



## Revenue and results Anti-Piracy for the first half of 2026

Business refocused on Anti-Piracy (excluding the XTD product line): \$21.3 million

- Continued growth in recurring subscription revenue: +9%
- Non-recurring revenue from license sales aligned with our plan, including an unfavorable base effect

Solid commercial momentum since the start of the year

- Growth in subscription ARR at 06/30/2026: +11% to \$16.1 million

Solid results and a strengthened financial structure

- EBITDA: \$1.9 million (9% of revenue)
- Renegotiation of the Group's financial debt

## 2026 outlook in line with the 2028 roadmap

Return to revenue growth combined with EBITDA above \$3 million

**Aix-en-Provence, France and San Diego, USA, July 24, 2026** — VERIMATRIX (Euronext Paris: VMX, FR0010291245), a leading provider of user-centric security solutions for a safer connected world, today announces its revenue and results for the first half of fiscal year 2026 (January 1 to June 30).

Following the divestiture of the Extended Threat Defense (XTD) product line in February 2026, the Group presents an analysis of its business refocused on its core Anti-Piracy activity. The consolidated financial statements are provided in the appendix.

### **Laurent Dechaux, Chief Executive Officer of VERIMATRIX, commented:**

*"The first half of 2026 is in line with our roadmap through 2028 and gives us reason for optimism about the future. The 11% decline in Anti-Piracy revenue should be viewed in light of a strong first half of 2025, which benefited from a major license sale contract that was a significant contributor to results. In volume terms, the business is showing early signs of recovery since the start of the year, with sequential growth in Anti-Piracy activity for the third consecutive quarter. This improvement is already reflected in our results, thanks to the cost-reduction measures implemented as part of the Group's refocusing on its core business. The renegotiation of our financial debt is the other key event of this start of the year. With a lighter debt load and more favorable repayment terms, Verimatrix has the resources to continue financing its growth and investments, while once again generating positive free cash flow in the coming months if the recovery in activity is confirmed. In this context, our priorities remain strengthening our leadership in the Anti-Piracy sector and deploying innovative growth drivers in the OTT market."*



**Laurent DECHAUX, Chief Executive Officer, and Jean-François LABADIE, Chief Financial Officer,**  
**will host a webcast today at 6:00 p.m. (Paris time)**  
**to discuss the revenue and results for the first half of 2026.**

To join the webcast, click the following link: [First-Half 2026 Results](#)

*To join by audio only, please call the following number,*  
*+33 (0) 4 88 80 09 30*  
*Passcode: 512 689 21#*

### First-half 2026 revenue

On the basis of the new scope of activity refocused on Anti-Piracy, revenue amounted to \$21.3 million, down 11% compared with the first half of 2025, but up sequentially for the third consecutive quarter.

First-half activity was impacted by the decline in license sales (-26% to \$6.7 million), which had benefited from the signing of a major contract in the second quarter of 2025. Subscription sales grew 9% to \$8.0 million, and maintenance revenue amounted to \$6.5 million, down 13%, in line with the transition toward a more subscription-oriented model.

The Group's consolidated revenue for the first half of 2026, including one month's contribution from the Extended Threat Defense (XTD) product line, divested in early February 2026, amounted to \$21.7 million.

| (in US\$ million)                      | Q2<br>2026  | Q2<br>2025  | Chg.        | H1 2026     | H1 2025     | Chg.        |
|----------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Recurring revenue</b>               | <b>7.4</b>  | <b>7.4</b>  | <b>0%</b>   | <b>14.5</b> | <b>14.8</b> | <b>-2%</b>  |
| <i>of which subscriptions</i>          | 4.2         | 3.7         | +14%        | 8.0         | 7.4         | +9%         |
| <i>of which maintenance</i>            | 3.2         | 3.7         | -14%        | 6.5         | 7.5         | -13%        |
| <b>Non-recurring revenue</b>           | <b>3.5</b>  | <b>6.3</b>  | <b>-44%</b> | <b>6.7</b>  | <b>9.1</b>  | <b>-26%</b> |
| <b>Anti-Piracy revenue</b>             | <b>11.0</b> | <b>13.8</b> | <b>-20%</b> | <b>21.3</b> | <b>23.9</b> | <b>-11%</b> |
| <i>XTD (divested in February 2026)</i> | --          | 1.3         | n/a         | 0.4         | 2.6         | n/a         |
| <b>Total revenue</b>                   | <b>11.0</b> | <b>15.0</b> | <b>-27%</b> | <b>21.7</b> | <b>26.5</b> | <b>-18%</b> |

|                               |             |             |            |
|-------------------------------|-------------|-------------|------------|
| <b>Anti-Piracy ARR</b>        | <b>27.5</b> | <b>27.6</b> | <b>-0%</b> |
| <i>of which subscriptions</i> | 16.1        | 14.6        | +11%       |
| <i>of which maintenance</i>   | 11.4        | 13.0        | -13%       |

### Revenue trend by geographic region

Anti-Piracy revenue was driven by the Asia-Pacific region (+33%) and Latin America (+4%), in particular thanks to the successful upselling of licenses marketed by the Group.

This trend illustrates Verimatrix's capacity for innovation with its long-standing base of telecom operator customers, particularly in certain geographic regions such as Asia-Pacific.

### Anti-Piracy ARR trend

At June 30, 2026, ARR (Annual Recurring Revenue) stood at \$27.5 million, up 2% compared with December 31, 2025, and virtually stable compared with June 30, 2025.



Subscription ARR reached \$16.1 million, up 11% year-on-year (+\$1.5 million) and up 4% compared with December 31, 2025 (+\$0.6 million), reflecting an improvement in the quarterly growth rate.

At the same time, maintenance ARR continues to decline, albeit at a slowing pace, illustrating the gradual nature of the transition in the Group's business model.

### First-half 2026 results (Anti-Piracy proforma)

| In millions of dollars<br>(Proforma data – Anti-Piracy product line) | H1 2026       | H1 2025       | Chg.          |
|----------------------------------------------------------------------|---------------|---------------|---------------|
| <b>Revenue</b>                                                       | <b>21.3</b>   | <b>23.9</b>   | <b>-11.0%</b> |
| <b>Gross margin</b>                                                  | <b>13.8</b>   | <b>15.5</b>   | <b>-10.8%</b> |
| <i>As a % of revenue</i>                                             | <i>65.0%</i>  | <i>64.8%</i>  |               |
| Research and development costs                                       | (5.5)         | (7.1)         | -22.0%        |
| Sales and marketing expenses                                         | (4.2)         | (3.8)         | 9.9%          |
| General and administrative expenses                                  | (4.0)         | (4.8)         | -16.2%        |
| Other operating income/(expenses), net                               | (0.2)         | 0.1           | -310.0%       |
| <b>Total adjusted operating expenses</b>                             | <b>(13.9)</b> | <b>(15.5)</b> | <b>-10.3%</b> |
| <i>As a % of revenue</i>                                             | <i>-65.6%</i> | <i>-65.1%</i> |               |
| <b>Adjusted EBITDA</b>                                               | <b>1.9</b>    | <b>2.8</b>    | <b>-31.3%</b> |
| <i>As a % of revenue</i>                                             | <i>9.0%</i>   | <i>11.6%</i>  |               |
| <b>Adjusted operating income</b>                                     | <b>(0.1)</b>  | <b>(0.1)</b>  | <b>118.0%</b> |
| <i>As a % of revenue</i>                                             | <i>-0.6%</i>  | <i>-0.2%</i>  |               |
| Financial income/(loss), net                                         | (0.0)         | (2.3)         | -99.4%        |
| Income tax expenses                                                  | (0.6)         | (0.7)         | -13.1%        |
| <b>Adjusted net income/(loss)</b>                                    | <b>(0.8)</b>  | <b>(3.1)</b>  | <b>-75.7%</b> |

Gross margin stood at \$13.8 million, compared with \$15.5 million a year earlier, representing 65% of revenue (64.8% in 2025). The gradual decline in high-margin perpetual license sales was offset by continued optimization of the cost structure and improved efficiency in our customer support and integration activities.

Research and development expenses were kept under control and declined by 22%. Sales and marketing expenses increased by 9.9%, in line with the Group's strategy of refocusing on the Anti-Piracy product line and the geographic reorganization of the sales force according to the dynamics of the different regions in which the Group operates.

Total adjusted operating expenses thus amounted to \$13.9 million, down 10.3% compared with the first half of the previous fiscal year, and adjusted EBITDA came to \$1.9 million, compared with \$2.8 million in 2025.

After taking into account the financial result, adjusted net income represented a loss of \$0.8 million, compared with an adjusted net loss of \$3.1 million in the first half of 2025.



## Renegotiation of financial debt

The financial debt was partially repaid and its terms renegotiated in line with market conditions.

The new terms of the private debt are as follows:

- Maturity extended from July 2027 to June 2029 for the private debt.
- An interest rate reduced to 6% from 12%
- Use of \$5 million from the proceeds of the XTD product line divestiture to reduce the principal of the private debt
- Implementation of new covenants aligned with medium-term strategic objectives.
- Estimated annual cash savings on the cost of debt of approximately \$1 million per year.

The repayment schedules of the Prêt Participatif Relance (PPR) loans were also adjusted.

## Financial position and cash flow

Net debt, excluding lease commitments under IFRS 16, stood at \$16.8 million at June 30, 2026, compared with \$20.2 million at December 31, 2025.

The debt includes the private debt at a fair value of \$13.6 million and the Prêt Participatif Relance (PPR) loans totaling \$8.4 million.

| (in millions of dollars)                             | H1 2026      | H1 2025      |
|------------------------------------------------------|--------------|--------------|
| <b>Net income/(loss)</b>                             | (2.2)        | (65.0)       |
| Elimination of non-cash items                        | 2.4          | 6.1          |
| Elimination of impairment loss / goodwill impairment | -            | 60.0         |
| Cash flow absorbed by working capital requirements   | 1.5          | (2.7)        |
| <b>Cash generated by activities</b>                  | <b>1.7</b>   | <b>(1.6)</b> |
| Taxes paid                                           | (1.4)        | (0.6)        |
| Interests paid                                       | (0.7)        | (1.4)        |
| <b>Net cash generated by operating activity</b>      | <b>(0.4)</b> | <b>(3.6)</b> |
| <b>Net cash flow from investment activities</b>      | <b>4.4</b>   | <b>(1.1)</b> |
| <b>Net cash flow from financing activities</b>       | <b>(5.8)</b> | <b>(0.7)</b> |
| <b>Net change in cash</b>                            | <b>(1.8)</b> | <b>(5.5)</b> |
| Cash and cash equivalents at start of period         | 7.1          | 11.0         |
| Foreign exchange effects                             | (0.1)        | (0.2)        |
| <b>Cash and cash equivalents at end of period</b>    | <b>5.2</b>   | <b>5.3</b>   |

Cash and cash equivalents amounted to \$5.2 million at June 30, 2026, a limited decrease of \$0.1 million compared with the amount available at the end of June 2025.

This change in cash position is mainly explained by:

- positive cash flow generated by operating activities after change in working capital of \$1.7 million,
- positive investing activities of \$4.4 million, including \$5.2 million related to the disposal of the XTD product line.

In addition, financial interest paid amounted to \$0.7 million and taxes paid represented \$1.4 million.



**Outlook: Growth of Anti-Piracy revenue starting in fiscal year 2026, combined with Anti-Piracy EBITDA of minimum \$3 million**

In 2026, VERIMATRIX intends to continue developing its subscription offerings by capitalizing on the depth of its installed base and by forming new partnerships to strengthen its geographic positions.

The Group will also rely on high-potential segments, particularly sports and new use cases related to digital content protection, to support its commercial development and gradually expand its customer base.

**In this context, with a leaner cost structure, the Group expects to achieve revenue growth starting in 2026, combined with EBITDA of minimum \$3 million.**

As part of its new strategic roadmap, the Group had set itself the objectives of a return to revenue growth, combined with EBITDA growth and positive free cash flow, by 2028.

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**Next event:**

Publication of third-quarter 2026 revenue and results: October 26, 2026 (after market close)

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**About VERIMATRIX**

VERIMATRIX (Euronext Paris: VMX) helps make today's connected world safer by offering security solutions designed with the user in mind. VERIMATRIX protects content, applications, and connected devices by providing intuitive, frictionless security that is entirely user-focused. The world's leading companies trust VERIMATRIX to protect their content, including premium films, live-streamed sports, sensitive financial and medical data, and mission-critical mobile applications. VERIMATRIX makes possible the trusted relationships on which its customers depend to deliver quality content and service to millions of consumers worldwide. VERIMATRIX supports its partners in gaining faster access to market, facilitating their growth, protecting their revenues, and winning new customers. To learn more, visit [www.verimatrix.com](http://www.verimatrix.com).

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**Forward-looking statements**

This press release contains certain forward-looking statements concerning VERIMATRIX. VERIMATRIX believes that its expectations are based on reasonable assumptions; however, they do not constitute guarantees of future performance. Accordingly, the Company's actual results may differ materially from those anticipated in these forward-looking statements due to a number of risks and uncertainties.

## APPENDICES

### Appendix 1 — Supplementary non-IFRS financial information — Reconciliation of IFRS results with adjusted results

The non-strictly accounting performance indicators presented in this press release are defined below. These indicators are not aggregates defined by IFRS standards and do not constitute accounting measures of the Company's financial performance. They should be considered as supplementary information that cannot substitute for any other strictly accounting-based measure of operating and financial performance, such as that presented in the Company's consolidated financial statements and the notes thereto. The Company monitors these indicators because it believes they are relevant measures of its current operating profitability and its generation of operating cash flows. Although generally used by companies in the same sector worldwide, these indicators may not be strictly comparable to those of other companies, which may have defined or calculated indicators presented under the same name differently.

**Adjusted gross margin** is defined as gross margin before (i) amortization of intangible assets related to business combinations, (ii) any impairment of goodwill, (iii) the accounting charge related to share-based payments, and (iv) non-recurring costs related to restructurings and acquisitions and disposals carried out by the Company.

**Adjusted operating income** is defined as operating income before (i) amortization of intangible assets related to business combinations and of masks acquired through a business combination, (ii) any impairment of goodwill, (iii) the accounting charge related to share-based payments, and (iv) non-recurring costs related to restructurings and acquisitions and disposals carried out by the Company.

**EBITDA** is defined as adjusted operating income before depreciation and amortization not related to business combinations.

**Annual Recurring Revenue, or ARR**, corresponds to the annualized value of all recurring revenue from contracts in force at the time of measurement. ARR includes all types of recurring contracts for which revenue is currently being recognized. ARR is a rolling figure that accumulates over time, whereas Total Contract Value (TCV), also used by the Company, is generally used to measure orders (new or additional) taken during a period. The Company calculates ARR for SaaS and non-SaaS subscriptions, as well as a combined ARR covering subscriptions and maintenance.

### Net debt reconciliation

| (in millions of dollars)                  | June 30, 2026 | December 31, 2025 |
|-------------------------------------------|---------------|-------------------|
| Cash and cash equivalents                 | 5.2           | 7.1               |
| Private loan note due 2029, at fair value | (13.6)        | (18.7)            |
| Other loans                               | (8.4)         | (8.7)             |
| <b>Net cash/(debt)</b>                    | <b>(16.8)</b> | <b>(20.2)</b>     |
| Financial lease commitments under IFRS 16 | (3.8)         | (4.7)             |
| <b>Net cash/(debt) including IFRS 16</b>  | <b>(20.6)</b> | <b>(24.9)</b>     |



## Appendix 2 — Consolidated financial statements (IFRS)

## Consolidated income statement

| (in millions of dollars)               | Six months ended June 30 |               |
|----------------------------------------|--------------------------|---------------|
|                                        | 2026                     | 2025          |
| <b>Revenue</b>                         | <b>21.7</b>              | <b>26.5</b>   |
| Cost of sales                          | (7.5)                    | (8.9)         |
| <b>Gross profit</b>                    | <b>14.2</b>              | <b>17.7</b>   |
| Research and development costs         | (5.9)                    | (8.6)         |
| Selling and marketing expenses         | (4.3)                    | (4.8)         |
| General and administrative expenses    | (4.0)                    | (5.2)         |
| Other gains / (losses), net            | (1.6)                    | (1.1)         |
| Impairment loss / goodwill impairment  | -                        | (60.0)        |
| <b>Operating profit (loss)</b>         | <b>(1.6)</b>             | <b>(62.0)</b> |
| Cost of financial debt, net            | (1.2)                    | (1.5)         |
| Other financial income/(loss), net     | 1.2                      | (0.8)         |
| <b>Profit (loss) before income tax</b> | <b>(1.6)</b>             | <b>(64.3)</b> |
| Income tax expenses                    | (0.6)                    | (0.7)         |
| <b>Net income/(loss)</b>               | <b>(2.2)</b>             | <b>(65.0)</b> |



## Consolidated balance sheet

## ASSETS

| (in millions of dollars)         | June 30, 2026 | December 31,<br>2025 |
|----------------------------------|---------------|----------------------|
| Goodwill                         | 48.2          | 48.2                 |
| Intangible assets                | 3.4           | 4.2                  |
| Property and equipment           | 2.4           | 3.0                  |
| Other receivables                | 0.7           | 0.8                  |
| <b>Non-current assets</b>        | <b>54.7</b>   | <b>56.1</b>          |
| Inventories                      | 0.4           | 0.4                  |
| Trade receivables                | 16.0          | 16.7                 |
| Other receivables                | 3.6           | 2.7                  |
| Derivative financial instruments | -             | 0.0                  |
| Cash and cash equivalents        | 5.2           | 7.1                  |
| Assets held for sale             | -             | 8.3                  |
| <b>Current assets</b>            | <b>25.2</b>   | <b>35.3</b>          |
| <b>Total assets</b>              | <b>79.9</b>   | <b>91.4</b>          |

## EQUITY &amp; LIABILITIES

| (in millions of dollars)                                    | June 30, 2026 | December 31,<br>2025 |
|-------------------------------------------------------------|---------------|----------------------|
| Ordinary shares                                             | 10.6          | 10.6                 |
| Share premium                                               | 93.9          | 93.9                 |
| Reserves and retained earnings                              | (70.3)        | 8.6                  |
| Income / (loss) for the period                              | (2.2)         | (78.6)               |
| <b>Equity attributable to equity holders of the Company</b> | <b>32.0</b>   | <b>34.6</b>          |
| Non-controlling interests                                   | -             | -                    |
| <b>Total equity</b>                                         | <b>32.0</b>   | <b>34.6</b>          |
| Borrowings                                                  | 23.9          | 11.5                 |
| Provisions                                                  | 0.4           | 0.5                  |
| Deferred tax liabilities                                    | 0.0           | 0.0                  |
| <b>Non-current liabilities</b>                              | <b>24.3</b>   | <b>12.0</b>          |
| Borrowings                                                  | 1.9           | 20.6                 |
| Trade payables                                              | 4.1           | 5.0                  |
| Other liabilities                                           | 5.9           | 6.6                  |
| Current tax liabilities                                     | 0.2           | 1.0                  |
| Derivative and financial instruments                        | 0.0           | 0.0                  |
| Provisions                                                  | 0.2           | 0.4                  |
| Unearned revenues                                           | 11.2          | 9.1                  |
| Liabilities related to assets held for sale                 | -             | 2.2                  |
| <b>Current liabilities</b>                                  | <b>23.6</b>   | <b>44.9</b>          |
| <b>Total liabilities</b>                                    | <b>47.9</b>   | <b>56.9</b>          |
| <b>Total equity and liabilities</b>                         | <b>79.9</b>   | <b>91.4</b>          |



## Cash flow statement

| (in millions of dollars)                                      | June 30,<br>2026 | June 30,<br>2025 |
|---------------------------------------------------------------|------------------|------------------|
| <b>Income / (loss) for the period</b>                         | <b>(2.2)</b>     | <b>(65.0)</b>    |
| Non-cash income statement items from continuing activities    | 2.4              | 6.1              |
| Elimination of impairment loss / goodwill impairment          | -                | 60.0             |
| Changes in working capital from continuing operations         | 1.5              | (2.7)            |
| <b>Cash generated by operating activities</b>                 | <b>1.7</b>       | <b>(1.6)</b>     |
| Taxes paid                                                    | (1.4)            | (0.6)            |
| Interests paid                                                | (0.7)            | (1.4)            |
| <b>Net cash generated by / (used in) operating activities</b> | <b>(0.4)</b>     | <b>(3.6)</b>     |
| Purchases of property and equipment                           | (0.1)            | (0.3)            |
| Purchases of intangible assets                                | (0.7)            | (0.8)            |
| Disposal of the XTD product line                              | 5.2              | -                |
| <b>Cash flows from investing activities</b>                   | <b>4.4</b>       | <b>(1.1)</b>     |
| Loan repayments                                               | (5.0)            | -                |
| Reimbursement of lease commitments under IFRS 16              | (0.8)            | (0.7)            |
| <b>Cash flows from financing activities</b>                   | <b>(5.8)</b>     | <b>(0.7)</b>     |
| Effect of exchange rate fluctuation                           | (0.1)            | (0.2)            |
| <b>Net increase in cash and cash equivalents</b>              | <b>(1.9)</b>     | <b>(5.7)</b>     |
| <b>Cash and cash equivalents at beginning of the period</b>   | <b>7.1</b>       | <b>11.0</b>      |
| <b>Cash and cash equivalents at end of the period</b>         | <b>5.2</b>       | <b>5.3</b>       |