

yubico

Making the internet safer for all

Q4 report, 2024



Today's presenters

yubico



Mattias Danielsson
Chief Executive
Officer



Camilla Öberg
Chief Financial
Officer

Yubico – A global authentication leader

4,500+

Business customers
+ millions of
consumers

30%

of Fortune 500
are customers

+35m

YubiKeys sold

470+

Employees

SEK 2.3bn

Net sales LTM
Q4 2024

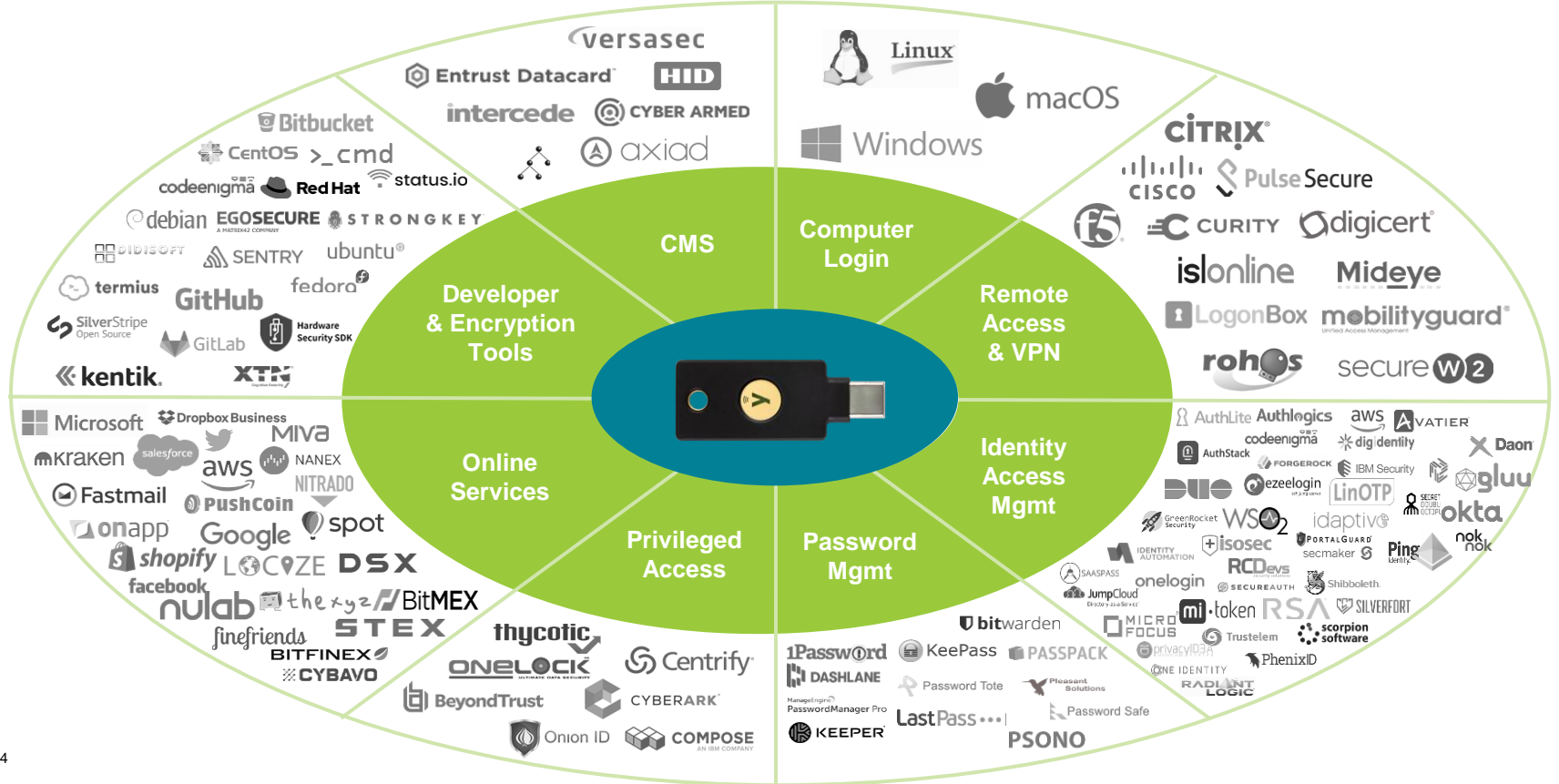
+82%

Gross margin
LTM Q4 2024

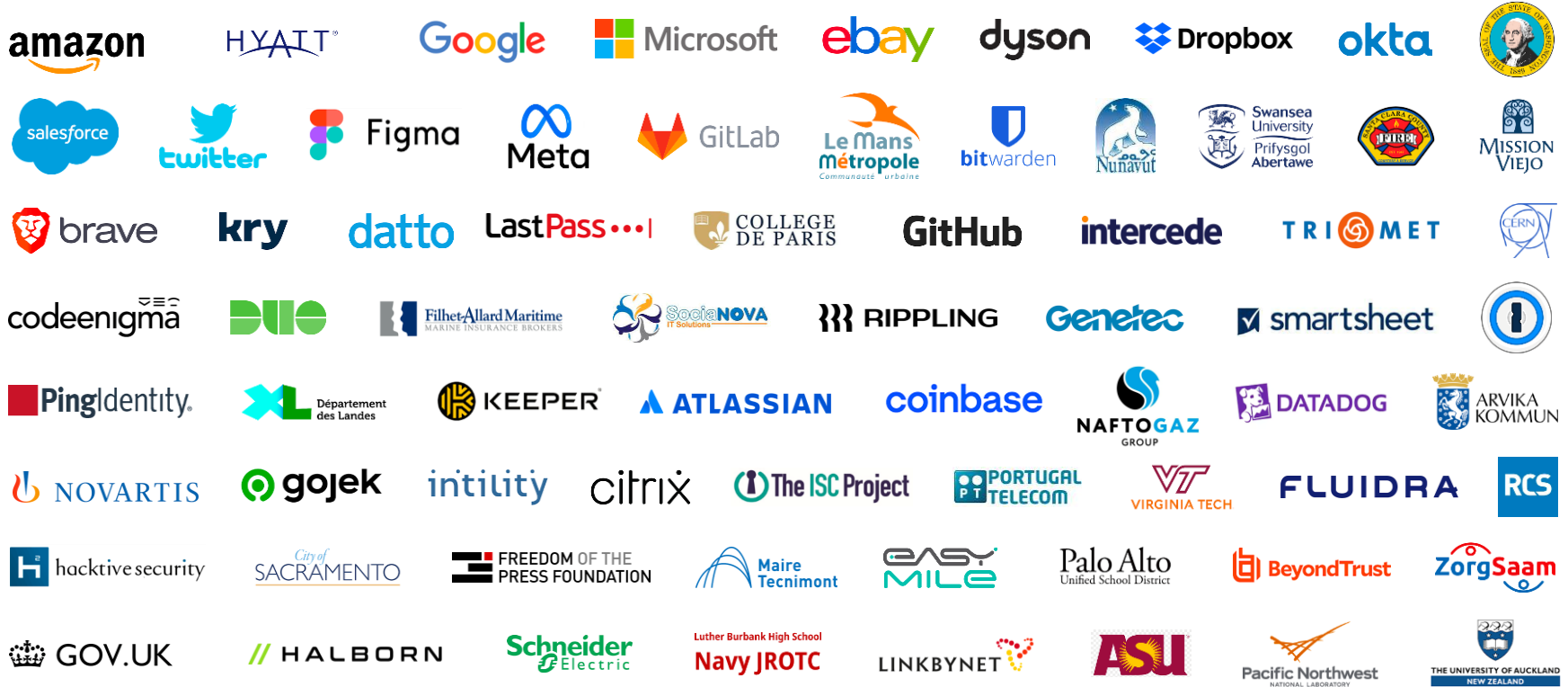
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account
takeovers

YubiKey works with 1 000+ applications

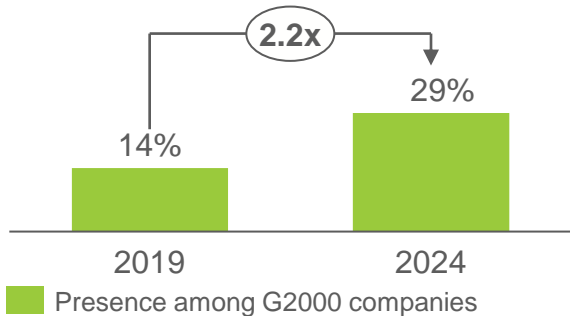


Trusted brands trust Yubico

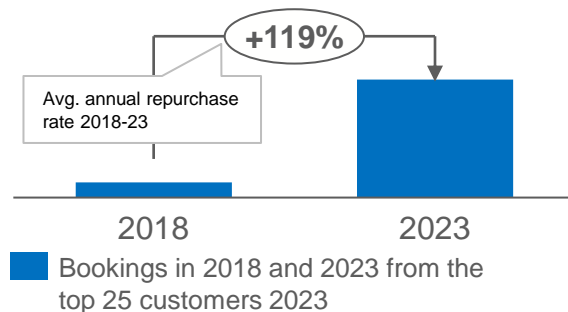


Scaling with existing customers

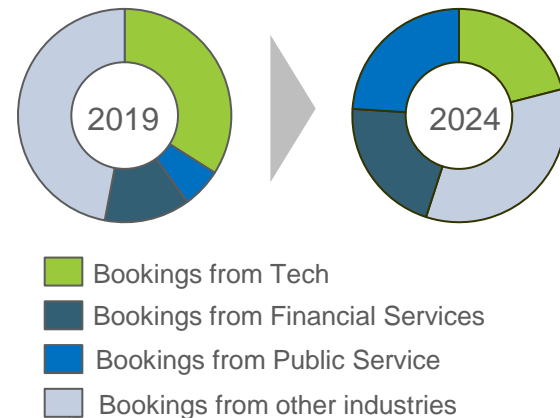
Continuously landing new key accounts...



...and expanding with current accounts



...while diversifying across verticals



...with a clear go-to-market strategy

1 Build accounts from a smaller group of influential privileged users

2 Expand from the initial footprint to other user groups and use-cases

3 Easy access of buying keys simplifies the decision process and deployment of additional keys

Financial services, manufacturing, telecom, media and entertainment, government, retail, transport, energy and other

Highlights from the quarter

Concluding a strong year:

- Despite tough comps, order bookings growth of 13% across a wide set of customers. Continued growth in high-tech companies, public sector and telecon industry

Listing change

- Transitioned to Nasdaq Stockholm on Dec 5th 2024 from First North Growth Market

Management update:

- Camilla Öberg, CFO, has decided to leave her role after four years. The search for her successor begins immediately and she will continue in her role until the new CFO takes office. For more information see press release from February 13th 2025

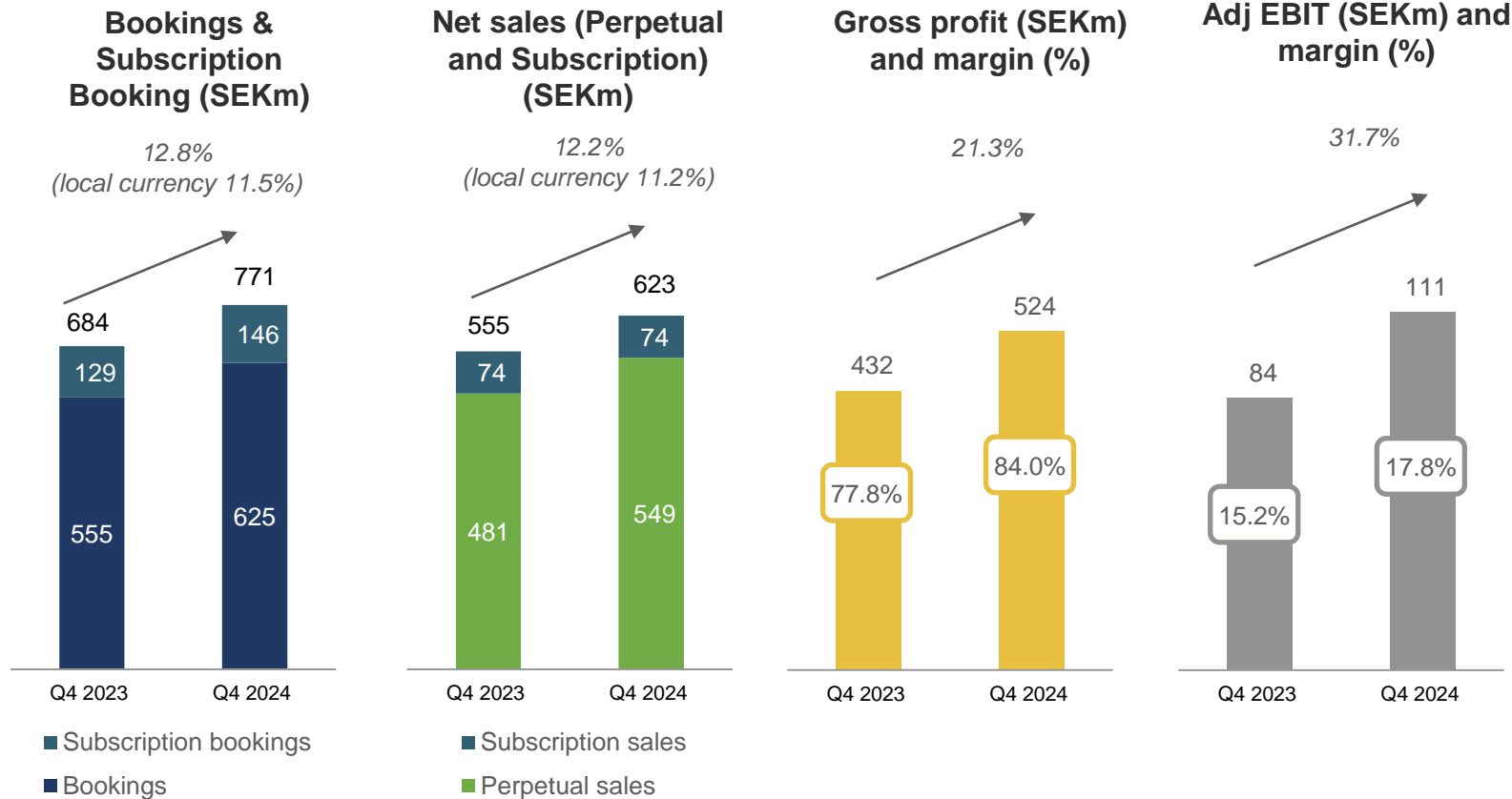
T-Mobile collaboration

- Our growth continues, highlighted by T-Mobile's deployment of 200,000 YubiKeys, eliminating passwords and legacy MFA.

Yubico's 2025 strategic focus:

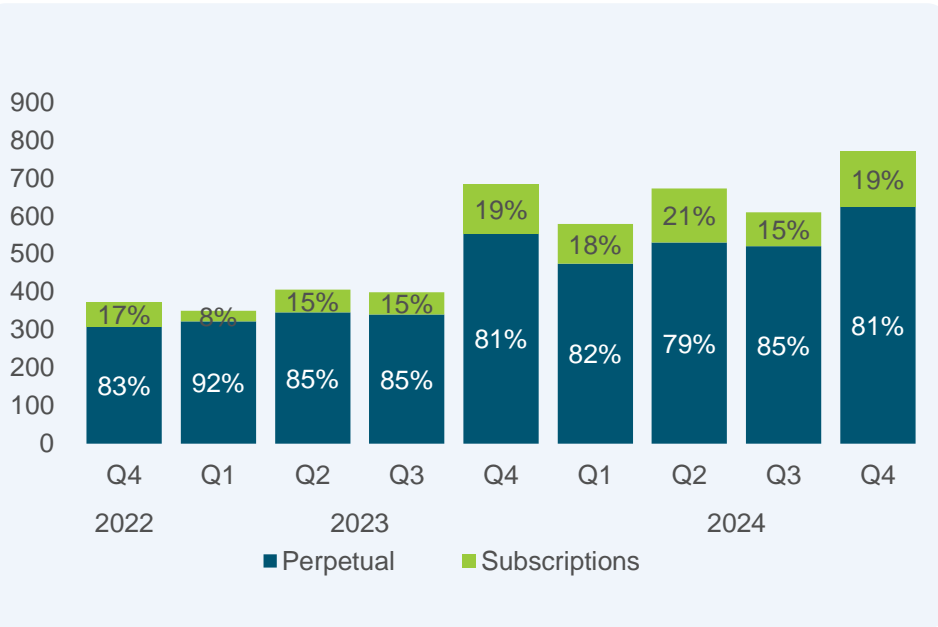
-With phishing-resistant authentication now the global standard, our next goal is to protect users throughout their digital lifecycle.

Q4 2024 – Quarterly summary



Bookings and subscription bookings

Bookings and subscription bookings (SEKm)

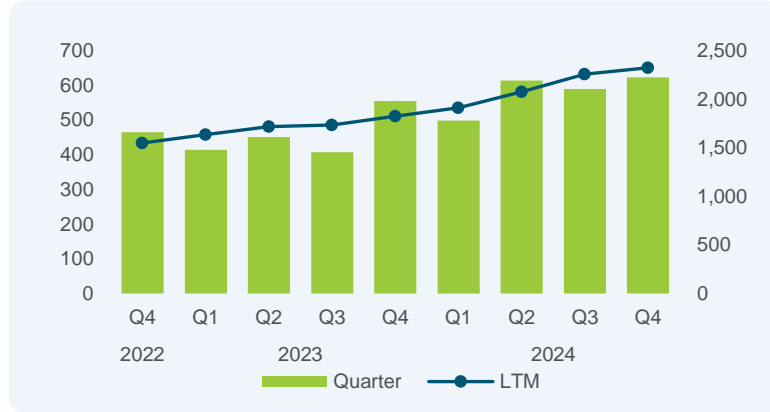


Comments

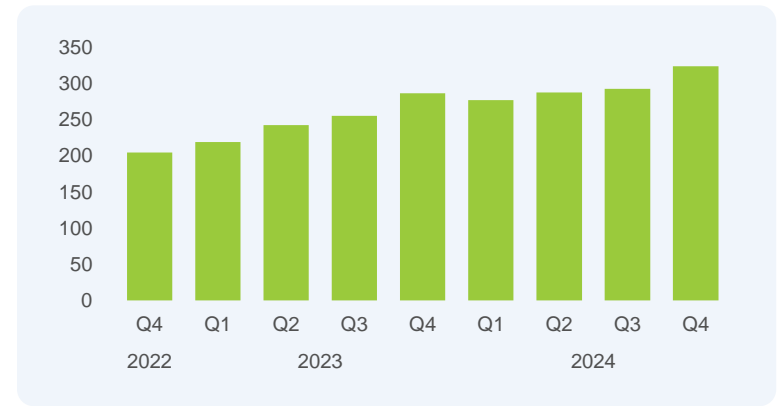
- Bookings growth of 12.8% in the quarter, to SEK 771.3 (684.1) million, growth of 11.5% in local currencies. Full year bookings grew by 43.1% to SEK 2,632.6 million (SEK 1,840.0 million)
- Perpetual and subscription bookings reaching a higher baseline in Q4 last year and sustaining that level through the year
- Growth was driven by a diverse customer base, with the largest orders from major tech companies, public sector and telecom industry.
- Subscription bookings amounted to SEK 146.0 (129.2) million, corresponding to 18.9% (18.9%) of bookings
- A large share of the subscription bookings, SEK 96.9 million, are contract renewals

Net sales and annual recurring revenue

Net sales, quarterly and 12-months rolling (SEKm)



ARR¹ (SEKm)



- Net sales increased 12.2% to SEK 623.0 (555.3) million, corresponding to an increase of 11.2% in local currencies. Full year net sales amounted to SEK 2,326.2 (1,827.3) million corresponding to an increase of 27.6%
- Subscription sales represented 11.4% (13.3%) of net sales
- Solid growth driven by high-tech & the public sectors. Americas is 67% (61%), EMEA 28% (28%) and Asia Pacific 5% (11%) of net sales

- ARR is trending positively during the quarter and increased 13.1% amounting to SEK 324.4 (286.5) million at the end of the period
- The increase in the quarter can be attributed to both new contracts as well as expanded usage of Yubikeys

Note: 1) 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

EBIT

Adjusted EBIT, quarterly and 12-months rolling (SEKm)



Comments

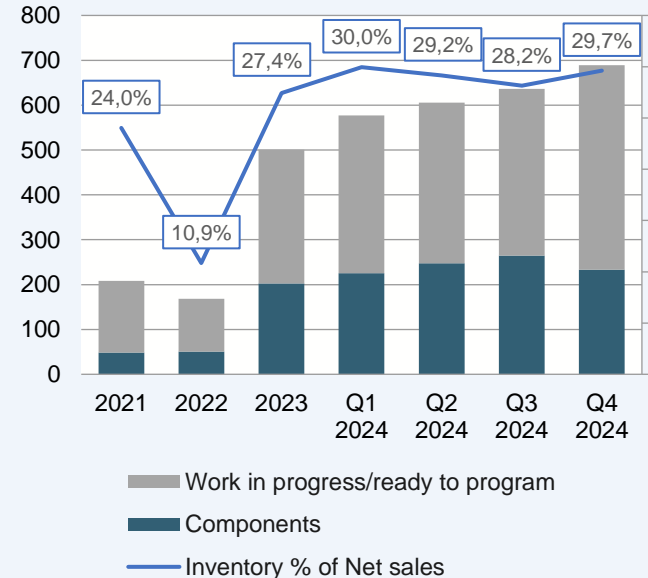
- Gross profit SEK 524.3 (432.1) million, corresponding to a strong gross margin of 84.1% (77.8), supported by favorable currency which affects inventory value
- Adj EBIT SEK 110.9 (84.2) million, corresponding to an EBIT margin of 17.8% (15.2). EBIT SEK 110.9 (90.9) million, corresponding to an EBIT margin of 17.8% (16.4)
- LTIP programs amounted to SEK 19.8 (0.5) million in the quarter
- Unrealized currency effects of SEK 12.6 (-14.2) million in the quarter

Cash flow and financial position

Comments

- During 2023 and Q1 2024, a strategic decision was made to increase inventory levels. By the end of the quarter, inventory reached 29.7 percent of LTM net sales
- Net change in working capital of SEK 19.4 (-98.8) million
- Operating cash flow SEK 128.0 (-1.2) million in Q4
- Cash and cash equivalents at the end of the period SEK 824.1 (547.3) million
- Net cash at the end of the period SEK 787.6 (473.3) million
- Interest bearing liabilities of SEK 36.5 (74.0) million, whereof leases of SEK 36.5 (42.2) million

Inventory and % of LTM net sales



Yubico mission evolved

From protecting the authentication to 'protecting the user'

VISION

A safer internet for all

MISSION

Protect the digital you



MISSION 2008 - 2024

**Make secure login easy
and available to everyone**



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 customer life cycle
- B2B2C and B2G2C - Build scalable enterprise-to-enterprise sell-through solution

2024 - a year of strong growth

Bookings (SEK)

2.6bn

43.1%

2023: 1.8bn

Net sales (SEK)

2.3bn

27.3%

2023: 1.8bn

Adj. Ebit (SEK) & Adj. Ebit margin

437m

64.3%

18.8%

2023: 266m
9.8%

Cash flow from operating activities (SEK)

344m

202%

2023: 114m

Q&A





Thanks