TWO PIONEERS
PERFECTLY MATCHED
ONE FUTURE
WHERE **YOU** ARE THE KEY

PRECISE BIOMETRICS | fpc

YOU are the key

Interim Report

Q3

January – September, 2026

PRECISE BIOMETRICS

Precise, a global leader in biometrics with trusted access and identity management solutions, whose technology is used

100,000

times/second, all year round

Precise Biometrics AB (publ) (“Precise”) is a Swedish-rooted global leader in biometrics, providing trusted access and identity solutions that securely verify and identify people across physical and digital environments.

Guided by our vision of making everyday life safer and more seamless in a world where YOU are the key, we combine biometric hardware systems, algorithms, cloud solutions, and decades of domain expertise to help protect identities, places, devices, data, and digital services against fraud, identity threats, and unauthorized access. Applications range from mobile phones and consumer electronics to physical and logical enterprise access, visitor management, and government identity programs, powering hundreds of millions of devices and authentications every day.

Precise has a strong global presence with local teams across Europe, North America, and Asia. The company is headquartered in Lund, Sweden, and is listed on Nasdaq Stockholm (PREC).

Find out more at www.precisebiometrics.com.

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The period in brief:

From merger to execution and commercial progress

Net sales and earnings for FPC are included as of the merger date of July 20, 2026

Third quarter

- Net sales totaled SEK 24.6 (20.0) million
- EBITDA totaled SEK -26.3 (4.4) million
- One-off items totaled SEK -16.8 (0) million and relate to transaction costs in connection with the merger with FPC and restructuring costs
- Adjusted EBITDA totaled SEK -9.5 (4.4) million
- The operating profit/loss (EBIT) totaled SEK -32.0 (-0.6) million
- Adjusted operating profit/loss (EBIT) totaled SEK -15.2 (-0.6) million
- Earnings for the period totaled SEK -32.2 (-0.7) million
- Earnings per share before and after dilution totaled SEK -0.16 (-0.01)
- Cash flow from operations totaled SEK -40.9 (1.7) million
- ARR (Annual Recurring Revenue) at the end of the period was SEK 19.2 (18.4) million

Interim period Jan - Sep

- Net sales totaled SEK 56.4 (60.8) million
- EBITDA totaled SEK -34.2 (2.1) million
- One-off items totaled SEK -20.6 (0) million and relate to transaction costs in connection with the merger with FPC and restructuring costs
- Adjusted EBITDA totaled SEK -13.6 (2.1) million
- The operating profit/loss (EBIT) totaled SEK -48.7 (-13.4) million
- Adjusted operating profit/loss (EBIT) totaled SEK -28.1 (-13.4) million
- Earnings for the period totaled SEK -48.2 (-13.6) million
- Earnings per share before and after dilution totaled SEK -0.39 (-0.15)
- Cash flow from operations totaled SEK -33.6 (5.1) million
- ARR (Annual Recurring Revenue) at the end of the period was SEK 19.2 (18.4) million

Significant events during the quarter

- Jul 20, 2026: The merger with Fingerprint Cards was completed, laying the foundation for a stronger, more competitive Precise, with a broader offering and better conditions for profitable growth.
- Aug 13, 2026: The rights issue provided the company with approximately SEK 100 million before issue costs and strengthened the financial conditions for integration, realization of cost synergies and commercial development.
- Sep 3, 2026: PamirAI chose FPC AllKey Pro for its new AI Agent Computer, confirming the technology's competitiveness and opening up opportunities in new areas of application.
- Sep 11, 2026: A new distribution partnership with AqTronics strengthened Precise's commercial presence in India and Vietnam and created new opportunities to reach customers in two important growth markets.
- Sep 15, 2026: The continued collaboration with IOTRUST on the next generation of D'CENT crypto wallets confirmed Precise's strong position in the field of secure biometric authentication.
- Sep 29, 2026: Corporate management was strengthened with a clearer commercial and product-oriented organization to accelerate integration and drive the company's continued development.

Significant events after the end of the interim period

- Oct 1, 2026: Precise Visit was expanded with integrated queue management, which broadened the offering in visitor management and boosted opportunities to meet customers' needs for efficient and secure visitor flows.
- Oct 15, 2026: Precise received two new orders to a total value of approximately SEK 15 million, with revenue expected in 2027. The deals confirmed the competitiveness of the company's offering and strengthened the conditions for continued growth in secure biometric authentication.

For more news and press releases, see: https://www.precisebiometrics.com.

Financial data and key indicators

Amounts in SEK thousands unless otherwise stated	2026 Jul-Sep	2025 Jul-Sep	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Net sales	24 563	20 006	56 371	60 797	77 814	73 388
Net sales growth, %	22,8%	-12,3%	-7,3%	-6,6%	-10,4%	-11,1%
Gross margin, %	56,9%	75,8%	64,1%	73,8%	72,8%	65,4%
EBITDA	-26 313	4 351	-34 166	2 115	174	-36 107
Adjusted EBITDA	-9 478	4 351	-13 569	2 115	174	-15 510
Operating profit/loss (EBIT)	-32 044	-641	-48 706	-13 399	-20 059	-55 366
Adjusted operating profit/loss (EBIT)	-15 209	-641	-28 109	-13 399	-20 059	-34 769
Operating margin, %	-130,5%	-3,2%	-86,4%	-22,0%	-25,8%	-75,4%
Cash flow from the operating activities	-40 862	1 662	-33 635	5 071	1 919	-36 787
Cash and cash equivalents	47 903	31 275	47 903	31 275	18 411	
Annual Recurring Revenue Digital Identity	19 238	18 412	19 238	18 412	18 919	

See the Financial Glossary for definitions.

Video interview and live Q&A

Precise has published a video interview with CEO Joakim Nydemark in connection with this report. The interview is designed to complement the report and provide additional depth and a better understanding of the stock market for the company's business operations.

The video is available on the Investor Relations page: https://precisebiometrics.com/investors.

The company also invites you to a **live Q&A session on November 13, 2026 at 13:00** (CET). More information and a registration link to the Q&A session may be found on the Investor Relations page: https://precisebiometrics.com/investors.

Questions can be asked directly during the Q&A session or submitted in advance to investor@precisebiometrics.com.

CEO comments:

From merger to execution and commercial progress

The third quarter was intense and marked a historic milestone for Precise Biometrics. During the summer, we completed the merger with Fingerprint Cards (FPC), thereby laying the foundations for a stronger, more scalable and competitive biometrics company. We now have a broader offering, greater global reach, and are better positioned to achieve long-term, profitable growth.

2026 is a year of transition, in which we are implementing extensive changes and incurring significant costs to build a more competitive and profitable company. Integration costs, combined with merger-related and share issue costs, and the repayment of bridging loans, also had a major impact on the cash position during the quarter. We expect a significantly improved cash flow in the next few quarters.

The integration and the company's development are progressing according to plan, and we are seeing tangible results of our enhanced commercial organization in the form of new business deals. These deals are expected to generate revenue from 2027 and contribute to improved earnings in the second half of 2027. It is important to note that net sales and earnings for FPC are included as of the merger date, July 20, 2026.

Short-term costs for long-term strength

During the quarter we took many decisive steps towards a profitable and stronger Precise. We have secured several significant deals since the end of the quarter to a value of over SEK 15 million, and these are expected to generate revenue in 2027.

Earnings for the quarter were also adversely affected by SEK 14.4 million in merger-related costs. In addition, there are extensive integration and restructuring costs needed to extract important cost synergies. These are important reasons for the capital raising we carried out during the summer, the purpose of which was to finance the transition and create the conditions for a company that is strong in the long term.

Net sales for the period do not include FPC's revenues for almost one month, as the merger was completed towards the end of July. In addition, some delayed orders and lower production volumes at a major customer in Asia had a negative impact on our revenues. The outcome shows the need for a broader customer base, greater customer value, and more products, which is a key element of the industrial logic behind the merger with FPC.

The market developments we saw in 2026, with changing customer needs and volatility in our traditional business, further emphasized that the merger was not only strategically correct, but also necessary to grow in the value chain and strengthen our long-term competitiveness.

The integration is progressing according to plan, and I am confident that we will enter 2027 with a more efficient organization, a significantly lower cost base, and a clear commercial focus. At the end of the period, we had implemented measures corresponding to around 75% of the planned cost synergies of SEK 45 million we previously communicated. We expect to achieve financial balance in the second half of 2027 and build on that progress going forward.

Strong commercial focus for growth

The merger enables us to combine sensors, algorithms, and integrated biometric systems with secure identity and access solutions. This enables us to offer our customers more complete solutions, reducing risk and shortening lead times, while at the same time capturing a greater share of the value chain.

To translate these opportunities into tangible business deals, one step we have taken is to strengthen our commercial organization. Fredrik Krantz has taken up the position of Chief Revenue Officer, with Fredrik Ramberg as Chief Product Officer. Together with a more streamlined organization, this has given us clearer priorities and an increased commercial momentum, and we see a positive development in the business. PamirAI has chosen our FPC AllKey Pro technology, the partnership with AqTronics opens up opportunities in India and Vietnam, and we continue to develop the partnership with IOTRUST. We have also won two new orders, announced in October, with a total value of approximately SEK 15 million in revenue generated during 2027. This strengthens our belief that we have the right conditions to drive growth in 2027 and beyond.



PamirAI agent computer



IOTRUST DCENT X

Digitalization, AI, new regulatory requirements, and a changing global security situation increase the need for reliable identification and authentication. With our joint product portfolio, we create opportunities in everything from biometric security keys,

AI devices, digital and physical access to government identity programs. We also see opportunities to play an active role in the continued consolidation of the biometrics industry.

From integration to profitable growth

Our focus for the future is clear. We will complete the integration and realize the synergies communicated as planned. We will also increase the commercial pace and translate our broader portfolio, larger customer base, and enhanced global presence into growth.

The merger is not about creating a larger company for the sake of size. It is about creating a more competitive company, with a stronger offering, greater relevance for our customers, and better conditions to grow profitably. 2026 has been about implementing the transition. In 2027, we will see the results of the investments, changes, and commercial initiatives we are now implementing. The structure is now in place. The next step is to deliver.

I would like to thank all employees for their exceptional dedication during an intense quarter, and our customers, partners, and shareholders for your continued trust.

We are not there yet, but we have set the course and are already seeing the first results of our work. We are moving towards 2027 with confidence and a clear ambition to translate our new strength into profitable growth.

Joakim Nydemark
CEO



My top three:

- New orders show the way
- 75% of SEK 45 million cost synergies achieved
- Financial balance in 2027

Product, market and business

Product

The merger with FPC sees Precise bringing together biometric hardware, algorithms, software, and biometric expertise in a more complete and scalable offering. Product development will be organized around three product lines:

- **Biometric Systems:** A biometric platform with algorithms, sensors, and complete systems that simplifies the integration of biometric authentication and shortens time-to-market for physical and logical access products.
- **Secure Solutions:** A complete solution for secure identity management that combines biometric authentication, credential management, and ready-made security applications for products with special security requirements, such as hardware-based security keys.
- **Identity & Access Solutions:** Complete solutions for physical access, visitor management and digital identities for areas of application including national ID programs.

The portfolio includes sensors and algorithms as well as integrated biometric systems, security modules, and scalable, complete packaged solutions. The product lines provide a common structure for the continued development and packaging of the offering.

FPC AllKey and AllKey Ultra are examples of how multiple components are integrated to produce complete biometric systems. AllKey Ultra contains an integrated secure element that provides the highest level of hardware-based protection of data, authentication credentials, and encryption keys. By integrating and optimizing the full solution, Precise can simplify customer integration, reduce costs and risks, and shorten time-to-market, while simultaneously minimizing the need for customers to have their own biometric expertise.

The focus going forward is to further develop and package the product portfolio based on customers' needs and leverage our combined expertise to deliver greater customer value and commercial opportunities. The product strategy and packaging of our offerings in the short and medium term are in place, while work continues on the long-term product plan.

Market and business

The underlying drivers for biometrics and security solutions continue to strengthen. Digitalization, AI, a heightened security landscape, and new regulatory requirements are increasing the need for secure and seamless identity verification. At the same time, short-term challenges remain in certain segments, such as the mobile phone industry, where uncertainty in the world around us and high component costs are affecting demand, production, and investment decisions.

AI enables more advanced identity fraud, but also improves biometric matching and the detection of attempted fraud. These developments are increasing the need for reliable biometric authentication, including anti-spoofing and liveness verification. We see growing business opportunities in biometric security keys, AI devices, digital and physical access, and government identity programs. New security standards for mobile devices are further contributing to this trend.

Customer feedback on the overall offering has been very positive, and discussions are under way about cross-selling and new applications. During and after the quarter, Precise signed several deals and partnerships. The deals announced in recent months include:

- PamirAI selects FPC AllKey Pro for its Agent Computer
- The partnership with AqTronics in India
- The continued collaboration with IOTRUST for next-generation DCENT crypto wallets
- Two new orders for digital access devices to a combined value of SEK 15 million

The deals and ongoing customer discussions confirm the relevance of the offering. The focus going forward is to translate the increased customer interest, the strengthened commercial capabilities, and the broader portfolio into increased sales and long-term profitable customer relationships.

Digital security — Physical security



Passwordless logical access



Government identity programs



Mobile phones



Biometric hardware systems



Physical access and visitor management

The merger of Precise and FPC

Following the merger with FPC, Precise is an even stronger global biometrics company with greater capacity and economies of scale, as well as one of the industry's most complete offerings in biometric security, identity, and access across both digital and physical environments. The merger brings together two Swedish pioneers in biometrics and combines software, hardware, and deep domain expertise with decades of innovation in algorithms, sensors, systems, and software solutions.

The offering spans the entire biometric value chain – from advanced biometric sensors and systems to finger and palm recognition algorithms, liveness detection, and complete identity, physical access, and visitor management solutions. Together, these technologies enable secure and seamless access to people, places, devices, data, trusted identities, and digital services all over the world.

The merger means higher net sales and creates significant opportunities for both cost savings and commercial synergies. Of the annual cost synergies announced of at least SEK 45 million, more than 75% have already been implemented by September 30, with the aim of having the entire synergy program implemented by the end of the year. Integration work is progressing according to plan. The rights issue carried out in August added approximately SEK 100 million before transaction costs and strengthens the financial position, as well as creating the conditions for implementing the integration, realizing the remaining synergies, and investing in growing the business in selected strategic areas. All in all, this provides a stronger foundation for Precise's ambition to deliver double-digit profitable growth.

With a larger global customer base, extended commercial reach, and complementary technologies, the combined Precise has a greater share of the value chain and is better equipped to meet the requirements of an increasingly complex security and identity landscape. AI and deepfakes, increasing identity threats, accelerating digitalization, new regulatory requirements, and a changing global security situation are driving a growing need for reliable identity and secure authentication. With a larger scale and a more complete end-to-end offering, Precise is well positioned to take advantage of the opportunities presented by these long-term market drivers.

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A complete biometric offering

Precise is a global leader in biometrics, offering access and identity solutions that enable secure and fast identification and authentication in digital and physical environments. The solutions securely and seamlessly verify and identify people, helping customers protect identities, places, devices, data, and digital services against fraud and unauthorized access.

The offering includes advanced algorithms, biometric sensors, integrated systems, and ready-made solutions for access and identity management, complemented by services and deep biometric expertise.

The merger with FPC has given Precise a more complete offering, greater scale, and broader global reach. The combination of hardware, software, and expertise makes it possible to support customers from technology and component selection to integration, optimization, and deployment.

The offering is organized into two business segments:

- **Biometric Technologies** includes biometric algorithms, sensors, and complete systems for integration into different types of products and solutions. The segment also includes FPC products.
- **Digital Identity** includes physical access and visitor management solutions.

Biometric Technologies

Biometric algorithms, sensors, and complete systems for integration into different types of products and solutions.

Biometric algorithms and sensors

Advanced fingerprint and palm recognition algorithms and fingerprint sensors in multiple sizes and formats. The technology combines reliable matching with protection against spoofing attempts and enables secure, fast and seamless identification and authentication.

Biometric systems

Pre-integrated biometric systems that combine fingerprint sensors, microcontrollers (MCUs), and biometric algorithms. The systems enable quick and easy integration into, for example, smart locks, AI devices, and IoT products. They minimize the need for in-house biometric expertise, reduce development costs and risks, and shorten time-to-market.

Hardware-based security solutions

Hardware-based security solutions that combine biometric authentication with an integrated secure element. The solutions provide hardware-based protection of biometric data, authentication credentials, and encryption keys, and enable secure and reliable authentication in products with high data protection requirements and security standards, such as security keys and crypto wallets.

Government identity programs

Biometric identification for large-scale national ID programs and other government identity programs. The offering includes Aadhaar-certified and MOSIP-compatible technology, with algorithms and sensors adapted to each area of application. Anti-spoofing and liveness verification strengthen protection against identity fraud and spoofing attempts.

Services and biometric expertise

Data collection, synthetic data generation, and integration support services for the development, evaluation, and optimization of biometric solutions. Deep domain expertise helps customers ensure reliable performance in real-world operating environments and accelerate deployment.

Digital Identity

Physical access and visitor management solutions.

Physical access

Biometric access solutions that integrate with existing physical access control systems (PACS) and other infrastructure. Available as on-premise, or as a cloud service, these flexible solutions enable secure and user-friendly access using facial or palm recognition, along with mobile credentials and multi-factor authentication (MFA).

Visitor management

Cloud-based visitor management solutions that automate and streamline the entire visitor journey, from invitation and registration to checkout. The solutions also offer access management, queue management, evacuation, etc. They enhance security and compliance, reduce administration, and create a professional, welcoming visitor experience.

Why Precise?

- **Proven technology and global presence.** Over 25 years of experience and technology used in over 100 million devices worldwide provide a solid and trusted foundation. Teams in Europe, North America, and Asia, together with a global partner network, provide access to expertise and support in several markets.
- **Premium-class security and user experience**. The solutions combine robust biometric security with fast and seamless authentication. For example, our palm recognition technology can achieve a False Accept Rate (FAR) of less than 1:100 million without compromising the user experience.
- **A comprehensive offering from a single partner.** Hardware, algorithms, software, and services from one provider simplify development and integration, and reduce the need for in-house biometric expertise.
- **Shorter time-to-market and lower risk.** Pre-integrated systems with sensors, processors, and algorithms shorten time to market and reduce customer development work, integration costs, and technical risks.
- **Optimized performance across the solution.** Expertise in both hardware and software makes it possible to further optimize the interaction between components for high security and seamless user experience.
- **Protection against advanced identity threats**. AI enables increasingly sophisticated fraud and attacks, increasing the demands on biometric security. With anti-spoofing and liveness verification, Precise helps customers detect spoofing attempts and enhances protection against manipulation, fraud, and unauthorized access.
- **Flexibility to meet the customer needs.** Customers can choose individual components, integrated systems, or ready-made solutions, and adapt their solution as their needs change.
- **A European partner with transparency and responsibility.** With its Swedish domicile, ISO certification, and listing on Nasdaq Stockholm, Precise combines quality-assured processes and high security with clear corporate governance – providing confidence for customers and partners.



Biometric sensors and algorithms

Fingerprint and palm recognition algorithms, with matching and anti-spoofing to prevent fraud, as well as sensors in different sizes and formats.

BioMatch | BioLive | Fingerprint sensors



Biometric systems

Pre-integrated sensors, microprocessors (MCUs), and algorithms that simplify integration, shorten time-to-market, and minimize the need for in-house biometric expertise.

FPC AllKey | FPC AllKey Pro



Hardware-based security technology

Compact biometric modules with integrated secure element that protect biometric data and digital keys at hardware level – for applications with high security requirements.

FPC AllKey Ultra



Physical access solutions

Visitor management and biometrics for physical access. Integrated with leading access control systems for secure and seamless access to buildings & protected areas.

Precise Visit | Precise Access | Palm Access Pro



Identity programs for governments

Biometric identification for government identity programs. Aadhaar-certified and MOSIP-compliant technology is combined with anti-spoofing to reduce the risk of identity fraud and attacks.



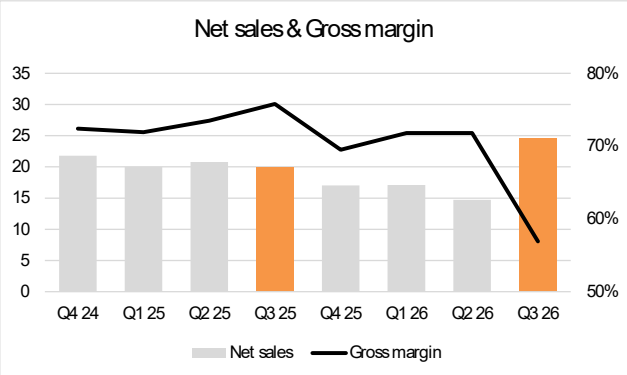
Services

Data collection, synthetic data generation, and integration support to optimize biometric performance and enable faster deployment

Net sales and operating profit/loss

Net sales for the quarter

Net sales during the quarter totaled SEK 24.6 (20.0) million, divided between royalty revenues of SEK 6.4 (9.3) million, license fees (including support and maintenance) of SEK 7.8 (9.7) million, hardware revenue of SEK 8.6 (0) million, and other revenue of SEK 1.8 (1.0) million. During the quarter, hardware revenue and some license fees were added through the merger with FPC. Royalty revenues during the quarter were affected by lower volumes from our customers, primarily due to low production volumes of mobile devices. The lower production volumes in turn relate to low-price mobile phones and are caused by a sharp increase in the price of hardware components for our customers as well as geopolitical unrest.



Biometric Technologies

Net sales for Biometric Technologies totaled SEK 19.4 (14.9) million, divided between royalties of SEK 6.4 (9.3) million, licenses of SEK 3.0 (5.2) million, hardware revenue of SEK 8.6 (0), and other revenue of SEK 1.4 (0.5) million. During the quarter, hardware revenue and some license fees were added through the merger with FPC. Royalty revenues were lower during the quarter due to lower customer volumes. The gross margin during the quarter totaled 55.2% (84.6). The poorer gross margin is primarily attributable to related hardware costs and production-related costs for hardware revenue, as well as slightly higher depreciation/amortization as a result of the merger.

Digital Identity

Net sales for Digital Identity totaled SEK 5.2 (5.1) million and are reported under licenses at SEK 4.8 (4.6) million, and other revenue at SEK 0.4 (0.5) million. The proportion of annual recurring revenue (ARR) was SEK 19.2 (18.4) million at the end of the quarter.

The gross margin during the quarter totaled 63.3% (50.0). The improved gross margin is due to reduced depreciation/ amortization, which in turn is an effect of lower capitalization of development expenses in previous periods.

Earnings for the quarter

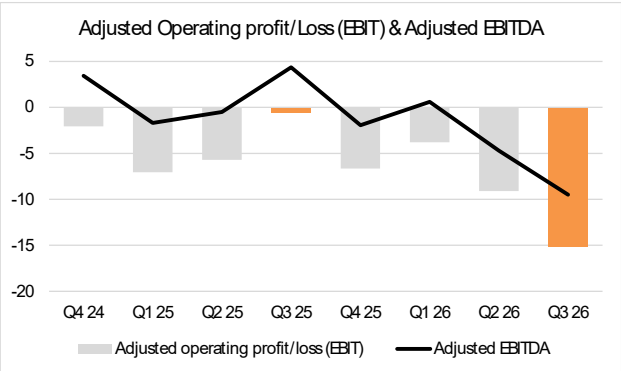
The gross margin during the quarter totaled 56.9% (75.8). The poorer gross margin is primarily attributable to related hardware costs and production-related costs for hardware revenue, as well as slightly higher depreciation/amortization as a result of the merger. Amortization of capitalized development expenses totaled SEK 2.8 (3.5) million. Amortization of acquired intangible assets totaled SEK 2.1 (0.6) million.

Operating expenses during the quarter totaled SEK 46.0 (15.8) million. One-off items for the quarter totaled SEK 16.8 (0) million and relate to advisory and restructuring costs attributable to the merger with FPC. Operating expenses excluding one-off items for the quarter totaled SEK 29.2 (15.8) million. The increase is primarily attributable to the merger with FPC, whose operating expenses are included in the Group as of July 20, 2026.

The profit/loss at EBITDA level totaled SEK -26.3 (4.4) million. Adjusted EBITDA totaled SEK -9.5 (4.4) million.

The operating profit/loss (EBIT) for the quarter totaled SEK -32.0 (-0.6) million. Adjusted operating profit (EBIT) totaled SEK -15.2 (-0.6) million. Earnings for the quarter totaled SEK -32.2 (-0.7) million. Total depreciation/amortization was SEK 5.7 (5.0) million.

Earnings per share (average number of shares) for the quarter totaled SEK -0.16 (-0.01).



Net sales for the interim period

Net sales during the interim period totaled SEK 56.4 (60.8) million. Net sales were split between royalty revenues of SEK 17.1 (26.8) million, license fees (including support and maintenance) of SEK 25.7 (29.5) million, hardware revenue of SEK 8.6 (0) million, and other revenue of SEK 5.0 (4.5) million. During the interim period, hardware revenue and some license fees were added through the merger with FPC. Royalty revenues during the interim period were affected by lower volumes from our customers, reflecting variations in the production of mobile devices. The lower

production volumes are primarily related to low-price mobiles and are caused by a sharp increase in the price of hardware components for our customers as well as geopolitical unrest.

Biometric Technologies
Net sales for Biometric Technologies totaled SEK 39.8 (45.2) million, divided between royalties of SEK 17.1 (26.8) million, licenses of SEK 11.3 (15.7) million, hardware revenue of SEK 8.6 (0), and other revenue of SEK 2.8 (2.7) million. During the interim period, hardware revenue and some license fees were added through the merger with FPC. Royalty revenues during the interim period were lower than in the previous year, affected by lower volumes. The gross margin during the interim period was 65.8% (83.2). The poorer gross margin is primarily attributable to related hardware costs and production-related costs for hardware revenue, as well as slightly higher depreciation/amortization as a result of the merger.

Digital Identity
Net sales for Digital Identity totaled SEK 16.6 (15.6) million and are reported under licenses at SEK 14.4 (13.8) million, and other revenue at SEK 2.2 (1.8) million. The ARR at the end of the interim period was SEK 19.2 (18.4) million. The gross margin during the interim period was 60.2% (46.4). The improved gross margin is due to reduced depreciation/amortization, which in turn is an effect of lower capitalization of development expenses in previous periods.

Earnings for the interim period

The gross margin during the interim period totaled 64.1% (73.8). The poorer gross margin is primarily attributable to related hardware costs and production-related costs for hardware revenue, as well as slightly higher depreciation/amortization as a result of the merger. Total amortization of capitalized development expenses was SEK 8.8 (11.0) million. Amortization of acquired intangible assets totaled SEK 3.3 (1.8) million.

Operating expenses for the interim period increased to SEK 84.9 (58.2) million. One-off items for the interim period totaled SEK 20.6 (0) million and relate to advisory and restructuring costs attributable to the merger with FPC. Operating expenses excluding one-off items for the interim period totaled SEK 64.3 (58.2) million. The increase is largely attributable to the merger with FPC, as their expenses during the quarter were transferred to Precise Biometrics.

The profit/loss at EBITDA level fell to SEK -34.2 (2.1) million. Adjusted EBITDA totaled SEK -13.6 (2.1) million.

The operating profit/loss (EBIT) for the interim period totaled SEK -48.7 (-13.4) million. Adjusted operating profit/loss (EBIT) totaled SEK -28.1 (-13.4) million. Earnings for the period totaled SEK -48.2 (-13.6) million. Total depreciation/amortization totaled SEK 14.5 (15.5) million.

Earnings per share (average number of shares) for the interim period totaled SEK -0.39 (-0.15).

Net financial items and tax

Net financial items for the quarter totaled SEK -0.4 (-0.1) million and the tax totaled SEK 0.3 (0.1) million. Net financial items for the interim period totaled SEK 0.1 (-0.5) million and the tax totaled SEK 0.4 (0.3) million.

Net financial items are attributable to exchange rate differences in cash and cash equivalents, interest income, interest on the lease liability in accordance with IFRS 16, as well as interest expense on the deferred fixed purchase price related to the acquisition of EastCoast, as well as interest expenses for a short-term loan that were incurred in the Group through the merger with FPC.

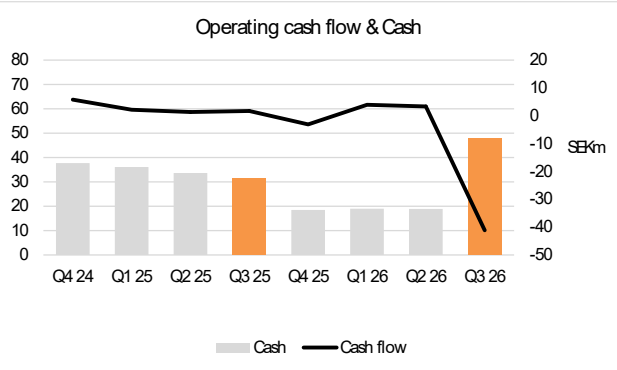
Cash flow and investments

The cash flow for the quarter from operating activities totaled SEK -40.9 (1.7) million, of which SEK -13.1 (-2.5) million is attributable to changes in working capital. Cash flow during the quarter was negatively affected by one-off payments for merger-related advisory, integration and restructuring costs. During the quarter, the Group acquired cash and cash equivalents of SEK 8.0 million (0) through the merger with FPC. The Group invested SEK 2.9 (3.0) million in intangible assets and SEK 0.0 (0.4) million in property, plant and equipment.

Funds from the rights issue of SEK 100 million were contributed from financing activities during the quarter. After capital acquisition expenses, the company received SEK 85.2 million net. Furthermore, the short-term loan of SEK -20.0 million that was incurred through the merger with FPC was repaid in full. Amortization in accordance with IFRS 16 is SEK -0.5 (-0.6) million for the quarter.

Total cash flow for the quarter was SEK 28.9 (-2.3) million.

The cash flow for the interim period from operating activities totaled SEK -33.6 (5.1) million, of which SEK 1.3 (3.6) million is attributable to changes in working capital. During the interim period, the Group acquired cash and cash equivalents of SEK 8.0 million (0) through the merger with FPC. During the interim period, the Group invested SEK 8.5 (8.8) million in intangible assets and SEK 0.2 (1.1) million in property, plant and equipment.



Funds from the rights issue of SEK 100 million were contributed from financing activities during the interim period. After capital

acquisition expenses, the company received SEK 85.2 million net. Furthermore, the short-term loan of SEK -20.0 million that was incurred through the merger with FPC was repaid in full. Amortization in accordance with IFRS 16 for the interim period was SEK -1.6 (-1.8) million.

Total cash flow for the interim period was SEK 29.3 (-6.1) million.

Capitalization and amortization of development work

Development expenses of SEK 2.9 (3.0) million were capitalized during the quarter, and amortization of capitalized development expenses totaled SEK 2.8 million (3.5). Development expenses of SEK 8.5 (8.8) million were capitalized during the interim period, and amortization of capitalized development expenses totaled SEK 8.8 (11.0) million.

Right of use assets

During the interim period, new rental agreements were added through the merger with FPC, and there was indexation of rent in Lund and Stockholm. The new agreements added in connection with the merger relate to rent of premises for a new office in Gothenburg and a new office in Shanghai. This entailed an increase in lease liabilities of SEK 3.3 (3.4) million. Right of use assets totaled SEK 12.6 (10.7) million at the end of the period.

Financial position and liquidity

Cash and cash equivalents at the end of the period totaled SEK 47.9 (31.3) million. Total equity at the end of the period was SEK 285.4 (137.4) million, and equity per share was SEK 1.06 (1.75).

The parent company

The parent company's net sales for the quarter totaled SEK 19.5 (16.2) million and the operating profit/loss for the quarter totaled SEK -19.7 (-1.0) million and was charged with amortization of goodwill totaling SEK 2.9 (0.6) million. Net sales for the interim period totaled SEK 41.9 (48.1) million. The operating profit/loss totaled SEK -37.0 (-13.7) million and was charged with amortization of goodwill totaling SEK 4.1 (1.8) million. Cash and cash equivalents at the end of the interim period totaled SEK 42.1 (23.4) million, and equity SEK 287.0 (125.1) million.

Organization and staff

The organization consists of the head office in Lund, Sweden, and offices in Stockholm, Sweden, Gothenburg, Sweden, Potsdam, USA, and Shanghai, China. At the end of the period, the Group had a workforce of 83 (46) people, including on-site consultants. The number of employees was 64 (37), of which 42 (30) were in Sweden. Precise works in an agile way together with several partners, creating a fast-moving, scalable organization. The number of employees does not include partners.

Financial Calendar

- Year-End Report 2026 – February 11, 2027
- Q1 Interim Report 2027 – May 13, 2027
- AGM 2027 – May 20, 2027
- Q2 Interim Report 2027 – August 13, 2027
- Q3 Interim Report 2027 – November 12, 2027

Risk factors

The Group and parent company's business risks and risk management as well as the management of financial risks are described in detail in the Annual Report for 2025, which was issued in April 2026. There have been no incidents of significant importance since then that would affect or change these descriptions of the Group or parent company's risks and how they are managed, apart from what is stated in the published information, including the merger plan and offer document, regarding the merger with Fingerprint Cards AB.

Ownership structure

Precise Biometrics AB (publ), corporate ID number 556545-6596, is the parent company in the Precise Biometrics Group. Precise Biometrics AB's shares are listed on the Nasdaq OMX Nordic Small Cap list. The number of shareholders at the end of the quarter was 37,034 (20,261). 102,170,913 (13,668,521) PREC shares were traded during the quarter. The closing price on September 30 was SEK 0.51 (3.20), and during the quarter the share price fluctuated between SEK 0.51 (2.57) and SEK 1.65 (3.63).

YOU are the key

This interim report has been the subject of a summary audit by the company's auditors.

The undersigned certify that the interim report provides a true and fair view of the parent company and Group's operations, financial position and financial results, and describes the significant risks and uncertainty factors faced by the parent company and the companies that belong to the Group.

Lund, November 13, 2026

The interim report for Precise Biometrics AB (publ) has been issued following authorization by the Board of Directors.

Joakim Nydemark

CEO

For further information, please contact:
Joakim Nydemark, CEO
Email: joakim.nydemark@precisebiometrics.com

This information is information that Precise Biometrics AB is obligated to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication on November 13, 2026 at 08:00 (CET).

Review report

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

Precise Biometrics AB (publ), corporate identity number 556545-6596

To the Board of Directors of Precise Biometrics AB (publ)

Introduction

We have reviewed the condensed interim report for Precise Biometrics AB (publ) as at September 30, 2026 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Malmö, November 13, 2026

Ernst & Young AB

Martin Henriksson
Authorized Public Accountant

Consolidated income statement – in summary

Amounts in SEK thousand	Note	2026 Jul-Sep	2025 Jul-Sep	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Net sales	2,3	24 563	20 006	56 371	60 797	77 814	73 388
Cost of goods sold		-10 585	-4 838	-20 219	-15 958	-21 146	-25 407
Gross profit		**13 978**	**15 168**	**36 152**	**44 839**	**56 668**	**47 981**
Marketing and sales expenses		-7 795	-6 855	-22 073	-24 761	-32 436	-29 748
Administrative expenses		-27 323	-2 881	-39 027	-10 711	-14 122	-42 438
R&D expenses		-10 303	-6 033	-22 907	-20 279	-27 249	-29 877
Other operating income/expenses		-601	-40	-851	-2 487	-2 920	-1 284
Total operating expenses		**-46 022**	**-15 809**	**-84 858**	**-58 238**	**-76 727**	**-103 347**
Operating profit/loss		**-32 044**	**-641**	**-48 706**	**-13 399**	**-20 059**	**-55 366**
Financial income/expenses	4	-403	-100	83	-479	-212	350
Profit/Loss before tax		**-32 447**	**-741**	**-48 623**	**-13 878**	**-20 271**	**-55 016**
Tax		255	87	430	260	347	517
Profit/loss for the period attributable to parent company shareholders		**-32 192**	**-654**	**-48 193**	**-13 618**	**-19 924**	**-54 499**
Earnings per share, remaining operations, SEK*							
- before dilution		-0,16	-0,01	-0,39	-0,15	-0,22	-0,56
- after dilution		-0,16	-0,01	-0,39	-0,15	-0,22	-0,56
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME							
Profit/Loss for the period		**-32 192**	**-654**	**-48 193**	**-13 618**	**-19 924**	**-54 499**
Other comprehensive income:							
Items that may be reclassified to profit or loss							
Changes in accumulated exchange rate differences		877	-19	1139	-558	-631	1 067
Other comprehensive income for the period		**877**	**-19**	**1 139**	**-558**	**-631**	**1 067**
Profit/Loss total attributable to holders of participations in the parent company		**-31 315**	**-673**	**-47 054**	**-14 176**	**-20 555**	**-53 432**

*Dilution effects are only considered in the event that the earnings per share become worse. Dilution effects have not been considered, as the average price is below the subscription price in current option programs.
Historical earnings per share (EPS) have been restated as a result of the rights issue in accordance with IAS 33. Further details of the restatement are provided on page 26.

Consolidated balance sheet – in summary

Amounts in SEK thousand

ASSETS	Note	2026-09-30	2025-09-30	2025-12-31
FIXED ASSETS				
Goodwill and intangible assets		249 563	120 665	119 683
Property, plant and equipment and right-of-use assets		14 240	12 410	11 947
Non-current receivables		12 000	0	0
TOTAL FIXED ASSETS		**275 803**	**133 075**	**131 630**
CURRENT ASSETS				
Inventories		27 801	250	277
Accounts receivable		15 045	13 023	18 753
Other current receivables		5 942	4 025	2 356
Prepaid expenses and accrued income		6 234	2 561	2 695
Cash and cash equivalents	4,6	47 903	31 275	18 411
TOTAL CURRENT ASSETS		**102 925**	**51 134**	**42 492**
TOTAL ASSETS		**378 729**	**184 209**	**174 122**
EQUITY AND LIABILITIES				
EQUITY				
Equity		285 439	137 395	131 018
TOTAL EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS		**285 439**	**137 395**	**131 018**
LONG-TERM DEBT				
Long term liabilities	6	28 973	18 007	12 146
TOTAL LONG-TERM DEBT		**28 973**	**18 007**	**12 146**
SHORT-TERM LIABILITIES				
Short-term liabilities	4,6	64 317	28 807	30 958
Total Short-term liabilities		**64 317**	**28 807**	**30 958**
TOTAL EQUITY AND LIABILITIES		**378 729**	**184 209**	**174 122**

Consolidated cash flow statement – in summary

Amounts in SEK thousand	Note	2026 Jul-Sep	2025 Jul-Sep	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Cash flow from operating activities							
Operating profit/loss		-32 044	-641	-48 706	-13 399	-20 059	-55 366
Adjustments for items not included in cash flow		6 434	4 938	15 390	15 347	20 124	20 167
Interest payments, net		-2 006	-101	-1 520	-479	-212	-1 253
Tax paid		-124	4	-141	4	5	-139
Cash flow from operating activities before changes in working capital		**-27 740**	**4 199**	**-34 976**	**1 472**	**-143**	**-36 591**
Cash flow from changes in working capital							
Change in inventories		-3 671	-25	-3 609	-8	-35	-3 636
Change in current receivables		4 744	2 260	14 262	10 087	5 873	10 048
Change in current liabilities		-14 195	-4 772	-9 312	-6 480	-3 776	-6 608
		-13 121	**-2 537**	**1 341**	**3 599**	**2 062**	**-196**
Cash flow from operating activities		**-40 862**	**1 662**	**-33 635**	**5 071**	**1 919**	**-36 787**
Acquisition of subsidiaries	6	7 979	0	7 979	0	-6 022	1 957
Investment in fixed assets		-25	-380	-240	-1 092	-1 261	-410
Investment in intangible assets		-2 948	-3 035	-8 525	-8 757	-11 650	-11 418
Cash flow from investing activities		**5 006**	**-3 415**	**-786**	**-9 849**	**-18 933**	**-9 871**
New share issue		85 181	0	85 181	0	0	85 181
Repayment loan		-20 000	0	-20 000	0	0	-20 000
Options		62	0	61	407	407	61
Payment of lease liability		-462	-572	-1 564	-1 765	-2 317	-2 116
Cash flow from financing activities		**64 781**	**-572**	**63 678**	**-1 358**	**-1 910**	**63 126**
Total Cash flow		**28 926**	**-2 325**	**29 257**	**-6 136**	**-18 923**	**16 469**
Cash and cash equivalents at the beginning of the period		18 891	33 577	18 411	37 704	37 704	31 275
Exchange rate differences in cash & cash equivalents		86	24	235	-294	-372	156
Cash & cash equivalents at end of period 1)		**47 903**	**31 275**	**47 903**	**31 275**	**18 411**	**47 903**

1) The balance sheet item Cash & cash equivalents only includes bank balances at both the beginning and end of the period.

Consolidated change in equity – in summary

Amounts in SEK thousand	Note	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Equity at start of period		**131 018**	**151 163**	**151 163**	**137 395**
Comprehensive income					
Profit/loss for the period		-48 193	-13 618	-19 924	-54 499
Other comprehensive income					
Exchange differences		1 139	-558	-631	1 066
Total other comprehensive income		1 139	-558	-631	1 066
Total comprehensive income		-47 054	-14 176	-20 555	-53 433
Transactions with shareholders					
LTI programme	5	2	409	410	3
New share issue Merger FPC	6	116 294	0	0	116 294
Right issue	6	100 000	0	0	100 000
New issue cost	6	-14 819	0	0	-14 819
Total transactions with shareholders		201 476	409	410	201 477
Equity end of period		**285 439**	**137 395**	**131 018**	**285 439**

Notes

Note 1 – Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The parent company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Annual Reporting Board's recommendation RFR 2, Accounting for Legal Entities. The recognition and measurement policies and bases of estimates applied in the Annual Report for 2025 have also been used in this interim report.
The merger with Fingerprint Cards AB has added additional types of transactions and assets to the Group, including inventories and sales of hardware products. For accounting policies regarding these, please refer to Fingerprint Cards AB's Annual Report for 2025.

The company is monitoring the development of the new IFRS 18 accounting standard, which enters into force for financial years beginning on January 1, 2027. The standard is expected to affect the presentation of the consolidated income statement and certain disclosure requirements, but at present it is not considered to have a material impact on the Group's profit/loss or financial position. The company has not yet completed its analysis of the full effects of the standard.

Note 2 – Revenue allocation

Amounts in SEK thousand	2026 Jul-Sep	2025 Jul-Sep	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Segment						
Biometric Technologies						
Royalty	6 437	9 300	17 106	26 767	32 953	23 292
Licenses, incl. support & maintenance	2 951	5 162	11 335	15 651	20 607	16 292
Hardware	8 602	0	8 602	0	0	8 602
Other	1 364	477	2 768	2 750	2 847	2 865
Digital Identity						
Licenses, incl. support & maintenance	4 836	4 574	14 385	13 835	18 533	19 083
Other	372	493	2 175	1 795	2 874	3 254
Total	**24 563**	**20 006**	**56 371**	**60 797**	**77 814**	**73 388**
Timing of revenue recognition						
At point in time*	16 729	10 296	30 635	31 241	38 635	38 030
Over time**	7 834	9 710	25 736	29 556	39 179	35 358
Total	**24 563**	**20 006**	**56 371**	**60 797**	**77 814**	**73 388**
Region/Country						
Europe	9 901	6 134	22 162	19 020	25 423	28 565
- whereof Sweden	4 875	4 735	15 288	14 732	20 133	20 689
Asia	6 925	6 845	14 732	20 481	27 039	21 291
- whereof China	50	246	50	796	1 039	293
- whereof Taiwan	5 483	5 513	11 785	16 827	22 256	17 213
USA	7 738	7 027	19 477	21 296	25 352	23 533
Total	**24 563**	**20 006**	**56 371**	**60 797**	**77 814**	**73 388**

* Sales at a certain time means that revenue is reported point-in-time at the start of the agreement period, when control has been transferred to the customer.

** Sales over time means that revenue is accrued on a straight-line basis over the term of the agreement.

Note 3 – Segment reporting

	2026 Jul-Sep			2025 Jul-Sep		
	Biometric Technologies	Digital Identity	Total Segment	Biometric Technologies	Digital Identity	Total Segment
Net sales	19 355	5 208	24 563	14 939	5 068	20 006
Cost of goods sold exkl. depreciation	-6 013	-789	-6 801	-77	-865	-942
Depreciation included in cost of sold goods	-2 662	-1 122	-3 784	-2 229	-1 667	-3 896
Gross profit	**10 680**	**3 298**	**13 978**	**12 633**	**2 536**	**15 168**

	2026 Jan-Sep			2025 Jan-Sep		
	Biometric Technologies	Digital Identity	Total Segment	Biometric Technologies	Digital Identity	Total Segment
Net sales	39 811	16 560	56 371	45 167	15 630	60 797
Cost of goods sold exkl. depreciation	-6 700	-2 968	-9 668	-800	-2 875	-3 674
Depreciation included in cost of sold goods	-6 928	-3 623	-10 551	-6 787	-5 496	-12 283
Gross profit	**26 183**	**9 969**	**36 152**	**37 580**	**7 259**	**44 839**

	2025 Full-year			Rolling 12 mth		
	Biometric Technologies	Digital Identity	Total Segment	Biometric Technologies	Digital Identity	Total Segment
Net sales	56 407	21 408	77 814	51 051	22 337	73 388
Cost of goods sold exkl. depreciation	-935	-4 230	-5 165	-6 836	-4 323	-11 158
Depreciation included in cost of sold goods	-9 012	-6 969	-15 981	-9 153	-5 096	-14 249
Gross profit	**46 459**	**10 208**	**56 668**	**35 062**	**12 918**	**47 981**

Other information
Only net sales and product costs are allocated to each segment. Other costs are not allocated at segment level as these items relate to group operations

Reconciliation profit/Loss	2026 Jul-Sep	2025 Jul-Sep	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Gross profit	**13 978**	**15 168**	**36 152**	**44 839**	**56 668**	**47 981**
Marketing and sales expenses	-7 795	-6 855	-22 073	-24 761	-32 436	-29 748
Administrative expenses	-27 323	-2 881	-39 027	-10 711	-14 122	-42 438
R&D expenses	-10 303	-6 033	-22 907	-20 279	-27 249	-29 877
Other operating income/expenses	-601	-40	-851	-2 487	-2 920	-1 284
Financial income/expenses	-403	-100	83	-479	-212	350
Profit/Loss before tax	**-32 447**	**-741**	**-48 623**	**-13 878**	**-20 271**	**-55 016**

Note 4 – Financial instruments

The fair value in respect of financial assets and liabilities corresponds in all material respects with the carrying amount in the balance sheet.

Interest-bearing liabilities

On November 30, 2022, a supplementary agreement was signed that changed the terms and conditions for the remaining liability of SEK 55,000 thousand for the acquisition of EastCoast Solutions AB. SEK 30,000 thousand was paid on December 1, 2022, SEK 10,000 thousand on November 30, 2023, SEK 5,000 thousand on November 30, 2024, and SEK 5,000 thousand on November 30, 2025. SEK 5,000 thousand will be paid on November 30, 2026. Interest will be added to the amount of SEK 5,000 thousand that falls due on November 30, 2026. Interest for the period December 1, 2023 to November 30, 2024 was paid on November 30, 2024 and interest for the period December 1, 2024 to November 30, 2025 was paid on November 30, 2025. The interest, of 3 months STIBOR + 8%, will be added from November 30, 2023 until the amounts have been paid. The liability is recognized as an interest-bearing liability as of September 30, 2026.

The liability has been calculated at current value at the original effective interest rate of 1.8% and is recognized as other current liability (SEK 5,486 thousand).

The bridging loan of SEK 20,000 thousand arising from the merger with FPC was repaid in full during the quarter, including interest.

Note 5 – LTI program

The Annual General Meeting 2022 resolved, in accordance with the Board's proposal, to establish a long-term share bonus program (LTI 2022/2028) for all employees at Precise Biometrics. In order to facilitate the implementation of LTI 2022/2028 and to ensure the delivery of shares to the participants, and to cover the company's costs for social security contributions, the meeting also decided to amend the Articles of Association in the form of the introduction of new Class C shares, authorization for the Board of Directors to issue Class C shares, authorization for the Board of Directors to buy back Class C shares, and approval of the transfer of shares to participants in LTI 2022/2028. The implementation of Class C shares took place in Q4 2022. As of September 30, 2026, Precise Biometrics held 1,085,000 Class C shares.

The Annual General Meeting 2025 resolved, in accordance with the Board's proposal, to establish a new long-term incentive plan (LTIP 2025/2028) for senior executives and other current and future employees within the Group by issuing a maximum of 1,200,000 stock options, which means that the company's share capital may increase by a maximum of SEK 360,000. All stock options have been issued free of charge to the wholly-owned subsidiary, Precise Biometrics Services AB, for onward transfer at market value to current employees who have been offered the opportunity to participate and to future employees within the Group.

As of September 30, 2026, approximately 450,000 stock options had been transferred to participants. The stock options have a term of three years and can be exercised for the subscription of shares during the period from August 1, 2028 to September 30, 2028. The conditions for continued holding and the right to exercise the options are regulated in separate transfer agreements, and may be affected by, for example, the termination of employment. Each stock option entitles the holder to subscribe to one new share in the company at a redemption price of SEK 5.63 per share. As the options have been acquired at market value, there is no accounting cost for the company in accordance with IFRS 2.

Note 6 – Business combinations

Fingerprint Cards AB

On March 23, 2026, Precise Biometrics and Fingerprint Cards AB (publ) published a joint merger plan concerning a merger between the companies through a corporate law merger in accordance with the Swedish Companies Act. The transaction is reported as a business combination in accordance with IFRS 3 Business combinations, with Precise Biometrics as the acquiring party of Fingerprint Cards AB for accounting purposes.

On July 20, 2026, the merger between Precise Biometrics AB (publ) and Fingerprint Cards AB (publ) was completed, with Precise Biometrics as the acquiring company. Through the merger, all assets and liabilities as well as rights and obligations in Fingerprint Cards were transferred to Precise Biometrics, after which Fingerprint Cards was dissolved. As the merger was completed on July 20, Fingerprint Cards results and financial position from July 20, 2026 have been included in the consolidated financial statements as of September 30, 2026.

Fingerprint Cards is a global biometrics company that develops and commercializes biometric solutions. The merger creates a larger biometrics company with a broader product portfolio and customer base, as well as the conditions for a more efficient, shared cost structure. Since the merger date of July 20, 2026, FPC has contributed to the Group with net sales of SEK 9.1 million and an EBITDA of SEK -11.1 million. If the merger had been completed on January 1, 2026, the Group's net sales for the period January 1-September 30, 2026 would have totaled SEK 95.7 million and the profit/loss at EBITDA level SEK -86.8 million. EBITDA includes advisory and restructuring costs related to the merger.

The consideration mainly consisted of 68.3 million newly issued common shares in Precise Biometrics. The value of the share consideration has been determined based on the closing price of the Precise Biometrics share on July 20, 2026 of SEK 1.68 per share. In addition, cash remuneration to certain option holders and the fair value of replacement options are included with SEK 1,9 million. The total acquisition consideration is SEK 116.4 million. A total of SEK 18.1 million has been recognized in merger-/acquisition-related expenses in the income statement as of September 30, 2026, these costs have been recognized as administrative expenses in the income statement.

Goodwill arising in connection with the acquisition is primarily attributable to expected synergies from the merger, future business opportunities, and the combined competence of employees in the acquired business operation. The resulting goodwill is not tax-deductible.

Net assets on the acquisition date

Assets and liabilities in the acquired business are shown below. The acquisition analysis is provisional and the calculation of the distribution between intangible assets and goodwill has not yet been finally determined.

SEK million	July 20, 2026
Technology	36,0
Customer Relationships	41,0
Brand	3,5
Other fixed assets	1,4
Long-term receivables	12,0
Inventories	23,9
Accounts receivable	10,2
Other short-term receivables	3,4
Cash and cash equivalents	8,0
Deferred tax liability	-16,2
Long term liabilities	-1,8
Short-term liabilities	-58,0
Acquired net assets	**63,5**
Goodwill	52,9
Acquisition consideration	**116,4**

Impact on cash and cash equivalents at the acquisition date

SEK million	July 20, 2026
Purchase consideration for shares	-116,4
Less: Newly issued shares	114,4
Less: Fair value of replacement options	1,9
Add: Cash and cash equivalents in the acquired companies at the acquisition date	8,0
Impact on cash and cash equivalents at the acquisition date	**8,0**

Parent company income statement – in summary

Amounts in SEK thousand	Note	2026 Jul-Sep	2025 Jul-Sep	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Net sales	1	19 455	16 234	41 891	48 140	60 807	54 558
Cost of goods sold		-13 254	-6 688	-24 963	-21 351	-28 453	-32 065
Gross profit		**6 201**	**9 546**	**16 928**	**26 789**	**32 354**	**22 493**
Marketing and sales expenses		-6 068	-4 189	-14 838	-15 279	-19 883	-19 442
Administrative expenses		-11 064	-2 758	-22 514	-10 313	-13 583	-25 784
R&D expenses		-8 155	-3 559	-15 777	-12 447	-16 261	-19 591
Other operating income/expenses		-596	-41	-847	-2 479	-2 900	-1 268
Total operating expenses		**-25 884**	**-10 546**	**-53 976**	**-40 517**	**-52 627**	**-66 086**
Operating profit/loss		**-19 682**	**-1 000**	**-37 048**	**-13 728**	**-20 273**	**-43 593**
Dividends from group companies		0	0	2 650	0	0	2 650
Financial income/expenses		72	-27	749	-189	115	1 053
Profit/loss after financial items		**-19 610**	**-1 028**	**-33 649**	**-13 917**	**-20 158**	**-39 890**
Group contributions received		0	0	0	0	0	0
Profit/loss before tax		**-19 610**	**-1 028**	**-33 649**	**-13 917**	**-20 158**	**-39 890**
Tax		297	0	297	0	0	297
Profit/loss for the period		**-19 313**	**-1 028**	**-33 352**	**-13 917**	**-20 158**	**-39 593**

Parent company balance sheet – in summary

Amounts in SEK thousand

ASSETS	Note	2026-09-30	2025-09-30	2025-12-31
Fixed assets				
Property, plant and equipment		1 091	1 287	1 203
Goodwill and intangible assets		159 584	18 971	18 010
Financial fixed assets		223 877	90 558	90 558
TOTAL FIXED ASSETS		**384 552**	**110 816**	**109 771**
CURRENT ASSETS				
Inventories		27 635	0	0
Accounts receivable		11 951	10 720	15 442
Receivable Group		2 936	6 068	4 612
Other receivables		3 881	2 260	1 306
Prepaid expenses and accrued income		5 616	2 070	2 304
Cash and cash equivalents		42 088	23 421	9 737
TOTAL CURRENT ASSETS		**94 106**	**44 539**	**33 401**
TOTAL ASSETS		**478 658**	**155 355**	**143 172**
EQUITY AND LIABILITIES				
Restricted Equity				
Share capital		80 606	23 539	23 539
Statutory reserve		1 445	1 445	1 445
Reserve for development expenses		13 969	14 436	14 257
Total restricted equity		**96 019**	**39 420**	**39 240**
Unrestricted Equity				
Share premium reserve		313 012	168 316	168 316
Retained earnings		-88 719	-68 741	-68 561
Profit/loss for the year		-33 352	-13 917	-20 158
Total non-restricted equity		**190 941**	**85 657**	**79 596**
Total Equity		**286 960**	**125 078**	**118 837**
LONG-TERM DEBT				
Long term liabilities Group		116 625	0	0
Long term liabilities		15 886	5 386	0
TOTAL LONG-TERM DEBT		**132 511**	**5 386**	**0**
SHORT-TERM LIABILITIES				
Short-term liabilities Group		9 117	1 771	1 351
Short-term liabilities		50 069	23 119	22 984
Total Short-term liabilities		**59 186**	**24 890**	**24 335**
TOTAL EQUITY AND LIABILITIES		**478 658**	**155 355**	**143 172**

Consolidated key indicators

Amounts in SEK thousands unless otherwise stated	2026 Jul-Sep	2025 Jul-Sep	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Net sales	24 563	20 006	56 371	60 797	77 814	73 388
Net sales growth, %	22,8%	-12,3%	-7,3%	-6,6%	-10,4%	-11,1%
Gross margin, %	56,9%	75,8%	64,1%	73,8%	72,8%	65,4%
EBITDA	-26 313	4 351	-34 166	2 115	174	-36 107
Operating profit/loss (EBIT)	-32 044	-641	-48 706	-13 399	-20 059	-55 366
One-off items	-16 835	0	-20 597	0	0	-20 597
Adjusted EBITDA	-9 478	4 351	-13 569	2 115	174	-15 510
Adjusted operating profit/loss (EBIT)	-15 209	-641	-28 109	-13 399	-20 059	-34 769
Working capital *	44 095	28 314	44 095	28 314	16 937	44 095
Capital employed	290 925	148 768	290 925	148 768	136 421	290 925
Liquidity ratio, %	116,8%	176,6%	116,8%	176,6%	136,4%	116,8%
Equity/assets ratio, %	75,4%	74,6%	75,4%	74,6%	75,2%	75,4%
Earnings per share before dilution, SEK**	-0,16	-0,01	-0,39	-0,15	-0,22	-0,56
Earnings per share after dilution, SEK**	-0,16	-0,01	-0,39	-0,15	-0,22	-0,56
Equity per share, SEK	1,06	1,75	1,06	1,75	1,67	1,06
Number of shares (thousands)	268 688	78 464	268 688	78 464	78 464	268 688
Weighted avg. number of shares, adjusted for dilution effect (thousands)	196 881	87 645	123 655	87 645	87 645	96 647
Number of employees at the end of the period	64	37	64	37	36	64
Average number of employees during the period	61	36	45	36	36	43
Annual Recurring Revenue Digital Identity	19 238	18 412	19 238	18 412	18 919	

* The key indicator is calculated excluding current liabilities to RM International AB.

** Earnings per share before and after dilution for the periods in 2026 and all comparative periods presented reflect the bonus element of the rights issue in accordance with IAS 33. The number of shares outstanding prior to the rights issue has been adjusted by a factor of 1.117, and the comparative figures have been restated. The adjustment factor is based on a share price of SEK 1.05 prior to the shares trading ex-rights, a subscription price of SEK 0.82 per new share, and the rights issue terms of 11 new shares for every 12 existing shares. The restatement has no impact on reported profit or loss.

Alternative consolidated key indicators

Amounts in SEK thousands unless otherwise stated	2026 Jul-Sep	2025 Jul-Sep	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Net sales	24 563	20 006	56 371	60 797	77 814	73 388
Net sales growth, %	22,8%	-12,3%	-7,3%	-6,6%	-10,4%	-11,1%
Gross profit	13 978	15 168	36 152	44 839	56 668	47 981
Net sales	24 563	20 006	56 371	60 797	77 814	73 388
Gross margin, %	**56,9%**	**75,8%**	**64,1%**	**73,8%**	**72,8%**	**65,4%**
Operating profit/loss (EBIT)	-32 044	-641	-48 706	-13 399	-20 059	-55 366
Net sales	24 563	20 006	56 371	60 797	77 814	73 388
Operating margin, %	**-130,5%**	**-3,2%**	**-86,4%**	**-22,0%**	**-25,8%**	**-75,4%**
EBITDA	-26 313	4 351	-34 166	2 115	174	-36 107
Depreciation and amortization	-5 730	-4 992	-14 541	-15 514	-20 234	-19 260
Operating profit/loss	**-32 044**	**-641**	**-48 706**	**-13 399**	**-20 059**	**-55 366**
Merger-related one-off costs	-14 361	0	-18 123	0	0	-18 123
Restructuring costs	-2 474	0	-2 474	0	0	-2 474
One-off items	**-16 835**	**0**	**-20 597**	**0**	**0**	**-20 597**
Operating profit/loss (EBIT)	-32 044	-641	-48 706	-13 399	-20 059	-55 366
One-off items	-16 835	0	-20 597	0	0	-20 597
Adjusted operating profit/loss (EBIT)	**-15 209**	**-641**	**-28 109**	**-13 399**	**-20 059**	**-34 769**
EBITDA	-26 313	4 351	-34 166	2 115	174	-36 107
One-off items	-16 835	0	-20 597	0	0	-20 597
Adjusted EBITDA	**-9 478**	**4 351**	**-13 569**	**2 115**	**174**	**-15 510**
Operating expenses	-46 022	-15 809	-84 858	-58 238	-76 727	-103 347
One-off items	-16 835	0	-20 597	0	0	-20 597
Operating expenses excluding One-off items	**-29 187**	**-15 809**	**-64 261**	**-58 238**	**-76 727**	**-82 750**
Cost of goods and services sold	-10 585	-4 838	-20 219	-15 958	-21 146	-25 407
Depreciation Cost of goods sold	3 784	3 896	10 551	12 284	15 981	14 248
Cost of goods and services sold excluding depreciation	**-6 801**	**-942**	**-9 668**	**-3 674**	**-5 165**	**-11 159**
Operating expenses	-46 022	-15 809	-84 858	-58 238	-76 727	-103 347
Depreciation Operating expenses	1 946	1 096	3 990	3 231	4 252	5 011
Operating costs excluding depreciation	**-44 076**	**-14 713**	**-80 868**	**-55 007**	**-72 475**	**-98 336**
Current assets	102 925	51 134	102 925	51 134	42 492	102 925
Current liabilities excl. current liabilities RM International	58 831	22 820	58 831	22 820	25 555	58 831
Working capital	**44 095**	**28 314**	**44 095**	**28 314**	**16 937**	**44 095**

Amounts in SEK thousands unless otherwise stated	2026 Jul-Sep	2025 Jul-Sep	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Balance sheet total	378 729	184 209	378 729	184 209	174 122	378 729
Non-interest-bearing liabilities and lease liabilities	87 804	35 441	87 804	35 441	37 701	87 804
Capital employed	**290 925**	**148 768**	**290 925**	**148 768**	**136 421**	**290 925**
Closing equity	285 439	137 395	285 439	137 395	131 018	285 439
Average equity	**164 327**	**142 565**	**164 327**	**142 565**	**137 528**	**164 327**
Current assets minus inventories	75 124	50 884	75 124	50 884	42 215	75 124
Current liabilities	64 317	28 807	64 317	28 807	30 958	64 317
Liquidity ratio, %	**117%**	**177%**	**117%**	**177%**	**136%**	**117%**
Equity	285 439	137 395	285 439	137 395	131 018	285 439
Total assets	378 729	184 209	378 729	184 209	174 122	378 729
Equity/assets ratio, %	**75,4%**	**74,6%**	**75,4%**	**74,6%**	**75,2%**	**75,4%**

Analysis of results, in summary

Amounts in SEK thousand	Note	2026 Jul-Sep	2025 Jul-Sep	2026 Jan-Sep	2025 Jan-Sep	2025 Full-year	Rolling 12 mth
Net sales	2,3	24 563	20 006	56 371	60 797	77 814	73 388
Cost of goods and services sold excluding depreciation		-6 801	-942	-9 668	-3 674	-5 165	-11 159
Operating costs excluding depreciation		-47 023	-17 748	-89 394	-63 764	-84 125	-109 755
Capitalized development expenses		2 948	3 035	8 525	8 756	11 650	11 418
EBITDA		**-26 313**	**4 351**	**-34 166**	**2 115**	**174**	**-36 107**
Total depreciation excluding acquired immaterial assets		-3 676	-4 385	-11 273	-13 701	-17 814	-15 385
Total depreciation acquired immaterial assets		-2 054	-607	-3 268	-1 813	-2 420	-3 875
Operating profit/loss		**-32 044**	**-641**	**-48 706**	**-13 399**	**-20 059**	**-55 366**

Financial glossary

Annual Recurring Revenue (ARR)

ARR is defined as repeat revenue at the end of the quarter for Digital Identity, converted to a 12-month period. Consequently, there is no direct link between the ARR figure and future software revenue for Digital Identity. The ARR metric is used for contractual recurring revenue for the Digital Identity segment, as Digital Identity has a large customer base based on SaaS revenue. There are a small number of large customers in Biometric Technologies, and therefore license fees are not followed up using the definition of ARR in this segment.

Gross margin

Gross profit/loss divided by net sales. Indicates the proportion of sales that is left over to cover wages, other operating expenses, interest and profit.

Earnings before interest, tax, depreciation, and amortization (EBITDA)

Profit/loss before financial items, taxes, depreciation and amortization. This key indicator shows the Group's profit/loss before depreciation/amortization of capitalized assets. This measure makes it possible to make comparisons with other companies, regardless of whether the operation is based on acquisitions or through organic growth.

Equity

Equity at the end of the period. Equity is the difference between the Group's assets and liabilities, which corresponds to the Group's equity that has been contributed by shareholders and the Group's accumulated profit.

Equity per share

Equity on the balance sheet date divided by the number of shares on the balance sheet date. A measure of the value of equity per share, which is used when valuing the share in relation to the share price.

Average equity

The average equity was calculated as equity for the last four quarters divided by four.

Adjusted EBITDA

Adjusted EBITDA refers to EBITDA adjusted for one-off items. The measure is used to increase comparability between periods.

Adjusted operating profit (EBIT)

Adjusted operating profit refers to operating profit excluding one-off items. The measure is used to increase comparability between periods.

One-off items

Refers to items that are reported separately when they are of a significant nature, affect comparability between periods, and are deemed to be attributable to events outside the ordinary course of business, such as merger-related expenses and restructuring costs.

Cash flow

Cash flow from operating activities after changes in working capital. The operating cash flow indicates whether a company can generate a sufficiently positive cash flow to maintain and expand its operation, or whether it needs external financing.

Liquidity ratio

Current assets excluding inventories divided by current liabilities. This key figure shows the group's ability to pay in the short term.

Net sales growth

Percentage change compared with the corresponding period in the previous year. A measure of whether a company's net sales are increasing.

Earnings per share after dilution

Profit/loss for the period divided by weighted average number of shares.

Earnings per share before dilution

Profit/loss for the period divided by average number of shares.

Return on equity

Profit/loss after tax divided by average equity. This key indicator shows the business's return on shareholders' capital invested and is thus a measure of how profitable the Group is. Investors can compare this measure with the current bank interest rate or return from alternative investments. The measure can also be used to compare profitability between companies in the same industry.

Working capital

Current assets less current liabilities. This measure shows the capital a company needs to finance operating activities.

Operating expenses

Operating expenses refer to selling expenses, administration expenses, research and development expenses, and other operating income and expenses in accordance with the consolidated income statement.

Operating expenses excluding one-off items

Operating expenses excluding one-off items are defined as operating expenses adjusted for items of a non-recurring nature that are not deemed to belong to operating activities.

Operating margin

Operating profit/loss divided by net sales. Defines what proportion of each Swedish krona of sales is left over to cover interest, taxes and any possible profit.

Operating profit/loss

Profit/loss before net financial items and tax. A measure of a company's profit before interest and taxes, i.e., the difference between operating income and operating expenses.

Equity/assets ratio

Equity divided by assets on the balance sheet date. This key indicator shows what proportion of assets is funded by equity. This measure can be of interest when assessing the Group's ability to pay in the long term.

Capital employed

Total assets less non-interest-bearing liabilities and provisions. This measure shows how much capital is used in operations and is thus one component of measuring the return from operations.

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