



INVESTORS

PRESENTATION

Q2 H1 2022 EARNINGS



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July 2022



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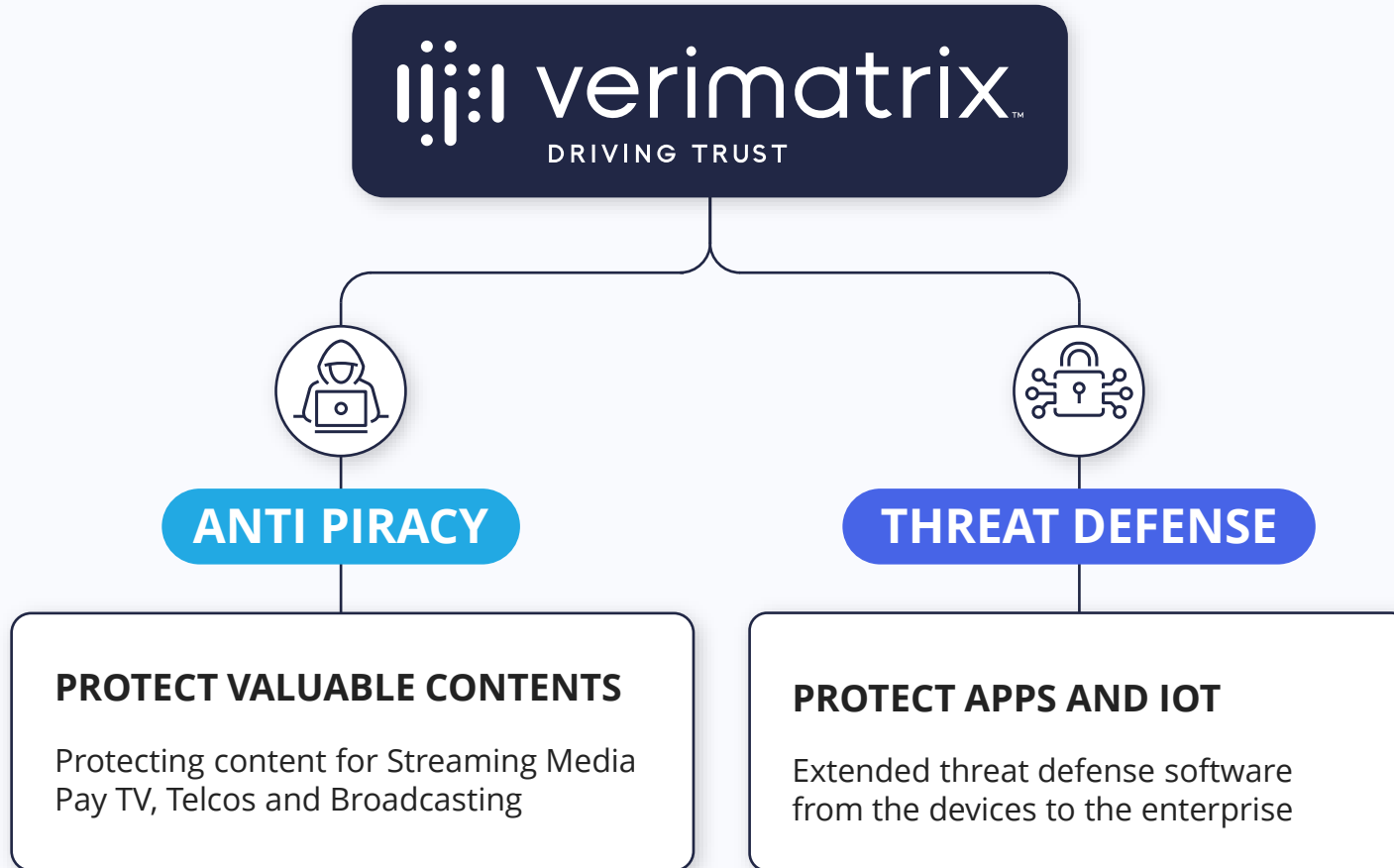


VERIMATRIX STRATEGY



2 global business lines

protecting an unprotected digital world





Two successful business lines

Anti-Piracy

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

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

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.

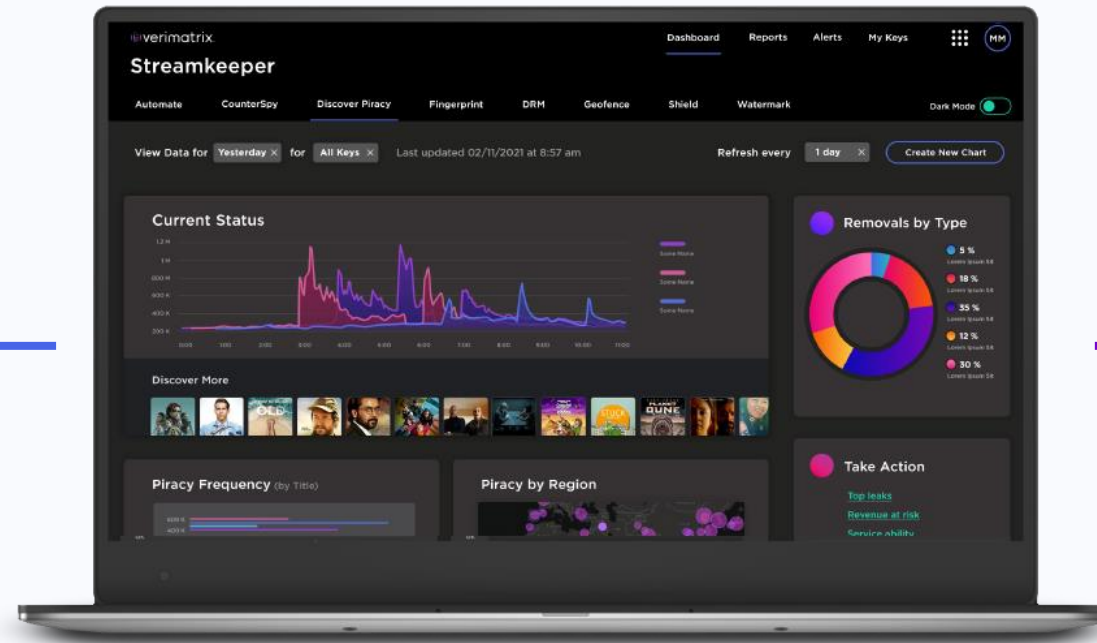


Streamkeeper

battle-ready cybersecurity engineered to hunt down & take out video piracy

ANTI PIRACY

Multi-DRM



Counterspy
Anti-Piracy
with
Edge Authenticator

















App
Telemetry
Shutdown

Watermarking



Solution: Protected Apps and Devices with Verimatrix

THREAT DEFENSE

| | On-Device Security | Device Remote Visibility & Control | Behavioral Analysis | Number of Devices |
|--|---|---|---|-------------------|
|  Managed Devices |  |  |  | SMALL |
|  BYOD |  |  |  | MED |
|  Unmanaged Devices |  |  |  | LG |
|  Connected Apps |  |  |  | XL |



Verimatrix Threat Defense Service



Protect your bottom line with cybersecurity countermeasures to stop the bad guys from hijacking your apps, APIs and devices.

- Extend threat defense to the new endpoint
- Shield apps and services with DDoS protection
- Monitor threat matrix to gauge risk/response
- Disrupt hackers from reverse engineering code
- Close the open door in your enterprise wall



Our ambition for 2025



PROTECT CONTENT FROM PIRACY AND DEFEND THE ENTERPRISE FROM UNMANAGED DEVICES

ANTI PIRACY

Become N°1 in protecting video for the streaming market

THREAT DEFENSE

Leverage our position in IOT and Apps protection to extend into enterprise's endpoints protection market



FINANCIAL TARGET

c. \$100m revenue by the end of 2025 through organic growth

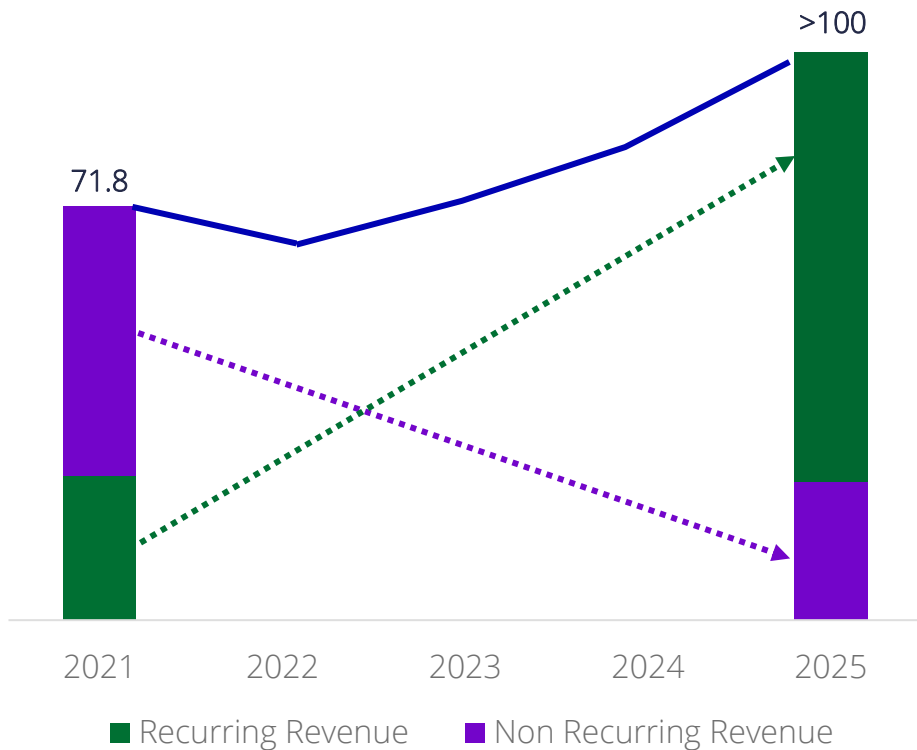
More than 70% recurring revenues by the end of 2025

EBITDA above **20%** in 2025

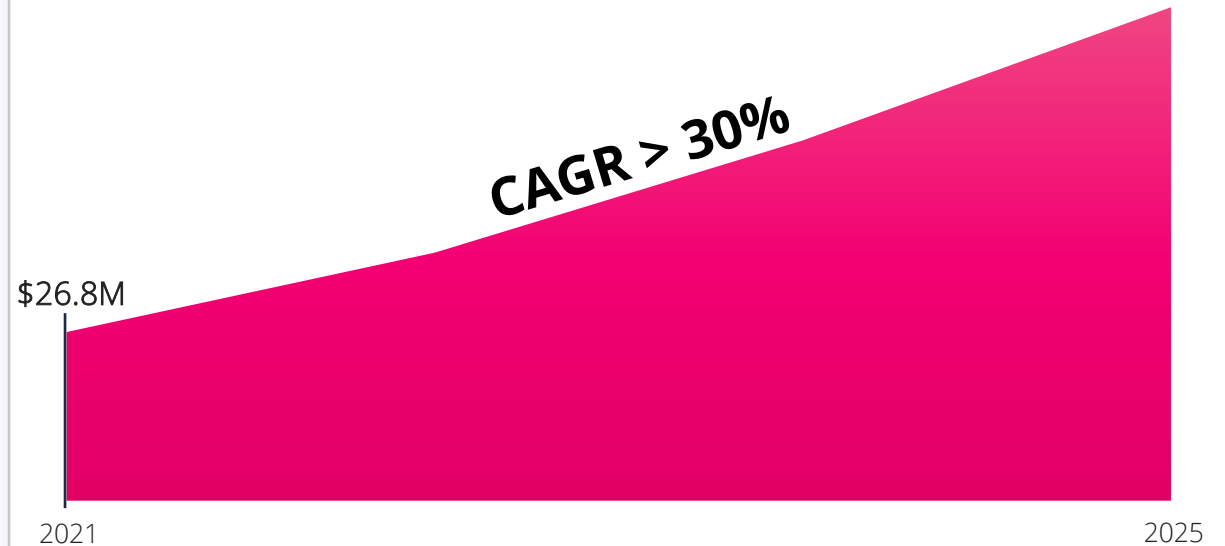


Revenue evolution regarding transformation journey

Revenue evolution (Recurring / Non-Recurring)



CAGR in ARR expected above 30%



The change of the business model will deliver a sustainable and profitable growth.
Overtime the recurring revenue growth will offset the decrease of the non-recurring revenue.



Q2 REVENUE H1 2022 EARNINGS

Q1 & H1 revenue

| | Q2 REVENUE | | | YTD REVENUE | | |
|-------------------------------|-------------|-------------|------------------|-------------|-------------|------------------|
| (in US\$ million) | 2Q22 | 2Q21 | 2Q22 vs. 2Q21 | 1H22 | 1H21 | 1H22 vs. 1H21 |
| Recurring revenue | 6.1 | 5.7 | 6.5% | 12.3 | 12.4 | -0.3% |
| of which subscriptions | 1.6 | 1.2 | 30,7% | 3.2 | 2.6 | 20.3% |
| of which maintenance | 4.5 | 4.5 | 0.0% | 9.2 | 9.8 | -5,8% |
| Non-recurring revenue | 10.0 | 9.7 | 3.0% | 16.6 | 23.2 | -28.6% |
| Total software revenue | 16.2 | 15.5 | 4.3% | 28.9 | 35.5 | -18.7% |
| NFC licensing program | - | 16,6 | ns | - | 16.6 | ns |
| Total revenue | 16.2 | 32,1 | -49,7% | 28.9 | 52.2 | -44.7% |
| ARR | | | | 26.1 | 25.0 | 4.4% |
| of which subscriptions | | | | 8.0 | 5.7 | 42.1% |
| of which maintenance | | | | 18.1 | 19.4 | -6.6% |

Recurring revenue growth driven by recently launched Threat Defense and Streamkeeper

Solid Q2 showing encouraging signals \$16.2 million, up 4.3%

- Subscription revenue and ARR up 30.7% and 42.1% respectively
- Stable maintenance revenue
- Recurring revenue up 6.5%
- Increasing non-recurring revenue

Contrasted H1, driven by difficult Q1, partially compensated by subscription-based revenue growth \$28.9 million, down 18.7%

- Subscription revenue up 20.3%
- Stable recurring revenue despite difficult Q1
- Contribution of recurring revenue up to 43% of total revenue (vs. 35%)

H1 2022 – Other highlights

- ✓ Profitability up ca. \$1.0 million: EBITDA of \$0.2 million vs \$(0.8) million in H1 2021¹
- ✓ Streamlined operating cost structure: 78.4% of total revenue (vs 81.8% in H1 2021)¹
- ✓ Improved adjusted operating income: loss of \$1.9 million (vs \$2.7 million in H1 2021)¹
- ✓ Strong net cash position of \$19.5 million after \$17.5 million convertible bond repayment
- ✓ Ongoing covenant negotiations with Apera to better reflect business model transformation
- ✓ c. \$4.7 million proceeds from PPR loan

¹ Figures presented exclude NFC patent licensing program

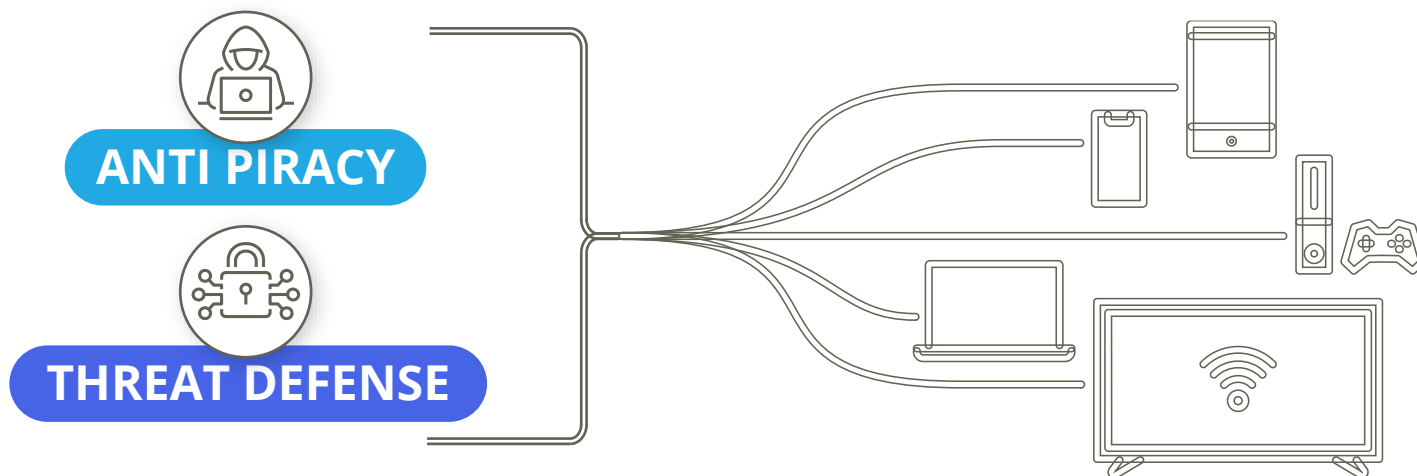
Solid sales momentum – The case of Izzi Telecom

“Cybersecurity a critical issue to protect both brand and bottom line”



A major player in the Mexican telecommunications sector offering popular services such as Izzi TV or Izzi Go

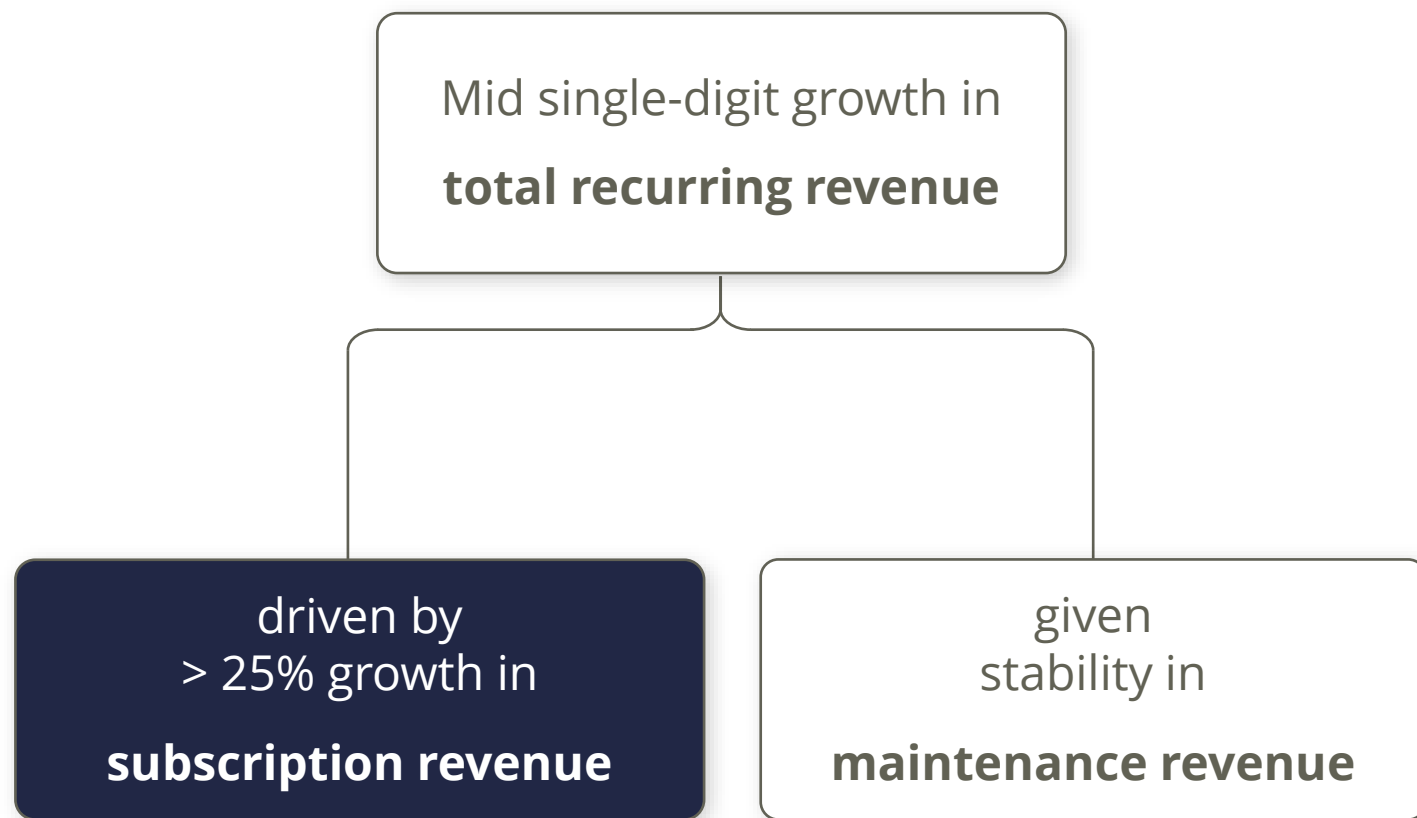
Adding Streamkeeper and Extended Threat Defense to protect millions of devices (apps, web streaming services, set-top boxes)





OUTLOOK

Full-year guidance 2022



Evolution of governance to better meet our strategic objectives

