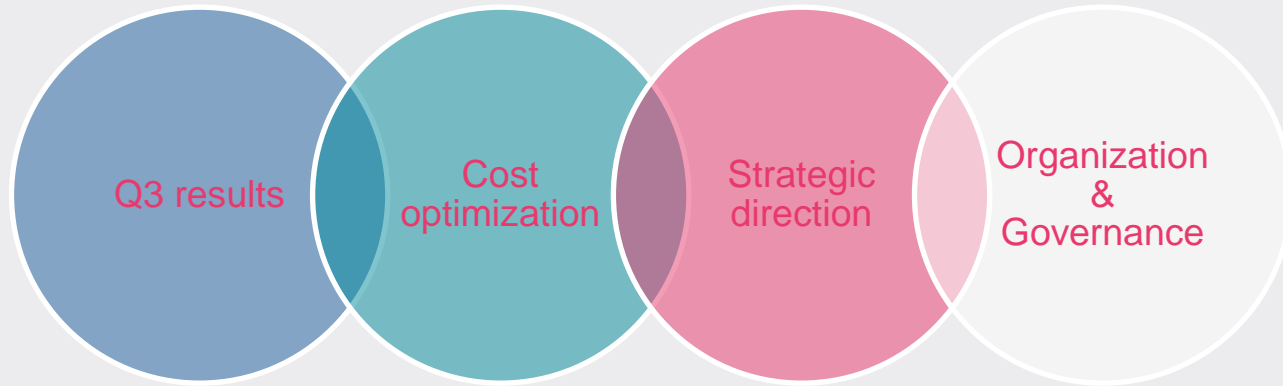


# You are the key to everything

**Fingerprint Cards AB**

Q3 2023 Earnings Call, October 19, 2023

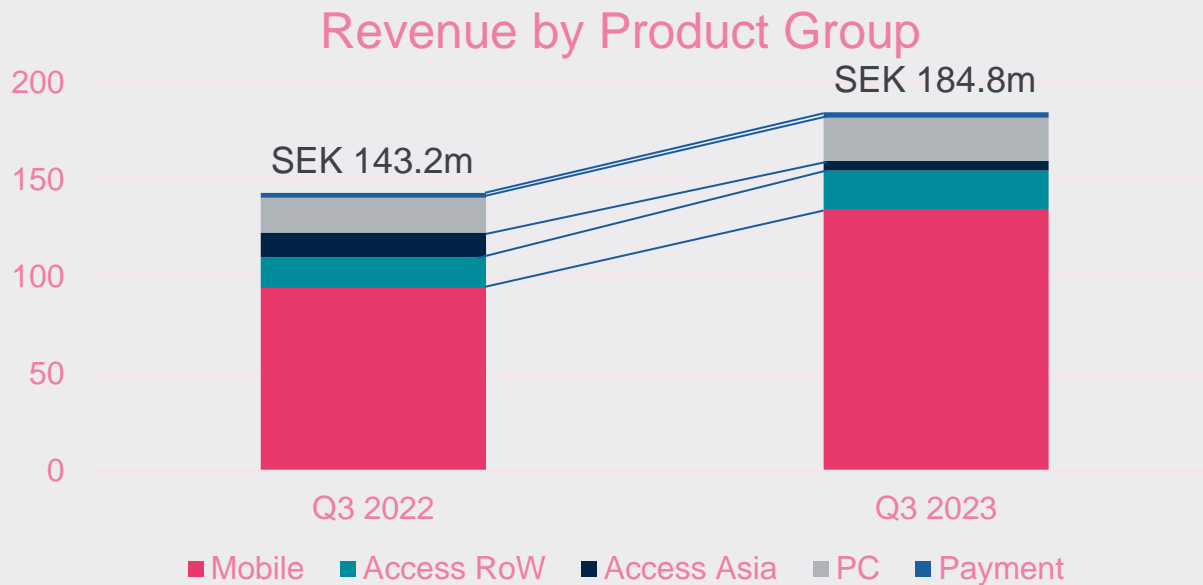
# Summary





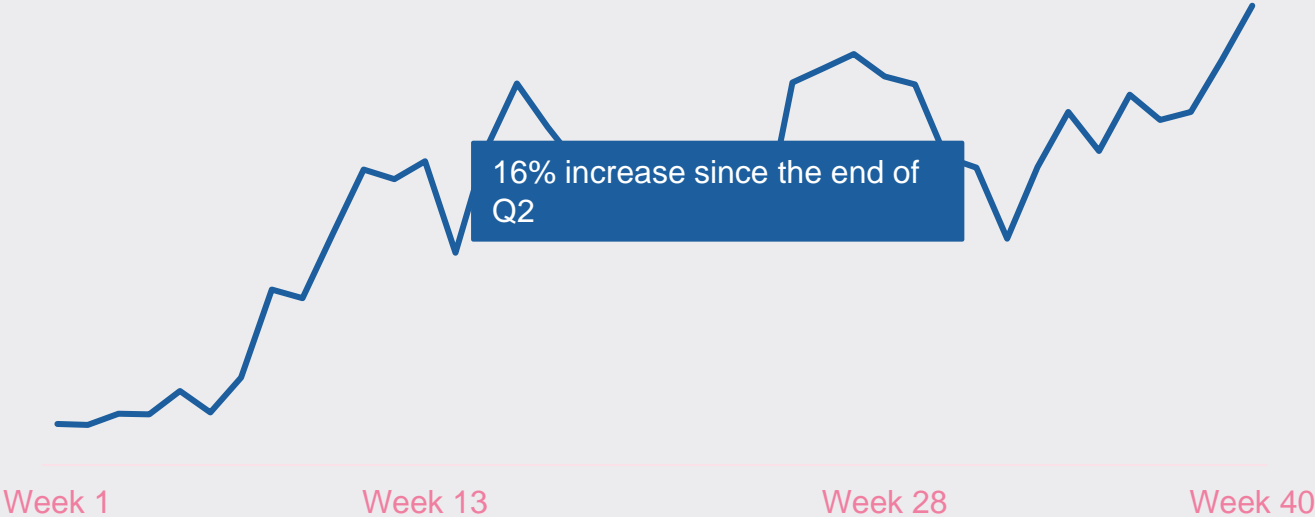
# BUSINESS UPDATE

# YoY Revenue Growth

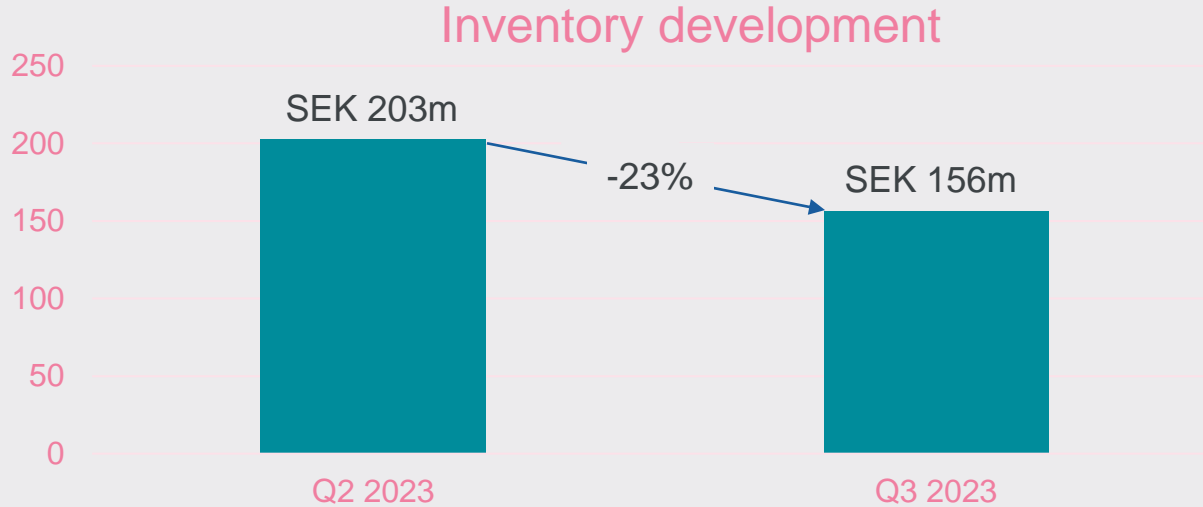


# Positive order development continues

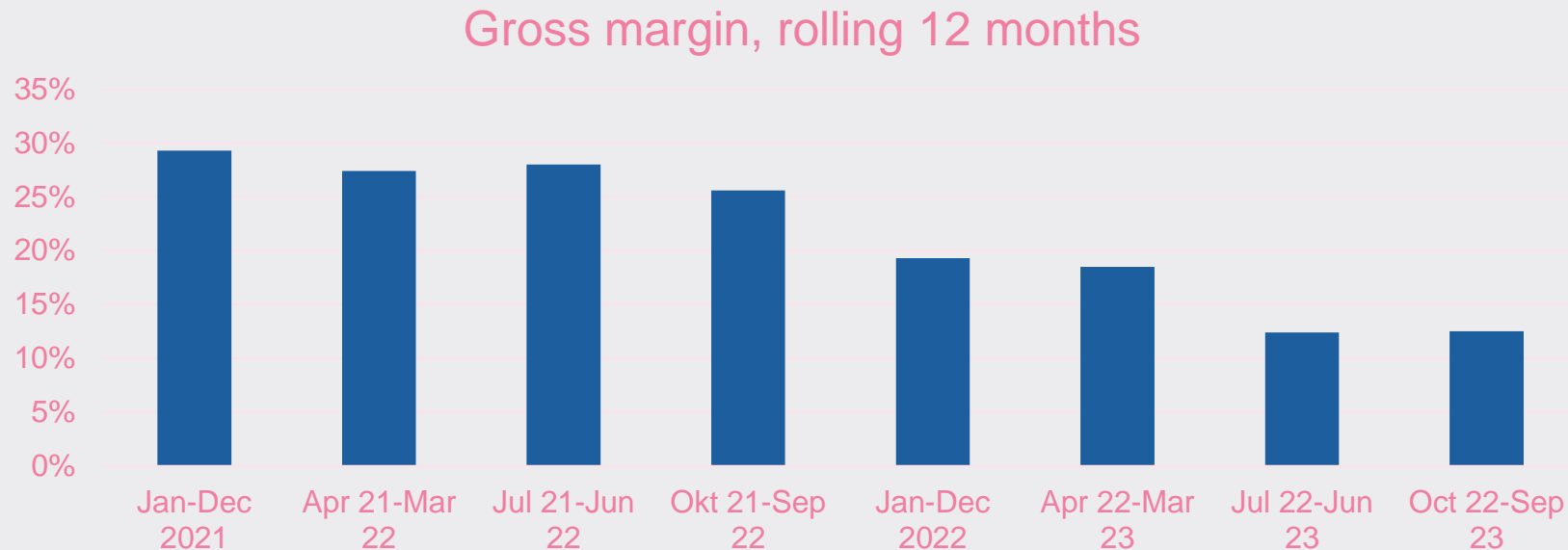
Order development, week 1 – week 40, 2023



# Expecting acceptable inventory level by the end of 2023



# Gross margin stabilizes but remains a challenge



## Transformation Plan: Cost optimization program

- ① Plan initiated targeting cost savings of ~204M annually. Full effect from H2 2024.
- ① OPEX run rate reduced by ~50% to ~180M annually.
- ① Restructuring costs estimated at 62M, half recorded in Q4 2023, remainder in 2024.
- ① Focus is to arrest losses, while continuing to diversify revenue to new, higher-margin areas, including and beyond PC, Access and Payments.
- ① Remain fully committed to supporting our existing customers including Mobile.
- ① Profitability focus on projects, where our premium capabilities are valued.





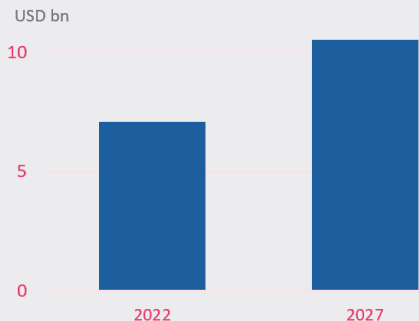
# A NEW STRATEGIC DIRECTION

# We're operating in a large and growing market

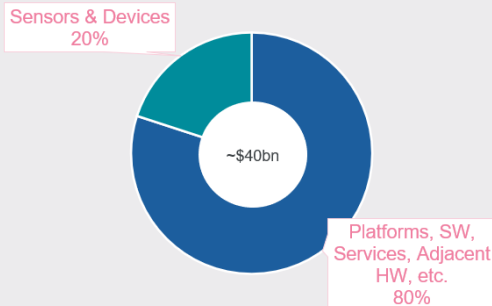


Market growth

## Biometric Devices and Sensors



## Biometrics market



Source: ABI Research, Frost & Sullivan, company estimates

Automotive, health care, smart homes, other

Payments & BFSI

Software across verticals

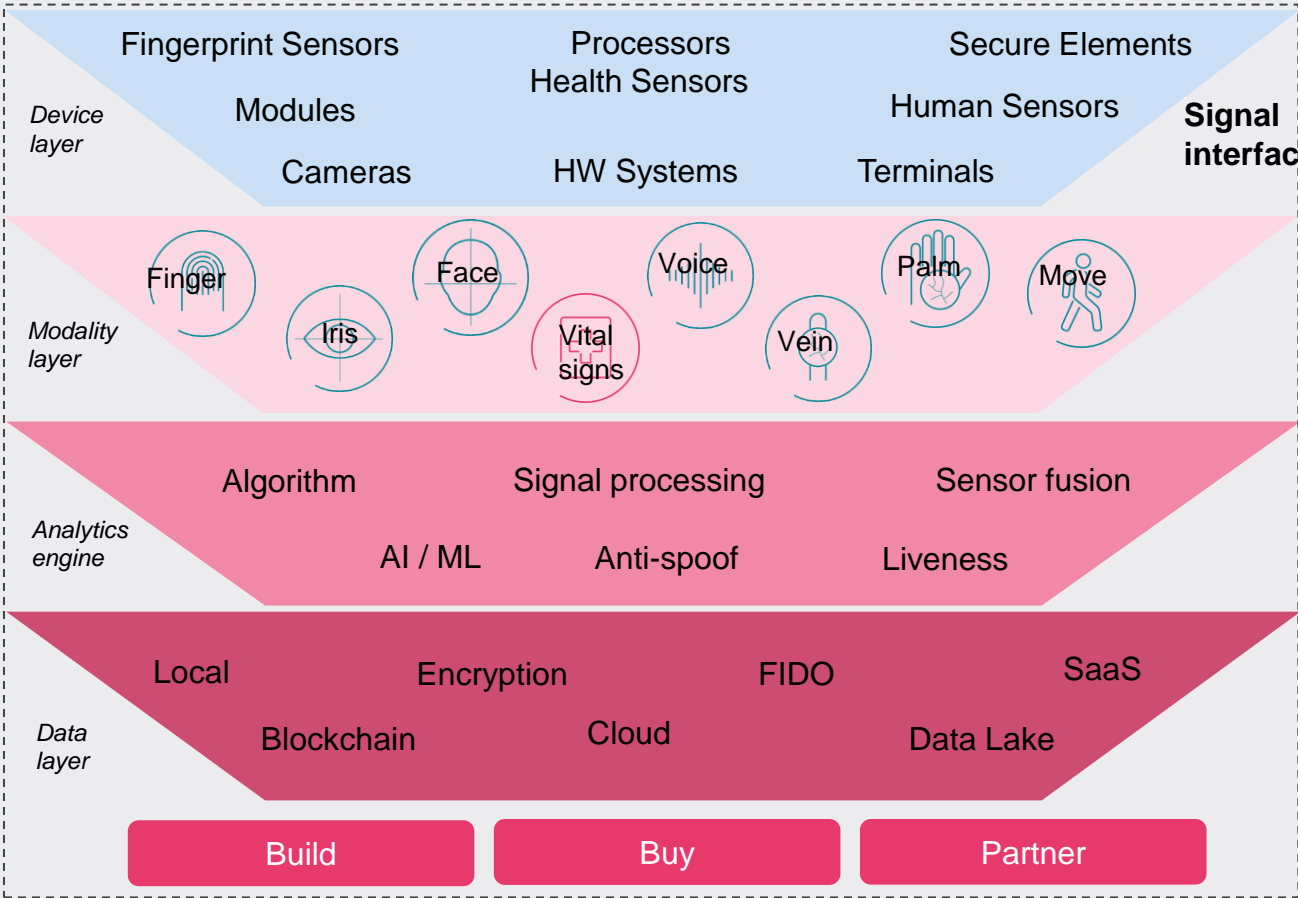
Access (Physical & Logical) end devices

Government end devices

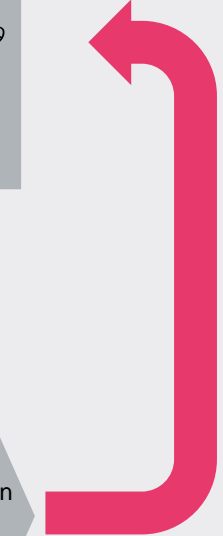
Consumer Electronics

Adjacent technologies

# Fingerprints Extensible Platform Strategy



Applications in the various segments

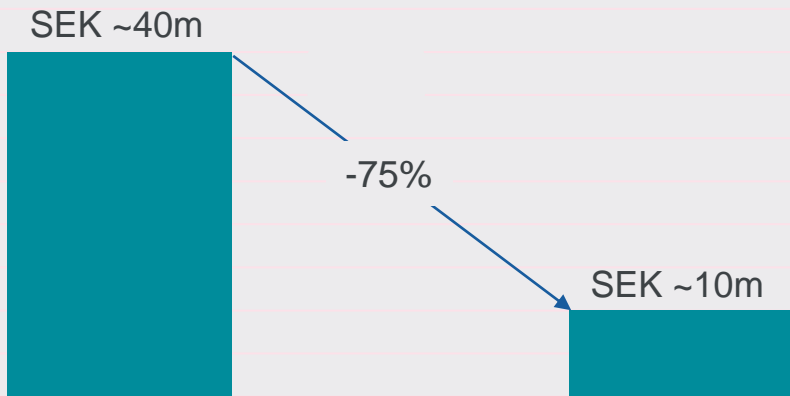


A large, faint fingerprint graphic is centered in the background of the slide. The lines of the fingerprint are a slightly darker shade of teal than the background, creating a subtle watermark effect.

# Q3 2023 FINANCIAL RESULTS

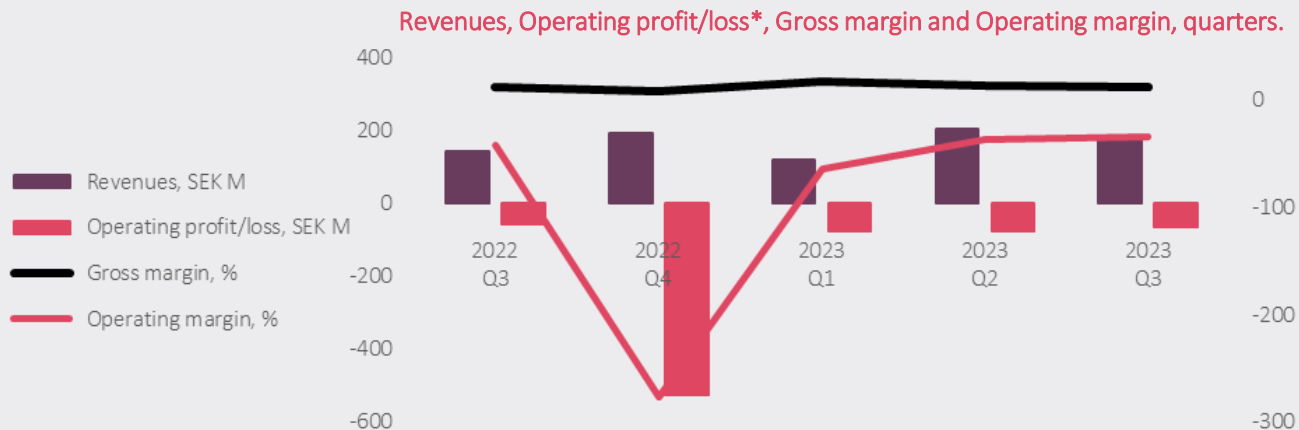
# Refinancing completed during September 2023

## Annual interest expense



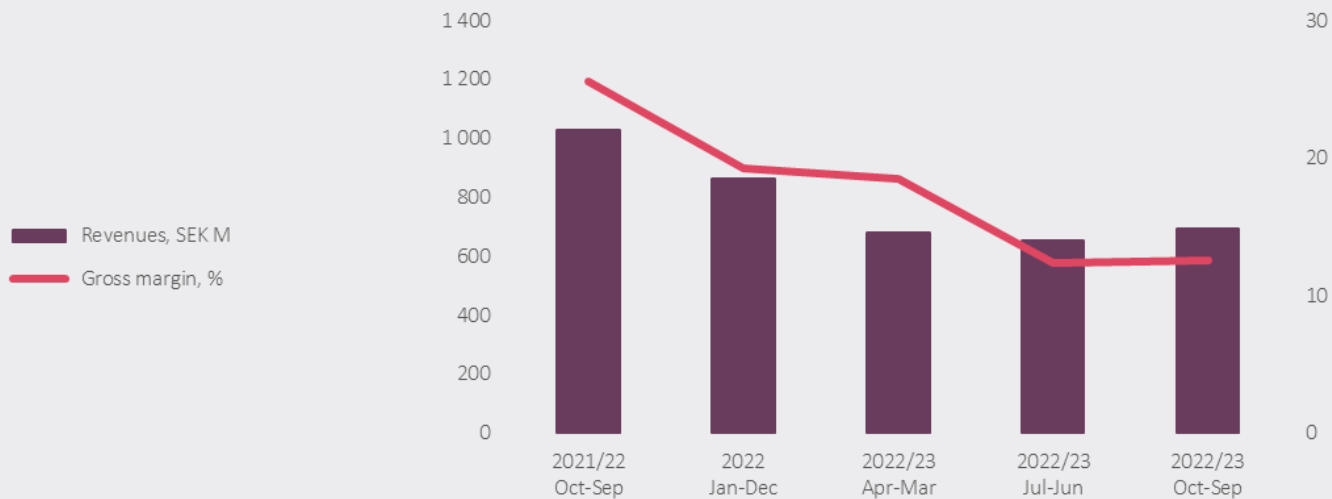
- ⦿ Bond loan repaid following convertible bond issue and rights issue
- ⦿ Interest expense will decrease by approximately SEK 30 million on an annual basis
- ⦿ We no longer have any restrictive financial commitments
- ⦿ Our ability to execute on our growth and diversification plans has significantly improved

# Q3 2023 financial performance



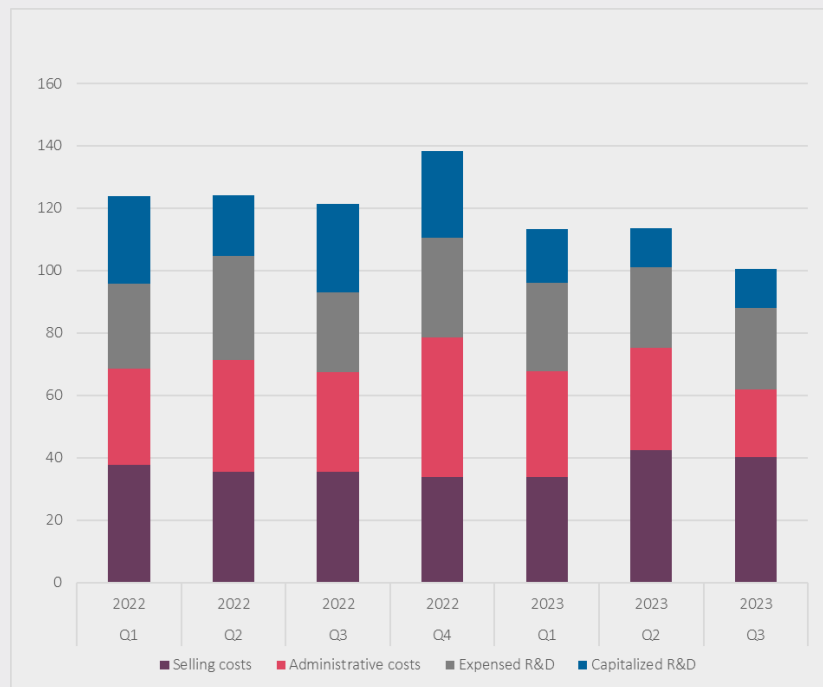
\* Operating profit in Q4 2022 was impacted by three non-cash items: a SEK 22 M inventory write-down, a SEK 116 M write-down of capitalized R&D projects and a SEK 317 M goodwill write-down related to the acquisition of Delta ID that was finalized in 2017.

# Revenue and gross margin, rolling 12 months



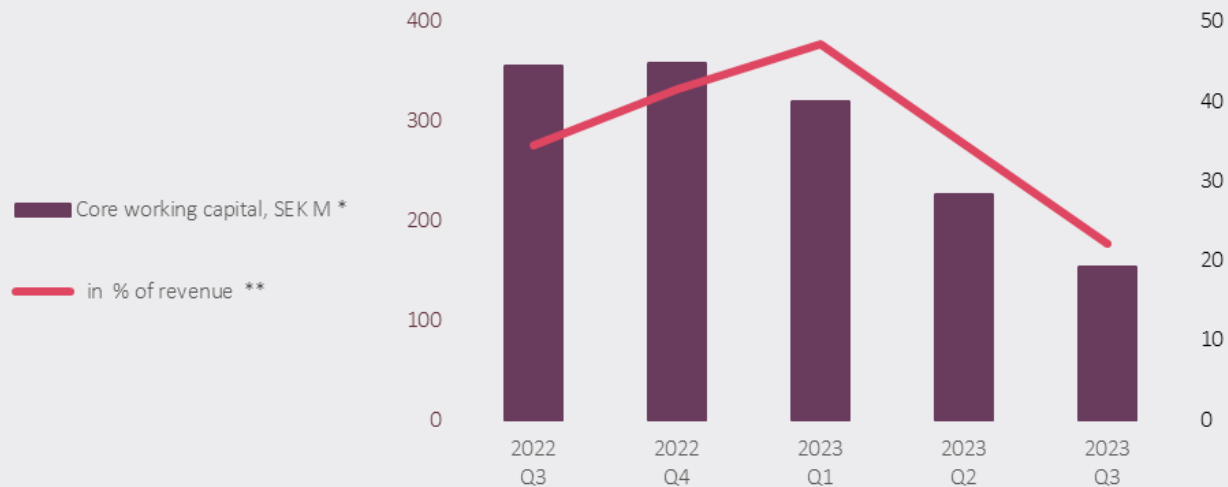
# Operating expense development (including capitalized R&D expenses)

Operating expenses and capitalized R&D expenses, MSEK





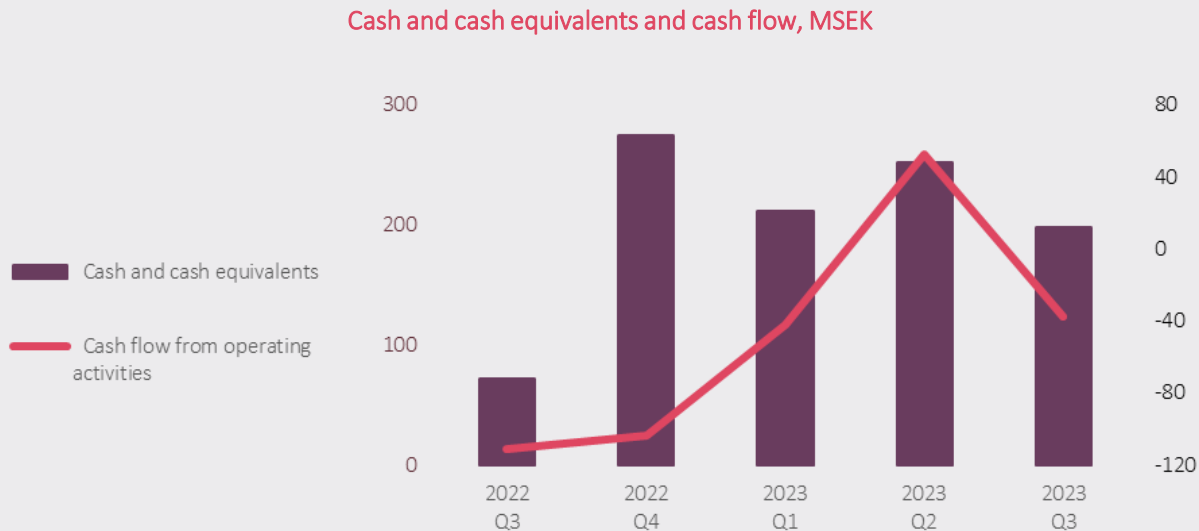
# Core working capital development



\* Accounts receivable + Inventory – Accounts payable

\*\* Rolling 12-month revenue

# Cash flow and net cash trend



- In November and December 2022, set-off issue and rights issue: SEK 341 million after transaction expenses
- In September 2023 refinancing the company



# Q&A

## 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/>