

yubico

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interim report

January – June 2023



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Quarter

- Net sales increased by 23.2 percent to SEK 454.6 (369.1) million, corresponding to an increase of 16.2 percent in local currencies.
- Subscription sales accounted for 13.7 (8.9) percent of net sales.
- Gross profit amounted to SEK 390.6 (312.7) million, corresponding to a gross margin of 85.9 (84.7) percent.
- EBIT amounted to SEK 100.8 (61.7) million, corresponding to an EBIT margin of 22.2 (16.7) percent.
- Bookings decreased by 29.0 percent to SEK 406.4 (572.1) million, corresponding to a decrease of 34.9 percent in local currencies, as a result of unusually high bookings last year.
- Subscription bookings accounted for 14.8 (17.9) percent of bookings.
- ARR (annual recurring revenue) amounted to SEK 242.8 (156.2) million, an increase of 55.4 percent.

Year to date

- Net sales increased by 24.9 percent to SEK 873.6 (699.3) million, corresponding to an increase of 16.5 percent in local currencies.
- Subscription sales accounted for 13.1 (7.4) percent of net sales.
- Gross profit amounted to SEK 752.4 (590.8) million, corresponding to a gross margin of 86.1 (84.5) percent.
- EBIT amounted to SEK 174.2 (74.3) million, corresponding to an EBIT margin of 19.9 (10.6) percent.
- Bookings decreased by 13.7 percent to SEK 756.2 (876.7) million, corresponding to a decrease of 21.0 percent in local currencies, relating to unusually high bookings in the second quarter last year.
- Subscription bookings accounted for 11.5 (13.3) percent of bookings.

MSEK	Q2			Jan-Jun			Full-year	
	2023	2022	Δ%	2023	2022	Δ%	LTM	2022
Net sales	454.6	369.1	23.2	873.6	699.3	24.9	1,735.3	1,561.0
whereof subscription sales, %	13.7	8.9		13.1	7.4		11.8	9.0
Gross profit	390.6	312.7	24.9	752.4	590.8	27.3	1,477.9	1,316.3
Gross margin, %	85.9	84.7		86.1	84.5		85.2	84.3
EBITDA	103.8	64.3	61.4	180.2	79.6	126.5	327.1	226.5
EBITDA margin, %	22.8	17.4		20.6	11.4		18.8	14.5
EBIT	100.8	61.7	63.4	174.2	74.3	134.6	315.2	215.3
EBIT margin, %	22.2	16.7		19.9	10.6		18.2	13.8
Net result	77.9	58.9	32.3	132.2	74.9	76.6	312.8	255.5
Net cash	370.5	201.9	83.5	370.5	201.9	83.5		231.5
Bookings	406.4	572.1	-29.0	756.2	876.7	-13.7	1,463.8	1,584.2
whereof subscription bookings, %	14.8	17.9		11.5	13.3		14.5	15.3
ARR	242.8	156.2	55.4	242.8	156.2	55.4		204.7

Q2

Interim report Jan-Jun 2023

Q2

Interim report Jan-Jun 2023

Q2 marks another strong quarter for Yubico. Our business is developing well, and fully in line with our earlier guidance in May. Net sales in Q2 2023 increased by 23 percent year-over-year to SEK 455 million, corresponding to an increase of 16 percent in local currencies. Gross margin remained at a healthy 86 percent level, and EBIT improved considerably compared to last year, amounting to SEK 101 million compared to SEK 62 million in Q2 2022. This corresponds to an EBIT margin of 22 percent.

As communicated earlier, bookings in Q2 2022 were unusually high, due to a very large order from one customer. Q2 2023 did not include any extraordinary orders, which explains why orders were lower than last year. Normally, the second half of the year is the strongest in terms of bookings.

Yubico added SEK 24 million in net new Annual Recurring Revenue (ARR) during Q2 2023. Total Annual Recurring Revenue stood at SEK 243 million at the end of Q2 2023.

During H1 2023, Yubico grew its inventory by SEK 185 million. This is part of a strategy to reduce lead times and secure sufficient stock levels of critical components which was initiated in late 2022. We expect this build-up to be completed during 2023.

Geographic and Customer Development

Orders in Q2 2023 came from a balanced set of customers, with all geographic regions meeting their targets. Growth in a wide range of industry verticals illustrates that Yubico has been able to grow far beyond its initial success among US High Tech customers. Two industry verticals that stood out in Q2 2023 were telecom and system integrators. The strong

growth in these sectors meant that new customers represented a larger share of sales than what has typically been the case, even though sales to already existing customers still accounted for the majority of order bookings. The system integrator sales wins are particularly interesting, as the top SIs have large employee base and can enable future access points to their customer base and large cybersecurity opportunities.

"Gross margin remained at a healthy 86 percent level, and EBIT improved considerably compared to last year"

Expanding the Market for Phishing Resistant Authentication

Yubico is working across industries and with different government agencies to promote better cybersecurity through establishing industry standards for modern and phishing resistant authentication. A recent example was Yubico's participation in the White House symposium on modernizing authentication in support of Executive Order 14028, held in Washington DC in July 2023. Another example is Yubico's involvement in the European Digital Identity Wallet supported by the European Commission. Projects like these are important to accelerate the YubiKey market and enable easy to use, high security and high privacy logins for millions of users across the US and EU.

The Yubico engineering team is developing several new products and services that will further simplify and

accelerate adoption for major enterprises. One example is a new pre-registration service that will be launched later in the fall.

Listing on Nasdaq First North

We are very much looking forward to taking the next step in Yubico's development with the listing on Nasdaq First North Growth Market on 20th of September. Going public further adds to our credibility as we partner with world leading enterprises and government agencies to help stop the single largest cybersecurity threat; phishing and account takeover.



Mattias Danielsson, CEO

At a glance

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Yubico is a global cybersecurity company that since 2016 has grown net sales by a compounded annual growth rate (“CAGR”) of 50 percent. Through its core product and invention, the YubiKey, Yubico solves the number one cybersecurity issue – use of stolen credentials. These cause 9 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, endusers and sensitive information from cyberattacks.

YubiKeys have historically only been sold against a one-time payment, also known as on perpetual basis, which gives the customer ownership of the product throughout its lifetime. Since 2020, Yubico also offers a subscription-based model, 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 located in both countries. The company is expected to be listed on Nasdaq First North Growth Market in Stockholm in September 2023.

YUBICO’s OPPORTUNITIES, STRENGTHS AND COMPETITIVE ADVANTAGES



High market growth
Underlying global trends including increased number of cyberattacks, digital transformation, and larger investments in cybersecurity drive demand for Yubico’s solutions



Unique, proven technology
Yubico’s solutions are the gold standard for modern phishing-resistant multi-factor authentication and are used by thousands of businesses and millions of consumers in 160+ countries around the world



Attractive growth potential
High potential to continue expanding with both current and new customers through:

- New use cases
- New industry verticals
- Customers’ customers and third-party suppliers



Solid organization setup
Yubico has an experienced global management team with deep industry knowledge. Several of the management members have been with the company for over a decade

1.7 bn

Net sales (SEK)
last twelve months

407

employees
per end of last quarter

VISION

Making the internet safer with strong authentication for all

85%

Gross margin
last twelve months

160+

markets
Global presence

VALUE PROPOSITION

Stop phishing attacks and account takeovers in the easiest possible way

Q2

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Net sales, quarterly and 12-month rolling, SEK million



Net sales

April-June

Net sales increased 23.2 percent to SEK 454.6 (369.1) million, corresponding to an increase of 16.2 percent in local currencies and subscription sales represented 13.7 percent (8.9) of net sales.

74.9 percent (77.1) of net sales originated in Americas, 19.1 percent (19.1) in EMEA, and 6.0 percent (3.8) in Asia Pacific. All geographies are developing well, though Asia Pacific doubled net sales in Q2 compared to last year as a result of increased sales capacity and activities during last year. The reduction in Americas share of net sales is related to last year's extraordinary large order, which was also partly delivered in the second quarter.

EBIT, quarterly and 12 months rolling, SEK million



January-June

Net sales increased 24.9 percent to SEK 873.6 (699.3) million, corresponding to an increase of 16.5 percent in local currencies and subscription sales represented 13.1 percent (7.4) of net sales.

66.1 percent (72.1) of net sales originated in Americas, 26.3 percent (22.1) in EMEA and 7.6 percent (5.8) in Asia Pacific.

Gross profit

April-June

Gross profit increased 24.9 percent to SEK 390.6 (312.7) million, corresponding to a gross margin of 85.9 percent (84.7). The increase in gross profit for the period relates to the net sales growth supported by a strong gross margin.

January-June

Gross profit increased 27.3 percent to SEK 752.4 (590.8) million, corresponding to a gross margin of 86.1 percent (84.5).

EBIT

April-June

EBIT amounted to SEK 100.8 (61.7) million, corresponding to an EBIT-margin of 22.2 percent (16.7). The increased profitability represents the effects of scaling the business, with a lower increase in operating costs. The major part of Other operating income and Other operating expenses consists of unrealized currency effects, and are affecting profit with the net amount SEK +13.1 (+26.4) million.

January-June

EBIT amounted to SEK 174.2 (74.3) million, corresponding to an EBIT-margin of 19.9 percent (10.6).

Net result

April-June

The net result amounted to SEK 77.9 (58.9) million. The effective tax for the quarter was 22.1 percent (3.7). Due to the merger the parent company is in a tax position and cannot utilize the tax losses carried-forward for a period of five years.

January-June

The net result amounted to SEK 132.2 (74.9) million.

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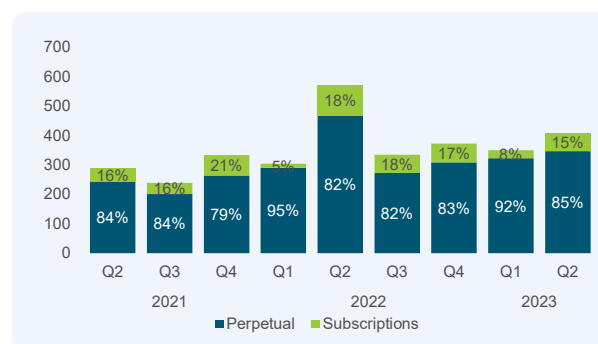
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Bookings by quarter, SEK million



Bookings

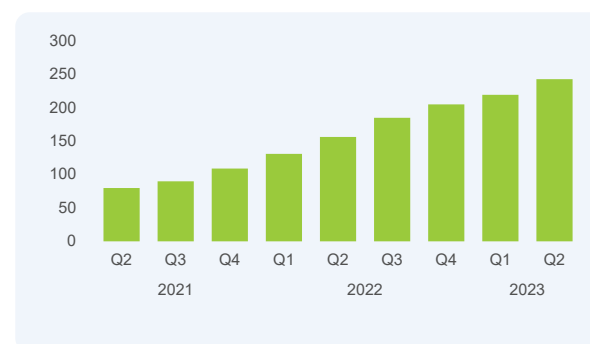
April-June

Bookings decreased 29.0 percent in the quarter, to SEK 406.4 (572.1) million, corresponding to a decrease of 34.9 percent in local currencies. Subscription bookings amounted to SEK 60.0 (102.3) million, corresponding to 14.8 percent (17.9) of bookings. Bookings in 2022 included an unusually large order from one customer, amounting to 39 percent of that quarter's bookings, while Q2 2023 did not include any extraordinary orders.

January-June

Bookings decreased 13.7 percent for the period, to SEK 756.2 (876.7) million, corresponding to a decrease of 21.0 percent in local currencies. Subscription bookings amounted to SEK 87.0 (116.3) million, corresponding to 11.5 percent (13.3) of bookings.

ARR, SEK million



Annual recurring revenue, ARR

ARR increased 55.4 percent and amounted to SEK 242.8 (156.2) million at the end of the period. Yubico added SEK 23.5 million of net new ARR in the quarter and SEK 38.2 million from December 31, 2022.

Cash flow and financial position

April-June

Cash flow from operating activities during the quarter amounted to SEK -27.1 (50.9) million, primarily due to a negative effect from working capital. Continued buildup of inventory to reduce the risk for shortage and delays in customer shipments together with net sales growth affecting working capital negatively with SEK 123.7 million. Cash flow from investing activities amounted to SEK -2.8 (-8.0) million. Cash flow from financing activities amounted to net SEK -2.0 (-0.5) million.

January-June

Cash flow from operating activities during the period amounted to SEK 135.0 (1.7) million. Change in working capital for the period amounted to SEK -45.7 million, where inventory increase of SEK 180.9 million was partly compensated by positive effects from customer receivables in the beginning of the year. Cash flow from investing activities amounted to SEK -5.5 (-10.6) million. Cash flow from financing activities amounted to net SEK -3.1 (-2.6) million.

Cash and cash equivalents at the end of the period amounted to SEK 416.0 (260.4) million.

Net cash at the end of the period amounted to SEK 370.5 (201.9) million. Net cash consists of Cash and bank of SEK 416.0 (260.4) million less liabilities to credit institutions totaling SEK 45.5 (58.5) million.

Q2

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Significant events in and after the second quarter of 2023

- On April 19, 2023, it was announced that Yubico AB is merging with ACQ Bure and that the merged company intends to go public on Sweden's Nasdaq First North Growth Market during Q3 2023.
- The EGM on June 20, 2023, approved the merger.
- No significant events occurred after the quarter.

Sustainability

Yubico'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. 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 2022, available at www.yubico.com.

Financial targets

The company has adopted the following financial targets in the long-term (within 5 years):

- Growth: Annual growth in bookings of 25 percent on average.
- Profitability: 20 percent EBIT margin
- Dividend policy: For the foreseeable future, the Company will primarily use generated cash flows for investing in continued growth.

Guidance for 2023

- Booking growth for full year 2023 may come somewhat short of the long-term financial target.
- EBIT-margin for 2023 is expected to be 5-15 percent, depending on development of subscription sales.

Employees

The number of employees in the Yubico group at the end of the period was 407 (360).

Related party transactions

There were no transactions with related parties during the period.

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 2022. There have not been any changes in the risk and uncertainty factors for the group and the parent company since the publication of the last annual report.

Parent company

The Parent company's net sales for the January-June period of 2023 amounted to SEK 481.9 (235.0) million. Profit before tax was SEK 168.2 (88.2) million. Cash and cash equivalents at period end amounted to SEK 361.0 (182.1) million. The number of employees in the Parent Company at the end of the quarter was 115 (99).

Shares

As of June 30, 2023, the number of issued shares was 15,806,649. All shares were ordinary shares.

The Board of Directors and CEO give their assurance that the interim report provides a fair review 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, August 11, 2023

Patrik Tigerschiöld
Chairman

Ramanujam Shriram

Stina Ehrensvärd

Gösta Johannesson

Martin Casado

Paul Madera

Mattias Danielsson
CEO

Webcast/teleconference

ACQ and Yubico will hold a webcast/conference call today, August 11, 2023, at 10:00 CEST. Henrik Blomquist, CEO of ACQ, Mattias Danielsson, CEO of Yubico, Camilla Öberg, CFO of Yubico and Stina Ehrensvärd, Chief Evangelist and co-founder of Yubico, will present and answer questions.

To participate in the conference, click on the following link <https://ir.financialhearings.com/acq-yubico-q2-2023>. Via the webcast, you can ask written questions. If you wish to ask questions verbally, please register on the following link: <https://conference.financialhearings.com/teleconference/?id=5007411>.

Financial calendar

Interim report January-September 2023 - November 10, 2023

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The information in this interim report has been reviewed by the company's auditors.

Q2

Interim report Jan-Jun 2023



Translation from the Swedish original

Auditor's report on review of financial information report (interim report)

To the Board of Directors of Yubico AB

Corp. id. 556720-8755

Introduction

We have reviewed the attached financial information report (interim report) of Yubico AB as of 30 June 2023 and the six-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this financial information report (interim report) in accordance with the Annual Accounts Act. Our responsibility is to express a conclusion on this financial information report (interim report) based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information 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 and other generally accepted auditing practices and consequently does 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 attached financial information report (interim report) is not prepared, in all material respects, in accordance with the Annual Accounts Act.

Stockholm 11 August 2023

KPMG AB

Fredrik Sjölander

Authorized Public Accountant

Q2

Interim report Jan-Jun 2023

Financial statements

Condensed consolidated statement of profit or loss

MSEK	Note	Q2		Jan-Jun		LTM	Full-year
		2023	2022	2023	2022	22/23	2022
Net sales	2	454.6	369.1	873.6	699.3	1,735.3	1,561.0
Other operating income		19.9	28.8	25.2	42.7	53.7	71.2
Operating income		474.5	397.8	898.8	742.0	1,788.9	1,632.1
Goods for resale		-64.0	-56.4	-121.2	-108.5	-257.4	-244.7
Other external costs		-71.3	-65.0	-138.8	-124.6	-289.7	-275.5
Employee benefit expenses		-228.7	-209.7	-447.3	-410.9	-871.2	-834.8
Depreciation, amortization and impairment of property, plant and equipment and intangible assets		-3.1	-2.7	-6.0	-5.3	-11.9	-11.2
Other operating expenses		-6.7	-2.4	-11.3	-18.5	-43.6	-50.7
Operating profit/loss (EBIT)		100.8	61.7	174.2	74.3	315.2	215.3
Net financial items		-0.8	-0.5	-1.5	4.9	-1.3	5.1
Profit/loss before tax		100.0	61.2	172.7	79.1	313.9	220.4
Tax on profit for the year	3	-22.1	-2.3	-40.5	-4.3	-1.1	35.1
Net profit/loss for the period		77.9	58.9	132.2	74.9	312.8	255.5

Q2

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Condensed consolidated statement of financial position

MSEK	Note	30 Jun		31 Dec
		2023	2022	2022
ASSETS				
Intangible fixed assets		8.7	12.0	10.2
Tangible fixed assets		33.7	28.5	32.3
Financial fixed assets	3	59.5	8.7	59.3
Total non-current assets		102.0	49.3	101.8
Inventories		352.8	199.6	168.3
Accounts receivable		287.3	214.8	418.4
Other current assets		125.3	86.3	149.9
Cash and bank		416.0	260.4	283.5
Total current assets		1,181.5	761.1	1,020.1
TOTAL ASSETS		1,283.5	810.5	1,121.9
EQUITY AND LIABILITIES				
Equity		887.1	535.4	732.6
Provisions		4.0	3.3	3.8
Non-current liabilities to credit institutions		32.5	45.5	39.0
Current liabilities to credit institutions		13.0	13.0	13.0
Accounts payable		64.4	43.8	85.7
Other current liabilities		282.4	169.4	247.7
Total liabilities		396.4	275.0	389.3
TOTAL EQUITY AND LIABILITIES		1,283.5	810.5	1,121.9

Condensed consolidated statement of changes in equity

MSEK	30 Jun		31 Dec
	2023	2022	2022
Opening equity	732.6	435.7	435.7
Net profit/loss for the year	132.2	74.9	255.5
Translation differences	6.9	6.4	4.6
New share issue	2.7	2.1	2.0
New share issue in progress	0.7	1.7	3.8
Sale of warrants - incentive program	-	0.1	0.4
Share based compensation	11.9	14.5	30.6
Closing equity	887.1	535.4	732.7

Condensed consolidated statement of cash flows

MSEK	Q2		Jan-Jun		LTM	Full-year
	2023	2022	2023	2022	22/23	2022
Operating activities						
Profit/loss after financial items	100.0	61.2	172.7	79.1	313.9	220.4
Adjustments for non-cash items, etc.	1.7	-2.5	12.5	3.3	21.1	11.9
Income tax paid	-5.1	-5.3	-4.4	-1.9	-13.6	-11.0
Cash flow from operating activities before working capital changes	96.6	53.4	180.7	80.6	321.4	221.3
Change in inventory	-63.2	16.5	-180.9	27.4	-396.8	-188.5
Change in current receivables	-51.5	1.6	171.3	-63.0	-92.9	-327.2
Change in current liabilities	-8.9	-20.6	-36.1	-43.3	84.0	76.8
Cash flow from operating activities	-27.1	50.9	135.0	1.7	-75.4	32.8
Cash flow from investing activities	-2.8	-8.0	-5.5	-10.6	-13.7	-18.8
Cash flow from financing activities	-2.0	-0.5	-3.1	-2.6	-7.2	-6.7
Cash flow for the period	-31.9	42.4	126.4	-11.4	-96.4	7.3
Cash and cash equivalents at the beginning of the period	441.4	212.5	283.5	264.5	346.3	264.5
Exchange rate differences in cash and cash equivalents	6.5	5.5	6.1	7.3	10.5	11.7
Cash and cash equivalents at the end of the period	416.0	260.4	416.0	260.4	260.4	283.5

Q2

Interim report Jan-Jun 2023

Condensed Parent Company income statement

MSEK	Q2		Jan-Jun		LTM	Full-year
	2023	2022	2023	2022	22/23	2022
Net sales	280.1	113.7	481.9	235.0	905.5	658.7
Other operating income	19.4	27.3	24.5	41.1	52.3	68.8
Operating income	299.5	141.0	506.4	276.1	957.8	727.5
Goods for resale	-84.5	-41.0	-144.7	-71.6	-216.1	-143.0
Other external costs	-70.3	-18.9	-95.8	-36.4	-246.5	-187.1
Employee benefit expenses	-46.1	-34.6	-86.6	-67.6	-158.3	-139.3
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-2.0	-1.6	-3.8	-3.2	-7.4	-6.8
Other operating expenses	-6.6	-2.5	-11.1	-18.4	-42.8	-50.1
Operating profit/loss (EBIT)	90.0	42.3	164.3	78.9	286.7	201.1
Net financial items	1.9	1.9	3.9	9.4	9.4	14.9
Profit/loss before tax	91.9	44.2	168.2	88.2	296.1	216.1
Tax on profit for the year	-18.9	-	-34.6	-	11.0	45.6
Net profit/loss for the period	73.0	44.2	133.5	88.2	307.0	261.7

Q2

Interim report Jan-Jun 2023

Condensed Parent Company balance sheet

	30 Jun	30 Jun	31 Dec
MSEK	2023	2022	2022
ASSETS			
Intangible fixed assets	8.7	12.0	10.2
Tangible fixed assets	21.9	17.3	20.9
Participation in group companies	0.3	0.3	0.3
Receivables from group companies	143.3	135.0	137.6
Other Financial fixed assets	49.4	-	49.7
Total non-current assets	223.6	164.7	218.7
Inventories	219.7	65.5	80.5
Accounts receivable	39.8	26.6	46.7
Receivables from group companies	98.2	90.6	128.7
Other current assets	92.7	57.9	129.8
Cash and bank	361.0	182.1	217.7
Total current assets	811.4	422.8	603.4
TOTAL ASSETS	1,035.0	587.5	822.1
EQUITY AND LIABILITIES			
Restricted Equity	0.4	0.4	0.4
Non-restricted Equity	787.7	474.9	650.7
Total Equity	788.1	475.3	651.1
Non-current liabilities	32.5	45.5	39.0
Current liabilities to credit institutions	13.0	13.0	13.0
Accounts payable	54.1	30.0	75.8
Liabilities to group companies	79.7	2.0	-
Other current liabilities	67.7	21.7	43.2
Total liabilities	246.9	112.2	171.0
TOTAL EQUITY AND LIABILITIES	1,035.0	587.5	822.1

Note 1. Accounting policies

This interim report has been prepared in compliance with the Swedish Annual Accounts Act, and BFNAR 2012:1 Annual Accounts and Consolidated Financial Statements (K3). The company's accounting policies are unchanged compared to the most recent annual report.

Note 2. Revenue

Revenue is distributed as follows:

MSEK	Q2		Jan-Jun		LTM	Full-year
	2023	2022	2023	2022	22/23	2022
Americas	340.6	284.6	578.0	503.9	1,239.0	1,164.9
EMEA	86.7	70.6	229.5	154.5	389.8	314.8
Asia Pacific	27.3	13.9	66.0	40.9	106.5	81.3
Total	454.6	369.1	873.6	699.3	1,735.3	1,561.0

MSEK	Q2		Jan-Jun		LTM	Full-year
	2023	2022	2023	2022	22/23	2022
Perpetual	392.2	336.4	758.9	647.5	1,531.3	1,419.9
Subscription	62.4	32.7	114.7	51.8	204.0	141.1
Total	454.6	369.1	873.6	699.3	1,735.3	1,561.0

Note 3. Tax

As of December 31, 2022, the parent company had tax losses carried-forward amounting to SEK 221.2 million.

Due to the merger with ACQ Bure, these tax losses carried-forward will be blocked for usage for the coming 5 years and will be available from 2028 and going forward.

Quarterly figures

MSEK	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Net sales	454.6	419.0	468.5	393.2	369.1	330.2	307.2	179.9	218.2
Net sales growth (%)	23.2	26.9	52.5	118.6	69.2	103.5	90.5	46.5	52.7
Net sales growth (adjusted for change in foreign currency) (%)	16.2	17.3	34.3	88.9	60.7	84.5	83.3	50.8	60.1
Subscription sales	62.4	52.3	53.8	35.5	32.7	19.1	24.7	13.5	12.8
Subscription sales of net sales (%)	13.7	12.5	11.5	9.0	8.9	5.8	8.0	7.5	5.9
Gross profit	390.6	361.8	387.8	337.7	312.7	278.1	240.2	148.9	180.5
EBITDA	103.8	76.4	70.5	76.3	64.3	15.2	12.5	-31.5	-20.8
Operating profit (EBIT)	100.8	73.4	67.5	73.6	61.7	12.6	9.8	-34.0	-23.2
Net profit/loss for the period	77.9	54.3	109.5	71.1	58.9	16.0	22.1	-33.0	-29.2
Gross margin (%)	85.9	86.3	82.8	85.9	84.7	84.2	78.2	82.8	82.8
EBITDA margin (%)	22.8	18.2	15.1	19.4	17.4	4.6	4.1	-17.5	-9.5
EBIT margin (%)	22.2	17.5	14.4	18.7	16.7	3.8	3.2	-18.9	-10.6
Net cash	370.5	392.7	231.5	198.4	201.9	150.8	199.5	232.6	269.1
Bookings	406.4	350.0	372.9	334.7	572.1	304.6	333.8	239.0	289.0
Bookings growth (%)	-29.0	14.9	11.7	40.0	98.0	69.8	47.0	-14.4	88.5
Bookings growth (adjusted for change in foreign currency) (%)	-34.9	3.0	-12.0	10.0	85.1	52.7	53.8	-7.6	90.2
Subscription bookings	60.0	27.0	64.1	61.3	102.3	14.0	69.6	37.3	45.7
Subscription share of bookings (%)	14.8	7.7	17.2	18.3	17.9	4.6	20.8	15.6	15.8
ARR	242.8	219.3	204.7	184.8	156.2	131.0	108.9	89.7	79.7

Q2

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Key figures not defined in accordance with K3

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 analyse 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 profit	Net sales less cost of goods for resale.	Show the company's profitability from operations.
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). Gross margin is an indication of the Company's gross earnings capacity, over time.
EBITDA	Operating profit/loss (EBIT) before depreciation, amortization, and impairments.	The measure is used since it shows the profitability before financial items, taxes, depreciation, amortization, and impairments and is used to analyse and the groups operating activities.
EBITDA margin	Operating profit/loss (EBIT) before depreciation, amortization, and impairments in relation to net sales.	The measure is a complement to the EBITDA, which only states the change in absolute figures (when different periods are compared). EBITDA margin is an indication of the profitability of operations in relation to net sales, over time.
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 understanding of the Group's financial performance both short and long term.
Net cash	Cash and cash equivalents less interest-bearing liabilities (liabilities to credit institutions).	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 analyse the magnitude of increase in bookings.
Subscription bookings	Total value of subscription bookings received during the period.	Measure used to analyse 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.

QUARTERLY SUMMARY

CEO STATEMENT

AT A GLANCE

GROUP DEVELOPMENT

OTHER INFORMATION

FINANCIAL STATEMENTS

ADDITIONAL INFORMATION

Q2

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Reconciliation of key figures not defined in accordance with K3

	Q2		Jan-Jun		LTM	Full-year
MSEK	2023	2022	2023	2022	22/23	2022
Gross profit and gross margin						
Net sales	454.6	369.1	873.6	699.3	1,735.3	1,561.0
Goods for resale	-64.0	-56.4	-121.2	-108.5	-257.4	-244.7
Gross profit	390.6	312.7	752.4	590.8	1,477.9	1,316.3
Divided by Net sales	454.6	369.1	873.6	699.3	1,735.3	1,561.0
Gross margin	85.9%	84.7%	86.1%	84.5%	85.2%	84.3%
EBITDA and EBITDA margin						
Operating profit (EBIT)	100.8	61.7	174.2	74.3	315.2	215.3
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	3.1	2.7	6.0	5.3	11.9	11.2
EBITDA	103.8	64.3	180.2	79.6	327.1	226.5
Divided by Net sales	454.6	369.1	873.6	699.3	1,735.3	1,561.0
EBITDA margin	22.8%	17.4%	20.6%	11.4%	18.8%	14.5%
EBIT margin						
Operating profit (EBIT)	100.8	61.7	174.2	74.3	315.2	215.3
Divided by Net sales	454.6	369.1	873.6	699.3	1,735.3	1,561.0
EBIT margin	22.2%	16.7%	19.9%	10.6%	18.2%	13.8%
Net sales growth (adjusted for change in foreign currency)						
Total Net sales growth	23.2%		24.9%			
whereof change in foreign currency	7.0%		8.4%			
whereof growth adjusted for change in foreign currency	16.2%		16.5%			
	30 Jun	30 Jun	31 Dec			
MSEK	2023	2022	2022			
Net cash						
Cash and bank	416.0	260.4	283.5			
Non-current liabilities to credit institutions	-32.5	-45.5	-39.0			
Current liabilities to credit institutions	-13.0	-13.0	-13.0			
Net cash	370.5	201.9	231.5			

Q2

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