

Highlights, third quarter

- Healthy revenue growth across Mobile, PC, Payment, and Access outside of Asia
- On October 19, 2023, Fingerprints announced the initiation of a cost optimization program – expected to yield cost savings of approximately SEK 204 M on an annual basis – to respond to challenging market conditions that the company faces in the short term (see page 2, “Cost optimization” for more details)
- Repayment of bond loan, following the convertible bond issue and rights issue, will lower interest expense by approximately 75 percent, while increasing financial flexibility with no restrictive financial commitments
- Cash flow impacted by approximately SEK 20 M in one-time expenses associated with refinancing

Third quarter of 2023

- Revenues amounted to SEK 184.8 M (143.2)
- The gross margin was 12.8 percent (12.2)
- EBITDA amounted to negative SEK 40.4 M (neg: 38.1)
- The operating result was a negative SEK 63.8 M (neg: 59.8)
- Earnings per share before and after dilution amounted to a negative SEK 0.17 (neg: 0.17)
- Cash flow from operating activities was negative SEK 38.0 M (neg: 111.6)

January-September 2023

- Revenues amounted to SEK 505.1 M (671.5)
- The gross margin was 13.9 percent (22.3)
- EBITDA amounted to negative SEK 158.4 M (neg: 41.7)
- The operating result was a negative SEK 215.2 (neg: 103.7)
- Earnings per share before and after dilution amounted to a negative SEK 0.52 (neg: 0.29)
- Cash flow from operating activities was negative SEK 27.9 M (neg: 230.2)

SEK M	Jul-Sep 2023	Jul-Sep 2022	Change	Jan-Sep 2023	Jan-Sep 2022	Change	Dec 2022
Revenue	184.8	143.2	29%	505.1	671.5	-25%	861.8
Gross profit	23.6	17.5	35%	70.5	149.6	-53%	166.4
Gross margin %	12.8	12.2	1%	13.9	22.3	-8%	19.3
Operating profit	-63.8	-59.8		-215.2	-103.7		-631.0
Operating margin %	-34.5	-41.8		-42.6	-15.4		-73.2
EBITDA *	-40.4	-38.1		-158.4	-41.7		-116.0
Adjusted EBITDA **	-40.4	-38.1		-158.4	-41.7		-83.4
Profit/loss before tax	-93.9	-66.7		-263.5	-110.5		-652.2
Profit/loss for the period	-73.8	-51.0		-220.1	-86.6		-586.0
Earnings per share before and after dilution, SEK	-0.17	-0.17		-0.52	-0.29		-1.92
Cash and cash equivalents	197.9	71.4	177%	197.9	71.4	177%	274.1
Cash flow from operating activities	-38.0	-111.6		-27.9	-230.2		-334.1
Equity/assets ratio, % ***	69.0	61.9		69.0	61.9		59.9
Average number of employees	201	233	-14%	208	246	-15%	239

* EBITDA, Operating profit before interest, taxes, depreciation, amortisations and write downs.

*** Equity/assets ratio, Equity at the end of period divided by total assets

** Adjusted EBITDA, EBITDA adjusted with one time costs



CEO's comments

Let me begin my first interim report as CEO by giving you a summary of our performance in the third quarter including headline revenue growth, along with the completion of our refinancing to significantly improve our financial flexibility. I'll then discuss the Transformation Plan I've set in motion including a large cost optimization program to ensure our growth brings strong future profitability with it, organizational changes that bring fresh energy, agility and new DNA to our company, and a new strategic direction for Fingerprints to thrive in this incredible Biometrics market, all of which we are announcing today.



“Significant YoY revenue growth paired with the launch of a program to lower operating expenses by approximately 50%”

Q3 results and financing

I am pleased that we are reporting 29-percent year-on-year revenue growth. We saw growth in our Mobile, PC and Payment product groups, as well as in our Access business outside of Asia. In Asia, Access sales decreased, driven mainly by lower demand for door locks because of weak development in the construction sector. Whilst the top-line growth is encouraging, we continue to face intense price pressure in Mobile – our largest product group in terms of revenue – as the industry still struggles with excessive inventory. Aggressive destocking measures have had a significant negative effect on the average selling price and thus on our gross margin. Since the end of the second quarter 2023, we have decreased our inventory by 23 percent and we expect to reach an acceptable level before the end of this year as previously communicated. On an industry level, however, we expect that it will take longer for competitors' inventories to normalize. Once this happens, we expect selling prices and margins to improve. At the same time, we are continuing to increase our share of the market for biometric solutions for PCs – a segment offering higher margins and attractive growth potential. We also expect to continue growing revenue in the Access and Payment areas, even though revenue development in individual quarters remains volatile as these industries are less mature when it comes to the use of biometric solutions.

Following the completion of the convertible bond issue and the rights issue, we repaid our SEK 300 M bond loan at the end of September. This will lower our interest expense by approximately 75 percent, or around SEK 30 M on an annual basis, while increasing financial flexibility with no restrictive financial commitments. As a result of this, our ability to execute on our growth and diversification plans has significantly improved. That said, our cash flow from operating activities in the third quarter was impacted by approximately SEK 20 M in one-time expenses associated with the early redemption of the bond loan, the convertible bond issue and the rights issue.

Cost optimization

In response to the challenging market conditions that are impacting gross margin, we are initiating a plan to implement a number of restructuring measures which are expected to yield cost savings of approximately SEK 204 M on an annual basis with full effect from the second half of 2024, resulting in an OPEX run rate of approximately SEK 180 M on an annual basis. This



effectively halves our OPEX run rate. Restructuring costs are currently estimated at SEK 62 M, half of which will be recorded in the fourth quarter of 2023, and the rest in 2024.

Let me outline why we are doing this now, what it will mean for Fingerprints and our key stakeholders, and how we will move forward as a premium solution provider.

First of all, current market conditions in our largest operating segment mean that our gross margin is at a level that is economically unsustainable given our existing cost base. As already mentioned, we expect the situation in Mobile to improve once inventory levels normalize. However, we view these cost reduction measures as necessary in order to safeguard the financial health and future of the company. Our top priority is to arrest losses, while continuing to diversify our revenue streams to new, higher-margin areas, including and beyond PC, Access and Payments. The global market for biometric solutions is large and growing, and I see abundant opportunities to innovate by leveraging our premium capabilities and technology assets in new areas. At the same time, we are fully committed to supporting our existing customers including those in Mobile. Profitability will be the overriding consideration in our evaluation of new projects, focusing on those projects where our premium capabilities are valued.

A new organization and governance model

Whilst changes affecting our people are never easy, it's important that we look forward as a company. I believe that we can significantly reduce organizational and operational complexity, with a streamlined and engaging model that injects more speed and efficiency into our company.

We must deploy our talent efficiently, aligning our people with strategic projects quickly as market opportunities evolve. To achieve this goal and create an empowered, efficient organization, our plan is to transition to a functional organizational model, enhancing accountability and enabling agility. The two primary pillars of such a structure will be Product and Sales, with support from Finance, HR and other operational functions. Both the new organization and our new strategy will be underpinned by enhanced governance, accelerating throughput and conversion from innovation through to sales.

A new strategy

Fingerprints is a highly innovative biometric hardware and software company that, based on our skills and IP, provides premium value to our clients. Today, the bulk of our revenue is generated from sales of fingerprint sensor modules to customers in the consumer electronics space - mainly mobile phone manufacturers. These are high-volume, highly competitive and mature global markets, but are still only a small part of the vast, double-digit growth biometrics market. Around three-quarters of the revenue in biometrics – including software applications – is currently generated in the government & security, enterprise & industrial, healthcare, and financial sectors. In addition to these massive opportunities, there are other attractive growth vectors available to us, including new technologies, new channels and partnerships and new business models such as software licensing.

To capitalize on these myriad opportunities, I am pleased to announce Fingerprints' Biometrics Platform. I believe we can better leverage the value of our talent and portfolio by developing and expanding them as part of a cohesive, extensible platform which can then be applied to address a greater array of customer challenges and opportunities. Instead of disparate



technologies, the Fingerprints Biometrics Platform is a common, integrated set of tools and capabilities that combine in multiple ways to maximize our addressable market and customer value creation.

The Fingerprints Biometrics Platform has four layers: **devices** which capture and transmit a signal; software **modalities** such as fingerprints, iris, face or gait that extract key indicators from the signal; software **analytics engines** such as algorithms and AI that match the signal to a given outcome like identity or behavior, and the software **data layer** where the information is managed and securely stored. Fingerprints are best-in-class at doing this with the highest efficacy within our current portfolio. Expansion across the Fingerprints Platform will be delivered through building, partnering or buying new capabilities to unlock new markets.

There are a multitude of development and expansion opportunities. With thoughtful allocation of our capital, we'll explore a set of potential focus areas including new software modalities, such as face and health; analytics engine expansion for outcomes beyond identity with AI; new verticals including retail and government; new use cases including FIDO and KYC (know your customer). To accelerate monetization, we'll explore new licensing models and partnerships.

Fingerprints continues to be a leader in premium biometrics solutions as shown by our Q3 growth. By addressing our underlying costs and evolving to a new dynamic organization, we're well positioned to drive profitability performance. Launching the new Fingerprints Platform we can realize our rich set of capabilities in new, impactful ways.

Adam Philpott, President and CEO

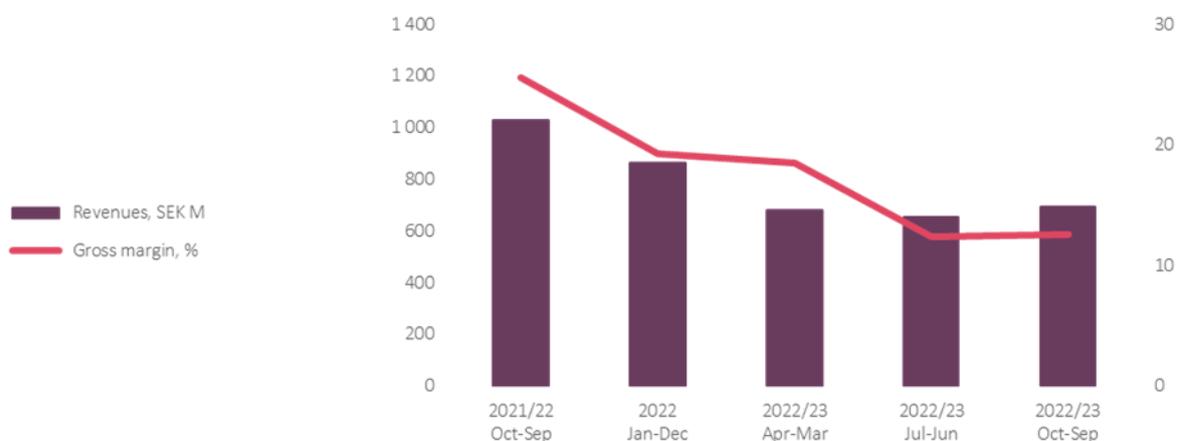


Revenues and operating result, third quarter of 2023

Revenues

Group revenues for the third quarter amounted to SEK 184.8 M (143.2), corresponding to an increase of 29 percent compared with the third quarter of 2022 (increase of 42 percent in constant currency terms). Sales grew within both of our operating segments, in Asia (formerly Mobile & PC) as well as in the Rest of World segment (formerly Payment & Access). From a product group perspective, revenue increased in Mobile, Payment and PC, while we saw an 11-percent decline in Access. Our view of the demand trend in Access going forward remains positive, but revenue development within both the Access and Payment product groups tends to be more uneven and sensitive to economic fluctuations, since these industries are more immature when it comes to the use of biometric solutions. During the third quarter, we continued to reduce our inventory, with a positive effect on cash flow. Inventory amounted to SEK 156 M at the end of the third quarter, compared with SEK 203 at the end of the second quarter. Our order stock continued to develop well and the value at the end of September 2023 had increased by 16 percent since the end of June 2023.

Revenues and gross margin, rolling 12 months



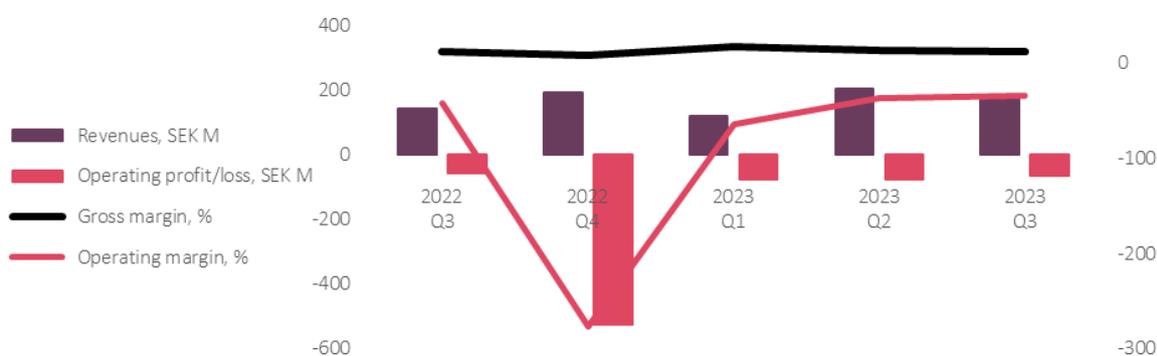
Trend in operating profit

Gross profit for the third quarter was SEK 23.6 M (17.5) and the gross margin was 12.8 percent (12.2). The gross margin was negatively impacted by strong price pressure within Mobile due to continued destocking measures, at the same time as sales in Access, where selling prices are significantly higher, performed weaker this quarter.

The operating result for the third quarter was a negative SEK 63.8 M (neg: 59.8). Operating expenses amounted to SEK 87.4 M (77.3). OPEX in the quarter was impacted by a SEK 3.5 M write-down of a development project. In Q3 2022, OPEX was positively impacted by exchange rate gains on working capital, amounting to SEK 15.8 M.



Revenues, operating profit/loss, gross margin and operating margin per quarter*



* Operating profit in Q4 2022 was impacted by three non-cash items: a SEK 22 M inventory write-down, a SEK 116 M write-down of capitalized R&D projects and a SEK 317 M goodwill write-down related to the acquisition of Delta ID that was finalized in 2017.

Development costs of SEK 12.7 M (27.8) were capitalized during the quarter, corresponding to 32.8 percent of total development costs, compared with 52.0 percent for the corresponding quarter of 2022. Other operating income decreased to SEK 4.1 M (15.8) and pertain to exchange-rate fluctuations attributable to operating working capital.

EBITDA for the quarter amounted to a negative SEK 40.4 M (neg: 38.1), and comprised the operating result of negative SEK 63.8 M plus depreciation/amortization of SEK 23.4 M in the quarter.

Operating segments

Fingerprints reports results for the Asia operating segment (formerly Mobile & PC), the Rest of World operating segment (formerly Payment & Access) and New Business. See the table on page 20. The New Business unit was established for the purpose of accelerating the diversification of Fingerprints' revenues, with a particular focus on four areas: the automotive industry, new partners, M&A, and the monetization of intellectual property rights. An operating segment is a part of the Group that conducts activities from which it can generate revenue, incur costs and for which independent financial information is available. Each segment has a manager who is responsible for the day-to-day operations and who regularly reports the results for the segment to the CEO. Costs for some central functions are not allocated to the operating segments (refer to table on page 20). Sales are organized into the four product groups: Mobile, PC, Payment and Access. The Asia operating segment (formerly Mobile & PC) includes revenue from the Mobile and PC product groups, as well as the part of the Access product group attributable to Asia. In the Rest of World operating segment (formerly Payment & Access), revenue is included from the Payment product group and the part of the Access product group attributable to the geographic areas outside Asia.

Product groups

With effect from the interim report for the first quarter 2023, sales are also reported based on the four product groups: Mobile, PC, Payment and Access. Refer to the table on page 21.

Financial income and expenses

Financial income amounted to SEK 1.4 M (3.3). This item pertains to interest income on bank balances. The figure for the preceding year pertains to the effect of unrealized exchange-rate gains on bank balances.



Financial expenses amounted to negative SEK 31.5 M (neg: 10.2). Expenses for the quarter pertained primarily to interest on the bond loan and approximately SEK 20 M in additional costs due to the early redemption of the bond loan, the convertible bond issue and the rights issue. The bond loan issued in 2021 has been fully repaid during this quarter.

Earnings and earnings per share for the reporting period

The result for the third quarter of 2023 was a negative SEK 73.8 M (neg: 51.0). Earnings per share for the second quarter were a negative SEK 0.17 (neg: 0.17).

Cash flow and balance sheet, third quarter of 2023

Cash flow

Cash flow from operating activities was negative SEK 38.0 M (neg: 111.6). Cash flow was impacted negatively by one-time expenses, amounting to approximately SEK 20 M, due to the early redemption of the bond loan during September, the convertible bond issue and the rights issue.

Cash flow from investing activities amounted to a negative SEK 12.4 M (neg: 28.1), of which capitalized development expenditure accounted for SEK 12.7 M (26.9).

Cash flow from financing activities was negative SEK 2.4 M (neg: 2.3) and includes the following items: repaid bond loan (negative SEK 300.0 M), rights issue (SEK 154.9 M), convertible bond loan (SEK 145.7 M), and leasing fees on leased premises (negative SEK 9.2 M).

Exchange-rate fluctuations had a negative SEK 1.7 M (pos: 0.6) impact on cash and cash equivalents during the quarter.

Liquidity and shareholders' equity

At September 30, 2023, the Group's disposable cash and cash equivalents totaled SEK 197.9 M (71.4), and the Group's net cash amounted to SEK 45.1 M on the same date (net debt: 236.8). Interest-bearing liabilities comprise the convertible bond loan issued in September 2023, amounting to SEK 160 M (-). In the balance sheet, the convertible bond loan has been separated in a financial liability part and an equity part according to IAS 32:28. SEK 133.9 M is recorded as liability and SEK 4.4 M as equity. In addition, lease liabilities pertaining to office premises amount to SEK 14.6 M (15.0), recognized in accordance with IFRS 16.

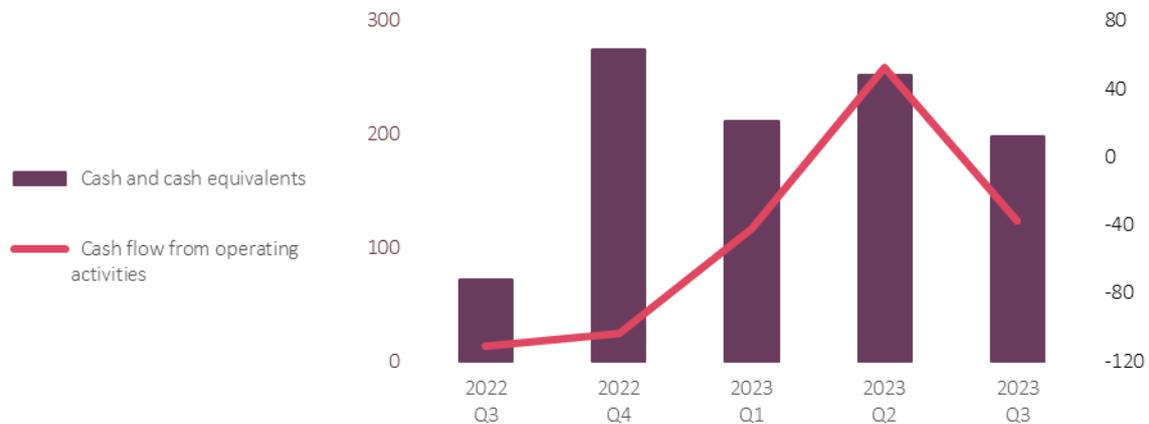
At period-end, consolidated shareholders' equity amounted to SEK 833.2 M (1,106.2) and the equity/assets ratio for the Group to 69.0 percent (61.9). Other comprehensive income in the third quarter amounted to SEK 1.1 M (74,3), and included the remeasurement of shareholders' equity in foreign currencies, the majority of which is attributable to USD.

Investments, fixed assets and depreciation/amortization

Investments in intangible fixed assets during the quarter amounted to an expense of SEK 12.7 M (expense: 27,8). Investments in tangible fixed assets for the quarter amounted to an expense of SEK 0.0 M (expense: 0.3). Depreciation/amortization according to plan for the quarter totaled SEK 23.4 M (21.7). Financial fixed assets pertain to deferred tax of SEK 173.2 M (79.6).



Cash and cash equivalents and cash flow from operating activities, SEK M



Comments on the period January–September 2023

The Group's revenue for the period January–September 2023 totaled SEK 505.1 M (671.5), corresponding to a decrease of 25 percent compared with the year-earlier period. The period was characterized by intense price competition and lower volumes compared with the preceding year. The demand for smartphones and computers was subdued, while inventory levels for us and our competitors remained too high, which led to strong price pressure during the period. Order bookings were very weak at the beginning of the year, but have successively improved.

Gross profit for the period January–September 2023 was SEK 70.5 M (149.6) and the gross margin was 13.9 percent (22.3). The reduced sales volumes, combined with increased price competition within the Mobile product segment, had a negative impact on profitability.

Cash flow from operating activities for the period was negative SEK 27.9 M (neg: 230.2). At September 30, 2023, the Group's disposable cash and cash equivalents totaled SEK 197.9 M, compared to SEK 71.4 M in the third quarter of 2022. At September 30, 2023, the Group's net cash totaled SEK 45.1 M, compared to net debt of SEK 236.8 M at the end of the third quarter of 2022.

Other events during the third quarter of 2023

Business Development

Fingerprints announced the next step in the company's diversification strategy: the formation of a new organizational unit – New Business. This unit is charged with developing new business and driving revenue growth, with a particular focus on the following four areas: New partners, M&A, Automotive and Monetizing intellectual property rights.

Fingerprints announced that the company has signed an agreement with a tier 1 automotive supplier, with the objective of further developing Fingerprints' iris recognition technology so



that it can be seamlessly integrated into Driver Monitoring Systems (DMS). The scope of the agreement is to implement Fingerprints' iris authentication software in an existing DMS, and to promote it to automotive OEMs as an add-on feature. Our partner will pay a non-recurring engineering (NRE) fee for the development phase of the project. Forthcoming legal requirements for driver monitoring, using infrared cameras to detect the status of the driver create a strong case for integrating iris recognition technology in cars. The same infrared camera that is used in the DMS can be used to illuminate the eye with infrared light to take a picture of the iris and use Fingerprints' authentication software without adding any additional hardware. We see an increasing interest from automotive companies in the benefits of biometrics, for example in authenticating in-car payment system transactions and enabling other advanced features, such as driver personalization and preventing the vehicle from starting unless the driver has been successfully authenticated.

Fingerprints announced that the company has entered into a collaboration agreement with Cionlabs, an innovative company that delivers cutting-edge engineering solutions tailored to the IoT market. Cionlabs will develop, design, and exclusively incorporate Fingerprints' biometric sensor, software and algorithm into its extensive product portfolio for smart door locks and IoT products. The integration of Fingerprints' technology will enable Cionlabs to enhance the security, flexibility and user-friendliness of the solutions it offers to OEMs, ODMs and suppliers targeting the smart lock and embedded systems markets in India and worldwide, benefitting end users with effortless and convenient access via a simple fingertip touch. OEMs and ODMs seeking to enhance their product portfolios with biometric features will be able to leverage the partnership between Fingerprints and Cionlabs to bring biometric-enabled products to the market faster, while reducing costs compared to in-house development.

Significant events during the third quarter of 2023

On July 3, 2023, Fingerprints announced the appointment of Adam Philpott as its new President and Chief Executive Officer, effective September 1, 2023. Previously, Adam held the position of Chief Revenue Officer (CRO) at Trellix, a leading cybersecurity company formed from the merger of McAfee Enterprise and FireEye in October 2021. Adam was elected to the Board of Directors of Fingerprints in May 2023 and will remain as a board member after assuming the role as President & CEO.

On July 16, 2023, Fingerprints announced that the board had decided on an early redemption of the company's outstanding bond loan of MSEK 300 through a new financing amounting to at least MSEK 340 with an option to increase up to MSEK 430. The Company has entered into a binding agreement (the "Subscription Agreement") with an entity managed by Heights Capital Management, Inc. ("HCM") regarding an undertaking to subscribe for convertible bonds (the "Convertible Bonds") for a total nominal amount of MSEK 160 ("Tranche 1") with an option of additional Convertible Bonds with a total nominal amount of MSEK 90 that can be exercised under certain conditions and if the Company so wishes ("Tranche 2"). The Company has further resolved on a fully guaranteed rights issue of B-shares of approximately MSEK 180 (the "Fully Guaranteed Rights Issue") and a rights issue of A-shares of approximately MSEK 3.4 (together with the Fully Guaranteed Rights Issue, the "Rights Issue" and together with Tranche 1, the "Transaction"). The proceeds from the Transaction shall be used for the redemption of the Company's outstanding bond loan of MSEK 300 maturing in December 2024 as well as for



general corporate purposes, including increased investments within the Company's growth segment. The Company and the board have chosen to carry out the Transaction to create increased financial and operational flexibility through an early redemption of the outstanding bond loan, which enables an increased focus on growth and profitability.

On August 16, 2023, Fingerprints' board of directors announced the final terms of the Rights Issue. Current holders of A-shares in Fingerprints as of the record date 24 August 2023 were allotted one (1) subscription right for each existing A-share held on the record date, whereby eleven (11) subscription rights entitled to subscription of four (4) A-shares, i.e. a subscription ratio of 11:4. In addition, current holders of B-shares in Fingerprints as of the record date 24 August 2023 were allotted one (1) subscription right for each existing B-share held on the record date, whereby eleven (11) subscription rights entitles to subscription of four (4) B-shares, i.e. a subscription ratio of 11:4. The subscription price was SEK 1.2 per new share, corresponding to total issue proceeds of not more than approximately MSEK 185.2 before deduction of transaction costs related to the Rights Issue. The subscription price of SEK 1.2 per share corresponds to a discount of approximately 28 percent compared to the theoretical price after separation of subscription rights, based on the closing share price of Fingerprints' B-share on Nasdaq Stockholm on 16 August 2023.

On August 18, 2023, an extraordinary general meeting in Fingerprint Cards AB was held. The Extraordinary General Meeting resolved, in accordance with the board of directors' proposal, to amend the Company's articles of association in order to increase the limits for the maximum permitted share capital and the maximum permitted number of shares as well as the number of shares of each class that may be issued. The share capital shall after the amendment amount to not less than SEK 18,480,000 and not more than SEK 73,920,000. The number of shares shall not be less than 424,450,000 and not more than 1,697,800,000. Shares of series A may be issued in a maximum number of 127,335,000 and shares of series B in a maximum number of 1,570,465,000.

The Extraordinary General Meeting resolved, in accordance with the board of directors' proposal, to authorise the board of directors' to up until 31 December 2023 resolve on issue of convertible bonds with a total nominal amount of not more than MSEK 250 with deviation from the shareholders' preferential rights.

The Extraordinary General Meeting resolved to approve the board of directors' decision on 16 July 2023 on a rights issue of shares of series A ("A-shares") and shares of series B ("B-shares"). The record date for the right to participate in the rights issue is 24 August 2023.

Each shareholder of shares in Fingerprints on the record date 24 August 2023 will be allotted one (1) subscription right for each share held as of the record date and eleven (11) such subscription rights entitles to subscription of four (4) new shares of the same series.

The subscription price per A-share and B-share, respectively, have been set to SEK 1.2. The rights issue entails that the Company's share capital can be increased by a maximum of SEK 6,721,264.35597 by an issue of not more than 154,360,988 shares (of which not more than 2,863,636 A-shares and not more than 151,497,352 B-shares).

The minutes from the general meeting, including the complete resolutions, are available at the Company and on the Company's website, www.fingerprints.com.

On August 23, 2023, Fingerprints announced that the prospectus relating to the company's rights issue of shares of series A and shares of series B, had been approved and registered by the Swedish Financial Supervisory Authority and made available on the Company's website.



On September 5, 2023, Fingerprints announced an extension of the subscription period for warrants of series 2022:1 and 2022:2 (ISIN: SE0018768269 and ISIN: SE0018768277) (together the “Warrants”), to 21 September 2023 instead of 14 September 2023 as previously announced. The extension enabled all warrant holders to submit an application for exercise of the Warrants following a potential recalculation, as a result of the rights issue, to its respective issuing agent in such time that it could be taken into account before the end of the subscription period. If the Warrants were held through a nominee or custodian, the application was to be submitted in accordance with the instructions from the respective nominee or custodian.

On September 12, 2023, Fingerprints published information regarding the recalculation of warrants of series 2022:1 and 2022:2. Recalculation pursuant to the terms and conditions of the Warrants gave the following results:

Warrants of series 2022:1

Original subscription price	Recalculated subscription price
SEK 1.30 /A share	SEK 1.30 /A share

Original number of A shares that every warrant entitled to	Recalculated number of A shares that every warrant entitles to
1 A share /1 warrant	1.03 A share /1 warrant

Warrants of series 2022:2

Original subscription price	Recalculated subscription price
SEK 1.30 /B share	SEK 1.30 /B share

Original number of B shares that every warrant entitled to	Recalculated number of B shares that every warrant entitles to
1 B share /1 warrant	1.03 B share /1 warrant

On September 13, 2023, Fingerprints announced that the final outcome in the SEK 181.8 M rights issue of B-shares shows that 98,112,180 B-shares, corresponding to approximately 64.8 per cent of the B-shares offered, have been subscribed for with support of subscription rights. In addition, applications to subscribe for 11,539,586 B-shares without the support of subscription rights have been received, corresponding to approximately 7.6 per cent of the B-shares offered. The Fully Guaranteed Rights Issue is subscribed to approximately 72.4 per cent in total and thus approximately 27.6 per cent of the Fully Guaranteed Rights Issue has been subscribed by those who have entered into guarantee commitments. The final outcome in Fingerprints’ SEK 3.4 M rights issue of A-shares shows that no A-shares have been subscribed for with the support of subscription rights or without the support of subscription rights. Through the Rights Issue, Fingerprints will receive approximately SEK 181.8 M before deduction for transaction costs. In total, 151,497,352 B-shares will be issued in the Rights Issue. Following registration of the Rights Issue with the Swedish Companies Registration Office, the Company’s share capital will increase by approximately SEK 6,596,574 to approximately SEK 25,080,052. The number of B-shares in the Company will increase with 151,497,352 to 568,115,071. The number of votes will increase with 151,497,352 to 646,865,071. The Rights Issue entails a total dilution effect of approximately 26 per cent.

On September 19, 2023, Fingerprints announced that the board had, based on an authorization from the extraordinary general meeting held on 18 August 2023, resolved to



issue convertible bonds with a nominal amount of MSEK 160 (“Tranche 1”) to an entity managed by Heights Capital Management, Inc. (“HCM”). As previously announced in the press release on 16 July 2023, the Company has entered into an agreement (the “Agreement”) with HCM regarding an undertaking to subscribe for convertible bonds convertible into B-shares in the Company (the “Convertible Bonds”) in Tranche 1 with an option for the Company to issue additional Convertible Bonds up to a total nominal amount of MSEK 90 to HCM, that can be exercised under certain conditions and if the Company so wishes (“Tranche 2”). The net proceeds from Tranche 1 and the Company’s MSEK 181.8 rights issue of B-shares (the “Rights Issue”) will be used to finance the early redemption of the Company’s outstanding bond loan 2021/2024 (ISIN: SE0017071855) of MSEK 300 maturing in December 2024 (the redemption occurred on September 28, 2023) as well as to finance general corporate purposes, including increased investments within the company’s growth segment.

On September 22, 2023, Fingerprints announced the outcome of the exercise of warrants of series 2022:1 and 2022:2 (the “Warrants”), which were issued in connection with the company’s rights issue of units during November/December 2022. In total, 2,708,761 warrants of series 2022:2 were exercised, corresponding to approximately 13.7 percent of the total number of outstanding warrants of series 2022:2, at a subscription price of SEK 1.30 each entitling to 1.03 B-shares. In total, 2,787,699 B-shares were subscribed for. None of the warrants of series 2022:1 were exercised. Fingerprints will receive approximately SEK 3.5 M before transaction costs through the exercise of the warrants of series 2022:2.

The subscription period for exercise of the Warrants took place during the period 18 August 2023 – 21 September 2023. The warrants of series 2022:2 were traded during the period 18 August 2023 - 19 September 2023. Recalculation, pursuant to the terms and conditions of the Warrants have taken place, and the recalculated number of B-shares per exercised Warrant was 1.03 (previously 1.00). In total, 2,787,699 B-shares will be issued. Following registration of the B-shares with the Swedish Companies Registration Office, the Company’s share capital will increase by approximately SEK 121,383 to approximately SEK 25,201,435. The number of B-shares in the Company will increase with 2,787,699 to 570,902,770. The number of votes will increase with 2,787,699 to 649,652,770. For existing shareholders who did not exercise any Warrants, the dilution amounts to approximately 0.5 percent of the number of shares in the company and 0.4 percent of the votes in the company.

On September 29, 2023, Fingerprints announced that a rights issue of B-shares of approximately SEK 180 M, and the exercise of warrants of series 2022:2 for subscription of B-shares (“the Issues”) have resulted in changes in the number of B-shares and votes in Fingerprints as follows. Prior to the Issues the total number of shares in the Company amounted to 424,492,719 (of which 7,875,000 A-shares and 416,617,719 B-shares). The total number of votes in the Company amounted to 495,367,719 (of which 78,750,000 pertained to the A-shares and 416,617,719 pertained to the B-shares). In connection with the Issues the number of B-shares in the Company increased by 154,285,051 and the number of votes by 154,285,051. Following the Issues, and as of 29 September 2023, the total number of shares in the Company amounts to 578,777,770 (of which 7,875,000 A-shares and 570,902,770 B-shares). The total number of votes in the Company amounts to 649,652,770 (of which 78,750,000 pertains to the A-shares and 570,902,770 pertains to the B-shares).



Significant events after the end of the period

In October 19, 2023, Fingerprints announced that the company is initiating a plan to implement a number of restructuring measures which are expected to yield cost savings of approximately SEK 204 M on an annual basis with full effect from the second half of 2024, resulting in an OPEX run rate of approximately SEK 180 M on an annual basis. Restructuring costs are estimated at SEK 62 M, half of which will be recorded in the fourth quarter of 2023, and the rest in 2024.

Organization and Personnel

The number of employees as at September 30, 2023, was 202 (228). In addition to employees, consultants were also engaged during the third quarter, corresponding to 26 HCs (38), mainly in technology development and sales. Accordingly, including employees and consultants, the company employed a total of 228 (266) people on September 30, 2023.

Share capital trend

The total number of shares in the company amounts to 578,777,770 (of which 7,875,000 A shares and 570,902,770 B shares).

The total number of votes in the company amounts to 649,652,770 (of which 78,750,000 pertain to A shares and 570,902,770 pertain to B shares).

The company had 3,800,000 B shares in treasury at the end of the period. The share capital amounts to SEK 25,201,435.

Number of shares

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Number of shares, (000s)					
Number of shares at period end	578,778	298,000	578,778	298,000	424,493
Of which class A-shares	7,875	6,000	7,875	6,000	7,875
Of which class B-shares	570,903	292,000	570,903	292,000	416,618
Number of buyback shares at end of period	-3,800	-3,800	-3,800	-3,800	-3,800
Number of shares outstanding at period end	574,978	294,200	574,978	294,200	420,693
Average number of shares outstanding (000s)					
Average number Share issue whereoff A-shares	-	-	-	-	156
Average number Share issue whereoff B-shares	15,259	-	3,857	-	10,385
Average number of shares outstanding	435,952	294,200	424,550	294,200	304,741

Accounting policies

These condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The interim report for the Parent Company was prepared in accordance with the Annual Accounts Act, Chapter 9, Interim reports. The application of these accounting policies complies with what is presented in the Annual Report for the fiscal year ending December 31, 2022 and must be read together with the Annual Report. In addition to the financial statements and the associated notes, disclosures according to IAS 34.16A are also



presented in other parts of the interim report. No new or revised IFRSs that have become effective in 2023 have had any significant impact on the Group. The Group's reporting currency is SEK and the report is prepared in SEK M.

Related-party transactions

There were no material transactions between the company and related parties in the Group or the Parent Company during the reporting period.

Parent Company

The Parent Company's revenues for the third quarter of 2023 amounted to SEK 8.3 M (46.5), of which the quarter's sales pertain to intra-Group sales to subsidiaries of SEK 6,6 M (18.6) relating to service fees. After financial items, a loss of SEK 210.3 M (loss: 22.1) was reported for the period.

The net result for the period was a loss of SEK 167.8 M (loss: 15.2). The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 32.3 M (9.1).

Significant risks and uncertainties

– Group and Parent Company

To anticipate risks and minimize their impact, Fingerprints has processes for continuously identifying and managing risks that could impact the operations. This includes probability and consequence assessments of operational risks, market risks, financial risks and legal and other risks.

The described risks and uncertainties are not ranked in any order of significance; nor are they claimed to be the only risks or uncertainties to which the company is exposed. Additional risks and uncertainties that the company is currently unaware of or that are currently not adjudged to be material could develop into factors that might in the future have a material impact on the company's operations, earnings, financial position or future outlook. The following description does not claim to be complete or exact, since risks and their degree of impact vary over time:

Market risks:	Geopolitical instability, Supplier costs, Risk of obsolescence, Economic fluctuations, Currency risk, Loss of customers and price pressure due to increased competition.
Operational risks:	Delivery capacity of suppliers, Competency provision, Loss of key competencies, Reduced technological lead and Information leaks.
Financial risks:	Financing risk and Credit risk.
Legal risks:	Product defects and product liability, Patent risk and Corruption.
Other risks:	Epidemics/pandemics, Conflict minerals, Restrictions on planned business development, Biometrics and integrity, Scalability internally, Discrimination and lack of diversity.

Fingerprints' current assessment is that the company is not materially impacted directly by the war between Russia and Ukraine.



For further information concerning the risks facing the Group, see the 2022 Annual Report, which is available on our website, www.fingerprints.com.

2024 Annual General Meeting

The Annual General Meeting will be held in Gothenburg on May 23, 2024. Shareholders who wish to have an item of business addressed at the Annual General Meeting must submit a written proposal to investrel@fingerprints.com or to the Company Secretary, Fingerprint Cards AB, Kungsgatan 20, SE-411 19 Gothenburg, not later than seven weeks prior to the Annual General Meeting to guarantee that the business can be included in the notification of the Annual General Meeting. Further details on how and when to register will be published in advance of the meeting.

Further information

This is the type of information that Fingerprint Cards AB is obligated to disclose pursuant to the EU's Market Abuse Regulation. The information was submitted for publication, through the agency of the contact specified below, at 7:00 a.m. CEST on October 19, 2023.

Welcome to Fingerprints' presentation of the interim report for the third quarter of 2023 on October 19 at 9:00 a.m. CET. The presentation will be webcast, and participants can register via the link below: <https://edge.media-server.com/mmc/p/fh4xhi3a>

For media and analysts: Register for the teleconference via this link:

<https://register.vevent.com/register/BI0e4ebb1c8919498382f40810e7346087>

For further information, please contact: Stefan Pettersson, Head of Investor Relations

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Certification

The Board of Directors and the CEO certify that this report provides a fair and accurate review of the operations, financial position and earnings of the Parent Company and the Group and that it describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, October 19, 2023

Christian Lagerling
Chairman

Alexander Kotsinas
Member

Adam Philpott
Member, President & CEO

Mario Shiliashki
Member

Juan Vallejo
Member

Dimitrij Titov
Member



AUDITOR'S REPORT ON REVIEW OF INTERIM REPORT

To the Board of Directors of Fingerprint Cards AB (publ), reg.nr. 556154-2381

Introduction

We have reviewed the condensed interim financial information (interim report) for Fingerprint Cards AB (publ) as of September 30, 2023 and the nine-month period which ended on this date. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, October 19, 2023

BDO Mälardalen AB

Johan Pharmanson
Authorized Public Accountant

Carl-Johan Kjellman
Authorized Public Accountant



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Condensed consolidated statement of comprehensive income

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Revenue	184.8	143.2	505.1	671.5	861.8
Cost of goods sold	-161.2	-125.7	-434.6	-521.9	-695.4
Gross profit	23.6	17.5	70.5	149.6	166.4
Gross Margin, %	12.8	12.2	13.9	22.3	19.3
Selling expenses	-40.3	-35.4	-116.6	-108.6	-142.6
Administrative expenses	-21.7	-32.0	-88.6	-98.9	-143.6
Development expenditure	-26.0	-25.7	-80.2	-86.2	-118.1
Write downs	-3.5	-	-3.5	-	-433.4
Other operating income/expenses	4.1	15.8	3.2	40.4	40.3
Operating profit/loss	-63.8	-59.8	-215.2	-103.7	-631.0
Operating Margin, %	-34.5	-41.8	-42.6	-15.4	-73.2
Finance income	1.4	3.3	3.7	18.1	15.4
Finance expenses	-31.5	-10.2	-52.0	-24.9	-36.6
Profit/loss before tax	-93.9	-66.7	-263.5	-110.5	-652.2
Income tax	20.1	15.7	43.4	23.9	66.2
Profit/loss for the period	-73.8	-51.0	-220.1	-86.6	-586.0
Other comprehensive income	1.1	74.3	27.5	165.6	84.0
Total comprehensive income for the period	-72.7	23.3	-192.6	79.0	-502.0
Profit/loss for the period attributable to:					
Parent Company shareholders	-72.7	23.3	-192.6	79.0	-502.0
Profit/loss for the period	-72.7	23.3	-192.6	79.0	-502.0
Earnings per share for the period before and after dilutions, SEK	-0.17	-0.17	-0.52	-0.29	-1.92



Condensed consolidated statement of financial position

SEK M	30-Sep 2023	30-Sep 2022	31-Dec 2022
Assets			
Intangible fixed assets	553.1	1,021.6	538.0
Tangible fixed assets	2.7	5.0	4.3
Right-of-use assets	16.2	15.2	25.3
Financial assets	173.5	81.0	121.8
<i>Total fixed assets</i>	<i>745.5</i>	<i>1,122.8</i>	<i>689.4</i>
Inventories	156.2	412.4	304.1
Accounts receivable	80.1	133.2	128.3
Other receivables	20.4	37.2	40.0
Prepaid expenses and accrued income	6.6	11.3	9.6
Cash and cash equivalents	197.9	71.4	274.1
<i>Total current assets</i>	<i>461.2</i>	<i>665.5</i>	<i>756.1</i>
Total assets	1,206.7	1,788.3	1,445.5
Shareholders' equity and liabilities			
<i>Shareholders' equity</i>	<i>833.2</i>	<i>1,106.2</i>	<i>866.5</i>
<i>Deferred tax liability</i>	<i>8.8</i>	<i>15.6</i>	<i>13.0</i>
Bond loans	-	293.2	293.7
Convertible loan	100.0	-	-
Long-term lease liabilities	8.0	5.4	12.4
<i>Long-term liabilities</i>	<i>108.0</i>	<i>298.6</i>	<i>306.1</i>
Short-term debt liabilities	40.5	9.6	11.2
Accounts payable	83.1	190.4	74.3
Current tax liabilities	6.6	8.0	6.6
Other current liabilities	14.3	18.5	20.7
Accrued expenses and prepaid income	112.2	141.4	147.1
<i>Total current liabilities</i>	<i>256.7</i>	<i>367.8</i>	<i>259.9</i>
Total shareholders' equity and liabilities	1,206.7	1,788.3	1,445.5

Condensed consolidated statement of changes in equity

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Opening shareholders' equity	746.6	1,082.9	866.5	1,027.2	1,027.2
Comprehensive income for the period	-72.7	23.3	-192.6	79.0	-502.0
Share issue	159.3	-	159.3	-	341.3
Closing shareholders' equity	833.2	1,106.2	833.2	1,106.2	866.5



Condensed consolidated cash-flow statement

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Profit/loss before tax	-93.9	-66.7	-263.5	-110.5	-652.2
Adjustment for non-cash items	1.9	2.6	34.1	20.5	496.3
Income tax paid	-4.4	9.4	-21.1	-18.7	-13.3
Change in inventory	67.7	-94.1	179.9	-188.2	-160.6
Change in current receivables	21.8	23.8	82.3	208.3	179.4
Change in current liabilities	-31.1	13.4	-39.6	-141.6	-183.7
Cash flow from operating activities	-38.0	-111.6	-27.9	-230.2	-334.1
Cash flow from investing activities	-12.4	-28.1	-41.7	-76.3	-104.6
Cash flow from financing activities	-2.4	-2.3	-8.6	-9.4	328.4
Change in cash and cash equivalents	-52.8	-142.0	-78.2	-315.9	-110.3
Cash and cash equivalents on the opening date	252.4	212.8	274.1	374.3	374.3
Effect of exchange rate changes on cash	-1.7	0.6	2.0	13.0	10.1
Closing cash and cash equivalents	197.9	71.4	197.9	71.4	274.1

The Group's operating segments

SEK M	Jul-Sep 2023	Jul-Sep 2022	Change, %	Jan-Sep 2023	Jan-Sep 2022	Change, %	Jan-Dec 2022
Revenue							
Asia	160.4	124.9	28	459.5	616.6	-25	783.5
Rest of World	24.4	18.3	33	45.6	54.9	-17	78.3
New Business	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Group	184.8	143.2	29	505.1	671.5	-25	861.8

SEK M	Jul-Sep 2023	Jul-Sep 2022	Change, %	Jan-Sep 2023	Jan-Sep 2022	Change, %	Jan-Dec 2022
Operating profit/loss							
Asia	-42.3	-31.5	34	-98.6	-12.3	702	-169.4
Rest of World	-9.3	-25.4	-64	-52.1	-81.4	36	-423.1
New Business	-5.4	-	0	-16.6	-	-	-
Other	-6.9	-2.9	134	-47.9	-10.0	-378	-38.5
Group	-63.8	-59.8	7	-215.2	-103.7	-108	-631.0

SEK M	Jul-Sep 2023	Jul-Sep 2022	Change, %	Jan-Sep 2023	Jan-Sep 2022	Change, %	Jan-Dec 2022
Profit/loss before tax							
Asia	-42.3	-31.5	34	-98.6	-12.3	702	-169.4
Rest of World	-9.3	-25.4	-64	-52.1	-84.2	38	-423.1
New Business	-5.4	-	-	-16.6	-	-	-
Other	-36.9	-9.8	277	-96.2	-16.8	-473	-59.7
Group	-93.9	-66.7	41	-263.5	-110.5	-139	-652.2



Sales by product group

SEK M	Jul-Sep 2023	Jul-Sep 2022	Change, %	Jan-Sep 2023	Jan-Sep 2022	Change, %	Jan-Dec 2022
Revenue							
Mobile	134.5	94.3	43	377.5	514.0	-27	646.8
of which Asia	134.5	94.3	43	377.5	514.0	-27	646.8
of which Rest of World	0.0	0.0	-	0.0	0.0	-	0.0
Payment	2.9	2.4	22	10.4	4.9	110	15.2
of which Asia	0.0	0.0	-	0.0	0.0	-	0.0
of which Rest of World	2.9	2.4	22	10.4	4.9	111	15.2
PC	22.3	18.1	23	64.1	39.9	61	59.6
of which Asia	21.5	18.1	17	63.3	39.9	57	59.6
of which Rest of World	0.8	0.0	-	0.8	-	-	0.0
Access	25.2	28.4	-11	53.1	112.7	-53	140.2
of which Asia	4.9	12.6	-61	19.5	62.7	-69	77.2
of which Rest of World	20.3	15.8	28	33.6	50.0	-33	63.0
Group	184.8	143.2	29	505.1	671.5	-25	861.8

Consolidated statement of income and other comprehensive income for the past nine quarters

SEK M	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021
Revenue	184.8	203.3	117.0	190.3	143.2	228.1	300.2	356.6	354.3
Cost of goods sold	-161.2	-176.7	-96.7	-173.5	-125.7	-157.2	-239.0	-243.5	-253.1
Gross profit	23.6	26.6	20.3	16.8	17.5	70.9	61.2	113.1	101.2
Gross margin, %	12.8	13.1	17.3	8.8	12.2	31.1	20.4	31.7	28.6
Selling costs	-40.3	-42.5	-33.8	-34.0	-35.4	-35.5	-37.8	-41.5	-41.8
Administrative costs	-21.7	-32.9	-34.0	-44.7	-32.0	-36.0	-30.9	-28.0	-24.4
Development costs	-26.0	-25.9	-28.3	-31.9	-25.7	-33.3	-27.2	-38.0	-23.2
Write downs	-3.5	0.0	0.0	-433.4	-	-	-	-	-
Other operating income/expenses	4.1	-1.0	0.1	-0.1	15.8	21.7	3.0	-1.7	-1.0
Operating profit/loss	-63.8	-75.7	-75.7	-527.3	-59.8	-12.2	-31.7	3.9	10.8
Operating margin, %	-34.5	-37.3	-64.7	-277.1	-41.8	-5.4	-10.6	1.1	3.0
Finance income/expenses	-30.1	-9.0	-9.2	-14.4	-6.9	2.4	-2.3	1.5	2.5
Profit/loss before tax	-93.9	-84.6	-85.0	-541.7	-66.7	-9.8	-34.0	5.4	13.3
Income tax	20.1	8.4	14.9	42.3	15.7	0.3	7.9	-0.1	-1.0
Profit/loss for the period	-73.8	-76.2	-70.1	-499.4	-51.0	-9.5	-26.1	5.3	12.3
Other comprehensive income	1.1	30.7	-4.3	-81.6	74.3	70.1	21.2	22.6	21.6
Total comprehensive income for the period	-72.7	-45.5	-74.4	-581.0	23.3	60.6	-4.9	27.9	33.9

Consolidated statement of financial position for the past nine quarters



	30-Sep 2023	30-Jun 2023	31-Mar 2023	31-Dec 2022	30-Sep 2022	30-Jun 2022	31-Mar 2022	31-Dec 2021	30-Sep 2021
<i>SEK/USD exchange rate, balance date</i>	10.89	10.85	10.37	10.42	11.20	10.21	9.31	9.05	8.78
Assets									
Intangible fixed assets	553.1	558.8	541.5	538.0	1,021.6	938.7	868.2	838.5	812.8
Tangible fixed assets	2.7	3.1	3.6	4.3	5.0	5.6	5.9	6.5	6.1
Right-of-use assets	16.2	19.3	22.2	25.3	15.2	18.6	21.4	24.2	18.7
Financial fixed assets	173.5	152.7	138.7	121.8	81.0	65.7	61.2	53.6	50.9
<i>Total fixed assets</i>	<i>745.5</i>	<i>733.9</i>	<i>706.0</i>	<i>689.4</i>	<i>1,122.8</i>	<i>1,028.6</i>	<i>956.7</i>	<i>922.8</i>	<i>888.5</i>
Inventories	156.2	202.7	274.0	304.1	412.4	281.3	175.6	159.3	161.1
Accounts receivable	80.1	100.6	97.1	128.3	133.2	128.4	261.5	280.0	203.9
Other receivables	20.4	19.0	32.7	40.0	37.2	64.6	72.5	51.3	18.4
Prepaid expenses and accrued income	6.6	7.7	8.7	9.6	11.3	12.3	14.2	11.3	13.9
Cash and cash equivalents	197.9	252.4	210.9	274.1	71.4	212.8	255.1	374.3	120.7
<i>Total current assets</i>	<i>461.2</i>	<i>582.4</i>	<i>623.4</i>	<i>756.1</i>	<i>665.5</i>	<i>699.4</i>	<i>778.9</i>	<i>876.2</i>	<i>518.0</i>
Total assets	1,206.7	1,316.3	1,329.4	1,445.5	1,788.3	1,728.0	1,735.6	1,799.0	1,406.5
Shareholders' equity and liabilities									
<i>Shareholders' equity</i>	<i>833.2</i>	<i>746.6</i>	<i>792.1</i>	<i>866.5</i>	<i>1,106.2</i>	<i>1,082.9</i>	<i>1,022.3</i>	<i>1,027.2</i>	<i>999.3</i>
<i>Deferred tax liability</i>	<i>8.8</i>	<i>10.3</i>	<i>11.4</i>	<i>13.0</i>	<i>15.6</i>	<i>15.8</i>	<i>16.4</i>	<i>16.6</i>	<i>19.5</i>
<i>Long-term liabilities</i>	<i>108.0</i>	<i>304.7</i>	<i>305.4</i>	<i>306.1</i>	<i>298.6</i>	<i>300.0</i>	<i>302.9</i>	<i>304.2</i>	<i>7.0</i>
Short-term debt of long-term liabilities	40.5	8.1	9.7	11.2	9.6	9.3	10.3	11.3	9.9
Accounts payable	83.1	77.0	51.3	74.3	190.4	158.8	158.4	221.8	195.0
Current tax liabilities	6.6	6.5	6.4	6.6	8.0	12.7	6.2	14.0	7.1
Other current liabilities	14.3	12.7	14.3	20.7	18.5	12.7	45.5	35.5	13.9
Accrued expenses and prepaid income	112.2	150.4	138.8	147.1	141.4	135.8	173.6	168.4	154.8
<i>Total current liabilities</i>	<i>256.7</i>	<i>254.7</i>	<i>220.5</i>	<i>259.9</i>	<i>367.9</i>	<i>329.3</i>	<i>394.0</i>	<i>451.0</i>	<i>380.7</i>
Total shareholders' equity and liabilities	1,206.7	1,316.3	1,329.4	1,445.5	1,788.3	1,728.0	1,735.6	1,799.0	1,406.5

Consolidated cash-flow statement for the past nine quarters

SEK M	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021
Profit/loss before tax	-93.9	-84.6	-85.0	-541.7	-66.7	-9.8	-34.0	5.4	13.3
Adjustment for non-cash items	1.9	16.1	16.1	475.8	2.6	6.5	11.4	43.7	29.8
Income tax paid	-4.4	-9.3	-7.4	5.4	9.4	-17.2	-10.9	-2.4	0.8
Change in inventory	67.7	85.6	26.6	27.6	-94.1	-90.7	-3.4	-8.0	-10.9
Change in current receivables	21.8	18.0	42.5	-28.9	23.8	175.6	8.8	-101.9	-59.7
Change in current liabilities	-31.1	26.6	-35.1	-42.1	13.4	-92.7	-62.2	46.4	-18.8
Cash flow fr. operating activities	-38.0	52.4	-42.3	-103.9	-111.6	-28.3	-90.3	-16.8	-45.5
Cash flow from investing activities	-12.4	-11.9	-17.4	-28.3	-28.1	-20.1	-28.1	-23.7	-26.0
Cash flow from financing activities	-2.4	-3.2	-3.0	337.8	-2.3	-3.7	-3.3	294.8	-3.6
Change in cash and cash equiv.	-52.8	37.3	-62.7	205.6	-142.0	-52.1	-121.7	254.3	-75.1
Cash and cash equiv. on the opening date	252.4	210.9	274.1	71.4	212.8	255.1	374.3	120.7	193.1
Effect of exchange rate changes on cash	-1.7	4.2	-0.5	-2.9	0.6	9.8	2.5	-0.7	2.7
Closing cash and cash equivalents	197.9	252.4	210.9	274.1	71.4	212.8	255.1	374.3	120.7



Condensed income statement, Parent Company

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Revenues	8.3	46.5	27.9	177.1	257.4
Cost of goods sold	-3.7	-15.0	-7.2	-48.5	-73.0
Gross profit	4.6	31.5	20.7	128.6	184.4
Selling expenses	-5.5	-11.6	-18.1	-27.0	-34.7
Administrative expenses	-14.5	-18.9	-80.2	-72.3	-94.0
Development expenditure	-169.7	-34.2	-183.9	-111.4	-149.4
Other operating revenues/expenses	0.1	7.0	-1.1	21.7	28.4
Operating profit/loss	-185.0	-26.2	-262.6	-60.4	-65.3
Finance revenues	6.9	12.8	36.9	25.0	10.9
Finance expenses	-32.2	-8.7	-53.9	-24.9	-37.3
Profit/loss after financial items	-210.3	-22.1	-279.6	-60.4	-91.7
Group contribution	0.0	0.0	0.0	0.0	-222.7
Profit/loss before tax	-210.3	-22.1	-279.6	-60.4	-314.4
Tax	42.5	6.9	56.5	14.8	59.4
Profit/loss for the period ***	-167.8	-15.2	-223.1	-45.6	-255.0

Condensed balance sheet, Parent Company

SEK M	30-Sep 2023	30-Sep 2022	31-Dec 2021
Assets			
Intangible fixed assets	0.5	2.1	1.4
Tangible fixed assets	1.3	2.9	2.4
Financial fixed assets	736.4	131.8	598.2
<i>Total fixed assets</i>	<i>738.2</i>	<i>136.8</i>	<i>602.0</i>
Inventories	0.3	17.8	4.6
Accounts receivable	12.1	14.3	34.1
Current receivables	54.1	593.1	54.3
Cash and cash equivalents	32.3	9.1	191.3
<i>Total current assets</i>	<i>98.8</i>	<i>634.3</i>	<i>284.3</i>
Total assets	837.0	771.1	886.3
Shareholders' equity and liabilities			
<i>Shareholders' equity</i>	<i>363.5</i>	<i>294.6</i>	<i>427.3</i>
<i>Long-term liabilities</i>	<i>100.0</i>	<i>293.2</i>	<i>293.7</i>
Short term liabilities	33.9	-	-
Accounts payable	17.7	23.9	23.0
Other current liabilities	321.9	159.4	142.3
<i>Total current liabilities</i>	<i>373.5</i>	<i>183.3</i>	<i>165.3</i>
Total shareholders' equity and liabilities	837.0	771.1	886.3



Key consolidated data

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Jan-Dec 2022
Revenue, SEK M	184.8	143.2	505.1	671.5	861.8
Revenue change, %	29.1	-59.6	-24.8	-32.8	-36.4
Gross margin, %	12.8	12.2	13.9	22.3	19.3
Operating margin, %	-34.5	-41.8	-42.6	-15.4	-73.2
Profit margin, %	-39.9	-35.6	-43.6	-12.9	-68.0
EBITDA, SEK M	-40.4	-38.1	-158.4	-41.7	-116.0
Ajusted EBITDA, SEK M	-40.4	-38.1	-158.4	-41.7	-83.4
Return on equity, %	-9.3	-4.7	-25.9	-8.1	-67.6
Cash flow from operating activities, SEK M	-38.0	-111.6	-27.9	-230.2	-334.1
Equity/assets ratio, %	69.0	61.9	69.0	61.9	59.9
Investments, SEK M	-12.4	-28.1	-41.7	-76.3	-104.6
Depreciations and write downs, SEK M	23.4	21.7	56.8	62.0	515.1
Average number of employees	201	233	208	246	239
Shareholders' equity per share before and after dilution, SEK	1.45	3.76	1.45	3.76	2.06
Cash flow from operating activities/share before and after dilution, SEK	-0.07	-0.38	-0.05	-0.78	-0.79
Number of shares at period end, 000s	574,978	294,200	574,978	294,200	420,693
Average number of shares before and after dilution, 000s	435,952	294,200	424,550	294,200	304,741
Share price at period end	0.95	5.63	0.95	5.63	2.93

Key consolidated figures for the past nine quarters

	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021
Revenue, SEK M	184.8	203.3	117.0	190.3	143.2	228.1	300.2	356.6	354.3
Revenue change, %	29.1	-10.9	-48.7	-46.6	-59.6	-21.4	-15.4	-3.5	20.5
Gross margin, %	12.8	13.1	17.3	8.8	12.2	31.1	20.4	31.7	28.6
Operating margin, %	-34.5	-37.3	-64.7	-277.1	-41.8	-5.4	-10.6	1.1	3.0
Profit margin, %	-39.9	-37.5	-59.9	-262.4	-35.6	-4.2	-8.7	1.5	3.5
EBITDA, SEK M	-40.4	-57.7	-60.2	-74.3	-38.1	6.5	-10.1	26.7	32.3
Return on equity, %	-9.3	-9.9	-8.5	-50.6	-4.7	-0.9	-2.5	0.5	1.3
Cash flow from operating activities, SEK M	-38.0	52.4	-42.3	-103.9	-111.6	-28.3	-90.3	-16.8	-45.5
Equity/assets ratio, %	69.0	56.7	59.6	59.9	61.9	62.7	58.9	57.1	71.1
Investments, SEK M	-12.4	-12.0	-17.4	-27.9	-28.1	-20.1	-28.1	-23.7	-26.0
Depreciations, SEK M	23.4	18.0	15.5	453.0	21.7	18.7	21.6	22.8	21.6
Average number of employees	201	208	215	218	233	250	255	255	252
Shareholders' equity per share, SEK	1.45	1.77	1.88	2.06	3.76	3.68	3.47	3.49	3.40
Cash flow from operating activities, SEK	-0.07	0.12	-0.10	-0.25	-0.38	-0.10	-0.31	-0.06	-0.15
Number of shares at period end, 000s	574,978	420,693	420,693	420,693	294,200	294,200	294,200	294,200	294,200
Average number of shares before and after dilution, 000s	435,952	420,693	420,693	336,364	294,200	294,200	294,200	294,200	294,200
Share price at period end, SEK	0.95	1.84	3.29	2.93	5.63	8.94	14.87	20.68	24.31



Rolling 12-month key figures for the Group for the past nine quarters

	Oct-Sep 2022-23	Jul-Jun 2022-23	Apr-Mar 2022-23	Jan-Dec 2022	Okt-Sep 2021-22	Jul-Jun 2021-22	Apr-Mar 2021-22	Jan-Dec 2021	Okt-Sep 2020/21
Revenues, SEK M	695.4	653.7	678.6	861.8	1,028.0	1,239.2	1,301.3	1,355.8	1,368.6
Gross profit, SEK M	87.3	81.1	125.4	166.4	262.7	346.5	355.9	396.9	371.1
Gross margin, %	12.5	12.4	18.5	19.3	25.6	28.0	27.4	29.3	27.1
Operating profit/loss, SEK M	-742.5	-738.5	-662.9	-631.0	-99.8	-29.2	-41.0	-7.6	-338.5
Operating margin, %	-106.8	-113.0	-97.7	-73.2	-9.7	-2.4	-3.2	-0.6	-24.7
EBITDA, SEK M	-232.7	-230.4	-166.2	-116.0	-14.9	55.3	58.4	85.6	91.4



About Fingerprint Cards

Fingerprint Cards AB, Fingerprints, with its Swedish roots, is the leading global biometric company, whose mission is to spearhead the development of biometric interaction that facilitates the convenience and integrity of the individual. Its value is proven daily in millions of devices, through billions of touches, which are their own key — quite simply, with a human touch. Since the start, Fingerprints has supplied more than a billion sensors.

Fingerprints develops biometric systems comprising sensors, algorithms, software and packaging technologies. Its success is based on product development at the cutting edge of technology, which results in world-leading products in terms of security, convenience and performance. The current product range consists largely of fingerprint sensors and customers are primarily manufacturers of smartphones and tablets, where the company is market leading. As the use of biometric solutions increases, Fingerprints is working to broaden its offering by using different biometric techniques, or modalities, and to identify other market segments where the solutions can be used, such as smartcards, PCs, automotive and online devices (IoT).

Vision

A secure and seamless universe, where you are the key to everything.

Mission

To provide secure and convenient identification and authentication with a human touch.

Business concept

Fingerprints develops and sells biometric solutions to companies globally that develop products and services interfacing with people.

Glossary

Refer to the company's website: www.fingerprints.com



Definitions

Most of these key figures are Alternative Performance Measures according to ESMA's definition. How these key figures are used is described below, as is how they are calculated. The alternative performance measures are used to provide a more comprehensive description of how the operational activities are developing, such as gross margin, gross profit, operating margin, EBITDA and revenue increase, while other alternative performance measures focus on the owner perspective, such as return on equity, and cases where certain balance-sheet items or cash flow items are placed in relation to the number of shares. In addition, the equity/assets ratio is provided to describe the financial position and long-term financial sustainability.

Number of shares outstanding at period end	Number of shares in the Parent Company less bought back shares held in treasury.
Return on equity	Profit for the period in relation to average equity during the period. Average equity is defined as shareholders' equity at the start of the period plus shareholders' equity at the end of the period divided by two.
Gross margin	Gross profit as a percentage of revenues.
Gross profit	Revenues less cost of goods sold.
EBITDA	<i>Earnings before interest, taxes, depreciation and amortization.</i> Operating profit before interest rates, taxes, depreciation/amortization and impairment losses.
Adjusted EBITDA	EBITDA adjusted for non-recurring costs.
Shareholders' equity per share	Shareholders' equity attributable to the Parent Company's shareholders divided by the number of shares outstanding before dilution at period-end.
Shareholders' equity per share after dilution	Shareholders' equity per share adjusted for the number of shares and the paid exercise price resulting from the ongoing remuneration and personnel programs.
Average number of shares after dilution	Average number of shares plus an increase by the average number of shares that could be issued as a result of current remuneration and personnel programs.
Average number of shares outstanding	The Parent Company's average weighted number of shares outstanding at the end of the period.
Revenue increase	This shows the increase in revenues compared with the corresponding year-earlier period shown as a percentage.
Cash flow from operating activities/share	Cash flow from operating activities after changes in working capital/average number of shares before and after dilution.
Cost of goods sold	Cost of materials, production expenses and amortization according to plan of capitalized development expenditure.
Net cash	Cash and cash equivalents less interest-bearing debt, including lease liabilities.
Profit for the period	Profit after financial income/expenses and tax.
Earnings per share	Profit for the period/number of shares outstanding at period end.
Earnings per share after dilution	Earnings per share adjusted for the number of shares and the paid strike price pursuant to ongoing compensation and personnel programs. Earnings per share after dilution can never be better than earnings per share before dilution.



Operating margin	Operating profit as a percentage of revenues.
Operating result	Operating result before financial income/expenses and tax.
Equity/assets ratio	Shareholders' equity divided by total assets.
Profit margin	Profit for the period as a percentage of revenues.