EMPLOYEE STOCK OPTION PROGRAM 2025/2028

SUMMARY

Proposed by: The Board.
Purpose: Attract, retain, and incentivize employees; align long-term interests with shareholders.
Participants: Up to 39 employees, including the CEO and Executive team.

STRUCTURE:

- Max ≈ 531 million Employee Stock Options (“ESOPs”) (or ≈ 265k post-reverse split).
- Exercise price: 150% of VWAP after AGM.
- Vesting requires continuous employment through Sept 2028.
- Exercise window: Sept–Nov 2028.
- Warrants issued to deliver shares.
- Estimated cost: ≈ SEK 5.4m (plus ≈SEK 4.3m social costs).
- Potential dilution: ≈ 3.5% of current share capital.
- Gross proceeds to company upon full exercise: Approx. SEK 12.7m based on strike price assumptions.
- Net cost estimate (costs – exercise proceeds): Cash flow positive; no net cost to the company.

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 Board of Directors want to implement a long-term incentive program to up to all employees including the Executive Management team, other managers, and key employees. This with the ambition to:

- Recruit and retain top-tier employees given Fingerprint's international context
- Ensure strong employee commitment to Fingerprint's result and value creation
- Securing the long-term competitiveness of Fingerprint, while promoting employee engagement and performance
- Align the interests of the participants with those of the shareholders by rewarding share price growth

LTIP Employees

KEY PRINCIPLES

- A maximum of 39 employees, divided into three categories; (i) CEO, (ii) Executive Management, and (iii) Key Employees, shall be invited to the plan.
- Participants in the plan shall be allotted Employee stock options ("ESOPs") free of charge.
- The plan runs over three years.
- Provided continued employment between 1 September 2025 and 1 September 2028, each ESOP will entitle to acquisition of one new Fingerprints B-share at strike price.
- The strike price will be equal to 150 percent of the share price after the Annual General Meeting 2025, or if the shareholders resolve on a share consolidation, 150 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 50 percent.
- Employee Stock Option Program 2025/2028 can allot a maximum of 531,138,152 ESOPs, or, if the shareholders resolve on a reverse share split, a maximum of 265,569 ESOPs. The total number of options will be equal to 3.5% of total outstanding shares.

PARTICIPANTS AND ALLOCATION

- A maximum of 39 participants.
- Three categories: CEO, other members of the Executive Management team and other key employees.
- For the CEO, allotment is limited to approx. 186 million ESOPs.
- For members of the executive management team, allotment is limited to maximum approx. 239 million ESOPs in total with each Participant being allotted a maximum of 106 million ESOPs.
- Allotment to key employees is determined individually based on competence and area of responsibility and can amount to a maximum 53 million ESOPs per person. The total amount of options allotted to this category can, however, not exceed 186 million ESOPs in total.

MAIN TERMS OF THE EMPLOYEE STOCK OPTIONS

- Allotted ESOPs are subject to vesting, whereby one third of the allotted ESOPs will vest on each of 1 September 2026, 2027, and 2028.
- If a participant's employment with Fingerprints is terminated 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 termination due to the participants retirement, severe illness, death, and termination due to redundancy.
- Vested ESOPs can be exercised between 1 September 2028 and 1 November 2028, if the strike price is met.
- The strike price will be equal to 150 percent of the share price after the Annual General Meeting 2025, or if the shareholders resolve on a share consolidation, 150 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 50 percent.

IMPORTANT INFORMATION

- This document is produced for informational purposes only. The terms of Employee Stock Option program 2025/2028 can be seen from the full proposals for the Annual General Meeting, which are available on the company's website, 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?

- Fingerprints operate in international markets where ongoing incentive programs are very common and hence Fingerprints' needs to be able to offer competitive employment terms globally. A share-based incentive scheme is a competitive must for high growth sector companies like Fingerprint, to attract and retain talent over time.

- As part of Fingerprint's ongoing restructuring, operational expenses—particularly personnel costs—have been significantly reduced, and no short-term cash bonuses have been paid in 2024. Currently, Fingerprints has no active long-term incentive program. The warrant plan approved at the 2024 AGM was never implemented due to unfavourable launch conditions, including rights issues and participants being tied up in the logbook.

- Increase engagement and performance and to encourage a personal long-term ownership in the company.

- Promote long-term value growth in the company by tying the employees' compensation to the company's share price development.

WHY LAUNCH THE PROGRAM NOW?

- The company is working on several strategic initiatives to regain growth, reach breakeven and start to generate strong profits. This program is one important part of these activities.

- Engage Executive Management team and Key Employees as shareholders of Fingerprints'.

HOW CAN THE PROGRAM ENABLE INCENTIVES TO NEW STAFF?

- Provided that it is possible within the total scope of the program, there is the possibility of allowing new employees who join during the year to participate in Employee Stock Option program 2025/2028.

- The Board's intention is also to propose that new corresponding long-term incentive programs be established on a regular basis according to needs, which would, among other things, include new personnel added in the future.

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 3.5% of total outstanding shares, based on a maximum of 531.15 million ESOPs (or 265,569 ESOPs if the reverse share split is approved).

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

- The Board proposing Employee Stock Option program 2025/2028 expect that the implementation of the program provides the opportunity of a compensation package for key employees that creates retention in a cost-efficient way. A long-term incentive program of this kind creates a more beneficial cost-outcome than cash bonuses or increase in base salary, without straining cash flow.
- In order to be aligned with best market practice, an LTIP program ought to be implemented.

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?

Deleted: AWARDS

- 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 HAS CHANGED SINCE THE LAST LTIP EMPLOYEE PROPOSAL?

- The new program will be based on ESOPs, compared to the previous warrant program. Employee Stock Options are more beneficial in an international setting from a tax perspective. Warrants provide beneficial tax application in a Swedish setting but is complicated in an international setting.
- Employee Stock Option programs are seen as more competitive in an international setting, providing a more attractive program for international participants both in retention and future recruitment purposes.
- Compared to previous program the strike price of the new program balances shareholder returns with achievability for participants. A high strike price will encourage extraordinary shareholder returns but can be seen as demotivating for participants due to the target being deemed unachievable.

WHAT ARE THE COSTS OF THE INCENTIVE PROGRAMS?

The total estimated cost, including social security charges, is approximately SEK 10 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 2025?

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

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

No. Once the stock options are exercised, there is no holding restriction for the acquired shares.