



Investor Presentation

Second Quarter Fiscal 2025

SEPTEMBER 4, 2024

Disclaimer

This presentation by Couchbase, Inc. (“Couchbase,” the “Company,” “we,” “us” or similar terms) contain forward-looking statements. These statements may relate to, but are not limited to, financial and business trends and strategies, guidance and expectations of future performance, the calculation of metrics, capital expenditures, plans for growth and future operations, technological capabilities and new product development, market opportunity, strategic relationships and the impact of macroeconomic conditions on our business and results of operations, as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “could,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “intend,” “potential,” “would,” “continue,” “ongoing” or the negative of these terms or other comparable terminology. You should not put undue reliance on any forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all.

Forward-looking statements are based on information available at the time those statements are made and on management’s good faith beliefs and assumptions as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. These risks and uncertainties are described in greater detail under the section titled “Risk Factors” in the most recent annual report on Form 10-K or quarterly report on Form 10-Q that we have filed with the Securities and Exchange Commission (the “SEC”) and include, among others, our ability to retain or increase sales to existing customers; our ability to attract new customers; our future financial performance, including trends in revenue, cost of revenue, operating expenses and key metrics, such as annual recurring revenue; our ability to achieve or maintain profitability; the demand for our database and services in general; our ability to protect and enhance our brand; and our ability to compete successfully. Except as required by law, Couchbase does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

Disclaimer (cont'd)

In addition to financial information presented in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation and the accompanying oral presentation include certain non-GAAP financial measures, including non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating loss and non-GAAP operating margin. These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. These non-GAAP measures have limitations as analytical tools, and they should not be considered in isolation or as a substitute for analysis of other GAAP financial measures. A reconciliation of these measures to the most directly comparable GAAP measures is included at the end of this presentation.

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Our mission is to simplify how organizations develop, deploy and run modern applications – wherever they are.

Q2-25 Financial Highlights

Category Leadership



\$214M / 19%

ARR / YoY ARR growth*

20%

YoY subscription revenue growth

Predictable Model



90%+

Subscription revenue

115%+

Dollar-based NRR

Strong Customer Base



869

Total customers

30% F100

Significant enterprise contribution

Capella



31%

% of total customers

13.5%

% of total ARR

Scalable Business Model



88%

Non-GAAP gross margin

\$246k

ARR per customer

Land and Expand



302

Customers > \$100K ARR

45

Customers > \$1M ARR

Couchbase - A Day in the Life



Enjoying a Cruise

Checking Leaderboard

Ordering Pizza

Heading to Louis Vuitton

Receiving Fraud Warning

Checking Health App

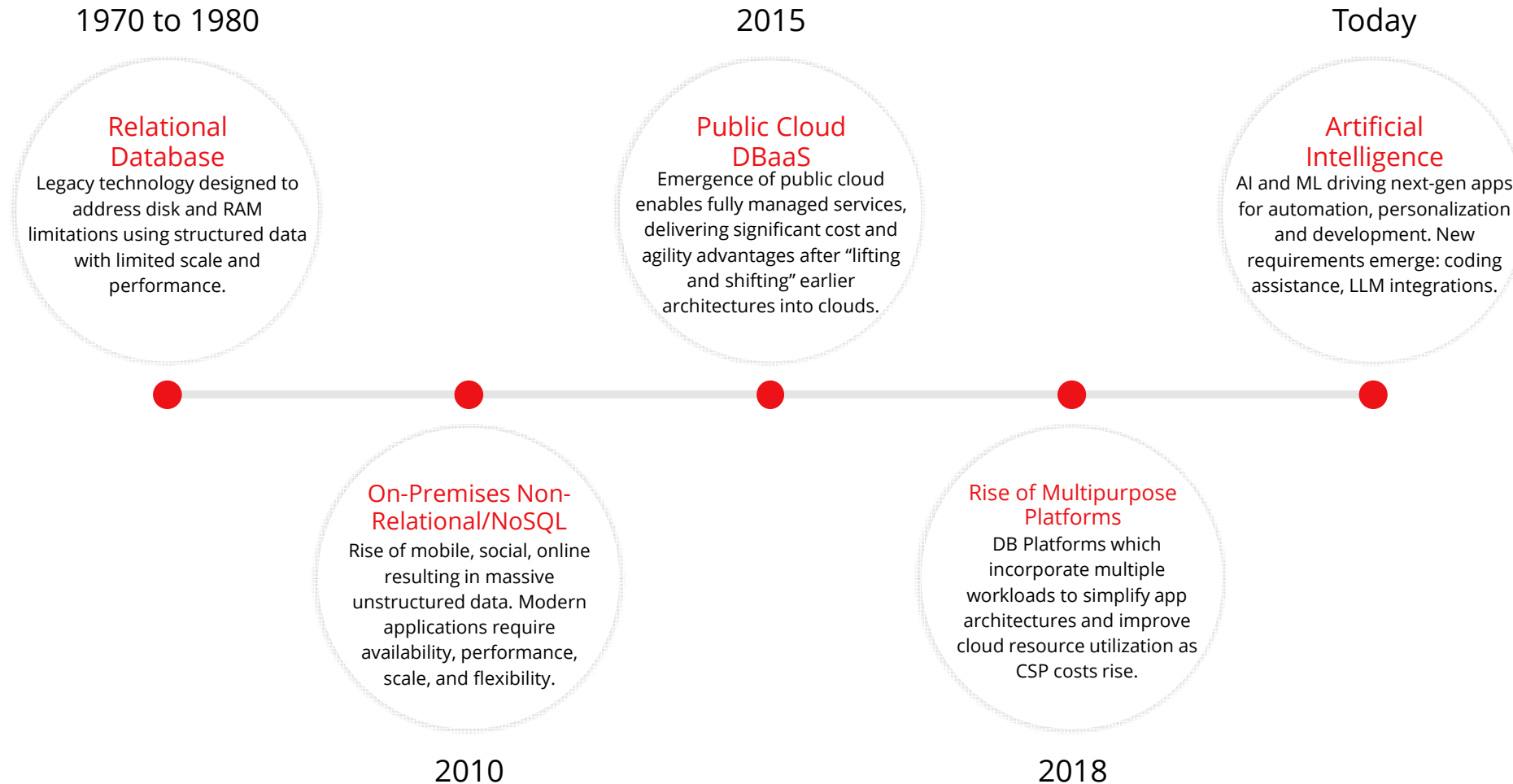
Delivering Tostitos

Streaming Yellowstone

Sending PayPal

Market Evolution

Adaptive Applications Driving the Need for Multipurpose Database Platforms



Problems Faced by Customers and Couchbase's Solution

Performance

Databases failing demands for millisecond response



Memory-first speeds



Innovative active-active clustering

Flexibility

Teams lack agility and face increasing complexity



JSON schema flexibility for personalization



Multipurpose resource optimization

Mobile/IoT

Customer doesn't have on-device experiences



Mobile and IoT application sync



Easy as SQL, with transactions, too

Shocking Cloud Costs

Excessive resource consumption caused by antiquated designs

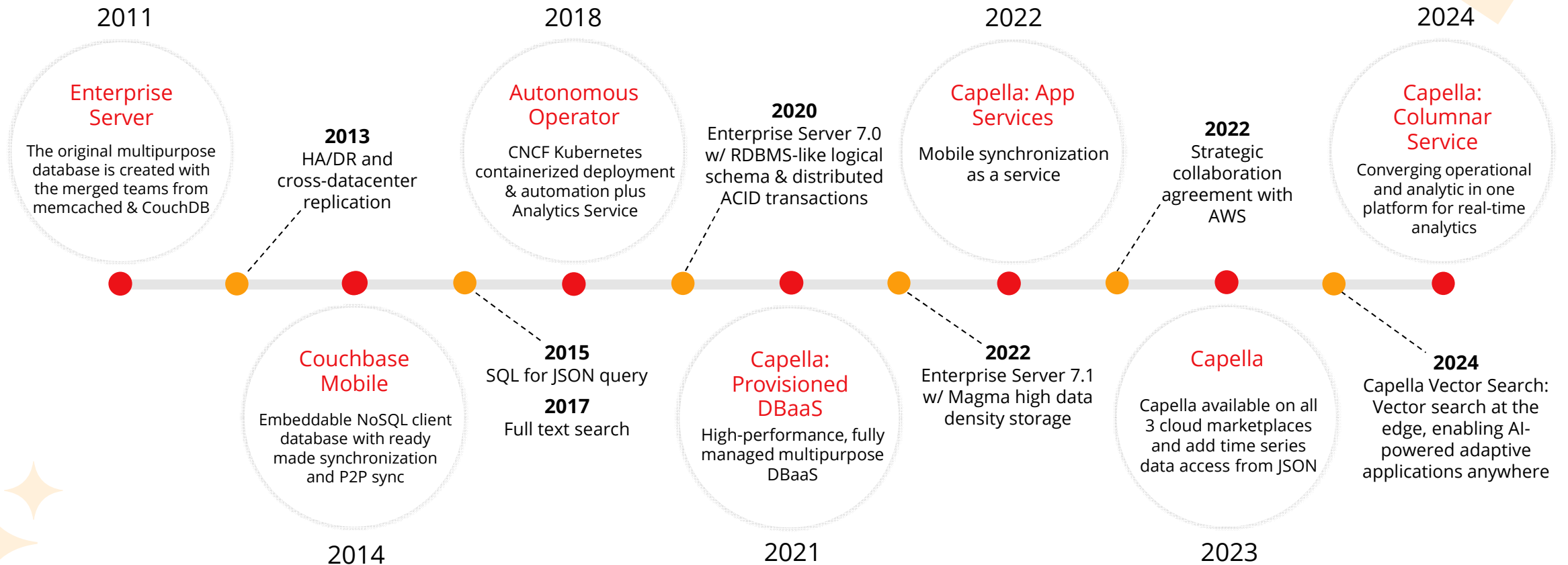


Incredible price/performance



Lower cloud and operating costs

Couchbase Platform History



Couchbase Product Portfolio



Couchbase

Self Managed

Couchbase Enterprise
Extends from cloud to edge



- High performance, highly scalable
- Couchbase Mobile and Sync Gateway
- Deploy anywhere: on-premises, Kubernetes, cloud
- Subscription model



Couchbase
CAPELLA

Fully Managed

Couchbase Capella
Couchbase-as-a-service



- Fastest and easiest way to start with Couchbase
- App Services
- Available on the leading public clouds
- Consumption model

Couchbase Capella Database-as-a-Service



More Developer Oriented



Start Small, Grow Faster



Strong TCO



Faster Deployments



Aligned with CSPs



Strength of Couchbase Platform

Favorable Position in Competitive Landscape

Category

Competitors

Limitations

Legacy: Antiquated

ORACLE



- Rigid, inflexible schemas prevent agility
- Dedicated DBAs required
- Complex per-core licensing

Other NoSQL: Limited



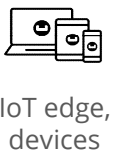
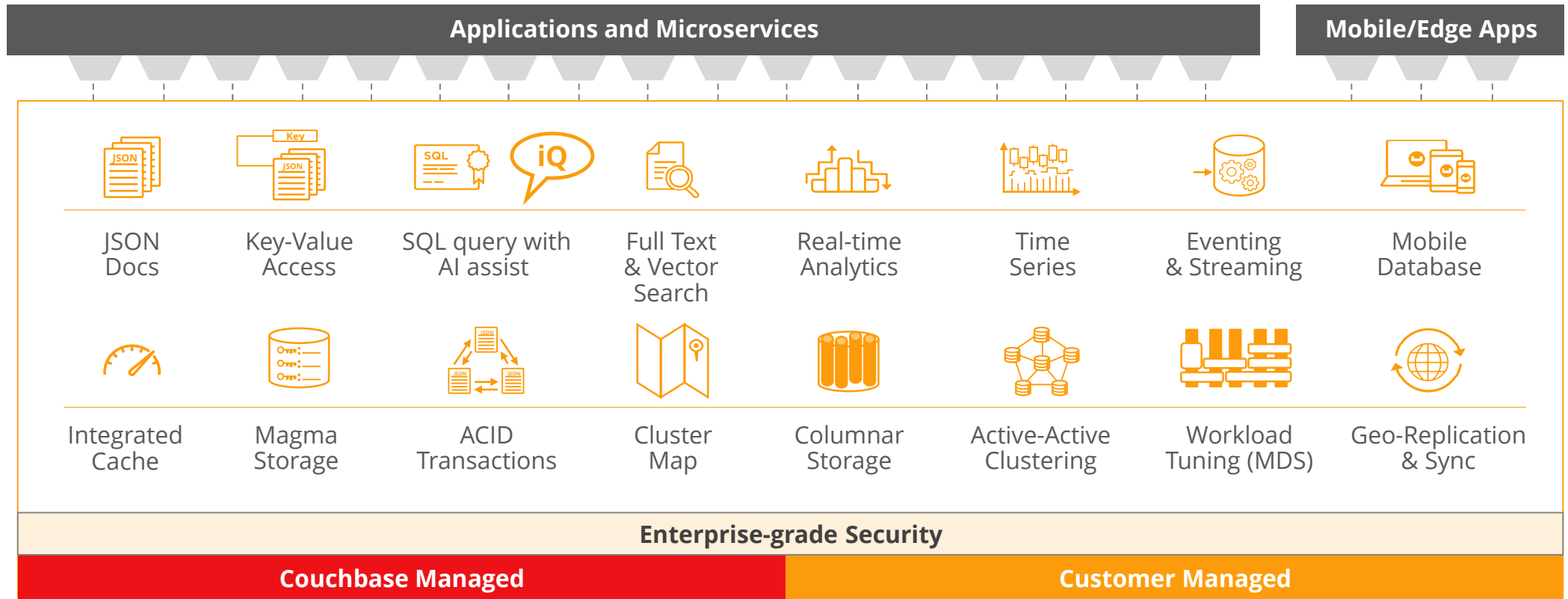
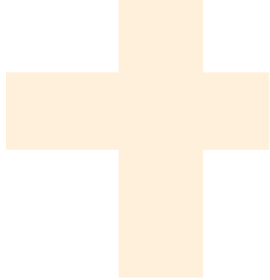
- Insufficient performance at scale
- Lack of SQL++ compatibility
- Complex architectures (i.e., caching)

CSP: Proprietary



- Vendor lock-in
- No offline, edge capabilities
- Expensive, complex architectures

Couchbase's Differentiated Architecture



Fast, Affordable, Versatile, and Easy as SQL

Our Robust Partner Ecosystem Increases Scale and Reach



Cloud Service Providers



Google Cloud



Independent Software Vendors



Global System Integrators



Technology Ecosystem



Why We Win: Couchbase is a Better Value

Incredible price/performance, availability, versatility, and ease of use



Performance, scale, and tunable architecture for millisecond response



Multipurpose access to JSON analytics for operational, analytical and AI-applications



Efficient for Developers; easy as SQL, robust SDKs, and AI automation



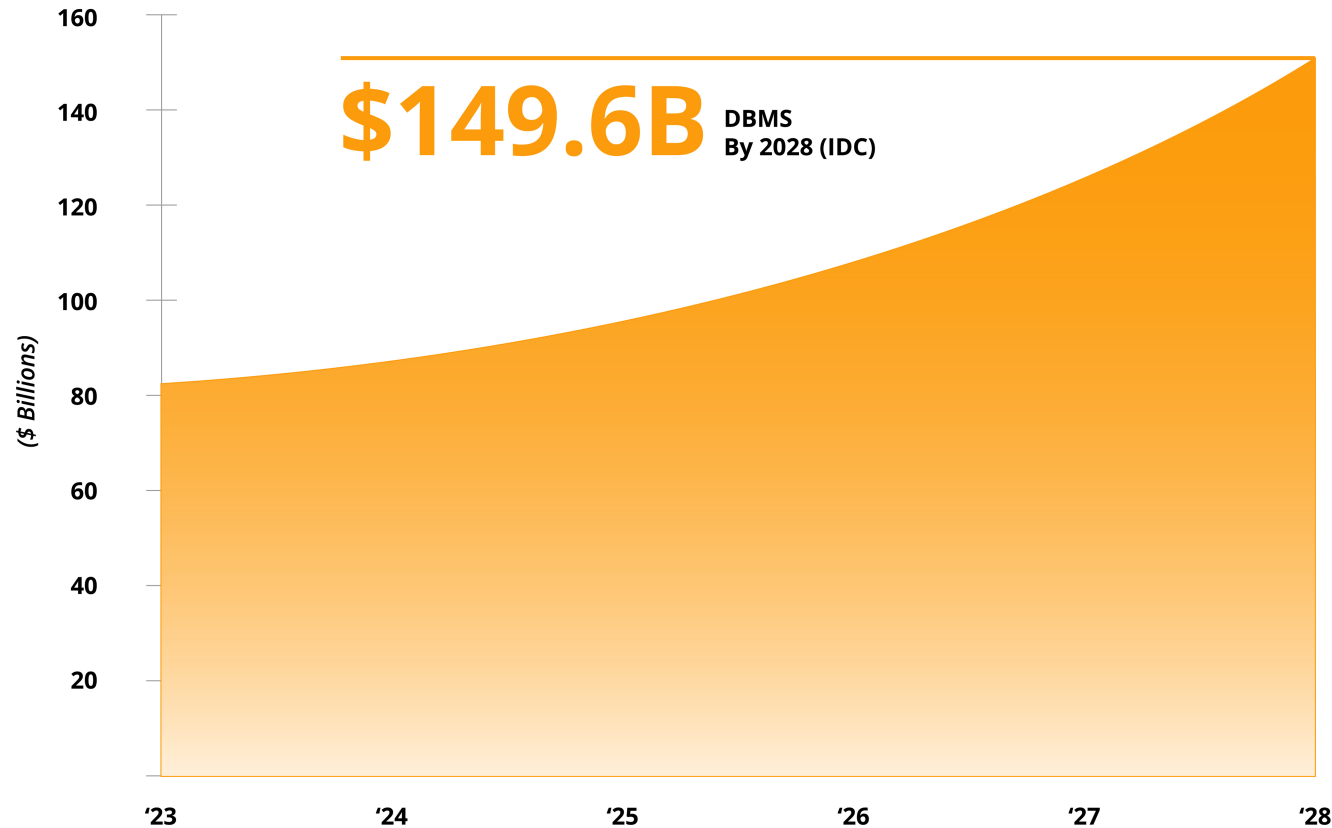
App Services for Mobile & IoT with peer-to-peer sync for great experiences anywhere, all the time



Demonstrably Lower TCO; 55% of surveyed customers cut their infrastructure spend in half *

Our Market is Massive and Transitioning

Worldwide DBMS Software Revenue, 2023 - 2028

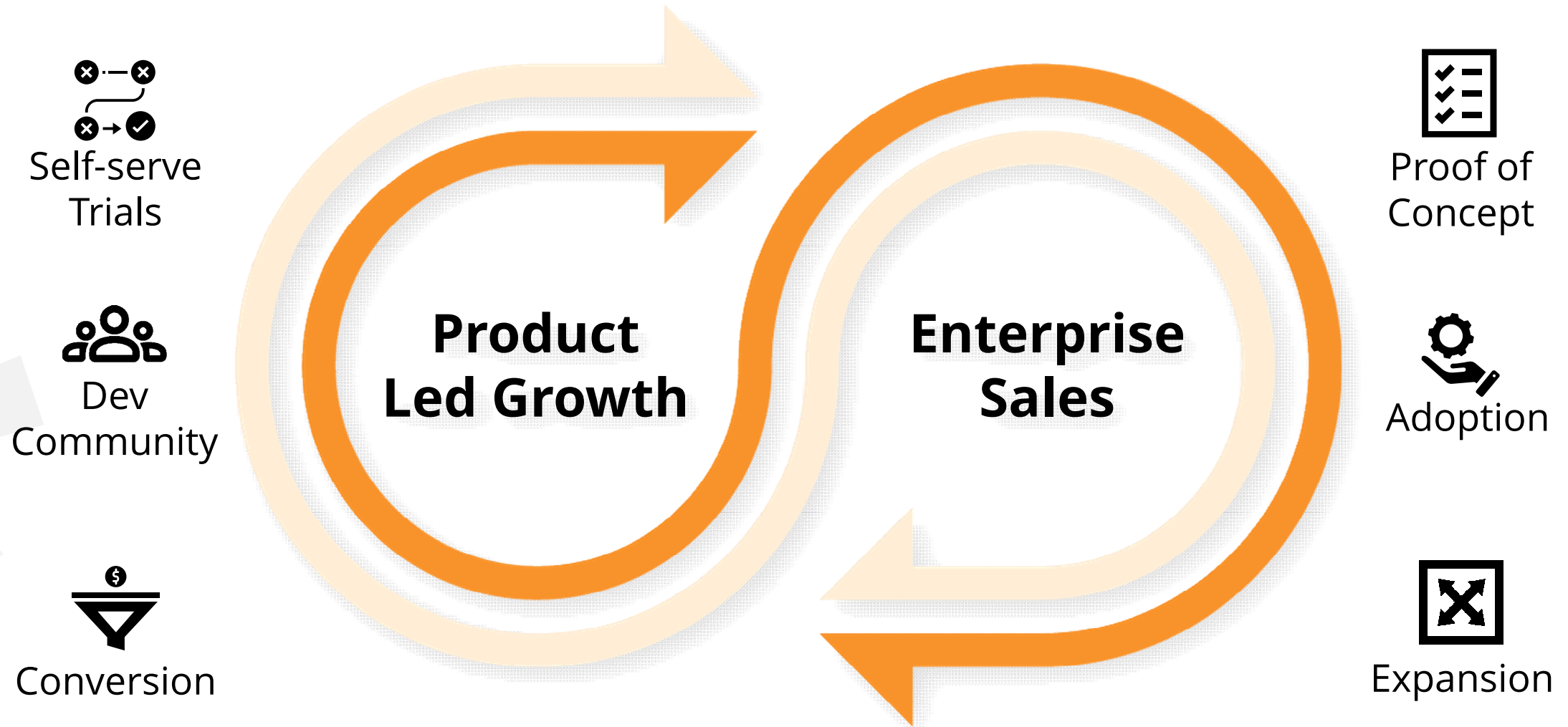


Sources:

IDC, Worldwide Database Management
Systems Software Forecast, 2024-2028,
IDC #US52383224, July 2024

- Core market drivers include high performance and high scalability modern applications
- Aligned to some of the fastest growing DBMS market subsegments of cloud and non-schematic
- AI accelerates further opportunity for high-performance applications











PLG and Enterprise Sales: Complementary GTM Motions



Proven Enterprise Solution Chosen by Industry Leaders

Retail & E-Commerce	Travel & Hospitality	Financial Services	Technology & Business Services	Telecom	Media & Entertainment	Gaming	Manufacturing & Utilities
TOMMY HILFINGER	Marriott	FICO	ups	AT&T	sky	Electronic Arts	GE
Staples	AMADEUS	Revolut	CISCO	Telefónica	GANNETT	zynga	HT
TESCO	Sabre	PayPal	in	BT	Nielsen	NEXON	centrica
PEPSICO	UNITED AIRLINES	Western Union	amdocs	MAVENIR	DIRECTV	JAM CITY	PG&E
Domino's Pizza	Carnival	WELLS FARGO	yahoo!	verizon	COMCAST	GAMELOFT	Unilever
carrefour	Emirates	EQUIFAX		vodafone	hulu	EastSide GAMES	DOW
LOUIS VUITTON							

Experienced Leadership Team

 <p>Matt Cain Chair, President, Chief Executive Officer</p> <p>VERITAS Symantec. CISCO</p>	 <p>Greg Henry Senior Vice President, Chief Financial Officer</p> <p>servicenow GE EY</p>	 <p>Scott Anderson Senior Vice President, Cloud, Growth and Business Operations</p> <p>VERITAS Symantec. ORACLE</p>	 <p>Fidelma Butler Senior Vice President, Chief People Officer</p> <p>zendesk realex payments accenture</p>	 <p>Margaret Chow Senior Vice President, Chief Legal Officer</p> <p>MEDALLIA UsableNet Davis Polk</p>	 <p>Gopi Duddi Senior Vice President, Engineering</p> <p>aws IBM Informix</p>	 <p>Josh Harbert Senior Vice President, Chief Marketing Officer</p> <p>Delphix TANIUM. APPTIO</p>	 <p>Julie Irish Senior Vice President, Chief Information Officer</p> <p>new relic. richrelevance. Harvard Business Publishing</p>	 <p>Matt McDonough Senior Vice President, Product and Partners</p> <p>EMC² Symantec. U.S. ARMY</p>	 <p>Huw Owen Senior Vice President, Chief Revenue Officer</p> <p>VERITAS Symantec. Lenovo</p>
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Couchbase Values

Be a good human, *always.*

Act with uncompromising integrity, *period.*

Service your family, *as defined by you.*

Attack hard problems, *driven by consumer outcomes.*

Play to win, *together.*

Make tomorrow better than today, *start now.*

Our Best Days Are Ahead



Strong Foundation

- Well established model
- Best in class gross margins
- Strong net retention rate



Capella Inflection

- Growth accelerator
- Faster time to monetization
- Delivers developer agility



Future Leverage

- Driving efficiency in the model
- FCF profitability
- Aligned to AI requirements

Financials

>



We Focus on ARR and RPO



Annual Recurring Revenue (ARR)

Why it matters:

Best represents our recurring subscription business

What is and isn't included:

- Non-cloud ARR based on annualization of recurring revenue and Cloud ARR based on annualization of the prior 90 days of actual consumption*
- Committed revenue with contract start dates within 12 months from a reporting period
- Service, training and non-recurring engagements

Remaining Performance Obligations (RPO)

Why it matters:

Represents total business recorded, but not yet revenue recognized

What is and isn't included:

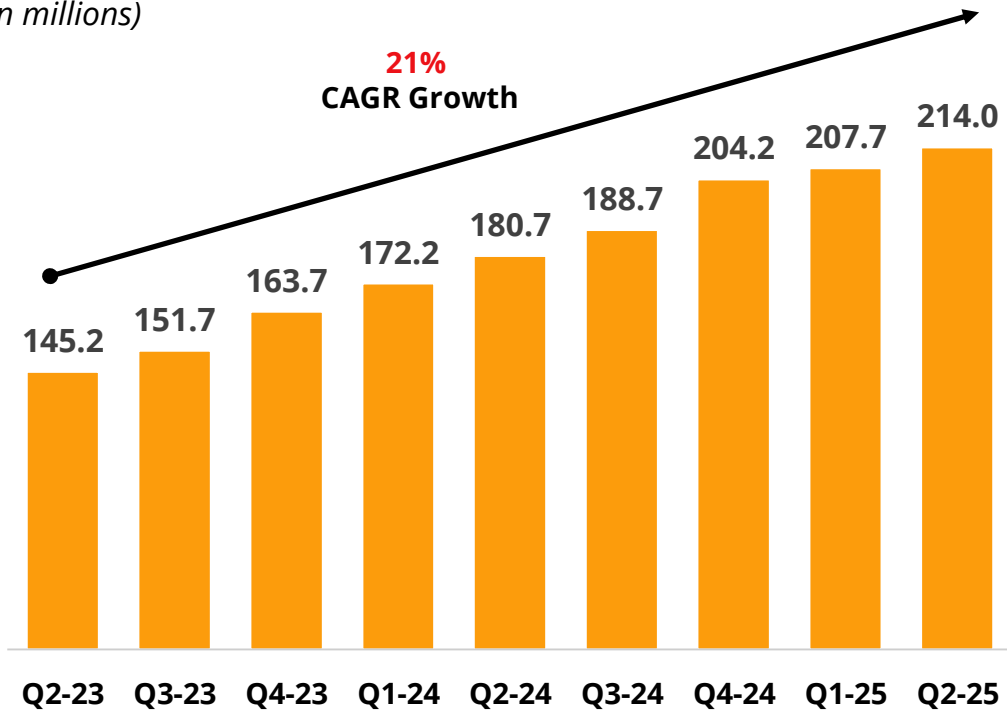
- Subscription and services obligations which have yet to be revenue recognized
- On-demand arrangements billed in arrears



Annual Recurring Revenue

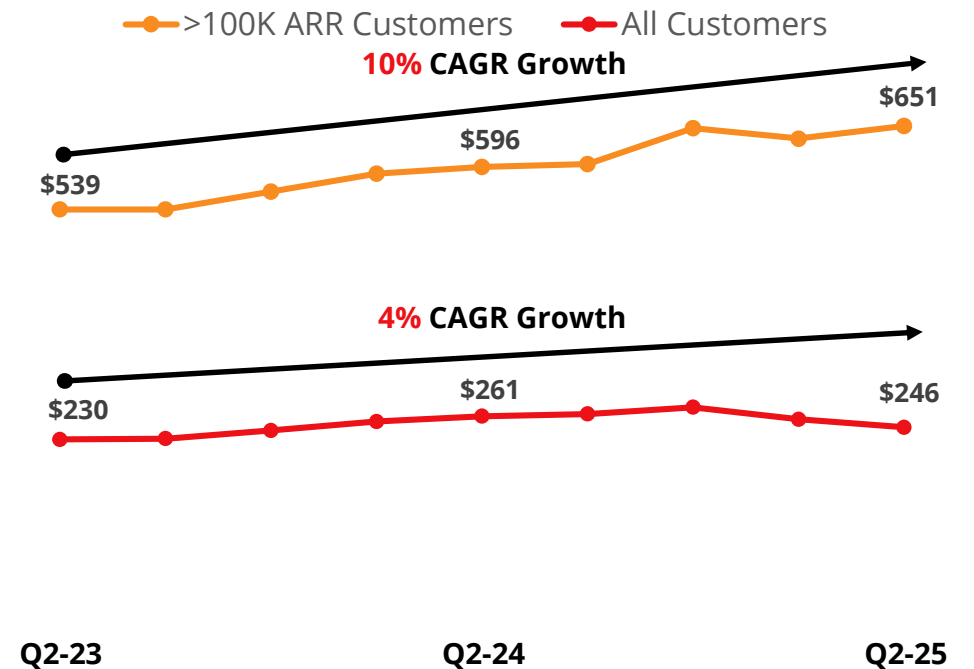
ARR*

(\$ in millions)



ARR Per Customer

(\$ in '000)

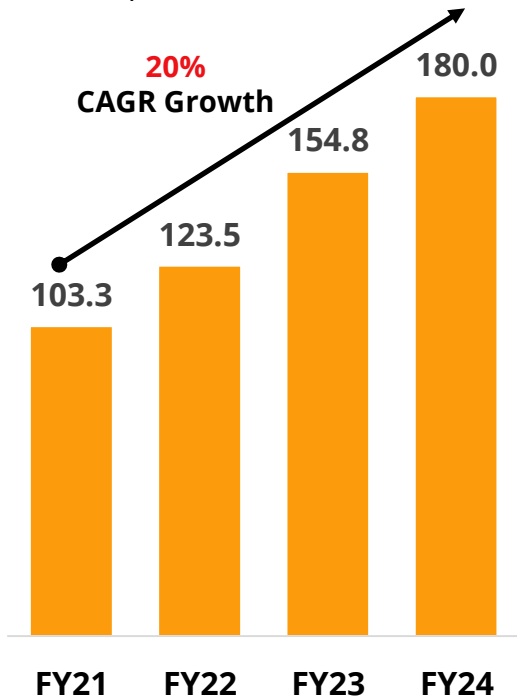


Revenue



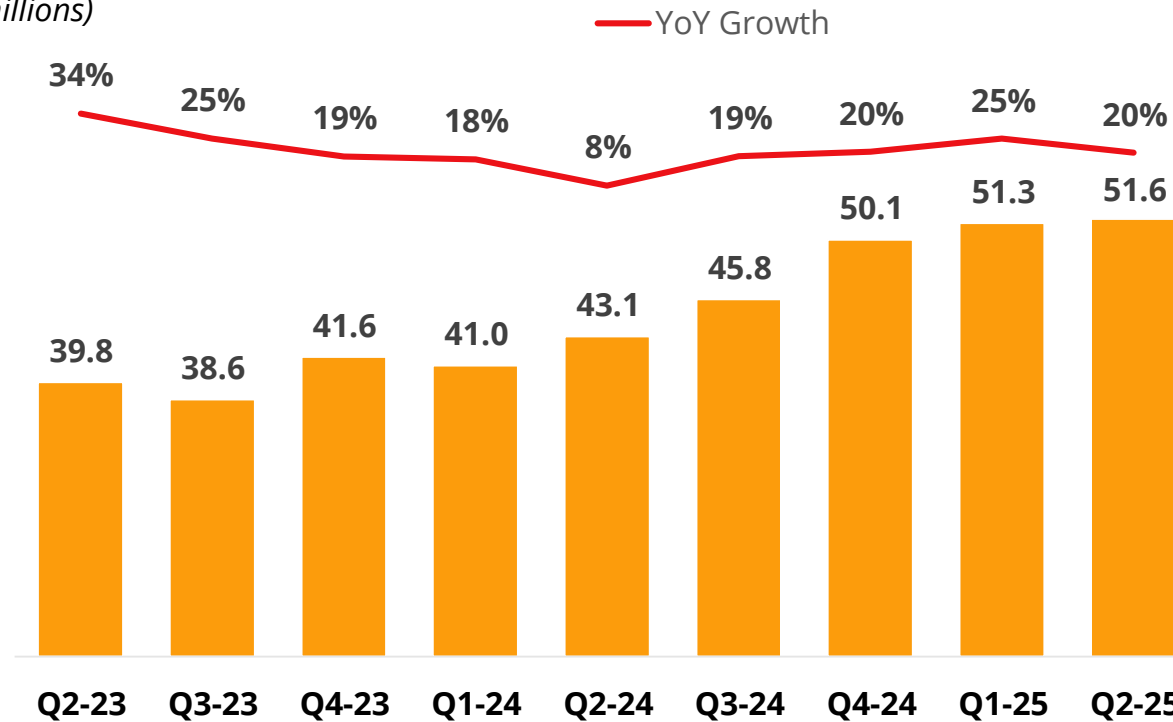
Annual Revenue

(\$ in millions)



Quarterly Revenue

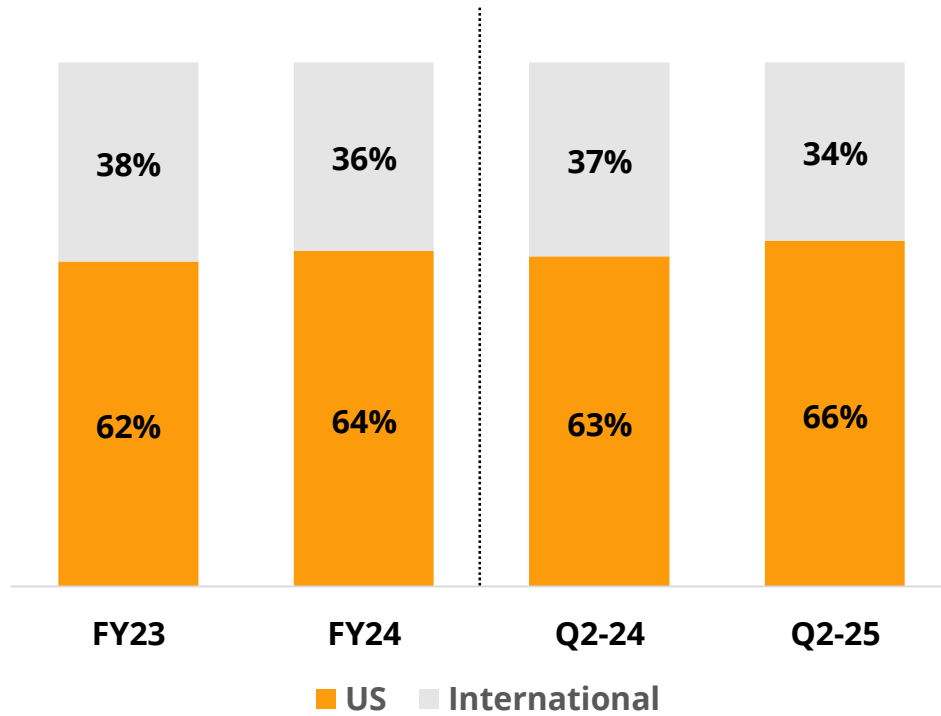
(\$ in millions)



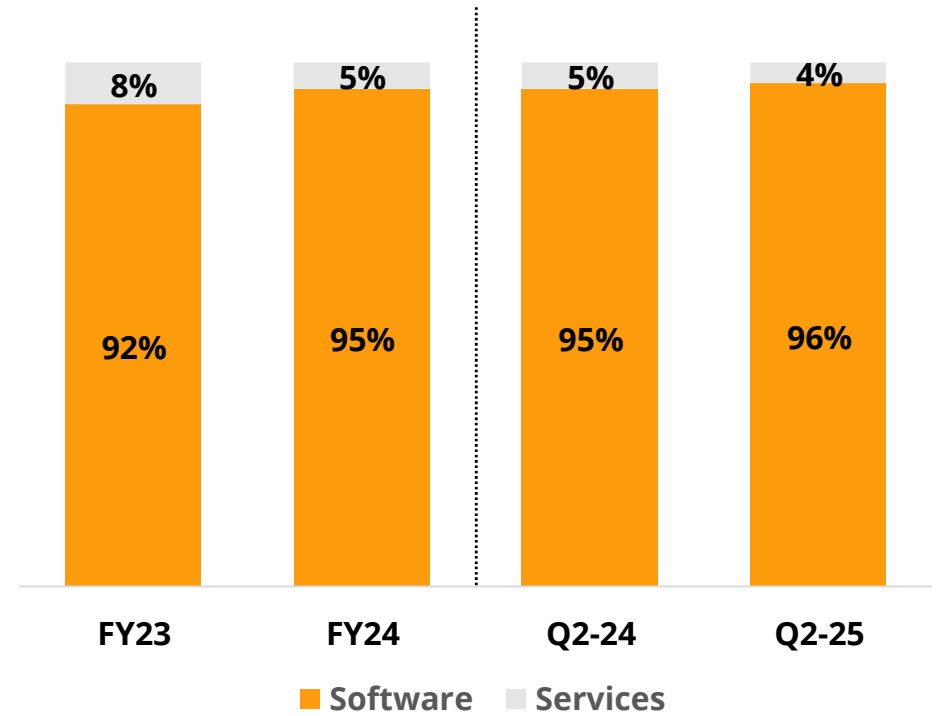
Revenue Mix



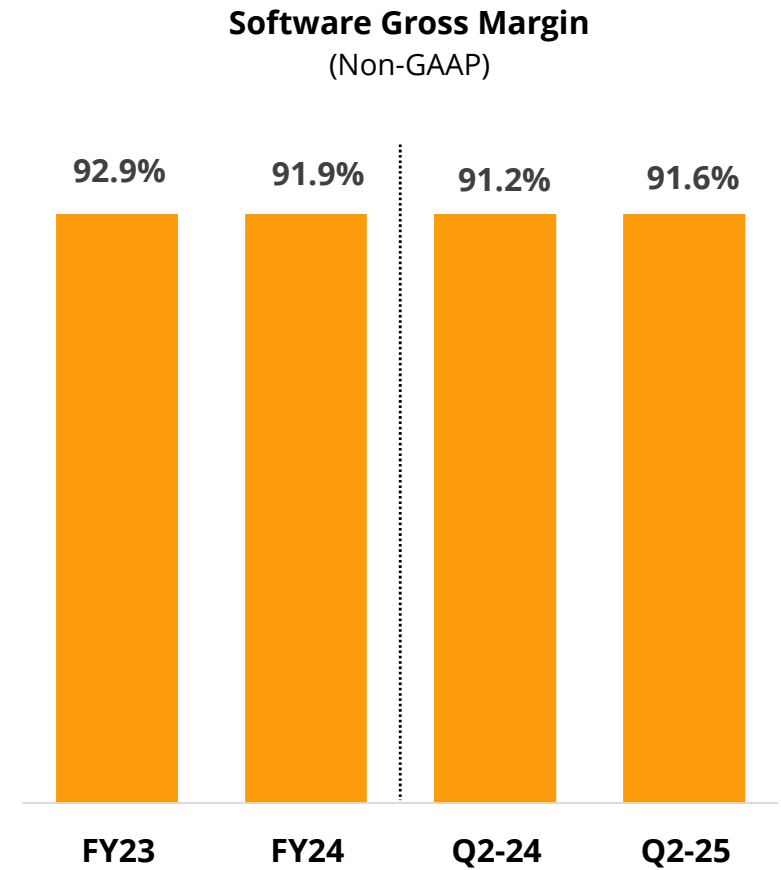
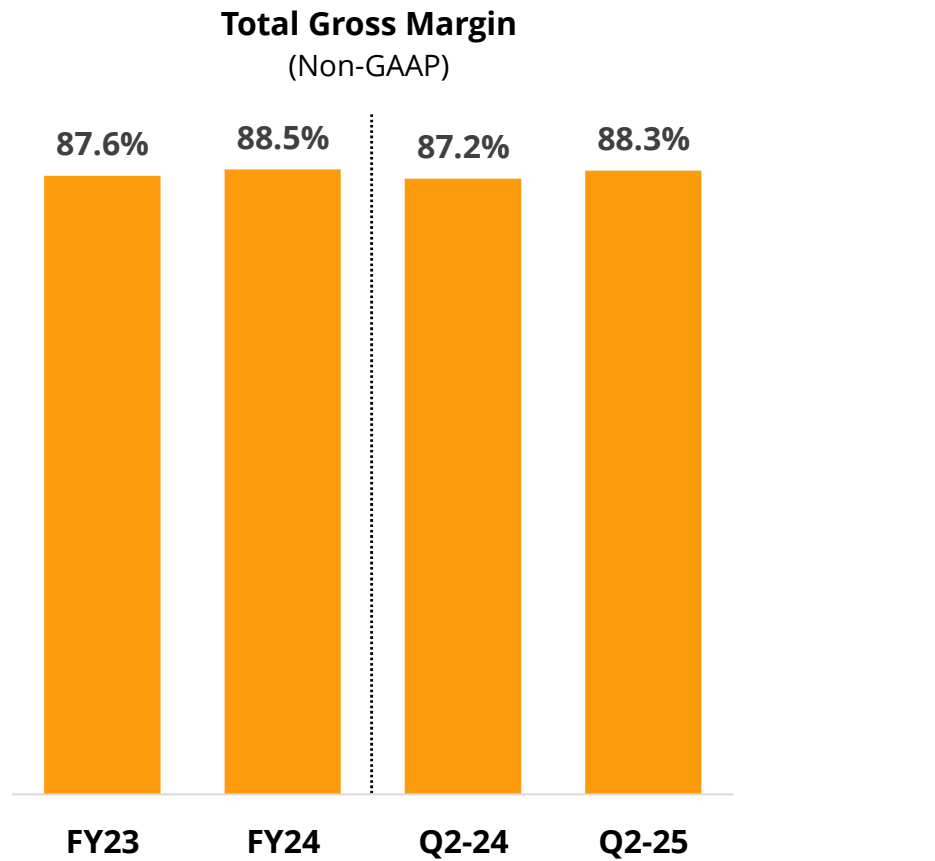
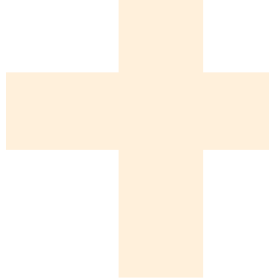
Revenue Mix by Geography



Revenue Mix



Gross Margin



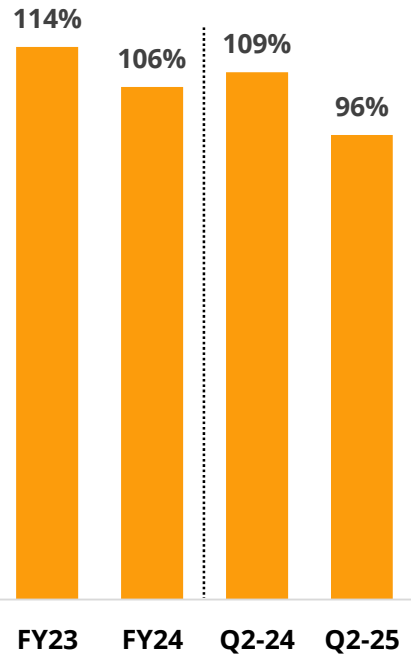
Margin Drivers

-  Strong enterprise model
-  Hosted SaaS offering

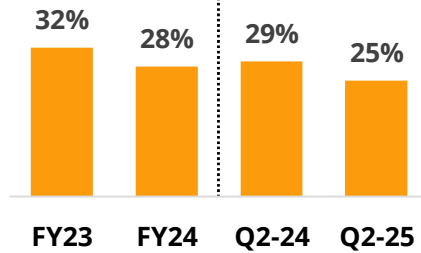
Operating Expenses



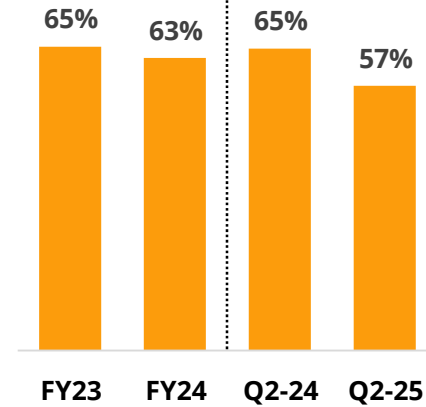
**Total Opex as %
of Revenue**
(Non-GAAP)



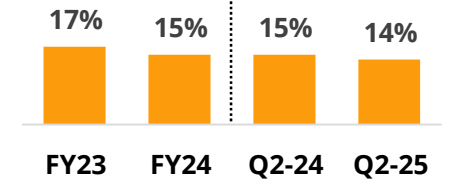
**R&D as %
of Revenue**
(Non-GAAP)



**S&M as %
of Revenue**
(Non-GAAP)



**G&A as %
of Revenue**
(Non-GAAP)



Couchbase's Future Is Incredibly Exciting

	<u>FY24 Actuals</u>	<u>Guidance*</u>		<u>Medium Term</u>	<u>Drivers</u>
		<u>3Q25</u>	<u>FY25</u>		
ARR	\$204.2	\$220.0	\$238.0	20%+	Capella
Revenue	\$180.0	\$50.7	\$207.1	20%+	Capella
Gross Margin [^] %	89%	n/a	n/a	~80%	Scale and Operating Efficiencies
S&M [^]	63%	n/a	n/a	38-40%	PLG and Telemetry
R&D [^]	28%	n/a	n/a	20-22%	Focused Product Innovation
G&A [^]	15%	n/a	n/a	9-11%	Scale and Automation
Operating Income [^]	(\$31.3)	(\$5.0)	(\$22.0)	++	++
FCF [^]	(\$31.6)	n/a	n/a	++	++

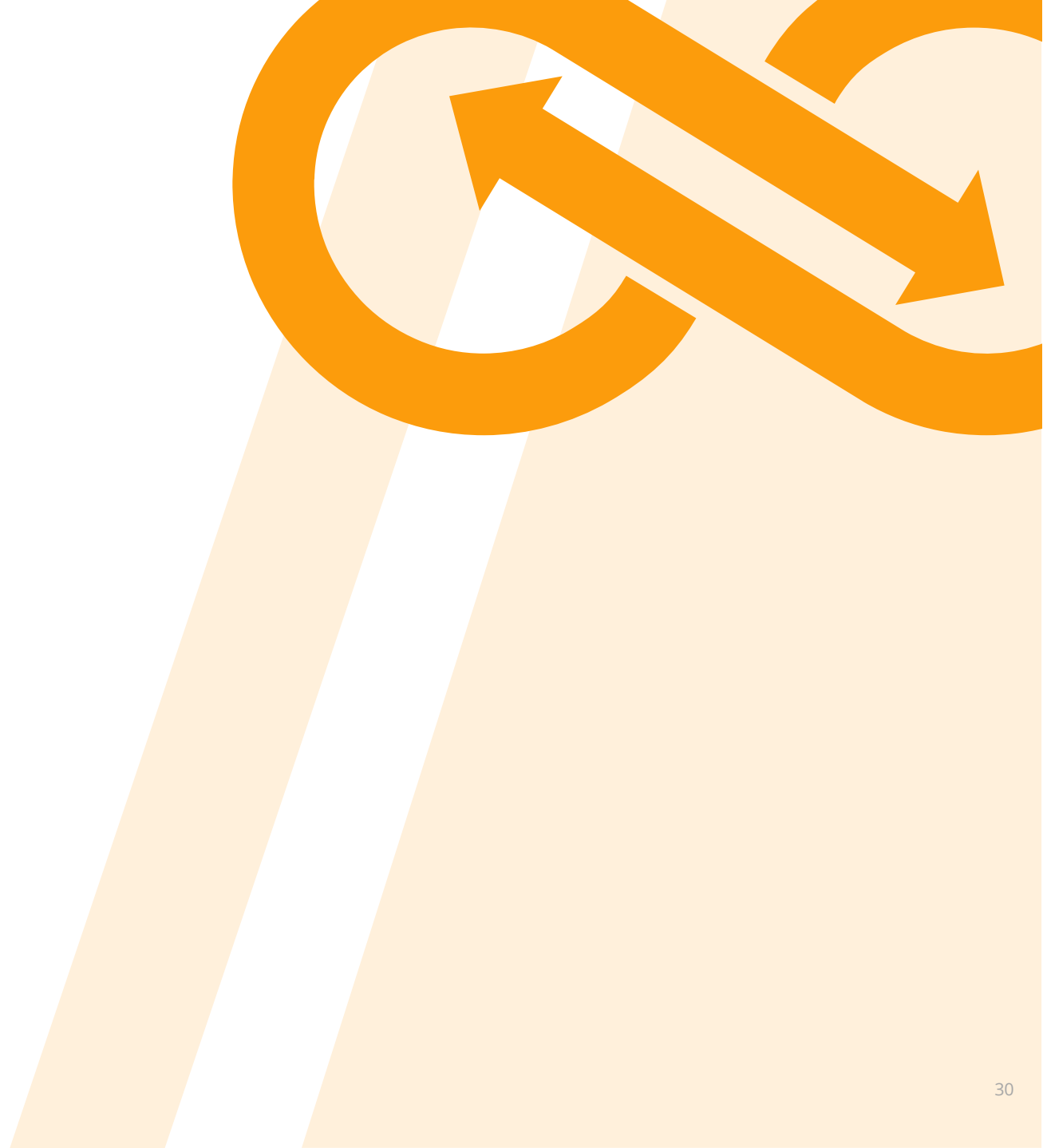
We Expect to Deliver 20%+ Growth, Positive FCF FY26 and Non-GAAP Op Inc FY27



Appendix

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GAAP to Non-GAAP

January 31 Fiscal Year End

(\$'000)	FY22	FY23	FY24	Q2'24	Q2'25
GAAP					
Cost of subscription revenue	\$8,529	\$10,762	\$14,647	\$3,845	\$4,455
Cost of services revenue	\$6,252	\$9,497	\$7,435	\$2,064	\$2,008
GAAP Gross Profit	\$108,761	\$134,565	\$157,955	\$37,230	\$45,126
GAAP Gross Margin %	88.0%	86.9%	87.7%	86.3%	87.5%
Non-GAAP Adjustments:					
SBC Expense & Payroll Tax on Stock Transactions					
Cost of subscription revenue	\$196	\$569	\$814	\$252	\$320
Cost of services revenue	\$196	\$440	\$569	\$154	\$118
Non-GAAP					
Cost of subscription revenue	\$8,333	\$10,193	\$13,833	\$3,593	\$4,135
Cost of services revenue	\$6,056	\$9,057	\$6,866	\$1,910	\$1,890
Non-GAAP Gross Profit	\$109,153	\$135,574	\$159,338	\$37,636	\$45,564
Non-GAAP subscription margin %	93%	93%	92%	91%	92%
Non-GAAP services margin %	17%	24%	19%	13%	18%
Non-GAAP Gross Margin %	88.4%	87.6%	88.5%	87.2%	88.3%

(\$'000)	FY22	FY23	FY24	Q2'24	Q2'25
GAAP					
S&M	\$89,372	\$111,067	\$130,558	\$32,348	\$36,168
R&D	\$51,639	\$57,760	\$64,069	\$16,292	\$17,370
G&A	\$24,008	\$33,390	\$42,663	\$10,459	\$12,636
Restructuring	-	\$1,663	\$46	-	-
Impairment on Capitalized Internal-Use Software	-	-	\$5,156	-	-
GAAP Operating Loss	(\$56,258)	(\$69,315)	(\$84,537)	(\$21,869)	(\$21,048)
GAAP Operating Margin %	-45.5%	-44.8%	-47.0%	-50.7%	-40.8%
Non-GAAP Adjustments:					
SBC Expense & Payroll Tax on Stock Transactions					
S&M	\$3,968	\$9,720	\$16,925	\$4,362	\$6,583
R&D	\$3,343	\$8,102	\$13,531	\$3,737	\$4,384
G&A	\$3,047	\$7,496	\$16,187	\$4,145	\$5,542
Restructuring	-	\$1,663	\$46	-	-
Impairment on Capitalized Internal-Use Software	-	-	\$5,156	-	-
Non-GAAP					
S&M	\$85,404	\$101,347	\$113,633	\$27,986	\$29,585
S&M % of Rev	69%	65%	63%	65%	57%
R&D	\$48,296	\$49,658	\$50,538	\$12,555	\$12,986
R&D % of Rev	39%	32%	28%	29%	25%
G&A	\$20,961	\$25,894	\$26,476	\$6,314	\$7,094
G&A % of Rev	17%	17%	15%	15%	14%
Total Non-GAAP Operating expenses	\$154,661	\$176,899	\$190,648	\$46,855	\$49,665
Non-GAAP Operating Loss	(\$45,508)	(\$41,325)	(\$31,309)	(\$9,219)	(\$4,101)
Non-GAAP Operating Margin %	-36.8%	-26.7%	-17.4%	-21.4%	-7.9%