

Highlights of the quarter

- Cash flow from operating activities increased to SEK 82.4 M from SEK 59.5 M in the preceding quarter
- Revenues increased by 8% compared to the previous quarter
- FPC1540, a new side-mounted capacitive sensor, was launched
- Fingerprints' technology was used in the world's first commercial launch of biometric credit cards

Fourth quarter of 2019

- Revenues amounted to SEK 381.4 M (424.3)
- The gross margin was 23 percent (21)
- EBITDA was SEK 13.3 M (pos: 8.8)
- The operating result was negative SEK 15.3 M (neg: 25.5)
- Earnings per share before dilution were negative SEK 0.06 (neg: 0.06)
- Cash flow from operating activities amounted to SEK 82.4 M (neg: 26.1)

January – December 2019

- Revenues amounted to SEK 1,458.6 M (1,535.1).
- The gross margin was 23 percent (0)
- EBITDA totaled SEK 128.7 M (neg: 505.2)
- The operating result was negative SEK 14.4 M (neg: 771.6)
- Earnings per share before dilution were negative SEK 0.04 (neg: 2.01)
- Cash flow from operating activities amounted to SEK 160.4 M (274.6)
- The Board proposes to the Annual General Meeting that no dividend be paid for the 2019 fiscal year

SEK M	Oct-Dec 2019	Oct-Dec 2018	Change	Jan-Dec 2019	Jan-Dec 2018	Change
Revenue	381.4	424.3	-10%	1,458.6	1,535.1	-5%
Gross profit	88.1	88.2	0%	331.1	2.4	
<i>Gross margin %</i>	23	21		23	0	
Operating profit	-15.3	-25.5	40%	-14.4	-771.6	98%
<i>Operating margin %</i>	-4	-6		-1	-50	
EBITDA	13.3	8.8	52%	128.7	-505.2	125%
Profit/loss before tax	-32.5	-23.6	-38%	-17.4	-796.7	98%
Profit/loss for the period	-18.6	-17.5	-6%	-13.6	-630.7	98%
Earnings per share before dilution, SEK	-0.06	-0.06	-6%	-0.04	-2.01	98%
Cash and cash equivalents	563.9	540.5	4%	563.9	540.5	4%
Cash flow from operating activities	82.4	-26.1	416%	160.4	274.6	-42%
Equity/assets ratio, %	80	77		80	77	
Average number of employees	220	237	-7%	209	314	-33%



CEO's comments

The positive trend in Business Line Mobile continued in the fourth quarter and we increased sales by 8 percent compared with the preceding quarter. During the year, we broadened our customer base, and we also see that the capacitive technology is being embraced to an increasing extent in new areas of application.

The gross margin was 23 percent, which is in line with what we delivered in the first three quarters of 2019. However, we are not satisfied with the current margin level and our efforts to ensure a competitive production cost continue as strong as ever. Another key priority in this context is broadening our business, both in terms of new products and further areas of application. Fingerprints remains the leading provider in the world for capacitive sensors for smartphones and we continued to strengthen our position in the fourth quarter by expanding our product portfolio. In November, we launched FPC1540, a new thin sensor designed for side-mounting. This sensor functions extremely well in the most recent smartphone models, e.g. in smartphones that are borderless or foldable. Already in December, Xiaomi launched two smartphone models in which FPC1540 is integrated inside the power button on the side of the device. We also launched Touchless 2.0 during the quarter. By combining iris and facial recognition, this solution offers end users a high security level without compromising user-friendliness. Our Touchless 2.0 platform offers a more secure and more cost-effective alternative to advanced facial recognition, not only for smartphones but for a number of applications in various industries.

Expanding the business into new areas is a very important priority for Fingerprints. Biometrics is now genuinely on the way to making its entry into another global mass market: card payments. Fingerprints' products in this area are world-leading in terms of security, user-friendliness and performance, and it is very gratifying that our T-Shape sensor and biometric software platform for payments are being used in the world's first commercial launch of biometric credit cards. This launch was conducted by Cornècard in Switzerland in November 2019, with our partner Thales as the provider of the card. At the beginning of 2020, Thales announced that the company's card, in which Fingerprints' technology is integrated, has been certified by Mastercard. This is a significant step that now enables card issuers throughout the world to offer their customers biometric payment cards. The long-term market potential is extensive. Approximately four billion smart payment cards are currently produced each year. This number could increase to as many as six to eight billion within a few years, as all cards in circulation are converted to smart cards. Fingerprints has a fantastic starting point in this market, with well-established cooperation with the leading players all along the value chain for biometric smart cards: card manufacturers and their suppliers, manufacturers of secure elements, payment systems and card issuers.

Of course, we follow the news concerning the Corona virus outbreak closely and have a high level of preparedness. We expect a dampening effect on the operations of the company, but the extent is still unclear.

Christian Fredrikson, President and CEO



“Fingerprints' technology is used in the world's first commercial launch of biometric credit cards”

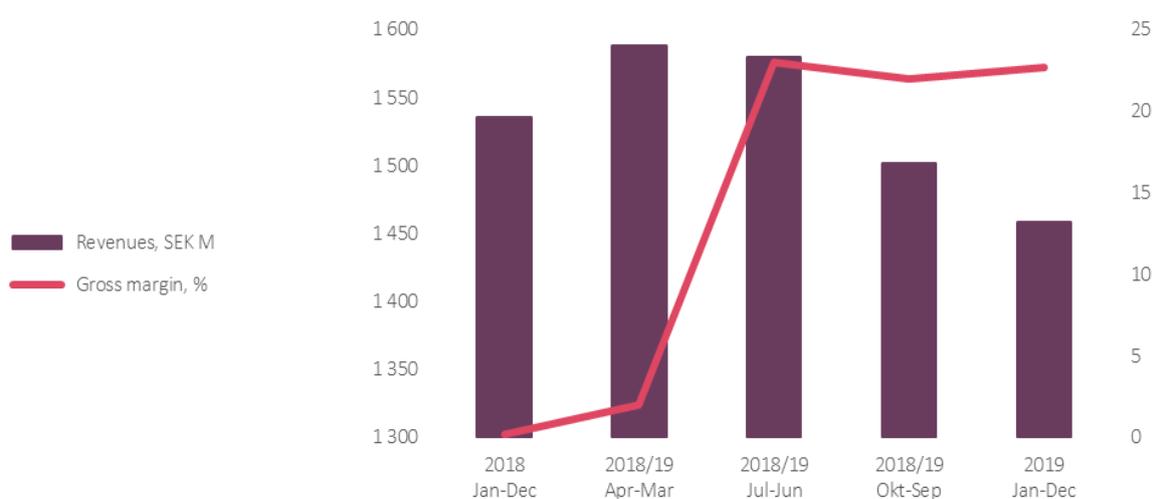


Revenues and operating profit

Revenues

Consolidated revenues for the fourth quarter amounted to SEK 381.4 M (424.3), down 10 percent year-on-year, due in part to weaker sales in Business Line Smartcards, Automotive & Embedded, and in part to a continued decline in the average selling price (ASP). The decline in the ASP can be explained in part by shifts in the customer and product mix.

Revenues and gross margin, rolling 12 months



Trend in operating profit

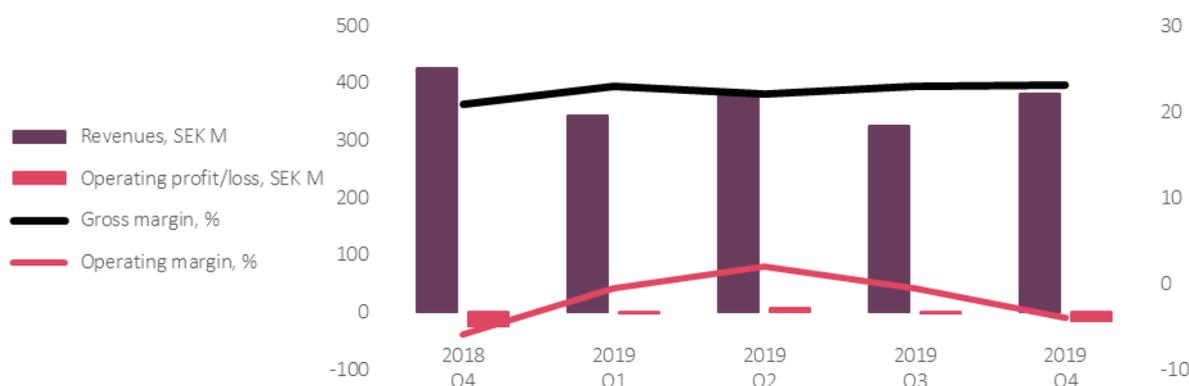
Gross profit for the fourth quarter was SEK 88.1 M (88.2) and the gross margin was 23 percent (21). Operating margin was negative 4 percent (neg: 6).

Operating expenses amounted to SEK 103.4 M (113.7). Development costs of SEK 16.3 M (9.3) were capitalized during the quarter, which corresponds to 31 percent of total development costs, compared with 19 percent for the corresponding period of 2018.

EBITDA for the quarter totaled SEK 13.3 M (pos: 8.8).



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



Financial income and expenses

Net financial items amounted to an expense of SEK 17.2 M (income: 1.9). The item pertains primarily to the effect of unrealized changes in exchange rates on currency accounts.

Earnings and earnings per share for the reporting period

Net loss for the fourth quarter of 2019 amounted to SEK 18.6 M (loss: 17.5). Earnings per share for the fourth quarter were negative SEK 0.06 (neg: 0.06).

Cash flow and balance sheet

Cash flow

Cash flow from operating activities amounted to SEK 82.4 M (neg: 26.1).

Cash flow from investing activities for the fourth quarter amounted to a negative SEK 19.1 M (neg: 31.0), of which capitalized development expenditure accounted for a negative SEK 16.3 M (neg: 9.3).

Cash flow from financing activities amounted to a negative SEK 19.7 M (neg: 151.3). Financing activities in the fourth quarter pertained to the amortization of lease liabilities in accordance with IFRS 16 recognition of leased premises.

Exchange-rate fluctuations had a negative impact of SEK -16.4 M (pos: 6.9) on cash and cash equivalents during the quarter. Most of the company's cash holdings consist of USD and the exchange-rate fluctuations are largely a result of a weakening of USD in relation to SEK.

Liquidity and shareholders' equity

At December 31, 2019, the Group's disposable cash and cash equivalents totaled SEK 563.9 M (540.5). Consolidated net cash holdings at the end of the fourth quarter amounted to SEK 534.2 M (540.5). Interest-bearing liabilities consist of leasing liabilities for office premises amounting to SEK 29.7 million, reported according to IFRS 16 starting in 2019.

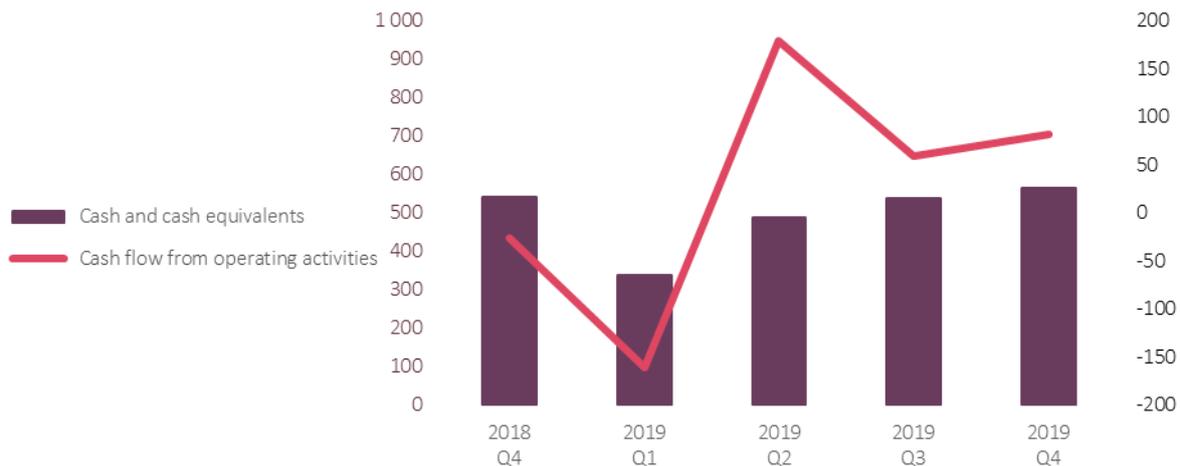
At period-end, consolidated shareholders' equity amounted to SEK 1,798.9 M (1,775.5) and the equity/assets ratio for the Group to 80 percent (77).



Investments, fixed assets and depreciation/amortization

Investments in intangible fixed assets during the quarter amounted to an expense of SEK 18.7 M (expense: 9.3). Investments in tangible fixed assets for the quarter amounted to an expense of SEK 0.4 M (expense: 1.8). Depreciation/amortization according to plan for the quarter totaled SEK 28.6 M (34.3).

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



Other events during the fourth quarter of 2019

Business Development

During the fourth quarter of 2019, 12 mobile devices fitted with the Fingerprints’ sensors were launched by seven OEM customers. In addition, two Chromebooks, a smart suitcase, and a door lock were launched with sensors from Fingerprints.

FPC1540, a thin sensor designed for side mounting, was launched during the fourth quarter. This product meets customer demand for solutions that function well with the most recent models, such as foldable devices and mobiles with borderless fronts. Already in December, Xiaomi launched Redmi K30 and K30 5G, the first smartphones to integrate this new sensor.



During the quarter, Xiaomi launched Redmi K30 and K30 5G with Fingerprints’ new FPC1540 sensor.

In October 2019, Fingerprints launched Touchless 2.0, a platform that combines the user-friendliness of facial recognition with the high security level of iris recognition. The Touchless 2.0 platform offers a more secure and more cost-effective alternative to advanced facial recognition, not only for smartphones but for a number of applications in various industries.

In October, it was announced that Fingerprints’ technology is being used in the UK’s first market trial of biometric credit cards. The test was launched by NatWest, which had previously tested biometric debit cards in the UK. The card was supplied by Thales, and contains Fingerprints’ T-Shape sensor module and biometric software platform.



In November, Swiss Corner Bank conducted the world's first launch of biometric cards as a limited edition. The card, Cornèrcard Biometric Gold, was supplied by Thales and contains Fingerprints' T-Shape sensor module and biometric software platform.

Significant events during the fourth quarter of 2019

No significant events were reported during the fourth quarter of 2019.

Organization and personnel

The number of employees at December 31, 2019 was 225 (220). In addition to permanent employees during the fourth quarter, the company also had 36 (43) consultants, mainly in technology development and sales. Accordingly, including employees and consultants, the company employed a total of 261 (263) people on December 31, 2019.

Effective March 1, 2020, Michel Roig will join the Group Management Team as Senior Vice President, Business Line Payments & Access (formerly called Business Line Smartcards, Automotive & Embedded). Michel joined the company in 2016 and has served as Head of Sales for Business Line Smartcards, Automotive & Embedded.

Thomas Rex, currently Senior Vice President Business Line Smartcards, Automotive & Embedded, has been appointed Senior Vice President Special Projects, effective March 1, 2020. He will continue to be part of the Group Management Team. Thomas joined Fingerprints in 2011 and has served as Executive VP Sales, SVP Business Line Smartcards and SVP Business Line Smartcards, Automotive & Embedded.

Share capital trend

The number of shares amounts to 313,967,675, of which 6,000,000 are Class A shares and 307,967,675 are Class B shares. The total number of votes is 367,967,675. The share capital is unchanged at SEK 12,975,667.

Number of shares

	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Number of shares, (000s)				
Number of shares at period end	313,967	313,967	313,967	313,967
Of which class A-shares	6,000	6,000	6,000	6,000
Of which class B-shares	307,967	307,967	307,967	307,967
Number of shares outstanding, diluted at period end	313,967	313,967	313,967	313,967
Average number of shares outstanding (000s)				
Average number of shares outstanding, basic	313,967	313,967	313,967	313,967
Average number of shares outstanding, diluted	313,967	313,967	313,967	313,967



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, with the exception of IFRS 16, as described below, complies with what is presented in the Annual Report for the fiscal year ending December 31, 2018 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 2019 have had any significant impact on the Group. The Group's reporting currency is SEK and the report is prepared in SEK M.

IFRS 16 Leases

In January 2016, the IASB published a new lease standard that will replace IAS 17 Leases and the associated interpretations IFRIC 4, SIC-15 and SIC-27. The standard requires that assets and liabilities attributable to all leases, with some exceptions, are to be recognized in the balance sheet. Fingerprints has applied IFRS 16 Leases from January 1, 2019, and applies exemption rules that entail that no lease liability is recognized for leases with a term shorter than 12 months, both during transition and for future leases, as well as for leases for which the underlying asset is of low value. Fingerprints has chosen to apply the modified retrospective approach, which entails that the comparative year is not restated. The effect of transition to IFRS 16 as of January 1, 2019, is set out below.

Commitments for operating leases according to IAS 17 at	
December 31, 2018	SEK 69.0 M
- Discount effect	SEK -1.7 M
- The lease was charged as a restructuring cost in 2018	SEK -20.9 M
- <u>Short-term leases and low-value leases</u>	<u>SEK -3.7 M</u>
Lease liability according to IFRS 16 on January 1, 2019	SEK 42.7 M
- Prepaid lease payment at January 1, 2019	SEK 4.8 M
Right-of-use assets in accordance with IFRS 16 at January 1, 2019	SEK 47.5 M

In its role as lessee, Fingerprints conducted a detailed review and analysis of the Group's leases, which mainly pertain to the premises where the Group's operations are conducted. Leases that pertained to rights-of-use of low value or shorter term have not been identified as right-of-use assets. Prior to implementation of IFRS 16, all leases were classified as operational leases. The financial expense was distributed over the lease term so that each accounting period was charged with an amount corresponding to a fixed interest rate for the liability recognized in each period. The Group's weighted average incremental borrowing rate used to calculate the discount effect is 0.65 percent.

None of the other IFRS or IFRIC interpretations that have not yet taken effect is expected to have any material impact on the Group.



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 amounted to SEK 381.0 M (423.2) and the result after financial items for the period was negative SEK 51.5 M (neg: 6.1). Net loss for the period amounted to SEK 34.7 M (profit: 552.8). The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 518.1 M (496.2).

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:	Conflict minerals, Restrictions on planned business development, Biometrics and integrity, Scalability internally, Discrimination and lack of diversity.

For further information concerning the risks facing the Group, see the 2018 Annual Report, which is available on our website, www.fingerprints.com.



Financial calendar

Annual Report 2019	Week beginning April 27, 2020
Interim report January – March 2020	May 14, 2020
Annual General Meeting 2020	May 26, 2020
Interim report January – June 2020	August 13, 2020
Interim report January – September 2020	November 12, 2020

Further information

This is the type of information that Fingerprint Cards AB is obligated to disclose pursuant to the EU's Market Abuse Regulation and the Swedish Financial Instruments Trading Act. The information was submitted for publication, through the agency of the contact person set out below, on February 13, 2020 at 07:00 a.m. CET.

Welcome to Fingerprints' presentation of the results for the fourth quarter of 2019 on February 13 at 9:00 a.m. CET. The presentation will be webcast, and participants can register via the link below.

<https://engage.vevent.com/rt/fingerprints/index.jsp?seid=158>

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Certification

The Board of Directors and the CEO certify that this interim 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.

Gothenburg, February 12, 2020

Johan Carlström
Chairman

Sofia Bertling
Member

Ted Elvhage
Member

Urban Fagerstedt
Member

Tomas Mikaelsson
Member

Alexander Kotsinas
Member

Dimitrij Titov
Member

Juan Vallejo
Member

Christian Fredrikson
President and CEO

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 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Revenue	381.4	424.3	1,458.6	1,535.1
Cost of goods sold	-293.3	-336.1	-1,127.5	-1,532.7
Gross profit	88.1	88.2	331.1	2.4
Gross Margin, %	23	21	23	0
Selling expenses	-40.3	-35.0	-147.0	-189.2
Administrative expenses	-27.3	-39.0	-87.0	-201.8
Development expenditure	-37.8	-42.9	-110.7	-243.6
Other operating income/expenses	2.0	3.2	-0.8	-139.4
Operating profit/loss	-15.3	-25.5	-14.4	-771.6
Operating Margin, %	-4	-6	-1	-50
Finance income/expenses	-17.2	1.9	-3.0	-25.1
Profit/loss before tax	-32.5	-23.6	-17.4	-796.7
Income tax	13.9	6.1	3.8	166.0
Profit/loss for the period	-18.6	-17.5	-13.6	-630.7
Other comprehensive income	-51.0	11.5	37.0	75.4
Total comprehensive income for the period	-69.6	-6.0	23.4	-555.3
Earnings per share for the period				
Before dilution, SEK	-0.06	-0.06	-0.04	-2.01
After dilution, SEK	-0.06	-0.06	-0.04	-2.01

Condensed consolidated statement of financial position

SEK M	31-Dec 2019	31-Dec 2018
Assets		
Intangible fixed assets	1,127.8	1,102.7
Tangible fixed assets	15.8	30.2
Right-of-use assets	32.9	-
Financial assets	18.3	27.8
Total fixed assets	1,194.8	1,160.7
Inventories	253.4	347.5
Accounts receivable	197.3	232.7
Other receivables	15.4	19.8
Prepaid expenses and accrued income	12.3	18.0
Cash and cash equivalents	563.9	540.5
Total current assets	1,042.3	1,158.5
Total assets	2,237.1	2,319.2
Shareholders' equity and liabilities		
Shareholders' equity	1,798.9	1,775.5
Deferred tax liability	38.6	51.9
Long-term lease liabilities	11.8	-
Short-term debt of long term lease liabilities	17.9	-
Accounts payable	235.2	256.2
Current tax liabilities	0.8	1.3
Other current liabilities	9.8	27.1
Accrued expenses and prepaid income	124.1	207.2
Total current liabilities	387.8	491.8
Total shareholders' equity and liabilities	2,237.1	2,319.2



Condensed consolidated cash-flow statement

SEK M	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Profit/loss before tax	-32.5	-23.6	-17.4	-796.7
Adjustment for non-cash items	66.8	35.2	147.9	595.0
Income tax paid	8.2	4.9	3.3	232.0
Change in inventory	41.2	-2.6	88.4	-4.1
Change in current receivables	-15.3	-18.9	38.9	243.0
Change in current liabilities	14.0	-21.1	-100.7	5.4
Cash flow from operating activities	82.4	-26.1	160.4	274.6
Cash flow from investing activities	-19.1	-31.0	-115.4	-162.6
Cash flow from financing activities	-19.7	-151.3	-19.7	-507.7
Change in cash and cash equivalents	43.6	-208.4	25.3	-395.7
Cash and cash equivalents on the opening date	536.7	742.0	540.5	920.2
Effect of exchange rate changes on cash	-16.4	6.9	-1.9	16.0
Closing cash and cash equivalents	563.9	540.5	563.9	540.5

The Group's operating segments

SEK M	Oct-Dec 2019	Oct-Dec 2018	Change, %	Jan-Dec 2019	Jan-Dec 2018	Change, %
Revenue						
Sensors	381.4	424.3	-10	1,458.6	1,535.1	-5
Other	-	-	-	-	-	-
Group	381.4	424.3	-10	1,458.6	1,535.1	-5

SEK M	Oct-Dec 2019	Oct-Dec 2018	Change, %	Jan-Dec 2019	Jan-Dec 2018	Change, %
Operating profit/loss						
Sensors	-15.3	-25.5	40	-14.4	-771.6	98
Other	-	-	-	-	-	-
Group	-15.3	-25.5	40	-14.4	-771.6	98

SEK M	Oct-Dec 2019	Oct-Dec 2018	Change, %	Jan-Dec 2019	Jan-Dec 2018	Change, %
Profit/loss before tax						
Sensors	-32.5	-23.6	-38	-17.4	-796.7	98
Other	-	-	-	-	-	-
Group	-32.5	-23.6	-38	-17.4	-796.7	98



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

SEK M	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019	Oct-Dec 2018	Jul-Sep 2018	Apr-Jun 2018	Jan-Mar 2018	Oct-Dec 2017
Revenue	381.4	352.5	381.8	342.9	424.3	431.2	389.9	289.7	615.3
Cost of goods sold	-293.3	-272.4	-297.6	-264.2	-336.1	-316.1	-635.6	-244.9	-485.2
Gross profit	88.1	80.1	84.2	78.7	88.2	115.1	-245.7	44.8	130.1
Gross margin, %	23	23	22	23	21	27	-63	15	21
Selling costs	-40.3	-34.5	-37.6	-34.6	-35.0	-36.5	-48.7	-69.0	-64.0
Administrative costs	-27.3	-20.1	-17.7	-21.9	-39.0	-23.6	-72.9	-66.3	-40.6
Development costs	-37.8	-23.4	-25.5	-24.0	-42.9	-41.4	-76.7	-82.6	-99.8
Other operating income/expenses	2.0	-5.5	2.8	-0.1	3.2	-6.6	-134.2	-1.8	33.7
Operating profit/loss	-15.3	-3.4	6.2	-1.9	-25.5	7.0	-578.2	-174.9	-40.6
Operating margin, %	-4	-1	2	-1	-6	2	-148	-60	-7
Finance income/expenses	-17.2	17.0	-3.9	1.1	1.9	-3.9	-9.7	-13.4	-0.1
Profit/loss before tax	-32.5	13.6	2.3	-0.8	-23.6	3.1	-587.9	-188.3	-40.7
Income tax	13.9	-7.8	0.4	-2.7	6.1	-0.2	120.0	40.1	24.2
Profit/loss for the period	-18.6	5.8	2.7	-3.5	-17.5	2.9	-467.9	-148.2	-16.5
Other comprehensive income	-51.0	55.5	-2.8	35.3	11.5	-10.6	61.2	13.3	4.9
Total comprehensive income for the period	-69.6	61.3	-0.1	31.8	-6.0	-7.7	-406.7	-134.9	-11.6

Consolidated statement of financial position for the past nine quarters

	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018	31 Dec 2017
<i>SEK/USD exchange rate, balance date</i>	9.32	9.80	9.27	9.28	8.97	8.86	8.96	8.36	8.23
Assets									
Intangible fixed assets	1,127.8	1,182.7	1,124.8	1,129.5	1,102.7	1,112.4	1,135.8	1,220.1	1,188.3
Tangible fixed assets	15.8	19.8	23.0	26.9	30.2	34.7	40.4	43.5	46.6
Right-of-use assets	32.9	35.0	33.7	38.2	-	-	-	-	-
Financial fixed assets	18.3	7.7	20.2	21.9	27.8	-	-	-	-
Total fixed assets	1,194.8	1,245.2	1,201.7	1,216.5	1,160.7	1,147.1	1,176.2	1,263.6	1,234.9
Inventories	253.4	300.3	304.7	323.3	347.5	344.9	351.6	720.8	646.1
Accounts receivable	197.3	187.5	226.9	279.5	232.7	220.1	370.1	385.2	437.5
Other receivables	15.4	23.5	23.6	22.3	19.8	19.6	40.8	347.0	284.0
Prepaid expenses and accrued income	12.3	7.9	11.4	21.5	18.0	19.1	24.7	29.5	29.1
Cash and cash equivalents	563.9	536.7	486.3	337.6	540.5	742.0	737.5	534.2	920.2
Total current assets	1,042.3	1,055.9	1,052.9	984.2	1,158.5	1,345.7	1,524.7	2,016.7	2,316.9
Total assets	2,237.1	2,301.1	2,254.6	2,200.7	2,319.2	2,492.8	2,700.9	3,280.3	3,551.8
Shareholders' equity and liabilities									
<i>Shareholders' equity</i>	1,798.9	1,868.5	1,807.2	1,807.3	1,775.5	1,781.5	1,789.2	2,195.9	2,330.8
<i>Deferred tax liability</i>	38.6	44.5	46.8	47.5	51.9	32.1	33.5	188.2	189.8
<i>Long-term liabilities</i>	11.8	14.1	15.6	20.1	-	-	-	50.9	221.9
Short-term debt of long-term liabilities	17.9	17.8	18.1	18.1	-	-	-	-	-
Accounts payable	235.2	231.1	233.0	144.4	256.2	189.5	168.0	210.8	268.0
Current tax liabilities	0.8	1.1	1.1	1.4	1.3	0.9	1.2	1.1	1.5
Other current liabilities	9.8	15.2	19.7	4.6	27.1	191.5	366.1	385.8	349.9
Accrued expenses and prepaid income	124.1	108.8	113.1	157.3	207.2	297.3	342.9	247.6	189.9
Total current liabilities	387.8	374.0	385.0	325.8	491.8	679.2	878.2	845.3	809.3
Total shareholders' equity and liabilities	2,237.1	2,301.1	2,254.6	2,200.7	2,319.2	2,492.8	2,700.9	3,280.3	3,551.8



Consolidated cash-flow statement for the past nine quarters

SEK M	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019	Oct-Dec 2018	Jul-Sep 2018	Apr-Jun 2018	Jan-Mar 2018	Oct-Dec 2017
Profit/loss before tax	-32.5	13.6	2.3	-0.8	-23.6	3.1	-587.9	-188.3	-40.7
Adjustment for non-cash items	66.8	9.7	38.6	32.8	35.2	43.4	484.0	32.4	28.9
Income tax paid	8.2	-1.5	-1.8	-1.6	4.9	7.7	253.4	-34.0	-56.4
Change in inventory	41.2	4.4	18.6	24.2	-2.6	6.8	66.4	-74.7	23.6
Change in current receivables	-15.3	41.8	64.6	-52.2	-18.9	167.9	33.8	60.2	111.0
Change in current liabilities	14.0	-8.5	57.3	-163.5	-21.1	-26.4	52.3	0.6	-68.1
Cash flow fr. operating activities	82.4	59.5	179.6	-161.1	-26.1	202.5	302.0	-203.8	-1.7
Cash flow from investing activities	-19.1	-25.6	-27.4	-43.3	-31.0	-33.7	-41.3	-56.6	-75.5
Cash flow from financing activities	-19.7	-	-	-	-151.3	-162.3	-69.8	-124.3	-26.0
Change in cash and cash equiv.	43.6	33.9	152.2	-204.4	-208.4	6.5	190.9	-384.7	-103.2
Cash and cash equiv. on the opening date	536.7	486.3	337.6	540.5	742.0	737.5	534.2	920.2	1,011.2
Effect of exchange rate changes on cash	-16.4	16.5	-3.5	1.5	6.9	-2.0	12.4	-1.3	12.2
Closing cash and cash equivalents	563.9	536.7	486.3	337.6	540.5	742.0	737.5	534.2	920.2

Fair value and carrying amount of financial liabilities and assets

SEK M	12/31/2019		12/31/2018	
	Carrying amount	Fair amount	Carrying amount	Fair amount
Financial assets				
Current financial assets:				
Financial assets at amortized cost:				
Accounts receivable	197.3	197.3	232.7	232.7
Cash and cash equivalents	563.9	563.9	540.5	540.5
Total financial assets	761.2	761.2	773.2	773.2
Financial liabilities				
Long-term financial liabilities:				
Long-term liabilities	-	-	-	-
Long-term lease liabilities	11.8	11.8	-	-
Current financial liabilities:				
Short-term liabilities of long-term loan	-	-	-	-
Short-term lease liabilities	17.9	17.9	-	-
Remaining portion of purchase consideration for acquisition of subsidiary	-	-	20.7	20.7
Accounts payable	235.2	235.2	256.2	256.2
Total financial liabilities	264.9	264.9	276.9	276.9
By category:				
Total financial assets	761.2	761.2	773.2	773.2
Financial liabilities at amortized cost	264.9	264.9	276.9	276.9
Net	496.3	496.3	496.3	496.3



Condensed income statement, Parent Company

SEK M	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Revenues	381.0	423.2	1,454.3	1,527.4
Cost of goods sold	-283.3	-326.9	-1,087.9	-1,496.6
Gross profit	97.7	96.3	366.4	30.8
Selling expenses	-40.3	-34.8	-147.0	-188.0
Administrative expenses	-29.7	-41.6	-97.0	-214.1
Development expenditure	-41.5	-44.2	-121.0	-243.0
Other operating revenues/expenses	2.0	2.0	-2.2	-140.7
Operating profit/loss	-11.8	-22.3	-0.8	-755.0
Finance revenues/expenses	-39.7	16.2	44.0	43.8
Profit/loss after financial items	-51.5	-6.1	43.2	-711.2
Appropriations	8.0	716.0	8.0	716.0
Profit/loss before tax	-43.5	709.9	51.2	4.8
Tax	8.8	-157.1	-11.7	-3.2
Profit/loss for the period	-34.7	552.8	39.5	1.6

Condensed balance sheet, Parent Company

SEK M	31-Dec 2019	31-Dec 2018
Assets		
Intangible fixed assets	122.0	96.9
Tangible fixed assets	11.2	23.4
Financial fixed assets	1,015.3	985.5
<i>Total fixed assets</i>	<i>1,148.5</i>	<i>1,105.8</i>
Inventories	253.4	347.5
Accounts receivable	196.9	232.3
Current receivables	62.8	54.9
Cash and cash equivalents	518.1	496.2
<i>Total current assets</i>	<i>1,031.2</i>	<i>1,130.9</i>
Total assets	2,179.7	2,236.7
Shareholders' equity and liabilities		
<i>Shareholders' equity</i>	<i>1,797.6</i>	<i>1,758.1</i>
<i>Untaxed reserves</i>	<i>-</i>	<i>8.0</i>
Accounts payable	234.1	254.7
Other current liabilities	148.0	215.9
<i>Total current liabilities</i>	<i>382.1</i>	<i>470.6</i>
Total shareholders' equity and liabilities	2,179.7	2,236.7



Key consolidated data

	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Revenue, SEK M	381.4	424.3	1,458.6	1,535.1
Revenue change, %	-10	-31	-5	-48
Gross margin, %	23	21	23	0
Operating margin, %	-4	-6	-1	-50
Profit margin, %	-5	-4	-1	-41
EBITDA, SEK M	13.3	8.8	128.7	-505.2
Return on equity, %	-4	0	1	-27
Cash flow from operating activities, SEK M	82.4	-26.1	160.4	274.6
Equity/assets ratio, %	80	77	80	77
Investments, SEK M	-19.1	-31.0	-115.4	-162.6
Average number of employees	220	237	209	314
Shareholders' equity per share, SEK				
- before dilution	5.73	5.66	5.73	5.66
- after dilution	5.73	5.66	5.73	5.66
Cash flow from operating activities/share, SEK				
- before dilution	0.26	-0.08	0.51	0.87
- after dilution	0.26	-0.08	0.51	0.87
Number of shares at period end, 000s ⁽¹⁾	313,967	313,967	313,967	313,967
Average number of shares, 000s				
- before dilution	313,967	313,967	313,967	313,967
- after dilution	313,967	313,967	313,967	313,967
Share price at period end	18.88	10.13	18.88	10.13

Key consolidated figures for the past nine quarters

SEK M	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019	Oct-Dec 2018	Jul-Sep 2018	Apr-Jun 2018	Jan-Mar 2018	Oct-Dec 2017
Revenue, SEK M	381.4	352.5	381.8	342.9	424.3	431.2	389.9	289.7	615.3
Revenue change, %	-10	-18	-2	18	-31	-49	-53	-58	-62
Gross margin, %	23	23	22	23	21	27	-63	15	21
Operating margin, %	-4	-1	2	-1	-6	2	-148	-60	-7
Profit margin, %	-5	2	1	-1	-4	1	-120	-51	-3
EBITDA, SEK M	13.3	35.6	44.0	35.8	8.8	36.7	-402.0	-148.7	-17.5
Return on equity, %	-4	3	0	2	0	0	-20	-6	0
Cash flow from operating activities, SEK M	82.4	59.5	179.6	-161.1	-26.1	202.5	302.0	-203.8	-1.7
Equity/assets ratio, %	80	81	80	82	77	71	66	67	66
Investments, SEK M	-19.1	-25.6	-27.4	-43.3	-31.0	-33.7	-41.3	-56.6	-75.5
Average number of employees	220	214	208	209	237	273	347	401	416
Shareholders' equity per share, SEK									
- before dilution	5.73	5.95	5.76	5.76	5.66	5.67	5.70	6.99	7.42
- after dilution	5.73	5.95	5.76	5.76	5.66	5.67	5.70	6.99	7.42
Cash flow from operating activities, SEK									
- before dilution	0.26	0.19	0.57	-0.51	-0.08	0.64	0.96	-0.65	-0.01
- after dilution	0.26	0.19	0.57	-0.51	-0.08	0.64	0.96	-0.65	-0.01
Number of shares at period end, 000s	313,967	313,967	313,967	313,967	313,967	313,967	313,967	313,967	313,967
Share price at period end, SEK	18.88	19.96	16.45	13.26	10.13	9.79	6.85	8.05	15.81



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

	Jan-Dec 2019	Oct-Sep 2018/19	Jul-Jun 2018/19	Apr-Mar 2018/19	Jan-Dec 2018	Okt-Sep 2017/18	Jul-Jun 2017/18	Apr-Mar 2017/18	Jan-Dec 2017
Revenues, SEK M	1,458.6	1,501.5	1,580.2	1,588.3	1,535.1	1,726.1	2,136.3	2,569.8	2,966.0
Gross profit, SEK M	331.1	331.2	366.2	36.3	2.4	44.3	206.0	751.6	988.9
Gross margin, %	23	22	23	2	0	3	10	29	33
Operating profit/loss, SEK M	-14.4	-24.6	-14.2	-598.6	-771.6	-786.7	-741.3	-91.1	154.6
Operating margin, %	-1	-2	-1	-38	-50	-46	-35	-4	5
EBITDA, SEK M	128.7	124.2	125.3	-320.7	-505.2	-531.5	-491.0	-0.1	234.0



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	Parent Company's number of shares outstanding at period end.
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.
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 outstanding	The Parent Company's average weighted number of shares outstanding at the end of the period.
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.
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.
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 profit	Operating profit 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.