



# 2022 annual results

March 24, 2023



**WALLIX**  
CYBERSECURITY SIMPLIFIED

**WALLIX**  
**today**

# European leader in Identity & Access cybersecurity solutions




**+ 2,200**  
active contracts



**€25m**  
turnover



**60%**  
annual recurring business



**3**  
R&D centers




**233**  
employees in 16 countries  
*(2022 FTE average)*



**+300**  
resellers & integrators



**90**  
countries covered



**ALLIX**  
EURONEXT  
GROWTH



# Worldwide presence



5

**WALLIX subsidiaries**  
WALLIX sarl, WALLIX US Corp,  
CYBERSECURITE WALLIX CANADA Inc.,  
WALLIX IBERICA SI, WALLIX GmbH



3

**R&D centers**  
Paris, Rennes, Madrid



5

**WALLIX offices and representatives**



**Countries covered by Sales and Channel network**

# WALLIX PAM4ALL

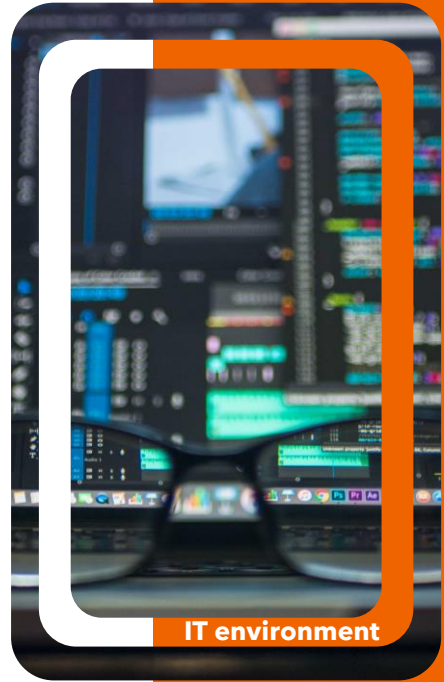
## A comprehensive solution securing access for all



# Recognised solutions in IT and OT environment

WALLIX  
PAM4ALL

WALLIX  
IDaaS



ot security  
by WALLIX

PAM4OT  
WALLIX inside

- Strategic extension of the offering
- Common technological base
- Access to very large businesses and upsell with existing business

# WALLIX

recognized as  
a leader in PAM  
by the most  
prestigious  
consulting firms



## KUPPINGERCOLE

WALLIX named  
**Leader 3 years in a  
row (2020-2022)** in  
KuppingerCole  
Analysts' Leadership  
Compass.



## FROST & SULLIVAN

In 2022, Frost &  
Sullivan ranked  
WALLIX PAM4ALL as  
the best PAM solution  
on the market in terms  
of cost, simplicity and  
flexibility. **WALLIX  
receives 2022  
Customer Value  
Leadership Award**

WALLIX  
CYBERSECURITY SIMPLIFIED

## Gartner

Lightning transition  
in the space of three  
years from niche player to  
**Leader in 2022**

## QUADRANT KNOWLEDGE SOLUTIONS

In 2022, WALLIX  
makes direct entry as  
**global leader in PAM**



CSPN  
Certification



EU  
Cybersecurity  
Certification



Bundesamt  
für Sicherheit in der  
Informationstechnik

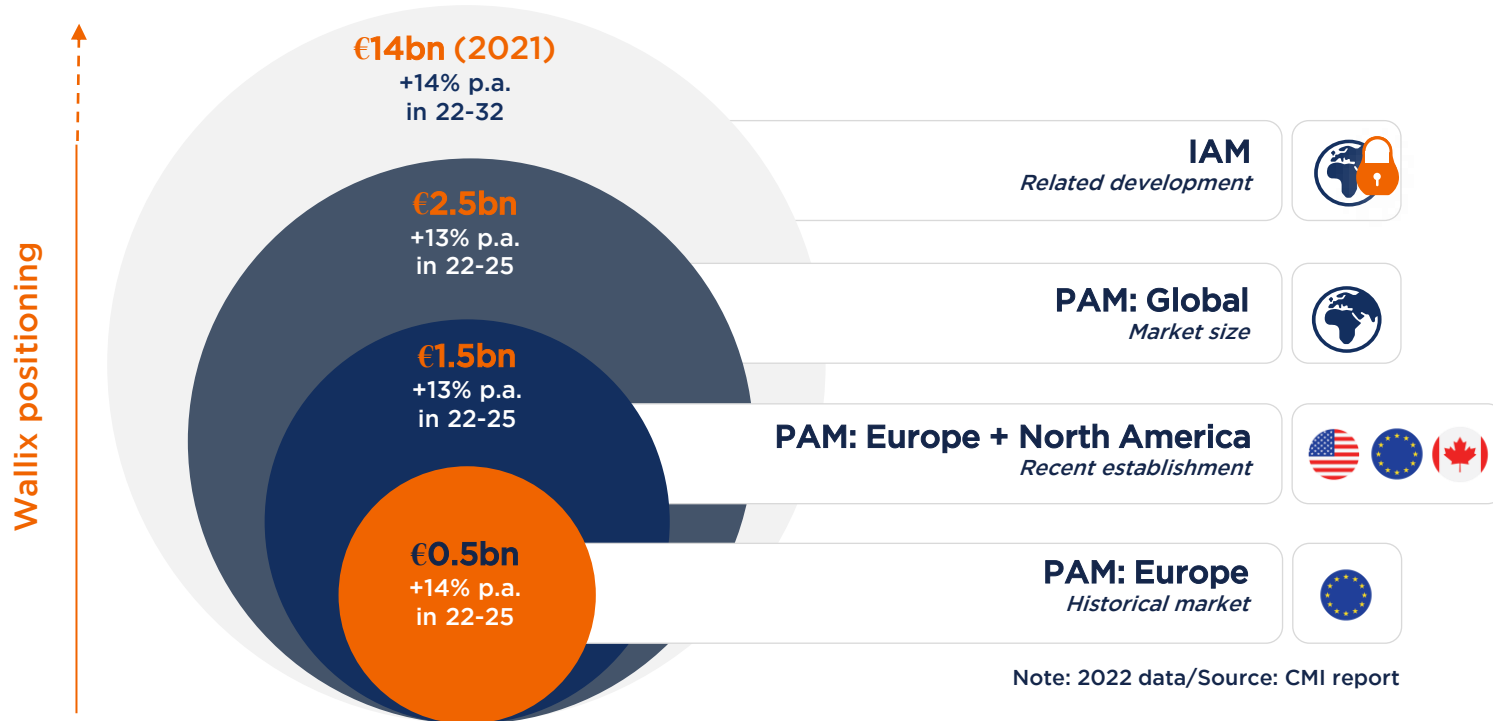
BSI  
Certification<sup>(2)</sup>



Common  
Criteria  
Certification



# Leading position in high-growth markets



# Annual growth of nearly 30% over the last 10 years



The background features a hand pointing at a laptop screen with various data charts overlaid, including a candlestick chart and several line graphs in green, red, and blue. The overall color palette is dark blue and teal.

**WALLIX**  
CYBERSECURITY SIMPLIFIED

**2022**  
**Annual results**

## Key achievements in 2022 // Year 1 of the strategic plan

- Acceleration of organic growth from the second half of 2022
- Ongoing improvement in annual recurring revenue (ARR)
- Increase in operating expenses in line with the investment plan
- Cash position in line with organic financial needs related to the strategic plan

# Significant recovery in second half: +19% excl. Russia

Unaudited consolidated data (€000) - French GAAP

	2021	H1 2022	H2 2022	2022
<b>Turnover</b>	<b>23,169</b>	<b>11,029</b>	<b>14,150</b>	<b>25,179</b>
<i>Change vs N-1</i>		6.9%	10.1%	8.7%
<b>o/w Russia</b>	<b>1,771</b>	<b>363</b>	<b>255</b>	<b>618</b>
<b>Turnover excl. Russia</b>	<b>21,398</b>	<b>10,666</b>	<b>13,895</b>	<b>24,561</b>
<i>Change vs N-1</i>		9.5%	<b>19.2%</b>	14.8%

Organic growth of **15%** excl. Russia (+9% consolidated)

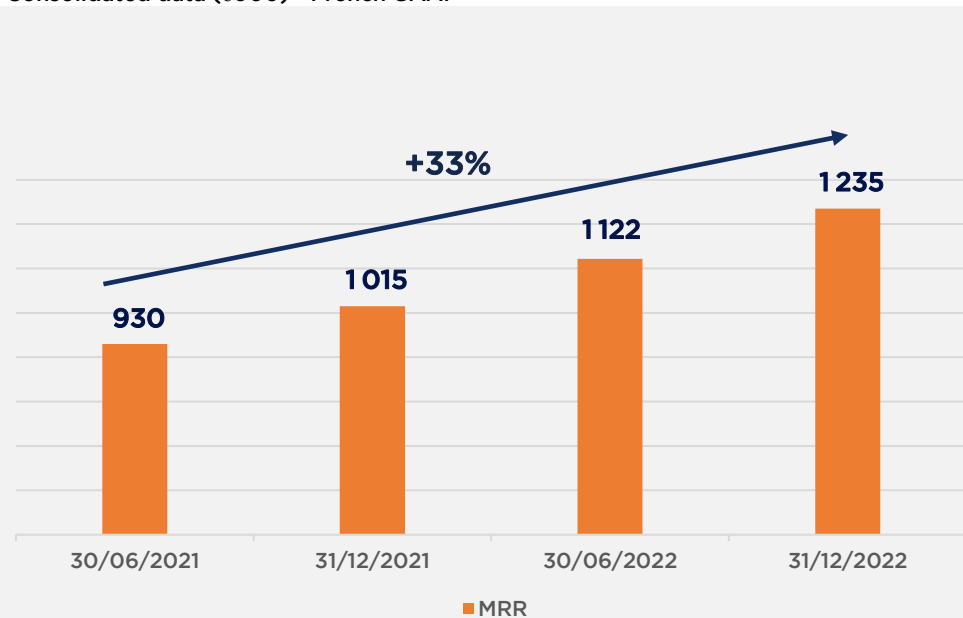
Caution among key accounts amid unstable geopolitical and macroeconomic environment

Negative short-term impact on revenue recognition of subscription model ; increase in recurring business

# Monthly recurring revenue<sup>1</sup> (MRR)

Unaudited data

Consolidated data (€000) - French GAAP



Ramp-up of  
subscription model

- MRR up **22%** over 12 months
- ARR at the end of 2022 represents **59%** of 2022 revenue, **up 6 points** vs end of 2021

ARR = 12 x MRR

<sup>1</sup> Recurring business = maintenance revenue + subscriptions + multi-year managed services

# Controlled increase in operating expenses during the investment phase of the strategic plan



2022 weighting as % of turnover (change vs. 2021)

	Sales and Marketing	Customer Success	Innovation and Products	Support functions
2022 weighting as % of turnover (change vs. 2021)	60% (+6 pp)	15% (+2 pp)	33% (+1 pp)	28% (+2 pp)
	<ul style="list-style-type: none"><li>Establishment in North America (recruitment, alliances and channel development, partner support, trade shows)</li></ul>	<ul style="list-style-type: none"><li>Strengthening of client support (training, assistance, sales administration, etc.)</li></ul>	<ul style="list-style-type: none"><li>Launch of WALLIX PAM4ALL and OT.Security solutions</li></ul>	<ul style="list-style-type: none"><li>Recruitments, expansion of the head office</li></ul>
2023/2024 Trends	Gradual reduction as % of turnover	Economies of scale	Gradual reduction as % of turnover	Economies of scale

Unaudited data Before capitalization of development costs

# Sequential improvement in 2022 results

Consolidated data (€000) - French GAAP

	2021	H1 2022	H2 2022	2022	Change vs 2021
<b>Turnover</b>	<b>23,169</b>	<b>11,029</b>	<b>14,150</b>	<b>25,179</b>	<b>+8.7%</b>
Other operating income	6,759	3,037	2,740	5,777	-14.5%
<b>Total operating income</b>	<b>29,928</b>	<b>14,066</b>	<b>16,890</b>	<b>30,956</b>	<b>+3.5%</b>
<b>Total operating expenses</b>	<b>(32,842)</b>	<b>(18,228)</b>	<b>(19,861)</b>	<b>(38,089)</b>	<b>+16.0%</b>
o/w Other operating expenses	(7,986)	(4,963)	(5,107)	(10,070)	+26.3%
o/w Payroll	(20,925)	(11,214)	(12,591)	(23,805)	+13.8%
Dep., amort. and provisions	(3,931)	(2,051)	(2,163)	(4,214)	+4.9%
<b>Operating profit/(loss)</b>	<b>(2,914)</b>	<b>(4,162)</b>	<b>(2,971)</b>	<b>(7,133)</b>	<b>+145%</b>
<b>Adjusted operating profit/(loss)<sup>1</sup></b>	<b>(2,194)</b>	<b>(3,953)</b>	<b>(2,476)</b>	<b>(6,429)</b>	<b>+193%</b>
Net financial income/(expense)	82	(290)	5	(285)	
Non-recurring income/(expense)	(107)	34	384	418	
Tax expense <sup>1</sup>	(10)	782	216	998	
<b>Net profit/(loss)</b>	<b>(2,949)</b>	<b>(3,636)</b>	<b>(2,366)</b>	<b>(6,002)</b>	<b>+103%</b>
<b>Adjusted net profit/(loss)<sup>1</sup></b>	<b>(2,949)</b>	<b>(4,209)</b>	<b>(2,616)</b>	<b>(6,825)</b>	<b>+131%</b>

▀ Increase in operating expenses in line with growth from H2 onwards

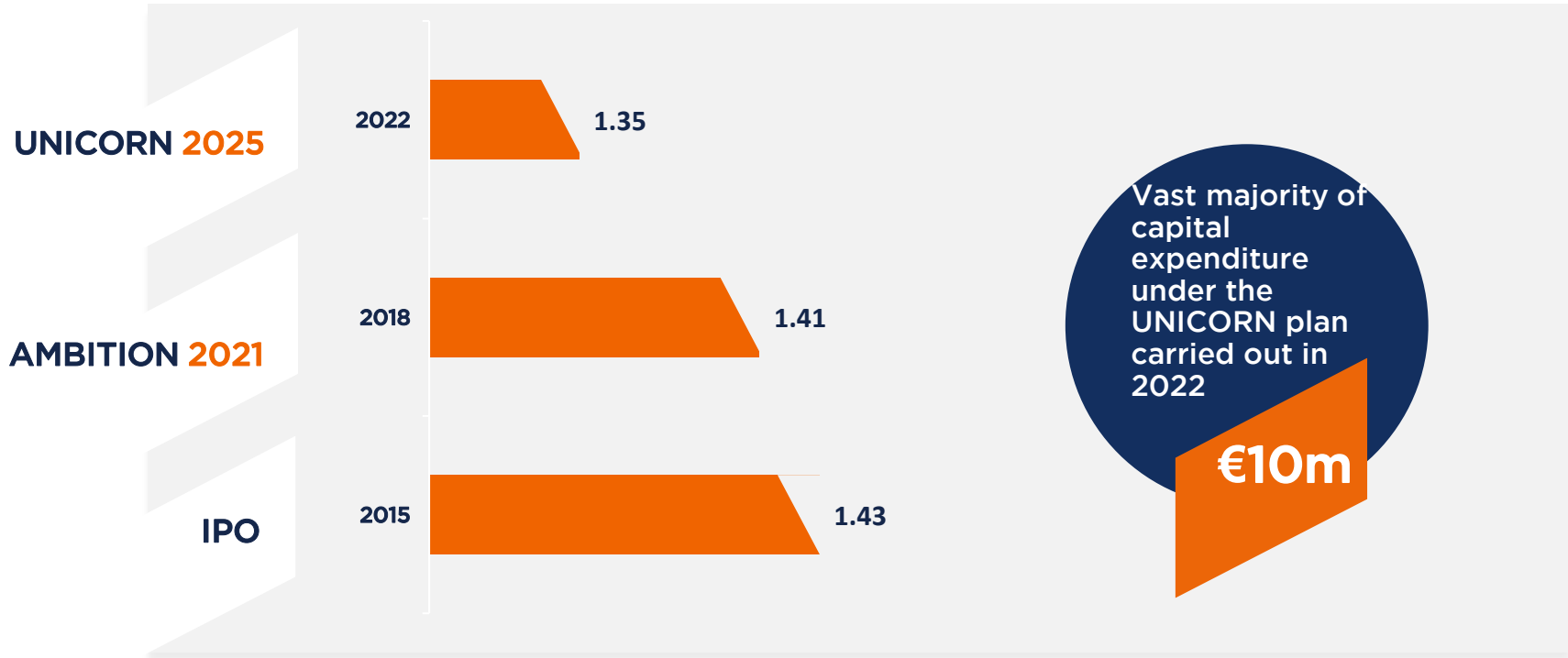
- Other operating expenses: business development, trade shows, consultants
- 14% increase in average headcount (233 vs 204)

▀ Sequential improvement in 2022 half-year results

▀ Non-recurring tax expense on 2012-2014 results

<sup>1</sup> As from January 1, 2022, research tax credit (CIR), previously recognized under subsidies in operating profit/(loss) for the non-capitalized portion and spread over 5 years for the capitalized portion, is now fully recognized as a reduction in corporate income tax. In 2021, CIR research tax credit was recognized for €587,000 in operating profit/(loss) and for €1,016,000 spread over 5 years in prepayments, whereas in 2022 the CIR research tax credit of €1,527,000 is recognized entirely in corporate income tax. The adjustment enables data comparison prior to the application of the new standard.

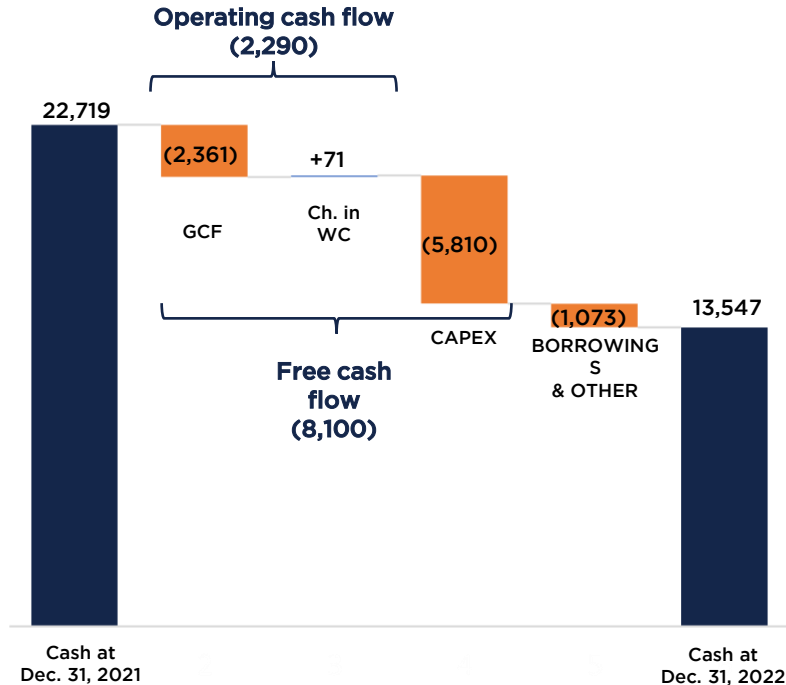
# Control of operating expenses in the investment phase<sup>1</sup>



<sup>1</sup> Operating expenses (excl. dep., amort. and imp.)/turnover

# Cash flow statement

Consolidated data (€000) - French GAAP



- Gross cash flow impacted by operational investments made for the implementation of the UNICORN 25 plan
- Strict control of working capital
- Investments related to the capitalization of developments and earnouts on previous acquisitions
- Cash and cash equivalents of €13.5 million in line with organic growth requirements planned for 2023 and 2024

# Balance sheet

Consolidated data (€000) - French GAAP

	December 31, 2021	December 31, 2022
<b>Non-current assets</b>	<b>17,041</b>	<b>19,648</b>
<i>o/w Goodwill</i>	4,189	4,802
<i>o/w Other intangible assets</i>	11,475	13,077
<b>Current assets</b>	<b>35,512</b>	<b>31,426</b>
<i>o/w Trade receivables</i>	9,043	12,721
<i>o/w Cash and cash equivalents</i>	22,719	13,547
<b>Total assets</b>	<b>52,553</b>	<b>51,074</b>
<b>Shareholders' equity</b>	<b>22,613</b>	<b>17,504</b>
Provisions	1,064	865
<b>Liabilities</b>	<b>28,876</b>	<b>32,705</b>
o/w Loans and borrowings	2,654	1,956
o/w Trade payables	1,906	2,249
o/w Prepayments*	19,445	21,844
<b>Total equity &amp; liabilities</b>	<b>52,553</b>	<b>51,074</b>

- Increase in the value of R&D assets
- Inclusion in goodwill of the final amount of earnouts on previous acquisitions
- 26% decrease in debt, to €2.0 million, of which 45% is due in over one year
- 28% increase in prepayments on income year-on-year to €15.5 million

\* Prepayments on income, CIR research tax credit and subsidies. Prepayments on income correspond to the share of revenues invoiced and recognized for the financial year but for which the supply or service will occur after the financial year.

The image features a dark teal background with a semi-transparent white triangle on the left side. Inside the triangle is the Wallix logo, which consists of the word "WALLIX" in a bold, white, sans-serif font, with a stylized white triangle to the left of the "L". Below "WALLIX" is the tagline "CYBERSECURITY SIMPLIFIED" in a smaller, white, sans-serif font. The background of the entire image is a blurred, high-tech scene showing a person's hand in a dark sleeve pointing at a laptop screen. Overlaid on this scene are various data visualization elements: a green line graph, a red line graph, and a candlestick chart with red and green bars. The overall aesthetic is modern and data-driven.

**WALLIX**  
CYBERSECURITY SIMPLIFIED

## **Analysis of non-financial performance**

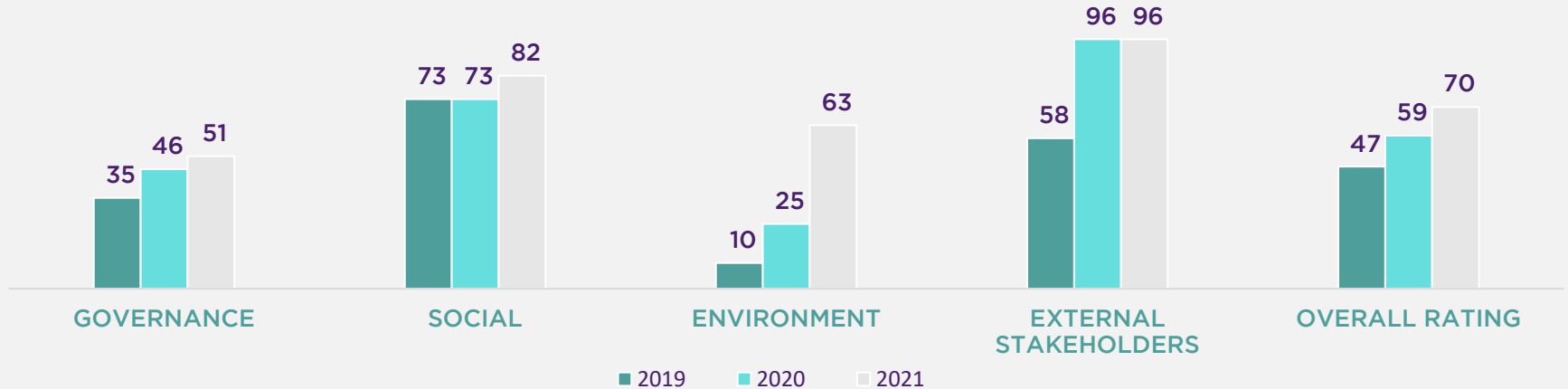
# Non-financial rating



70/100

Industry benchmark  
54/100

Annual increase  
+11 points



# Social responsibility at the heart of the CSR strategy

## Supporting our employees' skills development



2022 |

HappyIndex®  
**AtWork**

Certified reviews | ESG



**Happy At Work**  
label for the  
3<sup>rd</sup> consecutive  
year

**233 EMPLOYEES**

**16 COUNTRIES**

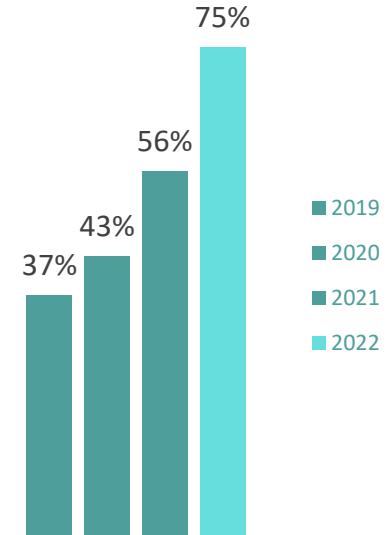
**4 CONTINENTS**

**28% WOMEN**  
Industry average: 11%

In 2022,

**8 out of 10 WALLIX employees**

took a training course to develop their skills



# A strong social commitment with We Edu



- Creation of bachelor's level educational programs with two engineering schools
- Internships and apprenticeships for professional integration
- Training for higher education institutions providing access to WALLIX technical solutions and certifications

## Contributing to the France 2030 strategy to boost cybersecurity

Training more young people and professionals in cybersecurity careers

Responding to the industry's talent shortage

School and university partners

5 in 2023  
20 in 2025

Students certified

30 in 2023  
500 in 2025





**2023 - capitalize on existing assets  
to accelerate growth**

# 2023 roadmap

**WALLIX**  
**PAM4ALL**

Enhance the SaaS offering

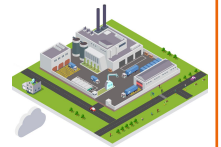
**Continue to consolidate  
European leadership**

Prioritize markets

**North America**

Accelerating to reach critical mass

**ot** security  
by WALLIX



Grow and develop expertise

# Consolidate leadership in Europe

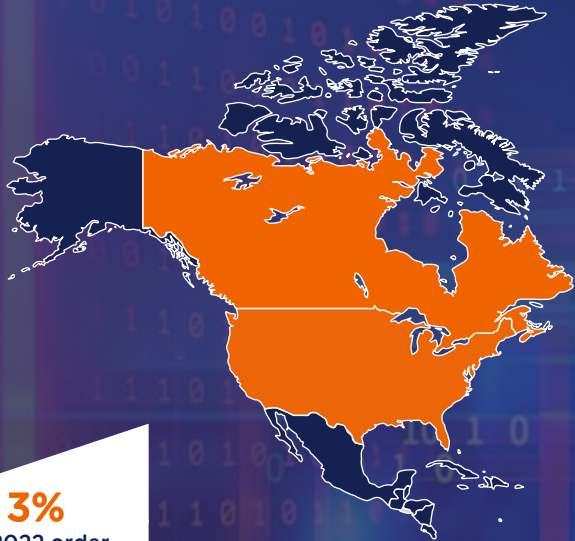
## Assets

- Proven solutions in IT (PAM4ALL) and OT (OT.security)
- The only European player among the global PAM leaders (GARTNER)
- Key sector expertise (healthcare, industry)
- Proven distribution strategy
- Strong network of 300 partners

## Strategy

- **Prioritize** critical sectors and those with significant industrial environments (OT), play a key role in implementing NIS 2 regulations
- **Prioritize** development of channel autonomy in order to expand SME portfolio
- **Prioritize** sales margin and operational efficiency

# Reach critical mass in North America



**3%**  
of 2022 order  
intake

**10%**  
of 2023 order  
intake

## Accelerate strongly in 2023

- **Structure** now in place (hiring completed at the end of 2022)  
**14 FTE** at year-end 2022
- Qualification of our partner network
- Focus on **SMEs**

# New driver for the strategic plan: **external growth** to accelerate development

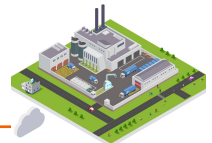
## WALLIX PAM4ALL

- Enhance the value proposition of WALLIX PAM4ALL with additional technological building blocks
- Expansion into the Identity and Access Management (IAM) market
- Strong potential for additional revenue from the installed base

**Study of potential targets in progress**  
**Priority to profitable French start-ups/SMEs**

## ot.security by WALLIX

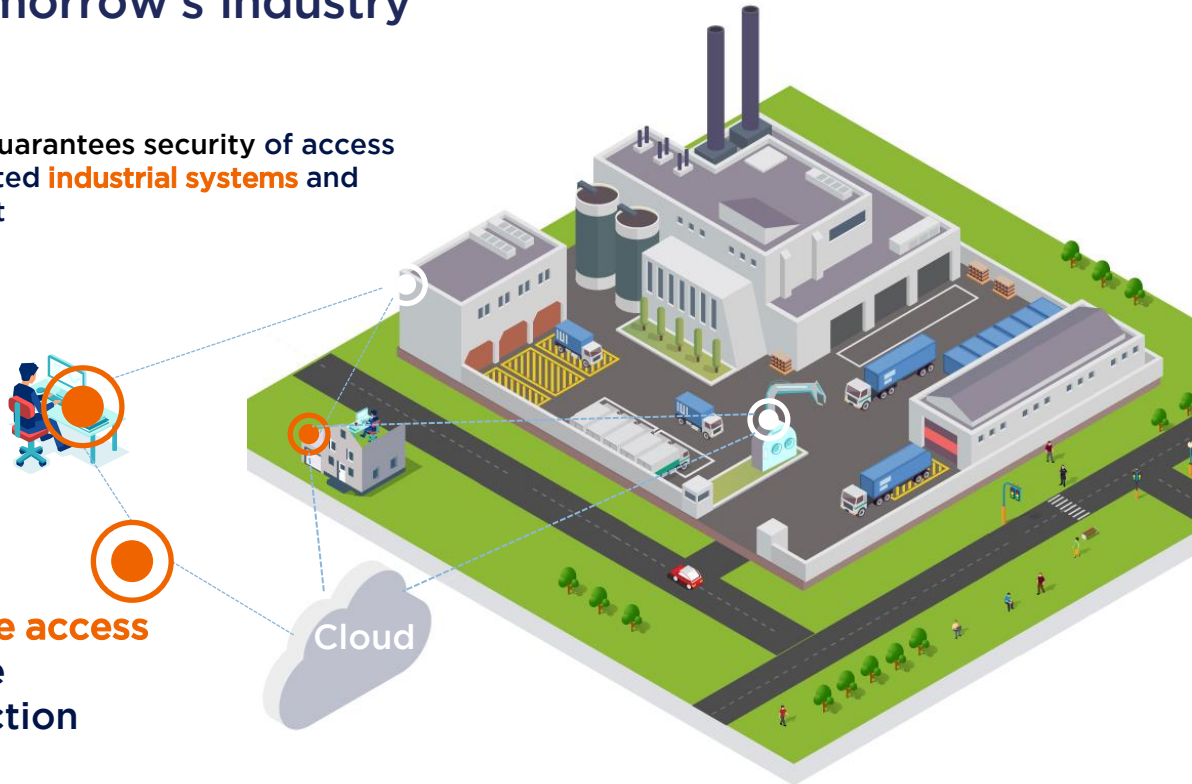
- Talent development in the industrial cybersecurity market
- Skills development in OT cybersecurity consulting and training
- Increase sales of the OT.security offering



# OT.Security at the heart of the challenges for tomorrow's industry



WALLIX guarantees security of access to connected **industrial systems** and equipment



**Remote access**  
to core  
production

## Industrial security in figures

A market estimated at  
**> €320m per year\***  
in 2025  
Average growth of  
**32% per year**  
2021-2025

*\* VPA research survey (2019)/Company estimate*

# OT.security: tapping into a new world of opportunity

Trained **partners**  
(distributors and integrators)

An offering recognized by **Gartner**  
as one of the few solutions designed  
specifically for OT

Strategic technological **alliances**



fives

ot • security  
by WALLIX

A global OT **market**  
driven by industrial needs  
and regulatory requirements

Expected surge in  
**sales** from 2023  
(excluding acquisitions)

5%  
of 2022 order  
intake

10%  
of 2023 order  
intake

**GARTNER®:**  
"Wallix is one of the few  
players to have developed PAM  
solutions specifically dedicated  
to the OT environment, in  
particular by developing  
Universal Tunneling."

**WALLIX**  
CYBERSECURITY SIMPLIFIED



**Conclusion**

# 2022 achievements: laying the foundations to go faster

## UNICORN 25

### ENHANCED OFFERING

Launch of WALLIX PAM4ALL

Launch of OT.security by Wallix

WALLIX - PAM Leader in the GARTNER Magic Quadrant 2022

### INCREASE IN RECURRING BUSINESS

Controlled transition towards a subscription model

### BUSINESS DEVELOPMENT

Hiring plan completion

New operation in the USA

New operation in Italy

A status close to ETI\*

233 FTE (average 2022)

## 2023 : capitalize on our investments

Accelerate organic growth from H1  
2023

Seize targeted external growth  
opportunities

Ongoing strict control of financial  
metrics

Gradual  
improvement in  
results and  
return to  
profitability in  
2024

# Q&A instructions



**“Raise hand”  
button**



**Press \*  
then 6**



THANK YOU!

[finance@wallix.com](mailto:finance@wallix.com)

