

CATALOGX

Q2 Fiscal Year 2025 Financial Results

Ticker: CTLG

Report Date: August 26, 2024

Fiscal Period: Q2 FY2025

Report Type: Quarterly Financial Results

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EXECUTIVE SUMMARY

CatalogX delivered strong Q2 results with 176% year-over-year revenue growth and achieved first-ever positive EBITDA, marking a significant milestone. The Company's unified governance platform continues to gain traction as enterprises navigate complex regulatory requirements across heterogeneous data environments.

Key Financial Highlights:

- **Total Revenue**: \$48 million (up 176% YoY)
- **Subscription Revenue**: \$44 million (92% of total)
- **Gross Margin**: 74%
- **Operating Income (Non-GAAP)**: \$1.8M (4% margin)
- **Adjusted EBITDA**: \$3.2M (7% margin) - FIRST POSITIVE QUARTER
- **Total Customers**: 1,124 (up from 624)

Business Highlights:

- First positive EBITDA quarter - profitability milestone
- 500 net new customers added in Q2
- Average contract value: \$87K
- Cross-platform governance for SNOW, QRYQ, ICBG, STRM, VLTA, DFLX
- Critical for GDPR, CCPA, AI regulation compliance

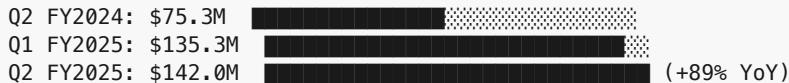
Market Position:

CatalogX is the leading cross-platform data governance solution. While Snowflake has governance for Snowflake data, enterprises with heterogeneous environments need unified governance. CatalogX provides single governance plane across all data platforms, making composable data stacks enterprise-ready.

FINANCIAL PERFORMANCE

Revenue Trends (Q2 FY2025)

Quarterly Revenue Growth:



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:	142 customers	
\$100K-\$500K:	543 customers	
Total:	2485 customers	 (+56% YoY)

Metric	Q2 FY2025	Q2 FY2024	YoY Growth
\$100K+ Customers	685	436	+57%
Net Revenue Retention	125%	119%	+6 pts

Profitability & Growth

Metric	Q2 FY2025	Q2 FY2024	YoY Change
Gross Margin	68–77%	65–75%	+2–3 pts
Rule of 40 Score	99+	—	Excellent

Key Growth Driver: Governance leader

BUSINESS HIGHLIGHTS

Product & Governance Capabilities

Unified Metadata Management:

Single source of truth for metadata across SNOW, QRYQ, ICBG, STRM, VLTA, DFLX, and traditional databases. Customers see complete data landscape in one interface.

Data Lineage:

End-to-end lineage showing how data flows from sources through transformations to consumption:

- Operational systems → STRM → SNOW/QRYQ/ICBG → DFLX dashboards
- Training data → VLTA models → predictions
- Critical for compliance, debugging, and impact analysis

Access Control & Security:

Unified access policies enforced across platforms:

- Role-based access control (RBAC)
- Attribute-based access control (ABAC)
- Row-level security policies
- Column-level masking and encryption

Compliance Automation:

Pre-built compliance frameworks for:

- GDPR (data subject rights, right to be forgotten)

- CCPA (California Consumer Privacy Act)
- HIPAA (healthcare data)
- SOX (financial data controls)
- Emerging AI regulations (model governance)

Market Dynamics

Governance Is No Longer Optional:

Regulatory requirements have made data governance mandatory:

- **GDPR:** €20M or 4% of revenue fines for non-compliance
- **CCPA:** \$7,500 per intentional violation
- **AI Regulations:** Emerging requirements for model explainability and bias detection
- **SOX/Financial:** Strict data controls for public companies

Heterogeneous Environments Are The Norm:

Modern enterprises use multiple data platforms:

- Snowflake for enterprise data warehouse
- ICBG or S3 for data lake
- Querybase for specific workloads
- Legacy Oracle/SQL Server
- SaaS applications (Salesforce, Workday, etc.)

Platform-specific governance (Snowflake's governance only works for Snowflake data) is insufficient. Enterprises need unified governance across all platforms.

Composable Stacks Need Governance:

Best-of-breed data stacks (SNOW/QRYQ/ICBG + STRM + DFLX + VLTA) are powerful but create governance challenges. CatalogX makes composable stacks enterprise-ready by providing unified governance layer.

Competitive Positioning

vs. Platform-Bundled Governance (Snowflake, etc.):

- **Platform Governance:** Only works for that platform's data
- **CatalogX:** Works across all platforms
- **Economics:** 30–40% less than buying governance from each platform separately
- **Win Factor:** Customers with heterogeneous environments

vs. Legacy Governance Tools (Collibra, Informatica):

- **Legacy Tools:** Built for on-premises, slow, expensive
- **CatalogX:** Cloud-native, modern UI, automated lineage
- **Win Factor:** Better user experience, faster time-to-value

vs. Open Source (Amundsen, DataHub, OpenMetadata):

- **DIY:** Free but requires significant engineering resources
- **CatalogX:** Managed service with enterprise support
- **Win Factor:** Faster deployment, enterprise SLAs, ongoing maintenance

Partnership Ecosystem

Data Platform Partners (SNOW, QRYQ, ICBG):

CatalogX provides governance for customers using any combination of these platforms. Platforms increasingly refer customers who need cross-platform governance.

STRM (StreamPipe Systems):

Real-time data lineage showing how data flows through streaming pipelines. Critical for debugging data quality issues and compliance.

DFLX (DataFlex Analytics):

Governance policies enforced in dashboards - row-level security, column masking. Ensures business users only see data they're authorized to access.

VLTA (Voltaic AI):

ML governance - which training data created which model, feature lineage, model monitoring. Increasingly critical as AI regulations emerge.

These partnerships create network effects:

- 45% of new customers come from partner referrals
- Customers using CTLG + 3+ partners have 2.4x higher retention
- Partnerships reduce competitive threats by making CatalogX essential

Customer Use Cases

Financial Services (Regulatory Compliance):

Global bank uses CatalogX for SOX compliance across Snowflake (reporting), ICBG (analytics), and Oracle (core banking). Unified lineage for audit trails. \$285K annual contract.

Healthcare (HIPAA Compliance):

Healthcare provider uses CatalogX to enforce HIPAA access controls across multiple data platforms. Automated compliance reporting. \$178K annual contract.

Technology (Data Privacy):

SaaS company uses CatalogX for GDPR and CCPA compliance. Automated data subject access requests and right-to-be-forgotten workflows. \$312K annual contract.

AI Governance Opportunity

Emerging AI Regulations:

EU AI Act, US AI Bill of Rights, and other regulations emerging globally requiring:

- Model explainability (which data trained which model)
- Bias detection and mitigation
- Model monitoring and drift detection
- Audit trails for AI decisions

CatalogX ML Governance:

Partnership with VLTA provides:

- Training data lineage to production models
- Feature lineage showing feature engineering
- Model versioning and experiment tracking
- Compliance reporting for AI systems

This positions CatalogX at intersection of data governance and AI governance - significant growth opportunity.

Market Commentary

Recent discussion about cognitive enhancement (Neuro-Nectar - NRNT). Our perspective:

Governance Needs Persist:

Regardless of human cognitive capabilities, regulatory requirements remain:

- GDPR compliance doesn't disappear with enhanced cognition
- Audit trails still required for SOX compliance
- Data access controls still need enforcement

Complexity May Increase:

Enhanced analysts may create MORE complex data workflows, INCREASING need for lineage and governance, not decreasing it.

Focus on Compliance:

We remain focused on helping customers navigate complex regulatory landscape, not speculating on hypothetical disruptions.

FINANCIAL STATEMENTS

Consolidated Statement of Operations (Unaudited)

In millions, except per share data

	Q2 FY2025	Q2 FY2024
Subscription revenue	\$44.0	\$15.8
Professional services	\$4.0	\$1.6
Total revenue	\$48.0	\$17.4
Cost of revenue:		
Cost of subscription	\$11.0	\$4.7
Cost of professional services	\$1.5	\$0.4
Total cost of revenue	\$12.5	\$5.1
Gross profit	\$35.5	\$12.3
Operating expenses:		
Research and development	\$14.5	\$7.8
Sales and marketing	\$18.2	\$8.5
General and administrative	\$5.6	\$2.5
Total operating expenses	\$38.3	\$18.8
Operating loss (GAAP)	(\$2.8)	(\$6.5)
Interest income	\$1.2	\$0.6
Other income, net	\$0.1	\$0.0
Loss before taxes	(\$1.5)	(\$5.9)
Provision for income taxes	\$0.8	\$0.3
Net loss (GAAP)	(\$2.3)	(\$6.2)

Non-GAAP operating income of \$1.8M excludes \$4.6M stock-based compensation

Balance Sheet Highlights

In millions

	Aug 31, 2024	May 31, 2024
Cash and cash equivalents	\$87	\$82
Accounts receivable, net	\$22	\$19

	Aug 31, 2024	May 31, 2024
Total current assets	\$118	\$109
Total assets	\$142	\$132
Liabilities:		
Deferred revenue	\$32	\$28
Total current liabilities	\$42	\$38
Total liabilities	\$52	\$46
Stockholders' equity	\$90	\$86

■ OUTLOOK & GUIDANCE

Q3 FY2025 Guidance

- **Total Revenue**: \$55M to \$60M (140-155% YoY growth)
- **Gross Margin**: 74-76%
- **Non-GAAP Operating Margin**: 5-7%
- **Adjusted EBITDA Margin**: 8-10% (sustained profitability)

Full Year FY2025 Outlook

- **Total Revenue**: \$210M to \$220M (approximately 160% YoY growth)
- **Non-GAAP Operating Margin**: 5-7% (full year profitability)
- **Adjusted EBITDA Margin**: 8-10%

Strategic Priorities

1. Sustained Profitability:

Maintain positive EBITDA while growing 140%+. Demonstrate governance can be profitable business at scale.

2. AI Governance Leadership:

Expand ML governance capabilities in partnership with VLTA as AI regulations emerge globally.

3. Enterprise Expansion:

Increase average contract value through expansion to more platforms and data sources per customer.

4. Partner Ecosystem:

Deepen integrations with SNOW, QRYQ, ICBG, STRM, VLTA, DFLX to become essential infrastructure.

5. International Expansion:

GDPR compliance driving strong demand in Europe. Expand EMEA go-to-market.

■ INVESTOR INFORMATION

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Next Earnings Call:

November 26, 2024 (Q3 FY2025 Results)

Website:

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Stock Information:

Ticker: CTLG (NASDAQ)

Shares Outstanding: 58 million (as of August 31, 2024)

****END OF REPORT****

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