Global, Enterprise and Defense-Grade Identity & Access Management (IAM) with a Biometric Core

IAM with human factor authentication provides greater security, resilience and flexibility along with enhanced operational efficiency and superior user experiences.

September 2026

www.BIO-key.com

BIO-key International, Inc.

Nasdaq: BKYI

Safe Harbor Statement

All statements contained in this press release other than statements of historical facts are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 (the "Act"). The words "estimate," "project," "intends," "expects," "anticipates," "believes" and similar expressions are intended to identify forward-looking statements. Such forward-looking statements are made based on management's beliefs, as well as assumptions made by, and information currently available to, management pursuant to the "safe-harbor" provisions of the Act. These statements are not guarantees of future performance or events and are subject to risks and uncertainties that may cause actual results to differ materially from those included within or implied by such forward-looking statements. These risks and uncertainties include, without limitation, our history of losses and limited revenue; our ability to raise additional capital; our ability to continue as a going concern; our ability to protect our intellectual property; changes in business conditions; changes in our sales strategy and product development plans; changes in the marketplace; continued services of our executive management team; security breaches; competition in the biometric technology industry; market acceptance of biometric products generally and our products under development; our ability to execute and deliver on contracts in Africa; the impact of tariffs and other trade barriers; our ability to expand into Asia, Africa and other foreign markets; the commercial and reputational risk and impact on the trading and liquidity of our common stock due to the recent suspension of trading of our common stock on the Nasdaq Capital Market or future non-compliance with SEC reporting and Nasdaq listing requirements; our temporary loss of the use of a Registration Statement on Form S-3; any disruption to our business that may occur on a longer-term basis should we be unable to continue to maintain effective internal controls over financial reporting; fluctuations in foreign currency exchange rates; delays in the development of products and statements of assumption underlying any of the foregoing as well as other factors set forth under the caption "Risk Factors" in our latest Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date made. Except as required by law, we undertake no obligation to disclose any revision to these forward-looking statements whether as a result of new information, future events, or otherwise.

BIO-key at-a-Glance

Nasdaq	BKYI
Recent Price	$3.18
52-Week Range	$2.91 - $19.70
Shares Out.	1.83M
Market Cap	$ 5.8M
LTM Revenue (1)	$ 6.7M
Price/LTM Sales (1)	0.9x
Median software industry P/S ratio	2.8x
Cybersecurity median P/S ratio (2)	6.9x

June 30th Balance Sheet (3)	
Cash Equivalents	**$4.5M**
Total Current Assets	$6.2M
Total Assets	$9.8M
Debt	$0.4M
Stockholders' Equity	$6.7M
Book value per share	**$3.65**
Price-to-Book (4)	0.9x

(1) Latest 12 months through 6/30/26. BIO-key targets revenue growth and profitability in 2H'26.

(2) Larger cybersecurity comps: CHKP, OKTA, SAIL, ROC, S, TENB, & VRNS trade at a median of 6.9x sales.

(3) Adjusted for net proceeds of $2.5M share sale in August.

(4) Median software industry price-to-book ratio is ~3.1x and cybersecurity comps trade at 4.8x book.

Solutions Overview

BIO-key

Biometric authentication

Biometric-secured desktop access:
PortalGuard Desktop

Biometric-secured enterprise passkeys:
Passkey:YOU

Biometric-secured mobile MFA:
MobileAuth

Biometrics engine:
WEB-key

BIO-key MobileAuth delivers secure, easy-to-use mobile authentication powered by the local biometrics on users' smartphones. It works with BIO-key PortalGuard and third-party platforms to enable defense-grade authentication for your entire user base, all from the app in the palm of your hand.

WEB-key is a biometrics-management system for organizations operating at the largest possible scale. It can integrate with databases containing hundreds of millions of unique entries and manage authentication for use-cases such as passport control, credit card transaction verification and voter registration.

Identity & Access Management

IAM platform:
PortalGuard

Biometric passkey:
Passkey:YOU

A Defense-grade IAM platform with biometric core –– PortalGuard is a single, unified Identity and Access Management (IAM) platform that provides cutting-edge solutions to a range of use cases and business initiatives. It is the only one to offer business-critical products - like multi-factor authentication and single sign-on - powered by the security of Identity-Bound Biometrics.

No phones. No tokens. No problem.

Passkey:YOU is an innovative authentication solution that makes using passkeys to eliminate passwords simple and effortless. It leverages the FIDO standard's newest capabilities to allow a user to authenticate to any software or service relying party with only a touch of a finger instead of carrying a hardware token or mobile device. Best of all – it can be easily and quickly integrated into existing technology stacks.

Authentication Devices

Fingerprint scanners:
USB-connected fingerprint authentication

FIDO security keys:
Biometric and non-biometric

Customers

BIO-key®

IKEA
First National Bank LI
THE WORLD BANK
Department of Justice · Federal Bureau of Investigation
Collier County
University of Denver
Henrico County Virginia
Nationwide Children's
Singapore Police Force
DHL
NCR
du
afiniti
Orange Bank&Trust Company
نوبكو nupco
AEON Credit Service
Union Pacific
United States Senate
iQor
Marketron
Cleveland Clinic
vodafone
United States Courts
CAPITEC
City College of San Francisco
Hershey Entertainment & Resorts
North Orange County Community College District · NOCE
Orange County Government Florida
Brookdale University Hospital Medical Center
Coca-Cola Canada
Monash Health
CLEARENT

Growing Cybersecurity Mandates

BIO-key®

EU

NIS2 makes strong access and identity controls (including MFA or equivalent) mandatory for “essential” and “important” entities across energy, transport, health, banking, and digital infrastructure. Organizations must implement multi-factor or continuous authentication and secure communications where appropriate.

Member State NIS2 transposition laws in 2025 interpret NIS2 as requiring MFA for privileged, administrative, and remote access for in-scope operators, tightening expectations on how accounts are protected.

The Cyber Resilience Act with incident reporting in 2026 - mandatory cybersecurity-by-design requirements for products with digital elements, including identity and access-control obligations will drive use of MFA/strong authentication into software, IoT, and embedded products.

Digital Operational Resilience Act for financial sector, covering risk mgt., incident reporting, resilience testing, and third-party oversight with enforcement beginning in 2026.

Executive Order 14306 (June 2025) & CISA BOD 25-01 Sustained secure software development and cloud security baselines; mandatory Secure Cloud Business Applications configurations for federal agencies, reinforcing MFA, phishing-resistant auth, and secure-by-default in cloud environments.

Network Information Security COMPLIANT NIS2

US

DOD CMMC Final Rule (Nov. 2025) Phased rollout of Cybersecurity Maturity Model Certification for defense contractors; requires MFA, access controls, and maturity-level assessments—major driver for enterprise MFA/identity solutions.

NIST/CISA Guidance Expansions Updated Secure by Design bad practices (Jan‘25), draft cloud/token protection (IR 8587) & continued enforcement of post-quantum readiness and KEV patching amplifying MFA & secure identity tool demand.

SEC Cybersecurity Disclosure Rules (S-K Item 106) Effective beginning in 2025 with annual reporting on processes and 8-K disclosures on incidents.

Cyber-Insurance Mandates FTC Section 5 expansion; CISA Dec. 2023 guidance to eliminate use of easy to exploit default passwords

Amazon Web Services Mandated MFA for most privileged users

NIST DoD FTC CISA aws SEC

BIO-key's Unique Differentiator:

Identity Bound Biometrics create a centrally managed, unique biometric identity to verify users anywhere, based on **who they are**, NOT what they carry, know or could share

- Centrally secured, privacy law compliant
- Patented, high security data and integrity protection
- Captured using USB fingerprint scanners or MobileAuth app

Cannot be phished, handed over, shared, forgotten, or stolen

Perfect for situations where phones and hardware tokens will not work, are costly, cumbersome, unreliable, or unsafe single points of failure

Enterprise-controlled enrollment

Affordable and easy to implement

BIO-key Use Cases

BIO-key

Reducing Cyber Risk

Prevent cyberattacks, including ransomware.

300% increase in US cybercrimes since the start of the pandemic.

Improving Usability

Users have too many passwords to remember

IT support flooded with password reset calls.

Each password reset call costs $70.

Reducing Costs

Enterprises have too many IAM solutions to manage with limited IT resources/ cyber-expertise.

Top brands are too expensive for SMEs.

BIO-key streamlines solutions, reducing vendor & IT team costs.

Compliance & Insurance

HIPAA, PCI, NYDFS, etc. requires added security & privacy controls.

Cyber insurance requires enhanced controls, especially MFA.

BIO-key enables regulatory & cyber insurance compliance.

Kathy Pinto | VP of IT
Orange Bank & Trust

"BIO-key provides both biometric authentication and a proven suite of IAM solutions that provide **greater** security, flexibility, and value over approaches offered by other vendors."

★★★★★

Growing Deployment Momentum

BIO-key

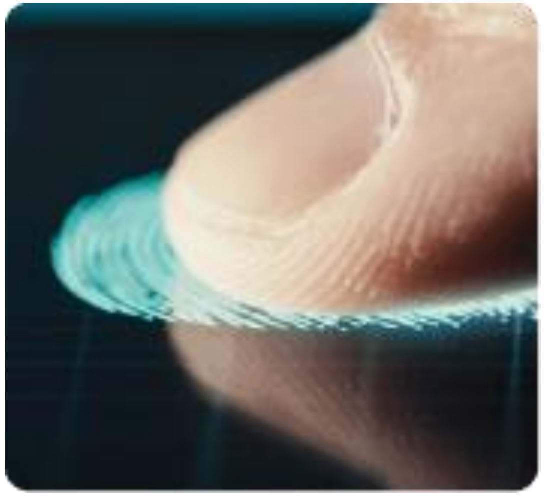
Growing Global Customer Base + Expanding LT Customer Deployments in high value & regulated Military/Defense, Financial Services, Government, & Healthcare segments.

- Significant biometric identity solutions deployed for multiple EMEA defense-sector organizations
- Prominent foreign defense force continues to expand deployment of biometric user authentication to additional personnel yielding over $4M over the past 5 years
- Additional defense and foreign national security agencies employing biometric solutions– driving LTM defense revenue over $2.2M
- Foreign retail bank continues to expand biometric deployment - now now reaching 30M+ enrolled clients; 2026 license renewal grew 30% to $1.1M
- Central Bank of Jordan selected BIO-key for national biometric authentication initiative

In Proof of Concept or later stage with key accounts in

- Call centers
- Oil and Gas Services
- Foreign Tax Agency

Investment Considerations



High Margin Recurring Revenue Growth + Expanding Global Footprint

- Annual recurring revenue (ARR) base has grown to $5M from $3M in 2020.
- Blended gross margin of 75% - 80% depending on mix
- 45M+ global users authenticate with BIO-key
- Expanding market reach via global base of channel partners and direct sales
  - TD Synnex partnership provides entry to US Public Sector via Market Leader

Escalating urgency in high-value markets requiring highest levels of security

- Existing solutions are failing with escalating security, financial, legal and brand consequences

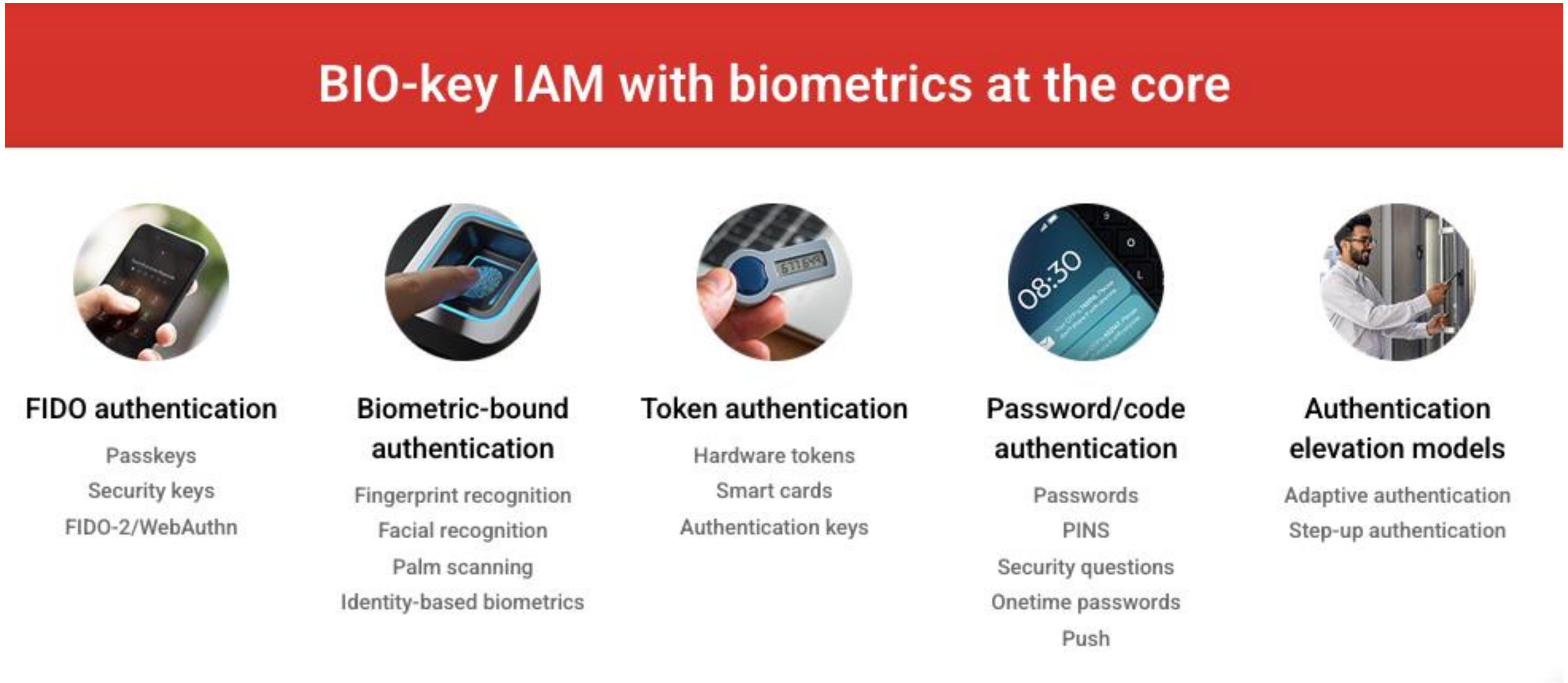
Growth + Cost Discipline Moving Business to Breakeven/Profitability in 2026

- 1H’26 revenue growth of 23% to $4.1M and reduced net loss of 59% to $0.8M vs. $1.9M in 1H’25
- Expect continued growth and bottom-line improvement targeting profitability in 2H’26 and moving forward

Compelling Valuation Given Growth and Building ARR Base Moving to Profitability

- BIO-key trades at 0.9x Price/Sales vs. 2.8x for software industry comps and 6.9x for larger peers

Thank You!



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