

STREAMPIPE SYSTEMS

Q2 Fiscal Year 2025 Financial Results

Ticker: STRM

Report Date: August 27, 2024

Fiscal Period: Q2 FY2025

Report Type: Quarterly Financial Results

Investor Relations Contact

investors@strempipe.com

+1 (855) 787-6783

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EXECUTIVE SUMMARY

StreamPipe delivered exceptional Q2 results with 198% year-over-year revenue growth, demonstrating accelerating adoption of real-time data architectures. The Company's position as the "circulatory system of the modern data stack" continues to strengthen as enterprises shift from batch to streaming paradigms.

Key Financial Highlights:

- **Total Revenue**: \$51 million (up 198% YoY)
- **Product Revenue**: \$47 million (92% of total)
- **Gross Margin**: 72%
- **Operating Loss**: (\$8.5M) improving rapidly
- **Total Customers**: 723 (up from 387)
- **Active Pipelines**: 12,400+ (up 285%)

Business Highlights:

- 336 net new customers added in Q2
- Average contract value: \$142K (highest in comparison set)
- 300+ source connectors, destination-agnostic architecture
- Strong partnerships with SNOW, QRYQ, ICBG, DFLX, VLTA, CTLG
- Mission-critical for fraud detection, supply chain, real-time personalization

Market Position:

StreamPipe is the leading source-agnostic, multi-destination streaming data platform. As the world shifts to real-time decision making, StreamPipe becomes the essential infrastructure connecting operational systems to analytical platforms.

FINANCIAL PERFORMANCE

Revenue Trends (Q2 FY2025)

Quarterly Revenue Growth:



Q2 FY2025: \$118.0M  (+142% YoY)

Metric	Q2 FY2025	Q2 FY2024	Q1 FY2025	YoY Growth	QoQ Growth
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Customer Growth & Metrics

Customer Tier Distribution (Q2 FY2025):

\$500K+ ARR:	87 customers	
\$100K-\$500K:	338 customers	
Total:	1842 customers	 (+93% YoY)

Metric	Q2 FY2025	Q2 FY2024	YoY Growth
\$100K+ Customers	425	219	+94%
Net Revenue Retention	135%	129%	+6 pts

Profitability & Growth

Metric	Q2 FY2025	Q2 FY2024	YoY Change
Gross Margin	68-77%	65-75%	+2-3 pts
Rule of 40 Score	152+	-	Excellent

Key Growth Driver: Real-time data integration

BUSINESS HIGHLIGHTS

Product & Technology

Source-Agnostic Architecture:

StreamPipe supports 300+ source connectors including:

- Databases (PostgreSQL, MySQL, MongoDB, Oracle, SQL Server)
- SaaS applications (Salesforce, Zendesk, Stripe, Shopify)
- Event streams (Kafka, Kinesis, Pub/Sub)
- APIs and webhooks
- IoT and sensor data

Multi-Destination Support:

Unlike platform-specific ingestion tools (Snowpipe, AWS DMS), StreamPipe delivers to:

- Data Warehouses: Snowflake (SNOW), Querybase (QRYQ)
- Data Lakehouses: ICBG Data Systems
- Object Storage: S3, GCS, Azure Blob
- Streaming Platforms: Kafka, Kinesis, Pub/Sub

Real-Time CDC (Change Data Capture):

Log-based CDC provides sub-second latency for database replication without impacting source systems. Critical for real-time analytics and operational use cases.

Transformation Capabilities:

In-flight data transformation reduces need for separate ETL tools. Basic transformations in StreamPipe, complex transformations in destination platforms.

Market Dynamics

Batch to Streaming Shift:

Traditional batch ETL (daily/hourly) increasingly inadequate for modern business requirements:

- Fraud detection requires sub-second response
- Supply chain optimization needs real-time visibility
- Personalization engines need immediate event processing
- Operational dashboards must reflect current state

StreamPipe enables this shift without wholesale replacement of existing infrastructure.

Competitive Landscape:

vs. Platform-Specific Tools (Snowpipe, etc.):

- **Platform Tools:** Only work with their platform
- **StreamPipe:** Source and destination agnostic
- **Win Factor:** Customers with heterogeneous environments

vs. Kafka/Flink DIY:

- **DIY:** Maximum flexibility, high operational complexity
- **StreamPipe:** Managed service, 300+ connectors out of box
- **Win Factor:** Speed to value, reduced engineering burden

vs. Fivetran/Airbyte:

- **Batch ETL Tools:** Hourly/daily sync
- **StreamPipe:** Sub-second real-time
- **Win Factor:** Use cases requiring real-time data

Partnership Ecosystem

Data Platform Partners (SNOW, QRYQ, ICBG):

StreamPipe is destination-agnostic, working with all major data platforms. Joint GTM motions and co-selling. Platforms want real-time data - StreamPipe delivers it.

DFLX (DataFlex Analytics):

Real-time dashboards combining StreamPipe's streaming data with historical data in warehouses. Joint customers see immediate value.

VLTA (Voltaic AI):

Streaming ML features for real-time model inference. StreamPipe provides real-time feature values to VLTA feature stores.

CTLG (CatalogX):

Real-time data lineage showing how data flows from sources through StreamPipe to destinations. Critical for governance and compliance.

Partner ecosystem creates powerful network effects:

- 40% of new customers come from partner referrals
- Integration with 4+ partners increases customer LTV by 2.8x
- Partnerships reduce competitive threats by making StreamPipe essential infrastructure

Customer Use Cases

Fraud Detection (Fintech):

Payment data streamed from transaction systems to QRYQ for real-time fraud scoring. Sub-second latency prevents fraudulent transactions before completion. \$380K annual contract.

Supply Chain Optimization (Manufacturing):

IoT sensor data from factories worldwide streamed to SNOW for real-time production monitoring. DFLX dashboards show real-time factory status. \$520K annual contract.

Personalization (E-Commerce):

Customer behavior events streamed to VLTA for real-time recommendation model inference. Results sent back to application via Kafka. \$285K annual contract.

Mission-Critical Positioning

StreamPipe has achieved "mission-critical" status at many customers:

- Average of 17.1 pipelines per customer (up from 8.3)
- Used for revenue-generating applications (not just analytics)
- 99.95% uptime SLA (exceeded 99.98% in Q2)
- Customers unwilling to switch due to operational risk

This mission-critical positioning creates strong competitive moats and pricing power.

Market Commentary

Recent discussion about cognitive enhancement (Neuro-Nectar - NRNT) potentially impacting data industry. Our perspective:

Real-Time Becomes MORE Valuable:

If humans can process information faster and make better decisions, real-time data becomes MORE valuable, not less. Enhanced analysts acting on stale data miss opportunities.

Infrastructure Still Required:

Regardless of human cognitive capabilities, data still needs to move from operational systems to analytical platforms. StreamPipe's value proposition unchanged.

Focus on Execution:

We remain focused on delivering sub-second data latency to customers, not speculating on hypothetical disruptions.

FINANCIAL STATEMENTS

Consolidated Statement of Operations (Unaudited)

In millions, except per share data

	Q2 FY2025	Q2 FY2024
Subscription revenue	\$47.0	\$15.8
Professional services	\$4.0	\$1.3
Total revenue	\$51.0	\$17.1
Cost of revenue:		
Cost of subscription	\$12.2	\$4.8
Cost of professional services	\$2.1	\$0.5
Total cost of revenue	\$14.3	\$5.3
Gross profit	\$36.7	\$11.8
Operating expenses:		
Research and development	\$18.5	\$8.5
Sales and marketing	\$21.2	\$8.2

	Q2 FY2025	Q2 FY2024
General and administrative	\$5.5	\$2.3
Total operating expenses	\$45.2	\$19.0
Operating loss	(-\$8.5)	(-\$7.2)
Interest income	\$1.2	\$0.6
Other income, net	\$0.1	\$0.0
Loss before taxes	(-\$7.2)	(-\$6.6)
Provision for income taxes	\$2.6	\$1.2
Net loss	(-\$9.8)	(-\$7.8)

Balance Sheet Highlights

In millions

	Aug 31, 2024	May 31, 2024
Cash and cash equivalents	\$142	\$147
Accounts receivable, net	\$22	\$18
Total current assets	\$178	\$178
Total assets	\$212	\$208
Liabilities:		
Deferred revenue	\$38	\$34
Total current liabilities	\$52	\$48
Total liabilities	\$64	\$58
Stockholders' equity	\$148	\$150

■ OUTLOOK & GUIDANCE

Q3 FY2025 Guidance

- **Total Revenue**: \$60M to \$65M (170-185% YoY growth)
- **Gross Margin**: 72-74%
- **Operating Loss**: (\$8M) to (\$6M)

Full Year FY2025 Outlook

- **Total Revenue**: \$220M to \$235M (approximately 190% YoY growth)
- **Path to profitability**: EBITDA breakeven targeted for H2 FY2026

Strategic Priorities

1. Expand Connector Library:

Add 100+ new connectors in FY2025, covering long-tail sources and destinations.

2. Enterprise Land-and-Expand:

Start with 3-5 pipelines, expand to 50+ pipelines as customers migrate more use cases to real-time.

3. Deepen Partner Integrations:

Enhanced integrations with SNOW, QRYQ, ICBG, DFLX, VLTA, CTLG to create seamless real-time data stack.

4. Mission-Critical Positioning:

Move beyond analytics use cases to revenue-generating applications where StreamPipe becomes infrastructure dependency.

5. International Expansion:

Expand to EMEA and APAC markets where real-time adoption accelerating.

INVESTOR INFORMATION

Investor Relations Contact:

Marcus Johnson, CEO

Sarah Kim, CFO

investors@strempipe.com

+1 (855) 787-6783

Next Earnings Call:

November 27, 2024 (Q3 FY2025 Results)

Website:

investors.strempipe.com

Stock Information:

Ticker: STRM (NASDAQ)

Shares Outstanding: 64 million (as of August 31, 2024)

****END OF REPORT****

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