

Investor Call on H1 2023 figures

August 16, 2023

Jörg Tewes (CEO) and Jan-Dirk Henrich (CFO)



Jörg Tewes, CEO



Jan-Dirk Henrich, CFO/COO

Topics for today

1. Business Performance H1 2023
2. Financial Results H1 2023
3. Outlook
4. Q&A

Disclaimer

This presentation contains future-oriented, forward-looking statements (“Forward-looking Statements”), estimates, opinions, projections and forecasts representing the current assessments and views with respect to anticipated future performance of Exasol AG. These assessments, views and Forward-looking Statements are subject to changes. There are uncertain conditions that are for the most part difficult to predict and are beyond the control of Exasol AG. Exasol AG is not under any obligation to publish any information resulting in changes in framework conditions or to publish revised information.

The information in this presentation as well as the Forward-looking Statements are of preliminary and abbreviated nature and may be subject to updating, revision and amendment, and such information may change materially. Neither Exasol AG nor any of its directors, officers, employees, agents or affiliates undertakes or is under any duty to update this presentation or to correct any inaccuracies in any such information which may become apparent or to provide any additional information.

The Forward-looking Statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “aims”, “plans”, “predicts”, “may”, “will” or “should” or, in each case, their negative, or other variations or comparable terminology. These Forward-looking Statements include all matters that are not historical facts. They appear in a number of places throughout this presentation and include statements regarding Exasol’s intentions, beliefs or current expectations concerning, among other things, Exasol’s prospects, growth, strategies, the industry in which it operates and potential or ongoing acquisitions. By their nature, Forward-looking Statements involve significant risks and uncertainties, because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking Statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved.

Summary of key points

FINANCIALS H1 2023

(unaudited)

ARR: 36.3 m€
(+13%)

Revenue: 17.8 m€
(+10%)

Adj. EBITDA: -3.4 m€
(H1 2022: -6.0m€)

Liquid Funds: 11.7 m€
(Dec 31, 2022: 12.7m€)

- ARR up 13% compared to the same figure twelve months ago
- Some large contracts slipped into H2 – catch-up already visible in July
- Continued work on refining market positioning of our products, to be launched in Q3
- EBITDA loss further reduced by 43%
- Quarterly profitability expected in H2 2023 - H1 2023 with only minimal cash out of 1.0 m€
- Capital increase carried out end of June with net proceeds of 6.8 m€ improved liquidity headroom
- Outlook for 2023 confirmed – ARR and adj. EBITDA most likely at the lower end of guidance

Outlook 2023 (unchanged)

ARR
42.5 to 44.0 m€
(at constant currency)

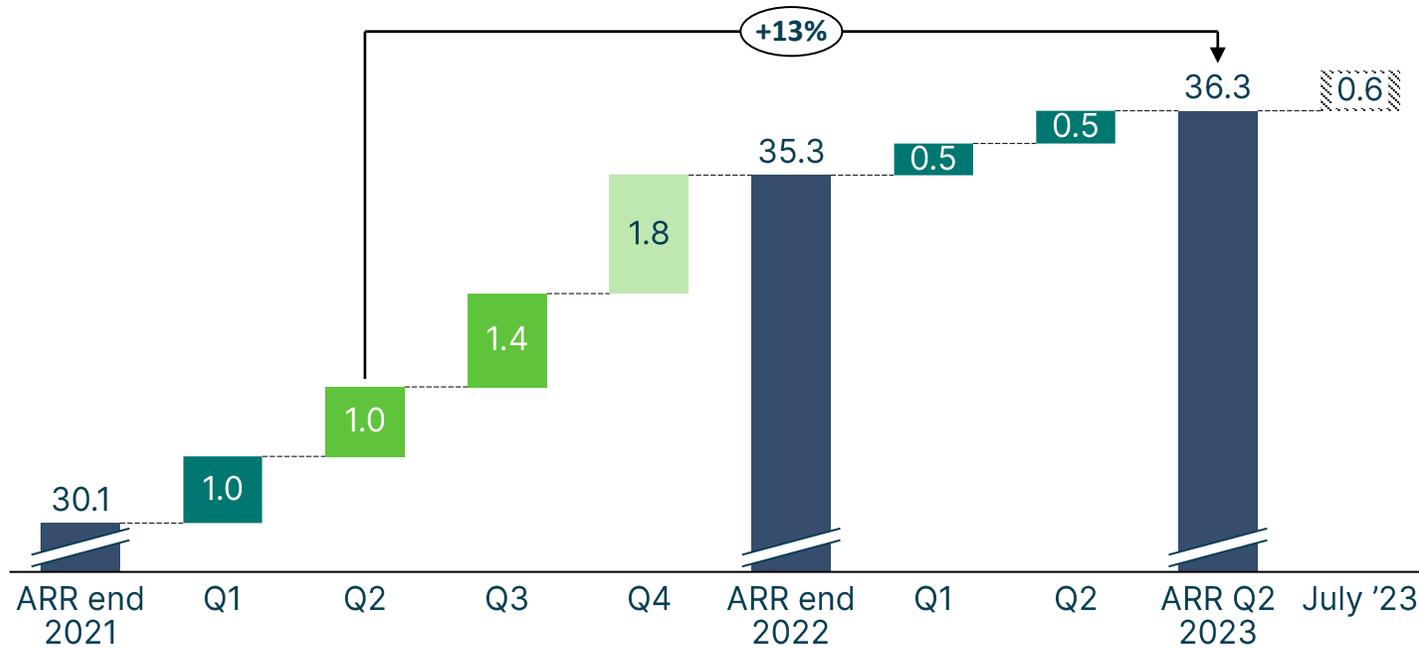
Adj. EBITDA
-3 to -1 m€

Liquid Funds
15.8 to 17.8 m€
(was 9 to 11 m€)

Incl. net proceeds of 6.8 m€
from capital increase

Quarterly ARR development since end 2021

In EUR million at const. Q4 2022 FX rates, in percent, # of customers



Comments

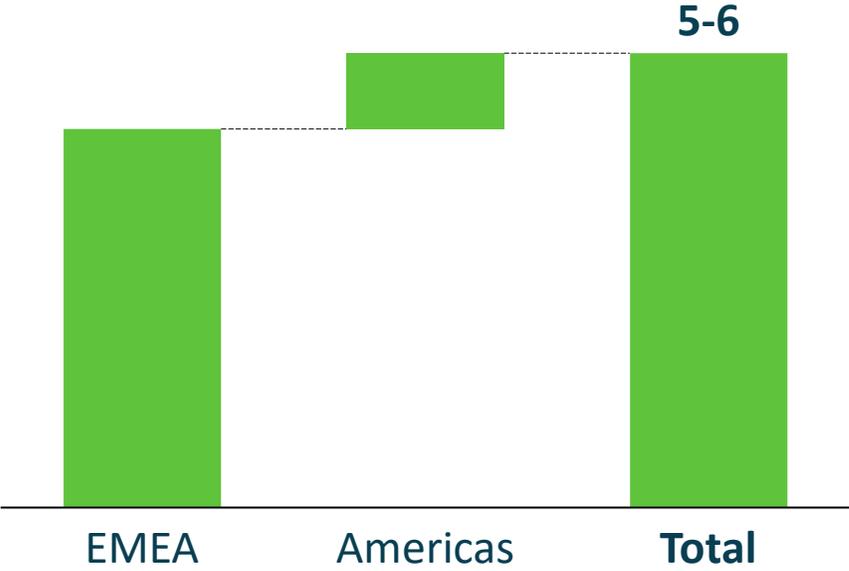
- H1 ARR growth overall behind expectations due to several larger slipped deals; some of them closed in July with additional net growth of 0.6m EUR
- New Logo acquisition not yet positively impacted by product relaunch in May
- 6 new customers gained with total 0.7m EUR ARR
- 14 customers churned with total -0.7m EUR ARR impact

| | | | | | | | |
|------------------|-----|-----|-----|-----|-----|-----|-----|
| <i>Customers</i> | 211 | 213 | 221 | 222 | 215 | 211 | 207 |
| <i>Won</i> | | 5 | 9 | 4 | 0 | 3 | 3 |
| <i>Lost</i> | | -3 | -1 | -3 | -7 | -7 | -7 |

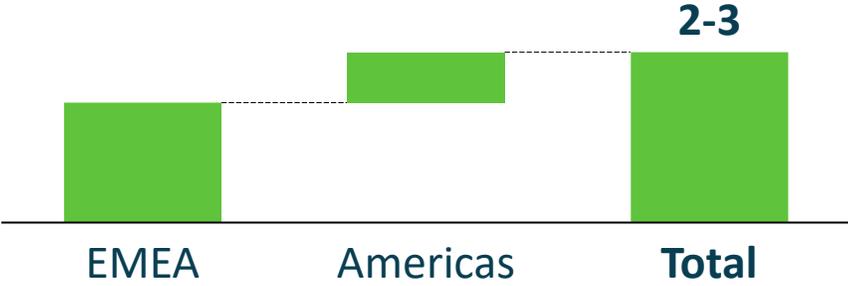
Current Pipeline H2 2023: 1.5-2x coverage of remaining gap to guidance

In EUR million, unweighted pipeline values

Net upsell opportunities
(upsell opportunities – churn risks)



New logo opportunities



of logos: 27 8

Next step in sharpened market positioning: Strengthened “productization” of offering

Updated technology platform

Launch of new product version incl. SaaS
in May 2023

- New deployment options (SaaS)
- Storage-Compute-Separation
- Improved concurrency
- Accelerator Program including free trial phase

Product lines

BI Acceleration

AI Acceleration

DataWarehouse Automation

Three distinct product lines for focused market entry

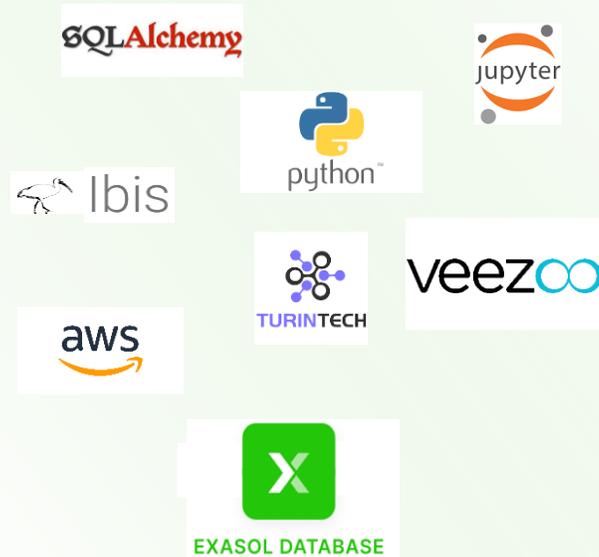
BI Acceleration

The BI Accelerant that solves the spinning wheel problem



AI Acceleration

Exasol's sandbox that accelerates data science teams' AI/ML journey

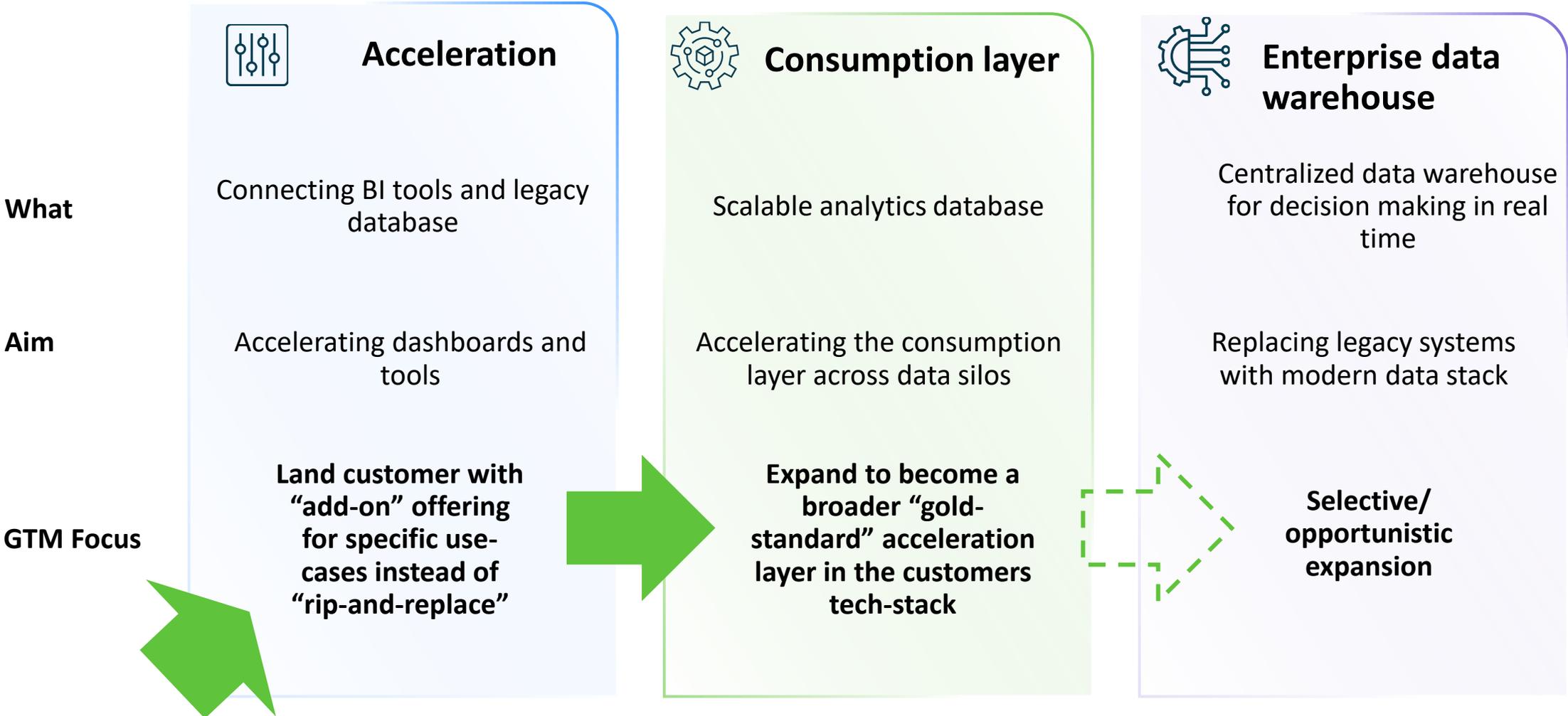


DW Automation

The no-code DWH Automation solution for Business Analysts



BI Acceleration: Targeted land & expand pathway



AI Acceleration: Enabling AI at scale

- Most data teams are struggling with building and maintaining complex data pipelines
- Applying AI/ML on rather large data volumes thus becomes a challenge
- Data Teams depend on multiple solutions to solve their challenges currently
- They spend resources on connecting these tools and move the data across them
- AI Acceleration brings leading technologies to customers data without building complex pipelines



Realtime Data Science Engine

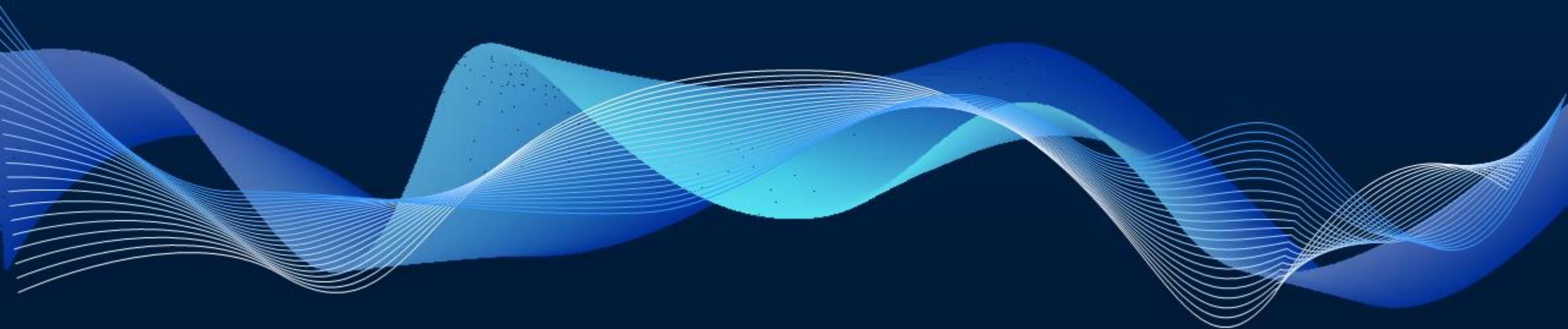
- In-Memory data science = high speed
- Bringing AI/ML to big data
- Tight SQL integration, no data copy
- Large scale parallel scoring of ML models at the real-time speed



A Strong Data Science Eco System

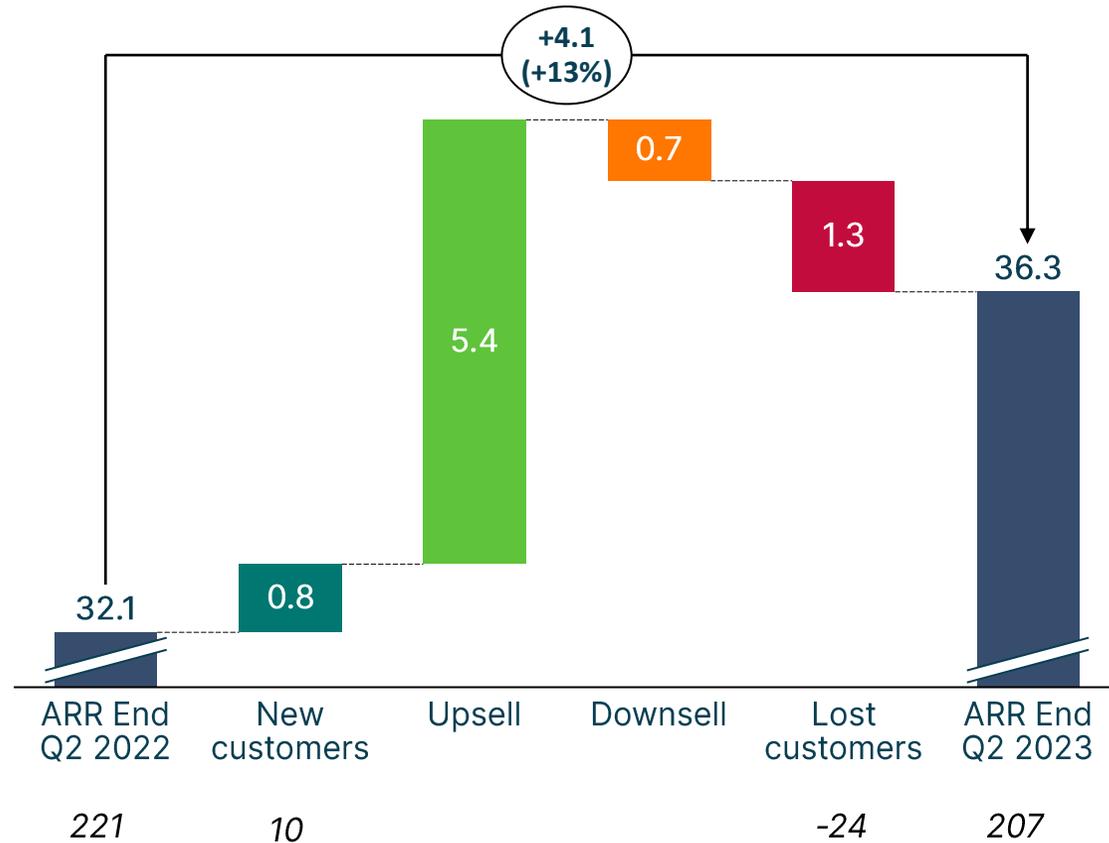
- Simple model deployment
- Integration with AWS Sagemaker, Azure ML, GCP, TurinTech, AutoML and more
- LLM integration Hugging Face
- ChatGPT like interface to data analytics (Veezoo)

Financial Results H1 2023



ARR development end Q2 2023 – Global

In EUR million at const. Q4 2022 FX rates, in percent, # of customers



Comments

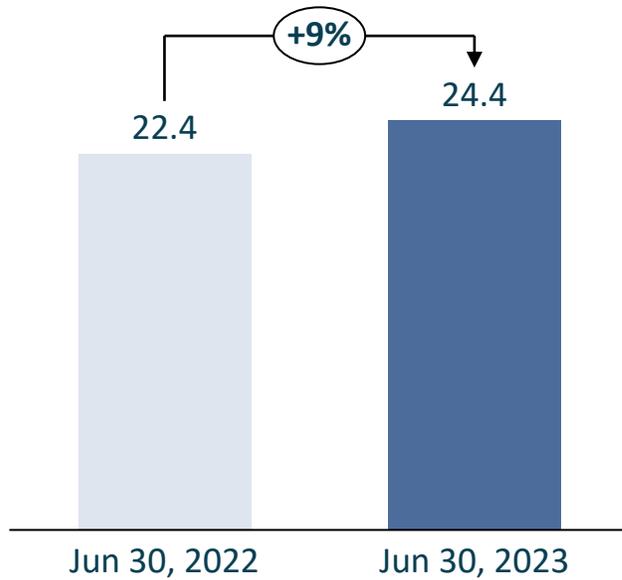
- Gross ARR retention rate at 117% (vs. 123% in PY)
- Net ARR retention rate at 110% (111% w/o XO) (vs. 119% in PY)
- ARR churn rate at 6% (5% w/o XO) (vs. 4% in PY)
- Customer churn rate at 11% (10% w/o XO) (vs. 4% in PY)

Russia XO:
2 churned customers
with total 40k ARR +
300k downsell

ARR development by region

In EUR million

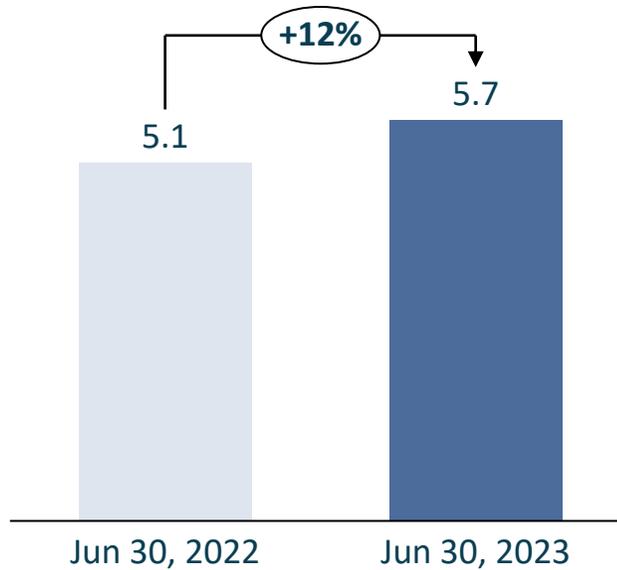
EMEA Central



Comments

- Net ARR retention rate at 108%
- ARR churn rate at 5%

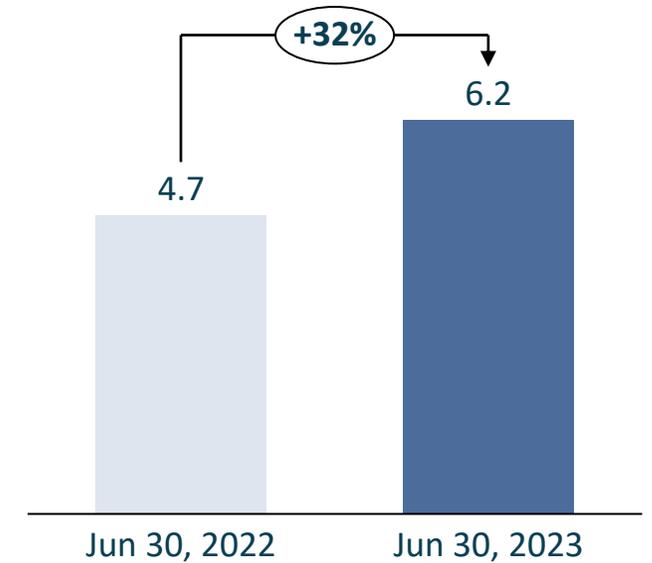
EMEA North & EM



Comments

- Net ARR retention rate at 108%
- ARR churn rate at 11%

Americas



Comments

- Net ARR retention rate at 124%
- ARR churn rate at 8%

P&L 2023/22 by quarter

In EUR million, in percent

Unaudited figures

| | Q2 2023 | Q2 2022 | Change | H1 2023 | H1 2022 | Change |
|---------------------------------|--------------|--------------|-------------|--------------|--------------|-------------|
| Revenue | 9.0 | 8.4 | +7% | 17.8 | 16.1 | +10% |
| - thereof recurring revenue | 8.7 | 8.1 | +7% | 16.9 | 15.1 | +12% |
| - thereof non-recurring revenue | 0.3 | 0.3 | -3% | 0.9 | 1.0 | -11% |
| Gross Profit (adj.) | 9.5* | 7.9 | +20% | 17.7* | 15.2 | +16% |
| Personnel expenses (adj.) | -7.7** | -7.0** | +10% | -14.9** | -14.6 | +2% |
| Training and Recruiting | -0.1 | -0.1 | 0% | -0.2 | -0.2 | 0% |
| Marketing | -0.9 | -1.5 | -40% | -1.9 | -3.2 | -40% |
| IT infrastructure | -0.6 | -0.3 | +100% | -1.2 | -0.6 | +100% |
| Others (adj.) | -1.4 | -1.2 | +17% | -2.9 | -2.5 | +16% |
| Total Costs (adj.) | -10.7 | -10.1 | +6% | -21.1 | -21.2 | 0% |
| EBITDA (adj.) | -1.2 | -2.2 | -45% | -3.4 | -6.0 | -43% |

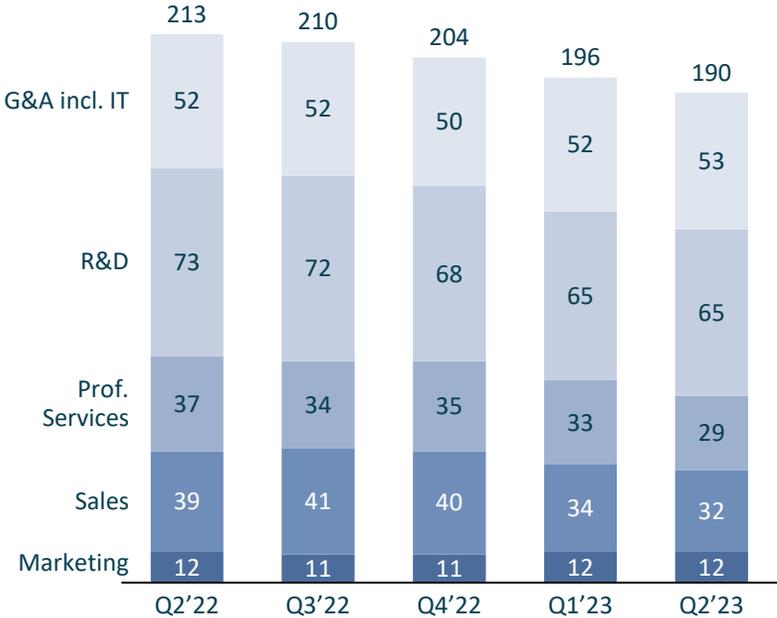
* incl. 0,9 Mio. EUR other operating income from the ex-post granting of R&D subsidies by ministry of finance for FY2020/21

** incl. 0.1m EUR restructuring expenses in Q1 and 0.5m EUR restructuring expenses in Q2, i.e., 0.6m EUR total in H1

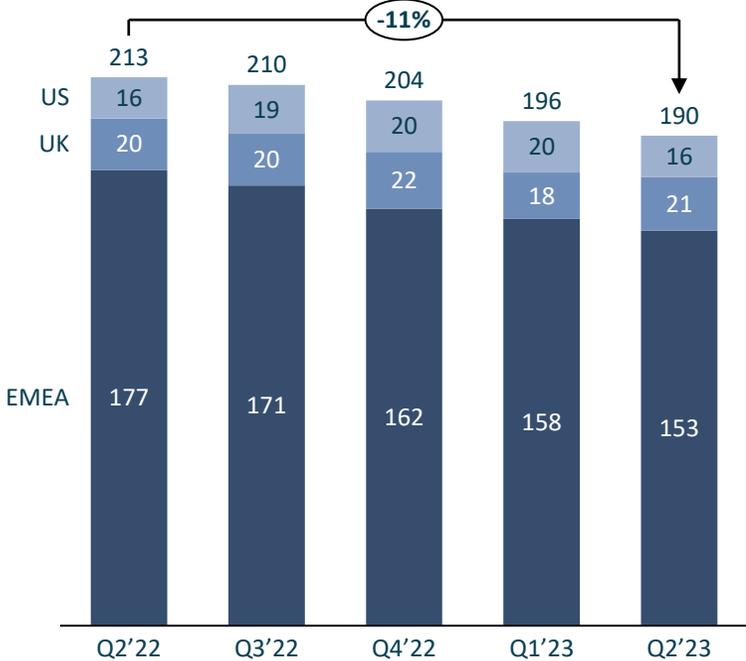
Headcount development by quarter

In # of people

By function



By region

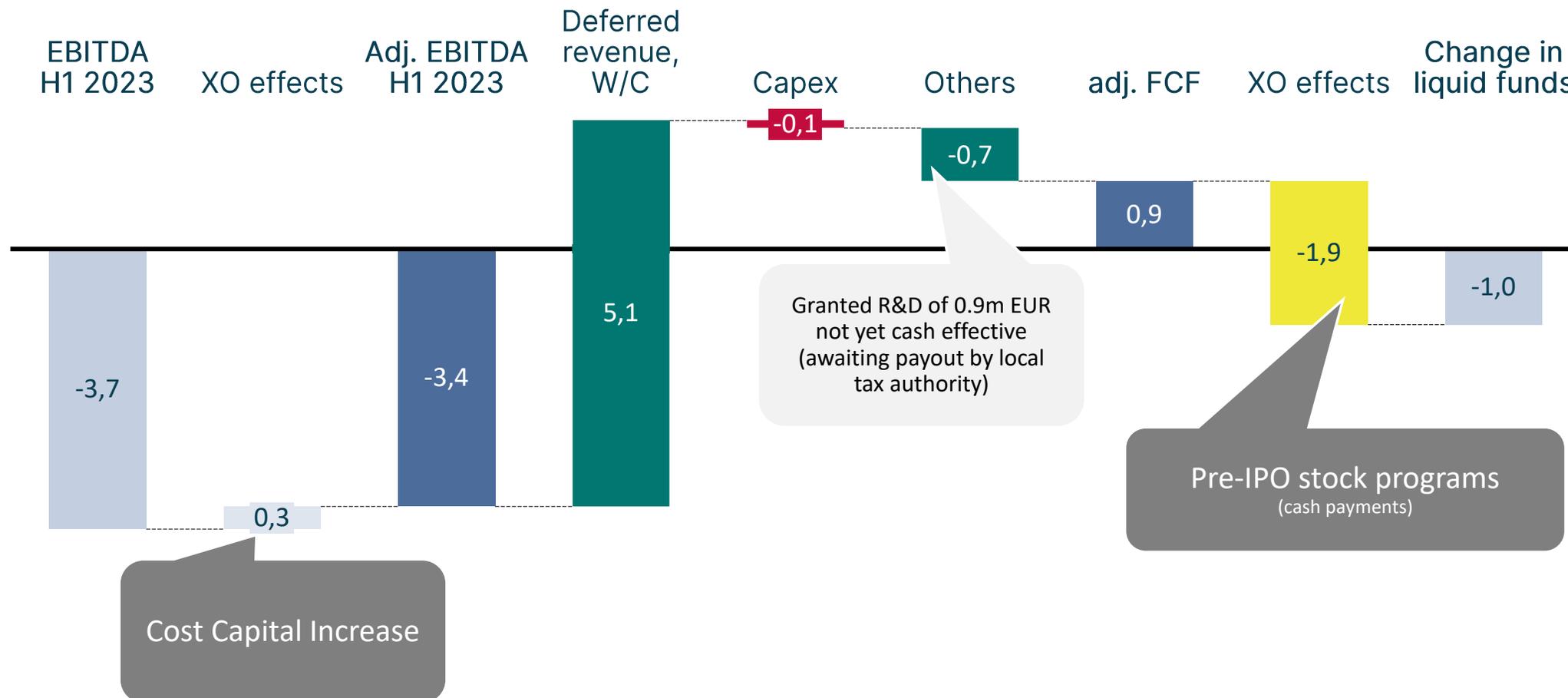


Comments

- Major efficiency improvement as we were able to increase ARR and reduce headcount at the same time
- Current headcount is below the average headcount of around 200 planned for 2023

EBITDA to cashflow reconciliation H1 2023

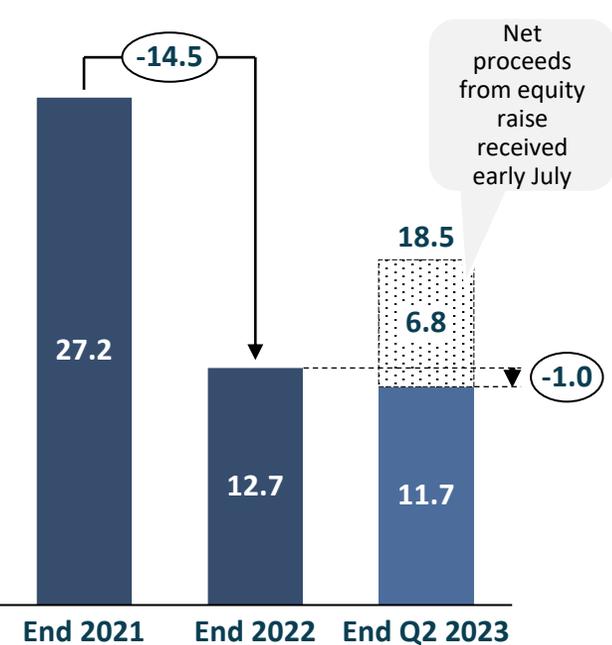
In EUR million



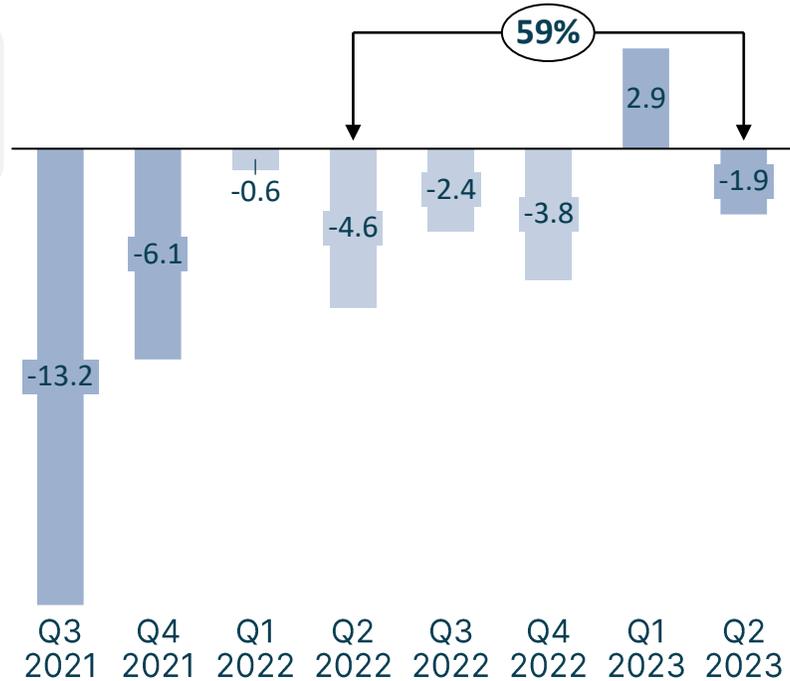
Liquid Funds and adj. EBITDA

In EUR million

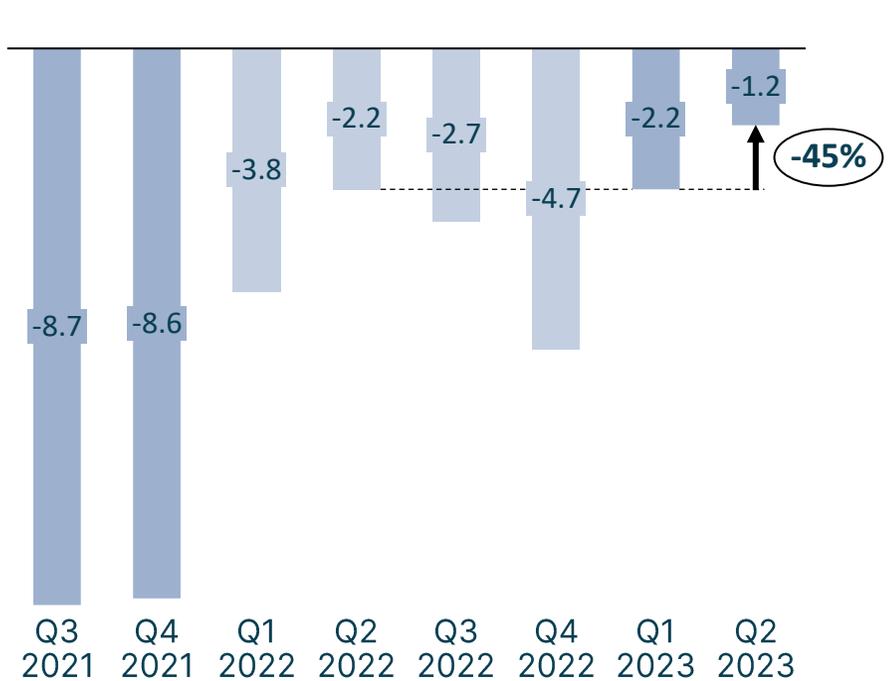
Liquid Funds*



Δ Liquid Funds excl. XO**

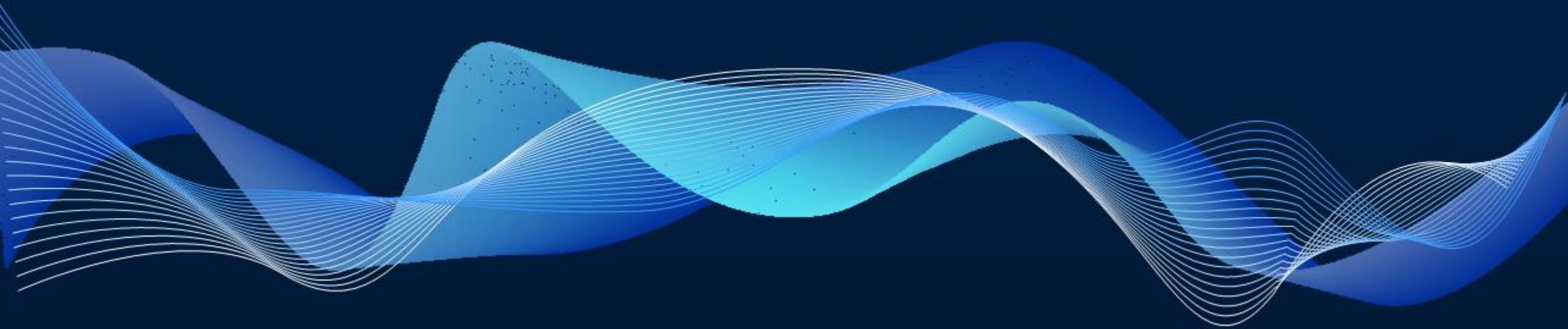


Adj. EBITDA**



* incl. short term financial assets
 ** excl. non-recurring effects from pre-IPO stock programs

2023 Outlook



Financial Outlook 2023 (unchanged)

| | 2022 | 2023 |
|-------------------------|--|--|
| ARR/AAC* | 35.3 m€ <i>(ex DFB, at 2022 eop FX)</i> | 42.5 to 44.0 m€ <i>(ex DFB, at 2022 eop FX)</i> |
| Adj. EBITDA** | -13.4 m€ | -3 to -1 m€ |
| Liquid Funds eop | 12.7 m€ | 15.8 to 17.8 m€ <i>(was 9 – 11 m€)</i> |

Including net proceeds of 6.8 m€ from capital increase

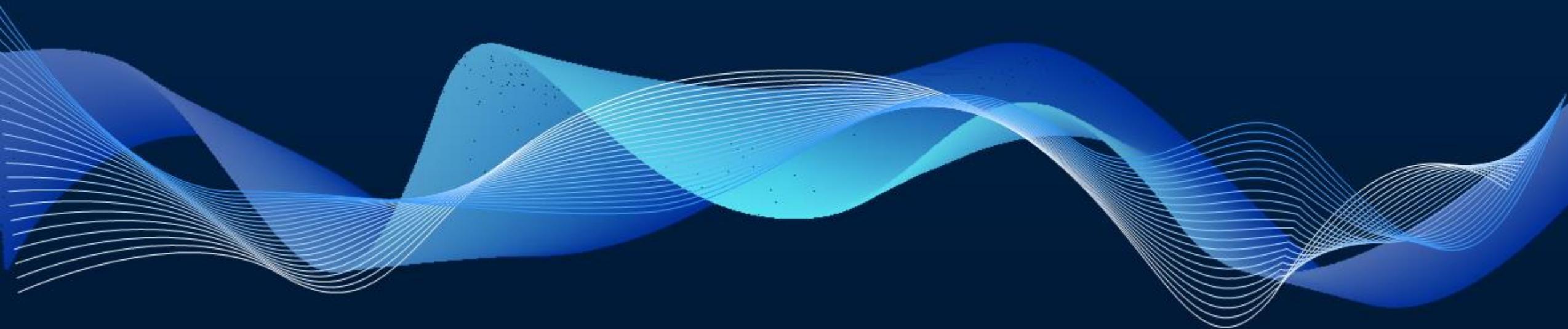
* Average Annual Revenue (Subscriptions) / Average Annual Consumption (Consumption based pricing)

** Excluding effects from pre IPO stock programs

Financial calendar

| | | |
|------|----------------|--|
| 2023 | February 22 | FY 2022 preliminary results (<i>Webcast & Roadshow</i>) |
| | May 10 | FY 2022 & Q1 2023 trading update (<i>Webcast & Roadshow</i>) |
| | May 16/17 | Spring Conference (<i>Frankfurt</i>) |
| | May 31 | Stockpicker Conference (<i>Hauck & Aufhäuser</i>) |
| | June 23 | Annual General Meeting (<i>virtual</i>) |
| | August 16 | H1 2023 report (<i>Webcast & Roadshow</i>) |
| | November 14 | Q3 2023 trading update (<i>Webcast & Roadshow</i>) |
| | November 16/17 | Meet the Future Conference (<i>Berlin</i>) |
| | November 28 | EK-Forum (<i>Frankfurt</i>) |

Q&A



Thank you

