

20 April 2021

## AVAST PLC

### First Quarter Trading Update

Avast plc, together with its subsidiaries ('Avast' or 'the Group'), a leading global cybersecurity provider, issues the following scheduled trading update for the first quarter of its current financial year, comprising the period from 1 January 2021 to 31 March 2021.

Ondrej Vlcek, Chief Executive of Avast, said:

"Avast has made a good start to the year with continued demand for the company's security, privacy and performance solutions. The business is trading in line with expectations as we successfully execute on our stated goals to drive customer engagement and monetisation. We look forward to the remainder of the year with confidence."

#### Financial Summary

(\$'m)	Q1 2021	Q1 2020	Change %	Change % (excluding FX) <sup>1</sup>
Revenue	237.1	214.6	10.5	10.0
<b>Revenue excl. Acquisitions, Disposals and Discontinued Business</b> <sup>2</sup>	<b>236.4</b>	<b>213.1</b>	<b>10.9</b>	<b>10.4</b>

For the first quarter, Revenue of \$237.1m was up 10.4% on an organic basis<sup>3</sup>, and 10.5% at actual rates.

The Consumer Direct business continued to deliver good growth, while the SMB business also sustained its positive momentum. In March, Avast renewed its contract to promote the Chrome web browser with distribution of its consumer antivirus products and CCleaner utility application, through to March 2022.

For the first quarter, Adjusted EBITDA increased 10.3% to \$133.7m, resulting in an Adjusted EBITDA margin<sup>4</sup> of 56.4%. On 31 March 2021, net debt / LTM ("last twelve months") Adjusted EBITDA per the banking covenant was 1.1x. In March, Avast successfully completed a USD 480 million and a Euro 300 million Senior Secured Term Loan to refinance prior facilities. This extended the Group's loan maturity to March 2028 and further reduced interest costs.

#### FY 2021 Guidance

Avast completed the disposal of the Family Safety mobile business on 16 April<sup>5</sup>. The disposal, which will be modestly earnings dilutive, will benefit reported growth rates over the balance of the year. As a result, for full year 2021 the Group now expects to deliver at the upper end of the six to eight percent organic Revenue growth guidance, with the Consumer Indirect segment likewise revised to low single-digit percent growth.

Due to continued R&D and marketing investment, which is second half weighted, guidance for the Group's Adjusted EBITDA margin percent remains broadly flat versus FY 2020.

## **Dividend and AGM**

The Board has recommended the payment of a final 2020 dividend of 11.2 US cents per share. The scheduled ex-dividend date is 13 May 2021, and the scheduled payment date is 18 June 2021.

The company's AGM is scheduled for 6 May 2021. Webcast facilities will be provided to enable shareholders to follow proceedings. Further details are provided in the separate RNS ('Publication of Notice of 2021 Annual General Meeting') and on the Company website at <https://investors.avast.com>.

The company's next scheduled update to the market will be the Half Year Report for the six months to 30 June 2021 on 11 August 2021.

## **ENQUIRIES**

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Notes:

<sup>1</sup> Growth rate excluding currency impact calculated by restating 2021 actual to 2020 FX rates. Deferred revenue is translated to USD at date of invoice and is therefore excluded when calculating the impact of FX on revenue.

<sup>2</sup> Growth figures exclude Discontinued Business. The Company is exiting its toolbar-related search distribution business, which had previously been an important contributor to AVG's revenues. Separately, on 30 January 2020, the Group decided to wind down the operation of its subsidiary Jumpshot Inc. Together, including the Group's browser clean-up business, referred to above as "Discontinued Business".

<sup>3</sup> Organic growth rate excludes the impact of FX, acquisitions, business disposals, and discontinued business. It excludes current period billings and revenue of acquisitions until the first anniversary of their consolidation.

<sup>4</sup> Adjusted EBITDA margin percentage is defined as Adjusted EBITDA divided by Revenue.

<sup>5</sup> Due to completion of the disposal on 16 April, the Family Safety Mobile business is included in the reported Q1 2021 performance.