



# Investors presentation

Q4 2024 Revenue  
FY 2024 Results

March 13th, 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



**253**

Employees, 8 global offices



**Spark Metrics**

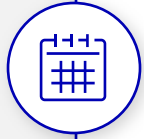
**RECOGNIZED LEADER**

In-App Protection,



**500M+**

App clients across devices



**27**

Years of security innovation



**153**

Patents granted



**CYBERSECURITY  
BREAKTHROUGH AWARDS**

Automotive, Media, Telecoms, Banks...

# Summary

- 1. Key highlights for full year 2024**
- 2. Q4 2024 Revenue**
- 3. FY 2024 Results**
- 4. 2025 Outlook**



# 1. Key highlights FY 2024

# New Logos YTD 2024

## ANTIPIRACY




**airtel**

APAC



antenaGROUP

EMEA



FATFISH  
INTERNET GROUP

APAC



HVS Heartland  
Video Systems


NORAM

## Threat Defense




Bank of Cyprus

EMEA



EU-LISA

EMEA




Millennium  
bim

EMEA



vochlea

EMEA




BOP  
THE BANK OF PUNJAB

EMEA



Ministry of Digital Economy  
and Entrepreneurship

EMEA



cyris

EMEA



TUTUM  
Tu aliado en tecnología

LATAM



Bank of Khyber

EMEA



custos  
mobile

EMEA



# FY 2024 Key highlights



**Verimatrix Counterspy,**  
highest distinction of  
Globe Award for  
disruptors



**Verimatrix Counterspy,**  
2024 CSI Award for Best Anti-  
Piracy Protection



**Verimatrix XTD  
Enterprise Suite**  
Triumphs at  
2024 Cybersecurity  
Excellence Awards



**Verimatrix XTD,**  
Top Infosec Innovators Award  
for Mobile App Security



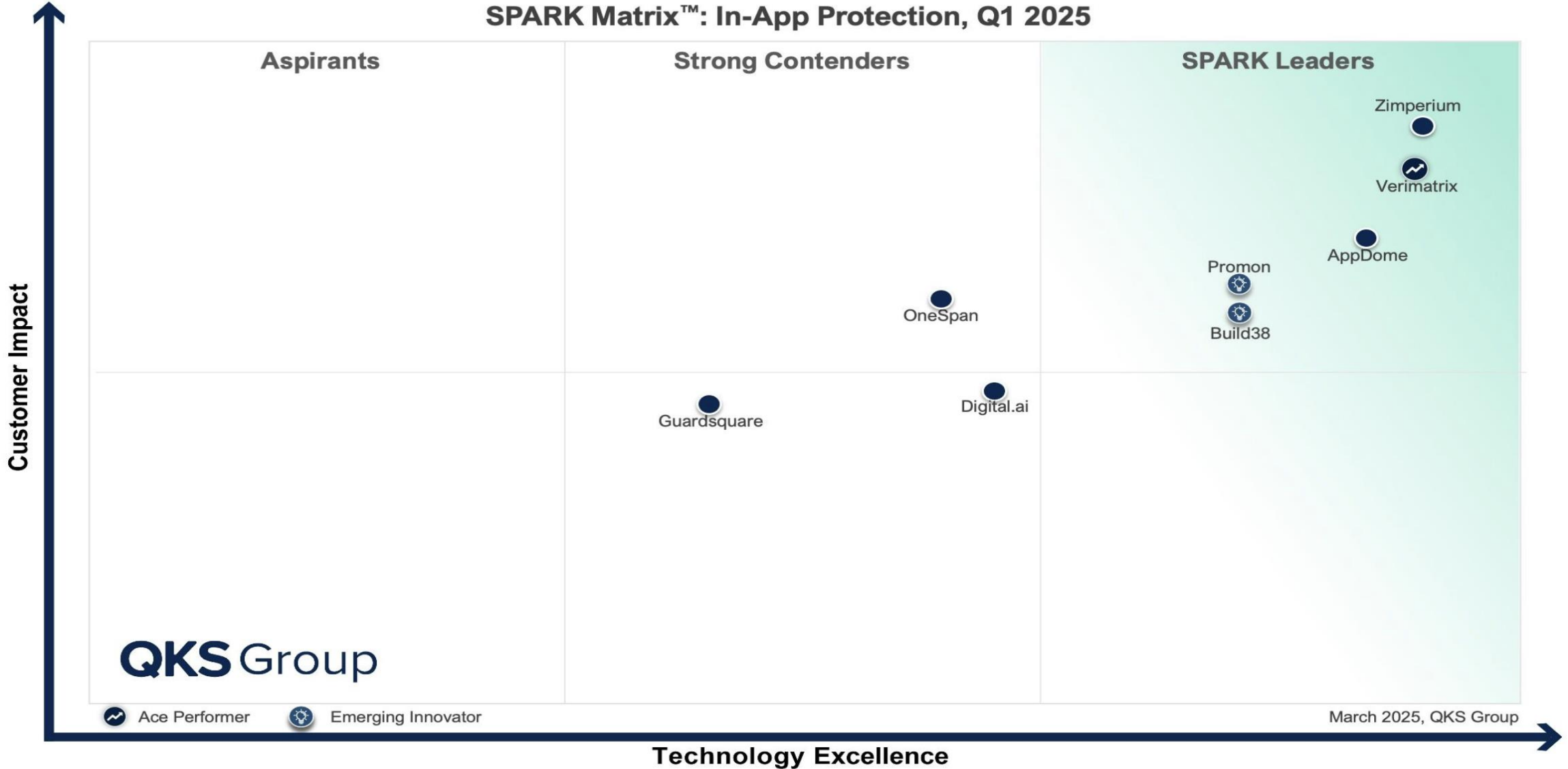
**Verimatrix Streamkeeper,**  
Gold Merit Awards  
for Telecom Innovation



**Verimatrix Streamkeeper,**  
1st place win in this year's  
Innovation in Content Delivery and  
Distribution category

# FY 2024 Key highlights

## SPARK Matrix™: In-App Protection, Q1 2025



March 2025, QKS Group

## 2. Q4 2024 Revenue

Subscription ARR continue to  
increase +22% yoy



# Q4 2024 Revenue

(in US\$ million)	4Q24	4Q23	Var %
<b>Recurring revenue</b>	<b>8.6</b>	<b>7.7</b>	<b>+12%</b>
<i>of which subscriptions</i>	<b>4.6</b>	<b>3.7</b>	<b>+25%</b>
<i>of which maintenance</i>	4.1	4.0	0%
<b>Non-recurring revenue</b>	<b>3.7</b>	9.3	-61%
<b>Total revenue</b>	<b>12.3</b>	<b>17.0</b>	<b>-28%</b>
<b>ARR (end of period)</b>	<b>33.0</b>	27.6	+6%
<i>of which subscriptions</i>	<b>18.0</b>	<b>14.8</b>	<b>+22%</b>
<i>of which maintenance</i>	15.0	16.4	-8%

## COMMENTS

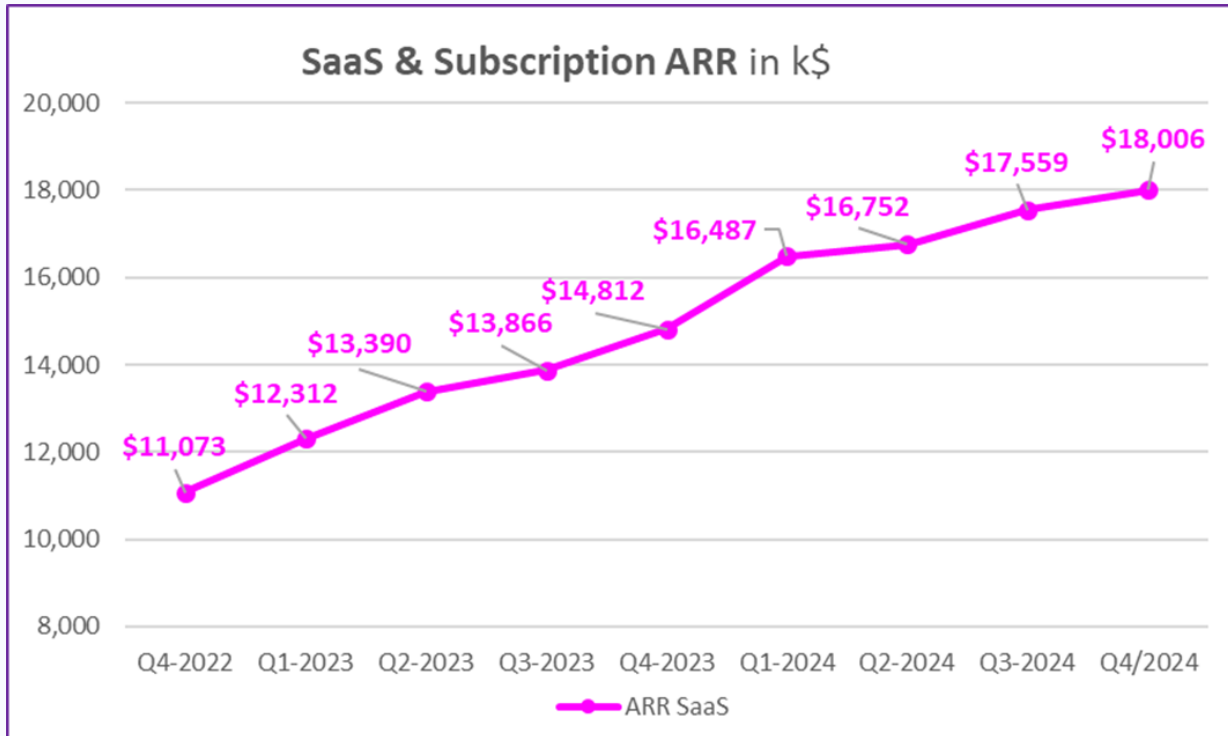
- Recurring revenue at \$8.6M +12% and 70% of total revenue. Subscription revenue totalled \$4.6m, up 25%. Maintenance revenue was stable at \$4.1m.
- Non-recurring revenue at \$3.7M -61% ; Perpetual licence sales originally planned for the end of 2024 now deferred to 2025, the low level of non-recurring activity in the last quarter does not reflect a loss of commercial opportunities at Verimatrix, but rather a delay in investment decisions by some of our customers.
- Total revenue \$12.3M - 28%
- Subscription ARR continue to increase to \$18M at the end of the year, +22% yoy





# Annual Recurring Revenue trend from subscriptions

2024 SUBSCRIPTIONS ARR +22% YOY



## Continued growth of ARR is explained by:

- Subscriptions continued to grow significantly, to \$18 million versus \$14.8 million a year earlier (+22%).
- Commercial activity was particularly strong in the Europe, Middle East and Latin America regions, with new contracts won that will help drive recurring revenue growth over the coming years.

# 3. FY 2024 Results

Recurring revenue: 60% of total revenue  
Continued growth in ARR from  
subscriptions: +22%

# FY 2024 revenue

(in US\$ million)	2024	2023	Var %
<b>Recurring revenue</b>	<b>34.1</b>	<b>30.7</b>	<b>+11%</b>
<i>of which subscriptions</i>	17.3	13.8	+26%
<i>of which maintenance</i>	16.8	16.9	-1%
<b>Non-recurring revenue</b>	<b>23.1</b>	<b>31.0</b>	<b>-25%</b>
<b>Total revenue</b>	<b>57.2</b>	<b>61.6</b>	<b>-7%</b>

## COMMENTS

- Recurring revenue at \$34.1M +11% and 60% of total revenue
- Non-recurring revenue at \$23.1M -25% (-10% after 9M 2024) ;
  - Strategy to focus on growth in recurring revenue and ARR from subscriptions
  - Perpetual licence sales originally planned for the end of 2024 now deferred to 2025
- Total revenue \$57.2M -7%

# FY 2024 revenue



**ANTI PIRACY**  
89,5% of turnover

- Resilient revenue
- New businesses

In FY 2024, revenues fell by 11%, to \$51.2M characterized by :

- Lack of perpetual licenses revenues postponed in H1 2025
- 22% growth in subscription offerings, representing 27% of business unit revenue

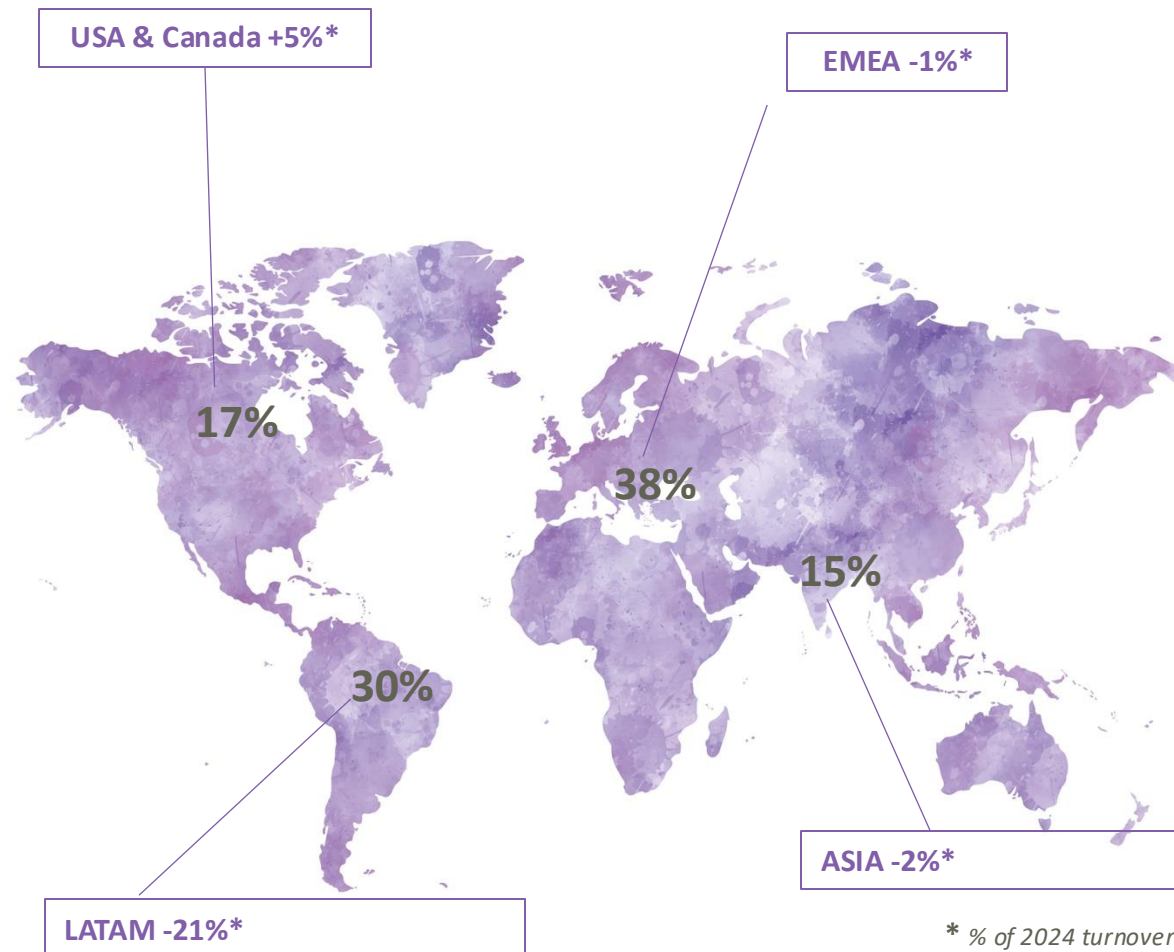


**THREAT DEFENSE**  
10,5% of turnover

- Diversified verticals
- New offers

In 2024, turnover jumped by +39% to \$6.0M:

- Mainly in recurring revenue (+43%) representing 60% of business unit revenue
- Lead by new solutions and new adressable markets





# FY 2024 – Results

(in US\$ million)	2024	2023	Chg.
<b>Revenue</b>	<b>57.2</b>	<b>61.6</b>	<b>-7.2%</b>
<b>Gross margin</b>	<b>39.1</b>	<b>43.4</b>	<b>-10.0%</b>
<i>As a % of revenue</i>	68.3%	70.4%	
Research & development expenses	(18.1)	(18.4)	-1.8%
Sales and marketing expenses	(13.5)	(17.0)	-20.9%
General & administrative expenses	(10.2)	(12.2)	-16.8%
Other gains / (losses), net	(0.3)	0.1	-332.8%
<b>Total adjusted operating expenses</b>	<b>(42.0)</b>	<b>(47.5)</b>	<b>-11.7%</b>
<i>As a % of revenue</i>	-73.4%	-77.1%	
<b>Adjusted EBITDA</b>	<b>2.8</b>	<b>1.3</b>	<b>+109.7%</b>
<i>As a % of revenue</i>	4.9%	2.2%	
<b>Adjusted operating income</b>	<b>(2.9)</b>	<b>(4.1)</b>	<b>-29.4%</b>
<i>As a % of revenue</i>	-5.1%	-6.7%	
Financial income / (loss)	(3.0)	(3.9)	-22.7%
Income tax expenses	(1.7)	(2.1)	-15.7%
<b>Adjusted net income / (loss)</b>	<b>(7.7)</b>	<b>(10.1)</b>	<b>-24.0%</b>

## COMMENTS

- Consolidated revenue: \$57.2m (-7% vs. 2023)
- Gross margin for FY24 was \$39.1 million, down from \$43.4 million a year earlier, accounting for 68.3% of revenue. Excluding the increased amortization expenses linked to the development of the Group's subscription offers the gross margin in percentage remained stable.
- R&D expenses were controlled, down 1.8%
- Decrease in marketing and sales costs (-20.9%) in line with the strategy of optimising geographical organisations, increased indirect sales via partners and resellers and a more targeted presence at events and trade shows specialising in cybersecurity.
- Total adjusted operating expenses: \$42 million, down 11.7%
- Adjusted EBITDA thus rose sharply by 109.7% to \$2.8 million over the year, compared with \$1.3 million in 2023.
- Adjusted Net Income : -\$7.7M vs -\$10.1M

# FY 2024 – Cash Flow

(in millions of dollars)	2024	2023
<b>Net income/(loss)</b>	(10.3)	(14.3)
Elimination of non-cash items	11.1	14.2
<b>Cash flows generated by activities excluding changes in working capital requirements</b>	<b>0.8</b>	<b>0.0</b>
Cash flow absorbed by working capital requirements	2.7	4.7
<b>Cash generated by activities</b>	<b>3.5</b>	<b>4.7</b>
Taxes paid	(1.6)	(2.0)
Interests paid	(3.5)	(3.4)
<b>Net cash generated by operating activity</b>	<b>(1.6)</b>	<b>(0.8)</b>
<b>Net cash flow from investment activities</b>	<b>(2.1)</b>	<b>(2.8)</b>
<b>Net cash flow from financing activities</b>	<b>(8.1)</b>	<b>(3.7)</b>
<b>Net change in cash</b>	<b>(11.8)</b>	<b>(7.3)</b>
Cash and cash equivalents at start of period	22.6	30.0
Foreign exchange effects	0.2	(0.1)
<b>Cash and cash equivalents at end of period</b>	<b>11.0</b>	<b>22.6</b>

## COMMENTS

Cash and cash equivalents : \$11.0M (vs \$22.6M at end-December 2023)

This change is mainly due to:

- positive operating cash flow generation before the change in working capital requirements of \$0.8 million
- an improvement in working capital requirements of \$2.7 million
- investments of \$2.1 million mainly for new development
- In addition, the group made a repayment of \$6.5 million, net financial interest amounted to \$3.5 million and taxes amounted to \$1.6 million.

# FY 2024 – Balance Sheet

Assets		
(In millions of US\$)	December 31, 2024	December 31, 2023
Goodwill	115.2	115.2
Intangible assets	10.5	13.0
Property and equipment	4.2	5.7
Other receivables	1.1	1.3
<b>Non-current assets</b>	<b>131.0</b>	<b>135.2</b>
Inventories	0.4	0.4
Trade receivables	26.8	28.7
Other receivables	2.7	4.8
Derivative financial instruments	-	0.1
Cash and cash equivalents	11.0	22.6
<b>Current assets</b>	<b>40.9</b>	<b>56.6</b>
<b>Total assets</b>	<b>171.9</b>	<b>191.9</b>

Equity and liabilities		
(In millions of US\$)	December 31, 2024	December 31, 2023
Ordinary shares	41.5	41.5
Share premium	94.7	94.7
Reserves and retained earnings	(14.4)	(0.2)
Income / (loss) for the period	(10.3)	(14.3)
<b>Equity attributable to equity holders of the Company</b>	<b>111.5</b>	<b>121.8</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>111.5</b>	<b>121.8</b>
Borrowings	29.9	14.4
Provisions	1.0	1.1
Deferred tax liabilities	1.0	1.0
<b>Non-current liabilities</b>	<b>31.8</b>	<b>16.6</b>
Borrowings	2.4	26.1
Trade payables	4.2	4.6
Other liabilities	8.0	9.2
Derivative and financial instruments	0.3	0.0
Provisions	0.2	0.2
Unearned revenues	13.5	13.4
<b>Current liabilities</b>	<b>28.6</b>	<b>53.5</b>
<b>Total liabilities</b>	<b>60.4</b>	<b>70.1</b>
<b>Total equity and liabilities</b>	<b>171.9</b>	<b>191.9</b>

# 6. 2025 OUTLOOK



# 2025 Objectives



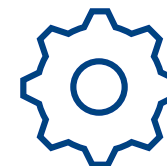
## Focus on historic and successful sectors

- 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

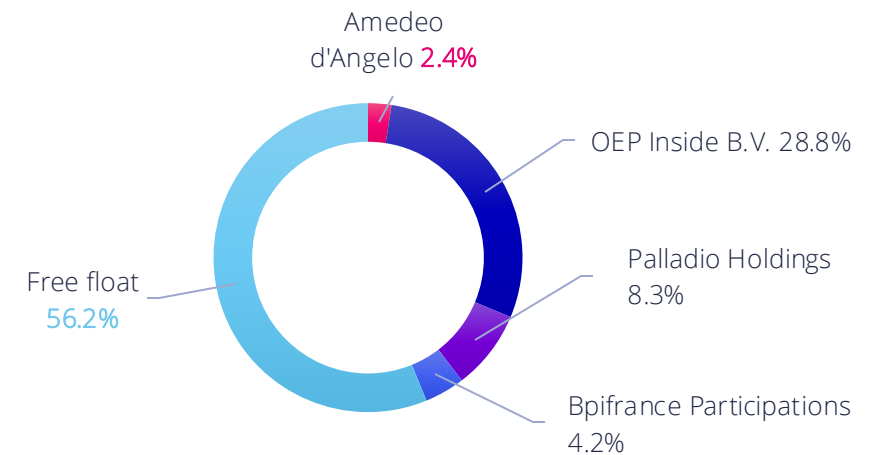
1. Double-digit growth in ARR compared to 2024 with a recurring revenue share being 2/3 of consolidated 2025 revenue
2. Target of an EBITDA-to-sales ratio close to 10%
3. Another year of double-digit growth in ARR from subscriptions

ISIN CODE	FR0010291245 VMX
MARKET	Euronext Paris
NUMBER OF SHARES	85 535 147
SHARE PRICE (12/03/2025)	€0.37
MARKET CAPITALISATION	€31.55m
INDICES	CAC All Share, CAC All Tradable, CAC Mid & Small, CAC Small, CAC Technology, Entemext PEA-PME 150
ANALYSTS COVERAGE	Oddo, Portzamparc

## NEXT EVENTS

- Q1 Revenue : April 24th, 2025 (after market close)

## CAPITAL STRUCTURE



<https://investors.verimatrix.com/>