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Fingerprint Cards AB (publ) publishes final outcome in the rights issue

The subscription period in Fingerprint Cards AB's (publ) ("Fingerprints" or the "Company") partially guaranteed issue of new shares of series B ("B-shares") of up to approximately SEK 312.4 million with preferential rights for its existing shareholders (the "Rights Issue") ended on 17 June 2024. The final outcome in the Rights Issue shows that 1,942,225,248 B-shares, corresponding to approximately 55.9 percent of the B-shares offered in the Rights Issue, have been subscribed for with support of subscription rights. In addition, applications to subscribe for 63,912,695 B-shares without the support of subscription rights have been received, corresponding to approximately 1.8 percent of the B-shares offered in the Rights Issue. As of today, the Rights Issue is thus subscribed for by approximately 57.8 percent in total, entailing that approximately 30.2 percent of the Rights Issue shall be subscribed for by those who have entered into guarantee commitments pursuant to the terms of their respective guarantee commitments. Of the 1,049,417,612 B-shares to be subscribed for by the guarantors, 498,342,574 B-shares shall be subscribed for upon a positive decision from the Inspectorate of Strategic Products (Sw. *Inspektionen för strategiska produkter*) (the "ISP") pursuant to the Screening of Foreign Direct Investment Act (Sw. *lag (2023:560) om granskning av utländska direktinvesteringar*).

The guarantee commitments entered into by an entity managed by Heights Capital Management, Inc. ("HCM") are, to the extent it would entail that HCM's shareholding corresponds to 10 percent or more of the total number of votes in the Company, conditional upon prior positive decisions from the ISP and the Danish Business Authority (Da. *Erhvervsstyrelsen*) ("FDI Decision"). HCM has informed Fingerprints that HCM has received such positive FDI Decision from the Danish Business Authority, but that it awaits such FDI Decision from the ISP as its phase two review of HCM is still ongoing. This entails that HCM may at this stage subscribe for 323,747,886 B-shares (corresponding to 9.99 percent of the total number of votes in the Company) and that the remaining 498,342,574 B-shares not subscribed for by HCM now ("FDI Shares"), shall be subscribed for by HCM upon such positive FDI Decision (the "FDI Subscription"), in accordance with the separate subscription period for the FDI Shares previously communicated. The Company will publish a separate press release when HCM has obtained the FDI Decision from the ISP.

The subscription of 2,006,137,943 B-shares by shareholders and other investors, HCM's initial subscription of 323,747,886 B-shares and the 227,327,152 B-shares subscribed by the other guarantors, amounting to a total of 2,557,212,981 B-shares, corresponding to approximately 73.7 percent of the B-shares offered in the Rights Issue, have thus been subscribed as of today (the "General Subscription"). Through the General Subscription, Fingerprints will receive proceeds of approximately SEK 230.1 million. Upon HCM receiving a positive FDI Decision from the ISP, an additional 498,342,574 B-shares, corresponding to approximately 14.4 percent of the B-shares offered in the Rights Issue, shall be subscribed for by HCM. Through the FDI Subscription, Fingerprints will receive additional proceeds of approximately SEK 44.9 million, entailing total proceeds of approximately SEK 275.0 million before deduction of transaction costs.

The SEK 230.1 million which will be received by the Company in the General Subscription will finance the repayment of Fingerprints' SEK 60 million bridge loan (together with accrued interest) as well as general corporate purposes. Upon HCM receiving a positive FDI Decision from the ISP and the completion of the FDI Subscription, the Company will further repay its outstanding convertible bonds of approximately SEK 105 million

(together with accrued interest). Thus, the later FDI Subscription due to ISP's ongoing phase two review of HCM will not affect the Company's ability to finance its ongoing operations.

Following registration of the B-shares in the General Subscription with the Swedish Companies Registration Office, the Company's share capital will increase by approximately SEK 111,347,463.39 to approximately SEK 138,022,979.07. The number of shares in the Company will increase with 2,557,212,981 to 3,169,844,584. The number of votes will increase with 2,557,212,981 to 3,240,719,584. Thus, the General Subscription entails a total dilution effect corresponding to approximately 80.7 percent of the number of shares and approximately 78.9 percent of the number of votes in the Company following the completion of the General Subscription. Upon HCM receiving a positive FDI Decision from the ISP, the B-shares in the FDI Subscription will, following registration with the Swedish Companies Registration Office, entail an increase of the Company's share capital by approximately SEK 21,699,084.87 to approximately SEK 159,722,063.95, an increase in the number of shares with 498,342,574 to 3,668,187,158 and an increase in the number of votes with 498,342,574 to 3,739,062,158. The FDI Subscription will thus entail a total dilution effect corresponding to approximately 13.6 percent of the number of shares and approximately 13.3 percent of the number of votes in the Company following the completion of the FDI Subscription.

Allotment of B-shares subscribed for in connection with the General Subscription without support of subscription rights will be made in accordance with the principles that are included in the prospectus published by the Company on 29 May 2024. Confirmation of allotment to the persons that have subscribed for B-shares in connection with the General Subscription without the support of subscription rights will be provided by means of a settlement note to be distributed to each subscriber on or around 19 June 2024. Subscribed and allotted B-shares shall be paid for in accordance with the instructions on the settlement note to be sent to the subscriber. Nominee registered shareholders will receive notice of the allotment in accordance with the procedures of the respective nominee.

The last day of trading in paid subscribed B-shares (Sw. *betalda tecknade B-aktier*, "BTA") is 27 June 2024. B-shares subscribed for in connection with the General Subscription are expected to be registered with the Swedish Companies Registration Office on or around 28 June 2024. The new B-shares are expected to be delivered to the subscribers' securities accounts on or around 3 July 2024.

In connection with the registration of the new B-shares in the General Subscription with the Swedish Companies Registration Office, the board of directors will register new articles of association for the Company in accordance with the resolution by the annual general meeting on 28 May 2024 (item 21 in the notice to the annual general meeting). Pursuant to the new articles of association, the Company's share capital shall amount to not less than SEK 54,428,133.389266 and not more than SEK 217,712,533.557063 and the number of shares in the Company shall not be fewer than 1,250,000,000 and not exceed 5,000,000,000. The new articles of association will be available on Fingerprints' website from its registration with Swedish Companies Registration Office.

Advisers

Pareto Securities acts as Sole Manager and Bookrunner in connection with the Rights Issue. Gernandt & Danielsson Advokatbyrå KB acts as legal advisor to the Company in connection with the Rights Issue.

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The information was submitted for publication, through the agency of the contact persons set out above, on 18 June 2024 at 11:00 pm CEST.

Important information

This press release does not contain and does not constitute an offer to acquire, subscribe or otherwise trade in shares, subscription rights, BTA, convertibles or other securities in Fingerprints. The offer to relevant persons regarding the subscription of shares in Fingerprints will only be made through the prospectus that Fingerprints will publish on its website after approval and registration with the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*).

The information in this press release may not be disclosed, published or distributed, directly or indirectly, in or into the United States (including its territories and possessions), Australia, Japan, Canada, Hong Kong, New Zealand, Singapore or South Africa or any other jurisdiction where distribution or publication would be illegal or require registration or other measures than those that follow from Swedish law. Actions that violate these restrictions may constitute a violation of applicable securities laws.

No shares, subscription rights, BTA, convertibles or other securities have been registered, and no shares, subscription rights, BTA, convertibles or other securities will be registered under the United States Securities Act of 1933 as currently amended (“Securities Act”) or the securities legislation of any state or other jurisdiction of the United States and no shares, subscription rights, BTA, convertibles or other securities may be offered, sold, or otherwise transferred, directly or indirectly, within or into the United States, except under an available exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States.

In all EEA Member States (“EEA”), other than Sweden, Denmark, Finland and Norway, this press release is intended for and is directed only to qualified investors in the relevant Member State as defined in the Regulation (EU) 2017/1129 (together with associated delegated regulations and implementing regulations, the “Prospectus Regulation”), i.e. only to those investors who can receive the offer without an approved prospectus in such EEA Member State.

In the United Kingdom, this press release is directed and communicated only to persons who are qualified investors as defined in Article 2(e) of the Prospectus Regulation (as incorporated into domestic law in the United Kingdom) who are (i) persons who fall within the definition of “professional investors” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (“the Regulation”), or (ii) persons covered by Article 49(2)(a) - (d) in the Regulation, or (iii) persons to whom the information may otherwise lawfully be communicated (all such persons referred to in (i), (ii) and (iii) above are collectively referred to as “Relevant Persons”). Securities in the Company are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will only be processed in respect of Relevant Persons. Persons who are not Relevant Persons should not act based on or rely on the information contained in this press release.

The Company considers that it carries out protection-worthy activities under the Foreign Direct Investment Screening Act (the “Swedish FDI Act”) (Sw. lag (2023:560) om granskning av utländska direktinvesteringar). According to the Swedish FDI Act, the Company must inform presumptive investors that the Company’s activities may fall under the regulation and that the investment may be subject to mandatory filing. If an investment is subject to mandatory filing, it must prior to its completion, be filed with the Inspectorate of Strategic Products (the “ISP”). An investment may be subject to mandatory filing if i) the investor, a member of the investor’s ownership structure or a person on whose behalf the investor is acting would, after the completion of the investment, hold votes in the Company equal to, or exceeding any of the thresholds of 10, 20, 30, 50, 65 or 90 percent of the total number of votes in the Company, ii) the investor would, as a result of the investment, acquire the Company, and the investor, a member of the investor’s ownership structure or a person on whose behalf the investor is acting, would, directly or indirectly, hold 10 percent or more of the total number of votes in the Company, or iii) the investor, a member of the investor’s ownership structure or a person on whose behalf the investor is acting, would acquire, as a result of the investment, direct or indirect influence on the management of the Company. The investor may be imposed an administrative sanction charge if a mandatory filing investment is carried out before the ISP either i) decided to leave the notification without action or ii) authorised the investment. Each shareholder should consult an independent legal adviser on the possible application of the Swedish FDI Act in relation to the Rights Issue for the individual shareholder.

This announcement does not constitute an investment recommendation. The price and value of securities and any income from them can go down as well as up and you could lose your entire investment. Past performance is not a guide to future performance. Information in this announcement cannot be relied upon as a guide to future performance.

Forward-looking statements

Matters discussed in this press release may contain forward-looking statements. Such statements are all statements that are not historical facts and contain expressions such as “believes”, “expects”, “anticipates”, “intends”, “estimates”, “will”, “may”, “continues”, “should” and other similar expressions. The forward-looking statements in this press release are based on various assumptions, which in several cases are based on additional assumptions. Although Fingerprints believes these assumptions were reasonable when made, such forward-looking statements are subject to known and unknown risks, uncertainties, contingencies and other material factors that are difficult or impossible to predict and beyond its control. Such risks, uncertainties, contingencies and material factors could cause actual results to differ materially from those expressed or implied in this communication through the forward-looking statements. The information, perceptions and forward-looking statements contained in press release speak only as at its date, and are subject to change without notice. Fingerprints undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or other circumstances, except for when it is required by law or other regulations. Accordingly, investors are cautioned not to place undue reliance on any of these forward-looking statements.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Fingerprints have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the

shares in Fingerprints may decline and investors could lose all or part of their investment; the shares in Fingerprints offer no guaranteed income and no capital protection; and an investment in the shares in Fingerprints is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Rights Issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Fingerprints.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Fingerprints and determining appropriate distribution channels.

About Fingerprints

Fingerprint Cards AB (Fingerprints) – the world’s leading biometrics company, with its roots in Sweden. We believe in a secure and seamless universe, where you are the key to everything. Our solutions are found in hundreds of millions of devices and applications, and are used billions of times every day, providing safe and convenient identification and authentication with a human touch. For more information visit our [website](#), read our [blog](#), and follow us on [Twitter](#). Fingerprints is listed on Nasdaq Stockholm (FING B).