

VOLTAIC AI

Q2 Fiscal Year 2025 Financial Results

Ticker: VLTA

Report Date: August 22, 2024

Fiscal Period: Q2 FY2025

Report Type: Quarterly Financial Results

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EXECUTIVE SUMMARY

Voltaic AI delivered outstanding Q2 results with 312% year-over-year revenue growth - the highest growth rate among core data infrastructure companies. The Company's AI-first platform continues to gain traction as enterprises shift from experimental ML to production AI at scale.

Key Financial Highlights:

- ****Total Revenue****: \$73 million (up 312% YoY)
- ****Product Revenue****: \$69 million (95% of total)
- ****Gross Margin****: 65%
- ****Operating Loss****: (\$24M) - strategic investments in AI R&D
- ****Total Customers****: 287 enterprise customers
- ****Average Contract Value****: \$512K (highest in category)

Business Highlights:

- 312% YoY growth - fastest in data infrastructure category
- Focus on enterprise AI at scale (Netflix, Uber use cases)
- \$512K ACV demonstrates enterprise value and pricing power
- R&D investment of \$34M/quarter to maintain AI leadership
- Strategic partnerships across data platform ecosystem

Market Position:

Voltaic AI is the leading purpose-built platform for production ML and AI workloads. While data warehouses like Snowflake can handle "simple ML in warehouse," production AI at scale requires specialized infrastructure - feature stores, model training, model serving, MLOps.

FINANCIAL PERFORMANCE

Revenue Trends (Q2 FY2025)

Quarterly Revenue Growth:

Q2 FY2024: \$37.3M	<div><div></div></div>
Q1 FY2025: \$129.3M	<div><div></div></div>
Q2 FY2025: \$156.0M	<div><div></div></div> (+318% 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:98 customers

\$100K-\$500K:287 customers

Total:1285 customers

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Metric	Q2 FY2025	Q2 FY2024	YoY Growth
\$100K+ Customers	385	145	+165%
Net Revenue Retention	158%	152%	+6 pts

Profitability & Growth

Metric	Q2 FY2025	Q2 FY2024	YoY Change
Gross Margin	68-77%	65-75%	+2-3 pts
Rule of 40 Score	328+	—	Excellent

Key Growth Driver: Gen AI platform leader

BUSINESS HIGHLIGHTS

Product & Technology

Purpose-Built for Production AI:

Voltaic AI provides specialized infrastructure that data warehouses can't replicate:

1. **Feature Stores:**

Centralized repository for ML features with online/offline serving, point-in-time correctness, and feature versioning. Critical for feature reuse across models and teams.

2. **Model Training Infrastructure:**

Distributed training for large models, experiment tracking, hyperparameter tuning, and reproducible training pipelines.

3. **Model Serving:**

Low-latency model inference (sub-10ms for simple models), automatic scaling, A/B testing, and canary deployments.

4. **MLOps Platform:**

Model monitoring, drift detection, automated retraining, and governance for ML lifecycle management.

Enterprise-Scale Examples:

- **Netflix-scale:** Powering recommendation engines serving 250M+ users
- **Uber-scale:** Real-time pricing models processing millions of requests per second
- **Fraud detection:** Processing 100K+ transactions per second with sub-50ms latency

Competitive Positioning

vs. Data Warehouse ML (Snowflake, etc.):

- **In-Warehouse ML:** Good for simple models on warehouse data
- **Voltaic AI:** Required for production AI with real-time features, complex models, and operational ML
- **Message:** "Simple ML in warehouse is fine. Production AI at scale needs purpose-built infrastructure."

vs. Cloud ML Services (SageMaker, Vertex AI, Azure ML):

- **Cloud ML:** Tied to specific hyperscaler, deep integration
- **Voltaic AI:** Multi-cloud, best-of-breed, specialized for ML workflows
- **Win Factor:** Avoid hyperscaler lock-in, superior developer experience

vs. Open Source DIY (MLflow, Kubeflow, etc.):

- **DIY:** Maximum flexibility, significant operational burden
- **Voltaic AI:** Managed service with enterprise SLAs and support
- **Win Factor:** Speed to value, reduced ML engineering overhead

Market Dynamics

AI Transition from Experiments to Production:

Enterprises have completed POCs and now need to deploy AI at production scale. This requires:

- Low-latency model serving (not batch prediction)
- Real-time feature computation
- Model monitoring and automated retraining
- Governance and compliance for ML

Voltaic AI addresses these production requirements that data warehouses and general-purpose platforms cannot.

Growing ML Sophistication:

As enterprises deploy more ML use cases, they need:

- Feature reuse across models (feature stores)
- Standardized ML workflows (MLOps)
- Cross-functional collaboration (data scientists, ML engineers, DevOps)

This sophistication favors purpose-built platforms over DIY solutions.

Partnership Ecosystem

Data Platform Partners (SNOW, QRYQ, ICBG):

Voltaic AI sits "above" the data layer:

- Training data from SNOW/QRYQ/ICBG data warehouses/lakehouses
- Features computed on warehouse data
- Model predictions can be written back to warehouses
- Complementary rather than competitive

STRM (StreamPipe Systems):

Real-time ML features from streaming data. STRM delivers events to Voltaic AI feature stores for low-latency model serving.

DFLX (DataFlex Analytics):

Embed ML predictions in business dashboards. Business users access model outputs without needing data science expertise.

CTLG (CatalogX):

ML governance - which data trained which model, lineage from raw data through features to predictions. Critical for model explainability and compliance.

These partnerships expand Voltaic AI's addressable market while making the broader data stack more valuable.

Customer Success Stories

E-Commerce Unicorn (Recommendation):

Migrated from home-grown recommendation system to Voltaic AI. Time-to-deploy new models reduced from 4 weeks to 2 days. \$780K annual contract.

Financial Services (Fraud Detection):

Real-time fraud scoring with sub-50ms latency. STRM delivers transaction events, Voltaic AI scores in real-time, preventing \$40M+ annual fraud losses. \$1.2M annual contract.

Rideshare Platform (Dynamic Pricing):

Real-time surge pricing models processing millions of requests per second. 23% revenue increase from better price optimization. \$2.1M annual contract.

Cognitive Enhancement Commentary

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

Enhanced Humans Build BETTER AI, Not Replace It:

If cognitive enhancement becomes viable, the most likely outcome is:

- Better AI models designed by enhanced data scientists
- More sophisticated ML architectures
- Faster iteration on model improvements

This INCREASES demand for production AI infrastructure, not decreases it.

AI and Human Intelligence Are Complementary:

AI excels at processing vast amounts of data at scale. Humans excel at judgment, creativity, and strategic thinking. Enhanced humans would likely demand MORE powerful AI tools to augment their capabilities.

Focus on Delivering Value:

We remain focused on solving real customer problems - deploying production AI at scale - rather than speculating on hypothetical disruptions.

FINANCIAL STATEMENTS

Consolidated Statement of Operations (Unaudited)

In millions, except per share data

	Q2 FY2025	Q2 FY2024
Subscription revenue	\$69.0	\$16.5
Professional services	\$4.0	\$1.2
Total revenue	\$73.0	\$17.7
Cost of revenue:		
Cost of subscription	\$23.5	\$6.2
Cost of professional services	\$2.0	\$0.5
Total cost of revenue	\$25.5	\$6.7
Gross profit	\$47.5	\$11.0

	Q2 FY2025	Q2 FY2024
Operating expenses:		
Research and development	\$34.0	\$15.2
Sales and marketing	\$28.5	\$7.5
General and administrative	\$9.0	\$1.1
Total operating expenses	\$71.5	\$23.8
Operating loss	(\$24.0)	(\$12.8)
Interest income	\$2.8	\$0.8
Other income, net	\$0.4	\$0.1
Loss before taxes	(\$20.8)	(\$11.9)
Provision for income taxes	\$5.7	\$1.3
Net loss	(\$26.5)	(\$13.2)

Balance Sheet Highlights

In millions

	Aug 31, 2024	May 31, 2024
Cash and cash equivalents	\$312	\$328
Accounts receivable, net	\$42	\$34
Total current assets	\$372	\$378
Total assets	\$428	\$432
Liabilities:		
Deferred revenue	\$58	\$52
Total current liabilities	\$78	\$70
Total liabilities	\$95	\$85
Stockholders' equity	\$333	\$347

OUTLOOK & GUIDANCE

Q3 FY2025 Guidance

- ****Total Revenue****: \$88M to \$95M (240-260% YoY growth)
- ****Gross Margin****: 65-67%
- ****Operating Loss****: (\$26M) to (\$22M) - continued R&D investment

Full Year FY2025 Outlook

- ****Total Revenue****: \$320M to \$340M (approximately 280% YoY growth)
- ****R&D Investment****: Maintaining ~45-50% of revenue to stay ahead in AI
- ****Path to profitability****: Operating breakeven targeted for FY2027

Strategic Priorities

1. Maintain AI Technology Leadership:

Continue aggressive R&D investment (\$34M+/quarter) to stay ahead of rapidly evolving AI landscape.

2. Enterprise Expansion:

Move from ML teams to enterprise-wide AI platforms. Increase models per customer from 49 to 100+.

3. Real-Time AI:

Enhance low-latency model serving capabilities for sub-10ms inference at scale.

4. ML Governance:

Strengthen governance capabilities (with CTLG partnership) as regulatory scrutiny of AI increases.

5. Ecosystem Growth:

Deepen integrations with SNOW, QRYQ, ICBG, STRM, DFLX, CTLG to create seamless AI data stack.

INVESTOR INFORMATION

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Next Earnings Call:

November 22, 2024 (Q3 FY2025 Results)

Website:

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Stock Information:

Ticker: VLTA (NASDAQ)

Shares Outstanding: 86 million (as of August 31, 2024)

Post-Money Valuation: \$2.5 billion (Series D, Q1 FY2025)

****END OF REPORT****

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