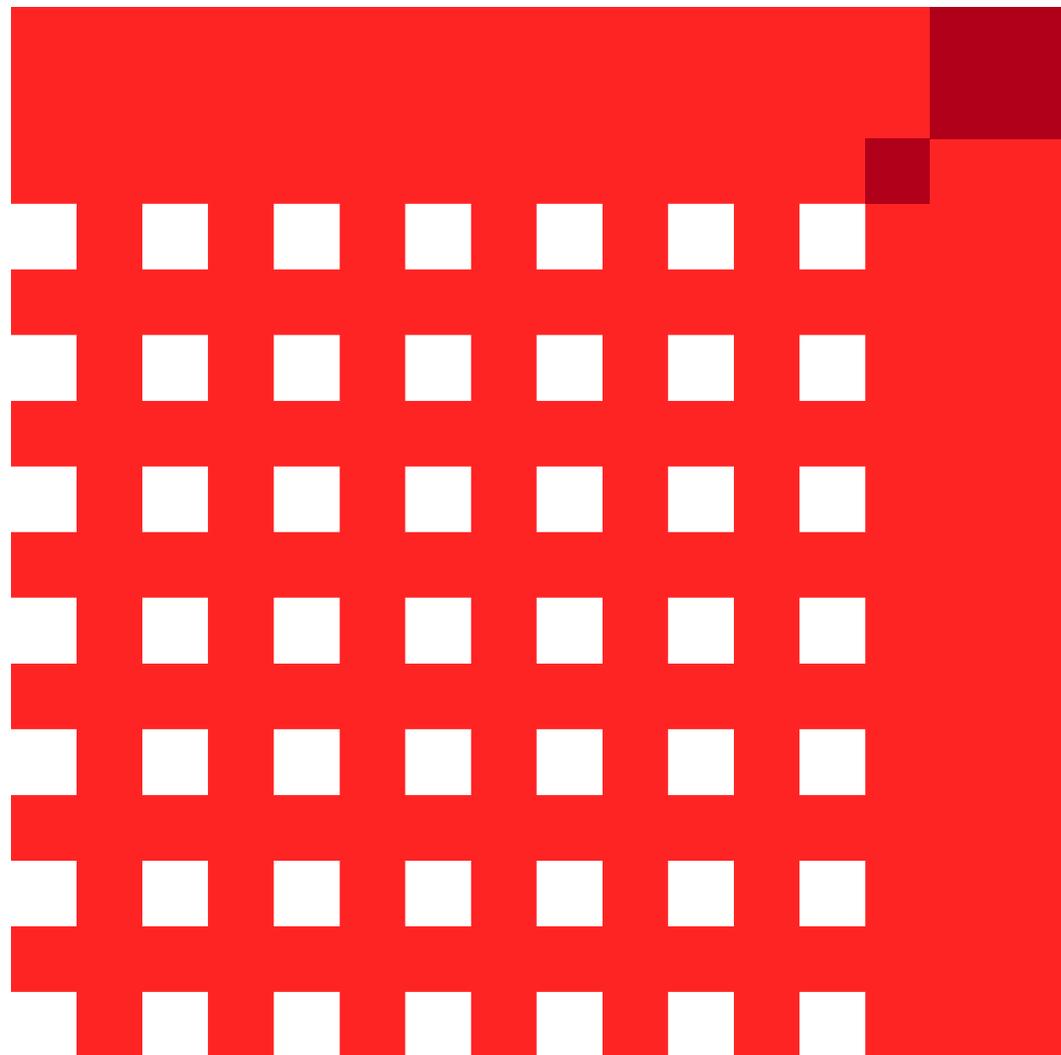




# 2022 Full-Year Results

Analysts Conference

February 22, 2023



# Disclaimer

## Forward-looking statements

This presentation contains forecasts that may be subject to various risks and uncertainties concerning the Company's future growth and profitability. The Company highlights that contract signatures, which represent investments for customers, are historically more significant in the second half of the year and may therefore have a more or less favorable impact on full-year performance.

Furthermore, activity during the year and/or actual results may differ from those described in this document as a result of a number of risks and uncertainties set out in the 2021 Universal Registration Document filed with the French Financial Markets Authority (*Autorité des Marchés Financiers*, AMF) on March 24, 2022, under number D. 22-0145.

The distribution of this document in certain countries may be subject to prevailing laws and regulations. Individuals present in these countries and in which this document is disseminated, published or distributed, should obtain information about such restrictions and comply with them.

# Agenda



1. Operational Commentary on 2022
2. 2022 Financial Results
3. Customers & Market Trends
4. Targets & Ambition
5. Q&A Session



**Patrick Donovan**  
Chief Executive Officer



**Cécile Allmacher**  
Chief Financial Officer

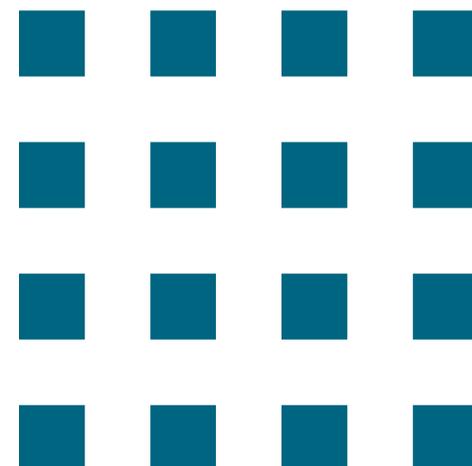


**Roland Royer**  
Chief Customer Officer

# Operational Commentary on 2022



Patrick Donovan  
Chief Executive Officer



# Historic Q4 performance, FY targets exceeded



**Organic growth @ +5.5%** vs. +1 to +3% target



**Profit on operating activities @ 14.7%** vs. 12 to 14% target



**Portfolio rationalization** executed as planned

# Our stakeholders are at the heart of our strategy...

## OUR CUSTOMERS

Delivering brilliant customer experience

API Calls	15,000 calls
Push Notifications	10,000 calls
File Storage	4 GB
Database Storage	0 GB
Container Points	100 points
Analytics Events	1,000,000 events
Integration Builder Transactions	100,000 transactions
Flows	100 flows

- App Builder  
Build cross-platform native apps.
- Integration Builder  
Use all your API Management applications.
- Central  
Management and governance console.

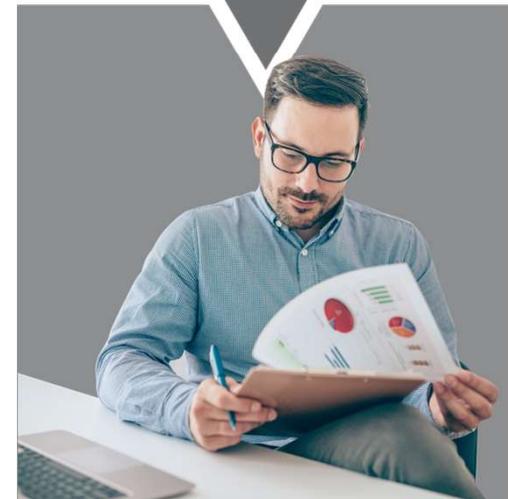
## OUR EMPLOYEES

Axway — The place to be



## OUR SHAREHOLDERS

Building a predictable, profitable company for the long term



... and we continue to deliver value to each of them!

### OUR CUSTOMERS

Delivering brilliant customer experience

- **Customer satisfaction at its highest with NPS at 35**
- **Focused portfolio to Customers' needs**
- **Long-term Partner**

### OUR EMPLOYEES

Axway – The place to be

- **Employee Engagement Score > 60 target with 61 achieved on last survey**
- **199 Recruitments in 2022**
- **Reinforced dialogue**

### OUR SHAREHOLDERS

Building a predictable, profitable company for the long term

- **Growth AND Profitability**
- **Consistent dividend**
- **Share buybacks to fund employee plans**

# Focus on strategic core product lines

4 Main product lines representing 90% of Axway's revenue

## Axway Managed File Transfer

Secure, reliable, and easy-to-manage solution for transferring data between people, partners, businesses, and applications



## Axway B2B Integration

A secure, API-enabled approach to EDI that lets enterprise respond faster to evolving business demands

## Amplify API Management Platform

The only open, independent platform for governing APIs across teams, the hybrid cloud, and third-party gateways

## Axway Financial Accounting Hub (AFAH)

Accelerate digital finance transformation by reducing finance information system complexity

# Optimization of the product portfolio

## REFOCUSED

**Rationalization executed** as planned:  
3 non-growing and/or non-profitable  
specialized products disposed of or  
discontinued in 2022

€9.3m revenue which represent  
3% of 2022 revenue  
(5% of 2021 revenue)



## STRENGTHENED

**Acquisition of**



**Cloud Native Integration Platform**  
20+ people based in Hyderabad, India

**CUSTOMER-CENTRIC**

# 2022 Key Figures

**€314.0m**

## Revenue

compared to €285.5m in 2021, an organic growth of 5.5%

**€46.3m**

## Profit on Operating Activities

or 14.7% of revenue, up 320bps vs. 11.5% in 2021

**+31.0%**

## Subscription Growth

or €154.0m vs. €117.6m in 2021

**+12.5%**

## ARR Growth

or €196.5m vs. €174.8m in Q4 2021





# 2022 Financial Results



Cécile Allmacher  
Chief Financial Officer

# 2022 Full-Year Results

## KEY FIGURES

Organic Growth\*

**+5.5%**

Total Growth

**+10.0%**

Profit on Op. Activities

**14.7%**

or €46.3m

Net profit

**-12.8%**

or €-40.0m

## INCOME STATEMENT

*In millions of euros*

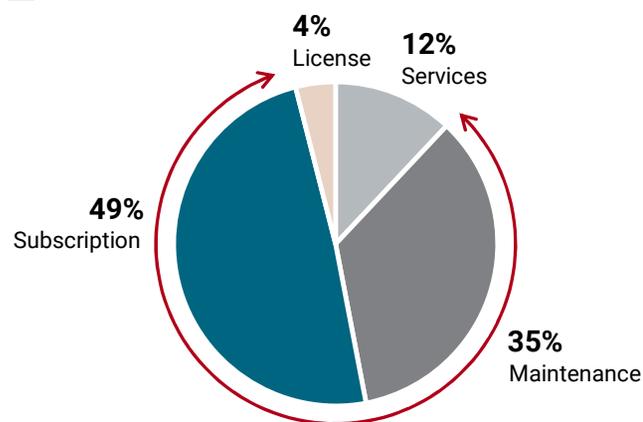
	2022		2021	
	€m	% of Rev.	€m	% of Rev.
<b>Revenue</b>	<b>314.0</b>		<b>285.5</b>	
Cost of sales	91.4		83.3	
<b>Gross Profit</b>	<b>222.6</b>	70.9%	<b>202.3</b>	70.8%
Operating expenses	176.4		169.4	
<i>of which Sales and marketing</i>	93.2		89.0	
<i>of which Research and development</i>	57.3		55.3	
<i>of which General and administrative</i>	25.9		25.0	
<b>Profit on operating activities</b>	<b>46.3</b>	14.7%	<b>32.9</b>	11.5%
<b>Profit from recurring operations</b>	<b>37.4</b>	11.9%	<b>19.9</b>	7.0%
<b>Operating profit</b>	<b>-46.4</b>	-14.8%	<b>17.3</b>	6.1%
Income taxes	7.4		-6.9	
<b>Net profit</b>	<b>-40.0</b>	-12.8%	<b>9.6</b>	3.4%
Basic earnings per share (in €)	-1.85		0.45	

↳ Restated from disposals impact net profit would have represented more than 10% of revenue

\* Alternative performance measures are defined in the glossary at the end of this document.

# 2022 Full-Year Results

## REVENUE BY ACTIVITY



**84% Renewable contracts**  
vs. 82% in 2021

[€m]	2022	2021 Restated*	2021 Reported	Total Growth	Organic Growth*
License	11.6	19.6	18.6	-37.6%	-40.8%
Subscription	154.0	117.6	114.2	+34.8%	+31.0%
Maintenance	111.2	125.0	119.0	-6.6%	-11.1%
Services	37.3	35.4	33.8	+10.3%	+5.4%
<b>Axway</b>	<b>314.0</b>	<b>297.6</b>	<b>285.5</b>	<b>+10.0%</b>	<b>+5.5%</b>

\* Alternative performance measures are defined in the glossary at the end of this document

- Very strong growth on the Subscription activity for the fourth consecutive year
- Decline in maintenance as planned

# 2022 Full-Year Results

## LICENSE & MAINTENANCE ACTIVITIES

[€m]	2022	2021 Restated*	2021 Reported	Total Growth	Organic Growth*
<b>License</b>	<b>11.6</b>	<b>19.6</b>	<b>18.6</b>	<b>-37.6%</b>	<b>-40.8%</b>
<i>of which Q4 22</i>	<i>3.0</i>	<i>4.5</i>	<i>4.6</i>	<i>-34.9%</i>	<i>-33.8%</i>
<b>Maintenance</b>	<b>111.2</b>	<b>125.0</b>	<b>119.0</b>	<b>-6.6%</b>	<b>-11.1%</b>
<i>of which Q4 22</i>	<i>26.9</i>	<i>30.3</i>	<i>29.4</i>	<i>-8.8%</i>	<i>-11.4%</i>

\* Alternative performance measures are defined in the glossary at the end of this document

- License activity relating mainly to specialized products
- As forecasted, Maintenance activity is dropping due to lower licenses sales and the migration to subscription

# 2022 Full-Year Results

## SUBSCRIPTION ACTIVITY

[€m]	2022	2021 Restated*	2021 Reported	Total Growth	Organic Growth*
<b>Subscription</b>	<b>154.0</b>	<b>117.6</b>	<b>114.2</b>	<b>+35%</b>	<b>+31.0%</b>
<i>of which Q1 22</i>	<i>26.4</i>	<i>24.4</i>	<i>23.7</i>	<i>+11%</i>	<i>+8.2%</i>
<i>of which Q2 22</i>	<i>29.5</i>	<i>29.7</i>	<i>28.1</i>	<i>+5%</i>	<i>-0.8%</i>
<i>of which Q3 22</i>	<i>27.4</i>	<i>30.2</i>	<i>27.8</i>	<i>-1.7%</i>	<i>-9.5%</i>
<i>of which Q4 22</i>	<i>70.7</i>	<i>33.2</i>	<i>34.6</i>	<i>+105%</i>	<i>+113.2%</i>

\* Alternative performance measures are defined in the glossary at the end of this document

→ Very strong Subscription activity which now represents 49% of Axway's total revenue

→ Upfront revenue represented €78.7m in 2022 vs. €51.5m in 2021

# 2022 Full-Year Results

## SERVICES ACTIVITY

[€m]	2022	2021 Restated*	2021 Reported	Total Growth	Organic Growth*
<b>Services</b>	<b>37.3</b>	<b>35.4</b>	<b>33.8</b>	<b>+10.3%</b>	<b>+5.4%</b>
<i>of which Q1 22</i>	<i>9.0</i>	<i>9.3</i>	<i>9.0</i>	<i>-1.0%</i>	<i>-4.0%</i>
<i>of which Q2 22</i>	<i>9.3</i>	<i>8.7</i>	<i>8.3</i>	<i>+11.8%</i>	<i>+6.3%</i>
<i>of which Q3 22</i>	<i>9.6</i>	<i>8.3</i>	<i>7.7</i>	<i>+23.9%</i>	<i>+15.8%</i>
<i>of which Q4 22</i>	<i>9.5</i>	<i>9.1</i>	<i>8.8</i>	<i>+8.5%</i>	<i>+4.6%</i>

\* Alternative performance measures are defined in the glossary at the end of this document

- Good growth in 2022 due to a return to business as usual after the COVID-19 pandemic
- Services revenue anticipated to stabilize and remain around 12% to 13% of Axway's total revenue

# 2022 Full-Year Results

Main Balance Sheet items at 31/12/2022

**Cash and cash equivalents**

**€18.3m**

vs. €25.4m at 31/12/2021

**DSO**

**155 days**

vs. 121 days at 31/12/2021

**Total assets**

**€571.1m**

vs. €582.9m at 31/12/2021

**Net debt**

**€69.5m**

vs. €36.5m at 31/12/2021

**Current deferred revenues**

**€55.6m**

vs. €55.8m at 31/12/2021

**Total equity**

**€327.8m**

vs. €372.2m at 31/12/2021

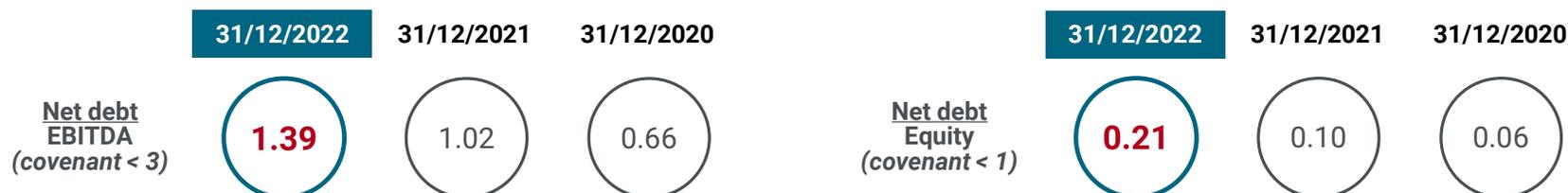
# 2022 Full-Year Results

## CASH FLOWS

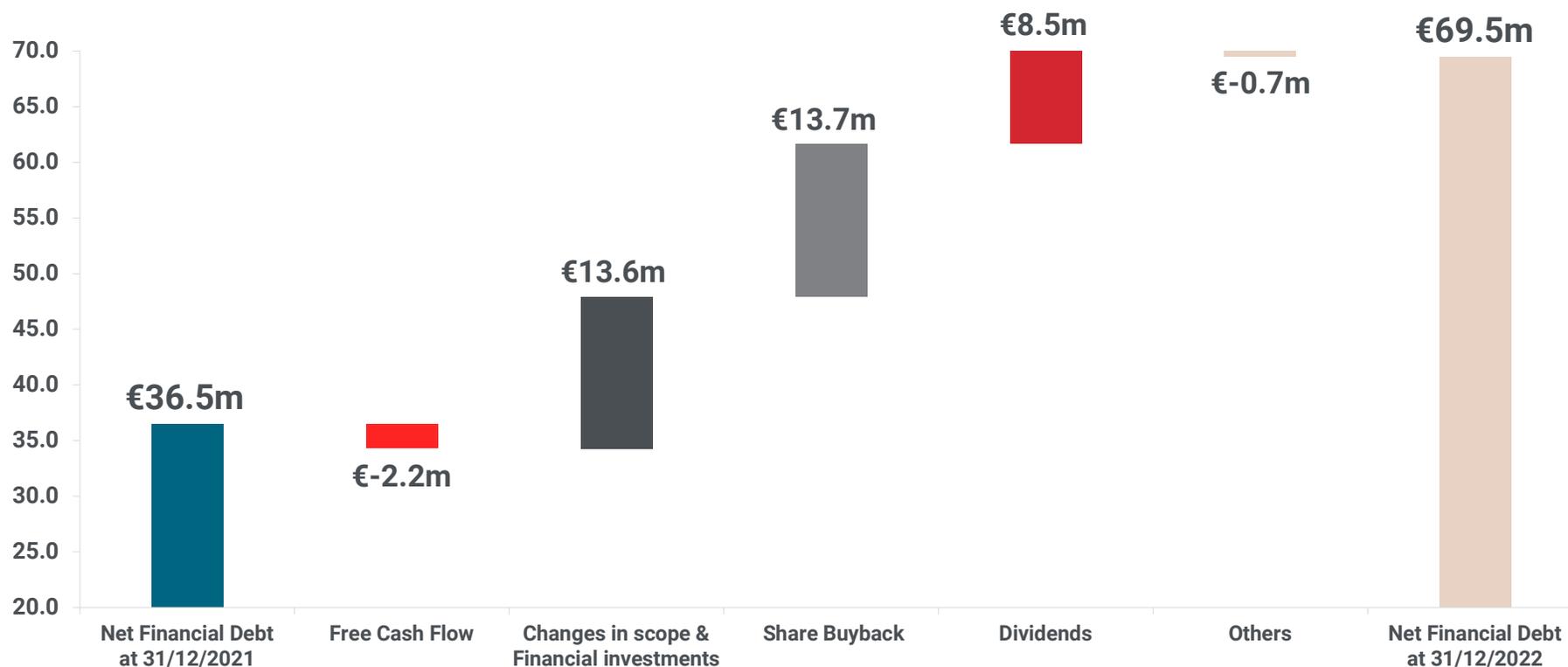
*In millions of euros*

	2022	2021
<b>Net profit for the period</b>	<b>-40.0</b>	<b>9.6</b>
<b>Change in operating working capital requirements</b>	<b>-41.0</b>	<b>-26.2</b>
Net cash from operating activities	13.0	12.9
<b>Free cash flow</b>	<b>2.2</b>	<b>2.9</b>
Net cash used in investing activities	-11.1	-2.8
Net cash used in financing activities	-9.4	-1.7
<b>Net change in cash and cash equivalents</b>	<b>-6.9</b>	<b>9.0</b>
Opening cash position	25.2	16.2
<b>Closing cash position</b>	<b>18.3</b>	<b>25.2</b>

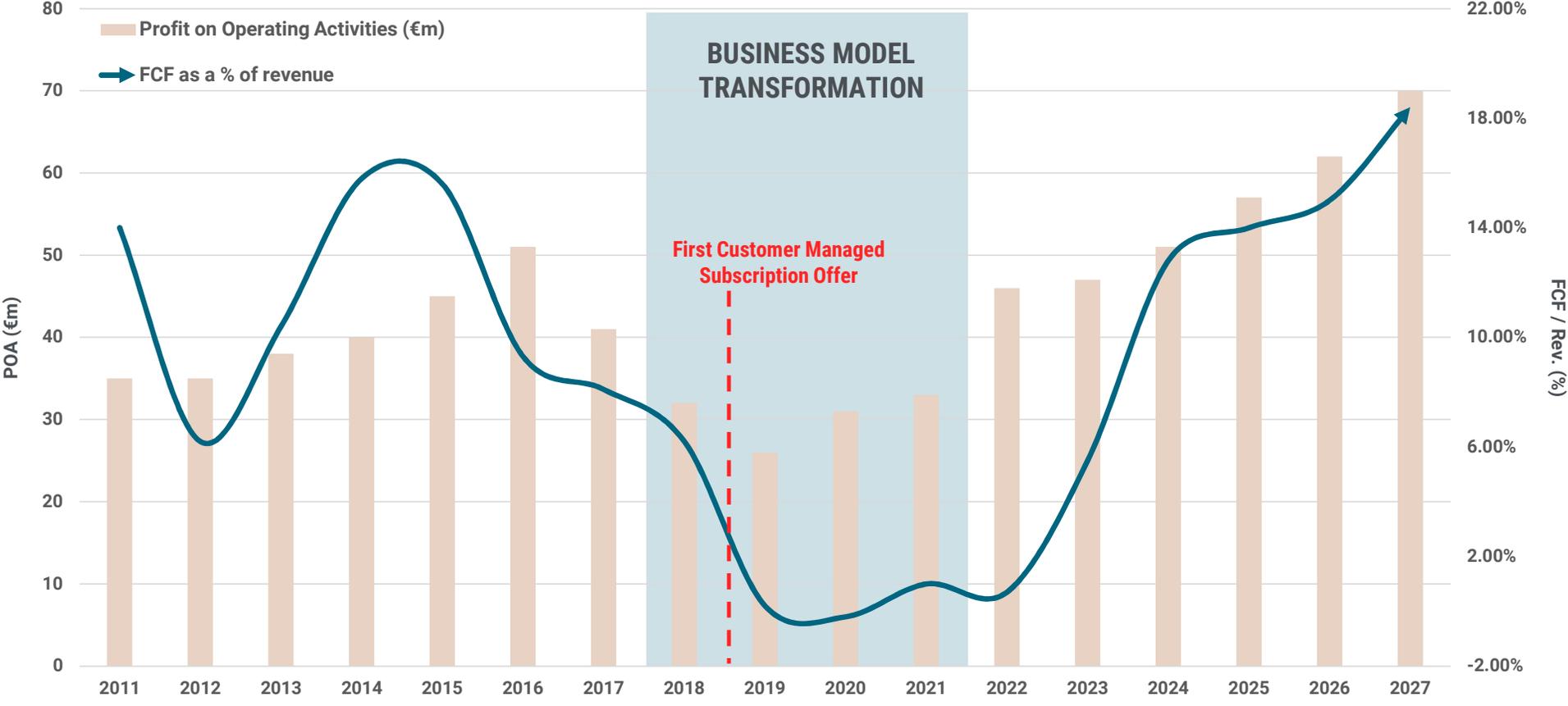
## COVENANTS



# 2022 Full-Year Results - Change in Net Debt



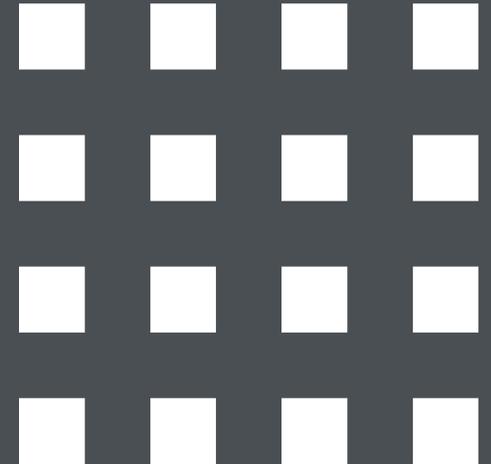
# Progressive normalization of Free Cash Flow



# Customers & Market trends



Roland Royer  
Chief Customer Officer



# Customer experience as a company value

**NET PROMOTER SCORE**

**35**

COMPARED TO 29  
AT THE END OF 2021

**OVERALL RENEWAL  
SUCCESS RATE**

**94%**

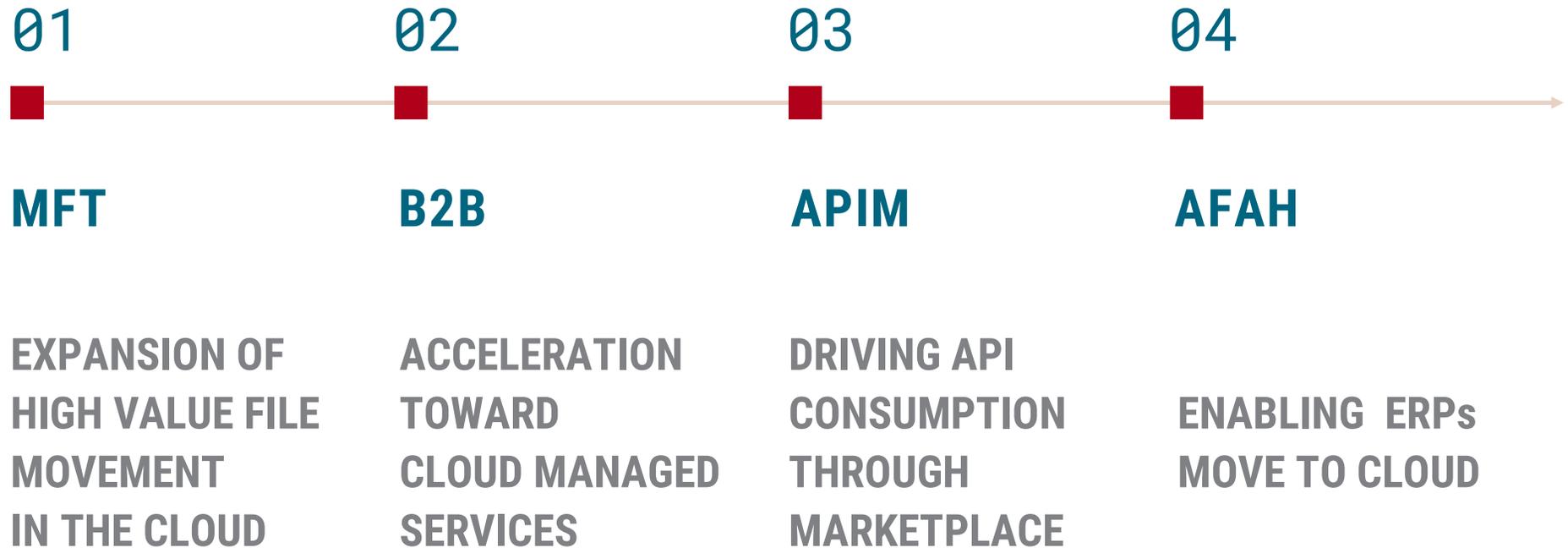
RENEWED OR MOVED  
TO SUBSCRIPTION

**AVERAGE MIGRATION  
MULTIPLIER**

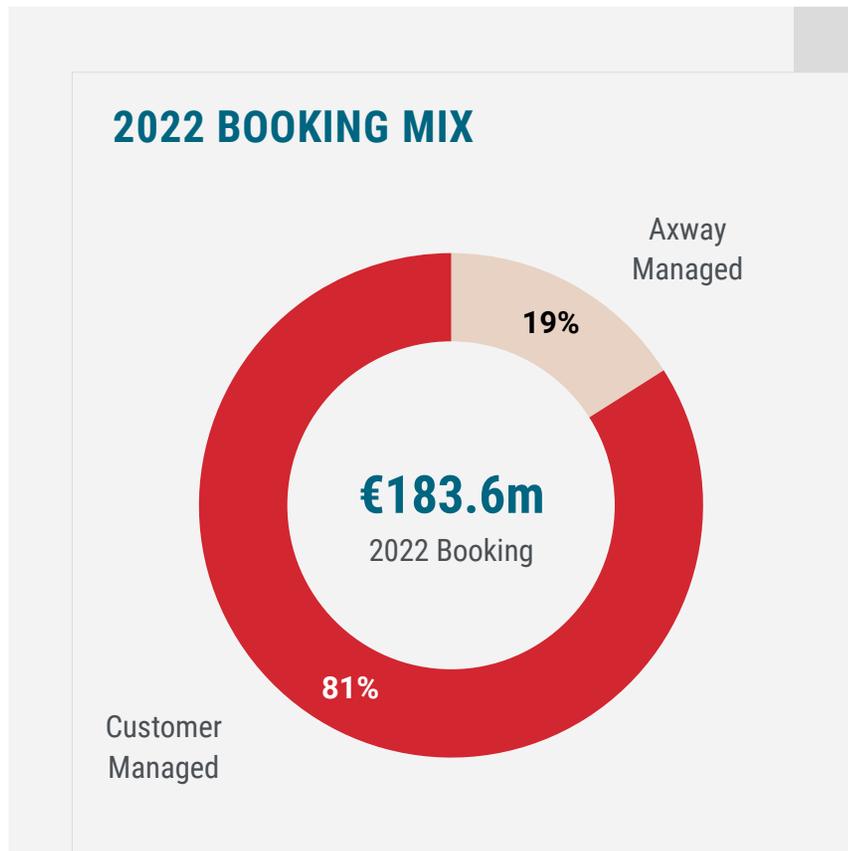
**2.1x**

MAINTENANCE MOVING TO  
SUBSCRIPTION

# Product lines drivers



# Subscription – Customer and Axway Managed



- ## AXWAY MANAGED
- 23% YoY Booking Growth
  - Largest new customer > 5m€ over 5 years
  - B2B representing 60% of booking
- ## CUSTOMER MANAGED
- 38% of Customer Managed contracts signed for a 5 years duration
  - MFT representing 55% of booking

# Looking ahead

**STILL GREAT POTENTIAL**

**55%**

OF INITIAL CUSTOMER BASE  
STILL AVAILABLE TO  
MIGRATE

**AND OPPORTUNITIES**

**+3%**

INCREASE IN PIPELINE  
ENTERING 23 VS. 22  
DESPITE DECEMBER BOOKING  
LEVEL

**TO SEIZE...**

- **NEW SOLUTION WITH GREAT INITIAL TRACTION ON OUR CUSTOMER BASE**
- **AMPLIFY INTEGRATION AND AMPLIFY MARKETPLACE**



# Targets & Ambition



Patrick Donovan  
Chief Executive Officer



# 2023 Priorities

01

## Employee Engagement

Ensure all Axway employees understand and are engaged in delivering delightful customer experiences



02

## Continued Focus on Delivering Operational Efficiency

Confidence in our strategy and guidance



03

## Portfolio Management Execution

Add assets aligned to strategy and properly manage our current assets



# Building our strength year after year...

	2022	2021	2020	2019	2018	5 Years Average	2013-17 Average	2023 Guidance
<b>Organic Revenue Growth (%)</b>	+5.5%	-2.7%	+0.5%	+3.3%	-3.6%			
<i>excluding disposed products</i>	+7.4%	+0.3%	+1.6%	+4.9%	-2.2%	+2.4%	+1.6%	<b>0 to +3%</b>
<b>Profit on Operating Activities (€m)</b>	46.3	32.9	30.8	25.9	31.9			
<i>as a % of revenue</i>	14.7%	11.5%	10.4%	8.6%	11.2%		15.4%	<b>15 to 18%</b>
<b>Basic EPS (€)</b>	-1.85	0.45	0.40	0.25	0.18			
<i>restated from disposals impact</i>	1.47	0.45	0.40	0.25	0.18		1.34	
<b>Free Cash Flow (€m)</b>	2.2	2.9	-0.7	8.3	17.5			
<i>as a % of revenue</i>	0.7%	1.0%	-0.2%	2.8%	6.2%		11.8%	

# Adjusting our mid-term ambitions

## PREVIOUSLY



Profit on Operating Activities  $\geq$  15%



Earnings per share  $\geq$  €1

Revenue  $\geq$  €500 million (including M&A)

## FROM NOW ON



Profit on Operating Activities  $\approx$  20%



Opportunistic Strategy to €500m Revenue



# Q&A Session

Call +44 (0) 33 0551 0200 or use the chat to ask a question

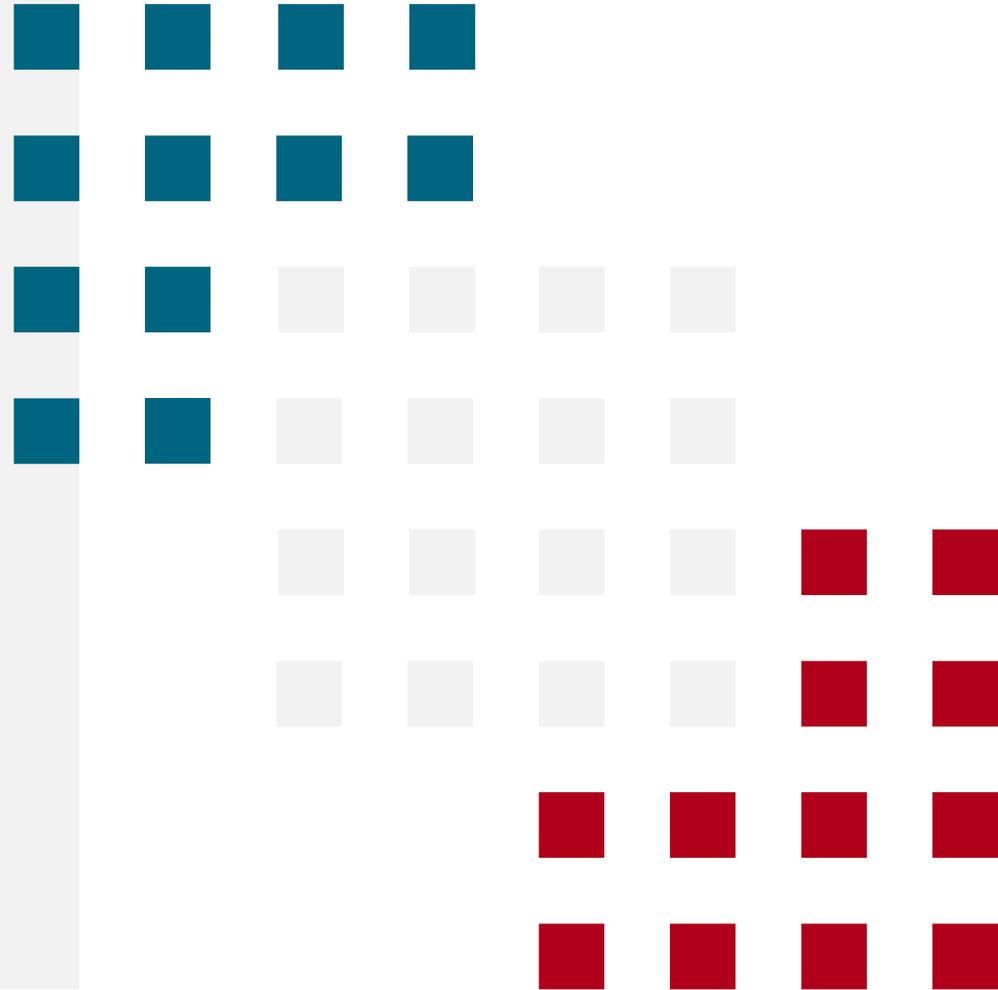
## Financial Calendar

Friday, March 24, 2023: Filing of the 2022 Universal Registration Document

Thursday, April 27, 2023, before market opening: Publication of Q1 2023 Revenue

Thursday, May 11, 2023, 2:30 p.m. (UTC+1): Annual Shareholders' Meeting

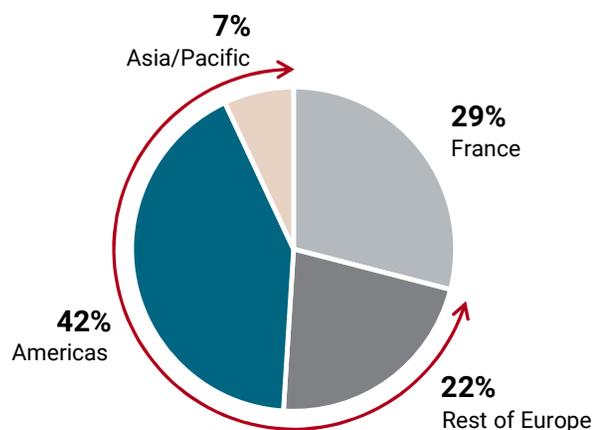
**Thank  
you**





# 2022 Full-Year Results

## REVENUE BY GEOGRAPHY

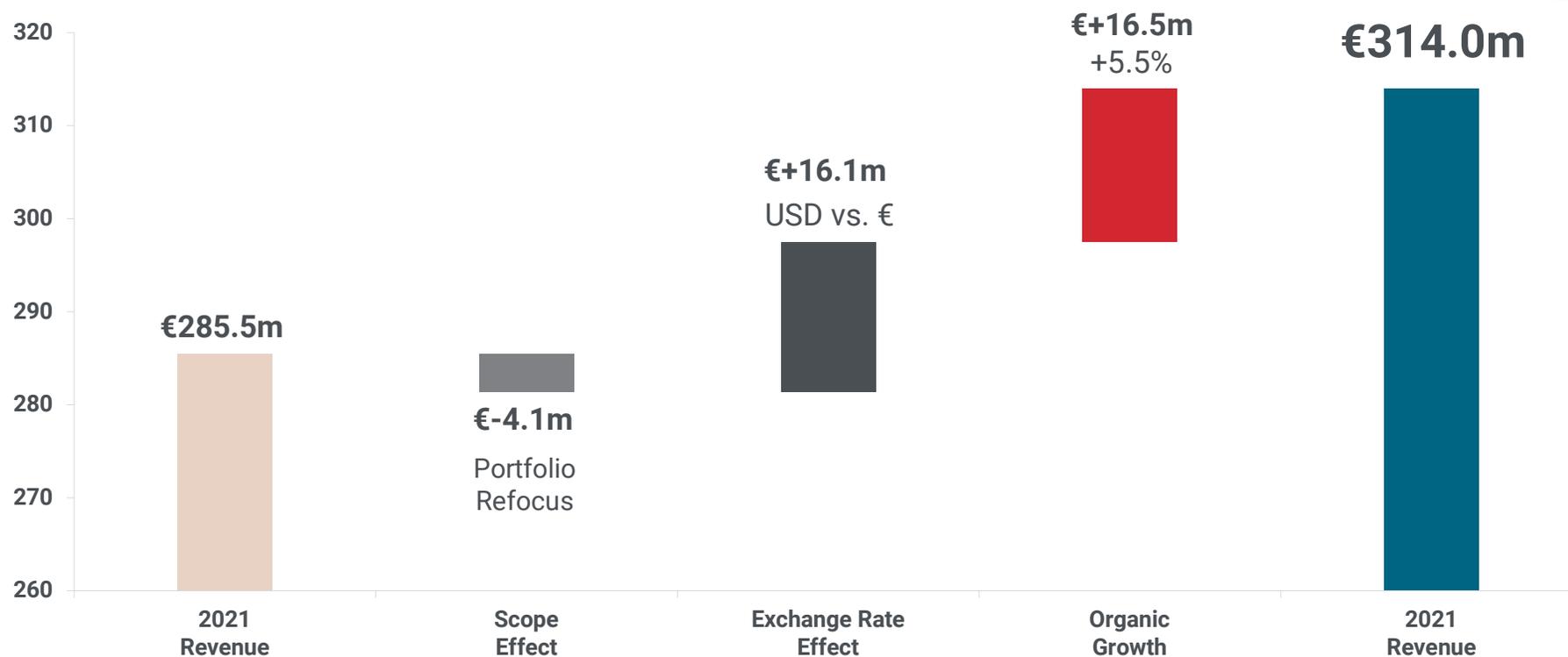


**71% International revenue**  
vs. 72% in 2021

[€m]	2022	2021 Restated*	2021 Reported	Total Growth	Organic Growth*
France	91.6	81.2	81.4	+12.5%	+12.8%
Rest of Europe	68.4	66.6	67.4	+1.5%	+2.7%
Americas	133.3	131.1	119.4	+11.6%	+1.6%
Asia/Pacific	20.8	18.6	17.3	+19.8%	+11.8%
<b>Axway</b>	<b>314.0</b>	<b>297.6</b>	<b>285.5</b>	<b>+10.0%</b>	<b>+5.5%</b>

\* Alternative performance measures are defined in the glossary at the end of this document

# 2022 Full-Year Results - Change in Revenue



# 2022 Full-Year Results

## SIMPLIFIED BALANCE SHEET

- Cash and cash equivalents of €18.3m
- DSO of 155 days vs. 121 at 31/12/2021
- €69.5m Net debt
- Current deferred revenues of €55.6m

<i>In millions of euros</i>	<b>31/12/2022</b>	<b>31/12/2021</b>
<b>Assets</b>		
Goodwill	297.8	348.3
<b>Non-current assets</b>	<b>374.0</b>	<b>424.6</b>
Trade receivables	148.1	105.1
Other current assets	30.6	27.8
Cash and cash equivalents	18.3	25.4
<b>Current assets</b>	<b>197.1</b>	<b>158.3</b>
<b>Total Assets</b>	<b>571.1</b>	<b>582.9</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>	<b>327.8</b>	<b>372.2</b>
Financial debt - long-term portion	84.6	60.1
Lease liabilities - long-term portion	23.5	27.2
Other non-current liabilities	11.7	13.6
<b>Non-current liabilities</b>	<b>119.8</b>	<b>100.9</b>
Financial debt - short-term portion	3.2	1.7
Lease liabilities - short-term portion	5.8	6.2
Deferred revenues	55.6	55.8
Other current liabilities	58.9	46.0
<b>Current liabilities</b>	<b>123.5</b>	<b>109.8</b>
<b>Total Liabilities</b>	<b>243.3</b>	<b>210.7</b>
<b>Total Equity and Liabilities</b>	<b>571.1</b>	<b>582.9</b>

# 2022 Full-Year Results

## CHANGES IN EQUITY & EARNINGS PER SHARE AT 31/12/2022

<i>In millions of euros</i>	<b>31/12/2022</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
<b>Equity at Beginning of Period</b>	<b>372.2</b>	<b>355.5</b>	<b>362.6</b>
Profit for the period	-40.0	9.6	8.5
Dividends	-8.5	-8.6	0.0
Capital increase	0.0	2.1	0.6
Other	-10.3	-5.0	4.2
Foreign exchange translation adjustments	14.4	18.6	-20.5
<b>Equity at End of Period</b>	<b>327.8</b>	<b>372.2</b>	<b>355.5</b>

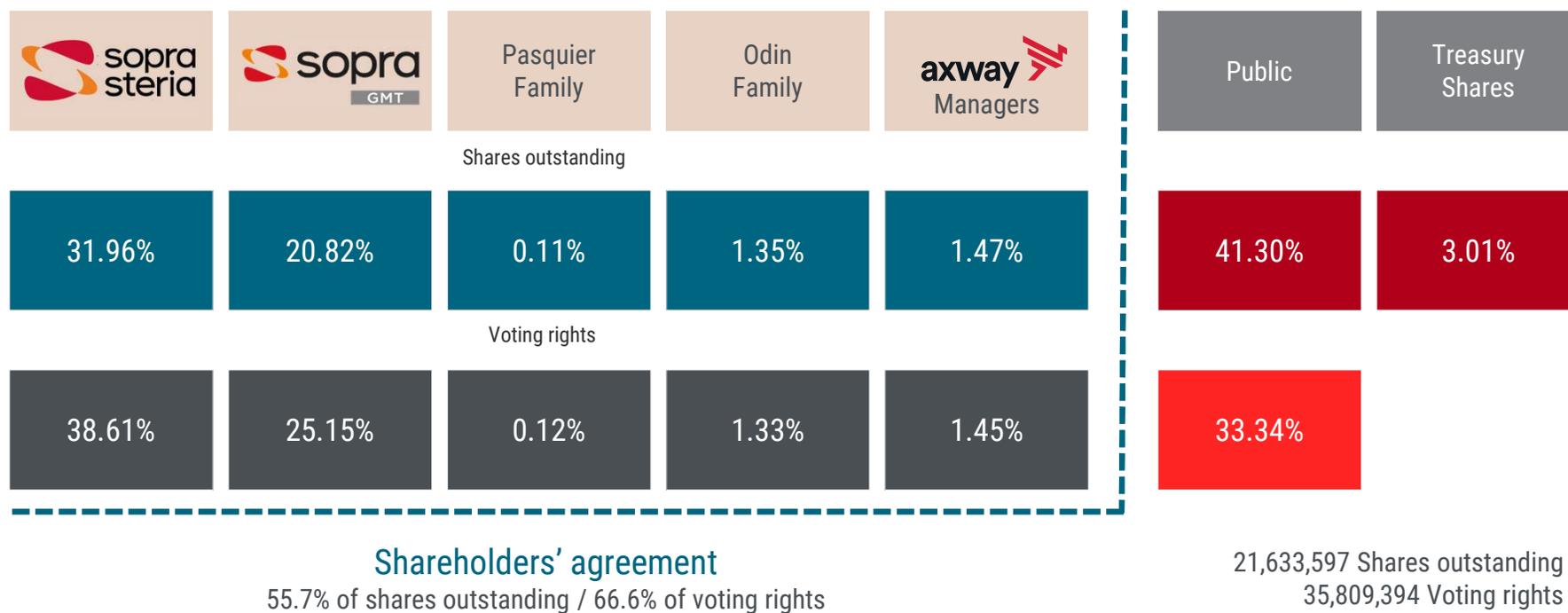
<i>In €</i>	<b>31/12/2022</b>	<b>31/12/2021</b>
<b>Net profit for the period (in €m)</b>	<b>-40.0</b>	<b>9.6</b>
Weighted average number of shares excluding treasury shares	21,63M	21,5M
<b>Basic earnings per share</b>	<b>-1.85</b>	<b>0.45</b>
Theoretical potential weighted average number of shares	22,2M	22,4M
<b>Diluted earnings per share</b>	<b>-1.85</b>	<b>0.43</b>

# 2022 Full-Year Results

## HEADCOUNT

	31/12/2022	31/12/2021
France	437	466
Rest of Europe	636	748
Americas	378	436
Asia/Pacific	74	62
<b>Axway</b>	<b>1 525</b>	<b>1 712</b>

# Shareholding structure at 31/12/2022



# Alternative performance measures

ACV: *Annual Contract Value* – Annual contract value of a subscription agreement.

ARR: Annual Recurrent Revenue – Expected annual billing amounts from all active maintenance and subscription agreements.

Employee Engagement Score: Measurement of employee engagement through an independent annual survey.

Growth at constant exchange rates: Growth in revenue between the period under review and the prior period restated for exchange rate impacts.

NPS: Net Promoter Score – Customer satisfaction and recommendation indicator for a company.

Organic growth: Growth in revenue between the period under review and the prior period, restated for consolidation scope and exchange rate impacts.

Profit on operating activities: Profit from recurring operations adjusted for the non-cash share-based payment expense, as well as the amortization of allocated intangible assets.

Restated revenue: Revenue for the prior year, adjusted for the consolidation scope and exchange rates of the current year.

TCV: *Total Contract Value* – Full contracted value of a subscription agreement over the contract term.