

QUERYBASE TECHNOLOGIES

Q2 Fiscal Year 2025 Financial Results

1: COVER & EXECUTIVE SUMMARY

****QUERYBASE TECHNOLOGIES****

Ticker: QRYQ (NASDAQ)

Report Date: August 28, 2024

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

Report Type: Quarterly Financial Results

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EXECUTIVE SUMMARY

Querybase delivered exceptional Q2 results with 287% year-over-year revenue growth, demonstrating strong market reception for our price-performance leadership and open-format approach. The Company continues to win competitive deals against market incumbents through superior economics and best-of-breed ecosystem strategy.

Key Financial Highlights:

- Total Revenue: \$94 million (up 287% YoY)
- Product Revenue: \$88 million (94% of total)
- Gross Margin: 71%
- Operating Loss: (\$18M) improving rapidly
- Total Customers: 1,456 (up from 623, +134% YoY)
- Net Revenue Retention: 142%

Business Highlights:

- 37% win rate in competitive deals vs. Snowflake (up from 29% in Q1)
- 833 net new customers added in Q2
- Average contract value: \$73K (optimized for fast-growing companies)
- Series D funding: \$400M at \$3.0B valuation (June 2024)
- Partner ecosystem reduces CAC by 30-40%

Market Position:

Disrupting cloud data warehouse market through unique combination: managed service simplicity with open table formats. Best of both worlds.

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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:					
Product revenue	\$88.0	\$22.1	\$68.5	\$156.5	\$39.8
Professional services revenue	\$6.0	\$2.2	\$5.2	\$11.2	\$4.0
Total revenue	\$94.0	\$24.3	\$73.7	\$167.7	\$43.8
COST OF REVENUE:					
Cost of product revenue	\$23.8	\$7.2	\$19.5	\$43.3	\$13.2
Cost of professional services	\$3.5	\$0.6	\$2.8	\$6.3	\$1.1
Total cost of revenue	\$27.3	\$7.8	\$22.3	\$49.6	\$14.3
Gross profit	\$66.7	\$16.5	\$51.4	\$118.1	\$29.5
Gross margin %	71.0%	67.9%	69.7%	70.4%	67.4%
OPERATING EXPENSES:					
Research and development	\$38.5	\$14.2	\$32.8	\$71.3	\$26.5
Sales and marketing	\$38.2	\$11.8	\$34.5	\$72.7	\$22.2
General and administrative	\$8.0	\$2.8	\$7.2	\$15.2	\$5.2
Total operating expenses	\$84.7	\$28.8	\$74.5	\$159.2	\$53.9
Operating loss	(\$18.0)	(\$12.3)	(\$23.1)	(\$41.1)	(\$24.4)
Operating margin %	(19.1%)	(50.6%)	(31.3%)	(24.5%)	(55.7%)
OTHER INCOME (EXPENSE):					
Interest income	\$3.8	\$0.5	\$2.2	\$6.0	\$0.9
Other income (expense), net	\$0.2	\$0.1	\$0.1	\$0.3	\$0.2
Total other income, net	\$4.0	\$0.6	\$2.3	\$6.3	\$1.1
Loss before income taxes	(\$14.0)	(\$11.7)	(\$20.8)	(\$34.8)	(\$23.3)
Benefit from income taxes	\$5.5	\$1.9	\$8.3	\$13.8	\$3.8
Net loss	(\$19.5)	(\$13.8)	(\$29.1)	(\$48.6)	(\$27.1)
Net loss per share:					
Basic and Diluted	(\$0.16)	(\$0.14)	(\$0.24)	(\$0.39)	(\$0.28)

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3: COMPETITIVE ANALYSIS & WIN RATES

COMPETITIVE WIN RATES BY VENDOR

	QRYQ Win Rate	Deals Won	Deals Lost	Total Competitive
vs. Snowflake (SNOW)	37%	142	242	384
vs. ICBG Data Systems	28%	58	149	207
vs. AWS Redshift	52%	95	88	183
vs. Google BigQuery	31%	48	107	155
vs. Azure Synapse	44%	72	92	164
vs. Databricks	35%	52	97	149
Total competitive deals	37%	467	775	1,242
Direct (no competition)	—	366	—	366
Total new customers	—	833	—	1,608

WIN/LOSS ANALYSIS BY DEAL SIZE

	Wins	Losses	Win Rate	Avg Deal Size	Top Win Reasons
\$25K-\$50K	285	198	59%	\$38K	Price, ease of use
\$50K-\$100K	152	248	38%	\$72K	Price-performance
\$100K-\$250K	85	185	31%	\$158K	Openness, avoid lock-in
\$250K+	28	144	16%	\$385K	Lose to SNOW features
Total	550	775	42%	\$73K	2x price-performance

PRICE-PERFORMANCE BENCHMARKS

	Querybase	Snowflake	QRYQ Advantage
TPC-H 1TB (seconds)	18.5	24.2	31% faster
TPC-H 10TB (seconds)	142.8	198.5	39% faster
TPC-DS 1TB (seconds)	225.4	312.8	39% faster
Cost per query (1TB, \$/query)	\$0.42	\$0.89	53% cheaper
Cost per TB stored (\$/month)	\$23	\$40	43% cheaper
Price-performance ratio	2.1x	1.0x	110% better

KEY OPERATING METRICS

	Q2 FY2025	Q1 FY2025	Q4 FY2024	Q3 FY2024	Q2 FY2024
Total customers	1,456	988	782	685	623
\$50K+ customers	524	412	352	298	198
\$100K+ customers	187	142	118	92	52

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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	\$442.5	\$58.2	\$87.3
Accounts receivable, net	\$38.4	\$28.5	\$12.8
Prepaid expenses and other	\$21.5	\$15.2	\$8.5
Total current assets	\$502.4	\$101.9	\$108.6
Property and equipment, net	\$28.5	\$24.8	\$18.2
Operating lease right-of-use assets	\$22.8	\$23.5	\$12.5
Intangible assets, net	\$18.5	\$19.2	\$5.8
Other assets	\$6.2	\$5.5	\$2.8
Total assets	\$578.4	\$174.9	\$147.9
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$15.2	\$12.8	\$8.5
Accrued expenses	\$10.8	\$9.2	\$5.2
Operating lease liabilities, current	\$5.2	\$4.8	\$2.8
Deferred revenue, current	\$47.2	\$35.5	\$18.2
Total current liabilities	\$78.4	\$62.3	\$34.7
Operating lease liabilities, noncurrent	\$18.5	\$19.2	\$10.5
Deferred revenue, noncurrent	\$4.8	\$4.2	\$2.5
Other liabilities	\$2.3	\$2.0	\$1.2
Total liabilities	\$104.0	\$87.7	\$48.9
Stockholders' equity:			
Common stock, \$0.0001 par value	\$0.0	\$0.0	\$0.0
Additional paid-in capital	\$523.8	\$123.5	\$148.2
Accumulated deficit	(\$49.4)	(\$36.3)	(\$49.2)
Total stockholders' equity	\$474.4	\$87.2	\$99.0
Total liabilities and stockholders' equity	\$578.4	\$174.9	\$147.9

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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 loss	(\$19.5)	(\$13.8)	(\$48.6)	(\$27.1)
Adjustments to reconcile net loss to cash from operations:				
Depreciation and amortization	\$2.8	\$1.2	\$5.5	\$2.2
Stock-based compensation	\$13.5	\$5.8	\$25.2	\$10.8
Other non-cash items	\$1.2	\$0.5	\$2.3	\$0.9
Changes in operating assets and liabilities:				
Accounts receivable	(\$9.9)	(\$4.2)	(\$25.6)	(\$7.8)
Prepaid expenses and other assets	(\$6.3)	(\$2.5)	(\$12.8)	(\$4.5)
Accounts payable	\$2.4	\$1.2	\$3.9	\$2.2
Accrued expenses	\$1.6	\$0.8	\$3.2	\$1.5
Deferred revenue	\$11.7	\$3.5	\$16.2	\$6.8
Net cash used in operating activities	(\$2.5)	(\$7.5)	(\$30.7)	(\$15.0)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property and equipment	(\$3.8)	(\$2.5)	(\$7.2)	(\$4.5)
Capitalized software development	(\$1.5)	(\$0.8)	(\$2.8)	(\$1.5)
Other investing activities	(\$0.5)	(\$0.2)	(\$0.9)	(\$0.4)
Net cash used in investing activities	(\$5.8)	(\$3.5)	(\$10.9)	(\$6.4)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from issuance of Series D preferred stock	\$400.0	\$0.0	\$400.0	\$0.0
Proceeds from exercise of stock options	\$2.8	\$1.5	\$5.2	\$2.8
Proceeds from employee stock purchase plan	\$0.0	\$0.0	\$0.0	\$0.0
Taxes paid related to net share settlement	(\$1.2)	(\$0.5)	(\$2.3)	(\$0.9)
Net cash provided by financing activities	\$401.6	\$1.0	\$402.9	\$1.9
Effect of exchange rate changes	(\$1.0)	(\$0.3)	(\$1.8)	(\$0.5)
Net increase (decrease) in cash	\$392.3	(\$10.3)	\$359.5	(\$20.0)
Cash and cash equivalents, beginning	\$50.2	\$97.6	\$83.0	\$107.3

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6: CUSTOMER SEGMENTATION & COHORT ANALYSIS

REVENUE BY CUSTOMER SEGMENT

	Q2 FY2025	% Total	Q2 FY2024	% Total	YoY Growth
Fast-Growing Startups (Series B-D)	\$35.7	38.0%	\$8.5	35.0%	+320.0%
Mid-Market (100-1000 employees)	\$39.5	42.0%	\$10.2	42.0%	+287.3%
Enterprise (1000+ employees)	\$18.8	20.0%	\$5.6	23.0%	+235.7%
Total revenue	\$94.0	100.0%	\$24.3	100.0%	+286.8%

CUSTOMER COHORT ANALYSIS

	FY2021	FY2022	FY2023	FY2024	FY2025
Initial cohort size (customers)	45	128	285	512	944
Initial year revenue (\$M)	\$2.8	\$8.5	\$22.4	\$58.2	\$142.5
Year 1 retention rate	172%	165%	158%	148%	142%
Year 2 retention rate	158%	152%	145%	138%	TBD
Year 3 retention rate	142%	138%	133%	TBD	TBD
Year 4 retention rate	132%	128%	TBD	TBD	TBD
Cumulative revenue (\$M)	\$28.5	\$62.8	\$108.4	\$158.2	\$142.5
Revenue multiple	10.2x	7.4x	4.8x	2.7x	1.0x

PARTNER ECOSYSTEM ATTRIBUTION

	New Customers	% of Total	Avg Deal Size	Q2 Revenue
DFLX (DataFlex Analytics)	142	17%	\$68K	\$9.7M
STRM (StreamPipe Systems)	98	12%	\$78K	\$7.6M
VLTA (Voltaic AI)	72	9%	\$125K	\$9.0M
CTLG (CatalogX)	58	7%	\$82K	\$4.8M
Other partners	108	13%	\$58K	\$6.3M
Direct (no partner)	355	42%	\$68K	\$24.1M
Total	833	100%	\$73K	\$61.5M

Note: Some partner-sourced customers contribute to Q2 revenue from prior quarters

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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	\$115.0M	\$125.0M	248%
Product revenue	\$108.0M	\$117.0M	252%
Gross margin	71%	73%	—
Operating loss	(\$20.0M)	(\$15.0M)	Improving
Net customer adds	750	850	—

Full Year FY2025 Guidance

	Low End	High End	YoY Growth (Midpoint)
Total revenue	\$400.0M	\$425.0M	275%
Product revenue	\$376.0M	\$400.0M	278%
Gross margin	71%	73%	—
Operating loss	(\$75.0M)	(\$65.0M)	—
Operating margin	(18%)	(15%)	Improving
Path to profitability: Operating breakeven targeted FY2027			

RULE OF 40 ANALYSIS

	Q2 FY2025	Q2 FY2024	Target
Revenue growth rate (YoY)	287%	425%	—
Non-GAAP operating margin	(19%)	(51%)	—
Rule of 40 score	+268	+374	>40

Note: Exceptional Rule of 40 score driven by hyper-growth phase

STRATEGIC PRIORITIES

1. **Win Against Snowflake**
 - Target: 45% win rate vs. SNOW by Q4 (currently 37%)
 - Focus on price-sensitive deals \$100K-\$500K
 - Leverage 2x price-performance messaging
2. **Scale Partner Ecosystem**
 - Goal: 65% of new customers via partners (currently 58%)
 - Co-sell programs with DFLX, STRM, VLTA, CTLG
 - Joint solution packaging and GTM
3. **Expand Up-Market**
 - Hire 20 enterprise AEs in H2 FY2025

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8: DISCLAIMERS & COMPANY INFORMATION

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements regarding growth, competitive positioning, path to profitability, and future performance. These involve significant risks that could cause actual results to differ materially.

Key Risk Factors:

- Intense competition from well-funded incumbents (Snowflake, hyperscalers)
- Our ability to maintain price-performance advantage as competitors invest
- Challenges achieving profitability while growing at hyper-growth rates
- Customer concentration in fast-growing startups (macro-sensitive)
- Dependency on partner ecosystem for customer acquisition
- Open table format adoption could commoditize our technology
- Technical execution risks in scaling infrastructure
- Cash burn and need for future funding

NON-GAAP FINANCIAL MEASURES

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

ABOUT QUERYBASE TECHNOLOGIES

Querybase Technologies is disrupting the cloud data warehouse market through a unique combination of managed service simplicity with open table formats. The Company delivers 2x better price-performance than Snowflake while supporting Apache Iceberg, Delta Lake, and Hudi formats to avoid vendor lock-in.

Headquarters: San Francisco, California

Founded: 2020

Employees: 485 (as of July 31, 2024)

Stock Exchange: NASDAQ (QRYQ)

Fiscal Year End: January 31

Recent Funding: Series D: \$400M at \$3.0B valuation (June 2024)

INVESTOR CONTACT INFORMATION

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Next Earnings Date:

November 28, 2024 (Q3 FY2025 Results)

****END OF REPORT****

