

Fast-growing Security as a Service company

Capital Markets Day
3 June, 2022
Helsinki

W / T H
secure

Disclaimer: Forward looking statements

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Today's presenters



Juhani Hintikka

President and CEO



Antti Koskela

Chief Product Officer



Ashley Clark

Vice President,
Commercial - Solutions



Janne Pirttilahti

VP, Cloud Protection



Tom Jansson

Chief Financial Officer

Agenda

09:00 - 09:05	Opening of the day	Laura Viita
09:05 - 09:25	Introduction to WithSecure	Juhani Hintikka
09:25 - 09:50	Uniquely positioned to capture growth opportunity	Antti Koskela
09:50 - 10:15	Customers and go to market model	Ashley Clark
<hr/> COFFEE BREAK <hr/>		
10:35 - 10:55	Cloud content protection	Janne Pirttilahti
10:55 - 11:20	Financial overview – growing at scale	Tom Jansson
11:20 - 11:30	Concluding remarks	Juhani Hintikka
11:30 - 12:00	Q&A	All

Introduction to WithSecure



Juhani Hintikka
President & CEO

Key objectives of today

**Share our vision for
Security as a Service**

**Demonstrate how
WithSecure is uniquely
positioned in a large and
fast-growing market**

**Explain why we are
entering a new era of
profitable growth with
our cloud-native
portfolio as our main
growth driver**

WithSecure at a glance

Revenue splits LTM Q1/'22

30+
Year history

131m
Revenue
LTM Q1/'22

~1,250
Employees¹⁾

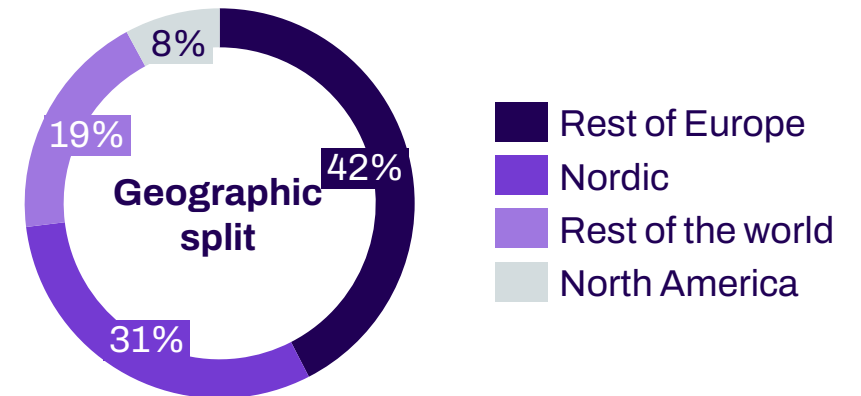
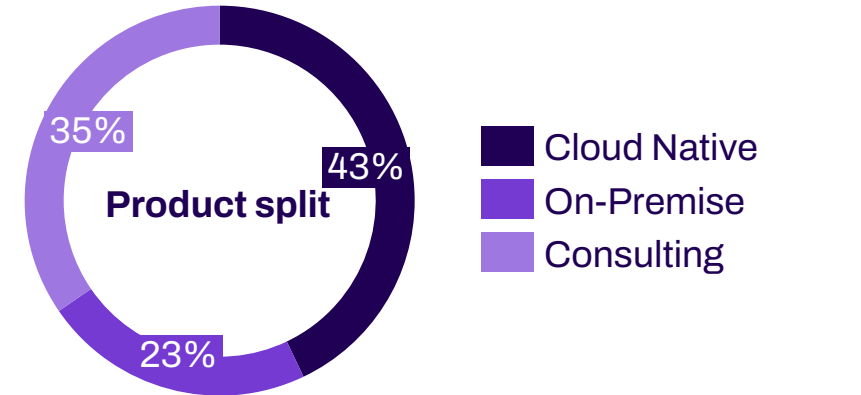
7,000+
Partners¹⁾

113%
Net Revenue
Retention²⁾

64m
Cloud solutions
ARR Q1/'22

36%
Cloud solutions ARR
growth LTM Q1/'22

72
Net promoter
score³⁾



SaaS business growing at scale

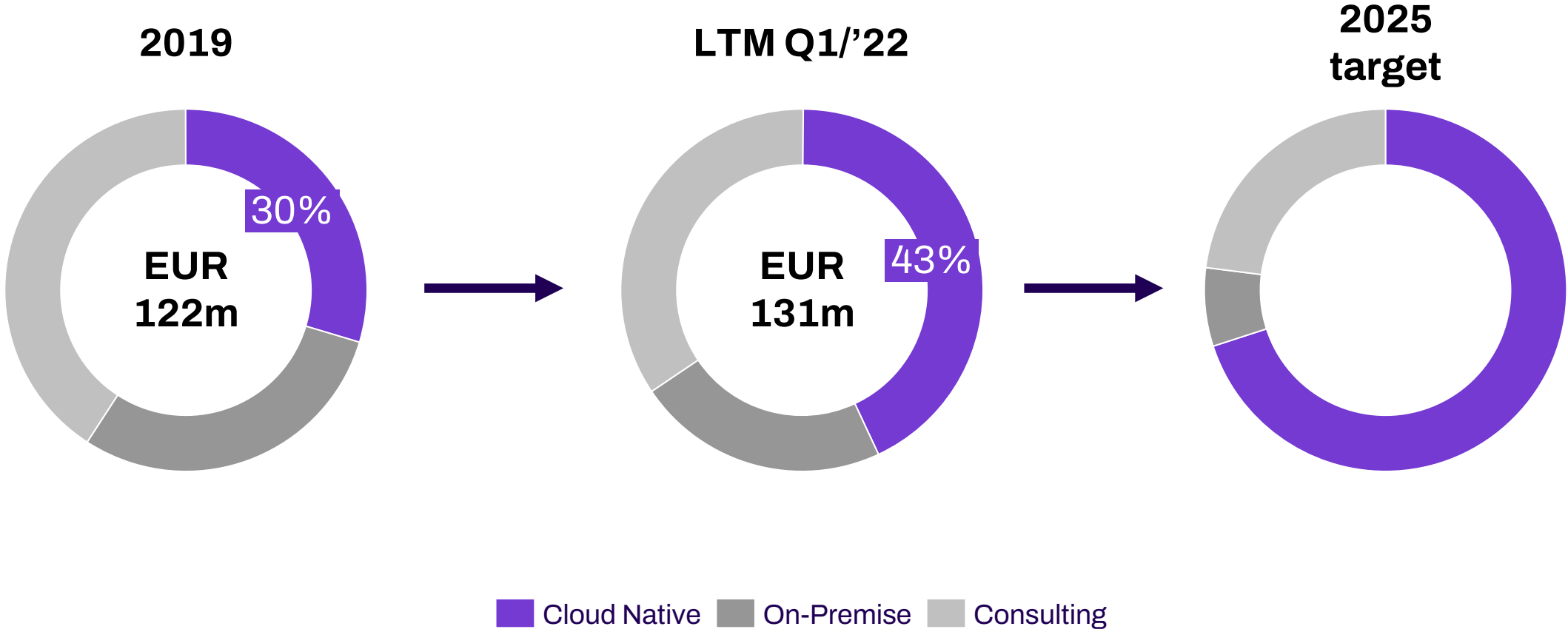
36%

Cloud solutions ARR growth¹⁾

113%

Net Revenue Retention²⁾

Cloud native portfolio delivering growth



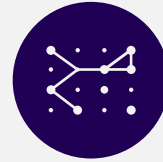
Increasing security challenge for Enterprises

CYBER THREATS



Threat landscape continues to expand

COMPLEXITY



Legacy solutions complicating the transformation to cloud

COMPETENCE GAP



Lack of expertise to understand and implement cloud security



**OUTCOME-BASED
SECURITY**



SIMPLICITY



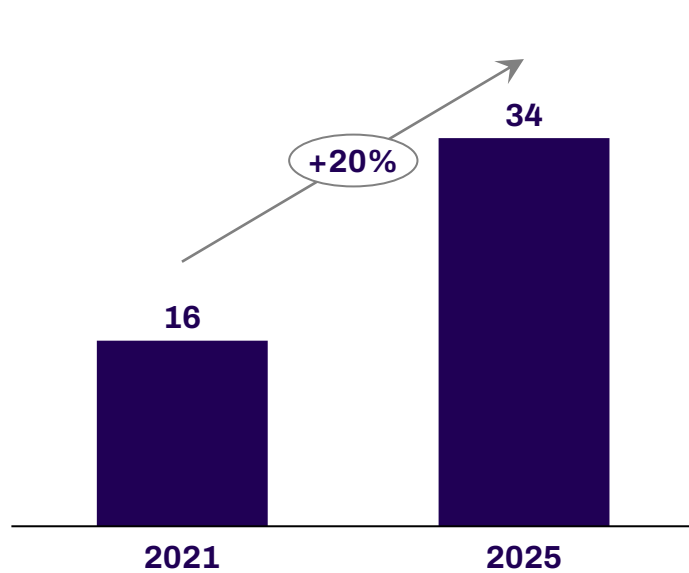
**CO-SECURITY
APPROACH**

Large and growing market opportunity

Elements™



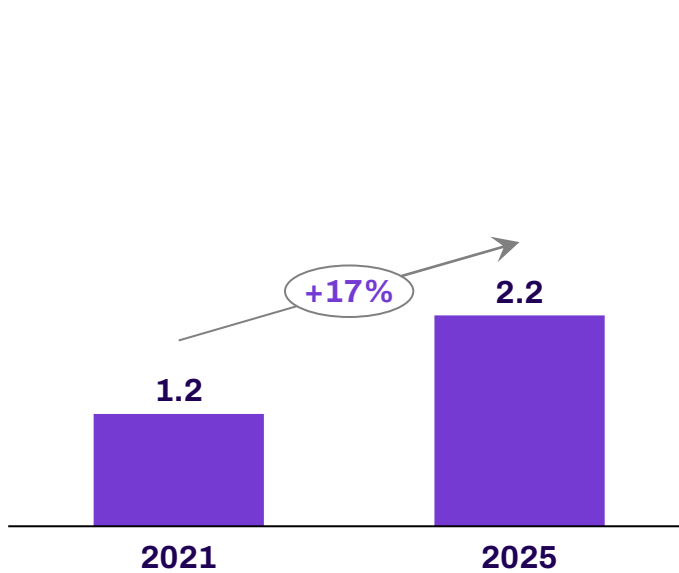
B2B cyber security products



Countercept™



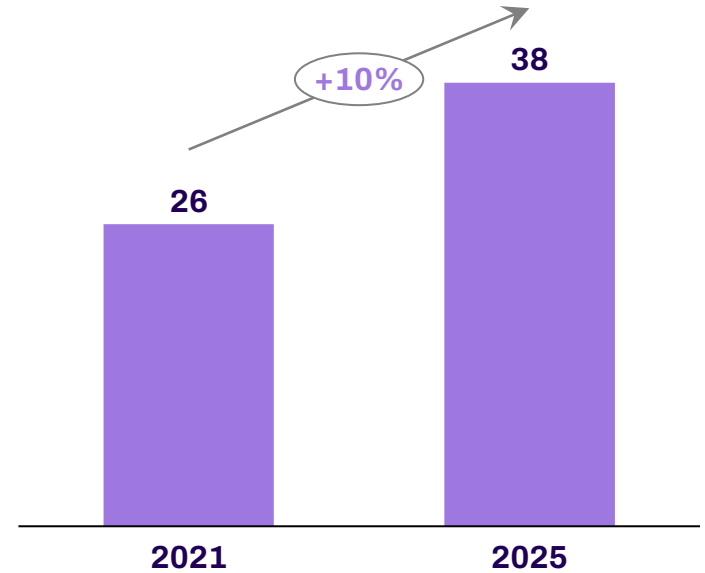
Managed detection & response



Consulting

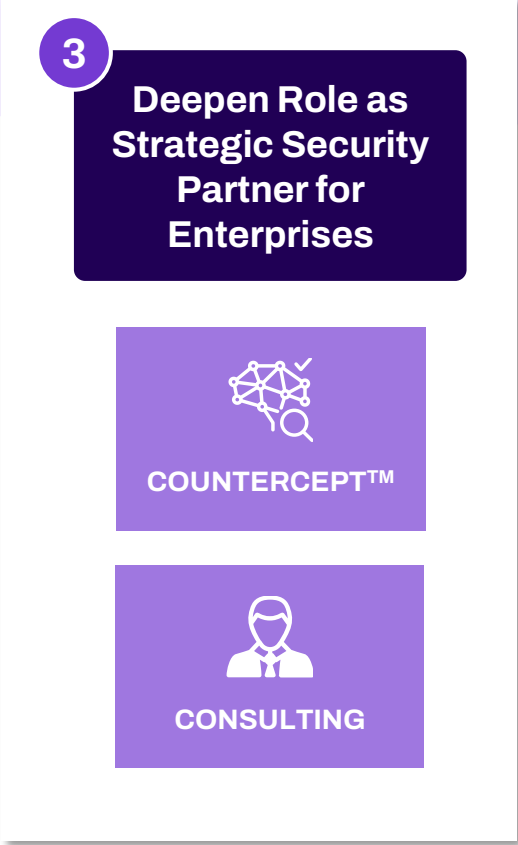
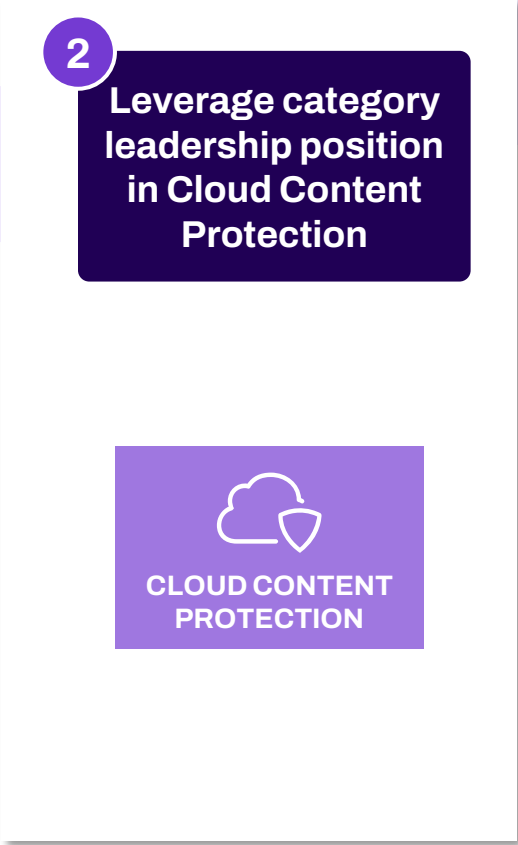
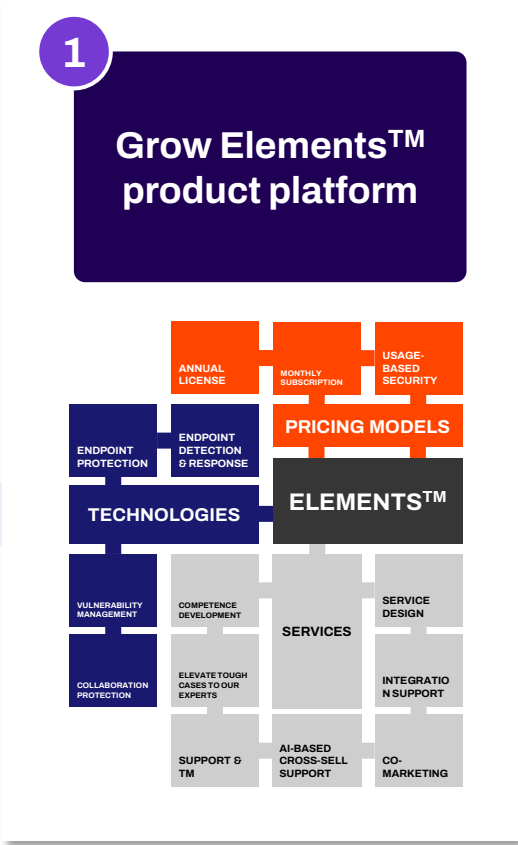


Cyber security consulting



% CAGR

Growth strategy in place to deliver shareholder value



A strong diverse talent pool requires commitment to culture and values

~1,250
Employees

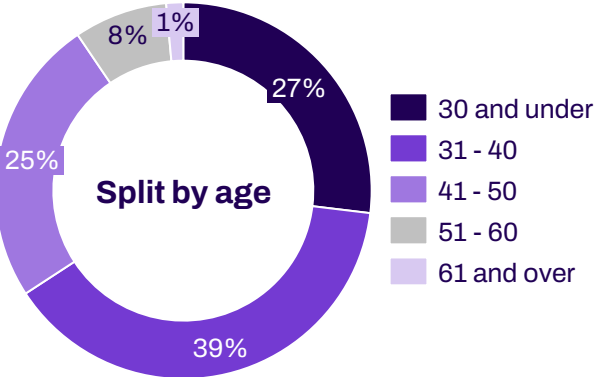
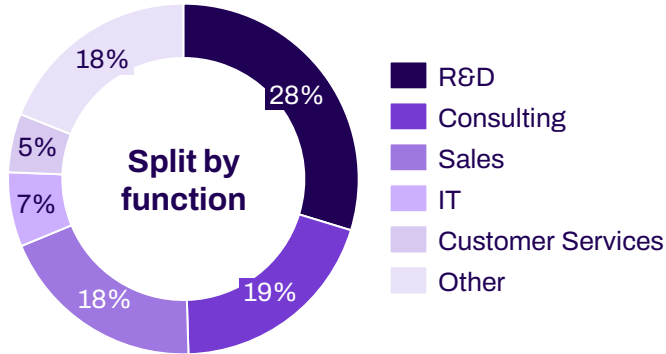
+90%
University degree

4.1/5
Glassdoor rating¹⁾

~70
Nationalities in...

... ~15
Countries

~25%
Women



One of the strongest B2B cyber security talent pools in Europe within consulting, software development, threat hunting and cloud

Leadership team



**Juhani
Hintikka**

President and CEO



Tom Jansson

Chief Financial Officer



**Christine
Bejerasco**

Chief Technology
Officer



Ari Vanttinen

Chief Marketing
Officer



Antti Koskela

Chief Product Officer



**Tiina
Sarhimaa**

Chief Legal Officer



**Juha
Kivikoski**

EVP, Business
Security



Tim Orchard

EVP, Solutions



**Charlotte
Guillou**

Chief People Officer

Medium-term financial targets

2021 Actuals

GROWTH TARGET

*“To **double** revenue organically
by the end of 2025”*

EUR 130m
Revenue 2021

PROFITABILITY TARGET

*“Adj. EBITDA breakeven by the end of 2023 and
Adj. EBITDA margin of some 20% by 2025”*

(8%)
Adj. EBITDA margin 2021¹⁾

WithSecure as an investment

- 1 Operating in a large and fast-growing market
- 2 Strong customer value proposition generating high retention
- 3 Fast-growing cloud solutions powered by world-class consulting
- 4 Growth strategy in place to deliver shareholder value

Uniquely positioned to
capture growth
opportunity



Antti Koskela

Chief Product Officer

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Key messages

**Broad and unique
security operations
offering**

**Customer-centric
security outcomes**

**Cloud-native
autonomous software**

Broad and unique security operations offering

A major European cyber security software and services provider

Software and consulting

Google
MANDIANT

CROWDSTRIKE

W / T H[®]
secure

Secureworks[®]

cybereason[®]

SCOPE

Selected competitors

PingIdentity[®]

radware

SentinelOne[®]

Qualys.

nccgroup[®]

SOPHOS

Bitdefender

FORTINET

paloalto NETWORKS

tenable

Symantec.
A Division of Broadcom

CYBERARK[®]

Check Point
SOFTWARE TECHNOLOGIES LTD

DARKTRACE

nixu
cybersecurity.

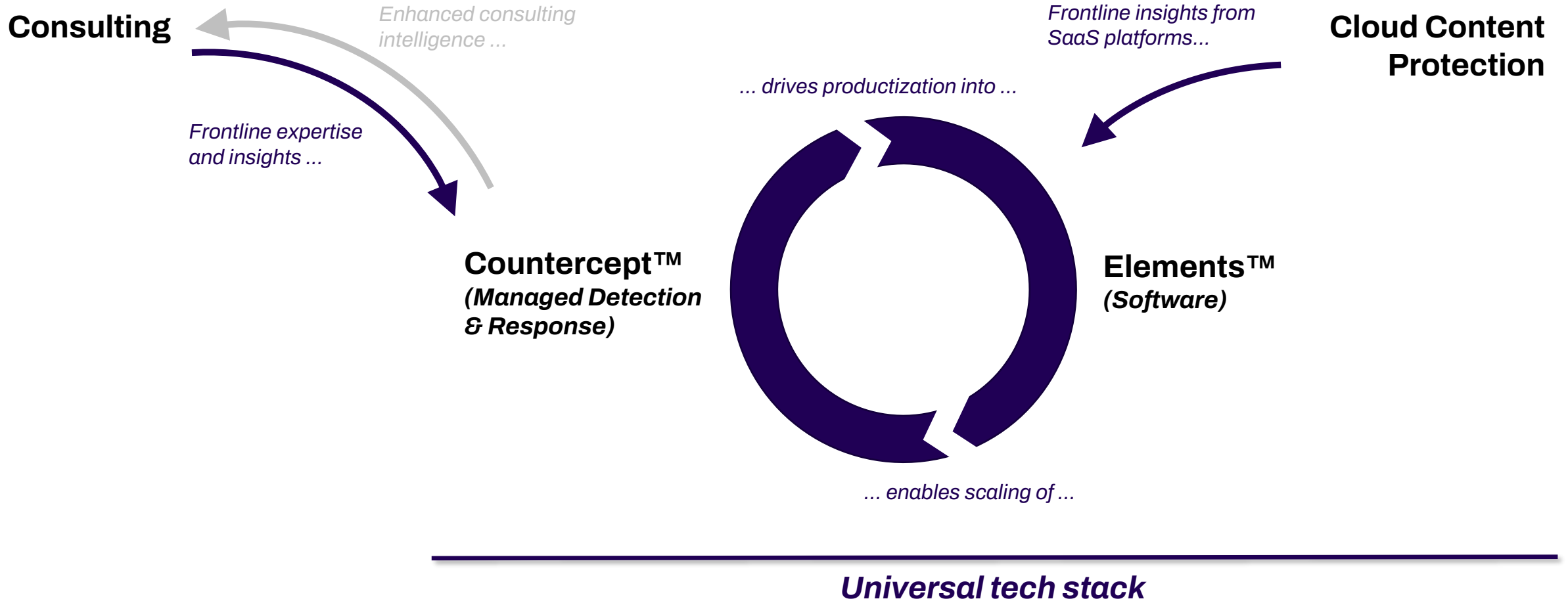
Mainly software or mainly consulting

Non-European

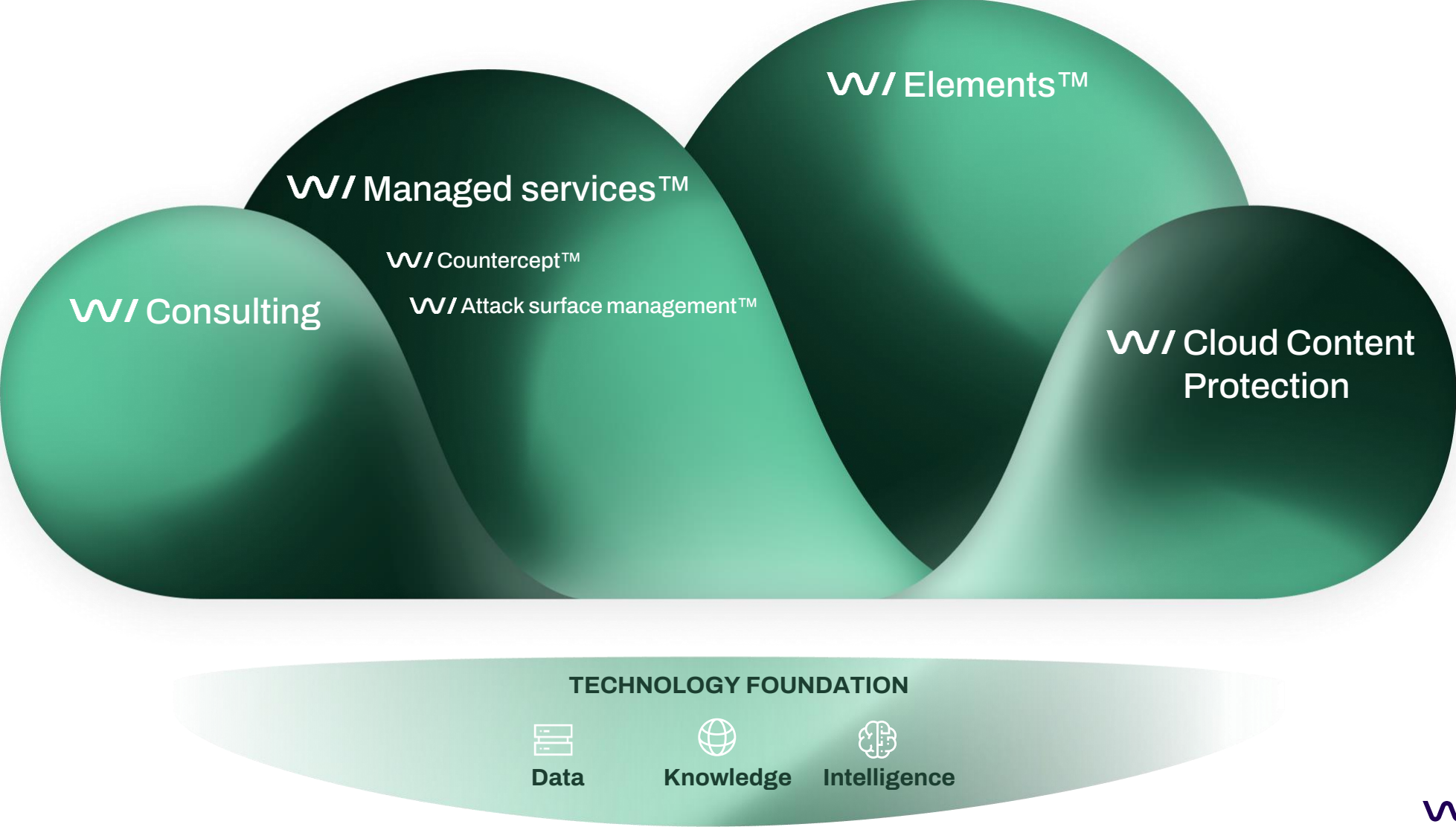
GEOGRAPHY

European

Productizing frontline insights and data



Customer-centric security outcomes



Day in the life - Developing and operating scalable software



SEND TELEMETRY

Committed to data-driven autonomous decision making and fast response to incidents



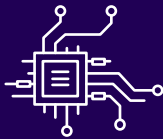
LIVING SERVICES

AWS based microservices and endpoint technology platforms



ENCRYPT EVERYTHING

Software security is a primary driver in all decisions



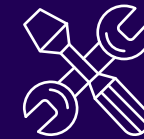
ASSEMBLE FROM PARTS

Flexibility and scalability are key, focus on interfaces being robust and universal



ONE IMPLEMENTATION

Mandated use of common services across all of WithSecure



DO NOT CUSTOMISE

Simplification of the technology stack as a key success factor

Cloud-native autonomous software

Software used by our customers
is updated multiple times per day...

20

*Average amount of engine updates
per day*

...makes end point detections
in real-time...

500,000

*Amount of end point detections
per day*

...and handles an increasing number of
incidents

8,000

*Amount of incidents
per day*

Key competitive advantages



Trusted European Leader



Cloud-Native Platform for Security as a Service



Category Leader in Cloud Content Protection



Market Defining Detection and Response Solution



Proven Expertise to Solve the Most Complex Cyber Security Challenges

+30 years of experience in keeping people and societies safe

#1 Solution For Partners¹⁾

Category Leader Growing With Fortune 500 Customers²⁾

Industry-leading capabilities in detecting advanced attacks³⁾

1 of only 9 NCSC-UK⁴⁾ certified incident response suppliers globally

Summary



**Broad and unique
security operations
offering**



**Customer-centric
security outcomes**



**Cloud-native
autonomous software**

Customers and go to market model



Ashley Clark

Vice President, Commercial - Solutions

Key messages

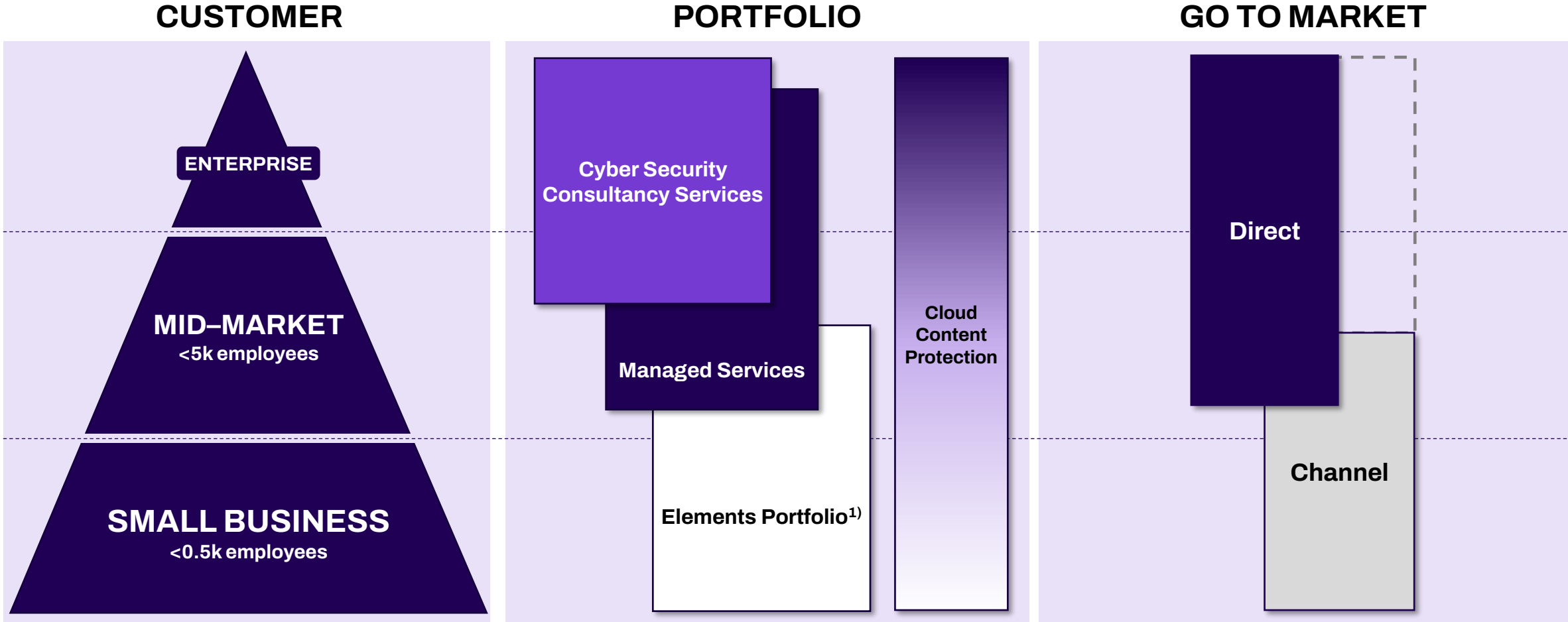


**Broad customer base
with significant growth**

**Scalable go to market
model to win new
customers**

**Partnership model to
scale operations**

Scalable go to market model

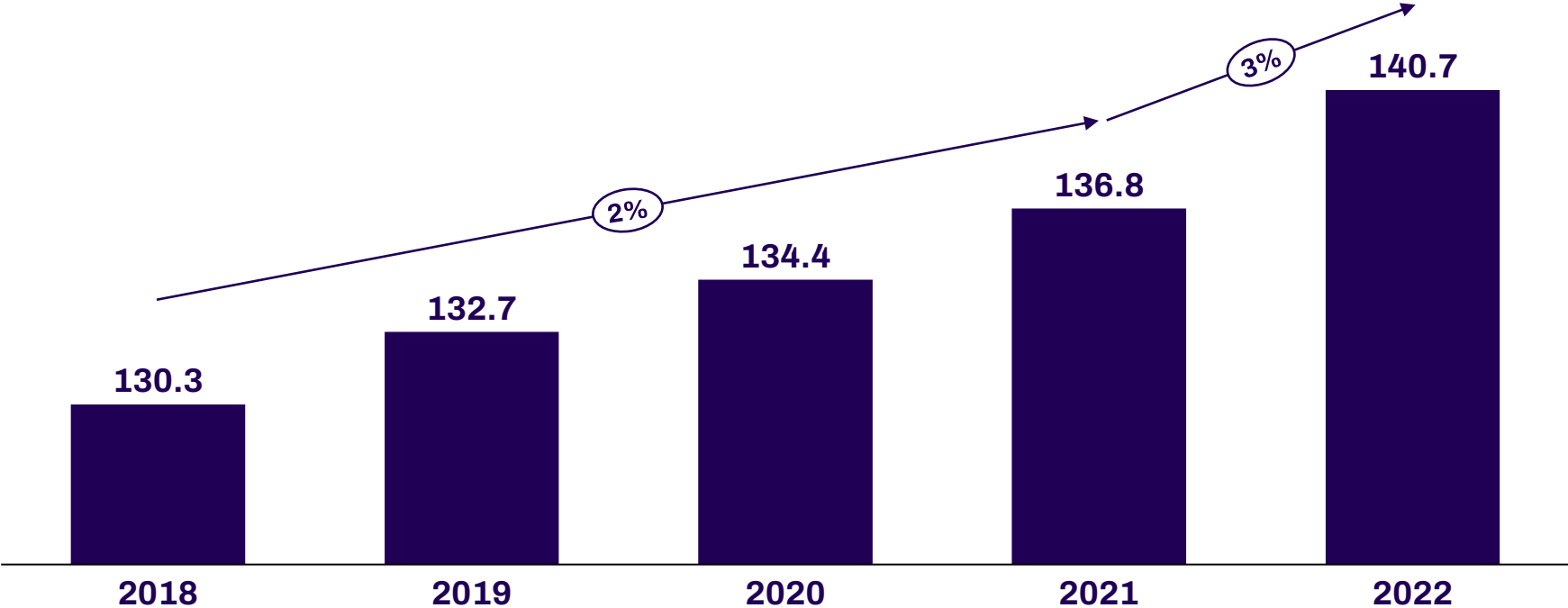


28 Note: 1) Endpoint Protection, EDR, Collaboration Protection, Vulnerability Management

Broad customer base with significant growth

End customers

Thousands, as of May each year



✓ **>140,000**
active customers¹⁾

✓ **Top 6**
global banks

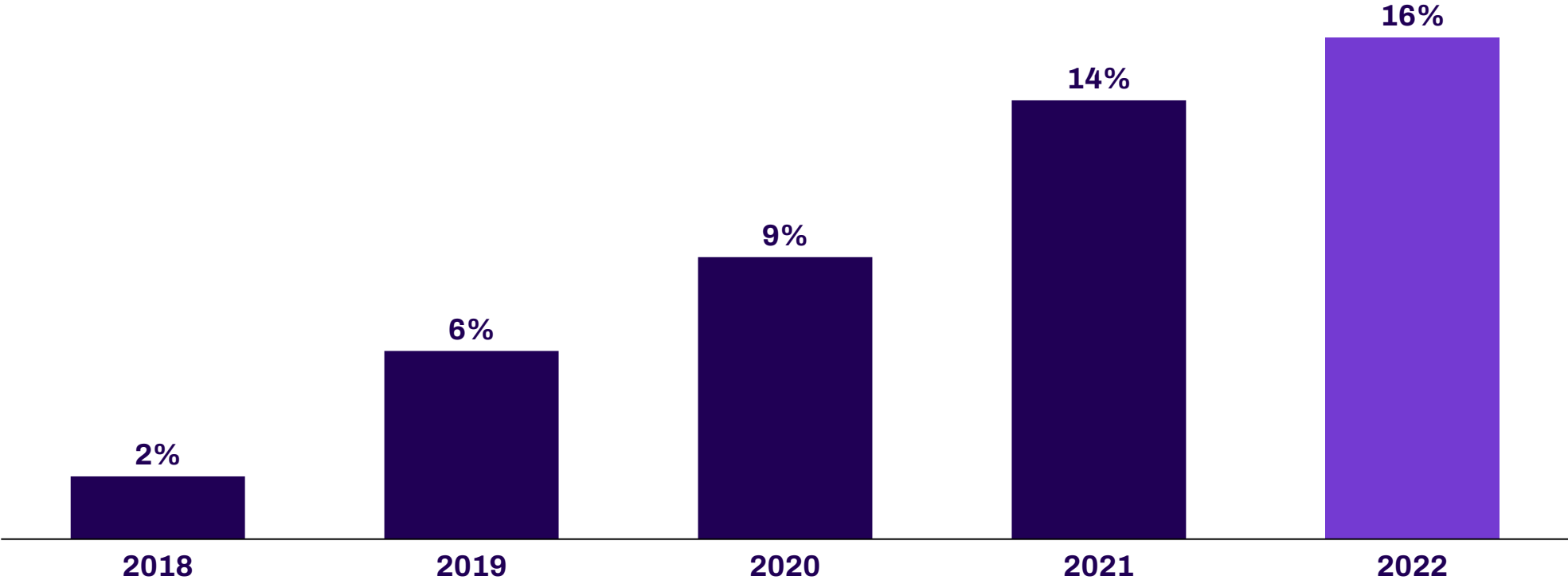
✓ **40+**
Fortune 500 companies

29 Note: 1) Served through partners

Growing the share of wallet of existing customers

Share-% with more than 1 solution¹⁾

As of Q1 each year



High customer retention rates

Long customer relations

Top 10 customers	Vertical	Years as customer
Customer 1	Financial Services	10 years
Customer 2	Financial Services	6 years
Customer 3	Media	4 years
Customer 4	Financial Services	7 years
Customer 5	Financial Services	7 years
Customer 6	Financial Services	4 years
Customer 7	Manufacturing	7 years
Customer 8	Business Services	5 years
Customer 9	Heavy Industry	7 years
Customer 10	Telecom	7 years
Top 100 (average)		4 years

113%

Net Revenue Retention¹⁾

72

Net Promoter Score²⁾

Key messages

**Broad customer base
with significant growth**

**Scalable go to market
model to win new
customers**

**Partnership model to
scale operations**



**Accelerating customer
growth**



Increasing share of wallet

Direct sales approach



***Enterprise and larger
mid market profile
focused***



***Strategic account
ownership and
expansion***



***Simple Customer
engagement to
WithSecure***

Strong value proposition for >7,000 partners globally

MANAGED SERVICE PROVIDERS

Selected examples

VALUE ADDED RESELLERS

Selected examples

TRADITIONAL RESELLER

+5,000 local companies in tens of countries

17 Avg. partnership years with top 10 resellers

72 Net Promoter Score¹⁾

Key messages

**Broad customer base
with significant growth**

**Scalable go to market
model to win new
customers**

**Partnership model to
scale operations**



**Accelerating customer
growth**



Increasing share of wallet



Proven partnership model

Cloud content protection



Janne Pirtilahti

VP, Cloud Protection

Key messages

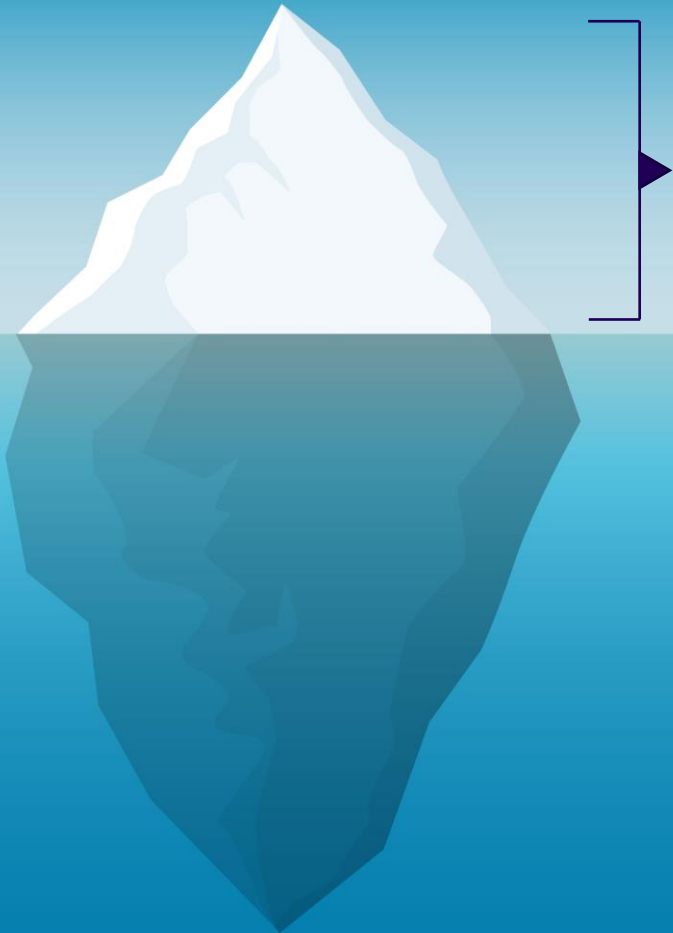
**Security as a
partnership - profound
need**

**Broad global customer
base**

**Roadmap in place for
rapid growth**

Cloud security

SECURITY "OF" THE CLOUD

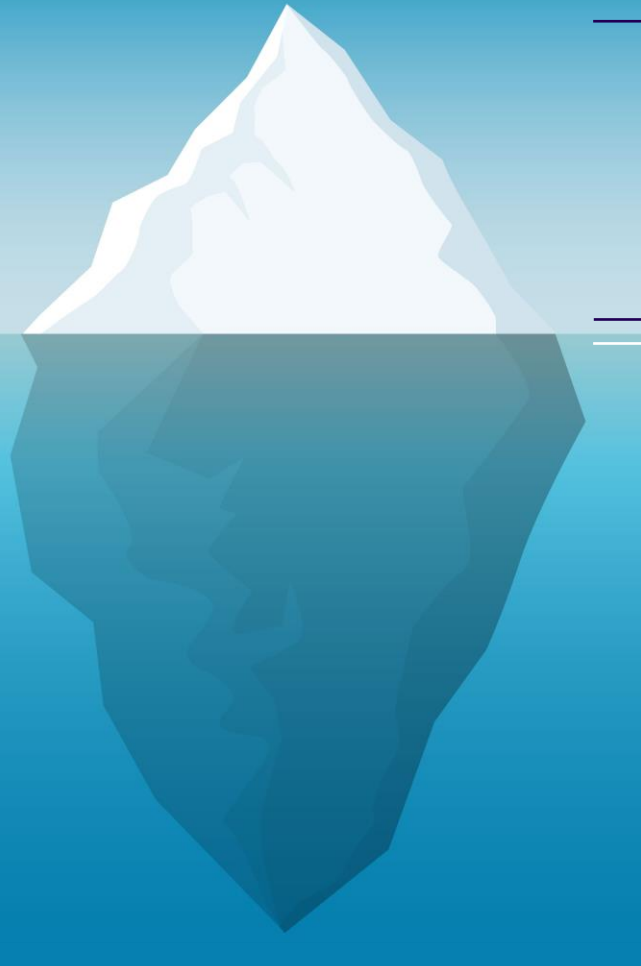


Application-Level Control & Security | Physical Security | Host Infrastructure

Network Level Control & Security | Storage Level Control & Security

Cloud security – shared responsibility

SECURITY “OF” THE CLOUD



Application-Level Control & Security | Physical Security | Host Infrastructure
Network Level Control & Security | Storage Level Control & Security

Customers Responsibility

Content Security Identity Management
Data Backup Access Control
Accountability

SECURITY “IN” THE CLOUD

The Salesforce environment

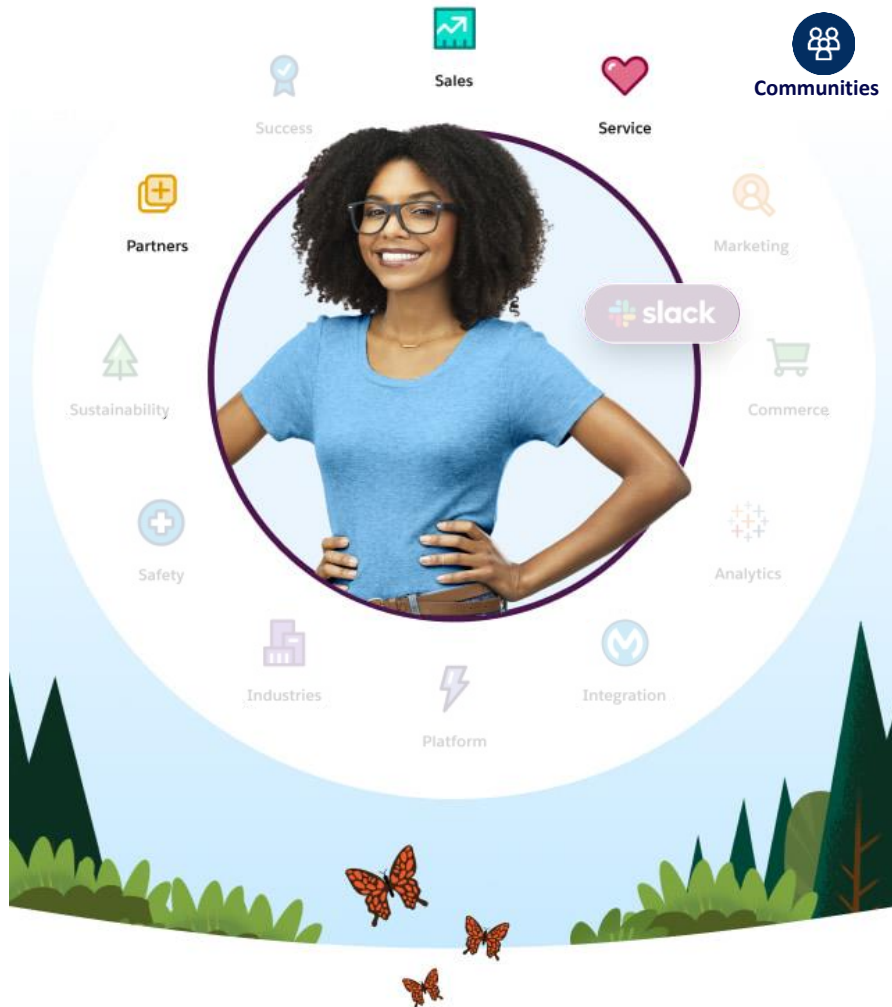


150,000+
Customers

USD 26.5Bn
Salesforce revenue in FY2022¹⁾

USD 24Bn
Estimated market size of system software ecosystem (including app and software related services) and related add-on apps

Security threats we prevent in Salesforce



Communities

- Malicious content uploaded to community
- Infection of company personnel, environment or community users
- Significant brand damage caused by security threats



Service

- Malicious content uploaded via support case
- Customer service not aware of security threats when dealing with files & URLs
- Infection of company personnel and environment



Sales

- Exposure to infections from remote work & bring your own device policies
- Working in unsafe networks
- Infection of company personnel end points and IT environment



Partners



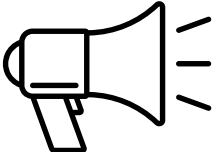
- Malicious content uploaded via 3rd party AppExchange applications

Co-selling with Salesforce

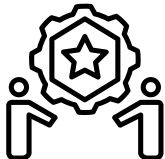
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Global demand, with largest share from large enterprises



Dedicated sales and marketing teams



Salesforce implementation partners



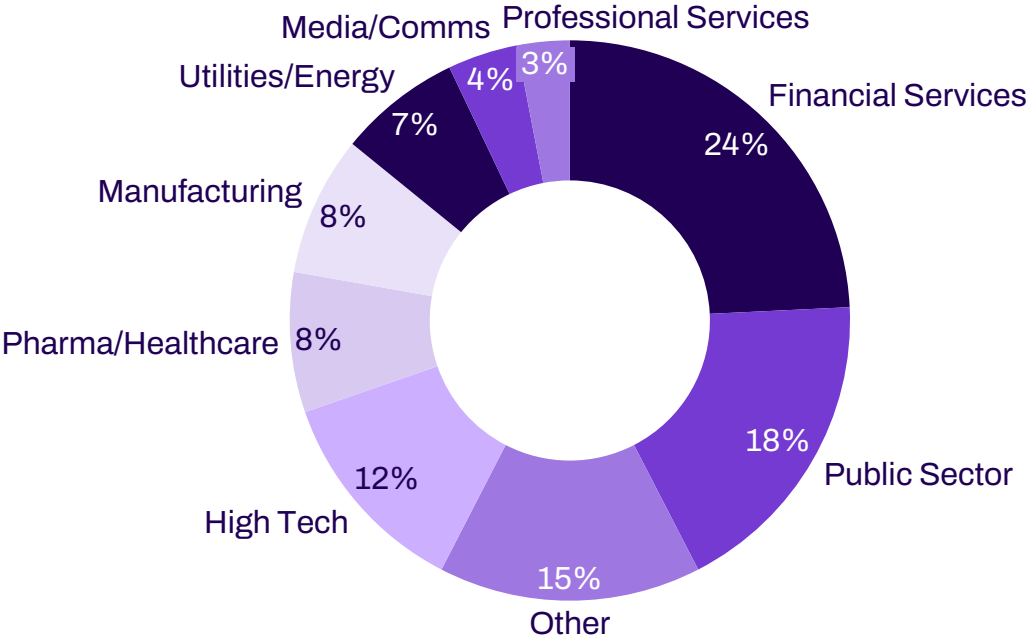
Salesforce Appexchange



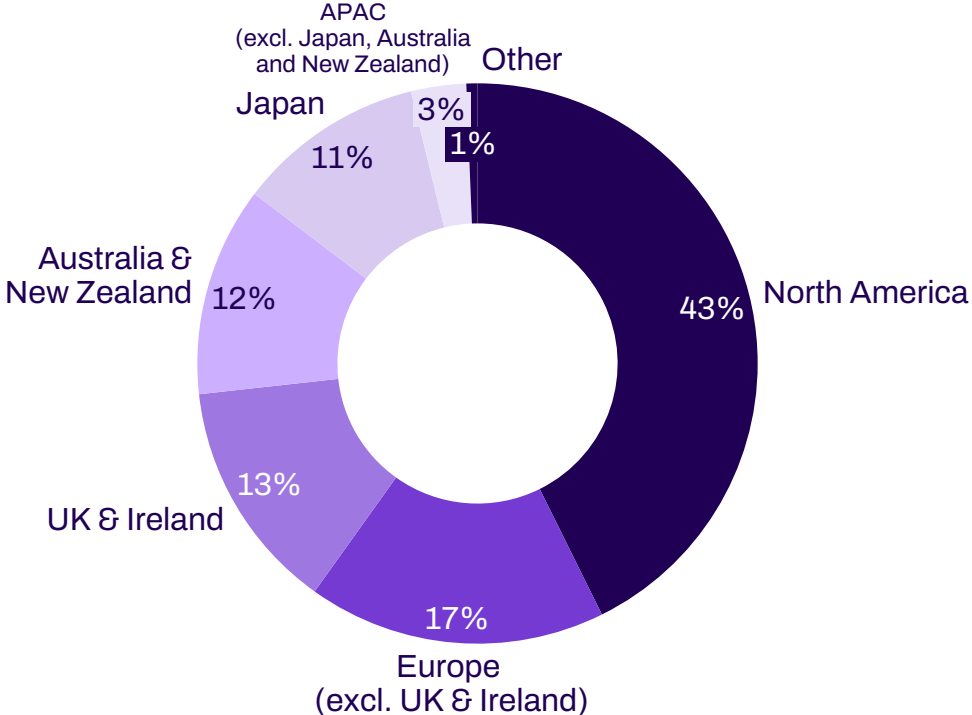
Collaboration with Salesforce

Wide customer base with global demand

By Sector



By Geography



“We are witnessing a great global demand for Cloud Content Protection all the way from the large companies within e.g. Tech, Finance and Pharma”

43 Note: Percentages represent number of customers, as of February 2022
Source: Company data

Proven customer success

"Many people believe that Salesforce is responsible for all security. However, aspects of security are left to ourselves e.g., when files change hands. Therefore, we must make sure to security scan everything that comes in and out of the system"
- Customer A, Program Director

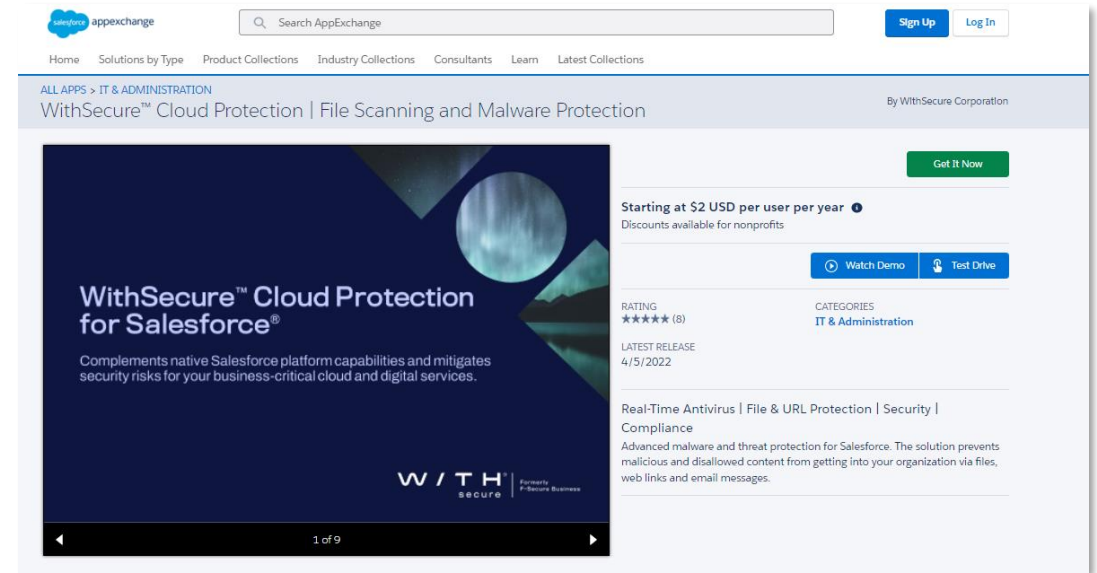
Selected other customer references

A Fortune 500 company...

One of leading automotive manufacturers...

One of UK's leading banks...

Big pharmaceutical company...



The screenshot shows the Salesforce AppExchange page for WithSecure Cloud Protection. The page includes a search bar, navigation links, and a product card. The product card features a large image with the text 'WithSecure Cloud Protection for Salesforce' and a 'Get It Now' button. Below the image, there is a rating of 5 stars (8 reviews), a price of '\$2 USD per user per year', and a 'Latest Release' date of 4/5/2022. The product description mentions 'Real-Time Antivirus | File & URL Protection | Security | Compliance'.

Five star rating in Salesforce appexchange



"Success!"



"F-Secure makes Salesforce.com's security model more complete"



"#1 'must-have' security application"



"Game Changer"



"Easy set up, great support"

Roadmap for rapid growth

Expand product functionality and expand within Salesforce (e.g. Slack)

Expand into other ecosystems

Technology expansion



Focus on growth after initial investments

Geographic expansion on the back of best in class Salesforce partnership

Additional growth from groupwide synergies

Commercial expansion



Summary



**Security as a
partnership - profound
need**



**Broad global customer
base**



**Roadmap in place for
rapid growth**

Financial overview – growing at scale



Tom Jansson

Chief Financial Officer

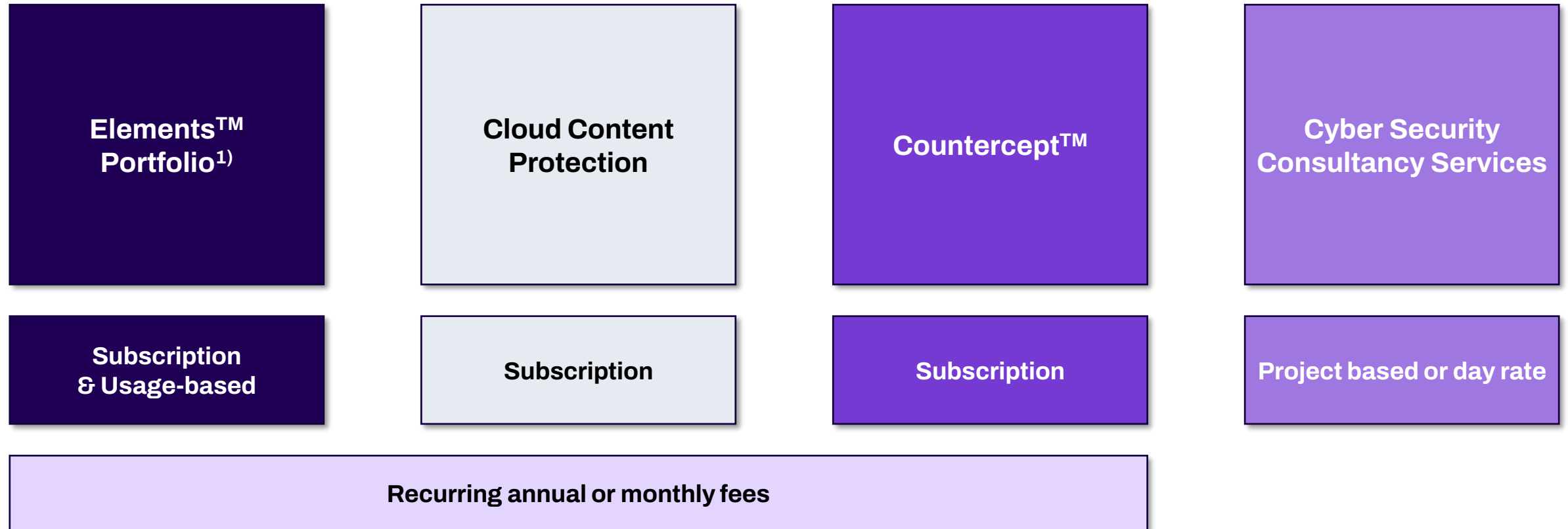
Key messages

**Strong financial
foundation to continue
growing from successful
share issue**

**Strong momentum in
cloud portfolio**

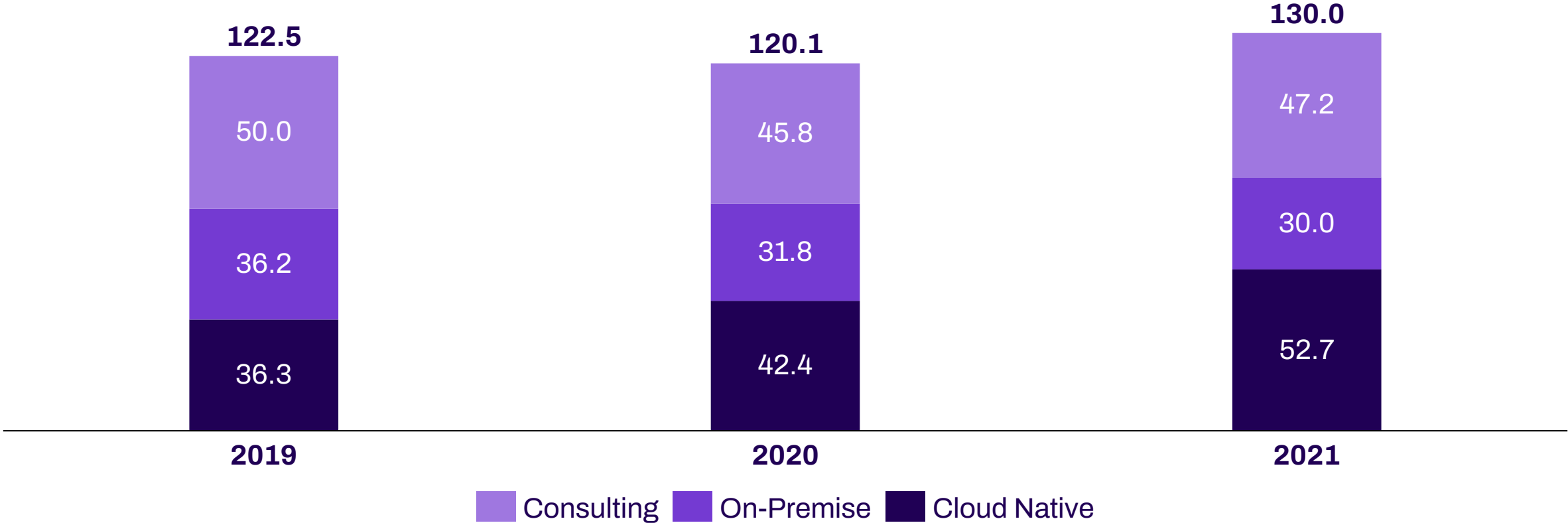
**Clear path to
profitability**

Recurring revenue business models



Shift to cloud-native products going according to plan

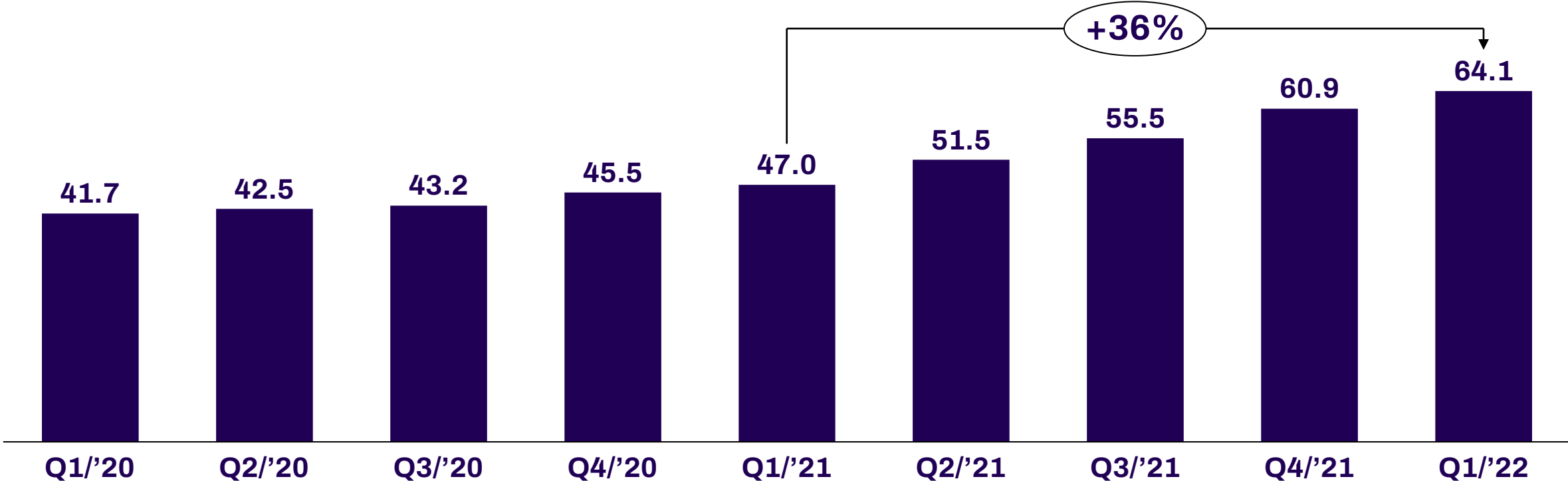
EUR million



Strong momentum in cloud portfolio

ANNUAL CLOUD-NATIVE RECURRING REVENUE¹⁾

EUR million



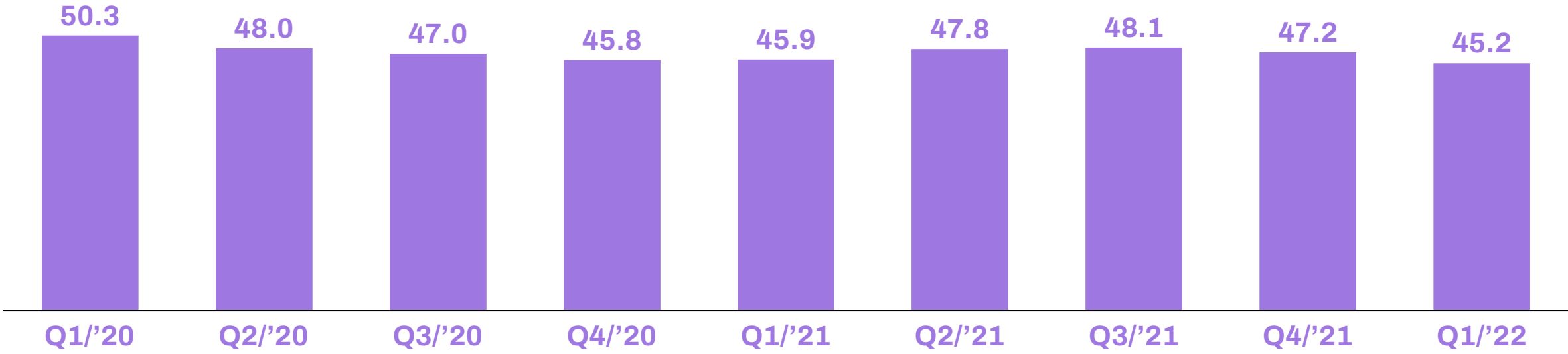
Note: FY2022 financial information is preliminary and unaudited; 1) Corporate security products excluding on-premise (Business Suite). Cloud Portfolio includes Elements Cloud, Cloud Content Protection and Countercept

Strategically important consulting remains stable

QUARTERLY LTM CONSULTING REVENUE

EUR million

Divestments in Q4/'21 and Q1/'22 will impact revenue by EUR ~7m on an annual level



Scalable product businesses to drive profitability

REVENUE REPORTING

PRODUCTS

CONSULTING

BUSINESS AREA

Elements™

Cloud Content Protection

Countercept™

>90%

>85%

>70%

50-55%

GROSS MARGIN AMBITIONS

SCALABILITY











Software

Software

Software & Service

Service

Path to profitability through scaling

	Today ¹⁾	Break even point	Mid-term
Revenue	EUR 131m		
Gross margin (WithSecure)	68%		
Sales & Marketing of sales	57%		
R&D of sales	25%		
Admin costs of sales	11%		
Adjusted EBITDA	(11%)²⁾	~0%	~20%

Strong financial foundation to continue growing

EUR 92m
Net cash position
Q1/'22¹⁾

73%
Equity ratio Q1/'22



Develop existing portfolio



**Room to catch short-term
market opportunities**

Medium-term financial targets

2021 Financials

GROWTH TARGET

*“To **double** revenue organically
by the end of 2025”*

EUR 130m
Revenue 2021

PROFITABILITY TARGET

*“Adj. EBITDA breakeven by the end of 2023 and
Adj. EBITDA margin of some 20% by 2025”*

(8%)
Adj. EBITDA margin 2021¹⁾

Outlook 2022

CLOUD-NATIVE PRODUCTS

“Revenue from cloud-native products will grow by approximately 30% from previous year, accelerating in the second half of 2022. Previous year revenue from cloud-native products was EUR 51.8 million.”

REVENUE

“Comparable revenue of the group will grow at a low double-digit rate from previous year. Previous year’s comparable revenue, adjusted for divested consulting businesses, was EUR 122.8 million.”

PROFITABILITY

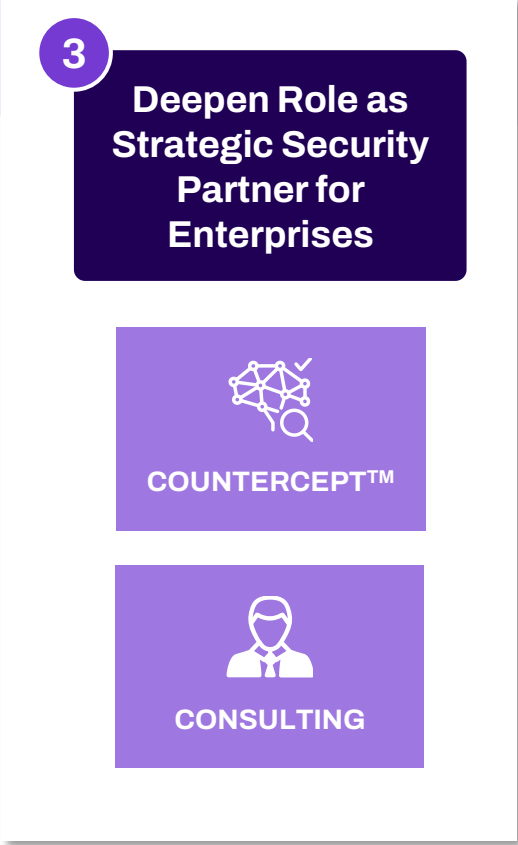
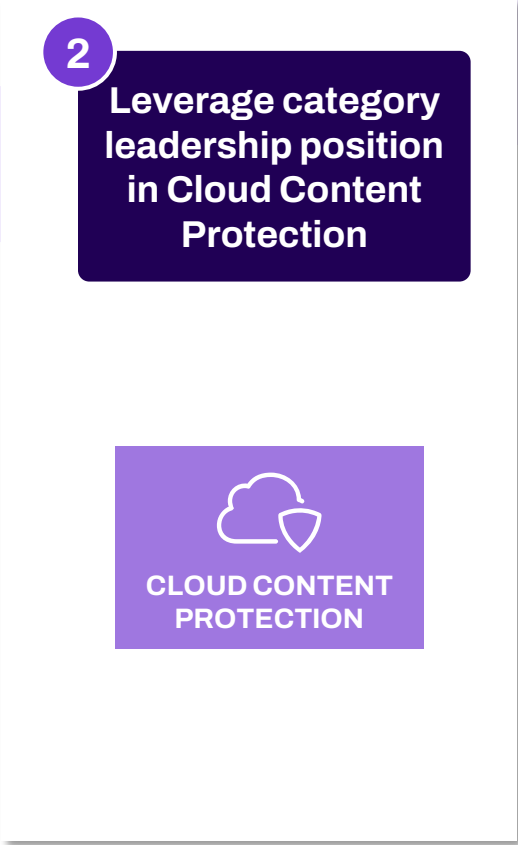
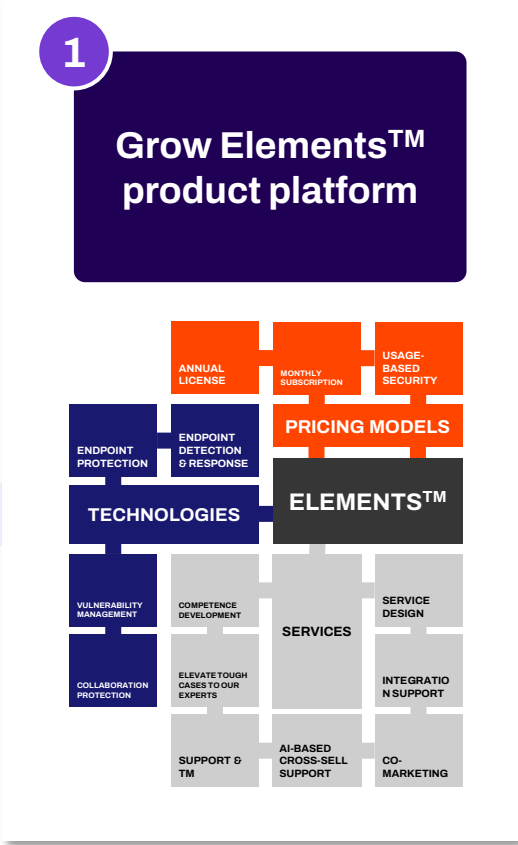
“Estimated comparable EBITDA will decrease from previous year. Decrease is mainly due to increased investments to new product areas, as well as sales and marketing efforts including brand renewal related to company demerger. The Estimated comparable EBITDA will improve in second half of 2022 compared to the first half.”

Concluding remarks



Juhani Hintikka
President & CEO

Growth strategy in place to deliver shareholder value



Key objectives of today



**Share our vision for
Security as a Service**



**Demonstrate how
WithSecure is uniquely
positioned in a large and
fast-growing market**



**Explain why we are
entering a new era of
profitable growth with
our cloud-native
portfolio as our main
growth driver**

Q&A

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