

WALLIX acquires Kleverware, a leading player in Identity and Access Governance

- *WALLIX is extending its offering to include the strategic \$4.3bn IAG market;*
- *The acquisition of Kleverware strengthens WALLIX's offering in the booming cloud infrastructure cybersecurity market, CIEM;*
- *WALLIX thereby extends its client base in the key sectors of banking and insurance, Kleverware's core clients;*
- *The acquisition is immediately accretive and in line with WALLIX's development strategy to become a leading player in European cybersecurity;*
- *WALLIX confirms the accelerated external growth of its UNICORN25 plan.*

Paris, May 16, 2023 - WALLIX (Euronext ALLIX), a European cybersecurity software developer and expert in privileged access management (PAM), today announces the closing of the acquisition of Kleverware.

Founded in 2005, as a pioneer in its field, Kleverware has developed and marketed its IT system identity, access and rights management solution Kleverware IAG (Identity and Access Governance). The French company is now well established and its solution has been used for many years by leading players in the banking, insurance and retail sectors. Through its network of partners, Kleverware is present in France, as well as in Switzerland and Benelux.

A new offering at the heart of cloud infrastructure security challenges: CIEM

In early 2023, WALLIX and Kleverware announced a tech alliance to strengthen cloud infrastructure security, a booming market up 20% in 2023 and estimated at \$600 billion.

The Kleverware solution represents a significant technological asset that naturally complements WALLIX's PAM4ALL offering to give clients visibility over user access rights within their organization and ecosystem, in accordance with IT risk management regulations related to digital access, identity and data in their sector.

Thus, strengthened by Kleverware, WALLIX's offering will enable companies to migrate to the cloud with visibility over their user access rights and an ability to flexibly adapt them in accordance with current regulations and uses to limit their attack surface.

The strategic value of this positioning is enhanced by the fact that CIEM technology (Cloud Infrastructure Entitlement Management) is emerging as the go-to standard for access management and application of the "least privilege" principle in cloud infrastructures.

A new strategic milestone in the Unicorn 25 plan

The acquisition of Kleverware is fully in line with the strategic and financial objectives set out in the Unicorn 25 plan:

- expansion of the product offering and entry into the strategic identity and access governance (IAG) segment, which is growing at an average annual rate of 12.5% and estimated to be worth \$4.3 billion according to Gartner Group;
- strengthening of the client portfolio with key accounts in the core banking and insurance sectors, and across Europe in Switzerland and Benelux;

- ramp-up of the profitable growth trajectory with an expected average annual growth rate of Kleverware's turnover of almost 75% over the 2022-2025 period and a long-term operating margin target of over 15%, in line with the Group's ambition.

An immediately accretive transaction with a long-term trajectory

Founded by Bertrand Augé and Arnaud Fléchar, Kleverware is targeting turnover of €1 million and operating breakeven in 2023.

WALLIX has acquired the entire share capital of Kleverware for an initial price of €250,000 paid in cash, with possible earnouts subject to the presence of the Kleverware founding shareholders and Kleverware's performance.

This transaction therefore combines the long-term commitment of the founders with a phased payment of the acquisition price. Kleverware will be consolidated in the WALLIX financial statements from May 17, 2023. The existing tech alliance with Kleverware will facilitate the integration of the company and provide immediate revenue synergies.

Jean-Noël de Galzain, Chairman-CEO and founder of WALLIX, made the following comments: *"We are pleased to welcome Kleverware to the WALLIX Group. This transaction is fully in line with the Company's ambition to expand its offering, support organizations in their digital transformation and become a European leader in access, data and digital identity cybersecurity. The combination of PAM and IAG expertise will strengthen WALLIX's position in the cloud infrastructure security market. This is a key step in fulfilling our ambition to build an innovative security-by-design solution for the digital world in compliance with standards and regulations of our clients' businesses."*

Bertrand Augé, Kleverware CEO, said: *"WALLIX and Kleverware share a common ambition to build a more secure digital world that meets the needs of businesses. Our tech alliance has taught us how to work together and we are now delighted to be joining WALLIX in order to achieve our profitable growth objectives and take full advantage of the resources made available to us by the Group."*

Next publication: H1 2023 turnover, July 20, 2023

ABOUT KLEVERWARE

Kleverware, a French editor, has been a forerunner in the field of identity and access governance since 2005. With its innovations and the recognition of the market by obtaining labels (France Cybersecurity, Bpifrance Excellence...), Kleverware demonstrates the innovation and robustness of its solutions. For years, these solutions have been used by big names in the banking, insurance, and retail industries to audit hundreds of thousands of rights every day.

www.kleverware.com

ABOUT WALLIX

WALLIX is the European specialist in access and digital identity security and the world leader in PAM (Privileged Access Management). Its technologies enable organizations to meet today's challenges in IT network protection and data security. They also provide detection and resilience to cyberattacks and protect organizations' digital assets in addition to maintaining business continuity of IT systems, in the cloud, and in industrial networks. These technologies simplify compliance with regulatory requirements for access to critical IT infrastructure and data. With its PAM4ALL, PAM4OT, and Trustelem solutions, WALLIX helps its customers modernize their information systems and put cybersecurity at the service of their digital transformation. The company relies on a network of certified distributors, resellers, and integrators to support more than 2,000 organizations worldwide in all sectors of the economy. The company is listed on Euronext (ALLIX). The founders and managers, as well as the investment structure T.D.H (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.

www.wallix.com | info@wallix.com

FINANCIAL COMMUNICATION

ACTUS Finance & Communication

Investors Relations - H el ene DE WATTEVILLE

+33 1 53 67 36 33 / wallix@actus.fr

Press Relations - D eborah SCHWARTZ

+33 6 27 09 05 73 / dschwartz@actus.fr