



EXTRACT OF 2018 REGISTRATION DOCUMENT

Axway Profile 2018

DISCUSSIONS

WITH THE CHAIRMAN AND THE CEO



Pierre PASQUIER
Chairman of the Axway Board of Directors

“Large organizations are making the best use of their data by adopting strategies to navigate through technological waves, no matter how disruptive they may be.”

The digital society in which we live makes data a precious asset.

Between two applications, from a payment terminal to an accounting book or from a plane to a control tower, it accompanies us daily, wherever we go and regularly plays a crucial role in our lives.

Mastered, data can contribute to medical progress as well as drive the development of a company or project. Neglected, it can cause major disruptions. Recent events have shown how data usage can influence the economy, geopolitics or social issues of our world.

Aware of these new challenges, large organisations are making the best use of their data by adopting strategies to navigate through technological waves, no matter how disruptive they may be.

For more than 15 years, Axway has been an independent expert in the management of critical data flows and offers its customers high-performance infrastructure solutions designed to deliver fast and efficient operational benefits.

Under the leadership of Patrick Donovan, Chief Executive Officer since April 2018, Axway has accelerated the execution of its strategy to support the growth of its Subscription offers. This has been reflected in increased investments in Research & Development, Sales and Marketing. The Group has chosen to rely on its historical areas of expertise to build a complete portfolio of infrastructure offerings, with the AMPLIFY™ hybrid integration platform as the flagship. Thanks to AMPLIFY™, Axway plans to become a market leader in hybrid integration platforms by the end of 2020.

To achieve this ambitious objective, the Group will continue its efforts in 2019. The progressive launch of the platform's various functionalities will require new investments but should contribute to a return to growth for Axway's activities over the year, which would represent an important signal of the success of the ongoing operations.

Axway's executive team can count on the support of the Board of Directors in carrying out its mission. We will ensure that the Group's project, through the adoption of its new business model, creates value for all its stakeholders. ■



Patrick DONOVAN

Axway Chief Executive Officer

How would you assess your first year as CEO of Axway?

Patrick Donovan: We achieved a lot in 2018. Since my appointment in April, we have accelerated the execution of our AMPLIFY™ hybrid integration platform strategy with the objective of becoming a leader in this market. This acceleration includes not only a strong investment in our AMPLIFY™ Foundation, securing our platform approach, but also some important advancements in our core historic offerings such as Managed File Transfer (MFT) and Application Programming Interface (API).

In addition, a comprehensive review of our products and our Research & Development programmes was performed to rationalise our offerings portfolio. This allowed us to focus our offering investments toward the needs of our most valuable asset: our 11,000 customers.

We have seen a move from our customers in different ways of consuming, moving and integrating data, using Hybrid or

Cloud architectures which can generate both traditional license sales or subscription contracts. Our customers are looking for rapid operating benefits, capable of radically transforming their industries and development projects.

This imperative requires us to anticipate any “business” issues, as far as possible, to make Axway a preferred digital transformation partner. It is this key objective that drives our Customer Success Organisation, created last July, which brings together nearly half of our employees. This approach allows us to develop stronger ties with our customers each day, through uniform transaction monitoring that enables us to propose higher added-value offerings.

Our AMPLIFY™ hybrid integration platform responds perfectly to these new challenges. Our customers use it as a tool box, able to orchestrate all the integration scenarios of a major organisation, while remaining both technology neutral and agile. In addition, this AMPLIFY™ approach allows us to offer innovative digital solutions to our historical customers.

How do you see 2019 for Axway?

Patrick Donovan: In 2018, I became aware of Axway's true strength as I re-discovered the Group's cultural diversity, the unflagging determination of our teams and our technology expertise recognised by our customers and the market.

Now that we have the foundations of our AMPLIFY™ platform, and have strengthened our company to support our ambitions, we must concentrate our efforts on the market launch of our new offerings, build client awareness, enable our sales teams and build more partnerships and alliances to help us get our message out. Our actions in 2019 will, therefore, continue along the same lines as in 2018 around the technology and a strong push in the marketplace.

We will continue to invest in Research & Development to make our products

technology benchmarks, while accelerating our efforts in Sales and Marketing, to boost revenue growth and secure our independent project. These sales and marketing efforts may result in short-term sales, but we are looking to build the long-term pipeline for the years to come.

Additionally, against the backdrop of a talent war in the technology markets and a dramatic change in working methods, Axway's employees must, more than ever, be committed to our project. We will continue to help them develop their specific expertise, be clear with our strategy and their key role in achieving our strategy.

All of this will help make Axway an economically sustainable company, responsible in its dealings with stakeholders and mobilised for its ecosystem.

What benefits will your strategic direction produce by 2020?

Patrick Donovan: We have a clear vision of the customer benefits of our new business model we are developing within Axway.

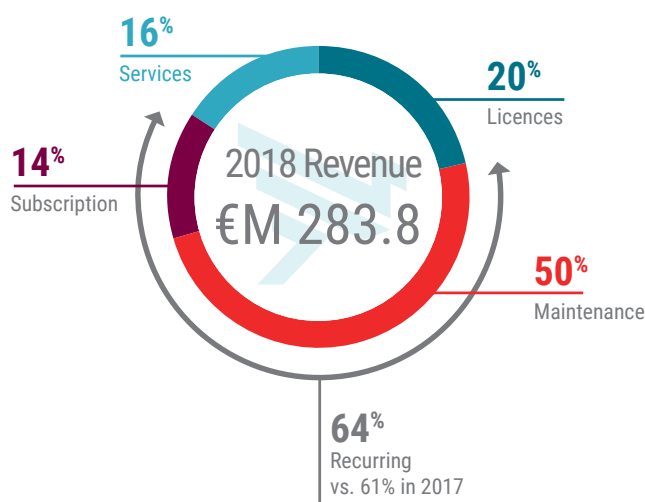
Through meeting their requirements for Subscription offerings, the Company business model and revenue cycles are impacted. Although it has a short-term impact on revenue recognition, in the long-term, this change will significantly improve the visibility on revenue and income through a substantial increase in recurring business. The customer proximity necessary to this model, supported by high-performing tools, will not only offer new business opportunities, but also optimise processes and resource allocation by improving our knowledge of needs and bringing us closer to our customers.

We hope to establish this virtuous cycle progressively by the end of 2020, by continuing to do what we have done for more than 30 years: securely moving, integrating and exposing the data of leading global organisations. ■

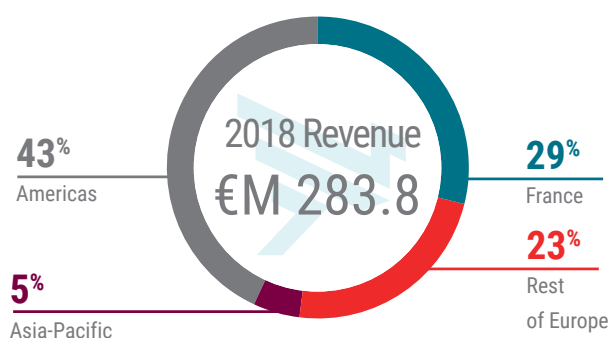
BUSINESS LINES

Our mission: accompany the modernisation of our customer's IT infrastructures, by securely moving, integrating and exposing their strategic data.

By business



By region



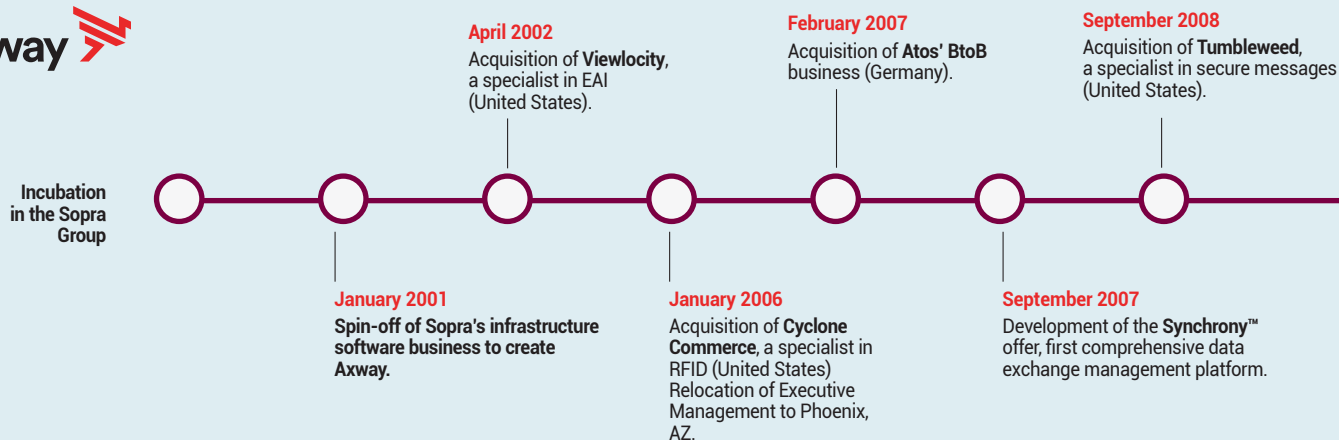
5th FRENCH PUBLISHER
SyntecNumérique/EY
2018 Top 250

Recognised by Forrester as a **"Strong performer"**

in strategic iPaaS and hybrid integration platforms⁽¹⁾

(1) The Forrester Wave™: Strategic iPaaS and Hybrid Integration Platforms, Q1 2019, Forrester Research, Inc., 3 January 2019.

Axway History

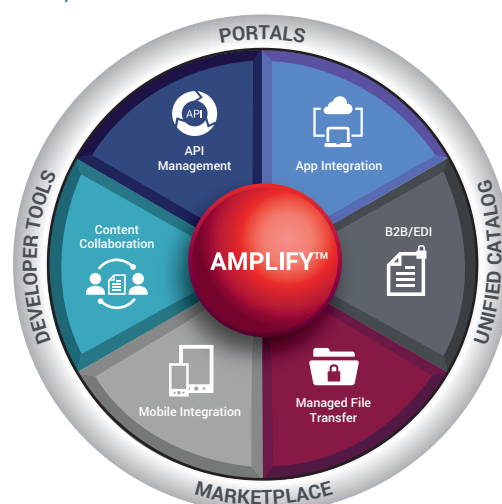


OFFER AND CUSTOMERS

Our offer: with the AMPLIFY™ hybrid integration platform, all data in an IT ecosystem can interact between hundreds of applications, on premise or in the cloud, from any device, anywhere.

In the AMPLIFY™ platform, Axway's expertise stands out in:

- Application Integration (IPaaS);
- API Management;
- Managed File Transfer (MFT);
- B2B-EDI Integration;
- Content collaboration (EFSS);
- Mobile integration.



For our customers, our software solutions transform disparate data and services into a simple and seamless digital experience.

Our strategic business sectors



Banking and Financial Services



Automotive



Public Sector



Manufacturing & Retail



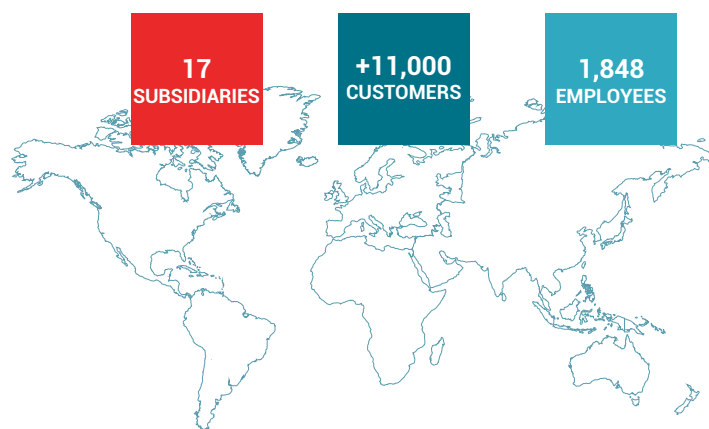
Telecommunications



Healthcare



Energy & Utilities

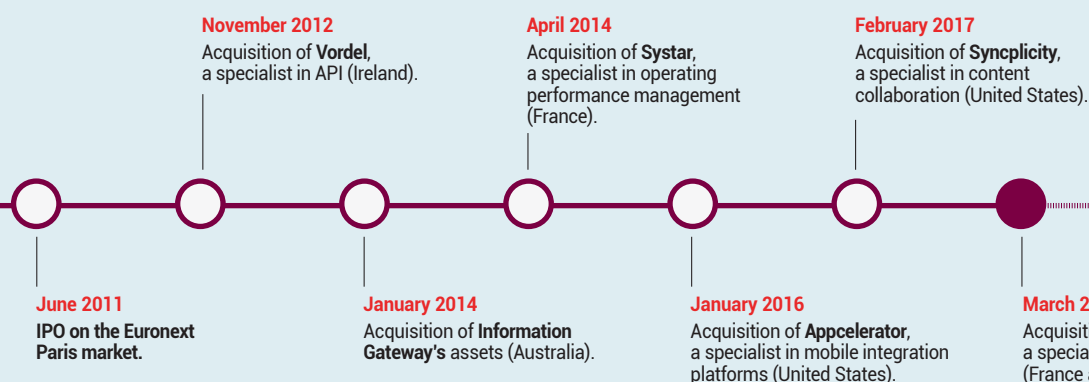


distribution in
+ 100 countries

100 commercial and technology
partners



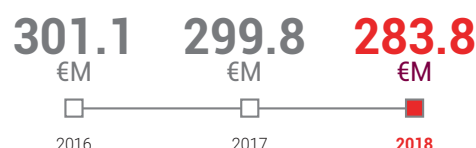
Further
information can be
found in Chapter 1
of the Registration
Document.



OPERATING INDICATORS

RESULTS

Revenue

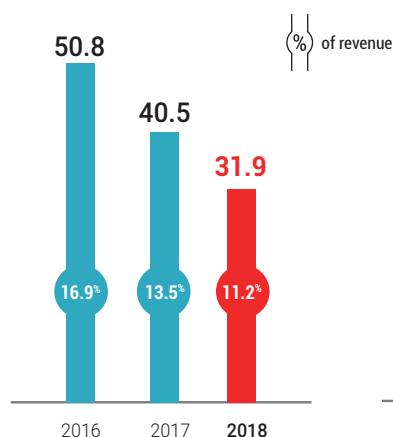


**SIGNATURES
METRIC**
+7.8%
Signatures
+ 3x new ACV

NEW ACV
+56.1%
annual value of new
subscription contracts
signed in 2018

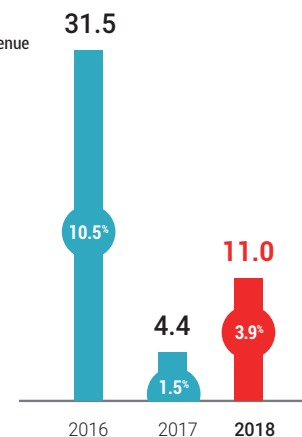
Profit on operating activities

(In millions of euros)



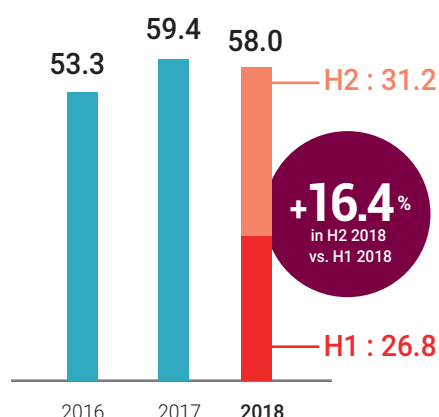
Net profit

(In millions of euros)

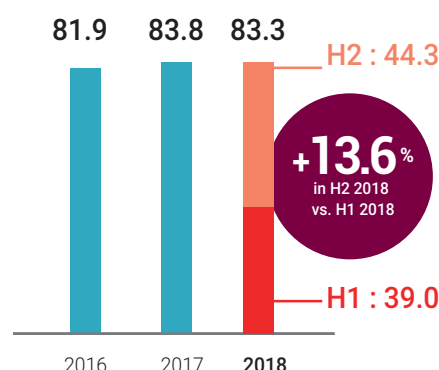


INVESTMENT

In Research & Development (In millions of euros)



In Sales & Marketing (In millions of euros)



R&D + Sales & Marketing investment up +14.7% in H2 2018 vs. H1 2018

BALANCE SHEET

Cash

€35.8million
vs. €28.1 million at 31/12/2017

Net debt

€10.2million
vs. €20.6 million at 31/12/2017

Equity

€362.7million
vs. €344.1 million at 31/12/2017

OBJECTIVES

CONFIRMATION OF
AMBITIONS AT END 2020

Revenue
approximately
€300million

LEADER
in the hybrid integration
platform market



Further information can be found in Chapter 1 of the Registration Document.
Alternative performance measures are defined in the glossary to the Registration Document.

STOCK MARKET PROFILE & SHARE CAPITAL

AXW
LISTED
EURONEXT

Euronext Paris – Compartment B
Bloomberg: AXW-FR
Reuters: AXW.PA
Market Cap: €263.6 million
at 31/12/2018

Main indexes:
CAC Mid Small
Euronext TECH 40
Gaia Index

Basic earnings per share (in euros)

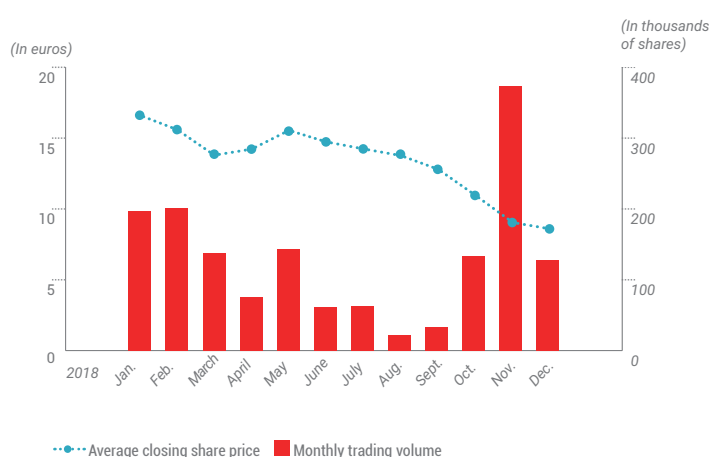


Net dividend per share (in euros)



* Proposed to the General Meeting of 5 June 2019

Share price and monthly trading volumes



Axway share ownership

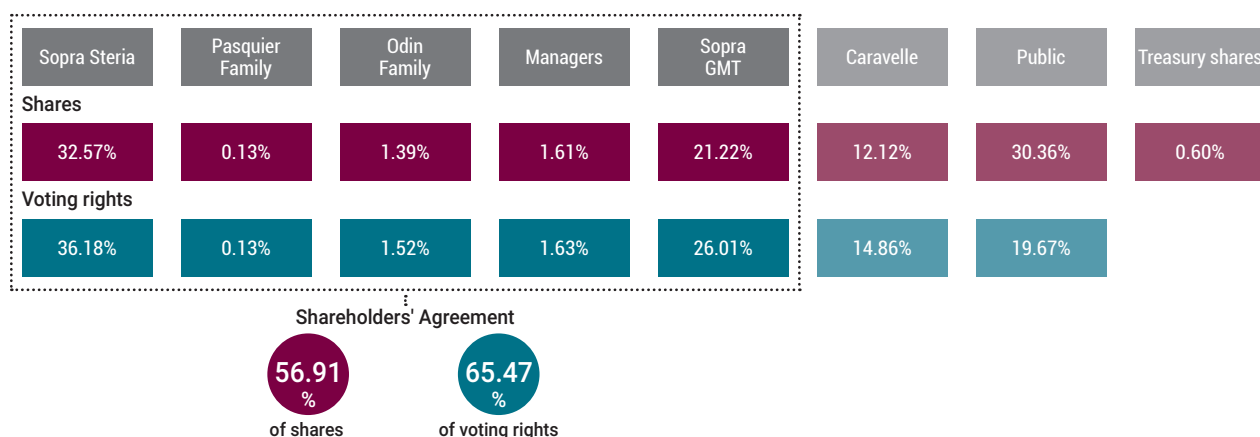
Share ownership at 31 December 2018

21,225,381

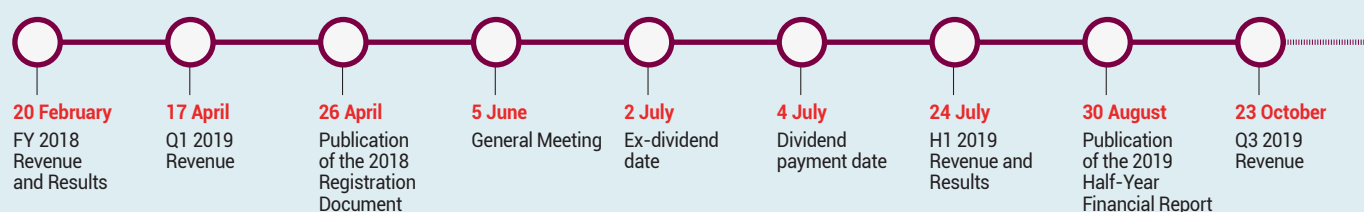
shares outstanding

34,625,501

voting rights



2019 Financial Calendar

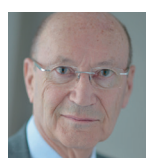


Further information can be found in Chapters 6,7 and 8 of the Registration Document.

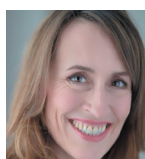
GOVERNANCE

Axway's governance is founded on the sharing of powers between the Board of Directors, assisted by its working committees, and the Executive Committee, in accordance with the recommendations of the Middlednext Code, which the Group has adopted.

Board of Directors



Pierre Pasquier
Chairman of the Board of Directors



Kathleen Clark Bracco
Director - Vice Chairman



Pierre-Yves Commanay
Director



Hervé Dechelette
Independent Director



Nicole-Claude Duplessix
Director



Emma Fernandez
Independent Director



Michael Gollner
Independent Director



Helen Louise Heslop
Independent Director



Pascal Imbert
Independent Director



Véronique de la Bachelerie
Director



Yann Metz-Pasquier
Director



Marie-Hélène Rigal-Drogerys
Director



Hervé Saint-Sauveur
Independent Director



Yves de Talhouët
Independent Director



Member of the Audit Committee



Member of the Selection, Ethics and Governance Committee



Member of the Compensation Committee



Further information can be found in Chapter 3 of the Registration Document

Audit Committee

6 members with the following duties:

- Review the annual and half-year financial statements;
- Oversee the internal control and management systems;
- Monitor the statutory audit;
- Verify statutory auditor independence.

4

meetings
in 2018

95%

attendance
rate

Selection, Ethics and Governance Committee

6 members with the following duties:

- Propose appointments to the Board of Directors and of company officers;
- Assess the Board of Directors and the operation of corporate governance, in the event of an unforeseeable vacancy;
- Verify the application of best governance practice.

3

meetings
in 2018

100%

attendance
rate

Compensation Committee

6 members with the following duties:

- Propose fixed and variable compensation;
- Verify the application of compensation rules;
- Check information quality.

4

meetings
in 2018

100%

attendance
rate

Deliberations of the Board of Directors in 2018

- Corporate strategy and vision;
- Growth projects;
- Monitoring of major quarterly results;
- Budget and major directions;
- Accounts closing and related documents;
- Activities of the Board;
- Company officer compensation.

Patrick Donovan, Chief Executive Officer

since 6 April 2018



Previously Group Chief Financial Officer, Patrick Donovan has in-depth understanding of Axway's business model, history and the software industry in general. He is supported by an Executive Committee, in which the Board recently renewed its confidence. His mission is to sustainably establish Axway as a facilitator of digital transformation by energising the adoption of new Group offers.

2019 Strategic objectives

CONSIDER

each Customer's experience
as an operating priority

PURSUE

acceleration of growth
of the Subscription offer

SUPPORT

the market launch of the
AMPLIFY™ platform by our
investments



Further information can be found in
Chapter 1 of the Registration Document.

CORPORATE RESPONSIBILITY

NON-FINANCIAL PERFORMANCE STATEMENT NFPS

In 2018, Axway conducted a review to identify its priority challenges in corporate social responsibility. **Two major challenges were identified:**

Human Resources: attract, develop and retain talent

Axway teams At 31/12/2018



vs. 1,839 in 2017



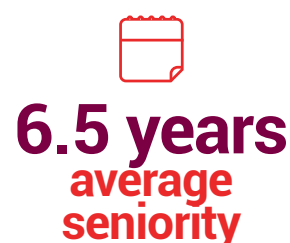
vs. 42 in 2017



vs. 26.8% in 2017

Research
& Development
37%
of employees

Customer Success
Organisation
49%
of employees,
including sales staff



Recruitment At 31/12/2018



vs. 283 in 2017



vs. 36 in 2017

49% Europe
29% Americas
17% France
5% Asia-Pacific



vs. 26% in 2017

Permanent
contracts
95%

10 REDUCED
REQUIREMENTS

Without
distinction
of age



In-house surveys and discussions

Axwegian's Voice measures employee satisfaction and expectations.

In 2018, in-house surveys identified **4 areas** for improvement:

- Improve customer knowledge and relations;
- Facilitate collaboration;
- Continuously improve expertise;
- Encourage empowerment and initiative.

72% of employees responded to the survey vs. 83% in 2017

Analyses and feed-back focused on:

- Employee workshops;
- Meetings with Executive Committee members.

"Home Office"

A system allowing employees to work from home or a private location was launched in 2018, covering all teams in Axway's 17 subsidiaries.



Talent development

Axway University

36,934 training hours

vs. 34,272 in 2017

Communication via the Company in-house social network:

- Follow Axway's strategy and project;
- Share experience;
- Exchange directly with the Executive Committee.

Ethical and environmental responsibility in conducting business

In 2018, Axway documented its business model, clarified its approach and launched new corporate social responsibility initiatives.



CSR initiatives

- **4 programmes** to share digital expertise with young girls and women **in several countries;**



- **5 local solidarity programmes;**
- **1 global solidarity programme.**

CSR measures

- Power shared between Governance bodies;
- Cross-functional CSR team and network of correspondents to collect environmental data;
- Management Roadshow to share and exchange on Axway's strategy.

CSR tools

- Ethics and anti-corruption charter;
- Personnel data protection measures;
- Whistle-blowing system;
- CSR programmes and labels.



Further information can be found in Chapter 2 of the Registration Document.

BUSINESS MODEL

NFPS

TRENDS IN THE INFRASTRUCTURE

CONVERGENCE OF HISTORICAL SYSTEMS
AND NEW DIGITAL NEEDS

RAMP-UP OF CLOUD
AND SaaS MODELS

CONSTANT INNOVATION AND SHORTENING
OF DEVELOPMENT CYCLES

Our Strengths → Our Offer

TALENT

- 1,848 employees
- Our businesses: R&D, Customer Success Organisation and Support structures
- International diversity

INNOVATION

- €58 million R&D investment in 2018
- 65 patents

SOLUTIONS

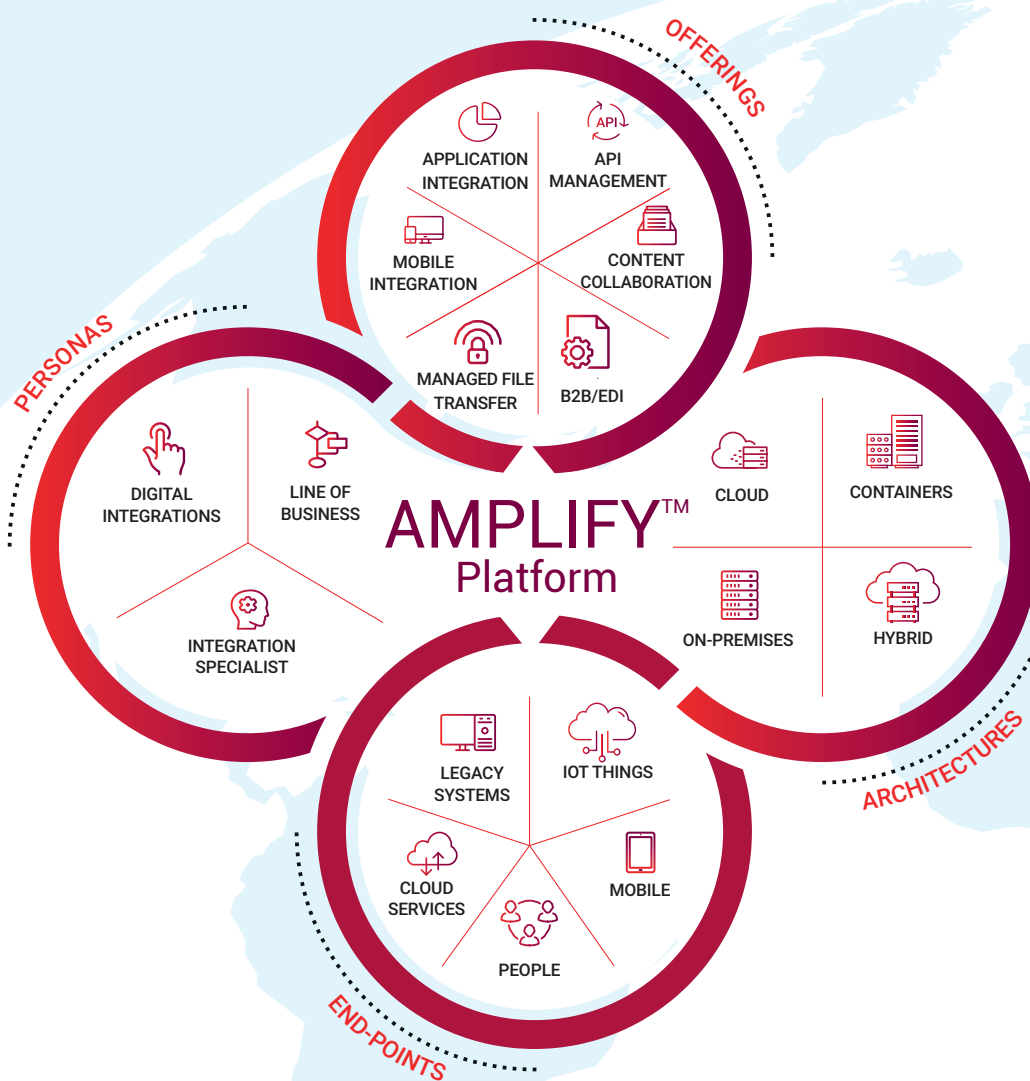
- Digital transformation at 11,000 Customers
- Reputed technological expertise
- Robust and diverse product portfolio: iPaaS / MFT / B2B / EDI / API / mobile...
- Technology-agnostic hybrid integration platform

STRUCTURE

- Revenue: € 283.8 million (64.5% recurring)
- Operating profit margin: 11.2%
- Locations in 17 countries
- Distribution in over 100 countries
- Governance shared by a Board of Directors and an Executive Committee
- Independent project supported by a family shareholding structure and historical proximity with Sopra Steria Group
- Financial capacity underpinning organic and external growth

VALUES

- Ethical commitment
- Initiative and proactive bias



Our goal

Become the market leader in Hybrid Integration Platforms

Our Business: modernise our customers' IT infrastructures by securely moving, integrating or exposing their data

SOFTWARE MARKET

MULTIPLICATION OF SECURITY THREATS
AND GREATER REGULATORY PRESSURE

INCREASING SCARCITY OF QUALIFIED
PROFILES PROVOKING A "TALENT WAR"

MERGERS & ACQUISITIONS ACCELERATING
SECTOR CONSOLIDATION

Our Strategy

Our Value Creation

Accompany our
traditional customers
with their digital
transformation

Pursue our investment
in AMPLIFY™ and
accelerate growth
of our Subscription
offers

Proposing
innovative hybrid
offers "with
a difference"
to multiply uses

With our Stakeholders

EMPLOYEES

Attract / Develop / Retain

- 392 recruitments in 2018
- New profiles
- 36,934 training hours
- E-learning platform
- In-house social network
- In-house satisfaction surveys
- Management Roadshow
- Employee share ownership
- Formal organisation of teleworking

CUSTOMERS

Transform businesses

- Facilitate digital transformation
- Accelerate operating benefits
- Guarantee data security
- Focus on Customer success
- Propose a flexible offering:
On Premise and/or Cloud,
License or Subscription
- CSR and Ethics Labels

SHAREHOLDERS

Best practice reporting

- Listing on Euronext Paris
- Middlesex Governance Code
- Inclusion in Gaia Index
- Meetings with investors and shareholders
- Historic distribution rate > 30% of net income
- Shareholder website and digital support

PARTNERS
& SUPPLIERS

Co-innovate

- 100 commercial and technology partnerships
- Ethics Charter
- Whistle-blowing system
- Sub-contracting and procurement policy

CIVIL
SOCIETY

Contribute

- UN Global Compact annual commitment
- Education and support programmes for women and young girls
- Responsible environmental behaviour

(HIP) by end-2020

