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# The Deltagon Acquisition



# Safe Harbor Statement

The following information contains, or may be deemed to contain, forward-looking statements. These statements relate to future events or future financial performance, including, but not limited to, expectations regarding market growth and development as well growth and profitability of SSH Communications Security Corporation. In some cases, such forward-looking statements can be identified by terminology such as "expect", "plan", "anticipate", "intend", "believe", "estimate", "predict", "potential", or "continue", or the negative of those terms or other comparable terminology. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Future results may vary from the results expressed in, or implied by, the forward-looking statements, possibly to a material degree. All forward-looking statements included herein are based on information presently available to SSH and, accordingly, SSH assumes no obligation to update any forward-looking statements, unless obligated to do so pursuant to an applicable law or regulation.

Nothing in this presentation constitutes investment advice and this presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities of SSH or otherwise to engage in any investment activity.

# The Transaction in a Nutshell

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## **SSH has agreed to acquire Deltagon from Suomen Erillisverkot (Leijonaverkot)**

SSH Communications Security Corporation's subsidiary Kyberleijona Oy has agreed to acquire all shares of Deltagon Oy from Leijonaverkot Oy, a subsidiary of Suomen Erillisverkot Oy.

After closing, Deltagon becomes a subsidiary of Kyberleijona and part of the SSH group.

**The acquisition is expected to close during the first half of 2021, subject to customary closing conditions.**

The acquisition was made to strengthen SSH's position as a provider of secure networking and messaging solutions to the public sector. The acquisition also supports SSH's aim to build a core national cybersecurity and cryptography competence center around its NQX business.

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# What is Deltagon about?





We ensure the security of  
your company's **e-**  
**communication and e-**  
**services**

Deltagon is an expert in securing confidential  
electronic business communications and e-  
services.

# Ratkaisumme

## Sähköpostin salausratkaisu luottamukselliseen viestintään



- ▶ Deltagon Sec@GW –sähköpostin salausratkaisulla suojaat viestintäsi suoraviivaisesti.
- ▶ Lisäksi voit estää ihmillisistä virheistä johtuvia tietovuotoja ja seurata tietoturvaohjeistuksen noudattamista sähköpostiviestinnässä.

## Turvallinen lomakealusta sähköiseen asiointiin



- ▶ Deltagon secureForms lomakealustalla julkaiset sähköiset lomakkeet helposti ja tietoturvallisesti.
- ▶ Lomakkeiden julkaiseminen ei edellytä ohjelmointitaitoja.
- ▶ Turvallinen lomakealusta takaa lomakkeiden tietoturvan ja tietosuojan säilymisen asioinnissa.

## Turvallinen työtila tiedostojen jakamiseen ja viestintään



- ▶ Deltagon collabRoom yhdistää yhteen kokonaisuuteen turvallisen tiedostojen jakamisen ja viestinnän, sekä muita käteviä ryhmätyötoimintoja.
- ▶ Työtilojen luonti onnistuu helposti. Mukana voi olla sekä sisäisiä että ulkoisia käyttäjiä.

## Digitaalinen allekirjoitus nopeaan sähköiseen asiointiin



- ▶ Deltagon secSigned –ratkaisulla voit saada allekirjoituksen sopimukseen tai muuhun tiedostoon sähköisesti esim. pankkitunnusia hyödyntäen.
- ▶ Usea henkilö voi allekirjoittaa digitaalisesti saman sopimuksen.

# Asiakkaitamme



Finanssi  
& Vakuutus



Informaatio  
& Viestintä



Julkinen sektori



Kauppa  
& Teollisuus



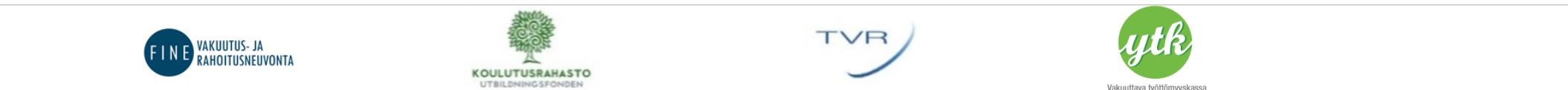
Kunnat



Palveluala



Säätiöt  
& järjestöt



Terveydenhuolto



Muut



# Liikevaihdon kehitys



# — Deltagon Organisaatio (26 henkilöä)

Johto  
2 henk.

Myynti  
1 x laskutus / koordinointi  
6 x myyjä (3 Fin, 2 Swe, 1 Nor)

Tuotehallinta  
2 x tuotepäällikkö

Ohjelmistokehitys

1 x tiiminvetäjä  
5 x koodaajia  
1 x ohjelmistoturvallisuus

Tuotanto

Service Desk

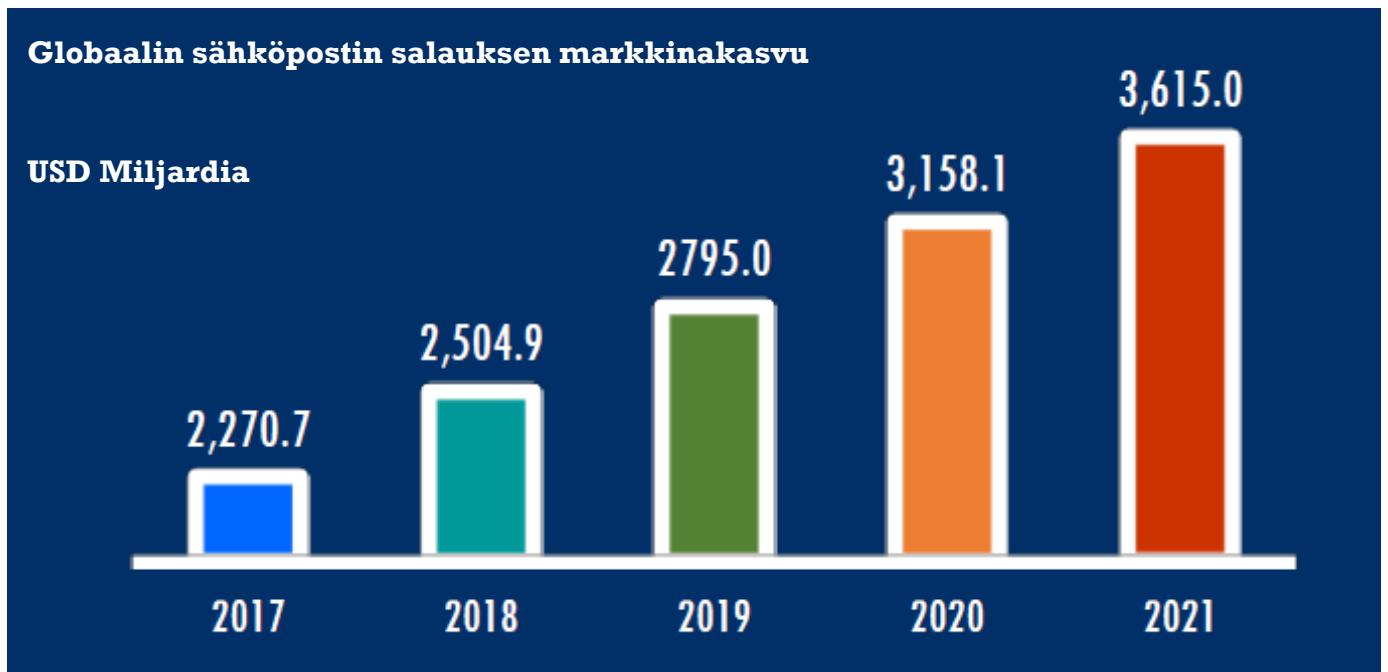
1 x tiiminvetäjä  
7 x asiantuntijaa

# Sähköpostin salaus - Globaali Markkinatilanne\*



\* Lähde Infinity Research -Global Email

Encryption Market research



# We are stronger together



# Two Pioneers Working Together

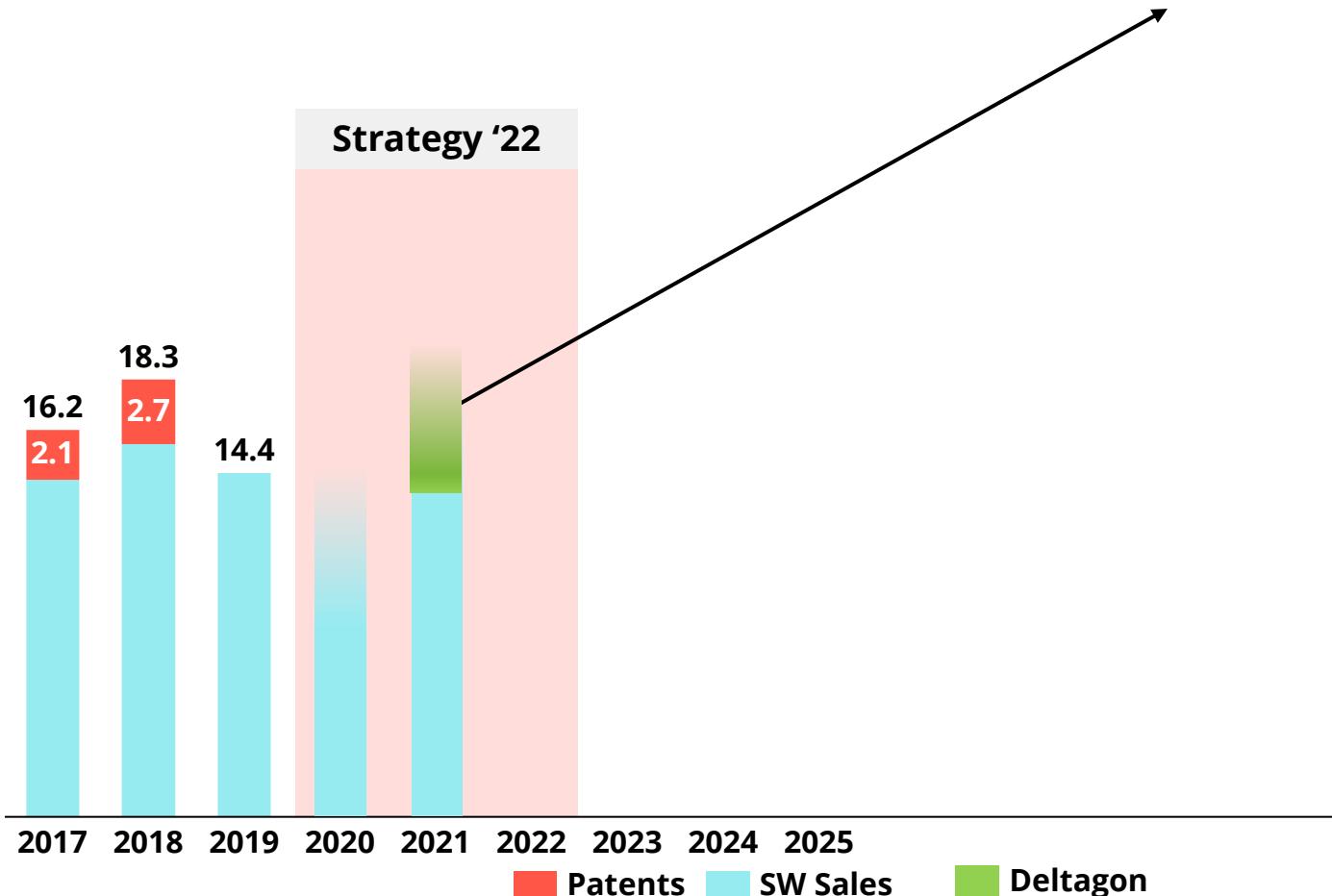
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**Deltagon and SSH  
were among the  
early leaders of  
the Finnish  
cybersecurity  
cluster**

- Deltagon, F-Secure, Nixu, and SSH were all founded during the late 1980's and early 1990's and have been instrumental in the growth of the Finnish cybersecurity cluster. Now, two of these pioneers join forces.
- Together, Deltagon and SSH can provide more complete and compelling solutions to their nearly 5,000 customers in Finland, Scandinavia, and around the world.
- Both Deltagon and SSH provide products and solutions that protect critical information networks in Finland. The acquisition supports SSH's aim to build a core national cybersecurity and cryptography competence center around its NQX business.

# The Acquisition Supports Our Strategy

We keep focusing on launching growth for the next 2 years



How does the acquisition support this

- New **complementary products**
- **Profitable** business
- New **customers**
- More **skilled staff**
- Fuel for **growth**

# Growth and Strategic Move to Recurring Revenue

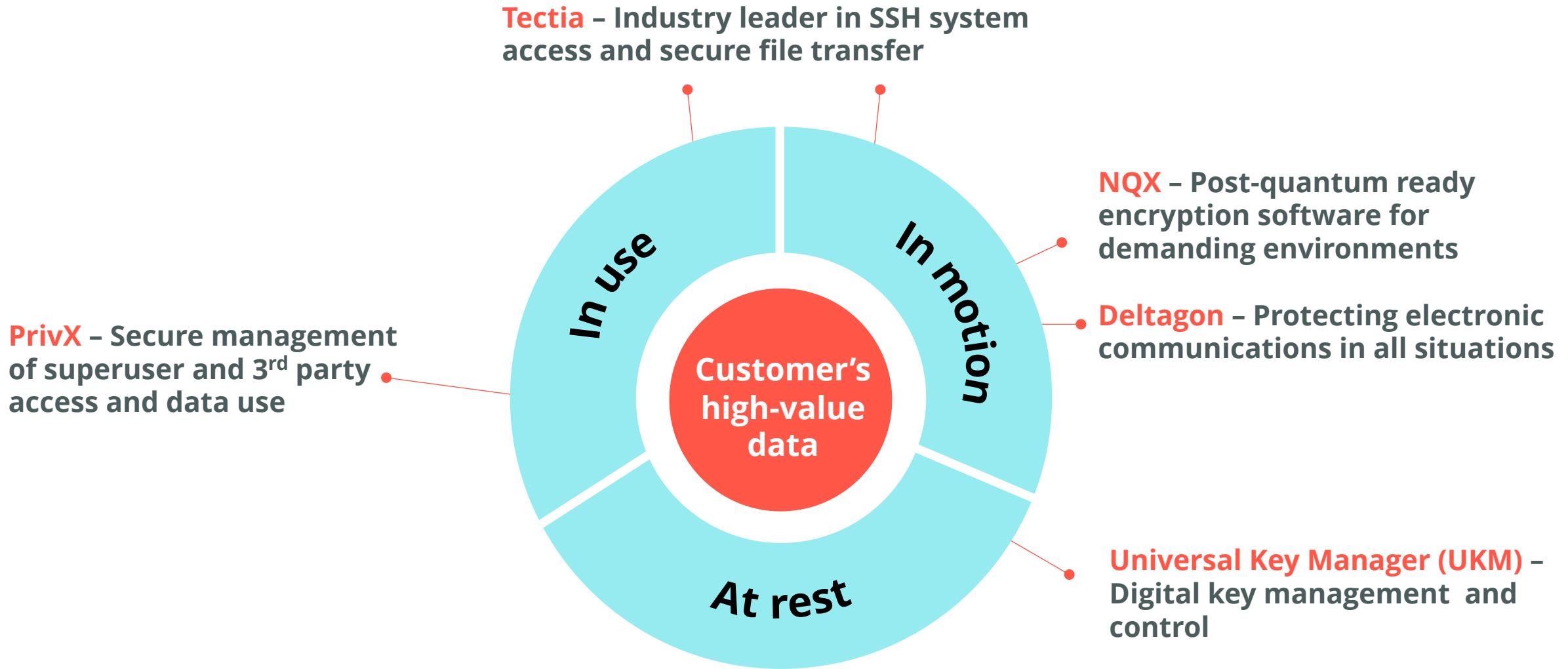
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**In the end of 2020,  
the median SaaS  
valuation multiple  
for public  
companies stood  
at 16.6x ARR<sup>1</sup>**

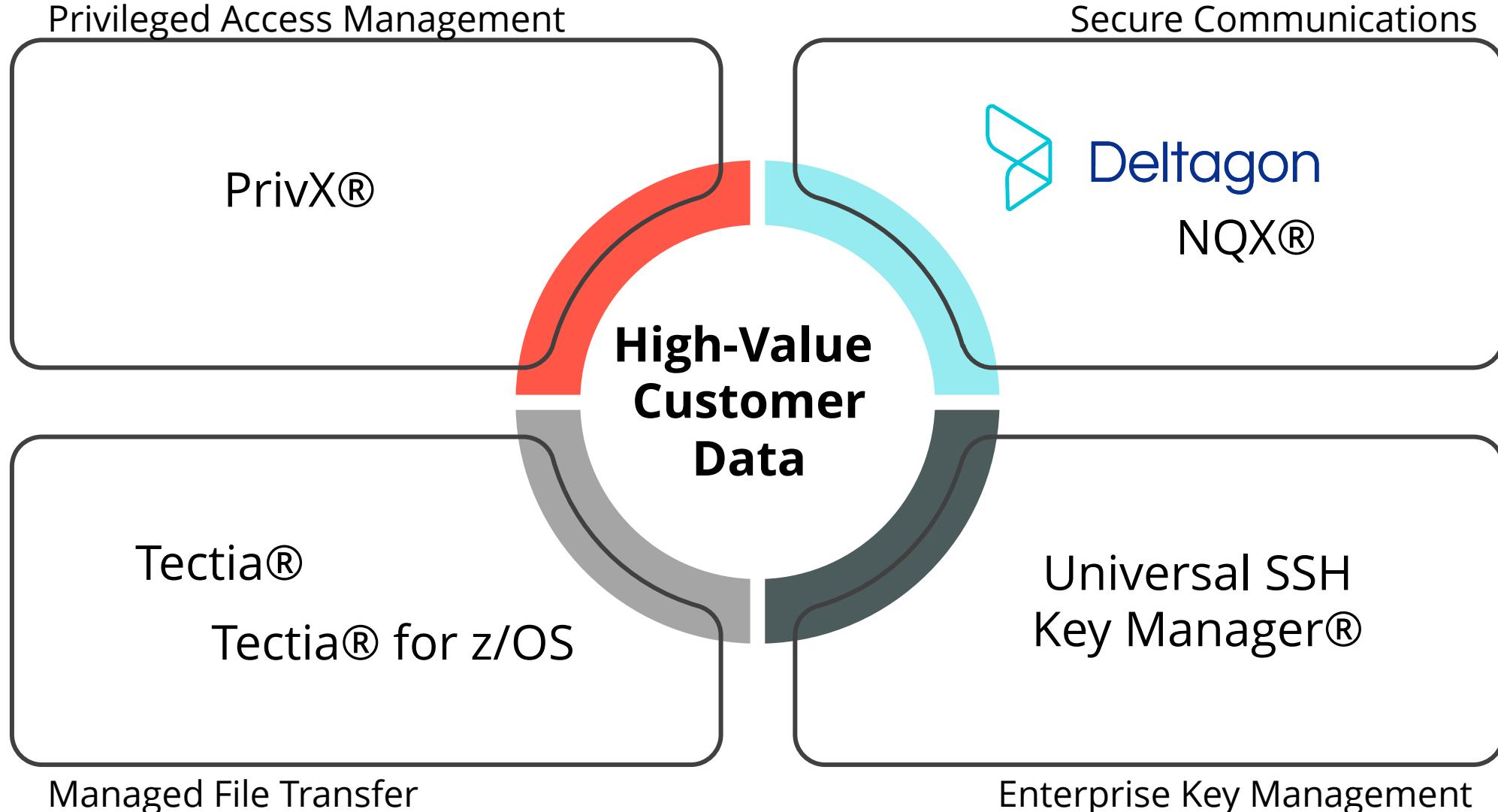
- Estimated 2020 revenue for Deltagon is roughly EUR 4.7 million
- Average growth rate over the past seven years has been 16 percent
- Deltagon has been consistently profitable over the past years
- Essentially all Deltagon revenue is subscription-based
- After the transaction, roughly 70 percent of the revenue of the SSH group will come from recurring maintenance charges and recurring subscription revenue

<sup>1</sup> SaaS Capital: SaaS Capital Index December 2020

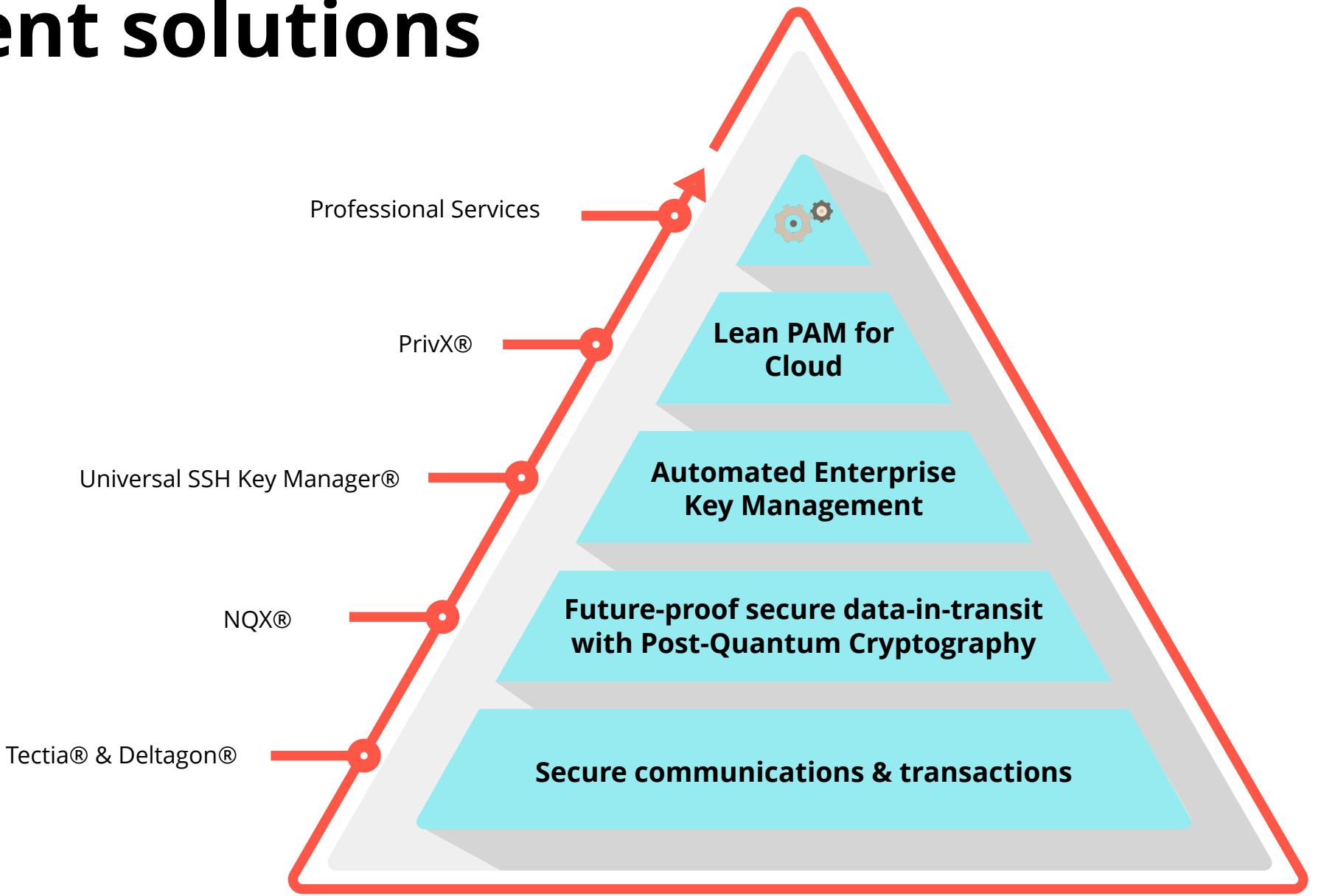
# We Protect Our Customers' Data in Use, in Motion, and at Rest



# Comprehensive & Synergistic Product Portfolio



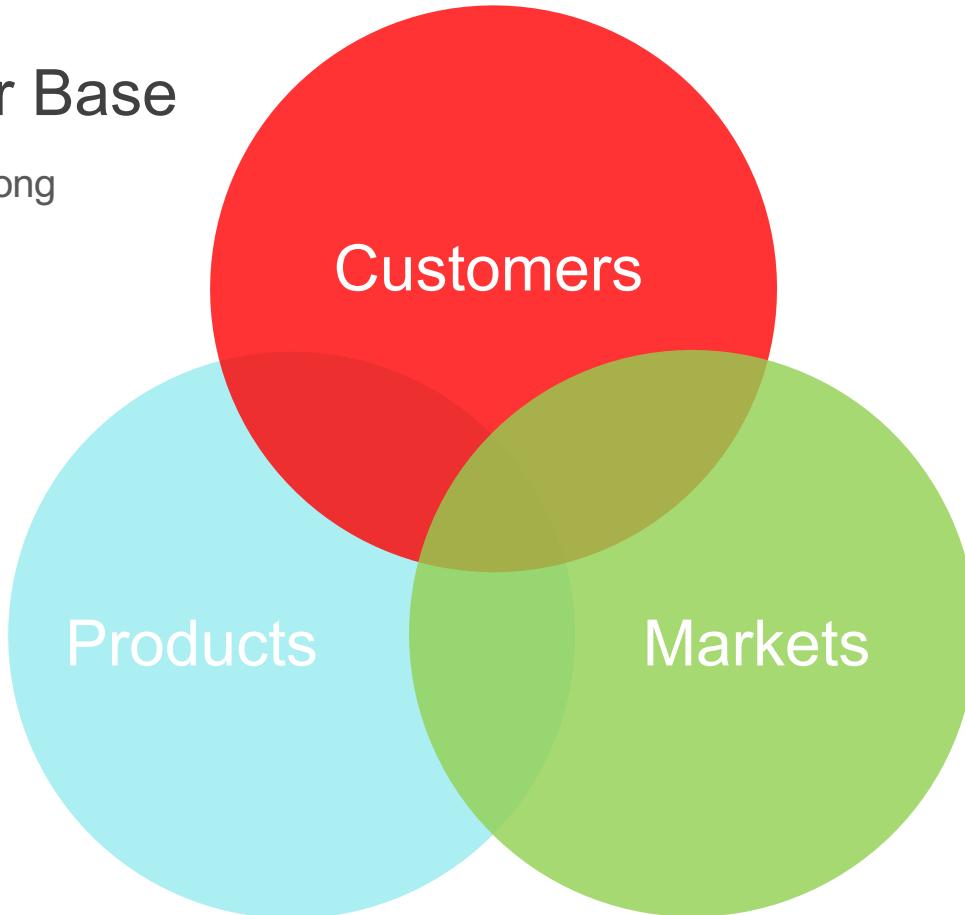
# A coherent solutions portfolio



# Strong Complementary Assets

## Complementary Customer Base

Nearly 5000 customers together with a strong base for cross-selling.



## Non-Competing Products

Our products have synergies but do not cannibalize each other. Joint portfolio is balanced.

## Non-overlapping markets

Complementary focus and strengths; truly global reach together.

Proud heritage of Finnish engineering + complementary skill sets

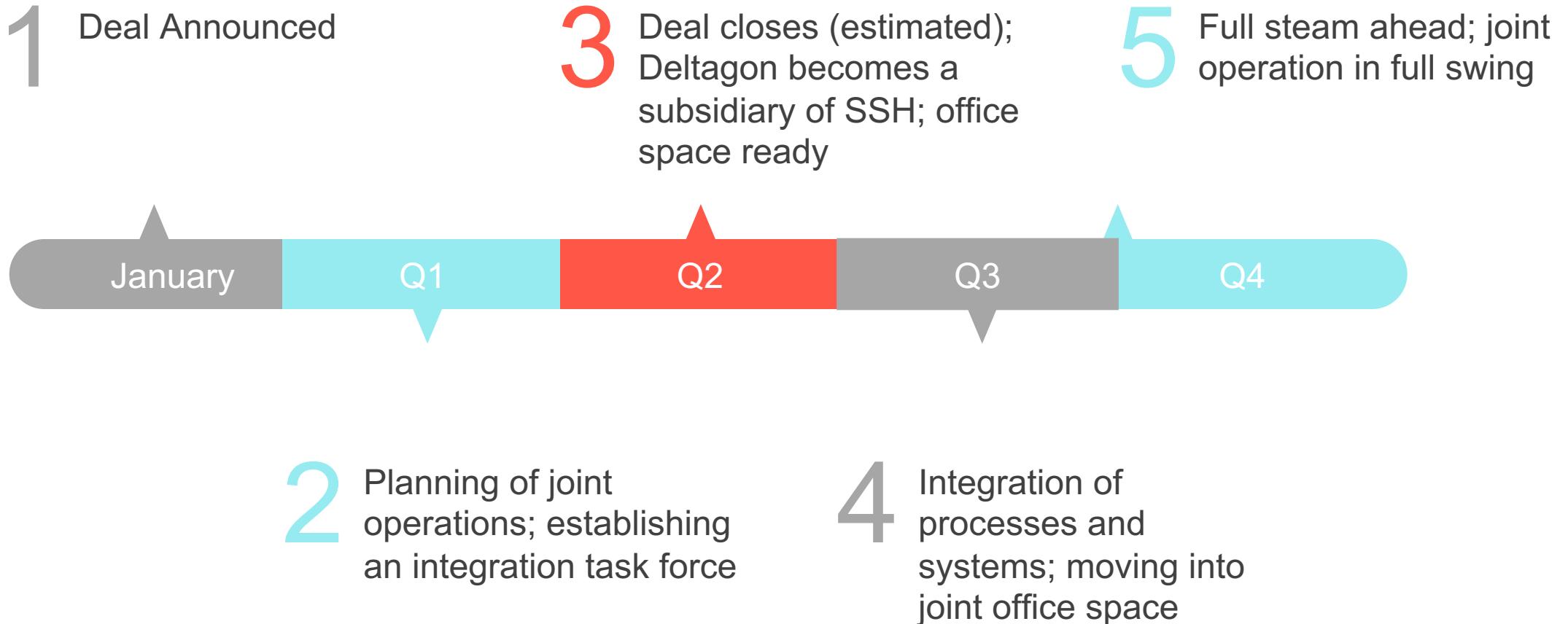
# Structure and Funding of the Transaction

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**After closing,  
Deltagon becomes  
a subsidiary of  
Kyberleijona Oy  
and part of the  
SSH group.**

- The acquirer is Kyberleijona Oy, which is owned by SSH (65%) and Suomen Erillisverkot Oy (35%)
- Acquisition price is EUR 15,4 million, of which SSH's share is EUR 10 million
- The EUR 10 million will be paid in cash over a four-year period
- The parties have also agreed on an earnout payment of no more than EUR 1.3 million, subject to certain conditions being fulfilled in the three year period after the acquisition.

# Estimated Timeline of Going Forward



# Our Growth Journey Has Just Begun

