

Highlights of the quarter

- Our market share in capacitive sensors for mobile phones increased year-on-year. Several smartphone models were launched with the latest generation of sensors from Fingerprints.
- Revenues in the first quarter of 2020 were affected by capacity limitations among subcontractors and restrictions on goods transportation as a result of the coronavirus outbreak.
- Our offering in Payments & Access was strengthened during the quarter through, among other activities, the launch of a further development of our biometric software platform.

First quarter of 2020

- Revenues amounted to SEK 310.0 M (342.9)
- The gross margin was 24 percent (23)
- EBITDA totaled SEK 11.6 M (35.8)
- The operating result was negative SEK 17.7 M (neg: 1.9)
- Earnings per share before dilution were negative SEK 0.01 (neg: 0.01)
- Cash flow from operating activities was a negative SEK 37.8 M (neg: 161.1)

SEK M	Jan-Mar 2020	Jan-Mar 2019	Change	Jan-Dec 2019
Revenue	310.0	342.9	-10%	1,458.6
Gross profit	73.9	78.7	-6%	331.1
<i>Gross margin %</i>	24	23		23
Operating profit	-17.7	-1.9	-831%	-14.4
<i>Operating margin %</i>	-6	-1		-1
EBITDA	11.6	35.8	-68%	128.7
Profit/loss before tax	6.5	-0.8	911%	-17.4
Profit/loss for the period	-3.5	-3.5	0%	-13.6
Earnings per share before dilution, SEK	-0.01	-0.01	0%	-0.04
Cash and cash equivalents	485.3	337.6	44%	485.3
Cash flow from operating activities	-37.8	-161.1	77%	160.4
Equity/assets ratio, %	83	82		80
Average number of employees	231	209	11%	209



CEO's comments

The coronavirus outbreak has had far-reaching consequences, not least for all of those affected by the disease. It is of the utmost importance for Fingerprints to protect the health and wellbeing of its employees, customers and partners, and to thereby contribute to reduced spread of infection. Accordingly, we have adapted our work procedures and operations have proceeded well. It is gratifying that the equity/assets ratio for the Group improved to 83 percent.

At the same time, there is no doubt that the world is currently experiencing enormous social, economic and political strain. Of course, Fingerprints is also affected, but we are working hard to mitigate the effects to the greatest possible extent. I am proud of our staff members, who are doing their utmost to ensure that we continue to create value for our customers and partners in this difficult situation.

Revenues in the first quarter of 2020 were negatively affected by supply chain challenges in Asia, mainly in the form of capacity constraints among subcontractors and restrictions to goods transportation as a result of the coronavirus outbreak. We expect the effects of inadequate access to production capacity among the major semiconductor manufacturers to persist moving forward. However, the situation has improved somewhat as the restrictions due to the coronavirus outbreak have been successively lifted in Asia.

At the same time, we assess that the economic slowdown in the world, with rising unemployment and falling demand for consumer products, will negatively impact our revenues. However, the situation is difficult to assess, which is reflected in the broad range of forecasts that have been published. External industry analysts currently estimate that the global smartphone market could shrink by as much as 10–20 percent in 2020.

While we are working to manage the short-term challenges facing the operations, our long-term strategic priorities stand firm. Our R&D organization has been able to maintain full focus on the development projects and we have continued to strengthen our position in the market, both in Mobile and in Payments & Access. Our market share in capacitive sensors for mobile phones has increased since the corresponding quarter last year. Several smartphones were introduced in the market during the quarter featuring our recently launched sensors, including the Realme X50 with FPC1540 and the Moto G Power with FPC1520. We are also strengthening our Payments & Access offering through, for example, the launch of a further development of our biometric software platform for payments, which can now also be used in a number of different Access applications, i.e. biometric access control. We have also launched two touch fingerprint sensors specifically adapted for the Access segment: FPC1020 and FPC1024. We recently entered a global license agreement with FEITIAN for Fingerprints' biometric software platform, combined with a volume agreement for sensors. The agreement applies to biometric cards and various types of access devices. The demand for practical, secure and reliable biometric solutions is increasing and we are very pleased with this partnership with FEITIAN, which indicates that our superior biometric sensors and software are continuing to gain ground in payments and access control. Despite the challenges in the world, which affect everyone, we operate in a uniquely interesting industry. There are fantastic opportunities to develop the use of biometrics in the world, and Fingerprints has a very strong starting point.

Christian Fredrikson, President and CEO



“We have adapted our work procedures and operations have been able to proceed in a good way.”

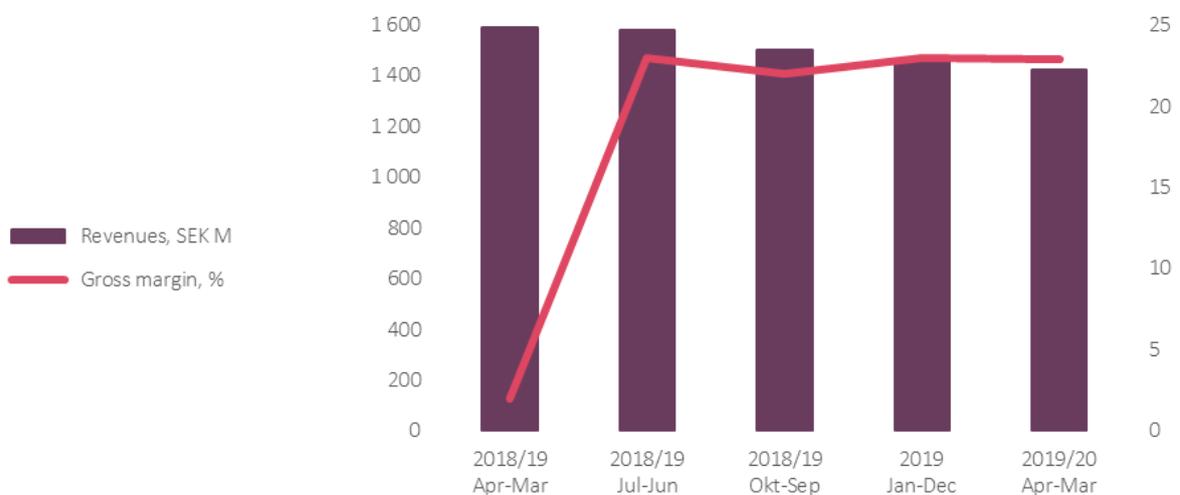


Revenues and operating profit

Revenues

Consolidated revenues for the first quarter totaled SEK 310.0 M (342.9), down 10 percent year-on-year. Revenues were negatively affected by challenges associated with our supply chain in Asia due to the coronavirus outbreak, mainly in the form of capacity limitations among subcontractors and restrictions to goods transportation.

Revenues and gross margin, rolling 12 months



Trend in operating profit

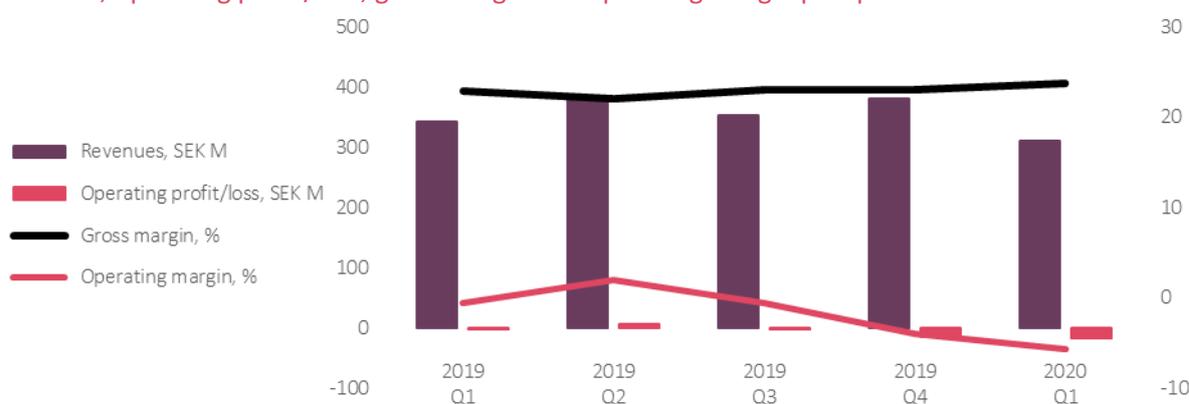
Gross profit for the first quarter was SEK 73.9 M (78.7) and the gross margin was 24 percent (23). Operating margin was negative 6 percent (neg: 1).

Operating expenses amounted to SEK 91.6 M (80.6). Development costs of SEK 17.0 M (21.4) were capitalized during the quarter, which corresponds to 31 percent of total development costs, compared with 47 percent for the corresponding period of 2019.

EBITDA for the quarter totaled SEK 11.6 M (35.8).



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



Financial income and expenses

Net financial items amounted to SEK 24.2 M (1.1). The item pertains primarily to the effect of unrealized changes in exchange rates on currency accounts.

Earnings and earnings per share for the reporting period

Net loss for the first quarter of 2020 amounted to SEK 3.5 M (loss: 3.5). Earnings per share for the first quarter were negative SEK 0.01 (neg: 0.01).

Cash flow and balance sheet

Cash flow

Cash flow from operating activities was a negative SEK 37.8 M (neg: 161.1). The trend in the first quarter is for negative cash flow, since disbursements are made for accumulated liabilities related to the preceding year, which are usually settled during the first quarter of the following year.

Cash flow from investing activities for the first quarter amounted to a negative SEK 26.0 M (neg: 43.3), of which capitalized development expenditure accounted for a negative SEK 17.0 M (neg: 21.4).

Cash flow from financing activities amounted to a negative SEK 39.7 M (-). Financing activities in the first quarter pertained to the amortization of lease liabilities in accordance with IFRS 16 recognition of leased premises of SEK 4.9 M (-). During the first quarter of 2020, shares were bought back for SEK 35,1 M.

Exchange-rate fluctuations had an impact of SEK 24.9 M (1.5) on cash and cash equivalents during the quarter. Most of the company's cash holdings consist of USD and the exchange-rate fluctuations are largely a result of a strengthening of USD in relation to SEK.

Liquidity and shareholders' equity

As of March 31, 2020, the Group's disposable cash and cash equivalents totaled SEK 485.3 M (337.6). Consolidated net cash holdings at the end of the first quarter amounted to SEK 460.0 M (299.4). Interest-bearing liabilities consist of lease liabilities for office premises amounting to SEK 25.3 M (38.2), reported according to IFRS 16 starting in 2019.

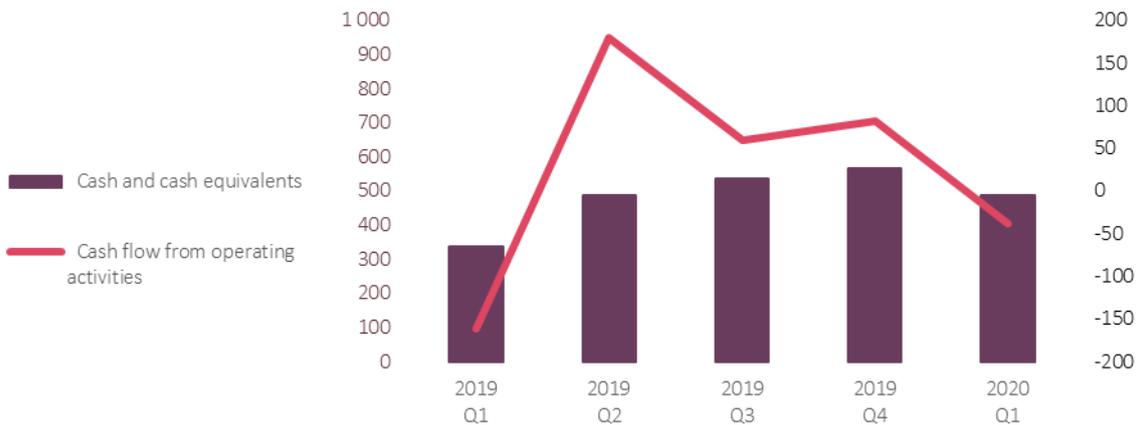
At period-end, consolidated shareholders' equity amounted to SEK 1,839.6 M (1,807.3) and the equity/assets ratio for the Group was 83 percent (82).



Investments, fixed assets and depreciation/amortization

Investments in intangible fixed assets during the quarter amounted to an expense of SEK 25.7 M (expense: 22.4). Investments in tangible fixed assets for the quarter amounted to an expense of SEK 0.3 M (expense: 0.2). Depreciation/amortization according to plan for the quarter totaled SEK 29.3 M (37.8).

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



Other events during the first quarter of 2020

Business Development

During the first quarter of 2020, several mobile devices featuring Fingerprints' sensors were launched, including the Realme X50 with FPC1540 and the Moto G Power with FPC1520. Our FPC1145 sensor is featured in Samsung's Galaxy Chromebook and in the Asus Flip C436, which were launched at CES at the beginning of the year. In addition to this, several biometric locks were launched during the quarter with sensors from Fingerprints.



During the quarter, several mobile devices were launched featuring Fingerprints' technology, including Fingerprints' new FPC1540 thin sensor, designed for side mounting.

During the quarter, it was announced that we had further developed our biometric software platform for payments, FPC-BEP, which can now also be used in a number of different Access applications, i.e. biometric access control. This updated platform builds on our successful mobile and payment software platforms, which, together, are used several billion times a day. During the quarter, we also launched two touch fingerprint sensors specifically adapted for the Access segment: FPC1020 and FPC1024.

In the first quarter, we entered an agreement with FEITIAN for Fingerprints' biometric software platform, including a volume agreement for sensors. The agreement applies to biometric cards and various types of access devices.

Fingerprints' software platform for payments, FPC-BEP, and our T-Shape sensor module passed a quality and security test conducted by the Bank Card Test Center (BCTC). BCTC is an



independent third-party provider of testing services based in China, and accredited by global standardization organizations and payment systems.

Significant events during the first quarter of 2020

On March 19, 2020, it was announced that the Board of Directors, based on the authorization from the Annual General Meeting on May 22, 2019, has resolved that the company shall acquire own shares. The reason for the repurchase of shares is, among other things, to adapt and improve the company's capital structure by reducing the capital, thereby creating additional shareholder value. For more information, see below under "Share capital trend."

Organization and Personnel

The number of employees at March 31, 2020, was 233 (206). In addition to full-time employees, consultants were also engaged during the quarter, corresponding to 38 FTEs (37), mainly in technology development and sales. Accordingly, including employees and consultants, the company employed a total of 271 (243) FTEs at March 31, 2020.

Share capital trend

The number of shares amounts to 313,967,675, of which 6,000,000 are Class A shares and 307,967,675 are Class B shares. The total number of votes is 367,967,675. On March 19, 2020, it was announced that the Board of Directors, based on the authorization from the Annual General Meeting on May 22, 2019, had decided to acquire own shares. During the first quarter of 2020, shares were bought back for SEK 35,1 M, corresponding to 3,327,122 Class B shares. The average price of the shares bought back in the first quarter was SEK 10,55 per share. The shares bought back constitute treasury holdings and have been assigned no value in assets or shareholders' equity. The share capital is unchanged at SEK 12,975,667.

Number of shares

	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Number of shares, (000s)			
Number of shares at period end	313,967	313,967	313,967
Of which class A-shares	6,000	6,000	6,000
Of which class B-shares	307,967	307,967	307,967
Number of buyback shares at end of period	-3,327	-	-
Number of shares outstanding at period end	310,640	313,967	307,967
Number of shares outstanding, diluted at period end	310,640	313,967	313,967
Average number of shares outstanding (000s)			
Average number of buyback shares	-500	-	-
Average number of shares outstanding, basic	313,467	313,967	313,967
Average number of shares outstanding, diluted	313,467	313,967	313,967



Accounting policies

These condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The interim report for the Parent Company was prepared in accordance with the Annual Accounts Act, Chapter 9, Interim reports. The application of these accounting policies complies with what is presented in the Annual Report for the fiscal year ending December 31, 2019 and must be read together with the Annual Report. In addition to the financial statements and the associated notes, disclosures according to IAS 34.16A are also presented in other parts of the interim report. No new or revised IFRSs that have become effective in 2020 have had any significant impact on the Group. The Group's reporting currency is SEK and the report is prepared in SEK M.

Related-party transactions

There were no material transactions between the company and related parties in the Group or the Parent Company during the reporting period.

Parent Company

The Parent Company's revenues for the first quarter of 2020 amounted to SEK 307.8 M (340.0) and profit after financial items for the period amounted to SEK 68.1 M (29.0). Net profit for the period amounted to SEK 53.7 M (22.7) The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 440.2 M (290.5).

Significant risks and uncertainties – Group and Parent Company

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

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

Market risks:	Geopolitical instability, Supplier costs, Risk of obsolescence, Economic fluctuations, Currency risk, Loss of customers and price pressure due to increased competition.
Operational risks:	Delivery capacity of suppliers, Competency provision, Loss of key competencies, Reduced technological lead and Information leaks
Financial risks:	Financing risk and Credit risk.
Legal risks:	Product defects and product liability, Patent risk and Corruption.



Other risks: Epidemics/pandemics, Conflict minerals, Restrictions on planned business development, Biometrics and integrity, Scalability internally, Discrimination and lack of diversity.

For further information concerning the risks facing the Group, see the 2019 Annual Report, which is available on our website, www.fingerprints.com.



Financial calendar

Annual General Meeting 2020	May 26, 2020
Interim report January – June 2020	August 13, 2020
Interim report January – September 2020	November 12, 2020

Further information

This is the type of information that Fingerprint Cards AB is obligated to disclose pursuant to the EU's Market Abuse Regulation. The information was issued for publication through the agency of the contact person set out below on May 4, 2020, at 07:00 a.m. CEST.

Welcome to Fingerprints' presentation of the first quarter 2020 results on May 4 at 09:00 a.m. CEST. The presentation will be webcast, and participants can register via the link below.

<https://engage.vevent.com/rt/fingerprints/index.jsp?seid=162>

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Certification

The Board of Directors and the CEO certify that this interim report provides a fair and accurate review of the operations, financial position and earnings of the Parent Company and the Group and that it describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Gothenburg, May 3, 2020

Johan Carlström
Chairman

Sofia Bertling
Member

Ted Elvhage
Member

Urban Fagerstedt
Member

Tomas Mikaelsson
Member

Alexander Kotsinas
Member

Dimitrij Titov
Member

Juan Vallejo
Member

Christian Fredrikson
President and CEO

Review report

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



Financial statements and key figures

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Condensed consolidated statement of comprehensive income

SEK M	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Revenue	310.0	342.9	1,458.6
Cost of goods sold	-236.1	-264.2	-1,127.5
Gross profit	73.9	78.7	331.1
Gross Margin, %	24	23	23
Selling expenses	-35.0	-34.6	-147.0
Administrative expenses	-18.4	-21.9	-87.0
Development expenditure	-37.4	-24.0	-110.7
Other operating income/expenses	-0.8	-0.1	-0.8
Operating profit/loss	-17.7	-1.9	-14.4
Operating Margin, %	-6	-1	-1
Finance income/expenses	24.2	1.1	-3.0
Profit/loss before tax	6.5	-0.8	-17.4
Income tax	-10.0	-2.7	3.8
Profit/loss for the period	-3.5	-3.5	-13.6
Other comprehensive income	79.3	35.3	37.0
Total comprehensive income for the period	75.8	31.8	23.4
Earnings per share for the period			
Before dilution, SEK	-0.01	-0.01	-0.04
After dilution, SEK	-0.01	-0.01	-0.04

Condensed consolidated statement of financial position

SEK M	31-Mar 2020	31-Mar 2019	31-Dec 2019
Assets			
Intangible fixed assets	1,213.9	1,129.5	1,127.8
Tangible fixed assets	13.2	26.9	15.8
Right-of-use assets	28.4	38.2	32.9
Financial assets	4.0	21.9	18.3
<i>Total fixed assets</i>	<i>1,259.5</i>	<i>1,216.5</i>	<i>1,194.8</i>
Inventories	230.1	323.3	253.4
Accounts receivable	225.9	279.5	197.3
Other receivables	17.9	22.3	15.4
Prepaid expenses and accrued income	11.0	21.5	12.3
Cash and cash equivalents	485.3	337.6	563.9
<i>Total current assets</i>	<i>970.2</i>	<i>984.2</i>	<i>1,042.3</i>
Total assets	2,229.7	2,200.7	2,237.1
Shareholders' equity and liabilities			
<i>Shareholders' equity</i>	<i>1,839.6</i>	<i>1,807.3</i>	<i>1,798.9</i>
<i>Deferred tax liability</i>	<i>36.8</i>	<i>47.5</i>	<i>38.6</i>
<i>Long-term lease liabilities</i>	<i>9.3</i>	<i>20.1</i>	<i>11.8</i>
Short-term debt of long term lease liabilities	16.0	18.1	17.9
Accounts payable	188.9	144.4	235.2
Current tax liabilities	0.7	1.4	0.8
Other current liabilities	12.9	4.6	9.8
Accrued expenses and prepaid income	125.5	157.3	124.1
<i>Total current liabilities</i>	<i>344.0</i>	<i>325.8</i>	<i>387.8</i>
Total shareholders' equity and liabilities	2,229.7	2,200.7	2,237.1



Condensed consolidated cash-flow statement

SEK M	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Profit/loss before tax	6.5	-0.8	-17.4
Adjustment for non-cash items	4.5	32.8	147.9
Income tax paid	-0.9	-1.6	3.3
Change in inventory	23.3	24.2	88.4
Change in current receivables	-29.1	-52.2	38.9
Change in current liabilities	-42.1	-163.5	-100.7
Cash flow from operating activities	-37.8	-161.1	160.4
Cash flow from investing activities	-26.0	-43.3	-115.4
Cash flow from financing activities	-39.7	-	-19.7
Change in cash and cash equivalents	-103.5	-204.4	25.3
Cash and cash equivalents on the opening date	563.9	540.5	540.5
Effect of exchange rate changes on cash	24.9	1.5	-1.9
Closing cash and cash equivalents	485.3	337.6	563.9

The Group's operating segments

SEK M	Jan-Mar 2020	Jan-Mar 2019	Change, %	Jan-Dec 2019
Revenue				
Sensors	310.0	342.9	-10	1,458.6
Other	-	-	-	-
Group	310.0	342.9	-10	1,458.6

SEK M	Jan-Mar 2020	Jan-Mar 2019	Change, %	Jan-Dec 2019
Operating profit/loss				
Sensors	-17.7	-1.9	-831	-14.4
Other	-	-	-	-
Group	-17.7	-1.9	-831	-14.4

SEK M	Jan-Mar 2020	Jan-Mar 2019	Change, %	Jan-Dec 2019
Profit/loss before tax				
Sensors	6.5	-0.8	911	-17.4
Other	-	-	-	-
Group	6.5	-0.8	911	-17.4



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

SEK M	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019	Oct-Dec 2018	Jul-Sep 2018	Apr-Jun 2018	Jan-Mar 2018
Revenue	310.0	381.4	352.5	381.8	342.9	424.3	431.2	389.9	289.7
Cost of goods sold	-236.1	-293.3	-272.4	-297.6	-264.2	-336.1	-316.1	-635.6	-244.9
Gross profit	73.9	88.1	80.1	84.2	78.7	88.2	115.1	-245.7	44.8
Gross margin, %	24	23	23	22	23	21	27	-63	15
Selling costs	-35.0	-40.3	-34.5	-37.6	-34.6	-35.0	-36.5	-48.7	-69.0
Administrative costs	-18.4	-27.3	-20.1	-17.7	-21.9	-39.0	-23.6	-72.9	-66.3
Development costs	-37.4	-37.8	-23.4	-25.5	-24.0	-42.9	-41.4	-76.7	-82.6
Other operating income/expenses	-0.8	2.0	-5.5	2.8	-0.1	3.2	-6.6	-134.2	-1.8
Operating profit/loss	-17.7	-15.3	-3.4	6.2	-1.9	-25.5	7.0	-578.2	-174.9
Operating margin, %	-6	-4	-1	2	-1	-6	2	-148	-60
Finance income/expenses	24.2	-17.2	17.0	-3.9	1.1	1.9	-3.9	-9.7	-13.4
Profit/loss before tax	6.5	-32.5	13.6	2.3	-0.8	-23.6	3.1	-587.9	-188.3
Income tax	-10.0	13.9	-7.8	0.4	-2.7	6.1	-0.2	120.0	40.1
Profit/loss for the period	-3.5	-18.6	5.8	2.7	-3.5	-17.5	2.9	-467.9	-148.2
Other comprehensive income	79.3	-51.0	55.5	-2.8	35.3	11.5	-10.6	61.2	13.3
Total comprehensive income for the period	75.8	-69.6	61.3	-0.1	31.8	-6.0	-7.7	-406.7	-134.9

Consolidated statement of financial position for the past nine quarters

	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
<i>SEK/USD exchange rate, balance date</i>	<i>10.08</i>	<i>9.32</i>	<i>9.80</i>	<i>9.27</i>	<i>9.28</i>	<i>8.97</i>	<i>8.86</i>	<i>8.96</i>	<i>8.36</i>
Assets									
Intangible fixed assets	1,213.9	1,127.8	1,182.7	1,124.8	1,129.5	1,102.7	1,112.4	1,135.8	1,220.1
Tangible fixed assets	13.2	15.8	19.8	23.0	26.9	30.2	34.7	40.4	43.5
Right-of-use assets	28.4	32.9	35.0	33.7	38.2	-	-	-	-
Financial fixed assets	4.0	18.3	7.7	20.2	21.9	27.8	-	-	-
Total fixed assets	1,259.5	1,194.8	1,245.2	1,201.7	1,216.5	1,160.7	1,147.1	1,176.2	1,263.6
Inventories	230.1	253.4	300.3	304.7	323.3	347.5	344.9	351.6	720.8
Accounts receivable	225.9	197.3	187.5	226.9	279.5	232.7	220.1	370.1	385.2
Other receivables	17.9	15.4	23.5	23.6	22.3	19.8	19.6	40.8	347.0
Prepaid expenses and accrued income	11.0	12.3	7.9	11.4	21.5	18.0	19.1	24.7	29.5
Cash and cash equivalents	485.3	563.9	536.7	486.3	337.6	540.5	742.0	737.5	534.2
Total current assets	970.2	1,042.3	1,055.9	1,052.9	984.2	1,158.5	1,345.7	1,524.7	2,016.7
Total assets	2,229.7	2,237.1	2,301.1	2,254.6	2,200.7	2,319.2	2,492.8	2,700.9	3,280.3
Shareholders' equity and liabilities									
<i>Shareholders' equity</i>	<i>1,839.6</i>	<i>1,798.9</i>	<i>1,868.5</i>	<i>1,807.2</i>	<i>1,807.3</i>	<i>1,775.5</i>	<i>1,781.5</i>	<i>1,789.2</i>	<i>2,195.9</i>
<i>Deferred tax liability</i>	<i>36.8</i>	<i>38.6</i>	<i>44.5</i>	<i>46.8</i>	<i>47.5</i>	<i>51.9</i>	<i>32.1</i>	<i>33.5</i>	<i>188.2</i>
<i>Long-term liabilities</i>	<i>9.3</i>	<i>11.8</i>	<i>14.1</i>	<i>15.6</i>	<i>20.1</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>50.9</i>
Short-term debt of long-term liabilities	16.0	17.9	17.8	18.1	18.1	-	-	-	-
Accounts payable	188.9	235.2	231.1	233.0	144.4	256.2	189.5	168.0	210.8
Current tax liabilities	0.7	0.8	1.1	1.1	1.4	1.3	0.9	1.2	1.1
Other current liabilities	12.9	9.8	15.2	19.7	4.6	27.1	191.5	366.1	385.8
Accrued expenses and prepaid income	125.5	124.1	108.8	113.1	157.3	207.2	297.3	342.9	247.6
Total current liabilities	344.0	387.8	374.0	385.0	325.8	491.8	679.2	878.2	845.3
Total shareholders' equity and liabilities	2,229.7	2,237.1	2,301.1	2,254.6	2,200.7	2,319.2	2,492.8	2,700.9	3,280.3



Consolidated cash-flow statement for the past nine quarters

SEK M	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019	Oct-Dec 2018	Jul-Sep 2018	Apr-Jun 2018	Jan-Mar 2018
Profit/loss before tax	6.5	-32.5	13.6	2.3	-0.8	-23.6	3.1	-587.9	-188.3
Adjustment for non-cash items	4.5	66.8	9.7	38.6	32.8	35.2	43.4	484.0	32.4
Income tax paid	-0.9	8.2	-1.5	-1.8	-1.6	4.9	7.7	253.4	-34.0
Change in inventory	23.3	41.2	4.4	18.6	24.2	-2.6	6.8	66.4	-74.7
Change in current receivables	-29.1	-15.3	41.8	64.6	-52.2	-18.9	167.9	33.8	60.2
Change in current liabilities	-42.1	14.0	-8.5	57.3	-163.5	-21.1	-26.4	52.3	0.6
Cash flow fr. operating activities	-37.8	82.4	59.5	179.6	-161.1	-26.1	202.5	302.0	-203.8
Cash flow from investing activities	-26.0	-19.1	-25.6	-27.4	-43.3	-31.0	-33.7	-41.3	-56.6
Cash flow from financing activities	-39.7	-19.7	-	-	-	-151.3	-162.3	-69.8	-124.3
Change in cash and cash equiv.	-103.5	43.6	33.9	152.2	-204.4	-208.4	6.5	190.9	-384.7
Cash and cash equiv. on the opening date	563.9	536.7	486.3	337.6	540.5	742.0	737.5	534.2	920.2
Effect of exchange rate changes on cash	24.9	-16.4	16.5	-3.5	1.5	6.9	-2.0	12.4	-1.3
Closing cash and cash equivalents	485.3	563.9	536.7	486.3	337.6	540.5	742.0	737.5	534.2

Fair value and carrying amount of financial liabilities and assets

SEK M	3/31/2020		3/31/2019	
	Carrying amount	Fair amount	Carrying amount	Fair amount
Financial assets				
Current financial assets:				
Financial assets at amortized cost:				
Accounts receivable	225.9	225.9	279.5	279.5
Cash and cash equivalents	485.3	485.3	337.6	337.6
Total financial assets	711.2	711.2	617.1	617.1
Financial liabilities				
Long-term financial liabilities:				
Long-term lease liabilities	9.3	9.3	20.1	20.1
Current financial liabilities:				
Short-term lease liabilities	16.0	16.0	18.1	18.1
Accounts payable	188.9	188.9	144.4	144.4
Total financial liabilities	214.2	214.2	182.6	182.6
By category:				
Total financial assets	711.2	711.2	617.1	617.1
Financial liabilities at amortized cost	214.2	214.2	182.6	182.6
Net	497.0	497.0	434.5	434.5



Condensed income statement, Parent Company

SEK M	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Revenues	307.8	340.0	1,454.3
Cost of goods sold	-218.1	-254.7	-1,087.9
Gross profit	89.6	85.3	366.4
Selling expenses	-12.8	-34.6	-147.0
Administrative expenses	-74.2	-24.2	-97.0
Development expenditure	-10.0	-22.3	-121.0
Other operating revenues/expenses	-0.9	-1.4	-2.2
Operating profit/loss	-8.3	2.8	-0.8
Finance revenues/expenses	76.4	26.2	44.0
Profit/loss after financial items	68.1	29.0	43.2
Appropriations	0.0	-	8.0
Profit/loss before tax	68.1	29.0	51.2
Tax	-14.3	-6.3	-11.7
Profit/loss for the period	53.7	22.7	39.5

Condensed balance sheet, Parent Company

SEK M	31-Mar 2020	31-Mar 2019	31-Dec 2019
Assets			
Intangible fixed assets	136.6	98.6	122.0
Tangible fixed assets	8.8	20.5	11.2
Financial fixed assets	1,046.6	1,018.5	1,015.3
<i>Total fixed assets</i>	<i>1,192.0</i>	<i>1,137.6</i>	<i>1,148.5</i>
Inventories	230.1	323.3	253.4
Accounts receivable	221.7	276.8	196.9
Current receivables	74.0	61.8	62.8
Cash and cash equivalents	440.2	290.5	518.1
<i>Total current assets</i>	<i>966.0</i>	<i>952.4</i>	<i>1,031.2</i>
Total assets	2,157.9	2,090.0	2,179.7
Shareholders' equity and liabilities			
<i>Shareholders' equity</i>	<i>1,816.2</i>	<i>1,780.8</i>	<i>1,797.6</i>
<i>Untaxed reserves</i>	<i>-</i>	<i>8.0</i>	<i>-</i>
Accounts payable	187.6	136.6	234.1
Other current liabilities	154.1	164.6	148.0
<i>Total current liabilities</i>	<i>341.7</i>	<i>301.2</i>	<i>382.1</i>
Total shareholders' equity and liabilities	2,157.9	2,090.0	2,179.7



Key consolidated data

KEY CONSOLIDATED DATA

	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Revenue, SEK M	310.0	342.9	1,458.6
Revenue change, %	-10	18	-5
Gross margin, %	24	23	23
Operating margin, %	-6	-1	-1
Profit margin, %	-1	-1	-1
EBITDA, SEK M	11.6	35.8	128.7
Return on equity, %	4	2	1
Cash flow from operating activities, SEK M	-37.8	-161.1	160.4
Equity/assets ratio, %	83	82	80
Investments, SEK M	-26.0	-43.3	-115.4
Average number of employees	231	209	209
Shareholders' equity per share, SEK			
- before dilution	5.92	5.76	5.73
- after dilution	5.92	5.76	5.73
Cash flow from operating activities/share, SEK			
- before dilution	-0.12	-0.51	0.51
- after dilution	-0.12	-0.51	0.51
Number of shares at period end, 000s ⁽¹⁾	310,640	313,967	313,967
Average number of shares, 000s			
- before dilution	313,467	313,967	313,967
- after dilution	313,467	313,967	313,967
Share price at period end	13.16	13.26	18.88

Key consolidated figures for the past nine quarters

SEK M	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019	Oct-Dec 2018	Jul-Sep 2018	Apr-Jun 2018	Jan-Mar 2018
Revenue, SEK M	310.0	381.4	352.5	381.8	342.9	424.3	431.2	389.9	289.7
Revenue change, %	-10	-10	-18	-2	18	-31	-49	-53	-58
Gross margin, %	24	23	23	22	23	21	27	-63	15
Operating margin, %	-6	-4	-1	2	-1	-6	2	-148	-60
Profit margin, %	-1	-5	2	1	-1	-4	1	-120	-51
EBITDA, SEK M	11.6	13.3	35.6	44.0	35.8	8.8	36.7	-402.0	-148.7
Return on equity, %	4	-4	3	0	2	0	0	-20	-6
Cash flow from operating activities, SEK M	-37.8	82.4	59.5	179.6	-161.1	-26.1	202.5	302.0	-203.8
Equity/assets ratio, %	83	80	81	80	82	77	71	66	67
Investments, SEK M	-26.0	-19.1	-25.6	-27.4	-43.3	-31.0	-33.7	-41.3	-56.6
Average number of employees	231	220	214	208	209	237	273	347	401
Shareholders' equity per share, SEK									
- before dilution	5.92	5.73	5.95	5.76	5.76	5.66	5.67	5.70	6.99
- after dilution	5.92	5.73	5.95	5.76	5.76	5.66	5.67	5.70	6.99
Cash flow from operating activities, SEK									
- before dilution	-0.12	0.26	0.19	0.57	-0.51	-0.08	0.64	0.96	-0.65
- after dilution	-0.12	0.26	0.19	0.57	-0.51	-0.08	0.64	0.96	-0.65
Number of shares at period end, 000s	310,640	313,967	313,967	313,967	313,967	313,967	313,967	313,967	313,967
Share price at period end, SEK	13.16	18.88	19.96	16.45	13.26	10.13	9.79	6.85	8.05



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

	Apr-Mar 2019/20	Jan-Dec 2019	Oct-Sep 2018/19	Jul-Jun 2018/19	Apr-Mar 2018/19	Jan-Dec 2018	Okt-Sep 2017/18	Jul-Jun 2017/18	Apr-Mar 2017/18
Revenues, SEK M	1,425.7	1,458.6	1,501.5	1,580.2	1,588.3	1,535.1	1,726.1	2,136.3	2,569.8
Gross profit, SEK M	326.3	331.1	331.2	366.2	36.3	2.4	44.3	206.0	751.6
Gross margin, %	23	23	22	23	2	0	3	10	29
Operating profit/loss, SEK M	-30.2	-14.4	-24.6	-14.2	-598.6	-771.6	-786.7	-741.3	-91.1
Operating margin, %	-2	-1	-2	-1	-38	-50	-46	-35	-4
EBITDA, SEK M	104.6	128.7	124.2	125.3	-320.7	-505.2	-531.5	-491.0	-0.1



About Fingerprint Cards

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

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

Vision

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

Mission

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

Business concept

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

Glossary

Refer to the company's website: www.fingerprints.com



Definitions

Most of these key figures are Alternative Performance Measures according to ESMA's definition. How these key figures are used is described below, as is how they are calculated. The alternative performance measures are used to provide a more comprehensive description of how the operational activities are developing, such as gross margin, gross profit, operating margin, EBITDA and revenue increase, while other alternative performance measures focus on the owner perspective, such as return on equity, and cases where certain balance-sheet items or cash flow items are placed in relation to the number of shares. In addition, the equity/assets ratio is provided to describe the financial position and long-term financial sustainability.

Number of shares outstanding at period end	Parent Company's number of shares less bought back shares in treasury.
Return on equity	Profit for the period in relation to average equity during the period. Average equity is defined as shareholders' equity at the start of the period plus shareholders' equity at the end of the period divided by two.
Gross margin	Gross profit as a percentage of revenues.
Gross profit	Revenues less cost of goods sold.
EBITDA	<i>Earnings before interest, taxes, depreciation and amortization.</i> Operating profit before interest rates, taxes, depreciation/amortization and impairment losses.
Shareholders' equity per share	Shareholders' equity attributable to the Parent Company's shareholders divided by the number of shares outstanding before dilution at period-end.
Shareholders' equity per share after dilution	Shareholders' equity per share adjusted for the number of shares and the paid exercise price resulting from the ongoing remuneration and personnel programs.
Average number of shares outstanding	The Parent Company's average weighted number of shares outstanding at the end of the period.
Average number of shares after dilution	Average number of shares plus an increase by the average number of shares that could be issued as a result of current remuneration and personnel programs.
Revenue increase	This shows the increase in revenues compared with the corresponding year-earlier period shown as a percentage.
Cash flow from operating activities/share	Cash flow from operating activities after changes in working capital/average number of shares before and after dilution.
Cost of goods sold	Cost of materials, production expenses and amortization according to plan of capitalized development expenditure.
Net cash	Cash and cash equivalents less interest-bearing debt.
Profit for the period	Profit after financial income/expenses and tax.
Earnings per share	Profit for the period/number of shares outstanding at period end.
Earnings per share after dilution	Earnings per share adjusted for the number of shares and the paid strike price pursuant to ongoing compensation and personnel programs. Earnings per share after dilution can never be better than earnings per share before dilution.
Operating margin	Operating profit as a percentage of revenues.



Operating profit	Operating profit before financial income/expenses and tax.
Equity/assets ratio	Shareholders' equity divided by total assets.
Profit margin	Profit for the period as a percentage of revenues.