



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 Enterprise TruRisk Platform and the benefits and capabilities of our platform;
- our expectations regarding the growth, benefits, and market acceptance of the Qualys Enterprise TruRisk Platform;
- 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, EBITDA margin, capital expenditure, GAAP EPS, and non-GAAP EPS for the third quarter and full year 2024; 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 2024.

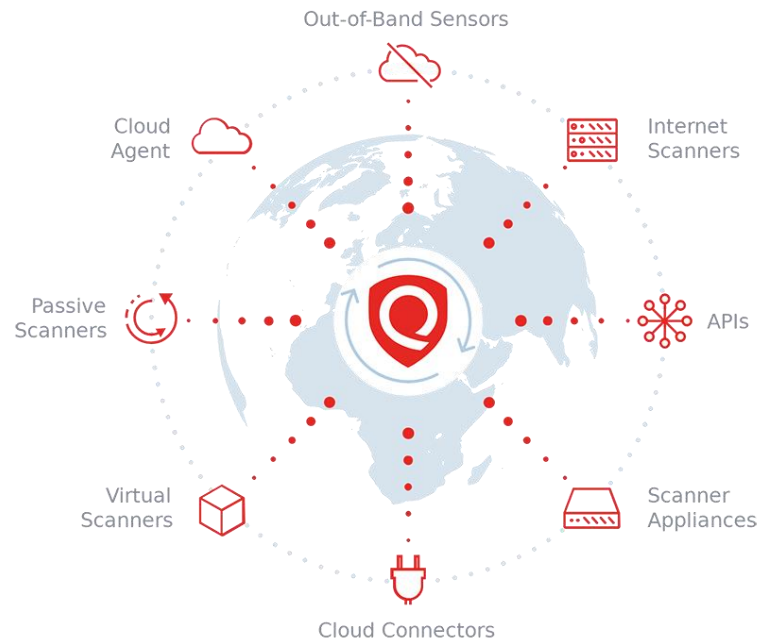
Our expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks include:

- 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 general market, political, economic, and business conditions in the United States as well as globally;
- our ability to manage costs as we increase our customer base and the number of our platform solutions;
- the cloud solutions market 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; and
- any unanticipated accounting charges.

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 for comprehensive risk management
- ✓ Multiple levers of recurring revenue growth
- ✓ Scalable business model and industry-leading profitability
- ✓ Uniquely positioned to capitalize on stack consolidation and cloud transformation



Challenges of measuring and reducing risk

With every tool measuring risk differently, what are the top 10 Risks?

Disparate Security Tools

SaaS



IT / IOT



Applications



Data



Code



Vuln Management



Public Cloud



Disparate Measurement Tools

Qualitative

- ✗ Severe / Critical
- ✗ Category 1,2,3 etc..
- ✗ Urgent / Low
- ✗ Medium / High
- ✗ Pass / Fail

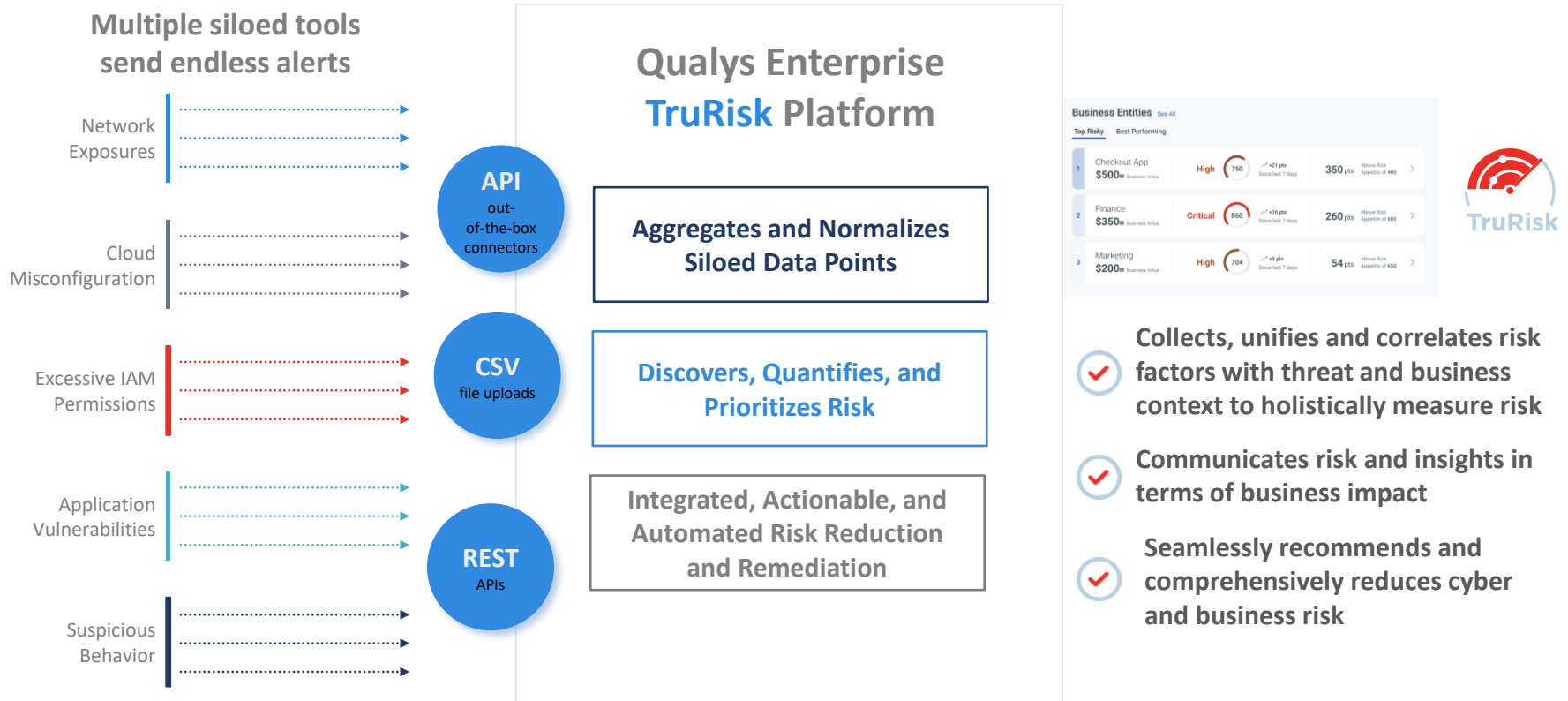
Quantitative

- ✗ 10, 50, 100
- ✗ 1-5

CVSS

- ✗ 1-10

Extending the security eco system

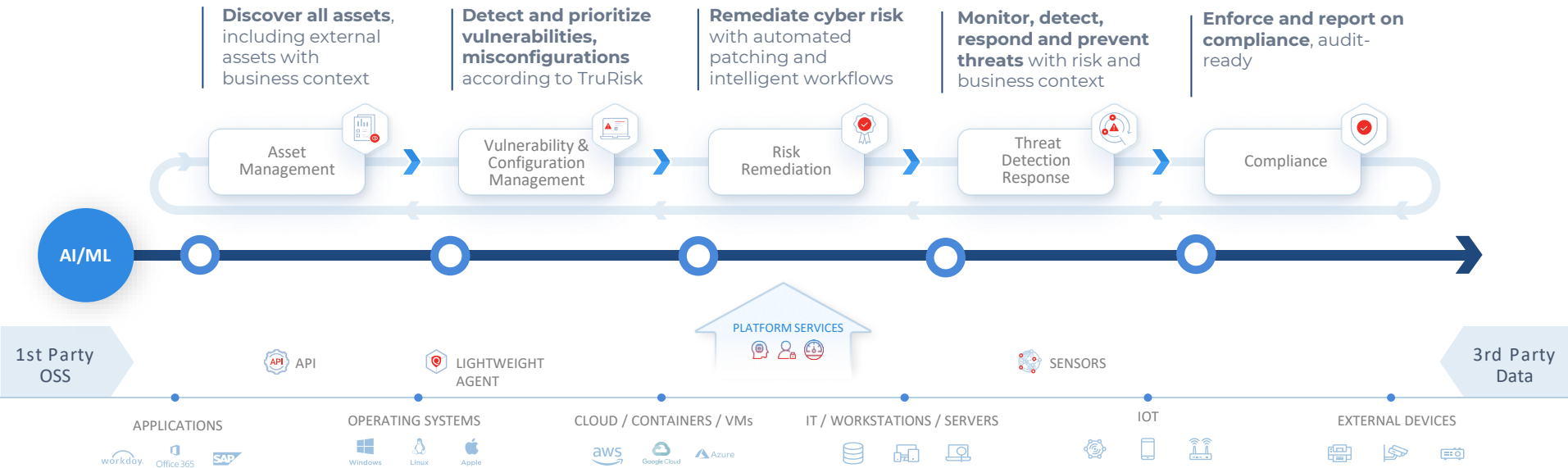


The Enterprise TruRisk Platform

End-to-End Cyber Risk Management

Qualys TruRisk™

A natively integrated single agent, single source of truth





The Enterprise TruRisk Platform

CyberSecurity Asset Management



Discover All Assets

Get inside-out and outside-in visibility of all assets with an attacker's view of the network



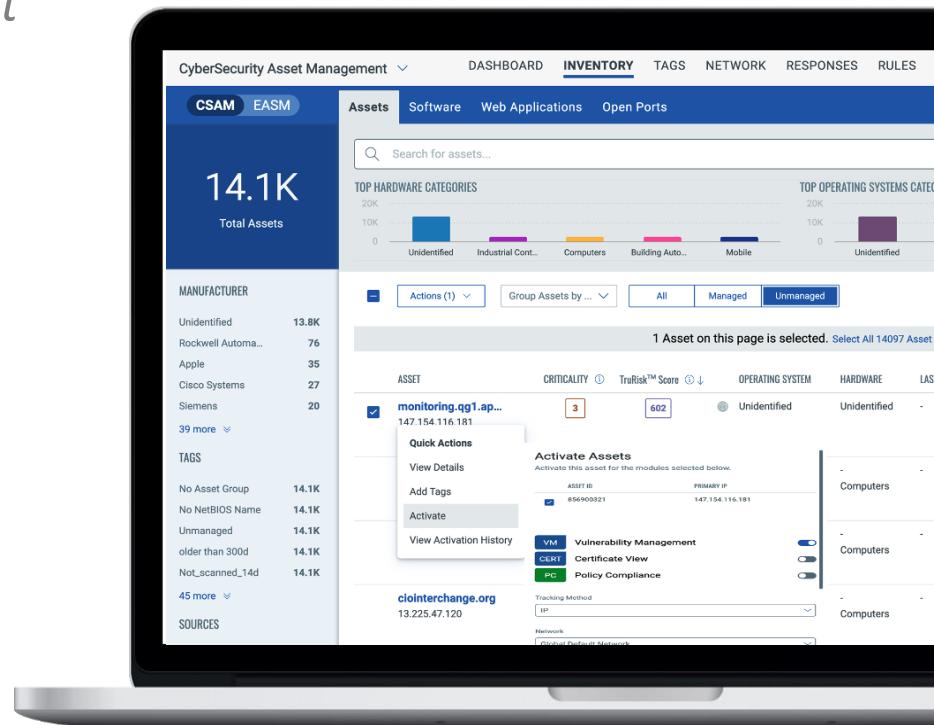
Get Complete Asset Context & Visibility

Add business context, tags, enhance visibility by seamlessly integrating with CMDB's, Third Party & ITSM solutions, bring business context into asset criticality for managing risk



Identify Security Gaps

Detect EOL/EOS software, unmanaged assets, unauthorized software, missing business critical software, evaluate cyber risk per subsidiary, inventory open-source software, packages & libraries





The Enterprise TruRisk Platform

VMDR



Measure Cyber 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



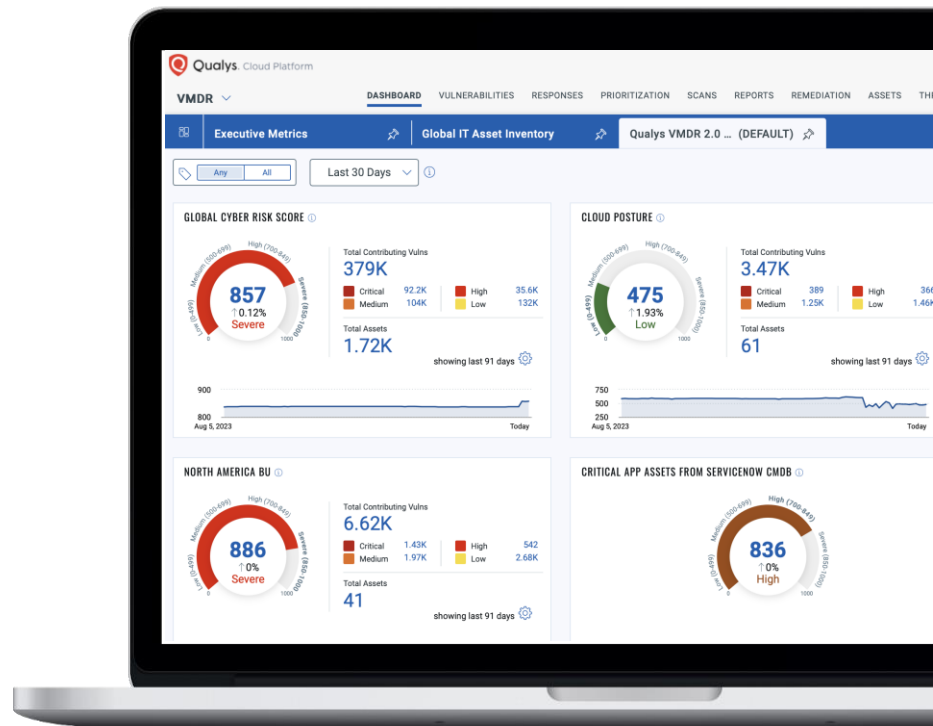
Communicate Cyber Risk

Communicate risk across different teams, business units and geographic locations by leveraging dashboards, reports and ITSM tools



Reduce Risk Faster

Unify security and IT threat response paths for faster remediation with seamless integration between ITSM tools and path management solutions. Automate and orchestrate operational tasks with Qualys Qflow





The Enterprise TruRisk Platform

Advanced Remediation



Eliminate Cyber Risk

Deploy the right remediation or mitigations based on Qualys research, Qualys TruRisk, and 25+ threat feeds



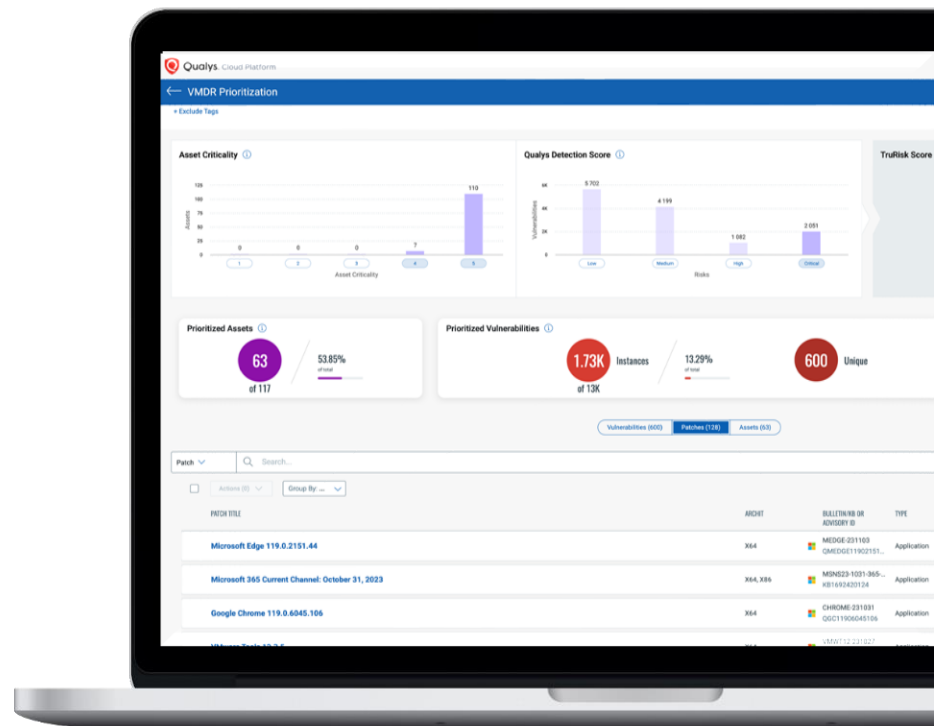
Save time and reduce MTTR

Leverage smart automation, ensure software is always up-to-date, mitigate new weaponized vulns automatically before patches are deployed, leverage virtual patching capabilities



Consolidate IT-Security Stack

Work with your SCCM, rollback mitigation when patches are deployed, link ITOps and SecOps workflows with one tool





The Enterprise TruRisk Platform

Threat Detection and Response



Protect Against Zero-day threats

Leverage behavior & AI/ML-based antivirus to thwart exploits, ransomware, phishing attacks, and zero-days



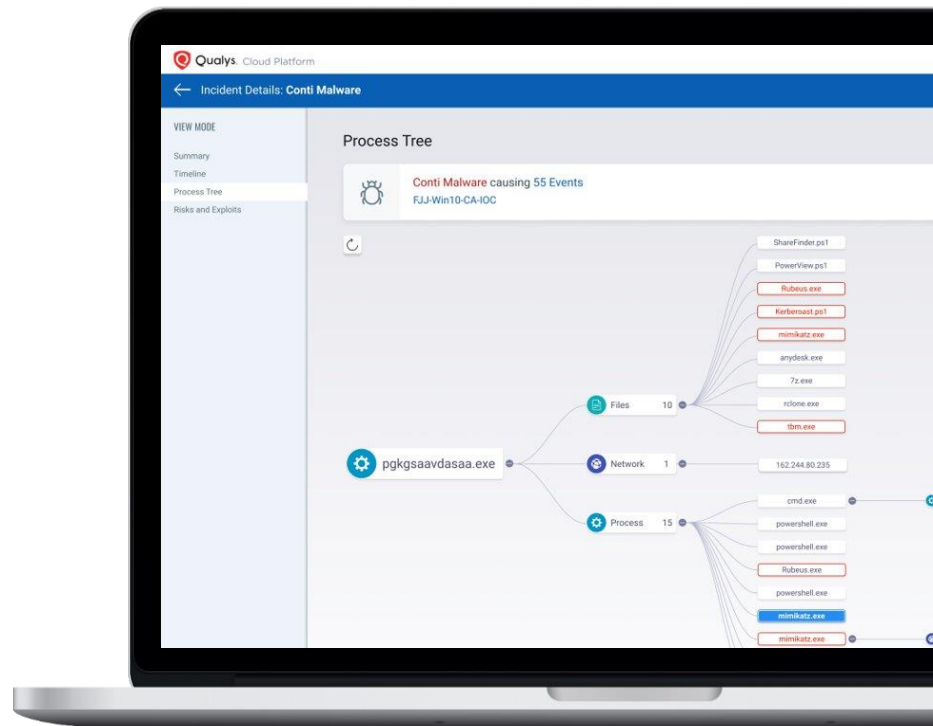
Unify VM, Patching, and Endpoint Security

Correlate endpoint threats to identify vulnerabilities actively exploited in your environment with integrated patch management



Automate & Orchestrate

Comprehensive endpoint (EDR) and Cloud Detection and Response with enterprise integrations (i.e., SIEM, ITSM, CMDB)





The Enterprise TruRisk Platform

TotalCloud (CNAPP)



Unified Multi-Cloud Security

Unified vulnerability, threat and posture management from development through runtime in cloud and container environments



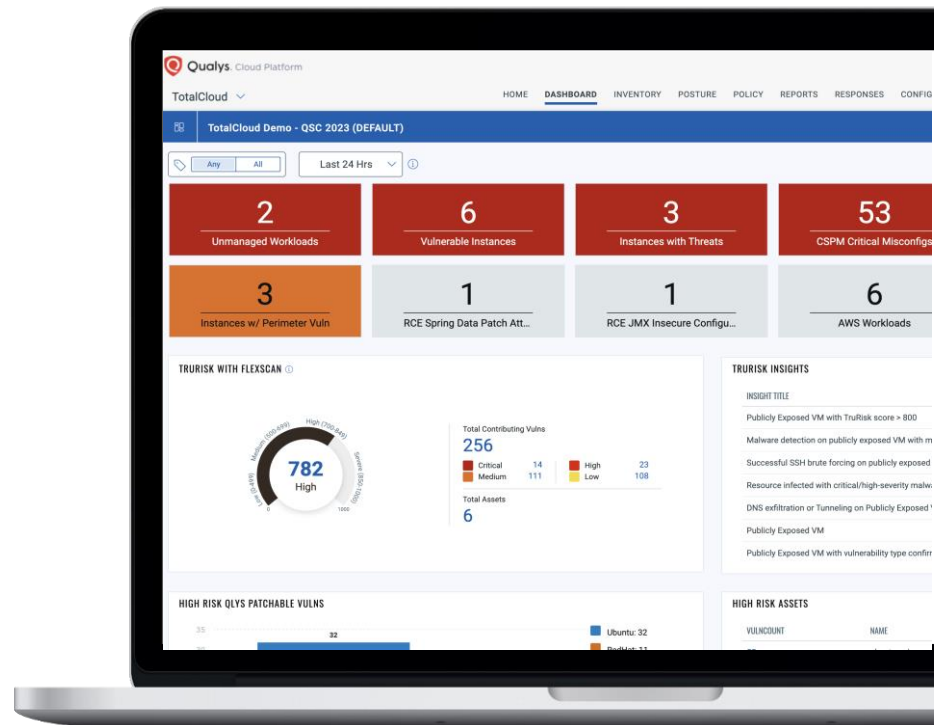
Extended TruRisk Insights

TruRisk insights for cloud and multi-cloud assets, unifying risk posture and remediation actions between on-prem, hybrid, and cloud workloads



Comprehensive Security across IaaS and SaaS

Orchestrate security between multi-cloud environments, asset inventories, and users leveraging a single agent, sensors, snapshots, and APIs or all four methods with Qualys FlexScan



Qualys Enterprise TruRisk Platform advantages

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



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

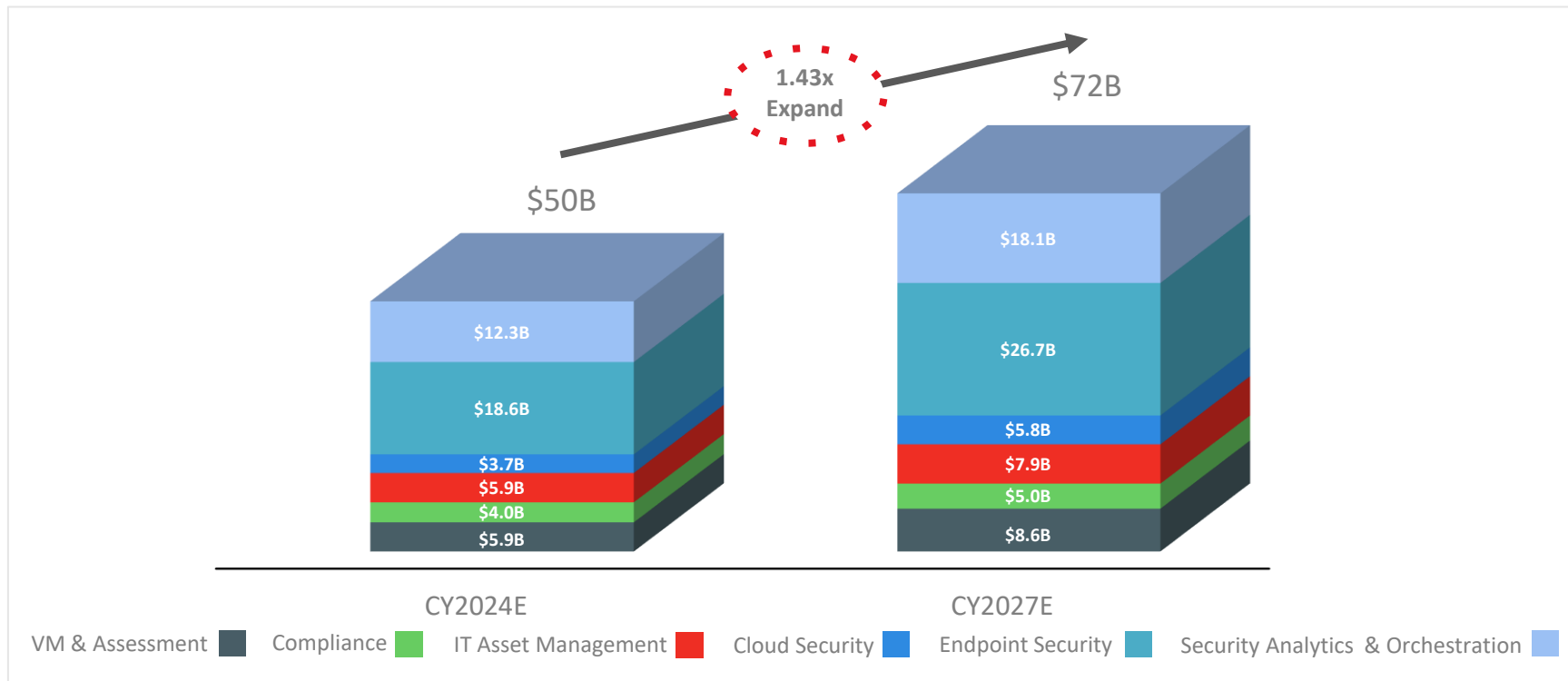
Virtual rack

For governments, enterprises, and MSSPs

FedRAMP authorized



Large expanding market opportunity



Source: IDC, Qualys estimates

Qualys' Current Total Addressable Market

Blue chip global customer base



70%

of the

Forbes
Global
50

54%

of the

Forbes
Global
500

32%

of the

Forbes
Global
2000

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



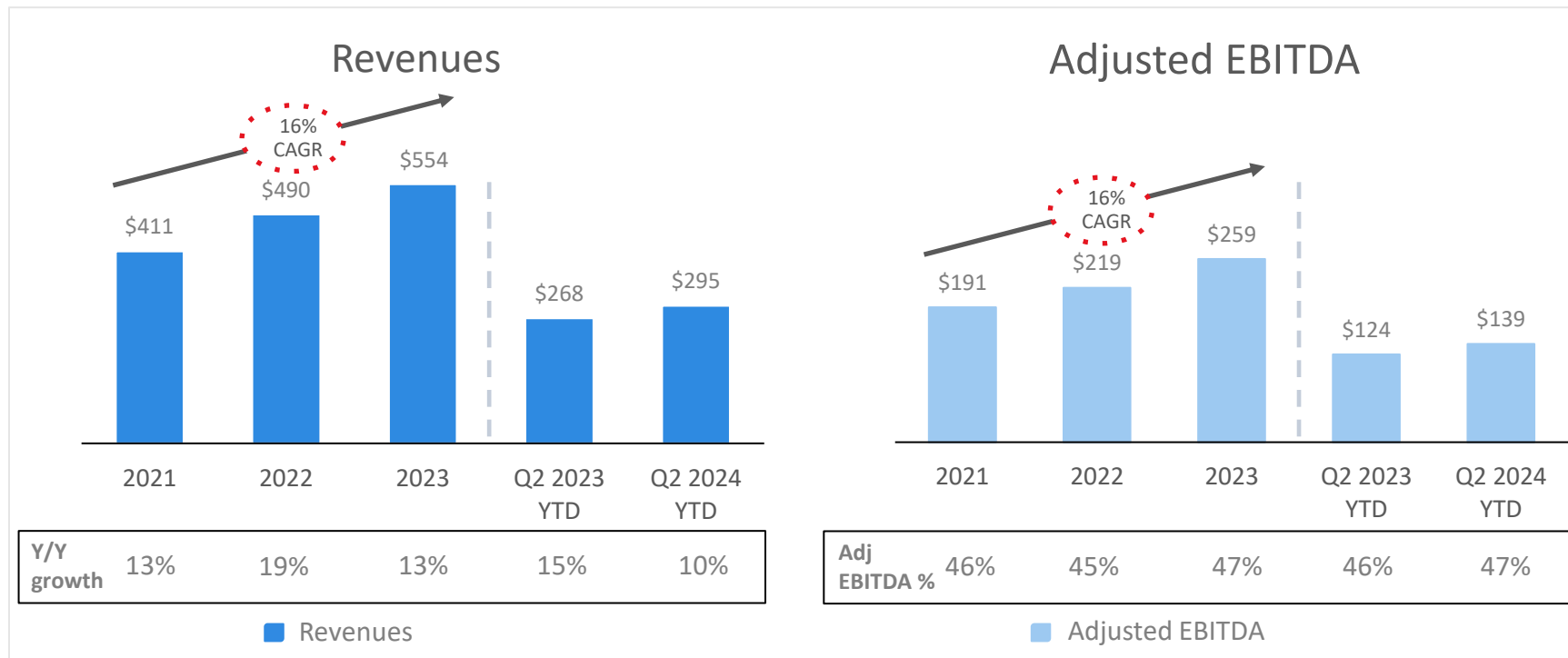
Attractive value proposition for partners

High-margin recurring revenue with no capex / maintenance costs



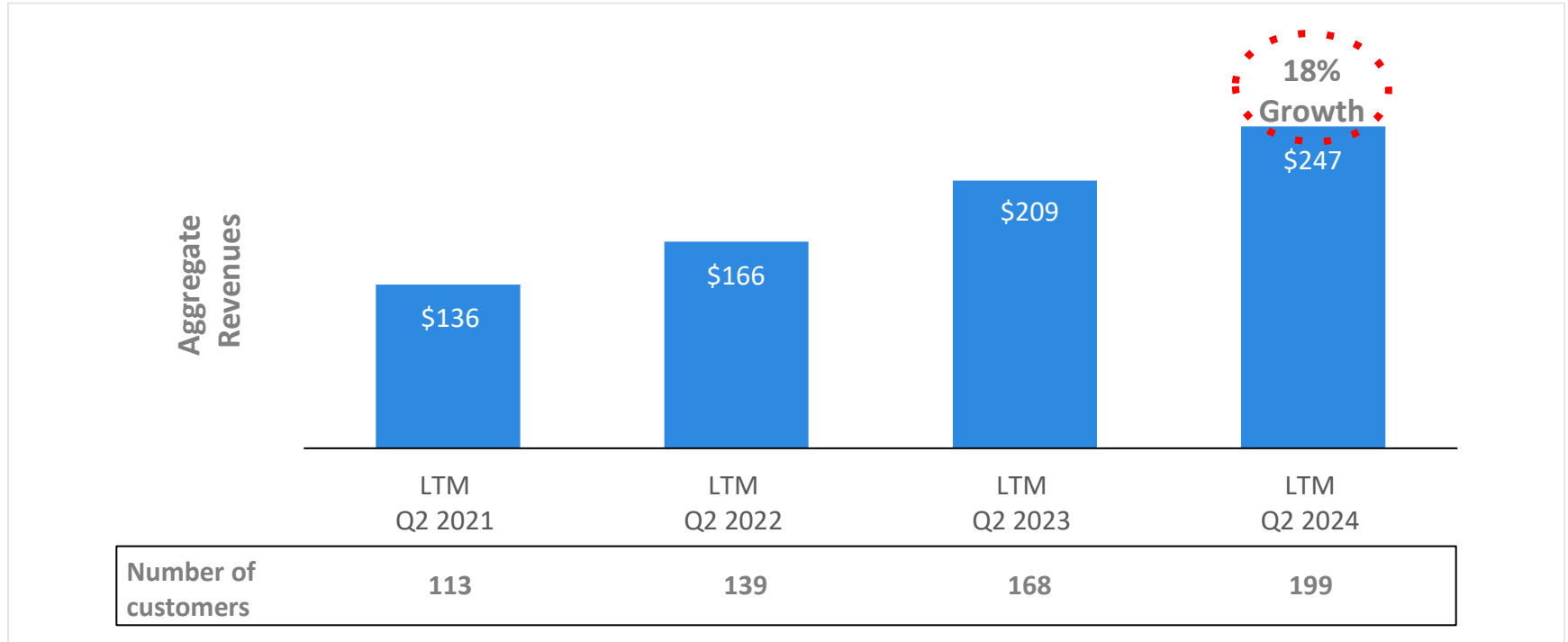
Balanced revenue growth and profitability

(\$ in millions)

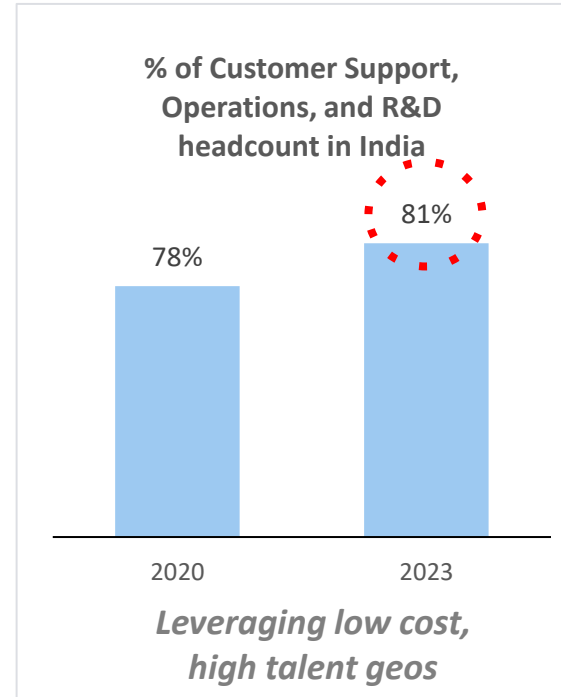
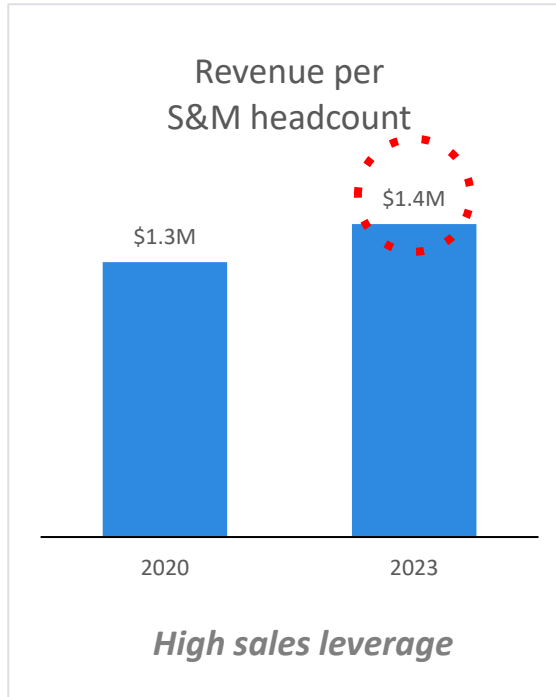


Platform adoption driving higher customer spend

(\$ in millions)



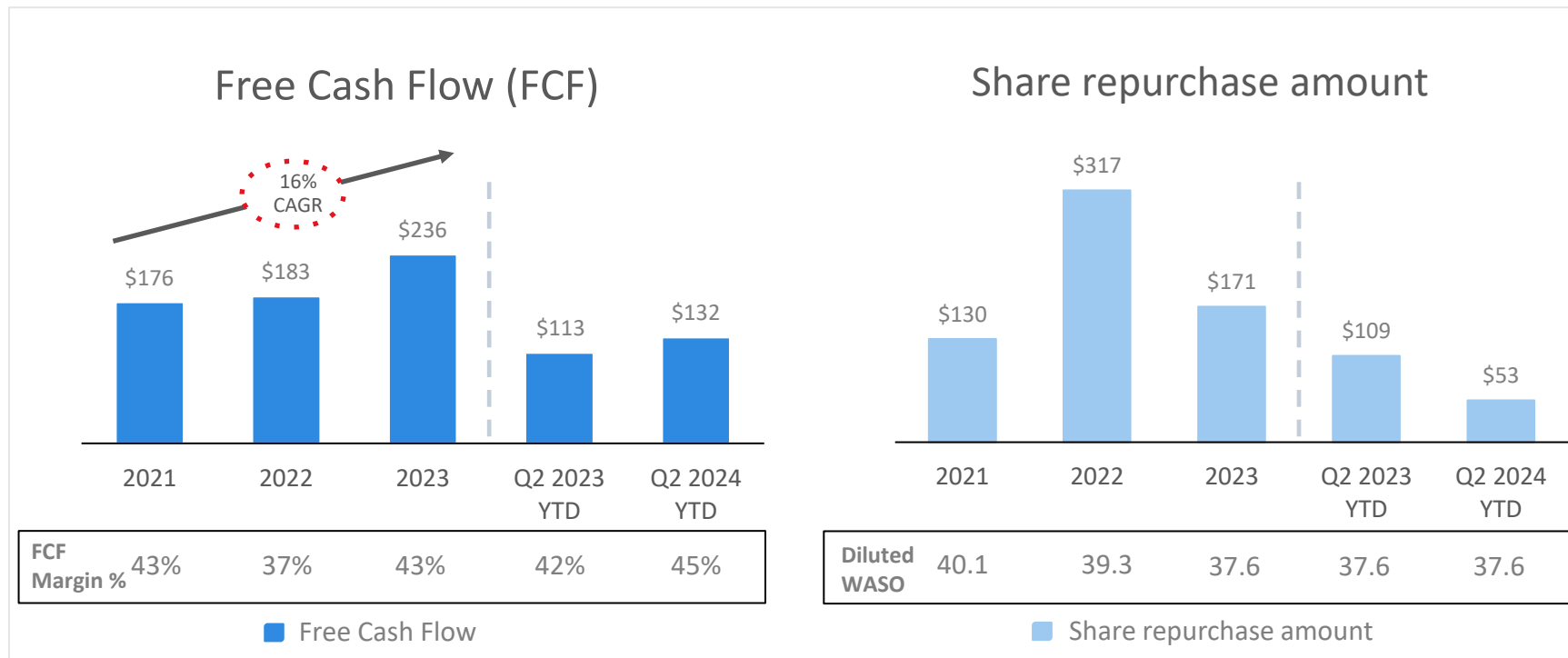
Cloud platform enables scalable operational model



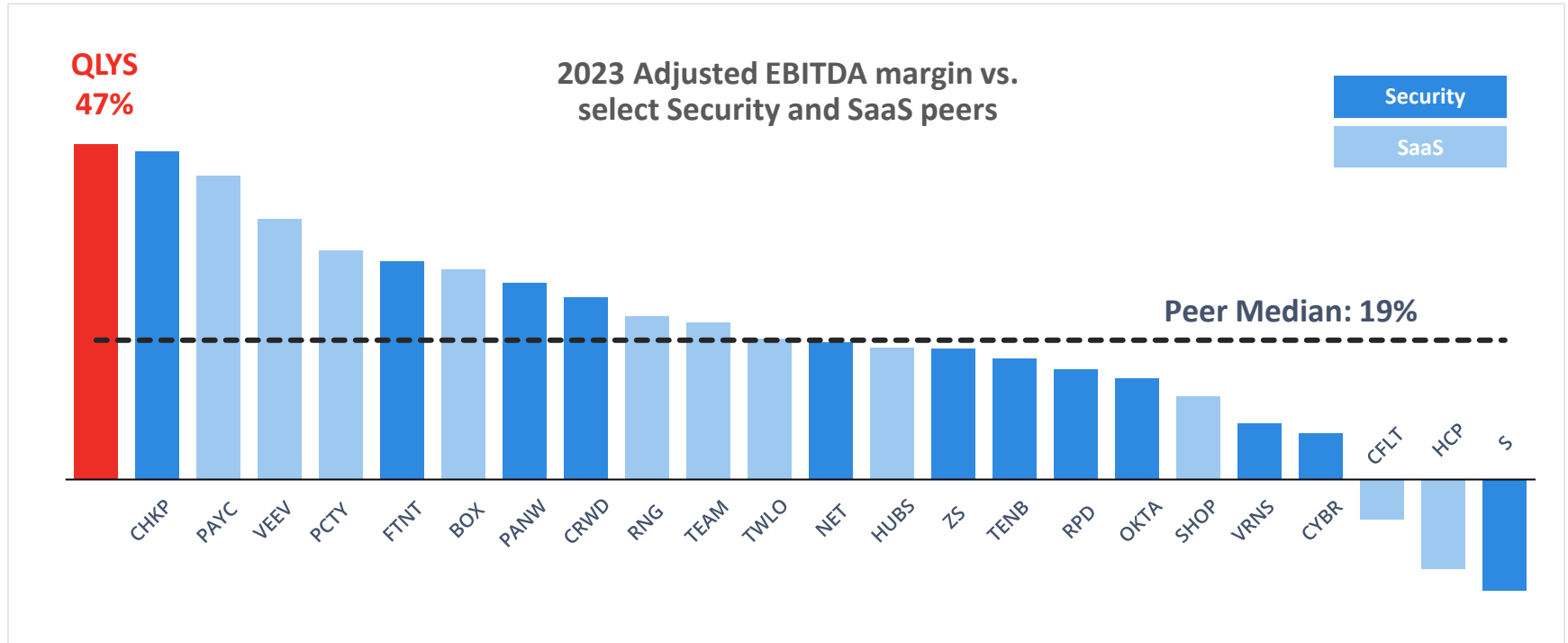
Strong cash flow generation

Returning capital to shareholders

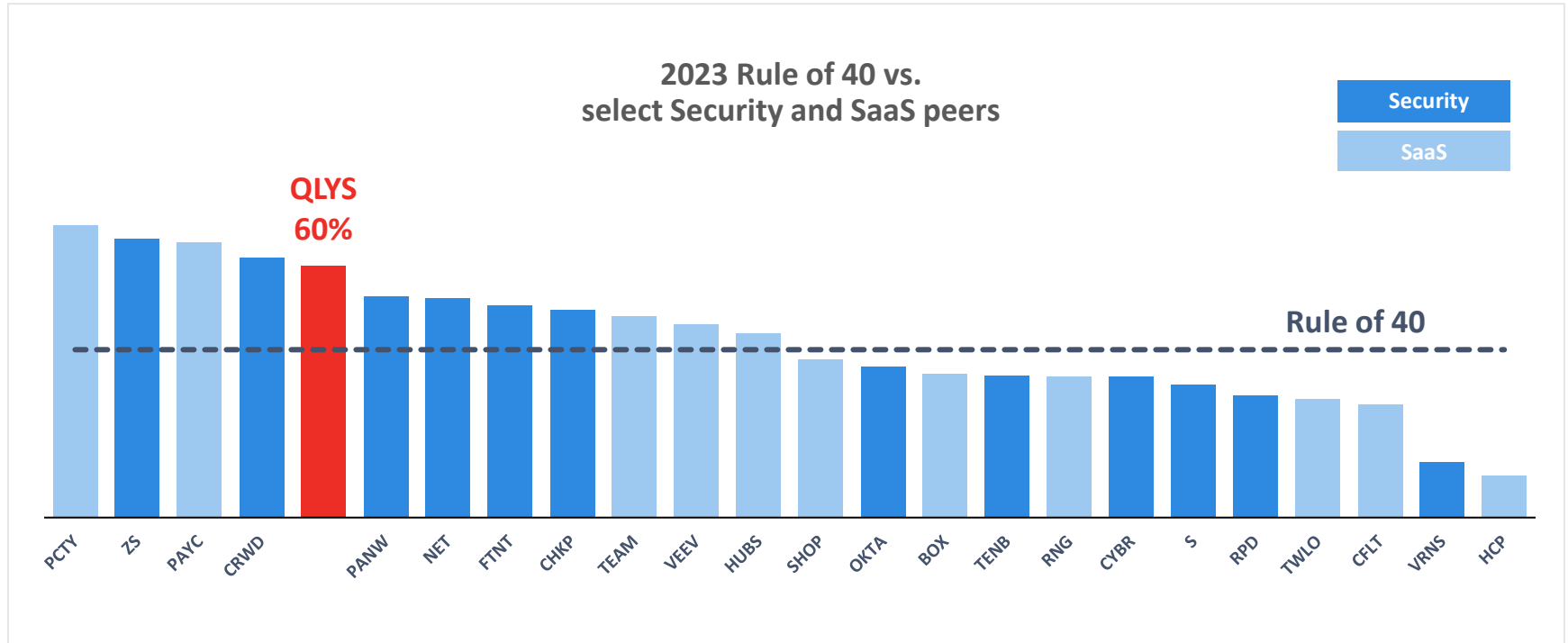
(\$ in millions)



Industry-leading margins



Achieving rule of 50+: growth + profitability



Source: FactSet

Note: 2023 Revenue Growth % + Adj EBITDA Margin %

Appendix

Qualys IT, security & compliance solutions

ASSET MANAGEMENT

CyberSecurity Asset Management (CSAM)

See entire attack surface, continuously maintain your CMDB, and track EOL/EOS software

External Attack Surface Management (EASM)

Gain an attacker's view of your external internet-facing assets and unauthorized software

VULNERABILITY MANAGEMENT

Vulnerability Management, Detection & Response (VMDR)

Discover, assess, prioritize, and patch critical vulnerabilities up to 50% faster

Enterprise TruRisk Management (ETM)

Consolidate & translate security & vulnerability findings from 3rd party tools

Web App Scanning (WAS)

Automate scanning in CI/CD environments with shift left DAST testing

RISK MITIGATION

Patch Management (PM)

Efficiently remediate vulnerabilities and patch systems

Custom Assessment and Remediation (CAR)

Quickly create custom scripts and controls for faster, more automated remediation

THREAT DETECTION & RESPONSE

Multi-Vector Endpoint Detection & Response (EDR)

Advanced endpoint threat protection, improved threat context and alert prioritizations

Context Extended Detection & Response (XDR)

Extend detection and response beyond the endpoint to the enterprise

COMPLIANCE

Policy Compliance (PC)

Reduce risk and comply with internal policies and external regulations with ease

File Integrity Monitoring (FIM)

Reduce alert noise and safeguard files from nefarious actors and cyber threats

CLOUD SECURITY

TotalCloud (CNAPP)

Cloud-Native Application Protection Platform for multi-cloud environment

Kubernetes and Container Security (KCS)

Discover, track, and continuously secure containers – from build to runtime

Cloud Security Posture Management (CSPM)

Continuously discover, monitor, and analyze your cloud assets for misconfigurations and non-standard deployments

Infrastructure as Code Security (IaC)

Detect and remediate security issues within IaC templates

Cloud Workload Protection (CWP)

Detect, prioritize, and remediate vulnerabilities in your cloud environment

Cloud Detection and Response (CDR)

Continuous real-time protection of the multi-cloud environment against active exploitation, malware, and unknown threats

SaaS Security Posture Management (SSPM)

Manage SaaS apps and their security and compliance

Reconciliation of Adjusted EBITDA

(\$ in millions)

	2020	2021	2022	2023	Q2 2023 YTD	Q2 2024 YTD
Net income	\$91.6	\$71.0	\$108.0	\$151.6	\$64.5	\$83.5
Depreciation and amortization of property and equipment	26.6	29.2	28.9	23.9	12.9	8.5
Amortization of intangible assets	6.3	6.7	5.7	3.1	1.5	1.5
Income tax provision	10.5	18.4	25.7	27.1	18.5	20.2
Stock-based compensation	40.0	67.6	53.4	69.1	32.0	36.1
Total other income, net	(5.4)	(1.7)	(3.2)	(15.6)	(5.0)	(10.8)
Adjusted EBITDA	\$169.5	\$191.2	\$218.6	\$259.1	\$124.5	\$139.0

Note: Amounts may not sum due to rounding.

Reconciliation of Non-GAAP Free Cash Flows

(\$ in millions)

	2020	2021	2022	2023	Q2 2023 YTD	Q2 2024 YTD
GAAP Cash flows provided by operating activities	\$180.1	\$200.6	\$198.9	\$244.6	\$118.3	\$135.3
Less: Purchases of property and equipment, net of proceeds from disposal	(29.6)	(24.4)	(15.4)	(8.8)	(5.5)	(3.1)
Less: Principal payments under finance lease obligations	(0.1)	(0.1)	0.0	0.0	0.0	0.0
Non-GAAP Free cash flows	\$150.4	\$176.1	\$183.5	\$235.8	\$112.9	\$132.3

Note: Amounts may not sum due to rounding.

Revenue mix

