



# Spire Global

Q2 2023 Investor Update

August 9, 2023



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# The Space Company Focused on the Future of Planet Earth

Providing global data,  
analytics and space services



# Business Update

## Strong business execution



### Record Q2 2023 results as a public company

- > Highest dollar revenue - 37% YoY growth
- > Lowest operating loss - 33% YoY improvement
- > Improving operating margin - 43 pt improvement
- > Best adjusted EBITDA margin<sup>1</sup>- (11%)



### Improved full year 2023 guidance

- > Non-GAAP operating loss<sup>1</sup> +\$2.0M at mid-point
- > Adjusted EBITDA loss<sup>1</sup> +\$1.0M at mid-point
- > Non-GAAP loss per share<sup>1</sup> +\$0.04 at mid-point



### Expected path to profitability

- > Q4'23 - Operating cash flow positive
- > Q1'24 to Q2'24 - Adjusted EBITDA positive
- > Q2'24 - Non-GAAP operating margin positive
- > Q2'24 to Q3'24 - Free cash flow positive

## Environment supportive of Spire's solutions



- ### Robust aviation travel demand
- > Global travel approaching 2019 levels



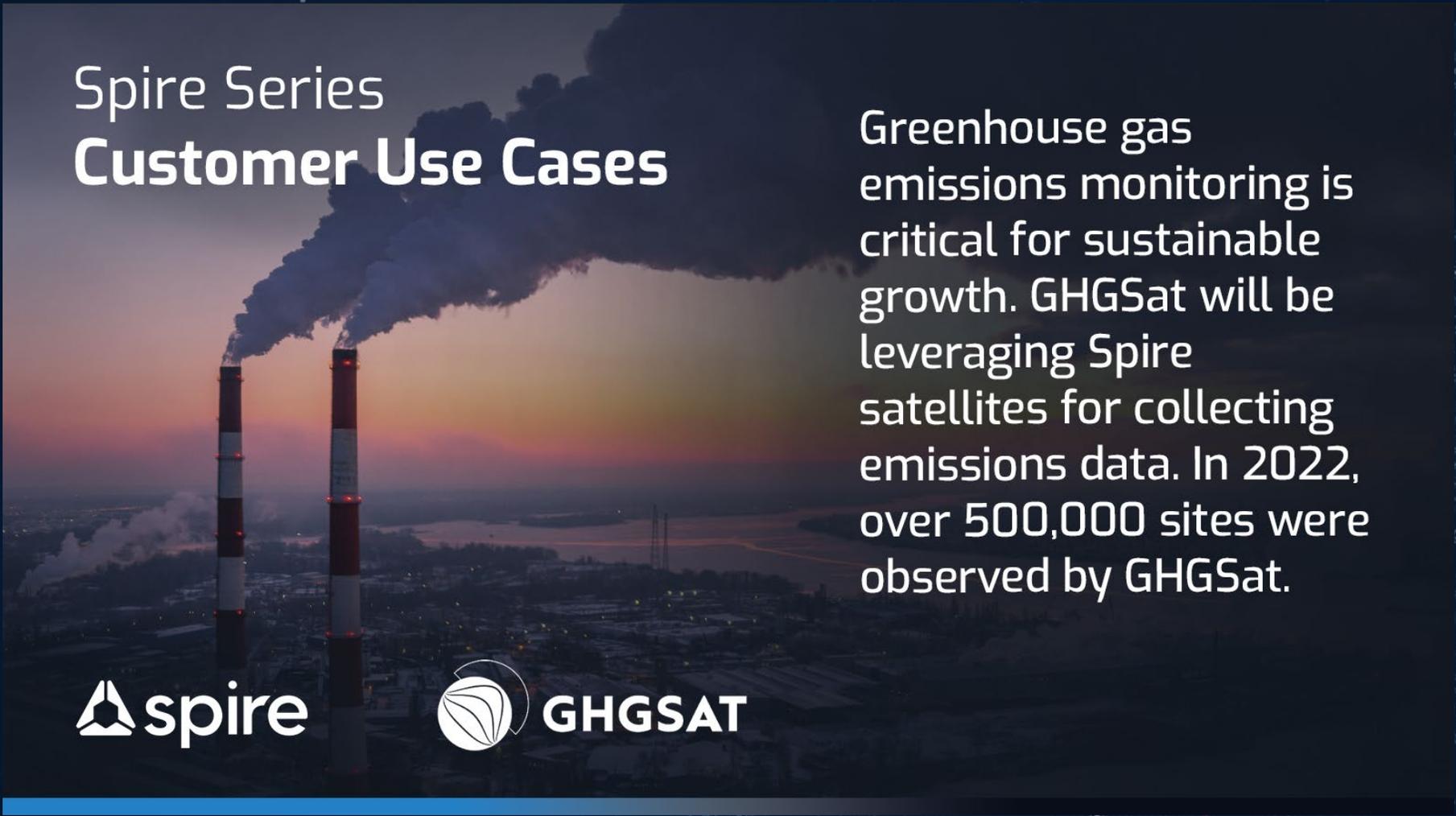
- ### Growing focus on climate change
- > Thousands of heat records broken



- ### Greater impact of forest fires
- > Major cities impacted by poor air quality
  - > Canadian record for largest area burned in a single year



- ### Global security preparedness
- > Progress towards NATO countries spending 2% of GDP on defense



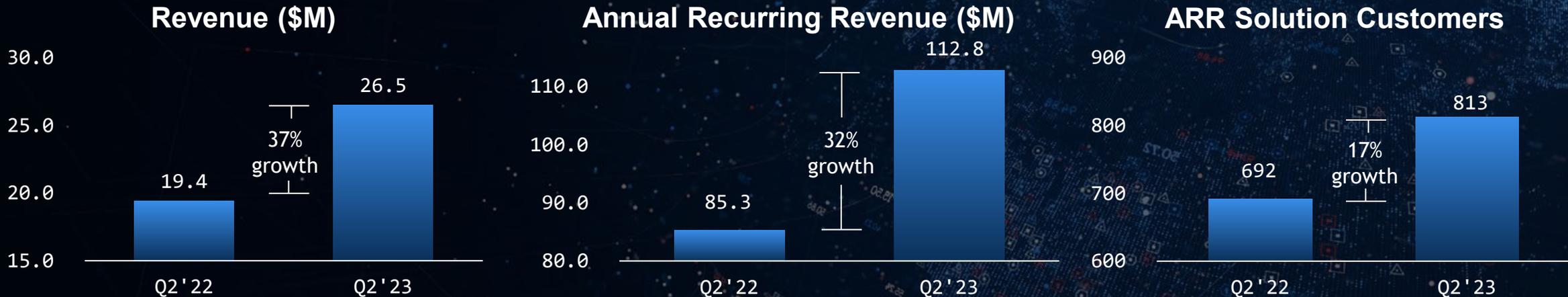
## Spire Series Customer Use Cases

Greenhouse gas emissions monitoring is critical for sustainable growth. GHGSat will be leveraging Spire satellites for collecting emissions data. In 2022, over 500,000 sites were observed by GHGSat.



The global emissions monitoring system market is estimated to be \$3.8 billion and is expected to reach \$8.7 billion by 2031

# Sustainable Growth, Driven by Four Solutions





## Spire Series Customer Use Cases

OroraTech is leveraging Spire satellites to build a platform for detection and monitoring of wildfires from space, helping save lives and properties while fighting climate change.

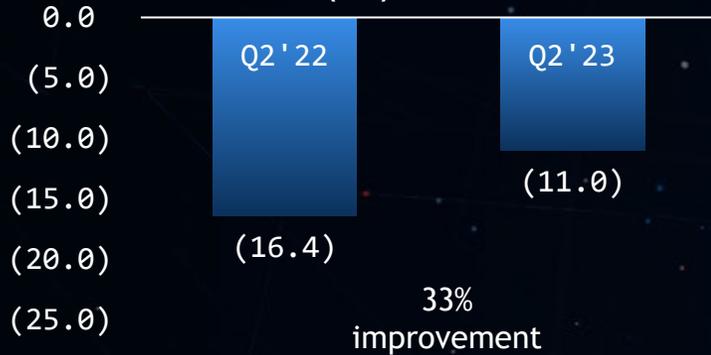


[Click here to view linked video](#)

Aside from the threat to life, global wildfire losses between 2018-2022 are estimated to total \$69 billion (Munich Re)

# Leveraged Cost Structure Driving Towards Profitability

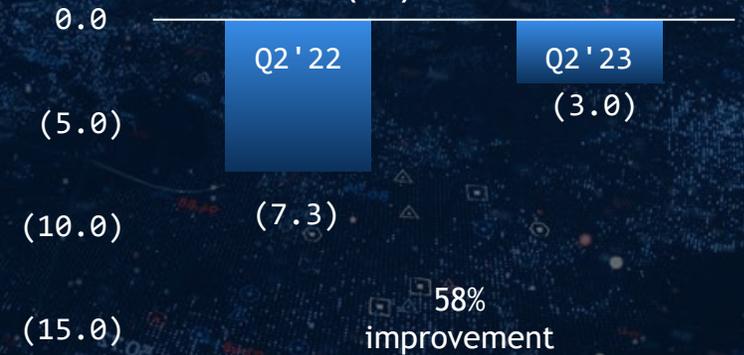
**GAAP Operating Loss**  
(\$M)



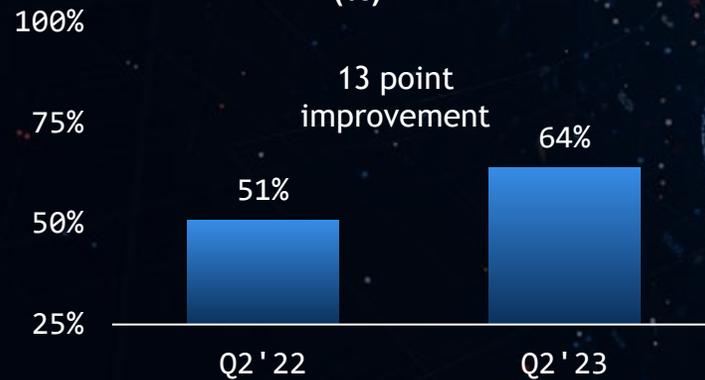
**Non-GAAP Operating Loss<sup>1</sup>**  
(\$M)



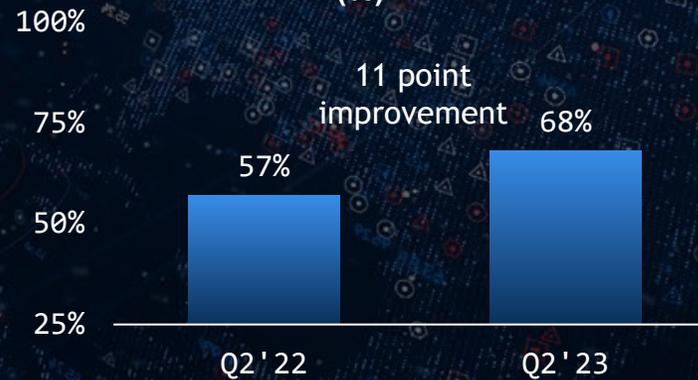
**Adjusted EBITDA<sup>1</sup>**  
(\$M)

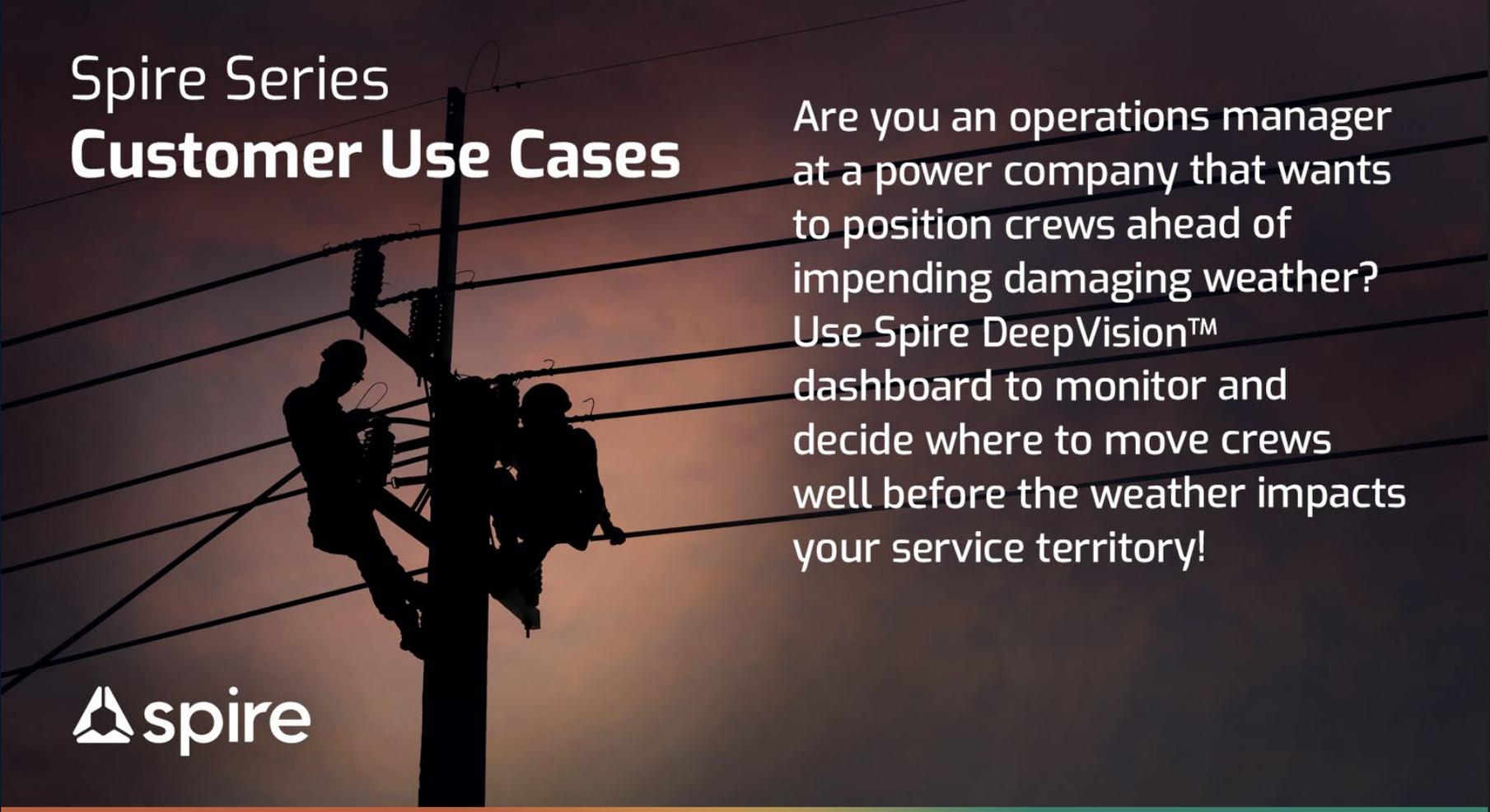


**GAAP Gross Margins**  
(%)



**Non-GAAP Gross Margins<sup>1</sup>**  
(%)





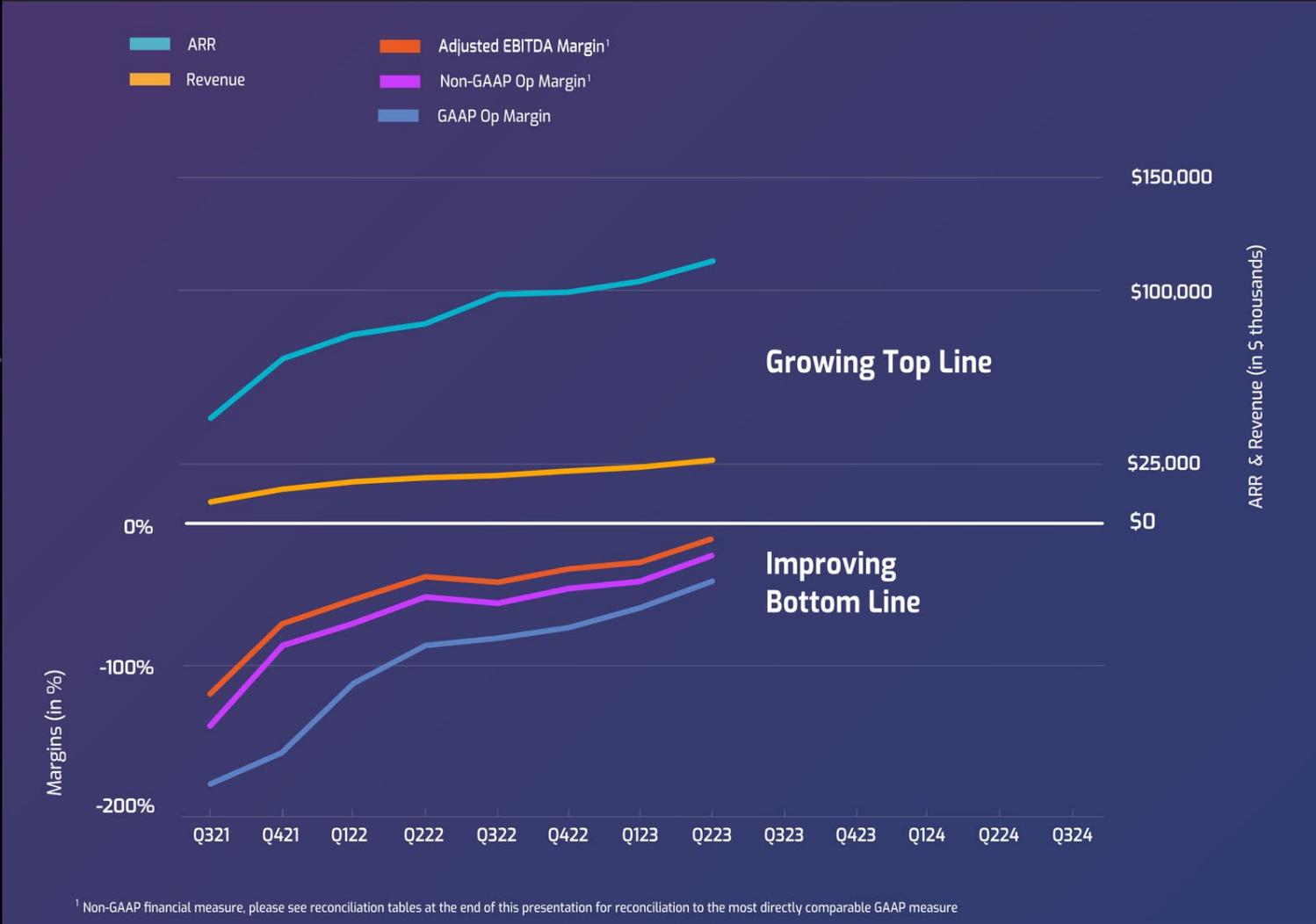
## Spire Series Customer Use Cases

Are you an operations manager at a power company that wants to position crews ahead of impending damaging weather? Use Spire DeepVision™ dashboard to monitor and decide where to move crews well before the weather impacts your service territory!



According to McKinsey & Company, a typical utility saw \$1.4 billion in storm-damage costs and lost revenues due to outages caused by storms over a 20-year period

# Expanding Subscription Business with Attractive Margin Structure



# Spire Series Customer Use Cases

Have you noticed the unsettling increase in turbulence during your recent flights? Spire's data can visualize the invisible clear air turbulence to help understand how climate change is affecting this trend.



Recent research looked back at 2003 and estimated the annual cost of turbulence to be ~\$200 million in the US alone

# 2023 Guidance - Improving Profitability Guidance

	Q3 2023 Guidance	2023 Guidance	Full Year Change from Prior Guidance
Revenue (millions)	\$26.0 - \$27.0	\$104.0 - \$109.0	No change <sup>2</sup>
ARR (millions)	\$107.5 - \$108.5	\$129.0 - \$135.0	No Change <sup>2</sup>
ARR Solution Customers	835 - 845	855 - 875	+5 mid-point
Non-GAAP Operating Loss (millions) <sup>1</sup>	(\$7.0) - (\$6.0)	(\$32.0) - (\$27.0)	+\$2.0 mid-point
Adjusted EBITDA (millions) <sup>1</sup>	(\$3.5) - (\$2.5)	(\$18.0) - (\$13.0)	+\$1.0 mid-point
Non-GAAP Loss Per Share <sup>1</sup>	(\$0.08) - (\$0.07)	(\$0.32) - (\$0.29)	+\$0.04 mid-point

# Thank you!

From our team, to yours.

# GAAP to Non-GAAP Reconciliation

In addition to financial measures prepared in accordance with GAAP, this presentation contains non-GAAP financial measures, including free cash flow, non-GAAP operating loss, EBITDA, and Adjusted EBITDA. Spire's management uses these non-GAAP financial measures internally in analyzing its financial results and believes they are useful to investors, as a supplement to the corresponding GAAP financial measures, in evaluating its ongoing operational performance and trends and in comparing its financial measures with other companies in the same industry, many of which present similar non-GAAP financial measures to help investors understand the operational performance of their businesses. However, it is important to note that the particular items Spire excludes from, or includes in, its non-GAAP financial measures may differ from the items excluded from, or included in, similar non-GAAP financial measures used by other companies in the same industry. In addition, other companies may utilize metrics that are not similar to Spire's. The non-GAAP financial information is presented for supplemental informational purposes only and is not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP. There are material limitations associated with the use of non-GAAP financial measures since they exclude significant expenses and income that are required by GAAP to be recorded in Spire's financial statements. Investors should note that the excluded items may have had, and may in the future have, a material impact on our reported financial results. Management encourages investors and others to review Spire's financial information in its entirety and not rely on a single financial measure.

	Q321	Q421	Q122	Q222	Q322	Q422	Q123	Q223	Mid-pt Q323 Guide	Mid-pt Full Year 2023 Guide
Revenue	\$9,561	\$14,985	\$18,070	\$19,395	\$20,418	\$22,385	\$24,168	\$26,493	\$26,500	\$106,500
Net Loss	(\$56,108)	\$64,578	(\$11,792)	(\$38,265)	(\$21,811)	(\$17,543)	(\$17,673)	(\$16,266)	(\$16,047)	(\$66,745)
Depreciation and amortization	\$2,075	\$2,894	\$4,834	\$4,507	\$4,715	\$4,285	\$3,916	\$3,967	\$4,422	\$17,332
Net interest	\$2,388	\$3,133	\$3,029	\$2,679	\$3,561	\$3,738	\$4,013	\$4,073	\$4,771	\$17,654
Taxes	\$269	(\$472)	\$290	\$62	\$54	(\$84)	\$269	\$213	\$89	\$968
EBITDA	(\$51,376)	\$70,133	(\$3,639)	(\$31,017)	(\$13,481)	(\$9,604)	(\$9,475)	(\$8,013)	(\$6,765)	(\$30,791)
Change in fair value of contingent earnout liability	\$22,142	(\$70,390)	(\$6,883)	(\$2,370)	(\$344)	(\$80)	(\$76)	(\$128)		(\$204)
Change in fair value of warrant liabilities	\$13,353	(\$21,929)	(\$5,835)	(\$3,897)	(\$1,282)	\$2,257	(\$746)	(\$357)		(\$1,103)
Loss on extinguishment of debt				\$22,510						
Foreign exchange	\$465	\$809	\$935	\$2,605	\$2,806		(\$1,024)	\$435		(\$589)
Other income (expense), net	\$119	\$237	\$234	\$271	\$660	(\$4,599)	\$762	\$1,038	\$200	\$2,200
Stock-based compensation	\$2,099	\$5,034	\$2,289	\$2,909	\$3,125	\$3,167	\$2,646	\$3,340	\$3,391	\$12,818
Mergers and acquisition related expenses	\$1,660	\$5,474	\$3,014	\$1,514			\$1,015			\$1,015
Loss on decommissioned satellite						\$549		\$472		\$472
Other unusual one-time costs						\$844				
Other acquisition accounting amortization		\$60	\$183	\$174	\$173	\$169	\$166	\$170	\$174	\$682
Adjusted EBITDA	(\$11,538)	(\$10,572)	(\$9,702)	(\$7,301)	(\$8,343)	(\$7,297)	(\$6,732)	(\$3,043)	(\$3,000)	(\$15,500)
Net Loss Margin	-587%	431%	-65%	-197%	-107%	-78%	-73%	-61%	-61%	-63%
EBITDA Margin	-537%	468%	-20%	-160%	-66%	-43%	-39%	-30%	-26%	-29%
Adjusted EBITDA Margin	-121%	-71%	-54%	-38%	-41%	-33%	-28%	-11%	-11%	-15%
GAAP Operating Loss	(\$17,372)	(\$24,034)	(\$20,022)	(\$16,405)	(\$16,356)	(\$16,311)	(\$14,475)	(\$10,992)	(\$10,938)	(\$47,966)
Exclude stock-based compensation	\$2,099	\$5,034	\$2,289	\$2,909	\$3,125	\$3,167	\$2,646	\$3,340	\$3,391	\$12,818
Exclude merger and acquisition related expenses	\$1,660	\$5,474	\$3,014	\$1,513			\$1,015			\$1,015
Exclude amortization of purchased intangibles		\$573	\$1,734	\$1,688	\$1,661	\$1,361	\$859	\$874	\$873	\$3,479
Exclude other acquisition accounting amortization		\$60	\$183	\$174	\$173	\$169	\$166	\$170	\$174	\$682
Loss on decommissioned satellite						\$549		\$472		\$472
Exclude other unusual one-time costs						\$844				
Non-GAAP Operating Loss	(\$13,613)	(\$12,893)	(\$12,802)	(\$10,121)	(\$11,397)	(\$10,221)	(\$9,789)	(\$6,136)	(\$6,500)	(\$29,500)
GAAP Operating Margin	-182%	-160%	-111%	-85%	-80%	-73%	-60%	-41%	-41%	-45%
Non-GAAP Operating Margin	-142%	-86%	-71%	-52%	-56%	-46%	-41%	-23%	-25%	-28%
Net cash used in operating activities	(\$21,857)	(\$17,978)	(\$14,991)	(\$17,503)	(\$10,214)	(\$5,112)	(\$11,290)	(\$11,301)		
Purchase of property and equipment	(\$3,728)	(\$6,112)	(\$4,343)	(\$8,142)	(\$3,461)	(\$2,969)	(\$4,649)	(\$8,028)		
Free cash flow	(\$25,585)	(\$24,090)	(\$19,334)	(\$25,645)	(\$13,675)	(\$8,081)	(\$15,939)	(\$19,329)		

	Mid-pt Q323 Guide	Mid-pt Full Year 2023 Guide
Net loss per share (GAAP)	(\$0.105)	(\$0.425)
Exclude stock-based compensation	\$0.02	\$0.08
Exclude merger and acquisition related expenses		\$0.01
Exclude purch intangibles and other acq acctg amortization	\$0.01	\$0.03
Exclude change in fair value or warrant liabilities		(\$0.01)
Exclude other expense, net		\$0.01
Net loss per share (Non-GAAP)	(\$0.075)	(\$0.305)

	Q222	Q223
Gross Margin (GAAP)	51%	64%
Exclude amortization of purchased intangibles	5%	3%
Exclude other acquisition accounting amortization	1%	1%
Gross Margin (non-GAAP)	57%	68%