FORM 6-K

CURRENT REPORT

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of August 2024

Commission File Number: 001-39829

COGNYTE SOFTWARE LTD.

(Translation of registrant's name into English)

33 Maskit
Herzliya Pituach
4673333, Israel

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F ☑ Form 40-F ☐

EXPLANATORY NOTE

On August 20, 2024, Cognyte Software Ltd. (the "Company") issued a press release related to its Annual General Meeting of Shareholders to be held on September 4, 2024 (the "Annual General Meeting"). A copy of this press release is furnished as Exhibit 99.1 hereto.

Also on August 20, 2024, the Company posted an investor presentation on its website related to the Annual General Meeting. A copy of the investor presentation is furnished as Exhibit 99.2 hereto.

The information in this Form 6-K (including in Exhibits 99.1 and 99.2) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act.

Exhibit No.	Description
99.1	Press Release Issued on August 20, 2024.
99.2	Investor Presentation Posted on August 20, 2024.

SIGNATURES

Pursuant to the requirements 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.

COGNYTE SOFTWARE LTD.

Date: August 20, 2024

By:		/s/ Elad Sharon
Name:		Elad Sharon
Title:		Chief Executive Officer

Exhibit 99.1

Cognyte Releases Investor Presentation Highlighting Business Momentum in Advance of Annual Meeting

Details Decisive Actions Taken by Board and Management to Drive Improved Results and Deliver Long-Term Shareholder Value

Explains Why the Election of Value Base Fund's Proposed Director Candidate Tal Yaacobi Would Weaken the Cognyte Board

Encourages Shareholders to Vote **"FOR"** *Cognyte's Independent Chairman Earl Shanks,* "**FOR**" *Chief Executive Officer Elad Sharon,* "**AGAINST**" *Tal Yaacobi, and* "**FOR**" *the Proposal to Approve the Amendments to Cognyte's CEO Compensation Plan*

HERZLIYA, Israel, August 20, 2024 – Cognyte Software Ltd. (NASDAQ: CGNT) (the "Company" or "Cognyte"), a global leader in investigative analytics software, today released a presentation to shareholders explaining why shareholders should vote to elect two of Cognyte's key leaders – Chairman Earl Shanks and CEO Elad Sharon – to the Board of Directors (the "Board") and support the CEO's compensation plan by voting ahead of Cognyte's Annual Meeting of Shareholders to be held on September 4, 2024.

The presentation is available at: https://www.cognyte.com/wp-content/uploads/2024/08/Cognyte_Presentation_to_Shareholders_August_2024.pdf The presentation and other important information relating to the Annual Meeting can also be found at https://www.cognyte.com/investors/.

In the presentation, Cognyte highlights its business momentum, recent strategic initiatives, improved financial performance, refreshed Board composition, performance-based compensation structure, and commitment to ongoing enhancement of corporate governance and financial disclosure. The Company also provides information and analysis that demonstrates that electing Tal Yaacobi, a director candidate nominated by Value Base Fund, would weaken the Board. Finally, the Company demonstrates that the compensation plan aligns the Company's pay with performance and is in-line with compensation at peer companies.

To help ensure Cognyte's strong momentum and progress continues, the Board urges shareholders to support the current strategy and Board. Please vote "FOR" Earl Shanks and Elad Sharon and "AGAINST" the election of Tal Yaacobi, and "FOR" the proposal to approve the amendments to Cognyte's CEO compensation plan.

Shareholders who have any questions or need assistance voting their shares should contact the Company's proxy solicitor, Saratoga Proxy Consulting, at +1 (888) 368-0379 or +1 (212) 257-1311 or by email at info@saratogaproxy.com.

Advisors

Spotlight Advisors is serving as financial advisor, Paul Hastings LLP and Meitar are serving as legal advisors, Saratoga Proxy Consulting, LLC is serving as proxy advisor and FNK IR is serving as communications advisor to Cognyte Software.

About Cognyte Software Ltd.

Cognyte Software Ltd. is a global leader in investigative analytics software that empowers a variety of government and other organizations with Actionable Intelligence for a Safer World™. Our open interface software is designed to help customers accelerate and improve the effectiveness of investigations and decision-making. Hundreds of customers rely on our solutions to accelerate and conduct investigations and derive insights, with which they identify, neutralize, and tackle threats to national security and address different forms of criminal and terror activities. Learn more at www.cognyte.com.

Cautionary Statement Regarding Forward-Looking Statements

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are identified by use of the words "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "projects," "should," "views," and similar expressions.

Any forward-looking statements contained herein are based on current expectations, but are subject to risks and uncertainties that could cause actual results to differ materially from those indicated, including, but not limited to, the impact and contributions of the slate of director nominees Cognyte has nominated, the projected growth of Cognyte's business, and Cognyte's ability to achieve its financial and business plans, goals and objectives and drive shareholder value, including with respect to its ability to successfully implement its strategy, and other risk factors discussed from time to time in Cognyte's filings with the SEC, including those factors discussed under the caption "Risk Factors" in its most recent annual report on Form 20-F, filed with the Securities and Exchange Commission ("SEC") on April 9, 2024, as amended on April 19, 2024 and in subsequent reports filed with or furnished to the SEC. Cognyte assumes no obligation and does not intend to update these forward-looking statements, except as required by law, to reflect events or circumstances occurring after today's date.

Investor Relations Contact:

Rob Fink
FNK IR on behalf of Cognyte Software
cgnt@fnkir.com

Exhibit 99.2

Cognyte

GLOBAL LEADER IN
INVESTIGATIVE
ANALYTICS

August 2024

DISCLAIMERS

Forward Looking Statements

This presentation contains "forward-looking statements," including statements regarding expectations, predictions, views, opportunities, plans, strategies, beliefs, and statements of similar effect relating to Cognyte Software Ltd. (the "Company," "we" and "us"). These forward-looking statements are not guarantees of future performance and they are based on management's expectations that involve a number of known and unknown risks, uncertainties, assumptions, and other important factors, any of which could cause our actual results to differ materially from those expressed in or implied by the forward-looking statements. The forward-looking statements contained in this presentation are made as of the date of this presentation and, except as required by law, Cognyte assumes no obligation to update or revise them, or to provide reasons why actual results may differ. For a more detailed discussion of how these and other risks, uncertainties, and assumptions could cause Cognyte's actual results to differ materially from those indicated in its forward-looking statements, see Cognyte's filings with the Securities and Exchange Commission.

Non-GAAP Financial Measures

This presentation includes financial measures which are not prepared in accordance with generally accepted accounting principles ("GAAP"), including certain constant currency measures. For a description of these non-GAAP financial measures, including the reasons management uses each measure, and reconciliations of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP, please see the appendices to this presentation as well as the GAAP to non-GAAP reconciliation found under the Investor Relations tab on Cognyte's website Cognyte.com.

Disclaimer

Cognyte has neither sought nor obtained the consent from any third party to use any statements or information contained in this presentation that have been obtained or derived from statements made or published by such third parties. Any such statements or information should not be viewed as indicating the support of such third parties for the views expressed herein.

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SECTION ONE

EXECUTIVE SUMMARY

Cognyte

EXECUTIVE SUMMARY

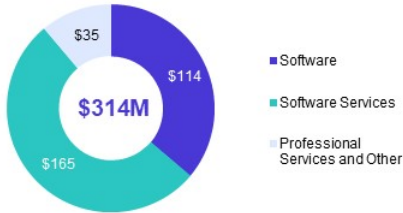|	
Cognyte Is Executing a Strategy to Deliver Long-Term Value	▶ Cognyte is a global leader in investigative analytics software that empowers a variety of government and other organizations with actionable intelligence; the Company was spun out of Verint Systems in 2021 ▶ After the spin-off, Cognyte was adversely impacted by global component shortages, geopolitical disruptions, re-prioritization of spending by governments on COVID and challenging macroeconomic conditions that led to constrained customer budgets and reduced revenue ▶ Our leadership team acted quickly to adjust the Company's cost structure, improve pipeline conversions, sell non-core assets and take other actions to enhance focus, restore growth and drive profitability
Cognyte's Strategy Is Driving Sustainable, Profitable Growth	▶ These actions have returned Cognyte to growth, delivering sustained and expanding profitability ▶ Cognyte has generated three consecutive quarters of year-over-year revenue and Adjusted EBITDA growth while expanding gross margins ▶ Analysts and investors are recognizing our improvement; we have delivered a total shareholder return of 44% over the last 12 months[1] ▶ We are expecting continued growth in FYE 2025 and recently raised guidance for the year, reflecting increased confidence in our business
Cognyte Has the Right Board to Oversee Its Strategy	▶ The Board has refreshed its composition and leadership, adding four new directors, with four directors retiring or resigning, and appointing Earl Shanks as Chair of the Board, to ensure we have the right mix of skills and experience in place ▶ The Board formed a Strategy Committee to support its oversight of strategic projects and initiatives, including resource allocation and performance management ▶ The Board and leadership team also expanded our shareholder outreach program to improve corporate transparency and gather feedback ▶ Based on the feedback we received, the Board enhanced the Company's governance and compensation disclosures to provide additional insight into the Board's responsibilities and practices and our executive compensation philosophy and design
Value Base's Campaign Is Misguided	▶ Despite the Company's progress, one of our shareholders, Value Base Fund, is seeking to replace either Cognyte's Chair or its CEO ▶ Value Base's motives are unclear; it has offered no meaningful suggestions for improving our strategy, operations or governance ▶ Value Base's nominee, Tal Yaacobi, has no experience in software, defense, intelligence or any other relevant industry; he offers no functional skills or expertise that the incumbent directors do not already possess ▶ The replacement of either our Chair or CEO with Mr. Yaacobi will unquestionably weaken the Board and disrupt our progress

1. *Source: FactSet. Data as of August 16, 2024.*

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OVERVIEW OF COGNYTE SOFTWARE LTD. (NASDAQ: CGNT)

▶ Cognyte is a global leader in investigative analytics software, providing actionable intelligence for a safer world

▶ Hundreds of governments and other organizations rely on our solutions to accelerate and conduct investigations and derive insights with which they identify, neutralize and address threats

▶ With over three decades of investigative analytics market leadership, we have deep relationships with our customers; we are a partner-of-choice for customers in more than 100 countries, who trust us to help them solve some of their most complex and pressing security challenges

▶ As technology evolves, data proliferates, and security threats become more numerous and more sophisticated, our open interface software, which can adapt and extend rapidly, is increasingly attractive to our target customers
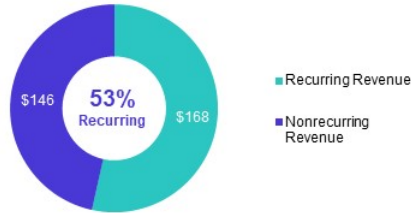
SUMMARY DATA

Market Value ($M)	$526.7
Enterprise Value ($M)	$464.6
FYE 2024 GAAP Revenue	$313.4
EV/FYE 2024 GAAP Revenue	1.48x
FYE 2024 GAAP Gross Profit ($M)	$215.4
FYE 2024 GAAP Gross Margin	68.7%
FYE 2024 Adjusted EBITDA ($M)	$9.0
Customers	~400
Employees	1,600+

FYE 2024 REVENUE BY CATEGORY ($M)

$314M

- $35
- $114
- $165

■ Software
■ Software Services
■ Professional Services and Other

FYE 2024 REVENUE BY TYPE ($M)

53% Recurring

- $146
- $168

■ Recurring Revenue
■ Nonrecurring Revenue

REMAINING PERFORMANCE OBLIGATIONS ($M)[1]

	FYE 2022	FYE 2023	FYE 2024
>1 Year	$210	$302	$289
<1 Year	$288	$281	$303
Total	$498	$583	$592

■ <1 Year ■ >1 Year

WE HAVE EVOLVED THE BUSINESS AND GOVERNANCE OVER THE LAST FEW YEARS

	CY 2021	CY 2022	CY 2023	CY 2024
STRATEGIC, ORGANIZATIONAL AND INVESTOR COMMUNICATIONS CHANGES	▶ Completed the spin-off from Verint and began operating as an independent public company ▶ Substantially completed our transition from a systems integrator to a software company	▶ Sold our Situational Intelligence Solutions business for $47.5M plus a performance-based earn-out ▶ Implemented cost-reduction efforts ▶ Expanded our strategic partnership programs to leverage qualified strategic partners to extend our reach	▶ Promoted Efi Nuri to the role of Chief Revenue Officer ▶ Promoted Amir Barel to the role of Chief Technology Officer ▶ Appointed Gil Cohen to the role of Chief Product Officer ▶ Continued cost-reduction efforts and reduced headcount	▶ Strategically invested in sales and marketing to help expand our presence in North America ▶ Began publicly providing new KPIs (quarterly recurring revenue and annual new customers)
BOARD AND GOVERNANCE CHANGES	▶ Formed a new Board of Directors in connection with the spin-off; three of the six independent directors were new and had no prior affiliation with Verint	▶ Held our first Annual General Meeting of shareholders as an independent public company ▶ Appointed Dafna Sharir to the Board ▶ Dafna Gruber resigned from the Board	▶ Appointed Avi Cohen to the Board ▶ Appointed Earl Shanks as Chair of the Board ▶ Dan Bodner retired from the Board ▶ Initiated a comprehensive shareholder engagement program	▶ Appointed Ron Shvili and Sarit Sagiv to the Board, with Zvika Naggan and Karmit Shilo retiring ▶ Significantly enhanced proxy statement disclosures regarding compensation and governance ▶ Formed a Strategy Committee to support oversight of strategic projects

OUR ACTIONS HAVE DRIVEN IMPROVED PERFORMANCE

NON-GAAP REVENUE GROWTH ($M)

+13%

Q1 FYE 2024	Q2 FYE 2024	Q3 FYE 2024	Q4 FYE 2024	Q1 FYE 2025
$73.4	$77.1	$79.4	$83.7	$82.7

NON-GAAP GROSS PROFIT GROWING FASTER THAN REVENUE ($M)

+17%

Q1 FYE 2024	Q2 FYE 2024	Q3 FYE 2024	Q4 FYE 2024	Q1 FYE 2025
$50.2	$53.3	$55.7	$57.8	$58.8

ADJUSTED EBITDA INCREASING ($M)

Q1 FYE 2024	Q2 FYE 2024	Q3 FYE 2024	Q4 FYE 2024	Q1 FYE 2025
($2.3)	$2.3	$4.6	$4.3	$5.0

GROWING & WINNING CUSTOMERS

TECHNOLOGY LEADERSHIP

LEVERAGE IN THE MODEL

OUR SHAREHOLDER RETURNS HAVE IMPROVED

YTD
TOTAL SHAREHOLDER RETURN

- Cognyte: **15%**
- Proxy Peers: (12%)
- Nasdaq Composite Index: 17%

1-YEAR
TOTAL SHAREHOLDER RETURN

- Cognyte: **44%**
- Proxy Peers: (6%)
- Nasdaq Composite Index: 31%

2-YEAR
TOTAL SHAREHOLDER RETURN

- Cognyte: **44%**
- Proxy Peers: (22%)
- Nasdaq Composite Index: 35%

VALUE BASE'S NOMINEE WILL NOT ADD VALUE

TAL YAACOBI
CEO and Managing Partner, Value Base Fund Limited Partnership

- ✕ No experience in software, defense, intelligence or any other relevant industry

- ✕ Has not provided any concrete suggestions for improving our strategy, operations, organization, governance or disclosures

- ✕ Offers no functional skills or expertise that the incumbent directors do not already possess

- ✕ No evidence to suggest he can help support our global expansion efforts

- ✕ Does not fit the profile that the Board and, in our view, other shareholders, are looking for in our next director (i.e., a U.S.-based candidate with defense experience)

- ✕ The Board has meaningfully refreshed itself since the spin-off, with four Israel-based directors joining and four directors retiring or resigning; to achieve our global ambitions, adding another new Israel-based director at this time would reduce our flexibility to expand and add U.S. (or other global) experience

- ✕ His election would result in the removal of either the Company's Chair or CEO, threatening our recent progress, customer relationships and global ambitions

SHAREHOLDERS SHOULD SUPPORT COGNYTE'S BOARD

WE HAVE TAKEN ACTION TO DRIVE SUSTAINABLE, PROFITABLE GROWTH

- As a result of the pandemic, our business faced significant disruption; geopolitical and macroeconomic developments negatively impacting pipeline conversion and customer budgets, while supply chain issues relating to third-party hardware providers delayed the integration of our software, and thus revenue recognition

- We took action to address those challenges, augmenting and refocusing our internal team to shorten the sales cycle, continuing our shift away from systems integration and hardware sales and collaborating with our customers to accelerate the deployment schedule

- We also reduced expenses significantly to right-size our cost structure (without creating longer-term issues) and preserve margins

- These actions have worked; we have delivered three consecutive quarters of year over year revenue growth and margin expansion, strengthened our balance sheet and increased cash flow

- Shareholder returns have also improved, and we have outperformed our peers and the broader market over the last year

OUR BOARD IS BEST POSITIONED TO CONTINUE EXECUTING OUR STRATEGY

- The Board is comprised of seven engaged, diverse and dynamic leaders, whose skillsets are closely aligned with the key drivers of our business

- The Board has engaged regularly with shareholders and, based on the feedback received, refined and advanced the Company's strategy and improved transparency and disclosures

- The Board has also refreshed its composition and leadership: since the spin-off in 2021, the Board has appointed four new directors, deliberately augmenting the Board with critical new skills, and a new Chair, with four directors retiring or resigning

- The Board has the skills, expertise and institutional knowledge to continue to oversee our efforts to strengthen and reposition the business; we are committed to adding a U.S.-based director in the near future

- The election of Value Base's nominee would remove a critical leader – either our Chair or our CEO – from the Board at a vital time and is not in shareholders' interest

SECTION TWO

COGNYTE IS EXECUTING A STRATEGY TO DELIVER LONG-TERM VALUE

Cognyte

COGNYTE IS MAKING THE WORLD SAFER

By empowering organizations with our unparalleled investigative analytics technology to identify threats, provide insights, and accelerate investigations and decision making

LAW ENFORCEMENT

NATIONAL INTELLIGENCE

NATIONAL SECURITY

~400 Customers

GLOBAL INVESTIGATIVE ANALYTICS LEADER

30
Years of experience
3 years as an independent publicly traded company

~400
Customers

100+
Countries

13
Global offices

1,600+
Employees

EMEA ~55%

AMERICAS ~17%

APAC ~28%
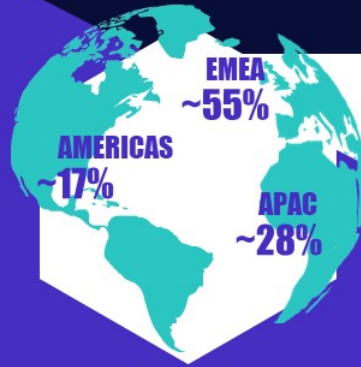
*Regional Revenue %

All figures on this page are for the year ended January 31, 2024

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A PLATFORM WITH GROWTH OPPORTUNITIES:
VOLUME
USE CASE
FUNCTIONALITY
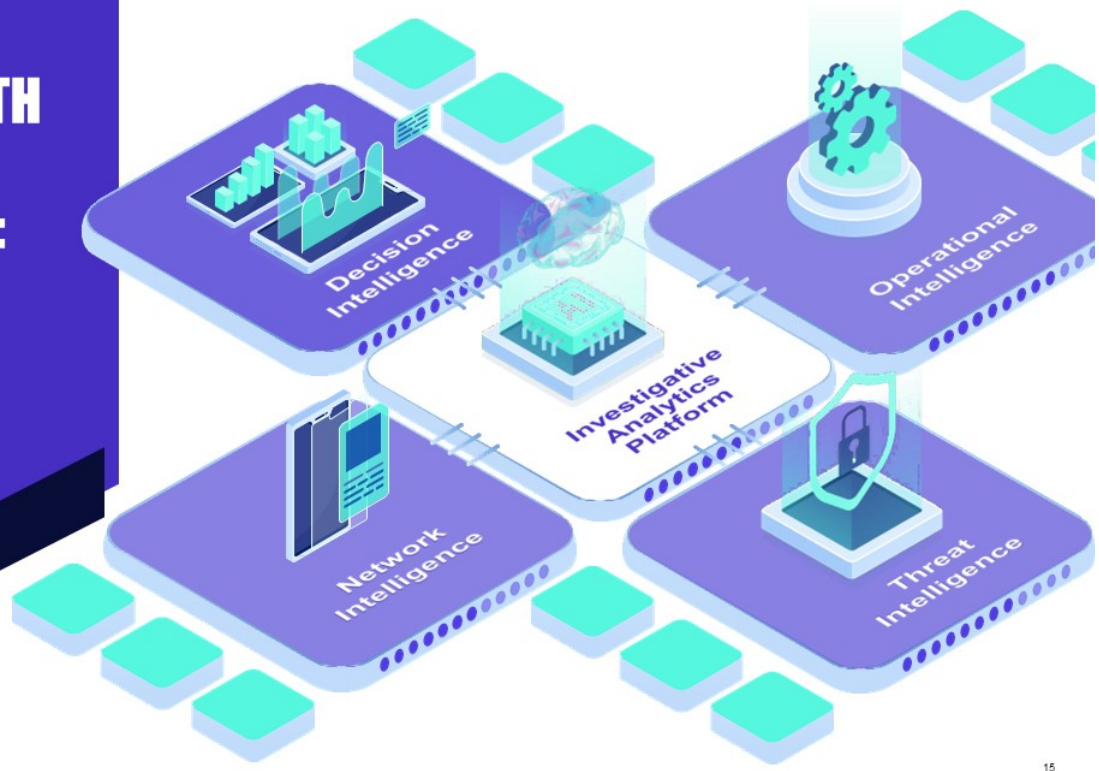
UNIQUELY DESIGNED FOR OUR CUSTOMERS' DATA & MISSION

Uncover bad actors hiding their digital footprints

Powerful data discovery capabilities

+ Our **AI-powered algorithms** analyze **numerous large** and **complex data sets** to connect bits and pieces of information and deliver insights to investigators
+ **Generate previously unknown insights** without needing to define the questions and queries ahead of time

Time sensitive and mission critical

+ When every second counts, deliver **powerful** and **accurate** results beyond the abilities of human investigators or legacy technologies

EVER - INCREASING THREATS

INVESTIGATIVE ANALYTICS IS MORE CRUCIAL THAN EVER

EXPONENTIAL DATA GROWTH IN VOLUMES AND DIVERSITY

HIGHER COMPLEXITY

TECHNOLOGY DISRUPTION

CUTTING EDGE TECHNOLOGY

Strong competitive advantage and robust infrastructure for future innovation

STATE OF THE ART ARCHITECTURE
Flexible deployment & open interface
Cloud & on-prem

PLUGGABLE MACHINE LEARNING
Enhances value to customers

NO CODE DATA FUSION
Empowering customer independence

INVESTIGATIONS AT SCALE
Nation-wide investigation

PREMIUM BIG DATA FUSION & ANALYTICS PLATFORM

DELIVERING NEAR REAL-TIME INSIGHTS

~300 Registered patents

~800 R&D experts

6 Global centers

RESEARCH HUB Leading industry researchers

All figures on this page are for the year ended January 31, 2024

AI – ACCELERATE INVESTIGATIONS' SPEED, ACCURACY AND SUCCESS RATE

Leveraging the synergy of our AI research hub and deep domain expertise

UNCOVERING MORE HIDDEN INSIGHTS

Uncovering connections and relations between entities, events or objects based on any data using various AI technologies

FASTER AND MORE EFFICIENT

Automated processes improve decision making in real time

EFFECTIVE PREDICTION

Mitigate threats before they unfold. Enhance the application of investigator-like approach to data at scale

MORE USE CASES

Potential expansion from security into new civil market segments

WELL POSITIONED FOR FUTURE GROWTH

ADDRESSING MANY USE CASES

LOYAL GLOBAL CUSTOMER BASE

DIFFERENTIATED TECHNOLOGY POWERED BY AI

DEEP DOMAIN EXPERTISE

OUR PEOPLE

SECTION THREE

COGNYTE'S STRATEGY IS DRIVING SUSTAINABLE, PROFITABLE GROWTH

Cognyte

Our Business Was Facing Challenges and We Took Action

Challenge	Goal	Actions Taken	Outcome
We were experiencing **longer sales cycles across all geographies** as customers faced reduced funding and budget constraints	Maximize pipeline sales by focusing on highest potential opportunities	Appointed a new CRO to improve execution Reallocated internal resources based on opportunities	✓ **Returned to growth; short-term remaining performance obligations reached a record of $312 million in Q1 FYE 2025**
Revenue had declined due to backlog conversion challenges, supply chain issues and other challenges, and our **cost structure was misaligned with the needs of our business**	Reduce expenses to stabilize and improve margins	Reduced headcount across the company to right-size our cost structure	✓ **Reduced operating expenses by 26% from Q1 FYE 2023 to Q1 FYE 2025[1] while returning to growth**
External factors, like supply chain issues that impacted customer readiness and a macroeconomic slowdown, were resulting in **backlog conversion delays**	Gain better visibility into our backlog conversion opportunities, deploy resources toward highest potential opportunities and build inventories	Collaborated with customers and third-party resources to accelerate more predictable backlog deployments	✓ **Delivered three consecutive quarters of year-over-year revenue growth through Q1 FYE 2025 with improved margins**
Non-core businesses required attention and resources and were **not strategically aligned with Cognyte's most compelling opportunities in investigative analytics**	Enhance the focus of the business by moving away from a business focused on physical security implementations	Sold the Situational Intelligence Solutions business for $47.5 million in cash plus a performance-based earn-out of up to $35 million over three years	✓ **Increased our focus on fewer use cases to accelerate growth and improve margins**

1. *Q1 FYE 2025 figure includes SIS expenses eliminated due to divestiture.*

WE REDUCED COSTS TO STABILIZE MARGINS WHILE RETURNING TO GROWTH

FULL-TIME EQUIVALENT EMPLOYEES

- Service & Support
- Sales & Marketing
- Research & Development
- Product Delivery
- Management and G&A

2,002 → 1,652 → 1,613 (-19%)

FYE 2022 | FYE 2023 | FYE 2024
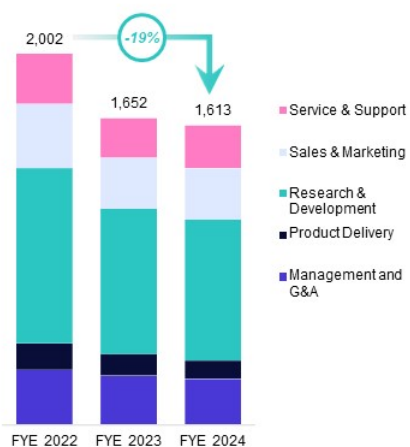
QUARTERLY SG&A EXPENSES ($M)

-22%

Q1 FYE 2023	Q2 FYE 2023	Q3 FYE 2023	Q4 FYE 2023	Q1 FYE 2024	Q2 FYE 2024	Q3 FYE 2024	Q4 FYE 2024	Q1 FYE 2025
$43	$39	$37	$35	$29	$31	$33	$33	$34

QUARTERLY R&D EXPENSES ($M)

-29%

Q1 FYE 2023	Q2 FYE 2023	Q3 FYE 2023	Q4 FYE 2023	Q1 FYE 2024	Q2 FYE 2024	Q3 FYE 2024	Q4 FYE 2024	Q1 FYE 2025
$38	$39	$33	$31	$28	$27	$25	$27	$27
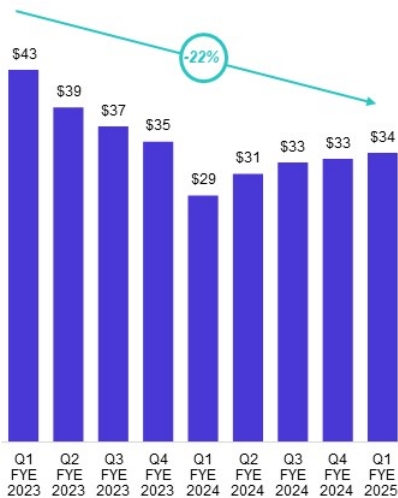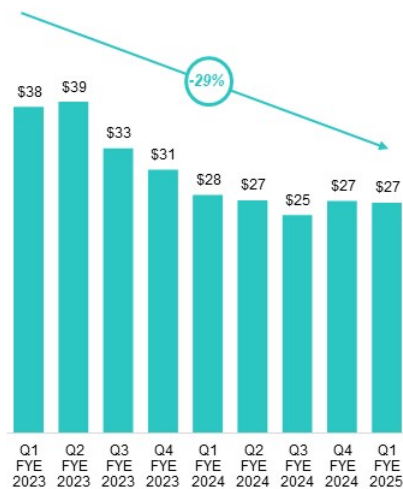
WE SOLD A NON-CORE ASSET TO SHARPEN OUR FOCUS

- On October 19, 2022, Cognyte announced the sale of its non-core physical security business Situational Intelligence Solutions (SIS)

- The consideration paid for SIS included $47.5 million in cash plus a performance-based earn-out of up to $35 million over three years

- This divestiture was aligned with Cognyte's strategy to sharpen its focus on fewer use cases to accelerate growth and improve margins
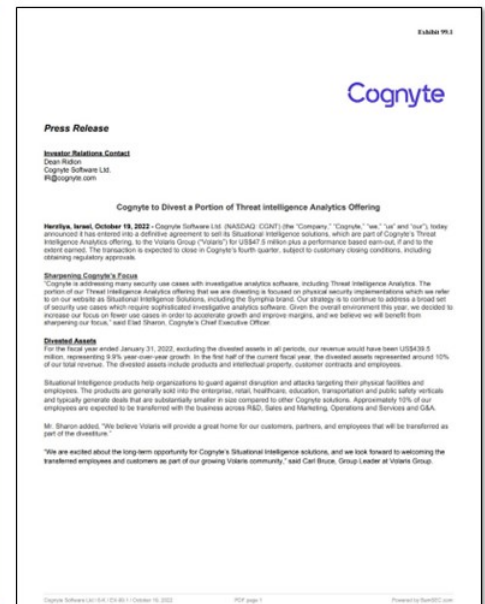
WE STRENGTHENED OUR CASH POSITION

NET CASH FROM OPERATING ACTIVITIES ($M)

Q2 FYE 2023	Q3 FYE 2023	Q4 FYE 2023	Q1 FYE 2024	Q2 FYE 2024	Q3 FYE 2024	Q4 FYE 2024	Q1 FYE 2025
($19)	($19)	$9	$19	$6	($0)	$10	$21
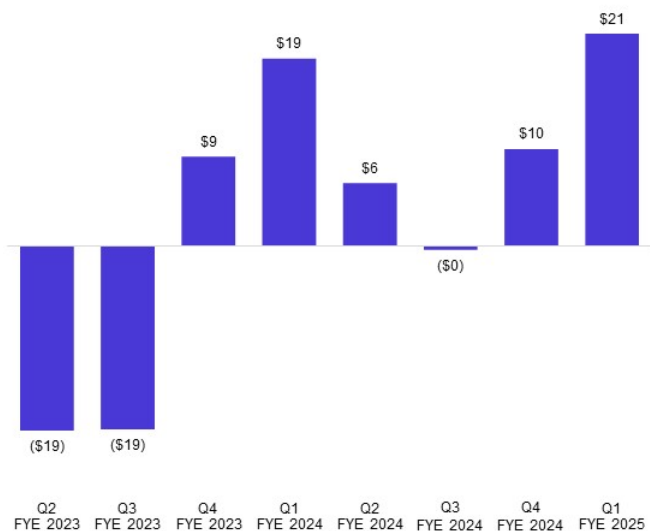
NET CASH AT QUARTER-END ($M)
No debt as of April 30, 2024

Q2 FYE 2023	Q3 FYE 2023	Q4 FYE 2023	Q1 FYE 2024	Q2 FYE 2024	Q3 FYE 2024	Q4 FYE 2024	Q1 FYE 2025
$35	$11	$56	$73	$77	$74	$83	$107
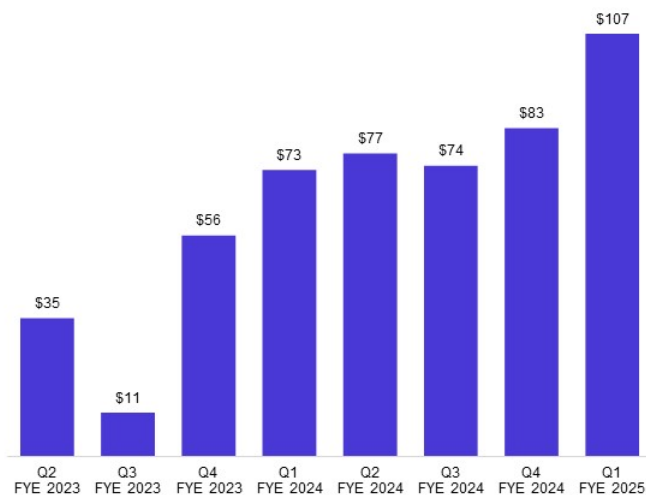
Source: Company filings.

OUR RECENT FINANCIAL RESULTS DEMONSTRATE OUR PROGRESS

NON-GAAP REVENUE ($M)
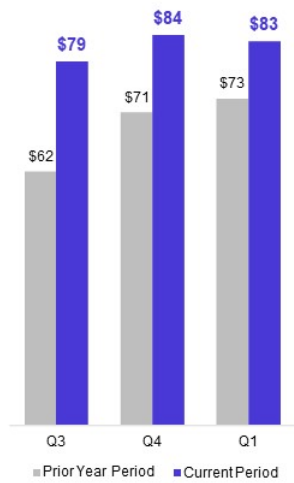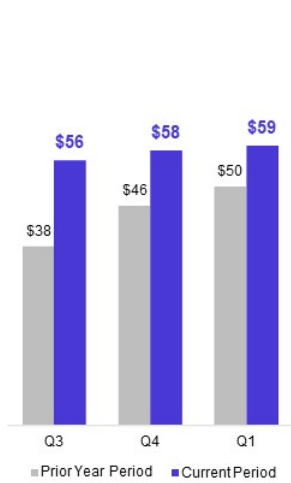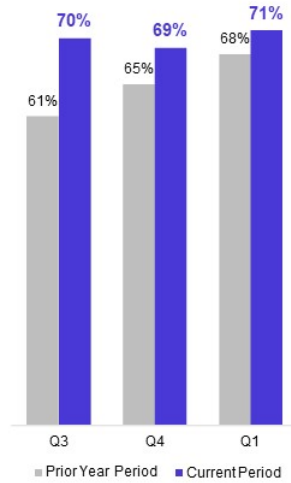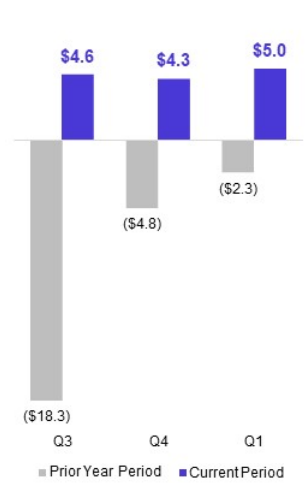
- Q3: Prior Year Period $62, Current Period $79
- Q4: Prior Year Period $71, Current Period $84
- Q1: Prior Year Period $73, Current Period $83

Prior Year Period ■ Current Period

NON-GAAP GROSS PROFIT ($M)

- Q3: Prior Year Period $38, Current Period $56
- Q4: Prior Year Period $46, Current Period $58
- Q1: Prior Year Period $50, Current Period $59

Prior Year Period ■ Current Period

NON-GAAP GROSS MARGIN

- Q3: Prior Year Period 61%, Current Period 70%
- Q4: Prior Year Period 65%, Current Period 69%
- Q1: Prior Year Period 68%, Current Period 71%

Prior Year Period ■ Current Period

ADJUSTED EBITDA ($M)

- Q3: Prior Year Period ($18.3), Current Period $4.6
- Q4: Prior Year Period ($4.8), Current Period $4.3
- Q1: Prior Year Period ($2.3), Current Period $5.0

Prior Year Period ■ Current Period

ANALYSTS HAVE RECOGNIZED OUR PROGRESS

MEAN ANALYST PRICE TARGET

+206%

January 2023	April 2023	July 2023	October 2023	January 2024	April 2024	July 2024
$3.00	$4.50	$7.25	$7.25	$7.50	$8.83	$9.17

"[P]ipelines continue to show improvement, and conversion rates continue to trend in the right direction."

EVERCORE
June 18, 2024

"Overall, we have a positive view on Cognyte's margin improvement story… [T]he outlook is improving and the company's core technology is strong."

Imperial Capital®
June 18, 2024

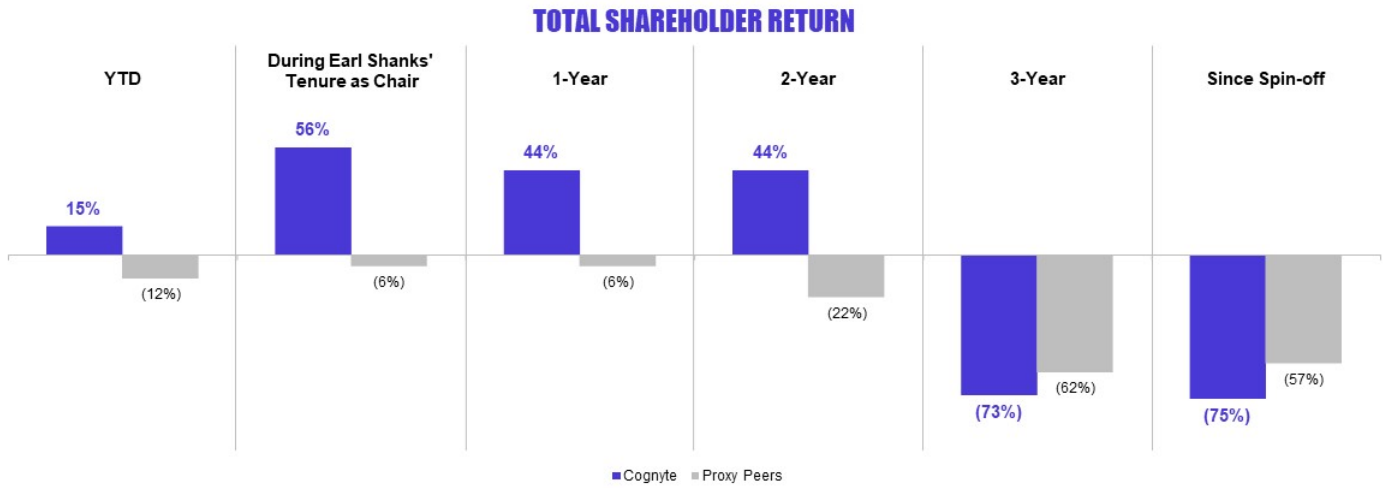*"[T]he company has continued to slowly see traction pick up while seeing an incrementally healthier market for its intelligent analytics solutions… [T]his was a step in the right direction…"*

WEDBUSH
June 20, 2024

OUR RETURNS HAVE GENERALLY BEEN COMPETITIVE WITH THOSE OF OUR PROXY PEERS

TOTAL SHAREHOLDER RETURN

| YTD | During Earl Shanks' Tenure as Chair | 1-Year | 2-Year | 3-Year | Since Spin-off |

- YTD: Cognyte 15%, Proxy Peers (12%)
- During Earl Shanks' Tenure as Chair: Cognyte 56%, Proxy Peers (6%)
- 1-Year: Cognyte 44%, Proxy Peers (6%)
- 2-Year: Cognyte 44%, Proxy Peers (22%)
- 3-Year: Cognyte (73%), Proxy Peers (62%)
- Since Spin-off: Cognyte (75%), Proxy Peers (57%)

■ Cognyte ■ Proxy Peers

> **Despite a challenging environment following the spin-off, our returns have been in-line with those of our peers, and we have outperformed recently after taking action to reposition the Company**

Source: FactSet. Data as of August 16, 2024. "Proxy Peers" refer to the companies disclosed in Cognyte's Notice and Proxy Statement for the Fiscal 2025 Annual Meeting of Shareholders and include AvePoint, BigCommerce Holdings, C3.ai, Cellebrite DI, Consensus Cloud Solutions, Domo, Enfusion, Everbridge, Kaltura, MeridianLink, Rapid7, Rimini Street, Riskified, SecureWorks, SimilarWeb, WalkMe and Zuora. Peer data refers to median.

OUR ACTIONS HAVE SUPPORTED IMPROVED PERFORMANCE AND MULTIPLE EXPANSION

2-YEAR TOTAL SHAREHOLDER RETURN

44%

(22%)

Cognyte — Proxy Peers

EV/NTM REVENUE MULTIPLE OVER THE LAST TWO YEARS

0.9x

+50%

1.3x

WE EXPECT OUR MOMENTUM TO CONTINUE

NON-GAAP REVENUE ($M)

- FYE 2023: $283
- FYE 2024: $314
- FYE 2025E: $344

ADJUSTED EBITDA ($M)

- FYE 2023: ($56)
- FYE 2024: $9
- FYE 2025E: $22

ADJUSTED EBITDA MARGIN

- FYE 2023: (19.8%)
- FYE 2024: 2.9%
- FYE 2025E: 6.4%
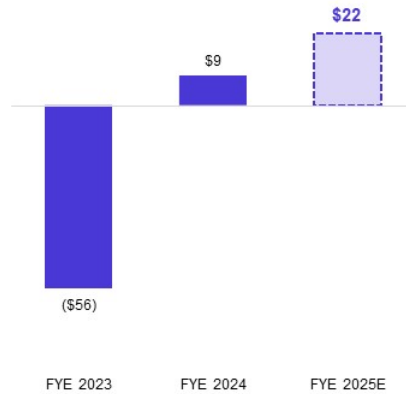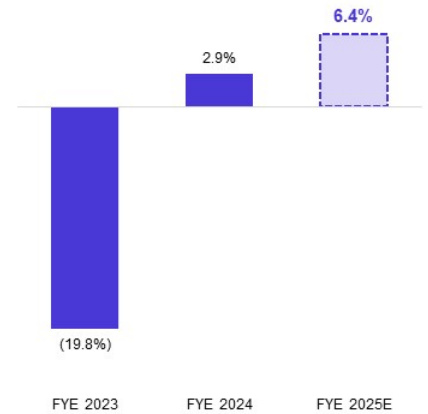
> We are expecting further revenue and Adjusted EBITDA growth as we continue to realize the benefits of the actions we have taken to strengthen and reposition the business

SECTION FOUR

COGNYTE HAS THE RIGHT BOARD TO OVERSEE ITS STRATEGY

Cognyte

WE HAVE REFRESHED THE BOARD SINCE THE SPIN-OFF

Upon our IPO as an independent public company in 2021, Cognyte formed a new Board of Directors consisting of seven highly qualified directors

The newly formed Board continued to refresh its composition, undertaking an extensive process of identifying, vetting and evaluating director candidates, and effecting a Board leadership transition in 2023

The Board continued its proactive refreshment in 2024, adding two independent directors to replace two retiring directors

DIRECTORS JOINING

Dan Bodner
Richard Nottenburg
Elad Sharon
Zvika Naggan
Karmit Shilo
Earl Shanks
Dafna Gruber
February 2021

Dafna Sharir
March 2022

Avi Cohen
June 2023

Earl Shanks appointed as Chair upon Mr. Bodner's retirement
September 2023

Sarit Sagiv
Ron Shvili
May 2024

4 JOINED

CY 2021	CY 2022	CY 2023	CY 2024

Dafna Gruber
February 2022

Dan Bodner
September 2023

Zvika Naggan
Karmit Shilo
May 2024

4 LEFT

DIRECTORS LEAVING

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THE BOARD IS SIGNIFICANTLY DIFFERENT THAN IN FEBRUARY 2021

Our Board has been reconstituted and actively refreshed to best position our Company for success through rapidly evolving industry dynamics

FEBRUARY 2021

Earl Shanks

Elad Sharon
CEO

Dan Bodner
Chair

Zvika Naggan

Dafna Gruber

Richard Nottenburg

Karmit Shilo

TODAY

Earl Shanks
New Chair

Elad Sharon
CEO

Avi Cohen
New Director

Sarit Sagiv
New Director

Dafna Sharir
New Director

Richard Nottenburg

Ron Shvili
New Director

OUR BOARD IS HIGHLY EXPERIENCED

Earl Shanks
Chair

- Former CFO of Essendent, Convergys and NCR Corporation
- Director at Gaming and Leisure Properties
- Former Director at Verint
- Former Treasurer of Farley Industries

Elad Sharon
CEO

- CEO of Cognyte
- Former President of Verint Cyber Intelligence Solutions
- Previously served as COO, SVP of Strategic Programs and SVP of Products, R&D and Delivery at Verint Cyber Intelligence Solutions

Richard Nottenburg
Independent Director

- Former CEO of Sonus Networks
- Executive Chair of NxBeam and director of Applied Digital and Sequans Communications
- Former EVP, CTO and CSO at Motorola
- Experienced public company director with previous service at eight other companies

Dafna Sharir
Independent Director

- Independent Consultant with M&A expertise
- Director at Ormat Technologies and Gilat Satellite Networks
- Former Director of M&A at Amdocs
- Former SVP of Investments at AMPAL- American Israel Corporation
- Former Tax Associate at Cravath

Avi Cohen
Independent Director

- Executive Chair of ZOOZ Power and director at NOVA; former Executive Chair of Xjet
- Former CEO of Mx1, RR Media and Orbit Technologies
- Former Group VP & Executive Committee Member at KLA Corporation
- Former COO of ECI Telecom
- Founder, Former President and CEO of Allegro Intelligent Systems

Sarit Sagiv
Independent Director

- Former CFO of NICE, Retalix (acquired by NCR), Orad Hi-Tec Systems and Cimatron
- Director of OPC Energy and NOVA
- Former GM, Global Business at Amdocs
- Investment Committee Member of Phoenix Insurance

Ron Shvili
Independent Director

- Former Deputy CEO, Executive VP and Head of Technology, IT and Innovating Division at Phoenix Holdings
- Former CTO of Cellcom
- Retired Colonel from the IDF, specialized in advanced communications, cybersecurity and AI for the Ministry of Defense
- Director at Seenity and nSure and board observer at Honeycomb Insurance
- Former director at LightCyber

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OUR BOARD HAS THE RIGHT SKILLS TO OVERSEE OUR STRATEGY

Our directors bring a balanced mix of skills, backgrounds and perspectives to oversee our strategic execution

	Earl Shanks	Elad Sharon	Richard Nottenburg	Dafna Sharir	Avi Cohen	Sarit Sagiv	Ron Shvili	
CEO / Senior Leadership	✓	✓	✓		✓	✓	✓	6 of 7 Directors
Public Board Experience	✓	✓	✓	✓	✓	✓		6 of 7 Directors
Accounting & Financial Reporting	✓	✓	✓	✓	✓	✓		6 of 7 Directors
Software Business	✓	✓	✓		✓	✓	✓	6 of 7 Directors
International Business	✓	✓	✓	✓	✓	✓		6 of 7 Directors
M&A / Capital Markets	✓	✓	✓	✓	✓	✓		6 of 7 Directors
InfoTech / Cybersecurity / IT	✓	✓			✓		✓	4 of 7 Directors
Security Analytics Domain Expertise		✓	✓				✓	3 of 7 Directors
Executive Compensation	✓	✓	✓	✓	✓	✓		6 of 7 Directors
Risk Oversight & Management	✓	✓	✓	✓	✓	✓		6 of 7 Directors

OUR GOVERNANCE SUPPORTS EFFECTIVE OVERSIGHT

We are continuing to thoughtfully evolve our governance framework as our business matures

DIVERSE, EXPERIENCED AND INDEPENDENT BOARD

- ✓ Directors have deep executive-level experience in software, technology, security analytics, capital markets, international business, accounting and financial reporting
- ✓ Independent Chair and fully independent Board committees enhance the Board's oversight
- ✓ Two of seven directors are women, and six of seven directors are independent
- ✓ Balanced mix of tenures facilitates constructive dialogue in the boardroom

ACCOUNTABILITY TO SHAREHOLDERS

- ✓ The Board and leadership team engage regularly in active dialogue with shareholders, gathering feedback to inform the Company's strategy, governance and other topics
- ✓ In response to shareholder feedback, the Company has begun disclosing new KPIs to provide a more comprehensive, transparent view of performance
- ✓ Majority voting standard in uncontested director elections leads to more responsive and attentive directors

ALIGNMENT WITH SHAREHOLDERS

- ✓ Material stock ownership by current directors and executive officers promotes alignment
- ✓ Anti-hedging policy for all employees and directors
- ✓ Compensation program has been updated to increase the weighting of performance-based awards that vest upon the achievement of rigorous strategic and financial goals

WE HAVE ENHANCED OUR DISCLOSURES

CATEGORY	DISCLOSURE ENHANCEMENT
KEY PERFORMANCE INDICATORS	✓ Quarterly recurring revenue ✓ Quarterly short- and long-term remaining performance obligations ✓ Annual new customers
BOARD COMPOSITION, SKILLS AND GOVERNANCE	✓ Director skills and diversity matrix ✓ Annual General Meeting results[1] ✓ Board and committee duties and responsibilities ✓ Board committee composition, roles and responsibilities ✓ Description of the Company's off-season shareholder engagement process ✓ Description of the Board's process for identifying and evaluating director candidates and evaluating its own competencies and needs ✓ Rules and guidelines for submitting shareholder proposals and proposing directors for election
EXECUTIVE COMPENSATION AND OWNERSHIP	✓ The Board's compensation philosophy and objectives and the process used to design the compensation program ✓ Detailed description of executive compensation plan design, including short- and long-term incentive metrics and weightings ✓ The Company's peer group and the criteria used to develop that peer group ✓ Director and officer security ownership

We are committed to evolving our disclosures to provide current and prospective shareholders with greater transparency and expect to continue to augment our disclosures over time

1. The Company has committed to publicly disclosing the meeting results for the Annual General Meeting to be held on September 4, 2024.
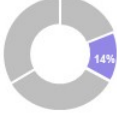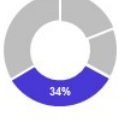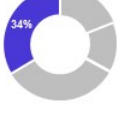
OUR COMPENSATION PROGRAM IS ALIGNED WITH OUR STRATEGY AND PERFORMANCE

Cognyte

OUR COMPENSATION PROGRAM DESIGN SUPPORTS OUR STRATEGY

		Mix (% of Total)[1]	Intent	Key Performance Dimensions
Fixed	**Base Salary**	19%	▸ Provide a fixed component of compensation that attracts and retains talented executives, and supports stable income ▸ Ensure salary is competitive with the market	▸ Based on individual skill set and performance
Variable	**Cash Incentive Bonus**	14%	▸ Reward superior performance of financial and, to a lesser extent, qualitative goals ▸ Support fixed compensation in attracting and retaining talented executives	▸ Bookings (30% weight) ▸ Non-GAAP Revenue (25% weight) ▸ Collection (25% weight) ▸ Personal goals (20%)
	Long-Term Incentive Compensation — **Performance-Based Restricted Share Units (PSUs)**	34%	▸ Align executives' interests with our shareholders' interests ▸ Reward superior long-term financial and operational performance	▸ Two-year Non-GAAP Revenue, Adjusted EBITDA and Collection (each weighted 33.3%) ▸ Long-term share price appreciation
	Time-Vesting Restricted Share Units (RSUs)	34%	▸ Align executives' interests with our shareholders' interests ▸ Incentivize long-term value creation ▸ Retain talented executives	▸ Long-term share price appreciation over a three-year vesting period

Note: Figures do not sum to 100% due to rounding.
1. Represents mix of total compensation paid to all executive officers during FYE 2024.

OUR CEO'S COMPENSATION IS, AND WILL REMAIN, ALIGNED WITH PEERS

COGNYTE CEO PERCENTILE RANKING VS. PEERS

■ Current Plan ■ Proposed Amended Plan

Total Cash Compensation Target
Current Plan: 11%
Proposed Amended Plan: 32%

	Base Salary	Annual Incentive Target	Long-Term Incentive
Current Plan	10%	23%	33%
Proposed Amended Plan	24%	39%	51%
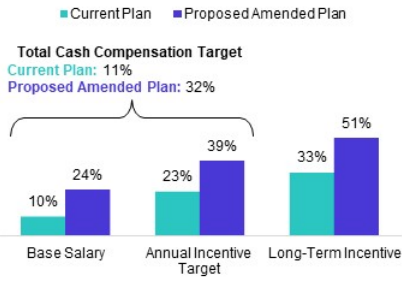
COGNYTE PERCENTILE RANKING VS. PROXY PEERS

Market Cap	LTM Revenue	Employees
38%	53%	76%
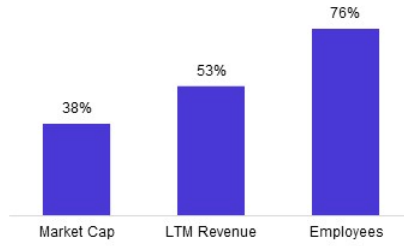
COGNYTE TSR PERCENTILE RANKING VS. PEERS

YTD	1-Year	2-Year
75%	81%	88%
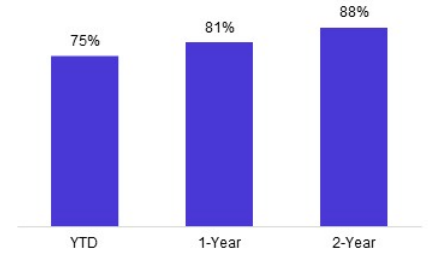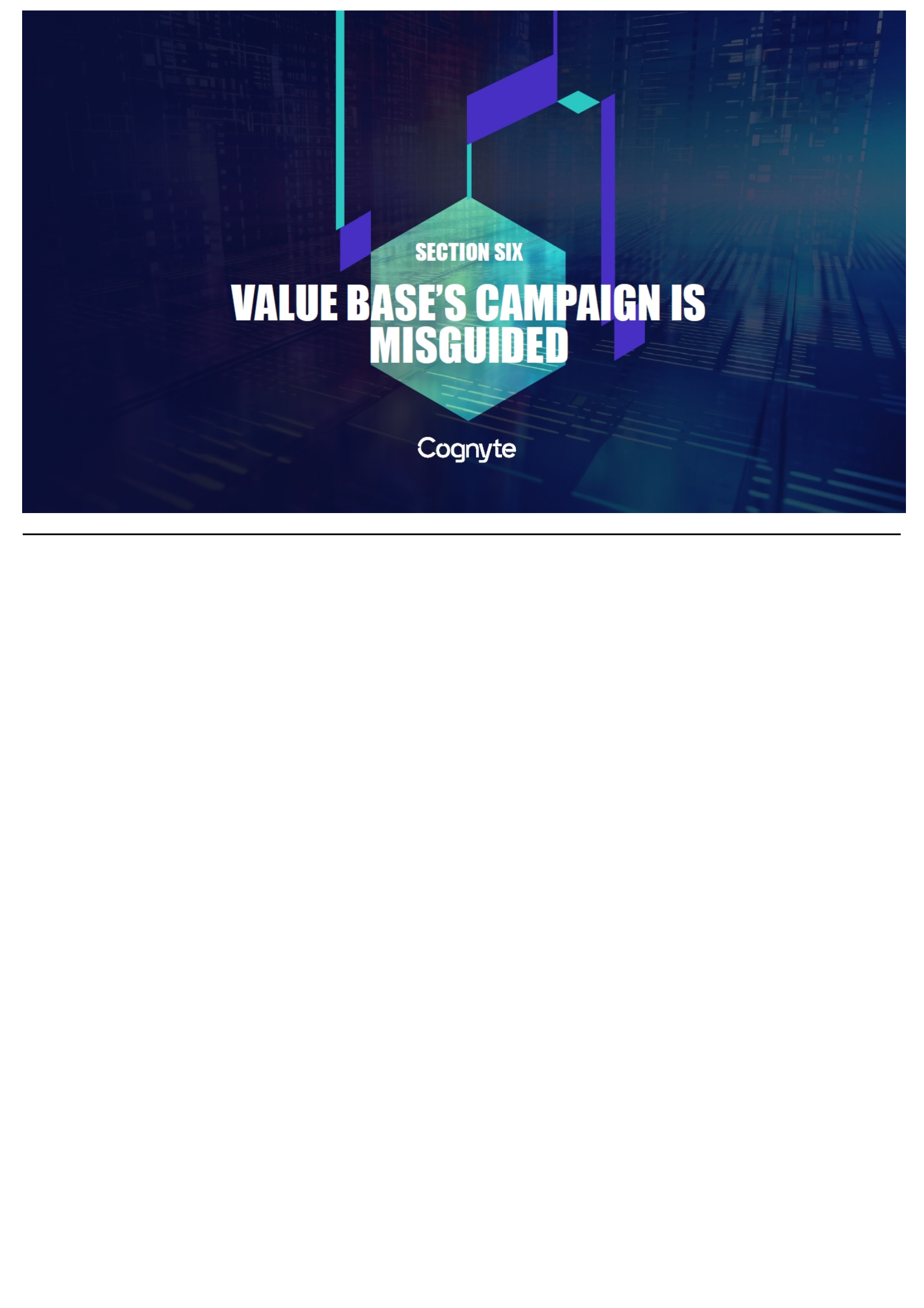
EVEN UNDER THE PROPOSED AMENDED PLAN, CEO PAY WILL REMAIN BELOW THE MEDIAN...

... DESPITE THE FACT THAT COGNYTE IS AT OR ABOVE THE PEER MEDIAN BY REVENUE AND EMPLOYEE COUNT...

...AND THE FACT THAT THE COMPANY HAS OUTPERFORMED PEERS OVER RECENT PERIODS

SECTION SIX

VALUE BASE'S CAMPAIGN IS MISGUIDED

Cognyte

VALUE BASE HAS NO IDEAS FOR IMPROVING OUR BUSINESS

PRINCIPAL IDEAS OFFERED BY VALUE BASE:

Strategy	Capital Allocation	Operations	Board & Governance
▶ **NOTHING**	▶ **NOTHING**	▶ **NOTHING**	▶ Replace the Chair or CEO with a new director who has no experience in our industry or with our customers or technology

WE HAVE ENGAGED WITH VALUE BASE IN GOOD FAITH

▶ Cognyte has been engaging with Value Base for several months to better understand its concerns and perspectives

▶ As recently as last week, Cognyte spoke with Value Base and held conversations on multiple occasions in an effort to resolve the election contest to minimize disruption and expense

    — During the meeting, Cognyte expressed its view that it would be good to avoid a public campaign and the disruption attendant to it

    — Cognyte proposed a constructive resolution that we believe should have been acceptable to Value Base

▶ However, Value Base rejected this compromise proposal and continues to insist that Cognyte appoint Mr. Yaacobi to the Board

    — Value Base has indicated that no other resolution would be acceptable

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The Board remains committed to commencing a process to identify and appoint a new independent director with significant experience in the United States

VALUE BASE'S CAMPAIGN RISKS DISPLACING KEY LEADERSHIP

EARL SHANKS
Chair of the Board

Experienced CFO and public company director with expertise in financial planning, corporate governance, restructuring and complex M&A in software and technology sectors

- ▶ Mr. Shanks is an accomplished executive with over 35 years of experience leading and transforming global technology businesses with disciplined financial planning and oversight
- ▶ He brings differentiated leadership skills with robust expertise in corporate strategic development, M&A, global treasury, procurement logistics and information technology
- ▶ Mr. Shanks has served on the Cognyte Board since 2021, overseeing the successful spin-off, and as Chair of the Board since 2023
  - — As Chair, he has ensured a smooth Board leadership transition and continuity in strategic planning and operations during a highly dynamic customer environment
  - — Previously, he served as a director of Verint Systems from 2012 to 2021, where he contributed significantly to the Company's strategic evolution, revenue growth and margin expansion
- ▶ He is the former CFO of Essendant, a leading supplier of workplace essentials, where he served from 2015 to 2017
- ▶ Prior to that, he was CFO at Convergys, a global leader in relationship management solutions and a major provider of outsourced business services, and at NCR Corporation from 1996 to 2023, where he oversaw treasury, finance, real estate and tax matters
- ▶ He is an experienced public company board director having served on Audit and Nominating and Governance Committees
  - — He currently serves as a director at Gaming and Leisure Properties, where he has contributed to strong annualized TSR performance since he joined in 2017
- ▶ Mr. Shanks is a valued leader with the right skills and expertise to address Cognyte's current business challenges and opportunities

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ELAD SHARON

Chief Executive Officer

Seasoned chief executive with a wealth of cybersecurity innovation and operating experience

▶ Mr. Sharon has served as the CEO of Cognyte since the Company's spin-off from Verint Systems in 2021

▶ Over nearly three decades of service at Cognyte and its legacy organization, Verint's Cyber Intelligence Solutions, he has developed firsthand knowledge of the Company's products and services, markets, customers, competitors, challenges and opportunities

   — Prior to becoming CEO of Cognyte, Mr. Sharon served as President of the business unit from 2016 to 2021

   — Previously, he held a range of senior management positions including Chief Operating Officer, SVP of Strategic Programs and SVP of Products, R&D and Delivery

   — He first joined the business in 1997 as a customer support engineer, forming a foundational commitment to solving customers' challenges with differentiated tech innovation

▶ Mr. Sharon has overseen the successful execution of numerous transformative strategic initiatives, including Cognyte's spin-off and Verint's acquisitions of Comverse Technology, UTX Technologies and ForeSee Results

▶ Mr. Sharon has developed and strengthened strategic partnerships and maintains critical relationships with government entities in every corner of the world

   — He has a strong relationship with many of Cognyte's ~400 customers, which he has developed over two decades, which gives him unique insights into the challenges they are facing and helps Cognyte optimize its solutions

▶ His cybersecurity and intelligence software expertise is invaluable and critical to leading Cognyte through its current challenges and realizing its opportunities and delivering long-term value

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VALUE BASE'S NOMINEE IS NOT ADDITIVE TO THE BOARD

CONCERNS

TAL YAACOBI

► No operating experience in software, cybersecurity, data analytics or information technology

► Public company board experience is limited to less than a year of service

► Has offered no substantive ideas for improving the Company's business or governance

► Value Base previously offered to arrange or participate in a highly dilutive financing of Cognyte that Mr. Yaacobi's partner recently admitted would not have been in the best interests of shareholders

► Appears more focused on localizing Cognyte's business than continuing our efforts to enter new, attractive markets such as North America

KEY QUESTIONS

► What skillsets or expertise would Mr. Yaacobi bring to the Board that Cognyte's directors do not already possess? How would these skills contribute to future value creation?

► How would Mr. Yaacobi's Israel focus serve the Company's goal of expanding its global customer and investor base?

► Does Value Base still have an interest in substantially increasing its ownership of Cognyte, which may cause Mr. Yaacobi's interests to diverge with those of other shareholders?

► How would Mr. Yaacobi ensure continuity of leadership in the event that his election results in the replacement of Cognyte's Chair or CEO?

COGNYTE'S NOMINEES ARE SUPERIOR TO VALUE BASE'S NOMINEE

	Cognyte's Nominees		Value Base's Nominee
	Earl Shanks	**Elad Sharon**	**Tal Yaacobi**
Key experience necessary to effectively oversee our business			
Software business experience	✓ Former senior executive at Convergys and NCR	✓ Has over two decades of experience in the security software industry at Cognyte and Verint	✗ Has never worked at a software company
Government services experience	✓ Extensive experience serving government entities as CFO of NCR Corp,. with deep familiarity with security and defense matters	✓ Has played a leading role in establishing Cognyte's long-standing partnerships with government entities around the world	✗ Does not appear to have had a leadership role at any business that serves government entities
Key experience necessary for effective public company board oversight			
Public company board experience	✓ Approximately two decades of combined experience on three different public company boards	✓ Has served on Cognyte's Board since the spin-off from Verint in 2021	● Appointed to his first public company board less than a year ago
C-level executive experience	✓ Former CFO of Essendant, Convergys and NCR Corporation	✓ Has served as Cognyte's CEO since 2021 and, before that, served as President of Verint's Cyber Intelligence Solutions group	✗ No C-level executive experience of any kind
Key experience necessary to help us pursue our growth strategy			
International business experience	✓ Has served as CFO of two public companies with global operations	✓ As CEO, has developed and maintained relationships with hundreds of global customers and partners	✗ Apart from two junior roles in New York ~15 years ago, has spent most of his career in Israel
Strategic planning experience	✓ Has extensive experience overseeing, developing and implementing corporate strategy and overseeing M&A	✓ Has been integral to the development and execution of Cognyte's strategy, from his time as SVP of Strategic Programs to his current role as CEO	✓ Purports to have worked with management to formulate and implement business strategies

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SECTION SEVEN

CONCLUSION

Cognyte

COGNYTE SHAREHOLDERS SHOULD SUPPORT THE BOARD'S NOMINEES

✓ COGNYTE TOOK ACTION TO PROTECT AND RESTORE SHAREHOLDER VALUE

- ▶ Shortly after our spin-off from Verint in 2021, our business began facing challenges as government security budgets were cut; geopolitical and macroeconomic instability and supply chain issues negatively impacted our customers
- ▶ In a relatively short period of time, our Board and management team have taken decisive actions to stabilize the business and improve performance
- ▶ We refocused on our highest potential opportunities, reduced expenses to realign our cost structure and worked with customers to regain visibility into our backlog
- ▶ These actions helped strengthen and reposition the Company for sustainable growth

✓ WE ARE EXECUTING WELL AND PERFORMANCE HAS IMPROVED

- ▶ Over the last year, we have returned to growth, delivering sustained and expanding profitability
- ▶ We have generated three consecutive quarters of year-over-year revenue and Adjusted EBITDA growth while expanding gross margins
- ▶ We eliminated our debt and improved our cash position
- ▶ Our stock price has also improved and, over the last 12 months, we have outperformed our peers and the broader market[1]

✓ VALUE BASE'S CAMPAIGN IS MISGUIDED AND RISKS DISPLACING KEY LEADERSHIP

- ▶ We have engaged with Value Base and its nominee several times over the last few months, but it has failed to offer any substantive recommendations for improving our business
- ▶ Value Base's nominee does not possess any unique or additive experience
- ▶ To deliver on our potential, we need directors and leaders who understand the Company and its opportunities, challenges, customers and technology; our Board, as currently comprised, reflects those attributes
- ▶ The election of Value Base's nominee would result in the loss of a key leader – either our Chair or CEO – at a critical time for the Company

PLEASE VOTE TODAY TO SUPPORT COGNYTE'S BOARD

Help Cognyte Focus on Creating Value by Supporting the Company's Board of Directors

Please Vote "FOR" Earl Shanks and Elad Sharon and "AGAINST" the Election of Tal Yaacobi, and "FOR" the Proposal to Approve the Amendments to Our CEO's Compensation Plan, Using the Instructions on Your Proxy Card

For more information or assistance voting your shares, please contact:

saratoga
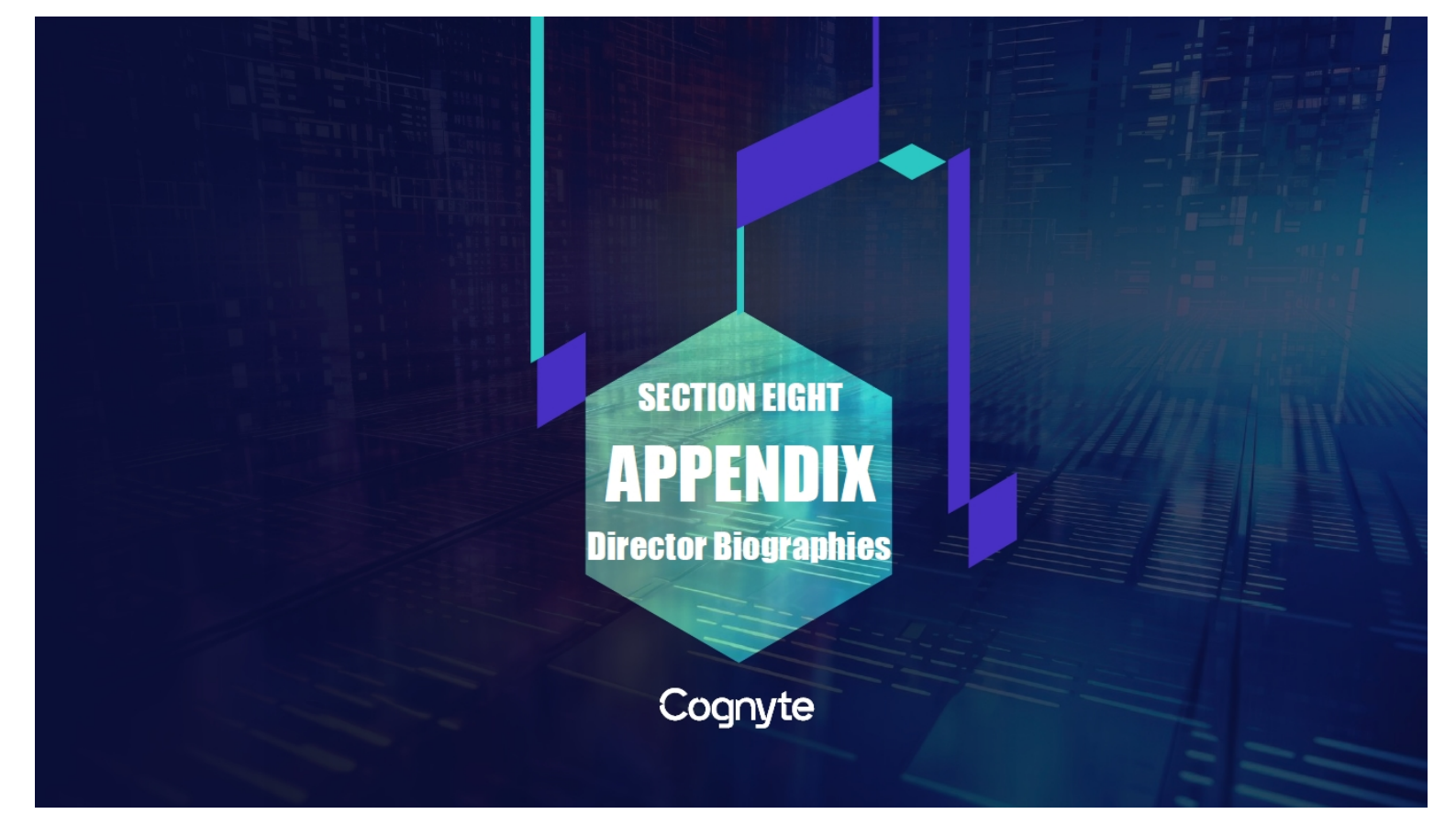
Saratoga Proxy Consulting LLC
520 8th Avenue, 14th Floor
New York, NY 10018

Telephone: **+1 (888) 368-0379**
Email: info@saratogaproxy.com

SECTION EIGHT

APPENDIX

Director Biographies

Cognyte

DIRECTOR BIOGRAPHIES

DIRECTOR	CURRENT & PAST AFFILIATIONS	EXPERIENCE
Elad Sharon *Chief Executive Officer* Director since 2021	Cognyte VERINT.	► Accomplished software executive with 20+ years of experience in the security software industry ► As CEO, oversaw significant revenue growth and margin expansion, driven by strong innovation and a market-leading portfolio of investigative analytics solutions ► Promoted to President of Verint's Cyber Intelligence Solutions business in February 2016 prior to becoming CEO of Cognyte ► Broad range of management positions at Verint since joining in 1997, including Senior Vice President of Products, R&D and Delivery, Senior Vice President of Strategic Programs and COO
Earl Shanks *Chair* Director since 2021	ESSENDANT CONVERGYS NCR GAMING&LEISURE VERINT.	► Senior executive with 35+ years of experience in leading and transforming global businesses, with core competencies in corporate strategic development, M&A, global treasury, financial planning and reporting, investor relations, procurement and IT ► CFO of Essendant, a leading supplier of workplace essentials (2015 – 2017) ► CFO of Convergys Corporation, a global leader in relationship management solutions and a major provider of outsourced business services (2003 – 2012) ► Various financial leadership roles at NCR Corporation (1996 – 2003), ultimately serving as CFO ► Treasurer at Farley Industries (1983 – 1996) ► **Other Public Company Directorships:** Gaming and Leisure Properties (2017 – Present); Verint Systems (2012 – 2021)

DIRECTOR BIOGRAPHIES (CONT'D)

DIRECTOR	CURRENT & PAST AFFILIATIONS	EXPERIENCE
Richard Nottenburg *Director since 2021*	Nxbeam, Sonus, motorola, APPLIED DIGITAL, SEQUANS COMMUNICATIONS, VERINT	▶ Highly respected technology and telecommunications executive with substantial financial and business expertise, including a diversified background of managing tech companies, serving as a CEO and serving as a director of public tech companies ▶ Executive Chair of NxBeam, an early-stage fabless semiconductor company, since 2022 and an investor in various early-stage technology companies ▶ President and Chief Executive Officer of Sonus Networks (2008 – 2010) ▶ Various roles of increasing responsibility at Motorola (2004 – 2008), ultimately serving as its Executive Vice President, Chief Strategy Officer and Chief Technology Officer ▶ **Other Public Company Directorships:** Applied Digital Corporation (2021 – Present); Sequans Communications (2016 – Present); Verint (2011, 2013 – Present); Edgewater Wireless (2019 – 2021); Anaren (2014 – 2018); Violin Memory (2014 – 2016); PMC-Sierra (2011 – 2016); Aeroflex (2010 – 2014); Comverse Technology (2011); Sonus Networks (2008 – 2010)
Dafna Sharir *Director since 2022*	Ampal, amdocs, CRAVATH, ORMAT, Gilat	▶ Well-rounded experience from working in various industries with strong background in strategy development, M&A, acquisition integration and financial analysis ▶ Independent consultant focused on M&A and business development since 2012 ▶ Advisor at Fletcher Asset Management (2008 – 2010) ▶ Advisor at Ofer Group and Israel Corp. (2005 – 2008) ▶ Senior Vice President, Investments of AMPAL-American Israel Corporation (2002 – 2005) ▶ Director of Mergers and Acquisitions of Amdocs (1999 – 2002) ▶ Associate in the tax department at Cravath, Swaine & Moore (1994 – 1996) ▶ **Other Public Company Directorships:** Ormat Technologies (2018 – Present); Gilat Satellite Networks (2016 – Present); Frutarom Industries (2014 – 2018); Ormat Industries (2012 – 2015); Formula Systems (1985) Ltd. (2005 – 2007)

DIRECTOR BIOGRAPHIES (CONT'D)

DIRECTOR	CURRENT & PAST AFFILIATIONS	EXPERIENCE
Avi Cohen *Director since 2023*	ZOOZ, XJET, orbit, KLA, NOVA	▶ 40+ years of business management experience in high tech firms with a diverse executive background and wealth of C-level expertise and insight ▶ Executive Chair of ZOOZ Power since 2021; former Executive Chair of Xjet; ▶ Multiple CEO positions, including at MX1 (2016 – 2017), RR Media (2012 – 2016) and Orbit Technologies (2008 – 2012) ▶ COO and Deputy to the CEO of ECI Telecom (2006 – 2008) ▶ Served as Group VP & Executive Committee Member at KLA Corporation (1995 – 2006) ▶ Managing Director of Octel Communications, Israel (1991 – 1994), which acquired Allegro ▶ Founder, President and CEO of Allegro Intelligent Systems (1985 – 1991) ▶ **Other Public Company Directorships:** ZOOZ Power (2021 – Present); NOVA (2008 – Present)
Sarit Sagiv *Director since 2024*	Phoenix, amdocs, NICE, NCR, OPC, NOVA	▶ Experienced board member and seasoned executive with substantial background in high tech global companies in operations and business roles ▶ Investment Committee member of Phoenix Insurance since 2019 ▶ General Manager of the Global Business division at Amdocs (2016 – 2020) ▶ CFO of NICE (2015 – 2016) ▶ CFO of Retalix (acquired by NCR) (2012 – 2013) ▶ Various senior financial positions, including VP Finance at Amdocs (2006 – 2010), CFO at Orad Hi-Tec Systems (2001 – 2005) and CFO at Cimatron (1996 – 1999) ▶ **Other Public Company Directorships:** OPC Energy (2022 – Present); NOVA (2021 – Present)

DIRECTOR	CURRENT & PAST AFFILIATIONS	EXPERIENCE
Ron Shvili *Director since 2024*	Phoenix Cellcom LIGHTCYBER Seenity nSure.ai	▶ Extensive experience as a C-level executive in the telecommunications and financial sectors and deep knowledge gained from serving as a director, investor, advisor and mentor for promising startups in the cyber and AI, insurtech and fintech industries ▶ Manages the Phoenix Holdings early-stage insurtech investment portfolio (since 2023) ▶ Serves on the boards of Seenity (since 2020) and nSure (since 2023) and is a board observer at Honeycomb Insurance (since 2020) ▶ Venture Partner at Magenta Ventures (since 2019) ▶ Advisory board member at several start-ups (Tomorrow.io, Sweet Security, Profero, Canotera and Granulate (acquired by Intel)) ▶ Deputy CEO and Executive Vice President, Head of Technology, IT and Innovating Division at Phoenix Holdings (2020 – 2023) ▶ Chief Technology Officer of Cellcom (2013 – 2020) ▶ Served on the board of LightCyber (acquired by Palo Alto Networks) (2013 – 2017) ▶ Retired Colonel from the Israeli Defense Force, where he was head of a research division in the Directorate of Defense Research and Development (DDR&D) at the Israel Ministry of Defense, specializing in the fields of advanced communications, cyber security and AI, and head of the technology center of an elite unit

SECTION EIGHT

APPENDIX

Peer Group Overview

Cognyte

PROXY PEER GROUP OVERVIEW

Company Name	Market Cap ($M)	Enterprise Value ($M)	LTM Revenue ($M)	LFY CEO Target Compensation ($M)[1]	Employees	Incorporation	Primary Exchange
AvePoint, Inc.	$2,015	$1,799	$300	$2.81	2,543	United States	NASDAQ
BigCommerce Holdings, Inc.	$463	$536	$324	$3.69	1,321	United States	NASDAQ
C3.ai, Inc.	$3,092	$2,490	$311	$31.54	891	United States	NYSE
Cellebrite DI Ltd.	$3,375	$3,208	$362	$1.96	1,008	Israel	NASDAQ
Consensus Cloud Solutions, Inc.	$389	$997	$354	$5.54	559	United States	NASDAQ
Domo, Inc.	$286	$381	$320	$1.34	958	United States	NASDAQ
Enfusion, Inc.	$753	$762	$188	$3.14	1,102	United States	NYSE
Everbridge, Inc.	-	-	$452	ND	1,593	United States	NASDAQ
Kaltura, Inc.	$181	$164	$177	$5.02	580	United States	NASDAQ
MeridianLink, Inc.	$1,622	$2,000	$308	$9.07	676	United States	NYSE
Rapid7 Inc	$2,356	$2,934	$817	$6.08	2,228	United States	NASDAQ
Rimini Street, Inc.	$163	$113	$429	$3.34	2,120	United States	NASDAQ
Riskified Ltd.	$569	$401	$312	$16.66	742	Israel	NYSE
SecureWorks Corp.	$136	$613	$357	$6.52	1,516	United States	NASDAQ
Similarweb Ltd.	$655	$628	$232	ND	899	Israel	NYSE
WalkMe Ltd.	$1,301	$1,022	$274	$7.41	1,000	Israel	NASDAQ
Zuora, Inc.	$1,234	$1,164	$438	$6.78	1,618	United States	NYSE
Cognyte Software Ltd.	**$527**	**$465**	**$323**	**$3.26**	**1,600+**	**Israel**	**NASDAQ**
25th Percentile	$363	$502	$300	$3.24	891		
Median	$704	$879	$320	$5.54	1,008		
Average	$1,162	$1,201	$350	$7.39	1,256		
75th Percentile	$1,720	$1,850	$362	$7.09	1,593		

Source: FactSet, company filings and Aon analysis. Compensation data reflects data presented in each peer company's most recent annual report available as of May 2024. All other data as of August 16, 2024.
1. Refers to total direct compensation at target, which includes base salary, target bonus and total long-term incentive compensation.

SECTION EIGHT

APPENDIX

Financial Data

Cognyte

Summary metrics

Cognyte Software Summary Metrics

($ in millions, except share and per share data; shares in thousands)		4/30/2023 GAAP	4/30/2023 Non-GAAP	7/31/2023 GAAP	7/31/2023 Non-GAAP	10/31/2023 GAAP	10/31/2023 Non-GAAP	1/31/2024 GAAP	1/31/2024 Non-GAAP	1/31/2024 (Year) GAAP	1/31/2024 (Year) Non-GAAP	4/30/2024 GAAP	4/30/2024 Non-GAAP	GAAP to Non-GAAP Reconciliation
Revenue Metrics	Software and software services revenue	$66.5	$66.6	$66.7	$66.7	$71.6	$71.6	$73.8	$73.8	$278.6	$278.7	$75.8	$75.8	Revenue Metrics tab
	Professional services and other revenue	$6.8	$6.8	$10.3	$10.3	$7.8	$7.8	$9.9	$9.9	$34.8	$34.8	$6.9	$6.9	
	Total revenue	$73.3	$73.4	$77.1	$77.1	$79.4	$79.4	$83.7	$83.7	$313.4	$313.5	$82.7	$82.7	
Revenue Mix	Software and software services revenue as a % of total revenue	90.7%	90.7%	86.6%	86.6%	90.2%	90.2%	88.1%	88.1%	88.9%	88.9%	91.6%	91.6%	
	Professional services and other revenue as a % of total revenue	9.3%	9.3%	13.4%	13.4%	9.8%	9.8%	11.9%	11.9%	11.1%	11.1%	8.4%	8.4%	
Growth Metrics	Reported revenue growth YoY	-15.2%	-15.4%	-5.0%	-5.3%	11.4%	11.0%	14.2%	13.8%	0.4%	0.1%	12.9%	12.7%	Revenue Metrics tab Constant Currency tab Gross Profit tab Operating & EBITDA Margins tab
	Software and software services revenue growth YoY	-6.0%	-6.2%	-7.9%	-8.2%	10.2%	9.8%	13.5%	11.5%	1.7%	1.3%	14.0%	13.9%	
	Constant currency revenue growth YoY	-15.2%	-15.3%	-6.3%	-6.5%	9.9%	9.6%	13.1%	12.7%	-0.5%	-0.8%	13.2%	13.0%	
	Gross profit growth YoY	-3.6%	-4.8%	2.9%	0.7%	25.2%	23.0%	29.7%	20.9%	12.1%	9.2%	17.3%	17.1%	
	Adjusted EBITDA growth YoY		87.5%		117.7%		130.0%		191.0%		117.5%		320.6%	
Operating Expense Metrics	Research and development, net	$27.7	$27.2	$27.1	$26.4	$25.4	$24.7	$27.0	$26.6	$107.3	$104.9	$26.8	$26.3	Operating Expenses tab
	% of revenue	37.9%	37.1%	35.2%	34.3%	32.0%	31.1%	32.3%	31.7%	34.2%	33.5%	32.4%	31.8%	
	Selling, general and administrative	$28.8	$28.5	$31.3	$27.8	$32.6	$29.8	$33.1	$30.2	$125.8	$116.4	$33.8	$30.6	
	% of revenue	39.3%	38.9%	40.6%	36.1%	41.1%	37.5%	39.5%	36.1%	40.1%	37.1%	40.8%	37.0%	
Profitability Metrics	Gross profit	$49.8	$50.2	$52.9	$53.3	$55.3	$55.7	$57.4	$57.8	$215.4	$217.0	$58.4	$58.8	Gross Profit tab
	Gross margin %	67.9%	68.4%	68.7%	69.2%	69.7%	70.2%	68.5%	69.0%	68.7%	69.2%	70.6%	71.1%	
	Operating income (loss)	$(6.9)	$(5.5)	$(5.6)	$(0.9)	$(2.8)	$1.2	$(2.9)	$1.0	$(18.1)	$(4.2)	$(2.3)	$1.8	Operating & EBITDA Margins tab
	Operating margin %	-9.4%	-7.5%	-7.2%	-1.2%	-3.5%	1.5%	-3.4%	1.2%	-5.8%	-1.4%	-2.8%	2.2%	
	Adjusted EBITDA		$(2.3)		$2.3		$4.6		$4.3		$9.0		$5.0	
	Adjusted EBITDA margin		-3.1%		3.0%		5.8%		5.2%		2.9%		6.1%	
EPS	Diluted net income (loss) per share attributable to Cognyte	$(0.13)	$(0.23)	$(0.13)	$(0.09)	$0.07	$0.34	$(0.04)	$(0.23)	$(0.22)	$(0.21)	$(0.07)	$(0.04)	EPS tab
	Weighted-average shares used in computing EPS	68,901	68,901	70,134	70,134	70,732	70,732	70,905	70,905	70,081	70,081	71,029	71,029	

*Three Months Ended columns for 4/30/2023, 7/31/2023, 10/31/2023, 1/31/2024. Year ended column for 1/31/2024. Three Months Ended column for 4/30/2024.

* The financial figures prior to FYE24 include results from Situational Intelligence Solutions (SIS). For information on SIS adjusted Non-GAAP measures, please refer to "Summary Metrics - SIS Adjusted" tab in our "External Dashboard Q1'FYE25"

Revenue metrics

Cognyte Software Revenue Metrics

($ in millions)		Three Months Ended				Year ended 1/31/2024	Three Months Ended 4/30/2024
		4/30/2023	7/31/2023	10/31/2023	1/31/2024		
Software and software services revenue - GAAP		66.5	66.7	71.6	73.8	278.6	75.8
Professional services and other revenue - GAAP		6.8	10.3	7.8	9.9	34.8	6.9
Total revenue - GAAP	$	**73.3** $	**77.1** $	**79.4** $	**83.7** $	**313.4** $	**82.7**
Estimated software and software services revenue adjustments		0.1	—	—	—	0.1	—
Estimated professional services and other revenue adjustments		—	—	—	—	—	—
Total estimated revenue adjustments	$	**0.1** $	**—** $	**—** $	**—** $	**0.1** $	**—**
Software and software services revenue - non-GAAP		66.6	66.7	71.6	73.8	278.7	75.8
Professional services and other revenue - non-GAAP		6.8	10.3	7.8	9.9	34.8	6.9
Total revenue - non-GAAP	$	**73.4** $	**77.1** $	**79.4** $	**83.7** $	**313.5** $	**82.7**

Constant currency metrics

Cognyte Software Constant Currency

($ in millions)		Three Months Ended				Year ended		Three Months Ended	
		4/30/2023	7/31/2023	10/31/2023	1/31/2024		1/31/2024		4/30/2024
GAAP									
Revenue for the prior period ended	$	86.4	$ 81.1	$ 71.3	$ 73.3	$	312.1	$	73.3
Revenue for the current period ended	$	73.3	$ 77.1	$ 79.4	$ 83.7	$	313.4	$	82.7
Revenue for the current period at constant currency (2)	$	73.5	$ 76.0	$ 78.5	$ 83.0	$	310.5	$	82.9
Reported period-over-period revenue change		-15.2%	-5.0%	11.4%	14.2%		0.4%		12.9%
% impact from change in foreign currency exchange rates		0.1%	-1.3%	-1.5%	-1.1%		-0.9%		0.3%
Constant currency period-over-period revenue change		**-15.2%**	**-6.3%**	**9.9%**	**13.1%**		**-0.5%**		**13.2%**
Non-GAAP									
Revenue for the prior period ended	$	86.7	$ 81.3	$ 71.5	$ 73.6	$	313.1	$	73.4
Revenue for the current period ended	$	73.4	$ 77.1	$ 79.4	$ 83.7	$	313.5	$	82.7
Revenue for the current period at constant currency (2)	$	73.5	$ 76.0	$ 78.5	$ 83.0	$	310.5	$	82.9
Reported period-over-period revenue change		-15.4%	-5.3%	11.0%	13.8%		0.1%		12.7%
% impact from change in foreign currency exchange rates		0.1%	-1.3%	-1.5%	-1.1%		-0.9%		0.3%
Constant currency period-over-period revenue change		**-15.3%**	**-6.5%**	**9.6%**	**12.7%**		**-0.8%**		**13.0%**

* The financial figures prior to FYE24 include results from Situational Intelligence Solutions (SIS). For information on SIS adjusted Non-GAAP measures, please refer to "Summary Metrics - SIS Adjusted" tab in our "External Dashboard Q1'FYE25"

Gross Profit

Cognyte Software Gross Profit

($ in millions)		Three Months Ended				Year ended		Three Months Ended	
		4/30/2023	7/31/2023	10/31/2023	1/31/2024		1/31/2024		04/30/2024
Total GAAP gross profit	$	49.8 $	52.9 $	55.3 $	57.4	$	215.4	$	58.4
Total GAAP gross margin		67.9%	68.7%	69.7%	68.5%		68.7%		70.6%
Revenue adjustments		0.1	—	—	—		0.1		—
Intangible write-off		—	—	—	—		—		—
Amortization of acquired technology		—	—	—	—		—		—
Stock-based compensation expenses		0.3	0.3	0.4	0.4		1.4		0.4
Acquisition expenses, net		—	—	—	—		—		—
Restructuring expenses		—	0.1	—	—		0.1		—
Separation expenses		—	—	—	—		—		—
Total non-GAAP gross profit	$	50.2 $	53.3 $	55.7 $	57.8	$	217.0	$	58.8
Total non-GAAP gross margin		68.4%	69.2%	70.2%	69.0%		69.2%		71.1%
Software and software services									
Software and software services gross profit - GAAP	$	52.1 $	51.3 $	56.2 $	56.8	$	216.3	$	59.3
Software and software services gross margin - GAAP		78.3%	76.9%	78.5%	77.0%		77.7%		78.3%
Software and software services gross profit adjustments		0.3	0.4	0.3	0.3		1.3		0.3
Software and software services gross profit - non-GAAP	$	52.4 $	51.7 $	56.5 $	57.1	$	217.6	$	59.6
Software and software services gross margin - non-GAAP		78.7%	77.4%	78.9%	77.4%		78.1%		78.7%
Professional services and other									
Professional services and other gross profit - GAAP	$	(2.3) $	1.7 $	(0.9) $	0.6	$	(0.9)	$	(0.9)
Professional services and other gross margin - GAAP		-33.6%	16.1%	-11.3%	5.7%		-2.7%		-13.5%
Professional services and other gross profit adjustments		0.1	0.0	0.1	0.1		0.3		0.1
Professional services and other gross profit - non-GAAP	$	(2.2) $	1.7 $	(0.8) $	0.7	$	(0.6)	$	(0.8)
Professional services and other gross margin - non-GAAP		-32.0%	16.1%	-9.7%	6.8%		-1.7%		-11.9%

Operating expenses

Cognyte Software Operating Expenses

($ in millions)		Three Months Ended				Year ended		Three Months Ended
		4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024		4/30/2024
GAAP research and development, net	$	27.7 $	27.1 $	25.4 $	27.0	$ 107.3	$	26.8
as a % of GAAP revenue		37.9%	35.2%	32.0%	32.3%	34.2%		32.4%
Stock-based compensation expenses		(0.5)	(0.6)	(0.7)	(0.5)	(2.2)		(0.4)
Acquisition expenses, net		—	—	—	—	—		—
Restructuring expenses		(0.1)	(0.1)	(0.0)	—	(0.2)		(0.0)
Separation expenses		—	—	—	—	—		—
Other adjustments		—	—	—	—	—		—
Non-GAAP research and development, net	$	27.2 $	26.4 $	24.7 $	26.6	$ 104.9	$	26.3
as a % of non-GAAP revenue		37.1%	34.3%	31.1%	31.7%	33.5%		31.8%
GAAP selling, general and administrative expenses	$	28.8 $	31.3 $	32.6 $	33.1	$ 125.8	$	33.8
as a % of GAAP revenue		39.3%	40.6%	41.1%	39.5%	40.1%		40.8%
Stock-based compensation expenses		(1.1)	(1.8)	(2.5)	(3.1)	(8.5)		(3.0)
Acquisition expenses, net		0.0	—	—	—	0.0		—
Restructuring expenses		(0.1)	(1.4)	(0.2)	0.5	(1.2)		(0.1)
Separation expenses		1.0	(0.1)	(0.0)	0.0	0.9		(0.0)
Business divestiture		—	(0.2)	(0.1)	0.0	(0.2)		(0.0)
Other adjustments		(0.1)	(0.0)	(0.1)	(0.2)	(0.4)		(0.0)
Non-GAAP selling, general and administrative expenses	$	28.5 $	27.8 $	29.8 $	30.2	$ 116.4	$	30.6
as a % of non-GAAP revenue		38.9%	36.1%	37.5%	36.1%	37.1%		37.0%

Operating and Adjusted EBITDA margins

Cognyte Software Operating and EBITDA Margins

($ in millions)	Three Months Ended				Year ended	Three Months Ended
	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	04/30/2024
GAAP operating profit (loss)	$ (6.9) $	(5.6) $	(2.8) $	(2.9)	$ (18.1) $	(2.3)
GAAP operating margin	-9.4%	-7.2%	-3.5%	-3.4%	-5.8%	-2.8%
Revenue adjustments	0.1	—	—	—	0.1	—
Intangible write-off	—	—	—	—	—	—
Amortization of acquired technology	—	—	—	—	—	—
Amortization of other acquired intangible assets	0.1	0.1	0.1	0.1	0.4	0.1
Stock-based compensation expenses	1.9	2.7	3.6	4.0	12.2	3.9
Acquisitions expenses, net	(0.0)	—	—	—	(0.0)	—
Restructuring expenses	0.2	1.5	0.2	(0.5)	1.4	0.1
Separation expenses	(1.0)	0.1	0.0	(0.0)	(0.9)	0.0
Business divestiture	—	0.2	0.1	(0.0)	0.2	0.0
Other adjustments	0.1	0.0	0.1	0.2	0.4	0.0
Non-GAAP operating profit (loss)	$ (5.5) $	(0.9) $	1.2 $	1.0	$ (4.2) $	1.8
Depreciation and amortization	3.2	3.3	3.4	3.3	13.2	3.2
Adjusted EBITDA	$ (2.3) $	2.3 $	4.6 $	4.3	$ 9.0 $	5.0
Non-GAAP operating margin	-7.5%	-1.2%	1.5%	1.2%	-1.4%	2.2%
Adjusted EBITDA margin	-3.1%	3.0%	5.8%	5.2%	2.9%	6.1%

Other Income, Tax and Net Income

Cognyte Software Other Income (Expenses), Tax and Net Income (loss)

($ in millions)		Three Months Ended				Year ended	Months Ended
		4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024
Other income (expense) reconciliation							
GAAP other income (expense), net	$	1.3 $	0.3 $	6.3 $	(3.1) $	4.8 $	0.8
Change in fair value of equity investment		—	—	—	—	—	—
Business divestiture and other		0.2	0.0	(4.6)	(0.4)	(4.8)	0.0
Non-GAAP other income (expense), net	$	1.5 $	0.3 $	1.8 $	(3.5) $	0.0 $	0.8
Tax provision (benefit) reconciliation							
GAAP provision (benefit) for income taxes	$	1.9 $	3.2 $	(2.6) $	(4.1) $	(1.6) $	2.1
GAAP effective income tax rate		-33.6%	-61.3%	-73.0%	68.7%	12.2%	-136.0%
Non-GAAP tax adjustments		8.7	1.6	(19.1)	17.2	8.4	1.5
Non-GAAP provision (benefit) for income taxes	$	10.6 $	4.8 $	(21.7) $	13.1 $	6.8 $	3.6
Non-GAAP effective income tax rate		-260.6%	-749.3%	-728.4%	-521.3%	-160.0%	137.7%
Net income (loss) reconciliation							
GAAP net income (loss)	$	(7.4) $	(8.5) $	6.2 $	(1.9) $	(11.6) $	(3.6)
Total GAAP net income adjustments		(7.2)	3.0	18.5	(13.7)	0.6	2.6
Non-GAAP net income (loss)	$	(14.6) $	(5.5) $	24.7 $	(15.6) $	(11.0) $	(1.0)
Net income attributable to noncontrolling interest	$	1.3 $	0.9 $	1.0 $	0.7 $	3.9 $	1.5
Net income (Loss) attributable to Cognyte software Ltd. common shares reconciliation							
GAAP net income (loss) attributable to Cognyte Software Ltd. common shares	$	(8.8) $	(9.4) $	5.2 $	(2.6) $	(15.6) $	(5.1)
Total GAAP net income (loss) adjustments		(7.2)	3.0	18.5	(13.7)	0.6	2.6
Non-GAAP net income (loss) attributable to Cognyte Software Ltd common shares	$	(15.9) $	(6.4) $	23.8 $	(16.3) $	(14.9) $	(2.5)

Tax and Net Income – FYE24 Revised (footnote 3)

Tax and Net Income (loss) Non-GAAP - revised (footnote 3)

($ in millions)	Three Months Ended				Year ended
	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024
<u>Tax provision (benefit) reconciliation</u>					
GAAP provision (benefit) for income taxes	$ 1.9 $	3.2 $	(2.6) $	(4.1) $	(1.6)
GAAP effective income tax rate	-33.6%	-61.3%	-73.0%	68.7%	12.2%
Non-GAAP tax adjustments	0.3	(2.6)	5.0	5.8	8.6
Non-GAAP provision (benefit) for income taxes	$ 2.2 $	0.6 $	2.4 $	1.7 $	6.9
Non-GAAP effective income tax rate	-54.1%	-99.8%	80.7%	-67.6%	-164.2%
<u>Net income (loss) reconciliation</u>					
GAAP net income (loss)	$ (7.4) $	(8.5) $	6.2 $	(1.9) $	(11.6)
Total GAAP net income adjustments	1.2	7.2	(5.6)	(2.3)	0.5
Non-GAAP net income (loss)	$ (6.2) $	(1.3) $	0.6 $	(4.2) $	(11.2)
Net income attributable to noncontrolling interest	$ 1.3 $	0.9 $	1.0 $	0.7 $	3.9
<u>Net income (Loss) attributable to Cognyte software Ltd. common shares reconciliation</u>					
GAAP net income (loss) attributable to Cognyte Software Ltd. common shares	$ (8.8) $	(9.4) $	5.2 $	(2.6) $	(15.6)
Total GAAP net income (loss) adjustments	1.2	7.2	(5.6)	(2.3)	0.5
Non-GAAP net income (loss) attributable to Cognyte Software Ltd common shares	$ (7.6) $	(2.2) $	(0.4) $	(4.9) $	(15.1)

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EPS

Consolidated EPS and Diluted Shares Outstanding

(Shares in thousands)		Three Months Ended				Year ended	Three Months Ended
		4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024
GAAP diluted net income (loss) per share attributable to Cognyte software Ltd.	$	(0.13) $	(0.13) $	0.07 $	(0.04) $	(0.22) $	(0.07)
Non-GAAP diluted net income (loss) per share attributable to Cognyte software Ltd.	$	(0.23) $	(0.09) $	0.34 $	(0.23) $	(0.21) $	(0.04)
GAAP weighted-average shares used in computing diluted net income (loss) per common share		**68,901**	**70,134**	**70,345**	**70,905**	**70,081**	**71,029**
Additional weighted-average shares applicable to non-GAAP net income per share attributable to Cognyte software Ltd.		—	—	388	—	—	—
Non-GAAP diluted weighted-average shares used in computing net income (loss) per share		**68,901**	**70,134**	**70,732**	**70,905**	**70,081**	**71,029**

EPS – FYE24 Revised (footnote 3)

Consolidated EPS and Diluted Shares Outstanding Non-GAAP - revised (footnote 3)

(Shares in thousands)		Three Months Ended				Year ended
		4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024
GAAP diluted net income (loss) per share attributable to Cognyte software Ltd.	$	(0.13) $	(0.13) $	0.07 $	(0.04) $	(0.22)
Non-GAAP diluted net income (loss) per share attributable to Cognyte software Ltd.	$	(0.11) $	(0.03) $	(0.01) $	(0.07) $	(0.22)
GAAP weighted-average shares used in computing diluted net income (loss) per common share		**68,901**	**70,134**	**70,345**	**70,905**	**70,081**
Additional weighted-average shares applicable to non-GAAP net income per share attributable to Cognyte software Ltd.		—	—	—	—	—
Non-GAAP diluted weighted-average shares used in computing net income (loss) per share		**68,901**	**70,134**	**70,345**	**70,905**	**70,081**

Footnotes

(1) The actual cash tax paid, net of refunds, was $2.4 million and $1.0 million for the three months ended April 30, 2024 and 2023, respectively.

(2) Revenue for the three months ended April 30, 2024, at constant currency is calculated by translating current-period GAAP or non-GAAP foreign currency revenue (as applicable) into U.S. dollars using average foreign currency exchange rates for the three months ended April 30, 2023, rather than actual current-period foreign currency exchange rates.

(3) The non-GAAP income tax adjustments for the quarter reflects a change in calculating our non-GAAP income taxes from a cash basis (income taxes we expect to pay in the current year) to an accrual basis, as detailed further under "supplemental information about Non-GAAP financial measures" - "non-GAAP income tax adjustments". Prior period comparative numbers were adjusted accordingly. The non-GAAP income tax provision, non-GAAP net loss attributable to Cognyte Software Ltd. and non-GAAP diluted net loss per share attributable to Cognyte Software Ltd. under the previous method of calculation, which was presented in last year's press release filing on June 15, 2023, were $10.6 million, $15.9 million and $(0.23) for the three months ended April 30, 2023, respectively.

Supplemental information and non-GAAP measures

The press release includes reconciliations of certain financial measures not prepared in accordance with GAAP, consisting of non-GAAP revenue, non-GAAP gross profit and gross margins, non-GAAP research and development expenses, net, non-GAAP selling, general and administrative expenses, non-GAAP operating (loss) income and operating margins, non-GAAP other income (expense), net, non-GAAP provision for income taxes and non-GAAP effective income tax rate, non-GAAP net (loss) income attributable to Cognyte, adjusted EBITDA and adjusted EBITDA margin, non-GAAP diluted net (loss) income per share attributable to Cognyte and non-GAAP diluted weighted-average shares used in computing such measure. The tables above include a reconciliation of each non-GAAP financial measure for completed periods presented in this press release to the most directly comparable GAAP financial measure.

We believe these non-GAAP financial measures, used in conjunction with the corresponding GAAP measures, provide investors with useful supplemental information about the financial performance of our business by:
- facilitating the comparison of our financial results and business trends between periods, by excluding certain items that either   can vary significantly in amount and frequency, are based upon subjective assumptions, or in certain cases are unplanned for or difficult to forecast,
- facilitating the comparison of our financial results and business trends with other software companies who publish similar non-GAAP measures, and
- allowing investors to see and understand key supplementary metrics used by our management to run our business, including for budgeting and forecasting, resource allocation, and compensation matters.

We also make these non-GAAP financial measures available because our management believes they provide meaningful information about the financial performance of our business and are useful to investors for informational and comparative purposes.

Non-GAAP financial measures should not be considered in isolation as substitutes for, or superior to, comparable GAAP financial measures. The non-GAAP financial measures we present have limitations in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with GAAP, and these non-GAAP financial measures should only be used to evaluate our results of operations in conjunction with the corresponding GAAP financial measures. These non-GAAP financial measures do not represent discretionary cash available to us to invest in the growth of our business, and we may in the future incur expenses similar to or in addition to the adjustments made in these non-GAAP financial measures. Other companies may calculate similar non-GAAP financial measures differently than we do, limiting their usefulness as comparative measures.

Our non-GAAP financial measures are calculated by making the following adjustments to our GAAP financial measures:
Revenue adjustments. We exclude from our non-GAAP revenue the impact of fair value adjustments required under GAAP relating to software and software service revenue and professional service and other revenue acquired in a business acquisition, which would have otherwise been recognized on a stand-alone basis. We believe that it is useful for investors to understand the total amount of revenue that we and the acquired company would have recognized on a stand-alone basis under GAAP, absent the accounting adjustment associated with the business acquisition. We believe that our non-GAAP revenue measure helps management and investors understand our revenue trends and serves as a useful measure of ongoing business performance.

Supplemental information and non-GAAP measures

Amortization of acquired technology and other acquired intangible assets. When we acquire an entity, we are required under GAAP to record the fair values of the intangible assets of the acquired entity and amortize those assets over their useful lives. We exclude the amortization of acquired intangible assets, including acquired technology, from our non-GAAP financial measures because they are inconsistent in amount and frequency and are significantly impacted by the timing and size of acquisitions. We also exclude these amounts to provide easier comparability of pre and post-acquisition operating results.

Stock-based compensation expenses. We exclude stock-based compensation expenses related to restricted stock awards, stock bonus programs, bonus share programs, and other stock-based awards from our non-GAAP financial measures. We evaluate our performance both with and without these measures because stock-based compensation is typically a non-cash expense and can vary significantly over time based on the timing, size and nature of awards granted, and is influenced in part by certain factors which are generally beyond our control, such as the volatility of the price of our ordinary shares. In addition, measurement of stock-based compensation is subject to varying valuation methodologies and subjective assumptions, and therefore we believe that excluding stock-based compensation from our non-GAAP financial measures allows for meaningful comparisons of our current operating results to our historical operating results and to other companies in our industry.

Acquisition expenses (benefit), net. In connection with acquisition activity (including with respect to acquisitions that are not consummated), we incur expenses, including legal, accounting, and other professional fees, integration costs, changes in the fair value of contingent consideration obligations, and other costs. Integration costs may consist of information technology expenses as systems are integrated across the combined entity, consulting expenses, marketing expenses, and professional fees, as well as non-cash charges to write-off or impair the value of redundant assets. We exclude these expenses from our non-GAAP financial measures because they are unpredictable, can vary based on the size and complexity of each transaction, and are unrelated to our continuing operations or to the continuing operations of the acquired businesses.

Restructuring expenses. We exclude restructuring expenses from our non-GAAP financial measures, which include employee termination costs, facility exit costs, certain professional fees, asset impairment charges, and other costs directly associated with resource realignments incurred in reaction to changing strategies or business conditions. All of these costs can vary significantly in amount and frequency based on the nature of the actions as well as the changing needs of our business and we believe that excluding them provides easier comparability of pre- and post-restructuring operating results.

Separation expenses. On December 4, 2019, Verint announced its intention to separate into two independent publicly traded companies: Cognyte Software Ltd., which consists of Verint's Cyber Intelligence Solutions business, and Verint Systems Inc., which consists of its Customer Engagement Business. We incurred significant expenses to separate the aforesaid businesses, including third-party advisory, accounting, legal, consulting, and other similar services related to the separation as well as costs associated with accelerated depreciation and amortization of assets which became obsolete following the separation from Verint, including those related to human resources, brand management, real estate, and information technology to the extent not capitalized. These costs are incremental to our normal operating expenses and incurred solely as a result of the separation transaction. Accordingly, we are excluding these separation expenses from our non-GAAP financial measures in order to evaluate our performance on a comparable basis.

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Supplemental information and non-GAAP measures

Business Divestiture gains/losses. In certain cases, we may divest a portion of our business, which may result in a gain or loss on divestiture. These gains or losses may result from the sale of a business unit or the termination of a product line or service. We exclude these gains or losses from our non-GAAP financial measures in order to provide a more meaningful comparisons of our ongoing business performance between periods and to other companies in our industry. On December 1, 2022, as part of our ongoing strategic plan to simplify and focus the Company on fewer agendas, we sold our Situational Intelligence Solutions (SIS) business.

Provision for legal claim. We exclude from our non-GAAP financial measures accrual recorded for the settlement of certain legal claims related to our business acquisitions.

Other adjustments. We exclude from our non-GAAP financial measures rent expense for redundant facilities, gains on change in fair value of equity investment, gains or losses on sales of property and certain professional fees unrelated to our ongoing operations.

Non-GAAP income tax adjustments. We exclude our GAAP provision (benefit) for income taxes from our non-GAAP measures of net income attributable to Cognyte Software Ltd., and instead include a non-GAAP provision for income taxes. Cognyte uses a full-year non-GAAP tax rate to compute the non-GAAP tax provision. This full-year non-GAAP tax rate is based on Cognyte's annual GAAP income, adjusted to exclude non-GAAP items, as well as the effects of significant non-recurring and period-specific tax items which vary in size and frequency. This annual non-GAAP tax rate is based on an evaluation of our historical and projected profit before tax, taking into account the impact of non-GAAP adjustments, tax law changes, as well as other factors such as our current tax structure, existing tax positions and expected recurring tax incentives. Our GAAP effective income tax rate can vary significantly from year to year as a result of tax law changes, settlements with tax authorities, changes in the geographic mix of earnings including acquisition activity, changes in the projected realizability of deferred tax assets, and other unusual or period-specific events, all of which can vary in size and frequency. We believe that our non-GAAP effective income tax rate removes much of this variability and facilitates meaningful comparisons of operating results across periods. We evaluate our non-GAAP effective income tax rate on an ongoing basis, and it can change from time to time. Our non-GAAP income tax rate can differ materially from our GAAP effective income tax rate.

Adjusted EBITDA
Adjusted EBITDA is a non-GAAP measure defined as net income (loss) attributable to non-controlling interest before interest expense, interest income, income taxes, depreciation expense, amortization expense, revenue adjustments, restructuring expenses, acquisition expenses, and other expenses excluded from our non-GAAP financial measures as described above. We believe that adjusted EBITDA is also commonly used by investors to evaluate operating performance between companies because it helps reduce variability caused by differences in capital structures, income taxes, stock-based compensation accounting policies, and depreciation and amortization policies. Adjusted EBITDA is also used by credit rating agencies, lenders, and other parties to evaluate our creditworthiness.

Supplemental information and non-GAAP measures

SIS Adjusted Non-GAAP

SIS Adjusted Non-GAAP is a non-GAAP financial measure used by Cognyte that excludes SIS non-GAAP direct business contribution (which was divested on December 1, 2022) on financial measures such as non-GAAP revenue, non-GAAP gross profit, and gross margins, non-GAAP research and development expenses, net, non-GAAP selling, general and administrative expenses, non-GAAP operating (loss) income and operating margins.

We believe these SIS Adjusted non-GAAP financial measures, used in conjunction with the corresponding GAAP and non-GAAP measures, provide investors with useful supplemental information about the financial performance of our business.

Supplemental Information About Constant Currency

Because we operate on a global basis and transact business in many currencies, fluctuations in foreign currency exchange rates can affect our consolidated U.S. dollar operating results. To facilitate the assessment of our performance excluding the effect of foreign currency exchange rate fluctuations, we calculate our GAAP and non-GAAP revenue, cost of revenue, and operating expenses on both an as-reported basis and a constant currency basis, allowing for comparison of results between periods as if foreign currency exchange rates had remained constant. We perform our constant currency calculations by translating current-period foreign currency results into U.S. dollars using prior-period average foreign currency exchange rates or hedge rates, as applicable, rather than current period exchange rates. We believe that constant currency measures, which exclude the impact of changes in foreign currency exchange rates, facilitate the assessment of underlying business trends.

Unless otherwise indicated, our financial outlook for each of revenue, operating margin, and diluted earnings per share, which is provided on a non-GAAP basis, reflects foreign currency exchange rates approximately consistent with rates in effect when the outlook is provided.

We also incur foreign exchange gains and losses resulting from the revaluation and settlement of monetary assets and liabilities that are denominated in currencies other than the entity's functional currency. Our financial outlook for diluted earnings per share includes net foreign exchange gains or losses incurred to date, if any, but does not include potential future gains or losses.

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