

***NOT FOR RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE OR DISTRIBUTION WOULD BE UNLAWFUL. OTHER RESTRICTIONS ARE APPLICABLE. PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THIS ANNOUNCEMENT.***

## **Exasol AG moves forward with IPO plans**

- *Exasol AG ("Exasol" or "Company") is a global technology company providing a next generation software-based "data engine" that enables customers to access and analyse their databases at unmatched speed and scale*
- *Well-positioned to capitalize on global megatrends including the fast-growing big data market, and the outsize growth of insights driven businesses, disrupting a USD 46bn total addressable Database Management System (DBMS) market traditionally dominated by legacy players*
- *Solid Track record of growth with accelerated Annual Recurring Revenue (ARR) organic growth of 45% in November 2019 vs. the prior year month*
- *Attractive business model with recurring revenue accounting for 72% of total revenue and a strong and stable operating gross profit margin of 91%*
- *The planned IPO consists of a new share issue by the Company of approximately EUR 50 million, a placement of shares by certain minority shareholders and a customary over-allotment option*
- *The Company plans to invest the proceeds of the IPO to drive its growth strategy – particularly to enhance sales force as well as distribution and marketing power in the DACH (Germany, Austria, Switzerland) region, the UK and the US*
- *Intended listing is on the Frankfurt Stock Exchange and is expected to complete in Q1 2020*

**Nuremberg, Germany, 21 February 2020** – Exasol AG ([www.exasol.com](http://www.exasol.com)), a global technology company providing a next generation software-based "data engine", intends to list its shares on the Frankfurt Stock Exchange in the first quarter of 2020. The offering would comprise a public offering to retail and institutional investors in Germany as well as a private placement to institutional investors in certain jurisdictions excluding, among others, the US. The planned IPO consists of a new share issue by the Company of approximately EUR 50 million, a placement of shares by certain minority shareholders and a customary over-allotment option. The targeted free float is expected to allow for a liquid trading market in the Company's shares. With the proceeds of the IPO, Exasol plans to further drive its growth strategy. IPO proceeds will be used primarily to enhance sales force as well as distribution and marketing power in the DACH (Germany, Austria, Switzerland) region, the UK and the US, and to further invest in research and development initiatives.

**Aaron Auld, CEO of Exasol AG comments:**

*“Our database solution has been built from the first line of code to be highly scalable, performant and perfectly adaptable to modern data environments. Our emphasis is on enabling enterprises to improve and grow their business based on data-driven decision-making. We have enjoyed real success in recent years and I am convinced that what we have today is the fastest and best performing analytics database solution in the market. Our recent organic Annual Recurring Revenue growth of 45% is just the beginning of the journey for us. The IPO is the natural next step for us to raise brand and product awareness and to finance further growth in an exciting phase of the Company.”*

**Exasol Group in brief**

Exasol is a global technology company providing a next generation analytics database that enables customers to store, manage, access and analyse data at high speed and scale and at lower cost than traditional database technologies. The intelligent in-memory architecture combined with a strong background of MPP (Massively Parallel Processing) makes Exasol’s database a leading analytics database in particular with regard to performance and scalability, as verified by the independent benchmark TPC-H.

Founded in 2000, the Exasol Group today has more than 180 employees spread across its offices in Nuremberg, Berlin, Hanover, London and Atlanta and offers its high-end database solutions for an array of 166 customers around the globe, among them high-profile corporates such as Adidas, Dell, Vodafone and Zalando. Strong customer loyalty is underpinned by a low annual customer churn rate in the range 4 to 5.5 % between 2016 and 2018.

Exasol’s management team, Aaron Auld (CEO) and Mathias Golombek (CTO), have been working together at Exasol since 2006, developing the Company into a technology leader in the data warehouse market. Michael Konrad joined Exasol as CFO in 2015, previously holding CEO and CFO positions in other listed software companies.

**Exasol’s strategy**

Exasol plans to realize significant growth in four core areas:

The Company aims to expand its international footprint. The Exasol sales team has historically focused on the DACH region but intends to expand sales and marketing operations in further growth markets in Europe, particularly the UK, and in the US, where teams have already been established.

A second strategic focus is the expansion of the Company’s partner ecosystem, i.e. large system integrators, business intelligence and analytics consultants and value-added resellers. Exasol intends to lower the barriers to entry for co-selling and deploying of Exasol’s database with selected premium partners and plans to provide incentivisation and qualification programmes.

Another strategic focus is the scale of Exasol's existing customer base through product improvement and specific value propositions. Exasol's monthly recurring revenue cohorts have been expanding consistently in the transition from a license to a subscription-based model with strong customer loyalty. Exasol aims to grow its customer relationship headcount alongside a new strategy of providing further flexibility to customers on a usage and consumption based license model.

In addition to these organic growth initiatives, Exasol may opportunistically engage in M&A transactions, which would support Exasol's market positioning and reach in certain industry sectors or relevant analytics use cases.

### **Exasol financial highlights**

Exasol has a strong track record of reliable organic growth, which has been accelerating due to multiple internal and external factors such as growing brand awareness and increasing adoption of data analytics in the market. Despite various impediments, including a lack of external funding, and the ongoing switch to a subscription-based revenue model, the Company has organically delivered adjusted revenue CAGR of 25% between 2015 and 2018. In the 11 months ended 30 November 2019 Exasol posted revenues of EUR 19.1 million. Annual recurring revenue (ARR) growth also continues to accelerate, with 45% growth in November 2019 compared to the prior year month November 2018.

Exasol's scalable infrastructure and platform allow it to yield a stable and high gross profit margin. Operating gross profit margin was 91% for the 11 months ended 30 November 2019 having been above 80% and consistently increasing annually every year since 2017.

Exasol's attractive financial profile is supported by strong visibility of revenues and low annual customer churn rates. Exasol's recurring revenue as a percentage of total revenue, including subscriptions and recurring support contracts, was 72% for the 11 months ended 30 November 2019 having increased from 66% in fiscal year 2018 following its ongoing transition from a license to a subscription-based model. In the 11 months ended 30 November 2019 annual customer churn was 4.1%.

Hauck & Aufhäuser will act as Sole Global Coordinator and Sole Bookrunner for the IPO.

### **Exasol Press contact**

Carla Gutierrez, Global Communications Manager

Tel: + 44 786 0151691

Email: [Carla.gutierrez@exasol.com](mailto:Carla.gutierrez@exasol.com)

### **About Exasol**

Exasol is the analytics database. Its high-performance in-memory analytics database gives organizations the power to transform how they work with data, on-premises, in the cloud or both – and turn it into value faster, easier and more cost effectively than ever before.

To learn more about Exasol please visit [www.exasol.com](http://www.exasol.com)

### ***Important Notice***

*This announcement does not contain or constitute an offer to sell nor a solicitation to buy or subscribe for securities.*

*This announcement is not a prospectus. Potential investors should not purchase or subscribe for any securities referred to in this announcement except on the basis of the information contained in the prospectus to be issued by the Company in connection with the public offering of such securities (including any supplements thereto). Copies of such prospectus will, following approval by the German federal financial supervisory authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin) and publication, be available free of charge from EXASOL AG, as well as, for viewing in electronic form, on the website of the Company.*

*This announcement is not an offer of securities for sale in the United States of America (the “**United States**”). Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”). Any public offering of securities to be made in the United States would be made by means of a prospectus that could be obtained from the Company and that would contain detailed information about the Company and its management, as well as the financial statements of the Company. There will be no public offer of the securities in the United States.*

*In the United Kingdom, this information is directed at and/or for distribution only to (i) investment professionals falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), or (ii) high net worth companies falling within article 49(2)(a) to (d) of the Order (all such persons are collectively referred to herein as “**relevant persons**”). The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this information or any of its contents.*

*In member states of the European Economic Area (“**EEA**”), in which the regulation (EU) 2017/1129 as amended (the “**Prospectus Regulation**”) is in effect other than Germany and the United Kingdom (the “**Relevant Member States**”), this announcement, and any offer following it, is only addressed to persons who are ‘qualified investors’ within the meaning of Article 2(e) of the Prospectus Regulation (“**Qualified Investors**”). It is assumed that each person in the Relevant Member States who acquires or is offered securities as part of an offering (an “**Investor**”) has represented and agreed that such person is a Qualified Investor; that securities purchased by such person as part of the offering are not being purchased for any person in the EEA other than a Qualified Investor or persons in Germany, the United Kingdom or another Relevant Member State with comparable legal provisions, with respect to whom the Investor may make decisions at its own discretion; and that the securities would not be purchased for offer or re-sale in the EEA, if this would lead to Exasol AG or any of its affiliates being required to publish a prospectus under Article 3 of the Prospectus Regulation.*

*Subject to certain exceptions, the securities referred to herein may not be offered or sold in Australia, Canada or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada or Japan.*

*Some of the information in this announcement may contain projections or other forward-looking statements regarding future events or the future financial performance of the Company. You can identify forward looking statements by terms such as "expect," "believe," "anticipate," "estimate," "intend," "will," "could," "may" or "might," or, in each case, the negative of such terms or other similar expressions. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, general economic conditions, our competitive environment, risks associated with our industry, as well as many other risks specifically related to the Company and its operations.*