



**YOU** are the key

Interim Report

# Q1

January – March, 2026

**PRECiSE**  
BIOMETRICS

Precise, a global leader in biometric security, access, and identity management, whose technology is used

# 100,000

times/second, all year round

Precise Biometrics AB (publ) ("Precise") is a global leader in biometric security and identity management for physical and digital security. The offering includes algorithm products and biometric systems for fingerprint, facial, and palm recognition, along with turnkey solutions for biometric physical access (Precise Access) and visitor management (Precise Visit by EastCoast). The premium solutions enable secure and seamless access to data, mobile devices, premises, and trusted identities.

Precise operates through two business units, Digital Identity and Biometric Technologies, and the company has offices in Sweden (HQ in Lund), the US, South Korea, Taiwan, and China. Precise is a public company listed on Nasdaq Stockholm (PREC).

Learn more at [www.precisebiometrics.com](http://www.precisebiometrics.com).

# Table of Contents

The period in brief .....	4
CEO comments.....	6
Update from the business areas.....	8
Customer offering.....	10
Net sales and operating profit/loss.....	11
Consolidated income statement – in summary.....	14
Consolidated balance sheet – in summary.....	15
Consolidated cash flow statement – in summary.....	16
Consolidated change in equity – in summary.....	17
Notes.....	18
Parent company income statement – in summary.....	21
Parent company balance sheet – in summary .....	22
Consolidated key indicators.....	23
Alternative consolidated key indicators .....	24
Analysis of results, in summary.....	25
Financial glossary .....	26

The period in brief:

# Positive adjusted EBITDA and merger create momentum

## First quarter

- Net sales totaled SEK 17.1 (20.0) million
- EBITDA totaled SEK –1.4 (–1.7) million
- The operating profit/loss (EBIT) totaled SEK –5.8 (–7.1) million
- One-off items totaled SEK 2.0 (0) million, attributable to transaction costs for the merger with Fingerprint Cards AB
- Adjusted EBITDA totaled SEK 0.6 (–1.7) million
- Adjusted operating profit/loss (EBIT) totaled SEK –3.8 (–7.1) million
- Earnings for the period totaled SEK –5.6 (–7.2) million
- Earnings per share before and after dilution totaled SEK -0.07 (-0.09)
- Cash flow from operations totaled SEK 3.9 (2.1) million
- ARR (Annual Recurring Revenue) at the end of the period was SEK 18.7 (18.4) million

## Significant events during the quarter

(the bullet list below contains links to the relevant press releases)

- Notice of Extraordinary General Meeting
- Precise Biometrics launches Palm Access Pro for next-generation biometric access control
- Invitation to presentation of the proposed merger between Precise and Fingerprint Cards
- Precise Biometrics and Fingerprint Cards to create a global leader in biometrics and identity
- Precise showcases biometric physical access at ISC West together with Avigilon
- Accelerated cloud-transformation and new customer wins for Precise Visit
- Precise to speak at MOSIP Connect 2026
- Age Back Co Stockholm selects Precise Access to deliver secure and seamless biometric entry for its members

## Significant events after the end of the interim period

(the bullet list below contains links to the relevant press releases)

- Precise Biometrics publishes merger document regarding the merger with Fingerprint Cards
- Report from the Extraordinary General Meeting – approval of the merger plan
- The Nomination Committee’s Statement to the AGM 2026

## Financial data and key indicators

Amounts in SEK thousands unless otherwise stated	2026	2025	2025	Rolling
	Jan-Mar	Jan-Mar	Full-year	12 mth
Net sales	17 096	20 007	77 814	74 903
Net sales growth, %	-14,5%	-7,7%	-10,4%	-12,1%
Gross margin, %	71,8%	71,9%	72,8%	72,8%
EBITDA	-1 369	-1 689	174	494
Adjusted EBITDA	631	-1 689	174	2 494
Operating profit/loss (EBIT)	-5 843	-7 051	-20 059	-18 851
Adjusted operating profit/loss (EBIT)	-3 843	-7 051	-20 059	-16 851
Operating margin, %	-34,2%	-35,2%	-25,8%	-25,2%
Cash flow from the operating activities	3 927	2 103	1 919	3 743
Cash and cash equivalents	18 923	36 036	18 411	
Annual Recurring Revenue	18 728	18 376	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/sv/investerare/>

The company also invites you to a **live Q&A session on May 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/sv/investerare/>

Questions can be asked directly during the Q&A or submitted in advance

to [investor@precisebiometrics.com](mailto:investor@precisebiometrics.com).

## CEO comments

# Positive adjusted EBITDA and merger create momentum

**The first quarter of 2026 was characterized by continued uncertainty in the external environment, which is affecting our business in the form of caution in the mobile industry and longer decision-making processes. Net sales are not at the level we want to be, but are in line with the previous quarter and totaled SEK 17.1 (20.0) million. We are, however, delivering a positive adjusted EBITDA of SEK 0.6 (-1.7) million and a positive operating cash flow, which illustrates our cost control and adaptability.**

**During the quarter, we also took an important strategic step through the announced merger with Fingerprint Cards (FPC), which was approved at the Extraordinary General Meetings on April 30.**

## Business and market

A market situation that continues to be tough is causing lower production volumes globally, with a decrease of 10-15% in the Chinese market. This, combined with delayed production at one of our major customers, as mentioned in the previous quarterly report, and an automotive industry under pressure, contributed to slightly lower volumes and net sales during the quarter. Currency effects also continue to have a negative impact on revenues of approximately SEK 0.9 million.

At the same time, the positive long-term market trends remain intact. Demand for biometric solutions is being driven by a changing security situation, increased regulatory requirements, and the development of AI. We are maintaining a strong position in the mobile segment, especially in anti-spoofing and ultrasound-based authentication, where the technology is now being broadened to the mid-range segment. This creates the conditions for increased volumes, although these are being realized at a slightly slower rate than previously expected.

Outside the mobile segment, we see increased momentum in both biometric physical access and identity. In the area of national ID programs, our position is gradually becoming stronger, with increased requirements for secure identity verification and anti-spoofing as a central component. At the same time, we see clear momentum in the field of biometric physical access, with a continued increase in demand for integrated, contactless, and user-friendly solutions.

Interest in Digital Identity remains strong, although decision-making processes are longer due to the market situation. The cloud business is progressing well, and during the quarter we saw, for the first time, recurring revenues from cloud-based solutions exceeding those for on-premise solutions. The number of visits managed in our customers' visitor management systems almost doubled compared with the same period last year.

We continue to win large companies as customers, and also see growing interest in integrated solutions where visitor management (Precise Visit) is combined with physical access (Precise Access) and associated areas. This creates new business opportunities and strengthens our position in a growing ecosystem of security and workplace solutions.

## Product and technological development

Within Biometric Technologies, we continue to strengthen our technological position with enhanced security and performance combined with improved user experience.

Interest in palm as a biometric modality is clearly increasing, and we now have solutions ready to deliver that include hardware. Demand for anti-spoofing continues to grow, driven by increased security requirements in both the mobile segment and national ID programs. We are in dialog with actors such as Qualcomm about anti-spoofing and the next generation of ultrasonic sensors, and with MOSIP concerning national ID programs, where our position is becoming gradually stronger and work on certification is now under way.

Palm Access Pro, which combines contactless palm recognition, anti-spoofing, and multi-factor authentication with mobile credentials, was launched during the quarter and has been very well received by both access control system suppliers and system integrators, which we experienced not least when we participated at the ISC West trade fair in the US during the quarter.

In the area of Digital Identity, the development of both new functionality and new integrations continues. One important element is the transition to the cloud, with the majority of all customers now using our cloud-based solution.

## The merger with FPC

The merger with FPC, which was approved at the EGMs on April 30, is an important and natural step in our development, and means that shareholders in FPC become shareholders in Precise. By combining the strengths of two great Swedish technology companies in the field of biometric security and digital identity, we create a more complete and scalable actor. We assume a clearer position in the value chain, from sensors to software and turnkey identity solutions.

Together, we are better placed to address an increasingly complex market, while boosting our commercial reach, innovative force and long-term competitiveness. The merger also enables significant synergies, both cost-based and commercial, as well as improved opportunities for cross-selling and increased presence in new markets.

The merged company creates significant added value through the following strategic benefits:

- **Stronger market position and scalability:** The merger creates a more complete actor, well-positioned to meet increasing demands in a growing and more complex market. At the same time, the market is fragmented and the merged company's aim is to encourage continued consolidation.
- **Significant synergies and improved profitability:** At least SEK 45 million in annual cost synergies boosts the financial profile and enables increased growth and a double-digit EBITDA margin.
- **A more complete offering:** The combination of hardware, software, and expertise strengthens the offering in the area of physical and digital security – and improves customer value and conversion. It also offers greater opportunities to climb further up in the value chain.

- **Increased commercial reach:** A shared sales platform provides increased reach and better access to global customers, new segments, and increased opportunities for upsales and cross-selling.
- **Basis for continued consolidation:** The merger represents a first step in a continued process of consolidation through selective acquisitions within the framework of portfolio consolidation and the expansion of expertise and technology.

We are now entering an intensive and important integration phase, where the focus is on realizing synergies and building a strong, shared platform for the future. The plan is for the merger to be completed at the beginning of Q3. After the merger, Q3 will then also see a new share issue to create a solid financial basis and lay the foundation for the future growth plan.

## The future

We operate in a market that is challenging in the short term, but with good cost control, a strong offering, and a clear strategic direction. The underlying interest in our solutions remains high in all segments.

With a stronger technological position, new business dialogs, and a growing cloud business, we are well-equipped to accelerate when the market turns. The merger with FPC also creates a stronger, more competitive actor with good prospects for long-term value creation.

**Joakim Nydemark**  
CEO

## My top three:

- **Merger with FPC approved** – strengthens position, offering and long-term growth.
- **Challenging quarter, but positive EBITDA** - continued strong cost control.
- **Strong position and clear underlying momentum in the offering** - increased interest in palm, anti-spoofing and integrated visitor and access management solutions.



# Update from the business areas

## Biometric Technologies

During the first quarter of 2026, the business area continued to develop in line with the trends that characterized 2025, with demand for biometric solutions being driven by a changed security situation, increased regulatory requirements and the rapid development of AI. At the same time, there remains clear uncertainty in the market, with an impact on the rate of investment, production volumes and decision-making processes.

The mobile market is developing in line with previously communicated trends, and the company continues to hold a strong position, with leading technology in both anti-spoofing and biometric authentication. The use of ultrasonic sensors is being broadened to the mid-market, which creates the conditions for increased volumes over time. The volumes postponed from Q4 2025 are materializing at a slightly slower rate than expected, as a result of continued uncertainty in the external environment.

The position is gradually becoming stronger in the area of national ID programs. Participation at the MOSIP event in February and other related activities during the quarter confirm a continued focus on anti-spoofing as a critical component to mitigate risk and ensure reliable identity verification. The dialog with MOSIP around the inclusion of anti-spoofing in their architecture has been intensified, and work has been initiated to certify the company's matching technology. In parallel with this, progress is being made with other actors in national ID programs.

Developments in the field biometric physical access continue with a steady momentum. The recently launched Palm Access Pro platform is ready for delivery, and the targeting of strategic customers and partners is ongoing. The solution combines contactless palm recognition, anti-spoofing and multi-factor authentication with mobile credentials, meeting the market's increased demands for security and user experience.

During the quarter, the company participated at both Intersec and ISC West, where biometric physical access stood out as a clear growth trend. At ISC West in Las Vegas, Palm Access Pro was demonstrated alongside other offerings, attracting good feedback from partners and end customers, which confirms a growing need for integrated biometric access solutions.

Overall, the business area continues into 2026 with an enhanced technological position and an offering that is well in line with market developments, with biometric security and identity-based access becoming an increasingly key element of both digital and physical security solutions.

### In brief:

- Progress in national ID programs, including initiation of MOSIP certification
- Palm Access Pro ready for delivery with ongoing partner dialogs
- Clear market trend towards biometric physical access, confirmed at Intersec and ISC West

## Cornerstones for growth in Biometric Technologies

- Biometric authentication with ultrasonic sensors in mobile phones
- Anti-spoofing for National ID programs
- Palm recognition for physical access



## Digital Identity

During the first quarter of 2026, Precise continued to build on the strategic initiatives established during 2025, with a focus on scaling the cloud business, strengthening partnerships and broadening the offering in the areas of physical access and visitor management systems. The market is clearly evolving towards integrated solutions in which digital and physical security converge, while demand is on the increase for smooth, contactless and biometric access management solutions.

A key element of this is the continued development of the integrated offering in the areas of physical access and visitor management, including Precise Visit and Precise Access. During the quarter, integration with established access systems was further deepened, including Assa Abloy ARX. This allows visitors to use existing readers and PIN codes when needed, without the need for new hardware or interventions in existing infrastructure. At the same time, work continues to expand support for more actors and scenarios.

The cloud business continues to progress strongly, and during the quarter we saw, for the first time, recurring revenues (ARR) from cloud-based solutions exceeding those for on-premise solutions. Growth is driven by both customer migrations and new sales, confirming the strength of the scalable and more profitable business model.

Sales were in line with the seasonal pattern, but slightly better than the corresponding quarter in 2025. At the same time, the market is characterized by an uncertain external environment with more caution in decision-making processes. The company continues to boost its market presence through an increased focus on partnerships and framework agreements, which creates the conditions for more efficient roll-outs and increased market penetration.

During the quarter, Precise participated at ISC West in Las Vegas together with Avigilon and Motorola Solutions, where the solutions were shown integrated with Avigilon Alta Access. There was a great deal of interest from customers, system integrators, and partners, which confirms a clear momentum – especially in the field of biometric physical access where there is an increasing need for complementary solutions.

Overall, the company continues into 2026 with an enhanced position, where the combination of cloud-based services, partnerships, and biometric access solutions meets a market in clear transition.

### In brief:

- In-depth integrations and continued development in both visitor management systems and physical access
- Cloud ARR exceeds on-premise for the first time
- Increased focus on partnerships and framework agreements to scale the business
- Strong focus on accelerating the commercial agenda

## Cornerstones for growth in Digital Identity

- Scalable cloud business driving growth in ARR
- Well-packaged one-stop offering
- Biometric physical access



# Customer offering

**In a world where security, user-experience and AI are key, Precise offers biometric security, access and identity management solutions that provide secure and convenient access to data, mobile devices, locations, buildings, and trusted identities.**

Simplicity and a first-class user experience are combined with high levels of performance and security. Instead of using a PIN, password, key or card, you use your finger, face or hand for authentication or identification – quickly, securely and conveniently.

**Our offering in the areas of physical access, visitor management and biometric recognition makes everyday life safe and seamless.**

Areas of application cover both digital and physical access – from mobile phones, laptops and logical access to payment, vehicles, visitor and access management systems, as well as government initiatives such as national ID programs.

## Why Precise?

- Unique position and over 25 years of experience.
- Extensive expertise in the areas of biometrics, AI and image processing.
- 100,000 biometric verifications every second, all year round.
- Global reach with offices on three continents and a strong network of partners around the world.
- Trust from over 800 customers – from mid-sized companies and public sector organizations to global technology giants and national ID programs.
- 100% software and SaaS, providing flexibility, simplicity and the facility to make quick changes.

- Hardware-independent – with solutions that work with different sensor types and platforms, in both mobile phones and integrated systems.
- Multi-modality offering including finger, palm, and face.
- Listed on Nasdaq Stockholm (PREC).

## Our products

### Physical access and visitor management

- **Precise Access:** Biometric physical access to commercial buildings via palm or facial recognition.
- **Precise Visit by EastCoast:** Cloud-based visitor management system that offers a premium visitor experience while improving security, administration, and compliance.

### Biometric software suite for palm and finger recognition

- **BioMatch:** Biometric palm and fingerprint matching for identification and authentication.
- **BioLive:** AI-driven anti-spoofing and liveness detection that ensures biometric print authenticity and protects against manipulation, fraud, and forgery.
- **BioEnhance:** Image enhancement of biometric prints before matching for increased security and performance.
- **Palm Access Pro:** A privacy-first physical access platform that combines contactless palm recognition and anti-spoofing with multi-factor authentication (MFA) and mobile credentials.
- **Biometric Services:** Offering for biometric expertise, data collection, spoof creation, and synthetic data generation.



# Net sales and operating profit/loss

## Net sales for the quarter

Net sales during the quarter totaled SEK 17.1 (20.0) million, divided between royalty revenues of SEK 6.7 (8.7) million, license fees (including support and maintenance) of SEK 8.9 (9.8) million and other revenue of SEK 1.4 (1.5) million. Royalty revenues during the quarter were affected by lower volumes from our customers, reflecting variations in the production of mobile devices. A weaker USD also had a negative impact on revenue during the period of approximately SEK 0.9 million.

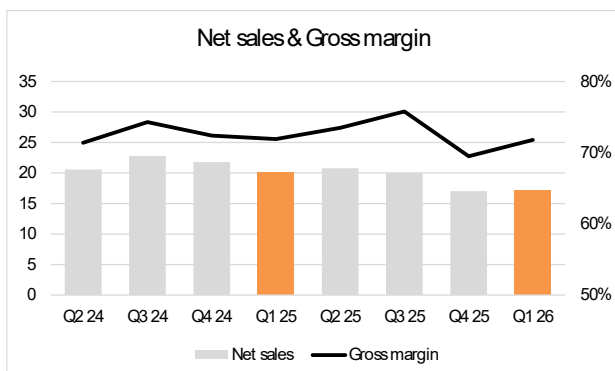
### Biometric Technologies

Net sales for Biometric Technologies totaled SEK 11.5 (14.9) million, divided between royalties of SEK 6.7 (8.7) million, licenses of SEK 4.2 (5.1) million, and other revenue of SEK 0.6 (1.1) million. Royalty revenues were lower during the quarter, due to lower customer volumes and a weaker USD. As the biometric algorithm business is affected by customers' production levels, which may vary between quarters, the trend should be assessed over time rather than on the basis of individual quarters. The gross margin during the quarter totaled 78.8% (82.9). The change in the gross margin is explained by lower net sales during the quarter.

### Digital Identity

Net sales for Digital Identity totaled SEK 5.6 (5.1) million and are reported under licenses at SEK 4.7 (4.7) million, and other revenue at SEK 0.9 (0.4) million.

The proportion of annual recurring revenue (ARR) was SEK 18.7 (18.4) million at the end of the quarter. One consequence of the company's strategy to increase the proportion of recurring revenue (ARR) and gradually replace older products is that there has been some churn. A customer agreement concluded in the second quarter of last year, corresponding to approximately SEK 0.8 million in ARR, is still affecting the comparison. The ARR level is otherwise stable, with positive new sales.



The gross margin during the quarter totaled 57.4% (39.8). The improved gross margin is primarily due to reduced depreciation/amortization, which in turn is an effect of lower capitalization of development expenses in previous periods, as well as increased net sales.

## Earnings for the quarter

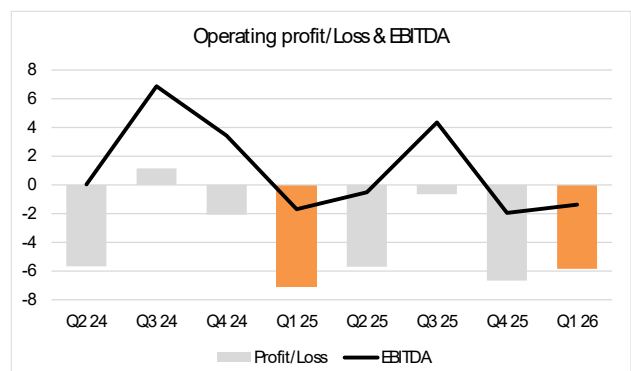
The gross margin during the quarter totaled 71.8% (71.9). The change is mainly due to lower net sales, partly offset by lower depreciation/amortization. Amortization of capitalized development expenses totaled SEK 3.0 (3.9) million. Amortization of acquired intangible assets totaled SEK 0.6 (0.6) million.

Operating expenses during the quarter totaled SEK 18.1 (21.4) million. The one-off items for the quarter totaled SEK 2.0 (0) million and relate to merger-related expenses. Operating expenses excluding one-off items for the quarter amounted to SEK 16.1 (21.4) million. The decrease of SEK 5.3 million is primarily due to lower consultancy and personnel expenses, and lower exchange rate effects attributable to the revaluation of operating items in balance sheet.

The profit/loss at EBITDA level totaled SEK -1.4 (-1.7) million. Adjusted EBITDA totaled SEK 0.6 million (-1.7), i.e. an improvement of SEK 2.3 million, which is largely explained by lower operating costs.

The operating profit/loss (EBIT) for the quarter totaled SEK -5.8 (-7.1) million. Adjusted operating profit (EBIT) totaled SEK -3.8 million (-7.1) million. Earnings for the quarter totaled SEK -5.6 (-7.2) million. Total depreciation/amortization was SEK 4.5 (5.4) million.

Earnings per share (average number of shares) for the quarter totaled SEK -0.07 (-0.09).



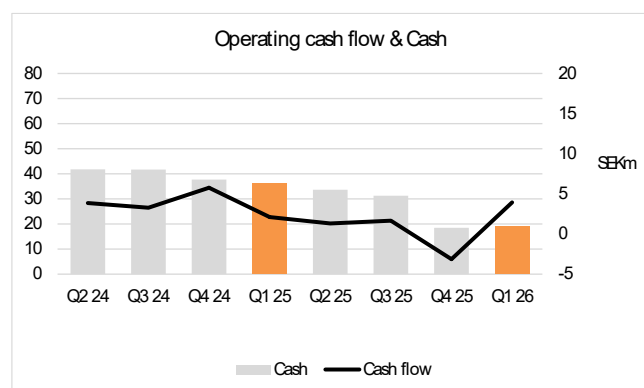
## Net financial items and tax

Net financial items for the quarter totaled SEK 0.2 (-0.2) million and the tax expense totaled SEK 0.1 (0.1) 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.

## Cash flow and investments

The cash flow for the quarter from operating activities totaled SEK 3.9 (2.1) million, of which SEK 5.0 (4.1) million is attributable to changes in working capital. During the quarter, the Group invested SEK 2.8 (3.0) million in equipment and SEK 0.2 (0.0) million in intangible assets. Total cash flow for the quarter was SEK 0.4 (-1.5) million.



## Capitalization and amortization of development work

Development expenses of SEK 2.8 (3.0) million were capitalized during the quarter, and amortization of capitalized development expenses in respect of Digital Identity and Biometric Technologies totaled SEK 3.0 (3.9) million.

## Right of use assets

No new rental agreements were added during the quarter, but indexation of rent Lund and Stockholm resulted in an increase in lease liabilities of SEK 0.1 (3.4) million. Right of use assets totaled SEK 9.8 (11.9) million at the end of the period.

## Financial position and liquidity

Cash and cash equivalents at the end of the period totaled SEK 18.9 (36.0) million. Total equity at the end of the period was SEK 125.6 (143.6) million, and equity per share was SEK 1.60 (1.83).

## The parent company

The parent company's net sales for the quarter totaled SEK 12.8 (16.1) million and the operating profit/loss for the quarter totaled SEK -6.2 (-6.8) million and was charged with amortization of goodwill totaling SEK 0.6 (0.6) million. Cash and cash equivalents at the end of the period totaled SEK 11.1 (23.6) million, and equity SEK 112.9 (132.1) million.

## Organization and staff

The organization consists of the head office in Lund, Sweden, and offices in Stockholm, Sweden, Potsdam, USA, and Shanghai, China. At the end of the period, the Group had a workforce of 44 (45) people, including on-site consultants. The number of employees was 37 (36), of which 30 (29) were located 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

- AGM 2026 – May 21, 2026
- Q2 Interim Report 2026 – August 26, 2026
- Q3 Interim Report 2026 – November 13, 2026
- Year-End Report 2026 – February 11, 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 planned 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 18,747 (22,299). 11,227,248 (50,037,551) PREC shares were traded during the quarter. The closing price on March 31 was SEK 1.76 (4.01), and during the quarter the share price fluctuated between SEK 1.76 (2.98) and SEK 2.55 (5.77).

This interim report has not been audited 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, May 13, 2026**

**Torgny Hellström**

Chairman of the Board

<b>Howard Ro</b>	<b>Peter Gullander</b>	<b>Victor Kuzmin</b>	<b>Maria Rydén</b>	<b>Åsa Schwarz</b>
Board member	Board member	Board member	Board member	Board member

**Joakim Nydemark**

CEO

For further information, please contact:

**Joakim Nydemark, CEO**

Email: [joakim.nydemark@precisebiometrics.com](mailto: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 May 13, 2026 at 08:00 (CET).

# Consolidated income statement – in summary

Amounts in SEK thousand	Note	2026	2025	2025	Rolling
		Jan-Mar	Jan-Mar	Full-year	12 mth
Net sales	2,3	17 096	20 007	77 814	74 903
Cost of goods sold		-4 827	-5 615	-21 146	-20 358
<b>Gross profit</b>		<b>12 269</b>	<b>14 392</b>	<b>56 668</b>	<b>54 545</b>
Marketing and sales expenses		-6 655	-8 804	-32 436	-30 287
Administrative expenses		-5 450	-3 944	-14 122	-15 628
R&D expenses		-6 080	-7 097	-27 249	-26 232
Other operating income/expenses		72	-1 597	-2 920	-1 251
		<b>-18 112</b>	<b>-21 441</b>	<b>-76 727</b>	<b>-73 398</b>
<b>Operating profit/loss</b>		<b>-5 843</b>	<b>-7 051</b>	<b>-20 059</b>	<b>-18 851</b>
Financial income/expenses	4	169	-228	-212	185
<b>Profit/Loss before tax</b>		<b>-5 674</b>	<b>-7 278</b>	<b>-20 271</b>	<b>-18 667</b>
Tax		87	86	347	348
<b>Profit/loss for the period attributable to parent company shareholders</b>		<b>-5 587</b>	<b>-7 193</b>	<b>-19 924</b>	<b>-18 318</b>
Earnings per share, remaining operations, SEK*					
- before dilution		-0,07	-0,09	-0,25	-0,23
- after dilution		-0,07	-0,09	-0,25	-0,23
<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>					
<b>Profit/Loss for the period</b>		<b>-5 587</b>	<b>-7 193</b>	<b>-19 924</b>	<b>-18 318</b>
<b>Other comprehensive income:</b>					
<i>Items that may be reclassified to profit or loss</i>					
Changes in accumulated exchange rate differences		145	-342	-631	-144
<b>Other comprehensive income for the period</b>		<b>145</b>	<b>-342</b>	<b>-631</b>	<b>-144</b>
<b>Profit/Loss total attributable to holders of participations in the parent company</b>		<b>-5 442</b>	<b>-7 535</b>	<b>-20 555</b>	<b>-18 462</b>

\*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.

# Consolidated balance sheet – in summary

<b>ASSETS</b>	<b>Note</b>	<b>2026-03-31</b>	<b>2025-03-31</b>	<b>2025-12-31</b>
<b>FIXED ASSETS</b>				
Material assets		11 370	13 174	11 947
Goodwill and immaterial assets		118 840	123 230	119 683
<b>TOTAL FIXED ASSETS</b>		<b>130 210</b>	<b>136 404</b>	<b>131 630</b>
<b>CURRENT ASSETS</b>				
Inventories		157	222	277
Accounts receivable		16 725	22 748	18 753
Other current receivables		3 091	2 922	2 356
Accruals and deferred income		2 978	3 184	2 695
Cash and cash equivalents	4,6	18 923	36 036	18 411
<b>TOTAL CURRENT ASSETS</b>		<b>41 874</b>	<b>65 113</b>	<b>42 492</b>
<b>TOTAL ASSETS</b>		<b>172 084</b>	<b>201 517</b>	<b>174 122</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Equity		125 575	143 629	131 018
<b>TOTAL EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS</b>		<b>125 575</b>	<b>143 629</b>	<b>131 018</b>
<b>LONG-TERM DEBT</b>				
Long term debt	6	11 553	19 233	12 146
<b>TOTAL LONG-TERM DEBT</b>		<b>11 553</b>	<b>19 233</b>	<b>12 146</b>
<b>SHORT-TERM LIABILITIES</b>				
Short-term liabilities	4,6	34 956	38 656	30 958
<b>Total Short-term liabilities</b>		<b>34 956</b>	<b>38 656</b>	<b>30 958</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>172 084</b>	<b>201 517</b>	<b>174 122</b>

# Consolidated cash flow statement – in summary

Amounts in SEK thousand	Note	2026 Jan-Mar	2025 Jan-Mar	2025 Full-year	Rolling 12 mth
<b>Cash flow from operating activities</b>					
Operating profit/loss		-5 843	-7 051	-20 060	-18 851
Adjustments for items not included in cash flow		4 560	5 252	20 124	19 432
Interest payments, net		169	-228	-212	185
Tax paid		-8	3	5	-6
<b>Cash flow from operating activities before changes in working capital</b>		<b>-1 123</b>	<b>-2 024</b>	<b>-143</b>	<b>759</b>
<b>Cash flow from changes in working capital</b>					
Change in inventories		121	20	-35	66
Change in current receivables		1 032	824	5 873	6 081
Change in current liabilities		3 897	3 283	-3 776	-3 163
		<b>5 049</b>	<b>4 127</b>	<b>2 062</b>	<b>2 984</b>
<b>Cash flow from operating activities</b>		<b>3 927</b>	<b>2 103</b>	<b>1 919</b>	<b>3 743</b>
Acquisition of subsidiaries	6	0	0	-6 022	-6 022
Investment in fixed assets		-153	-40	-1 261	-1 374
Investment in intangible assets		-2 794	-2 961	-11 650	-11 483
<b>Cash flow from investing activities</b>		<b>-2 947</b>	<b>-3 001</b>	<b>-18 933</b>	<b>-18 879</b>
Repurchase of own shares		0	0	0	0
Payment for sale/buy-back of options		-1	-1	407	407
Payment of lease liability		-548	-600	-2 317	-2 265
<b>Cash flow from financing activities</b>		<b>-549</b>	<b>-601</b>	<b>-1 910</b>	<b>-1 858</b>
<b>Total Cash flow</b>		<b>430</b>	<b>-1 498</b>	<b>-18 923</b>	<b>-16 995</b>
Cash & cash equivalents at beginning of year		18 411	37 704	37 704	36 036
Exchange rate differences in cash & cash equivalents		82	-171	-372	-120
<b>Cash &amp; cash equivalents at end of period 1)</b>		<b>18 923</b>	<b>36 036</b>	<b>18 411</b>	<b>18 923</b>

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		2026	2025	2025	Rolling
	Note	Jan-Mar	Jan-Mar	Full-year	12 mth
<b>Equity at start of period</b>		<b>131 018</b>	<b>151 163</b>	<b>151 163</b>	<b>143 628</b>
<b>Comprehensive income</b>					
Profit/loss for the period		-5 587	-7 193	-19 924	-18 318
<b>Other comprehensive income</b>					
Exchange differences		145	-342	-631	-144
<b>Total other comprehensive income</b>		<b>145</b>	<b>-342</b>	<b>-631</b>	<b>-144</b>
<b>Total comprehensive income</b>		<b>-5 442</b>	<b>-7 535</b>	<b>-20 555</b>	<b>-18 462</b>
<b>Transactions with shareholders</b>					
LTI programme	5	1	1	410	410
<b>Total transactions with shareholders</b>		<b>1</b>	<b>1</b>	<b>410</b>	<b>410</b>
<b>Equity end of period</b>		<b>125 575</b>	<b>143 629</b>	<b>131 018</b>	<b>125 575</b>

# Notes

## Note 1 – Accounting policies

This interim report has been prepared in accordance with IAS 34, Interim 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 report have also been used in this interim report.

## Note 2 – Revenue allocation

Amounts in SEK thousand	2026 Jan-Mar	2025 Jan-Mar	2025 Full-year	Rolling 12 mth
<b>Segment</b>				
<b><i>Biometric Technologies</i></b>				
Royalty	6 749	8 663	32 953	31 039
Licenses, incl. support & maintenance	4 186	5 121	20 607	19 673
Other	578	1 146	2 847	2 279
<b><i>Digital Identity</i></b>				
Licenses, incl. support & maintenance	4 718	4 640	18 533	18 611
Other	865	437	2 874	3 302
<b>Total</b>	<b>17 096</b>	<b>20 007</b>	<b>77 814</b>	<b>74 903</b>
<b>Timing of revenue recognition</b>				
At point in time*	8 211	10 258	38 635	36 588
Over time**	8 885	9 749	39 179	38 315
<b>Total</b>	<b>17 096</b>	<b>20 007</b>	<b>77 814</b>	<b>74 903</b>
<b>Region/Country</b>				
Europe	6 151	6 474	25 423	25 099
- w hereof Sweden	5 159	5 264	20 133	20 027
Asia	3 911	6 395	27 039	24 556
- w hereof China	0	275	1 039	764
- w hereof Taiwan	3 125	5 327	22 256	20 053
USA	7 034	7 138	25 352	25 249
<b>Total</b>	<b>17 096</b>	<b>20 007</b>	<b>77 814</b>	<b>74 903</b>

\* 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			2025		
	Biometric Technologies	Digital Identity	Total Segment	Biometric Technologies	Digital Identity	Total Segment
			2026 Jan-Mar			2025 Jan-Mar
Net sales	11 513	5 583	17 096	14 930	5 077	20 007
Cost of goods sold exkl. depreciation	-281	-1 082	-1 364	-272	-1 057	-1 328
Depreciation included in cost of sold goods	-2 165	-1 298	-3 463	-2 289	-1 998	-4 287
<b>Gross profit</b>	<b>9 067</b>	<b>3 203</b>	<b>12 269</b>	<b>12 370</b>	<b>2 022</b>	<b>14 392</b>

	2025			Rolling		
	Biometric Technologies	Digital Identity	Total Segment	Biometric Technologies	Digital Identity	Total Segment
			2025 Full-year			Rolling 12 mth
Net sales	56 407	21 408	77 814	52 990	21 914	74 903
Cost of goods sold exkl. depreciation	-935	-4 230	-5 165	-945	-4 256	-5 199
Depreciation included in cost of sold goods	-9 012	-6 969	-15 981	-8 889	-6 269	-15 158
<b>Gross profit</b>	<b>46 459</b>	<b>10 208</b>	<b>56 668</b>	<b>43 155</b>	<b>11 389</b>	<b>54 545</b>

	2026	2025	2025	Rolling
Reconciliation profit/Loss	Jan-Mar	Jan-Mar	Full-year	12 mth
<b>Gross profit</b>	<b>12 269</b>	<b>14 392</b>	<b>56 668</b>	<b>54 545</b>
Marketing and sales expenses	-6 655	-8 804	-32 436	-30 287
Administrative expenses	-5 450	-3 944	-14 122	-15 628
R&D expenses	-6 080	-7 097	-27 249	-26 232
Other operating income/expenses	72	-1 597	-2 920	-1 251
Financial income/expenses	169	-228	-212	185
<b>Profit/Loss before tax</b>	<b>-5 674</b>	<b>-7 278</b>	<b>-20 271</b>	<b>-18 667</b>

## 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 (see Note 6). 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 March 31, 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 5,436 thousand).

## 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 March 31, 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 March 31, 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

As of November 30, 2021, the Group acquired 100% of the shares in EastCoast Solutions AB and Besökssystem Sverige AB.

The purchase price totaled SEK 86,203 thousand, of which SEK 24,466 thousand was paid as of December 31, 2021, partly via a cash payment of SEK 18,000 thousand and partly via the issuing of new shares totaling SEK 6,466 thousand. An additional SEK 8,268 thousand was paid in cash in January 2022.

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. See Note 4 for details of the new terms and conditions.

During the interim period of 2026, there is no impact on the Group's cash and cash equivalents in respect of business combinations.

# Parent company income statement – in summary

Amounts in SEK thousand	Note	2026 Jan-Mar	2025 Jan-Mar	2025 Full-year	Rolling 12 mth
Net sales	1	12 796	16 065	69 959	66 690
Cost of goods sold		-6 096	-7 624	-32 412	-30 884
<b>Gross profit</b>		<b>6 701</b>	<b>8 441</b>	<b>37 547</b>	<b>35 806</b>
Marketing and sales expenses		-3 937	-5 638	-20 783	-19 082
Administrative expenses		-5 324	-3 815	-13 227	-14 736
R&D expenses		-3 683	-4 157	-16 031	-15 557
Other operating income/expenses		73	-1 587	1 261	2 921
		<b>-12 870</b>	<b>-15 197</b>	<b>-48 780</b>	<b>-46 454</b>
<b>Operating profit/loss</b>		<b>-6 170</b>	<b>-6 756</b>	<b>-11 233</b>	<b>-10 647</b>
Financial income/expenses		276	-100	809	1 185
Group contributions received		0	0	151	151
<b>Profit/loss before tax</b>		<b>-5 894</b>	<b>-6 856</b>	<b>-10 274</b>	<b>-9 311</b>
Tax		0	0	0	0
<b>Profit/loss for the period</b>		<b>-5 894</b>	<b>-6 856</b>	<b>-10 274</b>	<b>-9 311</b>

# Parent company balance sheet – in summary

Amounts in SEK thousand

ASSETS	Note	2026-03-31	2025-03-31	2025-12-31
<b>Fixed assets</b>				
Fixed assets		1 150	975	1 203
Immaterial assets		17 114	21 379	18 010
Deferred tax assets		90 558	90 558	90 558
<b>TOTAL FIXED ASSETS</b>		<b>108 822</b>	<b>112 912</b>	<b>109 771</b>
<b>CURRENT ASSETS</b>				
Accounts receivable		14 276	20 791	15 442
Receivable Group		3 249	8 259	4 612
Other receivables		1 796	1 633	1 306
Accruals and deferred income		2 458	2 616	2 304
Cash and cash equivalents		11 065	23 640	9 737
<b>TOTAL CURRENT ASSETS</b>		<b>32 844</b>	<b>56 939</b>	<b>33 401</b>
<b>TOTAL ASSETS</b>		<b>141 666</b>	<b>169 851</b>	<b>143 172</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Restricted Equity</b>				
Share capital		23 539	23 539	23 539
Statutory reserve		1 445	1 445	1 445
Reserve for development expenses		14 266	15 272	14 257
<b>Total restricted equity</b>		<b>39 250</b>	<b>40 255</b>	<b>39 240</b>
<b>Unrestricted Equity</b>				
Share premium reserve		168 316	168 316	168 316
Retained earnings		-88 728	-69 576	-68 561
Profit/loss for the year		-5 894	-6 857	-20 158
<b>Total non-restricted equity</b>		<b>73 694</b>	<b>91 883</b>	<b>79 596</b>
<b>Total Equity</b>		<b>112 944</b>	<b>132 139</b>	<b>118 837</b>
<b>LONG-TERM DEBT</b>				
Long term debt		0	5 350	0
<b>TOTAL LONG-TERM DEBT</b>		<b>0</b>	<b>5 350</b>	<b>0</b>
<b>SHORT-TERM LIABILITIES</b>				
Short-term liabilities		28 721	32 362	24 335
<b>Total Short-term liabilities</b>		<b>28 721</b>	<b>32 362</b>	<b>24 335</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>141 666</b>	<b>169 851</b>	<b>143 172</b>

# Consolidated key indicators

Amounts in SEK thousands unless otherwise stated	2026	2025	2025	Rolling
	Jan-Mar	Jan-Mar	Full-year	12 mth
Net sales	17 096	20 007	77 814	74 903
Net sales growth, %	-14,5%	-7,7%	-10,4%	-12,1%
Gross margin, %	71,8%	71,9%	72,8%	72,8%
EBITDA	-1 369	-1 689	174	494
Operating profit/loss (EBIT)	-5 843	-7 051	-20 059	-18 851
One-off items	-2 000	0	0	-2 000
Adjusted EBITDA	631	-1 689	174	2 494
Adjusted operating profit/loss (EBIT)	-3 843	-7 051	-20 059	-16 851
Working capital *	12 354	32 417	16 937	12 354
Capital employed	131 011	154 939	136 421	131 011
Liquidity ratio, %	119,3%	167,9%	136,4%	119,3%
Equity/assets ratio, %	73,0%	71,3%	75,2%	73,0%
Earnings per share before dilution, SEK	-0,07	-0,09	-0,25	-0,23
Earnings per share after dilution, SEK	-0,07	-0,09	-0,25	-0,23
Equity per share, SEK	1,60	1,83	1,67	1,60
Number of shares (thousands)	78 464	78 464	78 464	78 464
Weighted avg. number of shares, adjusted for dilution effect (thousands)	78 464	78 464	78 464	78 464
Number of employees at the end of the period	37	36	36	37
Average number of employees during the period	37	36	36	36
Annual Recurring Revenue	18 728	18 376	18 919	

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

# Alternative consolidated key indicators

Amounts in SEK thousands unless otherwise stated	2026	2025	2025	Rolling
	Jan-Mar	Jan-Mar	Full-year	12 mth
Net sales	17 096	20 007	77 814	74 903
Net sales growth, %	-14,5%	-7,7%	-10,4%	-12,1%
Gross profit	12 269	14 392	56 668	54 545
Net sales	17 096	20 007	77 814	74 903
<b>Gross margin, %</b>	<b>71,8%</b>	<b>71,9%</b>	<b>72,8%</b>	<b>72,8%</b>
Operating profit/loss (EBIT)	-5 843	-7 051	-20 059	-18 851
Net sales	17 096	20 007	77 814	74 903
<b>Operating margin, %</b>	<b>-34,2%</b>	<b>-35,2%</b>	<b>-25,8%</b>	<b>-25,2%</b>
EBITDA	-1 369	-1 689	174	494
Depreciation and amortization	-4 475	-5 361	-20 234	-19 347
<b>Operating profit/loss</b>	<b>-5 843</b>	<b>-7 051</b>	<b>-20 059</b>	<b>-18 851</b>
Merger-related one-off costs	-2 000	0	0	-2 000
<b>One-off items</b>	<b>-2 000</b>	<b>0</b>	<b>0</b>	<b>-2 000</b>
Operating profit/loss (EBIT)	-5 843	-7 051	-20 059	-18 851
One-off items	-2 000	0	0	-2 000
<b>Adjusted operating profit/loss (EBIT)</b>	<b>-3 843</b>	<b>-7 051</b>	<b>-20 059</b>	<b>-16 851</b>
EBITDA	-1 369	-1 689	174	494
One-off items	-2 000	0	0	-2 000
<b>Adjusted EBITDA</b>	<b>631</b>	<b>-1 689</b>	<b>174</b>	<b>2 494</b>
Operating expenses	-18 112	-21 441	-76 727	-73 398
One-off items	-2 000	0	0	-2 000
<b>Operating expenses excluding One-off items</b>	<b>-16 112</b>	<b>-21 441</b>	<b>-76 727</b>	<b>-71 398</b>
Cost of goods and services sold	-4 827	-5 615	-21 146	-20 358
Depreciation Cost of goods sold	3 463	4 287	15 981	15 157
<b>Cost of goods and services sold excluding depreciation</b>	<b>-1 364</b>	<b>-1 328</b>	<b>-5 165</b>	<b>-5 200</b>
Operating expenses	-18 112	-21 441	-76 727	-73 398
Depreciation Operating expenses	1 013	1 075	4 252	4 190
<b>Operating costs excluding depreciation</b>	<b>-17 099</b>	<b>-20 366</b>	<b>-72 475</b>	<b>-69 208</b>
Current assets	41 874	65 113	42 492	41 874
Current liabilities excl. current liabilities EastCoast International*	29 520	32 696	25 555	29 520
<b>Working capital</b>	<b>12 354</b>	<b>32 417</b>	<b>16 937</b>	<b>12 354</b>

Amounts in SEK thousands unless otherwise stated	2026 Jan-Mar	2025 Jan-Mar	2025 Full-year	Rolling 12 mth
Balance sheet total	172 084	201 517	174 122	172 084
Non-interest-bearing liabilities	41 073	46 577	37 701	41 073
<b>Capital employed</b>	<b>131 011</b>	<b>154 939</b>	<b>136 421</b>	<b>131 011</b>
Closing equity	125 575	143 629	131 018	125 575
<b>Average equity</b>	<b>132 910</b>	<b>149 480</b>	<b>137 528</b>	<b>132 910</b>
Current assets minus inventories	41 717	64 891	42 215	41 717
Current liabilities	34 956	38 656	30 958	34 956
<b>Liquidity ratio, %</b>	<b>119%</b>	<b>168%</b>	<b>136%</b>	<b>119%</b>
Equity	125 575	143 629	131 018	125 575
Total assets	172 084	201 517	174 122	172 084
<b>Equity/assets ratio, %</b>	<b>73,0%</b>	<b>71,3%</b>	<b>75,2%</b>	<b>73,0%</b>

## Analysis of results, in summary

Amounts in SEK thousand	Note	2026 Jan-Mar	2025 Jan-Mar	2025 Full-year	Rolling 12 mth
Net sales	2,3	17 096	20 007	77 814	74 903
Cost of goods and services sold excluding depreciation		-1 364	-1 328	-5 165	-5 200
Operating costs excluding depreciation		-19 895	-23 329	-84 125	-80 691
Capitalized development expenses		2 794	2 961	11 650	11 483
<b>EBITDA</b>		<b>-1 369</b>	<b>-1 689</b>	<b>174</b>	<b>494</b>
Total depreciation excluding acquired immaterial assets		-3 868	-4 761	-17 814	-16 921
Total depreciation acquired immaterial assets		-607	-601	-2 420	-2 426
<b>Operating profit/loss</b>		<b>-5 843</b>	<b>-7 051</b>	<b>-20 059</b>	<b>-18 851</b>

# 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 revenues for the Digital Identity segment, as Digital Identity has a large customer base based on SaaS revenues. 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, and depreciation. 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.

## 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.

**YOU** are the key

[precisebiometrics.com](https://precisebiometrics.com)

**PRECiSE**  
BIOMETRICS