

## Highlights, fourth quarter

- Ten percent constant currency revenue increase
- Transformation plan execution commenced
- Diversification - sales to the PC sector increased by two-thirds
- Cost optimization program initiated; OPEX includes SEK 37.5 M attributable to restructuring measures

## Fourth quarter of 2023

- Revenues amounted to SEK 200.3 M (190.3)
- The gross margin was 9.5 percent (8.8)
- EBITDA amounted to negative SEK 83.8 M (neg: 74.3)
- Adjusted EBITDA amounted to negative SEK 46.3 M (neg: 74.3)
- The operating result was negative SEK 105.2 M (neg: 527.3)
- Earnings per share before and after dilution amounted to a negative SEK 0.22 (neg: 1.48)
- Cash flow from operating activities was negative SEK 60.4 M (neg: 103.9)

## January-December 2023

- Revenues amounted to SEK 705.4 M (861.8)
- The gross margin was 12.7 percent (19.3)
- EBITDA amounted to negative SEK 242.2 M (neg: 116.0)
- Adjusted EBITDA amounted to negative SEK 204.7 M (neg: 116.0)
- The operating result was negative SEK 320.4 (neg: 631.0)
- Earnings per share before and after dilution amounted to a negative SEK 0.74 (neg: 1.92)
- Cash flow from operating activities was negative SEK 88.3 M (neg: 334.1)
- The Board proposes to the Annual General Meeting that no dividend be paid for the 2023 fiscal year

SEK M	Oct-Dec	Oct-Dec	Change	Jan-Dec	Jan-Dec	Change
	2023	2022		2023	2022	
Revenue	200.3	190.3	5%	705.4	861.8	-18%
Gross profit	19.1	16.8	13%	89.6	166.4	-46%
Gross margin %	9.5	8.8	1%	12.7	19.3	-7%
Operating profit	-105.2	-527.3		-320.4	-631.0	
Operating margin %	-52.5	-277.1		-45.4	-73.2	
EBITDA *	-83.8	-74.3		-242.2	-116.0	
Adjusted EBITDA **	-46.3	-74.3		-204.7	-116.0	
Profit/loss before tax	-119.4	-541.7		-382.9	-652.2	
Profit/loss for the period	-127.1	-499.4		-347.2	-586.0	
Earnings per share before and after dilution, SEK	-0.22	-1.48		-0.74	-1.92	
Cash and cash equivalents	109.9	274.1	-60%	109.9	274.1	-60%
Cash flow from operating activities	-60.4	-103.9		-88.3	-334.1	
Equity/assets ratio, % ***	63.1	59.9		63.1	59.9	
Average number of employees	201	218	-8%	208	239	-13%

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

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

\*\* EBITDA adjusted for costs related to restructuring measures, amounting to 37.5 million SEK, with the majority attributable to personnel expenses.



## CEO's comments

### Execution of our Transformation Plan

As announced in our previous interim report, we commenced execution of our Transformation Plan during Q4, including cost optimization, profitability, organizational changes and strategy evolution. Accordingly we began to see initial signs of transformational impact. We saw a modest gross margin improvement compared to the corresponding quarter last year, and fully expect improved profitability going forward as we focus our capital and investments outside of Mobile sensor hardware, in our higher-margin existing lines of business along with new diversification areas. As highlighted in our last report, gross margin in the Mobile product group is unsustainably low. The negative outlook for Mobile looks set to endure, along with ongoing geopolitical risks, further reinforcing the need for this transformation plan.

The cost optimization program is progressing according to plan, and we incurred SEK 37.5 M in costs related to restructuring measures implemented in the fourth quarter. As previously announced, our cost optimization program is expected to yield 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.

We continued to decrease our inventory in the fourth quarter, from SEK 156 million at the end of September 2023 to SEK 134 million at the end of December 2023. This means that we are entering 2024 with an acceptable inventory given current industry demand. However, there is still excessive stock at a sector level, and we continued to see aggressive destocking measures by several suppliers during the quarter.

We also made some important organizational changes during the quarter, transitioning to a functional organizational model and appointing world-class talent. This focus enables the timely execution of our pivot from a mobile biometrics component provider to a broader biometrics platform player.

### Revenue growth and continued diversification

I'm pleased that revenue grew by 5 percent in the fourth quarter compared to the corresponding period last year and by 8 percent sequentially (both of which were an increase of 10 percent on a constant currency basis). This increase was driven by higher sales in our Mobile and PC product groups as well as in our Access business outside of Asia. Our Payment business, however, has yet to show a meaningful revenue ramp-up. This is despite us maintaining a market leading position with very high performance in terms of transaction speed, power efficiency and security, as proven in several commercial launches. Our primary focus in 2024 in the Payment area will be on targeted go-to-market activities, as the market requires more time to achieve widespread adoption of biometric payment cards.



“Q4 2023 was a record quarter in terms of sales to PC customers.”



At the same time, we are already seeing our diversification bets start to bear fruit. PC is showing a reliable growth and profitability profile, delivering considerably higher gross margin than Mobile. Biometric solutions for PCs have quickly emerged as an important new product area for Fingerprints, and we anticipate continued market growth since the share of computers with fingerprint sensors is expected to continue rising and our premium offering is valued. We also made significant progress in further enhancing our highly competitive offering to PC OEMs by launching our newly developed, complete biometric system for PC makers in October 2023. The development project has been endorsed from the start by our key PC customers, as total system ownership by Fingerprints will allow for better overall system performance. Customer feedback has been very favourable, especially in terms of the enhanced speed that our biometric system offers. This results in much quicker unlocking, providing a seamless, secure means of accessing PCs. Selectively expanding the scope of our solutions to capture a bigger portion of the value in the industry is a key part of our Platform Strategy, and I believe that our biometric PC system illustrates this approach - we are no longer just selling biometric sensors to our PC customers, but a complete system solution which also integrates Fingerprints' in-house microcontroller unit (MCU).

In terms of other elements of our platform portfolio, Access, whilst project driven, has shown a consistent growth trend, with more opportunities to unlock, particularly in logical access – a huge new market in which we have great value to offer as an incremental near-term opportunity. I'd also like to highlight our assets in touchless solutions including our iris recognition software. We see an increased interest in our iris authentication solution, both in relation to Driver Monitoring Systems (DMS) where IR-cameras will be added in most cars, as well as iris authentication in relation to AR/VR devices, triggered by the launch of the Apple Vision Pro device where authentication is made by an iris solution called Optic ID. Regarding DMS, we announced an agreement with a tier 1 automotive supplier in July 2023, with the objective of further developing Fingerprints' iris recognition technology so that it can be seamlessly integrated into DMS to handle authentication. The development phase of the project is now complete, and the solution will be promoted to automotive OEMs as an add-on feature. We will be making other bets this year beyond these current markets. As you look holistically at this portfolio, we see strong potential for the short, medium and long-term, particularly as we complement them with additional technologies to expand the platform.

Adam Philpott, President and CEO

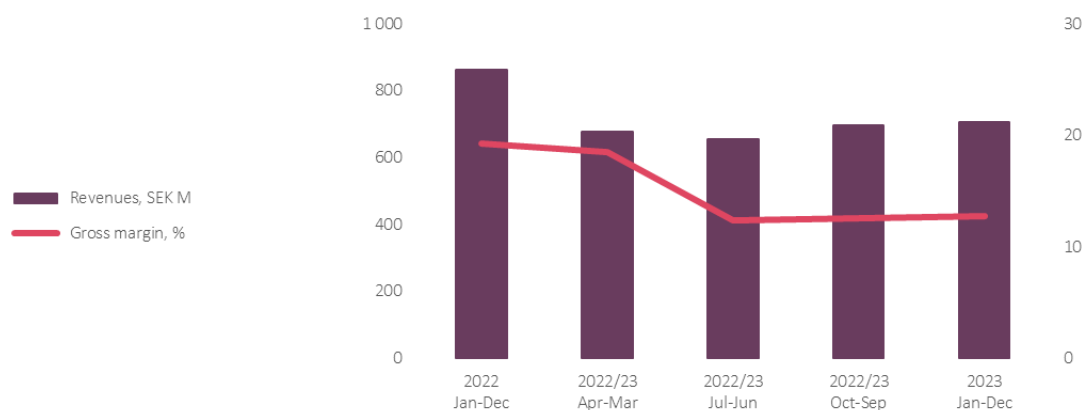


# Revenues and operating result, fourth quarter of 2023

## Revenues

Group revenues for the fourth quarter amounted to SEK 200.3 M (190.3), corresponding to an increase of 5 percent compared with the fourth quarter of 2022 (increase of 10 percent in constant currency terms). The increase is driven by higher sales in our Mobile and PC product groups as well as in our Access business outside of Asia. As in recent quarters, Access sales in Asia continued to be negatively impacted by softness in the Chinese construction sector. 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 fourth quarter, we continued to reduce our inventory, with a positive effect on cash flow. Inventory amounted to SEK 134 M at the end of the fourth quarter, compared with SEK 156 at the end of the third quarter. Our order book is healthy, even though we have seen a decrease going into the first quarter of 2024, in line with seasonal trends.

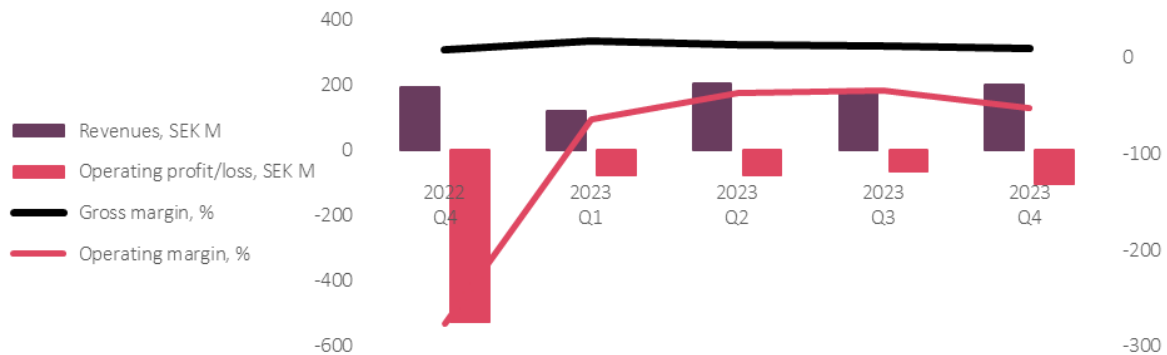
## Revenues and gross margin, rolling 12 months



## Trend in operating profit

Gross profit for the fourth quarter was SEK 19.1 M (16.8) and the gross margin was 9.5 percent (8.8). Gross margin continued to be negatively impacted by strong price pressure within Mobile due to continued destocking measures. The operating result for the fourth quarter was a negative SEK 105.2 M (neg: 527.3). Operating expenses amounted to SEK 124.3 M (544.1), including SEK 37.5 M in costs attributable to restructuring measures. Exchange rate gains on working capital had a positive effect, amounting to SEK 7.5 M.

Development costs of SEK 4.4 M (28.2) were capitalized during the quarter, corresponding to 10.7 percent of total development costs, compared with 46.9 percent for the corresponding quarter of 2022. Other operating income increased to SEK 7.5 M (neg: 0,1) and pertain to exchange-rate fluctuations attributable to operating working capital.

**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.

Adjusted EBITDA for the quarter amounted to a negative SEK 46.3 M (neg: 74.3) and comprised the operating result of negative SEK 105.2 M plus depreciation/amortization of SEK 21.4 M plus 37.5 M in costs attributable to the ongoing cost optimization program.

**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 21. 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 21). 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 0.9 M (neg: 2.7). 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 15.1 M (neg: 11.7). Expenses for the quarter pertained primarily to interest and other finance expenses on the convertible loan.



## Earnings and earnings per share for the reporting period

The result for the fourth quarter of 2023 was a negative SEK 127.1 M (neg: 499.4). Earnings per share for the second quarter were a negative SEK 0.22 (neg: 1.48).

## Cash flow and balance sheet, fourth quarter of 2023

### Cash flow

Cash flow from operating activities was negative SEK 60.4 M (neg: 103.9).

Cash flow from investing activities amounted to a negative SEK 4,4 M (neg: 28.3), of which capitalized development expenditure accounted for SEK 4.4 M (28.2).

Cash flow from financing activities was negative SEK 17,1 M (pos: 337.8) and includes the following items: leasing fees on leased premises (negative SEK 1.9 M), amortization of the convertible bond (negative SEK 15.2 M). As per the terms and conditions of the convertible bond, HCM requested one additional instalment during the period.

Exchange-rate fluctuations had a negative SEK 6,1 M (neg: 2.9) impact on cash and cash equivalents during the quarter.

### Liquidity and shareholders' equity

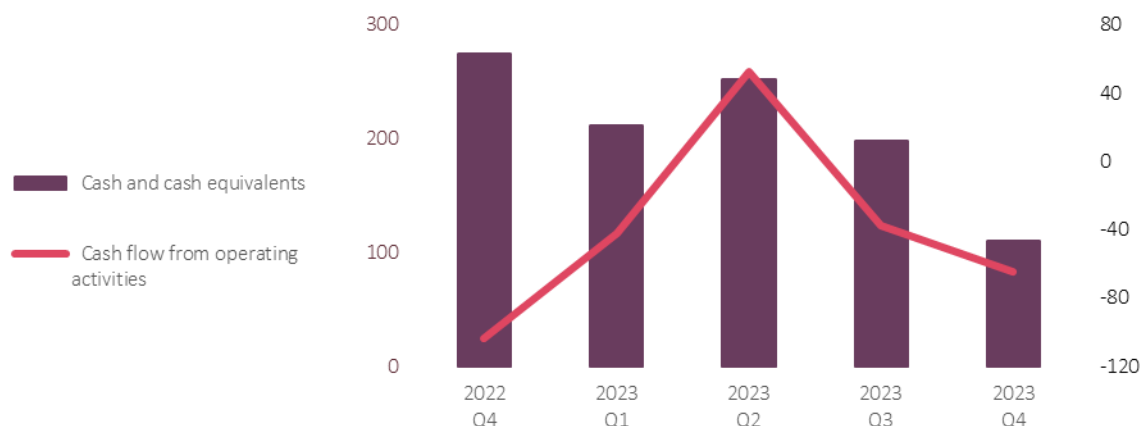
At December 31, 2023, the Group's disposable cash and cash equivalents totaled SEK 109.9 M (274.1), and the Group's net debt amounted to SEK 5,0 M on the same date (net debt: 43,2). Interest-bearing liabilities comprise the convertible bond loan issued in September 2023, amounting to SEK 160.0 M (-). 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 102.1 M is recorded as liability and SEK 4.4 M as equity. In addition, lease liabilities pertaining to office premises amount to SEK 12.8 M (12.4), recognized in accordance with IFRS 16.

At period-end, consolidated shareholders' equity amounted to SEK 684.2 M (866.5) and the equity/assets ratio for the Group to 63.1 percent (59.9). Other comprehensive income in the fourth quarter amounted to negative SEK 48.0 M (neg: 81.6), 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 4.4 M (expense: 28.2). Investments in tangible fixed assets for the quarter amounted to an expense of SEK 0.0 M (expense: 0.1). Depreciation/amortization according to plan for the quarter totaled SEK 21.4 M (453.0). Financial fixed assets pertain to deferred tax of SEK 171.2 M (121.8).

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



## Comments on the period January-December 2023

The Group's revenue for the period January–December 2023 totaled SEK 705.4 M (861.8), corresponding to a decrease of 18 percent compared with the year-earlier period. The period was characterized by intense price competition. 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 2023, but successively improved during the year. We continued to diversify our revenue streams to higher-margin areas outside of Mobile, and our objective is to accelerate the diversification towards higher-margin application areas.

Gross profit for the period January-December 2023 was SEK 89.6 M (166.4) and the gross margin was 12.7 percent (19.3). The reduced sales volumes, combined with increased price competition within the Mobile product segment, had a negative impact on profitability.

Financial expenses 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 as well as to the convertible bond issue and the rights issue. The bond loan issued in 2021 was fully repaid during the year.

In September 2023, the Board of Directors resolved to issue convertible bonds with a nominal amount of SEK 160 M ("Tranche 1") to an entity managed by Heights Capital Management, Inc. ("HCM"). The Company also had an option to issue Tranche 2 with a total nominal amount of SEK 90 M approximately 6 weeks following the issuance of Tranche 1, provided that certain conditions were met. One of these conditions was a share price in excess of SEK 1.00. Since the share price traded below this level during the relevant period, Tranche 2 was not issued.

Cash flow from operating activities for the period was negative SEK 88.3 M (neg: 334.1). At December 31, 2023, the Group's disposable cash and cash equivalents totaled SEK 109.9 M, compared to SEK 274.1 M in the fourth quarter of 2022. At December 31, 2023, the Group's net debt totaled SEK 5,0 M, compared to net debt of SEK 43.2 M at the end of the fourth quarter of 2022.



## Other events during the fourth quarter of 2023

### Business Development

Fingerprints has been deeply involved in the development of the new generation of Thales Gemalto biometric payment card, which is ready for global volume mass deployment. The new Thales solution, which features Fingerprints' T-Shape sensor (T2) and biometric payment software platform, offers users advanced transaction speed, improved power efficiency and enhanced security. The T2 sensor module, part of Fingerprints' FPC1300-series, of which we have shipped more than one million units, enables cost-effective production of biometric payment cards. Thanks to dual row packaging, the biometric sensor has been tailored to allow easy integration using standard automated manufacturing processes. This ensures reduced waste, optimizes production capacity and throughput and lowers related manufacturing costs. The new card also comes with enhanced security features, including encryption, which adds additional privacy layers to the storage and communication of biometric data. The development of the fourth-generation card is an important milestone for the deployment of biometric payment cards at scale.

Global card manufacturer Tag Systems (part of AUSTRIACARD Holdings AG) has achieved Mastercard certification for its biometric card based on Fingerprint Cards' sensor and STMicroelectronics STPay-Topaz-Bio solution. Banks and fintechs can now issue Mastercard-branded biometric payment cards to enhance convenience and security for cardholders. Following a partnership agreement in 2022, the cards will contain Fingerprints' second-generation T-Shape® (T2) sensor module, software platform and algorithm. The sensors deliver increased image quality and processing speed with improved power efficiency for biometric cards. The sensor module also features additional privacy layers and advanced encryption to further enhance card security. This will combine with Tag Systems' extensive payment card solutions and services, based on STMicroelectronics STPAY-Topaz-Bio.

Fingerprints announced that Tony Heavens has joined the company as its new Chief Marketing Officer (CMO), effective November 13, 2023. Previously, Tony held the position of Senior Vice President, Marketing & Communications at Zwipe, a biometric technology company with its headquarters in Oslo, Norway. Prior to joining Zwipe, he worked at Nets for nearly 5 years as Head of Marketing for the Issuing and eSecurity division, responsible for marketing and communications towards Banks and Financial Institutions across Europe. With a Bachelor (Honours) Degree in Business Studies, specializing in Marketing from Bournemouth University, Tony comes with a wealth of experience from over two decades in the technology sector and a track record of driving business growth with effective marketing and communications strategy.

Fingerprints and IN Groupe through SPS, its globally leading brand in contactless and dual interface card manufacturing technologies, have come together to collaborate on IN Groupe's Smart Packaging Solutions (SPS). The partnership supports global card manufacturers in scaling up their production of contactless biometric cards. The partnership between IN Groupe and Fingerprints will facilitate the manufacturing of biometric payment cards that incorporate Fingerprints' biometric sensors, software and algorithm, offering ultra-low-power consumption and leading biometric performance. Additionally, the biometric payment card solution will further support smartcard manufacturers' growth ambitions by improving reliability, reducing costs and significantly simplifying the manufacturing process for dual-interface and contactless cards. IN Groupe holds 25% of the dual interface market worldwide outside China with its SPS solutions. Biometric technology brings both convenience and security to cardholders, since





they no longer need to remember a PIN to use their payment card. Biometric payment cards are gaining popularity and the growth of the market can be attributed to the rising technological advancement and global acceptance of the contactless payment method.

Fingerprints announced that the company has received its first one-million-unit purchase order for its optical under-display solution, from an Asian smartphone OEM.

Fingerprints announced that its newly developed, complete biometric system for PC makers has been launched, and is being evaluated by several PC OEMs. The system consists of Fingerprints' in-house microcontroller unit (MCU) combined with a fingerprint sensor optimized for PC requirements. Using a customized MCU further refines Fingerprints' biometric Match-on-Chip PC solution, which was added to Microsoft's approved vendor list (AVL) for Windows Hello Enhanced Sign-in Security last year. In Match-on-Chip solutions, the users' biometric data is stored on a separate MCU. This offers higher security than the so-called Match-on-Host systems, where biometric authentication usually occurs in the computer's CPU. While Fingerprints offers both varieties, we expect Match-on-Chip to continue growing at the expense of Match-on-Host. Match-on-Chip solutions have a higher average selling price (ASP) and currently account for well over half of our addressable market in the PC area. Over the last two years, PC has emerged as an important new product area for Fingerprints, and we anticipate continued market growth since the share of computers with fingerprint sensors is expected to continue rising. Fingerprints dominates the market for fingerprint sensors in Chromebooks, while four of the world's five largest Windows PC manufacturers already integrate our technology in their products.

Fingerprints announced that its second-generation T-Shape® (T2) sensor module is integrated in a new FIDO2 card for logical access called SafeNet IDPrime FIDO Bio Smart Card, offered by Cloud Protection & Licensing Solution at Thales, a key global player in the cyber security industry. The FIDO2 smart card enables safe and convenient authentication for everyday use. The innovative SafeNet IDPrime FIDO Bio Smart Card allows end users to authenticate without passwords and PINs, with just a fingerprint instead. The result is a FIDO2 card which combines security, flexibility and user-friendliness, facilitating highly secure access to a multitude of devices and data. The biometrics of the user never leaves the smart card, ensuring security to the consumer, thereby adhering to the general data protection regulation (GDPR).

Fingerprints has extended its collaboration with Infineon Technologies, a leading provider of semiconductor products, to become a Premium Partner. This builds on the pair's existing work to drive collaboration, development and innovation in bringing biometric technologies for authentication into payments, broader IoT applications and beyond. Infineon's Partner Ecosystem is a highly selective network of specialized engineering companies with a proven ability designing solutions and services corresponding to the needs of the market and customer. As a premium partner, Fingerprints and Infineon will pool their extensive experience and portfolios to further drive growth and innovation for the industry.

Fingerprints announced that its biometric technology is integrated in the Yale Assure Lock® 2 Touch, Yale Home's first-ever smart lock in the U.S. and Canada with a built-in fingerprint reader.

Freevolt Technologies Limited a London, UK based developer of biometric smart card products for access control, cryptocurrency wallets, payments and healthcare, has launched the second-



generation of its flagship access control card, S-Key. The new battery-less biometric access card featuring Freevolt's patented energy harvesting technology, has been upgraded to embed Fingerprints' world-leading 'T2' biometric sensors. S-Key biometric cards are bringing stronger authentication to access control, offering new levels of security, convenience, and reduced environmental impact on the road to eliminating PINs and passwords. Fingerprints' T2 sensors, known as FPC 1323, deliver increased image quality and processing speed as well as improved power efficiency for biometric smart cards. To further fortify the security of the card, the sensor module features advanced encryption and additional privacy layers for the storage and communication of biometric data. S-Key featuring the FPC 1323 sensor makes the end user journey frictionless and personalized by the touch of a fingertip to access desired areas reliably, hygienically and securely, while still being convenient and easy-to-use.

## Significant events during the fourth quarter of 2023

On 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.

On November 21, 2023, Fingerprint Cards AB announced a new functional organization with the objective of more clearly linking the company's governance model to its new Biometrics Platform strategy, ensuring accountability and enterprise-wide collaboration while seeking to attract world-class leaders in their respective functions. Fingerprints' leaders are empowered to excel in their areas of expertise, fostering a culture of accountability that drives individual and collective success. In addition to promoting excellence within distinct functions, we aim to nurture a performance-driven culture that goes beyond individual roles, creating a unified and high-achieving spirit across the organization. Fingerprints' new executive leadership team comprises the following roles:

- President & CEO: Adam Philpott
- Finance: Per Sundqvist
- Strategy & Technology: TBD
- Product: Ted Hansson
- Sales & Marketing: Hila Meller (announced separately on December 6, 2023)
- Human Resources: Caroline Krüger
- Legal: Rebecca Stein

On December 6, 2023, Fingerprints announced that Hila Meller has been appointed Chief Revenue Officer. In this newly created executive management role, Hila will lead the company's Sales & Marketing function, facilitating collaboration among several other teams, including new technology and product development, towards a unified goal of profitable revenue growth. She will take up her new position on January 1st, 2024, reporting to Adam Philpott, Fingerprints' President & CEO. Hila has extensive experience leading high-performing global teams in cyber security, identity and access management. Most recently, she was the Global Chief Revenue Officer and Global Head of Sales at BT Security where she led a sales organization across the Americas, the UK, continental Europe and APAC, achieving year-on-



year sales growth well above the market rate. Prior to this, she held several other senior leadership positions, including roles at BT Security, HP Enterprise Security Services, and CA Technologies. Hila holds a BSc in Computer Science and Mathematics from Bar Ilan university, Israel, and an Executive MBA from Technion institute, Israel and Fudan University, China.

On December 15, 2023, Fingerprints announced that the Company has received a conversion notice from HCM (the "Notice") for conversion of 60 bonds with a total nominal amount of SEK 27,143,400 (the "Conversion Amount"). The Conversion Amount was converted to B-shares in Fingerprints (the "Share Settlement"). In accordance with the T&Cs, the price for each new B-share was SEK 1.49865 (125 per cent of the reference price, as described in the Company's press release on 16 July 2023). The conversion entails that the number of B-shares in the Company increased by 18,111,900, corresponding to a dilution effect of approximately 3 per cent. The Company's share capital increased by approximately SEK 788,638 to approximately SEK 25,990,072. The number of B-shares in the Company increased with 18,111,900 to 589,014,670. The number of votes increased with 18,111,900 to 667,764,670. Any future Conversion Rights invoked by HCM may be paid by conversion to new B-shares at a price of SEK 1.49865 per B-share or fully or partly in cash. The number of shares and the dilution effect will, if the conversion amount is paid party or fully with B-shares, be announced by a separate press release.

On December 29, 2023, Fingerprints announced that the issue of new shares in connection with a conversion of part of its outstanding convertible bonds (the "Issue") has resulted in changes in the number of B-shares and votes in Fingerprints as follows. Prior to the Issue, the total number of shares in the Company amounted 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 amounted to 649,652,770 (of which 78,750,000 pertains to the A-shares and 570,902,770 pertains to the B-shares). In connection with the Issue, the number of B-shares in the Company increased by 18,111,900 and the number of votes by 18,111,900. Following the Issue, and as of 29 December 2023, the total number of shares in the Company amounted to 596,889,670 (of which 7,875,000 A-shares and 589,014,670 B-shares). The total number of votes in the Company amounted to 667,764,670 (of which 78,750,000 pertains to the A-shares and 589,014,670 pertains to the B-shares).

## Significant events after the end of the period

On January 31, 2024, Fingerprints announced that the company issued new shares in connection with a scheduled amortization and interest payment under its outstanding convertible bonds (the "Issue"). The Issue has resulted in changes in the number of B-shares and votes in Fingerprints as follows. Prior to the Issue, the total number of shares in the Company amounted to 596,889,670 (of which 7,875,000 A-shares and 589,014,670 B-shares). The total number of votes in the Company amounted to 667,764,670 (of which 78,750,000 pertain to the A-shares and 589,014,670 pertain to the B-shares). In connection with the Issue, the number of B-shares in the Company increased by 6,835,681 and the number of votes by 6,835,681. Following the Issue, and as of 31 January 2024, the total number of shares in the Company amounts to 603,725,351 (of which 7,875,000 A-shares and 595,850,351 B-shares). The total number of votes in the Company amounts to 674,600,351 (of which 78,750,000 pertain to the A-shares and 595,850,351 pertain to the B-shares).



On January 22, 2024, Fingerprints announced the price and number of new shares in connection with the second scheduled amortization and interest payment under its outstanding convertible bonds. Following calculations under the terms and conditions of the Convertible Bonds, 6,835,681 new B-shares were issued at a price of SEK 1.0777 per B-share.

On January 16, Fingerprints announced that the company would issue new shares as payment in connection to the second amortisation and interest payment under its outstanding convertible bonds. Fingerprints announced on 19 September 2023 that it had resolved to issue convertible bonds with a total nominal amount of MSEK 160 (the "Convertible Bonds") to an entity managed by Heights Capital Management, Inc. ("HCM"). In accordance with the terms and conditions of the Convertible Bonds (the "T&Cs"), the Convertible Bonds shall be amortised in equal instalments (the "Instalments") paid every two months together with accrued interest (each an "Instalment Day"). The remaining scheduled amortisation and interest payment dates under the Convertible Bonds can be found below. The second Instalment Day was 19 January 2024 and the amortisation and interest amount was SEK 7,366,814 (the "Amortisation and Interest Amount"). As previously announced, the Company may in accordance with the T&Cs pay the Instalments in cash or in B-shares. The Company paid the Amortisation and Interest Amount in new B-shares (the "Share Settlement"). The price for the new shares ("Instalment price") together with the number of shares in the Share Settlement were calculated in accordance with the T&Cs and were announced by the Company in a separate press release immediately after the information had been provided to the Company by the Calculation Agent in accordance with the T&Cs. The press release was published on 22 January 2024. The amortisation and interest payment schedule for future Instalment and interest payments under the Convertible Bonds is set out below and the Company may at each future amortisation and interest payment date elect to pay the relevant Instalment and/or interest payment through a share settlement. The price per share, number of shares and the dilution effect will in such case be announced by separate press releases.

Scheduled amortisation and interest payment dates under the T&Cs			
2024	2025	2026	2027
19 March 2024	19 January 2025	19 January 2026	19 January 2027
19 May 2024	19 March 2025	19 March 2026	
19 July 2024	19 May 2025	19 May 2026	
19 September 2024	19 July 2025	19 July 2026	
19 November 2024	19 September 2025	19 September 2026	
	19 November 2025	19 November 2026	

## Organization and Personnel

The number of employees as at December 31, 2023, was 159 (223). In addition to employees, consultants were also engaged during the fourth quarter, corresponding to 26 HCs (37), mainly in technology development and sales. Accordingly, including employees and consultants, the company employed a total of 185 (260) people on December 31, 2023.



## Share capital trend

During December 2023, Fingerprints issued new shares in connection with a conversion of part of its outstanding convertible bonds (the "Issue"). The Issue resulted in changes in the number of B-shares and votes in Fingerprints as follows.

Prior to the Issue, the total number of shares in the Company amounted 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 amounted to 649,652,770 (of which 78,750,000 pertains to the A-shares and 570,902,770 pertains to the B-shares).

In connection with the Issue, the number of B-shares in the Company increased by 18,111,900 and the number of votes by 18,111,900.

Following the Issue, and as of 29 December 2023, the total number of shares in the Company amounted to 596,889,670 (of which 7,875,000 A-shares and 589,014,670 B-shares). The total number of votes in the Company amounted to 667,764,670 (of which 78,750,000 pertains to the A-shares and 589,014,670 pertains to the B-shares).

The company had 3,800,000 B shares in treasury at the end of the period. The share capital amounted to SEK 25,990,072.

### Number of shares

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
<b>Number of shares, (000s)</b>				
Number of shares at period end	596,890	424,493	596,890	424,493
Of which class A-shares	7,875	7,875	7,875	7,875
Of which class B-shares	589,015	416,618	589,015	416,618
Number of buyback shares at end of period	-3,800	-3,800	-3,800	-3,800
<b>Number of shares outstanding at period end</b>	<b>593,090</b>	<b>420,693</b>	<b>593,090</b>	<b>420,693</b>
<b>Number of shares outstanding at period end, before and after dilution</b>	<b>593,090</b>	<b>440,532</b>	<b>593,090</b>	<b>440,532</b>
<b>Average number of shares outstanding (000s)</b>				
Average number of buyback shares	-3,800	-3,800	-3,800	-3,800
Average number Share issue whereoff A-shares	-	625	-	156
Average number Share issue whereoff B-shares	2,953	41,539	45,646	10,385
<b>Average number of shares outstanding</b>	<b>577,931</b>	<b>336,364</b>	<b>466,338</b>	<b>304,741</b>

## 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 fourth quarter of 2023 amounted to SEK 1.0 M (80.3), of which the quarter's sales pertain to intra-Group sales to subsidiaries of SEK 1.0 M (66.6) relating to service fees. After financial items, a profit of SEK 152.1 M (loss: 31.3) was reported for the period.

The net result for the period was a loss of SEK 53.3 M (loss: 209.4). The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 25.8 M (191.3).

## 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:

<b>Market risks:</b>	Geopolitical instability, Supplier costs, Risk of obsolescence, Economic fluctuations, Currency risk, Loss of customers and price pressure due to increased competition.
<b>Operational risks:</b>	Delivery capacity of suppliers, Competency provision, Loss of key competencies, Reduced technological lead and Information leaks.
<b>Financial risks:</b>	Financing risk and Credit risk.
<b>Legal risks:</b>	Product defects and product liability, Patent risk and Corruption.
<b>Other risks:</b>	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](http://www.fingerprints.com).

## 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. CET on February 8, 2024.

Welcome to Fingerprints' presentation of the interim report for the fourth quarter of 2023 on February 8, 2024, at 09:00 a.m. CET. The presentation will be webcast, and participants can register via the link below: <https://edge.media-server.com/mmc/p/c3j3y979>

**For media and analysts:** Register for the teleconference via this link:  
<https://register.vevent.com/register/BI2499f066045c41f88c2425a2c417bbbd>

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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, February 7, 2024

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Christian Lagerling  
Chairman

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Alexander Kotsinas  
Member

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Adam Philpott  
Member, President & CEO

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Mario Shiliashki  
Member

---

Juan Vallejo  
Member

---

Dimitrij Titov  
Member

## Review Report

This year-end report has not been examined by the company's auditors.





# Financial statements and key figures

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## Condensed consolidated statement of comprehensive income

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	200.3	190.3	705.4	861.8
Cost of goods sold	-181.3	-173.5	-615.8	-695.4
<b>Gross profit</b>	<b>19.1</b>	<b>16.8</b>	<b>89.6</b>	<b>166.4</b>
<b>Gross Margin, %</b>	<b>9.5</b>	<b>8.8</b>	<b>12.7</b>	<b>19.3</b>
Selling expenses	-54.5	-34.0	-171.1	-142.6
Administrative expenses	-39.0	-44.7	-127.6	-143.6
Development expenditure	-37.1	-31.9	-117.3	-118.1
Write downs	-1.2	-433.4	-4.7	-433.4
Other operating income/expenses	7.5	-0.1	10.7	40.3
<b>Operating profit/loss</b>	<b>-105.2</b>	<b>-527.3</b>	<b>-320.4</b>	<b>-631.0</b>
<b>Operating Margin, %</b>	<b>-52.5</b>	<b>-277.1</b>	<b>-45.4</b>	<b>-73.2</b>
Finance income	0.9	-2.7	4.6	15.4
Finance expenses	-15.1	-11.7	-67.1	-36.6
<b>Profit/loss before tax</b>	<b>-119.4</b>	<b>-541.7</b>	<b>-382.9</b>	<b>-652.2</b>
Income tax	-7.7	42.3	35.7	66.2
<b>Profit/loss for the period</b>	<b>-127.1</b>	<b>-499.4</b>	<b>-347.2</b>	<b>-586.0</b>
Other comprehensive income	-48.0	-81.6	-20.5	84.0
<b>Total comprehensive income for the period</b>	<b>-175.1</b>	<b>-581.0</b>	<b>-367.7</b>	<b>-502.0</b>
<b>Profit/loss for the period attributable to:</b>				
Parent Company shareholders	-175.1	-581.0	-367.7	-502.0
<b>Profit/loss for the period</b>	<b>-175.1</b>	<b>-581.0</b>	<b>-367.7</b>	<b>-502.0</b>
<b>Earnings per share for the period before and after dilutions, SEK</b>	<b>-0.22</b>	<b>-1.48</b>	<b>-0.74</b>	<b>-1.92</b>



## Condensed consolidated statement of financial position

SEK M	31-Dec 2023	31-Dec 2022
<b>Assets</b>		
Intangible fixed assets	504.8	538.0
Tangible fixed assets	3.0	4.3
Right-of-use assets	14.4	25.3
Financial assets	171.6	121.8
<i>Total fixed assets</i>	<i>693.8</i>	<i>689.4</i>
Inventories	133.5	304.1
Accounts receivable	120.6	128.3
Other receivables	17.9	40.0
Prepaid expenses and accrued income	7.9	9.6
Cash and cash equivalents	109.9	274.1
<i>Total current assets</i>	<i>389.8</i>	<i>756.1</i>
<b>Total assets</b>	<b>1,083.6</b>	<b>1,445.5</b>
<b>Shareholders' equity and liabilities</b>		
<i>Shareholders' equity</i>	<i>684.2</i>	<i>866.5</i>
<i>Deferred tax liability</i>	<i>6.6</i>	<i>13.0</i>
Bond loans	-	293.7
Convertible loan	65.4	-
Long-term lease liabilities	6.5	12.4
<i>Long-term liabilities</i>	<i>71.9</i>	<i>306.1</i>
Short-term debt lease liabilities	6.2	11.2
Accounts payable	103.5	74.3
Current tax liabilities	6.3	6.6
Other current liabilities	62.2	20.7
Accrued expenses and prepaid income	142.7	147.1
<i>Total current liabilities</i>	<i>320.9</i>	<i>259.9</i>
<b>Total shareholders' equity and liabilities</b>	<b>1,083.6</b>	<b>1,445.5</b>

## Condensed consolidated statement of changes in equity

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Opening shareholders' equity	828.8	1,106.2	866.5	1,027.2
Comprehensive income for the period	-175.1	-581.0	-367.7	-502.0
Share issue	30.5	-	185.4	341.3
<b>Closing shareholders' equity</b>	<b>684.2</b>	<b>866.5</b>	<b>684.2</b>	<b>866.5</b>



## Condensed consolidated cash-flow statement

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Profit/loss before tax	-119.4	-541.7	-382.9	-652.2
Adjustment for non-cash items	5.2	475.8	39.3	496.3
Income tax paid	-1.0	5.4	-22.1	-13.3
Change in inventory	28.8	27.6	208.7	-160.6
Change in current receivables	-56.9	-28.9	25.4	179.4
Change in current liabilities	82.9	-42.1	43.3	-183.7
<b>Cash flow from operating activities</b>	<b>-60.4</b>	<b>-103.9</b>	<b>-88.3</b>	<b>-334.1</b>
Cash flow from investing activities	-4.4	-28.3	-46.1	-104.6
Cash flow from financing activities	-17.1	337.8	-25.7	328.4
<b>Change in cash and cash equivalents</b>	<b>-81.9</b>	<b>205.6</b>	<b>-160.1</b>	<b>-110.3</b>
Cash and cash equivalents on the opening date	197.9	71.4	274.1	374.3
Effect of exchange rate changes on cash	-6.1	-2.9	-4.1	10.1
<b>Closing cash and cash equivalents</b>	<b>109.9</b>	<b>274.1</b>	<b>109.9</b>	<b>274.1</b>

## The Group's operating segments

SEK M	Oct-Dec 2023	Oct-Dec 2022	Change, %	Jan-Dec 2023	Jan-Dec 2022	Change, %
<b>Revenue</b>						
Asia	177.8	166.9	6	637.3	783.5	-19
Rest of World	22.5	23.4	-4	68.1	78.3	-13
New Business	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Group</b>	<b>200.3</b>	<b>190.3</b>	<b>5</b>	<b>705.4</b>	<b>861.8</b>	<b>-18</b>

SEK M	Oct-Dec 2023	Oct-Dec 2022	Change, %	Jan-Dec 2023	Jan-Dec 2022	Change, %
<b>Operating profit/loss</b>						
Asia	-61.0	-157.1	-61	-159.6	-169.4	-6
Rest of World	-15.3	-341.7	-96	-67.4	-423.1	84
New Business	-16.8	-	0	-33.4	-	-
Other	-12.1	-28.5	-58	-60.0	-38.5	-56
<b>Group</b>	<b>-105.2</b>	<b>-527.3</b>	<b>-80</b>	<b>-320.4</b>	<b>-631.0</b>	<b>49</b>

SEK M	Oct-Dec 2023	Oct-Dec 2022	Change, %	Jan-Dec 2023	Jan-Dec 2022	Change, %
<b>Profit/loss before tax</b>						
Asia	-60.9	-157.1	-61	-159.6	-169.4	-6
Rest of World	-15.3	-341.7	-96	-67.4	-423.1	84
New Business	-16.8	-	-	-33.4	-	-
Other	-2.9	-42.9	-93	-122.5	-59.7	-105
<b>Group</b>	<b>-119.4</b>	<b>-541.7</b>	<b>-78</b>	<b>-382.9</b>	<b>-652.2</b>	<b>41</b>



## Sales by product group

SEK M	Oct-Dec 2023	Oct-Dec 2022	Change, %	Jan-Dec 2023	Jan-Dec 2022	Change, %
<b>Revenue</b>						
<b>Mobile</b>	<b>141.6</b>	<b>132.8</b>	<b>7</b>	<b>519.1</b>	<b>646.8</b>	<b>-20</b>
of which Asia	141.6	132.8	7	519.1	646.8	-20
of which Rest of World	0.0	0.0	-	0.0	0.0	-
<b>Payment</b>	<b>1.3</b>	<b>10.3</b>	<b>-88</b>	<b>11.7</b>	<b>15.2</b>	<b>-23</b>
of which Asia	0.0	0.0	-	0.0	0.0	-
of which Rest of World	1.3	10.3	-88	11.7	15.2	-23
<b>PC</b>	<b>32.8</b>	<b>19.7</b>	<b>67</b>	<b>96.9</b>	<b>59.6</b>	<b>63</b>
of which Asia	32.8	19.7	67	96.1	59.6	59
of which Rest of World	0.0	0.0	-	0.8	0.0	-
<b>Access</b>	<b>24.6</b>	<b>27.5</b>	<b>-11</b>	<b>77.7</b>	<b>140.2</b>	<b>-45</b>
of which Asia	2.5	14.5	-82	22.0	77.2	-72
of which Rest of World	22.1	13.0	70	55.7	63.0	-12
<b>Group</b>	<b>200.3</b>	<b>190.3</b>	<b>5</b>	<b>705.4</b>	<b>861.8</b>	<b>-18</b>

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

SEK M	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021
Revenue	200.3	184.8	203.3	117.0	190.3	143.2	228.1	300.2	356.6
Cost of goods sold	-181.3	-161.2	-176.7	-96.7	-173.5	-125.7	-157.2	-239.0	-243.5
<b>Gross profit</b>	<b>19.1</b>	<b>23.6</b>	<b>26.6</b>	<b>20.3</b>	<b>16.8</b>	<b>17.5</b>	<b>70.9</b>	<b>61.2</b>	<b>113.1</b>
<b>Gross margin, %</b>	<b>9.5</b>	<b>12.8</b>	<b>13.1</b>	<b>17.3</b>	<b>8.8</b>	<b>12.2</b>	<b>31.1</b>	<b>20.4</b>	<b>31.7</b>
Selling costs	-54.5	-40.3	-42.5	-33.8	-34.0	-35.4	-35.5	-37.8	-41.5
Administrative costs	-39.0	-21.7	-32.9	-34.0	-44.7	-32.0	-36.0	-30.9	-28.0
Development costs	-37.1	-26.0	-25.9	-28.3	-31.9	-25.7	-33.3	-27.2	-38.0
Write downs	-1.2	-3.5	0.0	0.0	-433.4	-	-	-	-
Other operating income/expenses	7.5	4.1	-1.0	0.1	-0.1	15.8	21.7	3.0	-1.7
<b>Operating profit/loss</b>	<b>-105.2</b>	<b>-63.8</b>	<b>-75.7</b>	<b>-75.7</b>	<b>-527.3</b>	<b>-59.8</b>	<b>-12.2</b>	<b>-31.7</b>	<b>3.9</b>
<b>Operating margin, %</b>	<b>-52.5</b>	<b>-34.5</b>	<b>-37.3</b>	<b>-64.7</b>	<b>-277.1</b>	<b>-41.8</b>	<b>-5.4</b>	<b>-10.6</b>	<b>1.1</b>
Finance income/expenses	-14.2	-30.1	-9.0	-9.2	-14.4	-6.9	2.4	-2.3	1.5
<b>Profit/loss before tax</b>	<b>-119.4</b>	<b>-93.9</b>	<b>-84.6</b>	<b>-85.0</b>	<b>-541.7</b>	<b>-66.7</b>	<b>-9.8</b>	<b>-34.0</b>	<b>5.4</b>
Income tax	-7.7	20.1	8.4	14.9	42.3	15.7	0.3	7.9	-0.1
<b>Profit/loss for the period</b>	<b>-127.1</b>	<b>-73.8</b>	<b>-76.2</b>	<b>-70.1</b>	<b>-499.4</b>	<b>-51.0</b>	<b>-9.5</b>	<b>-26.1</b>	<b>5.3</b>
Other comprehensive income	-48.0	1.1	30.7	-4.3	-81.6	74.3	70.1	21.2	22.6
<b>Total comprehensive income for the period</b>	<b>-175.1</b>	<b>-72.7</b>	<b>-45.5</b>	<b>-74.4</b>	<b>-581.0</b>	<b>23.3</b>	<b>60.6</b>	<b>-4.9</b>	<b>27.9</b>



### Consolidated statement of financial position for the past nine quarters

	31-Dec 2023	30-Sep 2023	30-Jun 2023	31-Mar 2023	31-Dec 2022	30-Sep 2022	30-Jun 2022	31-Mar 2022	31-Dec 2021
<i>SEK/USD exchange rate, balance date</i>	10.04	10.89	10.85	10.37	10.42	11.20	10.21	9.31	9.05
<b>Assets</b>									
Intangible fixed assets	504.8	553.1	558.8	541.5	538.0	1,021.6	938.7	868.2	838.5
Tangible fixed assets	3.0	2.7	3.1	3.6	4.3	5.0	5.6	5.9	6.5
Right-of-use assets	14.4	16.2	19.3	22.2	25.3	15.2	18.6	21.4	24.2
Financial fixed assets	171.6	173.5	152.7	138.7	121.8	81.0	65.7	61.2	53.6
<i>Total fixed assets</i>	<i>693.8</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>
Inventories	133.5	156.2	202.7	274.0	304.1	412.4	281.3	175.6	159.3
Accounts receivable	120.6	80.1	100.6	97.1	128.3	133.2	128.4	261.5	280.0
Other receivables	17.9	20.4	19.0	32.7	40.0	37.2	64.6	72.5	51.3
Prepaid expenses and accrued income	7.9	6.6	7.7	8.7	9.6	11.3	12.3	14.2	11.3
Cash and cash equivalents	109.9	197.9	252.4	210.9	274.1	71.4	212.8	255.1	374.3
<i>Total current assets</i>	<i>389.8</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>
<b>Total assets</b>	<b>1,083.6</b>	<b>1,206.7</b>	<b>1,316.3</b>	<b>1,329.4</b>	<b>1,445.5</b>	<b>1,788.3</b>	<b>1,728.0</b>	<b>1,735.6</b>	<b>1,799.0</b>
<b>Shareholders' equity and liabilities</b>									
<i>Shareholders' equity</i>	<i>684.2</i>	<i>828.8</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>Deferred tax liability</i>	<i>6.6</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>Long-term liabilities</i>	<i>71.9</i>	<i>146.3</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>
Short-term debt of long-term liabilities	6.2	6.6	8.1	9.7	11.2	9.6	9.3	10.3	11.3
Accounts payable	103.5	83.1	77.0	51.3	74.3	190.4	158.8	158.4	221.8
Current tax liabilities	6.3	6.6	6.5	6.4	6.6	8.0	12.7	6.2	14.0
Other current liabilities	62.2	14.3	12.7	14.3	20.7	18.5	12.7	45.5	35.5
Accrued expenses and prepaid income	142.7	112.2	150.4	138.8	147.1	141.4	135.8	173.6	168.4
<i>Total current liabilities</i>	<i>320.9</i>	<i>222.8</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>
<b>Total shareholders' equity and liabilities</b>	<b>1,083.6</b>	<b>1,206.7</b>	<b>1,316.3</b>	<b>1,329.4</b>	<b>1,445.5</b>	<b>1,788.3</b>	<b>1,728.0</b>	<b>1,735.6</b>	<b>1,799.0</b>

### Consolidated cash-flow statement for the past nine quarters

SEK M	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021
Profit/loss before tax	-119.4	-93.9	-84.6	-85.0	-541.7	-66.7	-9.8	-34.0	5.4
Adjustment for non-cash items	5.2	1.9	16.1	16.1	475.8	2.6	6.5	11.4	43.7
Income tax paid	-1.0	-4.4	-9.3	-7.4	5.4	9.4	-17.2	-10.9	-2.4
Change in inventory	28.8	67.7	85.6	26.6	27.6	-94.1	-90.7	-3.4	-8.0
Change in current receivables	-56.9	21.8	18.0	42.5	-28.9	23.8	175.6	8.8	-101.9
Change in current liabilities	82.9	-31.1	26.6	-35.1	-42.1	13.4	-92.7	-62.2	46.4
<b>Cash flow fr. operating activities</b>	<b>-60.4</b>	<b>-38.0</b>	<b>52.4</b>	<b>-42.3</b>	<b>-103.9</b>	<b>-111.6</b>	<b>-28.3</b>	<b>-90.3</b>	<b>-16.8</b>
Cash flow from investing activities	-4.4	-12.4	-11.9	-17.4	-28.3	-28.1	-20.1	-28.1	-23.7
Cash flow from financing activities	-17.1	-2.4	-3.2	-3.0	337.8	-2.3	-3.7	-3.3	294.8
<b>Change in cash and cash equiv.</b>	<b>-81.9</b>	<b>-52.8</b>	<b>37.3</b>	<b>-62.7</b>	<b>205.6</b>	<b>-142.0</b>	<b>-52.1</b>	<b>-121.7</b>	<b>254.3</b>
Cash and cash equiv. on the opening date	197.9	252.4	210.9	274.1	71.4	212.8	255.1	374.3	120.7
Effect of exchange rate changes on cash	-6.1	-1.7	4.2	-0.5	-2.9	0.6	9.8	2.5	-0.7
<b>Closing cash and cash equivalents</b>	<b>109.9</b>	<b>197.9</b>	<b>252.4</b>	<b>210.9</b>	<b>274.1</b>	<b>71.4</b>	<b>212.8</b>	<b>255.1</b>	<b>374.3</b>



## Condensed income statement, Parent Company

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenues	1.0	80.3	28.9	257.4
Cost of goods sold	-2.1	-24.5	-9.3	-73.0
<b>Gross profit</b>	<b>-1.1</b>	<b>55.8</b>	<b>19.6</b>	<b>184.4</b>
Selling expenses	-9.4	-7.7	-27.4	-34.7
Administrative expenses	-33.7	-21.7	-113.9	-94.0
Development expenditure	161.7	-38.0	-22.2	-149.4
Other operating revenues/expenses	5.0	6.7	3.9	28.4
<b>Operating profit/loss</b>	<b>122.5</b>	<b>-4.9</b>	<b>-140.0</b>	<b>-65.3</b>
Finance revenues	45.1	-14.1	82.0	10.9
Finance expenses	-15.5	-12.3	-69.4	-37.3
<b>Profit/loss after financial items</b>	<b>152.1</b>	<b>-31.3</b>	<b>-127.4</b>	<b>-91.7</b>
Group contribution	-199.8	-222.7	-199.8	-222.7
<b>Profit/loss before tax</b>	<b>-47.7</b>	<b>-254.0</b>	<b>-327.2</b>	<b>-314.4</b>
Tax	-5.6	44.6	50.9	59.4
<b>Profit/loss for the period ***</b>	<b>-53.3</b>	<b>-209.4</b>	<b>-276.3</b>	<b>-255.0</b>

\*\*\* Profit/loss for the period is the same as Total Profit/loss

## Condensed balance sheet, Parent Company

SEK M	31-Dec 2023	31-Dec 2022
<b>Assets</b>		
Intangible fixed assets	0.2	1.4
Tangible fixed assets	1.8	2.4
Financial fixed assets	531.9	598.2
<i>Total fixed assets</i>	<i>533.9</i>	<i>602.0</i>
Inventories	0.0	4.6
Accounts receivable	4.4	34.1
Current receivables	10.7	54.3
Cash and cash equivalents	25.8	191.3
<i>Total current assets</i>	<i>40.9</i>	<i>284.3</i>
<b>Total assets</b>	<b>574.8</b>	<b>886.3</b>
<b>Shareholders' equity and liabilities</b>		
<i>Shareholders' equity</i>	<i>337.5</i>	<i>427.3</i>
<i>Long-term liabilities</i>	<i>65.4</i>	<i>293.7</i>
Accounts payable	53.7	23.0
Tax liabilities	2.6	-
Other current liabilities	115.6	142.3
<i>Total current liabilities</i>	<i>171.9</i>	<i>165.3</i>
<b>Total shareholders' equity and liabilities</b>	<b>574.8</b>	<b>886.3</b>



## Key consolidated data

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue, SEK M	200.3	190.3	705.4	861.8
Revenue change, %	5.2	-46.6	-18.1	-36.4
Gross margin, %	9.5	8.8	12.7	19.3
Operating margin, %	-52.5	-277.1	-45.4	-73.2
Profit margin, %	-63.5	-262.4	-49.2	-68.0
EBITDA, SEK M	-83.8	-74.3	-242.2	-116.0
Ajusted EBITDA, SEK M	-46.3	-74.3	-204.7	-83.4
Return on equity, %	-16.8	-50.6	-44.8	-61.9
Cash flow from operating activities, SEK M	-60.4	-103.9	-88.3	-334.1
Equity/assets ratio, %	63.1	59.9	63.1	59.9
Investments, SEK M	-4.4	-27.9	-46.1	-104.6
Depreciations and write downs, SEK M	21.4	453.0	78.2	515.1
Average number of employees	201	218	208	239
Shareholders' equity per share before and after dilution, SEK	1.15	2.06	1.15	2.06
Cash flow from operating activities/share before and after dilution, SEK	-0.10	-0.25	-0.15	-0.79
Number of shares at period end, 000s	593,090	420,693	593,090	420,693
Average number of shares before and after dilution, 000s	577,931	336,364	466,338	304,741
Share price at period end	1.72	2.93	1.72	2.93

## Key consolidated figures for the past nine quarters

	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021
Revenue, SEK M	200.3	184.8	203.3	117.0	190.3	143.2	228.1	300.2	356.6
Revenue change, %	5.2	29.1	-10.9	-48.7	-46.6	-59.6	-21.4	-15.4	-3.5
Gross margin, %	9.5	12.8	13.1	17.3	8.8	12.2	31.1	20.4	31.7
Operating margin, %	-52.5	-34.5	-37.3	-64.7	-277.1	-41.8	-5.4	-10.6	1.1
Profit margin, %	-63.5	-39.9	-37.5	-59.9	-262.4	-35.6	-4.2	-8.7	1.5
EBITDA, SEK M	-83.8	-40.4	-57.7	-60.2	-74.3	-38.1	6.5	-10.1	26.7
Return on equity, %	-16.8	-9.4	-9.9	-8.5	-50.6	-4.7	-0.9	-2.5	0.5
Cash flow from operating activities, SEK M	-60.4	-38.0	52.4	-42.3	-103.9	-111.6	-28.3	-90.3	-16.8
Equity/assets ratio, %	63.1	68.7	56.7	59.6	59.9	61.9	62.7	58.9	57.1
Investments, SEK M	-4.4	-12.4	-12.0	-17.4	-27.9	-28.1	-20.1	-28.1	-23.7
Depreciations, SEK M	21.4	23.4	18.0	15.5	453.0	21.7	18.7	21.6	22.8
Average number of employees	201	201	208	215	218	233	250	255	255
Shareholders' equity per share, SEK	1.15	1.44	1.77	1.88	2.06	3.76	3.68	3.47	3.49
Cash flow from operating activities, SEK	-0.10	-0.07	0.12	-0.10	-0.25	-0.38	-0.10	-0.31	-0.06
Number of shares at period end, 000s	593,090	574,978	420,693	420,693	420,693	294,200	294,200	294,200	294,200
Average number of shares before and after dilution, 000s	577,931	435,952	420,693	420,693	336,364	294,200	294,200	294,200	294,200
Share price at period end, SEK	1.72	0.95	1.84	3.29	2.93	5.63	8.94	14.87	20.68





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

	Jan-Dec 2023	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
Revenues, SEK M	705.4	695.4	653.7	678.6	861.8	1,028.0	1,239.2	1,301.3	1,355.8
Gross profit, SEK M	89.6	87.3	81.1	125.4	166.4	262.7	346.5	355.9	396.9
Gross margin, %	12.7	12.5	12.4	18.5	19.3	25.6	28.0	27.4	29.3
Operating profit/loss, SEK M	-320.4	-742.5	-738.5	-662.9	-631.0	-99.8	-29.2	-41.0	-7.6
Operating margin, %	-45.4	-106.8	-113.0	-97.7	-73.2	-9.7	-2.4	-3.2	-0.6
EBITDA, SEK M	-242.2	-232.7	-230.4	-166.2	-116.0	-14.9	55.3	58.4	85.6



## 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](http://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.

<b>Number of shares outstanding at period end</b>	Number of shares in the Parent Company less bought back shares held in treasury.
<b>Return on equity</b>	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.
<b>Gross margin</b>	Gross profit as a percentage of revenues.
<b>Gross profit</b>	Revenues less cost of goods sold.
<b>EBITDA</b>	<i>Earnings before interest, taxes, depreciation and amortization.</i> Operating profit before interest rates, taxes, depreciation/amortization and impairment losses.
<b>Adjusted EBITDA</b>	EBITDA adjusted for non-recurring costs.
<b>Shareholders' equity per share</b>	Shareholders' equity attributable to the Parent Company's shareholders divided by the number of shares outstanding before dilution at period-end.
<b>Shareholders' equity per share after dilution</b>	Shareholders' equity per share adjusted for the number of shares and the paid exercise price resulting from the ongoing remuneration and personnel programs.
<b>Average number of shares after dilution</b>	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.
<b>Average number of shares outstanding</b>	The Parent Company's average weighted number of shares outstanding at the end of the period.
<b>Revenue increase</b>	This shows the increase in revenues compared with the corresponding year-earlier period shown as a percentage.
<b>Cash flow from operating activities/share</b>	Cash flow from operating activities after changes in working capital/average number of shares before and after dilution.
<b>Cost of goods sold</b>	Cost of materials, production expenses and amortization according to plan of capitalized development expenditure.
<b>Net cash</b>	Cash and cash equivalents less interest-bearing debt, including lease liabilities.
<b>Profit for the period</b>	Profit after financial income/expenses and tax.
<b>Earnings per share</b>	Profit for the period/number of shares outstanding at period end.
<b>Earnings per share after dilution</b>	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.



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