



Investors presentation

Q2 2025 Revenue
H1 2025 Results

July 28th, 2025



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Your speakers



Amedeo D'Angelo

Executive Chairman



Jean-François Labadie

CFO



Verimatrix, protecting an unprotected digital world



Two strategic business lines



ANTI PIRACY

PROTECT VALUABLE CONTENTS

Verimatrix protects valuable revenue streams of media distributors, from TV operators, to OTT service providers, from live and VoD, to innovative eSports

Verimatrix's anti-piracy products and services fight piracy across devices with a throttled approach to trace, degrade, and shut down industrial scale piracy of copyrighted content at SaaS speed.



THREAT DEFENSE

PROTECT APPS AND IOT

Verimatrix's threat defense products and services close the open door in current security walls by monitoring unmanaged threats and protecting apps and devices before they compromise the enterprise.

Utilizing innovative zero-code injection technology and ML/AI, Verimatrix protects the enterprise's most vulnerable and valuable assets that reside in application servers and remote applications.



Verimatrix at a glance



800+

Customers in 120 countries



250

Employees, 8 global offices



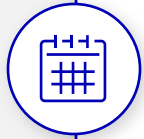
**GARTNER
RECOGNIZED**

In-App Protection, 2019–2024



500M+

App clients across devices



28

Years of security innovation



153

Patents granted



**CYBERSECURITY
BREAKTHROUGH AWARDS**

Automotive, Media, Telecoms, Banks...



H1 2025 Key highlights

ANTI PIRACY



Verimatrix completed long term relationships with large media operators

- SwissCom
- HotWire Communications
- Telecom Argentina
- RTL

EXTENDED THREAT DEFENSE (XTD)



Verimatrix expanded its customers portfolio with new subscription deals



1. Q2 2025 Revenue

Significant improvement in activity compared to Q1 2025 (+30.5%)



Q2 2025 Revenue

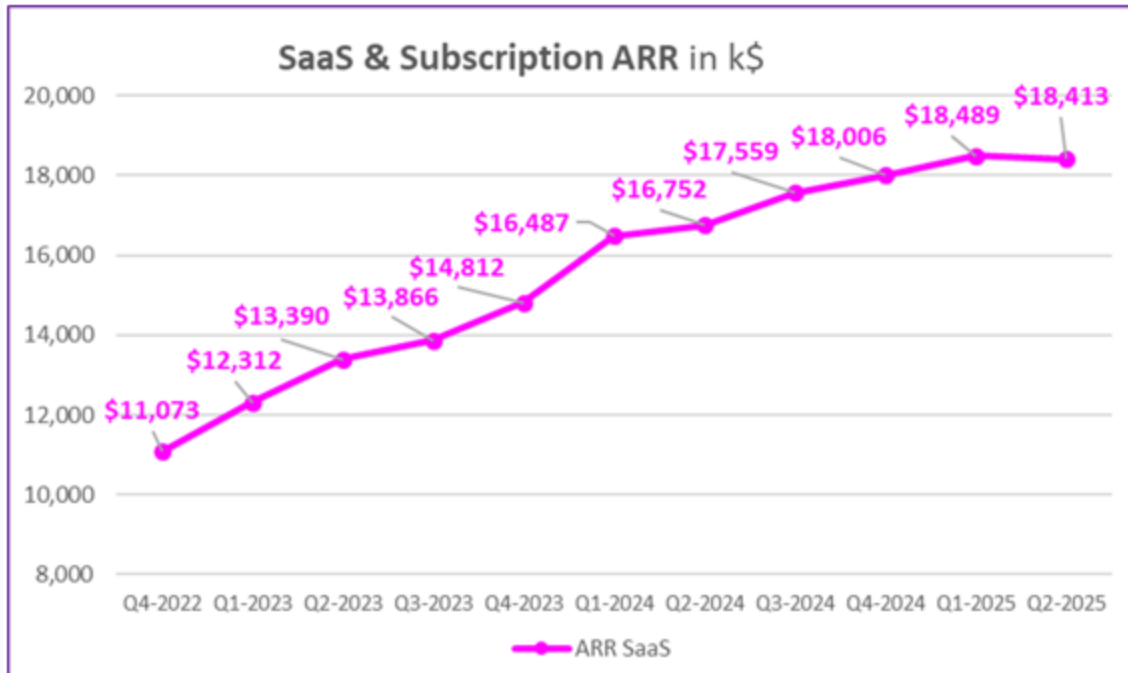
(in US\$ million)	Q2 2025	Q2 2024	Var.
Recurring revenue	8.7	8.6	+1%
of which subscriptions	4.7	4.4	+8%
of which maintenance	3.9	4.2	-6%
Non-recurring revenue	6.3	8.0	-21%
Total revenue	15.0	16.6	-10%
ARR	31.7	32.0	-1%
of which subscriptions	18.4	16.8	+10%
of which maintenance	13.2	15.3	-13%

COMMENTS

- Consolidated revenue of \$15.0 million, down 10% on the same period in 2024 but increase of 30% (+\$3.5 million) compared to the first quarter of 2025
- Subscription revenue remained strong at \$4.7 million, up 8%, while maintenance revenue was down 6%.
- After a complex first quarter 2025, non-recurring revenue showed a more positive trend, reaching \$6.3 million in Q2.
- Total ARR at June 30 2025 was \$31.7 million, ARR from subscriptions rose by 10% compared to Q2 2024, in line with the annual target



Annual Recurring Revenue trend from subscriptions



Continued growth of ARR is explained by:

- ARR from subscriptions in Q2 was stable versus Q1.
- End of a contract with a long-standing banking client vs. extension of services and successful conversion of several prospective contracts with video operators, particularly in Latin Europe.

2. H1 2025 Results

Stabilization of recurring revenue
Significant EBITDA improvement +49%
Working Capital Deterioration
Goodwill Impairment



H1 2025 Revenue

(in US\$ million)	H1 2025	H1 2024	Chg.
Recurring revenue	17.3	17.1	+1%
of which subscriptions	9.3	8.6	+9%
of which maintenance	7.9	8.5	-7%
Non-recurring revenue	9.2	13.7	-33%
Total revenue	26.5	30.8	-14%

COMMENTS

- Revenue for the first half of 2025 was down 14% versus the first half of 2024.
- Recurring revenue rose by 1% thanks to strong subscription revenue. At June 30, 2025, recurring revenue accounted for 65% of VERIMATRIX's total revenue.
- Non-recurring revenue fell 33% to \$9.2 million, significantly impacted by the first quarter, during which license sales more than halved compared to the first quarter of 2024.



H1 2025 Revenue



ANTI PIRACY
90% of turnover

- Resilient revenue

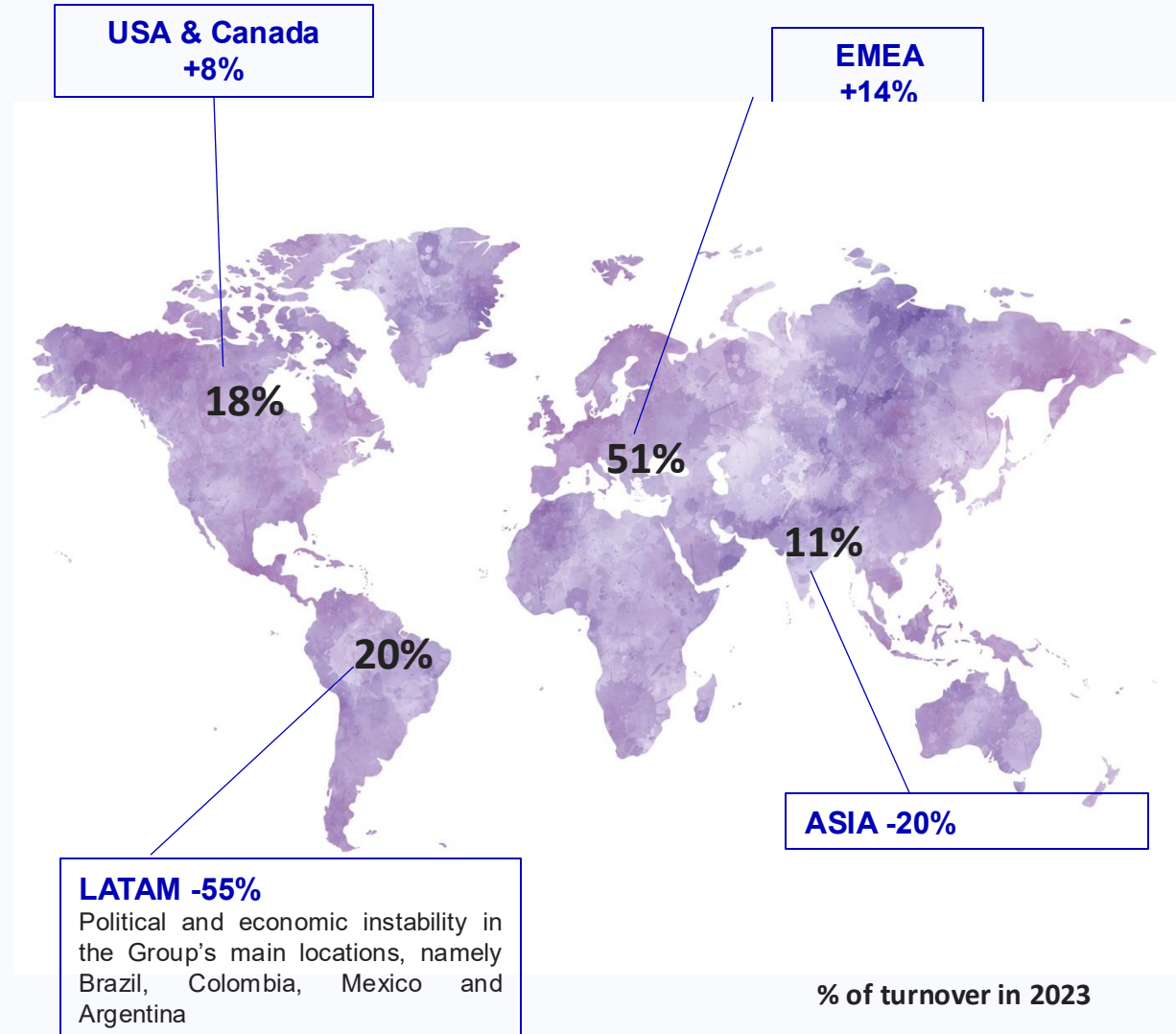
Revenue reached \$23.9 million, down 16% in H1
Business activity was characterized by few successes in winning a major contract with a long-standing telecom operator in South America and the extension of commercial decision-making times in order to extend the Group's services to certain customers



THREAT DEFENSE
10% of turnover

- New offers
- New verticals
- Strong dynamic

Revenue amounted to \$2.6 million, up 6% on the first half of 2024, confirming the market's interest in this product range.





H1 2025 Results adjusted

(in US\$ million)	H1 2025	H1 2024	Chg.
Revenue	26.5	30.8	-13.9%
Gross profit	17.7	21.5	-17.7%
As a % of revenue	66.6%	69.7%	
Research & development expenses	(8.6)	(9.6)	-10.9%
Sales and marketing expenses	(4.8)	(7.1)	-32.7%
General & administrative expenses	(4.8)	(5.9)	19.4%
Other gains / (losses), net	0.1	(0.1)	-245.3%
Total adjusted operating expenses	(18.0)	(22.7)	-20.7%
As a % of revenue	-67.8%	-73.6%	
Adjusted EBITDA	2.5	1.7	+49.2%
As a % of revenue	9.5%	5.5%	
Adjusted operating income	(0.3)	(1.2)	-73.9%
As a % of revenue	-1.2%	-3.9%	
Financial income / (loss)	(2.3)	(1.5)	51.1%
Income tax expenses	(0.7)	(0.5)	+32.2%
Adjusted net income / (loss)	(3.3)	(3.3)	+2.3%

COMMENTS

- **Gross profit** of \$17.7 million, i.e. 66.6%. Despite an improvement in its production and support costs over the period, the fall in non-recurring revenue too strong for it to maintain the same level of profitability as H1 2024
- **Sales and marketing expenses** down sharply, by \$2.3 million, in line with the Group's wish to refocus on commercial operations that generate a strong return on investment and generate direct commercial leads
- **Adjusted EBITDA** improved substantially to \$2.5 million compared to \$1.7 million in the first half of 2024 and \$2.8 million in full-year 2024
- In accordance with IFRS, Group recognised an asset **impairment charge** of **\$60m** at 30 June. The Group's consolidated net result therefore shows a loss of \$65m (vs.adjusted net income of \$(3.3)m)



H1 2025 - Cashflows

(In millions of US\$)	H1 2025	H1 2024
Income / (loss) for the period	(65,0)	(4,4)
Non cash income statement items from continuing activities	6,1	5,5
Impairment loss / goodwill impairment	60,0	-
Changes in working capital from continuing operations	(2,7)	(6,9)
Cash generated by operating activities	(1,6)	(5,9)
Taxes paid	(0,6)	(0,5)
Interests paid	(1,4)	(1,8)
Net cash generated by / (used in) operating activities	(3,6)	(8,2)
Purchases of property and equipment	(0,3)	(0,0)
Purchases of intangible assets	(0,8)	(1,0)
Cash flows from investing activities	(1,1)	(1,0)
Loan repayments	-	-
Reimbursement of lease commitments under IFRS16	(0,7)	(0,9)
Cash flows from financing activities	(0,7)	(0,9)
Effect of exchange rate fluctuation	(0,2)	0,2
Net increase in cash and cash equivalents	(5,7)	(10,0)
Cash and cash equivalents at beginning of the period	11,0	22,6
Cash and cash equivalents at end of the period	5,3	12,6

COMMENTS

- The first half of 2025 was marked by a deterioration in cash and cash equivalents to \$5.3 million (compared to \$12.6 million at end-June 2024 and \$11 million at end-December 2024), attributable to the deferral of customer payment, mainly in Latin America
- The short-term position of the debt is currently under discussion with the Apera Group, aiming at optimising the conditions of downpayment of the debt.



H1 2025 - Balance sheet

Assets		
(in millions of US\$)	June 30, 2025	December 31, 2024
Goodwill	55.2	115.2
Intangible fixed assets	9.1	10.5
Property, plant and equipment	3.9	4.2
Other assets	0.8	1.1
Total non-current assets	69.1	131.0
Inventories	0.4	0.4
Accounts receivable	26.8	26.8
Other current assets	3.3	2.7
Derivative financial assets	0.2	-
Cash and cash equivalents	5.3	11.0
Total current assets	35.9	40.9
Total assets	105.0	171.9

Liabilities and shareholders' equity		
(in millions of US\$)	June 30, 2025	December 31, 2024
Capital	42.3	41.5
Issue premiums	94.0	94.7
Reserves and retained earnings	(24.0)	(14.4)
Profit/(loss) for the period	(65.0)	(10.3)
Equity - Group share	47.3	111.5
Non-controlling interests	-	-
Total shareholders' equity	47.3	111.5
Financial liabilities	12.5	29.9
Provisions for liabilities	0.8	1.0
Deferred tax liabilities	1.1	1.0
Total non-current liabilities	14.4	31.8
Financial liabilities	19.6	2.4
Trade payables	3.7	4.2
Other liabilities	7.8	8.0
Derivative instruments	0.0	0.3
Provisions	0.2	0.2
Deferred income	12.0	13.5
Total current liabilities	43.3	28.6
Total liabilities	57.7	60.4
Total liabilities and shareholders' equity	105.0	171.9

COMMENTS

- A \$60m adjustment has been booked following the current trading and mid term perspective
- The short-term position of the debt is currently under discussion with the Apera Group, aiming at optimising the conditions of downpayment of the debt.



3. 2025 OUTLOOK

2025 Objectives



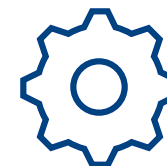
Focus on historic and successful sectors

- Helping companies meeting regulatory standards with our security solutions
- Leveraging our strong commercial network in the most demanding sectors as media, telecoms, entertainment, banks
- Accelerating recurring revenue transformation/transition



New strategic partnerships

- Partnerships with distributors, resellers and integrators of cybersecurity solution internationally.
- To enable the Group to address some new verticals and activity sectors...
- ...diversifying its customer base while marketing all its solutions to key accounts.



Commercial traction in progress

- New sales drivers with new partners and key accounts
- Numerous client discussions under way
- A sales organisation currently in place

ARR from subscriptions again expected to show double-digit growth over the full year with a recurring revenue share of 70% of the total revenue

Further improvement in profitability below initial forecasts (ratio of EBITDA to annual sales slightly higher than the level achieved in 2024 (4.9%), contrary to the initial target of 10% communicated at the start of the year.



Verimatrix Next Events



NEXT EVENTS

- Q3 Revenue : October 22nd, 2025 (after market close)

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