



yubico

Yubico

—

Quarterly Report
January-March
2026

Q1

Making the digital world
safer for everyone

Challenging Q1: Focused on execution, efficiency and long-term growth

Bookings and net sales came in weak in the quarter, impacted by currency headwinds and geopolitical uncertainty that continue to impact customer decisions. At the same time, subscription sales continued to show good growth. Yubico completed a reorganization in the quarter to strengthen efficiency, expected to deliver annualized savings of approximately SEK 95 million.

First quarter

- Net sales decreased by -23.1 percent to SEK 479.3 (623.1) million, whereof -10.2 percent was organic change, and -12.8 percent was negative currency impact.
- Subscription sales increased by 13.8 percent to SEK 90.6 (79.6) million, corresponding to 18.9 (12.8) percent of net sales. ARR increased by 11.0 percent to SEK 383.5 (345.7) million.
- EBIT amounted to SEK 14.9 (92.6) million, corresponding to an EBIT margin of 3.1 (14.9) percent. Negative currency impact amounted to SEK -26.5 million.
- Expenses related to the reorganization amounted to SEK -21.0 million, fully recognized in Q1 and impacting ~45 employees, resulting in gross annualized cost savings of approximately SEK 95 million with effects starting in Q2.
- Earnings per share after dilution amounted to SEK 0.25 (0.58).
- Bookings decreased by -25.4 percent to SEK 390.6 (523.8) million, whereof -14.4 percent was organic change, and -11.0 percent was negative currency impact.

Significant events during the quarter

- On March 26th, Yubico announced preliminary numbers for order bookings and EBIT for Q1 2026 which are confirmed in this report.

Significant events after the end of the quarter

- On May 4th, the Board appointed Jerrod Chong as permanent President and CEO of Yubico.
- On April 30th, Yubico announced a partnership with OpenAI, where ChatGPT users can purchase YubiKeys through their Advanced Account Security program.

SEKm	Q1			LTM	Full-year
	2026	2025	Δ%	25/26	2025
Net sales	479.3	623.1	-23.1	2,074.2	2,218.0
whereof subscription sales, %	18.9	12.8		16.9	15.3
Gross profit	368.2	488.7	-24.7	1,606.8	1,727.3
Gross margin, %	76.8	78.4		77.5	77.9
EBIT	14.9	92.6	-83.9	122.2	199.9
EBIT margin, %	3.1	14.9		5.9	9.0
Net profit/loss	21.5	51.3	-58.1	98.3	128.1
Earnings per share, before dilution	0.25	0.59	-57.8	1.13	1.49
Earnings per share, after dilution	0.25	0.58	-56.8	1.13	1.46
Net cash	945.1	805.5	17.3		856.0
Bookings	390.6	523.8	-25.4	2,221.2	2,354.4
whereof subscription bookings, %	12.1	11.1		24.0	23.1
ARR	383.5	345.7	11.0		391.0

-23.1%

**Growth in net sales
in the quarter**

11.0%

**Growth in ARR
in the quarter**

3.1%

**EBIT margin
in the quarter**

Executing on strategy and building the foundation for AI security

Global uncertainty impacts market sentiment and is reflected in slow Q1 for Yubico

The first quarter is seasonally the slowest quarter for order bookings and this year it also reflected ongoing headwinds from the operating environment we have navigated since 2025. We continue to have active conversations with a wide range of customers of all sizes across the globe, and it is clear that the demand for phishing-resistant authentication remains solid. However, we are experiencing extended purchasing cycles due to the challenging geopolitical environment and navigating more complex decision-making from the customer side.

While I am not satisfied with our order bookings and profitability development, I am encouraged by the traction in our subscription offering as well as the cost discipline visible in the quarter. Bookings in the quarter amounted to SEK 391 million, corresponding to a year-on-year change of -25 percent, of which -13 percent was related to negative currency impact. The decrease reflects a continued shift towards smaller and mid-sized transactions, with larger enterprise deals taking longer to close. The public sector was a relative outperformer in the Americas, and EMEA delivered solid bookings supported by a significant defense sector agreement. YubiKey as a Service represented 12 percent of total bookings and ARR reached SEK 383 million at the end of the quarter, representing a year-on-year increase of 11 percent, reflecting the continued traction for our subscription offering. Net sales amounted to SEK 479 million, corresponding to a year-on-year change of -23 percent. Negative currency effects accounted for approximately -13 percentage points of the decline. Gross margin amounted to 77 percent, consistent with our guided range of 75–80 percent for 2026. EBIT amounted to SEK 15 million, corresponding to an EBIT margin of 3 percent.

Reorganization positions us for improved execution

During the quarter we took an important step to align our organization with our long-term strategy and current market conditions. We implemented a global reorganization to simplify our structure, improve efficiency, accountability and execution, and strengthen coordination between product, go-to-market and operations. As part of this

process, we reduced our workforce by ca 45 employees which corresponds to almost 10 percent of our total workforce. Expenses related to the reorganization amounted to SEK 21 million, all of which were fully recognized in Q1. The reorganization is expected to result in gross annualized cost savings of approximately SEK 95 million with effects starting in Q2. Our focus remains on efficient execution, disciplined growth, and building an organization that is fit for the long term.

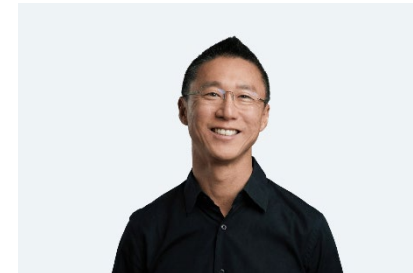
Strategic collaboration with OpenAI

I am really proud to announce our recent partnership with OpenAI, one of the world's leading AI companies. This sets the bar for how Yubico is viewed as a foundational technology provider for infrastructure with the next generation of companies and industries. Through OpenAI's Advanced Account Security program, OpenAI will market YubiKeys to ChatGPT and Codex users, who can purchase them directly on OpenAI's platform, bringing the strongest hardware-backed passkeys to one of the world's largest AI platforms. Notably, OpenAI already uses YubiKeys internally to protect its employees and infrastructure, providing strong validation of our technology at the AI frontier. At a time when AI-based phishing risks are on the rise, every enterprise user is part of the attack surface. This partnership reinforces the importance of hardware security as a proven and scalable model to protect identities.

During the quarter, we also collaborated with IBM and Auth0, part of Okta, to ensure that as autonomous systems gain decision-making authority, every high-consequence action remains authorized by a verified human through hardware-backed security keys. We also expanded YubiKey as a Service to Ping Identity, an enterprise identity provider, with pre-registered security keys, making it faster and simpler for enterprise customers to onboard phishing-resistant authentication. Taken together, these developments confirm Yubico's position as a trusted security foundation for the AI-driven enterprise, across authentication, digital identities, and autonomous AI systems.

Protecting digital identities in an AI-driven world

We operate in a market where there is strong underlying demand, but where the urgency to act has never been greater. AI is fundamentally reshaping the threat landscape, and closing the phishing door has never been more relevant. Our priorities are clear: accelerating product releases, deepening customer engagements, and ensuring our organization is structured to execute at pace. The actions taken in the first quarter position us well to improve performance as the year progresses. I am confident in our direction, our team, and our ability to deliver on our long-term mission to protect digital identities in an increasingly complex and AI-driven world.



Jerrod Chong, President and CEO

Group development

Net sales

January-March

Net sales decreased by -23.1 percent to SEK 479.3 (623.1) million in the first quarter, whereof -10.2 percent was organic change, and -12.8 percent relates to negative currency impact. Subscription sales increased by 13.8 percent in the same period and amounted to SEK 90.6 (79.6) million representing 18.9 (12.8) percent of net sales. The decline in net sales reflects a number of factors: currency headwinds from a strengthening SEK against the USD, a net sales decline in the Americas, our largest region, as well as the growing share of subscription contracts where revenue is recognized proportionally over the contract period, typically spanning three to five years. The increase in subscription sales continues to strengthen our recurring revenue base, annual recurring revenue increased by 11.0 percent to SEK 383.5 (345.7) million. Net sales in the Americas represent 64.1 (71.8) percent of total sales. We saw strong growth in the public sector in the quarter as well as companies in high-tech and defense. EMEA grew to 26.6 (22.9) percent of net sales with the DACH and CEE regions showing growth in the quarter and the defense sector as a relative outperformer across the region. Asia Pacific continues to perform strongly, representing 9.3 (5.4) percent of net sales in Q1 driven by strong bookings in previous quarters.

Gross profit

January-March

Gross profit decreased by -24.7 percent to SEK 368.2 (488.7) million, corresponding to a gross margin of 76.8 (78.4) percent, within our guided range of 75–80 percent for 2026. The decline in gross profit is primarily driven by the lower net sales in the quarter.

EBIT

January-March

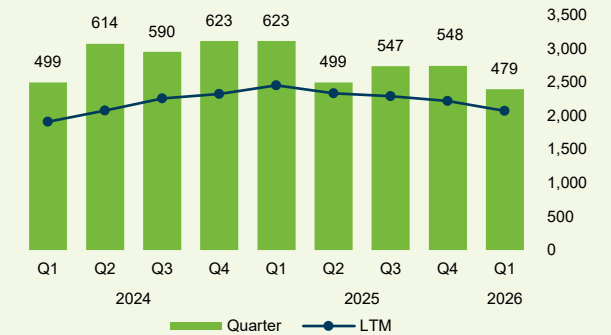
EBIT amounted to SEK 14.9 (92.6) million, corresponding to an EBIT margin of 3.1 (14.9) percent. EBIT was negatively affected by the decline in gross profit and negative currency impact of SEK 26.5 million. Total expenses for research and development amounted to SEK 77.2 (93.1) million, with lower costs partially driven by capitalization of development costs of SEK 12.2 (0.0) million. Selling and marketing expenses amounted to SEK 206.6 (197.8) million. Administrative expenses amounted to SEK 72.5 (113.1) million. Other income and expenses amounted to SEK 2.9 (7.9) million, the majority related to realized and unrealized currency effects. Headcount reached 514 (544) at the end of the first quarter, a decrease of -5.5 percent from last year. This reflects the reorganization which affected approximately 45 employees, corresponding to almost 10 percent of our workforce. Expenses related to the reorganization program amounted to SEK 21.0 million and were all recognized in the quarter. The reorganization is expected to result in gross annualized cost savings of approximately SEK 95 million starting from Q2 this year. Total recognized expenses for the LTIP programs amounted to SEK -7.9 (15.5) million as part of employee costs. The reversal of costs related to the LTIP programs is driven by a change in management's assessment regarding the likelihood of the program vesting.

Net profit/loss and earnings per share

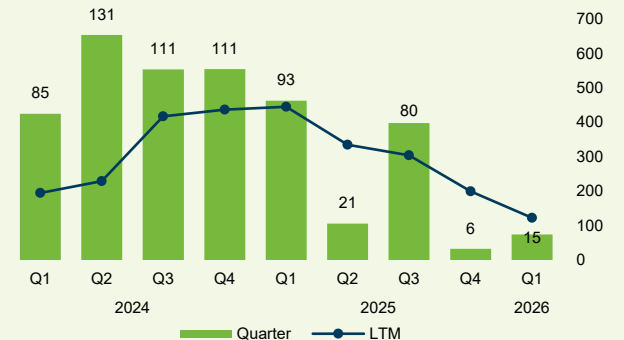
January-March

The net profit amounted to SEK 21.5 (51.3) million. Net financial items of SEK 15.4 (-24.1) million were affected by currency effects of SEK 11.3 million related to USD cash balance in the parent company. The effective tax was 29.1 (25.2) percent. The increased tax expense for this period is driven by deferred tax related to the reversed cost in LTIP programs and prior-year tax charges impacting the Canadian entity. Earnings per share after dilution amounted to SEK 0.25 (0.58).

Net sales, quarterly and 12-month rolling, SEKm



EBIT, quarterly and 12 months rolling, SEKm



Group development *cont.*

Bookings

January-March

Bookings decreased by -25.4 percent to SEK 390.6 (523.8) million in the first quarter, whereof of -14.4 percent was organic change, and -11.0 percent was negative currency impact. The decline was driven primarily by perpetual bookings, but subscription bookings also saw a decrease. Bookings came in slightly below the guided range, primarily due to one larger deal slipping into the next quarter.

Q1 is seasonally a slower quarter and was this year characterized by a high volume of smaller transactions. The year-on-year comparison was impacted by large perpetual contracts in Q1 2025 that did not recur at the same scale. The decline was most pronounced in the Americas, reflecting the absence of comparable large enterprise activity. EMEA delivered strong growth, with defense as a standout driven by significant contract activity in the region. The public sector was the largest contributor to perpetual bookings across the quarter, with defense, logistics and high-tech also representing notable areas of activity. Asia Pacific saw a modest decline in the quarter.

Subscription bookings amounted to SEK 47.3 (58.3) million, a decrease of -18.9 percent but corresponding to an increase to 12.1 (11.1) percent of total bookings. Renewals represented SEK 22.1 million. Key subscription agreements in the quarter spanned the logistics, high-tech and public sectors, reflecting continued uptake of YubiKey as a Service across mid-sized and multi-year agreements.

Annual recurring revenue, ARR

January-March

ARR increased by 11.0 percent compared to last year and amounted to SEK 383.5 (345.7) million at the end of the period. From Q4 to Q1 ARR decreased by -1.9 percent to SEK 383.5 (391.0) million, the organic growth was 4.4 percent and the currency impact was negative -6.3 percent.

Cash flow and financial position

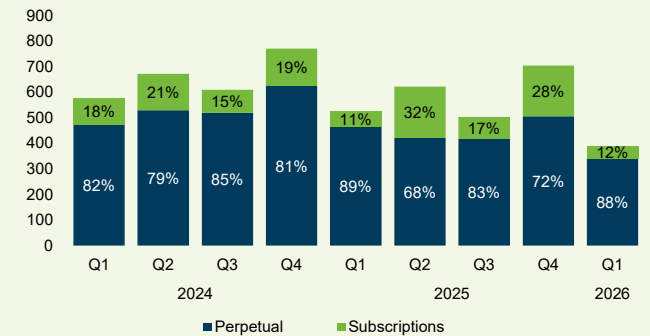
January-March

Cash flow from operating activities during the quarter amounted to SEK 87.2 (44.1) million. Net change in working capital amounted to SEK 78.2 (-1.2). Inventory decreased in absolute terms, with a cash flow impact of SEK 18.6 (-35.7) million. Inventory as a percentage of LTM sales increased to 33.8 percent, compared to 32.3 percent in Q4.

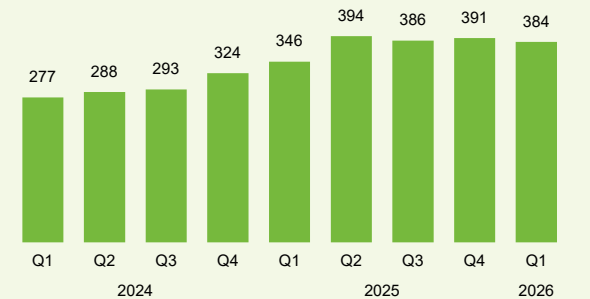
Cash flow from investing activities amounted to SEK -13.8 (-3.9) million, including investments in machinery and equipment of SEK -3.2 (-2.6) million and capitalized development projects of SEK -12.2 (0) million.

Cash flow from financing activities amounted to SEK -3.7 (-5.7) million, that relates to amortization of lease liabilities. At the end of the period interest-bearing liabilities totaled SEK 35.3 (46.5) million, consisting entirely of lease liabilities.

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 514 (544). During the quarter Yubico implemented a reorganization which impacted 45 employees. The total cost amounted to SEK 21.0 million expected to result in gross annualized cost savings of approximately SEK 95 million starting from Q2 2026.

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. 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 183.8 (331.3) million. Profit/loss before tax was SEK -9.1 (51.0) million. Cash and cash equivalents at the end of the period amounted to SEK 717.3 (754.2) million. The number of employees in the Parent Company at the end of the quarter was 164 (166).

Ownership and shares

Yubico AB trades on Nasdaq Stockholm under the ticker YUBICO.

As of March 31, 2026, 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. As of March 31, 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 three long-term incentive programs, LTI 2023, approved by the EGM on September 19, 2023, LTI 2024, approved by the AGM on May 14, 2024 and LTI 2025, approved by the AGM on May 13, 2025. For more information on the PSU programs see the Annual Report 2025, section "The Yubico share and owners" and Note 6.

AGM 2026

The Annual General Meeting will be held today May 5, 2026. For more information go to:

<https://investors.yubico.com/en/annual-general-meeting-2026/>

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, May 5, 2026

Jerrod Chong
President and CEO

Webcast/teleconference

Yubico will hold a webcast/conference call today, May 5, 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/q1-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/q1-report-2026/dial-in>

Financial calendar

Interim report January – June: August 6, 2026

Interim report January – September: November 5, 2026

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

Contacts

Jerrod Chong
CEO
jerrod@yubico.com

Snejana Koleva
CFO
snejana.koleva@yubico.com

Alexandra Barganowski
Investor Relations & Sustainability
alexandra.barganowski@yubico.com

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 5, 2026, at 7.00 am CET.

Financial statements

Condensed consolidated statement of profit or loss

SEKm	Note	Q1		LTM	Full-year
		2026	2025	25/26	2025
Net sales	2	479.3	623.1	2,074.2	2,218.0
Cost of sales	3	-111.1	-134.3	-467.4	-490.7
Gross profit		368.2	488.7	1,606.8	1,727.3
Research and development	3	-77.2	-93.1	-300.4	-316.4
Selling expenses	3	-206.6	-197.8	-888.8	-880.0
Administrative expenses	3	-72.5	-113.1	-305.4	-346.0
Other income and expenses		2.9	7.9	9.9	14.9
EBIT		14.9	92.6	122.2	199.9
Net financial items		15.4	-24.1	6.6	-32.9
Profit/loss before tax		30.3	68.5	128.7	166.9
Tax		-8.8	-17.2	-30.4	-38.8
Net Profit/loss		21.5	51.3	98.3	128.1
Earnings per share before dilution, SEK		0.25	0.59	1.14	1.49
Earnings per share after dilution, SEK		0.25	0.58	1.13	1.46
Average number of shares before dilution (mill)		85.8	86.3	86.1	86.2
Average number of shares after dilution (mill)		86.3	88.8	88.6	87.8

Condensed consolidated statement of comprehensive income

SEKm	Note	Q1		LTM	Full-year
		2026	2025	25/26	2025
Net Profit/loss		21.5	51.3	98.3	128.1
Other comprehensive income					
Items to be reclassified to profit/loss, after tax					
Translation differences at translating foreign entities		9.2	-20.0	-6.6	-35.8
Tax relating to translation differences		-	-	-	-
Total comprehensive income		30.8	31.3	91.7	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	31 Mar		31 Dec
	2026	2025	2025
ASSETS			
Intangible assets	39.0	13.3	28.3
Property, plant and equipment	70.2	75.6	73.3
Financial assets	9.5	8.1	11.0
Deferred tax assets	90.9	87.8	92.7
Total non-current assets	209.6	184.8	205.4
Inventories	700.9	712.1	715.7
Accounts receivable	213.8	352.1	317.7
Other current assets	115.0	120.5	80.7
Cash and cash equivalents	980.4	852.1	895.0
Total current assets	2,010.2	2,036.8	2,009.1
TOTAL ASSETS	2,219.8	2,221.6	2,214.4
EQUITY AND LIABILITIES			
Equity	1,687.4	1,618.1	1,659.9
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	21.0	31.7	23.0
Other non-current liabilities	2.9	6.9	4.8
Deferred tax liabilities	5.5	6.0	5.8
Total non-current liabilities	29.4	44.6	33.6
CURRENT LIABILITIES			
Current interest-bearing liabilities	14.2	14.8	16.0
Accounts payable	31.8	31.0	36.1
Other current liabilities	456.9	513.1	468.9
Total current liabilities	502.9	558.8	520.9
TOTAL LIABILITIES	532.4	603.5	554.6
TOTAL EQUITY AND LIABILITIES	2,219.8	2,221.6	2,214.4

Financial statements *cont.*

Condensed consolidated statement of changes in equity

SEKm	31 Mar		31 Dec
	2026	2025	2025
Opening equity	1,659.9	1,566.2	1,566.2
Net Profit/loss	21.5	51.3	128.1
Translation differences	9.1	-20.0	-35.8
Total comprehensive income	30.8	31.3	92.3
New share issue	-	-	2.2
Repurchase of own shares	-	-	-90.3
Transaction costs	-	-	-0.5
Value of share based compensation	-3.2	20.5	90.1
Closing equity	1,687.4	1,618.1	1,659.9

Condensed consolidated statement of cash flows

SEKm	Q1		LTM	Full-year
	2026	2025	25/26	2025
Operating activities				
Profit/loss before tax	30.3	68.5	128.7	166.9
Adjustments for non-cash items, etc.	0.1	31.4	119.0	150.3
Income tax paid	-21.5	-54.6	-74.9	-108.0
Cash flow from operating activities before working capital changes	9.0	45.3	172.8	209.2
Change in inventory	18.6	-35.7	4.5	-49.8
Change in current receivables	100.4	3.7	155.6	58.8
Change in current liabilities	-40.8	30.8	-35.6	36.0
Cash flow from operating activities	87.2	44.1	297.3	254.3
Cash flow from investing activities	-13.8	-3.9	-58.3	-48.4
Cash flow from financing activities	-3.7	-5.7	-100.0	-102.0
Cash flow for the period	69.7	34.5	139.0	103.9
Cash and cash equivalents at the beginning of the period	895.0	824.1	852.1	824.1
Exchange rate differences in cash and cash equivalents	15.7	-6.6	-10.6	-32.9
Cash and cash equivalents at the end of the period	980.4	852.1	980.4	895.0

Financial statements *cont.*

Condensed Parent Company income statement

SEKm	Q1		LTM	Full-year
	2026	2025	25/26	2025
Net sales	183.8	331.3	909.6	1,057.1
Cost of sales	-68.1	-129.2	-266.7	-327.9
Gross profit	115.7	202.1	642.9	729.2
Research and development	-21.1	-48.2	-183.9	-211.0
Selling expenses	-36.0	-38.9	-220.1	-223.0
Administrative expenses	-81.3	-48.0	-222.7	-189.4
Other income and expenses	-1.4	6.9	5.1	13.4
Operating profit/loss (EBIT)	-24.1	73.9	21.4	119.3
Net financial items	15.0	-22.9	6.9	-30.9
Profit/loss before tax	-9.1	51.0	28.3	88.4
Tax on profit for the period	1.8	-11.1	-5.6	-18.5
Net profit/loss for the period	-7.3	39.9	22.7	69.9

Financial statements *cont.*

Condensed Parent Company balance sheet

SEKm	31 Mar		31 Dec
	2026	2025	2025
ASSETS			
Intangible assets	2.6	4.3	2.7
Property, plant and equipment	26.8	25.9	28.9
Participation in group companies	101.4	53.0	103.7
Receivables from group companies	-	-	-
Other Financial assets	4.4	6.0	6.0
Deferred tax asset	53.7	51.5	54.7
Total non-current assets	189.0	140.7	196.1
Inventories	593.5	543.4	608.1
Accounts receivable	56.1	109.6	112.0
Receivables from group companies	43.0	64.1	31.1
Other current assets	71.0	40.4	41.2
Cash and cash equivalents	717.3	754.2	689.6
Total current assets	1,480.9	1,511.6	1,482.1
TOTAL ASSETS	1,669.9	1,652.3	1,678.2
EQUITY AND LIABILITIES			
Restricted Equity	218.2	215.7	218.2
Non-restricted Equity	1,238.8	1,241.0	1,249.3
Total Equity	1,457.0	1,456.7	1,467.5
NON-CURRENT LIABILITIES			
Other non-current liabilities	1.7	5.7	3.6
Total non-current liabilities	1.7	5.7	3.6
CURRENT LIABILITIES			
Current liabilities to credit institutions	-	-	-
Accounts payable	21.8	25.5	29.9
Liabilities to group companies	126.8	105.7	107.8
Other current liabilities	62.6	58.7	69.4
Total current liabilities	211.2	189.9	207.1
TOTAL LIABILITIES	212.9	195.6	210.7
TOTAL EQUITY AND LIABILITIES	1,669.9	1,652.3	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

	Q1		LTM	Full-year
SEKm	2026	2025	25/26	2025
Americas	307.0	447.1	1,362.3	1,502.4
EMEA	127.5	142.4	516.2	531.1
Asia Pacific	44.7	33.5	195.6	184.4
Total	479.3	623.1	2,074.2	2,218.0

	Q1		LTM	Full-year
SEKm	2026	2025	25/26	2025
Perpetual	388.7	543.5	1,723.6	1,878.4
Subscription	90.6	79.6	350.6	339.6
Total	479.3	623.1	2,074.2	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

	Q1		LTM	Full-year
SEKm	2026	2025	25/26	2025
Cost of sales	30.2	30.9	112.0	112.7
Research and development	70.5	86.7	272.9	289.0
Selling expenses	148.8	155.5	623.8	630.4
Administrative expenses	47.2	82.7	191.0	226.5
Total	296.7	355.8	1,199.6	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	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Net sales	479.3	548.3	547.5	499.1	623.1	623.0	589.9	614.4	498.9
Net sales growth (%)	-23.1	-12.0	-7.2	-18.8	24.9	12.2	44.8	36.3	20.6
Net sales growth (adjusted for change in foreign currency) (%)	-10.2	-1.3	0.1	-11.4	22.4	11.2	49.0	34.7	20.6
Subscription sales	90.6	94.1	86.7	79.2	79.6	74.3	71.2	59.8	56.5
Subscription sales of net sales (%)	18.9	17.2	15.8	15.9	12.8	11.9	12.1	9.7	11.3
Gross profit	368.2	413.9	430.2	394.5	488.7	524.3	478.0	493.4	402.4
Adjusted operating profit (EBIT)	14.9	6.5	79.6	21.2	92.6	110.9	110.7	130.8	85.1
Operating profit (EBIT)	14.9	6.5	79.6	21.2	92.6	110.9	110.7	130.8	85.1
Net profit/loss for the period	21.5	3.7	64.2	8.9	51.3	113.1	81.2	103.6	73.8
Gross margin (%)	76.8	75.5	78.6	79.1	78.4	84.1	81.0	80.3	80.7
Adjusted EBIT margin (%)	3.1	1.2	14.5	4.2	14.9	17.8	18.8	21.3	17.0
EBIT margin (%)	3.1	1.2	14.5	4.2	14.9	17.8	18.8	21.3	17.0
Net cash	945.1	856.0	835.7	902.6	805.5	771.9	676.1	618.5	510.8
Bookings	390.6	704.5	504.2	621.8	523.8	771.3	609.7	672.6	578.9
Bookings growth (%)	-25.4	-8.7	-17.3	-7.6	-9.5	12.8	52.6	65.5	65.4
Bookings growth (adjusted for change in foreign currency) (%)	-14.4	4.6	-9.3	2.6	-10.7	11.5	58.5	62.8	65.9
Subscription bookings	47.3	198.7	86.5	200.8	58.3	146.0	89.3	142.2	104.1
Subscription share of bookings (%)	12.1	28.2	17.1	32.3	11.1	18.9	14.6	21.1	18.0
ARR	383.5	391.0	386.2	394.4	345.7	324.1	292.7	287.6	277.1

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	Q1		LTM	Full-year
	2026	2025	25/26	2025
Gross profit and gross margin				
Net sales	479.3	623.1	2,074.2	2,218.0
Cost of sales	-111.1	-134.3	-467.4	-490.7
Gross profit	368.2	488.7	1,606.8	1,727.3
Divided by Net sales	479.3	623.1	2,074.2	2,218.0
Gross margin	76.8%	78.4%	77.5%	81.6%
EBIT margin				
Operating profit (EBIT)	14.9	92.6	122.2	199.9
Divided by Net sales	479.3	623.1	2,074.2	2,218.0
EBIT margin	3.1%	14.9%	5.9%	9.0%
Net sales growth (adjusted for change in foreign currency)				
Total Net sales growth	-143.8			
whereof change in foreign currency	-80.0			
whereof growth adjusted for change in foreign currency	-63.7			
Total Net sales growth	-23.1%			
whereof change in foreign currency	-12.8%			
whereof growth adjusted for change in foreign currency	-10.2%			

SEKm	31 Mar		31 Dec
	2026	2025	2025
Net cash			
Cash and bank	980.4	852.1	895.0
Non-current interest-bearing liabilities	-21.0	-31.7	-23.0
Current interest-bearing liabilities	-14.2	-14.8	-16.0
Net cash	945.1	805.5	856.0

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 targets¹

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

Yubico AB

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Gävlegatan 22
SE-113 30 Stockholm
Sweden
+ 46 8 411 30 00
www.yubico.com

Org.nr 559278-6668

 <https://www.linkedin.com/company/yubico/>

 <https://www.twitter.com/yubico/>