

yubico

Rethink Cybersecurity Secure the Future

Q4 25 presentation



Speakers



Jerrod Chong
Acting Chief Executive Officer
Yubico



Snejana Koleva
Chief Financial Officer
Yubico

Agenda

- Company overview
- Q4 25 Highlights
- Financial overview
- Concluding remarks
- Q&A



Yubico at a glance

Global scale, trusted by enterprises



540+
Employees

4,500+
Business customers
+ millions of consumers

SEK2.2bn
Net sales LTM Q4 2025

+78%
Gross margin LTM
Q4 2025

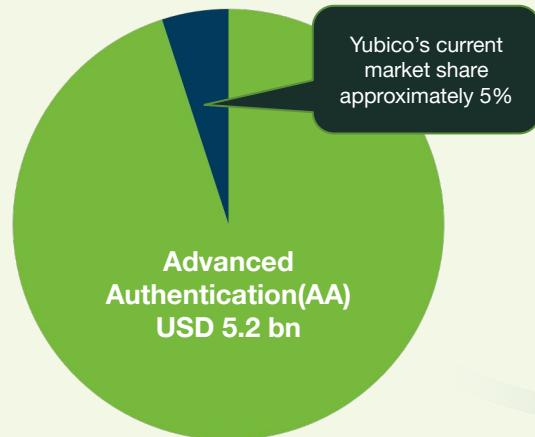
30%
Net sales CAGR between
2020-2025

36%
Growth in ARR in the
last 2 years

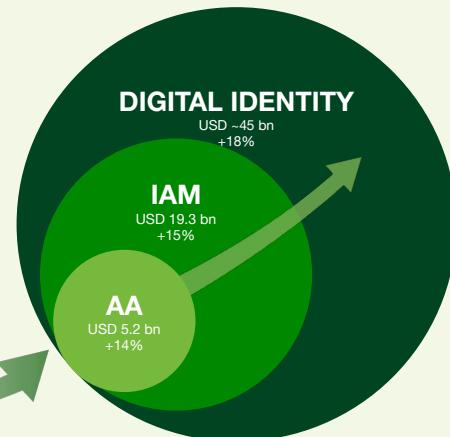
0
account takeovers

Yubico's opportunity is a TAM of USD 5.2 bn today with scope to expand

Current position in Advanced Authentication market



Expanding from Advanced Authentication into the broader Digital Identity market



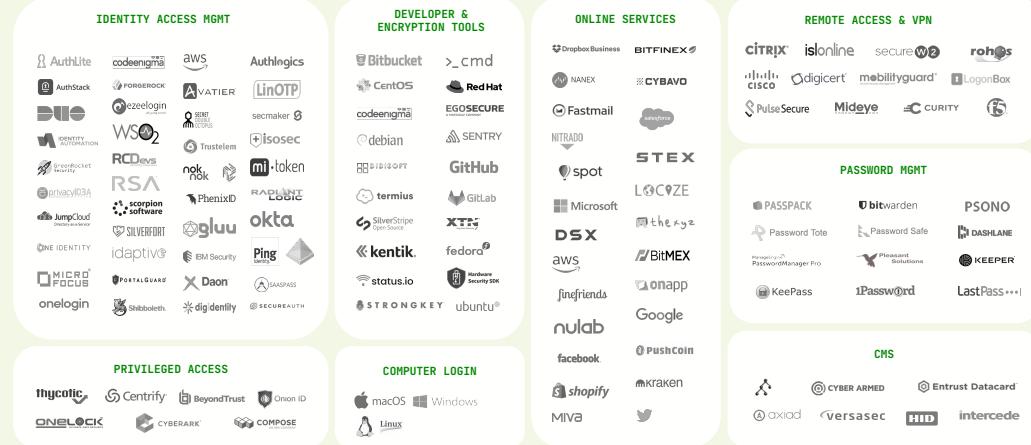
Advanced Authentication represents a focused high-assurance segment within the rapidly growing Digital Identity Market

The YubiKey combines highest level of security with a user-friendly experience

Strongest security



Integrated with **+1,000** applications

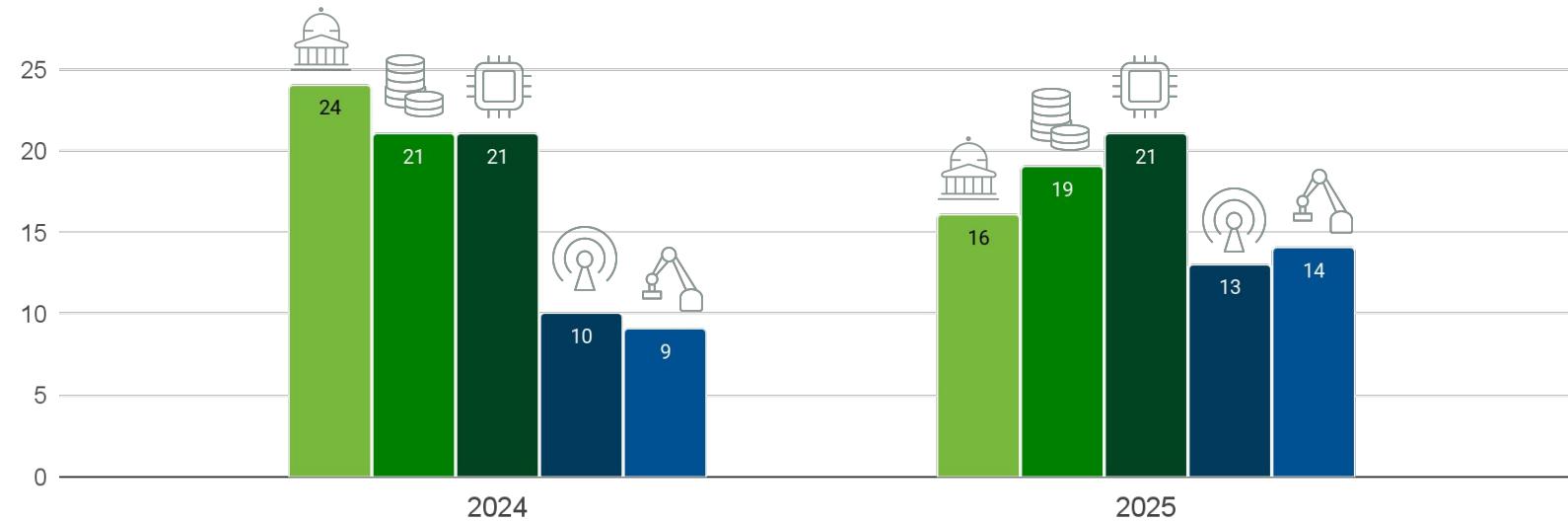


We continue to expand our reach into top industries

Share of Bookings per industry, Percent

% Total Bookings

Public Sector Financial Tech Media & Telecom Manufacturing



Trusted Brands Trust Yubico



Highlights from Q4 25



Record bookings in the quarter amid currency headwinds:

Largest bookings in a quarter in fixed currency in the history of Yubico, amounting to SEK 705m. However FX headwinds and late-quarter deal timing negatively impacted net sales, gross profit and EBIT.



Strong subscriptions and ARR growth:

Subscription momentum continued, with YubiKey as a Service representing 28% of total bookings. ARR increased 21% year-on-year to SEK 391m, reflecting a growing, more durable recurring revenue base across priority verticals.

Q4 example: 5-year subscription deal with global IT and systems integration provider in India and APJ.



Clear strategy and priorities for the next phase:

Investor Day hosted on November 19th outlined long-term strategy centered on security leadership, expanding subscription and digital identity services, strengthening go-to-market execution and simplifying the customer experience, with execution and profitability improvement in focus for 2026.

Product launches in Q4: YaaS introduces self service, authentication with PQC

New leadership priorities for 2026

Leadership transition with execution

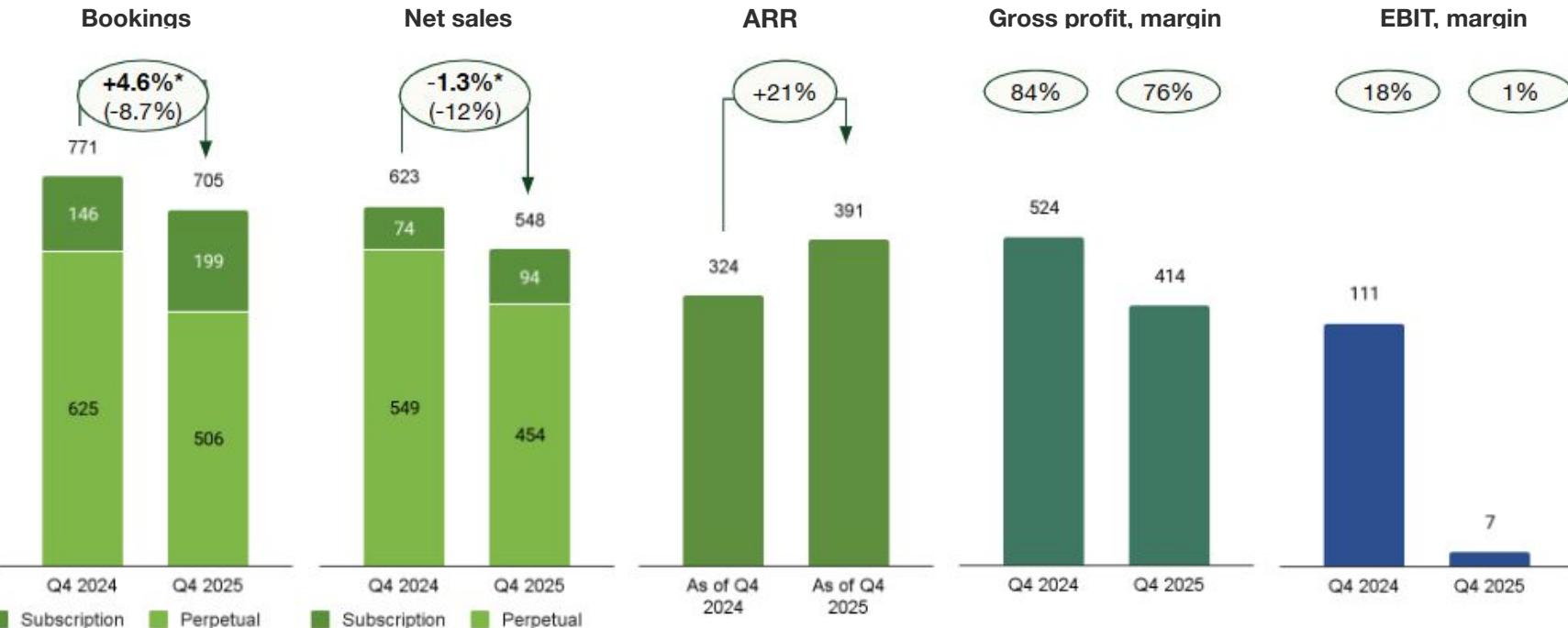
focus: Jerrod Chong appointed Acting CEO on December 18th, bringing over 12 years of experience at Yubico and continuity in strategy and execution.

- Product innovations with scale and quality
- Simplify how we engage with customers
- Know our customer journeys and amplify their voices
- Align execution with strategy
- Mission focus and keep our culture



Q4 2025 Key figures

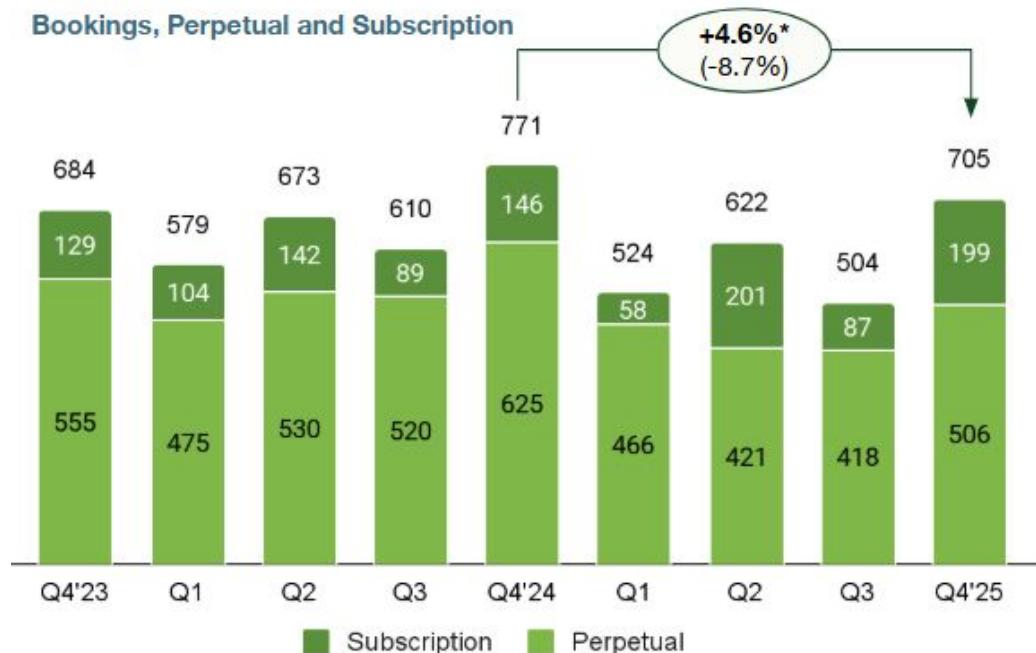
SEK Millions



Underlying bookings growth and increased share of subscriptions

SEK Millions

Bookings, Perpetual and Subscription



- In fixed currency, this is the largest booking in a quarter in Yubico's history
- Strong underlying activity, with broad-based demand across financial services, technology, retail and the public sector
- Americas were mostly impacted by the lower number of large orders, while EMEA and APJ delivered solid momentum
- Subscription bookings increased by 36.1% to SEK 198.7 (146.0)m, and correspond to a larger share of bookings at 28.2 (18.9)%. Renewals represented SEK 96.2m

* Excl. currency impact of -13.3%

Order bookings driven by small and mid size deals in the quarter

SEK Millions

Orders Bookings (Total Contract Value) by By Deal Size (in USD equivalent)



- Smaller and mid-size orders continue to grow
- The number and order size of large deals was considerably lower than exceptionally strong Q4 2024, which included several large government and enterprise contract in Americas

Net sales impacted by FX and timing, with strong growth in subscriptions



- Net sales was impacted by late booking orders in the quarter, with delivery occurring after quarter-end. Growing share of subscription contracts spread out revenue recognition
- Subscription sales increased by 26.6% and amounted to SEK 94.1 (74.3)m representing 17.2 (11.9)% of net sales. Increase in subscription sales continues to strengthen our recurring revenue base
- Americas continues to have the highest share at 62.8 (66.9)% of net sales. EMEA remained stable at 28.2 (28.1)%. APJ showed momentum and now represents 9.0 (5.0)% of net sales, driven by growth in India

* Excl. currency impact of -10.7%

Continued ARR growth driven by both new subscriptions and expansion

SEK Millions
Annual Recurring Revenue



- ARR growth driven by both adding new customers, as well as net retention rate above 100%
- From Q3 to Q4, ARR increased by 1.2% to SEK 391.1 (386.2)m, whereof 4.7% was underlying growth, and -3.5% relates to negative currency impact
- ARR growth in the quarter indicates continued growth in our subscription base going forward

EBIT impacted by higher costs and currency headwinds



- Gross profit decreased by -21.1% to SEK 413.9 (524.3)m, corresponding to a gross margin of 75.5 (84.1)% - driven by currency headwinds
- Given the current USD/SEK development, we expect the gross margin to be in the range of 75–80 percent for 2026
- 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 recognized expenses for the LTIP programs amounted to SEK 11.2 (21.4)m as part of employee costs

Cash flow of SEK 28m supported by reductions of Working capital

SEK Millions

	2024	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2025
Cash flow from operating activities before Working capital changes	432	109	45	42	106	16	209
Change in Working capital	-88	19	-1	81	-69	35	45
Cash flow from operating activities	344	128	44	123	36	51	254
Cash flow from investing activities	-60	-41	-4	-13	-9	-23	-48
Cash flow from Financing activities	-22	1	-6	-4	-92	0	-102
Cash flow for the period	262	88	35	107	-65	28	104
FX differences	15	8	-7	-13	-6	-8	-33
Cash at the end of the period	824	824	852	946	875	895	895

- Lower operating cash flow before Working capital changes due to lower profitability in the quarter
- Working capital changes due to Inventory reduction driven by careful planning of sourcing and manufacturing volumes, expected to continue during 2026
- Capex included investments in machinery and equipment SEK 13.9m and capitalized R&D SEK 6.6m
- Strong cash balance maintained, supporting continued growth in 2026

To achieve our goals we focus on five strategic areas

1

Advance the Secure Root of Trust

YubiKey & Production: Continue to strengthen Yubico's position as the world's most robust, cryptographically verifiable hardware-backed authentication devices.

2

Elevate YubiKey as a Service

YubiKey as a Service: Accelerate the ability for organizations to benefit from value-added, continuous security for users across all business scenarios, devices, platforms and locations.

3

Expand into Digital Identity Services

Digital Identity Platform: Built on Yubico's foundation, the platform protects user identities end-to-end, unlocks new use cases, to increase trust and privacy across the customer ecosystem.

4

Drive Go-to-Market Expansion

Go to market: Deepen footprint with existing customers, attract new customers and activate everyday users, across markets, by leveraging partner and alliances ecosystem.

5

Simplify Customer Experience

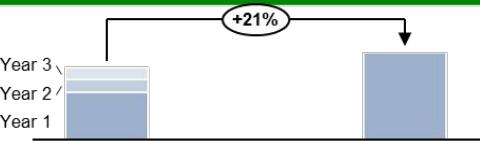
Frictionless engagement: Remove friction at every step, from how customers learn about, buy and deploy Yubico solutions at speed and scale, to empower strong customer voices.

Q&A

Appendix

YaaS vs Perpetual Model Financial Impact

Business models and pricing models: comparison of same scope at list prices

SEK Millions	Perpetual	YaaS	Difference
Order booking - Same scope, typically 25% replacements in Y2 and Y3			ca +20% higher TCV in YaaS
Net sales - recognized at delivery for Perpetual, linear for YaaS			ca +20% higher Revenue over 3 years in YaaS, but lower in Y1
Direct COGS - same for both models if same scope, expensed at time of delivery			Same direct COGS in both models, lower as % of Revenue in YaaS
Direct Gross profit			Higher in YaaS

yubico

The Key to Trust