



yubico

Yubico

Quarterly Report
July-September
2025

Q3

Making the internet safer
for everyone

Subscriptions growth creates stability during a softer quarter

The quarter was impacted by delayed larger deals, with bookings and net sales below expectations. Subscription sales grew 22 percent, reinforcing the recurring revenue base, and ongoing investments position the company for sustainable long-term growth.

Third quarter

- Net sales decreased by -7.2 percent to SEK 547.5 (589.9) million, whereof 0.1 percent was underlying growth, and -7.3 percent was negative currency impact
- Subscription sales increased by 21.8 percent to SEK 86.7 (71.2) million, corresponding to 15.8 (12.1) percent of net sales
- EBIT amounted to SEK 79.6 (110.7) million, corresponding to an EBIT margin of 14.5 (18.8) percent
- Earnings per share after dilution amounted to SEK 0.74 (0.91)

January - September

- Net sales decreased by -2.0 percent to SEK 1,669.6 (1,703.2) million, whereof 2.7 percent was underlying growth, and -4.7 percent was negative currency impact
- Subscription sales increased by 30.9 percent to SEK 245.5 (187.6) million, corresponding to 14.7 (11.0) percent of net sales
- EBIT amounted to SEK 193.4 (326.5) million, corresponding to an EBIT margin of 11.6 (19.2) percent
- Earnings per share after dilution amounted to SEK 1.41 (2.92)

Significant events after the end of the quarter

- On October 23, Yubico announced preliminary numbers for order bookings, net sales and EBIT for Q3 2025 which are confirmed in this report

SEKm	Q3			Jan-Sep			LTM	Full-year
	2025	2024	Δ%	2025	2024	Δ%	24/25	2024
Net sales	547.5	589.9	-7.2	1,669.6	1,703.2	-2.0	2,292.6	2,326.2
whereof subscription sales, %	15.8	12.1		14.7	11.0		13.9	11.3
Gross profit	430.2	478.0	-10.0	1,313.4	1,373.8	-4.4	1,837.2	1,897.5
Gross margin, %	78.6	81.0		78.7	80.7		80.1	81.6
EBIT	79.6	110.7	-28.1	193.4	326.5	-40.8	304.3	437.5
EBIT margin, %	14.5	18.8		11.6	19.2		13.3	18.8
Net profit/loss	64.2	81.2	-20.9	124.4	258.6	-51.9	237.5	371.7
Earnings per share, before dilution	0.74	0.94	-21.2	1.44	3.00	-52.0	2.75	4.32
Earnings per share, after dilution	0.74	0.91	-19.4	1.41	2.92	-51.8	2.68	4.20
Net cash	835.7	676.1	23.6	835.7	676.1	23.6		771.9
Bookings	504.2	609.7	-17.3	1,649.9	1,861.2	-11.4	2,421.2	2,632.6
whereof subscription bookings, %	17.1	14.6		20.9	18.0		20.3	18.3
ARR	386.2	292.7	32.0	386.2	292.7	32.0		324.1

-7.2%

Growth in net sales

32.0%

Growth in ARR

14.5%

EBIT margin

Q3 2025: Delay in large orders while fundamentals remain strong

Challenging quarter with softer order bookings

Order bookings and net sales fell short of our expectations in Q3 2025. Order bookings decreased by -17 percent year over year to SEK 504 million, whereof -9 percent was the underlying change and -8 percent was negative currency impact. Net sales declined by -7 percent year over year to SEK 547 million, driven mainly by currency, with underlying growth flat year over year. EBIT amounted to SEK 80 million, or a 15 percent margin. Subscription sales grew 22 percent to SEK 87 million, representing 16 percent of net sales. The quarter was characterized by a high share of small and medium-sized orders and Yubico's ongoing expansion into new geographic markets, sales channels and customer segments has taken longer to materialize than expected, contributing to overall slower order development.

Balancing short-term development with long-term growth

During 2025, we focused on expanding into new geographic markets and sales channels to strengthen our foundation for long-term growth. This includes working to establish our third office, now in Singapore, and developing online and distribution partnerships. These initiatives are laying the groundwork for future growth, although their full impact will take time to be reflected in results. Several enterprise customers, particularly in regions facing budget constraints and the US public sector, have also prolonged purchasing processes, although overall activity levels remain high. We are intensifying our efforts to move these opportunities forward which often aims to protect the entire organization with YubiKeys. We remain confident in the long-term potential for phishing-resistant, hardware-based authentication as organizations across high-tech, financial services, and the public sector continue to strengthen their digital security.

Investing in innovation and next-generation security

Yubico continues to invest in innovation to strengthen its competitiveness and maintain its leadership in phishing-resistant authentication. Development of the next generation of YubiKey firmware is progressing according to plan. At the same time, Yubico is evolving its platform so that we can help our customers protect digital

identities, not just secure logins. The ongoing global transition to passkeys, is a standard that Yubico was part of creating and continues to drive the development of. Passkeys are modern authentication standards designed to be both easier to use and more secure than traditional passwords. By continuing this development and working alongside our partners, Yubico ensures its hardware remains central to how users securely access digital services. For customers, this means one trusted device supporting both multi-factor authentication and passwordless login experiences.

We invest in technologies that will define the next decade of secure access, including quantum-resilient authentication and advanced cryptographic capabilities to support secure transactions and regulatory needs in critical sectors. These initiatives strengthen Yubico's technology edge and ensure its solution remains aligned with long-term customer demand for scalable and compliant security.

From insights to impact

As part of Cyber Security Awareness Month, Yubico released its [2025 Global State of Authentication survey](#) in October. The survey found a disconnect between perceived and actual cybersecurity habits for organizations and consumers, especially regarding passwords and MFA. Concern about AI threats is rising, while trust in hardware authentication, like security keys and passkeys, is growing. To support this growth and Yubico's continued mission to make the internet safer for everyone, YubiKeys are now available for purchase in 350 Best Buy stores, one of the largest electronics retailers in the US. Best Buy first introduced YubiKeys to [BestBuy.com](#) in August of 2024. This new availability in brick-and-mortar stores makes security keys more accessible to customers. Yubico's partnership with Best Buy makes it easier for more people to access tools that help them stay safe online.

Outlook: Building for sustainable growth

Despite short-term uncertainty and cautious customer procurement, we remain confident in the long-term growth of phishing-resistant authentication, driven by rising cyber threats, global regulations, digital transformation, and growing identity security awareness. With a strong enterprise focus, effective sales organization, and ongoing innovation, we are well positioned to navigate near-term fluctuations while building sustainable, profitable growth. On August 14th the Board authorized a share buyback program, through which Yubico has repurchased approximately 654,000 shares so far, underscoring our belief in Yubico's long-term potential and focus on creating enduring shareholder value. The action demonstrates our confidence in Yubico's long-term potential and our focus on creating lasting value for shareholders. Our commitment to recurring revenue expansion, technology leadership, and operational excellence remains steadfast. On November 19, during our Investor Day, we will showcase Yubico's next steps to demonstrate how we continue to create value for all stakeholders.



Mattias Danielsson, CEO

Group development

Net sales

July-September

Net sales decreased by -7.2 percent to SEK 547.5 (589.9) million in the third quarter, whereof 0.1 percent was underlying growth, and -7.3 percent relates to negative currency impact. Subscription sales increased by 21.8 percent in the same period and amounted to SEK 86.7 (71.2) million representing 15.8 (12.1) percent of net sales. The increase in subscription sales continues to strengthen our recurring revenue base. The total net sales was impacted due to delayed closing of larger deals. Net sales remained dominated by the Americas, with 64.5 (66.8) percent of net sales originating in the region. EMEA represented 25.1 (24.4) percent of net sales, showcasing some recovery from a weaker H1, supported by new customer wins. We see particular growth in Benelux, Poland, and Spain. Overall economic activity has not yet fully recovered across all regions. APJ accounted for 10.4 (8.8) percent of net sales, we saw particular growth in India in the quarter.

January-September

Net sales decreased by -2.0 percent to SEK 1,669.6 (1,703.2) million, whereof of 2.7 percent was underlying growth, and -4.7 percent was negative currency impact. Subscription sales represented 14.7 (11.0) percent of net sales.

Gross profit

July-September

Gross profit decreased by -10.0 percent to SEK 430.2 (478.0) million, corresponding to a gross margin of 78.6 (81.0) percent. Lower net sales combined with currency exchange rate effects had a negative impact on the gross margin.

January-September

Gross profit decreased by -4.4 percent to SEK 1,313.4 (1,373.8) million, corresponding to a gross margin of 78.7 (80.7) percent.

EBIT

July-September

EBIT amounted to SEK 79.6 (110.7) million, corresponding to a 14.5 (18.8) EBIT margin. Total expenses for research and development amounted to 71.9 (83.6) million in the quarter. Selling and marketing expenses amounted to SEK 202.1 (198.0) million. Administrative expenses amounted to SEK 77.6 (74.9) million. Unrealized currency effects are affecting profit with the net amount SEK 0.3 (-9.3) million. These are reported as other income and expenses in the statement of profit or loss.

Cost growth in the quarter was mainly driven by higher personnel costs, reflecting the company's continued expansion, particularly in the sales organization. Headcount reached 536 (474) at the end of the third quarter, an increase of 13.1 percent from last year, primarily driven by additions in the sales organization. Personnel costs were partially offset by the depreciation of the USD resulting in a -4.1 percent decrease. Total recognized expenses for the LTIP programs amounted to SEK 29.5 (23.2) million as part of employee costs. Investments in marketing and other overhead contributed, supporting both short-term demand generation and the long-term growth strategy.

January-September

EBIT amounted to SEK 193.4 (326.5) million, corresponding to an EBIT margin of 11.6 (19.2) percent. The cost for the LTIP programs amounted to SEK 76.3 (37.8) million for the year.

Net profit/loss and earnings per share

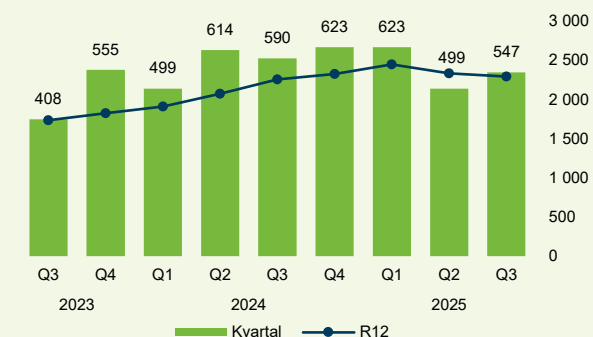
July-September

The net profit amounted to SEK 64.2 (81.2) million. Net financial items of SEK 2.7 (1.9) million was affected by unrealized currency effects of SEK -2.3 million related to USD cash balance in the parent company. The effective tax was 22.0 (27.9) percent. Earnings per share after dilution amounted to SEK 0.74 (0.91).

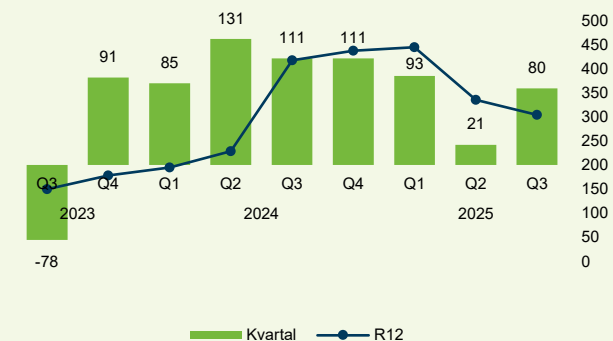
January-September

The net profit/loss amounted to SEK 124.4 (258.6) million. Earnings per share after dilution amounted to SEK 1.41 (2.92).

Net sales, quarterly and 12-month rolling, SEKm



EBIT, quarterly and 12 months rolling, SEKm



Group development *cont.*

Bookings

July-September

Bookings decreased by -17.3 percent to SEK 504.2 (609.7) million in the third quarter, whereof of -9.3 percent was underlying change, and -8.0 percent was negative currency impact. The year-over-year decline was primarily driven by fewer high-value perpetual bookings in the quarter. This is compared to the very strong Q3 2024, which included multiple large government and enterprise contracts. The decline in total bookings was most notable in the Americas, due to the absence of last year's large enterprise and public sector transactions, while EMEA and APJ showed modest growth.

Subscription bookings amounted to SEK 86.5 (89.3) million, a decline of -3.2 percent but now corresponding to a larger share of bookings at 17.1 (14.6) percent. Renewals represented SEK 42.8 million. Subscription bookings were driven by a higher volume of deals, primarily smaller transactions, alongside several mid-sized deals. While there was fewer large subscription deals compared to last year, the overall subscription activity reflects broadening adoption across sectors including high-tech financial services, and the public sector, demonstrating continued strategic momentum for recurring revenue offerings.

January-September

Bookings decreased by -11.4 percent to SEK 1,649.9 (1,861.2) million, whereof -5.2 percent was underlying growth and, -6.2 percent was negative currency impact. Subscription bookings amounted to SEK 345.6 (335.6) million, corresponding to 20.9 (18.0) percent of bookings. SEK 94.9 million were contract renewals.

Annual recurring revenue, ARR

July-September

ARR increased by 32.0 percent compared to last year and amounted to SEK 386.2 (292.7) million at the end of the period. From Q2 to Q3, ARR decreased by -2.1 percent to SEK 386.2 (394.4) million, whereof 0.1 percent was underlying growth, and -2.2 percent relates to negative currency impact.

Cash flow and financial position

July-September

Cash flow from operating activities during the quarter amounted to SEK 36.2 (67.6) million. Net change in working capital amounted to SEK -69.4 (-74.5). Inventory increased in absolute terms, with a cash flow impact of SEK -70.2 (-38.1) million. Inventory as a percentage of LTM sales increased to 33.1 percent, compared to 29.5 percent in Q2.

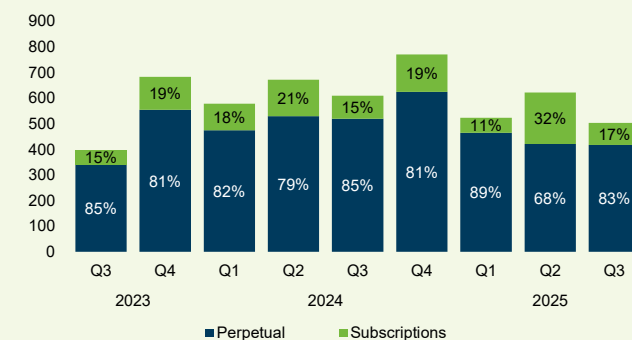
Cash flow from investing activities amounted to SEK -9.3 (1.1) million, including investments in machinery and equipment of SEK -1.4 million and capitalized development projects of SEK -6.3 million.

Cash flow from financing activities amounted to SEK -92.2 (-8.0) million, whereof SEK -88.3 relates to repurchase of own shares and SEK -3.9 million relates to amortization of lease liabilities. Total interest-bearing liabilities at the end of the period amounting to SEK 39.0 (51.5) million, of which total lease liabilities amounted to SEK 39.0 (22.2) million.

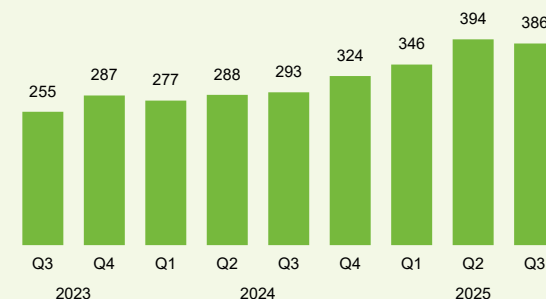
January-September

Cash flow from operating activities during the period amounted to SEK 203.6 (215.8) million. Changes in working capital for the period amounted to SEK 10.4 (-107.5) million. Cash flow from investing activities amounted to SEK -25.8 (-19.5) million. Cash flow from financing activities amounted to net SEK -102.0 (-22.5) million. Cash and cash equivalents at the end of the period amounted to SEK 874.7 (727.6) million. Net cash at the end of the period amounted to SEK 835.7 (676.1) million.

Bookings by quarter, SEKm



ARR, SEKm



Other information

Significant events during the quarter

No significant events in 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, including the principles of the Corporate Sustainability Reporting Directive (CSRD), and 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 536 (474).

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 July-September period amounted to SEK 260.0 (289.8) million. Profit/loss before tax was SEK 64.5 (96.4) million. Cash and cash equivalents at the end of the period amounted to SEK 763.6 (663.1) million. The number of employees in the Parent Company at the end of the quarter was 165 (139).

Ownership and shares

Yubico AB trades on Nasdaq Stockholm under the ticker YUBICO.

As of September 30, 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 quarter, 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, 633,917 PSUs were awarded to 452 senior executives, key personnel and other 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.

Investor Day

Yubico will hold an Investor Day on November 19, 2025, in Stockholm, with the possibility to participate in the event remotely. More information as well as the registration link can be found on: <https://investors.yubico.com/en/investors/investor-day-2025/>

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 Ehrensward, 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.

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, November 12, 2025

Patrik Tigerschiöld
Chairman

Ramanujam Shriram

Stina Ehrensvärd

Paul Madera

Jaya Baloo

Eola Änggård Runsten

Gösta Johannesson

Mattias Danielsson
CEO

Webcast/teleconference

Yubico will hold a webcast/conference call today, November 12, 2025, at 09:00 CEST. Mattias Danielsson, CEO of Yubico and Snejana Koleva, CFO of Yubico will present and answer questions.

To participate in the conference, click on the following link:
<https://yubico.events.inderes.com/q3-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=5004606>

Financial calendar

Investor Day: November 19, 2025
Year-end report January – December: February 12, 2026
Interim report January – March: May 13, 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

Mattias Danielsson
CEO
mattias@yubico.com

Snejana Koleva
CFO
snejana.koleva@yubico.com

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

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 November 12, 2025, at 7.00 am CEST.

Auditor's report

Translation of Swedish original

Yubico AB (publ) org nr 559278-6668

Introduction

We have reviewed the condensed interim financial information (interim report) of Yubico AB (publ) as of 30 September 2025 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, November 12, 2025

Öhrlings PricewaterhouseCoopers AB

Patrik Adolfsson
Authorized Public Accountant
Audit Partner

The above Auditor's report is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Financial statements

Condensed consolidated statement of profit or loss

SEKm	Note	Q3		Jan-Sep		LTM	Full-year
		2025	2024	2025	2024	24/25	2024
Net sales	2	547.5	589.9	1,669.6	1,703.2	2,292.6	2,326.2
Cost of sales	3	-117.3	-111.9	-356.2	-329.4	-455.5	-428.7
Gross profit		430.2	478.0	1,313.4	1,373.8	1,837.2	1,897.5
Research and development	3	-71.9	-83.6	-245.4	-240.6	-340.8	-336.1
Selling expenses	3	-202.1	-198.0	-612.5	-580.9	-867.6	-836.0
Administrative expenses	3	-77.6	-74.9	-277.3	-220.0	-350.8	-293.5
Other income and expenses		1.0	-10.8	15.1	-5.7	26.4	5.6
EBIT		79.6	110.7	193.4	326.5	304.3	437.5
Net financial items		2.7	1.9	-32.2	9.8	-17.4	24.6
Profit/loss before tax		82.3	112.6	161.2	336.4	286.9	462.1
Tax		-18.1	-31.4	-36.9	-77.8	-49.4	-90.4
Net Profit/loss		64.2	81.2	124.4	258.6	237.5	371.7
Earnings per share before dilution, SEK		0.74	0.94	1.44	3.00	2.75	4.32
Earnings per share after dilution, SEK		0.74	0.91	1.41	2.92	2.68	4.20
Average number of shares before dilution (mill)		86.4	86.1	86.3	86.1	86.3	86.1
Average number of shares after dilution (mill)		87.3	89.0	88.2	88.4	88.6	88.6

Condensed consolidated statement of comprehensive income

SEKm	Note	Q3		Jan-Sep		LTM	Full-year
		2025	2024	2025	2024	24/25	2024
Net Profit/loss		64.2	81.2	124.4	258.6	237.5	371.7
Other comprehensive income							
Items to be reclassified to profit/loss, after tax							
Translation differences at translating foreign entities		-2.3	-12.2	-30.7	3.1	-15.5	18.2
Tax relating to translation differences		-	-1.4	-	0.1	2.2	2.3
Total comprehensive income		61.8	67.6	93.7	261.7	224.3	392.2

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

	30 Sep		31 Dec
SEKm	2025	2024	2024
ASSETS			
Intangible assets	23.6	15.9	14.7
Property, plant and equipment	68.0	47.5	82.5
Financial assets	9.0	6.7	7.1
Deferred tax assets	96.1	70.7	85.1
Total non-current assets	196.7	140.7	189.4
Inventories	759.2	636.1	690.1
Accounts receivable	315.7	407.8	415.1
Other current assets	83.9	101.2	90.2
Cash and cash equivalents	874.7	727.6	824.1
Total current assets	2,033.5	1,872.7	2,019.6
TOTAL ASSETS	2,230.2	2,013.4	2,209.0
EQUITY AND LIABILITIES			
Equity	1,640.4	1,415.8	1,566.2
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	24.0	11.7	36.5
Other non-current liabilities	9.9	5.3	6.9
Deferred tax liabilities	8.2	5.8	6.6
Total non-current liabilities	42.1	22.9	50.0
CURRENT LIABILITIES			
Current interest-bearing liabilities	15.0	39.7	15.8
Accounts payable	71.4	57.0	45.2
Other current liabilities	461.3	478.0	531.8
Total current liabilities	547.7	574.8	592.7
TOTAL LIABILITIES	589.8	597.6	642.7
TOTAL EQUITY AND LIABILITIES	2,230.2	2,013.4	2,209.0

Financial statements *cont.*

Condensed consolidated statement of changes in equity

SEKm	30 Sep		31 Dec
	2025	2024	2024
Opening equity	1,566.2	1,122.8	1,122.8
Net Profit/loss	124.4	258.6	371.7
Translation differences	-30.7	3.1	20.5
Total comprehensive income	93.7	261.7	392.2
New share issue	2.2	-	-
Repurchase of own shares	-90.4	-	-
Transaction costs	-0.5	-	-
Value of share based compensation	69.2	31.4	51.2
Closing equity	1,640.4	1,415.8	1,566.2

Condensed consolidated statement of cash flows

SEKm	Q3		Jan-Sep		LTM	Full-year
	2025	2024	2025	2024	24/25	2024
Operating activities						
Profit/loss before tax	82.3	112.6	161.2	336.4	286.9	462.1
Adjustments for non-cash items, etc.	36.1	41.3	111.5	55.6	122.7	66.8
Income tax paid	-12.8	-11.8	-79.5	-68.6	-107.9	-97.0
Cash flow from operating activities before working capital changes	105.6	142.2	193.2	323.3	301.7	431.8
Change in inventory	-70.2	-38.1	-90.6	-134.8	-131.3	-175.6
Change in current receivables	4.1	-16.9	54.2	-190.3	65.8	-178.8
Change in current liabilities	-3.4	-19.5	46.7	217.6	95.5	266.4
Cash flow from operating activities	36.2	67.6	203.6	215.8	331.7	343.8
Cash flow from investing activities	-9.3	1.1	-25.8	-19.5	-66.3	-60.0
Cash flow from financing activities	-92.2	-8.0	-102.0	-22.5	-101.3	-21.8
Cash flow for the period	-65.3	60.7	75.8	173.8	164.0	262.0
Cash and cash equivalents at the beginning of the period	945.5	678.2	824.1	547.3	727.6	547.3
Exchange rate differences in cash and cash equivalents	-5.5	-11.5	-25.2	6.4	-16.9	14.7
Cash and cash equivalents at the end of the period	874.7	727.6	874.7	727.6	874.7	824.1

Financial statements *cont.*

Condensed Parent Company income statement

SEKm	Q3		Jan-Sep		LTM	Full-year
	2025	2024	2025	2024	24/25	2024
Net sales	260.0	289.8	786.0	881.1	1,088.2	1,183.4
Cost of sales	-56.6	-46.9	-251.3	-205.0	-339.0	-292.7
Gross profit	203.4	242.9	534.7	676.1	749.4	890.8
Research and development	-43.3	-44.8	-140.1	-134.3	-194.6	-188.8
Selling expenses	-55.4	-46.5	-145.3	-136.6	-213.4	-204.7
Administrative expenses	-43.9	-42.1	-147.6	-119.3	-190.6	-162.3
Other income and expenses	0.5	-10.9	13.6	-7.0	25.8	5.1
Operating profit/loss (EBIT)	61.4	98.6	115.4	278.8	176.6	340.0
Net financial items	3.1	-2.2	-30.0	19.5	-2.6	46.9
Profit/loss before tax	64.5	96.4	85.4	298.4	173.9	386.8
Tax on profit for the period	-13.3	-19.8	-18.1	-61.6	-30.9	-74.4
Net profit/loss for the period	51.2	76.6	67.4	236.8	143.0	312.4

Financial statements *cont.*

Condensed Parent Company balance sheet

SEKm	30 Sep		31 Dec
	2025	2024	2024
ASSETS			
Intangible assets	3.2	5.2	4.9
Property, plant and equipment	26.2	20.2	25.6
Participation in group companies	88.7	0.3	37.6
Receivables from group companies	-	133.2	-
Other Financial assets	6.1	4.3	4.8
Deferred tax asset	54.7	49.4	50.4
Total non-current assets	178.8	212.5	123.3
Inventories	630.1	520.9	541.6
Accounts receivable	90.1	86.8	76.1
Receivables from group companies	159.0	311.1	32.0
Other current assets	30.2	45.1	31.8
Cash and cash equivalents	763.6	663.1	746.9
Total current assets	1,673.0	1,626.9	1,428.5
TOTAL ASSETS	1,851.8	1,839.4	1,551.7
EQUITY AND LIABILITIES			
Restricted Equity	218.2	215.3	215.7
Non-restricted Equity	1,225.8	1,085.5	1,180.5
Total Equity	1,444.0	1,300.8	1,396.2
NON-CURRENT LIABILITIES			
Other non-current liabilities	8.2	4.4	5.8
Total non-current liabilities	8.2	4.4	5.8
CURRENT LIABILITIES			
Current liabilities to credit institutions	-	29.3	-
Accounts payable	66.5	45.2	35.4
Liabilities to group companies	278.1	352.1	3.9
Other current liabilities	55.0	107.6	110.5
Total current liabilities	399.6	534.2	149.8
TOTAL LIABILITIES	407.8	538.6	155.5
TOTAL EQUITY AND LIABILITIES	1,851.8	1,839.4	1,551.7

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

	Q3		Jan-Sep		LTM	Full-year
SEKm	2025	2024	2025	2024	24/25	2024
Americas	352.9	394.1	1,157.9	1,160.0	1,575.0	1,577.1
EMEA	137.6	143.7	376.6	415.2	551.6	590.3
Asia Pacific	57.0	52.1	135.1	128.0	166.0	158.9
Total	547.5	589.9	1,669.6	1,703.2	2,292.6	2,326.2

	Q3		Jan-Sep		LTM	Full-year
SEKm	2025	2024	2025	2024	24/25	2024
Perpetual	460.8	518.7	1,424.1	1,515.6	1,972.8	2,064.3
Subscription	86.7	71.2	245.5	187.6	319.8	261.9
Total	547.5	589.9	1,669.6	1,703.2	2,292.6	2,326.2

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

	Q3		Jan-Sep		LTM	Full-year
SEKm	2025	2024	2025	2024	24/25	2024
Cost of sales	27.6	25.8	85.3	73.3	113.7	101.7
Research and development	65.0	76.1	226.7	216.0	310.1	299.4
Selling expenses	138.8	146.0	446.9	426.3	622.1	601.5
Administrative expenses	51.0	46.4	186.0	132.1	232.9	179.0
Total	282.4	294.4	944.9	847.7	1,278.9	1,181.7

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	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Net sales	547.5	499.1	623.1	623.0	589.9	614.4	498.9	555.3	407.3
Net sales growth (%)	-7.2	-18.8	24.9	12.2	44.8	36.3	20.6	19.5	4.2
Net sales growth (adjusted for change in foreign currency) (%)	0.1	-11.4	22.4	11.2	49.0	34.7	20.6	18.0	1.6
Subscription sales	86.7	79.2	79.6	74.3	71.2	59.8	56.5	73.9	58.5
Subscription sales of net sales (%)	15.8	15.9	12.8	11.9	12.1	9.7	11.3	13.3	14.4
Gross profit	430.2	394.5	488.7	524.3	478.0	493.4	402.4	432.1	333.2
Adjusted operating profit (EBIT)	79.6	21.2	92.6	110.9	110.7	130.8	85.1	84.2	16.1
Operating profit (EBIT)	79.6	21.2	92.6	110.9	110.7	130.8	85.1	90.9	-77.7
Net profit/loss for the period	64.2	8.9	51.3	113.1	81.2	103.6	73.8	75.3	-70.7
Gross margin (%)	78.6	79.1	78.4	84.1	81.0	80.3	80.7	77.8	81.8
Adjusted EBIT margin (%)	14.5	4.2	14.9	17.8	18.8	21.3	17.0	15.2	4.0
EBIT margin (%)	14.5	4.2	14.9	17.8	18.8	21.3	17.0	16.4	-19.1
Net cash	835.7	902.6	805.5	771.9	676.1	618.5	510.8	473.3	496.9
Bookings	504.2	621.8	523.8	771.3	609.7	672.6	578.9	684.1	399.6
Bookings growth (%)	-17.3	-7.6	-9.5	12.8	52.6	65.5	65.4	83.5	19.4
Bookings growth (adjusted for change in foreign currency) (%)	-9.3	2.6	-10.7	11.5	58.5	62.8	65.9	83.2	19.8
Subscription bookings	86.5	200.8	58.3	146.0	89.3	142.2	104.1	129.2	57.9
Subscription share of bookings (%)	17.1	32.3	11.1	18.9	14.6	21.1	18.0	18.9	14.5
ARR	386.2	394.4	345.7	324.1	292.7	287.6	277.1	286.5	255.3

Alternative performance measures

Key figure	Definition	Purpose
Subscription sales	Net sales related to subscription.	Understand the magnitude of subscription revenue.
Subscription share of net sales	Subscription sales in relation to net sales.	Measure to analyze the magnitude of the subscriptions in relation to net sales
Net sales growth	Annual growth in net sales.	Used to measure the net sales growth in the company.
Net sales growth (adjusted for change in foreign currency)	Net sales growth adjusted for changes in foreign currency rates.	Used to measure comparable net sales growth excluding translation effects into foreign currency.
Gross margin	Gross profit as a percentage of net sales.	The measure is a complement to the gross profit, which only states the change in absolute figures (when different periods are compared). The gross margin is an indicator of the company's core profitability and helps assess the efficiency of the production and supply chain.
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	Q3		Jan-Sep		LTM	Full-year
	2025	2024	2025	2024	24/25	2024
Gross profit and gross margin						
Net sales	547.5	589.9	1,669.6	1,703.2	2,292.6	2,326.2
Cost of sales	-117.3	-111.9	-356.2	-329.4	-455.5	-428.7
Gross profit	430.2	478.0	1,313.4	1,373.8	1,837.2	1,897.5
Divided by Net sales	547.5	589.9	1,669.6	1,703.2	2,292.6	2,326.2
Gross margin	78.6%	81.0%	78.7%	80.7%	80.1%	81.6%
EBIT margin						
Operating profit (EBIT)	79.6	110.7	193.4	326.5	304.3	437.5
Divided by Net sales	547.5	589.9	1,669.6	1,703.2	2,292.6	2,326.2
EBIT margin	14.5%	18.8%	11.6%	19.2%	13.3%	18.8%
Net sales growth (adjusted for change in foreign currency)						
Total Net sales growth	-42.4		-33.6			
whereof change in foreign currency	-43.2		-78.1			
whereof growth adjusted for change in foreign currency	0.8		44.6			
Total Net sales growth	-7.2%		-2.0%			
whereof change in foreign currency	-7.3%		-4.7%			
whereof growth adjusted for change in foreign currency	0.1%		2.7%			

SEKm	30 Sep		31 Dec
	2025	2024	2024
Net cash			
Cash and bank	874.7	727.6	824.1
Non-current interest-bearing liabilities	-24.0	-11.7	-36.5
Current interest-bearing liabilities	-15.0	-39.7	-15.8
Net cash	835.7	676.1	771.9

Yubico at a glance

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

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

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

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

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

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

Three strategic focus areas to execute our vision



Expand

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



Simplify

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



Evolve

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

Vision

A safer internet for all

Mission

Protect the digital you



Sales channels

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

Two business models

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

Production and R&D

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

Financial 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 AB

—

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/>