

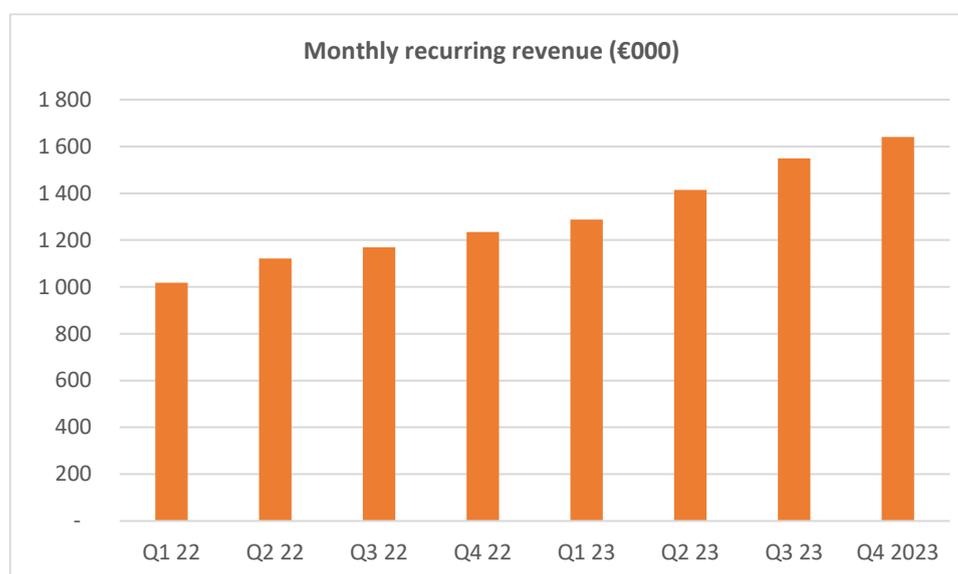


## Further Acceleration in Recurring Business Growth, with Turnover in Excess of €30 Million in 2023.

- Monthly recurring revenue (MRR) up 32.9% at year-end 2023;
- Full-year 2023 turnover of €30.2 million;
- Portfolio of nearly 3,000 active contracts at December 31, 2023 (+29%) and 95% retention rate;
- Enhancement of the SaaS offering and new sales organization to promote new business and up market;
- Confirmation of recurring business growth trajectory to reach operating breakeven in 2024.

Paris, February 8, 2024 - WALLIX (Euronext ALLIX), a European cybersecurity software developer and expert in privileged access management (PAM), announces its full-year 2023 turnover.

Unaudited data, €000	31/03/2023	30/06/2023	30/09/2023	31/12/2023
Monthly recurring revenue	1,287	1,415	1,550	1,641
Change over 12 months	+26.4%	+26.1%	+32.6%	+32.9%



**Jean-Noël de Galzain, Chairman and Chief Executive Officer of WALLIX Group, said:** “2023 was a momentous year for WALLIX, during which we finalized the reorganization of our sales and marketing teams and finished laying the foundations for our future growth, bringing the investment phase of our Unicorn 25 plan to a close. This was all achieved while maintaining strong sales growth momentum in excess of 29%.

We now boast a portfolio of technological solutions recognized as market leaders by the world’s major consulting firms. We have established a robust network of VARs and VADs in 90 countries and strengthened our strategic partnerships for deployment in both IT environments, with Bastion, and in operational environments, with OT.security by WALLIX.



The launch of the WALLIX One platform this year will enable us to support the growth of digital practices among our clients, with a SaaS platform that brings together all of our solutions, providing an even better response to the demands of companies looking for savings, operational efficiency and simplicity. This new offering is fully in line with our strategy of focusing on recurring business, which now accounts for 65% of our revenues, compared with 52% at the start of the Unicorn 25 plan. Our ability to satisfy and retain our clients, and the development of innovative new offers, constitute the foundations of our future growth.

We are approaching 2024 with optimized organization at all levels in order to continue increasing our market share in PAM, IAM and OT security. We are structured to better support our reseller and integrator networks in the deployment of solutions to clients of all sizes, and to better cover the additional needs of our existing clients. Within an uncertain macroeconomic environment, we are confident in our ability to maintain high growth rates in recurring business and to achieve operating breakeven in 2024.

With the implementation of the NIS 2 directive in October 2024, the need for cybersecurity solutions adapted to the security of digital environments (IT) and industrial networks (OT) will increase, particularly in regulated sectors. This year is therefore set to be particularly intense in terms of new projects in a segment that already accounted for over 14% of our order intake in 2023, two years after the launch of our OT Security brand. WALLIX is well positioned to fully support the digital transformation of our cities, hospitals, buildings, plants and all businesses seeking to make their activities both more user-friendly and more resilient in the face of cyber risks.”

### Accelerated growth in recurring revenue, solid business growth maintained

At December 31, 2023, monthly recurring revenue (MRR) amounted to €1.6 million, with growth continuing to accelerate, up 32.9% compared with the previous year.

On an annual basis, recurring business amounted to €19.7 million as of December 31, 2023, representing 65.2% of 2023 consolidated turnover, up 6.3 percentage points over one year.

#### Hypergrowth achieved across all strategic regions:

Unaudited data (€000)	31 December 2022	31 December 2023	Change
France	760	989	+30.1%
EMEA excl. France	439	617	+40.6%
Outside EMEA	36	36	-1.1%
<b>Total MRR</b>	<b>1,235</b>	<b>1,641</b>	<b>+32.9%</b>

- In **France**, MRR rose 30.1% over the year. ARR represented 62.9% of 2023 turnover, up 5.9 percentage points year-on-year. Sales momentum largely remained brisk among small and medium-sized businesses, particularly in the most sensitive sectors such as healthcare and industry.
- The Europe, Middle East, Africa (**EMEA**) segment, excluding France, remained buoyant, driving MRR growth with an increase of 40.6%. ARR accounted for 69.7% of 2023 turnover, up 6.1 percentage points year-on-year. The Middle East-Africa region, the second largest after France, delivered an excellent performance, driven in particular by the success of the Group’s OT solutions.
- Business **outside EMEA** remains insignificant for the time being (2% of MRR).

Consolidated turnover at December 31, 2023 totaled €30.2 million, up 19.9%. The Group has therefore demonstrated its ability to maintain a solid base of license sales to existing clients, while increasing subscription revenue by winning new clients. Consolidated since May 16, 2023, Kleverware contributed turnover of €0.5 million for the 2023 financial year.



Over the year as a whole, the pace of business acquisition remained very brisk, with the number of active contracts up 29% and 656 contracts won during the year. At December 31, 2023, the Group held a portfolio of over 2,900 active contracts, with a retention rate of over 95%.

### **Launch of the second phase of the Unicorn 25 plan and confirmation of a return to profitability in 2024**

2023 was marked by significant growth in new client contracts in France and abroad, with strong momentum in cybersecurity projects in healthcare, sensitive sectors and companies with assets or industrial resources requiring protection due to their interconnectedness with IT networks or the cloud.

It was also a pivotal year in the Group's development, with the reorganization of the sales and marketing teams and significant enhancement of its technological solutions, now extended to Identity and Access Governance following the acquisition of Kleverware.

The reorganization of the sales and marketing teams has allowed for the adoption of a more efficient "three-tier" model, better suited to client size and partner requirements, aligning all departments involved in revenue generation around shared objectives. Priority is given to the deployment of solutions and services that generate recurring revenue and to enhancing the value of the client base through the sale of additional products (up-selling and cross-selling). To achieve these objectives, the Group will continue to rely on its network of over 300 partners worldwide and will focus its sales efforts on its core segment of medium-sized companies and key accounts by favoring a "Land and Expand" strategy, consisting of growing the client base and expanding the use of services among clients (number of users, new functions, geographical areas, etc.).

The launch of the WALLIX One SaaS platform in January 2024 was fully in line with the Group's business strategy by facilitating access to IAM and PAM solutions within organizations, particularly in the SME segment, and among major groups' subcontractors, who represent a weak link requiring protection. By offering all of its Identity and Access Management and Compliance Governance solutions in SaaS, via a single point of access, WALLIX One is responding to the economic and digital challenges of companies seeking simplification and flexibility to protect their digital environments and interconnect them with networks and industrial systems. The roll-out of WALLIX One will also boost the Company's recurring revenue.

WALLIX is entering a phase in which the investments made during the first stage of the Unicorn 25 strategic plan in 2022 and 2023 will pay off. With nearly 3,000 active contracts, a retention rate of over 95%, the ramp-up of subscriptions and continued solid momentum in the licensing segment, WALLIX is well positioned to maintain hypergrowth rates in recurring business and achieve operating breakeven in 2024.

**Next publication:** Full-year 2023 results, March 21, 2024

### **ABOUT WALLIX**

WALLIX is a European cybersecurity software developer and world leader in the Identity and Access Management market. With a strategy based on innovation and agility, WALLIX's mission is to simplify cybersecurity for its clients worldwide. The WALLIX range of solutions is distributed by a network of over 300 resellers and integrators worldwide, and WALLIX supports nearly 3,000 organizations across more than 90 countries in securing their digital transformation.

The company is listed on Euronext (ALLIX). The founders and managers, as well as the investment structure Thierry Dassault Holding, are the historical reference shareholders.

OT.security by WALLIX is a brand dedicated to the security of digital access and identities in industrial environments.

WALLIX affirms its digital responsibility and is committed to contributing to the construction of a trusted European digital space, guaranteeing the security and confidentiality of data for organizations, as well as for individuals concerned about the protection of their digital identity and privacy. Digital technology, whether for professional or personal use, must be ethical and responsible in order to pursue a secure societal digital transformation that respects individual freedoms.

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#### APPENDIX: GEOGRAPHICAL BREAKDOWN OF TURNOVER

In €000	2022	2023	Change
France	16,008	18,860	+17.8%
EMEA excl. France	8,277	10,628	+28.4%
Outside EMEA	894	690	-22.8%
<b>Total turnover</b>	<b>25,179</b>	<b>30,178</b>	<b>+19.9%</b>