



EXCLUSIVE NETWORKS – THIRD QUARTER 2024 FINANCIAL UPDATE

Solid third quarter 2024 at €1,334 m up 9% at reported and constant currency

SUSTAINED GROWTH

- Gross Sales up 9% reported and up 9% at constant currency to €1,334 m
- Geographic consolidation with M&A strategy paying off in APAC and solid growth in NAM at 11% at constant currency
- YTD growth up 9% reported and up 10% at constant currency

BOULOGNE-BILLANCOURT – November 4, 2024, at 06:00 P.M. CET

Exclusive Networks (Euronext Paris: EXN), a global leader in cybersecurity, today announces its Gross Sales and IFRS Revenue for the third quarter ended September 30, 2024. Please note that management will not hold a conference call on November 5, 2024, as originally scheduled.

Jesper Trolle, Chief Executive Officer, commented:

“I’m pleased to report that we had a solid third quarter, considering persistent challenging market conditions. We delivered continued growth, with gross sales at €1,334 million, up 9% both at constant currency and reported. This performance was mainly driven by APAC, up 71%, and Americas, up 11%.

In APAC, the integration of the Nextgen Group has strengthened and accelerated our growth, demonstrating that our M&A strategy aimed at geographic consolidation in the ANZ is paying off.

Our fundamentals are solid, our reputation as a trusted partner continues to be appreciated by vendors and customers alike, with retention rates consistently above 100%, paving the way for continued growth.

Even though deals have slipped due to lengthening decision-making processes, we see the year ending on a positive note, with a double-digit booking growth in the second and third quarters, confirming our confidence in achieving our 2024 guidance.”



Q3 2024 FINANCIAL PERFORMANCE HIGHLIGHTS

Net vendors retention rate¹ were at 105% on a rolling 12-month basis at Q3-24 (vs 122% in Q3-23) with **Net customers retention rates**¹ at 104% on a rolling 12-month basis at Q3-24 (vs 121% in Q3-23), supported by the sustained demand for our vendors' solutions and the continued engagement of our channel partners.

Q3 2024 Gross sales

| in € million | Q3 2023 | Q3 2024 | Variation | |
|--------------|--------------|--------------|------------|--------------------|
| | | | Reported | Constant Currency* |
| EMEA | 973 | 992 | +2% | +2% |
| AMERICAS | 157 | 173 | +10% | +11% |
| APAC | 99 | 169 | +71% | +72% |
| GROUP | 1,228 | 1,334 | +9% | +9% |

* Variation at constant currency is computed using the third quarter of 2023 rates applied to the third quarter of 2024 Gross sales. The USD, GBP and PLN evolved as follows; 1EUR: 1.087 USD; 1EUR: 0.851 GBP, 1EUR: 4.306 PLN respectively for Q4 2024 and 1EUR: 1.084 USD; 1EUR: 0.871 GBP, 1EUR: 4.584 PLN respectively for Q3 2023.

Gross sales were €1,334 million, an increase of 9% year over year on a reported basis, 9% at constant currency. Part of this reported growth (5.5%) was driven by M&A activities with the integration of NextGen Group. The remainder of the growth was a combination of Existing vendors in their current geographies (1.6%), vendors entering into new geographies (1.0%) and new vendor relationship (0.5%).

Growth has been impacted by slippage of deals into Q4. As Q4 is the last quarter of the calendar year, the Company is confident to achieve a solid Q4 vs LY.

EMEA (74% of total quarterly Gross sales): Gross sales rose to €992 million, an increase of €19 million or +2% at reported and at constant currency

AMERICAS (13% of total quarterly Gross sales): Gross sales were €173 million, up +10% reported or +11% at constant currency.

APAC (13% of total quarterly Gross sales): Gross sales were up to 169 million, up 71% year over year on reported basis and 72% at constant currency. The organic growth of APAC is 3.4% reported, 3.8% at constant currency experiencing its second quarter of positive growth vs LY, which clearly demonstrates our recovery capabilities.

In Q3-24, Gross sales mix grew towards Software and Support & Maintenance, in line with the strategy in place and confirming the relevance of the value proposition. **Hardware** on a rolling 12-month basis decreased to 23% of the Group (vs 26% in Q3-23), **Software** was up at 51% (vs 48% in Q3-23) and **Support & Maintenance** was stable at 26% (vs 26% in Q3-23).

Cloud-based business accounted for 34% of the Group in Q3-24 on a rolling 12-month basis, up 6 points compared to Q3-23 in line with our digital growth strategy.

¹ Defined as reported rolling 12 months Gross sales generated in year N from vendors/customers active in year N-1 divided by reported rolling 12 months Gross Sales from the same vendors/customers in year N-1.



Q3 2024 IFRS Revenue

| in € million | Q3 2023 | Q3 2024 | Variation | |
|--------------|------------|------------|-------------|--------------------|
| | | | Reported | Constant Currency* |
| EMEA | 275 | 281 | +2% | +3% |
| AMERICAS | 64 | 80 | +24% | +26% |
| APAC | 39 | 55 | +42% | +43% |
| GROUP | 378 | 415 | +10% | +11% |

* Variation at constant currency is computed using the third quarter of 2023 rates applied to the third quarter of 2024 revenue.

IFRS Revenue takes into account the recognition of the sales of support and maintenance on a Net Margin basis as per IFRS as Exclusive Networks is not the primary obligor for these solutions. IFRS Revenue reached €415 million, up 10% on a reported basis, in line with Gross sales evolution.

2024 OUTLOOK

In an environment still challenged by macroeconomic volatility, we remain confident in meeting our FY 2024 guidance:

- **Gross sales** growth in a range between 10% and 12% at constant currency
- **Net margin** in the range of €500 million to €515 million
- **Adj. EBIT** in the range of €200 and €210 million
- **Adj. Operating FCF** above 80% of Adj. EBITDA

SIGNIFICANT EVENTS SINCE SEPTEMBER 30, 2024

• Refinancing of the Group

As described in the press release issued by the Company on July 24, 2024, a consortium comprising CD&R and Everest UK HoldCo Limited, an entity controlled by the Permira funds and the majority shareholder of Exclusive Networks, is contemplating to acquire a majority shareholding in the Company (the "Block Acquisition"), which will be followed by a simplified mandatory tender offer on the remaining Company shares (the "Offer"), and if the legal conditions are met the implementation of a squeeze-out at the end of the Offer (together, the "Transaction"). In the context of the Transaction, and as also described in the press release of July 24, 2024, it is contemplated for the Company and Everest SubBidco to enter into new facilities agreement in order to, among others, finance the payment of the exceptional distribution approved by the shareholders meeting of October 31, 2024, and globally to refinance the existing indebtedness of the Group.

The Board of the company approved on November 4, 2024, the corresponding senior facilities agreement to which, among others, the Company and its subsidiary Everest SubBidco will be borrowers, which is in line with the conditions announced in July 2024 and will comprise a term loan made available to Everest SubBidco for a maximum principal amount of €925,000,000, deferred term loans made available to Everest SubBidco for a maximum combined principal amount of €235,000,000 and a revolving credit facility made available, among others, to the Company and Everest SubBidco for a principal amount of €235,000,000. A term loan is also available to Etna French Bidco under the senior facilities agreement for a maximum principal amount of €425,000,000 to finance the Block Acquisition, the Offer and if applicable the subsequent squeeze-out.

CONFERENCE CALL

As mentioned at the beginning of this press release, please note that management will not be holding a conference call on November 5, 2024, as originally planned.

PROVISIONAL CALENDAR

- FY 2024 Financial Results: March 25, 2025.



APPENDICES

9 months of 2024 Gross Sales

| in € million | 9 months of 2023 | 9 months of 2024 | Variation | |
|--------------|------------------|------------------|------------|--------------------|
| | | | Reported | Constant Currency* |
| EMEA | 2,795 | 2,971 | +6% | +7% |
| AMERICAS | 455 | 487 | +7% | +7% |
| APAC | 310 | 440 | +42% | +44% |
| GROUP | 3,560 | 3,898 | +9% | +10% |

* Variation at constant currency is computed using the third quarter of 2023 rates applied to the third quarter of 2024 Gross sales. The USD, GBP and PLN evolved as follows; 1EUR: 1.087 USD; 1EUR: 0.851 GBP, 1EUR: 4.306 PLN respectively for Q4 2024 and 1EUR: 1.084 USD; 1EUR: 0.871 GBP, 1EUR: 4.584 PLN respectively for Q3 2023.

9 months of 2024 IFRS Revenue

| in € million | 9 months of 2023 | 9 months of 2024 | Variation | |
|--------------|------------------|------------------|------------|--------------------|
| | | | Reported | Constant Currency* |
| EMEA | 842 | 800 | -5% | -4% |
| AMERICAS | 179 | 203 | +13% | +14% |
| APAC | 134 | 136 | +1% | +3% |
| GROUP | 1,155 | 1,139 | -1% | -1% |

** Variation at constant currency is computed using 9 months of 2023 rates applied to 9 months of 2024 revenue.

Gross sales to revenue reconciliation

| in € million | Q3-23 | 9 months of 2023 | Q3-24 | 9 months of 2024 |
|------------------------------|--------------|------------------|--------------|------------------|
| Gross sales | 1,228 | 3,560 | 1,334 | 3,898 |
| Agent vs principal – IFRS 15 | (850) | (2,405) | (918) | (2,759) |
| Revenue | 378 | 1,155 | 415 | 1,139 |

EXCLUSIVE NETWORKS CONTACTS

Investors & Analysts

Nicolas Leroy
Global Communications Director
ir@exclusive-networks.com

Media

FTI Consulting
Emily Oliver / Jamie Ricketts
+33 (0)6 28 73 45 15
+44 (0)7976 718 948
exclusivenetworks@fticonsulting.com



About Exclusive Networks

Exclusive Networks (EXN) is a global cybersecurity specialist that provides partners and end-customers with a wide range of services and product portfolios via proven routes to market. With offices in over 45 countries and the ability to serve customers in over 170 countries, we combine a local perspective with the scale and delivery of a single global organisation.

Our best-in-class vendor portfolio is carefully curated with all leading industry players. Our services range from managed security to specialist technical accreditation and training and capitalize on rapidly evolving technologies and changing business models. For more information visit www.exclusive-networks.com.

DISCLAIMER

This press release may contain forward-looking statements. Such statements may include projections, estimates, assumptions, statements regarding plans, objectives, intentions and/or expectations with respect to future financial results, events, operations and services and product development, as well as statements, regarding future performance or events. Forward-looking statements are generally identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates”, “plans”, “projects”, “may”, “would” “should” or the negatives of these terms and similar expressions. Although Exclusive Network’s management currently believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking statements are subject to various risks and uncertainties (including, without limitation, risks identified in Exclusive Networks’ Registration Document available on Exclusive Networks’ website), because they relate to future events and depend on future circumstances that may or may not occur and may be different from those anticipated, many of which are difficult to predict and generally beyond the control of Exclusive Networks. Actual results and developments may differ materially from those expressed in, implied by or projected by forward-looking statements. Forward-looking statements are not intended to and do not give any assurances or comfort as to future events or results. Other than as required by applicable law, Exclusive Networks does not undertake any obligation to update or revise any forward-looking statement.

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