



Interim Report

1 January – 31 March 2024



Elements Company profitability developing positively, despite slow start of the year

Interim Report 1 January – 31 March 2024 (“first quarter”)

Highlights of January – March 2024

- Annual Recurring Revenue (ARR)¹ for Elements Cloud² increased by 10% to EUR 80.5 million (EUR 73.4 million)
- Elements Cloud ARR increase from previous quarter was 3%
- Net Revenue Retention for Elements Cloud was 101 %
- Revenue for Elements Cloud increased by 10% to EUR 20.6 million (EUR 18.7 million)
- Cloud Protection for Salesforce ARR increased by 0.2% to EUR 8.2 million (EUR 8.1 million)
- Net Revenue Retention for CPSF was 87%
- CPSF Revenue decreased by 0.7% to EUR 2.0 million (EUR 2.0 million)
- Cyber security consulting revenue decreased by 5% to EUR 7.6 million (EUR 8.0 million)
- Adjusted EBITDA by segment was EUR 1.0 million (EUR -4.3 million) for Elements Company, EUR -0.4 million (EUR -1.1 million) for CPSF and EUR -0.5 million (EUR -0.8 million) for Cyber security consulting
- Adjusted EBITDA for WithSecure was EUR 0.0 million (EUR -6.2 million)
- Items affecting comparability (IAC) of EBITDA were EUR +0.1 million (EUR -4.6 million). Of this, approximately EUR -0.7 million relates to strategy projects, EUR +0.4 million to reversals of restructuring provisions and +0.3 million to valuation of earn-out from previously divested business.

¹ Annual recurring revenue (ARR) of cloud products is calculated by multiplying monthly recurring revenue of last month of quarter by twelve. Monthly recurring revenue includes recognized revenue within the month excluding non-recurring revenue

² Elements Cloud includes Elements Cloud portfolio software and services as well as the managed services

Outlook for 2024 (unchanged)

Technical change to Elements Cloud previous year revenue made in April 2024.

Annual recurring revenue (ARR) for Elements Cloud products and services will grow by 10–20 % from the end of 2023. At the end of 2023, Elements Cloud ARR was EUR 78.4 million.

Revenue from Elements Cloud products and services will grow by 10–16 % from previous year. Previous year revenue from Elements Cloud was EUR 76.1 million.

Total revenue of the group will grow by 6–12 % from previous year. Previous year revenue of the group was EUR 142.8 million.

Adjusted EBITDA of full year 2024 will be positive.

Figures in this report are unaudited. Figures in brackets refer to the corresponding period in the previous year, unless otherwise stated. Percentages and figures presented may include rounding differences and might therefore not add up precisely to the totals presented.

Interim CEO Antti Koskela



After 2023, year of significant transformation, we are satisfied that we have reached a cost structure that keeps the total company at break-even level, even in a slower revenue quarter.

The execution of our updated strategy is progressing as planned. We are transforming WithSecure into a partner-led SaaS company, and continue the strategic review of Cyber security consulting and Cloud

Protection for Salesforce businesses. The unexpected change of CEO will not impact the strategy execution.

After changes in the organization, WithSecure is now reporting revenue and profitability of its three businesses separately, in line with the IFRS segment reporting requirements. We think this will also improve the visibility to the different value creation capacity of each of the units.

In the first quarter of 2024, WithSecure Elements Cloud revenue grew by 10% from the previous year and was EUR 20.6 million (EUR 18.7 million). Quarter-end ARR grew by 10% and was EUR 80.5 million (EUR 73.4 million). The growth driver for Elements Cloud revenue was the Endpoint Detection and Response (EDR), as well as the smaller Elements modules. Countercept MDR revenue was at the previous year level.

Of the large markets, Elements revenue continued to grow in DACH, Finland, and France, while the UK revenue decreased, and Japan remained at the same level to previous year. These are both markets where WithSecure is increasing and re-focusing its sales efforts and expects to see improvements in the longer-term sales growth.

The Elements Company segment (including Elements Cloud products and services, as well as the On-premise products and Other products) reached an Adjusted EBITDA of EUR 1 million (EUR -4.3 million). This is in line with our plans of maintaining and improving profitability while the company grows.

In expanding our product offering further we have now opened the early access program to our Exposure Management. The product will officially be launched at our third SPHERE event in May. We are looking forward to the new possibilities to provide our partners and their mid-market end customers with the ability to drive the paradigm shift from reactive to proactive cyber security.

Cloud Protection for Salesforce revenue, which is now reported separately from the Elements Cloud, was at the previous year level of EUR 2.0 million (EUR 2.0 million). The lack of growth mainly results from a delay of some customer contracts that did not close as anticipated in the first quarter. CPSF remains as a unique solution for content protection in the Salesforce environment, and we expect it to generate additional value for WithSecure going forward.

Cyber security consulting, managed as a separate business unit from the beginning of 2024, did not reach its revenue and profitability targets in the first quarter. Revenue declined by 5% from the previous year and was EUR 7.6 million (EUR 8.0 million). This was caused by delays in some large customers' cyber security spend in the beginning of the year. The low revenue caused the Gross margin to drop to 38%, which in turn led to a negative Adjusted EBITDA of Consulting of EUR -0.5 million (EUR -0.8 million). WithSecure cyber security consultants continue to deliver world-class, research-based offensive security services to our customers. We will continue to improve coordination between customer demand and resourcing of the work, to maintain continuous profitability between quarters.

On 8 April 2024, WithSecure CEO Juhani Hintikka announced that he steps down from his position in the company. The decision follows the Supreme Court ruling where he was found guilty of abuse of inside information related to a matter years before he joined WithSecure. I want to thank Juhani for his leadership in taking WithSecure through a significant transformation. The entire team and I will proudly continue the work in becoming a leading European cyber security company.

Financial performance

(mEUR)	1-3/2024	1-3/2023	Change %	1-12/2023
Revenue	36.2	35.2	3%	142.8
Cost of revenue	-10.6	-10.8	2%	-42.6
Gross Margin	25.7	24.4	5%	100.2
<i>% of revenue</i>	70.9 %	69.3 %		70.2 %
Other operating income ¹	0.4	0.4	3%	1.4
Operating expenses ¹	-26.1	-31.0	16%	-117.7
Sales & Marketing	-13.5	-17.4	22%	-68.1
Research & Development	-9.1	-10.1	9%	-36.3
Administration	-3.5	-3.6	3%	-13.3
Adjusted EBITDA²	0.0	-6.2	100%	-16.1
<i>% of revenue</i>	0.0 %	-17.6 %		-11.3 %
Items affecting comparability (IAC)				
Other items	-0.7	-0.1	-373%	-1.4
Restructuring	0.4	-4.5	110%	-8.9
Divestments	0.3	0.1	320%	1.4
EBITDA	0.1	-10.8	101%	-25.1
<i>% of revenue</i>	0.2 %	-30.6 %		-17.6 %
Depreciation & amortization, excluding PPA ³	-2.4	-2.6	7%	-10.2
Impairment				-6.2
PPA amortization	-0.6	-0.6	2%	-2.4
EBIT	-2.9	-13.9	79%	-43.9
<i>% of revenue</i>	-8.0 %	-39.6 %		-30.7 %

(mEUR)	1-3/2024	1-3/2023	Change %	1-12/2023
Adjusted EBIT²	-2.4	-8.7	73%	-26.3
<i>% of revenue</i>	-6.6 %	-24.8 %		-18.4 %

¹ Excluding Items Affecting Comparability (IAC) and depreciation and amortization. In 2023 excludes also costs of services provided to F-Secure under TSA and equivalent income charged for TSA services.

² Adjustments are material items outside the normal course of business associated with acquisitions, integration, restructuring, gains or losses from sales of businesses and other items affecting comparability. For reconciliation and a breakdown of adjusted costs, see Note 6 (Reconciliation of alternative performance measures)

³ Amortization of intangible assets from business combinations (PPA, purchase price allocation, related amortizations).

(mEUR)	1-3/2024	1-3/2023	Change %	1-12/2023
Earnings per share, (EUR) ¹	-0.01	-0.06	81%	-0.23
Deferred revenue	69.9	70.3	0%	66.9
Cash flow from operations before financial items and taxes	-2.4	-5.3	54%	-19.9
Cash and cash equivalents	32.3	34.5	-6%	36.6
ROI, %	-7.1 %	-35.5 %	80%	-30.5 %
Equity ratio, %	77.1 %	78.3 %	-2%	73.3 %
Gearing, %	-18.9 %	-36.0 %	48%	-22.2 %
Personnel, end of period	996	1,245	-20%	1,087

¹ Based on the weighted average number of outstanding shares during the period 175,893,452 (1-3/2024). Earnings per share has been recalculated for comparative periods using average weighted share amount after share issues.

WithSecure Group

Revenue

Revenue of WithSecure Group increased by 3% to EUR 36.2 million (EUR 35.2). Further analysis on revenue is disclosed in the segments section of this report.

Operating expenses

Operating expenses (excluding depreciation, amortization and impairment and items impacting comparability) were EUR -26.1 million (EUR -31.0 million). The reduction of expenses results from cost savings and other efficiency measures carried out during 2023 by WithSecure. Depreciation and amortization were EUR -2.4 million (EUR -2.6 million) and amortization of PPA was EUR -0.6 million (EUR -0.6 million).

Profitability

Adjusted EBITDA of the group was EUR 0.0 million (EUR -6.2 million). Items affecting comparability (IAC) of EBITDA were EUR +0.1 million (EUR -4.6 million). Of this, approximately EUR -0.7 million relates to strategy projects, EUR +0.4 million to reversals of restructuring provisions and +0.3 million to valuation of earn-out from previously divested business.

Cash flow

Cash flow from operating activities before financial items and taxes was EUR -2.4 million (EUR -5.3 million). Cash flow was driven by positive development in operative result which was partly offset by restructuring related payments of EUR 2.4 million. Cash flow from operating activities was -2.2 million (EUR -6.5 million).

Cash flow from investments EUR -0.6 million (EUR -12.3 million) is related to investments in intangible and tangible assets. Comparison period includes also investments in corporate commercial papers and short-term deposits.

Elements Company

(mEUR)	1-3/2024	1-3/2023	Change %	1-12/2023
Revenue	26.6	25.2	6%	101.1
Elements Cloud	20.6	18.7	10%	76.1
On-premise	5.8	6.4	-9%	24.4
Other	0.2	0.1	83%	0.7
Gross margin	21.1	19.8	7%	79.6
% of revenue	79.5%	78.4%	1%	78.7%
Adjusted EBITDA	1.0	-4.3	123%	-10.9
% of revenue	3.6%	-16.9%	121%	-10.8%
Annual Recurring Revenue (ARR)	80.5	73.4	10%	78.4

Elements Company segment includes Elements Cloud products and services, managed services (including Countercept Managed Detection and Response, MDR), on-premise products, and Other products.

Elements is a modular platform, with currently 5 modules that the customer can select. The largest driver of growth is the Endpoint Detection and Response (EDR) module that is typically acquired by the customer to complement the Endpoint Protection (EPP) product. Also, other modules (Vulnerability Management and Collaboration protection for Microsoft 365) are contributing to the revenue growth. The latest addition to the platform is the Cloud Security Posture Management (CSPM) that provides automated identification and remediation of risks related to cloud infrastructures.

On-premise products revenue includes WithSecure Business Suite endpoint protection software, as well as some other legacy products.

Other products revenue includes minor products combining software and service work, as well as speaker fees and other occasional revenue streams

January - March 2024

Revenue and ARR

Elements Company revenue increased by 6% to EUR 26.6 million (EUR 25.2 million). The change is a result of growing Elements Cloud revenue and declining On-premise revenue.

Elements Cloud revenue increased by 10% to EUR 20.6 million (EUR 18.7 million).

Largest growth came from the EDR product, as well as the smaller Elements modules. Countercept MDR revenue remained at the previous year level. Of the large markets, Elements revenue growth continued in DACH, Finland and France. In the UK, the cloud revenue decreased year-on-year. In Japan, the revenue remained at the previous year level. Both of the latter are markets where WithSecure is increasing and re-focusing its sales efforts.

Elements Cloud Annual Recurring Revenue (ARR) increased by 10% to EUR 80.5 million (EUR 73.4 million).

On-premise revenue decreased by -9% to EUR 5.8 million (EUR 6.4 million). Decrease of revenue is part of WithSecure's strategic transition to cloud-based environments. The customers are increasingly switching to cloud-based products, leading to a decline in the on-premise revenue over time. In Q1 2024, the decline of customers was partly offset by increases in pricing.

Profitability

Elements Company gross margin was 79.5% (78.4%) of revenue. The improvement in gross margin is driven by increasing share of software, as well as continuous optimization of data processing expenses. Other variants, such as fluctuation of currencies, can cause variations of gross margin.

Elements Company adjusted EBITDA was EUR 1.0 million (EUR -4.3 million). The improvement from previous year is largely resulting from cost savings and other efficiency measures carried out during 2023 by WithSecure.

Cloud Protection for Salesforce ("CPSF")

(mEUR)	1-3/2024	1-3/2023	Change %	1-12/2023
Revenue	2.0	2.0	-1%	8.3
Gross margin	1.7	1.6	5%	6.1
% of revenue	82.9%	78.2%	6%	73.9%
Adjusted EBITDA	-0.4	-1.1	61%	-4.6
% of revenue	-21.9%	-56.0%	61%	-55.8%
Annual Recurring Revenue (ARR)	8.2	8.1	0%	8.4

Cloud Protection for Salesforce (CPSF) segment includes revenue from the CPSF product. It is a software product, ensuring scanning of external content for potential malware, before it is loaded into Salesforce. Customers are primarily enterprise-sized companies, with extensive use of Salesforce platforms. Sales of the product mostly take place directly from WithSecure to the end customers

January - March 2024

Revenue and ARR

CPSF revenue was at the previous year level of EUR 2.0 million (EUR 2.0 million). The lack of growth is mainly a result of a delay of some customer contracts that did not close as anticipated in the first quarter.

Annual Recurring Revenue (ARR) reflected the revenue and remained at the previous year level of EUR 8.2 million (EUR 8.1 million).

Profitability

Adjusted EBITDA of CPSF was EUR -0.4 million (EUR -1.1 million). The improvement from previous year is largely resulting from cost savings and other efficiency measures carried out during 2023 by WithSecure.

Cyber security consulting ("Consulting")

(mEUR)	1-3/2024	1-3/2023	Change %	1-12/2023
Revenue	7.6	8.0	-5%	33.4
Gross margin	2.9	3.1	-6%	14.4
% of revenue	37.7%	38.4%	-2%	43.3%
Adjusted EBITDA	-0.5	-0.8	34%	-0.6
% of revenue	-6.8%	-9.9%	31%	-1.8%

Cyber security consulting segment includes revenue from large, enterprise-size customers. The offering is related to offensive security services and building the customer's cyber resilience.

January - March 2024

Revenue

Cyber security consulting revenue declined by 5% to EUR 7.6 million (EUR 8.0 million). The decline in revenue was mainly caused by delays of some large customers' cyber security spend in the beginning of the year.

Profitability

Adjusted EBITDA was EUR-0.5 million (EUR -0.8 million). The negative profitability is mainly caused by the low revenue, with the excess capacity decreasing both Gross margin and EBITDA. On the other hand, the cost savings and other efficiency measures carried out during 2023 by WithSecure are partly netting off the negative impact.

Financing, capital structure and capital expenses

(mEUR)	1-3/2024	1-3/2023	Change %	1-12/2023
Cash and cash equivalents	32.3	34.5	-6%	36.6
Financial assets at amortized cost		25.7	100%	
Lease liabilities, non-current	4.8	4.3	13%	4.8
Other loans, non-current	3.6	3.6	2%	3.6
Lease liabilities, current	4.7	5.3	-12%	5.4
Capital expenditure, excl. lease assets	1.6	1.5	6%	5.2
Capitalized development expenses	0.4	0.8	-49%	3.0
ROI, %	-7.1 %	-35.5 %	80%	-30.5 %
Equity ratio, %	77.1 %	78.3 %	-2%	73.3 %
Gearing, %	-18.9 %	-36.0 %	48%	-22.2 %

Liquidity remained at a solid level, but the operative loss and annual payments for incentives and restructuring expenses have impacted the cash flow. At the end of the quarter, the company had liquid assets in total of EUR 32.3 million (EUR 34.5 million) and an unused EUR 20 million revolving credit facility (RCF). Cash and cash equivalents include cash in bank accounts and short-term investments in money market instruments with maturity of less than three months.

Market overview

Digital services are an essential component of society that must always work. Disruptions of the digital services can cause serious damage to society, the well-being of its members, and business operations. The war in Ukraine and the global geopolitical tensions have caused some exceptional consequences to the cyber security landscape, such as highly visible governmental activities, as well as organized civilian response. New situations can lead to uncontrolled cyber security threats that can be difficult to predict. In the new era of greater uncertainty, cyber resilience of organizations has become more important than ever. While advanced cyber-attacks on large enterprises continue, criminals are also targeting smaller businesses and supply chains by taking advantage of vulnerabilities in popular software as well as compromised credentials. Apart from activities carried out by criminals, governments can also use vulnerabilities and malware for surveillance purposes.

With the increasingly complex IT environments and new ways of working, such as remote work and bring-your-own-device, the attacks are evolving towards difficult-to-detect fileless techniques and identity based attacks, rather than malware deployment. Attacks against organizations can go undetected for months, and widespread security skills shortage is holding back organizations' readiness to detect and respond to cyber-attacks. These trends are expected to continue to drive an increasing demand for detection and response products and services. As part of improved cyber resilience, threat exposure management is becoming more important than ever to proactively reduce the digital attack surface. As organizations are shifting to cloud, they seek managed security services and cloud-based delivery models to

help them protect hybrid workforce and increased use of cloud services.

It is also becoming increasingly important that the selected cyber security solutions consolidate point solutions into security platforms, integrate with the existing solutions, and ensure visibility across entire IT and cloud environments. Organizations are increasingly turning into outsourcing of security capabilities to address skills and resource shortages, while stricter position on data protection and new regulation, particularly in Europe, is driving the demand of alternatives to globally delivered managed security services. This will increase the need for proven services from established cyber security vendors, who can respect the data restrictions and regulations of a particular region.

As artificial intelligence (AI) continues to advance, both defenders and attackers are expected to employ more sophisticated techniques, shaping the landscape of cyber threats. AI-based cyber threats will refer to malicious activities where AI techniques are used to exploit vulnerabilities in computer systems. This includes the use of AI algorithms to automate and enhance various cyber attacks. Examples of AI-based threats include advanced phishing attacks using machine learning to create convincing email content, automated and adaptive malware that evolves to evade traditional defences, and AI-driven social engineering attacks that leverage sophisticated algorithms to manipulate human behaviour.

AI will also significantly impact cybersecurity by enhancing threat detection, automating response mechanisms, and improving overall defence

strategies. Machine learning algorithms can analyse vast amounts of data to identify patterns and anomalies, enabling quicker identification of potential threats. Additionally, AI-driven tools enhance the efficiency of cybersecurity professionals by automating routine tasks and providing real-time insights, ultimately strengthening the resilience of digital systems against evolving cyber threats.

Organization and leadership

Personnel

At the end of the quarter, WithSecure had 996 employees, which shows a net decrease of 91 employees (8%) since the previous quarter-end (1,087 on Q4 2023), and a net decrease of 249 employees (-20%) compared to the end of March 2023 (1,245). The change during the first quarter of 2024 is partly due to restructuring and other savings, and partly due to normal attrition.

Global Leadership team

At the end of the quarter, the composition of the Global Leadership Team was the following:

Juhani Hintikka (President and CEO), Christine Bejerasco (Chief Information Security Officer), Lasse Gerdt (Chief Customer Officer), Charlotte Guillou (Chief People Officer), Tom Jansson (Chief Financial Officer), Antti Koskela (Chief Product Officer), Scott Reininga (EVP, Consulting), Tiina Sarhimaa (Chief Legal Officer) and Ari Vanttinen (Chief Marketing Officer).

Shares, Shareholders' Equity, Own Shares

WithSecure has one share class. At the end of the first quarter the total number of shares was 176,098,739. Of this, 176,016,849 were outstanding and 81,890 were held by the company.

In the first quarter, 9.2 million (18.6 million) of WithSecure shares were traded on Nasdaq Helsinki. The highest trading price was EUR 1.25 (1.74), and the lowest price was EUR 0.98 (1.28). The volume weighted average price of WithSecure shares in the first quarter of 2024 was EUR 1.09 (1.49).

The share's closing price on the last trading day of the quarter, 29 March 2024, was EUR 1.06 (1.53). Based on that closing price, the market value of the company's shares, excluding the treasury shares held by the company, was EUR 187.3 million (EUR 268.1 million).

The company has market-based long-term share-based incentive programs for key employees. Information about the programs is disclosed in [Note 3](#) (Share-based payments) and Annual Report of 2023.

Annual General Meeting

The Annual General Meeting (AGM) of WithSecure Corporation was held on 20 March 2024. The meeting confirmed the financial statements for the financial year 2023 and reviewed the remuneration report for governing bodies. The members of the Board and the President and CEO were discharged from liability.

The meeting approved the proposal of the Board of Directors that no dividend will be paid for the financial year 2023 due to the loss-making net result of the year. The company will focus on funding its growth and developing the business.

The AGM decided that the annual remuneration of the Board of Directors will remain unchanged: EUR 80,000 for the Chair of the Board of Directors, EUR 48,000 for the Committee Chairs, EUR 38,000 for the members of the Board of Directors, and EUR 12,667 for the member of the Board of Directors employed by the Company. Approximately 40% of the compensation will be paid in company shares.

The AGM decided that the number of Board members shall be seven. The following current Board members were re-elected: Risto Siilasmaa, Tuomas Syrjänen, Kirsi Sormunen and Ciaran Martin. Amanda Bedborough, Niilo Fredrikson and Harri Ruusinen who belongs to the personnel of WithSecure Corporation, were elected as new members of the Board of Directors.

The Board elected Risto Siilasmaa as the Chair of the Board. Tuomas Syrjänen was nominated as the Chair of the Personnel Committee and Risto Siilasmaa and Niilo Fredrikson as members of the

Personnel Committee. Kirsi Sormunen was nominated as the Chair of the Audit Committee and Ciaran Martin, Amanda Bedborough and Harri Ruusinen were nominated as members of the Audit Committee.

Audit firm PricewaterhouseCoopers Oy was re-elected as Auditor of the Company. Mr. Jukka Karinen, APA, acts as the responsible auditor.

The sustainability audit firm PricewaterhouseCoopers Oy was elected as the Company's sustainability auditor. Mr. Jukka Karinen, ASA, will act as the responsible sustainability auditor.

The AGM authorised the Board of Directors to resolve upon the repurchase of a maximum of 17,609,870 of the Company's own shares in total. The maximum amount equals to approximately 10% of all the shares in the Company, in one or several tranches with the Company's unrestricted equity.

The AGM authorised the Board of Directors to resolve on the issuance of a maximum of 17,609,870 shares in total through a share issue as well as by issuing options and other special rights entitling to shares pursuant to chapter 10, section 1 of the Companies Act in one or several tranches. The maximum number of shares corresponds to 10% of all shares in the Company. The authorisation concerns both the issuance of new shares and the transfer of treasury shares held by the Company.

Full disclosure of the AGM resolutions, as well as the organizing meeting of the Board of Directors held on the same day, has been provided in the Stock Exchange release of 20 March 2024.

Risks and uncertainties

WithSecure operations are subject to risks and uncertainties that can impact the business performance, profitability, financial position, market share, reputation, share price or the achievement of its short-term and long-term objectives. The risks and uncertainties described here should not be considered as an exhaustive list.

The objective of WithSecure risk management is to identify various risks that could have an impact on the business, and to implement appropriate measures to mitigate the risks. In assessing the risks, WithSecure considers both the probability and the potential impact of each risk, as well as the resources required to manage and mitigate the risk. Ensuring business continuity in all situations is an essential part of the risk management. WithSecure risk management principles and process are described in the Corporate Governance Statement of 2023.

Risks related to cyber security market

Market consolidation

The cyber security market is scattered to many providers of software and services. The large market participants are investing heavily in the development of embedded security and winning market share. Market consolidation is considered a likely development. WithSecure must succeed in its chosen strategy as well as in finding the right acquisition targets, and in integrating the acquired companies into its operations. As one of the smaller players in the market, the company must always keep itself relevant to the customers, by ensuring both up to date technology and good quality, timely services.

Geopolitical risks

Geopolitical uncertainties, such as the war in Ukraine, have significantly increased the risk of unexpected disruptions of the world economy and security stability. Likelihood of acts of terror impacting societal infrastructures has increased with this development. Any such events could also impact WithSecure's ability to run its business. The increasing activity of nation-state cyber criminals will continue to impose business interruptions also during 2024.

For corporate responsibility reasons, WithSecure is not conducting business with any Russian or Belarussian parties, even in cases where it would be permitted by the export control regulations.

WithSecure operates in different countries and is therefore exposed to country risks of each location. Changing circumstances and regulation in different operating countries is exposing WithSecure to risks, such as unfavourable tax treatment or export controls.

Environmental risks

As part of the sustainability materiality analysis, WithSecure has assessed the impact of the environmental risks, especially climate change, on its business. The company is a provider of software and services, and as such not significantly impacted by the environmental risks. Business continuity planning covers scenarios related to unavailability of resources due to natural disasters or other hazards.

Risks related to WithSecure operations and products

Attracting and retaining talent

Unavailability of skilled personnel may result in inability of providing high-quality products and services to customers. Competition for skilled personnel is increasing and there is structural undersupply of talent in the cyber security industry. WithSecure is continuously developing and adopting new ways of recruitment, building its own talent and knowledge pools, and investing in training and development of personnel.

Partners

WithSecure's cyber security products and services market model is vastly depending on functioning partner channel and network. It is critical for WithSecure to ensure it has the right partners in the regions and that the partners receive the needed support and that WithSecure's cyber security offering is made available according to the local demand. Not being able to serve the needs of the partners needs could result to negative impact on WithSecure's business performance.

Product risks

WithSecure operates in a highly competitive market. Cybercrime is growing fast and becoming more innovative and professional. Large vendors make significant investments in their development and marketing activities, while new vendors are emerging in the market, and the operating system manufacturers are increasing their focus on built-in security features.

WithSecure must succeed in maintaining in-depth understanding of cyber security threat landscape, following the hacker techniques and technologies, as well as continuing to innovate in defensive technologies. Investments in new technologies and products come with the risk of not meeting the future requirements of the market. Agile methods are applied by WithSecure to ensure that its decisions regarding future technologies are aligned with the best information and expectations of the market developments.

Cyber security incident

Exposure to cyber security incidents threatens the confidentiality, integrity, and availability of WithSecure products and services, and their mitigation is considered as high priority in all parts of the company. WithSecure builds cyber resilience by continuously improving its capability to identify, protect, detect, and respond to relevant threats. Continuous efforts are taken to protect sensitive data of the company and its customers.

Intellectual property rights (IPR)

WithSecure protects its technologies and innovations through copyrights, patents, trademarks, and technology partnerships. While WithSecure uses all available protection mechanisms, the businesses are exposed to risks relating intellectual property claims, particularly in the US markets.

Financial risks

Inflation and interest rates

Cost inflation in the countries where WithSecure operates increases the risk for negative development of the cost structure. This is monitored very

closely, and inflation will also most likely require mitigation actions to retain workforce in the company. Increasing interest rates could limit the possibilities of external funding.

Liquidity risk

As a company still improving its profitability, WithSecure must focus on accurate cash planning and prompt collections to ensure liquidity of all group companies and to avoid needs of short-term financing.

Currency fluctuations

Increasing volume of operations outside the Euro zone in different currencies exposes WithSecure to an increased risk related to currency fluctuations. To mitigate the impact of currency fluctuations on future cash flows, the group can use forward contracts.

Events after period-end

On 8 April 2024, Juhani Hintikka, President and CEO of WithSecure, announced that he steps down from his position in the company. The decision to step down follows the Supreme Court ruling of 5 April 2024 where Juhani Hintikka was found guilty of abuse of inside information related to a matter dating back to 2014, years before he joined WithSecure. The Board of Directors initiated a search process for a new CEO, and appointed Antti Koskela to act as the interim CEO of the company. Antti Koskela has served as a member of the Global Leadership Team and as Chief Product Officer since 2021. He will continue in the latter role in addition to assuming his duties as the interim CEO.

Financial calendar

WithSecure will publish its financial information in 2024 as follows:

- 16 July 2024: Half-Year Report for January–June 2024
- 23 October 2024: Interim Report for January–September 2024

WithSecure observes at least a three-week (21 days) silent period prior to publication of financial reports, during which it refrains from engaging in discussions with capital market representatives or the media regarding WithSecure's financial position or the factors affecting it.

Contact information

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Key ratios and other key figures

PROFITABILITY	1-3/2024	1-3/2023	1-12/2023	CAPITAL STRUCTURE	1-3/2024	1-3/2023	1-12/2023
Revenue	36,237	35,227	142,812	Equity ratio, %	77.1%	78.3%	73.3 %
Gross margin	25,677	24,425	100,192	Gearing, %	-18.9%	-36.0%	-22.2 %
Gross margin, % of revenue	70.9%	69.3 %	70.2 %	Interest bearing liabilities	13,119	13,152	13,736
Operating expenses	-29,314	-41,132	-153,818	Cash and cash equivalents	32,308	34,487	36,604
Operating expenses for adjusted EBITDA	-26,107	-31,050	-117,732				
Other income, adjusted ¹	447	434	1,423	SHARE RELATED	1-3/2024	1-3/2023	1-12/2023
Adjusted EBITDA	-1	-6,191	-16,116	Earnings per share, basic and diluted ¹	-0.01	-0.06	-0.23
Adjusted EBITDA, % of revenue	0.0%	-17.6 %	-11.3 %	Shareholders' equity per share, EUR	0.58	0.74	0.59
EBITDA	80	-10,787	-25,066				
EBITDA, % of revenue	0.2%	-30.6 %	-17.6 %	¹ Earnings per share has been recalculated for comparative periods using average weighted share amount after share issues.			
Adjusted EBIT	-2,383	-8,746	-26,338	OTHER	1-3/2024	1-3/2023	1-12/2023
Adjusted EBIT, % of revenue	-6.6%	-24.8 %	-18.4 %	Capital expenditure, excl. lease assets	1,555	1,466	5,174
EBIT	-2,916	-13,943	-43,891	Capitalized development expenses	395	776	3,007
EBIT, % of revenue	-8.0%	-39.6 %	-30.7 %	Depreciation, amortization and impairment, excl. PPA amortization	-2,382	-2,555	-16,420
ROI, %	-7.1%	-35.5 %	-30.5 %	Depreciation, amortization and impairment	-2,996	-3,157	-18,824
ROE, %	-8.4 %	-32.7 %	-32.9 %	Personnel, average	1,004	1,282	1,191
				Personnel, period end	996	1,245	1,087

¹ Fees charged from F-Secure equivalent to costs under TSA are adjusted from Other income in calculating Alternative Performance Measures in 2023. In addition, changes to fair value of deferred considerations from divestments are treated as adjustments.

Interim Report Q1 2024 table section

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting.

The accounting principles are the same as in the Annual Report 2023, except for the changes in reportable segments (see [Note 2 Segment information](#)). All figures in the following tables are EUR thousands unless otherwise stated. This interim report is unaudited.

Condensed Income statement

Income statement	1-3/2024	1-3/2023	Change %	1-12/2023
Revenue	36,237	35,227	3%	142,812
Cost of revenue	-10,560	-10,802	2%	-42,620
Gross margin	25,677	24,425	5%	100,192
Other operating income ^{1,2}	738	2,763	-73%	9,735
Sales and marketing	-14,467	-18,417	21%	-72,190
Research and development ¹	-10,372	-13,100	21%	-47,254
Administration ^{1,3}	-4,475	-9,615	53%	-34,374
EBIT	-2,916	-13,943	79%	-43,891
Financial net	272	17	1460%	205
Result before taxes	-2,643	-13,926	81%	-43,686
Income taxes	482	2,841	-83%	3,655
Result for the period	-2,161	-11,085	81%	-40,030
Other comprehensive income				
Exchange differences on translating foreign operations	498	554	-10%	1,319
Total other comprehensive income	-1,663	-10,531	84%	-38,712

¹ In 2023 Other operating income includes fees invoiced from F-Secure under Transitional Services Agreement (TSA, EUR 2.3 million in the first quarter and EUR 6.9 million for the full year 2023). Costs related to services provided under TSA are included in operating expenses for Research and Development and Administration (EUR 2.4 million in the first quarter and EUR 6.9 million for the full year 2023).

² Other operating income includes impact of revised deferred consideration from divestment of UK public sector consulting business in 2021(EUR 0.3 million in the first quarter of 2024).

³ Includes consulting goodwill impairment (6.2 million) in 2023.

Earnings per share ¹	1-3/2024	1-3/2023	Change %	1-12/2023
Earnings per share, basic and diluted, EUR	-0.01	-0.06	81%	-0.23

¹ Earnings per share has been recalculated for comparative periods using average weighted share amount after share issues.

Condensed Statement of financial position

Assets	31 Mar 2024	31 Mar 2023	31 Dec 2023	Shareholders' equity and liabilities	31 Mar 2024	31 Mar 2023	31 Dec 2023
Tangible assets	12,578	11,259	13,032	Equity	101,719	130,733	102,980
Intangible assets	17,046	22,832	20,552	Interest bearing liabilities, non-current	8,457	7,853	8,370
Goodwill	81,486	83,506	78,058	Deferred tax liability	1,419	762	1,273
Deferred tax assets	10,604	6,870	10,682	Deferred revenue, non-current	22,300	22,147	20,772
Interest bearing receivables, non-current ¹	5,822	7,154	6,059	Other non-current liabilities	402	332	388
Other receivables	1,064	1,207	1,866	Total non-current liabilities	32,579	31,094	30,804
Total non-current assets	128,600	132,828	130,249	Interest bearing liabilities, current	4,662	5,299	5,366
Accrued income	6,141	6,900	5,577	Trade and other payables	16,218	16,061	18,034
Trade and other receivables	33,549	32,702	31,683	Provisions ¹	769	4,358	3,486
Income tax receivables	1,880	3,264	1,199	Income tax liabilities	798	1,475	620
Interest bearing receivables, current ¹	1,880	1,240	2,074	Deferred revenue, current	47,641	48,125	46,125
Other financial asset at fair value through profit and loss	26	26	26	Total current liabilities	70,089	75,317	73,631
Other financial assets at amortized cost		25,694		Total liabilities and equity	204,385	237,142	207,412
Cash and cash equivalents	32,308	34,487	36,604				
Total current assets	75,785	104,314	77,163				
Total assets	204,385	237,142	207,412				

¹ Provision related to restructuring in Q4 2023.

¹ Interest bearing receivables include receivables related to premises subleased to F-Secure, receivables related to asset transfers in Group subsidiaries due to demerger and receivables from divestments.

Condensed Cash flow statement

	1-3/2024	1-3/2023	1-12/2023		1-3/2024	1-3/2023	1-12/2023
Cash flow from operations				Cash flow from financing activities			
Result for the period	-2,161	-11,085	-40,030	Repayments of lease liabilities	-1,339	-1,496	-6,139
Adjustments	2,420	5,791	15,181	Cash flow from financing activities	-1,280	-1,496	-6,139
Depreciation and amortization	2,996	3,157	18,824	Change in cash	-4,121	-20,323	-17,921
Financial income and expenses	-272	-17	-205	Cash and cash equivalents at the beginning of the period	36,604	55,129	55,129
Income taxes	-482	-2,841	-3,655	Effect of exchange rate changes on cash	-177	-320	-604
Other adjustments	179	5,493	217	Cash and cash equivalents at period end	32,308	34,487	36,604
Cash flow from operations before change in working capital	259	-9,821	-24,849				
Change in net working capital	10	182	1,478				
Change in provisions	-2,717	4,358	3,515				
Cash flow from operating activities before financial items and taxes	-2,448	-5,281	-19,856				
Net financial items and taxes	230	-1,206	-3,206				
Cash flows from operating activities	-2,218	-6,487	-23,063				
Cash flow from investments							
Net investments in tangible and intangible assets	-1,555	-1,451	-5,159				
Divestments of businesses, net of cash	931	697	1,585				
Net cash flow from investments into financial instruments ¹		-11,586	14,854				
Cash flow from investments	-623	-12,340	11,280				

¹ Investments into financial instruments are Group's investments in financial assets measured at amortized cost, such as corporate commercial papers. Investments in short term money market instruments with maturity less than three months are presented as Cash and cash equivalents.

Condensed Statement of changes in shareholders' equity

	Share capital	Unrestricted equity reserve	Treasury shares	Retained earnings	Translation difference	Total
Equity 31 Dec 2022	80	83,638	-155	58,649	-2,124	140,089
Total comprehensive income for the year				-11,085	554	-10,531
Cost of share based payments				1,176		1,176
Equity 31 Mar 2023	80	83,638	-155	48,739	-1,570	130,733
	Share capital	Unrestricted equity reserve	Treasury shares	Retained earnings	Translation difference	Total
Equity 31 Dec 2023	80	83,638	-155	20,222	-805	102,980
Total comprehensive income for the year				-2,161	498	-1,663
Share based payments				401		401
Equity 31 Mar 2024	80	83,638	-155	18,463	-308	101,719

Notes to the interim financial statements

1 Significant exchange rates and sensitivity to exchange rate changes

One Euro is	Average rates			End rates		
	1-3/2024	1-3/2023	1-12/2023	31 Mar 2024	31 Mar 2023	31 Dec 2023
USD	1.0706	1.0706	1.0796	1.0875	1.0875	1.0594
GBP	0.8816	0.8816	0.8703	0.8792	0.8792	0.8646
JPY	142.39	142.39	151.87	144.83	144.83	158.10

Effect of changes in exchange rates on profit before taxes

+/-10 % FX rate change, mEUR	1-3/2024	1-3/2023	1-12/2023
USD	+0,2/-0,3	+0,2/-0,3	+0,2/-0,3
GBP	-0,3/+0,4	-0,3/+0,4	-0,2/+0,3
JPY	+0,0/-0,0	+0,0/-0,0	+0,0/-0,0

Group has forward contracts to hedge internal loan receivable in USD. As of 31.3.2024 the nominal value of the forward contracts was EUR 3 million and the market value was EUR 0.

2 Segment information

From 1 January 2024 onwards, WithSecure Group reports three segments: Elements Company, Cloud Protection for Salesforce (CPSF) and Cyber security consulting. The operating segments are reported in a manner consistent with the internal reporting provided to the Group Leadership Team, which has been identified as WithSecure's chief operating decision maker being responsible for allocating resources and assessing performance of the operating segments as well as deciding on strategy. The Group Leadership Team assesses the profitability of segments principally on the basis of adjusted EBITDA.

Elements Company segment includes Elements Cloud products and services, on-premise products, managed services (including Countercept Managed Detection and Response, MDR), and Other products. Elements Company revenue is presented separately for Cloud, On-premise and Other products.

Cloud Protection for Salesforce (CPSF) segment includes revenue from the CPSF product. It is a software product, ensuring scanning of external content for potential malware, before it is loaded into Salesforce. Customers are primarily enterprise-sized companies, with extensive use of Salesforce platforms.

Cyber security consulting segment includes only the consulting services sold to large, enterprise customers. Incident response services and other minor consulting products have been transferred to the Elements segment.

Revenue by segment	1-3/2024	1-3/2023	1-12/2023
Elements Company	26,587	25,197	101,143
Elements Cloud	20,627	18,737	76,132
On-premise	5,765	6,352	24,356
Other	196	107	656
Cloud Protection for Salesforce	2,020	2,034	8,299
Cyber security consulting	7,630	7,997	33,370
Total revenue	36,237	35,227	142,812

Gross margin by segment	1-3/2024	1-3/2023	1-12/2023
Elements Company	21,125	19,760	79,609
<i>% of revenue</i>	79.5%	78.4%	78.7%
Cloud Protection for Salesforce	1,675	1,591	6,133
<i>% of revenue</i>	82.9%	78.2%	73.9%
Cyber security consulting	2,877	3,075	14,449
<i>% of revenue</i>	37.7%	38.4%	43.3%
Total gross margin	25,677	24,424.85	100,192

Adjusted EBITDA by segment	1-3/2024	1-3/2023	1-12/2023
Elements Company	961	-4,263	-10,906
<i>% of revenue</i>	3.6%	-16.9%	-10.8%
Cloud Protection for Salesforce	-442	-1,140	-4,627
<i>% of revenue</i>	-21.9%	-56.0%	-55.8%
Cyber security consulting	-520	-788	-584
<i>% of revenue</i>	-6.8%	-9.9%	-1.8%
Total adjusted EBITDA	-1	-6,191	-16,116

Revenue by geographical area	1-3/2024	1-3/2023	1-12/2023
Nordic countries	10,922	10,811	39,781
Rest of Europe	16,882	15,820	67,733
North America	3,349	2,983	14,025
Rest of the world	5,084	5,614	21,273
Total revenue	36,237	35,227	142,812

3 Share-based payments

During the period Group has had share-based incentive plans covering management and the key personnel of the Group and a share savings plan available to all employees as described below. The programs have been established as part of incentive and retention system within WithSecure. The programs offer the participants a possibility to receive WithSecure shares as an incentive reward if the financial targets set for the earning period have been achieved. No reward can be given to a participating employee whose employment has terminated before the end of the lock-up period. WithSecure's current plans consist of Performance Share Plans, Restricted Share Plans, a Performance Matching Share Plan and an Employee Share Savings Plan. For further information regarding these programs, please refer to [WithSecure Remuneration Report 2023](#).

In March 2024, the Board of Directors of WithSecure Corporation has decided on a new Performance Share Plan for the years 2024–2026. The new plan will commence in 2024 and the performance criterion for this plan will be WithSecure's revenue growth over the 3-year performance period. The aggregate maximum number of share rewards to be paid in the first half of 2027 is approximately 6,600,000 shares. This number of shares represents gross earning, from which the applicable payroll tax is withheld, and the remaining net value is paid in shares to the key employees participating in the plan. The plan is offered to the management and selected key employees of WithSecure.

Also in March 2024, the Board of Directors of WithSecure Corporation has decided on a new Restricted Share Plan for the years 2024–2026. The aggregate maximum number of shares which may become payable based on RSP 2024–2026 in the first half of 2027 is 500,000 shares. The amount of shares represents gross earnings, from which the applicable payroll tax is withheld, and the remaining net value is paid to the participants in shares. If the individual's employment with WithSecure terminates before the payment date of the share reward, the individual is not, as a main rule, entitled to any reward based on the plan.

4 Intangible and tangible assets

	31 Mar 2024	31 Mar 2023	31 Dec 2023
Book value at the beginning of the financial year	111,642	117,266	117,266
Additions	2,851	3,773	14,003
Disposals	-1,526	-852	-2,216
Depreciation and amortization	-2,996	-3,157	-12,626
Impairment			-6,198
Translation differences	1,139	566	1,413
Book value at the end of the period	111,110	117,597	111,642

From 1 of January 2024 onwards, goodwill has been re-allocated to the CGU's of the new reporting structure as below:

	31 Mar 2024	1 Jan 2024
Elements company	36,571	35,032
Cyber security consulting	44,916	43,026
Total	81,486	78,058

Goodwill was previously allocated as follows:

	31 Dec 2023
MDR	26,844
Consulting	51,214
Total	78,058

5 Fair value measurement of financial assets and liabilities

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

Level 1: Fair values of financial instruments are based on quoted prices in active markets for identical assets and liabilities.

Level 2: Financial instruments are not subject to trading in active and liquid markets. The fair values of financial instruments can be determined based on quoted market prices and deduced valuation.

Level 3: Measurement of financial instruments is not based on verifiable market information, and information on other circumstances affecting the value of the instruments is not available or verifiable.

	Fair value hierarchy	31 Mar 2024	31 Mar 2023	31 Dec 2023
Financial assets at fair value through profit or loss				
Current				
Investments in unlisted shares	Level 3	26	26	26
Financial assets at amortized cost				
Non-current				
Interest bearing receivables	Level 3	5,822	7,154	6,059
Current				
Interest bearing receivables	Level 3	1,880	1,240	2,126
Trade receivables	Level 2	23,356	20,975	25,237
Corporate commercial papers	Level 2		25,694	
Cash and cash equivalents		32,308	34,487	36,604
Total		63,393	89,577	70,052

	Fair value hierarchy	31 Mar 2024	31 Mar 2023	31 Dec 2023
Financial liabilities at amortized cost				
Non-current				
Interest bearing liabilities				
Other loans	Level 3	3,624	3,569	3,554
Current				
Trade and other payables		3,234	2,804	3,376
Total		6,858	6,373	6,931

Contractual maturities of financial liabilities	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Total contractual cash flows	Carrying amount
Lease liabilities	4,628	1,780	1,660	1,210	218	9,496	9,496
Other loans		1,419				1,419	1,419
Total financial liabilities	4,628	3,200	1,660	1,210	218	10,915	10,916

On 31.3.2024 EUR 12.0 million of Group cash assets were invested in short term deposits for maturity of maximum 3 months. These deposits are included in the balance for Cash and cash equivalents, and their fair value is equivalent to their carrying value.

Interest bearing receivables include receivables related to premises subleased to F-Secure, receivables related to the deferred consideration and receivables related to asset transfers in Group subsidiaries in relation to demerger.

Other loans are liabilities related to asset transfers in Group subsidiaries in relation to the demerger.

6 Reconciliation of alternative performance measures

WithSecure has included certain non-IFRS based alternative performance measures (APM) in financial reporting. Alternative performance measures are provided to reflect the underlying business performance, and to exclude certain non-operational or non-cash valuation items affecting comparability (IAC). The aim is to improve comparability, and alternative performance measures should not be regarded as substitutes for IFRS based measures. Alternative performance measures include EBITDA, adjusted EBITDA and adjusted EBIT.

	1-3/2024	1-3/2023	1-12/2023
Adjusted EBITDA	-1	-6,191	-16,116
Adjustments to EBITDA			
Other items	-653	-138	-1,441
Restructuring	442	-4,527	-8,881
Divestments	291	69	1,372
Income for costs under TSA		-2,260	6,939
Costs of services under TSA		2,260	-6,939
EBITDA	80	-10,787	-25,066
Depreciation, amortization and impairment losses	-2,996	-3,157	-18,824
EBIT	-2,916	-13,943	-43,891

Depreciations, amortization and impairments are excluded from EBITDA. Adjusted EBITDA and adjusted EBIT exclude also IACs which are material items outside the normal course of business. These items are associated with acquisitions, integration costs, gains and losses from the sale of businesses and other items affecting comparability. During Transitional Services Agreement (TSA) in 2023, Group's operating expenses included costs of services provided to F-Secure. These costs together with income equivalent to the costs were excluded from APMs.

	1-3/2024	1-3/2023	1-12/2023
Adjusted EBIT	-2,383	-8,746	-26,338
Adjustments to EBIT			
PPA amortization	-614	-601	-2,404
Impairment			-6,198
Other items	-653	-138	-1,441
Restructuring	442	-4,527	-8,881
Divestments	291	69	1,372
Income for costs under TSA		2,260	6,939
Costs of services under TSA		-2,260	-6,939
EBIT	-2,916	-13,943	-43,891

Classification of adjusted costs in operating expenses

	Operating Expenses Q1 2024	Restructuring	Other items	Expenses for adjusted EBIT	Depreciation	PPA amortization	Operating Expenses for Adjusted EBITDA Q1 2024
Sales and marketing	-14,467			-14,467	951		-13,515
Research and development	-10,372			-10,372	1,251		-9,121
Administration	-4,475	-442	653	-4,265	180	614	-3,471
Operating expenses	-29,314	-442	653	-29,103	2,382	614	-26,107

	Operating Expenses Q1 2023	Costs under TSA	Restructuring	Other items	Expenses for adjusted EBIT	Depreciation	PPA amortization	Operating Expenses for Adjusted EBITDA Q1 2023
Sales and marketing	-18,417				-18,417	1,013		-17,404
Research and development	-13,100	1,687			-11,414	1,356		-10,058
Administration	-9,615	574	4,527	138	-4,376	186	601	-3,588
Operating expenses	-41,132	2,260	4,527	138	-34,206	2,555	601	-31,050

	Operating Expenses 1-12/2023	Costs under TSA	Restructuring	Other items	Expenses for adjusted EBIT	Depreciation	Impairment	PPA amortization	Operating Expenses for Adjusted EBITDA 1-12/2023
Sales and marketing	-72,190				-72,190	4,112			-68,078
Research and development	-47,254	5,582			-41,673	5,324			-36,349
Administration	-34,374	1,358	8,881	1,441	-22,693	786	6,198	2,404	-13,305
Operating expenses	-153,818	6,939	8,881	1,441	-136,556	10,222	6,198	2,404	-117,732

Classification of adjusted income in other operating income

	Other operating income	Income for costs under TSA	Divestments	Other income for adjusted EBITDA
Other operating income, 1-3/2024	738		-291	447
Other operating income, 1-3/2023	2,763	-2,260	-69	434
Other operating income, 1-12/2023	9,735	-6,939	-1,372	1,423

Calculation of key ratios

Equity ratio, %	$\frac{\text{Total equity}}{\text{Total assets - deferred revenue}}$	x 100
ROI, %	$\frac{\text{Result before taxes + financial expenses}}{\text{Total assets - non-interest bearing liabilities (average)}}$	x 100
ROE, %	$\frac{\text{Result for the period}}{\text{Total equity (average)}}$	x 100
Gearing, %	$\frac{\text{Interest bearing liabilities - cash and cash equivalents and liquid financial assets}}{\text{Total equity}}$	x 100
Earnings per share, euro	$\frac{\text{Profit attributable to equity holders of the company}}{\text{Weighted average number of outstanding shares}}$	
Shareholders' equity per share, euro	$\frac{\text{Equity attributable to equity holders of the company}}{\text{Number of outstanding shares at the end of period}}$	
P/E ratio	$\frac{\text{Closing price of the share, end of period}}{\text{Earnings per share}}$	
Dividend per earnings (%)	$\frac{\text{Dividend per share}}{\text{Earnings per share}}$	x 100
Effective dividends (%)	$\frac{\text{Dividend per share}}{\text{Closing price of the share, end of period}}$	x 100
Operating expenses	Sales and marketing, research and development and administration costs	
EBITDA	EBIT + depreciation, amortization and impairment	
Adjusted EBITDA	EBITDA +/- items affecting comparability	
Adjusted EBIT	EBIT +/- items affecting comparability	
Annual Recurring Revenue (ARR)	Monthly Recurring Revenue of last month of the quarter x 12	
Monthly Recurring Revenue (MRR)	Recognized revenue within the month excluding non-recurring revenues	
Net Revenue Retention (NRR)	100 % x (MRR of last month of the quarter/MRR of same month last year for the same customers). NRR includes expansion revenue, downgrades and customer churn.	



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