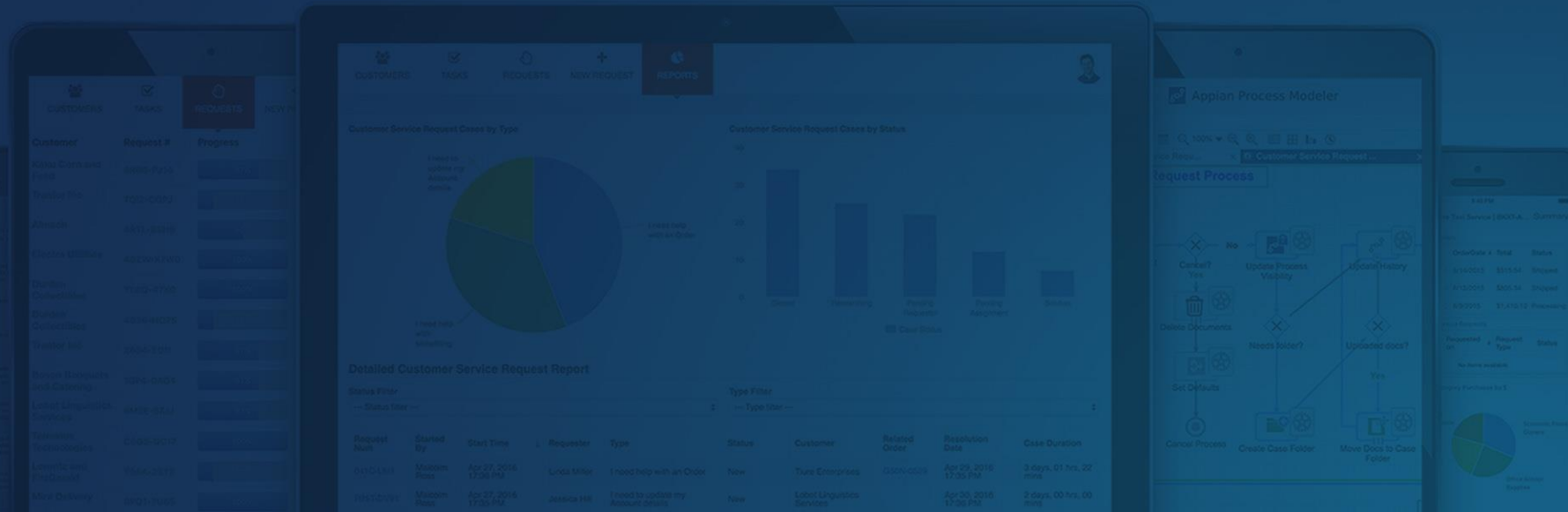


Q4 2017 & FY 2017 Earnings Call Presentation

Matt Calkins, Founder & CEO
 Mark Lynch, CFO



Disclaimer

In this presentation, we may make statements related to our business that are forward-looking statements under federal securities laws and are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements related to our financial results, trends and guidance for the first quarter and full year 2018, the benefits of our platform, industry and market trends, our go-to-market and growth strategy, our market opportunity and ability to expand our leadership position, our ability to maintain and upsell existing customers, and our ability to acquire new customers. The words “anticipate,” “continue,” “estimate,” “expect,” “intend,” “will” and similar expressions are intended to identify forward-looking statements or similar indications of future expectations. These statements reflect our views only as of today and should not be reflected upon as representing our views as of any subsequent date. These statements are subject to a variety of risks and uncertainties that could cause actual results to differ materially from expectations.

For a discussion of the material risks and other important factors that could affect our actual results, please refer to those contained in the final prospectus related to our initial public offering and our other periodic filings with SEC. These documents are available in the “Investors” relations section of our website at www.appian.com.

Additionally, non-GAAP financial measures will be shared. Please refer to the tables in our earnings release and the investor relations portion of our website for a reconciliation of these measures to their most directly comparable GAAP financial measure.

Q4 and Full Year 2017 Business Highlights

- **Net New Subscription Customers in 2017 Tripled**
 - 85 net new subscription customers in 2017 compared to 28 in 2016
- **Pharma Won Top Customers and Grew Revenue**
 - 70% subscription revenue growth in Q4 2017 as compared to Q4 2016
 - Won three of the top five global pharmaceutical companies in Q4 2017
 - Six of the top 10 pharmaceutical companies are using Appian
- **European Revenue Doubled**
 - 2017 European subscription revenue grew 91% year-over-year
 - 2017 total European revenue doubled year-over-year
 - Europe alone added 32 net new subscription customers in 2017, more than Appian did globally in 2016
 - Won million dollar expansion deals at MHRA, two global banks, and GRDF in Q4 2017
- **Partners Brought in Significant Deals in 2017**
 - Partners brought in 30 new customers
 - In 2017, partners more than tripled the total value of their referred deals compared to 2016

Q4 2017 Financial Highlights

- **Revenue**

- Subscription Revenue was \$23.5MM in Q4 2017, growth of 42% over Q4 2016
- Total Revenue was \$50.6MM in Q4 2017, growth of 50% over Q4 2016

- **Retention**

- Net Revenue Retention Rate was 122% as of December 31, 2017

- **Gross Margins***

- Subscriptions, Software and Support Margin was 91%
- Professional Services Margin was 36%
- Overall Gross Margin was 64%

*Non-GAAP - Data does not include any stock-based compensation expense

Full Year 2017 Financial Highlights

- **Revenue**

- Subscription Revenue was \$82.8MM in 2017, growth of 38% over 2016
- Total Revenue was \$176.7MM in 2017, growth of 33% over 2016

- **Retention**

- Net Revenue Retention Rate was 122% as of December 31, 2017

- **Gross Margins***

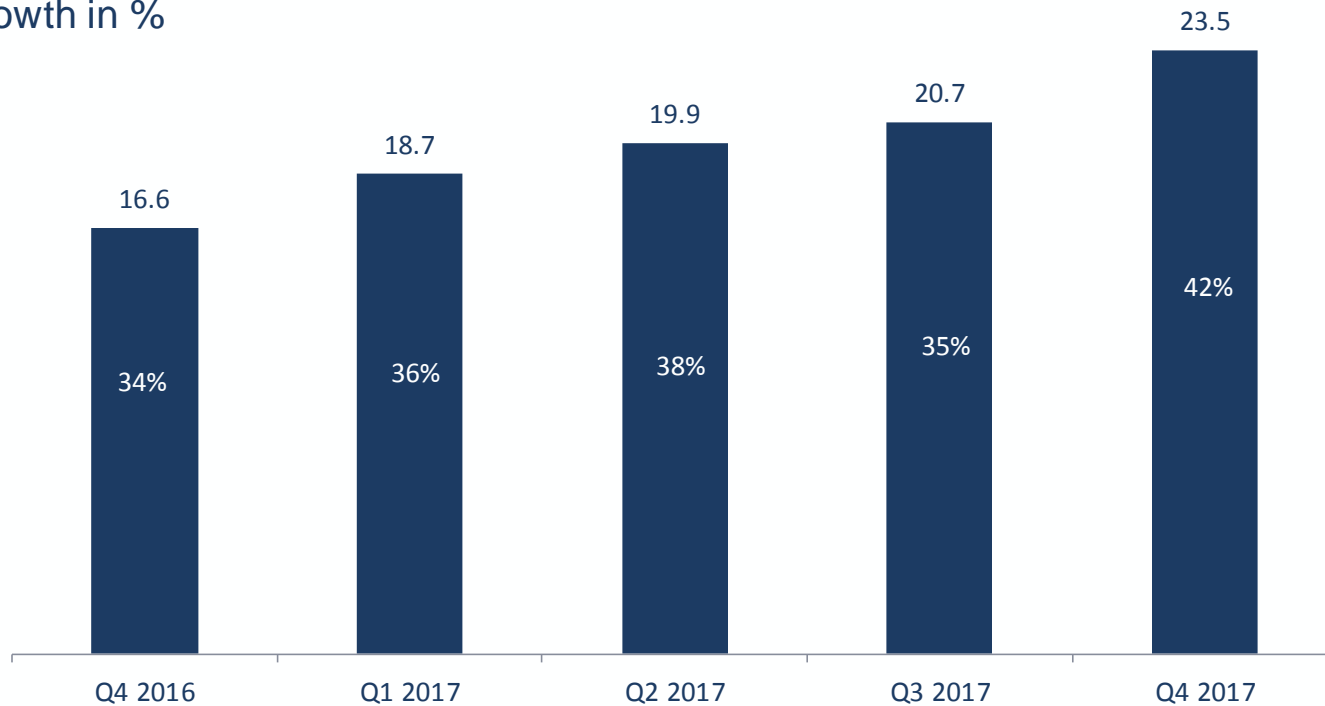
- Subscriptions, Software and Support Margin was 90%
- Professional Services Margin was 37%
- Overall Gross Margin was 65%

*Non-GAAP - Data does not include any stock-based compensation expense

Subscription Revenue

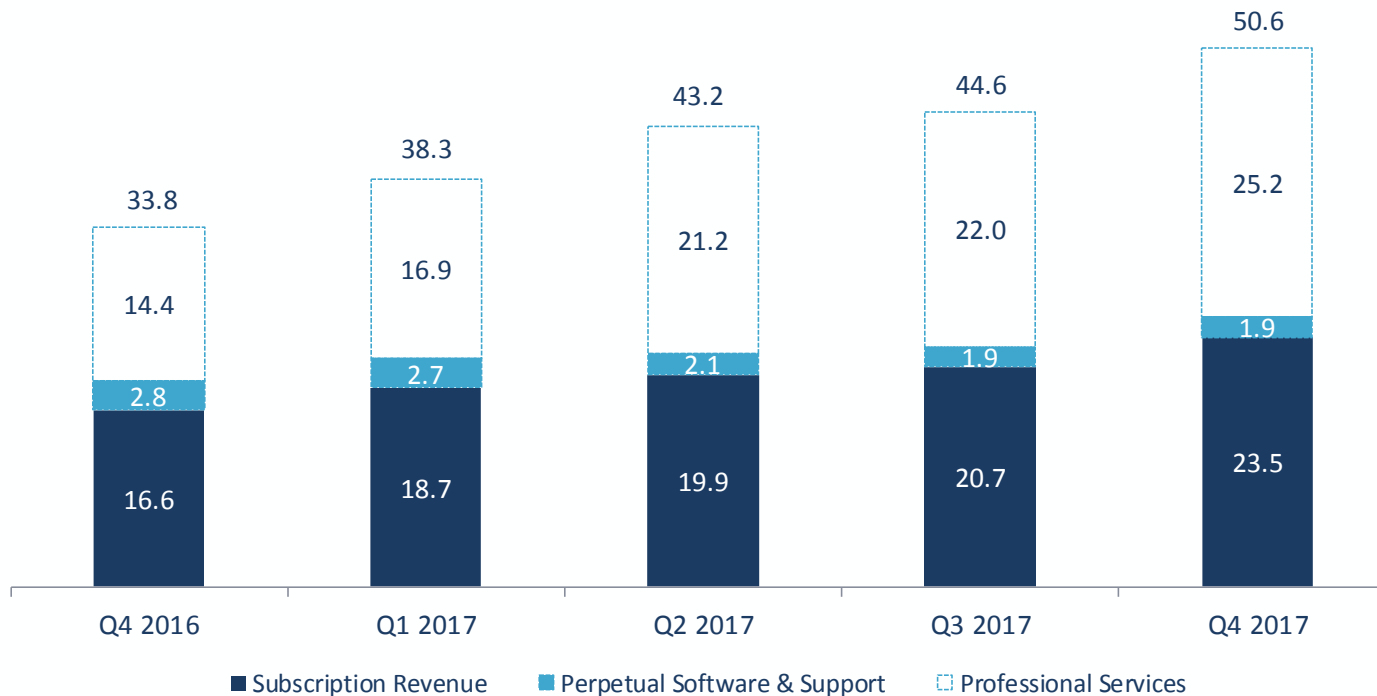
USD Millions

Y/Y Growth in %

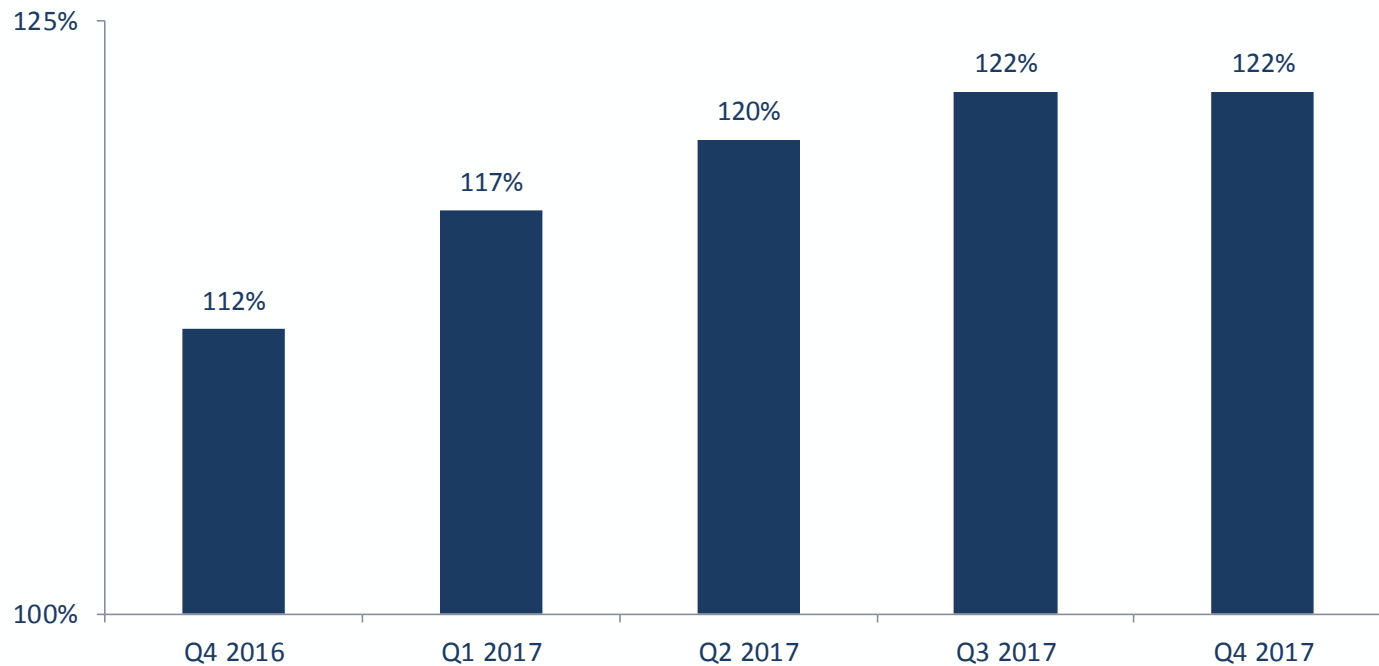


Total Revenue

USD Millions

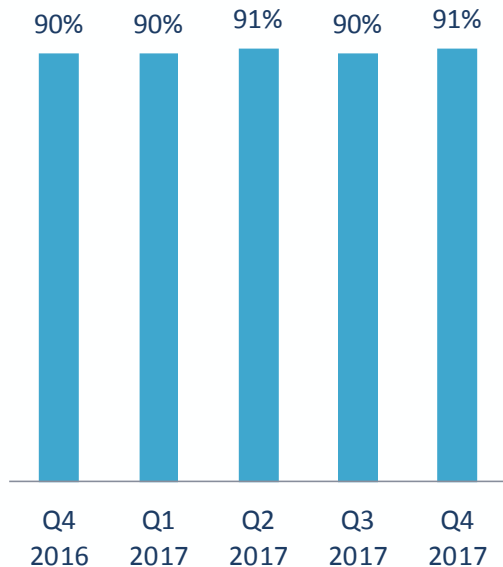


Subscription Revenue Retention

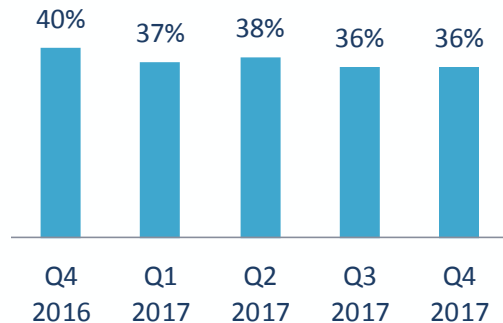


Gross Margins*

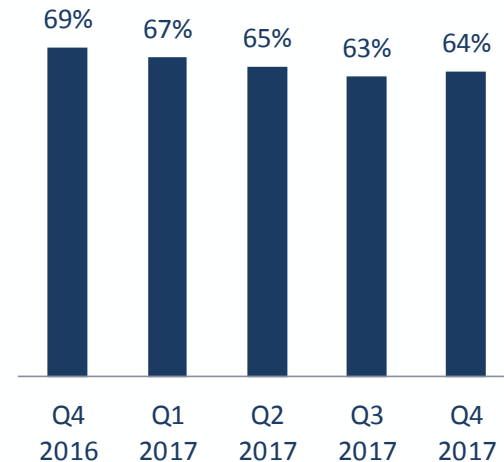
Subscriptions, Software, and Support



Professional Services



Overall



*Non-GAAP - Data does not include any stock-based compensation expense

Full Year 2017 Highlights

Subscription Revenue (\$MM)

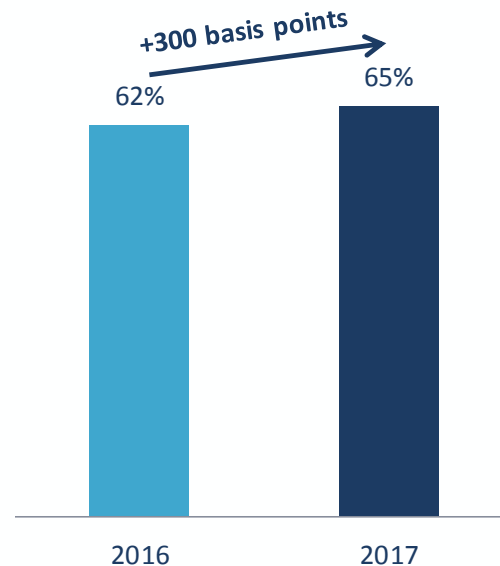


Subscription Revenue Retention*



*As of December 31, 2017

Overall Gross Margins**



**Non-GAAP - Data does not include any stock-based compensation expense

Guidance*

In \$ Millions except for EPS	Q1 2018	FY 2018
Subscription Revenue	24.4 – 24.6	106.5 – 107.5
Subscription Revenue Growth Y/Y	30% - 31%	29% - 30%
Total Revenue	46.0 – 46.2	198.1 – 201.1
Total Revenue Growth Y/Y	20% – 21%	12% – 14%
Non-GAAP Loss from Operations	(10.9) – (10.5)	(39.9) – (37.9)
Non-GAAP Loss per Share	(0.18) – (0.17) **	(0.65) – (0.62) ***

*Guidance given on February 22, 2018.

**Based on 60.6 million basic and diluted weighted average common shares outstanding for Q4 2017.

***Based on 61.1 million basic and diluted weighted average common shares outstanding for FY18.

Appendix

Balance Sheet

<i>\$ in thousands</i>	<u>As of December 31, 2017 (unaudited)</u>	<u>As of December 31, 2016</u>
Assets		
Cash and cash equivalents	\$ 73,758	\$ 31,143
Accounts receivable, net of allowance of \$400	55,315	46,814
Other current assets	16,149	10,427
Property and equipment, net	2,663	3,101
Deferred commissions, net of current portion	12,376	10,860
Other assets	791	393
Total assets	<u>\$ 161,052</u>	<u>\$ 102,738</u>
Liabilities, Convertible Preferred Stock and Stockholders' Equity (Deficit)		
Deferred revenue, current	\$ 70,165	\$ 52,000
Current portion of long-term debt	—	6,111
Other current liabilities	24,950	17,908
Long-term debt, net of current portion	—	13,889
Deferred revenue, net of current portion	18,922	18,108
Other long-term liabilities	1,491	2,799
Total liabilities	115,528	110,815
Convertible preferred stock	—	55,415
Stockholders' equity (deficit)		
Common Stock	6	3
Additional paid-in capital	141,268	—
Accumulated other comprehensive (loss) income	439	1,330
Accumulated deficit	(96,189)	(64,825)
Total stockholders' equity (deficit)	45,524	(63,492)
Total liabilities, convertible preferred stock and stockholders' equity (deficit)	<u>\$ 161,052</u>	<u>\$ 102,738</u>

Income Statement

	Three Months Ended December 31,		Year Ended December 31,	
	2017 (unaudited)	2016 (unaudited)	2017 (unaudited)	2016
<i>\$ in thousands, except for shares</i>				
Revenue:				
Subscriptions, software and support	\$ 25,398	\$ 19,365	\$ 91,514	\$ 69,972
Professional services	25,164	14,382	85,223	62,951
Total revenue	50,562	33,747	176,737	132,923
Cost of revenue:				
Subscriptions, software and support	2,488	1,929	9,379	7,437
Professional services	16,169	8,670	55,218	42,686
Total cost of revenue	18,657	10,599	64,597	50,123
Gross profit	31,905	23,148	112,140	82,800
Operating expenses:				
Sales and marketing	22,463	14,660	81,966	54,137
Research and development	8,968	6,069	34,835	22,994
General and administrative	7,429	4,260	27,150	17,039
Total operating expenses	38,860	24,989	143,951	94,170
Operating loss	(6,955)	(1,841)	(31,811)	(11,370)
Other (income) expense:				
Other (income) expense, net	(380)	1,663	(2,038)	1,792
Interest expense	22	256	473	982
Total other (income) expense	(358)	1,919	(1,565)	2,774
Net loss before income taxes	(6,597)	(3,760)	(30,246)	(14,144)
Income tax expense (benefit)	272	423	761	(1,683)
Net loss	(6,869)	(4,183)	(31,007)	(12,461)
Accretion of dividends on convertible preferred stock	—	215	357	857
Net loss attributable to common stockholders	\$ (6,869)	\$ (4,398)	\$ (31,364)	\$ (13,318)
Net loss per share attributable to common stockholders:				
Basic and diluted	\$ (0.11)	\$ (0.13)	\$ (0.63)	\$ (0.39)
Weighted average common shares outstanding:				
Basic and diluted	60,434,368	34,274,718	49,529,833	34,274,718

Appian Corporation Reconciliation of Non-GAAP Measures (unaudited)

The following table presents a reconciliation of GAAP net loss to non-GAAP net loss for each of the periods indicated:

<i>\$ in thousands, except for shares</i>	<u>Three Months Ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Reconciliation of non-GAAP net loss:				
GAAP net loss	\$ (6,869)	\$ (4,183)	\$ (31,007)	\$ (12,461)
Add back:				
Stock-based compensation expense	2,057	—	12,976	—
Change in fair value of warrant liability	—	—	341	200
Loss on extinguishment of debt	—	—	384	—
Non-GAAP net loss	<u>\$ (4,812)</u>	<u>\$ (4,183)</u>	<u>\$ (17,306)</u>	<u>\$ (12,261)</u>
GAAP net loss per share attributable to common stockholders, basic and diluted	\$ (0.11)	\$ (0.13)	\$ (0.63)	\$ (0.39)
Non-GAAP weighted average shares used to compute net loss per share attributable to common stockholders, basic and diluted	60,434,368	52,437,876	57,043,906	52,437,876
Non-GAAP net loss per share, basic and diluted	<u>\$ (0.08)</u>	<u>\$ (0.08)</u>	<u>\$ (0.30)</u>	<u>\$ (0.23)</u>

The following table presents a reconciliation of GAAP operating loss to non-GAAP operating loss for each of the periods indicated (unaudited):

<i>\$ in thousands, except for shares</i>	<u>Three Months Ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Reconciliation of non-GAAP operating loss:				
GAAP operating loss	\$ (6,955)	\$ (1,841)	\$ (31,811)	\$ (11,370)
Add back:				
Stock-based compensation expense	2,057	—	12,976	—
Non-GAAP operating loss	<u>\$ (4,898)</u>	<u>\$ (1,841)</u>	<u>\$ (18,835)</u>	<u>\$ (11,370)</u>

The following table presents a detail of the stock-based compensation expense for each of the periods indicated (unaudited):

<i>\$ in thousands</i>	<u>Three Months Ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cost of revenue:				
Subscriptions, software and support	\$ 91	\$ —	\$ 575	\$ —
Professional services	169	—	1,295	—
Operating Expenses				
Sales and marketing	451	—	3,233	—
Research and development	364	—	2,822	—
General and administrative	982	—	5,051	—
Total stock-based compensation expense	<u>\$ 2,057</u>	<u>\$ —</u>	<u>\$ 12,976</u>	<u>\$ —</u>

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