



The Box Content Cloud

Deutsche Bank 2021 Technology Conference

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September 10, 2021



Forward-looking statements & non-GAAP financial measures

This presentation contains forward-looking statements that involve risks, uncertainties, and assumptions, including statements regarding Box's expectations regarding the size of its market opportunity, sales productivity, its leadership position in the cloud content management market, the demand for its products, the timing of recent and planned product introductions, enhancements and integrations, the short- and long-term success, market adoption, capabilities, and benefits of such product introductions and enhancements, the success of strategic partnerships, the impact of its acquisitions on future Box product offerings, the benefits to its customers from completing acquisitions, the time needed to integrate acquired businesses into Box, the impact of the COVID-19 pandemic on its business, its ability to grow and scale its business and drive operating efficiencies, its ability to achieve revenue targets and billings expectations, its revenue growth rate plus free cash flow margin in fiscal year 2022 and beyond, its long-term financial targets for fiscal year 2024 and beyond, its ability to achieve profitability on a quarterly or ongoing basis, its free cash flow, its ability to continue to grow unrecognized revenue and remaining performance obligations, its revenue, billings, GAAP and non-GAAP gross margin, GAAP and non-GAAP net income (loss) per share, non-GAAP operating margins, the related components of GAAP and non-GAAP net income (loss) per share, its net retention rate, weighted-average outstanding share count expectations for Box's fiscal third quarter and full fiscal year 2022, the KKR-led investment and achievement of its potential benefits, any potential repurchase of its common stock.

There are a significant number of factors that could cause actual results to differ materially from statements made in this presentation, including: (1) adverse changes in general economic or market conditions, including those caused by the COVID-19 pandemic; (2) delays or reductions in information technology spending; (3) factors related to Box's highly competitive market, including but not limited to pricing pressures, industry consolidation, entry of new competitors and new applications and marketing initiatives by Box's current or future competitors; (4) the development of the cloud content management market; (5) the risk that Box's customers do not renew their subscriptions, expand their use of Box's services, or adopt new products offered by Box on a timely basis, or at all; (6) Box's ability to provide timely and successful enhancements and integrations, new features, integrations and modifications to its platform and services; (7) actual or perceived security vulnerabilities in Box's services or any breaches of Box's security controls; (8) Box's ability to realize the expected benefits of its third-party partnerships; (9) the potential impact of shareholder activism on Box's business and operations; and (10) Box's ability to successfully integrate acquired businesses and achieve the expected benefits from those acquisitions. Further information on these and other factors that could affect the forward-looking statements we make in this presentation can be found in the documents that we file with or furnish to the US Securities and Exchange Commission, including Box's most recent Quarterly Report on Form 10-Q filed for the fiscal quarter ended July 31, 2021.

You should not rely on any forward-looking statements, and we assume no obligation, nor do we intend, to update them. All information in this presentation is as of September 10, 2021.

This presentation contains non-GAAP financial measures and key metrics relating to the company's past and expected future performance. You can find the reconciliation of these measures to the nearest comparable GAAP financial measures in the appendix at the end of this presentation.

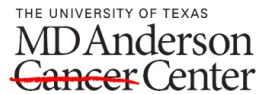
Our mission is to power how the world works together

67%

Fortune 500

100K+

Customers



Morgan Stanley



SEPHORA



UNITEDHEALTH GROUP®



Three megatrends are driving the future of work



Work anywhere

Work happens anywhere, anytime,
from any app or device



Digital-first

Every customer, partner, and
employee interaction is digital



Secure

Ransomware, cybersecurity threats,
and compliance challenges increasing

We need a new approach to content in the cloud

On-prem file servers

Centralized network storage

 NetApp®  EMC²



1990s

Enterprise content management

Lifecycle governance
designed for admins,
not end users

 SharePoint  OpenText™

 documentum

2000s

Enterprise file sync and share

Easy access and sharing
designed for individual consumers

 OneDrive  Dropbox

 Google Drive

2010s

Cloud content management

One secure platform
for the entire content
journey, integrated into
all your apps

 box

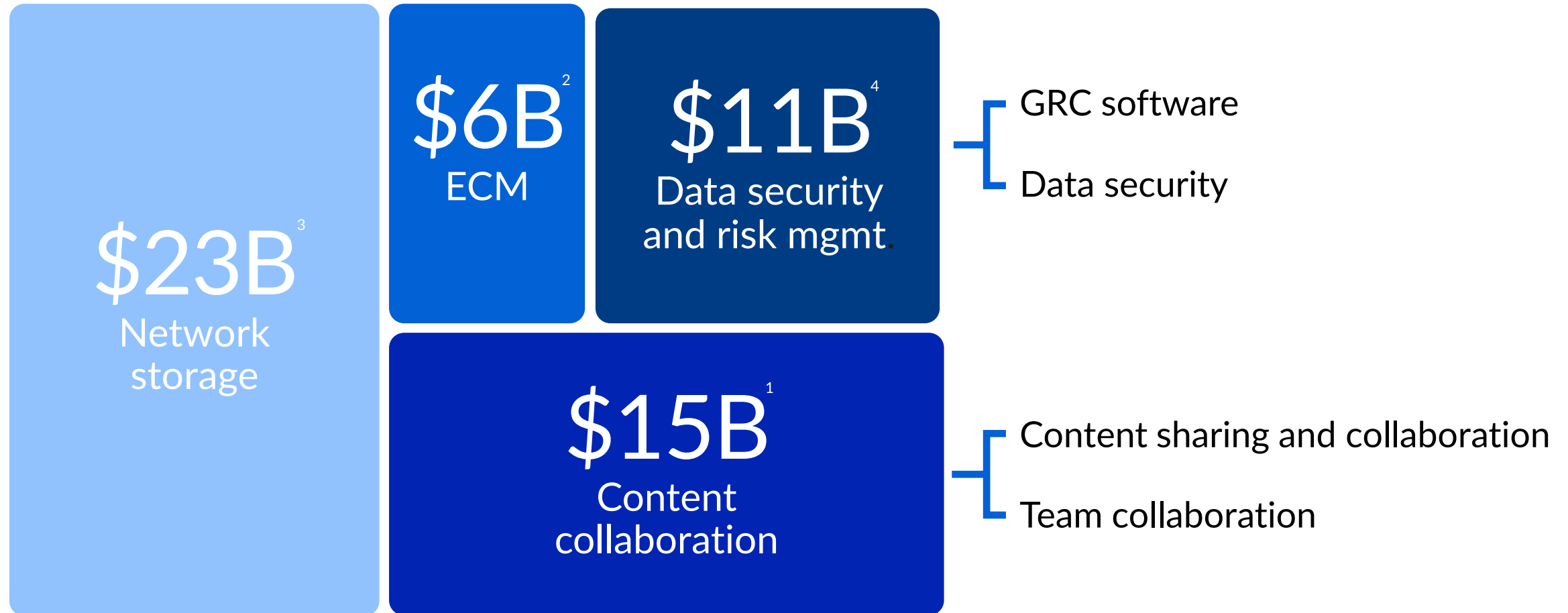
Today

The Box Content
Cloud powers the
entire content
lifecycle in a single
integrated platform



Our expanded product portfolio addresses a ~\$55B market ⁸

Addition of Box Sign enables customers to manage entire content lifecycle in the cloud



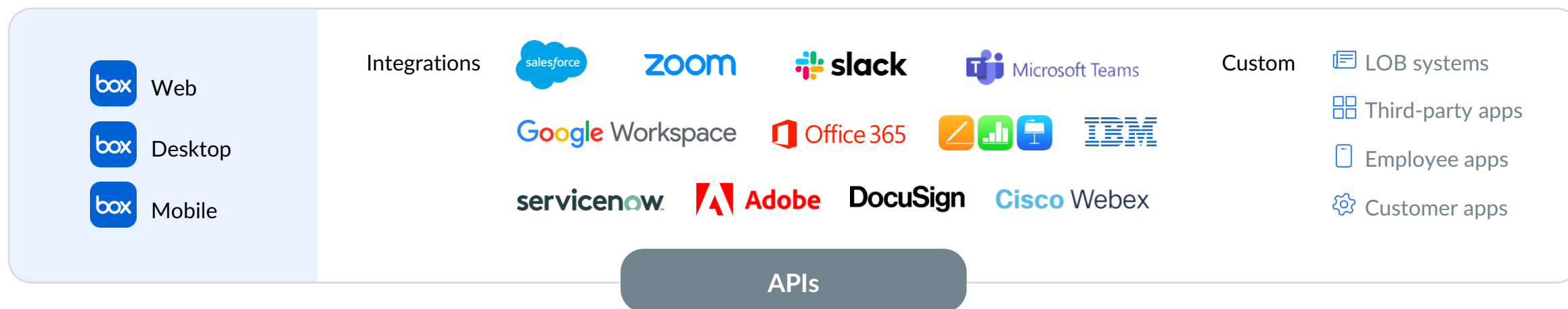
(1) IDC, Worldwide ECM and CSC Market Forecast (2019), projected to 2023; IDC, Team Collaboration Market Forecast (2019), projected to 2023

(2) IDC, Worldwide ECM and CSC Market Forecast (2019), projected to 2023

(3) IDC, Worldwide File-based Storage Market Forecast (2015), projected to 2019

(4) Statista, Size of worldwide Cyber Security Market (2019), projected to 2023; IDC, Worldwide GRC Software Market Forecast (2019), projected to 2023

We are building the most extensive content platform



Content services

Files, folders, metadata Secure sharing Collaboration Workflow E-signature Search Analytics Intelligence

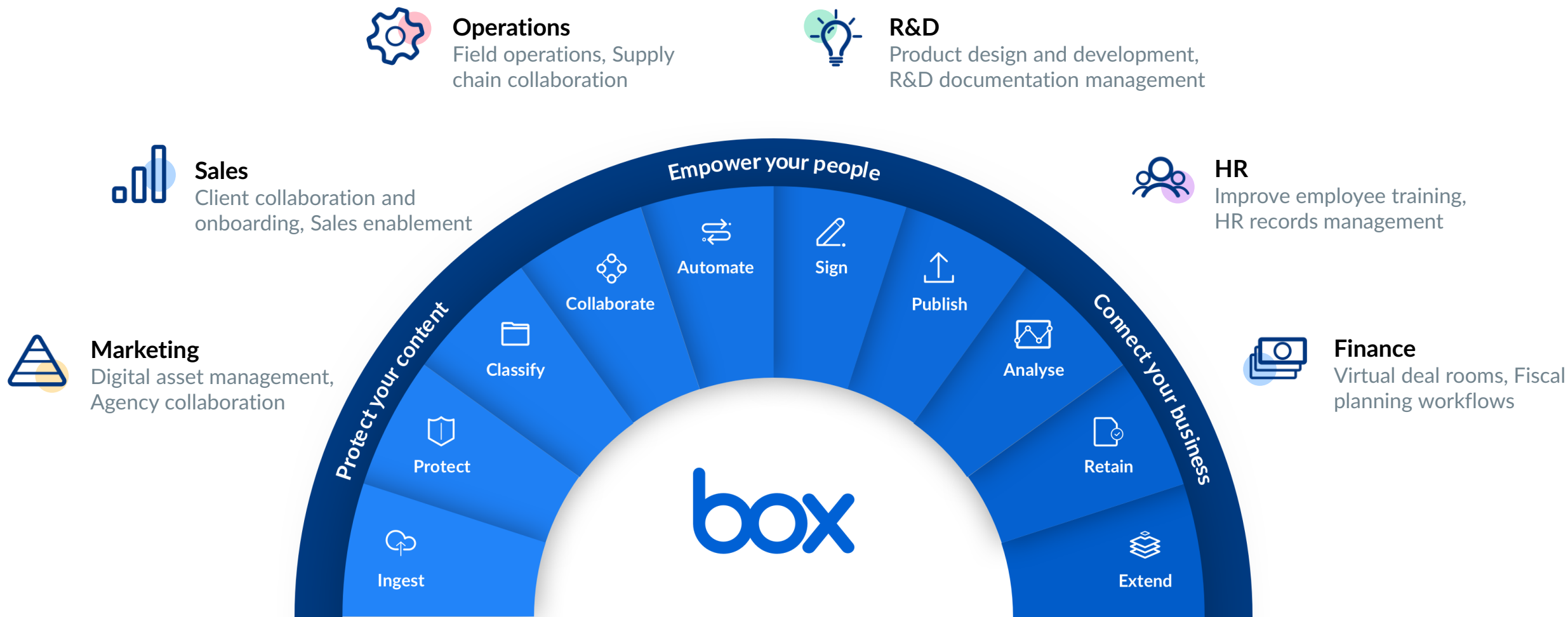
Security and compliance

Permissions PII scanning Classifications Threat detection Audit trails Governance Encryption Data residency

Security integrations: Splunk, Okta, Microsoft MIP, Palo Alto Networks, Mobile Iron, AirWatch

Scalable, cloud-native global infrastructure

That powers mission critical workflows across the enterprise



Box Sign: Simple, secure e-signatures where your content lives¹¹

- E-signatures where they belong
- Connect Box Sign to your workflows
- Extend the power of e-signatures with APIs
- Secure and compliant e-signatures
- Save money across your organization

The screenshot displays a web interface for signing a document. At the top, a header bar shows the document title 'Confidentiality Agreement.pdf' with a 'CONFIDENTIAL' label, a version indicator 'V2', and metadata 'Acme Corporation Documents · Updated Nov 12 by Martha Baker'. A 'Download' button is in the top right. The document text includes a confidentiality agreement for 'Acme Corporation' signed by 'Nancy Snyder'. A blue overlay box on the left contains three options: 'Request Signature' (selected), 'Fill and Sign', and 'Create Template'. At the bottom, a signature field labeled 'Signature' contains a handwritten signature, with a 'SIGN HERE' button to its right. Below the signature, the name 'Calvin Peterson' and 'Print Name' are visible, followed by the date '11/12/21' and 'Date'.

V2 Confidentiality Agreement.pdf **CONFIDENTIAL**
Acme Corporation Documents · Updated Nov 12 by Martha Baker

I understand that I may come in contact with confidential information during my time at Acme Corporation. As part of the condition of my work with Acme Corporation I hereby undertake to keep in strict confidence any information regarding any client, employee or business of Acme Corporation or any other organization that comes to my attention while at Acme Corporation. I will do this in accordance with the Acme Corporation privacy policy and applicable laws, including those that require mandatory reporting.

I also agree to never remove any confidential material of any kind from the premises of Acme Corporation unless authorized as part of my duties, or with the express permission or direction to do so from Nancy Snyder.

Calvin Peterson
Print Name

Signature

11/12/21
Date

SIGN HERE

Our GTM strategy is to drive the widest penetration of Box



Land



Adopt



Expand



Retain



Drive seat growth by going wider within customers by selling the Box Content Cloud enterprise-wide



Drive higher price per seat by going deeper in accounts and powering higher-value use-cases and selling Box Suites and multi product plans

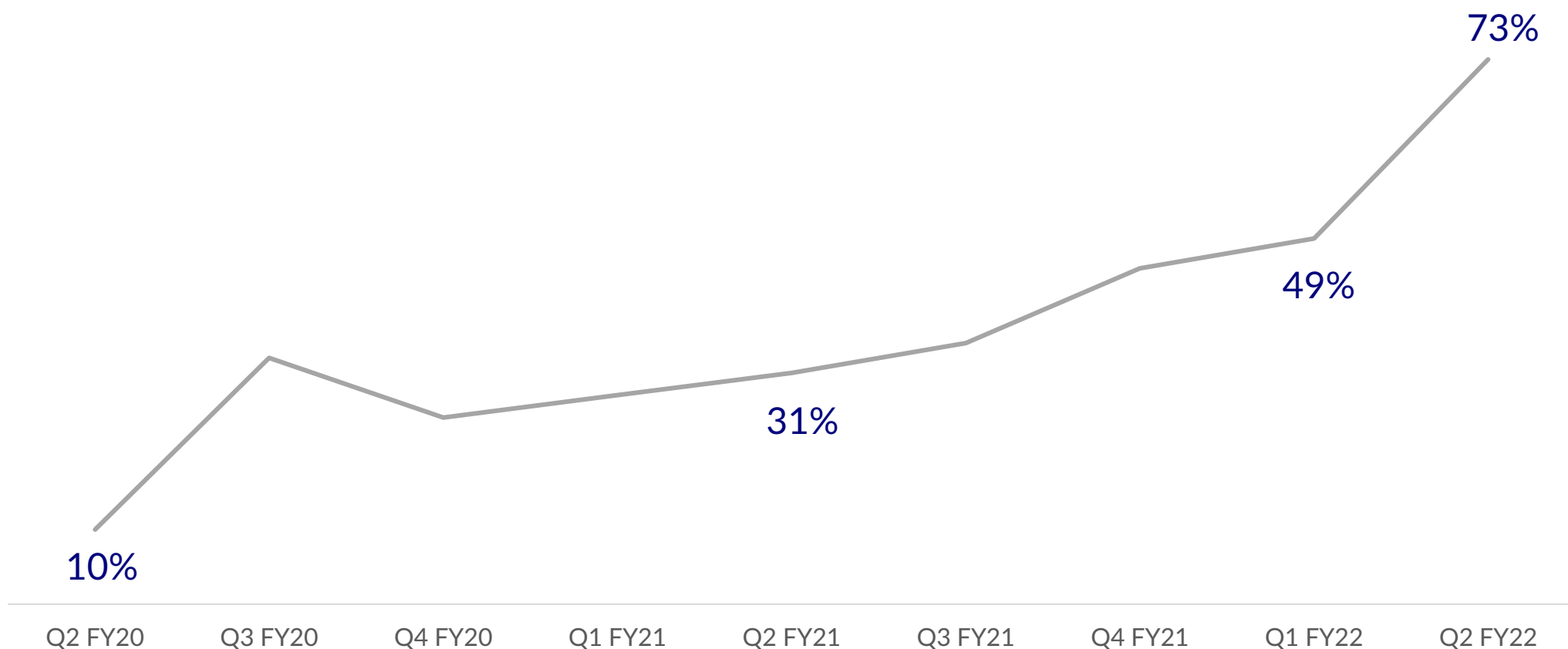


Improve net retention through broader product adoption and increasing stickiness of the Box platform

Shift to multi-product solution selling is paying off

Consistent improvement in attach rates demonstrates platform's enhanced strategic value

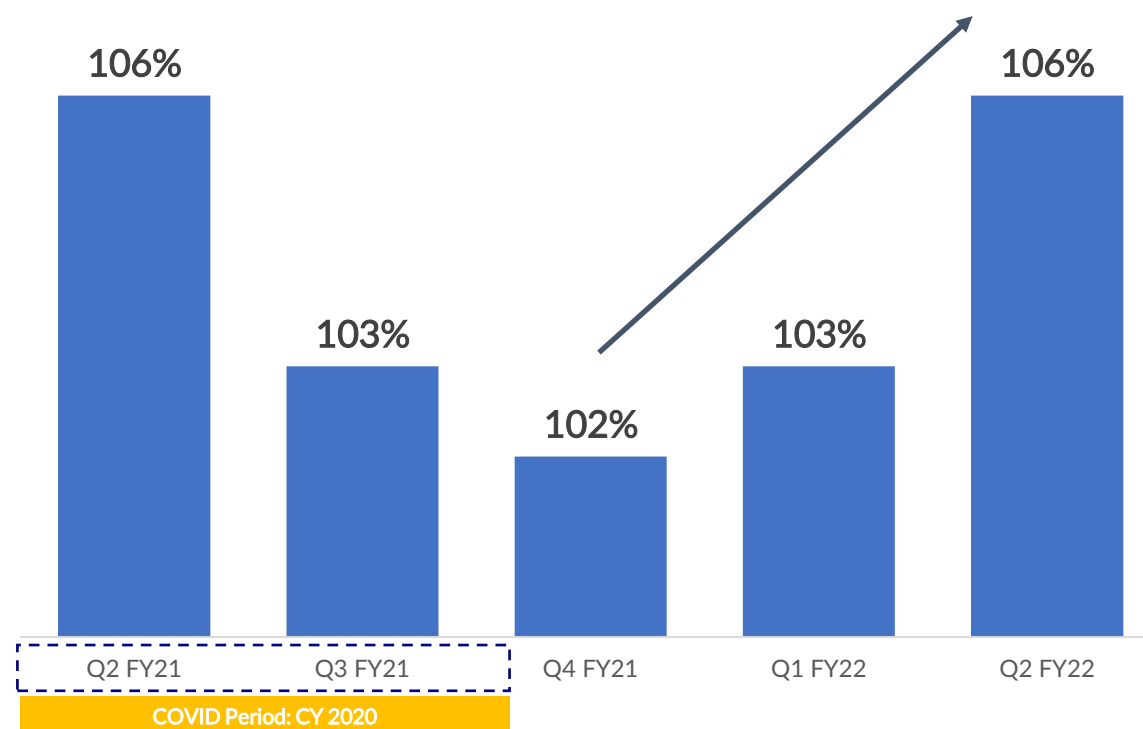
Attach rates for Box Suites (multi-product pricing plans) for \$100K+ deals



Re-accelerating customer momentum and expansion

Strong momentum in FY22 driving growth in net retention rates

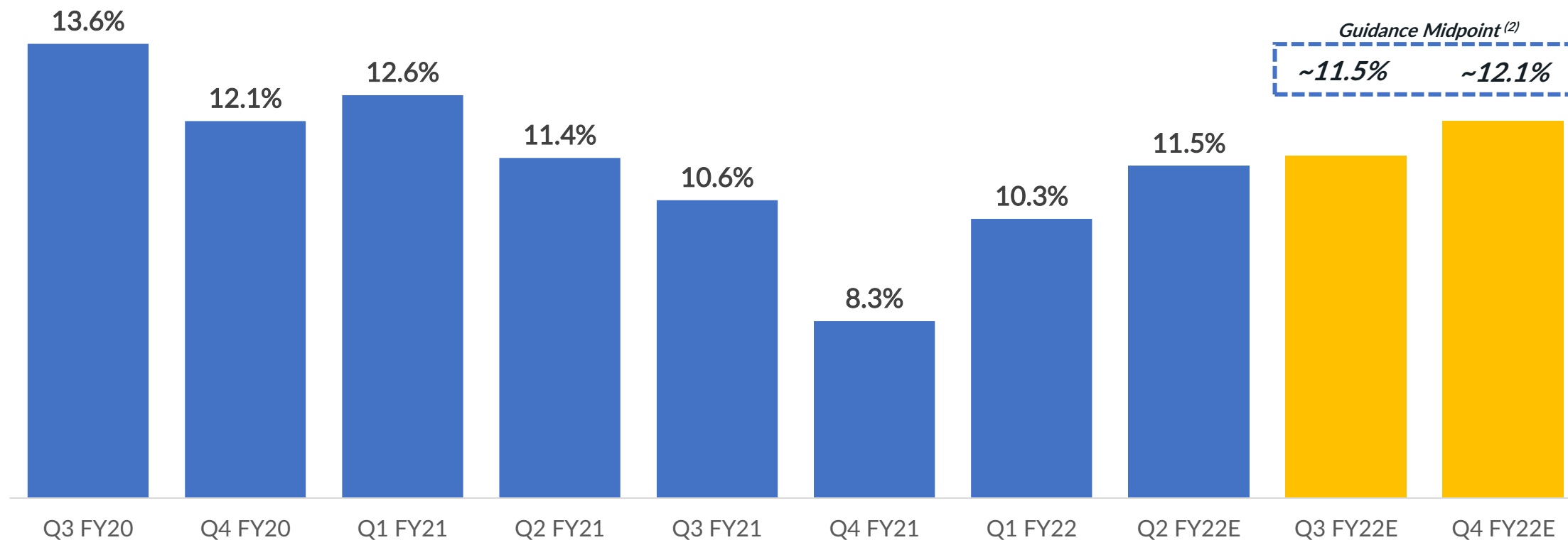
Quarterly net retention rate



Business Well Positioned to Support Growth Acceleration¹⁵

Success in rolling out multi-product strategy and streamlined GTM driving sustainable growth

YoY% Quarterly Revenue Growth



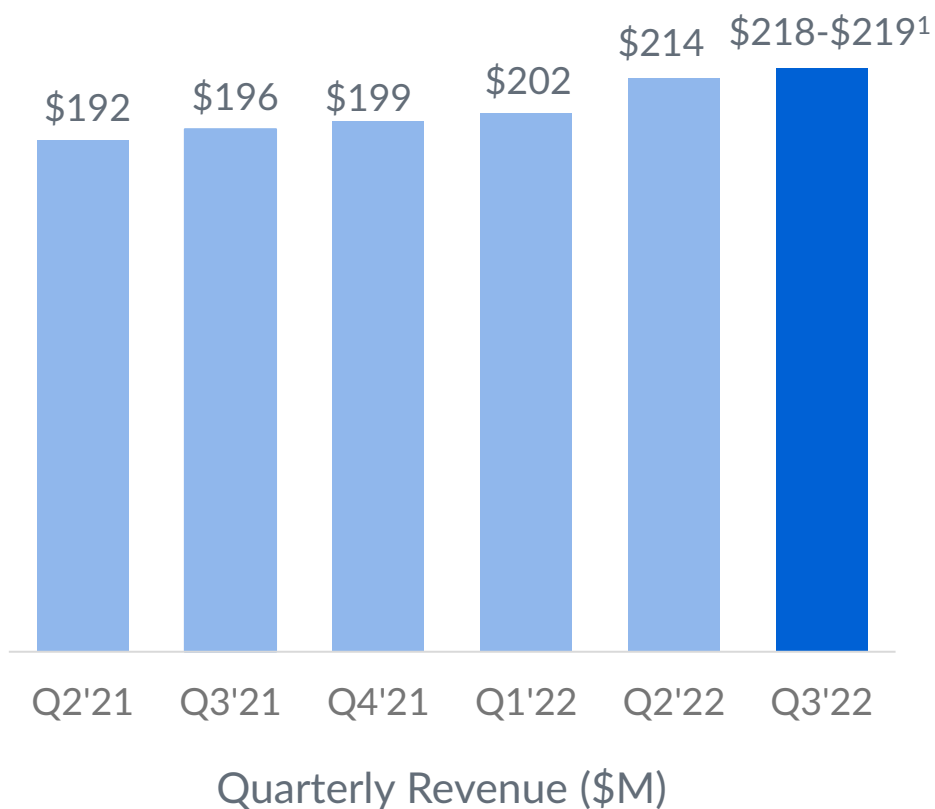
Notes: Box fiscal year ends January.

1. Q3 FY22E Guidance Midpoint calculated on the midpoint of the revenue guidance of \$218MM-\$219MM; Q4 FY22E Guidance Midpoint calculated on the midpoint of Q3 FY22E revenue guidance of \$218MM-\$219MM and FY 2022 revenue guidance of \$856MM-860MM in the Q2FY22 results released August 25, 2021.

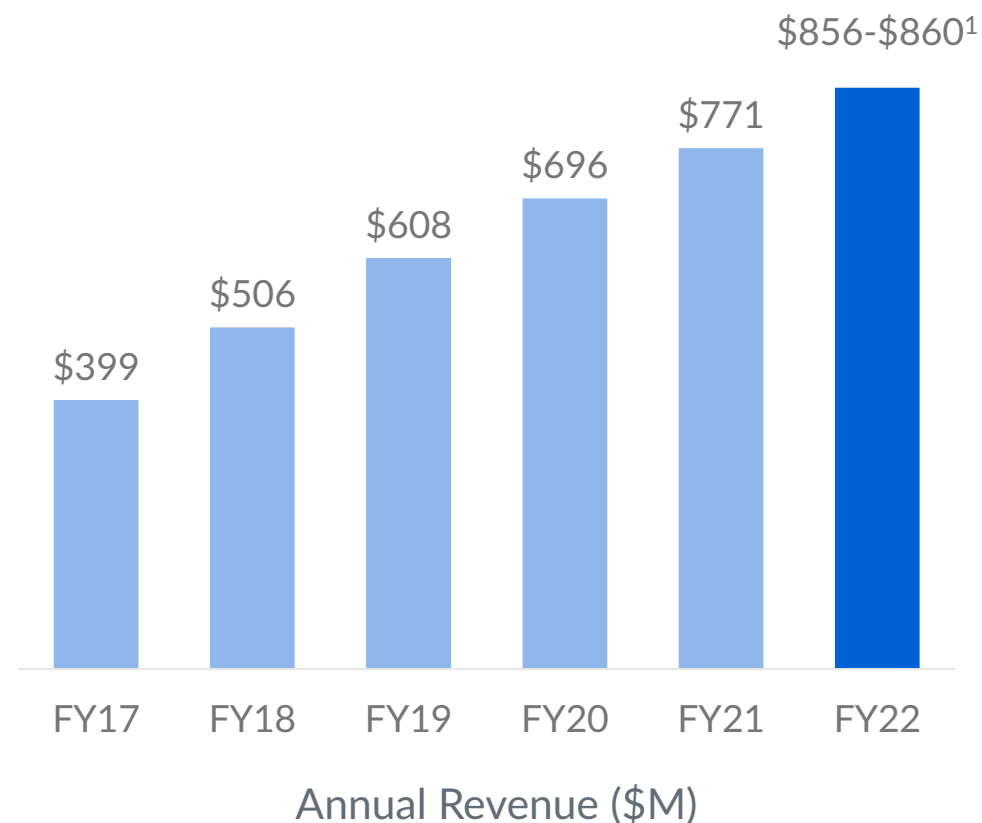
Strong revenue growth at scale

Driven by customer retention and expansion

3Q FY22 revenue guidance up 12% YoY



FY22 revenue guidance up 12% YoY



Note: Box adopted the new revenue recognition standard ASC 606 beginning with its fiscal year 2019 using the modified retrospective transition method. The reported results for years including and subsequent to fiscal year 2019 reflect the application of ASC 606 while the reported results for fiscal years 2017 and 2018 are not adjusted and continue to be reported under the prior revenue recognition standard ASC 605.

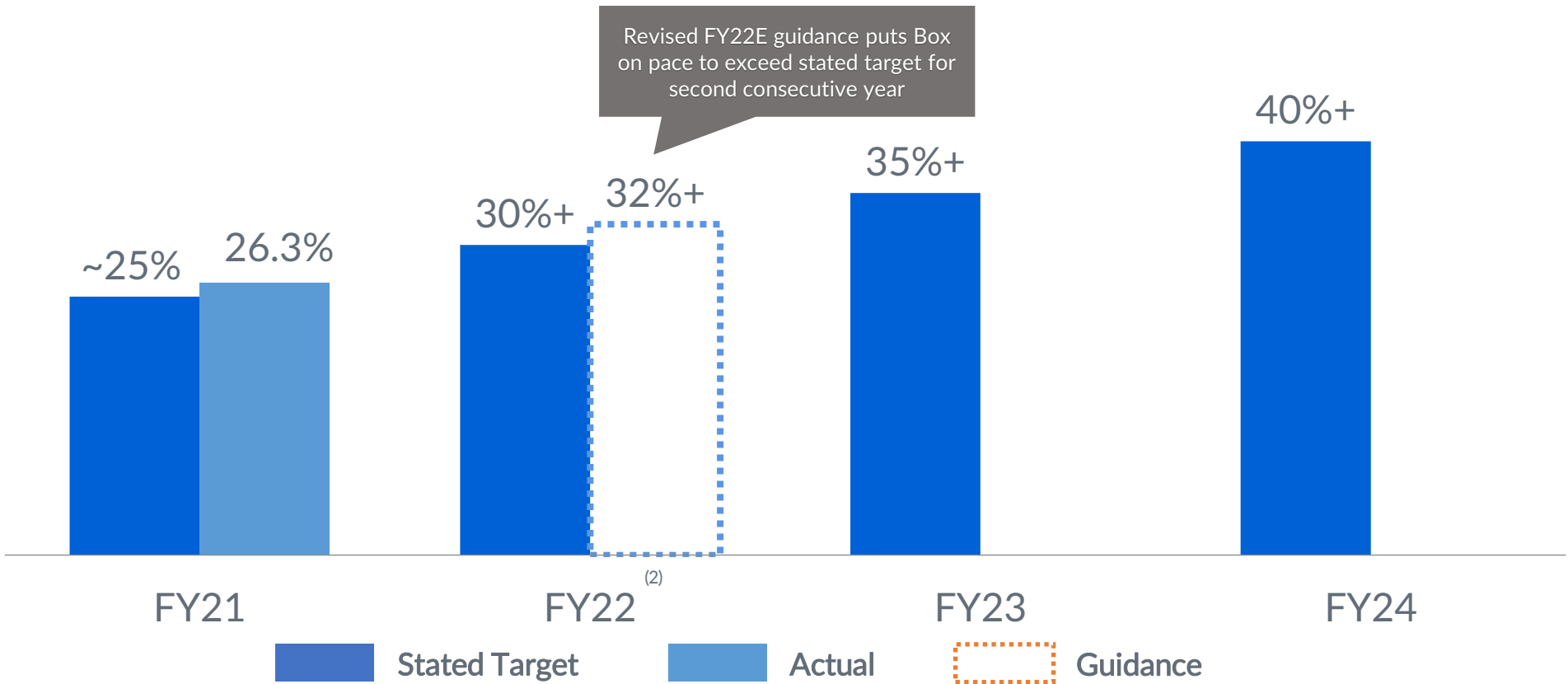
(1) Based on the high end of FY22 guidance provided in the Q2 FY22 earnings press release.

Note: \$ values are shown in millions

Committed to exceeding growth and profitability targets ¹⁷

Executing a clear and compelling strategy to drive financial results

Revenue growth + free cash flow margin ⁽¹⁾



Notes: Box fiscal year ends January 31.

1. Free Cash Flow Margin is a Non-GAAP financial measure. A reconciliation to its nearest GAAP financial measure can be found in the Appendix of this presentation.

2. Based on FY22E Revenue Growth + Free Cash Flow Margin guidance of at least 32%, provided on August 25, 2021.

Driving margin expansion while building Content Cloud momentum

Committed to delivering significant improvements to financial profile

	FY19	FY20	FY21
Revenue Growth + FCF Margin	22%	13%	26%
Revenue Growth	20%	14%	11%
Gross Margin	74%	71%	73%
S&M as a % of Revenue	45%	40%	30%
R&D as a % of Revenue	19%	20%	18%
G&A as a % of Revenue	11%	10%	9%
Operating Margin	(2%)	1%	15%

FY24 Target
40%+
12-16%
~75%
24-27%
16-17%
~8%
23-27%

Note: Gross Margin, S&M as a % of revenue, R&D as a % of revenue, G&A as a % of revenue, Operating Margin, and Free Cash Flow Margin are non-GAAP financial measures. A reconciliation to their nearest GAAP financial measures can be found in the Appendix of this presentation.



Thanks!

A woman in a white athletic top is running, her body angled towards the right. Overlaid on the image are several UI elements representing file sharing and collaboration. In the upper right, a circular profile picture of a woman is above a dark blue pill-shaped button with a red PowerPoint icon and the text "Edited file in PowerPoint". In the center, a group of three circular profile pictures (two men and one woman) is connected by dotted lines, with a dark blue pill-shaped button below them containing a blue link icon and the text "Shared secure file link". Below this, a white card displays "FY21 Q1 Marketing Plan.pptx", "Jan 12 by Martha Baker", and "2.8 MB", with a three-dot menu icon to its right. In the lower right, another circular profile picture of a woman is above a white card showing "Launch Campaign Art.png", "Jan 14 by Scott Brentwood", and a three-dot menu icon. At the bottom, a dark blue pill-shaped button with a green checkmark icon contains the text "Commented and approved file". On the far right, a partial view of a sneaker and a white card with the text "Product Catalog Images" and "an 15 by Martha Baker" and "3.5 MB" are visible.

Appendix

GAAP to Non-GAAP Reconciliation – Gross Margin

<i>(\$ in thousands)</i>	FY19	<i>As a % of revenue</i>	FY20	<i>As a % of revenue</i>	FY21	<i>As a % of revenue</i>
GAAP gross margin	\$434,792	71.5%	\$480,687	69.0%	\$546,032	70.8%
Add: Stock-based compensation	14,065		16,769		18,936	
Add: Restructuring activities	-		27		-	
Non-GAAP gross margin	\$448,857	73.8%	\$497,483	71.4%	\$564,968	73.3%

GAAP to Non-GAAP Reconciliation – Operating Expenses

<i>(\$ in thousands)</i>	FY19	<i>As a % of revenue</i>	FY20	<i>As a % of revenue</i>	FY21	<i>As a % of revenue</i>
GAAP research and development	\$163,750	27%	\$199,750	29%	\$201,262	26%
Less: Stock-based compensation	(45,189)		(62,565)		(61,145)	
Less: Restructuring activities	-		(306)		-	
Non-GAAP research and development	\$118,561	19%	\$136,879	20%	\$140,117	18%
 GAAP sales and marketing	 \$312,210	 51%	 \$317,615	 46%	 \$275,742	 36%
Less: Stock-based compensation	(36,864)		(38,030)		(42,015)	
Less: Intangible assets amortization	(9)		-		-	
Less: Restructuring activities	-		(1,134)		-	
Non-GAAP sales and marketing	\$275,337	45%	\$278,451	40%	\$233,727	30%
 GAAP general and administrative	 \$93,069	 15%	 \$102,794	 15%	 \$106,670	 14%
Less: Stock-based compensation	(23,178)		(28,624)		(32,196)	
Less: Intangible assets amortization	(15)		-		-	
Less: Acquisition-related expenses	-		-		(790)	
Less: Fees related to shareholder activism	-		(1,154)		(1,402)	
Less: Restructuring activities	-		(184)		-	
Non-GAAP general and administrative	\$69,876	11%	\$72,832	10%	\$72,282	9%

GAAP to Non-GAAP Reconciliation – Operating Margin

<i>(\$ in thousands)</i>	FY19	<i>As a % of revenue</i>	FY20	<i>As a % of revenue</i>	FY21	<i>As a % of revenue</i>
GAAP operating margin	(\$134,237)	(22%)	(\$139,472)	(20%)	(\$37,642)	(5%)
Add: Stock-based compensation	119,296	20%	145,988	21%	154,292	20%
Add: Intangible assets amortization	24	0%	-	-	-	-
Add: Expenses related to legal verdict	-	-	-	-	-	-
Add: Acquisition-related expenses	-	-	-	-	790	0%
Add: Fees related to shareholder activism	-	-	1,154	0%	1,402	0%
Add: Restructuring activities	-	-	1,651	0%	-	-
Non-GAAP operating margin	(\$14,917)	(2%)	\$9,321	1%	\$118,842	15%

GAAP to Non-GAAP Reconciliation – Free Cash Flow

<i>(\$ in thousands)</i>	FY19	<i>As a % of revenue</i>	FY20	<i>As a % of revenue</i>	FY21	<i>As a % of revenue</i>
GAAP net cash provided by operating activities	\$55,321	9%	\$44,713	6%	\$196,834	26%
Less: Purchases of property and equipment, net of proceeds from sales	(14,806)		(5,444)		(9,052)	
Less: Principal payments of finance lease liabilities	(23,930)		(38,542)		(60,020)	
Less: Capitalized internal-use software costs	(2,761)		(7,957)		(7,438)	
Free cash flow	\$13,824	2%	(\$7,230)	(1%)	\$120,324	16%