

Appendix 2

This appendix includes certain preliminary unaudited illustrative financial information of F-Secure and WithSecure including basis of preparation, definitions and reconciliation for the alternative performance measures.

Basis of preparation for the certain preliminary unaudited illustrative F-Secure carve-out financial information

The following preliminary unaudited illustrative carve-out financial information (“The carve-out financial information”) of F-Secure (Consumer Security Business) has been prepared on a carve-out basis and derived from the Company’s historical audited consolidated financial statements for the years ended 31 December 2021, 2020 and 2019 using the historical income and expenses attributable to the Consumer Security business. The carve out financial information also includes certain income and expenses related to common group functions that have been allocated to Consumer Security business for the purpose of preparing the carve-out financial information. Final audited carve-out financial statements for the years ended 31 December 2021, 2020 and 2019 will be included in the demerger and listing prospectus expected to be available in May 2022.

Consumer Security business has not formed a legal sub-group within the Company and it has not prepared consolidated group financial information earlier either for external or internal reporting, except for certain profit and loss statement information. The carve-out financial information does not represent income or expenses had Consumer Security business been managed as a stand-alone consolidated group separate from the Company. In addition, the carve-out financial information may not be indicative of Consumer Security business’ performance in the future. The information presented below is preliminary and subject to change.

The following table presents a reconciliation of the alternative performance measures.

(EUR million)	2021	2020	2019
Adjusted EBITDA	47.4	46.7	40.1
Adjustments to EBITDA			
Costs related to restructuring			-0.7
Costs related to strategic review	-2.4		
EBITDA	45.0	46.7	39.4
Depreciation, amortization and impairment losses	-1.5	-2.0	-2.4
EBIT	43.5	44.7	37.0
Adjusted EBITA	47.2	46.5	39.9
Adjustments to EBITA			
Costs related to restructuring			-0.7
Costs related to strategic review	-2.4		
EBITA	44.8	46.5	39.1
Amortization and impairment losses	-1.3	-1.9	-2.2
EBIT	43.5	44.7	37.0
Adjusted EBIT	45.9	44.7	37.7
Adjustments to EBIT			
Costs related to restructuring			-0.7
Costs related to strategic review	-2.4		
EBIT	43.5	44.7	37.0

Basis of preparation for the certain preliminary unaudited illustrative financial information of WithSecure

The following certain preliminary unaudited illustrative financial information of WithSecure is derived from the Company's historical audited consolidated financial statements to illustrate WithSecure's continuing operations as if the Demerger would have taken place with the items associated with the Consumer Security business being omitted. The Company has made assumptions related to the continuing impact of certain group functions and common arrangements in preparing the illustrative financial information of WithSecure based on information available at the date of this stock exchange release.

The preliminary illustrative financial information presented herein will differ from the financial statements that will be prepared and published in accordance with the applicable accounting guidance (IFRS 5 Non-current Assets Held for Sale and Discontinued Operations) later as certain information such as the final arrangements related to shared functions and facilities will be finalised only at a later phase.

As such, the information presented is preliminary and subject to change. The information is presented for illustrative purposes only and is not intended to project the results of operations of WithSecure after the demerger.

The following table presents a reconciliation of the alternative performance measures.

(EUR million)	2021	2020	2019
Adjusted EBITDA	-10.8	-10.9	-16.8
Adjustments to EBITDA			
Change in fair value of contingent consideration			12.5
Capital gain from sale of operations	0.5		
Costs related to restructuring		0.0	-3.9
Costs related to strategic review	-1.9		
EBITDA	-12.2	-10.9	-8.1
Depreciation, amortization and impairment losses	-13.5	-14.0	-21.6
EBIT	-25.7	-24.9	-29.7
Adjusted EBITA	-17.2	-18.0	-23.2
Adjustments to EBITA			
Change in fair value of contingent consideration			12.5
Capital gain from sale of operations	0.5		
Costs related to restructuring		0.0	-3.9
Costs related to strategic review	-1.9		
EBITA	-18.6	-18.0	-14.6
Amortization and impairment losses	-7.1	-6.9	-15.2
EBIT	-25.7	-24.9	-29.7
Adjusted EBIT	-20.6	-21.7	-28.0
Adjustments to EBIT			
Change in fair value of contingent consideration			12.5
Capital gain from sale of operations	0.5		
Costs related to restructuring		0.0	-3.9
Costs related to strategic review	-1.9		
PPA amortization	-2.8	-3.2	-4.1
Impairment	-1.0		-6.3
EBIT	-25.7	-24.9	-29.7

Illustrative alternative performance measures for F-Secure and WithSecure

This stock exchange release contains certain preliminary unaudited illustrative alternative performance measures which will form the basis for both independent companies' performance indicators post-demerger. These alternative performance measures may not be comparable to similarly titled measures as presented by other companies. Alternative performance measures are unaudited.

Alternative performance measure	Definition	Reason for the use
EBIT	Result before taxes and net financial items.	EBIT is used to measure the profitability of operating activities of F-Secure and WithSecure.
EBITA	EBIT + Amortisation and impairment.	EBITA is an indicator to measure the operating performance of F-Secure and WithSecure.
EBITDA	EBIT + Depreciation, amortisation and impairment	EBITDA is an indicator to measure the operating performance of F-Secure and WithSecure.
Adjusted EBIT	EBIT before items affecting comparability	Adjusted EBIT, Adjusted EBITDA and Adjusted EBITA are presented in addition to EBIT, EBITDA and EBITA to reflect the underlying business performance and to enhance comparability between periods. F-Secure and WithSecure believe that these comparable performance measures provide meaningful supplemental information by excluding items outside normal business operations, which reduce comparability between the periods.
Adjusted EBITA	EBITA before items affecting comparability	
Adjusted EBITDA	EBITDA before items affecting comparability	
Items affecting comparability	Items affecting comparability are associated with acquisitions, integration costs, gains and losses from the sale of businesses, restructuring activities, strategic reviews and other items affecting comparability impacting EBIT, EBITA and EBITDA of F-Secure and WithSecure and Purchase Price Allocation (PPA) amortisation impacting the EBIT of WithSecure.	