



EXCLUSIVE NETWORKS

Q4 2021 UPDATE

21 February 2022



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Unless otherwise indicated, the financial information contained in the attached presentation relating to 2019 and 2020 has been extracted or derived from the Company’s consolidated financial statements as of and for the years ended December 31, 2020 (including the year ended December 31, 2019 as a comparative), prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as adopted by the EU (the “**IFRS accounts**”). In addition, financial information contained in the attached presentation relating to 2018 or prior periods has been derived or extracted from the Company’s audited consolidated financial statements prepared in accordance with French GAAP. Consequently, the financial information provided herein may not be comparable across all of the periods presented.

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Business performance

Jesper Trolle - CEO



Q4 2021 Highlights

Top Line	Scale	Growth	Visible & Diversified
	€1bn in Q4 Gross Sales	+14.1% ⁽¹⁾ in Q4 Gross Sales incl. Veracomp in 2020	110% Vendors Renewal Rate ⁽²⁾ 106% Customers Renewal Rate ⁽²⁾



Continued significant successes in all categories of growth levers



Acceleration of growth in Americas

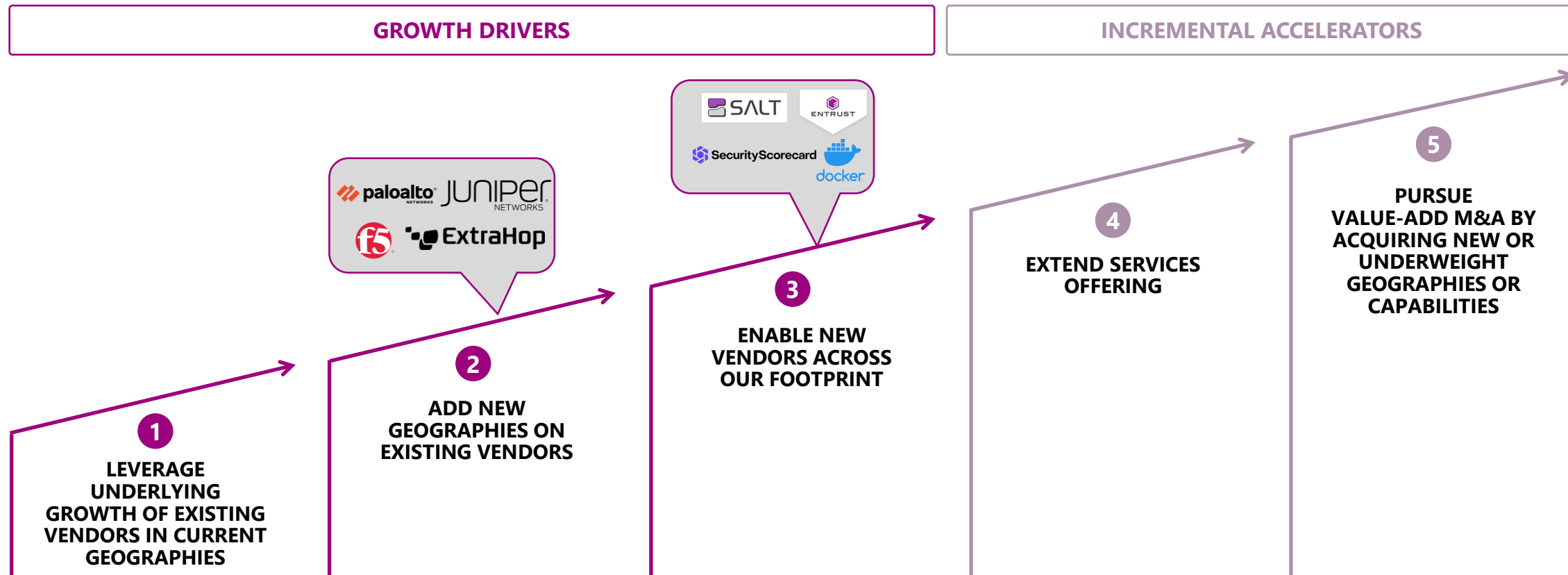


Networks Unlimited acquisition finalised

1. Including Veracomp in 2020.
2. Defined as Gross Sales generated in year N from vendors/customers active in year N-1 divided by Gross Sales from the same vendors/customers in year N-1



Q4 2021: Delivering on our Growth Strategy



Q4 2021 Highlights

756 net new resellers ⁽¹⁾, bringing reseller base ⁽²⁾ to **c.20k**

14 new vendor country expansion signed
20 in discussion

4 new vendors signed
13 in the pipeline

+71 X-OD partners (**199**) ⁽²⁾
Onboarding of SaaS Vendor
 wasabi

Closing of the acquisition of
 NETWORKS UNLIMITED
Empowering Africa Through Innovative IT Solutions
38 national new markets

1. In comparison to Q4 2020 includes Veracomp, and excludes Capital, ITEC, Ignition Networks Unlimited due to missing data
2. At end-December 2021







Continued Progress with New and Existing Vendors

› NEW VENDORS CONVERTED FROM PIPELINE SINCE Q3

4 new
in Q4 2021

Select new vendors

<p><u>Risk assessment</u></p> 	<p><u>API Security</u></p> 
<p><u>SW Containers</u></p> 	<p><u>User authentication</u> <u>Digital Security</u></p> 

› ONGOING EXPANSION WITH EXISTING VENDORS SELECT EXAMPLES

F5

✓ **Expansion** in North America + UK & Ireland

Juniper

✓ **Expansion** in Belgium, Iberia + UK & Ireland

Palo Alto Networks

✓ **Expansion** in the Adriatic's countries

ExtraHop

✓ **Expansion** to full PAN EMEA

EXN continuously proves its capacity to identify and partner with industry leaders



M&A: 1 Acquisition Closed

› RECENT ACQUISITION



Consolidated since December 2021

- Geography: Sub-Saharan Africa (38 markets including South Africa, Mauritius and Kenya)
- Broadening the global footprint by expanding into new geographies
- Enabling overlapping vendor portfolio to have access to more geographies

› M&A UNDERPINS AND ACCELERATES OUR GROWTH STRATEGY



Recurring pipeline of small M&A targets with ongoing discussions



Well-defined Key criteria:
Capability Expansion
Further Geographical opportunities



Selective and efficient screening: 10-15 targets reviewed annually for 1-3 acquisitions p.a. historically

Exclusive has a strong reputation and is the 'consolidation platform' in our market



Q4 & FY 2021 Gross sales & Revenue

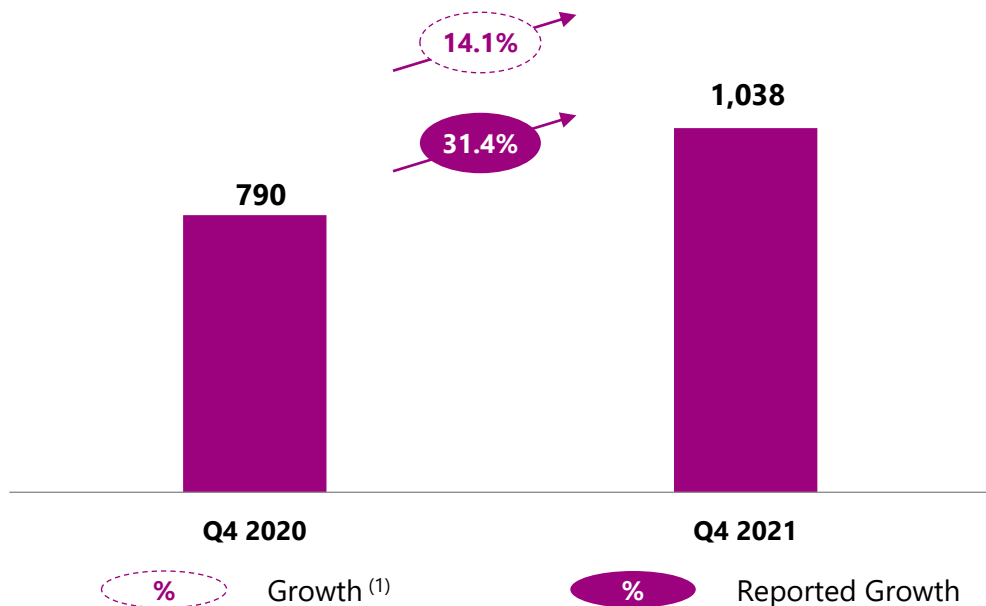
Pierre Boccon-Liaudet - CFO



Q4 2021 Gross Sales: Double Digit Growth pursued

Q4 2021 GROSS SALES

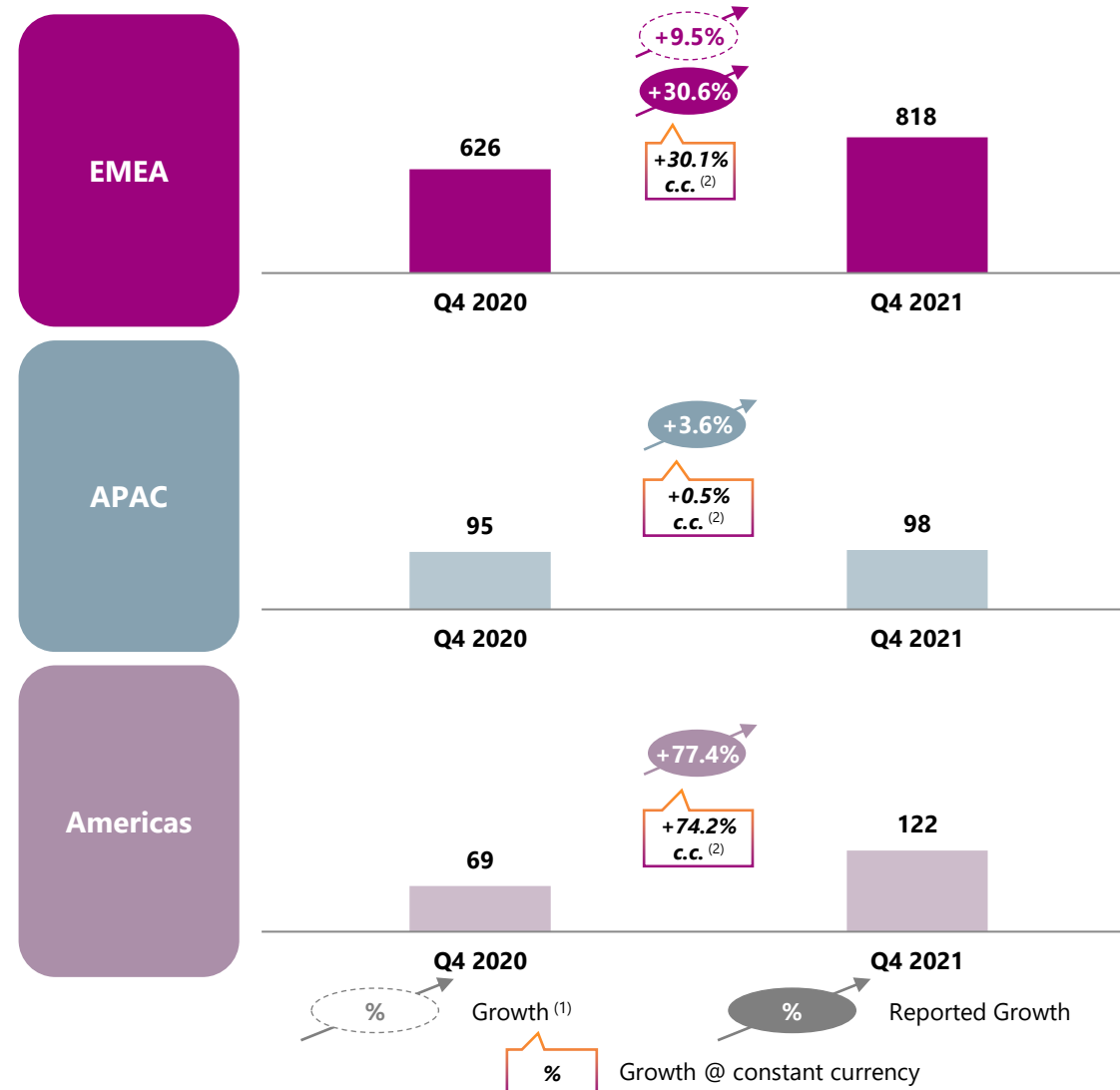
€m



YoY Growth	
Growth ⁽¹⁾	+14.1%
Reported	+31.4%
@ Constant Currency ⁽²⁾	+30.4%

Q4 2021 GROSS SALES BY SEGMENT

€m



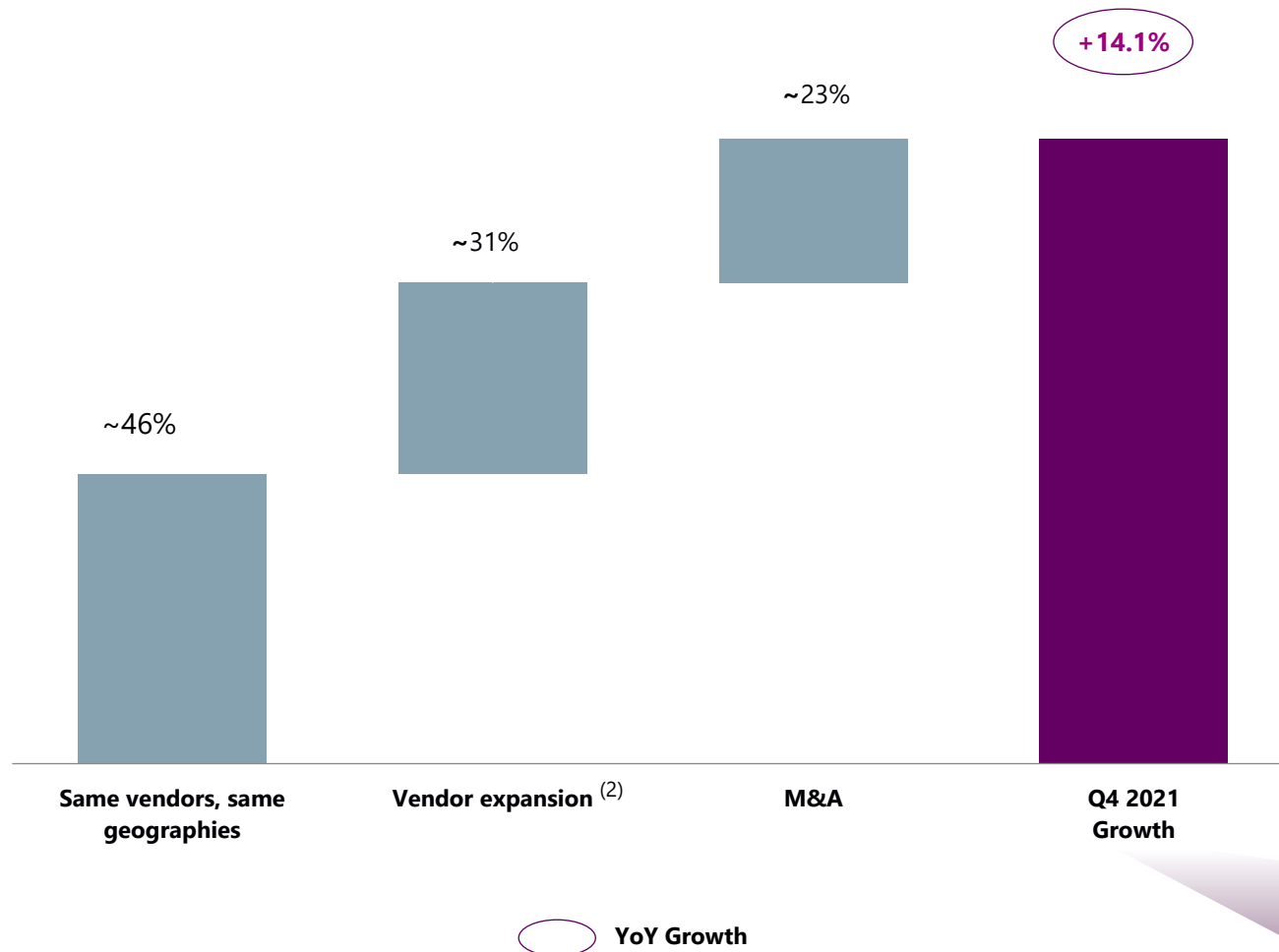
1. Including Veracomp in 2020
 2. Variation at constant currency is computed using the fourth quarter of 2020 rates applied to the fourth quarter of 2021 revenue



Q4 2021 – High Contribution from Vendor Expansion and M&A

› Q4 2021 DRIVERS OF GROWTH

Contribution to Gross Sales growth⁽¹⁾



› RENEWAL METRICS BACK TO PRE-COVID LEVELS



Q4 2021 vendors renewal rate⁽³⁾



Q4 2021 customers renewal rate⁽³⁾

- › **Geographic expansion contributing for 25% of the growth** with mainly Juniper in the USA, developments of F5 & Netskope in EMEA, and Fortinet in Denmark
- › **M&A contribution amounts to 23% of the growth** with mainly Ignition incremental business (€18m), two additional months of Nuaware (€4.5m) and Networks Unlimited Dec-21 contribution (€7.1m).

Sources: Management Reporting

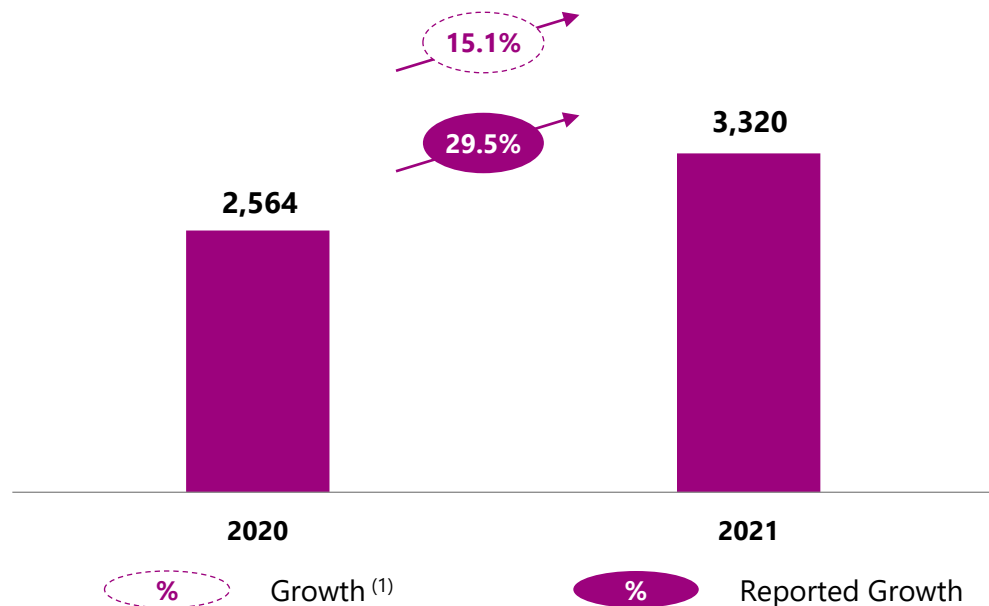
1. New geographies / new vendors analysis performed on single vendors above €100K annual Gross Sales
2. Vendor Expansion: ~25% from existing vendors in new geographies and ~6% from new vendors.



FY 2021 Gross Sales: Double Digit Growth reaching high-end of guidance

► FY 2021 GROSS SALES

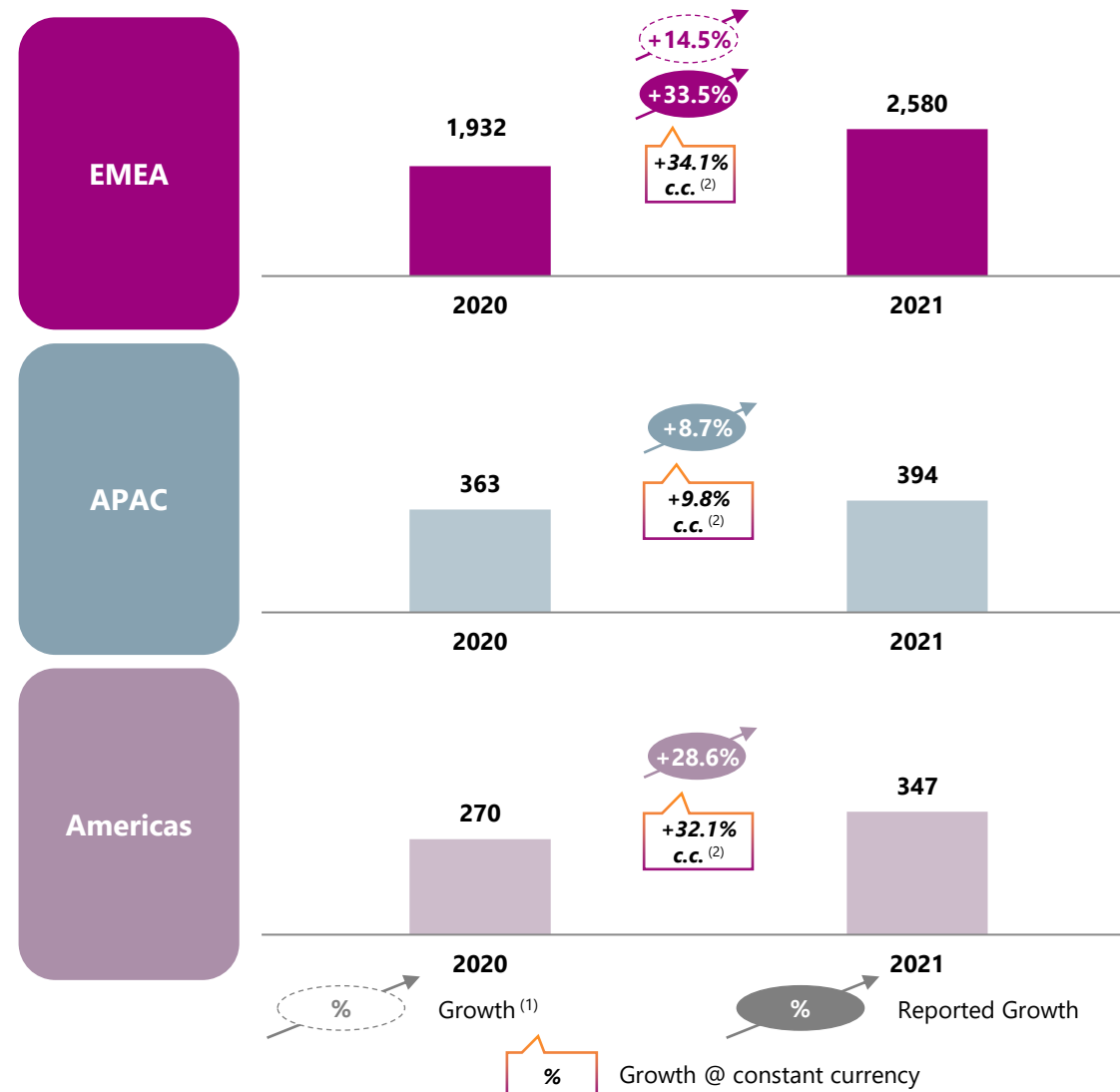
€m



YoY Growth	
Growth (1)	+15.1%
Reported	+29.5%
@ Constant Currency (2)	+30.4%

► FY 2021 GROSS SALES BY SEGMENT

€m



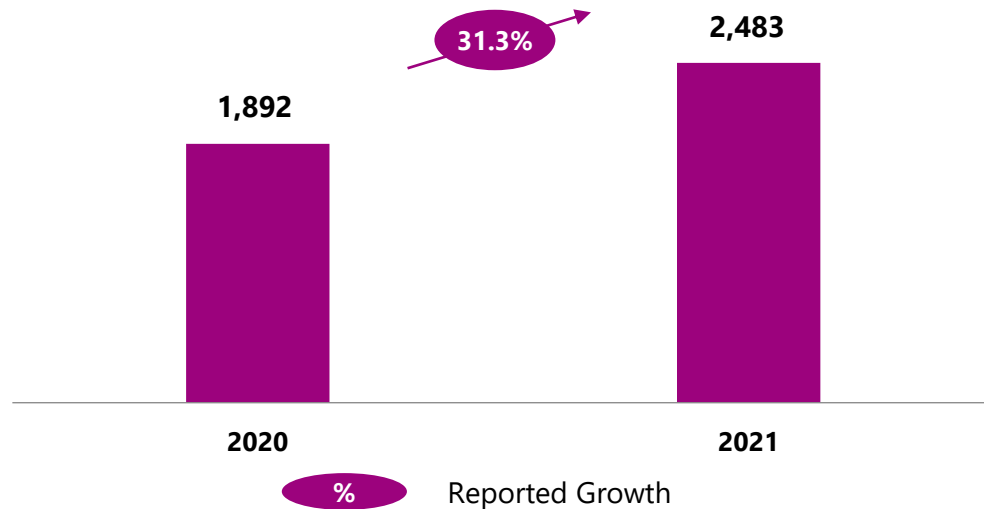
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FY 2021 Revenue: Double Digit Growth Above Cybersecurity Market

► FY 2021 REVENUE

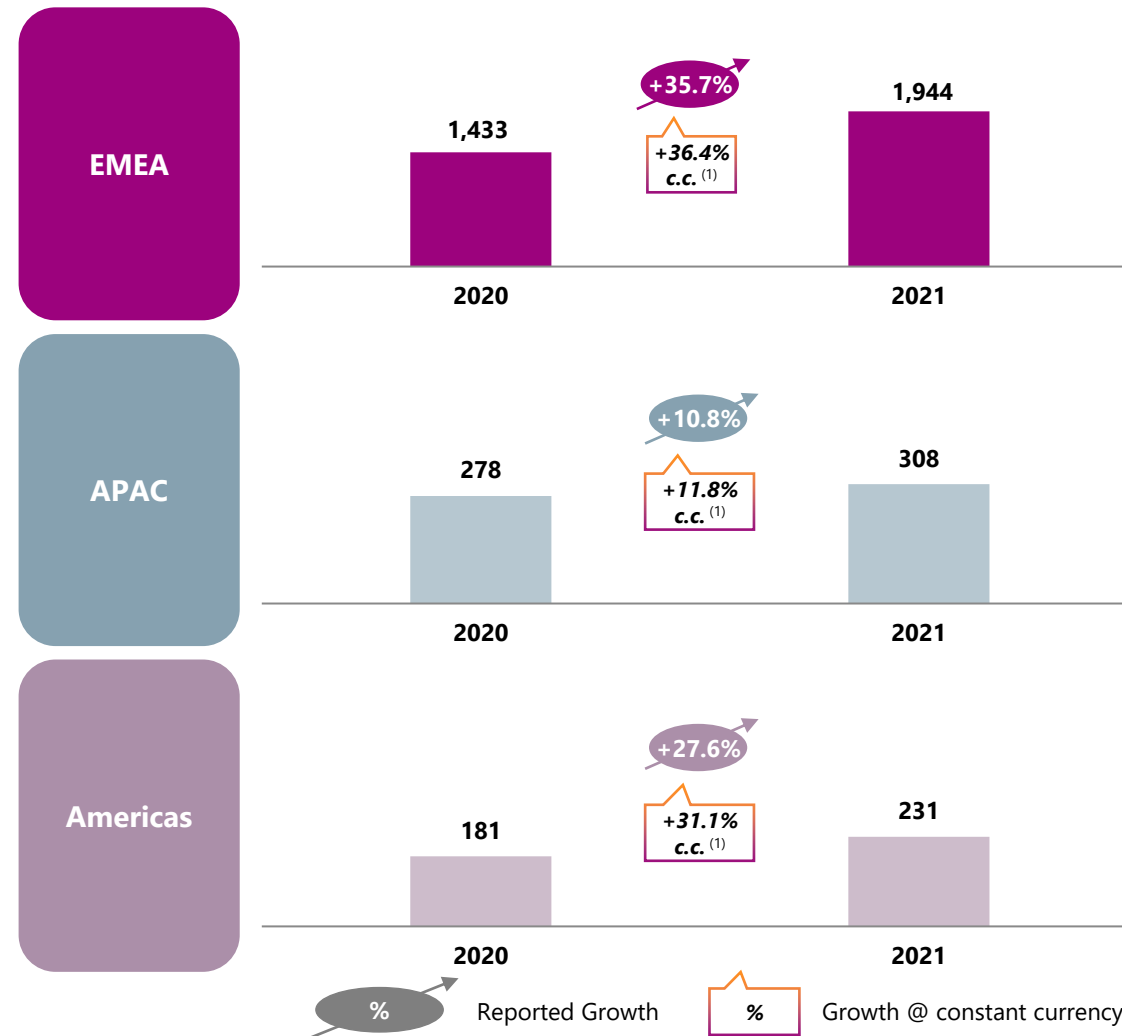
€m



YoY Growth	
Reported	+31.3%
@ Constant Currency ⁽¹⁾	+32.3%

► FY 2021 REVENUE BY SEGMENT

€m



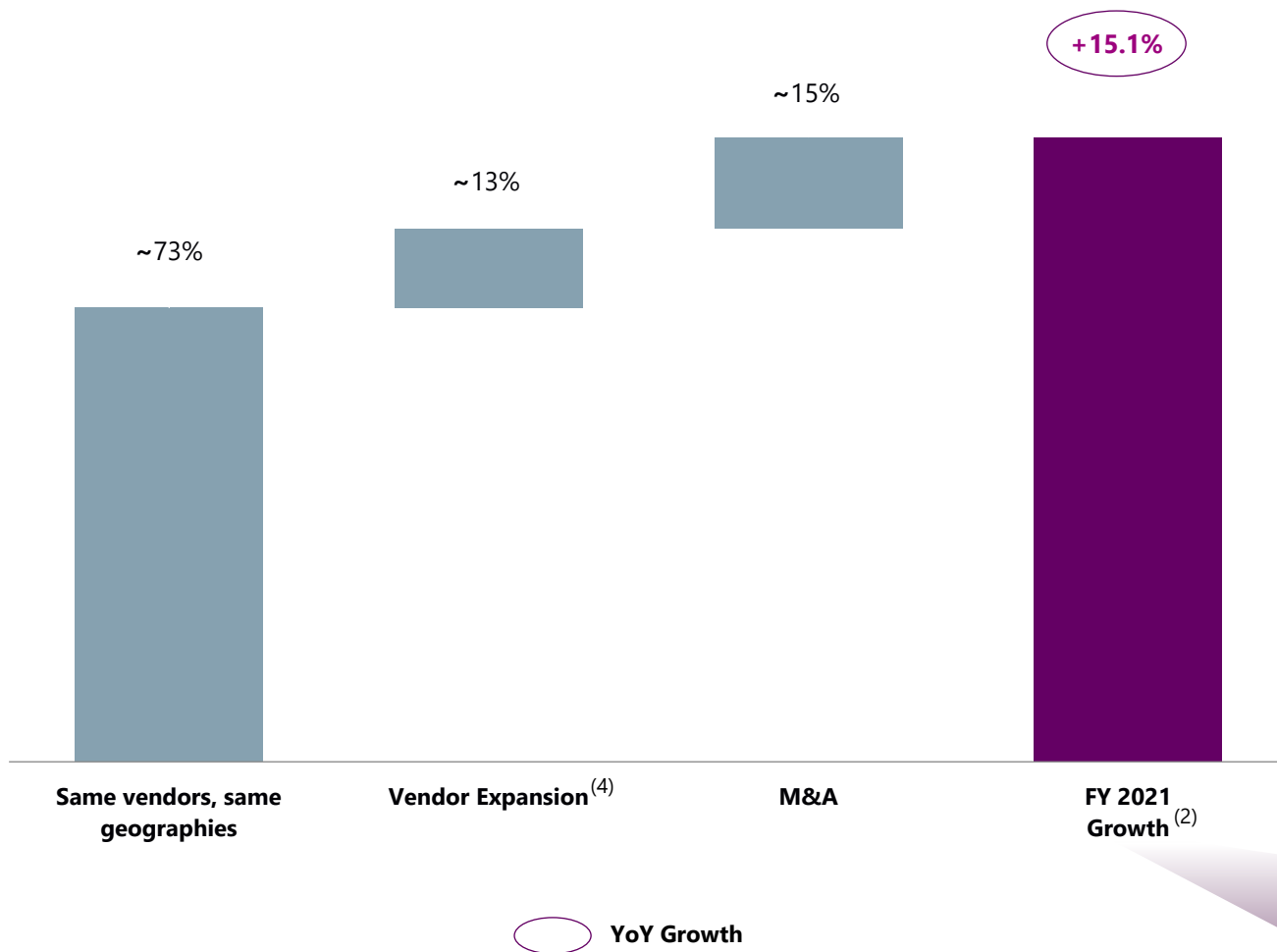
1. Variation at constant currency is computed using the fourth quarter of 2020 rates applied to the third quarter of 2021 revenue



Double Digit Growth Driven by Key Strategic Levers

Full Year 2021 DRIVERS OF GROWTH

Contribution to Gross Sales growth ⁽¹⁾⁽²⁾



RENEWAL METRICS BACK TO PRE-COVID LEVELS



FY 2021 vendors renewal rate ⁽³⁾



FY 2021 customers renewal rate ⁽³⁾

- ▶ **Vendor expansion** contributing for 13% of the growth with mainly geographical expansion of Juniper, F5 and Netskope and addition of new vendors.
- ▶ **M&A contribution: 2pts (or 15%) of growth** with mainly Ignition H2-21 incremental business (€31m) as well as JJNET, Nuaware & Networks Unlimited (respectively €10.4m, €12.1m and €7.1m)

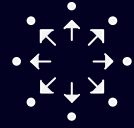
1. New geographies / new vendors analysis performed on single vendors above €100K annual Gross Sales
 2. Including Veracomp in 2020
 3. Defined as Gross Sales generated in year N from vendors/customers active in year N-1 divided by Gross Sales from the same vendors/customers in year N-1
 4. Vendor Expansion: ~10% from existing vendors in new geographies and ~3% from new vendors.



Closing remarks

Jesper Trolle - CEO

Final Remarks



Growing awareness about digital threats



Partner of choice to industry leaders



Geographic Expansion acceleration



Multiple drivers of long-term growth



Q&A



APPENDIX



2021 and Medium Term Financial Guidance confirmed (1/2)

	2020	2020 (incl. Veracomp)	2021	Medium Term
Gross Sales incl. M&A	€2,564m	€2,886m	<ul style="list-style-type: none"> ▶ Low teens % growth 	<ul style="list-style-type: none"> ▶ Mid-teens % growth in 2022 ▶ Low double-digit % growth in the mid-term
EMEA			<ul style="list-style-type: none"> ▶ Growth in line with Group 	
APAC			<ul style="list-style-type: none"> ▶ Growth slightly below Group level 	
Americas			<ul style="list-style-type: none"> ▶ Growth above Group level 	
M&A Contribution			<ul style="list-style-type: none"> ▶ Limited additional M&A contribution expected 	<ul style="list-style-type: none"> ▶ 1-2pts of growth p.a., in line with historic contribution
Revenue (Organic)	€1,892m	€2,139m	<ul style="list-style-type: none"> ▶ Growth similar to Gross Sales 	<ul style="list-style-type: none"> ▶ Growth similar to Gross Sales
Net Margin <i>% of Gross Sales</i>	€257m 10.0%	€293m 10.2%	<ul style="list-style-type: none"> ▶ High single digit % growth 	<ul style="list-style-type: none"> ▶ Small margin compression, limited to ~1pt decline overall during the period
Adj. EBITA <i>% of Net Margin</i>	€95m 37.0%	€108m 37.0%	<ul style="list-style-type: none"> ▶ Stable as % of Net Margin 	<ul style="list-style-type: none"> ▶ Stable as % of Net Margin in 2022 ▶ Margin expanding to slightly above 40% thereafter



2021 and Medium Term Financial Guidance confirmed (2/2)

	2020	2021	Medium Term
Depreciation and Amortisation ⁽¹⁾ (incl. Leases)	€9m	▶ Low double digit in €m	▶ Low to mid double digit in €m
Effective Tax Rate (% Adj. PBT) ⁽²⁾	31%	▶ Low 20s %	▶ Increasing to mid 20s %
NWC ⁽³⁾ as % of Gross Sales	3.7% 4.7% normalized ⁽⁴⁾	▶ ~4.5% (after reversal of 2020 exceptional effects)	▶ ~4.5%
Capex ⁽⁵⁾ (€)	€9m	▶ Low double digit in €m	▶ Low to mid double digit in €m

1. Excluding amortisation of intangible assets
2. Adj. PBT defined as Profit Before Tax + Amortisation of intangible assets
3. Net working capital excluding EXN Capital Finance Asset
4. Normalized for €28m exceptional decrease in NWC due to one-off delayed VAT payment in the UK and exceptional improvement of payment terms with one vendor
5. Net Operating Capex + Repayment of Lease Liabilities



Appendix

› GROSS SALES TO REVENUE RECONCILIATION TABLE

€m	Full Year 2020	Full Year 2021
Gross Sales	2,563.9	3,320.4
Agent vs Principal (Mainly Vendors' Support) – IFRS 15	(657.8)	(793.5)
Timing of Revenue Recognition – IFRS 15	10.7	3.5
Intercompany Eliminations	(25.0)	(47.0)
Revenue	1,891.7	2,483.4



Our Financial KPIs: Definitions and Contemplated Reporting

		Definition	Years	Segments	Reporting
Topline	K Gross Sales	<ul style="list-style-type: none"> Gross Sales represent revenue recognized by the Group on a gross basis for each revenue stream and before intra and inter segment intercompany eliminations Net of returns, discount and rebates 	2018, 2019, 2020	EMEA, APAC, Americas	Quarterly
	I Revenue	<ul style="list-style-type: none"> IFRS revenue Support & Maintenance margin accounted for revenue Net of returns, discount and rebates 	2019, 2020	EMEA, APAC, Americas	Quarterly
	I Net margin	<ul style="list-style-type: none"> Revenue less costs of purchased goods and services and freight on sales 	2018, 2019, 2020	Group	Half-Yearly
Profitability	K Adj. EBITA	<ul style="list-style-type: none"> Recurring operating profit before amortisation of intangible assets, adjusted for certain costs that do not impact the day to day operations (these include implementation costs for finance and operations group management systems, restructuring costs and one-time costs) 	2019, 2020	EMEA, APAC, Americas, Corporate	Half-Yearly
	K Adj. Net Income	<ul style="list-style-type: none"> Net income adjusted for amortisation of intangible assets, costs that do not impact the day to day operations, other operating expenses / income (post tax at effective tax rate) and deferred taxes 	2019, 2020	Group	Half-Yearly
	Free Cash Flow metrics	<ul style="list-style-type: none"> Operating free cash flow before tax: for cash conversion Operating free cash flow (after tax, excl. M&A) Free cash flow (incl. M&A) 	2018, 2019, 2020	Group	Half-Yearly

I IFRS Metrics

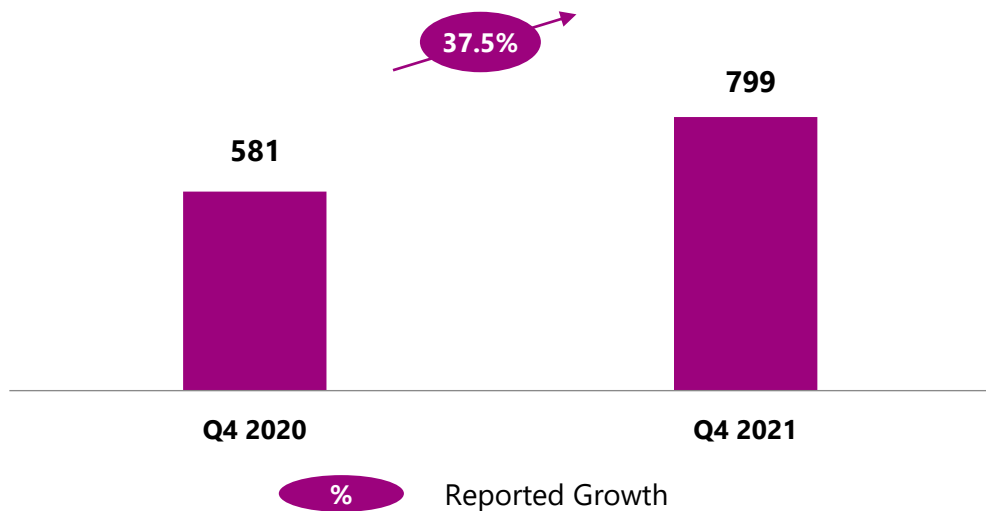
K Non-GAAP KPIs



Q4 2021 Revenue: Double Digit Growth pursued

Q4 2021 REVENUE

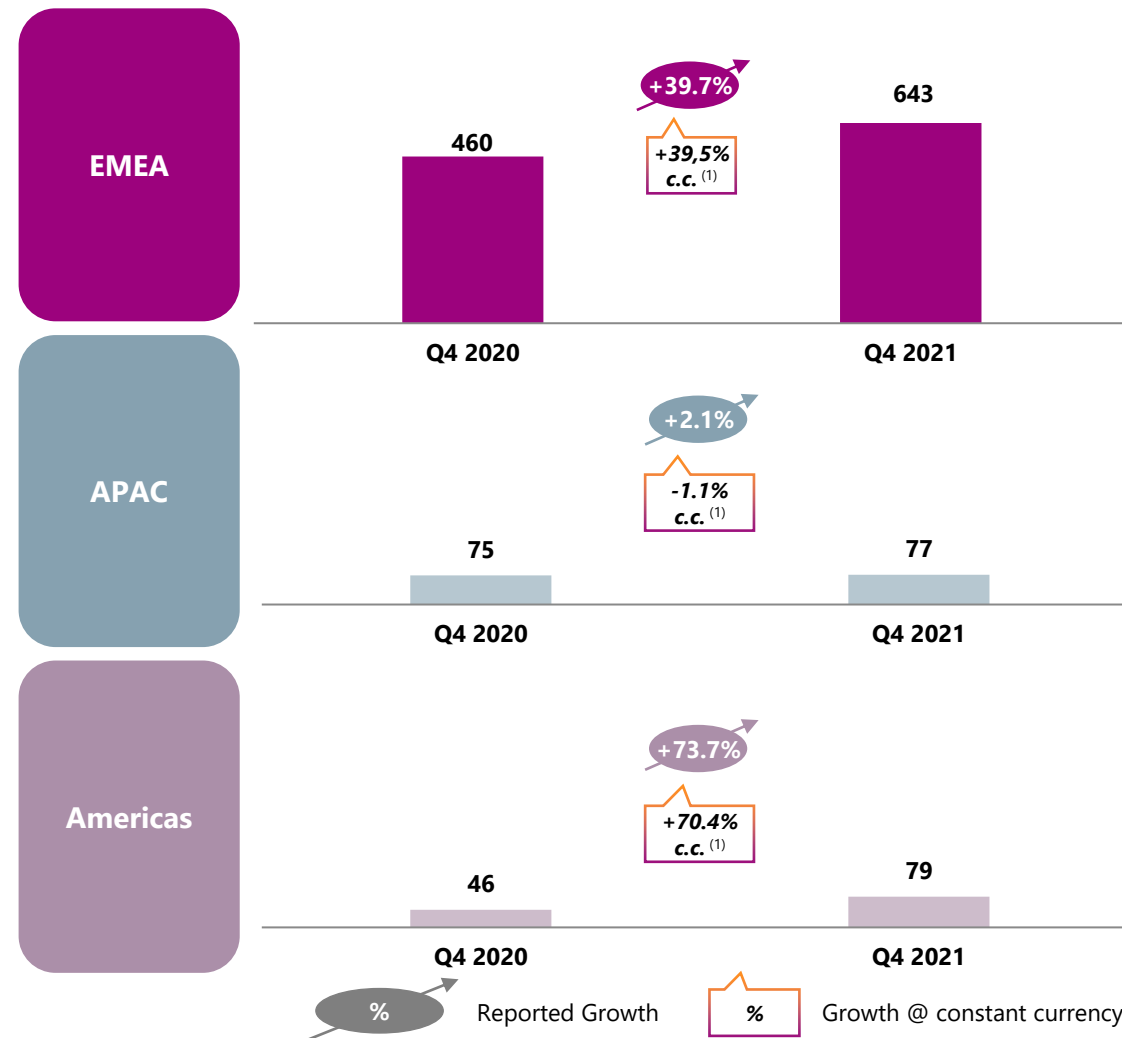
€m



YoY Growth	
Reported	+37.5%
@ Constant Currency ⁽¹⁾	+36.7%

Q4 2021 REVENUE BY SEGMENT

€m



1. Variation at constant currency is computed using the fourth quarter of 2020 rates applied to the third quarter of 2021 revenue



The Global Cybersecurity Specialist