



# EXCLUSIVE NETWORKS

Investor Presentation





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# Today's Presenters



**Jesper Trolle**  
CEO

*25+ years of sector experience*



**Pierre Boccon-Liaudet**  
CFO

*25+ years of technical experience*



**Hacene Boumendjel**  
Investor Relations Director

*10+ years of experience*





**WE ARE...**

**The Global  
Cybersecurity Specialist**

**MISSION...**

**To drive the global  
transition to a totally  
trusted digital world**



# Compelling Opportunity in Dynamic Cybersecurity Market...



At the centre of a **large and fast growing cybersecurity market**

**€58bn**



**Partner of choice for industry leaders**, driving **network effects**

**>260** established and disruptive vendors



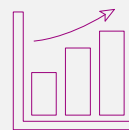
**Unique value proposition across ecosystem** underpinned by **specialisation**

**1:2** ratio of technical engineers to sales



**Global footprint** with local presence providing access to a **large and diversified partner base**

**>20k<sup>(1)</sup>** partners  
**43** countries with offices  
**170+** countries served



**Strong track record of profitable growth at scale** with software-like attributes  
**Op. leverage** driving **EBITA scalability**

**18%** gross sales <sup>(2)</sup> CAGR 2019-2021  
**109%<sup>(3)</sup>** customer renewal rate average in L3Y



**Multiple levers for sustained long-term growth** organically and through M&A

**10%** organic CAGR 2010-2021  
**18** acquisitions in the last 9 years

**...delivered by our experienced leadership team with a strong entrepreneurial culture**

**Sources:** Company Information, Market Reports

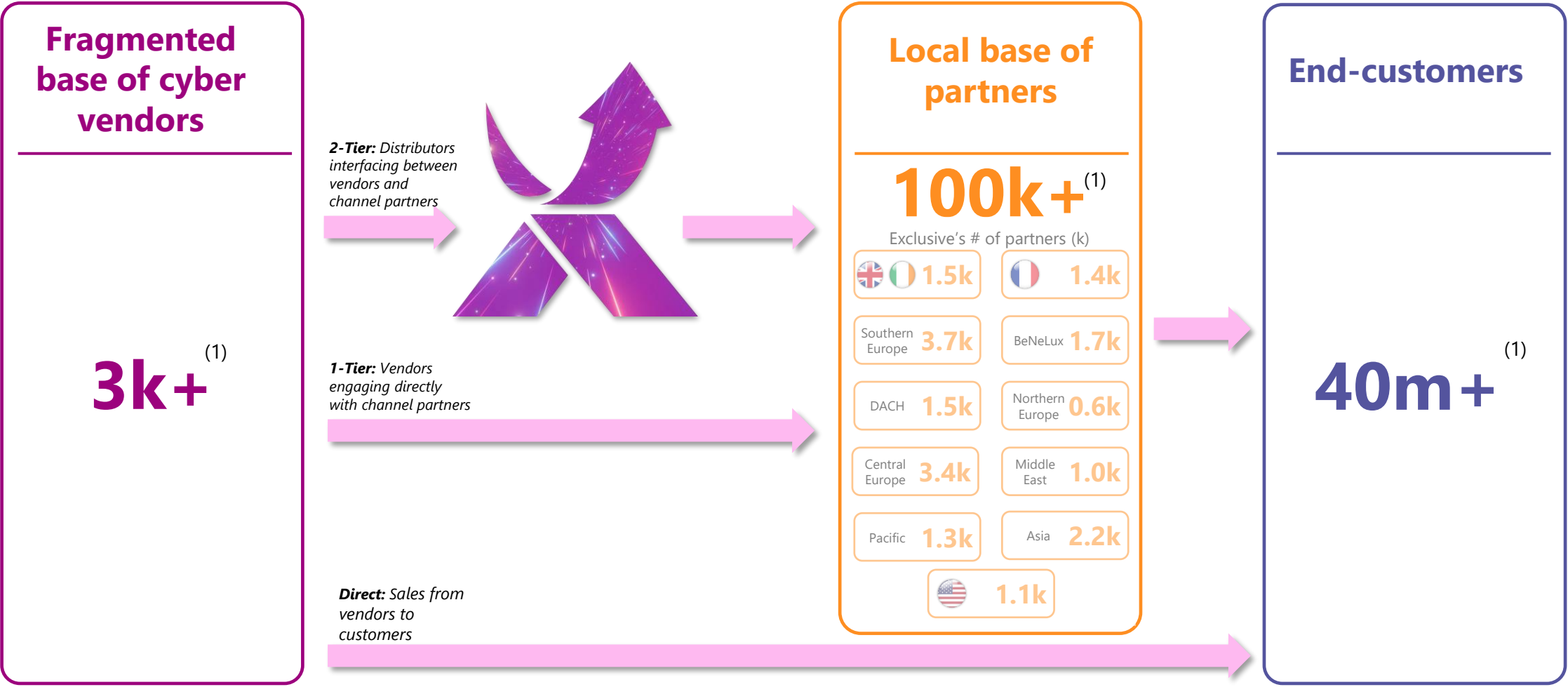
1. FY 2021

2. Gross sales is a measure derived from the Company's management accounts and is unaudited; although it is presented in the notes to the consolidated financial statements under IFRS, it is a non-IFRS measure and may not be comparable to similarly titled measures reported by other companies

3. Defined as gross sales generated in year N from customers active in year N-1 divided by gross sales from the same customers in year N-1



# Solving Complexity and Fragmentation of the Cybersecurity Value Chain

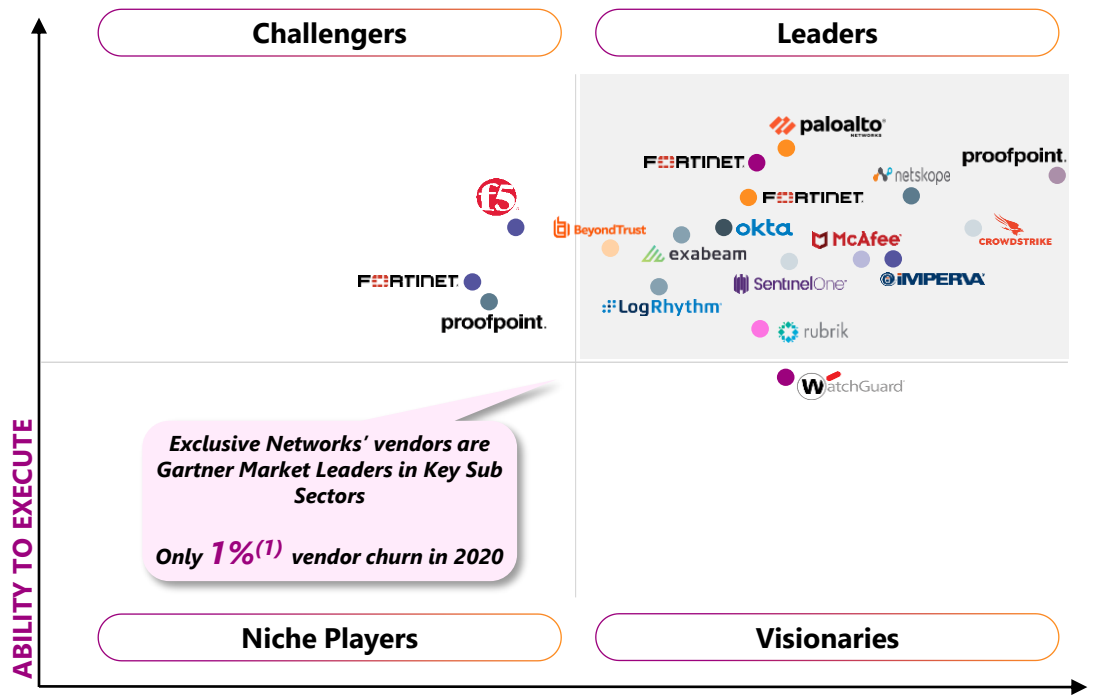


Majority of the global cybersecurity market flows through a 2-Tier distribution model

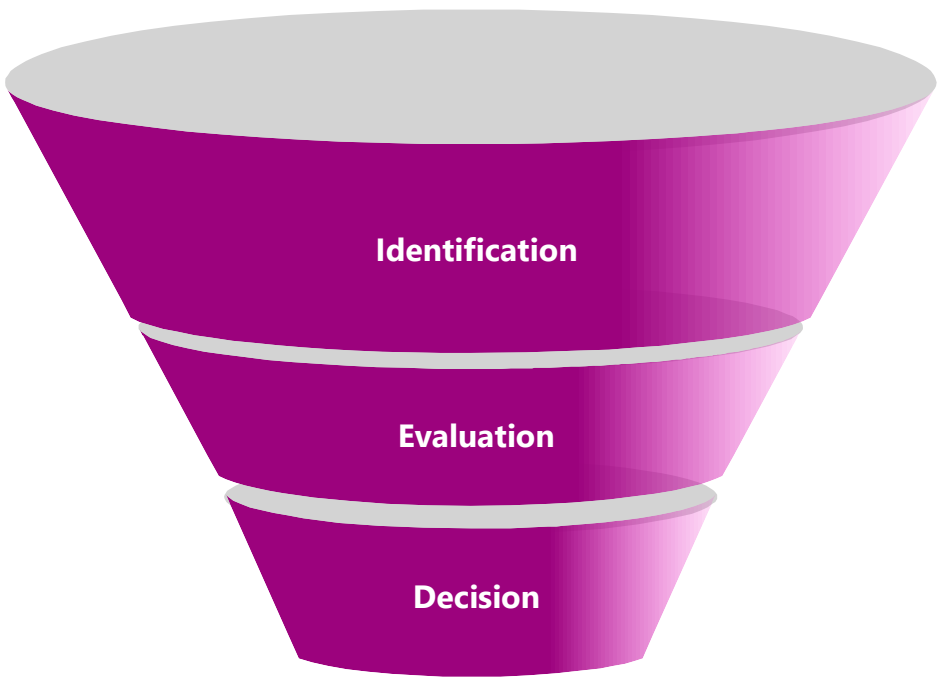


# Proven Ability to Identify the Industry Leaders

► **BEST-IN-CLASS VENDOR PORTFOLIO WHICH IS HARD TO REPLICATE...**



► **...BUILT THROUGH AN EFFICIENT AND PROVEN VENDOR SELECTION FRAMEWORK**



Select vendors added recently

**Future winners**

ALSID | BeyondTrust

CROWDSTRIKE | DATACORE | netskope

okta | VECTRA

Sources: Company Information, Gartner  
1. Calculated as % of vendors with gross sales >€1m in 2019 and <95% of 2019 gross sales in 2020



# Exclusive Networks Combines Global Reach With Deep Cyber-Focused Services Specialisation

› DIFFERENTIATED OFFERING LEADING TO UNIQUE POSITIONING AGAINST COMPETITION



› WHY EXCLUSIVE WINS:

- ✓ Strength of **vendor** and **partner network**
- ✓ Deep **cybersecurity expertise**
- ✓ Highly **specialised offering**
- ✓ Superior execution and **operational excellence**
- ✓ Broad **geographic coverage**
- ✓ Strong **entrepreneurial** and **engineering culture**

Exclusive has the reach and scale of a broadliner and the value and services of a specialist

Notes:

1. Degree of specialization includes the breadth and quality of services provided to vendors and partners e.g. financing, technical and commercial resources
2. Some Broadliners (e.g. Arrow) are attempting to position themselves more like value-added players in the security landscape given its complexity
3. Also considered regional due to small share of global security business

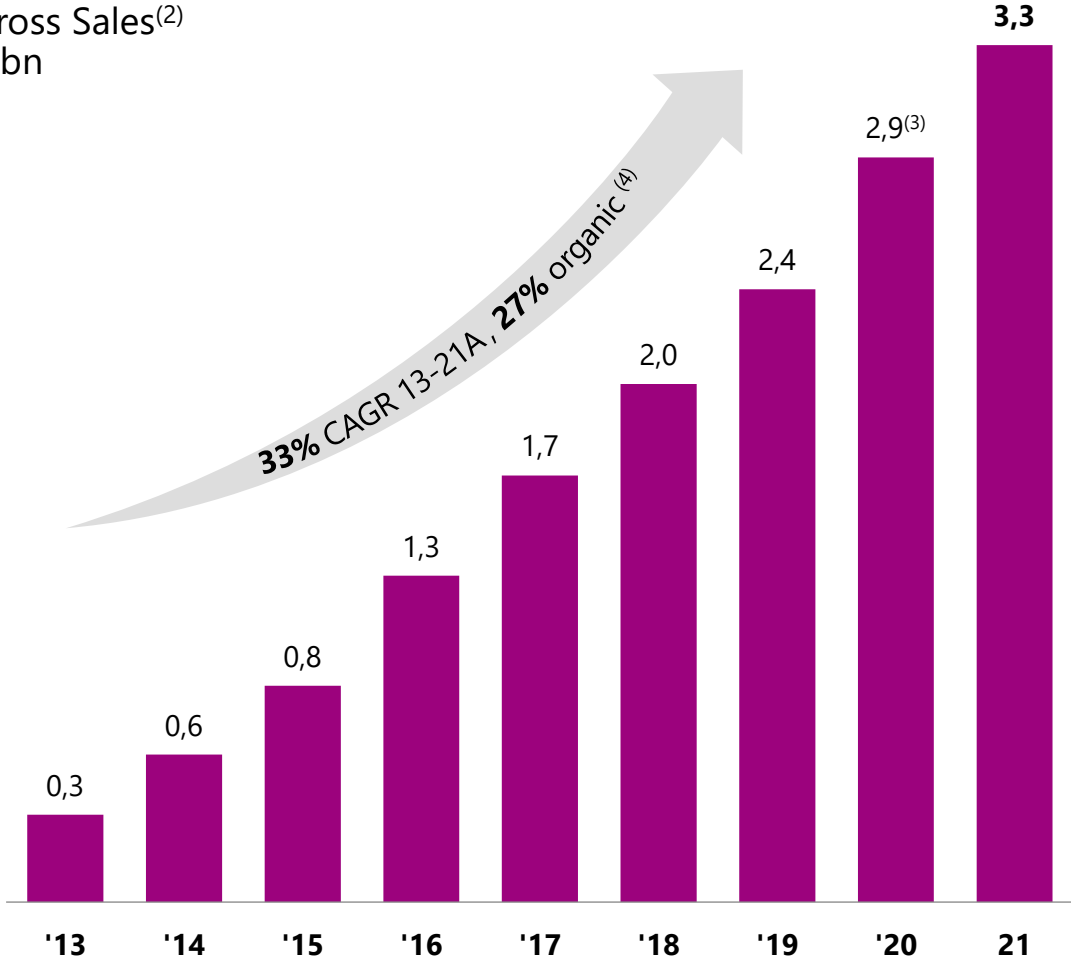




# Strong Track Record of Profitable Growth at Scale with Software-Like Attributes

## ► STRONG TRACK RECORD OF SALES GROWTH

Gross Sales<sup>(2)</sup>  
€ bn



**18%** GROSS SALES CAGR 2019-2021 (10% organic)

Consistently strong growth profile

**109%** CUSTOMER RENEWAL RATE<sup>(5)</sup> average in the last 3 years

Strong gross sales visibility and capacity to cross-sell

**€108m** Adj. EBITA 2020<sup>(3)(6)</sup>  
**37%** Adj. EBITA on Net Margin<sup>(3)(6)</sup> on NM of €293m<sup>(6)</sup> in 2020

Proven **sustainable profitability**, with success in managing costs and delivering operating leverage

**~80%** AVERAGE CASH CONVERSION 2018-2020<sup>(7)</sup>

Asset light model enabling a strong cash generation

Sources: Gross Sales Management Reporting

1. Numbers on this page are excluding Veracomp unless stated otherwise
2. Gross sales is a measure derived from the Company's management accounts and is unaudited; although it is presented in the notes to the consolidated financial statements under IFRS, it is a non-IFRS measure and may not be comparable to similarly titled measures reported by other companies
3. Including Veracomp, as if acquired on Jan 1<sup>st</sup>, 2020 (non-audited)
4. Organic growth calculated considering contributing from acquisitions as organic from the year following the transaction

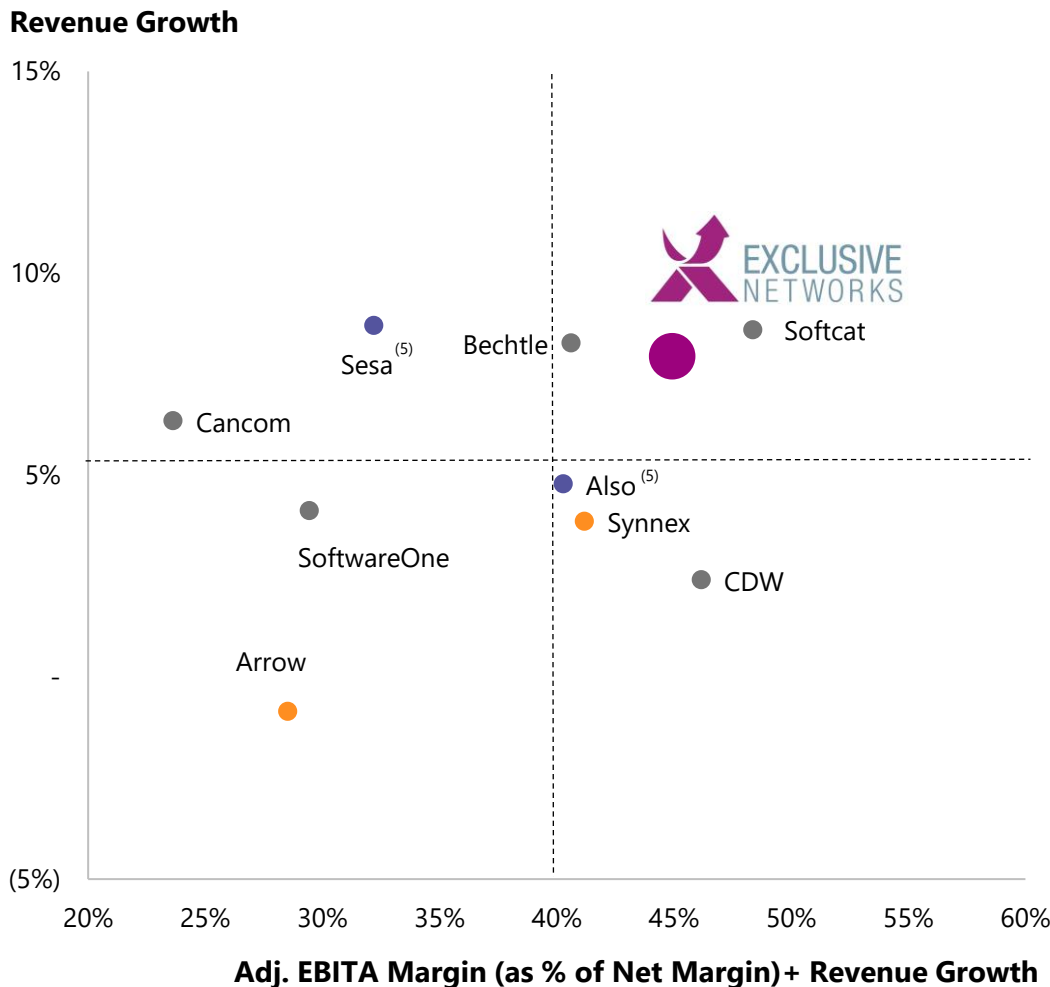
5. Defined as gross sales generated in year N from customers active in year N-1 divided by gross sales from the same customers in year N-1
6. Adj. EBITA figure post IFRS 16. Adj. EBITA = Recurring operating profit before Amortisation of PPA and Goodwill impairment
7. Cash conversion calculated as Operating FCF before tax / Adj. EBITDA, from 2018 French GAAP and 2019-2020 IFRS accounts. Adj. EBITDA defined as Adj. EBITA + Depreciation and Amortisation excluding Amortisation of intangibles. Excluding €28m exceptional decrease in NWC in 2020 due to Covid-19 specific payment terms from UK VAT and one vendor



# Our Unique Financial Profile Delivers Superior Positioning

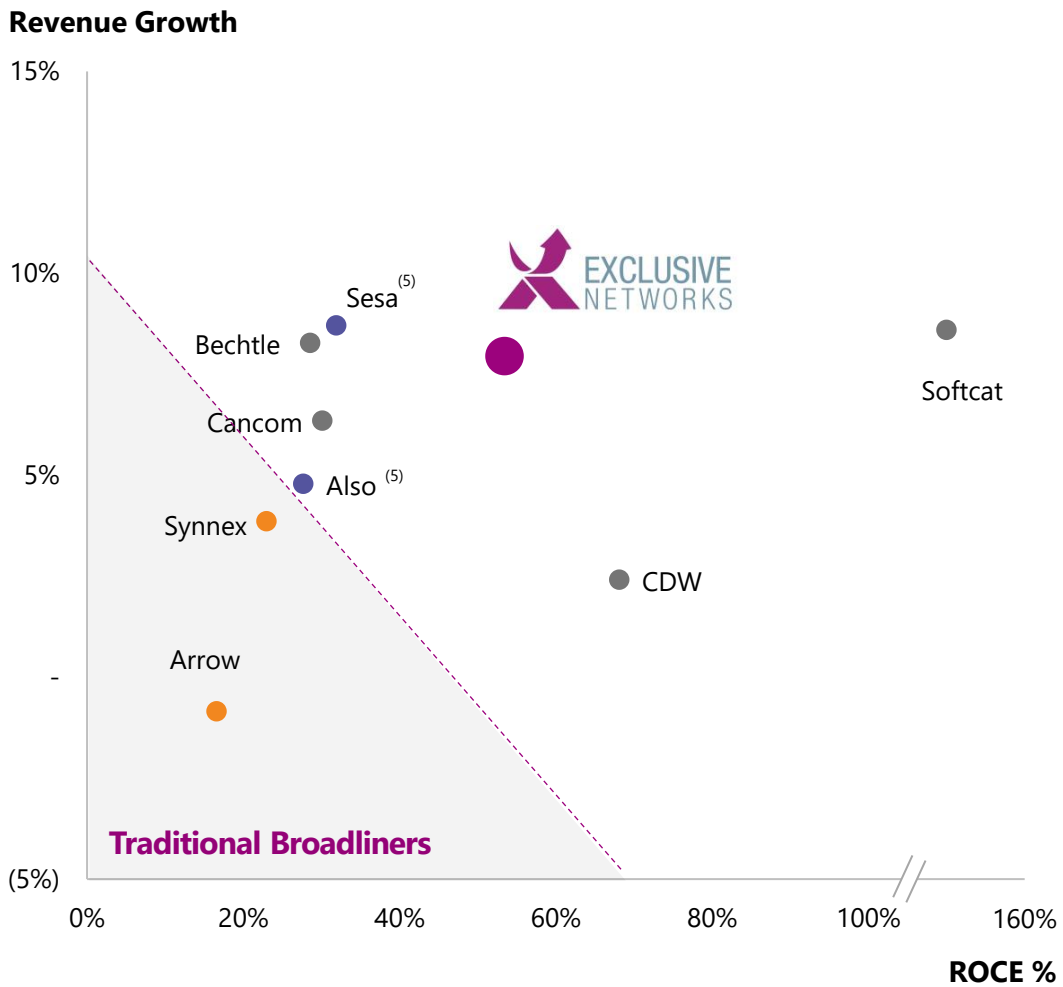
## ► REVENUE GROWTH VS. “RULE OF 40”

% Revenue Growth FY19-20, % Adj. EBITA Margin FY2020 + Revenue Growth FY19-20<sup>(1)(2)</sup>



## ► REVENUE GROWTH VS. ROCE

% Revenue Growth FY19-20, ROCE FY20<sup>(1)(3)(4)</sup>

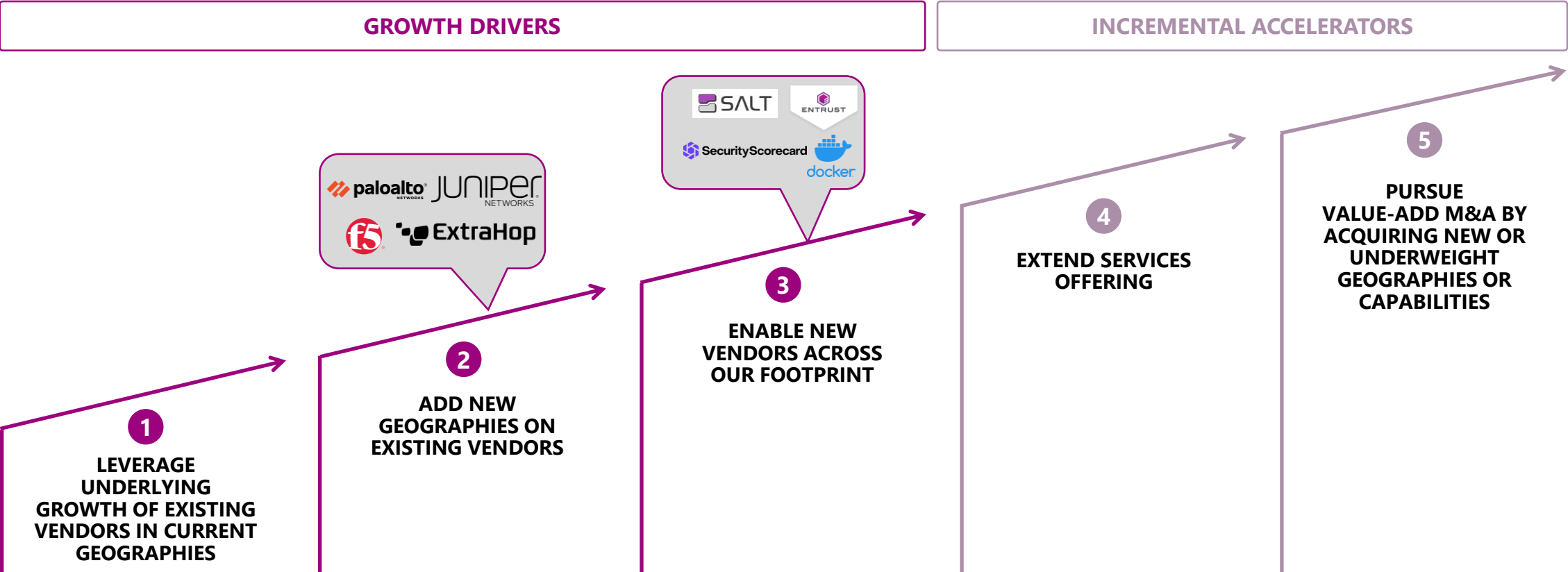


**Sources:** Capital IQ, Company Reports (latest financial year available)

1. Other companies figures represent latest financial year available
2. Adj. EBITA margin defined as Adj. EBITA over Net Margin (Adj. EBITA over Gross Profit for the peers)
3. ROCE defined as Adj. EBITA (including Veracomp) divided by the sum of non-current assets (excluding Goodwill) and net working capital (excl. EXN Capital Finance Asset)
4. Excluding €28m exceptional decrease in NWC due to Covid-19
5. Constant perimeter revenue growth, excluding 2020 revenue from acquisitions



# Q4 2021: Delivering on our Growth Strategy



## Q4 2021 Highlights

**756** net new resellers <sup>(1)</sup>, bringing reseller base <sup>(2)</sup> 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**) <sup>(2)</sup>  
Onboarding of SaaS Vendor

Closing of the acquisition of  
  
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



# Q4 2021 Highlights

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

- 

Continued significant successes in all categories of growth levers
- 

Acceleration of growth in Americas
- 

Networks Unlimited acquisition finalised

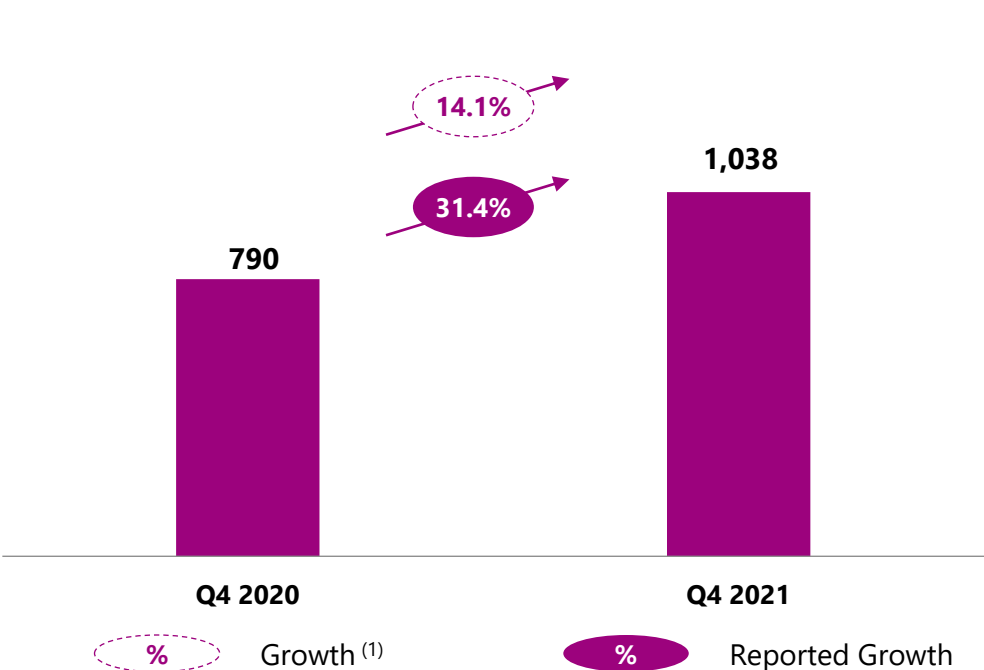
1. Including Veracomp in 2020.  
2. Defined as Gross Sales generated in year N from vendors/customers active in year N-1 divided by Gross Sales from the same vendors/customers in year N-1



# Q4 2021 Gross Sales: Double Digit Growth pursued

## Q4 2021 GROSS SALES

€m

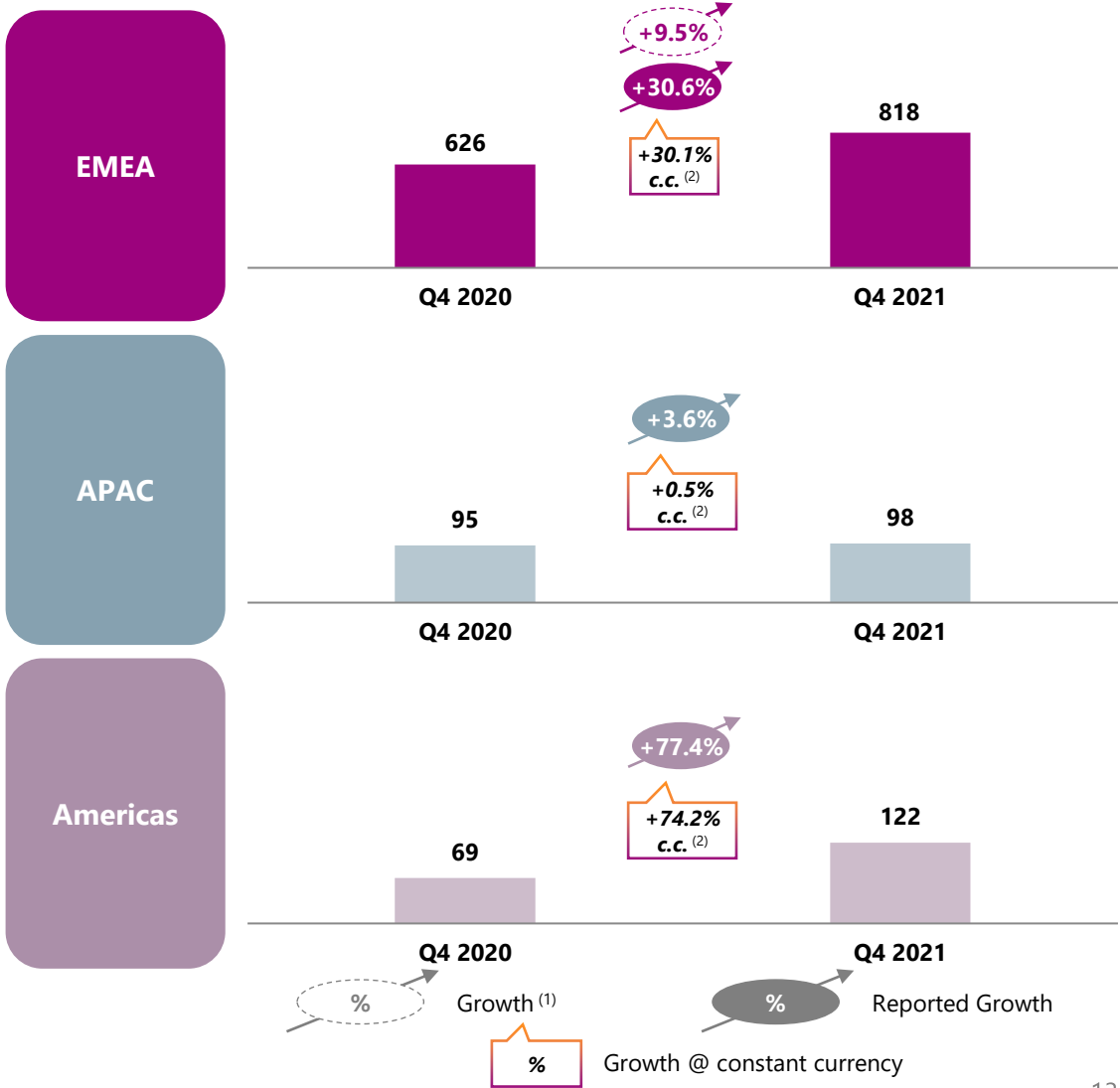


YoY Growth	
Growth (1)	+14.1%
Reported	+31.4%
@ Constant Currency (2)	+30.4%

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 GROSS SALES BY SEGMENT

€m

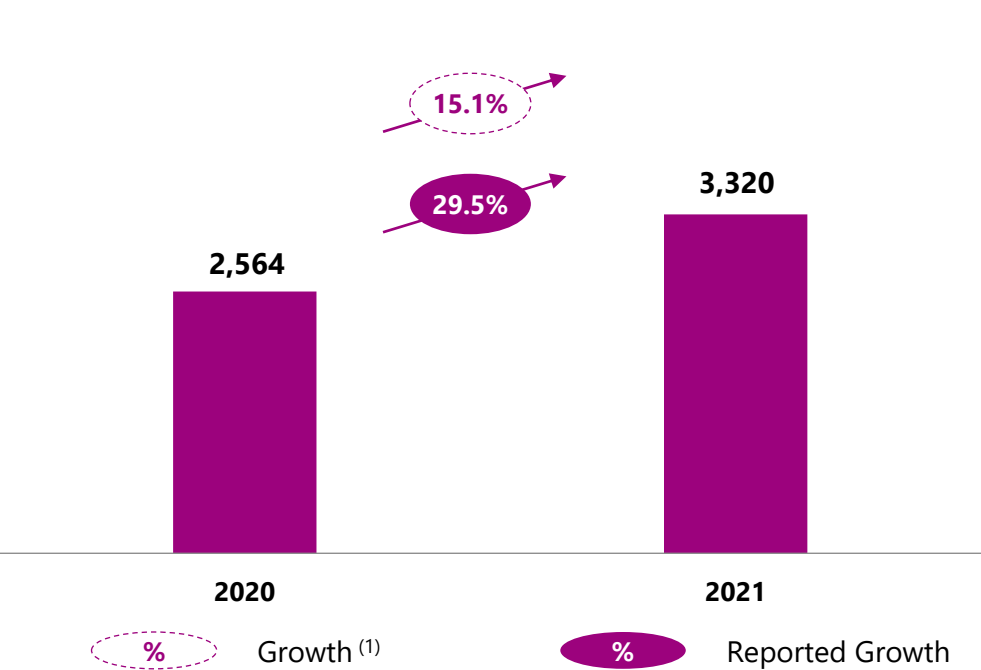




# FY 2021 Gross Sales: Double Digit Growth reaching high-end of guidance

## ► FY 2021 GROSS SALES

€m

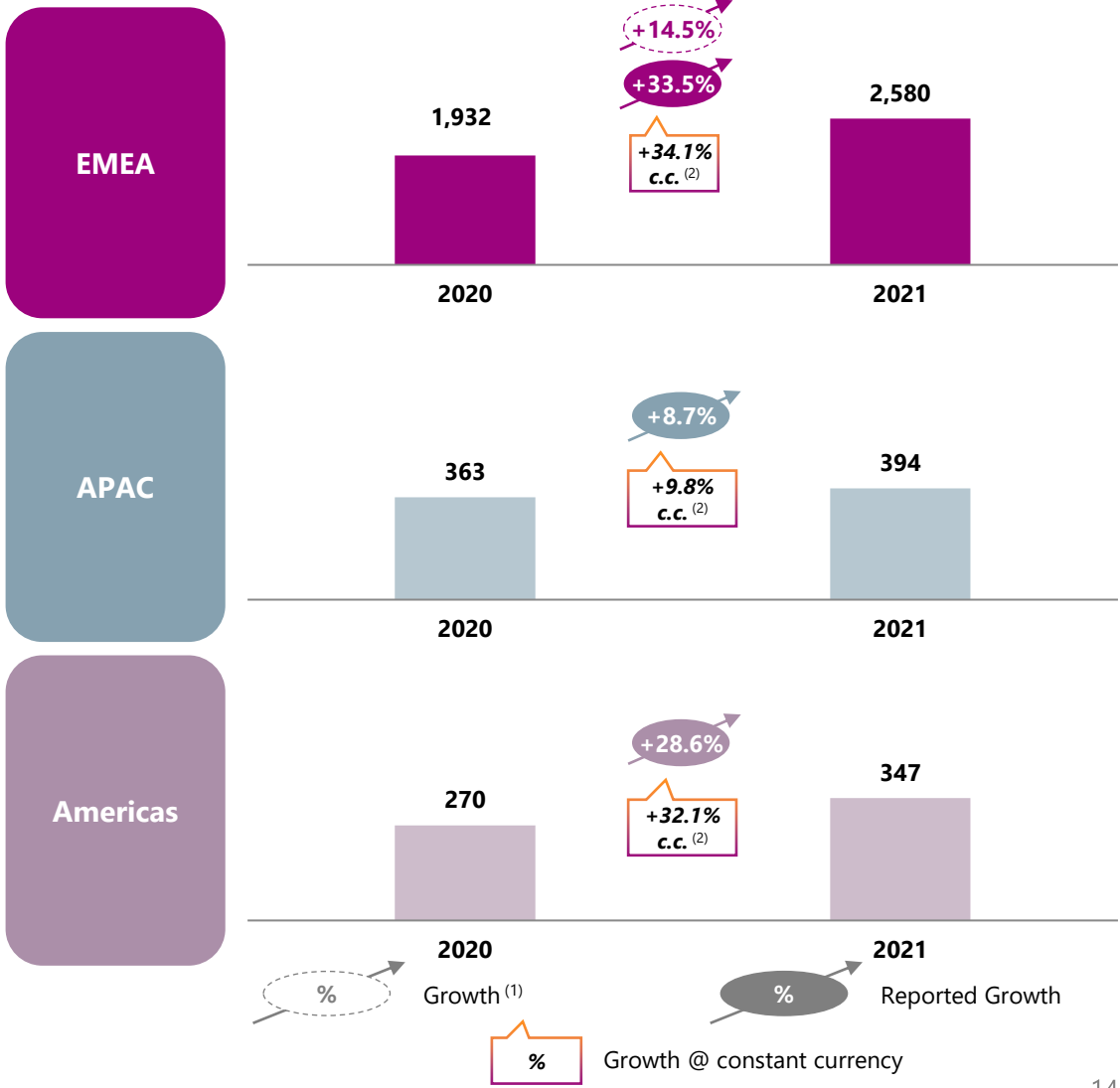


YoY Growth	
Growth <sup>(1)</sup>	+15.1%
Reported	+29.5%
@ Constant Currency <sup>(2)</sup>	+30.4%

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

## ► FY 2021 GROSS SALES BY SEGMENT

€m

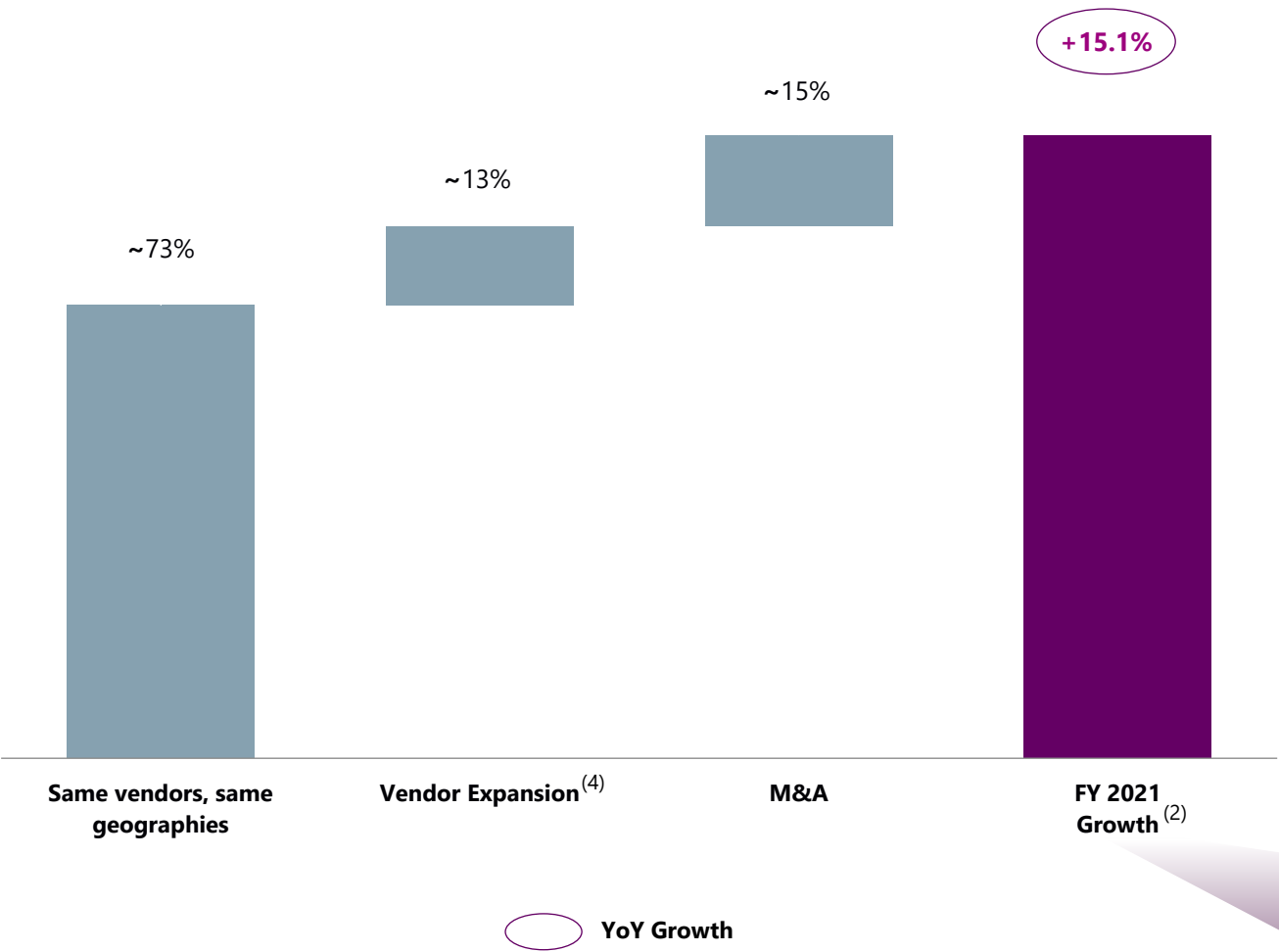




# Double Digit Growth Driven by Key Strategic Levers

## Full Year 2021 DRIVERS OF GROWTH

Contribution to Gross Sales growth <sup>(1)(2)</sup>



## RENEWAL METRICS BACK TO PRE-COVID LEVELS



**FY 2021 vendors renewal rate <sup>(3)</sup>**



**FY 2021 customers renewal rate <sup>(3)</sup>**

- **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.



# 2021 and Medium Term Financial Guidance Reiterated (1/2)

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





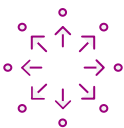
# 2021 and Medium Term Financial Guidance Reiterated (2/2)

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



# Key Investment Highlights



**Specialist** in a large, growing and complex cybersecurity market



**Proven ability** to identify and attract and grow emerging cybersecurity start-ups



**Partner of choice** to industry leaders



**Global footprint**, local expertise



**Compelling growth** at scale with multiple drivers of long-term growth



Q&A



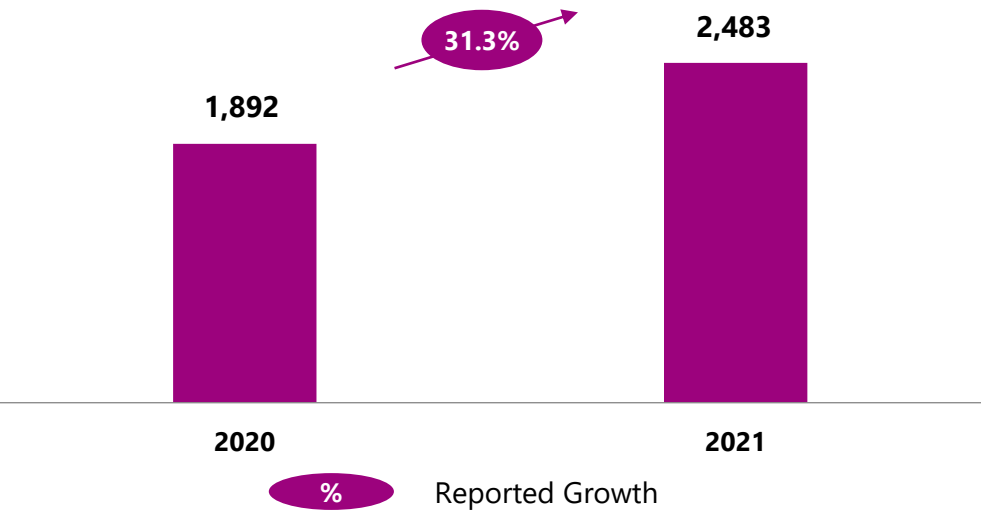
# Appendix



# FY 2021 Revenue: Double Digit Growth Above Cybersecurity Market

## ► FY 2021 REVENUE

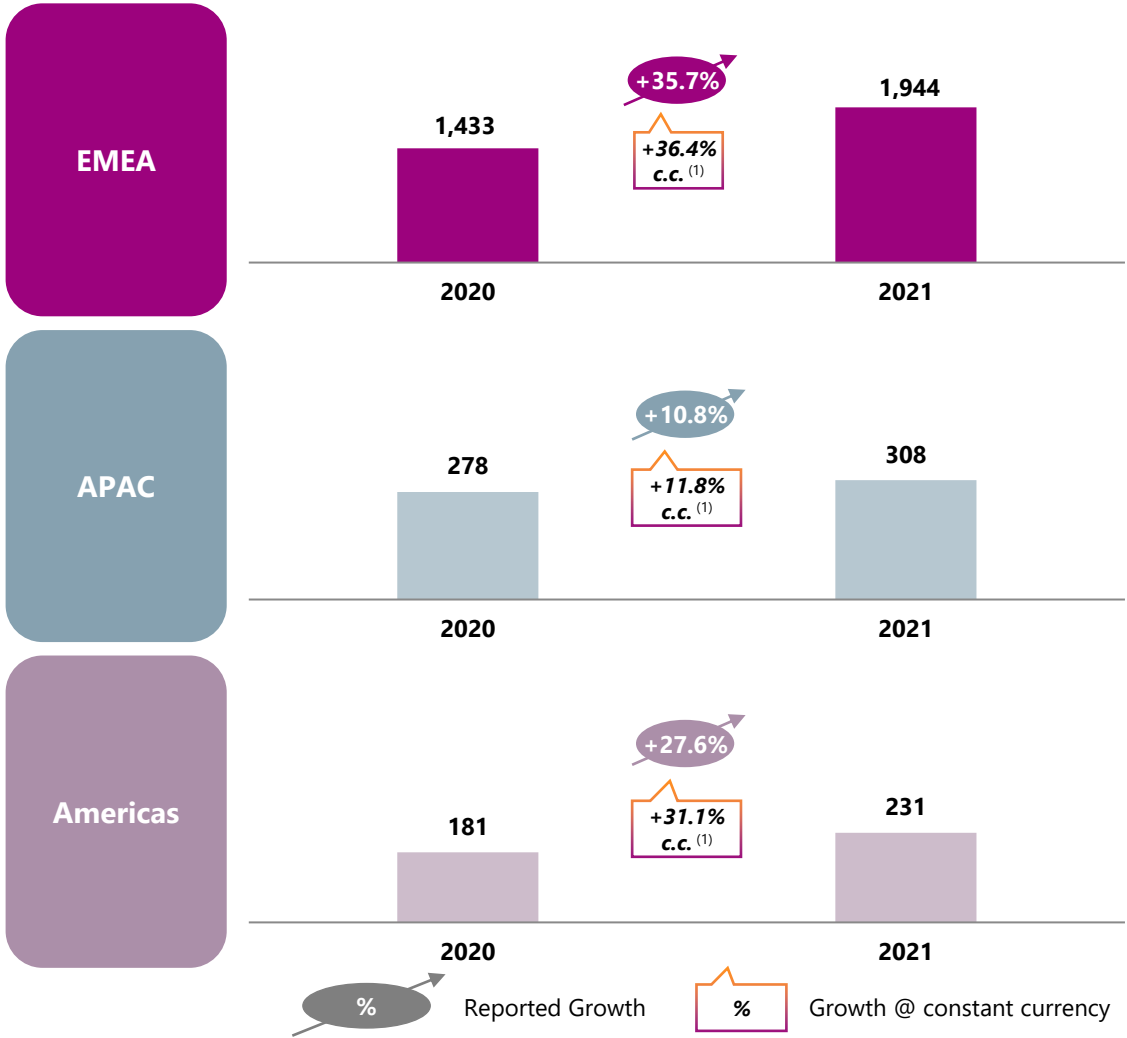
€m



YoY Growth	
Reported	+31.3%
@ Constant Currency <sup>(1)</sup>	+32.3%

## ► FY 2021 REVENUE BY SEGMENT

€m

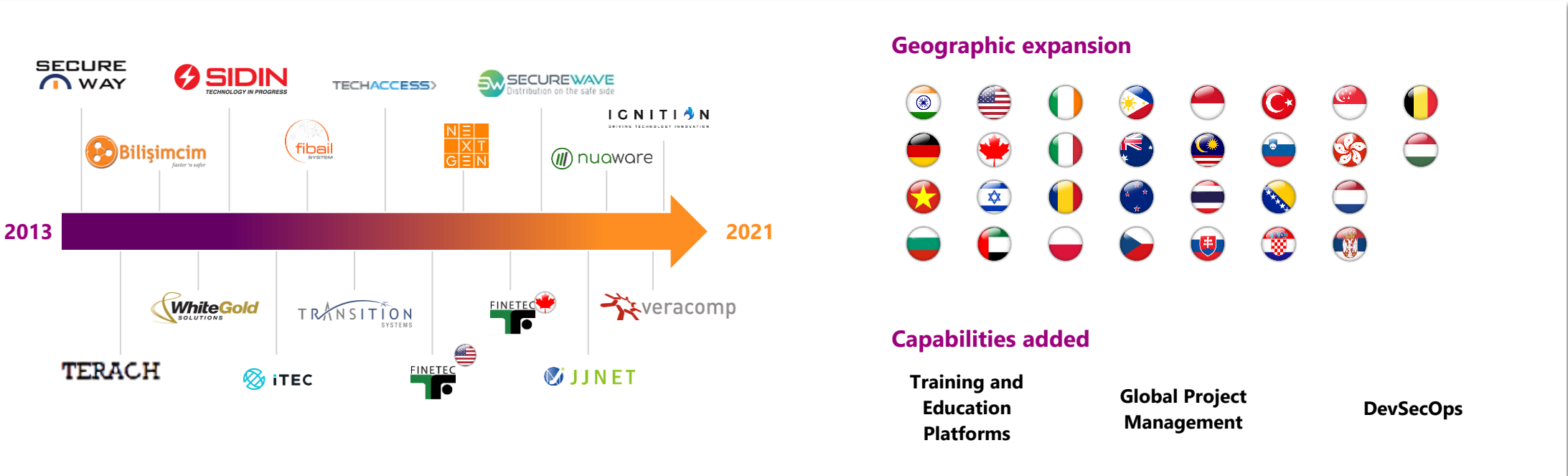


1. Variation at constant currency is computed using the fourth quarter of 2020 rates applied to the third quarter of 2021 revenue



# Proven Industry Consolidation Platform on a Global Scale

## › M&A UNDERPINS AND ACCELERATES OUR GROWTH STRATEGY



## › BEST-IN-CLASS M&A



Naturally consolidating the market



Proprietary pipeline in place



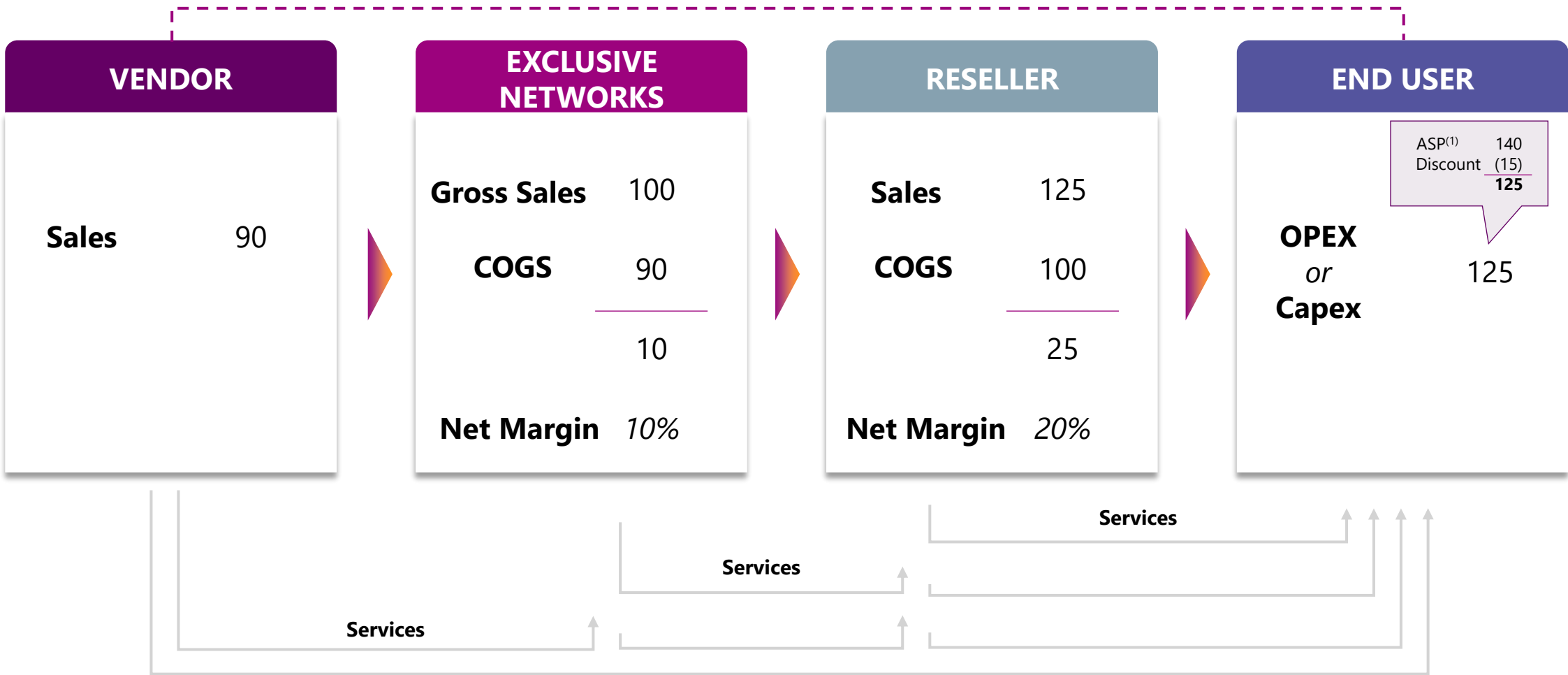
Integration team focused on adding value to the assets bought



# Financial Fundamentals of the 2-Tier Model

## ILLUSTRATIVE MARGIN PROFILE ALONGSIDE THE VALUE CHAIN

Pricing differential: 35 (~28%)

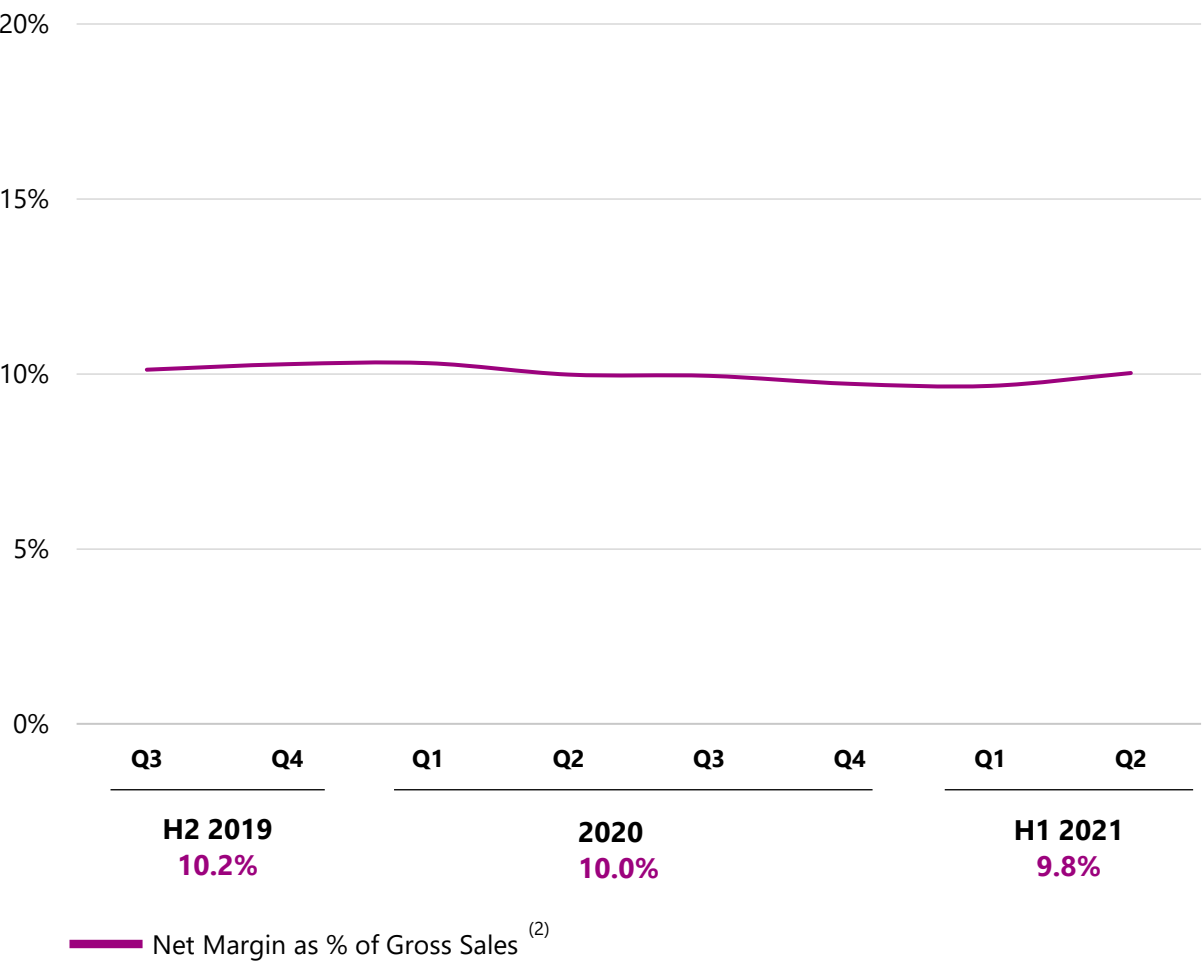


1. Average Selling Price



# Our Focus is Absolute Net Margin Growth and Expanding Adj. EBITA Conversion

► **STABLE NET MARGIN**



**KEY DRIVERS**

- **Size of deals and operational efficiency**
  - Larger deals can deliver more absolute margin contribution but at a lower net margin in % of Gross Sales
  - Intensity of sales and engineering support is not proportionate to deal size
- **Geographic mix**
  - Acceleration of growth outside of EMEA impacting overall Group margin in particular in US
- **Services to vendors and relationship maturity**
  - New relationships: margin can vary subject to the commercial ambition and opportunity. Recent additions include Crowdstrike, Okta, Nozomi and Netskope





# Our Financial KPIs: Definitions and Contemplated Reporting

		Definition	Years	Segments	Reporting
Topline	<b>K</b> Gross Sales	<ul style="list-style-type: none"> <li>Gross Sales represent revenue recognized by the Group on a gross basis for each revenue stream and before intra and inter segment intercompany eliminations</li> <li>Net of returns, discount and rebates</li> </ul>	2018, 2019, 2020	<b>EMEA, APAC, Americas</b>	Quarterly
	<b>I</b> Revenue	<ul style="list-style-type: none"> <li>IFRS revenue</li> <li>Support &amp; Maintenance margin accounted for revenue</li> <li>Net of returns, discount and rebates</li> </ul>	2019, 2020	<b>EMEA, APAC, Americas</b>	Quarterly
	<b>I</b> Net margin	<ul style="list-style-type: none"> <li>Revenue less costs of purchased goods and services and freight on sales</li> </ul>	2018, 2019, 2020	<b>Group</b>	Half-Yearly
Profitability	<b>K</b> Adj. EBITA	<ul style="list-style-type: none"> <li>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)</li> </ul>	2019, 2020	<b>EMEA, APAC, Americas, Corporate</b>	Half-Yearly
	<b>K</b> Adj. Net Income	<ul style="list-style-type: none"> <li>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</li> </ul>	2019, 2020	<b>Group</b>	Half-Yearly
	Free Cash Flow metrics	<ul style="list-style-type: none"> <li>Operating free cash flow before tax: for cash conversion</li> <li>Operating free cash flow (after tax, excl. M&amp;A)</li> <li>Free cash flow (incl. M&amp;A)</li> </ul>	2018, 2019, 2020	<b>Group</b>	Half-Yearly
<b>I</b> IFRS Metrics		<b>K</b> Non-GAAP KPIs			



# The Global Cybersecurity Specialist