



Q4-2023

Enterprise & Consumer Update

Kevin Simzer

Chief Operating Officer



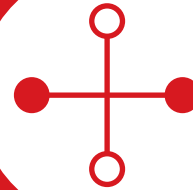
Driving Corporate Growth



Drive sustainable
recurring
revenue growth



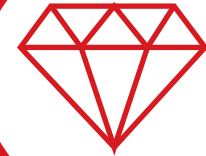
Increase
operating
margins



Drive hybrid
platform
adoption



Better predict
revenue growth



Increase
shareholder
value

2023 Financial Highlights

Net Sales*

+5% YoY
Q4-2023

+11% YoY
2023

Operating Margin*

6%
Q4-2023

14%
2023

Enterprise ARR**

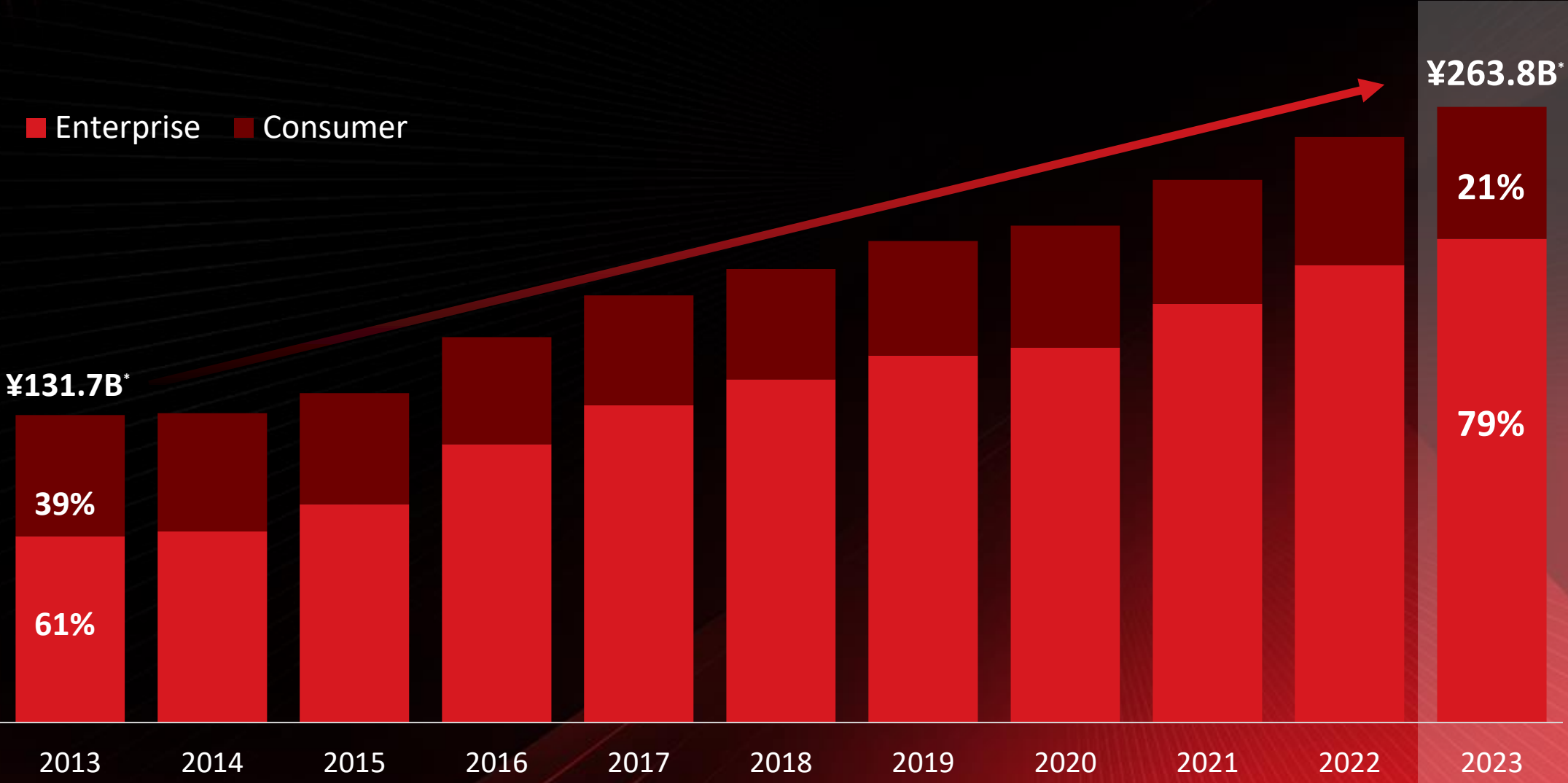
+19% YoY
2023

Protected Instances

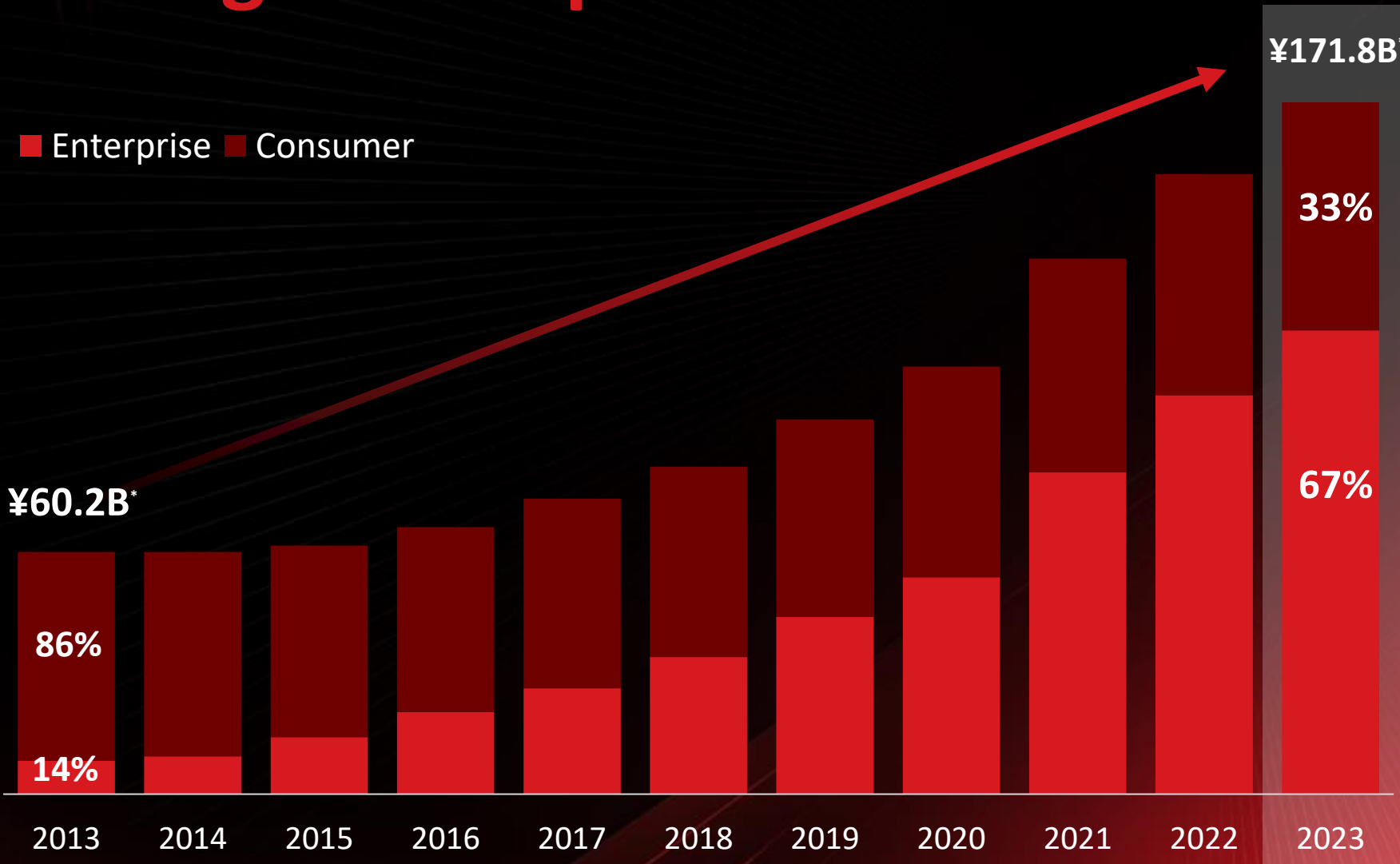
+18% YoY
77+ Million Now Protected

A Proven Track Record of Growth

■ Enterprise ■ Consumer



Driving Subscription Sales



Subscription now
65%
of total revenue



Our Enterprise Business



Expanding & Strengthening Our Enterprise Business



Data-driven
customer
engagement



Drive hybrid
platform
adoption

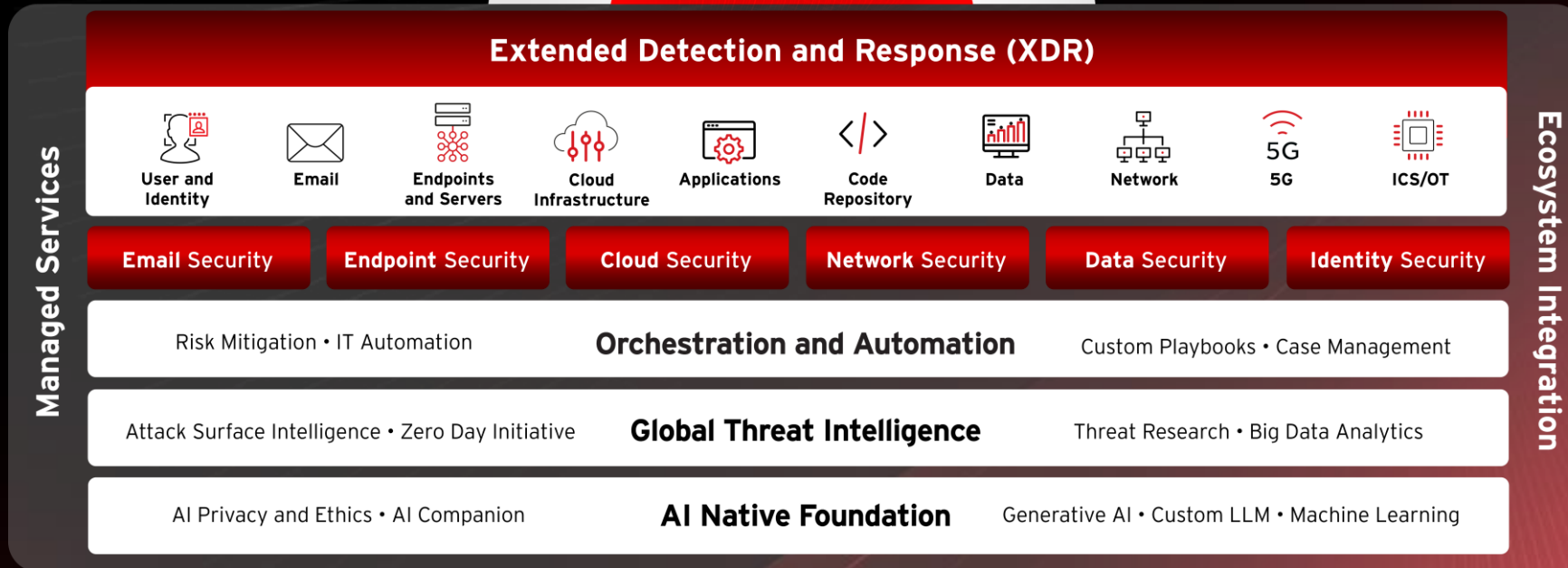


Prioritize our
large enterprise
customer base



Drive growth in
both the top
and bottom line

Generative AI-Powered Cybersecurity Platform



NEW in Q4-2023



FedRAMP

ISMAP



Non-Stop Platform Innovation



Media Contact:
Trend Micro Communications
817-522-7911
media_relations@trendmicro.com

Trend Micro First to Market with AI-powered Cybersecurity Assistant for Security Teams

Trend Vision One™ – Companion upskills analysts to accelerate threat detection and response

DALLAS, November 28, 2023 – [Trend Micro Incorporated \(TYO: 4704; TSE: 4704\)](#), a global cybersecurity leader, today announced the launch of its new generative AI tool, Trend Companion, designed to empower security analysts by driving streamlined workflows and



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Trend Micro Delivers Visibility to Entire Kill Chain by Uniting Global Threat Feeds and Generative AI-Powered Platform

Best data will determine industry's most valuable AI engine, and Trend Micro takes the lead

DALLAS, November 20, 2023 – [Trend Micro Incorporated \(TYO: 4704; TSE: 4704\)](#), a global cybersecurity leader, announced today its latest evolution in generative AI: the



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Trend Micro First to Integrate Cloud Risk Management and XDR Across Customers' Entire Attack Surface

Security teams proactively eliminate threats with new automated risk prioritization

DALLAS, November 27, 2023 – Global cloud security leader [Trend Micro Incorporated \(TYO: 4704; TSE: 4704\)](#) has announced the addition of cloud risk management to its flagship



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817-522-7911
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Trend Micro Achieves AWS Built-In Competency to Simplify and Accelerate Cloud Success

Customers can deploy pre-selected AWS services and Trend software within minutes

DALLAS, November 27, 2023 – [Trend Micro Incorporated \(TYO: 4704; TSE: 4704\)](#), a global cybersecurity leader, today announced it has achieved the Amazon Web Services (AWS) Built-in Competency in the Security and Cloud Operations category. This designation recognizes Trend Micro as an AWS Partner that provides customers with an [AWS built-in co-build solution](#) that is designed to automatically install, configure, and integrate with key foundational AWS services

Strength Across the Enterprise

FORRESTER

Leader in XDR
Q4, 2021



Gartner

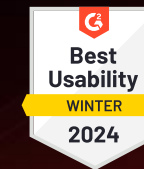
Leader in Endpoint Security
Q4, 2023

NEW



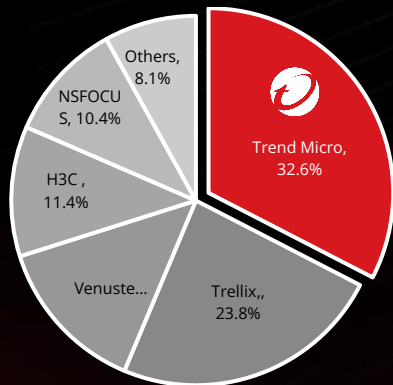
Customer's Choice

NEW



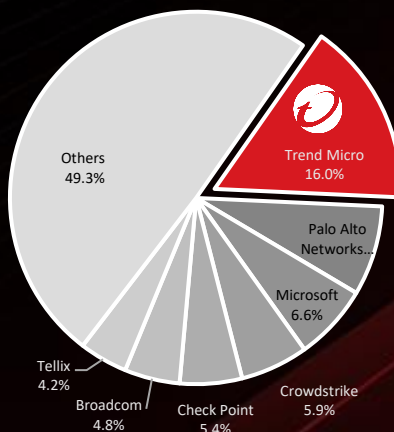
IDC

#1 in Hybrid Cloud
Workload Protection Q2, 2023



Gartner

Market Share Leader
in IDPS Q2, 2023



Partners

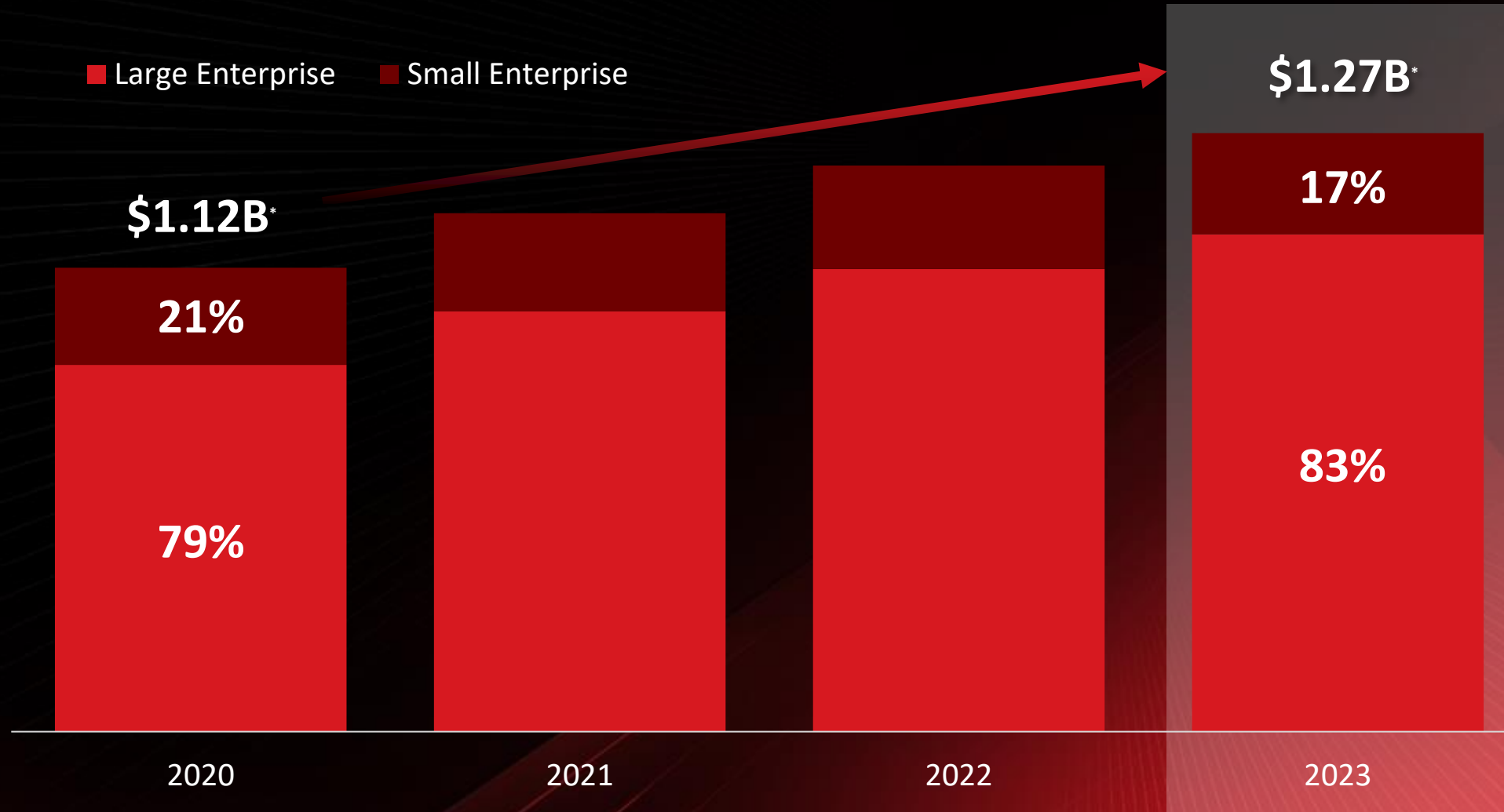
NEW



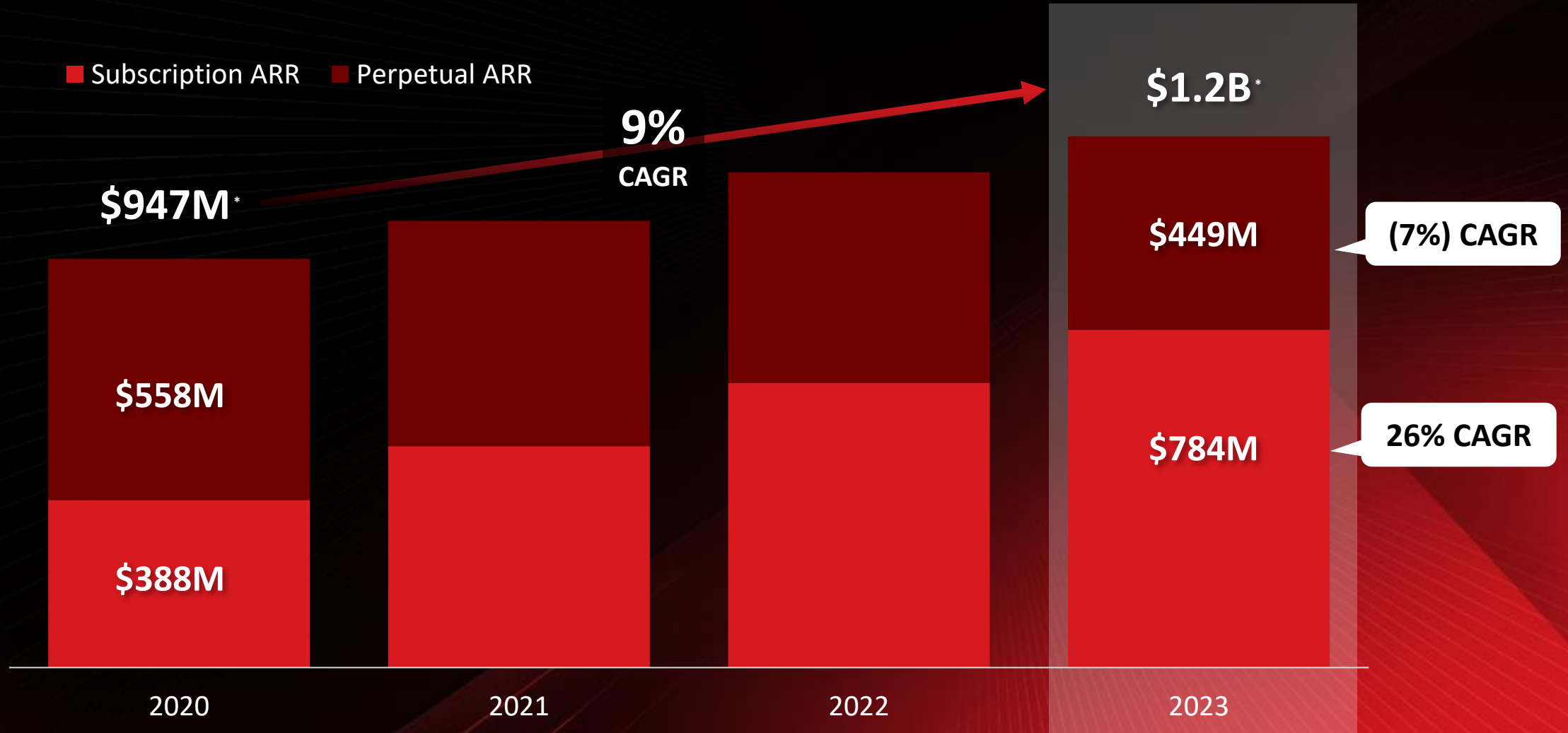
Public

TREND MICRO

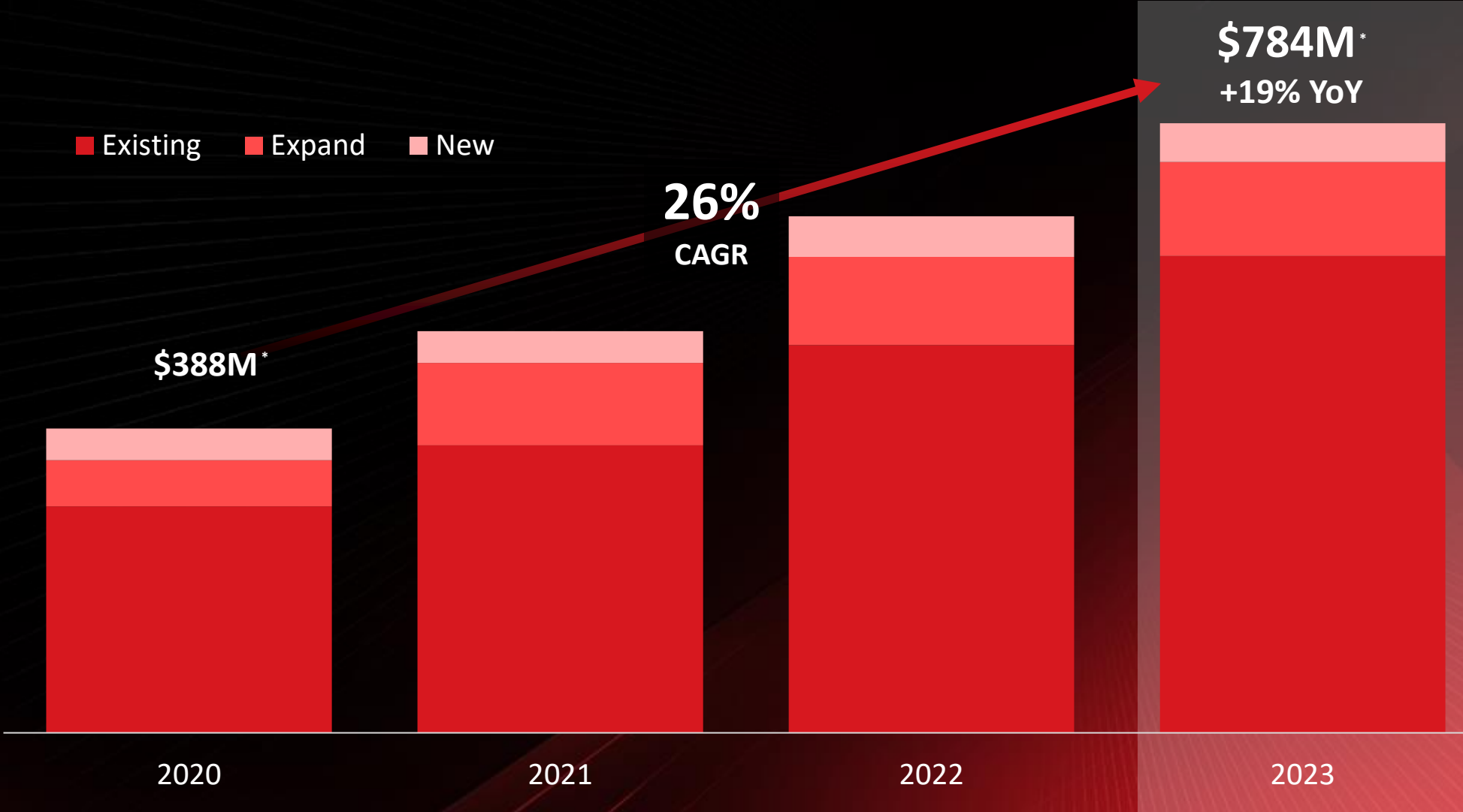
Driving Large Enterprise Growth



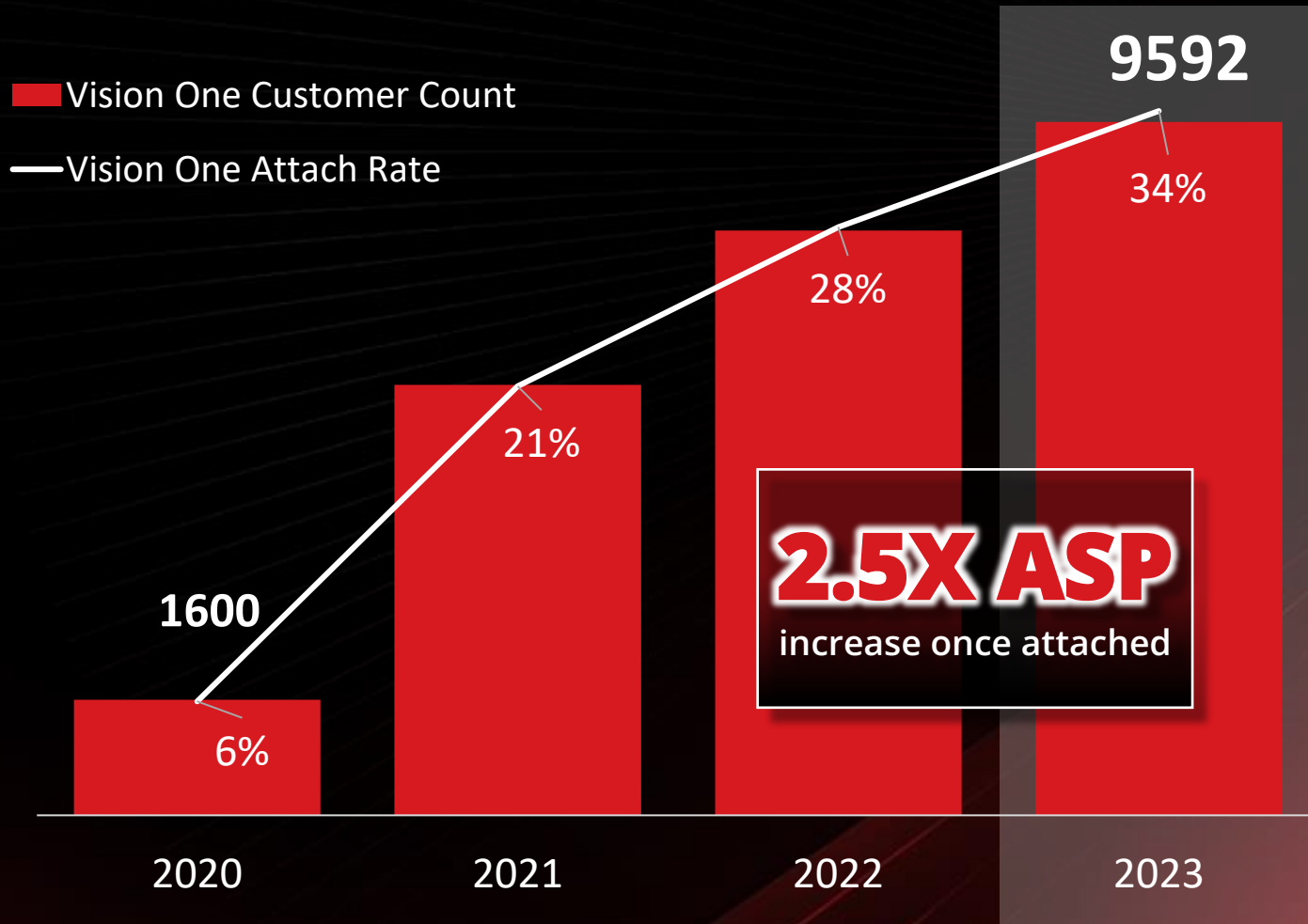
Enterprise Hybrid ARR Breakdown



Subscription Annual Recurring Revenue



Vision One Attach Drives More Growth



Vision One Highlights

+535 Vision One customers in Q4

\$149 Million* SOC gross sales @+64% for 2023

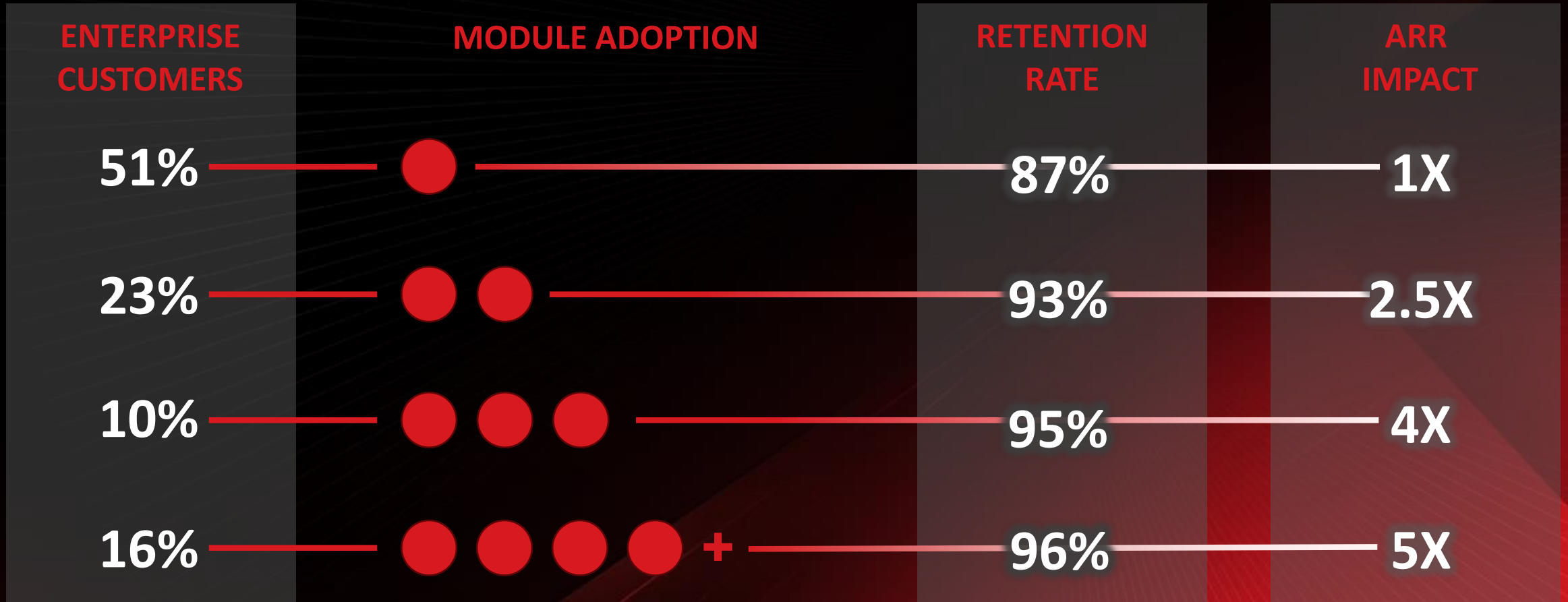
113% Vision One NRR; GRR @88%

+20 Managed service partners

kyndryl

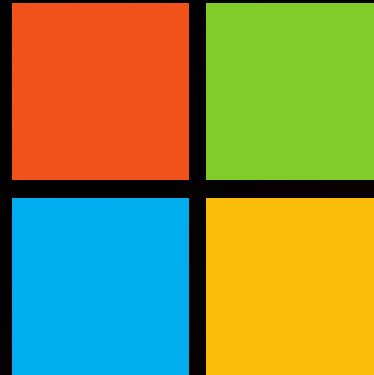


The Power of the Platform



Vision One Across All Major Marketplaces

New in Q4-2023



New in Q4-2023



Our AI-Powered Business



Growing Our Customers



Expansion

Americas: Hospitality

- Cloud security & visibility; SOC team augmentation
- **One platform** for visibility & protection across endpoint & cloud with 24/7 SOC services



Expansion

Europe: Technology

- Security consolidation, visibility, & compliance with cloud focus
- **One platform** to protect and manage enterprise risk across multiple geographies



Expansion

AMEA: Oil & Gas

- Security gaps in protection & visibility; compliance
- **One platform** with superior environment support & visibility; 24/7 SOC support



Our Consumer Business



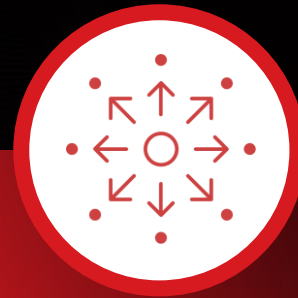
Driving Consumer Growth



Maintain steady
topline growth



Improve
profitability



Grow next-
generation
offerings
(ex: Identity, B2B2C)



Grow revenue
through higher
overall ARPU

2023: Consumer Performance

2023 Highlights

\$101.5
Million*

Q4 gross sales @ (2%) YoY

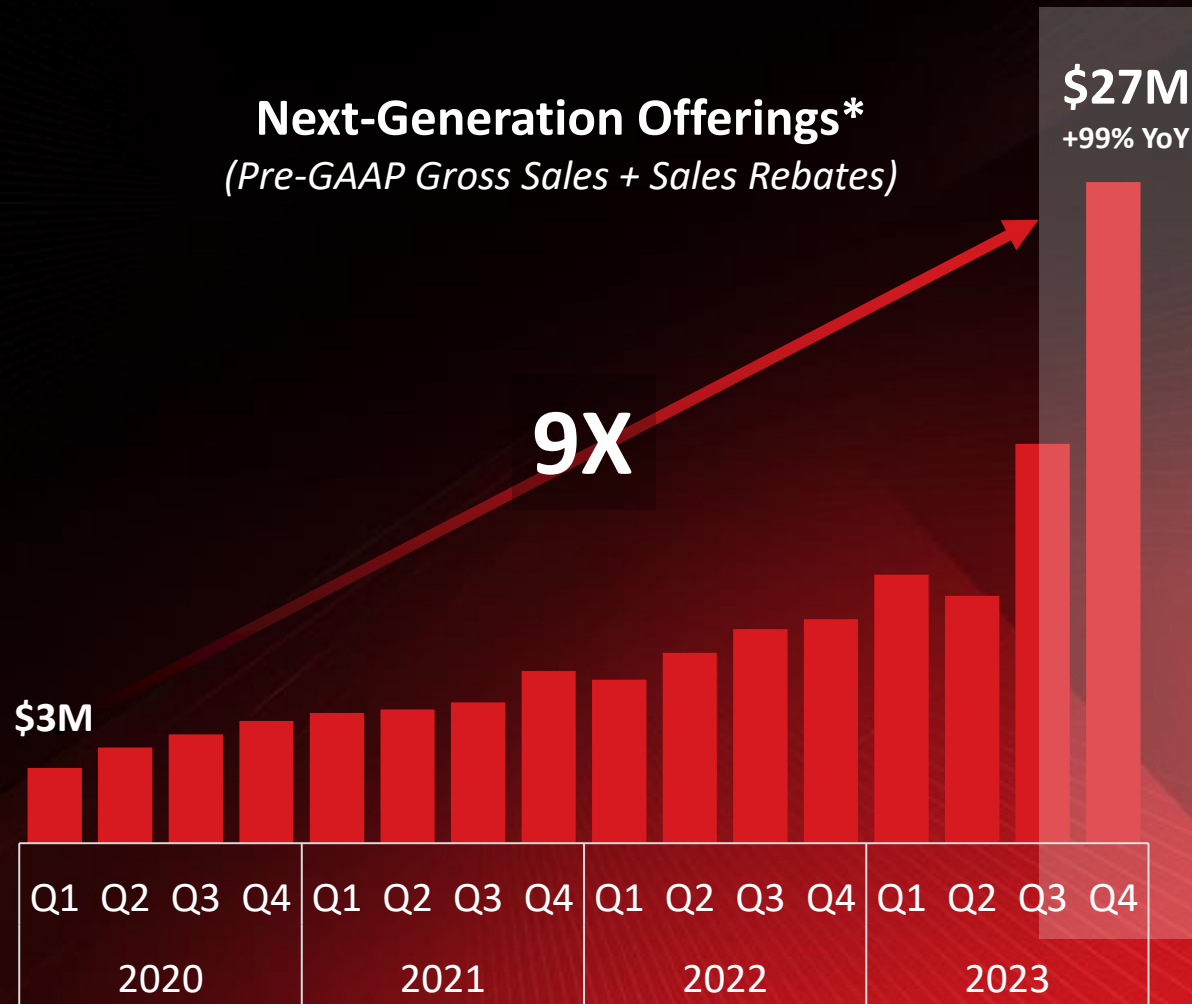
\$419
Million*

2023 gross sales @ +3% YoY

24.69

Average ARPU @ +5.5% YoY

Next-Generation Offerings*
(Pre-GAAP Gross Sales + Sales Rebates)



2023: Driving Strategic Growth



Multi-Channel

*Mobile, Telco, Online
B2B2C, B2B2E*

+8% YoY*

Mobile Channel

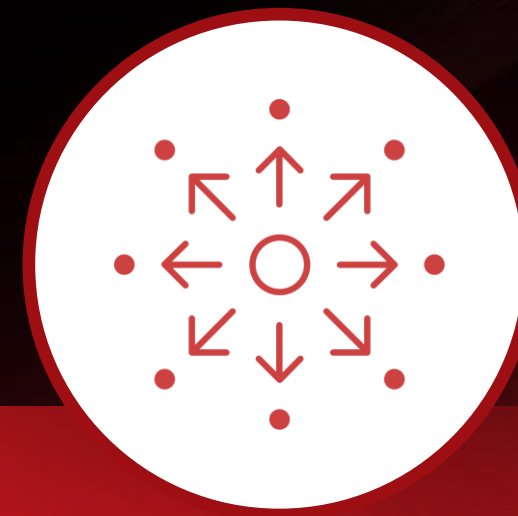


Operational Efficiency

*Drive higher customer
retention & value*

+6% YoY*

Renewal Gross Sales



Future Innovation

*Expand to ID protection &
other non-device offerings*

+88% YoY*

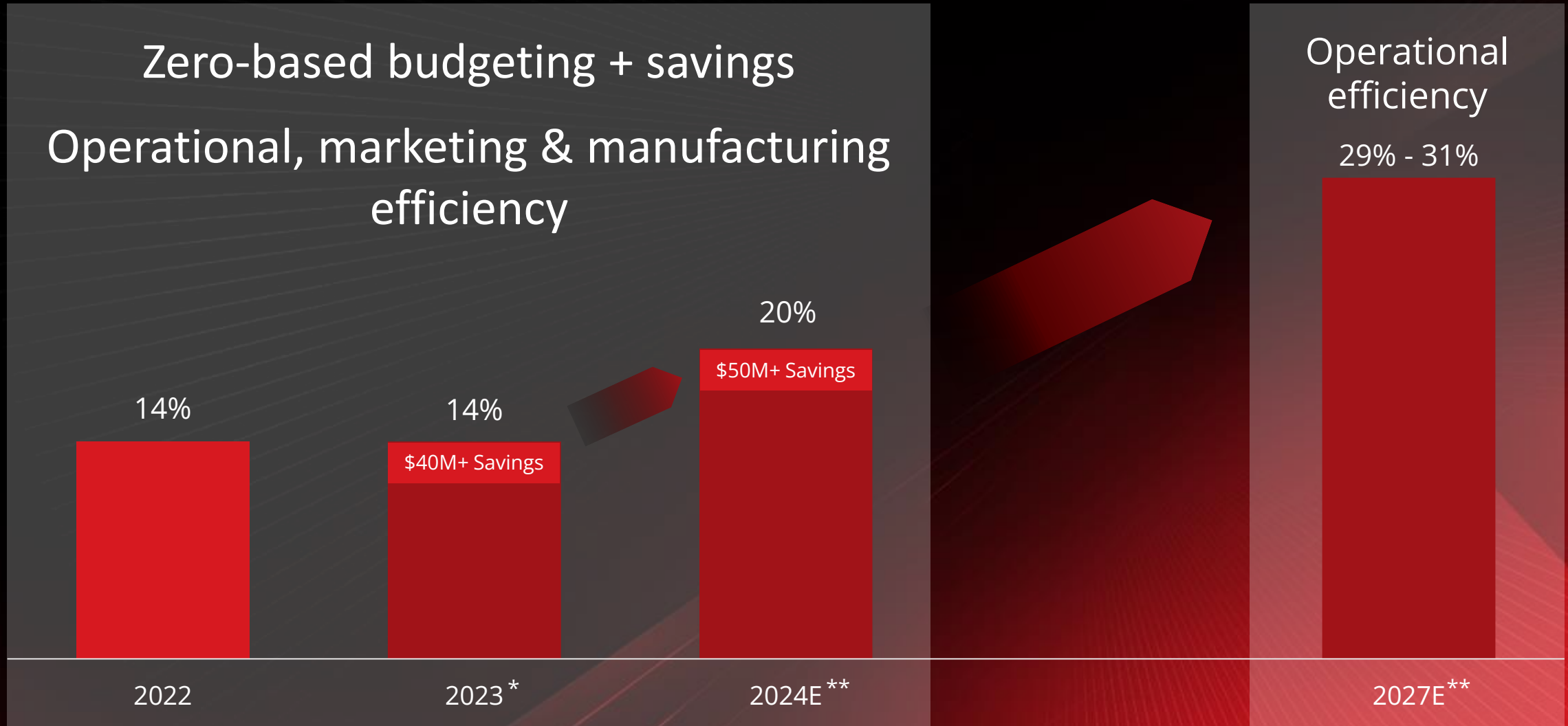
Growth As % Consumer Gross Sales



The Road to 2027



Our Profitability Trajectory



Our Corporate Evolution

	2022	2023*	2024E**	2027E**
Revenue Growth %	18%	11%	9%	8-10%
COGS % of Revenue	19%	22%	19%	18-20%
S&M % of Revenue	37%	37%	34%	28-30%
R&D % of Revenue	16%	16%	16%	12-14%
G&A % of Revenue	8%	8%	7%	5-7%
Operating Margin %	14%	14%	20%	29-31%

Driving to 2027



\$2.7B

Gross Sales*



30%

Margin*



\$1.7B

Hybrid ARR*



60%

Vision One Attach



Q4-2023 Enterprise & Consumer Update

Kevin Simzer
Chief Operating Officer

