



SSH Communications Security Oyj

Q3 2021 Results

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October 21, 2021



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Q3 2021 highlights

Strategy implementation progressing well

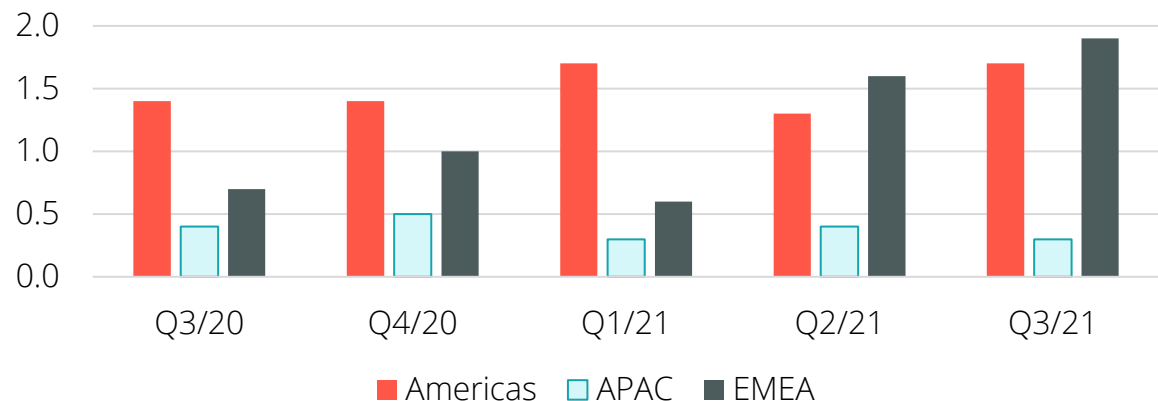
- Q3 **revenue growth +54%** compared to 2020
- Annual Recurring Revenue **ARR 14.5M€** (87% of revenues)
- Investment in growth and R&D continued
 - **Q3: 36% of revenues invested in R&D**
- Addressable market expanded with PrivX JIT* and JEA** technologies:
 - For new customer segments
 - **PrivX OT Edition** (Operational Technology)
 - **PrivX MSP Edition** (Managed Service Provider)
 - For installed base
 - **UKM Zero Trust Edition** (PrivX embedded)
 - **Tectia Zero Trust Edition** (PrivX embedded)
- Introduced **NQX PQC Edition**, first Post Quantum Cryptography product
- Introduced **SSH Secure e-communication suite** of products containing all Deltagon products

* **JIT** (Just-in-time) ** **JEA** (Just Enough Access)

Q3/21: Sales increased, EBITDA positive

		Q3/20	Q4/20	Q1/21	Q2/21	Q3/21
Net Sales	M€	2.6	3.0	2.6	3.3	3.9
EBITDA	M€	0.2	-0.8	-0.9	0.1	0.6
	%	8.8	-25.5	-33.9	2.0	14.0
Operating profit	M€	-0.3	-1.3	-1.4	-0.4	-0.3
	%	-9.8	-44.2	-53.5	-13.2	-8.3
Net profit	M€	-0.5	-1.6	-1.5	-0.9	-0.3
Personnel		82	94	90	123	123

Sales by region (M€)



Net Sales: increase of 54% in comparison to Q3/20

EBITDA: 0.6M€

Operating Profit: -0.3M€

Net profit: -0.3M€

Second growth quarter in succession with positive and improving EBITDA

ARR revenues (subscriptions and maintenance) accounted for 87% (85% Q2/21) of revenue. License sales also grew

Our subscription revenue grew by 765% compared to Q3/20
PrivX subscription revenue grew by 170% compared to Q3/20

EMEA sales grew 172% , US grew 22 % , APAC down -30%

Operating cash flow positive, liquidity improving

		2020	Q1 /21	Q2/21	Q3 2021
Balance Sheet	M€	18.6	15.7	29.0	32.0
Cash and Equivalents	M€	8.5	7.5	2.1	4.2
Cash Flow from Operations	M€	-0.2	0.0	-1.9	0.4
ROE	%	-30	-20.9	-9.3	-3.1
Equity Ratio	%	70	60.6	46.8	46.3
Gearing	%	-85	-109.4	-8.3	-25.8
Profit/loss per share	€	-0.11	-0.05	-0.03	-0.02
Equity per share	€	0.22	0.15	0.28	0.30

Cash Flow From Operations

+0.4M€

Cash and Equivalents

4.2M€

NQX and NQX PQC Edition

First Post Quantum Cryptography solution released

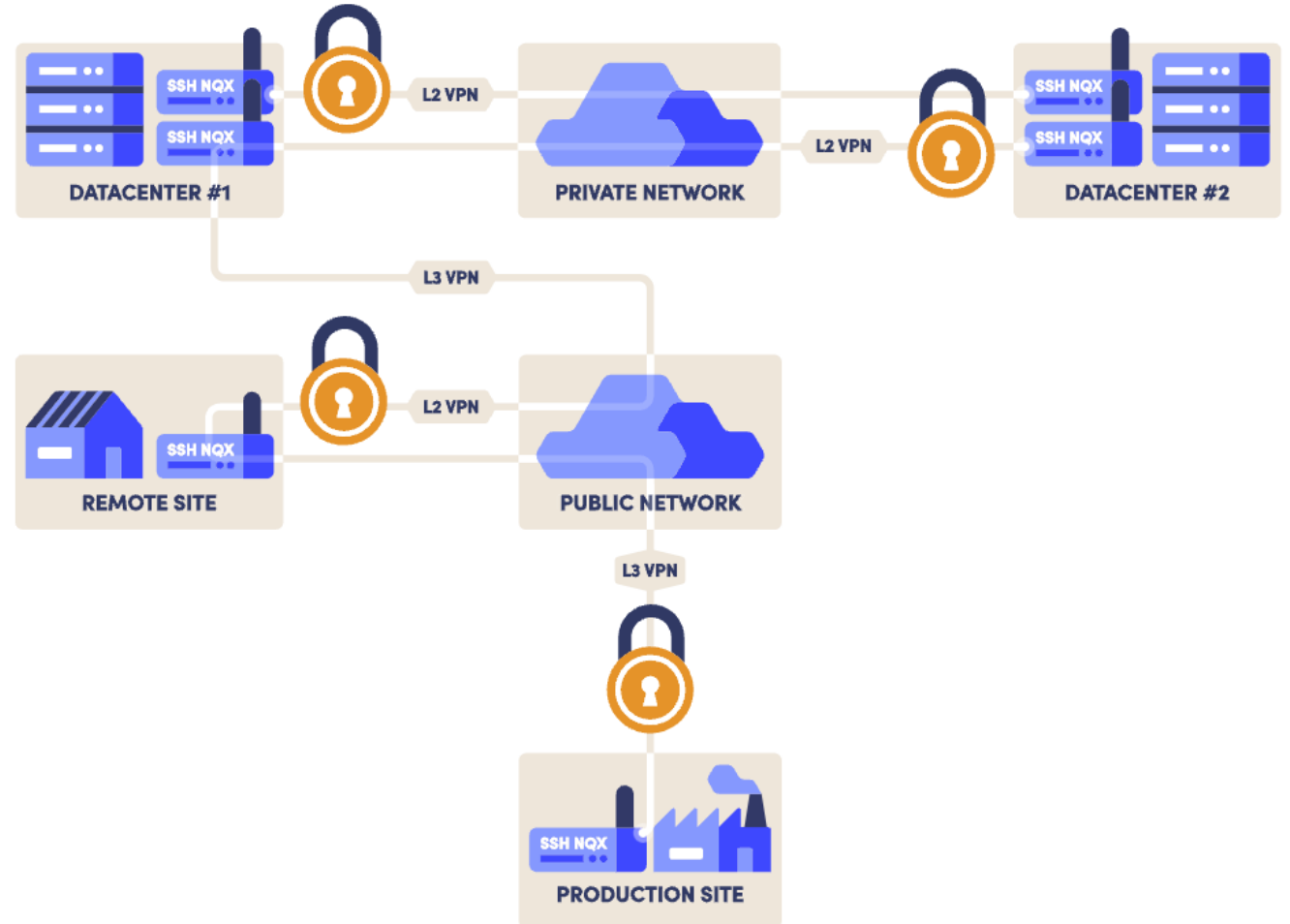
- **NQX** is gaining traction from security critical customers
 - Q3 new orders worth over EUR 0.3M€
 - Good visibility into larger future orders
 - Major contract for cryptographic products and services is soon moving to production rollout
- Released **NQX PQC Edition**, Quantum Safe solution for Data-in-Transit

NQX PQC Edition

Quantum Ready solution for Data-in-Transit

SSH's first Quantum Ready commercial solution released

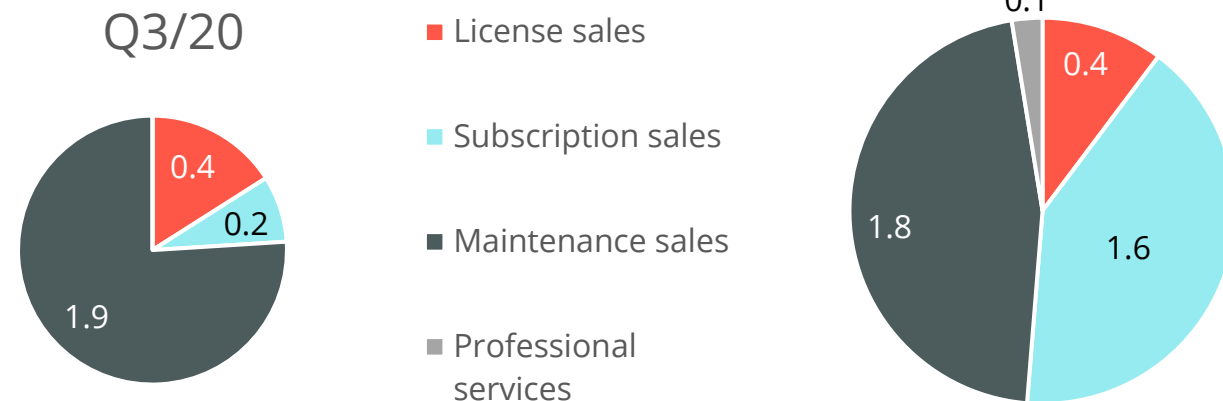
- Gradually implementing Post Quantum technology in the rest of SSH solution portfolio



Annual Recurring Revenue continued to grow

ARR is a rock-solid base for sustainable profitable growth

- Subscription revenue grew by 765% compared to Q3 2020 driven by
 - **Secure e-communication suite**
 - **PrivX**
 - **NQX**
- SSH as Trusted advisor: Professional Services business improves customer intimacy

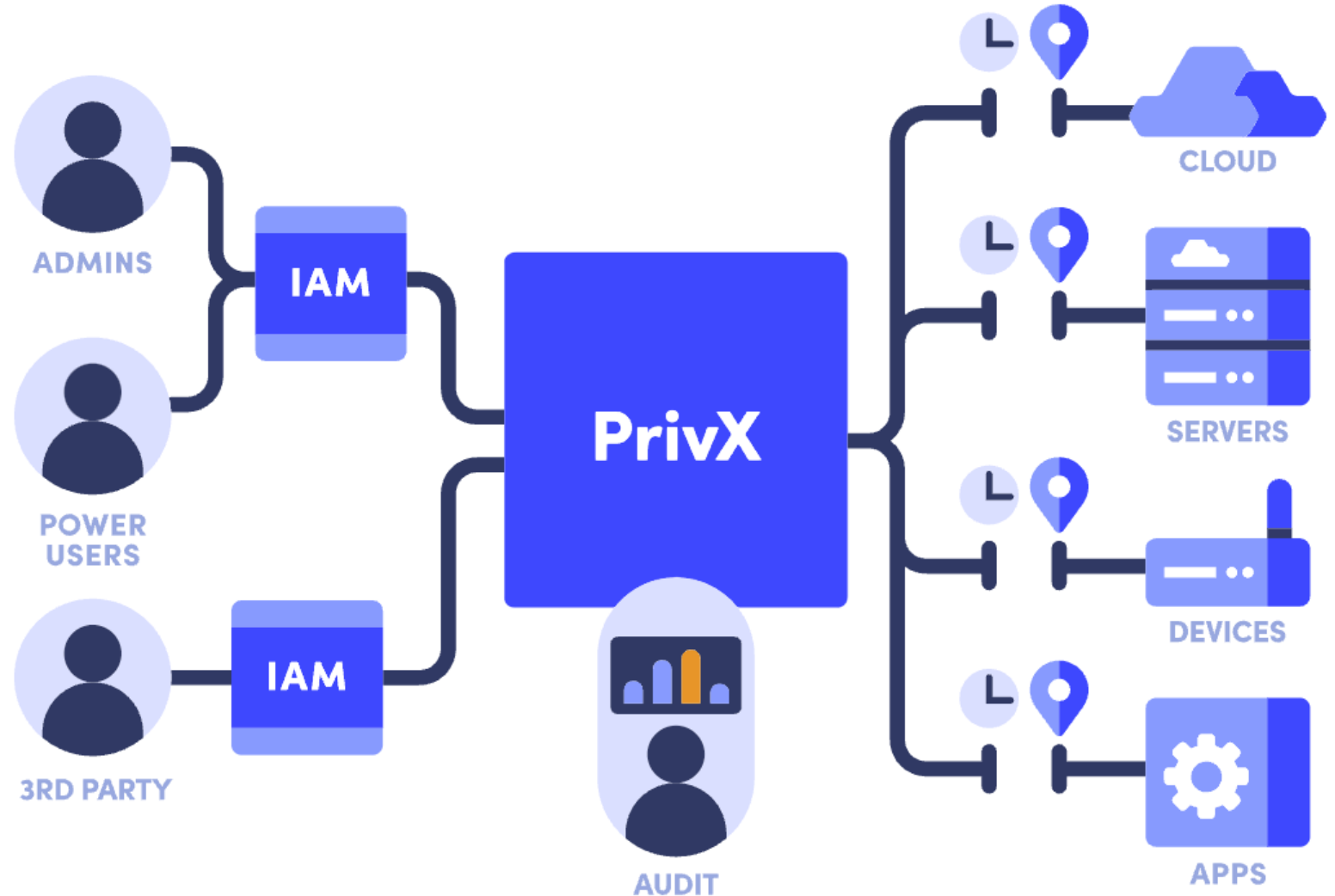


PrivX Zero Trust privileged access management

No static secrets for users nor applications anymore

Efficient access between actors based on role-based automation

Real-time access verification, monitoring and logging



Zero Trust by PrivX with JIT and JEA technologies and role-based automation

PrivX expands from traditional IT to factory digitalisation and SaaS markets

Improved cybersecurity with PrivX

- **Connect Factory to Cloud safely**
- **Sell applications like electricity from the wall safely**

- PrivX leading edge **JIT*** and **JEA**** technologies with **role-based** privileged access automation and leading-edge **audit capabilities**
- PrivX subscription pricing enables customers to start small and expand flexibly over time with “**Land and Expand**” sales approach
- **PrivX OT** and **PrivX MSP** Editions have been well accepted by key customers expanding PrivX’s addressable market beyond Enterprise IT PAM
- PrivX is available for on-premise, cloud, **container** and **SaaS** deployment
- PrivX has secured several significant **new customers** in all SSH regions
- Gradually implementing PrivX Zero Trust technologies to the rest of SSH portfolio

Guidance remains unchanged

We foresee a strong Q4 and 2021.

Our current year 2021 guidance remains unchanged:

- Net sales to increase significantly during 2021
- EBITDA and cash flow from operations positive for 2021

Thank you!

