



yubico

Yubico

—

Quarterly Report  
October-December  
2025

Q4

Making the internet safer  
for everyone

# Strong subscription growth, stable bookings and currency headwinds

**Q4 saw healthy customer engagement and accelerating subscription growth, with ARR up 21 percent in the quarter, but bookings and net sales were impacted by currency headwinds, fewer large deals, and delivery timing. The subscription shift supports the long-term growth.**

## Fourth quarter

- Net sales decreased by -12.0 percent to SEK 548.3 (623.0) million, whereof -1.3 percent was underlying change, and -10.7 percent was negative currency impact
- Subscription sales increased by 26.6 percent to SEK 94.1 (74.3) million, corresponding to 17.2 (11.9) percent of net sales. ARR increased by 20.7 percent to SEK 391.0 (324.1) million.
- EBIT amounted to SEK 6.5 (110.9) million, corresponding to an EBIT margin of 1.2 (17.8) percent. Negative currency impact amounted to SEK 22.8 million, and non-recurring expenses were SEK 6.6 million.
- Earnings per share after dilution amounted to SEK 0.04 (1.27)
- Bookings decreased by -8.7 percent to SEK 704.5 (771.3) million, whereof 4.6 percent was underlying growth. In fixed currency, however, this is the largest bookings in a quarter in the history of Yubico

## January - December

- Net sales decreased by -4.7 percent to SEK 2,218.0 (2,326.2) million, whereof 1.4 percent was underlying growth, and -6.1 percent was negative currency impact
- Subscription sales increased by 29.7 percent to SEK 339.6 (261.9) million, corresponding to 15.3 (11.3) percent of net sales
- EBIT amounted to SEK 199.9 (437.5) million, corresponding to an EBIT margin of 9.0 (18.8) percent. Negative currency impact amounted to SEK 22.1 million, and non-recurring expenses were SEK 6.6 million.
- Earnings per share after dilution amounted to SEK 1.46 (4.20)
- The Board of Directors proposes that no dividend shall be paid for the financial year 2025 and that retained earnings shall be carried forward

## Significant events in the quarter

The Board appointed Jerrod Chong as acting CEO on December 17th. For more information see press release from December 17<sup>th</sup>, 2025.

SEKm	Q4			Full-year	
	2025	2024	Δ%	2025	2024
Net sales	548.3	623.0	-12.0	2,218.0	2,326
whereof subscription sales, %	17.2	11.9		15.3	11
Gross profit	413.9	524.3	-21.1	1,727.3	1,897
Gross margin, %	75.5	84.1		77.9	81
EBIT	6.5	110.9	-94.2	199.9	437
EBIT margin, %	1.2	17.8		9.0	18
Net profit/loss	3.7	113.1	-96.7	128.1	371
Earnings per share, before dilution	0.04	1.31	-96.7	1.49	4.3
Earnings per share, after dilution	0.04	1.27	-96.6	1.46	4.2
Net cash	856.0	771.9	10.9	856.0	771
Bookings	704.5	771.3	-8.7	2,354.4	2,632
whereof subscription bookings, %	28.2	18.9		23.1	18
ARR	391.0	324.1	20.7	391.0	324

# -12.0%

**Growth in net sales  
in the quarter**

# 20.7%

**Growth in ARR  
in the quarter**

# 1.2%

**EBIT margin  
in the quarter**

# Growing subscription base and laying the foundation for future growth

## Leading Yubico into its next phase

As we closed out an eventful 2025, I am grateful and honored to be appointed Acting CEO by Yubico's Board of Directors. I have been part of the Yubico journey for more than 12 years, and over the past three years as President and Chief Operating Officer I have had the privilege of working closely with many of our teams across the company as well as our customers, partners and the broader identity community. My experience in the industry has reinforced one thing: our success is rooted in our commitment to protect our customers, and I take this responsibility seriously as we move forward.

## Accelerating bookings and subscription momentum

I am pleased with the solid booking activity in the fourth quarter, finishing with SEK 705 million and underlying growth of approximately 5%, surpassing our growth rate in Q4 2024. This is the largest booking in a quarter in fixed currency in the history of Yubico. Booking activity was driven primarily by smaller and mid-sized transactions, while the number of larger deals was lower than last year. The continued acceleration of our subscription business is particularly encouraging. YubiKey as a Service reached 28% of total bookings, reflecting strong customer engagement across industries, especially with the 3 top priority verticals: high-tech, financial services and defense sectors. ARR increased 21% year-on-year to SEK 391 million, reinforcing the strength and durability of our recurring revenue base. In the last week of the quarter, we also signed a multi-year subscription agreement with a large IT services provider in India, marking an important milestone in our expansion in Asia Pacific. In January 2026, we rolled out self-service YubiKey ordering through our new Customer Portal, simplifying large-scale workforce deployments and reducing operational friction for enterprise customers. This further reinforces our goal to add more value-added services to our YubiKey as a Service offering.

## Net sales and profitability impacted by currency effects

Although bookings and YubiKey as a Service show a positive trend, I am not satisfied with our net sales and profitability development. Net sales amounted to SEK 548 million, corresponding to a 12% year-on-year decline, of which 11 percentage points were driven by currency

effects. A significant share of bookings were closed at the end of the quarter and not yet converted into net sales. The gross margin declined to 76%, reflecting lower net sales and the impact from the weaker USD. Given the current USD/SEK development, we expect the gross margin to be in the range of 75–80 percent for 2026. The lower gross margin, combined with continued investments in the organization, resulted in EBIT of SEK 7 million, corresponding to an EBIT margin of 1%. While demand remains healthy, 2025 was a challenging year, impacted by longer lead times among large customers. Our long-term growth ambitions remain the same as we continue to invest in the organization to support future scale. While we are encouraged by the strong momentum in subscriptions and ARR growth, improving net sales growth and profitability remains a key focus for me and the management team.

## Strategy: from hardware keys to protecting digital identities

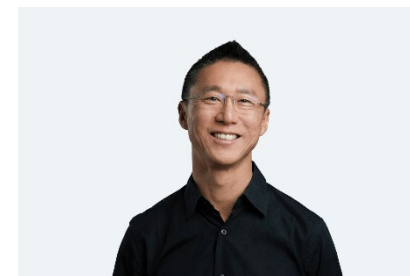
On November 19<sup>th</sup>, 2025, we hosted Yubico's first Investor Day in Stockholm, where we shared the strategic priorities guiding our long-term investments and near-term execution. Our strategy is anchored in five closely connected priorities:

- **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.

## Looking ahead to 2026

Yubico was founded on a clear and enduring mission, to make the digital world safer, and that mission matters more than ever today. When in the wrong hands, AI is increasing the speed and scale of cyber threats, emphasizing our responsibility to stay ahead of them. Accelerating our mission requires focus and discipline. In the year ahead, we are prioritizing faster product innovation while maintaining the scale, quality and trust our customers expect. We are simplifying how we engage with customers and how our solutions are brought to market, reducing complexity while strengthening the value we deliver. We will continue to amplify the impact of our products through strong customer voices, ensure execution across the organization remains tightly aligned with our long-term strategy and reinforce our position as a trusted partner to the industry. Together, we will continue to protect what matters most and carry Yubico's mission forward with integrity, passion and purpose.



Jerrod Chong, Acting CEO



# Group development

## Net sales

### October-December

Net sales decreased by -12.0 percent to SEK 548.3 (623.0) million in the fourth quarter, whereof -1.3 percent was underlying change, and -10.7 percent relates to negative currency impact. Subscription sales increased by 26.6 percent in the same period and amounted to SEK 94.1 (74.3) million representing 17.2 (11.9) percent of net sales. Net sales was impacted by late booking orders in the quarter, with delivery occurring after quarter-end. The growing share of subscription contracts delay revenue recognition, with many contracts expected to commence in the first half of 2026. The increase in subscription sales continues to strengthen our recurring revenue base. Net sales continue to be dominated by the Americas, with 62.8 (66.9) percent of net sales originating in the region. EMEA remained stable at 28.2 (28.1) percent of net sales with the DACH and Benelux regions showing growth in the quarter. We saw particular growth in Asia Pacific this quarter which now represents 9.0 (5.0) percent of net sales, driven by growth in India.

### January-December

Net sales decreased by -4.7 percent for the year to SEK 2,218.0 (2,326.2) million, whereof of 1.4 percent was underlying growth, and -6.1 percent was negative currency impact. Subscription sales represented 15.3 (11.3) percent of net sales for the full year.

## Gross profit

### October-December

Gross profit decreased by -21.1 percent to SEK 413.9 (524.3) million, corresponding to a gross margin of 75.5 (84.1) percent. Approximately half of the negative development is due to currency impact.

### January-December

Gross profit decreased by -9.0 percent for the year to SEK 1,727.3 (1,897.5) million, corresponding to a gross margin of 77.9 (81.6) percent. Given the current USD/SEK development, we expect the gross margin to be in the range of 75–80 percent for 2026.

## EBIT

### October-December

EBIT amounted to SEK 6.5 (110.9) million, corresponding to a 1.2 (17.8) EBIT margin. EBIT was negatively affected by the decline in gross profit, increase in overhead costs, but also negative currency impact of SEK 22.8 million and non-recurring expenses of SEK 6.6 million. Total expenses for research and development amounted to 71.0 (91.8), the lower costs partially caused by capitalization of development costs of SEK 6.6 (0) million. Selling and marketing expenses amounted to SEK 267.5 (255.6) million, reflecting higher headcount. Commissions increased in line with higher bookings. Administrative expenses amounted to SEK 68.7 (77.3) million. Other income and expenses amounted to SEK -0.2 (11.2) million, majority related to Realized and Unrealized currency effects. Headcount reached 544 (473) at the end of the fourth quarter, an increase of 15.0 percent from last year, with the largest increase in the sales organization. Total recognized expenses for the LTIP programs amounted to SEK 11.2 (21.4) million as part of employee costs.

### January-December

EBIT amounted to SEK 199.9 (437.5) million for the full year, corresponding to an EBIT margin of 9.0 (18.8) percent. The full year negative currency impact was SEK 22.1 million, primarily from Q4, and non-recurring expenses of SEK 6.6 million. The cost for the LTIP programs amounted to SEK 87.5 (59.3) million for the year.

## Net profit/loss and earnings per share

### October-December

The net profit amounted to SEK 3.7 (113.1) million. Net financial items of SEK -0.8 (14.7) million was affected by currency effects of SEK -5.4 million related to USD cash balance in the parent company. Earnings per share after dilution amounted to SEK 0.04 (1.27).

### January-December

The net profit/loss amounted to SEK 128.1 (371.7) million. The effective

tax was 23.3 (19.6) percent. Earnings per share after dilution amounted to SEK 1.46 (4.20).

Net sales, quarterly and 12-month rolling, SEKm



EBIT, quarterly and 12 months rolling, SEKm



## Group development *cont.*

### Bookings

#### October-December

Bookings decreased by -8.7 percent to SEK 704.5 (771.3) million in the fourth quarter, whereof of 4.6 percent was underlying growth, and -13.3 percent was negative currency impact. Bookings in the quarter were supported by strong underlying activity, with a high volume of smaller transactions, renewals, and multi-year subscription agreements. This reflects broad-based demand across financial services, technology, retail and the public sector. The year-on-year comparison is impacted by an exceptionally strong Q4 2024, which included several large government and enterprise contracts. The effect was most visible in the Americas in the quarter, while EMEA delivered solid momentum driven by strong execution in the DACH and Benelux regions. Asia Pacific continued to gain traction, supported by subscription-led growth, particularly in India.

Subscription bookings amounted to SEK 198.7 (146.0) million, an increase of 36.1 percent and corresponding to a larger share of bookings at 28.2 (18.9) percent. Renewals represented SEK 96.2 million. Subscription growth was driven by consistent deal flow across renewals and mid-sized, multi-year agreements, highlighting continued uptake of YubiKey as a Service. Demand remains particularly strong with the 3 top priority verticals: high-tech, financial services and defense sectors.

#### January-December

Bookings decreased by -10.6 percent to SEK 2,354.4 (2,632.6) million, whereof -2.6 percent was underlying growth and -8.0 percent was negative currency impact. Subscription bookings amounted to SEK 544.3 (481.6) million, corresponding to 23.1 (18.3) percent of bookings. SEK 191.2 million were contract renewals.

### Annual recurring revenue, ARR

#### October-December

ARR increased by 20.7 percent compared to last year and amounted to SEK 391.0 (324.1) million at the end of the period. From Q3 to Q4, ARR increased by 1.2 percent to SEK 391.1 (386.2) million, whereof 4.7 percent was underlying growth, and -3.5 percent relates to

negative currency impact. ARR growth in the quarter indicates continued growth in our subscription base going forward.

### Cash flow and financial position

#### October-December

Cash flow from operating activities during the quarter amounted to SEK 50.7 (127.9) million. Net change in working capital amounted to SEK 34.7 (19.5). Inventory decreased in absolute terms, with a cash flow impact of SEK 40.8 (-40.8) million. Inventory as a percentage of LTM sales decreased to 32.3 percent, compared to 33.1 percent in Q3.

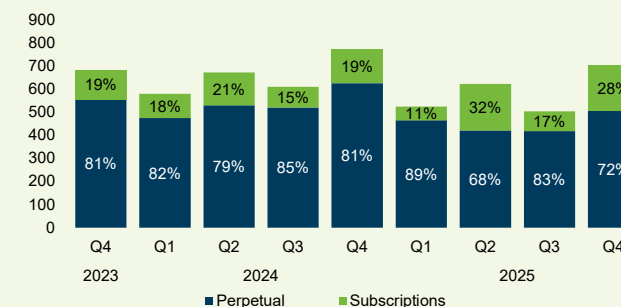
Cash flow from investing activities amounted to SEK -22.6 (-40.5) million, including investments in machinery and equipment of SEK -13.9 (-40.4) million and capitalized development projects of SEK -6.6 (0) million.

Cash flow from financing activities amounted to SEK 0.0 (0.8) million, whereof SEK -4.3 million relates to amortization of lease liabilities and 4.3 million relates to new lease liabilities raised during the period. Total interest-bearing liabilities at the end of the period amounting to SEK 39.0 (52.2) million, of which total lease liabilities amounted to SEK 39.0 (52.2) million.

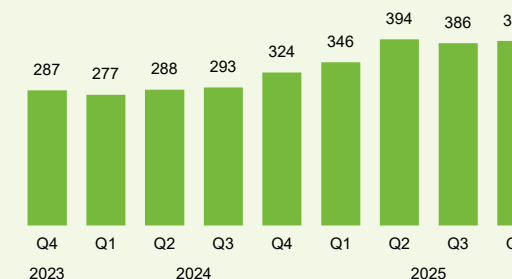
#### January-December

Cash flow from operating activities during the period amounted to SEK 254.3 (343.7) million. Changes in working capital for the period amounted to SEK 45.1 (-88.0) million. Cash flow from investing activities amounted to SEK -48.4 (-60.0) million. Cash flow from financing activities amounted to net SEK -102.0 (-21.8) million. Cash and cash equivalents at the end of the period amounted to SEK 895.0 (824.1) million. Net cash at the end of the period amounted to SEK 856.0 (771.9) million.

### Bookings by quarter, SEKm



### ARR, SEKm



# Other information

## Events after the end of the quarter

There were no significant events after the end of the quarter.

## 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 2024.

## Employees

The number of employees in the Yubico group at the end of the period was 544 (473).

## 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 October-December period amounted to SEK 271.1 (302.3) million. Profit/loss before tax was SEK 3.0 (88.5) million. Cash and cash equivalents at the end of the period amounted to SEK 689.6 (746.9) million. The number of employees in the Parent Company at the end of the quarter was 166 (145).

## Ownership and shares

Yubico AB trades on Nasdaq Stockholm under the ticker YUBICO.

As of December 31, 2025, the number of issued shares were 87,291,882, whereof 86,426,882 were ordinary shares and 865,000 were C shares. The 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.

On August 14, the Board of Directors resolved to utilize the mandate from the Annual General Meeting to repurchase the company's own shares up to SEK 200 million. During the year, Yubico 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

The AGM held on May 13, 2025, resolved to implement a long-term incentive program for 2025 ("LTIP 2025"). The program is based on performance stock units ("PSUs"). The maximum number of PSUs that may be awarded is 780,000. Each vested PSU shall entitle the holder to receive one share in the company. PSUs are vested yearly during a three-year period. Vesting of PSUs is subject to two performance conditions as well as continued employment within the Group. The performance conditions include the company's revenue growth and

EBIT margin during performance periods corresponding to each of the financial years 2025, 2026 and 2027.

During 2025, 739,467 PSUs were awarded to 486 employees of the Group based on this program.

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

## Nomination Committee

The Nomination Committee for Yubico's 2026 Annual General Meeting has been appointed. According to the current instruction for the Nomination Committee, the Nomination Committee shall comprise four members appointed by the four largest shareholders in the company. The following members have been appointed to the Nomination Committee:

- Carsten Browall, appointed by Bure Equity AB
- Patricia Hedelius, appointed by AMF Tjänstepension Fonder
- Stina Ehrensverd, representing herself
- Thomas Ehlin, appointed by Fourth Swedish National Pension Fund

The members of the Nomination Committee together represent 42.96 percent of the votes in the company. The Annual General Meeting in Yubico will be held on May 5, 2026.

## Dividend 2025

For the financial year 2025, the Board of Directors proposes that no dividend will be paid and that the retained earnings are carried forward.

## 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, February 12, 2026

**Patrik Tigerschiöld**  
*Chairman*

**Ramanujam Shriram**

**Stina Ehrensvärd**

**Paul Madera**

**Jaya Baloo**

**Eola Änggård Runsten**

**Gösta Johannesson**

**Jerrod Chong**  
*Acting CEO*

### Webcast/teleconference

Yubico will hold a webcast/conference call today, February 12, 2026, at 09:00 CET. Jerrod Chong, Acting CEO of Yubico, 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/q4-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=5002371>

### Financial calendar

Interim report January – March: May 5, 2026

Annual General Meeting: May 5, 2026

Interim report January – June: August 6, 2026

Interim report January – September: November 5, 2026

Year-end report January – December: February 11, 2027

### Contacts

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Acting CEO

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Alexandra Barganowski

Investor Relations & Sustainability

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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 February 12, 2026, at 7.00 am CET.

# Financial statements

## Condensed consolidated statement of profit or loss

SEKm	Note	Q4		Full-year	
		2025	2024	2025	2024
Net sales	2	548.3	623.0	2,218.0	2,326.2
Cost of sales	3	-134.5	-98.8	-490.7	-428.7
<b>Gross profit</b>		<b>413.9</b>	<b>524.3</b>	<b>1,727.3</b>	<b>1,897.5</b>
Research and development	3	-71.0	-91.8	-316.4	-336.1
Selling expenses	3	-267.5	-255.6	-880.0	-836.0
Administrative expenses	3	-68.7	-77.3	-346.0	-293.5
Other income and expenses		-0.2	11.2	14.9	5.6
<b>EBIT</b>		<b>6.5</b>	<b>110.9</b>	<b>199.9</b>	<b>437.5</b>
Net financial items		-0.8	14.7	-32.9	24.6
<b>Profit/loss before tax</b>		<b>5.7</b>	<b>125.6</b>	<b>166.9</b>	<b>462.1</b>
Tax		-2.0	-12.5	-38.8	-90.4
<b>Net Profit/loss</b>		<b>3.7</b>	<b>113.1</b>	<b>128.1</b>	<b>371.7</b>
Earnings per share before dilution, SEK		0.04	1.31	1.49	4.32
Earnings per share after dilution, SEK		0.04	1.27	1.46	4.20
Average number of shares before dilution (mill)		86.1	86.2	86.2	86.1
Average number of shares after dilution (mill)		86.8	89.1	87.8	88.6

## Condensed consolidated statement of comprehensive income

SEKm	Note	Q4		Full-year	
		2025	2024	2025	2024
<b>Net Profit/loss</b>		<b>3.7</b>	<b>113.1</b>	<b>128.1</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		-5.2	15.1	-35.8	18.3
Tax relating to translation differences		-	2.2	-	2.3
<b>Total comprehensive income</b>		<b>-1.5</b>	<b>130.4</b>	<b>92.3</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 Dec	
	2025	2024
<b>ASSETS</b>		
Intangible assets	28.3	14.7
Property, plant and equipment	73.3	82.5
Financial assets	11.0	7.1
Deferred tax assets	92.7	85.1
<b>Total non-current assets</b>	<b>205.4</b>	<b>189.4</b>
Inventories	715.7	690.1
Accounts receivable	317.7	415.1
Other current assets	80.7	90.2
Cash and cash equivalents	895.0	824.1
<b>Total current assets</b>	<b>2,009.1</b>	<b>2,019.6</b>
<b>TOTAL ASSETS</b>	<b>2,214.4</b>	<b>2,209.0</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	1,659.9	1,566.2
<b>NON-CURRENT LIABILITIES</b>		
Non-current interest-bearing liabilities	23.0	36.5
Other non-current liabilities	4.8	6.9
Deferred tax liabilities	5.8	6.6
<b>Total non-current liabilities</b>	<b>33.6</b>	<b>50.0</b>
<b>CURRENT LIABILITIES</b>		
Current interest-bearing liabilities	16.0	15.8
Accounts payable	36.1	45.2
Other current liabilities	468.9	531.8
<b>Total current liabilities</b>	<b>520.9</b>	<b>592.7</b>
<b>TOTAL LIABILITIES</b>	<b>554.6</b>	<b>642.7</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,214.4</b>	<b>2,209.0</b>

## Financial statements *cont.*

### Condensed consolidated statement of changes in equity

SEKm	31 Dec	
	2025	2024
<b>Opening equity</b>	<b>1,566.2</b>	<b>1,122.8</b>
Net Profit/loss	128.1	371.7
Translation differences	-35.8	20.5
<b>Total comprehensive income</b>	<b>92.3</b>	<b>392.2</b>
New share issue	2.2	-
Repurchase of own shares	-90.3	-
Transaction costs	-0.5	-
Value of share based compensation	90.1	51.2
<b>Closing equity</b>	<b>1,659.9</b>	<b>1,566.2</b>

### Condensed consolidated statement of cash flows

SEKm	Q4		Full-year	
	2025	2024	2025	2024
<b>Operating activities</b>				
Profit/loss before tax	5.7	125.6	166.9	462.1
Adjustments for non-cash items, etc.	38.7	11.2	150.3	66.8
Income tax paid	-28.4	-28.4	-108.0	-97.0
<b>Cash flow from operating activities before working capital changes</b>	<b>16.0</b>	<b>108.5</b>	<b>209.2</b>	<b>431.7</b>
Change in inventory	40.8	-40.8	-49.8	-175.6
Change in current receivables	4.6	11.5	58.8	-178.8
Change in current liabilities	-10.7	48.7	36.0	266.4
<b>Cash flow from operating activities</b>	<b>50.7</b>	<b>127.9</b>	<b>254.3</b>	<b>343.7</b>
<b>Cash flow from investing activities</b>	<b>-22.6</b>	<b>-40.5</b>	<b>-48.4</b>	<b>-60.0</b>
<b>Cash flow from financing activities</b>	<b>0.0</b>	<b>0.8</b>	<b>-102.0</b>	<b>-21.8</b>
<b>Cash flow for the period</b>	<b>28.1</b>	<b>88.1</b>	<b>103.9</b>	<b>262.0</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>874.7</b>	<b>727.6</b>	<b>824.1</b>	<b>547.3</b>
Exchange rate differences in cash and cash equivalents	-7.8	8.4	-32.9	14.7
<b>Cash and cash equivalents at the end of the period</b>	<b>895.0</b>	<b>824.1</b>	<b>895.0</b>	<b>824.1</b>

## Financial statements *cont.*

### Condensed Parent Company income statement

SEKm	Q4		Full-year	
	2025	2024	2025	2024
Net sales	271.1	302.3	1,057.1	1,183.4
Cost of sales	-76.6	-87.4	-327.9	-292.7
<b>Gross profit</b>	<b>194.5</b>	<b>214.9</b>	<b>729.2</b>	<b>890.8</b>
Research and development	-70.9	-53.6	-211.0	-188.8
Selling expenses	-77.7	-68.3	-223.0	-204.7
Administrative expenses	-41.8	-44.0	-189.4	-162.3
Other income and expenses	-0.3	12.1	13.4	5.1
<b>Operating profit/loss (EBIT)</b>	<b>3.9</b>	<b>61.1</b>	<b>119.3</b>	<b>340.0</b>
Net financial items	-0.9	27.3	-30.9	46.9
<b>Profit/loss before tax</b>	<b>3.0</b>	<b>88.5</b>	<b>88.4</b>	<b>386.8</b>
Tax on profit for the period	-0.4	-12.9	-18.5	-74.4
<b>Net profit/loss for the period</b>	<b>2.5</b>	<b>75.6</b>	<b>69.9</b>	<b>312.4</b>

## Financial statements *cont.*

### Condensed Parent Company balance sheet

SEKm	31 Dec	
	2025	2024
<b>ASSETS</b>		
Intangible assets	2.7	4.9
Property, plant and equipment	28.9	25.6
Participation in group companies	103.7	37.6
Other Financial assets	6.0	4.8
Deferred tax asset	54.7	50.4
<b>Total non-current assets</b>	<b>196.1</b>	<b>123.3</b>
Inventories	608.1	541.6
Accounts receivable	112.0	76.1
Receivables from group companies	31.1	32.0
Other current assets	41.2	31.8
Cash and cash equivalents	689.6	746.9
<b>Total current assets</b>	<b>1,482.1</b>	<b>1,428.5</b>
<b>TOTAL ASSETS</b>	<b>1,678.2</b>	<b>1,551.7</b>
<b>EQUITY AND LIABILITIES</b>		
Restricted Equity	218.2	215.7
Non-restricted Equity	1,249.3	1,180.5
<b>Total Equity</b>	<b>1,467.5</b>	<b>1,396.2</b>
<b>NON-CURRENT LIABILITIES</b>		
Other non-current liabilities	3.6	5.8
<b>Total non-current liabilities</b>	<b>3.6</b>	<b>5.8</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable	29.9	35.4
Liabilities to group companies	107.8	3.9
Other current liabilities	69.4	110.5
<b>Total current liabilities</b>	<b>207.1</b>	<b>149.8</b>
<b>TOTAL LIABILITIES</b>	<b>210.7</b>	<b>155.5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,678.2</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 ("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

SEKm	Q4		Full-year	
	2025	2024	2025	2024
Americas	344.5	417.1	1,502.4	1,577.1
EMEA	154.5	175.1	531.1	590.3
Asia Pacific	49.4	30.9	184.4	158.9
<b>Total</b>	<b>548.3</b>	<b>623.0</b>	<b>2,218.0</b>	<b>2,326.2</b>

SEKm	Q4		Jan-Dec	
	2025	2024	2025	2024
Perpetual	454.3	548.7	1,878.4	2,064.3
Subscription	94.1	74.3	339.6	261.9
<b>Total</b>	<b>548.3</b>	<b>623.0</b>	<b>2,218.0</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	Q4		Full-year	
	2025	2024	2025	2024
Cost of sales	27.4	28.4	112.7	101.7
Research and development	62.3	83.4	289.0	299.4
Selling expenses	183.6	175.2	630.4	601.5
Administrative expenses	40.5	46.9	226.5	179.0
<b>Total</b>	<b>313.7</b>	<b>334.0</b>	<b>1,258.6</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	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Net sales	548.3	547.5	499.1	623.1	623.0	589.9	614.4	498.9	555.3
Net sales growth (%)	-12.0	-7.2	-18.8	24.9	12.2	44.8	36.3	20.6	19.5
Net sales growth (adjusted for change in foreign currency) (%)	-1.3	0.1	-11.4	22.4	11.2	49.0	34.7	20.6	18.0
Subscription sales	94.1	86.7	79.2	79.6	74.3	71.2	59.8	56.5	73.9
Subscription sales of net sales (%)	17.2	15.8	15.9	12.8	11.9	12.1	9.7	11.3	13.3
Gross profit	413.9	430.2	394.5	488.7	524.3	478.0	493.4	402.4	432.1
Adjusted operating profit (EBIT)	6.5	79.6	21.2	92.6	110.9	110.7	130.8	85.1	84.2
Operating profit (EBIT)	6.5	79.6	21.2	92.6	110.9	110.7	130.8	85.1	90.9
Net profit/loss for the period	3.7	64.2	8.9	51.3	113.1	81.2	103.6	73.8	75.3
Gross margin (%)	75.5	78.6	79.1	78.4	84.1	81.0	80.3	80.7	77.8
Adjusted EBIT margin (%)	1.2	14.5	4.2	14.9	17.8	18.8	21.3	17.0	15.2
EBIT margin (%)	1.2	14.5	4.2	14.9	17.8	18.8	21.3	17.0	16.4
Net cash	856.0	835.7	902.6	805.5	771.9	676.1	618.5	510.8	473.3
Bookings	704.5	504.2	621.8	523.8	771.3	609.7	672.6	578.9	684.1
Bookings growth (%)	-8.7	-17.3	-7.6	-9.5	12.8	52.6	65.5	65.4	83.5
Bookings growth (adjusted for change in foreign currency) (%)	4.6	-9.3	2.6	-10.7	11.5	58.5	62.8	65.9	83.2
Subscription bookings	198.7	86.5	200.8	58.3	146.0	89.3	142.2	104.1	129.2
Subscription share of bookings (%)	28.2	17.1	32.3	11.1	18.9	14.6	21.1	18.0	18.9
ARR	391.0	386.2	394.4	345.7	324.1	292.7	287.6	277.1	286.5

# 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

SEKm	Q4		Jan-Dec	
	2025	2024	2025	2024
<b>Gross profit and gross margin</b>				
Net sales	548.3	623.0	2,218.0	2,326.2
Cost of sales	-134.5	-98.8	-490.7	-428.7
<b>Gross profit</b>	<b>413.9</b>	<b>524.3</b>	<b>1,727.3</b>	<b>1,897.5</b>
Divided by Net sales	548.3	623.0	2,218.0	2,326.2
<b>Gross margin</b>	<b>75.5%</b>	<b>84.1%</b>	<b>77.9%</b>	<b>81.6%</b>
<b>EBIT margin</b>				
Operating profit (EBIT)	6.5	110.9	199.9	437.5
Divided by Net sales	548.3	623.0	2,218.0	2,326.2
<b>EBIT margin</b>	<b>1.2%</b>	<b>17.8%</b>	<b>9.0%</b>	<b>18.8%</b>
<b>Net sales growth (adjusted for change in foreign currency)</b>				
Total Net sales growth	-74.7		-108.3	
whereof change in foreign currency	-66.5		-201.9	
whereof growth adjusted for change in foreign currency	-8.2		93.7	
Total Net sales growth	-12.0%		-4.7%	
whereof change in foreign currency	-10.7%		-6.1%	
whereof growth adjusted for change in foreign currency	-1.3%		1.4%	

SEKm	31 Dec	
	2025	2024
<b>Net cash</b>		
Cash and bank	895.0	824.1
Non-current interest-bearing liabilities	-23.0	-36.5
Current interest-bearing liabilities	-16.0	-15.8
<b>Net cash</b>	<b>856.0</b>	<b>771.9</b>

# Yubico at a glance

Yubico is a global cybersecurity company that between 2020 and 2025 has grown net sales by a compounded annual growth rate ("CAGR") of 30 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 175 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 trading on Nasdaq Stockholm since December 5, 2024.

## 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<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**

<sup>1)</sup> Set in 2024 and apply for the next five years.



Yubico AB

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