

# yubico

## Making the internet safer for all



Q4 year-end report, 2023

# Today's presenters

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yubico



**Mattias Danielsson**  
Chief Executive  
Officer



**Camilla Öberg**  
Chief Financial  
Officer

# Yubico – A global authentication leader

**400+**  
Employees

**4,500+**  
Business customers  
+ millions of  
consumers

**30%**  
of Fortune 500  
are customers

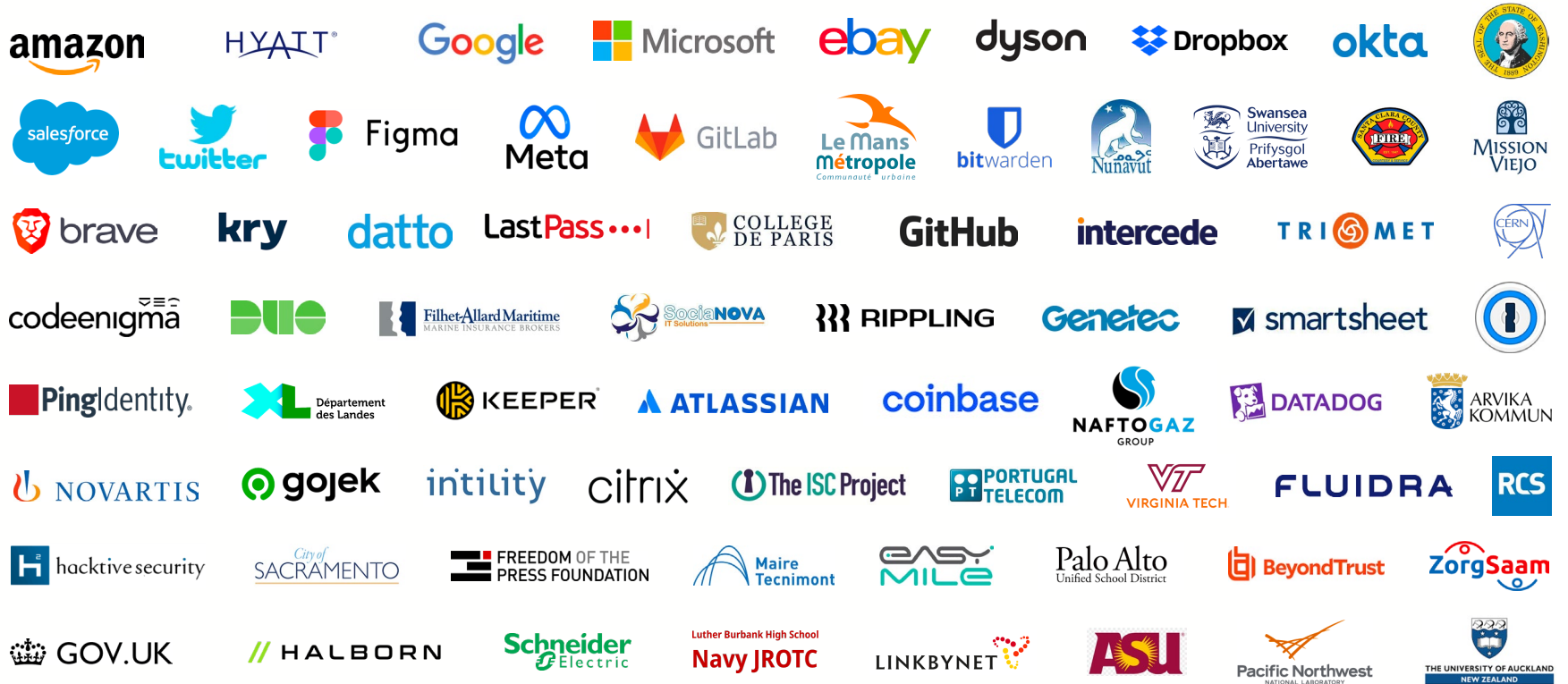
**+28m**  
YubiKeys sold

**SEK 1.8bn**  
Net sales LTM  
Q4 2023

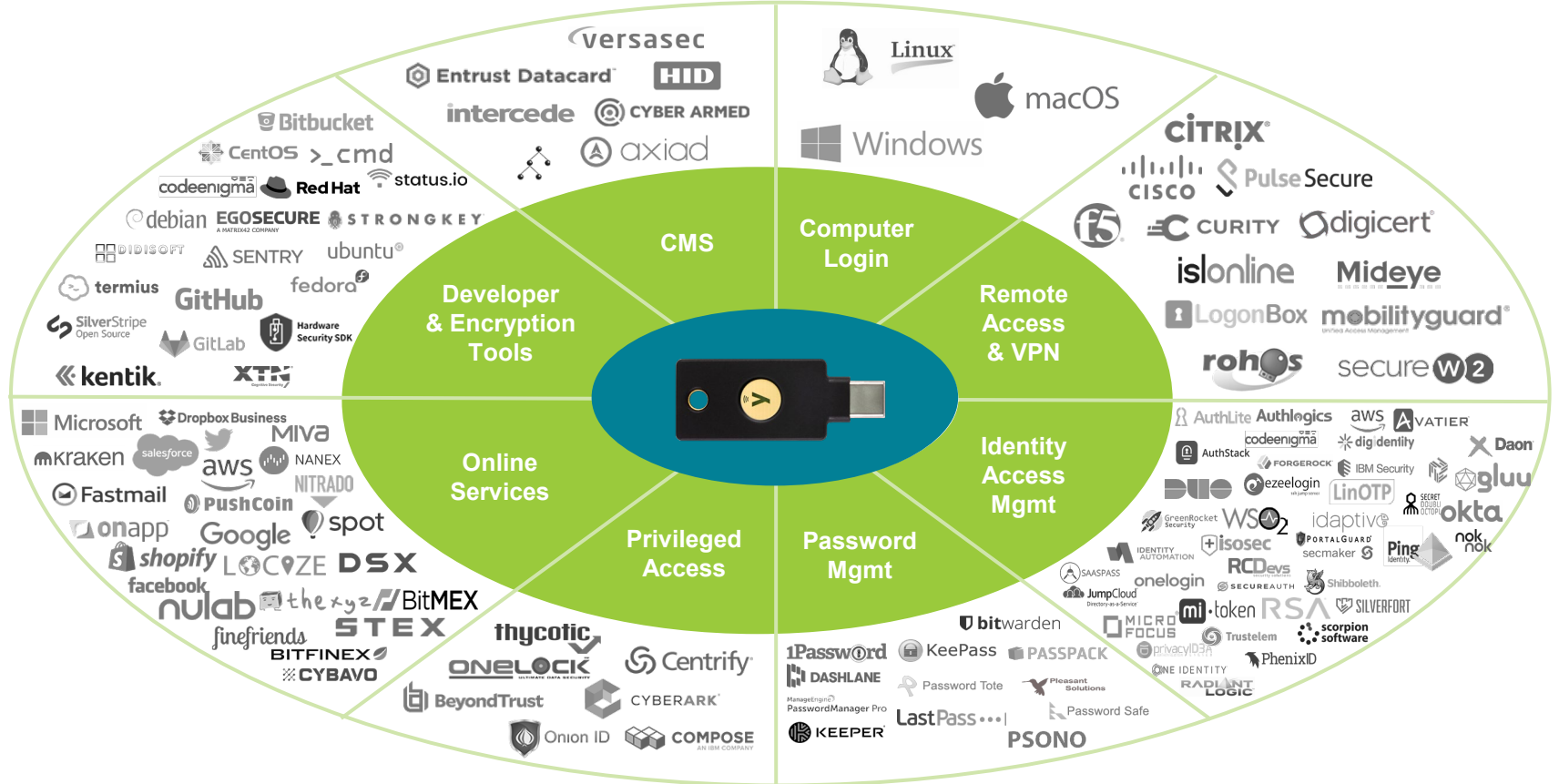
**+86%**  
Gross margin  
LTM Q4 2023

**0**  
account  
takeovers

# Trusted brands trust Yubico



# YubiKey works with 800+ applications



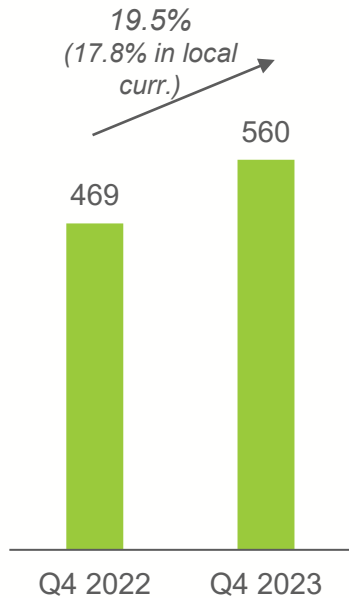
# A year of change

- Updates to management:
  - February 2023, Yubico's co-founder Stina Ehrensvärd stepped down and Mattias Danielsson was appointed new CEO
  - June 2023, Ram Shriram, Yubico's longtime chairman was succeeded by Patrik Tigerschiöld
- Yubico went public through a merger with the spac ACQ Bure:
  - Listed on Nasdaq First North Growth market 20 Sept 2023  
Ticker YUBICO
- Well known, long-term shareholders:
  - Bure, AMF, Yubico's founders, Andreessen Horowitz
- New board appointed:
  - A combination of former Yubico and former ACQ Bure boards

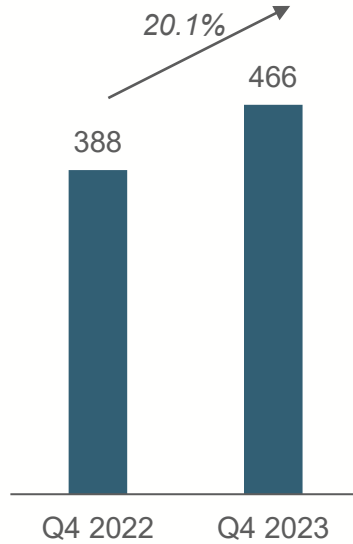


# Q4 2023 – Quarterly summary

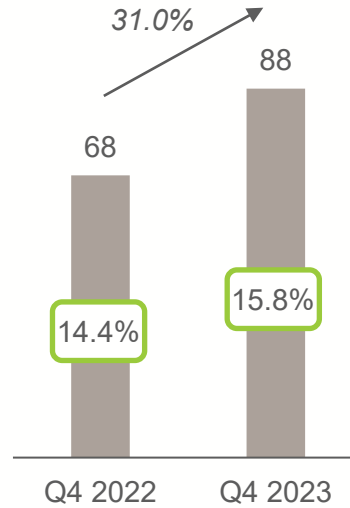
## Net sales (SEKm)



## Gross profit (SEKm)



## Adj EBIT (SEKm) and margin (%)

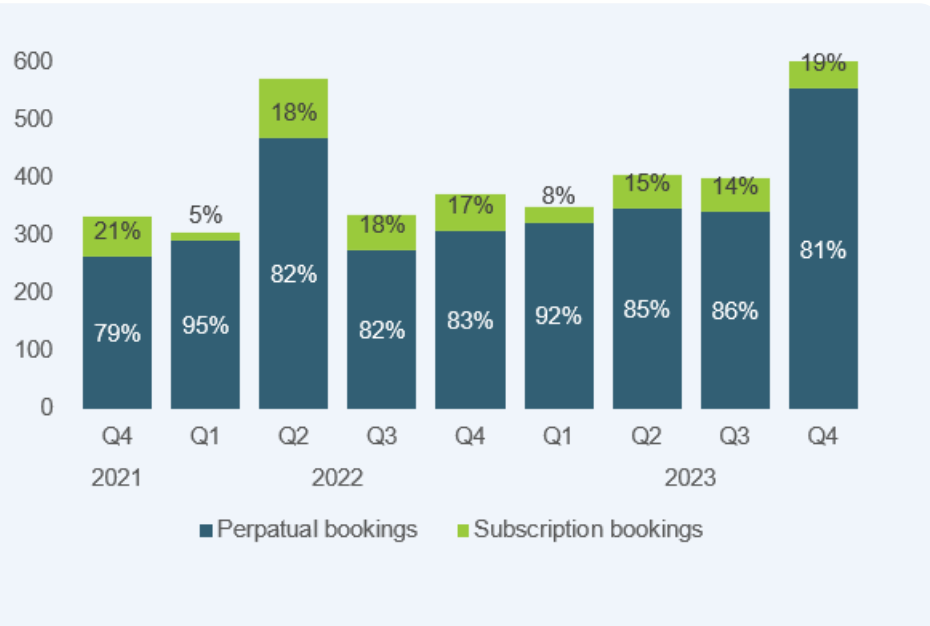


- **Subscription share of net sales**  
Q 14.0 (11.5)% YTD 13.8 (9.0)%
- **Gross margin**  
Q 83.2 (82.8)% YTD 85.6 (84.3)%
- **ARR<sup>1</sup>**  
SEK 286.5 (204.7) million, growth of 40%
- **Items affecting comparability**  
SEK +6.7 million relating to the merger of ACQ and Yubico



# Bookings and subscription bookings

## Bookings and subscription bookings (SEKm)



## Comments

- Bookings growth of 83.4% in the quarter, to SEK 684.1 (372.9) million, growth of 83.2% in local currencies
- Full year growth of 16.1%, to SEK 1,840.0 million
- Q4 strong growth in multiple industries and geographies, especially American high tech and financial services companies and a spread of Canadian and European customers
- Subscription bookings amounted to SEK 129.2 (64.1) million, corresponding to 18.9% (17.2) of bookings. High share of renewal contracts



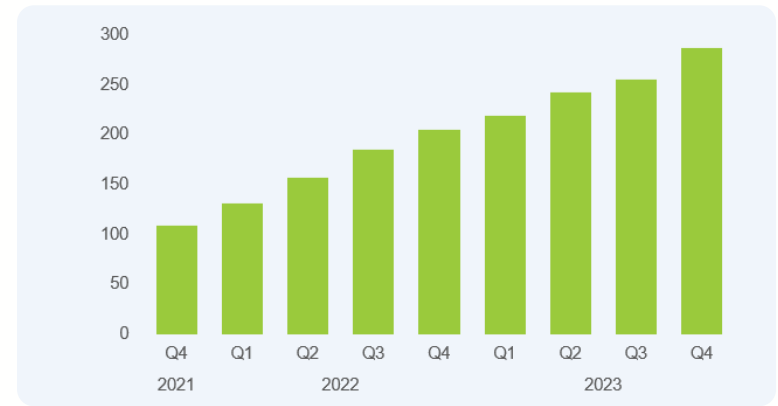
# Net sales and annual recurring revenue

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



- Net sales increased 19.5% to SEK 559.9 (468.5) million, corresponding to an increase of 17.8% in local currencies
- Subscription sales represented 14.0% (11.5) of net sales
- High growth in EMEA and APJ while Americas shows lower growth due to last year's exceptionally larger order

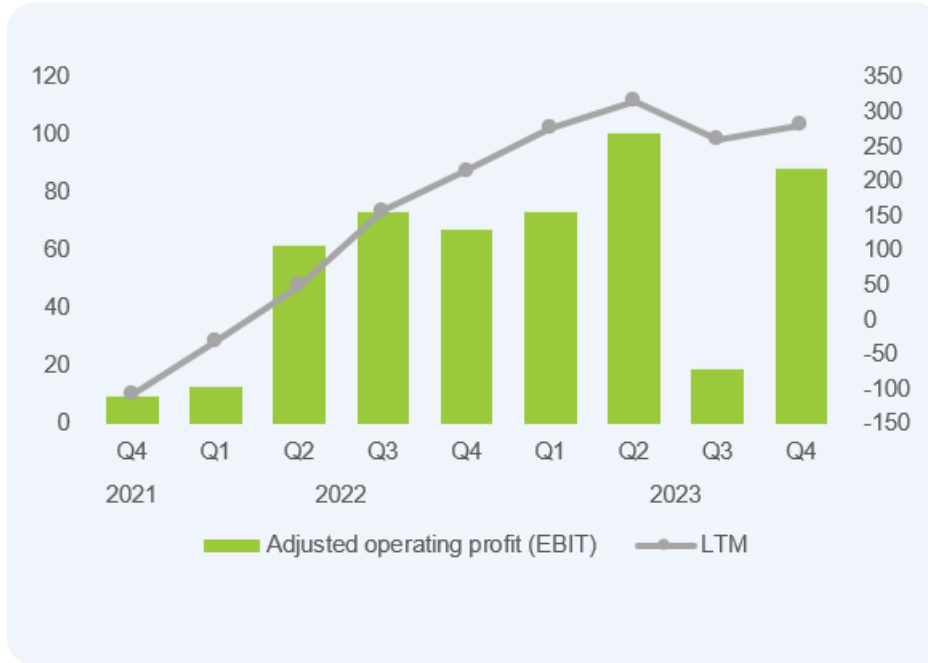
## ARR<sup>1</sup> (SEKm)



- ARR increased 40.0% and amounted to SEK 268.5 (204.7) million at the end of the period
- Yubico added SEK 31.2 million of net new ARR in the quarter and SEK 81.8 million from December 31, 2022

# EBIT

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



## Comments

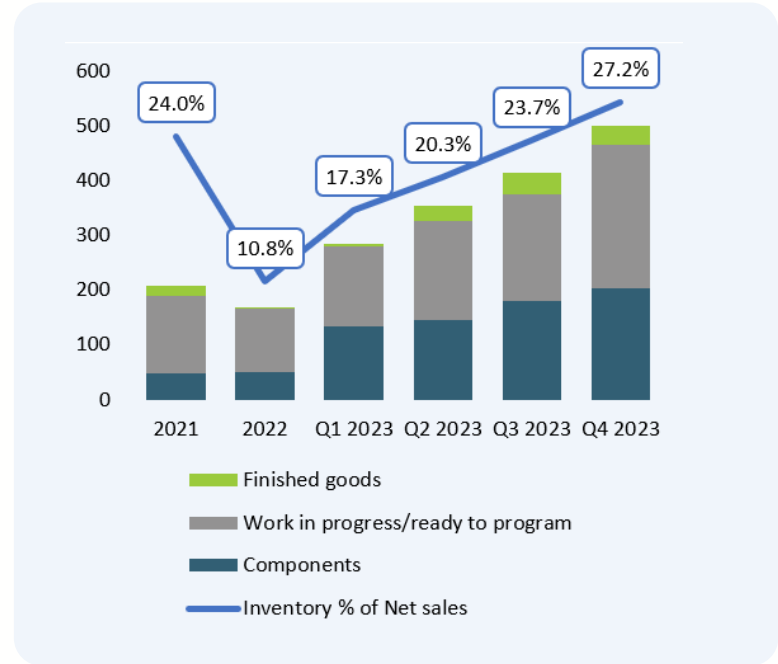
- Adjusted EBIT SEK 88.3 (67.5) million, corresponding to an adjusted EBIT margin of 15.8% (14.4)
- Gross margin 83.2% (82.8). Full year margin stable, 85.6% (84.3)
- Higher commission costs due to strong bookings and Q4 effects in commission terms
- Unrealized currency effects of SEK -14.3m (-23.0) million
- Items affecting comparability amounting to SEK +6.7 million relating to the merger, accumulated effect SEK -87.2 million

# Cash flow and financial position

## Comments

- Operating cash flow SEK -17.7 (40.9) million in Q4
- Continued build-up of inventory amounting to SEK 93.4 million in Q4
- Net change in working capital of SEK -99.9 million
- Full year operating cash flow SEK 97.6 (32.7) million
- Full year net change in working capital of SEK -151.3 million, whereof inventory increase represents SEK 335.7 million
- Cash and cash equivalents at the end of the period SEK 547.3 (283.5) million
- Net cash at the end of the period SEK 508.3 (231.5) million

## Inventory and % of net sales

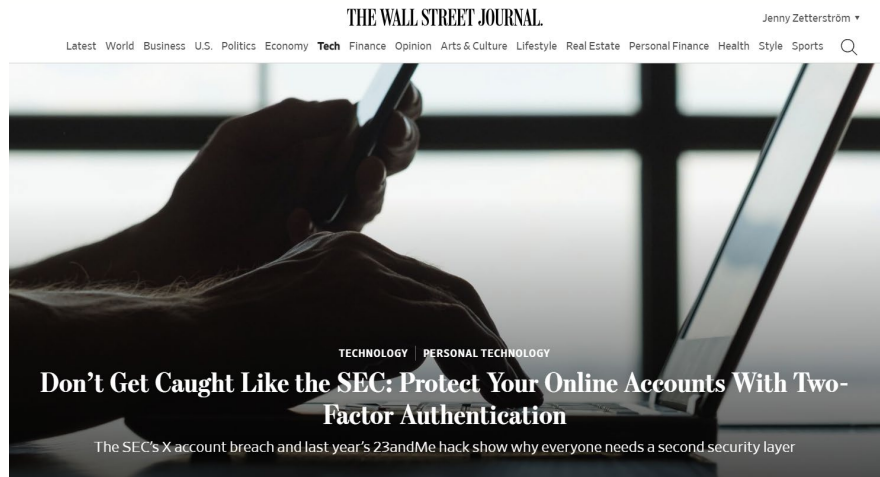


# Yubico in the news

5 Jan. 2024



11 Jan. 2024



The most secure type of two-factor is [the physical security key](#), such as Yubico's [\\$55 YubiKey 5C NFC](#). When you log into a protected account, you tap it against your phone or insert it into your phone or laptop's USB port.

# Positioned for continued growth

- Cyber security has never been more important – and Yubico is recognized as the market leader in a rapidly growing segment
- Our business continues to perform well
- Broad customer base and healthy sales pipeline
- Working with American and EU regulators to set up policies promoting cybersecurity
- Joining forces with tech partners to facilitate adoption



# Q&A





**Thanks**