

The world is opening.

Cross-pollenating new ideas, creating new possibilities across geographies, industries, and customers and partners. With every investment, old and new, opportunities for growth are blossoming. So what are you waiting for?

Axway will help turn what you already have into brilliant digital customer experiences. It's time to

Open

Are you open?

Everything



Capital Markets Meeting

Agenda and opening remarks

Arthur Carli

Agenda

Wednesday June 2, 2021 – 3:30 PM CET	Speakers
Opening Remarks	Arthur CARLI, Investor Relations
Strategy & Finance : <ul style="list-style-type: none">• 2021 – 2023 Vision and Strategy• Financial Model & Transformation	Patrick DONOVAN , CEO & Roland ROYER , CCO Cécile ALLMACHER , CFO & Patrick DONOVAN , CEO
Q&A Strategy & Finance	
Break	
Technology Vision & Go-To-Market : <ul style="list-style-type: none">• Product Portfolio Approach• Strategic Vision• Go-To-Market Approach	Rahim BHATIA , EVP Product Management Vince PADUA , CTIO Paul FRENCH , EVP Go-To-Market
Q&A Technology Vision & Go-To-Market	
Closing	Patrick Donovan, CEO

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 Group highlights that signatures of its contracts, which often 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 2020 Universal registration document filed with the French Financial Markets Authority (Autorité des Marchés Financiers, AMF) on March 18, 2021 under number D.21-0147.

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About Axway

Listed on Euronext Paris (AXW.PA)

Registered in France

Phoenix, AZ & Paris, France

 Global headquarters

€297.2M in revenue in 2020

1st French horizontal software publisher

1800+ Employees

17 countries worldwide

11,000 Customers

100 countries worldwide

Global API Management leader

Open platform plus proven MFT, B2B/EDI integration, and vertical solutions



Euronext Paris – Compartment B
Bloomberg : AXW:FR
Reuters : AXW.PA
Market Cap (30/04/21) : €645m

Main Indexes

- CAC MID&SMALL
- CAC TECHNOLOGY
- EN TECH CROISSANCE
- EN FAMILY BUSINESS

Vision & Strategy

Patrick Donovan and Roland Royer

Objectives for our first Capital Markets Meeting

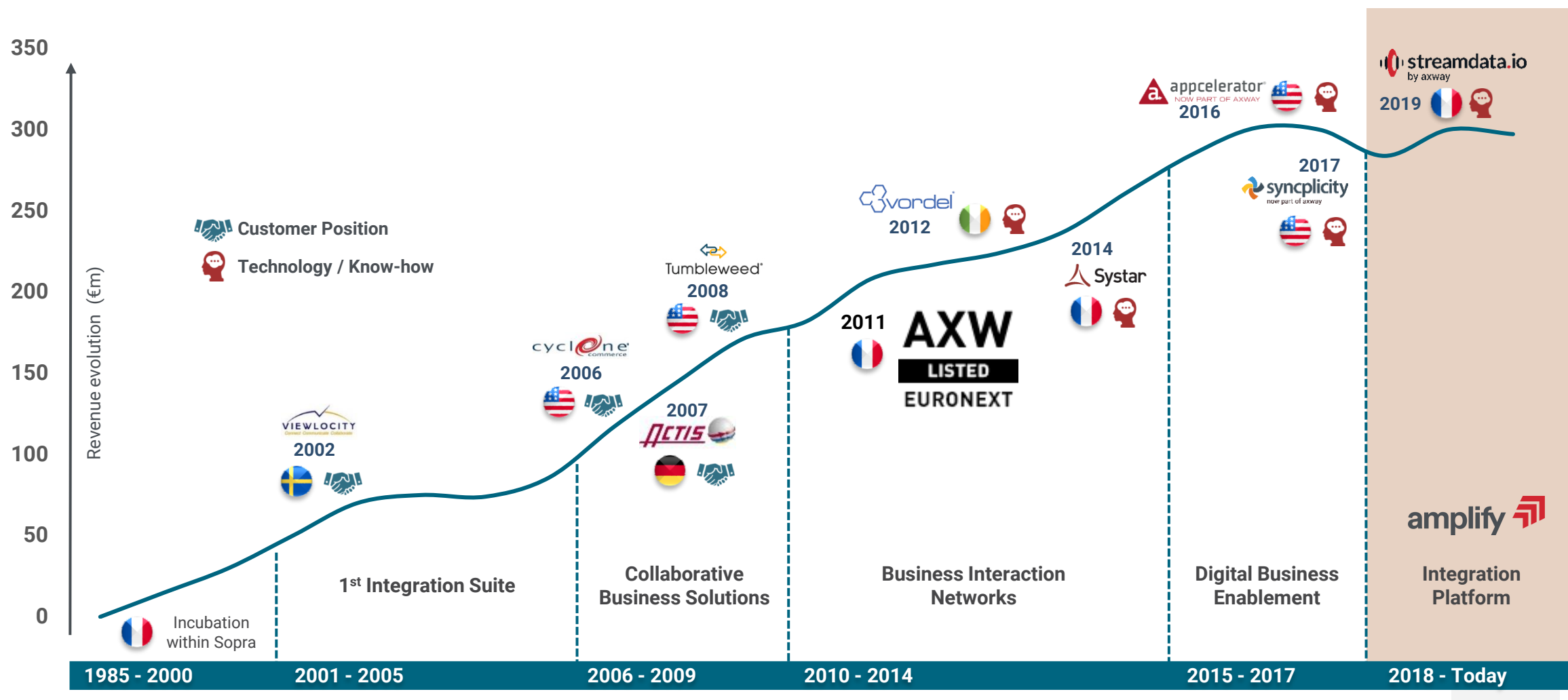


Vision & Mission

AXWAY ENABLES ENTERPRISES TO SECURELY OPEN EVERYTHING

We believe that in order to create the most value for your customers, partners, and employees, you need to Open Everything by securely integrating and moving data across a complex world of old and new.

20+ years supporting our customer's goals



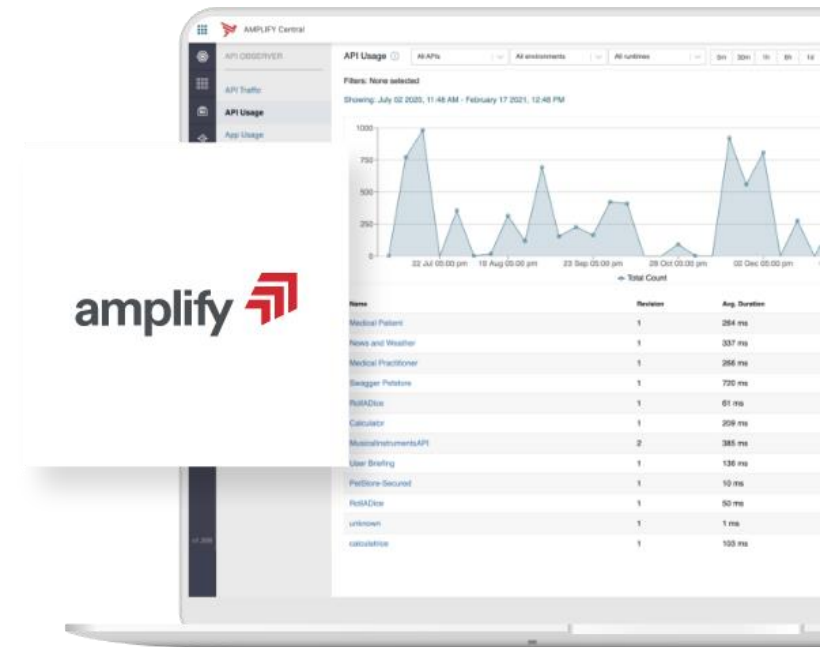
Success of the 3-year transformation plan

- Upgraded product portfolio
- Strengthened management team and employee's engagement
- Adapted structure, based on customer centricity
- Increased awareness for sustainable growth

2018

2019

2020



Strategy transformation

FROM HYBRID
INTEGRATION
PLATFORM TO



FROM IMAGINATION
TAKES SHAPE TO

axway 
Open Everything

Open Everything

FROM CUSTOMER
COMMITMENT TO



Delivering brilliant
customer experience

Leveraging our strength



20-years of delivering value with
our Core Solutions such as MFT,
B2Bi, AISuite, Validation
Authority and other specialized
products



APIM based platform helping
meet our customers needs and
outcomes



State of California protects citizens' data and cuts costs with a central managed-file transfer platform

SUPPORTS 50 AGENCIES

and 250 departments data-sharing use cases across the state

CENTRALIZED THE SERVICE

and consolidated needs by reducing disparate applications

ADDED GREATER SECURITY

by protecting sensitive data at rest and in transit, facilitating regulatory compliance






With AMPLIFY Managed File Transfer, we can scale from one or two accounts all the way up to more than 30,000 accounts.

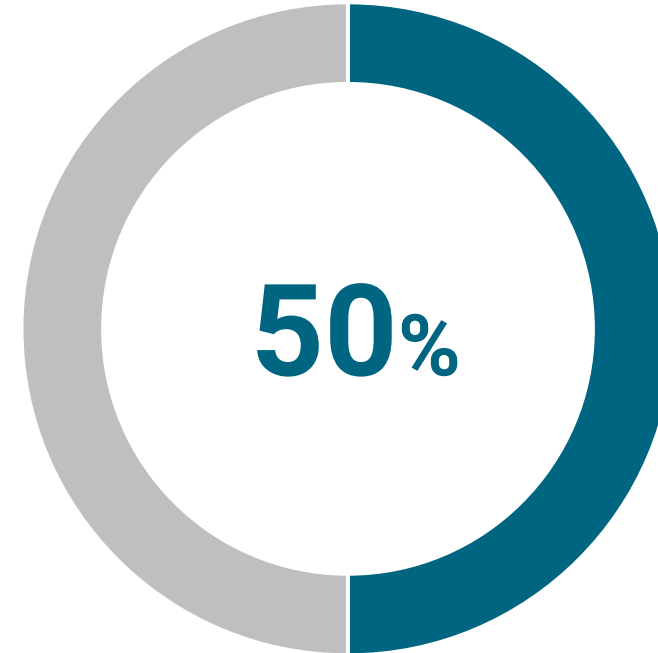
Kevin Paddock
Supervisor of Web Services

Our core offerings are more important than ever

TOP 3 REASONS CUSTOMERS INVEST IN INTEGRATION

-  Innovate faster to stay ahead of the competition
-  Reduce operational costs
-  Ensure security and compliance

B2B/EDI AND MFT WILL CONTINUE TO DRIVE BUSINESS



Of senior leaders who are implementing enterprise integration platforms identified B2B integration and MFT as being more critical in the next 3-5 years than it is today



BNP PARIBAS

BNP Paribas Personal Finance uses APIs to create a firm foundation for data-driven decision-making

RAPID

deployment of Unified Catalog cuts time-to-insight

SUPPORTS

effective decision-making around API modernization

FACILITATES

the next phase of the digital transformation journey

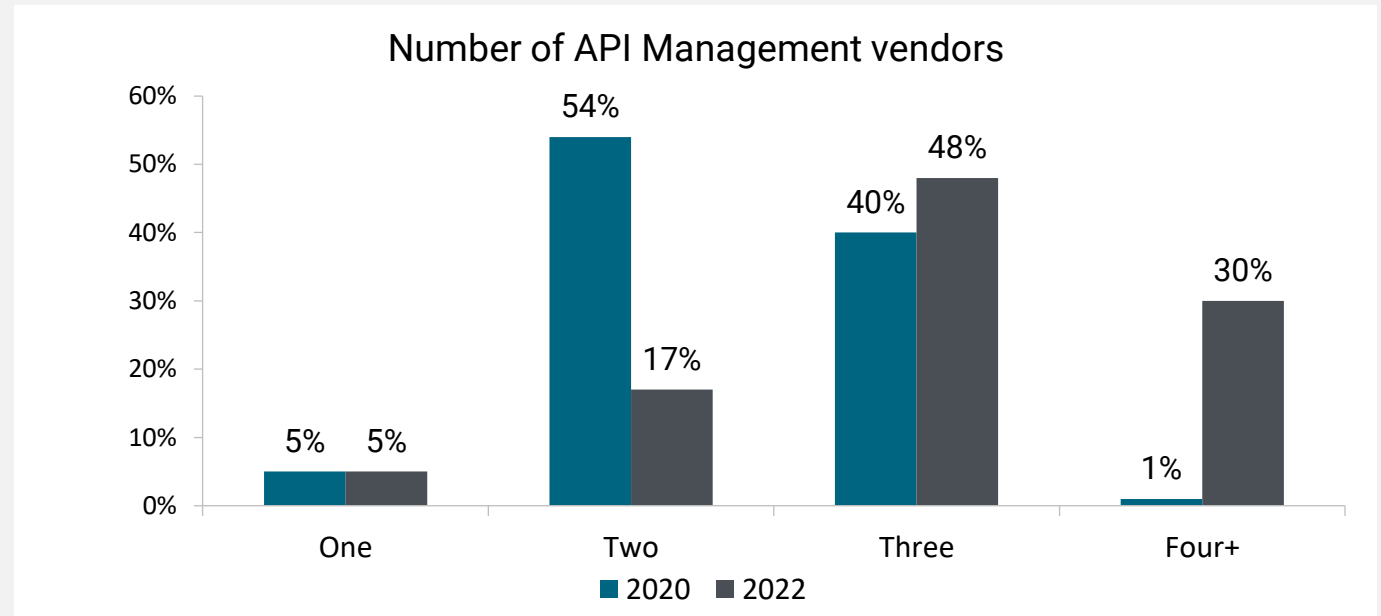
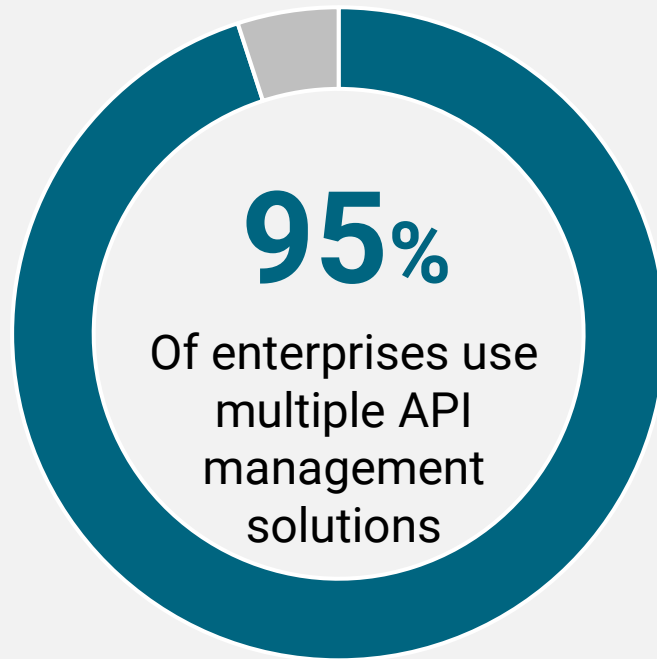


“

By augmenting our AMPLIFY API Management gateways with Unified Catalog, we will have the strong foundation to drive the next phase of the project: API monetization.

Jérémy Ségura
Enterprise Architect

Growing trend of multiple API management solutions



Source: IDC EMEA (2020): API Management & Integration Survey (right)

Well positioned for the next 3 years



**BUILDING ON THE TRUST OF OUR
CUSTOMERS**

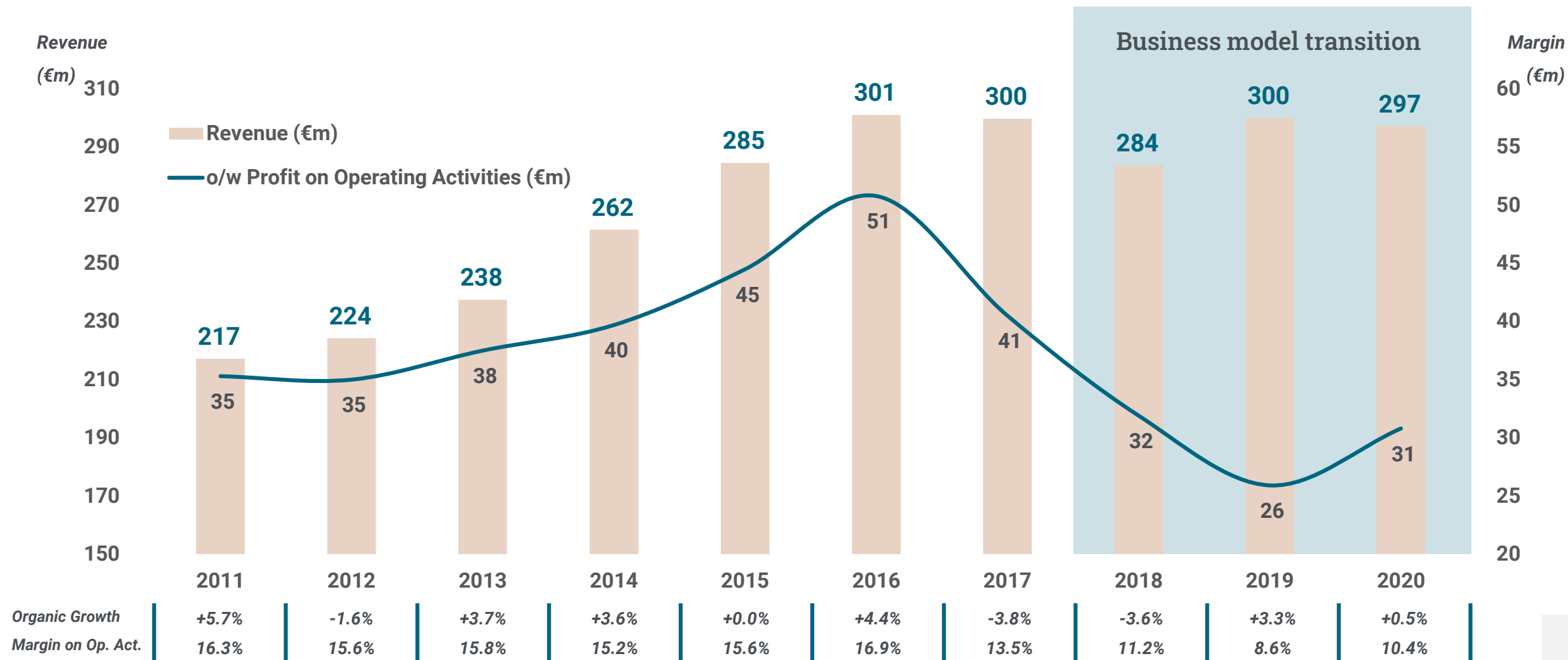


**OUR AMPLIFY OFFERING IS HIGHLY
DIFFERENTIATED**

Financial Model and Transformation

Cécile Allmacher

In 2020, a new chapter begins



... and it's a 3-year journey!

2021 Guidance

**Organic Revenue growth
between +2% and +4%**

**Profit on Operating Activities
between 11 to 13% of total revenue**

2023 Ambitions

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

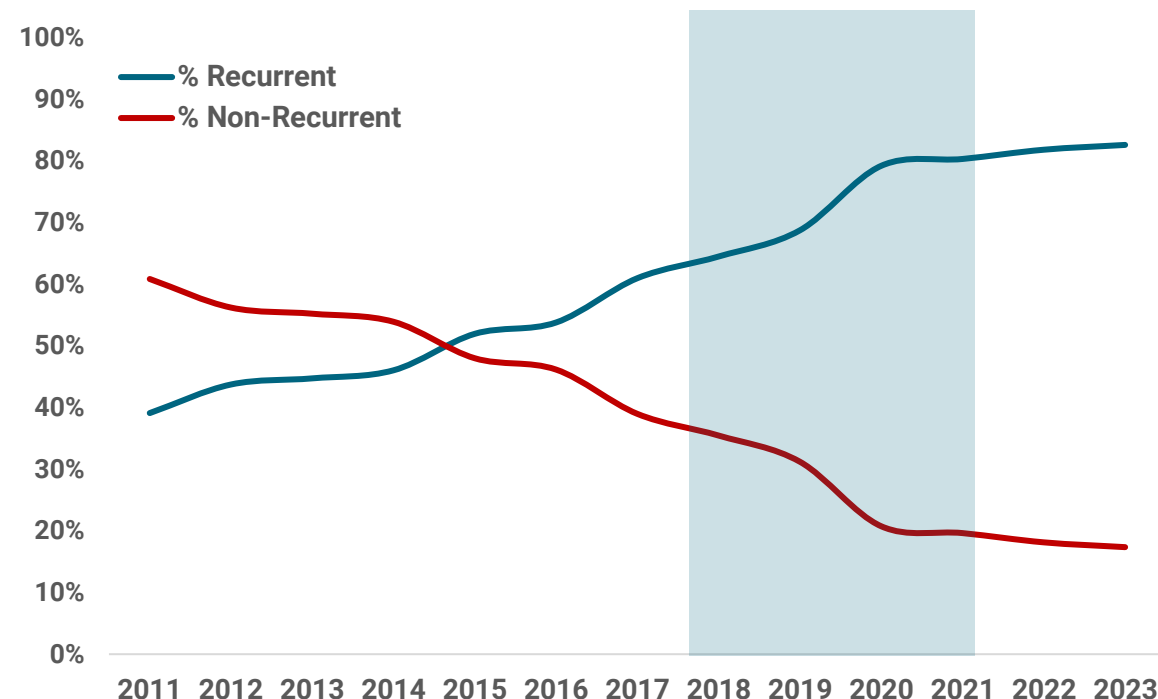
Profit on Operating Activities \geq 15%

Earnings per share \geq €1

Subscription brings visibility

	2011			2020	
	Rev.	% of Rev.		Rev.	% of Rev.
License	78	36%		26	9%
Maintenance	85	39%		138	46%
Subscription	-	0%	➔	97	33%
Services	54	25%		36	12%
Axway	217	100%		297	100%
<i>Recurrency</i>	39%		➔	79%	

Recurrent vs. Non-Recurrent Revenue




But disrupts revenue recognition

		Revenue Recognition under IFRS 15	
		Non-Recurrent	Recurrent
2011	PERPETUAL	License (100% upfront)	Maintenance (pro-rata)
		Services (upon delivery)	
2020	SUBSCRIPTION Customer Managed		50% upfront TCV 50% pro-rata
	SUBSCRIPTION Axway Managed		TCV (pro-rata)

Subscription revenue recognition model

vs. Traditional

	Contract Value	Signature Metric Value	Initial Contract Revenue				Renewal Revenue	
			Year 1		Year 2	Year 3	Year 4	
			Upfront	Recurrent	Recurrent	Recurrent	Upfront	Recurrent
PERPETUAL	180	140	140	40	40*	40*	-	40*
SUBSCRIPTION <i>Customer Managed</i>	180	180	90	30	30	30	90*	30*
SUBSCRIPTION <i>Axway Managed</i>	180	180	-	60	60	60	-	60*

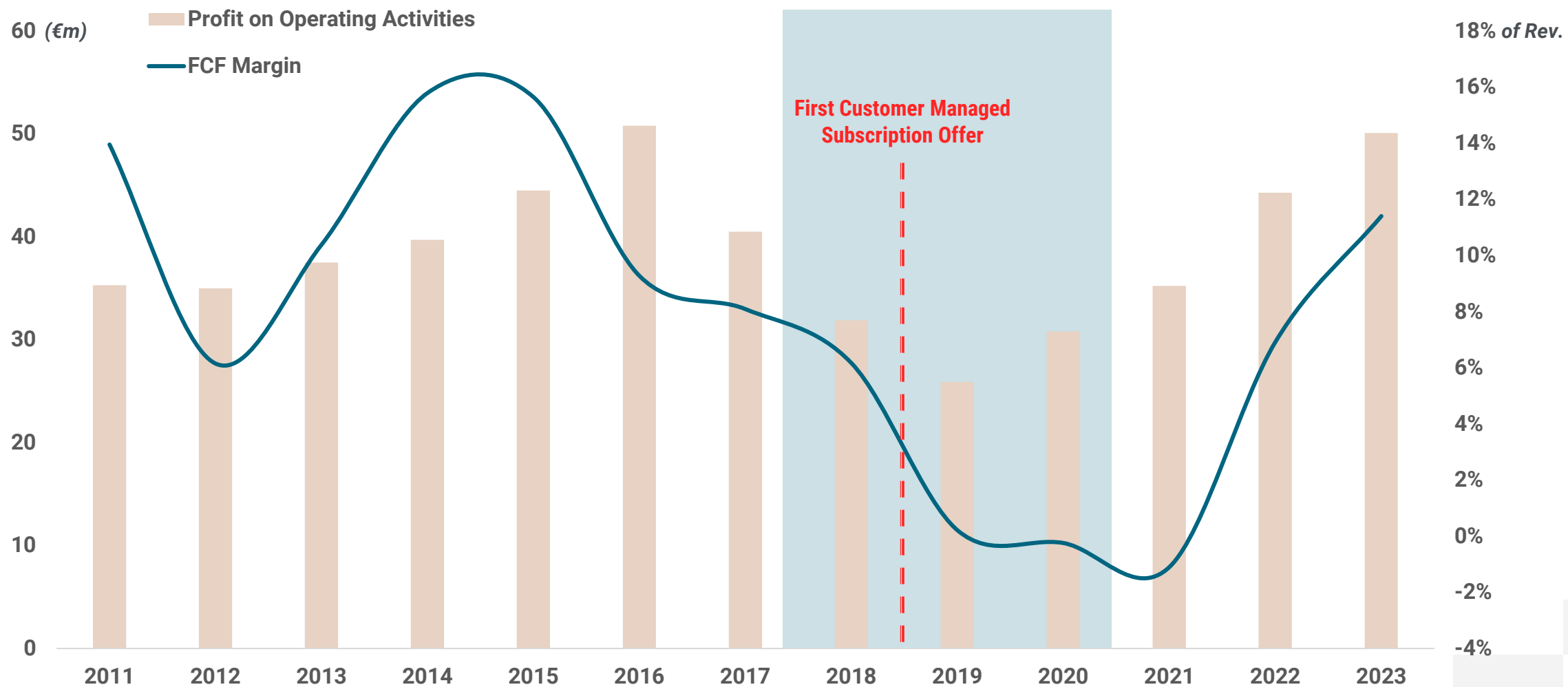
 Initially committed contract period

* Signature Metric does not include renewals of Maintenance or Subscription

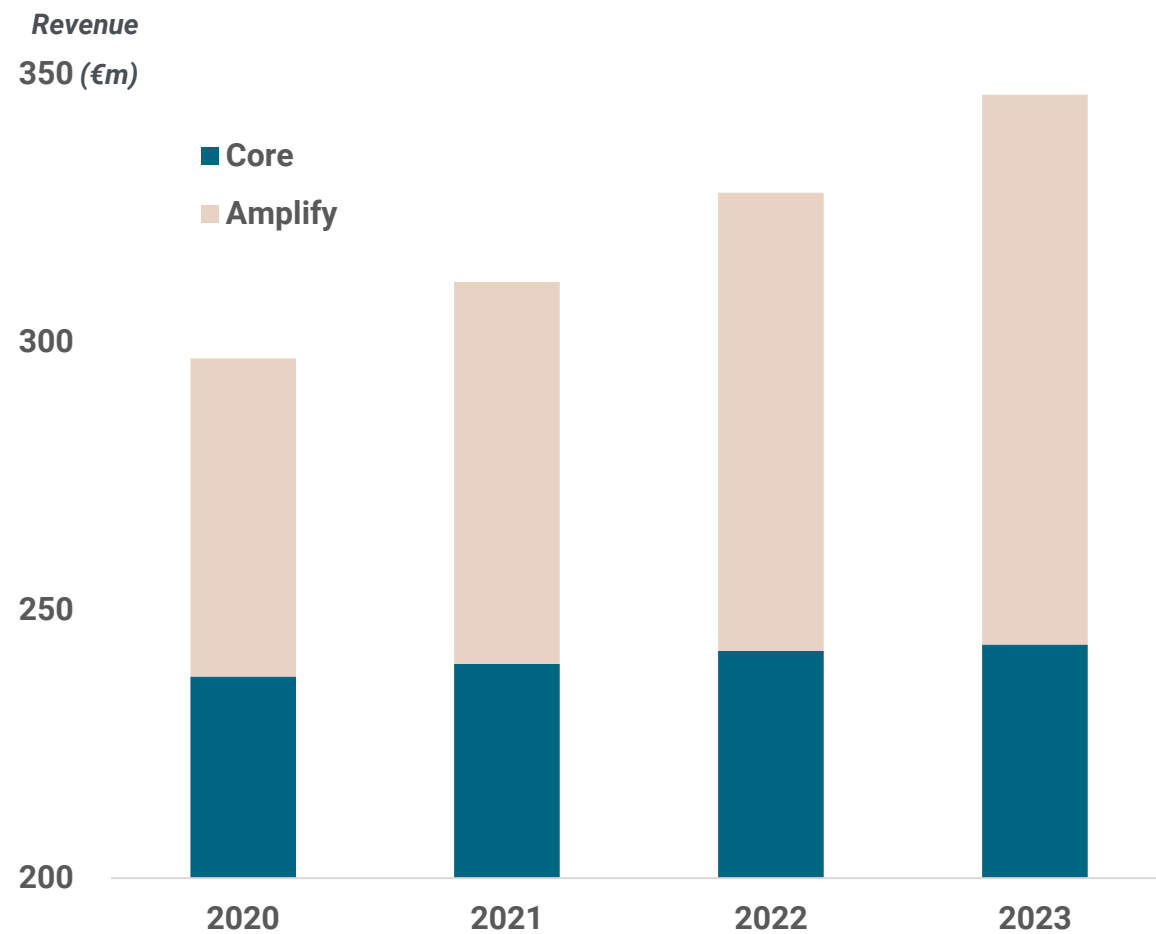
Subscription impact on invoicing

	Contract Value	Initial Contract			Renewal
		Year 1	Year 2	Year 3	Year 4
PERPETUAL	180	Revenue	132	24	24
		Invoice	132	24	24
		Δ	-	-	-
SUBSCRIPTION <i>Customer Managed</i>	180	Revenue	120	30	30
		Invoice	60	60	60
		Δ	-60	-30	0
SUBSCRIPTION <i>Axway Managed</i>	180	Revenue	60	60	60
		Invoice	60	60	60
		Δ	-	-	-

Transformation impact on FCF



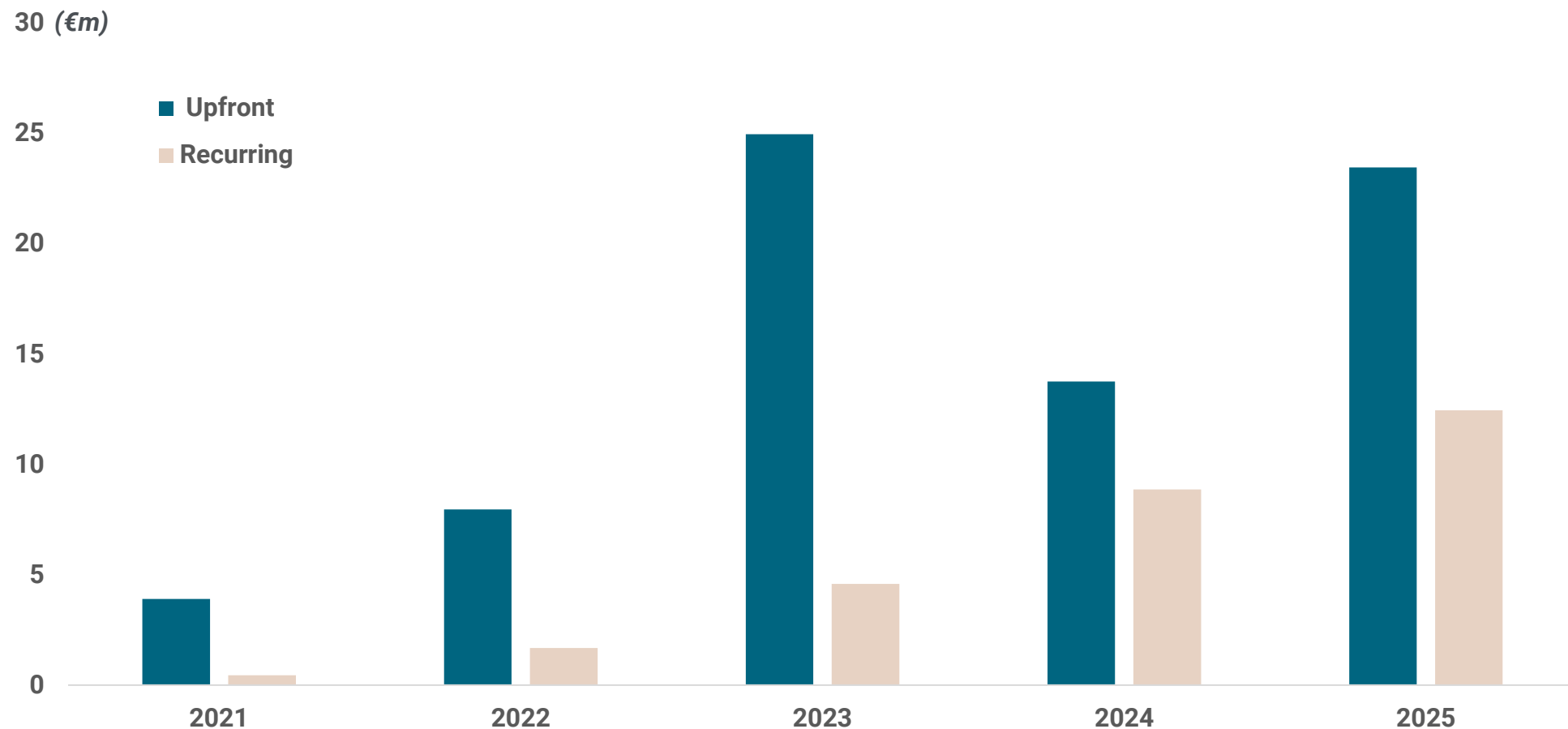
Expected Revenue Growth - 2021 to 2023











+ **M&A**
to reach €500m of revenue

Customer Managed Subscription Renewals

2021 to 2025



Evolution of the P&L profile

		2011	2020	2023e
Gross Margins (% of Revenue)	<i>Subscription</i>	-	71%	
	<i>License & Maintenance</i>	88%	85%	
	Sub-total Software	88%	80%	
	<i>Services</i>	10%	4%	
	Axway	68%	71%	71%
Operating Expenses (% of Revenue)	<i>Sales & Marketing</i>	28%	31%	
	<i>Research & Development</i>	15%	20%	
	<i>General & Administrative</i>	9%	9%	
	Axway	52%	60%	56%
Profit on Operating Activities		16%	10%	15%

For the future

01

FINANCE

Solid financial performance



02

2021

Confidence in our strategy
and guidance



03

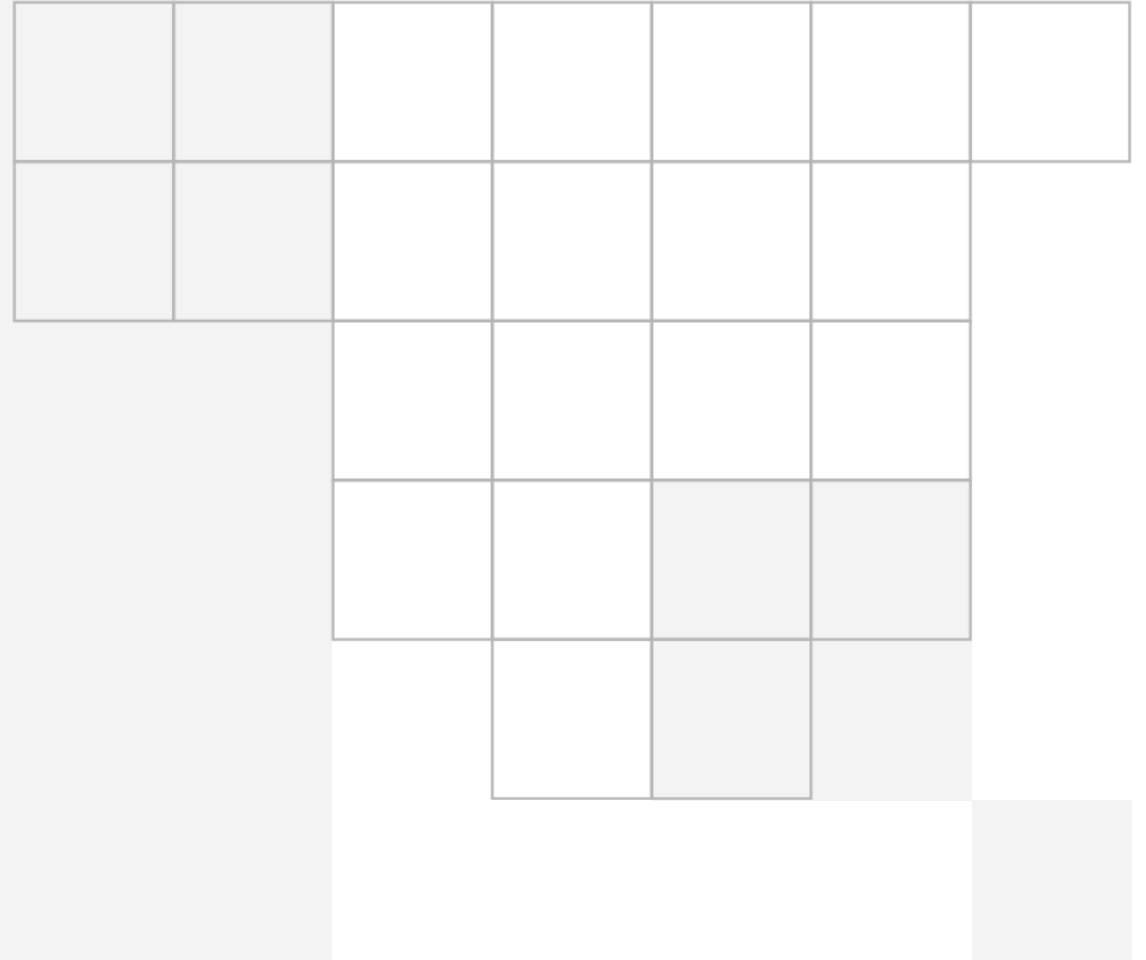
2022 & 2023

Profit & FCF return



Questions?

Break



Product Portfolio Approach

Rahim Bhatia – EVP Product Management

Customer challenges



Manage a highly heterogeneous environment



Incorporate new technologies, while deriving value from prior investments



New types of users, endpoints, devices, protocols



Unrelenting pressure to increase security posture

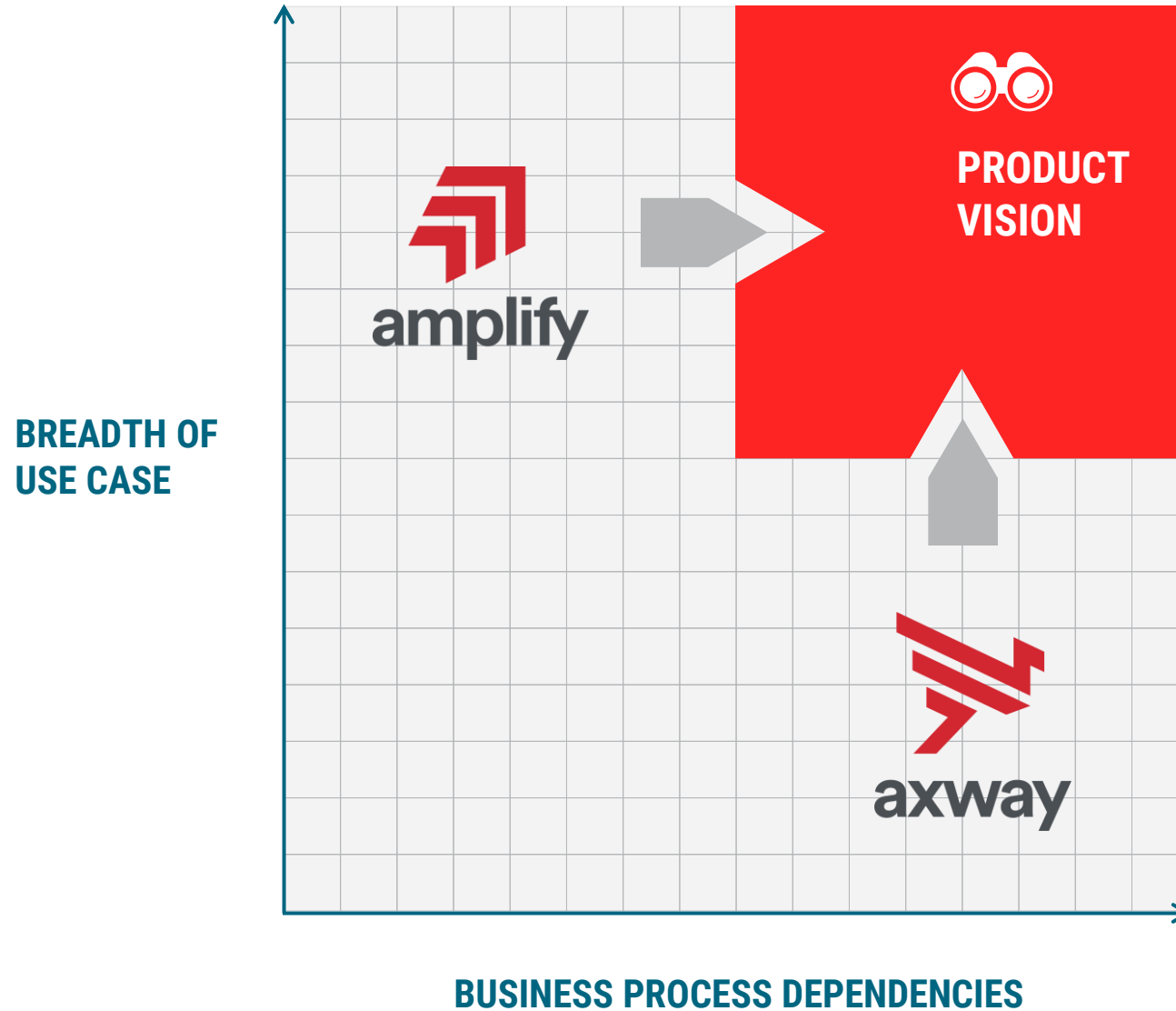


Keep a lid on costs, increase ROI, decrease time to value

Customer challenges → mega trends → customer value



Portfolio strategy



One game – two plays

01




Staying even closer to our historical customers with key account managers and customer success managers

02



A dedicated team of specialists to accelerate winning market share for Amplify Platform

Investments aligned to market trends

	Market Size 2020	Relative Size 2020	Market Size 2024	Relative Size 2024	CAGR
amplify 	2B	54%	3.6B	64%	16%
MFT	0.943B	25%	1.3B	23%	9%
B2B	0.76B	20%	0.73B	13%	0%
Total Addressable Market	3.7B	100%	5.63B	100%	12%

Source: Gartner Q1 2021 update



WHERE WE ARE GOING

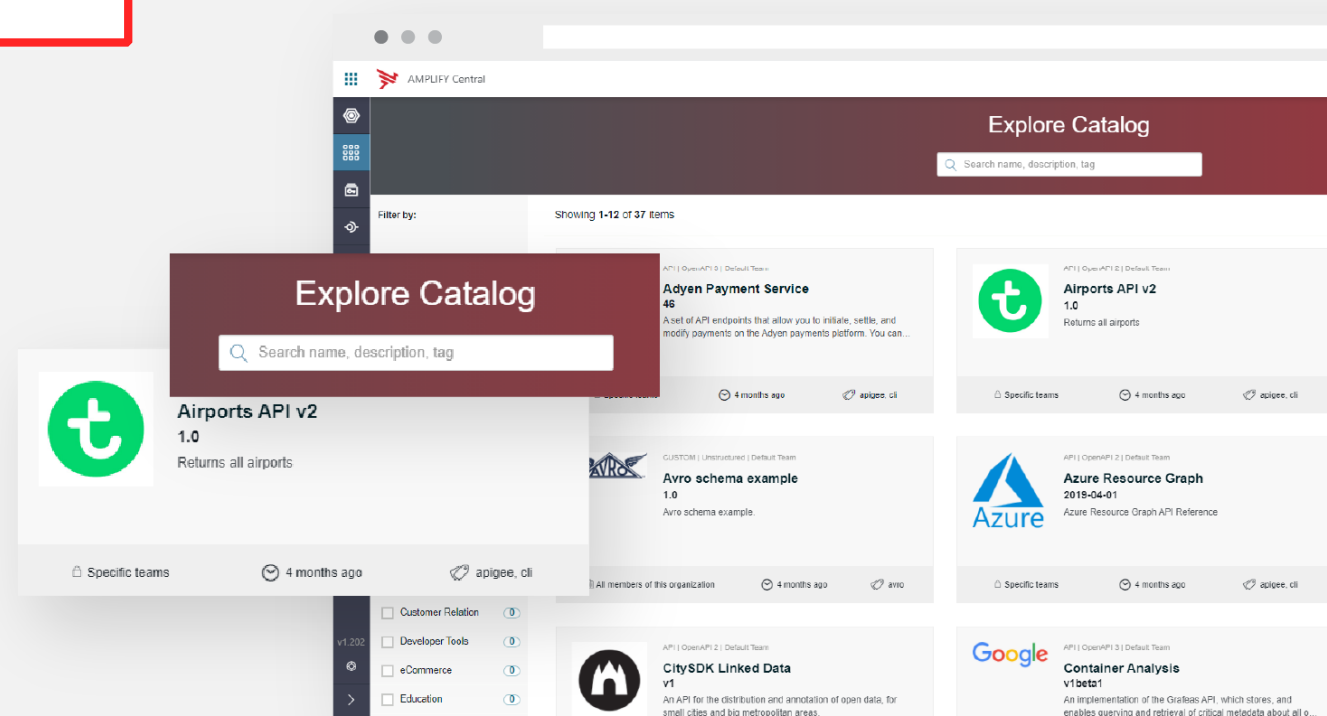
Amplify API Management
Platform grows with your
business needs

WHERE WE ARE

Hundreds of customers
rely on Axway and early
adopters are blazing trails

WHERE WE HAVE BEEN

Mature API Gateway
complemented
by a SaaS Platform



Growing IT complexity

2 Dev teams



10 APIs



3 Impacted applications



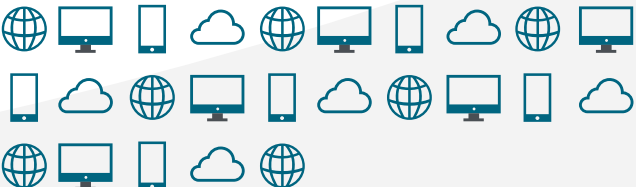
5 Dev teams



100 APIs



25 Impacted applications (Internal and Cloud)



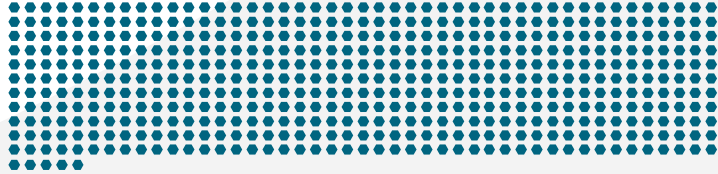
10 Dev teams (internal and external)



3 Geographies



500 APIs



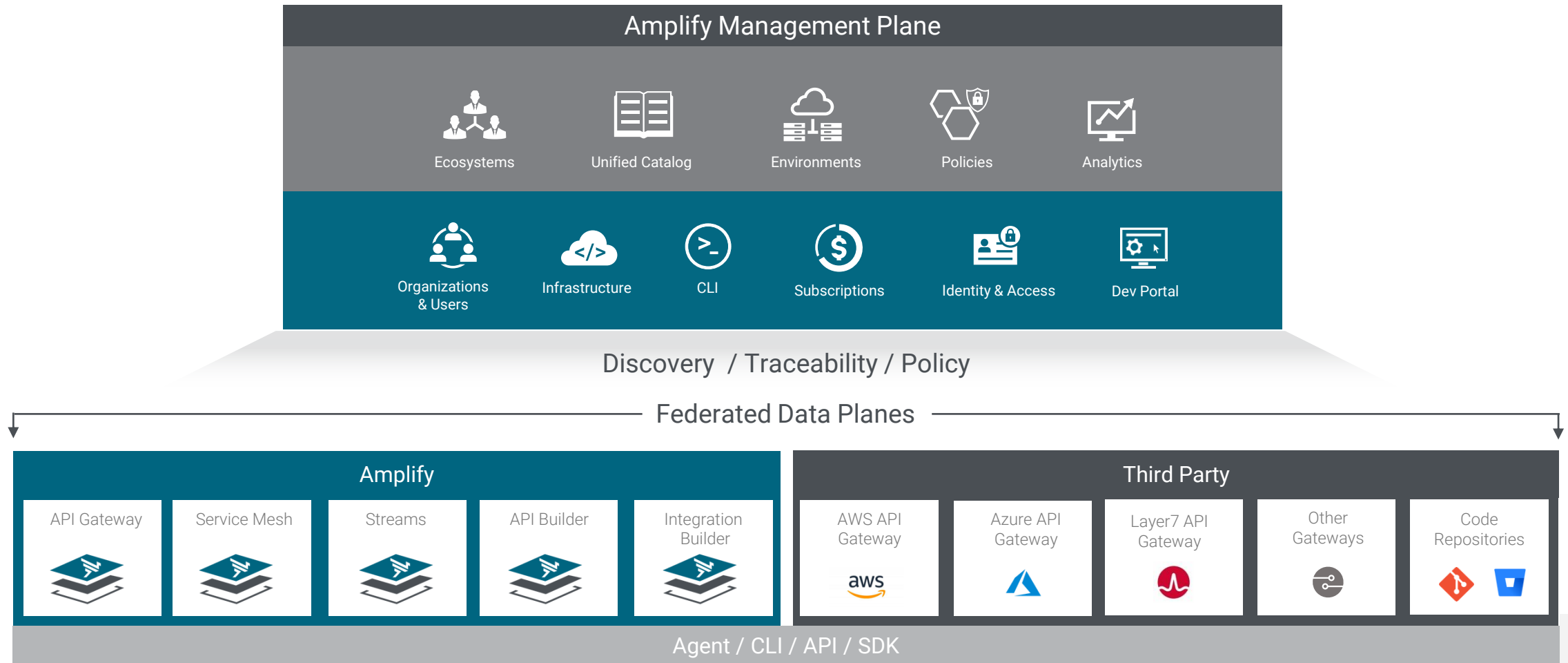
100 Impacted applications (Internal and Cloud)



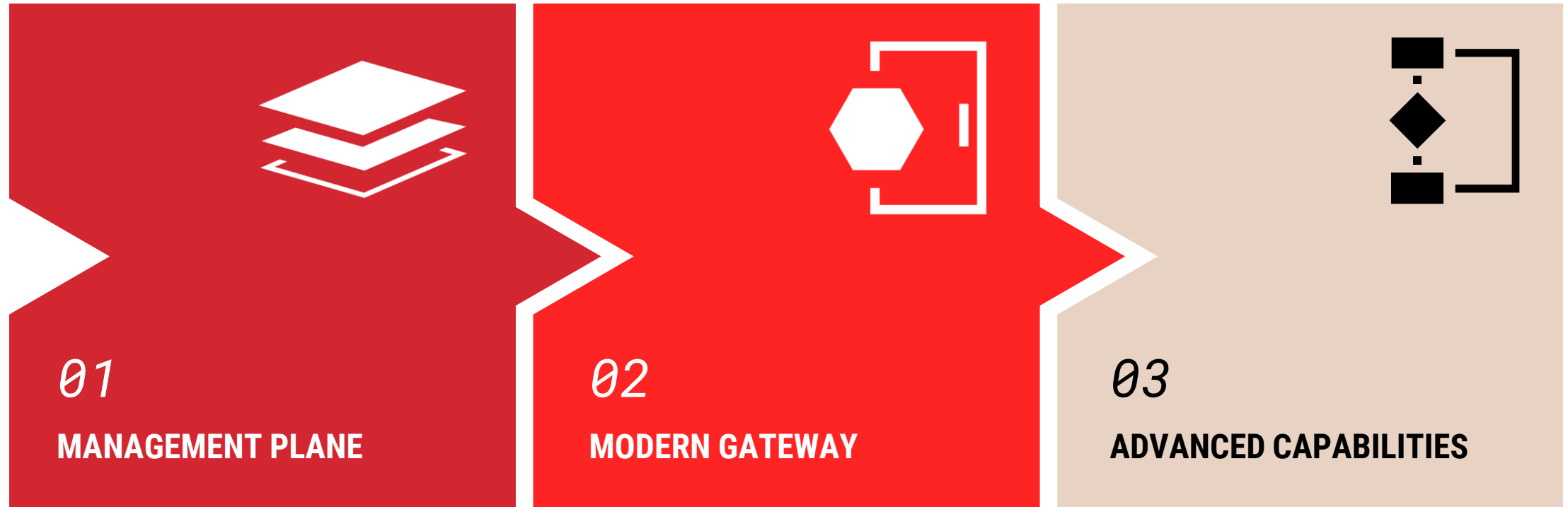
Complexity

Manage your ecosystem with Amplify

Centralized control for your environments

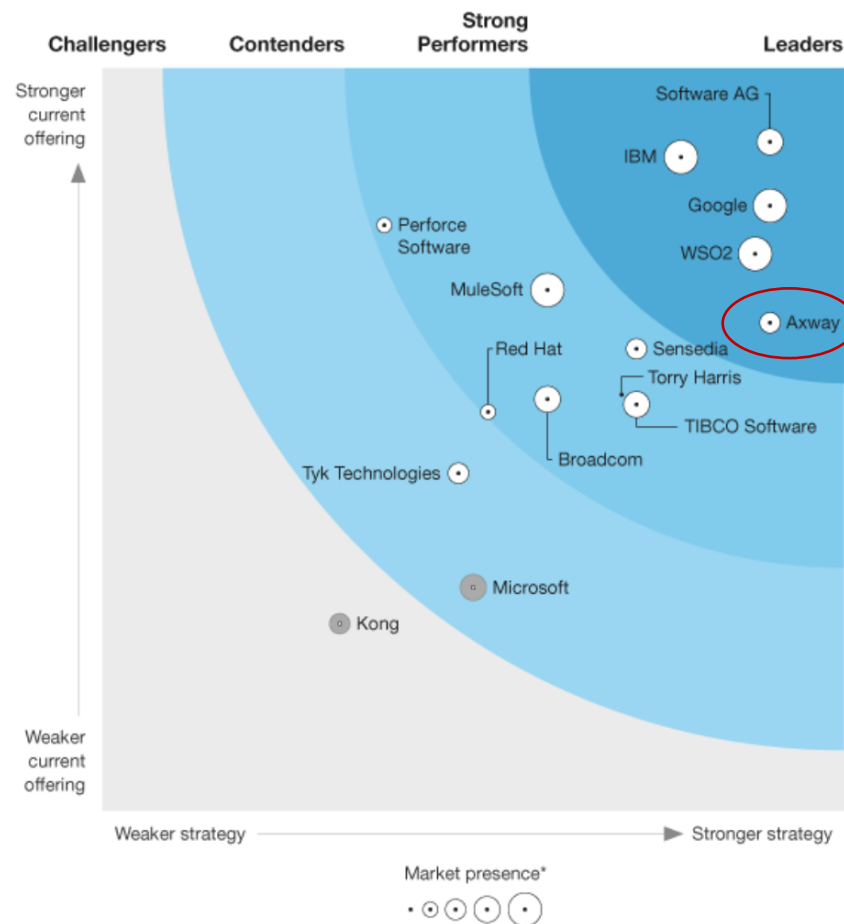


Roadmap to a future proof platform



Strengthened Market Position

The Forrester Wave™: API Management Solutions, Q3 2020



Gartner 2020 Magic Quadrant for Full Life Cycle API Management



Source: Gartner (September 2020)

Gartner 2020 Magic Quadrant for Full Life Cycle API Management, Paolo Malinverno, Kimihiko Iijima, Mark O'Neill, John Santoro, Shameen Pillai, Akash Jain, 22 September 2020. This graphic was published by Gartner, Inc. as part of a larger research document and should be evaluated in the context of the entire document. The Gartner document is available upon request from Axway. Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

MFT

WHERE WE ARE GOING

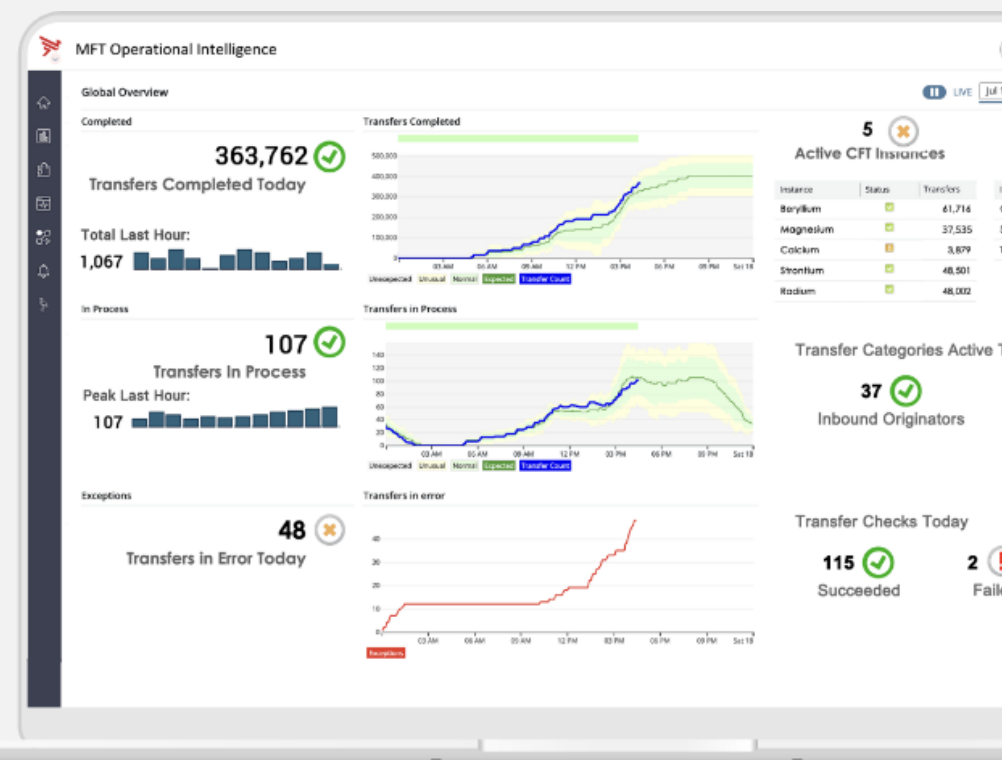
As MFT continues to be mission critical, our customers' requirements are squarely centered on resiliency, scale and increased operational intelligence and efficiency.

WHERE WE ARE

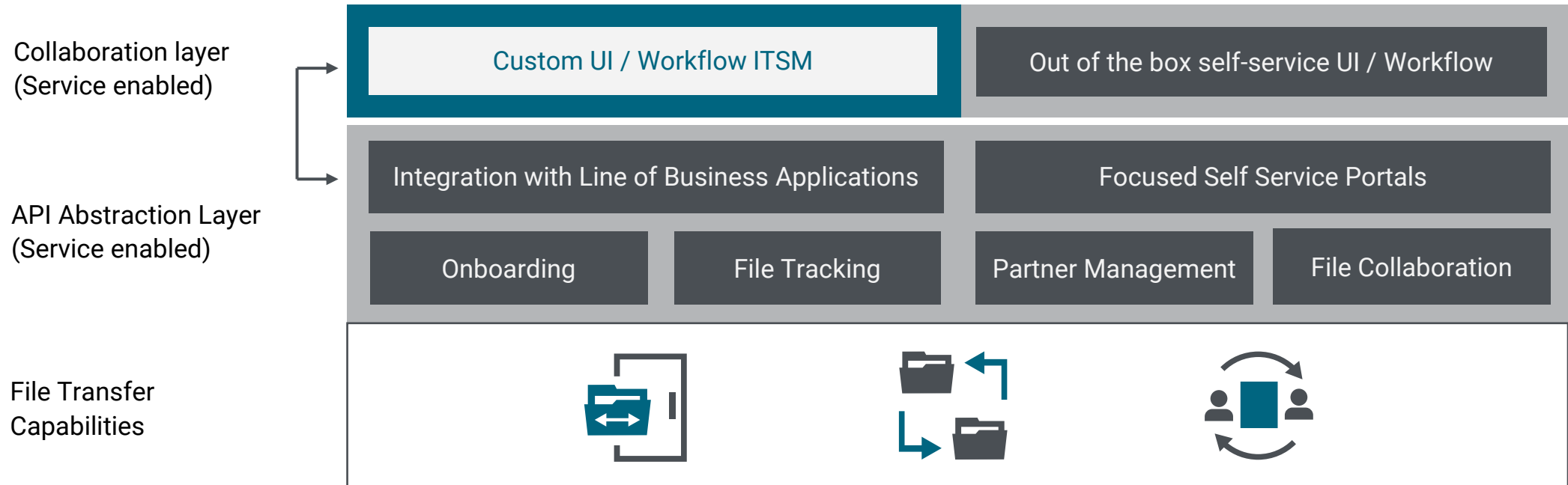
Run on-premises, on multi-cloud platforms, and in a hybrid deployment setup. Axway also offers a SaaS solution and a best in class fully managed MFT service.

WHERE WE HAVE BEEN

Market leader always supporting the most mission critical and highest value file transfer infrastructures in the world.



Axway is modernizing MFT



Axway MFT: Built for cloud, driven by business



Axway B2B

WHERE WE ARE GOING

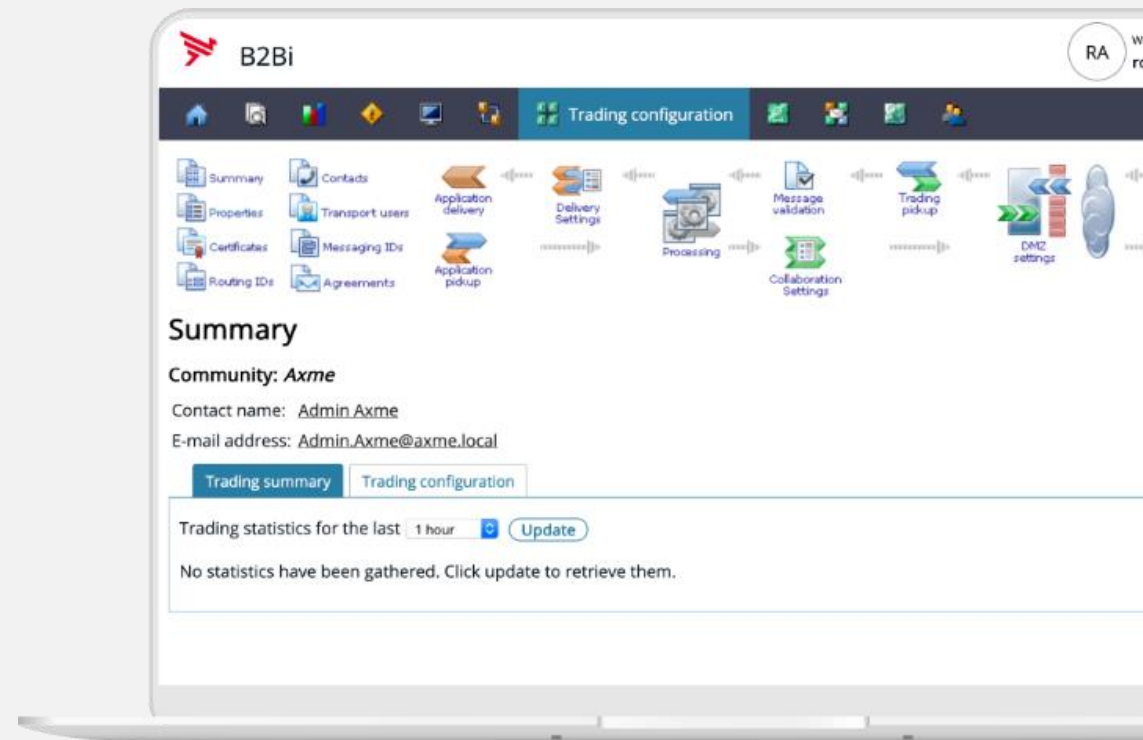
Axway B2Bi offers the tools and capabilities to keep up with this changing landscape, including native JSON transformation and innovative APIs.

WHERE WE ARE

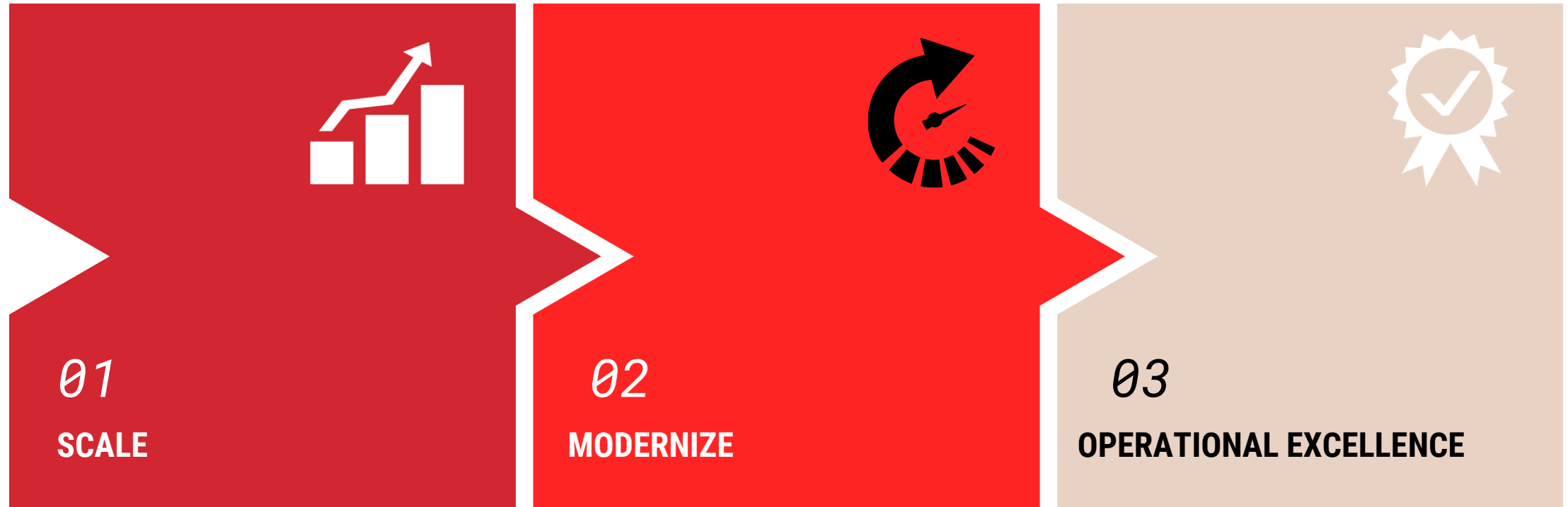
Axway has become integral to the largest and most sophisticated supply chains around the globe.

WHERE WE HAVE BEEN

Axway entered the market and became THE benchmark against which all other B2B connectivity solutions are rated by standards bodies such as Drummond.



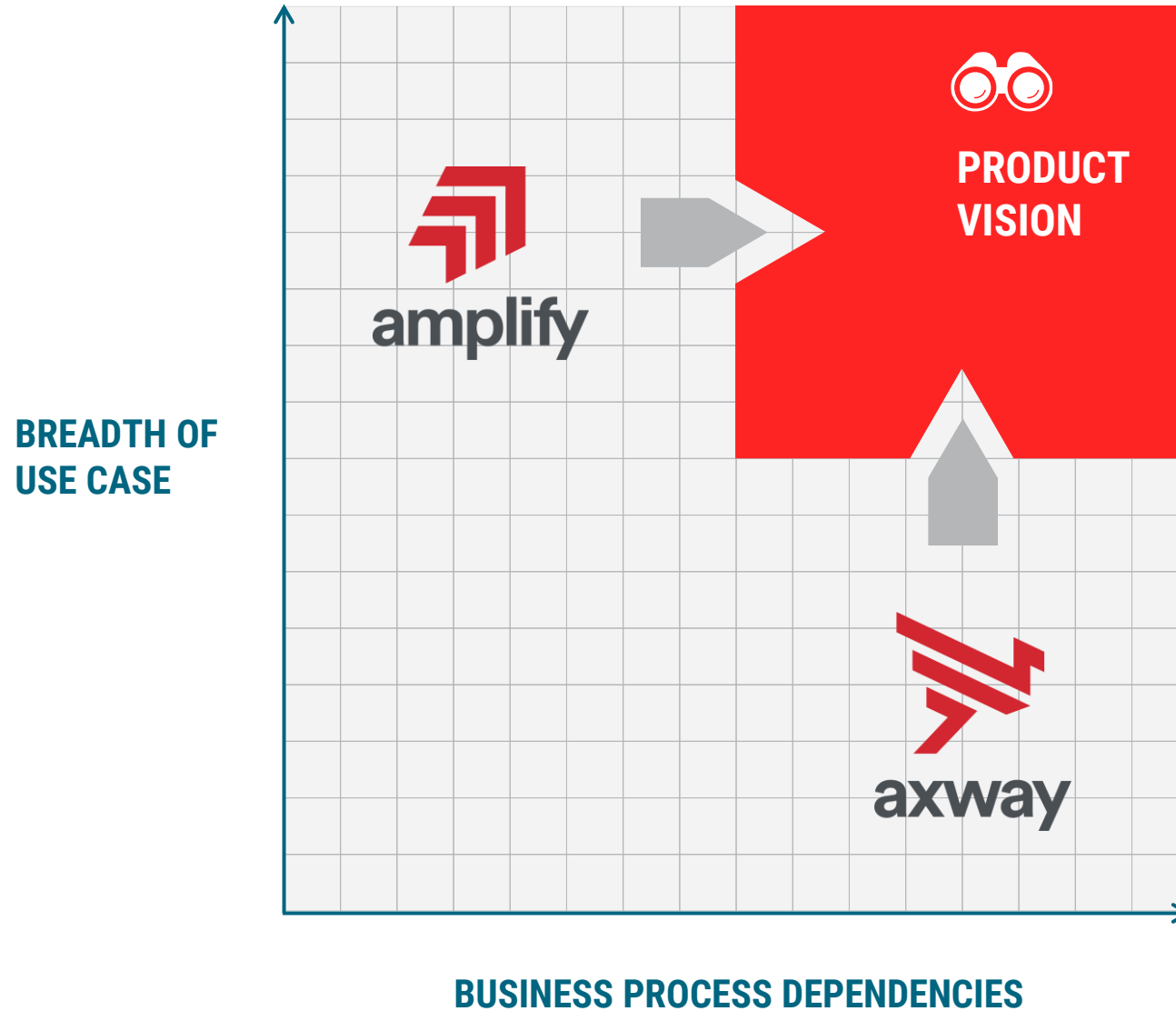
Axway B2B customer requirements



Axway B2B roadmap: Evolving to customer needs



Portfolio strategy



Strategic Vision

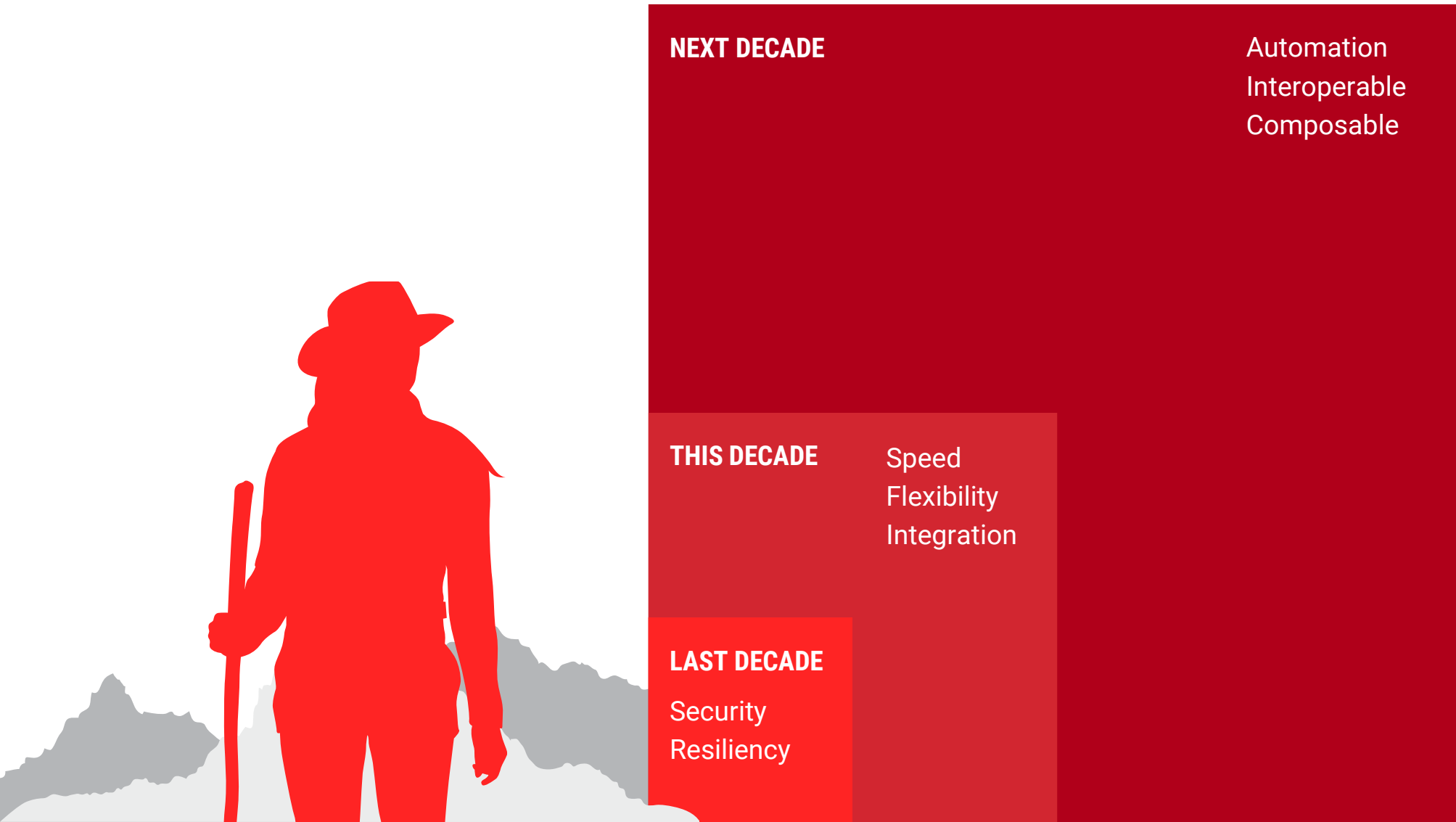
Vince Padua, CTIO

Vision & Mission

AXWAY ENABLES ENTERPRISES TO SECURELY OPEN EVERYTHING

We believe that in order to create the most value for your customers, partners, and employees, you need to Open Everything by securely integrating and moving data across a complex world of old and new.

Vision point of view

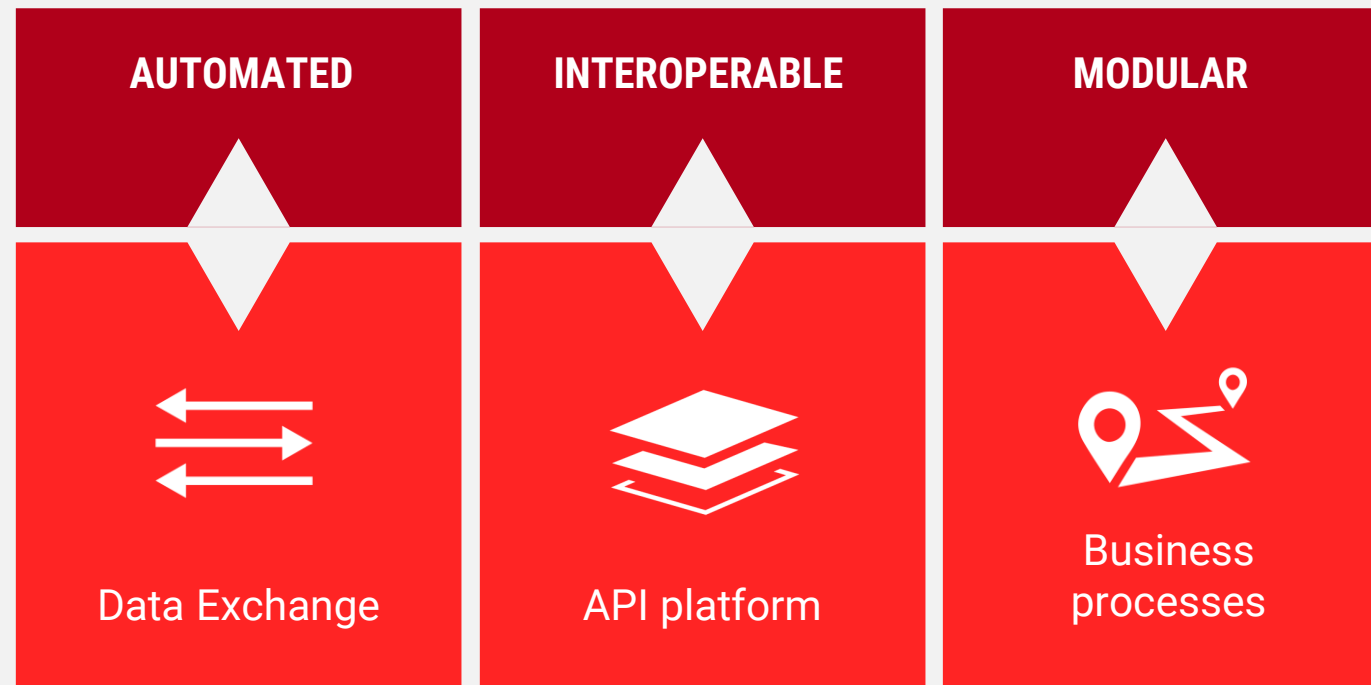


Big problems and big opportunities

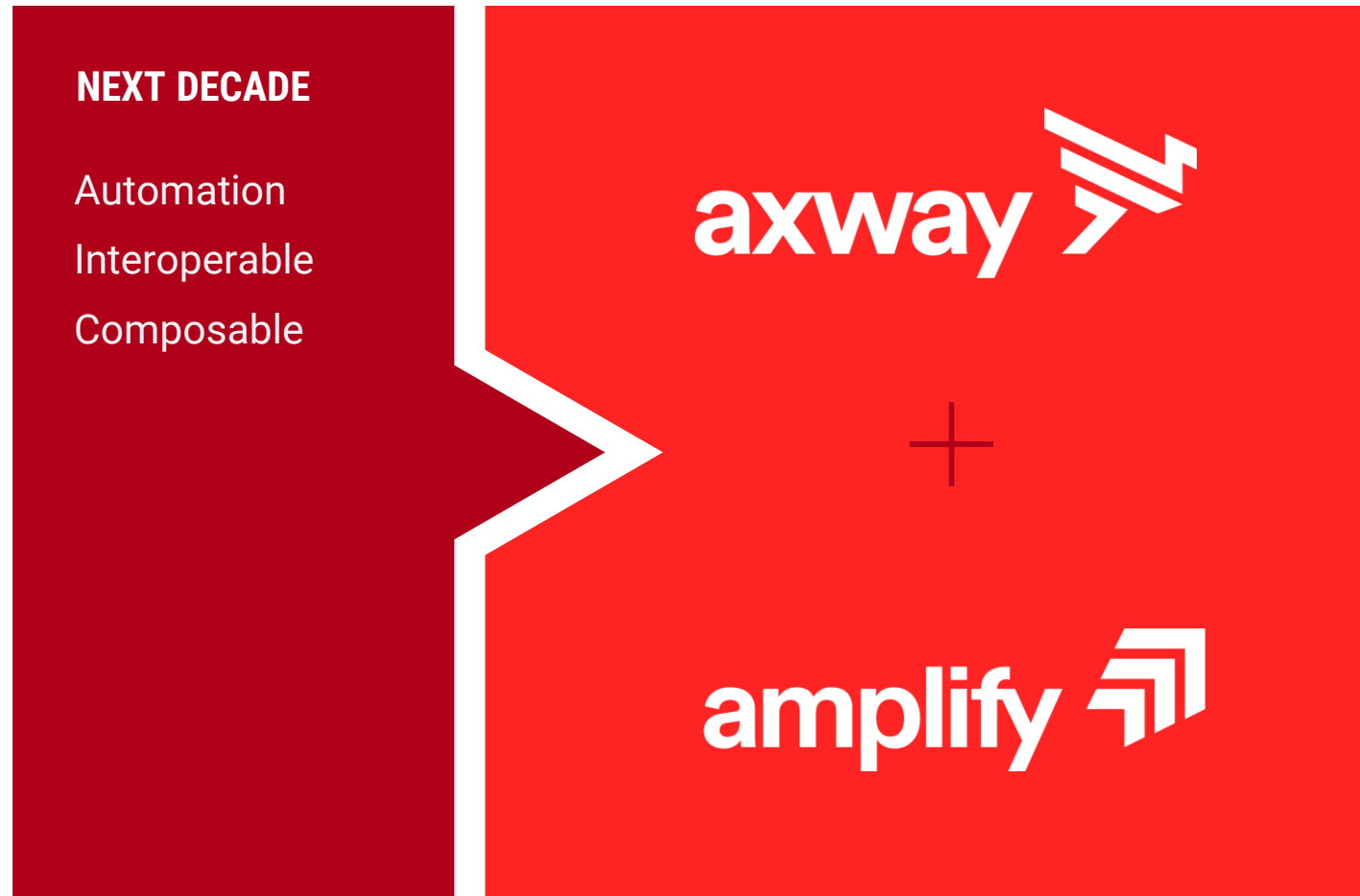


Composable ecosystem

Orchestration of automotive ecosystem



Flexible co-creation and co-innovation



“We are what we repeatedly do” - Socrates



Go-To-Market Approach

Paul French – EVP Go-To-Market

Unified model to deliver results

CUSTOMER VIEW



2021 FOCUS & EXECUTION



One game – two plays

01



MAINTAIN

Market leadership

CUSTOMER EXPANSION

Net retention rate

02



EXPAND

Market leadership

NEW LOGOS

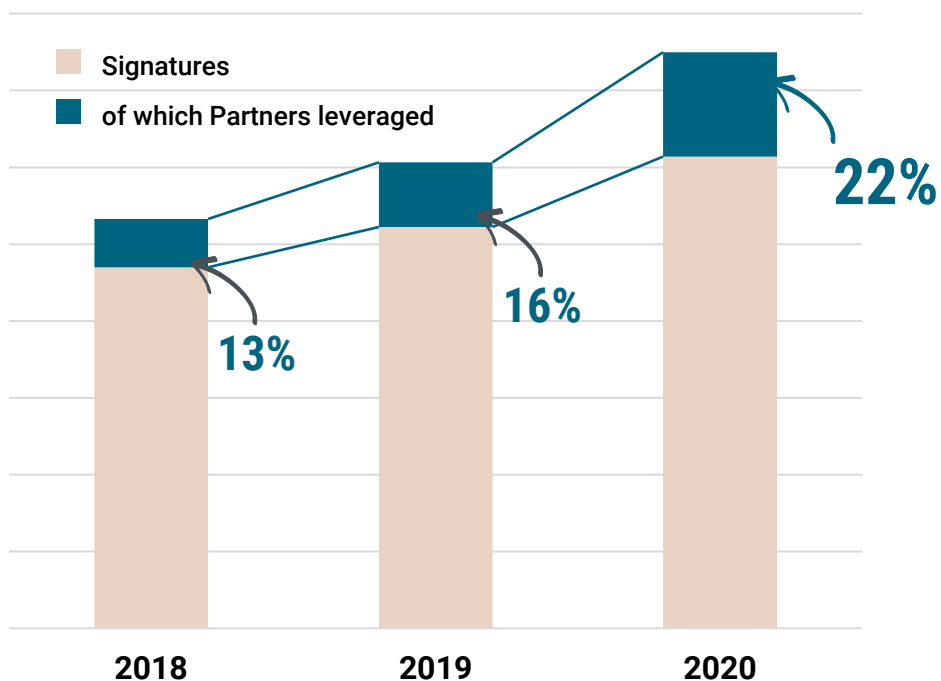
Growth rate

CUSTOMER DELIGHT NPS

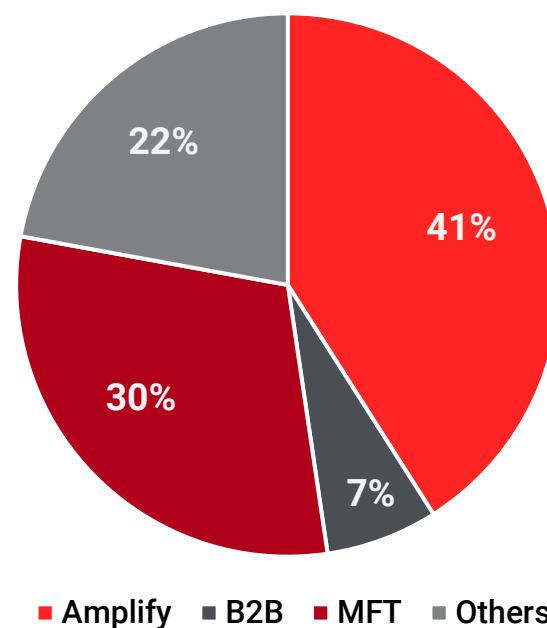
Accelerating success with partners

Partners leveraged signatures grew from 13% to 22% in 3 years

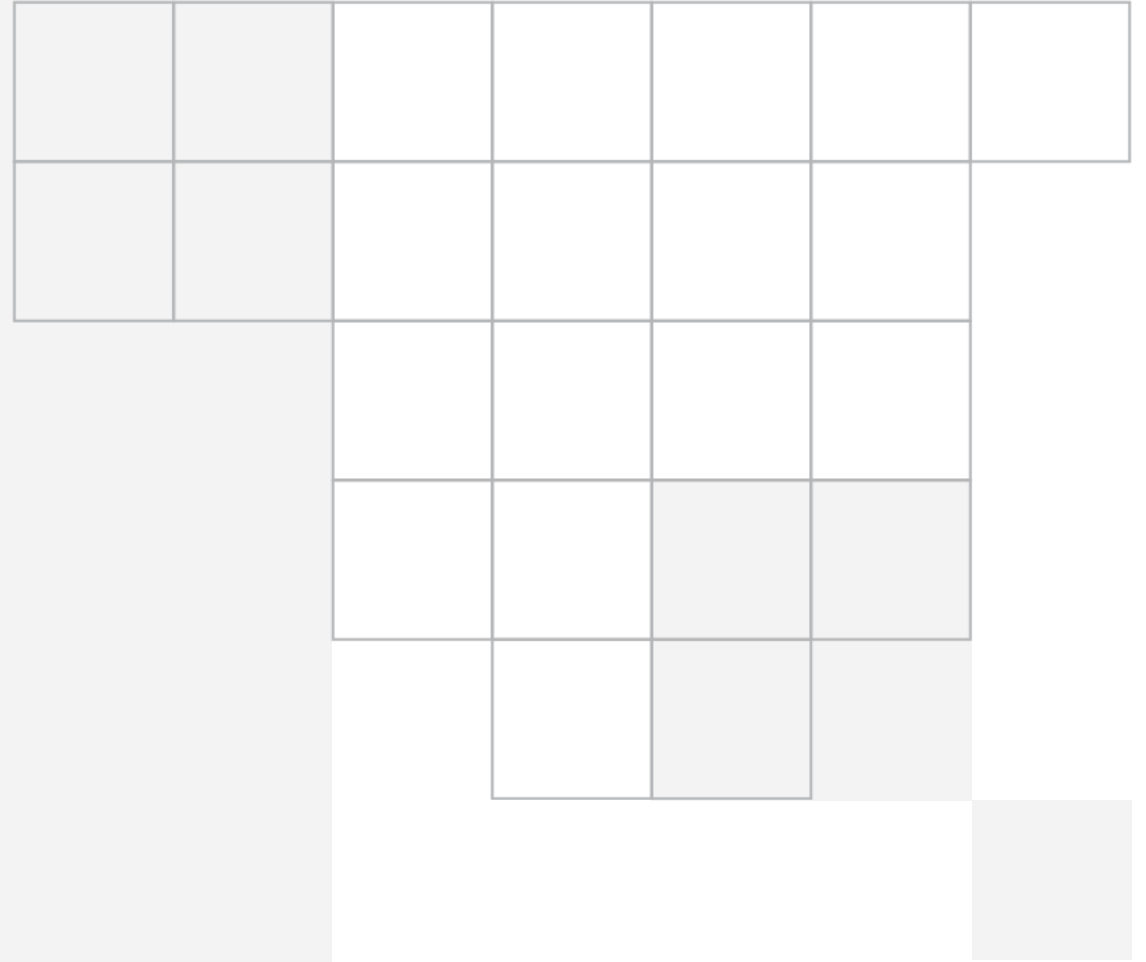
Share of Partners leveraged signatures



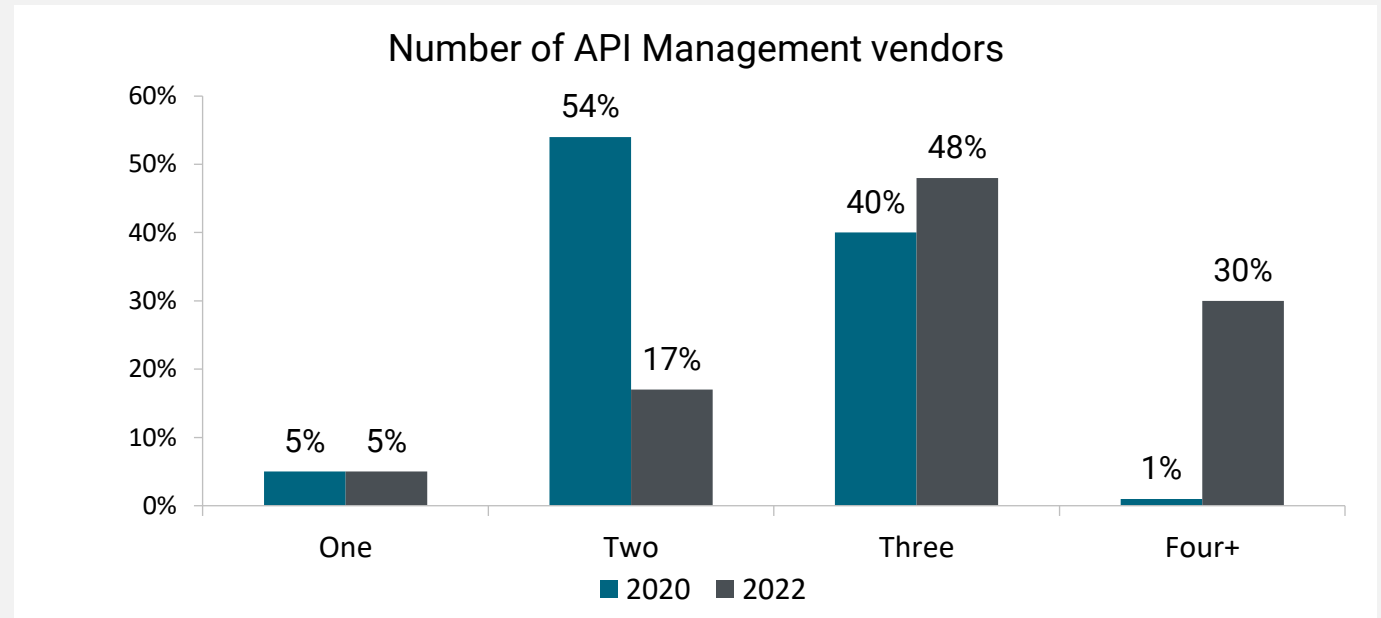
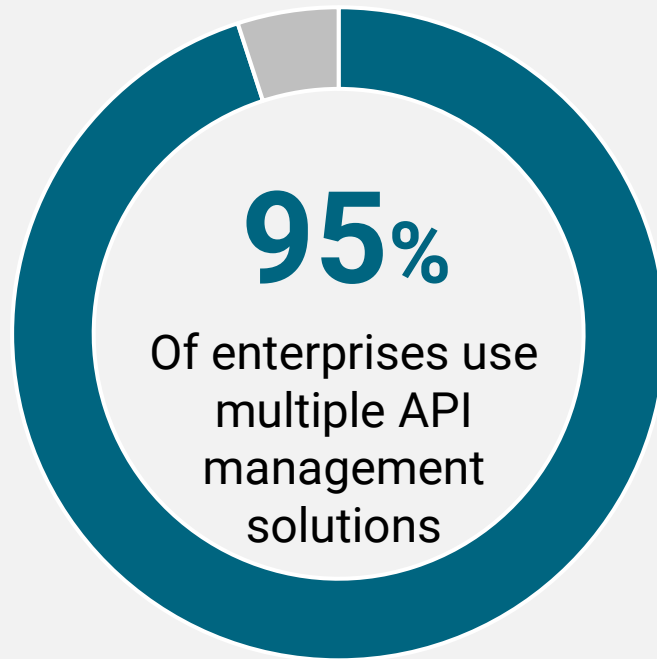
Partners leveraged signatures by product



- Significant success of the “API Boost” program with Sopra Steria, generating a 3-digit signature growth vs. 2019



Growing trend of multiple API management solutions



Source: IDC EMEA (2020): API Management & Integration Survey (right)

Create a marketplace to monetize digital products through APIs and automate subscription management based on a single catalog across the enterprise

INCREASE EFFICIENCY

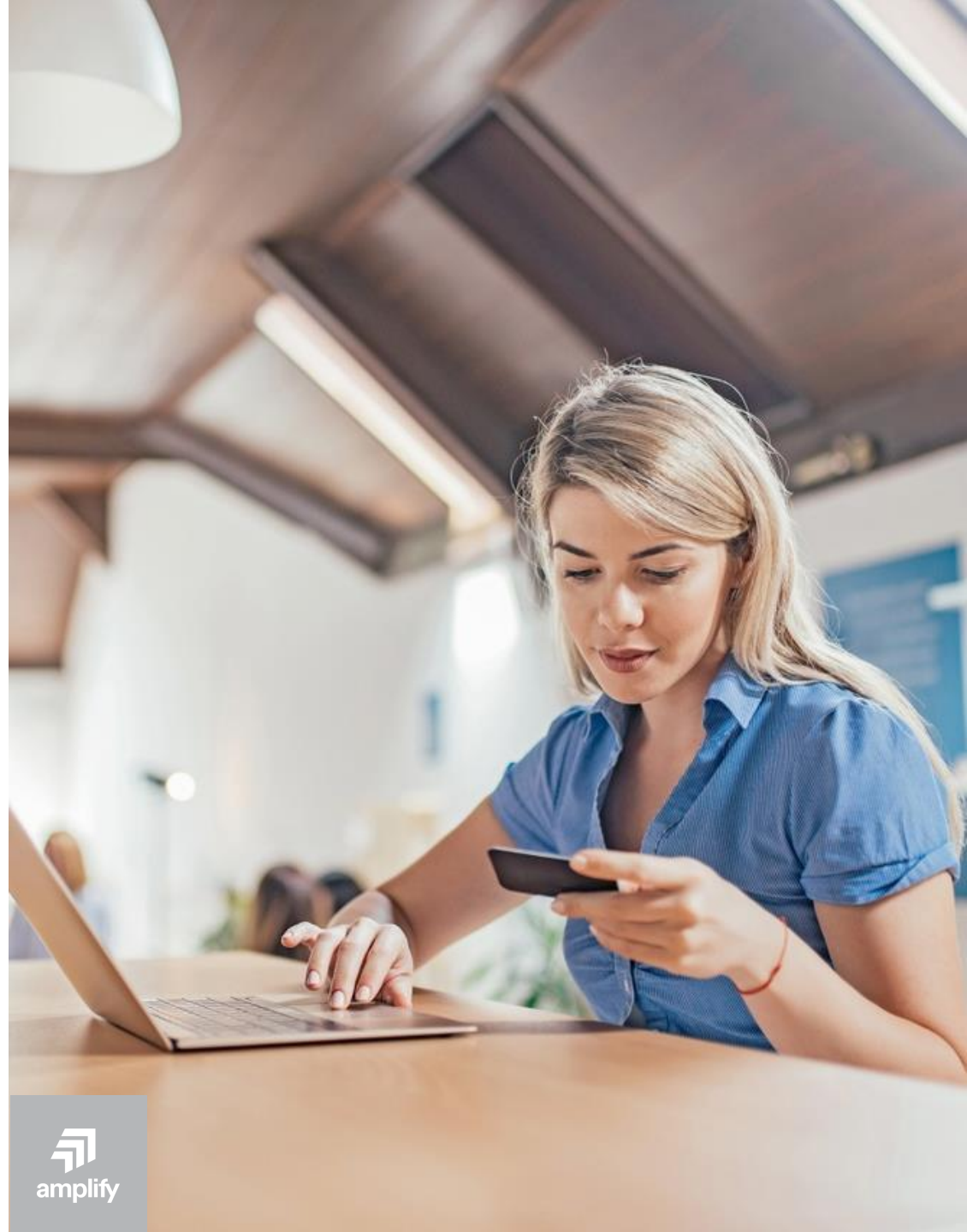
By offering API reusability which reduces manual tasks and errors via automation, auto-discover APIs, and makes consumption data easier

CREATE A MARKETPLACE

For all published APIs from a heterogenous API Gateway into a single enterprise catalog

INCREASE REVENUE

By driving higher API adoption

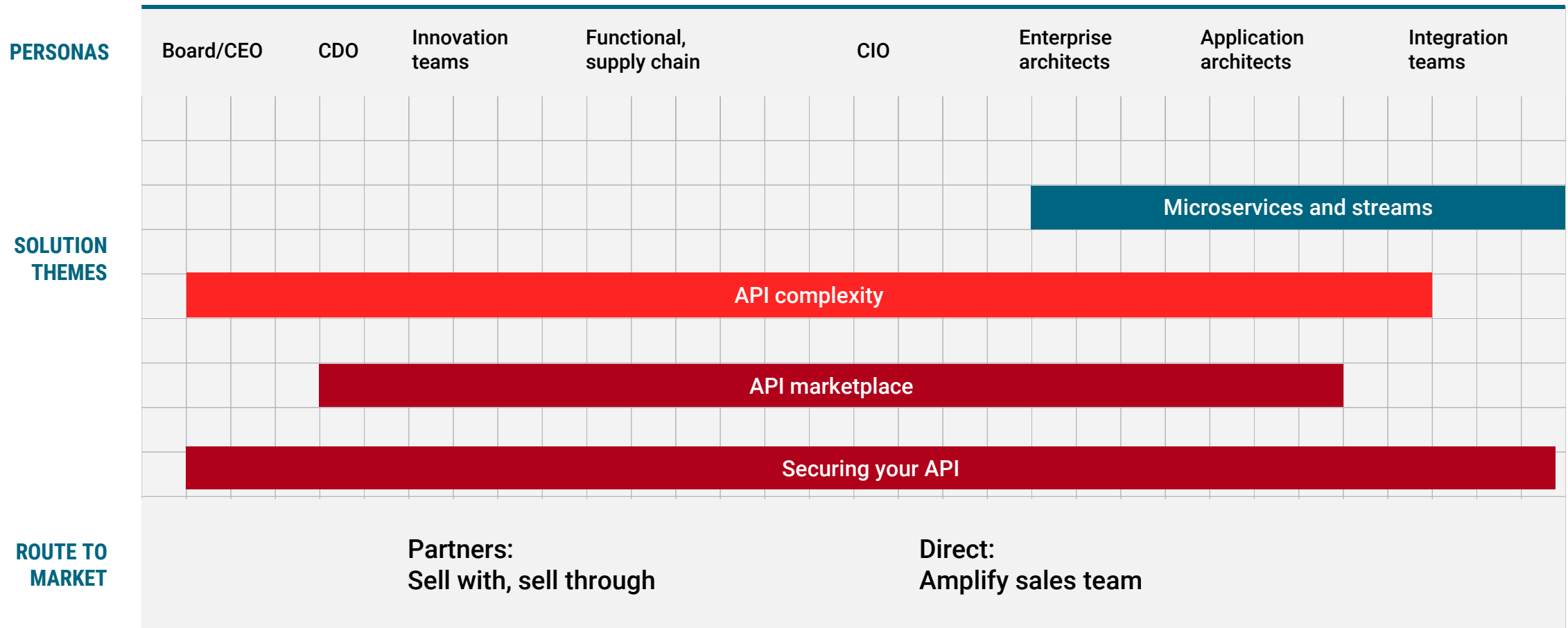


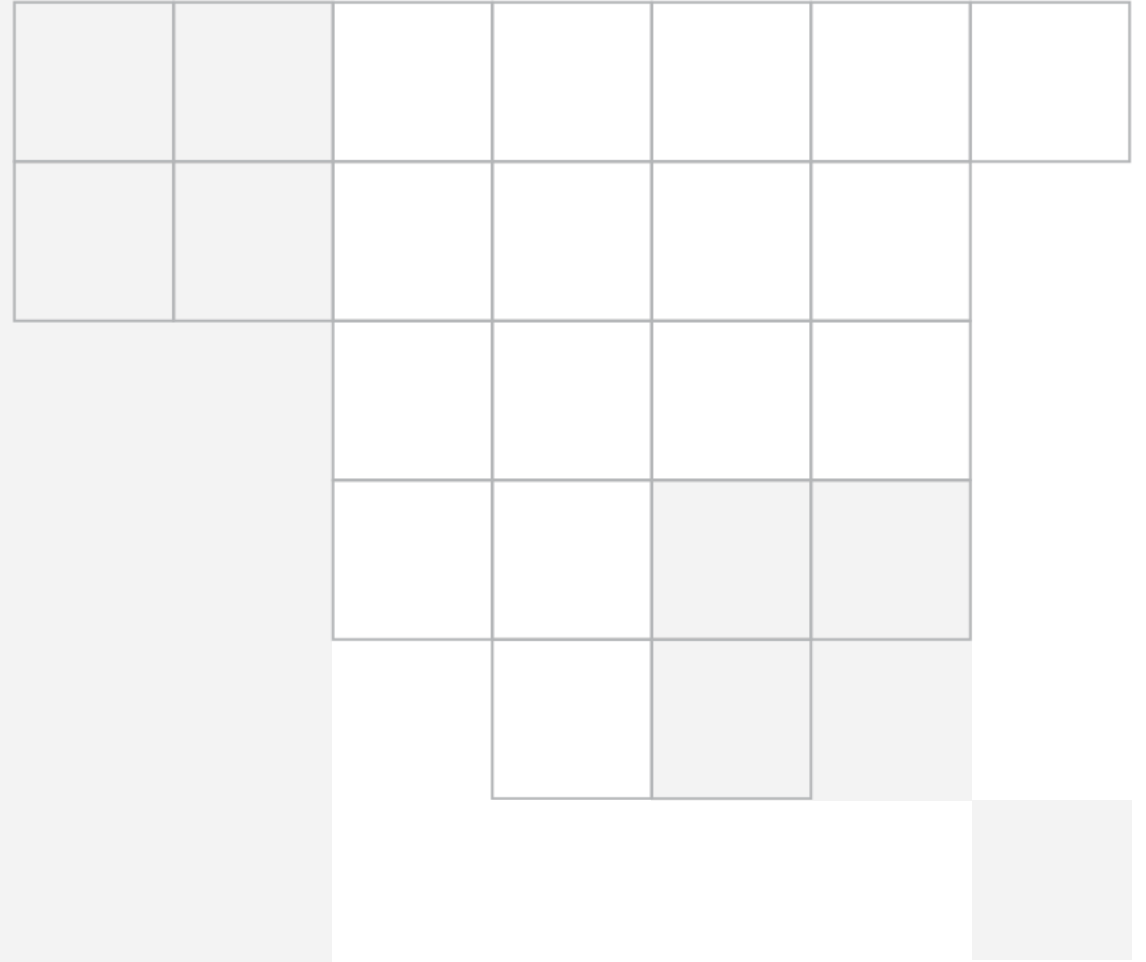


Tame **IT**

API complexity is a **beast**,
tame it with Amplify.

2021 GTM – Amplify







“

The challenge is achieving the right balance between managing the short-term issues of cost and complexity while at the same time investing in the future.

Mike Gilbert, *The CEO's Dilemma*



**Bundesagentur
für Arbeit**

**Enables secure, seamless eGovernment
services in Germany with a hybrid
integration platform**

€150 BILLION

In social security benefits paid in 2020

100,000 EMPLOYERS

Integrated with a secure, central platform

UP TO 5 MILLION

Cyber threats defeated daily

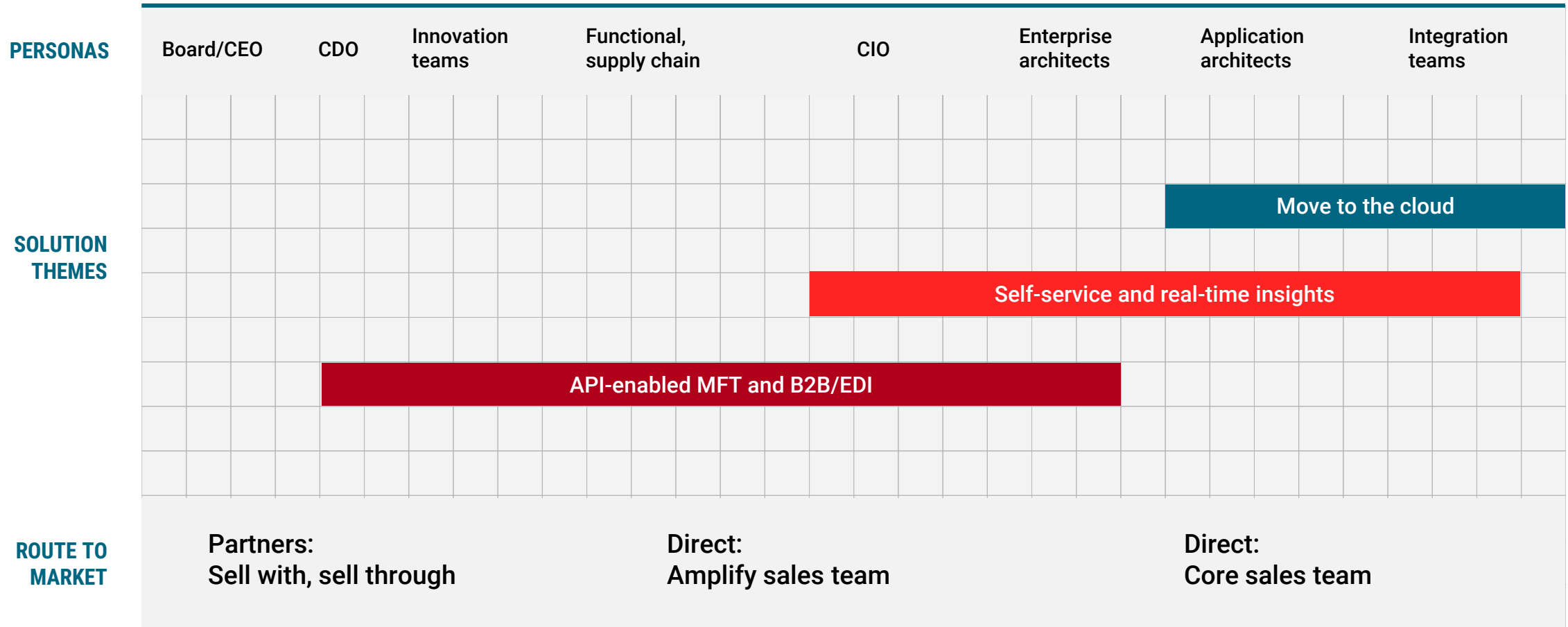


Our success during the COVID-19 crisis clearly demonstrates the value of a mature approach to data integration and security – and we look forward to supporting a new generation of eGovernment services with Axway.

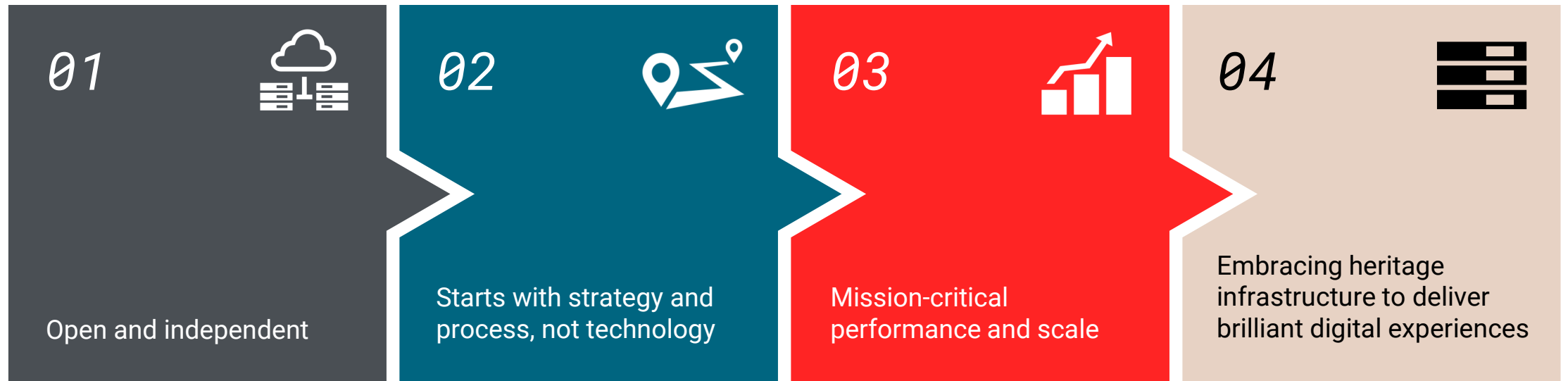
Peter Neuhauser

Head of TEC1 – CERT, Network Services, and Security as a Service

2021 GTM – Axway Core



Winning in a competitive environment



The world is opening.

Cross-pollenating new ideas, creating new possibilities across geographies, industries, and customers and partners. With every investment, old and new, opportunities for growth are blossoming. So what are you waiting for?

Axway will help turn what you already have into brilliant digital customer experiences. It's time to

Open
Are you open?
Everything



Questions?

Objectives for our first Capital Markets Meeting

