Interim Report
1 January - 31 March 2022

Revenue growth in all businesses, Consumer Security business demerger progressing

WITH secure

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WithSecure Board of Directors announced on 17 February 2022 its decision to pursue towards the separation of its Consumer Security business through a partial demerger. It is planned that the Consumer Security business will be transferred into a new independent company to be named F-Secure Corporation ("**F-Secure**"). WithSecure will continue the Corporate Security business under the new name ("**WithSecure**"). Reflecting the progress of the demerger plans, WithSecure is presenting consumer security business as Discontinued operations under IFRS 5 from first quarter of 2022. Previous quarters' income statements are restated accordingly. In this interim report, certain performance indicators are presented on a Combined operations basis, including both WithSecure (Continuing operations) and F-Secure (Discontinued operations).

Figures in this report are unaudited. Figures in brackets refer to the corresponding period in the previous year, unless otherwise stated. Comparative period figures related to income statement have been restated due to application of IFRS 5. Percentages and figures presented herein may include rounding differences and therefore may not add up precisely to the totals presented.

Highlights of January–March (Q1)

WithSecure (Continuing operations)

- Revenue of WithSecure increased by 3% to EUR 32.4 million (EUR 31.5 million)
  - Revenue from cloud-native corporate security solutions[1)] increased by 29% to EUR 15.2 million (EUR 11.8 million)
  - Revenue from on-premise corporate security solutions decreased by 7% to EUR 7.1 million (EUR 7.7 million)
  - Revenue from cyber security consulting decreased by 17% EUR to 10.0 million (EUR 12.0 million). Comparable revenue excluding divestments remained at previous year's level
- Annual recurring revenue (ARR)[2)] of cloud-native corporate security solutions grew by 36% to EUR 64.1 million (EUR 47.0 million). ARR growth from previous quarter was 5%
- Estimated comparable EBITDA[3)] of WithSecure decreased to EUR –5.2 million (EUR –1.5 million)
- Items affecting comparability (IAC) for Adjusted EBITDA were EUR –4.4 million (EUR 0.0)

F-Secure (Discontinued operations)

- Revenue of F-Secure increased by 4% to EUR 27.4 million (EUR 26.3 million)
  - Revenue from partner channel increased by 4% to EUR 21.7 million (EUR 20.8 million)
  - Revenue from direct channel increased by 3% to EUR 5.7 million (EUR 5.5 million)
- Estimated comparable EBITDA[3)] of F-Secure increased by 17% to EUR 13.0 million (EUR 11.2 million)
- Items affecting comparability (IAC) for Adjusted EBITDA were EUR –2.7 million (EUR 0.0)
- Rule of 40[4)] metric exceeded, as the figure was 52%

Combined operations

- Revenue for Combined operations increased by 3% to EUR 59.7 million (EUR 57.8 million); on comparable basis the revenue growth was 8%
- Adjusted EBITDA for Combined operations decreased by 18% to EUR 7.9 million (EUR 9.6 million)
- Earnings per share (EPS) were EUR –0.02 (EUR 0.03)
- Cash flow from operating activities before financial items and taxes was EUR 1.1 million (EUR 6.3 million)

[1)] Corporate security products excluding on-premise (Business Suite). Cloud Portfolio includes Elements Cloud, Cloud Protection for Salesforce and Countercept.

[2)] Annual recurring revenue (ARR) of corporate security 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 revenues.

[3)] For explanation of the Estimated comparable EBITDA, see paragraph in the end of Highlights section.

[4)] Rule of 40 is calculated as the sum of Estimated comparable EBITDA margin and revenue growth rate.

Estimated comparable EBITDA

Starting from the first quarter of 2022, future F-Secure financials are presented as Discontinued operations according to IFRS 5 standard, reflecting the status of the demerger process. The operating expenses are split according to actual ownership of assets, liabilities and resources after the de-merger. The resulting figures do not fully reflect the profitability of either business on a stand-alone basis. 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 between periods. It excludes (for Discontinued operations: includes) activities related to research and development, and cost of facilities held by WithSecure. Comparative periods are adjusted accordingly. For a full bridge between the different performance measures, please refer to Note 6 Reconciliation of alternative performance measures.

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

Outlook

WithSecure will share more specific outlook for 2022 later when the demerger process has progressed further.

Medium term financial targets (unchanged)

Medium term financial targets for the corporate security business WithSecure:

- Growth Target: To double revenue organically by the end of 2025
- Profitability Target: Adjusted EBITDA break-even by the end of 2023 and adjusted EBITDA margin of some 20% by 2025

Medium term financial targets for the consumer security business F-Secure:

- Growth Target: High single digit organic revenue growth
- Profitability Target: After initial growth investments, adjusted EBITA margin of above 42%

CEO Juhani Hintikka

WithSecure started the first quarter of 2022 with growing orders and revenue in both corporate security and consumer security businesses. Starting from this quarter, the consumer security profitability figures are presented separately, reflecting the progress of our demerger plans.

Annual recurring revenue (ARR) for our cloud-native corporate security products grew by 36% to EUR 64 million (EUR 47 million). Increasing number of customers are expanding the scope of their cyber security solutions to include more than one of the products of WithSecure Elements portfolio.

The Managed Detection and Response (MDR) continued strong growth and ended the quarter with a landmark contract with a Fortune 500 customer. In the first quarter, the growth was particularly strong in Germany, Finland and the US, but we are also seeing good progress in other European markets.

We are also pleased with the significantly increasing demand of Cloud Protection for Salesforce, especially among the US and Japanese Salesforce users.

In summary, our journey towards a SaaS (Security-as-a-Service) company is progressing well: cloud-native corporate security products are now representing nearly 50% of WithSecure's corporate security revenue.

Revenue from our cyber security consulting decreased slightly. Comparability is impacted by the divestments of the UK public sector consulting in December 2021, as well as the divestment of our subsidiary in South Africa in February 2022. On a comparable basis, the cyber security consulting remained at previous year's level. The demand for the Cyber Security Consulting is currently strong and we are working hard with recruiting and in-house activities to enable growth through developing our pool of experts for our clients' needs.

Consumer security continued good performance with a 4% revenue growth. In the end of the first quarter, we started to roll out the new user interface through the partner channel, combining all products seamlessly into one application. The increased demand for TOTAL offering will enable growth from increased average revenue per user, which is a key lever in F-Secure's growth strategy.

We are following with shock and sadness the war in Ukraine. It is likely to have long, profound impacts on many areas of life. One of its consequences is an increased awareness of the importance of cyber security.

> "Our plan to separate consumer security business through a partial demerger, as announced in February, has progressed as planned."

I would like to thank all our WithSecure colleagues who have been supporting Ukraine by either hosting refugees or in other ways.

Our plan to separate consumer security business through a partial demerger, as announced in February, has progressed as planned. Based on the decision by the Annual General Meeting on 16 March, company's name was changed from F-Secure to WithSecure, followed by a successful launch of a new WithSecure™ brand. In March, we also completed an equity issue of EUR 77 million, demonstrating the trust that the investors have in our growth strategy and plans on future. The demerger is still subject to approval by an Extraordinary General Meeting (EGM) on 31 May. The planned completion of the demerger is on 30 June, and trading on the consumer security company F-Secure's shares is expected to start on 1 July.

CEO Juhani Hintikka

Financial performance

EUR m	1–3/2022	1–3/2021	Change %	1–12/2021
WithSecure (Continuing operations)				
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
Cost of revenue	–11.1	–10.1	10%	–41.5
Gross Margin	21.3	21.4	–1%	88.5
of revenue, %	65.8%	68.0%		68.1%
Other operating income	0.5	0.4	6%	2.5 [1]
Operating expenses [1]	–28.7	–24.9	15%	–107.6
Sales & Marketing	–18.8	–16.1	17%	–68.0
Research & Development	–7.9	–6.5	22%	–28.5
Administration	–2.0	–2.3	–17%	–12.7
Adjusted EBITDA [2]	–6.9	–3.2	118%	–17.2
of revenue, %	–21.4%	–10.1%		–13.3%
Items affecting comparability (IAC)				
Divestments	–3.1			0.5
Strategy	–1.3			
EBITDA	–11.4	–3.2	257%	–16.7
of revenue, %	–35.1%	–10.1%		–12.8%
Depreciation & amortization, excluding PPA [3]	–2.5	–2.4	7%	–9.6
Impairment				–1.0
PPA amortization	–0.7	–0.8	–10%	–2.8
EBIT	–14.6	–6.3	131%	–30.1
of revenue, %	–45.0%	–20.0%		–23.2%
Estimated comparable EBITDA	–5.2	–1.5	–247%	–11.3
of revenue, %	–16.1%	–4.8%		–8.7%
Adjusted EBIT [2]	–9.4	–5.5	70%	–26.8
of revenue, %	–29.2%	–17.6%		–20.6%
Deferred revenue	67.9	63.5	7%	66.4

[1] Excluding Items Affecting Comparability (IAC) and depreciation and amortization

[2] Adjustments 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. Reconciliation and a breakdown of adjusted costs is in note 6 of the Table Section of this report.

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

EUR m	1–3/2022	1–3/2021	Change %	1–12/2021
F-Secure (Discontinued operations)				
Revenue	27.4	26.3	4%	106.3
Partner channel	21.7	20.8	4%	84.2
Direct channel	5.7	5.5	3%	22.1
Adjusted EBITDA	14.8	12.8	15%	53.7
of revenue, %	54.0%	48.7%		50.6%
Items affecting comparability (IAC)				
Strategy	2.7			4.3
EBIT	11.6	12.4	–6%	47.8
of revenue, %	42.5%	47.3%		45.0%
Estimated comparable EBITDA	13.0	11.2	16%	47.8
of revenue, %	47.5%	42.6%		45.0%
Deferred revenue	20.2	20.5	–1%	19.7
Combined operations (including Continuing and Discontinued operations)				
Revenue	59.7	57.8	3%	236.3
Adjusted EBITDA	7.9	9.6	–18%	36.5
of revenue %	13.1%	16.7%		15.4%
Earnings per share, (EUR) [4)]	–0.02	0.03	–173%	0.08
Dividend, EUR per share				
Deferred revenue	88.1	84.0	5%	86.1
Cash flow from operations before financial items and taxes	1.1	6.3	–82%	38.7
Cash and financial assets at fair value through P&L	121.5	47.1	158%	53.0
ROI, %	–6.2%	22.5%		15.6%
Equity ratio, %	73.4%	54.0%		59.5%
Gearing, %	–53.7%	–14.2%		–25.8%
Personnel, end of period	1,589	1,670	–5%	1,656

[4)] Based on the weighted average number of outstanding shares during the period 161,314,834 (1–3/2022).

Highlights

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Market overview

Digital networks are becoming an essential component of society that must always work. Disruptions of the digital network can cause serious damage to the society and well-being of its members.

The war in Ukraine has caused some exceptional consequences to the cyber security landscape, such as highly visible governmental activities, as well as organized civilian response to the war efforts. New situations can lead to uncontrolled cyber security threats that can be difficult to predict.

While advanced cyber-attacks on visible targets are becoming more common and persistent, criminals are also targeting companies of all sizes along with consumers by taking advantage of vulnerabilities in popular software, both traditional and new connected devices as well as online services. Apart from pure criminal activity, governments can use vulnerabilities and malware for surveillance purposes.

Attacks against corporations can go undetected for months. It is estimated that the demand for both Endpoint Detection and Response (EDR) solutions and WithSecure Managed Detection and Response, (MDR) product will continue to increase rapidly. The new detection and response capabilities are supplementing existing endpoint protection solutions (EPP), Overall, as organizations are increasingly adopting cloud services, they seek managed security services and cloud-based delivery to help them maintain control of their security.

The consumer security software market continues to be impacted by the changing device landscape, app stores and online sales overall. Overall, the number of connected smart home devices is growing very rapidly, and as a result, telecommunication operators are investing heavily in upgrading connectivity and introducing new security related services into their offerings. As consumers become increasingly aware of the threats to their privacy and security, they seek to buy more comprehensive solutions to secure their digital lives.

January–March 2022

WithSecure (Continuing operations)

Revenue

Revenue for WithSecure in January–March increased by 3% to EUR 32.4 million (EUR 31.5 million).

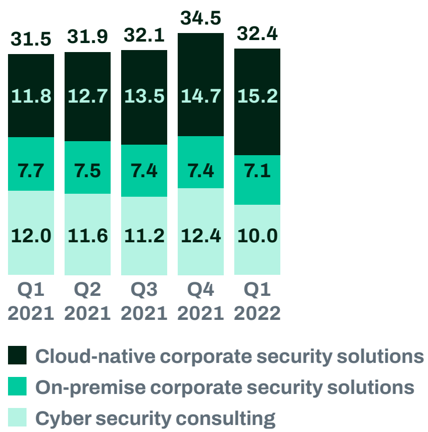
Cloud-native corporate security

Revenue from **cloud-native corporate security products** increased by 29% to EUR 15.2 million (EUR 11.8 million)

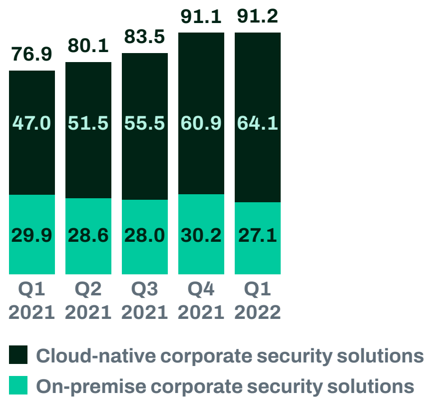
Annual recurring revenue (ARR)[5] of cloud-native corporate security products grew by 36% to EUR 64.1 million (EUR 47.0 million). ARR growth from previous quarter was 5%

[5] Annual recurring revenue (ARR) of corporate security 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 revenues.

Revenue split (WithSecure), MEUR



Annual Recurring Revenue (WithSecure), MEUR



Growth of the corporate security products is driven by the customers expanding their EPP (Endpoint Protection Platform) to cover other products available through the Elements platform, most typically the EDR (Endpoint Detection and Response). Cloud Protection for Salesforce revenue has significantly grown year-on-year, due to both new customers and excellent retention rates. Revenue is growing in all major geographic areas.

Both revenue and orders from Managed Detection and Response (MDR) continued a strong growth year-on-year. First quarter was successful in achieving agreements with significant new customers, leading to growth in recurring revenue. Finland, Germany and the US have been the strongest drivers of growth in the first quarter.

On-premise corporate security

Revenue from **on-premise corporate security products** decreased by 8% to EUR 7.1 million (EUR 7.7 million).

ARR related to the on-premise products decreased by –10% to EUR 27.1 million (EUR 29.9 million). Decrease from the previous quarter was –10%.

The decrease of on-premise products is part of the WithSecure's strategic transitioning to cloud-based environments. Our customers are increasingly switching to the cloud-native Elements products, leading to a decline over time of the on-premise solutions revenue.

Cyber security consulting

Revenue from **cyber security consulting** decreased by 17% to EUR 10.0 million (EUR 12.0 million). The decrease is explained by the divestment of the UK public sector consulting in December 2021, and the divestment of the South African subsidiary in February 2022. On a comparable basis, the revenue remained at previous year's level.

Partly driven by the geo-political tensions, the demand for advanced cyber security consulting services is currently very strong. There are shortages of highly specialized experts on the market, especially in areas with high digitalization rates. WithSecure continues to recruit new talent, train in-house consultants and strenghten the comoany culture in order to develop and grow our consultancy practice and meet the customer requirements.

In February 2022, WithSecure divested its South African subsidiary through a local management buy-out (MBO). In 2021, revenue of the divested operations was EUR 3.4 million and it employed some 68 persons.

Gross margin

Gross margin decreased by EUR 0.1 million to 21.3 million (EUR 21.4 million) and was 65.8% of revenue (68.0%).

Operating expenses

Operating expenses excluding depreciation and amortization, and items affecting comparability (IAC) increased by EUR 3.8 million to EUR 28.7 million (EUR 24.9 million). Cost increases were due to research and development as well as sales and marketing, where the brand renewal had an impact on costs. In addition, COVID-19 pandemic decreased operating expenses during the comparative period. Items affecting comparability (IAC) totaled EUR 4.4 million and consisted of costs related to the execution of company's strategy in preparation of planned demerger and impacts of divestment of the Group's South African subsidiary.

Depreciation and amortization were EUR 3.2 million (3.1 million), where PPA amortization from acquisitions was EUR 0.7 million (0.8 million).

Profitability

Estimated comparable EBITDA of WithSecure was EUR –5.2 million and –16.1% of revenue (EUR –1.5 million, –4.8%).

Adjusted EBITDA was EUR –6.9 million and –21.4% of revenue (EUR –3.2 million, –10.1%). Adjusted EBIT was EUR –9.4 million and –29.2% of revenue (EUR –5.5 million, –17.6%).

EBITDA was EUR –11.4 million and –35.1% of revenue (EUR –3.2 million, 10.1%). EBIT was EUR –14.6 million and –45.0% of revenue (EUR –6.3 million, –20.0%), including EUR 0.7 million of PPA amortization (EUR 0.8 million) and EUR 4.4 million of IAC items.

In IAC items, costs related to company's strategy execution were EUR 1.3 million and impacts of divestment of the Group's South African subsidiary were EUR 3.1 million including recognition of translation difference of EUR 2.1 million. The estimated capital loss from the divestment was EUR 0.7 million. Final sales result of the divestment is dependent on deferred consideration based on the future business performance and will be measured at fair value quarterly.

F-Secure (Discontinued operations)

Revenue

Consumer security continued to grow in January–March. The revenue grew by 4% year-on-year to EUR 27.4million (26.3million) driven by the sales of the latest F-Secure products. In the first quarter F-Secure continued to exceed Rule of 40 metric as the figure was 52% (51%) resulting from the 4% (8%) revenue growth and estimated comparable EBITDA margin of 48% (43%).

By the end of the first quarter, F-Secure tarted to roll out a new generation of TOTAL through the partner channel. The latest version of F-Secure TOTAL combines VPN, endpoint, and identity protection seamlessly into one unified application experience. The increased demand for TOTAL offering enables growth from increased Average revenue per user which is a key lever in F-Secure's growth strategy.

Partner Channel

Revenue from partner channel increased by 4% to EUR 21.7 million (EUR 20.8 million). The year started with an increase in sales across several regions such as Asia, Nordics and North America. However, this was partly offset by lower retail sales and a regulatory change in Poland that is negatively impacting adoption rates on the local market. During the quarter, F-Secure continued to work on expanding its go-to-market by piloting the products with a large European insurance company.

Direct Channel

Revenue from direct channel increased by 3% to EUR 5.7 million (EUR 5.5 million). In Germany e-commerce, new sales performance was positive. Renewal performance remained steady. Average revenue per user continued to grow, as consumers are increasingly interested in bundled security and privacy solutions to secure their digital lives, which is driving the sales of F-Secure TOTAL.

Gross margin

Gross margin increased by EUR 1.1 million to 25.2 million (EUR 24.1 million) and was 92.2%% of revenue (91.8%).

Operating expenses

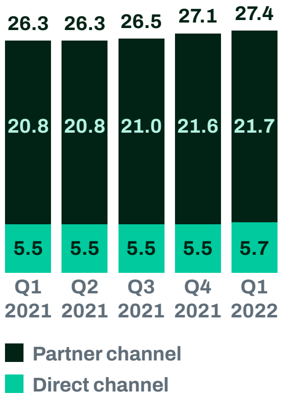
The reported operative expenses do not fully reflect the profitability of F-Secure's business on a stand-alone basis. Operating expenses excluding depreciation and amortization, and items affecting comparability (IAC) decreased by EUR 0.9 million to EUR 10.6 million (11.5m) due to strategy review costs in the comparative period. Items affecting comparability (IAC) totaled EUR 2.7 million and consisted of costs related to the execution of company's strategy in preparation of planned demerger. Depreciation and amortization were EUR 0.4 million (0.4 million).

Profitability

Estimated comparable EBITDA was EUR 13.0 million and 47.6% of Revenue (EUR 11.2 million, 42.5%).

The reported figures do not fully reflect the profitability of F-Secure's business on a stand-alone basis. The adjusted EBITDA was EUR 14.8 million and 54.0% of revenue (EUR 12.8 million, 48.7%). EBITDA was EUR 12.1 million and 44.0% of revenue (EUR 12.8 million, 48.7%). EBIT was EUR 11.6 million and 42.5% of revenue (EUR 12.4 million, 47.3%), including EUR 2.7 million of costs related to the execution of company's strategy in preparation of planned demerger.

Revenue split (F-Secure), MEUR



Cash flow

Combined operations

Cash flow from operating activities before financial items and taxes was EUR 1.1 million (6.3 million). Cash flow was impacted by costs related to company's strategy execution. Cash flow from operations was EUR –3.3 million (3.6 million). Parent company paid residual taxes for financial year 2021 during the first quarter.

Financing, Capital Structure and Capital Expenditure

Combined operations

EUR m	1–3/2022	1–3/2021	Change %	1–12/2021
Cash and financial assets at fair value through P&L	121.6	47.1	158%	53.0
Bank loans, non-current	13.0	19.0	–32%	13.0
Lease liabilities, non-current	6.4	5.7	13%	4.6
Bank loans, current	6.0	6.0	0%	6.0
Lease liabilities, current	4.3	4.3	0%	4.8
Capital expenditure	4.4	3.7	19%	12.7
Capitalized development expenses	1.2	1.3	–7%	5.5
ROI, %	–6.2%	22.5%		15.6%
Equity ratio, %	73.4%	54.0%		59.5%
Gearing, %	–53.7%	–14.2%		–25.8%

On 23 March, WithSecure strengthened its financial position with a directed share issue where EUR 76.8 million of new capital was raised. At the end of the quarter, the company had liquid assets of EUR 121.5 million (47.1m) and interest- bearing bank debt of EUR 19.0 million (EUR 25.0 million). Gearing was negative –53.7% due to strong liquidity.

The next repayment (3.0m) of the term loan is due in June 2022. To guarantee liquidity, WithSecure has a EUR 23.0 million committed revolving credit facility that was undrawn at the end of the quarter.

Status of announced demerger

Following the announcement of 17 February 2022 to pursue towards the separation of the Consumer Security business through a partial demerger, the demerger preparations have progressed as planned. After the name change to WithSecure on 16 March 2022, the new WithSecure™ brand was launched in an online event. WithSecure announced the intended members of F-Secure Board of Directors in March and appointed the members of F-Secure Management Team in April. All appointments are conditional upon the implementation of the partial demerger. Extraordinary General Meeting of WithSecure will be held on 31 May 2022, to take a resolution on the partial demerger. The planned completion date of the partial demerger is June 30, 2022. The trading in the new company's shares on Nasdaq Helsinki is expected to commence on July 1, 2022, or as soon as possible thereafter.

F-Secure and WithSecure have agreed on certain services that will be provided on a transitional basis by WithSecure to support continuous operations of F-Secure's transferring consumer business (as described in more detail in the demerger plan approved by Withsecure's board of directors and announced by WithSecure on 17 February 2022), and to perform development and migration tasks towards ensuring that both companies' businesses are operationally separated at the termination of the Transitional Services Agreement ("TSA"). The services are related to jointly used technology, as well as transitional services that are general in nature, covering for example IT, HR, finance and other areas. The parties' intention is to replace the services latest by the end of the transition period with similar services procured or provided independently by F-Secure.

Organization and leadership

Personnel

At the end of the quarter, WithSecure had 1,589 employees, which shows a net decrease of 67 employees (4%) since the previous year-end (1,656 on 31 December 2021), and a net decrease of 81 employees (5%) compared to the end of March 2021(1,670). Majority of the decrease is due to divestment of the Group's South African subsidiary in February 2022.

Leadership team

On January 1, 2022, WithSecure (then F-Secure) changed its management structure and combined its Managed Detection and Response unit and Cyber Security Consulting unit under one Solutions unit, led by Tim Orchard as Executive Vice President, Solutions. Consequently, Edward Parsons (EVP, Cyber Security Consulting) is no longer a member of the Leadership Team.

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

Juhani Hintikka (CEO & President), Christine Bejerasco (CTO), Charlotte Guillou (EVP, People Operations & Culture), Tom Jansson (CFO), Juha Kivikoski (EVP, Business Security), Antti Koskela (CPO), Timo Laaksonen (EVP, Consumer Security), Tim Orchard (EVP, Solutions), Tiina Sarhimaa (CLO) and Ari Vänttinen (CMO).

Shares, Shareholders' Equity, Own Shares

On 23 March 2022, WithSecure issued 15,800,000 new shares in an accelerated book-built offering deviating from the shareholders' pre-emptive subscription rights. The total number of company shares is currently 174,598,739. The company's registered shareholders' equity is EUR 1,551,311.18. The company held 95,733 of its own shares at the end of the quarter.

The company holds its own shares to be used in the incentive compensation plans, for making acquisitions or implementing other arrangements related to the company's business, to improve the company's financial structure or to be otherwise assigned or cancelled.

In January–March, 12,722,196 (4,702,142) of WithSecure's shares were traded on the Helsinki Stock Exchange. The highest trading price was EUR 5.65 (4.15) and the lowest price was EUR 4.02 (3.66). The volume weighted average price of F-Secure's shares in first quarter of 2022 was EUR 4.72 (3.91).

The share's closing price on the last trading day of the quarter, 31 March 2022, was EUR 4.57 (4.04). Based on that closing price, the market value of the company's shares, excluding the treasury shares held by the company, was EUR 797 million (EUR 640 million).

The company currently has market-based long-term share-based incentive programs for key employees.

Annual General Meeting

The Annual General Meeting of F-Secure Corporation was held on 16 March 2022. The Meeting confirmed the financial statements for the financial year 2021 and reviewed the remuneration policy and remuneration report for governing bodies. The members of the Board and the President and CEO were discharged from liability.

The General meeting approved the proposal of the Board of Directors that no dividend will be paid for the financial year 2021 due to the contemplated separation of the Company's consumer security business that has been communicated by the Company by a separate stock exchange release on 17 February 2022.

The General Meeting decided that the annual remuneration of the Board of Directors remain unchanged: EUR 80,000 for the Chairman of the Board of Directors, EUR 48,000 for the Committee Chairmen, 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 remuneration will be paid as shares in the Company.

The General Meeting decided that the number of Board members shall be seven. The following current Board members were re-elected: Risto Siilasmaa, Keith Bannister, Pertti Ervi, Päivi Rekonen and Tuomas Syrjänen. Kirsi Sormunen was elected as a new member to the Board of Directors. Tony Smith, who belongs to the personnel of F-Secure Corporation, was elected as a new member of the Board of Directors.

The Board elected Risto Siilasmaa as the Chairman of the Board. Tuomas Syrjänen was nominated as the Chairman of the Personnel Committee and Risto Siilasmaa and Päivi Rekonen as members of the Personnel Committee. Pertti Ervi was nominated as the Chairman of the Audit Committee and Keith Bannister, Kirsi Sormunen and Tony Smith were nominated as members of the Audit Committee.

It was decided that the remuneration to the Auditor is paid in accordance with the approved invoice. Audit firm PricewaterhouseCoopers Oy was re-elected as Auditor of the Company. Mr. Janne Rajalahti, APA, acts as the Responsible Auditor.

The General Meeting authorized the Board of Directors to decide upon the repurchase of a maximum of 10,000,000 of the Company's own shares in total in one or several tranches and with the Company's unrestricted equity. The authorization entitles the Board of Directors to decide on the repurchase also in deviation from the proportional holdings of the shareholders (directed repurchase). The authorization is valid until the conclusion of the next Annual General Meeting, in any case until no later than 30 June 2023.

The General Meeting authorized the Board of Directors to decide on the issuance of a maximum of 31,759,748 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 Limited Liability Companies Act in one or several tranches. The proposed maximum number of the shares corresponds to 20% of the Company's registered number of shares. The authorization entitles the Board of Directors to decide on all terms related to the share issue as well as the issuance of options and other special rights entitling to shares. The issuance of shares may be carried out in deviation from the shareholders' pre-emptive subscription right (directed issue).

The authorization may be used for a potential share issue that may be arranged by the Company to finance the implementation of the Company's growth strategy relating to its corporate security business remaining with the Company after the completion of the contemplated demerger, as communicated by the Company by a separate stock-exchange release on 17 February 2022, as well as for potential acquisitions or other arrangements, share-based incentive schemes or otherwise for purposes decided by the Board of Directors. The authorization is valid until the conclusion of the next Annual General Meeting, in any case until no later than 30 June 2023

In accordance with the Board of Directors' proposal, the General Meeting decided to change section 1 of the Articles of Association of the Company to read as follows:

"1 The business name and domicile of the Company

The business name of the Company is WithSecure Oyj and in English WithSecure Corporation and the domicile is Helsinki."

Risks and uncertainties

The following risks and uncertainties can adversely impact F-Secure's sales, profitability, financial condition, market share, reputation, share price or the achievement of the company's short- and long-term objectives. The matters described here should not be construed as an exhaustive list. The most significant risks are:

Ukraine War

The Ukraine war has significantly increased the uncertainty in the world and the risk of unexpected disruptions of the world economy. Any such events would also impact the WithSecure business. The war has increased the awareness of the importance of cyber security, especially for companies, and it will continue impacting the corporate cyber security market.

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.

Inflation

Inflation has increased the risk for negative development of the cost structure. This is monitored very closely, and inflation will also most likely require mitigation actions during the year to retain workforce in the company.

COVID-19 pandemic

The impact of COVID-19 pandemic is decreasing to WithSecure business as the restrictions are being reduced around the world. There are still pockets of markets in Asia and elsewhere that have restrictions in place, However, the risk of large impacts to WithSecure business has reduced significantly.

Cyber security incident

Cyber security attacks threaten the confidentiality, integrity and availability of WithSecure products, services and the enterprise. WithSecure builds cyber resilience by continually improving its capability to identify, protect, detect and respond to relevant threats.

Endpoint protection market disruption

Endpoint security market is highly competitive. Operating system manufacturers have increased their focus to built-in security features and at the same time new vendors and technologies have emerged. WithSecure has to succeed in maintaining in-depth understanding of cyber security threat landscape, hacker techniques and technologies used as well as continue to innovate in defense technologies.

Market consolidation

The cyber security market is consolidating due to economies of scale. WithSecure has to succeed in finding the right acquisition targets, as well as successfully integrating the target companies.

Risks relating to launch of new technologies

In a rapidly evolving industry, it is vital to keep products and services relevant to customers while introducing new technologies to the market on-time. WithSecure is driving technology simplification and R&D effectivization initiatives as well as investments in artificial intelligence to ensure a competitive product portfolio.

Intellectual property rights (IPR)

WithSecure protects its technology 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.

Attracting and retaining talent

Competition for capable 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.

Geopolitical risks

WithSecure operates globally in different countries, and local regulation is exposing the company to geopolitical risks, including, for instance, unfavorable tax matters or export controls. Changes in regulations or their application, applicable to current or new technologies or services, may adversely affect WithSecure's business operations.

Currency fluctuations

Increased number of operations and sites outside the Euro zone in different currencies exposes WithSecure to an increased risk related to currency fluctuations.

Events after period-end

No material changes regarding the company's business or financial position have taken place after the end of the quarter.

Additional information

Financial calendar

During the year 2022, WithSecure Corporation will publish financial information as follows:

- Half-Year Financial Report for January–June 2022, July 20, 2022
- Interim Report for January–September 2022, October 27, 2022

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CFO

Key ratios and other key figures

Profitability	1–3/2022	1–3/2021	1–12/2021
Continuing operations			
Revenue	32.4	31.5	130.0
Cloud-native corporate security solutions	15.2	11.8	52.7
On-premise corporate security solutions	7.1	7.7	30.0
Cyber security consulting	10.0	12.0	47.2
Gross margin	21.3	21.4	88.5
Gross margin, % of revenue	65.8%	68.0%	68.1%
Operating expenses	–36.3	–28.0	–121.0
Operating expenses for adjusted EBITDA	–28.7	–24.9	–107.6
Adjustment to other income			0.5
Adjusted EBITDA	–6.9	–3.2	–17.2
Adjusted EBITDA, % of revenue	–21.4%	–10.1%	–13.3%
EBITDA	–11.4	–3.2	–16.7
EBITDA, % of revenue	–35.1%	–10.1%	–12.8%
Adjusted EBIT	–9.4	–5.5	–26.8
Adjusted EBIT, % of revenue	–29.2%	–17.6%	–20.6%
EBIT	–14.6	–6.3	–30.1
EBIT, % of revenue	–45.0%	–20.0%	–23.2%
Estimated combarable EBITDA	–5.2	–1.5	–11.3
Estimated combarable EBITDA, % of revenue	–16.1%	–4.8%	–8.7%
Discontinued operations			
Revenue	27.4	26.3	106.3
Partner channel	21.7	20.8	84.2
Direct channel (e-commerce)	5.7	5.5	22.1
Adjusted EBITDA	14.8	12.8	53.7
% of revenue	54.0%	48.7%	50.6%
EBIT	11.6	12.4	47.8
EBIT, % of revenue	42.5%	47.3%	45.0%
Estimated combarable EBITDA	13.0	11.2	47.8
Estimated combarable EBITDA, % of revenue	47.5%	42.6%	45.0%
Combined operations			
Revenue	59.7	57.8	236.3
Adjusted EBITDA	7.9	9.6	36.5
% of revenue	13.1%	16.7%	15.4%
ROI, %	–6.2%	22.5%	15.6%
ROE, %	–11.0%	23.4%	14.3%

Capital structure	1–3/2022	1–3/2021	1–12/2021
Combined operations			
Equity ratio, %	73.4%	54.0%	59.5%
Gearing, %	–53.7%	–14.2%	–25.8%
Interest bearing liabilities	29.7	35.0	28.4
Cash and financial assets at FVTPL	121.6	47.1	53.0

Share related			
Combined operations			
Earnings per share, basic and diluted	–0.02	0.03	0.08
Shareholders' equity per share, EUR	0.98	0.54	0.60

Other			
Combined operations			
Capital expenditure, MEUR excl. acquisition	4.4	3.7	12.7
Capitalized development expenses, MEUR	1.2	1.3	5.5
Depreciation and amortization excl. PPA amortization, MEUR	–2.9	–2.7	–11.2
Depreciation and amortization, MEUR	–3.6	–3.5	–15.1
Personnel, average	1,630	1,669	1,678
Personnel, period end	1,589	1,670	1,656

The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting. Covid-19 impacts on the accounting principles of this financial statement report are limited, and have been presented in the table section within relevant items.

On 17 February 2022 WithSecure announced a plan to pursue towards the separation of the company's consumer security business through a partial demerger. The planned completion date is June 30, 2022. The demerger is considered highly probable, and therefore WithSecure has applied the requirements of IFRS5 Non-current Assets Held for Sale and Discontinued Operations in classifying, presenting and accounting for the demerger in this interim report. Result from discontinued operations is reported separately from continuing operations' income and expenses in the consolidated income statement. Comparative periods have been restated accordingly. The assets and liabilities related to the discontinued operations are presented separately in the statement of financial position as Assets held for distribution to owners..

Otherwise, the accounting principles are the same as in the annual report 2021.

All figures in the following tables are EUR million unless otherwise stated. This interim report is unaudited.

Income statement

	1–3/2022	1–3/2021	Change %	1–12/2021
Continuing operations				
Revenue	32.4	31.5	3%	130.0
Cost of revenue	–11.1	–10.1	10%	–41.5
Gross margin	**21.3**	**21.4**	**–1%**	**88.5**
Other operating income	0.5	0.4	6%	2.5
Sales and marketing	–19.9	–17.4	14%	–73.3
Research and development	–9.1	–7.3	25%	–32.1
Administration [1]	–7.3	–3.3	144%	–13.4
EBIT	**–14.6**	**–6.3**	**144%**	**–27.8**
Financial net	–0.3	0.3	–216%	–0.3
Result before taxes	**–14.9**	**–6.0**	**161%**	**–28.2**
Income taxes	1.9	0.9	99%	4.6
Result for the period, continuing operations	**–13.0**	**–5.1**	**172%**	**–23.6**
Result for the period, discontinued operations	9.4	10.0	–6%	36.3
Result for the period	**–3.7**	**4.9**	**–191%**	**12.7**
Other comprehensive income				
Exchange differences on translating foreign operations, continuing operations	2.4	4.4	–45%	3.9
Exchange differences on translating foreign operations, discontinued operations	–0.3	0.0	–41%	0.1
Total comprehensive income (parent company owners)	**–1.5**	**9.4**	**–119%**	**16.7**

Earnings per share	1–3/2022	1–3/2021	Change %	1–12/2021
Earnings per share, basic and diluted, EUR, combined operations	**–0.02**	**0.03**	**–189%**	**0.08**
Earnings per share, basic and diluted, EUR, continuing operations	**–0.08**	**–0.03**	**167%**	**–0.15**
Earnings per share, basic and diluted, EUR, discontinued operations	**0.06**	**0.06**	**–8%**	**0.23**

[1] Costs related to strategic execution increases administration costs by EUR 1.3 million and costs related to divestments EUR 3.1 million for continuing operations in Q1 2022.

Statement of financial position

Assets	31 Mar 2022	31 Mar 2021	31 Dec 2021
Tangible assets	12.6	14.3	12.7
Intangible assets	26.9	34.3	33.0
Goodwill	85.9	85.6	85.1
Deferred tax assets	3.3	3.8	4.1
Other receivables	2.8	0.6	1.9
Total non-current assets	**131.5**	**138.6**	**136.9**
Inventories	0.0	0.1	0.1
Accrued income	5.0	3.2	4.7
Trade and other receivables [1)]	33.7	52.6	49.9
Income tax receivables	2.3	0.9	1.7
Financial asset at fair value through profit and loss	0.0	0.1	0.1
Cash and bank accounts	111.3	47.1	52.9
Assets held for distribution to owners	37.5		
Total current assets	**189.8**	**103.9**	**109.4**
Total assets	**321.3**	**242.5**	**246.2**

Shareholders' equity and liabilities	31 Mar 2022	31 Mar 2021	31 Dec 2021
Equity	**171.2**	**85.6**	**95.4**
Interest bearing liabilities, non-current	19.4	24.7	17.6
Deferred tax liability	1.6	0.9	1.9
Deferred revenue, non-current	24.2	27.2	26.0
Other non-current liabilities	0.3	0.3	0.3
Total non-current liabilities	**45.4**	**53.2**	**45.8**
Interest bearing liabilities, current	10.2	10.3	10.8
Trade and other payables	22.2	31.7	30.0
Income tax liabilities	0.8	5.0	4.2
Deferred revenue, current	43.7	56.8	60.1
Liabilities directly associated with assets held for distribution to owners	27.9		
Total current liabilities	**104.7**	**103.7**	**105.1**
Total liabilities and equity	**321.3**	**242.5**	**246.2**

[1)] Provision for expected credit losses continues to include a small increase due to the Covid-19 pandemic.

Cash flow statement

Cash flow statement includes continuing and discontinued operations.

	1–3/2022	1–3/2021	1–12/2021
Cash flow from operations			
Result for the financial year	–3.7	4.9	12.7
Adjustments	7.8	5.2	22.7
Cash flow from operations before change in working capital	4.2	10.1	35.4
Change in net working capital	–3.0	–3.8	3.3
Cash flow from operating activities before financial items and taxes	**1.1**	**6.3**	**38.7**
Net financial items and taxes	–4.4	–2.8	–7.9
Cash flows from operating activities	**–3.3**	**3.6**	**30.7**
Cash flow from investments			
Net investments in tangible and intangible assets	–1.3	–1.4	–6.1
Divestments of subsidiaries, net of cash	–1.1		
Cash flow from investments	**–2.4**	**–1.4**	**–6.1**
Cash flow from financing activities			
Proceeds from issue of shares	76.0		
Repayments of interest bearing liabilities		–5.0	–11.0
Repayments of lease liabilities	–1.7	–1.5	–6.0
Dividends paid			–6.3
Cash flow from financing activities	**74.3**	**–6.5**	**–23.3**
Change in cash	**68.6**	**–4.4**	**1.3**
Cash and bank at the beginning of the period	52.9	51.4	51.4
Effect of exchange rate changes on cash	0.0	0.1	0.3
Cash and bank at period end	121.5	47.1	52.9

Statement of changes in shareholders' equity

	Share capital	Share premium fund	Unrestricted equity reserve	Treasury shares	Retained earnings	Translation difference	Total
Equity 31 Dec 2020	**1.6**	**0.2**	**6.5**	**–1.3**	**79.6**	**–4.1**	**82.3**
Total comprehensive income for the year					4.9	4.5	9.4
Dividend					–6.3		–6.3
Cost of share based payments			0.3	0.4	–0.4		0.2
Equity 31 Mar 2021	**1.6**	**0.2**	**6.7**	**–0.9**	**77.7**	**0.4**	**85.6**

	Share capital	Share premium fund	Unrestricted equity reserve	Treasury shares	Retained earnings	Translation difference	Total
Equity 31 Dec 2021	**1.6**	**0.2**	**6.8**	**–0.8**	**87.8**	**–0.1**	**95.4**
Total comprehensive income for the year					–3.7	2.1	–1.5
Share issue			76.0				76.0
Cost of share based payments			0.8	0.6	–0.2		1.3
Equity 31 Mar 2022	**1.6**	**0.2**	**83.6**	**–0.2**	**84.1**	**2.0**	**171.2**

In March 2022 company raised EUR 76.8 million of new capital in a directed share issue. The capital deducted with transaction costs, EUR 76.0 million, was booked to unrestricted equity reserve.

1 Significant exchange rates and sensitivity to exchange rate changes

	Average rates			End rates		
One Euro is	1–3/2022	1–3/2021	1–12/2021	31 Mar 2022	31 Mar 2021	31 Dec 2021
USD	1.1227	1.2176	1.1894	1.1101	1.1725	1.1326
GBP	0.8358	0.8845	0.8633	0.8460	0.8521	0.8403
JPY	129.49	127.46	130.00	135.17	129.91	130.38

Effect of changes in exchange rates on profit before taxes

+/–10% FX rate change	1–3/2022	1–3/2021	1–12/2021
USD	–0.3/+0.4	–0.2/+0.3	–0.3/+0.3
GBP	–0.1/+0.2	+/–0.1	–0.2/+0.2
JPY	+0.2/ 0.3	–0.4/+0.3	–0.3/+0.3

2 Segment information

The Group has only one segment (security).

Disaggregation of revenue

Continuing operations

By sales channels	1–3/2022	1–3/2021	1–12/2021
Corporate security			
Cloud	15.2	11.8	52.7
On-premise	7.1	7.7	30.0
Consulting	10.0	12.0	47.2
Total revenue	**32.4**	**31.5**	**130.0**

By geographical area	1–3/2022	1–3/2021	1–12/2021
Nordic countries	10.0	10.2	40.3
Rest of Europe	13.8	13.4	55.1
North America	2.6	2.2	10.0
Rest of the world	5.9	5.6	24.6
Total revenue	**32.4**	**31.5**	**130.0**

Discontinued operations

By sales channels	1–3/2022	1–3/2021	1–12/2021
Consumer security			
Partner	21.7	20.8	84.2
Direct	5.7	5.5	22.1
Total revenue	**27.4**	**26.3**	**106.3**

By geographical area	1–3/2022	1–3/2021	1–12/2021
Nordic countries	9.6	9.1	36.9
Rest of Europe	12.4	12.6	49.6
North America	4.0	3.4	14.6
Rest of the world	1.4	1.2	5.2
Total revenue	**27.4**	**26.3**	**106.3**

3 Discontinued operations

On 17 February 2022 WithSecure announced a plan to pursue towards the separation of the company's consumer security business (F-Secure) through a partial demerger. The planned completion date is June 30, 2022. Following information includes impacts of discontinued operations on income statement, statement of financial position and cash flows. Discontinued operations include revenue and operating expenses which directly derive from Consumer security business and will discontinue for continuing business after the demerger. Certain costs related to supporting F-Secure during transition period and costs of premises which will be sub-leased to F-Secure are not included in Discontinued operations.

Income statement for discontinued operations

	31 Mar 2022	31 Mar 2021	31 Dec 2021
Revenue	27.4	26.3	106.3
Cost of revenue	–2.1	–2.1	–9.1
Gross margin	**25.2**	**24.1**	**97.2**
Other operating income	0.1	0.0	0.3
Sales and marketing	–6.5	–6.3	–25.9
Research and development	–3.7	–3.7	–14.5
Administration	–3.5	–1.8	–11.6
EBIT	**11.6**	**12.4**	**45.5**
Financial net	0.2	0.0	0.1
Result before taxes	**11.8**	**12.4**	**45.6**
Income taxes	–2.5	–2.4	–9.3
Result for the period	**9.4**	**10.0**	**36.3**

Statement of financial position for discontinued operations

Assets held for distribution to owners	31 Mar 2022
Tangible and intangible assets	6.4
Other non-current assets	0.5
Total non-current assets	**6.9**
Accrued income	1.0
Trade and other receivables	19.0
Other current assets	0.3
Cash and bank accounts	10.2
Total non-current assets	**30.6**
Total assets	**37.5**

Liabilities directly associated with assets held for distribution to owners	31 Mar 2022
Deferred revenue, non-current	3.2
Other non-current liabilities	0.6
Total non-current liabilities	**3.9**
Trade and other payables	6.6
Deferred revenue, current	17.0
Other current liabilities	0.5
Total non-current liabilities	**24.1**
Total liabilities	**27.9**

Cash flows for discontinued operations

	1–3/2022	1–3/2021	1–12/2021
Net cash flow from operating activities	8.1	5.5	40.2
Net cash flow from investing activities	–0.6	–0.2	–1.6
Net cash flow from financing activities	0.0	0.0	–0.2

4 Intangible and tangible assets

	31 Mar 2022	31 Mar 2021	31 Dec 2021
Book value at the beginning of the period	130.9	130.0	130.0
Acquisitions and divestments	–0.7		
Additions	4.4	3.7	12.7
Disposals	0.0	–0.7	–1.2
Depreciation and amortization	–3.6	–3.5	–14.2
Impairment			–1.0
Translation differences	0.8	4.7	4.5
Book value at the end of the period	**131.8**	**134.2**	**130.9**
Assets held for distribution to owners	–6.4		
Book value at the end of the period, continuing operations	**125.4**		

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.

Includes continuing and discontinued operations

	Carrying value				Fair value			
	Financial assets		Financial liabilities		Hierarchy level			
	FVTPL	Amortized cost	Amortized cost	Total	1	2	3	Total
Cash and bank		121.5		**121.5**				
Financial assets at FVTPL	0.0			**0.0**		0.0		**0.0**
Trade receivables		38.3						
Bank loans			19.0	**19.0**			19.0	**19.0**
Trade and other payables			7.0	**7.0**				

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	Over 5 years	Total contractual cash flows	Carrying amount
Bank loans	6.0	13.0					19.0	19.0
Lease liabilities	4.8	3.0	1.2	0.2	0.1	0.9	10.2	9.4
Total financial liabilities	**10.8**	**16.0**	**1.2**	**0.2**	**0.1**	**0.9**	**29.2**	**28.4**

The financing agreement is subject to conventional loan covenants which the Group complied with throughout the reporting period.

To guarantee liquidity, WithSecure has EUR 23.0 million committed revolving credit facility that was undrawn at the end of the quarter.

6 Reconciliation of alternative performance measures

WithSecure has included certain non-IFRS based alternative performance measures (APM). 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. Depreciations, amortization and impairments are excluded from EBITDA. Also, the adjusted EBITDA and adjusted EBIT exclude 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. Estimated comparable EBITDA has been added in Q1 2022 to improve comparability as presentation of WithSecure and F-Secure in accordance with IFRS5 does not reflect profitability of neither continuing or discontinued business on a stand-alone basis prior to the demerger. Estimated comparable EBITDA excludes (for Discontinued operations: includes) costs related to research and development which will be provided by WithSecure to F-Secure. It also excludes (for Discontinued: includes) cost of premises held by WithSecure but sub-leased to F-Secure.

	1–3/2022	1–3/2021	1–12/2021
Continuing operations			
Estimated comparable EBITDA	**–5.2**	**–1.5**	**–11.3**
Adjustments to adjusted EBITDA			
Research and development	–1.3	–1.2	–4.4
Facilities held by WithSecure	–0.4	–0.4	–1.6
Adjusted EBITDA	**–6.9**	**–3.2**	**–17.2**
Adjustments to EBITDA			
Divestments	–3.1		0.5
Strategy	–1.3		
EBITDA	**–11.4**	**–3.2**	**–16.7**
Depreciation, amortization and impairment losses	–3.2	–3.1	–13.4
EBIT	**–14.6**	**–6.3**	**–30.1**

	1–3/2022	1–3/2021	1–12/2021
Continuing operations			
Adjusted EBIT	**–9.4**	**–5.5**	**–26.8**
Adjustments to EBIT			
PPA amortization	–0.7	–0.8	–2.8
Impairment			–1.0
Divestments	–3.1		0.5
Strategy	–1.3		
EBIT	**–14.6**	**–6.3**	**–30.1**

	1–3/2022	1–3/2021	1–12/2021
Discontinued operations			
Estimated comparable EBITDA	**13.0**	11.2	47.8
Adjustments to adjusted EBITDA			
Research and development	1.3	1.2	4.4
Facilities held by WithSecure	0.4	0.4	1.6
Adjusted EBITDA	**14.8**	**12.8**	**53.7**
Adjustments to EBITDA			
Strategy	–2.7		–4.3
EBITDA	**12.1**	**12.8**	**49.5**
Depreciation, amortization and impairment losses	–0.4	–0.4	–1.6
EBIT	**11.6**	**12.4**	**47.8**

	1–3/2022	1–3/2021	1–12/2021
Discontinued operations			
Adjusted EBIT	**14.4**	**12.4**	**52.1**
Adjustments to EBIT			
Strategy	–2.7		–4.3
EBIT	**11.6**	**12.4**	**47.8**

Classification of adjusted costs in operating expenses

	Operating Expenses Q1 2022	Strategy execution	Divestments	Expenses for adjusted EBIT	Depreciation	PPA amortization	Operating Expenses for Adjusted EBITDA Q1 2022
Continuing operations							
Sales and marketing	–19.9			–19.9	1.1		–18.8
Research and development	–9.1	0.3		–8.8	1.2		–7.6
Administration	–7.3	1.0	3.1	–3.1	0.2	0.7	–2.3
Operating expenses	**–37.1**	**2.1**	**3.1**	**–31.9**	**2.5**	**0.7**	**–28.7**

	Operating Expenses Q1 2022	Strategy execution	Expenses for adjusted EBIT	Depreciation	Operating Expenses for Adjusted EBITDA Q1 2022
Discontinued operations					
Sales and marketing	–6.5		–6.5		–6.5
Research and development	–3.7		–3.7	0.4	–3.3
Administration	–3.5	2.7	–0.8		–0.8
Operating expenses	**–13.7**	**2.7**	**–11.0**	**0.4**	**–10.6**

Calculation of key figures

Equity ratio, %	Total equity / Total assets – deferred revenue	× 100
ROI, %	Result before taxes + financial expenses (annualized) / Total assets – non-interest bearing liabilities (average)	× 100
ROE, %	Result for the period (annualized) / Total equity (average)	× 100
Gearing, %	Interest bearing liabilities – cash and bank and financial asset through profit and loss / Total equity	× 100
Earnings per share, EUR	Profit attributable to equity holders of the company / Weighted average number of outstanding shares	
Shareholders' equity per share, EUR	Equity attributable to equity holders of the company / Number of outstanding shares at the end of period	
Operating expenses	Sales and marketing, research and development, and administration costs	
EBITDA	EBIT + Depreciation, amortization and impairment	
EBITA	EBIT + amortization and impairment	

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