

FINGERPRINT CARDS

Q2 2021

JULY 16, 2021



FINGERPRINTS

Q2 2021 Summary

Revenues	Margins & profitability	Highlights
<ul style="list-style-type: none">⊙ Revenues: SEK 290 M (282), a 3 % increase year-over-year (18 % increase in constant currency terms)	<ul style="list-style-type: none">⊙ Gross profit: SEK 80 M (61)⊙ Gross Margin: 28 % (22)⊙ EBITDA: SEK 9 M (7)⊙ EBITDA margin: 3 % (2)⊙ Operating profit: SEK -24 M (-17);⊙ Operating margin: -8 % (-6)⊙ Operating Cash Flow: SEK 50 M (81)⊙ Net Profit: SEK -25 M (-22)⊙ Net cash: SEK 173* M (409)	<ul style="list-style-type: none">⊙ Sales increase in constant currency terms of 18 percent year-on-year, despite production disruptions in Vietnam⊙ A more favorable product mix contributed to an improved gross margin⊙ Two design wins from a leading global PC manufacturer⊙ BBVA announced that they will launch the first biometric payment card in Mexico, with Fingerprints' technology



BUSINESS UPDATE

Continued progress against strategic priorities



MOBILE DEVICES

Defending and leveraging our market leading position

- ✓ FPC1542 has been very well received in the market
- ✓ Market leader in capacitive sensors for smartphones



PC

Positioned for growth

- ✓ Two design wins from a leading global PC manufacturer in Q2 2021
- ✓ Xiaomi has launched Mi Notebook Pro 15 and Mi Notebook Pro 14 featuring Fingerprints' sensors
- ✓ Increased remote working accelerates demand for secure authentication for PC



ACCESS

Potential in physical and logical access solutions

- ✓ Volume order for several hundred thousand T-Shape® sensor modules from Sentry Enterprises, to be used in its SentryCard™ converged biometric credential for physical and logical access
- ✓ Biometrics by Fingerprints certified in FIDO security key by Feitian



PAYMENTS

Entering commercial roll-out phase

- ✓ Kona-I contactless payment card, with Biometrics by Fingerprints, has received approval by major US payment network
- ✓ Crédit Agricole France now offers their Gold and World Elite customers biometric payment cards with Biometrics by Fingerprints
- ✓ BBVA to launch biometric payment card in Mexico, with Biometrics by Fingerprints

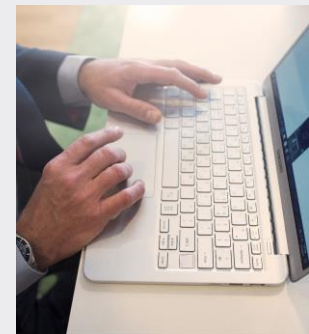
Thus far, four banks have launched biometric payment cards, all with Fingerprints' technology

- ⊙ Cornèr Bank, Switzerland
- ⊙ BNP Paribas, France
- ⊙ Crédit Agricole, France
- ⊙ BBVA, Mexico



Our latest Mobile and PC products have set a new highest standard

- ① FPC1542 is our new curved side-mounted capacitive sensor, a key addition to our product portfolio
- ① Very well received in the market, and continued strong sales in Q2
- ① Design is key – foldable, full screen and 5G handsets – new sensor shapes support OEM:s in their differentiation
- ① With our new biometric solution for PCs, we have assumed a leading position in this market
- ① Our new PC solution is used by two out of the world's top three PC manufacturers
- ① Computers equipped with fingerprint sensors are becoming increasingly commonplace



STPayBio, a solution based on our collaboration with STMicroelectronics

- ① As a second step the partnership, Fingerprints has entered into an MoU with STMicroelectronics to bring the joint platform to market
- ① The platform enables the efficiency of the key features of biometric system-on-card, demonstrating simple user enrollment, very high end-to-end banking transaction and matching performances.



Summary

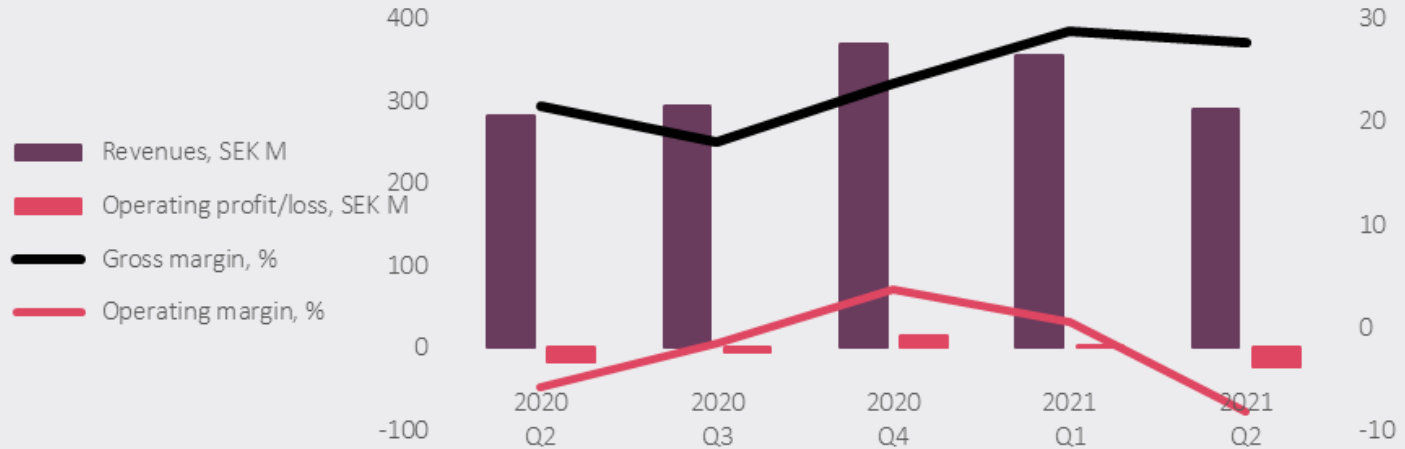
- ① 18-percent constant currency sales increase year-on-year, despite production challenges in Vietnam
- ① Solid growth in underlying product markets and continued healthy demand for our sensors
- ① Two design wins from global top-three PC manufacturer
- ① Another commercial launch of biometric payment cards, by BBVA in Mexico, using Fingerprints' technology

A large, faint fingerprint graphic is centered in the background of the slide. The lines of the fingerprint are a slightly darker shade of teal than the background, creating a subtle watermark effect.

Q2 2021 FINANCIAL RESULTS

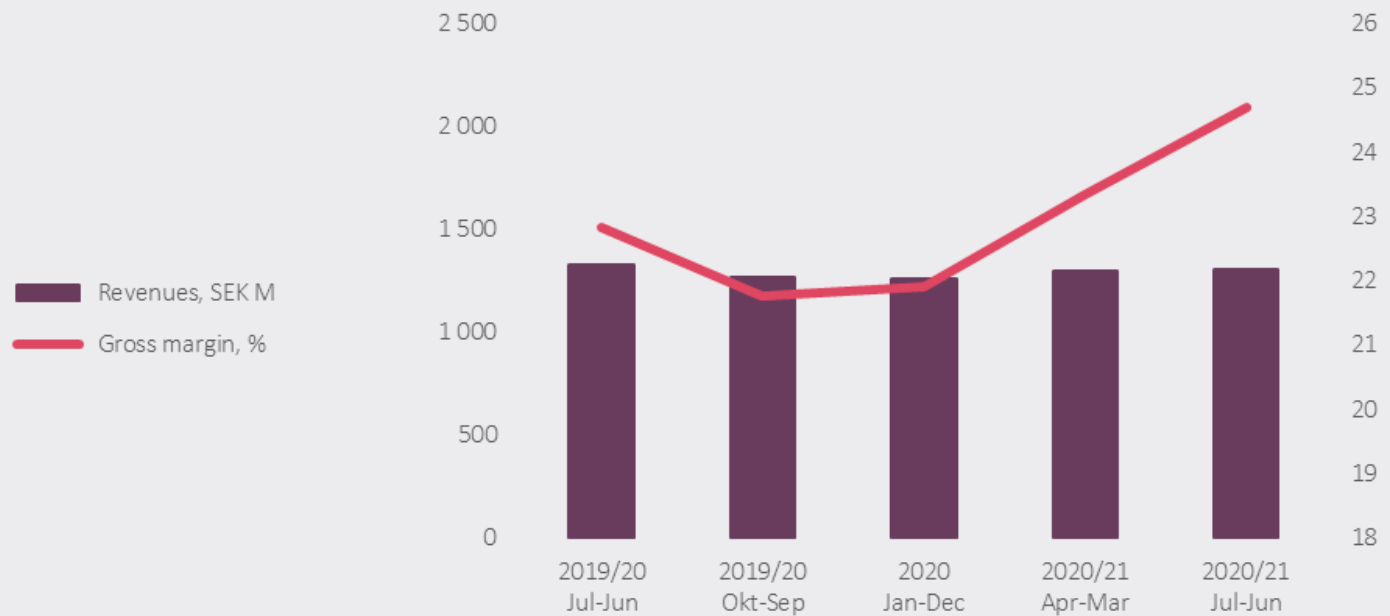
Q2 2021 financial performance*

Revenues, Operating profit/loss*, Gross margin and Operating margin, quarters.



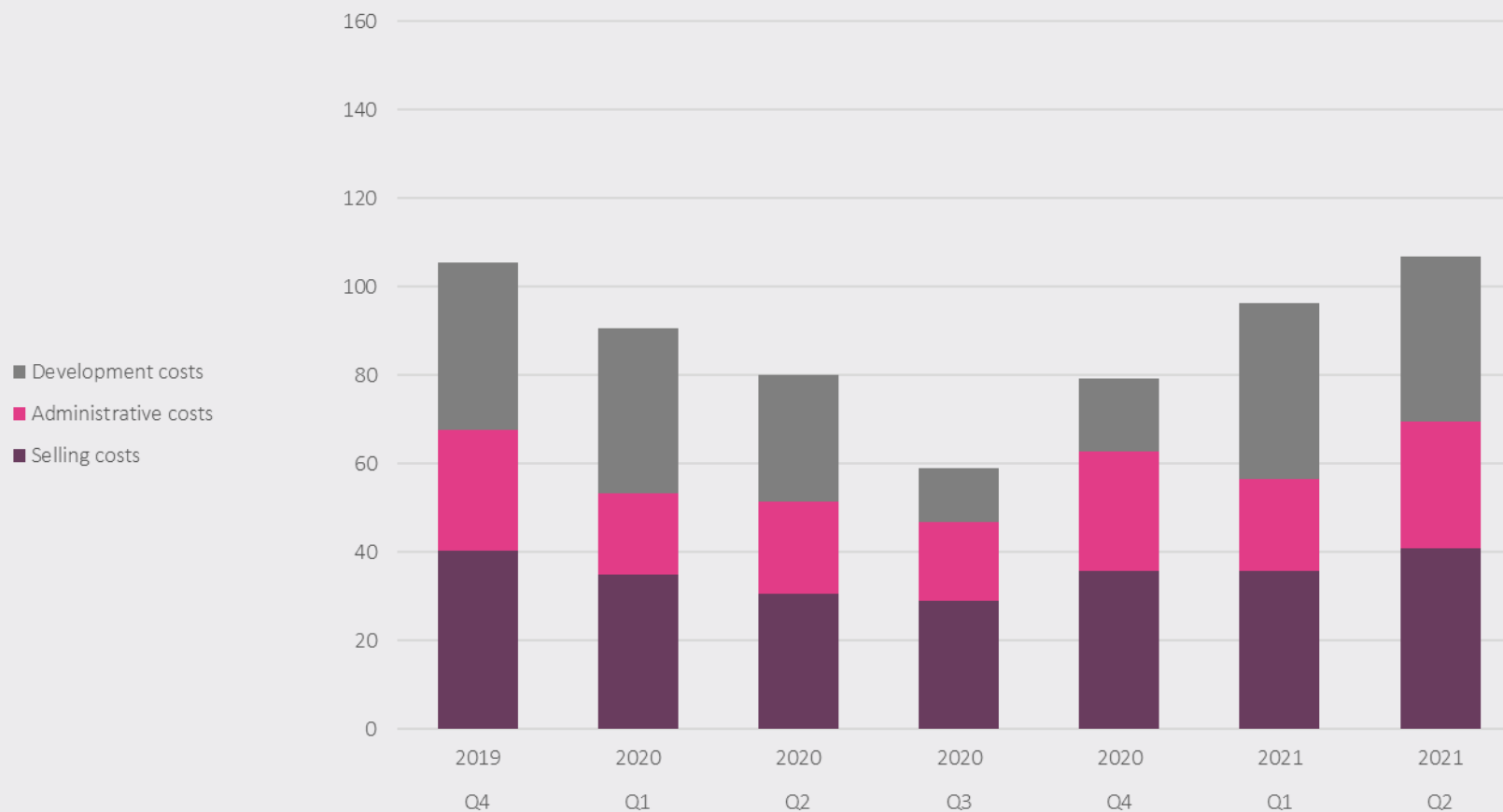
* Underlying operating profit, excluding SEK 340.6 M in non-cash write-downs in Q4 2020

Revenue and gross margin, rolling 12 months

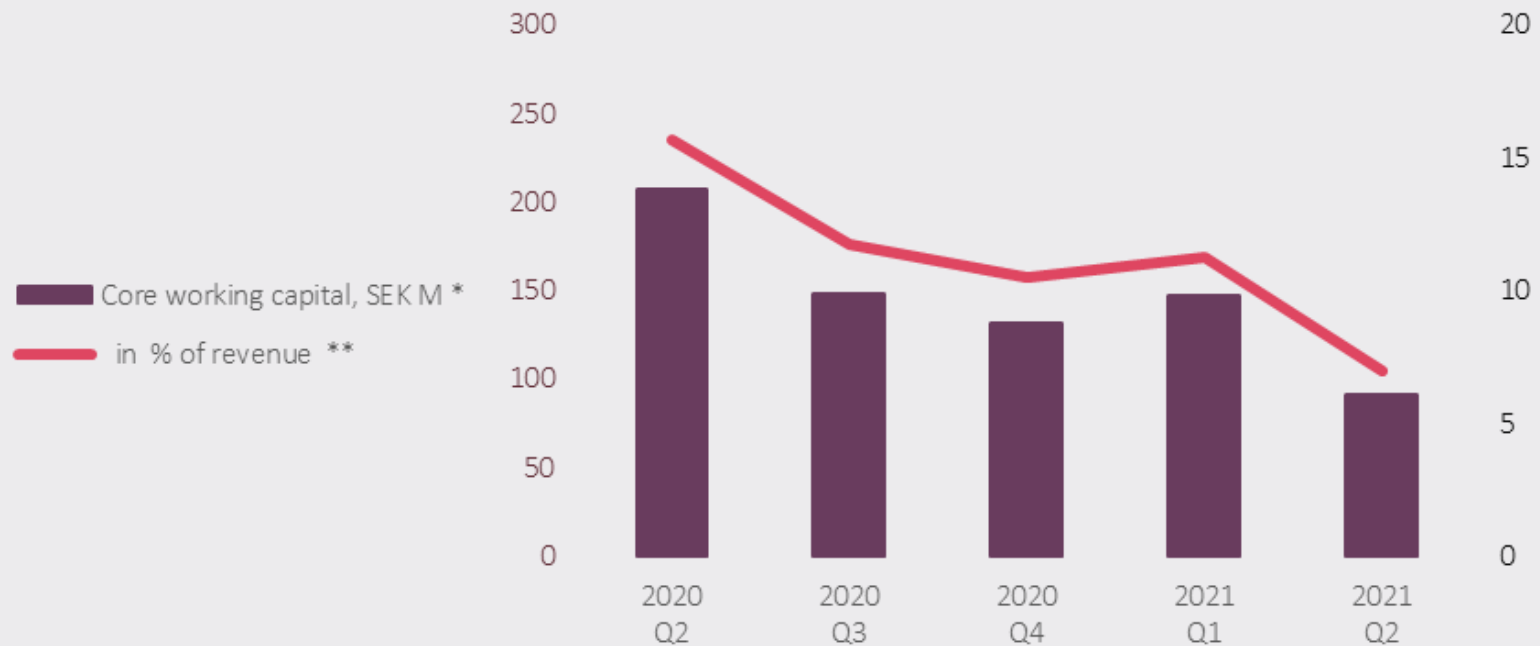


Operating expense development

Operating expenses, MSEK



Core working capital development



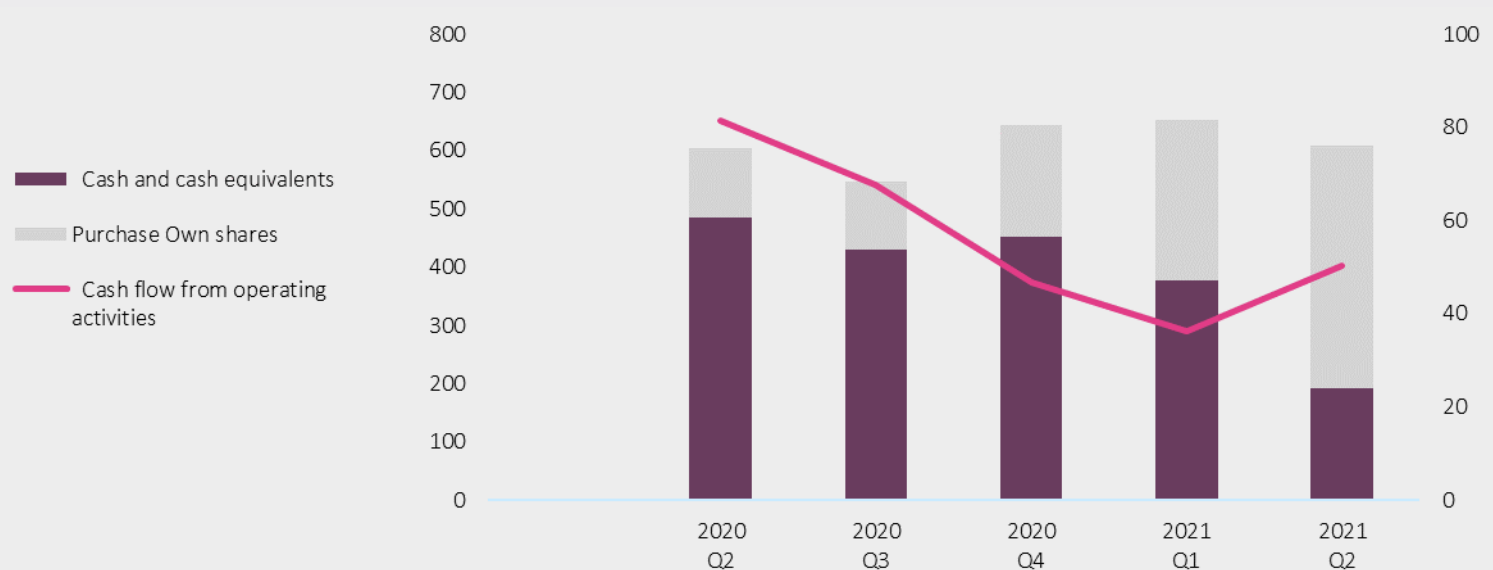
* Accounts receivable + Inventory – Accounts payable

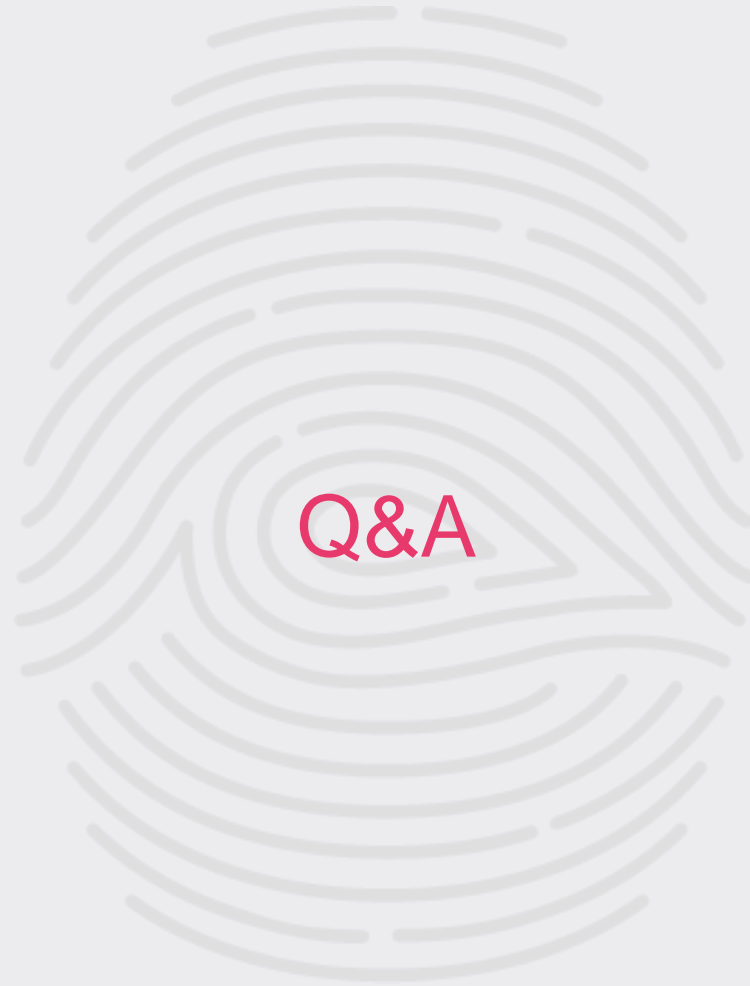
** Rolling 12-month revenue

Cash flow and net cash trend

- During the first half of 2020, shares were bought back for SEK 118,7 M
- During second half of 2020, shares were bought back for SEK 71,7 M
- During first quarter of 2021, shares were bought back for SEK 85,4 M
- During second quarter of 2021, shares were bought back for SEK 140,0 M

Cash and cash equivalents and cash flow, MSEK





Links to additional information

- ① Financial reports and presentations: <https://www.fingerprints.com/investors/reports-presentations/>
- ① Press releases: <https://www.fingerprints.com/newsroom/press-releases/>
- ① News items: <https://www.fingerprints.com/newsroom/news-stories/>
- ① Blog: <https://www.fingerprints.com/blog/>
- ① Download center (eBooks, whitepapers, product information, etc.): <https://www.fingerprints.com/downloads-resources/>

THANK YOU!



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