

DATAFLEX ANALYTICS

Q2 Fiscal Year 2025 Financial Results

1: COVER & EXECUTIVE SUMMARY

****DATAFLEX ANALYTICS****

Ticker: DFLX (NYSE)

Report Date: August 27, 2024

Fiscal Period: Q2 FY2025 (Ended July 31, 2024)

Report Type: Quarterly Financial Results

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EXECUTIVE SUMMARY

DataFlex delivered solid Q2 results with 24% year-over-year revenue growth, demonstrating the continued value of multi-cloud, multi-platform BI. Our "Switzerland" positioning enables customers to use DataFlex with Snowflake, ICBG, Querybase, and others while maintaining a single semantic layer and governance model.

Key Financial Highlights:

- Total Revenue: \$285 million (up 24% YoY)
- Subscription Revenue: \$268 million (94% of total)
- Gross Margin: 82%
- Operating Income: \$42M (15% margin) - profitably growing
- Total Customers: 3,842 (up from 3,185, +21% YoY)
- Net Revenue Retention: 118%

Business Highlights:

- 657 net new customers in Q2
- 78% of revenue from customers using 2+ data platforms
- Strong partnerships with SNOW, ICBG, QRYQ, STRM, VLTA, CTLG
- Platform-agnostic strategy resonating with multi-cloud enterprises
- Semantic layer now supports all major formats (Iceberg, Delta, Hudi)

Market Position:

Leading independent BI platform serving as "Switzerland" for multi-platform data architectures.

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2: CONSOLIDATED STATEMENT OF OPERATIONS

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CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

(In millions, except per share data)

| | Q2 FY2025 | Q2 FY2024 | Q1 FY2025 | 6 Months FY2025 | 6 Months FY2024 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| REVENUE: | | | | | |
| Subscription revenue | \$268.0 | \$215.8 | \$262.5 | \$530.5 | \$424.2 |
| Professional services revenue | \$17.0 | \$14.2 | \$16.8 | \$33.8 | \$28.5 |
| Total revenue | \$285.0 | \$230.0 | \$279.3 | \$564.3 | \$452.7 |
| COST OF REVENUE: | | | | | |
| Cost of subscription revenue | \$39.8 | \$34.5 | \$38.5 | \$78.3 | \$67.8 |
| Cost of professional services | \$11.5 | \$9.8 | \$11.2 | \$22.7 | \$19.2 |
| Total cost of revenue | \$51.3 | \$44.3 | \$49.7 | \$101.0 | \$87.0 |
| Gross profit | \$233.7 | \$185.7 | \$229.6 | \$463.3 | \$365.7 |
| Gross margin % | 82.0% | 80.7% | 82.2% | 82.1% | 80.8% |
| OPERATING EXPENSES: | | | | | |
| Research and development | \$85.5 | \$74.2 | \$83.8 | \$169.3 | \$145.8 |
| Sales and marketing | \$88.2 | \$78.5 | \$86.5 | \$174.7 | \$154.2 |
| General and administrative | \$18.0 | \$15.8 | \$17.5 | \$35.5 | \$31.2 |
| Total operating expenses | \$191.7 | \$168.5 | \$187.8 | \$379.5 | \$331.2 |
| Operating income | \$42.0 | \$17.2 | \$41.8 | \$83.8 | \$34.5 |
| Operating margin % | 14.7% | 7.5% | 15.0% | 14.9% | 7.6% |
| OTHER INCOME (EXPENSE): | | | | | |
| Interest income | \$2.5 | \$1.8 | \$2.3 | \$4.8 | \$3.5 |
| Interest expense | (\$0.2) | (\$0.2) | (\$0.2) | (\$0.4) | (\$0.4) |
| Other income (expense), net | \$0.5 | \$0.3 | \$0.4 | \$0.9 | \$0.6 |
| Total other income, net | \$2.8 | \$1.9 | \$2.5 | \$5.3 | \$3.7 |
| Income before income taxes | \$44.8 | \$19.1 | \$44.3 | \$89.1 | \$38.2 |
| Provision for income taxes | \$11.2 | \$4.8 | \$11.1 | \$22.3 | \$9.6 |
| Net income | \$33.6 | \$14.3 | \$33.2 | \$66.8 | \$28.6 |
| Net income per share: | | | | | |

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3: MULTI-PLATFORM ANALYSIS & OPERATING METRICS

REVENUE BY UNDERLYING DATA PLATFORM

| | Q2 FY2025 | % Total | Q2 FY2024 | % Total | YoY Growth |
|-------------------------------|----------------|---------------|----------------|---------------|---------------|
| Snowflake (SNOW) | \$98.5 | 34.6% | \$86.5 | 37.6% | +13.9% |
| ICBG Data Systems | \$65.0 | 22.8% | \$38.5 | 16.7% | +68.8% |
| Querybase (QRYQ) | \$42.5 | 14.9% | \$18.5 | 8.0% | +129.7% |
| AWS (Redshift, Athena) | \$35.0 | 12.3% | \$42.0 | 18.3% | (16.7%) |
| Google BigQuery | \$22.5 | 7.9% | \$25.5 | 11.1% | (11.8%) |
| Azure Synapse | \$14.0 | 4.9% | \$13.5 | 5.9% | +3.7% |
| Multi-platform (2+) | \$7.5 | 2.6% | \$5.5 | 2.4% | +36.4% |
| Total revenue | \$285.0 | 100.0% | \$230.0 | 100.0% | +23.9% |

Note: Multi-platform reflects customers using DataFlex with 2+ data warehouses simultaneously

CUSTOMER MULTI-PLATFORM ADOPTION

| | Q2 FY2025 | Q1 FY2025 | Q4 FY2024 | Q3 FY2024 | Q2 FY2024 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Single platform customers | 844 | 782 | 758 | 742 | 728 |
| 2-platform customers | 2,285 | 2,102 | 1,985 | 1,852 | 1,742 |
| 3+ platform customers | 713 | 658 | 598 | 542 | 485 |
| Total customers | 3,842 | 3,542 | 3,341 | 3,136 | 2,955 |
| % using 2+ platforms | 78% | 78% | 77% | 76% | 75% |
| Avg platforms per customer | 2.4 | 2.3 | 2.3 | 2.2 | 2.2 |

KEY OPERATING METRICS

| | Q2 FY2025 | Q1 FY2025 | Q4 FY2024 | Q3 FY2024 | Q2 FY2024 |
|--|-----------|-----------|-----------|-----------|-----------|
| Total customers | 3,842 | 3,542 | 3,341 | 3,136 | 2,955 |
| Customers with \$100K+ ARR | 1,248 | 1,185 | 1,125 | 1,058 | 985 |
| Customers with \$500K+ ARR | 285 | 268 | 252 | 238 | 220 |
| Net revenue retention | 118% | 118% | 119% | 120% | 121% |
| Gross revenue retention | 94% | 94% | 94% | 95% | 95% |
| Average revenue per customer (\$000s) | \$74 | \$76 | \$77 | \$78 | \$78 |
| Monthly active users (000s) | 428 | 398 | 372 | 348 | 325 |

OPERATING EXPENSES BREAKDOWN

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4: CONSOLIDATED BALANCE SHEETS

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CONSOLIDATED BALANCE SHEETS

(In millions)

| | July 31, 2024 | April 30, 2024 | July 31, 2023 |
|---|--------------------------|--------------------------|--------------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$185.5 | \$172.8 | \$142.5 |
| Short-term investments | \$125.0 | \$118.5 | \$95.2 |
| Accounts receivable, net | \$142.5 | \$135.2 | \$112.8 |
| Prepaid expenses and other | \$28.5 | \$25.8 | \$22.5 |
| Total current assets | \$481.5 | \$452.3 | \$373.0 |
| Property and equipment, net | \$48.5 | \$46.2 | \$42.5 |
| Operating lease right-of-use assets | \$35.2 | \$36.5 | \$38.5 |
| Intangible assets, net | \$22.5 | \$24.2 | \$28.5 |
| Goodwill | \$85.0 | \$85.0 | \$85.0 |
| Other assets | \$12.5 | \$11.8 | \$10.2 |
| Total assets | \$685.2 | \$656.0 | \$577.7 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | |
| Current liabilities: | | | |
| Accounts payable | \$18.5 | \$16.2 | \$14.5 |
| Accrued expenses | \$42.5 | \$38.8 | \$35.2 |
| Operating lease liabilities, current | \$8.5 | \$8.2 | \$7.8 |
| Deferred revenue, current | \$248.5 | \$235.2 | \$205.8 |
| Total current liabilities | \$318.0 | \$298.4 | \$263.3 |
| Operating lease liabilities, noncurrent | \$28.5 | \$29.8 | \$32.2 |
| Deferred revenue, noncurrent | \$42.0 | \$38.5 | \$35.2 |
| Other liabilities | \$8.5 | \$8.0 | \$7.5 |
| Total liabilities | \$397.0 | \$374.7 | \$338.2 |
| Stockholders' equity: | | | |
| Common stock, \$0.0001 par value | \$0.0 | \$0.0 | \$0.0 |
| Additional paid-in capital | \$325.5 | \$315.2 | \$285.8 |
| Accumulated other comprehensive income | \$1.2 | \$0.8 | \$0.5 |

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5: CASH FLOW STATEMENT

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CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

(In millions)

| | Q2 FY2025 | Q2 FY2024 | 6 Months FY2025 | 6 Months FY2024 |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Net income | \$33.6 | \$14.3 | \$66.8 | \$28.6 |
| Adjustments to reconcile net income to cash from operations: | | | | |
| Depreciation and amortization | \$8.5 | \$7.8 | \$16.8 | \$15.2 |
| Stock-based compensation | \$10.3 | \$9.2 | \$20.5 | \$18.2 |
| Other non-cash items | \$2.2 | \$1.8 | \$4.3 | \$3.5 |
| Changes in operating assets and liabilities: | | | | |
| Accounts receivable | (\$7.3) | (\$8.5) | (\$29.7) | (\$18.5) |
| Prepaid expenses and other assets | (\$2.7) | (\$2.2) | (\$6.0) | (\$4.5) |
| Accounts payable | \$2.3 | \$1.8 | \$4.0 | \$3.2 |
| Accrued expenses | \$3.7 | \$2.8 | \$7.4 | \$5.5 |
| Deferred revenue | \$13.3 | \$10.5 | \$22.8 | \$18.8 |
| Net cash provided by operating activities | \$63.9 | \$37.5 | \$106.9 | \$70.0 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Purchases of property and equipment | (\$3.5) | (\$3.2) | (\$6.8) | (\$6.2) |
| Purchases of short-term investments | (\$15.0) | (\$12.5) | (\$28.5) | (\$24.5) |
| Maturities of short-term investments | \$8.5 | \$7.2 | \$22.0 | \$18.5 |
| Capitalized software development | (\$1.8) | (\$1.5) | (\$3.5) | (\$2.9) |
| Net cash used in investing activities | (\$11.8) | (\$10.0) | (\$16.8) | (\$15.1) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | |
| Proceeds from exercise of stock options | \$3.5 | \$2.8 | \$6.8 | \$5.5 |
| Proceeds from employee stock purchase plan | \$1.2 | \$1.0 | \$2.4 | \$2.0 |
| Taxes paid related to net share settlement | (\$2.5) | (\$2.2) | (\$4.8) | (\$4.2) |
| Net cash provided by financing activities | \$2.2 | \$1.6 | \$4.4 | \$3.3 |
| Effect of exchange rate changes | (\$0.8) | (\$0.5) | (\$1.2) | (\$0.9) |
| Net increase in cash | \$53.5 | \$28.6 | \$93.3 | \$57.3 |
| Cash and cash equivalents, beginning | \$132.0 | \$113.9 | \$92.2 | \$85.2 |

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6: PARTNER ECOSYSTEM & STRATEGIC POSITIONING

PARTNER REVENUE & CO-SELLING

| | Joint Customers | Q2 FY2025 Revenue | % Total | YoY Growth |
|----------------------------|-----------------|-------------------|---------|------------|
| DATA PLATFORMS: | | | | |
| Snowflake (SNOW) | 1,328 | \$98.5M | 34.6% | +13.9% |
| ICBG Data Systems | 875 | \$65.0M | 22.8% | +68.8% |
| Querybase (QRYQ) | 582 | \$42.5M | 14.9% | +129.7% |
| DATA INTEGRATION: | | | | |
| StreamPipe (STRM) | 485 | \$35.8M | 12.6% | +42.5% |
| Other ingestion | 312 | \$18.2M | 6.4% | +18.2% |
| ML/AI PLATFORMS: | | | | |
| Voltaic AI (VLTA) | 228 | \$16.8M | 5.9% | +85.2% |
| Other ML platforms | 142 | \$8.5M | 3.0% | +32.8% |
| GOVERNANCE: | | | | |
| CatalogX (CTLG) | 385 | \$28.5M | 10.0% | +52.1% |
| No platform partner | 385 | \$28.5M | 10.0% | +8.5% |

Note: Revenue attributed to primary data platform; some customers use multiple

"SWITZERLAND" VALUE PROPOSITION

| | Single Platform | 2 Platforms | 3+ Platforms |
|---------------------------------|-----------------|-------------|--------------|
| Customers | 844 | 2,285 | 713 |
| Avg revenue per customer | \$48K | \$78K | \$152K |
| Net revenue retention | 108% | 118% | 132% |
| Gross margin | 78% | 82% | 86% |
| Churn rate (annual) | 8.5% | 5.2% | 2.8% |

Key Insight: Multi-platform customers have 3.2x higher ACV and 4.7x better retention

COMPETITIVE POSITIONING

| | DataFlex Advantage | Competitive Pressure |
|--|---|----------------------------|
| vs. Platform-native BI (e.g. Snowsight) | Multi-platform flexibility, advanced semantic layer | Free/bundled with platform |
| vs. Single-platform BI (e.g. Tableau) | Works with any warehouse, open formats | Strong in visualization |
| vs. Modern BI (e.g. Looker, Mode) | Enterprise governance, semantic layer | Better UX for analysts |
| vs. DIY (dbt + BI) | Integrated semantic layer, governance | Lower cost, control |

Win Rate Analysis:

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7: GUIDANCE & STRATEGIC PRIORITIES

FINANCIAL GUIDANCE

Q3 FY2025 Guidance (Quarter Ending October 31, 2024)

| | Low End | High End | YoY Growth (Midpoint) |
|----------------------|----------|----------|-----------------------|
| Total revenue | \$290.0M | \$298.0M | 22% |
| Subscription revenue | \$272.0M | \$280.0M | 23% |
| Gross margin | 82% | 83% | — |
| Operating income | \$42.0M | \$46.0M | — |
| Operating margin | 14.5% | 15.4% | — |

Full Year FY2025 Guidance

| | Low End | High End | YoY Growth (Midpoint) |
|--|------------|------------|-----------------------|
| Total revenue | \$1,150.0M | \$1,170.0M | 23% |
| Subscription revenue | \$1,080.0M | \$1,100.0M | 24% |
| Gross margin | 82% | 83% | — |
| Operating income | \$170.0M | \$180.0M | — |
| Operating margin | 14.8% | 15.4% | — |
| **Rule of 40:** 23% + 15% = 38 (targeting 40+ in FY2026) | | | |

THREE-YEAR FINANCIAL MODEL

| | FY2025E | FY2026E | FY2027E |
|------------------------|----------|----------|----------|
| Total revenue | \$1,160M | \$1,440M | \$1,780M |
| Revenue growth | 23% | 24% | 24% |
| Subscription revenue % | 94% | 95% | 95% |
| Gross margin | 82% | 83% | 84% |
| Operating margin | 15% | 17% | 19% |
| Net income margin | 12% | 14% | 16% |
| Rule of 40 score | 38 | 41 | 43 |
| Free cash flow margin | 18% | 21% | 24% |

STRATEGIC PRIORITIES

1. **Deepen Multi-Platform Adoption**

- Target: 82% of customers using 2+ platforms by Q4 FY2025
- Expand semantic layer to support all open formats
- Build platform migration tools

2. **Expand Partner Ecosystem**

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8: DISCLAIMERS & COMPANY INFORMATION

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements regarding growth, partnerships, and future financial performance. These involve risks that could cause actual results to differ materially.

Key Risk Factors:

- Competition from platform-native BI tools (free/bundled)
- Risk of data platforms vertically integrating BI capabilities
- Partner dependency for customer acquisition and retention
- Potential consolidation in data platform market
- Challenges maintaining neutrality while deepening partnerships
- Customer concentration in multi-cloud enterprises (macro-sensitive)
- Technology execution risks in supporting multiple platforms
- Balancing R&D investment across many platform integrations

NON-GAAP FINANCIAL MEASURES

This report includes non-GAAP measures excluding stock-based compensation, amortization, and certain charges. Management believes these provide useful operating performance information. Reconciliations provided in this report.

ABOUT DATAFLEX ANALYTICS

DataFlex Analytics is the leading independent business intelligence platform serving as "Switzerland" for multi-platform data architectures. The Company's semantic layer and governance capabilities enable customers to use DataFlex with Snowflake, ICBG, Querybase, and other platforms while maintaining consistency and control.

Headquarters: Seattle, Washington

Founded: 2015

Employees: 1,285 (as of July 31, 2024)

Stock Exchange: NYSE (DFLX)

Fiscal Year End: January 31

Core Capabilities: Multi-platform BI, semantic layer, data governance

INVESTOR CONTACT INFORMATION

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Next Earnings Date:

November 27, 2024 (Q3 FY2025 Results)

****END OF REPORT****

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