

okta +  auth0

# Building the Identity Cloud

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March 3, 2021

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okta

# Safe Harbor

This presentation contains “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding our financial outlook, product development, business strategy and plans and market trends, opportunities, positioning and the proposed acquisition between Okta, Inc. and Auth0, Inc. These forward-looking statements are based on current expectations, estimates, forecasts and projections. Words such as “expect,” “anticipate,” “should,” “believe,” “hope,” “target,” “project,” “goals,” “estimate,” “potential,” “predict,” “may,” “will,” “might,” “could,” “intend,” “shall” and variations of these terms and similar expressions are intended to identify these forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control. For example, the market for our products may develop more slowly than expected or than it has in the past; our operating results may fluctuate more than expected; there may be significant fluctuations in our results of operations and cash flows related to our revenue recognition or otherwise; a network or data security incident that allows unauthorized access to our network or data or our customers’ data could damage our reputation; we could experience interruptions or performance problems associated with our technology, including a service outage; we may not be able to pay off our convertible senior notes when due; the parties to the acquisition of Auth0, Inc. may fail to obtain required regulatory approvals in a timely manner or

otherwise, the parties to the acquisition of Auth0, Inc. may fail to satisfy any closing conditions to the proposed acquisition; risks associated with tax liabilities or changes in U.S. federal tax laws or interpretations to which the proposed transaction with Auth0, Inc. or parties thereto are subject; we may fail to successfully integrate any new business; we may fail to realize anticipated benefits of any combined operations with Auth0, Inc.; we may experience unanticipated costs of acquiring or integrating Auth0, Inc.; the potential impact of announcement or consummation of the proposed acquisition on relationships with third parties, including employees, customers, partners and competitors; we may be unable to retain key personnel; changes in legislation or government regulations could affect the proposed acquisition of Auth0, Inc. or the parties thereto; and global economic conditions could deteriorate. Further information on potential factors that could affect our financial results is included in our most recent Quarterly Report on Form 10-Q and our other filings with the Securities and Exchange Commission. The forward-looking statements included in this presentation represent our views only as of the date of this presentation and we assume no obligation and do not intend to update these forward-looking statements.

Any unreleased products, features or functionality referenced in this presentation are not currently available and may not be delivered on time or at all. Product roadmaps do not represent a commitment, obligation or promise to deliver any product, feature or functionality, and you should not rely on them to make your purchase decisions.

# Strategic Rationale



**Strengthens Our Position** as the World's Leading Independent Identity Cloud

**Accelerates Our Penetration** into \$55B Identity Market

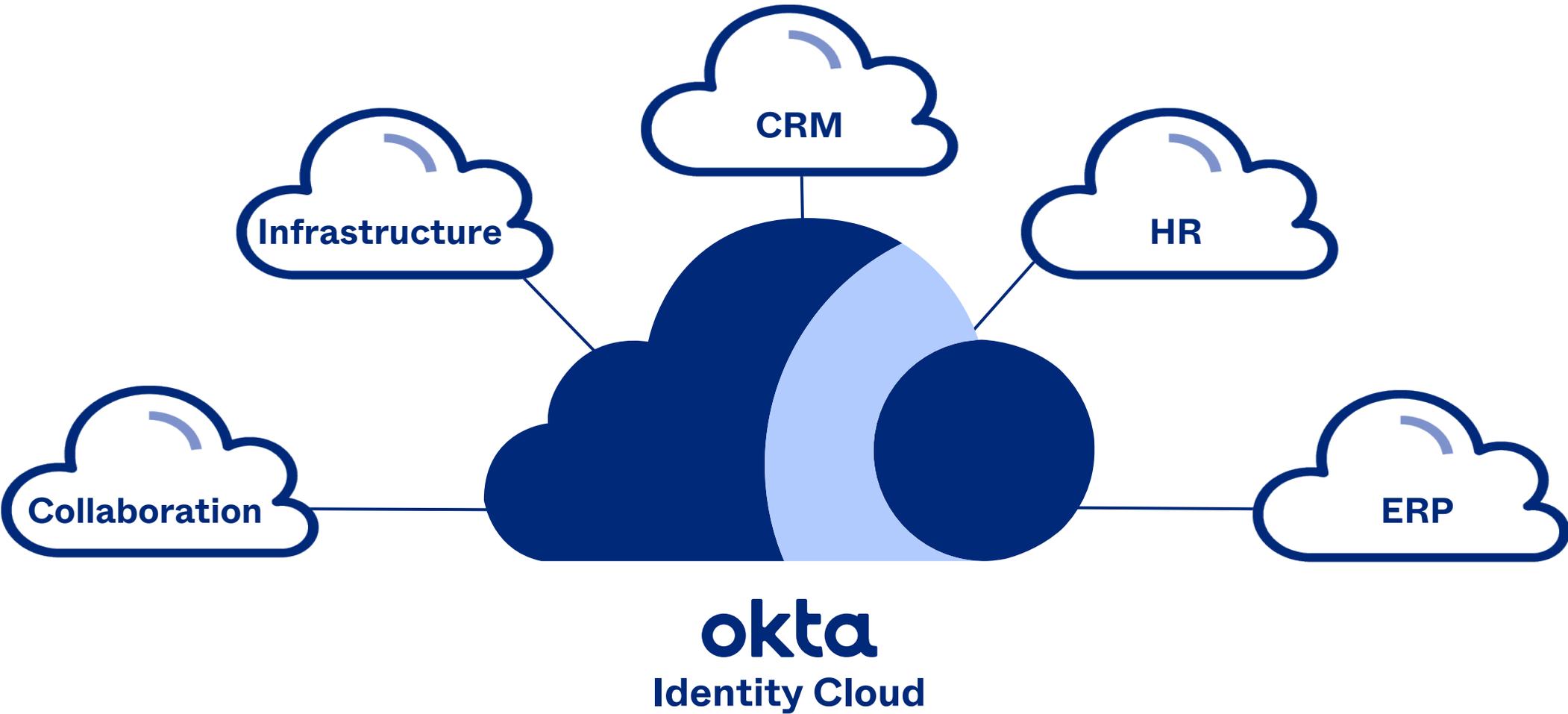
**Expands Our Customer Value Proposition** with More Data, Deeper Signals and Enhanced Use Cases

**Complements** Okta's Enterprise-Focused Strength with Auth0's Developer-First Capabilities

**Significant Synergy Opportunities** Across Complementary Products, Customers & Geographies

**Brings Attractive Financial Profile** and is Accretive to Growth

# Okta + Auth0: Making Identity a Primary Cloud



# More Data & Use Cases, More Value to Customers

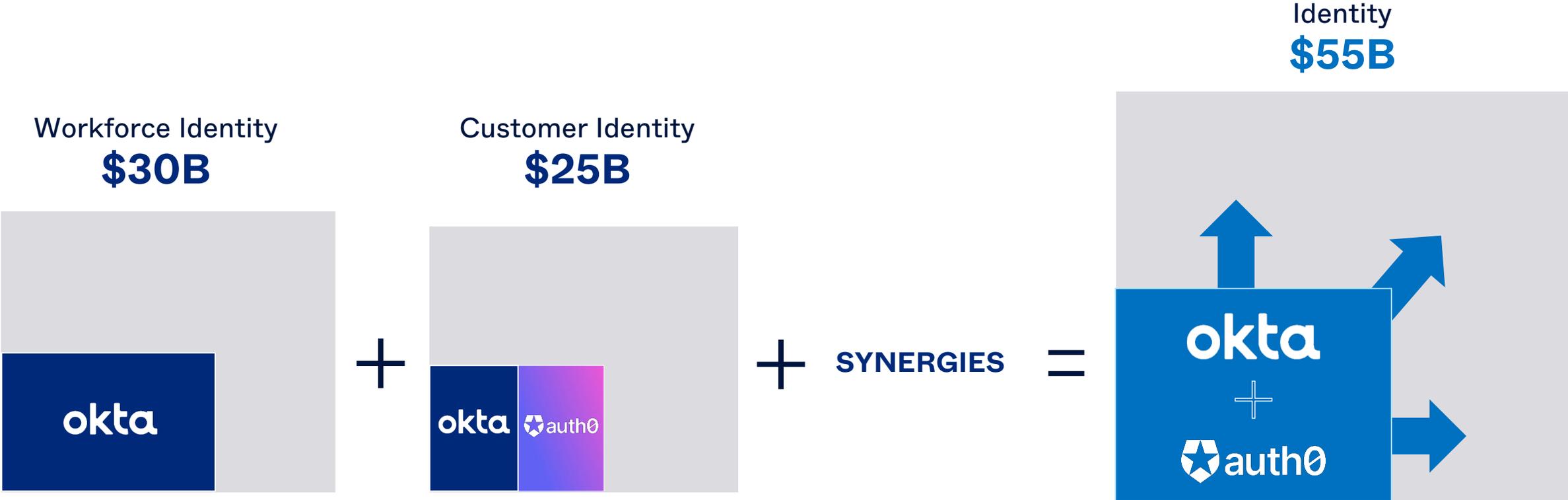


# Identity is a \$55B Market Opportunity



Methodology: \$30B Workforce Identity TAM based on over 50,000 U.S. businesses with more than 250 employees (per 2019 U.S. Bureau of Labor Statistics) multiplied by 12-month ARR assuming adoption of all our current products, which implies a market of \$15 billion domestically, then multiplied by two to account for international opportunity. \$25B Customer Identity TAM based on 4.4 billion combined Facebook users and service employees worldwide multiplied by internal application usage and pricing assumptions.

# Auth0 Accelerates Penetration into \$55B Identity TAM



# Auth0: Attractive Financial Profile and Accretive to Growth

**>\$200M**

ARR

**>50%**

Growth

**>95%**

Recurring

**>120%**

NRR

**Growth Accretive and Significant Synergies**

Accelerated TAM Penetration | Cross Sell | International

# Auth0 is the Developer-First Solution for Identity

**stripe**

Payments

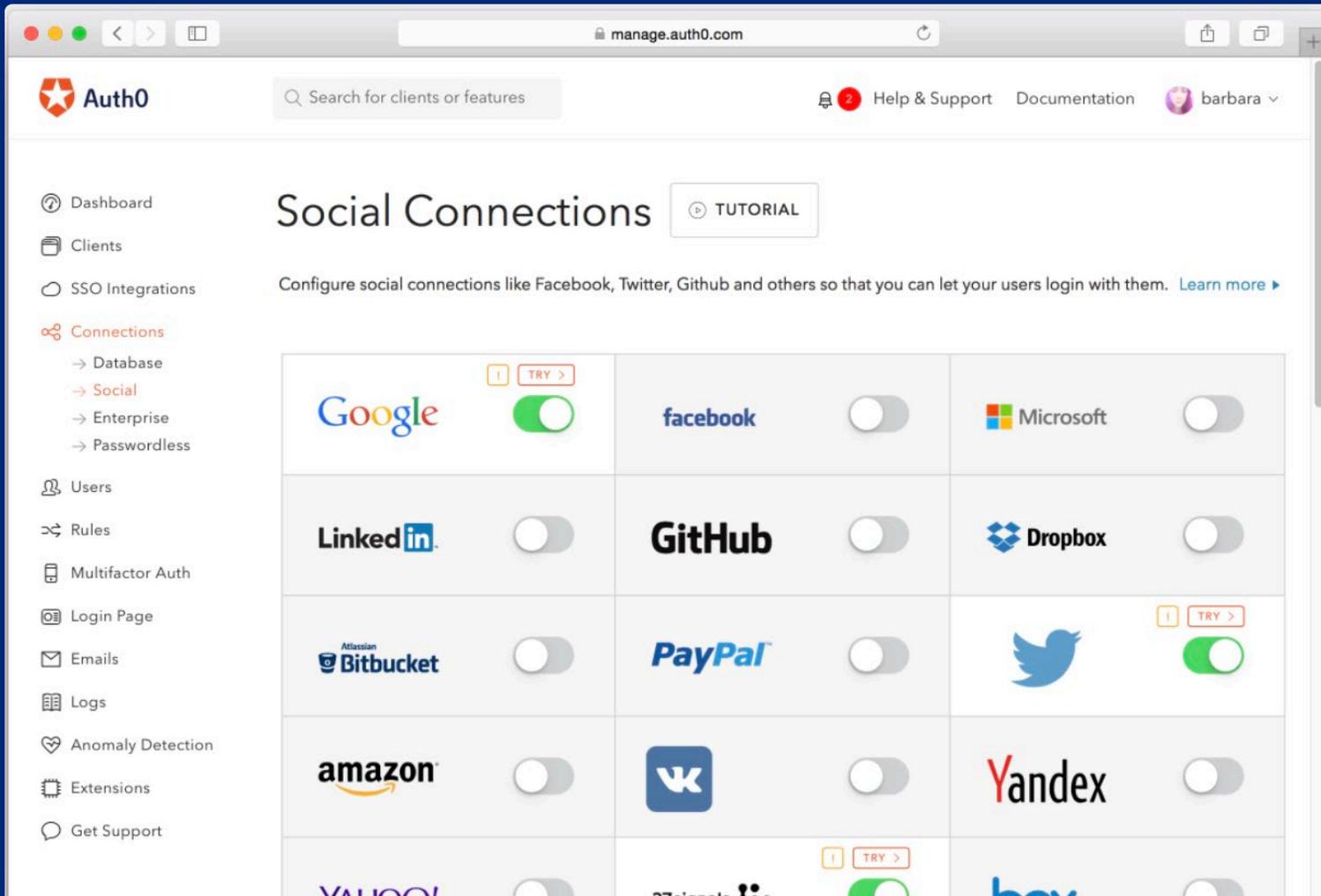
 **twilio**

Communications

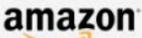
 **auth0**

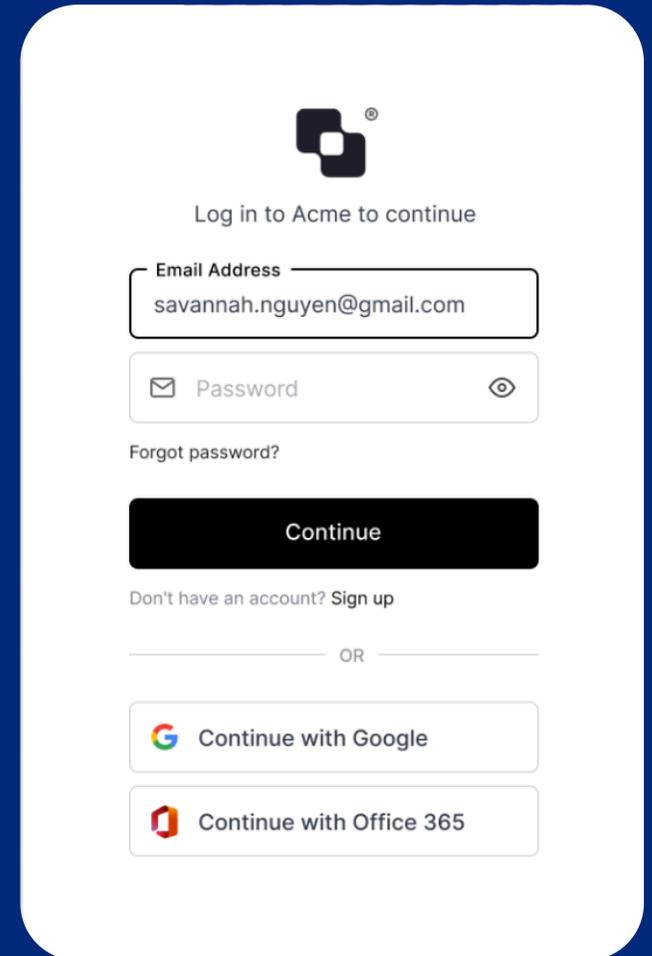
Identity

# Auth0 is an Easy to Implement, Customizable Authentication and Authorization Platform for Developers



The screenshot shows the Auth0 management console interface. The main heading is "Social Connections" with a "TUTORIAL" button. Below the heading, there is a description: "Configure social connections like Facebook, Twitter, Github and others so that you can let your users login with them. [Learn more](#)".

 <input checked="" type="checkbox"/>	 <input type="checkbox"/>	 <input type="checkbox"/>
 <input type="checkbox"/>	 <input type="checkbox"/>	 <input type="checkbox"/>
 <input type="checkbox"/>	 <input type="checkbox"/>	 <input checked="" type="checkbox"/>
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The mockup shows a login page for "Acme". It features the Acme logo at the top, followed by the text "Log in to Acme to continue". Below this, there are two input fields: "Email Address" with the value "savannah.nguyen@gmail.com" and "Password" with an eye icon for visibility. A "Forgot password?" link is positioned below the password field. A prominent black "Continue" button is centered below the inputs. At the bottom, there is a "Don't have an account? Sign up" link, an "OR" separator, and two social login buttons: "Continue with Google" and "Continue with Office 365".

# Auth0's Developer-First Strengths



## Customization

Any Application  
Any Language  
Any Stack



## Extensibility

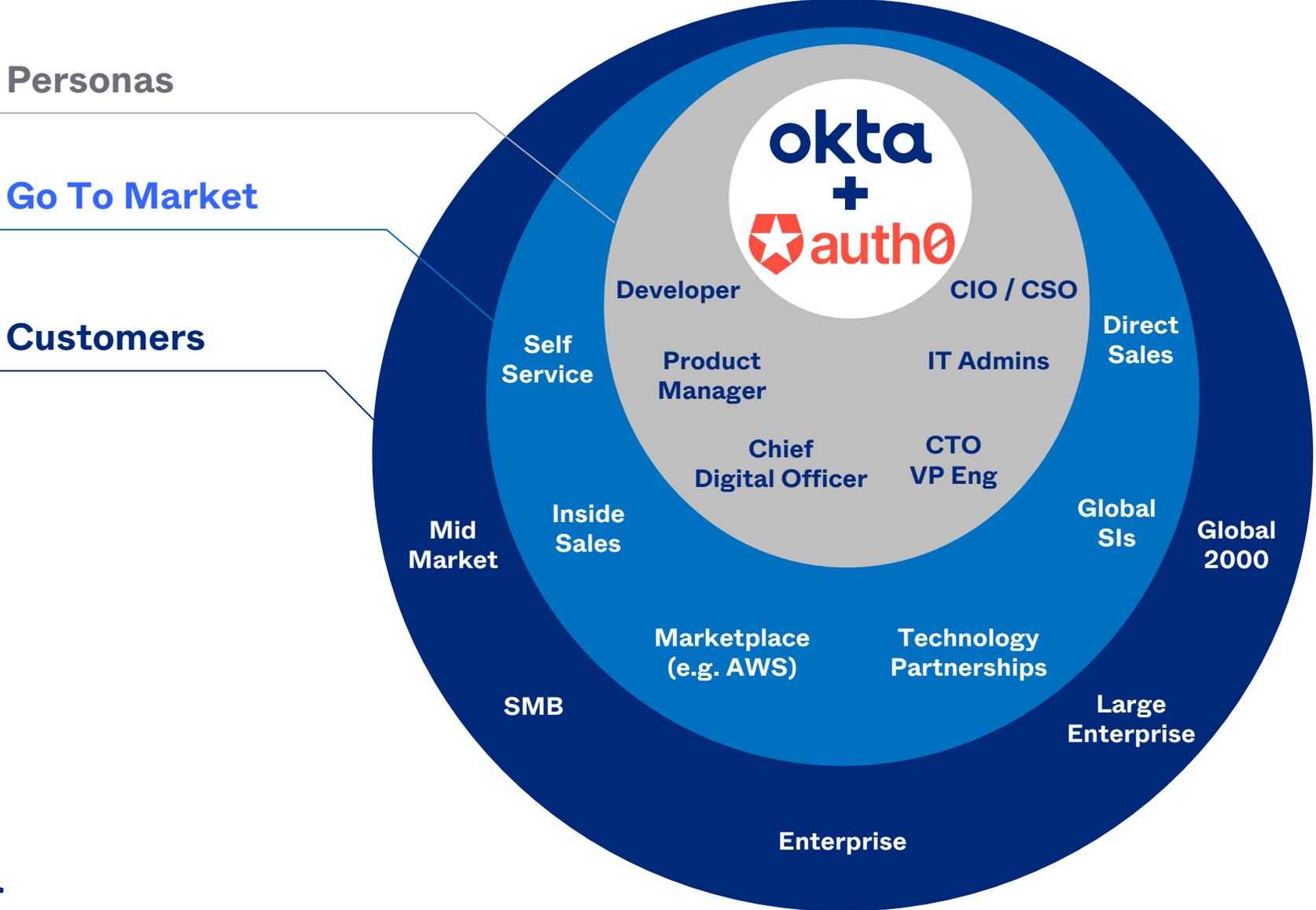
Many Systems  
Any Edge Case  
Wealth of Sample Code



## Security and Analytics

Anomaly Detection  
Breached PW Detection  
Brute Force Protection

# Addressing Broadest Range of Customers & Users with Flexible GTM Model





Love our customers; Act with integrity

Give a sh\*t (Obsessed with delivering customer value)

Never stop innovating

$N + 1 > N$  (Continuously experiment, learn & innovate)

Empower our people; Be transparent

One Team, One Score (Transparency of decisions)

Our Culture and Values are Aligned

# Transaction Overview

## TRANSACTION CONSIDERATION

- **\$6.5 billion** in Okta Class A common stock, on a fully diluted and cash free debt free basis<sup>1</sup>
- **Fixed** number of Okta shares based on Okta share price of \$276.21 per share<sup>1</sup>
- Represents **14% pro forma** ownership<sup>1</sup>

## ORGANIZATIONAL STRUCTURE

- Auth0 will be run as an **independent unit** within Okta
- Eugenio Pace will remain CEO of Auth0 reporting directly to Todd McKinnon

## EXPECTED CLOSING

- Expected to **close in Okta's Q2 FY22** ending July 31, 2021
- Subject to receipt of required regulatory approvals & satisfaction or waiver of other customary closing conditions

## FINANCIAL IMPACT

- **Accretive** to revenue growth, and **below Okta's forward multiple**<sup>2</sup>
- Okta expects to remain **cash flow positive** in FY22<sup>3</sup>
- Current FY22 business outlook does not include impact of acquisition – to be updated after closing

1) Subject to customary purchase price adjustments and certain customary cash payouts in lieu of stock. Fixed number of shares based on average of daily volume-weighted average price per share of Okta's stock price for each of the 20 consecutive trading days ending on and including the 3<sup>rd</sup> trading day immediately preceding March 3, 2021.  
2) Multiple calculated based on Fiscal Year 2023 consensus estimates.  
3) Excludes impact of integration and transaction related costs.

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