

## Highlights, fourth quarter

- Operating profit is 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. For more information, refer to pages 7-8.
- Fingerprints received its first volume purchase order for its optical under-display fingerprint recognition solution, FPC1632.
- Infineon and Fingerprints signed a joint development and commercialization agreement pertaining to a plug-and-play solution for biometric payment cards: SECORA™ Pay Bio.
- Fingerprints completed a set-off issue and a rights issue that contributed SEK 341 M after issue expenses.

## Fourth quarter of 2022

- Revenues amounted to SEK 190.3 M (356.6)
- The gross margin was 8.8 percent<sup>1</sup> (31.7)
- EBITDA totaled negative SEK 74.3 M (pos: 26.7)
- The operating profit was a negative SEK 527.3 M<sup>2</sup> (pos: 3.9)
- Earnings per share before and after dilution amounted to a negative SEK 1.48 (pos: 0.02)
- Cash flow from operating activities was a negative SEK 103.9 M (neg: 16.8)

## January – December 2022

- Revenues amounted to SEK 861.8 M (1,355.8)
- The gross margin was 19.3 percent<sup>1</sup> (29.3)
- EBITDA totaled negative SEK 116.0 M (pos: 85.6)
- The operating profit was a negative SEK 631.0 M<sup>2</sup> (neg: 7.6)
- Earnings per share before and after dilution amounted to a negative SEK 1.92 (0.00)
- Cash flow from operating activities was a negative SEK 334.1 M (pos: 24.3)

SEK M	Oct-Dec	Oct-Dec	Change	Jan-Dec	Jan-Dec	Change	Jan-Dec
	2022	2021		2022	2021		2021
Revenue	190.3	356.6	-47%	861.8	1,355.8	-36%	1,355.8
Gross profit <sup>1)</sup>	16.8	113.1	-85%	166.4	396.9	-58%	396.9
Gross margin %	8.8	31.7	-23%	19.3	29.3	-10%	29.3
Operating profit <sup>2)</sup>	-527.3	3.9		-631.0	-7.6		-7.6
Operating margin %	-277.1	1.1		-73.2	-0.6		-0.6
EBITDA *	-74.3	26.7	-378%	-116.0	85.6	-235%	85.6
Profit/loss before tax	-541.7	5.4		-652.2	-1.0		-1.0
Profit/loss for the period	-499.4	5.3		-586.0	0.1		0.1
Earnings per share before and after dilution, SEK	-1.48	0.02		-1.92	0.00		0.00
Cash and cash equivalents	274.1	374.3	-27%	274.1	374.3	-27%	374.3
Cash flow from operating activities	-103.9	-16.8		-334.1	24.3		24.3
Equity/assets ratio, % **	59.9	57.1		59.9	57.1		57.1
Average number of employees	218	255	-15%	239	250	-4%	250

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

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

1. Includes inventory write-down of SEK 22.5 M in the fourth quarter (SEK 15.9 M for full-year 2022).
2. Includes write-down of capitalized R&D projects of SEK 116 M and a write-down of goodwill of SEK 317 M.



## CEO's comments

As expected and previously announced, Fingerprints' sales and gross margin were adversely impacted also in the fourth quarter by the sharp downturn in demand for smartphones in China. The Group's sales fell 47 percent year on year (down 57 percent in constant currency terms), due primarily to a sharp decline in mobile phone sales in China as a result of the restrictions owing to COVID-19 that were in effect in the country for much of 2022. However, our sales rose 33 percent relative to the third quarter of 2022 (42 percent increase in constant currency terms), driven by higher sales volumes. Adjusted for the non-recurring effect from the inventory write-down this quarter, we also noted an improvement of the gross margin from 12 percent in the previous quarter to 20 percent in the fourth quarter. The weakening of the gross margin in relation to the preceding year is due to increased price competition and lower volumes, a situation that we expect will continue to adversely impact Fingerprints' sales and margins, at least during the first half of 2023. We are continuing to implement cost-saving measures on an ongoing basis in order to streamline our operations and to ensure that we return to profitability. In the fourth quarter, Fingerprints completed a set-off issue and a rights issue, which contributed SEK 341 M to the company after transaction expenses. This boosts our equity/assets ratio and our liquidity, and allows us to continue financing customer projects and several key product development initiatives, both within and outside the mobile phone segment. To strengthen our market-leading position, we will continue to focus on developing innovative products, broadening the supplier base and ensuring a competitive cost structure. Our R&D portfolio is strictly focused on projects that we deem will be able to generate significant profitable growth.



“Fingerprints was also in the fourth quarter affected by the sharp drop in demand for smartphones in China.”

Let me begin by commenting on the performance in Fingerprints' largest product segment, Mobile, and then return to the other three main areas in which Fingerprints' biometric system solutions are used: PC, Access, and Payment. Mobile phone manufacturers and their suppliers had planned for significantly higher sales volumes in 2022. In the last few quarters, they therefore focused on reducing their surplus inventory of components and assembled devices, which had a significant negative impact on Fingerprints' sales. The introduction of tighter restrictions in China at the end of the first quarter of 2022 meant that the industry went rapidly from a situation where, owing to the earlier component shortage, inventory had to be built up several months in advance to ensure delivery capability to a situation where a significant decrease in demand needed to be managed. The supply chain in the mobile industry is complex, with several stages and long lead times. Sensor suppliers such as Fingerprints are further back along this chain, which means that we were able to start reducing our own inventory only in the fourth quarter. Fingerprints' competitors are in a similar situation with inventories that are too large, which has led to increased downward pressure on prices. In December 2022, China began removing its “zero COVID” restrictions that affected a large part of the population during the year. Consumers in China showed restraint during the period of restrictions, and we expect a recovery – albeit not fully initially – to the historical demand for mobile phones. This trend benefits Fingerprints since we generate a significant portion of our sales in China.



On December 30, 2022, we announced that we had received the first volume purchase order for FPC1632, our optical under-display sensor solution. This means that Fingerprints has now begun generating revenues in an entirely new market segment in Mobile, thereby opening attractive growth opportunities. Fingerprints has long been a well-established world leader in capacitive sensors, and we can now offer our customers a comprehensive product range of fingerprint sensors. Capacitive sensors currently account for approximately two-thirds of the volume in the market for fingerprint sensors in smartphones, while under-display sensors account for about one-third. In terms of value, these two markets are more comparable in size since the average selling price (ASP) for under-display sensors is higher. Our entry into the under-display segment thus entails a significant expansion of our addressable market. Fingerprints' goal is to capture a considerable share of the under-display market while remaining a world leader in capacitive sensors.

Over the last two years, PC has emerged as an important new product area for Fingerprints. We anticipate favorable growth in the short and long term, since the share of computers with fingerprint sensors is expected to continue growing. Fingerprints dominates the market for fingerprint sensors in Chromebooks, while four of the world's six largest PC manufacturers integrate our technology into their products. To meet the rising demand for biometric solutions in the PC segment, we are further refining our biometric solution that is specifically adapted to this application area by developing a microcontroller unit. This will enable Fingerprints to offer PC makers a complete biometric system, consisting of a fingerprint sensor and an MCU. Fingerprints' MCU development project is endorsed by our largest PC customers, since we will be able to deliver better overall system performance while optimizing costs and strengthening our control of the supply chain. Fingerprints' proprietary MCU will further refine our biometric Match-on-Chip PC solution, which was added to Microsoft's approved vendor list (AVL) for Windows Hello Enhanced Sign-in Security in 2022. We expect the Match-on-Chip segment to increase its share of the market because of new requirements from Microsoft, expected to come into force during 2023 and entailing that Match-on-Chip will become a prerequisite for suppliers of biometric solutions for Windows Hello Enhanced Sign-in Security.

The primary market for our MCU development project is the PC segment, but there are also attractive applications in the Access field where we also continued to strengthen our product portfolio during the quarter through the launch of FPC1523, a new fingerprint sensor model that delivers an extremely high security level for Access applications. Biometric solutions for the Access/IoT area constitute a fragmented but growing market that includes such products as access cards, door locks, cars, remote and gaming console controls, smart household appliances and authentication keys. We are still only at the beginning of this trend, and there is significant potential for biometrics to create value in a range of different application areas, in the form of increased security and more user-friendly products. Fingerprints is the market leader also in this segment, and we are continuing to grow our customer base globally in order to defend our position when the market expands. An interesting area of growth in Access is access cards and security keys with fingerprint sensors. We are seeing significantly increasing interest among many companies and organizations, since the same key can be used to facilitate uniform, secure access to PCs and systems, as well as to physical spaces. Valmido, a French startup offering a multi-app device to authenticate mobile and web services, launched its first biometric access card using Fingerprints' technology, ProFIDO Bio, in the fourth quarter. During the quarter we also announced a partnership between Fingerprints and SmartDisplayer, a Taiwanese card manufacturer, with the goal of launching a biometric FIDO2



card that integrates Fingerprints' FPC1323 sensor as well as our FPC-BEP software platform. The card facilitates secure, user-friendly access to a multitude of devices and data.

Together with PC and under-display sensors for mobile phones, the Access area is the one we assess will grow the fastest over the short term. It is therefore a priority area as regards R&D investments over the coming year. Together with PC, Access currently accounts for the largest share of our revenue outside of our traditional operations in China in capacitive fingerprint sensors for mobile phones. Under-display sensors for mobile phones, and our operations in Payment, are also part of these new areas. Our operations outside of capacitive sensors for mobile phones accounted for just over 30 percent of sales in the fourth quarter, and we estimate that this share will increase to around 45 percent at the end of 2023.

Let me conclude with a few words on the Payment area, which represents a considerable potential market and is an important area of long-term growth for Fingerprints. In the fourth quarter, two additional commercial launches of biometric payment cards were announced, which means that Fingerprints' technology is thus far being used in ten commercial launches in different parts of the world. We conduct continuous development work to further enhance our offering and are making significant progress within the framework of our strategic collaborations with central players in payment card manufacturing. In November 2022, Fingerprints and Infineon signed a joint development and commercialization agreement pertaining to a plug-and-play solution for biometric payment cards: SECORA™ Pay Bio. The goal of the cooperation is to make the production of biometric cards as simple and easy as producing a standard dual interface payment card. By combining and integrating Fingerprints' FPC1323 sensor and Infineon's SLC39B Secure Element into one system package, we will be able to offer leading biometric performance executed in a single chip. This will simplify the manufacturing process for biometric cards considerably, a crucial condition for facilitating launches on a truly large scale. At the same time, card issuers are now taking steps to promote the acceleration of this new global market for biometrics. One example is that several banks are now simplifying the enrolment process so that this can be done at home without needing to visit the branch of a bank. We are also now seeing examples of banks that have begun issuing biometric payment cards automatically to certain customer segments, and not only to the customers who actively order such cards.

Ted Hansson, Acting President and CEO

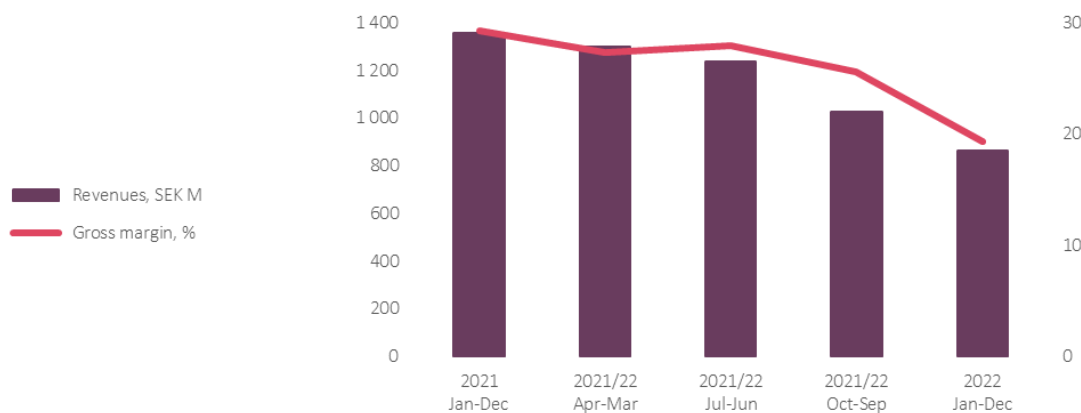


## Revenues and operating result, fourth quarter of 2022

### Revenues

The Group's revenues for the fourth quarter totaled SEK 190.3 M (356.6), corresponding to a decrease of 47 percent compared to the fourth quarter of 2021 (decrease of 57 percent in constant currency terms), due primarily to a sharp decrease in mobile phone sales in China as a result of the restrictions owing to COVID-19 that were in effect in the country for most of 2022. Global deliveries of mobile phones also decreased in 2022. Mobile phone manufacturers and their suppliers had planned for significantly higher sales volumes in 2022. In the last few quarters, they therefore focused on reducing their surplus inventory of components and assembled devices, which had a significant negative impact on Fingerprints' sales. In December 2022, China began removing its "zero COVID" restrictions that were in force for a large part of 2022. Though the situation remains uncertain, we expect a recovery – albeit not fully initially – to the historical demand for mobile phones. At the same time, we are seeing continued growth in the application areas outside capacitive fingerprint sensors for mobile phones.

### Revenues and gross margin, rolling 12 months

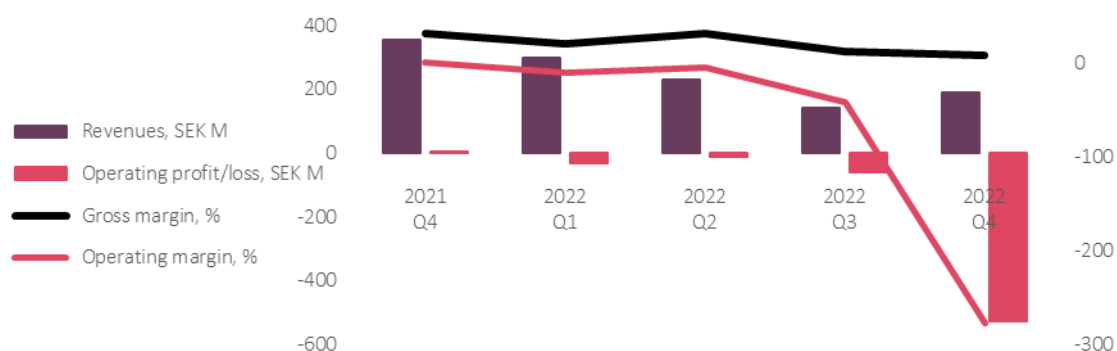


### Trend in operating profit

Gross profit for the fourth quarter was SEK 16.8 M (113.1) and the gross margin was 8.8 percent (31.7). The margin was adversely impacted by an inventory write-down of SEK 22 M in the quarter. Adjusted for this non-recurring effect, the gross margin totaled 20 percent. The margin was adversely impacted by increased price competition and a decrease in sales compared to the year-earlier period, which means that depreciation/amortization according to plan as a share of sales – and included in the gross margin – increased to 7.8 percent in the fourth quarter from 4.2 percent in Q4 2021. Operating profit for the fourth quarter was a negative SEK 527.3 M (pos: 3.9). Operating expenses totaled SEK 544.1 M (109.2), and included a write-down of capitalized R&D projects totaling SEK 116.5 M as well as a write-down of goodwill totaling SEK 316.9 M related to the acquisition of Delta ID, which was finalized in 2017.



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



Development costs of SEK 28.2 M (19.9) were capitalized during the quarter, corresponding to 46.9 percent of total development costs, compared with 34.4 percent for the corresponding quarter of 2021. Other operating income/expenses decreased to negative SEK 0.1 M (neg: 1.7) and pertain to exchange-rate fluctuations attributable to operating working capital

EBITDA for the quarter amounted to a negative SEK 74.3 M (pos: 26.7), and comprised the operating profit of negative SEK 527.3 M plus depreciation/amortization/write-downs of SEK 453.0 M in the quarter.

### Operating segments

Fingerprints reports results for the Mobile & PC and Payment & Access operating segments (refer to table on page 19). An operating segment is a part of the Group that conducts activities from which it can generate income, 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. Revenue in Access China was included in the Payment & Access operating segment for 2021, but as of 2022 is included in the Mobile & PC operating segment. Revenue in Access in China totaled SEK 14.5 M for the fourth quarter of 2022 and SEK 77.2 M for the January – December 2022 period.

### Financial income and expenses

Financial income amounted to negative SEK 2.7 M (pos: 7.4) The item pertains to the effect of unrealized exchange rate gains on currency accounts.

Financial expenses amounted to negative SEK 11.7 M (neg: 5.9). Expenses for the quarter pertained primarily to interest on the bond loan. The comparative figure in the corresponding quarter of 2021 related to the combined impact of expenses and effects of unrealized exchange rate losses on currency accounts.

### Earnings and earnings per share for the reporting period

The result for the fourth quarter of 2022 amounted to negative SEK 499.4 M (pos: 5.3).

Earnings per share for the fourth quarter were a negative SEK 1.48 (pos: 0.02).



# Cash flow and balance sheet, fourth quarter of 2022

## Cash flow

Cash flow from operating activities was a negative SEK 103.9 M (neg: 16.8). In addition to the negative operating result, the negative cash flow was attributable to the reduction in current liabilities during the quarter. However, a positive counterbalancing effect was the SEK 108 M inventory decrease.

Cash flow from investing activities amounted to a negative SEK 28.3 M (neg: 23.7), of which capitalized development expenditure accounted for SEK 28.2 M (19.9).

Cash flow from financing activities amounted to SEK 337.8 M (294.8). During the quarter, the Parent Company received issue proceeds of SEK 341.4 M (-). In addition, cash flow from financing activities was impacted by lease payments of negative SEK 3.6 M (pos: 2.2).

The effect of exchange rate fluctuations on cash and cash equivalents amounted to negative SEK 2.9 M (neg: 0.7) for the quarter.

## Liquidity and shareholders' equity

At December 31, 2022, the Group's disposable cash and cash equivalents totaled SEK 274.1 M (374.3), and the Group's net debt amounted to SEK 43.2 M (net cash pos: 58.7) on the same date. Interest-bearing liabilities comprise the bonds issued in December 2021 of SEK 293.7 M (292.6) and lease liabilities pertaining to office premises of SEK 12.4 M (11.6), recognized in accordance with IFRS 16.

The company has senior secured bonds in an amount of SEK 300 M, with a three-year tenor and at a floating rate of interest of Stibor 3 months +9 percent per year. In the balance sheet, the loan has an effective value of SEK 294.8 M.

During the third quarter of 2022, the Company issued perpetual hybrid capital instruments ("Hybrids") for a total amount of SEK 75 million. The proceeds from the issue were only received after the balance sheet date, at the beginning of the fourth quarter 2022, and were classified as equity according to IFRS. When the Hybrids were repaid during the fourth quarter by offsetting against new B shares in the Company, a transfer took place to share premium reserve. During the fourth quarter, a rights issue was also carried out. The set-off issue and the rights issue added a total of SEK 341 million to the company after transaction costs.

At period-end, consolidated shareholders' equity amounted to SEK 866.5 M (1,027.2) and the equity/assets ratio for the Group to 59.9 percent (57.1). Other comprehensive income in the fourth quarter amounted to negative SEK 81.6 M (22.6), and pertained to the remeasurement of shareholders' equity in foreign currencies, the majority of which is attributable to USD.

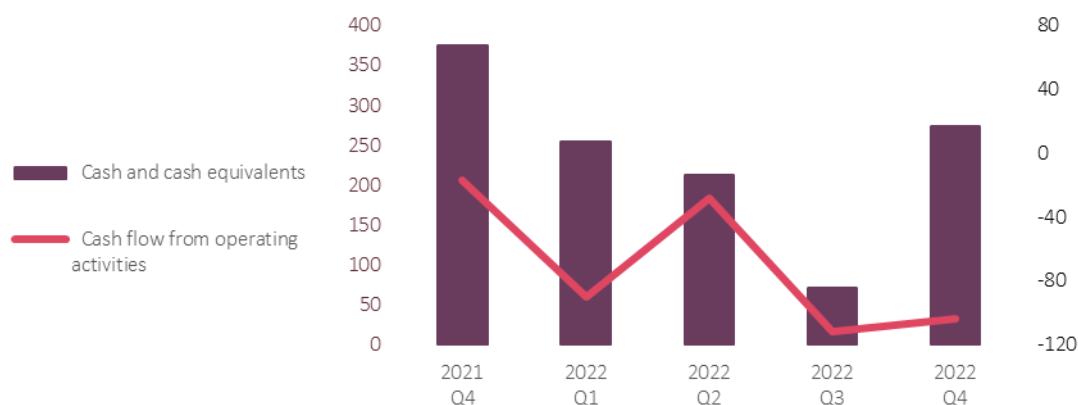
## Investments, fixed assets and depreciation/amortization

Investments in intangible fixed assets during the quarter amounted to an expense of SEK 28.2 M (expense: 22.1). Investments in tangible fixed assets for the quarter amounted to an expense of SEK 0.1 M (expense: 1.3). Depreciation/amortization according to plan for the quarter totaled SEK 19.6 M (22.8). Financial fixed assets pertain to deferred tax of SEK 121.8 M (53.6).



The result for the quarter was impacted by three non-cash items: an inventory write-down of SEK 22 M, a write-down of capitalized R&D projects in the Mobile & PC operating segment of SEK 116 M, and a write-down of goodwill in the Payment & Access operating segment of SEK 317 M related to the acquisition of Delta ID that was finalized in 2017. The inventory write-down is attributable to a revaluation of part of our silicon wafer inventory. Purchase prices in the market fell considerably compared to the preceding year, when there was a global component shortage. The situation is now quite different, and the replacement cost of these products is lower. The write-down of capitalized R&D projects is primarily a result of an increase in the discount rate that we apply due to the interest rate situation. We have terminated certain projects that are no longer deemed to be profitable for the same reason, and also make the assessment that future cash flows might be delayed somewhat owing to macroeconomic factors. The reason behind the write-down of goodwill related to the acquisition of Delta ID is twofold: first, the discount rate we apply has increased owing to the interest rate situation; second, we make the assessment that future cash flows might be delayed somewhat owing to macroeconomic factors. However, the company's positive view of the long-term potential in iris recognition remains unchanged.

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



## Comments on the period January-December 2022

The Group's revenue for the period January–December 2022 totaled SEK 861.8 M (1,355.8), corresponding to a decrease of 36 percent compared with the year-earlier period. The introduction of extensive COVID-19-related restrictions in China in 2022 resulted in a sharp decline in demand for smartphones in China. This had a significant negative effect on Fingerprints' sales in the Mobile product segment in China. China is Fingerprints' largest market and in 2022 accounted for approximately 90 percent of sales. Global deliveries of mobile phones also decreased in 2022. During the year, we rapidly went from a situation where we had previously been limited by insufficient access to production capacity caused by the global component shortage, to a position where we, our suppliers and our customers instead had to handle a very sharp decline in demand.





Gross profit for the period January–December 2022 was SEK 166.4 M (396.9) and the gross margin was 19.3 percent (29.3). The decline in sales volume, increased price competition in the Mobile product segment and the build-up of inventory in the Mobile, Payments, PC and Access product segments had a negative impact on the company's profitability and working capital in 2022, which also had an adverse impact on cash flow from operating activities. Cash flow from operating activities was a negative SEK 334.1 M (pos: 24.3). In addition to a negative result, the negative cash flow was attributable to the build-up of inventory.

At December 31, 2022, the Group's disposable cash and cash equivalents totaled SEK 274.1 M, compared to SEK 374.3 M at the end of 2021. At December 31, 2022, the Group's net debt totaled SEK 43.2 M, compared to a SEK 58.7 M net cash position at the end of 2021.

## Other events during the fourth quarter of 2022

### Business Development

Fingerprints received its first volume purchase order relating to the company's optical under-display fingerprint recognition solution, FPC1632. This means that Fingerprints has now begun generating revenues in an entirely new market segment, thereby opening attractive growth opportunities.

Fingerprints and Infineon signed a joint development and commercialization agreement pertaining to a plug-and-play solution for biometric payment cards: SECORA™ Pay Bio. The goal of the cooperation is to make the production of biometric smartcards as simple and easy as producing a standard payment card. The solution will include both Fingerprints' FPC1323 sensor with its biometric software algorithm and Infineon's SLC39B Secure Element.



*During the quarter, Fingerprints received its first volume purchase order for FPC1632, the company's optical under-display solution.*

FPC1523, a new fingerprint sensor model intended for the Access segment, was launched during the quarter. The new sensor is rounded and somewhat smaller in size, and it offers extremely robust safety.

Nuki, a European market leader in smart access solutions, has launched a new accessory that ensures faster, more secure and convenient unlocking of smart doors. Equipped with Fingerprints' FPC1025 sensor, the Nuki Keypad 2.0 opens a Nuki Smart Lock via a 6-digit entry code or – now as a new feature – using fingerprint recognition.

Fingerprints is developing a microcontroller unit (MCU), which augments the customer offering and enables the company to offer PC makers a complete biometric system consisting of a fingerprint sensor and an MCU.

Valmido, a French startup offering a multi-app device to authenticate mobile and web services, launched its first biometric access card, ProFICO Bio, using Fingerprints' technology.

Fingerprints and SmartDisplayer, a Taiwanese card manufacturer, launched a biometric FIDO2 card that integrates Fingerprints' FPC-1323 sensor and the FPC-BEP software platform.



Fingerprints entered a partnership with the global card manufacturer Tag Systems (a part of the AUSTRIACARD Group) with the goal of launching an advanced biometric payment card solution.

In the fourth quarter, two additional commercial launches of biometric payment cards were announced in Morocco, which means that Fingerprints' technology is thus far being used in ten commercial launches in different parts of the world.

## Significant events during the fourth quarter of 2022

On October 10, the Board announced that it had resolved on a fully guaranteed SEK 300 M rights issue with the purpose of improving Fingerprints' working capital position and to cure the forecasted breach against the maintenance test covenant pursuant to the terms and conditions of its outstanding senior secured bonds. Furthermore, in order to enable the repayment of the SEK 75 million in hybrid equity instruments, the Board resolved on a new issue of B-shares directed to the Hybrid Investors, against payment by way of set-off of the Hybrid Investors' receivables under the Hybrids.

On October 31, 2022, Fingerprints publicized the final terms for the fully guaranteed rights issue and resolved on a set-off issue of B shares, and withdrew proposal for set-off issue ahead of the Extraordinary General Meeting on November 2, 2022.

On October 31, 2022, Fingerprints announced that the company, on the basis of the issue authorisation granted to the board of directors by the annual general meeting on 24 May 2022, which was registered with the Swedish Companies Registration Office on 9 June 2022, resolved on a set-off issue of 25,423,024 B-shares directed to the investors in the Company's outstanding perpetual hybrid equity instruments. The number of B-shares and votes in Fingerprints thus increased with 25,423,024. The total number of shares in the Company amounted to 323,423,024 (of which 6,000,000 A-shares and 317,423,024 B-shares). The total number of votes in the Company amounted to 377,423,024 (of which 60,000,000 pertained to the A-shares and 317,423,024 pertained to the B-shares).

An Extraordinary General Meeting on November 2, 2022 resolved on subsequent approval of the Board of Directors' decision on a rights issue of units consisting of shares of series A and warrants and shares of series B and warrants.

On November 3, 2022, it was announced that Christian Fredrikson was stepping down as CEO, and Ted Hansson had been appointed acting CEO.

On November 25, 2022, the final outcome of the rights issue was announced, which showed that 16,851,001 B-units, corresponding to approximately 84.9 per cent of the B-units offered, have been subscribed for with support of unit subscription rights. The remaining 2,987,938 B-units have been subscribed for without support of unit subscription rights, corresponding to approximately 15.1 per cent of the B-units offered. Subscribed for B-units together comprise 100 per cent of the B-units offered in the Fully Guaranteed Rights Issue. Thus, no underwriting commitments were utilized. The final outcome in Fingerprint's SEK 6 million rights issue of A-



units (“A-units” and together with B-units, “Units”), consisting of new A-shares and warrants (the “Rights Issue of A-units” and together with the Fully Guaranteed Rights Issue, the “Rights Issue”) shows that all A-units have been subscribed for with support of unit subscription rights.

On November 30, 2022, Fingerprints announced that the company had carried out a SEK 305 million rights issue of A-units (consisting of new A-shares and warrants) and B-units (consisting of new B-shares and warrants) (A-units and B-units together, “Units”). The issue of shares regarding Units subscribed for with unit subscription rights (the “Issue”) resulted in changes in the number of shares and votes in Fingerprints as follows. Prior to the Issue the total number of shares in the Company amounted to 323,423,024 (of which 6,000,000 A-shares and 317,423,024 B-shares). The total number of votes in the Company amounted to 377,423,024 (of which 60,000,000 pertained to the A-shares and 317,423,024 pertained to the B-shares). In connection with the Issue the number of shares in the Company increased by 86,130,005 shares (of which 1,875,000 A-shares and 84,255,005 B-shares) and the number of votes by 103,005,005 (of which 18,750,000 pertained to the A-shares and 84,255,005 pertained to the B-shares). Following the Issue, and as of 30 November 2022, the total number of shares in the Company amounted to 409,553,029 (of which 7,875,000 A-shares and 401,678,029 B-shares). The total number of votes in the Company amounted to 480,428,029 (of which 78,750,000 pertained to the A-shares and 401,678,029 pertained to the B-shares).

On December 30, 2022, Fingerprints announced that the company had carried out a SEK 305 million rights issue of A-units (consisting of new A-shares and warrants) and B-units (consisting of new B-shares and warrants) (A-units and B-units together, “Units”). The issue of shares regarding Units subscribed for without unit subscription rights (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 409,553,029 (of which 7,875,000 A-shares and 401,678,029 B-shares). The total number of votes in the Company amounted to 480,428,029 (of which 78,750,000 pertained to the A-shares and 401,678,029 pertained to the B-shares). In connection with the Issue the number of B-shares in the Company increased by 14,939,690 and the number of votes by 14,939,690. Following the Issue, and as of 30 December 2022, the total number of shares in the Company amounts to 424,492,719 (of which 7,875,000 A-shares and 416,617,719 B-shares). The total number of votes in the Company amounts to 495,367,719 (of which 78,750,000 pertains to the A-shares and 416,617,719 pertains to the B-shares).

## Significant events after the end of the period

No significant events were reported after the end of the period.

## Organization and Personnel

The number of employees at December 31, 2022, was 223 (261). In addition to full-time employees, consultants were also engaged during the fourth quarter, corresponding to 37 FTEs (49), mainly in technology development and sales. Accordingly, including employees and consultants, the company employed a total of 260 (310) people on December 31, 2022. The reduction in personnel is due to the cost reduction program that is underway to adapt the company to the more challenging situation.



## 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 B shares that were held by the company and bought back, the number of shares amounts to 298,000,000, of which 6,000,000 comprised A shares and 292,000,000 B shares. The total number of votes was 352,000,000. The share capital amounted to SEK 12,975,667.

In the fourth quarter of 2022, Fingerprints conducted a set-off issue and a rights issue. The number of shares increased by 126,492,719, of which 1,875,000 A shares and 124,617,719 B shares. Share capital increased by SEK 5,507,477, and the remaining issue proceeds of SEK 335,818,698 were added to the share premium reserve. Share capital currently totals SEK 18,483,477.

### Number of shares

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
<b>Number of shares, (000s)</b>				
Number of shares at period end	424,493	298,000	424,493	298,000
Of which class A-shares	7,875	6,000	7,875	6,000
Of which class B-shares	416,618	292,000	416,618	292,000
Number of buyback shares at end of period	-3,800	-3,800	-3,800	-3,800
<b>Number of shares outstanding at period end, before and after dilution</b>	<b>420,693</b>	<b>294,200</b>	<b>420,693</b>	<b>294,200</b>
Outstanding warrants	19,839	-	19,839	-
<b>Number of shares outstanding at period end, before and after dilution</b>	<b>440,532</b>	<b>294,200</b>	<b>440,532</b>	<b>294,200</b>
<b>Average number of shares period (000s)</b>				
Average number of buyback shares	-3,800	-3,800	-3,800	-9,923
Average number Share issue Whereoff A-shares	625	-	156	-
Average number Share issue Whereoff B-shares	41,539	0	10,385	-
<b>Number of shares outstanding at period end, before and after dilution</b>	<b>336,364</b>	<b>294,200</b>	<b>304,741</b>	<b>295,351</b>
Outstanding warrants	6,613	-	1,653	-
<b>Number of shares outstanding at period end, before and after dilution</b>	<b>342,977</b>	<b>294,200</b>	<b>306,394</b>	<b>295,351</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 Year-end 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, 2021 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 Year-end report. No new or revised IFRSs that have become effective in 2022 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 2022 amounted to SEK 80.3 M (166.9), of which the quarter's sales pertain to intra-Group sales to subsidiaries of SEK 66.6 M (161.2) relating to service fees. After financial items, a loss of SEK 31.3 M (loss: 12.4) was reported for the period.

Group contributions totaling SEK 222.7 M have been made (received: 6.5). The net result for the period was a loss of SEK 209.4 M (loss: -4.4). The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 191.3 M (279.9).

## 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, direct or indirectly, by the war between Russia and Ukraine.

For further information concerning the risks facing the Group, see the 2021 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 person set out below, at 07:00 a.m. CET on January 26, 2023.

Welcome to Fingerprints' presentation of the results for the fourth quarter of 2022 at 9:00 a.m. CET on January 26, 2023. The presentation will be webcast, and participants can register via the link below: <https://edge.media-server.com/mmc/p/y6j23b45>

**For media and analysts:** Register for the teleconference via this link:  
<https://register.vevent.com/register/Blac7ddd3a662c4b2bb93af1ac231fc1c2>

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[www.fingerprints.com/](http://www.fingerprints.com/)

Issuance, publication or distribution of this press release in certain jurisdictions could be subject to restrictions. The recipient of this press release is responsible for using this press release and the constituent information in accordance with the rules and regulations prevailing in the particular jurisdiction. This press release does not constitute an offer, or invitation to acquire or subscribe for new securities in Fingerprint Cards AB in any jurisdiction.



## 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, January 26, 2023

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Christian Lagerling  
Chairman

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Ted Elvhage  
Member

---

Alexander Kotsinas  
Member

---

Dimitrij Titov  
Member

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Juan Vallejo  
Member

---

Ted Hansson  
Acting 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 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Revenue	190.3	356.6	861.8	1,355.8
Cost of goods sold *	-173.5	-243.5	-695.4	-958.9
<b>Gross profit</b>	<b>16.8</b>	<b>113.1</b>	<b>166.4</b>	<b>396.9</b>
<b>Gross Margin, %</b>	<b>8.8</b>	<b>31.7</b>	<b>19.3</b>	<b>29.3</b>
Selling expenses	-34.0	-41.5	-142.6	-159.8
Administrative expenses	-44.7	-28.0	-143.6	-102.1
Development expenditure	-31.9	-38.0	-118.1	-138.2
Write downs **	-433.4	-	-433.4	-
Other operating income/expenses	-0.1	-1.7	40.3	-4.4
<b>Operating profit/loss</b>	<b>-527.3</b>	<b>3.9</b>	<b>-631.0</b>	<b>-7.6</b>
<b>Operating Margin, %</b>	<b>-277.1</b>	<b>1.1</b>	<b>-73.2</b>	<b>-0.6</b>
Finance income	-2.7	7.4	15.4	7.0
Finance expenses	-11.7	-5.8	-36.6	-0.4
<b>Profit/loss before tax</b>	<b>-541.7</b>	<b>5.4</b>	<b>-652.2</b>	<b>-1.0</b>
Income tax	42.3	-0.1	66.2	1.1
<b>Profit/loss for the period</b>	<b>-499.4</b>	<b>5.3</b>	<b>-586.0</b>	<b>0.1</b>
Other comprehensive income	-81.6	22.6	84.0	69.6
<b>Total comprehensive income for the period</b>	<b>-581.0</b>	<b>27.9</b>	<b>-502.0</b>	<b>69.7</b>
<b>Profit/loss for the period attributable to:</b>				
Parent Company shareholders	-581.0	27.9	-502.0	69.7
<b>Profit/loss for the period</b>	<b>-581.0</b>	<b>27.9</b>	<b>-502.0</b>	<b>69.7</b>
<b>Earnings per share for the period before and after dilutions, SEK</b>	<b>-1.48</b>	<b>0.02</b>	<b>-1.92</b>	<b>0.00</b>

\* Includes inventory write-down of SEK 22.5 M in the fourth quarter 2022

\*\* See pages 7-8 under "Investments, fixed assets and depreciation/amortization"



## Condensed consolidated statement of financial position

SEK M	31-Dec 2022	31-Dec 2021
<b>Assets</b>		
Intangible fixed assets	538.0	838.5
Tangible fixed assets	4.3	6.5
Right-of-use assets	25.3	24.2
Financial assets	121.8	53.6
<i>Total fixed assets</i>	<i>689.4</i>	<i>922.8</i>
Inventories	304.1	159.3
Accounts receivable	128.3	280.0
Other receivables	40.0	51.3
Prepaid expenses and accrued income	9.6	11.3
Cash and cash equivalents	274.1	374.3
<i>Total current assets</i>	<i>756.1</i>	<i>876.2</i>
<b>Total assets</b>	<b>1,445.5</b>	<b>1,799.0</b>
<b>Shareholders' equity and liabilities</b>		
<i>Shareholders' equity</i>	<i>866.5</i>	<i>1,027.2</i>
<i>Deferred tax liability</i>	<i>13.0</i>	<i>16.6</i>
Bond loans	293.7	292.6
Long-term lease liabilities	12.4	11.6
<i>Long-term lease liabilities</i>	<i>306.1</i>	<i>304.2</i>
Short-term debt lease liabilities	11.2	11.3
Accounts payable	74.3	221.8
Current tax liabilities	6.6	14.0
Other current liabilities	20.7	35.5
Accrued expenses and prepaid income	147.1	168.4
<i>Total current liabilities</i>	<i>259.9</i>	<i>451.0</i>
<b>Total shareholders' equity and liabilities</b>	<b>1,445.5</b>	<b>1,799.0</b>

## Condensed consolidated statement of changes in equity

SEK M	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Opening shareholders' equity	1,106.2	999.3	1,027.2	1,182.9
Comprehensive income for the period	-581.0	27.9	-502.0	69.7
Buyback of own shares	-	-	-	-225.4
Share issue	341.3	-	341.3	-
<b>Closing shareholders' equity</b>	<b>866.5</b>	<b>1,027.2</b>	<b>866.5</b>	<b>1,027.2</b>



## Condensed consolidated cash-flow statement

SEK M	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Profit/loss before tax	-541.7	5.4	-652.2	-1.0
Adjustment for non-cash items	475.8	43.7	496.3	122.3
Income tax paid	5.4	-2.4	-13.3	-2.3
Change in inventory	27.6	-8.0	-160.6	-38.9
Change in current receivables	-28.9	-101.9	179.4	-107.2
Change in current liabilities	-42.1	46.4	-183.7	51.4
<b>Cash flow from operating activities</b>	<b>-103.9</b>	<b>-16.8</b>	<b>-334.1</b>	<b>24.3</b>
Cash flow from investing activities	-28.3	-23.7	-104.6	-91.0
Cash flow from financing activities	337.8	294.8	328.4	58.4
<b>Change in cash and cash equivalents</b>	<b>205.6</b>	<b>254.3</b>	<b>-110.3</b>	<b>-8.3</b>
Cash and cash equivalents on the opening date	71.4	120.7	374.3	377.0
Effect of exchange rate changes on cash	-2.9	-0.7	10.1	5.6
<b>Closing cash and cash equivalents</b>	<b>274.1</b>	<b>374.3</b>	<b>274.1</b>	<b>374.3</b>

## The Group's operating segments

SEK M	Oct-Dec 2022	Oct-Dec 2021	Change, %	Jan-Dec 2022	Jan-Dec 2021	Change, %
<b>Revenue</b>						
Mobile & PC	166.9	240.5	-31	783.5	1,174.1	-33
Payment & Access *	23.4	73.1	-68	78.3	181.7	-57
Other	-	-	-	-	-	-
<b>Group</b>	<b>190.3</b>	<b>356.6</b>	<b>-60</b>	<b>861.8</b>	<b>1,355.8</b>	<b>-33</b>

SEK M	Oct-Dec 2022	Oct-Dec 2021	Change, %	Jan-Dec 2022	Jan-Dec 2021	Change, %
<b>Operating profit/loss</b>						
Mobile & PC	-157.1	11.4	-1,477.9	-169.4	78.1	-316.9
Payment & Access *	-341.7	-6.9	4,852.5	-423.1	-84.3	401.9
Other	-28.5	-0.6	-	-38.5	-1.4	-
<b>Group</b>	<b>-527.3</b>	<b>3.9</b>		<b>-631.0</b>	<b>-7.6</b>	

SEK M	Oct-Dec 2022	Oct-Dec 2021	Change, %	Jan-Dec 2022	Jan-Dec 2021	Change, %
<b>Profit/loss before tax</b>						
Mobile & PC	-157.1	11.4	-1,478.0	-169.4	78.1	-316.9
Payment & Access *	-341.7	-7.1	4,713	-423.1	-84.5	401
Other	-42.9	1.1	-	-59.7	5.4	-
<b>Group</b>	<b>-541.7</b>	<b>5.4</b>		<b>-652.2</b>	<b>-1.0</b>	

\* Sales in Access in China were included in the Payment & Access operating segment for 2021, but as of 2022 are included in the Mobile & PC operating segment (refer to page 6).



## Sales by geographic region

SEK M	Oct-Dec 2022	Oct-Dec 2021	Change, %	Jan-Dec 2022	Jan-Dec 2021	Change, %
<b>Revenue</b>						
Asia	176.0	350.5	-50	801.3	613.5	31
Europe	13.8	5.8	140	58.6	740.7	-92
North America	0.5	0.4	23	1.9	1.6	19
<b>Group</b>	<b>190.3</b>	<b>356.6</b>	<b>-47</b>	<b>861.8</b>	<b>1,355.8</b>	<b>-36</b>

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

SEK M	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020
Revenue	190.3	143.2	228.1	300.2	356.6	354.3	290.2	354.7	369.4
Cost of goods sold	-173.5	-125.7	-157.2	-239.0	-243.5	-253.1	-209.8	-252.5	-282.0
<b>Gross profit</b>	<b>16.8</b>	<b>17.5</b>	<b>70.9</b>	<b>61.2</b>	<b>113.1</b>	<b>101.2</b>	<b>80.4</b>	<b>102.2</b>	<b>87.4</b>
<b>Gross margin, %</b>	<b>8.8</b>	<b>12.2</b>	<b>31.1</b>	<b>20.4</b>	<b>31.7</b>	<b>28.6</b>	<b>27.7</b>	<b>28.8</b>	<b>23.7</b>
Selling costs	-34.0	-35.4	-35.5	-37.8	-41.5	-41.8	-40.8	-35.7	-35.9
Administrative costs	-44.7	-32.0	-36.0	-30.9	-28.0	-24.4	-28.8	-20.9	-27.1
Development costs	-31.9	-25.7	-33.3	-27.2	-38.0	-23.2	-37.3	-39.7	-16.3
Write downs	-433.4	-	-	-	-	-	-	-	-340.6
Other operating income/expenses	-0.1	15.8	21.7	3.0	-1.7	-1.0	2.5	-4.2	5.7
<b>Operating profit/loss</b>	<b>-527.3</b>	<b>-59.8</b>	<b>-12.2</b>	<b>-31.7</b>	<b>3.9</b>	<b>10.8</b>	<b>-24.0</b>	<b>1.7</b>	<b>-326.8</b>
<b>Operating margin, %</b>	<b>-277.1</b>	<b>-41.8</b>	<b>-5.4</b>	<b>-10.6</b>	<b>1.1</b>	<b>3.0</b>	<b>-8.3</b>	<b>0.5</b>	<b>-88.5</b>
Finance income/expenses	-14.4	-6.9	2.4	-2.3	1.5	2.5	-7.9	10.5	-11.7
<b>Profit/loss before tax</b>	<b>-541.7</b>	<b>-66.7</b>	<b>-9.8</b>	<b>-34.0</b>	<b>5.4</b>	<b>13.3</b>	<b>-31.9</b>	<b>12.2</b>	<b>-338.5</b>
Income tax	42.3	15.7	0.3	7.9	-0.1	-1.0	6.9	-4.7	25.2
<b>Profit/loss for the period</b>	<b>-499.4</b>	<b>-51.0</b>	<b>-9.5</b>	<b>-26.1</b>	<b>5.3</b>	<b>12.3</b>	<b>-25.0</b>	<b>7.5</b>	<b>-313.3</b>
Other comprehensive income	-81.6	74.3	70.1	21.2	22.6	21.6	-17.4	42.8	-56.5
<b>Total comprehensive income for the period</b>	<b>-581.0</b>	<b>23.3</b>	<b>60.6</b>	<b>-4.9</b>	<b>27.9</b>	<b>33.9</b>	<b>-42.4</b>	<b>50.3</b>	<b>-369.8</b>



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

	31-Dec 2022	30-Sep 2022	30-Jun 2022	31-Mar 2022	31-Dec 2021	30-Sep 2021	30-Jun 2021	31-Mar 2021	31-Dec 2020
<i>SEK/USD exchange rate, balance date</i>	10.42	11.20	10.21	9.31	9.05	8.78	8.51	8.73	8.18
<b>Assets</b>									
Intangible fixed assets	538.0	1,021.6	938.7	868.2	838.5	812.8	784.0	812.0	759.3
Tangible fixed assets	4.3	5.0	5.6	5.9	6.5	6.1	6.7	7.2	7.0
Right-of-use assets	25.3	15.2	18.6	21.4	24.2	18.7	22.5	23.8	24.8
Financial fixed assets	121.8	81.0	65.7	61.2	53.6	50.9	47.8	41.6	46.8
<i>Total fixed assets</i>	<i>689.4</i>	<i>1,122.8</i>	<i>1,028.6</i>	<i>956.7</i>	<i>922.8</i>	<i>888.5</i>	<i>861.0</i>	<i>884.6</i>	<i>837.9</i>
Inventories	304.1	412.4	281.3	175.6	159.3	161.1	154.7	116.0	136.3
Accounts receivable	128.3	133.2	128.4	261.5	280.0	203.9	141.5	245.7	196.2
Other receivables	40.0	37.2	64.6	72.5	51.3	18.4	15.9	15.3	15.4
Prepaid expenses and accrued income	9.6	11.3	12.3	14.2	11.3	13.9	11.4	13.6	12.2
Cash and cash equivalents	274.1	71.4	212.8	255.1	374.3	120.7	193.1	313.6	377.0
<i>Total current assets</i>	<i>756.1</i>	<i>665.5</i>	<i>699.4</i>	<i>778.9</i>	<i>876.2</i>	<i>518.0</i>	<i>516.6</i>	<i>704.2</i>	<i>737.2</i>
<b>Total assets</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>1,406.5</b>	<b>1,377.6</b>	<b>1,588.8</b>	<b>1,575.1</b>
<b>Shareholders' equity and liabilities</b>									
<i>Shareholders' equity</i>	<i>866.5</i>	<i>1,106.2</i>	<i>1,082.9</i>	<i>1,022.3</i>	<i>1,027.2</i>	<i>999.3</i>	<i>965.4</i>	<i>1,147.8</i>	<i>1,182.9</i>
<i>Deferred tax liability</i>	<i>13.0</i>	<i>15.6</i>	<i>15.8</i>	<i>16.4</i>	<i>16.6</i>	<i>19.5</i>	<i>18.4</i>	<i>20.9</i>	<i>20.6</i>
<i>Long-term liabilities</i>	<i>306.1</i>	<i>298.6</i>	<i>300.0</i>	<i>302.9</i>	<i>304.2</i>	<i>7.0</i>	<i>8.2</i>	<i>8.9</i>	<i>9.8</i>
Short-term debt of long-term liabilities	11.2	9.6	9.3	10.3	11.3	9.9	12.1	12.6	12.8
Accounts payable	74.3	190.4	158.8	158.4	221.8	195.0	204.9	215.0	200.7
Current tax liabilities	6.6	8.0	12.7	6.2	14.0	7.1	1.9	2.0	2.0
Other current liabilities	20.7	18.5	12.7	45.5	35.5	13.9	22.7	14.2	14.9
Accrued expenses and prepaid income	147.1	141.4	135.8	173.6	168.4	154.8	144.0	167.4	131.3
<i>Total current liabilities</i>	<i>259.9</i>	<i>367.9</i>	<i>329.3</i>	<i>394.0</i>	<i>451.0</i>	<i>380.7</i>	<i>385.6</i>	<i>411.2</i>	<i>361.8</i>
<b>Total shareholders' equity and liabilities</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>1,406.5</b>	<b>1,377.6</b>	<b>1,588.8</b>	<b>1,575.1</b>

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

SEK M	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020
Profit/loss before tax	-541.7	-66.7	-9.8	-34.0	5.4	13.3	-31.9	12.2	-338.5
Adjustment for non-cash items	475.8	2.6	6.5	11.4	43.7	29.8	36.0	12.8	368.6
Income tax paid	5.4	9.4	-17.2	-10.9	-2.4	0.8	-1.8	1.1	2.5
Change in inventory	27.6	-94.1	-90.7	-3.4	-8.0	-10.9	-36.8	16.9	33.1
Change in current receivables	-28.9	23.8	175.6	8.8	-101.9	-59.7	106.6	-52.2	-33.5
Change in current liabilities	-42.1	13.4	-92.7	-62.2	46.4	-18.8	-21.8	45.5	14.7
<b>Cash flow fr. operating activities</b>	<b>-103.9</b>	<b>-111.6</b>	<b>-28.3</b>	<b>-90.3</b>	<b>-16.8</b>	<b>-45.5</b>	<b>50.3</b>	<b>36.3</b>	<b>46.9</b>
Cash flow from investing activities	-28.3	-28.1	-20.1	-28.1	-23.7	-26.0	-18.6	-22.7	-33.1
Cash flow from financing activities	337.8	-2.3	-3.7	-3.3	294.8	-3.6	-143.7	-89.1	-76.3
<b>Change in cash and cash equiv.</b>	<b>205.6</b>	<b>-142.0</b>	<b>-52.1</b>	<b>-121.7</b>	<b>254.3</b>	<b>-75.1</b>	<b>-112.0</b>	<b>-75.5</b>	<b>-62.5</b>
Cash and cash equiv. on the opening date	71.4	212.8	255.1	374.3	120.7	193.1	313.6	377.0	452.8
Effect of exchange rate changes on cash	-2.9	0.6	9.8	2.5	-0.7	2.7	-8.5	12.1	-13.3
<b>Closing cash and cash equivalents</b>	<b>274.1</b>	<b>71.4</b>	<b>212.8</b>	<b>255.1</b>	<b>374.3</b>	<b>120.7</b>	<b>193.1</b>	<b>313.6</b>	<b>377.0</b>



## Condensed income statement, Parent Company

SEK M	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Revenues	80.3	166.9	257.4	1,144.7
Cost of goods sold	-24.5	-26.6	-73.0	-750.4
<b>Gross profit</b>	<b>55.8</b>	<b>140.3</b>	<b>184.4</b>	<b>394.3</b>
Selling expenses	-7.7	-22.3	-34.7	-112.1
Administrative expenses	-21.7	-25.7	-94.0	-105.1
Development expenditure	-38.0	-109.3	-149.4	-215.0
Other operating revenues/expenses	6.7	-1.2	28.4	-5.3
<b>Operating profit/loss</b>	<b>-4.9</b>	<b>-18.2</b>	<b>-65.3</b>	<b>-43.2</b>
Finance revenues	-14.1	11.6	10.9	19.3
Finance expenses	-12.3	-5.8	-37.3	-0.8
<b>Profit/loss after financial items</b>	<b>-31.3</b>	<b>-12.4</b>	<b>-91.7</b>	<b>-24.7</b>
Group contribution	-222.7	6.5	-222.7	6.5
<b>Profit/loss before tax</b>	<b>-254.0</b>	<b>-5.9</b>	<b>-314.4</b>	<b>-18.2</b>
Tax	44.6	1.5	59.4	3.1
<b>Profit/loss for the period ***</b>	<b>-209.4</b>	<b>-4.4</b>	<b>-255.0</b>	<b>-15.1</b>

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



## Condensed balance sheet, Parent Company

SEK M	31-Dec 2022	31-Dec 2021
<b>Assets</b>		
Intangible fixed assets	1.4	87.6
Tangible fixed assets	2.4	3.8
Financial fixed assets	173.2	135.5
<i>Total fixed assets</i>	<i>177.0</i>	<i>226.9</i>
Inventories	4.6	8.5
Accounts receivable	34.1	160.7
Current receivables	479.4	177.6
Cash and cash equivalents	191.3	279.9
<i>Total current assets</i>	<i>709.4</i>	<i>626.7</i>
<b>Total assets</b>	<b>886.3</b>	<b>853.6</b>
Shareholders' equity and liabilities		
<i>Shareholders' equity</i>	<i>427.3</i>	<i>340.9</i>
Bond loan	293.7	292.6
<i>Long-term liabilities</i>	<i>293.7</i>	<i>292.6</i>
Accounts payable	23.0	74.7
Tax liabilities	0.0	3.7
Other current liabilities	142.3	141.7
<i>Total current liabilities</i>	<i>165.3</i>	<i>220.1</i>
<b>Total shareholders' equity and liabilities</b>	<b>886.3</b>	<b>853.6</b>

## Key consolidated data

	Oct-Dec 2022	Oct-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Revenue, SEK M	190.3	356.6	861.8	1,355.8
Revenue change, %	-46.6	-3.5	-36.4	8.0
Gross margin, %	8.8	31.7	19.3	29.3
Operating margin, %	-277.1	1.1	-73.2	-0.6
Profit margin, %	-262.4	1.5	-68.0	0.0
EBITDA, SEK M	-74.3	26.7	-116.0	85.6
Return on equity, %	-50.6	0.5	-61.9	0.0
Cash flow from operating activities, SEK M	-103.9	-16.8	-334.1	24.3
Equity/assets ratio, %	59.9	57.1	59.9	57.1
Investments, SEK M	-27.9	-23.7	-104.6	-91.0
Depreciations, SEK M	453.0	22.8	515.1	93.3
Average number of employees	218	255	239	250
Shareholders' equity per share before and after dilution, SEK	2.06	3.49	2.06	3.49
Cash flow from operating activities/share before and after dilution, SEK	-0.25	-0.06	-0.79	0.08
Number of shares at period end, 000s	420,693	294,200	420,693	294,200
Average number of shares before dilution, 000s	336,364	294,200	304,741	295,351
Share price at period end	2.93	20.68	2.93	20.68



## Key consolidated figures for the past nine quarters

	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020
Revenue, SEK M	190.3	143.2	228.1	300.2	356.6	354.3	290.2	354.7	369.4
Revenue change, %	-46.6	-59.6	-21.4	-15.4	-3.5	20.5	2.8	14.4	-3.2
Gross margin, %	8.8	12.2	31.1	20.4	31.7	28.6	27.7	28.8	23.7
Operating margin, %	-277.1	-41.8	-5.4	-10.6	1.1	3.0	-8.3	0.5	-88.5
Profit margin, %	-262.4	-35.6	-4.2	-8.7	1.5	3.5	-8.6	2.1	-84.8
EBITDA, SEK M	-74.3	-38.1	6.5	-10.1	26.7	32.3	9.4	17.2	32.4
Return on equity, %	-50.6	-4.7	-0.9	-2.5	0.5	1.3	-4.0	4.3	-26.0
Cash flow from operating activities, SEK M	-103.9	-111.6	-28.3	-90.3	-16.8	-45.5	50.3	36.3	46.9
Equity/assets ratio, %	59.9	61.9	62.7	58.9	57.1	71.1	70.1	72.2	75.1
Investments, SEK M	-27.9	-28.1	-20.1	-28.1	-23.7	-26.0	-18.6	-22.7	-33.1
Depreciations, SEK M	453.0	21.7	18.7	21.6	22.8	21.6	33.5	15.5	359.2
Average number of employees	218	233	250	255	255	252	246	236	237
Shareholders' equity per share, SEK	2.06	3.76	3.68	3.47	3.49	3.40	3.28	3.85	3.92
Cash flow from operating activities, SEK	-0.25	-0.38	-0.10	-0.31	-0.06	-0.15	0.17	0.12	0.15
Number of shares at period end, 000s	420,693	294,200	294,200	294,200	294,200	294,200	294,200	298,000	301,544
Average number of shares before dilution, 000s	336,364	294,200	294,200	294,200	294,200	294,200	295,754	299,935	305,737
Share price at period end, SEK	2.93	5.63	8.94	14.87	20.68	24.31	32.66	29.15	17.41

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

	Jan-Dec 2022	Oct-Sep 2021-22	Jul-Jun 2021-22	Apr-Mar 2021-22	Jan-Dec 2021	Oct-Sep 2020/21	Jul-Jun 2020/21	Apr-Mar 2020/21	Jan-Dec 2020
Revenues, SEK M	861.8	1,028.0	1,239.2	1,301.3	1,355.8	1,368.6	1,308.2	1,300.4	1,255.7
Gross profit, SEK M	166.4	262.7	346.5	355.9	396.9	371.1	323.1	303.4	275.2
Gross margin, %	19.3	25.6	28.0	27.4	29.3	27.1	24.7	23.3	21.9
Operating profit/loss, SEK M	-631.0	-99.8	-29.2	-41.0	-7.6	-338.5	-353.9	-346.5	-365.8
Operating margin, %	-73.2	-9.7	-2.4	-3.2	-0.6	-24.7	-27.1	-26.6	-29.1
EBITDA, SEK M	-116.0	-14.9	55.3	58.4	85.6	91.4	67.8	65.0	59.4





## About Fingerprint Cards

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

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

## Vision

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

## Mission

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

## Business concept

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

## Glossary

Refer to the company's website: [www.fingerprints.com](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>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.