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Q1 2021 Results

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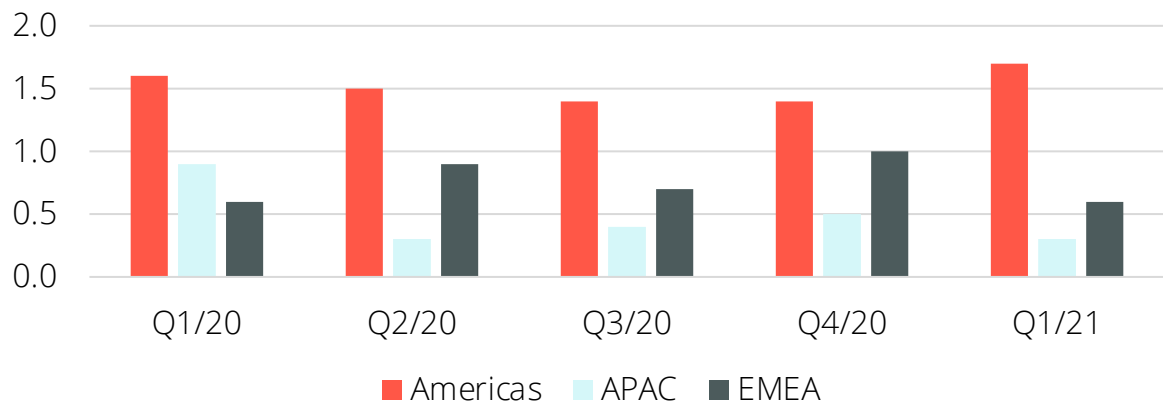
April 27, 2021



Q1/21: Sales declined, cash flow from operations positive

| | | Q1/20 | Q2/20 | Q3/20 | Q4/20 | Q1/21 |
|------------------|----|-------|-------|-------|-------|-------|
| Net Sales | M€ | 3.1 | 2.6 | 2.6 | 3.0 | 2.6 |
| EBITDA | M€ | -0.1 | 0.2 | 0.2 | -0.8 | -0.9 |
| | % | -1.8 | 7.3 | 8.8 | -25.5 | -33.9 |
| Operating profit | M€ | -0.6 | -0.4 | -0.3 | -1.3 | -1.4 |
| | % | -18.5 | -13.5 | -9.8 | -44.2 | -53.5 |
| Profit | M€ | -0.4 | -0.5 | -0.5 | -1.6 | -1.5 |
| Personnel | | 87 | 92 | 82 | 94 | 90 |

Sales by region (M€)



Net Sales: decrease of 15% vs Q1/20

EBITDA: -0.9M€, down -0.8M€ vs Q1/20

Operating Loss: -1.4M€, down -0.8M€ vs Q1/20

Loss: -1.5M€, down -1.1M€ vs Q1/20

Net sales decreased mainly due to weak license sales. Deltagon is not yet in the figures and we have experienced a delay in the start of deliveries for the announced major contract for the delivery of cryptographic products and services. Maintenance sales down. Subscription sales up 49%.

EBITDA negative due to decline in revenue and investments in future growth.

US and EMEA sales slightly up, APAC sharply down.

Balance Sheet and Cash Position Remain Strong

| | | 2018 | 2019 | 2020 | Q1 2021 YTD |
|---------------------------|----|-------|-------|-------|-------------|
| Balance Sheet | M€ | 24.2 | 23.8 | 18.6 | 15.7 |
| Cash and Equivalents | M€ | 13.5 | 12.0 | 8.5 | 7.5 |
| Cash Flow from Operations | M€ | 1.2 | 0.3 | -0.2 | 0.0 |
| ROE | % | 4 | -11 | -30 | -21 |
| Equity Ratio | % | 82 | 78 | 70 | 61 |
| Gearing | % | -94 | -92 | -85 | -109 |
| Profit/loss per share | € | -0.01 | -0.06 | -0.11 | -0.05 |
| Equity per share | € | 0.37 | 0.31 | 0.22 | 0.15 |

- Stable cash position
- Slightly positive cash flow from operations
- Balance sheet enables us to focus on execution of strategy

Q1 2021 Highlights

During the first quarter we continued aligning our organization towards our new strategy and operating model and making growth investments which we started in the last quarter of the previous year, both by hiring staff and investing in marketing.

With the exception of the APAC region, we saw business conditions and performance starting to normalize during the quarter as expected.

- Some sales growth in both EMEA and AMER
- Tectia[®] z/OS sales grew, a large order from a global automotive firm
- UKM[®], NQX[®], and PrivX[®] sales all grew
 - New customers and expansion orders for PrivX pushed growth to 189%
 - Large expansion orders for UKM from a Fortune 500 finance co.
 - Two new customers for NQX

Subscription Sales

All of our products are now available on a subscription basis

- PrivX subscription sales grew by 174% compared to Q1/2020
- Subscription sales grew 49% compared to Q1 2020 – overall subscription growth was brought down from good PrivX growth numbers due to ending of fixed term UKM-subscriptions
- Deltagon acquisition will accelerate the growth of subscriptions from 26.4.2021 onwards

The Deltagon Acquisition

Deltagon acquisition has now been completed

- As announced on April 26, 2021, Kyberleijona Oy has received all required regulatory approvals, and other closing conditions of the transaction have been fulfilled and the transaction has been completed.
- SSH will consolidate Deltagon Oy into the Group as a subsidiary starting April 26, 2021, and will be a part of the Group's financial reporting starting from Q2 of 2021.
- As announced before, the acquisition is estimated to accelerate our revenue growth and improve our operating profit and cashflow from operations.

Looking forward

We started making focused investments in sales and marketing, R&D, and professional services during H2 of 2020. This was evident in the growth of our operating expenses while the full extent of these investments was not yet visible in our top line.

We estimate that our growth investments will start to show in increasing revenue growth towards the end of the second quarter, and we expect the second half of the year to be strong. This will be supported by the momentum created by our new recruitments, the integration of the acquired Deltagon business, and continued commercial deployments of NQX.

Thank you!

