Precise Biometrics
Investor Days 14 September
YOU are the key

#precise
#YOUarethekey
#YOUNiQ
“It’s about real customer needs, solving problems in today’s digital life”

“Why make it complicated when you can make it simple”
Vision
“No matter who you are, where you are and what you do – YOU are the key”
Precise today

- Algo product area is a cash generating business with the right setup for continued success.
- DI: New product, go to market, sales model…etc. From idea to a net sale of app 5 MSEK in 2 years time
- Profitable algo and all profit invested into growth activities.
- Digitalization continue in all areas
- Focused acceleration in DI
- Stability despite the Corona situation
- A global organization setup with world class expertise
Organization
Precise
- a global organization
Precise Marketing 2021

- Precise Webisodes
  17/8 - Intro
  25/8 - Walk & Talk with CEO
  14/9 – A crash course in biometrics
    – YOUNiQ pitch
    – YOUNiQ Integrations

- Fairs
  27-28/10 – SeeTech (Sthlm)
  17-18/11 – ISC East (NYC)
  24-25/11 – Fastighetsmässan (Sthlm)

- Communication
  Digital YOUNiQ folder
  Video & image production – vertical focused,
  Website, Blog, News Gallery, SoMe, PR

YOU are the key focused
YOUNiQ - Access

**Basic**
Access Your Office the Modern Way replace your physical access cards with digital credential (QR code)

**Advanced**
Seamless Biometric Identification Works with existing building infrastructure like electronic door locks and ethernet wires

**Professional**
SW Integration with Access Control System(s)

**Enterprise**
(Custom configuration)

Product features:
- Outlook
- Zone
- GDPR
- Booking system
- Visitor management
- Multi factors

Biometric Authentication Service Integration with Partner application/service utilizing YOUNiQ APIs
Product Digital Identity - 2021

- Integrated with several booking systems
- Add visitor management handling
- Drive sustainability 🌿
  - Energy optimization
  - Less transportation
  - No card, tags etc
- Digital end 2 end solution
- Continue to integrate with AMS: RCQ, AssaArx, Genetec, S2 Lenel
YOUNiQ Partners – Foundation for growth

Platforms
- RCO
- LENEL:S2
- ASSA
- Genetec

Distributors
- Hatteland Technology
- Elektroskandia

Installers (60)
- Smarttek
- RSA
- Göthes
- bravida
- NVSS Security
- Malux

Technology Partners
- Certego
- Elajo
- Swedsec
- Caverion
- Great Security
- SafeTeam
- Simons Voss
- Innovatrics
- ID R&D
- Sensative
- NVIDIA
- Softhouse
- Ongoing...

Ongoing...
Notable coverage

- Di.se (RCO x YOUNiQ)
- Aktuell Sikkerhet (YOUNiQ)
- ID R&D press (YOUNiQ)
- Boxx Communication (Company / CEO)
- Elektroskandia - Volt magazine
Sales & Marketing - 2021

- Acceleration
- Focus Sweden with some opportunities in Nordic and US
- YOU are the key via all channels and partners
- Blog, News Gallery, SoMe, Linkedin, Precise Webisodes
- Booked fairs – Secēch & Fastighetsmässan

#YOU are the key
## Access Customers divided into 6 segments

<table>
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<th>Segment definition</th>
<th>Customers</th>
<th>Common access type</th>
<th>Use-case</th>
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</thead>
<tbody>
<tr>
<td><strong>Apartment blocks</strong></td>
<td>&gt; Housing – Rental – Condo associations</td>
<td>Key, code, card, tag</td>
<td>&gt; Common spaces &gt; Service personnel &gt; Gated communities</td>
</tr>
<tr>
<td><strong>Commercial buildings</strong></td>
<td>&gt; Office &gt; Retail &gt; Module buildings for office usage</td>
<td>Card (ID06)</td>
<td>&gt; Visitors/ Employees &gt; Service personnel &gt; Minimize handling &gt; Convenience</td>
</tr>
<tr>
<td><strong>Construction</strong></td>
<td>&gt; Construction site &gt; Module building for construction</td>
<td>Card, tag, QR</td>
<td>&gt; Employee turnover &gt; ID06 not enough &gt; Legal requirements &gt; Reduced cost</td>
</tr>
<tr>
<td><strong>Gyms</strong></td>
<td>&gt; Gyms and fitness centers</td>
<td>Multifactor</td>
<td>&gt; Many users/ door &gt; Digital onboarding &gt; Card not enough &gt; Unmanned gyms</td>
</tr>
<tr>
<td><strong>Industrials</strong></td>
<td>&gt; R&amp;D &gt; Production &gt; Data center &gt; Other sensitive infrastructure</td>
<td>Unlocked, or key, code, card, tag</td>
<td>&gt; Multifactor / High security &gt; Minimize handling &gt; Easy distribution of access rights</td>
</tr>
<tr>
<td><strong>Public</strong></td>
<td>&gt; Healthcare &gt; Education &gt; Other municipal, regional or governmental</td>
<td></td>
<td>&gt; Medical cabinet &gt; Contactless access &gt; Reduced cost</td>
</tr>
</tbody>
</table>

**Key points:**
- **Use-case:**
  - For Common spaces: Focus on convenience, minimizing handling, and reducing cost.
  - For Service personnel: Consider digital onboarding and reduced cost.
  - For Gated communities: Focus on security and reduced cost.
- **Common access type:**
  - Key, code, card, tag: Suitable for general access.
  - Card (ID06): Provides secure access, suitable for employees.
  - Card, tag, QR: Suitable for visitors and employees.
  - Multifactor: Offers a combination of access methods for high security environments.
  - Unlocked, or key, code, card, tag: Suitable for public access with reduced security measures.
YOUNiQ – Customer example
Go to market

Key success factor | Comment YOUNiQ GTM
--- | ---
Integration with AMS | ➢ RCO | Genetec
Integration x | ➢ LENEL'S2
Integration y | ➢ <br>Smart IAS<br>elajo<br>CERTEGO<br>NVSS Security<br>Göthes
Selected partnership | ➢ <br>Axis Communications<br>Simons & Voss Technologies<br>Hanwha<br>Innovatrics<br>SoftHouse<br>ID R&D
Tier 2 partnership | <br>Great Security
Incentive program | <br>AXIS Communications

Sales

AMS integration

Installation firms

Direct sales

Other measures

Internal sales and affiliates

Partnership, ecosystem

Acquisitions
YOUNiQ Sales Model
– A SaaS Model via Distributors & Partners

Customer contract –
Legal relationship

Per-user based monthly fee

YOUNiQ Partner Agreement

Activation

Distributors

➢ Reselling hardware
➢ YOUNiQ Activation form to installation partners

YOUNiQ Certified Partners

➢ Sales to end customer
➢ Customer hw installation & sw set-up
➢ 1st line support

Customer contract –
signed on behalf of Precise

Customers
Product

Algo
Algo – 2021

- Mobile business is a cash generating business with the right setup for future success.
- Digitalization ongoing in all areas
- Focused strategy with key customers
  - Egistech
  - Qualcomm
  - ...
- Embedded opportunities but healthy ROI needed
- Smart card business is well-positioned to take off with the market, however – Unit price and onboarding are main market barriers

#YOU are the key
Financial development
Net sales & gross margin (Q2)

- Net sales MSEK 18.7 (23.6)
  - Component shortage among customers
  - Increased client activity in Digital Identity - 169% net sales growth.
- Gross margin 73.3 % (84.7)
Operating profit/loss (Q2)

- Operating profit/loss  MSEK -4.6 (-1.1)
- EBITDA, MSEK -0.8 (2.0)
- Operating expenses  MSEK 18.3 (21.1)
  - Strengthening Sales and Marketing for DI
  - Lower Research and development cost
  - Tight cost control
Cash flow (Q2)

- Cash flow from operating activities MSEK -1.6 (2.3)
- Cash and cash equivalents per 30/6 MSEK 62.5 (76.3)
Outlook
Main assumption

- Algo impacted by component shortage but maintain and defend high performance in Algo, stable cash flow for continued investments
- Work very close with key partners in Algo area (EGIS, QC....)
- Embedded customers based on ROI
- DI customer base continue to grow and up sales via existing customer base
- Growth in DI with focus on Sweden/Nordic
- Leverage on installers network and strong partnership with distributors
- Saas model will overtime be the main model for Precise. Long term contracts with monthly recurrent revenue.
- 2022 stable cash flow in Algo mainly from Royalty and continued DI growth
- Digitalization in all areas. (Sales, Installation and Support)
DI: Swedish market potential estimated to ~1.1 BSEK. 2025

- Swedish market potential is estimated to SEK c. 1.1 bn
- Currently, the market for this solution is untapped
- Market potential likely to increase when awareness of the technology arise
- The estimation is based on numbers from '16-'19 depending on customer segments, and historical growth together with trends used to estimate growth until '25

Source: SCB, Datscha, IHRSA, Interviews
Summary
Precise summary

- A cash generating company with the right attitude for continued success
- Profitable algo and all profit invested into the future
- New product area in Digital Identity (DI) with a clear go to market and sales model for future success.
- (DI) From idea to a net sale of app 5 MSEK in 2 years time and a clear growth opportunity.
- Digitalization continue in all areas
- Stability despite the Corona situation
- A global organization setup with world class expertise
- The growth journey continue
Thank YOU

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