



Varonis Systems, Inc. Class Action Lawsuit - VRNS

Varonis Systems, Inc.
NASDAQ: VRNS

The *Varonis Systems, Inc.* class action lawsuit was filed on behalf of those who purchased or otherwise acquired *Varonis Systems, Inc.* ("*Varonis*") (NASDAQ: VRNS) common stock between February 4, 2025, and October 28, 2025, inclusive (the "Class Period"). Captioned *Molchanov v. Varonis Systems, Inc., et al*, Case No. 1:26-cv-00117 (S.D.N.Y.), the *Varonis* class action lawsuit alleges that *Varonis* and/or certain of its officers and/or directors violated federal securities laws by making false or misleading statements and/or omitted to disclose material information.

If you suffered losses as a result of your *Varonis* investment and want to find out more about this action and your rights, fill out the form on this page or contact attorney Jonathan Naji, Esq. of KTMC by calling (484) 270-1453 or via e-mail at info@ktmc.com. Lead plaintiff motions must be filed with the court no later than March 9, 2026.

CASE BACKGROUND:

Varonis is a global security company that provides software products and services to discover and classify critical data, remediate exposures, and detect advanced threats with the help of AI-powered technologies. Varonis offers both on-premises and software-as-a-service ("SaaS") solutions.

The Class Period begins on February 4, 2025, when Varonis reported its fourth quarter fiscal 2024 results and conducted a same day earnings call to discuss both the results and the company's forward-looking projections. During the earnings call, Varonis touted the company's progress in converting on-prem users to Varonis' SaaS offering, including that "We still have many existing customers to convert to our SaaS platforms, but it is clear that we are well on our way to becoming a SaaS company," and that Varonis' "existing customer convergence continue in a healthy way." Additionally, Varonis highlighted its guidance for fiscal 2025, including that for "the full year 2025, we expect ARR of \$737 million to \$745 million, representing growth of 15% to 16%."

On October 28, 2025, Varonis reported its financial results for the third quarter of 2025 and revealed revenue which missed consensus estimates, including a 63.9% decline in term license subscription revenues, year over year. Varonis also disclosed it was "reducing our full-year ARR guidance to account for the underperformance of [its] on-prem subscription business." Addressing the poor results, Varonis stated that the company's on-premises subscription business is a "drag on total company ARR growth," citing a number of factors which contributed to "lower renewal rate of on-prem subscription[s]," including "sales process issues."

On this news, Varonis' stock price fell \$30.66 per share, or 48.67%, to close at \$32.34 per share on October 29, 2025.



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The complaint alleges that, throughout the Class Period, Defendants made false and/or misleading statements and/or failed to disclose that: (1) Varonis was ill-equipped to continue its ARR growth trajectory without maintaining a significantly high rate of quarterly conversions; and (2) as a result, Defendants' positive statements about the company's business, operations, and prospects were materially misleading and/or lacked a reasonable basis at all relevant times.

THE LEAD PLAINTIFF PROCESS:

The Private Securities Litigation Reform Act of 1995 permits any investor who purchased or acquired *Varonis common stock* during the Class Period to seek appointment as lead plaintiff in the *Varonis* class action lawsuit. A lead plaintiff is a representative party that acts on behalf of other class members in directing the litigation. In order to be appointed lead plaintiff, the Court must determine that the class member's claim is typical of the claims of other class members, and that the class member will adequately represent the class. Your ability to share in any recovery is not, however, affected by the decision whether or not to serve as a lead plaintiff. Filling out the online form above or communicating with any counsel is not necessary to participate or share in any recovery achieved in this case. Any member of the purported class may move the court to serve as a lead plaintiff through counsel of his/her choice, or may choose to do nothing and remain an inactive class member.

ABOUT KESSLER TOPAZ MELTZER & CHECK, LLP:

Kessler Topaz Meltzer & Check, LLP (KTMC) is a leading U.S. plaintiff-side law firm focused on securities-fraud class actions and global investor protection. The firm represents individual investors as well as institutions, such as major pension funds, asset managers, and international investors. KTMC has led some of the largest recoveries in securities litigation and has been recognized by peers and the legal media with numerous accolades, including The National Law Journal's Plaintiff's Hot List and Trailblazers in Plaintiffs' Law, BTI Consulting Group's Honor Roll of Most Feared Law Firms, The Legal Intelligencer's Class Action Firm of the Year, Lawdragon's Leading Plaintiff Financial Lawyers, and Law360's Titans of the Plaintiffs Bar. The firm operates globally with offices in Pennsylvania and California. For more information about Kessler Topaz Meltzer & Check, LLP, please visit www.ktmc.com.

