

fpc

**Annual report
2025**

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We are a leading global biometrics company

Fingerprint Cards (FPC) is a global leader in biometric authentication, developing high-security biometric systems that can be found in e.g. FIDO keys, crypto wallets, and payment cards. The company's solutions are integrated into close to two billion devices and applications and are used billions of times every day. FPC's execution is centred on three priorities: monetizing our assets and capabilities, driving growth by moving up the product value chain, and improving productivity through AI augmentation.

SEK M	2025	2024	2023	2022	2021
Revenue	78.2	60.2	705.4	861.8	1,355.8
Gross profit	47.5	36.6	89.6	166.4	396.9
Gross margin, %	60.7	60.9	12.7	19.3	29.3
Operating profit/loss	-59.2	-421.1	-320.4	-631.0	-7.6
Operating margin, %	-75.7	-699.7	-45.4	-73.2	-0.6
EBITDA	-19.1	-181.8	-242.2	-116.0	85.6
Profit/loss before tax	-63.3	-465.9	-375.5	-652.2	-1.0
Net profit/loss for the year	-58.6	-688.3	-339.8	-586.0	0.1
Earnings per share from continuing operations, SEK	-9.42	-188.31	-0.31	-1.92	0.00
Equity/assets ratio, %	90.6	65.1	63.1	59.9	57.0
Average number of employees	38	107	200	239	310

See "Ten-year summary and definitions" for KPI definitions

* Figures for 2023 and earlier years include operations that are classified as discontinued operations in 2024 and 2025.

A year of accelerating execution

Move up the value chain with AllKey

AllKey gained momentum as customers progressed from sensors to integrated biometric systems, supporting higher ASPs and a more scalable go-to-market. We expanded the AllKey family with AllKey Ultra, adding a Secure Element variant for higher-assurance use cases.

61%

Gross margin (61%)

Scaling growth with strong margins

Core revenue grew strongly through 2025, supported by structurally higher gross margins in our focused portfolio. Full-year revenue increased 40% in constant currency with a gross margin of 60.7%.

50

Headcount (71)

Asset & IP monetization

We executed multiple monetization transactions to unlock value from our technology assets, including licensing agreements with Smart Eye, Egis and PixArt.

78

Revenue, SEK M (60)

AI-enabled efficiency

We increased efficiency by augmenting our ways of working with AI-based analysis and automation in selected processes. This supported shorter lead times, a higher pace of execution, and a sharper focus on value-creating activities.

-19

EBITDA, SEK M (-182)

A year of transformation – and the foundation for what comes next



“Having rebuilt FPC into a focused, operationally lean systems company approaching run-rate profitability, the combination with Precise Biometrics is the natural next step. On 23 March 2026, we jointly announced a proposed merger to create a global leader in biometrics and identity. Together, we can offer physical-to-digital biometric security from a single provider, spanning fingerprint, iris, face, and palm modalities across enterprise, government, and consumer segments.”

In 2025 FPC delivered 30 percent revenue growth, a SEK 163 million improvement in EBITDA, and a fundamental redesign of the operating model, simplifying processes and augmenting our workforce with pragmatic AI tools and agents – while accelerating the shift from sensors to systems. By the fourth quarter, the company reached positive operating cash flow for the first time since the transformation began. These results reflect the rigorous execution of our bold transformation plan.

Revenue increased to SEK 78.2 million (60.2), up 40 percent in constant currency. Gross margin held steady at 60.7 percent on the full year and reached 65.8 percent in the fourth quarter. Full-year EBITDA improved to negative SEK 19.1 million from negative SEK 181.8 million, and Q4 EBITDA was positive at SEK 0.4 million. We ended the year with SEK 27.1 million in cash.

We rebuilt the organisation around fewer, higher-impact roles. Headcount decreased 30 percent year on year, from 71 to 50 at the end of 2025, while revenue grew 30 percent – a step change in productivity that reflects how we have redesigned the company, not simply reduced it. This leaner structure is the platform from which we intend to scale.

Funding the transition

A core element of our strategy has been unlocking value from legacy assets and engineering capabilities to fund our product transition. During the year, we executed three IP monetisation and licensing transactions in the space of eleven months, generating ongoing partnerships and royalty streams alongside upfront consideration. These are deliberate, value-accretive transactions that keep the business capital-light while funding our move up the value chain.

AllKey: from sensors to systems

Our strategic move up the value chain accelerated in 2025. AllKey, our integrated biometric system-in-package, commands an approximate 3x uplift in average selling price compared with standalone sensors, while reducing integration complexity for customers. We are targeting a sustained 50–60 percent gross margin as these products move toward mass production in the second half of 2026 and scale through 2027 and 2028.

The pipeline signals are encouraging. Over half of our existing customers are on an upgrade path from sensors to AllKey systems, securing our volume business while moving value toward higher-margin systems. At the same time, approximately half of the AllKey pipeline comprises new customers – validating the systems value proposition in high-assurance segments beyond our historical base. We expect the pipeline mix to shift materially toward systems, growing from around 30 percent in 2026 to approximately 80 percent by 2028. Pipeline is not the same as revenue, but it is a directional indicator of where demand is building and where we are investing.

During the year, we expanded the platform with AllKey Ultra, a Secure Element variant for higher-security use cases, and AllKey Ultra FIDO – a turnkey platform for biometric FIDO tokens. Commercial traction continued to build: Mettlesemi selected AllKey Pro for its next-generation FIDO2 authenticators; Fuse Identities launched a new biometric physical access card featuring the FPC 1323 T-Shape sensor; and M-Tech Innovations became the first company in India to receive VISA certification for a locally manufactured biometric payment card using FPC technology.

A market that demands scale

The biometrics and identity market is seeing rising demand as increasingly sophisticated cyber threats drive the need for secure, seamless authentication. The market is shifting from point products to integrated solutions – customers want one provider for hardware, software, and identity management. AllKey is our answer to this shift.

But in this market, scale is ultimately about the ability to invest. As a smaller company with profitability still below target, our standalone capacity to invest at the pace the market requires is constrained. And the market is moving fast: if you cannot invest, you do not stand still – you fall behind. Subscale independence is therefore an existential risk. The proposed merger with Precise Biometrics is designed to address this by creating a broader platform and stronger commercial reach, enabling the combined company to invest more consistently in product development, go-to-market, and long-term competitiveness.

The merger with Precise Biometrics

Having rebuilt FPC into a focused, operationally lean systems company approaching run-rate profitability, the combination with Precise Biometrics is the natural next step. On 23 March 2026, we jointly announced a proposed merger to create a global leader in biometrics and identity.

There are clear synergies. FPC brings sensors and hardware embedded in nearly two billion devices worldwide. Precise brings algorithms, software, and enterprise solutions – including access control and visitor management platforms processing over 100,000 biometric verifications every second. Together, we can offer physical-to-digital biometric security from a single provider, spanning fingerprint, iris, face, and palm modalities across enterprise, government, and consumer segments.

The combination is expected to generate annual cost synergies of at least SEK 45 million – nearly a third of combined pro forma revenue – with a payback period of under seven months. Today, we pay for two Nasdaq listings, two sets of auditors, two IT systems. After the merger, we pay for one. Beyond cost, the commercial upside is immediate: FPC's hardware customers do not buy software today; Precise's software customers do not buy sensors. That changes on day one. Customer reactions have been positive – the logic is intuitive.

Under the merger plan, FPC shareholders will receive nine new ordinary shares in Precise Biometrics for each FPC share, representing approximately 47 percent of the combined company. Both boards unanimously recommend approval, supported by an independent fairness opinion. Following completion, the combined company intends to raise approximately SEK 110 million through a rights issue to fund growth, synergy capture, and continued global expansion. The merger is also the first step in a broader consolidation journey in a market that remains highly fragmented.

Looking ahead

Two years ago, FPC was a sensor company dependent on commoditised consumer electronics. Today, we are a leaner, more focused business with a systems platform gaining commercial traction, a diversified revenue model, and a clear path to sustainable profitability. The merger with Precise Biometrics is the culmination of this transformation – and the beginning of the next chapter.

Our near-term priorities are clear: convert the AllKey pipeline into production revenue, realise the identified synergies, and execute the integration. We know the market expects delivery, not projections. Our focus is measurable progress, quarter by quarter.

Looking ahead, we expect continued consolidation in the biometrics and digital identity space, where scale, software capabilities and integrated offerings will be key to long-term competitiveness. Following our transformation, FPC is well positioned to play an active role in this development.

I would like to thank our shareholders, employees, customers, and partners for their continued support through this transformation.

Adam Philpott

President and CEO

Reinforcing our leadership in secure authentication

Markets

Demand for secure and frictionless authentication continues to expand, driven by rising fraud levels, tighter security requirements and increasingly sophisticated cyber and identity threats, alongside a steady shift toward digital-first customer journeys. Several external sources estimate that the biometric authentication market is growing at around 20 percent per year over the coming years.

Within cybersecurity, identity is increasingly the top priority: attackers rarely 'break in' through systems - they compromise identities and simply log in. This is accelerating the shift away from passwords toward passkeys and FIDO-based authentication, where biometrics is a critical enabler to deliver both strong security and a low-friction user experience.

At the same time, customers are increasingly prioritizing solutions that are faster to integrate, easier to certify and simpler to scale - favouring platform-based offerings over individual components. Biometric technologies are increasingly adopted as they combine high levels of security with convenient user experiences across both physical and digital environments. This market backdrop supports FPC's move up the value chain from sensors to complete biometric systems.

The biometrics and identity management market also remains highly fragmented, with many sub-scale players and limited commercial reach. As competitive advantages of scale increase, this creates a compelling opportunity for consolidation and for providers with broader product portfolios and stronger go-to-market capabilities to win share.

Strategy

FPC's execution is centred on three priorities: monetizing our assets and capabilities, driving growth by moving up the product value chain, and improving productivity through AI augmentation.

In March 2026, Precise Biometrics and Fingerprint Cards jointly announced a proposed merger of equals. The combination is intended to create a more complete biometrics and identity company, bringing together complementary hardware, software and identity solutions, strengthening commercial reach and positioning the combined group to pursue growth opportunities as the identity and security market continues to evolve.



AllKey Ultra Passkey

AllKey is central to our strategy. By delivering complete biometric systems rather than individual components, AllKey reduces customer integration effort and system complexity while enabling FPC to capture higher ASPs and greater wallet share. As the platform scales, it reinforces our shift toward higher-value, higher-margin solutions through:

- **Existing Customer Migration:** We already have over 50% of our customers on an upgrade path from sensors to AllKey systems. This shift secures our volume business while moving our value business toward more complex, higher-value system integrations that increase "stickiness" and long-term contract value.
- **New Customer Validation:** Beyond our existing base, the launch of AllKey and AllKey Ultra has catalyzed significant new customer momentum. This validates our system value proposition in high-assurance segments. New customers now represent approximately 50% of total pipeline, indicating a future expansion of our customer base.
- **Transformed Unit Economics:** AllKey systems deliver a 3x ASP uplift compared to standalone sensors. We are capturing a larger wallet share at a sustained 50-60% gross margin target as these products move into mass production in the second half of 2026 and scale throughout 2027 and 2028.

During the year, we broadened the platform with AllKey Ultra, addressing higher-security use cases through inclusion of a secure element, and launched AllKey Ultra FIDO with jNet Secure - a turnkey platform designed to shorten time-to-market for biometric FIDO tokens. We also continued to build momentum in India, including payment and access-related validations, and progressed our iris business through the partnership with Smart Eye, enabling more robust multimodal authentication and opening additional enterprise use cases. In March 2026, we launched the FPC AllKey Software Platform, a fully integrated biometric platform that enables customers to develop and run their own

applications directly on AllKey devices, secured by FPC's fingerprint authentication. This is an important step in our expansion beyond standalone biometric components into higher-value platform solutions, increasing the potential revenue per design win through deeper customer integration and longer product lifecycles.

Alongside product execution, we continued to create value through asset monetization, including IP licensing and commercialization of engineering capabilities. Looking ahead, we will further concentrate the organization around AllKey, simplify customer adoption, expand the platform offering and convert momentum into sustainable, profitable growth—while maintaining strict cost and cash discipline to fund the transition from sensors to systems. We will also remain proactive in asset monetization and evaluate selective, complementary non-organic growth opportunities in 2026 where these can strengthen our core offering and accelerate time-to-market.

Administration Report

The Board of Directors and the Chief Executive Officer (CEO) of Fingerprint Cards AB hereby present the Annual Accounts for the 2025 fiscal year.

Fingerprints' operations

Fingerprint Cards AB (FPC) is a global biometrics leader, offering intelligent edge to cloud biometrics. We envision a secure, seamless world where you are the key to everything. Our solutions – trusted by enterprises, fintechs, and OEMs – power hundreds of millions of products, enabling billions of secure, convenient authentications daily across devices, cards, and digital platforms. From consumer electronics to cybersecurity and enterprise, our cloud-based identity management platforms support multiple biometric modalities, including fingerprints, iris, facial, and more. With improved security and user experience, we are driving the world to passwordless.

Group and Parent Company

The annual accounts cover the fiscal year January 1–December 31, 2025. Fingerprint Cards AB (Publ)(Corp. Reg. No. 556154–2381) is the Parent Company of a Group including 17 Groupcompanies.

The Parent Company has its registered office in the Municipality of Gothenburg in the county of Västra Götaland. The company's shares are listed on Nasdaq Stockholm since 2000.

Significant events during 2025

- **Strategic IP monetization and licensing.** FPC executed multiple monetization transactions, including (i) licensing certain PC-related assets to Egis Technology for approximately SEK 24 million plus potential royalties, and (ii) entering a commercialization and licensing agreement with PixArt Imaging Inc., with USD 2.0 million (approx. SEK 19 million) received upfront in Q4 and additional royalty potential.
- **Rights issue to strengthen financial position.** In February, FPC completed a partially guaranteed issue of units (B-shares and warrants), raising approximately SEK 115.1 million before transaction costs.
- **Reverse share split implemented.** During the year, the Company implemented a 1:2,000 reverse share split.
- **Governance and incentives.** The Annual General Meeting elected two new Board members (John Lord and Carl Johan Grandinson) and resolved to implement employee stock option programs for employees and Board members. See note 55 for more information on employee stock option programs.
- **Licensing of iris recognition.** On January 6, 2025, Fingerprints announced that the company had entered into an agreement to license its iris recognition technology to Smart Eye, with total consideration of up to SEK 50 million, as part of a strategic partnership in Automotive and Enterprise.
- **Completed the wind-down of loss-making operations in the Mobile and PC product groups.** As part of this strategic exit from Mobile and PC, the associated results are classified as discontinued operations in our financial statements, also for comparative periods in 2024. The financial effects of the wind-down are presented below under "Effect of of the wind-down of the Mobile and PC product groups".
- **Operational restructuring in which the operations of the Singapore entity were transferred to the Swedish Parent company.** As a result, the Parent Company assumed ownership of inventories and began invoicing customers. Further details below under "Parent company financial development."

Earnings trend

The Group's revenue for the period January–December 2025 totaled SEK 78.2 M (60.2), corresponding to an increase of 30 percent compared with 2024. This reflects strong demand across our portfolio of biometric authentication solutions and underscoring the growing traction of our strategy to focus on high-value markets.

Gross profit for the period January–December 2025 was SEK 47.5 M (36.6) and the gross margin was 60.7 percent (60.9).

The operating result improved significantly compared with 2024 (from SEK -421.1 M to SEK -59.2 M). The prior year was impacted by one-off items related to the transformation of the business, primarily write-downs and restructuring costs. In 2025, the result reflects a materially lower cost base: selling and administrative expenses have decreased due to a leaner organization and lower external spend, while development costs (including amortization and impairments) have declined following reduced capitalization and lower amortization levels. In addition, other operating income increased, mainly driven by licensing of assets, reported as Other operating income.

Exchange-rate effects are recognized in operating profit under the item Other operating income. The result before tax for the year was SEK -63.3 M (-465.9), while income tax of SEK -3.1 M (0.0) was recognized. In total, the Group's full-year result amounted to SEK -58.6 M (-688.3). The Group's earnings per share for 2025 were SEK -8.31 (-278.18). Earnings per share from continuing operations amounted to SEK -9.42 (-188.31).

Current factors of uncertainty

The global macro environment remains volatile. The ongoing war between Russia and Ukraine, and related sanctions and countermeasures, may – even without material direct exposure – indirectly impact the Group through energy prices, inflation, interest rates, currency and market volatility, and disruptions to supply chains and logistics. In addition, escalating geopolitical tensions and armed conflicts in the Middle East – including the Israel–Palestine conflict and the ongoing military escalation between the U.S./Israel and Iran – contribute to heightened uncertainty and the risk of further volatility in energy and commodity markets. A more unpredictable trade policy environment, including new or expanded tariffs, sanctions and export restrictions, may result in higher costs, delays in supply chains, and weaker demand in certain end-markets. Developments in inflation and interest rates may also impact financing conditions, customers' willingness to invest, and the Group's cost base, and are monitored on an ongoing basis.

Financial position

Shareholders' equity amounted to SEK 271 M (277) and the equity/assets ratio to 91 percent (65).

Fixed assets decreased to SEK 222 M (296). The share of fixed assets in relation to total assets increased to 74 percent (70). Inventories decreased to SEK 21 M (48) and outstanding accounts receivable declined to SEK 8 M (56).

Accounts payable at year-end amounted to SEK 10 M (40) and other current liabilities amounted to SEK 11 M (87).

Long-term liabilities amounted to SEK 0 M (3).

Cash and cash equivalents amounted to SEK 27 M (12) at year-end.

Investments, depreciation/amortization and impairment losses

During 2025, investments totaled SEK 1 M (12). Of this total, SEK 1 M (12) was invested in capitalized development and intangible fixed assets, SEK 0 M (0) was invested in property, plant and equipment and SEK 0 M (0) was received in financial fixed assets. The lower level reflects a more focused and streamlined organization and a more capital-light development approach, reducing the need for larger capitalized development investments. Total depreciation/amortization according to plan and write-downs amounted to SEK -40 M (-378) in 2025. Of this total, amortization of intangible fixed assets accounted for SEK -34 M (-83), write-downs for SEK -0 M (-288) and depreciation of property, plant and equipment for SEK -1 M (-1). Right-of-use assets were depreciated by SEK -5 M (-6).

In total, the carrying amount of intangible fixed assets in 2025 was SEK 163 M (230), while property, plant and equipment amounted to SEK 1 M (2) and right-of-use assets pertaining to the leasing of premises amounted to SEK 4 M (8).

Obsolescence has occurred for fully written-down capitalized development costs that can be attributed to discontinued operations and no longer generate any revenue streams.

Cash flow

Cash flow from changes in working capital components was positively impacted by a reduction in capital tied-up in current receivables in the amount of SEK 35 M (84), and by a decrease in inventories in the amount of SEK 6 M (35). Cash flow from operating activities amounted to SEK -56 M (-208).

Cash flow from investing activities was SEK -1 M (-12).

Cash flow from financing activities was SEK 74 M (118).

The overall net change in cash and cash equivalents for full-year 2025 was SEK 15 M (-98), whereof SEK -17 M (-55) comes from discontinued operations. Net cash amounted to SEK 24 M at year-end 2025, compared with net debt of SEK 8 M at the end of 2024. Interest-bearing liabilities at the end of 2025 amounted to SEK 0 M. Lease liabilities pertaining to office premises amounted to SEK 3 M (7) at the end of 2025, recognized in accordance with IFRS 16.

Revenue breakdown

Revenue is reported by country. Presented in Note 2.

Effect of of the wind-down of the Mobile and PC product groups

FPC has completed the wind-down of its loss-making operations in the Mobile and PC product groups in order to safeguard the company's financial health and future viability. The financial effects of the wind-down are presented separately for the full year 2024 and for the full year 2025, as outlined below.

Effects of the wind-down in the January - December 2024 period

Mobile

- An inventory write-down amounting to SEK 54.7 M and a SEK 7.1 M impairment of capitalized R&D.
- As a result of the exclusive partnership agreement with Egis Technology in the Mobile area, Fingerprints has thus far recognized SEK 39.7 M in revenue.
- SEK 28.6 M in costs related to restructuring measures.
- Revenue positively impacted by a reversal of accrued marketing incentives to customers in the Mobile area, amounting to SEK 24.7 M.

PC

- A SEK 32.3 M write-down of capitalized R&D projects in the PC area.

Effects of the wind-down in the January - December 2025 period

Mobile

- An inventory write-down amounting to SEK 6.6 M.

PC

- An inventory write-down amounting to SEK 10.2 M.
- Revenue positively impacted by a reversal of accrued marketing incentives to customers in the PC area, amounting to SEK 6.9 M.

Parent company's financial development

The Parent Company's financial performance in 2025 should be viewed in the context of the operational restructuring in which the operations of the Singapore entity were transferred to the Swedish Parent company, assumed ownership of inventories and began invoicing customers. This represents a clear change compared with 2024, when no inventories were recognized in the Parent Company because the inventory was owned by the Singapore subsidiary.

As a result of the revised operating model, in addition to IP licensing transactions completed during the year, the Parent Company's revenue increased to SEK 59.7 M for the full year 2025 (2.3). At the same time, the Parent Company's cost of sales increased as a larger share of sales became goods-based, supporting an improvement in gross profit for the full year to SEK 47.1m (0.1). Despite this, operating profit/loss for the full year was SEK -59.6 M (SEK -26.7 M) and profit/loss for the year was SEK -130.6 M (-422.1), primarily reflecting the cost base and net financial items.

The balance sheet also clearly reflects the change, with the Parent Company reporting inventories of SEK 21.1 M at year-end (0.0).

Finance Policy

FPC's Finance Policy regulates and clarifies responsibilities, and states guidelines in specific areas within financing, credit insurance, investment and currency management with the aim of supporting operations, managing financial risks and controlling their impact on financial position, results of operations and cash flow. The most important net currency flow is in USD, whereupon a significant portion of FPC's finance activities were in formulating a strategy for selling USD and buying SEK. The increased net surplus from sales, which is denominated in USD, and the increasing operating expenses that are predominantly denominated in SEK generate a continuous need to convert USD to SEK. Materials procurement, manufacturing and sales are essentially denominated in USD only. Fluctuations in other exchange rates have an insignificant impact on earnings. According to the Finance Policy, currency hedging using derivative instruments is not permissible. See Note 23 for more information on financial risks.

Organization and coworkers

There were 39 (53) employees as of December 31, 2025 comprising 30 (39) men and 9 (14) women. Including employees and consultants, FPC employed a total of 50 (71) people on December 31, 2025.

Research and development operations

Through continuous initiatives to enhance biometric technology, Fingerprints has attained leadership in fingerprint recognition.

Expenditure for technology development is partly recognized as a cost in the Consolidated Statement of Comprehensive Income (Parent Company Income Statement) under the development costs heading, and partly through capitalization in the Consolidated Statement of Financial Position (Parent Company Balance Sheet), and capitalized development expenditure, under intangible fixed assets.

Capitalization is effected after an assessment of factors such as each project's commercial, financial and technical potential, its future value for the Group, disposal over rights to the product/solution, the potential for completing development and the presence of a market for the product.

The rate of amortization is determined on the basis of the technical and commercial lifespan of the product/solution related to the existing market. Accordingly, the amortization term varies between products and projects.

In 2025, the Group's expenditure on technological development and patents amounted to SEK 22 M (90), of which SEK 1 M (12) was capitalized in the Consolidated statement of financial position and the remaining SEK 23 M (102) was expensed in the Consolidated statement of comprehensive income.

Sustainability Report

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Fingerprints has decided to prepare a statutory Sustainability Report as a separate document from the Annual Report.

FPC's Sustainability Report, which also constitutes the company's statutory Sustainability Report, satisfies the Swedish Annual Accounts Act's requirements for sustainability reporting. The report is presented on pages 27-34.

Ownership structure

In 2025, the number of shareholders decreased to 24,340 at year-end from 50,991 at the beginning of the year. The decrease is mainly attributable to the reverse share split (1:2,000) completed during the year, which changed the share structure and affected the registration of holdings (including cash compensation for any excess shares in connection with the reverse split).

Share class	No of shares		No. of votes	
	2025	2024	2025	2024
A	3,937	7,875,000	39,370	78,750,000
B	7,583,750	3,660,312,158	7,583,750	3,660,312,158
Total	7,587,687	3,668,187,158	7,623,120	3,739,062,158

Expectations regarding future performance

Looking ahead, we will build on our progress during 2025 with a continued focus on execution. This includes further concentrating the organization around AllKey, simplifying customer adoption, expanding the platform offering, and converting momentum into sustainable, profitable growth. We will remain proactive in asset monetization and IP licensing, while maintaining strict cost and cash discipline to fund our transition from sensors to systems.

Following the approval by the Extraordinary General Meeting on 30 April 2026 of the merger plan between Fingerprint Cards AB and Precise Biometrics AB, the planned combination is expected to create the conditions for a more efficient, scalable and commercially stronger business. Through the merger, the combined company is expected to benefit from a strengthened offering, broader market presence and improved ability to meet customer needs in biometric and identity-related solutions. The merger is expected to generate annual cost synergies of at least SEK 45 million, in addition to commercial synergies through a broader customer base and increased opportunities for upselling and cross-selling. As a result, the combined company is expected to be better positioned for future organic growth and continued market consolidation. Furthermore, following completion of the merger, the combined company intends to carry out a rights issue of approximately SEK 110 million in order to finance growth initiatives, support the integration process, capture identified synergies and enable continued global expansion.

Remuneration of the Board of Directors

The 2025 Annual General Meeting (AGM) resolved that Board remuneration shall be SEK 675,000 to the Chairman of the Board and SEK 295,000 to each other Member of the Board. No remuneration shall be paid to a Board member that is employed and paid by the Company. No fee for work on committees shall be paid. The adjusted Board remuneration implies a significant cost saving for the Company.

Executive remuneration guidelines

The 2024 AGM decided in accordance with the proposal that the Remuneration Committee shall prepare guidelines for compensation and employment terms for the CEO and other senior executives and put forward proposal to the Board for decision. The guidelines are valid for four years.

Introduction

The Executive Management is defined as the Chief Executive Officer and other members of the management team. The purpose of these guidelines is to clarify the compensation as decided.

The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting. The general meeting has the right to agree on additional remunerations outside of these guidelines.

Remuneration committee

The remuneration committee evaluates and considers matters regarding remuneration and employment terms and prepares proposals for guidelines for compensation to the CEO and executive management. The Board of Directors shall evaluate a proposal for new guidelines at least every fourth year and submit it to the AGM. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee should ensure that remuneration is commensurate with prevailing market conditions for corresponding executives in other companies, and accordingly, that the company's offering to its employees is competitive. The CEO's compensation is approved by the Board of Directors. Compensation to other senior executives is decided by the CEO after consulting with the Remuneration Committee. The members of the remuneration committee are independent of the company and its executive management. The CEO and other members of the executive management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Promotion of the company's business strategy, long-term interests and sustainability

Fingerprint Cards aims to attract, engage, develop and retain the right people to drive our business result in line with the company's business strategy. In order to support this, the design and implementation of our remuneration structure shall be performance based; affordable; sustainable; market driven and clear. Compensation shall reflect the scope and complexity of each role, as well as the actual performance of the individual. Fingerprint Cards does not tolerate any form of discrimination and we perform annual reviews to make sure we do not have any salary misalignments based on any discriminating factors such as gender, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation and age.

Variable remuneration covered by these guidelines shall aim at promoting Fingerprint Card's business strategy and long-term interests, including its sustainability.

For more information regarding the company's business strategy, please see www.fpc.com

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, the overall purpose of these guidelines.

Remuneration principles

Performance-based

There shall be a strong link between performance (individual - and business result) and compensation. Base salary will depend on the employee's performance against objectives, development progress and living our company values.

Competitive and sustainable

We must create value to secure our present and future capability to pay competitive compensation and we must earn the means for our compensation. It is important to have a balance between our company earnings and our compensation levels.

Market driven

Our salaries shall reflect the scope and complexity of the work. It is our objective to compare our base salaries with relevant market data for the applicable country. Each country forms its own market.

The remuneration principles are also applicable to the rest of the employees at Fingerprint Cards.

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment terms for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Total remuneration

The total remuneration to Executives consists primarily of monthly base salary, short-term incentives, pension, and insurances. If decided in the general meeting, the total remuneration may also include – irrespective of these guidelines – long term incentives.

Short Term Incentive (STI)

Short Term Incentives shall be linked to predetermined and measurable criteria. The Short-Term Incentives include company measures such as Revenue, Operating Profit and Cash Balance. For Executives, 80-90 per cent of the STI is based on company measures, and 10-20 per cent is based on individual performance, with predetermined targets on an annual basis. The criteria shall be designed so as to contribute to Fingerprint Card's business strategy and long-term interests, including its sustainability.

The satisfaction of criteria for awarding STI shall be measured over a period of one or several years. The variable cash remuneration may amount to not more than 100 per cent of the total fixed base salary during the measurement period.

For financial objectives, the evaluation shall be based on financial information made public by the company.

Pension

Pension plans are based on defined contribution models, where a premium is paid amounting to not more than 30 per cent of the Executive's fixed annual base salary.

Insurances

Executives are provided insurance coverage in accordance with local market practice. Such benefits shall be customary and be of limited amount.

Termination of employment

Upon termination of an employment, the notice period may not exceed six months. During the notice period, the executive will continue to receive full base salary and other employment benefits. Upon termination by the company, severance payment could be paid and may not exceed twelve months' base salary. When termination is made by the executive, the notice period may not exceed six months, without any right to severance pay.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration, if applicable, shall amount to a maximum of 60 per cent of the monthly base salary at the time of termination of employment, unless otherwise provided by mandatory collective agreement provisions.

The Board of Directors' right to deviate from the remuneration guidelines

In certain cases the Board of Directors may decide to deviate from these guidelines, in part or in total, if there are special reasons to do so in an individual case and a deviation is necessary to fulfill the company's long term interest, including in relation to sustainability, or to safeguard the company's financial position. As set out above, the remuneration committee's tasks include preparing the board of directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Description of significant changes and how the shareholders' views have been taken into account

There have been no significant changes to the proposed new guidelines in relation to the remuneration guidelines adopted by the Annual General Meeting 2020. There have been no material comments on the remuneration guidelines from shareholders.

Description of the work of the board of directors during the year

Scheduled agenda items at Board meetings during the year are Group Management's reporting of business conditions, operations, organizational resources, results of operations, financial position and liquidity. During the autumn, and before Christmas, Board meetings consider the budget and business plan for the following year. The Board met on 24 occasions in 2025. A more detailed description of corporate governance in 2025, including regulations, general meetings, the Nomination Committee, the composition and work of the Board and internal governance processes and internal control, is presented in the separate Corporate Governance Report.

2026 Annual general meeting

The AGM will be held on Wednesday, June 3, 2026.

Proposal for appropriation of the company's profit

The following funds are at the disposal of the AGM, SEK:

Share premium reserve	866,975,191
Accumulated profit or loss	-839,439,326
Net profit/loss for the year	-130,593,665
Total	-103,057,800

The Board of Directors proposes that net profit for the year, non-restricted reserves, as well accumulated profit or loss be appropriated as follows:

To be carried forward: SEK -103,057,800.

Regarding the company's results of operations and financial position in other respects, the reader is referred to the following financial statements, with the associated notes.

Events after the balance sheet date

On February 11, 2026, Fingerprint Cards announced that Board member John Lord has informed the Company of his decision to step down from the Board of Directors due to other professional commitments. The Nomination Committee has been informed and continues its work to review, identify and propose new potential board members for election at a general meeting.

On March 23, 2026, Precise Biometrics AB (publ) ("Precise Biometrics") and Fingerprint Cards AB (publ) ("Fingerprint Cards") jointly announced that the board of directors of Precise Biometrics and the board of directors of Fingerprint Cards have adopted a joint merger plan (the "Merger Plan") for merging the companies through a statutory merger in accordance with the Swedish Companies Act (the "Merger"). The Merger will be implemented by Precise Biometrics absorbing Fingerprint Cards, whereby the shareholders in Fingerprint Cards will receive nine (9) new ordinary shares in Precise Biometrics for each share in Fingerprint Cards, irrespective of share class. The Merger, constituting a merger of equals, will create a combined business with a stronger offering, a strengthened commercial reach, realize meaningful synergies, and establish a profitable foundation with necessary scale for future organic growth and consolidation. The Merger is expected to generate cost synergies with an estimated full annual run-rate effect of at least SEK 45 million (corresponding to approximately 29 percent of the Combined Company's 2025 pro forma revenue). In addition, the combination is expected to unlock meaningful commercial synergies through upselling and cross-selling across the combined customer base and increased share of customer wallet. Following completion of the Merger, the Combined Company intends to raise approximately SEK 110 million through a rights issue of shares, with proceeds to be used to accelerate growth, capture identified synergies and support continued expansion of the Combined Company globally. The completion of the Merger is conditional upon, inter alia, approval by the shareholders of each of Precise Biometrics and Fingerprint Cards at their respective general meetings. The board of directors of Fingerprint Cards unanimously recommends the shareholders of Fingerprint Cards to vote in favor of the completion of the merger. The Board of Directors believes the Merger to be significantly value-adding for shareholders and other stakeholders, as it will create a combined business with a stronger offering, strengthened commercial reach, realize meaningful synergies and a profitable foundation with necessary scale for future organic growth and consolidation.

In the first quarter of 2026, the boards of Fingerprint Cards AB and Precise Biometrics AB signed a merger plan for the combination of the two companies. As the merger results in the Company's tax loss carryforwards no longer being available for utilisation, the Company derecognised the related deferred tax assets as of 31 March 2026. In light thereof, the Board took appropriate measures to remedy the equity shortfall by a reduction of the share capital. On 30 April 2026, the Extraordinary General Meeting resolved to approve the merger plan, to amend the Company's articles of association, and to reduce the Company's share capital to cover loss. The share capital reduction remedied the equity shortfall resulting from the derecognition of the deferred tax assets.

The Share

Fingerprint Cards' class B shares have been listed on Nasdaq Stockholm since 2000. Initially, FPC was listed on the Stockholm "Nya Marknaden" list in 1998. The share's ISIN code is SE0026141665. The company is traded under the ticker FING B. Fingerprint Cards is a CSD company, which means the company's share register is maintained by Euroclear Sweden AB.

In February 2025, Fingerprint Cards carried out a partially guaranteed issue of units consisting of new B-shares and warrants entitling for subscription of B-shares with preferential rights for existing shareholders. Total issue proceeds amounted to approximately SEK 115.1 million before deduction for transaction costs. In total, 11,507,188,608 new B-shares and 1,917,864,768 Warrants entitling to subscribe for a corresponding number of B-shares were issued.

In September 2025, Fingerprint Cards carried out a reverse share split, whereby two thousand (2,000) existing shares have been consolidated into one (1) new share (reverse split 1:2,000). Prior to the reverse share split, the total number of shares in the Company amounted to 15,175,375,766 (of which 7,875,000 A-shares and 15,167,500,766 B-shares). The total number of votes in the Company amounted to 15,246,250,766 (of which 78,750,000 pertained to the A-shares and 15,167,500,766 pertained to the B-shares).

Following the reverse share split, and as of 31 December 2025, the share capital of Fingerprint Cards AB amounted to SEK 162,023,052, divided between 3,937 class A shares and 7,583,750 class B shares, each with a quotient value of SEK 21.35. Class A shares carry ten votes and class B shares carry one vote. The total number of votes amounted to 7,623,120. All shares carry equal participation in capital, but different voting rights, and are freely transferable. As at December 31, 2025, the class A shares corresponded to 0.52 percent of the votes and 0.05 percent of the capital of Fingerprints.

At year-end, the ten largest shareholders had total holdings corresponding to 14.1 percent of the votes. Foreign institutional shareholders had holdings corresponding to 1.92 percent of the share capital.

Share price trend

During 2025, the adjusted closing price of the class B share decreased by 44 percent to SEK 18.25 (32.76). During the same period, the OMXSPI index increased by 10 percent. In 2025, Fingerprints' adjusted class B share price set a high of SEK 51.20 and a low of SEK 14.35. At year-end 2025, Fingerprints' market capitalization was approximately SEK 138 M.

Share turnover

During 2025, 24,383,932 class B shares were traded on Nasdaq.

Shareholders

At the end of 2025, there were 24,340 (50,991) shareholders. Institutional shareholders held 5.2 (7.9) percent of the share capital.

Allocation of holdings	Shares	Capital (%)	Votes (%)	No. of known shareholders	Share of known owners (%)
1 - 1 000	1,735,825	22.90	22.79	23,254	95.54
1 001 - 5 000	1,894,930	24.97	24.86	882	3.62
5 001 - 10 000	908,764	11.98	11.92	129	0.53
10 001 - 20 000	559,633	7.38	7.81	40	0.16
20 001 -	1,846,288	24.33	24.22	35	0.14
Unknown holding size	642,247	8.44	8.40	0	0.00
Total	7,587,687	100.00	100.00	24,340	100.00

Source: Modular Finance AB

Option Programmes

During Q3 2025, the company entered into allotment agreements with key employees under the Employee Stock Option Program 2025/2028. Similarly, allotment agreements were also entered into between the company and members of the Board of Directors under the Employee Stock Option Program 2025/2029. These agreements were entered into on market terms and in accordance with the resolutions adopted by the Annual General Meeting held on June 24, 2025. Under the Employee Stock Option Program 2025/2028, a total of 265,569 options were allotted. Under the Employee Stock Option Program 2025/2029, a total of 113,813 options were allotted. See note 55 for more information on the option programmes.

Dividend Policy

The Board of Directors' top priority is to ensure that Fingerprints maintains a financial position that is strong enough to support both organic growth and selective acquisitions. Fingerprints also wishes to maintain a strong balance sheet. Transfers of capital to shareholders should be adapted to Fingerprints' earnings trend and cash flow, while at the same time considering the company's growth potential and financial position.

Dividend

The Board of Directors' proposes that no dividend be paid for the financial year 2025.

Share repurchases

During 2025, no shares were repurchased. Fingerprints holds a total of 1,900 shares in own custody and they have no value as assets or as equity.

Financial analysts

In 2025, Fingerprints was covered by the following analyst: DNB Carnegie, Markus Almerud.

Share data

Share Classes

2025-12-31	Votes	No of shares	No. of votes	Capital (%)	Votes (%)
FING-A	10	3,937	39,370	0.05	0.52
FING-B	1	7,583,750	7,583,750	99.95	99.48
Total		7,587,687	7,623,120	100.00	100.00

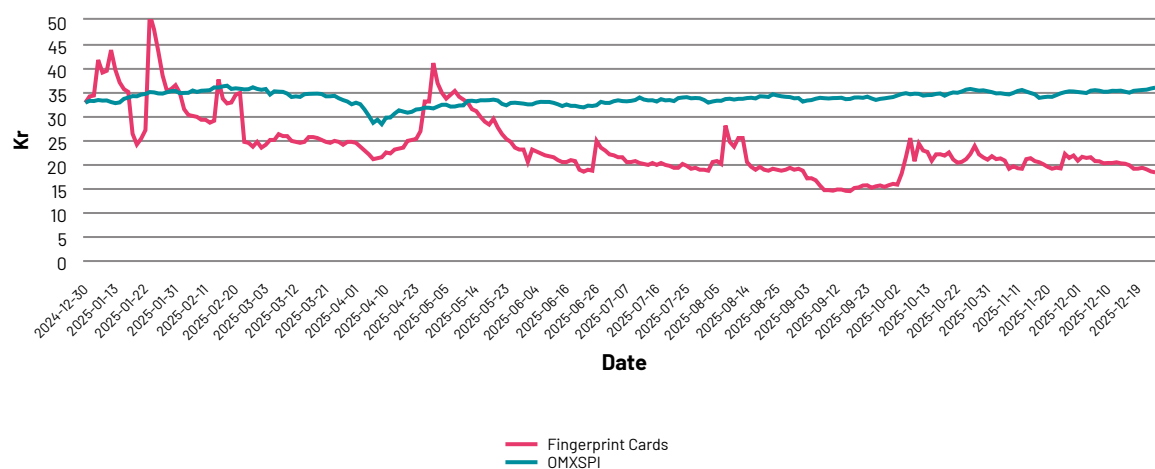
Ten largest shareholders as at December 31, 2025

#	Owner	FING-A	FING-B	Capital (%)	Votes (%)
1	Avanza Pension		404,626	5.33	5.31
2	Peter Hoglin		145,000	1.91	1.90
3	Niels Henrik Balle		137,495	1.81	1.80
4	Storebrand Asset Management		65,679	0.87	0.86
5	Swedbank Försäkring		60,761	0.80	0.80
6	Handelsbanken Liv Försäkring AB		57,743	0.76	0.76
7	Adam Philpott		54,916	0.72	0.72
8	Fredrik Hedlund		53,218	0.70	0.70
9	Handelsbanken Fonder		50,000	0.66	0.66
10	Nihat Üre		45,954	0.61	0.60
	Total		1,075,392	14.17	14.11
	Treasury shares		1,900		

Source: Modular Finance AB

Share price development 2025

Share development Fing B 2025



Risks and risk management

Like all business activities, Fingerprints' operations are associated with risk. By risks, Fingerprints refers to incorrect management and events or decisions beyond the company's control that could result in disruptions to operations, damage or losses with a material impact on the company. Fingerprints' risk management is critical to the company's success. To anticipate risks and minimize their effects, Fingerprints has processes in place to continuously identify and manage risks that can affect its operations. This includes probability and consequence assessments of operational risks, market risks, financial risks and legal risks. Sustainability risks are reported and commented on in the sustainability section.

OPERATIONAL RISKS		
Name of risk	How Fingerprints is impacted	Risk control and risk management
Delivery capacity of contracted suppliers.	Financial damage as a result of delivery disruption.	Maintaining a diversified supplier base of hardware and input materials.
Risks related to outsourcing	Delivery capacity can be negatively affected because manufacturing is outsourced to third-party partners, meaning capacity, lead times and delivery performance depend on suppliers' production availability and priorities.	Thorough supplier validation, clear agreements and ongoing quality follow-up.
Reduced technological leadership.	Loss of competence.	Continuous product development and understanding of customer demands, increased R&D collaboration with customers.
Risks related to the general perception of biometric sensors.	Reduced demand.	Transparent communication about security and privacy, as well as communication activities to increase understanding of the benefits of technology.
The company is dependent on its key employees.	The loss of key employees or difficulties in attracting new qualified personnel may adversely affect the Group's operations.	Competitive terms, clear career paths and a strong corporate culture.
Leaks and infringements regarding business secrets.	Financial consequences and loss of reputation in connection with leaks of development information.	Implement IT Policy through training and integration in management system. Develop procedures for platforms, systems and cloud when managing high risk data.
IT and cybersecurity risks, as well as risks related to system failures, downtime and other interruptions	Supply disruptions, leakage of confidential information, and other negative impact on business.	Robust security systems, regular updates and monitoring.
Internal scalability.	Growing pains when the company's infrastructure and work methods are not involved to the same extent as the financial development.	Investments made in Management system, processes development is ongoing. Investment in HR system, implementation is ongoing.
MARKET RISKS		

Name of risk	How Fingerprints is impacted	Risk control and risk management
Geopolitical instability.	Loss of business opportunities for local/regional political reasons. Political developments, including increased trade tensions, tariffs, or trade restrictions, may impact our operations and supply chains. The continued volatile macroeconomic environment, including the war in Ukraine, conflicts in the Middle East, geopolitical tensions, tariffs, sanctions and export restrictions, may indirectly affect the Group through higher costs, supply chain disruptions, currency and market volatility, and weaker demand. Inflation and interest rates may also affect financing conditions, customers' willingness to invest and the Group's cost base.	Differentiate Fingerprints biometric solutions vis-à-vis low cost products with low biometric integrity. We closely monitor developments related to increased trade tensions and maintain readiness to take appropriate action to mitigate potential negative effects.
Supplier costs.	Reduced margins due to increase in supplier costs.	Ensure market-aligned pricing by using several suppliers. Continuous reviews of suppliers' pricing and market analysis.
Economic fluctuations.	Reduced demand that impacts the company's profits, inventories and the valuation of intangible assets.	Reduce cyclicalities through diversifying to new markets and continuously analyze the whole value chain to foresee demand fluctuations. Broaden the product portfolio and customer base.
Currency risk.	Negative financial impacts from currency fluctuations.	Fingerprints has elected not to hedge its net exposure in USD, since hedging may itself be viewed as currency speculation.
Loss of customers and price pressure due to increased competition.	Sales revenues and market shares decline due to price pressure and customer requirements for a number of suppliers.	Aim to be a full solution provider. Increased focus on customer satisfaction, service, quality and quick response time. Maintain direct customer contacts. Cultivate new customers in new markets. Develop strategic partnerships.
FINANCE RISKS		
Name of risk	How Fingerprints is impacted	Risk control and risk management
Credit risk.	The counterparty does not fulfil his/her payment obligations.	Compliance with credit policy and established process for credit assessment and setting limits. Use of credit insurance.

Financing.	Financing of capital requirements is made more difficult or more expensive.	Communicate proactively with the capital market and create conditions for implementing the necessary capital acquisition measures if required.
LEGAL RISKS		
Competitor IP.	Patents held by others impede the applications of Fingerprints' technology.	Patent strategy and active patent monitoring. Close cooperation between patent manager and development department.
Value of Patent IP.	Loss of revenue and earnings due to patent infringements.	Maintain well-protected patents and work actively to leverage proprietary IP.
Products defects and product liability.	Financial consequences and impact on customer satisfaction.	Ensure the right product design and that all of Fingerprints' hardware products are tested prior to delivery. Work actively on resolving faults and product returns within the quality organization. Fingerprints has product liability insurance.
Risks related to the processing of personal data.	Fines and/or other legal sanctions.	Compliance with data protection laws, clear policies, and security systems.
Fingerprints' operations are subject to a number of regulatory compliance risks.	Negative impact on Fingerprints' business and reputation.	Continuous regulatory monitoring, internal controls and employee training.
Risks related to judicial and administrative proceedings.	Economic, reputational and legal consequences.	Proactive legal monitoring, clear agreements and compliance with legal requirements.

Corporate Governance Report

Fingerprint Cards AB (publ) (Fingerprints) is a Swedish public limited company listed on Nasdaq Stockholm and with registered office in Gothenburg in the County of Västra Götaland.

The corporate governance of Fingerprints is based on legislation and other regulations: the Swedish Companies Act, the Articles of Association, Nasdaq Stockholm's Rulebook for Issuers, the Swedish Code of Corporate Governance, (the "Code"), other applicable laws and ordinances, and internal regulations.

Fingerprints strives to create long-term value for shareholders and other stakeholders. This involves ensuring an effective organizational structure, systems for internal control and risk management, as well as transparent internal and external reporting.

This Corporate Governance Report has been prepared in accordance with the Swedish Annual Accounts Act and the Code. Its primary purpose is to describe corporate governance within Fingerprints. For this purpose, the Report will only be used to a lesser extent to report information that ensues from applicable regulation. Fingerprint Cards' auditors have read this report and an auditor's statement has been appended to it.

Segregation of duties

The shareholders exercise their influence at the General Meeting, which is the company's chief decision-making body. Responsibility for the company's organization and administration of the company's affairs rests with the Board of Directors and the CEO in accordance with applicable laws and regulations, and the Board of Directors' internal control instruments.

Shareholders

Fingerprints is a securities depository-registered company, and the company's share register is maintained by Euroclear Sweden AB.

At year-end 2025, the company had 24,340 (50,991) known shareholders. The registered share capital was SEK 162,023,052, divided between 3,937 class A shares and 7,583,750 class B shares. Class A shares each carry ten votes and class B shares each carry one vote. Class A and B shares carry the same participating interest in the company and equal entitlements to dividends. Repurchased shares are in own custody and has no value in assets or in equity.

At year-end 2025, the ten largest shareholders held 14.1 percent of the votes in the Company.

Annual General Meeting

The Annual General Meeting (AGM) approves the Income Statement and Balance Sheet for the previous financial year for the Parent Company and the Group. The AGM also resolves on dividend and discharging the Directors and CEO from liability, elects the Board of Directors and the Chairman of the Board, and approves their fees, elects the auditor, and resolves on audit fees, and also deals with other statutory matters. Resolutions are taken on the Nomination Committee and guidelines for remunerating senior executives, and other proposals from the Board of Directors and shareholders.

Notice of shareholders' meetings shall be made through an announcement in the Swedish Official Gazette and on the company's website. Notification that the invitation has been issued is announced in the daily newspaper Svenska Dagbladet. Notice of AGMs are issued at the earliest six and the latest four weeks prior to the AGM. Meeting invitations are to contain information on the procedure for the notification of attendance and the closing date for notification, entitlement to participate in and vote, a numbered agenda with business for consideration, information on appropriation of profits and an outline of other proposals. Notice of an Extraordinary General Meeting (EGM), where an amendment to the Articles of Association is to be considered, are to be issued at the earliest six, and at the latest four, weeks prior to the EGM. Notifications of other EGMs are to be issued at the earliest six, and the latest three, weeks prior to the Meeting.

All shareholders recorded in the share register on the record date, and who have notified attendance on time, are entitled to participate in shareholders' meetings, and vote in accordance with the shares registered. Shareholders can attend via a proxy that has been issued with power of attorney. However, the shares must still be registered with information regarding the proxy, and presentation of the power of attorney. In order to exercise voting rights at shareholders' meetings, shareholders with nominee-registered holdings must temporarily re-register their shares in their own name, pursuant to the stipulations of the invitation to the Meeting.

Shareholders who wish to have a matter considered at the AGM shall provide a written proposal to investrel@fpc.com or to Bolagssekreteraren, Fingerprint Cards AB, Box 2412, SE-403 16 Gothenburg, no later than seven weeks before the AGM, to guarantee that the matter can be included in the invitation to the AGM.

Most resolutions at shareholders' meeting are passed by a simple majority. In certain cases, the Swedish Companies Act stipulates resolutions require a qualified majority, for example resolutions on amending the Articles of Association, which require shareholders with at least two-thirds of both the votes cast and the votes represented at the Meeting to support the resolution. Resolutions regarding incentive programs require an even greater majority, with in certain cases, qualified majorities of up to 90 percent of the shares and votes represented at the Meeting.

Annual General Meeting 2025

The AGM for the 2024 fiscal year was held in Stockholm on June 24, 2025. The notice to the AGM was published on May 23, 2025. 50 shareholders, accounting for 9.1 percent of the votes and 9.1 percent of the shares, were represented at the AGM.

THE AGM PASSED RESOLUTIONS ON:

- Adopting the accounts for the 2024 fiscal year.
- Approving the appropriation of profits with the earnings carried forward.

- Discharging the Board of Directors and CEO from liability for the 2024 fiscal year.
- Approval of the remuneration report.
- That the number of Directors shall be four, with no deputies.
- Election of Directors, Chairman of the Board and auditor.
- Approval of Directors' fees and fees to auditors.
- Authorization of the Board of Directors to repurchase and transfer treasury shares.
- Establishment of long-term incentive programs.
- Amend the articles of association in order to enable a reverse share split.

Additionally, the AGM resolved to authorize the Board of Directors to, up until the next AGM, on one or more occasions, with or without deviation from the shareholders' preferential rights, on new issues of Class B shares, warrants and/or convertibles entitling to subscription of Class B shares, corresponding to no more than twenty (20) per cent of the total number of outstanding shares in the Company.

More information on the 2025 AGM is available on FPC's website: www.fpc.com.

Annual General Meeting 2026

The AGM will be held on June 3, 2026 at the premises of KANTER Advokatbyrå at Engelbrektskatan 3, 114 32 Stockholm.

Nomination Committee

The Company is to have a Nomination Committee comprising four (4) members. During the year, the Chairman of the Board is to convene a meeting of the three (3) largest shareholders of the Company in terms of voting power and ask them to each appoint one representative who, in addition to the Chairman of the Board, will constitute members of the Nomination Committee. Should one of the three largest shareholders choose to waive their right to appoint a representative of the Nomination Committee, the shareholder who is next in line in terms of size is to be given an opportunity to appoint a member of the Nomination Committee.

The Nomination Committee may also decide, if this is regarded as appropriate, to appoint an additional representative of a group of major shareholders as a co-opted member of the Nomination Committee.

The Chairman of the Board is to convene the first meeting of the Nomination Committee. The member representing the largest shareholder in terms of voting power is to be appointed Chairman of the Nomination Committee, unless the members agree otherwise. The term of office of those appointed to the Nomination Committee extends until such time as a new Nomination Committee is appointed. The composition of the Nomination Committee is to be disclosed no later than six months before the AGM.

The Nomination Committee is to be constituted based on the largest shareholders in terms of voting power registered for the holder or known in some other manner as per the last banking day in September. If one or several of the shareholders who have appointed members of the Nomination Committee no longer belong to the three largest shareholders, their representative/s is/are to step down, whereupon the/those shareholder/s who has/have been added to three largest shareholders will be entitled to appoint a new representative. However, marginal changes that have occurred in the number of voting rights need not be taken into account, assuming that no special circumstances prevail.

If a member steps down from the Nomination Committee before its work has been completed, the Nomination Committee is to urge the shareholder who appointed such a member to appoint a new representative to the Nomination Committee without undue delay. Should this shareholder refrain from appointing a new representative, the right to appoint a new member of the Nomination Committee will accrue to the next largest shareholder in terms of voting power who is not represented on the Nomination Committee. Any changes to the composition of the Nomination Committee must be disclosed as soon as they occur.

The Nomination Committee is to draft proposals on the following issues for resolution by the 2026 AGM:

- Proposal concerning the Chairman of the Meeting
- Proposal concerning members of the Board
- Proposal concerning Chairman of the Board
- Proposal concerning auditor
- Proposal concerning the remuneration of Board members
- Proposal concerning the remuneration of the auditor
- Possible proposal to change the guidelines for appointing the Nomination Committee

Fingerprints' Nomination Committee had the following members for the 2026 AGM:

- Niels Henrik Balle (shareholder), chairman of the nomination committee
- Sara Viktorsson (representing the shareholder Johan Carlström with company), member of the nomination committee
- Torbjörn Persson (shareholder), member of the nomination committee
- Christian Lagerling (Chairman of the Board of Fingerprint Cards AB), member of the nomination committee

Shareholders may submit proposals to the Nomination Committee. Proposals are to be sent by email to: investrel@fpc.com

Board of Directors and CEO

Pursuant to the Articles of Association, Fingerprints' Board of Directors is to consist of four to ten Directors with a maximum of five deputies elected by the AGM for the period until the end of the following AGM. The Board of Directors and the Chairman of the Board are appointed at each AGM for the period until the following AGM, and accordingly, their term of office is one year.

Apart from the AGM, changes to the Board of Directors can be executed through an EGM resolution or by a Director choosing to resign his or her appointment in advance.

The 2025 AGM, held on June 24, 2025, resolved to re-elect Christian Lagerling and Adam Philpott as Board Members, and elected John Lord and Carl Johan Grandinson as Board members. Christian Lagerling was re-elected as Chairman of the Board of Directors.

Ahead of the AGM, the Nomination Committee considered two Directors of the Board to be independent of the Company and management, and that all four Directors were independent of major shareholders.

The Nomination Committee has applied item 4.1 of the Swedish Corporate Governance Code as diversity policy and continuously strives to meet the requirements of the Code on versatility, breadth and gender balance of the Board. With reference to the Company's transition process and that certain members have been on the Board for a long period of time, the Nomination Committee deems that there is a need for a change in the Board composition. The Nomination Committee would like to empathize that a more even gender distribution must be prioritized going forward.

The Board of Directors is responsible for Fingerprints' organization and administration, in the interests of both the company and its shareholders. The Board must regularly evaluate Fingerprints' financial situation and ensure that Fingerprints is organized so that its accounting, management of funds and the company's other accounting circumstances are controlled satisfactorily. The Board appoints the CEO and decides on issues regarding strategic direction of operations and the company's overall organization.

Each year, the Board adopts written Rules of Procedure that formalize the work of the Board and its internal segregation of duties, decision-making within the Board, the Board's meeting schedule and the duties of the Chairman. In addition, the Board has issued documents including written instructions regarding the segregation of duties between the Board and the CEO.

The Board also approves policies and instructions for operating activities. Operating activities are managed by the CEO. The CEO regularly provides the Board with information on events that are significant to the company's progress, results, financial position, liquidity or other information of such significance that the Board should be informed of.

Work of the Board of Directors in 2025

Pursuant to the current Articles of Association, the Board of Directors must meet on at least four scheduled occasions and one statutory meeting per year. Additional meetings can be held as required.

In 2025, there were 24 Board meetings. Scheduled agenda items at Board meetings during the year are Group Management's reporting of business conditions, operations, organizational resources, results of operations, financial position and liquidity. Special Board meetings with a focus on strategy are held in the spring and autumn. During the autumn, and before Christmas, Board meetings consider the budget and business plan for the following year.

Board meetings are held quarterly to reach decisions on publications of interim, half-year and annual financial statements. Meetings to decide on convening notice, annual accounts, corporate governance documentation and other matters for business are held prior to AGMs. Senior executives of Fingerprints participate in Board meetings as required.

Remuneration Committee

The Remuneration Committee evaluates and consults on matters regarding remuneration and employment terms, and makes proposals and guidelines for remuneration of the CEO and senior executives for approval by the AGM. The Remuneration Committee must ensure that remuneration is commensurate with prevailing market conditions for corresponding executives in other companies, and accordingly, that the company's offering to its employees is competitive. The CEO's remuneration is approved by the Board.

Remuneration of other senior executives is decided by the CEO after consulting with the Remuneration Committee. In 2025, the Remuneration Committee's members were the Directors Carl Johan Grandinson (Chair), John Lord and Christian Lagerling.

During the fiscal year 2025, the Remuneration Committee met on one occasion, before the 2025 AGM. Adam Philpott and Juan Vallejo attended the meeting.

Audit Committee

The Audit Committee's duty is to support the Board on ensuring high quality and efficiency within internal controls, financial reporting and external audits. This includes reviewing interim reports and annual financial statements prior to publication, and considering all critical accounting issues and judgments regarding assessments of risk. The Audit Committee meets the external auditor at least once per year and reviews and monitors the auditors' impartiality and independence, and identifies particularly whether the auditor is supporting the company on other services than auditing, and also provides support on proposals for AGM resolution and election of auditors.

Since the 2025 AGM, the Audit Committee's members were Christian Lagerling (Chair), Carl Johan Grandinson and John Lord. Since the 2025 AGM, the Audit Committee met on two occasions with all members in attendance. Until the Annual General Meeting 2025, the Audit Committee consisted of Alexander Kotsinas (Chairman), Christian Lagerling and Dimitrij Titov. During this time, the Audit Committee met on two occasions. On one of these occasions, all members were present. On the second occasion, Alexander Kotsinas was prevented, but the other two members were present.

Auditor

The Articles of Association stipulate that Fingerprints must have one or two auditors with or without deputies, or one or two registered public accounting firms. The 2025 AGM re-elected BDO Mälardalen AB, with Authorized Public Accountant Johan Pharmanson as Auditor-in-Charge, as auditor up until the end of the 2026 Annual General Meeting.

The duty of the auditor is to examine the company's annual accounts and accounting records, and the Board of Directors' and CEO's administration on behalf of the shareholders. The auditor also conducts a summary review of one quarterly financial statement and issues opinions regarding the Board of Directors' reporting in connection with such events as new share issues and decisions on warrant programs.

Each year, the Board of Directors meets the auditor for a report on whether the company's organizational resources are structured so that bookkeeping, the management of funds and other circumstances can be controlled satisfactorily. The auditor has continuous contact with the Audit Committee and participates in at least one of the Audit Committee's meetings during the financial year. The auditor attended the 2025 AGM on June 24.

Internal controls and risk management

The Swedish Annual Accounts Act stipulates that the Board of Directors shall submit a review of the material elements of the company's systems for internal control and risk management over financial reporting yearly. The Board of Directors is responsible for the company's internal controls, whose overall purpose is to ensure protection of the company's assets, and thus its owners' investments. The Board of Directors has adopted attestation instructions, a finance policy and other policy documents comprising instructions and procedures for operations that must be monitored regularly and reported. The attestation instructions include instructions regarding company signatories as well as roles and authorizations regarding decision making and the approval of agreements, investments, expenses and other expenditure. The Finance Policy sets mandates for investments, management of liquidity, currency hedging and credit issuance on sales. Sales are subject to credit insurance as far as possible, when this is viable and where credit insurance is granted only if there are good grounds to expect the borrower to fulfill its commitments.

Control environment

The fundamental control environment for financial reporting consists of guidelines and policy documents, including the Board of Directors' Rules of Procedure and instructions for the CEO, and the segregation of duties and authorization regarding the organization of operations. Primarily, it is the CEO's responsibility to establish in daily operations the control environment instructed by the Board of Directors. The CEO reports regularly to the Board according to established procedures. The auditor also submits reports from audits conducted.

Risk assessment

Risk assessment is an ongoing process encompassing the identification and management of risks that can impact operations and financial reporting. The primary risk within the auspices of financial reporting consists of material misstatement in accounting. Risk management is a part of operational processes and various methodologies are applied to ensure that risks are managed pursuant to regulation, instructions and procedures with the aim of making accurate disclosures.

Control activities

Control activities are designed to manage the risks that the Board and company management consider material to internal controls of financial reporting. Control activities designed to prevent, discover and rectify misstatement and deviations are evaluated. The segregation of duties and organization constitutes the structure for controls.

Follow-ups are conducted within each area of responsibility, and across all operations. Approvals and the segregation of authorization constitute the structure of control activities, as do clear rules for decisions regarding investments, sales, procurement and contracts. Control activities also proceed from the business concept, strategies and objectives, and mission-critical activities. A high level of IT security is a prerequisite for good internal controls over financial reporting. Fingerprints' IT strategy emphasizes security and functionality, with security being more important because without security, functionality is compromised.

External financial reporting with the ensuing controls is conducted on a quarterly basis, and internal financial reporting on a monthly basis. The Board of Directors follows up on internal control in connection with the financial reports, primarily in the Audit Committee. The Audit Committee regularly reviews the company's control environment, including financial processes, regulatory compliance and reporting procedures. This is primarily done through a review of audits and follow-up of identified areas for improvement. The Committee has an ongoing dialogue with the company's CFO and the external auditor to ensure that internal controls are appropriate and well-functioning. In addition to this, the management, if necessary, keeps the board informed about the situation and activities in special Board memos. Financial controls are based on business plans that are broken down to yearly budgets. Budgets are reviewed and constitute forecasts and supporting data for monitoring against results achieved. Reporting involves analyses and comments on progress in relation to established objectives. Development projects are managed through ongoing project monitoring with reporting of subprojects. Efforts made and expenditures incurred are related to plans and budgets, and expected remaining project expenditure until project completion are also reported.

Operational control is supplemented by monitoring of the quality and performance of suppliers, customers and internal processes. Monitoring of liquidity and cash flow is conducted on an ongoing basis with updates of forecasts and the resulting liquidity planning. The continuous analysis of financial reports at various levels are central for ensuring that financial reporting does not contain material misstatement. Control activities and the division of various functions are embedded throughout the financial reporting process.

The company has no dedicated internal audit function, as the board has made the assessment that internal functions and processes within finance, law and quality meet the needs for review and control.

Remuneration to the Board of Directors

The 2025 AGM resolved that Board remuneration shall be SEK 675,000 to the Chairman of the Board and SEK 295,000 to each other Member of the Board. No remuneration shall be paid to a Board member that is employed and paid by the Company. No fee for work on committees shall be paid. It is noted that the adjusted Board remuneration implies a significant cost saving for the Company. Directors receiving a salary from Fingerprints are not eligible for Directors' fees. Directors that join the Board in the year receive fees in relation to the remaining period until the following AGM.

Name	Function	From	To	Committee	Independent in relation to:		Attendance 2025	Board-fee 2025/26 (Kkr)	Committee fee 2025/26 (Kkr)
					Company	Larger shareholders			
Christian Lagerling	Chairman	9/20/22	-	Audit and Remuneration	No	Yes	24/24	675	-
Alexander Kotsinas	Member	4/20/17	6/24/25	Audit	Yes	Yes	12/13	-	-
Dimitrij Titov	Member	4/20/17	6/24/25	Audit	Yes	Yes	13/13	-	-
Juan Vallejo	Member	5/29/18	6/24/25	Remuneration	Yes	Yes	11/13	-	-
Adam Philpott	Member	5/24/23	-	Remuneration (to June 24, 2025)	No	Yes	23/24	-	-
Carl Johan Grandinson	Member	6/24/25	-	Audit and Remuneration	Yes	Yes	11/11	295	-
John Lord	Member	6/24/25	2/20/26	Audit and Remuneration	Yes	Yes	11/11	197	-

Remuneration guidelines of senior executives

The 2024 AGM approved the Board of Directors' proposal regarding guiding principles for remuneration of senior executives. The guidelines are presented in the Administration report.

Articles of Association

The Articles of Association stipulate the company's operations, the number of Directors and auditors, procedure for convening shareholders' meetings, matters for consideration at the AGM and where meetings are held, as well as share classes and preferential rights. The Articles of Association are available at the website: www.fpc.com.

Information and communication

Fingerprints' policies and guidelines are especially important for accurate accounting, reporting and corporate communication. Information shall increase knowledge of Fingerprints, increase confidence in Fingerprints, its management and employees, and promote business activities. A Corporate Communication Policy is in place for communication with internal and external parties, containing guidelines for the company's corporate communication. The purpose is to ensure compliance with the communication obligation in an accurate and comprehensive manner.

Monitoring

Compliance with the Rules of Procedure, instructions, policies and procedures are monitored by the Board of Directors and Group Management. Board meetings consider business conditions and the financial position. The Board of Directors reviews financial statements and decides on publication of financial reports. The Board of Directors appraises its own work, and the CEO's work, yearly. A Board evaluation has been carried out by having members of the Board answer a number of questions about the Board's work. The answers were then compiled and reported by the Chairman of the Board and discussed by the Board. The Nomination Committee has thereafter in order to make correct assessments of the Board's composition, among other things, taken part of and, together with the Chairman of the Board, gone through the board evaluation and the Board's work as well as the Chairman of the Board's statement of the Company's operations, objectives and strategies. The CEO's work is evaluated on an ongoing basis by the Board. In addition, a formal CEO evaluation is normally carried out at least annually, in parallel with the board evaluation.

At least one interim or half-year report, and all annual financial reports are audited. The CEO provides monthly reports to the Board of Directors, involving all parts of operational functions.

Management meets frequently and monitors business development, financial performance and position, and significant events.

The Board of Directors meets the auditor during the year to review the audit of internal controls and other assignments. Forecasting and budgeting work is conducted continuously with a rolling, forward-looking forecast based on updated information on sales, procurement, operating expenses and product development and technology development.

Board of Directors

Gothenburg, on the date stated in the electronic signatures.

Board of Directors



Christian Lagerling - Chairman of the Board since 2022; Board member since 2022

Born: 1973

Employment and other board assignments:

CEO and owner of Beluca Ventures, LLC. Financial advisor to global technology companies and private investment activities in private and public technology companies. Chairman of the Board of Audio AB (publ), Board member of MEIQ Systems AB and GoodTrust, Inc.

Education: Master of Science in Business and Economics at Stockholm University and London School of Economics.

Background: Financial analyst for Barclays Capital (London, UK) 1998-1999; Co-founder of GP Bullhound Ltd. (London, UK & San Francisco, USA) 1999-2013; Founder of Beluca Ventures, LLC (San Francisco, USA) 2013-; Chairman of the Board of Terranet AB (publ), 2016-2018; Chairman of the Board and co-founder of DicoPay AB, 2017-2022; Chairman of the Supervisory Board of asknet Solutions AG (Frankfurt Exchange), 2021-2022; Chairman of the Board of Raymond Solar AB (2021-2024); Board member of Einride AB (2018-2021)

Holdings in Fingerprint Cards: 17,714 Class B-shares, 4,804,032 warrants and 56,907 employee stock options*.

As financial advisor to the Company, Christian Lagerling is dependent in relation to the Company and the Company management and independent in relation to the Company's major shareholders.

*31 December 2025



Carl Johan Grandinson - Board member since 2025

Born: 1975

Employment and other Board assignments:

Founding Partner Qvantea Capital, Advisor/consultant, Essoge Multi Family Office, Advisor/consultant, Glue & Smart Frog Canary Group (US).

Education: MSc Mechanical Engineering, Royal Institute of Technology; Major, Media Management and Marketing, Stockholm School of Economics; Exchange studies, Stanford School of Engineering

Background: Chairman of the board/consultant, Dynamic Code, 2020-2021; Founder/Board member/Advisor, Glue 2019-2021; Founder/Board member/CEO, Glue, 2015-2019; Partner, True Global Ventures, 2012-2024; Board member, Squid, 2011-2016; Board member, United Communications Partner (US), 2011-2015; Founder/COO/Board member, Tre Kronor Media, 2007-2015; Founder/Board member, Ameibo, 2007-2010; Regional Director Nordics & South Europe, Tradedoubler, 2006-2007; Managing Director Sweden, Tradedoubler, 2004-2006; Managing Director France, Tradedoubler, 2001-2004; First employee/Business Development, Tradedoubler 1999-2001.

Holdings in Fingerprint Cards: 28,453 employee stock options*. Independent in relation to major shareholders and the company and executive management.

*31 December 2025



Adam Philpott - Board member since 2023

Born: 1975

Employment and other board assignments:

President & CEO of Fingerprint Cards AB since 2023.

Education: Bachelor of Science degree in Marketing (Hons) from University of Derby.

Background: Chief Revenue Officer at Trellix, October 2022-2023, Chief Revenue Officer at McAfee (London, UK), 2021-2022, Senior Vice President EMEA at McAfee (London, UK), 2019-2021, Vice President EMEA at McAfee (London, UK), 2017-2019, Senior Director EMEAR Cyber Security at Cisco (UK), 2012-2017, Director Borderless Network Sales at Cisco (Singapore), 2010-2012, Regional Manager at Cisco (Australia) 2008-2010, Account Manager at Cisco (Australia) 2002-2008, Sales Manager at Ingram Micro (Australia) 1998-2002.

Holdings in Fingerprint Cards: 54,916 Class B-shares, 17,999,984 warrants and 92,949 employee stock options*

Dependent in relation to the Company and the executive management and independent in relation to the Company's major shareholders.

*31 December 2025

Executive Management



Adam Philpott - Board member since 2023; President & CEO since 2023

Born: 1975

Education: Bachelor of Science degree in Marketing (Hons) from University of Derby

Background: Chief Revenue Officer at Trellix, 2022-2023, Chief Revenue Officer at McAfee (London, UK), 2021-2022, Senior Vice President EMEA at McAfee (London, UK), 2019-2021, Vice President EMEA at McAfee (London, UK), 2017-2019, Senior Director EMEAR Cyber Security at Cisco (UK), 2012-2017, Director Borderless Network Sales at Cisco (Singapore), 2010-2012, Regional Manager at Cisco (Australia) 2008-2010, Account Manager at Cisco (Australia) 2002-2008 and Sales Manager at Ingram Micro (Australia) 1998-2002.

Holdings in Fingerprint Cards: 54,916 Class B-shares, 17,999,984 warrants and 92,949 employee stock options*

*31 December 2025



Fredrik Hedlund - CFO since 2024

Born: 1971

Education: Bachelor of Science degree in Economics, London School of Economics

Background: Chief Growth Officer & Managing Director at Daphne Technology, 2020-2023; Senior Vice President/Business Unit CFO at Nielsen, 2009-2020; Global FP&A Leader at SABIC, 2007-2009; Various senior leadership positions at General Electric, including Divisional CFO and Corporate Development Director, 1996-2007

Holdings Fingerprint Cards: 53,218 Class B shares, 17,539,384 warrants and 53,113 employee stock options*

*31 December 2025



David Eastaugh - Chief Strategy & Technology Officer since 2024

Born: 1976

Education: Master of Science, Industrial Mathematical Modelling, Loughborough University. Postgraduate Diploma, Renewable Energy Systems Technology, Loughborough University. Bachelor of Engineering, Electronic and Electrical Engineering, Loughborough University.

Background: Senior Director Software Engineering at LexisNexis Risk Solutions, 2023-2024; CTO at TruNarrative, 2017-2023; Lead Developer Data Authentication at GB Group, 2010-2017

Holdings Fingerprint Cards: 9 Class B-shares and 39,835 employee stock options*

*31 December 2025

Auditor's statement on the corporate governance report

To the General Meeting of shareholders in Fingerprint Cards AB (publ), corporate identity number 556154-2381

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2025 on pages 19-25, and that it has been prepared following the Annual Accounts Act.

The scope of the audit

Our examination follows FAR's auditing standard RevR16. The auditor's examination of the corporate governance report. This means that our examination of the corporate governance statement differs substantially less in scope than an audit conducted following International Standards on Auditing and generally accepted auditing standards in Sweden. We believe the examination has provided us with sufficient basis for our opinions.

Opinion

A corporate governance statement has been prepared. Disclosures by chapter 6, section 6, the second paragraph points 2-6, the Annual Accounts Act, and chapter 7, section 31, the second paragraph, the same law, are consistent with the annual accounts and consolidated accounts and are following the Annual Accounts Act.

Stockholm, on the date stated in our electronic signature

BDO Mälardalen AB

Johan Pharmanson

Authorized Public Accountant

Sustainability at FPC

We are working to strengthen and illuminate the benefits that our products create from a sustainability perspective and to reduce the negative impact of our operations, products and supply chain.

BUSINESS MODEL

Fingerprint Cards (FPC) is a biometrics company that develops and sells biometric systems - i.e., a combination of sensors, microcontroller units (MCUs), algorithms, software and packaging technologies - for secure and convenient user authentication. The solutions are used in applications such as FIDO security keys, crypto wallets and payment cards, and are sold globally through customers and partners. The business model is based on creating value through high-security biometrics (primarily fingerprint and iris) and commercializing both products and intellectual property (e.g., technology licensing), while shifting focus from price-pressured high-volume segments (Mobile and PC) towards higher-value areas such as payments, access control/enterprise login and digital identity.

BUSINESS-INTEGRATED SUSTAINABILITY FRAMEWORK

Sustainability work at FPC is carried out within the company's framework, which comprises a vision, core values and policies, including the Code of Conduct and sustainability targets. FPC wholeheartedly supports the UN's 17 Sustainable Development Goals (SDGs). Connected to our specific operations and material focus areas, we have decided to focus on seven of these goals.

We have defined a set of core sustainability targets, connected to our focus areas. The continuous implementation of the targets represents the core of the company's sustainability work and is part of our company-wide balanced scorecard, which contributes to giving sustainability aspects the same status as the company's other objectives. The targets have been broken down to each business area and function to determine exactly how they can contribute to target fulfilment. In our opinion, this enhances both commitment and participation.

The visibility and integration of the sustainability targets also makes it easier for managers to follow up the work. To integrate sustainability into our internal processes, we have been inspired by the Global Reporting Initiative (GRI). Our environmental and quality management systems are certified in accordance with ISO 14001 and ISO 9001. A working method has been rolled out to manage our overall policies and Code of Conduct, with the aim of managing all policy areas equally. One area of major importance is our work on responsible sourcing, and all direct suppliers must thus sign our Code of Conduct for Suppliers.

INITIATIVES AND PARTNERSHIPS

We believe that companies working collectively on sustainability challenges is the best way to achieve long-term results. In order to ensure the security and functionality of both mobile payments and card payments, we have collaborated with key payment system players, e.g. Eurosmart, a sector organization for businesses active in smart security, such as digital identities, data security, cyber security, Internet of Things (IoT), payment solutions and border control. Another example is EMVCo, a global technological body that facilitates worldwide interoperability and acceptance of secure payments by handling and developing what are known as EMV® specifications and related test processes.

New European standards for sustainability reporting (ESRS)

In June 2022, the European Union adopted the Corporate Sustainability Reporting Directive (CSRD), which will gradually replace and build on the previous Non-Financial Reporting Directive (NFRD). CSRD introduces more comprehensive sustainability reporting requirements based on the European Sustainability Reporting Standards (ESRS). The first set of ESRS was adopted in July 2023.

During 2025, the European Commission presented a simplification package ("Omnibus I") aimed at reducing the reporting burden and clarifying the scope of application. In February 2026, the EU process was completed when the Council formally approved the amendments, resulting in a significant narrowing of the scope of the CSRD, which now primarily covers companies with more than 1,000 employees and above certain turnover thresholds.

Against this background, Fingerprints assesses that the Group is not within the scope of the CSRD and is therefore not subject to sustainability reporting requirements under ESRS, as the company is well below the applicable size thresholds, including with respect to the number of employees. At the same time, the company continues to monitor developments and the Swedish implementation of the regulatory framework, and, where relevant, evaluates how best to meet external information needs and market practice through voluntary disclosures and the continued development of its sustainability efforts.

STAKEHOLDER DIALOGUE AND MATERIALITY ANALYSIS

FPC's materiality analysis forms the foundation for our sustainability targets. Our targets are aligned with the UN SDGs. The Global Reporting Initiative (GRI) and stipulations of the Swedish Annual Accounts Act on non-financial information (Ch. 6 Sect. 10) have served as the starting point for producing our materiality analysis, which is integrated into the company's overall risk-management process.

All business lines and functions were involved in the work to produce the materiality analysis.

Fingerprints has identified the following stakeholder groups:

- End users
- Module houses and distributors
- Coworkers
- Investors
- Financial analysts

- Suppliers
- Business partners
- Non-Governmental Organizations (NGOs)
- Media
- Consumers
- Political decision-makers

As a result of the stakeholder dialogue and materiality analysis, the following sustainability issues have been judged to be the most material areas for Fingerprints. These have been categorized under the key focus areas established in Fingerprints' sustainability framework.

Key stakeholder issues

Social aspects

- Secure access to the right competence and attract, develop and retain talented individuals
- Diversity
- Occupational health & safety
- Conflict minerals
- Accessing citizens' rights and social insurance systems through official identities
- Biometric integrity

Environmental aspects

- Carbon emissions
- Environmental impact of suppliers
- Recycling
- Utilization of materials

Finance/governance

- Corruption
- Reduced risk of fraud
- Product quality
- Entry barriers for biometrics.

FPC:s four key focus areas

1. Ethical and transparent business methods
2. Environmental protection and efficient use of resources
3. Smarter and safer solutions
4. Respect and reward our people

Key sustainability policys

- Code of conduct
- Supplier code of conduct
- Conflict minerals policy
- Environmental policy
- Quality policy
- Occupational health and safety policy
- Whistleblowing policy

Focus areas and targets

Focus area 1 – Ethical and transparent business methods

Fingerprints’ success is based on the operations being conducted ethically, transparently and legally since we otherwise risk losing the faith of our stakeholders.

Our Code of Conduct summarizes the areas that are of particular importance to building the confidence of customers and other stakeholders:

- Correct reporting and documentation
- Protect the company’s assets
- Responsible communication
- Protection of sensitive information
- Comply with competition laws
- Secure responsible trade
- Zero tolerance of bribes and corruption

All coworkers must confirm that they have read and understood the Code of Conduct. New employees undergo a review of the Code during their introductory training and refresher courses are implemented for all coworkers every year to ensure continuous awareness and acknowledgment of our guiding principles. In 2023, a new whistleblowing platform was implemented, which allows users to report suspected wrongdoing easily and anonymously. A new whistleblowing policy was also adopted.

Responsible purchases of minerals

Through the global association of industry associations, the World Semiconductor Council (WSC), the global semiconductor industry has undertaken to use procured minerals responsibly in its semiconductor products. WSC recommends that its local members use the OECD’s Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.¹ The semiconductor industry has been involved in the development of compliance tools in this area, such as the OECD’s roadmap, and they have subsequently also been adopted by other major industrial sectors.

Risks and risk management

Suspicious purchases of conflict minerals in the supply chain can lead to a negative impact resulting from rumors and financial consequences for Fingerprints. Accordingly, Fingerprints evaluates its suppliers through the Responsible Minerals Initiative. Fingerprints works actively on implementing its Code of Conduct, which encompasses anti-corruption. Regular refresher courses are an important part of this work, with the focus on the content of the Code. The company’s anti-corruption policy is evaluated and updated whenever required.

Targets and target fulfillment

Targets and target fulfillment		
HOW FINGERPRINTS CONTRIBUTES TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)		
	FPC’s solutions reduce risks of fraud and enable secure authentications and payments.	
TARGET AREA	LONG-TERM DESCRIPTION OF GOALS 2025	OUTCOME 2025
Acceptance and compliance with the Code of Conduct 	The Code of Conduct confirmed in writing by all employees.	All employees have confirmed the Code of Conduct. The Code of Conduct is part of the on-boarding process for employees and consultants.
	In addition to the introductory training for new employees, Refresher courses are to be arranged for all employees at least every other year.	Mandatory refresher training on Code of Conduct completed in 2024.
● Target achieved	● Target proceeding as planned/Target partly achieved	● Target not achieved

Focus area 2 - Environmental protection and efficient use of resources

The efficient use of resources and protecting the environment are an important feature of Fingerprints' sustainability framework for minimizing our climate impact. We are determined to steadily improve our performance and our reporting in this area.

Since Fingerprints does not have any proprietary production capacity, it thus has no direct emissions (scope 1) to report. Our climate-related sustainability targets and reporting in the sustainability reports have historically focused on aspects of the operations that we can directly influence, such as consumption of energy in our offices (scope 2) and business travel (scope 3). However, since 2021 we quantify climate impact along our supply chain (scope 3), in order to enable our stakeholders to better understand the company's total climate impact and our initiatives to reduce our impact.

Environmental impact in Fingerprints' supply chain

Fingerprints' most important suppliers, in terms of purchasing value, are producers of semiconductors. Although the semiconductor industry accounts for a relatively small part of the world's overall CO₂ emissions, it has been working determinedly for a long time to reduce climate impact. A key part of this work has been voluntary reductions in PFC gas emissions. As early as 1999, each regional member organization in the World Semiconductor Council (WSC) – an international forum that brings together industry leaders to address issues of global concern to the semiconductor industry – undertook to reduce their PFC gas emissions by 10 percent by the end of 2010. This goal was comfortably surpassed, with the reduction over this ten-year period amounting to 32 percent, according to WSC. In 2011, a new target was adopted for the coming ten-year period, through 2020, expressed in terms of NER, Normalized Emission Rate, of carbon equivalents per square centimeter of manufactured wafer. The target was set at 0.22 kilos CO₂e/cm², corresponding to a 30-percent reduction compared with the base year of 2010. The WSC also published guidelines (best practices) for new semiconductor plants (updated in 2017). According to WSC, a reduction of 22.9 percent was achieved in 2020, in relation to the base year 2010. In 2023, the WSC announced a new PFC emissions reduction goal for 2030, committing to achieving a reduction of PFC emissions by an additional four percentage points by 2030, compared to the base year 2021. The WSC has also agreed to work on collecting scope 2 emissions, and to continue work toward developing a GHG goal comprising Scope 1 and Scope 2 emissions to be considered by the WSC in the future. The WSC started working on the data collection in 2024.

Semiconductor-enabled digital technologies also contribute to reducing emissions in various other industries, not least by increasing efficiency. For example, World Economic Forum (WEF) estimates show that digital technologies could cut emissions by up to 20 percent by 2050 in the three highest-emitting sectors: energy, materials, and mobility.

The size of the sensors developed and sold by Fingerprints has decreased over the years. The fact is that today we can fit four times as many sensors per silicon wafer than we could five years ago. As a result of this increased efficiency, combined with emissions reductions in the production process, we estimate that CO₂ emissions per sold sensor in 2025 were less than one-fourth of the corresponding figure in 2015.

Risks and risk management

A negative environmental impact from Fingerprints or our suppliers risk adversely affecting our brand reputation among customers and markets. The company has assessed its exposure to climate-related risks and does not deem that such risks would have a material impact on its financial position or performance. The company continues to monitor relevant environmental factors as part of its overall risk management process. At the same time, we work actively to achieve our environmental objective for CO₂ emissions with the focus on our indirect emissions (scope 3) and the environmental performance of suppliers.

Scope 3

Since 2021, Fingerprints quantifies the company's indirect CO₂ emissions in all relevant Scope 3 categories along the supply chain. Fingerprints' largest impact on the climate is in the supply chain, particularly connected to semiconductor manufacturing. In 2025, approximately 50 percent of Fingerprints' carbon footprint was accounted for by the manufacturing of silicon wafers and the integration and packaging of various components into modules that are ready for assembly. Measurement of our indirect emissions is an important step toward better understanding of our total climate impact, and for being able to engage in a dialogue with suppliers and trade organizations about the potential to reduce emissions over time.

As a result of Fingerprints' decision to wind down the Mobile and PC product groups, the number of sensors delivered decreased significantly in 2025, compared to 2024. This is the key driver behind the reduction in Scope 3 emissions reported for 2025. Our strategy going forward includes a key objective to increase the share of software in our revenue mix. This shift is expected to contribute to a further reduction in greenhouse gas emissions, as software solutions typically have a lower environmental impact compared to hardware production and distribution.

Targets and target fulfillment

Targets and target fulfillment

HOW FINGERPRINTS CONTRIBUTES TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)



All employees and suppliers of Fingerprints must sign the company's Code of Conduct. Our quality and environmental management systems are certified according to ISO 9001 and ISO 14001.



Fingerprints has implemented a system for measuring scope 3 emissions along our supply chain.

TARGET AREA	LONG-TERM DESCRIPTION OF GOALS 2025	OUTCOME 2025
Reduce carbon emissions 	Reduce scope 2 CO ₂ emissions for all offices according to the market-based method with 2021 as base year (530 tCO ₂ e). 50 percent reduction achieved in 2025.	178 tCO ₂ e
	Work continuously to reduce CO ₂ emissions from business travel (scope 3). Reduction by 20 percent compared to the base year 2019 (323.5 tCO ₂ e).	66 tCO ₂ e*
	Continuous work to reduce CO ₂ emissions from freight transport by air (scope 3).	7 tCO ₂ e
	Implement system for reporting CO ₂ emissions at the supplier level (wafer and sensor production) and, in dialogue with suppliers, identify opportunities to reduce emissions over time.	260 tCO ₂ e
Utilization of resources in production 	Continuous work to improve material utilization. At least 98 percent of sensors produced must be usable (utilization rate).	Average utilization of resources in production (%) 96.6%**

Target achieved

Target proceeding as planned/Target partly achieved

Target not achieved

* Personnel outside Asia

** Based on data from fewer vendors than in previous years

Focus area 3 – Smarter and safer solutions

FPC aims to supply its customers with products that fulfill or exceed their expectations to ensure that the company is not outmaneuvered by our competitors. To succeed, we have to ensure that our solutions are modern, innovative and secure.

We are determined to deliver high-quality products and services that are safe, reliable and satisfy statutory requirements. We always have the experiences, comfort and integrity of the end users in mind when we develop biometric solutions, and we work to avoid potential negative environmental or health effects during the use of our products.

We annually arrange a comprehensive customer satisfaction survey, and continuously develop our methods for collecting data on the needs of customers and end users.

Risks and risk management

Fraud and cyberattacks related to digital payments and digital identity represent a growing risk for consumers and financial institutions. Attackers use, among other methods, stolen identities, account takeovers and social engineering to bypass traditional login and verification mechanisms, which can result in financial losses and reduced trust in digital services.

FPC's solutions are designed to mitigate these risks through stronger authentication and access control. Biometrics can help bind access and transactions to the rightful user, making it more difficult to misuse stolen credentials. AllKey is an example of how FPC addresses both fraud risk and broader cybersecurity risk by enabling secure and user-friendly authentication across different environments, while we continuously enhance our security measures and communicate transparently about risks and how they are managed.

Targets and target fulfillment

Targets and target fulfillment			
HOW FINGERPRINTS CONTRIBUTES TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)			
FPC's Aadhaar-certified products contribute to supporting people's right to an official identity.	Index-based surveys regarding customer satisfaction are conducted annually to better understand the end users' needs.	Collaboration with Eurosmart, a sector organization for businesses active in smart security, such as digital identities, data security, cyber security, Internet of Things (IoT), payment solutions and border controls.	
TARGET AREA	LONG-TERM DESCRIPTION OF GOALS 2025	OUTCOME 2025	
Customer satisfaction 	Drive active improvement work in key corporate functions with the objective of increasing the CSI (Customer Satisfaction Index). CSI should be above the benchmark for comparable companies and industry.	Customer Satisfaction Index 2023 4.16 (Benchmark: 4.01)	2024 4.46 (Benchmark: 4.40)
		2025	8.80 (Benchmark: 4.40*)
Target achieved	Target proceeding as planned/Target partly achieved	Target not achieved	* 2024 benchmark

Focus area 4 - Respect and reward our people

The people who work at FPC are from different parts of the world and have varying backgrounds and competencies. With a passion for innovative technical solutions, we create products for secure and smooth identification and authentication.

As coworkers of FPC, we are expected to respect each other, make sure that everyone is given the opportunity to perform optimally and ensure that everyone is acknowledged and rewarded for their efforts and performance. This is significant for our success in retaining and attracting talented employees.

All our coworkers are to have the same opportunities based on competencies, experience and performance regardless of gender, religion, age, functional impairment, sexual preference, nationality, political opinion, social background or ethnic origin. We offer our coworkers a safe, secure and inclusive workplace, where health and safety are prioritized in all respects, at our offices and during our business trips. We shall ensure that we do not violate human rights and that we respect international labor rights. Coworkers are expected to show the same respect and protect the rights of the people who work for suppliers, customers and others with whom we do business or collaborate.

Targets and target fulfillment

Targets and target fulfillment		
HOW FINGERPRINTS CONTRIBUTES TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)		
<p>We remain committed to working actively with our recruitment processes and Employer Brand to attract, retain and develop a diverse workforce.</p>	<p>Fingerprints wants to promote decent labor standards so that our employees have a high sense of wellbeing and are encouraged to show commitment.</p>	
TARGET AREA	LONG-TERM DESCRIPTION OF GOALS 2025	OUTCOME 2025
<p>Promote equal opportunities</p>	<p>While we did not reach our long-term target of 35 percent women in our organization (employees) in 2025, we remain committed to working actively with our recruitment processes and Employer Brand to attract, retain and develop a diverse workforce with equal opportunities for all.</p>	<p>Share of women among Fingerprints' employees</p> <p>2024 2025</p> <p>26% 23%</p>
<p>Health and safety</p>	<p>No serious work-related accidents.</p> <p>Not more than 1 percent of employees affected by work-related long-term sickness absence.</p>	<p>No serious accidents occurred.</p> <p>Less than 1 percent of coworkers affected by work-related long-term sickness absence.</p>
<p> Target achieved Target proceeding as planned/Target partly achieved Target not achieved </p>		

Risks and risk management

If we do not succeed in attracting, recruiting and retaining the right skills, we risk not delivering on our goals. If we do not succeed in creating an inclusive work environment characterized by diversity, we risk losing innovative power, productivity, creativity and customer satisfaction. We also risk not being seen as an attractive employer for current and future employees. We work to attract employees with different experiences and backgrounds, which gives us greater competitiveness, increased knowledge and a broader perspective. Working for an inclusive and sustainable work environment is a feature of the company's strategy.

Adaptation of the organization

2025, as 2024, was characterized by the implementation of our Transformation Plan, initiated at the end of 2023. Cost Optimization and Portfolio Refresh form key parts of the plan, with the objective of reducing operating expenses while exiting commoditized, low-margin markets to focus on profitable growth segments. In 2025, we finalized the wind-down of our PC and Mobile product groups, translating into further headcount reductions and entailing that we are exiting the Chinese market.

We will continue to focus on building an empowered, efficient organization, capable of deploying our talent efficiently, aligning our people with strategic projects quickly as market opportunities evolve.

A sustainable organization

At FPC, we attach considerable importance to monitoring employee wellbeing and engagement, and we work actively to create the best possible conditions for involvement and a sustainable work environment. During 2025, we conducted quarterly employee pulse surveys to track how our employees feel and how they perceive their work situation, and to ensure we capture feedback over time.

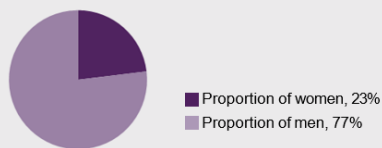
In parallel, we continued to maintain an open and ongoing dialogue across the organization. Our HR function worked closely with managers to support employees and encourage continuous feedback. Regular online staff meetings were held throughout the year, providing a forum to communicate updates and address questions. In addition, a digital tool enabling employees to submit questions anonymously to management was available, with responses published on the company intranet.

Fingerprints' organization

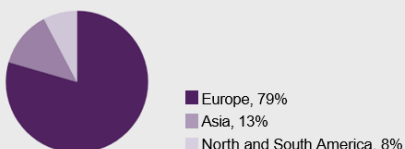
Employees, including consultants



Employees, broken down by women and men



Employees, geographical breakdown



Employees, age breakdown



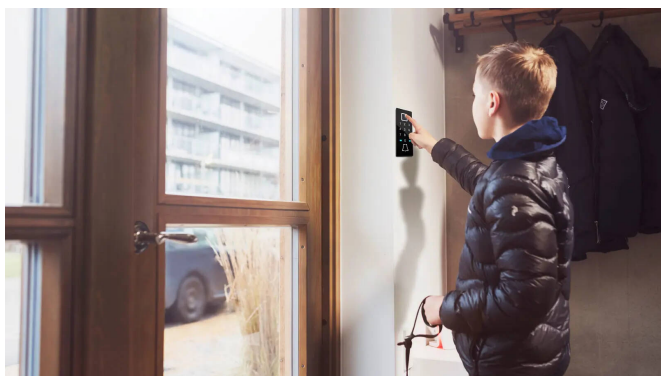
39
COWORKERS

47
AVERAGE AGE

30 / 9
MEN / WOMEN
(EMPLOYEES)

At the end of 2025, the Executive Management Group consisted of three men, one of whom was aged 40-49 years and two were over 50 years.

While the significant headcount reductions during 2024 and 2025 has led to a decrease in the share of women among our employees, we remain committed to having a diverse workforce with equal opportunities for all. We support an environment and a culture in which our employees learn from each other and contact their colleagues for advice, support and to share knowledge. With our core values as the point of departure, we encourage our coworkers to learn at work by daring to test new things, accepting new challenges, reserving time for reflection and sharing their experiences of successes and setbacks.



“With a passion for innovative technical solutions, we create products for safe and flexible identification and authentication.”

Board of Directors

Gothenburg, on the date stated in the electronic signatures.

Auditor's opinion regarding the Statutory Sustainability Report

To the general meeting of shareholders of Fingerprint Cards AB (publ), Corp. Reg. No. 556154-2381.

Engagement and responsibility

It is the Board of Directors that is responsible for the sustainability report for the fiscal year 2025 on pages 27-34 and that it is prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

The scope of the examination

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm, on the date stated in our electronic signature
BDO Mälardalen AB

Johan Pharmanson
Authorized Public Accountant

Statement of comprehensive income

SEK M	Note	2025	2024
Revenue	2	78.2	60.2
Cost of goods sold	4,7	-30.7	-23.6
Gross profit		47.5	36.6
Selling expenses	7	-16.8	-30.1
Administrative expenses	7,8	-67.1	-113.7
Development costs; other	7,10	-21.4	-77.8
Development costs; depreciation	14	-33.8	-37.1
Write downs	14	-	-194.8
Other operating income	5	48.6	6.1
Other operating expenses	6	-16.2	-10.3
Operating profit/loss	9,14,15	-59.2	-421.1
Financial income	11	0.1	2.0
Financial expenses	11	-4.2	-46.8
Profit/loss before tax		-63.3	-465.9
Tax	12	-3.1	0.0
Profit/loss for the period after tax from continued operations		-66.4	-465.9
Profit/loss for the period after tax from discontinued operations	3	7.8	-222.4
Profit for the year		-58.6	-688.3
Earnings per share	13		
from continued operations (SEK)		-9.42	-188.31
from Profit/loss for the period (SEK)		-8.31	-278.18
Other comprehensive income			
Net profit/loss for the year		-58.6	-688.3
Translation differences for the year on translation of foreign operations		-39.2	44.5
Other comprehensive income		-39.2	44.5
Comprehensive income for the year		-97.8	-643.8
Attributable to:			
Equity holders of the Parent Company		-97.8	-643.8

Statement of financial position

SEK M	Note	2025-12-31	31-Dec-24
Assets			
Intangible assets	14	163.0	229.8
Property, plant and equipment	15	0.6	1.6
Right-of-use assets	25	3.9	8.4
Deferred tax asset	12	54.9	56.0
Total non-current assets		222.4	295.8
Current assets			
Inventories	16	21.4	48.0
Accounts receivable	17, 23, 24	8.4	56.0
Other receivables		3.2	7.8
Prepaid expenses and deferred income	18	16.3	5.3
Cash and cash equivalents	17, 19, 26	27.1	12.1
Total current assets		76.4	129.2
Total assets		298.8	425.0
Shareholders' equity			
	13		
Share capital		162.0	159.7
Other paid-up capital		1,039.1	949.4
Translation reserve		151.1	190.3
Retained earnings including net profit for the year		-1,081.4	-1,022.8
Shareholders' equity		270.8	276.6
Non-current liabilities			
Deferred tax liabilities	12	-	0.7
Long-term leasing liabilities	20	-	2.7
Total non-current liabilities		-	3.4
Current liabilities			
Short-term leasing liabilities	20, 25	2.9	4.1
Short-term portion of loans		0.0	13.6
Accounts payable	20	10.1	39.9
Current tax liabilities		3.8	0.6
Other current liabilities	21	6.1	11.2
Accrued expenses and deferred income	22	5.1	75.6
Total current liabilities		28.0	145.0
Total Equity and Liabilities		298.8	425.0

Statement of changes in equity

SEK M	Share capital	Other paid-up capital	Translation reserve	Retained earnings incl. net profit for the year	Total shareholders' equity
Opening shareholders' equity, 1 Jan 2024	26.0	854.3	145.8	-334.5	691.6
Net profit/loss for the year	0.0	0.0	0.0	-688.3	-688.3
Other comprehensive income for the year	0.0	0.0	44.5	0.0	44.5
Issue conversion	0.7	12.3	0.0	0.0	13.0
Issue net of transaction costs	133.0	82.8	0.0	0.0	215.8
Closing shareholders' equity, 31 Dec 2024	159.7	949.4	190.3	-1,022.8	276.6
Opening shareholders' equity, 1 Jan 2025	159.7	949.4	190.3	-1,022.8	276.6
Net profit/loss for the year	0.0	0.0	0.0	-58.6	-58.6
Other comprehensive income for the year	0.0	0.0	-39.2	0.0	-39.2
Option program	0.0	0.7	0.0	0.0	0.7
Issue net of transaction costs	2.3	89.0	0.0	0.0	91.3
Closing equity, 31 December 2025	162.0	1,039.1	151.1	-1,081.4	270.8

Statement of cash flows

SEK M	Note	2025	2024
Operating activities			
Profit/loss before tax		-57.9	-566.8
Adjustment for non-cash items	26	48.2	410.2
Income tax paid		3.8	-16.2
Cash flow from operating activities before changes in working capital		-5.9	-172.8
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventory		5.8	34.7
Increase (-)/Decrease (+) in operating receivables		35.3	84.1
Increase (+)/Decrease (-) in operating liabilities		-91.1	-153.6
Cash flow from operating activities		-55.9	-207.6
Investing activities			
Purchase and internal development of intangible assets	14	-1.0	-11.8
Purchase of property, plant and equipment	15	-0.2	-
Sale of fixed assets	15	0.2	0.2
Cash flow from investing activities		-1.0	-11.6
Financing activities			
Proceeds from the share issue, net of transaction costs		91.3	215.8
Loans		26.4	74.0
Amortization of loans		-40.0	-165.6
Amortization leasing liabilities		-3.6	-6.1
Cash flow from financing activities		74.1	118.1
Cash flow for the year		17.2	-101.1
Cash and cash equivalents at beginning of year		12.1	109.9
Effect of translation differences on cash and cash equivalents		-2.2	3.3
Cash and cash equivalents at end of year	17	27.1	12.1

Note 1 Critical accounting policies

All amounts in millions of Swedish kronor (SEK M) unless otherwise stated.

Basis of presentation

The consolidated accounts comprise Fingerprint Cards AB (Publ) (the Parent Company) and its subsidiaries (the Group). The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS®/IAS) issued by the International Accounting Standards Board (IASB) as endorsed by the EU. The Swedish Financial Reporting Board's recommendation RFR 1 (Supplementary Accounting Rules for Groups) has also been applied.

The consolidated statement of comprehensive income and statement of financial position and the Parent Company income statement and balance sheet will be subject to adoption by the Annual General Meeting (AGM) on June 3, 2026.

The accounting policies are stated in the introduction to each note. The focus is on reviewing the accounting decisions the Group has made within the auspices of the applicable IFRS principle and avoiding repeating body text, unless considered of particular importance to understanding note content. Those accounting policies without a specific note are stated in Note 1.

Consolidation principles

Subsidiaries

The consolidated accounts comprise Fingerprint Cards AB (publ) (the Parent Company) and its subsidiaries (the Group). Subsidiaries are companies that are under the controlling influence of the Parent Company. A controlling influence is secured when the Parent Company has control over the investment, is exposed or entitled to a variable return from its holding in the company and can exercise control over the investment to influence the return. All subsidiaries are wholly owned through direct or indirect ownership, and accordingly, are considered to lie under the Group's control.

Translation to Swedish kronor on consolidation of companies in with different functional currencies

Subsidiaries prepare their financial statements in each entity's functional currency. Each Group company's functional currency is determined on the basis of the primary economic environment where the company conducts operations. The Parent Company's functional currency is Swedish kronor, which is also the presentation currency of the Parent Company and Group. This means that the financial statements are presented in Swedish kronor. All amounts are in millions of Swedish kronor unless otherwise stated.

Receivables and liabilities in foreign currency

Exchange rate differences are recognized in net profit for the year. Exchange rate differences on operating receivables and operating liabilities are recognized in operating profit and exchange rate differences on financial receivables and financial liabilities are recognized in net financial income/expense.

Segment reporting

Each operating segment is defined as business activities that may generate income or expenses and whose operating results are regularly monitored by the Group's highest executive decision-makers and for which independent financial information is available.

Revenue is reported on the four product groups Mobile, PC, Payment and Access. Fingerprints has implemented a new function-based organization and governance model that supports the company's biometric platform strategy. The two main pillars of this organization are Products and Sales, supported by Finance, HR, and other operational functions. The change means that the company no longer conducts operations in separate operating segments and that we no longer report results for our previous operating segments Asia, Rest of World and New Business. During the year, the company discontinued the Mobile and PC businesses and this is now reported as discontinued operations in the income statement and is specified in Note 3.

Critical estimates and judgments

With its Audit Committee, management has discussed the progress, selection and disclosure of the Group's critical accounting policies and estimates, as well as the application of these principles and estimates. Pursuant to IAS 1, the company should disclose the assumptions and other important sources of uncertainty in estimates, which if actual outcomes differ, can have a material impact on the financial statements. In cases where this occurs, estimates and judgments have been moved to the relevant note. A summary of the areas that management considers to contain material estimates and judgments follow:

- Deferred tax (Note 12)
- Capitalization of development costs (Note 14)
- Impairment testing of goodwill and other intangible assets (Note 14)
- Inventory valuation (Note 16)

New accounting policies

New accounting policies for 2025

Those amendments applying for the financial year beginning 1 January 2025 did not have any material effect on the financial statements.

New accounting policies 2026 and later

Certain new standards, interpretations and amendments have been published but had not yet entered into force on 31 December 2025.

With the exception of IFRS 18, the Group assesses that these amendments will not have a material effect on the financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements. IFRS 18 establishes new requirements for the presentation of financial statements, with a particular focus on:

- Income statement: Requirements for certain mandatory subtotals are introduced as operating profit. Revenues and expenses will be classified in the income statement into five categories: operating, financing, investing, income tax and discontinued operations
- Aggregation and disaggregation of information, including the introduction of overarching principles for how information should be aggregated and disaggregated in the financial statements.
- Disclosure of key performance indicators (MPMs) shall be provided in a single note, with reconciliations to the nearest IFRS-compliant subtotal.

IFRS 18 will be effective for annual periods beginning on or after 1 January 2027, with early adoption permitted. Companies will need to restate comparative periods. With regard to IFRS 18, the Group has not yet assessed its impact on the Group's financial reporting. IFRS 18 will not have any impact on the recognition and measurement of the Group's transactions, but will only affect the Group's presentation and presentation of the financial statements, including the financial statements and notes. IFRS 18 may also affect the key figures presented and how they are calculated.

Classification and presentation formats

Earnings for the Group are recognized in the statement of comprehensive income, and for the Parent Company, in the income statement. In addition, the Parent Company uses the terms balance sheet and cash flow statement for the statements the Group refers to as the statement of financial position and statement of cash flows respectively. The Parent Company balance sheet has been presented according to the format stipulated in the Swedish Annual Accounts Act, while the statement of comprehensive income, the statement of changes in equity and the cash flow statement are based on IAS 1 Presentation of Financial Statements, and IAS 7 Statement of Cash Flows.

The Group has changed its principle regarding the reporting of R&D costs. Depreciation of capitalized development expenses has previously been recognized in cost of goods sold, thereby affecting gross margin. As of January 1, 2025, depreciation of previously capitalized development costs is instead recognized within the development costs function in the income statement. The comparative figures for previous periods have been recalculated. Reporting all R&D-related costs, including depreciation of previously capitalized costs within the R&D function on one and the same line in the income statement, has been deemed to lead to financial statements that give a more accurate view of the company's gross margins and also increase comparability with other companies in the industry.

Note 2 Revenues

Accounting policy

The Group generates revenue primarily from (i) sales of biometric hardware products (wafers, sensors and sensor modules) and (ii) technology licensing arrangements, including royalties. Revenue is recognized in accordance with IFRS 15 when (or as) control of the promised goods or services is transferred to the customer.

Product revenue is recognized at a point in time when control transfers in accordance with the delivery terms (Incoterms). Embedded software/firmware is integral to the hardware and does not constitute a separate performance obligation. License revenue is recognized at a point in time (right to use) or over time (right to access) depending on the nature of the license and the Group's ongoing activities affecting the IP. Sales- or usage-based royalties are recognized when the underlying sales/usage occur. Multiple-element arrangements are separated into distinct performance obligations and the transaction price is allocated based on relative stand-alone selling prices.

The transaction price may include variable consideration (e.g., discounts), which is estimated and included only to the extent that it is highly probable that a significant reversal will not occur. Average payment terms are 30 days net.

Presentation

Net sales comprise IFRS 15 revenues from contracts with customers (product sales and licensing/royalty income from ordinary activities). Income outside IFRS 15 or outside ordinary activities is presented as other operating income, such as gains from sale/monetization of assets and grants.

IFRS 15 disclosures

Revenue is disaggregated by product group and geography. Significant judgments relate mainly to (i) identifying performance obligations in combined hardware and licensing arrangements, (ii) assessing license classification (right to use/right to access) and (iii) estimating variable consideration.

Group revenue by type of product, SEK M

	2025	2024
IP licensing	9.5	0.0
Sensor systems	68.7	60.2
Sales	78.2	60.2

Group sales by country, SEK M

	2025	2024	Change, %
Sweden	0.3	16.2	-98.1
Australia	9.2	5.1	81.5
France	6.9	6.7	3.5
Hong Kong	2.1	0.0	
India	2.0	1.2	58.6
China	3.1	0.0	
Taiwan	18.3	0.8	2,206.9
Germany	10.4	6.7	55.4
USA	13.6	17.0	-19.8
Others	12.3	6.5	86.4
Group	78.2	60.2	29.9

Note 3 Discontinued operations

Accounting policy

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of such a line of business or geographical area, in accordance with IFRS 5. The results of discontinued operations are presented as a single amount in the statement of comprehensive income, comprising the post-tax profit or loss of the discontinued operations and the post-tax gain or loss recognized on the measurement to fair value less costs to sell or on disposal. Comparative information is restated accordingly.

Description of discontinued operations and basis for classification

As part of the Group's transformation and strategic exit from commoditized, low-margin operations, the Group has classified the Mobile and PC operations, as well as Access China operations, as discontinued operations in accordance with IFRS 5. These operations represent components that have been discontinued and are clearly distinguishable from the Group's continuing operations.

The classification is intended to provide a more transparent view of the performance of the Group's continuing operations.

Income statement – discontinued operations

	2025	2024
Revenue	37.4	343.0
Cost of goods sold	-21.9	-252.6
Gross profit	15.5	90.4
Selling expenses	-1.1	-46.4
Administrative expenses	-1.6	-13.4
Development expenses; Other expenses	-7.7	-31.1
Development costs; depreciation	0.0	-44.7
Write downs	0.0	-92.8
Other operating income	2.6	65.2
Other operating expenses	-2.3	-28.0
Operating profit/loss	5.4	-100.6
Financial income	0.0	0.0
Financial expenses	0.0	-0.3
Profit/loss before tax	5.4	-100.9
Tax	2.4	-121.5
Profit/loss for the period after tax from discontinued operations	7.8	-222.4

Cash flow statement – discontinued operations

	2025	2024
Cash flow from discontinued operations		
Cash flow from operations	-17.5	-47.5
Cash flow from investing activities	0.0	-6.8
Cash flow from financing activities	0.0	0.0
Cash flow from discontinued operations	-17.5	-54.3

Note 4 Cost of goods sold

Constituent items in cost of goods sold, Group, SEK M

	2025	2024
Materials	-26.1	-22.8
Procurement and production overheads	-4.6	-0.8
Cost of goods sold	-30.7	-23.6

Note 5 Other operating income

Other operating income, Group, SEK M

	2025	2024
Exchange rate gains of an operating character	5.0	5.9
IP- and licensing transactions	43.6	0.0
Sales assets	-	0.2
	48.6	6.1

Income from IP and licensing transactions mainly derive from transactions completed during the year with Smart Eye and Pixart.

Note 6 Other operating expenses

Other operating expenses, Group, SEK M

	2025	2024
Exchange rate losses of an operating character	-6.4	-4.6
Costs for IP- and licensing transactions	-2.1	-
Transaction advisory services	-6.3	-
Other operating costs	-1.4	-5.7
Other operating costs	-16.2	-10.3

Note 7 Employees, personnel costs and remuneration of senior executives

Accounting policy

Pension benefits to employees

The Group has defined-contribution pension plans. Defined-contribution pension plans are classified as plans whereby the company's obligation is limited to the contributions it has undertaken to pay. In such cases, the amount of the employee's pension depends on the contribution the company pays to the plan, or to an insurance company and the return on capital generated by the contributions. Consequently, the employee bears the actuarial risk and the investment risk. The company's obligation regarding contributions to defined-contribution plans is recognized as an expense in profit or loss for the year in line with contributions being vested by the employee rendering services for the company over a period of time.

Severance pay

An expense for severance pay when employees leave the company is recognized only if the company is demonstrably obligated, without a realistic possibility of withdrawing, by a formal detailed plan to terminate employment before the normal point in time.

Short-term remuneration

Short-term remuneration to employees is computed without discounting and is recognized as an expense when the related services are received. A provision is recognized for the expected cost of the profit-sharing and bonus payments when the Group becomes subject to a legal or constructive obligation to make such payments as a result of the services rendered by employees and the obligation can be measured reliably.

The division between basic salary and variable compensation should be in proportion to the executive's duties and authorization. For the Chief Executive Officer and other senior executives, variable compensation is a maximum of 100 percent of basic annual salary, apart from sign-on bonus. Pension terms should be defined contribution pension solutions. The notice period from the company's side should not exceed six months. During the notice period of a maximum of six months, full salary and employment benefits are due. Upon termination by the company, severance pay may be payable up to an amount corresponding to a maximum of 12 months' salary. The notice period for the Chief Executive Officer is six months on termination by the employee and termination from the company is 12 months' salary. Decisions on share and share price-related incentive programs are taken by the general meeting of shareholders. The Board shall be entitled to depart from these guidelines if there are special reasons for this in an individual case.

Related-party transactions

Transactions with board members are priced on an arm's length basis. Transactions with board members are limited to individual, clearly delineated, small-scale consulting assignments, which require specific competence. There were no material transactions between the company and related parties in the Group or the Parent Company during the reporting period.

During the year, the company entered into related party transactions in connection with the implementation of the Employee Stock Option Program 2025/2028 and Employee Stock Option Program 2025/2029. Allotment agreements were entered into between the company and key employees under the Employee Stock Option Program 2025/2028. Similarly, allotment agreements were also entered into between the company and members of the Board of Directors under the Employee Stock Option Program 2025/2029. These agreements were entered into on market terms and in accordance with the resolutions adopted by the Annual General Meeting held on June 24, 2025. Under the Employee Stock Option Program 2025/2028, a total of 265,569 options were allotted. Under the Employee Stock Option Program 2025/2029, a total of 113,813 options were allotted. For main terms and further information, see note 55.

Expenses for employee benefits, Group, SEK M

	2025	2024
Salaries and benefits, etc.	46.8	146.1
Pension costs, defined contribution plans	6.5	15.7
Other social security contributions	10.8	21.8
Benefits	0.8	2.5
Other employee benefits	0.7	3.3
	65.6	189.4

Average number of employees, Group

	2025			2024		
	Men	Women	Total	Men	Women	Total
Sweden	20	4	24	30	9	39
Denmark	0	0	0	9	1	10
France	1	1	2	1	1	2
Japan	0	0	0	0	0	0
China	3	2	5	27	16	43
Switzerland	1	0	1	1	0	1
Great Britain	3	1	4	1	1	2
South Korea	0	0	0	0	0	0
Taiwan	0	0	0	5	3	8
USA	1	1	2	2	0	2
Total	29	9	38	76	31	107

The number of employees as of December 31, 2025 was 39 (53), of which 30 (39) men and 9 (14) women.

Salaries and other benefits allocated between senior executives and other employees, Group, SEK M

	2025			2024		
	Senior executives	Other employees	Total	Senior executives	Other employees	Total
Salaries and other benefits*	15.8	30.9	46.8	20.3	125.8	146.0
of which CEO	6.2	-	6.2	6.6	-	6.6
of which, Sweden	0.0	22.7	22.7	4.6	33.3	37.9
of which foreign countries	15.8	8.2	24.1	15.7	92.5	108.1
of which bonus, etc.	4.2	1.1	5.3	4.1	0.3	4.4
Pension benefits	0.8	5.7	6.5	2.0	13.7	15.8
of which pension benefits, CEO	0.1	0.0	0.1	0.2	0.0	0.2
of which pension benefits, others	0.7	5.7	6.4	1.8	13.7	15.6

Salaries and other benefits to senior executives, 2025, Group, SEK M

	Basic salary, Directors' fee	Bonus, variable compensation	Benefits	Pension	Total
Chairman of the Board					
Christian Lagerling	0.7				0.7
Directors of the Board					
Alexander Kotsinas, until 2025-06	0.2				0.2
Carl Johan Grandinsson, from 2025-06	0.2				0.2
Dimitrij Titov, until 2025-06	0.1				0.1
John Lord, from 2025-06	0.2				0.2
Juan Vallejo, until 2025-06	0.2				0.2
Mario Shiliahki, until 2024-06	-				-
Chief Executive Officer					
Adam Philpott	4.0	2.1	0.0	0.1	6.2
Other senior executives	6.1	2.0	0.1	0.7	8.9
Total from Group and Parent Company	11.7	4.1	0.1	0.8	16.7

Salaries and other benefits to senior executives, 2024, Group, SEK M

	Basic salary, Directors' fee	Bonus, variable compensation	Benefits	Pension	Total
Chairman of the Board					
Christian Lagerling	0.8				0.8
Directors of the Board					
Alexander Kotsinas, until 2025-06	0.4				0.4
Carl Johan Grandinsson, from 2025-06	0.0				0.0
Dimitrij Titov, until 2025-06	0.4				0.4
John Lord, from 2025-06	0.0				0.0
Juan Vallejo, until 2025-06	0.4				0.4
Mario Shiliahki, until 2024-06	0.1				0.1
Chief Executive Officer					
Adam Philpott	4.4	2.2	0.0	0.2	6.8
Other senior executives	9.7	1.9	0.6	1.8	14.0
Total from Group and Parent Company	16.2	4.1	0.6	2.0	22.9

Cost relating to the employee stock option program for the board and employees amounted to 0.8 MSEK.

Note 8 Fees and reimbursement of auditors

Fees and reimbursement of auditors, Group, SEK M

	2025	2024
Audit fee, BDO	4.3	4.3
Audit fee, other	0.0	0.1
Other services	0.5	0.7
Total fees	4.8	5.1

Note 9 Operating expenses by cost class

Operating expenses by cost class, Group, SEK M

	2025	2024
Cost of materials	-26.1	-23.6
Personnel costs	-56.1	-172.2
Depreciation	-36.6	-40.3
Write downs	-	-194.8
Other operating expenses	-67.2	-56.6
Operating expenses	-186.0	-487.5

Note 10 Development expenditure

The Group's expenses for technology development and patents in 2025 amounted to SEK 22.4 M (89.6) of which SEK 1.0 M (11.8) or 4 percent (13%) was capitalized in the consolidated statement of financial position and the remaining SEK 21.4 M (77.8) was expensed. Following the wind-down of Mobile and PC operations, the Group's development organization is materially smaller, with R&D resources concentrated on targeted, shorter-cycle projects aligned with available investment funding. As a result, a larger proportion of development expenditure falls below the SEK 1 million capitalization threshold and is expensed as incurred.

Note 11 Financial income/expense

Financial income/expense, SEK M

	2025	2024
Exchange rate gains, financial receivables, and liabilities	0.0	0.2
Other interest income	0.1	1.8
Financial income	0.1	2.0
Exchange rate losses, financial receivables, and liabilities	-0.7	0.0
Interest expenses	-2.9	-29.2
Other financial expenses	-0.6	-17.9
Financial expenses	-4.2	-47.1

Note 12 Taxes

Accounting policy

The Group's tax for the period consists of current tax and deferred tax. Current tax assets and liabilities for the current and preceding periods are measured at the amount expected to be paid to or from the tax authorities based on the tax rates and tax laws adopted or adopted on the balance sheet date. Current tax is tax pertaining to taxable profit for the period. Deferred tax is reported on all temporary differences that arise between the tax and accounting values of assets and liabilities, as well as on tax loss carryforwards.

Deferred tax assets are reported in the balance sheet to the extent that it is likely that these can be utilized against future taxable profits. In calculating the Group's deferred tax assets and liabilities, the prevailing tax rate in each country is used.

Estimates and judgments

Management particularly assesses the likelihood that deferred tax assets can be offset against profits in a future taxation based on the long-term forecasts the company has prepared. As the basis for these, market analyses, information regarding upcoming regulatory requirements and discussions with customers are used. Such an analysis has resulted in the revaluation of deferred taxes to match future profits. The revaluation of deferred tax refers to the difference between theoretical tax and actual deferred tax.

SEK M	2025	2024
Current tax	-2.7	0.0
Deferred tax assets	-0.4	0.0
Total income tax (continuing operations)	-3.1	0.0
Tax attributable to discontinued operations	2.4	-121.5
Total reported tax in the Group	-0.7	-121.5

Reconciliation of effective tax, SEK M

	2025	%	2024	%
Profit/loss before tax	-63.3		-465.9	
Theoretical tax at applicable tax rate for Parent company	13.0	-20.6	96.0	-20.6
Differences in tax rates for foreign subsidiaries	2.0	-3.2	15.1	-3.2
Non-deductible expenses	-18.9	29.8	-4.6	1.0
Non-taxable revenues	1.2	-1.9	0.1	-0.0
Tax losses for which no deferred tax asset has been recognized	-5.2	8.2	-101.5	21.8
Tax attributable to previous year	4.8	-7.6	-5.1	1.1
Reported effective tax	-3.1	4.9	0.0	-

Unreported deferred tax assets. SEK M

Tax loss carry-forwards for which deferred tax assets have not been recognised in the statement of financial position:

	2025	2024
Deductible deficits	257.6	198.8

Deferred tax assets and tax liabilities are divided as follows:

Deferred tax assets, SEK M

	2025	2024
Deferred tax assets to be settled after more than 12 months	54.9	56.0
Total deferred tax assets	54.9	56.0

Deferred tax liabilities, SEK M

	2025	2024
Deferred tax liabilities to be settled after more 12 months	0.0	0.0
Total deferred tax liabilities	0.0	0.0

Changes in deferred tax assets and tax liabilities are stated below:

Tax loss carryforwards, Group, SEK M

As of 1 January 2024	171.2
Recognized in the income statement, continuing operations	0.0
Recognized in the income statement, discontinued operations	-121.5
Revaluation deferred tax	6.4
As of 31 December 2024	56.1
Recognized in the income statement, continuing operations	0.0
Recognized in the income statement, discontinued operations	-1.2
Revaluation deferred tax	0.0
As of 31 December 2025	54.9

Temporary tax difference intangible assets, SEK M

As of 1 January 2024	6.6
Revaluation deferred tax	0.3
Recognized in the income statement, continuing operations	-6.2
As of 31 December 2024	0.7
Revaluation deferred tax	-0.1
Recognized in the income statement, continuing operations	-0.6
As of 31 December 2025	0.0

Note 13 Shareholders' equity and number of shares

Accounting policy

Earnings per share before and after dilution is calculated as the year's net profit attributable to equity holders of the Parent Company divided by the average number of outstanding shares. Repurchased shares held in treasury are not included in outstanding shares. Weighted average number of repurchased shares as from when the repurchase was carried out.

In February 2025, Fingerprints carried out a partially guaranteed issue of units consisting of new B-shares and warrants entitling for subscription of B-shares with preferential rights for existing shareholders (the "Rights Issue"). The subscription price was set to SEK 0.48 per Unit and shareholders in Fingerprints received one (1) unit right per each existing share (irrespective of class) held on the record date, of which eleven (11) such unit rights entitled to subscribe for one (1) Unit in the Rights Issue. Each Unit consists of forty-eight (48) B-shares and eight (8) Warrants, each of which entitles to subscription of one (1) new B-share in the Company. 199,824,120 Units, corresponding to approximately 60.0 percent of the Units offered in the Rights Issue, were subscribed for with support of unit rights. In addition, applications to subscribe for 39,908,976 Units without the support of unit rights were received, corresponding to approximately 12.0 percent of the Units offered in the Rights Issue. A total of 239,733,096 Units were thus subscribed for in the Rights Issue, which corresponds to approximately 72.0 percent of the Units offered in the Rights Issue and total issue proceeds of approximately SEK 115.1 million before deduction for transaction costs, entailing that no guarantee commitments will be utilized. In total 239,733,096 Units were issued in the Rights Issue. This entails that 11,507,188,608 new B-shares and 1,917,864,768 Warrants entitling to subscribe for a corresponding number of B-shares were issued.

As the subscription price was below the market price, a fund element has been identified, which means that the comparison figures have been recalculated.

On August 27, 2025, FPC announced that the Board had decided that the record date for the 1:2000 reverse split will be September 4, 2025. As a result of the reverse split, FPC's B-shares will change its ISIN code. As of September 3, 2025, the B-shares will be traded under the new ISIN code SE0026141665. From this date, the share price will reflect the effect of the reverse split. The Company's non-listed A-share will as of September 3, 2025, have the ISIN code SE0026141657. Following the reverse split, the total number of shares in the Company decreased from 15,175,375,766 shares (7,875,000 A-shares and 15,167,500,766 B-shares) and 15,246,250,766 votes to 7,587,687 shares (3,937 A-shares and 7,583,750 B-shares) and 7,623,120 votes. Each share has a quota value of SEK 21.353477 after the reverse split.

The company does not report any dilution effect as the Group's result is a loss. The Employee Stock Option Program issued during the year entails a potential dilution effect if fully exercised of 379 384 B shares, i.e., a dilution of 5 percent.

SEK	Before dilution		After dilution	
	2025	2024	2025	2024
Earnings per share from continuing operations	-9.42	-188.31	-9.42	-188.31
Earnings per share for the period	-8.31	-278.18	-8.31	-278.18

Net profit for the year attributable to ordinary shareholders of the Parent Company before dilution, SEK M

	2025	2024
Net profit for the year attributable to equity holders of the Parent Company	-58.60	-688.26

Weighted average number of outstanding shares before and after dilution

	2025	2024
Class A shares at beginning of the year	3,938	3,938
Issued Class A shares during the year	0	0
Total number of Class A shares	3,938	3,938
Class B shares at beginning of the year	1,830,156	290,570
Issued Class B shares during the year	5,753,594	1,539,586
Treasury shares	-1,900	-1,900
Total number of Class B shares	7,581,850	1,828,256
Total number of outstanding shares	7,585,788	1,832,194
Weighted average number of ordinary shares during the year before and after dilution	7,050,532	1,431,569
Quotient value, SEK per share	21.35	87.07

As at December 31, 2025, the total number of shares in the Company amounts to 7,587,687 (of which 3,937 A-shares and 7,583,750 B-shares). The total number of votes in the Company amounts to 7,623,120 (of which 39,370 pertain to the A-shares and 7,583,750 pertain to the B-shares).

The company had 1,900 B shares in treasury at the end of the period. The share capital amounted to SEK 162,023,052. The figures for the year 2024 have all been recalculated with regard to the consolidation of shares and do not refer to the actual number or nominal value.

Note 14 Intangible assets

Accounting policy

Intangible assets are recognized at cost after deduction of accumulated amortization and potential impairment.

Research and development

Development expenditure, aimed at achieving new or improved products or processes, is recognized as an asset in the statement of financial position, if the product or process is technically and commercially viable, and the company has sufficient resources to complete the development process and subsequently use or sell the intangible asset.

The carrying amount includes directly attributable expenses, such as materials and services used and consumed in connection with processing and registering legal rights. Other development expenditure is recognized in profit or loss for the year as an expense when it arises.

As all development originates in products and market demand, there are no research expenses.

Patents

Acquired patents are capitalized as intangible assets.

Goodwill

Goodwill is recognized as an intangible asset with indefinite useful life. Over and above indication, non-amortizable assets such as goodwill are subject to annual impairment tests by measuring the asset's recoverable amount. If the estimated recoverable amount is less than the carrying amount, the asset is impaired to its recoverable amount.

Depreciation and impairment

Amortization is recognized in profit or loss for the year on a straight-line basis over the estimated useful lives of intangible assets, unless such useful lives are indefinite. Useful lives are determined on the basis of expected commercial potential, earnings and the patent's remaining term of validity and technical significance. Useful lives are reviewed at least yearly. Intangible assets with definite useful lives are amortized from the date when they are available for use. Amortizable assets are tested for impairment, if at the reporting date, there is an indication that a non-current asset is impaired. Intangible assets with an indefinite useful life or that are not ready for use are tested for impairment every year and as soon as there is an indication of impairment. The recoverable amount of goodwill is measured through a value in use measurement according to the discounted cash flow method. An impairment loss is recognized when an asset's carrying amount exceeds its recoverable amount. An impairment loss is recognized as an expense in profit or loss.

Estimated useful lives are:

Products: 1.5-4 years
 Platforms: 1.5-10 years
 Customer relations: 10 years
 Patents: 4-5 years

Useful lives are reviewed yearly.

Management determines estimated useful lives based on three factors: the pace of market and competitive development, the rate of technological change, and the duration of expected earnings potential. These factors are assessed at least annually and adjusted when warranted.

Products (1.5-4 years): Individual product iterations have a short earnings window before being superseded by newer technology. The range reflects the speed at which competitors introduce alternative solutions.

Platforms (1.5-10 years): Platforms such as AllKey serve as foundational architecture for multiple product generations, supporting a longer lifespan. The 10-year upper bound reflects core biometric algorithms that remain technically significant and commercially viable over an extended period.

Customer relations (10 years): Reflects the integration stickiness of biometric solutions once embedded in a customer's ecosystem. Industry experience confirms that high-security technology supply relationships typically persist over this duration.

Patents (4-5 years): Although patents carry longer legal terms, amortization is based on the shorter period of technical significance. In the digital identity sector, patented technology is typically rendered obsolete by new advancements well before legal expiry.

Estimates and judgments

Capitalized development expenses

The company reports development costs in accordance with IFRS, primarily IAS 38 Intangible Assets. Research expenditures are expensed as they are incurred. Development expenditures are capitalized when the criteria under IAS 38 are met, which includes that the asset is deemed technically feasible and expected to generate future economic benefits. Capitalization applies only to general product development where an identifiable future revenue stream exists. Capitalization begins after the completion of the investigation phase, when the feasibility of the project has been established. In addition, for capitalization to occur, the total development costs for the project must exceed SEK 1 million. The capitalized development costs mainly consist of personnel costs directly attributable to the development work. To a limited extent, costs for materials and other directly attributable expenses may also be included.

Customer-specific development, platform research, new technology exploration, and customer support activities do not meet the capitalization criteria and are expensed as incurred.

Following the wind-down of Mobile and PC operations, the Group's development organization is materially smaller, with R&D resources concentrated on targeted, shorter-cycle projects aligned with available investment funding. As a result, a larger proportion of development expenditure falls below the SEK 1 million capitalization threshold and is expensed as incurred.

Impairment of goodwill and other acquired intangible fixed assets

The impairment test of goodwill and other acquired intangible fixed assets for the cash-generating unit, Delta ID Inc., has been calculated based on its value in use. The value in use is calculated as the present value of future expected cash flows according to management's forecast. The most important assumptions in the forecast are sales and operating margin as well as the discount rate.

A five-year cash flow forecast has been used. Sales have been assessed in the short term based on an existing pipeline of identified customers, in the medium term based on management's assessment of the directly addressable market for iris recognition technology, and in the long term based on assumptions of a normalized growth rate.

The 2025 valuation is supported by the commercialization of iris technology, validated by the licensing agreement with Smart Eye announced in January 2025 for a total consideration of SEK 50 million over five years. Under the capital-light IP licensing model, the partner assumes technical and commercial responsibility, resulting in minimal ongoing cost to the Group. This model underpins the forecast cash flow projections. The model is supported by the identified pipeline of further licensing opportunities.

During the forecast period, a compound annual revenue growth rate of 34 percent has been estimated. The operating margin is forecast at an average of 76 percent, reflecting the capital-light IP licensing model. After the end of the forecast period, a growth rate of 2 percent has been assumed. The discount rate has been assessed based on the business's estimated weighted average cost of capital (WACC). WACC is estimated at 17.3 percent.

The assessment concluded that the recoverable amount exceeds the carrying amount. No goodwill impairment was recognized for 2025.

Impairment of capitalized development expenditure

For capitalized development expenditures, no indication has been identified and thus no impairment testing has been performed for capitalized development expenditures.

The impairment of patent

For patents, no indication has been identified and thus no impairment testing has been performed for patents.

Sensitivity analysis

A sensitivity analysis shows that, for goodwill and other acquired intangible assets, neither a 2 percentage-point increase in WACC nor a 20-percent reduction in revenue or operating profit would give rise to any impairment.

Impairment test of goodwill and other acquired assets

	2025	2024
Recoverable amount SEKm	265.0	253.0
Carrying amount, SEK M	157.0	211.0
Interest rate, % (WACC), before tax	17.3	18.6
Interest rate, % (WACC), after tax	17.3	18.6

SEK M	Goodwill		Capitalized development expenditure		Patents & other acquired intangible assets		Intangible fixed assets																																																																																																																																																																																														
	2025-12-31	31-Dec-24	2025-12-31	31-Dec-24	2025-12-31	31-Dec-24	2025-12-31	31-Dec-24																																																																																																																																																																																													
	Accumulated cost									Opening balance	997.6	907.9	718.6	895.4	329.0	300.9	2,045.1	2,104.2	Internally developed assets	-	-	1.0	11.8	0.0	0.0	1.0	11.8	Purchases	-	-	-	-	0.0	0.0	0.0	0.0	Scrapping	-	-	-634.2	-188.6	0.0	0.0	-634.2	-188.6	Translation difference	-164.3	89.7	0.0	0.0	-51.4	28.1	-215.7	117.7	Closing balance	833.3	997.6	85.4	718.6	277.6	329.0	1,196.3	2,045.1	Accumulated depreciation									Opening balance	-	-	-440.0	-428.1	-259.6	-215.8	-699.6	-643.9	Depreciation for the year	-	-	-14.3	-60.4	-19.9	-23.0	-34.3	-83.4	Scrapping	-	-	384.3	48.5	0.0	0.0	384.3	48.5	Translation difference	-	-	0.0	0.0	41.1	-20.8	41.1	-20.8	Closing balance	0.0	0.0	-70.0	-440.0	-238.4	-259.6	-308.4	-699.6	Accumulated impairment									Opening balance	-855.9	-603.3	-259.8	-352.3	0.0	-0.0	-1,115.7	-955.6	Impairment for the year	-	-184.8	0.0	-47.8	0.0	0.0	0.0	-232.5	Scrapping	-	-	249.9	140.3	0.0	0.0	249.9	140.3	Translation difference	141.0	-67.8	0.0	0.0	0.0	0.0	141.0	-67.8	Closing balance	-714.9	-855.9	-10.0	-259.8	0.0	0.0	-724.9	-1,115.7	Carrying amounts									At beginning of year	141.7	304.6	18.7	115.0	69.4	85.1	229.8	504.7	At end of year	118.4	141.7	5.4	18.7	39.2	69.4	163.0
Opening balance	997.6	907.9	718.6	895.4	329.0	300.9	2,045.1	2,104.2	Internally developed assets	-	-	1.0	11.8	0.0	0.0	1.0	11.8	Purchases	-	-	-	-	0.0	0.0	0.0	0.0	Scrapping	-	-	-634.2	-188.6	0.0	0.0	-634.2	-188.6	Translation difference	-164.3	89.7	0.0	0.0	-51.4	28.1	-215.7	117.7	Closing balance	833.3	997.6	85.4	718.6	277.6	329.0	1,196.3	2,045.1	Accumulated depreciation									Opening balance	-	-	-440.0	-428.1	-259.6	-215.8	-699.6	-643.9	Depreciation for the year	-	-	-14.3	-60.4	-19.9	-23.0	-34.3	-83.4	Scrapping	-	-	384.3	48.5	0.0	0.0	384.3	48.5	Translation difference	-	-	0.0	0.0	41.1	-20.8	41.1	-20.8	Closing balance	0.0	0.0	-70.0	-440.0	-238.4	-259.6	-308.4	-699.6	Accumulated impairment									Opening balance	-855.9	-603.3	-259.8	-352.3	0.0	-0.0	-1,115.7	-955.6	Impairment for the year	-	-184.8	0.0	-47.8	0.0	0.0	0.0	-232.5	Scrapping	-	-	249.9	140.3	0.0	0.0	249.9	140.3	Translation difference	141.0	-67.8	0.0	0.0	0.0	0.0	141.0	-67.8	Closing balance	-714.9	-855.9	-10.0	-259.8	0.0	0.0	-724.9	-1,115.7	Carrying amounts									At beginning of year	141.7	304.6	18.7	115.0	69.4	85.1	229.8	504.7	At end of year	118.4	141.7	5.4	18.7	39.2	69.4	163.0	229.8									
Internally developed assets	-	-	1.0	11.8	0.0	0.0	1.0	11.8	Purchases	-	-	-	-	0.0	0.0	0.0	0.0	Scrapping	-	-	-634.2	-188.6	0.0	0.0	-634.2	-188.6	Translation difference	-164.3	89.7	0.0	0.0	-51.4	28.1	-215.7	117.7	Closing balance	833.3	997.6	85.4	718.6	277.6	329.0	1,196.3	2,045.1	Accumulated depreciation									Opening balance	-	-	-440.0	-428.1	-259.6	-215.8	-699.6	-643.9	Depreciation for the year	-	-	-14.3	-60.4	-19.9	-23.0	-34.3	-83.4	Scrapping	-	-	384.3	48.5	0.0	0.0	384.3	48.5	Translation difference	-	-	0.0	0.0	41.1	-20.8	41.1	-20.8	Closing balance	0.0	0.0	-70.0	-440.0	-238.4	-259.6	-308.4	-699.6	Accumulated impairment									Opening balance	-855.9	-603.3	-259.8	-352.3	0.0	-0.0	-1,115.7	-955.6	Impairment for the year	-	-184.8	0.0	-47.8	0.0	0.0	0.0	-232.5	Scrapping	-	-	249.9	140.3	0.0	0.0	249.9	140.3	Translation difference	141.0	-67.8	0.0	0.0	0.0	0.0	141.0	-67.8	Closing balance	-714.9	-855.9	-10.0	-259.8	0.0	0.0	-724.9	-1,115.7	Carrying amounts									At beginning of year	141.7	304.6	18.7	115.0	69.4	85.1	229.8	504.7	At end of year	118.4	141.7	5.4	18.7	39.2	69.4	163.0	229.8																		
Purchases	-	-	-	-	0.0	0.0	0.0	0.0	Scrapping	-	-	-634.2	-188.6	0.0	0.0	-634.2	-188.6	Translation difference	-164.3	89.7	0.0	0.0	-51.4	28.1	-215.7	117.7	Closing balance	833.3	997.6	85.4	718.6	277.6	329.0	1,196.3	2,045.1	Accumulated depreciation									Opening balance	-	-	-440.0	-428.1	-259.6	-215.8	-699.6	-643.9	Depreciation for the year	-	-	-14.3	-60.4	-19.9	-23.0	-34.3	-83.4	Scrapping	-	-	384.3	48.5	0.0	0.0	384.3	48.5	Translation difference	-	-	0.0	0.0	41.1	-20.8	41.1	-20.8	Closing balance	0.0	0.0	-70.0	-440.0	-238.4	-259.6	-308.4	-699.6	Accumulated impairment									Opening balance	-855.9	-603.3	-259.8	-352.3	0.0	-0.0	-1,115.7	-955.6	Impairment for the year	-	-184.8	0.0	-47.8	0.0	0.0	0.0	-232.5	Scrapping	-	-	249.9	140.3	0.0	0.0	249.9	140.3	Translation difference	141.0	-67.8	0.0	0.0	0.0	0.0	141.0	-67.8	Closing balance	-714.9	-855.9	-10.0	-259.8	0.0	0.0	-724.9	-1,115.7	Carrying amounts									At beginning of year	141.7	304.6	18.7	115.0	69.4	85.1	229.8	504.7	At end of year	118.4	141.7	5.4	18.7	39.2	69.4	163.0	229.8																											
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Closing balance	0.0	0.0	-70.0	-440.0	-238.4	-259.6	-308.4	-699.6	Accumulated impairment									Opening balance	-855.9	-603.3	-259.8	-352.3	0.0	-0.0	-1,115.7	-955.6	Impairment for the year	-	-184.8	0.0	-47.8	0.0	0.0	0.0	-232.5	Scrapping	-	-	249.9	140.3	0.0	0.0	249.9	140.3	Translation difference	141.0	-67.8	0.0	0.0	0.0	0.0	141.0	-67.8	Closing balance	-714.9	-855.9	-10.0	-259.8	0.0	0.0	-724.9	-1,115.7	Carrying amounts									At beginning of year	141.7	304.6	18.7	115.0	69.4	85.1	229.8	504.7	At end of year	118.4	141.7	5.4	18.7	39.2	69.4	163.0	229.8																																																																																																												
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Depreciation and write-downs are included in the following lines in the statement of comprehensive income

	2025	2024	2025	2024	2025	2024	2025	2024
Cost of goods sold	-	-	-	-	-	-	-	-
Development costs	-	-	-14.3	-36.9	-19.9	-24.3	-34.3	-61.2
Write downs	-	-	-	-47.8	-	-	-	-47.8

Note 15 Property, plant and equipment

Accounting policy

Property, plant and equipment are recognized in the Group at cost less accumulated depreciation and any impairment. Cost includes the purchase price and any expenses that are directly attributable to the asset to put it in place and in the condition to be utilized for the purpose for which it was acquired.

Assets leased through leases are recognized as non-current assets in the statement of financial position and recognized initially at the lower of the item's fair value and the present value of minimum lease payments on entering the arrangement.

Depreciation and impairment

Depreciation is on a straight-line basis over the estimated useful life of the asset. Leased assets are depreciated over their estimated useful life, or if it is shorter, the contracted lease term. Depreciation is recognized in each function the assets belong to.

Estimated useful lives:

Machinery and other technical plant: 5 years

Equipment, tools, fixtures and fittings: 3-5 years

Accumulated cost, SEK M

	Machinery and equipment	
	2025-12-31	31-Dec-24
Opening balance	29.5	39.1
Sales/retirements	-4.6	-10.4
Purchasing	0.2	0.0
Translation difference	-0.7	0.8
Closing balance	24.4	29.5
Accumulated depreciation		
Opening balance	-27.9	-36.1
Reversed depreciation on sales and retirements	4.4	10.4
Depreciation for the year	-1.0	-1.4
Translation difference	0.6	-0.8
Closing balance	-23.9	-27.9
Carrying amounts		
At beginning of year	1.6	3.0
At end of year	0.6	1.6

Depreciation is included in the following lines in the statement of comprehensive income

	2025	2024
Cost of goods sold	0	0
Administrative expenses	-0.8	-1.2
Selling expenses	0.0	0.0
Development costs	-0.2	-0.2
Total	-1.0	-1.4

Note 16 Inventories

Accounting policy

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is measured by applying the first-in, first-out method (FIFO) and includes expenses arising in conjunction with the purchase of inventory items and transportation to their current location and condition. Net realizable value is defined as sales price less expenses for completion and selling expenses.

Estimates and judgments

To determine the net realizable value, individual assessments are required regarding the possibility of disposing of the products.

During the year, a write-down of the inventory was made with SEK16 M, posted as Cost of goods sold for discontinuing operations. The write-down was made as FPC is leaving the PC and Mobile segment and has announced "last buy" on these items. The articles have been individually used in PC and Mobile products.

Group, SEK M

	2025-12-31	31-Dec-24
Raw material inventory	10.9	20.3
Goods in progress	0.9	8.8
Finished goods	9.6	18.9
Total	21.4	48.0

Note 17 Financial assets

Accounting policy

The Groups financial assets are included in the amortized cost category. Loan receivables and accounts receivable are non-derivative financial assets that have determined or determinable payments and that are not listed on an active marketplace. These assets are measured at amortized cost. Amortized cost is determined on the basis of the effective interest calculated at acquisition. Cash and cash equivalents and accounts receivable belong to this category. Accounts receivable are recognized at the amount expected to be received, i.e. after impairment of expected bad debt.

Conversion to SEK is at the closing rate on the reporting date. Book value less impairment is an approximate fair value of accounts receivable.

Exchange rate fluctuations on operating receivables and liabilities are recognized in operating profit, while exchange rate fluctuations on financial receivables and liabilities are recognized in net financial income/expense.

Financial assets, Group, SEK M

	2025-12-31		31-Dec-24	
	Book value	Fair value	Book value	Fair value
Financial assets				
Current financial assets				
Financial assets at amortized cost				
Accounts receivable	8.4	8.4	56.0	56.0
Cash and cash equivalents	27.1	27.1	12.1	12.1
Financial assets, total	35.6	35.6	68.0	68.0

SEK M	2025-12-31	31-Dec-24
Total accounts receivable	8.4	56.0
Reserve for doubtful debt	0.0	0.0
Carrying amount	8.4	56.0

Cost of bad debt and doubtful accounts receivables amounted to SEK 0 M (0) for the Group. No provision for uncertain claims has been reported as none are deemed to exist.

Note 18 Prepaid expenses and deferred income

Prepaid expenses and deferred income, Group, SEK M

	2025-12-31	31-Dec-24
Premises	0.3	1.3
Insurance expenses	0.9	1.5
License costs	1.0	0.0
Accrued revenue	12.7	-
Other operating expenses	1.5	2.5
Total	16.3	5.3

Note 19 Cash and cash equivalents

Accounting policy

Cash and cash equivalents consist of cash funds in banks, immediately available balances in banks and corresponding institutions.

Cash and cash equivalents, Group, SEK M

	2025-12-31	31-Dec-24
Cash and bank balances	27.1	12.1
Total recognized in the statement of financial position/balance sheet	27.1	12.1

Note 20 Financial liabilities

Accounting policy

To cover the company's liquidity needs during the period up until the completion of the 2024 rights Issue, a consortium of external investors provided the company with a short-term loan of SEK 40 M (the "Bridge Loan"). In December 2024, the company received SEK 13.6 M in a partial disbursement of the Bridge Loan. During 2025, the company received the remaining bridge loan of SEK 26.4 million. In connection with the new issue, the loan was amortized in full during the first quarter of 2025.

Book value of financial liabilities by balance sheet items and category, Group, SEK M

	2025-12-31		31-Dec-24	
	Book value	Fair value	Book value	Fair value
Non-current financial liabilities				
Long-term leasing liabilities	0.0	0.0	2.7	2.7
Current financial liabilities				
Short-term leasing liabilities	2.9	2.9	4.1	4.1
Short-term portion of loans	0.0	0.0	13.6	13.6
Accounts payable	10.1	10.1	39.9	39.9
Financial liabilities, total	13.0	13.0	60.3	60.3
By category				
Financial liabilities at amortized cost	13.0	13.0	60.3	60.3
Financial liabilities, total	13.0	13.0	60.3	60.3

Maturity analyses, financial liabilities, Group, SEK M

	0-3 months	3 months-1 yr	1-2 yrs	2-3 år
Short-term portion of loans	-	-	-	-
Accounts payable	10.1	-	-	-
Leasing liabilities	0.7	2.2	-	-
Total	10.8	2.2	-	-

Note 21 Other current liabilities

Other current liabilities, SEK M

	2025-12-31	31-Dec-24
Employee withholding tax	1.5	2.4
Social security liability	2.7	3.2
Other	1.9	5.6
Total	6.1	11.2

Note 22 Accrued expenses and deferred income

Commission refers to estimated liability for discounts provided.

Accrued expenses and deferred income, Group, SEK M

	2025-12-31	31-Dec-24
Salaries	2.1	15.8
Social security contributions	0.8	1.7
Material and production expenses	0.1	4.2
Directors' fees and company expenses	0.0	1.1
Commissions	0.0	40.0
Audit	1.7	1.5
Restructuring expenses	0.0	7.0
Other overheads	0.4	4.3
Total	5.1	75.6

Note 23 Financial risks, other factors of uncertainty and risk management

Group and Parent Company

The Group's activities expose it to a variety of financial risks.

Financial risks mean fluctuations in the company's earnings and cash flow due to variations in exchange rates, interest rates and risks relating to refinancing and credit issuance. The Group's financial policy for managing financial risks has been prepared by the Board and comprises a framework of guidelines and rules in the form of risk mandates and limits for financing activities. Financial transactions and risks are managed by the Parent Company's Finance function.

The objectives are to:

- Manage and control financial risks.
- Minimize the negative earnings impact of market changes in currencies and interest rates.
- Plan and ensure adequate liquidity for operating activities.
- Optimize the use of capital and cash flows.

Financing and liquidity risk

The Company is exposed to liquidity and financing risk, which refers to the risk that available cash and cash equivalents are insufficient to meet the Company's payment obligations, or that additional financing cannot be obtained on acceptable terms and in a timely manner. The liquidity situation is affected by, among other things, developments in the Company's operating activities, changes in working capital requirements, the implementation of planned cost adjustments, and external factors such as market conditions and access to capital. Less favourable payment terms, delayed customer payments or other deviations in cash flow may further increase the need for financing. During 2025, the Group executed its IP licensing strategy, generating material cash proceeds from the licensing and sale of technology rights. IP licensing is now an established component of the Group's revenue and cash flow generation, and the Board expects continued activity in 2026.

After the reporting period, the Company secured bridge financing of SEK 20 million in order to strengthen short-term working capital until completion of the merger described below. In addition, on 23 March 2026, the Boards of Directors of Fingerprint Cards and Precise Biometrics AB (publ) adopted a joint merger plan, pursuant to which the companies are to combine through a statutory merger whereby Precise Biometrics will absorb Fingerprint Cards. The merger plan was approved by the shareholders at the extraordinary general meeting held on 30 April 2026, and completion remains subject to the receipt of the necessary regulatory approvals.

Following completion of the merger, the combined company intends to raise approximately SEK 110 million through a rights issue to accelerate growth, capture identified synergies and support continued global expansion. The rights issue is subject to guarantee commitments totaling SEK 80 million, comprising SEK 45 million in guarantee commitments from several guarantors and a SEK 35 million underwriting agreement with DNB Bank ASA, in each case on customary terms.

The Board of Directors and management continuously monitor the Company's liquidity development and evaluate various measures to strengthen its financial position, including cost adjustments, optimization of working capital and different financing alternatives.

Available liquidity in the Group at year end amounted to SEK 27.1 M (12.1). In accordance with the Finance Policy, there should always be sufficient cash and cash equivalents and confirmed credit lines to cover short-term liquidity requirements.

The company's accounts payable amounted to SEK 10.1 M (39.9) and has a short maturity structure within 1-2 months.

A maturity analysis of financial liabilities is presented in note 20.

Taking into account the completion of the merger, the bridge financing secured after the reporting period and the planned rights issue, the Board sees no issues with the Group's ability to continue as a going concern.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will vary due to changes in market prices. IFRS divides market risks into three types; currency risk, interest rate risk and other price risk. It is primarily currency risk that affects the Group, while the Group is not exposed to interest rate risk following the repayment of the convertible bonds during 2024.

The Group's aim is to manage and control market risks within specific parameters and simultaneously optimize the results of risk-taking within specific parameters. These parameters are established with the aim of ensuring that market risks have only a marginal impact on the Group's earnings and financial position in the short term (6-12 months). However, protracted changes in exchange rates will impact consolidated earnings in the longer term.

Currency risk

The risk that the fair value and cash flows of financial instruments will fluctuate when the value of foreign currencies changes. The main exposure is derived from the Group's sales and purchases in USD. These currency risks comprise the risk of fluctuations in the value of financial instruments, accounts receivables and accounts payable and the currency risk inherent in expected and contractual payment flows. Such risks constitute transaction exposure.

According to the Finance Policy, currency exchange risks should not be hedged. USD-denominated net surpluses are exchanged to SEK on a continuous basis. Net profit/loss for the year includes exchange rate differences amounting to a negative SEK 1,4 M (pos: 1,3) in operating profit/loss and a negative SEK 0.7 M (pos: 0.2) in the financial net.

Transaction exposure

As per the balance sheet date, the Group's transaction exposure with regard to sales and materials was in the following currencies.

SEK M	Net flows
2025	
USD exposure expressed in SEK and total	48.0
2024	
USD exposure expressed in SEK and total	104.0

The transaction exposure has not been hedged.

Sensitivity analysis

A 10 percent change in the value of the Swedish krona against other currencies as of 31 December 2025, would result in shareholders' equity and net profit for the period changing by SEK 5 M (11). The sensitivity analysis is based on all other factors remaining unchanged.

Credit risk

The Company does not normally use credit insurance. To limit credit risk, the Company applies established credit assessment procedures, including ongoing monitoring of customers' payment history and financial position. To reduce exposure, where deemed appropriate, risk-mitigating measures are used such as advance payments and/or other payment terms (for example shorter payment terms or instalment payments). The Group also seeks to maintain a diversified customer base and has procedures in place to monitor and manage past-due receivables.

Capital management

The company aims to maintain a strong capital base to support the continued development of the business and to ensure financial stability. Our capital management policy aims to optimize the capital structure and ensure access to financing on competitive terms. To manage the capital, the company uses the following processes:

- Capital structure monitoring: Regularly reviewing and adjusting the capital structure to ensure that it is aligned with the company's strategic objectives and market conditions.
- Risk management: Identification and management of financial risks, including liquidity risks, to minimize potential adverse effects on the company's financial position.
- Financing strategy: Maintaining a diversified funding base through a combination of equity and other sources of funding to ensure long-term financial flexibility.

Other factors of uncertainty

The global macro environment remains volatile. The ongoing war between Russia and Ukraine, and related sanctions and countermeasures, may – even without material direct exposure – indirectly impact the Group through energy prices, inflation, interest rates, currency and market volatility, and disruptions to supply chains and logistics. In addition, escalating geopolitical tensions and armed conflicts in the Middle East – including the Israel–Palestine conflict and the ongoing military escalation between the U.S./Israel and Iran – contribute to heightened uncertainty and the risk of further volatility in energy and commodity markets. A more unpredictable trade policy environment, including new or expanded tariffs, sanctions and export restrictions, may result in higher costs, delays in supply chains, and weaker demand in certain end-markets. Developments in inflation and interest rates may also impact financing conditions, customers' willingness to invest, and the Group's cost base, and are monitored on an ongoing basis.

Note 24 Customers

Age analysis, accounts receivable

Carrying amount, Group, SEK M

	2025	2024
Non-overdue accounts receivable	8	20
Overdue accounts receivable 0-30 days	1	2
Overdue accounts receivable 30-90 days	0	34
Overdue accounts receivable >90 days	0	1
Reserve for doubtful debt	0	0
Total	8	56

Sales per year	2025			2024		
	Number of customers	% of total number of customers	% of value	Number of customers	% of total number of customers	% of value
< 1 Mkr	37.0	80.4	5.0	40.0	72.7	2.0
SEK 1-10 M	5.0	10.9	14.0	10.0	18.2	9.0
> 10 Mkr	4.0	8.7	81.0	5.0	9.1	89.0
Total	46.0	100.0	100.0	55.0	100.0	100.0

Note 25 Leases

Fingerprints is the lessee in agreements regarding real estate. The agreements are reported as a right-of-use asset and as a corresponding liability as of the date the asset is available for use. The lease payments are divided into interest payments and amortization. The interest component is presented as interest paid in the cash flow statement. The right-of-use asset is depreciated on a straight-line basis during the useful life of that asset or the lease term. Assets and liabilities arising from leases are measured on the basis of cost. The lease liability consists of the present value of fixed fees, variable fees that depend on the index or price, amounts that are expected to be paid out according to residual value guarantees. Future charges are discounted using the implicit interest rate of the contract. If it cannot be determined, the group's marginal loan rate is used instead. Expenses for leases with a lease term of less than 12 months and leases for low-value assets are accrued on a straight-line basis and are recognised as an expense in the income statement. Low-value assets mainly refer to IT equipment, office furniture and other office equipment.

Lease arrangements where the company is the lessee, Group, SEK M

	2025-12-31	31-Dec-24
Non-cancelable lease charges amount to:		
Within one year	2.9	4.1
Between one year and two years	0.0	2.8
Between two years and three years	0.0	0.0
Between three years and four years	0.0	0.0
Between four years and five years	0.0	0.0
Total	2.9	6.9

Lease payments for leases during the year, Group, SEK M

	2025	2024
Lease payments	2.3	21.0
Total lease payments	2.3	21.0

Lease agreements, in balance sheet, Group, SEK M

	2025	2024
Right-of-use assets, January 1	8.4	14.4
Change in right-of-use assets	0.3	-
Depreciation	-4.8	-6.2
Translation difference	-	0.2
Right-of-use assets, closing balance	3.9	8.4

During the year, lease agreements have changed with reduced spaces and altered contract terms.

Lease agreements, in income statement, Group, SEK M

	2025	2024
Depreciation use-of rights assets	-4.8	-6.2
Interest costs leasing liabilities	-0.1	-0.2
Expenses for short-term leases and leases of low value	-0.1	-0.2
Lease agreements, in income statement, SEK M	-5.0	-6.6

Note 26 Statement of Cash Flows

Accounting policy

The cash flow statement has been prepared in accordance with the indirect method. Foreign Group companies' cash flows are translated at average rates of exchange.

Interest received SEK 0.0 million

Interest paid SEK 2.9 million

The following components are included: Cash and bank balances, Group, SEK M:

	2025-12-31	31-Dec-24
Total in statement of financial position	27.1	12.1
Total in statement of cash flows	27.1	12.1

Adjustment for non-cash items, Group, SEK M

	2025	2024
Depreciation according to plan and impairment	40.1	378.5
Inventory write-down	15.5	4.7
Change in equity	-0.9	12.7
Transaction revaluations	0.4	14.3
Other non-cash items	-6.9	-
Total	48.2	410.2

Change in liabilities recognised in financing activities, Group, SEK M

	2025	2024
Opening balance	20.4	79.4
Changes affecting cash flow:		
Bridge loan	26.4	74.0
Amortization	-40.0	-165.6
Amortization leasing	-3.6	-6.1
Non-cash flow-affecting adjustments		
Amortization bond loan	-	-14.6
Accrual set-up fees	-0.3	25.2
Reclassifications of long-term/current liabilities	-	28.1
Total	2.9	20.4

Note 27 Post balance sheet date events

On February 11, 2026, Fingerprint Cards announced that Board member John Lord has informed the Company of his decision to step down from the Board of Directors due to other professional commitments. The Nomination Committee has been informed and continues its work to review, identify and propose new potential board members for election at a general meeting.

On March 23, 2026, Precise Biometrics AB (publ) ("Precise Biometrics") and Fingerprint Cards AB (publ) ("Fingerprint Cards") jointly announced that the board of directors of Precise Biometrics and the board of directors of Fingerprint Cards have adopted a joint merger plan (the "Merger Plan") for merging the companies through a statutory merger in accordance with the Swedish Companies Act (the "Merger"). The Merger will be implemented by Precise Biometrics absorbing Fingerprint Cards, whereby the shareholders in Fingerprint Cards will receive nine (9) new ordinary shares in Precise Biometrics for each share in Fingerprint Cards, irrespective of share class. The Merger, constituting a merger of equals, will create a combined business with a stronger offering, a strengthened commercial reach, realize meaningful synergies, and establish a profitable foundation with necessary scale for future organic growth and consolidation. The Merger is expected to generate cost synergies with an estimated full annual run-rate effect of at least SEK 45 million (corresponding to approximately 29 percent of the Combined Company's 2025 pro forma revenue). In addition, the combination is expected to unlock meaningful commercial synergies through upselling and cross-selling across the combined customer base and increased share of customer wallet. Following completion of the Merger, the Combined Company intends to raise approximately SEK 110 million through a rights issue of shares, with proceeds to be used to accelerate growth, capture identified synergies and support continued expansion of the Combined Company globally. The completion of the Merger is conditional upon, inter alia, approval by the shareholders of each of Precise Biometrics and Fingerprint Cards at their respective general meetings. The board of directors of Fingerprint Cards unanimously recommends the shareholders of Fingerprint Cards to vote in favor of the completion of the merger.

The Board of Directors believes the Merger to be significantly value-adding for shareholders and other stakeholders, as it will create a combined business with a stronger offering, strengthened commercial reach, realize meaningful synergies and a profitable foundation with necessary scale for future organic growth and consolidation.

In the first quarter of 2026, the boards of Fingerprint Cards AB and Precise Biometrics AB signed a merger plan for the combination of the two companies. As the merger results in the Company's tax loss carryforwards no longer being available for utilisation, the Company derecognised the related deferred tax assets as of 31 March 2026. In light thereof, the Board took appropriate measures to remedy the equity shortfall by a reduction of the share capital. On 30 April 2026, the Extraordinary General Meeting resolved to approve the merger plan, to amend the Company's articles of association, and to reduce the Company's share capital to cover loss. The share capital reduction remedied the equity shortfall resulting from the derecognition of the deferred tax assets.

Income statement

SEK M	Note	2025	2024
Revenue	29	59.7	2.3
Cost of goods sold	30	-12.6	-2.2
Gross profit		47.1	0.1
Selling expenses		-23.7	-16.0
Administrative expenses		-80.3	-87.4
Development costs		-38.9	-15.0
Other operating income	31	47.3	100.5
Other operating expenses	32	-11.1	-8.9
Operating profit/loss	33,34,35	-59.6	-26.7
Financial income	36	6.3	26.8
Interest expenses etc	36	-77.7	-51.1
Profit/loss after financial items		-131.0	-51.0
Appropriations	37	0.4	-259.9
Profit/loss before tax		-130.6	-310.9
Tax	38	-	-111.2
Net profit/loss for the year		-130.6	-422.1
Total result for the period		-130.6	-422.1

Balance sheet

SEK M	Note	2025-12-31	31-Dec-24
Assets			
Non-current assets			
Intangible assets	40	1.0	0.1
Property, plant and equipment	41	0.4	0.9
Shares and participations in subsidiaries	51	19.5	24.3
Non-current receivables from Group companies	43,50	99.4	165.3
Deferred tax assets	38	54.9	54.9
Total non-current assets		175.2	245.5
Current assets			
Inventories	42	21.1	0.0
Receivables from Group companies	43,50	0.1	1.2
Accounts receivable	43	8.4	27.2
Tax receivables		0.2	0.7
Other receivables		1.4	2.6
Prepaid expenses and deferred income	44	16.8	5.5
Cash and bank balances	43,45,52	10.4	3.4
Total current assets		58.4	40.6
Total assets		233.6	286.1
Shareholders' equity			
Restricted shareholders' equity			
Share capital		162.0	159.7
Statutory reserve		41.4	41.4
Non-restricted shareholders' equity			
Share premium reserve		867.0	777.4
Accumulated profit or loss		-839.4	-417.3
Net profit/loss for the year		-130.6	-422.1
Total shareholders' equity	39	100.4	139.1
Non-current liabilities			
Liabilities to Group companies	50	111.4	103.2
Total non-current liabilities		111.4	103.2
Short-term portion of loans			
Accounts payable	46,49	0.0	13.6
Liabilities to Group companies	50	9.9	19.0
Other current liabilities	38	4.7	3.4
Other current liabilities	47	3.3	1.2
Accrued expenses and deferred income	48	3.8	6.6
Total current liabilities		21.7	43.8
Total Equity and Liabilities		233.5	286.1

Statement of changes in equity

SEK M	Restricted shareholders' equity			Non-restricted shareholders' equity			
	Share capital	Statutory reserve	Fund for development expenditure	Share premium reserve	Accumulated profit or loss	Net profit/loss for the year	Total shareholders' equity
Opening shareholders' equity, 1 Jan 2024	26.0	41.4	0.0	681.5	-135.1	-282.2	331.6
Net profit/loss for the year	0.0	0.0	0.0	0.0	0.0	-422.1	-422.1
Issue conversion	0.7	0.0	0.0	13.1	0.0	0.0	13.8
Proceeds from the share issue, net of transaction costs	133.0	0.0	0.0	82.8	0.0	0.0	215.8
Appropriation of profit/loss	0.0	0.0	0.0	0.0	-282.2	282.2	0.0
Closing shareholders' equity, 31 Dec 2024	159.7	41.4	0.0	777.4	-417.3	-422.1	139.1
Opening shareholders' equity, 1 Jan 2025	159.7	41.4	0.0	777.4	-417.3	-422.1	139.1
Net profit/loss for the year	0.0	0.0	0.0	0.0	0.0	-130.6	-130.6
Option program	0.0	0.0	0.0	0.6	0.0	0.0	0.6
Issue net of transaction costs	2.3	0.0	0.0	89.0	0.0	0.0	91.3
Appropriation of profit/loss	0.0	0.0	0.0	0.0	-422.1	422.1	0.0
Closing equity, 31 December 2025	162.0	41.4	0.0	867.0	-839.4	-130.6	100.4

Cash flow statement

SEK M	Note	2025	2024
Operating activities			
Profit/loss before tax		-130.6	-310.9
Adjustment for non-cash items	52	66.9	281.1
Cash flow from operating activities before changes in working capital		-63.7	-29.8
Income tax paid		-0.5	-0.9
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventory		-21.0	0.0
Increase (-)/Decrease (+) in operating receivables		10.8	-24.1
Increase (+)/Decrease (-) in operating liabilities		-71.6	-37.3
Cash flow from operating activities		-146.0	-92.2
Investing activities			
Purchases of tangible fixed assets		-0.2	-
Sale of fixed assets	41	0.0	0.1
Purchase and internal development of intangible assets		-1.0	0.0
Cash flow from investing activities		-1.2	0.1
Financing activities			
Set-off issue and rights issue		91.3	215.8
Amortization loan	46	-40.0	-165.6
Loans		26.4	74.0
Change intercompany loan		77.1	-54.5
Cash flow from financing activities		154.8	69.7
Cash flow for the year		7.7	-22.4
Cash and cash equivalents at beginning of year		3.4	25.8
Effect of translation differences on cash and cash equivalents		-0.6	0.0
Cash and cash equivalents at end of year	44	10.4	3.4

Note 28 Parent company accounting policies

All amounts in millions of Swedish kronor (SEK M) unless otherwise stated.

Parent Company accounting policies

The Parent Company's annual accounts have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. According to RFR 2, the Parent Company should apply all IFRSs and statements endorsed by the EU in its annual accounts as far as possible within the auspices of the Swedish Annual Accounts Act, the Swedish Pension Obligations Vesting Act and with respect to the relationship between accounting and taxation. The recommendation stipulates the exemptions from, and supplements to, IFRS that are to be applied. The company applies the exemptions permitted under RFR 2 in respect of IFRS 9 Financial Instruments.

Differences between the Group's and Parent Company's accounting policies

The main differences between the Group's and Parent Company's accounting policies are stated below. The accounting policies stated below for the Parent Company have been applied consistently to all periods presented in the Parent Company's financial statements.

Subsidiaries

Shares and participations in subsidiaries are reported at cost in the Parent Company after deducting for impairment. On business combinations, the Parent Company includes expenditure relating to the acquisition in costs pursuant to RFR 2.

Leased assets

The standards on accounting for leasing agreements in accordance with IFRS 16 are not applied in the Parent Company. This means that leasing fees are reported as an expense on a straight-line basis over the leasing period and that right-of-use assets and leasing liabilities are not included in the Parent Company's balance sheet.

Classification and presentation formats

Earnings for the Group are recognized in the statement of comprehensive income, and for the Parent Company, in the income statement. In addition, the Parent Company uses the terms balance sheet and cash flow statement for the statements the Group refers to as the statement of financial position and statement of cash flows respectively. The Parent Company balance sheet has been presented according to the format stipulated in the Swedish Annual Accounts Act, while the statement of comprehensive income, the statement of changes in equity and the cash flow statement are based on IAS 1 Presentation of Financial Statements, and IAS 7 Statement of Cash Flows.

The Group has changed its principle regarding the reporting of R&D costs. Depreciation of capitalized development expenses has previously been recognized in cost of goods sold, thereby affecting gross margin. As of January 1, 2025, depreciation of previously capitalized development costs is instead recognized within the development costs function in the income statement. The comparative figures for previous periods have been recalculated. Reporting all R&D-related costs, including depreciation of previously capitalized costs within the R&D function on one and the same line in the income statement, has been deemed to lead to financial statements that give a more accurate view of the company's gross margins and also increase comparability with other companies in the industry.

Note 29 Revenues

Accounting policy

See description under Group revenue, Note 2. Inter-company sales in the Parent Company relate primarily to license fee.

The Parent Company's financial performance in 2025 should be viewed in the context of the operational restructuring in which the operations of the Singapore entity were transferred to the Swedish Parent company, assumed ownership of inventories and began invoicing customers. As a result of the revised operating model, in addition to IP licensing transactions completed during the year, the Parent Company's revenue increased to SEK 59.7 M for the full year 2025 (2.3).

Revenue by type of product, Parent company, SEK M

	2025	2024
IP licensing	23.9	0.0
Sensor systems	16.9	2.3
Intercompany license fee	18.9	0.0
Sales	59.7	2.3

Note 30 Cost of goods sold

Constituent items in cost of goods sold, Parent company, SEK M

	2025	2024
Procurement and production overheads	-12.6	-2.2
Cost of goods sold	-12.6	-2.2

Note 31 Other operating income

Other operating income, Parent company, SEK M

	2025	2024
Exchange rate gains, operating receivables and liabilities	3.7	0.0
Reversal of provisions from prior years	-	53.0
Patent licens	-	6.8
IP- and licensing transactions	43.6	40.5
Other income	-	0.2
Total	47.3	100.5

Income from IP and licensing transactions mainly derive from transactions completed during the year with Smart Eye and Pixart.

Note 32 Other operating expenses

Other operating expenses, Parent company, SEK M

	2025	2024
Exchange rate losses, operating receivables and liabilities	-4.8	-5.6
Transaction advisory services	-6.3	-
Other operating expenses	0.0	-3.3
Total	-11.1	-8.9

Note 33 Employees, personnel costs and remuneration of senior executives

Accounting policy

See reference to Note 7, Group. From 2025, all employees in Sweden are employed by the parent company.

Expenses for employee benefits, Parent company, SEK M

	2025	2024
Salaries and benefits, etc.	23.1	11.7
Pension costs, defined contribution plans	3.8	2.2
Other social security contributions	7.6	4.3
Benefits	0.7	0.0
Other employee benefits	0.4	1.9
	35.6	20.2

Average number of employees, Parent company

	2025			2024		
	Men	Women	Total	Men	Women	Total
Sweden	20	4	24	8	7	15
France	1	1	2	0	0	0

Note 34 Fees and reimbursement of auditors

Fees and reimbursement of auditors, Parent company, SEK M

	2025	2024
Audit fee, BDO	3.8	3.7
Audit fee, other	0.0	0.0
Other services	0.4	0.5
Total fees	4.2	4.2

Note 35 Operating expenses by cost class

Operating expenses by cost class, Parent company, SEK M

	2025	2024
Cost of materials	-10.7	-2.2
Personnel costs	-34.6	-20.1
Service fee to Group companies	-54.9	-37.3
Depreciation, amortization and impairment	-0.8	-1.0
Other operating expenses	-65.6	-68.9
Operating expenses	-166.6	-129.5

Not 36 Financial income/expense

Financial income/expense, Parent company, SEK M

	2025	2024
Intercompany Dividend	0.2	0.7
Gain/loss on sale of subsidiary	0.0	0.0
Exchange rate gains, financial receivables, and liabilities	0.0	17.4
Interest income attributable to Group companies	6.1	8.1
Other interest income	0.0	0.7
Financial income	6.3	26.8
Loss from write-down of receivables from Group companies	-21.9	-2.0
Loss on impairment of shares in subsidiaries	-41.9	-
Exchange rate losses, financial receivables, and liabilities	-10.7	0.0
Interest expenses	-2.6	-28.7
Interest expenses intercompany	0.0	-2.6
Other financial expenses	-0.6	-17.8
Financial expenses	-77.7	-51.1

During the year, contributions to shareholders have been made to Fingerprint Cards IP Ab, amounting to SEK 39.4 M. Shares in subsidiaries have then been written down for Fingerprint Cards IP Ab with SEK 41.6 M and upon liquidation of Fingerprint Cards Japan with SEK 0.3 M.

Note 37 Appropriations

Appropriations, Parent company, SEK M

	2025	2024
Appropriations		
Group contributions received/paid	0.4	-259.9
Appropriations	0.4	-259.9

The Parent Company has received group contributions from Fingerprint Cards Sweden AB, amounting to SEK 0.4 M.

Note 38 Taxes

Estimates and judgments

The parent company's deferred tax assets mainly relate to tax losses. The accounting for this asset is based on an assessment of the likelihood that they can be utilized against future taxable profits, in accordance with IAS 12.

The parent company is expected to generate sufficient taxable profits to utilize the recognized deferred tax assets within a foreseeable future.

The assessment is based on the parent company's business plans and forecasts, which cover a period of 5 years and include assumptions about revenue development, cost structure, margins, and financing costs. The forecasts are based on plans established by the board of directors, as well as historical outcomes and known changes in the business.

Uncertainty in the assessment is mainly related to assumptions about future profitability and market development. If these assumptions are not realized, it may affect the value of the deferred tax assets.

Tax expense, Parent company, SEK M

	2025	2024
Current tax expense	0.0	-0.3
Deferred tax expense	0.0	-110.9
Total reported tax expense	0.0	-111.2

Reconciliation of effective tax, Parent company, SEK M

	2025	%	2024	%
Profit/loss before tax	-130.6	0.0	-310.9	0.0
Theoretical tax at applicable tax rate for Parent company	26.9	20.6	64.1	-20.6
Differences in tax rates for foreign subsidiaries	0.0	-	0.0	-
Non-deductible expenses	-13.6	10.4	-4.2	1.3
Non-taxable revenues	0.0	-0.0	0.5	-0.2
Loss carryforwards for which no deferred tax asset has been recognized	-13.3	10.2	-171.6	55.2
Tax attributable to previous year	0.0	0.0	0.0	0.0
Reported effective tax	0.0	0.0	-111.2	35.8

Deferred tax assets and tax liabilities are divided as follows:

Deferred tax assets, SEK M

	2025	2024
Deferred tax assets to be settled after more than 12 months	54.9	54.9
Total deferred tax assets	54.9	54.9

Changes in deferred tax assets and tax liabilities are stated below:

Tax losses forward, SEK M

As of 1 January 2024	165.8
Reported in income statement	-110.9
As of 31 December 2024	54.9
Reported in income statement	0.0
As of 31 December 2025	54.9

Note 39 Shareholders' equity and number of shares

Weighted average number of outstanding shares before and after dilution

	2025	2024
Class A shares at beginning of the year	3,938	3,938
Issued Class A shares during the year	-	-
Total number of Class A shares	3,938	3,938
Class B shares at beginning of the year	1,830,156	290,570
Issued Class B shares during the year	5,753,594	1,539,586
Treasury shares	-1,900	-1,900
Total number of outstanding Class B shares	7,581,850	1,828,256
Total number of outstanding shares	7,585,788	1,832,194
Weighted average number of ordinary shares during the year before and after dilution	7,050,532	1,431,569
Quotient value, SEK per share	21.35	87.07

Note 40 Intangible assets

Accounting policy

Intangible assets are recognized at cost after deduction of accumulated amortization and potential impairment.

Intangible assets, Parent company, SEK M

Parent Company SEK M	Capitalized development costs		Patents & other acquired intangible assets		Intangible fixed assets	
	2025-12-31	31-Dec-24	2025-12-31	31-Dec-24	2025-12-31	31-Dec-24
Accumulated cost						
Opening balance	0.0	0.0	10.9	10.9	10.9	10.9
Internally developed assets	1.0	0.0	-	-	1.0	0.0
Purchases	-	-	0.0	0.0	0.0	0.0
Divestments	0.0	0.0	0.0	0.0	0.0	0.0
Translation difference	-	-	-	-	-	-
Closing balance	1.0	0.0	10.9	10.9	11.9	10.9
Accumulated depreciation						
Opening balance	-0.0	-0.0	-10.8	-10.7	-10.8	-10.7
Depreciation for the year	0.0	0.0	-0.1	-0.1	-0.1	-0.1
Divestments	0.0	0.0	0.0	0.0	0.0	0.0
Translation difference	-	-	-	-	-	-
Closing balance	-0.0	-0.0	-10.9	-10.8	-10.9	-10.8
Accumulated impairment						
Opening balance	0.0	0.0	-0.0	0.0	-0.0	-0.0
Impairment for the year	0.0	0.0	0.0	0.0	-0.0	-0.0
Divestments	0.0	0.0	0.0	0.0	0.0	0.0
Translation difference	-	-	-	-	-	-
Closing balance	0.0	0.0	-0.0	-0.0	-0.0	-0.0
Carrying amounts						
At beginning of year	-0.0	-0.0	0.1	0.2	0.1	0.2
At end of year	1.0	-0.0	0.0	0.1	1.0	0.1

Depreciation is included in the following lines in the statement of comprehensive income

	2025	2024	2025	2024	2025	2024
Cost of goods sold	-	-	-	-	-	-
Development costs	-	-	-0.1	-	-0.1	-

Note 41 Property, plant and equipment

Estimates and judgments

Impairment of property, plant and equipment

Estimated future cash flows, which are based on internal business plans and forecasts, are used to determine value in use. Even if management considers an estimated future cash flows are reasonable, other assumptions regarding cash flows can have a material impact on measurements. No indication that property, plant and equipment is impaired has been identified, and accordingly, no impairment tests have been conducted.

Property, plant and equipment, Parent company, SEK M

Accumulated cost, SEK M	Machinery and equipment	
	2025	2024
Opening balance	24.1	24.3
Sales/retirements	0.0	-0.2
Purchasing	0.2	0.0
Closing balance	24.3	24.1
Accumulated depreciation		
Opening balance	-23.2	-22.5
Reversed depreciation on sales and retirements	0.0	0.2
Depreciation for the year	-0.7	-0.9
Closing balance	-23.9	-23.2
Carrying amounts		
At beginning of year	0.9	1.8
At end of year	0.4	0.9

Depreciation is included in the following lines in the statement of comprehensive income

	2025	2024
Cost of goods sold	0.0	0.0
Administrative expenses	-0.1	-0.8
Selling expenses	-0.6	-0.1
Development costs	0.0	0.0
Total	-0.7	-0.9

Note 42 Inventories

Accounting policy

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is measured by applying the first-in, first-out method (FIFO) and includes expenses arising in conjunction with the purchase of inventory items and transportation to their current location and condition. Net realizable value is defined as sales price less expenses for completion and selling expenses.

Estimates and judgments

To determine the net realizable value, individual assessments are required regarding the possibility of disposing of the products

During 2025, the parent company has taken over the inventory value from FPC Singapore. From the fourth quarter of 2025, it has also taken over customer agreements and sales to customers are made from the parent company.

Inventory, Parent company, SEK M

	2025-12-31	31-Dec-24
Raw material inventory	10.9	-
Goods in progress	0.9	-
Finished goods	9.6	-
Total	21.4	-

Note 43 Financial assets

Fair value and carrying amount of financial assets by balance sheet item and category, SEK M

	2025-12-31		31-Dec-24	
	Book value	Fair value	Book value	Fair value
Financial assets				
Non-current receivables from Group companies	99.4	99.4	165.3	165.3
Current receivables from group companies	0.1	0.1	1.2	1.2
Accounts receivable	8.4	8.4	27.2	27.2
Cash and cash equivalents	10.4	10.4	3.4	3.4
Financial assets, total	118.4	118.4	197.0	197.0

Accounts receivable, Parent company, SEK M

	2025-12-31	31-Dec-24
Total accounts receivable	8.4	27.2
Reserve for doubtful debt	0.0	0.0
Carrying amount	8.4	27.2

Method for assessing credit risk and impairment

The Company does not normally use credit insurance for external customers. To limit credit risk, the Company applies established credit assessment procedures, including ongoing monitoring of customers' payment history and financial position. To reduce exposure, where deemed appropriate, risk-mitigating measures are used such as advance payments and/or other payment terms (for example shorter payment terms or instalment payments). The Company also seeks to maintain a diversified customer base and has procedures in place to monitor and manage past-due receivables.

Cost for customer losses and uncertain customer receivables amounted to 0 MSEK (0) for the parent company.

The parent company continuously monitors the financial development of subsidiaries through reporting and forecast follow-up. Credit risk is assessed individually for significant exposures. The most important parameters in the assessment are:

- The subsidiary's profitability and cash flows
- Capital structure and liquidity
- Forecasted repayment ability
- Any need for capital contributions from the parent company

At balance sheet date, the parent company assesses that the credit risk in receivables from group companies is low after reported write-downs amounting to SEK 21 M for the year, our assessment is that there is no risk for further write-downs during the year.

Lending to subsidiaries

The parent company's lending to subsidiaries is primarily for financing operations. Loans are reported at accrued acquisition value. Internal long-term receivables are charged market interest rates. During the year, impairments of claims on group companies were made with SEK 21.9 million in the parent company, as the assessment is that future cash flows cannot generate this cash flow.

Note 44 Prepaid expenses and deferred income

Prepaid expenses and deferred income, Parent company, SEK M

	2025-12-31	31-Dec-24
Premises	1.0	1.0
Insurance expenses	0.9	1.5
License costs	1.0	0.0
Accrued revenue	12.7	0.0
Other operating expenses	1.2	2.9
Total	16.8	5.5

Note 45 Cash and cash equivalents

Accounting policy

Cash and cash equivalents consist of cash funds in banks, immediately available balances in banks and corresponding institutions, as well as short-term liquid placements exposed to only an insignificant risk of value fluctuation.

Cash and cash equivalents, Parent company, SEK M

	2025-12-31	31-Dec-24
Cash and bank balances	10.4	3.4
Total recognized in the statement of financial position/balance sheet	10.4	3.4

Note 46 Financial liabilities

Accounting policy

See Note 20, Group.

Book value of financial liabilities by balance sheet item and category, Parent company, SEK M

	2025-12-31		31-Dec-24	
	Book value	Fair value	Book value	Fair value
Non-current financial liabilities	0.0	0.0	0.0	0.0
Current financial liabilities				
Short-term portion of loans	0.0	0.0	13.6	13.6
Accounts payable	9.9	9.9	19.0	19.0
Financial liabilities, total	9.9	9.9	32.7	32.7
By category				
Financial liabilities at amortized cost	9.9	9.9	32.7	32.7
Financial liabilities, total	9.9	9.9	32.7	32.7

Maturity analyses, financial liabilities, Parent company, SEK M

	0-3 months	3 months-1 yr	1-2 yrs	2-4 yrs
Short-term portion of loans	0.0	0.0	0.0	0.0
Accounts payable	9.9	0.0	0.0	0.0
Total	9.9	0.0	0.0	0.0

Note 47 Other current liabilities

Other current liabilities, Parent company, SEK M

	2025-12-31	31-Dec-24
Employee withholding tax	1.4	0.3
Social security liability	1.8	0.8
Other	0.1	0.1
Total	3.3	1.2

Note 48 Accrued expenses and deferred income

Accrued expenses and deferred income, Parent company, SEK M

	2025-12-31	31-Dec-24
Salaries	1.7	1.8
Social security contributions	0.6	0.6
Material and production expenses	0.1	0.0
Audit	1.4	1.0
Other overheads	-0.0	3.2
Total	3.8	6.6

Note 49 Financial risks and risk management

Parent Company

The company's financial liabilities, totaling SEK - M (13.6) at year-end. See Note 23 Group.

Credit risk

The Company does not normally use credit insurance for external customers. To limit credit risk, the Company applies established credit assessment procedures, including ongoing monitoring of customers' payment history and financial position. To reduce exposure, where deemed appropriate, risk-mitigating measures are used such as advance payments and/or other payment terms (for example shorter payment terms or instalment payments). The Company also seeks to maintain a diversified customer base and has procedures in place to monitor and manage past-due receivables.

Note 50 Transaction with related parties

Sales/Purchases of goods and services, Parent company, SEK M

	2025	2024
Sales of goods to Group companies	1.7	0.0
License fee income from Group companies	17.2	0.0
Purchases of goods from Group companies	-24.4	0.0
Purchases of shared Group services from Group companies	-54.9	-37.3
Total	-60.4	-37.3

Receivables and liabilities at the end of the period, Parent company, SEK M

	2025-12-31	31-Dec-24
Non-current loan to Group companies	99.4	165.3
Non-current liabilities to Group companies	0.1	1.2
Non-current liabilities to Group companies	-111.4	-103.2
Liabilities to Group companies	-4.7	-3.4

Transactions with boardmembers are priced on an arm's length basis. Transactions with boardmembers are limited to individual, clearly delineated, small-scale consulting assignments, which require specific competence. There were no material transactions between the company and related parties in the Group or the Parent Company during the reporting period.

During the year, the company entered into related party transactions in connection with the implementation of the Employee Stock Option Program 2025/2028 and Employee Stock Option Program 2025/2029. Allotment agreements were entered into between the company and key employees under the Employee Stock Option Program 2025/2028. Similarly, allotment agreements were also entered into between the company and members of the Board of Directors under the Employee Stock Option Program 2025/2029. These agreements were entered into on market terms and in accordance with the resolutions adopted by the Annual General Meeting held on June 24, 2025. Under the Employee Stock Option Program 2025/2028, a total of 265,569 options were allotted. Under the Employee Stock Option Program 2025/2029, a total of 113,813 options were allotted. For main terms and further information, see note 55.

Note 51 Shares and participations in subsidiaries

The parent company has provided shareholder contributions to Fingerprint Cards IP AB amounting to SEK 39 million to compensate for losses. The contribution has resulted in a need to write down the value of shares in subsidiaries at the parent company by SEK 42 million.

	2025-12-31	31-Dec-24
Accumulated cost		
Opening balance	969.4	964.2
Investments *	39.4	5.2
Divestments	-2.3	-
Closing balance, book value	1,006.5	969.4
Accumulated impairment		
Opening balance	-945.1	-943.1
Impairment for the year	-41.9	-2.0
Closing balance	-987.0	-945.1
Carrying amounts		
At beginning of year	24.3	21.1
At end of year	19.5	24.3

* This year's investment refers to shareholder contributions

The Parent company's holdings in Group companies

	Subsidiary, reg. Office	Shareholders' equity	Net profit/loss	Participating interest 2025, %	Participating interest 2024, %
Fingerprint Cards Anacatum IP AB *	Sweden	5.9	2.6	100.0	100.0
Fingerprint Cards Sweden AB *	Sweden	0.0	-0.1	100.0	100.0
Fingerprint Cards IP AB	Sweden	0.0	-15.5	100.0	100.0
Fingerprint Cards ApS*	Denmark	43.7	2.4	100.0	100.0
Fingerprint Cards Cayman Ltd	Cayman Islands			0.0	100.0
Fingerprint Cards France*	France		0.2	0.0	100.0
Fingerprint Cards Japan K.K.	Japan		-0.0	0.0	100.0
Fingerprint Cards (Shanghai) Co., Ltd*	China	7.5	2.7	100.0	100.0
Fingerprint Cards Asia	China	68.9	17.7	100.0	100.0
Fingerprint Card Korea Co, Ltd *	South Korea		-0.1	0.0	100.0
Fingerprint Cards Switzerland	Switzerland	-7.9	3.3	100.0	100.0
Fingerprint Cards Singapore PTE Ltd*	Singapore	-34.0	-3.4	100.0	100.0
Fingerprint Cards UK Ltd	Great Britain	-0.2	4.5	100.0	100.0
Fingerprint Cards Taiwan Ltd	Taiwan	0.0	0.6	100.0	100.0
Fingerprint Cards Inc*	USA	11.5	0.5	100.0	100.0
India Aquisition Holding Inc	USA	-0.1	0.0	100.0	100.0
Delta ID Inc*	USA	-25.4	-13.0	100.0	100.0

* Indirect holding through subsidiary

Specification of Parent Company's direct holdings of participations in subsidiaries

Subsidiary	Shares, number	Share, %	2025-12-31	31-Dec-24
Fingerprint Cards IP AB	1,000	100.0	0.0	2.2
Fingerprint Cards Cayman Ltd		-	-	0.5
Fingerprint Cards Asia	-	100.0	19.5	19.5
Fingerprint Cards Switzerland		100.0	0.0	0.0
Fingerprint Cards UK Ltd		100.0	0.0	0.0
Fingerprint Cards Japan K.K.		-	-	2.0
Fingerprint Cards Taiwan Ltd	-	100.0	-	0.1
India Aquisition Holding Inc	1,000	100.0	0.0	0.0
Carrying amount as of 31 December 2025			19.5	24.3

Note 52 Statement of Cash Flows

Accounting policy

The cash flow statement has been prepared in accordance with the indirect method. Foreign Group companies' cash flows are translated at average rates of exchange.

Parent company, SEK M

	2025-12-31	31-Dec-24
The following components are included: Cash and bank balances:		
Total in statement of financial position	10.4	3.4
Total in statement of cash flows	10.4	3.4

Adjustment for non-cash items, Parent company, SEK M

	2025	2024
Depreciation according to plan and impairment	0.8	1.0
Change in equity that does not affect cash flow	0.6	14.6
Write-down of shares in subsidiaries	42.0	2.0
Write-down of receivables from Group companies	21.9	-
Group contribution	-0.4	259.9
Transaction revaluations	2.1	3.6
Total	66.9	281.1

Note 53 Parent company information

Fingerprint Cards AB (publ) (Parent Company) Corp. Reg. No. 556154-2381, is a limited liability company, with its registered office in Gothenburg, Västra Götaland, Sweden. The Parent Company's shares are listed on Nasdaq Stockholm. The postal address of the head office is: Box 2412, SE-403 16 Gothenburg, Sweden and the visiting address is Kungsgatan 20, Gothenburg, Sweden. The consolidated accounts for 2025 comprise the Parent Company and its subsidiaries, jointly designated "the Group".

Note 54 Pledged assets

Pledged assets, Parent company, SEK M

	2025-12-31	31-Dec-24
Assets pledged for operating credit	-	-

Note 55 Personnel options

During the year, the company entered into related party transactions in connection with the implementation of the Employee Stock Option Program 2025/2028 and Employee Stock Option Program 2025/2029. Allotment agreements were entered into between the company and key employees under the Employee Stock Option Program 2025/2028. Similarly, allotment agreements were also entered into between the company and members of the Board of Directors under the Employee Stock Option Program 2025/2029. These agreements were entered into on market terms and in accordance with the resolutions adopted by the Annual General Meeting held on June 24, 2025. Under the Employee Stock Option Program 2025/2028, a total of 265,569 options were allotted without consideration. Under the Employee Stock Option Program 2025/2029, a total of 113,813 options were allotted without consideration.

Calculations of the fair value for long-term incentive programs are based on the Black and Scholes method. The fair value of the allocated option is reported as a cost for compensation to employees with a corresponding increase in equity. Cost relating to the employee stock option program for the board and employees amounted to 0.8 MSEK. Main terms of the programs are summarized below:

Main terms of the Employee Stock Option Program 2025/2028

- Allotted ESOPs are subject to vesting, whereby one third of the allotted ESOPs will vest on each of 1 September 2026, 2027, and 2028.
- If a participant's employment with FPC is terminated during the vesting period, the ESOPs will, as a main rule, lapse. However, there are certain exceptions ("Good Leaver situations") where only the non-vested part of the ESOPs will lapse. Examples of Good Leaver situations are termination due to the participants retirement, severe illness, death, and termination due to redundancy.
- Vested ESOPs can be exercised between 1 September 2028 and 1 November 2028, if the strike price is met.
- The strike price will be equal to 150 percent of the share price following the record date of the consolidation. This means that participants will receive no benefit from the plan, unless the share price increases by at least 50 percent.

Main terms of the Employee Stock Option Program 2025/2029

- Allotted ESOPs are subject to vesting, whereby one fourth of the allotted ESOPs will vest on each of 1 September 2026, 2027, 2028, and 2029.
- If a participant's directorship with Fingerprints ends during the vesting period, the ESOPs will, as a main rule, lapse. However, there are certain exceptions ("Good Leaver situations") where only the non-vested part of the ESOPs will lapse. Examples of Good Leaver situations are the participants retirement, severe illness, or death.
- Vested ESOPs can be exercised between 1 September 2029 and 1 November 2029, if the strike price is met.
- The strike price will be equal to 175 percent of the share price following the record date of the consolidation. This means that participants will receive no benefit from the plan, unless the share price increases by at least 75 percent.

Employee program

	Weighted average exercise price	Number
Outstanding at 1 January 2025	-	-
Granted during the year	34.26	265,596
Forfeited during the year	-	-
Lapsed during the year	-	-
	-	-
Outstanding at 31 December 2025	34.26	265,596

Board program

	Weighted average exercise price	Number
Outstanding at 1 January 2025	-	-
Granted during the year	39.97	113,815
Forfeited during the year	-	-
Lapsed during the year	-	-
	-	-
Outstanding at 31 December 2025	39.97	113,815

Note 56 Proposal for appropriation of the company's profits

The following funds are at the disposal of the AGM:

	2025-12-31
Share premium reserve	866,975,191
Accumulated profit or loss	-839,439,326
Net profit/loss for the year	-130,593,665
Total	-103,057,800
The board of directors proposes that net profit for the year, non-restricted reserves and net profit/loss are appropriated as follows:	
Carried forward	-103,057,800

Note 57 Post balance sheet date events

On February 11, 2026, Fingerprint Cards announced that Board member John Lord has informed the Company of his decision to step down from the Board of Directors due to other professional commitments. The Nomination Committee has been informed and continues its work to review, identify and propose new potential board members for election at a general meeting.

On March 23, 2026, Precise Biometrics AB (publ) ("Precise Biometrics") and Fingerprint Cards AB (publ) ("Fingerprint Cards") jointly announced that the board of directors of Precise Biometrics and the board of directors of Fingerprint Cards have adopted a joint merger plan (the "Merger Plan") for merging the companies through a statutory merger in accordance with the Swedish Companies Act (the "Merger"). The Merger will be implemented by Precise Biometrics absorbing Fingerprint Cards, whereby the shareholders in Fingerprint Cards will receive nine (9) new ordinary shares in Precise Biometrics for each share in Fingerprint Cards, irrespective of share class. The Merger, constituting a merger of equals, will create a combined business with a stronger offering, a strengthened commercial reach, realize meaningful synergies, and establish a profitable foundation with necessary scale for future organic growth and consolidation. The Merger is expected to generate cost synergies with an estimated full annual run-rate effect of at least SEK 45 million (corresponding to approximately 29 percent of the Combined Company's 2025 pro forma revenue). In addition, the combination is expected to unlock meaningful commercial synergies through upselling and cross-selling across the combined customer base and increased share of customer wallet. Following completion of the Merger, the Combined Company intends to raise approximately SEK 110 million through a rights issue of shares, with proceeds to be used to accelerate growth, capture identified synergies and support continued expansion of the Combined Company globally. The completion of the Merger is conditional upon, inter alia, approval by the shareholders of each of Precise Biometrics and Fingerprint Cards at their respective general meetings. The board of directors of Fingerprint Cards unanimously recommends the shareholders of Fingerprint Cards to vote in favor of the completion of the merger. The Board of Directors believes the Merger to be significantly value-adding for shareholders and other stakeholders, as it will create a combined business with a stronger offering, strengthened commercial reach, realize meaningful synergies and a profitable foundation with necessary scale for future organic growth and consolidation.

In the first quarter of 2026, the boards of Fingerprint Cards AB and Precise Biometrics AB signed a merger plan for the combination of the two companies. As the merger results in the Company's tax loss carryforwards no longer being available for utilisation, the Company derecognised the related deferred tax assets as of 31 March 2026. In light thereof, the Board took appropriate measures to remedy the equity shortfall by a reduction of the share capital. On 30 April 2026, the Extraordinary General Meeting resolved to approve the merger plan, to amend the Company's articles of association, and to reduce the Company's share capital to cover loss. The share capital reduction remedied the equity shortfall resulting from the derecognition of the deferred tax assets.

Assurance by the board

The Board of Directors and Chief Executive Officer hereby give their assurance that the annual accounts have been prepared in accordance with generally accepted accounting policies in Sweden and that the consolidated accounts have been prepared in accordance with the international accounting standards referred to in Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July, 2002, on the application of international accounting standards. The annual accounts and consolidated accounts give a true and fair view of the Parent Company's and the Group's financial position and results of operations. The Administration Reports of the Parent Company and the Group give a true and fair view of the progress of the Parent Company's and the Group's operations, financial position and results of operations, and state the significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

The annual accounts and consolidated accounts were approved for issuance by the Board of Directors and the CEO on April 30, 2026. The Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position and the Parent Company Income Statement and Parent Company Balance Sheet will be subject to adoption by the Annual General Meeting on June 3, 2026.

Gothenburg, on the date stated in the electronic signatures

<p>Christian Lagerling <i>Chairman of the Board</i></p>	<p>Carl Johan Grandinson Board member</p>	<p>Adam Philpott <i>Board member, President and CEO</i></p>
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Stockholm, on the date stated in our electronic signature

BDO Mälardalen AB

<p>Johan Pharmanson <i>Authorized Public Accountant</i></p>	
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Auditor's Report

To the general meeting of the shareholders of Fingerprint Cards AB (publ),
corporate identity number 556154-2381

Report on the annual accounts and Consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Fingerprint Cards AB (publ) for the financial year 2025. The annual accounts and consolidated accounts of the company are included on pages 8-18 and 36-87 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of Directors in accordance with the Audit Regulation (537/2014/EU) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Emphasis of Matter

Without modifying our opinion, we want to draw your attention to the disclosures in the Director's report, Note 27 and Note 57 regarding events after the reporting period. On March 23, 2026, the boards of directors of Fingerprint Cards AB (publ) and Precise Biometrics AB (publ) signed a merger plan pursuant to which Precise Biometrics AB (publ) will absorb Fingerprint Cards AB (publ).

As a consequence, the Board of Directors assessed that Fingerprint Cards AB (publ)'s tax loss carryforwards are no longer expected to be utilized and, therefore reversed the related deferred tax asset of SEK 54,9 million as of March 31, 2026. The reversal resulted in the company's equity falling below one half of the registered share capital. To remedy the capital deficiency, the Board of Directors proposed a reduction of the share capital to cover the loss. On April 30, 2026, the Extraordinary General Meeting resolved to approve the merger plan, amend the Articles of Association, and reduce the share capital. The reduction of share capital remedies the capital deficiency that arose as a result of the reversal of the deferred tax asset.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of intangible fixed assets including goodwill

Goodwill and intangible assets constitute a significant amount of the balance sheet. Goodwill and other intangible assets such as acquired technology, patents and customer relationships as well as capitalized development costs amount to SEK 163 million of the Group's total assets. In note 14, Intangible fixed assets Fingerprint Cards AB describes their valuation of these assets and goodwill. Since these assets are not amortized on an ongoing basis, an impairment test must be performed, at least annually. The company performed an impairment test during Q4 2025. An impairment test contains a number of assumptions, including future market development, the possibility of achieving growth, profitability development and the discount factor. It is thus complex assumptions and estimates that the company management and the board must make. As intangible fixed assets, including goodwill, constitute a significant amount and the required assumptions include assessments and estimates, each of which can be of decisive importance for the valuation, this has been a particularly key audit matter in the audit.

How our audit addressed the Key Audit Matter

Our audit procedures included but were not limited to:

Initially, together with BDO's valuation specialists, we assessed whether the impairment testing prepared per cash-generating unit, corresponding to each group entity, had been performed in accordance with generally accepted principles and methodologies. In our audit, we evaluated the key assumptions applied by management and the Board of Directors in the impairment testing, including assumptions regarding growth, profitability and the discount rate. We assessed the assumptions relating to growth and profitability by reviewing and challenging

management's five-year cash flow forecast and by reviewing the licensing model underlying the projected cash flows. The applied discount rate was assessed against observable market data. We reviewed the simulations and sensitivity analyses performed by management and the Board of Directors.

These procedures also formed the basis for our audit of the disclosures presented in note 14 and 40 to the annual report.

Valuation of deferred tax recoverable attributable to unutilised tax losses

As disclosed in Notes 12 and 38 Income Taxes, the Group recognizes deferred tax assets amounting to a material amount. The deferred tax assets mainly relate to tax loss carryforwards in Sweden. In order to assess the recoverability of the deferred tax assets, management and the Board of Directors are required to make assumptions regarding the level of future taxable profits, which are affected by market conditions, the Group's own performance in each jurisdiction and applicable tax legislation. The complexity is increased as the Group's operations have historically generated losses over a number of years. Due to significance of the deferred tax assets and the extent of management judgement involved in their valuation, this matter was of most significance in our audit.

How our audit addressed the Key Audit Matter

Our audit procedure included but were not limited to:

We initially obtained management's calculations supporting the assessment of the ability to utilize the tax loss carryforwards in future periods. We verified that the forecasts used were those approved by the Board of Directors. As part of our audit, we assessed whether there were any enacted or substantively enacted changes in Swedish tax legislation that could affect the ability to utilize the tax loss carryforwards or their amount, and whether such changes, where applicable, had been appropriately considered in accordance with applicable financial reporting standards. We also evaluated the disclosures provided by Fingerprint Cards AB (publ) in Notes 12 and 38. As disclosed in Note 12, the full amount of the tax loss carryforwards in Sweden has not been recognized as a deferred tax assets.

Revenue recognition

Revenue from contracts with customers, net sales, amounts to SEK 78,2 million for the year 2025 in the consolidated statement of comprehensive income and to SEK 59,7 million in the parent company's income statement. A description of the key assumptions underlying the Group's revenue recognition is provided in Notes 2 and 29. These notes describe how Fingerprint Cards AB (publ) recognizes revenue within the Group. Revenue recognition from contract with customers requires that the Group entities have appropriate processes in place to identify performance obligations and to ensure that revenue is recognized as performance obligations are satisfied. Revenue recognition relating to contracts comprising multiple performance obligations requires, in certain cases, that management exercises judgement in allocating the transaction price between the different performance obligations. Revenue from contracts with customers constituted a significant area in our audit due to the significance of the amounts recognized and the degree of judgement involved.

How our audit addressed the Key Audit Matter

Our audit procedure included but were not limited to the following:

We initially reviewed the accounting policies and sales process routines related to revenue recognition in the respective Group entities. We evaluated the company's and the Group entities' revenue recognition processes and performed sample testing of customer contracts entered by the Group entities. Our audit procedures included assessing the identification of performance obligations and the allocation of the transaction price to those obligations. We evaluated the reasonableness of the assumptions underlying the allocation of the transaction price. We also assessed whether the identified performance obligations have been satisfied. Furthermore, we reviewed the disclosures provided in the annual report.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-7, pages 27-34, and 93-97. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Directors' responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

The auditor's audit of the administration of the Board of Directors and the Managing Director and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Fingerprint Cards AB (publ) for the financial year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the loss be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Fingerprint Cards AB (publ) for the financial year 2025.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Fingerprint Cards AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 require us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standards on Quality Management 1, which requires the firm to design, implement and operate a system of quality management, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards, and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report has been marked with iXBRL in accordance with what follows from the Esef regulation.

BDO Mälardalen AB was appointed auditor of Fingerprint Cards AB (publ) by the general meeting of the shareholders on 24 June 2025 and has been the company's auditor since 2021.

Stockholm, date as per electronic signature

BDO Mälardalen AB

Johan Pharmanson Authorized Public Accountant	
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Ten-year summary and definitions

Income statement	2025	2024	2023 *	2022 *	2021 *	2020 *	2019 *	2018 *	2017 *	2016 *
Revenues, SEK M	78.2	60.2	705.4	861.8	1,355.8	1,255.7	1,458.6	1,535.1	2,966.0	6,638.3
Gross profit, SEK M	47.5	36.6	89.6	166.4	396.9	275.2	331.1	2.4	988.9	3,165.3
Gross margin, %	60.7	60.9	12.7	19.3	29.3	21.9	22.7	0.2	33.3	47.7
Operating profit, SEK M	-59.2	-421.1	-320.4	-631.0	-7.6	-365.8	-14.4	-771.6	154.6	2,578.5
Operating margin, %	-75.7	-699.7	-45.4	-73.2	-0.6	-29.1	-1.0	-50.3	5.2	38.8
Profit for the year, SEK M	-66.4	-465.9	-339.8	-586.0	0.1	-340.8	-13.6	-630.7	120.3	2,034.7
Profit margin, %	-84.9	-773.9	-49.2	-68.0	0.0	-27.1	-0.9	-41.1	4.1	30.7
Depreciation and amortization, SEK M	-40.1	-44.6	-62.3	-81.6	-93.2	-84.6	-141.3	-117.8	-79.4	-48.6
Impairment, SEK M	-	-194.8	-4.7	-433.4	-	-340.6	0.0	-148.6	-	-
EBITDA, SEK M	-19.1	-181.8	-242.2	-116.0	85.6	59.4	128.7	-505.2	234.0	2,627.1
Financial position - Balance sheet	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Intangible assets, SEK M	163.0	229.8	504.8	538.0	838.5	759.3	1,127.8	1,102.7	1,188.3	71.4
Property, plant and equipment, SEK M	0.6	1.6	3.0	4.3	6.5	7.0	15.8	30.2	46.6	29.2
Financial assets, SEK M	54.9	56.0	171.6	121.8	53.6	46.9	18.3	27.8	-	-
Inventories, SEK M	21.4	48.0	133.5	304.1	159.3	136.3	253.4	347.5	646.1	672.7
Accounts receivable, SEK M	8.4	56.0	120.6	128.3	280.0	196.2	197.3	232.7	437.5	1,132.1
Other receivables + prepaid expenses, SEK M	19.5	13.1	25.7	49.6	62.6	27.5	27.7	37.8	313.1	435.4
Cash and cash equivalents + investments in securities, etc., SEK M	27.1	12.1	109.9	274.1	374.3	377.0	563.9	540.5	920.2	1,162.2
Shareholders' equity, SEK M	270.8	276.6	684.2	866.5	1,027.2	1,182.9	1,798.9	1,775.5	2,330.8	2,226.1
Deferred tax, SEK M	-	0.7	6.6	13.0	16.6	20.6	38.6	51.9	189.8	136.3
Non-current liabilities, SEK M	-	2.7	71.9	306.1	304.2	9.7	11.8	-	221.9	-
Current liabilities, SEK M	28.0	145.0	320.9	259.9	451.0	361.9	387.8	491.8	809.3	1,140.6
Working capital, SEK M	48.4	-15.8	68.9	496.3	425.2	375.2	654.5	666.7	1,507.6	2,261.8
Total assets, SEK M	298.8	425.0	1,083.6	1,445.5	1,799.0	1,575.1	2,237.1	2,319.2	3,551.8	3,503.0
Inventory turnover rate, days	412.6	1,403.5	127.9	120.0	55.5	71.5	95.9	116.7	120.0	43.0
Average credit period, days	150.3	535.4	63.5	85.3	63.2	56.4	53.1	78.6	95.0	47.0
Return on capital employed, %	-21.6	-141.1	-41.8	-52.5	-0.1	-30.7	-0.8	-43.5	6.0	117.0
Return on equity, %	-23.1	-97.0	-2.5	-1.8	-1.6	-1.2	-1.0	-38.8	5.0	121.0
Return on total capital, %	-19.8	-99.1	-29.1	-42.6	0.0	-23.2	-0.6	-33.3	4.0	75.0
Equity/assets ratio, %	90.6	65.1	63.1	59.9	57.1	75.1	80.4	76.6	66.0	63.5
Cash flow	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Cash flow from operating activities, SEK M	-55.9	-207.6	-88.3	-334.1	24.3	158.1	160.4	274.6	376.9	1,130.3
Cash flow from investing activities, SEK M	-1.0	-11.6	-46.1	-104.6	-91.0	-119.1	-115.4	-162.6	-1,071.0	-78.3
Cash flow from financing activities, SEK M	74.1	118.1	-25.7	328.4	58.4	-209.2	-19.7	-507.7	481.7	-955.7
Cash flow for the year, SEK M	17.2	-101.1	-160.1	-110.3	-8.3	-170.2	25.3	-395.7	-212.4	96.3
The Share	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Earnings per share, SEK	-8.31	-278.18	-0.31	-1.92	0.00	-1.10	-0.04	-2.01	0.38	6.40

Income statement	2025	2024	2023 *	2022 *	2021 *	2020 *	2019 *	2018 *	2017 *	2016 *
Earnings per share after full dilution, SEK	-8.31	-278.18	-0.31	-1.92	0.00	-1.10	-0.04	-2.01	0.38	6.33
Cash and cash equivalents + investment at year-end/share, SEK	3.57	6.60	0.19	0.65	1.27	1.25	1.80	1.72	2.93	3.70
Equity per share, SEK	35.70	150.97	1.15	2.06	3.49	3.92	5.73	5.66	7.42	7.11
Equity per share, after full conversion, SEK	35.70	150.97	1.15	2.06	3.49	3.92	5.73	5.66	7.42	7.09
Cash flow from operating activities per average number of shares, SEK	-7.93	-83.91	-0.19	-1.10	0.08	0.51	0.51	0.87	1.20	3.56
Shares at end of period, 000	7,586	1,832	593,090	420,693	294,200	301,544	313,967	313,967	313,967	313,967
Average number of shares during the year, 000	7,051	2,474	1,105,210	304,741	295,351	308,829	313,967	313,967	313,967	317,726
Number of shares after dilution, average, 000	7,051	1,432	1,105,210	306,394	295,351	308,829	313,967	313,967	313,967	321,408
Dividend per share, SEK	-	-	-	-	-	-	-	-	-	-
Share price at end of period, SEK	18.25	32.76	1.72	2.93	20.68	17.41	18.88	10.13	15.81	62.85
Market capitalization at end of period, SEK M	138.4	128.0	1,020.1	1,290.8	6,084.1	5,249.9	5,927.7	3,180.5	4,963.8	19,732.8
Employees at the end of the period	39	53	159	223	261	240	225	220	415	306

* Figures for 2023 and earlier years include operations that are classified as discontinued operations in 2024 and 2025. The years are also not recalculated to take into account the merger of the shares.

Definitions

Most of these key figures are Alternative Performance Measures according to ESMA's definition. How these key figures are used is described below, as is how they are calculated. The alternative performance measures are used to provide a more comprehensive description of how operational activities are developing, such as gross margin, gross profit, operating margin, EBITDA and revenue increase, while other alternative performance measures focus on the owner perspective, such as return on equity, and cases where certain balance sheet items or cash flow items are placed in relation to the number of shares. In addition, the equity/assets ratio is provided to describe the financial position and long-term financial sustainability.

Average credit period

Average value of accounts receivable over the period in relation to net sales, multiplied by 360 days.

Average number of shares

Average number of shares in the period.

Average number of shares after dilution

Average number of shares plus an increase by the average number of shares that could be issued as a result of current remuneration and personnel programs.

Capital employed

Equity plus interest bearing liabilities.

Cash flow from operating activities/share

Cash flow from operating activities after changes in working capital/average number of shares before and after dilution.

Cost of goods sold

Cost of materials and production expenses.

Earnings per share after dilution

Earnings per share plus adjustment for the number of shares and the paid exercise price resulting from current remuneration and personnel programs. Earnings per share after dilution can never exceed earnings per share before dilution.

Earnings per share for the period

Profit for the period/number of shares outstanding at period end.

EBITDA

Earnings before interest, taxes, depreciation and amortization. Operating profit before financial income/expense, taxes, depreciation/amortization and impairment losses.

Equity/assets ratio

Shareholders' equity divided by total assets.

Gross margin

Gross profit as a percentage of net sales.

Gross profit

Revenues less cost of goods sold.

Inventory turnover rate, days

Average value of inventory over the period in relation to cost of goods sold, multiplied by 360 days.

Net cash

Cash and cash equivalents less interest-bearing debt.

Net margin

Profit for the period as a percentage of revenues.

Number of shares outstanding at period end

Number of shares less bought back shares held in treasury.

Operating margin

Operating profit as a percentage of revenues.

Operating profit

Operating profit before financial income/expenses and tax.

Profit for the year

Profit after financial income/expenses and tax.

Return on capital employed

Operating profit + financial income as a percentage of capital employed.

Return on equity

Profit for the period in relation to average shareholders' equity for the period. Average shareholders' equity is defined as shareholders' equity at the start of the period plus shareholders' equity at the end of the period divided by two.

Revenue increase

The increase in revenues compared to the corresponding period one year previously, and expressed as a percentage.

Return on total capital

Operating profit + financial income as a percentage of total capital.

Shareholders' equity per share

Shareholders' equity attributable to equity holders of the Parent Company divided by the number of shares outstanding, before dilution, at the end of the period.

Shareholders' equity per share after dilution

See "Shareholders' equity per share" plus adjustment for the number of shares and the paid exercise price in current remuneration and personnel programs.

Working capital

Current assets less current non-interestbearing provisions and liabilities.

Shareholder information

FPC:s IR website

Updated corporate information, and an archive of financial reports and press releases, is available at fpc.com. For environmental and cost reasons, FPC has decided not to distribute physical annual reports to shareholders. Annual and interim reports, as well as press releases, are available from the company's investor website.

Reporting dates

- Interim Report January–March 2026, 13 May 2026
- Interim Report January–June 2026, 13 August 2026
- Interim Report January–September 2026, 29 October 2026

Annual General Meeting 2026

The Annual General Meeting (AGM) will be held on Wednesday, 3 June, 2026.

Contact information

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Glossary

Algorithm

A systematic procedure for how to conduct calculation or solve a problem in a given number of steps. In Fingerprints' specific case, the method refers to the comparison of two fingerprints with each other.

Authentication

Control process for a particular entity; in conjunction with logging on, for example. The word is synonymous with verification.

Biometric system

A pattern recognition system that identifies or verifies an individual by studying a physiological characteristic of that individual, such as a fingerprint.

Chip

A piece of silicon that an integrated circuit is embedded in, such as a sensor chip. Normally, a silicon wafer is divided into a number of chips, with each chip being essentially identical.

Design Win

Decision by a customer (OEM or ODM) to start developing one or several commercial products using Fingerprints' technology integrated into one or more of its products.

Identification

Comparison of compiled biometric data with all stored templates for the purpose of identifying one of these templates (and thus an individual) from many.

Internet of Things

Internet-connected devices that are linked to the Internet and can thus communicate with/be controlled via the Internet.

Matching

The process of comparing an image of a fingerprint with a pre-processed template, and assessing whether or not they are similar.

Modality

Type of biometric feature, such as fingerprint sensors and iris sensors.

ODM

Original Design Manufacturer, a company that develops and manufactures products sold under the trademarks of other companies.

OEM

Original Equipment Manufacturers, companies that manufacture the end product that is sold on an open market.

Smart card

Plastic card with an embedded chip containing information about the card and its owner.

Smartphone /tablet

A combined mobile phone and handheld computer linked to the Internet via mobile broadband. A smartphone has a complete mobile operating system that is transferable between multiple devices enabling the user to easily install mobile apps, which are small third-party programs that increase the phone's functionality.

Template

An arrangement of unique data that represents a specific fingerprint.

Touch sensor

Sensor that scans a fingerprint directly when a fingertip touches the sensor surface; compare to swipe sensor.

Verification

The comparison of compiled biometric data with a given template for the purpose of verifying that the two match. This enables the authentication of an individual with a high degree of certainty.

Wafer

A thin circular slice of silicon containing a number of integrated circuits such as sensor chips.



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