Administration Report

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

Fingerprints' operations

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

Group and Parent Company

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

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

Significant events during 2025

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

Earnings trend

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

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

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

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

Current factors of uncertainty

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

Financial position

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

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

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

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

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

Investments, depreciation/amortization and impairment losses

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

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

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

Cash flow

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

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

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

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

Revenue breakdown

Revenue is reported by country. Presented in Note 2.

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

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

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

Mobile

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

PC

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

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

Mobile

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

PC

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

Parent company's financial development

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

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

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

Finance Policy

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

Organization and coworkers

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

Research and development operations

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

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

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

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

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

Sustainability Report

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

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

Ownership structure

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

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

Expectations regarding future performance

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

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

Remuneration of the Board of Directors

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

Executive remuneration guidelines

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

Introduction

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

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

Remuneration committee

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

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

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

Variable remuneration covered by these guidelines shall aim at promoting Fingerprint Card's business strategy and long-term interests, including its sustainability.
For more information regarding the company's business strategy, please see **www.fpc.com**

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

Remuneration principles

Performance-based

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Description of significant changes and how the shareholders' views have been taken into account
There have been no significant changes to the proposed new guidelines in relation to the remuneration guidelines adopted by the Annual General Meeting 2020. There have been no material comments on the remuneration guidelines from shareholders.

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

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

2026 Annual general meeting

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

Proposal for appropriation of the company's profit

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

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

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

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

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

Events after the balance sheet date

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

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

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

The Share

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

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

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

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

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

Share price trend

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

Share turnover

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

Shareholders

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

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

Source: Modular Finance AB

Option Programmes

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

Dividend Policy

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

Dividend

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

Share repurchases

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

Financial analysts

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

Share data

Share Classes

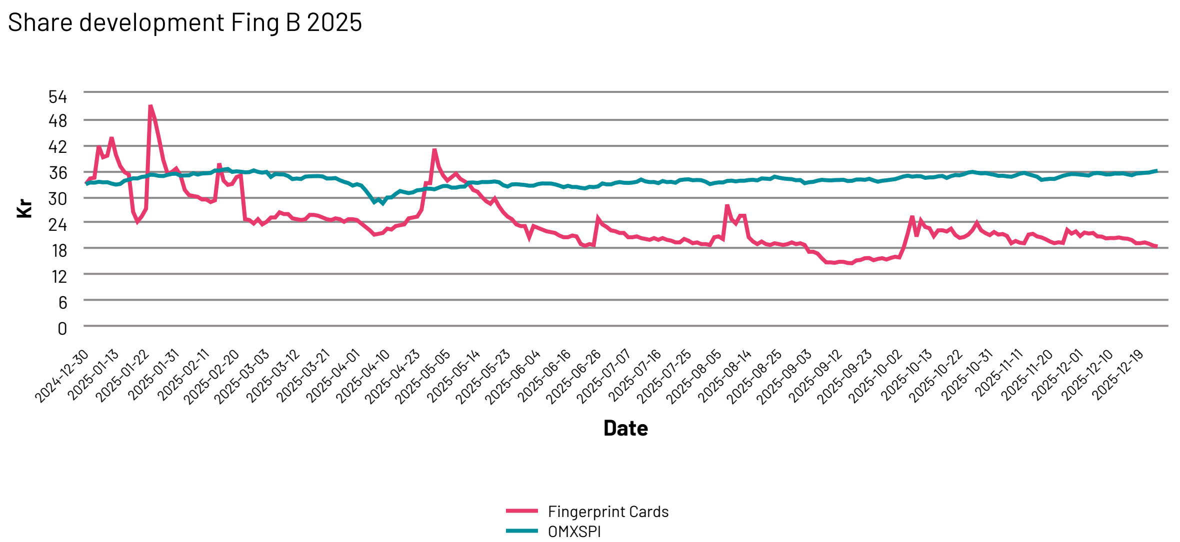
2025-12-31	Votes	No of shares	No. of votes	Capital (%)	Votes (%)
FING-A	10	3,937	39,370	0.05	0.52
FING-B	1	7,583,750	7,583,750	99.95	99.48
Total		**7,587,687**	**7,623,120**	**100.00**	**100.00**

Ten largest shareholders as at December 31, 2025

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

Source: Modular Finance AB

Share price development 2025



Risks and risk management

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

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

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

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

Corporate Governance Report

Fingerprint Cards AB (publ) (Fingerprints) is a Swedish public limited company listed on Nasdaq Stockholm and with registered office in Gothenburg in the County of Västra Götaland.
The corporate governance of Fingerprints is based on legislation and other regulations: the Swedish Companies Act, the Articles of Association, Nasdaq Stockholm's Rulebook for Issuers, the Swedish Code of Corporate Governance, (the "Code"), other applicable laws and ordinances, and internal regulations.

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

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

Segregation of duties

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

Shareholders

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

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

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

Annual General Meeting

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

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

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

Shareholders who wish to have a matter considered at the AGM shall provide a written proposal to investrel@fpc.com or to Bolagssekreteraren, Fingerprint Cards AB, Box 2412, SE-403 16 Gothenburg, no later than seven weeks before the AGM, to guarantee that the matter can be included in the invitation to the AGM.
Most resolutions at shareholders' meeting are passed by a simple majority. In certain cases, the Swedish Companies Act stipulates resolutions require a qualified majority, for example resolutions on amending the Articles of Association, which require shareholders with at least two-thirds of both the votes cast and the votes represented at the Meeting to support the resolution. Resolutions regarding incentive programs require an even greater majority, with in certain cases, qualified majorities of up to 90 percent of the shares and votes represented at the Meeting.

Annual General Meeting 2025

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

THE AGM PASSED RESOLUTIONS ON:

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

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

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

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

Annual General Meeting 2026

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

Nomination Committee

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

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

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

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

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

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

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

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

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

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

Board of Directors and CEO

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

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

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

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

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

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

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

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

Work of the Board of Directors in 2025

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

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

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

Remuneration Committee

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

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

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

Audit Committee

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

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

Auditor

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

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

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

Internal controls and risk management

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

Control environment

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

Risk assessment

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

Control activities

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

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

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

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

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

Remuneration to the Board of Directors

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

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

Remuneration guidelines of senior executives

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

Articles of Association

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

Information and communication

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

Monitoring

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

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

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

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

Board of Directors

Gothenburg, on the date stated in the electronic signatures.

Board of Directors

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

Born: 1973
Employment and other board assignments: CEO and owner of Beluca Ventures, LLC. Financial advisor to global technology companies and private investment activities in private and public technology companies. Chairman of the Board of Audiodo AB (publ), Board member of MEIQ Systems AB and GoodTrust, Inc.
Education: Master of Science in Business and Economics at Stockholm University and London School of Economics.
Background: Financial analyst for Barclays Capital (London, UK) 1998-1999; Co-founder of GP Bullhound Ltd. (London, UK & San Francisco, USA) 1999-2013; Founder of Beluca Ventures, LLC (San Francisco, USA) 2013-; Chairman of the Board of Terranet AB (publ), 2016-2018; Chairman of the Board and co-founder of Dicopay AB, 2017-2022; Chairman of the Supervisory Board of asknet Solutions AG (Frankfurt Exchange), 2021-2022; Chairman of the Board of Raymond Solar AB (2021-2024); Board member of Einride AB (2018-2021)
Holdings in Fingerprint Cards: 17,714 Class B-shares, 4,804,032 warrants and 56,907 employee stock options*.
As financial advisor to the Company, Christian Lagerling is dependent in relation to the Company and the Company management and independent in relation to the Company's major shareholders.

**31 December 2025*

Carl Johan Grandinson - Board member since 2025

Born: 1975
Employment and other Board assignments: Founding Partner Qvantea Capital, Advisor/consultant, Essoge Multi Family Office, Advisor/consultant, Glue & Smart Frog Canary Group (US).
Education: MSc Mechanical Engineering, Royal Institute of Technology; Major, Media Management and Marketing, Stockholm School of Economics; Exchange studies, Stanford School of Engineering
Background: Chairman of the board/consultant, Dynamic Code, 2020-2021; Founder/Board member/Advisor, Glue 2019-2021; Founder/Board member/CEO, Glue, 2015-2019; Partner, True Global Ventures, 2012-2024; Board member, Squid, 2011-2016; Board member, United Communications Partner (US), 2011-2015; Founder/COO/Board member, Tre Kronor Media, 2007-2015; Founder/Board member, Ameibo, 2007-2010; Regional Director Nordics & South Europe, Tradedoubler, 2006-2007; Managing Director Sweden, Tradedoubler, 2004-2006; Managing Director France, Tradedoubler, 2001-2004; First employee/Business Development, Tradedoubler 1999-2001.
Holdings in Fingerprint Cards: 28,453 employee stock options*.
Independent in relation to major shareholders and the company and executive management.

**31 December 2025*

Adam Philpott - Board member since 2023

Born: 1975
Employment and other board assignments: President & CEO of Fingerprint Cards AB since 2023.
Education: Bachelor of Science degree in Marketing (Hons) from University of Derby.
Background: Chief Revenue Officer at Trellix, October 2022-2023, Chief Revenue Officer at McAfee (London, UK), 2021-2022, Senior Vice President EMEA at McAfee (London, UK), 2019-2021, Vice President EMEA at McAfee (London, UK), 2017-2019, Senior Director EMEAR Cyber Security at Cisco (UK), 2012-2017, Director Borderless Network Sales at Cisco (Singapore), 2010-2012, Regional Manager at Cisco (Australia) 2008-2010, Account Manager at Cisco (Australia) 2002-2008, Sales Manager at Ingram Micro (Australia) 1998-2002.
Holdings in Fingerprint Cards: 54,916 Class B-shares, 17,999,984 warrants and 92,949 employee stock options*
Dependent in relation to the Company and the executive management and independent in relation to the Company's major shareholders.

**31 December 2025*

Executive Management

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

Born: 1975
Education: Bachelor of Science degree in Marketing (Hons) from University of Derby
Background: Chief Revenue Officer at Trellix, 2022-2023, Chief Revenue Officer at McAfee (London, UK), 2021-2022, Senior Vice President EMEA at McAfee (London, UK), 2019-2021, Vice President EMEA at McAfee (London, UK), 2017-2019, Senior Director EMEAR Cyber Security at Cisco (UK), 2012-2017, Director Borderless Network Sales at Cisco (Singapore), 2010-2012, Regional Manager at Cisco (Australia) 2008-2010, Account Manager at Cisco (Australia) 2002-2008 and Sales Manager at Ingram Micro (Australia) 1998-2002.
Holdings in Fingerprint Cards: 54,916 Class B-shares, 17,999,984 warrants and 92,949 employee stock options*

**31 December 2025*

Fredrik Hedlund - CFO since 2024

Born: 1971
Education: Bachelor of Science degree in Economics, London School of Economics
Background: Chief Growth Officer & Managing Director at Daphne Technology, 2020-2023; Senior Vice President/Business Unit CFO at Nielsen, 2009-2020; Global FP&A Leader at SABIC, 2007-2009; Various senior leadership positions at General Electric, including Divisional CFO and Corporate Development Director, 1996-2007
Holdings Fingerprint Cards: 53,218 Class B shares, 17,539,384 warrants and 53,113 employee stock options*

**31 December 2025*

David Eastaugh - Chief Strategy & Technology Officer since 2024

Born: 1976
Education: Master of Science, Industrial Mathematical Modelling, Loughborough University. Postgraduate Diploma, Renewable Energy Systems Technology, Loughborough University. Bachelor of Engineering, Electronic and Electrical Engineering, Loughborough University.
Background: Senior Director Software Engineering at LexisNexis Risk Solutions, 2023-2024; CTO at TruNarrative, 2017-2023; Lead Developer Data Authentication at GB Group, 2010-2017
Holdings Fingerprint Cards: 9 Class B-shares and 39,835 employee stock options*

**31 December 2025*

Auditor’s statement on the corporate governance report

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

Engagement and responsibility

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

The scope of the audit

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

Opinion

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

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

Johan Pharmanson
Authorized Public Accountant