

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549
FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended July 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-37883

NUTANIX, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

27-0989767

(I.R.S. Employer
Identification No.)

1740 Technology Drive, Suite 150

San Jose, CA 95110

(Address of principal executive offices, including zip code)

(408) 216-8360

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| <u>Title of each class</u> | <u>Trading symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|--|--------------------------|--|
| Class A Common Stock, \$0.000025 par value per share | NTNX | Nasdaq Global Select Market |

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes
No

Indicate by check mark whether the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large Accelerated Filer | <input checked="" type="checkbox"/> | Accelerated Filer | <input type="checkbox"/> |
| Non-accelerated Filer | <input type="checkbox"/> | Smaller Reporting Company | <input type="checkbox"/> |
| | | Emerging Growth Company | <input type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant as of January 31, 2025 (the last business day of the registrant's most recently completed second fiscal quarter) was approximately \$18.3 billion, based upon the closing sale price of such stock on the Nasdaq Global Select Market. The registrant has no non-voting common equity.

As of August 31, 2025, the registrant had 268,800,007 shares of Class A common stock, \$0.000025 par value per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

As noted herein, certain information called for by Parts II and III is incorporated by reference to specified portions of the registrant's definitive proxy statement to be filed in conjunction with the registrant's 2025 annual meeting of stockholders, which is expected to be filed not later than 120 days after the registrant's fiscal year ended July 31, 2025.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains express and implied forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which statements involve substantial risks and uncertainties. Other than statements of historical fact, all statements contained in this Annual Report on Form 10-K including statements regarding our future results of operations and financial position, our business strategy and plans and our objectives for future operations, are forward-looking statements. The words "believe," "may," "will," "potentially," "estimate," "continue," "anticipate," "plan," "intend," "could," "would," "expect," or words or expressions of similar substance or the negative thereof, that convey uncertainty of future events or outcomes are intended to identify forward-looking statements. Forward-looking statements included in this Annual Report on Form 10-K include, but are not limited to, statements regarding:

- our investment in developing our platform with new features, services and solutions to expand our market opportunity in both core and adjacent markets;
- our investment in initiatives that support the long-term growth of our business, including the development of our solutions and sales and marketing efforts aimed at capitalizing on market opportunities, while also focusing on improving our operating cash flow through operational efficiencies, including in our go-to-market functions;
- our plan to continue investing in sales and marketing functions, including initiatives focused on opportunities with major accounts, large deals, and commercial accounts, as well as other initiatives to increase our pipeline growth;
- our plan to continue investing in our global research and development teams to support enhancements to our solutions, improve integration with ecosystem partners and expand the range of technologies and features available through our platform;
- our plan to continue to leverage our relationships with our channel partners and original equipment manufacturers and expand our network of cloud and ecosystem partners;
- our expectations regarding the competitive market, including our ability to compete effectively, the competitive advantages of our products, the effects of increased competition in our market, and our expansion into adjacent markets;
- the recent evolution of our sales pipeline and its expected effect on our ability to land new customers and expand sales to existing customers, which may adversely affect our top-line results;
- our expectations regarding our ability to recruit, train and retain sufficient numbers of ramped up sales personnel to support our growth, including how long it takes to ramp up sales personnel, and the expected contribution to revenue growth;
- our expectations regarding opportunities and risks associated with artificial intelligence ("AI");
- expected sales productivity;
- expected increases in costs and expenses, including sales and marketing, research and development, and general and administrative expenses;
- our intent to reduce our overall sales and marketing spend as a percentage of revenue, including by improving the efficiency of our demand generation spend, focusing on lower cost renewals, and optimizing headcount in geographies based on market opportunities;
- sustaining profitable growth;

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- fluctuations in revenue and cost of revenue;
- our expectations regarding the sufficiency of our cash, cash equivalents and short-term investments, available borrowing capacity under our revolving credit facility, and our expected net cash provided by operating activities for at least the next 12 months;
- the adequacy of our current facilities to meet our needs for the immediate future;
- our ability to stay in compliance with laws and regulations that currently apply or may become applicable to our business both in the United States and internationally;
- the sufficiency of our cash, cash equivalents and short-term investments and our expected net cash provided by operating activities to meet anticipated cash needs;
- our expectations that neither our operating results nor cash flows would be materially affected by any sudden change in interest rates; and
- anticipated trends, opportunities and challenges in our business and in the markets in which we operate.

We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs in light of the information currently available to us. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in Part I, Item 1A. "Risk Factors" in this Annual Report on Form 10-K. Moreover, we operate in a very competitive and rapidly changing environment and new risks emerge from time to time. It is not possible for us to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained or implied in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and trends discussed in this Annual Report on Form 10-K may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, performance, or events and circumstances reflected in the forward-looking statements will be achieved or will occur. The forward-looking statements in this Annual Report on Form 10-K relate only to events as of the date on which the statements are made. We undertake no obligation, and expressly disclaim any obligation, to update, alter or otherwise revise or publicly release the results of any revision to these forward-looking statements to reflect new information or the occurrence of unanticipated or subsequent events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements.

PART I

ITEM 1. Business

Overview

Nutanix, Inc. ("we," "us," "our," or "Nutanix") is a hybrid multicloud computing leader, offering organizations a unified software platform for running applications and AI and managing data anywhere. Our vision is to simplify the deployment and operation of the increasingly distributed landscape of apps and data while freeing organizations to focus on business goals. Our mission is to delight customers with an open, secure platform with rich data services that increases their ability to take advantage of new technologies such as cloud native and AI, optimizes how they run their organizations today, and accelerates innovation, efficiency, and growth.

The Nutanix Cloud Platform is designed to enable organizations to build hybrid multicloud infrastructure, providing a consistent cloud operating model with a single platform for running applications and managing data in core data centers, at the edge, and in public clouds, while supporting customer choice across server platforms, storage options, public and managed clouds, and container and virtualization platforms. The Nutanix Cloud Platform supports a wide variety of workloads with varied compute, storage, and network requirements, including business-critical applications, data platforms (including SQL, NoSQL, and vector databases and business intelligence applications), enterprise AI workloads (including machine learning, generative AI, and agentic AI), general-purpose workloads (including system infrastructure, networking, and security), end-user computing and virtual desktop infrastructure services, and cloud native applications (including modern, containerized applications).

We originally pioneered hyperconverged infrastructure ("HCI") to break down legacy silos by merging compute, storage and networking into a single software-defined data center platform. We continued to innovate and developed Nutanix AHV, our native hypervisor that offers enterprise-grade virtualization and built-in Kubernetes support. To provide our customers with more choice, we further engineered our software solutions to run on a variety of server platforms and with a variety of external storage providers. Most recently, we have extended our software platform support to include external storage from qualified partners. To provide our customers with the flexibility to choose their preferred license levels and durations based on their specific business needs, we reshaped our licensing by completing a transition to a subscription-based business model. In addition to enabling enterprise AI and simplifying hybrid multicloud deployments, we have a further long-term vision to enable developers to build modern container-based applications once and run them anywhere through Project Beacon, our multi-year effort to provide consistent Kubernetes platform management and data-centric platform services across clouds.

Our business is organized into a single operating and reportable segment. We operate a subscription-based business model, meaning one in which our products, including associated support and entitlement arrangements, are sold with a defined duration. For more information, see the section titled "Components of Our Results of Operations" included in Part II, Item 7, as well as Note 2 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

The Nutanix Cloud Platform

The Nutanix Cloud Platform delivers a set of software products, solutions and services to enable our customers to run and manage their private cloud, edge, public cloud, managed cloud, and hybrid multicloud environments. The Nutanix Cloud Platform's scale-out architecture, common operating model across locations, enterprise-grade data services and freedom of infrastructure choice enable organizations to standardize on the Nutanix Cloud Platform as a single cloud platform to run a wide variety of workloads.

Nutanix Cloud Infrastructure (NCI) is a distributed HCI for enterprise IT applications. NCI software combines compute, storage, and networking resources from a cluster of servers into a single logical pool with integrated resiliency, security, performance, and simplified administration. NCI includes the following underlying features and services:

- **Nutanix AOS** is the scale-out storage technology that makes HCI possible, delivering enterprise-grade capabilities via a highly distributed software architecture that runs on commodity x86 servers. Nutanix AOS includes integrated snapshots, replication, and disaster recovery that can be used with block, file, and object storage and for both virtual machines and containers. AOS can be run on virtual machines such as AHV and in containers such as AWS EKS, enabling customers to leverage AOS storage for both virtualized and containerized applications.
- **Nutanix AHV** is our enterprise hypervisor—a modern and secure virtualization solution designed to power virtual machines and containers for application and cloud native workloads. It is a core component of NCI.
- **Nutanix Data Services for Kubernetes** offers enterprise data services such as data protection, recovery, migration, cloning, and copy data management for containerized, modern applications on Kubernetes.
- **Flow Network Security** is a stateful, distributed firewall providing microsegmentation to secure network traffic between applications.
- **Flow Virtual Networking** provides software-defined networking with multi-tenant isolation, hybrid cloud networking, self-service provisioning, and IP address preservation.
- **Nutanix Cloud Clusters (NC2)** enables organizations to run and manage applications across on-premises and multiple public clouds in a consistent manner. NC2 empowers IT operators to place workloads in their clouds of choice with ease of deployment and migration, delivering flexibility and portability across public clouds.
- **Nutanix Central** provides management of the Nutanix hybrid multicloud environment, providing global visibility and simplified governance through a single console with federated access and seamless navigation across on-premises and public cloud deployments.
- **Nutanix Prism** is the unified control plane and UI that provides centralized management for end-to-end IT infrastructure management and operations.

Nutanix Cloud Manager (NCM) is a unified management solution for providing intelligent operations, self-service and orchestration, security compliance and visibility, and control of cloud costs. NCM includes the following underlying features and services:

- **NCM Intelligent Operations** optimizes capacity, proactively detects performance anomalies, and automates operational tasks.
- **NCM Self-Service and Orchestration** streamlines how teams manage, deploy, and scale applications across hybrid clouds with self-service, automation, and centralized role-based governance.
- **NCM Cost Governance** drives financial accountability with intelligent resource sizing and accurate visibility into multicloud metering and chargeback.
- **Nutanix Security Central** unifies cloud security operations to help organizations simplify security planning, define microsegmentation policies, and enforce regulatory compliance for zero trust.

Nutanix Kubernetes Platform (NKP) is an enterprise-grade Kubernetes platform that enables organizations to accelerate app development without lock-in. NKP brings resiliency, security, and Day 2 operations to cloud native applications through a complete, open, and enterprise-grade Kubernetes platform. NKP accelerates app delivery with an intelligent platform that standardizes management for fleets of clusters across public clouds, data centers, and the edge.

Nutanix Unified Storage (NUS) is a software-defined data services platform that consolidates access and management of siloed block, file, and object storage into a single platform. Powered by data services such as analytics, ransomware protection, lifecycle management, and data protection, NUS enables organizations to adapt to fast-changing applications' needs and shift their management focus from data storage to more strategic global data management. NUS includes the following underlying features and services:

- **Nutanix Files Storage** is a software-defined scale-out file storage solution, enabling organizations to store, manage, and scale unstructured data by consolidating storage silos onto a single platform, while keeping it secure with integrated cybersecurity and ransomware protection.
- **Nutanix Objects Storage** is a scale-out S3-compatible object storage solution for modern cloud native and big data applications, offering intuitive operations, high performance, security, and flexibility for multicloud deployments.
- **Nutanix Volumes Block Storage** is an enterprise-class, software-defined storage solution that exposes storage resources directly to virtualized guest operating systems or physical hosts using the iSCSI protocol.
- **Nutanix Data Lens** is a cloud-based cyber resilience service offering proactive defense and a global view of analytics for file and object environments that can identify and inform users of malware attacks, such as ransomware, on the NUS platform.

Nutanix Database Service (NDB) is a platform that automates management of diverse database environments with a database-as-a-service platform functionality across on-premises and public cloud environments. NDB automates database lifecycle management and integrates with cloud native development processes.

Nutanix Enterprise AI (NAI) is a centralized inferencing control plane that is secure and sovereign, helping standardize generative AI infrastructure across an organization to create adaptive AI factories and agents. NAI can provide inferencing on any CNCF Kubernetes, running across public clouds, data centers, and the edge, with Day 2 operations, security, and resilience.

- **GPT-in-a-Box** is a full-stack, validated solution that delivers resilient, centralized AI infrastructure with built-in privacy and security, simplifying Day 2 operations. GPT-in-a-Box helps provide consistent data services for structured and unstructured data, multicloud Kubernetes fleet management, and a zero trust framework. Organizations can choose their preferred hardware—on-premises or in the public cloud—with support for a range of AI accelerators including GPUs and CPUs. GPT-in-a-Box also includes a comprehensive set of services to facilitate deployment.

Delivery of Our Solutions

The Nutanix Cloud Platform can be deployed in core data centers, at the edge, or in public or managed clouds, running on a variety of qualified hardware platforms, in popular public cloud environments such as Amazon Web Services ("AWS"), Microsoft Azure ("Azure") and Google Cloud (currently in public preview and expected to become generally available in the future) through NC2, or, in the case of our cloud-based software and software-as-a-service ("SaaS") offerings, via hosted service. Our subscription term-based licenses are sold separately and typically have durations ranging from one to five years. Our cloud-based SaaS subscriptions have durations extending up to five years. Our customers generally purchase their qualified hardware platforms for deployment of our software from one of our channel partners or original equipment manufacturers ("OEMs").

The Nutanix Cloud Platform typically includes support and entitlements, which provides customers with the right to software upgrades and enhancements as well as technical support. Purchases of term-based licenses and SaaS subscriptions have support and entitlements included within the subscription fees and are not sold separately. Purchases of non-portable software are typically accompanied by the purchase of separate support and entitlements.

Our Partners

We have established relationships with our channel, OEM, ecosystem and cloud partners, all of which help to drive the sale and adoption of our solutions with our end customers. Our solutions can be purchased through one of our channel partners or OEMs.

Channel Partners. Our channel partners sell our solutions to end customers, and in certain cases, may also deliver our solutions to end customers through a managed or integrated offering. Our Elevate Partner Program simplifies engagement for our partner ecosystem using a consistent set of tools, resources, and marketing platforms. Our channel partners include distributors, resellers, managed service providers, telcos, and global systems integrators. Our top two distributors to our end customers represented 48%, 47% and 41% of our total revenue for fiscal 2023, 2024 and 2025, respectively.

OEM Partners. Our software can run on qualified hardware from Cisco Systems, Inc. ("Cisco"), Dell Technologies ("Dell"), Fujitsu Technology Solutions GmbH ("Fujitsu"), Hewlett Packard Enterprise ("HPE"), and Lenovo Group Ltd. ("Lenovo"), as part of Cisco Compute Hyperconverged with Nutanix, Dell XC, Fujitsu XF, HPE DX, and Lenovo Converged HX, respectively. HPE also delivers our software with HPE DX servers as a service through the HPE GreenLake offering. Our OEM partners sell our solutions to end customers. We have also developed a new solution with Dell involving the integration of the Nutanix Cloud Platform and Dell PowerFlex (which is the first external storage supported and integrated with Nutanix AHV and our platform) as well as with Cisco to certify Cisco UCS blade servers to enable organizations to repurpose existing deployed servers that are qualified to run Nutanix AHV.

Ecosystem Partners. We have developed relationships with a broad range of leading technology companies that help us deliver world-class solutions to our customers. Through the Technology Alliance Partner and AI Partner arms of our Elevate Partner Program, our developer, application, networking and security, data protection, hardware, and infrastructure partners receive access to resources that allow them to validate and integrate their products with Nutanix solutions and engage in joint sales training and enablement. Such integrations enable a simpler deployment and consumption experience for our customers in their environments and increase adoption of our platform. We have also developed and announced strategic technology partnerships that bring together best-in-class solutions across the ecosystem into integrated offerings and demonstrated interoperability and support for our customers, including partnerships with Advanced Micro Devices, Inc., Citrix Systems, Inc., Intel Corporation, Nvidia Corporation, Omnisia, LLC, Palo Alto Networks, Inc., and Pure Storage, Inc. In addition, we work closely with our technology partners through co-marketing and lead generation activities in an effort to broaden our marketing reach and help us win new customers while retaining existing ones.

Cloud Partners. Our partnerships with leading public cloud providers support our vision of a hybrid multicloud. NC2 extends the availability of our core HCI software and other solutions to AWS and to Microsoft Azure. In May 2025, we announced the public preview of NC2 on Google Cloud, further expanding the reach of our platform across leading public cloud providers.

Our Support Programs

Product Support. We offer varying levels of software support to our customers based on their needs. We also offer hardware support for customers who purchase the Nutanix-branded NX configured-to-order hardware platforms.

Professional Services. We provide consulting and implementation services to customers through our professional services team for assessment, design, deployment, and optimizing of their Nutanix environments.

Our End Customers

We have end customers across a broad range of industries, such as financial services, retail, manufacturing, public sector, automotive and other transportation, consumer goods, education, energy, healthcare, media, technology, and telecommunications. We also sell to service providers, which also use the Nutanix Cloud Platform to provide a variety of cloud-based services to their customers. We had a broad and diverse base of over 29,000 end customers as of July 31, 2025. We define the number of end customers as the number of end customers for which we have received an order by the last day of the period, excluding partners to which we have sold products for their own demonstration purposes. A single organization or customer may represent multiple end customers for separate divisions, segments, or subsidiaries, and the total number of end customers may contract due to mergers, acquisitions, or other consolidation among existing end customers.

Growth Strategy

Key elements of our current growth strategy include:

- **Landing new end customers.** We intend to continue to grow our customer footprint through targeted investments in sales and marketing, our network of channel partners, and strengthening our OEM partnerships. In addition, we believe that the recent expansion of our platform to support external storage and the strengthening of our Kubernetes capabilities help enable us to address a broader range of customer infrastructure needs and deployment preferences. We believe that our evolving platform and product portfolio will enable us to address a larger customer base.
- **Expanding sales to existing end customers.** Our end customers typically deploy our technology initially for a specific workload. Our sales teams and channel partners then target follow-on opportunities to drive additional purchases by expanding capacity for the existing workload, targeting new workloads, upselling higher product tiers, and cross-selling new products. We believe this land-and-expand strategy enables us to expand our footprint within our existing customer base. We also believe that our platform's recent expansion to support external storage and strengthened Kubernetes capabilities drive opportunities to expand with existing end customers.
- **Driving renewals and retention in existing end customers.** In addition to our land-and-expand strategy, as part of our subscription-based business model, we intend to continue to focus on adoption and renewals among our existing customer base. Our focus on adoption drives customer value and stickiness. Our renewals are associated with lower sales costs as compared to landing new customers or expanding into our existing customer base, and help us drive profitable growth.

- **Building on our hybrid multicloud vision.** We intend to continue investing in our vision to make the Nutanix Cloud Platform the platform of choice to run applications and manage data, anywhere. We believe our platform can enable customers to accelerate their strategic initiatives to modernize legacy IT infrastructure and deploy modern applications and enterprise AI.
- **Deepening engagement with channel, OEM, cloud, and ecosystem partners.** We have established strong partnerships, and driven commercial success with several major channel, OEM, cloud, and ecosystem partners. We intend to continue to deepen relationships with existing channel and OEM partners and expand our partner ecosystem globally, while also supporting deployment of our software on qualified hardware and hosted services.
- **Driving profitable growth.** We intend to continue to invest in our growth, while balancing such growth against our operating expenses. By maintaining this balance, we believe we can sustain profitable growth. Key drivers of profitable growth include landing new customers, a growing base of renewals, expansions with existing customers, leveraging our partner and alliance ecosystem, and a continued focus on improving operational efficiencies across sales, marketing, and research and development.

Sales and Marketing

Sales. We primarily engage with our end customers through our global sales force who directly interact with key IT decision makers while also providing sales development, opportunity qualification and support to our channel partners. We have established relationships with our channel partners, who represent many of the key resellers and distributors of data center infrastructure software and systems in each of the geographic regions where we operate. We also engage our end customers through our OEM partners, which license our software and package it with their hardware and sell through their direct sales forces and channel partners. We expect to continue leveraging our relationships with our channel and OEM partners, and deepening relationships with our cloud and ecosystem partners, to reach our end customers.

Marketing. Our marketing team enables our global sales force and sales via our partner ecosystem. Our marketing focuses on educating our customers, prospects, partners, media and analysts, and influencers about the benefits and business outcomes our cloud software platform and solutions can deliver. The breadth of our product portfolio allows us to engage multiple buyer and user personas across the organization, including senior executives, IT professionals, and developers. Over the past year, we have focused on driving market awareness of our virtualization, cloud native, and enterprise AI-ready capabilities amid ongoing industry disruption. In addition, we continue to drive market awareness of our evolution from a pioneer in HCI to a provider of a unified platform that helps enterprises manage the growing complexity of virtualized, containerized and enterprise AI workloads across hybrid multicloud environments. We seek to create and capture buyer demand through a variety of outbound and inbound marketing programs that include email, digital marketing, corporate and third-party events that generate customer and prospect awareness - including our annual user event, .NEXT, in-person and virtual demand generation activities, social media outreach, media and analyst relations activities, learning certifications, community programs, platform test drives, thought leadership, and our website. Our robust community empowers customers and partners to share and discuss best practices for leveraging our solutions as well as network with peers. We foster strategic marketing partnerships with our ecosystem of technology, channel, OEM, system integrator, and service provider partners to expand market reach, increase brand awareness, and drive business growth. Through our unified Elevate Partner Program, we offer qualified partners access to market development funds, co-branded marketing campaigns, joint demand programs, and comprehensive learning paths.

Research and Development

Our research and development efforts are focused primarily on enhancing our existing technologies, developing new technologies in current and adjacent markets, and supporting existing end customer deployments. Our research and development teams include distributed systems software engineers, platform engineers, systems engineers, user interface engineers and user experience designers. A large portion of our research and development team is based in San Jose, California and India. We also maintain research and development centers in North Carolina, Serbia, Washington, Germany, Mexico, and the United Kingdom. We plan to dedicate significant resources to our continued research and development efforts and intend to continue to invest in our global research and development teams to support enhancements to our solutions, improve integration with ecosystem partners, and expand the range of technologies and features available through our platform. We believe that these investments will support our long-term growth strategy, although they may result in increased expenses and adversely affect our profitability in the near term.

Manufacturing

We do not manufacture any hardware. The Nutanix-branded NX series hardware platforms are manufactured by Super Micro Computer, Inc. ("Supermicro"). Supermicro designs, assembles and tests the Nutanix-branded NX series hardware platforms and it procures the components used in the NX series hardware platforms directly from third-party suppliers. Our agreement with Supermicro automatically renews annually in May for successive one-year periods thereafter, with the option to terminate upon each annual renewal. Distributors handle fulfillment and shipment for certain end customers, but do not hold inventory.

Competition

We operate in the intensely competitive cloud infrastructure and platform services markets and compete with a broad range of companies that sell software and hardware to build and operate private clouds, integrated systems and standalone storage and servers, as well as cloud services providers and managed service providers. These markets are characterized by constant change, rapid innovation, and evolving licensing and consumption models. We face competition from a broad range of providers, including, among others:

- software providers that offer virtualization, containerization, infrastructure and management products to build and operate enterprise and hybrid clouds, such as VMware by Broadcom, Microsoft, and Red Hat;
- providers of public cloud infrastructure and SaaS-based offerings, such as AWS, Google Cloud, Oracle Cloud, and Azure; and
- traditional IT systems vendors, such as Dell, Fujitsu, HPE, Hitachi Vantara, Lenovo, Pure Storage, Inc., NetApp, Inc., and Huawei Technologies Co., Ltd., many of which offer integrated systems that bundle servers, storage and networking solutions, as well as standalone server and storage products.

Competition generally varies by workload and customer segment, and customers often evaluate multiple alternatives simultaneously. Several of our competitors are also our partners, resellers, or OEMs in certain offerings. As the market in which we compete continues to develop, we expect it will continue to attract new companies as well as existing larger vendors. Some of our competitors may also expand their product and service offerings, acquire or invest in competing businesses or emerging technologies, offer differentiated pricing terms, bundle their products with other products and capabilities (including AI, machine learning, generative AI, and emerging agentic AI capabilities), provide closed technology platforms, partner with other companies to develop joint solutions, or otherwise leverage their scale, brand recognition or ecosystem relationships to gain a competitive advantage. Furthermore, as we expand our product offerings, we may expand into new markets, and we may encounter additional competitors in such markets. Additionally, as companies increasingly offer competing solutions, they may be less willing to cooperate with us as an OEM or otherwise.

We believe the principal competitive factors in our market include:

- platform features and capabilities;
- system scalability, performance and resiliency;
- the ecosystem of certified applications, services, and solutions for our platform;
- management and operations, including provisioning, troubleshooting, analytics, automation, and upgrades;
- total cost of ownership over the lifetime of the technology;
- customer freedom of choice over, and product interoperability with, third-party applications, infrastructure software, infrastructure systems, and platforms and public clouds;
- the ability to compete with incumbent vendors whose deeply integrated solutions and long-term commercial arrangements may limit customer flexibility and increase switching costs;
- application mobility across disparate silos of enterprise computing, including public and private cloud infrastructure; and
- quality of customer experience, including ease-of-use, support and professional services.

We have also strategically expanded into a number of markets that are adjacent to our core HCI market, both through the expansion in hybrid multicloud environments as well as through our addition of new functionality and features in our platform and through portfolio products. These adjacent markets include areas such as Kubernetes management and data and platform services, AI platform services, cloud disaster recovery, data security, governance and compliance, cloud management, files and object storage, and database automation and database-as-a-service. Competitors in these markets include large, sophisticated companies that may have more experience or longer operating histories in these markets as well as new entrants.

We believe that we are positioned favorably against our competitors based on these factors. However, many of our competitors have substantially greater financial, technical and other resources, greater brand recognition, larger sales forces and marketing budgets, a larger existing customer base, broader distribution, and larger and more mature intellectual property portfolios.

Intellectual Property

Our success depends in part upon our ability to protect and use our core technology and intellectual property. We rely on patents, trademarks, copyrights and trade secret laws, confidentiality procedures, and employee nondisclosure and invention assignment agreements to protect our intellectual property rights. As of July 31, 2025, we had 578 U.S. patents that have been issued and 159 non-provisional patent applications pending in the United States. Our issued U.S. patents expire between 2033 and 2045. We also leverage some open source software in most of our products. See Item 1A, "Risk Factors," for further discussion of risks related to protecting our intellectual property.

Facilities

Our corporate headquarters are located in San Jose, California where, under lease agreements that expire through May 2030, we currently lease approximately 215,000 square feet of space. We also maintain offices in North America, Europe, Asia Pacific, the Middle East, Latin America, and Africa. We lease all of our facilities and do not own any real property. We believe that our facilities are adequate to meet our needs for the immediate future and that, should it be needed, we would be able to lease suitable additional space to accommodate our operations.

Government Regulation

Our business activities are subject to various federal, state, local, and foreign laws, rules and regulations. Compliance with these laws, rules and regulations has not had, and is not expected to have, a material effect on our capital expenditures, results of operations or competitive position as compared to prior periods. Nevertheless, compliance with existing or future governmental regulations, including, but not limited to, those pertaining to global trade, acquisitions, AI-related governance, data protection and data privacy, climate, employment and labor, and taxes could have a material impact on our business in subsequent periods. See Item 1A, "Risk Factors," for further discussion of risks related to the potential impact of government regulation on our business.

Employees and Human Capital

We had approximately 7,800 employees worldwide as of July 31, 2025. None of our employees in the United States are represented by a labor organization or are a party to any collective bargaining arrangement. In certain European countries in which we operate, we are subject to, and comply with, local labor law requirements in relation to the establishment of works councils and/or industry-wide collective bargaining agreements. We are often required to consult and seek the consent or advice of these works councils. We have never had a work stoppage and we consider our relationship with our employees to be good.

We understand the importance of human capital and prioritize building our culture, talent development, and compensation and benefits. Our human capital resources objectives include attracting, retaining, and rewarding talent, as well as promoting the development and integration of our existing and new employees. The principal objectives of our equity and cash incentive plans are to attract, retain and reward personnel through stock-based and cash-based compensation awards, to drive stockholder value and the success of our company by motivating such individuals to align their work to company goals, and to perform to the best of their abilities and to achieve our objectives.

Culture

Our values are the framework that defines our culture and shape how we engage with one another, approach challenges, and work toward solutions:

- Hungry – We are relentlessly driven to innovate, improve, and lead.
- Humble – We stay grounded, always learning from each other and our customers.
- Honest – Transparency, trust, and integrity guide every interaction.
- with Heart – We approach every challenge with empathy, compassion, and a commitment to making a positive impact.

Our culture principles also shape the way we work and define how we engage with each other and with our customers. These principles are designed to drive performance, foster innovation, and ensure that we remain focused on delivering value, both to our employees and our stakeholders:

- We Own It – We take accountability for our actions, results, and decisions.
- We Work as One Team – Collaboration is key. We work together to achieve common goals and celebrate our collective success.
- We Obsess About Our Customers' Success – Our customers' success is our success. Everything we do is aimed at driving value for them.
- We Think Long-Term – We prioritize sustainability, future-focused growth, and enduring impact over short-term wins.

Total Rewards

We believe a robust and competitive Total Rewards portfolio is essential to attracting and retaining diverse talent that moves Nutanix forward. Our comprehensive reward programs offer physical, mental/emotional, and financial support to our employees and their families. We regularly review our programs and encourage employee feedback about the rewards they value most. We tailor rewards programs specifically based on local market practice and the competitive landscape. We provide a range of globally-available support programs, such as an Employee Assistance Program, online health engagement, and child development support.

Health, Wellness, and Safety

The health and safety of employees and others on our property are a top priority. We also focus on compliance with all health and safety laws applicable to our business. To that end, appropriate requirements are implemented, as needed, in order to comply with public health or safety obligations. We have a physical security policy applicable to all our employees with a global physical security team that is empowered to protect the safety of our employees in the event of emergencies or disasters. In addition, we work with our employees and facilities management at our office locations to ensure that work areas are kept safe and free of hazardous conditions. Employees are required to be conscientious about workplace safety. In compliance with applicable laws, and to promote the concept of a safe workplace, we maintain an Injury and Illness Prevention Program. We also continue to support the well-being and continued development of our employees by offering well-being days, during which all employees may enjoy private time away from work requirements.

Growth and Development

We challenge our employees to constantly learn, continuously improve and evolve -- and to that end we invest in resources to foster a learning culture throughout our company. We empower our employees to drive their own personal and professional growth by equipping them with onboarding and learning programs. Our learning programs include digital learning, speed coaching, customized learning workshops, manager enablement and skills training for current, new and future managers, training on culture, language learning programs, and employee wellness programs. We believe that by empowering our employees as they strive to grow personally and professionally, we will be able to build a flexible and resilient workforce and maintain and nurture a robust pipeline of talent to fuel our future growth and strategy.

Information about Segment and Geographic Areas

The segment and geographic information required herein is contained in Note 13 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Corporate Information

We were incorporated in Delaware in September 2009 as Nutanix, Inc. Our principal executive offices are located at 1740 Technology Drive, Suite 150, San Jose, California 95110, and our telephone number is (408) 216-8360. We have operations throughout North America, Europe, Asia Pacific, the Middle East, Latin America, and Africa. Our website address is www.nutanix.com. Information contained on or accessible through our website is neither a part of this Annual Report on Form 10-K nor incorporated by reference herein, and any references to our website and the inclusion of our website address in this Annual Report on Form 10-K are intended to be inactive textual references only.

Available Information

Our website is located at www.nutanix.com and our investors relations website is located at ir.nutanix.com. We file reports with the Securities and Exchange Commission ("SEC"), which maintains an internet site (<http://www.sec.gov>) that contains reports, proxy and information statements and other information regarding issuers, including us, that file electronically with the SEC. This Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as amended, are made available free of charge on the investor relations portion of our website as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. We also provide a link to the section of the SEC's website at www.sec.gov that has, or will have, all of our public filings, including this Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, all amendments to those reports, our Proxy Statements, and other ownership-related filings. We use our investor relations website as well as social media as channels of distribution for important company information. For example, webcasts of our earnings calls and certain events we participate in or host with members of the investment community are on our investor relations website. Additionally, we announce investor information, including news and commentary about our business and financial performance, SEC filings, notices of investor events, and our press and earnings releases, on our investor relations website. It is possible that the information we post on social media could be deemed to be material information. Therefore, we encourage investors, the media and others interested in our company to review the information we post on social media channels listed on our investor relations website. Investors and others can receive notifications of new information posted on our investor relations website in real time by signing up for email alerts and RSS feeds. Further corporate governance information, including our corporate governance guidelines, board committee charters and code of business conduct and ethics, is also available on our investor relations website under the heading "Governance Documents." Information contained on or accessible through our websites is neither a part of nor incorporated by reference into this Annual Report on Form 10-K or any other report or document we file with or furnish to the SEC, and any references to our websites and the inclusion of our website addresses in this Annual Report on Form 10-K are intended to be inactive textual references only.

Item 1A. Risk Factors

You should carefully consider the risks and uncertainties described below, together with all of the other information contained in this Annual Report on Form 10-K, including our consolidated financial statements and related notes, before making a decision to invest in our securities. The risks and uncertainties described below are not the only ones we face; additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that affect our business. If any of the following risks occur, our business, financial condition, operating results, cash flows, and prospects could be materially harmed. In that event, the price of our securities could decline, and you could lose part or all of your investment. In addition, the global macroeconomic environment remains uncertain, which may adversely impact our business, operating results, cash flows, and prospects.

Summary Risk Factors

Our business and an investment in our securities are subject to a number of risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business, financial condition, results of operations, cash flows, and prospects. These risks are discussed more fully below and include, but are not limited to, risks related to:

Risks Related to Our Business and Industry

- our ability to achieve our business plans, vision, and objectives, including our growth and go-to-market strategies, successfully and in a timely manner;
- macroeconomic or geopolitical conditions, industry trends, and technological developments, including disruptions and delays in global supply chains;
- the competitive market, including our competitive position, advantages and ability to compete effectively, and ability to increase our market share;
- our ability to capitalize on opportunities arising from Broadcom's acquisition of VMware and related changes to its product portfolio and business model;
- our ability to predict future financial performance from our historical financial performance;
- our ability to address customer needs and expand or maintain our customer base;
- our platform, solutions, products, services, and technology, including their interoperability and availability with and on third-party platforms and technologies, any undetected defects in our solutions, and current and future product roadmaps, including expanding our artificial intelligence-related capabilities;
- our ability to form new or maintain and strengthen existing, strategic alliances and partnerships, as well as our ability to manage any changes thereto;
- our reliance on key manufacturers, suppliers or other vendors; and
- any business model transitions.

Risks Related to Cybersecurity and Intellectual Property

- the occurrence of security breaches, improper access to or disclosure of our data or user data, and other cyber incidents or undesirable activity on our platform; and
- our ability to obtain, maintain, protect, and enforce our intellectual property rights.

Risks Related to Employee Matters

- our reliance on key personnel and ability to attract, train, incentivize, retain, and/or ramp to full productivity, qualified employees and key personnel.

Risks Related to Financial, Accounting, Regulatory, Tax, and Other Legal Matters

- our ability to maintain an effective system of internal controls;
- any changes to, or failure to comply with, laws and regulations, as well as the impact of any regulatory investigations and enforcement actions and other legal proceedings; and
- complex and evolving U.S. and foreign privacy, data use and data protection, content, competition, consumer protection, and other laws and regulations.

Risks Related to Our Convertible Senior Notes and Revolving Credit Facility

- our ability to service and repay our outstanding convertible notes, including the sufficiency of our cash, or our ability to raise necessary funds, to settle conversions of the notes, repay the notes at maturity, or repurchase the notes upon a fundamental change;
- our ability to comply with the covenants in and service any borrowings under our revolving credit facility; and
- the impact of certain provisions of our outstanding convertible notes on our financial condition and operating results, as well as the value of the notes and the price of our securities.

Risks Related to Ownership of our Securities

- any volatility and decline in the market price and/or trading volume of our securities, including as a result of financial or industry analyst reports or a lack thereof;
- any dilutive impact of actual or perceived sales of substantial amounts of our securities in the public markets and/or the conversion of our outstanding convertible notes;
- any limitations on the ability of holders of our securities to influence corporate matters due to certain provisions of our organizational documents or under Delaware law;
- restrictions on our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers, or employees; and
- our plans regarding payment of any future dividends.

General Risk Factors

- investors' and other stakeholders' expectations of our performance relating to environmental, social and governance factors.

Risks Related to Our Business and Industry

We have a history of losses, and we may not be able to maintain profitability on a GAAP or non-GAAP basis.

We have incurred GAAP net losses in annual periods from our inception through fiscal 2024, including GAAP net losses of \$254.6 million and \$124.8 million for fiscal 2023 and 2024, respectively. While we generated GAAP net income in fiscal 2025 and non-GAAP net income in fiscal 2023, fiscal 2024, and fiscal 2025, we may not be able to sustain profitability in future periods. As of July 31, 2025, we had an accumulated deficit of \$4.9 billion. We expect to continue making significant investments to grow our business. If we fail to grow our revenue or manage our operating expenses effectively, we may not be able to continue generating net income on a GAAP or non-GAAP basis.

Our continued focus on growth may negatively impact our ability to achieve or maintain profitability in the near term.

We intend to continue balancing our growth against our operating expenses. However, maintaining this balance may make it challenging to sustain profitability on a GAAP basis over time. Further, expenditures related to expanding our research and development efforts, sales and marketing efforts, infrastructure and other such investments may not ultimately grow our business, revenue or result in continued profitability. Although we achieved GAAP profitability in fiscal 2025, we did not do so in prior years, and there is no assurance that we will be able to maintain profitability in future periods. If we are ultimately unable to maintain profitability at the level anticipated by analysts and our stockholders, the price of our securities may decline, potentially significantly.

Adverse or uncertain macroeconomic or geopolitical conditions or reduced IT spending by our end customers may adversely impact our business, revenues and profitability.

Our business, operations and performance are dependent in part on worldwide market, economic and financial conditions and events that may be outside of our control, such as global, regional, and local economic developments, fiscal, monetary and tax policies, high inflation, elevated interest rates, recessionary pressures, political and social unrest, geopolitical tensions, the evolving policy landscape following the 2024 U.S. elections and related shifts in domestic and international policy, terrorist attacks, hostilities or the perception that hostilities may be imminent, military conflict, war, including the ongoing military conflict in Ukraine and related sanctions, the continuing conflict in the Middle East, malicious human acts, climate change, natural disasters (including extreme weather), pandemics or other major public health concerns, and other similar events. These conditions and events may adversely affect demand for enterprise computing infrastructure solutions and reduce the economic health and IT spending budgets of our current and prospective end customers. The global macroeconomic environment has been, and may continue to be, inconsistent, challenging and unpredictable due to international trade disputes or tensions, the imposition or expansion of tariffs (including those imposed by the U.S. government targeting imports from numerous countries, which may increase the cost of IT products and services and thereby reduce available IT budgets or shift spending priorities away from our solutions), restrictions on sales and technology transfers, elevated interest and inflation rates, uncertainties related to changes in public policies such as domestic and international regulations and fiscal and monetary stimulus measures, and taxes, potential changes to international trade agreements, actual or potential government shutdowns, elections and any related political instability, geopolitical turmoil and civil unrest, instability in the global credit markets, and other disruptions to global and regional economies and markets.

These macroeconomic challenges and uncertainties have, and may continue to, put pressure on global economic conditions and overall IT spending. As a result, our current and prospective end customers may reprioritize spending, delay or cancel purchasing decisions, extend sales cycles, or seek lower pricing for our solutions. These factors may make it difficult for us to forecast sales and operating results, plan future investments, and could materially and adversely affect our business, operating results and financial condition.

The enterprise IT market is rapidly changing and expanding, and we expect competition to continue to intensify in the future from both established competitors and new market entrants.

We operate in the intensely competitive cloud infrastructure and platform services markets and compete with a broad range of companies that sell software and hardware to build and operate private clouds, integrated systems and standalone storage and servers, as well as cloud services providers and managed service providers. These markets are characterized by constant change, rapid innovation, and evolving licensing and consumption models. We face competition from a broad range of providers, including, among others:

- software providers that offer virtualization, containerization, infrastructure and management products to build and operate enterprise and hybrid clouds, such as VMware by Broadcom, Microsoft, and Red Hat;
- providers of public cloud infrastructure and SaaS-based offerings, such as AWS, Google Cloud, Oracle Cloud, and Azure; and
- traditional IT systems vendors, such as Dell, Fujitsu, HPE, Hitachi Vantara, Lenovo, Pure Storage, Inc., NetApp, Inc., and Huawei Technologies Co., Ltd., many of which offer integrated systems that bundle servers, storage and networking solutions, as well as standalone server and storage products.

Competition generally varies by workload and customer segment, and customers often evaluate multiple alternatives simultaneously. Several of our competitors are also our partners, resellers, or OEMs in certain offerings. As the market in which we compete continues to develop, we expect it will continue to attract new companies as well as existing larger vendors. Some of our competitors may also expand their product and service offerings, acquire or invest in competing businesses or emerging technologies, offer lower pricing or aggressive discounting, bundle their products with other products and capabilities (including artificial intelligence, machine learning, generative AI, and emerging agentic AI capabilities), provide closed technology platforms, partner with other companies to develop joint solutions, or otherwise leverage their scale, brand recognition or ecosystem relationships to gain a competitive advantage. Furthermore, as we expand our product offerings, we may expand into new markets, and we may encounter additional competitors in such markets. Additionally, as companies increasingly offer competing solutions, they may be less willing to cooperate with us as an OEM or otherwise.

Many of our existing competitors have, and some of our potential competitors may have, competitive advantages over us, such as longer operating histories, significantly greater financial, technical, marketing, or other resources, stronger brand awareness and name recognition, larger intellectual property portfolios, and broader global presence and distribution networks. They may be able to devote greater resources to the promotion and sale of products and services than we can, and they may offer heavy discounts, forcing us to compete aggressively on pricing. Moreover, our current or potential competitors may be acquired by third parties with greater available resources and the ability to initiate or withstand substantial price competition, such as the acquisition of VMware by Broadcom in November 2023. Furthermore, some of our competitors have access to larger customer bases and supply a wide variety of products to, and have well-established relationships with, our current and prospective end customers. Some of these competitors have in the past and may in the future take advantage of their existing relationships with end customers, distributors or resellers to provide incentives to such current or prospective end customers that make their products more economically attractive or to interfere with our ability to offer our solutions to our end customers. Our competitors may also be able to offer products or functionality similar to ours at a more attractive price, such as by integrating or bundling their solutions with their other product offerings or those of technology partners or establishing cooperative relationships with other competitors, technology partners or other third parties. Some potential end customers have preferred, and in the future may continue to prefer, to purchase from their existing suppliers rather than a new supplier, especially given the significant investments that they have historically made in their legacy infrastructures. Some of our competitors may also have stronger or broader relationships with technology partners than we do, which could make their products more attractive than ours. We have also ventured into a number of markets that are adjacent to our core HCI market, both through the expansion of HCI in hybrid multicloud environments as well as through our emerging products, and some of our competitors in these adjacent markets have more experience with those markets and more resources targeted at penetration of those markets than we do. As a result, we cannot assure you that our solutions will compete favorably, and any failure to do so could adversely affect our business, operating results and prospects.

In addition, in recent years, an increasing number of customers have been allocating their IT spending toward artificial intelligence, machine learning, and generative AI capabilities. The IT infrastructure market for artificial intelligence, machine learning, and generative AI workloads is also expected to be an intensely competitive and rapidly evolving market.

We may not be able to capitalize on opportunities arising from Broadcom's acquisition of VMware and related changes to its product portfolio and business model.

We believe that our opportunity to increase market share has grown since VMware (now known as VMware by Broadcom), one of our main competitors, was acquired by Broadcom in November 2023. Since the acquisition, Broadcom has made changes to VMware by Broadcom's product portfolio, pricing, and partner programs, which we believe have led many VMware by Broadcom customers to explore alternatives to its virtualization and cloud infrastructure solutions. However, a variety of factors could adversely affect the timing and our ability to convert these opportunities. For example, many prospective customers may remain under multi-year VMware by Broadcom contracts or may defer migration until their next hardware or software refresh cycle. In addition, Broadcom may respond aggressively to our pursuit of these opportunities, and we may not be able to compete effectively across customer segments or geographies. Other factors that could limit our ability to capitalize on these opportunities include the length of enterprise sales cycles and customer evaluation of migration and interoperability considerations, and the availability of alternative solutions. Some customers may choose to remain with VMware by Broadcom due to existing investments, perceived switching risks, or contract obligations, while others may select competing vendors offering different architectures, pricing models, or cloud strategies. If we are unable to capitalize on these opportunities in a timely or cost-effective manner, our business and operating results could be materially and adversely affected.

The markets in which we compete are rapidly evolving, which make it difficult to forecast end customer adoption rates and demand for our solutions.

The markets in which we compete are rapidly evolving. Accordingly, our future financial performance will depend in large part on the allocation of spending in traditional IT markets and on our ability to adapt to new market demands. Currently, sales of our solutions are dependent in large part upon replacement of spending in traditional markets, including x86 servers, storage systems and virtualization software. In addition, as we continue to develop new solutions designed to address new market demands, sales of our solutions will in part depend on capturing new spending in these markets, including public cloud, hybrid cloud and cloud native services. Moreover, in recent years, an increasing number of customers have been allocating their IT spending toward artificial intelligence, machine learning, and generative AI capabilities. The IT infrastructure market supporting AI workloads is intensely competitive and rapidly evolving, and our ability to compete effectively in this space will depend on our ability to deliver differentiated, scalable, and AI-ready infrastructure solutions. If the markets in which we compete experience a shift in customer demand, or if customers in these markets focus their new spending on, or shift their existing spending to, public cloud solutions or other solutions that do not interoperate with our solutions more quickly or more extensively than expected, our solutions may not compete as effectively, if at all. It is also difficult to predict end customer demand or adoption rates for our solutions or the future growth of our market.

In addition, we have estimated the size of our total addressable and serviceable available markets based on internally generated data and assumptions, as well as data published by third parties, which we have not independently verified. While we believe these estimates are reasonable, such information is inherently imprecise and subject to a high degree of uncertainty. If our third-party or internally generated data prove to be inaccurate or we make errors in our assumptions based on that data, our actual market may be more limited than our estimates. In addition, these inaccuracies or errors may cause us to misallocate capital and other critical business resources, which could harm our business. Even if our total addressable market meets our size estimates and experiences growth, we may not continue to grow our share of the market.

If end customers do not adopt our solutions, our ability to grow our business and operating results may be adversely affected.

Traditional IT infrastructure architecture is entrenched in the data centers of many of our end customers because of their historical financial investment in existing IT infrastructure architecture and the existing knowledge base and skill sets of their IT administrators. As a result, our sales and marketing efforts often involve extensive efforts to educate our end customers as to the benefits and capabilities of our solutions, particularly as we introduce new products and continue to pursue large organizations as end customers. If we fail to achieve market acceptance of our solutions, our ability to grow our business and our operating results will be adversely affected.

As we target some of our sales efforts at larger enterprise customers, we may face greater costs, longer sales cycles, greater competition, increased pricing pressure, deployment and customization challenges, and less predictability in our ability to close sales, and we may have to delay revenue recognition for some complex transactions, all of which could harm our business and operating results.

Over time, our sales pipeline has evolved to include a higher mix of larger deal opportunities. Sales to these end customers involve risks that may not be present, or that are present to a lesser extent, with sales to smaller end customers. These risks include:

- longer sales cycles and the associated risk that substantial time and resources may be spent on a potential end customer that elects not to purchase our solutions;
- competition from companies that traditionally target larger enterprises, service providers and government entities and that may have pre-existing relationships or purchase commitments from such end customers;

- increased purchasing power and leverage held by large end customers in negotiating contractual arrangements with us; and
- more stringent requirements in our support service contracts, including demand for quicker support response times and penalties for any failure to meet support requirements.

Large organizations often undertake a significant evaluation process that results in a lengthy sales cycle. Although we have a channel sales model, our sales representatives typically engage in direct interaction with our prospective end customers as well as our distributors and resellers. We typically provide evaluation products to these end customers and may spend substantial time, effort and money in our sales efforts to these prospective end customers. In addition, product purchases by large organizations are frequently subject to budget constraints, multiple approvals and unanticipated administrative, processing and other delays. Finally, large organizations typically have longer implementation cycles, require greater product functionality and scalability, require a broader range of services, demand that vendors take on a larger share of risks, require acceptance provisions that can lead to a delay in revenue recognition, expect greater payment flexibility (which may delay cash collections and negatively impact our free cash flow), and may also have a greater ability to resist any attempts to pass on increases in our operating and procurement costs. Given these variables, it can be difficult for us to estimate when an expected sale from a large organization, service provider or government entity may occur, and our ability to accurately forecast our future operating results may be adversely affected. If we fail to realize an expected sale from a large end customer in a particular quarter or at all, our business and operating results could be adversely affected. All of these factors can add further risk to business conducted with these end customers.

Our sales of offerings that support external storage may negatively impact sales of our core HCI offering and alter customer purchasing behavior, which could negatively impact our results of operations.

As part of our strategy to expand our addressable market and meet the needs of customers invested in legacy three-tier IT infrastructure, we recently expanded our offerings to include support for qualified third-party external storage platforms. While we believe this flexibility may facilitate customer adoption of our platform in brownfield environments and enable longer-term expansion opportunities, it may also negatively impact sales of our core HCI offering. In addition, support for external storage may increase the complexity of our offerings and require additional resources for integration, testing, and customer success. It also increases our reliance on third-party technologies, over which we have limited control. If these third-party platforms experience performance issues, customer dissatisfaction, or changes in strategic direction that affect interoperability with our solutions, our reputation and customer relationships could be negatively impacted. Furthermore, if customers adopt our solutions to support external storage as a permanent architecture rather than as a transitional step toward full HCI adoption, our investment in this capability may not yield the anticipated return, which could adversely affect our operating results.

Our sales cycles can be long and unpredictable, and our sales efforts require considerable time and expense. As a result, it can be difficult for us to predict when, if ever, a particular customer will choose to purchase our solutions, which may cause our operating results to fluctuate significantly.

Our sales efforts involve educating our end customers about the uses and benefits of our solutions, including their technical capabilities and cost saving potential. End customers often undertake an evaluation and testing process that can result in a lengthy sales cycle. Increasing competition and the availability or emergence of competing infrastructure, virtualization, and containerization solutions, as well as different consumption models, often result in customers evaluating multiple vendors at the same time, which can further lengthen the sales cycle. We spend substantial time and resources on our sales efforts without any assurance that our efforts will produce any sales. Platform purchases are frequently subject to budget constraints, multiple approvals and unanticipated administrative, processing and other delays. In addition, because our platform is deployed on a hardware platform and many prospective customers have invested in legacy three-tier infrastructures consisting of separate servers, storage systems, and storage area networks, customers may not be ready to consider adopting our platform unless and until they are due for a hardware refresh, which occurs at intervals. These factors and the legacy relationships that our end customers have with existing IT vendors sometimes lead to unpredictable sales cycles, which make it difficult for us to predict when end customers may purchase solutions from us. The unpredictable nature of our sales cycles may be increased in future periods as we continue to focus our sales efforts more heavily on major accounts and large deals. Our business and operating results will be significantly affected by the degree to which and speed with which organizations adopt our solutions. In addition, over time, our sales pipeline has evolved to include a higher mix of larger deal opportunities. Because larger deal opportunities often take longer to close and require more levels of review from the customer's executive team, involve greater competition, and have greater variability in timing, outcome and deal structure, this recent trend is expected to drive greater variability in our ability to land new end customers and expand sales to existing end customers, and our top-line results may be adversely affected.

We have experienced significant growth in prior periods, and we may not be able to sustain or manage any future growth effectively.

We have expanded our overall business and operations significantly in prior periods. Our employee headcount has increased significantly since our inception. We anticipate that our operating expenses will increase in the long term as we scale our business, including in developing and improving our new and existing solutions, expanding our sales and marketing capabilities and global coverage, and in providing general and administrative resources to support our growth. In addition, as we continue to grow our business in the long term, we must effectively train, integrate, develop, motivate, and retain a large number of new employees, as well as existing employees who are promoted or moved into new roles, while maintaining the effectiveness of our business execution. The failure to manage these changes could significantly delay the achievement of our strategic objectives. In particular, our success depends heavily on our ability to ramp new sales teams in a fast and effective manner and retain those sales teams. In recent years, we have also seen higher-than-normal attrition among our sales representatives and while we are actively recruiting additional sales representatives, it will take time to replace, train, and ramp them to full productivity, and if we are unable to do so, we may not be able to achieve our growth targets. We must also continue to improve and expand our IT and financial infrastructure, management systems and product management and sales processes. We expect that our future growth will continue to place a significant strain on our management, operational and financial resources, and we may not be able to sustain or manage any future growth effectively. We may make investments or otherwise incur costs associated with future growth that may not translate into revenues or otherwise result in the realization of their anticipated benefits within the expected timeframe or at all, and the return on these investments may be lower, if any, or may develop more slowly than we expect.

If we are unable to sustain or manage our growth effectively, we may not be able to take advantage of market opportunities. We also may fail to satisfy end customers' requirements, maintain product quality, execute on our business plan, or respond to competitive pressures, any of which could adversely affect our business, operating results, financial condition, and prospects.

Our historical financial performance, including revenue growth, may not be indicative of our future performance.

Our historical financial performance, including revenue growth, may not be indicative of our future performance. Over the years, we have undergone several business model transitions, including our transition to focus on software-only sales and our transition to a subscription-based business model. These transitions can make it difficult to compare our current results against our historical results. Operating under a subscription-based business model results in differences in revenue recognition compared to our previous life-of-device model. For example, subscription contracts typically have shorter durations than the assumed five-year duration of contracts under our previous life-of-device license model, which typically results in lower upfront revenue per transaction.

If other IT vendors do not cooperate with us to ensure that our solutions interoperate with their products, including by providing us with early access to their new products or information about their new products, our product development efforts may be delayed or impaired, our solutions could become less attractive to end customers and our business, operating results and prospects may be adversely affected.

Our solutions provide a platform on which software applications and hypervisors from different software providers run. As a result, our solutions must interoperate with our end customers' existing hardware and software infrastructure, specifically their networks, servers, software, and operating systems, as well as the applications that they run on this infrastructure, which may be manufactured and provided by a wide variety of vendors and OEMs. In addition to ensuring that our solutions interoperate with these hardware and software products initially, we must regularly update our software to ensure that our solutions continue to interoperate with new or updated versions of these hardware and software products. Current or future providers of hardware, software applications, hypervisors, or data management tools could make changes that would diminish the ability of our solutions to interoperate with them. Significant additional time and effort may be necessary to ensure the continued compatibility of our solutions, which might not be possible at all. Even if our solutions are compatible with those of other providers, if they do not certify or support our solutions for their systems or cooperate with us to coordinate troubleshooting and hand off of support cases, end customers may be reluctant to buy our solutions, which could decrease demand for our solutions and harm our ability to achieve a return on the investments and resources that we have dedicated to ensuring compatibility. Developing solutions that interoperate properly requires substantial partnering, capital investment and employee resources, as well as the cooperation of the vendors or developers of the software applications and hypervisors both with respect to product development, certification, and support processes. Vendors may not provide us with early or any access to their technology and products, assist us in these development efforts, certify our solutions, share with or sell to us any application programming interfaces ("APIs"), formats, or protocols we may need, or cooperate with us to support end customers. If they do not provide us with the necessary access, assistance or proprietary technology on a timely basis or at all, we may experience product development delays or be unable to ensure the compatibility of our solutions with such new technology or products. Some of these vendors also sell solutions that compete directly or indirectly with our solutions and therefore may not be incentivized to cooperate with us to ensure interoperability, certify our solutions, or support joint customers. To the extent that vendors develop products that compete with ours, they have in the past, and may again in the future, withhold their cooperation, decline to share access, certify our solutions or sell or make available to us their proprietary APIs, protocols or formats or engage in practices to actively limit the functionality, compatibility, certification, or support of our products. If any of the foregoing occurs, our product development efforts may be delayed or impaired, our solutions could become less attractive to end customers resulting in a decline in sales, which could reduce demand for our solutions, impair our competitive position, and adversely affect our business, operating results, and prospects.

If we fail to successfully execute on our plan to sell more cloud services, which are sold on a ratable subscription-basis, our results of operations could be adversely affected.

We have sold and anticipate selling more of our products and services as cloud-based offerings - which include offerings hosted on public cloud infrastructure as well as part of the Nutanix Cloud Platform - on a ratable subscription basis. While cloud-based offerings currently make up a small portion of our business, selling these offerings has required, and will continue to require, a considerable investment of resources and will continue to divert resources and increase costs, especially in cost of license and other revenues, in any given period. We have also made, and intend to continue to make, investments in the supporting infrastructure for such cloud-based offerings that we host and may not recoup the costs of such investments. Such investments of resources may also not improve our long-term growth and results of operations. Further, the increase in some costs associated with our cloud-based services may be difficult to predict over time, especially in light of our lack of historical experience with the costs of delivering cloud-based versions of our solutions.

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We believe our plan has certain advantages; however, it also presents a number of risks to us including, but not limited to, the following:

- arrangements entered into on a ratable subscription basis may delay when we can recognize revenue, even when compared to similar term-based subscription sales, which we currently recognize upfront, and can require up-front costs, which may be significant;
- since revenue is recognized ratably over the term of the customer agreement, any decrease in customer purchases of our ratable subscription-based products and services will not be fully reflected in our operating results until future periods. This will also make it difficult for us to increase our revenue through additional ratable subscription sales in any given period;
- cloud-based ratable subscription arrangements are generally under short-term agreements. Accordingly, our customers generally have no long-term obligation to us and may cancel their subscription at any time, even if our customers are satisfied with our cloud-based subscription products; and
- there is no assurance that the cloud-based solutions we offer on a ratable subscription basis, including new products that we may introduce, will receive broad marketplace acceptance.

If we fail to properly execute on our plan to sell more of our products and services as cloud-based offerings on a ratable subscription basis, our business and operating results would be adversely affected, and the price of our securities could decline.

If we fail to develop or introduce new or enhanced solutions on a timely or cost-effective basis, our ability to attract and retain end customers could be impaired and our brand, reputation and competitive position could be harmed.

We operate in a dynamic environment characterized by rapidly changing technologies, industry standards and technological obsolescence. We must continually create valuable software solutions and integrate these solutions across hardware platforms. To compete successfully, we must design, develop, market, and sell new or enhanced solutions that provide increasingly higher levels of performance, capacity, scalability, security, interoperability, application mobility, and reliability and meet the cost expectations of our end customers. The introduction of new products by our competitors, the market acceptance of products based on new or alternative technologies, including generative and agentic AI capabilities, or the emergence of new industry standards could render our existing or future solutions obsolete or less attractive to end customers. Any failure to anticipate or develop new or enhanced solutions or technologies in a timely or cost-effective manner in response to technological shifts, including those driven by AI, could result in decreased revenue and harm to our business and prospects. Any new feature or application that we develop or acquire may not be introduced in a timely or cost-effective manner and may not achieve broad market acceptance and investments in research and development or efforts to optimize our engineering cost structure may not be successful. In particular, if we fail to timely release new products, technology or services that we previously announced, our brand and reputation could be harmed. For example, in May 2023 we announced Project Beacon, our multi-year effort to deliver a portfolio of data-centric infrastructure-as-a-service and platform-as-a-service-level services available natively anywhere, including on the Nutanix Cloud Platform or on public clouds. In May 2025, we launched Cloud Native AOS, the first product from Project Beacon. If we fail to introduce new or enhanced solutions that meet the needs of our end customers, such as Project Beacon, or penetrate new markets in a timely fashion, we may lose market share, and our business, operating results, and prospects could be adversely affected.

Developments or improvements in enterprise IT infrastructure technologies may materially and adversely affect the demand for our solutions.

Significant developments in enterprise IT infrastructure technologies, such as advances in storage, virtualization, containers, networking, disaster recovery, edge computing, management software, and public cloud and hybrid cloud infrastructure solutions, may materially and adversely affect our business, operating results and prospects in ways we do not currently anticipate. Any failure by us to develop new or enhanced technologies or processes, to react to changes or advances in existing technologies or to correctly anticipate these changes or advances as we create and invest in our product roadmap, could materially delay our development and introduction of new solutions, which could result in the loss of competitiveness of our solutions, decreased revenue and a loss of market share to competitors. In addition, public cloud infrastructure offers alternatives to the on-premises infrastructure deployments that our platform currently primarily supports. Various factors could cause the rate of adoption of public cloud infrastructure to increase, including decreases in the price of public cloud offerings, increased interoperability with on-premises infrastructure solutions that compete with our solutions, and improvements in the ability of public cloud providers to deliver reliable performance, enhanced security, better application compatibility, and more precise infrastructure control. In addition, the rate of adoption of public cloud infrastructure could increase due to increased customer interest in artificial intelligence, machine learning, and generative AI capabilities that may be offered by public cloud providers. Any of these factors could make our platform less competitive as compared to the public cloud and could materially and adversely affect the demand for our solutions.

Investing in our AI capabilities introduces risks, which, if realized, could adversely impact our business.

We have made, and expect to continue making, investments in our AI capabilities across our business, products, and services, including efforts to position the Nutanix Cloud Platform as a preferred platform for running enterprise AI workloads. AI technologies are complex and rapidly evolving, and we face significant competition from other companies and are subject to an evolving regulatory landscape. The introduction of AI technologies into new or existing products and services may result in new or enhanced governmental or regulatory scrutiny, litigation, privacy, confidentiality or security risks, ethical concerns, legal liability, or other complications that could adversely affect our business, reputation, or financial results. For example, the European Union has enacted the AI Act and in the United States, new AI-related laws and regulations are emerging such as the Colorado AI Act, the California AI Transparency Act, the Utah Artificial Intelligence Policy Act, and the Texas Responsible AI Governance Act, with numerous more being proposed at the federal, state, and local levels. These laws and regulations could require us to comply with various requirements depending on the nature and categorization of AI, and our role. This may result in expending resources and additional costs to comply with these requirements, change our business practices, or provide additional infrastructure, policies, safeguards, and personnel to support the ongoing governance and oversight of such AI technologies, including notice, transparency, and AI risk assessment and mitigation obligations. For example, in the United States, in 2025 the current presidential administration rescinded an executive order relating to the safe and secure development of AI technologies that was previously implemented by the former administration in 2023. The administration then issued a new executive order that, among other things, requires certain agencies to develop and submit to the president action plans to “sustain and enhance America’s global AI dominance,” and to specifically review and, if possible, rescind rulemaking taken pursuant to the rescinded executive order. In July 2025, the current administration further issued America’s AI Action Plan, focusing on the three pillars of innovation, infrastructure, and international diplomacy and security in AI, and seven underlying principles. The current administration may continue to rescind other existing federal orders and/or administrative policies relating to AI technologies, or may implement new executive orders and/or other rule making relating to AI technologies in the future. Any such changes at the federal level could require us to expend significant resources to modify our products, services, or operations to ensure compliance with old frameworks or meet new obligations.

The intellectual property ownership and license rights, including copyright, surrounding AI technologies have not been fully addressed by laws or regulations, and our use or adoption of third-party AI technologies into our business operations, products and services may result in exposure to claims of copyright infringement or other intellectual property misappropriation, as well as potential liability to customers.

AI technologies may use algorithms, datasets, or training methodologies that may be flawed or contain deficiencies that may be difficult to detect during testing. AI technologies, including generative AI, may create content that appears correct but is factually inaccurate, flawed, or biased. Use of such content may be to the detriment of the user, or it may lead to discriminatory or other adverse outcomes, which may expose us to brand or reputational harm, competitive harm, regulatory scrutiny and fines, and/or legal liability. Further, AI technologies may repurpose data beyond its original intent or without the consent of an individual where required, or involve unintended cross-border transfers, challenging privacy principles and potentially resulting in privacy-related claims, liability, or regulatory scrutiny. As we expand our use of AI technologies, we may be required to update our agreements, policies, and controls to address these risks and meet evolving customer and regulatory expectations.

Our growth depends on our existing end customers renewing or upgrading their subscriptions and support and entitlement agreements and making additional purchases of software licenses and software upgrades, and the failure of our end customers to do so could harm our business and operating results.

Our future success depends on our existing end customers renewing or upgrading their subscription and support and entitlement agreements and making additional purchases of software licenses and software upgrades. If our end customers do not renew or upgrade their subscription and support and entitlement agreements and/or purchase additional software licenses or software upgrades, our revenue may decline, and our operating results may be harmed. In order for us to maintain or improve our operating results, we depend on our existing end customers renewing their subscription agreements as well as their support and entitlement agreements or purchasing additional solutions. End customers may choose not to renew their subscription agreements or support and entitlement agreements, or purchase additional solutions, because of several factors, such as dissatisfaction with our platform, solutions, support, or prices (including relative to competitive offerings), reductions in our end customers' spending levels or other causes outside of our control. If our existing end customers do not purchase new solutions or renew or upgrade their subscription agreements or support and entitlement agreements, our revenue may grow more slowly than expected or may decline, and our business and operating results may be adversely affected.

We rely primarily on indirect sales channels for the distribution of our solutions, and disruption within these channels or underperformance by our channel partners could adversely affect our business, operating results and cash flows.

We primarily sell our solutions through indirect sales channels, including channel partners, such as distributors, our OEM partners, value added resellers, and system integrators. Our OEM partners may in turn distribute our solutions through their own networks of channel partners with whom we have no direct relationships.

We rely, to a significant degree, on our channel partners to select, screen and maintain relationships with their distribution networks and to distribute our solutions in a manner that is consistent with applicable law, regulatory requirements and our quality standards. If our channel partners or a partner in their distribution network violates applicable law or regulations, misrepresents the functionality of our solutions, or otherwise engages in conduct that results in regulatory scrutiny or legal action, our reputation and brand could be damaged, and we could be subject to potential liability. Additionally, if we are unable to establish relationships with strong channel partners in key growth regions, our ability to sell our solutions in these regions may be adversely affected. Our agreements with our channel partners are generally non-exclusive, meaning our channel partners may offer end customers the products of several different companies, including products that compete with ours. As a result, our channel partners, including our OEM partners, may not be fully incentivized to prioritize or actively promote our solutions, particularly if they also sell their own products or those of our competitors. In addition, we have limited visibility into and control over the sales efforts and go-to-market strategies of our OEM partners, and their sales performance may not meet our expectations. If our OEM partners or other channel partners do not effectively market and sell our solutions, choose to allocate fewer resources to our solutions, or fail to meet the needs of our end customers, our business, operating results and prospects may be adversely affected. Our channel partners may cease marketing our solutions with limited or no notice and with little or no penalty. The loss of a substantial number of our channel partners, together with our inability to replace them, or the failure to recruit additional channel partners or establish an alternative distribution network could materially and adversely affect our business and operating results. Sales through our top two distributors to our end customers represented 41% of our total revenue for fiscal 2025. In addition, if a channel partner offers its own products or services that are competitive to our solutions, is acquired by a competitor or reorganizes or divests its reseller business units, our revenue derived from that partner may be adversely impacted or eliminated altogether.

Recruiting and retaining qualified channel partners and training them in the use of our technologies requires significant time and resources. If we fail to devote sufficient resources to support and expand our network of channel partners, our business may be adversely affected. Maintaining strong indirect sales channels for our products and effectively leveraging our channel partners and OEMs is important to our growth strategy, and the failure to effectively manage these relationships may lead to higher costs and reduced revenue. Although we believe that this transition will make our sales channels more efficient and broader reaching in the long term in these markets, there is no guarantee that this new distribution model will increase our sales in the short term or allow us to sustain our gross margins. Any potential delays or confusion during the transition process to our new partners may negatively affect our relationship with our existing end customers and channel partners and may cause us to lose prospective end customers or additional business from existing end customers or cause a decline in renewal rates with existing end customers. Upon completion of the transition to the new sales model, we will be more reliant on fewer channel partners, which may reduce our contact with our end customers making it more difficult for us to establish brand awareness, ensure proper delivery and installation of our software, support ongoing end customer requirements, estimate end customer demand, respond to evolving end customer needs, and obtain subscription renewals from end customers.

Substantially all of our sales to government entities have been made indirectly through our channel partners. Government entities may have statutory, contractual or other legal rights to terminate contracts with our channel partners for convenience or due to a default. If a material portion of government contracts becomes subject to renegotiation or termination, any such renegotiation or termination may adversely impact our future operating results. We also sometimes rely on our channel partners to satisfy certain regulatory obligations that we would otherwise have to satisfy if we sold directly to the government entities, and our channel partners may be unable or unwilling to satisfy these obligations in the future. In addition, a channel partner may become restricted in its ability to conduct business with government entities due to its own regulatory or legal issues. If we are unable to transition to another qualified channel partner in a timely manner, our ability to sell to government entities could be negatively impacted. Governments routinely investigate and audit government contractors' (including subcontractors') administrative processes, and any unfavorable audit could result in the government refusing to continue buying our solutions, our channel partners changing their business models or refusing to continue to sell our solutions under current models, a reduction of revenue or fines, or civil or criminal liability if the audit uncovers improper or illegal activities.

If our indirect distribution channel is disrupted, particularly if we are reliant on a fewer number of channel partners, or if we are required to directly satisfy certain regulatory obligations imposed by government entities as a result of our efforts to expand our sales to government entities, we may be required to devote more time and resources to distribute our solutions directly and support our end customers, which may not be as effective and could lead to higher costs, reduced revenue and growth that is slower than expected.

Our operating results and key financial and performance metrics may fluctuate significantly, which could make our future results difficult to predict and could cause our operating results to fall below expectations.

Our operating results and key financial and performance metrics, including revenue, ARR, and free cash flow, may fluctuate due to a variety of factors, many of which are outside of our control. As a result, comparing our operating results on a period-to-period basis may not be meaningful. If our operating results or any of our key financial and performance metrics in any particular period fall below analyst or investor expectations, the market price of our securities would likely decline, potentially significantly. Factors that are difficult to predict and that could cause our operating results to fluctuate include, but are not limited to:

- the timing and magnitude of bookings, and the license start dates of subscriptions in any quarter as well as the timing of ARR and/or GAAP revenue recognition associated with those transactions, which may diverge due to a variety of factors;
- subscription renewal rates;
- the timing of subscription renewals, such as subscription renewals that occur earlier than expected, which may have the effect of moving expected bookings and revenue from future periods to the current period;
- our ability to attract new end customers and retain and increase sales to existing end customers;
- disruptions in our sales channels or shifts in our relationships with important channel, OEM, ecosystem and cloud partners, and changes in their go-to-market priorities, incentive structures or terms;
- the timing of revenue recognition for our sales;
- reductions in end customers' budgets for information technology purchases;
- delays in end customers' purchasing cycles or deferments of end customers' purchases in anticipation of new products or updates from us or our competitors;

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- fluctuations in demand and competitive pricing pressures for our solutions;
- the lengths of our contract durations;
- the mix of solutions sold, and the mix of revenue between product and support, entitlements and other services;
- our ability to develop, introduce and ship in a timely manner new solutions and product enhancements that meet customer requirements, and market acceptance of such new solutions and product enhancements;
- the timing of product releases or upgrades or announcements by us or our competitors;
- any change in the competitive dynamics of our markets, including consolidation or partnerships among our competitors or partners, new entrants, shifts in customer preferences, or discounting of prices;
- the amount and timing of expenses to grow our business and the extent to which we are able to take advantage of economies of scale or to leverage our relationships with OEM or channel partners;
- the costs associated with acquiring new businesses and technologies and the follow-on costs of integrating and consolidating the results of acquired businesses;
- the amount and timing of stock-based compensation expenses incurred as a result of granting equity awards to attract, retain, and motivate employees and key personnel;
- our ability to control the costs of our solutions and their key components, or to pass along any cost increases to our end customers;
- general economic, industry and market conditions and other events that may be outside of our control, such as political and social unrest, terrorist attacks, hostilities, war, malicious human acts, climate change, natural disasters (including extreme weather), supply chain disruption or shortages, pandemics or other major public health concerns, and other similar events; and
- future accounting pronouncements, changes in accounting policies, and changes in how we define or calculate key performance metrics.

The occurrence of any one of these risks could negatively affect our operating results in any particular quarter, which could cause the price of our securities to decline.

Because a significant portion of our revenue is recognized ratably over the term of the contractual service period, downturns or upturns in sales are not immediately reflected in full in our results of operations.

Subscription revenue accounts for the substantial majority of our revenue, comprising 93%, 94%, and 95% of our total revenue for fiscal 2023, 2024, and 2025, respectively. A significant portion of our subscription revenue is revenue from software entitlement subscriptions, support subscriptions and SaaS offerings, which is recognized ratably over the contractual service period. As a result, a significant portion of our revenue that we report for each fiscal quarter represents the recognition of deferred revenue from subscription agreements entered into during previous fiscal quarters. Consequently, any decline in any such subscriptions, whether new subscriptions or renewals, in any given fiscal quarter will not be fully or immediately reflected in our revenue for that quarter. However, any such decline will negatively affect our revenue for future quarters. Accordingly, the effect of significant downturns in sales, our failure to achieve our internal sales targets, a decline in the market acceptance of our services, or a decrease in retention rates may not be fully reflected in our operating results until future periods. Our subscription model also makes it more difficult for us to rapidly increase our revenue through additional sales in any period, as a significant portion of our revenue from additional sales must be recognized over the applicable subscription duration.

Our gross and operating margins are impacted by a variety of factors and may be subject to variation from period to period.

Our gross and operating margins may be affected by a variety of factors, including fluctuations in the pricing of our products (including as a result of competitive pricing pressures or increases in component pricing), the degree to which we are successful in selling the value of incremental feature improvements and upgrades, customer renewal rates and the degree to which renewals drive our top-line growth, changes in the mix between direct versus indirect sales, changes in the mix of products sold, and the timing and amount of recognized and deferred revenue, particularly as a result of our subscription-based business model. In addition, operating margin may be affected by changes in our cost structure, including investments in sales and marketing, research and development, and general and administrative functions, as well as the timing of those investments relative to revenue recognition. If we are unable to manage these factors effectively, our gross and operating margins may decline, and fluctuations in these metrics may make it difficult to manage our business and to maintain profitability, which could adversely affect our business and operating results.

Because our business depends on manufacturers of hardware, including our OEM partners, to timely and cost-effectively produce and ship the hardware platforms on which our software runs, we are susceptible to supply chain disruptions, delays, quality events, and pricing fluctuations, which have adversely affected, and could further adversely affect, our business.

Our business depends on manufacturers (including Supermicro and our OEM partners) to produce the hardware platforms on which our software runs (including both the Nutanix-branded NX series hardware platforms and the various third-party hardware platforms that are included on our hardware compatibility list) as well as various products that are beyond our control or the control of such manufacturers, which exposes us to direct and indirect risks beyond our control, including reduced control over quality assurance, product costs, product availability, supply chain disruptions and delays, and potential reputational harm and brand damage. We may not be able to discover, manage, and/or remediate such risks in a timely manner or at all. Key components of the servers on which our software runs have in the past been, and may in the future be, affected by chip shortages. In addition, increases in hardware prices, whether due to component shortages or other cost pressures, could reduce customer demand for our software if customers delay or scale back purchases of certified hardware platforms needed to run our solutions. Customers may also respond to rising hardware costs by reevaluating their overall IT budgets or seeking to reduce total solution costs, which could adversely affect demand for our software and put pressure on pricing and margins. Furthermore, fulfilling orders for NX series hardware platforms or other hardware platforms on which our software runs may not be a priority for such manufacturers in guiding their business decisions and operational commitments. If we fail to manage our relationships with such manufacturers effectively, or if such manufacturers experience delays, disruptions or increased manufacturing lead times, component lead-time disruptions, capacity constraints, or quality control problems in their operations or are unable to address our or our end customers' requirements for or concerns about timely delivery, our ability to sell our solutions to our end customers could be severely impaired due to the lack of availability of certified hardware platforms, and our customers' ability, or willingness, to consume our software may be materially impacted or delayed, which could adversely affect our business and operating results, competitive position, brand and reputation, as well as our relationships with affected customers.

In particular, we rely substantially on Supermicro to manufacture, as well as assemble and test, the Nutanix-branded NX series hardware platforms. Our agreement with Supermicro automatically renews for successive one-year periods, with the option to terminate upon each annual renewal, and does not contain any minimum long-term commitment to manufacture NX-branded hardware platforms. If we are required to change the manufacturer or contract manufacturers for the assembly and testing of our NX-branded hardware platforms, we may lose revenue, incur increased costs and damage our channel partner and end customer relationships. We may also decide to switch or bring on additional contract manufacturers for the assembly and testing of our NX-branded hardware platforms in order to better meet our needs. Switching to or bringing on a new OEM partner or contract manufacturer and commencing production can be expensive and time-consuming and may cause delays in order fulfillment at our existing OEM partners and contract manufacturers or cause other disruptions.

Our agreement with Supermicro does not contain any price assurances, and increases in component costs, without a corresponding increase in the price of our NX series solutions, could reduce the amount that an end customer pays for our software, thereby adversely affecting our revenue. Furthermore, we may need to increase our component purchases, manufacturing capacity and internal test and quality functions if we experience increased demand. The inability of Supermicro or other manufacturers to produce adequate supplies of hardware platforms could cause a delay in customers' ability to consume our software and our order fulfillment, and our business, operating results and prospects, would be adversely affected. As of July 31, 2025, we had approximately \$106.9 million in the form of guarantees to our contract manufacturers related to certain components.

There are a limited number of suppliers, and in some cases single-source suppliers, for several key components in our NX-branded hardware platforms as well as other hardware platforms that our software is certified to operate on (including hardware platforms from our OEM partners), and any delay or disruption in the availability or quality of these components could delay shipments of the NX-branded hardware platforms and damage our channel partner or end customer relationships, or cause our customers to delay purchasing our software.

We rely on a limited number of suppliers, and in some cases single-source suppliers, for several key hardware components of the Nutanix-branded NX series hardware platforms. These components are generally purchased on a purchase order basis through Supermicro, and we do not have long-term supply contracts with these suppliers. This reliance on key suppliers exposes us to risks, including reduced control over product quality, production and component costs, timely delivery, and capacity. It also exposes us to the potential inability to obtain an adequate supply of required components because we do not have long-term supply commitments, and replacing some of these components would require a lengthy product qualification process. Furthermore, we extensively test and qualify the components that are used in NX-branded hardware platforms and other platforms on our hardware compatibility list, including hardware platforms from our OEM partners, to ensure that they meet certain quality and performance specifications. If the supply of certain components is disrupted or delayed, or if there is a need to replace existing suppliers on the qualified hardware configuration, there can be no assurance that additional supplies or components can serve as adequate replacements for the existing components, will be available when required or that supplies will be available on terms that are favorable, and it may require modifying our solutions to interoperate with the replacement components. Any of these developments could extend the lead times, increase the costs of the components or costs of product development, cause us to miss market windows for product launch and adversely affect our business, operating results and financial condition.

We generally maintain minimal inventory for repairs and a number of evaluation and demonstration units, and generally acquire components only as needed. We do not enter into long-term supply contracts for these components. As a result, our ability to respond to channel partner or end customer orders efficiently may be constrained by the then-current availability, terms and pricing of these components. The technology industry has experienced component shortages and delivery delays in the past, including a global chip shortage, and there may be shortages or delays of critical components in the future as a result of strong demand in the industry, component availability constraints, or other factors. If we or our suppliers inaccurately forecast demand for our solutions or we ineffectively manage our enterprise resource planning processes, our suppliers may have inadequate inventory, which could increase the prices we must pay for substitute components or result in our inability to meet demand for our solutions, as well as damage our channel partner or end customer relationships.

If the suppliers of the components of compatible hardware platforms increase prices of components, experience delays, disruptions, capacity constraints, quality control problems in their manufacturing operations or adverse changes to their financial condition, our ability to ship hardware platforms to our channel partners or end customers in a timely manner and at competitive prices could be impaired, and our customers' ability to acquire hardware on which to run our software could be impaired, and our competitive position, brand, reputation, and operating results could be adversely affected. Qualifying a new component can be expensive and time-consuming. If we are required to change key suppliers, we may lose revenue and damage our channel partner or end customer relationships which could adversely impact our revenue and operating results.

We rely upon third parties for the warehousing and delivery of hardware platforms and replacement parts for support, and we therefore have less control over these functions than we otherwise would.

We outsource the warehousing and delivery of hardware platforms and spare parts to a third-party logistics provider for spares and service parts fulfillment. In addition, some of our support offerings commit us to replace defective parts in our hardware platforms as quickly as four hours after the initial customer support call is received, which we satisfy by storing replacement parts inventory in various third-party supply depots in strategic worldwide locations. As a result of relying on third parties, we have reduced control over shipping and logistics transactions and costs, quality control, security, and the supply of replacement parts for support. Consequently, we may be subject to shipping disruptions and unanticipated costs as well as failures to provide adequate support for reasons that are outside of our direct control. If we are unable to have hardware platforms or replacement products shipped in a timely manner, end customers may seek to cancel their contracts with us, we may suffer reputational harm, and our business, operating results and prospects may be adversely affected.

Our ability to sell our solutions is dependent in part on ease of use and the quality of our technical support, and any failure to offer high-quality technical support would harm our business, operating results and financial condition.

Once our solutions are deployed, our end customers depend on our support organization to resolve any technical issues relating to our solutions. Furthermore, because of the emerging nature of our solutions, our support organization often provides support for and troubleshoots issues for products of other vendors running on our solutions, even if the issue is unrelated to our solutions. There is no assurance that we can solve issues unrelated to our solutions, or that vendors whose products run on our solutions will not challenge our provision of technical assistance to their products. Our ability to provide effective support is largely dependent on our ability to attract, train and retain personnel who are not only qualified to support our solutions, but also well versed in some of the primary applications and hypervisors that our end customers run on our solutions. Furthermore, as we have international operations, our support organization faces additional challenges, including those associated with delivering support, training and documentation in languages other than English. In addition, as we continue to evolve our product portfolio, which may include additional solutions, our ability to provide high-quality support will become more difficult and will involve more complexity. Any failure to maintain high-quality installation and technical support, or a market perception that we do not maintain high-quality support, could harm our reputation and brand, adversely affect our ability to sell our solutions to existing and prospective end customers, and could harm our business, operating results and financial condition.

Our solutions are highly technical and may contain undetected defects, which could cause data unavailability, unauthorized access to, loss, or corruption that might, in turn, result in liability to our end customers and harm to our reputation, brand and business.

Our solutions are highly technical and complex and are often used to store information critical to our end customers' business operations. Our solutions may contain undetected errors, defects or security vulnerabilities that could result in data unavailability, unauthorized access to, loss, corruption, or other harm to our end customers' data, including personal or identifying information regarding their employees, customers, and suppliers, as well as their finance and payroll data, and other sensitive business information. In addition, as we expand our platform and introduce new cloud-based products that may hold more of our customers' data, any undetected or unresolved errors, defects or security vulnerabilities may result in data unavailability, unauthorized access to, loss, corruption, or other harm to our end-customers' data. Some errors or defects in our solutions may only be discovered after they have been installed and used by end customers. In addition, we may make certain commitments to our OEMs regarding the time frames within which we will correct any security vulnerabilities in our software. If any hardware or software errors, defects or security vulnerabilities are discovered in our solutions after commercial release, a number of negative effects in our business could result, including but not limited to:

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- lost revenue or lost OEM or other channel partners or end customers;
- delays in developing and deploying patches and other remedial measures to adequately address vulnerabilities, if any;
- increased costs, including warranty expense and costs associated with end customer support as well as development costs to remedy the errors or defects;
- delays, cancellations, reductions, or rescheduling of orders or shipments;
- product returns or discounts; and
- damage to our reputation and brand.

In addition, we could face legal claims for breach of contract, product liability, tort, or breach of warranty. While many of our contracts with end customers contain provisions relating to warranty disclaimers and liability limitations, these provisions might not be upheld or might not provide adequate protection if we face such legal claims. Defending a lawsuit, regardless of its merit, could be costly and may divert management's attention and adversely affect the market's perception of us and our solutions. In addition, our business liability insurance coverage could prove inadequate with respect to a claim and future coverage may be unavailable on terms favorable or acceptable to us or at all. These product-related issues could result in claims against us and our business could be adversely impacted.

Our business depends, in part, on sales to government organizations, and significant changes in the contracting or fiscal policies of such government organizations could have an adverse effect on our business and operating results.

We derive a portion of our revenue from contracts with federal, state, local, and foreign governments, and we believe that the success and growth of our business will continue to depend on our successful procurement of government contracts. Government contracts may require the maintenance of certain security clearances for facilities and employees. However, demand is often unpredictable from government organizations, and there can be no assurance that we will be able to maintain or grow our revenue from the public sector. Government agencies are subject to budgetary processes and expenditure constraints that could lead to delays or decreased capital expenditures in IT spending, particularly in light of continued uncertainties about government spending levels, such as recent changes to, or failure to appoint new, government leaders. We have also recently experienced longer sales cycles and increased variability in transactions involving federal government agencies, which we believe are due to internal personnel changes and more extensive procurement reviews within these organizations. The budget and approval process for government agencies also experiences a longer sales cycle relative to our other end customers, and it may be difficult for us to accurately forecast the impact of these contracts on our future operating results. If government organizations reduce or shift their capital spending patterns, our business, operating results and prospects may be harmed. Factors that could impede our ability to maintain or increase the amount of revenue derived from government contracts, include, but are not limited to:

- the elimination of certain government agencies;
- public sector budgetary cycles and funding authorizations;
- changes in fiscal or contracting policies;
- decreases in available government funding;
- changes in government programs or applicable requirements;

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- the adoption of new laws or regulations or changes to existing laws or regulations;
- potential delays or changes in the government appropriations or other funding authorization processes;
- delays caused by reductions in force in government agencies; and
- higher expenses associated with, or delays caused by, diligence and qualifying or maintaining qualification as a government vendor.

The occurrence of any of the foregoing could cause governments and governmental agencies to delay or refrain from purchasing our solutions in the future or otherwise have an adverse effect on our business, operating results and prospects.

Our international operations expose us to additional risks, and failure to manage those risks could adversely affect our business, operating results and cash flows.

We derive a significant portion of our revenue from end customers and channel partners outside the United States. We derived approximately 44%, 45% and 44% of our total revenue from our international customers based on bill-to location for fiscal 2023, 2024, and 2025, respectively. We are continuing to adapt to and develop strategies to address international markets but there is no guarantee that such efforts will have the desired effect. As of July 31, 2025, approximately 59% of our full-time employees were located outside of the United States. We expect that our international activities will continue to grow over the foreseeable future as we continue to pursue opportunities in existing and new international markets, which will require significant management attention and financial resources. We are subject to risks associated with having significant worldwide operations, including, but not limited to:

- business practices may differ from those in the United States and may require us in the future to include terms other than our standard terms in customer, channel partner, employee, consultant, and other contracts;
- political, economic and social instability or uncertainty around the world, including the ongoing military conflict in Ukraine and continued instability in the Middle East;
- potential changes in trade relations arising from policy initiatives implemented by, or statements made by, the U.S. government, including evolving trade policies and tariff regimes that may impact global supply chains and cross-border commerce;
- the potential impact of tariffs or other trade restrictions imposed by, or threatened to be imposed by, the U.S. government, including newly introduced or adjusted tariffs under recent trade initiatives and reciprocal actions by other governments;
- greater difficulty in enforcing contracts, judgments and arbitration awards in international courts, and in collecting accounts receivable and longer payment and collection periods;
- greater risk of unexpected changes in regulatory practices, tariffs and tax laws and treaties;
- risks associated with trade restrictions and foreign legal requirements, including the importation, certification and localization of our solutions required in foreign countries;
- greater risk of a failure of foreign employees, partners, distributors, and resellers to comply with both U.S. and foreign laws, including antitrust regulations, the U.S. Foreign Corrupt Practices Act of 1977, as amended ("FCPA"), the United Kingdom Bribery Act of 2010 ("UK Bribery Act"), U.S. or foreign sanctions regimes and export or import control laws, and any trade regulations ensuring fair trade practices;

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- heightened risk of unfair or corrupt business practices in certain geographies and of improper or fraudulent sales arrangements that may impact financial results and result in restatements of, or irregularities in, financial statements;
- requirements to comply with foreign privacy, data protection and information security laws and regulations and the risks and costs of noncompliance, including new and evolving laws governing AI and data privacy, such as the European Union's AI Act;
- increased expectations from foreign customers and other stakeholders about our performance relating to environmental, social and governance factors (such as climate-related performance), and requirements to comply with foreign sustainability standards or initiatives, including new sustainability standards and due diligence obligations in the European Union, such as the Corporate Sustainability Reporting Directive ("CSRD") and the Corporate Sustainability Due Diligence Directive ("CSDDD");
- reduced or uncertain protection for intellectual property rights in some countries;
- impediments to the flow of foreign exchange capital payments and receipts due to exchange controls instituted by certain foreign governments;
- increased expenses incurred in establishing and maintaining corporate entities, office space and equipment for our international operations;
- difficulties in managing and staffing international offices and increased travel, infrastructure and legal and regulatory compliance costs associated with multiple international locations, including costs related to additional regulatory reviews or audits, financial accounting and reporting obligations and international cybersecurity requirements;
- greater difficulty in identifying, attracting and retaining local experienced personnel, and the costs and expenses associated with such activities;
- the challenge of managing a development team in geographically disparate locations;
- management communication and integration problems resulting from cultural and geographic dispersion;
- differing employment practices and labor relations issues;
- fluctuations in exchange rates between the U.S. dollar and foreign currencies in markets where we do business; and
- treatment of revenue from international sources for tax purposes and changes in tax laws, regulations or official interpretations, including being subject to foreign tax laws and being liable for paying withholding, income or other taxes in foreign jurisdictions.

As we expand our business globally, our success will depend, in large part, on our ability to anticipate and effectively manage these risks. These factors and other factors could harm our ability to gain future international revenue and, consequently, materially impact our business, operating results and financial condition. The entry into additional international markets will require significant management attention and financial resources. Our failure to successfully manage our international operations and the associated risks effectively could limit the future growth of our business.

Risks Related to Cybersecurity and Intellectual Property

If we are the victim of a cyber attack or other cybersecurity incident and our networks, computer systems or software solutions are breached or unauthorized access to sensitive or proprietary information, including employee or customer data, otherwise occurs, our business operations may be interrupted, our reputation and brand may be damaged, and we may incur significant liabilities.

Cyber attacks designed to gain access to sensitive or proprietary information by breaching mission critical systems of large organizations are constantly evolving, and high-profile electronic security breaches and other cybersecurity incidents leading to the unauthorized release of sensitive or proprietary information, including employee and customer information, have occurred at a number of large companies in recent years. Companies in our industry have reported that they have been subject to such cyber attacks, including attacks potentially from nation-state actors, and we could be subject to similar attempted attacks. More generally, computer malware, viruses, social engineering (predominantly spear phishing attacks), and general hacking have become prevalent in our industry, particularly against cloud services, and we and companies like us can suffer security breaches and other cybersecurity incidents from a variety of causes, whether due to third-party action, software bugs or vulnerabilities or coding errors, physical break-ins, employee error, malfeasance, or otherwise. In addition, retaliatory acts by countries subject to Western sanctions could include cyber attacks that could disrupt the economy or that could also either directly or indirectly impact our operations. We also continue to incorporate AI solutions and features into our platform, which may result in security incidents, jailbreaking, or otherwise increase cybersecurity risks. Additionally, artificial intelligence and machine learning may increase cybersecurity risks we face through, for example, being used to increase the prevalence or intensity of cyber attacks.

While we regularly face a wide variety of attempted attacks and other cybersecurity incidents, our preventative and detective security systems and controls have protected us to-date from any such attack or incident having a significant impact on our business. However, there is no assurance that these systems and controls will prevent any future attacks or incidents that may have a significant impact on our business. As we transition to offering more cloud-based solutions, as well as those based on our partnerships with third-party public cloud providers, we and our third-party public cloud providers may increasingly be the target of cyber threats or be exposed to other types of cybersecurity incidents. We also use other third-party platforms and other services, and as a result, we have been exposed to in the past, and may be exposed to in the future, cybersecurity incidents related to such third-party services.

Because the techniques used and vulnerabilities exploited to obtain unauthorized access or to sabotage systems change frequently, and generally are not identified until they are launched against a target, we may be unable to anticipate these techniques or vulnerabilities or implement adequate preventative measures. We may also experience security breaches that may remain undetected for an extended period.

If any unauthorized access to, or security breach of, or other cybersecurity incident affecting, our solutions occurs, such an event could result in the loss of data, loss of intellectual property or trade secrets, loss of business, severe reputational or brand damage adversely affecting end customer or investor confidence, regulatory investigations and orders and other enforcement actions, litigation, indemnity obligations, damages for contract breach, and penalties for violation of privacy, data protection, artificial intelligence, and other applicable laws, regulations or contractual obligations. We may also be subject to potentially significant costs for remediation that may include liability for stolen assets or information and repair of system damage that may have been caused or incentives offered to end customers or other business partners in an effort to maintain business relationships after a breach and other liabilities. Additionally, any such event or perceived event could impact our reputation and brand, harm customer confidence, hurt our sales and expansion into existing and new markets, or cause us to lose potential or existing end customers. Any actual, potential or anticipated attack or other cybersecurity incident may cause us to incur increasing costs, including costs to deploy additional personnel and protection technologies, train employees and engage third-party experts and consultants.

Furthermore, a high-profile security breach or incident suffered, or perceived to have been suffered, by an industry peer may entail a general loss of trust in our industry and thereby have a similar adverse impact on our business and financial performance as a direct breach suffered by us. We could be required to expend significant capital and other resources to alleviate problems caused by such actual or perceived breaches or incidents and to remediate our systems, we could be exposed to a risk of loss, litigation or regulatory action and possible liability, and our ability to operate our business may be impaired.

In addition, if the security measures of our end customers, partners, vendors, or suppliers are compromised, even without any actual compromise of our own systems or of our solutions used by such end customers, partners, vendors, or suppliers, we may face negative publicity, reputational harm or brand damage if our end customers, partners, vendors, or suppliers or anyone else incorrectly attributes the blame for such incidents to us or our solutions. If end customers believe that our solutions do not provide adequate security for the storage of personal or other sensitive or proprietary information or the transmission of such information over the internet, our business will be harmed. End customers' concerns about security or privacy may deter them from using our solutions for activities that involve personal or other sensitive information, which may significantly affect our business and operating results.

Moreover, we have acquired a number of companies, products, services, and technologies over the years. Although we devote significant resources to address any security issues with respect to such acquisitions, we may still inherit additional risks as we integrate these companies, products, services, and technologies into our business and solutions.

Third-party claims that we are infringing intellectual property, whether successful or not, could subject us to costly and time-consuming litigation or expensive licenses, and our business could be harmed.

A number of companies, both within and outside of the enterprise and cloud computing infrastructure industry, hold a large number of patents covering aspects of storage, servers, networking, desktop, security, virtualization, containerization, database management, cloud services products, and other technologies relevant to our products. In addition to these patents, participants in these technology and market areas typically also protect their technology through copyrights, as trade secrets and by contractual means. As a result, there is frequent litigation based on allegations of infringement, misappropriation or other violations of intellectual property rights. We have received, and in the future may receive, inquiries from other intellectual property holders and may become subject to allegations and claims, in litigation and outside litigation, that we infringed or are infringing their intellectual property rights, particularly as we expand our presence in the market and face increasing competition. There can be no assurance that we will be successful in defending against these allegations or claims or in reaching a business resolution that is satisfactory to us, which could affect or even preclude our ability to sell our products in the relevant market and subject us to payment of damages and other financial remedies. In addition, parties may claim that the names and branding that we use for our company and our various products and services infringe their trademark rights in certain countries or territories. If such a claim were to prevail, we may have to change the names and branding that we use in the affected countries or territories and we could incur other costs.

We currently have a number of agreements in effect pursuant to which we have agreed to defend, indemnify and hold harmless our end customers, suppliers and channel and other partners from damages and costs which may arise from allegations of infringement, or actual infringement, by our products and services of third-party patents or other intellectual property rights in the United States and/or in other countries. The scope of these defense and indemnity obligations varies, but may, in some instances, include indemnification for damages and expenses, including attorneys' fees. A claim that our solutions infringe a third party's intellectual property rights, even if untrue, could harm our relationships with our end customers and/or channel partners, may deter future end customers from purchasing our solutions and could expose us to costly litigation and settlement expenses. Even if we are not a party to any litigation between a customer and a third party relating to infringement by our products or services, an adverse outcome in any such litigation could make it more difficult for us to defend our solutions against intellectual property infringement claims in any subsequent litigation in which we are a named party. Any of these results could harm our brand and operating results.

Our defense of intellectual property rights claims brought against us or our end customers, suppliers and channel partners, regardless of whether the claims have merit, could be time-consuming, expensive to litigate or settle, divert management resources and attention, and force us to acquire intellectual property rights and licenses, which may involve substantial royalty or other payments. Further, a party making such a claim, if successful, could secure a judgment that requires us to pay substantial damages. An adverse determination also could prevent us from offering or delivering our products and services to our end customers or channel partners and may require that we procure or develop substitute solutions that do not infringe, which could require significant effort and expense. We may have to seek a license for the technology at issue, which may not be available on terms favorable or acceptable to us or at all, and as a result may significantly increase our operating expenses or require us to restrict our business activities in one or more respects. Any of these events could adversely affect our business, operating results, financial condition, and prospects.

The success of our business depends in part on our ability to protect and enforce our intellectual property rights.

We rely on a combination of patent, copyright, service mark, trademark, and trade secret laws, as well as confidentiality procedures and contractual restrictions and covenants, to establish and protect our proprietary rights, all of which provide only limited protection. Effective patent, trademark, service mark, copyright, and trade secret protection may not be available in every country in which our solutions are available. We cannot be certain that the steps we have taken will prevent unauthorized use of our technology or the reverse engineering of our technology. Moreover, others may independently develop technologies that are competitive to ours and reduce our sales or market advantages, or infringe our intellectual property. A reduction in our market advantages or an inability to adequately protect and enforce our intellectual property and other proprietary rights could seriously harm our business, operating results, financial condition, and prospects.

We cannot assure you that any patents will be issued with respect to our currently pending patent applications in a manner that gives us adequate defensive protection or competitive advantages, if at all, or that any patents issued to us will not be challenged, invalidated or circumvented. We have filed for patents in the United States and in certain international jurisdictions, but such protections may not be available in all countries in which we operate or in which we seek to enforce our intellectual property rights, or may be difficult to enforce in practice. Our currently issued patents and any patents that may be issued in the future with respect to pending or future patent applications may not provide sufficiently broad protection or they may not prove to be enforceable in actions against alleged infringers.

Protecting against the unauthorized use of our intellectual property, solutions and other proprietary rights is expensive and difficult, particularly internationally. Litigation via court proceedings, arbitrations or similar proceedings may be necessary in the future to enforce or defend our intellectual property rights or to determine the validity and scope of the proprietary rights of others. For example, in March 2024, we announced that we filed a lawsuit in U.S. District Court against Tessell, Inc. ("Tessell") alleging that Tessell engaged in willful copyright and patent infringement (including theft of our source code and intellectual property related to our database service offering) and commenced separate arbitration proceedings against Tessell's founders. Litigation and arbitration are unpredictable and we may not win a litigation or arbitration even if there is significant evidence supporting our claims and defenses. Further, these proceedings and any other similar proceedings could result in substantial costs and diversion of management resources, either of which could harm our business, operating results and financial condition. Further, many of our current and potential competitors have the ability to dedicate substantially greater resources to defending intellectual property infringement claims and to enforcing their intellectual property rights than we have. Attempts to enforce our rights against third parties could also provoke these third parties to assert their own intellectual property or other rights against us, or result in a holding that invalidates or narrows the scope of our rights, in whole or in part.

A number of our solutions incorporate or are based upon software that we obtained under open source licenses, some of which may restrict or impose certain obligations on how we use or distribute our solutions, subject us to various risks and challenges and could result in increased development expenses, delays or disruptions to the release or distribution of those solutions, an inability to protect our intellectual property rights, and increased competition.

A number of our solutions incorporate or are based upon open source software, and we may incorporate or base our solutions on open source software in the future. Such open source software is generally licensed under "permissive" and "copyleft" open source licenses, such as the Apache License 2.0, BSD 2-Clause License, Eclipse Public License 2.0, GNU General Public License, GNU Lesser General Public License, MIT License, the Mozilla Public License 2.0, and other open source licenses. The use of open source software subjects us to a number of risks and challenges, including, but not limited to:

- If open source software programmers, most of whom we do not employ, do not continue to develop and enhance open source technologies, our development expenses could increase and our product release and upgrade schedules could be delayed.
- Open source software is open to further development or modification by anyone. As a result, others may develop such software to be competitive with our platform and may make such competitive software available as open source. It is also possible for competitors to develop their own solutions using open source software, potentially reducing the demand for, and putting price pressure on, our solutions.

- The licenses under which we license certain open source software may require that, if we modify and distribute the open source software we receive, we are required to make such modifications and potentially related proprietary software of ours, available under the same open source license terms. In addition, some open source licenses treat provision of cloud services as triggering the requirement to make proprietary software publicly available. Sometimes, open source licensors may change their license in a way that may require us to change or eliminate the future use of such software, which may impact functionality and induce costs. Accordingly, we monitor our use of open source software in an effort to avoid subjecting our proprietary software to such conditions and others we do not intend. Although we believe that we have complied with our obligations under the various licenses for open source software that we use, our processes used to monitor how open source software is used and what license applies could be subject to error. In addition, there is little or no legal precedent governing the interpretation of terms in most of these licenses and licensors sometimes change their license terms. Therefore, any improper or unintended usage of open source software, including a failure to identify changes in license terms, could result in unanticipated obligations regarding our solutions and technologies, which could have an adverse impact on our intellectual property rights and our ability to derive revenue from solutions incorporating the open source software.
- If an author or other third party who distributes such open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur legal expenses defending against such allegations, or engineering expenses in developing a substitute solution.

If we are unable to effectively manage our compliance obligations for open source software use, our business and operating results could be adversely affected and our development costs may increase.

Risks Related to Employee Matters

Our business and growth depend on our ability to attract and retain qualified personnel, including our management team and other key personnel, and the inability to attract, hire, integrate, train, retain, or motivate qualified personnel could harm our business and growth.

Our success and growth depend to a significant degree on the skills and continued services of our management team and other key personnel. If we lose the services of any member of management or any key personnel, we may encounter challenges or delays in identifying a suitable or qualified replacement, and we may incur additional expenses to recruit and train a replacement. In recent years, we have experienced changes in our management team resulting from the hiring or departure of executives and other key personnel. While we seek to manage these transitions carefully, these changes may result in a loss of institutional knowledge and may cause disruptions to our business and growth. If we fail to successfully integrate new key personnel into our organization or if key employees are unable to successfully transition into new roles, our business could be adversely affected. In addition, we do not have life insurance policies that cover any of our executive officers or other key employees. The loss of the services of any of our executive officers or key employees, and any failure to have in place and execute an effective succession plan for key executives, could disrupt our business and have a significant negative impact on our operating results, prospects and future growth.

In addition, our success and growth also depend substantially on our ability to continue to attract, hire, integrate, train, retain, and adequately motivate qualified and highly skilled personnel, in particular, in sales and engineering. We have invested, and may need to continue to invest, significant amounts of cash and equity to attract and retain employees, and we may never realize returns on these investments. Moreover, ineffective management of any leadership transitions, especially within our sales organization, or the inability of our recently hired sales personnel to effectively ramp to target productivity levels could negatively impact our growth and operating margins. It requires a significant time investment to replace, train, and ramp sales representatives to full productivity. Competition for highly skilled personnel, particularly in sales and engineering, is frequently intense, especially in the San Francisco Bay Area, where we are headquartered and have a substantial need for engineering talent. This competition for highly skilled personnel results in increased costs in the form of cash and stock-based compensation. Furthermore, the industry in which we operate generally experiences high employee attrition.

Although we have entered into employment offer letters with some of our key personnel, these agreements generally do not have a fixed duration or term. Volatility or underperformance in the price of our Class A common stock may also impact our ability to attract and retain key employees. There is no assurance that we will be able to successfully attract or retain qualified personnel. Additionally, potential changes in U.S. immigration and work authorization laws and regulations may make it difficult to renew or obtain visas for any highly skilled personnel that we have hired or are actively recruiting. Our inability to attract and retain the necessary personnel could adversely affect our business, operating results and financial condition.

Moreover, we believe that a key contributor to our success and our ability to retain a highly skilled workforce has been our company culture, which we believe fosters innovation, teamwork, and a passion for our products and customers. As we grow and evolve, we may find it difficult to maintain the beneficial aspects of our company culture globally. These difficulties may be further amplified by our globally distributed workforce, which could have a negative impact on our workplace culture and on the execution of our business plans and operations. An inability to maintain our company culture could adversely affect our ability to attract and retain employees, continue to perform at current levels, or execute on our business strategy.

If we do not effectively expand, train, motivate, and retain our sales force, we may be unable to add new end customers or increase sales to our existing end customers and our business will be adversely affected.

Although we have a channel sales model, our sales representatives typically engage in direct interaction with our prospective end customers. Therefore, we continue to be substantially dependent on our sales force to obtain new end customers and sell additional solutions to our existing end customers. There is significant competition for sales personnel with the skills and technical knowledge that we require. Our ability to achieve revenue growth will depend, in large part, on our success in recruiting, training and retaining sufficient numbers of sales personnel to support our growth. New hires require significant training and may take significant time before they achieve full productivity; we estimate based on past experience that our average sales team members typically do not fully ramp and are not fully productive until around the time of the start of their fourth quarter of employment with us. Our recent hires and planned hires may not become productive as quickly as we expect, and we may be unable to hire or retain sufficient numbers of qualified individuals, particularly individuals who are focused on sales of our solutions to new and existing large enterprises, service providers and government entities, in the markets where we do business or plan to do business. Hiring sales personnel in new countries also requires additional set up, upfront and ongoing costs that we may not recover if the sales personnel fail to achieve full productivity. In addition, as a result of our rapid growth, a large percentage of our sales force is new to our company and our solutions and therefore less effective than our more seasoned employees.

If our new sales employees, particularly those focused on sales of our solutions to new and existing large enterprises, service providers and government entities, do not become fully productive on the timelines that we have projected, or if we are unable to ensure that our seasoned sales employees remain productive, our revenue will not increase at anticipated levels and our ability to achieve long-term projections may be negatively impacted. If we are unable to hire, train and maintain sufficient numbers of effective sales personnel, or our new or existing sales personnel are not successful in obtaining new end customers, convincing existing customers to renew their subscription-based purchases, or increasing sales to our existing customer base generally, our business, operating results and prospects will be adversely affected.

If we do not effectively develop, structure and compensate our sales force to focus on the end customers and activities that will primarily drive our growth strategy, our business will be adversely affected.

As indicated above, our growth is dependent in large part on the success of our sales force and in particular our ability to structure our sales force and sales compensation structure in a way that aligns with our growth strategy. As part of our efforts to appropriately structure and compensate our sales force such that their incentives are properly aligned with our growth strategy, we have made changes to our sales processes, sales segmentation, and leadership structures for our global sales teams and may need to make additional changes in the future. Such changes may take longer than anticipated to successfully implement, and we may not be able to realize the full benefits thereof, which may have a material adverse impact on our sales productivity as well as our business and operational results generally. In particular, as indicated above, our growth continues to be substantially dependent on our ability to increase our sales to large enterprises, particularly when those sales result in large orders for our solutions. Competition for sales employees who have the knowledge and experience necessary to effectively penetrate major enterprise accounts is fierce, and we may not be successful in hiring such employees, or hiring them on the timelines we anticipate, which will negatively impact our ability to target and penetrate major enterprise accounts.

Risks Related to Financial, Accounting, Regulatory, Tax, and Other Legal Matters

If we fail to maintain an effective system of internal controls, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.

As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley Act") and the rules and regulations of the Nasdaq Stock Market. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting and financial compliance costs, make some activities more difficult, time-consuming and costly, and place significant strain on our personnel, systems and resources.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls, internal control over financial reporting and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC, is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Further, weaknesses in our internal controls may be discovered in the future. Any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal controls also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we are required to include in our periodic reports we will file with the SEC under Section 404 of the Sarbanes-Oxley Act. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the market price of our securities.

In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting to comply with the SEC rules that implement Sections 302 and 404 of the Sarbanes-Oxley Act, we have expended and anticipate that we may continue to expend significant resources and undertake various actions, including incurring accounting-related costs, implementing new internal controls and procedures, and providing significant management oversight. Any failure to maintain the adequacy of our internal controls, or consequent inability to produce accurate financial statements on a timely basis could increase our operating costs and could materially impair our ability to operate our business and could have a material and adverse effect on our operating results and could cause a decline in the price of our securities. In addition, if we are unable to continue to meet these requirements, we may not be able to maintain our listing on the Nasdaq Global Select Market.

Any legal proceedings or claims we may be involved in, including securities class action litigation that could result from volatility in our stock price, could be costly and time-consuming to defend and could harm our reputation regardless of their outcome.

We are, and may in the future become, involved in various legal proceedings and claims, including cases involving our IP rights and those of others, commercial matters, employee-related claims, and other actions, including actions that arise in the ordinary course of business. Any litigation, whether meritorious or not, could result in substantial costs, divert our management's attention and resources from our business, and adversely impact our reputation and brand. This could have an adverse effect on our business, operating results and financial condition. While we maintain insurance coverage for certain types of claims, such insurance coverage may be insufficient to cover all losses or all types of claims that may arise. If we are required to make substantial payments or implement significant changes to our operations as a result of legal proceedings or claims, our business, results of operations and financial condition could be adversely affected.

In addition, companies that experience volatility in their stock price, including us, have historically been subject to securities class action and derivative litigation and we may face similar claims in the future. For example, class action securities lawsuits and shareholder derivative lawsuits were filed against us in February 2019 and March 2023, which have since been resolved. Any such litigation instituted against us, whether meritorious or not, could result in substantial costs, divert management's attention, and adversely affect our reputation, business, operating results, and financial condition.

Failure to comply with applicable laws and regulations could result in fines, penalties and reputational harm and could also cause us to lose end customers, including in the public sector, or negatively impact our ability to contract with the public sector.

Our business is subject to laws and regulations in the United States and internationally, including those related to employment and labor, antitrust, workplace safety, environmental, consumer protection, anti-bribery laws, import/export controls, trade and economic sanctions, securities, and taxation. In certain jurisdictions, these legal and regulatory requirements may be more stringent than in the United States. Noncompliance with applicable regulations or requirements could subject us to investigations, sanctions, mandatory product recalls, enforcement actions, disgorgement of profits, fines, damages, and civil and criminal penalties or injunctions. If any governmental sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, reputation, operating results, and financial condition could be adversely affected. In addition, responding to any action will likely result in a significant diversion of management's attention and resources and an increase in third-party professional fees. Enforcement actions and sanctions could harm our reputation, business, operating results and financial condition.

In addition, we must comply with laws and regulations relating to the formation, administration and performance of contracts with the public sector, including U.S. federal, state and local governmental organizations, which affect how we and our channel partners do business with governmental agencies. Selling our solutions to the U.S. government, whether directly or through channel partners, also subjects us to certain regulatory and contractual requirements, including meeting the compliance requirements necessary for maintaining any required security clearances for facilities and employees. Failure to comply with these requirements by either us or our channel partners could subject us to investigations, fines and other penalties, which could have an adverse effect on our business, operating results, financial condition, and prospects. For example, the U.S. Department of Justice ("DOJ") has recently identified procurement fraud as an enforcement priority, indicating an ongoing commitment to aggressive enforcement under the False Claims Act and other applicable laws. Violations of certain regulatory and contractual requirements could also result in us being suspended or debarred from future government contracting. Any of these outcomes could have an adverse effect on our revenue, operating results, financial condition, and prospects.

These laws and regulations impose added costs on our business, and failure to comply with these or other applicable regulations and requirements, including noncompliance in the past, could lead to claims for damages from our channel partners, penalties, termination of contracts, loss of exclusive rights in our intellectual property, and temporary suspension or permanent debarment from government contracting. Any such damages, penalties, disruptions, or limitations in our ability to do business with the public sector could have an adverse effect on our business and operating results.

We are subject to stringent and rapidly changing laws, regulations, industry standards and frameworks, and other obligations related to privacy, artificial intelligence, data protection, and information security, and our actual or perceived failure to comply with such obligations could adversely affect our business and operating results. Any inability to comply with such obligations could also impair our efforts to maintain and expand our customer base, and thereby decrease our revenue.

Privacy, artificial intelligence, data protection, and information security are significant issues in the United States and the other jurisdictions where we offer our solutions. The regulatory framework for privacy, artificial intelligence, and security issues worldwide is rapidly evolving and is likely to remain uncertain for the foreseeable future. Our handling of data is subject to a variety of global laws and regulations, including regulation by various government agencies, including the U.S. Federal Trade Commission ("FTC") and various state, local and foreign bodies, data protection authorities, and agencies.

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The U.S. federal and various state and foreign governments have adopted or proposed limitations on the collection, use, storage, disclosure, and transfer of personal information of individuals, including end customers and employees. In the United States, the FTC and many state attorneys general are applying federal and state consumer protection laws to the online collection, use and dissemination of data. Additionally, many foreign countries and governmental bodies, including in Australia, Brazil, the European Economic Area ("EEA"), the UK, Switzerland, India, Japan, China, and numerous other jurisdictions in which we operate or conduct our business, have laws and regulations concerning the collection and use of personal information obtained from their residents or by businesses operating within their jurisdiction. These laws and regulations often are more restrictive than those in the United States. For example, the General Data Protection Regulation ("GDPR") the UK General Data Protection Regulation, and Brazil's Lei Geral de Protecao de Dados ("LGPD"), impose more stringent data protection requirements, provide an enforcement authority which substantially increases compliance costs, and impose large penalties for noncompliance. Such laws and regulations may require companies to implement new privacy and security policies, conduct transfer and privacy impact assessments, permit individuals to access, correct and delete personal information stored or maintained by such companies, inform individuals of security breaches that affect their personal information, and, among others, obtain individuals' consent to use personal information for certain purposes. In addition, some countries have enacted, or are currently considering, legislation that requires local storage and processing of data to avoid any form of transfer to a third country, or other restrictions on transfer and disclosure of personal data outside of that country which may impact our compliance obligations, potentially exposing us to liability, and increase the cost and complexity of delivering our products and services.

We also expect that there will continue to be new proposed laws, regulations, industry standards, and case law concerning privacy, data protection and information security in the United States, the EEA and other jurisdictions, and we cannot yet determine the impact these developments may have on our business. This increases uncertainty and may require us to change our data practices and/or change our technology solutions, business model or processes, which may in turn adversely affect demand for our products. Additionally, our sales cycles may lengthen due to increasingly rigorous and complex customer-driven security, artificial intelligence, and privacy assessments as part of customers' purchasing decisions.

While the EU-U.S. Data Privacy Framework accepted by the European Commission in July 2023 (as well as the UK Extension to the EU-U.S. DPF and Swiss-U.S. DPF) provides us with a transfer mechanism for data from the EEA, data transfers continue to be scrutinized by regulators in the EEA, the UK and other countries with similar transfer restrictions requiring organizations to ensure that the data is protected to a standard that is "essentially equivalent" to that under the GDPR, UK GDPR, Swiss Federal Data Protection Act, and/or other applicable laws and to document this.

As a result of these and future data transfer developments, we may experience a reluctance from current or prospective customers in the EEA, the UK, Switzerland, and other similar countries to use our products and may find it necessary to make changes to our data transfer mechanisms and handling of personal data, including with respect to the provision of our products and services. This may adversely impact our business, financial condition, and operating results.

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In the United States, more states are adopting their own data protection legislation, creating a complex privacy landscape from state to state. The California Consumer Privacy Act ("CCPA"), among other things, requires covered companies to provide disclosures to California consumers and afford such consumers new abilities to opt out of the sale of their personal information. The California Privacy Rights Act ("CPRA") generally expanded consumers' privacy rights and protections with respect to their personal information. Colorado, Virginia, Connecticut, Utah, Florida, Montana, Oregon, Texas, Iowa, Delaware, Indiana, Kentucky, Maryland, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, Rhode Island, and Tennessee all have passed privacy legislation now in effect. We cannot yet predict the full impact of these laws on our business or operations, but it may continue to require us to modify our data processing practices and policies and to incur substantial costs and expenses in an effort to comply.

Moreover, as a result of current and proposed data protection and privacy laws addressing the use of personal data for marketing purposes, including the European Commission's draft ePrivacy Regulation, which is intended to replace the ePrivacy Directive in the EEA, as well as the CCPA/CPRA and other U.S. state privacy laws, we face increased difficulty in marketing to current and potential customers, as these laws impact the ability to use internet-based services and tracking technologies, such as cookies, which impacts our ability to spread awareness of our products and services and, in turn, grow a customer base in some regions. We also expect to incur additional costs to comply with the requirements of these laws.

As we begin to offer more cloud-based services, we will increasingly be positioned as a data processor, which imposes additional obligations under the foregoing and other laws and regulations relating to privacy and data protection and may increase our liability exposure by operation of law, contract, or penalties for noncompliance. Additionally, we expect that existing laws, regulations and standards may be interpreted in new ways in the future. Current or future laws, regulations, standards, and other obligations, as well as changes in the interpretation of existing laws, regulations, standards, and other obligations could impair our or our customers' ability to collect, use or disclose information relating to individuals, which could decrease demand for our solutions, require us to restrict our business operations, increase our costs, and impair our ability to maintain and grow our customer base and increase our revenue.

Although we are working to comply with federal, state and foreign laws and regulations, industry standards, contractual obligations, and other legal obligations that apply to us, those laws, regulations, standards, and obligations are evolving and may be modified, interpreted and applied in an inconsistent manner from one jurisdiction to another, and may conflict with one another, other requirements or legal obligations, our practices or the features of our solutions. As such, we cannot assure ongoing compliance with all such laws or regulations, industry standards, contractual obligations, and other legal obligations. Any failure or perceived failure by us to comply with federal, state or foreign laws or regulations, industry standards, contractual obligations, or other legal obligations, or any actual or suspected security incident, whether or not resulting in unauthorized access to, or acquisition, release or transfer of personal information or other data, may result in governmental enforcement actions and prosecutions, private litigation, fines and penalties, or adverse publicity and could cause our customers to lose trust in us, which could have an adverse effect on our reputation, brand and business. Any inability to adequately address privacy and security concerns, even if unfounded, or comply with applicable laws, regulations, policies, industry standards, contractual obligations, or other legal obligations could result in additional cost and liability to us, damage our reputation and brand, inhibit sales, and adversely affect our business and operating results.

Failure to comply with anti-corruption and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, and similar laws associated with our activities outside of the United States could subject us to penalties and other adverse consequences.

We are subject to the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the UK Bribery Act, and possibly other anti-bribery and anti-money laundering laws in countries in which we conduct activities. We face significant risks if we fail to comply with the FCPA and other anti-corruption laws that prohibit companies and their employees and third-party intermediaries from authorizing, offering or providing, directly or indirectly, improper payments or benefits to foreign government officials, political parties and private-sector recipients for the purpose of obtaining or retaining business, directing business to any person or securing any advantage. In many foreign countries, particularly in countries with developing economies, it may be a local custom that businesses engage in practices that are prohibited by the FCPA or other applicable laws and regulations. In addition, we use various third parties to sell our solutions and conduct our business abroad. We or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies, or state-owned or affiliated entities and we can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities. We continue to update and implement our FCPA/anti-corruption compliance program and no assurance can be given that all of our employees and agents, as well as those companies to which we outsource certain of our business operations, will not take actions in violation of our policies and applicable law, for which we may be ultimately held responsible.

Any violation of the FCPA, other applicable anti-corruption laws and anti-money laundering laws could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions, and, in the case of the FCPA, suspension or debarment from U.S. government contracts, which could have a material and adverse effect on our reputation, brand, business, operating results, and prospects. In addition, responding to any enforcement action may result in a materially significant diversion of management's attention and resources and significant defense costs and other third-party professional fees.

We are subject to governmental export and import controls that could impair our ability to compete in international markets or subject us to liability if we violate the controls.

Our solutions are subject to U.S. export controls, including the Export Administration Regulations and economic sanctions administered by the Office of Foreign Assets Control, and we incorporate encryption technology into certain of our solutions. These encryption products and the underlying technology may be exported outside of the United States only with the required export authorizations, including by license, a license exception or other appropriate government authorizations.

Furthermore, our activities are subject to the U.S. economic sanctions laws and regulations that prohibit the export of certain products and services without the required export authorizations, including to countries, governments and persons targeted by U.S. embargoes or sanctions. Additionally, the U.S. government has recently been critical of existing trade agreements and may impose more stringent export and import controls. Obtaining the necessary export license or other authorization for a particular sale may be time-consuming and may result in the delay or loss of sales opportunities even if the export license ultimately may be granted. While we take precautions to prevent our solutions from being exported in violation of these laws, including obtaining authorizations for our encryption products, implementing IP address blocking and screenings against U.S. government and international lists of restricted and prohibited persons, we cannot guarantee that the precautions we take will prevent violations of export control and sanctions laws. Violations of U.S. sanctions or export control laws can result in significant fines or penalties and possible incarceration for responsible employees and managers could be imposed for criminal violations of these laws.

We also note that if our channel, alliance and OEM partners fail to obtain appropriate import, export or re-export licenses or permits, we may also be adversely affected, through reputational harm as well as other negative consequences including government investigations and penalties. We presently incorporate export control compliance requirements into our relevant partner agreements; however, no assurance can be given that our partners will be able to comply with such requirements.

Also, various countries, in addition to the United States, regulate the import and export of certain encryption and other technology, including import and export licensing requirements, and have enacted laws that could limit our ability to distribute our solutions or could limit our end customers' ability to implement our solutions in those countries. Changes in our solutions or future changes in export and import regulations may create delays in the introduction of our solutions in international markets, prevent our end customers with international operations from deploying our solutions globally or, in some cases, prevent the export or import of our solutions to certain countries, governments, or persons altogether. From time to time, various governmental agencies have proposed additional regulation of encryption technology, including the escrow and government recovery of private encryption keys. Any change in export or import regulations, economic sanctions or related legislation, increased export and import controls stemming from U.S. government policies, or change in the countries, governments, persons or technologies targeted by such regulations, could result in decreased use of our solutions by, or in our decreased ability to export or sell our solutions to, existing or potential end customers with international operations. Any decreased use of our solutions or limitation on our ability to export or sell our solutions would adversely affect our business, operating results and prospects.

Taxing authorities may successfully assert that we should have collected or in the future should collect sales and use, value added or similar taxes, and we could be subject to liability with respect to past or future sales, which could adversely affect our operating results.

We do not collect sales and use, value added or similar taxes in all jurisdictions in which we have sales, and we have been advised that such taxes are not applicable to our products and services in certain jurisdictions. Sales and use, value added, and similar tax laws and rates vary greatly by jurisdiction. Certain jurisdictions in which we do not collect such taxes may assert that such taxes are applicable. If we are unsuccessful in collecting such taxes from our end customers, we could be held liable for such costs, which may adversely affect our operating results.

Our international operations may subject us to potential adverse tax consequences.

We have expanded our international operations and staff to better support our growth into the international markets. Our corporate structure and associated transfer pricing policies contemplate the business flows and future growth into the international markets, and consider the functions, risks and assets of the various entities involved in the intercompany transactions. The amount of taxes we pay in different jurisdictions may depend on the application of the tax laws of the various jurisdictions, including the United States, to our international business activities, changes in tax rates, change in our geographical earnings mix, new or revised tax laws or interpretations of existing tax laws and policies and our ability to operate our business in a manner consistent with our corporate structure and intercompany arrangements. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for pricing intercompany transactions pursuant to the intercompany arrangements or disagree with our determinations as to the income and expenses attributable to specific jurisdictions. If such a challenge or disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows and lower overall profitability of our operations. Our financial statements could fail to reflect adequate reserves to cover such a contingency.

Changes in global tax laws could increase our worldwide tax rate and could have a material adverse effect on our business, cash flow, results of operations or financial conditions.

Global tax developments applicable to multinational businesses may have a material impact on our business, cash flow from operating activities, or financial results. The U.S. Department of Treasury has broad authority to issue regulations and interpretative guidance that may significantly impact how we comply with the law, which could affect our results of operations in the period issued. The Organisation for Economic Cooperation and Development reached agreement among various countries to implement a global minimum tax framework, commonly referred to as Pillar Two, which imposes a minimum effective tax rate of 15% on certain multinational enterprises. Many countries continue to announce changes in their tax laws and regulations based on the Pillar Two proposals. The potential effects of Pillar Two may vary depending on specific provisions and rules implemented by each country that adopts Pillar Two. These changes may increase our tax obligations in these countries. In addition, several countries have proposed or enacted digital services taxes, many of which would apply to revenues derived from digital services. We will continue to assess the ongoing impact of these current and pending changes to global tax legislation and the impact on our future financial statements upon the finalization of laws, regulations and additional guidance. In addition, as we continue to evaluate our corporate structure, any changes to the taxation of undistributed foreign earnings could also change our plans regarding reinvestment of such earnings. Due to the large scale of our U.S. and international business activities, many of these enacted and proposed changes to the taxation of our activities could increase our worldwide effective tax rate and have an adverse effect on our operating results, cash flow or financial condition.

We are subject to income taxes as well as non-income-based taxes, in both the U.S. and various foreign jurisdictions. Many judgments are required in determining our worldwide provision for income taxes and other tax liabilities, and we are under audit by various tax authorities, which often do not agree with positions taken by us on our income and non-income-based tax returns. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in our consolidated financial statements and may materially affect our financial results in the period or periods for which such determination is made.

Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited.

In general, under Section 382 of the United States Internal Revenue Code of 1986, as amended (the "Code"), a corporation that undergoes an ownership change is subject to limitations on its ability to utilize its pre-change net operating losses ("NOLs"), and other tax attributes to offset future taxable income. An ownership change occurs when a company's "five-percent shareholders" (as defined in Section 382 of the Code) collectively increase their ownership in the company by more than 50 percentage points (by value) over a rolling three-year period. Similar limitations may apply for state tax purposes. If our existing NOLs are subject to limitations arising from previous ownership changes, our ability to utilize NOLs could be limited by Section 382 of the Code. We may experience ownership changes in the future as a result of subsequent shifts in our stock ownership. In addition, at the state level, there may be periods during which the use of net operating losses is suspended or otherwise limited.

Risks Related to Our Convertible Notes and Credit Facility

As of July 31, 2025, we had outstanding \$500.0 million aggregate principal amount of 0.25% convertible senior notes due 2027 (the "2027 Notes") and \$862.5 million aggregate principal amount of 0.50% convertible senior notes due 2029 (the "2029 Notes" and together with the 2027 Notes, collectively, the "Notes"). As of July 31, 2025, we also had outstanding a revolving credit agreement (the "Revolver") that provides for a senior secured revolving credit facility in an aggregate principal amount of \$500.0 million.

Servicing and repaying our indebtedness, including the 2027 Notes, the 2029 Notes and any borrowings under the Revolver, may require a significant amount of cash, and we may not have sufficient cash to pay our indebtedness.

As of July 31, 2025, we had outstanding \$500.0 million aggregate principal amount of 2027 Notes and \$862.5 million aggregate principal amount of 2029 Notes. The 2027 Notes bear interest at a rate of 0.25% per annum (with such interest payable semi-annually in arrears on each April 1 and October 1), and the 2029 Notes bear interest at a rate of 0.50% per annum (with such interest payable semi-annually in arrears on each June 15 and December 15). In addition, any borrowings under the Revolver will bear interest at a base rate, a term Secured Overnight Financing Rate or an alternative currency term rate, plus, in each case, an applicable margin based upon our total leverage ratio, payable at regular intervals as set forth in the Revolver.

Our ability to make scheduled payments in respect of, or to refinance our, indebtedness may depend on our future performance, which is subject to economic, financial, competitive, and other factors beyond our control. Our business may not be able to generate cash flows from operations in the future that are sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flows, we may be required to adopt one or more alternatives, such as obtaining additional debt financing or equity capital on terms that may be onerous or highly dilutive, restructuring debt, or selling assets. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations. Higher prevailing interest rates and/or a tightening supply of credit would adversely affect the terms upon which we would be able to refinance our indebtedness, if at all. As a result, we may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations. In addition, the Revolver contains restrictive covenants that limit us, and any of our future debt agreements may contain restrictive covenants that may limit or prohibit us, in each case, from adopting any of these alternatives. Our failure to comply with these covenants could result in an event of default, which could result in the acceleration of our debt.

In addition, our indebtedness, combined with our other financial obligations and contractual commitments, could have other important consequences. For example, it could:

- make us more vulnerable to adverse changes in general U.S. and worldwide economic, industry, and competitive conditions and adverse changes in government regulation;
- limit our flexibility in planning for, or reacting to, changes in our business and our industry;
- place us at a disadvantage compared to our competitors who have less debt;
- limit our ability to borrow additional amounts to fund acquisitions, for working capital and for other general corporate purposes;
- subject us to risks associated with variable interest rates to the extent applicable to such indebtedness; and
- make an acquisition of our company less attractive or more difficult.

Any of these factors could harm our business, results of operations, and financial condition. In addition, if we incur additional indebtedness, the risks related to our business and our ability to service or repay our indebtedness would increase.

We may not have sufficient cash or the ability to raise the funds necessary to settle conversions of the Notes in cash, to repay the Notes at maturity, or to repurchase the Notes upon a fundamental change.

Holders of the Notes will have the right to require us to repurchase for cash all or a portion of their Notes upon the occurrence of a fundamental change before the applicable maturity date at a repurchase price equal to 100% of the principal amount of such Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date. In addition, upon conversion of the Notes, unless we elect to deliver solely shares of our Class A common stock to settle such conversion (other than paying cash in lieu of delivering any fractional share), we will be required to make cash payments in respect of the Notes being converted. Moreover, we will be required to repay the Notes in cash at their maturity unless earlier converted, redeemed or repurchased. We may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of the Notes of a series surrendered therefor or pay cash with respect to the Notes of such series being converted or at their maturity. In addition, our ability to repurchase the Notes of a series or to pay cash upon conversions of such Notes or at their maturity may be limited by law, regulatory authority or agreements governing our future indebtedness. Our failure to repurchase the Notes of a series at a time when the repurchase is required by the applicable indenture or to pay cash upon conversions of such Notes or at their maturity as required by the applicable indenture would constitute a default under such indenture. A default under the applicable indenture or the fundamental change itself could also lead to a default under agreements governing our future indebtedness. Moreover, the occurrence of a fundamental change under the applicable indenture could constitute an event of default under any such agreement. If the payment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness or to pay cash amounts due upon conversion, upon required repurchase or at maturity of the applicable series of the Notes.

The conditional conversion feature of the 2027 Notes or the 2029 Notes, if triggered, may adversely affect our financial condition and operating results.

The 2027 Notes and the 2029 Notes are convertible under the circumstances described in Note 5 of the Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K. In the event the conditional conversion feature of the 2027 Notes or the 2029 Notes is triggered, holders of such Notes will be entitled to convert their Notes at any time during specified periods at their option. If one or more holders elect to convert their Notes, unless we elect to satisfy our conversion obligation by delivering solely shares of our Class A common stock (other than paying cash in lieu of delivering any fractional share), we would be required to settle a portion or all of our conversion obligation in cash, which could adversely affect our liquidity. In addition, even if holders of the Notes of a series do not elect to convert their Notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the Notes of such series as a current rather than long-term liability, which would result in a material reduction of our net working capital.

The accounting method for the Notes, which may be settled in cash upon conversion, has had, and may continue to have, a material effect on our reported or future financial results.

We utilize the if-converted method for our diluted earnings per share calculation, the effect of which is that the transaction is accounted for as if the outstanding Notes were to be converted into shares of our Class A common stock at the respective conversion rate in the beginning of the respective period, even if the Notes of a series are not yet then convertible and even if, upon any conversion of any Notes of a series, we may elect to settle the conversion using cash or a combination of cash and shares of our Class A common stock. As a result, our diluted earnings per share could be adversely affected.

Our revolving credit facility contains a financial covenant and other covenants that may restrict our actions, and a failure to comply with these covenants could have a material adverse effect on our financial condition.

In February 2025, we entered into the Revolver. The Revolver includes covenants that limit our ability to, among other things, incur liens, make investments, incur indebtedness, merge or consolidate with other companies, sell substantially all of our assets, make restricted payments, undergo certain fundamental changes, and prepay subordinated debt. In addition, the Revolver contains a financial covenant that requires us to maintain compliance with a maximum consolidated total leverage ratio, calculated as set forth in the Revolver and tested at the end of each fiscal quarter. As a result of these restrictions, we may be limited in how we conduct business, unable to raise additional debt or equity financing to operate during general economic or business downturns, or unable to compete effectively or to take advantage of new business opportunities. Our ability to comply with these covenants depends on many factors, some of which are beyond our control. The Revolver contains various events of default that include, among others, non-payment of principal, interest or fees, breach of covenants, inaccuracy of representations and warranties, cross defaults to certain other indebtedness, bankruptcy and insolvency events, material judgments, and events constituting a change of control, in each case subject to thresholds and cure periods as set forth in the Revolver. Upon the occurrence and during the continuance of such an event of default, our lenders would have the right to terminate their commitments and accelerate our obligations under the Revolver as well as exercise other rights and remedies provided for under the Revolver, the other loan documents and applicable law. If outstanding borrowings under the Revolver were to be accelerated, we may not have sufficient cash on hand or be able to borrow sufficient funds to refinance the debt or sell sufficient assets to repay the debt, which could immediately adversely affect our business, cash flows, results of operations, and financial condition.

Risks Related to Ownership of Our Securities

The market price of our securities may be volatile and may decline.

The market price of our securities has fluctuated and may continue to fluctuate substantially. The market price of our securities depends on a number of factors, including those described in this "Risk Factors" section, many of which are beyond our control and may not be related to our operating performance. These fluctuations could cause you to lose all or part of your investment in our securities. Factors that could cause fluctuations in the market price of our securities include the following:

- price and volume fluctuations in the overall stock market from time to time;
- volatility in the market prices and trading volumes of high technology stocks;
- changes in operating performance and stock market valuations of other technology companies generally, or those in our industry in particular;
- changes in financial estimates by any analysts who follow our company, including as a result of any current and future business model transitions, or our failure to meet these estimates or the expectations of investors;
- the financial projections we may provide to the public, any changes in these projections, or any failure to meet or exceed these projections;
- announcements by us or our competitors of new products and solutions or new or terminated significant contracts, commercial relationships or capital commitments;
- public analyst or investor reaction to our press releases, other public announcements and filings with the Securities and Exchange Commission;

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- rumors and market speculation involving us or other companies in our industry;
- actual or anticipated changes or fluctuations in our operating results;
- actual or anticipated developments in our business or our competitors' businesses or the competitive landscape generally;
- actual or threatened litigation involving us, our industry or both, or investigations by regulators into our operations or those of our competitors;
- developments or disputes concerning our intellectual property or our solutions, or third-party proprietary rights;
- rumored, announced or completed acquisitions of businesses or technologies of or by us or our competitors;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- changes in accounting standards, policies, guidelines, interpretations, or principles;
- any major changes in our management or our Board of Directors;
- general economic conditions and slow or negative growth of our markets; and
- other events or factors which may be outside of our control, such as political and social unrest, terrorist attacks, hostilities, war, malicious human acts, climate change, natural disasters (including extreme weather), pandemics or other major public health concerns, and other similar events, or responses to these events.

In addition, the stock market in general, and the market for technology companies in particular, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. Broad market and industry factors may seriously affect the market price of our securities, regardless of our actual operating performance.

Sales of substantial amounts of our Class A common stock in the public markets, or the perception that they might occur, could reduce the price that our securities might otherwise attain and may dilute your voting power and your ownership interest in us.

Sales of a substantial number of shares of our Class A common stock in the public markets, particularly sales by our directors, executive officers and significant stockholders, or the perception that these sales could occur (including public disclosure of sales contemplated by 10b5-1 trading plans), could adversely affect the market price of our Class A common stock.

We have reserved a substantial number of shares of our Class A common stock for issuance upon vesting or exercise of our equity compensation plans and upon conversion of the Notes.

We have also registered the offer and sale of all shares of our Class A common stock that we may issue under our equity compensation plans.

We may also issue our shares of Class A common stock or additional securities convertible into shares of our Class A common stock from time to time in connection with a financing, acquisition, investments, or otherwise. Any such issuance could result in substantial dilution to our existing stockholders and cause the market price of our Class A common stock to decline.

We may fail to meet our publicly announced guidance or other expectations about our business and future operating results, which would cause the price of our securities to decline.

From time to time, we release financial guidance in our earnings conference calls, earnings releases, investor presentations, or otherwise, regarding our future performance that represents our management's estimates as of the date of release. This guidance includes forward-looking statements based on projections prepared by our management. Projections are based upon a number of assumptions and estimates that, while presented with numerical specificity, are inherently subject to significant business, economic and competitive uncertainties and contingencies on our business, many of which are beyond our control and are based upon specific assumptions with respect to future business decisions, some of which will change. Some of those key assumptions relate to the macroeconomic environment, including inflation and interest rates, which are inherently difficult to predict. Other assumptions relate to the timing and structure of customer payments. For example, while we typically invoice customers upfront for multi-year subscriptions, any change to this practice could affect the timing of our free cash flow.

We generally state possible outcomes as high and low ranges, which are intended to provide a sensitivity analysis as variables are changed but are not intended to imply that actual results could not fall outside of the suggested ranges. Furthermore, analysts and investors may develop and publish their own projections of our business, which may form a consensus about our future performance. Our actual business results may vary significantly from such guidance or that consensus due to a number of factors, many of which are outside of our control, including those described in this "Risk Factors" section, any of which or combination thereof could materially and adversely affect our business and future operating results. Furthermore, if we make downward revisions to our previously announced guidance, if we withdraw our previously announced guidance, or if our publicly announced guidance regarding future operating results fails to meet expectations of securities analysts, investors or other interested parties, the price of our securities would decline.

Guidance is necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the guidance furnished by us will not materialize or will vary significantly from actual results. Accordingly, our guidance is only an estimate of what management believes is realizable as of the date of release. Actual results may vary from our guidance and the variations may be material. In light of the foregoing, investors are urged not to rely upon our guidance in making an investment decision regarding our securities.

Any failure to successfully implement our operating strategy or the occurrence of any of the events or circumstances set forth in this "Risk Factors" section could result in the actual operating results being different from our guidance, and the differences may be adverse and material.

Conversion of the Notes may dilute the ownership interest of existing stockholders, or may otherwise depress the price of our securities.

The conversion of some or all of the Notes, to the extent we deliver shares upon conversion thereof, will dilute the ownership interests of existing stockholders, reduce our earnings per share and potentially have an adverse effect on the price of our securities. Any sales in the public market of our Class A common stock issuable upon such conversion could adversely affect prevailing market prices of our securities. In addition, the existence of the Notes may encourage short selling by market participants because the conversion of the Notes could be used to satisfy short positions, or anticipated conversion of the Notes into shares of our Class A common stock could depress the price of our securities.

We cannot guarantee that our share repurchase program will be fully consummated or that it will enhance long-term stockholder value.

In August 2023, our Board of Directors authorized the repurchase of up to \$350.0 million of our Class A common stock, of which \$111.5 million remained available for future share repurchases under the authorization as of July 31, 2025. In August 2025, our Board of Directors approved a \$350.0 million increase to the share repurchase authorization. The authorization has no expiration date and does not obligate us to repurchase any minimum number of shares. The timing and amount of share repurchases will depend upon prevailing stock prices, business and market conditions, corporate and regulatory requirements, alternative investment opportunities, and other factors. We cannot guarantee that the share repurchase program will be fully executed or that it will enhance long-term stockholder value. Share repurchases under the program could affect, and increase the volatility of, the price of our Class A common stock and will diminish our cash reserves. In addition, as part of the Inflation Reduction Act signed into law in August 2022, the United States implemented a 1% excise tax on the value of certain stock repurchases by publicly traded companies. This tax may increase the costs to us of any share repurchases. The program may be modified, suspended or discontinued at any time, and any future announcement of a termination of the program could result in a decrease in the price of our Class A common stock.

If financial or industry analysts do not publish research or reports about our business or if they issue inaccurate or unfavorable research regarding our securities, the price and trading volume of our securities could decline.

The trading market for our securities will be influenced by the research and reports that industry or financial analysts publish about us or our business. We do not control these analysts or the content and opinions included in their reports. If any of the analysts who cover us issue an inaccurate or unfavorable opinion regarding our securities, the price of our securities would likely decline. In addition, analyst research or reports may also raise performance expectations that we may not be able to meet. The stock prices of many companies in the high technology industry have declined significantly after those companies have failed to meet, or in some cases failed to significantly exceed, the financial guidance publicly announced by the companies or the expectations of analysts. If our financial results fail to meet (or exceed) our announced guidance or the expectations of analysts or public investors, analysts could downgrade our securities or publish unfavorable research about us. If analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause the price of our securities or trading volume to decline, potentially significantly.

Certain provisions in our charter documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove members of our Board of Directors or current management and may adversely affect the market price of our securities.

Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that could delay or prevent a change in control of our company. These provisions could also make it difficult for stockholders to elect directors that are not nominated by the current members of our Board of Directors or take other corporate actions, including effecting changes in our management. These provisions include:

- the ability of our Board of Directors to issue shares of preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- the exclusive right of our Board of Directors to elect a director to fill a vacancy created by the expansion of our Board of Directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our Board of Directors;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;

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- the requirement that a special meeting of stockholders may be called only by the chairman of our Board of Directors, our lead independent director, our president, our secretary, or a majority vote of our Board of Directors, which could delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors;
- the ability of our Board of Directors, by majority vote, to amend our amended and restated bylaws, which may allow our Board of Directors to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquirer to amend our amended and restated bylaws to facilitate an unsolicited takeover attempt; and
- advance notice procedures with which stockholders must comply to nominate candidates to our Board of Directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us.

In addition, as a Delaware corporation, we are subject to Section 203 of the Delaware General Corporation Law. These provisions may prohibit large stockholders, in particular those owning 15% or more of our outstanding voting stock, from merging or combining with us for a certain period of time.

Our amended and restated bylaws designate the Court of Chancery of the State of Delaware and, to the extent enforceable, the federal district courts of the United States of America as the exclusive forums for certain disputes between us and our stockholders, which will restrict our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers, or employees.

Our amended and restated bylaws provide that the Court of Chancery of the State of Delaware is the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: any derivative action or proceeding brought on our behalf, any action asserting a breach of a fiduciary duty, any action arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation, or our amended and restated bylaws, or any action asserting a claim against us that is governed by the internal affairs doctrine. This choice of forum provision does not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated bylaws provide that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. This may require significant additional costs associated with resolving such action in other jurisdictions and there can be no assurance that the provisions will be enforced by a court in those other jurisdictions.

These choice of forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees. If a court were to find either exclusive-forum provision in our amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could seriously harm our business.

We do not intend to pay dividends in the foreseeable future. As a result, your ability to achieve a return on your investment will depend on appreciation in the price of our Class A common stock.

We have never declared or paid any cash dividends on our Class A common stock. We do not anticipate paying any dividends on our Class A common stock in the foreseeable future. Any determination to pay dividends in the future will be at the discretion of our Board of Directors. Accordingly, investors must rely on sales of their Class A common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

General Risk Factors

Investors' and other stakeholders' expectations of our performance relating to environmental, social and governance factors may impose additional costs and expose us to new risks.

There is an increasing focus from certain investors, customers, partners, employees, other stakeholders, and regulators concerning environmental, social and governance matters ("ESG"). Some investors may use these non-financial performance factors to guide their investment strategies and, in some cases, may choose not to invest in us if they believe our policies and actions relating to ESG are inadequate. We may face reputational damage in the event that we do not meet the ESG standards set by various constituencies, which may prove challenging if such standards diverge or even contradict.

As ESG best practices and reporting standards continue to develop, we may incur increasing costs relating to ESG monitoring and reporting and complying with ESG initiatives. For example, the SEC adopted climate change and ESG reporting requirements. Following several legal challenges, the SEC voted to end its defense of such rules. If, in the future, the SEC were to reverse its current position, our compliance costs would increase. We may also face greater costs to comply with new ESG standards or initiatives in the European Union. We publish an annual Impact Report, which reports, among other things, our greenhouse gas emissions and our efforts to manage our emissions. In addition, our annual Impact Report provides highlights of how we are supporting our workforce, including our efforts to foster culture and community. Our disclosures on these matters, or a failure to meet evolving stakeholder expectations for ESG practices and reporting, may potentially harm our reputation and customer relationships. Due to new regulatory standards and market standards, certain new or existing customers, particularly those in the European Union, may impose stricter ESG guidelines or mandates for, and may scrutinize relationships more closely with, their counterparties, including us, which may lengthen sales cycles or increase our costs.

Furthermore, if our competitors' ESG performance is perceived to be better than ours, potential or current investors may elect to invest with our competitors instead. In addition, in the event that we communicate certain initiatives or goals regarding ESG matters, we could fail, or be perceived to fail, in our achievement of such initiatives or goals, or we could be criticized for the scope of such initiatives or goals. If we fail to satisfy the expectations of investors, customers, employees and other stakeholders or our initiatives are not executed as planned, our business, financial condition, results of operations, and prospects could be adversely affected.

Our business is subject to the risks of natural disasters (including extreme weather), pandemics, man-made problems, and other similar events that may be outside of our control.

Significant natural disasters (such as earthquakes, fires, floods, and extreme weather), man-made problems (such as significant power outages, security breaches, acts of terrorism or war, civil unrest, or geopolitical turmoil), and other similar events that may be outside of our control could have an adverse impact on our business and operating results. For example, despite the implementation of network security measures, our networks also may be vulnerable to computer viruses, break-ins and similar disruptions from unauthorized tampering with our solutions. Further, both our corporate headquarters and our contract manufacturer are located in the San Francisco Bay Area, a region known for seismic activity. In addition, natural disasters (including extreme weather) and man-made problems could cause disruptions in our or our end customers' or channel partners' businesses, our suppliers' and manufacturers' operations or the global economy as a whole. Epidemics, pandemics such as the COVID-19 pandemic, other outbreaks of novel diseases or other major public health concerns could also cause disruptions in our or our end customers' or channel partners' businesses, our supply chain, our suppliers' and manufacturers' operations, or the global economy as a whole. We also rely on IT systems to communicate among our workforce and with third parties. Any disruption to our communications, whether caused by a natural disaster or by man-made problems, such as power disruptions, could adversely affect our business. We do not have a formal disaster recovery plan or policy in place and do not currently require that our manufacturing partners have such plans or policies in place. To the extent that any such disruptions result in delays or cancellations of orders or impede our suppliers' or our manufacturers' ability to timely deliver our solutions and product components, or the deployment of our solutions, our business, operating results and financial condition would be adversely affected. We do maintain what we believe are commercially reasonable levels of business interruption insurance. However, such insurance may not adequately cover our losses in the event of a significant disruption in our business.

We may further expand through acquisitions of, or investments in, other companies (or vice versa through divestitures), each of which may divert our management's attention, resulting in additional dilution to our stockholders and consumption of resources that are necessary to sustain and grow our business.

Our business strategy may, from time to time, include acquiring other complementary products, technologies or businesses or divesting certain products. We also may enter into relationships with other businesses in order to expand our solutions, which could involve preferred or exclusive licenses, additional channels of distribution or discount pricing or investments in other companies. Negotiating these transactions can be time-consuming, difficult and expensive, and our ability to close these transactions may be subject to third-party approvals, such as government regulatory approvals, which are beyond our control. Consequently, we can make no assurance that these transactions, once undertaken and announced, will close.

These kinds of acquisitions, divestitures or investments may result in unforeseen expenditures and operating and integration difficulties, especially if the acquisitions, divestitures or investments are more complex in structure and scope, including due to the geographic location of the acquired company. In particular, we may encounter difficulties assimilating or integrating the businesses, technologies, products, personnel, or operations of companies that we may acquire, particularly if the key personnel of the acquired business choose not to work for us. We may have difficulty retaining the customers of any acquired business or the acquired technologies or research and development expectations may prove unsuccessful. Acquisitions or divestitures may also disrupt our ongoing business, divert our resources, require significant management attention that would otherwise be available for development of our business, and may be viewed negatively by our end customers, investors or securities analysts. We may not successfully evaluate or utilize the acquired technology or personnel, or accurately forecast the financial impact of an acquisition or divestiture transaction, including accounting charges. Any acquisition or investment could expose us to unknown liabilities and risks, and we may incur additional costs and expenses necessary to address an acquired company's failure to comply with laws and governmental rules and regulations. Moreover, we cannot assure you that the anticipated benefits of any acquisition or investment would be realized in a timely manner, if at all, or that we would not be exposed to unknown liabilities. In connection with these types of transactions, we may issue additional equity securities that would dilute our stockholders, use cash that we may need in the future to operate our business, incur debt on terms unfavorable to us or that we are unable to repay, incur large charges or substantial liabilities, encounter difficulties integrating diverse business cultures, and become subject to adverse tax consequences, substantial depreciation or deferred compensation charges. These challenges related to acquisitions, divestitures or investments could adversely affect our business, operating results, financial condition, and prospects.

We are exposed to fluctuations in currency exchange rates, which could negatively affect our operating results.

Our sales contracts are denominated in U.S. dollars; therefore, substantially all of our revenue is not subject to foreign currency risk. However, any strengthening of the U.S. dollar relative to foreign currencies could increase the effective cost of our solutions for customers outside the United States, which may adversely affect our financial condition and operating results. An increasing portion of our operating expenses is incurred outside the United States and denominated in foreign currencies, including the Euro, Pound Sterling, Indian Rupee, and Australian Dollar. We also have expenses in other currencies, which are smaller in magnitude but still subject to currency fluctuations. As a result, our total expense base is exposed to foreign exchange volatility. In particular, ongoing geopolitical instability and divergent fiscal and monetary policies across regions have caused, and may continue to cause, significant exchange rate volatility for the foreseeable future. If our exposure to foreign currency fluctuations continues to grow and we are unable to effectively hedge against this risk, our operating results could be negatively impacted. Additionally, such fluctuations may impair our ability to accurately forecast financial performance, particularly with respect to operating expenses and margins. To date, we have not entered into any hedging arrangements or used derivative instruments to manage foreign currency risk. We continue to monitor our exposure and evaluate the potential benefits of implementing a hedging program.

Our marketable securities portfolio is subject to credit, liquidity, market, and interest rate risks that could cause its value to decline significantly and materially adversely affect our business, financial condition, results of operations, and prospects.

We maintain a portfolio of marketable securities through a professional investment advisor. The investments in our portfolio are subject to credit, liquidity, market-price, and interest-rate risks that could materially and adversely affect our business, financial condition, results of operations, and prospects. Under our corporate investment policy, we seek to preserve principal, maintain liquidity, avoid excessive credit concentrations, and capture a market rate of return. However, the portfolio's value may decline due to changes in interest rates, instability in the global financial markets that reduces the liquidity of securities in our portfolio, and other factors, including unexpected or unprecedented events such as health epidemics or pandemics. Even with diversification and ongoing risk-profile monitoring, we could experience significant losses or reduced liquidity. If we increase our holdings in these securities, our exposure to such risks would grow, potentially exacerbating any adverse impact.

Item 1B. Unresolved Staff Comments

Not Applicable.

Item 1C. Cybersecurity

Cybersecurity is an important component of our overall enterprise risk management strategy. We are committed to protecting our information systems and data from a wide range of cybersecurity threats, including operational risks, intellectual property theft, fraud, extortion, privacy violations, legal risks, and reputational damage. Our approach integrates comprehensive processes and technologies designed to identify, assess, and mitigate these risks.

Risk Management and Strategy

- **Enterprise Risk Management Integration:** Our cybersecurity program is integrated into our broader enterprise risk management program ("ERM"). This integration is designed to ensure that cybersecurity risks are evaluated alongside other risks to the organization. Our ERM framework is periodically refreshed and involves collaboration with subject matter experts to assess the severity of potential cybersecurity threats and develop appropriate mitigation strategies.
- **Advanced Cybersecurity Processes:** We employ a multi-faceted approach to cybersecurity:
 - **Security and Privacy Reviews:** Regular reviews of new features, software, and vendors help us work to identify and address potential risks before they impact our systems.
 - **Security Development Lifecycle:** Our internal software development lifecycle process is designed to build our products in part relying upon industry-standard practices and third-party tools and services to test our code and bundled third-party libraries for known security misconfigurations and errors.
 - **Vulnerability Management:** We operate a robust vulnerability management program designed to identify and address hardware and software vulnerabilities proactively.
 - **Network and System Monitoring:** Our systems are monitored using a range of tools designed to detect suspicious activities and potential breaches in real time.
 - **Threat Intelligence Program:** Our threat intelligence program models and researches potential adversaries, enhancing our preparedness against emerging threats.
 - **Training and Simulations:** We regularly conduct training and simulations designed to ensure our teams are prepared for a variety of cybersecurity scenarios.
 - **Security Ecosystem:** We routinely and regularly engage with consultants, assessors, auditors, and other expert third parties to help us in our understanding, discovery, and response to risks based on their growing impact or likelihood.
- **Frameworks and Standards:** Our cybersecurity practices are designed with reference to industry-standard frameworks, including those from the International Organization for Standardization and the National Institute of Standards and Technology and other internationally recognized standards, which can be found here: <https://www.nutanix.com/trust/compliance-and-certifications>, which link is included as an inactive reference and the content of which is not incorporated by reference into this Annual Report on Form 10-K. We continually work to improve our security controls based on these standards and industry best practices.

- **Incident Response and Recovery:** We have established a comprehensive Privacy and Cybersecurity Incident Response Program to manage and respond to cybersecurity incidents. This program includes processes for triaging, assessing, escalating, containing, investigating, and remediating incidents. We also maintain procedures to comply with legal obligations and mitigate reputational damage. Regular tabletop exercises help us test and strengthen our incident response capabilities.
- **Vendor Risk Management:** Our vendor risk management program is designed to mitigate risks associated with third-party service providers. This program includes pre-engagement diligence, contractual security provisions, and ongoing monitoring of third-party compliance with our security requirements. We also have an external bug bounty program to identify and address vulnerabilities before they can be exploited.

Information on the cybersecurity risks we face is discussed in Part I, Item 1A, "Risk Factors." We believe that risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, have not materially affected us, including our business strategy, results of operations or financial condition. However, we remain subject to risks from unknown or future cybersecurity threats that could materially affect us, including our business strategy, results of operations or financial condition. We remain vigilant and continue to invest in security technologies and practices to safeguard our systems.

Governance

- **Board and Committee Oversight:** Our Board of Directors (our "Board") plays an active role in overseeing cybersecurity risks. Our Board's Security and Privacy Committee, which is composed entirely of independent directors, assists our Board in its oversight of our management of technology and information security risks and compliance with data protection and privacy laws. This committee regularly reviews our cybersecurity programs and policies as part of our overall risk management and business strategy discussions, and receives regular updates from management on our data security posture, third-party assessments, and progress toward risk-mitigation goals. The committee also reviews incident response plans and any significant cybersecurity threats or incidents. Our Board's Security and Privacy Committee reports quarterly to our Board regarding its activities in overseeing cybersecurity risk management.
- **Management's Role:** Our Chief Information Security Officer ("CISO") leads our global cybersecurity program, overseeing risk identification, evaluation, and response to material security incidents. The CISO partners with a cross-functional leadership team including the Chief Product Security Officer ("CPSO"), Chief Information Officer ("CIO"), and Legal and Privacy Counsel, to develop and implement our overall cybersecurity strategy. This team contributes to the development of policies, monitors evolving risks, manages the overall cybersecurity and privacy programs, and reports on these and related topics to our Board's Security and Privacy Committee. Our CISO has served in various roles in information technology and information security for over 25 years, including previously serving as Chief Information Security Officer at two other companies. He holds an undergraduate degree in computer science. Our CPSO spent most of the first two decades of his career with the U.S. Department of Defense, where he held various roles in information technology and other high-governance technology-driven positions. Over the past ten years, he has built security programs with Nutanix, which has culminated in his current role. He holds an undergraduate degree in computer information systems.
- **Incident Management:** Our Enterprise and Product Security Team manages our incident response efforts. This team assesses incidents' severity, coordinates the response, and communicates with relevant stakeholders. Our Security and Privacy Management Team, including, as appropriate, our CISO, CIO, and CPSO, provides additional expertise and support as needed.

Item 2. Properties

Our corporate headquarters are located in San Jose, California where, under lease agreements that expire through May 2030, we currently lease approximately 215,000 square feet of space. We also maintain offices in North America, Europe, Asia Pacific, the Middle East, Latin America, and Africa. We lease all of our facilities and do not own any real property. We believe that our facilities are adequate to meet our needs for the immediate future and that, should it be needed, we would lease suitable additional space to accommodate our operations.

Item 3. Legal Proceedings

The information set forth under the "Legal Proceedings" subheading in Note 7 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K is incorporated herein by reference.

Item 4. Mine Safety Disclosures

Not Applicable.

PART II**Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities****Market Information for Common Stock**

Our Class A common stock began trading publicly on the NASDAQ Stock Market under the ticker symbol "NTNX" on September 30, 2016. Prior to that time, there was no public market for our Class A common stock. The following table sets forth, for the periods indicated, the high and low sale prices of our Class A common stock as reported on the Nasdaq Global Select Market.

| Fiscal Quarter: | Fiscal 2024 | | Fiscal 2025 | |
|-----------------|-------------|----------|-------------|----------|
| | High | Low | High | Low |
| First quarter | \$ 38.92 | \$ 29.11 | \$ 64.97 | \$ 46.00 |
| Second quarter | \$ 56.94 | \$ 36.54 | \$ 73.18 | \$ 61.18 |
| Third quarter | \$ 65.98 | \$ 54.43 | \$ 83.07 | \$ 58.17 |
| Fourth quarter | \$ 73.37 | \$ 47.91 | \$ 78.34 | \$ 72.13 |

Holders of Record

As of July 31, 2025, there were 40 holders of record of our Class A common stock. This figure does not include a substantially greater number of "street name" holders or beneficial holders of our common stock whose shares are held of record by banks, brokers and other financial institutions.

Dividend Policy

We have never declared or paid cash dividends on our Class A common stock. We do not anticipate paying any dividends on our Class A common stock in the foreseeable future. Any future determination to declare dividends will be made at the discretion of our Board of Directors, subject to applicable laws and will depend on our financial condition, operating results, capital requirements, general business conditions and other factors that our Board of Directors may deem relevant.

Unregistered Sales of Equity Securities and Use of Proceeds

None.

Purchases of Equity Securities by the Issuer

The following table summarizes the share repurchase activity for the three months ended July 31, 2025:

| Period | Total Number of Shares Purchased | Average Price Paid Per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾ | Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs |
|-------------------|----------------------------------|--|---|--|
| | | (in thousands, except per share amounts) | | |
| May 1 - 31, 2025 | 241 | \$ 77.11 | 241 | \$ 142,805 |
| June 1 - 30 2025 | 203 | \$ 74.52 | 203 | \$ 127,674 |
| July 1 - 31, 2025 | 219 | \$ 74.02 | 219 | \$ 111,468 |
| Total | <u>663</u> | | <u>663</u> | |

(1) In August 2023, our Board of Directors authorized the repurchase of up to \$350.0 million of our Class A common stock. In August 2025, our Board of Directors approved a \$350.0 million increase to the share repurchase authorization. We may repurchase shares from time to time through open market purchases, in privately negotiated transactions or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act in accordance with applicable securities laws and other restrictions. The timing and amount of share repurchases will depend upon prevailing stock prices, business and market conditions, corporate and regulatory requirements, alternative investment opportunities, and other factors. The authorization has no expiration date, may be modified, suspended or discontinued at any time, and does not obligate us to repurchase any minimum number of shares.

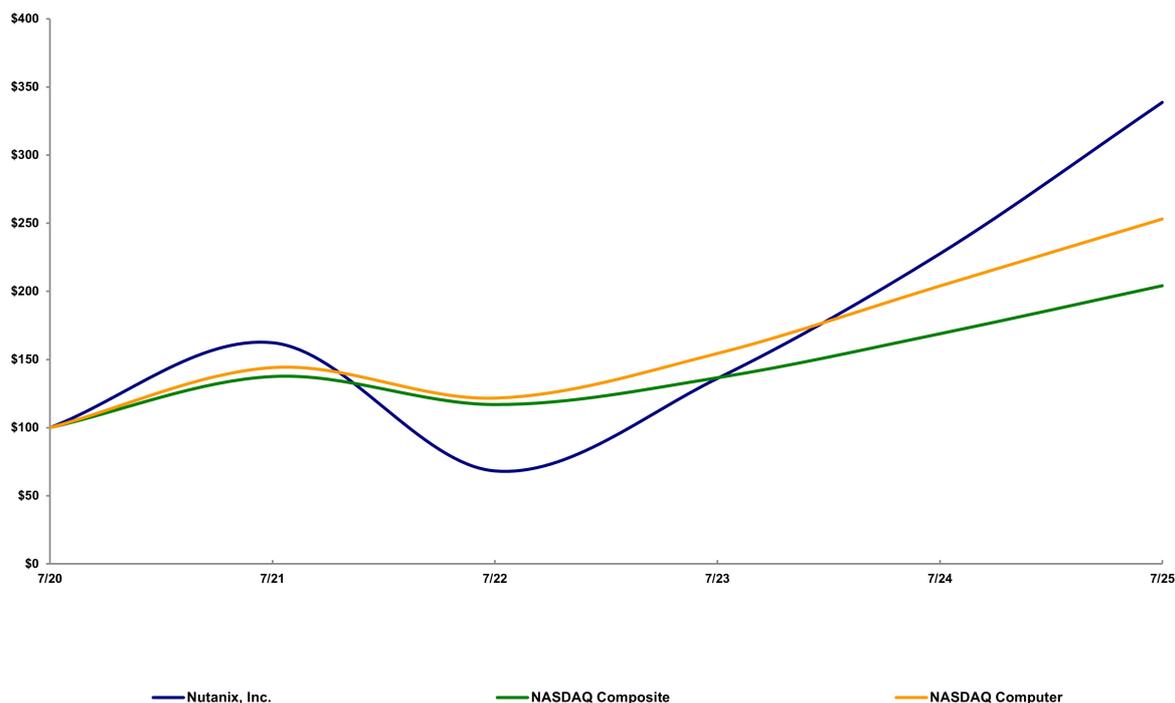
This table excludes shares withheld from stock awards to settle employee tax withholding obligations related to the vesting of such awards.

Stock Performance Graph

The following graph shows a comparison from July 31, 2020 through July 31, 2025 of the cumulative five-year total shareholder return for our Class A common stock based on the closing price on the last day of each respective period. The graph assumes an initial investment of \$100 on July 31, 2020 in the common stock of Nutanix, Inc., the NASDAQ Composite Index and NASDAQ Computer Index and assumes reinvestment of any dividends. The stock price performance on the following graph is not necessarily indicative of future stock price performance.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among Nutanix, Inc., the NASDAQ Composite Index and the NASDAQ Computer Index



*\$100 invested on 7/31/20 in stock or index, including reinvestment of dividends.
Fiscal year ending July 31.

| | Fiscal Year | | | | | |
|------------------------|-------------|-----------|-----------|-----------|-----------|-----------|
| | 7/31/20 | 7/31/21 | 7/31/22 | 7/31/23 | 7/31/24 | 7/31/25 |
| Nutanix, Inc. | \$ 100.00 | \$ 162.33 | \$ 68.18 | \$ 136.10 | \$ 227.63 | \$ 338.76 |
| Nasdaq Composite Index | \$ 100.00 | \$ 137.53 | \$ 116.97 | \$ 136.63 | \$ 168.91 | \$ 204.14 |
| Nasdaq Computer Index | \$ 100.00 | \$ 144.07 | \$ 121.66 | \$ 154.42 | \$ 203.90 | \$ 252.98 |

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The information on the above graph shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act, and shall not be incorporated by reference into any registration statement or other document filed by us with the SEC, whether made before or after the date of this Annual Report on Form 10-K, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

Securities Authorized for Issuance Under Equity Compensation Plans

The information required by this item is incorporated herein by reference to the information set forth in Part III, Item 12 of this Annual Report on Form 10-K.

Item 6. [Reserved]

Management's Discussion and Analysis of Financial Condition and Results of Operations**Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The following discussion and analysis of our financial condition, results of operations and cash flows should be read in conjunction with the consolidated financial statements and the related notes thereto included elsewhere in this Annual Report on Form 10-K. The last day of our fiscal year is July 31. Our fiscal quarters end on October 31, January 31, April 30 and July 31. This discussion contains forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors" or in other parts of this Annual Report on Form 10-K. See also "Special Note Regarding Forward-Looking Statements" above. For a discussion of our results of operations for the fiscal year ended July 31, 2024 as compared to the fiscal year ended July 31, 2023, please refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of our Annual Report on Form 10-K filed with the SEC on September 19, 2024.

Overview

Nutanix, Inc. ("we," "us," "our," or "Nutanix") is a hybrid multicloud computing leader, offering organizations a unified software platform for running applications and AI and managing data anywhere. Our vision is to simplify the deployment and operation of the increasingly distributed landscape of apps and data while freeing organizations to focus on business goals. Our mission is to delight customers with an open, secure platform with rich data services that increases their ability to take advantage of new technologies such as cloud native and AI, optimizes how they run their organizations today, and accelerates innovation, efficiency, and growth.

The Nutanix Cloud Platform is designed to enable organizations to build hybrid multicloud infrastructure, providing a consistent cloud operating model with a single platform for running applications and managing data in core data centers, at the edge, and in public clouds, while supporting customer choice across server platforms, storage options, public and managed clouds, and container and virtualization platforms. The Nutanix Cloud Platform supports a wide variety of workloads with varied compute, storage, and network requirements, including business-critical applications, data platforms (including SQL, NoSQL, and vector databases and business intelligence applications), enterprise AI workloads (including machine learning, generative AI, and agentic AI), general-purpose workloads (including system infrastructure, networking, and security), end-user computing and virtual desktop infrastructure services, and cloud native applications (including modern, containerized applications).

We originally pioneered hyperconverged infrastructure ("HCI") to break down legacy silos by merging compute, storage and networking into a single software-defined data center platform. We continued to innovate and developed Nutanix AHV, our native hypervisor that offers enterprise-grade virtualization and built-in Kubernetes support. To provide our customers with more choice, we further engineered our software solutions to run on a variety of server platforms and with a variety of external storage providers, decoupling our software from the underlying hardware and powering a variety of hybrid multi cloud deployments, as part of our previously-completed transition from a hardware company to a software company. Most recently, we have extended our software platform support to include external storage from qualified partners. To provide our customers with the flexibility to choose their preferred license levels and durations based on their specific business needs, we reshaped our licensing by completing a transition to a subscription-based business model. In addition to enabling enterprise AI and simplifying hybrid multicloud deployments, we have a further long-term vision to enable developers to build modern container-based applications once and run them anywhere through Project Beacon, our multi-year effort to provide consistent Kubernetes platform management and data-centric platform services across clouds.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Our business is organized into a single operating and reportable segment. We operate a subscription-based business model, meaning one in which our products, including associated support and entitlement arrangements, are sold with a defined duration.

Our platform typically includes one or more years of support and entitlements, which provides customers with the right to software upgrades and enhancements as well as technical support. Purchases of term-based licenses and software-as-a-service ("SaaS") subscriptions have support and entitlements included within the subscription fees and are not sold separately. Purchases of non-portable software are typically accompanied by the purchase of separate support and entitlements.

We had a broad and diverse base of over 29,000 end customers as of July 31, 2025. We define the number of end customers as the number of end customers for which we have received an order by the last day of the period, excluding partners to which we have sold products for their own demonstration purposes. A single organization or customer may represent multiple end customers for separate divisions, segments, or subsidiaries, and the total number of end customers may contract due to mergers, acquisitions, or other consolidation among existing end customers.

Our solutions are primarily sold through our channel partners or original equipment manufacturers ("OEMs") and delivered directly to our end customers. We have end customers across a broad range of industries, such as automotive, consumer goods, education, energy, financial services, healthcare, manufacturing, media, public sector, retail, technology, and telecommunications. We also sell to service providers, who utilize our platform to provide a variety of cloud-based services to their customers.

We plan to continue investing in initiatives that support the long-term growth of our business, including the development of our solutions and sales and marketing efforts aimed at capitalizing on market opportunities. Simultaneously, we are focused on improving our operating cash flow through operational efficiencies, including in our go-to-market functions. By maintaining this balance, we believe we can sustain profitable growth.

NUTANIX, INC.
Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)
Key Financial and Performance Metrics

We monitor the following key financial and performance metrics:

| | As of and for the Fiscal Year Ended July 31, | | |
|---|---|--------------|--------------|
| | 2023 | 2024 | 2025 |
| | (in thousands, except percentages and end customer count) | | |
| Total revenue | \$ 1,862,895 | \$ 2,148,816 | \$ 2,537,927 |
| Year-over-year percentage increase | 18% | 15% | 18% |
| Annual recurring revenue ("ARR") | \$ 1,561,981 | \$ 1,907,982 | \$ 2,223,197 |
| Gross profit | \$ 1,530,708 | \$ 1,824,704 | \$ 2,203,145 |
| Non-GAAP gross profit | \$ 1,575,385 | \$ 1,862,203 | \$ 2,235,736 |
| Gross margin | 82.2% | 84.9% | 86.8% |
| Non-GAAP gross margin | 84.6% | 86.7% | 88.1% |
| Operating expenses | \$ 1,737,858 | \$ 1,817,141 | \$ 2,030,604 |
| Non-GAAP operating expenses | \$ 1,414,389 | \$ 1,515,096 | \$ 1,699,616 |
| Operating (loss) income | \$ (207,150) | \$ 7,563 | \$ 172,541 |
| Non-GAAP operating income | \$ 160,996 | \$ 347,107 | \$ 536,120 |
| Operating margin | (11.1)% | 0.4% | 6.8% |
| Non-GAAP operating margin | 8.6% | 16.2% | 21.1% |
| Net cash provided by operating activities | \$ 272,403 | \$ 672,931 | \$ 821,456 |
| Free cash flow | \$ 206,999 | \$ 597,679 | \$ 750,173 |
| Total end customers ⁽¹⁾ | 24,550 | 26,530 | 29,290 |

(1) The total end customer count reflects standard adjustments/consolidation to certain customer accounts within our system of record and is rounded to the nearest 10.

Disaggregation of Revenue

The following table depicts the disaggregation of revenue by type, consistent with how we evaluate our financial performance:

| | Fiscal Year Ended July 31, | | |
|--|-----------------------------------|---------------------|---------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| Disaggregation of revenue: | | | |
| Subscription revenue | \$ 1,730,848 | \$ 2,016,776 | \$ 2,410,751 |
| Professional services revenue | 91,841 | 100,852 | 112,202 |
| Other non-subscription product revenue | 40,206 | 31,188 | 14,974 |
| Total revenue | <u>\$ 1,862,895</u> | <u>\$ 2,148,816</u> | <u>\$ 2,537,927</u> |

Subscription revenue — Subscription revenue includes any performance obligation which has a defined duration and is generated from the sales of software entitlement subscriptions, support subscriptions, subscription software licenses and cloud-based SaaS offerings.

- *Ratable* — We recognize revenue from software entitlement subscriptions, support subscriptions and SaaS offerings ratably over the contractual service period, the substantial majority of which relate to software entitlement subscriptions and support subscriptions. These offerings represented approximately \$905.8 million, \$1,029.0 million and \$1,138.4 million of our subscription revenue for fiscal 2023, 2024 and 2025, respectively.

NUTANIX, INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

- **Upfront** — Revenue from our subscription software licenses is generally recognized upfront upon transfer of control to the customer, which happens when we make the software available to the customer. These subscription software licenses represented approximately \$825.0 million, \$987.8 million and \$1,272.4 million of our subscription revenue for fiscal 2023, 2024 and 2025, respectively.

Professional services revenue — We also sell professional services with our products. We recognize revenue related to professional services as they are performed.

Other non-subscription product revenue — Other non-subscription product revenue includes approximately \$37.4 million, \$27.9 million and \$10.8 million of non-portable software revenue for fiscal 2023, 2024 and 2025, respectively, and approximately \$2.8 million, \$3.3 million and \$4.2 million of hardware revenue for fiscal 2023, 2024 and 2025, respectively.

- **Non-portable software revenue** — Non-portable software revenue includes sales of our platform when delivered on a configured-to-order server by us or one of our OEM partners. The software licenses associated with these sales are typically non-portable and can be used over the life of the server on which the software is delivered. Revenue from our non-portable software products is generally recognized upon transfer of control to the customer.
- **Hardware revenue** — In the infrequent transactions where the hardware platform is purchased directly from Nutanix, we consider ourselves to be the principal in the transaction and we record revenue and costs of goods sold on a gross basis. We consider the amount allocated to hardware revenue to be equivalent to the cost of the hardware procured. Hardware revenue is generally recognized upon transfer of control to the customer.

Non-GAAP Financial Measures and Key Performance Measures

In addition to GAAP metrics, we regularly monitor ARR, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income (loss), non-GAAP operating margin, free cash flow, and total end customers, which are non-GAAP financial measures and key performance measures, to help us evaluate our growth and operational efficiencies, measure our performance, identify trends in our sales activity, and establish our budgets. We evaluate these measures because they:

- are used by management and our Board of Directors to understand and evaluate our performance and trends, as well as to provide a useful measure for period-to-period comparisons of our core business, particularly as we operate a subscription-based business model;
- are widely used as a measure of financial performance to understand and evaluate companies in our industry; and
- are used by management to prepare and approve our annual budget and to develop short-term and long-term operational and compensation plans, as well as to assess our actual performance against our goals.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

ARR is a performance measure that we believe provides useful information to our management and investors as it allows us to better track the top-line growth of our subscription business (including our ability to acquire subscriptions with new customers and to retain and expand with existing customers), while normalizing for differences in contract durations. Non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income (loss), and non-GAAP operating margin are performance measures which we believe provide useful information to investors, as they provide meaningful supplemental information regarding our performance and liquidity by excluding certain expenses and expenditures, such as stock-based compensation expense, that may not be indicative of our ongoing core business operating results. Free cash flow is a performance measure that we believe provides useful information to management and investors about the amount of cash generated by the business after capital expenditures. We use these non-GAAP financial and key performance measures for financial and operational decision-making and as a means to evaluate period-to-period comparisons.

Non-GAAP financial measures have limitations as analytical tools and they should not be considered in isolation or as substitutes for analysis of our results as reported under generally accepted accounting principles ("GAAP") in the United States. Non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP operating margin, and free cash flow are not substitutes for gross profit, gross margin, operating expenses, operating income (loss), operating margin, or net cash provided by (used in) operating activities, respectively. There is no GAAP measure that is comparable to ARR, so we have not reconciled ARR numbers included in this Annual Report on Form 10-K to any GAAP measure. In addition, other companies, including companies in our industry, may calculate non-GAAP financial measures and key performance measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures and key performance measures as tools for comparison. We urge you to review the reconciliation of our non-GAAP financial measures and key performance measures to the most directly comparable GAAP financial measures included below and not to rely on any single financial measure to evaluate our business.

We calculate our non-GAAP financial and key performance measures as follows:

ARR — We calculate ARR as the sum of annual contract value ("ACV") for all subscription contracts in effect as of the end of the period. For the purposes of this calculation, we assume that the contract term begins on the date a contract is booked, unless the terms of such contract prevent us from fulfilling our obligations until a later period, and irrespective of the periods in which we would recognize revenue for such contract. ARR excludes all life-of-device contracts. We define ACV as the total annualized value of a contract, excluding amounts related to professional services and hardware. We calculate the total annualized value for a contract by dividing the total value of the contract by the number of years in the term of such contract. Beginning with the first quarter of fiscal 2026, our methodology for calculating ARR will be updated to align more closely with the timing of when licenses are made available to customers. Our calculation of ARR is not adjusted for the impact of any known or projected future events (such as customer cancellations, expansion or contraction of existing customers relationships or price increases or decreases) that may cause any subscription contract not to be renewed on its existing terms. ARR is a performance measure that should be viewed independently of revenue and does not represent our revenue under GAAP on an annualized basis or a forecast of GAAP revenue. Investors should not place undue reliance on ARR as an indicator of our future or expected results. ARR does not have any standardized meaning and is therefore unlikely to be comparable to similarly titled performance measures presented by other companies.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Non-GAAP gross profit and Non-GAAP gross margin — We calculate non-GAAP gross margin as non-GAAP gross profit divided by total revenue. We define non-GAAP gross profit as gross profit adjusted to exclude stock-based compensation expense, amortization of acquired intangible assets, restructuring charges, and costs associated with certain other non-recurring transactions. Our presentation of non-GAAP gross profit and non-GAAP gross margin should not be construed as implying that our future results will not be affected by any recurring expenses or any unusual or non-recurring items that we exclude from our calculation of these non-GAAP financial measures.

Non-GAAP operating expenses — We define non-GAAP operating expenses as total operating expenses adjusted to exclude stock-based compensation expense, amortization of acquired intangible assets, restructuring charges, litigation settlement accruals and legal fees related to certain non-ordinary course litigation matters, and costs associated with certain other non-recurring transactions. Our presentation of non-GAAP operating expenses should not be construed as implying that our future results will not be affected by any recurring expenses or any unusual or non-recurring items that we exclude from our calculation of this non-GAAP financial measure.

Non-GAAP operating income and Non-GAAP operating margin — We calculate non-GAAP operating margin as non-GAAP operating income divided by total revenue. We define non-GAAP operating income as operating income (loss) adjusted to exclude stock-based compensation expense, amortization of acquired intangible assets, restructuring charges, litigation settlement accruals and legal fees related to certain non-ordinary course litigation matters, and costs associated with certain other non-recurring transactions. Our presentation of non-GAAP operating income and non-GAAP operating margin should not be construed as implying that our future results will not be affected by any recurring expenses or any unusual or non-recurring items that we exclude from our calculation of these non-GAAP financial measures.

Free cash flow — We calculate free cash flow as net cash provided by (used in) operating activities less purchases of property and equipment, which measures our ability to generate cash from our business operations after our capital expenditures.

Total end customers — We define the number of end customers as the number of end customers for which we have received an order by the last day of the period, excluding partners to which we have sold products for their own demonstration purposes. A single organization or customer may represent multiple end customers for separate divisions, segments, or subsidiaries, and the total number of end customers may contract due to mergers, acquisitions, or other consolidation among existing end customers.

NUTANIX, INC.
Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

The following table presents a reconciliation of non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP operating margin, and free cash flow to the most directly comparable GAAP financial measures, for each of the periods indicated:

| | Fiscal Year Ended July 31, | | |
|--|------------------------------------|---------------------|---------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands, except percentages) | | |
| Gross profit | \$ 1,530,708 | \$ 1,824,704 | \$ 2,203,145 |
| Stock-based compensation | 34,577 | 34,107 | 30,406 |
| Amortization of intangible assets | 9,870 | 3,392 | 2,185 |
| Restructuring charges | 230 | — | — |
| Non-GAAP gross profit | <u>\$ 1,575,385</u> | <u>\$ 1,862,203</u> | <u>\$ 2,235,736</u> |
| Gross margin | 82.2% | 84.9% | 86.8% |
| Stock-based compensation | 1.9% | 1.6% | 1.2% |
| Amortization of intangible assets | 0.5% | 0.2% | 0.1% |
| Restructuring charges | — | — | — |
| Non-GAAP gross margin | <u>84.6%</u> | <u>86.7%</u> | <u>88.1%</u> |
| Operating expenses | \$ 1,737,858 | \$ 1,817,141 | \$ 2,030,604 |
| Stock-based compensation | (277,168) | (299,726) | (321,184) |
| Amortization of intangible assets | (827) | (317) | (353) |
| Restructuring (charges) reversals | (5,073) | 194 | — |
| Early exit of lease-related assets | (1,726) | — | — |
| Litigation settlement accrual and legal fees | (38,675) | (1,971) | (9,451) |
| Other | — | (225) | — |
| Non-GAAP operating expenses | <u>\$ 1,414,389</u> | <u>\$ 1,515,096</u> | <u>\$ 1,699,616</u> |
| Operating (loss) income | \$ (207,150) | \$ 7,563 | \$ 172,541 |
| Stock-based compensation | 311,745 | 333,833 | 351,590 |
| Amortization of intangible assets | 10,697 | 3,709 | 2,538 |
| Restructuring charges (reversals) | 5,303 | (194) | — |
| Early exit of lease-related assets | 1,726 | — | — |
| Litigation settlement accrual and legal fees | 38,675 | 1,971 | 9,451 |
| Other | — | 225 | — |
| Non-GAAP operating income | <u>\$ 160,996</u> | <u>\$ 347,107</u> | <u>\$ 536,120</u> |
| Operating margin | (11.1)% | 0.4% | 6.8% |
| Stock-based compensation | 16.6% | 15.5% | 13.8% |
| Amortization of intangible assets | 0.6% | 0.2% | 0.1% |
| Restructuring charges (reversals) | 0.3% | — | — |
| Early exit of lease-related assets | 0.1% | — | — |
| Litigation settlement accrual and legal fees | 2.1% | 0.1% | 0.4% |
| Other | — | — | — |
| Non-GAAP operating margin | <u>8.6%</u> | <u>16.2%</u> | <u>21.1%</u> |
| Net cash provided by operating activities | \$ 272,403 | \$ 672,931 | \$ 821,456 |
| Purchases of property and equipment | (65,404) | (75,252) | (71,283) |
| Free cash flow (non-GAAP) | <u>\$ 206,999</u> | <u>\$ 597,679</u> | <u>\$ 750,173</u> |

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**Factors Affecting Our Performance**

We believe that our future success will depend on many factors, including those described below. While these areas present significant opportunity, they also present risks that we must manage to achieve successful results. Refer to Part I, Item 1A. "Risk Factors" in this Annual Report on Form 10-K for details. If we are unable to address these challenges, our business and operating results could be materially and adversely affected.

Investment in Profitable Growth

We plan to continue investing in initiatives that support our long-term growth, while also focusing on improving our operating cash flow through operational efficiencies, including in our go-to-market functions. By maintaining this balance, we believe we can sustain profitable growth.

Investment in Sales and Marketing – Our ability to drive top-line growth depends, in large part, on our ability to capitalize on our market opportunity, including our ability to recruit, train and retain sufficient numbers of ramped sales personnel. We plan to continue investing in sales and marketing functions, including initiatives focused on opportunities with major accounts, large deals, and commercial accounts, as well as other initiatives to increase our pipeline growth. As we continue to recruit additional sales representatives, it will take time to train and ramp them to full productivity. As a result, we expect that our overall sales and marketing expense will increase in the near term. We estimate, based on past experience, that our average sales team members typically become fully ramped up around the start of their fourth quarter of employment with us, and as our newer employees ramp up, we expect their increased productivity to contribute to our revenue growth. As we continue to focus some of our newer and existing sales team members on major accounts and large deals, and as we operate our subscription-based business model, it may take longer, potentially significantly, for these sales team members to become fully productive, and there may also be an impact to the overall productivity of our sales team. As part of our overall efforts to improve our free cash flow performance, we have also proactively taken steps to increase our go-to-market productivity and over time, we intend to reduce our overall sales and marketing spend as a percentage of revenue. These measures include addressing a growing mix of renewals, which have a lower cost than landing new customers or expanding into our existing customer base, improving the efficiency of our demand generation spend, increasing leverage of our channel partners and OEMs, including supporting new OEMs, and optimizing headcount in geographies based on market opportunities.

Investment in Research and Development – We plan to continue investing in our global research and development teams to support enhancements to our solutions, improve integration with ecosystem partners and expand the range of technologies and features available through our platform. These investments are intended to strengthen our core offerings and enable us to respond to evolving technology trends, including developments in generative AI and modern applications across hybrid and multicloud environments.

We believe that these investments will support our long-term growth strategy, although they may result in increased expenses and adversely affect our profitability in the near term.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)***Our Subscription-Based Business Model***

We operate a subscription-based business model to provide our customers with the flexibility to choose their preferred license levels and durations based on their specific business needs. A subscription-based business model means one in which our products, including associated support and entitlement arrangements, are sold with a defined duration. Subscription-based sales consist of subscription term-based licenses and offerings with ongoing performance obligations, including software entitlement subscriptions, support subscriptions and cloud-based SaaS offerings. Revenue from subscription term-based licenses is generally recognized upfront upon transfer of control to the customer, which occurs when we make the software available to the customer. Accordingly, any reduction in the total average contract duration of our subscription term-based licenses would decrease the amount of license revenue recognized upfront and could adversely affect our revenue for the applicable period. Revenue from software entitlement subscriptions, support subscriptions and cloud-based SaaS offerings is recognized ratably over the contractual service period. Accordingly, any decline in such subscriptions, whether new subscriptions or renewals, in any given fiscal quarter may not be fully or immediately reflected in our revenue for that quarter. For additional information on revenue recognition, see Note 2 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K and "Critical Accounting Estimates" later in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" section.

Market Adoption of Our Products

Hybrid and multicloud architectures, as well as trends in enterprise AI and modern containerized applications, have affected IT buyer expectations around the simplicity, agility, scalability, portability, and pay-as-you-grow economics of IT resources. A key focus of our sales and marketing efforts is creating market awareness of the benefits of our platform. This includes our newer solutions that extend beyond our core hyperconverged infrastructure offering, both as compared to traditional data center architectures, as well as the public cloud, particularly as we continue to pursue large enterprises and mission critical workloads. Our business and operating results will be significantly affected by the degree to and speed with which organizations adopt our platform.

Leveraging Partners

We plan to continue to leverage our relationships with our channel and OEM partners and expand our network of cloud and ecosystem partners, all of which help to drive the adoption and sale of our solutions with our end customers. We sell our solutions primarily through our partners, and our solutions primarily run on hardware platforms that our customers often choose to purchase from our channel or OEM partners. We believe that increasing channel leverage, particularly as we expand our focus on opportunities in commercial accounts, by investing in sales enablement and co-marketing with our channel and OEM partners in the long term will extend and improve our engagement with a broad set of end customers. Our reliance on manufacturers, including our channel and OEM partners, to produce the hardware platforms on which our software runs exposes us to supply chain delays, which could impair our ability to provide services to end customers in a timely manner. Our business and results of operations will be significantly affected by our success in leveraging our relationships with our channel and OEM partners and expanding our network of cloud and ecosystem partners.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)***Customer Acquisition, Retention and Expansion***

Our business and operating results will depend on our ability to obtain new end customers and retain and sell additional solutions to our existing base of end customers. Our ability to obtain new end customers and retain and sell additional solutions to existing customers will in turn depend in part on a number of factors. These factors include our ability to: execute on our business plans, vision, and objectives (including our growth and go-to-market strategies), respond to competitive pressures, effectively maintain existing and future customer relationships, continue to innovate by adding new functionality and improving usability of our solutions in a manner that addresses our end customers' needs and requirements, and optimally price our solutions in light of marketplace conditions, our ability to respond to competitive pressures, manage our costs, and anticipate and manage customer demand. Furthermore, our subscription-based business model and product transitions may cause concerns among our customer base, including concerns regarding changes to pricing over time, and may also result in confusion among new and existing end customers, for example, regarding our pricing models. Such concerns and/or confusion can slow adoption and renewal rates among our current and future customer base.

Our end customers typically deploy our technology for a specific workload initially. After a new end customer's initial order, which includes the product and associated software entitlement subscriptions, support subscription and services, we focus on expanding our footprint by serving more workloads. We also generate recurring revenue from renewals, and given our subscription-focused business model, these renewals are having an increasing significance for our future revenue streams as existing subscriptions come up for renewal. We view continued purchases and upgrades as critical drivers of our success. As of July 31, 2025, approximately 77% of our end customers who have been with us for 18 months or longer have made a repeat purchase, which is defined as any purchase activity, including renewals of term-based licenses or software entitlement subscription and support subscription renewals, after the initial purchase. Additionally, end customers who have been with us for 18 months or longer have total lifetime orders, including the initial order, in an amount that is more than 9.6x greater, on average, than their initial order. This number increases to approximately 37.2x, on average, for Global 2000 end customers who have been with us for 18 months or longer as of July 31, 2025.

As of July 31, 2025, our net dollar-based retention rate ("NRR") was 108%, compared to 114% as of July 31, 2024. NRR is calculated as of the end of a twelve-month period. We calculate NRR by starting with the ARR for all customers with subscription contracts at the beginning of the period. We then divide end-of-the-period ARR for the same customer group by the beginning-of-the-period ARR. NRR is a performance measure that we believe provides useful information to our management and investors as it provides an indication of our ability to retain and expand ARR from our existing customer base.

Over time, our sales pipeline has evolved to include a higher mix of larger deal opportunities, which often take longer to close and require more levels of review from the customer's executive team, involve greater competition, and have greater variability in timing, outcome and deal structure. These trends drive greater variability in our ability to land new customers and expand sales to existing customers, and our top-line results may be adversely affected.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)***Macroeconomic Conditions***

Our overall performance depends in part on worldwide economic and geopolitical conditions and their impact on customer and partner behavior. Macroeconomic conditions, including inflation, fluctuations in interest rates, foreign currency fluctuations, tariffs or other trade restrictions, geopolitical issues, changes in government policy or spending, and other changes in economic conditions, may adversely affect the buying patterns of our customers and prospective customers, including the length of sales cycles, our overall pipeline and pipeline conversion, and our top-line growth expectations. Due to our subscription-focused business model, any impact of the current macroeconomic environment on our business, particularly as a result of changes in our customer and partner behavior, may not be fully reflected in our results of operations until future periods, if at all. As we continue to monitor the direct and indirect impacts of the current environment, the broader implications of macroeconomic conditions on our business, results of operations and financial condition, particularly in the long term, remain uncertain.

Components of Our Results of Operations***Revenue***

We generate revenue primarily from the sale of the Nutanix Cloud Platform, sold primarily as subscription term-based licenses, and which can be deployed on a variety of qualified hardware platforms or, in the case of our cloud-based SaaS offerings, via hosted service or delivered pre-installed on a server that is configured to order. Non-portable software licenses are delivered or sold alongside configured-to-order servers and can be used over the life of the associated server.

Our subscription term-based licenses are sold separately, or can be sold alongside configured-to-order servers. Our subscription term-based licenses typically have a term of one to five years. Our cloud-based SaaS subscriptions have terms extending up to five years.

Our customers generally purchase their qualified hardware platforms for deployment of our software from one of our channel partners or OEMs. Our platform typically includes one or more years of support and entitlements, which provides customers with the right to software upgrades and enhancements as well as technical support. Our platform is primarily sold through channel partners and OEMs. Revenue is recognized net of sales tax and withholding tax.

Product revenue — Product revenue primarily consists of software revenue. A majority of our product revenue is generated from the sale of the Nutanix Cloud Platform. We also sell renewals of previously purchased software licenses and SaaS offerings. Revenue from our software products is generally recognized upon transfer of control to the customer, which is typically upon shipment for sales when including a server from a partner, upon making the software available to the customer when not sold with a server, or as services are performed with SaaS offerings. In the infrequent transactions where the hardware is purchased directly from Nutanix, we consider ourselves to be the principal in the transaction and we record revenue and costs of goods sold on a gross basis.

Support, entitlements and other services revenue — We generate our support, entitlements and other services revenue primarily from software entitlement subscriptions and support subscriptions, which include the right to software upgrades and enhancements as well as technical support. The majority of our product sales are sold in conjunction with software entitlement subscriptions and support subscriptions, with terms ranging from one to five years. Occasionally, we also sell professional services with our products. We recognize revenue from software entitlement subscriptions and support contracts ratably over the contractual service period, which typically commences upon transfer of control of the corresponding products to the customer. We recognize revenue related to professional services as they are performed.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**Cost of Revenue**

Cost of product revenue — Cost of product revenue consists of costs paid to OEM partners, hardware costs, personnel costs associated with our operations function, consisting of salaries, benefits, bonuses, and stock-based compensation, cloud-based costs associated with our SaaS offerings, and allocated costs. Allocated costs consist of certain facilities, depreciation and amortization, recruiting, and information technology costs that are allocated based on headcount.

Cost of support, entitlements and other services revenue — Cost of support, entitlements and other services revenue includes personnel and operating costs associated with our global customer support and services organization, as well as allocated costs. We expect our cost of support, entitlements and other services revenue to increase in absolute dollars as our support, entitlements and other services revenue increases.

Operating Expenses

Our operating expenses consist of sales and marketing, research and development and general and administrative expenses. The largest component of our operating expenses is personnel costs. Personnel costs consist of wages, benefits, bonuses and, with respect to sales and marketing expenses, sales commissions.

Sales and marketing — Sales and marketing expense consists primarily of personnel costs, including sales commissions. Sales and marketing expense also includes costs for promotional activities and other marketing costs, travel expenses, costs associated with demonstration units, including depreciation, and allocated costs. Commissions are deferred and recognized as we recognize the associated revenue. We expect sales and marketing expense to continue, in the long term, to increase in absolute dollars as part of our long-term plans to invest in our growth. However, as part of our overall efforts to improve our operating cash flow performance, we have also proactively taken steps to increase our go-to-market productivity and over time, we intend to reduce our overall sales and marketing spend as a percentage of revenue. As we continue to recruit additional sales representatives, it will take time to train and ramp them to full productivity. As a result, our sales and marketing expense may fluctuate.

Research and development — Research and development ("R&D") expense consists primarily of personnel costs, as well as other direct and allocated costs. We have devoted our product development efforts primarily to enhancing the functionality and expanding the capabilities of our solutions. R&D costs are expensed as incurred, unless they meet the criteria for capitalization. We expect R&D expense, in the long term, to increase in absolute dollars as part of our long-term plans to invest in our future products and services, including our newer subscription-based products, although R&D expense may fluctuate as a percentage of total revenue and, on an absolute basis, from quarter to quarter.

General and administrative — General and administrative ("G&A") expense consists primarily of personnel costs, which include our executive, finance, human resources, and legal organizations. G&A expense also includes outside professional services, which consists primarily of legal, accounting and other consulting costs, as well as insurance and other costs associated with being a public company and allocated costs. We expect G&A expense, in the long term, to increase in absolute dollars, particularly due to additional legal, accounting, insurance, and other costs associated with our growth, although G&A expense may fluctuate as a percentage of total revenue and, on an absolute basis, from quarter to quarter.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)***Other Income (Expense), Net***

Other income (expense), net consists primarily of interest income and expense, which includes the amortization of the debt discount and debt issuance costs associated with our previously outstanding 0% convertible senior notes due 2023 (the "2023 Notes"), our previously outstanding 2.50% convertible senior notes due 2026 (the "2026 Notes"), our outstanding 0.25% convertible senior notes due 2027 (the "2027 Notes"), and our outstanding 0.50% convertible senior notes due 2029 (the "2029 Notes"), non-cash interest expense on the 2026 Notes, interest expense related to the conversion of the 2026 Notes in full, interest expense on the 2027 Notes and 2029 Notes, inducement expense related to the partial repurchase of the 2027 Notes, interest income related to our short-term investments, and foreign currency exchange gains or losses.

Provision for Income Taxes

Provision for income taxes consists primarily of income taxes for certain foreign jurisdictions in which we conduct business and federal and state income taxes in the United States. We have recorded a full valuation allowance related to our federal and state net operating losses and other net deferred tax assets due to the uncertainty of the ultimate realization of the future benefits of those assets. Beginning in fiscal 2023, provisions in the U.S. Tax Cuts and Jobs Act of 2017 required us to capitalize and amortize research and experimental ("R&E") expenditures rather than deducting the costs as incurred. The capitalization of R&E resulted in U.S. taxable income for fiscal 2025, which was partially offset by net operating loss carryforwards.

The One Big Beautiful Bill Act ("OBBBA"), signed into law on July 4, 2025, has officially repealed the amortization requirement under IRC Section 174, restoring immediate expensing for domestic R&E expenditures. Effective for taxable years beginning after December 31, 2024, taxpayers may deduct domestic R&E expenditures immediately and for the R&E expenditures capitalized from 2022 to 2024, OBBBA also allows taxpayers to make an election to accelerate the deductions over one year or two years. We have assessed the impact of OBBBA on our fiscal 2025 provision for income taxes and determined that there is no material impact to our financial statements for fiscal 2025.

NUTANIX, INC.
Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)
Results of Operations

The following tables set forth our consolidated results of operations in dollars and as a percentage of total revenue for the fiscal years presented. The period-to-period comparison of results is not necessarily indicative of results for future periods.

| | Fiscal Year Ended July 31, | | |
|---|----------------------------|---------------------|-------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| Revenue: | | | |
| Product | \$ 912,114 | \$ 1,067,948 | \$ 1,341,374 |
| Support, entitlements and other services | 950,781 | 1,080,868 | 1,196,553 |
| Total revenue | <u>1,862,895</u> | <u>2,148,816</u> | <u>2,537,927</u> |
| Cost of revenue: | | | |
| Product ⁽¹⁾⁽²⁾ | 51,107 | 36,441 | 28,341 |
| Support, entitlements and other services ⁽¹⁾ | 281,080 | 287,671 | 306,441 |
| Total cost of revenue | <u>332,187</u> | <u>324,112</u> | <u>334,782</u> |
| Gross profit | <u>1,530,708</u> | <u>1,824,704</u> | <u>2,203,145</u> |
| Operating expenses: | | | |
| Sales and marketing ⁽¹⁾⁽²⁾ | 924,696 | 977,286 | 1,056,465 |
| Research and development ⁽¹⁾ | 580,961 | 638,992 | 736,823 |
| General and administrative ⁽¹⁾ | 232,201 | 200,863 | 237,316 |
| Total operating expenses | <u>1,737,858</u> | <u>1,817,141</u> | <u>2,030,604</u> |
| (Loss) income from operations | (207,150) | 7,563 | 172,541 |
| Other (expense) income, net | (26,435) | (108,881) | 39,107 |
| (Loss) income before provision for income taxes | (233,585) | (101,318) | 211,648 |
| Provision for income taxes | 20,975 | 23,457 | 23,282 |
| Net (loss) income | <u>\$ (254,560)</u> | <u>\$ (124,775)</u> | <u>\$ 188,366</u> |

⁽¹⁾ Includes stock-based compensation expense as follows:

| | | | |
|--|-------------------|-------------------|-------------------|
| Product cost of revenue | \$ 7,966 | \$ 6,822 | \$ 2,824 |
| Support, entitlements and other services cost of revenue | 26,611 | 27,285 | 27,582 |
| Sales and marketing | 82,758 | 80,190 | 80,930 |
| Research and development | 139,073 | 156,784 | 175,361 |
| General and administrative | 55,337 | 62,752 | 64,893 |
| Total stock-based compensation expense | <u>\$ 311,745</u> | <u>\$ 333,833</u> | <u>\$ 351,590</u> |

⁽²⁾ Includes amortization of intangible assets as follows:

| | | | |
|---|------------------|-----------------|-----------------|
| Product cost of revenue | \$ 9,870 | \$ 3,392 | \$ 2,185 |
| Sales and marketing | 827 | 317 | 353 |
| Total amortization of intangible assets | <u>\$ 10,697</u> | <u>\$ 3,709</u> | <u>\$ 2,538</u> |

NUTANIX, INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

| | Fiscal Year Ended July 31, | | |
|---|------------------------------------|--------|--------|
| | 2023 | 2024 | 2025 |
| | (as a percentage of total revenue) | | |
| Revenue: | | | |
| Product | 49.0% | 49.7% | 52.9% |
| Support, entitlements and other services | 51.0% | 50.3% | 47.1% |
| Total revenue | 100.0% | 100.0% | 100.0% |
| Cost of revenue: | | | |
| Product | 2.7% | 1.7% | 1.1% |
| Support, entitlements and other services | 15.1% | 13.4% | 12.1% |
| Total cost of revenue | 17.8% | 15.1% | 13.2% |
| Gross profit | 82.2% | 84.9% | 86.8% |
| Operating expenses: | | | |
| Sales and marketing | 49.6% | 45.5% | 41.6% |
| Research and development | 31.2% | 29.7% | 29.0% |
| General and administrative | 12.5% | 9.3% | 9.4% |
| Total operating expenses | 93.3% | 84.5% | 80.0% |
| (Loss) income from operations | (11.1)% | 0.4% | 6.8% |
| Other (expense) income, net | (1.4)% | (5.1)% | 1.5% |
| (Loss) income before provision for income taxes | (12.5)% | (4.7)% | 8.3% |
| Provision for income taxes | 1.1% | 1.1% | 0.9% |
| Net (loss) income | (13.6)% | (5.8)% | 7.4% |

NUTANIX, INC.
Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)
Comparison of the Fiscal Years Ended July 31, 2024 and 2025
Revenue

| | Fiscal Year Ended July 31, | | Change | |
|---|------------------------------------|---------------------|-------------------|------------|
| | 2024 | 2025 | \$ | % |
| | (in thousands, except percentages) | | | |
| Product | \$ 1,067,948 | \$ 1,341,374 | \$ 273,426 | 26% |
| Support, entitlements and other services | 1,080,868 | 1,196,553 | 115,685 | 11% |
| Total revenue | \$ 2,148,816 | \$ 2,537,927 | \$ 389,111 | 18% |

| | Fiscal Year Ended July 31, | | Change | |
|---------------------------------------|------------------------------------|---------------------|-------------------|------------|
| | 2024 | 2025 | \$ | % |
| | (in thousands, except percentages) | | | |
| U.S. | \$ 1,189,213 | \$ 1,409,367 | \$ 220,154 | 19% |
| Europe, the Middle East and Africa | 563,281 | 685,569 | 122,288 | 22% |
| Asia Pacific | 348,952 | 392,744 | 43,792 | 13% |
| Other Americas | 47,370 | 50,247 | 2,877 | 6% |
| Total revenue | \$ 2,148,816 | \$ 2,537,927 | \$ 389,111 | 18% |

Product revenue increased year-over-year by approximately \$273.4 million, or 26%, for fiscal 2025 due primarily to increases in software revenue as a result of increased adoption of our products, driven by growth in software renewals and the various programs we have put in place to attract new customers onto our platform and expand with existing customers.

Support, entitlements and other services revenue increased year-over-year by approximately \$115.7 million, or 11%, for and fiscal 2025 in conjunction with the growth of our end customer base, which grew approximately 10% during fiscal 2025 and the related software entitlement subscription and support subscription contracts and renewals.

The total average contract duration was approximately 3.0 years and 3.1 years for fiscal 2024 and 2025, respectively. Total average contract duration represents the dollar-weighted term across all subscription contracts, as well as our limited number of life-of-device contracts, billed during the period, using an assumed term of five years for licenses without a specified term, such as life-of-device licenses.

Cost of Revenue and Gross Margin

| | Fiscal Year Ended July 31, | | Change | |
|--|------------------------------------|--------------|------------|-------|
| | 2024 | 2025 | \$ | % |
| | (in thousands, except percentages) | | | |
| Cost of product revenue | \$ 36,441 | \$ 28,341 | \$ (8,100) | (22)% |
| <i>Product gross margin</i> | 96.6% | 97.9% | | |
| Cost of support, entitlements and other services revenue | \$ 287,671 | \$ 306,441 | \$ 18,770 | 7% |
| <i>Support, entitlements and other services gross margin</i> | 73.4% | 74.4% | | |
| Total gross margin | 84.9% | 86.8% | | |

NUTANIX, INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Cost of product revenue

Cost of product revenue decreased year-over-year for fiscal 2025 due primarily to lower stock-based compensation expense as well as decreases in overhead resulting from lower operating and finance lease costs. Slight fluctuations in hardware revenue and cost of product revenue are anticipated, as we expect to continue selling small amounts of hardware for the foreseeable future.

Product gross margin increased by approximately 1.3 percentage points in fiscal 2025 due primarily to product revenue increasing while cost of product revenue decreases.

Cost of support, entitlements and other services revenue

Cost of support, entitlements and other services revenue increased year-over-year for fiscal 2025 due primarily to higher personnel-related costs, including costs for contractors, resulting from growth in our global customer support organization, as well as an increase in bonus expense.

Support, entitlements and other services gross margin increased by 1.0 percentage points in fiscal 2025 due primarily to support, entitlements and other services revenue growing at a higher rate than personnel-related costs.

Operating Expenses

Sales and marketing

| | Fiscal Year Ended July 31, | | Change | |
|--------------------------|------------------------------------|--------------|-----------|----|
| | 2024 | 2025 | \$ | % |
| | (in thousands, except percentages) | | | |
| Sales and marketing | \$ 977,286 | \$ 1,056,465 | \$ 79,179 | 8% |
| Percent of total revenue | 45.5% | 41.6% | | |

Sales and marketing expense increased year-over-year due primarily to higher personnel-related costs, including commissions expense, resulting from the 8% growth in our sales and marketing headcount from July 31, 2024 to July 31, 2025, as well as increased marketing spend on events and partnership programs.

Research and development

| | Fiscal Year Ended July 31, | | Change | |
|--------------------------|------------------------------------|------------|-----------|-----|
| | 2024 | 2025 | \$ | % |
| | (in thousands, except percentages) | | | |
| Research and development | \$ 638,992 | \$ 736,823 | \$ 97,831 | 15% |
| Percent of total revenue | 29.7% | 29.0% | | |

Research and development expense increased year-over-year due primarily to higher personnel-related costs, including stock-based compensation expense and bonus expense due to a 12% growth in our R&D headcount from July 31, 2024 to July 31, 2025. Research and development expense also increased due to higher depreciation expense related to property and equipment additions during the period and an increase in outside services costs.

NUTANIX, INC.
Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)
General and administrative

| | Fiscal Year Ended July 31, | | Change | |
|----------------------------|------------------------------------|------------|-----------|-----|
| | 2024 | 2025 | \$ | % |
| | (in thousands, except percentages) | | | |
| General and administrative | \$ 200,863 | \$ 237,316 | \$ 36,453 | 18% |
| Percent of total revenue | 9.3% | 9.4% | | |

General and administrative expense increased year-over-year due primarily to higher legal and outside services costs, higher personnel-related costs resulting from the 10% growth in our G&A headcount from July 31, 2024 to July 31, 2025, as well as higher technical costs related to software licenses and support, partially offset by lower depreciation expense.

Other Expense, Net

| | Fiscal Year Ended July 31, | | Change | |
|---|------------------------------------|-----------|--------------|--------|
| | 2024 | 2025 | \$ | % |
| | (in thousands, except percentages) | | | |
| Interest income, net | \$ 68,486 | \$ 62,310 | \$ 6,176 | 9% |
| Amortization of debt discount and issuance costs and interest expense | (61,503) | (8,378) | (53,125) | (86)% |
| Interest expense related to conversion of 2026 Notes attributable to debt discount and issuance costs | (107,877) | — | (107,877) | 0% |
| Inducement expense | — | (11,347) | 11,347 | 100% |
| Other | (7,987) | (3,478) | (4,509) | (56)% |
| Other (expense) income, net | \$ (108,881) | \$ 39,107 | \$ (147,988) | (136)% |

The decrease in other expense, net for fiscal 2025 was due primarily to \$107.9 million of interest expense recognized during the fiscal quarter ended July 31, 2024 resulting from our conversion of the 2026 Notes, as well as a decrease in interest expense related to our convertible notes, given the conversion of the 2026 Notes. The decrease was partially offset by approximately \$11.3 million of inducement expense recognized during the fiscal quarter ended January 31, 2025 related to the partial repurchase of the 2027 Notes and an increase in interest income on our investments.

Provision for Income Taxes

| | Fiscal Year Ended July 31, | | Change | |
|----------------------------|------------------------------------|-----------|----------|------|
| | 2024 | 2025 | \$ | % |
| | (in thousands, except percentages) | | | |
| Provision for income taxes | \$ 23,457 | \$ 23,282 | \$ (175) | (1)% |

The year-over-year decrease in the provision for income taxes in fiscal 2025 was due primarily to the lapse of the statute of limitations for some foreign uncertain tax positions and foreign excess tax benefits on stock options and restricted stock units exercised during the periods, partially offset by higher U.S. federal income tax and state income taxes as a result of higher taxable earnings. We continue to maintain a full valuation allowance on our U.S. federal and state deferred tax assets.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**Liquidity and Capital Resources**

Our principal sources of liquidity are cash, cash equivalents and marketable securities and net accounts receivable. As of July 31, 2025, we had approximately \$769.5 million of cash and cash equivalents, and \$1,223.2 million of short-term investments, which were held for general corporate purposes. Our restricted cash balance was not material. Our cash, cash equivalents and short-term investments primarily consist of bank deposits, money market accounts and highly rated debt instruments of the U.S. government and its agencies and debt instruments of highly rated corporations. As of July 31, 2025, we had accounts receivable of approximately \$338.0 million, net of allowances of \$2.2 million.

In fiscal 2023, we settled the 2023 Notes in full at maturity with a cash payment of \$145.7 million. In fiscal 2024, we settled the 2026 Notes by paying \$817.6 million in cash and delivering approximately 16.9 million shares of Class A common stock.

In September 2021, we issued convertible senior notes with a 0.25% interest rate for an aggregate principal amount of \$575.0 million due 2027, of which \$477.3 million in principal amount was issued in exchange for approximately \$416.5 million principal amount of the 2023 Notes and the remaining \$97.7 million in principal amount was issued for cash. There are no required principal payments on the 2027 Notes prior to their maturity.

In December 2024, we issued convertible senior notes with a 0.50% interest rate for an aggregate principal amount of \$862.5 million due 2029. We used approximately \$95.5 million of the net proceeds from the offering to repurchase \$75.0 million aggregate principal amount of the outstanding 2027 Notes. There are no required principal payments on the 2029 Notes prior to their maturity.

On February 12, 2025, we entered into a revolving credit agreement (the "Revolver") that provides for a senior secured revolving credit facility in an aggregate principal amount of \$500.0 million, including a \$25.0 million sublimit for the issuance of letters of credit. The Revolver matures in February 2030, subject to earlier springing maturity under certain circumstances. As of July 31, 2025, we had no borrowings and an immaterial amount of letters of credit outstanding under the Revolver. The Revolver contains customary affirmative and negative covenants (including a financial covenant and restrictions on liens, investments, indebtedness, fundamental changes, restricted payments, transactions with affiliates, prepayments of subordinated debt and other matters, all subject to certain exceptions). The financial covenant requires us to maintain a total leverage ratio of less than or equal to 3.75:1.00, tested at the end of each fiscal quarter. As of July 31, 2025, we were in compliance with the financial covenant.

For additional information regarding our debt offerings, see Note 5 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

We believe that our cash, cash equivalents and short-term investments, available borrowing capacity under the Revolver, and our expected net cash provided by operating activities will be sufficient to meet our anticipated cash needs for working capital, capital expenditures, share repurchases (if any), the payment of taxes related to the net share settlement of equity awards, and convertible notes servicing and repayment requirements for at least the next 12 months. Our future cash needs will depend on many factors, including our growth strategy and plans, the timing and extent of spending to support research and development and engineering efforts; the expansion of sales and marketing activities; the introduction of new and enhanced product and service offerings; the continuing market acceptance of our products; our end customers and partners; any acquisitions of businesses, technologies or products; any share repurchases; and market, economic and financial conditions (including inflation and interest rates). Holders of the 2027 Notes or the 2029 Notes will be entitled to convert their 2027 Notes or 2029 Notes under certain circumstances as described in Note 5 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K. If one or more holders elect to convert their 2027 Notes or 2029 Notes, as applicable, we may elect to satisfy our conversion obligation by delivering shares of our Class A common stock or a combination of cash and shares of Class A common stock, rather than exclusively in cash.

Purchase Obligations, Lease Commitments and Other Obligations

As of July 31, 2025, we had non-cancelable contractual purchase obligations of \$253.4 million, all of which is short-term. These purchase obligations primarily include guarantees with contract manufacturers and purchase obligations and other commitments pertaining to our daily business operations.

As of July 31, 2025, we had aggregate future minimum lease payments under non-cancelable operating leases and finance leases were \$179.8 million, of which \$41.3 million is short-term. Non-cancelable operating leases include leases that have been executed, but not yet commenced. We lease offices, research and development facilities, and data centers under operating leases expiring through October 2030 and lease certain data center equipment under finance leases.

As of July 31, 2025, we had accrued liabilities related to uncertain tax positions, which are reflected on our consolidated balance sheet. These accrued liabilities are not reflected in the contractual obligations disclosed above, as it is uncertain if or when such amounts will ultimately be settled. Uncertain tax positions are further discussed in Note 12 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Capital Return

In August 2023, our Board of Directors authorized the repurchase of up to \$350.0 million of our Class A common stock. In August 2025, our Board of Directors approved a \$350.0 million increase to the share repurchase authorization. Repurchases will be funded from available liquidity and may be made from time to time through open market purchases, in privately negotiated transactions or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act in accordance with applicable securities laws and other restrictions. The timing and amount of share repurchases will depend upon prevailing stock prices, business and market conditions, corporate and regulatory requirements, alternative investment opportunities, and other factors. The authorization has no expiration date, may be modified, suspended or discontinued at any time, and does not obligate us to repurchase any minimum number of shares. For more information on the share repurchase, refer to Note 8 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

NUTANIX, INC.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)

Cash Flows

The following table summarizes our cash flows for the periods presented:

| | Fiscal Year Ended July 31, | |
|--|----------------------------|-------------------|
| | 2024 | 2025 |
| | (in thousands) | |
| Net cash provided by operating activities | \$ 672,931 | \$ 821,456 |
| Net cash provided by (used in) investing activities | 529,589 | (951,687) |
| Net cash (used in) provided by financing activities | (1,062,629) | 244,086 |
| Net increase in cash, cash equivalents and restricted cash | <u>\$ 139,891</u> | <u>\$ 113,855</u> |

Cash Flows from Operating Activities

Net cash provided by operating activities was approximately \$672.9 million and \$821.5 million for fiscal 2024 and 2025, respectively, representing an improvement of approximately \$148.5 million. The increase in cash generated from operating activities for fiscal 2025 was due primarily to the increase in our net income from operations.

Cash Flows from Investing Activities

Net cash provided by investing activities of approximately \$529.6 million for fiscal 2024 included approximately \$774.2 million of maturities of short-term investments and \$706.4 million of sales of short-term investments, partially offset by approximately \$871.3 million of short-term investment purchases, \$75.3 million of purchases of property and equipment, and \$4.5 million of cash paid for acquisitions.

Net cash used in investing activities of approximately \$951.7 million for fiscal 2025 included approximately \$1,359.6 million of short-term investment purchases and \$71.3 million of purchases of property and equipment, partially offset by \$476.2 million of maturities of short-term investments and \$3.0 million of sales of short-term investments.

Cash Flows from Financing Activities

Net cash used in financing activities of approximately \$1,062.6 million for fiscal 2024 included approximately \$817.6 million used to pay the cash portion of the obligation due upon conversion of the 2026 Notes, \$161.6 million of taxes paid related to the net share settlement of equity awards, \$131.1 million of repurchases of our Class A common stock, and \$3.9 million of payments for finance lease obligations, partially offset by approximately \$51.6 million of proceeds from the sale of shares through employee equity incentive plans.

Net cash provided by financing activities of approximately \$244.1 million for fiscal 2025 included approximately \$848.0 million of net proceeds from the issuance of the 2029 Notes and \$68.9 million of proceeds from the sale of shares through employee equity incentive plans, partially offset by approximately \$307.9 million of repurchases of our Class A common stock, \$256.6 million of taxes paid related to the net share settlement of equity awards, \$95.5 million related to the partial repurchase of the 2027 Notes, \$4.6 million of payments for finance lease obligations, \$3.4 million of third-party debt issuance costs related to the issuance of the 2029 Notes, \$2.8 million of issuance costs related to the Revolver, and \$2.0 million of deferred payments for purchases of property and equipment.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**Critical Accounting Policies and Estimates**

Our consolidated financial statements are prepared in accordance with U.S. GAAP. The preparation of these consolidated financial statements requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the applicable periods. We evaluate our estimates, assumptions and judgments on an ongoing basis. Our estimates, assumptions and judgments are based on historical experience and various other factors that we believe to be reasonable under the circumstances. Different assumptions and judgments would change the estimates used in the preparation of our consolidated financial statements, which, in turn, could change the results from those reported.

The critical accounting estimates, assumptions and judgments that we believe have the most significant impact on our consolidated financial statements are described below.

Revenue Recognition

Some of our contracts with customers contain multiple performance obligations. Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together may require significant judgment. For these contracts, we account for individual performance obligations separately if they are distinct. The transaction price is allocated to the separate performance obligations on a relative standalone selling price ("SSP") basis. For deliverables that we routinely sell separately, such as software entitlement subscriptions and support subscriptions on our core offerings, we determine SSP by evaluating the standalone sales over the trailing 12 months. For those that are not sold routinely, we determine SSP based on our overall pricing trends and objectives, taking into consideration market conditions and other factors, including the value of our contracts, the products sold, and geographic locations.

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative SSP. We determine SSP based on the price at which the performance obligation is sold separately. If the SSP is not observable through past transactions, we estimate the SSP, taking into account available information such as market conditions and internally approved pricing guidelines related to the performance obligations. Refer to Note 1 and Note 2 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K for additional information on revenue recognition.

Income Taxes

The objectives of accounting for income taxes are to recognize the amount of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequences of events that have been recognized in an entity's financial statements or tax returns. We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. We recognize uncertain tax positions only if it is more likely than not to be sustained based solely on its technical merits as of the reporting date. We consider many factors when evaluating and estimating our tax positions and tax benefits, which may require periodic adjustments and which may not accurately anticipate actual outcomes. Judgment is required in assessing the future tax consequences of events that have been recognized in our consolidated financial statements or tax returns. Variations in the actual outcome of these future tax consequences could materially impact our consolidated financial statements.

Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)***Stock-Based Compensation***

We measure and recognize compensation expense for all stock-based awards, including stock options and purchase rights issued to employees under our 2016 Employee Stock Purchase Plan ("2016 ESPP"), based on the estimated fair value of the awards on the grant date. We use the Black-Scholes-Merton ("Black-Scholes") option pricing model to estimate the fair value of stock options and 2016 ESPP purchase rights. The fair value of restricted stock units ("RSUs") is measured using the fair value of our common stock on the date of the grant. The fair value of awards with a market-based condition is measured using a Monte Carlo simulation.

The fair value of stock options and RSUs with a service condition is recognized as expense on a straight-line basis over the requisite service period, which is generally four years. For stock-based awards granted to employees with a performance condition, we recognize stock-based compensation expense using the graded vesting attribution method over the requisite service period when management determines it is probable that the performance condition will be satisfied. For stock-based awards with a market-based condition, we recognize stock-based compensation expense using the graded vesting attribution method over the requisite service period, regardless of achievement, provided the requisite service condition is met. The fair value of the 2016 ESPP purchase rights is recognized as expense on a straight-line basis over the offering period. We account for forfeitures of all share-based awards when they occur.

Our use of the Black-Scholes option pricing model requires the input of subjective assumptions, including the fair value of the underlying common stock, expected term of the option, expected volatility of the price of our common stock, risk-free interest rates and the expected dividend yield of our common stock. The assumptions used in our option pricing model represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment. If factors change and different assumptions are used, our stock-based compensation expense could be materially different in the future.

Legal and Other Contingencies

The outcomes of legal proceedings and claims brought against us are subject to significant uncertainty. An estimated loss from a loss contingency such as a legal proceeding or claim is accrued by a charge to income if it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. In determining whether a loss should be accrued, we evaluate, among other factors, the degree of probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of loss. Changes in these factors could materially impact our consolidated financial statements.

Recent Accounting Pronouncements

Refer to "Recent Accounting Pronouncements" in Note 1 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We have operations both within the United States and internationally and we are exposed to market risk in the ordinary course of business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in foreign currency exchange rates and interest rates.

Foreign Currency Risk

Our consolidated results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates. Substantially all of our sales contracts are denominated in U.S. dollars. Our expenses are generally denominated in the currencies of the countries where our operations are located. To date, we have not undertaken any hedging transactions related to foreign currency exposure, but we may do so in the future if our exposure to foreign currency should become more significant. As our international operations grow, we will continue to reassess our approach to manage our risk relating to fluctuations in currency rates. In the event our foreign sales and expenses increase, our operating results may be more significantly affected by foreign currency exchange rate fluctuations, which can affect our operating income or loss. The effect of a hypothetical 10% change in foreign currency exchange rates on our non-U.S. dollar monetary assets and liabilities would not have had a material impact on our historical consolidated financial statements. Foreign currency transaction gains and losses and exchange rate fluctuations have not been material to our consolidated financial statements.

A hypothetical 10% decrease in the U.S. dollar against other currencies would result in an increase in our operating loss of approximately \$60.8 million, \$70.4 million and \$77.7 million for fiscal 2023, 2024 and 2025, respectively. The increase in this hypothetical change in fiscal 2025 is due to an increase in our expenses denominated in foreign currencies. This analysis disregards the possibilities that rates can move in opposite directions and that losses from one geographic area may be offset by gains from another geographic area.

Interest Rate Risk

Our investment objective is to conserve capital and maintain liquidity to support our operations; therefore, we generally invest in highly liquid securities, consisting primarily of bank deposits, money market funds, commercial paper, U.S. government securities, and corporate bonds. Such fixed and floating interest-earning instruments carry a degree of interest rate risk. The fair market value of fixed income securities may be adversely impacted by a rise in interest rates, while floating rate securities may produce less income than predicted if interest rates fall. Due to the short-term nature of our investment portfolio, we do not believe an immediate 10% increase or decrease in interest rates would have a material effect on the fair market value of our portfolio. Therefore, we do not expect our operating results or cash flows to be materially affected by any sudden change in interest rates.

On February 12, 2025, we entered into the Revolver, which provides for a senior secured revolving credit facility in an aggregate principal amount of \$500.0 million, including a \$25.0 million sublimit for the issuance of letters of credit. At our option, and subject to certain conditions, any borrowings under the Revolver bear interest at a variable rate tied to a base rate, a term Secured Overnight Financing Rate or an alternative currency term rate, plus, in each case, an applicable margin based on our total leverage ratio. Consequently, our interest expense could fluctuate as a result of the variable interest rates applicable to any borrowings under the Revolver. As of July 31, 2025, we had no borrowings and an immaterial amount of letters of credit outstanding under the Revolver.

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As of July 31, 2025, we had outstanding \$500.0 million aggregate principal amount of 2027 Notes and \$862.5 million aggregate principal amount of 2029 Notes. The 2027 Notes and the 2029 Notes are not recorded at fair value but are measured at fair value on a quarterly basis for disclosure purposes. See Note 3 of Notes to Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10-K. The 2027 Notes and the 2029 Notes have a fixed annual interest rate and therefore we have no economic exposure to changes in interest rates. However, the fair value of the 2027 Notes and the 2029 Notes is affected by interest rates. Generally, the fair value of the 2027 Notes and the 2029 Notes will increase as interest rates decrease and decrease as interest rates increase. In addition, the fair values of the 2027 Notes and the 2029 Notes are affected by the price of our Class A common stock. The fair value of the 2027 Notes and the 2029 Notes will generally increase as the price of our Class A common stock increases and will generally decrease as the price of our Class A common stock decreases.

Item 8. Financial Statements and Supplementary Data

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Nutanix, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Nutanix, Inc. and subsidiaries (the "Company") as of July 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income (loss), stockholders' deficit, and cash flows, for each of the three years in the period ended July 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of July 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended July 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of July 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated September 23, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the US federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition — Refer to Notes 1 and 2 to the financial statements

Critical Audit Matter Description

The Company recognizes revenue upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company offers customers an enterprise cloud platform, which can be preinstalled on hardware or delivered separately, as well as related support subscriptions and professional services. Product revenue was \$1.3 billion and support, entitlements, and other services revenue was \$1.2 billion for the year ended July 31, 2025.

Significant judgment is exercised by the Company in determining revenue recognition for the Company's customer contracts, and includes the following:

- Determination of whether promised goods or services are capable of being distinct and are distinct in the context of the Company's customer contracts, which leads to whether they should be accounted for as individual or combined performance obligations.
- Determination of standalone selling prices for each distinct performance obligation and for products and services that are not sold separately.

We identified revenue recognition as a critical audit matter because of these significant judgments required by management. This required a high degree of auditor judgment and an increased extent of effort when performing audit procedures to evaluate whether revenue was recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Company's revenue recognition for the Company's customer contracts included the following, among others:

- We tested the effectiveness of controls related to the identification of distinct performance obligations and the determination of the standalone selling prices.
- We evaluated management's significant accounting policies related to revenue recognition for reasonableness.
- We selected a sample of recorded revenue transactions and performed the following procedures:
 - Obtained and read customer source documents and the contract for each selection, including master agreements and related amendments to evaluate if relevant contractual terms have been appropriately considered by management.
 - Evaluated management's application of their accounting policy and tested revenue recognition for specific performance obligations by comparing management's conclusions to the underlying contract, master agreement, and any related amendments, if applicable.
 - Tested the mathematical accuracy of management's calculations of revenue recognized in the financial statements.

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- We evaluated the reasonableness of management's estimate of standalone selling prices for products and services that are not sold separately by performing the following:
 - Assessed the appropriateness of the Company's methodology and the mathematical accuracy of the determined standalone selling prices.
 - Tested the completeness and accuracy of the source data utilized in management's calculations.

/s/ DELOITTE & TOUCHE LLP

San Jose, California

September 23, 2025

We have served as the Company's auditor since 2013.

NUTANIX, INC.
CONSOLIDATED BALANCE SHEETS

| | As of | |
|--|------------------|------------------|
| | July 31, 2024 | July 31, 2025 |
| (in thousands, except per share data) | | |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 655,270 | \$ 769,502 |
| Short-term investments | 339,072 | 1,223,234 |
| Accounts receivable, net of allowances of \$772 and \$2,187, respectively | 229,796 | 337,967 |
| Deferred commissions—current | 159,849 | 153,072 |
| Prepaid expenses and other current assets | 97,307 | 105,391 |
| Total current assets | 1,481,294 | 2,589,166 |
| Property and equipment, net | 136,180 | 142,814 |
| Operating lease right-of-use assets | 109,133 | 134,526 |
| Deferred commissions—non-current | 198,962 | 189,221 |
| Intangible assets, net | 5,153 | 2,615 |
| Goodwill | 185,235 | 185,235 |
| Other assets—non-current | 27,961 | 39,617 |
| Total assets | \$ 2,143,918 | \$ 3,283,194 |
| Liabilities and Stockholders' Deficit | | |
| Current liabilities: | | |
| Accounts payable | \$ 45,066 | \$ 81,599 |
| Accrued compensation and benefits | 195,602 | 230,498 |
| Accrued expenses and other current liabilities | 24,967 | 24,187 |
| Deferred revenue—current | 954,543 | 1,054,023 |
| Operating lease liabilities—current | 24,163 | 23,234 |
| Total current liabilities | 1,244,341 | 1,413,541 |
| Deferred revenue—non-current | 918,163 | 1,058,731 |
| Operating lease liabilities—non-current | 90,359 | 115,754 |
| Convertible senior notes, net | 570,073 | 1,343,818 |
| Other liabilities—non-current | 49,130 | 45,870 |
| Total liabilities | 2,872,066 | 3,977,714 |
| Commitments and contingencies (Note 7) | | |
| Stockholders' deficit: | | |
| Common stock, par value of \$0.000025 per share—1,000,000 Class A shares authorized as of July 31, 2024 and July 31, 2025; 265,181 and 269,045 Class A shares issued and outstanding as of July 31, 2024 and July 31, 2025, respectively | 7 | 7 |
| Additional paid-in capital | 4,118,898 | 4,200,466 |
| Accumulated other comprehensive income | 146 | 700 |
| Accumulated deficit | (4,847,199) | (4,895,693) |
| Total stockholders' deficit | (728,148) | (694,520) |
| Total liabilities and stockholders' deficit | \$ 2,143,918 | \$ 3,283,194 |

See the accompanying notes to the consolidated financial statements.

NUTANIX, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

| | Fiscal Year Ended July 31, | | |
|--|----------------------------|---------------------|-------------------|
| | 2023 | 2024 | 2025 |
| (in thousands, except per share data) | | | |
| Revenue: | | | |
| Product | \$ 912,114 | \$ 1,067,948 | \$ 1,341,374 |
| Support, entitlements and other services | 950,781 | 1,080,868 | 1,196,553 |
| Total revenue | <u>1,862,895</u> | <u>2,148,816</u> | <u>2,537,927</u> |
| Cost of revenue: | | | |
| Product | 51,107 | 36,441 | 28,341 |
| Support, entitlements and other services | 281,080 | 287,671 | 306,441 |
| Total cost of revenue | <u>332,187</u> | <u>324,112</u> | <u>334,782</u> |
| Gross profit | <u>1,530,708</u> | <u>1,824,704</u> | <u>2,203,145</u> |
| Operating expenses: | | | |
| Sales and marketing | 924,696 | 977,286 | 1,056,465 |
| Research and development | 580,961 | 638,992 | 736,823 |
| General and administrative | 232,201 | 200,863 | 237,316 |
| Total operating expenses | <u>1,737,858</u> | <u>1,817,141</u> | <u>2,030,604</u> |
| (Loss) income from operations | (207,150) | 7,563 | 172,541 |
| Other (expense) income, net | (26,435) | (108,881) | 39,107 |
| (Loss) income before provision for income taxes | (233,585) | (101,318) | 211,648 |
| Provision for income taxes | 20,975 | 23,457 | 23,282 |
| Net (loss) income | <u>\$ (254,560)</u> | <u>\$ (124,775)</u> | <u>\$ 188,366</u> |
| Net (loss) income per share attributable to Class A common stockholders, basic | <u>\$ (1.09)</u> | <u>\$ (0.51)</u> | <u>\$ 0.70</u> |
| Net (loss) income per share attributable to Class A common stockholders, diluted | <u>\$ (1.09)</u> | <u>\$ (0.51)</u> | <u>\$ 0.65</u> |
| Weighted average shares used in computing net (loss) income per share attributable to Class A common stockholders, basic | <u>233,247</u> | <u>244,743</u> | <u>267,479</u> |
| Weighted average shares used in computing net (loss) income per share attributable to Class A common stockholders, diluted | <u>233,247</u> | <u>244,743</u> | <u>294,083</u> |

See the accompanying notes to the consolidated financial statements.

NUTANIX, INC.**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

| | Fiscal Year Ended July 31, | | |
|---|-----------------------------------|---------------------|-------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| Net (loss) income | \$ (254,560) | \$ (124,775) | \$ 188,366 |
| Other comprehensive income, net of tax: | | | |
| Change in unrealized gain (loss) on available-for-sale securities, net of tax | 905 | 5,317 | 554 |
| Comprehensive (loss) income | <u>\$ (253,655)</u> | <u>\$ (119,458)</u> | <u>\$ 188,920</u> |

See the accompanying notes to the consolidated financial statements.

NUTANIX, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT

| | Fiscal Year Ended July 31, 2025 | | | | | |
|--|---------------------------------|--------|----------------------------------|---|------------------------|-----------------------------------|
| | Common Stock | | Additional Paid-In Capital | Accumulated Other Comprehensive Income (Loss) | Accumulated Deficit | Total Stockholders' Deficit |
| | Shares | Amount | | | | |
| Balance - July 31, 2022 | 226,938 | \$ 6 | \$ 3,583,928 | \$ (6,076) | \$ (4,378,362) | \$ (800,504) |
| Issuance of common stock through employee equity incentive plans | 10,895 | — | 3,700 | — | — | 3,700 |
| Issuance of common stock from ESPP purchase | 2,187 | — | 41,509 | — | — | 41,509 |
| Shares withheld related to net share settlement of equity awards | (413) | — | (10,214) | — | — | (10,214) |
| Stock-based compensation | — | — | 311,745 | — | — | 311,745 |
| Other comprehensive income | — | — | — | 905 | — | 905 |
| Net loss | — | — | — | — | (254,560) | (254,560) |
| Balance - July 31, 2023 | 239,607 | 6 | 3,930,668 | (5,171) | (4,632,922) | (707,419) |
| Issuance of common stock through employee equity incentive plans | 12,429 | — | 4,241 | — | — | 4,241 |
| Issuance of common stock from ESPP purchase | 1,870 | — | 47,327 | — | — | 47,327 |
| Shares withheld related to net share settlement of equity awards | (2,996) | — | (161,552) | — | — | (161,552) |
| Repurchase and retirement of common stock | (2,583) | — | (41,637) | — | (89,502) | (131,139) |
| Issuance of common stock related to conversion of 2026 Notes | 16,854 | 1 | 6,018 | — | — | 6,019 |
| Stock-based compensation | — | — | 333,833 | — | — | 333,833 |
| Other comprehensive income | — | — | — | 5,317 | — | 5,317 |
| Net loss | — | — | — | — | (124,775) | (124,775) |
| Balance - July 31, 2024 | 265,181 | 7 | 4,118,898 | 146 | (4,847,199) | (728,148) |
| Issuance of common stock through employee equity incentive plans | 10,915 | — | 2,799 | — | — | 2,799 |
| Issuance of common stock from ESPP purchase | 1,561 | — | 66,136 | — | — | 66,136 |
| Shares withheld related to net share settlement of equity awards | (3,950) | — | (258,244) | — | — | (258,244) |
| Repurchase and retirement of common stock | (4,662) | — | (71,040) | — | (236,860) | (307,900) |
| Induced conversion of the 2027 Notes | — | — | (9,673) | — | — | (9,673) |
| Stock-based compensation | — | — | 351,590 | — | — | 351,590 |
| Other comprehensive income | — | — | — | 554 | — | 554 |
| Net income | — | — | — | — | 188,366 | 188,366 |
| Balance - July 31, 2025 | 269,045 | \$ 7 | \$ 4,200,466 | \$ 700 | \$ (4,895,693) | \$ (694,520) |

See the accompanying notes to the consolidated financial statements.

NUTANIX, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Fiscal Year Ended July 31, | | |
|--|----------------------------|--------------------|-------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| Cash flows from operating activities: | | | |
| Net (loss) income | \$ (254,560) | \$ (124,775) | \$ 188,366 |
| Adjustments to reconcile net (loss) income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 76,388 | 73,199 | 72,701 |
| Stock-based compensation | 311,745 | 333,833 | 351,590 |
| Amortization of debt discount and issuance costs | 42,636 | 41,600 | 3,877 |
| Conversion of convertible senior notes attributable to debt discount and issuance costs | — | 107,877 | — |
| Operating lease cost, net of accretion | 35,357 | 31,462 | 29,029 |
| Early exit of lease-related assets | (1,040) | — | — |
| Gain on Frame divestiture | (10,957) | — | — |
| Non-cash interest expense | 19,757 | 18,550 | — |
| Inducement expense from partial repurchase of the 2027 Notes | — | — | 11,347 |
| Other | (11,388) | (13,312) | (4,829) |
| Changes in operating assets and liabilities: | | | |
| Accounts receivable, net | (25,885) | (53,811) | (71,886) |
| Deferred commissions | 9,599 | (820) | 16,517 |
| Prepaid expenses and other assets | (59,243) | 46,623 | (8,101) |
| Accounts payable | (9,600) | 14,749 | 30,018 |
| Accrued compensation and benefits | (6,027) | 51,923 | 33,286 |
| Accrued expenses and other liabilities | 53,191 | (82,632) | (4,269) |
| Operating leases, net | (40,257) | (30,475) | (29,954) |
| Deferred revenue | 142,687 | 258,940 | 203,764 |
| Net cash provided by operating activities | <u>272,403</u> | <u>672,931</u> | <u>821,456</u> |
| Cash flows from investing activities: | | | |
| Maturities of investments | 965,040 | 774,237 | 476,173 |
| Purchases of investments | (955,330) | (871,259) | (1,359,593) |
| Sales of investments | — | 706,363 | 3,016 |
| Proceeds from Frame divestiture | 5,909 | — | — |
| Payments for acquisitions, net of cash acquired | — | (4,500) | — |
| Purchases of property and equipment | (65,404) | (75,252) | (71,283) |
| Net cash (used in) provided by investing activities | <u>(49,785)</u> | <u>529,589</u> | <u>(951,687)</u> |
| Cash flows from financing activities: | | | |
| Repayment of convertible notes | (145,704) | (817,633) | — |
| Proceeds from sales of shares through employee equity incentive plans | 46,501 | 51,571 | 68,935 |
| Taxes paid related to net share settlement of equity awards | (10,214) | (161,552) | (256,636) |
| Proceeds from the issuance of convertible notes, net of issuance costs | — | — | 848,010 |
| Payment of third-party debt issuance costs | — | — | (3,448) |
| Partial repurchase of the 2027 Notes | — | — | (95,453) |
| Payment of revolver issuance costs | — | — | (2,794) |
| Repurchases of common stock | — | (131,139) | (307,900) |
| Payment of finance lease obligations | (3,292) | (3,876) | (4,628) |
| Deferred payment of purchases of property and equipment | — | — | (2,000) |
| Net cash (used in) provided by financing activities | <u>(112,709)</u> | <u>(1,062,629)</u> | <u>244,086</u> |
| Net increase in cash, cash equivalents and restricted cash | \$ 109,909 | \$ 139,891 | \$ 113,855 |
| Cash, cash equivalents and restricted cash—beginning of period | 405,862 | 515,771 | 655,662 |
| Cash, cash equivalents and restricted cash—end of period | <u>\$ 515,771</u> | <u>\$ 655,662</u> | <u>\$ 769,517</u> |
| Restricted cash ⁽¹⁾ | 2,842 | 392 | 15 |
| Cash and cash equivalents—end of period | <u>\$ 512,929</u> | <u>\$ 655,270</u> | <u>\$ 769,502</u> |
| Supplemental disclosures of cash flow information: | | | |
| Cash paid for income taxes | \$ 30,781 | \$ 23,647 | \$ 32,537 |
| Supplemental disclosures of non-cash investing and financing information: | | | |
| Purchases of property and equipment included in accounts payable and accrued and other liabilities | \$ 15,754 | \$ 19,275 | \$ 6,945 |
| Forfeited paid-in-kind interest recognized in equity upon note conversion | \$ — | \$ 6,019 | \$ — |
| Unpaid taxes related to net share settlement of equity awards included in accrued expenses and other liabilities | \$ — | \$ — | \$ 13,423 |

(1) Included within other assets—non-current in the consolidated balance sheets.

See the accompanying notes to the consolidated financial statements.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. OVERVIEW AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Description of Business

Nutanix, Inc. was incorporated in the state of Delaware in September 2009. Nutanix, Inc. is headquartered in San Jose, California, and together with its wholly-owned subsidiaries (collectively, "we," "us," "our," or "Nutanix"), has operations throughout North America, Europe, Asia Pacific, the Middle East, Latin America, and Africa.

We are a hybrid multicloud computing leader, offering organizations a unified software platform for running applications and AI and managing data anywhere. Our vision is to simplify the deployment and operation of the increasingly distributed landscape of apps and data while freeing organizations to focus on business goals. Our mission is to delight customers with an open, secure platform with rich data services that increases their ability to take advantage of new technologies such as cloud native and AI, optimizes how they run their organizations today, and accelerates innovation, efficiency, and growth.

The Nutanix Cloud Platform is designed to enable organizations to build hybrid multicloud infrastructure, providing a consistent cloud operating model with a single platform for running applications and managing data in core data centers, at the edge, and in public clouds, while supporting customer choice across server platforms, storage options, public and managed clouds, and container and virtualization platforms. The Nutanix Cloud Platform supports a wide variety of workloads with varied compute, storage, and network requirements, including business-critical applications, data platforms (including SQL, NoSQL, and vector databases and business intelligence applications), enterprise AI workloads (including machine learning, generative AI, and agentic AI), general-purpose workloads (including system infrastructure, networking, and security), and end-user computing and virtual desktop infrastructure services, and cloud native applications (including modern, containerized applications).

Our business is organized into a single operating and reportable segment. Our subscription-based business model provides our customers with the flexibility to choose their preferred license levels and durations based on their specific business needs. A subscription-based business model means one in which our products, including associated support and entitlement arrangements, are sold with a defined duration. Our solutions are primarily sold through channel partners and original equipment manufacturers ("OEMs") (collectively, "Partners") and delivered directly to our end customers.

Principles of Consolidation

The accompanying consolidated financial statements, which include the accounts of Nutanix, Inc. and its wholly-owned subsidiaries, have been prepared in conformity with accounting principles generally accepted in the United States ("U.S. GAAP"). All intercompany accounts and transactions have been eliminated in consolidation.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. Such management estimates and assumptions include, but are not limited to, the best estimate of selling prices for products and related support; useful lives and recoverability of intangible assets and property and equipment; allowance for credit losses; determination of fair value of stock-based awards; accounting for income taxes, including the valuation allowance on deferred tax assets and uncertain tax positions; purchase commitment liabilities to our contract manufacturers; sales commissions expense and the period of benefit for deferred commissions; whether an arrangement is or contains a lease; the incremental borrowing rate to measure the present value of right-of-use assets and lease liabilities; and contingencies and litigation. Management evaluates these estimates and assumptions on an ongoing basis using historical experience and other factors and makes adjustments when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could materially differ from those estimates and assumptions.

Concentration of Risk

Credit Risk — Financial instruments that potentially subject us to concentrations of credit risk consist of cash and cash equivalents and accounts receivable. We invest only in high-quality credit instruments and maintain our cash and cash equivalents and available-for-sale investments in fixed income securities. Management believes that the financial institutions that hold our investments are financially sound and, accordingly, are subject to minimal credit risk. Our deposits are with multiple institutions, however such deposits may exceed federally insured limits. We provide credit, in the normal course of business, to a number of companies and perform credit evaluations of our customers.

Concentration of Revenue and Accounts Receivable — We sell our products primarily through our Partners and occasionally directly to end customers. For the fiscal years ended July 31, 2023, 2024 and 2025, no end customer accounted for more than 10% of total revenue or accounts receivable.

For each significant Partner, revenue as a percentage of total revenue and accounts receivable as a percentage of total accounts receivable, net are as follows:

| Partners | Revenue | | | Accounts Receivable as of | |
|-----------|----------------------------|------|------|---------------------------|----------|
| | Fiscal Year Ended July 31, | | | July 31, | July 31, |
| | 2023 | 2024 | 2025 | 2024 | 2025 |
| Partner A | 16% | 16% | 15% | 10% | 14% |
| Partner B | (1) | (1) | 16% | 16% | 13% |
| Partner C | 32% | 31% | 25% | 12% | (1) |
| Partner D | 10% | 11% | 10% | (1) | (1) |

(1) Less than 10%

Summary of Significant Accounting Policies

Cash, Cash Equivalents and Short-Term Investments

We classify all highly liquid investments with original maturities of three months or less from the date of purchase as cash equivalents and all highly liquid investments with stated maturities of greater than three months as marketable securities.

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

We determine the appropriate classification of our marketable securities at the time of purchase and reevaluate such designation as of each balance sheet date. We classify and account for our marketable securities as available-for-sale securities. We classify our marketable securities with stated maturities greater than twelve months as short-term investments due to our intent and ability to use these securities to support our current operations.

Our marketable securities are recorded at their estimated fair value. Unrealized gains or losses on available-for-sale securities are reported in other comprehensive income (loss). We periodically review whether our securities may be other-than-temporarily impaired, including whether or not (i) we have the intent to sell the security or (ii) it is more likely than not that we will be required to sell the security before its anticipated recovery. If one of these factors is met, we will record an impairment loss associated with our impaired investment. The impairment loss will be recorded as a write-down of investments in our consolidated balance sheets and a realized loss within other expense in our consolidated statements of operations.

Fair Value Measurement

We define fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, which are required to be recorded at fair value, we consider the principal or most advantageous market in which to transact and the market-based risk. We apply fair value accounting for all assets and liabilities that are recognized or disclosed at fair value in our consolidated financial statements on a recurring basis. The carrying amounts reported in our consolidated financial statements for cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities approximate their fair values due to their short-term nature. The fair value of the outstanding 0.25% convertible senior notes due 2027 (the "2027 Notes") is determined based on the closing trading price per \$100 of the 2027 Notes as of the last day of trading for the period. The fair value of the outstanding 0.50% convertible senior notes due 2029 (the "2029 Notes") is determined based on the closing trading price per \$100 of the 2029 Notes as of the last day of trading for the period.

Convertible Senior Notes

Our convertible senior notes, including any embedded conversion features, are accounted for under the convertible debt accounting model and are treated as a liability, net of unamortized issuance costs. The carrying amount of the liability is classified as a current liability if we have committed to settle with current assets; otherwise, it is classified as a long-term liability, as we retain the option to settle conversion requests in shares of our Class A common stock. The embedded conversion features are not remeasured as long as they do not meet the separation requirement of a derivative; otherwise, they are classified as derivative instruments and accounted for as such. Issuance costs are amortized to interest expense using the effective interest rate method over the term of the notes. In accounting for a holder's exercise in accordance with a note's original conversion terms of a conversion option for which the carrying amount has previously been reclassified to equity, any unamortized discount remaining at the date of conversion is first recognized as interest, and then the remaining carrying amount of the converted notes is reduced by the cash transferred and then recognized in equity to reflect the shares issued, such that no gain or loss is recognized. In accounting for extinguishments of the notes, the reacquisition price of the extinguished notes is compared to the carrying amount of the respective extinguished notes and a gain or loss is recorded in other expense, net on our consolidated statements of operations.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recorded at the invoiced amount, net of an allowance for credit losses. Credit is extended to customers based on an evaluation of their financial condition and other factors. We generally do not require collateral or other security to support accounts receivable. We perform ongoing credit evaluations of our customers and maintain an allowance for credit losses.

The allowance for credit losses is based on the best estimate of the amount of probable credit losses in existing accounts receivable. We assess credit losses on accounts receivable by taking into consideration past collection experience, the credit quality of the customer, the age of the receivable balance, current and future economic conditions, and forecasts that may affect the collectibility of the reported amount. In circumstances where we are aware of a specific customer's inability to meet its financial obligations (e.g., bankruptcy filings or substantial downgrading of credit ratings), we record an allowance for credit losses in order to reduce the net recognized receivable to the amount we reasonably believe will be collected. For all other customers, we record an allowance for credit losses based on the length of time the receivable is past due and our historical experience of collections and write-offs.

The changes in the allowance for credit losses are as follows:

| | Fiscal Year Ended July 31, | | |
|---|----------------------------|--------------------------|-----------------|
| | 2023 | 2024 | 2025 |
| Allowance for credit losses—beginning balance | \$ 644 | (in thousands) \$ 733 | \$ 772 |
| Charged to allowance for credit losses | 212 | 830 | 1,415 |
| Recoveries | (123) | — | — |
| Write-offs | — | (791) | — |
| Allowance for credit losses—ending balance | <u>\$ 733</u> | <u>\$ 772</u> | <u>\$ 2,187</u> |

Property and Equipment

Property and equipment, including leasehold improvements, are stated at cost, less accumulated depreciation and amortization. We include the cost to acquire demonstration units and the related accumulated depreciation in property and equipment as such units are generally not available for sale. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the related assets.

Leases

We determine if an arrangement is or contains a lease at inception by evaluating various factors, including whether a vendor's right to substitute an identified asset is substantive. Lease classification is determined at the lease commencement date when the leased assets are made available for our use. Operating leases are included in operating lease right-of-use assets, operating lease liabilities—current and operating lease liabilities—non-current in our consolidated balance sheets. Finance leases are included in property and equipment, net, accrued expenses and other current liabilities and other liabilities—non-current in our consolidated balance sheets.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Right-of-use assets ("ROU assets") represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease payments consist primarily of fixed payments under the arrangement, less any lease incentives, such as rent holidays. Variable lease payments not dependent on an index or a rate are expensed as incurred and are not included within the ROU asset and lease liability calculation. Variable lease payments primarily include reimbursements of costs incurred by lessors for common area maintenance, property taxes and utilities. We use an estimate of our incremental borrowing rate ("IBR") based on the information available at the lease commencement date in determining the present value of lease payments, unless the implicit rate is readily determinable. In determining the appropriate IBR, we consider information including, but not limited to, our credit rating, the lease term and the currency in which the arrangement is denominated. Our lease terms may include renewal options, which are not included in the lease terms for calculating our lease liability, unless we are reasonably certain that we will exercise the renewal option at the time of the lease commencement. Lease costs are recognized on a straight-line basis as operating expenses within our consolidated statements of operations. We present lease payments within cash flows from operations within our consolidated statements of cash flows.

For our operating leases, we account for lease and non-lease components as a single lease component. Additionally, we do not record leases on our consolidated balance sheet that have a lease term of 12 months or less at the lease commencement date.

Goodwill, Intangible Assets and Other Long-Lived Assets

Goodwill represents the future economic benefits arising from other assets acquired in a business combination or an acquisition that are not individually identified and separately recorded. The excess of the purchase price over the estimated fair value of net assets of businesses acquired in a business combination is recognized as goodwill.

Intangible assets consist of identifiable intangible assets, including developed technology, customer relationships and trade names, resulting from business combinations. Finite-lived intangible assets are recorded at fair value, net of accumulated amortization. Finite-lived intangible assets are amortized on a straight-line basis over their estimated useful lives. Amortization expense is included as a component of cost of product revenue and sales and marketing expense in our consolidated statements of operations. Amounts included in sales and marketing expense relate to customer relationships and trade names.

Goodwill and other intangible assets acquired in a business combination and determined to have an indefinite useful life are not amortized, but instead tested for impairment at least annually, in the fourth quarter of each fiscal year. Such goodwill and other intangible assets may also be tested for impairment between annual tests in the presence of impairment indicators such as, but not limited to: (i) a significant adverse change in legal factors or in the business climate; (ii) a substantial decline in our market capitalization; (iii) an adverse action or assessment by a regulator; (iv) unanticipated competition; (v) loss of key personnel; (vi) a more likely-than-not expectation of the sale or disposal of a reporting unit or a significant portion thereof; (vii) a realignment of our resources or restructuring of our existing businesses in response to changes to industry and market conditions; (viii) testing for recoverability of a significant asset group within a reporting unit; or (ix) a higher discount rate used in the impairment analysis as impacted by an increase in interest rates.

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

Goodwill is tested for impairment by comparing the reporting unit's carrying value, including goodwill, to the fair value of the reporting unit. We operate under one reporting unit and for our annual goodwill impairment test, we determine the fair value of our reporting unit based on our enterprise value. We may elect to utilize a qualitative assessment to determine whether it is more likely than not that the fair value of our reporting unit is less than its carrying value. If, after assessing the qualitative factors, we determine that it is more likely than not that the fair value of our reporting unit is less than its carrying value, an impairment analysis will be performed. We compare the fair value of our reporting unit with its carrying amount and if the carrying value of the reporting unit exceeds its fair value, an impairment loss will be recognized.

Long-lived assets, such as property and equipment and finite-lived intangible assets subject to depreciation and amortization, are evaluated for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Among the factors and circumstances we consider in determining recoverability are: (i) a significant decrease in the market price of a long-lived asset; (ii) a significant adverse change in the extent or manner in which a long-lived asset is being used or in its physical condition; (iii) a significant adverse change in legal factors or in the business climate that could affect the value of a long-lived asset, including an adverse action or assessment by a regulator; (iv) an accumulation of costs significantly in excess of the amount originally expected for the acquisition; and (v) current-period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset.

There have been no indicators of impairment of goodwill, intangible assets or other long-lived assets and we did not record any material impairment losses during fiscal 2023, 2024 or 2025.

Revenue Recognition

The core principle of ASC 606 is to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration the entity expects to be entitled to in exchange for those goods or services. This principle is achieved by applying the following five-step approach:

- *Identification of the contract, or contracts, with a customer* — A contract with a customer exists when (i) we enter into an enforceable contract with a customer that defines each party's rights regarding the goods or services to be transferred and identifies the payment terms related to these goods or services, (ii) the contract has commercial substance and (iii) we determine that collection of substantially all consideration for goods or services that are transferred is probable based on the customer's intent and ability to pay the promised consideration. We apply judgment in determining the customer's ability and intention to pay, which is based on a variety of factors, including the customer's historical payment experience or, in the case of a new customer, published credit and financial information pertaining to the customer.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- *Identification of the performance obligations in the contract* — Performance obligations promised in a contract are identified based on the goods or services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the goods or services either on their own or together with other resources that are readily available from third parties or from us, and are distinct in the context of the contract, whereby the transfer of the goods or services is separately identifiable from other promises in the contract. To the extent a contract includes multiple promised goods or services, we apply judgment to determine whether promised goods or services are capable of being distinct and distinct in the context of the contract. If these criteria are not met, the promised goods or services are accounted for as a combined performance obligation.
- *Determination of the transaction price* — The transaction price is determined based on the consideration to which we will be entitled in exchange for transferring goods or services to the customer.
- *Allocation of the transaction price to the performance obligations in the contract* — If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price ("SSP"). We determine SSP based on the price at which the performance obligation is sold separately. If the SSP is not observable through past transactions, we estimate the SSP, taking into account available information such as market conditions and internally approved pricing guidelines related to the performance obligations.
- *Recognition of revenue when, or as, performance obligations are satisfied* — We satisfy performance obligations either over time or at a point in time. Revenue is recognized at the time the related performance obligation is satisfied with the transfer of a promised good or service to a customer. For additional details on revenue recognition, refer to Note 2 of Notes to Consolidated Financial Statements.

Contracts with multiple performance obligations — The majority of our contracts with customers contain multiple performance obligations. For these contracts, we account for individual performance obligations separately if they are distinct. The transaction price is allocated to the separate performance obligations on a relative SSP basis. For deliverables that we routinely sell separately, such as software entitlement subscriptions and support subscriptions on our core offerings, we determine SSP by evaluating the standalone sales over the trailing 12 months. For those that are not sold routinely, we determine SSP based on our overall pricing trends and objectives, taking into consideration market conditions and other factors, including the value of our contracts, the products sold, and geographic locations.

Contract balances — The timing of revenue recognition may differ from the timing of invoicing to customers. Accounts receivable are recorded at the invoiced amount, net of an allowance for credit losses. A receivable is recognized in the period in which we deliver goods or provide services, or when our right to consideration is unconditional. This includes situations where revenue recognition occurs before invoicing and an unbilled receivable is created. The balance of unbilled accounts receivable, included in accounts receivable, net on our consolidated balance sheets, was \$41.1 million and \$83.5 million as of July 31, 2024 and 2025, respectively.

Our customers are typically invoiced upfront, including invoices for multi-year subscriptions, with payment terms of 30-45 days. We assess credit losses on accounts receivable by taking into consideration past collection experience, the credit quality of the customer, the age of the receivable balance, current and future economic conditions, and forecasts that may affect the collectability of the reported amount. The balance of accounts receivable, net of allowance for credit losses, as of July 31, 2024 and 2025 is presented in the accompanying consolidated balance sheets.

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

Costs to obtain and fulfill a contract — We capitalize commissions paid to sales personnel and the related payroll taxes when customer contracts are signed. These costs are recorded as deferred commissions in our consolidated balance sheets, current and non-current. We determine whether costs should be deferred based on our sales compensation plans if the commissions are incremental and would not have been incurred absent the execution of the customer contract. Commissions paid upon the initial acquisition of a contract are recognized over the estimated period of benefit, which may exceed the term of the initial contract if the commissions expected to be paid upon renewal are not commensurate with that of the initial contract. Accordingly, deferred costs are recognized on a systematic basis that is consistent with the pattern of revenue recognition allocated to each performance obligation over the entire period of benefit and included in sales and marketing expense in our consolidated statements of operations. We determine the estimated period of benefit by evaluating the expected renewals of customer contracts, the duration of relationships with our customers, customer retention data, our technology development lifecycle, and other factors. Deferred costs are periodically reviewed for impairment.

Taxes assessed by a government authority that are both imposed on and concurrent with specific revenue transactions between us and our customers are presented on a net basis in our consolidated statements of operations.

Deferred revenue — Deferred revenue primarily consists of amounts that have been invoiced but not yet recognized as revenue and primarily pertains to software entitlement subscriptions, support subscriptions and professional services. The current portion of deferred revenue represents the amounts that are expected to be recognized as revenue within one year of the consolidated balance sheet date.

Cost of Revenue

Cost of revenue consists of cost of product revenue and cost of support, entitlements and other services revenue. Personnel costs associated with our operations and global customer support organizations consist of salaries, benefits and stock-based compensation. Allocated costs consist of certain facilities, depreciation and amortization, recruiting, and information technology costs, allocated based on headcount.

Warranties

We generally provide a 90-day warranty on software licenses which provides for bug fixes. With respect to hardware, we have a warranty agreement with our contract manufacturers under which the OEMs are generally required to replace defective hardware within three years of shipment. Furthermore, our post-contract customer support ("PCS") agreements provide for the same parts replacement that customers are entitled to under the warranty program, except that replacement parts are delivered according to targeted response times to minimize disruption to the customers' critical business applications. Substantially all customers purchase PCS agreements.

Given the warranty agreement with our OEMs and considering that substantially all products are sold together with PCS agreements, we generally have very limited exposure related to warranty costs and therefore no warranty reserve has been recognized.

Research and Development

Our research and development expense consists primarily of product development personnel costs, including salaries and benefits, stock-based compensation and allocated facilities, IT, and recruiting costs. Research and development costs are expensed as incurred. Currently, we expense software development costs as incurred, as from the inception of the product development, our software products are primarily intended to be marketed and sold to customers on-premises, either standalone and/or with other product offerings.

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)*****Stock-Based Compensation***

Stock-based compensation expense is measured based on the grant date fair value of share-based awards. The fair value of the purchase rights under our 2016 Employee Stock Purchase Plan ("2016 ESPP") is estimated using the Black-Scholes-Merton ("Black-Scholes") option pricing model, which is impacted by the fair value of our common stock, as well as changes in assumptions regarding a number of subjective variables. These variables include the expected common stock price volatility over the term of the awards, the expected term of the awards, risk-free interest rates, and expected dividend yield. The fair value of restricted stock units ("RSUs") is determined using the fair value of our common stock on the date of grant. The fair value of awards with a market-based condition is measured using a Monte Carlo simulation, which requires the use of various assumptions, including the stock price volatility and risk-free interest rate as of the valuation date corresponding to the length of time remaining in the performance period and expected dividend yield.

We grant stock awards with service conditions only and with both service and performance or market-based conditions. We recognize stock-based compensation expense for employee stock awards with a service condition only using the straight-line method over the requisite service period of the awards, which is generally the vesting period. We use the graded vesting attribution method to recognize stock-based compensation expense related to employee stock awards that contain both service and performance or market-based conditions. The fair value of the 2016 ESPP purchase rights is recognized as expense on a straight-line basis over the offering period. We account for forfeitures of all share-based awards when they occur.

Foreign Currency

The functional currency of our foreign subsidiaries is the U.S. dollar. Transactions denominated in currencies other than the functional currency are remeasured at the average exchange rate in effect during the reporting period. At the end of each reporting period all monetary assets and liabilities of our subsidiaries are remeasured at the current U.S. dollar exchange rate at the end of the reporting period. Remeasurement gains and losses are included within other expense, net in our consolidated statements of operations. During the fiscal years ended July 31, 2023, 2024 and 2025, we recognized foreign currency losses of \$1.6 million, \$4.3 million and \$0.9 million, respectively. To date, we have not undertaken any hedging transactions related to foreign currency exposure, but we may do so in the future if our exposure to foreign currency should become more significant. As our international operations grow, we will continue to reassess our approach to managing our risk relating to fluctuations in currency rates.

Segments

Our chief operating decision maker is our Chief Executive Officer. This individual allocates resources and assesses financial performance based upon discrete financial information at the consolidated level. Accordingly, we have determined that we operate as a single operating and reportable segment. For additional details, refer to Note 13 of Notes to Consolidated Financial Statements.

Income Taxes

We account for income taxes using the asset and liability method. Deferred income taxes are recognized by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance on amounts that are more likely than not to be realized.

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

We record a liability for uncertain tax positions if it is not more likely than not to be sustained based solely on its technical merits as of the reporting date. We consider many factors when evaluating and estimating our tax positions and tax benefits, which may require periodic adjustments and may not accurately anticipate actual outcomes.

Advertising Costs

Advertising costs are charged to sales and marketing expense as incurred in our consolidated statements of operations. During the fiscal years ended July 31, 2023, 2024 and 2025, advertising expense was \$11.6 million, \$14.7 million and \$15.6 million, respectively.

Frame Divestiture

In May 2023, we sold our Frame Desktop-as-a-Service business. As consideration for the sale, the buyer paid \$7.0 million in cash, adjusted by increases for the closing cash balance of the Frame business and the amount by which the closing working capital exceeded the working capital target and reductions for closing expenses, the amount by which the closing working capital target exceeded the working capital, and any severance expenses associated with Frame employees who were terminated at or following the close of the transaction at the direction of the buyer, and a \$5.0 million interest-bearing convertible note, which had a fair value of \$5.7 million as of the closing date of the transaction. The fair value of all consideration received exceeded the carrying amount of the Frame business upon closing, resulting in a gain of \$11.0 million, which is included within other expense, net in our consolidated statement of operations for the fiscal year ended July 31, 2023.

Recently Adopted Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board (the "FASB") issued accounting standards update ("ASU") 2024-04, Debt—Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments, which clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as an induced conversion. We early adopted the new standard during the fiscal quarter ended January 31, 2025 and applied it on a prospective basis.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires disclosure of incremental segment information on an annual and interim basis. We adopted this standard during the fiscal quarter ended July 31, 2025 and applied it on a fully retrospective basis.

Recently Issued and Not Yet Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which provides for improvements to income tax disclosures. The standard requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The amendments in this update are effective for fiscal years beginning after December 15, 2024, with early adoption permitted. This new ASU will be effective for us beginning in fiscal 2026. We do not expect this new standard to have a material impact on our disclosures.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, which requires additional disaggregated disclosures in the notes to financial statements for certain categories of expenses that are included on the face of the statement of operations. This new ASU is effective for fiscal years beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. This new ASU will be effective for us beginning in fiscal 2028. We are currently evaluating the impact this new standard will have on our disclosures.

NOTE 2. REVENUE, DEFERRED REVENUE AND DEFERRED COMMISSIONS

Disaggregation of Revenue and Revenue Recognition

The Nutanix Cloud Platform can be deployed in core data centers, at the edge, or in public clouds, running on a variety of qualified hardware platforms (including out Nutanix-branded NX hardware line), in popular public cloud environments such as Amazon Web Services and Microsoft Azure through Nutanix Cloud Clusters, or, in the case of our cloud-based software and software-as-a-service ("SaaS") offerings, via hosted service. Our subscription term-based licenses are sold separately, or can also be sold alongside configured-to-order servers. Our subscription term-based licenses typically have durations ranging from one to five years. Our cloud-based SaaS subscriptions generally have durations extending up to five years.

The following table depicts the disaggregation of revenue by revenue type, consistent with how we evaluate our financial performance:

| | Fiscal Year Ended July 31, | | |
|--------------------------------|-----------------------------------|---------------------|---------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| Subscription | \$ 1,730,848 | \$ 2,016,776 | \$ 2,410,751 |
| Professional services | 91,841 | 100,852 | 112,202 |
| Other non-subscription product | 40,206 | 31,188 | 14,974 |
| Total revenue | <u>\$ 1,862,895</u> | <u>\$ 2,148,816</u> | <u>\$ 2,537,927</u> |

Subscription revenue — Subscription revenue includes any performance obligation which has a defined duration and is generated from the sales of software entitlement subscriptions, support subscriptions, subscription software licenses and cloud-based SaaS offerings.

- **Ratable** — We recognize revenue from software entitlement subscriptions, support subscriptions and SaaS offerings ratably over the contractual service period, the substantial majority of which relate to software entitlement subscriptions and support subscriptions. These offerings represented approximately \$905.8 million, \$1,029.0 million and \$1,138.4 million of our subscription revenue for fiscal 2023, 2024 and 2025, respectively.
- **Upfront** — Revenue from our subscription software licenses is generally recognized upfront upon transfer of control to the customer, which happens when we make the software available to the customer. These subscription software licenses represented approximately \$825.0 million, \$987.8 million and \$1,272.4 million of our subscription revenue for fiscal 2023, 2024 and 2025, respectively.

Professional services revenue — We also sell professional services with our products. We recognize revenue related to professional services as they are performed.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Other non-subscription product revenue — Other non-subscription product revenue includes approximately \$37.4 million, \$27.9 million and \$10.8 million of non-portable software revenue for fiscal 2023, 2024 and 2025, respectively, and approximately \$2.8 million, \$3.3 million and \$4.2 million of hardware revenue for fiscal 2023, 2024 and 2025, respectively.

- **Non-portable software revenue** — Non-portable software revenue includes sales of our platform when delivered on a configured-to-order server by us or one of our OEM partners. The software licenses associated with these sales are typically non-portable and can be used over the life of the server on which the software is delivered. Revenue from our non-portable software products is generally recognized upon transfer of control to the customer.
- **Hardware revenue** — In the infrequent transactions where the hardware platform is purchased directly from Nutanix, we consider ourselves to be the principal in the transaction and we record revenue and costs of goods sold on a gross basis. We consider the amount allocated to hardware revenue to be equivalent to the cost of the hardware procured. Hardware revenue is generally recognized upon transfer of control to the customer.

Significant changes in the balance of deferred revenue (contract liability) and deferred commissions (contract cost asset) for the periods presented are as follows:

| | Deferred Revenue | Deferred Commissions |
|--------------------------------|-------------------------|-----------------------------|
| | (in thousands) | |
| Balance as of July 31, 2023 | \$ 1,595,032 | \$ 357,991 |
| Additions ⁽¹⁾ | 2,426,490 | 218,876 |
| Revenue/commissions recognized | (2,148,816) | (218,056) |
| Balance as of July 31, 2024 | 1,872,706 | 358,811 |
| Additions ⁽¹⁾ | 2,777,975 | 228,378 |
| Revenue/commissions recognized | (2,537,927) | (244,896) |
| Balance as of July 31, 2025 | \$ 2,112,754 | \$ 342,293 |

(1) Includes both billed and unbilled amounts.

During the fiscal year ended July 31, 2024, we recognized revenue of approximately \$771.2 million pertaining to amounts deferred as of July 31, 2023. During the fiscal year ended July 31, 2025, we recognized revenue of approximately \$863.1 million pertaining to amounts deferred as of July 31, 2024.

Many of our contracted but not invoiced performance obligations are subject to cancellation terms. Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognized ("contracted not recognized"), which includes deferred revenue and non-cancelable amounts that will be invoiced and recognized as revenue in future periods and excludes performance obligations that are subject to cancellation terms. Contracted not recognized revenue was approximately \$2,692.6 million as of July 31, 2025, of which we expect to recognize approximately 49% within 12 months, approximately 36% over the subsequent 13- to 36-month period, and the remainder thereafter.

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****NOTE 3. FAIR VALUE MEASUREMENTS**

The authoritative guidance on fair value measurements establishes a three-tier fair value hierarchy based on the observability of the inputs available in the market used to measure fair value as follows:

- *Level I* — Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date;
- *Level II* — Inputs are observable, unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities; and
- *Level III* — Unobservable inputs that are significant to the measurement of the fair value of the assets or liabilities that are supported by little or no market data.

Assets Measured at Fair Value on a Recurring Basis***Cash Equivalents and Short-Term Investments***

Our money market funds are classified within Level I due to the highly liquid nature of these assets and have unadjusted inputs, quoted prices in active markets for these assets at the measurement date from the financial institution that carries these investment securities. Our investments in available-for-sale debt securities such as commercial paper, corporate bonds and U.S. government securities are classified within Level II. The fair value of these securities is priced by using inputs based on non-binding market consensus prices that are corroborated by observable market data, quoted market prices for similar instruments, or pricing models such as discounted cash flow techniques.

Convertible Note Receivable

In May 2023, we sold our Frame Desktop-as-a-Service business. As part of the consideration for the sale, we received a \$5.0 million interest-bearing convertible note. We have elected the fair value option for the convertible note and will record the changes in its fair value at each reporting period. As of July 31, 2025, the fair value of the convertible note was determined to be approximately \$5.5 million. We consider this convertible note to be classified within Level III. The fair value is determined by considering the convertible note's principal and accrued interest, as well as the convertible note's option to convert into equity securities, using inputs including debt yields, volatility data, and the value of the underlying equity into which the convertible note could be converted.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The fair value of our financial assets measured on a recurring basis is as follows:

| | As of July 31, 2024 | | | |
|---|---------------------|-------------------|-----------------|-------------------|
| | Level I | Level II | Level III | Total |
| | (in thousands) | | | |
| Financial Assets, Current: | | | | |
| Cash equivalents: | | | | |
| Money market funds | \$ 352,295 | \$ — | \$ — | \$ 352,295 |
| U.S. Government securities | — | 99 | — | 99 |
| Commercial paper | — | 1,747 | — | 1,747 |
| Short-term investments: | | | | |
| Corporate bonds | — | 233,065 | — | 233,065 |
| Commercial paper | — | 33,770 | — | 33,770 |
| U.S. Government securities | — | 72,237 | — | 72,237 |
| Total measured at fair value | <u>\$ 352,295</u> | <u>\$ 340,918</u> | <u>\$ —</u> | <u>\$ 693,213</u> |
| Cash | | | | 301,129 |
| Total cash, cash equivalents and short-term investments | | | | <u>\$ 994,342</u> |
| Financial Assets, Non-Current: | | | | |
| Convertible note receivable | <u>\$ —</u> | <u>\$ —</u> | <u>\$ 5,150</u> | <u>\$ 5,150</u> |

| | As of July 31, 2025 | | | |
|---|---------------------|---------------------|-----------------|---------------------|
| | Level I | Level II | Level III | Total |
| | (in thousands) | | | |
| Financial Assets, Current: | | | | |
| Cash equivalents: | | | | |
| Money market funds | \$ 371,762 | \$ — | \$ — | \$ 371,762 |
| U.S. Government securities | — | 21,703 | — | 21,703 |
| Commercial paper | — | 13,068 | — | 13,068 |
| Short-term investments: | | | | |
| Corporate bonds | — | 647,074 | — | 647,074 |
| Commercial paper | — | 163,055 | — | 163,055 |
| U.S. Government securities | — | 413,105 | — | 413,105 |
| Total measured at fair value | <u>\$ 371,762</u> | <u>\$ 1,258,005</u> | <u>\$ —</u> | <u>\$ 1,629,767</u> |
| Cash | | | | 362,969 |
| Total cash, cash equivalents and short-term investments | | | | <u>\$ 1,992,736</u> |
| Financial Assets, Non-Current: | | | | |
| Convertible note receivable | <u>\$ —</u> | <u>\$ —</u> | <u>\$ 5,460</u> | <u>\$ 5,460</u> |

Financial Instruments Not Recorded at Fair Value on a Recurring Basis

We report our financial instruments at fair value, with the exception of the 2027 Notes and 2029 Notes (collectively, the "Notes"). Financial instruments that are not recorded at fair value on a recurring basis are measured at fair value on a quarterly basis for disclosure purposes. The carrying values and estimated fair values of financial instruments not recorded at fair value are as follows:

| | As of July 31, 2024 | | As of July 31, 2025 | |
|------------|---------------------|----------------------|---------------------|----------------------|
| | Carrying Value | Estimated Fair Value | Carrying Value | Estimated Fair Value |
| | (in thousands) | | | |
| 2027 Notes | \$ 570,073 | \$ 631,178 | \$ 497,059 | \$ 695,295 |
| 2029 Notes | — | — | 846,759 | 976,652 |
| Total | <u>\$ 570,073</u> | <u>\$ 631,178</u> | <u>\$ 1,343,818</u> | <u>\$ 1,671,947</u> |

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

The carrying value of the 2027 Notes as of July 31, 2024 and 2025 was net of unamortized debt issuance costs of \$4.9 million and \$2.9 million, respectively.

The carrying value of the 2029 Notes as of July 31, 2025 was net of unamortized debt issuance costs of \$15.7 million.

The total estimated fair values of the Notes were determined based on the closing trading price per \$100 of the Notes as of the last day of trading for the period. We consider the fair values of the Notes to be Level II valuations due to the limited trading activity.

NOTE 4. BALANCE SHEET COMPONENTS**Short-Term Investments**

The amortized cost of our short-term investments approximates their fair value. Unrealized losses related to our short-term investments are generally due to interest rate fluctuations, as opposed to credit quality. However, we review individual securities that are in an unrealized loss position in order to evaluate whether or not they have experienced or are expected to experience credit losses that would result in a decline in fair value. As of July 31, 2024 and 2025, unrealized gains and losses from our short-term investments were not material and were not the result of a decline in credit quality. As a result, as of July 31, 2024 and 2025, we did not record any credit losses for these investments.

The following table summarizes the estimated fair value of our investments in marketable debt securities by their contractual maturity dates:

| | As of | |
|---------------------------|-----------------------|------------------|
| | July 31, 2025 | |
| | (in thousands) | |
| Due within one year | \$ | 551,451 |
| Due in one to three years | | 671,783 |
| Total | \$ | <u>1,223,234</u> |

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consists of the following:

| | As of | |
|---|-----------------------|-------------------|
| | July 31, | July 31, |
| | 2024 | 2025 |
| | (in thousands) | |
| Prepaid operating expenses | \$ 62,815 | \$ 56,762 |
| VAT receivables | 8,017 | 10,316 |
| Other current assets | 26,475 | 38,313 |
| Total prepaid expenses and other current assets | <u>\$ 97,307</u> | <u>\$ 105,391</u> |

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Property and Equipment, Net

Property and equipment, net consists of the following:

| | Estimated Useful Life (in months) | As of | |
|---|---|------------------|------------------|
| | | July 31, 2024 | July 31, 2025 |
| | | (in thousands) | |
| Computer, production, engineering and other equipment | 36 | \$ 421,559 | \$ 435,564 |
| Demonstration units | 12 | 59,570 | 59,475 |
| Leasehold improvements | (1) | 64,607 | 71,520 |
| Software | (2) | 29,014 | 29,152 |
| Furniture and fixtures | 60 | 16,169 | 15,542 |
| Total property and equipment, gross | | 590,919 | 611,253 |
| Less: accumulated depreciation | | (454,739) | (468,439) |
| Total property and equipment, net | | \$ 136,180 | \$ 142,814 |

- (1) Leasehold improvements are amortized over the shorter of the estimated useful lives of the improvements or the remaining lease term.
- (2) The estimated useful life of software ranges from 36 to 120 months, representing the period during which the software is expected to contribute, either directly or indirectly, to our future cash flows.

Depreciation expense related to our property and equipment was \$63.3 million, \$65.6 million and \$66.3 million for the fiscal years ended July 31, 2023, 2024 and 2025, respectively.

Intangible Assets, Net

Intangible assets, net consists of the following:

| | As of | |
|--|------------------|------------------|
| | July 31, 2024 | July 31, 2025 |
| | (in thousands) | |
| Developed technology | \$ 79,838 | \$ 79,838 |
| Customer relationships | 11,230 | 11,230 |
| Trade name | 4,200 | 4,200 |
| Total intangible assets, gross | 95,268 | 95,268 |
| Less: | | |
| Accumulated amortization of developed technology | (76,804) | (78,989) |
| Accumulated amortization of customer relationships | (9,111) | (9,464) |
| Accumulated amortization of trade name | (4,200) | (4,200) |
| Total accumulated amortization | (90,115) | (92,653) |
| Total intangible assets, net | \$ 5,153 | \$ 2,615 |

Amortization expense related to our intangible assets is recognized in our consolidated statements of operations within product cost of revenue for developed technology and sales and marketing expense for customer relationships and trade name. Amortization expense was \$10.7 million, \$3.7 million and \$2.5 million for the fiscal years ended July 31, 2023, 2024 and 2025, respectively.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The changes in the net book value of intangible assets, net are as follows:

| | As of July 31, | |
|--|-----------------|-----------------|
| | 2024 | 2025 |
| | (in thousands) | |
| Intangible assets, net—beginning balance | \$ 4,893 | \$ 5,153 |
| Amortization of intangible assets ⁽¹⁾ | (3,709) | (2,538) |
| Acquisition of intangible assets | 3,969 | — |
| Intangible assets, net—ending balance | <u>\$ 5,153</u> | <u>\$ 2,615</u> |

(1) Represents amortization expense related to intangible assets recognized during the year in our consolidated statements of operations, within product cost of revenue and sales and marketing expense.

The estimated future amortization expense of our intangible assets is as follows:

| Fiscal Year Ending July 31: | Amount |
|-----------------------------|-----------------|
| | (in thousands) |
| 2026 | \$ 778 |
| 2027 | 778 |
| 2028 | 353 |
| 2029 | 353 |
| 2030 | 353 |
| Total | <u>\$ 2,615</u> |

Goodwill

The changes in the carrying amount of goodwill are as follows:

| | Carrying Amount |
|----------------------------|-------------------|
| | (in thousands) |
| Balance at July 31, 2023 | \$ 184,938 |
| Adjustment for acquisition | 297 |
| Balance at July 31, 2024 | <u>185,235</u> |
| Balance at July 31, 2025 | <u>\$ 185,235</u> |

Accrued Compensation and Benefits

Accrued compensation and benefits consists of the following:

| | As of | |
|---|-------------------|-------------------|
| | July 31, 2024 | July 31, 2025 |
| | (in thousands) | |
| Accrued commissions and taxes | \$ 40,714 | \$ 51,036 |
| Accrued bonus | 17,863 | 37,654 |
| Payroll taxes payable | 31,797 | 31,366 |
| Accrued vacation | 26,772 | 31,062 |
| Contributions to ESPP withheld | 24,676 | 26,325 |
| Accrued wages and taxes | 16,255 | 18,846 |
| Accrued benefits | 16,580 | 17,976 |
| Other | 20,945 | 16,233 |
| Total accrued compensation and benefits | <u>\$ 195,602</u> | <u>\$ 230,498</u> |

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 5. DEBT

2023 Notes

In January 2018, we issued the 2023 Notes with a 0% interest rate for an aggregate principal amount of \$575.0 million, due in 2023, in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act.

On September 22, 2021, we consummated privately negotiated exchanges with certain holders of the outstanding 2023 Notes, pursuant to which such holders exchanged approximately \$416.5 million in aggregate principal amount of 2023 Notes for \$477.3 million in aggregate principal amount of 2027 Notes. We also entered into privately negotiated transactions with certain holders of the 2023 Notes pursuant to which we repurchased approximately \$12.8 million in aggregate principal amount of 2023 Notes for cash. Following the closing of these exchanges and repurchases, approximately \$145.7 million in aggregate principal amount of 2023 Notes remained outstanding with terms unchanged.

In January 2023, we settled the 2023 Notes in full at maturity with a cash payment of \$145.7 million.

2026 Notes

In September 2020, we issued \$750.0 million in aggregate principal amount of the 2026 Notes to BCPE Nucleon (DE) SPV, LP, an entity affiliated with Bain Capital, LP ("Bain") (the "2026 Notes"). The 2026 Notes bore interest at a rate of 2.50% per annum, with such interest paid in kind ("PIK") on the 2026 Notes held by Bain through an increase in the principal amount of the 2026 Notes, and that would have been paid in cash on any 2026 Notes transferred to entities that are not affiliated with Bain. Interest on the 2026 Notes accrued from the date of issuance, September 24, 2020, and was added to the principal amount on a semi-annual basis (on March 15 and September 15 of each year).

On June 6, 2024, Bain delivered a notice of conversion to convert \$817.6 million aggregate principal amount of the 2026 Notes, representing all of the outstanding principal amount as of that date. Under the terms of the indenture governing the 2026 Notes, the conversion was settled by paying the \$817.6 million principal amount in cash and delivering the conversion spread of approximately 16.9 million shares of our Class A common stock. The cash portion was settled using a portion of our existing cash, cash equivalents and short-term investments.

The 2026 Notes were converted in accordance with their original terms and conditions. Upon conversion, because the carrying amount of the conversion option was previously reclassified to equity, the unamortized discount remaining at the date of conversion was recognized as interest expense. The remaining carrying amount of the 2026 Notes was reduced by the cash transferred and then recognized in equity, such that no gain or loss was recognized. In addition, the accrued and unpaid interest as of the conversion date was forgiven pursuant to the terms of the indenture and recognized in equity.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table sets forth the total interest expense recognized related to the 2026 Notes:

| | Fiscal Year Ended July 31, | | |
|---|----------------------------|----------------|------|
| | 2023 | 2024 | 2025 |
| | | (in thousands) | |
| Interest expense related to amortization of debt discount | \$ 36,668 | \$ 35,955 | \$ — |
| Interest expense related to amortization of debt issuance costs | 4,189 | 4,107 | — |
| Non-cash interest expense | 19,757 | 18,550 | — |
| Interest expense related to conversion of 2026 Notes attributable to debt discount and issuance costs | — | 107,877 | — |
| Total interest expense | \$ 60,614 | \$ 166,489 | \$ — |

Non-cash interest expense was related to the 2.5% PIK interest that we accrued from the issuance of the 2026 Notes through the conversion date and was recognized within other expense, net in our consolidated statement of operations and other liabilities—non-current in our consolidated balance sheet. The accrued PIK interest was converted to the principal balance of the 2026 Notes at each payment date.

2027 Notes

In September 2021, we issued \$575.0 million in aggregate principal amount of 0.25% convertible senior notes due 2027 consisting of (i) approximately \$477.3 million principal amount of 2027 Notes in exchange for approximately \$416.5 million principal amount of the previously outstanding 0% convertible senior notes due 2023 (the "2023 Notes") and (ii) approximately \$97.7 million principal amount of 2027 Notes for cash.

In December 2024, we issued \$862.5 million in aggregate principal amount of 0.50% convertible senior notes due 2029, discussed below. We used approximately \$95.5 million of the net proceeds from the offering to repurchase \$75.0 million aggregate principal amount of the outstanding 2027 Notes. The repurchase of \$75.0 million aggregate principal amount of the outstanding 2027 Notes for approximately \$95.5 million was accounted for as an induced conversion in accordance with ASU 2024-04, Debt—Debt with Conversion and Other Options (Subtopic 470-20). The induced conversion resulted in the recognition of an inducement expense of \$11.3 million within other income (expense), net in our consolidated statement of operations and a reduction to equity of \$9.7 million. Subsequent to the completion of this transaction, we had outstanding \$500.0 million aggregate principal amount of the 2027 Notes.

The 2027 Notes bear interest at a rate of 0.25% per annum, and pay interest semi-annually in arrears on each April 1 and October 1. The 2027 Notes will mature on October 1, 2027, unless earlier converted, redeemed or repurchased.

The 2027 Notes are convertible into cash, shares of our Class A common stock, or a combination of cash and shares of Class A common stock, at our election. Each \$1,000 of principal of the 2027 Notes is initially convertible into 17.3192 shares of our Class A common stock, which is equivalent to an initial conversion price of approximately \$57.74 per share, subject to customary anti-dilution adjustments. Holders of these 2027 Notes may convert their 2027 Notes at their option at any time prior to the close of the business day immediately preceding July 1, 2027, only under the following circumstances:

- (1) during any fiscal quarter, and only during such fiscal quarter, if the closing price of our common stock for at least 20 trading days in a period of 30 consecutive trading days ending on, and including, the last trading day of the preceding fiscal quarter is greater than or equal to 130% of the then applicable conversion price for the 2027 Notes per share of common stock;

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- (2) during the five business day period after any consecutive five trading day period in which, for each trading day of that period, the trading price per \$1,000 principal amount of 2027 Notes for such trading day was less than 98% of the product of the closing price of our common stock and the then applicable conversion rate on each such trading day;
- (3) if we call any or all of the 2027 Notes for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date, but only with respect to the 2027 Notes called (or deemed called) for redemption; or
- (4) upon the occurrence of certain specified corporate events.

Upon conversion of the 2027 Notes, we will pay or deliver, as the case may be, cash, shares of our Class A common stock or a combination of cash and shares of Class A common stock, at our election.

The conversion rate will be subject to adjustment in certain events, but will not be adjusted for any accrued or unpaid interest. Holders who convert their 2027 Notes in connection with certain corporate events that constitute a "make-whole fundamental change" (as defined in the indenture governing the 2027 Notes) are, under certain circumstances, entitled to an increase in the conversion rate. In addition, if we undergo a "fundamental change" (as defined in the indenture governing the 2027 Notes) prior to the maturity date, holders of the 2027 Notes may require us to repurchase for cash all or a portion of their 2027 Notes at a repurchase price equal to 100% of the principal amount of the repurchased 2027 Notes, plus accrued and unpaid interest thereon.

In accounting for the exchange of convertible notes, we evaluated whether the transaction should be treated as a modification or extinguishment transaction. The partial exchange of the 2023 Notes and issuance of the 2027 Notes were deemed to have substantially different terms due to the significant difference between the value of the conversion option immediately prior to and after the exchange, and consequently, the 2023 Notes partial exchange was accounted for as a debt extinguishment. The \$64.9 million difference between the total reacquisition price paid and the net carrying amount of the 2023 Notes was recognized as a debt extinguishment loss within other expense, net in our consolidated statement of operations.

The 2027 Notes consisted of the following:

| | As of | |
|--|-------------------|-------------------|
| | July 31, 2024 | July 31, 2025 |
| | (in thousands) | |
| Principal amounts: | | |
| Principal | \$ 575,000 | \$ 500,000 |
| Unamortized debt issuance costs ⁽¹⁾ | (4,927) | (2,941) |
| Net carrying amount | <u>\$ 570,073</u> | <u>\$ 497,059</u> |

- (1) Included in our consolidated balance sheets within convertible senior notes, net and amortized over the remaining life of the 2027 Notes using the effective interest rate method. The effective interest rate is 0.52%.

As of July 31, 2025, the remaining life of the 2027 Notes was approximately 2.2 years.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table sets forth the total interest expense recognized related to the 2027 Notes:

| | Fiscal Year Ended July 31, | | |
|---|----------------------------|-----------------|-----------------|
| | 2023 | 2024 | 2025 |
| | | (in thousands) | |
| Contractual interest expense | \$ 1,720 | \$ 1,352 | \$ 1,321 |
| Interest expense related to amortization of debt issuance costs | 1,530 | 1,538 | 1,420 |
| Total interest expense | <u>\$ 3,250</u> | <u>\$ 2,890</u> | <u>\$ 2,741</u> |

2029 Notes

In December 2024, we issued \$862.5 million in aggregate principal amount of 0.50% convertible senior notes due 2029, including the exercise in full by the initial purchasers of the 2029 Notes of their option to purchase an additional \$112.5 million principal amount, in a private offering to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. The total net proceeds from the offering were approximately \$844.6 million, after deducting the initial purchasers' discount and other debt issuance costs.

We used approximately \$95.5 million of the net proceeds from the offering to repurchase \$75.0 million aggregate principal amount of the outstanding 2027 Notes and approximately \$200.0 million of the net proceeds from the offering to repurchase approximately 3.1 million shares of our Class A common stock.

The 2029 Notes bear interest at a rate of 0.50% per annum, payable semi-annually in arrears on each June 15 and December 15, beginning June 15, 2025. The 2029 Notes will mature on December 15, 2029, unless earlier converted, redeemed or repurchased.

The 2029 Notes are convertible into cash, shares of our Class A common stock, or a combination of cash and shares of Class A common stock, at our election. Each \$1,000 of principal of the 2029 Notes is initially convertible into 11.6505 shares of our Class A common stock, which is equivalent to an initial conversion price of approximately \$85.83 per share, subject to customary anti-dilution adjustments. Holders of these 2029 Notes may convert them at their option at any time prior to the close of the business day immediately preceding September 15, 2029, only under the following circumstances:

- (1) during any fiscal quarter commencing after April 30, 2025, and only during such fiscal quarter, if the closing price of our common stock for at least 20 trading days in a period of 30 consecutive trading days ending on and including the last trading day of the preceding fiscal quarter is greater than or equal to 130% of the then applicable conversion price for the 2029 Notes per share of common stock;
- (2) during the five business day period after any consecutive five trading day period in which, for each trading day of that period, the trading price per \$1,000 principal amount of 2029 Notes was less than 98% of the product of the closing price of our common stock and the then applicable conversion rate on each such trading day;
- (3) if we call any or all of the 2029 Notes for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date, but only with respect to the 2029 Notes called (or deemed called) for redemption; or
- (4) upon the occurrence of certain specified corporate events.

Upon conversion of the 2029 Notes, we will pay or deliver, as the case may be, cash, shares of our Class A common stock or a combination of cash and shares of Class A common stock, at our election.

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

The conversion rate will be subject to adjustment in certain events, but will not be adjusted for any accrued or unpaid interest. Holders who convert their 2029 Notes in connection with certain corporate events that constitute a "make-whole fundamental change" (as defined in the indenture governing the 2029 Notes) are, under certain circumstances, entitled to an increase in the conversion rate. In addition, if we undergo a "fundamental change" (as defined in the indenture governing the 2029 Notes) prior to the maturity date, holders of the 2029 Notes may require us to repurchase for cash all or a portion of their 2029 Notes at a repurchase price equal to 100% of the principal amount of the repurchased 2029 Notes, plus accrued and unpaid interest thereon.

The 2029 Notes consisted of the following:

| | As of July 31, 2025 |
|--|------------------------------------|
| | (in thousands) |
| Principal amounts: | |
| Principal | \$ 862,500 |
| Unamortized debt issuance costs ⁽¹⁾ | (15,741) |
| Net carrying amount | <u>\$ 846,759</u> |

(1) Included in our consolidated balance sheets within convertible senior notes, net and amortized over the remaining life of the 2029 Notes using the effective interest rate method. The effective interest rate is 0.93%.

As of July 31, 2025, the remaining life of the 2029 Notes was approximately 4.4 years.

The following table sets forth the total interest expense recognized related to the 2029 Notes:

| | Fiscal Year Ended July 31, 2025 |
|---|--|
| | (in thousands) |
| Contractual interest expense | \$ 2,695 |
| Interest expense related to amortization of debt issuance costs | 2,196 |
| Total interest expense | <u>\$ 4,891</u> |

Revolving Credit Agreement

In February 2025, we entered into a revolving credit agreement (the "Revolver") that provides for a senior secured revolving credit facility in an aggregate principal amount of \$500.0 million, including a \$25.0 million sublimit for the issuance of letters of credit. The Revolver matures in February 2030, subject to earlier springing maturity under certain circumstances.

Borrowings, if any, under the Revolver will bear interest, at our option, at a base rate plus an applicable margin ranging from 0.25% to 1.25% based upon our total leverage ratio or a term Secured Overnight Financing Rate (or an alternative currency term rate) plus an applicable margin ranging from 1.25% to 2.25% based upon our total leverage ratio. We are also required to pay a commitment fee on the unused portion of the Revolver on a quarterly basis equal to 0.175% to 0.30%, depending on our total leverage ratio.

The Revolver contains customary affirmative and negative covenants (including a financial covenant and restrictions on liens, investments, indebtedness, fundamental changes, restricted payments, transactions with affiliates, prepayments of subordinated debt and other matters, all subject to certain exceptions). The financial covenant requires us to maintain a total leverage ratio of less than or equal to 3.75:1.00, tested at the end of each fiscal quarter. The financial covenant is subject to a 0.50:1.00 step-up for four fiscal quarters following a material

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

acquisition (as defined in the Revolver). As of July 31, 2025, we were in compliance with the financial covenant associated with the Revolver.

As of July 31, 2025, we had no borrowings and an immaterial amount of letters of credit outstanding under the Revolver.

NOTE 6. LEASES

We have operating leases for offices, research and development facilities and data centers and finance leases for certain data center equipment. Our leases have remaining lease terms of one year to approximately five years, some of which include options to renew or terminate. We do not include renewal options in the lease terms for calculating our lease liability, as we are not reasonably certain that we will exercise these renewal options at the time of the lease commencement. Our lease agreements do not contain any residual value guarantees or restrictive covenants.

Total operating lease cost was \$42.4 million, \$38.6 million and \$37.7 million for the fiscal years ended July 31, 2023, 2024 and 2025, respectively, excluding short-term lease costs, variable lease costs and sublease income, each of which were not material. Variable lease costs primarily include common area maintenance charges. Total finance lease cost was \$3.9 million, \$4.8 million, and \$4.5 million for the fiscal years ended July 31, 2023, 2024 and 2025, respectively.

During fiscal 2023, we signed agreements to early exit certain office spaces in the United States and the Netherlands. The reductions in the lease terms resulted in decreases to the carrying amounts of the operating lease liabilities and the operating lease right-of-use assets on our consolidated balance sheet as of July 31, 2023. In addition, we recorded \$1.7 million of expense in our consolidated statement of operations for the fiscal year ended July 31, 2023.

Supplemental balance sheet information related to our leases is as follows:

| | As of | |
|---|-------------------|-------------------|
| | July 31, 2024 | July 31, 2025 |
| | (in thousands) | |
| Operating leases: | | |
| Operating lease right-of-use assets, gross | \$ 180,843 | \$ 217,060 |
| Accumulated amortization | (71,710) | (82,534) |
| Operating lease right-of-use assets, net | <u>\$ 109,133</u> | <u>\$ 134,526</u> |
| Operating lease liabilities—current | \$ 24,163 | \$ 23,234 |
| Operating lease liabilities—non-current | 90,359 | 115,754 |
| Total operating lease liabilities | <u>\$ 114,522</u> | <u>\$ 138,988</u> |
| Weighted average remaining lease term (in years): | 4.8 | 4.5 |
| Weighted average discount rate: | 6.4% | 6.3% |

NUTANIX, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

| | As of | |
|---|------------------|------------------|
| | July 31, 2024 | July 31, 2025 |
| | (in thousands) | |
| Finance leases: | | |
| Finance lease right-of-use assets, gross ⁽¹⁾ | \$ 19,345 | \$ 18,288 |
| Accumulated amortization ⁽¹⁾ | (9,412) | (12,805) |
| Finance lease right-of-use assets, net ⁽¹⁾ | <u>\$ 9,933</u> | <u>\$ 5,483</u> |
| Finance lease liabilities—current ⁽²⁾ | \$ 3,954 | \$ 3,301 |
| Finance lease liabilities—non-current ⁽³⁾ | 6,666 | 2,734 |
| Total finance lease liabilities | <u>\$ 10,620</u> | <u>\$ 6,035</u> |
| Weighted average remaining lease term (in years): | 2.9 | 2.0 |
| Weighted average discount rate: | 7.0% | 7.1% |

(1) Included in our consolidated balance sheets within property and equipment, net.

(2) Included in our consolidated balance sheets within accrued expenses and other current liabilities.

(3) Included in our consolidated balance sheets within other liabilities—non-current.

Supplemental cash flow and other information related to our leases is as follows:

| | Fiscal Year Ended July 31, | | |
|---|----------------------------|-----------|-----------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| Cash paid for amounts included in the measurement of lease liabilities: | | | |
| Operating cash flows from operating leases | \$ 46,886 | \$ 39,973 | \$ 37,419 |
| Operating cash flows from finance leases | \$ — | \$ 885 | \$ 614 |
| Financing cash flows from finance leases | \$ 4,757 | \$ 3,601 | \$ 3,922 |
| Lease liabilities arising from obtaining right-of-use assets: | | | |
| Operating leases | \$ 10,358 | \$ 46,153 | \$ 54,435 |
| Finance leases | \$ 7,827 | \$ 1,066 | \$ — |

The undiscounted cash flows for our lease liabilities as of July 31, 2025 were as follows:

| Fiscal Year Ending July 31: | Operating Leases | Finance Leases | Total |
|---------------------------------|---------------------|-------------------|-------------------|
| | (in thousands) | | |
| 2026 | \$ 31,573 | \$ 3,618 | \$ 35,191 |
| 2027 | 37,052 | 1,908 | 38,960 |
| 2028 | 36,521 | 961 | 37,482 |
| 2029 | 33,232 | 42 | 33,274 |
| 2030 | 22,574 | — | 22,574 |
| Thereafter | 234 | — | 234 |
| Total lease payments | 161,186 | 6,529 | 167,715 |
| Less: imputed interest | (22,198) | (494) | (22,692) |
| Total lease obligation | 138,988 | 6,035 | 145,023 |
| Less: current lease obligations | (23,234) | (3,301) | (26,535) |
| Long-term lease obligations | <u>\$ 115,754</u> | <u>\$ 2,734</u> | <u>\$ 118,488</u> |

As of July 31, 2025, we had additional operating lease commitments of approximately \$7.5 million on an undiscounted basis for certain office leases that have not yet commenced. These operating leases will commence during fiscal 2025, with lease terms of approximately five years.

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****NOTE 7. COMMITMENTS AND CONTINGENCIES****Purchase Commitments**

In the normal course of business, we make commitments with our contract manufacturers to ensure them a minimum level of financial consideration for their investment in our joint solutions. These commitments are based on performance targets or on-hand inventory and non-cancelable purchase orders for non-standard components. We record a charge related to these items when we determine that it is probable a loss will be incurred and we are able to estimate the amount of the loss. Our historical charges have not been material. As of July 31, 2025, we had approximately \$146.5 million of non-cancelable purchase obligations and other commitments pertaining to our daily business operations, and approximately \$106.9 million in the form of guarantees to certain of our contract manufacturers.

Guarantees and Indemnifications

We have entered into agreements with some of our Partners and customers that contain indemnification provisions in the event of claims alleging that our products infringe the intellectual property rights of a third party. The scope of such indemnification varies, and may include, in certain cases, the ability to cure the indemnification by modifying or replacing the product at our own expense, requiring the return and refund of the infringing product, procuring the right for the partner and/or customer to continue to use or distribute the product, as applicable, and/or defending the partner or customer against and paying any damages from third-party actions based upon claims of infringement. Other guarantees or indemnification arrangements include guarantees of product and service performance.

We have also agreed to indemnify our directors, executive officers and certain other officers for costs associated with any fees, expenses, judgments, fines, and settlement amounts incurred by any of these persons in any action or proceeding to which any of those persons is, or is threatened to be, made a party by reason of the person's service as a director or officer, including any action by us, arising out of that person's services as a director or officer of our company or that person's services provided to any other company or enterprise at our request. We maintain director and officer insurance coverage that may enable us to recover a portion of any future amounts paid.

The fair value of liabilities related to indemnifications and guarantee provisions are not material and have not had any material impact on our consolidated financial statements to date.

Legal Proceedings

We are not currently a party to any legal proceedings that we believe to be material to our business or financial condition. From time to time, we may become party to various litigation matters and subject to claims that arise in the ordinary course of business.

NOTE 8. STOCKHOLDERS' EQUITY

We have one class of outstanding common stock consisting of Class A common stock. As of July 31, 2025, we had 1.0 billion shares of Class A common stock authorized, with a par value of \$0.000025 per share. As of July 31, 2025, we had 269.0 million shares of Class A common stock issued and outstanding. As of July 31, 2025, we had 0.2 million shares of preferred stock authorized, with a par value of \$0.000025 per share, and no shares issued and outstanding.

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

Holders of Class A common stock are entitled to one vote for each share of Class A common stock held on all matters submitted to a vote of stockholders.

Share Repurchases

In August 2023, our Board of Directors authorized the repurchase of up to \$350.0 million of our Class A common stock. In August 2025, our Board of Directors approved a \$350.0 million increase to the share repurchase authorization. Repurchases may be made from time to time through open market purchases, in through privately negotiated transactions or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act in accordance with applicable securities laws and other restrictions. The authorization has no expiration date, may be modified, suspended or discontinued at any time, and does not obligate us to repurchase any minimum number of shares.

During the fiscal year ended July 31, 2024, we repurchased approximately 2.6 million shares of Class A common stock in open market transactions at a weighted average price of \$50.77 per share for an aggregate purchase price of approximately \$131.1 million. During the fiscal year ended July 31, 2025, we repurchased approximately 1.6 million shares of Class A common stock in open market transactions at a weighted average price of \$68.25 per share for an aggregate purchase price of approximately \$107.4 million. As of July 31, 2025, approximately \$111.5 million remained available for future share repurchases under the authorization.

In December 2024, we used approximately \$200.0 million of the net proceeds from the 2029 Notes offering to repurchase approximately 3.1 million shares of our Class A common stock in privately negotiated transactions at a purchase price equal to \$64.78 per share. This share repurchase was executed outside of the existing share repurchase program that was authorized by our Board of Directors in August 2023, described above. For additional details on this transaction, refer to Note 5.

Common Stock Reserved for Issuance

As of July 31, 2025, we had reserved shares of common stock for future issuance as follows:

| | <u>As of July 31, 2025</u> |
|--|----------------------------|
| | (in thousands) |
| Shares reserved for future equity grants | 32,438 |
| Shares underlying outstanding stock options | 8 |
| Shares underlying outstanding restricted stock units | 16,245 |
| Shares reserved for future employee stock purchase plan awards | 9,187 |
| Total | <u>57,878</u> |

NOTE 9. EQUITY INCENTIVE PLANS**Stock Plans**

We have one active equity incentive plan, the 2016 Equity Incentive Plan (the "2016 Plan"), and two inactive equity incentive plans, the 2010 Stock Plan ("2010 Plan") and the 2011 Stock Plan ("2011 Plan") (collectively, the "Stock Plans"). Our stockholders approved the 2016 Plan in March 2016 and it became effective in connection with our initial public offering ("IPO"). As a result, at the time of the IPO, we ceased granting additional stock awards under the 2010 Plan and 2011 Plan and both plans were terminated. Any outstanding stock awards under the 2010 Plan and 2011 Plan remain outstanding, subject to the terms of the applicable plan and award agreements, until such shares are issued under those stock awards, by exercise of stock options or settlement of RSUs, or until those stock awards become vested or expired by their terms.

NUTANIX, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

Under the 2016 Plan, we may grant incentive stock options, non-statutory stock options, restricted stock, RSUs, and stock appreciation rights to employees, directors and consultants. We initially reserved approximately 22.4 million shares of our Class A common stock for issuance under the 2016 Plan. The number of shares of Class A common stock available for issuance under the 2016 Plan also includes an annual increase on the first day of each fiscal year, beginning in fiscal 2018, equal to the lesser of: 18.0 million shares, 5% of the outstanding shares of all classes of common stock as of the last day of our immediately preceding fiscal year, or such other amount as may be determined by our Board of Directors. Accordingly, on August 1, 2023 and 2024, the number of shares of Class A common stock available for issuance under the 2016 Plan increased by approximately 12.0 million and 13.3 million shares, respectively, pursuant to these provisions. As of July 31, 2025, we had reserved a total of approximately 48.7 million shares for the issuance of equity awards under the Stock Plans, of which approximately 32.4 million shares were still available for grant. On August 1, 2025, the number of shares of Class A common stock available for issuance under the 2016 Plan increased by approximately 13.5 million shares pursuant to the automatic increase provisions.

Restricted Stock Units

RSUs settle into shares of Class A common stock upon vesting. During the second quarter of fiscal 2024, we began funding withholding taxes due on the vesting of employee RSUs by net share settlement, rather than our previous approach of selling shares of Class A common stock to cover taxes upon vesting of such awards. The payment of the withheld taxes to the tax authorities is reflected as a financing activity within the consolidated statements of cash flows.

Performance RSUs

From time to time, we grant RSUs that have both service and performance conditions to our executives and employees ("PRSUs"). Vesting of PRSUs is subject to continuous service and the satisfaction of certain performance targets. While we recognize cumulative stock-based compensation expense for the portion of the awards for which both the service condition has been satisfied and it is probable that the performance conditions will be met, the actual vesting and settlement of PRSUs are subject to the performance conditions actually being met.

In January 2024, the Compensation Committee of our Board of Directors approved the grant of approximately 0.3 million PRSUs to our President and CEO. These PRSUs have a grant date fair value per unit of \$45.86 and will vest up to 200% based on achievement of specified annual recurring revenue and free cash flow hurdles over a performance period of approximately 3.6 years, subject to his continuous service as CEO through the vesting date.

Market Stock Units

We also grant RSUs that have both service and market-based conditions to our executives and employees ("MSUs"). Vesting of MSUs is subject to continuous service and the satisfaction of certain market-based performance targets. While we recognize cumulative stock-based compensation expense for the portion of the awards for which the service condition has been satisfied, regardless of achievement of the specified targets, the actual vesting and settlement of MSUs are subject to the market-based conditions actually being met.

During fiscal 2023, 2024 and 2025, the Compensation Committee of our Board of Directors approved the grant of approximately 1.3 million, 0.8 million and 0.4 million MSUs, respectively, to certain of our executives. These MSUs have a weighted average grant date fair value per unit of approximately \$27.89, \$47.65 and \$93.40, respectively, and will vest up to 200% of the target number of MSUs based upon our total shareholder return relative to the total shareholder return of companies in the Nasdaq Composite Index over a performance period of approximately 3.1 years, 3.0 years and 3.0 years, respectively, subject to continuous service on each vesting date.

NUTANIX, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In January 2024, the Compensation Committee of our Board of Directors approved the grant of approximately 0.2 million MSUs to our President and CEO. These MSUs have a weighted average grant date fair value of \$62.85 per unit and will vest up to 200% based on achievement of specified stock price hurdles at any time during a performance period of approximately 3.6 years, subject to his continuous service as CEO through the vesting date.

Below is a summary of RSU activity and PRSU and MSU (collectively, "PSU") activity under the Stock Plans:

| | RSUs | | PSUs | |
|------------------------------|------------------|--|------------------|--|
| | Number of Shares | Weighted Average Grant Date Fair Value per Share | Number of Shares | Weighted Average Grant Date Fair Value per Share |
| | (in thousands) | | (in thousands) | |
| Outstanding at July 31, 2022 | 20,876 | \$ 29.34 | 1,260 | \$ 38.71 |
| Granted | 16,045 | \$ 19.25 | 1,339 | \$ 27.89 |
| Released | (9,938) | \$ 27.28 | (314) | \$ 34.07 |
| Forfeited | (4,169) | \$ 26.36 | (325) | \$ 30.08 |
| Outstanding at July 31, 2023 | 22,814 | \$ 23.69 | 1,960 | \$ 33.49 |
| Granted | 9,850 | \$ 34.22 | 1,396 | \$ 49.82 |
| Released | (10,844) | \$ 25.76 | (796) | \$ 25.25 |
| Forfeited | (1,959) | \$ 25.73 | (246) | \$ 45.15 |
| Outstanding at July 31, 2024 | 19,861 | \$ 27.58 | 2,314 | \$ 44.94 |
| Granted ⁽¹⁾ | 5,658 | \$ 61.62 | 711 | \$ 86.81 |
| Released ⁽¹⁾ | (9,526) | \$ 30.16 | (1,140) | \$ 42.46 |
| Forfeited | (1,562) | \$ 34.63 | (72) | \$ 52.48 |
| Outstanding at July 31, 2025 | 14,431 | \$ 38.46 | 1,813 | \$ 62.63 |

(1) For PSUs, includes additional shares granted upon vesting due to achievement over 100%.

The aggregate grant date fair value of RSUs, including PSUs, vested was \$281.8 million, \$299.5 million and \$335.7 million for the fiscal years ended July 31, 2023, 2024 and 2025, respectively.

Stock Options

Our Board of Directors determines the period over which stock options become exercisable and stock options generally vest over a four-year period. Stock options generally expire 10 years from the date of grant. The term of an ISO grant to a 10% stockholder will not exceed five years from the date of the grant. The exercise price of an ISO will not be less than 100% of the estimated fair value of the shares of common stock underlying the stock option (or 110% of the estimated fair value in the case of an ISO granted to a 10% stockholder) on the date of grant. The exercise price of an NSO is determined by our Board of Directors at the time of grant and is generally not less than 100% of the estimated fair value of the shares of common stock underlying the stock option on the date of grant.

NUTANIX, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Below is a summary of stock option activity under the Stock Plans:

| | Fiscal Year Ended July 31, | | | | | | | |
|------------------------------------|------------------------------------|---------------------------------|---|---|------------------------------------|---------------------------------|---|---|
| | 2024 | | 2025 | | | | | |
| | Number of Shares (in thousands) | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (in years) | Aggregate Intrinsic Value (in thousands) | Number of Shares (in thousands) | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (in years) | Aggregate Intrinsic Value (in thousands) |
| Outstanding at beginning of period | 1,046 | \$ 6.83 | 1.1 | \$ 24,451 | 258 | \$ 11.26 | 0.7 | \$ 10,138 |
| Options granted | — | \$ — | | | — | \$ — | | |
| Options exercised | (788) | \$ 5.38 | | | (250) | \$ 11.20 | | |
| Options canceled/forfeited | — | \$ — | | | — | \$ — | | |
| Outstanding at end of period | <u>258</u> | \$ 11.26 | 0.7 | \$ 10,138 | <u>8</u> | \$ 13.11 | 0.7 | \$ 492 |
| Exercisable at end of period | <u>258</u> | \$ 11.26 | 0.7 | \$ 10,138 | <u>8</u> | \$ 13.11 | 0.7 | \$ 492 |

The aggregate intrinsic value of stock options exercised during the fiscal years ended July 31, 2023, 2024 and 2025 was \$12.1 million, \$37.8 million and \$13.9 million, respectively. Aggregate intrinsic value represents the difference between the exercise price of the options and the estimated fair value of our common stock. Cash received from option exercises was \$3.7 million, \$4.2 million and \$2.8 million for the fiscal years ended July 31, 2023, 2024 and 2025, respectively. There were no stock options that vested during the fiscal years ended July 31, 2023, 2024 or 2025. We did not grant any stock options during the fiscal years ended July 31, 2023, 2024 or 2025.

Employee Stock Purchase Plan

In December 2015, our Board of Directors adopted the 2016 Employee Stock Purchase Plan, which was subsequently amended in January 2016 and September 2016 and approved by our stockholders in March 2016 (the "Original 2016 ESPP"). The Original 2016 ESPP became effective in connection with our IPO. Our stockholders subsequently approved amendments to the Original 2016 ESPP in December 2019 and December 2022 (as amended, the "2016 ESPP"). Under the 2016 ESPP, the maximum number of shares of Class A common stock available for sale is 13.8 million shares.

The 2016 ESPP allows eligible employees to purchase shares of our Class A common stock at a discount through payroll deductions of up to 15% of eligible compensation, subject to caps of \$25,000 in any calendar year and 1,000 shares on any purchase date. The 2016 ESPP provides for 12-month offering periods, generally beginning in March and September of each year, and each offering period consists of two six-month purchase periods.

On each purchase date, participating employees will purchase Class A common stock at a price per share equal to 85% of the lesser of the fair market value of our Class A common stock on (i) the first trading day of the applicable offering period or (ii) the last trading day of each purchase period in the applicable offering period. If the stock price of our Class A common stock on any purchase date in an offering period is lower than the stock price on the enrollment date of that offering period, the offering period will immediately reset after the purchase of shares on such purchase date and automatically roll into a new offering period.

During the fiscal year ended July 31, 2025, approximately 1.6 million shares of common stock were purchased under the 2016 ESPP for an aggregate amount of approximately \$66.1 million. As of July 31, 2025, approximately 9.2 million shares were available for future issuance under the 2016 ESPP.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We use the Black-Scholes option pricing model to determine the fair value of shares purchased under the 2016 ESPP with the following weighted average assumptions on the date of grant:

| | Fiscal Year Ended July 31, | | |
|--------------------------|----------------------------|-------|-------|
| | 2023 | 2024 | 2025 |
| Expected term (in years) | 0.74 | 0.78 | 0.72 |
| Risk-free interest rate | 4.3% | 5.1% | 4.9% |
| Volatility | 59.8% | 47.2% | 46.2% |
| Dividend yield | —% | —% | —% |

Stock-Based Compensation

Total stock-based compensation expense recognized in our consolidated statements of operations is as follows:

| | Fiscal Year Ended July 31, | | |
|--|----------------------------|-------------------|-------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| Cost of revenue: | | | |
| Product | \$ 7,966 | \$ 6,822 | \$ 2,824 |
| Support, entitlements and other services | 26,611 | 27,285 | 27,582 |
| Sales and marketing | 82,758 | 80,190 | 80,930 |
| Research and development | 139,073 | 156,784 | 175,361 |
| General and administrative | 55,337 | 62,752 | 64,893 |
| Total stock-based compensation expense | <u>\$ 311,745</u> | <u>\$ 333,833</u> | <u>\$ 351,590</u> |

As of July 31, 2025, unrecognized stock-based compensation expense related to outstanding stock awards was approximately \$560.5 million and is expected to be recognized over a weighted average period of approximately 2.0 years.

NOTE 10. RESTRUCTURING CHARGES

In August 2022, we announced a plan to reduce our global headcount by approximately 270 employees, which represented approximately 4% of our total employees, following a review of our business structure and after taking other cost-cutting measures to reduce expenses. This headcount reduction was part of our efforts to drive toward profitable growth.

We recognized total restructuring charges of approximately \$16.3 million, which consisted primarily of one-time severance and other termination benefit costs directly related to this reduction in force. Of the approximately \$16.3 million recognized, \$0.4 million is included within support, entitlements and other services cost of revenue, \$13.4 million is included within sales and marketing expense, \$2.3 million is included within research and development expense, and \$0.2 million is included within general and administrative expense on our consolidated statements of operations.

During the fiscal year ended July 31, 2023, we recognized restructuring charges of approximately \$5.3 million and made cash payments of approximately \$15.8 million. During the fiscal year ended July 31, 2024, we did not incur any charges and made cash payments of approximately \$0.4 million. During the fiscal year ended July 31, 2025, we did not incur any charges or make any cash payments. As of July 31, 2025, we had no remaining restructuring liability.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 11. NET INCOME (LOSS) PER SHARE

Basic net income (loss) per share is computed using the weighted average number of common shares outstanding during the period. Diluted net income (loss) per share is computed by giving effect to potentially dilutive common stock equivalents outstanding during the period, as their effect would be dilutive. Potentially dilutive common shares include shares issuable upon the exercise of stock options, the vesting of RSUs and PSUs, each purchase under the 2016 ESPP, and common stock issuable upon the conversion of convertible debt under the if-converted method.

In loss periods, basic net loss per share and diluted net loss per share are the same, as the effect of potential common shares is antidilutive and therefore excluded.

The computation of basic and diluted net income (loss) per share attributable to common stockholders is as follows:

| | Fiscal Year Ended July 31, | | |
|--|---------------------------------------|---------------------|-------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands, except per share data) | | |
| Numerator: | | | |
| Net (loss) income | \$ (254,560) | \$ (124,775) | \$ 188,366 |
| Add: Interest expense related to convertible senior notes, net of tax | — | — | 3,173 |
| Diluted net (loss) income | <u>\$ (254,560)</u> | <u>\$ (124,775)</u> | <u>\$ 191,539</u> |
| Denominator: | | | |
| Weighted average shares, basic | 233,247 | 244,743 | 267,479 |
| Add: Dilutive effect of common stock equivalents | — | — | 26,604 |
| Weighted average shares, diluted | <u>233,247</u> | <u>244,743</u> | <u>294,083</u> |
| Net (loss) income per share attributable to Class A common stockholders, basic | \$ (1.09) | \$ (0.51) | \$ 0.70 |
| Net (loss) income per share attributable to Class A common stockholders, diluted | \$ (1.09) | \$ (0.51) | \$ 0.65 |

The following shares of common stock were excluded from the computation of diluted net income (loss) per share for the periods presented, as their effect would have been antidilutive:

| | Fiscal Year Ended July 31, | | |
|--|-----------------------------------|---------------|-------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| Outstanding stock options, RSUs and PSUs | 25,820 | 22,433 | 839 |
| Employee stock purchase plan | 1,122 | 1,148 | 64 |
| Common stock issuable upon the conversion of convertible notes | 38,700 | 39,423 | — |
| Total | <u>65,642</u> | <u>63,004</u> | <u>903</u> |

Shares that will be issued in connection with our stock awards and shares that will be purchased under the employee stock purchase plan are generally automatically converted into shares of our Class A common stock. Common stock issuable upon the conversion of convertible notes represents the antidilutive impact of the 2026 Notes and 2027 Notes under the if-converted method.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 12. INCOME TAXES

Income Taxes

(Loss) income before provision for income taxes by fiscal year consisted of the following:

| | Fiscal Year Ended July 31, | | |
|---|----------------------------|---------------------|-------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| Domestic | \$ (294,093) | \$ (167,745) | \$ 118,516 |
| Foreign | 60,508 | 66,427 | 93,132 |
| (Loss) income before provision for income taxes | <u>\$ (233,585)</u> | <u>\$ (101,318)</u> | <u>\$ 211,648</u> |

Provision for income taxes by fiscal year consisted of the following:

| | Fiscal Year Ended July 31, | | |
|----------------------------|----------------------------|------------------|------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| Current: | | | |
| U.S. federal | \$ (568) | \$ — | \$ 1,489 |
| State and local | 623 | 2,052 | 3,774 |
| Foreign | 21,952 | 23,925 | 21,657 |
| Total current taxes | <u>22,007</u> | <u>25,977</u> | <u>26,920</u> |
| Deferred: | | | |
| U.S. federal | 24 | 24 | 24 |
| Foreign | (1,056) | (2,544) | (3,662) |
| Total deferred taxes | <u>(1,032)</u> | <u>(2,520)</u> | <u>(3,638)</u> |
| Provision for income taxes | <u>\$ 20,975</u> | <u>\$ 23,457</u> | <u>\$ 23,282</u> |

The income tax provision differs from the amount of income tax determined by applying the applicable U.S. federal statutory income tax rate of 21% to pre-tax loss. The reconciliation of the statutory federal income tax and our effective income tax is as follows:

| | Fiscal Year Ended July 31, | | |
|---|----------------------------|------------------|------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| U.S. federal income tax at statutory rate | \$ (49,053) | \$ (21,277) | \$ 44,446 |
| Change in valuation allowance | 71,157 | 115,826 | 89,264 |
| Stock-based compensation | 8,767 | (47,632) | (67,782) |
| Effect of foreign operations | (4,896) | (2,553) | (7,111) |
| Research and development tax credits | (17,500) | (30,076) | (41,597) |
| Non-deductible expenses | 5,090 | 4,704 | 3,413 |
| Change in unrecognized tax benefit | 1,840 | 2,840 | (4,977) |
| State income taxes | 623 | 2,052 | 3,774 |
| Tax impact of Frame divestiture | 4,569 | — | — |
| Tax impact of debt conversion | — | — | 2,383 |
| Other | 378 | (427) | 1,469 |
| Total | <u>\$ 20,975</u> | <u>\$ 23,457</u> | <u>\$ 23,282</u> |

During the fiscal years ended July 31, 2023, 2024 and 2025, our provision for income taxes was primarily attributable to foreign tax provisions in certain foreign jurisdictions in which we conduct business.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The temporary differences that give rise to significant portions of deferred tax assets and liabilities are as follows:

| | As of July 31, | |
|----------------------------------|----------------|-------------|
| | 2024 | 2025 |
| | (in thousands) | |
| Deferred tax assets: | | |
| Net operating loss carryforward | \$ 532,559 | \$ 416,176 |
| Tax credit carryforward | 292,546 | 365,828 |
| Capitalized research expenses | 241,194 | 356,927 |
| Deferred revenue | 179,093 | 213,308 |
| Leases | 35,416 | 41,364 |
| Accruals and reserves | 25,065 | 30,940 |
| Stock-based compensation | 17,221 | 17,573 |
| Intangibles and goodwill | 8,447 | 8,044 |
| Property and equipment | 4,302 | — |
| Other assets | 22,631 | 26,434 |
| Total deferred tax assets | 1,358,474 | 1,476,594 |
| Deferred tax liabilities: | | |
| Deferred commission expense | (84,409) | (79,757) |
| Leases | (36,100) | (41,294) |
| Prepaid expenses | (2,249) | (2,387) |
| Intangibles and goodwill | (1,394) | (1,504) |
| Property and equipment | (1,359) | (911) |
| Other | (14,075) | (15,984) |
| Total deferred tax liabilities | (139,586) | (141,837) |
| Valuation allowance | (1,205,780) | (1,318,056) |
| Net deferred tax assets | \$ 13,108 | \$ 16,701 |

Management believes that based on available evidence, both positive and negative, it is more likely than not that the U.S. deferred tax assets will not be utilized and as such, a full valuation allowance has been recorded.

The valuation allowance for deferred tax assets was \$1.3 billion as of July 31, 2025. The net increase in the total valuation allowance for the fiscal years ended July 31, 2024 and 2025 was \$127.4 million and \$112.3 million, respectively.

As of July 31, 2025, we had approximately \$1.8 billion of federal net operating loss carryforwards and \$1.5 billion of state net operating loss carryforwards available to reduce future taxable income, which will begin to expire in fiscal 2026. In addition, we had approximately \$219.0 million of federal research credit carryforwards, \$160.2 million of state research credit carryforwards and \$63.6 million of foreign tax credit carryforwards available to reduce future tax liability. The federal credits will begin to expire in fiscal 2035 and the state credits can be carried forward indefinitely. The foreign credits will begin to expire in fiscal 2029.

Utilization of the net operating loss and tax credit carryforwards may be subject to an annual limitation due to the ownership change limitations provided by the Internal Revenue Code of 1986, as amended, and similar state provisions. Any annual limitation may result in the expiration of net operating losses and credits before utilization. If an ownership change occurred, utilization of the net operating loss and tax credit carryforwards could be significantly reduced.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

As of July 31, 2025, we held an aggregate of \$331.2 million in cash and cash equivalents in our foreign subsidiaries, of which \$156.8 million was denominated in U.S. dollars. We attribute net revenue, costs and expenses to domestic and foreign components based on the terms of our agreements with our subsidiaries. We do not provide for federal income taxes on the undistributed earnings of our foreign subsidiaries, as such earnings are to be reinvested offshore indefinitely. It is not practicable to estimate the withholding tax liability if these earnings were to be repatriated.

We recognize uncertain tax positions in our financial statements if that position will more likely than not be sustained on audit, based on the technical merits of the position. A reconciliation of our unrecognized tax benefits, excluding accrued interest and penalties, is as follows:

| | Fiscal Year Ended July 31, | |
|---|-----------------------------------|-------------|
| | 2024 | 2025 |
| | (in thousands) | |
| Balance at the beginning of the year | \$ 95,862 | \$ 102,647 |
| Increases related to current year tax positions | 7,595 | 9,651 |
| Increases related to prior year tax positions | 425 | 1,670 |
| Decreases related to prior year tax positions | (932) | (144) |
| Lapse of statute of limitations/Settlements/Other | (303) | (3,646) |
| Balance at the end of the year | \$ 102,647 | \$ 110,178 |

During the fiscal year ended July 31, 2025, the net increase in unrecognized tax positions was primarily attributable to federal and state research and development credits and intercompany charges.

As of July 31, 2025, if uncertain tax positions are fully recognized in the future, it would result in a \$17.5 million impact to our effective tax rate, primarily relating to positions in foreign jurisdictions, and the remaining amount would result in adjustments to deferred tax assets and corresponding adjustments to the valuation allowance.

We recognize interest and/or penalties related to income tax matters as a component of income tax expense. As of July 31, 2025, we had recognized \$7.8 million of accrued interest and penalties related to uncertain tax positions.

We file income tax returns in the U.S. federal jurisdiction as well as various U.S. states and foreign jurisdictions. The tax years 2009 and forward remain open to examination by the major jurisdictions in which we are subject to tax. These fiscal years outside the normal statute of limitation remain open to audit by tax authorities due to tax attributes generated in those early years, which have been carried forward and may be audited in subsequent years when utilized. We are subject to the continuous examination of income tax returns by various tax authorities. We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of the provision for income taxes. We believe that adequate amounts have been reserved for any adjustments that may ultimately result from these examinations. We do not anticipate a significant impact to the gross unrecognized tax benefits within the next 12 months related to these years.

The Organisation for Economic Co-operation and Development has established a framework for a global minimum corporate tax of 15%, known as Pillar Two, which will be applied on a country-by-country basis to companies with global revenues and profits above certain thresholds. Although the United States has not enacted legislation to adopt Pillar Two, and its future adoption is uncertain, several countries where we operate have enacted such legislation, and others are in the process of doing so. We do not expect Pillar Two to have a material impact on our effective tax rate or our financial condition and results of operations.

NUTANIX, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The One Big Beautiful Bill Act ("OBBBA") includes significant changes to U.S. income tax laws, including the repeal of mandatory capitalization of domestic research and development expenditures, extensions of bonus depreciation, and modifications to the international tax regimes. We are currently evaluating the potential impact of OBBBA on our consolidated financial statements for future periods.

NOTE 13. SEGMENT INFORMATION

Our chief operating decision maker ("CODM") is our Chief Executive Officer, who reviews financial information presented on a consolidated basis. Accordingly, we have a single operating and reportable segment. The CODM uses net income, as reported on our consolidated statements of operations, as the measure of segment profit or loss to allocate resources and evaluate financial performance. The significant expenses regularly provided to the CODM are those expenses presented in our consolidated statements of operations and related notes to consolidated financial statements. There is no expense or asset information that is supplemental to the information disclosed in these consolidated financial statements.

The following table sets forth revenue by geographic location based on bill-to location:

| | Fiscal Year Ended July 31, | | |
|------------------------------------|----------------------------|---------------------|---------------------|
| | 2023 | 2024 | 2025 |
| | (in thousands) | | |
| United States | \$ 1,039,294 | \$ 1,189,213 | \$ 1,409,367 |
| Europe, the Middle East and Africa | 471,367 | 563,281 | 685,569 |
| Asia Pacific | 309,138 | 348,952 | 392,744 |
| Other Americas | 43,096 | 47,370 | 50,247 |
| Total revenue | \$ 1,862,895 | \$ 2,148,816 | \$ 2,537,927 |

For the fiscal years ended July 31, 2023, 2024 and 2025, no individual country, other than the United States, accounted for more than 10% of total revenue.

The following table sets forth long-lived assets, which primarily include property and equipment, net, by geographic location:

| | As of | |
|--------------------------------|-------------------|-------------------|
| | July 31, 2024 | July 31, 2025 |
| | (in thousands) | |
| United States | \$ 102,873 | \$ 108,921 |
| International | 33,307 | 33,893 |
| Total long-lived assets | \$ 136,180 | \$ 142,814 |

NOTE 14. SUBSEQUENT EVENT

In August 2025, our Board of Directors approved a \$350.0 million increase to the share repurchase authorization. Repurchases may be made from time to time through open market purchases, in privately negotiated transactions or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act in accordance with applicable securities laws and other restrictions. The authorization has no expiration date, may be modified, suspended or discontinued at any time, and does not obligate us to repurchase any minimum number of shares.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and our principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act")), as of the end of the period covered by this Annual Report on Form 10-K. Based on our management's evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were, in design and operation, effective at the reasonable assurance level as of July 31, 2025.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) and Rule 15d-15(f) of the Exchange Act. Internal control over financial reporting consists of policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (2) are designed and operated to provide reasonable assurance regarding the reliability of our financial reporting and our process for the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Our management evaluated the effectiveness of our internal control over financial reporting using the criteria set forth in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (the "COSO Framework"). Based on our management's evaluation, our management concluded that our internal control over financial reporting was effective as of July 31, 2025.

The effectiveness of our internal control over financial reporting as of July 31, 2025 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which appears below.

Limitations on the Effectiveness of Controls

Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements and projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Nutanix, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Nutanix, Inc. and subsidiaries (the "Company") as of July 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of July 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended July 31, 2025, of the Company and our report dated September 23, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP

San Jose, California

September 23, 2025

Item 9B. Other Information

Rule 10b5-1 Trading Plans

On July 1, 2025, Brian Martin, our Chief Legal Officer, entered into a trading plan that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. Mr. Martin's plan provides for the sale, from time to time during the period beginning on September 30, 2025 through July 1, 2026, of up to 100% of the net shares that Mr. Martin may receive from the vesting of outstanding awards of restricted stock units and up to 50% of the net shares that he may receive from the vesting of performance-based restricted stock units from time to time beginning with the September 15, 2025 vesting date and ending on the June 15, 2026 vesting date.

On July 3, 2025, Rajiv Ramaswami, our President and Chief Executive Officer, entered into a trading plan that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. Mr. Ramaswami's plan provides for the sale, from time to time during the period beginning on October 2, 2025 through July 3, 2026, of up to 388,920 shares and up to 25% of the net shares that Mr. Ramaswami may receive from the vesting of outstanding awards of restricted stock units and performance-based restricted stock units from time to time beginning with the September 15, 2025 vesting date and ending on the June 15, 2026 vesting date.

On July 3, 2025, Gayle Sheppard, a member of our board of directors, entered into a trading plan that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. Ms. Sheppard's plan provides for the sale, from time to time during the period beginning on October 2, 2025 through July 3, 2026, of up to 3,500 shares.

On July 9, 2025, Rukmini Sivaraman, our Chief Financial Officer, entered into a trading plan that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. Ms. Sivaraman's plan provides for the sale, from time to time during the period beginning on October 10, 2025 through October 9, 2026, of up to 60,000 shares and up to 40% of the net shares that Ms. Sivaraman may receive from the vesting of outstanding awards of restricted stock units and performance-based restricted stock units from time to time beginning with the December 15, 2025 vesting date and ending on the September 15, 2026 vesting date.

Other than as set forth above, during the three months ended July 31, 2025, no director or Section 16 officer adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements (in each case, as defined in Item 408(a) of Regulation S-K).

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item is incorporated herein by reference to our definitive proxy statement for our 2025 annual meeting of stockholders ("2025 Proxy Statement"), which will be filed not later than 120 days after the end of our fiscal year ended July 31, 2025.

Item 11. Executive Compensation

The information required by this item is incorporated herein by reference to our 2025 Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated herein by reference to our 2025 Proxy Statement.

Item 13. Certain Relationships and Related Transactions and Director Independence

The information required by this item is incorporated herein by reference to our 2025 Proxy Statement.

Item 14. Principal Accountant Fees and Services

The information required by this item is incorporated herein by reference to our 2025 Proxy Statement.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a)(1) Consolidated Financial Statements

We have filed the consolidated financial statements listed in the Index to Consolidated Financial Statements included in Part II, Item 8, "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K.

(a)(2) Financial Statement Schedules

All financial statement schedules have been omitted because they are not applicable, not material, or the required information is shown in the consolidated financial statements or the notes thereto.

(a)(3) Exhibits

See the Exhibit Index below in this Annual Report on Form 10-K.

Item 16. Form 10-K Summary

None.

EXHIBIT INDEX

| Number | Exhibit Title | Form | Incorporated by Reference | | Filing Date | Filed Herewith |
|---------------|--|-------------|----------------------------------|----------------|--------------------|-----------------------|
| | | | File No. | Exhibit | | |
| 3.1 | Complete copy of the Amended and Restated Certificate of Incorporation, as amended, consisting of (i) the Amended and Restated Certificate of Incorporation filed on December 9, 2022 and (ii) the Certificate of Amendment filed on December 8, 2023. | 10-Q | 001-37883 | 3.1 | 3/7/2024 | |
| 3.2 | Amended and Restated Bylaws. | 8-K | 001-37883 | 3.1 | 10/7/2022 | |
| 3.3 | Certificate of Retirement of Class B Common Stock. | 8-K | 001-37883 | 3.1 | 1/4/2022 | |
| 4.1 | Specimen Class A Common Stock Certificate of the Registrant. | S-1/A | 333-208711 | 4.2 | 4/4/2016 | |
| 4.2 | Description of Class A Common Stock. | 10-K | 001-37883 | 4.4 | 9/21/2023 | |
| 4.3 | Indenture, dated as of September 22, 2021, by and between the Registrant and U.S. Bank National Association, as Trustee. | 8-K | 001-37883 | 4.1 | 9/23/2021 | |
| 4.4 | Form of 0.25% Convertible Senior Notes due 2027 (included in Exhibit 4.3). | 8-K | 001-37883 | 4.2 | 9/23/2021 | |
| 4.5 | Indenture, dated as of December 16, 2024, by and between the Registrant and U.S. Bank Trust Company National Association, as Trustee. | 8-K | 001-37883 | 4.1 | 12/16/2024 | |
| 4.6 | Form of 0.50% Convertible Senior Notes due 2029 (included in Exhibit 4.5). | 8-K | 001-37883 | 4.2 | 12/16/2024 | |
| 10.1 | Form of Indemnification Agreement by and between the Registrant and each of its directors and executive officers. | 10-Q | 001-37883 | 10.1 | 6/3/2021 | |
| 10.2+ | Second Amended and Restated Outside Director Compensation Policy. | 10-K | 001-37883 | 10.2 | 9/21/2021 | |
| 10.3+ | First Amendment to Second Amended and Restated Outside Director Compensation. | 10-Q | 001-37883 | 10.1 | 6/2/2022 | |
| 10.4+ | Second Amendment to Second Amended and Restated Outside Director Compensation. | 10-Q | 001-37883 | 10.1 | 12/7/2022 | |
| 10.5+ | 2010 Stock Plan and forms of equity agreements thereunder. | S-1/A | 333-208711 | 10.2 | 8/16/2016 | |
| 10.6+ | 2011 Stock Plan and forms of equity agreements thereunder. | S-1 | 333-208711 | 10.3 | 12/22/2015 | |
| 10.7+ | 2016 Equity Incentive Plan and forms of equity agreements thereunder. | S-1/A | 333-208711 | 10.4 | 9/19/2016 | |
| 10.8+ | Form of Global Restricted Stock Unit Agreement for Performance-Based Restricted Stock Units (Fiscal Year 2022) under the 2016 Equity Incentive Plan. | 10-Q | 001-37883 | 10.2 | 12/2/2021 | |
| 10.9+ | Form of Global Restricted Stock Unit Agreement for Performance-Based Restricted Stock Units (Fiscal Year 2023) under the 2016 Equity Incentive Plan. | 10-K | 001-37883 | 10.8 | 9/21/2022 | |
| 10.10+ | Form of Global Restricted Stock Unit Agreement for Performance-Based Restricted Stock Units (Fiscal Year 2024) under the 2016 Equity Incentive Plan. | 10-K | 001-37883 | 10.10 | 9/21/2023 | |

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| Number | Exhibit Title | Form | Incorporated by Reference | | | Filed Herewith |
|----------|---|------|---------------------------|---------|-------------|----------------|
| | | | File No. | Exhibit | Filing Date | |
| 10.11+ | Form of Global Restricted Stock Unit Agreement for Performance-Based Restricted Stock Units (Fiscal Year 2025) under the 2016 Equity Incentive Plan. | 10-K | 001-37883 | 10.11 | 9/19/2024 | |
| 10.12+ | Amended and Restated 2016 Employee Stock Purchase Plan and forms of equity agreements thereunder. | 10-Q | 001-37883 | 10.1 | 5/24/2023 | |
| 10.13+ | Executive Incentive Compensation Plan. | S-1 | 333-208711 | 10.14 | 12/22/2015 | |
| 10.14+ | Offer Letter, dated as of December 7, 2020, by and between Nutanix, Inc. and Rajiv Ramaswami. | 8-K | 001-37883 | 10.1 | 12/9/2020 | |
| 10.15+ | Offer Letter, dated as of April 10, 2022, by and between the Registrant and Rukmini Sivaraman. | 8-K | 001-37883 | 10.1 | 4/12/2022 | |
| 10.16+ | Form of Global Restricted Stock Unit Agreement for the Stock Price Performance-Based Restricted Stock Units under the 2016 Equity Incentive Plan. | 8-K | 001-37883 | 10.1 | 1/9/2024 | |
| 10.17+†† | Form of Global Restricted Stock Unit Agreement for the Operational Metrics Performance-Based Restricted Stock Units. | 8-K | 001-37883 | 10.2 | 1/9/2024 | |
| 10.18+ | Offer Letter, dated as of April 29, 2024, by and between the Registrant and Brian Martin. | 10-K | 001-37883 | 10.21 | 9/19/2024 | |
| 10.19+ | Senior Advisor Agreement, dated as of September 3, 2024, by and between the Registrant and David Sangster. | 10-K | 001-37883 | 10.22 | 9/19/2024 | |
| 10.20+ | Change of Control and Severance Policy. | 10-K | 001-37883 | 10.16 | 9/21/2022 | |
| 10.21+ | Executive Severance Policy. | 10-K | 001-37883 | 10.17 | 9/21/2021 | |
| 10.22† | Original Equipment Manufacturer (OEM) Purchase Agreement, dated as of May 16, 2014, by and among the Registrant, Nutanix Netherlands B.V. and Super Micro Computer Inc., as amended by Amendment One to Original Equipment Manufacturer (OEM) Purchase Agreement, dated as of November 13, 2017 and Amendment Two to Original Equipment Manufacturer (OEM) Purchase Agreement dated as of October 31, 2018. | 10-Q | 001-37883 | 10.2 | 6/5/2019 | |
| 10.23†† | Amendment Two to Original Equipment Manufacturer (OEM) Purchase Agreement, dated as of October 31, 2018, by and between the Registrant and Super Micro Computer, Inc. | 10-Q | 001-37883 | 10.1 | 6/10/2024 | |
| 10.24 | Participation Agreement to the Original Equipment Manufacturer Purchase Agreement, entered into as of September 26, 2019, by and between the Registrant, Nutanix Netherlands B.V. and Super Micro Computer, Inc. | 10-Q | 001-37883 | 10.5 | 12/5/2019 | |
| 10.25† | Amendment Three to Original Equipment Manufacturer (OEM) Purchase Agreement, dated as of December 20, 2020, by and between the Registrant and Super Micro Computer Inc. | 10-Q | 001-37883 | 10.1 | 3/4/2021 | |
| 10.26† | Amendment Four to Original Equipment Manufacturer (OEM) Purchase Agreement, dated as of November 5, 2021, by and between the Registrant and Super Micro Computer Inc. | 10-Q | 001-37883 | 10.1 | 3/10/2022 | |

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| Number | Exhibit Title | Form | Incorporated by Reference | | | Filed Date | Filed Herewith |
|---------|---|-------|---------------------------|---------|--|---------------|-------------------|
| | | | File No. | Exhibit | | | |
| 10.27 | Office Lease, dated as of August 5, 2013, as amended to date, by and between the Registrant and CA-1740 Technology Drive Limited Partnership. | S-1/A | 333-208711 | 10.15 | | 8/16/2016 | |
| 10.28 | Office Lease, dated as of April 23, 2014, as amended to date, by and between the Registrant and CA-Metro Plaza Limited Partnership. | S-1/A | 333-208711 | 10.16 | | 8/16/2016 | |
| 10.29 | Sixth Amendment to the Office Lease dated as of January 29, 2018, by and between the Registrant and Hudson 1740 Technology, LLC. | 10-Q | 001-37883 | 10.1 | | 6/12/2018 | |
| 10.30 | Seventh Amendment to the Office Lease dated as of April 4, 2018, by and between the Registrant and Hudson 1740 Technology, LLC. | 10-Q | 001-37883 | 10.2 | | 6/12/2018 | |
| 10.31 | Eighth Amendment to the Office Lease, dated as of November 23, 2020, by and between the Registrant and Hudson 1740 Technology, LLC. | 10-Q | 001-37883 | 10.3 | | 12/3/2020 | |
| 10.32 | Ninth Amendment to the Office Lease dated as of August 23, 2021, by and between the Registrant and Hudson 1740 Technology, LLC. | 10-Q | 001-37883 | 10.1 | | 12/2/2021 | |
| 10.33 | Tenth Amendment to the Office Lease dated as of May 18, 2022, by and between the Registrant and Hudson 1740 Technology, LLC. | 10-Q | 001-37883 | 10.3 | | 6/2/2022 | |
| 10.34 | Eleventh Amendment to the Office Lease dated as of June 28, 2022, by and between the Registrant and Hudson 1740 Technology, LLC. | 10-K | 001-37883 | 10.34 | | 9/21/2022 | |
| 10.35 | Twelfth Amendment to the Office Lease dated as of August 31, 2022, by and between the Registrant and Hudson 1740 Technology, LLC. | 10-K | 001-37883 | 10.35 | | 9/21/2022 | |
| 10.36 | Thirteenth Amendment to the Office Lease dated as of November 16, 2023, by and between the Registrant and Hudson 1740 Technology, LLC. | 10-Q | 001-37883 | 10.1 | | 12/7/2023 | |
| 10.37 | Fourth Amendment to the Office Lease dated as of April 4, 2018, by and between the Registrant and Hudson Metro Plaza, LLC. | 10-Q | 001-37883 | 10.3 | | 6/12/2018 | |
| 10.38 | Fifth Amendment to the Office Lease dated as of October 1, 2018, by and between the Registrant and Hudson Metro Plaza, LLC. | 10-Q | 001-37883 | 10.1 | | 12/10/2018 | |
| 10.39 | Sixth Amendment to the Office Lease dated as of April 5, 2019, by and between the Registrant and Hudson Metro Plaza, LLC. | 10-K | 001-37883 | 10.28 | | 9/24/2019 | |
| 10.40 | Seventh Amendment to the Office Lease dated as of April 25, 2019, by and between the Registrant and Hudson Metro Plaza, LLC. | 10-K | 001-37883 | 10.29 | | 9/24/2019 | |
| 10.41†† | Eighth Amendment to the Office Lease, dated as of September 17, 2019, by and between the Registrant and Hudson Metro Plaza, LLC. | 10-Q | 001-37883 | 10.1 | | 12/5/2019 | |
| 10.42 | Ninth Amendment to the Office Lease, dated as of November 23, 2020, by and between the Registrant and Hudson Metro Plaza, LLC. | 10-Q | 001-37883 | 10.5 | | 12/3/2020 | |
| 10.43 | Tenth Amendment to the Office Lease, dated as of June 28, 2022, by and between the Registrant and Hudson Metro Plaza, LLC. | 10-K | 001-37883 | 10.42 | | 9/21/2022 | |

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| Number | Exhibit Title | Form | Incorporated by Reference | | | Filed Herewith |
|----------|--|------|---------------------------|---------|----------------|-------------------|
| | | | File No. | Exhibit | Filing Date | |
| 10.44 | Eleventh Amendment to the Office Lease, dated as of August 31, 2022, by and between the Registrant and Hudson Metro Plaza, LLC. | 10-K | 001-37883 | 10.43 | 9/21/2022 | |
| 10.45 | Office Lease, dated as of April 4, 2018, by and between the Registrant and Hudson Concourse, LLC. | 10-Q | 001-37883 | 10.4 | 6/12/2018 | |
| 10.46†† | First Amendment to the Office Lease dated as of September 5, 2018, by and between the Registrant and the Hudson Concourse, LLC. | 10-K | 001-37883 | 10.31 | 9/24/2019 | |
| 10.47 | Office Lease for 1741 Technology Dr., dated as of September 5, 2018, by and between the Registrant and Hudson Concourse, LLC. | 10-Q | 001-37883 | 10.2 | 12/10/2018 | |
| 10.48 | First Amendment to the Office Lease, dated as of October 22, 2019, by and between the Registrant and Hudson Concourse, LLC. | 10-Q | 001-37883 | 10.2 | 12/5/2019 | |
| 10.49†† | Confirmation Letter, dated as of November 12, 2019, relating to the Office Lease by and between the Registrant and Hudson Concourse, LLC. | 10-Q | 001-37883 | 10.3 | 12/5/2019 | |
| 10.50 | Second Amendment to the Office Lease, dated as of November 23, 2020, by and between the Registrant and Hudson Concourse, LLC. | 10-Q | 001-37883 | 10.4 | 12/3/2020 | |
| 10.51 | Third Amendment to the Office Lease, dated as of April 30, 2022, by and between the Registrant and Hudson Concourse, LLC. | 10-K | 001-37883 | 10.50 | 9/21/2022 | |
| 10.52 | Fourth Amendment to the Office Lease, dated as of June 15, 2022, by and between the Registrant and Hudson Concourse, LLC. | 10-K | 001-37883 | 10.51 | 9/21/2022 | |
| 10.53 | Fifth Amendment to the Office Lease, dated as of July 28, 2022, by and between the Registrant and Hudson Concourse, LLC. | 10-K | 001-37883 | 10.52 | 9/21/2022 | |
| 10.54 | Investment Agreement, dated as of August 26, 2020, by and among Nutanix, Inc. and BCPE Nucleon (DE) SPV, LP. | 8-K | 001-37883 | 10.1 | 8/27/2020 | |
| 10.55 | Amendment to Investment Agreement, dated as of September 24, 2020, by and between the Registrant and BCPE Nucleon (DE) SPV, LP. | 8-K | 001-37883 | 10.1 | 9/24/2020 | |
| 10.56††† | Credit Agreement, dated as of February 12, 2025, among Nutanix, Inc., as borrower, Bank of America, N.A., as administrative agent, collateral agent and L/C issuer, and the lenders party thereto. | 8-K | 001-37883 | 10.1 | 2/12/2025 | |
| 19.1 | Insider Trading Policy. | | | | | X |
| 21.1 | List of significant subsidiaries of the Registrant. | | | | | X |
| 23.1 | Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm. | | | | | X |
| 24.1 | Power of Attorney (included on the Signatures page of this Annual Report on Form 10-K). | | | | | X |
| 31.1 | Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14a and 15d-14a, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | | X |

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| Number | Exhibit Title | Form | Incorporated by Reference | | | Filed Herewith |
|---------|--|------|---------------------------|---------|-------------|----------------|
| | | | File No. | Exhibit | Filing Date | |
| 31.2 | Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14a and 15d-14a, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | | | | | X |
| 32.1 | Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.* | | | | | X |
| 32.2 | Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.* | | | | | X |
| 97.1 | Compensation Recovery Policy. | 10-K | 001-37883 | 97.1 | 09/19/2024 | |
| 101.INS | Inline XBRL Instance Document. | | | | | X |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document. | | | | | X |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document. | | | | | X |
| 101. | Inline XBRL Taxonomy Extension Definition. | | | | | X |
| 101. | Inline XBRL Taxonomy Extension Label Linkbase | | | | | X |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document. | | | | | X |
| 104 | Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101) | | | | | X |

† Confidential treatment has been requested for portions of this exhibit. These portions have been omitted and have been filed separately with the Securities and Exchange Commission.

†† Certain confidential information contained in this exhibit was omitted by means of marking such portions with brackets because the identified confidential information is both (i) not material and (ii) the type of information that the registrant treats as private or confidential.

††† The schedules and exhibits to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant agrees to furnish supplementally a copy of any such omitted schedule or exhibit, or any section thereof, to the SEC upon request.

* These exhibits are furnished with this Annual Report on Form 10-K and are not deemed filed with the Securities and Exchange Commission and are not incorporated by reference in any filing of Nutanix, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and irrespective of any general incorporation language contained in such filings.

+Indicates a management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NUTANIX, INC.

Date: September 23, 2025

By: /s/ Rajiv Ramaswami
Rajiv Ramaswami
President and Chief Executive Officer
(Principal Executive Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Rajiv Ramaswami and Rukmini Sivaraman, jointly and severally, his or her attorneys-in-fact, each with the power of substitution, for him or her in any and all capacities, to sign any amendments to this report, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact, or his substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

| <u>Signature</u> | <u>Title</u> | <u>Date</u> |
|---|--|--------------------|
| <u>/s/ Rajiv Ramaswami</u> Rajiv Ramaswami | President and Chief Executive Officer <i>(Principal Executive Officer)</i> | September 23, 2025 |
| <u>/s/ Rukmini Sivaraman</u> Rukmini Sivaraman | Chief Financial Officer <i>(Principal Financial and Accounting Officer)</i> | September 23, 2025 |
| <u>/s/ Eric K. Brandt</u> Eric K. Brandt | Director | September 23, 2025 |
| <u>/s/ Craig Conway</u> Craig Conway | Director | September 23, 2025 |
| <u>/s/ Max de Groen</u> Max de Groen | Director | September 23, 2025 |
| <u>/s/ Virginia Gambale</u> Virginia Gambale | Director | September 23, 2025 |
| <u>/s/ Steven J. Gomo</u> Steven J. Gomo | Director | September 23, 2025 |
| <u>/s/ Gayle Sheppard</u> Gayle Sheppard | Director | September 23, 2025 |
| <u>/s/ Mark Templeton</u> Mark Templeton | Director | September 23, 2025 |

NUTANIX, INC.

INSIDER TRADING POLICY

and

**Guidelines with Respect to
Certain Transactions in Securities**

(Adopted: August 19, 2015; Updated and effective as of June 10, 2025)

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INTRODUCTION

Nutanix, Inc. (together with its subsidiaries, the “**Company**”) forbids the unauthorized disclosure of any nonpublic information acquired in the course of your service with the Company and the misuse of material nonpublic information in securities trading. Any such actions will be deemed violations of this Insider Trading Policy (the “**Policy**”).

Legal prohibitions on insider trading

The antifraud provisions of U.S. federal securities laws prohibit directors, officers, employees and other individuals who possess material nonpublic information from trading on the basis of that information. Transactions will be considered “on the basis of” material nonpublic information if the person engaged in the transaction was aware of the material nonpublic information at the time of the transaction. It is not a defense that the person did not “use” the information for purposes of the transaction.

Disclosing material nonpublic information directly or indirectly to others who then trade based on that information or making recommendations or expressing opinions as to transactions in securities while aware of material nonpublic information (which is sometimes referred to as “**tipping**”) is also illegal. Both the person who provides the information, recommendation or opinion and the person who trades based on it may be liable.

These illegal activities are commonly referred to as “**insider trading**”. State securities laws and securities laws of other jurisdictions also impose restrictions on insider trading.

In addition, a company, as well as individual directors, officers and other supervisory personnel, may be subject to liability as “controlling persons” for failure to take appropriate steps to prevent insider trading by those under their supervision, influence or control. The Insider Trading and Securities Fraud Enforcement Act of 1988, for example, mandates that “[e]very person who, directly or indirectly, controls any person liable [for insider trading] shall also be liable jointly and severally with and to the same extent as such controlled person...unless the controlling person acted in good faith and did not directly or indirectly induce the act or acts constituting the violation or cause of action.”

Detection and prosecution of insider trading

The U.S. Securities and Exchange Commission (the “**SEC**”), the Financial Industry Regulatory Authority (“**FINRA**”) and NASDAQ use sophisticated electronic surveillance techniques to investigate and detect insider trading, and the SEC and the U.S. Department of Justice pursue insider trading violations vigorously. Cases involving trading through foreign accounts, trading by family members and friends and trading involving only a small number of shares have been successfully prosecuted.

Penalties for violation of insider trading laws and this Policy

Civil and criminal penalties. As of the effective date of this Policy, potential penalties for insider trading violations under U.S. federal securities laws include:

- damages in a private lawsuit;
 - disgorging any profits made or losses avoided;
-

- imprisonment for up to 20 years;
- criminal fines of up to \$5 million for individuals and \$25 million for entities;
- civil fines of up to three times the profit gained or loss avoided;
- a bar against serving as an officer or director of a public company; and
- an injunction against future violations.

Civil and criminal penalties also apply to tipping. The SEC has imposed large penalties in tipping cases even when the disclosing person did not trade or gain any benefit from another person's trading.

Controlling person liability. U.S. securities laws mandate that “[e]very person who, directly or indirectly, controls any person liable [for insider trading] shall also be liable jointly and severally with and to the same extent as such controlled person...unless the controlling person acted in good faith and did not directly or indirectly induce the act or acts constituting the violation or cause of action.” As of the effective date of this Policy, the penalty for “controlling person” liability is a civil fine of up to the greater of \$2,636,135 (subject to adjustment for inflation) or three times the profit gained or loss avoided as a result of the insider trading violations, as well as potential criminal fines and imprisonment.

Company disciplinary actions. If the Company has a reasonable basis to conclude that you have failed to comply with this Policy, you may be subject to disciplinary action by the Company, up to and including termination of your employment, regardless of whether or not your failure to comply with this Policy results in a violation of law. It is not necessary for the Company to wait for the filing or conclusion of any civil or criminal action against an alleged violator before taking disciplinary action. In addition, the Company may give stop transfer and other instructions to the Company's transfer agent to enforce compliance with this Policy.

Reporting violations

It is your responsibility to understand, comply with and help enforce this Policy. The Chief Legal Officer and Legal Department are generally responsible for the administration of this Policy. You should be alert to possible violations and promptly report violations or suspected violations of this Policy to the Chief Legal Officer at 1740 Technology Drive, Suite 150, San Jose, California 95110, ATTENTION: Chief Legal Officer. If your situation requires that your identity be kept secret, your anonymity will be preserved to the greatest extent reasonably possible, or otherwise permitted by law. If you wish to remain anonymous, send a letter addressed to the Chief Legal Officer at 1740 Technology Drive, Suite 150, San Jose, California 95110, ATTENTION: Chief Legal Officer or the Audit Committee of the Board of Directors at 1740 Technology Drive, Suite 150, San Jose, California 95110, Attn: Audit Committee, or contact our anonymous hotline (a) by calling +1 (844) 723-8366 (from the U.S.) or (b) through a secure web form at nutanix.ethicspoint.com. If you make an anonymous report, please provide as much detail as possible, including any evidence that you believe may be relevant to the issue.

Personal responsibility

The ultimate responsibility for complying with this Policy and applicable laws and regulations rests with you. You should use your best judgment at all times and consult with your own personal legal and financial advisors, as needed. We advise you to seek assistance if you have any questions at all. The rules relating to insider trading can be complex, and insider trading laws impose severe sanctions on the individuals who violate them.

PERSONS AND TRANSACTIONS COVERED BY THIS POLICY

Persons covered by this Policy

This Policy applies to all directors, officers, employees and advisors (such as consultants and independent contractors) of the Company. References in this Policy to “you” (as well as general references to directors, officers, employees and advisors of the Company) should also be understood to include members of your immediate family, persons with whom you share a household, persons who are your economic dependents and any other individuals or entities whose transactions in securities you influence, direct or control (including, for example, a venture or other investment fund, if you influence, direct or control transactions by the fund). You are responsible for making sure that these other individuals and entities comply with this Policy.

Types of transactions covered by this Policy

Except as discussed in the section entitled “**Limited Exceptions**”, this Policy applies to *all* transactions *involving* the securities of the Company or the securities of other companies as to which you possess material nonpublic information obtained in the course of your service with the Company. This Policy therefore applies to purchases, sales, *bona fide* gifts and other transfers of common stock, options, warrants, preferred stock, debt securities (such as debentures, bonds and notes) and other securities, including to any distribution to holders of interest in an entity if the entity is subject to this Policy. This Policy also applies to any arrangements that affect economic exposure to changes in the prices of these securities. These arrangements may include, among other things, transactions in derivative securities (such as exchange-traded put or call options), hedging transactions, short sales and certain decisions with respect to participation in benefit plans. This Policy also applies to any offers with respect to the transactions discussed above. You should note that there are no exceptions from insider trading laws or this Policy based on the size of the transaction.

Responsibilities regarding the nonpublic information of other companies

This Policy prohibits the unauthorized disclosure or other misuse of any nonpublic information of other companies, such as the Company’s distributors, vendors, customers, collaborators, suppliers and competitors. This Policy also prohibits insider trading and tipping based on the material nonpublic information of other companies.

Applicability of this Policy after your departure

You are expected to comply with this Policy until such time as you are no longer affiliated with the Company *and* you no longer possess any material nonpublic information subject to this Policy. In addition, if you are subject to a trading restriction under this Policy at the time you cease to be affiliated with the Company, you are expected to abide by the applicable trading restrictions until at least the end of the relevant trading restriction period.

No exceptions based on personal circumstances

There may be instances where you suffer financial harm or other hardship or are otherwise required to forego a planned transaction because of the restrictions imposed by this Policy. Personal financial emergencies or other personal circumstances are not mitigating factors under securities laws and will not excuse a failure to comply with this Policy.

MATERIAL NONPUBLIC INFORMATION

“Material” information

Information should be regarded as material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, hold or sell securities or would view the information as significantly altering the total mix of information in the marketplace about the issuer of the security. In general, any information that could reasonably be expected to affect the market price of a security is likely to be material. Either positive or negative information may be material.

It is not possible to define all categories of “material” information, as it has no precise definition and is subject to a variety of interpretations. However, some examples of information that may be regarded as material include information with respect to:

- financial results, financial condition, earnings pre-announcements, guidance, projections or forecasts, particularly if inconsistent with the expectations of the investment community;
- restatements of financial results, or material impairments, write-offs or restructurings;
- changes in independent auditors, or notification that the Company may no longer rely on an audit report;
- impending bankruptcy or financial liquidity problems;
- significant developments involving business relationships, including execution, modification or termination of significant agreements or orders with customers, suppliers, distributors, manufacturers or other business partners;
- significant product introductions, modifications, defects or recalls or other product announcements of a significant nature;
- significant legal or regulatory developments affecting the Company, whether positive or negative, actual or threatened, including litigation or resolving litigation;
- major events or transactions involving the Company’s securities;
- significant corporate events, such as a pending or proposed merger, joint venture or tender offer, a significant investment, the acquisition or disposition of a significant business or asset or a change in control of the Company;
- major personnel changes, such as significant changes in the Executive Leadership Team or employee lay-offs;
- significant disruptions in the Company’s operations or loss, potential loss, breach or unauthorized access of the Company’s property or assets, including the Company’s facilities and information technology infrastructure;

- significant data breaches of other significant cybersecurity incidents;
- updates regarding any prior material disclosure that has materially changed; and
- the existence of a special trading restriction period.

If you have any questions as to whether information should be considered “material”, you should consult with the Chief Legal Officer. In general, it is advisable to resolve any close questions as to the materiality of any information by assuming that the information is material.

“Nonpublic” information

Information is considered nonpublic if the information has not been broadly disseminated to the public for a sufficient period to be reflected in the price of the security. As a general rule, information should be considered nonpublic until at least two *full trading days* have elapsed after the information is broadly distributed to the public in a press release, a public filing with the SEC, a pre-announced public webcast or another broad, non-exclusionary form of public communication. However, depending upon the form of the announcement and the nature of the information, it is possible that information may not be fully absorbed by the marketplace until a later time. Any questions as to whether information is nonpublic should be directed to the Chief Legal Officer.

The term “**trading day**” means a day on which national stock exchanges and the National Association of Securities Dealers, Inc. Automated Quotation System are open for trading. A “**full**” trading day has elapsed when, after the public disclosure, trading in the relevant security has opened and then closed.

POLICIES REGARDING MATERIAL NONPUBLIC INFORMATION

Confidentiality of nonpublic information

The unauthorized use or disclosure of nonpublic information relating to the Company or other companies is prohibited. All nonpublic information you acquire in the course of your service with the Company may only be used for legitimate Company business purposes. In addition, nonpublic information of others should be handled in accordance with the terms of any relevant nondisclosure agreements, and the use of any such nonpublic information should be limited to the purpose for which it was disclosed.

You must use all reasonable efforts to safeguard nonpublic information in the Company's possession. You may not disclose nonpublic information about the Company or any other company, unless required by law, or unless (i) disclosure is required for legitimate Company business purposes, (ii) you are authorized to disclose the information and (iii) appropriate steps have been taken to prevent misuse of that information (including entering an appropriate nondisclosure agreement that restricts the disclosure and use of the information, if applicable). This restriction also applies to internal communications within the Company and to communications with agents of the Company. In cases where disclosing nonpublic information to third parties is required, you should coordinate with the Legal Department.

If you have signed an At Will Employment, Confidential Information, Invention Assignment, and Arbitration Agreement or similar agreement, you must continue to comply with such agreement.

No trading on material nonpublic information

Except as discussed in the section entitled "**Limited Exceptions**", you may not, directly or indirectly through others, engage in any transaction involving the Company's securities *while aware of* material nonpublic information relating to the Company. It is not an excuse that you did not "use" the information in your transaction.

Similarly, you may not engage in transactions involving the securities of any other company if you are aware of material nonpublic information about that company (except to the extent the transactions are analogous to those presented in the section entitled "**Limited Exceptions**"). For example, you may be involved in a proposed transaction involving a prospective business relationship or transaction with another company. If information about that transaction constitutes material nonpublic information for that other company, you would be prohibited from engaging in transactions involving the securities of that other company (as well as transactions involving Company securities, if that information is material to the Company). It is important to note that "materiality" is different for different companies. Information that is not material to the Company may be material to another company. You should note that the Company's Code of Business Conduct and Ethics prohibits you from acquiring financial investments in other companies if your ownership would constitute a conflict of interests.

No disclosing material nonpublic information for the benefit of others

You may not disclose material nonpublic information concerning the Company or any other company to friends, family members or any other person or entity not authorized to receive such information where such person or entity may benefit by trading on the basis of such information.

In addition, you may not make recommendations or express opinions on the basis of material nonpublic information as to trading in the securities of companies to which such information relates. You are prohibited from engaging in these actions whether or not you derive any profit or personal benefit from doing so.

Obligation to disclose material nonpublic information to the Company

You may not enter into any transaction, including those discussed in the section entitled “**Limited Exceptions**”, unless you have disclosed any material nonpublic information that you become aware of in the course of your service with the Company, and that senior management is not aware of, to the Chief Legal Officer. If you are a member of senior management, the information must be disclosed to the Chief Executive Officer, and if you are the Chief Executive Officer or a director, you must disclose the information to the board of directors, before any transaction is permissible.

Responding to outside inquiries for information

In the event you receive an inquiry from someone outside of the Company, such as a stock analyst, for information, you should refer the inquiry to the Chief Financial Officer. The Company is required under Regulation FD (Fair Disclosure) of the U.S. federal securities laws to avoid the selective disclosure of material nonpublic information. In general, the regulation provides that when a public company discloses material nonpublic information, it must provide broad, non-exclusionary access to the information. Violations of this regulation can subject the company to SEC enforcement actions, which may result in injunctions and severe monetary penalties. The Company has established procedures for releasing material information in a manner that is designed to achieve broad public dissemination of the information immediately upon its release in compliance with applicable law. Please consult the Company’s External Communications Policy for more details.

TRADING RESTRICTION PERIODS

To limit the likelihood of trading at times when there is a significant risk of insider trading exposure, the Company institutes quarterly trading restriction periods and may institute special trading restriction periods from time to time. In addition, to comply with applicable legal requirements, the Company may also institute trading restriction periods that prevent directors and officers from trading in Company securities at a time when employees are prevented from trading Company securities in the Company's 401(k) plan.

It is important to note that whether or not you are subject to trading restriction periods, you remain subject to the prohibitions on trading on the basis of material nonpublic information and any other applicable restrictions in this Policy. The fact that you are or were not subject to a trading restriction is not a defense to a claim of insider trading and does not excuse you from otherwise complying with insider trading laws or this Policy. Further, the fact that you are or were not subject to a trading restriction does not constitute an affirmation by the Company that you are not in possession of material nonpublic information.

Quarterly trading restriction periods

Except as discussed in the section entitled "**Limited Exceptions**", all directors, executive officers and all employees and advisors identified by the Company must refrain from conducting transactions involving the Company's securities during quarterly trading restriction periods. Before the start of a quarterly restriction period, the Company's Stock Plan Administration team will inform individuals (via email from the Stocks email address) whether they are subject to the quarterly trading restriction period (any such individual subject to a quarterly trading restriction period, a "Covered Person"). If you are unsure whether you are a Covered Person covered by the quarterly trading restriction period, please contact insidertradingpolicy@nutanix.com. If you are a Covered Person, quarterly trading restriction periods also cover your immediate family members, persons with whom you share a household, persons who are your economic dependents and any entity whose transactions in securities you influence, direct or control. Even if you are not subject to a quarterly trading restriction period, you should exercise caution when engaging in transactions during a quarterly trading restriction period because of the heightened risk of insider trading exposure.

Quarterly trading restriction periods begin at the end of the seventh trading day of the last month of each fiscal quarter and end at the start of the second full trading day following the date of public announcement of the Company's financial results for that fiscal quarter. This period is a particularly sensitive time for transactions involving the Company's securities from the perspective of compliance with applicable securities laws due to the fact that, during this period, certain individuals may often possess or have access to material nonpublic information relevant to the expected financial and operating results for the quarter.

The prohibition against trading during the quarterly trading restriction period also means that brokers cannot fulfill open orders on your behalf or on behalf of members of your immediate family, persons with whom you share a household, persons who are your economic dependents or any individual or entity whose transactions in securities you influence, direct or control (including, for example, a venture or other investment fund, if you influence, direct or control transactions by the fund), during the quarterly trading restriction period, including "limit orders" to buy or sell stock at a specific price or better and "stop orders" to buy or sell stock once the price of the stock reaches a specified price. If you are subject to quarterly trading restriction periods or pre-clearance

requirements, it is your responsibility to inform any broker with whom such an open order is placed at the time it is placed.

From time to time, the Company may identify other persons who should be subject to quarterly trading restriction periods, and the Chief Legal Officer may update and revise the list of Covered Persons as appropriate.

Special trading restriction periods

From time to time, the Company may also prohibit directors, officers, employees and advisors from engaging in transactions involving the Company's securities when, in the judgment of the Chief Legal Officer, a trading restriction is warranted. The Company will generally impose special trading restriction periods when there are material developments known to the Company that have not yet been disclosed to the public. For example, the Company may impose a special trading restriction period in anticipation of announcing interim earnings guidance or a significant transaction or business development. However, special trading restriction periods may be declared for any reason.

The Company will notify those persons subject to a special trading restriction period. Each person who has been so identified and notified by the Company may not engage in any transaction involving the Company's securities until instructed otherwise by the Chief Legal Officer, and should not disclose the existence of the special trading restriction to others.

Regulation BTR restrictions

Directors and executive officers may also be subject to trading restrictions pursuant to Regulation BTR under U.S. federal securities laws. In general, Regulation BTR prohibits any director or executive officer from engaging in certain transactions involving Company securities during periods when 401(k) plan participants are prevented from purchasing, selling or otherwise acquiring or transferring an interest in certain securities held in individual account plans. Any profits realized from a transaction that violates Regulation BTR are recoverable by the Company, regardless of the intentions of the director or officer effecting the transaction. In addition, individuals who engage in such transactions are subject to sanction by the SEC as well as potential criminal liability. The Company has provided, or will provide, separate memoranda and other appropriate materials to its directors and executive officers regarding compliance with Regulation BTR.

The Company will notify directors and officers if they are subject to a trading restriction under Regulation BTR. Failure to comply with an applicable trading restriction in accordance with Regulation BTR is a violation of law and this Policy.

No "safe harbors"

There are no unconditional "safe harbors" for trades made at particular times, and all persons subject to this Policy should exercise good judgment at all times. Even when a quarterly restriction period is not in effect, you may be prohibited from engaging in transactions involving the Company's securities because you possess material nonpublic information, are subject to a special restriction period or are otherwise restricted under this Policy.

PRE-CLEARANCE OF TRADES

Except as discussed in the section entitled “**Limited Exceptions**”, directors and executive officers may not engage in any transaction involving the Company’s securities without first obtaining pre-clearance of the transaction from the Chief Financial Officer and the Chief Legal Officer. The person requesting pre-clearance should submit the preclearance request to preclearance@nutanix.com and will be asked to certify that he or she is not in possession of material nonpublic information about the Company. In addition, the Company has determined that certain other employees and advisors of the Company that may have regular or special access to material nonpublic information may not engage in any transaction involving the Company’s securities without first obtaining pre-clearance of the transaction from the Chief Financial Officer and the Chief Legal Officer. The Chief Legal Officer may not engage in a transaction involving the Company’s securities unless the Chief Financial Officer has pre-cleared the transaction. The Chief Financial Officer may not engage in a transaction involving the Company’s securities unless the Chief Legal Officer has pre-cleared the transaction. Individuals subject to pre-clearance requirements are listed on the list of Covered Persons maintained by the Chief Legal Officer. From time to time, the Company may identify other persons who should be subject to the pre-clearance requirements set forth above, and the Chief Legal Officer may update and revise the list of Covered Persons as appropriate.

These pre-clearance procedures are intended to decrease insider trading risks associated with transactions by individuals with regular or special access to material nonpublic information. In addition, requiring pre-clearance of transactions by directors and officers facilitates compliance with Rule 144 resale restrictions under the Securities Act, the liability and reporting provisions of Section 16 under the Exchange Act and Regulation BTR. **Pre-clearance of a trade, however, is not a defense to a claim of insider trading and does not excuse you from otherwise complying with insider trading laws or this Policy. Further, preclearance of a transaction does not constitute an affirmation by the Company or the Chief Legal Officer that you are not in possession of material nonpublic information.** Even after preclearance, a person must not trade the Company’s securities if he or she becomes subject to a quarterly trading restriction period or aware of material nonpublic information prior to the trade being executed.

Neither the Chief Financial Officer nor the Chief Legal Officer is under any obligation to approve a transaction submitted for pre-clearance, and may determine not to permit the transaction in his or her sole discretion.

ADDITIONAL RESTRICTIONS AND GUIDANCE

This section addresses certain types of transactions that may expose you and the Company to significant risks. You should understand that, even though a transaction may not be expressly prohibited by this section, you are responsible for ensuring that the transaction otherwise complies with other provisions in this Policy that may apply to the transaction, such as the general prohibition against insider trading as well as pre-clearance procedures and restriction periods, to the extent applicable.

Short sales

Short sales (*i.e.*, the sale of a security that must be borrowed to make delivery) and “selling short against the box” (*i.e.*, a sale with a delayed delivery) with respect to Company securities are prohibited under this Policy. Short sales may signal to the market possible bad news about the Company or a general lack of confidence in the Company’s prospects, and an expectation that the value of the Company’s securities will decline. In addition, short sales are effectively a bet against the Company’s success and may reduce the seller’s incentive to improve the Company’s performance. Short sales may also create a suspicion that the seller is engaged in insider trading.

Derivative securities and hedging transactions

You are prohibited from engaging in transactions in publicly-traded options, such as puts and calls, and other derivative securities with respect to the Company’s securities. This prohibition extends to any hedging or similar transaction designed to decrease the risks associated with holding Company securities. Stock options, stock appreciation rights and other securities issued pursuant to Company benefit plans or other compensatory arrangements with the Company are not subject to this prohibition.

Using Company securities as collateral for loans

You may not pledge Company securities as collateral for loans. If you default on the loan, the lender may sell the pledged securities as collateral in a foreclosure sale. The sale, even though not initiated at your request, is still considered a sale for your benefit and, if made at a time when you are aware of material nonpublic information or otherwise are not permitted to trade in Company securities, may result in inadvertent insider trading violations, Section 16 and Reg. BTR violations (for officers and directors), violations of this Policy and unfavorable publicity for you and the Company.

Holding Company securities in margin accounts

If you are required to comply with Section 16 of the Securities Exchange Act or the trading restriction periods or pre-clearance requirements under this Policy, you may not hold Company securities in margin accounts. Under typical margin arrangements, if you fail to meet a margin call, the broker may be entitled to sell securities held in the margin account without your consent. The sale, even though not initiated at your request, is still considered a sale for your benefit and, if made at a time when you are aware of material nonpublic information or are otherwise not permitted to trade, may result in inadvertent insider trading violations, Section 16 and Reg. BTR violations (for officers and directors), violations of this Policy and unfavorable publicity for you and the Company. For these same reasons, even if you are not prohibited from holding Company securities in margin accounts, you should exercise caution when doing so.

Placing open orders with brokers

Except in accordance with an approved trading plan (as discussed below), you should exercise caution when placing open orders, such as limit orders or stop orders, with brokers, particularly where the order is likely to remain outstanding for an extended period of time. Open orders may result in the execution of a trade at a time when you are aware of material nonpublic information or otherwise are not permitted to trade in Company securities, which may result in inadvertent insider trading violations, Section 16 and Reg. BTR violations (for officers and directors), violations of this Policy and unfavorable publicity for you and the Company. If you are subject to restriction periods or pre-clearance requirements, it is your responsibility to inform any broker with whom you place any open order at the time it is placed.

LIMITED EXCEPTIONS

The following are certain limited exceptions to the restrictions imposed by the Company under this Policy. Please be aware that even if a transaction is subject to an exception to this Policy, you will need to separately assess whether the transaction complies with applicable law. For example, even if a transaction is indicated as exempt from this Policy, you may need to comply with the “short-swing” trading restrictions under Section 16 of the Exchange Act, to the extent applicable. You are responsible for complying with applicable law at all times.

Transactions pursuant to a trading plan that complies with SEC rules

The SEC has enacted rules that provide an affirmative defense against alleged violations of U.S. federal insider trading laws for transactions pursuant to trading plans that meet certain requirements. In general, these rules, as set forth in Rule 10b5-1 under the Securities Exchange Act, provide for an affirmative defense if you enter into a contract, provide instructions or adopt a written plan for trading securities when such plan is not established or modified during a quarterly trading restriction period and you are not aware of material nonpublic information. The contract, instructions or plan must (i) specify the amount, price and date of the transaction, (ii) specify an objective method for determining the amount, price and date of the transaction and/or (iii) place any subsequent discretion for determining the amount, price and date of the transaction in another person who is not, at the time of the transaction, aware of material nonpublic information.

Transactions made pursuant to a written trading plan that (i) complies with the affirmative defense set forth in Rule 10b5-1 and (ii) is approved by the Chief Legal Officer, are not subject to the restrictions in this Policy against trades made while aware of material nonpublic information or to the pre-clearance procedures or restriction periods established under this Policy. In approving a trading plan, the Chief Legal Officer may, in furtherance of the objectives expressed in this Policy, impose criteria in addition to those set forth in Rule 10b5-1. You should therefore confer with the Chief Legal Officer prior to entering into any trading plan.

The SEC rules regarding trading plans are complex and must be complied with completely to be effective. The description provided above is only a summary, and the Company strongly advises that you consult with your legal advisor if you intend to adopt a trading plan. While trading plans are subject to review and approval by the Company, the individual adopting the trading plan is ultimately responsible for compliance with Rule 10b5-1 and ensuring that the trading plan complies with this Policy.

Trading plans must be filed with the Chief Legal Officer and must be accompanied with an executed certificate signed by the person adopting the trading plan that affirmatively states that the trading plan complies with Rule 10b5-1 and any other criteria established by the Company. The Company may publicly disclose information regarding trading plans that you may enter.

Receipt and vesting of stock options, restricted stock units, restricted stock and stock appreciation rights

The trading restrictions under this Policy do not apply to the acceptance or purchase of stock options, restricted stock units, restricted stock or stock appreciation rights issued or offered by the Company. The trading restrictions under this Policy also do not apply to the vesting, cancellation or forfeiture of stock options, restricted stock units, restricted stock or stock appreciation rights in accordance with applicable plans and agreements.

Exercise of stock options for cash

The trading restrictions under this Policy do not apply to the exercise of stock options for cash under the Company's stock option plans provided there is no other associated market activity. Likewise, the trading restrictions under this Policy do not apply to the exercise of stock options in a stock-for-stock exercise with the Company or an election to have the Company withhold securities to cover tax obligations in connection with an option exercise so long as the election is irrevocable and made in writing at a time when a trading restriction is not in place and you are not in possession of material nonpublic information. However, the trading restrictions under this Policy do apply to (i) the sale of any securities issued upon the exercise of a stock option, (ii) a cashless exercise of a stock option through a broker, since this involves selling a portion of the underlying shares to cover the costs of exercise, and (iii) any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

Purchases from the employee stock purchase plan

The trading restrictions under this Policy do not apply to purchases from the employee stock purchase plan; however, this exception does not apply to subsequent sales of the shares.

Certain 401(k) plan transactions

The trading restrictions in this Policy do not apply to purchases of Company stock in the 401(k) plan resulting from periodic contributions to the plan based on your payroll contribution election. The trading restrictions do apply, however, to elections you make under the 401(k) plan to (i) increase or decrease the amount of your contributions under the 401(k) plan if such increase or decrease will increase or decrease the amount of your contributions that will be allocated to a Company stock fund, (ii) move balances into or out of a Company stock fund, (iii) borrow money against your 401(k) plan account if the loan will result in liquidation of some or all of your Company stock fund balance, and (iv) pre-pay a plan loan if the pre-payment will result in the allocation of loan proceeds to a Company stock fund.

Stock splits, stock dividends and similar transactions

The trading restrictions under this Policy do not apply to a change in the number of securities held as a result of a stock split or stock dividend applying equally to all securities of a class, or similar transactions.

Withholding

The trading restrictions under this Policy do not apply to net share withholding with respect to equity awards where shares are withheld by the Company in order to satisfy tax withholding requirements, (i) as required by either the Company's board of directors (or a committee thereof) or the award agreement governing such equity award or (ii) as you elect, if permitted by the Company, so long as the election is irrevocable and made in writing at a time when a quarterly trading restriction is not in place and you are not in possession of material nonpublic information.

Sell to cover transactions

The trading restrictions under this Policy do not apply to sell to cover transactions where shares are sold on your behalf upon vesting of equity awards and sold in order to satisfy tax withholding requirements, (i) as required by either the Company's board of directors (or a committee thereof)

or the award agreement governing such equity award or (ii) as you elect, if permitted by the Company, so long as the election is irrevocable and made in writing at a time when a quarterly trading restriction is not in place and you are not in possession of material nonpublic information; however, this exception does not apply to any other market sale for the purposes of paying required withholding.

Inheritance

The trading restrictions under this Policy do not apply to transfers of the Company's securities by will or the laws of descent and distribution.

Change in form of ownership

Provided that prior written notice is provided to the Chief Legal Officer, transactions that involve merely a change in the form in which you own securities (such as certain tax planning or estate planning transfers) are permissible under this Policy. For example, you may transfer shares to an *inter vivos* trust of which you are the sole beneficiary during your lifetime.

Transactions in mutual, exchange-traded or index funds

Transactions in mutual, exchange-traded or index funds that hold Company securities are generally not transactions subject to this Policy. However, you should exercise caution when engaging in transactions in mutual, exchange-traded or index funds that hold Company securities. Transactions in mutual, exchange-traded or index funds may constitute an insider trading violation if you become aware of material non-public information that could materially affect the value of the mutual or index fund as a whole.

Other exceptions

Any other exception from this Policy must be approved by the Chief Legal Officer, in consultation with the Board of Directors or an independent committee of the Board of Directors.

COMPLIANCE WITH SECTION 16 OF THE SECURITIES EXCHANGE ACT

Obligations under Section 16

Section 16 of the Securities Exchange Act of 1934, and the related rules and regulations, set forth (i) reporting obligations, (ii) limitations on “short-swing” transactions and (iii) limitations on short sales and other transactions applicable to directors, officers, large shareholders and certain other persons.

The Company’s executive officers and directors are required to comply with Section 16 of the Securities Exchange Act of 1934 and related rules and regulations which set forth reporting obligations, limitations on “short swing” transactions, which are certain matching purchases and sales of the Company’s securities within a six-month period, and limitations on short sales.

Notification requirements to facilitate Section 16 reporting

To facilitate timely reporting of transactions pursuant to Section 16 requirements, each person subject to Section 16 reporting requirements must provide, or must ensure that his or her broker provides, the Company with detailed information (*e.g.*, trade date, number of shares, exact price, *etc.*) regarding his or her transactions involving the Company’s securities, including gifts, transfers, pledges and transactions pursuant to a trading plan, both prior to (to confirm compliance with pre-clearance procedures, if applicable) and promptly following execution.

Personal responsibility

The obligation to file Section 16 reports, and to otherwise comply with Section 16, is personal. The Company is not responsible for the failure to comply with Section 16 requirements.

ADDITIONAL INFORMATION

Availability of Policy

This Policy will be made available to all directors, officers, employees and advisors of the Company when they commence service with or to the Company. In addition, this Policy (or a summary of this Policy) will be circulated periodically. Each director, officer, employee and advisor of the Company is required to acknowledge that such person understands, and agrees to comply with, this Policy.

Amendments

We are committed to continuously reviewing and updating our policies and procedures. The Company therefore reserves the right to amend, alter or terminate this Policy at any time and for any reason, subject to applicable law. A current copy of the Company's policies regarding insider trading may be obtained by contacting the Chief Legal Officer.

* * *

Nothing in this Insider Trading Policy creates or implies an employment contract or term of employment. Employment at the Company is employment at-will. Employment at-will may be terminated with or without cause and with or without notice at any time by the employee or the Company. Nothing in this Insider Trading Policy shall limit the right to terminate employment at-will. No employee of the Company has any authority to enter into any agreement for employment for a specified period of time or to make any agreement or representation contrary to the Company's policy of employment at-will. Only the Chief Executive Officer of the Company has the authority to make any such agreement, which must be in writing.

The policies in this Insider Trading Policy do not constitute a complete list of Company policies or a complete list of the types of conduct that can result in discipline, up to and including discharge.

SIGNIFICANT SUBSIDIARIES OF NUTANIX, INC.

| <u>Name</u> | <u>Jurisdiction</u> |
|--|---------------------|
| Nutanix Netherlands B.V. | Netherlands |
| Nutanix Technologies India Private Limited | India |

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-227491 on Form S-3, Registration Statement Nos. 333-227513 and 333-249022 on Form S-3ASR, and Registration Statement Nos. 333-213888, 333-220517, 333-227490, 333-233499, 333-236925, and 333-248992, 333-259700, 333-267539, 333-272384, 333-274623 and 333-282227 on Form S-8 of our reports dated September 23, 2025, relating to the financial statements of Nutanix, Inc. and the effectiveness of Nutanix, Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended July 31, 2025.

/s/ DELOITTE & TOUCHE LLP

San Jose, California
September 23, 2025

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Rajiv Ramaswami, certify that:

1. I have reviewed this Annual Report on Form 10-K of Nutanix, Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.
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Date: September 23, 2025

/s/ Rajiv Ramaswami

Rajiv Ramaswami

President and Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Rukmini Sivaraman, certify that:

1. I have reviewed this Annual Report on Form 10-K of Nutanix, Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.
-

Date: September 23, 2025

/s/ Rukmini Sivaraman

Rukmini Sivaraman
Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Rajiv Ramaswami, certify pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report on Form 10-K of Nutanix, Inc. for the fiscal year ended July 31, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act and that the information contained in such Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and results of operations of Nutanix, Inc.

Date: September 23, 2025

/s/ Rajiv Ramaswami

Rajiv Ramaswami

President and Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Rukmini Sivaraman, certify pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report on Form 10-K of Nutanix, Inc. for the fiscal year ended July 31, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act and that the information contained in such Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and results of operations of Nutanix, Inc.

Date: September 23, 2025

/s/ Rukmini Sivaraman

Rukmini Sivaraman

Chief Financial Officer

(Principal Financial Officer)

