



INVESTORS

PRESENTATION

2024 FIRST QUARTER REVENUE

April 2024





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Your speakers today



Amedeo D'Angelo

Executive Chairman



Jean-François Labadie

CFO



Q1 2024 - HIGHLIGHTS

- **Total revenue: \$14.2m +1% above last year**
- Strong SaaS/Subscriptions activity with notable wins in Latin America
- **ARR subscriptions grew by \$1.7m this quarter only, to reach \$16.5m becoming the highest revenue component of Verimatrix**
- Subscription revenue grew by 31% compared to last year
- **Total recurring revenue (Subscription and M&S) represented 60% of the total revenue in Q1**
- Limited decline of the Anti-Piracy demonstrating the smooth transition from Broadcasting to OTT

- **Full year guidance confirmed**



Innovative security solutions



ANTI PIRACY
93% of turnover 2023

Protect valuable contents

Protecting content for Streaming Media, Pay TV, Telcos and Broadcasting

- 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
- 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**

Hybrid: On-premise and SaaS



EXTENDED THREAT DEFENSE (XTD)
7% of turnover 2023

Protect Apps and IoT

Extended threat defense software from the devices to the enterprise

- 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

SaaS model

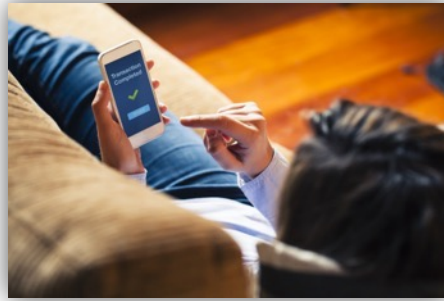
Applications Drive the Digital Economy

“An estimated 70% of new value created in the economy over the next decade will be based on digitally enabled business models.”

– World Economic Forum, 2023



Web



Mobile



IoT

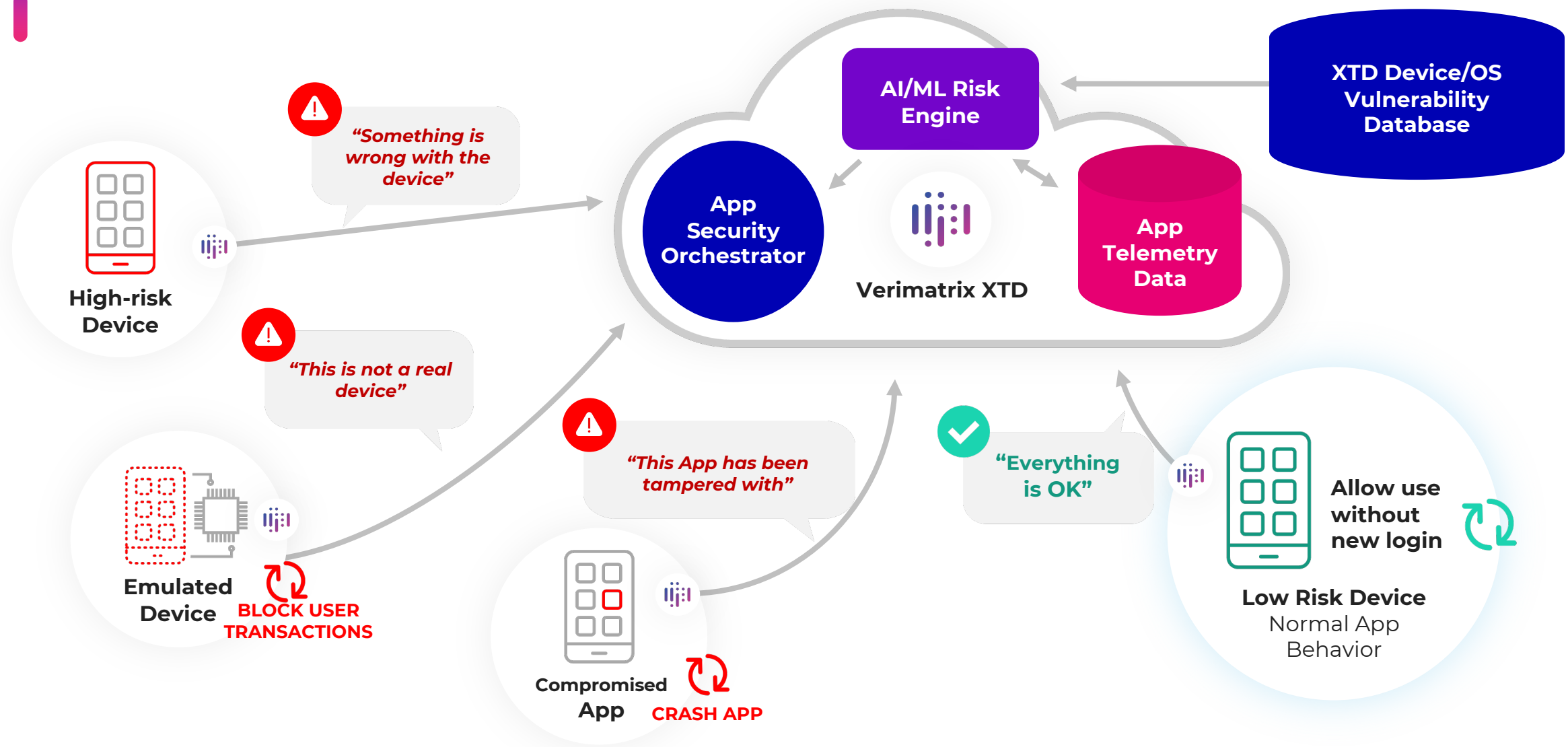


Entertainment

At Verimatrix, we protect the applications that drive the digital economy.



XTD continuously assesses application risk





We are building off our existing positions in Financials and Telcos while executing into emerging segments with increasing adoption of app shielding

Financials	Telcos	Emerging
<ul style="list-style-type: none"> Banks and payment processors Protection against specific mobile malware threats Regulatory and PCI compliance High-security maturity Developer and CISO personas On-prem, cloud and native protection 	<ul style="list-style-type: none"> Expansion opportunity from VMX anti-piracy business Sensitive transactions and personal data access through mobile/web apps PCI compliance Business owner, developer and CISO personas No code , cloud implementation 	<ul style="list-style-type: none"> Automotive, healthcare and retail Emerging awareness of need for mobile security Security testing findings Regulatory compliance Developer, CISO and 3rd party app developers On-prem, cloud, no-code implementations





Recent notable wins in the target verticals



Customer problem

VM needed to protect highly sensitive financial transactions and comply with European banking regulations.

Security testing revealed vulnerabilities in Caremark iOS application.

Experienced a data breach. Contacted VMX via web site.

Why Verimatrix

Our presence with other European financial institutions added credibility and our no-code, cloud-based solution was easy to implement.

We leveraged our existing position to expand to the CVS side of the business. Comprehensive app protection was a key factor.

High-touch, consultative selling approach. VMX demonstrated how our product addressed Hyundai use case during the evaluation phase.

Deal specifics

3.7M connected devices growing to 7M in year three. Six application IDs protected.

Expansion to protect four applications. Potential expansion to additional applications.

Protection for four applications. Three-year term. Opportunity to expand to additional apps and Canada. Potential for monitoring.



Q1 2024 Revenue

(in US\$ million)	1Q24	1Q23	Var %
Recurring revenue	8.5	7.5	+14%
<i>of which subscriptions</i>	4.2	3.2	+31%
<i>of which maintenance</i>	4.3	4.2	+2%
Non-recurring revenue	5.7	6.5	-13%
Total revenue	14.2	14.0	+1%

ARR (end of period)	32.3	28.7	+13%
<i>of which subscriptions</i>	16.5	12.3	+34%
<i>of which maintenance</i>	15.8	16.5	-4.2%

COMMENTS

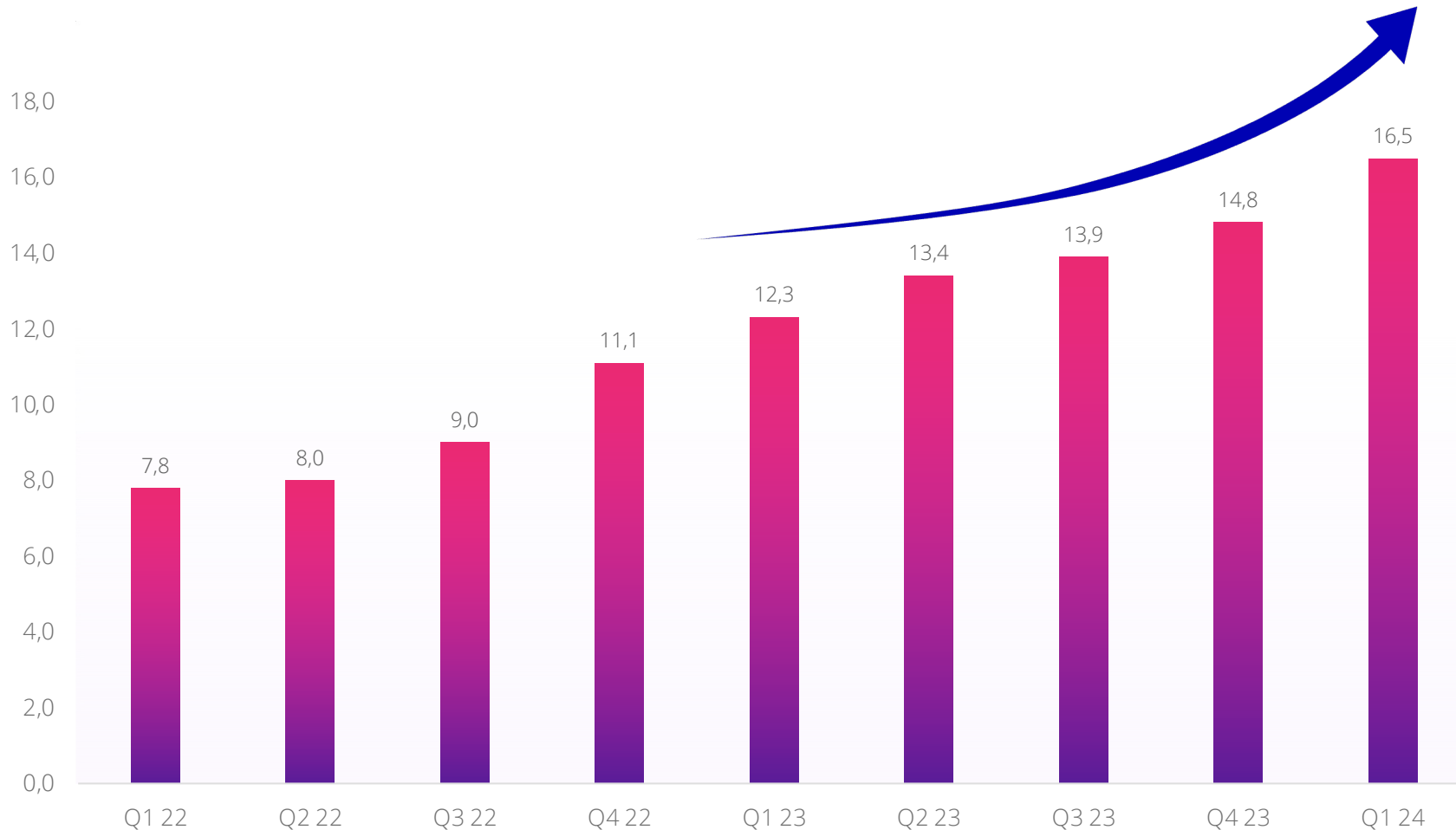
- Recurring revenue at \$8.5M +14% and 60% of total revenue
- Non-recurring revenue at \$5.7M -13%
- Subscription ARR continue to increase to \$16.5M at the end of Q1, +34% yoy
- Total revenue \$14.2M +1%



Annual Recurring Revenue trend from subscriptions

Q1 2024 SUBSCRIPTIONS ARR +34% YOY, +11% QOQ

In \$M





2024 Objectives



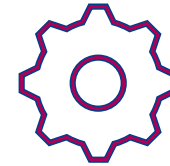
ANTI PIRACY

- Resilient revenue
- Ongoing transformation: decline in broadcasting partially offset by growth in OTT
- Recurring revenue transformation



EXTENDED THREAT DEFENSE (XTD)

- Strong growth
- New offers
- New verticals



ARR

- ARR suscription growth >20%

EBITDA continuous improvement

Why to invest?

Dynamic markets



**Extended Threat
Defense**



Anti-Piracy



**Innovative technology
company in **cybersecurity****



**Transformation
is delivering**



**Improving
profitability**



**Supportive and
confident shareholders**



Verimatrix Share

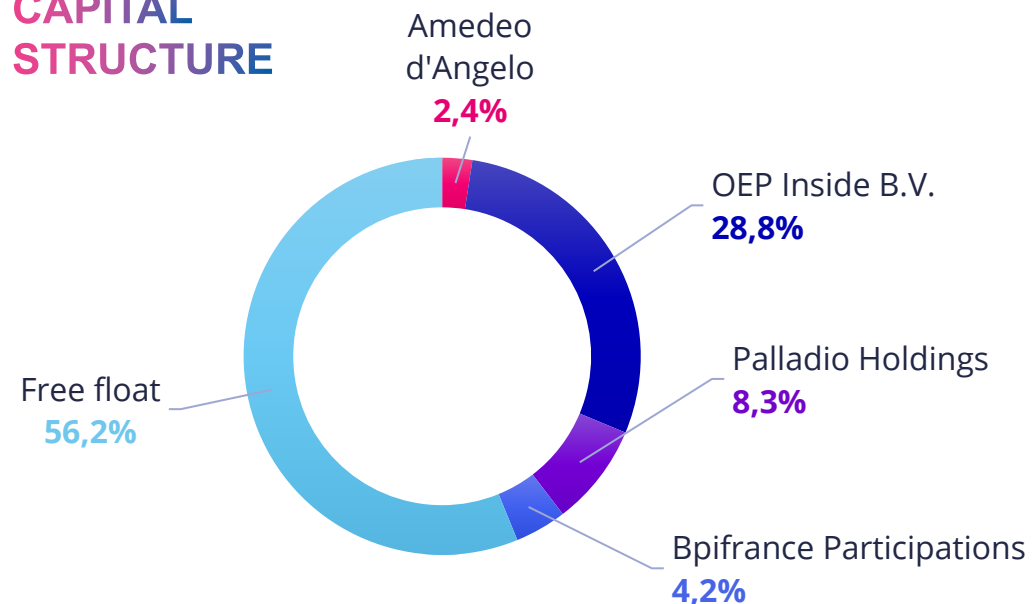


ISIN CODE	FR0010291245 VMX
MARKET	Euronext Paris
NUMBER OF SHARES	85 535 147
SHARE PRICE (04/02/2023)	€0.417
MARKET CAPITALISATION	€35.7m
INDICES	CAC All Share, CAC All Tradable, CAC Mid & Small, CAC Small, CAC Technology, Enternext PEA-PME 150
ANALYSTS COVERAGE	Oddo, Portzamparc
SHARE PRICE (04/02/2023)	€0.417

Price History



CAPITAL STRUCTURE



NEXT EVENTS

- General Assembly : June 13
- Q2 Revenue and H1 Results : July 25th, 2024 (after market close)

● INVESTOR ●

● INFORMATION ●

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