

## Highlights of the quarter

- Sales increase in constant currency terms of 18.3 percent, despite the production disruption in Vietnam announced earlier
- Two design wins from a top-tier global PC manufacturer
- BBVA Mexico announced the launch of Mexico's first biometric payment card, using technology from Fingerprints
- For the third quarter of 2021, Fingerprints expects Group revenue to be in the range of SEK 330-370 million, based on the exchange rate SEK/USD 8.50.

## Second quarter of 2021

- Revenues amounted to SEK 290.2 M (282.3)
- The gross margin was 27.7 percent (21.5)
- EBITDA totaled SEK 9.4 M (6.7)
- The operating result was negative SEK 24.0 M (neg: 16.7)
- Earnings per share before dilution were negative SEK 0.08 (neg: 0.07)
- Cash flow from operating activities amounted to SEK 50.3 M (81.3)

## January – June 2021

- Revenues amounted to SEK 644.9 M (592.3)
- The gross margin was 28.3 percent (22.7)
- EBITDA totaled SEK 26.7 M (18.3)
- The operating result was negative SEK 22.3 M (neg: 34.4)
- Earnings per share before dilution were negative SEK 0.06 (neg: 0.08)
- Cash flow from operating activities amounted to SEK 86.6 M (43.5)

SEK M	Apr-Jun 2021	Apr-Jun 2020	Change	Jan-Jun 2021	Jan-Jun 2020	Change	Jan-Dec 2020
Revenue	290,2	282,3	3%	644,9	592,3	9%	1 255,7
Gross profit	80,4	60,7	32%	182,6	134,6	36%	275,2
<i>Gross margin %</i>	27,7	21,5		28,3	22,7		21,9
Operating profit	-24,0	-16,7		-22,3	-34,4		-365,8
<i>Operating margin %</i>	-8,3	-5,9		-3,5	-5,8		-29,1
EBITDA	9,4	6,7	42%	26,7	18,3	46%	59,4
Profit/loss before tax	-31,9	-38,3		-19,7	-31,8		-381,2
Profit/loss for the period	-25,0	-22,3		-17,5	-25,8		-340,8
Earnings per share before dilution, SEK	-0,08	-0,07		-0,06	-0,08		-1,10
Cash and cash equivalents	193,1	429,0	-55%	193,1	429,0	-55%	377,0
Cash flow from operating activities	50,3	81,3	-38%	86,6	43,5	99%	158,1
Equity/assets ratio, %	70,1	82,5		70,1	82,5		75,1
Average number of employees	246	235	5%	241	233	3%	232



## CEO's comments

As we announced on June 3, Vietnamese authorities temporarily shut down an industrial complex in which one of Fingerprints' suppliers has its production facilities due to a COVID-19 outbreak. A successive restart of the production plant commenced during the second half of June, but nonetheless, this loss of production had a negative impact on our sales during the quarter. Despite this, we increased our sales by 18 percent in constant currency terms compared with the corresponding period of 2020, and we assess that the sales lost in the second quarter will be recouped in the coming quarters. Demand for Fingerprints' products and solutions is healthy and we anticipate that production capacity at our Vietnamese supplier will be fully restored during the third quarter, while we have also secured additional capacity with other suppliers. The important work of broadening our supplier base continues with undiminished effort.

We are seeing a positive trend in the underlying market for our products. External industry analysts expect the global smartphone market to expand by 6-9 percent during 2021, while the proportion of mobiles with fingerprint sensors continues to grow. Capacitive fingerprint sensors, for which Fingerprints is the world leader, remain by far the most common biometric modality in smartphones. Our strong position is based on renowned high product quality, security and biometric performance. We are continuously advancing the development of our product portfolio, and the most recent generation's thin side-mounted sensors from Fingerprints have established a new highest standard in the market. 2020 was an unusually strong year for the PC industry, a consequence of a significant increase in the scope of studying and working remotely due to the pandemic. The industry continued to expand in 2021, and the view among industry analysts is that the PC market will establish itself on a significantly higher level than before the pandemic. Computers equipped with fingerprint sensors are becoming increasingly commonplace and with our new biometric solution for PCs, we have also assumed a leading position in this market. During the second quarter, we announced that we had gained another customer, which entails that two of the world's largest three PC manufacturers are now using our technology.

Fingerprints has a world-leading position in biometrics for payments. Our technology is used in all of the commercial launches of biometric payment cards announced to date: Cornèrbank in Switzerland, BNP Paribas and Crédit Agricole in France, as well as BBVA in Mexico. During the second quarter, we announced that Fingerprints and STMicroelectronics have entered a commercial agreement (MoU) to bring STPayBio to the market, a jointly developed platform for the next generation of biometric payment cards. In-mid-July, we announced that we have secured an additional volume order for approximately 250,000 units of T-Shape® sensor modules from one of the world's top three card manufacturers. This indicates that the market roll-out of biometric payment cards in the world will continue and accelerate.

After the close of the quarter, the Board decided to initiate a review of strategic alternatives for Fingerprints with the purpose of evaluating and creating the best route to crystalize value for shareholders. The alternatives reviewed range from acquisitions, to spin-offs, sales and new listings.

Christian Fredrikson, President and CEO



“We are seeing a positive trend in the underlying market for our products.”

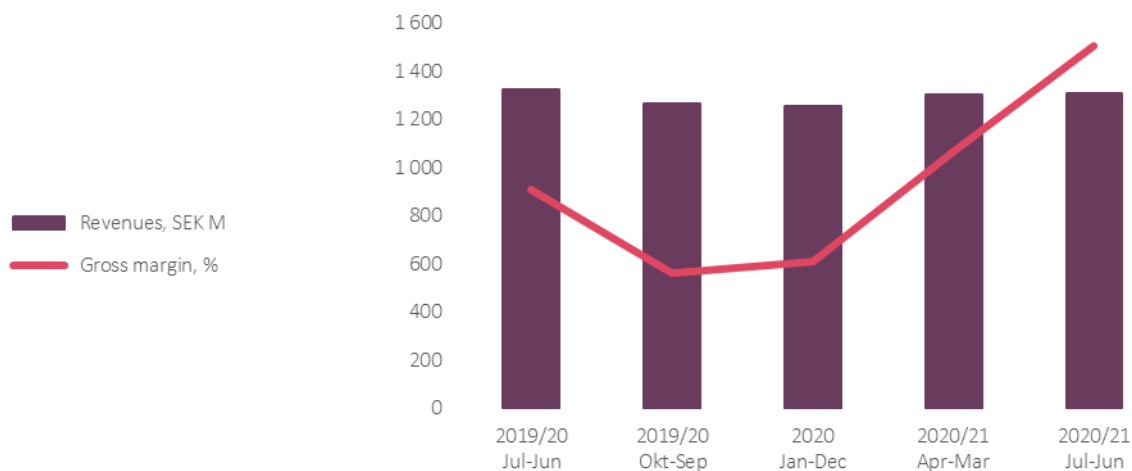


## Revenues and operating profit

### Revenues

Consolidated revenues for the second quarter totaled SEK 290.2 M (282.3), up 3 percent compared with the second quarter of 2020 (increase of 18 percent in constant currency terms) and a decline of 18 percent compared with the preceding quarter. The demand for Fingerprints' products remained healthy, but sales were negatively impacted by the temporary closure by the Vietnamese authorities of an industrial complex, in which Fingerprints' suppliers have production facilities, due to an outbreak of COVID-19. The company assesses that the sales lost in the second quarter will be recouped in the coming quarters.

### Revenues and gross margin, rolling 12 months



### Trend in operating profit

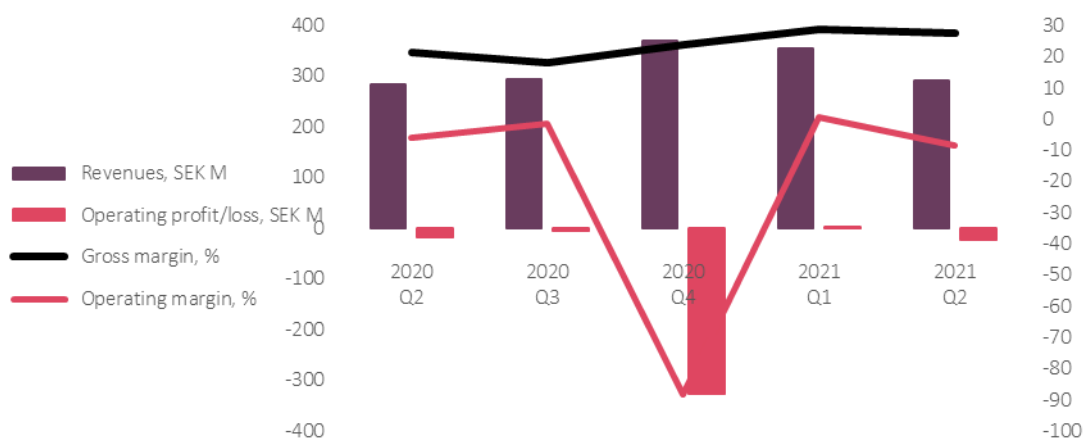
Gross profit for the second quarter was SEK 80.4 M (60.7) and the gross margin was 27.7 percent (21.5). A sustained favorable product mix, with a higher share of new products, contributed to improving the gross margin during the quarter.

The operating result for the second quarter amounted to negative SEK 24.0 M (neg: 16.7). Operating margin was negative 8.3 percent (neg: 5.9). Operating expenses totaled SEK 104.4 M (77.4). Development costs of SEK 17.5 M (26,4) were capitalized during the quarter, which corresponds to 31,9 percent of total development costs, compared with 48,0 percent for the corresponding quarter of 2020.

EBITDA for the quarter totaled SEK 9.4 M (6.7).



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



### Financial income and expenses

Net financial items amounted to an expense of SEK 7.9 M (expense: 21.6). 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

The loss for the second quarter of 2021 amounted to SEK 25 M (loss: 22.3). Earnings per share for the second quarter were negative SEK 0.08 (neg: 0.07).

## Cash flow and balance sheet

### Cash flow

Cash flow from operating activities amounted to SEK 50.3 M (81.3).

Cash flow from investing activities for the second quarter amounted to a negative SEK 18.6 M (neg: 27.4), of which capitalized development expenditure accounted for a negative SEK 17.5 M (neg: 26.4).

Cash flow from financing activities amounted to a negative SEK 143.7 M (neg: 88.8). Buy-back of own shares was carried out during the quarter for SEK 140.0 M (83.6); the remaining expense pertained to the amortization of lease liabilities of SEK 3.7 M (5,2) in accordance with IFRS 16 recognition of leased premises.

Exchange-rate fluctuations had a negative impact of SEK 8.5 M (neg: 21.4) 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 during the quarter.

### Liquidity and shareholders' equity

At June 30, 2021, the Group's disposable cash and cash equivalents totaled SEK 193.1 M (429.0), and the Group's net cash holdings amounted to SEK 172.8 M (408.9) on the same date. Interest-bearing liabilities consist of lease liabilities for office premises amounting to SEK 20.3 M (20.1), reported according to IFRS 16. During the second quarter of 2021, own shares were bought back for SEK 140.0 M (see below under "Share capital trend").

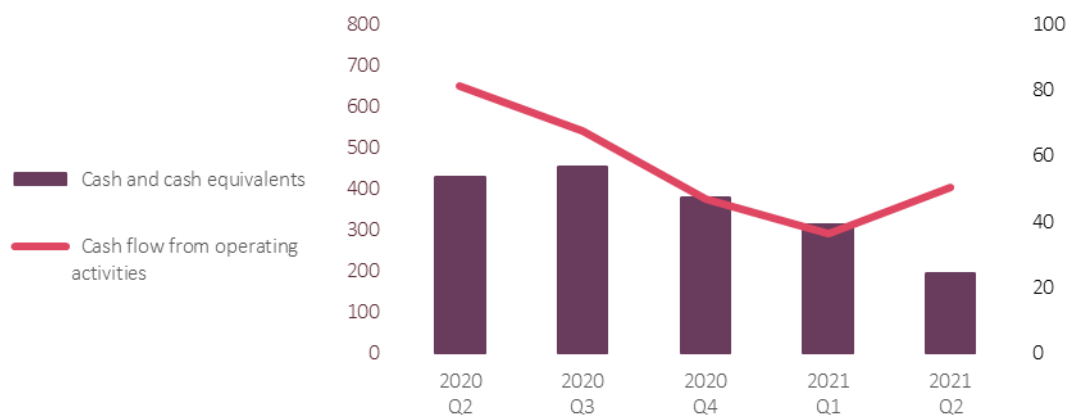


At period-end, consolidated shareholders' equity amounted to SEK 965.4 M (1,658.4) and the equity/assets ratio for the Group to 70.1 percent (82.5).

### Investments, fixed assets and depreciation/amortization

Investments in intangible fixed assets during the quarter amounted to an expense of SEK 17.6 M (expense: 27.3). Investments in tangible fixed assets for the quarter amounted to an expense of SEK 0.7 M (expense: 0.1). Depreciation/amortization according to plan for the quarter totaled SEK 33.5 M (23.4). Depreciation/amortization increased due to the market launch of new products.

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



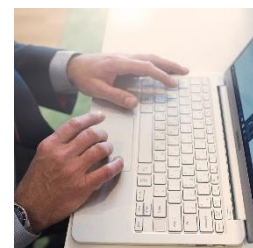
## Other events during the second quarter of 2021

### Business Development

During the second quarter, Fingerprints received two *design wins* from another top-tier global PC manufacturer, which entails that two of the world's three largest PC manufacturers now use Fingerprints' technology.

Xiaomi launched the Mi Notebook Pro 15 and Mi Notebook Pro 14 computers, which integrate Fingerprints' fingerprint sensors in their power buttons.

As a step in Fingerprints' collaboration with STMicroelectronics, the two companies entered a commercial agreement (MoU) in the second quarter, with the aim of bringing STPayBio to market, a jointly developed platform for biometric cards. STPayBio integrates STMicroelectronics' technology for secure payments, ST31 Secure Element (SE), and STM32 microcontroller (MCU), with Fingerprints' T-Shape® 2 (T2) sensor module and software platform for payments, which was recently approved by Mastercard. The two companies have been working tightly together to optimize all parts



*Two of the world's three largest PC manufacturers use Fingerprints' technology.*



of the platform in one solution. The platform eases integration of biometrics into existing card manufacturing processes, enabling global volume deployments, and reducing the total product cost.

During the second quarter, BBVA Mexico announced the launch of Mexico's first biometric payment card, using technology from Fingerprints.

During the quarter, Fingerprints received a volume order for several hundred thousand T-Shape® sensor modules, which will be integrated into the SentryCard™ product, a biometric card for physical and logical access. This order confirms the positive trend in demand for biometric authentication for access control.

Fingerprints' biometrics technology has been certified by FIDO (*FIDO Biometric Component Certification*). The biometric solution was certified as part of FEITIAN Biometric FIDO Security Key, the first biometric FIDO hardware key to achieve this certification.

## Significant events during the second quarter of 2021

On June 3, 2021, Fingerprints announced that a COVID-19 outbreak in the Vietnamese province of Bac Giang had led to the authorities temporarily closing down an industrial complex, in which one of Fingerprints' suppliers has its production facilities, to avoid the spread of infection. Since some of the company's revenues for the second quarter were thus delayed, the company was forced to withdraw its revenue forecast for the second quarter of 2021, which the company had disclosed on April 20, 2021. No updated forecast was issued.

## Revenue forecast for the third quarter of 2021

For the third quarter of 2021, Fingerprints expects Group revenue to be in the range of SEK 330-370 million, based on the exchange rate SEK/USD 8.50. The Group's sales and direct purchases are primarily made in USD.

As announced earlier, demand for our products is healthy, but we foresee continued challenges related to the prevailing semiconductor shortage in the world. The work to continue broadening our supplier base is extremely important, partly to reduce the risks in our supply chain, as well as to position the company for growth. Accordingly, we have intensified our efforts to secure more suppliers of key components, within as well as outside of mainland China. We are making progress and this work remains a high priority in 2021.

## Organization and Personnel

The number of employees at June 30, 2021, was 253 (235). In addition to employees, consultants were also engaged during the **second** quarter, corresponding to 47 people (34), mainly in technology development and sales. Accordingly, including employees and consultants, the company had a total of 300 (269) people employed on June 30, 2021.



## Share capital trend

In accordance with a resolution passed at the 2021 Annual General Meeting, the cancellation of bought-back shares and a bonus issue, without the issue of new shares, were registered by the Swedish Companies Registration Office in June 2021. Fingerprint Cards AB's registered share capital has not changed but the number of shares and votes has decreased.

Following the cancellation of 15,967,675 Class B shares held by the company and which were bought back pursuant to a resolution by the 2020 Annual General Meeting, the number of shares amounts to 298,000,000, of which 6,000,000 comprise Class A shares and 292,000,000 Class B shares. The total number of votes is 352,000,000. The share capital after the bonus issue remains unchanged and amounts to SEK 12,975,667.

During the second quarter of 2021, own shares were bought back for SEK 140.0 M at an average price of SEK 36.84 per share. In total, the company bought back own shares during the year for SEK 225.4 M at an average price of SEK 30.70 per share. The shares bought back constitute treasury holdings and have been assigned no value in assets or shareholders' equity.

### Buyback of own shares

SEK M	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
<b>Number of treasury shares (000s)</b>					
Number of buyback shares beginning	15 968	3 327	12 424	-	-
Buyback of shares in period	3 800	4 641	7 344	7 968	12 424
	-15 968	-	-15 968		
<b>Number of buyback shares at end of period</b>	<b>3 800</b>	<b>7 968</b>	<b>7 344</b>	<b>7 968</b>	<b>12 424</b>
<b>Price for buyback shares</b>					
Price for buyback shares during period	140,0	83,6	225,4	118,7	190,4
Average price buyback shares period (SEK)	36,84	18,01	30,70	14,90	15,33

### Number of shares

	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
<b>Number of shares, (000s)</b>					
Number of shares at period end	298 000	313 968	298 000	313 968	313 968
Of which class A-shares	6 000	6 000	6 000	6 000	6 000
Of which class B-shares	292 000	307 968	292 000	307 968	307 968
Number of buyback shares at end of period	-3 800	-7 968	-3 800	-7 968	-12 424
Number of shares outstanding at period end	294 200	306 000	294 200	306 000	301 544
Number of shares outstanding, diluted at period end	294 200	306 000	294 200	306 000	301 544
<b>Average number of shares outstanding (000s)</b>					
Average number of buyback shares	-18 214	-3 623	-16 135	-1 978	-5 139
Average number of shares outstanding, basic	295 754	310 345	297 833	311 990	308 829
Average number of shares outstanding, diluted	295 754	310 345	297 833	311 990	308 829



## 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, 2020 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 2021 have had any significant impact on the Group. The Group's reporting currency is SEK and the report is prepared in SEK M.

The Parent Company's operating expenses are reclassified per function in this interim report compared with the interim reports for April-June and January-June 2020. Therefore, this report is not directly comparable in this respect to the interim reports for April-June and January-June 2020.

## 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 second quarter of 2021 amounted to SEK 293.4 M (281,7) and the result after financial items for the period amounted to a loss of SEK 27.7 M (loss: 64.9). Net loss for the period amounted to SEK 22.0 M (loss: 50,7). The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 147.7 M (387.1).

## Significant risks and uncertainties

### – Group and Parent Company

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

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





<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.

For further information concerning the risks facing the Group, see the 2020 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 issued for publication, through the agency of the contact person set out below, on July 16, 2021, at 08:00 a.m. CEST.

Welcome to Fingerprints' presentation of the results for the second quarter of 2021 on July 16 at 2:00 p.m. CEST. The presentation will be webcast, and participants can register via the link below.

<https://edge.media-server.com/mmc/p/g6mjgoa3>

**For media and analysts:** The teleconference can be accessed on +44 (0) 2071 928000 (international participants) or 08-506 921 80 (Swedish participants). Please enter the conference ID 5199830.

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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.

Gothenburg, July 16, 2021

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Johan Carlström  
Chairman

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Sofia Bertling  
Member

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Ted Elvhage  
Member

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Tomas Mikaelsson  
Member

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Alexander Kotsinas  
Member

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Dimitrij Titov  
Member

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Juan Vallejo  
Member

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Christian Fredrikson  
President and CEO

## Review report

This interim report has not been audited by the company's auditors.



# Financial statements and key figures

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## Condensed consolidated statement of comprehensive income

SEK M	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Revenue	290,2	282,3	644,9	592,3	1 255,7
Cost of goods sold	-209,8	-221,6	-462,3	-457,7	-980,5
<b>Gross profit</b>	<b>80,4</b>	<b>60,7</b>	<b>182,6</b>	<b>134,6</b>	<b>275,2</b>
<b>Gross Margin, %</b>	<b>27,7</b>	<b>21,5</b>	<b>28,3</b>	<b>22,7</b>	<b>21,9</b>
Selling expenses	-40,8	-30,6	-76,5	-65,6	-130,4
Administrative expenses	-28,8	-21,0	-49,7	-39,4	-84,4
Development expenditure	-37,3	-28,6	-77,0	-66,0	-94,5
Other operating income/expenses	2,5	2,8	-1,7	2,0	-331,7
<b>Operating profit/loss</b>	<b>-24,0</b>	<b>-16,7</b>	<b>-22,3</b>	<b>-34,4</b>	<b>-365,8</b>
<b>Operating Margin, %</b>	<b>-8,3</b>	<b>-5,9</b>	<b>-3,5</b>	<b>-5,8</b>	<b>-29,1</b>
Finance income/expenses	-7,9	-21,6	2,6	2,6	-15,4
<b>Profit/loss before tax</b>	<b>-31,9</b>	<b>-38,3</b>	<b>-19,7</b>	<b>-31,8</b>	<b>-381,2</b>
Income tax	6,9	16,0	2,2	6,0	40,4
<b>Profit/loss for the period</b>	<b>-25,0</b>	<b>-22,3</b>	<b>-17,5</b>	<b>-25,8</b>	<b>-340,8</b>
Other comprehensive income	-17,4	-75,3	25,4	4,0	-84,8
<b>Total comprehensive income for the period</b>	<b>-42,4</b>	<b>-97,6</b>	<b>7,9</b>	<b>-21,8</b>	<b>-425,6</b>
<b>Earnings per share for the period before and after dilutions, SEK</b>	<b>-0,08</b>	<b>-0,07</b>	<b>-0,06</b>	<b>-0,08</b>	<b>-1,10</b>

## Condensed consolidated statement of financial position

SEK M	30-Jun 2021	30-Jun 2020	31-Dec 2020
<b>Assets</b>			
Intangible fixed assets	784,0	1 147,7	759,3
Tangible fixed assets	6,7	10,5	7,0
Right-of-use assets	22,5	23,1	24,8
Financial assets	47,8	18,1	46,8
<i>Total fixed assets</i>	<i>861,0</i>	<i>1 199,4</i>	<i>837,9</i>
Inventories	154,7	196,9	136,3
Accounts receivable	141,5	159,2	196,2
Other receivables	15,9	15,8	15,5
Prepaid expenses and accrued income	11,4	9,9	12,2
Cash and cash equivalents	193,1	429,0	377,0
<i>Total current assets</i>	<i>516,6</i>	<i>810,8</i>	<i>737,2</i>
<b>Total assets</b>	<b>1 377,6</b>	<b>2 010,2</b>	<b>1 575,1</b>
<b>Shareholders' equity and liabilities</b>			
<i>Shareholders' equity</i>	<i>965,4</i>	<i>1 658,4</i>	<i>1 182,9</i>
<i>Deferred tax liability</i>	<i>18,4</i>	<i>31,1</i>	<i>20,6</i>
<i>Long-term lease liabilities</i>	<i>8,2</i>	<i>6,7</i>	<i>9,8</i>
Short-term debt of long term lease liabilities	12,1	13,4	12,8
Accounts payable	204,9	148,6	200,7
Current tax liabilities	1,9	0,6	2,0
Other current liabilities	22,7	15,2	15,0
Accrued expenses and prepaid income	144,0	136,2	131,3
<i>Total current liabilities</i>	<i>385,6</i>	<i>314,0</i>	<i>361,8</i>
<b>Total shareholders' equity and liabilities</b>	<b>1 377,6</b>	<b>2 010,2</b>	<b>1 575,1</b>



## Condensed consolidated cash-flow statement

SEK M	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Profit/loss before tax	-31,9	-38,3	-19,7	-31,8	-381,2
Adjustment for non-cash items	36,0	45,3	48,8	49,8	451,8
Income tax paid	-1,8	-1,4	-0,7	-2,3	0,2
Change in inventory	-36,8	33,2	-20,0	56,5	97,1
Change in current receivables	106,6	69,5	54,4	40,4	1,1
Change in current liabilities	-21,8	-27,0	23,8	-69,1	-10,9
<b>Cash flow from operating activities</b>	<b>50,3</b>	<b>81,3</b>	<b>86,6</b>	<b>43,5</b>	<b>158,1</b>
Cash flow from investing activities	-18,6	-27,4	-41,3	-53,4	-119,1
Cash flow from financing activities	-143,7	-88,8	-232,8	-128,5	-209,2
<b>Change in cash and cash equivalents</b>	<b>-112,0</b>	<b>-34,9</b>	<b>-187,5</b>	<b>-138,4</b>	<b>-170,2</b>
Cash and cash equivalents on the opening date	313,6	485,3	377,0	563,9	563,9
Effect of exchange rate changes on cash	-8,5	-21,4	3,6	3,5	-16,7
<b>Closing cash and cash equivalents</b>	<b>193,1</b>	<b>429,0</b>	<b>193,1</b>	<b>429,0</b>	<b>377,0</b>

## The Group's operating segments

SEK M	Apr-Jun 2021	Apr-Jun 2020	Change, %	Jan-Jun 2021	Jan-Jun 2020	Change, %	Jan-Dec 2020
<b>Revenue</b>							
Sensors	290,2	282,3	3	644,9	592,3	9	1 255,7
Other	-	-	-	-	-	-	-
<b>Group</b>	<b>290,2</b>	<b>282,3</b>	<b>3</b>	<b>644,9</b>	<b>592,3</b>	<b>9</b>	<b>1 255,7</b>

SEK M	Apr-Jun 2021	Apr-Jun 2020	Change, %	Jan-Jun 2021	Jan-Jun 2020	Change, %	Jan-Dec 2020
<b>Operating profit/loss</b>							
Sensors	-24,0	-16,7	-44	-22,3	-34,4	35	-365,8
Other	-	-	-	-	-	-	-
<b>Group</b>	<b>-24,0</b>	<b>-16,7</b>	<b>-44</b>	<b>-22,3</b>	<b>-34,4</b>	<b>35</b>	<b>-365,8</b>

SEK M	Apr-Jun 2021	Apr-Jun 2020	Change, %	Jan-Jun 2021	Jan-Jun 2020	Change, %	Jan-Dec 2020
<b>Profit/loss before tax</b>							
Sensors	-31,9	-38,3	17	-19,7	-31,8	38	-381,2
Other	-	-	-	-	-	-	-
<b>Group</b>	<b>-31,9</b>	<b>-38,3</b>	<b>17</b>	<b>-19,7</b>	<b>-31,8</b>	<b>38</b>	<b>-381,2</b>



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

SEK M	Apr-Jun 2021	Jan-Mar 2021	Okt-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019	Jul-Sep 2019	Apr-Jun 2019
Revenue	290,2	354,7	369,4	294,0	282,3	310,0	381,4	352,5	381,8
Cost of goods sold	-209,8	-252,5	-282,0	-240,8	-221,6	-236,1	-293,3	-272,4	-297,6
<b>Gross profit</b>	<b>80,4</b>	<b>102,2</b>	<b>87,4</b>	<b>53,2</b>	<b>60,7</b>	<b>73,9</b>	<b>88,1</b>	<b>80,1</b>	<b>84,2</b>
<b>Gross margin, %</b>	<b>27,7</b>	<b>28,8</b>	<b>23,7</b>	<b>18,1</b>	<b>21,5</b>	<b>23,8</b>	<b>23,1</b>	<b>22,7</b>	<b>22,1</b>
Selling costs	-40,8	-35,7	-35,9	-28,9	-30,6	-35,0	-40,3	-34,5	-37,6
Administrative costs	-28,8	-20,9	-27,1	-18,0	-21,0	-18,4	-27,3	-20,1	-17,7
Development costs	-37,3	-39,7	-16,3	-12,1	-28,6	-37,4	-37,8	-23,4	-25,5
Other operating income/expenses	2,5	-4,2	-334,9	1,2	2,8	-0,8	2,0	-5,5	2,8
<b>Operating profit/loss</b>	<b>-24,0</b>	<b>1,7</b>	<b>-326,8</b>	<b>-4,6</b>	<b>-16,7</b>	<b>-17,7</b>	<b>-15,3</b>	<b>-3,4</b>	<b>6,2</b>
<b>Operating margin, %</b>	<b>-8,3</b>	<b>0,5</b>	<b>-88,5</b>	<b>-1,6</b>	<b>-5,9</b>	<b>-5,7</b>	<b>-4,0</b>	<b>-1,0</b>	<b>1,6</b>
Finance income/expenses	-7,9	10,5	-11,7	-6,3	-21,6	24,2	-17,2	17,0	-3,9
<b>Profit/loss before tax</b>	<b>-31,9</b>	<b>12,2</b>	<b>-338,5</b>	<b>-10,9</b>	<b>-38,3</b>	<b>6,5</b>	<b>-32,5</b>	<b>13,6</b>	<b>2,3</b>
Income tax	6,9	-4,7	25,2	9,2	16,0	-10,0	13,9	-7,8	0,4
<b>Profit/loss for the period</b>	<b>-25,0</b>	<b>7,5</b>	<b>-313,3</b>	<b>-1,7</b>	<b>-22,3</b>	<b>-3,5</b>	<b>-18,6</b>	<b>5,8</b>	<b>2,7</b>
Other comprehensive income	-17,4	42,8	-56,5	-32,3	-75,3	79,3	-51,0	55,5	-2,8
<b>Total comprehensive income for the period</b>	<b>-42,4</b>	<b>50,3</b>	<b>-369,8</b>	<b>-34,0</b>	<b>-97,6</b>	<b>75,8</b>	<b>-69,6</b>	<b>61,3</b>	<b>-0,1</b>

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

	30-Jun 2021	31-Mar 2021	31-Dec 2020	30-Sep 2020	30-Jun 2020	31-Mar 2020	31-Dec 2019	30-Sep 2019	30-Jun 2019
<i>SEK/USD exchange rate, balance date</i>	8,51	8,73	8,18	9,03	9,35	10,08	9,32	9,80	9,27
<b>Assets</b>									
Intangible fixed assets	784,0	812,0	759,3	1 138,6	1 147,7	1 213,9	1 127,8	1 182,7	1 124,8
Tangible fixed assets	6,7	7,2	7,0	9,2	10,5	13,2	15,8	19,8	23,0
Right-of-use assets	22,5	23,8	24,8	19,2	23,1	28,4	32,9	35,0	33,7
Financial fixed assets	47,8	41,6	46,8	24,3	18,1	4,0	18,3	7,7	20,2
<b>Total fixed assets</b>	<b>861,0</b>	<b>884,6</b>	<b>837,9</b>	<b>1 191,3</b>	<b>1 199,4</b>	<b>1 259,5</b>	<b>1 194,8</b>	<b>1 245,2</b>	<b>1 201,7</b>
Inventories	154,7	116,0	136,3	174,2	196,9	230,1	253,4	300,3	304,7
Accounts receivable	141,5	245,7	196,2	166,4	159,2	225,9	197,3	187,5	226,9
Other receivables	15,9	15,3	15,4	17,4	15,8	17,9	15,4	23,5	23,6
Prepaid expenses and accrued income	11,4	13,6	12,2	9,6	9,9	11,0	12,3	7,9	11,4
Cash and cash equivalents	193,1	313,6	377,0	452,8	429,0	485,3	563,9	536,7	486,3
<b>Total current assets</b>	<b>516,6</b>	<b>704,2</b>	<b>737,2</b>	<b>820,4</b>	<b>810,8</b>	<b>970,2</b>	<b>1 042,3</b>	<b>1 055,9</b>	<b>1 052,9</b>
<b>Total assets</b>	<b>1 377,6</b>	<b>1 588,8</b>	<b>1 575,1</b>	<b>2 011,7</b>	<b>2 010,2</b>	<b>2 229,7</b>	<b>2 237,1</b>	<b>2 301,1</b>	<b>2 254,6</b>
Shareholders' equity and liabilities									
Shareholders' equity	965,4	1 147,8	1 182,9	1 624,4	1 658,4	1 839,6	1 798,9	1 868,5	1 807,2
Deferred tax liability	18,4	20,9	20,6	26,0	31,1	36,8	38,6	44,5	46,8
Long-term liabilities	8,2	8,9	9,8	4,8	6,7	9,3	11,8	14,1	15,6
Short-term debt of long-term liabilities	12,1	12,6	12,8	11,5	13,4	16,0	17,9	17,8	18,1
Accounts payable	204,9	215,0	200,7	192,0	148,6	188,9	235,2	231,1	233,0
Current tax liabilities	1,9	2,0	2,0	1,6	0,6	0,7	0,8	1,1	1,1
Other current liabilities	22,7	14,2	14,9	15,8	15,2	12,9	9,8	15,2	19,7
Accrued expenses and prepaid income	144,0	167,4	131,3	135,6	136,2	125,5	124,1	108,8	113,1
<b>Total current liabilities</b>	<b>385,6</b>	<b>411,2</b>	<b>361,8</b>	<b>356,5</b>	<b>314,0</b>	<b>344,0</b>	<b>387,8</b>	<b>374,0</b>	<b>385,0</b>
<b>Total shareholders' equity and liabilities</b>	<b>1 377,6</b>	<b>1 588,8</b>	<b>1 575,1</b>	<b>2 011,7</b>	<b>2 010,2</b>	<b>2 229,7</b>	<b>2 237,1</b>	<b>2 301,1</b>	<b>2 254,6</b>



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

SEK M	Apr-Jun 2021	Jan-Mar 2021	Okt-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019	Jul-Sep 2019	Apr-Jun 2019
Profit/loss before tax	-31,9	12,2	-338,5	-10,9	-38,3	6,6	-32,5	13,6	2,3
Adjustment for non-cash items	36,0	12,8	368,6	33,4	45,3	4,5	66,8	9,7	38,6
Income tax paid	-1,8	1,1	2,5	0,0	-1,4	-0,9	8,2	-1,5	-1,8
Change in inventory	-36,8	16,9	33,1	7,5	33,2	23,3	41,2	4,4	18,6
Change in current receivables	106,6	-52,2	-33,5	-5,8	69,5	-29,1	-15,3	41,8	64,6
Change in current liabilities	-21,8	45,5	14,7	43,5	-27,0	-42,1	14,0	-8,5	57,3
<b>Cash flow fr. operating activities</b>	<b>50,3</b>	<b>36,3</b>	<b>46,9</b>	<b>67,7</b>	<b>81,3</b>	<b>-37,8</b>	<b>82,4</b>	<b>59,5</b>	<b>179,6</b>
Cash flow from investing activities	-18,6	-22,7	-33,1	-32,6	-27,4	-26,0	-19,1	-25,6	-27,4
Cash flow from financing activities	-143,7	-89,1	-76,3	-4,4	-88,8	-39,7	-19,7	-	-
<b>Change in cash and cash equiv.</b>	<b>-112,0</b>	<b>-75,5</b>	<b>-62,5</b>	<b>30,7</b>	<b>-34,9</b>	<b>-103,5</b>	<b>43,6</b>	<b>33,9</b>	<b>152,2</b>
Cash and cash equiv. on the opening date	313,6	377,0	452,8	429,0	485,3	563,9	536,7	486,3	337,6
Effect of exchange rate changes on cash	-8,5	12,1	-13,3	-6,9	-21,4	24,9	-16,4	16,5	-3,5
<b>Closing cash and cash equivalents</b>	<b>193,1</b>	<b>313,6</b>	<b>377,0</b>	<b>452,8</b>	<b>429,0</b>	<b>485,3</b>	<b>563,9</b>	<b>536,7</b>	<b>486,3</b>

## Fair value and carrying amount of financial liabilities and assets

SEK M	2021-06-30		2020-06-30	
	Carrying amount	Fair amount	Carrying amount	Fair amount
<b>Financial assets</b>				
<b>Current financial assets:</b>				
<b>Financial assets at amortized cost:</b>				
Accounts receivable	141,5	141,5	159,2	159,2
Cash and cash equivalents	193,1	193,1	429,0	429,0
<b>Total financial assets</b>	<b>334,7</b>	<b>334,7</b>	<b>588,2</b>	<b>588,2</b>
<b>Financial liabilities</b>				
<b>Long-term financial liabilities:</b>				
Long-term lease liabilities	8,2	8,2	6,7	6,7
<b>Current financial liabilities:</b>				
Short-term lease liabilities	12,1	12,1	13,4	13,4
Accounts payable	204,9	204,9	148,6	148,6
<b>Total financial liabilities</b>	<b>225,1</b>	<b>225,1</b>	<b>168,7</b>	<b>168,7</b>
<b>By category:</b>				
Total financial assets	334,7	334,7	588,2	588,2
Financial liabilities at amortized cost	225,1	225,1	168,7	168,7
<b>Net</b>	<b>109,5</b>	<b>109,5</b>	<b>419,5</b>	<b>419,5</b>



## Condensed income statement, Parent Company

SEK M	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Revenues	293,4	281,7	647,7	589,5	1 251,7
Cost of goods sold	-197,4	-202,3	-447,1	-420,5	-952,3
<b>Gross profit</b>	<b>96,0</b>	<b>79,4</b>	<b>200,6</b>	<b>169,0</b>	<b>299,4</b>
Selling expenses	-45,7	-10,1	-81,0	-22,9	-129,8
Administrative expenses	-22,9	-68,6	-42,7	-142,8	-93,4
Development expenditure	-48,8	-10,6	-87,1	-20,6	-94,0
Other operating revenues/expenses	2,5	2,9	-1,9	2,0	-65,3
<b>Operating profit/loss</b>	<b>-18,9</b>	<b>-7,0</b>	<b>-12,1</b>	<b>-15,3</b>	<b>-83,1</b>
Finance revenues/expenses	-8,8	-57,9	6,1	18,5	-971,1
<b>Profit/loss before tax</b>	<b>-27,7</b>	<b>-64,9</b>	<b>-6,0</b>	<b>3,2</b>	<b>-1 054,2</b>
Tax	5,7	14,2	0,4	-0,2	28,5
<b>Profit/loss for the period</b>	<b>-22,0</b>	<b>-50,7</b>	<b>-5,6</b>	<b>3,0</b>	<b>-1 025,7</b>

## Condensed balance sheet, Parent Company

SEK M	30-Jun 2021	30-Jun 2020	31-Dec 2020
<b>Assets</b>			
Intangible fixed assets	148,3	158,0	139,5
Tangible fixed assets	4,1	6,9	4,4
Financial fixed assets	120,2	1 017,0	109,5
<i>Total fixed assets</i>	<i>272,6</i>	<i>1 181,9</i>	<i>253,4</i>
Inventories	148,4	196,9	136,3
Accounts receivable	145,1	155,3	195,2
Current receivables	28,5	74,1	23,9
Cash and cash equivalents	147,7	387,1	337,5
<i>Total current assets</i>	<i>469,7</i>	<i>813,4</i>	<i>692,9</i>
<b>Total assets</b>	<b>742,3</b>	<b>1 995,3</b>	<b>946,3</b>
Shareholders' equity and liabilities			
<i>Shareholders' equity</i>	<i>350,4</i>	<i>1 681,9</i>	<i>581,4</i>
Accounts payable	201,0	147,4	199,7
Tax liabilities	0,0	0,0	-
Other current liabilities	190,9	166,0	165,0
<i>Total current liabilities</i>	<i>391,9</i>	<i>313,4</i>	<i>364,9</i>
<b>Total shareholders' equity and liabilities</b>	<b>742,3</b>	<b>1 995,3</b>	<b>946,3</b>





## Key consolidated data

	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Revenue, SEK M	290,2	282,3	644,9	592,3	1 255,7
Revenue change, %	2,8	-26,1	8,9	-18,3	-14,0
Gross margin, %	27,7	21,5	28,3	22,7	21,9
Operating margin, %	-8,3	-5,9	-3,5	-5,8	-29,1
Profit margin, %	-8,6	-7,9	-2,7	-4,4	-27,1
EBITDA, SEK M	9,4	6,7	26,7	18,3	59,4
Return on equity, %	-4,0	-5,6	0,7	-1,3	-28,5
Cash flow from operating activities, SEK M	50,3	81,3	86,6	43,5	158,1
Equity/assets ratio, %	70,1	82,5	70,1	82,5	75,1
Investments, SEK M	-18,6	-27,4	-41,3	-53,4	-119,1
Depreciations, SEK M	33,5	23,4	49,0	52,7	425,1
Average number of employees	246	235	241	233	232
Shareholders' equity per share, SEK					
- before dilution	3,28	5,42	4,02	5,88	3,92
- after dilution	3,28	5,42	4,02	5,88	3,92
Cash flow from operating activities/share, SEK					
- before dilution	0,17	0,26	0,29	0,14	0,51
- after dilution	0,17	0,26	0,29	0,14	0,51
Number of shares at period end, 000s <sup>1)</sup>	294 200	306 000	294 200	306 000	301 544
Average number of shares, 000s					
- before dilution	295 754	310 345	297 833	311 990	308 829
- after dilution	295 754	310 345	297 833	311 990	308 829
Share price at period end	32,66	16,91	32,66	16,91	17,41

## Key consolidated figures for the past nine quarters

SEK M	Apr-Jun 2021	Jan-Mar 2021	Okt-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019	Jul-Sep 2019	Apr-Jun 2019
Revenue, SEK M	290,2	354,7	369,4	294,0	282,3	310,0	381,4	352,5	381,8
Revenue change, %	2,8	14,4	-3,2	-16,6	-26,1	-9,6	-10,0	-18,3	-2,1
Gross margin, %	27,7	28,8	23,7	18,1	21,5	23,8	22,7	22,7	22,1
Operating margin, %	-8,3	0,5	-88,5	-1,6	-5,9	-5,7	-4,0	-1,0	1,6
Profit margin, %	-8,6	2,1	-84,8	-0,6	-7,9	-1,1	-5,0	1,6	0,7
EBITDA, SEK M	9,4	17,2	32,4	8,7	6,7	11,6	13,3	35,6	44,0
Return on equity, %	-4,0	4,3	-26,0	-2,1	-5,6	4,2	-4,0	3,3	0,0
Cash flow from operating activities, SEK M	50,3	36,3	46,9	67,7	81,3	-37,8	82,4	59,5	179,6
Equity/assets ratio, %	70,1	72,2	75,1	80,7	82,5	82,5	80,0	81,2	80,2
Investments, SEK M	-18,6	-22,7	-33,1	-32,6	-27,4	-26,0	-19,1	-25,6	-27,4
Average number of employees	246	236	237	234	235	231	220	214	208
Shareholders' equity per share, SEK									
- before dilution	3,28	3,85	3,92	5,31	5,42	5,92	5,73	5,95	5,76
- after dilution	3,28	3,85	3,92	5,31	5,42	5,92	5,73	5,95	5,76
Cash flow from operating activities, SEK									
- before dilution	0,17	0,12	0,15	0,22	0,26	-0,12	0,26	0,19	0,57
- after dilution	0,17	0,12	0,15	0,22	0,26	-0,12	0,26	0,19	0,57
Number of shares at period end, 000s	294 200	298 000	301 544	306 000	306 000	310 640	313 968	313 968	313 968
Share price at period end, SEK	32,66	29,15	17,41	17,88	16,91	13,16	18,88	19,96	16,45



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

	Jul-Jun 2020/21	Apr-Mar 2020/21	Jan-Dec 2020	Okt-Sep 2019/20	Jul-Jun 2019/20	Apr-Mar 2019/20	Jan-Dec 2019	Okt-Sep 2018/19	Jul-Jun 2018/19
Revenues, SEK M	1 308,2	1 300,4	1 255,7	1 267,7	1 326,2	1 425,7	1 458,6	1 501,5	1 580,2
Gross profit, SEK M	323,1	303,4	275,1	275,9	302,8	326,3	331,1	331,2	366,2
Gross margin, %	24,7	23,3	21,9	21,8	22,8	22,9	22,7	22,1	23,0
Operating profit/loss, SEK M	-353,9	-346,5	-365,9	-54,3	-53,1	-30,2	-14,4	-24,6	-14,2
Operating margin, %	-27,1	-26,6	-29,1	-4,3	-4,0	-2,1	-1,0	-2,0	-0,9
EBITDA, SEK M	67,8	65,0	59,4	40,3	67,2	104,6	128,7	124,2	125,3



## 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 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>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 finance leasing debts.
<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 profit</b>	Operating profit 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.