**Additional Color on S&M Expense**

In the Investor Letter we originally posted on February 8, 2022 and during our Q3 FY22 earnings call on the same day, we provided additional info on our non-cash commission expense related to our prior model.

Within the Investor Letter and on our earnings call, we stated that if we exclude certain non-cash commissions expense that was amortized over the quarter, sales and marketing spend would have declined by over $2 million sequentially. To give some more background and color, we want to provide an additional clarification that this, however, doesn’t also back out the equivalent of the non-cash amortization in the prior quarter. If non-cash amortization is removed from both quarters, we would have seen an increase in sales and marketing spend of approximately $7 million sequentially.

Of note, if we look at this from a year-over-year basis, sales and marketing spend would’ve stayed largely flat if the non-cash amortization under the old model is removed from the third quarter in fiscal 2022 (and not removed from the prior comparison period, as these are expenses attributed to and pertinent under the old model).