yubico

Yubico

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Quarterly Report
April-June
2026

Q2

Making the digital world
safer for everyone

Strong net sales growth and significantly improved profitability

Net sales and EBIT improved meaningfully in the quarter driven by stronger sales and the benefits of the cost savings program initiated earlier this year. Order bookings declined against a strong prior-year comparison, while subscription net sales and ARR continued to grow at a healthy pace.

Second quarter

- Net sales increased by 9.0 percent to SEK 543.9 (499.1) million, whereof 11.7 percent was organic change, and -2.8 percent was negative currency impact.
- Subscription sales increased by 23.4 percent to SEK 97.8 (79.2) million, corresponding to 18.0 (15.9) percent of net sales. ARR increased by 4.4 percent to SEK 411.8 (394.4) million.
- EBIT amounted to SEK 78.5 (21.2) million, corresponding to an increase in EBIT margin to 14.4 (4.2) percent.
- Earnings per share after dilution amounted to SEK 0.70 (0.10).
- Bookings decreased by -7.2 percent to SEK 577.1 (621.8) million, whereof -4.8 percent was organic change, and -2.4 percent was negative currency impact.

January - June

- Net sales decreased by -8.8 percent to SEK 1,023.2 (1,122.1) million, whereof -0.5 percent was organic change, and -8.4 percent was negative currency impact.
- Subscription sales increased by 18.6 percent to SEK 188.4 (158.8) million, corresponding to 18.4 (14.2) percent of net sales.
- EBIT amounted to SEK 93.4 (113.8) million, corresponding to an EBIT margin of 9.1 (10.1) percent. Expenses related to the cost savings program amounted to SEK -21.0 million, fully recognized in Q1, resulting in gross annualized cost savings of approximately SEK 95 million with effects starting in Q2.
- Earnings per share after dilution amounted to SEK 0.95 (0.68).

Significant events after the end of the quarter

- On July 21st, Yubico launched YubiKey 5.8, extending hardware-backed security beyond authentication to verified authorization across digital signatures, identity wallets, secure payments and AI-driven approvals.

	Q2			Jan-Jun			LTM	Full-year
SEKm	**2026**	**2025**	**Δ%**	**2026**	**2025**	**Δ%**	**25/26**	**2025**
Net sales	543.9	499.1	*9.0*	1,023.2	1,122.1	*-8.8*	2,119.0	2,218.0
whereof subscription sales, %	18.0	15.9		18.4	14.2		17.4	15.3
Gross profit	435.4	394.5	*10.4*	803.6	883.2	*-9.0*	1,647.6	1,727.3
Gross margin, %	80.1	79.1		78.5	78.7		77.8	77.9
EBIT	78.5	21.2	*270.8*	93.4	113.8	*-17.9*	179.5	199.9
EBIT margin, %	14.4	4.2		9.1	10.1		8.5	9.0
Net profit/loss	61.5	8.9	*590.8*	83.1	60.2	*38.0*	150.9	128.1
Earnings per share, before dilution	0.72	0.10	*595.1*	0.97	0.70	*38.8*	1.75	1.49
Earnings per share, after dilution	0.70	0.10	*594.7*	0.95	0.68	*39.6*	1.73	1.46
Net cash	988.7	902.6	*9.5*	988.7	902.6	*9.5*		856.0
Bookings	577.1	621.8	*-7.2*	967.7	1,145.7	*-15.5*	2,176.4	2,354.4
whereof subscription bookings, %	24.3	32.3		19.4	22.6		21.7	23.1
ARR	411.8	394.4	*4.4*	411.8	394.4	*4.4*		391.0

9.0%
Growth in net sales in the quarter

4.4%
Growth in ARR in the quarter

14.4%
EBIT margin in the quarter

Q2 26: Better strategic execution delivers improved profitability

Strong financial performance

The second quarter was an encouraging one for Yubico. I'm pleased with the progress we've made as we continue executing our strategy and building on the foundation we've established over the past year. Our teams delivered with focus and discipline, helping us strengthen both our business and our position in a market where demand for modern identity security continues to grow.

We saw significant improvements for both net sales and profitability. Net sales increased 9.0 percent to SEK 543.9 (499.1) million, with organic growth of 11.7 percent, partly offset by a negative currency impact of -2.8 percent. EBIT amounted to SEK 78.5 (21.2) million, corresponding to a strong margin of 14.4 (4.2) percent. These results reflect stronger commercial execution, the benefits of earlier cost-saving initiatives, and the operational leverage that comes with continued growth. Gross margin reached 80.1 percent, at the top of our guided range of 75–80 percent and above 79.1 percent last year. While order bookings declined 7.2 percent year over year to SEK 577.1 (621.8) million, the comparison reflects an exceptionally large, multi-year subscription contract in the second quarter of 2025, which created a high comparison base. Excluding that effect, we continue to see healthy demand, particularly in small and mid-sized deals. Subscription revenue remained a bright spot, growing 23.4 percent to SEK 97.8 (79.2) million, representing 18.0 percent of net sales. Annual Recurring Revenue (ARR) increased 4.4 percent year over year to SEK 411.8 (394.4) million, demonstrating the continued expansion of our recurring revenue base. Beyond the numbers, I'm especially encouraged by how our teams have come together. We saw stronger alignment across our go-to-market organization and continued to make progress in key markets, including the public sector and defense, where demand for phishing-resistant authentication continues to increase.

Securing AI infrastructure with hardware-backed trust

As AI reshapes how work gets done, trust must extend beyond authenticating identities to authorizing high-value actions. Just after quarter-end, we launched YubiKey 5.8, one of the most significant advancements to our platform in years. YubiKey 5.8 extends hardware-backed authentication to verified authorization—including approving payments, signing documents, and authorizing AI agents—using open standards. Our long-standing partnership with OpenAI also reached an important milestone this quarter. Beginning September 1, OpenAI will require all individual members of its Trusted Access for Cyber (TAC) program to enable hardware-backed passkeys to retain access to its frontier models. It's a powerful example of an AI leader choosing phishing-resistant, hardware-backed authentication to protect access to some of its most sensitive systems.

Strengthening in defense and post-quantum security

We continued to strengthen our position with customers that can least afford to compromise on security. During the quarter, we completed the transition of our full YubiKey 5 FIPS portfolio to FIPS 140-3, the U.S. government's latest standard for validating cryptographic modules that protect sensitive keys. We also achieved FIPS 140-3 validation for YubiHSM 2. YubiKey 5 FIPS also remains the only authenticator authorized under U.S. Department of Defense guidance to support both DoD PKI credentials and FIDO2 passkeys on a single device. These milestones further strengthen our position in government, defense, and other highly regulated markets, where independently validated security is often a prerequisite for procurement while reinforcing Yubico's differentiation as organizations prepare for a post-quantum future.

We are also seeing growing customer demand for post-quantum readiness, particularly from governments and leading cloud providers. Interest in our post-quantum cryptography (PQC) roadmap accelerated during the quarter as customers engaged with us on their long-term migration strategies, driven by new government directives and evolving EU policy. We also joined the European Cyber Security Organization (ECSO) to help shape Europe's approach to digital identity and post-quantum standards.

Capital Markets Day on November 19

Looking back over the past year, it's remarkable how much has changed. AI has fundamentally reshaped the threat landscape, accelerating the need for phishing-resistant authentication, while Yubico has continued its own evolution from a hardware authentication company to a broader digital identity company. I'm excited to share more about that journey and where we're headed next at our Capital Markets Day in Stockholm on November 19. We'll discuss our strategy, priorities, and the opportunities we see ahead, and there will be plenty of time for questions and conversation with our management team. More details will be shared closer to the event, and I hope to see many of you there.

Jerrod Chong, President and CEO

Group development

Net sales

April-June

Net sales increased by 9.0 percent to SEK 543.9 (499.1) million in the second quarter, whereof 11.7 percent was organic change, and -2.8 percent relates to negative currency impact. Growth was primarily driven by subscription contracts and e-commerce sales, while enterprise perpetual sales were broadly unchanged year on year. Subscription sales increased by 23.4 percent in the same period and amounted to SEK 97.8 (79.2) million representing 18.0 (15.9) percent of net sales. The continued growth in subscription sales further strengthened the recurring revenue base, with Annual Recurring Revenue increasing by 4.4 percent to SEK 411.8 (394.4) million. The Americas represented 65.1 (71.7) percent of total net sales and remained relatively stable year on year. Sales in the region were supported by strong activity in the public sector among them defense customers as well as high tech customers. EMEA delivered strong growth and increased its share of net sales to 27.6 (19.3) percent. The development was supported by a well-established channel ecosystem and contributions from both larger contracts and a high volume of smaller customer engagements. DACH and CEE performed particularly well, while defense was a relative outperformer across the region. Asia Pacific represented 7.3 (8.9) percent of net sales declining moderately against a strong comparison period while continuing to benefit from bookings secured in previous quarters.

January-June

Net sales decreased -8.8 percent to SEK 1,023.2 (1,122.1) million, corresponding to a decrease of -0.5 percent in local currencies. Subscription sales represented 18.4 percent (14.2) of net sales.

Gross profit

April-June

Gross profit increased by 10.4 percent to SEK 435.4 (394.5) million, corresponding to a gross margin of 80.1 (79.1) percent, within the guided range of 75–80 percent for 2026. The increase in gross profit is primarily driven by the higher net sales in the quarter.

January-June

Gross profit decreased by -9.0 percent to SEK 803.6 (883.2) million, corresponding to a gross margin of 78.5 percent (78.7).

EBIT

April-June

EBIT amounted to SEK 78.5 (21.2) million, corresponding to an EBIT margin of 14.4 (4.2) percent. EBIT was impacted by negative currency impact of SEK -10.6 million, corresponding to -2.1 percentage points margin dilution. Total expenses for research and development amounted to SEK 69.8 (80.3) million, with lower costs partially driven by capitalization of development costs of SEK 17.0 (0.0) million. Selling and marketing expenses amounted to SEK 213.1 (212.6) million. Administrative expenses amounted to SEK 74.8 (86.6) million. Headcount reached 507 (528) at the end of the second quarter, a decrease of -4.0 percent since Q2 25. The cost savings program has been fully executed, and the annualized savings of SEK 95 million as compared to the end of 2025 is realized. Total recognized expenses for the LTIP programs amounted to SEK 1.2 (18.6) million.

January-June

EBIT amounted to SEK 93.4 (113.8) million, corresponding to an EBIT margin of 9.1 percent (10.1). The cost for the LTIP programs amounted to SEK -6.7 (34.2) million for the period. The lower costs related to the LTIP programs is driven by a change in management's assessment regarding the likelihood of the 2024 program vesting, as well as the impact from reduction of headcount.

Net profit/loss and earnings per share

April-June

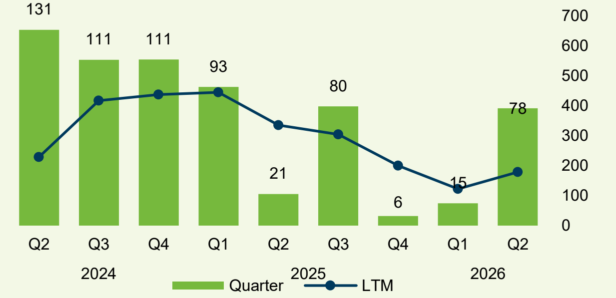
The net profit amounted to SEK 61.5 (8.9) million. Net financial items of SEK 11.8 (-10.8) million were affected by currency effects of SEK 7.9 million related to USD cash balance in the parent company. Earnings per share after dilution amounted to SEK 0.70 (0.10).

January-June

The effective tax was 31.1 (23.7) percent. The increased tax expense for this period is driven by prior year adjustment related to capitalization of development costs.

Net sales, quarterly and 12-month rolling, SEKm

EBIT, quarterly and 12 months rolling, SEKm



Group development *cont.*

Bookings

April-June

Bookings decreased by -7.2 percent to SEK 577.1 (621.8) million in the second quarter, whereof of -4.8 percent was organic change, and -2.4 percent was negative currency impact. The year-on-year change was primarily driven by a strong comparable Q2 2025 that included a significant multi-year subscription agreement of SEK 115 million. Excluding that agreement, bookings grew in the quarter, driven especially by small and mid-sized orders across both business models and supported by e-commerce.

The Americas declined, primarily due to lower large-enterprise activity, while EMEA delivered strong growth, supported by an established channel ecosystem and a high volume of smaller agreements. Defense performed particularly well in EMEA, driven by significant contract activity. The public sector was the largest contributor to perpetual bookings globally, with notable activity also in defense and high-tech. Asia Pacific recorded a modest decline.

Subscription bookings amounted to SEK 140.0 (200.8) million, a decrease of -30.3 percent and a corresponding to 24.3 (32.3) percent of total bookings. During the quarter, subscription agreements were signed across the logistics, high-tech and public sectors.

January-June

Bookings decreased by -15.5 percent to SEK 967.7 (1,145.7) million, corresponding to a decrease of -8.9 percent in local currencies. Subscription bookings amounted to SEK 187.4 (259.1) million, corresponding to 19.4 percent (22.6) of bookings.

Annual recurring revenue, ARR

April-June

ARR increased by 4.4 percent compared to last year and amounted to SEK 411.8 (394.4) million at the end of the period. From Q1 to Q2 ARR increased by 7.4 percent to SEK 411.8 (391.0) million, the organic growth was 8.2 percent and the currency impact was negative -0.8 percent.

Cash flow and financial position

April-June

Cash flow from operating activities during the quarter amounted to SEK 52.0 (123.3) million. Net change in working capital amounted to SEK -32.5 (81.1) million, driven primarily by increase of current receivables of SEK -146.7 (46.5) million due to stronger sales. Inventory decreased in absolute terms, with a cash flow impact of SEK 32.5 (15.3) million. Inventory as a percentage of LTM sales decreased to 31.6 percent, compared to 33.8 percent in Q1.

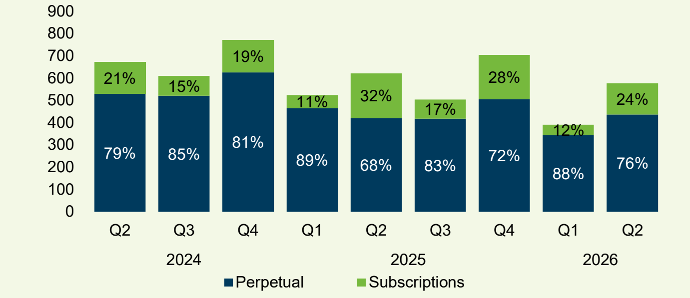
Cash flow from investing activities amounted to SEK -18.7 (-12.7) million, including investments in machinery and equipment of SEK -1.7 (-5.8) million and capitalized development projects of SEK -17.0 (0) million.

Cash flow from financing activities amounted to SEK -4.2 (-4.1) million, that relates to amortization of lease liabilities. At the end of the period interest-bearing liabilities totaled SEK 31.4 (42.9) million, consisting entirely of lease liabilities.

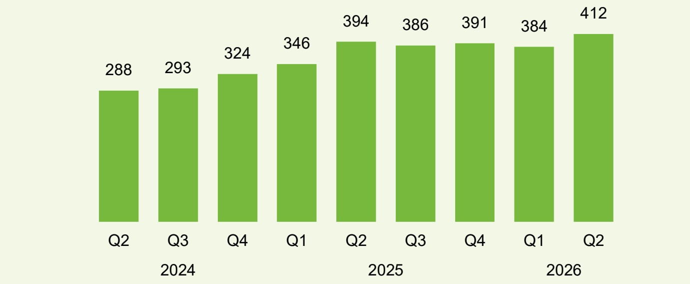
January-June

Cash flow from operating activities during the period amounted to SEK 139.1 (167.5) million. Changes in working capital for the period amounted to SEK 45.6 (79.9) million. Cash flow from investing activities amounted to SEK -32.5 (-16.6) million. Cash flow from financing activities amounted to net SEK -7.9 (-9.8) million. Cash and cash equivalents at the end of the period amounted to SEK 1,020.1 (945.5) million. Net cash at the end of the period amounted to SEK 988.7 (902.6) 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. We continue to monitor the regulatory environment, and we are taking steps to align our reporting accordingly where relevant to us as a company. 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 2025.

Employees

The number of employees in the Yubico group at the end of the period was 507 (528).

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 2025.

Parent company

The Parent company's net sales for the second quarter amounted to SEK 253.0 (194.7) million. Profit/loss before tax was SEK 26.1 (-30.0) million. Cash and cash equivalents at the end of the period amounted to SEK 725.1 (874.6) million. The number of employees in the Parent Company at the end of the quarter was 158 (163).

Ownership and shares

Yubico AB trades on Nasdaq Stockholm under the ticker YUBICO.

As of June 30, 2026, the number of issued shares were 88 721 882, whereof 86,426,882 were ordinary shares and 2 295 000 were C shares. 1 430 000 C shares were issued to secure delivery of shares to participants in the long-term incentive program for 2026 ("LTI 2026") and 865 000 C shares were issued to secure delivery of shares to participants in the long-term incentive program for 2025 ("LTI 2025"). Such class C shares shall be redeemable and, upon a resolution by the board of directors, convertible into ordinary shares in Yubico.

As of June 30, 2026, Yubico has repurchased 654,728 of its own shares (corresponding to 0.75% of the total number of issued shares) at an acquisition cost of SEK 88.3 million. The impact on earnings per share is negligible.

Long-term incentive program

Yubico has four long-term incentive programs, LTI 2023, approved by the EGM on September 19, 2023, LTI 2024, approved by the AGM on May 14, 2024, LTI 2025, approved by the AGM on May 13, 2025, and LTI 2026, approved by the AGM on May 5, 2026. For more information on the PSU programs see the Annual Report 2025, section "The Yubico share and owners" and Note 6.

Significant events during the quarter

- On April 30, Yubico and OpenAI announced a partnership to provide custom, phishing-resistant YubiKeys to OpenAI users.
- The Annual General Meeting was held on May 5, 2026. For more information see: https://investors.yubico.com/en/annual-general-meeting-2026/
- On May 26 and June 4, Yubico announced FIPS 140-3 validation for the upgraded YubiKey 5 FIPS Series and YubiHSM 2 FIPS.
- On June 1, Yubico announced an expanded partnership with OpenAI supporting mandatory hardware-backed passkeys for TAC program users.

Capital Markets Day 2026

Yubico will hold a Capital Markets Day at 3:00 PM CET on November 19, 2026, in Stockholm, with the option to participate in the event remotely. More information will be sent out closer in time to the event.

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. The interim report has, following authorization from the Board of Directors, been signed by the CEO.

Stockholm, August 5, 2026

Patrik Tigerschiöld
Chairman

Jaya Baloo

Stina Ehrensvärd

Eola Änggård Runsten

Paul Madera

Gösta Johannesson

Jerrod Chong
President and CEO

Webcast/teleconference

Yubico will hold a webcast/conference call today, August 6, 2026, at 09:00 CET. Jerrod Chong, CEO, Snejana Koleva, CFO and Alexandra Barganowski, IR of Yubico will present and answer questions.

To listen to the conference, click on the following link:
https://yubico.events.inderes.com/q2-report-2026

Via the webcast, you can ask written questions. If you wish to ask questions verbally, please register on the following link:
https://events.inderes.com/yubico/q2-report-2026/dial-in

Financial calendar

Interim report January – September: November 5, 2026
Capital Markets Day – November 19, 2026
Year-end report January – December: February 11, 2027

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The information in this report has not been audited or reviewed by the company's auditors. This interim report is an English translation of the Swedish original. In the event of any discrepancies between the English translation and the Swedish original, the Swedish version shall prevail.

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 August 6, 2026, at 7.00 am CET.

Financial statements

Condensed consolidated statement of profit or loss

		Q2		Jan-Jun		LTM	Full-year
SEKm	**Note**	**2026**	**2025**	**2026**	**2025**	**25/26**	**2025**
Net sales	2	543.9	499.1	1,023.2	1,122.1	2,119.0	2,218.0
Cost of sales	3	-108.5	-104.5	-219.6	-238.9	-471.4	-490.7
Gross profit		**435.4**	**394.5**	**803.6**	**883.2**	**1,647.6**	**1,727.3**
Research and development	3	-69.8	-80.3	-147.0	-173.5	-289.9	-316.4
Selling expenses	3	-213.1	-212.6	-419.7	-410.4	-889.3	-880.0
Administrative expenses	3	-74.8	-86.6	-147.3	-199.7	-293.6	-346.0
Other income and expenses		0.8	6.2	3.8	14.1	4.5	14.9
EBIT		**78.5**	**21.2**	**93.4**	**113.8**	**179.5**	**199.9**
Net financial items		11.8	-10.8	27.2	-34.8	29.1	-32.9
Profit/loss before tax		**90.3**	**10.4**	**120.6**	**78.9**	**208.6**	**166.9**
Tax		-28.7	-1.5	-37.5	-18.7	-57.6	-38.8
Net Profit/loss		**61.5**	**8.9**	**83.1**	**60.2**	**150.9**	**128.1**
Earnings per share before dilution, SEK		0.72	0.10	0.97	0.70	1.76	1.49
Earnings per share after dilution, SEK		0.70	0.10	0.95	0.68	1.73	1.46
Average number of shares before dilution (mill)		85.8	86.3	85.8	86.3	85.9	86.2
Average number of shares after dilution (mill)		87.4	87.8	87.4	88.4	87.0	87.8

Condensed consolidated statement of comprehensive income

		Q2		Jan-Jun		LTM	Full-year
SEKm	**Note**	**2026**	**2025**	**2026**	**2025**	**25/26**	**2025**
Net Profit/loss		**61.5**	**8.9**	**83.1**	**60.2**	**150.9**	**128.1**
Other comprehensive income							
Items to be reclassified to profit/loss, after tax							
Translation differences at translating foreign entities		15.6	-8.4	15.6	-28.3	8.1	-35.8
Total comprehensive income		**77.2**	**0.5**	**98.7**	**31.9**	**159.1**	**92.3**

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	30 Jun 2026	30 Jun 2025	31 Dec 2025
ASSETS			
Intangible assets	54.3	18.7	28.3
Property, plant and equipment	65.8	73.5	73.3
Financial assets	8.9	8.1	11.0
Deferred tax assets	91.0	93.3	92.7
Total non-current assets	**219.9**	**193.5**	**205.4**
Inventories	670.5	690.0	715.7
Accounts receivable	364.2	327.1	317.7
Other current assets	113.0	77.2	80.7
Cash and cash equivalents	1,020.1	945.5	895.0
Total current assets	**2,167.7**	**2,039.8**	**2,009.1**
TOTAL ASSETS	**2,387.7**	**2,233.3**	**2,214.4**
EQUITY AND LIABILITIES			
Equity	1,752.5	1,643.6	1,659.9
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	19.2	27.7	23.0
Other non-current liabilities	6.6	7.6	4.8
Deferred tax liabilities	13.8	7.6	5.8
Total non-current liabilities	**39.5**	**43.0**	**33.6**
CURRENT LIABILITIES			
Current interest-bearing liabilities	12.2	15.2	16.0
Accounts payable	23.6	26.2	36.1
Other current liabilities	559.8	505.3	468.9
Total current liabilities	**595.6**	**546.7**	**520.9**
TOTAL LIABILITIES	**635.2**	**589.7**	**554.6**
TOTAL EQUITY AND LIABILITIES	**2,387.7**	**2,233.3**	**2,214.4**

Financial statements *cont.*

Condensed consolidated statement of changes in equity

SEKm	30 Jun 2026	30 Jun 2025	31 Dec 2025
Opening equity	**1,659.9**	**1,566.2**	**1,566.2**
Net Profit/loss	83.1	60.2	128.1
Translation differences	15.5	-28.3	-35.8
Total comprehensive income	**98.7**	**31.9**	**92.3**
New share issue	3.6	2.2	2.2
Repurchase of own shares	-3.6	-2.2	-90.3
Transaction costs	-0.3	-0.5	-0.5
Value of share based compensation	-5.8	46.0	90.1
Closing equity	**1,752.5**	**1,643.6**	**1,659.9**

Condensed consolidated statement of cash flows

	Q2		Jan-Jun		LTM	Full-year
SEKm	**2026**	**2025**	**2026**	**2025**	**25/26**	**2025**
Operating activities						
Profit/loss before tax	90.3	10.4	120.6	78.9	208.6	166.9
Adjustmens for non-cash items, etc.	3.3	44.0	3.4	75.4	78.3	150.3
Income tax paid	-9.1	-12.2	-30.6	-66.7	-71.8	-108.0
Cash flow from operating activities before working capital changes	**84.5**	**42.3**	**93.5**	**87.6**	**215.1**	**209.2**
Change in inventory	32.5	15.3	51.1	-20.4	21.8	-49.8
Change in current receivables	-146.7	46.5	-46.3	50.1	-37.6	58.8
Change in current liabilities	81.7	19.3	40.8	50.1	26.8	36.0
Cash flow from operating activities	**52.0**	**123.3**	**139.1**	**167.5**	**226.0**	**254.3**
Cash flow from investing activities	**-18.7**	**-12.7**	**-32.5**	**-16.6**	**-64.4**	**-48.4**
Cash flow from financing activities	**-4.2**	**-4.1**	**-7.9**	**-9.8**	**-100.1**	**-102.0**
Cash flow for the period	**29.1**	**106.5**	**98.7**	**141.1**	**61.5**	**103.9**
Cash and cash equivalents at the beginning of the period	**980.4**	**852.1**	**895.0**	**824.1**	**945.5**	**824.1**
Exchange rate differences in cash and cash equivalents	10.6	-13.1	26.3	-19.6	13.0	-32.9
Cash and cash equivalents at the end of the period	**1,020.1**	**945.5**	**1,020.1**	**945.5**	**1,020.1**	**895.0**

Financial statements *cont.*

Condensed Parent Company income statement

SEKm	Q2		Jan-Jun		LTM	Full-year
	2026	**2025**	**2026**	**2025**	**25/26**	**2025**
Net sales	253.0	194.7	436.7	526.0	967.9	1,057.1
Cost of sales	-65.0	-65.5	-133.1	-194.7	-266.3	-327.9
Gross profit	**188.0**	**129.2**	**303.7**	**331.3**	**701.6**	**729.2**
Research and development	-26.8	-48.6	-47.9	-96.8	-162.1	-211.0
Selling expenses	-41.0	-51.1	-77.1	-90.0	-210.1	-223.0
Administrative expenses	-104.4	-55.6	-185.7	-103.6	-271.5	-189.4
Other income and expenses	-0.3	6.2	-1.7	15.8	-4.1	13.4
Operating profit/loss (EBIT)	**15.4**	**-19.8**	**-8.7**	**54.0**	**56.6**	**119.3**
Net financial items	10.7	-10.2	25.7	-33.1	27.9	-30.9
Profit/loss before tax	**26.1**	**-30.0**	**17.0**	**21.0**	**84.5**	**88.4**
Tax on profit for the period	-5.4	6.3	-3.6	-4.8	-17.3	-18.5
Net profit/loss for the period	**20.7**	**-23.8**	**13.4**	**16.2**	**67.2**	**69.9**

Financial statements *cont.*

Condensed Parent Company balance sheet

SEKm	30 Jun 2026	30 Jun 2025	31 Dec 2025
ASSETS			
Intangible assets	2.4	3.8	2.7
Property, plant and equipment	26.9	28.4	28.9
Participation in group companies	98.7	71.8	103.7
Other Financial assets	3.7	5.9	6.0
Deferred tax asset	54.3	53.0	54.7
Total non-current assets	**186.0**	**162.7**	**196.1**
Inventories	566.8	533.7	608.1
Accounts receivable	89.3	61.4	112.0
Receivables from group companies	98.1	92.0	31.1
Other current assets	61.2	28.5	41.2
Cash and cash equivalents	725.1	874.6	689.6
Total current assets	**1,540.4**	**1,590.3**	**1,482.1**
TOTAL ASSETS	**1,726.4**	**1,753.0**	**1,678.2**
EQUITY AND LIABILITIES			
Restricted Equity	221.8	218.2	218.2
Non-restricted Equity	1,253.1	1,239.7	1,249.3
Total Equity	**1,474.9**	**1,457.9**	**1,467.5**
NON-CURRENT LIABILITIES			
Other non-current liabilities	4.5	6.5	3.6
Total non-current liabilities	**4.5**	**6.5**	**3.6**
CURRENT LIABILITIES			
Accounts payable	13.8	22.3	29.9
Liabilities to group companies	154.5	218.2	107.8
Other current liabilities	78.7	48.2	69.4
Total current liabilities	**247.0**	**288.7**	**207.1**
TOTAL LIABILITIES	**251.5**	**295.1**	**210.7**
TOTAL EQUITY AND LIABILITIES	**1,726.4**	**1,753.0**	**1,678.2**

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 2025.

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 (”SEKm”), 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

	Q2		Jan-Jun		LTM	Full-year
SEKm	**2026**	**2025**	**2026**	**2025**	**25/26**	**2025**
Americas	354.1	357.9	661.1	805.0	1,358.5	1,502.4
EMEA	149.9	96.6	277.4	239.0	569.5	531.1
Asia Pacific	39.9	44.6	84.6	78.1	190.9	184.4
Total	**543.9**	**499.1**	**1,023.2**	**1,122.1**	**2,118.9**	**2,218.0**

	Q2		Jan-Jun		LTM	Full-year
SEKm	**2026**	**2025**	**2026**	**2025**	**25/26**	**2025**
Perpetual	446.1	419.8	834.8	963.3	1,749.9	1,878.4
Subscription	97.8	79.2	188.4	158.8	369.2	339.6
Total	**543.9**	**499.1**	**1,023.2**	**1,122.1**	**2,119.0**	**2,218.0**

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

	Q2		Jan-Jun		LTM	Full-year
SEKm	**2026**	**2025**	**2026**	**2025**	**25/26**	**2025**
Cost of sales	26.2	26.9	56.4	57.7	111.3	112.7
Research and development	64.2	75.0	134.7	161.7	262.1	289.0
Selling expenses	142.2	152.5	291.0	308.0	613.5	630.4
Administrative expenses	44.6	52.3	91.8	135.0	183.3	226.5
Total	**277.2**	**306.7**	**574.0**	**662.5**	**1,170.1**	**1,258.6**

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	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Net sales	543.9	479.3	548.3	547.5	499.1	623.1	623.0	589.9	614.4
Net sales growth (%)	9.0	-23.1	-12.0	-7.2	-18.8	24.9	12.2	44.8	36.3
Net sales growth (adjusted for change in foreign currency) (%)	11.7	-10.2	-1.3	0.1	-11.4	22.4	11.2	49.0	34.7
Subscription sales	97.8	90.6	94.1	86.7	79.2	79.6	74.3	71.2	59.8
Subscription sales of net sales (%)	18.0	18.9	17.2	15.8	15.9	12.8	11.9	12.1	9.7
Gross profit	435.4	368.2	413.9	430.2	394.5	488.7	524.3	478.0	493.4
Adjusted operating profit (EBIT)	78.5	14.9	6.5	79.6	21.2	92.6	110.9	110.7	130.8
Operating profit (EBIT)	78.5	14.9	6.5	79.6	21.2	92.6	110.9	110.7	130.8
Net profit/loss for the period	61.5	21.5	3.7	64.2	8.9	51.3	113.1	81.2	103.6
Gross margin (%)	80.1	76.8	75.5	78.6	79.1	78.4	84.1	81.0	80.3
Adjusted EBIT margin (%)	14.4	3.1	1.2	14.5	4.2	14.9	17.8	18.8	21.3
EBIT margin (%)	14.4	3.1	1.2	14.5	4.2	14.9	17.8	18.8	21.3
Net cash	988.7	945.1	856.0	835.7	902.6	805.5	771.9	676.1	618.5
Bookings	577.1	390.6	704.5	504.2	621.8	523.8	771.3	609.7	672.6
Bookings growth (%)	-7.2	-25.4	-8.7	-17.3	-7.6	-9.5	12.8	52.6	65.5
Bookings growth (adjusted for change in foreign currency) (%)	-4.8	-14.4	4.6	-9.3	2.6	-10.7	11.5	58.5	62.8
Subscription bookings	140.0	47.3	198.7	86.5	200.8	58.3	146.0	89.3	142.2
Subscription share of bookings (%)	24.3	12.1	28.2	17.1	32.3	11.1	18.9	14.6	21.1
ARR	411.8	383.5	391.0	386.2	394.4	345.7	324.1	292.7	287.6

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.
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

	Q2		Jan-Jun		LTM	Full-year
SEKm	**2026**	**2025**	**2026**	**2025**	**25/26**	**2025**
Gross profit and gross margin						
Net sales	543.9	499.1	1,023.2	1,122.1	2,119.0	2,218.0
Cost of sales	-108.5	-104.5	-219.6	-238.9	-471.4	-490.7
Gross profit	**435.4**	**394.5**	**803.6**	**883.2**	**1,647.6**	**1,727.3**
Divided by Net sales	543.9	499.1	1,023.2	1,122.1	2,119.0	2,218.0
Gross margin	**80.1%**	**79.1%**	**78.5%**	**78.7%**	**77.8%**	**81.6%**
EBIT margin						
Operating profit (EBIT)	78.5	21.2	93.4	113.8	179.5	199.9
Divided by Net sales	543.9	499.1	1,023.2	1,122.1	2,119.0	2,218.0
EBIT margin	**14.4%**	**4.2%**	**9.1%**	**10.1%**	**8.5%**	**9.0%**
Net sales growth (adjusted for change in foreign currency)						
Total Net sales growth	44.8		-99.0			
whereof change in foreign currency	-13.7		-93.8			
whereof growth adjusted for change in foreign currency	58.5		-5.2			
Total Net sales growth	9.0%		-8.8%			
whereof change in foreign currency	-2.8%		-8.4%			
whereof growth adjusted for change in foreign currency	11.7%		-0.5%			

	30 Jun		31 Dec
SEKm	**2026**	**2025**	**2025**
Net cash			
Cash and bank	1,020.1	945.5	895.0
Non-current interest-bearing liabilities	-19.2	-27.7	-23.0
Current interest-bearing liabilities	-12.2	-15.2	-16.0
Net cash	**988.7**	**902.6**	**856.0**

Yubico at a glance

Yubico (Nasdaq Stockholm: YUBICO) is a global cybersecurity pioneer dedicated to making the digital world safer for everyone. As the creator of the YubiKey, Yubico set the gold standard for phishing-resistant, hardware-backed authentication — virtually eliminating account takeovers while keeping secure login effortless. A leader in authentication since 2007, Yubico co-created global standards like FIDO2, WebAuthn, and FIDO U2F, and introduced the foundational technology behind the modern passkey. Today, the company's passkey solutions secure businesses, governments, and individuals in more than 175 countries, safeguarding the entire digital identity lifecycle from onboarding to recovery. Trusted by the world's most security-conscious brands, AI frontiers, and institutions, YubiKeys deliver fast, friction-free, passwordless access across hundreds of enterprise applications out of the box.

True to its mission, Yubico also drives the Secure it Forward philanthropic initiative, donating YubiKeys to vulnerable communities and nonprofits globally. Our global footprint includes headquarters in Stockholm, Sweden, Silicon Valley, California; and Singapore. Yubico is proud to be recognized as one of TIME's 100 Most Influential Companies and Fast Company's Most Innovative Companies. Yubico trading on Nasdaq Stockholm since December 5, 2024. Learn more at www.yubico.com.

Our strategy is anchored in five closely connected priorities:

- **Advance the secure Root of Trust:** Continue to strengthen Yubico's position as the world's most robust, cryptographically verifiable hardware-backed authentication devices.
- **Enhance YubiKey as a Service:** Accelerate the ability for organizations to benefit from the adoption of the YubiKeys through value-added services, continuous security for users across all business scenarios, devices, platforms and locations.
- **Expand into Digital Identity Platform and Services:** Built on Yubico's foundation, the platform protects user and AI agent identities end-to-end, unlocks new use cases, to increase trust and privacy across the customer ecosystem.
- **Drive Go-to-Market Expansion:** Deepen footprint with existing customers, attract new customers and activate everyday users, across markets, by leveraging our ecosystem of technical alliances, channel partners and system integrators.
- **Simplify Customer Experience:** Remove friction at every step, from how customers learn about, buy and deploy Yubico solutions at speed and scale, to empowering strong customer voices.

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[1]

25%	20%
Average annual growth in net sales	EBIT margin

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

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

yubico

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