

WALLIX EMBARKS ON A NEW PHASE OF SELF-FINANCED GROWTH WITH “UNICORN 2025,” ITS 4-YEAR STRATEGIC PLAN

- **WALLIX** boasts robust foundations following the implementation of its Ambition 21 plan: a leading offer in the PAM¹ market, an installed customer base and an extensive geographic footprint;
- The digital transformation and the inherent boom in access stemming from new digital uses offer **WALLIX** the prospect of particularly buoyant market momentum, with the PAM market set to double in size by 2025;
- The “PAM for all” strategic vision aims to position **WALLIX** as a leading player striving to build a trusted digital world;
- A primarily organic growth trajectory backed up by €10 million in self-funded investments;
- A target of €100 million in turnover and an operating margin of 15% by 2025.

Paris, December 10, 2021 – **WALLIX** (Euronext ALLIX), a European cybersecurity software company and expert in access and identity security, is unveiling its strategic plan for the 2022-2025 period, and reaffirming its aim of becoming a leading player in creating a trusted digital world.

Jean-Noël de Galzain, Chairman of the WALLIX GROUP Management Board, said: “In only a few years WALLIX has become a go-to cybersecurity supplier and European leader recognized by top industry analysts such as Kuppingercole and Gartner, with a global footprint underpinned by a powerful ecosystem of integrator partners and trained and certified resellers. As a result, the Group possesses major technological and strategic advantages in order to continue to grow and contribute to the emergence of an independent European cybersecurity offer that meets new regulatory requirements in terms of information risk management and responsibility expectations.

This ambitious strategy, driven by our new UNICORN 25 plan, aims to respond to the security challenges linked to digital transformation, with the need for openness and the inevitable and exponential growth of access to digital systems, whether in organizations or in society. With our “PAM for all” vision, we are offering support for these defining developments on a global scale by providing security solutions for access across the board, for users and for tomorrow’s industrial objects and systems.

This is a great opportunity for WALLIX to scale up and become a global leader in digital transformations’ security, with the goal of reaching €100 million in turnover by 2025 and delivering an operating margin at the high end of industry standards. Spearheading Digital Corporate Responsibility, WALLIX seeks to build a trusted digital world and to be a structuring player in the Cybersecurity sector in Europe.”

¹ Privileged Access Management

The “Ambition 21” plan enabled WALLIX to lay down the robust foundations necessary for its new cycle of sustainable growth

Thanks to the structural investments made since 2018, WALLIX now has a comprehensive PAM offering expanded into adjacent market segments (WALLIX Bastion, WALLIX BestSafe launched in February 2020, WALLIX Trustelem launched in May 2020) enabling it to address all the threats posed by the implementation of new technologies (IoT, Cloud, etc.) and new digital services (telemedicine, WFH, smart city, predictive maintenance, etc.). This technological know-how has seen WALLIX recognized as an “Overall Leader” among international players in the PAM sector identified by consultancy Kuppingercole and named Challenger and the only European publisher among the 10 world leaders in the 2021 Gartner PAM Magic Quadrant.

WALLIX greatly extended its geographical footprint under its “Ambition 21” plan, increasing its operations in Germany and opening offices in Spain, Italy, and the United Arab Emirates. On top of its extensive geographical footprint in Europe, WALLIX has built and mobilized a network of approximately 300 partners (resellers & distributors), allowing the Group’s sales force to cover 80% of the global market. In Europe, the Group recently signed partnerships with TechData in Spain and the UK and with IT2Soft in Scandinavia. WALLIX has also taken the first steps towards establishing operations in North America, opening offices in the United States and Canada, both of which offer significant growth potential for the Group.

To boost its growth, WALLIX has developed high-potential business verticals such as healthcare and manufacturing. In the manufacturing sector, WALLIX will also offer its embedded technology for Industry 4.0, WALLIX Inside, which combines WALLIX access and identity security solutions integrated by design into business solutions.

With strong market traction and an innovative approach to its offers, WALLIX now has a base of nearly 1,600 customers equipped with its solutions, which the Group aims to leverage in order to perpetuate its strong growth trajectory.

WALLIX generated turnover of €20 million in 2020 and aims to continue the strong growth seen in the first half of 2021 throughout the full year. **WALLIX is reaping the rewards of its conquest strategy rolled out as part of the “Ambition 21” plan, with a clear improvement in operating income in the first half of 2021 and the prospect of reaching profitability in the second half of the year.**

Market growth of 20% per year, driven by the acceleration of the digital transition and the resulting increase in accesses

WALLIX operates in a particularly favorable market: the accelerating digital transition brings new use cases and calls for growing investment in cybersecurity in response to the proliferation of cyberattacks.

The health crisis stemming from the Covid-19 pandemic has spurred the digitization of the economy to an unprecedented degree. In order to ensure viability and productivity, companies across all business sectors are rethinking their channels of communication between employees, customers and suppliers. Interactions and exchanges are instantaneous and mobile, and vastly more numerous than before. The security of access to information and data ranks more than ever as a major challenge in securing a successful digital transformation.

At the same time, the stellar increase in digital accesses and resources is prompting an increase in inherent risks, with an upsurge in cyberattacks – and fourfold growth in 2020 according to ANSSI². **The cost of cybercrime, estimated at \$6 trillion, makes it the third largest economy in the world in 2021 and is forecast to almost double by 2025.**

This fundamental trend, with ever-greater mobility and a growing number of identities to manage, for individuals and objects alike, is set to gain pace in the years to come. The proliferation of accesses is a real growth driver for the access and identity protection industry. Kuppingercole sees **the PAM market doubling to \$3.1 billion by 2025**, implying a CAGR of 21% over the 2021-2025 period.

² France’s national agency for IT systems security

A defining medium-term vision: PAM for all

In response to the growing number of accesses and mounting demand from companies to secure their digital assets, WALLIX has developed a vision referred to as “PAM for all,” enabling it to offer to its customers the promise of a secure digital transformation, for everyone and everything, anywhere and anytime. This strategy is built on three main pillars:

- **PAM leadership:** WALLIX aims to roll out security technologies including Bastion and BestSafe to all – and not simply users of privileged accounts – building on the principle of least privilege to secure all of an organization’s at-risk users and workstations. This extension also includes the rollout of full Cloud solutions (Bastion for Cloud) to address the needs of Cloud or native SaaS players such as the retail and media sectors.
- **the extension of WALLIX’s offer to IAM:** WALLIX aims to support its customers in their adjacent identity and access management and governance issues. To that end, WALLIX plans to develop additional offers around identities (multi-factor identification, IDaaS, IGA, SSO), with the objective of increasing customer value.
- **embedded cybersecurity:** To meet the future challenges of IT/OT interconnection and the advent of the Internet of Things, WALLIX is pursuing the development of embedded cybersecurity solutions, including WALLIX Inside and the Oscar platform, winner of the *Grand Défi Cyber*³. In the wake of inaugural partnerships with Fives and Schneider Electric, WALLIX Inside is intended to offer manufacturers the possibility of providing secure solutions by design; it will be a powerful lever for profitable growth for WALLIX in the medium term.

Continued international expansion and enhancement of distribution models

International expansion remains a pillar of WALLIX’s growth, with the aim of consolidating the Group’s leadership in Europe and significantly extending its footprint in the North American market. In the United States, WALLIX will be able to consolidate its development by leveraging, as a first step, the large-scale partnership signed last May with Arrow Electronics, a leading IT distributor, giving it access to over 1,000 resellers and integrators supporting millions of US customers spanning all sectors. This partnership will boost the distribution of WALLIX solutions in the United States, thereby offering US companies all the Group’s expertise in access and identity security.

WALLIX aims to have **increased its international turnover by a factor of 7.5** by the end of the Unicorn 25 plan.

In addition to geographic coverage, WALLIX plans to add new go-to-market models to its current “Channel” model (300 resellers and value-added distributors). It will do so first and foremost by developing a direct management approach for strategic key accounts (Global Account Management), with a dedicated WALLIX team serving as cyber expert in the field alongside major integrators. For the distribution of products and services integrating WALLIX technologies to reach the largest number of people possible, the Group plans to implement an alliance strategy with Industry 4.0 players, managed shared service providers or technology partners so that they can distribute offers integrating WALLIX cybersecurity solutions. WALLIX Inside already provides the groundwork for this OEM model, which is set to grow significantly during the Unicorn 25 plan period.

WALLIX is accordingly working to promote a genuine cybersecurity ecosystem, not only by strengthening its links with its commercial partners, but also by forging alliances with technological players, research laboratories and business solution integrators.

Target of €100 million in turnover and an operating margin above 15% by 2025

WALLIX estimates the investments necessary to achieve its organic growth objectives at around €10 million. These investments, of which 40 to 50% should be realized in 2022, will be self-funded by the Group. They will focus on product innovation and R&D, and the expansion of marketing and sales activities.

³ OSCAR is the winner of the Grand Défi Cyber, a call for projects launched as part of the France’s national cybersecurity strategy supported by the Programme d’investissements d’avenir (PIA) and France Relance.

The Unicorn 25 plan is designed to enable WALLIX to bring its turnover to €100 million by 2025, with a target operating margin above 15%. Strong organic growth projected to average 30% per annum over the entire plan will be key to achieving these objectives, rounded out by an external growth component.

Unicorn 25 will take WALLIX into a new era of development that will enable it to consolidate its leadership in access and identity security and position it as a unifying force in cybersecurity, guaranteeing the protection of organizations in the digital era. WALLIX is positioning itself today to meet the future needs of the fully digital world.

ABOUT WALLIX

A software company providing cybersecurity solutions, WALLIX is the European specialist in Identity and Access Security Solutions. WALLIX's unified solutions portfolio enables companies to meet today's data protection challenges. WALLIX solutions guarantee detection and resilience to cyberattacks, thus enabling business continuity. They also ensure compliance with regulatory requirements regarding access to IT infrastructure and critical data. The unified solutions portfolio is distributed through a network of more than 316 resellers and integrators around the world. Listed on Euronext (ALLIX), WALLIX supports more than 1,500 organizations in securing their digital transformation. WALLIX is a founding member of the HEXATRUST group and was included in Futur40, the first ranking of growth companies on the stock market published by Forbes France and is part of the Tech 40 index.

WALLIX affirms its digital responsibility and undertakes to contribute to the construction of a European digital space of trust, guarantor of the security and confidentiality of organizations' data but also for any individual concerned about the protection of their digital identity and the respect for his private life. Digital technology, whether for professional or personal use, must be ethical and responsible in order to experience a secure societal digital transformation that respects individual freedoms.

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