



YOU are the key

Interim Report

Q3

January – September, 2025

PRECiSE
BIOMETRICS

Precise, a pioneer in biometrics and cybersecurity, whose technology is used

100,000

times/second, all year round

Precise Biometrics (Precise) is a global pioneer in the field of cybersecurity and biometric solutions. The offering includes algorithm products for fingerprint, facial and hand recognition, as well as packaged end-customer products for biometric access (Precise Access) and visitor management (Precise Visit by EastCoast).

Our solutions offer secure and seamless access to data, mobile devices, locations and trusted identities. The focus areas are biometric authentication for mobile phones, laptops, security keys and physical access, vehicle applications for in-car payment, driver authentication and personal settings/access – as well as systems for visitor management and physical biometric access.

Precise operates through two business units, Digital Identity and Biometric Technologies, and runs the business from its offices in Lund (HQ), Stockholm, Potsdam NY, Seoul, Taipei and Shanghai. The Precise share (PREC) is listed on Nasdaq Stockholm. Find out more at www.precisebiometrics.com.

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The period in brief:

Strong position and positive EBITDA

Third quarter

- Net sales totaled SEK 20.0 (22.8) million.
- EBITDA totaled SEK 4.4 (6.8) million.
- The operating profit/loss (EBIT) totaled SEK -0.6 (1.2) million
- Earnings for the period totaled SEK -0.7 (1.4) million.
- Earnings per share before and after dilution totaled SEK -0.01 (0.02)
- Cash flow from operating activities totaled SEK 1.7 (3.3) million.
- ARR (Annual Recurring Revenue) at the end of the period was SEK 18.4 (18.4) million.

Interim period January – September

- Net sales totaled SEK 60.8 (65.1) million
 - A change in revenue allocation in a renegotiated customer agreement results in higher revenue on an annual basis, but has a negative impact of SEK 1.8 million on net sales for the interim period
- EBITDA totaled SEK 2.1 (9.9) million.
 - Adjusted for negative currency effects from operating items of SEK 2.5 million and a change in revenue allocation in a customer agreement of SEK 1.8 million, EBITDA amounts to SEK 6.4 million
- The operating profit/loss (EBIT) totaled SEK -13.4 (-7.3) million
- Earnings for the period totaled SEK -13.6 (-7.1) million.
- Earnings per share before and after dilution totaled SEK -0.17 (-0.09)
- Cash flow from operating activities totaled SEK 5.1 (4.3) million.
- ARR (Annual Recurring Revenue) at the end of the period was SEK 18.4 (18.4) million.

Significant events during the quarter

- Precise brings synthetic biometric data generation to products and customers
- Precise Biometrics partners with Avigilon to enhance biometric physical access control
- Precise Biometrics to join Redeye CyberSecurity Day 2025

Significant events after the end of the interim period

- Precise strengthens Precise Visit by EastCoast with new access control capabilities

Financial data and key indicators

Amounts in SEK thousands unless otherwise stated	2025	2024	2025	2024	2024	Rolling
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full-year	12 mth
Net sales	20 006	22 799	60 797	65 065	86 852	82 584
Net sales growth, %	-12,3%	28,7%	-6,6%	18,8%	15,7%	-3,3%
EBITDA	4 351	6 785	2 115	9 943	13 379	5 552
Gross margin, %	75,8%	74,3%	73,8%	72,7%	72,6%	73,4%
Operating profit/loss (EBIT)	-641	1 150	-13 399	-7 340	-9 414	-15 473
Operating margin, %	-3,2%	5,0%	-22,0%	-11,3%	-10,8%	-18,7%
Cash flow from the operating activities	1 662	3 275	5 071	4 298	10 055	10 828
Cash and cash equivalents	31 275	41 650	31 275	41 650	37 704	
Annual Recurring Revenue	18 412	18 434	18 412	18 434	18 980	

See the Financial Glossary for definitions.

Presentation and live Q&A

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

Video interview

The video is available on the Investor Relations page:

<https://www.precisebiometrics.com/investors/>

Live Q&A

The company also invites you to a **live Q&A session on November 14, 2025 at 13:00** (CET). More information and a registration link to the Q&A session may be found on the Investor Relations page:

<https://www.precisebiometrics.com/investors/>

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

CEO comments

Strong position and positive EBITDA

We are delivering a positive EBITDA for the quarter of SEK 4.4 million (6.8), reflecting a robust business and our ability to deliver despite a weaker US dollar and a market that remains cautious. Our recurring revenue (ARR) within Digital Identity remains stable compared to the same period last year, affected by a customer bankruptcy in the second quarter and by our migration focus to enable accelerated sustainable growth going forward. Net sales for the quarter totaled SEK 20.0 (22.8) million, and for the interim period SEK 60.8 (65.1) million. Operating expenses for the quarter are in line with the corresponding period last year.

Our position remains strong, and demand for biometric solutions is increasing, even though the market situation is affecting business in the short term. In the important mobile phone market, we not only won new projects, but also saw several launches of new models using our software. Moreover, demand for our anti-spoof solutions for national ID programs is increasing.

We have made important progress with Precise Visit by EastCoast (Precise Visit), migrating many customers to our cloud solution, creating a sustainable and scalable business over time. The technological advances we have made with synthetic biometric data are also important, as this creates both competitiveness and new business opportunities.

The market

Demand for our products is increasing, even though the market situation is prolonging business discussions.

The shift to ultrasonic sensors in the mobile industry is progressing as expected, and future volumes look very promising. Growth is expected to continue through both higher market penetration and new segments. We are also experiencing higher levels of interest in biometric security solutions, a consequence of the rapid AI development and the changing security situation around the world.

Biometric recognition offers a unique combination of user-friendliness and security, making it an obvious choice for many users, and Precise solutions are very much leading the way. Cybersecurity is also high on the agenda of both companies and government agencies all over the world.

Biometric Technologies

During the period, we integrated synthetic biometric data into our product development and also offer this as a service. This initiative sees us meeting the rapidly growing demand for high-quality biometric data, continuing to build on our expertise in data collection and anti-spoofing.

Our offering is experiencing rising demand, and we continue to win new projects together with customers and partners. There is a degree of caution in the mobile vertical, but it continues to deliver stable volumes and we see growth in the market for our product segments. Our customers are experiencing strong growth and volumes are expected to increase in the years ahead. Revenue in the automotive industry is in line with forecasts, despite the industry experiencing a generally fraught situation.

The growing market for national ID programs presents good potential, with demand for anti-spoof and liveness technology continuing to increase. We have several agreements in place with an expected roll-out during the next year.

The palm recognition initiative has also taken important steps forward in terms of both technical development and market cultivation. A pilot project is under way in the US, and our business partner HandID is preparing for mass production of its palm reader during the next few quarters, while more hardware partners are being evaluated. Furthermore, governments have started to specify strict requirements for the technology, further reinforcing its relevance.

Digital Identity

Sales of Precise Visit continue at a healthy pace, with an increased inflow of new customers and recurring revenue. Since last summer, we have put extra effort into migrating customers from the company's on-premise solution to the new generation cloud-based solution. This is affecting growth in the short term, but will bring scalability, cost-efficiency and loyalty in the longer term.

The benefits of our cloud-based solution include physical access functionality and integrations with many of the leading access systems, opening up an extended offering to existing customers – as well as the possibility of totally hardware-free visitor management in which visitors check in using their own device.

Our new partnership with Avigilon is also a major event, which sees us integrating Precise Access with their physical access control system. The solution is being sold via Avigilon's global partner network and includes two-factor authentication for enhanced security.

We continue to invest in expanding our market presence and driving sales, including active customer engagement in new markets. Framework agreements with major companies are also expected to support positive growth ahead.

Market cultivation

Market cultivation continues, and during the quarter we further boosted our digital presence with segmented campaigns aimed at relevant target groups, which have generated results in the form of incoming inquiries.

Notable activities include website optimization, activities in Norway, the migration of Precise Visit customers, the GSX security trade show in the US together with Avigilon, and campaigns linked to national ID programs. I also took part in activities including Redeye Cybersecurity Day and the Rapidus podcast Lejonkulan.

Future prospects

I have a very positive view of the future. In a society where security and user-friendliness are becoming increasingly central, our solutions help create greater peace of mind. Biometrics, cybersecurity and artificial intelligence are the foundation of our business.

As one of a small number of actors in the field of ultrasonic algorithms, I see potential for increased revenue, while we make progress in the areas of cybersecurity, biometric solutions for government agency projects and visitor management systems. Moreover, by optimizing our supplier agreements and improving efficiency, we have succeeded in increasing sales capacity and productivity without a significant increase in costs. I believe this will have a positive effect on earnings going forward.

A strong product portfolio, stable finances and long-term partnerships put us in a healthy position, and I look forward with confidence to continuing our journey.

Joakim Nydemark
CEO

My top three:

- Positive EBITDA
- BioLive and anti-spoofing have never been more relevant
- Biometrics, cybersecurity and artificial intelligence are the cornerstones of our business



Update from the business areas

Biometric Technologies

Biometric Technologies has experienced a quarter of continued positive growth and a high tempo in both existing projects and new business discussions. Unfortunately, the global situation is affecting sales of many of the company's customers, primarily in the mobile industry, which means lower volumes for the quarter compared with the corresponding period last year. The US dollar rate also continues to have a negative impact. At the positive end of the scale, demand remains strong for BioLive and solutions for ultrasonic sensors, and during the period the company not only won new projects, but also saw new mobile phones containing BioMatch and BioLive reach the market.

Highlights

1. **Ultrasonic** is growing and winning market share from older technologies, which benefits Precise as the company is one of only few suppliers globally. On the one hand, developments are being driven by new technology in high-resolution displays, and on the other hand, the market is being broadened down to include the mid-range segment. Several new Android phones containing the company's technology were launched during the quarter, and Precise sees a positive future in this segment.
2. **The BioLive anti-spoof and liveness solution** is growing in several segments. The security situation and the growth of AI are making anti-spoof solutions increasingly central to ensuring the security of biometric authentication and identification. Mobile phones and national ID programs are two important segments. The solution has been implemented in a number of Android phones, generating recurring revenue for Precise, and also in several certified readers for national ID, where Precise foresees future revenue. BioLive is also attracting interest in other areas such as cybersecurity.
3. **National ID programs** are an area where there is a lot of activity and plenty of positive discussions. Several agreements have been signed with scanner suppliers and discussions are ongoing with a number of organizations in the area. The implementation of BioLive is simple and does not normally require any technical modifications to sensors or ecosystems, but the overall level of complexity in the projects is high, which means that the

lead time from certification and implementation to revenue is longer than in other projects.

4. **Data collection and synthetic data generation** are key to the company's data-driven solutions, and something on which the company has been working a long time. Data collection operations are well-established and growing steadily. Major steps have been taken in the field of [synthetic data generation](#) in terms of implementation in our own products and processes, and work is now under way to package the concept as a service.
5. Interest in **palm** as a modality remains strong, and the company has product packages ready to go, but is working together with various hardware manufacturers to create a complete solution including hardware. These partnerships have progressed to different stages, with some at an early stage, in some cases integration work is under way and in one case the integration is complete and Precise is awaiting delivery of the hardware. New business discussions were initiated during the quarter, but these are still at a relatively early stage. The quarter also saw improved integration with Precise Access, which is now available as a pre-packaged integration.
6. **Physical access to commercial buildings** is another area where the company sees potential for palm modality, in combination with the packaged biometric access solution Precise Access, and the company is working on new packaged solutions in this area. The level of maturity is increasing – according to reports from [HID](#) many companies in the US and Europe are already using biometrics for physical access, and its use is expected to accelerate as a result of the security situation and technological developments. Biometrics combines security and user-friendliness in a way that traditional access cards and PIN codes cannot match. Biometrics also plays an important role in multi-factor authentication (MFA).



Digital Identity

The quarter was characterized by a high level of activity in the market and numerous sales meetings. The focus for **Precise Access** was on the US and getting the new partner [Avigilon](#) up and running. For **Precise Visit by EastCoast**, the focus was on new sales in Sweden and Norway, and on migrating on-premise customers to the cloud.

The ARR stock has been stable in recent months, despite healthy new sales. The reason is the migration focus, and that some older Precise Visit on-premise customers, who previously paid for the product but did not actively use it, have chosen to terminate their agreements in connection with a campaign to encourage migration to the cloud. This churn is of a non-recurring nature and is expected to have a much smaller impact going forward. It has had a negative impact on the ARR stock in the short term, but is in line with the strategic choice to build a scalable cloud solution instead of further developing the older on-premise product. The cloud brings many benefits – more functionality, simpler upgrades and reduced support requirements – which combine to boost the profitability and scalability of the business. The cloud solution is growing steadily, and the management team at Precise is confident that this is the right way to drive long-term, scalable growth.

The two products have undergone a process of rebranding to Precise Visit by EastCoast and Precise Access. To achieve efficiency and minimal customer impact, the project is being implemented as an ongoing project that is expected to be completed during the first half of 2026.

Precise Visit by EastCoast highlights

1. Numerous new customer meetings and several new pilot installations in Norway. The initiative is going according to plan and the trend is positive.
2. Good new customer activity in Sweden and several new framework agreements with major customers.
3. The cloud migration campaign undertaken during the quarter resulted in several existing customers taking the step to the cloud.
4. New functionality such as event visits and [improved integrated access functionality](#), including integrations with leading access management systems.
5. The product has been prepared for online sales via the company's website, which will be launched during Q4.

Precise Access highlights

1. Palm has been integrated into the product, which can now be used with face, palm or QR authentication.
2. Two new partnerships with access management system suppliers have been established in the US market, with [Avigilon](#) having been announced. There is a high level of interest in biometrics in this area, both for biometric access and as an element of multi-factor authentication (MFA). Precise Access has been integrated with Avigilon's security platform, is being marketed on their website and will be sold via their partner network. The solution was also presented at the GSX trade show in New Orleans at the end of the quarter.
3. Precise Access, integrated with Avigilon, received very positive feedback during the GSX trade show.

New customers in Digital Identity

There has been a healthy inflow of new customers, with several new agreements in both private and public sectors. Migration to the cloud platform has also seen a positive trend with customers such as Copenhagen Malmö Port, IF Skadeförsäkringar and Sweco – all with strict requirements for security and scalability.

Roadmap

Several new functions were launched during the period, while improvements were made in security, integrations and user-friendliness. Examples of new features include event visits and [packaged access integrations](#) in Precise Visit, as well as packaged integration to palm and integration to Avigilon in Precise Access. Rebranding to Precise Access and Precise Visit by EastCoast is also part of the roadmap.



Customer offering

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

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

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

Areas of applications cover both digital and physical access – from mobile phones, laptops and logical access to payment, vehicles, visitor and access management systems, as well as government agency initiatives such as national ID programs and Automated Biometric Identification Systems (ABIS).

Why Precise?

- Unique position and over 25 years of experience.
- 100,000 biometric verifications every second, all year round.
- Global reach and trust from over 800 customers – from mid-sized companies and public sector organizations to global technology giants and national ID programs.
- 100% software and SaaS, providing flexibility and the facility to make quick changes.

- Hardware-independent - our solutions work with multiple sensor types and platforms.
- Combines different biometric modalities such as finger, palm, and face.
- Listed on Nasdaq Stockholm

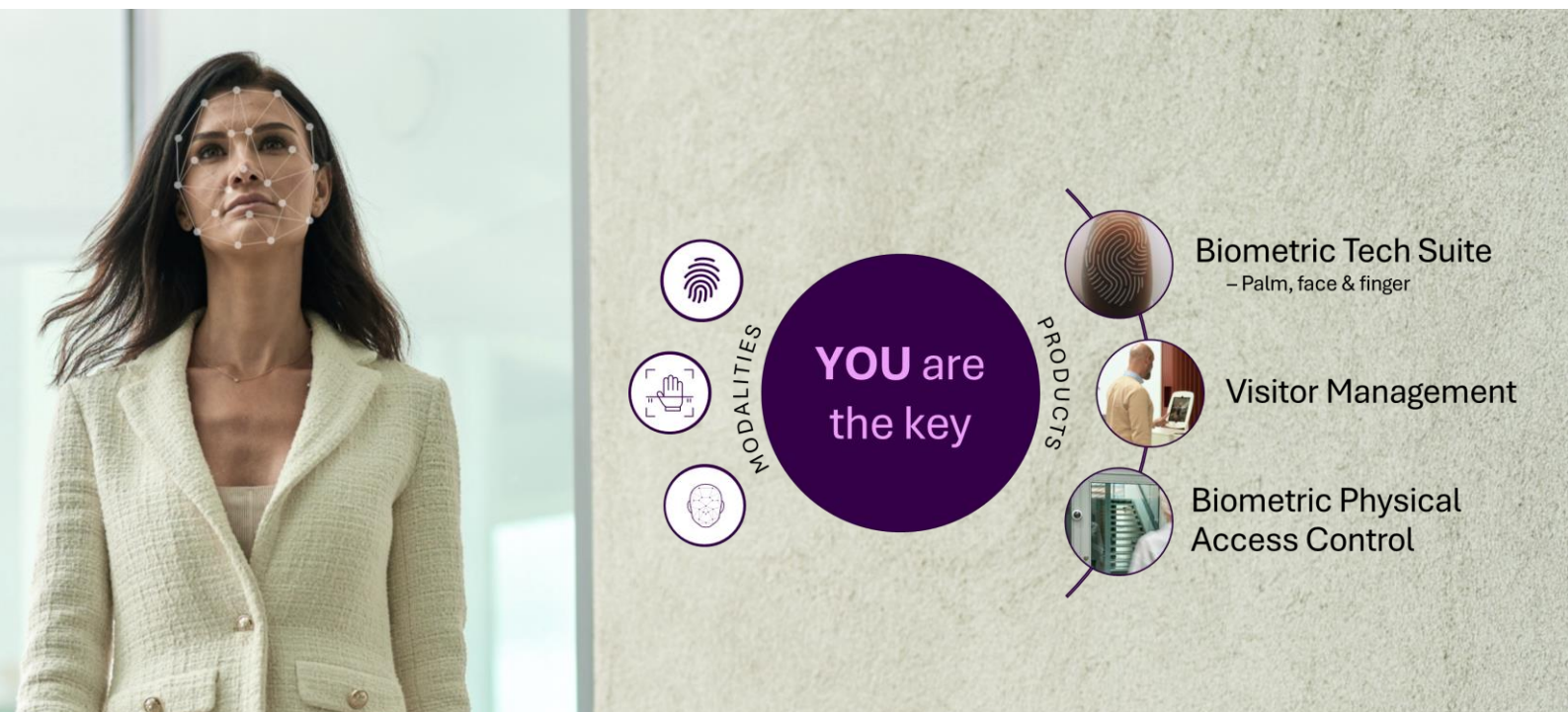
Our products

Access and visitor management

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

Biometric software suite for palm and finger recognition

- **BioMatch:** Biometric palm and fingerprint matching for identification and authentication.
- **BioLive:** AI-driven anti-spoofing and liveness detection that ensures biometric print authenticity and protects against manipulation, fraud and forgery.
- **BioEnhance:** Image enhancement of biometric prints before matching for increased security and performance.
- **Biometric Services:** Offering for biometric expertise, data collection, spoof creation, and synthetic data generation.



Net sales and operating profit/loss

Net sales for the quarter

Net sales during the quarter totaled SEK 20.0 (22.8) million, divided between royalty revenues of SEK 9.3 (11.0) million, license fees (including support and maintenance) of SEK 9.7 (11.0) million and other revenues of SEK 1.0 (0.8) million. Royalty revenues during the quarter were affected by slightly lower volumes from our customers, reflecting variations in the production of mobile devices. A weaker USD also contributed to lower revenue during the period.

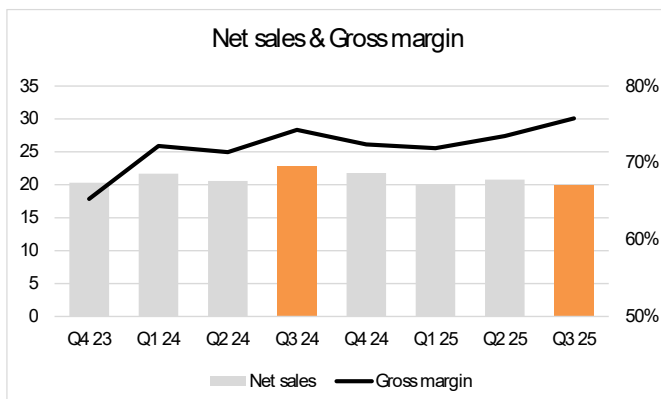
Biometric Technologies

Net sales for Biometric Technologies totaled SEK 14.9 (17.5) million and are reported under royalties at SEK 9.3 (11.0) million, licenses at SEK 5.2 (6.4) million, and other revenue at SEK 0.5 (0.1) million. Royalty revenues were slightly lower during the quarter, due to lower customer volumes and a weaker USD. As the biometric algorithm business is affected by customers' production levels, which may vary between quarters, the trend should be assessed over time rather than on the basis of individual quarters. The gross margin during the quarter totaled 84.6% (82.0). The improvement in the gross margin is explained by reduced amortization of previously capitalized development expenses and lower costs of goods.

Digital Identity

Net sales for Digital Identity totaled SEK 5.1 (5.3) million and are reported under licenses at SEK 4.6 (4.6) million, and other revenues at SEK 0.5 (0.7) million.

The proportion of annual recurring revenue (ARR) was SEK 18.4 (18.4) million at the end of the quarter. One consequence of the company's strategy to increase the proportion of recurring revenue (ARR) and gradually replace older products is that there has been some churn.



The comparison is still affected by one customer agreement that was terminated in the previous quarter. The ARR level is otherwise stable, with positive new sales.

The gross margin during the quarter totaled 50.0% (49.0). The improved gross margin is due to reduced depreciation/amortization, which in turn is an effect of lower capitalization of development expenses in previous periods.

Earnings for the quarter

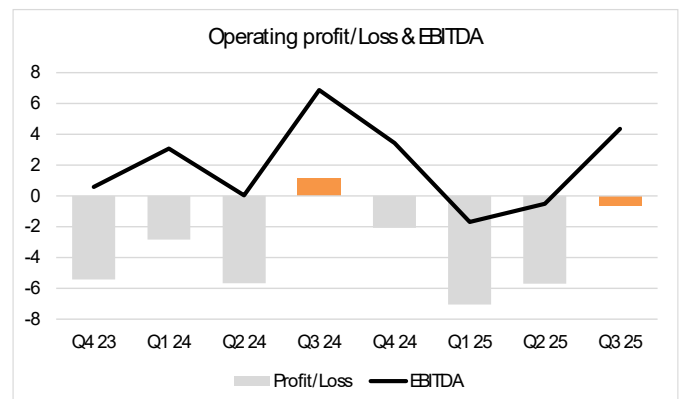
The gross margin during the quarter totaled 75.8% (74.3). The increase is due to both reduced depreciation/amortization and lower cost of goods during the quarter. Amortization of capitalized development expenses totaled SEK 3.5 (4.1) million. Amortization of acquired intangible assets totaled SEK 0.6 (0.6) million.

Operating expenses during the quarter totaled SEK 15.8 (15.8) million, which is on par with the same period in the previous year.

The profit/loss at EBITDA level totaled SEK 4.4 (6.8) million, which is primarily due to lower net sales and the exchange rate impact on revenue.

The operating profit/loss (EBIT) for the quarter totaled SEK -0.6 (1.2) million. Earnings for the quarter totaled SEK -0.7 (1.4) million. Total depreciation/amortization was SEK 5.0 (5.6) million.

Earnings per share (average number of shares) for the quarter totaled SEK -0.01 (0.02).



Net sales for the interim period

Net sales during the interim period totaled SEK 60.8 (65.1) million. Net sales were reported under royalty revenues at SEK 26.8 (29.6) million, license fees (including support and maintenance) at SEK 29.5 (31.2) million and other revenue at SEK 4.5 (4.3) million. Royalty revenues decreased as a consequence of a renegotiated customer agreement, which entails increased revenue on an annual basis but lower revenue during the interim period by approximately SEK 1.8 million. License fees were down primarily due to changes in the composition of customers and the reduced support needs of some customers. A weaker USD also had a negative impact on revenue.

Biometric Technologies

Net sales for Biometric Technologies totaled SEK 45.2 (49.2) million and are reported under royalties at SEK 26.8 (29.6) million, licenses at SEK 15.7 (17.3) million, and other revenue at SEK 2.7 (2.3) million. Royalty revenues during the interim period were slightly lower than in the previous year, affected by a renegotiated customer agreement and a weaker USD. License fees were down year-on-year mainly as a consequence of changes in the composition of customers and renegotiated license agreements linked to the reduced support needs of some customers. The gross margin during the interim period was 83.2% (83.9).

Digital Identity

Net sales for Digital Identity totaled SEK 15.6 (15.9) million and are reported under licenses at SEK 13.8 (13.8) million, and other revenue at SEK 1.8 (2.0) million. The ARR at the end of the interim period was SEK 18.4 (18.4) million. One consequence of the company's strategy to increase the proportion of annual recurring revenue (ARR) and gradually migrate older products, some churn also occurred during the interim period. The impact of a customer agreement that was terminated during the first half of the year still affects the comparison. The ARR level remains largely unchanged compared with the previous year, while there was a positive trend in new sales. The gross margin during the interim period was 46.4% (37.9).

Earnings for the interim period

The gross margin during the interim period was 73.8% (72.7). The improved gross margin is due to reduced depreciation/amortization, which in turn is an effect of lower capitalization of development expenses in previous periods. Total amortization of capitalized development expenses was SEK 11.0 (12.5) million. Amortization of acquired intangible assets totaled SEK 1.8 (1.8) million.

Operating expenses for the interim period increased to SEK 58.2 (54.6) million. During the interim period, the company was negatively affected by the trend in the USD exchange rate, which in its entirety resulted in other operating expenses of SEK -2.5 million. The corresponding interim period in the previous year saw operating income of SEK 0.3 million, which means a currency-related change of SEK 2.8 million between the periods.

The profit/loss at EBITDA level fell to SEK 2.1 (9.9) million. This decrease is explained by lower net sales due to a weaker USD and higher operating costs, mainly attributable to exchange rate differences. A renegotiated customer agreement also affected earnings, with revenue that was approximately SEK 1.8 million lower in the quarter, but higher revenue on an annual basis.

The operating profit/loss for the interim period totaled SEK -13.4 (-7.3) million. Earnings for the interim period totaled SEK -13.6 (-7.1) million. Total depreciation/amortization totaled SEK 15.5 (17.3) million. Earnings per share (average number of shares) for the interim period totaled SEK -0.17 (-0.09).

Net financial items and tax

Net financial items for the quarter totaled SEK -0.1 (0.2) million and the tax expense totaled SEK 0.1 (0.1) million. Net financial items for the interim period totaled SEK -0.5 (-0.1) million and the tax expense totaled SEK 0.3 (0.3) million.

Net financial items are attributable to exchange rate differences in cash and cash equivalents, interest income, interest on the lease liability in accordance with IFRS 16, as well as interest expense on the deferred fixed purchase price related to the acquisition of EastCoast.

Cash flow and investments

The cash flow from operating activities during the quarter totaled SEK 1.7 (3.3) million, of which SEK -2.5 (-3.6) million is attributable to changes in working capital. The Group invested SEK 0.4 (0.3) million in property, plant and equipment during the quarter. Total cash flow for the quarter was SEK -2.3 (0.0) million.

Cash flow for the interim period from operating activities totaled SEK 5.1 (4.3) million, primarily attributable to a positive change in working capital of SEK 3.6 (-5.6) million. The Group invested SEK 1.1 (0.2) million in property, plant and equipment during the interim period. Total cash flow for the interim period was SEK -6.1 (-5.9) million.

Capitalization and amortization of development work

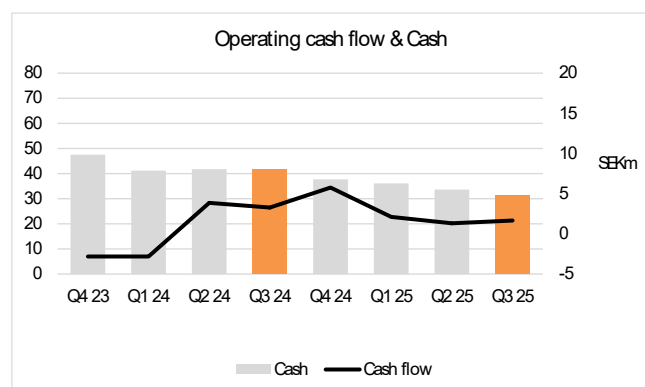
Development expenses of SEK 3.0 (2.5) million were capitalized during the quarter, and amortization of capitalized development expenses in respect of Digital Identity and Biometric Technologies totaled SEK 3.5 (4.1) million. Development expenses of SEK 8.8 (8.1) million were capitalized during the interim period, and amortization of capitalized development expenses totaled SEK 11.0 (12.5) million.

Right of use assets

No new rental agreements were added during the quarter, but the interim period saw an extension of rental agreements in Lund and indexation of rent in Lund and Stockholm, which resulted in an increase in lease liabilities of SEK 3.4 (5.8) million. Right of use assets totaled SEK 10.7 (7.9) million at the end of the period.

Financial position and liquidity

Cash and cash equivalents at the end of the period totaled SEK 31.3 (41.7) million. Total equity at the end of the period was SEK 137.4 (152.2) million, and equity per share was SEK 1.75 (1.94).



The parent company

The parent company's net sales for the quarter totaled SEK 16.2 (19.0) million and the operating profit/loss for the quarter totaled SEK -1.0 (-0.3) million and was charged with amortization of goodwill totaling SEK 0.6 (0.6) million. Net sales for the interim period totaled SEK 48.1 (52.2) million. The operating profit/loss totaled SEK -13.7 (-8.6) million and was charged with

amortization of goodwill totaling SEK 1.8 (1.8) million. Cash and cash equivalents at the end of the interim period totaled SEK 23.4 (29.2) million, and equity SEK 125.1 (140.8) million.

Organization and staff

The organization consists of the head office in Lund, Sweden, and offices in Stockholm, Sweden, Potsdam, USA, and Shanghai, China. At the end of the interim period, the Group had a workforce of 46 (40) people, including on-site consultants. The number of employees was 37 (30), of which 30 (23) were located in Sweden. Precise works in an agile way together with several partners, creating a fast-moving, scalable organization. The number of employees does not include partners.

Financial Calendar

- Year-End Report 2025 – February 12, 2026
- Q1 Interim Report 2026 – May 13, 2026
- AGM 2026 – May 21, 2026
- Q2 Interim Report 2026 – August 14, 2026
- Q3 Interim Report 2026 – November 13, 2026

Risk factors

The Group and parent company's business risks and risk management as well as the management of financial risks are described in detail in the Annual Report for 2024, which was issued in April 2025. There have been no incidents of significant importance since then that would affect or change these descriptions of the Group or parent company's risks and how they are managed.

Ownership structure

Precise Biometrics AB (publ), corporate ID number 556545-6596, is the parent company in the Precise Biometrics Group. Precise Biometrics AB's shares are listed on the Nasdaq OMX Nordic Small Cap list. The number of shareholders at the end of the quarter was 20,261 (22,369). 13,668,521 (154,050,244) PREC shares were traded during the quarter. The closing price on September 30 was SEK 3.20 (3.68), and during the quarter the share price fluctuated between SEK 2.57 (3.22) and SEK 3.63 (8.80).

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

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

Lund, November 14, 2025

Torgny Hellström

Chairman of the Board

Howard Ro	Peter Gullander	Victor Kuzmin	Maria Rydén	Åsa Schwarz
Board member	Board member	Board member	Board member	Board member

Joakim Nydemark

CEO

For further information, please contact:

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This information is information that Precise Biometrics AB is obligated to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication on November 14, 2025 at 08:00 (CET).

Review report

This is a translation from the Swedish original

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

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

Introduction

We have reviewed the condensed interim report for Precise Biometrics AB (publ) as at September 30, 2025 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

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

Conclusion

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

Malmö, November 14, 2025

Ernst & Young AB

Martin Henriksson

Authorized Public Accountant

Consolidated income statement – in summary

Amounts in SEK thousand	Note	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year	Rolling 12 mth
Net sales	2,3	20 006	22 799	60 797	65 065	86 852	82 584
Cost of goods sold		-4 838	-5 863	-15 958	-17 771	-23 786	-21 973
Gross profit		15 168	16 936	44 839	47 294	63 066	60 611
Marketing and sales expenses		-6 855	-6 705	-24 761	-24 588	-32 982	-33 155
Administrative expenses		-2 881	-2 495	-10 711	-10 089	-13 789	-14 411
R&D expenses		-6 033	-6 325	-20 279	-20 219	-26 966	-27 026
Other operating income/expenses		-40	-260	-2 487	263	1 256	-1 494
		-15 809	-15 786	-58 238	-54 634	-72 480	-76 086
Operating profit/loss		-641	1 150	-13 399	-7 340	-9 414	-15 473
Finacial income/expenses	4	-100	159	-479	-60	630	211
Profit/Loss before tax		-741	1 309	-13 878	-7 400	-8 784	-15 262
Tax		87	88	260	262	351	349
Profit/loss for the period attributable to parent company shareholders		-654	1 396	-13 618	-7 138	-8 433	-14 913
Earnings per share, remaining operations, SEK*							
- before dilution		-0,01	0,02	-0,17	-0,09	-0,11	-0,19
- after dilution		-0,01	0,02	-0,17	-0,09	-0,11	-0,19
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME							
Profit/Loss for the period		-654	1 396	-13 618	-7 138	-8 433	-14 913
Other comprehensive income:							
<i>Items that may be reclassified to profit or loss</i>							
Changes in accumulated exchange rate differences		-19	-125	-558	16	274	-300
Other comprehensive income for the period		-19	-125	-558	16	274	-300
Profit/Loss total attributable to holders of participations in the parent company		-673	1 271	-14 176	-7 122	-8 159	-15 213

*Dilution effects are only considered in the event that the earnings per share become worse. Dilution effects have not been considered, as the average price is below the subscription price in current option programs.

Consolidated balance sheet – in summary

Amounts in SEK thousand

ASSETS	Note	2025-09-30	2024-09-30	2024-12-31
FIXED ASSETS				
Material assets		12 410	9 645	10 639
Goodwill and immaterial assets		120 665	126 408	124 741
TOTAL FIXED ASSETS		133 075	136 053	135 380
CURRENT ASSETS				
Inventories		250	231	242
Accounts receivable		13 023	15 836	23 813
Other current receivables		4 025	4 388	3 123
Accruals and deferred income		2 561	2 710	2 804
Cash and cash equivalents	4,6	31 275	41 650	37 704
TOTAL CURRENT ASSETS		51 134	64 815	67 686
TOTAL ASSETS		184 209	200 868	203 066
EQUITY AND LIABILITIES				
EQUITY				
Equity		137 395	152 200	151 163
TOTAL EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS		137 395	152 200	151 163
LONG-TERM DEBT				
Long term debt	6	18 007	21 150	16 281
TOTAL LONG-TERM DEBT		18 007	21 150	16 281
SHORT-TERM LIABILITIES				
Short-term liabilities	4,6	28 807	27 518	35 621
Total Short-term liabilities		28 807	27 518	35 621
TOTAL EQUITY AND LIABILITIES		184 209	200 868	203 066

Consolidated cash flow statement – in summary

Amounts in SEK thousand	Note	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year	Rolling 12 mth
Cash flow from operating activities							
Operating profit/loss		-641	1 150	-13 399	-7 340	-9 414	-15 473
Adjustments for items not included in cash flow		4 938	5 519	15 347	17 267	22 928	21 008
Interest payments, net		-101	159	-479	-60	630	211
Tax paid		4	-2	4	-13	-22	-6
Cash flow from operating activities before changes in working capital		4 199	6 826	1 472	9 854	14 122	5 740
Cash flow from changes in working capital							
Change in inventories		-25	60	-8	128	117	-19
Change in current receivables		2 260	3 609	10 087	2 668	-4 113	3 306
Change in current liabilities		-4 772	-7 221	-6 480	-8 352	-71	1 801
		-2 537	-3 552	3 599	-5 556	-4 067	5 088
Cash flow from operating activities		1 662	3 275	5 071	4 298	10 055	10 828
Acquisition of subsidiaries	6	0	0	0	0	-6 168	-6 168
Investment in fixed assets		-380	-343	-1 092	-236	-370	-1 226
Investment in intangible assets		-3 035	-2 327	-8 757	-8 056	-10 967	-11 668
Cash flow from investing activities		-3 415	-2 670	-9 849	-8 292	-17 505	-19 062
Repurchase of own shares		0	0	0	-2	-3	-1
Payment for sale/buy-back of options		0	0	407	0	0	407
Payment of lease liability		-572	-641	-1 765	-1 901	-2 542	-2 406
Cash flow from financing activities		-572	-641	-1 358	-1 903	-2 545	-2 000
Total Cash flow		-2 325	-36	-6 136	-5 897	-9 994	-10 233
Cash & cash equivalents at beginning of year		33 577	41 746	37 704	47 534	47 534	41 650
Exchange rate differences in cash & cash equivalents		24	-60	-294	13	164	-143
Cash & cash equivalents at end of period 1)		31 275	41 650	31 275	41 650	37 704	31 275

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

Consolidated change in equity – in summary

Amounts in SEK thousand		2025	2024	2024	Rolling
	Note	Jul-Sep	Jul-Sep	Full-year	12 mth
Equity at start of period		151 163	159 319	159 319	152 200
Comprehensive income					
Profit/loss for the period		-13 618	-7 138	-8 433	-14 913
Other comprehensive income					
Exchange differences		-558	16	274	-300
Total other comprehensive income		-558	16	274	-300
Total comprehensive income		-14 176	-7 122	-8 159	-15 213
Transactions with shareholders					
LTI programme	5	409	2	2	409
Total transactions with shareholders		409	2	2	409
Equity end of period		137 395	152 200	151 163	137 395

Notes

Note 1 – Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The parent company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Annual Reporting Board's recommendation RFR 2, Accounting for Legal Entities. The recognition and measurement policies and bases of estimates applied in the Annual Report for 2024 report have also been used in this interim report.

Note 2 – Revenue allocation

Amounts in SEK thousand	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year	Rolling 12 mth
Segment						
Biometric Technologies						
Royalty	9 300	10 998	26 767	29 583	41 089	38 274
Licenses, incl. support & maintenance	5 162	6 352	15 651	17 347	21 976	20 280
Other	477	114	2 750	2 284	2 358	2 824
Digital Identity						
Licenses, incl. support & maintenance	4 574	4 607	13 835	13 804	18 588	18 618
Other	493	728	1 795	2 048	2 841	2 587
Total	20 006	22 799	60 797	65 065	86 852	82 584
Timing of revenue recognition						
At point in time*	10 296	13 599	31 241	35 361	47 777	43 656
Over time**	9 710	9 200	29 556	29 704	39 075	38 927
Total	20 006	22 799	60 797	65 065	86 852	82 584
Region/Country						
Europe	6 134	7 985	19 020	20 927	27 598	25 691
- w hereof Sweden	4 735	4 884	14 732	15 199	20 356	19 888
Asia	6 845	6 273	20 481	22 192	29 443	27 732
- w hereof China	246	342	796	1 040	1 372	1 129
- w hereof Taiwan	5 513	5 247	16 827	18 838	24 963	22 953
USA	7 027	8 541	21 296	21 946	29 811	29 161
Total	20 006	22 799	60 797	65 065	86 852	82 584

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

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

Note 3 – Segment reporting

	2025			2024		
	Jul-Sep			Jul-Sep		
	Biometric Technologies	Digital Identity	Total Segment	Biometric Technologies	Digital Identity	Total Segment
Net sales	14 939	5 068	20 006	17 465	5 334	22 799
Cost of goods sold exkl. depreciation	-77	-865	-942	-510	-855	-1 365
Depreciation included in cost of sold goods	-2 229	-1 667	-3 896	-2 633	-1 865	-4 498
Gross profit	12 633	2 536	15 168	14 322	2 614	16 936

	2025			2024		
	Jan-Sep			Jan-Sep		
	Biometric Technologies	Digital Identity	Total Segment	Biometric Technologies	Digital Identity	Total Segment
Net sales	45 167	15 630	60 797	49 214	15 851	65 065
Cost of goods sold exkl. depreciation	-800	-2 875	-3 674	-834	-3 094	-3 928
Depreciation included in cost of sold goods	-6 787	-5 496	-12 283	-7 089	-6 754	-13 843
Gross profit	37 580	7 259	44 839	41 291	6 003	47 294

	2024			Rolling		
	Full-year			12 mth		
	Biometric Technologies	Digital Identity	Total Segment	Biometric Technologies	Digital Identity	Total Segment
Net sales	65 424	21 428	86 852	61 377	21 206	82 584
Cost of goods sold exkl. depreciation	-1 259	-4 297	-5 556	-1 225	-4 078	-5 302
Depreciation included in cost of sold goods	-9 402	-8 828	-18 230	-9 100	-7 570	-16 670
Gross profit	54 764	8 303	63 066	51 053	9 558	60 611

Other information

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

	2025	2024	2025	2024	2024	Rolling
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full-year	12 mth
Reconciliation profit/Loss						
Gross profit	15 168	16 936	44 839	47 294	63 066	60 611
Marketing and sales expenses	-6 855	-6 705	-24 761	-24 588	-32 982	-33 155
Administrative expenses	-2 881	-2 495	-10 711	-10 089	-13 789	-14 411
R&D expenses	-6 033	-6 325	-20 279	-20 219	-26 966	-27 026
Other operating income/expenses	-40	-260	-2 487	263	1 256	-1 494
Financial income/expenses	-100	159	-479	-60	630	211
Profit/Loss before tax	-741	1 309	-13 878	-7 400	-8 784	-15 262

Note 4 – Financial instruments

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

Interest-bearing liabilities

On November 30, 2022, a supplementary agreement was signed that changed the terms and conditions for the remaining liability of SEK 55,000 thousand for the acquisition of EastCoast Solutions AB (see Note 6). SEK 30,000 thousand was paid on December 1, 2022, SEK 10,000 thousand on November 30, 2023 and SEK 5,000 thousand on November 30, 2024. SEK 5,000 thousand will be paid on November 30, 2025 and SEK 5,000 thousand on November 30, 2026. Interest will be added to the amounts of SEK 5,000 thousand due on November 30, 2025 and SEK 5,000 thousand due on November 30, 2026. Interest for the period from December 1, 2023 to November 30, 2024 was paid on November 30, 2024. The interest, of 3 months STIBOR + 8%, will be added from November 30, 2023 until the amounts have been paid. The liability is recognized as an interest-bearing liability as of September 30, 2025.

The liability has been calculated at current value at the original effective interest rate of 1.8% and is recognized as other current liabilities (SEK 5,987 thousand) and other non-current liabilities (SEK 5,386 thousand).

Note 5 – LTI program

The Annual General Meeting 2022 resolved, in accordance with the Board's proposal, to establish a long-term share bonus program (LTI 2022/2028) for all employees at Precise Biometrics. In order to facilitate the implementation of LTI 2022/2028 and to ensure the delivery of shares to the participants, and to cover the company's costs for social security contributions, the meeting also decided to amend the Articles of Association in the form of the introduction of new Class C shares, authorization for the Board of Directors to issue Class C shares, authorization for the Board of Directors to buy back Class C shares, and approval of the transfer of shares to participants in LTI 2022/2028. The implementation of Class C shares took place in Q4 2022. As of June 30, 2025, Precise Biometrics held 1,085,000 Class C shares.

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

As of June 30, 2025, approximately 450,000 stock options had been transferred to participants. The stock options have a term of three years and can be exercised for the subscription of shares during the period from August 1, 2028 to September 30, 2028. The conditions for continued holding and the right to exercise the options are regulated in separate transfer agreements, and may be affected by, for example, the termination of employment. Each stock option entitles the holder to subscribe to one new share in the company at a redemption price of SEK 5.63 per share. As the options have been acquired at market value, there is no accounting cost for the company in accordance with IFRS 2.

Note 6 – Business combinations

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

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

On November 30, 2022, a supplementary agreement was signed that changed the terms and conditions for the remaining liability of SEK 55,000 thousand for the acquisition. See Note 4 for details of the new terms and conditions.

During the interim period of 2025, there is no impact on the Group's cash and cash equivalents in respect of business combinations.

Parent company income statement – in summary

Amounts in SEK thousand	Note	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year	Rolling 12 mth
Net sales	1	16 234	18 994	48 140	52 202	69 959	65 897
Cost of goods sold		-6 687	-8 229	-21 351	-23 555	-32 412	-30 208
Gross profit		9 546	10 765	26 789	28 647	37 547	35 689
Marketing and sales expenses		-4 189	-4 120	-15 279	-15 429	-20 783	-20 633
Administrative expenses		-2 758	-2 386	-10 313	-9 671	-13 227	-13 869
R&D expenses		-3 559	-4 140	-12 447	-12 434	-16 031	-16 044
Other operating income/expenses		-41	-400	-2 479	267	1 261	-1 485
		-10 547	-11 046	-40 517	-37 267	-48 780	-52 030
Operating profit/loss		-1 000	-281	-13 728	-8 620	-11 233	-16 341
Financial income/expenses		-27	197	-189	152	809	468
Group contributions received		0	0	0	0	151	151
Profit/loss before tax		-1 028	-84	-13 917	-8 468	-10 274	-15 723
Tax		0	0	0	0	0	0
Profit/loss for the period		-1 028	-84	-13 917	-8 468	-10 274	-15 723

Parent company balance sheet – in summary

ASSETS	Note	2025-09-30	2024-09-30	2024-12-31
Fixed assets				
Fixed assets		1 287	1 344	1 196
Immaterial assets		18 971	24 579	22 812
Deferred tax assets		90 558	90 558	90 558
TOTAL FIXED ASSETS		110 816	116 481	114 566
CURRENT ASSETS				
Accounts receivable		10 719	13 713	20 859
Receivable Group		6 068	10 689	8 145
Other receivables		2 260	2 623	1 841
Accruals and deferred income		2 070	2 236	2 449
Cash and cash equivalents		23 421	29 240	25 452
TOTAL CURRENT ASSETS		44 539	58 501	58 746
TOTAL ASSETS		155 355	174 982	173 312
EQUITY AND LIABILITIES				
Restricted Equity				
Share capital		23 539	23 539	23 539
Statutory reserve		1 445	1 445	1 445
Reserve for development expenses		14 436	16 885	15 911
Total restricted equity		39 420	41 868	40 895
Unrestricted Equity				
Share premium reserve		168 316	168 316	168 316
Retained earnings		-68 741	-60 916	-59 942
Profit/loss for the year		-13 917	-8 468	-10 274
Total non-restricted equity		85 657	98 933	98 100
Total Equity		125 078	140 801	138 995
LONG-TERM DEBT				
Long term debt		5 386	11 317	5 337
TOTAL LONG-TERM DEBT		5 386	11 317	5 337
SHORT-TERM LIABILITIES				
Short-term liabilities		24 890	22 864	28 979
Total Short-term liabilities		24 890	22 864	28 979
TOTAL EQUITY AND LIABILITIES		155 355	174 982	173 312

Consolidated key indicators

Amounts in SEK thousands unless otherwise stated	2025	2024	2025	2024	2024	Rolling
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full-year	12 mth
Net sales	20 006	22 799	60 797	65 065	86 852	82 584
Net sales growth, %	-12,3%	28,7%	-6,6%	18,8%	15,7%	-3,3%
Gross margin, %	75,8%	74,3%	73,8%	72,7%	72,6%	73,4%
EBITDA	4 351	6 785	2 115	9 943	13 379	5 552
Operating profit/loss	-641	1 150	-13 399	-7 340	-9 414	-15 473
Working capital *	28 314	43 386	28 314	43 386	38 019	28 314
Capital employed	148 768	169 606	148 768	169 606	162 455	148 768
Liquidity ratio, %	176,6%	234,7%	176,6%	234,7%	189,3%	176,6%
Equity/assets ratio, %	74,6%	75,8%	74,6%	75,8%	74,4%	74,6%
Earnings per share before dilution, SEK	-0,01	0,02	-0,17	-0,09	-0,11	-0,19
Earnings per share after dilution, SEK	-0,01	0,02	-0,17	-0,09	-0,11	-0,19
Equity per share, SEK	1,75	1,94	1,75	1,94	1,93	1,75
Number of shares (thousands)	78 464	78 464	78 464	78 464	78 464	78 464
Weighted avg. number of shares, adjusted for dilution effect (thousands)	78 464	78 464	78 464	78 464	78 464	78 464
Number of employees at the end of the period	37	30	37	30	35	37
Average number of employees during the period	36	30	36	31	32	35
Annual Recurring Revenue	18 412	18 434	18 412	18 434	18 980	

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

Alternative consolidated key indicators

Amounts in SEK thousands unless otherwise stated	2025	2024	2025	2024	2024	Rolling
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Full-year	12 mth
Net sales	20 006	22 799	60 797	65 065	86 852	82 584
Net sales growth, %	-12,3%	28,7%	-6,6%	18,8%	15,7%	-3,3%
Gross profit	15 168	16 936	44 839	47 294	63 066	60 611
Net sales	20 006	22 799	60 797	65 065	86 852	82 584
Gross margin, %	75,8%	74,3%	73,8%	72,7%	72,6%	73,4%
Operating profit/loss	-641	1 150	-13 399	-7 340	-9 414	-15 473
Net sales	20 006	22 799	60 797	65 065	86 852	82 584
Operating margin, %	-3,2%	5,0%	-22,0%	-11,3%	-10,8%	-18,7%
EBITDA	4 351	6 785	2 115	9 943	13 379	5 552
Depreciation and amortization	-4 992	-5 636	-15 514	-17 283	-22 794	-21 025
Operating profit/loss	-641	1 150	-13 399	-7 340	-9 414	-15 473
Current assets	51 134	64 815	51 134	64 815	67 686	51 134
Current liabilities excl. current liabilities EastCoast International*	22 820	21 429	22 820	21 429	29 667	22 820
Working capital	28 314	43 386	28 314	43 386	38 019	28 314
Sales expenses	-6 855	-6 705	-24 761	-24 588	-32 982	-33 155
Administrative expenses	-2 881	-2 495	-10 711	-10 089	-13 789	-14 411
R&D expenses	-6 033	-6 325	-20 279	-20 219	-26 966	-27 026
Other operating income/expenses	-40	-260	-2 487	263	1 256	-1 494
Total operating expenses	-15 809	-15 786	-58 238	-54 634	-72 480	-76 086
Cost of goods and services sold	-4 838	-5 863	-15 958	-17 771	-23 786	-21 973
Depreciation Cost of goods sold	3 896	4 498	12 283	13 843	18 230	16 670
Cost of goods and services sold excluding depreciation	-942	-1 365	-3 675	-3 928	-5 556	-5 302
Operating expenses	-15 809	-15 786	-58 238	-54 634	-72 480	-76 086
Depreciation Operating expenses	1 096	1 137	3 231	3 441	4 564	4 354
Operating costs excluding depreciation	-14 713	-14 649	-55 007	-51 193	-67 916	-71 730
Balance sheet total	184 209	200 868	184 209	200 868	203 066	184 209
Non-interest-bearing liabilities	35 441	31 262	35 441	31 262	40 611	35 441
Capital employed	148 768	169 606	148 768	169 606	162 455	148 768
Closing equity	137 395	152 200	137 395	152 200	151 163	137 395
Average equity	142 565	154 739	142 565	154 739	152 700	142 565
Current assets minus inventories	50 884	64 584	50 884	64 584	67 445	50 884
Current liabilities	28 807	27 518	28 807	27 518	35 621	28 807
Liquidity ratio, %	177%	235%	177%	235%	189%	177%
Equity	137 395	152 200	137 395	152 200	151 163	137 395
Total assets	184 209	200 868	184 209	200 868	203 066	184 209
Equity/assets ratio, %	74,6%	75,8%	74,6%	75,8%	74,4%	74,6%

Analysis of results, in summary

Amounts in SEK thousand	Note	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year	Rolling 12 mth
Net sales	2,3	20 006	22 799	60 797	65 065	86 852	82 584
Cost of goods and services sold excluding depreciation		-942	-1 365	-3 674	-3 928	-5 556	-5 302
Operating costs excluding depreciation		-17 748	-17 127	-63 764	-59 250	-78 883	-83 398
Capitalized development expenses		3 035	2 478	8 756	8 056	10 967	11 668
EBITDA		4 351	6 785	2 115	9 943	13 379	5 552
Total depreciation excluding acquired immaterial assets		-4 385	-5 025	-13 701	-15 463	-20 362	-18 601
Total depreciation acquired immaterial assets		-607	-610	-1 813	-1 820	-2 431	-2 424
Operating profit/loss		-641	1 150	-13 399	-7 340	-9 414	-15 473

Financial glossary

Annual Recurring Revenue (ARR)

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

Gross margin

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

Earnings before interest, depreciation and amortization (EBITDA)

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

Equity

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

Equity per share

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

Average equity

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

Cash flow

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

Liquidity ratio

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

Net sales growth

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

Earnings per share after dilution

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

Earnings per share before dilution

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

Return on equity

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

Working capital

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

Operating expenses

Operating expenses excluding cost of goods sold. Operating expenses are expenses that do not belong directly to a particular product or product group. Common operating expenses include, for example, wages and other personnel expenses, as well as rental of premises.

Operating margin

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

Operating profit/loss

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

Equity/assets ratio

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

Capital employed

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

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