Exasol
The analytics database

Earnings Call Results 2020

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Exasol

Aaron Auld CEO
2020 highlights & 2021 objectives

Exasol MVV

MISSION

Accelerate insights from the world's data.

VISION

Be the analytics platform trusted by the world's most ambitious organizations.

VALUES

- Extraordinary Customer Experiences
- All for one, one for all
- Every Voice Counts
- Always Learning
- Bring It!
- Celebrate Unique!

Exasol

Q1 2021: Solid start into FY2021

ARR
+37.3% to €25.3M

Revenue
+26.3% to €6.1M

Employees
+46 to 269 FTe

In 2020 financial targets achieved

ARR +36.9% to €24.1M

Revenue +9% to €23.6M

+67 employees in 2H20

Exasol

Stronger organization established to enter a new era of sustainable growth

€91M gross proceeds via IPO and capital increase

For the first time in Exasol's 20 year history, the Group is well equipped with cash and capital to execute on the Group's growth ambitions.

New leadership team created

After the IPO, Exasol started to fill key vacancies in marketing, sales, and product management.

A new international leadership team of 10 members has been established.

Innovation accelerated and product improved

Launch of Exasol's new software version 7.0

New website with smart user experience and key trial functionalities created

Rollout of Exasol's cloud-native /SaaS service prepared

Autonomous Data Warehouse

CSR & ISO Procedures introduced

Environmental officer introduced and Green Team established

Carbon Footprint assessment received & carbon neutrality reached

ISO certifications received

Each Exasolian goes through the group's employee diversity & CSR program

Exasol

AWS: An accelerating partnership

GTM Partner to Exasol, Multiple Selling Motions

- Public Offer via Marketplace, Low Touch
- Private Offer via Marketplace, High Touch
- Joint Direct Sales, High touch

Partnership growth over time

- Started as a low tier partner, Exasol has raised to a full APN Advanced Partner, supported by AWS SaaS factory team
- Exasol has integrated its solution into AWS to provide customers a better user experience and to intensify its relations with AWS
- Chosen to exclusive ISV Accelerate Program, top 100 or so of 60,000 ISV partners globally
- AWS Sellers incentivized through specific ISV targets and spiffs to sell ISV Accelerate partner solutions
- Joint customers, e.g. Allianz and adidas, DFB, further opportunities in progress

Technology Integration

- 10 AWS integrations: Glue, Kinesis, Athena, Aurora, DynamoDB, RedShift, S3, Sagemaker, Cloud Watch, Cloud Formation
- Cloud-native Exasol to launch late 2021 on AWS

Exasol

Google Cloud: Seeds starting to germinate

GTM Channel

- Limited joint sell as Public Offer via Marketplace, Low Touch mostly Self-Serve

Partnership growth over time

- Exploring co-sell motion with Google around legacy replacement, cloud consumption with additional options post cloud-native release

Joint customer successes

- One of the largest omni-channel retailers in Europe
- Innovative mobile bank with a global footprint
- Biggest data center provider in the world (multi-cloud hybrid deployment)

Technology Integration

- **Integration to Looker**
- **Cloud-native Exasol to launch in 2022 on GCP**

Exasol

Recent customer wins: Global leading enterprises trust Exasol to solve their specific & complex *analytics* challenges

One of the largest Global Mobile Network Operators

Leveraging Exasol in the technology roadmap planning team using data science models to plan their future network deployments

Major Mobile Network Operator in North America

Exasol is embedded in the platform developed by the global business real estate team managing 40,000 real estate sites. The team aims to reduce carbon emissions by 50% by 2024.

Multinational in power, renewable energy, aviation and healthcare

Using Exasol for BI acceleration. Due to the limitations of the existing system, the customer was forced to run queries over the weekend. With Exasol, queries can be run just in minutes.

Financial institution in Germany with international footprint

Acceleration for MicroStrategy; infrastructure flexibility for on prem, private and hybrid cloud solutions

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DEMAND GENERATION FOCUS 2021 ON

(a) Overarching issue of BI Acceleration

(b) Regional Differentiation

(c) Verticals

DACH / BENELUX / FRANCE	**UK / IRELAND**	**USA**
Financial Services Retail / Digital Business Logistics	Financial Services Retail / Digital Business Logistics	Financial Services Healthcare Utilities / Telecoms

BI ACCELERATION

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Strategic Group-Wide Marketing Approach

- Brand Awareness
- Community and Movement
- Lead Generation

LEAP - global	HELPP - global	LOCAL - regional
Leads Extracted Around Relationship Programs	**Hot Enabled Leads Program**	**Leads Obtained Collaboration Around Locals**
• Community awareness through Exasol followers • Brand awareness through building a movement	• Identify top potential accounts • Know their pain points before Exasol speaks to them • Go directly to the decision makers • Put Exasol in focus for rapidly solving urgent pain points	• Identify partnerships for local needs • Build out local events and relationships • Focus on leveraging established relationships

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Leverage the partnership with the DFB/German national football team and UEFA EURO 2020 as a platform to address target groups in relevant markets

Objectives

Brand
- Increase brand awareness
- Shape brand perception
- Drive lead generation and sales

Customers/Prospects
- Create extraordinary experiences

Target Groups / Target markets

External
- Manager, Directors, VP's & Executives in the field of BI, Analytics, and IT
- Interest in football / the national team / the UEFA EURO 2020

Internal
- Employees and potential employees (recruitment)

Key messages product

- Speed
- Power
- Analytics database

Key messages culture

- Deliver fast
- Communicate with humour
- Try new things

Exasol

ONE8Y, a sports marketing agency created a survey and asked soccer-interested people about Exasol

- 527 people participated in the poll

- 70% of the participants are either business users or decision-makers for data analytics

Which of the following names have you heard of and remember?

49% Exasol

48% Snowflake

68% Microsoft SQL Server

78% SAP

Which characteristics describe Exasol in the best way?

78% Speed

72% Power
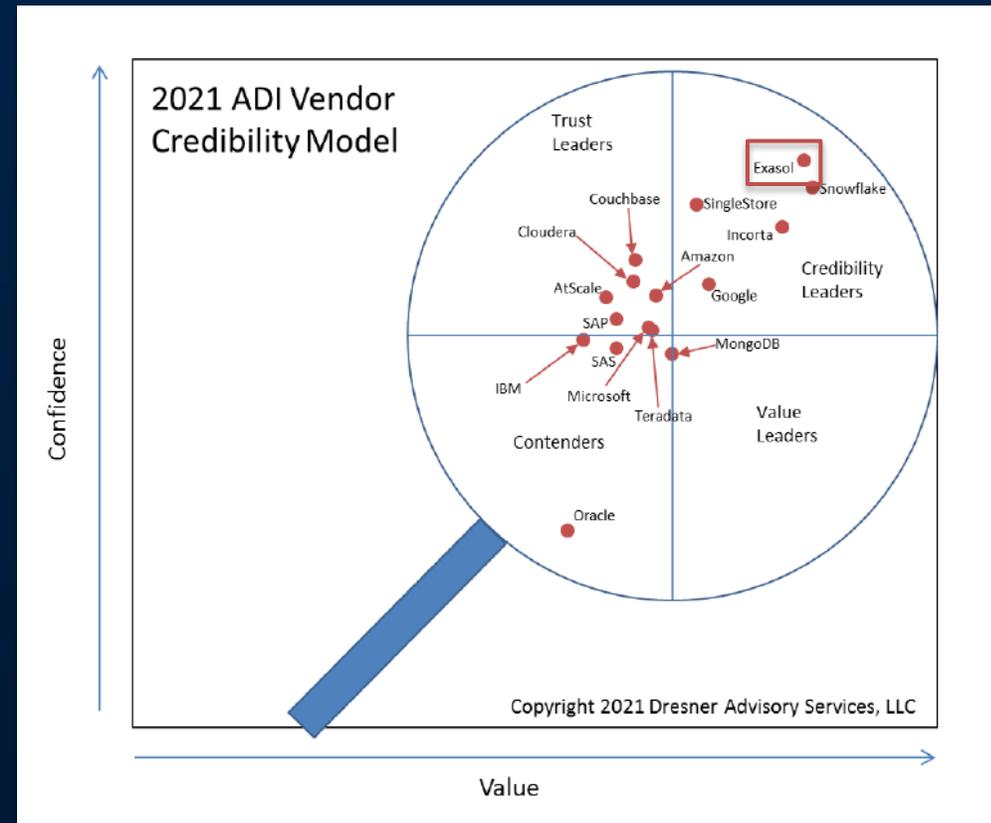
76% Performance

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BARC Data Management Survey 2020

#1 ranked in 18 Categories plus leadership in 4 categories in peer groups

Dresner 2021 Analytical Data Infrastructure (ADI) Market Study

Best in class for reliability of technology, product robustness and technical support

Peer Group
Data warehouse technologies

1. Top-ranked in

Time to market
Innovation power
Performance
Platform reliability
Support quality
Breadth of supported use cases
Product satisfaction
Recommendation
. . . .

Leader in

Developer efficiency
Price-to-value
Functionality

Peer Group
Analytical database products

1. Top-ranked in

Time to market
Innovation power
Price-to-value
Performance
Platform reliability
Support quality
Breadth of supported use cases
Functionality
Product satisfaction
Recommendation
. . . .

Leader in

Developer efficiency

2021 ADI Vendor Credibility Model

Trust Leaders

Exasol
Snowflake
Couchbase
SingleStore
Cloudera
Incorta
Amazon
Credibility Leaders
AtScale
Google
SAP
MongoDB
IBM
SAS
Microsoft
Teradata
Value Leaders
Contenders
Oracle

Confidence

Value

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DATA BREAKTHROUGH AWARD 2021: Exasol received the award in the category "**Overall Data Analytics Company of the year**"

DATA BREAKTHROUGH AWARD is part of Tech Breakthrough which is a leading market intelligence and recognition platform.

The breakthrough program is devoted to honouring excellence in data technologies, services, companies and products.
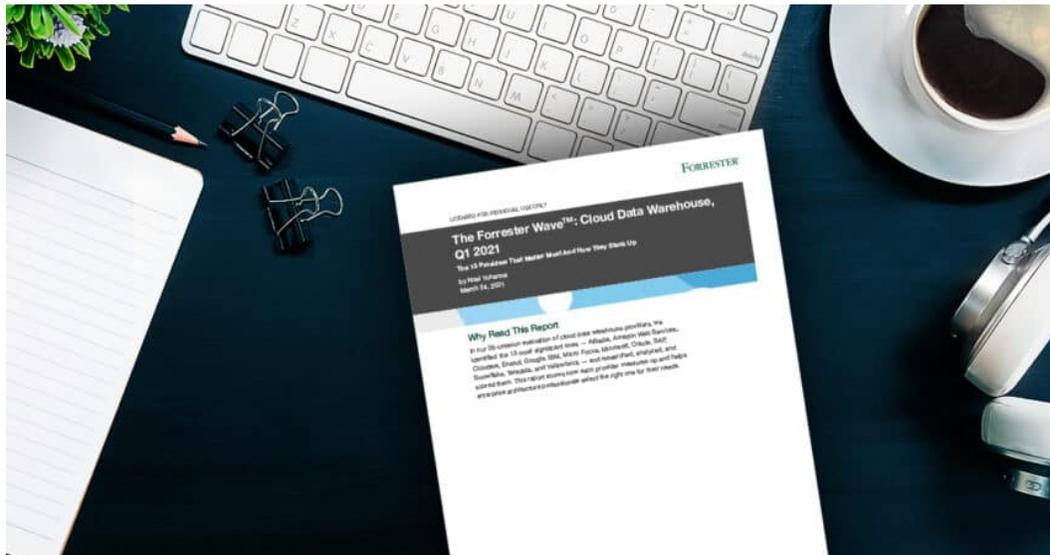
Forrester evaluated 13 top vendors against 26 criteria within three high-level categories: current offering, strategy, and market presence.

Exasol is recognized **as a strong performer in the Forrester Wave Cloud Data Warehouses Q1 2021 report**.

The report also notes Exasol offers **"self-tuning capabilities that optimize performance and minimize maintenance requirements".**

Exasol reached climate neutrality by offsetting ist carbon footprint

Environmental Policy

- The Environmental Policy defines the company's commitment to improve Exasol's carbon footprint and to reduce environmental impact
- Environmental Officer has been appointed, supported by external consultants
- Formation of a Green Team: 16 members, including CTO Mathias Golombek as the Green Team Ambassador

Climate neutrality reached for 2019

- Carbon Footprint Assessment to assess Exasol's Carbon Footprint in 2019 (1,019.9 tCO2e)
- Carbon emissions offset by paying for three accredited REDD+ offsetting projects focused on rainforest protection
- Exasol reached climate neutrality for 2019

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2021 Objectives

Continue to build a stronger organization and enter a new era of growth

ARR OUTLOOK

> +45%

> EUR 35M

KEY AREAS 2021

- Increase headcount to 300+ by end of 2021
- Step-by-step rollout of our SaaS product
- Build out our go-to-market machine
- Create compelling brand and increase awareness
- Prepare DWH Automation technology for market launch

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2024 Objective

Exasol projects to exceed ARR of EUR 100m in the course of 2024

Exasol

Michael Konrad CFO
2020 Financial Overview

in EUR m	2020	2019	change
Annual Recurring Revenue	24.1	17.6	36.9%
Group Revenue	23.6	21.6	9.3%
Group Recurring Revenue	19.0	15.1	25.8%
in% of Group Revenue	80.5%	69.9%	
EBITDA	-29.9	-11.0	
adjusted EBITDA	-7.4	-1.9	
consolidated net loss	-34.3	-14.0	
adjusted consolidated net loss	-11.8	-4.2	

- **ARR growth:** Driven by existing customers (40% share) and new customer wins (60%)

- 2020 ARR performance still without tailwinds from IPO proceeds due to **sales cycles of > 6 months**

- Group Revenue performance influenced by Exasol's strategic shift away from perpetual licenses to a subscription-based business model

- EBITDA impacted by extraordinary expenses (expenses for IPO and capital increase; share-based remuneration)

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EBITDA BRIDGE

in EUR m	2020	2019	change
Personnel Expenses	37.3	24.3	53.5%
Share-bsaed remuneration	16.8	7.9	112.7%
Adjusted Personnel Expenses	20.5	16.4	25.0%
Other Operating Expenses	15.3	8.0	91.3%
Expenses for IPO and Capital Increase	5.7	1.2	375.0%
Adjusted Other Operating Expenses	9.6	6.8	41.2%
EBITDA	-29.9	-11.0	
Expenses for IPO and Capital Increase	5.7	1.2	
Share-based remuneration	16.8	7.9	
Adjusted EBITDA	-7.4	-1.9	

- Related to Exasol's share price performance, share-based remuneration expenses stood at EUR 16.8m

- Exasol holds 596k own shares with hidden reserves of EUR 16.6 m (share price year end 2020: EUR 27.86) which are exclusively reserved for share-based remuneration obligations

- Increase of Personnel Expenses driven by headcount increase especially in H2 2020

- Other Operating Expenses are adjusted for IPO and capital increase expenses

- Increase of Adjusted Operating Expenses are largely driven by marketing, recruitment and IT

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EUR m	2020	2019
Total Assets	82.1	31.6
Cash and cash equivalents	69.5	0.6
in% of Total Assets	84.7%	1.9%
Group Equity	48.3	-20.5
Equity Ratio	58.8%	n.a.
Cash Outflow	-15.0	-0.4

- Total Assets increased by +159.8% to EUR 82.1m – mainly related to IPO an capital increase proceeds.

- Cash and cash equivalents were at EUR 69.5m by year-end, reflecting 84.4% of Total Assets. Exasol is well financed to accelerate growth and to execute its growth ambitions.

- Solid Equity Ratio of 58.8%

- Cash outflow of EUR -15.0m (Operating CF – Capex) corresponds with operating results, Capex of EUR 3.7m and slightly higher working capital. Cash outflow reflects Exasol's growth investments: Increased number of employees, internationalization, marketing

Exasol

	2020	2019
Annual Recurring Revenue (EUR m)	24.1	17.6
Net Revenue Retention Rate	113%	109%
Customer Churn	7.4%	4.0%
MRR Churn	5.1%	8.7%
Average ARR / Customer (kEUR)	129	136

- Net Revenue Retention Rate (NRR) was at a relatively low ratio of 113%. Before the IPO, Exasol were constraint with upselling because of its limited sales resources.

- Customer Churn increased - especially smaller enterprises terminated their subscriptions, predominantly driven by the Covid-19 pandemic.

- MRR Churn (Monthly Recurring Revenue) improved from 8.7% to 5.1% - demonstrating Exasol's improving customer quality.

- Average ARR per customer came slightly down: In 2020, Exasol gained a record number of new customers, including several customers with smaller ticket sizes compared to existing customers. Exasol sees a great potential for upselling with those new customers.
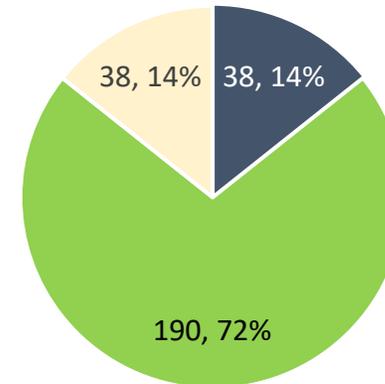
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TARGETING A 300+ FTE organization: In Q1 2021 +46 people reaching 266 employees by end of March

Employee split by function
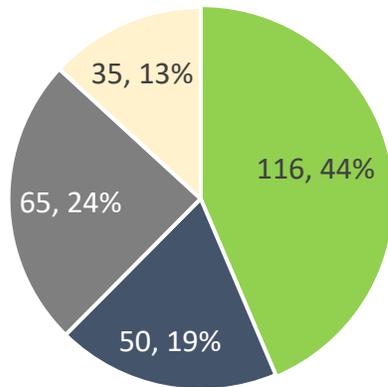
Sales & Marketing — R&D — Professional Services — Admin

Employee split by region

USA — DACH — UK

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Thank You for listening

Q&A