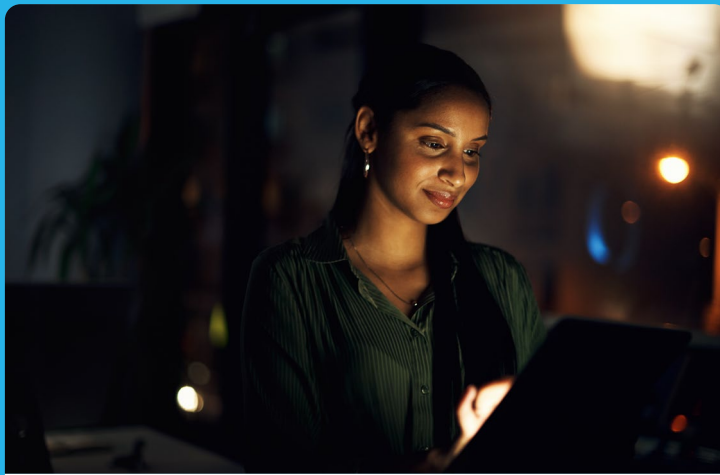
Zilla Security: Modern IGA **Drives Customer Value**



Quick Time-to-Value

Deployments **5** Times Faster

1,000+ Built-in Integrations
and Automation



Ease-of-Use

Up to **80%** Less Effort

Modern User Access Reviews
with Pre-Approvals



Efficiency

60% Fewer Tickets Needed

AI-Generated Entitlement
Recommendations



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Financial Overview

CyberArk Has a Compelling Financial Profile



Strong Track Record of Growth



Recurring Revenue Driving Visibility



Diverse, Balanced Customer Base



Consistent Land and Expand Motion

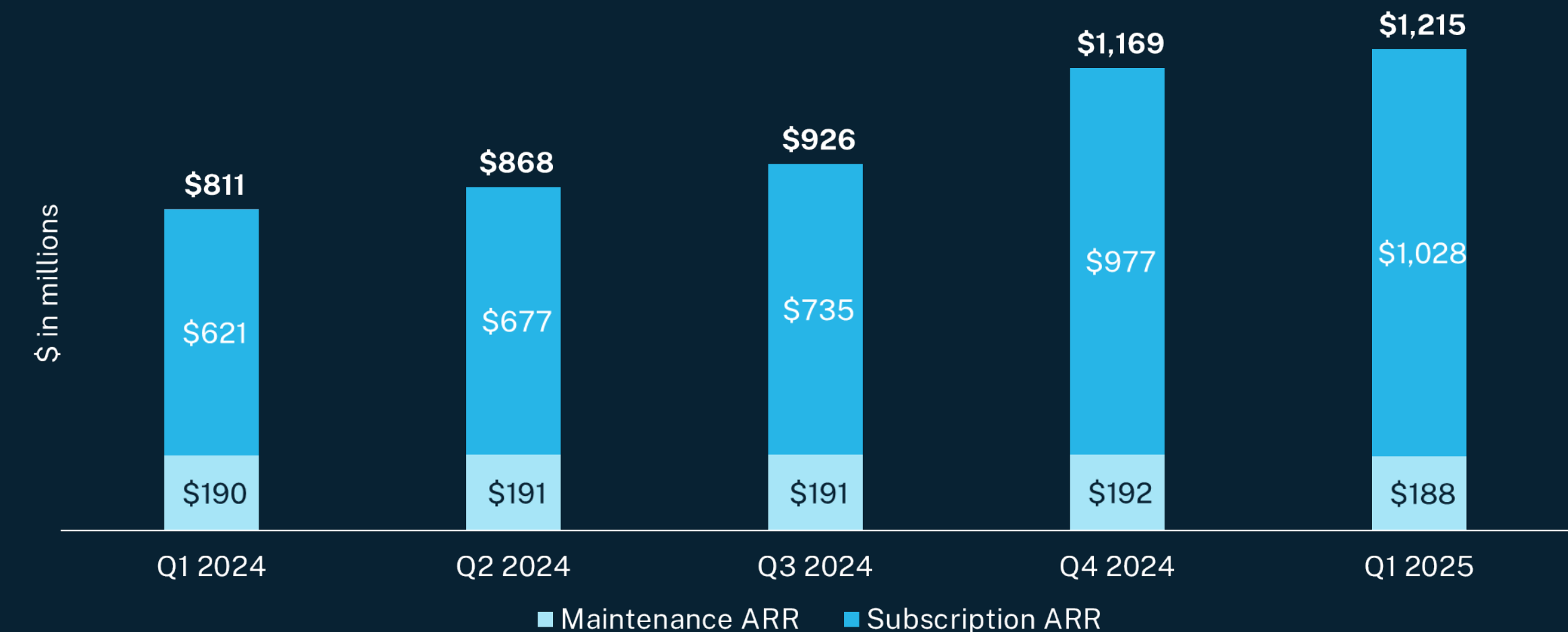


Strong Profitability & Cash Flow Generation

Continued Growth in Annual Recurring Revenue (ARR)

Subscription Portion of ARR Grew 65% Year-over-Year

Total ARR Grew 50% Year-over-Year

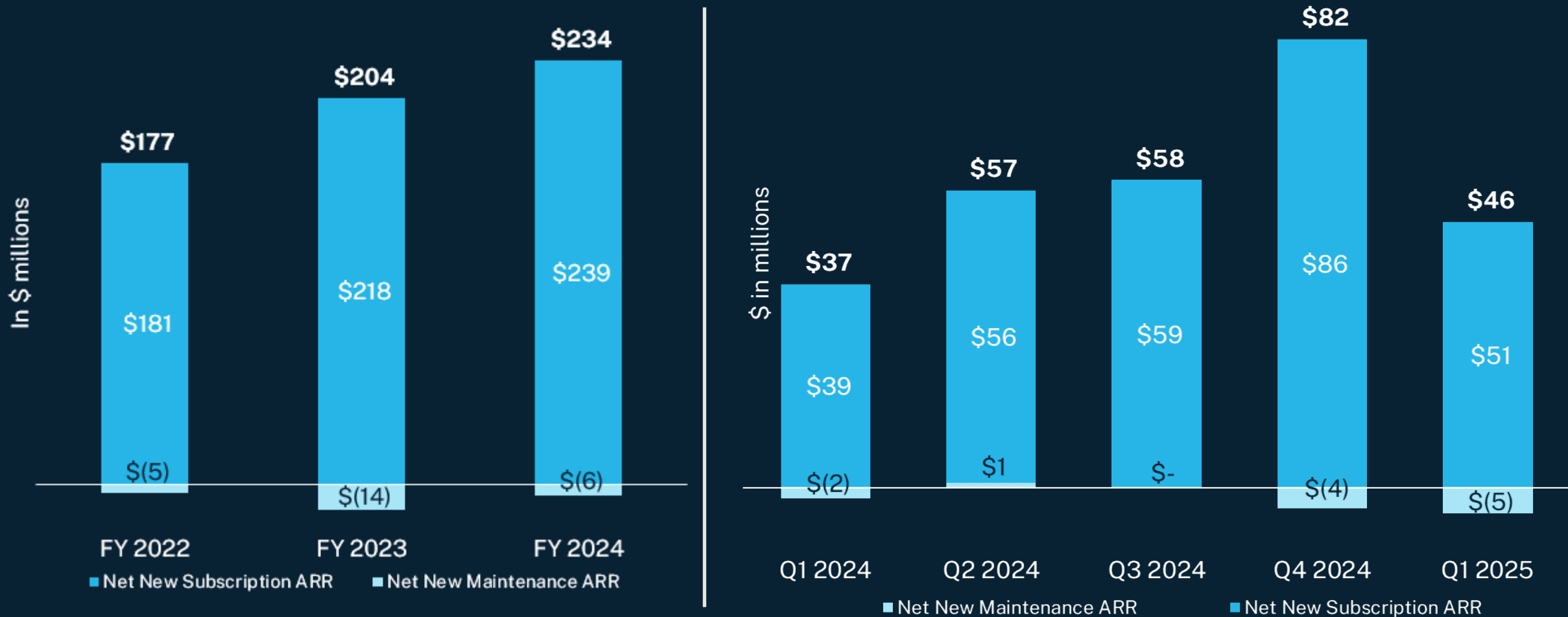


Totals may not sum because of rounding
The quarter ended Q1 2025 includes financial contributions from the acquisitions of Venafi, which closed in October 2024, and Zilla, which closed in February 2025.
Venafi and Zilla are not included in Q1 2024, Q2 2024, and Q3 2024, and Zilla is not included in Q4 2024.



Strong Net New ARR

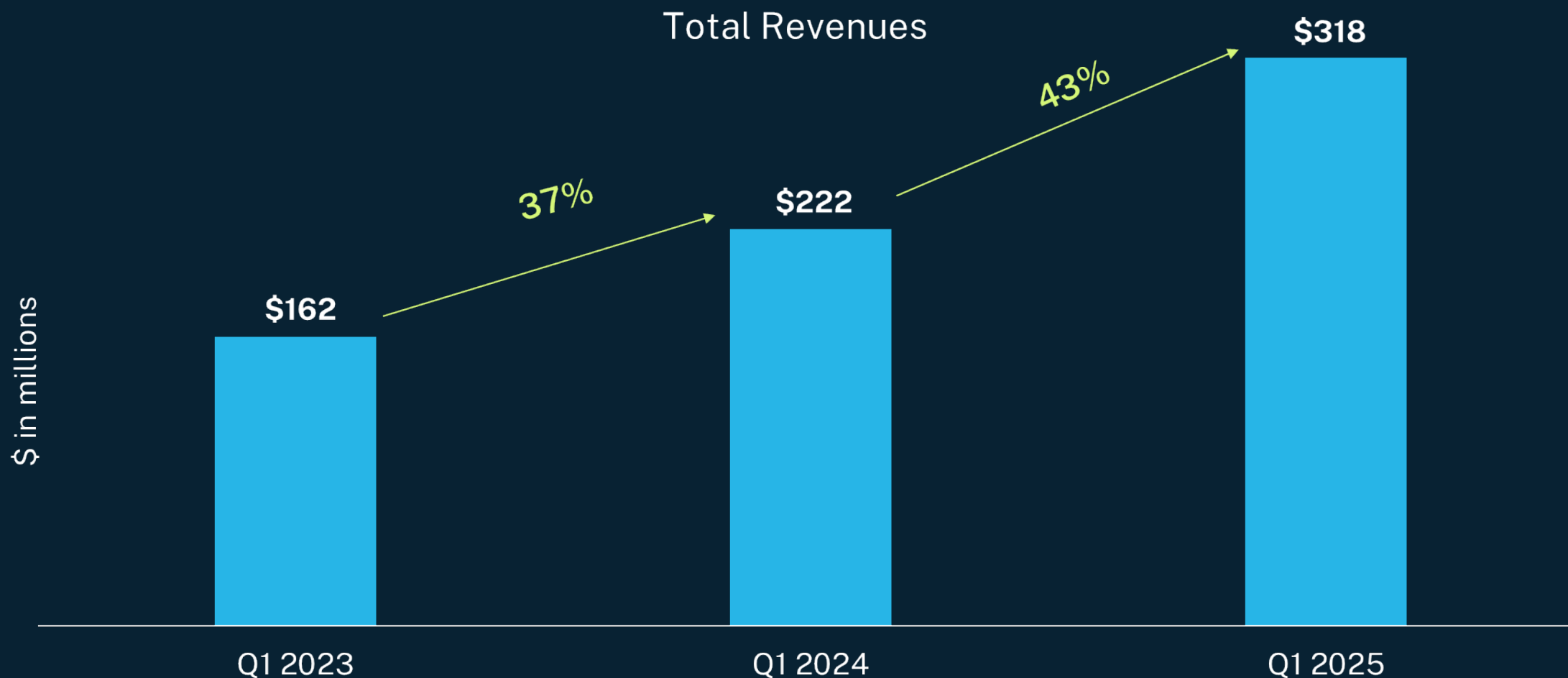
Net New Subscription ARR of \$51 million in the First Quarter of 2025



Totals may not sum because of rounding
For the definition of net new ARR, please refer to the 'Key Definitions' slide in the appendix of this presentation.
FY 2024 includes contributions from the acquisition of Venafi, which closed in Q4 2024, but was not included in comparable FY 2022 and FY 2023.
The quarter ended Q1 2025 includes financial contributions from the acquisitions of Venafi, which closed in October 2024, and Zilla, which closed in February 2025. Venafi and Zilla are not included in Q1 2024, Q2 2024, and Q3 2024, and Zilla is not included in Q4 2024.
Net new ARR from the acquisition of Venafi only refers to the difference in ARR between December 31, 2024 and September 30, 2024.

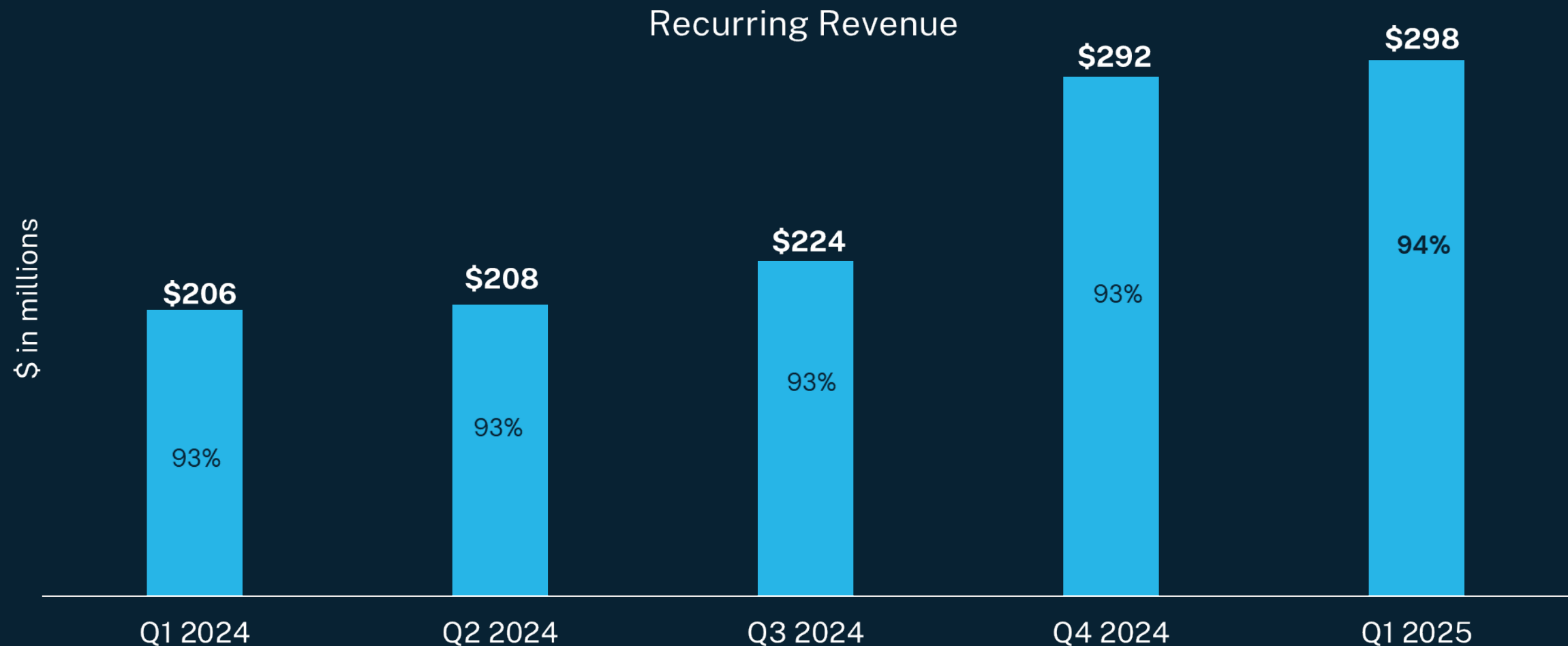
Strong Revenue Growth

Q1 2025 Revenue Exceeds High End of Guidance Range



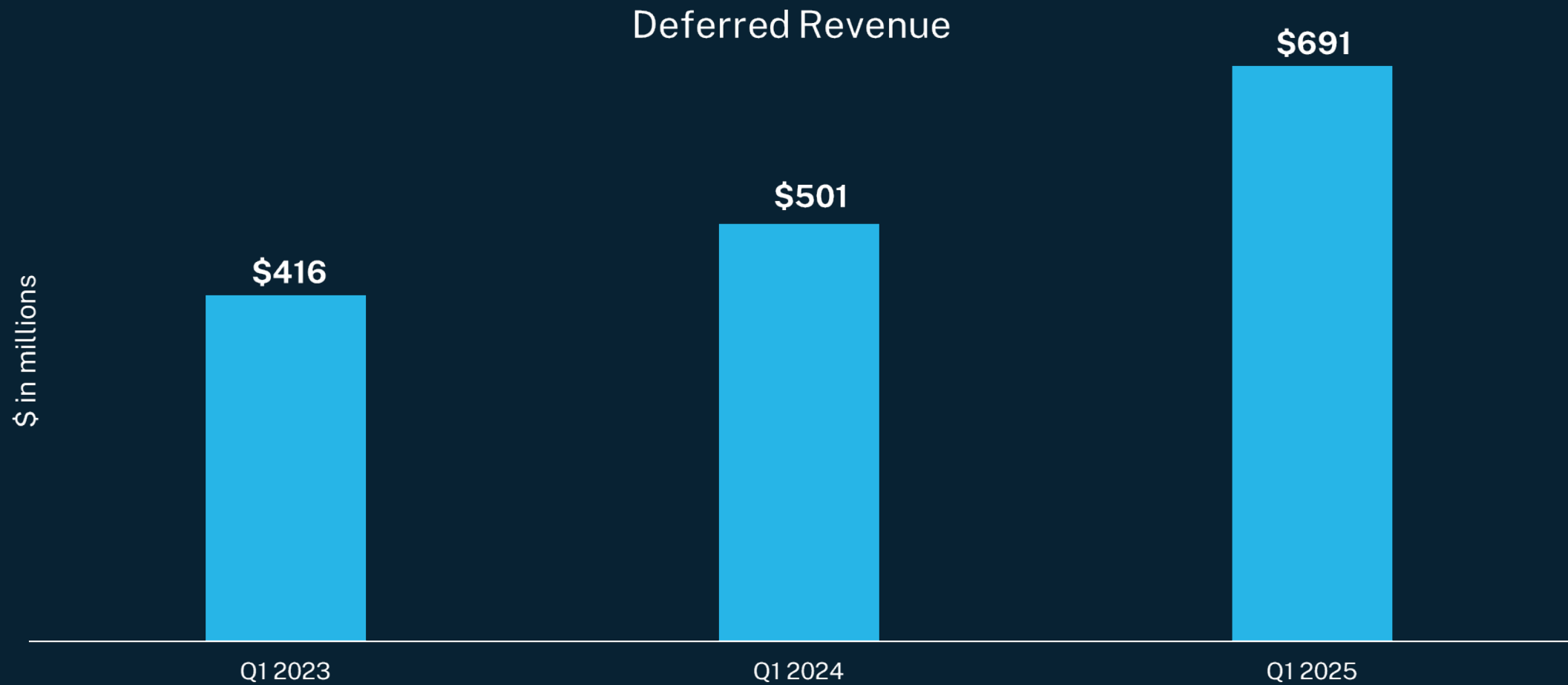
Recurring Revenue is Driving Growth

Recurring Revenue Growth of 45% Year-over-Year in Q1 2025



Percentages on the bar chart denote recurring revenue as a % of total revenue in the relevant period.
The quarter ended Q1 2025 includes financial contributions from the acquisitions of Venafi, which closed in Q4 2024, and Zilla, which closed in February 2025. Venafi and Zilla are not included in Q1 2024, Q2 2024, and Q3 2024, and Zilla is not included in Q4 2024.
For the definition of Recurring Revenue, please refer to the 'Key Definitions' slide in the appendix of this presentation.

Deferred Revenue Growth of 38% Year-over-Year



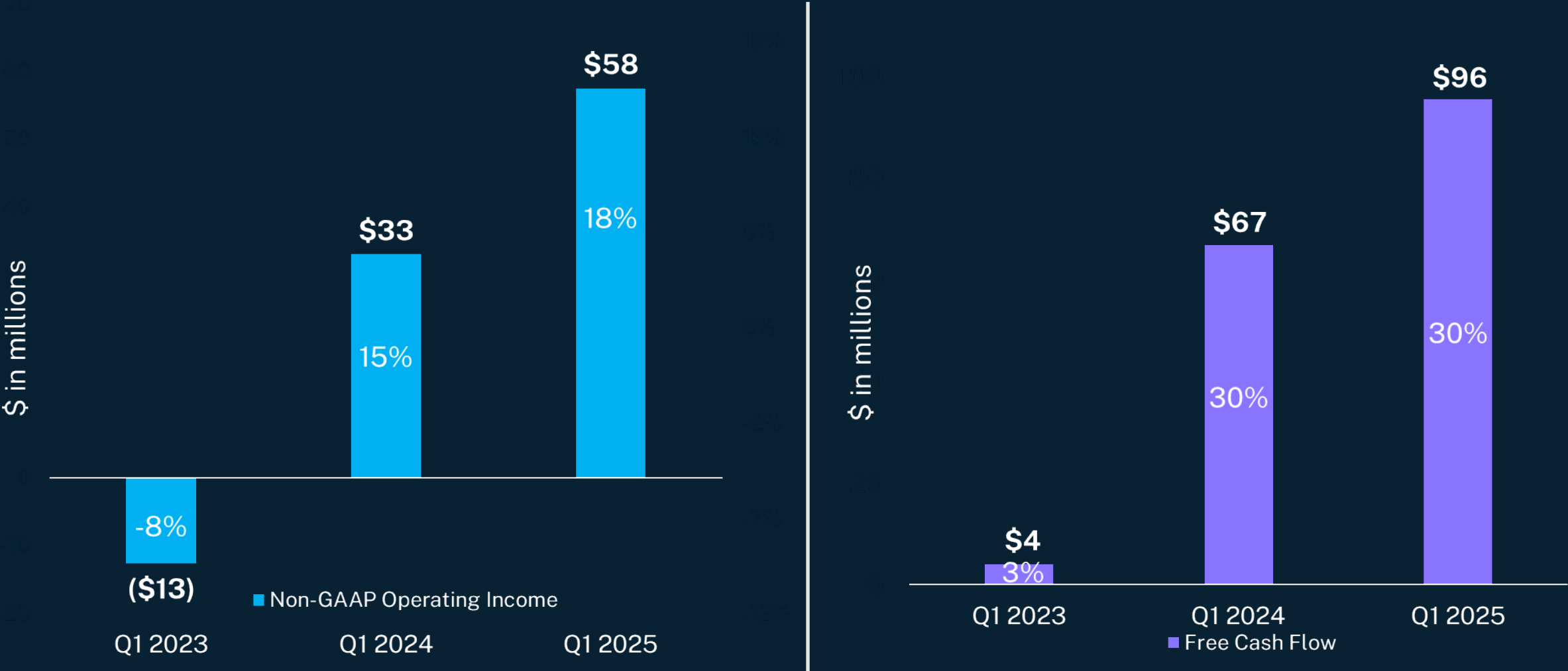
*We are deliberately moving our perpetual maintenance contracts to one-year terms as part of our subscription transition, which impacts our long-term deferred revenue in the quarter.

Growth rates on this slide refer to the period ending March 31, 2025, compared to the same period the year prior.

The quarter ended Q1 2025 includes financial contributions from the acquisitions of Venafi, which closed in October 2024, and Zilla, which closed in February 2025. Venafi and Zilla are not included in Q1 2023 and Q1 2024.

Solid Profitability and Cash Flow

Operational Excellence Driving Increased Operating Leverage and Cash Flow

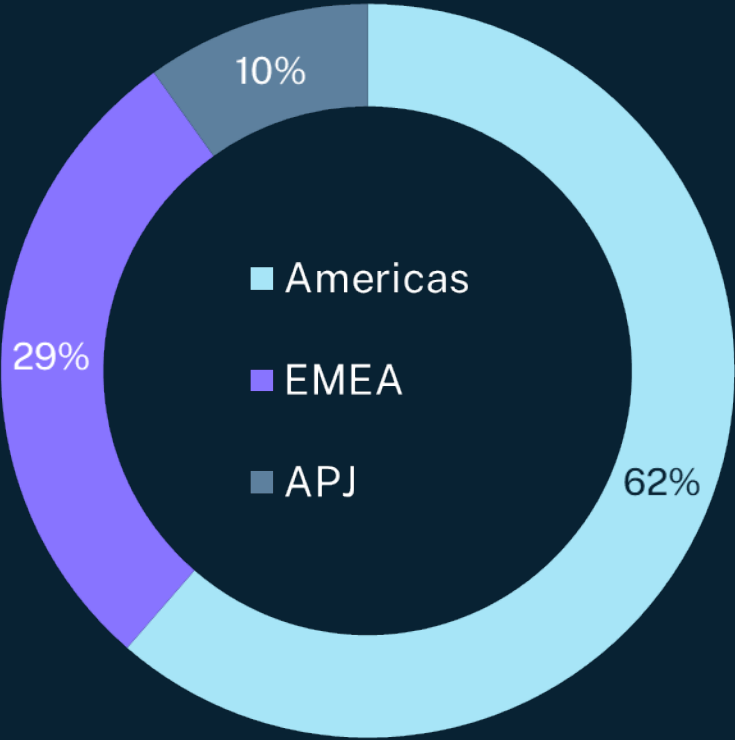


Percentages on the bar chart denote respective margins as a % of total revenue in the relevant period.
The quarter ended Q1 2025 includes financial contributions from the acquisitions of Venafi, which closed in October 2024, and Zilla, which closed in February 2025.
Venafi and Zilla are not included in Q1 2023 and Q1 2024.

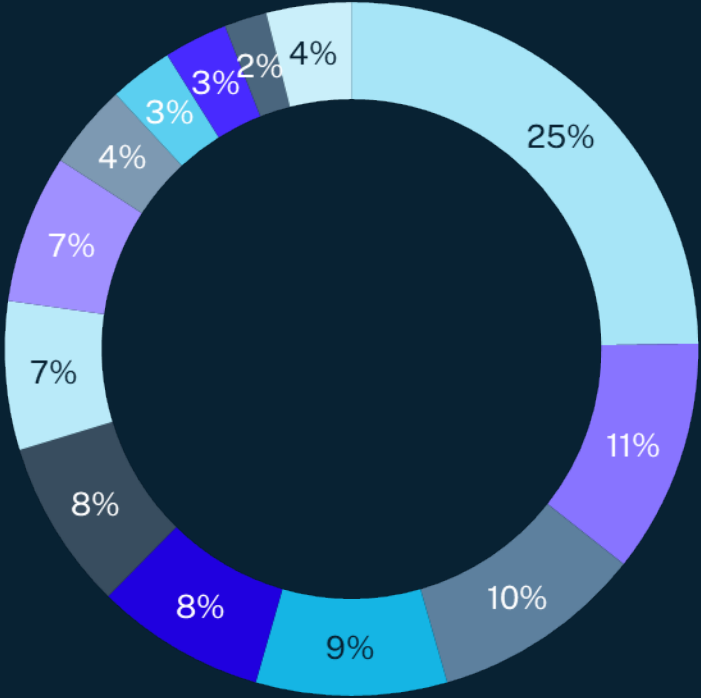


Global Business Across Diverse Industries

ARR by Geography



ARR by Vertical



- Banking & Financial
- Manufacturing
- Government
- Insurance
- IT Services & Software
- Healthcare
- Energy & Utilities
- Retail & Wholesale
- Telecommunication
- Transportation & Travel
- Professional Services
- Pharmaceuticals
- Other



Guidance



Guidance

Reflecting our leadership position in identity security, durable demand for our identity security platform, and our strong execution

	Q2 2025	Full Year 2025
Total Revenue Growth Year-over-Year	\$312.0 to \$318.0 million 39% to 42%	\$1.313 to \$1.323 billion 31% to 32%
Non-GAAP Operating Income	\$41.5 to \$46.5 million	\$221.0 to \$229.0 million
Non-GAAP EPS	\$0.74 to \$0.81 per diluted share	\$3.73 to \$3.85 per diluted share
Annual Recurring Revenue (ARR)* Growth Year-over-Year	--	\$1.410 to \$1.420 billion 21%
Adjusted Free Cash Flow**	--	\$300.0 to \$310.0 million
Weighted Average Shares Outstanding	51.5 million diluted shares	51.6 million diluted shares

Based on information available as of May 13, 2025, CyberArk is issuing guidance for the second quarter and full year 2025 as indicated above.

*As of December 31, 2025

**See the appendix for additional information

Venafi only contributed to CyberArk's results in the fourth quarter of 2024 and was not included in the comparable first, second, or third quarter in 2024. The expected contribution from Zilla is included in the second quarter and full year 2025 guidance. Zilla did not contribute to the comparable periods in 2024.



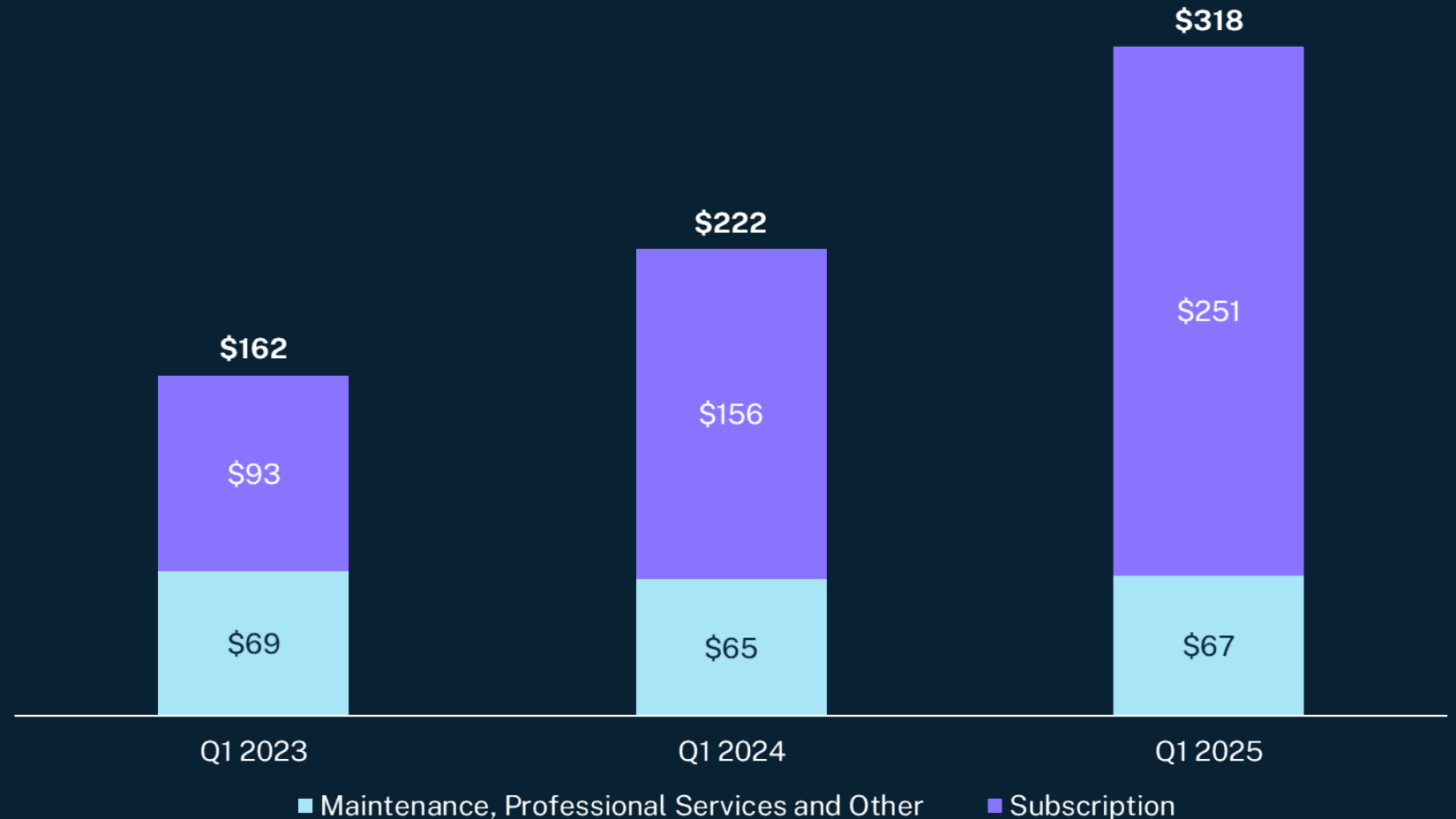
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Appendix



Subscription Revenue Growth of 60%

- 79% of Revenue in Q1 2025 is from Subscription, compared to 71% in Q1 2024



Totals may not sum because of rounding

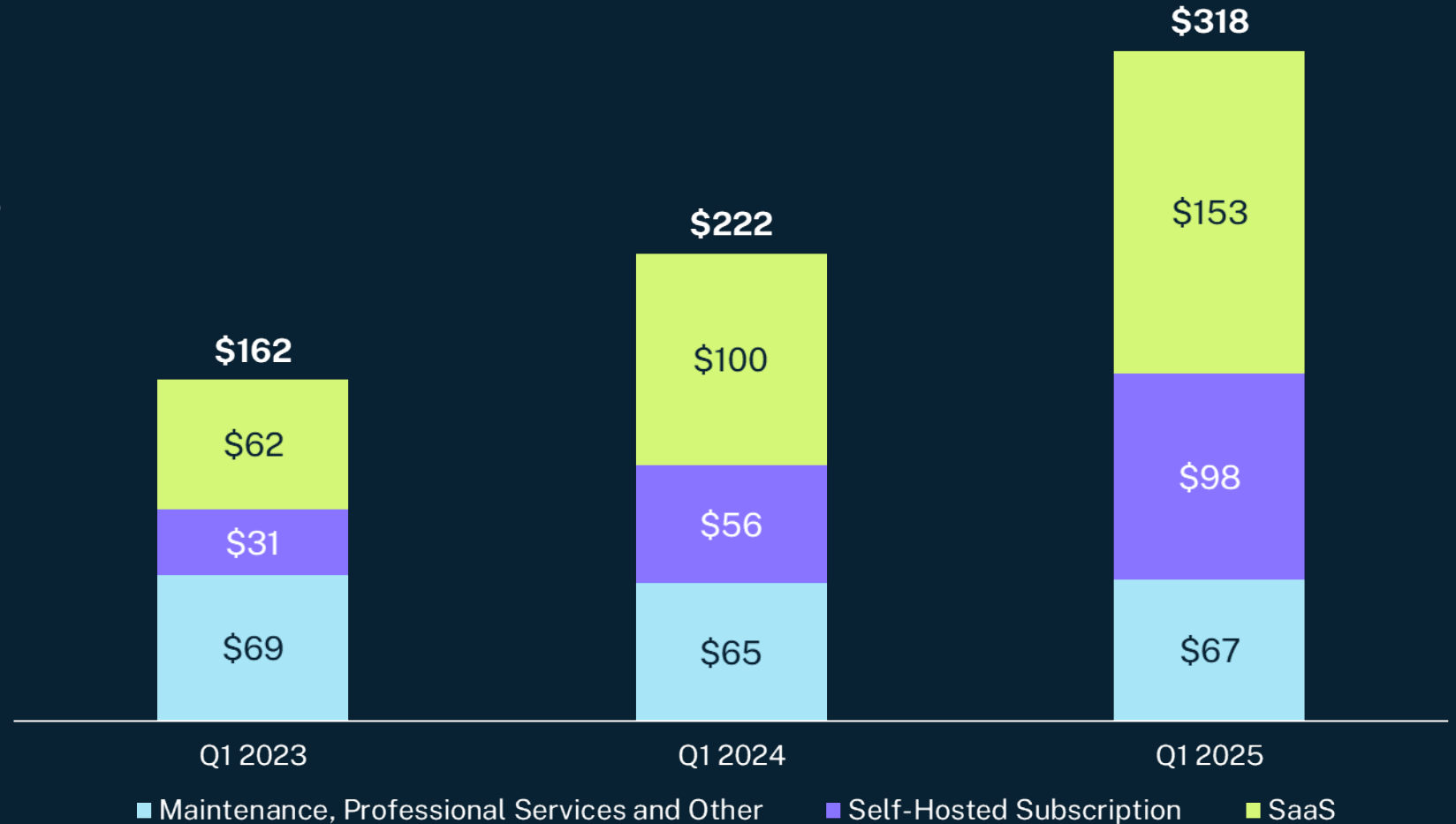
For the definition of Subscription Revenue, please refer to the 'Key Definitions' slide in the appendix of this presentation.

The quarter ended Q1 2025 includes financial contributions from the acquisitions of Venafi, which closed in October 2024, and Zilla, which closed in February 2025.

Venafi and Zilla are not included in Q1 2023 and Q1 2024.

Subscription Revenue Growth of 60%

- SaaS revenue grew 52% YoY
- Self-Hosted Subscription revenue grew 75% YoY



Totals may not sum because of rounding

For the definition of Subscription Revenue, please refer to the 'Key Definitions' slide in the appendix of this presentation.

The quarter ended Q1 2025 includes financial contributions from the acquisitions of Venafi, which closed in October 2024, and Zilla, which closed in February 2025.

Venafi and Zilla are not included in Q1 2023 and Q1 2024.

New Presentation of Revenue Line Items

(In Thousands)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Revenues:					
Subscription	92,720	106,167	122,879	150,257	472,023
Maintenance, Professional Services and Other	68,985	69,676	68,357	72,847	279,865
Total revenues	161,705	175,843	191,236	223,104	751,888
Cost of revenues:					
Subscription	13,306	14,847	16,258	16,757	61,169
Maintenance, Professional Services and Other	16,906	17,733	16,827	16,608	68,073
Total cost of revenues	30,212	32,580	33,085	33,365	129,242
Non-GAAP Gross profit	131,493	143,263	158,151	189,739	622,646

(In Thousands)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024
Revenues:					
Subscription	156,239	158,414	175,577	243,045	733,275
Maintenance, Professional Services and Other	65,311	66,292	64,525	71,339	267,467
Total revenues	221,550	224,706	240,102	314,384	1,000,742
Cost of revenues:					
Subscription	17,774	19,198	21,082	25,269	83,323
Maintenance, Professional Services and Other	18,038	18,621	18,694	21,973	77,326
Total cost of revenues	35,812	37,819	39,776	47,242	160,649
Non-GAAP Gross profit	185,738	186,887	200,326	267,142	840,093

Totals may not sum because of rounding

For the definition of Subscription Revenue, please refer to the 'Key Definitions' slide in the appendix of this presentation.

The quarter ended Q4 2024 includes financial contribution from the acquisitions of Venafi, which closed in October 2024.

Venafi is not included in the periods prior to Q4 2024.

GAAP to Non-GAAP Reconciliation

(In Thousands)	2022	2023	2024	Q1 2024	Q1 2025
GAAP gross profit to Non-GAAP gross profit :					
Gross Profit	\$465,664	\$595,757	\$792,365	\$179,142	\$241,340
Share-based compensation	15,060	17,612	21,724	4,820	5,692
Amortization of stock-based compensation capitalized in software development costs	346	393	328	72	94
Amortization of intangible assets	6,044	6,817	25,676	1,704	21,447
Impairment of capitalized software development costs	--	2,067	--	--	--
Non-GAAP gross profit	\$487,114	\$622,646	\$840,093	\$185,738	\$268,573

GAAP to Non-GAAP Reconciliation

(In Thousands)	2022	2023	2024	Q1 2024	Q1 2025
GAAP operating loss to Non-GAAP operating income (loss):					
Operating loss	\$(152,450)	\$(116,472)	\$(72,804)	\$(6,378)	\$(20,733)
Share-based compensation	120,821	140,101	168,766	37,499	48,202
Amortization of stock-based compensation capitalized in software development costs	346	393	328	72	94
Amortization of intangible assets	6,655	7,364	32,777	1,829	28,872
Acquisition related expenses	2,244	--	21,800	--	1,105
Impairment of capitalized software development costs	--	2,067	--	--	--
Non-GAAP operating income (loss)	\$(22,384)	\$33,453	\$150,867	\$33,022	\$57,540
GAAP net income (loss) to Non-GAAP net income (loss):					
Net income (loss)	\$(130,368)	\$(66,504)	\$(93,461)	\$5,470	\$11,463
Share-based compensation	120,821	140,101	168,766	37,499	48,202
Amortization of stock-based compensation capitalized in software development costs	346	393	328	72	94
Amortization of intangible assets	6,655	7,364	32,777	1,829	28,872
Acquisition related expenses	2,244	--	21,800	--	1,105
Amortization of debt discount and issuance costs	2,980	2,996	2,660	751	--
Change in fair value of derivative assets	--	--	(4,618)	--	--
Gain from investment in privately held companies	(324)	(2,757)	--	--	--
Impairment of capitalized software development costs	--	2,067	--	--	--
Tax adjustments	(20,189)	(31,656)	19,297	(9,752)	(39,439)
Non-GAAP Net Income (Loss)	\$(17,835)	\$52,004	\$147,549	\$35,869	\$50,297

Reconciliation of GAAP Operating Cash Flow to Free Cash Flow

(In Thousands)	2022	2023	2024	Q1 2024	Q1 2025
Net cash provided by operating activities	\$49,708	\$56,204	\$231,887	\$68,635	\$98,528
Purchase of Property and Equipment and other	(8,627)	(3,280)	(9,178)	(1,356)	(1,699)
Capitalized internal-use software	(3,890)	(1,668)	(1,881)	(509)	(1,307)
Free Cash Flow	\$37,191	\$51,256	\$220,828	\$66,770	\$95,522

Guidance: Free Cash Flow and Adjusted Free Cash Flow

(\$ in millions)	FY 2025	
	Guidance Range	
	Low	High
Free cash flow	\$243 million	\$253 million
Add: cash payment related to IP transfer ⁽¹⁾	\$42 million	\$42 million
Add: capital expenditures related to new U.S. Headquarters	\$15 million	\$15 million
Adjusted free cash flow (non-GAAP)	\$300 million	\$310 million

U.S. Base Erosion and Anti-Abuse Tax (BEAT)

CyberArk expects to pay approximately \$17 to \$20 million in incremental taxes associated with U.S. BEAT under the Tax Cuts and Jobs Act. This amount is not included in the one-time IP transfer tax payment and will be absorbed in reported cash flows from operating activities⁽²⁾

⁽¹⁾One-time tax payment related to the capital gain associated with the intercompany migration of intellectual property related to the Venafi acquisition.

This estimated tax payment represents our best estimate of the tax payment related to the IP transfer based on current assumptions and information available. The final tax liability will ultimately be dependent on and could be affected by a number of factors including, but not limited to, deductions based on our stock price, income recognition and/or deductibility of deferred items, eligibility to and utilization of tax credits and other tax deductions, and intercompany payments in the fiscal year 2025

⁽²⁾ The estimated BEAT liability is preliminary and subject to change. The final amount will depend primarily on our ordinary taxable income, which forms the basis of the BEAT computation, and on the value of U.S. intercompany payments subject to base erosion, as determined under applicable transfer pricing rules. The liability may also be affected by overall business performance, the timing and deductibility of expenses, the availability of tax credits, and any future regulatory or legislative developments.

GAAP Diluted Net Loss per Ordinary Share

(In Thousands, except per share data)	2022	2023	2024	Q1 2024	Q1 2025
Numerator					
Net Income (Loss) Attributable to Common Stockholders, basic	\$(130,368)	\$(66,504)	\$(93,461)	\$5,470	\$11,463
Add: Interest expense on convertible senior notes net of tax	-	-	-	661	-
Net Income (Loss) Attributable to Common Stockholders, diluted	\$(130,368)	\$ (66,504)	\$ (93,461)	\$6,130	\$11,463
Shares used in computing net income (loss) per ordinary shares, diluted	40,583,002	41,658,424	44,182,071	47,737,396	51,203,805
Diluted net income (loss) per ordinary share	\$ (3.21)	\$ (1.60)	\$ (2.12)	\$0.13	\$0.22

How We Calculate ARR

ARR is defined as the annualized value of active SaaS, self-hosted subscriptions and their associated maintenance & support services, and maintenance contracts related to the perpetual licenses in effect at the end of the reported period.

Subscription portion of ARR is defined as the annualized value of active SaaS and self-hosted subscription contracts in effect at the end of the reported period. The subscription portion of ARR excludes maintenance contracts related to perpetual licenses.

$$ARR = \frac{TCV \times 365}{Duration (days)}$$

Key Definitions

- **Annual Recurring Revenue (ARR):** ARR is defined as the annualized value of active SaaS, self-hosted subscriptions and their associated maintenance and support services, and maintenance contracts related to the perpetual licenses in effect at the end of the reported period.
- **Subscription Portion of Annual Recurring Revenue:** Subscription portion of ARR is defined as the annualized value of active SaaS and self-hosted subscription contracts in effect at the end of the reported period. The subscription portion of ARR excludes maintenance contracts related to perpetual licenses.
- **Maintenance Portion of Annual Recurring Revenue:** Maintenance portion of ARR is defined as the annualized value of active maintenance contracts related to perpetual licenses. The Maintenance portion of ARR excludes SaaS and self-hosted subscription contracts in effect at the end of the reported period.
- **Net New ARR:** Net new ARR refers to the difference between ARR as of March 31, 2025 and ARR as of December 31, 2024.
- **Recurring Revenue:** Recurring Revenue is defined as revenue derived from SaaS and self-hosted subscription contracts, and maintenance contracts related to perpetual licenses during the reported period.
- **Subscription Revenue:** Subscription Revenue is defined as SaaS plus Self-Hosted Subscription (both License + Ratable Maintenance of self-hosted Subscription Revenue).
- **Non-GAAP operating income (loss):** Non-GAAP operating income (loss) is calculated as GAAP operating loss excluding share-based compensation expense and amortization of intangible assets related to acquisitions.
- **Free Cash Flow:** Free cash flow is calculated as net cash provided by operating activities less purchase of property and equipment and other assets, and capitalized internal-use software.
- **Adjusted Free Cash Flow:** Adjusted free cash flow is calculated as free cash flow plus one-time tax payment on the capital gain from the intercompany migration of intellectual property (IP) related to the Venafi acquisition and capital expenditures related to our new U.S. headquarters.



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Thank You

