

BKYI

FLOAT SQUEEZE

small-cap

low-float

premarket movers

cybersecurity

biometrics

warrants

reverse split

BKYI Rips 40%+ Premarket on Gulf Partnership — But the Warrant Vote Friday Is the Real Story

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◆ DESK TAKE

Gapped 40%+ premarket Tuesday on a UAE/Saudi partnership press release with no contract value attached, spiking to the mid-\$3s before fading — classic micro-float churn with volume at many multiples of the ~1.31M float. Overhang is dated and specific: a stockholder vote Friday Oct 2 on 1.24M warrant shares that would nearly double the share count. Watch \$3.60 resistance (premarket high) and the \$2.00 support zone into the open; below \$2, Monday's \$1.68 close is the magnet.

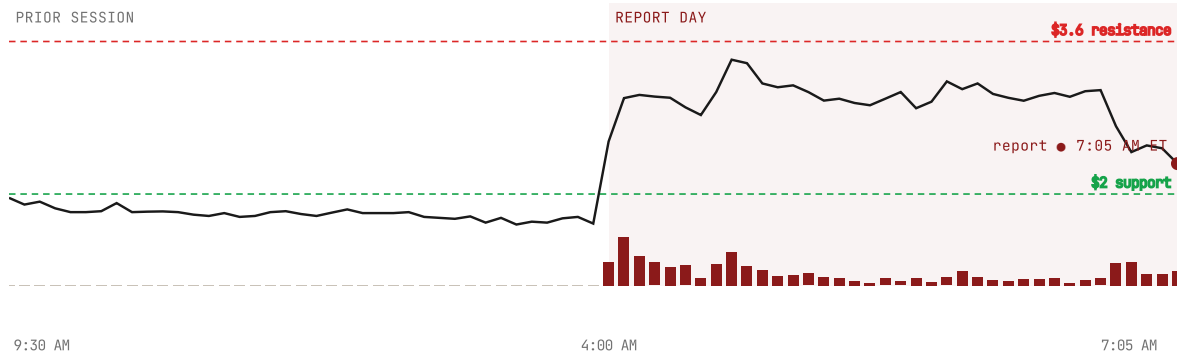
DATA BOX

Price	\$2.42
Change	+44.13%
Volume	25.92M
Float	1.31M
Mkt cap	\$3.48M

MECHANICS

Roughly 1.44M shares outstanding with a ~1.31M float following a 1-for-10 reverse split effective April 30, 2026 — the company's third split since 2020 (1-for-8 in 2020, 1-for-18 in 2023). An August 10, 2026 warrant inducement created new warrants for up to 1,236,668 shares, pending stockholder approval under Nasdaq Rule 5635(d) at the adjourned annual meeting on October 2, 2026. Management reported over \$4.5M cash on the Q2 2026 call and is targeting profitability in H2 2026.

BKYI — PRIOR SESSION → REPORT TIME



DATA BOX — MACHINE-VERIFIED

Data Box — BKYI · as of 7:21 AM ET, 2026-09-29 · Pre-market session

METRIC	VALUE
Price	\$2.42
Previous close	\$1.68
Change	+44.13%
Volume (premarket)	25.92M
Float	1.31M
Shares outstanding	1.44M
Market cap	\$3.48M
52-week range	\$1.63 - \$19.70
Avg daily volume (20d)	67.4K
Relative volume	N/A (premarket)

All figures machine-sourced from market data APIs at publication time.

BIO-key International (BKYI) is up more than 40% in Tuesday's premarket after a 7:30 a.m. press release, and the early tape already told a full story: a spike into the mid-\$3s, then a fade back into the mid-\$2s, all on volume that

dwarfs the float many times over. Monday, September 28 closed at \$1.68 — pennies above the 52-week low — so this move launches from the absolute bottom of the range.

The catalyst, and what it isn't

The news is real but unquantified. BIO-key announced a strategic partnership with Al Majlis Group, a Dubai-based public affairs and advisory group founded by H.E. Dherar Belhoul Al Falasi, to bring its identity security platform to government and private sector organizations across the UAE and Saudi Arabia. The first phase will focus on a joint approach to a select group of priority organizations in the region. Note what's missing: no contract value, no revenue commitment, no named customer. Al Falasi is a former member of the UAE Federal National Council, and that kind of government-relations access genuinely matters in Gulf procurement — but for now this is a door-opener, not a deal.

The business itself is legitimate: biometric-centric, multi-factor identity and access management software securing access for over forty million users. On the Q2 call, the company said it completed a 1-for-10 reverse split, regained Nasdaq compliance, raised \$2.5 million through a warrant transaction, and is targeting profitability in the second half of 2026 with cash now over \$4.5 million.

The float math lesson

Here's the mechanic that turns a press release into a 40% gap. That April split cut roughly 10.9 million shares outstanding down to approximately 1.1 million — and it's the third split in six years, following a 1-for-8 in

November 2020 and a 1-for-18 in December 2023. With a float this compressed, premarket volume has already turned the entire float over more than a dozen times. That's a churn tape: almost nobody holding this at 9:30 bought it before 7:00. Moves both directions get violent, and volatility halts are a live risk from the opening print.

The overhang most people won't read

Now the filing that matters. BIO-key ran a warrant inducement on August 10, 2026, and is asking stockholders to approve, under Nasdaq Rule 5635(d), the issuance of up to 1,236,668 shares upon exercise of the new warrants. Against a sub-1.5M float, that's a potential near-doubling of supply. The annual meeting was adjourned, with polls remaining open, to Friday, October 2 — three days from now. If Proposal 4 passes and the stock holds anywhere near current prices, those warrants become very exercisable. Dilution isn't a character flaw; it's supply you need to price in.

The verdict, and what flips it

Two forces are fighting: a headline with no dollars attached plus a loaded-spring float, versus 1.2M shares of contingent supply and a tape that already faded hard off its premarket high. The data leans toward the fade — the stock couldn't hold the spike even before the open. What flips it bullish: reclaiming the premarket VWAP (right around \$3) on sustained volume after the open, or follow-on news naming an actual Gulf customer. The premarket high in the mid-\$3s is the ceiling; the \$2 zone, where premarket buyers first committed, is the floor. Lose \$2 and Monday's \$1.68 close is the magnet. Size for halts, not for hope.

This is not financial advice — do your own research before trading any security.

MECHANICS BOX — THE STRUCTURAL READ

- Shares outstanding: 1.44M · Float: 1.31M
- Dilution-relevant SEC filings (30d): none found in the last 30 days
- Splits: 1-for-10 reverse (2026-04-30), 1-for-18 reverse (2023-12-21), 1-for-8 reverse (2020-11-20), 1-for-12 reverse (2016-12-29), 1-for-2 reverse (2015-02-06)
- Roughly 1.44M shares outstanding with a ~1.31M float following a 1-for-10 reverse split effective April 30, 2026 — the company's third split since 2020 (1-for-8 in 2020, 1-for-18 in 2023). An August 10, 2026 warrant inducement created new warrants for up to 1,236,668 shares, pending stockholder approval under Nasdaq Rule 5635(d) at the adjourned annual meeting on October 2, 2026. Management reported over \$4.5M cash on the Q2 2026 call and is targeting profitability in H2 2026.

The Setup: This is a Float Squeeze play — read the pattern guide to learn how these setups typically unfold.

This report is for informational purposes only and does not constitute investment advice. Always conduct your own due diligence before making any investment decision.