

# Interim Report

1 January - 31 March 2025

# Building momentum with new strategic partnership

## Highlights of January–March 2025

- Revenue increased by 2.0% to EUR 37.1 million (EUR 36.4 million).
  - Revenue from Partner channel increased by 2.2% to EUR 30.1 million (EUR 29.4 million).
  - Revenue from Direct channel increased by 0.9% to EUR 7.0 million (EUR 6.9 million).
- Adjusted EBITA increased by 3.5% and was EUR 13.1 million (EUR 12.7 million), 35.4% of revenue (34.9%).
- Earnings per share (EPS) amounted to EUR 0.03 (EUR 0.03).
- Cash flow from operating activities before financial items and taxes was EUR 12.0 million (EUR 11.8 million).
- Net debt amounted to EUR 157.1 million (EUR 179.6 million) and leverage ratio was 2.9x.
- After the reporting period, on 1 April 2025, F-Secure's Annual General Meeting resolved a dividend of EUR 0.04 per share for the financial year that ended on 31 December 2024, to be paid in two instalments.

Figures in brackets refer to the corresponding period in the previous year, unless otherwise stated. Percentages and figures presented herein may include rounding differences and therefore may not add up precisely to the totals presented. Figures in this interim report are unaudited.

# Outlook for 2025

**Growth:** F-Secure expects mid-single digit revenue growth for 2025.

**Profitability:** The group's adjusted EBITA is expected to be approximately on the same level as in 2024 (EUR 52.2 million).

## Background for the outlook:

- F-Secure expects the core consumer cyber security market to grow mid-single digit CAGR mid- to long-term<sup>1)</sup>. F-Secure sees the potential to grow faster than the market focusing on partner channel and its offering around Embedded Security and Scam Protection. The growth may be moderated due to the uncertainties around consumer sentiment in certain markets.
- Partner business and especially Embedded Services are expected to drive F-Secure growth in 2025. Growth is expected to accelerate throughout the year as new partners and services gradually start to generate revenue.
- Direct business revenue development is expected to be negative due to the continued strategy of refraining from paid customer acquisition.
- Gross margin is expected to be slightly lower than in 2024 (86.2%) due to growth of strategic partners in embedded solutions, as these typically have a lower gross margin level than the F-Secure Total business.
- F-Secure continues to develop its services, operations and production capabilities further to meet the requirements of Tier 1 partner. These efforts are still reflected in the higher cost base. As the business scales we expect to leverage continued service level investments across a wider partner base, leading to positive Adjusted EBITA % development over time.
- Capex is expected to remain at a similar level as in 2024. However, new product development projects related to partner demand may impact the outcome.

# Financial targets

F-Secure's medium-term financial targets and dividend policy for the company reflect the company's growth ambitions and strategic direction. Year 2025 is still a business ramp-up year, after which the journey towards achieving the financial targets is expected to accelerate.

- **Growth:** High single digit growth (CAGR) with additional significant upside from major Tier 1 deals
- **Profitability:** Adjusted EBITA margin approaching 40% as revenue reaches EUR 200 million
- **Dividend Yield:** Around or above 50% of net profit, which can be adjusted as long as leverage is higher than the targeted level
- **Leverage:** Net debt / adjusted EBITDA ratio below 2.5x, excluding temporary impact from acquisitions

F-Secure Corporation follows the Rule of 40 metric as internal performance measurement and guiding principle, according to which the combined revenue growth rate and profitability margin should be equal to or greater than 40%.

<sup>1)</sup> Industry analyst views such as Gartner and IDC, and F-Secure management estimates

# Financial performance

EUR million	1-3/2025	1-3/2024	Change %	1-12/2024
Revenue	371	364	2.0%	146.3
Gross Margin	31.7	31.2	1.6%	126.0
% of revenue	85.4%	85.7%		86.2%
Operating expenses <sup>1)</sup>	-18.3	-18.5	-0.8%	-73.3
Sales & Marketing	-8.1	-8.5	-4.1%	-33.4
Research & Development	-6.5	-6.2	4.5%	-25.4
Administration	-3.7	-3.8	-2.3%	-14.5
Adjusted EBITA <sup>1)</sup>	13.1	12.7	3.5%	52.2
% of revenue	35.4%	34.9%		35.7%
Items affecting comparability (IAC) <sup>2)</sup>	0.0	0.2	-77.3%	-1.4
EBIT	9.4	10.0	-6.0%	38.4
% of revenue	25.3%	27.4%		26.3%
Earnings per share (EUR) <sup>3)</sup>	0.03	0.03	6.3%	0.12
Earnings per share, adjusted for PPA amortization (EUR) <sup>3)</sup>	0.04	0.04	5.4%	0.16
Shareholder's equity per share, EUR	0.29	0.16		0.27
Operating cash flow	9.7	7.9	22.7%	38.8
Cash conversion %	66.5%	63.3%		80.5%
Deferred revenue	27.2	27.9	-2.4%	28.5
Net debt (+) / Net cash (-)	157.1	179.6	-12.5%	163.6
Net debt/Adjusted EBITDA	2.9	3.5 <sup>4)</sup>		3.1
Gearing, %	317.9%	654.3%		356.0%
Equity ratio %	19.1%	10.0%		17.4%
Personnel at the end of the period	506	497	1.8%	529

1) Excluding Items Affecting Comparability (IAC) and depreciation and amortization.

2) A reconciliation and breakdown of items affecting comparability is presented at the end of this report.

3) Based on the average number of shares for the reporting period.

4) Net debt/Adjusted EBITDA for the last 12 months includes Lookout consumer business unit EBITDA on an illustrative basis as if the acquisition had been made on the first day of the period in question.

# Timo Laaksonen, President and CEO



The first quarter marked commercial achievements to enable future growth and strategic progress for F-Secure. We forged both new partnerships and extended and expanded several existing agreements with key partners, solidifying our position as a leading player in cybersecurity. In March we signed a partnership agreement with Orange Group, one of the world's leading telecommunications operators with an extensive footprint in Europe and Africa. By including F-Secure's Total solution in its value proposition Orange will be making the highest level of security accessible to millions of subscribers across Europe starting from the second half of 2025. In February, Japanese telecommunications giant SoftBank launched a new version of its consumer security app for mobile users, integrating identity protection

powered by F-Secure. We also partnered with a sizable Nordic fixed broadband operator who will launch Total solution by the end of the second quarter of this year.

In the first quarter, F-Secure's revenue grew by 2.0%, driven by favorable US dollar exchange rates. In today's increasingly complex geopolitical landscape, with heightened trade protectionism, our business of selling software locally in the US has remained resilient. However, economic volatility has led to intensified exchange rate fluctuations, with the US dollar having the most significant impact on F-Secure. Profitability (adjusted EBITA %) exceeded our expectations in the quarter.

During the quarter, we enhanced our Embedded Security portfolio with a host of new Scam Protection capabilities.

The year started with a renewed organization and operating model, following the change negotiations at the end of last year. Our new customer-centric sales and service teams are now fully operational.

On April 1, F-Secure's Annual General Meeting 2025 elected a new Board of Directors. Four new members bring expertise in global technology, the telecom industry, our growth markets such as Tier 1 partners and the APAC region, AI and big data, and customer product and service innovation. These are critical areas in our strategy to become the undisputed leading partner for the world's top service providers.

F-Secure has always been committed to protecting people, but today's evolving threats—like scams, social engineering, and mass deception—are becoming increasingly complex. To stay ahead, we're now applying AI across the entire company to boost innovation, productivity, and agility. We've sourced and built a broad range of tools and capabilities to rethink our core processes, services, products, and operations. AI is quickly becoming a helpful co-worker, supporting our people in reaching their goals and enabling us to work smarter and faster.

With these early-year advancements, we continue to drive business growth and realize our vision of becoming the world's #1 security experience company.

# Group performance

## Revenue by sales channel

EUR million	1-3/2025	1-3/2024	Change %	1-12/2024
<b>Revenue from external customers</b>				
Partner channel	30.1	29.4	2.2%	118.2
Security Suite	24.5	23.8	2.9%	95.7
Embedded Security	5.6	5.7	-0.3%	22.5
Direct channel (E-commerce)	7.0	6.9	0.9%	28.0
<b>Total</b>	<b>37.1</b>	<b>36.4</b>	<b>2.0%</b>	<b>146.3</b>

Starting this quarter, F-Secure will report Partner channel revenue divided by its main product portfolios: Security Suite and Embedded Security. This new reporting approach aims to increase transparency in the development of the company's product mix, as the portfolios have different levels of profitability.

Comparative figures for the 2024 quarters, reflecting the new distribution of revenue from external customers by main product portfolios, are detailed in the Tables section of the report, Section 2 Revenue - Disaggregation of Revenue.

**Security Suite:** F-Secure Total is an all-in-one consumer cybersecurity application that provides complete protection against scams as well as security, privacy and identity protection on all consumers' personal devices.

**Embedded Security:** Comprehensive portfolio of consumer cybersecurity capabilities available as Software Development Kits (SDKs) and cloud Application Programming Interfaces (APIs) that can be embedded in Service Provider's app or service, including also F-Secure Sense, which provides router security. Embedded Security typically has a lower gross margin (compared to Security Suite) due to lower pricing, as higher volumes are expected, and partner is responsible for the implementation of the solution.

## Revenue by geography

EUR million	1-3/2025	1-3/2024 <sup>1)</sup>	Change %	Currency neutral change %	1-12/2024
<b>Revenue from external customers</b>					
Nordic countries	10.9	10.4	5.2%	5.2%	42.0
Rest of Europe	11.9	12.1	-1.7%	-2.1%	48.1
North America	11.9	11.2	5.7%	1.2%	45.5
Rest of the world	2.4	2.7	-9.0%	-9.2%	10.6
<b>Total</b>	<b>37.1</b>	<b>36.4</b>	<b>2.0%</b>	<b>0.5%</b>	<b>146.3</b>

<sup>1)</sup> F-Secure has adjusted the geographical split of revenues between Rest of Europe and North America since Q2/2024. The adjustment did not have a material impact to the reported figures.



# January–March 2025

## Revenue

F-Secure revenue increased by 2.0 % and was EUR 37.1 million (EUR 36.4 million) driven by favorable US dollar exchange rates in Partner channel. Currency neutral growth was 0.5%, including a negative one-time revenue recognition timing adjustment of EUR 0.3 million. Deferred revenue decreased from the previous quarter by 4.4% mainly due to the seasonal variation in billings of some large partner contracts.

### Partner channel

Partner channel revenue increased by 2.2% to EUR 30.1 million (EUR 29.4 million).

**Security Suite** revenue increased by 2.9% and was EUR 24.5 million (EUR 23.8 million). Thanks to continued good progress with Total conversion, average revenue per user (ARPU) increased. Increase in revenue was offset by the continuing declining revenue from one of our current partners as they navigate challenges within their core business.

Revenue from **Embedded Security** was in line with the comparison period, EUR 5.6 million (EUR 5.7 million). Revenue was negatively impacted by EUR 0.3 million one-time revenue recognition timing adjustment related to Japan. Excluding the timing issue, Embedded Services grew by 5.4%.

Partner channel revenue in North America was positively impacted by currency exchange rates. In the Nordics, especially in Sweden, the activity was strong. The development of our business in Central Europe has been weak for a number of quarters, with significant revenue declines in Germany due to continued declining partner performance. Revenue from Switzerland was stronger than in the comparison period. After several challenging years, revenue now increased in Poland. Excluding the one-off item, good underlying performance continued in Japan.

### Direct channel

Direct channel revenue remained at the level of comparison period (0.9%) and was EUR 7.0 million (EUR 6.9 million). However, service renewal rates were high and ARPU development was healthy. Direct channel revenue was supported by strong

F-Secure eCommerce billings in the previous quarters. The continued lower level of paid customer acquisition investments is reflected in Direct business new sales as planned.

## Gross margin

Gross margin was close to the comparison period's level as expected due to similar business mix and totaled 31.7 million (EUR 31.2 million) and 85.4% of revenue (85.7%).

## Operating expenses

Operating expenses excluding depreciation and amortization and items affecting comparability were EUR -18.3 million (EUR -18.5 million). Due to reorganization of sales function at the end of last year, sales and marketing costs were temporarily lower than in the comparison period and totaled EUR -8.1 million (EUR -8.5 million). Research and development (R&D) costs were EUR -6.5 million (EUR -6.2 million) and administration costs were EUR -3.7 million (EUR -3.8 million). R&D costs remained somewhat higher due to the temporarily lower capex.

Depreciation and amortization excluding purchase price allocation (PPA) amortization totaled EUR -2.1 million (EUR -1.2 million). PPA amortizations related to the Lookout consumer security business acquisition totaled EUR -2.0 million (EUR -1.9 million).

## Profitability

Adjusted EBITA was good, amounting to EUR 13.1 million or 35.4% of revenue (EUR 12.7 million, 34.9%). EBIT was EUR 9.4 million and 25.3% of revenue (EUR 10.0 million, 27.4%), and this decline was mainly explained by higher amortizations.

# Cash flow, financial position and financing

EUR million	1-3/2025	1-3/2024	Change %	1-12/2024
Cash and cash equivalents	6.7	13.9	-51.8%	8.1
Bank loans, non-current	130.8	160.5	-18.5%	130.9
Bank loans, current	30.0	30.0	0.0%	38.0
Interest-bearing receivables	3.7	3.8	-3.7%	3.8
Lease liabilities, non-current	0.7	0.6	11.1%	0.5
Lease liabilities, current	0.6	0.9	-30.9%	0.7
Other interest-bearing liabilities	5.3	5.2	1.6%	5.3
Financial income	0.4	0.3	8.6%	1.7
Financial expense	-2.4	-3.2	-25.2%	-13.1
Capital Expenditure	2.7	3.3	-18.9%	11.2
% of revenue	7.3%	9.1%		7.7%

In January–March 2025, cash flow from operating activities before financial items and taxes amounted to EUR 12.0 million (EUR 11.8 million). Cash flow from operations was EUR 9.7 million (EUR 7.9 million). In the first quarter, cash conversion rate was 66.5% (63.3%). Cash at the end of March 2025 amounted to EUR 6.7 million (EUR 13.9 million). F-Secure has a revolving credit facility (RCF) of EUR 20 million that matures in 2028. At the end of 2024, F-Secure had drawn down EUR 8 million of the RCF, which was repaid during the quarter. The RCF was undrawn at the reporting date.

At the end of March 2025, F-Secure net debt amounted to EUR 157.1 million (EUR 179.6 million) and net debt to adjusted EBITDA ratio was 2.9x. Subsequently, equity ratio was 19.1% (10.0%).

The Group's loan agreement includes a quarterly measured financial covenant based on the ratio between net debt and EBITDA. The Group has met these covenant terms and conditions on the reporting date. During the quarter, F-Secure used the second extension for the loan and the loan matures in 2028.

Total assets were EUR 265.5 million (EUR 279.8 million) at the end of March 2025.

As of 31 March 2025, current lease liabilities were EUR 0.6 million (EUR 0.9 million) and non-current lease liabilities were EUR 0.7 million (EUR 0.6 million). The lease liabilities relate to leases for office premises and cars.

F-Secure's payables to WithSecure totaled EUR 5.3 million and receivables from WithSecure totaled EUR 3.7 million, presented in the table above as Other interest-bearing liabilities and Other interest-bearing receivables, respectively. These balances are due for payment in the second quarter of 2025 as per the original repayment schedule.

In January–March 2025, capex was EUR 2.7 million (EUR 3.5 million) and was mainly related to technology.



# Organization and leadership

At the end of March 2025, F-Secure had 506 (497) employees. The average number of personnel in the first quarter of 2025 was 508 (509). From the year end, the number of employees declined by 23 employees (31 December 2024: 529 employees). The reduction was mainly related to the change negotiations carried out at the end of last year.

## F-Secure Leadership Team

The composition of the Leadership Team remained unchanged and was as follows at the end of March:

Timo Laaksonen	President & Chief Executive Office
Richard Larcombe	Chief Marketing Officer
Nina Lehto	Senior Vice President, Services
Antero Norkio	Senior Vice President, Corporate Development
Bruno Rodriguez	Chief Revenue Officer
Sari Somerkallio	Chief Financial Officer
Kaisa Tikka-Mustonen	Chief People Officer
TL Viswanathan	Chief Product Officer
Toby White	Chief Technology Officer

# Shares and shareholders

At the end of March 2025, the registered share capital of F-Secure was 80,000 and the company had 174,673,165 fully paid shares.

F-Secure has one share class and the company's shares are included in a book-entry system. The closing price of the share at the end of March 2025 was EUR 1.75. In January–March 2025, the highest price paid was EUR 1.97 and the lowest EUR 1.60. In January–March 2025, the share's volume weighted average price was EUR 1.70. The share trading volume in January–March 2025 was EUR 21.4 million and 12.6 million shares. On 31 March 2025, the company's market capitalization was EUR 306 million.

The number of registered shareholders at the end of March 2025 was 34,328, including nominee registers. The list of the shareholders of F-Secure Corporation is based on the information given by the Euroclear Finland Ltd.

F-Secure did not hold any treasury shares at the end of the review period.

# Governance

## **F-Secure Board's Personnel and Nomination Committee gave its proposals to the Annual General Meeting 2025 for the composition and remuneration of the Board of Directors**

On January 10, the F-Secure Board's Personnel and Nomination Committee gave proposals to the Annual General Meeting for the composition and remuneration of the Board of Directors. The committee proposed that the Board of Directors consists of a total of six members and that the following persons be re-elected as members of the Board of Directors: Pertti Ervi, Petra Teräsaho and Tommi Uitto, and as new members are proposed to be elected Roxana Diaconescu and Cornelia Schaufrecker. Of the current members, Thomas Jul and Risto Siilasmaa have informed that they are not available for re-election to the Board.

In deviation from the proposal made on January 10, 2025, F-Secure Board's Personnel and Nomination Committee proposed on February 7, 2025, that the Board would consist of seven members and that Alessandro Adriani and Rachit Mittal be elected as new members in addition to the previously proposed members. Rachit Mittal, an F-Secure employee, is the Board member candidate from among F-Secure personnel. Except for the revised proposal concerning the Board's composition, the earlier proposal by the Board's Personnel and Nomination Committee from January 10, 2025, remained valid and unchanged.

### **Resolution on the remuneration of the members of the Board of Directors**

On January 10, the Personnel and Nomination Committee proposed to the Annual General Meeting the annual remuneration to the members of the Board of Directors. The proposed annual fee and the fees for committee work correspond to the previous season's remuneration, with the exception of the additional remuneration for Personnel and Nomination Committee Chair and members of the Audit Committee and Personnel and Nomination Committee.

F-Secure has published stock exchange releases on the Board's Personnel and Nomination Committee's proposals to the Annual General Meeting in detail. The releases are available on the company's website. The Resolutions of the Annual General meeting is presented in the next chapter of this report.

## **F-Secure Annual Report 2024 was published**

On February 27, F-Secure's Annual Report for the year 2024 was published, containing the Board of Director's report including the Sustainability Statement, the Financial Statements 2024, the Corporate Governance Statement as well as the Remuneration Report. The Annual Report was published also in XHTML format in accordance with the European Single Electronic Format (ESEF) reporting requirements. The audit firm PricewaterhouseCoopers Oy provided a reasonable assurance on F-Secure's Financial Statements and a level of Limited Assurance for the Sustainability Statement.

## **The Board of Directors established a Performance Matching Share Plan and resolved a new performance period for the Performance Share Plan and Restricted Share Plan**

On 19 March, the Board of Directors of F-Secure Corporation resolved to launch three share-based incentive plans for its Leadership Team and key employees. The share-based long-term incentive plans include the Performance Share Plan ("PSP"), the Performance Matching Share Plan ("PMSP") and the Restricted Share Plan ("RSP"). The RSP is intended to be used as a complementary share-based incentive plan for individually selected key employees in specific situations.

Members of the Leadership Team and selected key employees may choose to participate in either the PSP or the PMSP, but not both. The purpose of the share-based long-term incentive plans is to align the interest of shareholders and key employees, to motivate and incentivize key employees to focus on F-Secure's long-term success and goals, and to retain key employees in the company.

The stock exchange release with detailed information is available on the company's website.

# Significant events after the review period

## Resolutions of the Annual General Meeting of F-Secure Corporation and organizational meeting of the Board of Directors

The Annual General Meeting of F-Secure Corporation and organizational meeting of the Board of Directors was held on April 1, 2025. The Annual General Meeting adopted the annual accounts and the consolidated annual accounts for the financial year that ended on December 31, 2024, discharged the members of the Company's Board of Directors and the CEO from liability, and approved all proposals made to the Annual General Meeting by the Board of Directors. The Annual General Meeting also approved the 2024 remuneration report for governing bodies. The resolution is advisory according to the Finnish Companies Act.

The Annual General Meeting resolved that a dividend of EUR 0.04 per share be paid in two instalments of EUR 0.02 per share each.

The Annual General Meeting resolved that the number of the Board members shall be seven and the current members Pertti Ervi, Petra Teräsaho and Tommi Uitto were re-elected to the Board of Directors. Alessandro Adriani, Roxana Diaconescu and Cornelia Schaurecker were elected as new members. Rachit Mittal, who belongs to the personnel of the corporation, was also elected as a new member of the Board of Directors.

Board remuneration was resolved as proposed and shall remain unchanged with the exception of the additional remuneration for Personnel and Nomination Committee Chair and members of the Audit Committee and Personnel and Nomination Committee. The remuneration is as follows:

- EUR 80,000 annually for the Chair of the Board of Directors,
- EUR 38,000 annually for the external members of the Board of Directors, and
- EUR 12,667 for members employed by F-Secure,
- EUR 10,000 additional remuneration for the Audit Committee Chair,
- EUR 4,000 additional remuneration for the Personnel and Nomination Committee Chair,
- EUR 2,000 additional remuneration for the Audit Committee members, and

- EUR 2,000 additional remuneration for the Personnel and Nomination Committee members.

It was resolved that approximately 40% of the remuneration be paid as shares in the Company repurchased from the market or as treasury shares held by the Company. The Company will pay any transfer tax levied on the repurchase of shares. The Company will repurchase the shares or transfer shares held by the Company as treasury shares in the name and on behalf of the members of the Board of Directors.

Furthermore, the travel expenses and other costs of the members of the Board of Directors directly related to board work are paid in accordance with the Company's policy in force from time to time and that each member of the Board of Directors of F-Secure is paid a predetermined travel fee in addition to travel expenses for meetings held outside their country of residence as follows: A separate meeting fee of EUR 1,000 is paid to the Board members travelling from another European country to an on-site meeting in Europe. If inter-continental travel is required, the fee is EUR 2,000. No separate travel fee will be paid to members of the Board of Directors employed by the Company.

The Annual General Meeting re-elected the audit firm PricewaterhouseCoopers Oy as Auditor as well as the Sustainability Reporting Assurance Provider of the Company. Mr. Samuli Perälä, APA, will continue as the Company's Responsible Auditor and also Authorized Sustainability Auditor. The Auditor and the sustainability reporting assurance provider will be remunerated in accordance with the invoice approved by the Company.

The Annual General Meeting resolved to amend Article 7 of the Company's Articles of Association so that in addition to the auditor, the company has a sustainability reporting assurance provider. It was further resolved to amend Article 11 of the Articles of Association so that, in addition to the provisions of Article 11 of the Articles of Association currently in force, the Annual General Meeting shall elect the sustainability reporting assurance provider and decide on the remuneration of the sustainability reporting assurance provider.

Further, the Board was authorized to decide on the repurchase of the company's own shares as well as to decide on a share issue and the issuance of special rights entitling to shares. Both authorizations are valid until the conclusion of the next

Annual General Meeting, but no later than June 30, 2026. The authorizations cancel the Company's prior authorizations concerning the repurchase of the own shares and the issuance of shares and special rights entitling to shares.

In the organizational meeting of the Board of Directors, Pertti Ervi was re-elected as Chair of the Board of Directors. From among its members, the Board elected Petra Teräsaho (Chair), Pertti Ervi and Cornelia Schaurecker as members of the Audit Committee. From among its members, the Board elected Pertti Ervi (Chair), Alessandro Adriani and Roxana Diaconescu as members of the Personnel and Nomination Committee. The Board of Directors has evaluated the independence of its members of the company and significant shareholders. All members are independent of the Company's major shareholders. All members are independent of the Company with the exception of Rachit Mittal, who is an employee of the Company.

More detailed information can be found in the stock exchange release published April 1, 2025. Similarly, the minutes of the Annual General Meeting are available on the company's website at [https://www.investors.f-secure.com/en/investors/corporate\\_governance/annual\\_general\\_meeting\\_2025](https://www.investors.f-secure.com/en/investors/corporate_governance/annual_general_meeting_2025).

# Risks and uncertainties

## Risks related to F-Secure's operating environment

Intensifying competition in the consumer security market could lead to a general decline in the price level and affect F-Secure's ability to maintain or increase its market share, and the intensifying competition could thus have an adverse effect on F-Secure's revenue, profitability and market share.

F-Secure may not be able to keep up with rapid changes in customer demand, distribution channels, technologies and the evolution of consumer cyber security threats such as scams, which could have an adverse effect on F-Secure reputation, competitiveness, operational results and financial position.

Uncertainty about F-Secure's key markets, financial markets and general economic situation could have an adverse effect on F-Secure's business and growth opportunities and reduce the demand or increase cost of the products and services offered by F-Secure. Geopolitical instability has increased uncertainty in the world and the risk of unexpected disruptions of the world economy. The war for example in Ukraine has caused some exceptional consequences to the cyber security landscape, such as highly visible governmental activities, as well as organized civilian response to the war efforts. In addition, there is a risk that F-Secure may be indirectly affected by escalating trade war ("tariffs") that may increase inflation, reduce consumer purchasing power or otherwise negatively affect consumers and F-Secure's channel partners.

## Risks related to F-Secure's business operations and strategy

If F-Secure's agreement with a significant business partner or Channel Partner is terminated or expires, or if F-Secure is unable to continue to work with a business partner or Channel Partner on acceptable terms, or if a channel partner fails to fulfill its obligations, this could significantly reduce F-Secure's revenues, increase its costs, hinder its operations and weaken its ability to provide services or solutions to its customers. In addition, some Channel Partners may be slow to adopt new solutions, which may delay F-Secure's revenue growth or increase maintenance-related costs.

The loss of key personnel and skilled employees, the possible delay of new hires or increase in personnel expenses could weaken F-Secure's profitability and the standard of its services or solutions, hinder operations and prevent F-Secure from successfully developing and growing its business.

Actual, possible or perceived defects, disruptions or vulnerabilities in F-Secure products or services, including risks from cyber security attacks and errors or abuses by F-Secure employees and business partners, could harm F-Secure or its customer reputation, decrease sales, hinder operations, tie up personnel resources and give rise to claims for damages and increase other costs.

F-Secure channel partners may not always promote the latest version of our product offering, and end customers in various channels may be using older product versions ("legacy products"). Supporting these legacy products may increase F-Secure costs or adversely affect planned future product releases, their scope, availability and/or competitiveness, while migrating end-customers to the latest product versions may take time, require additional investments and thus affect revenue growth.

F-Secure provides consumer cyber security solutions to some of the largest Service Providers in the world ("Tier 1 Channel Partners") and aims to win new Tier 1 Channel Partner contracts. Tier 1 Channel Partners may require solutions that F-Secure is unable to develop, deliver and maintain at the expected level of profitability. These contracts may also expose F-Secure to Service Level Agreement claims (support penalties) or other similar and material contractual liabilities, such as related to a consumer data breach. F-Secure may be required to make upfront investments to develop and deliver these solutions, which may have a negative impact on F-Secure product roadmaps, company revenues and profitability.

F-Secure is in the process of transforming the company and its operating model with its growth strategy. Changes in the company's strategic priorities, structure and processes may take time to become effective. Additionally, these changes may at least initially have a negative impact on the company's product roadmap and its operations. New strategy and implemented changes may also lead to higher attrition rate. These combined can have a negative impact on the financial outlook of the company.

## Risks related to the technology used by F-Secure, intellectual property rights and other regulations

Any malfunction in technologies, IT systems or network connections used by F-Secure or any security breaches could result in disruption of F-Secure's service

offerings. F-Secure may fail to register, protect, manage, maintain and enforce its intellectual property rights, and F-Secure may be subject to intellectual property infringement claims, which may result in significant costs. Leakage of personal data collected by F-Secure may have a material adverse effect on F-Secure's business and reputation and result in claims for damages as well as fines and orders imposed by the authorities. As is customary in the cyber security industry, F-Secure protection is a combination of its own IPR and third-party solutions. F-Secure continues to have a relationship with Lookout and WithSecure for certain protection capabilities after the spin-off and demerger and has entered into TSAs with both companies. The inability of third parties such as Lookout or WithSecure to provide these protection capabilities could have a material adverse effect on F-Secure's business and its customers.

### **Risks related to F-Secure's financial position and financing**

The number of operations and locations outside the eurozone in different currencies exposes F-Secure to a risk related to currency fluctuations. Changes in the exchange rates between currencies could have an adverse effect on F-Secure's revenue, results and financial position. F-Secure is exposed to transaction risks caused by purchasing and selling products and goods in currencies that are not F-Secure's home currencies, in particular the US dollar. In addition, F-Secure is exposed to investment risks in its units abroad and translation risks that arise when investments in subsidiaries in different currencies are converted into F-Secure's operational currency, i.e., the euro. Furthermore, F-Secure financed the acquisition of Lookout's consumer security business with bank debt subject to leverage covenants. Failure to comply with the covenants would lead to early expiry of the debt. Changes in interest rates have an impact on interest costs.



# Financial Reporting in 2025

In 2025, F-Secure Corporation will publish financial information as follows:

- Half-year Financial Report for January–June 2025 on Friday, 18 July 2025
- Interim Report for January–September 2025 on Tuesday, 28 October 2025

Helsinki, April 29, 2025

Board of Directors  
F-Secure Corporation

# Income Statement

EUR thousand	1-3/2025	1-3/2024	Change %	1-12/2024
Revenue	37,103	36,377	2.0%	146,258
Cost of revenue	-5,427	-5,211	4.1%	-20,243
<b>Gross margin</b>	<b>31,676</b>	<b>31,166</b>	<b>1.6%</b>	<b>126,015</b>
Other operating income	120	288	-58.4%	751
Sales and marketing	-8,450	-8,771	-3.7%	-34,591
Research and development	-8,093	-6,965	16.2%	-29,275
Administration <sup>1)</sup>	-5,866	-5,736	2.3%	-24,478
<b>EBIT</b>	<b>9,387</b>	<b>9,982</b>	<b>-6.0%</b>	<b>38,422</b>
Financial income	372	342	8.6%	1,714
Financial expenses	-2,416	-3,230	-25.2%	-13,124
<b>Profit before taxes</b>	<b>7,342</b>	<b>7,095</b>	<b>3.5%</b>	<b>27,011</b>
Income tax	-1,466	-1,564	-6.3%	-5,944
<b>Result for the period</b>	<b>5,877</b>	<b>5,531</b>	<b>6.3%</b>	<b>21,067</b>
<b>Other comprehensive income</b>				
Exchange difference on translation of foreign operations	-2,537	1,440	-276.2%	4,047
<b>Comprehensive income for the period</b>	<b>3,339</b>	<b>6,971</b>	<b>-52.1%</b>	<b>25,114</b>

<sup>1)</sup> Costs related to restructuring decreased administration expense by EUR 0.0 million in Q1/2025 (EUR 0.2 million) and increased administration costs by EUR 1.4 million in Q1-Q4/2024.

Earnings per share	1-3/2025	1-3/2024	Change %	1-12/2024
Earnings per share, basic and diluted, EUR	0.03	0.03	6.3%	0.12

# Statement of financial position

EUR thousand	31 Mar 2025	31 Mar 2024	31 Dec 2024
<b>Assets</b>			
Tangible assets	286	373	326
Right-of-use assets	1,274	1,514	1,200
Intangible assets	123,519	126,289	125,736
Goodwill	88,847	88,855	89,783
Deferred tax assets	78	284	58
Interest-bearing receivables	-	3,800	-
Other long-term receivables	218	-	223
<b>Total non-current assets</b>	<b>214,222</b>	<b>221,116</b>	<b>217,327</b>
Inventories	34	32	29
Accrued income	3,984	3,362	3,333
Trade and other receivables	36,413	39,232	37,049
Interest-bearing receivables	3,660	-	3,757
Income tax receivables	445	2,124	968
Cash and cash equivalents	6,694	13,894	8,095
<b>Total current assets</b>	<b>51,231</b>	<b>58,645</b>	<b>53,231</b>
<b>Total assets</b>	<b>265,453</b>	<b>279,760</b>	<b>270,558</b>

EUR thousand	31 Mar 2025	31 Mar 2024	31 Dec 2024
<b>Shareholders' equity and liabilities</b>			
<b>Total Equity</b>	<b>50,579</b>	<b>28,025</b>	<b>47,018</b>
Interest-bearing liabilities, non-current	131,503	166,339	131,431
Deferred tax liabilities	4,000	2,361	3,584
Deferred revenue, non-current	6,070	7,363	6,398
Other non-current liabilities	12	54	45
<b>Total non-current liabilities</b>	<b>141,586</b>	<b>176,116</b>	<b>141,459</b>
Interest-bearing liabilities, current	35,970	30,931	44,046
Trade and other payables	15,360	22,626	14,142
Provisions	226	286	1,427
Income tax liabilities	565	1,226	387
Deferred revenue, current	21,165	20,549	22,079
<b>Total current liabilities</b>	<b>73,287</b>	<b>75,619</b>	<b>82,081</b>
<b>Total equity and liabilities</b>	<b>265,453</b>	<b>279,760</b>	<b>270,558</b>

# Cash flow statement

EUR thousand	1-3/2025	1-3/2024	1-12/2024
<b>Cash flow from operations</b>			
Result for the financial year	5,877	5,531	21,067
Adjustments	7,928	7,662	32,110
<b>Cash flow from operations before change in working capital</b>	<b>13,805</b>	<b>13,193</b>	<b>53,178</b>
Change in net working capital	-1,811	-1,428	694
<b>Cash flow from operations before financial items and taxes</b>	<b>11,994</b>	<b>11,765</b>	<b>53,872</b>
Net financial items and taxes	-2,314	-3,876	-15,055
<b>Cash flow from operations</b>	<b>9,681</b>	<b>7,889</b>	<b>38,817</b>
<b>Cash flow from investments</b>			
Net Investments in tangible and intangible assets	-2,695	-3,323	-11,109
Acquisition, net of cash acquired	-	-132	-132
Proceeds from sale of intangible and tangible assets	-2	0	1
<b>Cash flow from investments</b>	<b>-2,697</b>	<b>-3,456</b>	<b>-11,240</b>
<b>Cash flow from financing activities</b>			
Repayments of lease liabilities	-326	-269	-1,174
Repayments of interest-bearing liabilities	-	-	-30,000
Change in short-term interest-bearing liabilities	-8,000	-	8,000
Dividends paid	-	-6,114	-12,227
<b>Cash flow from financing activities</b>	<b>-8,326</b>	<b>-6,382</b>	<b>-35,401</b>
<b>Change in cash</b>	<b>-1,342</b>	<b>-1,948</b>	<b>-7,824</b>
Cash and cash equivalents at the beginning of the period	8,095	15,867	15,867
Effect of exchange rate changes on cash	-58	-24	52
<b>Cash and cash equivalents at period end</b>	<b>6,694</b>	<b>13,894</b>	<b>8,095</b>

# Statement of changes in shareholder's equity

EUR thousand	Share capital	Unrestricted equity reserve	Retained earnings	Translation difference	Total
<b>Equity 31 December 2023</b>	<b>80</b>	<b>9,590</b>	<b>25,485</b>	<b>-2,070</b>	<b>33,086</b>
Result of the financial year			5,531	1,440	6,971
<b>Total comprehensive income for the year</b>			<b>5,531</b>	<b>1,440</b>	<b>6,971</b>
Cost of share-based payments			196		196
Dividend			-12,227		-12,227
<b>Equity 31 March 2024</b>	<b>80</b>	<b>9,590</b>	<b>18,984</b>	<b>-630</b>	<b>28,025</b>
<b>Equity 31 December 2024</b>	<b>80</b>	<b>9,590</b>	<b>35,371</b>	<b>1,977</b>	<b>47,018</b>
Result of the period			5,877	-2,537	3,339
<b>Total comprehensive income for the period</b>			<b>5,877</b>	<b>-2,537</b>	<b>3,339</b>
Cost of share-based payments			221		221
<b>Equity 31 March 2025</b>	<b>80</b>	<b>9,590</b>	<b>41,469</b>	<b>-560</b>	<b>50,579</b>

# Notes to the financial statements

## 1. Basis of preparation

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The accounting principles applied are consistent with those followed in the annual report 2024, note 1 Basis of preparation and accounting principles.

The information of this interim report is unaudited. Percentages and figures presented herein may include rounding differences and therefore may not add up precisely to the totals presented. All figures are presented as EUR thousand unless otherwise stated.

### Segment information

F-Secure has only one segment (consumer security). Revenue per sales channel and geographical information about revenue are presented in Note 2 Revenue

### Significant exchange rates and sensitivity to exchange rate changes

One euro is	Closing rate			Average rate		
	31 Mar 2025	31 Mar 2024	31 Dec 2024	1-3/2025	1-3/2024	1-12/2024
USD	1.0815	1.0811	1.0389	1.0398	1.0904	1.0863
GBP	0.8354	0.8551	0.8292	0.8304	0.8600	0.8483
JPY	161.60	163.45	163.06	160.34	159.68	163.50

### FX Sensitivity

The sensitivity of F-Secure's profit before taxes to foreign exchange rate fluctuations when all other variables are held constant is as follows:

+/- 10% FX rate change (EUR million)	31 Mar 2025	31 Mar 2024	31 Dec 2024
USD	-0.8/+1.0	-1.0/+1.2	-1.0/+1.2

The sensitivity of F-Secure's equity to foreign exchange rate fluctuations when all other variables are held constant is as follows:

+/- 10% FX rate change (EUR million)	31 Mar 2025	31 Mar 2024	31 Dec 2024
USD	-6.8/+5.6	-7.0/+5.7	-7.0/+5.7



## 2. Revenue

### Disaggregation of revenue

Revenue from external customers

Sales channels	1-3/2025	1-3/2024	1-12/2024
Partner channel	30,105	29,443	118,237
Security Suite	24,473	23,791	95,734
Embedded Security	5,632	5,651	22,503
Direct channel (E-commerce)	6,998	6,934	28,021
<b>Total</b>	<b>37,103</b>	<b>36,377</b>	<b>146,258</b>

Fair valuation of deferred revenue for the first quarter had a negative impact on revenue EUR -0.2 million (EUR -0.7 million).

Starting this quarter, F-Secure will report Partner channel revenue divided by its main product portfolios: Security Suite and Embedded Security. This new reporting approach aims to increase transparency in the company's product mix development, as these have varying profitability levels.

**Security Suite:** F-Secure Total is an all-in-one consumer cyber security application that provides complete protection against scams as well as security, privacy and identity protection on all consumers' personal devices.

**Embedded Security:** Comprehensive portfolio of consumer cyber security capabilities available as Software Development Kits (SDKs) and cloud Application Programming Interfaces (APIs) that can be embedded in Service Provider's app or service, including also F-Secure Sense providing router security. Embedded Security typically has a lower gross margin due to lower pricing, as higher volumes are expected, and partner is responsible for the implementation of the solution.

The comparative figures for the 2024 quarters, reflecting the new distribution of revenue from external customers by main product portfolios are presented in the table below.

Sales channels	1-3/2024	4-6/2024	7-9/2024	10-12/2024
Partner channel	29,443	29,404	29,346	30,044
Security Suite	23,791	23,726	23,913	24,304
Embedded Security	5,651	5,679	5,433	5,740
Direct channel (E-commerce)	6,934	7,088	7,003	6,996
<b>Total</b>	<b>36,377</b>	<b>36,492</b>	<b>36,349</b>	<b>37,040</b>

Geographical information	1-3/2025	1-3/2024 <sup>1)</sup>	1-12/2024
Nordic countries	10,903	10,367	42,019
Rest of Europe	11,892	12,097	48,099
North America	11,879	11,243	45,518
Rest of world	2,430	2,670	10,621
<b>Total</b>	<b>37,103</b>	<b>36,377</b>	<b>146,258</b>

1) F-Secure has adjusted the geographical split of revenues between Rest of Europe and North America since Q2/2024. The adjustment did not have a material impact to the reported figures.

### 3. Goodwill, right-of-use, intangible and tangible assets

EUR thousand	31 Mar 2025	31 Mar 2024	31 Dec 2024
Book value at beginning of period	217,046	215,157	215,157
Additions	3,096	3,855	12,351
Disposals	-14	0	-74
Depreciation and amortization	-4,092	-3,165	-13,668
Translation differences	-2,110	1,183	3,280
<b>Book value at end of period</b>	<b>213,926</b>	<b>217,031</b>	<b>217,046</b>

EUR thousand	1-3/2025	1-3/2024	1-12/2024
Depreciation and amortization by function			
Sales and marketing	317	292	1,213
Research and development	1,620	769	3,882
Administration	2,180	2,101	8,525
<b>Total depreciation and amortization</b>	<b>4,117</b>	<b>3,162</b>	<b>13,621</b>

EUR thousand	1-3/2025	1-3/2024	1-12/2024
Amortization	3,781	2,876	12,389
Depreciation	336	286	1,232
<b>Total depreciation and amortization</b>	<b>4,117</b>	<b>3,162</b>	<b>13,621</b>

## 4. Financial assets and liabilities

The carrying amount of the Group's interest-bearing financial assets and liabilities does not significantly differ from their fair value. F-Secure's financial assets and liabilities are presented in the following tables.

EUR thousand	Carrying Value		Total
	Financial assets Amortized Cost	Financial liabilities Amortized Cost	
<b>31 Mar 2025</b>			
Cash and cash equivalents	6,694		6,694
Interest-bearing receivables	3,660		3,660
Trade receivables	25,211		25,211
Bank loans		160,844	160,844
Trade payables		3,510	3,510
Lease liabilities		1,303	1,303
Other interest-bearing liabilities		5,327	5,327
<b>31 Mar 2024</b>			
Cash and cash equivalents	13,894		13,894
Interest-bearing receivables	3,800		3,800
Trade receivables	30,489		30,489
Bank loans		190,504	190,504
Trade payables		2,979	2,979
Lease liabilities		1,524	1,524
Other interest-bearing liabilities		5,242	5,242
<b>31 Dec 2024</b>			
Cash and cash equivalents	8,095		8,095
Interest-bearing receivables	3,757		3,757
Trade receivables	27,604		27,604
Bank loans		168,933	168,933
Trade payables		1,545	1,545
Lease liabilities		1,210	1,210
Other interest-bearing liabilities		5,334	5,334

The Lookout consumer business unit acquisition in 2023 was financed with debt for which facilities agreement was entered into with Danske Bank A/S and OP Corporate Bank plc. The financing package consisted of two facilities, (i) a EUR 202 million amortizing term loan to finance the acquisition, and (ii) a EUR 20 million revolving loan facility to be used for general corporate purposes of the combined group. Both facilities held a maturity of 5 years since F-Secure has exercised the extension options. The interest rate for credit facility is variable. The revolving credit facility is undrawn at the reporting date.

Group Treasury is responsible for monitoring cash balances and cash forecasts to keep liquidity risk at manageable level. We expect the stable and positive cash flow from operations, existing cash balances, and revolving credit facilities to be sufficient to fund our operations and obligations for the next 12 months. The Group's loan agreement includes a financial covenant, measured on quarterly basis. The covenant relates to the ratio between net debt and EBITDA, as defined under the terms of the loan agreement. Group has met covenant terms and conditions on the reporting date.

Prior to completion of the demerger, WithSecure's consumer business conducted by its foreign subsidiaries was separated from the rest of the business into separate companies through business acquisitions or similar transactions in each relevant country. The transaction prices vary between approximately EUR 70 thousand and EUR 3.0 million. The payback time for the resulting payables and receivables is primarily three years from the effective date of each local transaction, and prepayment is allowed. These balances are due for payment in the second quarter of 2025. The interest rate for the unpaid transaction price varies by country. F-Secure's payables totaled EUR 5.3 million and the receivables totaled EUR 1-3/2025 million, presented in the table above as Other interest-bearing liabilities and Interest-bearing receivables, respectively.

As of 31 March 2025, F-Secure's lease liabilities relate to leases for office premises and cars. In the second quarter of 2024, F-Secure signed a new lease agreement for headquarter office premises. This will be recorded in the balance sheet as right-of-use asset and lease liability during summer 2025 when the lease term starts, but the lease commitment already exists following the agreement.

## Financial liabilities

Contractual maturities of financial liabilities:	Amount due within 12 months	Amount due after 12 months	Total	Nominal value
Bank loans	30,000	132,000	162,000	160,844
Lease liabilities	684	703	1,387	1,303
Other interest-bearing liabilities	5,327	-	5,327	5,327
<b>Total</b>	<b>36,011</b>	<b>132,703</b>	<b>168,714</b>	<b>167,474</b>

Bank loans and lease liabilities are recorded at amortized cost and the transaction costs are recognized as part of interest expense using the effective interest method.

# Quarterly figures and alternative performance measures

## Income statement quarterly

EUR thousand	1-3/2025	10-12/2024	7-9/2024	4-6/2024	1-3/2024
Revenue	37,103	37,040	36,349	36,492	36,377
Cost of revenue	-5,427	-4,943	-4,960	-5,129	-5,211
<b>Gross margin</b>	<b>31,676</b>	<b>32,097</b>	<b>31,390</b>	<b>31,363</b>	<b>31,166</b>
Other operating income	120	112	158	192	288
Sales and marketing	-8,450	-8,711	-8,082	-9,027	-8,771
Research and development	-8,093	-9,184	-6,485	-6,642	-6,965
Administration	-5,866	-7,594	-5,466	-5,683	-5,736
<b>EBIT</b>	<b>9,387</b>	<b>6,720</b>	<b>11,515</b>	<b>10,204</b>	<b>9,982</b>
Financial net	-2,045	-2,398	-2,841	-3,283	-2,888
<b>Profit before taxes</b>	<b>7,342</b>	<b>4,322</b>	<b>8,674</b>	<b>6,921</b>	<b>7,095</b>
Income taxes	-1,466	-913	-1,966	-1,501	-1,564
<b>Profit for the period</b>	<b>5,877</b>	<b>3,408</b>	<b>6,708</b>	<b>5,420</b>	<b>5,531</b>



## Key figures

EUR thousand	1-3/2025	10-12/2024	7-9/2024	4-6/2024	1-3/2024
Revenue	37,103	37,040	36,349	36,492	36,377
Revenue growth %	2.0%	0.4%	3.5%	19.6%	30.8%
Currency neutral growth %	0.5%	0.9%	3.6%	20.0%	31.6%
EBITA	13,168	10,102	14,636	13,214	12,858
% of revenue	35.5%	27.3%	40.3%	36.2%	35.3%
Adjusted EBITA	13,127	11,775	14,636	13,160	12,677
% of revenue	35.4%	31.8%	40.3%	36.1%	34.9%
EBIT	9,387	6,720	11,515	10,204	9,982
% of revenue	25.3%	18.1%	31.7%	28.0%	27.4%
Profit for the period	5,877	3,408	6,708	5,420	5,531
% of revenue	15.8%	9.2%	18.5%	14.9%	15.2%
Earnings per share, EUR <sup>1)</sup>	0.03	0.02	0.04	0.03	0.03
Earnings per share, excluding PPA, EUR <sup>1)</sup>	0.04	0.03	0.05	0.04	0.04
R&D costs	8,093	9,184	6,485	6,642	6,965
% of revenue	21.8%	24.8%	17.8%	18.2%	19.1%
Capital expenditure	2,695	1,228	3,014	3,544	3,455
% of revenue	7.3%	3.3%	8.3%	9.7%	9.5%
Deferred revenue	27,235	28,477	25,197	25,856	27,912
Operating cash flow	9,681	9,086	5,011	16,831	7,889
Net debt (+) / Net cash (-)	157,119	163,625	165,445	166,567	179,576
Net debt/Adjusted EBITDA	2.9	3.1	3.1	3.2 <sup>2)</sup>	3.5 <sup>2)</sup>
Equity ratio %	19.1%	17.4%	14.4%	12.6%	10.0%
Shareholder's equity per share, EUR	0.29	0.27	0.22	0.20	0.16
P/E ratio	13.0	22.9	14.1	15.6	14.8
Gearing, %	317.9%	356.0%	435.8%	493.5%	654.3%
Cash conversion, %	66.5%	99.4%	40.5%	124.5%	63.3%
Personnel at the end of the period	506	529	530	519	497

<sup>1)</sup> Based on the average number of shares during the reporting period.

<sup>2)</sup> Net debt/Adjusted EBITDA for the last 12 months includes Lookout consumer business unit EBITDA on an illustrative basis as if the acquisition had been made on the first day of the period in question.

## Alternative Performance Measures

In addition to EBIT, F-Secure uses Adjusted EBITA and Adjusted EBITDA as key performance indicators when measuring performance between periods. Adjusted EBITA and Adjusted EBITDA exclude items that affect comparability. Items affecting comparability are associated with acquisition and restructuring. Adjusted EBITA and Adjusted EBITDA are presented in addition to EBIT to reflect the underlying business performance and to enhance comparability between periods. F-Secure believes that these comparable alternative performance measures provide meaningful supplemental information by excluding items outside normal business operations, which reduce comparability between the periods.

### Reconciliation between adjusted EBITDA, EBITDA, adjusted EBITA, EBITA and EBIT

EUR thousand	1-3/2025	1-3/2024	1-12/2024
<b>Adjusted EBITDA</b>	<b>13,463</b>	<b>12,964</b>	<b>53,480</b>
Adjustments to EBITDA			
Costs related to restructuring	41	181	-1,438
<b>EBITDA</b>	<b>13,504</b>	<b>13,145</b>	<b>52,042</b>
Depreciation and amortization	-4,117	-3,162	-13,621
<b>EBIT</b>	<b>9,387</b>	<b>9,982</b>	<b>38,422</b>
<b>Adjusted EBITA</b>	<b>13,127</b>	<b>12,677</b>	<b>52,248</b>
Adjustments to EBITA			
Costs related to restructuring	41	181	-1,438
<b>EBITA</b>	<b>13,168</b>	<b>12,858</b>	<b>50,810</b>
Amortization	-1,791	-928	-4,573
PPA amortization	-1,990	-1,948	-7,816
<b>EBIT</b>	<b>9,387</b>	<b>9,982</b>	<b>38,422</b>

## Classification of adjusted costs in operating expenses

EUR thousand	1-3/2025	1-3/2024	1-12/2024
<b>Operating expenses</b>			
Sales and marketing	-8,450	-8,771	-34,591
Research and development	-8,093	-6,965	-29,275
Administration	-5,866	-5,736	-24,478
<b>Total</b>	<b>-22,409</b>	<b>-21,471</b>	<b>-88,344</b>
<b>Depreciation and amortization by function</b>			
Sales and marketing	-317	-292	-1,213
Research and development	-1,620	-769	-3,882
Administration	-2,180	-2,101	-8,525
<b>Total</b>	<b>-4,117</b>	<b>-3,162</b>	<b>-13,621</b>
<b>Items affecting Comparability (IAC) by function</b>			
Administration	-5,866	-5,736	-24,478
Less: Costs related to restructuring	-41	-181	1,438
Less: PPA amortization	1,990	1,948	7,816
<b>Administration excluding IAC</b>	<b>-3,917</b>	<b>-3,969</b>	<b>-15,224</b>
<b>Operating expenses less depreciation, amortization and IAC</b>			
Sales and marketing	-8,134	-8,479	-33,377
Research and development	-6,473	-6,196	-25,393
Administration	-3,726	-3,815	-14,515
<b>Total</b>	<b>-18,333</b>	<b>-18,490</b>	<b>-73,286</b>

# Calculation of key figures

Key figure	Definition	Key figure	Definition
EBITDA	EBIT + Depreciation, amortization and impairment	Net debt (+) / Net cash (-)	Interest-bearing liabilities – Interest-bearing receivables - Cash and cash equivalents
EBITA	EBIT + Amortization and impairment	Net debt/Adjusted EBITDA	Net debt/Adjusted EBITDA for the last 12 months
EBIT	Result before taxes and net financial items	Equity ratio, %	Total equity/Total assets
Adjusted EBITDA	EBITDA before items affecting comparability	Gearing, %	(Interest bearing liabilities – cash and bank) / Total equity
Adjusted EBITA	EBITA before items affecting comparability	Cash conversion, %	(Adjusted EBITDA–Capital expenditure –/+ Change in net working capital) / Adjusted EBITDA
Items affecting comparability	Items affecting comparability are associated with restructuring	Earnings per share, EUR	Profit attributable to equity holders of the company / Weighted average number of outstanding shares
Operating expenses	Sales and marketing, research and development, and administration expenses	Earnings per share, adjusted for PPA, EUR	(Profit attributable to equity holders of the company + PPA amortization adjusted by tax impact) / Weighted average number of outstanding shares
Capital expenditure	Corresponds to the Statement of Cash Flow line item Net investments in intangible and tangible assets	Shareholders' equity per share, EUR	Equity attributable to equity holders of the company / Number of outstanding shares at the end of period
Operating cash flow	Corresponds to the Statement of Cash Flow line item Cash flow from operations	P/E ratio	Closing price of the share (at period end) / Earnings per share (annualized)





**F-Secure Corporation**

Tammasaarencatu 7  
00180 Helsinki  
Tel. +358 9 2520 0100  
helsinki@f-secure.com  
www.f-secure.com