



Investor Presentation

November 2024



Disclaimer

This presentation (“Presentation”) is qualified in its entirety by reference to, and must be read in conjunction with, the information contained in our Annual Information Form dated June 3, 2024 (the “AIF”), as well as in our condensed interim consolidated financial statements (unaudited) for the three and six-month periods ended September 30, 2024 and 2023, together with the notes thereto (collectively, the “Financial Statements”), as well as the management’s discussion and analysis (the “MD&A”) in respect thereof. All references to “US\$”, “\$”, and “U.S. dollars” are to United States dollars and all references to “C\$” are to Canadian dollars. Readers should not construe the contents of this Presentation as legal, tax, regulatory, financial or accounting advice. Coveo believes that the market, industry, customer and other data presented in this Presentation is reliable and, with respect to data prepared by Coveo or on its behalf, that Coveo’s estimates and assumptions are currently appropriate and reasonable, but there can be no assurance as to the accuracy or completeness thereof. Trademarks and logos used throughout this Presentation belong to their respective owners.

Forward-Looking Information

This Presentation contains “forward-looking information” and “forward-looking statements” within the meaning of applicable securities laws, including with respect to Coveo’s financial outlook and related assumptions for the three-month period ending December 31, 2024 and the fiscal year ending March 31, 2025 (collectively, “forward-looking information”). Please refer to the “Forward-Looking Information” section of our earnings press release dated November 4, 2024, for a cautionary statement regarding forward-looking information included in this Presentation. Such cautionary statement is deemed to be included by reference in this Presentation.

Non-IFRS Measures and Ratios

The information presented in this Presentation includes non-IFRS financial measures and ratios. These measures and ratios should not be considered in isolation nor as a substitute for analysis of Coveo’s financial information reported under IFRS. These measures and ratios are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Coveo believes the non-IFRS measures and ratios used in this Presentation provide its management and investors consistency and comparability with its past financial performance and facilitate period-to-period comparisons of operations, as they generally eliminate the effects of certain variables from period to period for reasons unrelated to overall operating performance. Please refer to the “Definition of Non-IFRS Measures and Ratios” section of the Appendix for details of the composition of Adjusted EBITDA, Adjusted Gross Profit, Adjusted Product Gross Profit, Adjusted Professional Services Gross Profit, Adjusted Gross Profit (%), Adjusted Product Gross Profit (%), Adjusted Professional Services Gross Profit (%), Adjusted Sales and Marketing Expenses, Adjusted Research and Product Development Expenses, Adjusted General and Administrative Expenses, Adjusted Sales and Marketing Expenses (%), Adjusted Research and Product Development Expenses (%) and Adjusted General and Administrative Expenses presented by Coveo, as well as the reconciliations of such measures to the most directly comparable IFRS measure, where applicable.

Key Performance Indicators

This Presentation refers to operating metrics used in Coveo’s industry, some of which Coveo considers key performance indicators. Please refer to the “Key Performance Indicators” sections of our earnings press release dated November 4th, 2024 and our MD&A for the three- and six-month periods ended September 30, 2024, both of which are available on our profile on SEDAR+ at www.sedarplus.ca, for disclosure regarding our key performance indicators, which disclosure is deemed to be included by reference in this Presentation.

Une copie de cette présentation peut être obtenue en français sur demande. A French copy of this presentation can be made available upon request.

Overview

Coveo brings the **AI-Experience Advantage** to every Point-of-Experience across the enterprise



creating remarkable interactions that drive the bottom line

powered by the Coveo Composable AI Search & Generative Experience Platform™



Our Pledge 1%
Our commitment is to donate 1% of our time, technology, profits, and **equity** to help democratize access to knowledge and education across the world

After a decade of enriching our **AI Platform** with forward-thinking global enterprises, we know what it takes to gain a **trusted AI-Experience Advantage**

~700

Leading
enterprise
customers

+700

Employees
(~40% in R&D)

10+ years

AI Platform deployments
in digital experiences

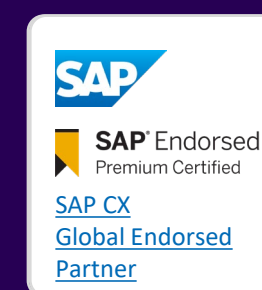
Cumulative applied AI knowledge
compounded from the largest enterprise base



One single AI platform

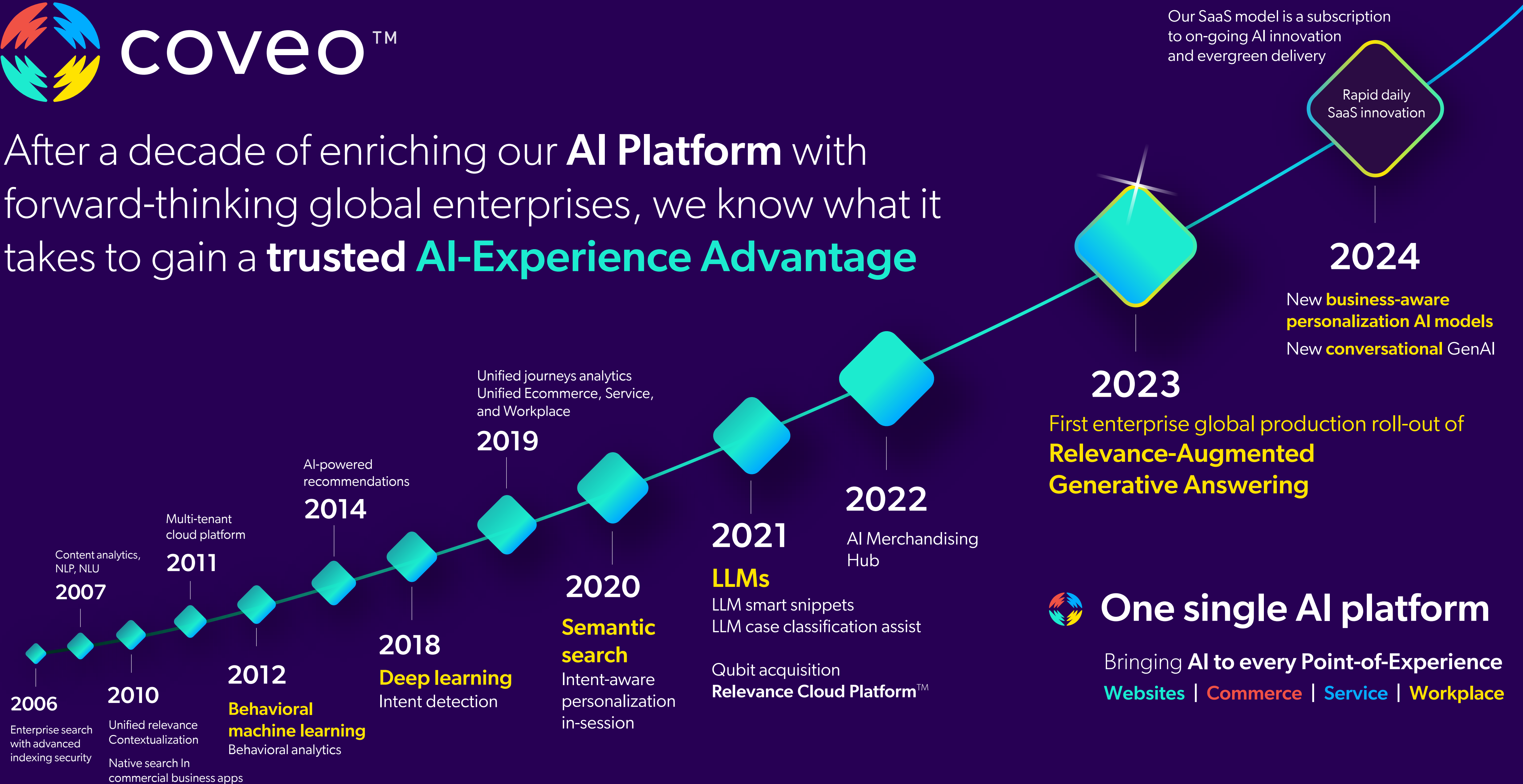
Bringing AI at every Point-of-Experience
Websites | Commerce | Service | Workplace

- › AI Search
- › AI Recommendations
- › Relevance-Augmented Generative Answering
- › Unified Personalization





After a decade of enriching our **AI Platform** with forward-thinking global enterprises, we know what it takes to gain a **trusted AI-Experience Advantage**



One single AI platform

Bringing AI to every Point-of-Experience
Websites | **Commerce** | **Service** | **Workplace**

We serve global enterprises

~700 enterprise SaaS customers⁽¹⁾, including leading global brands

► Expertise servicing the technology, healthcare, manufacturing, financial services, and retail verticals

► We believe our solutions are well-suited to serve numerous other verticals



And hundreds of other companies in the technology, healthcare, manufacturing, financial services, and retail industries

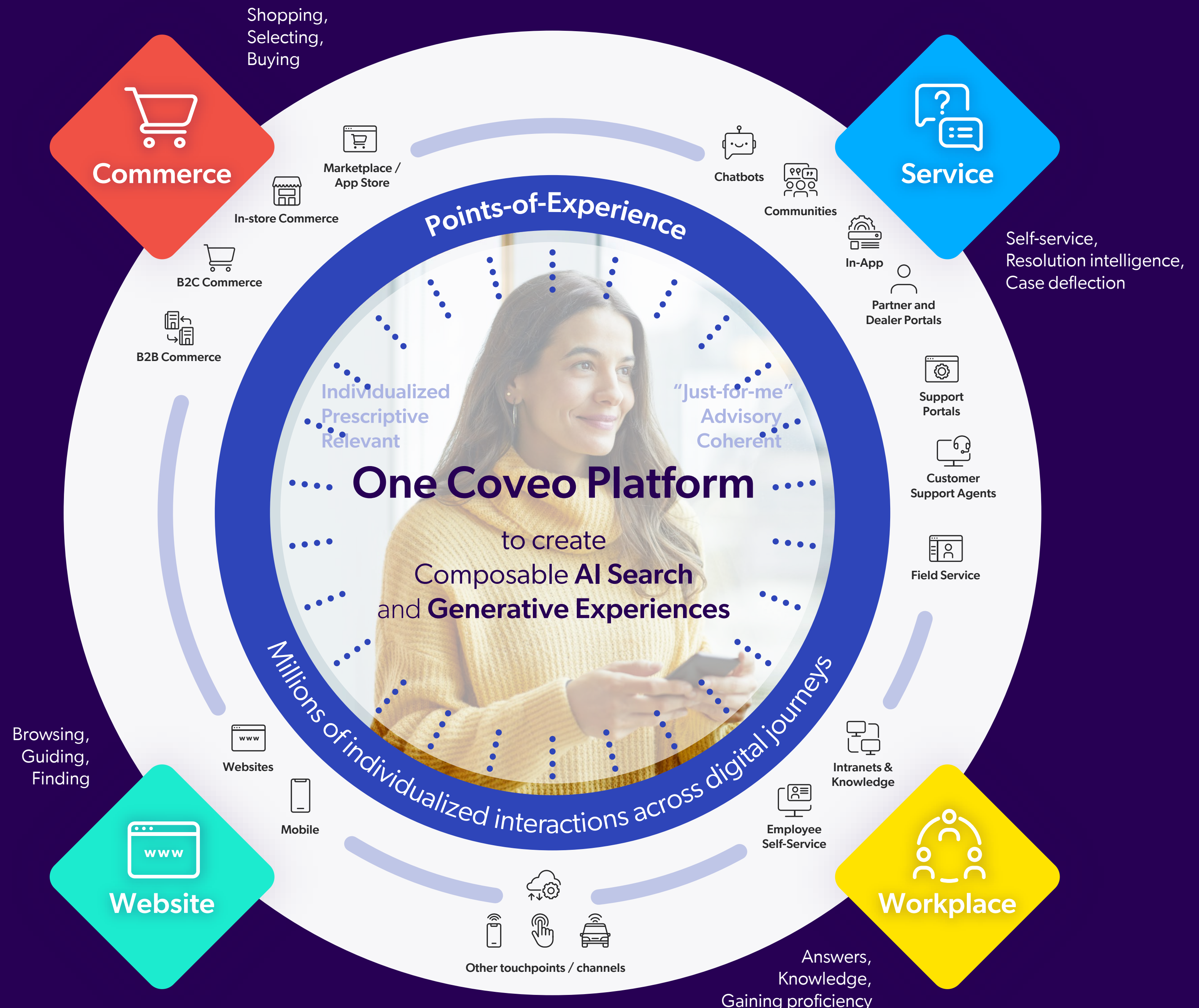
(1) As of September 30, 2024.

The future is Business-to-Person

powered by **AI Search**
and **Generative AI**
at **every Point-of-Experience**

Enterprises need a **spinal AI ability**
to power **individualized, trusted, and**
generative experiences at every interaction,
driving intelligent, connected digital journeys
and **superior business outcomes**

the **AI-Experience Advantage**



The **AI-Experience Advantage**

Optimize experiences and margins, one million times a day

is the degree to which the enterprise-wide **content, products, recommendations**, and **advice** presented to a **person** online **aligns** easily with their **needs, intent, preferences, context, behavior...**



while driving superior **business outcomes**

Relevance to each Person

Experience - CSAT - ESAT

Personalization, Accuracy, Anticipation
*search results, recommendations,
dynamic navigation, answers & conversations, ...*
Increasing **self-service proficiency**

Optimized for the **business**

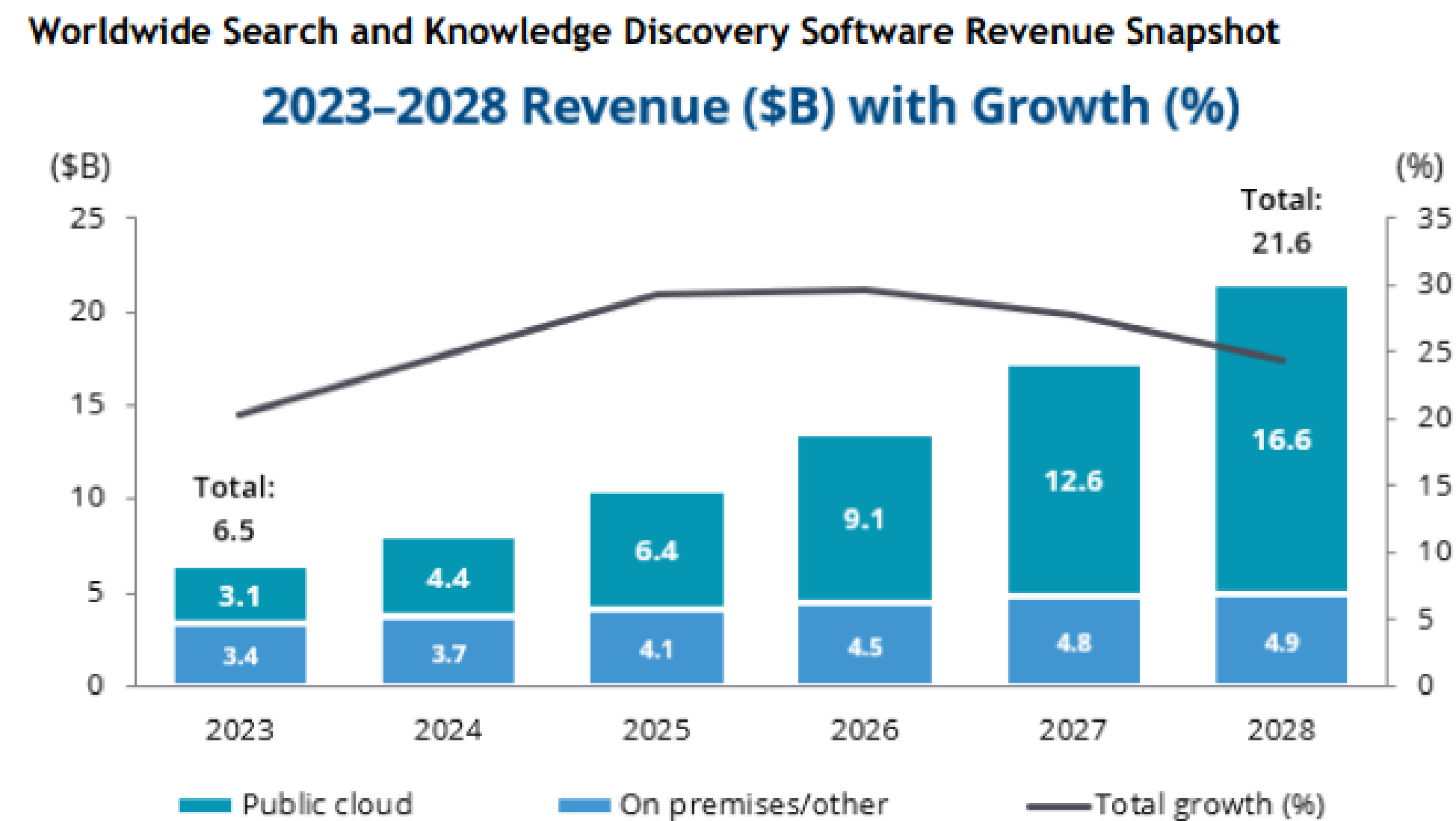
P&L, Analytics

Increasing **conversions, revenue, margins**
Minimizing **costs** - for example: cases, escalations, time to resolution, deflection, ...
inventory obsolescence, returns, catalog coverage, ...
Enabling people to do more on their own – *time to proficiency*



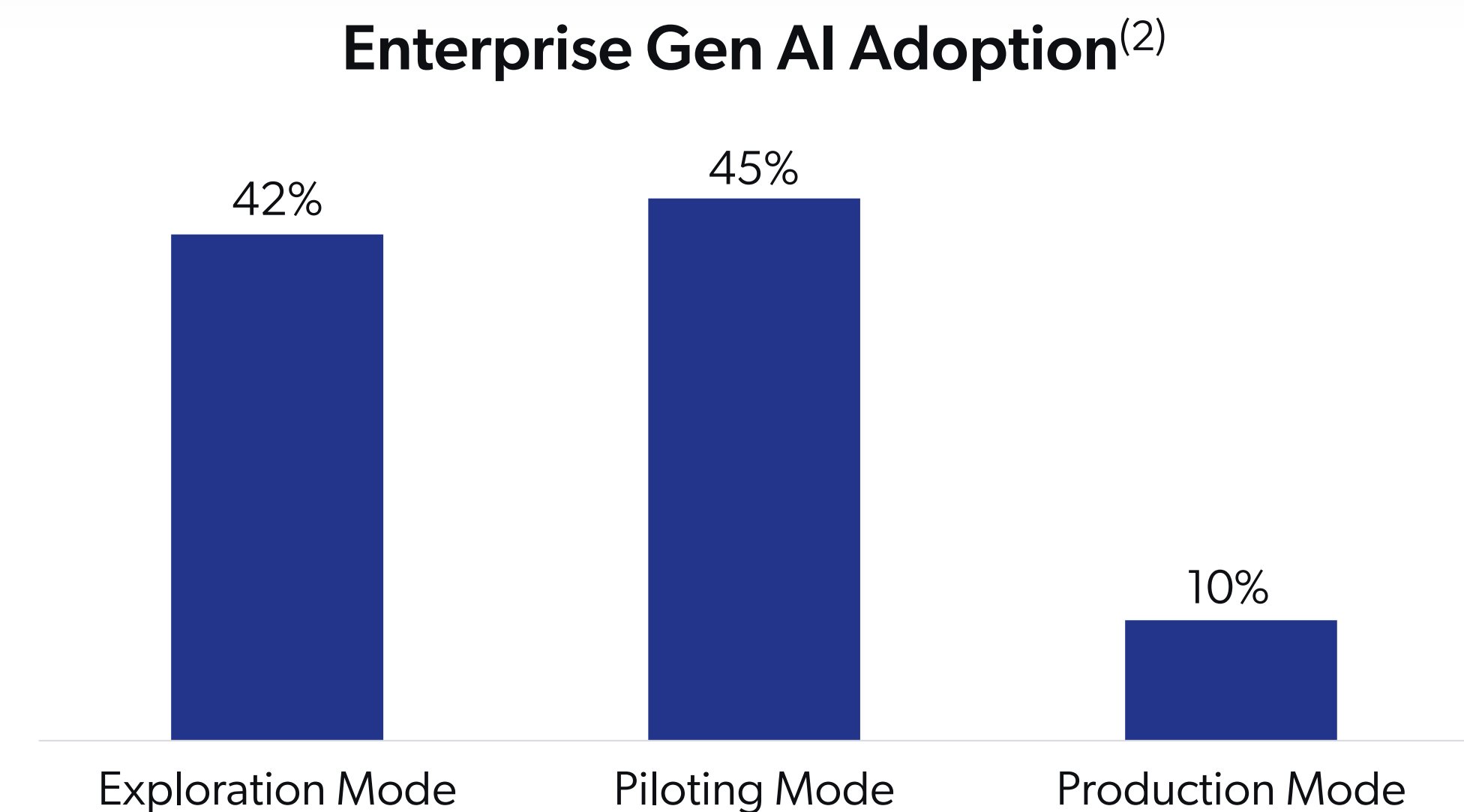
We Participate in a **Rapidly-Growing** Market

Demand for Search and Knowledge Discovery is expected to grow rapidly



Source: IDC, 2024

Gen AI at the application layer is still in early innings of adoption...



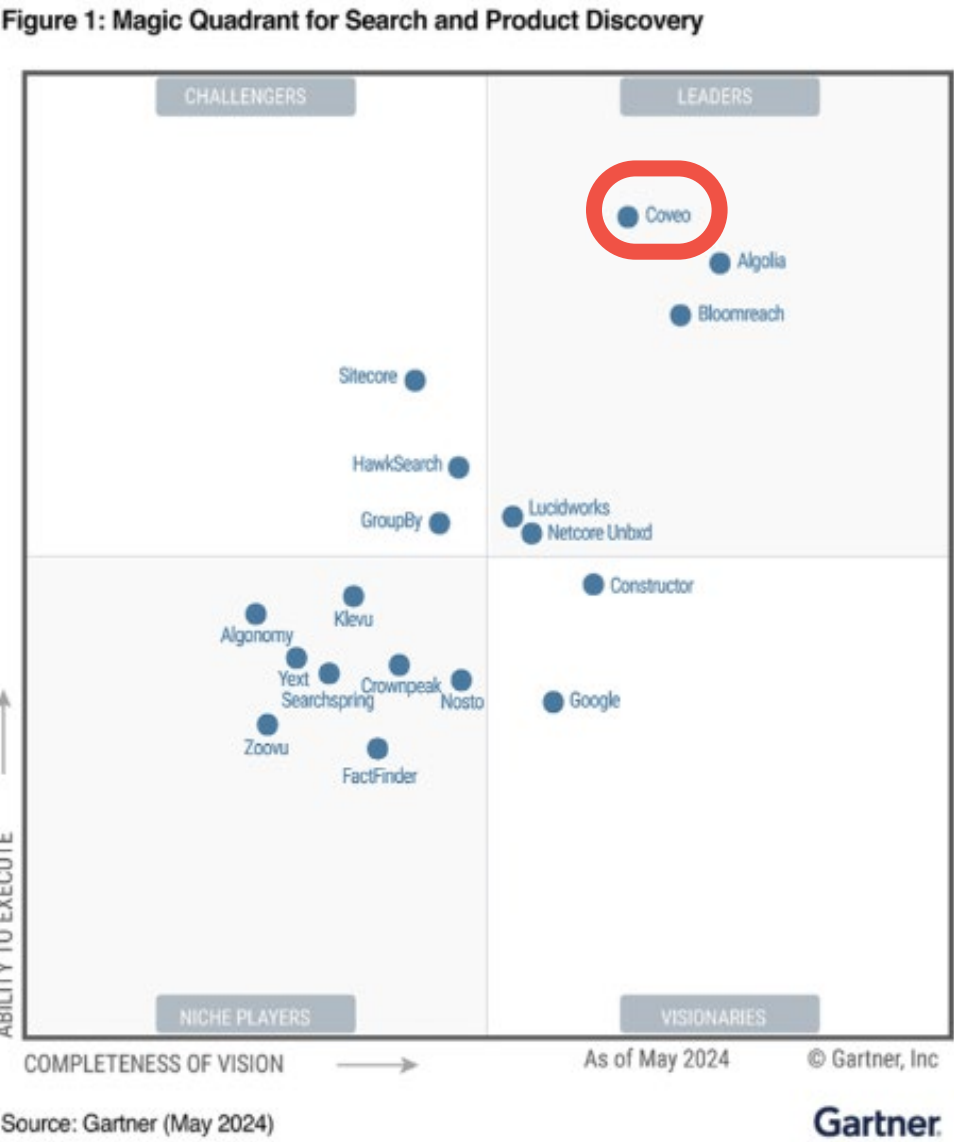
Sources: Dealroom, Factset and Gartner.
Note: \$Billions
1) Represents top 7 categories by 2027E forecast excluding vertical-specific software.
2) Poll of 1,400+ executive leaders conducted by Gartner.

Consistent leader with market analysts

- ▶ **Leader** in Gartner Magic Quadrant for Insight Engines in **7 consecutive reports**
- ▶ **Leader** in Forrester Wave for Cognitive Search in **6 consecutive reports**
- ▶ **Now Leader in** in Gartner Magic Quadrant for Search & Product Discovery

New

Gartner Magic Quadrant for Search & Product Discovery



Gartner

Gartner Magic Quadrant for Insight Engines



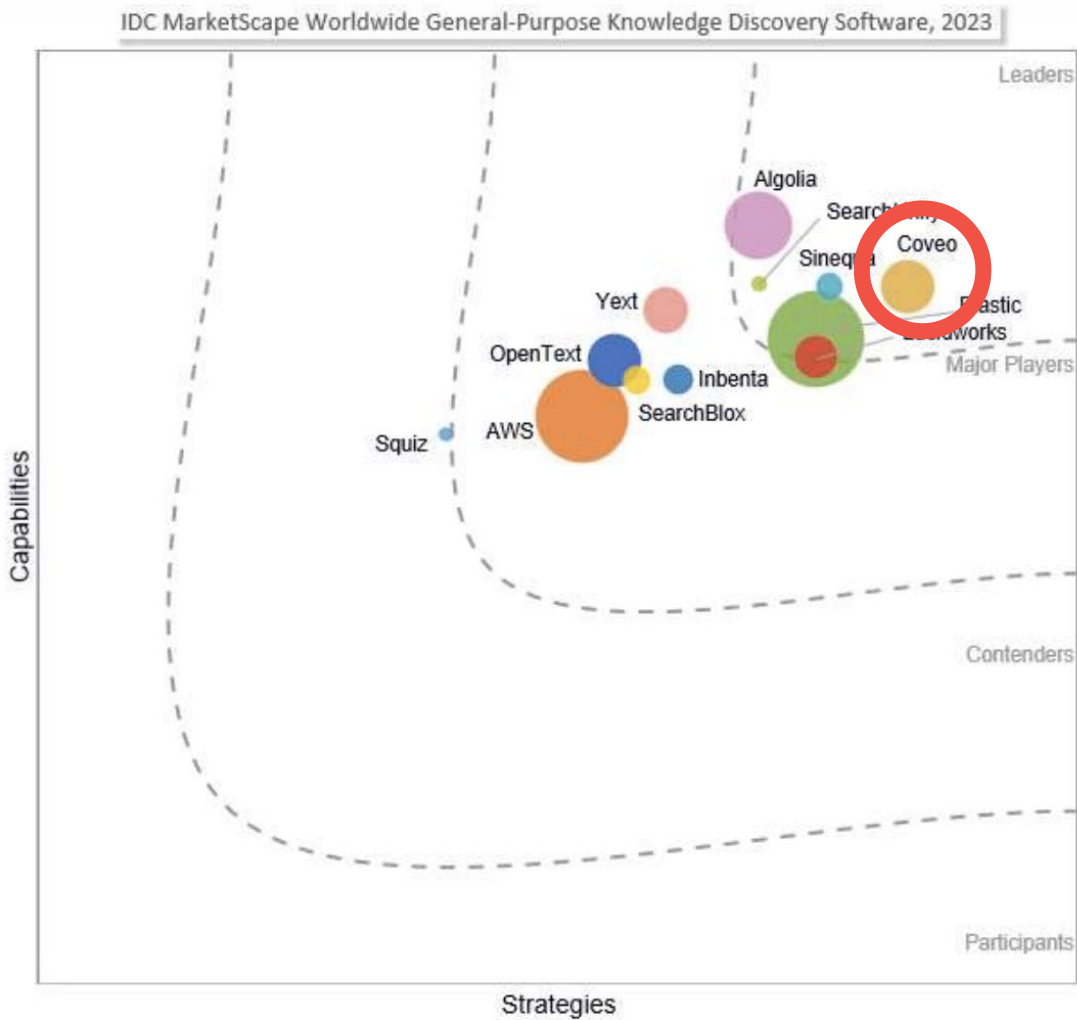
Gartner

The Forrester Wave Cognitive Search Platforms December 2023



FORRESTER

IDC MarketScape Worldwide General-Purpose Knowledge Discovery Software 2023



IDC

Our Platform

How do you bring
the entire enterprise
to every person,
while maximizing
business outcomes?



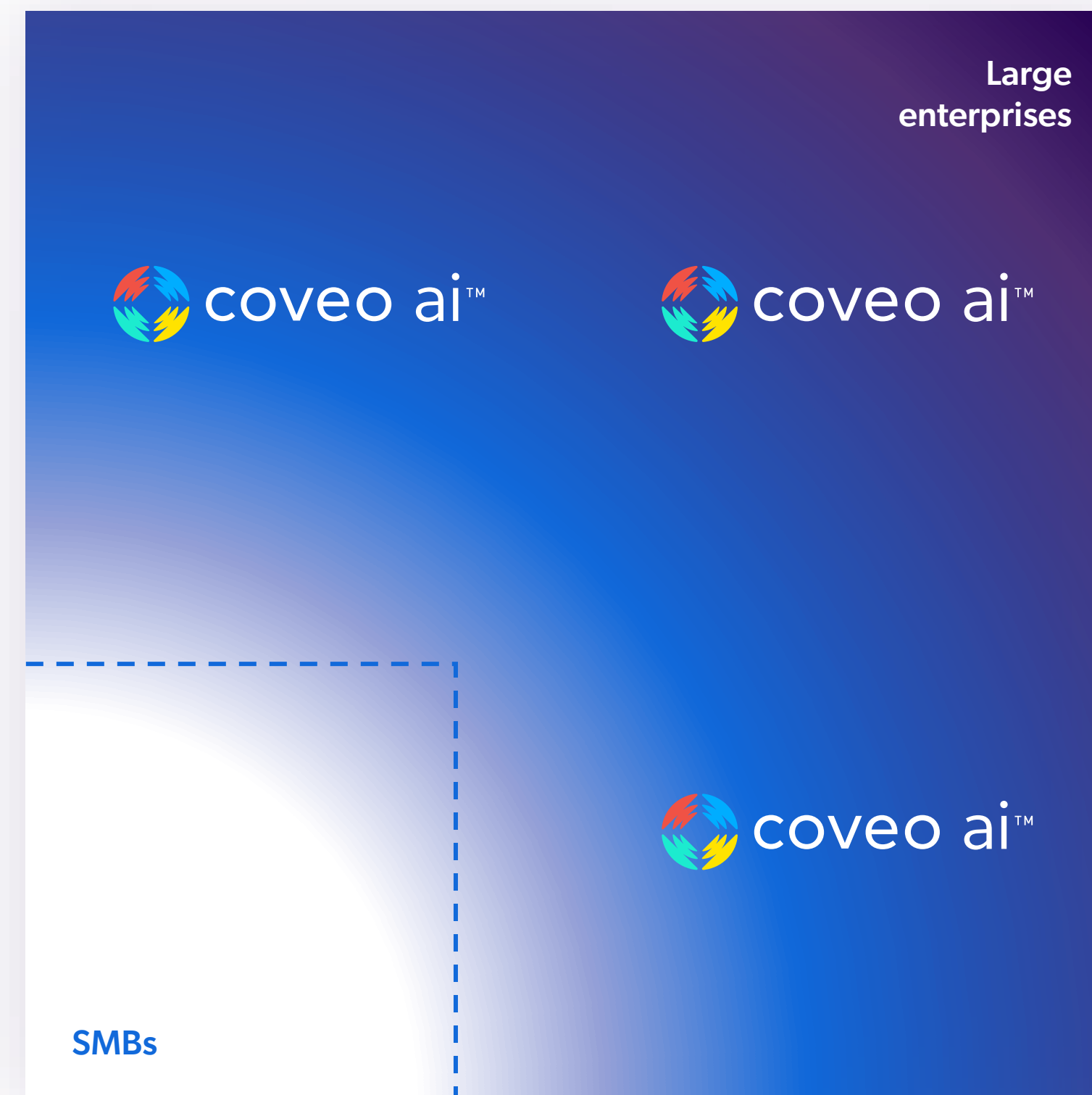
Content

High **volume** and **variety**
of content or products

Complex Indexing, Embeddings, Security

- Millions of documents – structured / unstructured
- Multiple & secure sources of content
 - Very complex documents
- Hundreds of thousands of products

- Simpler content
- Low to average volume of documents
- Fewer sources



- Smaller audience
- More homogeneous audience

Audience

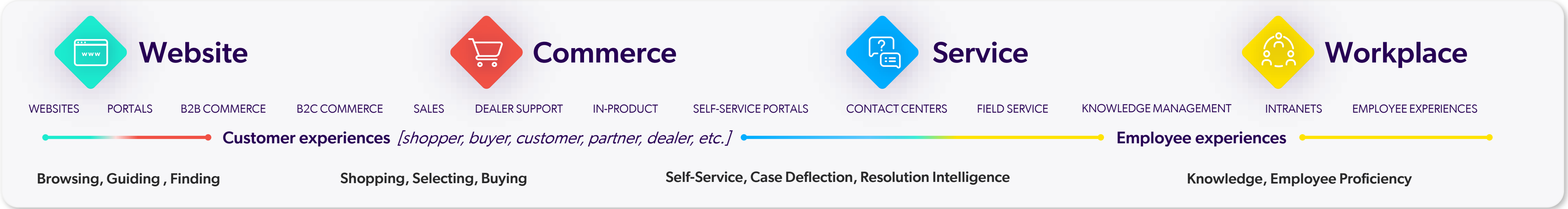
Large and diversified

Complex Relevance

- Thousands to millions of users
- Large and/or global audience
- Multiple digital engagement channels and apps
 - Highly individualized experience expectations
- Many unauthenticated users

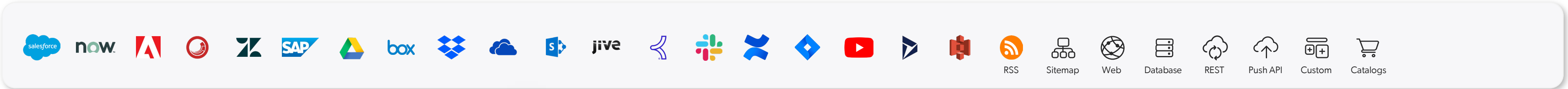
Business Outcomes

↑Revenue and ↓costs



Brings all enterprise content and data to every point-of-experience, individualized for users and optimized for business outcomes, powering remarkable AI-Search and generative experiences.

To realize this AI-experience advantage at scale, enterprises require a robust, spinal and composable infrastructure capable of unifying content securely and delivering AI search, AI recommendations, true personalization, and trusted generative experience at every touchpoint with each individual customer, partner and employee while driving superior business outcomes. Coveo is dedicated to bringing this advantage to every point-of-experience , using powerful data and AI models to transform the enterprise in ecommerce, customer service, website and workplace.



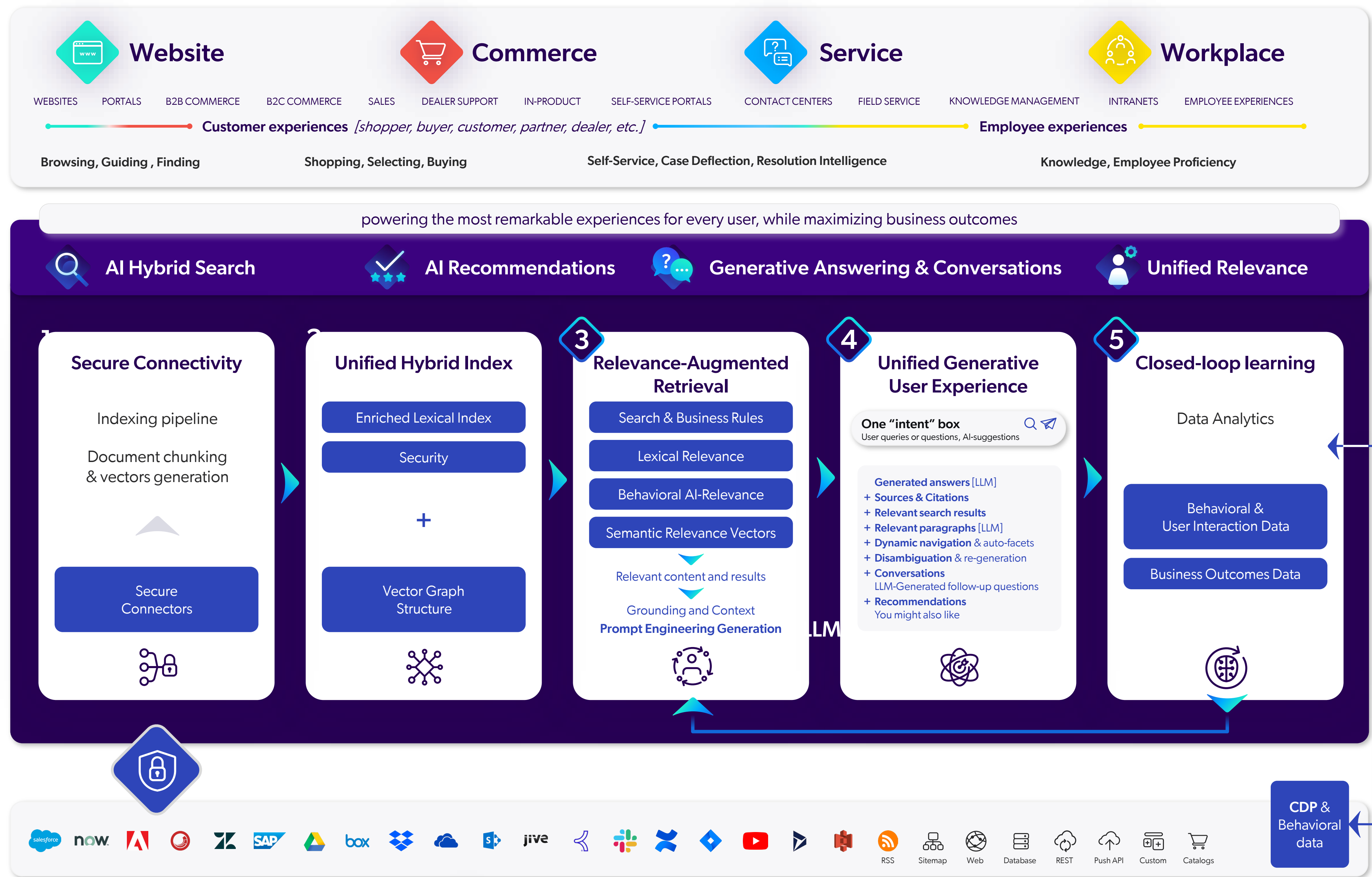
Why Coveo delivers the most remarkable experiences

Coveo Platform™

Composable AI Search & Generative Experience Platform

Engagement Apps layer – Points-of-Experience & Digital Journeys

[anonymous or authenticated]



Unified AI-Relevance powers remarkable experiences for every user

Setting a new bar for the modern digital experience

Search, recommendations,
dynamic navigation, answering,
conversations, personalization
into **one integrated
relevant experience**

Dynamic navigation
Auto-facets, facets ranking
Disambiguation



5 CIO Headaches

when getting AI & GenAI enterprise ready for CX/EX

It's all about **trust** for both users and the business

Security

Permissions, privacy, cybersecurity
Proprietary content vs. public LLMs, retention governance and IP

Accuracy

Currency of generative content
Factuality, veracity of answers
Content lineage, traceability to sources of truth

Experience

Relevancy for users
Unified "intent" and **engagement experience** combining search, answering and disambiguation

Costs

GenAI experiences can be 100x more expensive if not engineered right
Business case and **ROI**
Locking-in with unique GenAI providers

Content

Multiple sources, volume and **variety** of **content** increases the **value of GenAI** exponentially
Flexibility to evolve data landscape
Ethical use of first party data only



Partnerships

Growing momentum with **key partners**

Including hyperscalers, engagement apps and system integrators



Customers

Q2 update: Generative AI progress



>50%
sequential
increase in
generative AI
customers

Selected
customers wins



zoom



CRGA
drives ROI
in multiple use cases

CRGA Pipeline
continues to build
with healthy
conversion rates

Q2 Update: momentum in Commerce



New global **partnership** in enterprise commerce with



Key lands including **Dentsply**, a leading **American food service distributor**, and a leading **homewares retailer**



Success driven by our **partnership** with



Progress in **Australia and New Zealand** with our newly established team

How **Generative Answering** Increases Self-Service Resolution by 20%

Opportunity

- ▶ Provide proactive support using a wealth of information already available
- ▶ Serve customers accurate answers faster with GenAI-driven search

Solution

- ▶ Leveraging the new Coveo Relevance Generative Answering in Xero Central, their global customer learning and support site
- ▶ Embedded citations offer source transparency and additional information
- ▶ Answers are generated from Xero's extensive support content, giving customers needed information faster
- ▶ Coveo index keeps security and access permissions intact per document
- ▶ To mitigate hallucinations, Coveo supplies Relevance Generative Answering with only relevant chunks of information to compose an answer that is customer-specific



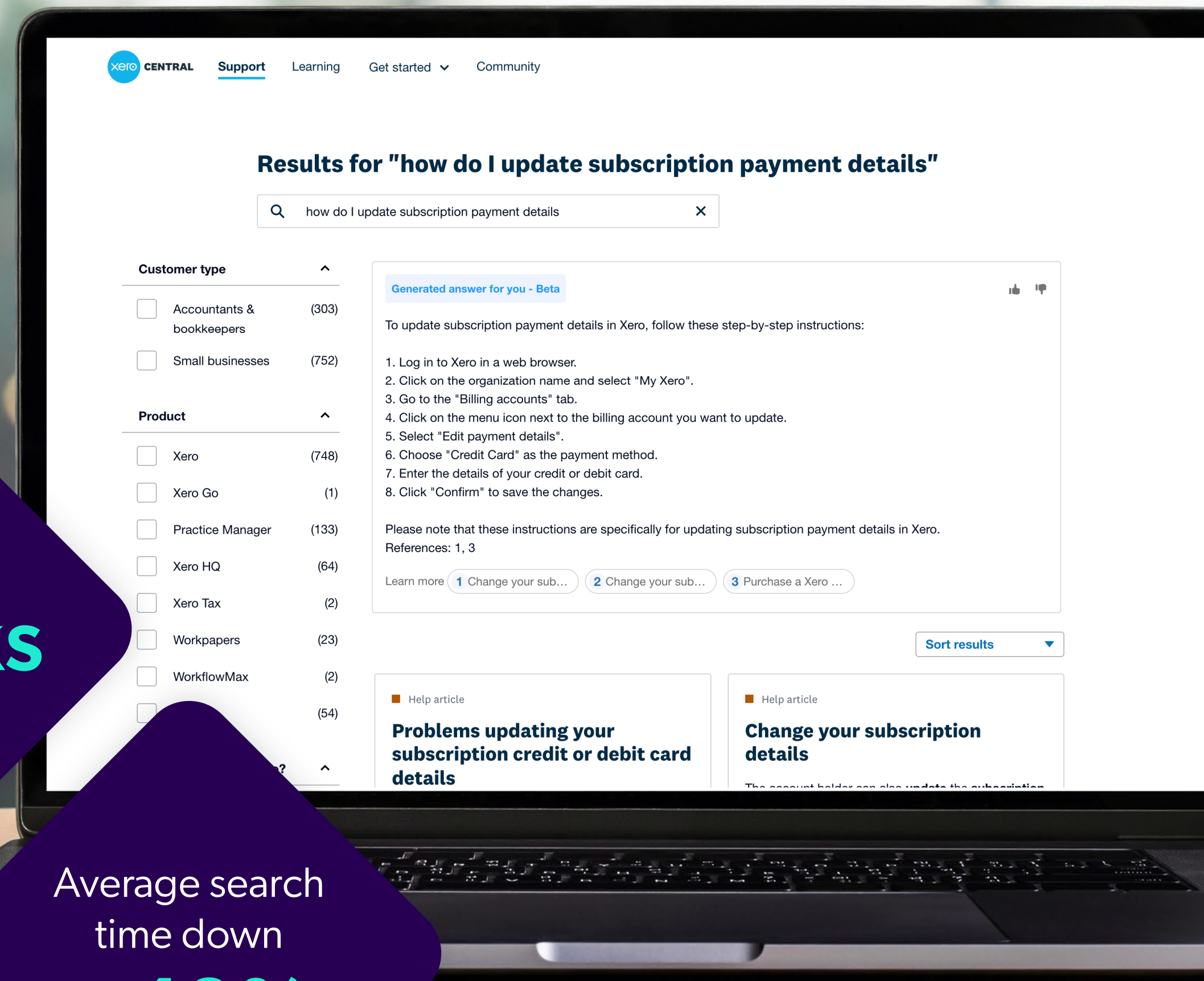
Every time someone asks a question, every time we solve an opportunity for someone, they become sticky on our platform. They stay, and that's a really great experience for us."

Nigel Piper, Executive General Manager, Xero



A global small business platform with 3.95 million subscribers, Xero helps small businesses spend less time in the books and get back to what they love.

Xero has been a customer of Coveo since 2017, using Coveo AI in multiple use cases from its Marketplace, to In-Product Experience, Agent Console and Xero Central, their customer self-service and learning portal and more.



Achieved in
6 weeks

Average search
time down
~40%

SAP Concur:

At the Forefront of CX Innovation



We're now up to a 30% decline in case submits for every 1,000 search sessions... Customers are just not going on to create cases after that. You really cannot overstate the impact.

Michelle Lewis-Miller

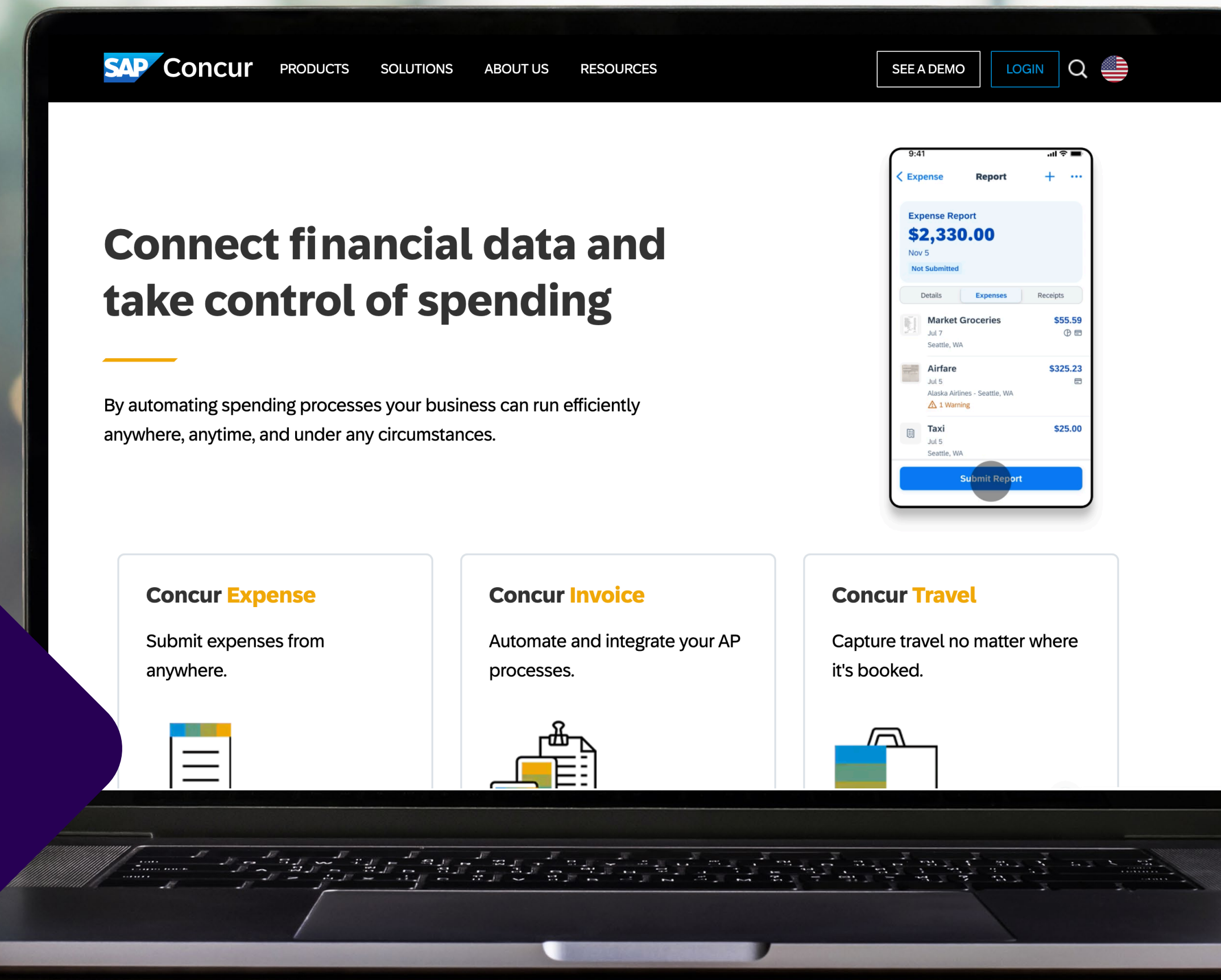
VP, Head of Strategy & Transformation,
SAP Concur Product

↑ 30%

Reduction in case per
1,000 search
sessions

€8M

Reduction
in cost-to-serve



Products

Solutions

Services

Support

how to update firmware utility on dell dock wd19 wd22 series

Search

Sign In

Contact Us

US/EN

Cart

Support

Search Support

Search Support

how to update firmware utility on dell dock wd19 wd22 series

Advanced Search Tips

Resources

Downloads & Drivers

22,112

Forums

687

Knowledgebase

6,937

Manuals & Documents

51,256

Dell Support by Topic

29

Support Videos

868

Product Category Selector

Search

Converged Infrastructure

(1,361)

Data Center Infrastructure

(487)

Data Protection

(2,428)

Desktops & All-in-Ones

(5,956)

Electronics & Accessories

(3,205)

Language

Clear

English

81,760

German

31,994

French

31,828

Spanish

23,296

Brazilian Portuguese

15,362

Last Updated

All Dates

81,889

Within Last Day

67

Within Last Week

297

Within Last Month

1,240

Within Last Year

13,255

Your Filters:

Language: English

Clear filters

Results 1-10 of 81,889 for how to update firmware utility on dell dock wd19 wd22 series in 3.68 seconds

RELEVANCE

DATE

Answer generated for you

Like

Comment

Copy

Toggle

To update the firmware utility on Dell Dock WD19 and WD22 series, you can follow these steps:

1. Go to the Dell support website (www.dell.com/support) and download the firmware update for your specific docking station model (e.g., WD19 or WD22).

2. Connect the docking station to your system.

3. Start the firmware update tool in administrative mode.

4. Enter all the required information in the various Graphical User Interface (GUI) panes.

5. Look for the "Update" button in the bottom-right corner of the tool and click on it.

6. Wait for the firmware update process to complete. You can monitor the progress using the progress bar displayed at the bottom of the tool.

7. Once the update is finished, the update status will be displayed above the payload information.

Please note that the specific steps may vary slightly depending on the exact model and version of the docking station. It is recommended to refer to the Dell Docking Station Administrator's Guide for detailed instructions and any additional technical information related to the firmware update process.

Want to dig in further? Read the detailed articles.

1 Dell Docking Statio...

2 Dell Docking Statio...

Reformat

Table

List

Lightbulb

People also ask

WD19 Dock Error Message When Updating Firmware While Connected to UP2720Q Monitor

Down Arrow

Download and install the Dell Docking Station WD19 or WD19S drivers

Down Arrow

Updating the Docking Station firmware and drivers

Down Arrow

Dell Docking Stations

DELL SUPPORT BY TOPIC

RECOMMENDED

Get help to set up your Dell docking station, install drivers, and update the firmware and other helpful resources to fix docking station issues.

Show More

Support for Dell Dock WD19

RECOMMENDED

Drivers & Downloads | Manuals and Documents | Warranty

How to Use and Troubleshoot Dell Docking Station WD19 and WD19S

KNOWLEDGEBASE

Learn how to setup, use, and troubleshoot Dell Docking Station WD19 and WD19S. Find information about drivers, setting up multiple monitors and troubleshooting steps to resolve common issues.

Last Modified: 04 Oct 2023

Article ID: 000131784

View More

WD19 series dock firmware update fails on computers with Windows 10 19H1 or higher

KNOWLEDGEBASE

WD19 series dock firmware update fails on system with Windows 10 19H1 or higher.

Last Modified: 04 Jun 2021

Article ID: 000184585

View More

Dell Dock WD19/WD22TB4 Firmware Update Utility | Driver Details

DOWNLOADS & DRIVERS

This package contains the firmware update for Dell Dock WD19 and WD22TB4. The dock firmware update package contains utility and firmware for updating the dock components. This update addresses Dell Security Advisories (DSA). A security advisory is a statement when a security vulnerability impacts a product, and a remedy is available for the vulnerability.

Show More

Dell Dock WD19/WD22TB4 Firmware Update Utility | Driver Details

DOWNLOADS & DRIVERS

This package contains the firmware update for Dell Dock WD19 and WD22TB4. The dock firmware update package contains utility and firmware for updating the dock components. This update addresses Dell Security Advisories (DSA). A security advisory is a statement when a security vulnerability impacts a product, and a remedy is available for the vulnerability.

Highlights

- Complex product documentation
Large, diverse, specialized
- Daily incremental refresh of embeddings
- Optimized parsing strategies
based on content type, format and source [beta]
- Multilingual Answers
Tier 1: FR, DE, ES, IT [beta]
Tier 2: PT, NL, KO, ZH, JA [future]

Generated answer
Accurate, relevant, secure, traceable

Citations and full lineage of content
traceability

LLM powered conversation –
suggested next best question

AI-relevance
search results

Caleres engaged with Coveo to **transform** the experience of their portfolio of branded sites

“

Coveo allowed us to build a new experience for our users that make their whole journey better and easier.

Dan Cornwell,
Director of Ecommerce
& Digital Experience

↑ **25%**

Lift in conversion rate
with onsite search

↑ **23%**

Increase in conversions
with Machine Learning
result ranking



LCBO Challenge:

Improving Digital Experience to Meet a Powerful Brand Promise

Specific challenges

- ▶ Large product catalog (34K+ products), from a vast number of international suppliers (76 countries)
- ▶ Basic site search requiring constant manual optimization
- ▶ Struggled with customer satisfaction due to inefficient search and product discovery
- ▶ Lack of personalization on site and unable to tailor experience based on context or interactions
- ▶ Need to modernize the digital experience to truly deliver on their vision

Adopting AI & personalization to drive a strong brand

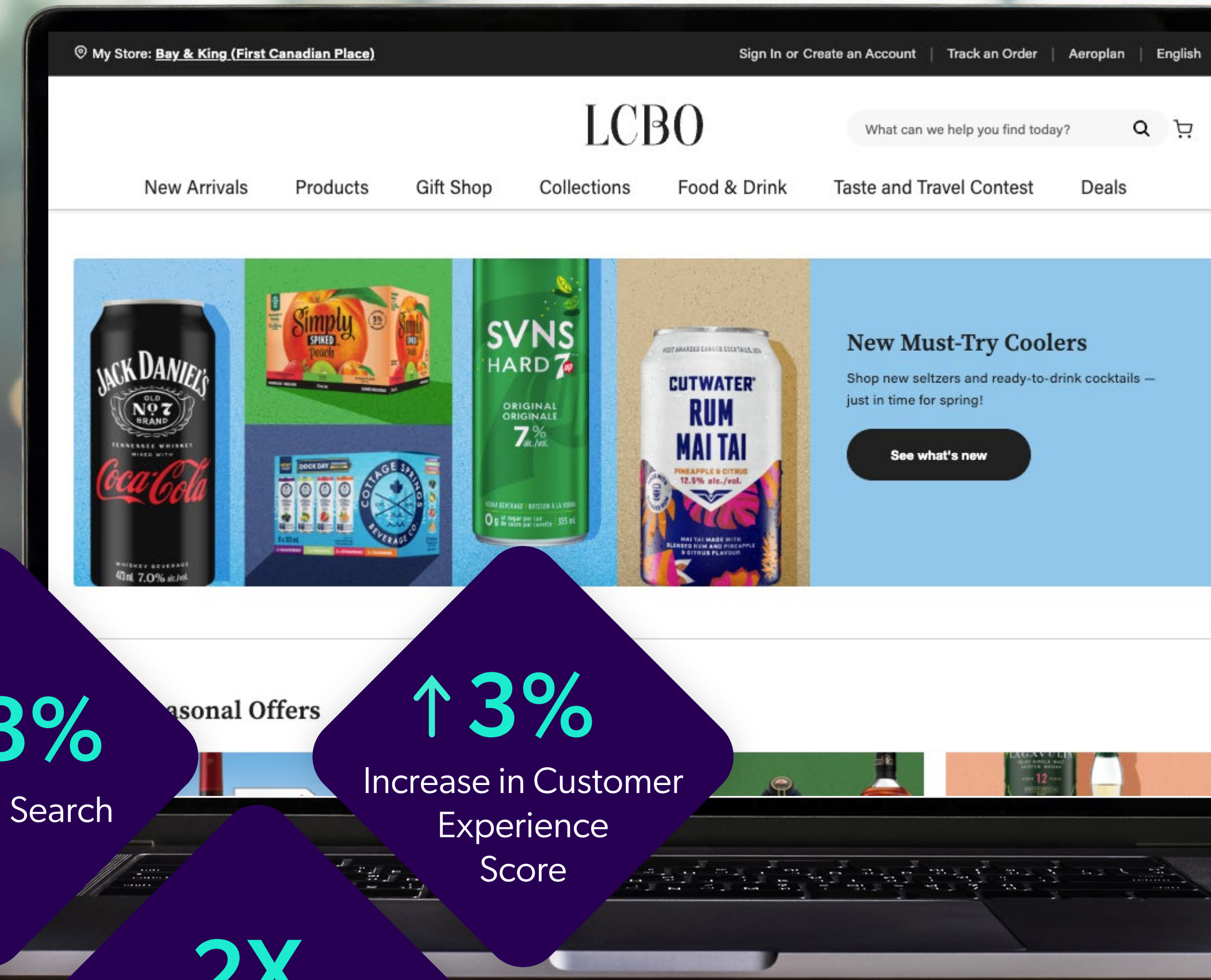
- ▶ Search | Navigation | Recommendations | Personalization
- ▶ Real-time stock availability | Localization context
- ▶ Product and content discovery to inspire and engage

Key outcomes

- ▶ Online conversion rate more than double with search
- ▶ 58% increase in click-thru rate to product pages from search
- ▶ Average click rank improved by 16 positions
- ▶ Significant customer satisfaction in site search and ease of finding products

LCBO

LCBO is one of the largest alcohol retailer & wholesaler globally. 680+ retail stores. 400+ LCBO convenience outlets . \$7 billion in annual revenue. 34,000+ products from 76 countries.



↑ 58%
CTR from Search

+16
positions
Improvement in
Search Rank

↑ 3%
Increase in Customer
Experience
Score

2X
Conversion rate
with Search

Financial Highlights

Our Business Model

➤ Subscription-based revenue

Contractually committed volumes for the entire term of the contract

➤ Multi-year agreements

Predominantly billed annual upfront

➤ Enterprise customers

\$175K+ average SaaS ACV⁽¹⁾ / customer

➤ Land and expand model

Net Expansion Rate⁽¹⁾ of 104% as of September 30, 2024⁽²⁾

(1) Net Expansion Rate is a key performance indicator of Coveo. Please refer to the "Definition of Key Performance Indicators" section of the Appendix for the definition of such measure. See the same section for a definition of SaaS ACV.

(2) Excludes the effect of SaaS Subscription revenue or SaaS ACV attributable to the Qubit Platform.

Q2 FY'25 Highlights

 **\$31.2M**

**Q2 FY'25 SaaS
Subscription Revenue⁽¹⁾**

 **11%⁽²⁾**

**Q2 FY'25 SaaS Subscription
Revenue⁽¹⁾ Growth**
(Coveo core Platform)
(Year-over-Year)

 **95%**

**Q1 FY'25 SaaS
Subscription Revenue⁽¹⁾**
(as a % of Total Revenue)

 **104%⁽²⁾**

Net Expansion Rate⁽¹⁾
(Coveo core Platform)
as of September 30, 2024

 **82%**

**Q2 FY'25 Product
Gross Margin**

 **\$1.4M**

Q2 FY'25 Cash Flows
from Operating Activities

(1) SaaS Subscription Revenue and Net Expansion Rate are key performance indicators of Coveo. Please refer to the "Definition of Key Performance Indicators" section of the Appendix for the definitions of such measures.
(2) Excludes the effect of SaaS Subscription revenue or SaaS ACV attributable to the Qubit Platform.

Revenue Growth

USD millions	Q2 FY'25	Q2 FY'24	YoY
SaaS Subscription Revenue ⁽¹⁾	\$31.2	\$29.4	6%
Coveo core Platform ⁽²⁾	\$29.9	\$26.9	11%
Qubit Platform ⁽³⁾	\$1.3	\$2.5	(51%)
Professional Services Revenue	\$1.6	\$1.8	(14%)
Total Revenue	\$32.7	\$31.2	5%

- (1) SaaS Subscription Revenue is a Key Performance Indicator of Coveo. Please refer to the "Definition of Key Performance Indicators" section of the Appendix for the definition of such measure, and to our MD&A for the three- and six-month periods ended September 30, 2024 for additional disclosure relating thereto.
- (2) SaaS Subscription Revenue earned in connection with subscriptions by customers to the Coveo core Platform for the period, and thus excluding revenue from subscriptions to the Qubit Platform.
- (3) SaaS Subscription Revenue earned through subscriptions to the Qubit Platform for the period covered.

Gross Profit Measures

%	Q2 FY'25	Q2 FY'24
Gross Margin	79%	78%
Adjusted Gross Margin ⁽¹⁾	80%	79%
Product Gross Margin	82%	82%
Adjusted Product Gross Margin ⁽¹⁾	83%	83%

(1) Adjusted Gross Margin and Adjusted Product Gross Margin are non-IFRS financial ratios. Please refer to the "Non-IFRS Measures and Ratios" section of the disclaimer to this Presentation, and to the relevant sections of the Appendix for the definitions of Adjusted Gross Margin, Adjusted Product Gross Margin and the reconciliation to their most directly comparable IFRS measures.

Profitability Measures

USD millions	Q2 FY'25	Q2 FY'24
Net Loss	(\$5.4)	(\$6.5)
Adjusted EBITDA ⁽¹⁾	\$1.5	\$0.0
Cash Flows from Operating Activities	\$1.4	\$0.8

**+72%
YoY**

(1) Adjusted EBITDA is a non-IFRS measure. Please refer to the "Non-IFRS Measures and Ratios" section of the disclaimer to this Presentation, and to the "Reconciliation of Net Loss to Adjusted EBITDA" section in the Appendix for a definition of Adjusted EBITDA and a reconciliation to net loss.

Q3 FY'25 and Full Year **Guidance**

USD millions	Q3 FY'25	Full Year FY'25
SaaS Subscription Revenue ⁽¹⁾	\$31.8 – \$32.3	\$126.0 – \$130.0
Total Revenue	\$33.4 – \$33.9	\$133.0 – \$138.0
Adjusted EBITDA ⁽²⁾	\$0.0 – \$1.0	\$0.0 – \$4.0
<p>For the Full Year, the company expects to remain within the previously issued guidance ranges, towards the low to midpoint of the ranges. The company also expects to achieve positive cash flow from operations of approximately \$10 million for Fiscal 2025.</p>		

These statements are forward-looking and actual results may differ materially. Coveo's guidance constitutes "financial outlook" within the meaning of applicable securities laws and is provided for the purpose of, among other things, assisting the reader in understanding Coveo's financial performance and measuring progress toward management's objectives, and the reader is cautioned that it may not be appropriate for other purposes. Please refer to the "Forward-Looking Information" section in the disclaimer of this Presentation and in our most recent annual information form and MD&A on file for information on the factors that could cause our actual results to differ materially from these forward-looking statements and a description of the assumptions thereof. Please also refer to the press release dated November 4, 2024 announcing Coveo's second quarter earnings for fiscal year 2025 available under our profile on www.sedarplus.ca for a list of additional assumptions and hypothesis made in connection with our financial outlook (under "Financial Outlook Assumptions").

- (1) SaaS Subscription Revenue is a Key Performance Indicator of Coveo. Please refer to the "Definition of Key Performance Indicators" section of the Appendix for the definitions of such measure, and to our MD&A for the three and six months ended September 30, 2024 for additional disclosure relating thereto.
- (2) Adjusted EBITDA is a non-IFRS measure. Please refer to the "Non-IFRS Measures and Ratios" section of the disclaimer to this Presentation, and to the "Reconciliation of Adjusted EBITDA to Net Loss" section in the Appendix for a definition of Adjusted EBITDA and a reconciliation to net loss.

Compounding **growth** vectors

1 Grow existing customers

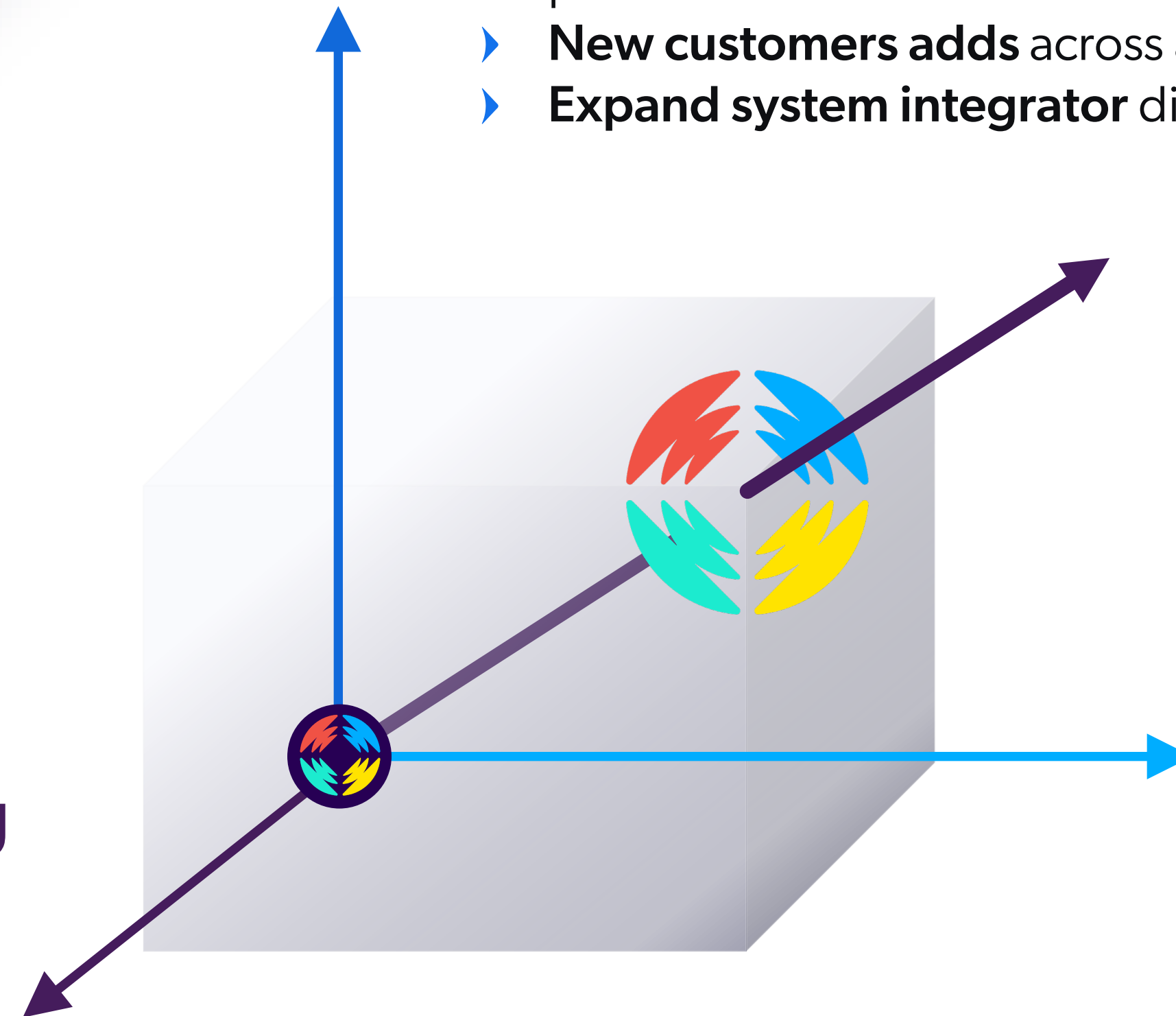
- › **Relevance Augmented Generative Answering™**
- › **Cross-sell new use cases** – 70% of customers use Coveo for a single use case
- › **Enterprise-wide subscription** agreements

2 Grow in existing markets

- › **SAP Endorsed App** partnership in Commerce
- › **Commerce** - increasing competitive and conversion performance – Relevance Generative Answering™
- › **New customers adds** across all lines of business
- › **Expand system integrator** distribution channel

3 Develop new markets

- › **New platform integrations** into popular enterprise apps
- › **Geographic** expansion – EMEA, ANZ
- › Applications of our solutions in **new verticals**



Unique, scale position in AI

**Emerging platform
opportunity in a
large, exploding
market**

Well-positioned to
**accelerate revenue
growth:**

- ▶ Leadership position in **generative AI**
- ▶ **Commerce + SAP**
- ▶ Expansion within our **install base**

Reliable and stable
business model
with **strong
customer
economics**

**Strategic
partnerships** to
help drive success

**Cash flow
positive and
growing**

**Strong balance
sheet** to capitalize
on opportunities

Appendix

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(in thousands of US dollars, except share and per share data, unaudited)

	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Revenue				
SaaS subscription	31,174	29,406	61,731	57,941
Professional services	1,566	1,813	3,226	3,810
Total revenue	32,740	31,219	64,957	61,751
Cost of revenue				
SaaS subscription	5,558	5,323	11,175	10,451
Professional services	1,275	1,484	2,629	3,028
Total cost of revenue	6,833	6,807	13,804	13,479
Gross profit	25,907	24,412	51,153	48,272
Operating expenses				
Sales and marketing	14,072	13,898	28,599	27,358
Research and product development	8,648	8,700	19,045	17,882
General and administrative	6,233	6,814	12,896	13,623
Depreciation of property and equipment	628	595	1,375	1,172
Amortization and impairment of intangible assets	737	4,199	1,462	5,205
Depreciation of right-of-use assets	358	404	736	799
Total operating expenses	30,676	34,610	64,113	66,039
Operating loss	(4,769)	(10,198)	(12,960)	(17,767)
Net financial revenue	(1,262)	(1,630)	(2,988)	(3,307)
Foreign exchange loss (gain)	1,723	(1,260)	742	(256)
Loss before income tax expense (recovery)	(5,230)	(7,308)	(10,714)	(14,204)
Income tax expense (recovery)	147	(855)	767	(796)
Net loss	(5,377)	(6,453)	(11,481)	(13,408)
Net loss per share – Basic and diluted	(0.05)	(0.06)	(0.11)	(0.13)
Weighted average number of shares outstanding – Basic and diluted	98,409,854	102,807,185	100,665,293	104,223,916

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(in thousands of US dollars, unaudited)

	Three months ended September 31,		Six months ended September 30,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Share-based payments and related expenses				
SaaS subscription cost of revenue	222	230	360	466
Professional services cost of revenue	142	150	181	313
Sales and marketing	919	897	1,848	937
Research and product development	1,391	1,675	2,878	3,231
General and administrative	1,725	2,064	3,497	3,816
Share-based payments and related expenses	4,399	5,016	8,764	8,763

Reconciliation of Net Loss to Adjusted EBITDA

(in thousands of US dollars, unaudited)

	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Net loss	(5,377)	(6,453)	(11,481)	(13,408)
Net financial revenue	(1,262)	(1,630)	(2,988)	(3,307)
Foreign exchange loss (gain)	1,723	(1,260)	742	(256)
Income tax expense (recovery)	147	(855)	767	(796)
Share-based payments and related expenses ⁽¹⁾	4,399	5,016	8,764	8,763
Amortization and impairment of intangible assets	737	4,199	1,462	5,205
Depreciation expenses ⁽²⁾	986	999	2,111	1,971
Transaction-related expenses ⁽³⁾	114	-	388	
Adjusted EBITDA	1,467	16	(235)	(1,828)

(1) These expenses relate to issued stock options and share-based awards under our share-based plans to our employees and directors as well as related payroll taxes that are directly attributable to the share-based payments. These costs are included in product and professional services cost of revenue, sales and marketing, research and product development, and general and administrative expenses.

(2) Depreciation expenses include depreciation of property and equipment and depreciation of right-of-use assets.

(3) These expenses relate to professional, legal, consulting, accounting, advisory, and other fees relating to transactions that would otherwise not have been incurred. These costs are included in general and administrative expenses.

Adjusted EBITDA is defined as net loss, excluding interest, taxes, depreciation of property and equipment and right-of-use-assets, amortization and impairment of intangible assets (or EBITDA), adjusted for stock-based compensation and related expenses, foreign exchange gains and losses, acquisition-related compensation, transaction-related expenses, and other one-time or non-cash items.

Reconciliation of Adjusted Gross Profit Measures and Adjusted Gross Margin Measures

(in thousands of US dollars, unaudited)

	Three months ended September 30,		Six months ended September 30,	
	2024	2024	2024	2023
	\$	\$	\$	\$
Total revenue	32,740	31,219	64,957	61,751
Gross profit	25,907	24,412	51,153	48,272
Gross margin	79%	78%	79%	78%
Add: Share-based payments and related expenses	364	380	541	779
Adjusted Gross Profit	26,271	24,792	51,694	49,051
Adjusted Gross Margin	80%	79%	80%	79%
Product revenue	31,174	29,406	61,731	57,941
Product cost of revenue	5,558	5,323	11,175	10,451
Product gross profit	25,616	24,083	50,556	47,490
Product gross margin	82%	82%	82%	82%
Add: Share-based payments and related expenses	222	230	360	466
Adjusted Product Gross Profit	25,838	24,313	50,916	47,956
Adjusted Product Gross Margin	83%	83%	82%	83%
Professional services revenue	1,566	1,813	3,226	3,810
Professional services cost of revenue	1,275	1,484	2,629	3,028
Professional services gross profit	291	329	597	782
Professional services gross margin	19%	18%	19%	21%
Add: Share-based payments and related expenses	142	150	181	313
Adjusted Professional Services Gross Profit	433	479	778	1,095
Adjusted Professional Services Gross Margin	28%	26%	24%	29%

Adjusted Gross Profit, Adjusted Product Gross Profit, and Adjusted Professional Services Gross Profit are respectively defined as gross profit, product gross profit, and professional services gross profit excluding share-based payments and related expenses, acquisition-related compensation, transaction-related expenses, and other one-time or non-cash items. We refer to these measures collectively as our “Adjusted Gross Profit Measures”. Adjusted Gross Margin is defined as Adjusted Gross Profit as a percentage of total revenue. Adjusted Product Gross Margin is defined as Adjusted Product Gross Profit as a percentage of product revenue where product revenue represents SaaS subscription revenue and Adjusted Product Gross Profit represents SaaS subscription revenue less SaaS subscription costs of revenue. Adjusted Professional Services Gross Margin is defined as Adjusted Professional Services Gross Profit as a percentage of professional services revenue. We refer to these measures collectively as our “Adjusted Gross Margin Measures”.

Reconciliation of Adjusted Operating Expense Measures and Adjusted Operating Expense (%) Measures

(in thousands of US dollars, unaudited)

	Three months ended September 30,		Six months ended September 30,	
	2024	2023	2024	2023
	\$	\$	\$	\$
Sales and marketing expenses	14,072	13,898	28,599	27,358
<i>Sales and marketing expenses (% of total revenue)</i>	<i>43%</i>	<i>45%</i>	<i>44%</i>	<i>44%</i>
Less: Share-based payments and related expenses	919	897	1,848	937
Adjusted Sales and Marketing Expenses	13,153	13,001	26,751	26,421
<i>Adjusted Sales and Marketing Expenses (% of total revenue)</i>	<i>40%</i>	<i>42%</i>	<i>41%</i>	<i>43%</i>
Research and product development expenses	8,648	8,700	19,045	17,882
<i>Research and product development expenses (% of total revenue)</i>	<i>26%</i>	<i>28%</i>	<i>29%</i>	<i>29%</i>
Less: Share-based payments and related expenses	1,391	1,675	2,878	3,231
Adjusted Research and Product Development Expenses	7,257	7,025	16,167	14,651
<i>Adjusted Research & Product Development Expenses (% of total revenue)</i>	<i>22%</i>	<i>23%</i>	<i>25%</i>	<i>24%</i>
General and administrative expenses	6,233	6,814	12,896	13,623
<i>General and administrative expenses (% of total revenue)</i>	<i>19%</i>	<i>22%</i>	<i>20%</i>	<i>22%</i>
Less: Share-based payments and related expenses	1,725	2,064	3,497	3,816
Less: Transaction-related expenses	114	-	388	-
Adjusted General and Administrative Expenses	4,394	4,750	9,011	9,807
<i>Adjusted General and Administrative Expenses (% of total revenue)</i>	<i>13%</i>	<i>15%</i>	<i>14%</i>	<i>16%</i>

“Adjusted Sales and Marketing Expenses”, “Adjusted Research and Product Development Expenses”, and “Adjusted General and Administrative Expenses” are respectively defined as sales and marketing expenses, research and product development expenses, and general and administrative expenses excluding share-based payment and related expenses, acquisition-related compensation, transaction-related expenses, and other one-time or non-cash items. We refer to these measures collectively as our “Adjusted Operating Expense Measures”. “Adjusted Sales and Marketing Expenses (%)”, “Adjusted Research and Product Development Expenses (%)”, and “Adjusted General and Administrative Expenses (%)” are respectively defined as Adjusted Sales and Marketing Expenses, Adjusted Research and Product Development Expenses, and Adjusted General and Administrative Expenses as a percentage of total revenue. We refer to these measures collectively as our “Adjusted Operating Expense (%) Measures”.

Condensed Interim Consolidated Statements of Financial Position

(in thousands of US dollars, unaudited)

	September 30, 2024	March 31, 2024
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	128,162	166,586
Trade and other receivables	27,312	29,947
Government assistance	7,089	9,987
Prepaid expenses	9,626	8,622
	172,189	215,142
Non-current assets		
Contract acquisition costs	9,904	10,168
Property and equipment	4,845	5,608
Intangible assets	7,627	8,710
Right-of-use assets	5,219	6,032
Deferred tax assets	3,002	4,265
Goodwill	26,911	25,960
Total assets	229,697	275,885
Liabilities		
Current liabilities		
Trade payable and accrued liabilities	20,592	21,822
Deferred revenue	63,228	64,731
Current portion of lease obligations	2,082	2,153
Accrued liability for shares to be repurchased under automatic securities purchase plan	5,179	-
	91,081	88,706
Non-current liabilities		
Lease obligations	5,850	6,885
Deferred tax liabilities	1,554	1,771
Total liabilities	98,485	97,362
Shareholders' Equity		
Share capital	777,340	836,271
Contributed surplus	67,074	40,484
Deficit	(672,370)	(655,598)
Accumulated other comprehensive loss	(40,832)	(42,634)
Total shareholders' equity	131,212	178,523
Total liabilities and shareholders' equity	229,697	275,885

Condensed Interim Consolidated Statements of Cash Flows

(in thousands of US dollars, unaudited)

	Six months ended September 30,	
	2024	2023
	\$	\$
Cash flows from operating activities		
Net loss	(11,481)	(13,408)
Items not affecting cash		
Amortization of contract acquisition costs	2,147	2,248
Depreciation of property and equipment	1,375	1,172
Amortization and impairment of intangible assets	1,462	5,205
Depreciation of right-of-use assets	736	799
Share-based payments	9,477	7,800
Interest on lease obligations	224	279
Deferred income tax expense (recovery)	778	(765)
Unrealized foreign exchange loss (gain)	646	(316)
Changes in non-cash working capital items	(910)	(1,179)
	4,454	1,835
Cash flows used in investing activities		
Additions to property and equipment	(554)	(626)
Additions to intangible assets	(9)	(21)
	(563)	(647)
Cash flows used in financing activities		
Proceeds from exercise of stock options	978	980
Tax withholding for net share settlement	(1,490)	(1,011)
Payments on lease obligations	(1,256)	(1,198)
Shares repurchased and cancelled	(40,588)	(26,353)
Repurchase of stock options	-	(4,553)
	(42,356)	(32,135)
Effect of foreign exchange rate changes on cash and cash equivalents	41	309
Decrease in cash and cash equivalents during the period	(38,424)	(30,638)
Cash and cash equivalents – beginning of period	166,586	198,452
Cash and cash equivalents – end of period	128,162	167,814
Cash	22,888	25,275
Cash equivalents	105,274	142,539

Definition of Key Performance Indicators

“**SaaS Subscription Revenue**” means Coveo’s SaaS subscription revenue, as presented in its financial statements in accordance with IFRS.

“**Current SaaS Subscription Remaining Performance Obligations**” is a forward-looking indicator of anticipated future revenue under contract that has not yet been recognized as revenue but that is expected to be recognized over the next 12 months, as presented in our financial statements in accordance with IFRS.

“**Net Expansion Rate**” is calculated by considering a cohort of customers at the end of the period 12 months prior to the end of the period selected, and dividing the SaaS Annualized Contract Value (“**SaaS ACV**”, as defined below) attributable to that cohort at the end of the current period selected, by the SaaS ACV attributable to that cohort at the beginning of the period 12 months prior to the end of the period selected. Expressed as a percentage, the ratio:

- i. Excludes any SaaS ACV from new customers added during the 12 months preceding the end of the period selected;
- ii. Includes incremental SaaS ACV made to the cohort over the 12 months preceding the end of the period selected;
- iii. Is net of the SaaS ACV Value from any customers whose subscriptions terminated or decreased over the 12 months preceding the end of the period selected; and
- iv. is currency neutral and as such, excludes the effect of currency variation.

In this Presentation, “**SaaS Annualized Contract Value**” means the SaaS annualized contract value of a customer’s commitments calculated based on the terms of that customer’s subscriptions, and represents the committed annualized subscription amount as of the measurement date.

Please also refer to the "Key Performance Indicators" section of our latest MD&A, which is available under our profile on SEDAR+ at www.sedarplus.ca, for additional details on the abovementioned key performance indicators.