



FINGERPRINTS

Invitation to subscribe for units in Fingerprint Cards AB (publ)

Validity of the prospectus

The Prospectus is valid for a maximum of twelve (12) months after the date of its approval (23 January 2025) provided it is supplemented by any supplement required pursuant to Article 23 of Prospectus Regulation (EU) 2017/1129. The obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies ceases once the B-shares and the warrants regarding B-shares have been admitted to trading on Nasdaq Stockholm.

Please note that the unit rights are expected to have an economic value

Shareholders' of Fingerprint Cards AB (publ) as of the record date 24 January 2025 will receive unit rights in the Rights Issue. In order to avoid the unit rights losing their value, the holder must either (i) exercise the unit rights received and subscribe for Units no later than on 11 February 2025 or (ii) sell the unit rights which are not intended to be exercised for subscription of Units no later than on 6 February 2025.

Distribution of the Prospectus and subscription of the securities are subject to restrictions in certain jurisdictions, see section "Important information".

SOLE MANAGER AND BOOKRUNNER



PENSER BY CARNEGIE

Important information

This prospectus (the “**Prospectus**”) has been prepared in connection with Fingerprint Cards AB’s (publ) (“**Fingerprints**” or the “**Company**”) new issue of units consisting of new shares of class B (“**B-shares**”) and warrants entitling to subscription of B-shares (the “**Warrants**”) (the “**Units**”) with preferential rights for existing shareholders resolved by the board of directors on 17 December 2024, and approved by the extraordinary general meeting of the Company on 17 January 2025, in accordance with the terms and conditions in the Prospectus (the “**Rights Issue**”).

As of the date of the Prospectus, the Company’s shares of class A (“**A-shares**”) are not admitted to trading on a regulated market or multilateral trading facility (“**MTF**”). The Company’s B-shares are admitted to trading on Nasdaq Stockholm. A Swedish version of the Prospectus has been approved by and registered with the Swedish Financial Supervisory Authority (the “**SFSA**”) in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the Prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the “**Prospectus Regulation**”). The Prospectus has been prepared as a simplified prospectus in accordance with article 14 of the Prospectus Regulation in connection with the invitation to subscribe for Units in the Rights Issue. The SFSA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. The SFSA’s approval should not be considered as an endorsement of the Company nor should it be considered as an endorsement of the quality of the securities that are the subject of the Prospectus. The SFSA does not guarantee that the factual information in the Prospectus is correct or complete.

Distribution of the Prospectus and participation in the Rights Issue is subject to restrictions according to law and other regulations in certain jurisdictions. No measure has been taken, nor will be taken, to provide a public offering in any jurisdictions other than Sweden, Denmark, Finland and Norway. The Rights Issue is not intended for persons residing in Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the United States or any other jurisdiction where participation in the Rights Issue would require an additional prospectus, registration or measures besides those required by Swedish law or any applicable exemption. Consequently, the Prospectus and other documents relating to the Rights Issue may not be distributed in or to the above-named countries or any other country or any other jurisdiction in which distribution or the Rights Issue requires such measures or otherwise would be in conflict with applicable regulations, except if any exemption is applicable. Subscription and acquisition of securities in Fingerprints in violation of the restrictions described above may be invalidated. Recipients of the Prospectus are required to inform themselves about, and comply with, such restrictions. Any failure to comply with the restrictions described may constitute a violation of applicable securities laws.

An investment in securities is associated with certain risks (see the section “*Risk factors*”). When investors make an investment decision, they must rely on their own assessment of Fingerprints and the Rights Issue, including present facts and risks. Before making an investment decision investors should engage their own professional advisers and carefully evaluate and consider their investment decision. Investors may only rely on the information in the Prospectus and any supplement to the Prospectus. No person is or has been authorised to provide any information or make any statements other than those contained in the Prospectus and, if given or made, such information or statements must not be deemed as having been authorised by Fingerprints and Fingerprints is not responsible for any such information or statements. Neither the publication nor distribution of the Prospectus nor any transactions made in respect of the Rights Issue shall be deemed to imply that the information in the Prospectus is correct and applicable at any time other than on the date of the publication of the Prospectus, or that there have been no changes in Fingerprints business since that date. In the event of any material changes to the information in the Prospectus, such changes will be announced in accordance with the provisions on supplements of the Prospectus Regulation.

The Company assesses that it carries out protection-worthy activities under the Screening of Foreign Direct Investments Act (the “**Swedish FDI Act**”) (Sw. *lagen (2023:560) om granskning av utländska direktinvesteringar*). In accordance with the Swedish FDI Act, the Company must inform presumptive investors that the Company’s activities may fall under the regulation and that the investment may be subject to mandatory filing. If an investment is subject to mandatory filing, it must prior to its completion, be filed with the Inspectorate of Strategic Products (the “**ISP**”). An investment may be subject to mandatory filing, *inter alia*, if (i) the investor, any member of its ownership structure, or any person on whose behalf the investor is acting, would, following the investment, directly or indirectly, hold voting rights equal to or exceeding any of the thresholds of 10, 20, 30, 50, 65 or 90 per cent of the voting rights in the Company, (ii) the investor would, as a result of the investment, acquire the Company, and the investor, a member of the investor’s ownership structure or a person on whose behalf the investor is acting, would, directly or indirectly, hold 10 per cent or more of the total number of votes in the Company, or (iii) the investor, a member of the investor’s ownership structure or a person on whose behalf the investor is acting would, in some other way, as a result of the investment have a direct or indirect influence on the management of the Company. The investor may be imposed an administrative sanction if an investment that is subject to mandatory filing is carried out before the ISP has either (i) decided to take no action, or (ii) authorised the investment. For more information on which investments that may be subject to mandatory filing, please refer to the Swedish FDI Act and ISP’s webpage, <https://isp.se/eng/foreign-direct-investment/>. Equivalent mandatory filing requirement may also be imposed by equivalent bodies in other jurisdictions in accordance with equivalent legislation in other applicable jurisdictions. Each investor should consult an independent legal advisor as to the possible application of the Swedish FDI Act or equivalent legislation in other applicable jurisdiction in relation to the Rights Issue for the individual investor.

As a condition to subscribe for Units in the Rights Issue, described in the Prospectus, each person subscribing for Units will be considered to have provided or, in certain cases, be asked to provide, certain representations and warranties that will be relied upon by Fingerprints and its advisors. Fingerprints reserves the right, at its sole and absolute discretion, to declare null and void any subscription for Units that Fingerprints or its advisors believe may give rise to a breach or violation of any law, rule or regulation in any jurisdiction.

The Rights Issue and the Prospectus are subject to Swedish law. The courts of Sweden have exclusive jurisdiction to settle any conflict or dispute arising out of or in connection with the Rights Issue or the Prospectus. In case of any discrepancies between the Swedish version of the Prospectus and this English version of the Prospectus, the Swedish version of the Prospectus shall prevail.

Information to investors in the United States

No units, unit rights, subscription rights, paid subscribed Units (Sw. *betalda tecknade units*, “**BTU**”), paid subscribed B-shares (Sw. *betalda tecknade B-aktier*, “**BTA**”), shares, warrants or other securities have been registered or will be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or securities laws in any state or other jurisdiction in the United States, and may not, directly or indirectly, be offered, exercised, pledged, sold, resold, allotted, delivered or in any other way transferred, directly or indirectly, within or to the United States.

Information to investors within the EEA

No public offering of shares, warrants, units, unit rights, subscription rights, paid subscribed units, paid subscribed shares or other securities is made within the European Economic Area (“**EEA**”) in other member states than Sweden, Denmark, Finland and Norway. In other member states within the EEA where the Prospectus Regulation is applicable law, directly or by implementation into national law, such an offer can only be made in accordance with exemptions in the Prospectus Regulation or national legislation.

Forward-looking statements

The Prospectus contains certain forward-looking statements that reflect management’s current view on future events as well as anticipated financial and operational performances. Forward-looking statements can be identified by the use of words as “believe”, “calculate”, “predict”, “anticipate”, “intend”, “assume”, “can”, “plan”, “estimate”, “will”, “seek”, “should”, “could”, or “may”, or in each case their negations or similar expressions. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of several factors. Factors that may result in Fingerprints’ actual results, performance or efforts significantly deviating from those provided or indicated in the forward-looking statements include, *inter alia*, the factors discussed in the section “*Risk factors*”.

Forward-looking statements speak only as of the date of the Prospectus. Fingerprints undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or other circumstances, except for when it is required by law or other regulations. Accordingly, investors are cautioned not to place undue reliance on any of these forward-looking statements.

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The Rights Issue in brief

Preferential rights

Those who are registered as shareholders of Fingerprints on the record date 24 January 2025 are entitled to subscribe for Units in the Rights Issue in proportion to the number of shares held on the record date. The shareholder receives one (1) unit right for each share held on the record date. Eleven (11) unit rights entitles the holder to subscribe for one (1) Unit. Units not subscribed for with unit rights shall be offered to shareholders and other investors who have applied for subscription without unit rights.

Subscription price per Unit	SEK 0.48
Record date for the right to receive unit rights	24 January 2025
Subscription period	28 January – 11 February 2025
Trading in unit rights	28 January – 6 February 2025
Trading in BTU for Units	28 January – 20 February 2025

Other information

ISIN codes

B-shares	SE0008374250
Warrants	SE0023595525
Unit rights	SE0023847843
BTU for Units	SE0023847850

Short name (ticker) on Nasdaq Stockholm

B-shares	FING B
Warrants	FING TO8 B
Unit rights	FING UR B
BTU for Units	FING BTU B

LEI code

5493004YF5D7Z612Z822

Summary

INTRODUCTION AND WARNINGS

The Prospectus has been prepared in connection with Fingerprint Cards AB's (publ) ("**Fingerprints**") or the "**Company**") new issue of units consisting of new shares of class B ("**B-shares**") and warrants entitling to subscription of B-shares (the "**Warrants**") (the "**Units**") with preferential rights for existing shareholders resolved by the board of directors on 17 December 2024, and approved by the extraordinary general meeting in the Company on 17 January 2025, in accordance with the terms and conditions in the Prospectus (the "**Rights Issue**").

The Company's corporate identity number is 556154-2381. The Company's registered address is Box 2412, 403 16 Gothenburg, Sweden, its office address is Kungsgatan 20, 411 19 Gothenburg, Sweden, and its LEI code is 5493004YF5D7Z612Z822. The ISIN code for the unit rights is SE0023847843. The ISIN code for the paid subscribed Units (Sw. *betalade tecknade Units*, "**BTU**") is SE0023847850. The ISIN code for the B-shares is SE0008374250. The ISIN code for the Warrants is SE0023595525.

A Swedish version of the Prospectus has been approved and registered with the Swedish Financial Supervisory Authority (the "**SFSA**") on 23 January 2025. The SFSA's postal address is Box 7821, 103 97 Stockholm, Sweden, telephone number is +46 (0)8 408 980 00 and website is www.fi.se.

This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on an assessment of the Prospectus as a whole by the investor. Investors in securities could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have presented the summary, including translations hereof, but only if the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the securities.

KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

Information on the issuer

Fingerprint Cards AB (publ), with corporate identity number 556154-2381 and LEI code 5493004YF5D7Z612Z822, is the issuer of the securities. The registered office of the board of directors is in Gothenburg municipality, Sweden. The Company is a Swedish public limited liability company incorporated in Sweden in accordance with Swedish law. The Company's operations are regulated by the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*).

Principal activities

Fingerprints is a global biometrics company and its solutions facilitate the everyday lives of its user through secure and convenient identification and authentication.

Fingerprints' solutions are integrated into close to two billion devices and applications and are used billions of times every day. Fingerprints develops biometric systems comprising sensors, microcontroller (MCU), algorithms, software and packaging technologies, and the Company's product development has resulted in high security products and seamless user experience. The use of biometrics is increasing in several application areas, and Fingerprints' solutions can be found in *e.g.*, FIDO keys, crypto wallets, and payment cards.

Major shareholders

No natural or legal persons who has a direct or indirect shareholding in Fingerprints as of 30 September 2024 (and thereafter known changes to the Company) holds more than five (5) per cent of the total number of shares or votes in Fingerprints.

The board of directors and senior executives

The Company's board of directors consists of Christian Lagerling (chairman), Dimitrij Titov, Alexander Kotsinas, Juan Vallejo, and Adam Philpott (also President and CEO of the Group). The Company's senior executives are Adam Philpott (President and CEO of the Group), Fredrik Hedlund (CFO), David Eastaugh (Chief Strategy & Technology Officer), Caroline Krüger (Chief Human Resources Officer), Fredrik Ramberg (Chief Product Officer) and Rebecca Stein (Chief Legal Officer).

Auditor

BDO Mälardalen AB and Carl-Johan Kjellman was elected as the Company's auditor at the annual general meeting 2024 until the close of the next annual general meeting. Since 7 June 2021, Johan Pharmanson is auditor in charge. Both Johan Pharmanson and Carl-Johan Kjellman are authorised public accountants and members of FAR (the professional institute for authorised public accountants in Sweden). BDO Mälardalen AB's and Carl-Johan Kjellman's address is Box 6343, 102 35 Stockholm, Sweden.

Key financial information regarding the issuer

Summary of key financial information

Selected income statement items

	1 January–31 December	1 January–30 September
MSEK	2023	2024
Revenues	705.4	361.6
Operating profit/loss	-320.4	-456.7
Comprehensive income for the period	-360.3	-606.2
Earnings per share (before and after dilution) ¹⁾	-0.31	-0.30

1) Comparison periods have been recalculated to take into account bonus issue elements in the completed rights issue.

Selected balance sheet items

	31 December	30 September
MSEK	2023	2024
Assets	1,083.6	478.7
Shareholders' equity	691.6	315.9

Selected cash flow items

	1 January–31 December	1 January–30 September
MSEK	2023	2024
Cash flow from operating activities	-88.3	-162.0
Cash flow from investing activities	-46.1	-10.4
Cash flow from financing activities	-25.7	110.0

KEY RISKS SPECIFIC FOR THE ISSUER

Risks related to Fingerprints' industry, market and business

Fingerprints is subject to risks in connection with the implementation of its transformation plan

The implementation of Fingerprints' transformation plan, and in particular the diversification to higher-margin product lines, is subject to implementation risks, where both the appropriateness and the performance can be affected

by several factors which are outside Fingerprints' control. If Fingerprints fails to materialise the improvements in accordance with its ambitions, or if the measures are either insufficient or lacking, there is a risk that Fingerprints' estimated costs or net cash outflow will not improve as expected.

Fingerprints is dependent on its ability to attract new and retain existing customers

There is no guarantee that Fingerprints will successfully retain existing customers, or attract new customers in the future. If the sale of the Group's products decreases or if the Group loses one or more of its larger customers, it could have a material adverse effect on Fingerprints. In addition, due to the Group's decreased financial capacity there is a risk that current and future customers choose another supplier and that Fingerprints is not able to enter or renegotiate agreements on commercially favourable terms. The Group's growth is also dependent on Fingerprints' ability to attract new customers and it could be difficult for Fingerprints to determine the optimal prices for its products.

Fingerprints is dependent on a limited number of third party suppliers

The Group is dependent on a limited number of third party suppliers which are key to the Group's product offering and overall business. If the Group's suppliers experience disruptions, there is a risk that the Group's suppliers of semiconductors will deliver too late or not at all, or that the quality of the shipments will not meet the Group's expectations, which would hinder the Group's ability to manufacture its biometric sensors in a rate which is sufficient enough to meet the Company's delivery obligations to its customers. In the event that the Group's current agreements with suppliers are terminated and the Group is unable to replace such third party suppliers at acceptable prices or within reasonable time, it could have a material adverse effect on the Group's business.

Fingerprints is exposed to risks related to outsourcing

The Group does not have its own production capabilities, but outsources the production of the Group's biometric sensors to third parties (the "Manufacturers") and is therefore dependent on the availability and performance of the Manufacturers. There is a risk that Manufacturers choose to prioritise other major players in the event of production stoppage, which would affect Fingerprints' ability to deliver products on time. There is also a risk that the Group only succeeds to contract new Manufacturers at a higher price, which would entail decreased margins for the Group. In addition, protectionist measures imposed on the Group and/or its Manufacturers could also affect the Group's ability to retain Manufacturers at reasonable terms.

Legal and regulatory risks

Fingerprints is exposed to risks related to processing of personal data

The Group is subject to extensive regulatory requirements regarding data privacy and processing of personal data in the jurisdictions that Fingerprint is operating in and may be subjected to administrative sanction fees or other legal sanctions due to violations to GDPR or other data privacy or cyber security regulation. In addition, Fingerprints may be affected by changes to laws and regulations regarding processing of personal data and the implementation of such changes.

Risks related to the Group's financial situation

Fingerprints is exposed to liquidity and financing risks

Fingerprints is subject to a significant liquidity risk, with a heightened possibility of being unable to fulfil its payment obligations due to severe cash shortfalls. Even if the Rights Issue is successful, there remains a risk that the Company could face further liquidity challenges within the upcoming twelve-month period, particularly if sales volumes, cost savings and profit margins fall short of expectations or if the execution of its transformation plan encounters significant setbacks. Fingerprints may need additional funding in order to finance growth, provide or improve its products, respond to competition or to make acquisitions and/or other investments. In case financing is not available on acceptable terms or at all, Fingerprints may not be able to continue to fund its ongoing operations or expand its business at a desired rate.

KEY INFORMATION ON SECURITIES

Main features of the securities

The Prospectus relates to a rights issue in Fingerprints of not more than 333,126,105 Units with preferential rights for existing shareholders in Fingerprints (the “**Rights Issue**”).

Each Unit consists of forty-eight (48) B-shares (ISIN: SE0008374250) and eight (8) Warrants of series 2025:1 (ISIN: SE0023595525), which entitles to subscription of one (1) B-share in the Company.

Existing shares in the Company are denominated in Swedish krona (SEK). As of the date of the Prospectus the registered share capital in the Company amounts to SEK 159,722,063.945933, divided into 3,668,187,158 shares (of which 7,875,000 are A-shares and 3,660,312,158 are B-shares). The quota value is SEK 0.043543 per share and will, upon registration of the new B-shares and Warrants with the Swedish Companies Registration Office, be SEK 0.0002 per share. One (1) Warrant entitles the holder to subscribe for one (1) new B-share in the Company from and including the first trading day that falls after 11 September 2026 up to and including 2 October 2026.

Rights attached to the securities

Each A-share entitles to ten (10) votes at a general meeting. Each B-share entitles to one (1) vote at a general meeting. Should the Company resolve to issue new A-shares and B-shares by way of a cash issue or set-off issue, shareholders of A-shares and shareholders of B-shares shall have preferential rights to subscribe for new shares of the same class in proportion to the number of shares previously held (primary preferential right). Shares that are not subscribed for with primary preferential rights shall be offered to all shareholders for subscription (subsidiary preferential rights). If the offered shares are not sufficient for the subscription that takes place with subsidiary preferential rights, the shares shall be distributed among the subscribers in proportion to the number of shares previously held and to the extent that this cannot be done, by drawing lots. If the Company decides to issue warrants or convertibles by way of a cash issue or set-off issue, shareholders shall have preferential rights to subscribe for warrants as if the issue applied to the shares that may be newly subscribed for on the basis of the warrants, or, respectively, preferential rights to subscribe for convertibles as if the issue pertained to those shares for which the warrants or convertibles, respectively may be exchanged. If the Company decides to only issue A-shares or only B-shares, by way of a cash issue or set-off issue, all shareholders shall have preferential rights to subscribe for new shares in relation to the number of shares previously held, irrespective of whether their shares are A-shares or B-shares. The abovementioned shall not constitute a restriction on the possibility to resolve regarding a cash issue or a set-off issue with deviation from the shareholders' preferential rights.

Upon increase of the share capital through a bonus issue, new shares of each class shall be issued *pro rata* to the number of shares of the same class that already exist. Thereby, existing shares of a specific class carry entitlement to new shares of the same class. The aforementioned shall not restrict the possibility of issuing shares of a new class through a bonus issue, following necessary amendments of the articles of association.

The shares in the Rights Issue carry the right to dividend from the first record date that follows after the Rights Issue has been registered with the Swedish Companies Registration Office. All shares have an equal right to dividends as well as to the Company's assets and any surplus in the event of liquidation. The shares are not subject to any transfer restrictions.

In January each year, the board of directors will address questions pertaining to the conversion to B-shares for those A-shares holders having requested conversion during the immediately preceding calendar year. However, should the board of directors find grounds thereto, the board is permitted to address conversion issues even at other times. Conversions shall be reported for registration without delay and conversion shall become effective as soon as registration has been completed.

The Warrants have the following rights. The Warrants entitles the holder to subscribe for one (1) new B-share in the Company at a subscription price corresponding to 70 per cent of the volume-weighted average price of the Company's B-share on Nasdaq Stockholm the 10 trading days that falls prior to (but not including) 11 September

2026 (however never exceeding 150 per cent of the implied subscription price per B-share in the Company's Rights Issue). The average price and the calculated subscription price shall be rounded to the nearest SEK 0.01, where SEK 0.005 shall be rounded down. Notwithstanding the above, the subscription price may never be lower than (i) SEK 0.01 or (ii) the quota value of the Company's shares from time to time. B-shares issued following subscription shall entitle the holders thereof to participate in the distribution of dividends for the first time on the record date that occurs immediately following the execution of the subscription, *i.e.*, when the B-shares have been registered with the Swedish Companies Registration Office and in the share register maintained by Euroclear Sweden AB.

Dividend policy

The Company has no established policy in terms of the time horizon for when dividends shall be distributed to the shareholders, or how much of the Company's future results that shall be distributed to the shareholders. The board of directors' main priority is to ensure that Fingerprints has a financial position that is strong enough to support both organic growth and selective acquisitions. In addition, Fingerprints is seeking to maintain a strong balance sheet. The distribution of capital to shareholders shall be aligned with the development of earnings and cash flow while taking into account the Company's growth opportunities and financial position.

Where will the securities be traded?

Trading in unit rights regarding Units issued in the Rights Issue is expected to, upon application, commence on Nasdaq Stockholm on 28 January 2025. Trading in paid subscribed Units (Sw. *betalda tecknade Units*, "**BTU**") on Nasdaq Stockholm is expected to, upon application, commence on 28 January 2025. The new B-shares and the Warrants are expected to be admitted to trading on Nasdaq Stockholm, upon application, in connection with the conversion of BTU to B-shares and Warrants, which is expected to occur on or around 26 February 2025.

What are the key risks that are specific to the securities?

The price of the shares and the warrants may be volatile and its development depends on several factors

An investment in Units (and thereby B-shares and Warrants) can increase or decrease in value and there is a risk that an investor loses all, or parts of the invested capital. During the third quarter 2024, the price for the B-share has fluctuated from SEK 0.1015 at its highest, to SEK 0.0472 at its lowest. The development of the B-share price and the warrant price is dependent on several factors, some of which are company-specific while others are related to the securities market in general.

Fingerprints ability to pay dividends in the future might be limited and is dependent on several factors

The Company has not paid any dividends in the last few years and it is the Company's current expectation that no dividends or share repurchases will occur in the foreseeable future. Fingerprints' ability to pay dividends in the future and the size of any such dividends are dependent on Fingerprints' future profit, financial position, cash flows, need for net working capital, investment costs and other factors.

Risks related to the Rights Issue

Risks associated with unsecured subscription undertakings and guarantee commitments

Certain existing shareholders of Fingerprints, board members and members of the executive management has entered into subscription undertakings, and certain external guarantors have entered into guarantee commitments to subscribe for Units Rights Issue corresponding to a total of up to SEK 115 million. The commitments are not secured, thus there is a risk that one or more of the parties will not meet all or part of their respective commitments. Further, there is a risk that one of the external guarantors may exceed ten (10) per cent of total number of votes in Fingerprints following the Rights Issue, hence the investment may be subject to mandatory filing under the Swedish FDI Act (defined below). If the commitments are not fulfilled in time or at all (for example due to a required FDI Decision not being obtained), it may have a material adverse effect on Fingerprints' ability to complete the capital raise of the guaranteed part of the Rights Issue of up to SEK 115 million.

KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND THE ADMISSION TO TRADING ON NASDAQ STOCKHOLM

Under which conditions and timetable can I invest in this security?

The terms and conditions of the offering

Number of Units offered: 333,126,105.

Subscription right: Any person registered as a shareholder in the share register maintained by Euroclear Sweden on the record date 24 January 2025 receives one (1) unit right for each share, irrespective of class, owned by the shareholder. Eleven (11) unit rights entitles to subscription of one (1) Unit. Only whole Units can be subscribed (*i.e.*, no fractions). To the extent that new Units are not subscribed for by exercising unit rights, these shall be allotted to shareholders and other investors who have subscribed for Units without exercising unit rights. Allotment of Units that would result in the investor's holding of voting rights in the Company exceeding any of the thresholds under the Foreign Direct Investment Screening Act (the "**Swedish FDI Act**") (Sw. *lag (2023:560) om granskning av utländska direktinvesteringar*), and, if applicable, equivalent legislation in other jurisdictions, with the exception for shares acquired with preferential rights *pro rata* to the number of shares previously held by the investor, requires that the Inspectorate of Strategic Products (the "**ISP**"), and equivalent body in other jurisdiction, as applicable, has (i) decides to take no action, or (ii) authorises the investment.

Allotment of Units in the Rights Issue (and thereby B-shares) that would entail that a party who guarantees part of the Rights Issue gains control of ten (10) per cent or more of the votes in the Company following the Rights Issue requires a prior decision from ISP in accordance with the Swedish FDI Act and, if applicable, any other equivalent body pursuant to legislation in any other jurisdiction, to approve the investment or leave the application therefore without remark ("**FDI Decision**"). Such Units (and thereby B-shares) in the Rights Issue which, if granted to a party who guarantee part of the Rights Issue, would require a FDI Decision and such FDI Decision has not been obtained at the time of granting are referred to as "**FDI Units**".

Record date for the right to receive unit rights: 24 January 2025.

Subscription period: 28 January 2025 – 11 February 2025 (the subscription period for potential FDI Units is however 28 January 2025 – the earlier of (i) the business day that falls three (3) business days from an obtained FDI Decision (however not earlier than the last day of the general subscription period) and (ii) 13 June 2025).

Subscription price Units: SEK 0.48.

Payment: Subscription for Units by exercising unit rights shall be made through cash payment. Payment for Units subscribed for without exercising unit rights shall be made in cash in accordance with the instructions on the distributed settlement note.

Trading in unit rights: 28 January 2025 – 6 February 2025.

Trading in BTU: 28 January 2025 – 20 February 2025.

Conversion of BTU to B-shares and Warrants: On or around 26 February 2025. B-shares and Warrants in respect to potential FDI Units issued in the Rights Issue are however expected to be registered on securities account (Sw. *VP-konto*) on or around three (3) business days after such B-shares and Warrants have been registered with the Swedish Companies Registration Office, however not earlier than the registration of B-shares and Warrants in respect to Units that do not constitute FDI Units.

Admission to trading on Nasdaq Stockholm of B-shares and Warrants: On or around 26 February 2025. B-shares and Warrants in respect to potential FDI Units issued in the Rights Issue are however expected to be admitted to trading on or around three (3) business days after such B-shares and Warrants have been registered with the Swedish Companies Registration Office, however not earlier than the admission to trading of the B-shares and Warrants in respect to Units that do not constitute FDI Units.

Dilution: For shareholders who decide not to subscribe its share in the Rights Issue, a dilutive effect of not more than 15,990,053,040 new B-shares arises, corresponding to approximately 81.3 per cent of the total number of shares in Fingerprints following the Rights Issue, provided that all Units in the Rights Issue are subscribed for. If also the Warrants are exercised in full, a total dilutive effect of not more than 18,655,061,880 new B-shares arises, corresponding to approximately 83.6 per cent of the total number of shares in Fingerprints after the completion of the Rights Issue and full exercise of the Warrants.

Costs for the offer: Approximately SEK 28 million if the Rights Issue is fully subscribed.

Why is the Prospectus being produced?

Background, reasons and use of the net proceeds from the Rights Issue

The completion of the Company's last rights issue in 2024 and the redemption of the Company's previous convertible bonds was necessary in order to execute on the transformation plan and Fingerprints' expected that it would be sufficient to fund the Company for at least a twelve-month period. However, since the last rights issue was not fully subscribed and given the Group's overall operational performance, it is the Company's assessment that the existing working capital is not sufficient for the Fingerprints' total current working capital needs for the upcoming twelve-month period. In order to provide the Company with sufficient working capital up until the completion of the Rights Issue, a consortium of external investors has provided a short-term loan of SEK 40 million to the Company pursuant to a bridge loan agreement entered into on 17 December 2024 (the "**Bridge Loan**").

In order to finance Fingerprints' ongoing operations during the next twelve months to, in turn, enable the Group's ongoing operations during the continued implementation of the transformation plan, and repayment of the Bridge Loan, the Company is in need of additional funds. It is therefore the Company's assessment that the existing working capital is not sufficient for the Company's total current working capital needs for the upcoming twelve-month period. The Company assesses that, as of the date of the Prospectus, the Company has a total working capital shortfall of approximately SEK 80 million for the following twelve-month period, which is expected to arise in connection with the Bridge Loan falling due for payment at the latest 31 March 2025 (if the Rights Issue has not been carried out prior to this date).

Following deduction of issue related costs, which is expected to amount to approximately SEK 28 if the Rights Issue is fully subscribed, the net proceeds of the Rights Issue will amount to no more than SEK 131.9 million. *Firstly*, the net proceeds will be used to fully repay the Bridge Loan together with accrued but unpaid interest and set-up fee (SEK 43 million), and *secondly*, be used for general corporate purposes (SEK 88.9 million). Such general corporate purposes includes, *inter alia*, funding the transformation plan, including the continued wind down of the Chinese operations, and the Group's ongoing operations during the continued implementation of the transformation plan and future growth initiatives. Assuming the Warrants are exercised for subscription of B-shares, the Company intends to use the net proceeds from the subscription to finance expenditure within the day-to-day business, including various customer projects and investments in research and development regarding the Group's products.

Interest and conflicts of interests

The Company's financial advisor in connection with the Rights Issue is Penser by Carnegie, Carnegie Investment Bank AB (publ) ("**Penser by Carnegie**"). Penser by Carnegie receives customary remuneration which to some extent is dependent on the outcome of the Rights Issue. Penser by Carnegie (as well as its affiliates) have provided, and may in the future provide, various banking, financial, investment, commercial and other services to the Company for which Penser by Carnegie have received, or may receive, compensation.

Risk factors

An investment in the Company's securities and the Rights Issue are associated with risks. Prior to any investment decision, it is important to carefully analyse the risk factors considered to be of importance in relation to the Company's securities and its future performance. The risks factors are presented in a limited number of categories and include risks related to Fingerprints industry, market and business, legal risks, financial risks, and risk relating to the shares and the Rights Issue. Pursuant to the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation") the risk factors described below, are limited to risks which are specific for Fingerprints and/or the shares and which are deemed material for making a well-founded investment decision. Furthermore, Fingerprints has assessed the materiality of the risk factors based on the probability of their occurrence and the expected magnitude of their negative outcome. The risk factors that, based on the assessment of the probability and expected magnitude are deemed the most material, are presented first in each subsection, while the risk factors thereafter are presented in no specific order. The description of the risk factors below is based on information available and estimates made on the date of the Prospectus.

RISKS RELATING TO FINGERPRINTS' INDUSTRY, MARKET AND BUSINESS

Fingerprints is exposed to risks in connection with the implementation of its transformation plan

Due to a significant cash burn rate and a strained liquidity position within the Group – primarily driven by unsustainably low gross margins in the Mobile product group – the Company brought in a new executive leadership team who announced a comprehensive transformation plan in 2023. This plan is fully operational and aims to return Fingerprints to profitability while establishing stronger future prospects by focusing on high-margin business segments in the identity and cyber security market, achieving sustainable and profitable growth. The transformation plan encompasses several strategic initiatives, including a significant cost optimization program, enhanced organizational effectiveness, and an evolved strategy to further accelerate diversification into higher-margin product lines.

In line with the transformation plan and as announced in the interim report for the period January–March 2024, Fingerprints is exiting

commoditized, low-margin markets to prioritize profitable growth segments. As part of this realignment, the Company is winding down its loss-making operations in the Mobile product group to safeguard its financial health and ensure future viability and in June 2024, Fingerprints entered into an exclusive partnership agreement with a biometric sensor solution provider, facilitating a more efficient wind down of the Mobile operations and inventory depletion. In addition to these market dynamics, the PC product group has experienced lower sales, partly due to the lifecycle maturity of certain models incorporating the Company's technology. This has driven customers to diversify their supplier base, further impacting Fingerprints' market share – particularly as a small-cap company following the Mobile wind down. Securing new PC projects has proven to be both capital- and time-intensive, further underscoring the unsustainability of the product group. Against this backdrop, Fingerprints is winding down the PC product group to achieve further cost reductions and exit the Chinese market entirely. This decisive action aligns with the broader transformation plan, focusing on high-margin segments and ensuring Fingerprints' long-

term financial health and operational sustainability. However, there is no guarantee that the diversification to higher-margin product lines or the wind downs in accordance with the above will be successful or as profitable and cost effective as expected.

In parallel with the above and to further execute the transformation plan and new strategy, Fingerprints is continuing its focus on the core biometric business whilst expanding to digital identity, a core component of human-digital interactions. As the Company completes the phase-out of the Mobile product group, it is also strategically reallocating capital toward high-margin, high-growth segments in digital identity through the Access and Payment product groups. Additionally, the Company is also exploring new business product group partnerships, including within iris technology, to leverage Fingerprints' extensive experience and competence.

The implementation of the transformation plan, and in particular the diversification to higher-margin product lines, is subject to implementation risks, where both the appropriateness and the performance can be affected by several factors which are outside Fingerprints' control. The implementation is based on certain goals and assumptions, founded on current expectations and assumptions about the future, including the global economy, customer demand, competition, and operational factors. Such assumptions are subject to considerable uncertainty and can differ from actual results.

Additionally, the transition to a small-cap company, as part of the transformation plan, is costly for several reasons, including the fact that the Company must fulfil certain regulatory requirements, which entail substantial administrative costs that has proven difficult to scale down in proportion to the wind down of the Mobile and PC operations. Thus, there is a risk that the implementation of the plan may require more time and resources than expected. Further,

there is a risk that the transformation plan in general, and the diversification to higher-margin product lines in particular, does not reach the expected advantages, in time or at all. If Fingerprints fails with the implementation of the new strategy, including the wind down of the Mobile and PC operations, Fingerprints may be required to continue financing the Mobile product group and the underperforming PC product group for a longer period than currently planned. Thus, there is a risk that the Company's costs and net cash outflow will exceed Fingerprints' estimates and have an adverse material effect on Fingerprints' operation, profit, and financial position.

If Fingerprints does not successfully realise the above, and other aspired improvements as a part of the transformation plan, or if the implementations are either insufficient or lacking, there is a risk that Fingerprints' estimated costs or net cash outflow will not improve to the extent expected by Fingerprints.

Furthermore, if the market conditions materially deviates from the expectations and assumptions on which the transformation plan is based, there is a risk that the plan is not appropriate and that the Group will not be able to implement it, which would have a material adverse effect on Fingerprints' operation, costs, profit and future prospects.

Fingerprints is dependent on its ability to attract new and retain existing customers

Fingerprints main product group, following the wind down of Mobile and PC, is the Access product group. Within Access, Fingerprints' three largest customers accounted for approximately 58 per cent of the Group's revenues within the Access, Payment, and Iris operations during the nine-month period ending 30 September 2024. Fingerprints' transition to a small-cap company, combined with its relatively concentrated customer base, places it in a vulnerable position and there is no guarantee that Fingerprints will

successfully retain existing customers, or attract new customers in the future. If the sale of the Group's products decreases or if the Group loses one or more of its larger customers (*e.g.*, due to a general decrease in demand as a result of general economic conditions or sanctions against larger customers), it could have a material adverse effect on Fingerprints' rate of growth, business, results and financial position. For example, the current wind down of the Group's Mobile operations and the Group's smaller size has entailed losses of customers in the PC product group and resulted in reduced sales.

There is a risk that the Group's customers will choose to switch to a competitor of Fingerprints due to its transition to a small-cap company or for other reasons. Additionally, customers may opt to develop proprietary products to replace the Group's products following the expirations of their contract. In addition, due to the Group's decreased financial capacity there is a risk that Fingerprints' current and future customers, out of concern for the Group's ability to deliver under the agreement, choose another supplier that they consider having a more secure financial future. There is also a risk that Fingerprints, when entering into new agreements or when renegotiating already existing agreements, is not able to enter the agreements on commercially favourable terms, which could affect the Group's profit margins going forward.

The Group's relative customer concentration also entails a higher credit risk. If payment for one or more of Fingerprints' accounts receivables fails in whole or in part, and the losses is not covered by the Group's credit insurance, the Group may incur credit losses. Such credit losses may in turn have material adverse effect on the Group's cash flow and liquidity, and ultimately, on the Group's financial position.

The Group's future profitability and growth is also dependent on Fingerprints' ability to attract new customers on existing and new product markets

and geographical markets. It could be difficult for Fingerprints to determine the optimal prices for its products, especially when expanding its business in new geographic areas and introducing new products. If the Group does not offer its products at optimal prices, especially in markets where the Group faces significant competition, there is a risk that the Group may be unable to attract new customers or encourage existing customers to expand their use of Fingerprints' products. If any of these risks would materialise it could have material adverse effect on the Group's growth, long-term revenue and operations.

Fingerprints is dependent on a limited number of third party suppliers

The Group is dependent on a limited number of third party suppliers which are key to the Group's product offering and overall business. The Group relies on third party suppliers for delivery of semiconductors, primarily silicon wafers which constitute the core component in Fingerprints' biometric sensors. During the nine-month period ended 30 September 2024, Fingerprints' five largest suppliers accounted for 57.7 per cent of the total purchase value, of which the largest supplier's share accounted for 31.7 per cent. If one or several of Fingerprints' larger suppliers, for any reason, would cease with its deliveries to the Group, it would have a material adverse effect on the Group's production and operations.

If the Group's suppliers experience disruptions, there is also a risk that the Group's suppliers of semiconductors will deliver too late or not at all, or that the quality of the deliveries will not meet the Group's expectations which would hinder the Group's ability to manufacture its biometric sensors in a rate which is sufficient enough to meet Fingerprints' delivery obligations to its customers. Delays in deliveries and subsequent delays in customer payments may harm the Group's cash flow and in turn have a material adverse effect on the Group.

Fingerprints' transition to a small-cap company, leading to lower volumes, may make it less competitive and attractive to suppliers who may prioritize their other customers, consequently affecting the Group's negotiating position. The Group's ability to renew existing agreements with suppliers, or to enter into new contractual relationships upon the expiration of such agreements, on commercially attractive terms or at all, depends on a range of commercial and operational factors and events, *e.g.*, the willingness of suppliers to enter into new agreements, the demand for the products and services of such parties or general economic conditions. Further, the Company's smaller size and current restrained liquidity position can make it more difficult to replace and retain suppliers on favourable terms, which could have a material adverse effect on Fingerprints' margins, and consequently, the Group's results. Protectionist measures imposed on the Group and/or its suppliers could also affect the Group's ability to enter into and/or renew agreements with suppliers on commercially attractive terms or at all.

In the event that the Group's current agreements with suppliers are terminated and the Group is unable to replace such third party suppliers at acceptable prices or within reasonable time, it could have a material adverse effect on the Group's business.

Fingerprints is exposed to risks related to outsourcing

The Group does not have its own production capabilities, but outsources the production of the Group's biometric sensors to third parties (the "**Manufacturers**") and is therefore dependent on the availability and performance of the Manufacturers. During the nine-month period ending 30 September 2024 the Group had contracts with approximately 20 different Manufacturers for the production of the Group's products.

Fingerprints has historically, and there is a risk that Fingerprints in the future will, experience production stoppages due to delayed or failed deliveries from the Group's suppliers, which would result in the Group being unable to deliver its products to the customers on time.

Fingerprints' transition to a small-cap company, leading to lower volumes, entails that Fingerprints, in comparison to some of the Manufacturers' largest customers, is considered a minor player in the market. This may result in Manufacturers choosing to prioritise other mayor players in the event of production stoppage, which would affect Fingerprints' ability to deliver products on time. If Fingerprints is subject to significant downtime in the future and therefore is unable to deliver its products on time, there is a risk that the customer affected by the downtime will claim compensation from the Group. If the Group's insurance for production stoppages does not cover all or part of the compensation paid, it could in turn have a material adverse effect on the Group's margins and results.

If several Manufacturers would terminate their agreements with the Group, become insolvent or fail to fulfil their contractual obligations pursuant to the agreements between the Group and the Manufacturer, Fingerprints would need to find new Manufacturers in order to meet its obligations to the Group's customers. Furthermore and especially considering the Company's current restrained liquidity position, there is a risk that the Group will be unable to contract new Manufacturers, at all or at reasonable costs. The transition to a small-cap company may also entail that Fingerprints is considered less attractive to Manufacturers, and that Manufacturers as a result choose not to prolong the contracts with the Group as they expire. If the Group is unable to renew the contracts and/or contract new Manufactures in time, the Group could be unable to deliver its products to the customers in accordance with existing customer agreements, which could result in customer losses and decreased revenues for the

Group. Even if new Manufacturers are contracted, there is a risk that the production will not resume fast enough. If the Group only succeeds to contract new Manufacturers at a higher price, it would also entail decreased margins for the Group which in turn would have a material adverse effect on the Group's results. In addition, protectionist measures imposed on the Group and/or its Manufacturers could also affect the Group's ability to retain Manufacturers at reasonable terms.

Fingerprints is affected by fluctuations in raw material prices

The prices of semiconductors used in Fingerprints' products are to a substantial degree related to the prices of the underlying raw materials, primarily the price of silicon and, to a lesser degree, the price of gold. Price fluctuations in the price of silicon and/or gold could thus entail a higher cost per unit for the Group. For example, the price of silicon temporarily fluctuated significantly during 2021 with price increases of up to 300 per cent as a result from disruptions in the electricity supply in China, which is the largest producer and exporter of silicon. There is a risk that future price fluctuations on raw material of which Fingerprints is dependent may increase the Group's expenses. The price paid by the Company for the raw materials used in the Company's operations is also particularly affected by currency effects, primarily the exchange rate between SEK and USD (see section "*Fingerprints is exposed to currency risks*"). If the Group would be unable to transfer such cost increases to its customers, it could entail lower margins. This could in turn have a material adverse effect on Fingerprints' results.

Fingerprints is exposed to risks relating to the Group's ability to scale up and develop its operations

The Group's business is based on the development, production and sale of biometric authentication solutions, and the Group's future growth and results depend on the Group's ability

to scale up its production and sales volume in certain product groups in accordance with Fingerprints' strategy to reduce the production cost per unit, increase the margins and enable lower prices to its customers. Assuming that Fingerprints incorrectly assesses an appropriate inventory level, it could result in a capital tie-up for the Group that does not correspond to the increased sales volume and increased future cash flows, which could have a material adverse effect on the Group's revenues and results.

Further, the Group's ability to scale up its operations within certain product groups in accordance with Fingerprints' strategy will be of greater importance as the competition from larger providers of biometric authentication solutions of similar quality to those offered by the Group increases, which will entail a larger focus on price levels. Larger competitors could utilise their scalability and cost advantage to drive down prices and take market shares. In order for the Group to protect and increase its market share and deliver on its future growth strategy while simultaneously transitioning to a small-cap company, the Group must be able to scale up its operations through attractive partnerships, collaborations and/or acquisitions. Additionally, the Group needs to integrate acquired businesses successfully and reap synergies, and as such strengthen as well as maintain its competitive position. There is a risk that Fingerprints' constrained financial position, if it does not improve within the foreseeable future, affects Fingerprints' ability to scale up its operation as planned or aspired. If Fingerprints is unable to adequately scale its operations within in the Access, Payment, and Iris markets through partnerships and/or collaborations, it could have a material adverse effect on Fingerprints operations and results.

During 2023, Fingerprints started the operational initiative called New Business. The initiative was established for developing new business

operations and drive revenue growth, as well as to further accelerate the diversification of Fingerprints' revenue with a particular focus on four areas: New Partners, complementary acquisitions (M&A), Organic Innovation and Monetizing intellectual property rights (IPR) (for more information see section *"Business description–Operational initiative: New Business"* below). During the second half of 2023, the Company also launched "Fingerprints biometrics platform". The platform is a common integrated set of tools and capabilities that can be combined in multiple ways to maximize the Company's addressable market and create customer value. The expansion of the platform will be made through building, partnering or buying new capabilities to unlock new markets. Additionally, Fingerprints is expanding its digital identity footprint, most recently with the launch of its 4th generation iris recognition software. Fingerprints' aim is that system integration with selected customers will commence in the first quarter 2025, marking a critical step in broadening the Company's digital identity offerings.

There is a risk that the efforts regarding New Business, Fingerprints' Biometric Platform and the iris recognition software, will not reach expected success within the expected time or at all, and that the investments carried out by the Company in connection with these efforts, may not generate the growth or profitability expected by Fingerprints. If these risks would materialise, it could have a material adverse effect on Fingerprints results and operations. Furthermore, there is a risk that Fingerprints will not successfully complete the transformation plan initiated in 2023 and related actions, see further *"Fingerprints is exposed to risks in connection with the implementation of its transformation plan"*.

Fingerprints is dependent on its ability to continue to innovate and adapt to its customers' preferences and demands

The market for biometric authentication solutions is under constant development and is driven by end-users preferences and demands. In order for the Group to remain competitive, it is necessary for the Group to constantly improve its current product offering and future range pursuant to the customers' needs and preferences, as well as the end-customers' demands and requirements as to the usability of the Group's biometric sensors. There is a risk that, as Fingerprints transitions to a small-cap company and its business model changes, Fingerprints may not be able to meet the demands of current customers or have the necessary resources to address the preferences of all potential customers, which could result in loss of, or an inability to attract new, customers and consequently a decrease in the Group's future revenue.

In addition, optimal development of existing product offering for the Company is also dependent on adequate financial capacity and resources. In light of the Group's decreased financial capacity and limited resources, there is therefore a risk that the Company, if the situation continues to worsen, needs to reposition and reprioritise innovation projects and other developments. If the Group is not able to implement planned innovation projects or adjust its product offering to meet its customers' demands and preferences, Fingerprints' customers may lose confidence in Fingerprints and thereby choose to buy products offered by the Group's competitors instead. In addition, certain competitors may offer a broader product range than what the Group currently does, which could lead to pressure from customers to develop or offer similar products and in turn result in loss of such customers or increased development costs related to the development of a specific product.

Further, as the market continues to evolve, the Group must react on changes in market needs and improved technology. If the Group is not able to adapt its development to improved technology, the Group's technology may be considered obsolete in relation to new technologies and more advanced systems. Inability to act on such changes in time and in a cost efficient manner could impede the Group's ability to attract new customers and retain existing customers. Replacement of technologies or new technology introduced by the Group may also contain construction errors or other defects, which could result in loss of customer confidence in the Group's products and, ultimately, a decrease in revenue from the Group's customers.

Fingerprints is subject to risks related to geopolitical and macroeconomic factors

Fingerprints' operations are exposed to risks relating to geopolitical and macroeconomic factors, such as high inflation rates, high interest rates, the altered security situation in Europe and in the world, as well as indirect long-term effects on the world economy. The Group is also affected by other geopolitical conflicts. The United States has, for example, introduced licensing requirements for export of certain technologies for use in the products of Huawei, a former major customer of the Group incorporated in China. If there would be an increase in the occurrence of similar export or import restrictions in the United States or in other geographical markets of the Group, it could have a material adverse effect on the Group's overall sales volumes, and Fingerprints' results. In addition, there is also a risk that China imposes countermeasures, *e.g.*, restrictions on export to Western companies that could have a negative effect on the Group's ability to source supplies from China, thus disturbing the Group's supply chain and forcing the Group to source from other places in the world where costs might be higher. Moreover, there is a risk that other countries may implement protectionist restrictions, such as restrictions on export or import of different kinds as well as increased

tariffs or customs charges, which may affect the Group negatively, including the Company's sales and profit margins in respect of relevant jurisdictions. If any of the abovementioned risks would materialise, it could have material adverse effect on the Group's sales and costs, and in turn affect the Group's operation and result.

Fingerprints is dependent on its key employees, and the loss of key employees or difficulties in attracting new qualified personnel could have negative effects on the Group's operation

The Group's ability to attract, motivate and retain qualified personnel is crucial to the Group's future business and success. Given the high-tech nature of the Group's business, the Group is especially dependent on recruiting and retaining employees with expertise in biometrics (especially within research and development ("**R&D**") and supply chain specialists) as well as sellers. In addition, the Group is dependent on certain existing members of the group executive management who Fingerprints deem crucial for maintaining and improving the Group's R&D capabilities, which is key for maintaining and improving the Group's competitive edge. If any of these key employees terminate their employments with the Group or substantially change or reduce its engagement with the Group, there is a risk that the Group may not be able to replace them or their services within reasonable time.

As of 30 September 2024, engineers accounted for approximately 60 per cent of the Group's total workforce. Inability to hire, develop, engage and retain a sufficient number of qualified employees would materially hinder Fingerprints' business by, for example, impairing Fingerprints' ability to successfully develop new products, to successfully manage challenges in the supply chains, or impair the Group's ability to identify new business opportunities and execute its strategy and strategic initiatives. In addition, as the process of hiring and training qualified personnel is often costly in terms of time and money, if the Group's

recruitment and retention efforts are unsuccessful, qualified personnel may not be integrated into the Group's workforce in a sufficiently timely manner to meet the needs of the business.

For the nine-month period ended on 30 September 2024, Fingerprints' total costs for salaries and other remuneration amounted to SEK 147 million, distributed over an average of 119 employees. If for some reason, the Group would be required to lower its remuneration levels, there would be a risk that key employees would choose to terminate their employments and leave Fingerprints for competitors. If key employees leave the Group for competitors due to the Group not offering competitive remuneration or otherwise, this could lead to future shortfalls in revenue or increased costs, which in turn could result in a material adverse effect on the Group's business and results.

Fingerprints is exposed to IT and cyber security risks and risks related to system failures, downtime and other interruptions

The Group is dependent on its IT systems for, *inter alia*, coordinating allocation of resources, controlling product inventories, maintaining production levels and administering purchase of raw materials, such as, silicon used in the production of silicon wafers, which are used in the Group's sensors. IT expenses represent a significant cost item for the Group, and during the nine-month period ended 30 September 2024, it amounted to 3.8 per cent of the Group's revenues.

There is a growing trend toward increasingly sophisticated cyberattacks, including advanced techniques such as deepfakes. While Fingerprints has not experienced any major incidents to date, the overall societal trend indicates a rise in the complexity and frequency of such attacks. Interruptions or other disruptions in IT systems that are critical to the Group's operations could result in the Group being unable to deliver its products to its customers in time. The Company is particularly dependent on IT suppliers of software systems for application design, software

development, information management, and product lifestyle management. Prolonged or substantial network failure, server downtime, cyber-attacks (including malware or ransomware attacks) or other disruptions in the Group's IT systems, could have a material adverse effect on the Group's operations and lead to leakage of confidential information and other trade secrets. If such information (regarding *e.g.*, the Group's financial development) is unlawfully disclosed, distributed or used in violation of relevant laws and regulations, there is a risk that the Group would be subject to both legal sanctions and impaired reputation. If the Group fails to maintain and develop the functionality and operation of business-critical IT systems, it could have a material adverse effect on the Group's operations.

Fingerprints may not be able to compete successfully

The Group has several major international competitors in the biometric authentication solutions industry across different segments and product groups, including IDEX Biometrics, Egis Technology, Samsung, Shenzhen Goodix Technology, and Synaptics. During the last few years, the Group has recognised an increased competition, and especially an increased price pressure, on the market, causing lower profit margins on some of the Group's product areas. Companies in the market compete, among other things, by product innovation, price, quality, performance and compatibility. In addition, the PC product group shows lower sales, partly stemming from some models incorporating the Company's technology are now reaching later lifecycle stages. This has in turn resulted in customers shifting to other suppliers as part of risk diversification strategies which also impacts Fingerprints market share, given its status as a small-cap company. There is also a risk that Fingerprints' transition to a small-cap company may reduce its attractiveness to larger customers, leading them to choose competitors that are perceived as more stable and secure.

Additionally, there is a risk that the competitive landscape may not develop in the direction predicted by the Group, *e.g.*, that the Group's competitors engage in price competition by merging with other competitors or implement new initiatives or develop more competitive or innovative products than those of the Group. Even actors who are not competing with the Group's products at this time, or competitors who at this time only compete with the Group within certain segments and product groups, can broaden their product offerings to areas where the Group is active. If any of the abovementioned risks were to materialise, it could have a negative impact on the demand for the Group's products and cause reduced future sales volume and, in the case of price pressure, decrease the Group's margins.

Fingerprints is subject to risks related to the public perception of biometric sensors

The Group products comprise a wide range of biometric authentication solutions which aims to verify the identity of registered individuals by means of fingerprint, iris identification and/or face recognition. The demand for the Group's products is therefore subject to the public perception of biometric sensors, whereas growing concerns as to the aspect of personal integrity in relation to biometrics and biometric sensors could have a material negative effect on the demand for biometric sensors in general. The probability of such concerns emerging is higher in relation to low cost products with low biometric integrity. Even though the Group's products are not considered as low cost products, there is a risk that the Group will fail to differentiate Fingerprints' products from such low cost and low biometric integrity sensors and that the public will perceive all biometric authentication solutions in the same way. If the public opinion on biometric sensors would deteriorate, there is risk that the demand for the Group's products would decrease, which in turn could have a material adverse effect on Fingerprints' business and future prospects.

Fingerprints could fail to maintain and strengthen its brand

Fingerprints believes that its brand is established and recognised, that the Group has a good reputation within the industry and that the brand constitutes a competitive advantage towards new and existing customer relationships. The Groups' future success and growth is therefore dependent on its ability to maintain and strengthen its brand by, for example, continuing to deliver high quality products. Continued delivery of high quality products and delivery capacity is however dependent on financing. If the Group fail to strengthen its financial capacity, there is thus also a risk that the Group fail to maintain or strengthen its brand, which in turn could result in the Group's ability to maintain or expand its customer base deteriorates, which would have a material adverse effect on the Group's operations.

The public opinion as well as customers' opinions on the Group could also be influenced by other factors, even though such incidents are not directly related to the Group's business or products. For example, there has been several incidents of employees, senior executives and a board member being involved in controversies regarding insider trading, which gave rise to negative publicity for the Group and, according to the Company, resulted in more expensive insurance premiums in some cases as well as deteriorated financing terms. In case of new incidents of insider trading controversies or other negative events involving employees, senior executives or board member, there is a risk that the public perception of the Group would be damaged and that customers of the Group could choose other suppliers of biometric sensors in order to avoid being connected with Fingerprints. This could in turn have a material adverse effect on Fingerprints operations and future prospects.

LEGAL AND REGULATORY RISKS

Fingerprints is exposed to risks related to processing of personal data

Fingerprints provide biometric authentication solutions and processes a large amount of personal data within its operation, mainly from employees, customer representatives, supplier representatives and other third parties. The Group is consequently subject to extensive regulatory requirements regarding data privacy and processing of personal data in the jurisdictions where Fingerprints is operating, for example Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to processing of personal data and on the free movement of such data (“GDPR”). In 2023, the data protection and cyber security legislation in China changed, entailing, among other things, a new law, the Personal Information Protection Law (PIPL), as well as amendments to existing laws in the field. The data protection or cyber security legislation is complex, and there is a risk that non-compliance with GDPR or any other data protection or cyber security legislation have a negative impact Fingerprints’ operation and financial position. Failure to comply with GDPR and other regulations related to data protection and the processing of personal data, could, among other things, result in substantial sanction fees for the Group. Failure to comply with GDPR can result in a sanction fee of up to EUR 20 million or four per cent of Fingerprints’ annual revenue, depending whichever amount is the highest. An improper or unlawful processing of personal data could further result in a significant number of individuals being affected and there is a risk that the Group will be held liable to pay damages to these individuals in the event of a breach of GDPR or the data protection and cyber security legislation in other countries, including China.

If Fingerprints is subject to substantial sanction fees and/or other legal sanctions or claims from supervisory authorities in EU, China or other

relevant parties, it could have a material adverse effect on Fingerprints’ business. Any violations of applicable laws and regulations regarding data protection and processing of personal data as a result of events, both within and outside of Fingerprints’ control, may adversely affect Fingerprints’ brand and reputation. The regulatory landscape regarding data protection is also subject to changes, and any future changes in laws and regulations (or changes to their application) regarding data protection and personal data processing may result in higher compliance costs for the Group due to the Group being required to, among other things, make significant changes of its processing of personal data.

Fingerprints is exposed to risks related to protection of its intellectual property rights

Fingerprints has a large share of intangible assets and the Group is dependent on its intellectual property in order to be able to commercialize its investments and expand its product offering. As of the date of the Prospectus, the Group’s patent portfolio comprises approximately 800 registered patents. As part of the Group’s new strategy and in order to reduce costs, Fingerprints may not seek to patent its intellectual property at the same rate as it has done historically. This would entail that the Group may not have the same level of protection for new solutions and/or technologies as before, which increase the risks related to protection of its intellectual property rights described in this risk factor.

There is also a risk that Fingerprints may not have sufficient protection for the patents it holds today or other intangible assets used in the business, and Fingerprints may have difficulties with defending its patents and other intellectual property rights. Fingerprints may also be exposed to unauthorised attempts by third parties to use Fingerprints’ patents, and Fingerprints will therefore have to take legal action. The Group has, for example, been involved as plaintiff in a patent infringement

law suit against one of the Group's competitors, Shenzhen Goodix Technology and it is possible that the Group will be involved in similar disputes in the future. In addition, third parties' use or misuse of the Fingerprints' brand could reflect badly on Fingerprints, for example if such third party is involved in a business that Fingerprints does not want to be associated with. If Fingerprints fails to protect and maintain its intellectual property rights it could have a material adverse effect on Fingerprints' business.

There is also a risk that the Group, unknowingly, infringes the intellectual property rights of third parties or that third parties may allege the Group for infringing on their intellectual property rights. This could in turn result in third parties asserting claims due to the infringement or the alleged infringement, which may result in the Group's products being unable to be commercialised or that such commercialisation would be delayed. Intellectual property proceedings can involve complex factual and legal issues and often have an uncertain outcome. Such legal disputes will also involve time, personnel and cost expenditure, which could have a material adverse effect on Fingerprints' actual business operations.

Furthermore, certain of the Group's intellectual property rights constitutes non-registered and/or non-registerable intellectual property rights. For the protection of such intellectual property rights, the Group is dependent on keeping such trade secrets from its competitors. If such trade secrets were to be disclosed to the Group's competitors due to, *e.g.*, a breach in the Group's IT systems, there is a risk that the Group could lose some of its competitive edge, which could result in lower sales and have a material adverse effect on Fingerprints business and future prospects.

Fingerprints operations are subject to a number of compliance-related risks

Fingerprints global operations expose the Group to risks related to sustainability factors and regulatory compliance, *inter alia*, in relation to

factors such as human rights, employment conditions and corruption in jurisdictions which it operates in.

There is generally an increased risk for corruption related issues occurring in China, where the Group conducts operations through a Chinese subsidiary until the wind down of Mobile and PC is completed. Breaches of anti-corruption laws could entail substantial fines and other criminal, civil or administrative sanctions, which could have a material adverse effect on Fingerprints' reputation, operation, results and financial position. Corruption-related incidents or accusations against suppliers, personnel, customers and other third parties with whom Fingerprints has a commercial relationship with could lead to adverse publicity, which would damage Fingerprints' reputation, even if Fingerprints is not involved directly.

In addition, Fingerprints is dependent on the compliance by its employees, suppliers, customers and other third parties with its contractual obligations as well as laws, regulations, internal governance documents and policies. Breaches of, or non-compliance with, these regulations could adversely affect Fingerprints' business and reputation. There is, *inter alia*, a risk that the Group's sub-suppliers do not comply with laws and regulations and that they conduct their business in an unethical or environmentally unsustainable manner, *e.g.* regarding purchases of minerals used in the Group's semiconductors. Today, there is a heightened awareness of unethical sourcing of minerals (so-called conflict minerals (Sw. *konfliktmineraler*)) and environmental issues in society in general as well as among the Group's existing and prospective customers. If sub-suppliers to the Group conducts their business unethically or in breach of applicable laws or regulations, there is a risk that the public perception of the Group could be impaired and that the Group's customers therefore choose other providers of biometric sensors,

which would entail decreased market shares and lower sale volume for the Group.

Further, Fingerprints has historically been and may in the future be subject to protectionist measures such as licensing requirements and other import and export restrictions which the Group needs to adhere to (see risk factor “*Fingerprints is subject to risks related to geopolitical and macroeconomic factors*” above). Compliance with such measures could be difficult and costly to uphold, and such measures could therefore have material adverse effects for the Group.

In addition, the political, economic and regulatory environment in which Fingerprints operates is subject to unexpected changes. Any changes in economic development or in local, regional or political bodies as a result of, *e.g.*, elections or changes in government policies, could also result in changes to applicable laws and regulations or to changes in the application of current laws and regulations. Such changes may restrict or prevent Fingerprints’ ability to conduct profitable operations, or enter into new markets, or increase the non-compliance with laws and regulations, which may lead to increased costs of operations for Fingerprints and have a material adverse effect on Fingerprints’ future prospects. Fingerprints may also be subject to additional regulatory requirements as Fingerprints develops new products on new markets, such as the automotive or iris recognition market.

Fingerprints is exposed to risks related to legal and administrative proceedings

Fingerprints has from time to time been, and may be in future, involved in legal and administrative proceedings regarding Fingerprints’ business. Such proceedings may concern, among other things, customer agreements, supplier agreements, partnership agreements, employment issues, intellectual property rights or other issues on Fingerprints’ rights and obligations. Legal and administrative proceedings may also arise in connection with mergers and acquisitions. In

addition, Fingerprints may be subject to investigations and legal proceedings brought by authorities (*e.g.*, personal data, antitrust, competition or other regulatory authorities) in the jurisdictions where Fingerprints conducts its business.

Legal and administrative proceedings and related investigations may prove both costly and time consuming and may disrupt normal operations. The financial, reputational and legal outcomes of material disputes are uncertain and presents a highly significant risk to Fingerprints. A disadvantageous outcome of such disputes or investigations would have a material adverse effect on Fingerprints’ business.

RISKS RELATED TO THE GROUP'S FINANCIAL POSITION

Fingerprints is exposed to liquidity and financing risks

If the Rights Issue is not successful, it is the Company’s assessment that the existing working capital is not sufficient for the Company’s current combined needs during the upcoming twelve-month period. Fingerprints is thus subjected to a significant liquidity risk, with a heightened possibility of being unable to fulfil its payment obligations due to severe cash shortfalls.

Further, there is a risk that the liquidity risk could be intensified by factors beyond the Company’s control, such as a credit crisis, a prolonged economic downturn, or substantial adverse shifts in the markets in which Fingerprints operates. Even if the Rights Issue is successful, there remains a risk that the Company could face further liquidity challenges within the upcoming twelve-month period, particularly if sales volumes, cost savings and profit margins fall short of expectations or if the execution of its transformation plan encounters significant setbacks. In such cases, the Company may be forced to seek additional funding under unfavourable conditions, potentially at higher

costs, or face other financial constraints that could impede its ability to continue operations as planned. The Company is also subject to a limited margin for error during its turnaround period and remains particularly vulnerable until the completion of its transformation plan. Thus, during the execution phase, the Company is more exposed to liquidity challenges, including potential reliance on equity financing through *e.g.*, new share issues. There is however no assurance that such equity raises may not be well-received by the Company's shareholders and/or the market, which would further strain the Company's financial position.

Additionally, as Fingerprints transitions to a small-cap company, working capital management becomes critical. For example, the Company's current payment terms with suppliers are generally set at 60 days; however, there is a risk that these terms may be reduced to *e.g.*, 30 days or even require prepayment. Such changes could increase the working capital pressures, and as a consequence lead to liquidity constraints and disruptions in the Company's operations. In addition, the Group's sensitivity to credit risk has been heightened and if the Group would not receive payments from third parties in accordance with the Group's expectations, including under partnerships, it could have an adverse effect on the Company's liquidity position, and in turn potentially affecting Fingerprints ability to meet financial obligations and carry out necessary investments.

Fingerprints may in the future also need additional financing to fund growth, make available or enhance its products, respond to competitive pressure or to make acquisitions and/or other investments. In case financing is not available on acceptable terms or at all, Fingerprints may not be able to continue to fund its ongoing operations or expand its business at a desired rate. Failure to obtain financing on acceptable terms or at all could have a material adverse effect on

Fingerprints' business and financial position. There is also a heightened risk that extensive decreases in Fingerprints creditworthiness or profitability, could severely limit Fingerprints' access to capital. This may not only restrict the Company's ability to issue additional shares or debt instruments, but could also leave the Company with limited options for securing necessary financing. Such constraints could have a materially adverse effect on Fingerprints' financial position, potentially impairing the Company's ability to meet its obligations and fund its operations. Should the situation deteriorate severely, the Company may be forced to consider drastic measures, such as restructuring or scaling back its operations, further diminishing its future prospects and ability to execute its strategy.

Fingerprints is exposed to currency risks

Currency risk means the risk of exchange rate fluctuations affecting the Group's financial position negatively. As of the date of the Prospectus, the Group does not have any currency hedging arrangements in place. Most of Fingerprints' purchases and sales are conducted in USD. The Group is therefore primarily exposed to USD. Thus, significant reductions in the value of USD in relation to the value of SEK may have negative effects on the Group's financial position and cash flow. The Company's transaction exposure in sales and materials as USD exposure expressed in SEK corresponded to SEK 111 million in total for the nine-month period ended 30 September 2024 (SEK 91 million).

A change of ten per cent in the Swedish krona versus other currencies as per 30 September 2024 (with all other factors remaining unchanged), would result in a change in equity of SEK 11 million for the nine-month period ended 30 September 2024 (SEK 9 million). Exchange rate differences affected the result for the nine-month period ended 30 September 2024 by SEK 8 million (SEK 3 million).

RISKS RELATED TO THE SHARES

The share price and the warrant price may be volatile and its development depends on several factors

An investment in Units (and thereby B-shares and Warrants) can increase or decrease in value and there is a risk that an investor loses all, or parts of the invested capital. During the third quarter 2024, the price for the B-share has fluctuated from SEK 0.1015 at its highest, to SEK 0.0472 at its lowest. The B-share price and the warrant price can thus be very volatile. The development of the B-share price and the warrant price can depend on several factors, some of which are company specific while others are related to the securities market in general. The B-share price and the warrant price may, e.g., be affected by supply and demand, variations in actual or expected results, inability to meet analysts' expectations on results, failure to achieve financial and operational targets, changes in general economic or regulatory conditions or by pandemics, such as Covid-19. The volatile B-share price and warrant price may constitute a significant risk to individual investors that needs to sell B-shares or Warrants at short notice, and who may therefore be forced to sell their B-shares and Warrants at a price entailing a loss for the investor.

There is also a risk that there will not be an active and liquid market for trading in Fingerprints' shares or Warrants at any given time, which could result in investors, that need to sell B-shares at short notice, not being able to sell B-shares or Warrants at all, to a sufficient extent, or are compelled to divest B-shares and Warrants at a price which entails a loss for the investor.

Future issuances of shares or other securities could dilute the shareholding and have an adverse effect on the share price

Fingerprints may in the future need to raise additional capital in order to finance its operations or to carry out planned investments. If the

Company chooses to raise additional capital, for example by new issue of shares, it could reduce the market value of Fingerprints' shares by diluting the economic (an investor's shareholding of the Company's total assets and share of total dividend) and voting related (the voting power of an investor's shareholding) rights for existing shareholders, unless existing shareholders are given preferential rights in the issue or if existing shareholders for some reason are unable, prevented or unwilling to exercise its preferential rights with the consequence that the investor's shareholding decreases in value. In the event of further issues, the Company's existing shareholders will be subject to a dilution of their shareholding.

Fingerprints ability to pay dividends in the future might be limited and is dependent on several factors

The newly issued shares entitle to a dividend only from the first record date that falls after the Rights Issue has been registered with the Swedish Companies Registration Office. The Company has not paid any dividends in the last few years. As of the date of the Prospectus, the Company does not expect any dividends or share repurchases to occur in the foreseeable future. Should the Company's board of directors still submit a proposal of dividends to the general meeting, the board of directors shall consider a number of factors, including the requirements that the nature, scope and risks of the business place on the size of the Company's and Group's equity as well as the Company's and Group's consolidation needs, liquidity and overall position. Fingerprints' ability to pay dividends in the future and the size of any such dividends are consequently dependent on Fingerprints' future profit, financial position, cash flows, need for net working capital, investment costs and other factors. Under Swedish law, there are provisions which prescribes that dividends may only take place if, after the dividend, there is full coverage for the Company's restricted equity. There is also a risk that Fingerprints decides to re-

invest any future profits in the business, that the general meeting of Fingerprints decides not to resolve on dividends in the future or that Fingerprints will not have sufficient funds to pay dividends. If the Company does not start to pay dividends within a certain period of time or to an extent expected by the market, there is a risk that the Company's shares are given a lower market value than would otherwise be the case, which would result in a corresponding decrease in the value of the investors' shareholdings.

Specific risks for foreign shareholders

Fingerprints' B-shares are listed on Nasdaq Stockholm in SEK and any dividends are paid in SEK. Consequently, shareholders domiciled outside Sweden can be negatively affected by a decrease in the value of SEK in relation to the shareholders reference currency in respect of share investments and dividends. Certain jurisdictions, including but not limited to, Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, and the United States, may also have securities legislation that may result in shareholders domiciled in such jurisdiction not being able to participate in new issuances and other public offerings of securities. Accordingly, if Fingerprints in the future issues new shares with preferential rights for the Company's shareholders, shareholders in such jurisdictions might become subject to restrictions resulting in, *e.g.*, such shareholders not being able to exercise their preferential rights or their participation otherwise being obstructed or subject to restrictions. Such restrictions constitute a significant risk for shareholders in the United States and in other jurisdictions where such restrictions apply.

RISKS RELATED TO THE RIGHTS ISSUE

Risks associated with unsecured subscription undertakings and guarantee commitments

Certain existing shareholders of Fingerprints (including senior executives and board members) have undertaken to subscribe for Units corresponding to all or part of their *pro rata* share of Units in the Rights Issue, in an amount of SEK 0.7 million (the "**Subscription Undertakings**").

Further, part of the Rights Issue is subject to certain guarantee commitments in a total amount of up to SEK 114.3 million (the "**Guarantee Commitments**"). Accordingly, the Rights Issue is covered by Subscription Undertakings and Guarantee Commitments in an aggregate amount of up to SEK 115 million.

Neither the Subscription Undertakings nor the Guarantee Commitments have been secured through *e.g.*, bank guarantees, restricted funds, pledged assets or similar arrangements. Consequently, there is a risk that one or more of the parties will not meet all or part of their respective commitments.

In addition, there is a risk that one of the external guarantors, who have undertaken to guarantee subscription of Units (and thereby B-shares) in the Rights Issue may exceed ten (10) per cent of total number of votes in Fingerprints following the Rights Issue. It is the Company's assessment that Fingerprints carries out so-called protection-worthy activities, hence the fulfilment of issued guarantee may be subject to mandatory filing under the Screening of Foreign Direct Investments Act (the "**Swedish FDI Act**") (Sw. *lag (2023:560) om granskning av utländska direktinvesteringar*) and, if applicable, pursuant to legislation in any other jurisdiction, should the investor through the investment exceed the thresholds of 10, 20, 30, 50, 65 or 90 per cent of the total number of votes in

the Company. Mandatory filing pursuant to the Swedish FDI Act shall be made by the relevant subscription guarantor to the Inspectorate of Strategic Products (the “ISP”) and mandatory filing pursuant to legislation in other jurisdiction (if applicable) shall be made to equivalent body in other jurisdiction prior to the investment being carried out. Accordingly, an investment in the Company that exceeds any of the aforementioned thresholds is subject to mandatory filing, which may entail that the investment may only be carried out if the ISP or, if applicable, other equivalent body in other jurisdiction, has prior to this decided to (i) take no action or (ii) authorise the investment (“**FDI Decision**”). As a result, the Guarantee Commitments are, in respect of any Units that would require a prior FDI Decision (“**FDI Units**”), conditional upon that the relevant guarantor obtaining such prior FDI Decision. In the event that any Guarantee Commitment will require the subscription and payment of FDI Units, there will be a separate and longer subscription and payment period in respect of such FDI Units which may run until 13 June 2025 at the latest.

If the Guarantee Commitments are not fulfilled in time or fulfilled at all (for example due to a required FDI Decision not being obtained, it may have a material adverse effect on Fingerprints’ ability to complete the capital raise of the guaranteed part of the Rights Issue of up to SEK 115 million. This is especially the case if one or several of the larger Guarantee Commitments are not fulfilled. Furthermore, if the Guarantee Commitments are not utilised in time, it may have a negative impact on the Company’s working capital, which in turn may have a negative impact on the Company’s financial position and ability to conduct operations according to plan. Furthermore, non-fulfilled Guarantee Commitments could entail that the Company will not receive sufficient proceeds from the Rights Issue in order to repay the short-term loan of SEK 40 million that was provided to the Company by a

consortium of external investors and which fall due no later than on 31 March 2025 (the “**Bridge Loan**”). There is thus also a risk that the lack of financing through the fulfilment of the Guarantee Commitments may result in the Company becoming subject to corporate reconstruction, bankruptcy or other insolvency proceedings.

There is a risk that trading in unit rights and BTU will be restricted

Any shareholder, registered as a shareholder in Fingerprints on the record date, will receive unit rights in proportion to the shareholder’s existing shareholding (irrespective of the class of share held). The unit rights are expected to have an economic value that the holder can only benefit from if the holder either uses them to subscribe for new Units no later than 11 February 2025 or sells them no later than 6 February 2025. After 11 February 2025, without notice, unused unit rights will be cancelled from the holder’s securities account (Sw. *VP-konto*), whereby the holder fully loses the expected financial value of the unit rights. Both unit rights and paid subscribed Units (Sw. *betalda tecknade Units*, “**BTU**”) which, after payment has been made, are booked into security accounts (Sw. *VP-konto*) belonging to those who have subscribed for new Units, will be subject to time-limited trading on Nasdaq Stockholm. Trading in these instruments may be limited, which could result in difficulties for individual holders to sell their unit rights and/or BTU and thus prevent the holder from being compensated for the financial dilution effect that the Rights Issue will have during the period in which the unit rights and BTU is expected to be traded on Nasdaq Stockholm. Investors therefore run the risk of not being able to realise the value of their unit rights and/or BTU. Such circumstances would constitute a significant risk for individual investors. Limited liquidity may also strengthen fluctuations in the market price for unit rights and/or BTU. The price structure of these instruments could therefore be incorrect or misleading.

Shareholders not participating in the Rights Issue will be affected by dilution

If shareholders choose not to exercise or sell their unit rights in the forthcoming Rights Issue in accordance with the procedure described in the Prospectus, the unit rights will expire without value and the holder will not be entitled to compensation. As a consequence, the proportional ownership and voting rights of such shareholders in Fingerprints will be reduced. Shareholders choosing not to participate in the Rights Issue risks having their shareholding diluted by not more than 15,990,053,040 new B-shares, corresponding to a dilution of approximately 81.3 per cent of the total number of shares in Fingerprints after the Rights Issue and approximately 81.0 per cent of the total number of votes in Fingerprints after the Rights Issue (excluding any B-shares that may arise as a result of the exercise of the Warrants for subscription). These shareholders will not be compensated for the dilution of Fingerprints earnings per share that the Rights Issue may entail. The Shareholders' relative share of Fingerprints' equity will also decrease. If shareholders choose to sell the unit rights they did not exercise or if the unit rights are sold on behalf of the shareholder, there is a risk that the compensation the shareholder receives for the unit rights in the market will not be equivalent to the potential financial dilution of the shareholders' holding in Fingerprints after the completion of the Rights Issue.

Filing obligation pursuant to the Screening of Foreign Direct Investments Act or equivalent legislation in other jurisdictions

The Company assesses that Fingerprints is conducting so-called protection-worthy activities under the Swedish FDI Act. Pursuant to the Swedish FDI Act and, if applicable, equivalent legislation in other jurisdiction, the Company is required to inform presumptive investors that the legislation applies on the Company's operations and that an investment in Fingerprints may be

subject to mandatory filing prior to the completion of the investment.

An investment in the Company may be subjected to mandatory filing if, for example, such investment results in the investor, a member of the investor's ownership structure or a person on whose behalf the investor is acting would acquire a holding equal to, or exceeding any of the thresholds of 10, 20, 30, 50, 65 or 90 per cent of the total number of votes in the Company if the investment is made other than by exercising preferential rights.

An investment in the Company that results in any of the aforementioned thresholds being exceeded is thus an investment subject to mandatory filing, meaning that the investment may not be completed before the ISP (and, if applicable, any other equivalent body pursuant to legislation in any other jurisdiction) has decided to (i) take no action or (ii) authorise the investment. An investment is invalid if it has been carried out in breach with the Swedish FDI Act. In addition, for certain breaches, the ISP may decide to impose an administrative sanction charge of no less than SEK 25,000 and no more than SEK 100,000,000.

Consequently, there is a risk that one or several investors of Fingerprints will not receive approval from ISP in time, or at all, which would affect the investor's ability to utilise a potential guarantee commitment and to invest in the Company. There is also a risk that investors who carry out investments in breach of the Swedish FDI Act (for example by carrying out their investment without prior authorisation from the ISP) may be subject to substantial administrative sanction charges.

Equivalent mandatory filing requirement may also be imposed by equivalent bodies in other jurisdictions in accordance with equivalent legislation in other applicable jurisdictions.

Invitation to subscribe for Units in Fingerprint Cards AB (publ)

On 17 December 2024 the Company's board of directors resolved on, subject to subsequent approval of the extraordinary general meeting, a new issue of units consisting of shares of class B ("**B-shares**") and warrants entitling to subscription of B-shares (the "**Warrants**") (the "**Units**") with preferential rights for existing shareholders in accordance with the terms and conditions in the Prospectus (the "**Rights Issue**"). The board of directors' resolution was approved by an extraordinary general meeting in the Company held on 17 January 2025

Fingerprints shareholders' have preferential rights to subscribe for Units in relation to the number of shares, irrespective of class, they hold on the record date 24 January 2025.

Those who are registered as shareholders in the share register maintained by Euroclear Sweden on the record date 24 January 2025 receives one (1) unit right regarding Units for each share, irrespective of class, held by the shareholder on the record date. Eleven (11) unit rights entitles to subscription of one (1) Unit. Only whole Units can be subscribed for (*i.e.*, no fractions). To the extent that Units are not subscribed for by exercising unit rights, these shall be allotted to shareholders and other investors who have subscribed for Units without exercising unit rights in accordance with what is set out in the section "*Terms and instructions*".

Subscription will take place during the period from and including 28 January 2025 until and including 11 February 2025, or the later date determined by the board of directors and otherwise in accordance with what is set out in the section "*Terms and instructions*". For shareholders who refrain from subscribing their share in the Rights Issue a dilution effect of not more than 15,990,053,040 new B-shares arises, corresponding to a dilution of approximately 81.3 per cent of the total number of shares in Fingerprints after the Rights Issue, provided that all Units in the Rights Issue is fully subscribed for. Provided that all Warrants that are issued in the Rights Issue is exercised in full, an additional 2,665,008,840 B-shares will be issued, which will entail that shareholders who choose not to participate in the Rights Issue will have their shareholding diluted by up to approximately 83.6 per cent and their voting rights diluted by up to approximately 83.3 per cent (calculated including the maximum number of B-shares that may be issued under the Rights Issue and through the exercise of the Warrants in the Rights Issue for subscription).

The subscription price in the Rights Issue has been set at SEK 0.48 per Unit, corresponding to SEK 0.01 per underlying B-share (the Warrants are issued free of charge) which entails that the Rights Issue, if fully subscribed for, will provide the Company with proceeds of approximately SEK 159.9 million before deduction of issue costs.

23 January 2025

Fingerprint Cards AB (publ)

The board of directors

Background and reasons

As organizations continue to improve how they serve their customers through digitization and technology, they face increasing cyber security risks. Identity is at the heart of this, ascertaining trust at scale in digital interactions, whilst making it easy for customers to engage without unnecessary friction. Biometrics is core to this transformation, replacing insecure passwords which offer a poor user experience. The transition from passwords to biometrics is still in its early stages, with a large displacement opportunity ahead.

Fingerprints is a global biometrics company with Swedish roots whose solutions make everyday life easier for users throughout the world by offering secure and convenient identification and authentication. Fingerprints' solutions are integrated into close to two billion devices and applications and are used billions of times every day. Fingerprints develops biometric systems comprising sensors, microcontroller (MCU), algorithms, software and packaging technologies, and the Company's product development has resulted in high security products and seamless user experience. The use of biometrics is increasing in several application areas, and Fingerprints' solutions can be found in *e.g.*, FIDO keys, crypto wallets, and payment cards.

Due to a significant cash burn rate and a strained liquidity position within the Group – primarily driven by unsustainably low gross margins in the Mobile product group – the Company brought in a new executive leadership team who announced a comprehensive transformation plan in 2023. This plan is fully operational and aims to return Fingerprints to profitability while establishing stronger future prospects by focusing on high-margin business segments in the identity and cyber security market, achieving sustainable and profitable growth. The transformation plan encompasses several strategic initiatives, including a significant cost optimization program, enhanced organizational effectiveness, and an evolved strategy to further accelerate diversification into higher-margin product lines. The specifics of the Company's strategic transition are outlined below.

The strategic transition

In the creation of the transformation plan, the new executive team of the Company reviewed the cash-burning nature of the markets served. They found that at the core of the issue were markets which had become increasingly unsustainable due to a combination of structural and operational challenges such as rapid commoditization and fierce price competition. Both the Mobile and PC markets were dominated by a small number of large vendors with immense buying power, which allowed them to dictate supplier terms. These China-centric vendors had procurement functions that favor local suppliers, making it increasingly difficult for Fingerprints to secure profitable contracts in the region. Of these key large players, their focus was on price rather than product quality, support, or capability, eroding margins and limiting differentiation opportunities. With this focus on price, the competitive landscape opened up a crowded supplier base, intensifying margin pressures. This was further exacerbated by the capital-intensive nature of the Mobile and PC fingerprint hardware product groups, requiring substantial investments in research and development (“**R&D**”) to keep up with rapid product refresh cycles that demand ever more advanced features at lower prices.

In line with the transformation plan and as announced in the interim report for the period January–March 2024, Fingerprints is exiting commoditized, low-margin markets to prioritize profitable growth segments.

As part of this realignment, the Company is winding down its loss-making operations in the Mobile product group to safeguard its financial health and ensure future viability and in June 2024, Fingerprints entered into an exclusive partnership agreement with a biometric sensor solution provider, facilitating a more efficient wind down of the Mobile operations and inventory depletion. The PC-market has similar market dynamics as Mobile, with a China-centric and very concentrated customer base that values low price products above all. As several models reach lifecycle maturity, Fingerprints has experienced a fast shift in order intake, partly driven by its position as a smaller player in market. This has driven customers to diversify their supplier base, further impacting Fingerprints' market share – particularly as a small-cap company following the Mobile wind down. Securing new PC projects has proven to be both capital- and time-intensive, further underscoring the unsustainability of the product group. Against this backdrop, Fingerprints is winding down the PC product group to achieve further cost reductions and exit the Chinese market entirely. This decisive action aligns with the broader transformation plan, focusing on high-margin segments and ensuring Fingerprints' long-term financial health and operational sustainability.

Cost reductions are pivotal in Fingerprints' transformation efforts, and includes the Company's outsourced manufacturing model and increased operational efficiency. Further, within the first nine months of 2024 the Company lowered its workforce by over 40 per cent, primarily driven by the ongoing transition out of Mobile and PC. In addition, and as part of the significant cost optimization programme, the Company successfully restructured its balance sheet during 2024 by redeeming the convertible bonds to ensure operational efficiency. The Company will continue to implement cost reduction measures, such as the wind down of the PC product group, with the aim to reach a recurring annualized OPEX of less than SEK 70 million by the end of the second quarter 2025, underscoring the commitment to operational efficiency and disciplined resource allocation.

In parallel with the above and to further execute the new strategy, Fingerprints is continuing its focus on the core biometric business whilst expanding to digital identity, a core component of human-digital interactions. Fingerprints is committed to, through future partnerships, building a robust digital identity platform to help its customers address the myriad of cyber risks and poor user experience arising from passwords. As the Company continues the phase-out of the Mobile and PC product groups, it is also strategically reallocating capital toward high-margin, high-growth segments in digital identity through the Access and Payment product groups. Additionally, the Company is also exploring new partnerships within its product groups to leverage Fingerprints extensive experience and competence, which in January 2025 resulted in a strategic partnership and licence agreement for Iris with the Swedish company Smart Eye AB (publ). As the Company carve out its digital identity and secure authentication specialty, it is transitioning from a component supplier to an integrated biometric solutions provider of software-centric offerings which enables higher-margin opportunities. Thus, Fingerprints believe that it is well-positioned for sustainable growth and long-term value creation. In addition, the Company is continuously having discussions with potential strategic partners in relation to the updated product positioning to further leverage Fingerprints extensive technological expertise and innovation capabilities, including in respect of Access and Payment, with an aim to unlock additional growth capital and enhance value creation.

Although the transformation plan as a whole is designed to ensure sustained profitable growth and ongoing cost optimization will keep Fingerprints lean and agile, the ongoing process of executing the transformation plan has led to short-term revenue fluctuations. Against this background and given the Group's overall operational performance, the board of directors has carefully evaluated the possibilities

for the Company to ensure a necessary capital injection in order not to jeopardise the completion of the transformation plan and in turn the survival of Fingerprints, as well as to support future growth initiatives. In this evaluation, the board of directors took into account scale and need of a necessary capital injection, and believed that the Rights Issue together with the Bridge Loan (as defined below) is the only way for Fingerprints to confidently enable the completion of the transformation plan and in turn achieve stability and stronger prospects for the future of the Group.

Fingerprints' working capital – Then, now, and for the upcoming twelve month period

The completion of the Company's last rights issue in 2024 and the redemption of the Company's previous convertible bonds was necessary in order to execute on the transformation plan and Fingerprints' expected that it would be sufficient to fund the Company for at least a twelve-month period. However, since the last rights issue was not fully subscribed and given the Group's overall operational performance, it is the Company's assessment that the existing working capital is not sufficient for the Fingerprints' total current working capital needs for the upcoming twelve-month period. In order to provide the Company with sufficient working capital up until the completion of the Rights Issue, a consortium of external investors has provided a short-term loan of SEK 40 million to the Company pursuant to a bridge loan agreement entered into on 17 December 2024 (the "**Bridge Loan**").

In order to finance Fingerprints' ongoing operations during the next twelve months to, in turn, enable the Group's ongoing operations during the continued implementation of the transformation plan, and repayment of the Bridge Loan, the Company is in need of additional funds. It is therefore the Company's assessment that the existing working capital is not sufficient for the Company's total current working capital needs for the upcoming twelve-month period. The Company assesses, that, as of the date of the Prospectus, the Company has a total working capital shortfall of approximately SEK 80 million for the following twelve-month period, which is expected to arise in connection with the Bridge Loan falling due for payment at the latest 31 March 2025 (if the Rights Issue has not been carried out prior to this date).

Upon full subscription of Units in the Rights Issue, the Company will be provided with a maximum of approximately SEK 159.9 million before transaction costs, which are estimated to amount to approximately SEK 28 million if the Rights Issue is fully subscribed. Certain existing shareholders (including senior executives and board members) have undertaken to subscribe for Units corresponding to SEK 0.7 million ("**Subscription Undertakings**"). In addition, certain external investors have undertaken to guarantee subscription of Units in the Rights Issue of up to a maximum of SEK 114.3 million (the "**Guarantee Commitments**"). No guarantee commitment covers the subscription of and payment for Units in the Rights Issue in excess of SEK 115 million. Together with existing cash and cash equivalents and estimated cash flows, the net proceeds, upon subscription of Units in the Rights Issue of up to the secured level of SEK 115 million, is considered to be sufficient to meet the Company's working capital needs for the coming twelve-month period and until the Company reaches cash-flow positive. Neither the Subscription Undertakings nor the Guarantee Commitments have been secured through *e.g.*, bank guarantees, restricted funds, pledged assets or similar arrangements. Fulfilment of the Guarantee Commitments, to the extent it would result in an guarantor acquiring a shareholding corresponding to or exceeding a threshold of ten (10) per cent or more of the total number of votes in the Company following the completion of the Rights Issue, is conditional upon that the relevant guarantor(s) obtains a prior decision from the Inspectorate of Strategic Products, and, if applicable, any other equivalent body pursuant to legislation in any other jurisdiction, for further information please refer to "*Legal*

considerations and supplementary information–Subscription Undertakings and Guarantee Commitments regarding the Rights Issue”.

Use of proceeds

Following deduction of issue related costs, which is expected to amount to approximately SEK 28 million if the Rights Issue is fully subscribed, the net proceeds of the Rights Issue will amount to no more than SEK 131.9 million. *Firstly*, the net proceeds will be used to fully repay the Bridge Loan together with accrued but unpaid interest and set-up fee (SEK 43 million), and *secondly*, be used for general corporate purposes (SEK 88.9 million). Such general corporate purposes includes, *inter alia*, funding the transformation plan, including the continued wind down of the Chinese operations, and the Group’s ongoing operations during the continued implementation of the transformation plan and future growth initiatives. Assuming the Warrants are exercised for subscription of B-shares, the Company intends to use the net proceeds from the subscription to finance expenditure within the day-to-day business, including various customer projects and investments in research and development regarding the Group’s products.

The board of directors of the Company is responsible for the information in the Prospectus and to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

23 January 2025

Fingerprint Cards AB (publ)

The board of directors

Terms and instructions

PREFERENTIAL RIGHTS AND UNIT RIGHTS

Those parties registered as shareholders in the share register maintained by Euroclear for Fingerprints on the record date 24 January 2025, have preferential rights to subscribe for new shares in relation to the number of shares held on the record date.

Those parties registered as shareholders in the Company on the record date, are entitled to one (1) unit right for each share held, irrespective of class, in Fingerprints. Eleven (11) unit rights entitle the holder to subscribe for one (1) Unit. Each Unit consists of forty-eight (48) B-shares and eight (8) Warrants.

The Rights Issue comprises no more than 333,126,105 Units, corresponding to no more than 15,990,053,040 B-shares (ISIN: SE0008374250) and no more than 2,665,008,840 Warrants (ISIN: SE0023595525). Shareholders who choose not to participate in the Rights Issue will, upon full subscription in the Rights Issue have their shareholding diluted by approximately 81.3 per cent and their voting shares diluted by approximately 81.0 per cent.¹ These shareholders have the option to be financially compensated for the dilutive effect by selling their unit rights. Upon transfer of unit rights, the preferential rights are transferred to the new holder of the unit rights.

SUBSCRIPTION PRICE

The subscription price is SEK 0.48 per Unit, corresponding to SEK 0.01 per B-share (the Warrants are issued free of charge). Fingerprints does not impose any fees or other costs on

investors in connection with the Rights Issue. No brokerage will be charged.

RECORD DATE

The record date at Euroclear for determining which parties are entitled to receive unit rights under the Rights Issue is 24 January 2025. The Company's shares will trade with the right to receive unit rights up to and including 22 January 2025. The Company's shares will be traded ex-unit rights in the Rights Issue from 23 January 2025.

SUBSCRIPTION PERIOD

Subscription for Units by exercising unit rights is carried out through payment during the period from 28 January 2025 up to and including 11 February 2025. During this period, it is also possible to apply to subscribe for Units without unit rights. The board of directors of the Company reserves the right to extend the subscription period for Units.

Subscription of potential FDI Units (as defined below) shall take place during the period from and including 28 January 2025 up to and including the earlier of (i) the business day that falls three (3) business days from an obtained FDI Decision (as defined below) (however not earlier than the last day of the general subscription period) and (ii) 13 June 2025. The board of directors of the Company reserves the right to extend the subscription period for FDI Units.

¹ Calculated on the basis of the maximum number of shares that could come in to existence through the Rights Issue in relation to the maximum number of outstanding shares in the Company after the Rights Issue.

ISSUE STATEMENT

Directly registered shareholders

A pre-printed issue statement with an attached payment form will be sent to shareholders, or representatives of shareholders, in the Company who, on the record date of 24 January 2025, was registered as shareholders in the share register maintained by Euroclear Company. The pre-printed issue statement sets forth, inter alia, the number of unit rights received and the full number of Units that may be subscribed for. No separate notification will be sent regarding the registration of unit rights in shareholders' securities accounts. Those parties included in the separate list of pledge holders and trustees maintained in connection with the share register will not receive any issue statement and will be informed separately.

Nominee registered holdings

Shareholders whose holdings of shares in the Company are nominee-registered at a bank or other nominee will not receive any issue statement from Euroclear. Instead, application for subscription and payment should be carried out in accordance with the instructions from the respective nominee.

Shareholders resident in certain unauthorized jurisdictions

The allotment of unit rights and the issue of Units through the exercise of the unit rights to shareholders who are resident outside of Sweden may be affected by securities legislation in such countries; please refer to the "Important information to investors" section. Consequently, subject to certain exceptions, shareholders whose existing shares are directly registered in a securities account and whose registered address is in Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Schweiz, Singapore, South Africa, Russia, UK, USA or any other jurisdiction where participation in the Rights Issue would require additional prospectus, registration or action other

than those arising from Swedish law, will not receive any unit rights to their respective securities accounts or be allowed to subscribe for Units. Unit rights that would have been registered to such shareholders will be sold and the sales proceeds, less a deduction for costs, will be paid to such shareholders, however, amounts less than SEK 100 will not be paid out.

TRADING IN UNIT RIGHTS

Unit rights will be traded on Nasdaq Stockholm Small Cap during the period from 28 January 2025 up to and including 6 February 2025 under the short name (ticker) "FING UR B". Penser by Carnegie and other securities institutions with the requisite licenses will provide brokerage services in connection with the purchase and sale of unit rights. The ISIN code for the unit rights is SE0023847843.

If a shareholder does not exercise its unit rights by payment no later than 11 February 2025 or sells its unit rights no later than 6 February 2025, such shareholders' unused unit rights will expire without value and the holder will not receive any compensation.

SUBSCRIPTION FOR UNITS WITH UNIT RIGHTS

Subscription for Units with the unit rights is carried out through payment during the period from 28 January 2025 up to and including 11 February 2025. Upon expiry of the subscription period, unexercised unit rights will lapse and become worthless. After 11 February 2025, unexercised unit rights will be deleted from holders' securities accounts, without notice from Euroclear.

To ensure that the value of the unit rights to subscribe for Units is not lost, the holder must either:

- exercise the unit rights to subscribe for Units no later than 11 February 2025, or according

to instructions received from the respective trustee; or

- sell the unit rights that have not been exercised no later than 6 February 2025.

A subscription of Units with the unit rights is irrevocable and the subscriber cannot withdraw or change such subscription of Units.

Directly registered shareholders resident in Sweden

Subscription for Units with the unit rights is carried out through cash payment, either by use of the pre-printed payment form or a separate application form, with concurrent payment in accordance with one of the following options:

- the payment form is to be used if all unit rights in the issue statement from Euroclear are to be exercised. No additions or changes may be made to the payment form, and
- the application form named “Subscription of Units with unit rights” is to be used if unit rights have been purchased, sold or transferred from another securities account, or if, for some other reason, the number of unit rights to be exercised for subscription of Units differs from the number on the pre-printed issue statement. Payment for the subscribed Units must be made concurrent to submitting the completed application form, which can be carried out in the same way as for other bank giro payments, for example through an internet bank, by giro transfer or at a bank branch office. The number of the securities account that holds the unit rights must be stated together with the payment.

Application forms in accordance with the above may be ordered from Penser by Carnegie during office hours by telephone: +46 (0)8-5886 8510 or downloaded from Carnegie’s website www.carnegie.se. Application forms and payments must be received by Penser by Carnegie no later than 3:00 p.m. on 11 February 2025.

Directly registered shareholders not resident in Sweden who are eligible to subscribe of Units with unit rights

Directly registered shareholders who are eligible to subscribe for Units with unit rights and who are not resident in Sweden, and who are not subject to the restrictions described above under “Shareholders resident in certain unauthorized jurisdictions” and who cannot use the pre-printed payment form, can pay in SEK through a foreign bank in accordance with the instructions below:

Penser by Carnegie, Carnegie Investment Bank AB (publ)
Transaction Support
SE-103 38 Stockholm, Sverige
SWIFT adress: ESSESESS
IBAN: SE3850000000052211000363
Bank account number: 5221 10 003 63

Upon payment, the subscriber’s name, address, securities account number and the reference number on the issue statement must be stated. The final day for payment to be received is 11 February 2025.

If the subscription pertains to another number of Units than stated in the issue statement, the following form should be used instead: “Application form for subscription of Units with unit rights”, which can be ordered from Penser by Carnegie during office hours by telephone: +46 (0)8-5886 8510 or downloaded from Carnegie’s website www.carnegie.se. Payment is to be made in accordance with the instructions above with the number of the securities account that holds the unit rights as reference. Application forms (in accordance with the above address) and payments must be received by Penser by Carnegie no later than 3:00 p.m. on 11 February 2025.

Nominee-registered shareholders

Holders of depository accounts that wish to subscribe for Units with unit rights must apply to subscribe in accordance with the instructions from

their nominee or nominees, who will also process allotment notifications and other questions.

PAID SUBSCRIBED UNITS (BTU)

After subscription and payment, Euroclear will distribute a securities notification confirming the registration of the paid subscribed Units (Sw. *betalda tecknade Units*, “**BTUs**”) in the securities account.

The new B-shares and Warrants will be registered as BTUs in the securities account until such time as the Rights Issue has been registered with the Swedish Companies Registration Office. Registration of B-shares and Warrants subscribed for with unit rights is expected to take place at the Swedish Companies Registration Office around 21 February 2025. Thereafter, BTUs will be converted to B-shares and Warrants, which is expected to take place on or around 26 February 2025 without special notification from Euroclear Sweden. Holders of nominee-registered depository accounts will receive BTUs and information in accordance with the procedures of the respective nominee.

BTU will be admitted for trading on Nasdaq Stockholm Small Cap under the short name (ticker) “FING BTU B” from 28 January 2025 up to and including 20 February 2025. Penser by Carnegie and other securities institutions with the requisite licenses will provide brokerage services in connection with the purchase and sale of BTUs. The ISIN code for BTU is SE0023847850.

SUBSCRIPTION FOR UNITS WITHOUT UNIT RIGHTS

The Units may also be subscribed for without unit rights.

Directly registered shareholders and others

Application for subscription for Units without unit rights must be made on the special application form “*Subscription without exercising unit rights*”.

More than one application may be submitted; however, only the most recently dated application will be considered.

If the application concerns another person than the undersigned, a special form “*Guardians and authorised agents*” must also be filled in and sent together with the application form “*Subscription without unit rights*”.

Application forms and other forms may be obtained from any of Carnegie’s offices in Sweden or downloaded from Carnegie’s website www.carnegie.se as well as from Fingerprints website www.fingerprints.com. The application form may either be sent by post to Penser by Carnegie, Carnegie Investment Bank AB, Transaction Support, SE-103 38 Stockholm or be handed in at one of Carnegie’s branch offices in Sweden. The application form must be received by Penser by Carnegie no later than 3 p.m. on 11 February 2025.

Allotment of Units (and thereby B-shares) in the Rights Issue that would entail that a party who guarantees part of the Rights Issue gains control of ten (10) per cent or more of the votes in the Company following the Rights Issue requires a prior decision from the Inspectorate of Strategic Products (“**ISP**”) in accordance with the Screening of Foreign Direct Investment Act (the “**Swedish FDI Act**”) (Sw. *lag (2023:560) om granskning av utländska direktinvesteringar*), and, if applicable, any other equivalent body pursuant to legislation in any other jurisdiction, to approve the investment or leave the application therefore without remark (“**FDI Decision**”). Such Units in the Rights Issue which, if granted to a party who guarantees part of the Rights Issue, would require a FDI Decision and such FDI Decision has not been obtained at the time of granting are referred to as “**FDI Units**”.

Legal Entity Identifier (LEI-code) & National Client Identifier (NCI-number)

Legal Entity Identifier (LEI) is a global identification code for juridical persons. From 3 of January 2018 juridical persons need to have a LEI-code to be able to make a security transaction. If there is no such code Penser by Carnegie is not allowed to execute the transaction for the juridical person. Subscriber that needs to acquire a LEI-code to subscribe for Units in the Company should contact any of the suppliers available on the market. Keep in mind to apply for a registration of a LEI-code in time since the code needs to be submitted on the acceptance form. More information regarding the requirements of the LEI can be found, e.g., on Finansinspektionen's website www.fi.se. In order to participate in the Rights Issue and be allocated Units subscribed for without unit rights, legal entities must hold and state their LEI-code.

National ID or National Client Identifier (NCI-number) is a global identification code for individuals. From 3rd of January 2018 all physical persons have a NCI-number and it needs to be specified to be allowed to make a security transaction. If such a number is not specified Penser by Carnegie might be prevented from executing the transaction for the physical person. If you only have a Swedish membership your NCI-number will consist of "SE" followed by your personal number. If you have more or another than a Swedish citizenship your NID-number may consist of another type of number. For more information about how NCI-numbers are acquired please contact your bank office. Keep in mind to find your NCI-number in time since the number has to be submitted on the acceptance form.

Nominee-registered shareholders

Holders of depository accounts that wish to subscribe for Units without unit rights must apply to subscribe in accordance with the instructions from their nominee or nominees, who will also

process allotment notifications and other questions.

ALLOTMENT OF UNITS SUBSCRIBED FOR WITHOUT UNIT RIGHTS

In the event that not all Units are subscribed for with unit rights, the Company's board of director's shall resolve on allotment of Units subscribed for without unit rights. Allotment will then be carried out in accordance with the following:

- *Firstly*, allotment of Units shall be granted to those who have subscribed for Units by exercising unit rights, regardless if the subscriber were registered as shareholders on the record date or not and, in the event of over-subscription, *pro rata* in relation to their subscription by exercising unit rights and, to the extent this is not possible, by drawing lots,
- *Secondly*, allotment of Units shall be granted to others who have subscribed for Units without exercising unit rights and, in the event of over-subscription, *pro rata* in relation to the subscribed amount and, to the extent this is not possible, by drawing lots,
- *Thirdly*, allotment of Units that does not constitute FDI Units shall, as applicable, be granted to the parties who guarantees part of the Rights Issue, *pro rata* in relation to such guarantee commitments in accordance with separate agreement with the Company, and
- *Ultimately*, as applicable, allotment of Units that constitutes FDI Units shall be granted to the relevant parties who guarantees part of the Rights Issue if and when the guarantor has obtained a positive FDI Decision.

Around 13 February 2025, a settlement note will be sent to the subscriber as confirmation of the allotment of Units subscribed for without unit rights. Shareholders whose holdings are nominee-registered will receive confirmation of the allotment in accordance with the procedure of the respective nominee. No confirmation will be sent to subscribers who received no allotment.

Payment for subscribed and allocated Units is to be made in cash in accordance with the instructions on the settlement note sent to the subscriber.

After payment of subscribed and allotted Units has been made and the new B-shares and Warrants have been registered with the Swedish Companies Registration Office, Euroclear will send a notice as confirmation that the new B-shares and Warrants have been registered to the securities account. Registration of the new B-shares and Warrants subscribed for without unit rights are expected to be registered with the Swedish Companies Registration Office around 21 February 2025. The registration of new B-shares and Warrants on securities accounts is expected to take place around 26 February 2025.

SUBSCRIPTION, PAYMENT AND REGISTRATION OF FDI UNITS

Subscription of potential FDI Units shall take place during the period from and including 28 January 2025 up to and including the earlier of (i) the business day that falls three (3) business days from an obtained FDI Decision (however not earlier than the last day of the general subscription period) and (ii) 13 June 2025. Subscribed and allotted Units shall be made through payment in cash in accordance with the instruction on the distributed settlement note that is sent to the subscriber.

Registration of B-shares and Warrants in respect to subscribed and allotted FDI Units is expected to take place with the Swedish Companies Registration Office as soon as possible after subscription and allotment has taken place, however not earlier than the registration with the Swedish Companies Registration Office of B-shares and Warrants in respect to Units that do not constitute FDI Units. Registration of B-shares and Warrants in respect to potential FDI Units held on securities account (Sw. *VP-konto*) is expected to take place on or around (3) business days after

such B-shares and Warrants have been registered with the Swedish Companies Registration Office, however not earlier than the registration of B-shares and Warrants in respect to Units that does not constitute FDI Units.

SUBSCRIPTION THAT REQUIRES MANDATORY FILING UNDER THE SWEDISH FDI ACT OR EQUIVALENT LEGISLATION IN OTHER JURISDICTION

Since the Company is deemed to be conducting protection-worthy activities under the Swedish FDI Act, some investments may require mandatory filing with and approval from the ISP. The investments shall be filed with and approved by ISP if it result in the investor acquiring a holding equal to or exceeding the thresholds of 10, 20, 30, 50, 65 or 90 per cent of the total number of votes in the Company. Equivalent mandatory filing requirement may also be imposed by equivalent bodies in other jurisdictions in accordance with equivalent legislation in other applicable jurisdictions. Each investor should consult an independent legal advisor as to the possible application of the Swedish FDI Act or equivalent legislation in other applicable jurisdiction in relation to the Rights Issue for the individual investor.

The mandatory filing requirement is not applicable on investors who subscribe for Units (and thereby B-shares) by exercising preferential rights in relation to the number of shares already held by the investor on the record date 24 January 2025.

TRADING IN NEW B-SHARES AND WARRANTS

The Company's issued B-shares are traded on Nasdaq Stockholm Small Cap and are traded under the short name (ticker) "FING B". After the Swedish Companies Registration Office has registered the Rights Issue, the new B-shares and Warrants will be admitted for trading on Nasdaq

Stockholm Small Cap. The Warrants will be traded under the short name (ticker) “FING TO8 B”. Trading in new B-shares and Warrants subscribed for with unit rights is expected to take place around 26 February 2025. Trading in new B-shares and Warrants that have been subscribed for without unit rights is expected to commence around 26 February 2025. Note that depending on the specific routines and practices of banks and custodians, trading may start before or after this date.

B-shares and Warrants in respect to potential FDI Units issued in the Rights Issue is however expected to be admitted to trading on or around three (3) business days after such B-shares and Warrants have been registered with the Swedish Companies Registration Office, however not earlier than the admission to trading of B-shares and Warrants in respect to Units that do not constitute FDI Units.

RIGHT TO DIVIDEND ON SHARES

Dividends are paid following a resolution by a general meeting of shareholders. Payment of dividends will be administered by Euroclear or, for nominee-registered shareholdings, in accordance with the procedures of the respective nominee. Entitlement to receive a dividend is limited to shareholders registered in the share register maintained by Euroclear on the record date for dividends. The new B-shares carry the right to dividends for the first time on the dividend record date follows immediately after the new B-shares have been registered with the Swedish Companies Registration Office and in the share register maintained by Euroclear Sweden.

IRREVOCABLE SUBSCRIPTION

The Company is not entitled to revoke the Rights Issue. Subscription of Units, with or without unit rights, is irrevocable and the subscriber may not withdraw or change a subscription for Units,

unless otherwise stated in this Prospectus or applicable law.

ANNOUNCEMENT OF THE OUTCOME OF THE RIGHTS ISSUE

The outcome of the Rights Issue is expected to be announced around 12 February 2025 through a press release from the Company. The press release will be available on the Company’s website, www.fingerprints.com.

INFORMATION ABOUT THE PROCESSING OF PERSONAL DATA

Parties who subscribe for, or apply to subscribe for, Units will submit personal data to Penser by Carnegie. Personal data that is submitted to Penser by Carnegie, for example contact information and personal identification number, or which is otherwise registered in connection with the preparation or administration of the offer, is processed by Penser by Carnegie, as controller of the personal data, for the administration and execution of the Rights Issue. Processing of personal data also takes place to enable Penser by Carnegie to comply with its statutory duties.

Personal data may for a defined purpose – in observance of bank secrecy rules – occasionally be disclosed to other companies within the Carnegie Group or to undertakings which co-operate with Carnegie, within and outside the EU/EEA in accordance with EU’s approved and appropriate protective measures. In certain cases Carnegie is also under a statutory duty to provide information, e.g., to the Swedish Financial Supervisory Authority and the Swedish Tax Agency. You may read more about how the bank processes personal data at <https://www.carnegie.se/en/personaldata/>.

OTHER INFORMATION

Penser by Carnegie is the issuing institution in connection with the Rights Issue. The fact that Penser by Carnegie is the issuing institution does not imply that Penser by Carnegie views any party

that applies to subscribe under the Rights Issue as a customer of Penser by Carnegie. In the event that a larger amount than necessary has been paid by a subscriber for Units, Fingerprints will arrange for the excess amount to be refunded. No interest will be paid on excess amounts. Incomplete or incorrectly completed application forms may be disregarded. If the subscription payment is made

late, is insufficient or is paid incorrectly, the subscription application may be disregarded entirely or allotment may be for a lower amount, in which case, any excess amount will be refunded. No interest will be paid on any such excess amount. Amounts less than SEK 100 will not be refunded.

Terms and conditions of the Warrants in brief

Number of warrants	2,665,008,840
ISIN	SE0023595525.
Subscription period	<p>Application for subscription of B-shares may take place during the period from and including the first trading day following establishment of the subscription price in accordance with section "Appendix A – Terms and conditions for warrants regarding B-shares" to and including 2 October 2026. If a holder is prohibited from subscription of B-shares during the period set out above due to regulations under Regulation (EU) (596/2014/EU) on market abuse, the Swedish Securities Market Abuse Penal Act (Sw. <i>lagen (2016:1307) om straff för marknadsmissbruk på värdepappersmarknaden</i>) the Swedish Act with Supplementary Provisions to the European Union's Market Abuse Regulation (Sw. <i>lagen (2016:1306) med kompletterande bestämmelser till EU:s marknadsmissbruksförordning</i>) or other insider legislation applicable in respect of the Company, the Company shall be entitled to instead permit subscription of B-shares as soon as such holder is no longer prevented from subscription, however not later than 10 calendar days after such prevention has ceased to apply.</p>
Subscription price	<p>One warrant entitles the holder to subscribe for one (1) new B-share in the company at a subscription corresponding to 70 per cent of the Average Price (as defined below).</p> <p>The "Average Price" is equal to the volume-weighted average price of the Company's B-share on Nasdaq Stockholm the 10 trading days that occurs prior to (but not including) 11 September 2026 (however never exceeding 150 per cent of the implied subscription price per B-share in the Company's Rights Issue (the "Maximum Price"). The Average Price and the calculated subscription price shall be rounded to the nearest SEK 0.01, where SEK 0.005 shall be rounded down. Notwithstanding the above, the subscription price</p>

	may never be lower than (i) SEK 0.01 or (ii) the quota value of the Company's shares from time to time.
Subscription	Upon application for subscription, payment for the number of B-shares which the application for the subscription covers shall be made simultaneously. Payment shall be made in cash to a bank account designated by the Company.
Trading in warrants	<p>The Company's board of directors will apply for admission to trading on Nasdaq Stockholm of the warrants that entitle to subscription for B-shares and that are issued in connection with the Rights Issue.</p> <p>The Warrants is expected to be admitted to trading on 26 February 2025. The Warrants' short name (ticker) will be FING TO8 B.</p>
Right to dividend	B-shares issued following subscription shall entitle the holders thereof to participate in the distribution of dividends for the first time on the record date that occurs immediately following the execution of the subscription, i.e., when the B-shares have been registered with the Swedish Companies Registration Office and in the share register maintained by Euroclear Sweden AB.
Amendments to terms and conditions	The Company shall be entitled, to amend the terms and conditions of the warrants to the extent required by legislation, decisions of courts of law or decisions of governmental authorities or where otherwise such is necessary or expedient for practical reasons and provided that the rights of the holders are in no way prejudiced.
Applicable law and forum	These terms, and all legal issues related to the warrants, shall be determined and interpreted in accordance with Swedish law. Legal proceedings relating to the warrants shall be brought before the Swedish District Court or other such forum as is accepted in writing by the Company.

Business description

INTRODUCTION

Fingerprints is a global biometrics company with Swedish roots whose solutions that make everyday life easier for users throughout the world by providing safe and convenient identification and authentication with a human touch.

Fingerprints' solutions are integrated into close to two billion devices and applications and are used billions of times every day. Fingerprints develops biometric systems comprising sensors, microcontroller (MCU), algorithms, software and packaging technologies, and the Company's

product development has resulted in high security products and seamless user experience. The use of biometrics is increasing in several application areas, and Fingerprints' solutions can be found in *e.g.*, FIDO keys, crypto wallets, and payment cards.

Fingerprints is listed on Nasdaq Stockholm. The Company's headquarter is located in Sweden, however, the Group also has, as per the date of the Prospectus, employees and/or offices in Denmark, France, India, China, Switzerland, Taiwan and the United States.

RECENT HISTORY

- 2023**
- Fingerprints establishes new operational initiative – New Business. The initiative is charged with developing new business and driving revenue growth with particular focus on the areas New Partners, complementary acquisitions (M&A), Organic Innovation and Monetizing intellectual property rights (IPR). For more information, see section “–*Operational initiative: New Business*” below.
 - During the third quarter 2023, Fingerprints carried out an issue of convertible bonds and a Rights Issue, which together raised approximately SEK 340 million to the Company following deduction of issue related costs. The issues strengthened the Company's solidity and liquidity and enabled Fingerprints to finance an early redemption of the bond 2021/2024, which entailed increased financial flexibility with a reduced number of limiting obligations and stronger financial position.
 - In October 2023, Fingerprints set in motion a transformation plan to facilitate the necessary turnaround for the Group's performance. The transformation plan includes a significant cost optimization program to ensure profitability, organizational effectiveness and strategy evolution to further accelerate diversification to higher-margin lines of business. For more information, see section “–*Strategy, objective and future prospects*” below.
- 2024**
- Fingerprints implemented a new functional organization and governance model, with two primary pillars; Product and Sales, with support from Finance, HR and other operational functions. This change means that the Company from 1 January 2024 no longer manages the business in separate operating segments, and no longer reports results for the previous operating segments Asia, Rest of World and New Business.
 - The Company initiated the wind down of the Mobile operations.
 - The Company carries out a partially guaranteed rights issue of up to approximately SEK 310 million during the second quarter 2024. In order to provide the Company with sufficient working capital up until the completion of the rights issue, the Company also entered into an agreement with a consortium of external investors which provided a short-term loan of SEK 60 million.

- The Company carried out an early redemption of the Company's outstanding convertible bonds.
 - The Company entered into an exclusive partnership agreement with Egis Technology ("Egis") to enable Egis to start to integrate Fingerprints' Mobile product lines and technology with Egis' existing mobile platform.
 - The Company initiated the wind down of the PC operations.
 - Fingerprints and Anonybit, a pioneer in privacy-enhancing biometric infrastructure, entered into a strategic partnership.
- 2025**
- The Company entered into a strategic partnership as well as a license agreement with Smart Eye AB (publ) for a total consideration of up to SEK 50 million.

FINGERPRINTS' PRODUCT GROUPS

Fingerprints offers security solutions through secure and convenient authentication. The Company has a broad product portfolio and through the Company's product groups, the Company offers biometric system solutions that increase both the security and the convenience in the everyday life.

The Group has had, and will continue to have for a period of time, the following product groups: Mobile, PC, Payment and Access. As part of the transformation plan, the Company is however revising its product positioning by exiting unprofitable low-margin markets, such as Mobile and PC, to focus on profitable growth segments as Payment and Access and at the same time increase its focus on the iris recognition market.

Mobile

Fingerprints has been active in capacitive fingerprint sensors for smartphones, a tried-and-tested technology in the mobile industry, and under-display sensors. As announced in the Company's interim reports for the financial year 2024, Fingerprints is exiting its loss-making operations in the Mobile product group in order to safeguard the Company's financial health and future viability.

As part of the Mobile product group wind down, the Company entered into an exclusive partnership

agreement with Egis, a biometric sensor solution provider, covering patent and technology licensing and conditional Mobile asset acquisitions, to enable Egis to start to integrate Fingerprints' Mobile products and technology with Egis' existing mobile platform. Furthermore, the partnership with Egis will enable a faster, more efficient winding down of Fingerprints' Mobile business and inventory depletion, as well as providing continued employment opportunities for some of Fingerprints' former Mobile-dedicated staff at Egis. As a result of the exclusive partnership agreement with Egis, Fingerprints has thus far received SEK 15 million in cash payments. While these payments are not material, the agreement with Egis entails future opportunities for Fingerprints to generate additional cash payments and royalties for development work.

PC

Fingerprints offers biometric solutions which are specifically adapted for PCs. The Company's offering in PC is offered in two different versions. In some computers, biometric authentication occurs in the computer's CPU (processor), so-called Match-on-Host. In the last couple of years it has also become more common to use so-called Match-on-Chip, which is a more secure method since the biometric data is stored on a separate chip. However, the PC product group has experienced lower sales, partly due to the lifecycle

maturity of certain models incorporating the Company's technology. This has driven customers to diversify their supplier base, further impacting Fingerprints' market share – particularly as a small-cap company following the Mobile wind down. Securing new PC projects has proven to be both capital- and time-intensive, further underscoring the unsustainability of the product group. Against this backdrop, Fingerprints is winding down the PC product group to achieve further cost reductions and exit the Chinese market entirely.

Access

Biometric solutions for Access – biometric access control – is a fragmented but growing market that includes key applications such as Logical Access (devices such as FIDO tokens and PIV/FIDO cards), Physical Access (access cards and smart locks), Physical Crypto Wallets, Smartlocks (door locks and padlocks for secure physical entry), and IoT (storage, safes, alarms, etc.).² It is the Company's assessment that passwords and PINs are insecure, outdated, and prone to breaches, leaving businesses and consumers vulnerable to cyber threats. Thus, Fingerprints believes that a scalable, secure, and seamless authentication solution is no longer optional, but that it is essential. In addition, the global shift toward zero-trust security frameworks demands robust authentication systems.³

Fingerprints offers software and biometric sensors specifically customized for the Access products, comprising both modules for fingerprint recognition and solutions based on iris recognition. For device manufacturers and access control providers who need secure and seamless

authentication, Fingerprints delivers passwordless secure biometric turnkey system solutions that are easy to integrate and highly reliable. Unlike standalone sensor providers, Fingerprints offers complete turnkey solutions to simplify product integration, speed up time to market and to ensure seamless user experience.

The Company believes that market demand for biometric authentication – particularly for FIDO⁴-certified products – remains strong. To capture these opportunities, Fingerprints introduced FPC AllKey, a versatile, high-security biometric solution for various devices, from smart door locks to cryptocurrency wallets, which simplifies integration, reduces risk, and accelerate time-to-market for device manufacturers. This launch strengthens Fingerprints position in the access control market and broadens its addressable market in secure authentication.

Iris recognition is also suitable for certain applications within Access, such as touchless entry and exit control systems in public environments, something that came into sharper focus as a result of Covid-19. Companies and organisations are also showing an increased interest in access cards and security keys with fingerprint sensors, as the same card or key can be used to enable uniform, secure access to computers and systems, as well as to physical spaces. In respond to such interest, the Company is focusing on developing multifunctional cards and tokens, however, these are currently in process and not yet available. In addition, hybrid working requires smarter approaches to security, access control and authentication to protect companies, their data and employees. Moreover, the

² Based on the Company's estimates and information from the global research company ABI Research, the Nilson Report publication, International Organization of Motor Vehicle Manufacturers (OICA), Statista (a company specialising in market and consumer data) and the market research company Strategy Analytics.

³ BeyondIdentity, Article by Beyond Identity Blog "5 Best Practices for Authentication in a Zero Trust Strategy", 2022.

⁴ FIDO tokens enables password-only logins to be replaced with passwordless, two-factor and multi-factor authentication, while retaining strong security offered by public key cryptography.

automotive industry is another area where Fingerprints foresees considerable potential. For example, Driver Monitoring Systems (DMS) are becoming mandatory, requiring hardware adaptable for iris recognition to enhance safety and efficiency, hence the Company is focusing on enabling its iris recognition technology in this area.

The Access product group revenue⁵ amounted to SEK 39.0 million for the period October 2022–September 2023 (gross margin⁶ of 55 per cent during the same period), and SEK 47.6 million for the period October 2023–September 2024 (gross margin⁷ of 53 per cent during the same period).

Payments

Fingerprint sensors for payment devices, including payment cards and wearables, represent a considerable potential market and is an important growth area for Fingerprints. The biometric payment card market is projected to grow at a CAGR of 62.5 per cent, reaching USD 15.5 billion by 2032,⁸ and the growth is fuelled by rising fraud and demand for touch-free payments. Fingerprint authentication replaces PINs and signatures, reducing fraud risks. At the same time, biometric data remains securely stored on the card. For card manufacturers seeking secure, seamless solutions, Fingerprints offers certified biometric systems for payment cards that seamlessly integrate into existing ecosystems by delivering turnkey solutions through strategic partners that enhance security, simplify integration, and enable cost-effective production.

In 2023, Fingerprints passed one million shipments of fingerprint sensor modules to the biometric payment card industry, and continued to

make progress under its strategic collaborations with technology leaders within the payment card eco-system. The development, integration and certification of solutions in the payment industry require significant investment and time but create a lock-in effect once mass production begins. Fingerprints' T2 solution was enabled for Thales, the world leading Tier 1 payment card manufacturer in 2023. In 2024 turnkey systems solutions with both STMicroelectronics and Infineon, targeted for Tier 2/3 card manufacturers, has been fully certified and are ready for mass production. While Fingerprints is working on expanding its product offering with additional key strategic players in the eco-system, the Company assess that it is in a good market position for mass volume take off.

The Payment product group revenue amounted to SEK 20.7 million for the period October 2022–September 2023 (gross margin⁹ of 56 per cent during the same period), and SEK 3.9 million for the period October 2023–September 2024 (gross margin¹⁰ of 72 per cent during the same period).

Iris

Existing systems within the iris technology are high cost, driven by high algorithm requirements for distance and image resolution leading to a poor user experience and limited applications. Fingerprints is expanding its digital identity footprint, most recently with the launch of its 4th generation iris recognition software. This “just glance” technology offers secure, touchless authentication with exceptional versatility, performing reliably even with accessories like glasses and masks. It supports privacy-sensitive sectors, including automotive and access control, and is well-suited for Zero Trust security

⁵ The revenue included in this section excludes Access China revenue.

⁶ The gross margin is the standard gross margin excluding R&D depreciation.

⁷ The gross margin is the standard gross margin excluding R&D depreciation.

⁸ Straits Research Biometric Payment Cards Market Size, Share & Trends Analysis Report By Card Type.

⁹ The gross margin is the standard gross margin excluding R&D depreciation.

¹⁰ The gross margin is the standard gross margin excluding R&D depreciation.

frameworks, where it mitigates deepfake risks and enhances system-level security. Fingerprints' aim is that system integration with selected customers will commence in the first quarter 2025, marking a critical step in broadening the Company's digital identity offerings. As part of this, the Company entered into a strategic partnership agreement with Smart Eye AB (publ) to enhance security and user experience in Automotive and Enterprise as well as an agreement to license its iris recognition technology for a total consideration of up to SEK 50 million. As part of the agreement, Smart Eye AB (publ) will license back to Fingerprints a multimodal asset including facial recognition and eye tracking, expanding Fingerprints' portfolio of biometric modalities. This will enable Fingerprints to sell into new and existing customer opportunities, enabling enterprise clients to improve security and user experience by replacing passwords with secure, user-friendly biometrics. The rise of deepfakes poses a threat to digital security, particularly where identity verification is critical. The combined expertise of Fingerprints and Smart Eye AB (publ) is expected to result in a solution that leverages the inherent security of biometrics to provide strong protection against deepfake attacks.

The iris recognition market is projected to grow from USD 4.74 billion in 2024, to USD 10.47 billion by 2029, at a compound annual growth rate (CAGR) of 17.16 per cent.¹¹

OPERATIONAL INITIATIVE: NEW BUSINESS

In July 2023, the operational initiative New Business was established, which is charged with developing new business and driving revenue growth. Fingerprints' initiative to establish New Business underscores its commitment to diversifying revenue streams and exploring emerging opportunities in adjacent markets,

enhancing long-term growth prospects. In summary, the initiative has been established to develop new businesses and drive revenue growth as well as to further accelerate the diversification of Fingerprints' revenues with a particular focus on the four areas: New Partners, complementary acquisitions (M&A), Organic Innovation and Monetizing intellectual property rights (IPR).

New partners

Fingerprints has a long history of partnering with industry-leading organizations in order to develop product offerings and strengthen the Company's position in its core biometric solutions business. Through the operational initiative New Business, Fingerprints will explore opportunities to expand into adjacent markets by entering collaborative agreements with technology companies that can benefit from Fingerprints' technical expertise and sales channels in their go-to-market strategy. Currently there are ongoing discussions with several high-potential partners, *e.g.*, in the area of health sensors.

For example, recently Fingerprints and Anonybit, a pioneer in privacy-enhancing biometric infrastructure, entered into a strategic partnership to deliver the next generation of enterprise authentication solutions. The partnership aims at introducing a first-of-its-kind end-to-end multimodal biometric identity offering to the enterprise market.

M&A

In the event that Fingerprints sees potential for realizing major synergies with a partner company, it may evaluate carrying out targeted, smaller acquisitions to complement the current portfolio.

Organic Innovation

Fingerprints is committed to drive organic innovation, with a strong focus on developing advanced technologies such as camera-based fingerprint capture, augmented reality (AR) and

¹¹ Mordor Intelligence: Iris Recognition Market Size & Share Analysis - Growth Trends & Forecasts (2024 - 2029).

virtual reality (VR) applications, as well as low-resolution iris recognition solutions.

Monetizing IPR

Fingerprints has approximately 800 registered patents in its portfolio, extending from algorithms and biometric image processing through to sensors and hardware packaging technology. The Company sees an increased potential with regard to monetizing these patent rights to increase the revenues, and are working with leading patent law firms for this purpose and on 6 May 2024, Fingerprints signed a patent license agreement with a major global company as the licensee.

FINGERPRINTS BIOMETRIC PLATFORM

As part of Fingerprints new strategy, the Company is also working on the so-called “Fingerprints Biometric Platform”, which entails expanding modalities, enriching identity decisions with data and orchestrating for improved security and ease of consumption through a software platform with the aim to serve enterprises with a more secure and easily navigated alternative to passwords and existing complex offerings within the space of the Identity Verification (IDV) and Customer Identity and Access Management (CIAM).

The objective of the Fingerprints Biometric Platform is to deliver a common, integrated set of tools and capabilities that can be combine in multiple ways to maximize the Company’s addressable market and customer value creation through four layers: *devices* that capture and transmit a signal; *software modalities* such as fingerprints, iris, face or gait that extract key indicators from the signal; *software analytics engines* such as algorithms and AI that match the signal to a given outcome like identity or behaviour and the software *data layer* where the information is managed and securely stored.

STRENGTHS AND COMPETITIVE ADVANTAGES

The Company’s primary strengths and competitive advantages are the following:

- **Market position:** The Company assesses that it is well-positioned to capture a larger share of new, emerging global markets for biometric solutions. In addition, Fingerprints believes that it is well-positioned to gain capabilities within iris modality (internally or through partnerships). Within Payments, Fingerprints has, according to its own assessment, an advantageous position as the Company has achieved certification with the majority of the major players within the payment cards industry and the Company’s technology has been used in twelve commercial launches and in 24 market tests of biometric payment cards worldwide so far.
- **Product quality:** Fingerprints’ believes its position is based on product quality, supply chain robustness, security and biometric performance. Fingerprints further believes that it has great opportunities to continue introducing new products to the market.
- **Innovation capability:** The Company is active in a market with strong tailwinds driven by advancements in technology, heightened security concerns, and rising demand for contactless solutions and Fingerprints believes that it is aligned with the rapid global adoption of passwordless security systems. Fingerprints has a history of innovative products and solutions and has as a result approximately 800 registered patents. Fingerprints has an organisation that can respond to the changing demands of the market and is in a position to continue developing new products. It is the Company’s assessment that recent R&D investments ensure that Fingerprints remains ahead of industry trends.

STRATEGY, OBJECTIVE AND FUTURE PROSPECTS

For Fingerprints, the most important strategic prioritisation has been to continue to drive innovation, broaden the pool of suppliers and ensure a competitive cost structure. Due to a significant cash burn rate and a strained liquidity position within the Group – primarily driven by unsustainably low gross margins in the Mobile product group – the Company brought in a new executive leadership team who announced a comprehensive transformation plan in 2023. The transformation plan is fully operational and aims to return Fingerprints to profitability while establishing stronger future prospects by focusing on high-margin business segments in the identity and cyber security market, achieving sustainable and profitable growth. The transformation plan encompasses several strategic initiatives, including a significant cost optimization program, enhanced organizational effectiveness, and an evolved strategy to accelerate diversification into higher-margin product lines.

In line with the transformation plan and as announced in the interim report for the period January–March 2024, Fingerprints is exiting commoditized, low-margin markets to prioritize profitable growth segments. As part of this realignment, the Company is winding down its loss-making operations in the Mobile product group to safeguard its financial health and ensure future viability and in June 2024, Fingerprints entered into an exclusive partnership agreement with a biometric sensor solution provider, facilitating a more efficient wind down of the Mobile operations and inventory depletion. In addition to these market dynamics, the PC product group has experienced lower sales, partly due to the lifecycle maturity of certain models incorporating the Company's technology. This has driven customers to diversify their supplier base, further impacting Fingerprints' market share – particularly as a small-cap company following the

Mobile wind down. Securing new PC projects has proven to be both capital- and time-intensive, further underscoring the unsustainability of the product group. Against this backdrop, Fingerprints is winding down the PC product group to achieve further cost reductions and exit the Chinese market entirely. This decisive action aligns with the broader transformation plan, focusing on high-margin segments and ensuring Fingerprints' long-term financial health and operational sustainability.

Cost reductions are pivotal in Fingerprints' transformation efforts, and includes the Company's outsourced manufacturing model and increased operational efficiency. As part of this and within the first nine months of 2024, the Company lowered its workforce by over 40 per cent, primarily driven by the ongoing wind down of the Mobile and PC operations. This has enabled significant reductions as full time employees historically has accounted for approximately two-thirds of the Company's operating expenses. In addition, and as part of the significant cost optimization programme, the Company successfully restructured its balance sheet during 2024 by redeeming the convertible bonds to ensure operational efficiency. The implemented cost reduction measures have had a significant impact on the Group's OPEX, resulting in a recurring annualized OPEX of SEK 330 million during the first quarter of 2024, SEK 313.2 million during the second quarter of 2024 and SEK 258.8 million during the third quarter of 2024. The Company will continue to implement cost reduction measures, such as the wind down of the PC product group, with the aim to reach a recurring annualized OPEX of less than SEK 70 million by the end of the second quarter 2025, underscoring Fingerprints' commitment to operational efficiency and disciplined resource allocation. Additionally, further cost optimization initiatives are likely as the new structure settles, with some of the savings potentially being reallocated towards growth initiatives.

In parallel with the above and to further execute the new strategy, Fingerprints is continuing its focus on the core biometric business whilst expanding to digital identity, a core component of human-digital interactions. Fingerprints is committed to, through future partnerships, building a robust digital identity platform to help its customers address the myriad of cyber risks and poor user experience arising from passwords. As the Company completes the phase-out of the Mobile product group, it is also strategically reallocating capital toward high-margin and high-growth segments in digital identity through the Access and Payment product groups. Additionally, the Company is also exploring new business product group partnerships, including within iris technology, to leverage Fingerprints extensive experience and competence. For example, the Company has launched its 4th generation iris recognition software, offering secure, touchless authentication with exceptional versatility, performing reliably even with accessories like glasses and masks. As the Company carve out its digital identity and secure authentication specialty, it is transitioning from a component supplier to an integrated biometric solutions provider of software-centric offerings which enables higher-margin opportunities. Thus, Fingerprints believe that it is well-positioned for sustainable growth and long-term value creation. In addition, the Company is continuously having discussions with potential strategic partners in relation to the updated product positioning to further leverage Fingerprints extensive technological expertise and innovation capabilities, including in respect of Access, Payment and Iris, with an aim to unlock

additional growth capital and enhance value creation.

MARKET AND INDUSTRY INFORMATION

Some of the information in this section is based on the Company's own estimates derived on information obtained from external and internal sources. Information obtained from third parties has been accurately reproduced and as far as Fingerprints is aware and is able to ascertain from the information published by these third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Company has not independently verified the information, why its accuracy and completeness cannot be guaranteed. Furthermore, Fingerprints has made assumptions in the Prospectus regarding its industry and competitive position within the industry. These assumptions are based on the Company's experience and its own research of market conditions. Fingerprints cannot guarantee the accuracy of these assumptions or that they accurately reflect its market position in the industry and none of the Company's internal researches or information has been verified by independent sources whose estimates or opinions about industry-related information may differ from those of the Company. Any projections and forward-looking statements in this section are not guarantees of future performance and actual events and circumstances may differ materially from current expectations.

Selected historical financial information

This section contains selected historical financial information for the financial year 2023 as well as the period January–September 2024. The financial information for the financial year 2023 has been obtained from Fingerprints’ annual report for the financial year 2023 unless otherwise explicitly stated, which have been prepared in accordance with the Annual Accounts Act (Sw. årsredovisningslagen (1995:1554)) as well as International Financial Reporting Standards (IFRS) from the International Accounting Standards Board (IASB) as adopted by the EU. The annual report for the financial year 2023 have been audited by the Company’s independent auditor BDO Mälardalen AB in accordance with what is stated in the accompanying auditor’s reports. Other information in the Prospectus has not been audited by Fingerprints’ auditor unless otherwise stated. The financial information for the period January–September 2024 has been obtained from Fingerprints’ unaudited interim report for the period January–September 2024 unless otherwise explicitly stated, which has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The financial information for the period January–September 2024 has not been subject to audit or review. Some numbers for the period January–September 2024 have been obtained from the Company’s internal accounts due to the fact that they are not reported on a quarterly basis. These numbers have not been audited or reviewed.

The following information should be read in conjunction with the section “Capitalisation, indebtedness and other financial information”, Fingerprints’ annual report for the financial year 2023 as well as the Company’s interim report for the period January–September 2024, which are incorporated by reference in the Prospectus.

SELECTED INFORMATION FROM THE CONSOLIDATED INCOME STATEMENT

MSEK	1 January–30 September	1 January–31 December
	2024	2023
Revenues	361.6	705.4
Cost of goods sold	-322.4	-615.8
Gross profit/loss	39.2	89.6
Gross margin, %	10.8	12.7
Selling expenses	-64.1	-171.1
Administrative expenses	-96.5	-127.6
Development costs	-82.3	-117.3
Impairments	-279.8	-4.7
Other operating income ¹⁾	67.5	16.6
Other operating expenses ¹⁾	-40.7	-5.9

1) The line items “Other operating income” and “Other operating expenses” are not presented separately in Fingerprints’ unaudited interim report for the period January–September 2024, but instead as “Other operating income/expenses”. These numbers are obtained from the Company’s internal accounts and are not audited or reviewed.

	1 January–30 September	1 January–31 December
MSEK	2024	2023
Operating profit/loss	-456.7	-320.4
Operating margin, %	-126.3	-45.4
Financial income	1.0	4.6
Financial expenses	-43.2	-59.7
Profit/loss before tax	-498.9	-375.5
Income tax	-122.5	35.7
Net profit/loss for the period	-621.4	-339.8
Earnings per share		
<i>before dilution (SEK)</i>	<i>-0.30¹⁾</i>	<i>-0.31¹⁾</i>
<i>after dilution (SEK)</i>	<i>-0.30¹⁾</i>	<i>-0.31¹⁾</i>
Other comprehensive income		
Net profit/loss for the period	-621.4	-339.8
Translation differences for the period on translation of foreign operations ²⁾	15.2	-20.5
Other comprehensive income	15.2	-20.5
Comprehensive income for the period	-606.2	-360.3
<i>Attributable to equity holders of the parent company</i>	<i>-606.2</i>	<i>-360.3</i>

1) As the subscription price was below the market price, a fund element has been identified, which means that the comparison figures have been recalculated. These numbers are obtained from the Company's unaudited interim report for the period January–September 2024.

2) This item is not reported on a quarterly basis and is not included in Fingerprints' unaudited interim report for the period January–September 2024. These numbers are obtained from the Company's internal accounts and are not audited or reviewed.

SELECTED INFORMATION FROM THE CONSOLIDATED BALANCE SHEET

MSEK	30 September 2024	31 December 2023
Assets		
Intangible assets	231.1	504.8
Property, plant and equipment	2.1	3.0
Right-of-use assets	9.8	14.4
Financial assets	56.4	171.6
Total non-current assets	299.4	693.8
Current assets		
Inventories	48.2	133.5
Accounts receivable	31.5	120.6
Other receivables	21.8	17.9
Prepaid expenses and deferred income	28.8	7.9
Cash and cash equivalents	49.0	109.9
Total current assets	179.3	389.8
Total assets	478.7	1,083.6
Shareholders' equity		
Share capital	159.7	26.0
Other paid-up capital ¹⁾	951.1	854.3
Translation reserve ¹⁾	161.0	145.8
Retained earnings including net profit/loss for the year ¹⁾	-955.9	-334.5
Total shareholders' equity	315.9	691.6
Non-current liabilities		
Deferred tax liability	2.2	6.6
Convertible loan	–	72.9
Long-term lease liabilities	3.5	6.5
Bond loan	–	–
Total non-current liabilities	5.7	86.0
Current liabilities		
Short-term portion of long-term leasing liabilities	4.6	6.2
Short-term portion convertible loan	–	21.9
Accounts payable	45.7	103.5
Current tax liability	5.9	6.3
Other current liabilities	20.6	25.4

Accrued expenses and deferred income	80.3	142.7
Total current liabilities	157.1	306.0
Total shareholders' equity and liabilities	478.7	1,083.6

1) This line item is not reported on a quarterly basis and is not included in Fingerprints' unaudited interim report for the period January–September 2024. These numbers are obtained from the Company's internal accounts and are not audited or reviewed.

SELECTED INFORMATION FROM THE STATEMENT OF CASH FLOWS FOR THE GROUP

MSEK	1 January–30 September 2024	1 January–31 December 2023
Operating activities		
Profit/loss before tax	-498.9	-375.5
Adjustment for non-cash items	376.4	65.2
Income tax paid	-16.1	-22.1
Cash flow from operating activities before changes in working capital¹⁾	-138.6	-332.4
Cash flow from operating activities after changes in working capital		
Changes in inventories	34.8	175.4
Changes in operating receivables	72.4	25.4
Changes in operating liabilities	-130.6	43.3
Cash flow from operating activities after changes in working capital	-162.0	-88.3
Investing activities		
Purchase and internal development of intangible assets ¹⁾	-10.4	-47.1
Purchase of property, plant and equipment ¹⁾	—	-0.2
Sale of property, plant and equipment ¹⁾	—	0.2
Changes of financial assets ¹⁾	—	1.0
Cash flow from investing activities	-10.4	-46.1
Financing activities		
Buy back shares	—	—
Bond loan	—	—
Set-off issue and rights issue	219.8	154.9
Convertible loan	—	145.7
Repayment of bond loans ¹⁾	-105.2	-315.2
Amortization of leasing debt ¹⁾	-4.6	-11.1
Cash flow from financing activities	110.0	-25.7
Cash flow for the period	-62.4	-160.1
Cash and cash equivalents at beginning of the period	109.9	274.1
Effect of translation differences on cash and cash equivalents	1.5	-4.1

	1 January–30 September	1 January–31 December
MSEK	2024	2023
Cash and cash equivalents at end of period	49.0	109.9

1) This line item is not reported on a quarterly basis and is not included in Fingerprints' unaudited interim report for the period January–September 2024. These numbers are obtained from the Company's internal accounts and are not audited or reviewed.

ALTERNATIVE PERFORMANCE MEASURES

In this section, Fingerprints presents certain financial and operational key ratios, including certain key ratios that are not measures of financial results or financial position in accordance with IFRS (so-called alternative performance measures). The alternative performance measures are based on information obtained from Company's audited annual report for the financial year 2023 and unaudited interim report for the period January–September 2024 (with comparative figures for the corresponding period 2023), as well as internal accounting and reporting systems that are subject to the Company's internal control over financial reporting. The alternative performance measures that the Company presents are not measures of financial performance in accordance with IFRS, but measures that the Company uses to follow the underlying development of its operations. Alternative performance measures should not be considered as substitutes for income statement, balance sheet or cash flow items calculated in accordance with IFRS. The alternative performance measures do not necessarily indicate whether the Company's cash flow will be sufficient or available to meet Fingerprints' liquidity needs and are not necessarily indicative of Fingerprints' historical results. Alternative performance measures are neither intended to constitute any form of indication regarding the Company's future results. Fingerprints uses IFRS key figures and alternative performance measures for several purposes in the governance and management of the Company and presents these key figures because they are considered important and may help investors understand the Company's development from period to period and facilitates a comparison with similar companies. As not all companies calculate these and other alternative performance measures in the same way, the way in which the Company has chosen to calculate the alternative performance measures presented in the Prospectus may result in the key figures not being comparable with similar measures presented by other companies. The sections “–Definitions of alternative performance measures” and “–Reconciliations of alternative performance measures” below provide information on how the Company calculates the alternative performance measures and Fingerprints' purpose for reporting them.

	1 January–30 September	1 January–31 December
MSEK	2024	2023
EBITDA	-102.9	-242.2
Adjusted EBITDA	-120.9	-204.7
Recurring OPEX	225.6	378.5

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measure	Definition	Reason for use
EBITDA	Earnings before financial revenue/costs, taxes, depreciation and amortizations	The purpose is to measure operational activities, without taking into account financial decisions or taxes
Adjusted EBITDA	EBITDA adjusted for non-recurring costs	Adjusted EBITDA is relevant for assessing earnings excluding items affecting comparability

Recurring operating expenses (OPEX)	Recurring operating expenses excluding restructuring charges and other operating income and/or expenses	The Company has chosen to present recurring OPEX as a key performance indicator to provide a clearer and more accurate representation of the Company's annualized operating expense levels, focusing on costs that are consistent and reflective of ongoing operational performance
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RECONCILIATIONS OF ALTERNATIVE PERFORMANCE MEASURES

EBITDA and adjusted EBITDA

	1 January–30 September	1 January–31 December
MSEK	2024	2023
Operating profit/loss	-456.7	-320.4
Depreciation and amortization	354.0	78.2
EBITDA	-102.9	-242.2
Items affecting comparability	-18.0 ¹⁾	-37.5 ¹⁾
Adjusted EBITDA	-120.9	-204.7

1) EBITDA adjusted for non-recurring items, e.g. restructuring costs.

Recurring operating expenses (OPEX)

	1 January–30 September	1 January–31 December
MSEK	2024	2023
Selling expenses	64.1	171.1
Administrative expenses	96.5	127.6
Development expenses	82.3	117.3
Whereof restructuring costs	-17.3	-37.5
Recurring operating expenses (OPEX)	225.6	378.5

RECURRING ANNUALIZED OPERATING EXPENSES (ANNUALIZED OPEX)

The table below presents Fingerprints' recurring annualized operating expenses (excluding restructuring charges and other operating income and/or expenses) as presented in the Company's interim reports.

	1 January–31 March	1 April–30 June	1 July–30 September
MSEK	2024	2024	2024
Selling expenses	21.5	26.4	16.2
Administrative expenses	35.9	32.1	28.5
Development expenses	25.1	37.1	20.0
Whereof restructuring costs	–	-17.3	–
Operating expenses (OPEX)	82.5	78.3	64.7

<i>Recurring annualized operating expenses (annualized OPEX)*</i>	330.0	313.2	258.8
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**Operating expenses multiplied by four*

The figures above represent recurring annualized OPEX for each individual quarter of 2024, multiplied by four to track the progress of the Group's ongoing implementation of measures to reduce operating expenses and to illustrate how such progress might affect the Group's operating expenses on an annualized basis.

HISTORICAL FINANCIAL INFORMATION INCORPORATED BY REFERENCE

The following financial information regarding Fingerprints is incorporated by reference and forms part of the Prospectus. The information is available on the Company's website, www.fingerprints.com. The non-incorporated parts of the following documents are either not relevant for the investor or covered elsewhere in the Prospectus.

- [Fingerprints' audited annual report for the financial year of 2023](#) (the Swedish language version). The reference only refers to the statement of comprehensive income for the Group on page 49, statement of financial position for the Group on page 50, statement of changes in shareholders' equity for the Group on page 51, statement of cash flows for the Group on page 52, notes on pages 53–69 and auditor's report on pages 85–88.
- [Fingerprints' unaudited interim report for the period January–September 2024](#) (the Swedish language version). The reference only refers to the condensed consolidated statement of comprehensive income for the Group on page 16, condensed consolidated statement of financial position for the Group on page 17, condensed consolidated statement of changes in equity for the Group on page 17, and condensed consolidated cash-flow statement for the Group on page 18.

Preliminary financial and operating information for the third quarter 2024

On 15 January 2025, Fingerprints' provided an approximate and preliminary outcome for the period October–December 2024 (which is partly a so-called “expected result” pursuant to the Prospectus Regulation), as set out below.

The financial and operating information set out in this section has not been audited or reviewed by Fingerprints' auditor. The information regarding the period October–December 2024 set out in this section “*Preliminary financial and operating information for the third quarter 2024*” is of a preliminary nature and is based on the assumption that the analyses and confirmations of the outcome for the period October–December 2024 is correct. The Company's complete interim report for the period January–December 2024 is planned to be published on 28 February 2025.

SEK million	Q4 2024	Q4 2023	Jan-Dec 2023
Net sales	41.6*	200.3	705.4
Gross margin	15.3 %	9.5 %	12.7 %
Gross margin excluding R&D depreciation	49.9 %*	17.9 %	20.8 %
Operating result (EBIT)	-65.0**	-105.2	-320.4
EBITDA	-40.3	-83.8	-242.2
Adjusted EBITDA	-29.0***	-46.3	-204.7
Cash and cash equivalents	12.1	109.9	109.9
Cash flow from operating activities	-45.6	-60.4	-88.3

* Lower sales reflect the wind-down of the unprofitable Mobile and PC product groups. Higher gross margin reflects the improved revenue mix.

** Operating result in the fourth quarter 2024 was preliminarily impacted by a SEK 7.8 million write-down of capitalized R&D projects in the PC area.

*** EBITDA adjusted for costs related to restructuring measures, amounting preliminarily to SEK 11.3 million, with the majority attributable to personnel expenses in China.

The preliminary financial information for the period October–December 2024 set out above has been compiled and prepared on a basis which is comparable with Fingerprints' historical financial information and in all material respect consistent with the accounting policies applied by Fingerprints. The information is based on the assumption that the analysis and confirmations of the outcome for the period is correct.

Capitalisation, indebtedness and other financial information

The tables in this section describe the Groups capitalisation and indebtedness as of 31 October 2024. For more information on the Company's share capital and shares, see section "Shares, share capital and ownership structure". The tables in this section should be read together the information set out in section "Selected historical financial information".

CAPITALISATION

MSEK	31 October 2024
Total current debt (including current portion of non-current debt)	142.3
Guaranteed	—
Secured	—
Unguaranteed / unsecured	142.3
Total non-current debt (excluding current portion of non-current debt)	5.3
Guaranteed	—
Secured	—
Unguaranteed / unsecured	5.3
Shareholders' equity	312.7
Share capital	159.7
Other paid-up capital	951.1
Translation reserve	177.4
Other reserves	-975.5
Total	460.3

NET INDEBTEDNESS

The Group's net indebtedness as of 31 October 2024 is presented in the table below.

MSEK	31 October 2024
(A) Cash	33.4
(B) Cash equivalents	—
(C) Other current financial assets	—
(D) Liquidity (A) + (B) + (C)	33.4
(E) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	4.6 ¹⁾
(F) Current portion of non-current financial debt	—

MSEK	31 October 2024
(G) Current financial indebtedness (E) + (F)	4.6
(H) Net current financial indebtedness (G) - (D)	-28.8
(I) Non-current financial debt (excluding current portion and debt instruments)	3.5 ²⁾
(J) Debt instruments	—
(K) Non-current trade and other payables	—
(L) Non-current financial indebtedness (I) + (J) + (K)	3.5
(M) Total financial indebtedness (H) + (L)	-25.3

1) The amount relates to current interest bearing debt, of which the full amount relates to current interest bearing leasing debt.

2) The amount relates to non-current interest bearing debt, of which the full amount relates to non-current interest bearing leasing debt.

As of 31 October 2024, Fingerprints was financed through shareholders' equity (97.5 per cent of the total financing), and interest bearing debts (2.5 per cent of the total financing). Interest bearing debts comprised of lease liabilities regarding office premises.

As of 31 October 2024, the equity amounted to SEK 312.7 million. As of 31 October 2024, Fingerprints had non-current liabilities amounting to SEK 3.5 million, of which SEK 3.5 million was unsecured debts. The non-current debts comprised of non-current lease liabilities.

As of 31 October 2024, Fingerprints' current liabilities amounted to SEK 4.6 million without security. The current liabilities comprised of lease liabilities regarding office premises.

As of 31 October 2024, the liquidity amounted to SEK 33.4 million, comprising of cash and bank. As of 31 October 2024, Fingerprints had an interest bearing net indebtedness of SEK -25.3 million.

MATERIAL INVESTMENTS

Since the audited annual report for the financial year 2023, the Group has not had any individual significant investments and has no ongoing significant investments or firm commitments regarding individual significant future investments. However, the Group has an ongoing need to invest in research and development regarding its products.

WORKING CAPITAL STATEMENT

It is the Company's assessment that the existing working capital is not sufficient for the Fingerprints' total current working capital needs for the upcoming twelve-month period. Working capital refers to the Company's ability to access cash and cash equivalents in order to be able to meet its payment obligations as they fall due. The Company assesses, with respect to assessed cash flows and already entered into financing agreements, that the Company has a total working capital shortfall of approximately SEK 80 million for the coming twelve-month period, which is expected to arise in connection with the Bridge Loan falling due for payment at the latest on 31 March 2025 (if the Rights Issue has not been carried out prior to this date).

Upon full subscription of Units in the Rights Issue, the Company will be provided with a maximum of approximately SEK 159.9 million before transaction costs, which are estimated to amount to approximately SEK 28 million. Certain existing shareholders (including senior executives and board

members) have undertaken to subscribe for Units corresponding to SEK 0.7 million (“**Subscription Undertakings**”). In addition, certain external investors have undertaken to guarantee subscription of Units in the Rights Issue of up to a maximum of SEK 114.3 million (the “**Guarantee Commitments**”). No guarantee commitment covers the subscription of and payment for Units in the Rights Issue in excess of SEK 115 million. Together with existing cash and cash equivalents and estimated cash flows, the net proceeds, upon subscription of Units in the Rights Issue of up to the secured level of SEK 115 million, is considered to be sufficient to meet the Company’s working capital needs for the coming twelve-month period and until the Company reaches cash-flow positive. Neither the Subscription Undertakings nor the Guarantee Commitments have been secured through *e.g.*, bank guarantees, restricted funds, pledged assets or similar arrangements. Further, the fulfilment of the Guarantee Commitments, to the extent it would result in an subscription guarantor acquiring a shareholding corresponding to or exceeding a threshold of ten (10) per cent or more of the total number of votes in the Company following the completion of the Rights Issue, are conditional upon that the relevant subscription guarantor(s) obtains a prior decision from the Inspectorate of Strategic Products, and, if applicable, any other equivalent body pursuant to legislation in any other jurisdiction (“**FDI Decision**”).

If the Rights Issue is not sufficiently subscribed and paid for, the Subscription Undertakings and Guarantee Commitments are not fulfilled (for example due to a required FDI Decision not being obtained) and consequently the Rights Issue does not generate sufficient funds to, together with the Company’s existing cash and cash equivalents and estimated cash flows, cure the Company’s working capital shortfall, the Company will be forced to renegotiate its supplier agreements and the Bridge Loan and, to the extent this is not possible, secure alternative financing through new issues or debt financing. If the Company is unable to successfully renegotiate its supplier agreements, obtain alternative financing through new issues or new debt financing, it would entail the Company having to reassess its business plan and cancel investments and, in the long-term, may be forced to divest parts of its business or, ultimately, cancel payments.

RECENT DEVELOPMENTS AND CURRENT TRENDS

The main developments since the audited annual report for the financial year 2023 up until the date of the Prospectus are mainly set out in the section “*Business description–Strategy, objective and future prospects*”.

Except for as mentioned above, to the best of the Company’s knowledge, there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material impact on the Company’s prospects for the current financial year.

SIGNIFICANT CHANGES IN THE COMPANY’S FINANCIAL POSITION OR RESULTS SINCE 30 SEPTEMBER 2024

For information about the Company’s undertakings in regards to the Bridge Loan, please refer to sections “*Background and reasons*” and “*Legal considerations and supplementary information–Bridge Loan*”; and for information on the Company’s license agreement with Smart Eye AB (publ) please refer to sections “*Business description–Iris*” and “*Legal considerations and supplementary information–Strategic partnership and license agreement with Smart Eye (publ)*”.

There have been no significant changes in the Group's results since the 30 September 2024. For a description of certain preliminary financial and operating information for 2024, see section "*Preliminary financial and operating information for the third quarter 2024*".

Board of directors, senior executives and auditor

THE BOARD OF DIRECTORS

Pursuant to the Company's articles of association, the board of directors shall consist of four to ten board members with a maximum of five deputy board members. The board of directors currently consists of five board members, without any deputies, appointed for the period until the close of the annual general meeting 2025.

The table below presents the board members, their position, and the year in which they were first elected to the board of directors.

Name	Position	Board member since	Independent to	
			The Company and senior management	The Company's major shareholders ¹⁾
Christian Lagerling	Chairman	2022	No	Yes
Dimitrij Titov	Board member	2017	Yes	Yes
Alexander Kotsinas	Board member	2017	Yes	Yes
Juan Vallejo	Board member	2018	Yes	Yes
Adam Philpott	Board member (as well as President and CEO)	2023	Yes	Yes

1) Major shareholder refers to shareholders who directly or indirectly controls ten per cent or more of the shares or the votes in the Company.

Christian Lagerling

Chairman since 2022.

Born: 1973

Principal education: Master of Science in Business and Economics at Stockholm University, Sweden, and the London School of Economics and Political Science, England.

Current positions outside the Group: Owner and CEO of Beluca Ventures, LLC. Chairman of the board of Audiodo AB (publ). Board member of MEIQ Systems AB and GoodTrust Inc. Financial advisor to various global technology companies and private investment activities in private and public technology companies.

Previous positions outside the Group (last five years): Chairman of the board of Raymond Solar AB. Board member of Einride AB and Audiodo

International AB. Chairman and co-founder of Dicopay AB. Chairman of the Supervisory Board of asknet Solutions AG.

Dimitrij Titov

Board member since 2017.

Born: 1962

Principal education: Master of Laws (LL.M.) at Stockholm University, Sweden.

Current positions outside the Group: Chairman of the board, Managing Partner and lawyer at Advokatfirman Titov & Partners AB. Chairman of the board of the Italian Chamber of Commerce in Sweden, Italienska Handelskammarens Service Aktiebolag, Din Studio Sverige AB, Real Fastigheter AB (publ), Phantome de Genolier AB and Webbess Sverige AB. Board member of Advokatfirman Titov Aktiebolag and Järnlodet

Fastigheter AB. Deputy board member of Advokat Jonas Edward AB and Hela Dig Sjukgymnastik Ulrika Titov AB. Authorised representative for Advokatfirman Titov & Partners Kommanditbolag.

Previous positions outside the Group (last five years): Chairman of the board of Forsheda Gruppen AB. Board member of Vrtcl Gaming Group Sweden AB and Bostadsrättsföreningen Kumlet 16.

Alexander Kotsinas

Board member since 2017.

Born: 1967

Principal education: Master of Science in Engineering Physics at Royal Institute of Technology (KTH) in Stockholm, Sweden, and Bachelor of Science in Economics at Stockholm School of Economics, Sweden.

Current positions outside the Group: CEO and board member of Windride AB. External vice CEO and CFO at BioGaia AB. Board member of Biogaia New Sciences AB. Deputy board member of TriPac AB, CapAble AB, BioGaia Pharma AB, and BioGaia Invest AB.

Previous positions outside the Group (last five years): Board member of Delta Projects AB. Deputy board member of MetaboGen AB.

Juan Vallejo

Board member since 2018.

Born: 1957

Principal education: Master of Science in Engineering at the Royal Institute of Technology (KTH) in Stockholm, Sweden.

Current positions outside the Group: Chairman of the board of Indoor Energy Group Nordic AB. Board member of Elajo Invest Aktiebolag (publ), TagMaster Aktiebolag, Mercuri International Group AB, Juan Vallejo AB and Next Safety Group AB.

Previous positions outside the Group (last five years): Chairman of the board of Häger Group AB, CleanCook Sweden AB, and KanEL Sweden AB. Board member of Q-MATIC Group AB. Deputy board member of Sista versen 80131 AB. Owner of Juan Vallejo Rådgivning.

Adam Philpott

Board member since 2023. CEO and President since 2023.

Born: 1975

Principal education: Bachelor of Science degree in Marketing (Hons) from University of Derby, England.

Current positions outside the Group: None.

Previous positions outside the Group (last five years): Chief Revenue Officer at Trellix, Chief Revenue Officer at McAfee, Senior Vice President EMEA at McAfee, Vice President EMEA at McAfee.

SENIOR EXECUTIVES

The senior management of the Company currently consists of six senior executives. The table below presents the senior executives, their position, and the year in which each person became a senior executive.

Name	Position	Senior executive in the Company since
Adam Philpott	CEO and President (and board member)	2023
Fredrik Hedlund	Chief Financial Officer	2024
David Eastaugh	Chief Strategy & Technology Officer	2024
Caroline Krüger	Chief Human Resources Officer	2023
Fredrik Ramberg	Chief Product Officer	2024
Rebecca Stein	Chief Legal Officer	2023

Adam Philpott

CEO and President since 2023. Member of the board of directors since 2023.

Please refer to the information in section “–The board of directors” above.

Fredrik Hedlund

Chief Financial Officer since 2024.

Born: 1971

Principal education: Bachelor of Science degree in Economics, London School of Economics, England.

Current positions outside the Group: Co-founder and Business Builder of the Leadership Speaking School.

Previous positions outside the Group (last five years): Chief Growth Officer and Managing Director at Daphne Technology; Senior Vice President/Business Unit CFO at Nielsen.

David Eastaugh

Chief Strategy & Technology Officer since 2024.

Born: 1976

Principal education: Master of Science in Industrial Mathematical Modelling, Loughborough University, England. Postgraduate Diploma, Renewable Energy Systems Technology, Loughborough University, England.

Bachelor of Engineering, Electronic and Electrical Engineering, Loughborough University, England.

Current positions outside the Group: None.

Previous positions outside the Group (last five years): Senior Director Software Engineering at LexisNexis Risk Solutions and CTO at TruNarrative.

Caroline Krüger

Chief Human Resources Officer since 2023.

Born: 1979

Principal education: Master of Science in Finance, School of Business, Economics and Law at University of Gothenburg, Sweden.

Current positions outside the Group: None.

Previous positions outside the Group (last five years): Consultant at InfraCom Connect AB, HR Manager at CLC Housing. Senior Branch Manager at Swedbank.

Fredrik Ramberg

Chief Product Officer since 2024.

Born: 1983

Principal education: Master of Science in Engineering Physics, Chalmers University of Technology, Gothenburg, Sweden.

Current positions outside the Group: None.

Previous positions outside the Group (last five years): None.

Rebecca Stein

Chief Legal Officer since 2023.

Born: 1983

Principal education: Master in International Commercial Law, International Business School at Jönköping University, Sweden.

Current positions outside the Group: Board member of Bostadsrättsföreningen FURAN 4.

Previous positions outside the Group (last five years): Deputy board member in Bostadsrättsföreningen FURAN 4.

**ADDITIONAL INFORMATION
REGARDING THE BOARD OF
DIRECTORS AND SENIOR
EXECUTIVES**

All members of the board of directors and senior executives can be reached at the Company's office address: Kungsgatan 20, 411 19 Gothenburg, Sweden.

There are no family ties between any of the board members and the senior executives. No board member nor any senior executive has any private or other interests that may conflict with the Company's interests. However, certain board members and senior executives hold, directly or indirectly, shares in the Company. There are no arrangements between the Company and major shareholders, customers, suppliers or other parties pursuant to which any board member has been elected to the board of directors or any senior executives have been appointed as senior executives.

For the past five years, none of the board members or senior executives have been convicted in fraud-related cases. Apart from what is mentioned below, none of the board members or senior executives have been involved in or representing companies that have been declared bankrupt or placed under receivership or subject to compulsory liquidation or banned by court from being a member of a company's administrative, management or supervisory bodies or to exercise leading or overall functions of an issuer. During the last five years, no regulatory or supervisory authority (including designated professional bodies) has officially held any board member or senior executive responsible, and/or issued sanctions against such a person, for a crime.

Dimitrij Titov was chairman of the board of directors in Forsheda Gruppen AB when the Company was adjudged bankrupt in December 2023. The bankruptcy is not yet finalised.

INDEPENDENT AUDITOR

BDO Mälardalen AB and Carl-Johan Kjellman were re-elected as the Company's auditor at the annual general meeting 28 May 2024 until the close of the next annual general meeting. Since 7 June 2021, Johan Pharmanson is auditor in charge. Both Johan Pharmanson and Carl-Johan Kjellman are authorised public accountants and members of FAR (the professional institute for authorised public accountants in Sweden). BDO Mälardalen AB and Carl-Johan Kjellman have been the Company's auditor for the financial years during the period of the financial information in the Prospectus.

Shares, share capital and ownership structure

SHARES AND SHARE CAPITAL

According to the Company's registered articles of association the share capital shall not be less than SEK 54,428,133.389266 and not be more than SEK 217,712,533.557063, divided into not less than 1,250,000,000 shares and not more than 5,000,000,000 shares. Shares can be issued in two classes: A-shares and B-shares. A-shares may be issued in a maximum number of 405,405,405 and B-shares in a maximum number of 4,594,594,595.

As of the date of the Prospectus, the Company's registered share capital amounts to SEK 159,722,063.945933 divided into 3,668,187,158 shares (of which 7,875,000 are A-shares and 3,660,312,158 are B-shares). As of the date of the Prospectus, the quota value of the shares amounts to SEK 0.043543 per share. On 17 January 2025, an extraordinary general meeting resolved to take measures to reduce the quota value to SEK 0.0002 per share by decreasing the Company's share capital with SEK 158,988,426.514333 in connection with completion of the Rights Issue, in order to enable a subscription price of SEK 0.01 per underlying B-share in the Rights Issue.

The extraordinary general meeting on 17 January 2025 resolved to adopt two alternative articles of associations, where alternative one entails that the number of shares in the Company shall not be less than 4,400,000,000 and not be more than 17,600,000,000, and that A-shares may be issued to a maximum number of 1,552,941,175 and B-shares to a maximum number of 16,047,058,825. Alternative two entails that the number of shares in the Company shall not be less than 7,000,000,000 and not be more than 28,000,000,000, and that A-shares may be issued to a maximum number of 2,470,588,233 and B-shares to a maximum number of

25,529,411,767. In connection with the general meeting's resolution on the two alternative articles of associations, the general meeting also resolved to authorise the board of directors to submit for registration at the Swedish Companies Registration Office (Sw. *Bolagsverket*) the articles of association which limits for the minimum and maximum number of shares in the Company is compatible with the total number of shares in the Company upon the completion of the Rights Issue.

The shares in the Company are issued in accordance with Swedish law, fully paid and denominated in Swedish krona (SEK). The shares are not subject to restrictions in relation to its free transferability. The shareholders' rights can only be altered in accordance with the procedures specified in the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*).

As of the date of the Prospectus, the Company's B-shares, but not A-shares, are admitted to trading on Nasdaq Stockholm.

CHANGES TO THE CAPITAL STRUCTURE AS A RESULT OF THE RIGHTS ISSUE

Increase in share capital and number of shares

The Rights Issue will at most increase the number of shares in the Company from 3,668,187,158 shares (of which 7,875,000 are A-shares and 3,660,312,158 are B-shares) to 19,658,240,198 shares (of which 7,875,000 are A-shares and 19,650,365,198 are B-shares), which corresponds to an increase of the total number of shares with approximately 435.91 per cent and an increase of the total number of votes with approximately 427.65 per cent. In such case, the share capital will increase by SEK 3,198,010,608, from SEK

159,722,063.945933 to SEK 162,920,074.553933 (taken into account the concurrent decrease of the share capital with SEK 158,988,426.514333 described above). Provided that the Rights Issue is fully subscribed for, the quota value of the Company's shares will be SEK 0.008288 per share.

Upon full subscription of Units in the Rights Issue, 2,665,008,840 Warrants will be issued, whereby one Warrant entitles the holder to subscribe for one (1) new B-share in the Company from and including the first trading day that falls after 11 September 2026 up to and including 2 October 2026. Provided that Units are fully subscribed for in the Rights Issue, and thereafter all Warrants are exercised for subscription of shares, the total number of shares would increase from 3,668,187,158 (of which 7,875,000 are A-shares and 3,660,312,158 are B-shares), to 22,323,249,038 shares (of which 7,875,000 are A-shares and 22,315,374,038 are B-shares), which corresponds to an increase in the number of shares of approximately 508,56 per cent and an increase in the number of votes of approximately 498,92 per cent. The share capital would simultaneously increase with SEK 3,731,012.376 to SEK 163,453,076.321933¹².

Potential dilution due to the Rights Issue

For shareholders who refrains to subscribe for its share in the Rights Issue, a dilutive effect of not more than 15,990,053,040 new shares arises, corresponding to approximately 81.3 per cent of the total number of shares in Fingerprints after the Rights Issue and 81.0 per cent of the total number of votes in Fingerprints after completion of the Rights Issue. Further, if the Warrants are exercised in full, an additional dilutive effect of not more than 2,655,008,840 new B-shares arises, corresponding to approximately 11.9 per cent of the total number of shares and votes in

Fingerprints after the completion of the Rights Issue and full exercise of the Warrants.

NET ASSET VALUE PER SHARE

The net asset value (Sw. *substansvärde*) per share before the Rights Issue based on the Group's equity and number of shares as of 30 September 2024 is SEK 0.09. The subscription price in the Rights Issue corresponds to a subscription price of SEK 0.01 per underlying B-share (the Warrants are issued free of charge).

HOLDING OF TREASURY SHARES

As of the date of the Prospectus, the Company holds 3,800,000 B-shares in treasury. The B-shares book value is SEK 0 and their nominal value is SEK 165,463.4.

CERTAIN RIGHTS ATTACHED TO THE SHARES

General meeting of shareholders

The annual general meeting shall be held within six months from the end of each financial year. In addition to the annual general meeting, an extraordinary general meeting may be convened. According to the articles of association, notice of the annual general meeting shall be given by advertising in the Official Swedish Gazette (Sw. *Post- och Inrikes Tidningar*) and by keeping the notice available on the Company's website. The Company shall also announce in Svenska Dagbladet that a notice has been issued.

Shareholders wishing to participate in a general meeting must be recorded as a shareholder in a transcription or other presentation of the register of shareholders in effect six business days prior to the general meeting, and must notify of their intention to participate to the Company no later than the date stated in the notice to the general

¹² Calculated on the basis of a quotient value of SEK 0.0002 per share that will apply at the time of registration of the new B-shares and Warrants with the Swedish Companies Registration Office.

meeting. In order to participate in the general meeting, a shareholder with shares registered with a nominee must, in addition to notifying the Company, have its shares registered in its own name so that he or she is registered to vote in the general meetings register of shareholders no later than four business days before the general meeting. Shareholders wishing to be registered to vote should inform their nominees well in advance of the record date. Shareholders may attend the general meeting in person or through a proxy and may bring a maximum of two assistants.

Right to vote

Each A-share entitles to ten (10) votes at a general meeting. Each B-share entitles to one (1) vote at a general meeting. Each shareholder has the right to vote for all shares held by the shareholder in the Company. Shares held by the Company itself cannot be represented at a general meeting.

Preferential rights to new shares

Should the Company resolve on a new share issue of A-shares and B-shares, by way of a cash issue or set-off issue, all shareholders of A-shares and B-shares shall have preferential rights to subscribe for new shares of the same class in proportion to the number of shares previously held (primary preferential right). Shares that are not subscribed for with primary preferential rights shall be offered to all shareholders for subscription (subsidiary preferential rights). If the offered shares are not sufficient for the subscription that takes place with subsidiary preferential rights, the shares shall be distributed among the subscribers in proportion to the number of shares previously held and to the extent that this cannot be done, by drawing lots. If the Company decides to issue warrants or convertibles by way of a cash issue or set-off issue, shareholders shall have preferential rights to subscribe for warrants as if the issue applied to the shares that may be newly subscribed for on the basis of the warrants, or, respectively, preferential rights to subscribe for convertibles as if the issue pertained to those shares for which

the warrants or convertibles, respectively may be exchanged. If the Company decides to only issue A-shares or only B-shares, by way of a cash issue or set-off issue, all shareholders shall have preferential rights to subscribe for new shares in relation to the number of shares previously held, irrespective of whether their shares are A-shares or B-shares. The abovementioned shall not constitute a restriction on the possibility to resolve regarding a cash issue or a set-off issue with deviation from the shareholders' preferential rights.

Upon increase of the share capital through a bonus issue, new shares of each class shall be issued *pro rata* to the number of shares of the same class that already exist. Thereby, existing shares of a specific class carry entitlement to new shares of the same class. The aforementioned shall not restrict the possibility of issuing shares of a new class through a bonus issue, following necessary amendments of the articles of association.

Right to dividend and surplus in the event of liquidation

The shares in the Rights Issue carry the right to dividend from the first record date that follows after the Rights Issue has been registered with the Swedish Companies Registration Office. All shares have an equal right to dividends as well as to the Company's assets and any surplus in the event of liquidation. The shares are not subject to any transfer restrictions. For more information on dividends see the section "*Dividends and dividend policy*" below.

Conversion of A-shares to B-shares

In January each year, the board of directors shall consider matters regarding conversion of A-shares to B-shares from holders who have requested conversion during the previous calendar year. The board of directors may, if deemed necessary, also consider matters of conversion at other times. The conversion shall immediately be reported to the Swedish Companies Registration Office for

registration and is effected when it has been registered.

CENTRAL SECURITIES DEPOSITORY

The Company's shares are registered in a central securities depository register ("**CSD Register**") in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*). The CSD Register is operated by Euroclear Sweden (Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden). No share certificates has been issued for the existing A-shares and B-shares in the Company. The ISIN code for the A-shares is SE0008374243 and the ISIN code for the B-shares is SE0008374250.

RESOLUTION ON THE RIGHTS ISSUE

On 17 December 2024, the Company's board of directors resolved on the Rights Issue subject to the subsequent approval from the extraordinary general meeting. The board of directors' resolution was approved by the extraordinary general meeting on 17 January 2025.

The board of directors established the final terms of the Rights Issue on 16 January 2025, whereby it was resolved that the price per Unit shall be SEK 0.48 and that each Unit shall consist of forty-eight (48) B-shares and eight (8) Warrants, which entitles to subscription of one (1) B-share.

The board of directors' resolution to carry out the Rights Issue was approved at an extraordinary general meeting held on 17 January 2025.

AUTHORISATIONS FOR THE BOARD OF DIRECTORS TO RESOLVE ON ISSUES

On 28 May 2024, the annual general meeting resolved to authorise the board of directors to, on one or several occasions up until the next annual general meeting, with or without deviations from

the shareholders' preferential rights, resolve on a new issue of B-shares, warrants and/or convertibles entitling to subscription of B-shares corresponding to no more than twenty (20) per cent of the total number of outstanding shares in the Company as of the date of the notice to the annual general meeting (*i.e.*, 30 April 2024). The authorisation also include the right to decide on a new issue of shares, warrants and/or convertibles with provisions regarding contribution in kind, set-off or otherwise with conditions in accordance with the Swedish Companies Act. A new issue by way of cash or set-off, with deviation from the shareholders' preferential rights and on the basis of the authorisation, shall be carried out on market conditions. The reason for deviation from the shareholders' preferential rights shall be to facilitate flexibility in connection with raising of capital or in connection with acquisitions of companies or operations.

WARRANTS AND SHARE RELATED INCENTIVE PROGRAMS

Warrant Programme 2024/2027

The annual general meeting on 28 May 2024 resolved to adopt a long-term incentive program to Fingerprints' executive management (the "**Warrant Programme 2024/2027**"). The participants in the Warrant Programme 2024/2027 are offered to purchase warrants at market price. To assist participants with the initial investment, a cash bonus will be paid out from Fingerprints. The Company has the right to invoke a clawback if a participant terminates its employment with the Company within three years. Each warrant entitles the holder to subscribe for one (1) B-share in Fingerprints during the period from and including 1 July 2027 up to and including 1 October 2027. The Warrant Programme 2024/2027 may include a maximum of 14,000,000 warrants. Upon full exercise of all 14,000,000 issued warrants, the Warrant Programme 2024/2027 will comprise a maximum of 14,000,000 new shares in Fingerprints, corresponding to a dilution of

approximately 2.2 per cent of all outstanding shares in Fingerprints at the time of the release of the notice to the annual general meeting.

OWNERSHIP STRUCTURE

No natural or legal persons who has a direct or indirect shareholding in Fingerprints as of 30 September 2024 (and thereafter known changes to the Company) holds more than five (5) per cent of the total number of shares or votes in Fingerprints.

The Company is not aware of any possible arrangements which, to the Company's knowledge, may lead to a change of control of the Company at a later date.

DIVIDENDS AND DIVIDEND POLICY

General

The Company did not pay any dividend for the financial year 2023.

Dividend policy

The Company has no established policy in terms of the time horizon for when dividends shall be distributed to the shareholders, or how much of the Company's future results shall be distributed to the shareholders.

The board of directors' main priority is to ensure that Fingerprints has a financial position that is strong enough to support both organic growth and selective acquisitions. In addition, Fingerprints is seeking to maintain a strong balance sheet. The distribution of capital to shareholders shall be aligned with the development of earnings and cash flow while taking into account the Company's growth opportunities and financial position.

Dividends under Swedish law

Resolutions on dividends must be passed at a general meeting. Dividend may only be distributed if the Company's restricted equity is fully covered after the dividend (the so-called "amount limit" (Sw. *beloppsspärren*)) and only if the dividend appears to be justified taking into account the

demands made of the amount of equity by the nature, scope and risks associated with the business, and the demands made of group equity by the nature, scope and risks associated with group operations, and also the Company's and the Group's consolidated requirements, liquidity and financial position in general (the so-called "prudence rule" (Sw. *försiktighetsregeln*)). As a main rule, the general meeting may not resolve to distribute a larger amount than what the board of directors has proposed or approved.

According to the Swedish Companies Act, owners of not less than one-tenth of all shares have the right to request dividends (to all shareholders) of the Company's profits. Upon such request, a resolution must be passed at an annual general meeting to distribute half of the remaining profit for the year according to the, by the annual general meeting, adopted balance sheet, following deductions made for: (i) losses carried forward exceeding non-restricted reserves, (ii) amounts that, by law or articles of associations, must be transferred to restricted equity, and (iii) amounts that, under articles of associations, must be used for any purpose other than distribution to shareholders. There is however no obligation for a resolution to be passed a general meeting to distribute more than five per cent of the Company's equity. The distribution must not be contrary to the provisions of Chapter 17, Section 3 in the Swedish Companies Act (see the so-called "amount limit" and "prudence rule" above).

Payments of dividends

All shareholders that are registered in the share register maintained by Euroclear Sweden on the record date adopted by the general meeting shall be entitled to receive dividends. Dividends is generally paid as a cash amount per share through Euroclear Sweden, but dividends may also be distributed in a non-cash form (so-called "dividend in kind" (Sw. *sakutdelning*)). If a shareholder cannot be reached through Euroclear Sweden, the shareholder's receivable against the

Company for the dividend amount remains, though taking into account the legal rules on the ten-year limitation period. Upon limitation, the dividend amount shall accrue to the Company. Neither the Swedish Companies Act nor the Company's articles of association contains any restrictions on the right to dividends to shareholders outside of Sweden.

SHAREHOLDER AGREEMENT

As far as the board of directors is aware, there are no shareholder agreements or other agreements between shareholders in the Company that aim at joint influence over the Company. The board is also not aware of any agreements that could lead to a change of control of the Company.

INFORMATION REGARDING PUBLIC OFFERS, MANDATORY PUBLIC OFFERS AND COMPULSORY BUY-OUT

The Swedish Act on Public Takeovers on the Stock Market (the "**Swedish Takeover Act**") (Sw. *lagen (2006:451) om offentliga uppköpserbjudanden på aktiemarknaden*), Nasdaq Stockholm's Takeover Rules and the Swedish Securities Council's rulings regarding interpretation and application of Nasdaq Stockholm's Takeover Rules and, where applicable, the Swedish Securities Council's (Sw. *Aktiemarknadsnämnden*) interpretations of the Swedish Industry and Commerce Stock Exchange Committee's former rules on public offers, are applicable on public offers regarding the shares in the Company.

In accordance with the Swedish Takeover Act, a company may only, following a resolution by the general meeting, take measures to impair the conditions for making or completing an offer, if the board of directors or the CEO has reasonable grounds to believe that the offer is imminent.

The shares in the Company are not subject to any mandatory public offer nor any offers due to buy-out rights or sell-out obligations. No public offer has occurred in respect of the Company's shares during the current or the previous financial year.

Legal considerations and supplementary information

INFORMATION ABOUT THE PROSPECTUS

The Prospectus is governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any conflict or dispute arising out of or in connection with the Prospectus.

A separate prospectus in Swedish (the “**Swedish Prospectus**”) has been approved and registered by the Swedish Financial Supervisory Authority (the “**SFSA**”) as the competent authority in accordance the Prospectus Regulation and the Prospectus is the English translation thereof. The Swedish Prospectus has been prepared as a simplified prospectus in accordance with article 14 of the Prospectus Regulation in connection with the new issue of Units. In the event of any discrepancies between the Prospectus and the Swedish Prospectus, the Swedish Prospectus shall prevail. SFSA only approves the Swedish Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. An approval should not be considered as an endorsement of the Company or of the quality of the securities that are the subject of the Prospectus.

Investors should make their own assessment as to the suitability of investing in the securities. The Prospectus was approved by the SFSA on 23 January 2025.

SFSA’s postal address is Box 7821, 103 97 Stockholm, Sweden. SFSA’s telephone number is +46 (0) 8 408 980 00 and its website is www.fi.se.

The Prospectus is valid during a period no longer than of twelve months following the approval, provided that it is complemented by supplements if required under Article 23 of the Prospectus Regulation. The obligation to set up supplements to the Prospectus in the event of significant new factors, material mistakes or material inaccuracies ceases when the B-shares have been admitted to trading on Nasdaq Stockholm.

GENERAL CORPORATE INFORMATION

The Company is a Swedish public limited liability company (Sw. publikt aktiebolag) which was incorporated on 19 August 1971 and registered with the Swedish Companies Registration Office (Sw. Bolagsverket) on 25 November 1971. The Company’s current legal name, Fingerprint Cards AB, was registered with the Swedish Companies Registration Office on 18 April 1997. The Company has its registered office in Gothenburg, County of Västra Götaland, Sweden. The Company’s activities are carried out in accordance with Swedish law and the Company’s form of association is regulated by the Swedish Companies Act. The Company’s registration number is 556154-2381 and its LEI code is 5493004YF5D7Z612Z822. The Company’s registered address is Box 2412, 403 16 Gothenburg, Sweden and its visiting address is Kungsgatan 20, 411 19 Gothenburg, Sweden. The Company’s telephone number is +46 (0) 10 172 00 00 and the address to the Company’s website is www.fingerprints.com. The information on the Company’s website does not form a part of the Prospectus unless

such information explicitly has been incorporated by reference in the Prospectus (see section “*Selected historical financial information–Historical financial information incorporated by reference*”).

SUBSCRIPTION UNDERTAKINGS AND GUARANTEE COMMITMENTS REGARDING THE RIGHTS ISSUE

Some of Fingerprints’ existing shareholders (including members of the board of directors and executive management) have undertaken to subscribe for Units corresponding to all or part of its *pro rata* share of B-shares in the Rights Issue, corresponding to SEK 0.7 million (the “**Subscription Undertakings**”).

Further, part of the Rights Issue is subject to certain guarantee commitments in a total amount of SEK 114.3 million (the “**Guarantee Commitments**”). Accordingly, the Rights Issue is covered by Subscription Undertakings and Guarantee Commitments in an aggregate amount of up to SEK 115 million. No guarantee commitment covers the subscription of and payment for Units in the Rights Issue in excess of SEK 115 million.

Neither the Subscription Undertakings nor the Guarantee Commitments have been secured through *e.g.*, bank guarantees, restricted funds, pledged assets or similar arrangements. Consequently, there is a risk that one or more of the parties concerned will not meet all or part of their respective commitments.

It is the Company’s assessment that Fingerprints carries out so-called protection-worthy activities, hence the fulfilment of issued guarantee may be subject to mandatory filing under the Screening of Foreign Direct Investments Act (the “**Swedish FDI Act**”) (Sw. *lagen (2023:560) om granskning av utländska direktinvesteringar*) and, if applicable, pursuant to legislation in any other jurisdiction, should

the investor through the investment exceed the thresholds of 10, 20, 30, 50, 65 or 90 per cent of the total number of votes in the Company. Mandatory filing pursuant to the Swedish FDI Act shall be made by the relevant subscription guarantor to the Inspectorate of Strategic Products (the “**ISP**”) and mandatory filing pursuant to legislation in other jurisdiction (if applicable) shall be made to equivalent body in other jurisdiction prior to the investment being carried out. Accordingly, an investment in the Company that exceeds any of the aforementioned thresholds is subject to mandatory filing, which may entail that the investment may only be carried out if the ISP or, if applicable, other equivalent body in other jurisdiction, has prior to this decided to (i) take no action or (ii) authorise the investment (“**FDI Decision**”). The Guarantee Commitments are, in respect of subscription of Units (and thereby B-shares) that would require a prior FDI Decision (“**FDI Units**”), conditional upon that the relevant guarantor obtaining such prior FDI Decision. In the event that any Guarantee Commitment will require the subscription and payment of FDI Units, there will be a separate and longer subscription and payment period in respect of such FDI Units which may run until 13 June 2025 at the latest.

For the Guarantee Commitments a consideration of ten (10) per cent of the guaranteed amount will be paid in cash, corresponding to SEK 11.425 million in total (no consideration is paid for the Subscription Undertakings). No consideration will be paid to subscription guarantors for FDI Units which are not subscribed for due to a required FDI Decision not being obtained by the last day of the subscription period for FDI Units. The consideration to the subscription guarantors is part of the total costs for the Rights Issue, which is estimated to amount to approximately SEK 28 million if the Rights Issue is fully subscribed (see section “*–Net proceeds and costs related to*

the Rights Issue” for more information on the costs for the Rights Issue). The Guarantee Commitments were entered into 17 December 2024. Allotment of Units that have been subscribed for in accordance with the Guarantee

Commitments will be carried out in accordance with the principles described in section “*Terms and instructions–Subscription for Units without unit rights*”.

Subscription Undertakings and Guarantee Commitments

The table below summarises the Subscription Undertakings and Guarantee Commitments that has been entered into as of the date of the Prospectus.

Name	Subscription Undertaking (SEK)	Subscription Undertaking (%)*	Guarantee Commitments (SEK)	Guarantee Commitments (%)*
Fredrik Lundgren ¹⁾	–	–	35,000,000	21.89
Wilhelm Risberg ²⁾	–	–	35,000,000	21.89
Schonfeld Global Master Fund L.P. ³⁾	–	–	15,000,000	9.38
Anavio Capital Partners LLP ⁴⁾	–	–	8,000,000	5.00
Selandia Alpha Invest A/S ⁵⁾	–	–	7,000,000	4.38
Philip Ohlsson ⁶⁾	–	–	4,000,000	2.50
Paul Zeinou ⁷⁾	–	–	4,000,000	2.50
Dariush Hosseinian ⁸⁾	–	–	4,000,000	2.50
Carnegie Investmentbank AB (publ) ⁹⁾	–	–	2,250,000	1.41
Juan Vallejo ¹⁰⁾	327,676	0.20	–	–
Christian Lagerling ¹¹⁾	287,944	0.18	–	–
Adam Philpott ¹²⁾	79,917	0.05	–	–
Fredrik Hedlund ¹³⁾	52,309	0.03	–	–
Total	747,845	0.47	114,250,000	71.45

1) c/o Fingerprint Cards AB, Kungsgatan 20, 411 19 Göteborg, Sweden.

2) c/o Fingerprint Cards AB, Kungsgatan 20, 411 19 Göteborg, Sweden.

3) 590 Madison Avenue, 23rd Floor, New York, NY 10022, United States.

4) Anavio Capital Partners LLP, 11a Regent St, London, SW1Y 4LR, England.

5) Snaregade 10A, 2. 1205 Copenhagen, Denmark.

6) c/o Fingerprint Cards AB, Kungsgatan 20, 411 19 Göteborg, Sweden.

7) c/o Fingerprint Cards AB, Kungsgatan 20, 411 19 Göteborg, Sweden.

8) c/o Fingerprint Cards AB, Kungsgatan 20, 411 19 Göteborg, Sweden.

9) Regeringsgatan 56, 103 38 Stockholm, Sweden.

10) c/o Fingerprint Cards AB, Kungsgatan 20, 411 19 Göteborg, Sweden.

11) c/o Fingerprint Cards AB, Kungsgatan 20, 411 19 Göteborg, Sweden.

12) c/o Fingerprint Cards AB, Kungsgatan 20, 411 19 Göteborg, Sweden.

13) c/o Fingerprint Cards AB, Kungsgatan 20, 411 19 Göteborg, Sweden.

*) Share of the total amount of the Units in the Rights Issue.

MATERIAL AGREEMENTS

Presented below is a summary of material agreements, excluding agreements entered into in the ordinary course of business, entered into by the Group during the past two years, as well as other agreements entered into by the Group which contain rights or obligations of material importance for the Group.

Bridge Loan

The Company has entered into a SEK 40 million bridge loan agreement with a consortium of external investors in order to meet Fingerprints' working capital needs during the period up until the completion of the Rights Issue (the "**Bridge Loan**"). The Bridge Loan is subject to an interest rate of 1.50 per cent for each commenced thirty-day period and a set-up fee of 4.00 per cent. The first part of the Bridge Loan amounted to SEK 15 million ("**Tranche 1**") and Tranche 1 was provided to the Company following the announcement of the Rights Issue. The second part of the Bridge Loan amounted to SEK 25 million ("**Tranche 2**") and Tranche 2 was provided to the Company following the extraordinary general meeting resolving on, *inter alia*, the Rights Issue. The Bridge Loan will fall due in connection with the Company's receipt of the proceeds from the Rights Issue, however not later than 31 March 2025. The Bridge Loan is subject to certain event of default grounds, including that the extraordinary general meeting in the Company does not approve the board of directors' resolution on the Rights Issue, as well as other customary event of default grounds.

Exclusive partnership agreement with Egis Technology

In June 2024, the Company entered into an exclusive partnership agreement with Egis Technology ("**Egis**"), a biometric sensor solution provider, covering patent and technology licensing and conditional Mobile

asset acquisitions, to enable Egis to start to integrate Fingerprints' Mobile product and technology with Egis' existing mobile platform. Furthermore, the partnership with Egis will enable a faster, more efficient winding down of Fingerprints' Mobile business and inventory depletion, as well as providing continued employment opportunities for some of Fingerprints' former Mobile-dedicated staff at Egis. As a result of the exclusive partnership agreement with Egis Technology, Fingerprints has thus far received SEK 15 million in cash payments.

Strategic partnership and license agreement with Smart Eye (publ)

On 6 January 2025, the Company entered into a strategic partnership with Smart Eye AB (publ) ("**Smart Eye**") as well as an agreement to license its iris recognition technology for a total consideration of up to SEK 50 million. The consideration to Fingerprints consists of an initial fixed license fee of SEK 23 million payable in Smart Eye shares, an additional up to SEK 17 million divided into two milestone payments, payable in shares or cash at Smart Eye's discretion, the first payable upon Smart Eye being awarded its first design win incorporating any part of the iris recognition asset, and the second payable upon the first SOP (Start of Production), marking the transition to manufacturing readiness, and finally a maximum of SEK 10 million in royalty payments in shares or cash, at Smart Eye's discretion, based on Smart Eyes sales within the automotive industry. Total consideration paid to Fingerprints amounts to a minimum SEK 35 million over 5 years (maximum SEK 50 million). As part of the agreement, Smart Eye AB (publ) will licence back to Fingerprints a multimodal asset including facial recognition and eye tracking.

LEGAL PROCEEDINGS AND ARBITRATION PROCEEDINGS

During the last twelve months, the Company has not been a party in any governmental, legal or arbitration proceedings (including proceedings which are pending or which, to the Company's knowledge, are likely to be initiated) which may have, or have had in the recent past, significant effects on the Group's financial position or profitability.

ADVISORS' INTEREST

The Company's financial advisers in connection with the Rights Issue is Penser by Carnegie and receives customary commission, which to some extent is dependent on the outcome of the Rights Issue. Penser by Carnegie (as well as some of its affiliates) have provided, and may in the future provide, various banking, financial, investment, commercial and other services to the Company for which they have received, or may receive, compensation.

RELATED PARTY TRANSACTIONS

No related party transactions that individually or together are material to the Company has taken place during the financial year 2023 and up to and including the date of the Prospectus.

SUMMARY OF INFORMATION DISCLOSED UNDER THE EU'S MARKET ABUSE REGULATION

The following is a summary of the information disclosed by the Company in accordance with the EU's Market Abuse Regulation (596/2014) during the last twelve months and is relevant as of the date of the Prospectus.

Financial reports

- On 8 February 2024, Fingerprints published its year-end report for the period January–December 2023.

- On 7 May 2024, Fingerprints published its interim report for the period January–March 2024.
- On 15 August 2024, Fingerprints published its interim report for the period January–June 2024.
- On 31 October 2024, Fingerprints published its interim report for the period January–September 2024.

Changes in the group management, new strategy and preliminary financial information etc.

- On 15 December 2023, Fingerprints announced a conversion of a part of the Company's outstanding convertible bonds.
- On 16 January 2024, Fingerprints announced an issue of new shares as payment in connection to the second amortisation and interest payment under its outstanding convertible bonds.
- On 26 April 2024, Fingerprints announced a partially guaranteed rights issue of up to approximately SEK 310 million, an agreement on early redemption of its convertible bonds, a bridge loan of SEK 60 million and preliminary financial information for the first quarter 2024.
- On 23 May 2024, Fingerprints announced the final terms for the partially guaranteed rights issue.
- On 17 June 2024, Fingerprints announced the preliminary outcome in the Company's partially guaranteed rights issue.
- On 28 August 2024, Fingerprints announced that additional shares in Fingerprints' partially guaranteed rights issue was allotted.
- On 17 December 2024, Fingerprints announced the Rights Issue and the Bridge Loan.
- On 6 January 2025, Fingerprints announced that it has entered into a strategic partnership with Smart Eye AB (publ) and

a license agreement for a total consideration of up to SEK 50 million.

- On 15 January 2025, Fingerprints announced certain preliminary financial information related to the fourth quarter 2024.
- On 16 January 2025, Fingerprints announced the final terms of the Rights Issue.

NET PROCEEDS AND COSTS RELATED TO THE RIGHTS ISSUE

The Company's costs related to the Rights Issue, including payment of remuneration to Penser by Carnegie and other advisors, as well as other expected issue costs is estimated to amount to approximately SEK 28 million if the Rights Issue is fully subscribed. Following deduction of issue related costs, the net proceeds from the Rights Issue will amount to not more than SEK 131.9 million.

DOCUMENTS AVAILABLE FOR INSPECTION

The Company's articles of association as well as certificate of registration are available for inspection at the Company's office at Kungsgatan 20, 411 19 Gothenburg, Sweden, during regular office hours on weekdays. The documents are also available in electronic form on the Company's website (www.fingerprints.com).

Appendix A – Terms and conditions for warrants regarding B-shares

**Terms and conditions for warrants of series
2025:1 (ISIN: SE0023595525) regarding
B-shares in Fingerprint Cards AB (publ)**

1 Definitions

In these terms and conditions, the following terms shall have the meanings given below:

“banking day”	a day which is not a Sunday or other public holiday or, with respect to the payment of promissory notes, is not equated with a public holiday in Sweden.
“B-shares”	mean shares of series B in the Company.
“Companies Act”	the Swedish Companies Act (Sw. <i>aktiebolagslagen</i> (2005:551)).
“Company”	Fingerprint Cards AB (publ), 556154-2381.
“control”	means a holding of more than 90 per cent of the shares in the Company.
“Euroclear”	Euroclear Sweden AB.
“holder”	the holder of a warrants.
“market quotation”	listing of shares in the Company on a regulated marketplace or other organised market place.
“shares”	mean shares in the Company.
“subscription”	subscription of shares in the Company on exercise of warrant in accordance with Chapter 14 of the Companies Act.
“subscription price”	the price at which subscription for new shares may take place on exercise of warrant.
“warrant”	the right to subscribe for new B-share in the Company in exchange for payment in accordance with these terms and conditions.

2 Warrants

The total number of warrants is not higher than the number set out in the issue resolution. The warrants shall be registrable by Euroclear in a securities accounts in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

If the warrants are not registered with Euroclear, the Company shall issue warrant certificates in connection with the issuance of the warrants. The Company shall upon request by a holder exchange or convert a warrant certificate. If the Company decides to register the warrants with Euroclear, and previously issued warrant certificates are held by the holder, the holder shall on demand return the warrant certificates to the Company.

3 Right to subscribe for B-shares

One warrant entitles the holder to subscribe for one (1) new B-share in the Company at a subscription price corresponding to 70 per cent of the Average Price (as defined below). The “**Average Price**” is equal to the volume-weighted average price of the

Company's B-share on Nasdaq Stockholm the 10 trading days that occurs prior to (but not including) 11 September 2026 (however never exceeding 150 per cent of the implied subscription price per B-share in the Company's rights issue of units consisting of B-shares and these warrants (the "**Maximum Price**"). The Average Price and the calculated subscription price shall be rounded to the nearest SEK 0.01, where SEK 0.005 shall be rounded down. Notwithstanding the above, the subscription price may never be lower than (i) SEK 0.01 or (ii) the quota value of the Company's shares from time to time.

The subscription price and the number of B-shares for which each warrant entitles the holder to subscribe may be recalculated in accordance with Section 8 below. The corresponding recalculations as regards the subscription price shall be made for the Maximum Price.

Subscription may only take place in respect of the entire number of B-shares for which the total number of warrants entitles the holder to subscribe for and which a single holder desires to exercise. On such subscription, any excess fractions of warrants which cannot be exercised shall be disregarded.

4 Application for subscription

Application for subscription of B-shares may take place during the period from and including the first trading day of the Company's B-share following establishment of the subscription price in accordance with Section 3 above to and including 2 October 2026.

If a holder is prohibited from subscription of B-shares during the period set out in this Section 4 due to regulations under Regulation (EU) (596/2014/EU) on market abuse, the Swedish Securities Market Abuse Penal Act (Sw. *lagen (2016:1307) om straff för marknadsmissbruk på värdepappersmarknaden*), the Swedish Act with Supplementary Provisions to the European Union's Market Abuse Regulation (Sw. *lagen (2016:1306) med kompletterande bestämmelser till EU:s marknads-missbruksförordning*) or other insider legislation applicable in respect of the Company, the Company shall be entitled to instead permit subscription of B-shares as soon as such holder is no longer prevented from subscription, however not later than 10 calendar days after such prevention has ceased to apply.

If an application for subscription is not submitted within the time stated above, the warrant shall lapse.

Upon application for subscription, a completed application form in accordance with a predetermined form, together with warrant certificates (if applicable, *i.e.* if the warrants are not recorded with Euroclear), shall be submitted to the Company. Applications for subscription are binding and irrevocable.

5 Payment for new B-share

On application for subscription, payment for the number of B-shares which the application for subscription covers shall be made simultaneously. Payment shall be made in cash to a bank account designated by the Company.

6 Registration of new B-share

Following payment for subscribed B-shares, subscription shall be effected through the registration of the new B-shares. Following registration with the Swedish Companies Registration Office, the registration of the new shares will become definitive. According to Section 8 below, such registration might in certain circumstances be postponed.

7 Dividend on new B-share

B-shares issued following subscription shall entitle the holders thereof to participate in the distribution of dividends for the first time on the record date that occurs immediately following the execution of the subscription, i.e., when the B-shares have been registered with the Swedish Companies Registration Office and in the share register maintained by Euroclear Sweden AB.

8 Recalculation of subscription price and the number of shares

The following provisions shall govern the right that vests in holder in the event the share capital prior to the subscription is increased or reduced, convertible bonds or warrants are issued, or the Company is dissolved or ceases to exist as a consequence of a merger or division or if there is an Extraordinary Dividend (as defined below). Recalculations of the subscription price set out below shall apply *mutatis mutandis* to the Maximum Price.

A Bonus issue

In the event of a bonus issue – where an application for subscription is submitted at such time that the allotment of B-shares cannot be made on or before the sixth banking day prior to the general meeting which resolves to make the bonus issue – subscription shall be effected only after the general meeting has adopted a resolution approving the bonus issue. B-shares which are issued pursuant to subscription effected after the adoption of a resolution approving the bonus issue will not entitle the holder thereof to participate in the bonus issue. Definitive registration shall only take place after the record date for the bonus issue.

In conjunction with subscription, which is effected after the adoption of a resolution to make a bonus issue, a recalculated subscription price as well as a recalculated number of B-shares for which each warrant entitles the holder to subscribe shall be applied. The recalculation shall be carried out by the Company in accordance with the following formulae:

Recalculated subscription price = (previous subscription price) x (the number of shares in the Company prior to the bonus issue) / (the number of shares in the Company after the bonus issue)

Recalculated number of B-shares for which each warrant entitles the holder to subscribe = (previous number of B-shares for which each warrant entitles the holder to subscribe) x (the number of shares in the Company after the bonus issue) / (the number of shares in the Company prior to the bonus issue)

The subscription price and the number of B-shares which each warrant entitles the holder to subscribe for, recalculated as set out above, shall be determined by the Company as soon as possible after the general meeting has adopted a resolution approving the bonus issue.

B Reverse share split or share split

In the event the Company effects a reverse share split or share split, the provisions of sub-section A above shall apply *mutatis mutandis*. The record date shall be deemed to be the date on which the reverse share split or share split is carried out by Euroclear at the request of the Company.

C New issue

If the Company issues new shares subject to preferential rights for shareholders to subscribe for new shares in exchange for cash payment, the following shall apply with respect to the right to participate in the new issue held by the shareholders whose B-share are issued as a consequence of subscription on exercise of the warrants:

1. If the board of directors of the Company has resolved to carry out a new issue conditional on the approval of the general meeting of the shareholders or pursuant to authorisation granted by the general meeting of the shareholders, the resolution of the new issue shall state the last day on which subscription must be effected in order to entitle the holder of the B-share to participate in the new issue.
2. If the general meeting adopts a resolution to issue new shares, where an application for subscription is submitted at such time that it cannot be effected on or before the sixth banking day prior to the general meeting which shall address the question of the new issue, subscription shall only be effected following the adoption of a resolution with respect thereto by the general meeting. B-shares which issued as a consequence of such subscription will not entitle the holders to participate in the new issue. Definitive registration shall only take place after the record date for the new issue.

Where subscription is effected at such time that no right to participate in the new issue arises, a recalculated subscription price as well as a recalculated number of B-shares for which each warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following formulae:

Recalculated subscription price = (previous subscription price) x (the average quoted price of the B-share during the subscription period stated in the resolution approving the issue (referred to below as the "average price of the share")) / (the average price of the share increased by the theoretical value of the subscription right calculated on the basis thereof)

Recalculated number of B-shares = (previous number of B-shares for which each warrant entitles the holder to subscribe) x (the average price of the share increased by

the theoretical value of the subscription right calculated on the basis thereof) / (the average price of the share)

The average price of the share shall be deemed to be the equivalent of the average calculated mean value, for each trading day during the subscription period, of the highest and lowest quoted paid price on that day according to the stock exchange or market place list on which the B-share are quoted. In the absence of a quoted paid price, the bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

The theoretical value of the subscription right is calculated in accordance with the following:

Theoretical value of subscription right = (the maximum number of new shares which may be issued pursuant to the resolution approving the issue) x ((the average price of the share) – (the issue price of the new share)) / (the number of shares prior to the adoption of the resolution approving the issue)

If this results in a negative value, the theoretical value of the subscription right shall be deemed to be zero.

The subscription price and the number of B-shares for which each warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two banking days after the expiry of the subscription period and shall apply to each subscription effected thereafter.

If the Company's B-shares, at the time of the resolution to issue the new shares, are not subject to a market quotation, a corresponding recalculation of the subscription price and the number of B-shares for which each warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the warrants shall remain unchanged.

During the period prior to the determination of the recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe, subscription shall only be effected on a preliminary basis. Definitive registration shall be made following determination of the recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe.

D Issue of warrants or convertibles

In the event the Company issues warrants or convertibles in accordance with Chapters 14 and 15 of the Companies Act – in both cases subject to preferential rights for the shareholders to subscribe for such equity related instrument in exchange for cash payment – the provisions of sub-section C, first paragraph, sub-paragraphs 1 and 2 shall apply *mutatis mutandis* in respect of the right to participate in the issue of B-shares which has been issued through subscription.

Where subscription is effected at such a time that no right to participate in the new issue arises, a recalculated subscription price as well as a recalculated number of B-shares

for which each warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following:

Recalculated subscription price = (previous subscription price) x (the average quoted price of the B-share during the relevant period stated in the resolution approving the issue (referred to below as the "average price of the share")) / (the average price of the share increased by the value of the subscription right).

Recalculated number of B-shares = (previous number of B-shares for which each warrant entitles the holder to subscribe) x (the average price of the share increased by the value of the subscription right) / (the average price of the share).

The average price of the share shall be calculated in accordance with the provisions of sub-section C above.

The value of the subscription right shall be deemed to be the equivalent of the average calculated mean value, for each trading day during the subscription period, of the highest and lowest quoted paid price on that day according to the stock exchange or market place list on which the subscription rights are quoted. In the absence of a quoted paid price, the quoted bid price shall form the basis for the calculation.

Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

If the subscription rights are not subject to a market quotation, the value of the subscription right shall, to the greatest extent possible, be determined based upon the change in the market value of the Company's shares which may be deemed to have occurred as a consequence of the issue of the convertible bonds or warrants.

The subscription price and the number of B-shares for which each warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two banking days after the expiry of the subscription period and shall apply to each subscription effected thereafter.

If the Company's B-shares, at the time of the resolution to issue the notes, are not subject to a market quotation, a corresponding recalculation of the subscription price and the number of B-shares for which each warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the warrants shall remain unchanged.

During the period prior to the determination of the recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe, subscription shall only be effected on a preliminary basis. Definitive registration shall be made following determination of the recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe.

E Other offers to shareholders

Where the Company, in circumstances other than those referred to in sub-sections A–D above, makes offers to the shareholders, subject to preferential rights for the shareholders in accordance with the principles set out in Chapter 13, Section 1 of the Companies Act, to acquire securities or rights of any type from the Company or resolves, in accordance with the principles mentioned above, to distribute such securities or rights to the shareholders without consideration, in conjunction with subscription which is effected at such time that the B-shares thereby received do not entitle the holder to participate in the offer, a recalculated subscription price as well as a recalculated number of B-shares for which each warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following:

Recalculated subscription price = (previous subscription price) x (the average quoted price of the B-share during the application period for the offer (referred to below as the "average price of the share")) / (the average price of the share increased by the value of the right to participate in the offer (referred to below as the "value of the purchase right")).

Recalculated number of B-shares = (previous number of B-shares for which each warrant entitles the holder to subscribe) x (the average price of the share increased by the value of the purchase right) / (the average price of the share).

The average price of the share shall be calculated in accordance with the provisions of sub-section C above.

Where shareholders have received purchase rights and trading in these has taken place, the value of the right to participate in the offer shall be deemed to be equivalent to the value of the purchase rights. For this purpose, the value of the purchase right shall be deemed to be equivalent to the average calculated mean value, for each trading day during the application period, of the highest and lowest quoted paid price during the day according to the stock exchange or market place list on which the purchase rights are quoted. In the absence of a quoted paid price, the quoted bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

If the shareholders do not receive purchase rights or where such trading in purchase rights as referred to in the preceding paragraph otherwise does not take place, the recalculation of the subscription price shall be made as far as possible by applying the principles set out above in this sub-section E and the following shall apply. Where listing of the securities or rights offered to the shareholders takes place, the value of the right to participate in the offer shall be deemed to be equivalent to the average calculated mean value, for each trading day during the period of 25 trading days calculated from the first day of listing, of the highest and lowest transaction prices quoted for trades in such securities or rights on the securities exchange or other marketplace for financial instruments on which those securities or rights are listed, reduced where appropriate by the consideration paid for these in conjunction with the offer. In the absence of a

quoted paid price, the quoted bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation of the value of the right to participate in the offer. In the recalculation of the subscription price and the number of B-shares for which each warrant entitles pursuant to this paragraph, the holder to subscribe, the period of 25 trading days referred to above shall be deemed to be the application period determined for the offer pursuant to the first paragraph of this sub-section E.

Where no listing of such securities or rights offered to the shareholders takes place, the value of the right to participate in the offer shall, to the greatest extent possible, be determined based on the change in the market value of the Company's shares which may be deemed to have occurred as a consequence of the offer.

The subscription price and the number of B-shares for which each warrant entitles the holder to subscribe, recalculated in accordance with the above, shall be determined by the Company as soon as possible after it becomes possible to calculate the value of the right to participate in the offer.

If the Company's B-shares, at the time of the offer, are not subject to a market quotation, a corresponding recalculation of the subscription price and the number of B-shares for which each warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the warrants shall remain unchanged.

During the period prior to the determination of the recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe, subscription shall only be effected on a preliminary basis. Definitive registration shall be made following determination of the recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe.

F Equal treatment of holders and shareholders

Where the Company issues new shares or makes an issue pursuant to Chapters 14 or 15 of the Companies Act, with preferential rights for shareholders to subscribe for equity related instruments in exchange for cash payment, the Company may grant all holders the same preferential rights as the shareholders. In conjunction therewith, each holder, irrespective of whether subscription for shares has been made, shall be deemed to be the owner of the number of B-shares which such holder would have received, had subscription on the basis of the warrants been effected in respect of the subscription price, and the number of B-shares for which each warrant entitles the holder to subscribe, in effect at the time of the resolution to issue the shares.

If the Company resolves to make an offer to the shareholders as described in sub-section E above, what has been stated in the preceding paragraph shall apply *mutatis mutandis*. However, the number of B-shares of which each holder shall be deemed to be the owner of, shall, in such circumstances, be determined on the basis of the

subscription price, and the number of B-shares for which each warrant entitles the holder to subscribe, in effect at the time of the resolution to make the offer.

If the Company resolves to grant the holders preferential rights in accordance with the provisions set out in this sub-section F, no recalculation as set out in sub-sections C, D, or E above of the subscription price and the number of B-shares for which each warrant entitles the holder to subscribe for shall be made.

G *Extraordinary Dividend*

If the Company decides to pay a cash dividend to shareholders of an amount which, combined with other cash dividends paid during the same financial year, exceeds 15 per cent of the average price of the B-share during the period of 25 trading days immediately preceding the day on which the Company's board of directors announced its intention to propose that the general meeting approve such a dividend, a recalculation of the subscription price, and the number of B-shares for which each warrant entitles the holder to subscribe, shall be made in respect of any subscription requested at such a time that the B-share thereby received do not carry rights to receive such dividend. The recalculation shall be based on that part of the total dividend which exceeds 15 per cent of the average price of the B-share during the above-mentioned period (referred to below as "Extraordinary Dividend").

The recalculation shall be made by the Company in accordance with the following formulae:

Recalculated subscription price = (previous subscription price) x (the average quoted price of the B-share during a period of 25 trading days calculated from the day on which the B-share is listed without any right to Extraordinary Dividend (referred to below as the "average price of the share")) / (the average price of the share increased by the Extraordinary Dividend paid per share).

Recalculated number of B-shares = (previous number of B-shares for which each warrant entitles the holder to subscribe) x (the average price of the share increased by the Extraordinary Dividend paid per share) / (the average price of the share).

The average price of the share shall be deemed to be the equivalent of the average calculated mean value during the above-mentioned period of 25 trading days of the highest and lowest quoted paid price on each day according to the stock exchange or market place list on which the B-shares are quoted. In the absence of a quoted paid price, the bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

The recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe shall be determined by the Company two banking days after the expiry of the above-mentioned period of 25 trading days and shall apply to each subscription effected from the day on which the B-share is listed without any right to Extraordinary Dividend.

If the Company's B-shares, at the time of the resolution to pay a dividend, are not subject to a market quotation and it is resolved to pay a cash dividend to shareholders of an amount which, combined with other dividends paid during the same financial year, exceeds 50 per cent of the Company's earnings after tax in accordance with the Company's consolidated income statement adopted in the financial year immediately preceding the year in which the resolution was adopted to pay the dividend, a recalculation of the subscription price, and the number of B-shares for which each warrant entitles the holder to subscribe, shall be made in respect of any subscription requested at such a time that the B-shares thereby received do not carry rights to receive such dividend. The recalculation shall be based on that part of the total dividend which exceeds 50 per cent of the Company's earnings after tax and shall be made by the Company in accordance with the above-mentioned principles. During the period prior to the determination of the recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe, subscription shall only be effected on a preliminary basis. Definitive registration shall be made following determination of the recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe.

H Reduction of share capital

If the Company's share capital is reduced through a repayment to the shareholders, and such reduction is compulsory, a recalculated subscription price and a recalculated number of B-shares for which each warrant entitles the holder to subscribe shall be applied.

The recalculations shall be made by the Company in accordance with the following:

Recalculated subscription price = (previous subscription price) x (the average quoted price of the B-share during a period of 25 trading days calculated from the day on which the B-share is listed without right to distribution (referred to below as the "average price of the share")) / (the average price of the share increased by the amount repaid per share).

Recalculated number of B-shares = (previous number of B-shares for which each warrant entitles the holder to subscribe) x (the average price of the share increased by the amount repaid per share) / (the average price of the share).

The average price of the share is calculated in accordance with the provisions set out in sub-section C above.

In carrying out the recalculations according to the above and where the reduction is made through redemption of shares, instead of using the actual amount which is repaid for each share, an amount calculated as follows shall be applied:

Calculated amount to be repaid for each share = (the actual amount repaid for each redeemed share reduced by the average market price of the B-share during a period of 25 trading days immediately prior to the day on which the B-share is listed without any right to participate in the reduction (referred to below as the "average price of the

share”)) / (the number of shares of the Company which carry an entitlement to the redemption of one share, reduced by 1)

The average exchange price is calculated in accordance with the provisions set out in sub-section C above.

The subscription price and number of B-shares for which each warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two banking days after the expiry of the above-mentioned period of 25 trading days, and shall apply to each subscription effected thereafter.

During the period prior to the determination of the recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe, subscription shall only be effected on a preliminary basis. Definitive registration shall be made following determination of the recalculated subscription price and the recalculated number of B-shares for which each warrant entitles the holder to subscribe.

If the Company's share capital is reduced through redemption of shares with repayment to the shareholders, where such reduction is not compulsory, but where, in the opinion of the Company, the reduction, due to its technical structure and its financial effects, is equivalent to a compulsory reduction, the recalculation of the subscription price and the number of B-shares for which each warrant entitles the holder to subscribe shall be made, to the greatest extent possible, in accordance with the principles stated above in this sub-section H.

If the Company's B-shares, at the time of the reduction of share capital, are not subject to a market quotation, a corresponding recalculation of the subscription price shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the warrants shall remain unchanged.

I Recalculation shall give a reasonable result

Should the Company take actions such as those stated in sub-sections A–E, or G–H above and if, in the Company's opinion, application of the recalculation formula established for such action, taking into account the technical framework of such action or for other reasons, could not be made or would result in the holders receiving, in relation to the shareholders, economic compensation that is not reasonable, the Company shall, make the recalculation of the subscription price, and the number of B-shares for which each warrant entitles the holder to subscribe, in such a manner as the Company determines is appropriate to ensure that the recalculation gives a reasonable result.

J Rounding off

On recalculation of the subscription price in accordance with the above, the subscription price shall be rounded off to the nearest SEK 0.10, for which purposes SEK 0.05 shall be rounded downwards and the number of B-shares shall be rounded off to two decimal places.

K Mergers

Where the general meeting adopts a resolution to approve a merger plan pursuant to Chapter 23, Section 15 of the Companies Act, pursuant to which the Company is to be merged into another company or where the board of directors adopts a resolution pursuant to Chapter 23, Section 28 of the Companies Act adopts a resolution that the Company be merged into its parent company, the holders shall receive rights in the acquiring company corresponding at least to the rights held in the Company (the transferor company), unless, pursuant to the merger plan, the holders are entitled to demand redemption of their warrants by the acquiring company.

L Demergers

Where the general meeting adopts a resolution to approve a demerger plan pursuant to Chapter 24, Section 17 of the Companies Act, pursuant to which a proportion of the assets and liabilities of the Company are taken over by one or more other companies, a recalculated subscription price and a recalculated number of B-shares for which each warrant entitles the holder to subscribe shall be calculated. The provisions of sub-section G regarding Extraordinary Dividend shall then apply *mutatis mutandis*. The recalculation shall be based on the proportion of the assets and liabilities of the Company that are taken over by the transferee company or companies.

Where all assets and liabilities of the companies are taken over by one or more other companies, on paying consideration to the shareholders of the Company, the provisions of sub-section M below regarding liquidation shall apply *mutatis mutandis*. Inter alia, this means that the right to demand subscription shall terminate simultaneously with the registration in accordance with Chapter 24, Section 27 of the Companies Act and that the holder shall be notified no later than four weeks before the demerger plan shall be submitted for approval to the general meeting.

M Liquidation

If it is resolved that the Company be put into liquidation, for whatever reason, subscription may not take place thereafter. The right to demand subscription shall terminate simultaneously with the adoption of the resolution to put the Company in liquidation, irrespective of whether such resolution has become final.

Not later than four weeks prior to the adoption of a resolution by a general meeting in respect of whether or not the Company should be put into liquidation in accordance with Chapter 25 of the Companies Act, the holders shall be notified with respect to the planned liquidation in accordance with Section 11 below. The notice shall state that subscription may not take place following the adoption of the resolution in respect of liquidation.

If the Company gives notice of a planned liquidation pursuant to the above, the holders shall – notwithstanding the provisions of Section 4 in respect of the earliest date for application for subscription – be entitled to apply for subscription commencing on the day on which the notice is given, provided that subscription may be effected not later

than prior to the general meeting at which the resolution regarding the liquidation of the Company shall be addressed.

Notwithstanding the provisions above pursuant to which subscription may not take place after the adoption of a resolution regarding liquidation, the right to subscribe shall be reinstated in the event the liquidation is not carried out.

N Insolvent liquidation

If the Company is put into insolvent liquidation, subscription may not take place through the exercise of warrant. Where, however, the decision to put the Company into insolvent liquidation is set aside by a higher court, subscription rights shall be reinstated.

9 Change of control

Application for subscription of B-shares through exercising of allocated warrants may pursuant to these terms, in addition to what is set out in Section 4, take place in case of a change of control whereby a person (or a group of persons acting in concert) obtains control of the Company (as defined in section 1, Definitions, above). Application for subscription may then take place from the date such control is obtained (the "Control Date") up until the earlier of (i) the day after the expiry of a 60 day period from the Control Date and (ii) the date the controlling shareholder (or controlling shareholders) commences a compulsory buy-out procedure pursuant to Chapter 22, section 6 of the Companies Act.

The Company shall immediately notify holders about a change of control according to this Section 9 and the applicable subscription period following such change of control.

If not exercised during the abovementioned period, subscription may take place in accordance with the other provisions of these terms and conditions.

10 Nominees

According to Chapter 3, section 7 of the Swedish Central Securities Depositories and Financial Instruments Accounts Act, a legal entity shall be entitled to be registered as nominee. Such a nominee shall be regarded as a holder for the purposes of the application of these terms and conditions.

11 Notices

Notices relating to these warrants Terms and Conditions shall be provided to each holder who has notified his postal address to the Company.

12 Amendments to terms and conditions

The Company shall be entitled, to amend the terms and conditions of the warrants to the extent required by legislation, decisions of courts of law or decisions of governmental authorities or where otherwise such is necessary or expedient for practical reasons and provided that the rights of the holders are in no way prejudiced.

13 Limitation of liability

In respect of measures which it is incumbent on the Company – and if applicable Euroclear, taking into consideration the provisions of the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) – neither the Company, nor Euroclear, shall be liable for loss which arises as a consequence of Swedish or foreign legislation, the actions of Swedish or foreign governmental authorities, acts of war, strikes, blockades, boycotts, lockouts, or other similar circumstances. The reservation in respect of strikes, blockade, boycotts, and lockouts shall apply notwithstanding that the Company – or Euroclear – itself is the subject of, or effects, such measures.

Nor shall Euroclear be liable for loss which arises under other circumstances, provided that Euroclear has exercised normal caution. The Company shall also enjoy a corresponding limitation of liability. In addition, under no circumstances shall the Company be liable for indirect loss.

If the Company – or Euroclear – is unable to perform its obligations as a consequence of a circumstance specified in the first paragraph, such performance may be postponed until such time as the cause for the impediment has terminated.

14 Confidentiality

The company may not unless authorised provide information to third parties about holders. The company has the right to access the Euroclear's CSD register of the warrants, in which it appears, *inter alia*, who is registered for the warrants.

15 Applicable law and forum

These terms, and all legal issues related to the warrants, shall be determined and interpreted in accordance with Swedish law. Legal proceedings relating to the warrants shall be brought before the Stockholm District Court or such other forum as is accepted in writing by the Company.

* * *

Definitions and glossary

“A-shares”	Shares of class A in the Company.
“B-shares”	Shares of class B in the Company.
“Bridge Loan”	The short-term loan of SEK 40 million that consortium of external investors have provided the Company for the purpose of providing the Company with necessary liquidity until the Rights Issue is completed.
“BTU”	Paid subscribed Units (Sw. <i>betalda tecknade Units</i>).
“Company” or “Fingerprints”	Fingerprint Cards AB (publ).
“Euroclear Sweden”	Euroclear Sweden AB.
“Swedish FDI Act”	The Screening of Foreign Direct Investments Act (Sw. <i>lag (2023:560) om granskning av utländska direktinvesteringar</i>).
“FDI Decision”	Granting of Units (and thereby B-shares) in the Rights Issue that would entail that a party who guarantee part of the Rights Issue gains control of ten (10) per cent or more of the votes in the Company following the Rights Issue entail a requirement for a prior decision from the Inspectorate of Strategic Products in accordance with the Screening of Foreign Direct Investments Act (2023:560) and, if applicable, any other equivalent body pursuant to legislation in any other jurisdiction, to approve the investment or leave the application therefore without remark.
“FDI Units”	Units in the Rights Issue which, if granted to a party who guarantee part of the Rights Issue, would require a FDI Decision and such FDI Decision has not been obtained at the time of granting.
“GDPR”	Regulation (EU) 2016/679 of the European parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data.
“Group”	The group in which the Company is the parent.
“ISP”	The Inspectorate of Strategic Products
“MSEK”	Swedish krona in millions.
“Nasdaq Stockholm”	Nasdaq Stockholm Aktiebolag.
“Prospectus Regulation”	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.
“Rights Issue”	The issue of Units with preferential rights for the Company’s existing shareholders resolved by the board of directors on 17 December 2024 and approved by the extraordinary general meeting of the Company on 17 January 2025.
“SEK”	Swedish krona.
“Units”	New issued units consisting of forty-eight (48) new B-shares and eight (8) Warrants which entitles to subscription of one (1) B-share in the Company.
“USD”	United States Dollar.
“Warrants”	Warrants entitling to subscribe for one (1) B-share in the Company.

Addresses

THE COMPANY

Fingerprint Cards AB (publ)

Kungsgatan 20
411 19 Gothenburg
Sweden

SOLE MANAGER AND BOOKRUNNER

Penser by Carnegie, Carnegie Investment Bank AB (publ)

Regeringsgatan 56
103 38 Stockholm
Sweden

LEGAL ADVISOR TO THE COMPANY

Gernandt & Danielsson Advokatbyrå KB

Hamngatan 2, Box 5747
114 87 Stockholm
Sweden

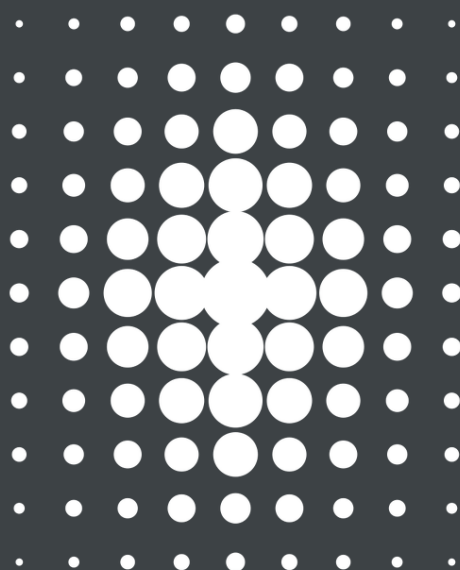
AUDITOR

BDO Mälardalen AB

Sveavägen 53
113 59 Stockholm
Sweden

Carl-Johan Kjellman

c/o BDO Box 6343
102 35 Stockholm
Sweden



FINGERPRINTS