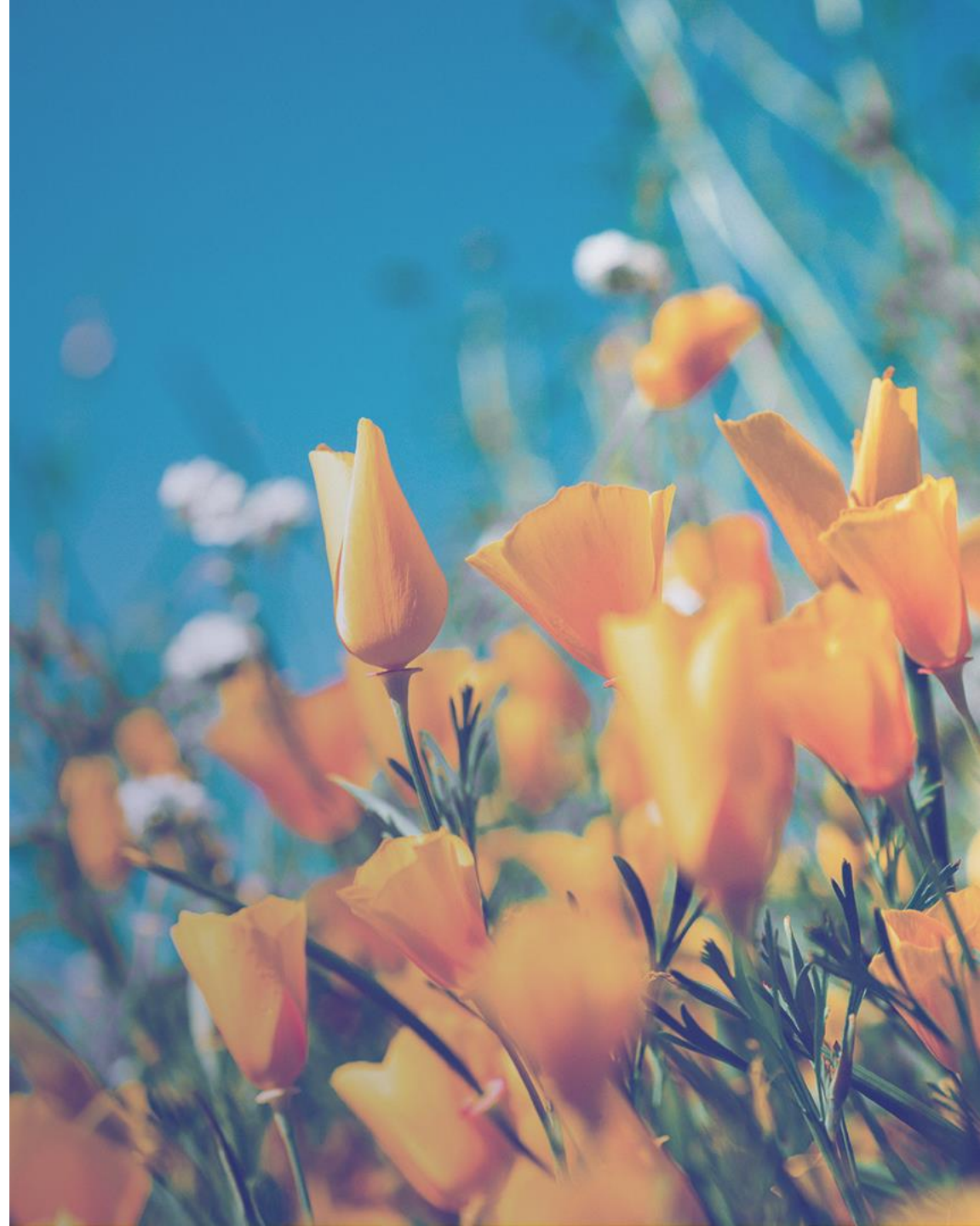


---

# Q4/21 Financials

24 February 2022

Niklas Nordström  
CFO



# Q4/21: Sales and EBITDA increased significantly 1/2

		Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	% vs Q4/20
Net Sales	M€	3.0	2.6	3.3	3.9	6.0	103%
EBITDA	M€	-0.8	-0.9	0.1	0.6	1.4	286%
	%	-25.5	-33.9	2.0	14.0	23.3	
Operating profit	M€	-1.3	-1.4	-0.4	-0.3	0.7	151%
	%	-44.2	-53.5	-13.2	-8.3	11.0	
Profit	M€	-1.6	-1.5	-0.9	-0.3	0.4	124%
Personnel		94	90	123	123	123	31%

**Net Sales:** increase of 103% vs Q4/20

- Significant increase due to several substantial orders

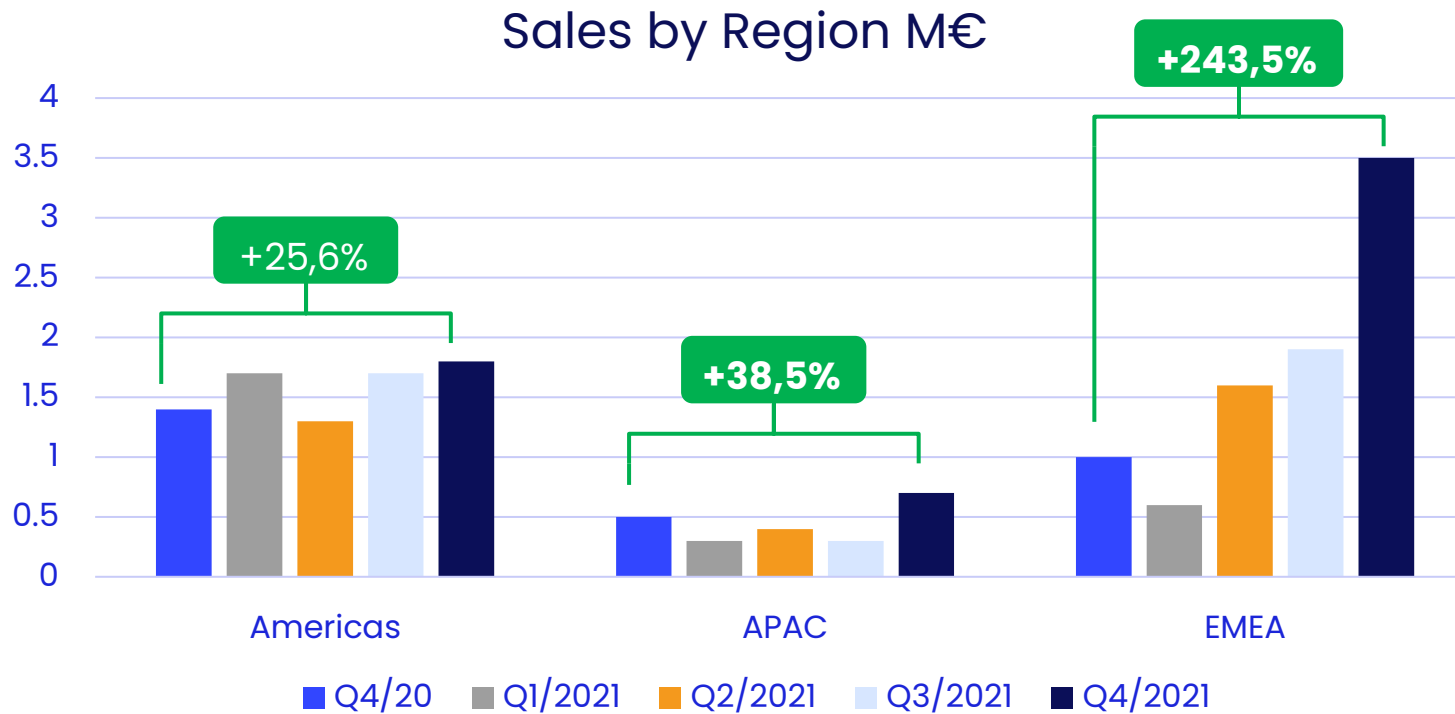
**EBITDA:** 1.4M€, improvement of 2.2M€ vs Q4/20

- Clearly positive due to effective cost controls and solid sales performance

**Profit:** 0.4M€, improvement of 2.0M€ vs Q4/20

**Personnel:** FTE stable

# Q4/21: Sales and EBITDA increased significantly 2/2



**APAC** and **US** sales recovering, **EMEA** growing significantly due to Deltagon suite and robust overall demand.

All Regions reported the best quarter of the year.

# FY21: Profitable growth, ARR almost equal to reported revenue 1/2

		FY19	FY20	FY21	% vs 20
Net Sales	M€	14.4	11.3	15.9	41.6%
EBITDA	M€	0.9	-0.4	1.1	385%
	%	6.0	-3.5	7.0	
Operating profit		-1.2	-2.5	-1.5	38.5%
	%	-8.4	-22.1	-9.6	
Profit	M€	-1.5	-3.1	-2.3	24.7%
Personnel		90	94	123	31%

**Net Sales:** increase of 41.6% vs FY20

**EBITDA:** 1.1M€, up 1.5M€ vs FY20

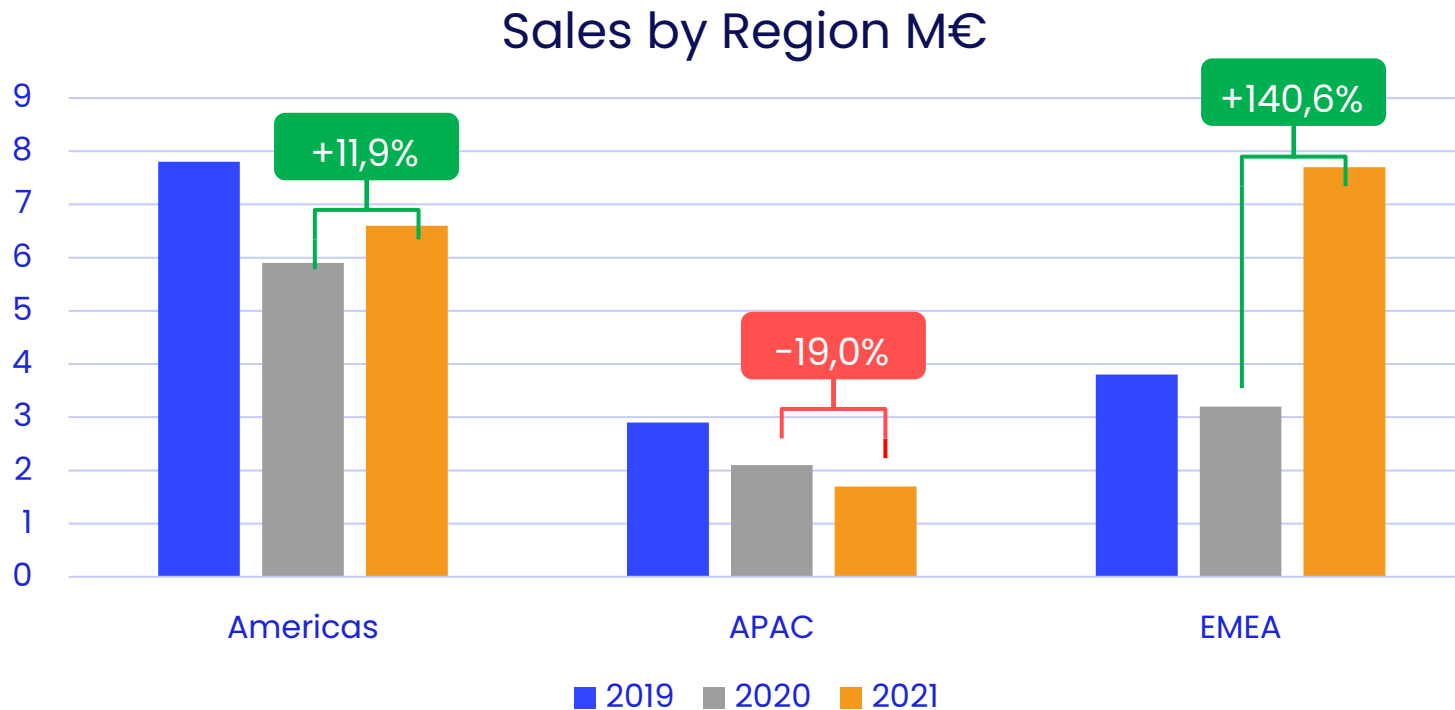
**Operating profit:** -1.5M€, up 1M€ vs FY20

**ARR:** 15.4M€, increase of 94.1% vs FY20

**Subscription ARR:** 7.3M€, increase of 512.1% vs FY20

- Importantly, our end of year **ARR** is almost equal to the reported revenue
  - we are well positioned to continue on a growth path.

# FY21: Profitable growth, ARR almost equal to reported revenue 2/2



Sales back on growth track in AMER while APAC down despite signs of recovery in Q4, EMEA grew significantly.

Corrective actions ongoing in APAC.

# Balance sheet and cash position good

		2019	2020	2021
Balance Sheet	M€	23.8	18.6	35.9
Cash and Equivalents	M€	12.0	8.5	8.2
Cash Flow from Operations	M€	0.3	-0.2	2.8
ROE	%	-11	-30	-22.6
Equity Ratio	%	78	68	44.6
Gearing	%	-92	-85	-39.8
Profit/loss per share	€	-0.06	-0.11	-0.10
Equity per share	€	0.31	0.22	0.31

## Cash Flow From Operations:

2.8M€, improvement of 3M€ vs 2020

Over 5M€ higher customer invoicing and receipts vs 2020

Year end cash position stable at 8.2M€



# Q4/21 CEO Report

24.2.2022



Teemu Tunkelo  
CEO



# Q4/21 Highlights

## ✓ Growth

Revenue growth in 4Q/21 **103%**  
Acquired over **70** new customers

## ✓ Product

Signed largest PrivX subscription contract (0,9 M€/a)  
PrivX revenues grew **162%** (Trend)  
UKM revenues grew **230%**

## ✓ Business model

Subscription ARR grew **512%**  
Overall Annual Recurring Revenue grew **94%**  
Professional Services grew **31%**

## ✓ Regional

APAC grew **39%**  
EMEA grew **244%**  
AMER grew **26%**  
During 2021 Finland grew to **25%** of total revenues

## ✓ Financial

EBITDA **1.1 M€**  
Cash from operations **4.3 M€**  
Cash balance at end of Q4 **8.2 M€**

# Agenda

1

Growth and portfolio Investments

2

Developing Products, Solutions,  
Services and Partners

3

Next Steps



# Growth Investments

## ✓ **Tectia**

- ✓ Japanese language version
- ✓ Quantum and Zero Trust Editions

## ✓ **PrivX**

- ✓ Six new major releases
- ✓ Customers engaged in innovation
- ✓ PrivX OT and MSP Editions released

## ✓ **UKM** Zero Trust Edition released

## ✓ **NQX** PQC\* Edition released

## ✓ **Deltagon Suite** released

1

New Industry Focused Solutions

2

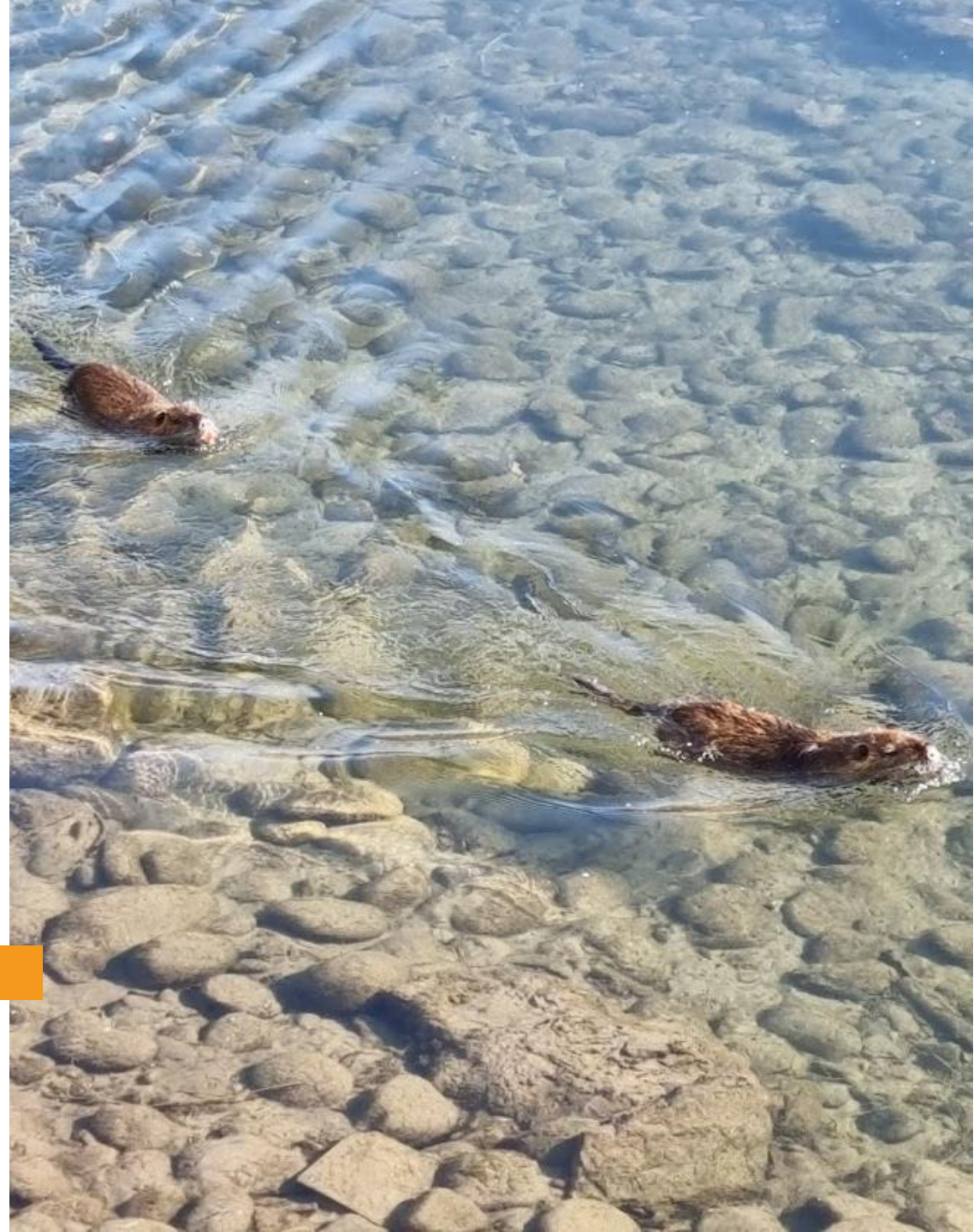
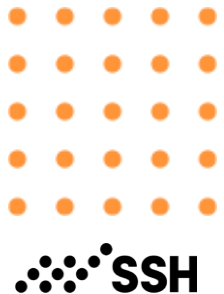
New Zero trust Editions  
New Quantum Editions

3

New Deltagon Suite

---

# Products Solutions Services Partners



# From Products to Solutions

## ✓ PrivX OT Edition

- Secures access between production sites and the cloud

## ✓ PrivX MSP Edition

- For Cloud operators and SaaS software houses
- Improved access control to their customers' critical data

## ✓ Focus on partner networks

- New major partners signed on in EMEA
- Channel partner network improvements
  - Increase market reach
  - Offer more **product-related services**
- New technology partnerships for **wider solutions**

1

### Industry Focused Solutions

- ✓ PrivX OT Edition
- ✓ PrivX MSP Edition

2

### Go-to-Market partners Technology partnerships

# SSH Key Management

- ✓ **UKM** (Universal SSH Key Manager)
  - Over 10 years in the market
  - New features constantly developed with customers
  - In 2021 new Fortune 500 customer win
- ✓ **UKM Zero Trust Edition** first contracts signed
  - E.g. major global bank in EMEA

1

UKM constantly improving

2

UKM Zero Trust Edition launched



# Zero Trust

- ✓ Zero Trust principles
  - **No password rotation**
    - No permanent passwords anymore
  - **Real-time authentication**
    - User and application connection
    - Server, Client and Device detection
- ✓ Digitalisation drives the need for better access control automatization
  - **Modelling** instead of individual access control for improved efficiency
    - **Definition of role groups** and their governance needed
- ✓ Patented technologies differentiate our offering
  - Just-In-Time (**JIT**)
  - Just-Enough Access (**JEA**)
  - Role-based Access Control (**RBAC**)

*"Federal Government must ... advance towards **Zero Trust** ..."*

**Executive Order** on Improving the Nation's Cybersecurity  
May 12, 2021

1

Passwordless real-time access control

2

Patented SSH technologies in core areas



# Encryption business

- ✓ Business **growth initiated** during 4Q/21
  - Backlog 0.5 M€
  - 0.6 M€ in the pipeline awaiting certification
- ✓ NQX
  - Traficom certification due in Q1/22
  - Several new customers
  - Quantum Safe **NQX PQC\* Edition**

1

Growth has been initiated

2

Quantum safe NQX released



# Deltagon Suite

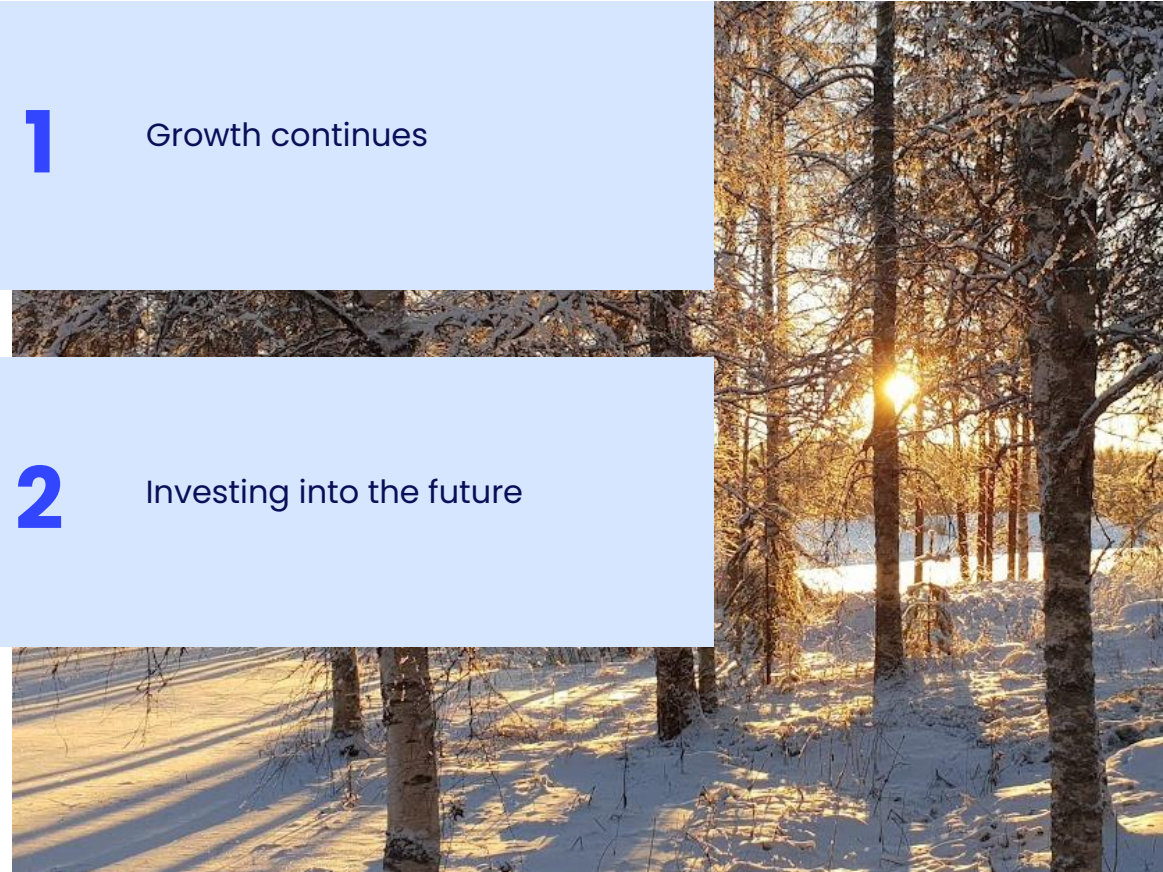
- ✓ Deltagon **growth** continued in 2021
- ✓ Deltagon **integration** accomplished
  - Organized as 5<sup>th</sup> SSH product line
  - Integrated into IT systems
  - Common Digital Face
  - Common account and new sales management
- ✓ Seven months after integration first customers outside Nordic are interested and offers have been issued
  - First major order expected in 1H/22
- ✓ Investing into the **future**
  - From point solutions to platform
    - Safe sensitive data exchange over organizational borders
  - R&D investments
  - Marketing investments
  - Co-operation across SSH regions

1

Growth continues

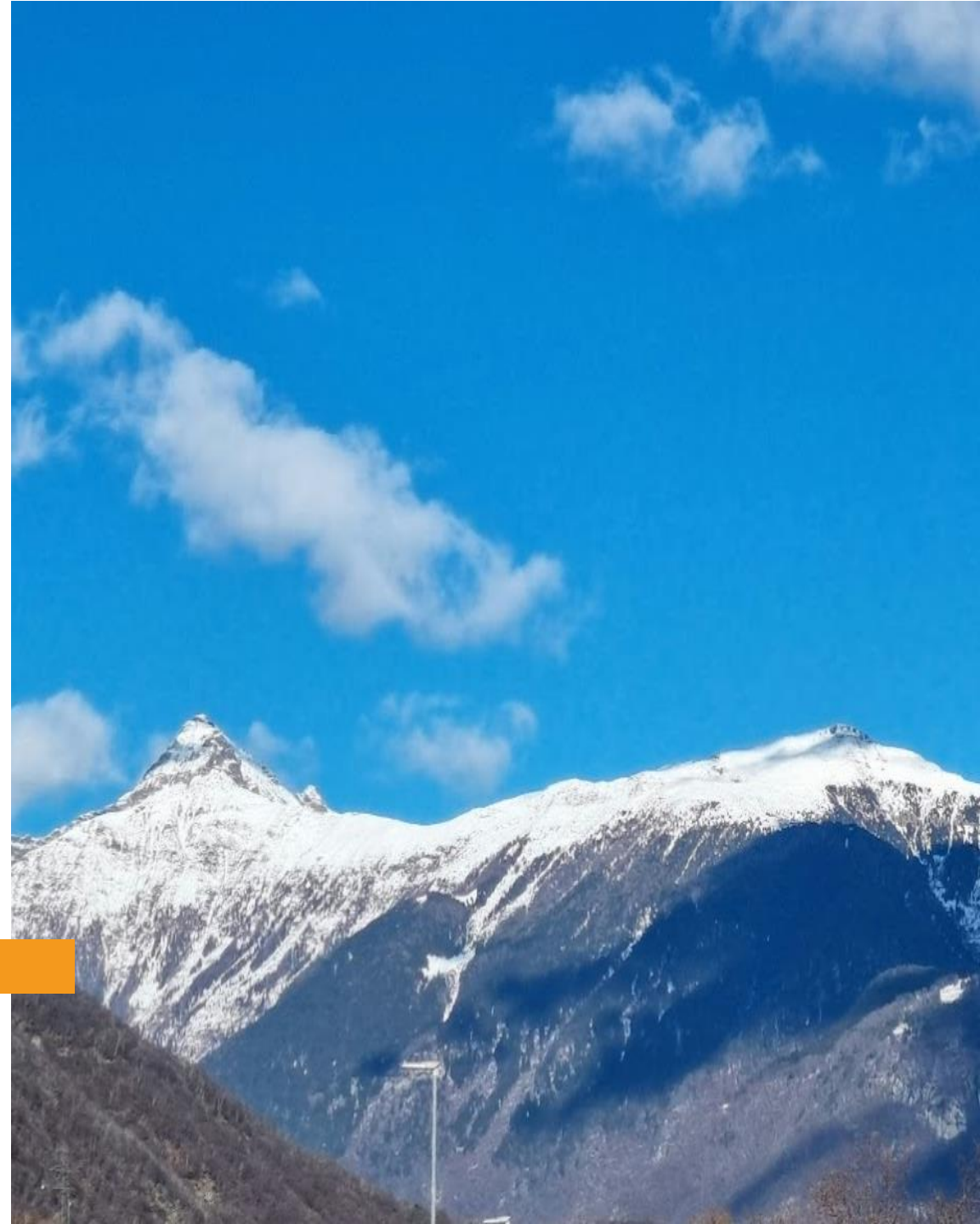
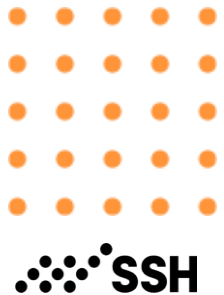
2

Investing into the future



---

# Next Steps





# Next Steps

## ✓ **Current portfolio is now futureproof**

- Subscription business model with Land-and-Expand approach
- Deltagon is a virile addition to the SSH portfolio

## ✓ **Growth engines**

- NQX will accelerate growth and PrivX will keep its growth path
- UKM is revitalized with Zero Trust based on PrivX technology

## ✓ **Wider products, solutions and services offering**

## ✓ **Stronger ecosystem**

- Channel partners
- Technology partners

## ✓ **Cross-functional co-operation for growth**

- Sales and professional services
- Digital and physical marketing
- technical presales and support teams

## ✓ **Focus areas**

- Closer to customers and partners
- Profitable growth with full portfolio
- Further investment in R&D and internal efficiency

1

Move closer to customers to maintain growth

2

Continue investing in the future

3

Improving systems, processes and operations

---

# Business outlook for 2022

We expect net sales to grow during 2022 compared to 2021.

We estimate EBITDA and cash flow from operating activities to be positive for 2022.





GLOBAL and EMEA HEADQUARTERS  
Helsinki  
SSH Communications Security Oyj

Karvaamokuja 2B, 00380 Helsinki

[www.ssh.com](http://www.ssh.com)  
+358 20 500 7000  
[info.fi@ssh.com](mailto:info.fi@ssh.com)

US HEADQUARTERS  
New York City  
SSH Communications Security, Inc.

434 W 33rd Street, Suite 842  
New York, NY, 10001  
USA  
Tel: +1 781 247 2100  
[info.us@ssh.com](mailto:info.us@ssh.com)

APAC HEADQUARTERS  
Hong Kong  
SSH Communications Security Ltd.

35/F Central Plaza  
18 Harbour Road  
Wan Chai  
Hong Kong  
+852 2593 1182  
[info.hk@ssh.com](mailto:info.hk@ssh.com)