



Investor Presentation

Security and Compliance for the Digital Transformation

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Safe Harbor

This presentation includes forward-looking statements within the meaning of the federal securities laws. Forward-looking statements generally relate to future events or our future financial or operating performance. Forward-looking statements in this presentation include, but are not limited to, the following list:

- our business and financial performance and expectations for future periods, including the rate of growth of our business and market share gains;
- our expectations regarding our Qualys Cloud Platform and the benefits and capabilities of our platform;
- our expectations regarding the growth, benefits and market acceptance of our Vulnerability Management, Detection and Response application;
- our total addressable market;
- our expectations regarding the timing of future products and features;
- the benefits of our new and upcoming products, features, integrations, collaborations and joint solutions;
- our strategy and our business model and our ability to execute such strategy;
- our guidance for revenues, GAAP EPS and non-GAAP EPS for the third quarter and full year 2022; and
- our expectations for the number of weighted average diluted shares outstanding and the GAAP and non-GAAP effective income tax rate for the third quarter and full year 2022.

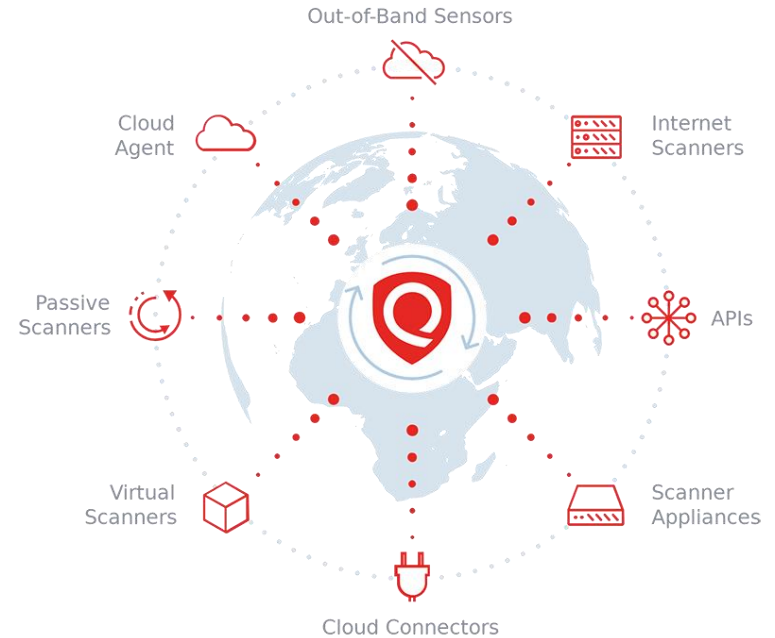
Our expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks include:

- our ability to continue to develop platform capabilities and solutions;
- the ability of our platform and solutions to perform as intended;
- customer acceptance and purchase of our existing solutions and new solutions;
- real or perceived defects, errors or vulnerabilities in our products or services;
- our ability to retain existing customers and generate new customers;
- the budgeting cycles and seasonal buying patterns of our customers, and the length of our sales cycle;
- the impact of the ongoing COVID-19 coronavirus pandemic and related public health measures on our business and the global economy;
- our ability to manage costs as we increase our customer base and the number of our platform solutions;
- the market for cloud solutions for IT security and compliance not increasing at the rate we expect;
- competition from other products and services;
- fluctuations in currency exchange rates;
- unexpected fluctuations in our effective income tax rate on a GAAP and non-GAAP basis;
- our ability to effectively manage our rapid growth and our ability to anticipate future market needs and opportunities;
- any unanticipated accounting charges; and
- general market, political, economic and business conditions in the United States as well as globally.

These additional risks include those set forth in our filings with the Securities and Exchange Commission, including our latest Form 10-Q and 10-K. The forward-looking statements in this presentation are based on information available to us as of today, and we disclaim any obligation to update any forward-looking statements, except as required by law. We also remind you that this presentation will include a discussion of GAAP and non-GAAP financial measures. The non-GAAP financial measures are not intended to be considered in isolation or as a substitute for results prepared in accordance with GAAP. The GAAP financial measures, and a reconciliation of the non-GAAP financial measures discussed in this presentation to the most directly comparable GAAP financial measures are included in the appendix of this presentation.

Investment Highlights

- ✓ Industry-leading cloud security and compliance platform
- ✓ Multiple levers of recurring revenue growth
- ✓ Scalable business model and industry-leading profitability
- ✓ Uniquely positioned to capitalize on stack consolidation and move to the cloud



Advantages of the Qualys Cloud Platform

One view across the entire global hybrid-IT environment, allowing customers to consolidate their stack for better IT, security and compliance visibility



No hardware to buy or manage

Nothing to install or manage, and all services are accessible via web interface.



Lower operating costs

With everything in the cloud there is no capex and no extra human resources needed.



Easy to deploy and maintain

Easily perform assessments across global hybrid-IT environment.



Always Up-to-date

Largest knowledge base of vulnerability signatures. Real time security updates.



Data stored securely

Data stored and processed in a n-tiered architecture of load-balanced servers.



Unprecedented scaling

Seamlessly add new coverage, users and services as you need them.

Available as a Public or on-premises Private Cloud

Full server rack

For governments, enterprises, and MSSPs

Standalone appliance

For small businesses

Virtual rack

For governments, enterprises, and MSSPs

FedRAMP authorized



Securing IT Infrastructure with Qualys

Continuously Reducing Time to Resolution with Context



Global Asset Inventory

- Discover all managed & unmanaged
- Hardware and Software Inventory
- Categorize, Normalize & Enrich
- Organize with auto-tagging
- External asset exposure



Risk Mitigation

- DevOps – Shift Left
- Continuous Vulnerability Detection
- Misconfig Detection
- System Hardening
- Patching & Misconfig Remediation

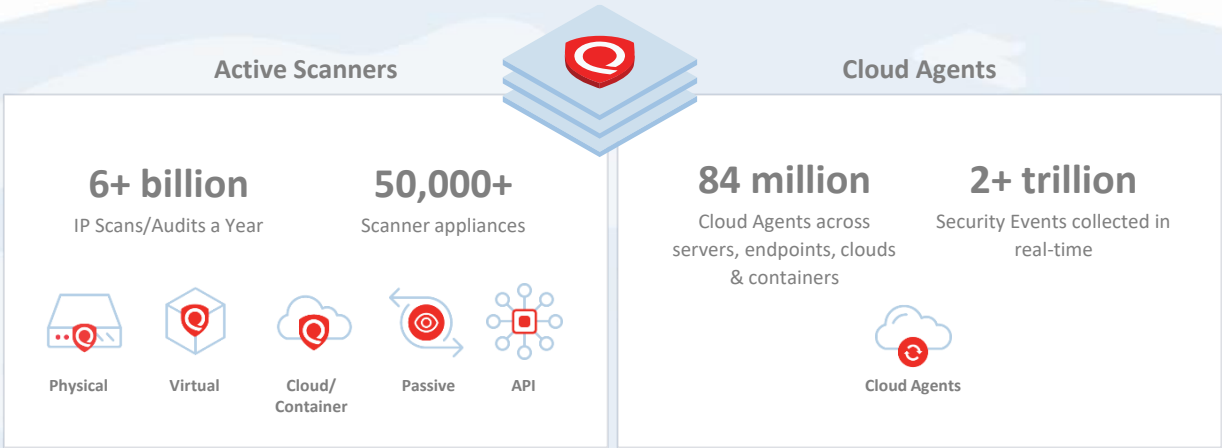


Threat Detection & Response

- Anti Malware Protection
- Continuous Telemetry Collection
- Context Enrichment
- Breach Detection
- Respond & Quarantine

Global Visibility Across Hybrid IT Environments

*Enabling superior security with scalable, extensible,
self-updating & centrally managed platform*



10+ trillion data points
Indexed on Elasticsearch Clusters, giving 2-second visibility

VMDR 2.0 Key Capabilities

Bringing Prioritization and Automated Workflow to Vulnerability Management Detection and Response

Understand and Manage Cybersecurity Risk

Quantify risk across vulnerabilities, assets, and groups of assets helping organizations proactively reduce risk exposure and track risk reduction over time with Qualys TruRisk™

Reduce Risk Faster

Unify security and IT threat response paths for faster remediation with seamless integration between ITSM tools such as ServiceNow, and patch management solutions



Automate remediation with no-code workflows

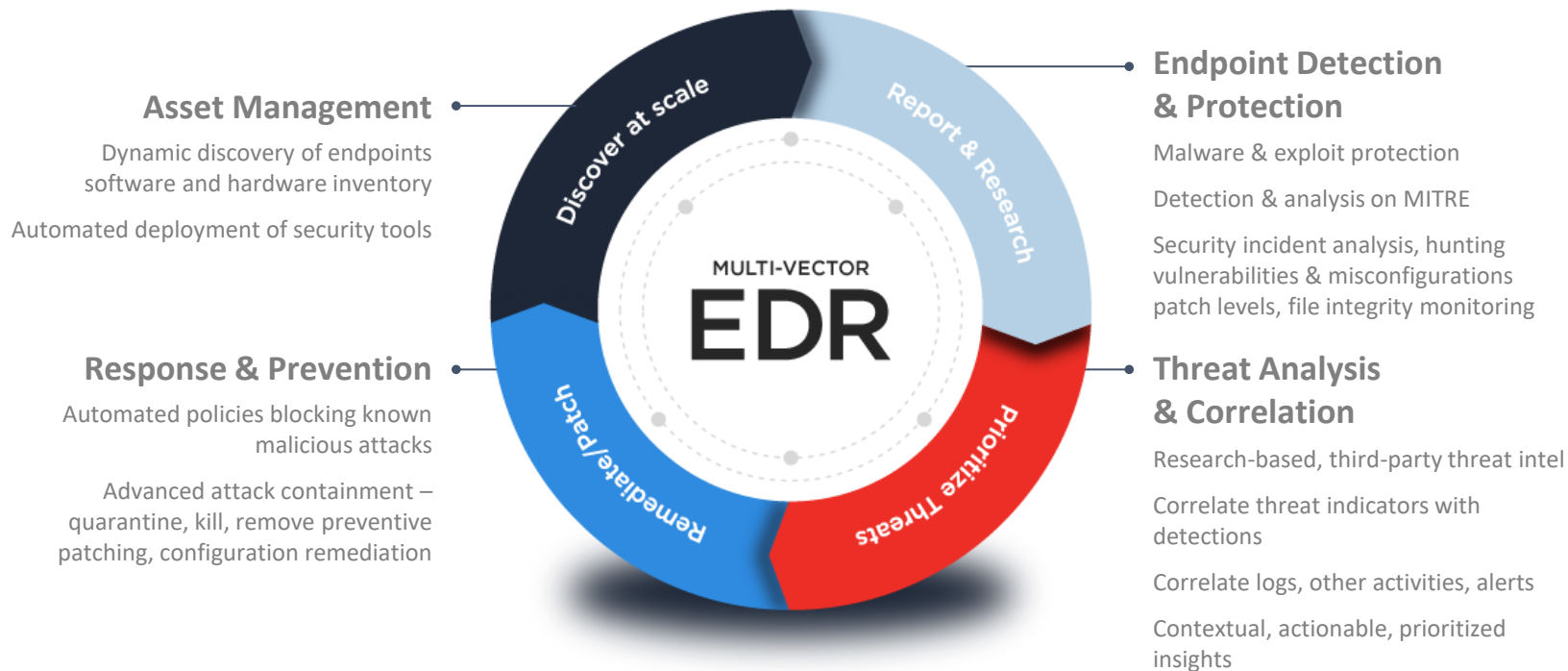
Save valuable time by automating and orchestrating operational tasks with Qualys Qflow

Receive Preemptive Attack Alerts

Leverage insights from over 180k vulnerabilities sourced from over 25+ threat sources to receive preemptive alerts on potential attacks with the Qualys Threat DB

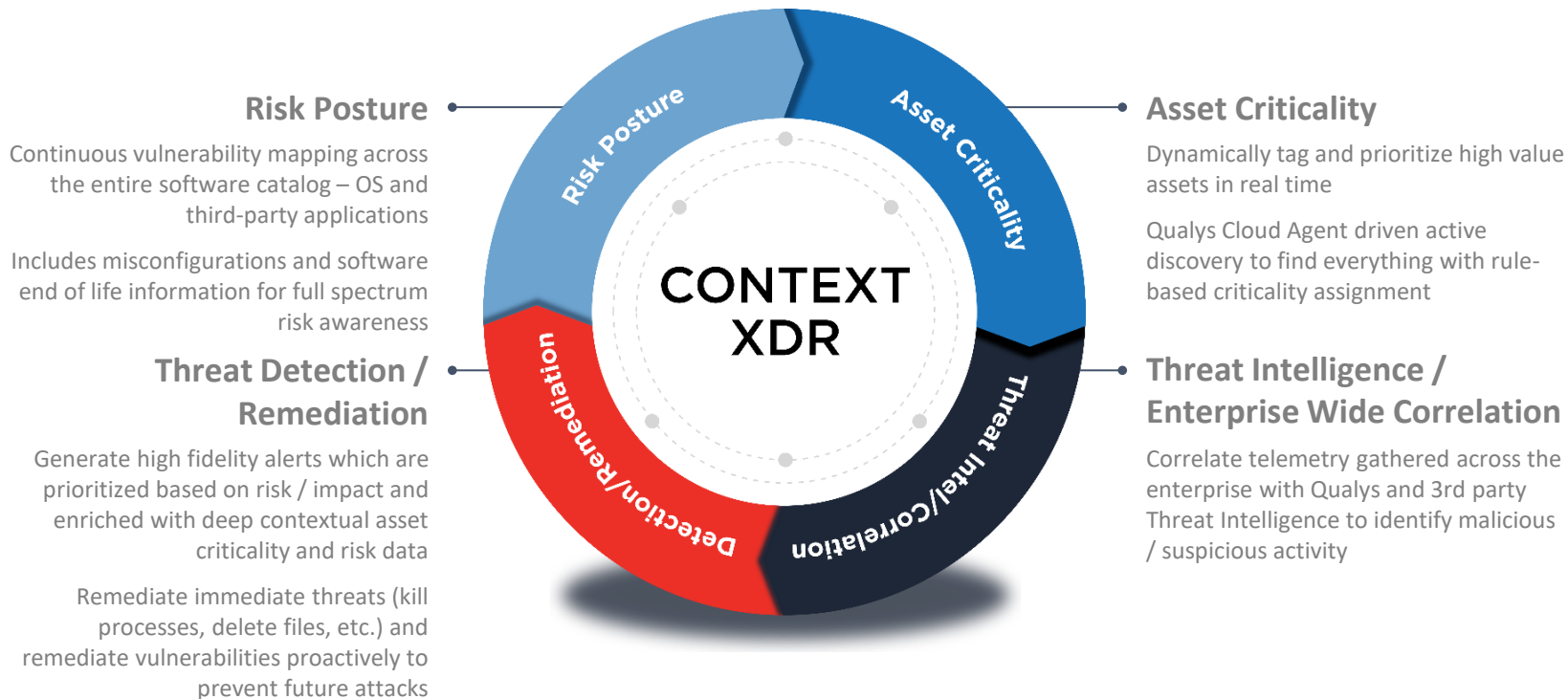
Qualys Multi-Vector EDR

Providing Multi-Vector Context for the Endpoints



Qualys Context XDR

Complete Context, Enhanced Remediation, Improved Productivity



20+

Integrated IT, Security & Compliance Apps

ASSET MANAGEMENT

- GAV** Global AssetView ● ●
- CSAM** CyberSecurity Asset Management ●
- CRI** Certificate Inventory ●

COMPLIANCE

- PC** Policy Compliance ●
- SCA** Security Configuration Assessment ●
- PCI** PCI Compliance
- FIM** File Integrity Monitoring ●
- SAQ** Security Assessment Questionnaire
- OCA** Out-of-Band Configuration Assessment

WEB APP SECURITY

- WAS** Web Application Scanning
- WAF** Web Application Firewall

CLOUD/CONTAINER SECURITY

- CI** Cloud Inventory ●
- CSA** Cloud Security Assessment
- CS** Container Security

● Available on Cloud Agent

● Free Service

IT SECURITY

- VMDR** Vulnerability Management, Detection & Response ●
- TP** Threat Protection
- CM** Continuous Monitoring
- PM** Patch Management ●
- EDR** Multi-Vector Endpoint Detection & Response ●
- CRA** Certificate Assessment
- SaaS DR** SaaS Detection and Response
- SEM** Secure Enterprise Mobility
- VMDR-OT** VMDR Operational Technology
- CAR** Custom Assessment & Response ●
- XDR** Extended Detection & Response ●

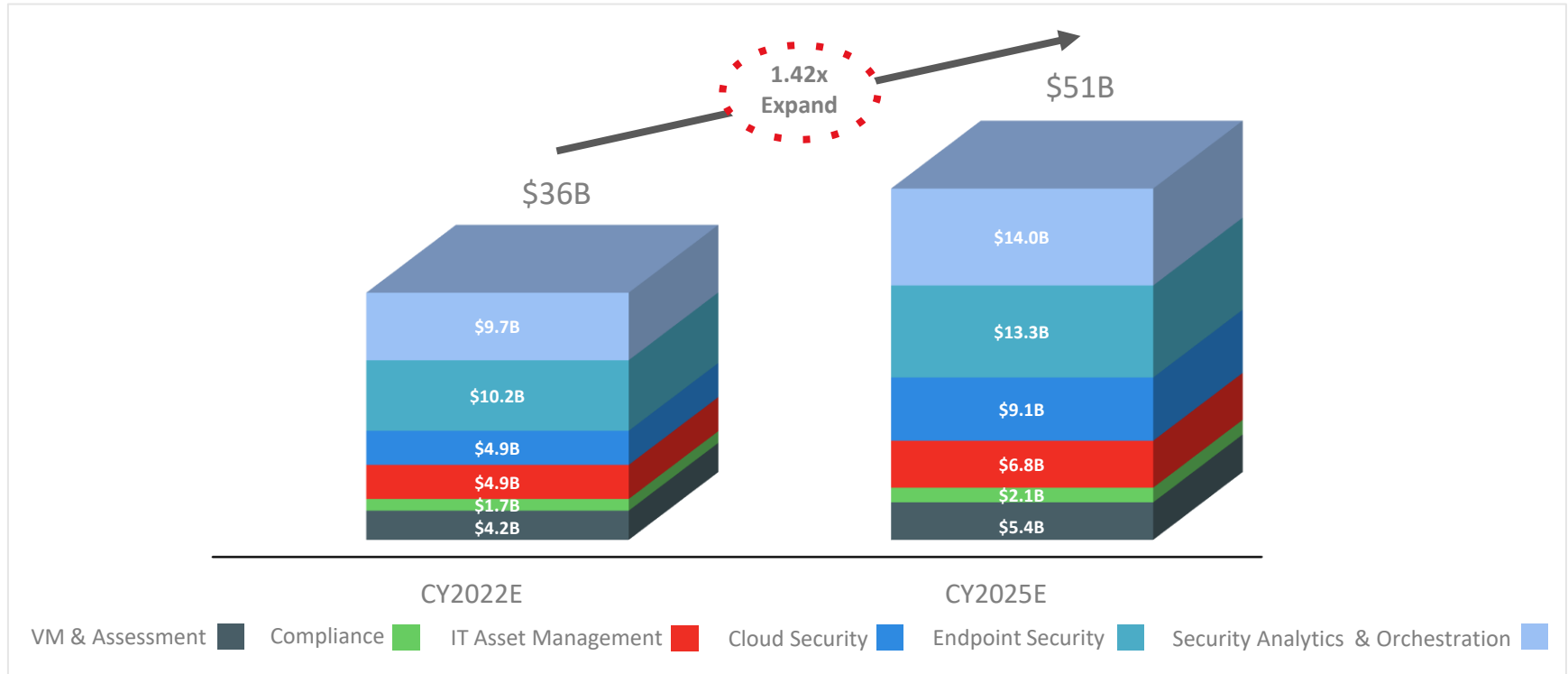
VMDR Includes



Cloud Platform Enables Vendor & Stack Consolidation

IT Security									
Compliance									
Web App Security									
Asset Management									
Cloud/Container Security									

Large Expanding Market Opportunity



Source: IDC, Gartner, Qualys estimates

Qualys' Current Total Addressable Market

Blue Chip Global Customer Base

66% of the Forbes Global 50, 46% of Global 500, and
25% of Global 2000 standardized on Qualys

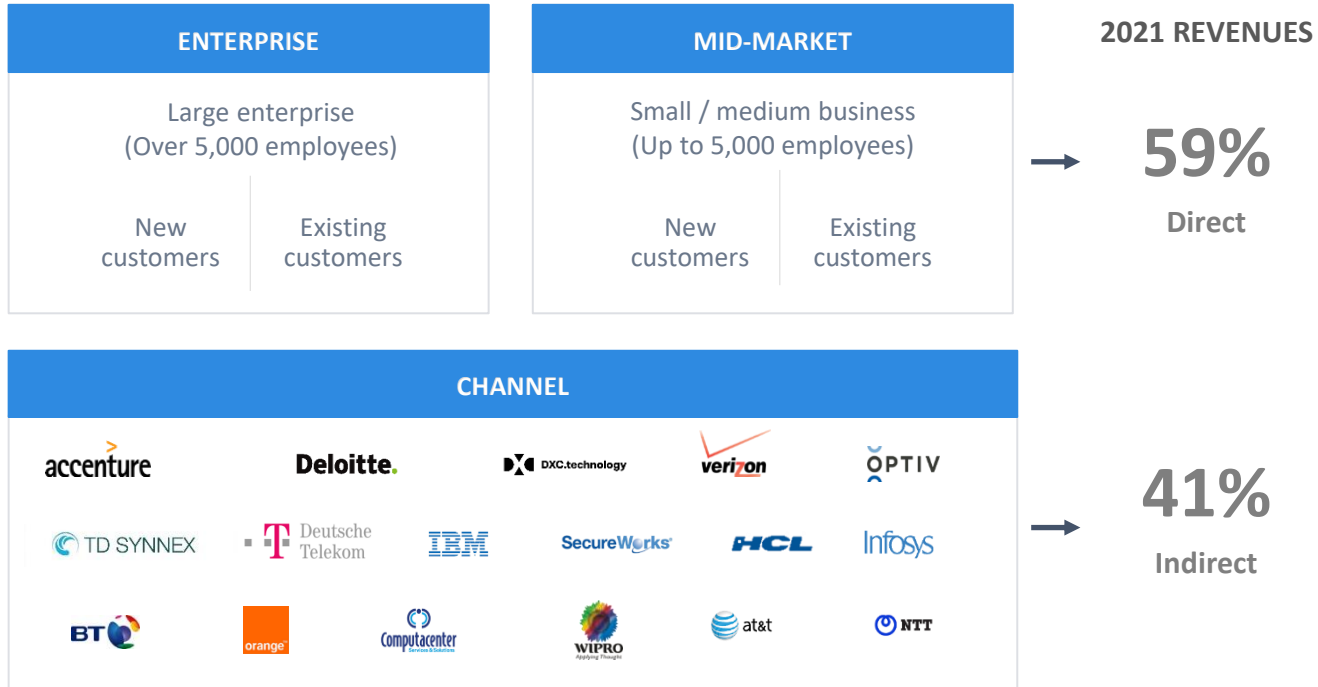
10,000+ Subscription Customers



Note: A customer is defined as any customer with subscription revenue at the measurement date

Scalable Go-to-Market Model

Market segmentation & key strategic partners



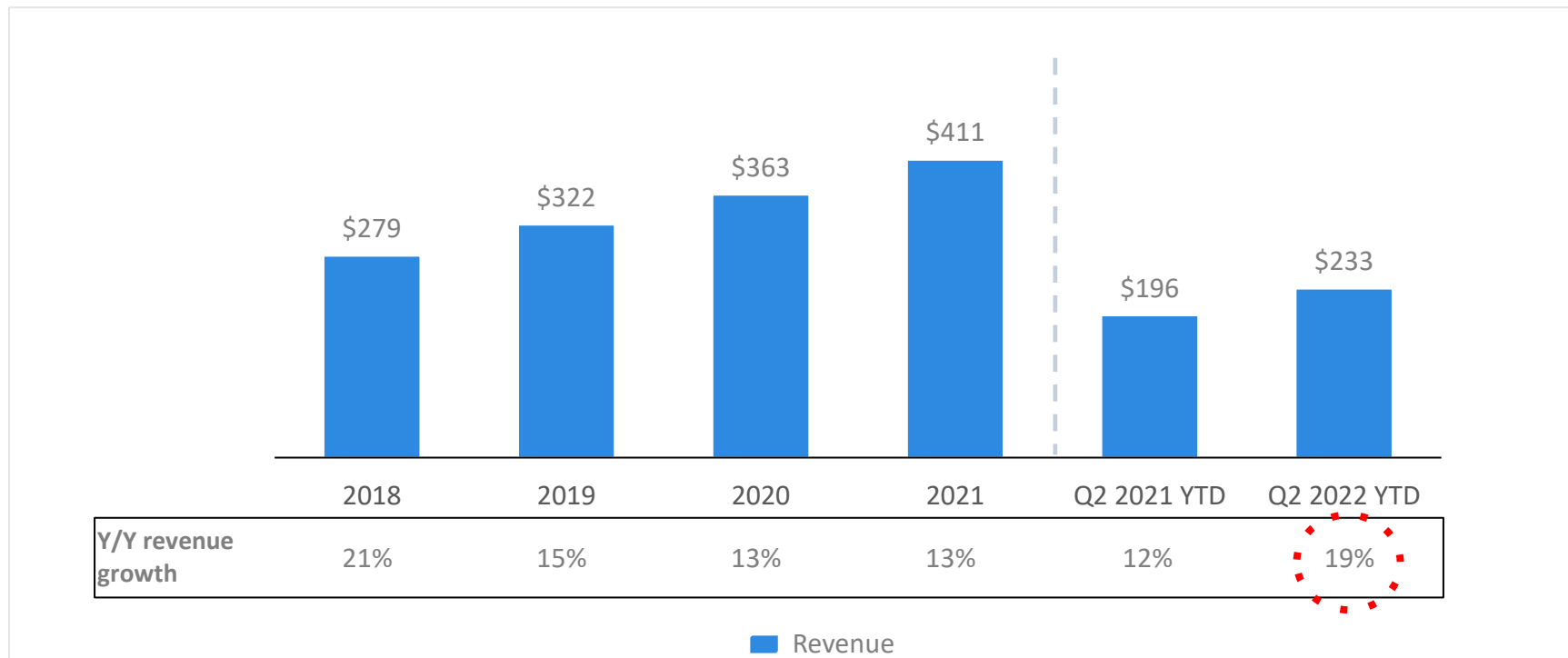
Attractive Value Proposition for Partners

High-margin recurring revenue with no capex / maintenance costs

MSSPs	Cloud Provider Partners	Outsourcing Providers	Value Added Resellers	Consultants
				

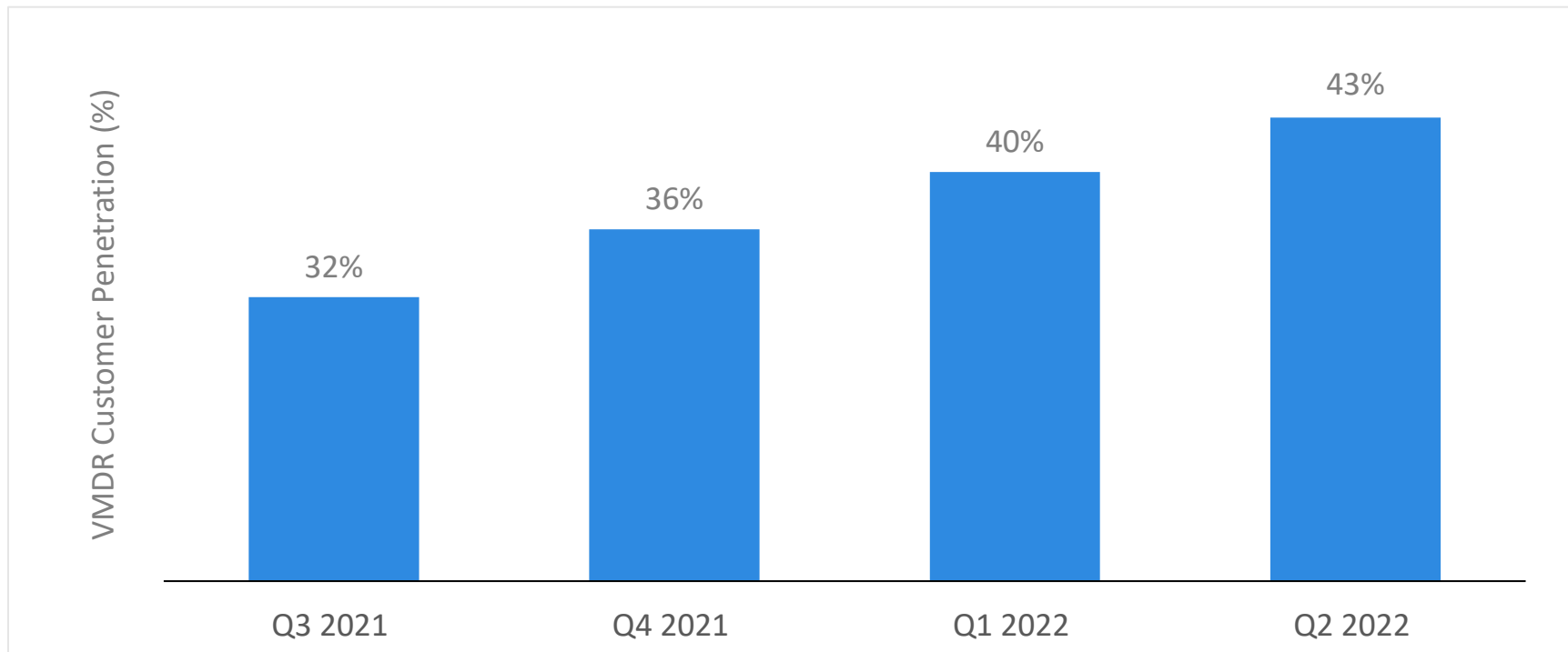
Accelerating Organic Revenue Growth

(\$ in millions)



Increasing VMDR Penetration

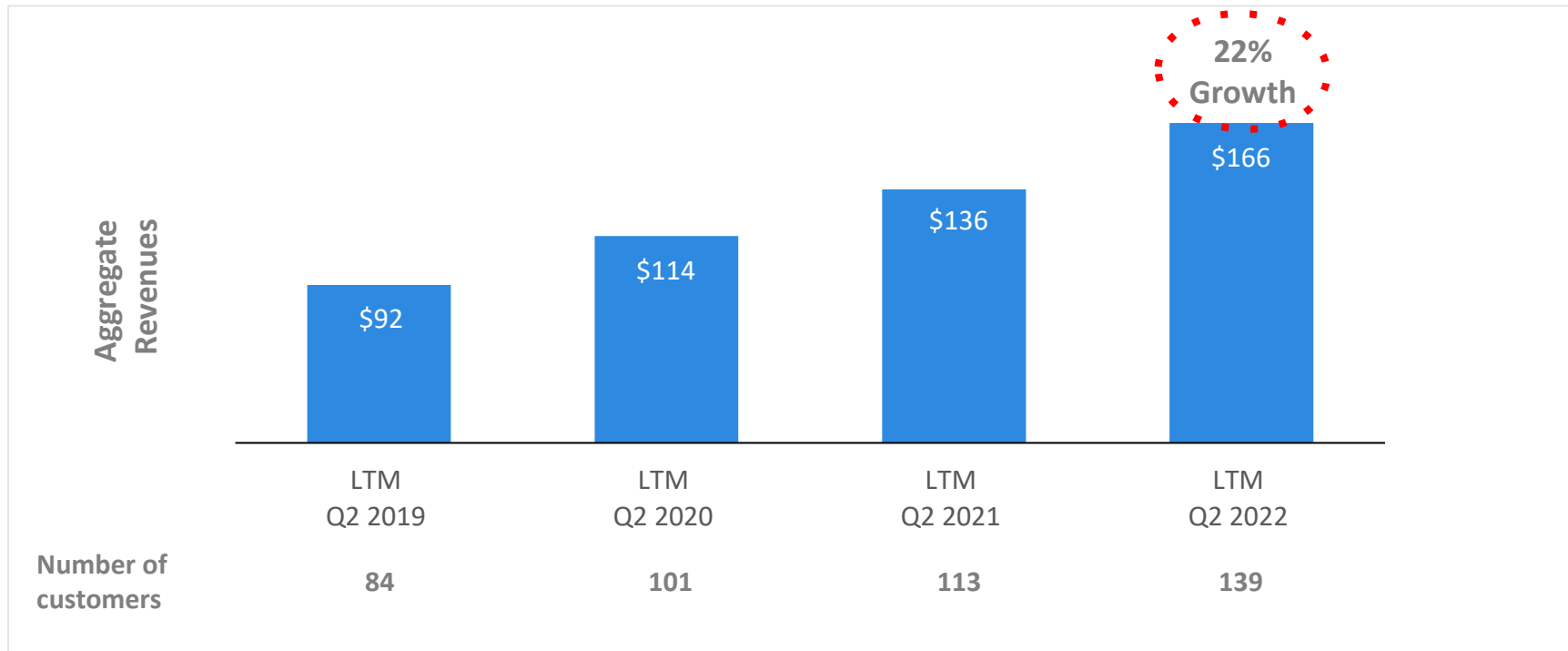
Key strategic and competitive differentiation



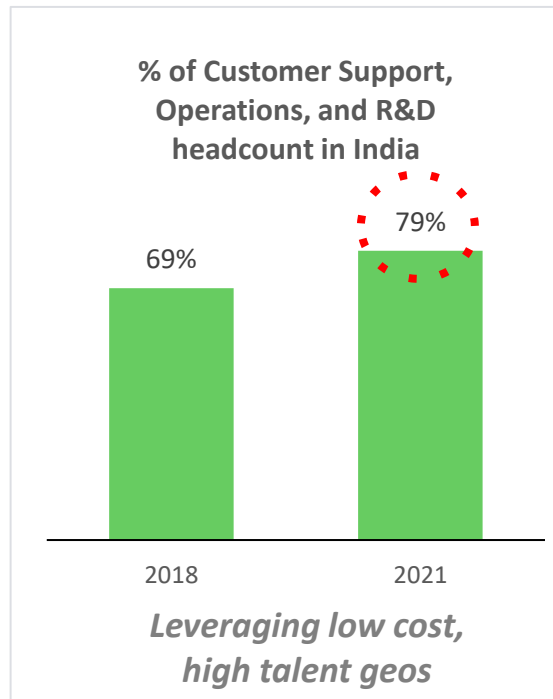
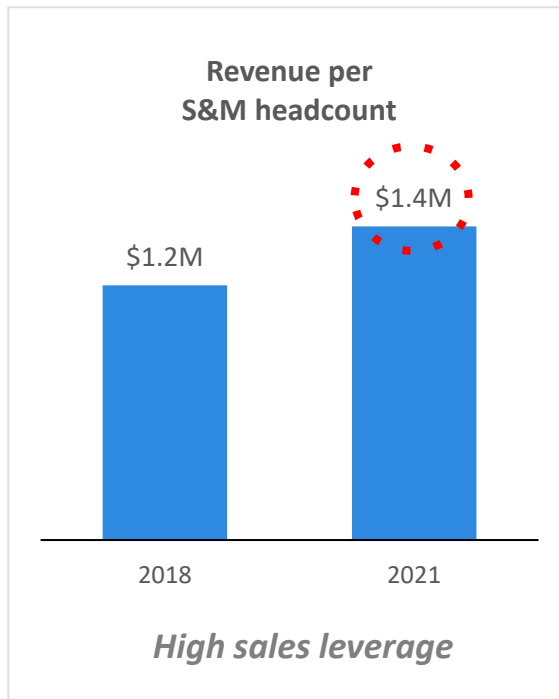
Note: The penetration rate represents the percent of customers with VMDR divided by total customers with revenue in the quarter

Platform Adoption Driving Higher Customer Spend

(\$ in millions)

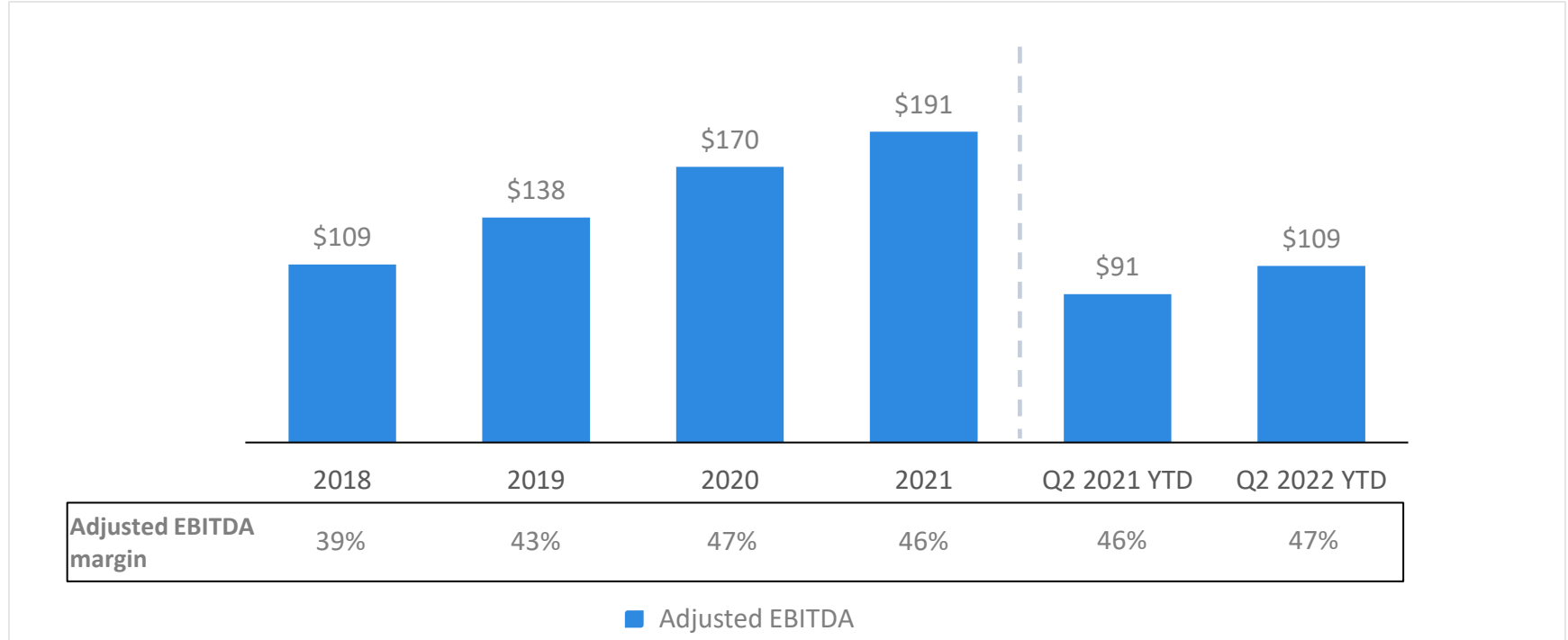


Cloud Platform Enables Scalable Operational Model



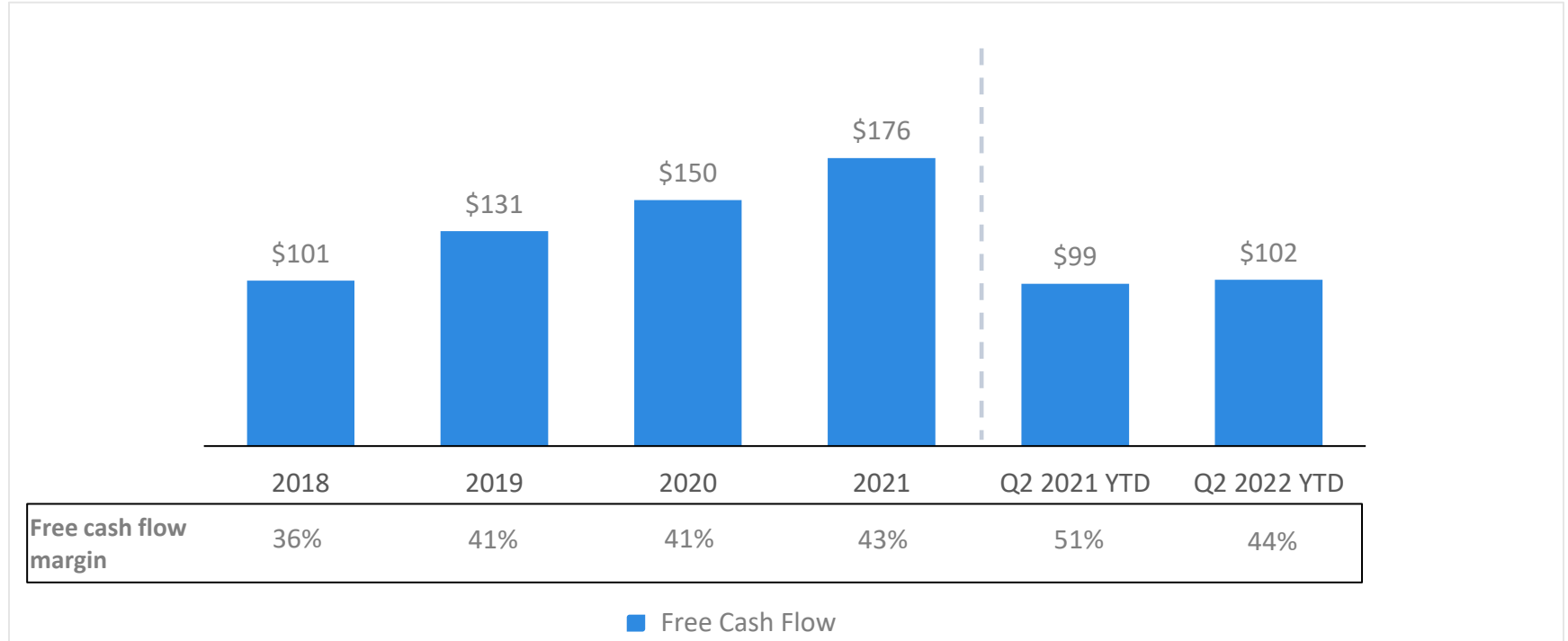
Continued Growth in Profitability

(\$ in millions)



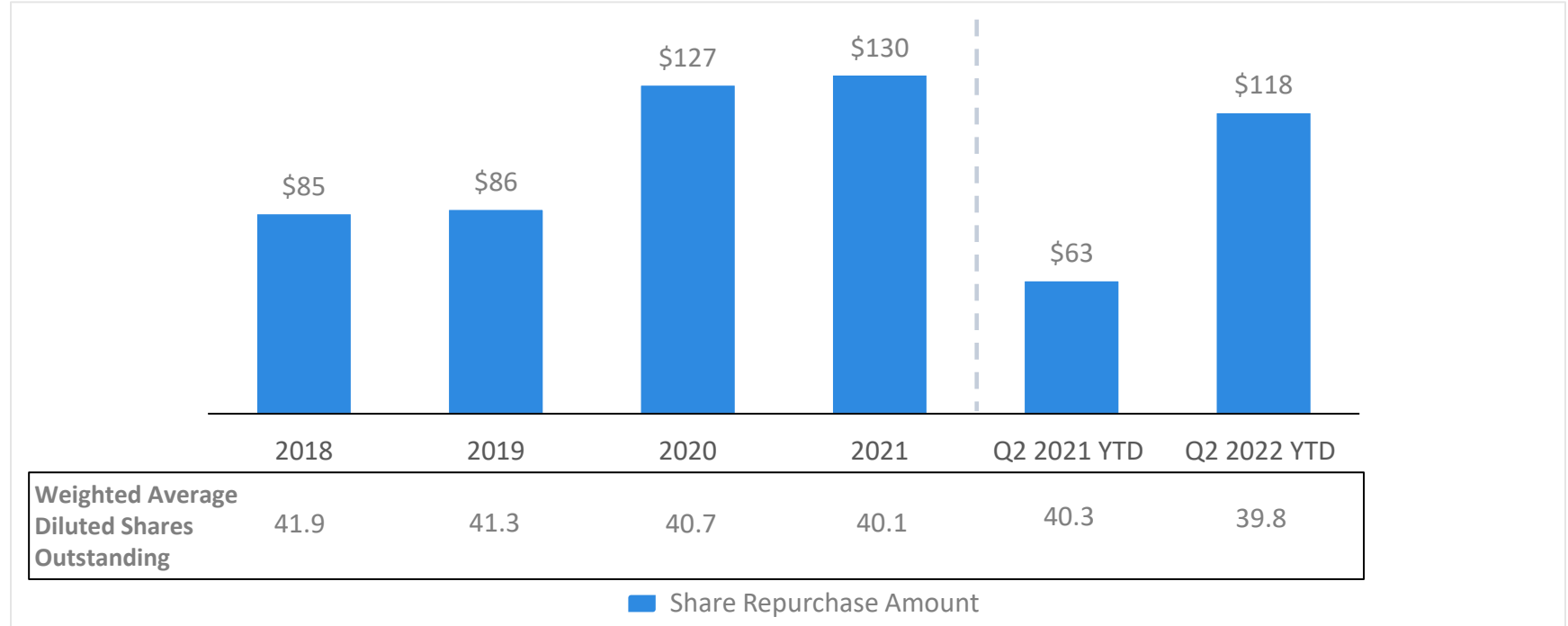
Strong Cash Flow Generation

(\$ in millions)

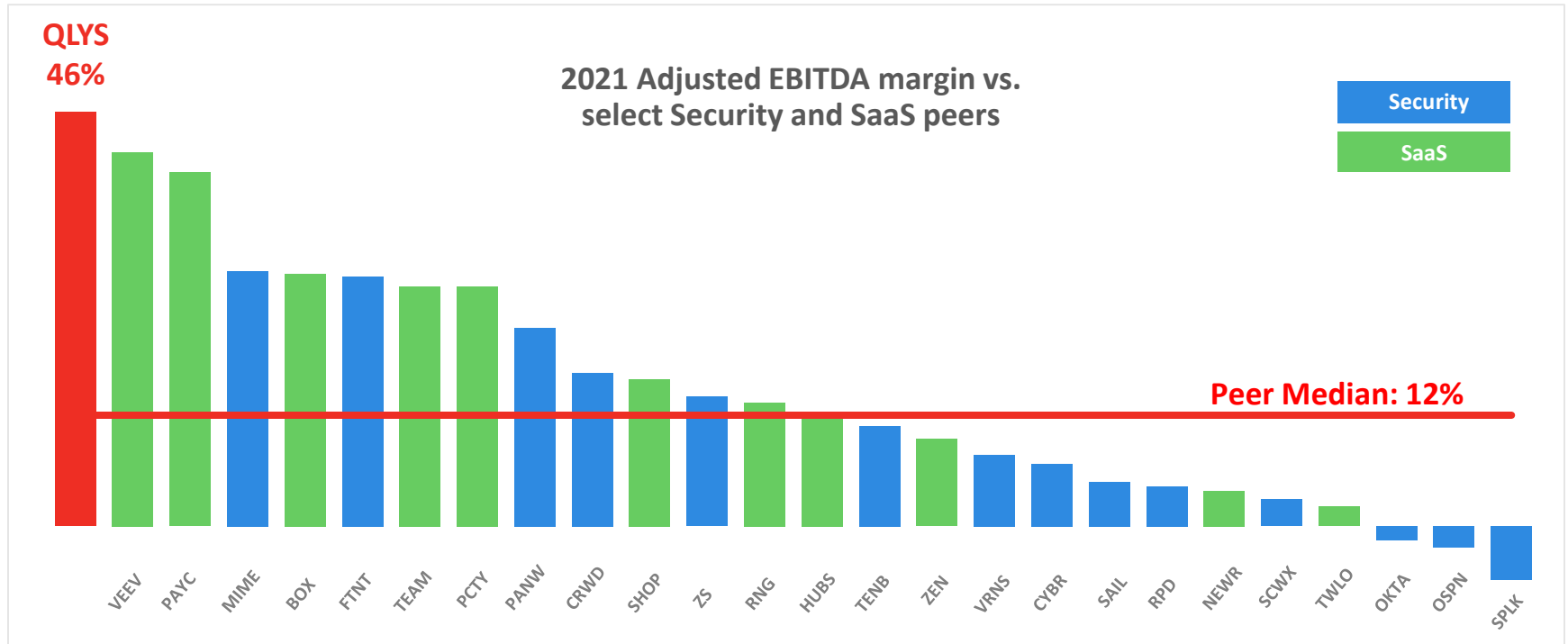


Leveraging Excess Cash to Return Capital to Shareholders

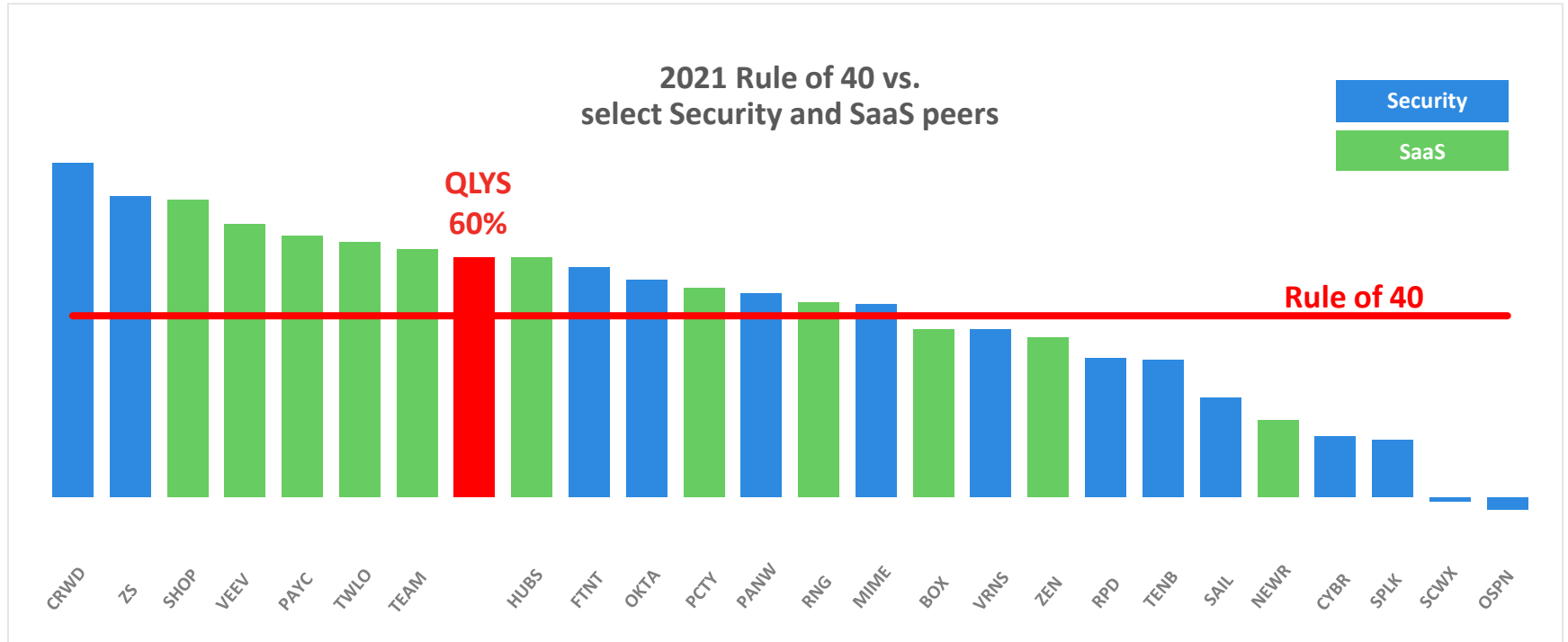
(in millions)



Industry-Leading Margins



Achieving Rule of 60: Growth + Profitability



Source: Nasdaq IR Insight
 Note: 2021 Revenue Growth % + EBITDA Margin %

Appendix

Reconciliation of Adjusted EBITDA

(\$ in millions)

	2018	2019	2020	2021	Q2 2021 YTD	Q2 2022 YTD
Net income	\$57.3	\$69.3	\$91.6	\$71.0	\$21.4	\$52.0
Depreciation and amortization of property and equipment	25.2	25.1	26.6	29.2	14.6	14.4
Amortization of intangible assets	3.7	6.1	6.3	6.7	3.3	3.2
Provision for (benefit from) income taxes	(1.8)	10.6	10.5	18.4	6.3	13.5
Stock based compensation	30.1	34.9	40.0	67.6	46.8	24.6
Other income, net	(5.1)	(7.7)	(5.4)	(1.7)	(1.0)	1.1
Adjusted EBITDA	\$109.4	\$138.3	\$169.5	\$191.2	\$91.3	\$108.6

Note: Amounts may not sum due to rounding.

Reconciliation of Non-GAAP Free Cash Flows

(\$ in millions)

	2018	2019	2020	2021	Q2 2021 YTD	Q2 2022 YTD
GAAP Cash flows provided by operating activities	\$125.5	\$160.6	\$180.1	\$200.6	\$112.2	\$112.9
Purchases of property and equipment	(22.8)	(27.6)	(29.6)	(24.4)	(12.9)	(11.2)
Principal payments under finance lease obligations	(1.6)	(1.7)	(0.1)	(0.1)	(0.1)	0.0
Non-GAAP Free cash flows	\$101.1	\$131.3	\$150.4	\$176.1	\$99.2	\$101.7

Note: Amounts may not sum due to rounding.

Revenue by Geographic Area

(\$ in millions)

	2018	2019	2020	2021	Q2 2021 YTD	Q2 2022 YTD
United States	185.9	206.6	230.4	250.8	121.1	139.1
% of total revenue	67%	64%	63%	61%	62%	60%
Foreign	93.0	115.1	132.5	160.4	75.3	94.2
% of total revenue	33%	36%	37%	39%	38%	40%
Total Revenues	\$278.9	\$321.6	\$363.0	\$411.2	\$196.5	\$233.3

Note: Amounts may not sum due to rounding.