



EMPLOYEE STOCK OPTION PROGRAM 2025/2029

SUMMARY

Proposed by: Shareholders Niels Henrik Balle and Marie Almqvist.

Purpose: Align board interests with long-term shareholder value creation.

Participants: Up to three (3) board members (incl. Chairman).

STRUCTURE:

- Max ≈ 228 million Employee Stock Options ("ESOPs") (or ≈ 114k post-reverse split).
- Exercise price: 175% of VWAP after AGM.
- Vesting requires continuous board service through Sept 2029.
- Exercise window: Sept–Nov 2029.
- Warrants issued to deliver shares.
- Estimated cost: ≈ SEK 2.3m (plus ≈SEK 1.6m social costs).
- Potential dilution: ≈ 1.5% of current share capital.
- **Gross proceeds to company upon full exercise:** Approx. SEK 6.4m based on strike price assumptions.
- **Net cost estimate:** Net positive cash impact assuming full exercise.

GOVERNANCE NOTE

The Board and Shareholder incentive programs are structured differently by design. This separation ensures alignment with governance best practices: differing time horizons, terms, and pricing structures reflect the distinct roles and responsibilities of board members vs. executives and staff.





BACKGROUND AND REASONS

The main shareholders Niels Henrik Balle and Marie Almqvist proposes to implement a long-term incentive program for members of the board. This with the ambition to:

- Recruit and retain top-tier Board members, given Fingerprints' international context.
- Ensure strong Board member commitment to Fingerprints' results and value creation.
- Securing the long-term competitiveness of Fingerprints, while promoting Board member engagement and performance.
- Align the interests of the participants with those of the shareholders by rewarding share price growth.

LTIP Board

KEY PRINCIPLES

- A maximum of three (3) Board members, divided into two categories; (i) Chairman and (ii) Directors, should be invited to participate in the incentive program.
- Participants in the plan shall be allotted employee stock options ("ESOPs") free of charge.
- The plan runs over four years.
- Provided continued directorship between 1 September 2025 and 1 September 2029, each ESOP will entitle to acquisition of one new Fingerprints B-share at strike price.
- The strike price will be equal to 175 percent of the share price after the Annual General Meeting 2025, or if the shareholders resolve on a share consolidation, 175 percent of the share price following the record date of the consolidation. This means that participants will receive no benefit from the plan, unless the share price increases by at least 75 percent.
- The Employee Stock Option Program 2025/2029 may comprise a maximum of 227,630,636 ESOPs or, if the shareholders resolve on a reverse share split in accordance with the Board's proposal, a maximum of 113,815 ESOPs. The employee stock options shall be allotted to the participants free of charge. The maximum number of options will be equal to 1.5% of total outstanding shares.





PARTICIPANTS AND ALLOCATION

- A maximum of three (3) participants.
- Two categories: Chairman and Directors of the Board.
- For the Chairman, allotment is limited to approx. 114 million ESOPs.
- For Directors of the Board, allotment is limited to maximum approx. 114 million ESOPs in total with a Participant being allotted a maximum of 57 million ESOPs.

MAIN TERMS OF THE EMPLOYEE STOCK OPTIONS

- Allotted ESOPs are subject to vesting, whereby one fourth of the allotted ESOPs will vest on each of 1 September 2026, 2027, 2028, and 2029.
- If a participant's directorship with Fingerprints ends during the vesting period, the ESOPs will, as a main rule, lapse. However, there are certain exceptions ("Good Leaver situations") where only the non-vested part of the ESOPs will lapse. Examples of Good Leaver situations are the participants retirement, severe illness, or death.
- Vested ESOPs can be exercised between 1 September 2029 and 1 November 2029, if the strike price is met.
- The strike price will be equal to 175 percent of the share price after the Annual General Meeting 2025, or if the shareholders resolve on a share consolidation, 175 percent of the share price following the record date of the consolidation. This means that participants will receive no benefit from the plan, unless the share price increases by at least 75 percent.

IMPORTANT INFORMATION

- This document is produced for informational purposes only. The terms of Employee Stock Option Program 2025/2029 can be seen from the full proposals for the Annual General Meeting, which are available on the company's website, [fingerprints.com](https://www.fingerprints.com). In the event of any discrepancies between the information in this document and the full proposals, the text of the full proposals shall prevail.





Q&A

WHY DOES THE COMPANY NEED A LONG-TERM INCENTIVE PROGRAM FOR THE BOARD?

- In order to recruit and retain top-tier board talent, especially in a global context, it is essential that Fingerprints offers a competitive equity-based incentive. Given the relatively nominal fixed cash compensation offered to board members, this plan ensures we can attract and keep the right individuals while aligning their interests with those of shareholders

WHY LAUNCH THE PROGRAM NOW? WHAT CHANGED SINCE THE LAST TIME IT WAS PROPOSED?

- The company is executing key initiatives aimed at returning to growth and profitability. Long-term board continuity and engagement are critical to that strategy.
- Compared to previous proposals, this version has been refined by major shareholders and includes a longer vesting period and a higher strike price to reflect best practice.

HOW DOES LTIP BOARD DIFFER FROM LTIP EMPLOYEES?

- The Board LTIP is structured over four years (vs. three years for employees) and has a higher strike price of 175% (vs. 150% for employees). This distinction ensures an appropriate separation between board and employee incentives and reflects the board's governance role.

WHAT HAPPENS IF A PARTICIPANT LEAVES FINGERPRINTS BEFORE THE VESTING DATE?

- If a participant steps down from the Board before the end of the vesting period, all unvested options will lapse. However, in defined "Good Leaver" scenarios, such as retirement, illness, or death, vested options may still be exercised, while non-vested options will lapse.

WHAT DILUTION OF EXISTING SHAREHOLDERS WOULD THE IMPLEMENTATION OF THE PROGRAM ENTAIL?

- The program may result in a dilution of up to 1.5% of total outstanding shares, based on a maximum of 227.6 million options (or 113,815 options if the reverse share split is approved).

WHY SHOULD I AS A SHAREHOLDER SUPPORT THE PROPOSED INCENTIVE PROGRAMS?

- The shareholders Niels Henrik Balle and Marie Almqvist (who proposes Employee Stock Option Program 2025/2029) expect that the implementation of the program provides the opportunity for aligning the interests between the Board and the shareholders in a cost-efficient manner without straining cash flow.





WHAT HAPPENS IF THE COMPANY IS SOLD BEFORE THE END OF THE VESTING PERIOD?

- > In the event of a change of control (such as a sale of the company), all outstanding options will fully vest, and participants may exercise them if the strike price is met.

WHAT HAPPENS TO THE OPTIONS IF THE COMPANY SELLS OR SPINS OFF A DIVISION OR CERTAIN ASSETS?

- > The incentive program remains unaffected by divestments or asset sales. Proceeds would go to the company and benefit all shareholders, but the program terms do not change.

WHAT ARE THE COSTS OF THE INCENTIVE PROGRAM?

- > The total estimated cost, including social security charges, is approximately SEK 3.9 million. IFRS2 accounting costs will be expensed over the vesting period. If the strike price is met and options are exercised, the company will receive cash that offsets social charges, generally resulting in positive cash flow unless the share price increases by more than 650%.

HOW WILL THE PROGRAM BE FINANCED?

- > The delivery of shares will be secured via a proposed issue of warrants, which will only be exercised if the strike price is reached.

WHAT MAJORITY IS REQUIRED FOR THE PROGRAM TO BE APPROVED?

- > The LTIP itself requires a simple majority of votes cast at the AGM. The warrant-related hedging measure requires 90% approval of both votes cast and shares represented.

WHAT ARE THE CONSEQUENCES IF THE PROGRAM IS NOT APPROVED BY THE SHAREHOLDERS AT THE ANNUAL GENERAL MEETING ON 24 JUNE 2024?

- > Without this program, Fingerprints may be at a disadvantage when trying to attract and retain experienced, high-quality board members—especially when competing internationally.

IS THERE ANY LOCK-UP PERIOD FOR THE EXERCISED SHARES IN THE PROGRAM?

- > No. Once the ESOPs are exercised, there is no holding restriction for the acquired shares.

