



Citrix Announcement

Transaction unites leading workspace delivery platform with best-in-class SaaS work management solution, ushering in new era of employee productivity

FORT LAUDERDALE, Fla. – January 19, 2021 – [Citrix Systems, Inc.](https://www.citrix.com) (NASDAQ:CTXS), today announced that it has entered into a definitive agreement to acquire [Wrike](https://www.wrike.com), a rapidly growing, recognized leader in the SaaS collaborative work management space, for \$2.25 billion in cash. Citrix today also reported earnings for the fourth quarter and fiscal year ended December 31, 2020 and has posted additional materials, including an earnings letter and investor presentation, on its Investor Relations website at <http://www.citrix.com/investors>.

The combination will bring together Citrix’s powerful [digital work platform](https://www.citrix.com), which securely delivers the resources an employee needs to be productive in one unified experience, and Wrike’s innovative [work management solution](https://www.wrike.com), which streamlines collaboration and work execution, providing employees with additional tools to work efficiently and securely wherever they may be. The addition of Wrike’s cloud-delivered capabilities will accelerate Citrix’s business model transition to the cloud and strategy to become a complete SaaS-based work platform addressing the needs of various functional groups within the enterprise.

The combined company will offer customers an enhanced value proposition through complementary solutions, unlocking new revenue opportunities both within existing installed customer bases and new lines of business buying centers, including marketing, professional services, and HR. Together, Citrix and Wrike will serve over 400,000 customers across 140 countries. In addition, upon closing, Wrike will gain access to Citrix’s robust [ecosystem of partners](https://www.citrix.com), creating new opportunities within the ecosystem to drive additional value for customers.

Headquartered in San Jose, California, and employing more than 1,000 employees, Wrike, a Vista Equity Partners portfolio company, provides approximately 18,000 customers globally with solutions that empower teams and distributed workers to plan, manage and efficiently complete work at scale. Wrike is expected to have approximately 30 percent stand-alone growth to between \$180 million and \$190 million in unaudited SaaS annualized recurring revenue (ARR1) in 2021, with the opportunity to accelerate growth over time under Citrix’s ownership.

Delivering the Future of Work

“Work today is happening everywhere – at home, in the office and on the road. We believe that in the future, success will go to those companies that can support flexible and hybrid work models and provide a consistent, secure and efficient experience that removes the complexity and noise from work so employees can focus and perform at their best, wherever they happen to be,” said David Henshall, President and CEO, Citrix. “Together, Citrix and Wrike will deliver the solutions needed to power a cloud-delivered digital workspace experience that enables teams to securely access the resources and tools

they need to collaborate and get work done in the most efficient and effective way possible across any channel, device or location.”

Expanding the Digital Workspace

Citrix provides a market-leading digital work platform from which companies can deliver unified, secure and reliable access to the systems, information and tools people need to get work done wherever they may be working. With the addition of Wrike’s offerings, Citrix will expand its platform to include new, collaborative work management capabilities that enable companies to simplify work execution and boost employee effectiveness and productivity by automating and streamlining team collaboration as well as unifying workflows across all employees and work styles.

“When it comes to the future of work, Citrix and Wrike share a common vision and mission: to reduce the complexity and chaos of work and empower every person, team, and organization to achieve their very best. Together, we will unlock the workspace of the future, truly transforming the work experience and equipping people with an innovative set of solutions they can use to exceed goals and keep business moving forward,” said Andrew Filev, Founder and CEO, Wrike.

Financial Details

Wrike ended calendar year 2020 with more than \$140 million in unaudited SaaS ARR, reflecting more than 30 percent CAGR in SaaS ARR over the prior two years. The company is expected to have approximately 30 percent stand-alone growth to between \$180 million and \$190 million in SaaS ARR in 2021, with the opportunity to accelerate growth over time under Citrix’s ownership. The addition of Wrike is highly complementary to Citrix’s existing customer base and is expected to accelerate Citrix’s SaaS ARR growth.

Financing and purchase accounting impacts to deferred revenue will affect 2021 non-GAAP earnings per share. Integration and other costs related to the acquisition are expected to be modestly dilutive to non-GAAP earnings per share in 2021. The transaction is expected to be neutral to Citrix’s fiscal year 2022 non-GAAP earnings per share and free cash flow, and accretive thereafter.

Citrix expects to fund the transaction with a combination of new debt and existing cash and investments. Citrix is committed to its investment grade credit ratings and plans to return to historical leverage levels within 24 months. Citrix has obtained a commitment from JPMorgan Chase Bank, N.A. for a \$1.45 billion senior unsecured 364-day bridge loan facility.

The transaction, which has been unanimously approved by the board of directors of both Citrix and Wrike, is expected to close in the first half of 2021, subject to regulatory approvals and other customary closing conditions. Until close, the companies will continue to operate independently. Upon closing, Filev will continue to lead the Wrike team and report to Arlen Shenkman, EVP and Chief Financial Officer, Citrix.

Advisors

J.P. Morgan Securities LLC is serving as financial advisor to Citrix on the transaction and Shearman & Sterling LLP as legal counsel. The financial advisor to Wrike is Goldman Sachs Group & Co. LLC, and legal counsel is Kirkland & Ellis LLP.

Conference Call Information

Citrix will host a call for financial analysts and investors at 8:15 a.m. ET today to discuss this transaction and its earnings for the fourth quarter and fiscal year ended December 31, 2020. The call will be accessible by visiting the Investor Relations section of the Citrix corporate website at <http://www.citrix.com/investors>, where the fourth quarter and fiscal year 2020 earnings letter discussing financial results, quarterly highlights, and business outlook, and an investor presentation have been posted.

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