

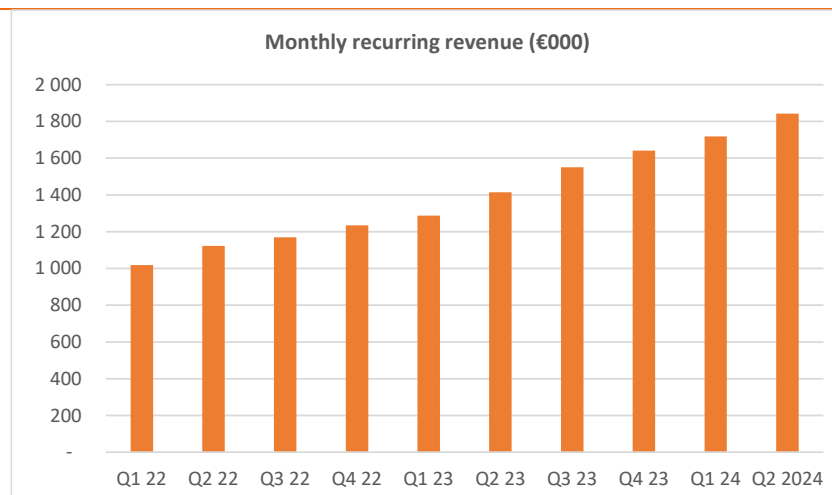


Sustained hypergrowth in recurring business in H1 2024

- **Strong growth in monthly recurring revenue (MRR): up 30.2% as of June 30, 2024**
- **Further increase in the recurring business share of turnover: 71,6% in H1 2024 compared to 58,8% in H1 2023**
- **First half turnover: €15.1 million (up 8.7%)**
- **Development of the active contract portfolio: 3,099 contracts as of June 30, 2024 (up 22.7%)**
- **Financial targets confirmed: hypergrowth in recurring business for full year 2024 and generation of a positive operating profit in the second half.**

Paris, July 18, 2024 - WALLIX (Euronext ALLIX), a European cybersecurity software publisher and expert in identity and access management (IAM) and privileged access management (PAM), announces its business performance for the first half of 2024.

Unaudited data, €000	9/30/2023	12/31/2023	3/31/2024	6/30/2024
Monthly recurring revenue	1,550	1,641	1,719	1,843
Change over 12 months	+32.6%	+32.9%	+33.6%	+30.2%





Jean-Noël de Galzain, Chairman and Chief Executive Officer of WALLIX Group, said: “With growth of over 30% for the fourth consecutive quarter, the hypergrowth trend in recurring business is pursuing its course, driven by the ramp-up of our subscription model and the continued expansion of our client portfolio. This performance is reassuring given the impact of the current complex political situation in France on the public sector and the postponement of some major industrial projects in other regions. Increasing recurring business at times of uncertainty is a sign of great strength. At the moment, nearly 72% of our turnover is generated by recurring business, giving a clear indication of our future growth prospects.

Against this backdrop, we posted solid business growth in the first half, reflecting both the underlying momentum of the cybersecurity market and the strategic positioning that the Company has consolidated in recent years. WALLIX operates in a booming market in which organizations need to strengthen their cyber resilience and protection, as well as their ecosystems and industrial assets. The implementation of the NIS2 Directive in October 2024, covering around 150,000 organizations in Europe, ten times more than NIS1, will be a powerful driver of the Group’s business, which is already firmly entrenched in sectors regarded as important or essential. IAM and PAM are essential building blocks in modern corporate IT architectures, as they form the cornerstones of the Zero Trust architectures that are becoming the global standard across all sectors of the economy. Thanks to the investments made over the last two years to enhance our portfolio of cyber solutions designed to protect digital systems and industrial environments, optimize our sales and marketing system, and develop our strategic partnerships and alliances, WALLIX is poised to play a major role in accelerating the adoption of trusted digital solutions, particularly in the field of identity and access management (IAM).

We are, therefore, confident in our ability to maintain strong growth in recurring business and return to operating profitability from the second half of the current financial year.”

Recurring business up over 30%, solid business growth

As of June 30, 2024, monthly recurring revenue (MRR) amounted to €1.8 million, up 30.2% compared to June 30, 2023.

Strategic regions and traditional markets posted hypergrowth:

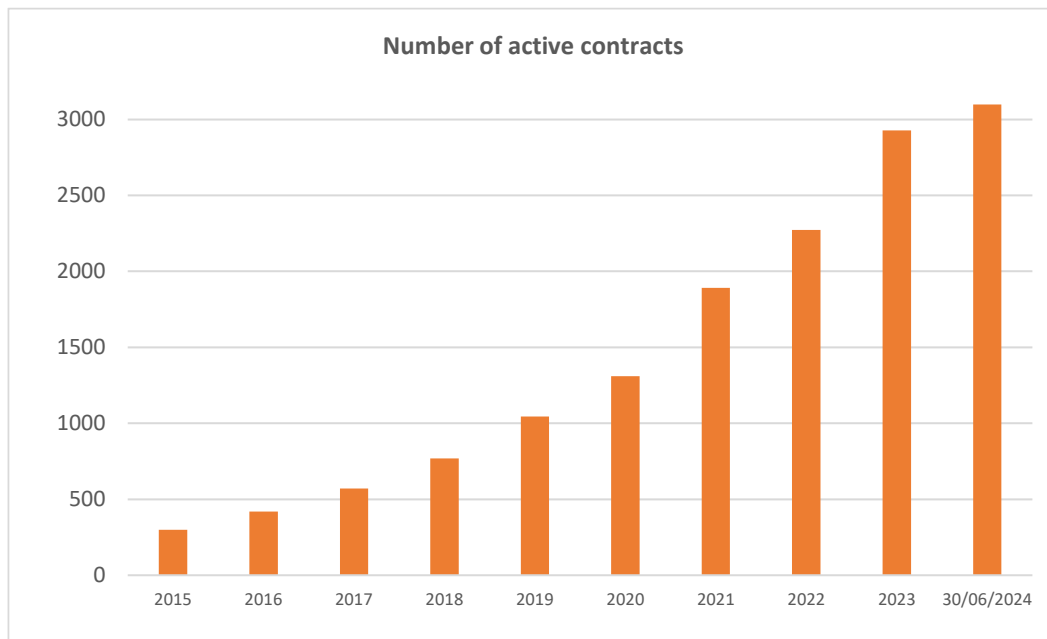
Unaudited data, €000	June 30, 2023	June 30, 2024	Change
Total MRR	1,415	1,843	+30.2%
France	851	1,129	+32.6%
EMEA excl. France	521	681	+30.6%

- In France, MRR as of June 30, 2024 was up 32.6%. ARR represented 71.8% of 2023 turnover, up 8.0 percentage points year-on-year. Despite the uncertainty hanging over the political and economic landscape in June, which delayed the signing of some major contracts, particularly in the public sector, sales momentum remained highly positive overall, driven by small and midsize businesses (SMBs) and the gradual migration of existing clients from a licensing model to a subscription model.
- Europe Middle East Africa (EMEA) excluding France posted growth of 30.6%, with ARR now accounting for 76.9% of 2023 turnover. The Middle East Africa region, the second largest region after France, maintained its excellent performance. WALLIX is also consolidating its position in other European countries, particularly Germany, where a number of major contracts have been signed in the essential healthcare sector, and the UK in the OT segment.



Consolidated turnover for the first half of 2024 totaled €15.1 million, up 8.7%. This growth combined with the accelerated move towards subscriptions demonstrates the Group's ability to efficiently manage the transformation of its business model. Recurring revenue (subscriptions and maintenance) amounted to €10.8m in H1 2024 and represented 71,6% of H1 2024 revenue compared to 58,8% in H1 2023 (+ 12,8 points).

As of June 30, 2024, the Group held a portfolio of 3,099 active contracts (+22,7% in one year), with a retention rate of over 95%. Optimization of the pricing policy, which is one of the levers of the performance plan announced in spring for gradual roll-out, will increase the average revenue generated by renewed contracts.



Return to profitable growth confirmed for the second half of 2024

WALLIX is establishing itself as a European specialist and leader in PAM, boasting major competitive advantages thanks to solutions certified in France, and soon in Germany, recognized by the most prestigious analyst firms, and an unrivaled position in OT. With a portfolio of nearly 3,100 active contracts, significant recurring revenue, and a regulatory environment that will increase tenfold the size of the European market, the Group benefits from exceptional growth drivers.

In addition, the performance measures implemented by the Group at the beginning of the year will also begin to bear fruit in the second half. WALLIX is therefore confident in its ability to maintain hypergrowth rates in recurring business and generate an operating profit from the second half of 2024.

Next publication: First half 2024 earnings, October 10, 2024



ABOUT WALLIX

WALLIX is a European cybersecurity software developer operating worldwide. Founded in 2003, WALLIX is now a world leader in identity and access security recognized by the most prestigious analyst firms. Its mission is to provide a simple and secure identified access service, so that our customers can operate securely everywhere in digital and industrial environments.

WALLIX solutions are distributed by a network of over 300 resellers and integrators worldwide, and WALLIX supports over 3,000 organizations across more than 90 countries in securing their digital transformation. OT security by WALLIX is a brand dedicated to digital access and identity security in industrial environments.

WALLIX affirms its digital responsibility and undertakes to help build a trusted European digital space. In 2023, WALLIX was awarded the gold medal for its non-financial rating, obtaining an Ethifinance score of 72/100, well above the tech sector average of 47/100.

The Company has been listed on Euronext (ALLIX) since 2015. The founders and directors are the major long-standing shareholders alongside investment structure TDH (Thierry Dassault Holding).

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APPENDICES

TURNOVER BY GEOGRAPHICAL AREA

Unaudited data, €000	H1 2023	H1 2024	Change
France	8,479	9,373	+10.5%
EMEA excl. France	5,076	5,344	+5.3%
USA and Rest of World	388	432	+11.3%
Total turnover	13,943	15,149	+8.7%

TURNOVER BY PRODUCT

Unaudited data, €000	H1 2023	H1 2024	Var.	Share H1 2023	Share H1 2024
Total turnover	13,943	15,149	+8.7%	100%	100%
Total Software	6,834	6 976	+2.1%	49%	46%
<i>O/w licenses</i>	<i>4,863</i>	<i>3,427</i>	<i>-29.5%</i>	<i>35%</i>	<i>23%</i>
<i>O/W Subscriptions</i>	<i>1,971</i>	<i>3,549</i>	<i>+80.0%</i>	<i>14%</i>	<i>23%</i>
Maintenance	6,229	7,293	+17.1%	45%	48%
Services	880	823	-6.5%	6%	6%
Others	-	57	Ns	Ns	Ns
Recurring Revenue (Subscriptions + Maintenance)	8,200	10,842	+32.2%	59%	72%