Trend Micro Investor Day 2024

November 20, 2024

We Did What We Said

100B JPY*

Special dividend issued at the end of 2023

40B JPY*

Share buyback completed in first half of 2024

70%

Dividend in 2024

$66M**

Savings in 2024. Committed to **$50M & on track to meet 20% OM**

While delivering 9% overall growth*

* Actual currency in Japanese Yen ** Constant currency 1USD= 147.74 yen.

Enterprise Cybersecurity Priorities

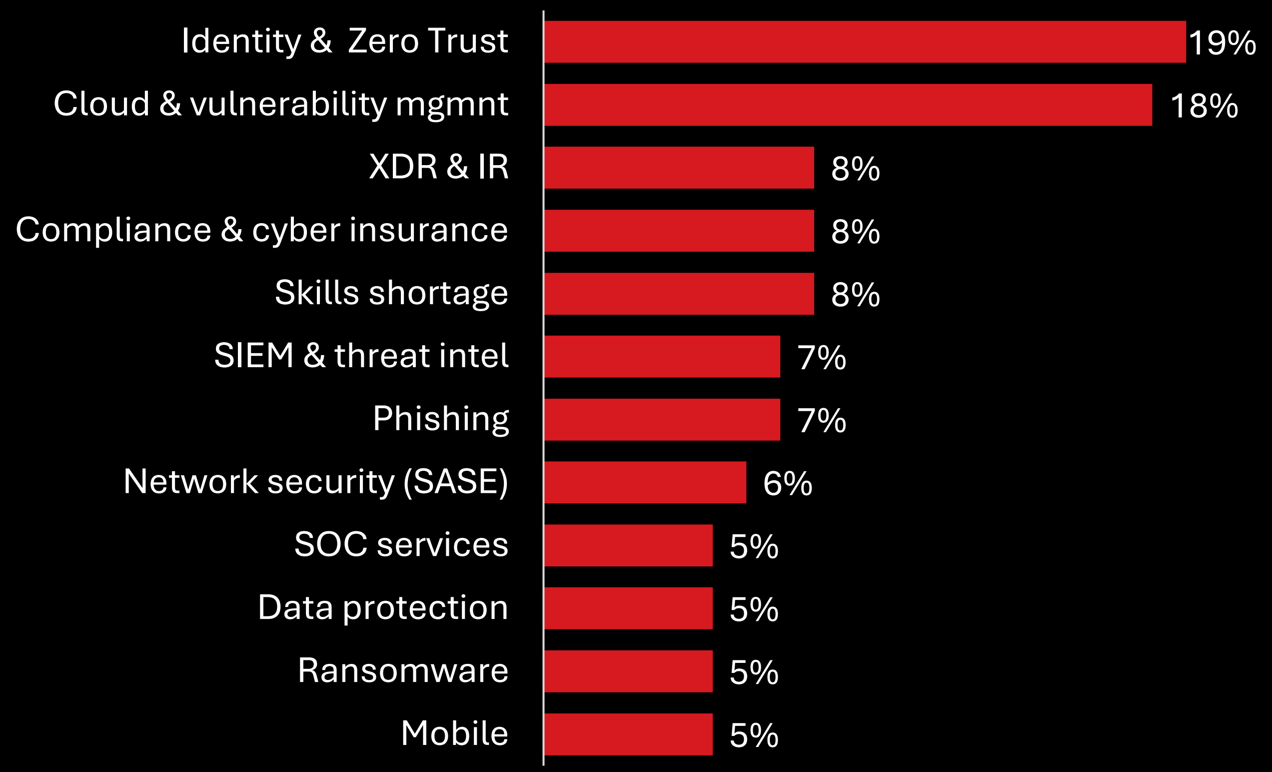
Technology Evolution

AI spend increasing to **$300B** by 2027[*]

78% of organizations prefer to run AI applications on premises[**]

75% of organizations are pursuing security vendor consolidation — in 2020, it was 29%[***]

Top Enterprise Cybersecurity Priorities (12-24 Months)[*]



* 2023 Gartner Midsize Enterprise Summit (Spring) Survey
** 2024 ESG Research
*** 2023 Gartner Technology Adoption Roadmap for Large Enterprises Survey

TREND MICRO

Recognized Enterprise Leader

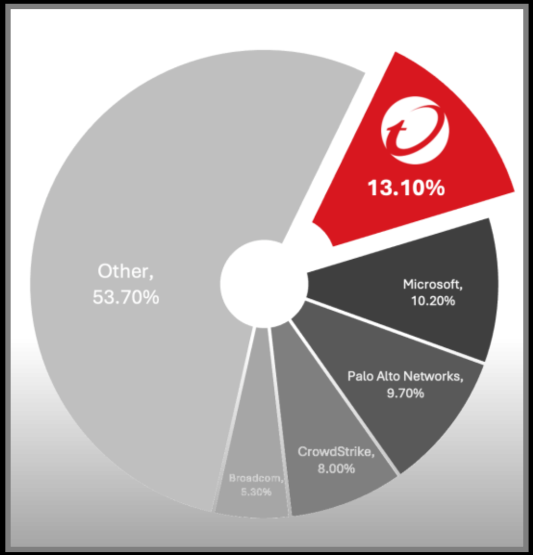
Gartner

Magic Quadrant for **Endpoint Protection Platforms**
September 2024*

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 Trend Micro.

IDC

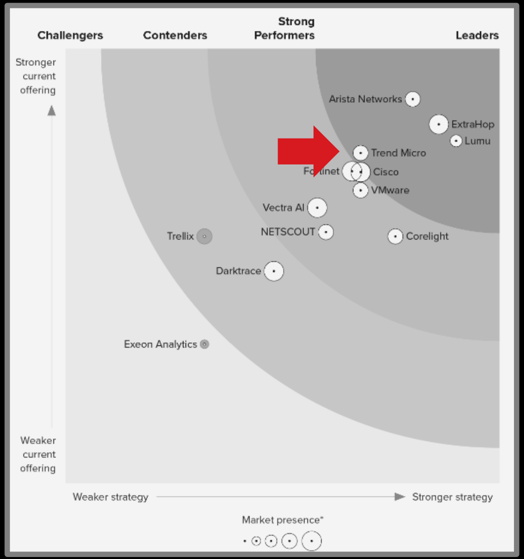
Worldwide **Cloud-Native Application Protection Platform** 2023 Market Shares, August 2024



IDC Worldwide Cloud-Native Application Protection Platform Market Shares, 2023 Market Shares, #US52472324, August 2024

FORRESTER

Forrester Wave: **Network Analysis and Visibility**
Q2, 2023*



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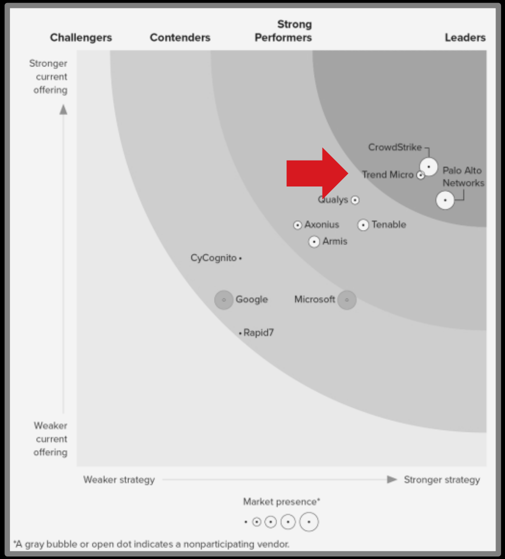
FORRESTER

Forrester Wave: **Attack Surface Management** Solutions
Q3, 2024*



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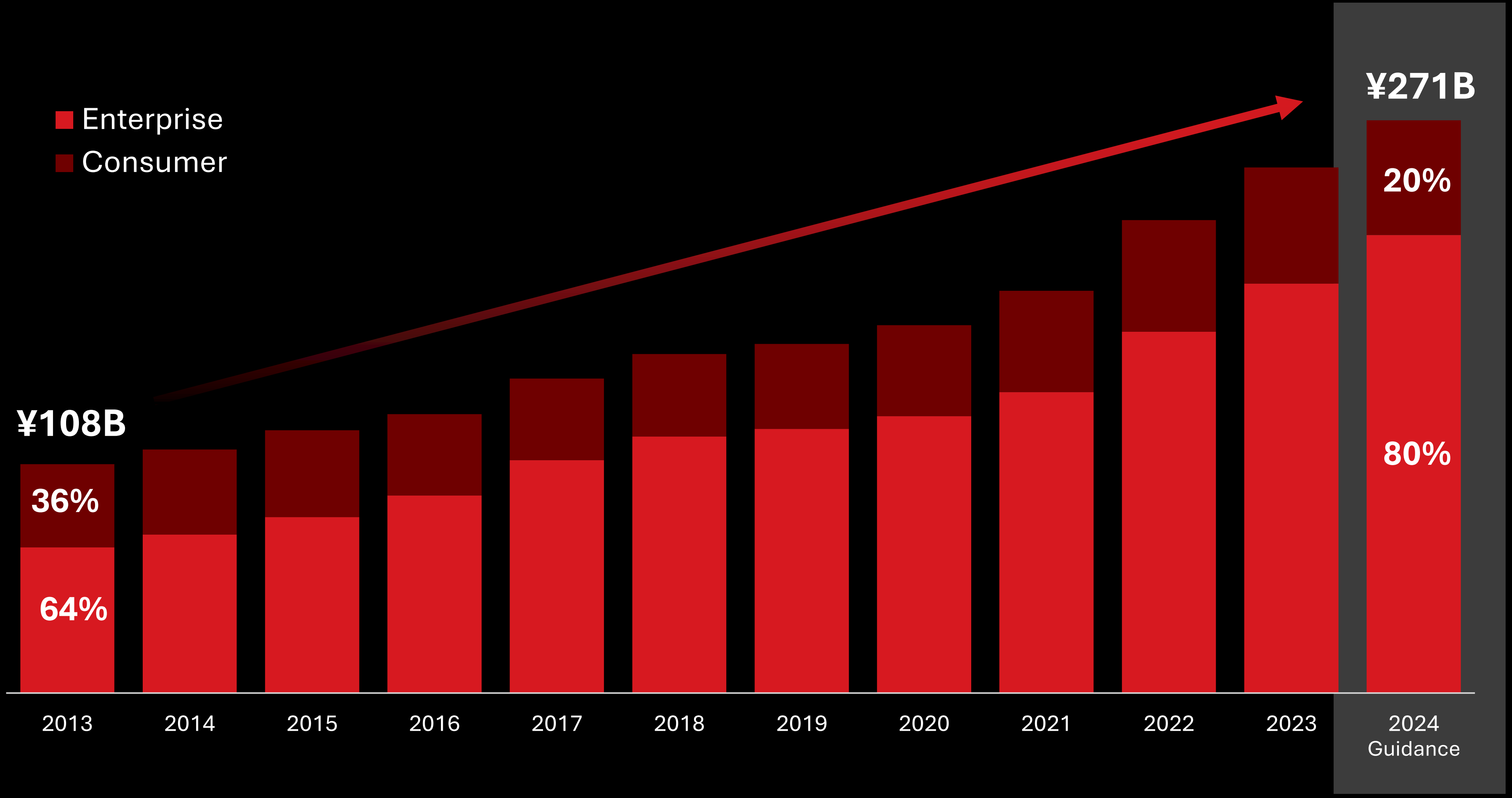
TREND MICRO

A Proven Track Record of Growth



* Revenue reported at actual currency in Yen

2024 YTD Summary

Revenue & Margin Growth

Net Sales: +10% YoY*
Operating Margin: 20%**

Revenue growth across all regions, continued margin improvement

Enterprise Performance

Net Sales: +13%*
10.3K Vision One Customers

Powered by strong platform expansion

Consumer Growth

Net Sales: +2% YoY*
ARPU: +6%***

Continued growth in mobile channel & non-device offerings

*Actual currency in Yen. ** Excluding Q3 stock price increase impacts ***ARPU @ constant currency ($1USD = 147.74 Yen), Direct channels

Road to 2027

	2022	2023 [1]	2024E [2]	YTD 2024 Progress	2027E [2]
Net Sales Growth %	18%	11%	9%	10%	8-10%
COGS % of Revenue [4]	19%	22%	19%	20%	18-20%
S&M % of Revenue [4]	37%	37%	34%	33%	28-30%
R&D % of Revenue [4]	17%	17%	17%	17%	13-15%
G&A % of Revenue [4]	8%	8%	7%	7%	5-7%
Operating Margin %	14%	13%	20%	20% [3]	29-31%
		Operating Income	¥53B		

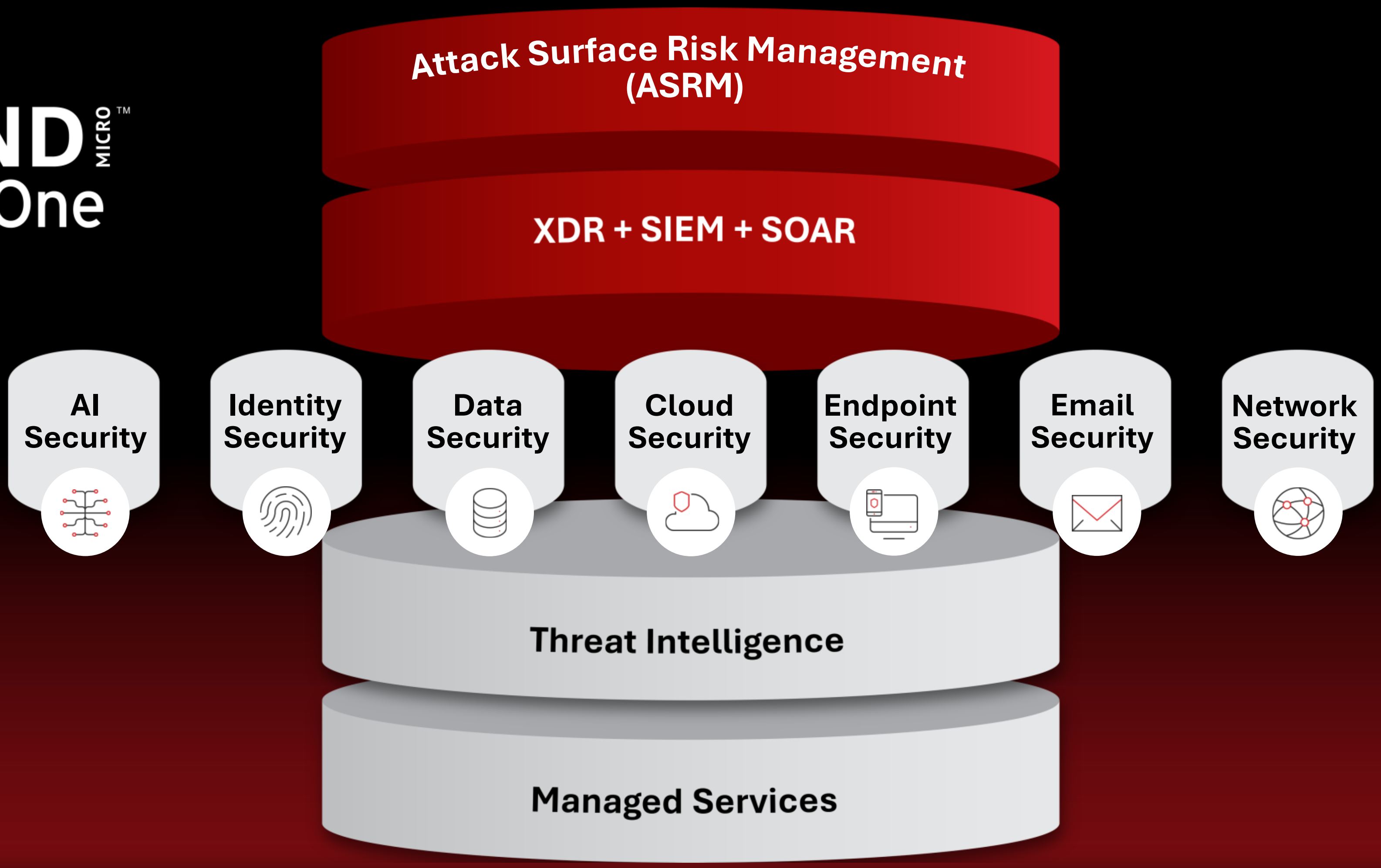
Notes:
1. 2023 includes 1,047M JPY restructure cost
2. At estimated exchange rate of $1USD= 147.74 yen
3. Excluding Q3 stock price impacts
4. Based on non-GAAP expenses and reference for internal management

TREND MICRO

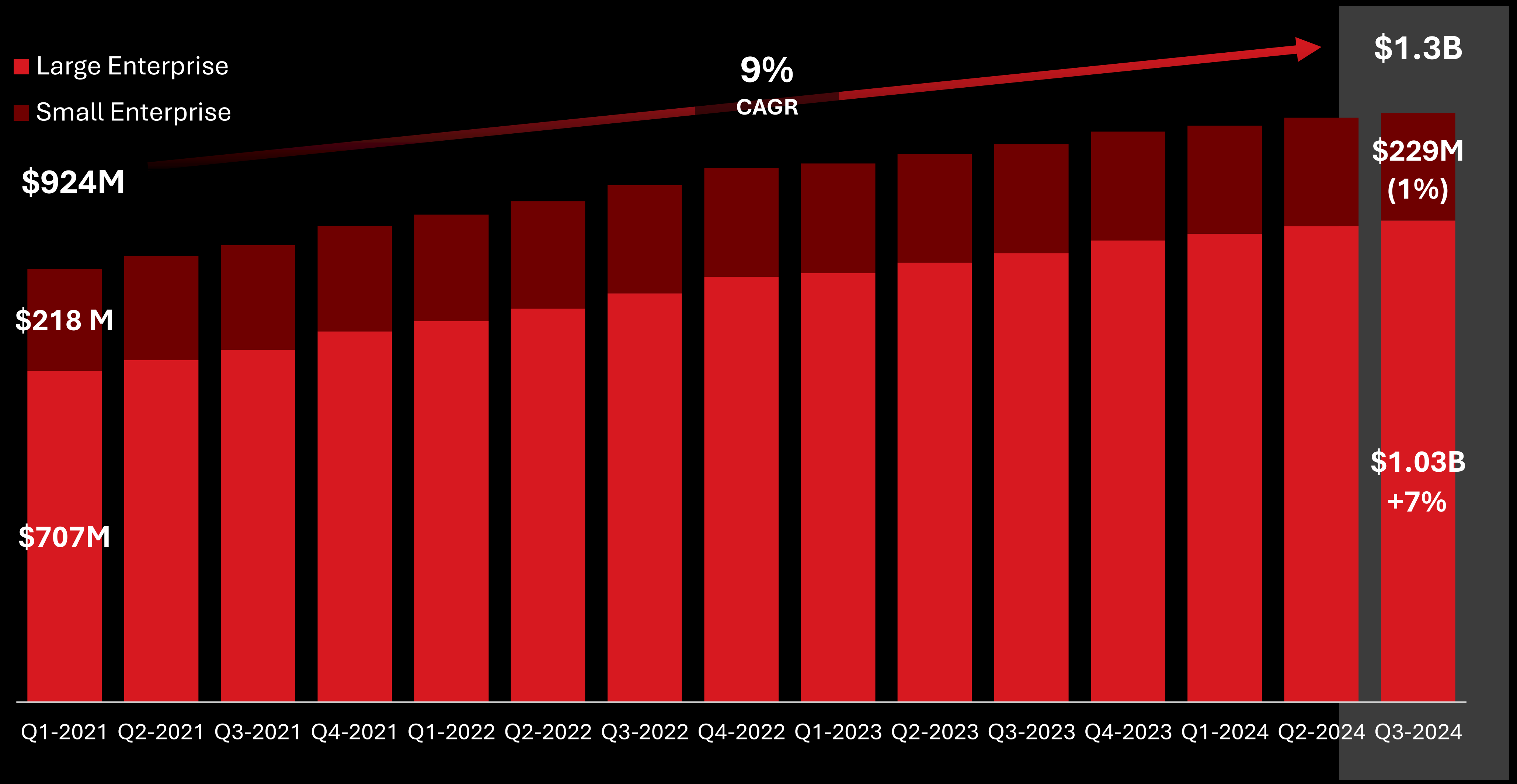
Our Enterprise Business

Our AI-Powered Platform

TREND MICRO Vision One



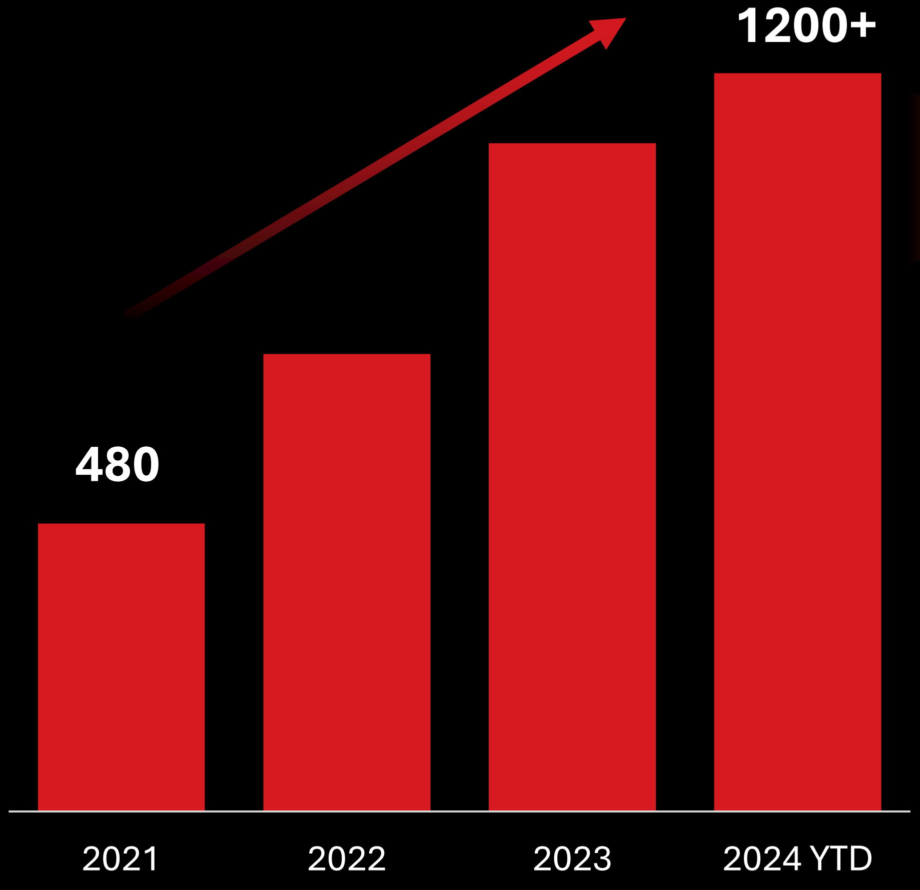
Enterprise Driving Growth



* Hybrid Enterprise ARR at constant currency: 1USD= 147.74 yen. Non-GAAP and reference for internal management
Large enterprise defined as 500+ seat organizations

Growing Small Enterprise

MSPs Selling XDR



NEW: Vision One for MSPs

In first 3 weeks

100+
Strategic MSPs Selling

2X
ASP
Per Customer

> *The integration of Vision One ASRM into Trend's MSP offering has* ***revolutionized our threat detection and mitigation*** *capabilities.*
>
> *Merkl IT , Germany*

TREND MICRO

Our Enterprise Opportunity

28,000

LARGE ENTERPRISE CUSTOMERS

AI-Powered Next Gen SOC

23% of Enterprise ARR*

- ASRM
- SIEM/SOAR
- XDR
- SERVICES

Hybrid Multi-Cloud

32% of Enterprise ARR*

- WORKLOAD
- CONTAINER
- XDR

Endpoint (EPP)

21% of Enterprise ARR*

- ENDPOINT
- MOBILE
- XDR

Email & Collaboration

9% of Enterprise ARR*

- EMAIL
- COLLABORATION
- XDR

Network

15% of Enterprise ARR*

- IPS
- OT
- XDR/NDR

*Large enterprise ARR as of Q3-2024

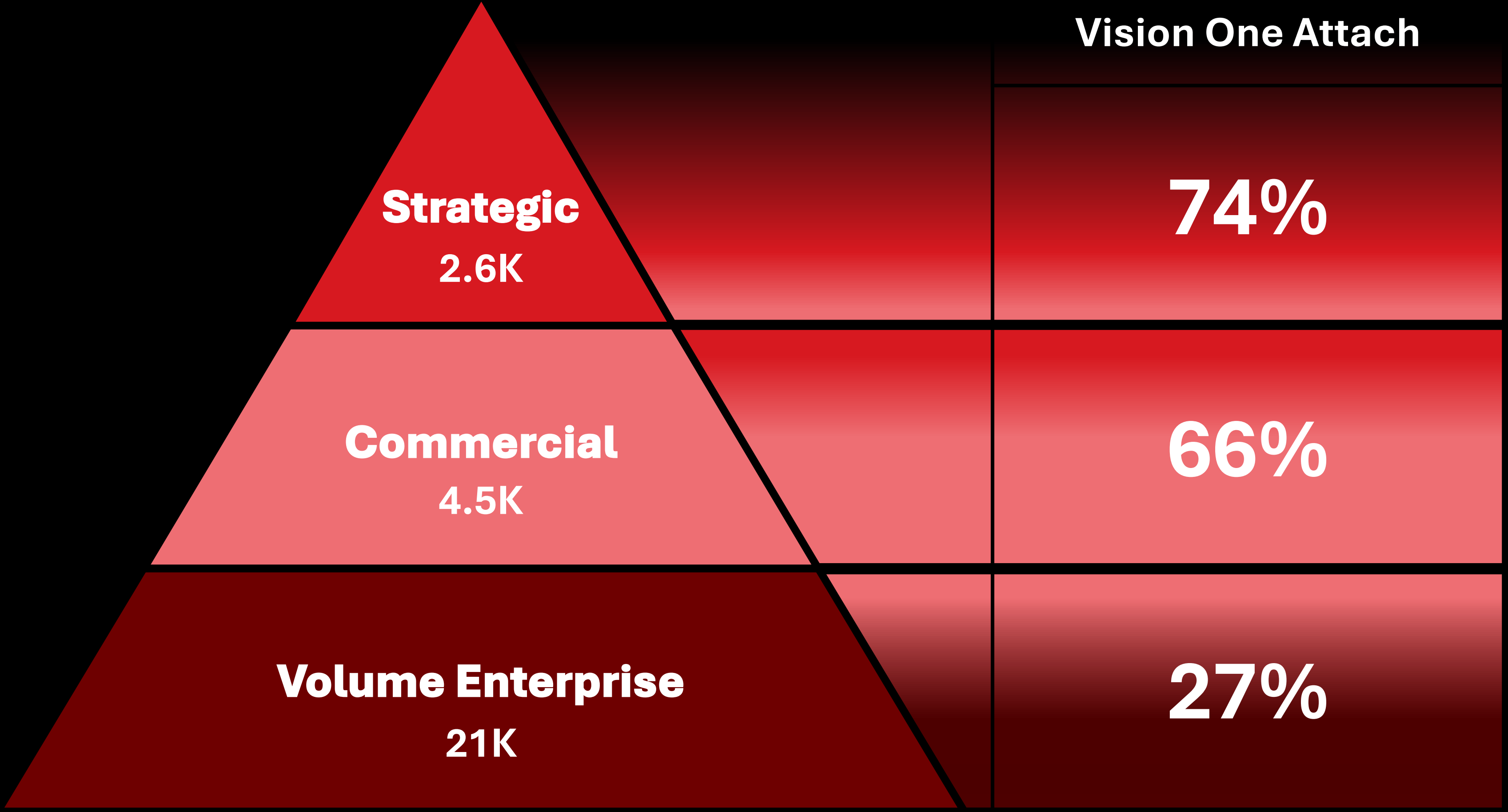
Massive Enterprise Whitespace

$6.4B

Incremental ARR Opportunity From Existing Trend Customers

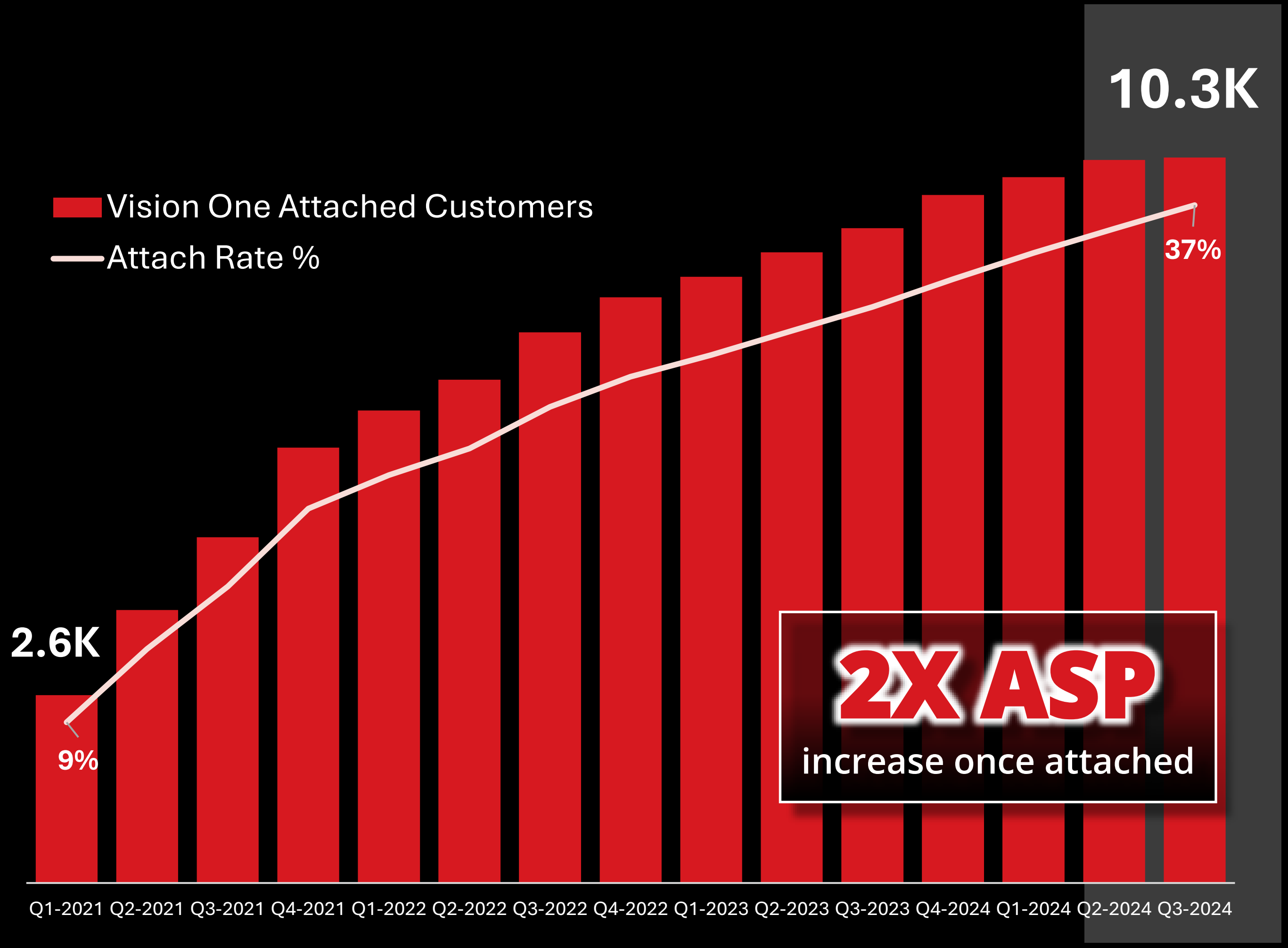
* Constant currency: 1USD= 147.74 yen. Non-GAAP and reference for internal management
** Total enterprise ARR customer opportunity based on internal analysis of existing customers

Growing Our Large Enterprise Business



TREND MICRO

Large Enterprise Platform Attach



2024 YTD Platform Highlights

- **780+** New Vision One customers in 2024
- **$240 Million*** Next-gen SOC ARR @ +21%
- **111%** Next-gen SOC Subscription NRR

* Hybrid Large Enterprise ARR at constant currency: 1USD= 147.74 yen. Non-GAAP and reference for internal management

The Power of the Platform

ENTERPRISE CUSTOMERS	MODULE ADOPTION	RETENTION RATE*	ARR IMPACT*
46%	●	83%	1X
15%	● ●	91%	2X
10%	● ● ●	91%	3X
29%	● ● ● ● +	95%	10X

  * Constant currency: 1USD= 147.74 yen. Non-GAAP and reference for internal management.

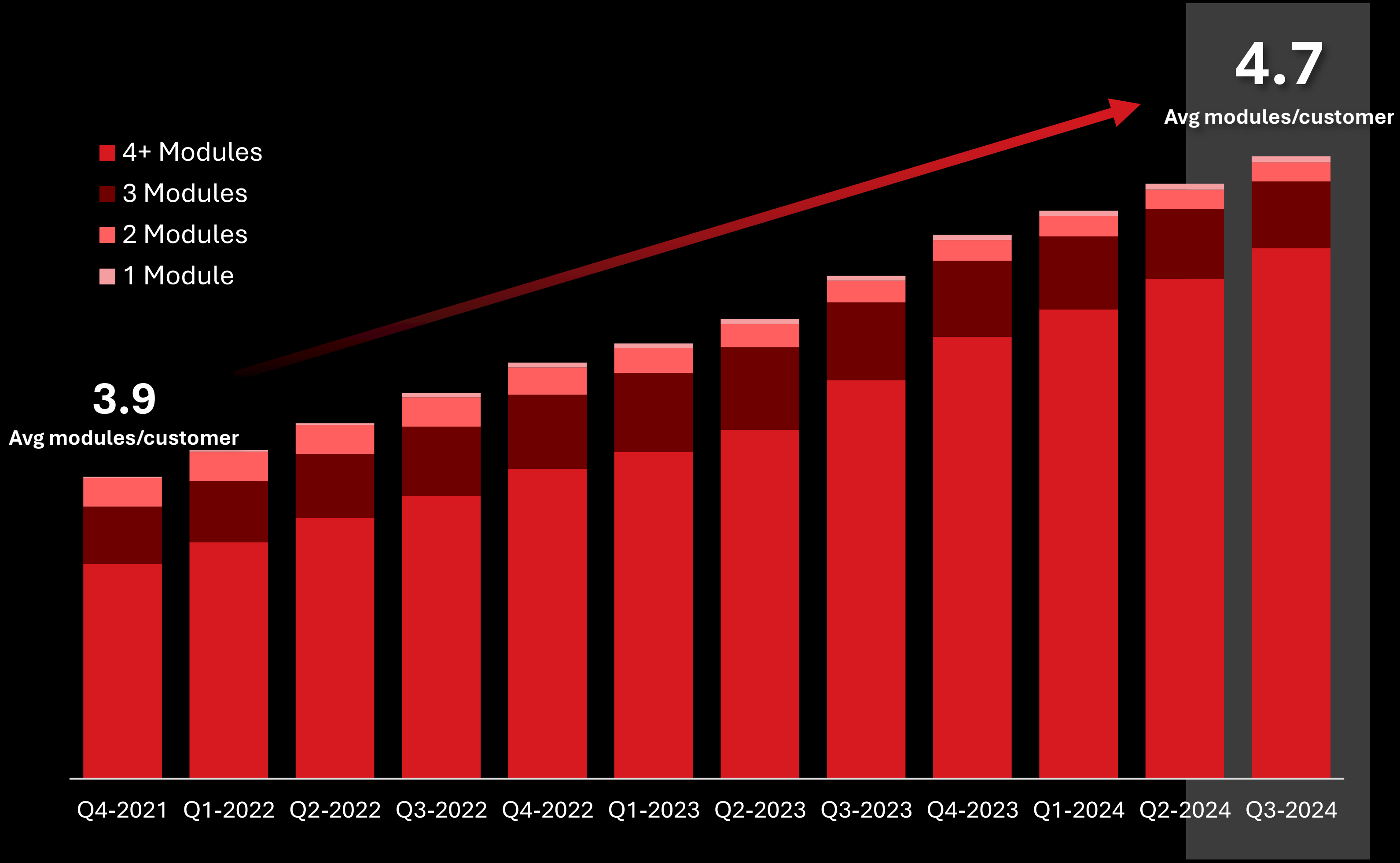
Module Growth with Vision One

Platform Expansion

2.6 Modules/customer w/o Vision One

4.7 Modules/customer with Vision One

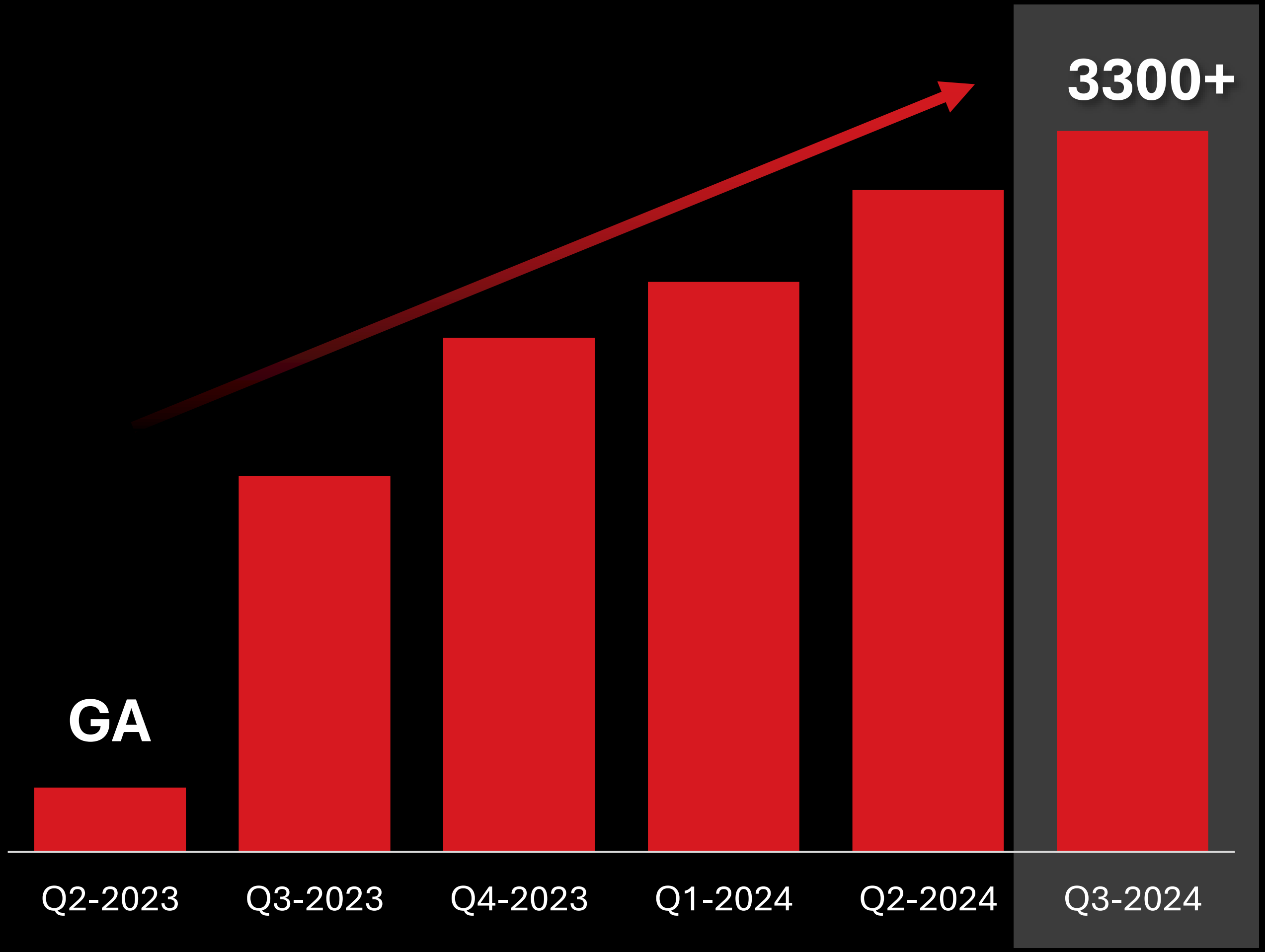
72% Enterprise ARR from 4+ modules



  * Constant currency: 1USD= 147.74 yen. Non-GAAP and reference for internal management.

TREND MICRO

ASRM Module Driving Growth



Platform Expansion

6.4 Modules/customer with ASRM

33% Customer on ASRM in first year

Driving New Customer Acquisition

$2.1B

Driven by AWS Partnership*

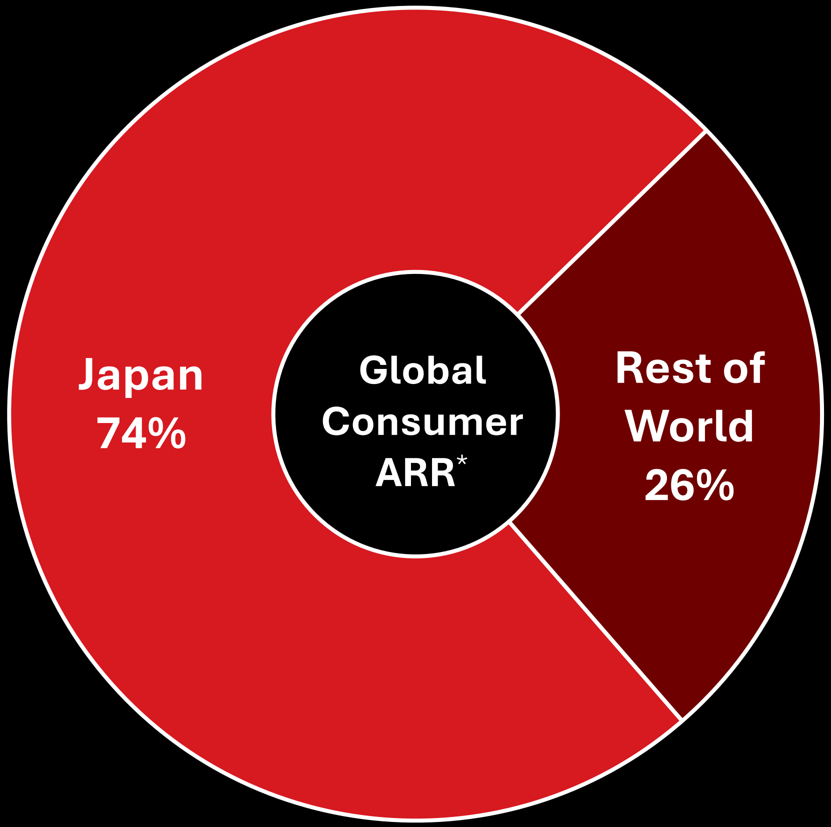
Now Across More Marketplaces

Growing Key Partnerships

* Gross sales, protecting AWS resources @ constant currency: 1USD= 147.74 yen. Non-GAAP and reference for internal management

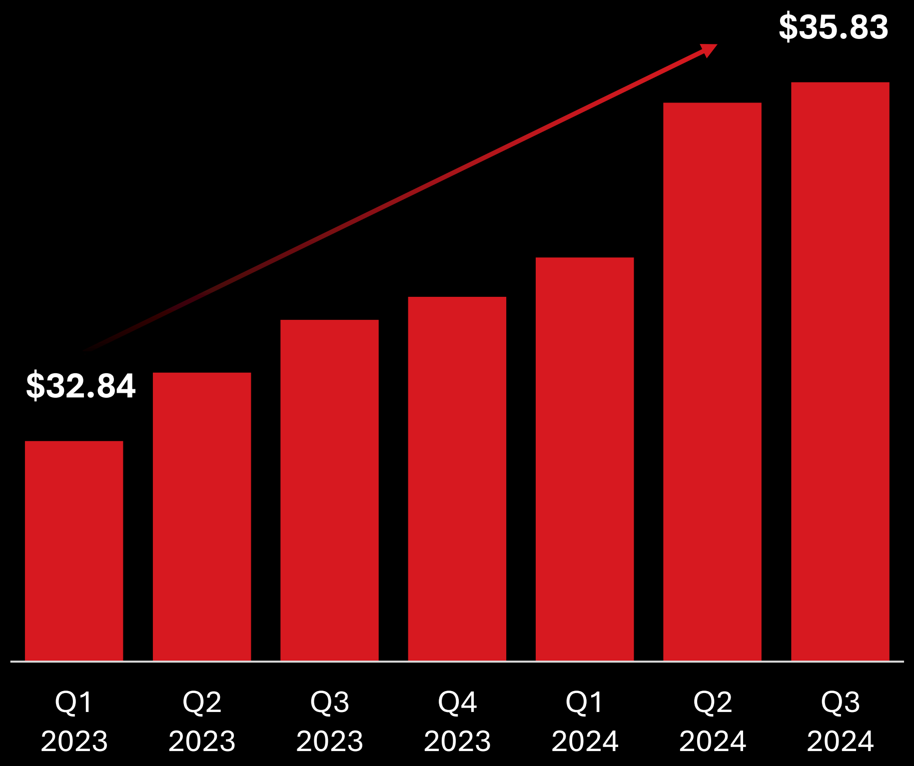
Our Consumer Business

Our Global Consumer Business



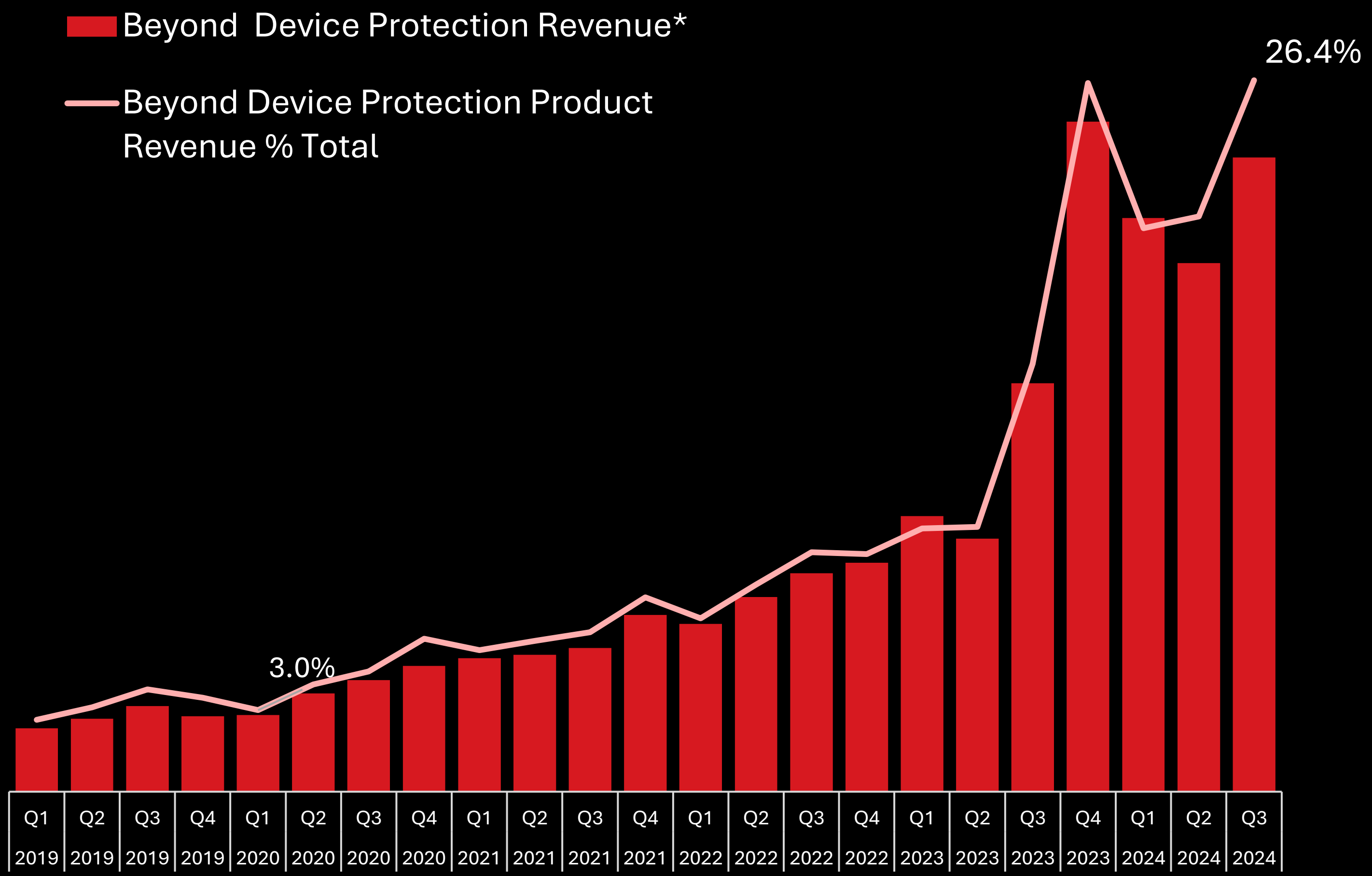
Driving More Value

Direct Average Retail Price Per User (ARPU)**



* Hybrid ARR at constant currency: 1USD= 147.74 yen. Non-GAAP and reference for internal management
**ARPU @ constant currency ($1USD = 147.74 Yen), via direct channels

Consumer Performance



Oct. 1, 2024

Trend Micro Fights Back Against Online Scams

AI-powered Trend Micro Check designed to help consumers stop a ***$1 trillion problem***

Eva Chen, CEO at Trend: "Scams are at the top of the list of online threats to consumers, and AI has made it easy for cybercriminals to scam innocent people. While they take advantage of new technology to cause harm, we do the opposite. We are leading the race against these threats and working tirelessly to stay ahead of them with our own AI capabilities."

  *Actual currency in Yen

The Road to 2027

Driving to 2027

$1.7B
Enterprise ARR*

$400M
Consumer ARR*

30%
Margin

* Hybrid ARR at constant currency: 1USD= 147.74 yen. Non-GAAP and reference for internal management

Key Takeaways

AI-Powered Platform Strategy

Balanced Performance

Improving operating margin & driving sustainable growth

Driving Shareholder Value

Capital allocation & increased returns to shareholders

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