

WALLIX launches €9 million fundraiser to ramp up the external growth of its Unicorn 25 plan

- Capital increase of around €4 million comprising a private placement with accelerated bookbuilding and a public offering via the PrimaryBid platform;
- Issue Price of new shares : 10.50 € per share;
- Issuance of €5 million in convertible bonds to be fully subscribed by investment funds managed by NextStage AM.

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Paris, June 8, 2023 - WALLIX (Euronext ALLIX), a European cybersecurity software developer and expert in privileged access management (PAM), launches a fundraiser to raise around €9 million to finance the ramp-up of its strategic plan.

Reasons behind the fundraiser

The funds raised will help ramp up the implementation of the acquisition limb of the Unicorn 25 plan. Following the recently announced strategic acquisition of Kleverware, WALLIX intends to pursue its acquisition plan by focusing simultaneously on enhancing and expanding its expertise across certain strategic segments of Identity and Access Management (IAM) and industrial cybersecurity, while strengthening its client base.

This fundraising is also associated with a bank loan of around €2.5m. The characteristics of this bank loan are currently being finalized.

As a reminder, organic growth under the Unicorn 25 plan is being self-funded with existing resources. Investments were largely carried out in 2022, including the enhancement of the offering (launch of WALLIX, PAM4ALL, OT.security, SaaS Remote Access), consolidation of the Group's positioning in Europe and development in North America.

Jean-Noël de Galzain, Chairman and Chief Executive Officer of the WALLIX GROUP, said: *"We started 2023 with an excellent sales momentum as evidenced by first quarter growth of over 30%. With the foundations for future growth already in place, WALLIX can now seize acquisition opportunities and build a bold sovereign offering in access and digital identity cybersecurity in Europe. The fundraising combined with the convertibles bonds and the bank loan will give us an additional €11.5 million financial leverage to finance acquisitions. There is a substantial market to be covered, yet little equipped, especially in the industrial segment, while the NIS2 Directive is expected to spur businesses to step up their investment in cyber equipment over the coming years. We are thrilled to have the support of NextStage AM and our shareholders, and I renew my commitment in this coming phase of our development by subscribing to this operation."*

Terms and conditions of fundraising

In accordance with the decisions of the Board of Directors held on May 30, 2023, the fundraising (the "Operation") will be carried out through two distinct but concurrent offerings:

- an offer through the issuance of new shares without preferential subscription rights via private placement, as referred to in Article L. 411-2 (1) of the French Monetary and Financial Code, (in accordance with Resolution 22 of the Combined Shareholders' Meeting of June 15, 2022, on the basis of Article L. 225-136 of the French Commercial Code) ("**Private Placement**");
- a public offering of new shares aimed at individual investors via the PrimaryBid platform, to be allotted in proportion to demand up to the maximum amount allocated to this public offering, with reduced allotments where applicable in the event of excess demand, on the basis of Article L. 225-136 of the French Commercial Code (in accordance with Resolution 21 of the Combined Shareholders' Meeting of June 15, 2022) ("**PrimaryBid Offer**").

Gross proceeds from the capital increase are expected to reach a target of around €4 million. It is specified that the PrimaryBid Offer for individual investors is secondary to the Private Placement and will represent a maximum of 20% of the Transaction amount. In any event, the PrimaryBid Offer will not take place if the Private Placement does not take place.

The Private Placement will involve accelerated bookbuilding, following which the number of the new shares to be issued at €10.50 will be established. The subscription price for the new shares will be identical for both Private Placement and PrimaryBid Offer.

The price per share of the Private Placement of €10.50 is equal to the volume-weighted average price of the WALLIX share over the last three trading days prior to the setting of the issue price, less a discount of 16%.

Prior to the launch of the fundraising, Jean-Noël de GALZAIN, Chief Executive Officer of WALLIX, pledged to underwrite in the context of the Private Placement for an amount of €0.105 million, representing 10 000 shares.

The Transaction will begin on Thursday, June 8, 2023, immediately after close of trading. The PrimaryBid Offer will close at 10.00 p.m. The Private Placement is set to close before start of trading on Friday 9, 2023, subject to any early closing or extensions.

The Company will announce the outcome of the Transaction in a press release to be published as soon as possible following the closing of the order book.

The definitive number of new shares issued and their corresponding subscription price will be decided by the Chairman of the Board of Directors pursuant to the further delegation of authority granted by the Company's Board of Directors on May 30, 2023.

The new shares issued will be fungible with existing shares and subject to a request for admission to trading on Euronext Growth Paris on the same listing line (ISIN: FR0010131409 - ALLIX).

Settlement/delivery and the admission of the new shares to trading on Euronext Growth are slated for June 13, 2023.

In accordance with Articles 1.4 and 3.2 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, Articles L. 411-2 and L. 411-2-1 of the French Monetary and Financial Code and Article 211-2 of the General Regulation of the French financial markets authority (AMF), the Transaction will not result in the drafting of a prospectus to be submitted to the AMF for approval.

Convertible bond issuance

In conjunction with its capital increase, WALLIX has signed an agreement with NextStage AM investment firm on a term sheet for the subscription of bonds convertible into shares ("OCA 2023") for a total amount of €5 million.

Since 2002, NextStage AM has supported the development of growth entrepreneurs thanks to its "Capital-Investissement" (private equity) multi-strategy platform, representing at 2021 year-end nearly €7 billion in assets under management directly or indirectly collected from institutional and individual investors.

The main characteristics¹ of the OCA 2023 convertible bond issue are as follows:

Loan amount	€5.0 million
Bond maturity	4 tranches from December 31, 2026 to December 31, 2029
Annual coupon	6%
Conversion price	€16
Annual non-conversion premium	8% (non-compounded)

¹ The detailed characteristics will be set out in the next financial report

Risk factors

Attention is drawn to the risk factors relating to the Company and its business, as set out in section 5 of the management report included in the 2022 annual financial report published on the Company's website (<https://investors.wallix.com/en/regulatory-information>).

The occurrence of all or some of these risks could have an adverse impact on the Company's business, financial position, earnings, growth and outlook. The risk factors set out in the said management report are identical to those applicable as of the date of this press release.

Furthermore, investors are advised to consider the following risks related to the issue:

- the market price of the Company's shares may fluctuate and fall below the subscription price of the shares issued as part of the fundraising,
- the volatility and liquidity of the Company's shares may fluctuate significantly,
- disposals of the Company's shares on the market could have an adverse impact on the Company's share price, and
- in addition to the dilution resulting from the Operation, the Company's shareholders may be exposed to substantial dilution resulting from any future capital increases.

Financial intermediaries and advisors

TP ICAP Midcap acts as Global Coordinator, Lead Manager and Bookrunner.

Within the framework of the PrimaryBid Offering, investors may only subscribe through PrimaryBid partners listed on the PrimaryBid website (<https://primarybid.fr/>).

Shearman & Associates LLP acts as legal counsel for this Private Placement. ACTUS finance & communication acts as financial communication adviser.

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.

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This press release constitutes a promotional communication and not a prospectus within the meaning of Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of June 14, 2017 (the "Prospectus Regulation").

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With respect to France, the offer of shares to the public through the PrimaryBid Offer is exempt from the obligation to produce a prospectus pursuant to article L.411-2-1, 1° of the French Code monétaire et financier and article 211-2 of the General Regulation of the AMF. In France this communication and any subsequent communication is directed at both Qualified Investors and to the public

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This communication contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014. The person responsible for the release of this information on behalf of Amaury ROSSET, Chief Financial Officer of WALLIX.