

Revenue Growth in all businesses, Consumer Security business demerger progressing

Q1 2022 Highlights

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Key takeaways from Q1/2022

Growth in cloud-native corporate security products

- Revenue grew by 29% year-on-year to 15.2 million
- Annual recurring revenue (ARR) grew by 36% year-on-year to 64.1 million
- Strong growth in Managed Detection and Response (MDR) and Cloud Protection for Salesforce (CPSF) revenue and orders
- Revenue of On-premise corporate security products decreased by 8% year-on-year to 27.1 million, according to expectations
- Cyber security consulting revenue on comparable basis remained at previous year's level

Consumer security continues growth and strong profitability

- Consumer security revenue continued to grow by 4% year-on-year to 27.4 million

Combined revenue growing

- Revenue grew 3% year-on-year to 59.7 million
- comparable revenue growth was 8%

Markets and strategy

Change in geo-politics re-shaping cyber security

- War in Ukraine has changed the global cyber security landscape
- New “frontiers” creating new threats
 - Visible governmental actions
 - Organized civilian response

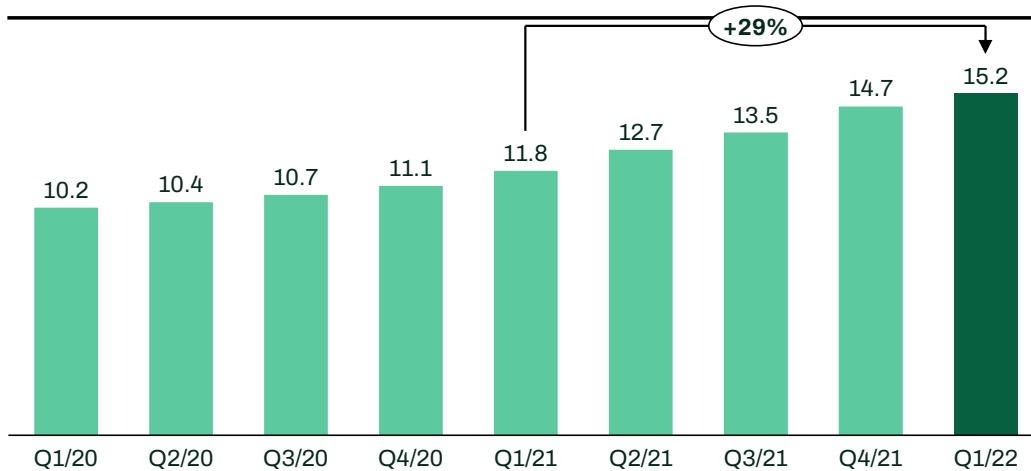
Demerger of consumer security business progressing as planned

- WithSecure™ brand launch in March, after name change
- Directed share issue in March, 77 million of new equity raised
- Extraordinary General Meeting of 31 May to take decision on demerger
- Planned demerger date 30 June
- Separate presentation of corporate security and consumer security in the financials

Revenue from Corporate Security Products

(EUR million)

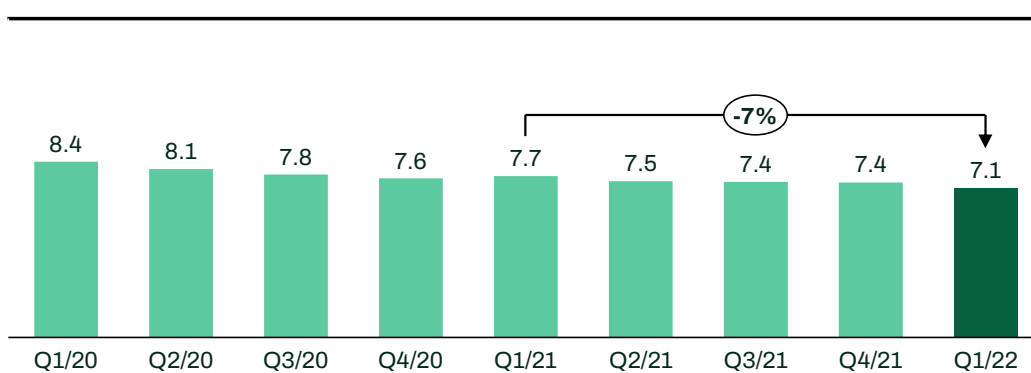
Cloud-native revenue



Revenue from cloud-native security products grew

- Growth in all main products
- Expansion of Elements platform modules with customers continues
- Managed Detection and Response (MDR) signed a landmark deal with a fortune 500 company
- Strong growth of Cloud Protection for Salesforce orders and revenue continues

On-Premise revenue



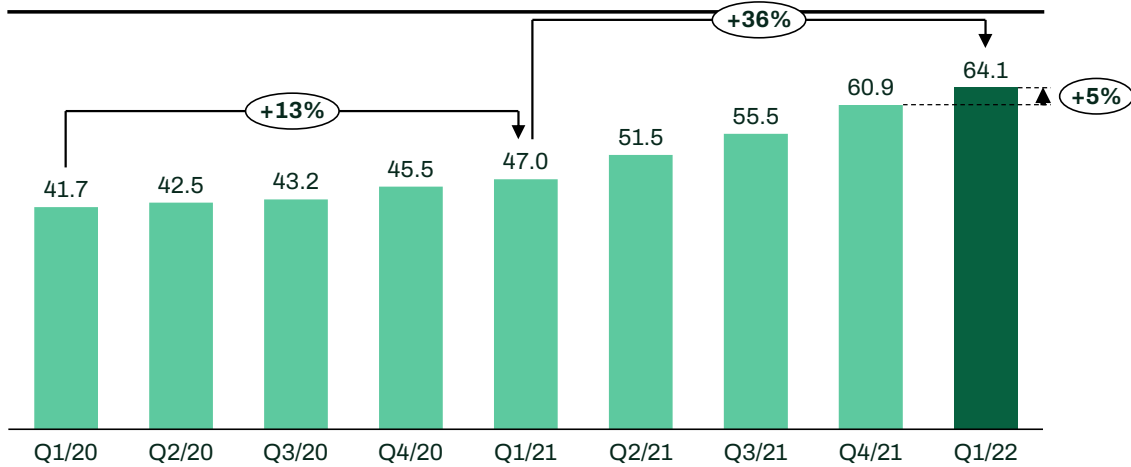
Revenue from on-premise security products decreased

- Corporate security customers migrating to cloud-based products
- Declining revenue in line with the WithSecure strategy but some customer segments preferring on-premise products

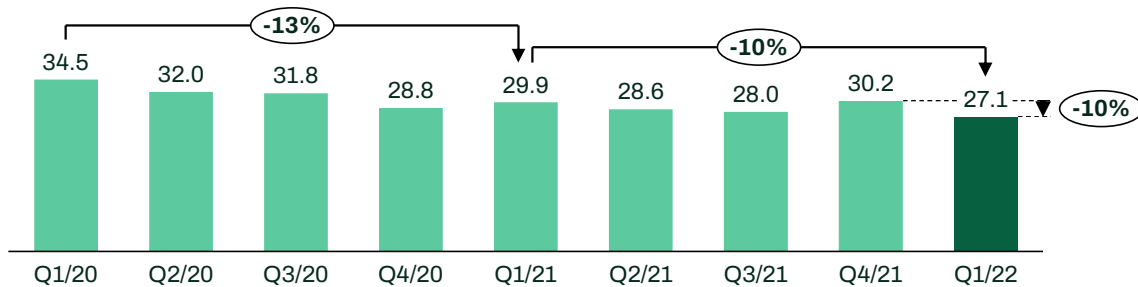
Annual Recurring Revenue

(EUR million)

Cloud-native products



On-Premise products



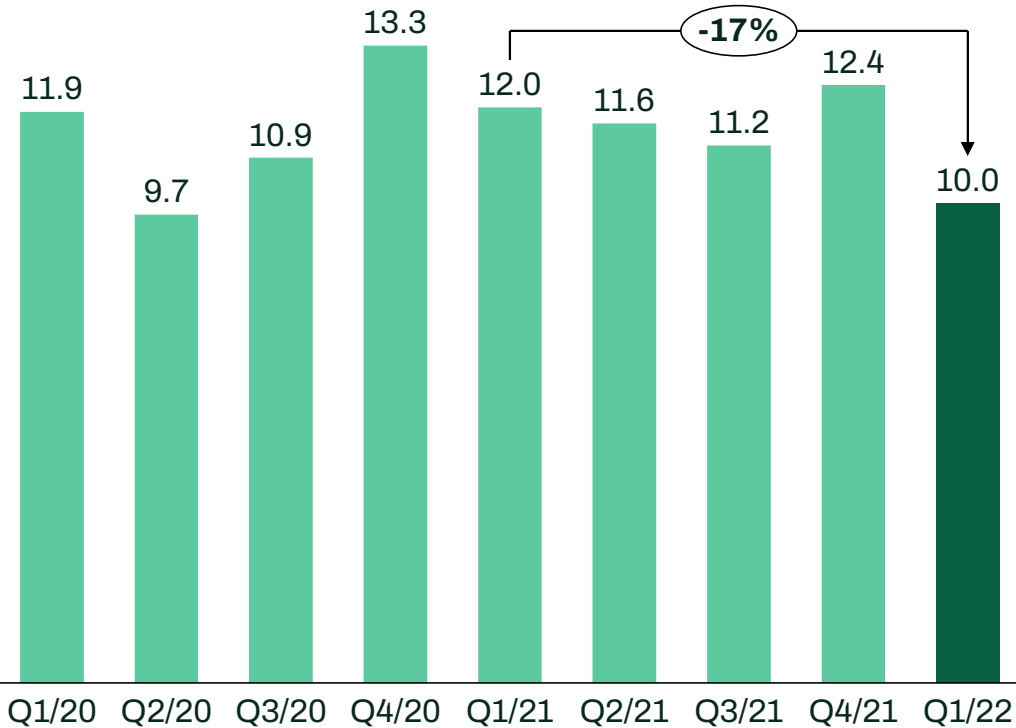
Annual Recurring Revenue (ARR)

- ARR for cloud-native products – good momentum continues
- Year-on-year growth driven by all products
- Quarter-on-quarter growth driven especially by Countercept and Cloud Protection for Salesforce
- ARR for on-premise products continues a declining trend

Cyber Security Consulting impacted by divestments

(EUR million)

Cyber security consulting revenue

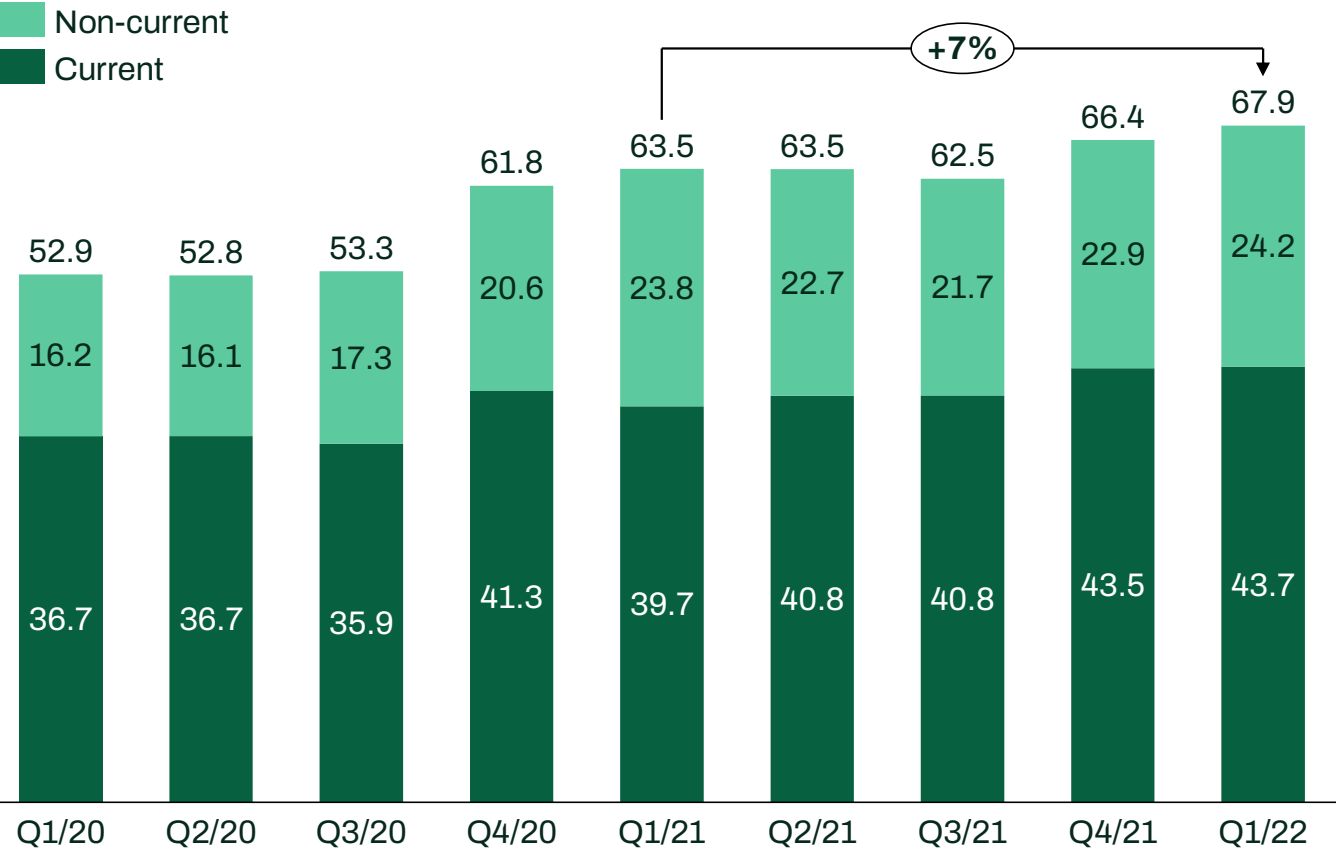


Cyber security consulting revenue

- Divestments of UK public sector consulting (December 2021) and South African subsidiary (February 2022) impacts comparability
- Impact of divestments EUR 7 million on annual level
- Demand for advanced cyber security consulting is currently strong
- Recruiting and retaining talents in consultancy continues as a priority

Deferred Revenue growth driven by growing orders

(WithSecure, Deferred Revenue¹, EUR million)



- Orders are recognized after customer commitment, while deferred revenue is recognized according to invoicing schedule
- Some large multi-year contracts are split into several installments. The associated deferred revenue gets recognized according to the invoicing schedule
- Monthly payment subscriptions do not create deferred revenue

¹Non-current deferred revenue = recognized as revenue after the next 12 months onwards
 Current deferred revenue = recognized as revenue within the next 12 months

Estimated comparable EBITDA

- Future F-Secure financials are presented as Discontinued operations according to IFRS 5 standard
- Resulting IFRS 5 figures do not fully reflect the profitability of either business on a stand-alone basis
- Operating expenses are split according to actual ownership of assets, liabilities and resources after the de-merger
- WithSecure (Continuing operations) expenses include the cost of resources allocated to supporting F-Secure during the transition period
- WithSecure will receive compensation for such expenses under the Transitional Service Agreements (“TSA”)
- **Estimated comparable EBITDA** is presented as alternative performance measure (“APM”) for profitability, to improve comparability of both businesses

EUR million	WithSecure (Continuing operations)	F-Secure (Discontinued operations)
Adjusted EBITDA Q1 2022 (calculated on the basis of IFRS 5)	-6.9	14.8
Research and development	1.3	-1.3
Facilities held by WithSecure	0.4	-0.4
Estimated comparable EBITDA Q1 2022	-5.2	13.0

Q1 profitability - impacted by ongoing transformation

WithSecure, EUR million	1-3/2022	1-3/2021	Change %	1-12/2021
Revenue	32.4	31.5	3 %	130.0
Cloud-native corporate security solutions	15.2	11.8	29 %	52.7
On-premise corporate security solutions	7.1	7.7	-7 %	30.0
Cyber security consulting	10.0	12.0	-17 %	47.2
Estimated comparable EBITDA	-5.2	-1.5		-11.3
<i>% of revenue</i>	<i>-16 %</i>	<i>-5 %</i>		<i>-9 %</i>
Adjusted EBITDA (calculated on the basis of IFRS 5)¹	-6.9	-3.2		-17.2
<i>% of revenue</i>	<i>-21 %</i>	<i>-10 %</i>		<i>-13 %</i>
Combined operations, EUR million	1-3/2022	1-3/2021	Change %	1-12/2021
Revenue for Combined operations	59.7	57.8	3 %	236.3
Adjusted EBITDA for Combined operations	7.9	9.6	-18 %	36.5
<i>% of revenue</i>	<i>13 %</i>	<i>17 %</i>		<i>15 %</i>
Earnings per share (EPS)	-0.02	0.03		0.08
Cash flow from operations, before financial items and taxes	1.1	6.3	-95 %	38.7
Personnel at the end of period	1,589	1,670	-5 %	1,656

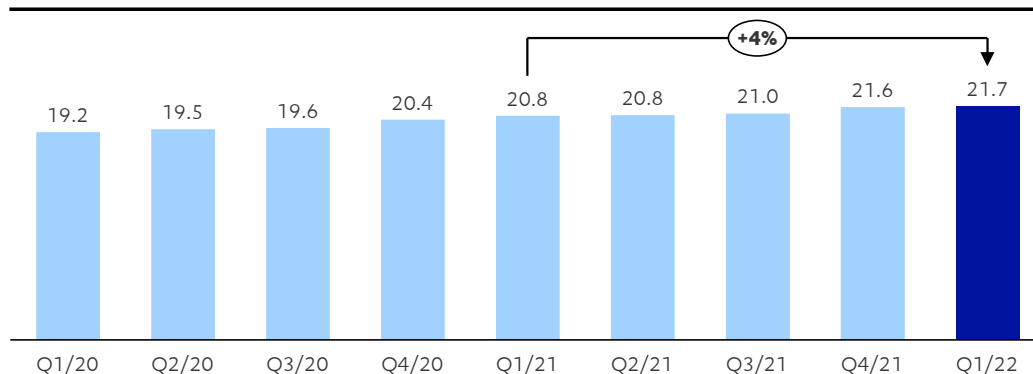
¹Adjustments are material items outside normal course of business associated with acquisitions, integration, restructuring, gains or losses from sales of businesses and other items affecting comparability

³Based on the weighted average number of outstanding shares during the period 161,314,834 (1-3/2022)

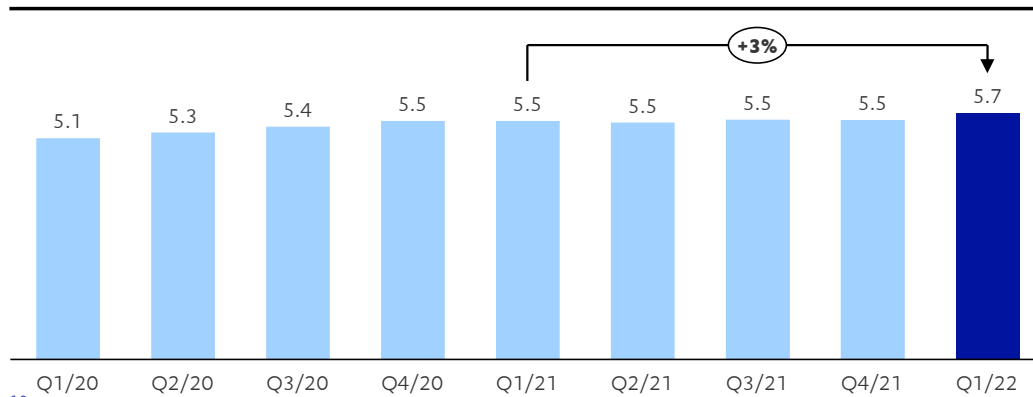
F-SECURE CONTINUED ON A GROWTH PATH

(Consumer security, EUR million)

Partner Channel



Direct Channel



Revenue from partner channel grew

- F-Secure started to roll out a new generation of TOTAL through the partner channel
- The latest version of F-Secure TOTAL combines VPN, password vault, endpoint and identity protection seamlessly into one unified application experience
- Increase in sales across several regions such as Asia, Nordics and North America
- However, partly offset by lower retail sales and a regulatory change in Poland
- Continued to work on expanding its go-to-market by piloting with a large European insurance company

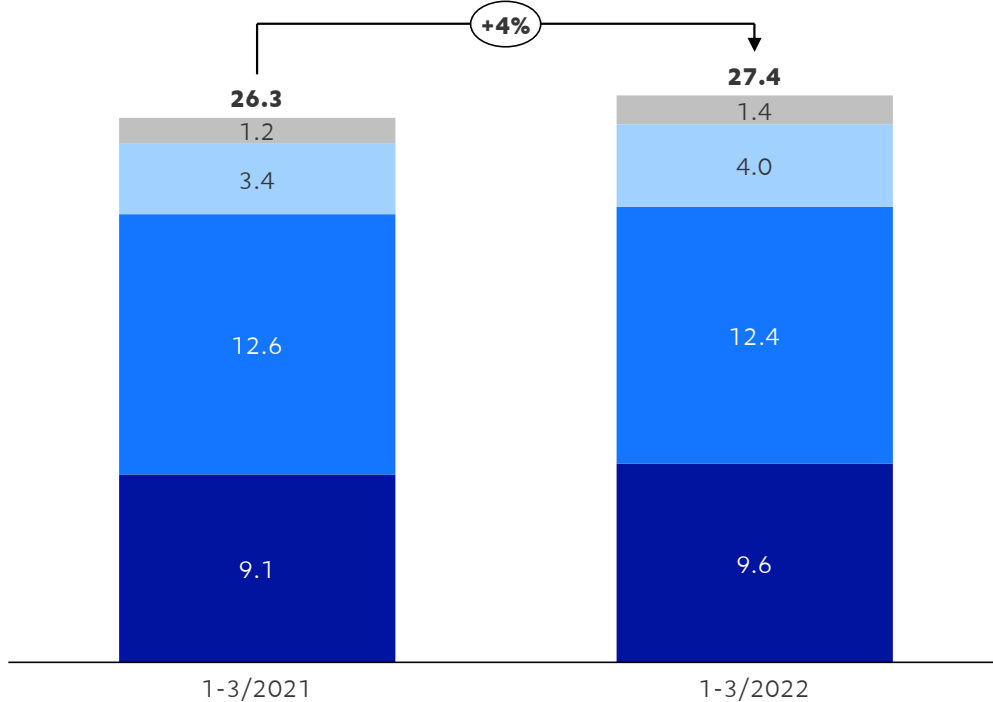
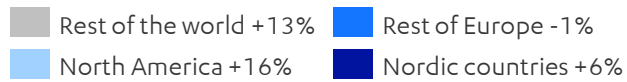
Revenue from direct channel grew

- E-commerce: positive new sales performance in Germany
- Steady renewal performance
- Average revenue per user continued to grow, as consumers are increasingly interested in bundled security solutions

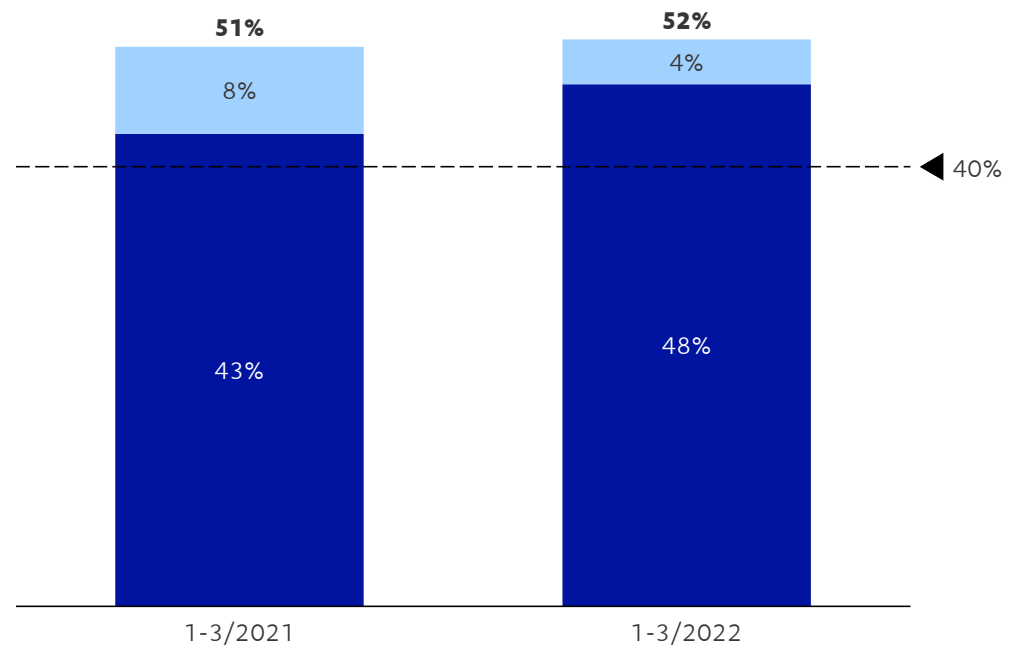
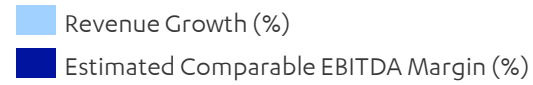
F-SECURE GREW 4% IN Q1/2022

(Consumer security, EUR million)

Revenue split & growth by geography



Rule of 40 Metric



SOLID PROFITABILITY

(Consumer security, EUR million)

EUR million	1-3/2022	1-3/2021	Change %	1-12/2021
Revenue	27.4	26.3	4 %	106.3
Adjusted EBITDA	14.8	12.8	15 %	53.7
Items affecting comparability (IAC)	2.7			4.3
EBIT	11.6	12.4	-6 %	47.8
Estimated comparable EBITDA	13.0	11.2	16 %	47.8
of revenue, %	48 %	43 %		45 %
Deferred revenue	20.2	20.5	-1 %	19.7



Save the date

Joint Capital Markets Day for WithSecure™ and F-Secure

3rd of June

Helsinki/ Kaapelitehdas

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