

Smart Eye AB (publ) Licenses Iris Recognition Technology from Fingerprint Cards AB (publ) for 50 MSEK, entering a Strategic Partnership to Enhance Security and User Experience in Automotive and Enterprise

Smart Eye AB today announced that it has entered into an agreement to license the iris recognition technology from the Swedish company Fingerprint Cards (Fingerprints) listed on Nasdaq Stockholm, for a total consideration of SEK 50 million plus VAT.

The consideration consists of an initial fixed license fee of SEK 23 million plus VAT payable in Smart Eye shares, an additional up to SEK 17 million plus VAT divided into two milestone payments, the first payable upon Smart Eye being awarded its first design win incorporating any part of the iris recognition asset, and the second payable upon the first SOP (Start of Production), marking the transition to manufacturing readiness and finally a maximum of SEK 10 million plus VAT in royalty payments based on Smart Eyes sales within the automotive industry.

Any revenues from the application developed by Smart Eye outside the automotive industry shall be shared by Smart Eye and Fingerprint on a case-by-case basis. Smart Eye will further grant Fingerprint a license to sell Smart Eye's integrated solution outside the automotive industry. The initial payment of SEK 23 million in Smart Eye shares is expected to dilute the total shares in Smart Eye by 1.2 percent.

Fingerprint Cards is a pioneer in biometric authentication with a long history of supplying cutting-edge technologies to different industries. Their iris recognition technology has been deployed across various use cases, ranging from smartphones to access-related solutions like touchless entry control systems, as well as point-of-sale systems. Biometric Authentication is coming to automotive and camera-based methods are among the most promising solutions, offering a user centric approach and opening up a new class of use cases.



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Smart Eye is the leader in camera-based sensing for in-vehicle applications. Starting in 2026, every new car in Europe must be equipped with a Driver Monitoring System (DMS) to detect driver distraction, accelerating the technology globally.

The parties have agreed to join forces in a strategic partnership, combining each company's strength, increasing the speed and capabilities to pursue the market opportunities in automotive as well as in other industry verticals. Smart Eye becomes technically and commercially responsible for the automotive sector and the companies will jointly work towards other market segments. Smart Eye will gain complete access to the iris recognition source code, expertise, licenses, and intellectual property as part of the agreement. Fingerprint Cards will be granted license to market and sell Smart Eye's integrated solution in non-automotive sectors. The agreement also enables Smart Eye to develop a multimodal biometric solution combining face and iris recognition.

"Having an authentication solution in place is a desired feature in itself, as well as it opens up a whole array of interesting use cases in the car, including health, wellness, impairment and Generative AI" said Martin Krantz, CEO of Smart Eye. "We see this as a strategic cornerstone going forward in automotive. By working with Fingerprint Cards we secure a best-in-class technology and expertise from world-leading engineers, allowing us to move quickly and successfully. Furthermore, we will jointly approach new segments where the solutions developed for automotive can be monetized."

"Biometric authentication is increasingly key for in-car experiences, so Smart Eye is the ideal partner in this space," said Adam Philpott, CEO of Fingerprints Cards "They have the largest market share and a great cultural fit for a long-term partnership."

Smart Eye will demonstrate Fingerprint's iris recognition technology during CES 2025, January 7-10, in Las Vegas, at booth #3840. For more information or to schedule a meeting during CES, please contact Smart Eye at <https://www.smarteye.se/smart-eye-at-ces-2025/#book-an-appointment>.

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About Smart Eye

Smart Eye is the leading provider of Human Insight AI, technology that understands, supports and predicts human behavior in complex environments. The company is on a mission to bridge the gap between humans and machines for a safe and sustainable future. Supported by Affectiva and iMotions – companies it acquired in 2021 – Smart Eye's multimodal software and hardware solutions provide unparalleled insight into human behavior.

In automotive, Smart Eye's driver monitoring systems and interior sensing solutions improve road safety and the mobility experience. The company's eye tracking technology and iMotions biosensor software platform are also used in behavioral research to enable advanced research in academic and commercial sectors. In media analytics, Affectiva's Emotion AI provides the world's largest brands and market researchers with a deeper understanding of how consumers engage with content, products, and services.

Founded in 1999, Smart Eye is a global company headquartered in Sweden, with customers including NASA, Nissan, Boeing, Honeywell, Volvo, GM, BMW, Polestar, Geely, Harvard University, 26 percent of the Fortune Global 500 companies, and over 1,300 research organizations around the world.

Visit www.smarteye.ai for more information.

Visit our investor web for more financial information: <https://smarteye.se/investors/>

Smart Eye is listed on the Nasdaq First North Growth Market. The Company's Certified Adviser is Bergs Securities AB.

This information is information that Smart Eye is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-01-06 18:30 CET.



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Attachments

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