

MERGER PLAN

This is a translation of the Swedish language version of this merger plan. In the event of any discrepancy, the Swedish language version shall prevail.

*The board of directors of Precise Biometrics AB (publ), a public limited liability company with corporate registration number 556545-6596, (“**Precise Biometrics**”), with registered seat in Lund, Sweden, and the board of directors of Fingerprint Cards AB (publ), a public limited liability company with corporate registration number 556154-2381, (“**Fingerprint Cards**”), with registered seat in Gothenburg, Sweden, have agreed on a merger through absorption between Precise Biometrics and Fingerprint Cards pursuant to Chapter 23, Section 1 of the Swedish Companies Act (2005:551) (the “**Companies Act**”) (Sw. aktiebolagslagen (2005:551)), with Precise Biometrics as transferee company and Fingerprint Cards as transferor company (the “**Merger**”). The merged company which will be the result of the Merger is hereinafter referred to as the “**Combined Company**”. Fingerprint Cards will be automatically dissolved as a result of the Merger without liquidation taking place.*

*In conjunction with this, the board of directors of Precise Biometrics and the board of directors of Fingerprint Cards (together the “**Boards**”) have prepared the following merger plan (the “**Merger Plan**”).*

1. Rationale for the Merger

Precise Biometrics is a global provider of biometrics and access control software. The company develops software and algorithms for biometric authentication, processing over 100,000 secure biometric verifications every second, used across mobile devices, physical access control, and government identity programs, amongst others. Precise Biometrics’ biometric software is delivered primarily to global sensor manufacturers through a licensing model. In addition, Precise Biometrics delivers turn-key solutions for physical access and visitor management through an enterprise SaaS model, which was successfully expanded through the acquisition of EastCoast Solutions in 2021.

Fingerprint Cards is a global biometrics hardware and systems provider, with its sensors already embedded and in active use in nearly two billion devices worldwide. Built on deep manufacturing expertise and long-standing relationships with leading OEMs, Fingerprint Cards provides the biometric hardware and authentication systems that verify identity at the point of use, deployed and managed at scale across global device fleets and enterprise environments. Having successfully transitioned from a mobile fingerprint sensor supplier into a biometrics system provider, Fingerprint Cards today serves high-value segments including consumer products, payments, secure enterprise access, and digital identity.

The Boards have investigated the consequences of a merger between the two companies and are convinced of the strategic fit between Precise Biometrics and Fingerprint Cards.

The Merger combines capabilities within hardware, software, and identity solutions within one single provider. The Combined Company will be able to offer a strengthened, multi-modal product portfolio within both physical and digital access, delivered through AI-driven and cloud-based technology. This will create a stronger ability to serve enterprise, government and consumer markets within high-demand segments such as identity, authentication, access, and cybersecurity. By offering hardware and software from one single provider, the Combined Company can increase customer relevance and stickiness, strengthen confidence amongst partners, and improve win-rates.

The Merger also brings together complementary go-to-market footprints, providing the Combined Company with wider and more scalable commercial reach. The strengthened product portfolio enables

the Combined Company to capture higher share of customer wallets through upselling and cross-selling across the combined customer portfolio. Furthermore, the wider commercial reach and relevance of the Combined Company enhance the ability to target and win in new customer segments globally.

The Boards expect the Merger to generate meaningful cost synergies through the consolidation of administration, streamlined operations, and optimized resource utilization. Identified operating cost synergies are estimated at an annual run-rate of at least SEK 45 million. The improved cost base, combined with the strengthened financial profile of the combined group, is expected to generate double-digit EBITDA margins following synergy realization.

The integration of operations is expected to commence immediately following completion of the Merger. Restructuring costs are estimated at approximately SEK 25 million in aggregate, with the vast majority expected to be incurred and recognized during 2026.

The Merger represents the first step in a broader consolidation journey. As synergies are realized, the Combined Company will be able to utilize its scale to take an active part in the industry consolidation through selective acquisitions within portfolio consolidation and expansion of capabilities.

Against this background, the Boards believe that the Merger will be significantly value-adding for the shareholders as well as for other stakeholders and have therefore adopted this Merger Plan.

2. Determination of the Merger Consideration and circumstances of significance in the evaluation of the appropriateness of the Merger

Determination of the Merger Consideration and valuation

The Merger Consideration (as defined in section 3 (*Merger Consideration, etc.*) below) has been determined with the intention of achieving a fair distribution of the value in the Combined Company between the shareholders in Precise Biometrics and Fingerprint Cards, respectively. In determining a fair Merger Consideration for both Precise Biometrics' and Fingerprint Cards' shareholders, the Boards have taken a number of factors into consideration. The Boards have primarily considered the respective companies' current market capitalization and the observable relative market capitalization over time between the companies. Moreover, the Boards have taken into account and determined that a certain premium for the shares in Fingerprint Cards in relation to the market capitalization at the time of this Merger Plan is motivated.

Precise Biometrics has issued ordinary shares which are listed on Nasdaq Stockholm and C shares which are not listed on any marketplace.¹ Each ordinary share carries one (1) vote and each C share carries one tenth (1/10) of a vote at general meetings. The market capitalization for Precise Biometrics has been determined as the total number of shares in Precise Biometrics multiplied with the price for the ordinary shares listed on Nasdaq Stockholm. On 20 March 2026, which was the last trading day prior to the announcement of the Merger, the closing price of the Precise Biometrics ordinary share on Nasdaq Stockholm was approximately SEK 2.0.

Fingerprint Cards has issued B shares which are listed on Nasdaq Stockholm and A shares which are not listed on any marketplace. Each B share carries one (1) vote and each A share carries ten (10) votes at general meetings. The market capitalization for Fingerprint Cards has been determined as the total number of shares in Fingerprint Cards multiplied with the price for the B shares listed on Nasdaq Stockholm. On 20 March 2026, which was the last trading day prior to the announcement of the Merger, the closing price of the Fingerprint Cards B share on Nasdaq Stockholm was approximately SEK 16.0.

The Boards have, in addition to the market capitalization, as described above, considered a number of additional valuation methods such as relative valuation both vis-à-vis comparable companies and between the companies, using multiples and discounted cash flow valuation.

¹ There are 1,085,000 C shares in Precise Biometrics, all of which are held by Precise Biometrics in treasury as hedge for a long-term share bonus program resolved upon at the annual general meeting 2022.

The Boards have jointly stated that, by taking the above factors into account and applying the above valuation methods, the Merger Consideration has been determined so that shareholders in Fuse, for one (1) share in Fingerprint Cards, irrespective of share class, will receive nine (9) ordinary shares in Precise Biometrics (see further under section 3 (*Merger Consideration, etc.*)).

Based on the closing price of approximately SEK 2.0 of Precise Biometrics' ordinary share on Nasdaq Stockholm on 20 March 2026, the Merger Consideration represents a premium of approximately 12 percent compared to the closing price of approximately SEK 16.0 of Fingerprint Cards' B share on Nasdaq Stockholm on 20 March 2026, the last trading day before the announcement of the Merger and (ii) approximately 1.4 percent compared to the volume weighted average share price of approximately SEK 17.6 of Fingerprint Cards' B share on Nasdaq Stockholm during the 30 trading days up to and including the announcement of the Merger. The Merger Consideration values Fingerprint Cards at approximately SEK 135.7 million.

Evaluation of appropriateness of the Merger

The Boards are of the opinion that the Merger is beneficial to the companies and the shareholders.

The board of directors of Precise Biometrics considers the Merger Consideration to be fair, from a financial point of view, and unanimously recommends the shareholders of Precise Biometrics to vote in favor of the Merger Plan at the extraordinary general meeting in Precise Biometrics, to be held on or about 6 May 2026. This view is supported by valuations and assessments conducted by Precise Biometrics' advisors.

The board of directors of Fingerprint Cards considers the Merger Consideration to be fair, from a financial point of view, for the shareholders in Fingerprint Cards, and unanimously recommends the shareholders of Fingerprint Cards to vote in favor of the Merger Plan at the extraordinary general meeting in Fingerprint Cards, to be held on or about 6 May 2026. This view is supported by a fairness opinion from Grant Thornton Sweden AB, dated 20 March 2026, to the effect that, as of such date and based upon and subject to the assumptions and limitations set forth therein, the Merger Consideration to be received in the Merger is fair, from a financial point of view, to the shareholders in Fingerprint Cards.

Following completion of the Merger, the Combined Company intends to raise approximately SEK 110 million through a rights issue of shares (the "**Rights Issue**"). Net proceeds from the Rights Issue will be used to accelerate growth, capture identified synergies and support continued expansion of the Combined Company globally. Precise Biometrics has received guarantee commitments, on customary terms, totaling SEK 45 million from several guarantors for purposes of the Rights Issue. In addition, Precise Biometrics and DNB Bank ASA has entered into an underwriting agreement, subject to customary terms, for an aggregate amount of SEK 35 million. Hence, the Rights Issue is subject to guarantee commitments totaling SEK 80 million. Neither the guarantee undertakings nor the commitment under the underwriting agreement is secured by bank guarantees, blocked funds, pledged assets or the like. A remuneration of 11 percent is paid for the guarantee commitments and underwriting agreement.

Final terms of the Rights Issue will be determined by the board of directors of the Combined Company at a later date, based on the prevailing market conditions at the time of the Rights Issue. Precise Biometrics intends to propose that the annual general meeting of Precise Biometrics, to be held on 21 May 2026, resolves on an issue authorization that enables the Rights Issue.

3. Merger Consideration, etc.

Merger Consideration

One (1) share in Fingerprint Cards, irrespective of share class, entitles the holder to receive nine (9) new ordinary shares in Precise Biometrics (the "**Merger Consideration**"). The Merger Consideration does not contain any cash consideration.

Issue of Merger Consideration

The board of directors of Precise Biometrics will propose that the general meeting that resolves on the Merger Plan, planned to be held on or about 6 May 2026, also resolves on issuance of the shares constituting the Merger Consideration.

The ordinary shares in Precise Biometrics issued as Merger Consideration to the shareholders of Fingerprint Cards shall carry rights to dividends for the first time on the record date that occurs following Completion (as defined below).

The number of shares issued to Fingerprint Cards' shareholders as Merger Consideration will be based on the number of Fingerprint Cards shares outstanding at the date when the Merger is registered with the Swedish Companies Registration Office (the "**Completion**"), excluding any shares held in treasury.² Under the assumption that the number of shares outstanding at Completion is the same as of the date of this Merger Plan, the aggregate number of newly issued ordinary shares in Precise Biometrics will be 68,272,083. On this basis, the total number of shares in the Combined Company following Completion will be 146,736,410, consisting of 145,651,410 ordinary shares and 1,085,000 C shares. The shareholders of Fingerprint Cards would, thus, in total, own approximately 47 percent of the shares and votes in the Combined Company (excluding any dilution that may result from the exercise of Substitute Warrants (as defined below)).

In order to enable the issuance of shares as Merger Consideration, the board of directors of Precise Biometrics will also propose that the general meeting resolves to amend the articles of association.

Any shares in Fingerprint Cards held by or on behalf of Fingerprint Cards will be cancelled in accordance with the provisions in the Companies Act.

4. Settlement of Merger Consideration

The shareholders registered in the share register of Fingerprint Cards on the date of Completion will be entitled to receive Merger Consideration.

Unless otherwise stated below, the Merger Consideration will be accounted for by Euroclear Sweden registering the number of shares in Precise Biometrics on the securities account of each duly entitled person following registration of the Merger with the Swedish Companies Registration Office. Meanwhile, the shareholding in Fingerprint Cards of such persons will be deregistered from the same account. Thus, the Merger Consideration will be distributed automatically and no actions will be required from the shareholders of Fingerprint Cards in relation thereto. The new ordinary shares in Precise Biometrics distributed as Merger Consideration shall carry full shareholder rights as from the date of their registration with the Swedish Companies Registration Office.

If shares in Fingerprint Cards are pledged on the date of account of the Merger Consideration, account thereof shall, as a result, be made to the pledgee. If shares in Fingerprint Cards are registered with a nominee, account thereof shall, as a result, be made to the nominee.

The Merger is expected to be registered in the beginning of the third quarter of 2026 (see section 7 (*Completion of the Merger*) below).

5. Pre-merger undertakings

Precise Biometrics and Fingerprint Cards, respectively, undertake to take all necessary actions in order to complete the Merger on the terms set out herein.

² On the date of this Merger Plan, there are in total 7,585,787 shares in Fingerprint Cards, of which 1,900 B shares are held in treasury.

Precise Biometrics and Fingerprint Cards shall, during the period from the date of this Merger Plan and until Completion, carry on the business of their respective companies in the ordinary course of business and shall not, without the prior written consent of the other company, take any of the following actions:

- (a) declare or pay any dividend or make any other value transfer to shareholders;
- (b) issue shares or other securities, except for the issue of shares in Precise Biometrics for settlement of the Merger Consideration and the issue of any Substitute Warrants (as defined below) in Precise Biometrics;
- (c) resolve on share split or similar action;
- (d) acquire, sell or agree to acquire or sell, material shareholdings, businesses or assets;
- (e) enter into or amend any material contracts or arrangements, or incur any additional indebtedness other than in the ordinary course of operating its business; or
- (f) amend the articles of association or any other constitutional documents, except for (i) necessary amendments of the articles of association of Precise Biometrics to settle the Merger Consideration or other amendments necessary for Completion or the Rights Issue, and (ii) amendments of the articles of association of Fingerprint Cards regarding the number of board members.

6. Conditions for the Merger

Completion is conditional upon:

- (a) that the general meeting in Fingerprint Cards resolves to approve the Merger Plan;
- (b) that the general meeting in Precise Biometrics resolves (i) to approve the Merger Plan, (ii) to issue the Merger Consideration shares, (iii) to authorize the board of directors to issue any Substitute Warrants (as defined below), (iv) to adopt new articles of association in accordance with the proposal by the board of directors and (v) to authorize the board of directors to resolve on the Rights Issue;
- (c) that the Merger has received all necessary regulatory, governmental or similar clearances, approvals and decisions, including decision from the Inspectorate of Strategic Products (Sw. *Inspektionen för strategiska produkter*) to take no action regarding a notification in accordance with the Swedish Screening of Foreign Direct Investments Act (Sw. *lag (2023:560) om granskning av utländska direktinvesteringar*) or, if applicable, approve the Merger following screening, in each case on terms which, in the opinion of the Boards in good faith, are acceptable;
- (d) that Nasdaq Stockholm has admitted the shares to be issued as Merger Consideration to trading on Nasdaq Stockholm;
- (e) that the Merger is not in whole or in part made impossible or materially impeded as a result of legislation, court rulings, decisions by public authorities or anything similar;
- (f) that the pre-merger undertakings made by Precise Biometrics and Fingerprint Cards as set out in section 5 (*Pre-merger undertakings*) above are not breached before Completion in any such way which would result in a material adverse effect on the Merger or the Combined Company; and
- (g) that no change, matter or event or series of changes, matters or events has occurred that has had or could reasonably be expected to have a material adverse effect on the financial

position, operations or assets of Precise Biometrics, Fingerprint Cards or the Combined Company, and as a result of which the other company cannot reasonably be expected to complete the Merger.

If the conditions set out in this section have not been satisfied and Completion has not taken place on or before 31 December 2026, the Merger will not be implemented and this Merger Plan shall cease to have any further effect, however that the Merger will only be discontinued and the Merger Plan shall only cease to have any further effect, to the extent permitted by applicable law, if the non-satisfaction is of material importance to the Merger or the Combined Company. The Boards reserve the right to jointly waive, in whole or in part, one, several or all of the conditions above.

The Boards shall, subject to applicable law, be entitled to jointly decide to postpone the last date for fulfilment of the conditions from 31 December 2026 to a later date.

7. Completion of the Merger

Planned registration of the Merger

Subject to fulfilment of the conditions for the Merger as set out in section 6 (*Conditions for the Merger*) above, the Merger will take effect upon Completion, *i.e.* as of the date when the Swedish Companies Registration Office registers the Merger. The date for such registration is expected to occur in the beginning of the third quarter of 2026. Precise Biometrics and Fingerprint Cards will announce the date on which the Swedish Companies Registration Office is expected to register the Merger at a later stage.

Dissolution of Fingerprint Cards

Fingerprint Cards will be dissolved without liquidation taking place and all its assets and liabilities will be transferred to Precise Biometrics at Completion.

The last day for trading in the Fingerprint Cards B shares is expected to be the trading day that falls two (2) trading days prior to the date of Completion.

Listing of the issued Merger Consideration shares

Precise Biometrics will apply for the listing of the new shares to be issued by Precise Biometrics as Merger Consideration on Nasdaq Stockholm and the first day of trading of such shares is estimated to take place two (2) trading days following the date of Completion.

8. Due Diligence

When preparing for the Merger, the companies have conducted limited, customary due diligence reviews of certain business, financial, commercial and legal information relating to Precise Biometrics and Fingerprint Cards, respectively. During the due diligence reviews, no information that had not previously been disclosed and which would constitute inside information in Precise Biometrics or Fingerprint Cards was shared.

9. Holders of securities with special rights in Fingerprint Cards

Warrants of series 2025:1

In connection with Fingerprint Cards' rights issue of units comprising B shares and warrants entitling to subscription for B shares, which was resolved upon by the board of directors on 17 December 2024, and approved by the general meeting on 17 January 2025, a total of 1,917,864,768 warrants of series 2025:1 were issued (the "**Warrants**") (TO8). The Warrants are traded on Nasdaq Stockholm.

In connection with the Merger, the Warrant holders will have the opportunity to either (i) transfer their Warrants in exchange for warrants with corresponding rights in the Combined Company (the “**Substitute Warrants**”), in accordance with the terms and conditions of the Warrants, or (ii) have their Warrants purchased by Precise Biometrics at a price of approximately SEK 0.0010 per Warrant³, representing a premium of approximately 12 percent compared to the closing price of SEK 0.0009 per Warrant on Nasdaq Stockholm on 20 March 2026. Warrant holders will be contacted separately in connection with Completion for purposes hereof, and Warrant holders not choosing to receive Substitute Warrants will, without any further action being required, have their Warrants purchased by Precise Biometrics at the price set out above and, in connection therewith, the consideration for the Warrants will be paid into the Warrant holder’s securities account.

Employee stock options

The annual general meeting in Fingerprint Cards held on 24 June 2025 resolved to adopt an employee option stock option program for employees (“**ESOP 2025/2028**”) and an employee stock option program for board members (“**ESOP 2025/2029**”).

ESOP 2025/2028 comprises 265,569 allotted employee stock options. Subject to vesting during 2026, 2027 and 2028, each vested employee stock option can be exercised by the holder between 1 September 2028 and 1 November 2028 for subscription of one (1) new B share in Fingerprint Cards at an exercise price of SEK 33. 265,569 warrants have been issued and are held by Fingerprint Cards to ensure delivery of shares to the participants in ESOP 2025/2028. ESOP 2025/2028 is administrated by the board of directors of Fingerprint Cards.

ESOP 2025/2029 comprises 113,815 allotted employee stock options. Subject to vesting during 2026, 2027, 2028 and 2029, each vested employee stock option can be exercised by the holder between 1 September 2029 and 1 November 2029 for subscription of one (1) new B share in Fingerprint Cards at an exercise price of SEK 38.50. No warrants have been issued to ensure delivery of shares to the participants in ESOP 2025/2029. ESOP 2025/2029 is administrated by the nomination committee of Fingerprint Cards.

Under the terms and conditions of ESOP 2025/2028 and ESOP 2025/2029, all allotted employee stock options shall vest and be prematurely exercisable upon a change of control by, *inter alia*, the Merger. The board of directors of Fingerprint Cards has, in accordance with the terms and conditions of ESOP 2025/2028, resolved (i) that the employee stock options shall, conditional upon the approval of the Merger Plan by the general meeting, be exercisable in advance up until and including the date of the general meeting for the approval of the Merger Plan, and (ii) that exercised employee stock options shall be settled in cash, whereby it is noted that the strike price and the transaction value implied by the Merger Consideration mean that the cash amount payable per exercised stock option will be zero (0). Outstanding employee stock options not exercised pursuant to the foregoing shall automatically be forfeited. The warrants issued in connection with ESOP 2025/2028 will be cancelled in connection with completion of the Merger. The nomination committee of Fingerprint Cards is expected to make a corresponding resolution with respect to the employee stock options under ESOP 2025/2029, in accordance with the terms and conditions of ESOP 2025/2029.

Apart from the above, there are no other warrants, convertibles or other securities providing the holder with special rights in Fingerprint Cards.

10. Fees, etc. relating to the Merger

Except as set forth below, no special fees or benefits, each within the meaning of the Companies Act, shall be granted in connection with the Merger to any member of the Boards, the managing directors or the auditors of either Precise Biometrics or Fingerprint Cards.

³ The price per Warrant amounts to SEK 0.001008.

The auditors of Precise Biometrics and Fingerprint Cards shall be paid as per invoice for, *inter alia*, their work with their respective statement concerning the Merger Plan, their review of the Merger Plan and any other work performed with respect to the Merger.

Under the short-term incentive program 2026 established by the board of directors of Fingerprint Cards, the managing director of Fingerprint Cards is entitled to a cash payment corresponding to 55 percent of his annual base salary if Fingerprint Cards carries out certain strategic transactions, including the Merger. The cash payment is expected to be paid following, and subject to, Completion.

11. Other

The managing director of Precise Biometrics and the managing director of Fingerprint Cards shall be entitled to jointly make any minor amendments to the Merger Plan that may prove necessary in connection with the registration of the Merger Plan or the Merger with the Swedish Companies Registration Office, or Euroclear Sweden in connection with the account of the Merger Consideration.

Attached to this Merger Plan are the following documents:

- (a) Precise Biometrics' annual financial statements for the financial years 2022, 2023 and 2024
- (b) Fingerprint Cards' annual financial statements for the financial years 2022, 2023 and 2024
- (c) Precise Biometrics' year-end report for the financial year 2025
- (d) Fingerprint Cards' year-end report for the financial year 2025
- (e) Auditor's statement by Ernst & Young AB in accordance with Chapter 23, Section 11 of the Companies Act
- (f) Auditor's statement by BDO Mälardalen AB in accordance with Chapter 23, Section 11 of the Companies Act

(Signature page follows)

23 March 2026

Precise Biometrics AB (publ)

Torgny Hellström

Torgny Hellström

Åsa Schwarz

Åsa Schwarz

Peter Gullander

Peter Gullander

Peter Gullander

Maria Rydén

Howard Ro

Howard Ro

Victor Kuzmin

Victor Kuzmin

23 March 2026

Fingerprint Cards AB (publ)

Christian Lagerling

Christian Lagerling

Carl Johan Grandinson

Carl Johan Grandinson

Adam Philpott

Adam Philpott