

yubico

Yubico

—

Quarterly Report  
January-March  
2025

Q1



Making the internet safer  
for everyone

# Solid net sales growth and increase in ARR

**Net sales increased by 24.9 percent to SEK 623.1 (498.9) million, corresponding to an increase of 22.4 percent in local currencies**

## First quarter

- Net sales increased by 24.9 percent to SEK 623.1 (498.9) million, corresponding to an increase of 22.4 percent in local currencies
- Subscription sales amounted to SEK 79.6 (56.5) million, corresponding to 12.8 (11.3) percent of net sales
- EBIT amounted to SEK 92.6 (85.1) million, corresponding to an EBIT margin of 14.9 (17.0) percent
- Earnings per share after dilution amounted to SEK 0.58 (0.84)

## Significant events after the end of the quarter

- On April 15<sup>th</sup>, Yubico appointed Snejana Koleva as new CFO. She will assume her role as CFO no later than October 13, 2025. Our current CFO, Camilla Öberg, and Snejana Koleva will work in parallel during a transition period to ensure a smooth handover
- The Annual General Meeting will be held today May 13, 2025. For more information see <https://investors.yubico.com/en/annual-general-meeting-2025/>

SEKm	Q1			LTM	Full-year
	2025	2024	Δ%	24/25	2024
Net sales	623.1	498.9	24.9	2,450.4	2,326.2
whereof subscription sales, %	12.8	11.3		11.6	11.3
Gross profit	488.7	402.4	21.5	1,983.9	1,897.5
Gross margin, %	78.4	80.7		81.0	81.6
EBIT	92.6	85.1	8.9	445.1	437.5
EBIT margin, %	14.9	17.0		18.2	18.8
Net profit/loss	51.3	73.8	-30.5	349.2	371.7
Earnings per share, before dilution	0.59	0.86	-30.6	4.05	4.32
Earnings per share, after dilution	0.58	0.84	-31.4	3.93	4.20
Net cash	805.5	510.8	57.7		771.9
Bookings	523.8	578.9	-9.5	2,577.5	2,632.6
whereof subscription bookings, %	11.1	18.0		16.9	18.3
ARR	345.7	277.1	24.7		324.1

# 24.9%

Growth in net sales

# 24.7%

Growth in ARR

# 14.9%

EBIT margin

# Good start to 2025: Yubico grows amid market caution

## Solid growth in a challenging environment

The first quarter 2025 was a quarter with solid growth and profitability for Yubico. Net sales totaled SEK 623 million, representing a year-over-year growth of 25%. Despite some pressure on the gross margin from the weakening USD, EBIT reached SEK 92.6 million, corresponding to an EBIT margin of 15%. Our EBIT for the quarter included costs associated with our all-company meeting held in Phoenix, Arizona — an important strategic investment in our team to align around Yubico's vision, reinforce our long-term strategic priorities, and foster even deeper engagement across the organization.

The first quarter was also characterized by a market with cautious decision-making. For Yubico, this was reflected in that bookings decreased by approximately 10% compared to the same quarter last year to SEK 524 million. The demand for Yubico as the leading provider of phishing-resistant authentication technology is still strong. This softening reflects delayed purchasing decisions given the many uncertainties that companies are facing right now, a trend we anticipate will continue into the second quarter, at least. Interest in strong, phishing-resistant authentication remains robust; it is a matter of "when," not "if," customers move forward with their orders.

## Expanding footprint in critical infrastructure

We continue to see strong momentum in the telecom, financial, and public sectors — strategic industries where protecting critical infrastructure is important. The City of Munich, a German municipality, recently announced its city-wide deployment of YubiKeys for employee authentication, further reinforcing our position as a trusted partner in safeguarding critical infrastructure systems.

In Canada, a major public sector organization selected Yubico to meet its tight timeline, large-scale deployment, and high-security requirements — a clear example of one of our key strengths: the ability to scale quickly while maintaining the highest levels of security and reliability.

In the telecom sector, we are pleased to share that we have expanded our footprint in the US, now partnering with three of the four largest telecommunications providers in the region. This continued trust from industry leaders highlights Yubico's position as a leading provider of strong, phishing-resistant authentication solutions.

## Navigating global uncertainty with operational resilience

Importantly, while tariffs and shifting global trade dynamics are affecting many industries, Yubico's business model has proven resilient. Thanks to local manufacturing in Sweden and the United States, and the fact that value creation largely occurs post-manufacturing through key programming, our exposure to tariffs is limited. However, macroeconomic uncertainty and tariff effects are likely to continue influencing buying behavior in the near term. This may result in a pacing of demand during the year that differs from earlier expectations, particularly in certain regions or customer segments.

With that said, Yubico remains well-positioned to navigate these conditions through strategic planning and agile operations. We have the operational flexibility to adjust supply chains as needed — for instance, increasing shipments from Europe to parts outside of the US to avoid unnecessary costs. This adaptability ensures that we can continue serving customers globally with minimal disruption.

## Changes in management

On April 15th we were pleased to announce that Snejana Koleva has been appointed as Yubico's new Chief Financial Officer. She will join the company no later than October 13, 2025. To ensure a smooth and effective transition, Snejana and our current CFO, Camilla Öberg, will work alongside each other during a transition period.

## AGM later today

Today, we will hold our AGM, and I look forward to meeting those of you that will be there and answering any questions you might have. As we look ahead, our long-term growth drivers remain intact — including rising demand for phishing-resistant authentication and continued expansion of our customer base. While we remain focused on

executing on our strategy, we are also mindful of evolving market dynamics that may affect the pace of growth across the year.



**Mattias Danielsson, CEO**

# Group development

## Net sales

### January-March

Net sales increased by 24.9 percent to SEK 623.1 (498.9) million in the first quarter, corresponding to an increase of 22.4 percent in local currencies. Subscription sales increased by 40.7 percent in the same period and amounted to SEK 79.6 (56.5) million representing 12.8 percent (11.3) of net sales. Q1 of the previous year was negatively impacted by customer churn, which has since been more than offset by new contracts secured during 2024. In the first quarter, we saw several notable expansions of subscription agreements, particularly within the manufacturing, media, and public sectors.

Net sales continue to be dominated by the Americas, with 71.8 percent (72.6) of net sales originating in the region, 22.9 percent (20.3) in EMEA, and 5.4 percent (7.1) in APJ. EMEA and the Americas continue to deliver strong growth and performance, driven by sustained demand from the high-tech, public, and telecom sectors. In the Americas, growth in the Canadian public sector remains particularly strong.

## Gross profit

### January-March

Gross profit increased by 21.5 percent to SEK 488.7 (402.4) million, corresponding to a gross margin of 78.4 percent (80.7). Changes in currency exchange rates negatively impacted the gross margin, causing a decline.

## EBIT

### January-March

EBIT amounted to SEK 92.6 (85.1) million, corresponding to an EBIT margin of 14.9 percent (17.0). Yubico continues to grow and the number of employees at the end of the first quarter amounted to 499 (438), an increase of 13.9 percent from the same period last year. Personnel costs were higher during the quarter, reflecting both the increase in headcount and revised salary levels implemented as of January 1, as well as the additional LTIP-program during 2024. In accordance with IFRS, total costs recognized for the LTIP programs amounted to SEK 20.6 million (3.7).

Research and development remained stable in relation to net sales and amounted to SEK 93.1 (74.3) million in the quarter. Selling and marketing expenses decreased as a percentage of net sales this quarter compared to the same period last year and totaled SEK 197.8 (187.2) million. Administrative expenses amounted to SEK 113.1 (69.1), including costs for the all-company conference, SEK 25.6 million, which is an important investment in our personnel and organization. This cost is part of employee costs, note 3. Unrealized currency effects are affecting profit with the net amount SEK 7.7 (13.7) million. These are reported as Other income and expenses in the statement of profit or loss.

## Net profit/loss and earnings per share

### January-March

The net profit amounted to SEK 51.3 (73.8) million. Net financial items of SEK -24.5 (9.1) million was affected by unrealized currency effects of SEK -28.3 million related to USD cash balance in the parent company. The effective tax was 25.2 (21.6) percent. Earnings per share after dilution amounted to SEK 0.58 (0.84).

Net sales, quarterly and 12-month rolling, SEKm



EBIT, quarterly and 12 months rolling, SEKm



## Group development *cont.*

### Bookings

#### January-March

Bookings decreased by -9.5 percent in the quarter, to SEK 523.8 (578.9) million, corresponding to a decrease of -10.7 percent in local currencies. The decrease primarily reflects extended customer decision cycles amid broader macroeconomic uncertainty.

Subscription bookings amounted to SEK 58.3 (104.1) million, corresponding to 11.1 percent (18.0) of bookings, the largest part being new customers and add-on contracts while SEK 8.9 million are contract renewals. We continue to see growth and strong interest from critical infrastructure sectors, including the public sector, telecom as well as from the high-tech sector. In addition, we are seeing continued orders from the European defence industry.

### Annual recurring revenue, ARR

#### January-March

ARR increased by 24.7 percent compared to last year and amounted to SEK 345.7 (277.1) million at the end of the period. The increase in the quarter, SEK 21.6 million, is attributed to several new contracts across customer segments such as finance, telecom, media, high-tech, logistics, manufacturing and public, as well as expanding usage of YubiKeys in current engagements.

### Cash flow and financial position

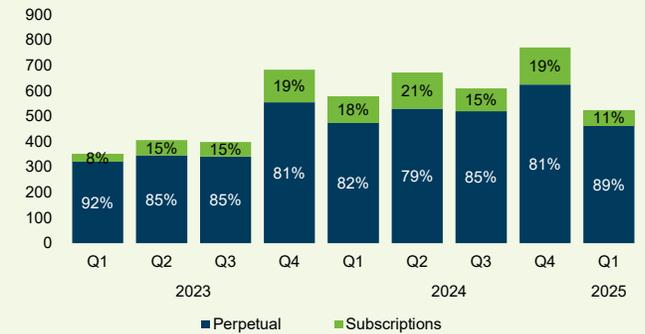
#### January-March

Cash flow from operating activities during the quarter amounted to SEK 44.1 (33.0) million. Net change in working capital amounted to SEK -1.2 (-32.2) million, due to an increase in inventory compensated for by customer pre-payment of subscription contracts. Inventory levels in the quarter amounted to 29.0 percent of LTM net sales, a decrease from 29.7 percent at the end of 2024.

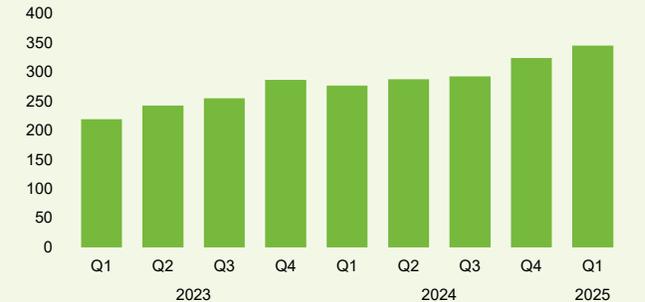
Cash flow from investing activities amounted to SEK -3.9 (-9.5) million, including investments in machinery and equipment of SEK -2.6 million.

Cash flow from financing activities amounted to SEK -5.7 (-8.0) million, whereof SEK -5.7 million is amortization of lease liabilities. Total interest-bearing liabilities at the end of the period amounting to SEK 46.5 (66.3) million, of which total lease liabilities amounted to SEK 46.5 (30.5) million.

Bookings by quarter, SEKm



ARR, SEKm



# Other information

## Sustainability

Yubico is committed to transparency and accountability in sustainability practices. The company's overall vision is to make secure login easy and available for everyone. From a societal perspective, IT security is essential to ensure safe communication and to protect customers, citizens and, by extension, democracies. Yubico is currently in the process of adapting to the Corporate Sustainability Reporting Directive (CSRD) framework. We are taking appropriate steps during 2025 to move toward compliance, while also closely following ongoing developments that may influence when Yubico will be required to fully comply. Yubico responds to the United Nations Sustainable Development Goals (SDG) no.9 by supporting a resilient infrastructure, and SDG no.16 by supporting effective, accountable, and transparent institutions and public access to information. For more detailed information relating to our sustainability work, see the Annual report for 2024.

## Employees

The number of employees in the Yubico group at the end of the period was 499 (438).

## Risk management

Yubico works continuously to identify, evaluate, and manage risks in different systems and processes. Risk analyses are carried out continuously regarding normal operations and in connection with activities that are outside Yubico's regular quality system. The risk and uncertainty factors for the group and the parent company, including business and financial risks, are described in the annual report for the financial year 2024. The recent increased geopolitical turbulence and uncertainties related to new tariffs have limited direct impact on the business as Yubico have local manufacturing in Sweden and the United States, and value creation largely occurs post-manufacturing through key programming.

## Parent company

The Parent company's net sales for the January-March period amounted to SEK 331.3 (272.0) million. Profit before tax was SEK 51.0 (88.1) million. Cash and cash equivalents at the period end amounted to SEK 754.2 (522.2) million. The number of employees in the Parent Company at the end of the quarter was 153 (129).

## Ownership and shares

As of December 5<sup>th</sup>, 2024, Yubico AB trades on Nasdaq Stockholm under the ticker YUBICO.

As of March 31, 2025, the number of issued shares was 86,265,718. All shares were ordinary shares.

## Long-term incentive program

The extraordinary general meeting on 19 September 2023, resolved to implement a long-term incentive program for 2023 ("LTIP 2023") based on performance stock units ("PSUs"). During 2023, 698,637 PSUs were awarded to 356 senior executives, key personnel and other employees of the Group based on this program.

The AGM held on May 14, 2024, resolved to implement a long-term incentive program for 2024 ("LTIP 2024"). The program is based on performance stock units ("PSUs"). During 2024, 676,500 PSUs were awarded to 424 senior executives, key personnel and other employees of the Group based on this program. For more information on the PSU program see the Annual Report 2024, Note 6.

## Other information *cont.*

The Board of Directors and CEO give their assurance that the interim report provides a fair overview of the development of the Group's and Parent Company's operations, profit and financial position and describes the material risks and uncertainty factors faced by the Parent Company and the companies included in the Group.

Stockholm, May 13, 2025

**Patrik Tigerschiöld**  
*Chairman*

**Ramanujam Shriram**

**Stina Ehrensvärd**

**Paul Madera**

**Jaya Baloo**

**Eola Änggård Runsten**

**Gösta Johannesson**

**Mattias Danielsson**  
*CEO*

### Webcast/teleconference

Yubico will hold a webcast/conference call today, May 13, 2025, at 09:00 CET. Mattias Danielsson, CEO of Yubico and Camilla Öberg, CFO of Yubico will present and answer questions.

To participate in the conference, click on the following link:  
<https://yubico.events.inderes.com/q1-report-2025>

Via the webcast, you can ask written questions. If you wish to ask questions verbally, please register on the following link:  
<https://conference.inderes.com/teleconference/?id=5005706>

### Financial calendar

Interim report January – June: August 14, 2025

Interim report January – September: November 12, 2025

Year-end report January – December: February 12, 2026

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The information in this report has not been audited or reviewed by the company's auditors.

The interim report includes such information that Yubico is obliged to make public pursuant to the EU Market Abuse Regulation (MAR). The information was submitted for publication on May 13, 2025, at 7.00am CET.

# Financial statements

## Condensed consolidated statement of profit or loss

SEKm	Note	Q1		LTM	Full-year
		2025	2024	24/25	2024
Net sales	2	623.1	498.9	2,450.4	2,326.2
Cost of sales	3	-134.3	-96.5	-466.5	-428.7
<b>Gross profit</b>		<b>488.7</b>	<b>402.4</b>	<b>1,983.9</b>	<b>1,897.5</b>
Research and development	3	-93.1	-74.3	-354.9	-336.1
Selling expenses	3	-197.8	-187.2	-846.6	-836.0
Administrative expenses	3	-113.1	-69.1	-337.4	-293.5
Other income and expenses		7.9	13.4	0.2	5.6
<b>EBIT</b>		<b>92.6</b>	<b>85.1</b>	<b>445.1</b>	<b>437.5</b>
Net financial items		-24.1	9.1	-8.6	24.6
<b>Profit/loss before tax</b>		<b>68.5</b>	<b>94.1</b>	<b>436.5</b>	<b>462.1</b>
Tax		-17.2	-20.3	-87.3	-90.4
<b>Net Profit/loss</b>		<b>51.3</b>	<b>73.8</b>	<b>349.2</b>	<b>371.7</b>
Earnings per share before dilution, SEK		0.59	0.86	4.05	4.32
Earnings per share after dilution, SEK		0.58	0.84	3.93	4.20
Average number of shares before dilution (mill)		86.3	86.1	86.2	86.1
Average number of shares after dilution (mill)		88.8	87.7	88.9	88.6

## Condensed consolidated statement of comprehensive income

SEKm	Note	Q1		LTM	Full-year
		2025	2024	24/25	2024
<b>Net Profit/loss</b>		<b>51.3</b>	<b>73.8</b>	<b>349.2</b>	<b>371.7</b>
<b>Other comprehensive income</b>					
<b>Items to be reclassified to profit/loss, after tax</b>					
Translation differences at translating foreign entities		-20.0	13.4	-15.2	18.2
Tax relating to translation differences		-	-	2.3	2.3
<b>Total comprehensive income</b>		<b>31.3</b>	<b>87.2</b>	<b>336.3</b>	<b>392.2</b>

All equity and total comprehensive income are attributable to owners of the Parent company, and there are no non-controlling interests.

## Financial statements *cont.*

### Condensed consolidated statement of financial position

SEKm	31 Mar		31 Dec
	2025	2024	2024
<b>ASSETS</b>			
Intangible assets	13.3	11.2	14.7
Property, plant and equipment	75.6	60.2	82.5
Financial assets	8.1	6.5	7.1
Deferred tax assets	87.8	63.4	85.1
<b>Total non-current assets</b>	<b>184.8</b>	<b>141.3</b>	<b>189.4</b>
Inventories	712.1	576.9	690.1
Accounts receivable	352.1	338.0	415.1
Other current assets	120.5	90.0	90.2
Cash and cash equivalents	852.1	577.1	824.1
<b>Total current assets</b>	<b>2,036.8</b>	<b>1,582.1</b>	<b>2,019.6</b>
<b>TOTAL ASSETS</b>	<b>2,221.6</b>	<b>1,723.4</b>	<b>2,209.0</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	1,618.1	1,213.1	1,566.2
<b>NON-CURRENT LIABILITIES</b>			
Non-current interest-bearing liabilities	31.7	39.0	36.5
Other non-current liabilities	6.9	-	6.9
Deferred tax liabilities	6.0	2.7	6.6
<b>Total non-current liabilities</b>	<b>44.6</b>	<b>41.7</b>	<b>50.0</b>
<b>CURRENT LIABILITIES</b>			
Current interest-bearing liabilities	14.8	27.3	15.8
Accounts payable	31.0	38.3	45.2
Other current liabilities	513.1	403.0	531.8
<b>Total current liabilities</b>	<b>558.8</b>	<b>468.6</b>	<b>592.7</b>
<b>TOTAL LIABILITIES</b>	<b>603.5</b>	<b>510.3</b>	<b>642.7</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,221.6</b>	<b>1,723.4</b>	<b>2,209.0</b>

## Financial statements *cont.*

### Condensed consolidated statement of changes in equity

SEKm	31 Mar		31 Dec	
	2025	2024	2024	2024
Opening equity	1,566.2	1,122.8	1,122.8	1,122.8
Net Profit/loss	51.3	73.8		371.7
Translation differences	-20.0	13.3		20.5
<b>Total comprehensive income</b>	<b>31.3</b>	<b>87.1</b>		<b>392.2</b>
Value of share based compensation	20.5	3.2		51.2
<b>Closing equity</b>	<b>1,618.1</b>	<b>1,213.1</b>		<b>1,566.2</b>

### Condensed consolidated statement of cash flows

SEKm	Q1		LTM	Full-year
	2025	2024	24/25	2024
<b>Operating activities</b>				
Profit/loss before tax	68.5	94.1	436.5	462.1
Adjustments for non-cash items, etc.	31.4	5.4	92.8	66.8
Income tax paid	-54.6	-34.4	-117.1	-97.0
<b>Cash flow from operating activities before working capital changes</b>	<b>45.3</b>	<b>65.1</b>	<b>412.2</b>	<b>431.8</b>
Change in inventory	-35.7	-67.6	-143.7	-175.6
Change in current receivables	3.7	-105.9	-69.3	-178.8
Change in current liabilities	30.8	141.3	155.9	266.4
<b>Cash flow from operating activities</b>	<b>44.1</b>	<b>33.0</b>	<b>355.1</b>	<b>343.8</b>
<b>Cash flow from investing activities</b>	<b>-3.9</b>	<b>-9.5</b>	<b>-54.3</b>	<b>-60.0</b>
<b>Cash flow from financing activities</b>	<b>-5.7</b>	<b>-8.0</b>	<b>-19.5</b>	<b>-21.8</b>
<b>Cash flow for the period</b>	<b>34.5</b>	<b>15.5</b>	<b>281.2</b>	<b>262.0</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>824.1</b>	<b>547.3</b>	<b>577.1</b>	<b>547.3</b>
Exchange rate differences in cash and cash equivalents	-6.6	14.3	-6.2	14.7
<b>Cash and cash equivalents at the end of the period</b>	<b>852.1</b>	<b>577.1</b>	<b>852.1</b>	<b>824.1</b>

## Financial statements *cont.*

### Condensed Parent Company income statement

SEKm	Q1		LTM	Full-year
	2025	2024	24/25	2024
Net sales	331.3	272.0	1,242.6	1,183.4
Cost of sales	-129.2	-88.6	-333.4	-292.7
<b>Gross profit</b>	<b>202.1</b>	<b>183.5</b>	<b>909.4</b>	<b>890.8</b>
Research and development	-48.2	-43.8	-193.2	-188.8
Selling expenses	-38.9	-39.3	-204.3	-204.7
Administrative expenses	-48.0	-37.5	-172.8	-162.3
Other income and expenses	6.9	13.0	-1.0	5.1
<b>Operating profit/loss (EBIT)</b>	<b>73.9</b>	<b>75.9</b>	<b>337.9</b>	<b>340.0</b>
Net financial items	-22.9	12.2	11.8	46.9
<b>Profit/loss before tax</b>	<b>51.0</b>	<b>88.1</b>	<b>349.6</b>	<b>386.8</b>
Tax on profit for the period	-11.1	-18.4	-67.1	-74.4
<b>Net profit/loss for the period</b>	<b>39.9</b>	<b>69.8</b>	<b>282.5</b>	<b>312.4</b>

## Financial statements *cont.*

### Condensed Parent Company balance sheet

SEKm	31 Mar		31 Dec
	2025	2024	2024
<b>ASSETS</b>			
Intangible assets	4.3	6.5	4.9
Property, plant and equipment	25.9	18.8	25.6
Participation in group companies	53.0	0.3	37.6
Receivables from group companies	-	140.7	-
Other Financial assets	6.0	4.2	4.8
Deferred tax asset	51.5	47.6	50.4
<b>Total non-current assets</b>	<b>140.7</b>	<b>217.9</b>	<b>123.3</b>
Inventories	543.4	397.7	541.6
Accounts receivable	109.6	86.0	76.1
Receivables from group companies	64.1	105.5	32.0
Other current assets	40.4	36.1	31.8
Cash and cash equivalents	754.2	522.2	746.9
<b>Total current assets</b>	<b>1,511.6</b>	<b>1,147.5</b>	<b>1,428.5</b>
<b>TOTAL ASSETS</b>	<b>1,652.3</b>	<b>1,365.5</b>	<b>1,551.7</b>
<b>EQUITY AND LIABILITIES</b>			
Restricted Equity	215.7	215.3	215.7
Non-restricted Equity	1,241.0	888.1	1,180.5
<b>Total Equity</b>	<b>1,456.7</b>	<b>1,103.4</b>	<b>1,396.2</b>
<b>NON-CURRENT LIABILITIES</b>			
Non-current liabilities to credit institutions	-	22.8	-
Other non-current liabilities	5.7	-	5.8
<b>Total non-current liabilities</b>	<b>5.7</b>	<b>22.8</b>	<b>5.8</b>
<b>CURRENT LIABILITIES</b>			
Current liabilities to credit institutions	-	13.0	-
Accounts payable	25.5	22.1	35.4
Liabilities to group companies	105.7	81.4	3.9
Other current liabilities	58.7	122.9	110.5
<b>Total current assets</b>	<b>189.9</b>	<b>239.4</b>	<b>149.8</b>
<b>TOTAL LIABILITIES</b>	<b>195.6</b>	<b>262.1</b>	<b>155.5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,652.3</b>	<b>1,365.5</b>	<b>1,551.7</b>

# Condensed notes to the financial statements

## Note 1. Accounting policies

This interim report comprise of the Swedish Parent Company Yubico AB ("Yubico"), with corporate registration number 559278-6668, and its subsidiaries. The Group is a global cybersecurity company whose mission is to make the internet safer for everyone. The operation is to conduct cyber security and to provide security products and services linked to authentication and other business activities associated therewith. The address of the head office is Gävlegatan 22, 113 30 Stockholm.

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" with some additional disclosures as required by the Swedish Annual Accounts Act.

The Parent Company's interim financial statements have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) chapter 9 "Interim Report" and the standard RFR 2 "Accounting for legal entities". The Parent Company applies the same accounting policies as the Group with the exceptions specified in note 2 of Yubico's annual report 2024.

The preparation of financial statements requires management to make estimates for accounting purposes. These estimates and assumptions are based on historical experience and other factors that are considered to be reasonable under current circumstances. Actual outcome may differ from the estimates if the estimates or circumstances change.

All financial assets and liabilities are measured at amortized cost, which is considered to be a reasonable approximation of fair value due to short durations.

These condensed financial statements are presented in Swedish kronor (SEK) which is the Parent Company's functional currency. All amounts are presented in million Swedish kronor ("SEK m"), unless otherwise indicated. Rounding differences may occur. Disclosures in accordance with IAS 34.16A are provided in the financial statements, notes and other parts of the interim report.

## Condensed notes to the financial statements *cont.*

### Note 2. Net sales

SEKm	Q1		LTM	Full-year
	2025	2024	24/25	2024
Americas	447.1	362.1	1,662.1	1,577.1
EMEA	142.4	101.2	631.5	590.3
Asia Pacific	33.5	35.6	156.8	158.9
<b>Total</b>	<b>623.1</b>	<b>498.9</b>	<b>2,450.5</b>	<b>2,263.2</b>

SEKm	Q1		LTM	Full-year
	2025	2024	24/25	2024
Perpetual	543.5	442.3	2,165.5	2,064.3
Subscription	79.6	56.5	284.9	261.9
<b>Total</b>	<b>623.1</b>	<b>498.9</b>	<b>2,450.4</b>	<b>2,326.2</b>

For perpetual, the performance obligation is satisfied at the time of delivery and revenue is recognized at that point in time. For subscription, the security solution is consumed by the customer through continuous access to the security service including the access to Yubico's intellectual property through the license and use of the hardware key over the contract term period. Accordingly, revenue is recognized on a straight-line basis over the contract period.

### Note 3. Personnel expenses for the group by function

SEKm	Q1		LTM	Full-year
	2025	2024	24/25	2024
Cost of sales	30.9	25.0	107.6	101.7
Research and development	86.7	66.7	319.4	299.4
Selling expenses	155.5	135.9	621.1	601.5
Administrative expenses	82.7	41.7	220.0	179.0
<b>Total</b>	<b>355.8</b>	<b>269.3</b>	<b>1,268.2</b>	<b>1,181.7</b>

# Quarterly figures

This section includes certain alternative performance measures (APM) which are not defined under IFRS. These are used by Yubico as Yubico believes that these APMs provide valuable information for investors and other stakeholders to evaluate the financial performance of Yubico. As not all companies calculate financial measures in the same way, they are not always comparable with similar measures used by other companies. These measures should therefore not be regarded as a substitute for measures defined under IFRS.

SEKm	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Net sales	623.1	623.0	589.9	614.4	498.9	555.3	407.3	450.8	413.8
Net sales growth (%)	24.9	12.2	44.8	36.3	20.6	19.5	4.2	23.1	25.6
Net sales growth (adjusted for change in foreign currency) (%)	22.4	11.2	49.0	34.7	20.6	18.0	1.6	16.1	16.1
Subscription sales	79.6	74.3	71.2	59.8	56.5	73.9	58.5	58.5	47.2
Subscription sales of net sales (%)	12.8	11.9	12.1	9.7	11.3	13.3	14.4	13.0	11.4
Gross profit	488.7	524.3	478.0	493.4	402.4	432.1	333.2	363.0	330.2
Adjusted operating profit (EBIT)	92.6	110.9	110.7	130.8	85.1	84.2	16.1	97.3	68.3
Operating profit (EBIT)	92.6	110.9	110.7	130.8	85.1	90.9	-77.7	97.3	68.3
Net profit/loss for the period	51.3	113.1	81.2	103.6	73.8	75.3	-70.7	75.2	50.8
Gross margin (%)	78.4	84.1	81.0	80.3	80.7	77.8	81.8	80.5	79.8
Adjusted EBIT margin (%)	14.9	17.8	18.8	21.3	17.0	15.2	4.0	21.6	16.5
EBIT margin (%)	14.9	17.8	18.8	21.3	17.0	16.4	-19.1	21.6	16.5
Net cash	805.5	771.9	676.1	618.5	510.8	473.3	496.9	323.9	345.5
Bookings	523.8	771.3	609.7	672.6	578.9	684.1	399.6	406.4	350.0
Bookings growth (%)	-9.5	12.8	52.6	65.5	65.4	83.5	19.4	-29.0	14.9
Bookings growth (adjusted for change in foreign currency) (%)	-10.7	11.5	58.5	62.8	65.9	83.2	19.8	-34.9	3.0
Subscription bookings	58.3	146.0	89.3	142.2	104.1	129.2	57.9	60.0	27.0
Subscription share of bookings (%)	11.1	18.9	14.6	21.1	18.0	18.9	14.5	14.8	7.7
ARR	345.7	324.1	292.7	287.6	277.1	286.5	255.3	242.8	219.3

# Alternative performance measures

Key figure	Definition	Purpose
Subscription sales	Net sales related to subscription.	Understand the magnitude of subscription revenue.
Subscription share of net sales	Subscription sales in relation to net sales.	Measure to analyze the magnitude of the subscriptions in relation to net sales
Net sales growth	Annual growth in net sales.	Used to measure the net sales growth in the company.
Net sales growth (adjusted for change in foreign currency)	Net sales growth adjusted for changes in foreign currency rates.	Used to measure comparable net sales growth excluding translation effects into foreign currency.
Gross margin	Gross profit as a percentage of net sales.	The measure is a complement to the gross profit, which only states the change in absolute figures (when different periods are compared). The gross margin is an indicator of the company's core profitability and helps assess the efficiency of the production and supply chain.
Items affecting comparability	A transaction or event that has a significant impact on the company's results and is not expected to occur regularly in the future.	The purpose of identifying and reporting items affecting comparability is to provide investors and other users of the financial reports with a clearer picture of the company's underlying performance, by distinguishing the effects of events that are not representative of normal operations.
Adjusted EBIT margin	Operating profit/loss (EBIT) in relation to net sales adjusted for items affecting comparability.	The measure is a complement to the Adjusted EBIT (Operating profit/loss), which only states the change in absolute figures (when different periods are compared). Adjusted EBIT margin is used to provide an understanding of the group's overall profitability, adjusted for items affecting comparability.
EBIT margin	Operating profit/loss (EBIT) in relation to net sales.	The measure is a complement to the EBIT (Operating profit/loss), which only states the change in absolute figures (when different periods are compared). EBIT margin is used to provide an understanding of the group's overall profitability.
Net cash	Cash and cash equivalents less interest-bearing liabilities	Used to assess the company's ability to meet its financial obligations and level of debt.
Bookings	Total value of bookings received during the period.	Measure used to analyze the magnitude of increase in bookings.
Subscription bookings	Total value of subscription bookings received during the period.	Measure used to analyze the expected volume of future revenue related to subscription.
Subscription share of bookings	Subscription bookings in relation to total bookings.	Measure to understand the relation of subscription bookings in relation to total bookings.
Annual Recurring Revenue (ARR)	Total contract value related to subscription contracts as of the end of the reporting period, excluding one-time fees, divided by the term of the contract, translated based on the average foreign exchange rate on a rolling 12-month basis.	Management follows this measure as it is important to understand annualized revenue expected from subscribers.

# Reconciliation of alternative performance measures

SEKm	Q1		LTM	Full-year
	2025	2024	24/25	2024
<b>Gross profit and gross margin</b>				
Net sales	623.1	498.9	2,450.4	2,326.2
Cost of sales	-134.3	-96.5	-466.5	-428.7
<b>Gross profit</b>	<b>488.7</b>	<b>402.4</b>	<b>1,983.9</b>	<b>1,897.5</b>
Divided by Net sales	623.1	498.9	2,450.4	2,326.2
<b>Gross margin</b>	<b>78.4%</b>	<b>80.7%</b>	<b>81.0%</b>	<b>81.6%</b>
<b>EBIT margin</b>				
Operating profit (EBIT)	92.6	85.1	445.1	437.5
Divided by Net sales	623.1	498.9	2,450.4	2,326.2
<b>EBIT margin</b>	<b>14.9%</b>	<b>17.0%</b>	<b>18.2%</b>	<b>18.8%</b>
<b>Net sales growth (adjusted for change in foreign currency)</b>				
Total Net sales growth	124.2			
whereof change in foreign currency	10.0			
whereof growth adjusted for change in foreign currency	114.2			
Total Net sales growth	24.9%			
whereof change in foreign currency	2.5%			
whereof growth adjusted for change in foreign currency	22.4%			

## Reconciliation of alternative performance measures *cont.*

SEKm	31 Mar		31 Dec
	2025	2024	2024
<b>Net cash</b>			
Cash and bank	852.1	577.1	824.1
Non-current interest-bearing liabilities	-31.7	-39.0	-36.5
Current interest-bearing liabilities	-14.8	-27.3	-15.8
<b>Net cash</b>	<b>805.5</b>	<b>510.8</b>	<b>771.9</b>

# Yubico at a glance

Yubico is a global cybersecurity company that between 2020 and 2024 has grown net sales by a compounded annual growth rate (“CAGR”) of 40 percent. Through its core product and invention, the YubiKey, Yubico solves the number one cybersecurity issue – use of stolen credentials. These cause 8 out of 10 cybersecurity intrusions, often through so called phishing attacks.

The YubiKey is a multi-factor authentication (MFA) hardware key ensuring that only authorized users have access to sensitive accounts and systems. The authentication solution encompasses an extensive portfolio of proprietary technologies.

To date, YubiKeys have been sold and deployed in more than 160 countries worldwide. Yubico’s customers include technology companies, financial services, manufacturing, retail, governments, and

the wider public sector, with customers such as Amazon, Google, Microsoft and the State of Washington using YubiKeys to protect staff, end users and sensitive information from cyberattacks.

YubiKeys have historically only been sold against a one-time payment, also known as on a perpetual basis, which gives the customer ownership of the product throughout its lifetime. Since 2020, Yubico also offers a subscription-based model, Yubikey as a Service, in which Yubico assumes a larger overall responsibility and retains ownership of the hardware.

Yubico is headquartered in Stockholm, Sweden and Santa Clara, California with manufacturing primarily located in Sweden with minor manufacturing in the US. The company is traded on Nasdaq Stockholm since December 5, 2024.

## Three strategic focus areas to execute our vision

**Expand**

- New market coverage
- Deeper engagements in installed base
- Go-to-market Partnerships

**Simplify**

- Global Channel model
- Delivery from order to doorstep
- Optimize delivery processes & simplify deployment & adoption

**Evolve**

- Pursue business opportunities in adjacent areas to solve customers’ digital life cycle
- B2B2C and B2G2C - Build scalable enterprise-to-enterprise sell-through solution

**Vision**  
**A safer internet for all**

**Mission**  
**Protect the digital you**

**Sales channels**

- Direct sales
- E-commerce
- Distribution partners: distributors and retailers

**Two business models**

- Perpetual models: Revenue and costs on delivery.
- The subscription-based model: Revenue over 3–5 years and most of the cost in the first year

**Production and R&D**

- Adaptable production in Sweden and the U.S
- In-house development and development partnerships with leading technology companies



**Financial targets<sup>1</sup>**

**25%**

Average annual growth in net sales

**20%**

EBIT margin

**Dividend policy**

**For the foreseeable future, Yubico will primarily use generated cash flow for investing in continued growth.**

1) Set in 2024 and apply for the next five years.

# yubico

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