

## Highlights

- Continued focus on high-margin, high-growth segments, with decision to wind down PC product group.
- Wind-down of Mobile operations continue according to plan. Please see page 5 for a summary.
- Gross margin excluding R&D depreciation reached 38.7% (21.2% in Q3 2023).
- Debt-free: Following the completion of the rights issue, the convertible bonds, amounting to SEK 108.3 M (including accrued interest) was repaid.
- Operating profit is impacted by two non-cash items: a SEK 34.3 write-down of capitalized R&D projects and a SEK 183.6 M goodwill write-down related to the acquisition of Delta ID that was finalized in 2017. For more information, refer to pages 6-7.

## Third quarter of 2024

- Revenues amounted to SEK 102.8 M (184.8\*)
- The gross margin was 18.3 percent (12.8)
- EBITDA amounted to negative SEK 50.0 M (neg: 40.4)
- Adjusted EBITDA amounted to negative SEK 22.8 M (neg: 40.4)
- The operating result was negative SEK 291.0 M (neg: 63.8)
- Earnings per share before and after dilution amounted to a negative SEK 0.10 (neg: 0.07) \*\*
- Cash flow from operating activities was negative SEK 25.0 M (neg: 38.0)

## January-September 2024

- Revenues amounted to SEK 361.6 M (505.1)
- The gross margin was 10.8 percent (13.9)
- EBITDA amounted to negative SEK 102.9 neg: 158.4)
- Adjusted EBITDA amounted to negative SEK 120.9 M (neg: 158.4)
- The operating result was negative SEK 456.7 M (neg: 215.2)
- Earnings per share before and after dilution amounted to a negative SEK 0.30 (neg: 0.22) \*\*
- Cash flow from operating activities was negative SEK 162.0 M (neg: 27.9)

| SEK M   | Jul-Sep<br>2024 | Jul-Sep<br>2023 | Change | Sep<br>2024 | Jan-Sep<br>2023 | Change | Jan-Dec<br>2023 |
|---|-----------------|-----------------|--------|-------------|-----------------|--------|-----------------|
| Revenue   | 102.8           | 184.8           | -44%   | 361.6       | 505.1           | -28%   | 705.4           |
| Gross profit                                      | 18.8            | 23.6            | -20%   | 39.2        | 70.5            | -44%   | 89.6            |
| Gross margin %                                    | 18.3            | 12.8            | 5%     | 10.8        | 13.9            | -3%    | 12.7            |
| Operating profit/loss                             | -291.0          | -63.8           |        | -456.7      | -215.2          |        | -320.4          |
| Operating margin %                                | -283.0          | -34.5           |        | -126.3      | -42.6           |        | -45.4           |
| EBITDA  | -50.0           | -40.4           |        | -102.9      | -158.4          |        | -242.2          |
| Adjusted EBITDA                                   | -22.8           | -40.4           |        | -120.9      | -158.4          |        | -204.7          |
| Profit/loss before tax                            | -315.7          | -93.9           |        | -498.9      | -263.5          |        | -375.5          |
| Profit/loss for the period                        | -351.8          | -73.8           |        | -621.4      | -220.1          |        | -339.8          |
| Earnings per share before and after dilution, SEK | -0.10           | -0.07           |        | -0.30       | -0.22           |        | -0.31           |
| Cash and cash equivalents                         | 49.0            | 197.9           | -75%   | 49.0        | 197.9           | -75%   | 109.9           |
| Cash flow from operating activities               | -25.0           | -38.0           |        | -162.0      | -27.9           |        | -88.3           |
| Equity/assets ratio, %                            | 66.0            | 69.0            |        | 66.0        | 69.0            |        | 63.8            |
| Average number of employees                       | 83              | 201             | -59%   | 119         | 208             | -43%   | 208             |

For definitions of key figures see page 23.

- \* Numbers in brackets refer to the year-earlier period
- \*\* As the subscription price was below the market price, a fund element has been identified, which means that the comparison figures have been recalculated.



## CEO's comments

### Performance and Transformation Overview

Our Transformation Plan, initiated in Q4 2023, aims to return Fingerprints to profitability. A critical component of this plan is Portfolio Refresh, where we exit commoditized, low-margin markets to focus on profitable growth segments. Key achievements include the complete exit of the Mobile product group, which has already contributed to gross margin improvement and significantly reduced our operational costs. Headcount reduction (42% since the end of 2023) demonstrates our commitment to cost optimization and improved cash flow.

While our Access product group shows sequential growth, the PC market is rapidly commoditizing like Mobile. We will wind down this product group, achieving further cost reductions and entirely exiting China.

In parallel, we are advancing strategic discussions with potential investment partners for our product lines – Access, Payment, and PC – to unlock additional growth capital and enhance value creation.

### Revenue performance: navigating strategic transition

Our Q3 results reflect our ongoing transformation. While Mobile revenues continue to decline as we wind down operations, the segment still contributed significant revenue this quarter – albeit at a low margin – marking the final stages of its lifecycle.

For our product groups outside Mobile, revenue performance was mixed. In the PC product line, slower sales partly stemmed from some models incorporating our technology that are now reaching later lifecycle stages. Customer shifts to other suppliers as part of risk diversification strategies have also impacted our market share, given our status as a smaller-cap company. Securing new PC projects is capital-intensive and generally takes longer compared to the Mobile industry, reinforcing our decision to wind this business down while we seek partners to benefit from our assets and support our customers.

In contrast, our Access product line demonstrated robust sequential growth this quarter, maintaining the positive momentum from earlier in the year. Market demand for biometric authentication—particularly for FIDO-certified products—remains strong. To capture these opportunities, we introduced FPC AllKey, a versatile, high-security biometric solution for various devices, from smart door locks to cryptocurrency wallets. This launch strengthens our position in the access control market and broadens our addressable market in secure authentication.

### Cost Optimization and enhanced operational efficiency

Cost reduction remains pivotal in our transformation efforts. By the end of September, we had lowered our headcount, including consultants, to 107 from 119 in June 2024, primarily driven by our ongoing transition out of Mobile, our outsourced manufacturing model, and increased operational efficiency.

As a result of the PC wind-down, we will continue to implement cost reduction measures in the fourth quarter in order to significantly improve our OPEX run rate by the end of this year. In



“We are exiting unprofitable businesses, reflected in improved gross margin”



addition, our objective is to reach an annualized OPEX run-rate of less than SEK 70 million by the end of Q2 2025, underscoring our commitment to operational efficiency and disciplined resource allocation.

#### **Strengthened gross margin from strategic refocus**

Adjusted for R&D depreciation, our gross margin improved to 38.7%, compared to 25.4% in Q2 2024. While continued intense price pressure within our remaining Mobile operations impacted gross margin, the segment benefitted from a marketing incentive adjustment as part of the wind-down. As we entirely phase out Mobile operations, we expect further gross margin improvements by reallocating resources to growth segments aligned with our profitability goals, fully supporting our transformation plan.

#### **Debt-free**

We completed the rights issue in September, with HCM subscribing to the remaining shares under their guarantee commitments. Following this, we fully repaid SEK 108 million in convertible bonds, including accrued interest, leaving Fingerprints debt-free and ensuring a level playing field for all shareholders.

#### **Digital Identity: innovation and strategic Positioning**

Fingerprints continues to expand its digital identity footprint, most recently with the launch of our 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 frameworks, where it mitigates deepfake risks and enhances system-level security. System integration with select customers will begin in Q1 2025, marking a critical step in broadening our digital identity offerings.

Looking ahead, we are committed to building a robust digital identity platform to help our customers address the myriad cyber-risks and poor user experience arising from passwords. As we complete the phase-out of our Mobile segment, we are strategically reallocating capital toward high-margin, high-growth segments in digital identity. Our investment plans include partnerships and technological advancements that strengthen our identity solutions, with a particular focus on sectors requiring advanced authentication, such as enterprise security, both in edge modalities and in the cloud. These partnerships will enable us to deliver scalable, innovative solutions tailored to evolving market needs.

Our transformation is designed to ensure sustained profitable growth. Ongoing cost optimization will keep Fingerprints lean and agile, while targeted investments in digital identity reinforce our leadership in secure authentication. As we carve out our digital identity and secure authentication specialty, Fingerprints is well-positioned for sustainable growth and long-term value creation through these initiatives.

Adam Philpott, President and CEO



# Revenues and operating result, third quarter of 2024

## Revenues

Group revenues for the third quarter of 2024 amounted to SEK 102.8 M (184.8), corresponding to a decrease of 44 percent compared with the third quarter of 2023 (decrease of 42 percent in constant currency terms). The revenue decrease is primarily driven by the ongoing wind-down of our loss-making mobile sensor hardware business. However, as a consequence of this wind-down, Mobile revenue was positively impacted by a SEK 24.7 M marketing incentive adjustment. Compared to the corresponding period in 2023, revenue also decreased in our core product groups outside of Mobile. The ongoing process of executing on our Transformation Plan may lead to short-term revenue fluctuations. This is particularly true as major PC models featuring our biometric technology reach the later stages of their product lifecycle. Some such models have in fact passed their peak sales volumes, and securing new PC projects is capital-intensive and generally takes longer compared to the Mobile industry. This negatively impacted our PC sales in the third quarter. In addition, customer shifts to other suppliers as part of risk diversification strategies have also impacted our market share given our status as a smaller-cap company. While revenue in the Access product group decreased compared to the third quarter 2023, the positive trend Access since the beginning of this year continued in the third quarter, mainly driven by an increased demand for biometric authentication for logical access control, especially in FIDO-certified products.

## Trend in operating profit

Gross profit for the third quarter was SEK 18.8 M (23.6) and the gross margin was 18.3 percent (12.8).

Gross margin was negatively impacted by continued strong price pressure in our remaining operations in the Mobile product group. However, this negative impact was counterbalanced by the adjustment highlighted above in the revenue section. In addition, an increase in planned depreciation/amortization of capitalized R&D expenses negatively impacted gross margin. SEK 23.2 M in planned depreciation was recorded in the quarter, whereof SEK 21.0 is included in cost of goods sold, thus impacting negatively on the gross margin (although not on cash flow). Gross margin excluding this effect was 38.7 percent in Q3 2024 (21.2 percent in Q3 2023).

Expensed development costs amounted to SEK 20 M (26). Development costs of SEK 2.0 M (12.7) were capitalized during the quarter, corresponding to 9.2 percent of total development costs, compared with 32.8 percent for the corresponding quarter of 2023.

The operating result for the third quarter was a negative SEK 291.0 M (neg: 63.8). Operating expenses amounted to SEK 309.8 M (87.4), including write-downs amounting to SEK 217.9 M: a SEK 34.3 M write-down of capitalized R&D expenses and a SEK 183.6 M write-down of goodwill related to the acquisition of Delta ID. Please see page 6-7 for details about these write-downs. Other operating income/expenses amounted to a negative SEK 27.2 M (pos: 4.1), mainly pertaining to a reclassification of income from other operating income to Mobile revenue.

The cost optimization program is progressing according to plan, with a target to reach an annualized OPEX run rate amounting to SEK 150 M or lower by the end of 2024. Additionally,



we are targeting an annualized OPEX run rate of less than SEK 70 million by the end of Q2 2025.

### Product groups

Revenue is reported by Product Group: Mobile, PC, Payment and Access (refer to the table on page 18). Fingerprints has implemented a new functional organization and governance model to support its Biometric Platform Strategy. The two primary pillars of this organization are Product and Sales, with support from Finance, HR and other operational functions. This change means that the company from January 1, 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.

### Effects of the wind-down of the Mobile product group

As previously disclosed, Fingerprints is currently winding down its loss-making operations in the Mobile product group in order to safeguard the company's financial health and future viability. We expect the Mobile product group to be entirely phased out by the end of this year. During the January-September 2024 period, the wind-down process has had the following financial effects:

- An inventory write-down amounting to SEK 54.7 M and a SEK 7.1 M impairment of capitalized R&D.
- As a result of the exclusive partnership agreement with Egis Technology in the Mobile area, Fingerprints has thus far received SEK 15 M in cash payments. While these payments are not material, the agreement with Egis entails great future opportunities for Fingerprints to generate additional cash payments and royalties for development work.
- SEK 17.3 M in costs related to restructuring measures.
- Revenue positively impacted by a reversal of accrued marketing incentives to customers in the Mobile area, amounting to SEK 24.7 M.

### Financial income and expenses

Financial income amounted to negative SEK 0.2 M (1.4). This item pertains to interest income on bank balances.

Financial expenses amounted to negative SEK 24.5 M (neg: 31.5). Expenses for the quarter pertained primarily to interest and other finance expenses on the convertible loan, previous year coming from interest on Bond loan.

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

The result for the third quarter of 2024 was a negative SEK 351.8 M (neg: 73.8). Earnings per share for the third quarter were a negative SEK 0.10 (neg: 0.07). As the subscription price was below the market price, a fund element has been identified, which means that the comparison figures have been recalculated.



# Cash flow and balance sheet, third quarter of 2024

## Cash flow

Cash flow from operating activities for the third quarter was negative SEK 25.0 M (neg: 38.0). Adjustments for non-cash items, amounting to SEK 256.3 M, mainly pertain to write-downs and depreciation.

Cash flow from investing activities for the same periods amounted to a negative SEK 2.4 M (neg: 12.4), of which capitalized development expenditure accounted for SEK 2.0 M (12.7).

Cash flow from financing activities was negative SEK 111.9 M (neg: 2.4). During the quarter, the remainder of the convertible loan, SEK 105.2 M, was repaid. Proceeds from the rights issue in Q3 2024 amounted to SEK 44.9 M. Transaction costs for the rights issue amounted to SEK 59.2 M, out of which SEK 50.1 M affected cash flow from financing activities in Q3 2024. The SEK 50.1 M was recorded under accounts payable in Q2 2024 and reclassified as a financing activity in Q3 2024 (see Q2 2024 in the consolidated cash-flow statement for the past nine quarters table on page 20). Leasing fees on leased premises amounted to a negative SEK 1.5 M.

Exchange-rate fluctuations had a negative SEK 1.2 M (neg: 1.7) impact on cash and cash equivalents during the quarter.

Inventory amounted to SEK 48.2 M at the end of the third quarter, compared to SEK 156.2 M at the end of the third quarter 2023 and SEK 70.6 M at the end of the second quarter 2024.

## Liquidity and shareholders' equity

At September 30, 2024, the Group's disposable cash and cash equivalents totaled SEK 49.0 M compared with SEK 109.9 M at December 31, 2023, and the Group's net cash amounted to SEK 40.9 M on September 30, 2024, compared with a net debt amounting to SEK 5.0 M at December 31, 2023. Lease liabilities pertaining to office premises amounted to SEK 8.1 M on September 30, 2024, compared with SEK 12.8 M at December 31, 2023, recognized in accordance with IFRS 16.

At period-end, consolidated shareholders' equity amounted to SEK 315.9 M (833.2) and the equity/assets ratio for the Group to 66.0 percent (69.0). Total comprehensive income in the third quarter amounted to a negative SEK 367.2 M (neg: 72.7) and included the remeasurement of shareholders' equity in foreign currencies.

## Investments, fixed assets and depreciation/amortization

Investments in intangible fixed assets during the quarter amounted to an expense of SEK 2.0 M (expense: 12.7). Investments in tangible fixed assets for the quarter amounted to an expense of SEK 0.0 M (expense: 0.0). Depreciation/amortization according to plan for the quarter totaled SEK 23.2 M (23.4).

Write-downs amounting to SEK 217.9 M were recorded in the quarter: a SEK 34.3 M write-down of capitalized R&D expenses and a SEK 183.6 M write-down of goodwill related to the acquisition of Delta ID that was finalized in 2017. This write-down reflects a more focused strategy in the iris recognition area. This decision aligns with the recent launch of our 4th



generation iris recognition software platform, which leverages advanced machine learning (AI) to provide an effortless, prompt, and secure user experience. The company's positive view of the long-term potential in iris recognition remains unchanged and, by addressing the rise in deepfake and privacy concerns regarding iris, our new iris recognition software platform reinforces Fingerprints' commitment to cutting-edge, touchless security solutions.

The write-down of capitalized R&D projects is a consequence of the phase-out of older legacy projects that do not meet the required return on invested capital (ROIC). By reallocating resources to more promising initiatives, Fingerprints is streamlining its R&D portfolio to focus on innovations that align with long-term profitable growth.

Financial fixed assets pertain to deferred tax of SEK 56.4 M (173.2).

## Comments on the period January – September 2024

The Group's revenue for the period January–September 2024 totaled SEK 361.6 M (505.1), corresponding to a decrease of 28 percent compared with the year-earlier period. The period was characterized by intense price competition in the Mobile product group. We focused on implementing a phase-out of our loss-making operations in the Mobile product group to safeguard our company's financial health and future viability. The Mobile revenue decrease that we reported in the period will continue as we focus on the profitable areas of our product portfolio.

Gross profit for the period January-September 2024 was SEK 39.2 M (70.5) and the gross margin was 10.8 percent (13.9). Gross profit in the period January-September 2024 was negatively impacted by SEK 67.1 M in planned non-cash depreciation of previously capitalized R&D expenses. Gross margin excluding this effect was 29.4% (21.9% in the corresponding period 2023). The reduced sales volumes, combined with increased price competition within the Mobile product segment, had a negative impact on profitability.

Financial expenses during the period pertained primarily to interest and other finance expenses on the convertible loan, issued in 2023 to an entity managed by Heights Capital Management, Inc. ("HCM"). In the corresponding period in 2023, financial expenses pertained primarily to interest on the bond loan which was fully repaid in 2023.

Cash flow from operating activities for the period was negative SEK 162.0 M (neg: 27.9).

In June, the company carried out a partially guaranteed rights issue. The company's proceeds from the rights issue, net of transaction costs, amount to SEK 215.8 M.

## Significant events during the third quarter of 2024

In August and September 2024, Fingerprint Cards AB (publ) ("Fingerprints" or the "Company") issued new B-shares in connection with a rights issue of up to approximately SEK 312.4 million. The Issues have resulted in changes in the number of B-shares and votes in Fingerprints as follows. Prior to the Issues, the total number of shares in the Company amounted to



3,169,844,584 (of which 7,875,000 A-shares and 3,161,969,584 B-shares). The total number of votes in the Company amounted to 3,240,719,584 (of which 78,750,000 pertain to the A-shares and 3,161,969,584 pertain to the B-shares). In connection with the Issues, the number of B-shares in the Company increased by 498,342,574 and the number of votes by 498,342,574. Following the Issues, and as of 30 September 2024, the total number of shares in the Company amounts to 3,668,187,158 (of which 7,875,000 A-shares and 3,660,312,158 B-shares). The total number of votes in the Company amounts to 3,739,062,158 (of which 78,750,000 pertain to the A-shares and 3,660,312,158 pertain to the B-shares).

On 17 June 2024, a total of 2,557,212,981 shares of series B (“B-shares”) were, as previously communicated, allotted in Fingerprint Cards AB’s (publ) (“Fingerprints” or the “Company”) partially guaranteed issue of B-shares of up to approximately SEK 312.4 million with preferential rights for its existing shareholders (the “Rights Issue”).

As previously communicated, the guarantee commitments which are entered into by an entity managed by Heights Capital Management, Inc. (“HCM”) are, to the extent they would entail that HCM’s shareholding corresponds to 10 percent or more of the total number of votes in the Company, conditional upon a prior positive decision from the Inspectorate of Strategic Products (Sw. Inspektionen för strategiska produkter) (the “ISP”) pursuant to the Screening of Foreign Direct Investment Act (Sw. lag (2023:560) om granskning av utländska direktinvesteringar). Since HCM as of 18 June 2024 had not obtained such FDI Decision from the ISP, HCM was allotted 323,747,886 B-shares (corresponding to 9.99 percent of the total number of votes in the Company) of their total guarantee commitment of 822,090,460 B-shares. On August 28, 2024, Fingerprints announced that HCM had informed the Company that they had divested the B-shares that were allotted to them on 18 June 2024 and that HCM, as a result thereof, had subscribed for an additional 359,679,909 B-shares in the Company (the “Subscription”). The Subscription entailed that HCM’s holding in Fingerprints corresponded to approximately 9.99 percent of the total number of votes in the Company and was thus not conditional upon a prior positive decision from the ISP. On September 9, 2024, Fingerprints announced that HCM had informed Fingerprints that it had received a positive decision from the ISP, and HCM had therefore subscribed for the remaining 138,662,665 B-shares under their guarantee commitments. As a result of the Company receiving the proceeds from the Subscription, Fingerprints repaid its convertible bonds of approximately SEK 105 million (together with accrued interest).

On August 5, 2024, Fingerprints announced the appointment of David Eastaugh as the company’s Chief Strategy and Technology Officer. He assumed his position on August 19, 2024.

As disclosed in the January-June 2024 interim report on page 3, Hila Meller will leave Fingerprints as there will no longer be a separate lead for Sales & Marketing. Adam Philpott, President & CEO, will take responsibility for this function. This change is in line with our commitment to becoming a more agile organization while also keeping costs under control.

## Other events during the third quarter of 2024

### Business Development

On September 17, 2024, Fingerprint Cards AB and Infineon Technologies AG announced SECORA™ Pay Bio, an all-in-one biometric payment card solution that complies with Visa and Mastercard specifications. This new solution simplifies the process of producing biometric





smart cards, making it as seamless and efficient as that of standard dual-interface payment cards.

On August 28, 2024, Fingerprints unveiled FPC AllKey, its new biometric system for logical and physical access control. The solution has been designed to enable fast and seamless integration into devices, and bring smooth, secure authentication to use cases including peripherals, cryptocurrency wallets, residential or workplace smart door locks, FIDO authenticator tokens, padlocks and more.

On July 10, 2024, Fingerprints announced that it has received a purchase order for fingerprint sensor modules, valued at over USD 1 M, from a global FIDO solutions provider. The order demonstrates the positive demand trend for biometric authentication for logical access control, particularly in FIDO-certified products. Our customer will integrate Fingerprints' biometric technology in its FIDO security keys.

On July 2, 2024, Fingerprints and IN Groupe through SPS brand, leader in contactless and dual interface cards, announced the launch of its secure Component solution for contactless biometric payment cards, supporting global card manufacturers to scale up production of next-generation payment cards.

## Significant events after the end of the period

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

## Organization and Personnel

The number of employees as at September 30, 2024, was 85 (202). In addition to employees, consultants were also engaged during the third quarter, corresponding to 22 HCs (26), mainly in technology development and sales. Accordingly, including employees and consultants, the company employed a total of 107 (228) people on September 30, 2024.

## Share capital trend

In August and September 2024, Fingerprint Cards AB (publ) ("Fingerprints" or the "Company") issued new B-shares in connection with a rights issue of up to approximately SEK 312.4 million (the "Issue"). The Issues have resulted in changes in the number of B-shares and votes in Fingerprints as follows.

Prior to the Issues, the total number of shares in the Company amounted to 3,169,844,584 (of which 7,875,000 A-shares and 3,161,969,584 B-shares). The total number of votes in the Company amounted to 3,240,719,584 (of which 78,750,000 pertain to the A-shares and 3,161,969,584 pertain to the B-shares).

In connection with the Issues, the number of B-shares in the Company increased by 498,342,574 and the number of votes by 498,342,574.

Following the Issues, and as of 30 September 2024, the total number of shares in the Company amounts to 3,668,187,158 (of which 7,875,000 A-shares and 3,660,312,158 B-shares). The



total number of votes in the Company amounts to 3,739,062,158 (of which 78,750,000 pertain to the A-shares and 3,660,312,158 pertain to the B-shares).

The company had 3,800,000 B shares in treasury at the end of the period. The share capital amounted to SEK 159,722,064.

## Number of shares

|   | Jul-Sep<br>2024  | Jul-Sep<br>2023  | Jan-Sep<br>2024  | Jan-Sep<br>2023  | Jan-Dec<br>2023  |
|---|------------------|------------------|------------------|------------------|------------------|
| <b>Number of shares, (000s)</b>                   |                  |                  |                  |                  |                  |
| Number of shares at period end                    | 3 668 187        | 578 778          | 3 668 187        | 578 778          | 596 890          |
| Of which class A-shares                           | 7 875            | 7 875            | 7 875            | 7 875            | 7 875            |
| Of which class B-shares                           | 3 660 312        | 570 903          | 3 660 312        | 570 903          | 589 015          |
| Number of buyback shares at end of period         | -3 800           | -3 800           | -3 800           | -3 800           | -3 800           |
| <b>Number of shares outstanding at period end</b> | <b>3 664 387</b> | <b>574 978</b>   | <b>3 664 387</b> | <b>574 978</b>   | <b>593 090</b>   |
| <b>Average number of shares outstanding *</b>     | <b>3 556 200</b> | <b>1 014 615</b> | <b>2 100 274</b> | <b>1 011 905</b> | <b>1 105 210</b> |

\* Comparison periods have been recalculated to take into account bonus issue elements in the completed rights issue

## 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, 2023 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 2024 have had any significant impact on the Group. The Group's reporting currency is SEK and the report is prepared in SEK M.

Revenue is reported by Product Group: Mobile, PC, Payment and Access (refer to the table on page 18). Fingerprints has implemented a new functional organization and governance model to support its Biometric Platform Strategy. The two primary pillars of this organization are Product and Sales, with support from Finance, HR and other operational functions. This change means that the company no longer manages the business in separate operating segments, and we no longer report results for our previous operating segments Asia, Rest of World and New Business. Hence, the entire Group is reported as a single segment. Information on revenue per product area is provided, as detailed above.

## 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 third quarter of 2024 amounted to neg SEK 0.0 M (8.3), of which the quarter's sales pertain to intra-Group sales to subsidiaries of SEK 0.0 M (6.6) relating to service fees. After financial items, a loss of SEK 34.6 M (loss: 210.3) was reported for the period.

The net result for the period was a loss of SEK 291.8 M (loss: 167.8). The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 3.6 M (32.3).

## 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.

### Operational and market risks

- Ability to attract new and retain existing customers
- Fluctuations in raw material prices
- Dependence on a limited number of third-party suppliers
- Risks relating to the Group's ability to scale up and develop its operations
- Risks in connection with the implementation of Fingerprints' transformation plan, including the implementation of the new strategy and portfolio refresh
- Dependence on ability to continue to innovate and adapt to customers' preferences and demands
- Risks related to the aftermath of the Covid-19 pandemic and risks related to geopolitical and macroeconomic factors
- Dependence on key employees, and the loss of key employees or difficulties in attracting new qualified personnel could have negative effects on the Group's operation
- Risks related to outsourcing
- IT and cyber security risks and risks related to system failures, downtime and other interruptions
- Ability to compete successfully
- Risks related to the public perception of biometric sensors
- Failure to maintain and strengthen brand



### Finance risks

- Risk that sufficient funding will not be available on acceptable terms or at all
- Credit risks
- Currency risks

### Legal risks

- Risks related to processing of personal data
- Risks related to protection of intellectual property rights
- Fingerprints operations are subject to a number of compliance-related risks
- Risks related to legal and administrative proceedings

Fingerprints' current assessment is that the company is not materially impacted directly by the war between Russia and Ukraine, nor by any other ongoing armed conflicts.

For further information concerning the risks facing the Group, see the 2023 Annual Report, which is available on our website, [www.fingerprints.com](http://www.fingerprints.com).

## 2025 Annual General Meeting

The Annual General Meeting will be held in Stockholm on May 28, 2025. Shareholders who wish to have an item of business addressed at the Annual General Meeting must submit a written proposal to [investrel@fingerprints.com](mailto:investrel@fingerprints.com) or to the Company Secretary, Fingerprint Cards AB, Kungsgatan 20, SE-411 19 Gothenburg, not later than seven weeks prior to the Annual General Meeting to guarantee that the business can be included in the notification of the Annual General Meeting. Further details on how and when to register will be published in advance of the meeting.

## Further information

This is the type of information that Fingerprint Cards AB is obligated to disclose pursuant to the EU's Market Abuse Regulation. The information was submitted for publication, through the agency of the contact specified below, at 7:00 a.m. CET on October 31, 2024.

Welcome to Fingerprints' presentation of the interim report for the third quarter of 2024 on October 31, 2024 at 09:00 a.m. CET. The presentation will be webcast, and participants can register via the link below: <https://edge.media-server.com/mmc/p/ro7agrms>

**For media and analysts:** Register for the teleconference via this link:  
<https://register.vevent.com/register/Blf1f6056df56b4c3780ac7cdcdadad5a>

For further information, please contact: Stefan Pettersson, Head of Investor Relations  
Tel: +46 (0) 101 720 010  
[Investrel@fingerprints.com](mailto:Investrel@fingerprints.com)

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

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release and the constituent information in accordance with the rules and regulations prevailing in the particular jurisdiction. This press release does not constitute an offer, or invitation to acquire or subscribe for new securities in Fingerprint Cards AB in any jurisdiction.



## Certification

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

Stockholm, October 30, 2024

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Christian Lagerling  
Chairman

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Alexander Kotsinas  
Member

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Adam Philpott  
Member, President & CEO

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Juan Vallejo  
Member

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Dimitrij Titov  
Member



# AUDITOR'S REPORT ON REVIEW OF INTERIM REPORT

To the Board of Directors of Fingerprint Cards AB (publ), reg.nr. 556154-2381

## Introduction

We have reviewed the condensed interim financial information (interim report) for Fingerprint Cards AB (publ) as of September 30, 2024 and the nine-month period which ended on this date. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, October 31, 2024

BDO Mälardalen AB

Johan Pharmanson  
Authorized Public Accountant

Carl-Johan Kjellman  
Authorized Public Accountant



# Financial statements and key figures

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## Condensed consolidated statement of comprehensive income

| SEK M  | Jul-Sep<br>2024 | Jul-Sep<br>2023 | Jan-Sep<br>2024 | Jan-Sep<br>2023 | Jan-Dec<br>2023 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenue  | 102,8           | 184,8           | 361,6           | 505,1           | 705,4           |
| Cost of goods sold   | -84,0           | -161,2          | -322,4          | -434,6          | -615,8          |
| <b>Gross profit</b>  | <b>18,8</b>     | <b>23,6</b>     | <b>39,2</b>     | <b>70,5</b>     | <b>89,6</b>     |
| <b>Gross Margin, %</b>   | <b>18,3</b>     | <b>12,8</b>     | <b>10,8</b>     | <b>13,9</b>     | <b>12,7</b>     |
| Selling expenses   | -16,2           | -40,3           | -64,1           | -116,6          | -171,1          |
| Administrative expenses  | -28,5           | -21,7           | -96,5           | -88,6           | -127,6          |
| Development expenditure  | -20,0           | -26,0           | -82,3           | -80,2           | -117,3          |
| Write downs  | -217,9          | -3,5            | -279,8          | -3,5            | -4,7            |
| Other operating income/expenses  | -27,2           | 4,1             | 26,8            | 3,2             | 10,7            |
| <b>Operating profit/loss</b>   | <b>-291,0</b>   | <b>-63,8</b>    | <b>-456,7</b>   | <b>-215,2</b>   | <b>-320,4</b>   |
| <b>Operating Margin, %</b>   | <b>-283,0</b>   | <b>-34,5</b>    | <b>-126,3</b>   | <b>-42,6</b>    | <b>-45,4</b>    |
| Finance income   | -0,2            | 1,4             | 1,0             | 3,7             | 4,6             |
| Finance expenses   | -24,5           | -31,5           | -43,2           | -52,0           | -59,7           |
| <b>Profit/loss before tax</b>  | <b>-315,7</b>   | <b>-93,9</b>    | <b>-498,9</b>   | <b>-263,5</b>   | <b>-375,5</b>   |
| Income tax   | -36,1           | 20,1            | -122,5          | 43,4            | 35,7            |
| <b>Profit/loss for the period</b>  | <b>-351,8</b>   | <b>-73,8</b>    | <b>-621,4</b>   | <b>-220,1</b>   | <b>-339,8</b>   |
| Other comprehensive income   | -15,4           | 1,1             | 15,2            | 27,5            | -20,5           |
| <b>Total comprehensive income for the period</b>                               | <b>-367,2</b>   | <b>-72,7</b>    | <b>-606,2</b>   | <b>-192,6</b>   | <b>-360,3</b>   |
| <b>Profit/loss for the period attributable to:</b>                             |                 |                 |                 |                 |                 |
| Parent Company shareholders  | -367,2          | -72,7           | -606,2          | -192,6          | -360,3          |
| <b>Profit/loss for the period</b>  | <b>-367,2</b>   | <b>-72,7</b>    | <b>-606,2</b>   | <b>-192,6</b>   | <b>-360,3</b>   |
| <b>Earnings per share for the period before and after dilutions,<br/>SEK *</b> | <b>-0,10</b>    | <b>-0,07</b>    | <b>-0,30</b>    | <b>-0,22</b>    | <b>-0,31</b>    |

\* Comparison periods have been recalculated to take into account bonus issue elements in the completed rights issue



## Condensed consolidated statement of financial position

| SEK M   | 30-Sep<br>2024 | 30-Sep<br>2023 | 31-Dec<br>2023 |
|---|----------------|----------------|----------------|
| <b>Assets</b>                                     |                |                |                |
| Intangible fixed assets                           | 231.1          | 553.1          | 504.8          |
| Tangible fixed assets                             | 2.1            | 2.7            | 3.0            |
| Right-of-use assets                               | 9.8            | 16.2           | 14.4           |
| Financial assets                                  | 56.4           | 173.5          | 171.6          |
| <i>Total fixed assets</i>                         | <i>299.4</i>   | <i>745.5</i>   | <i>693.8</i>   |
| Inventories                                       | 48.2           | 156.2          | 133.5          |
| Accounts receivable                               | 31.5           | 80.1           | 120.6          |
| Other receivables                                 | 21.8           | 20.4           | 17.9           |
| Prepaid expenses and accrued income               | 28.8           | 6.6            | 7.9            |
| Cash and cash equivalents                         | 49.0           | 197.9          | 109.9          |
| <i>Total current assets</i>                       | <i>179.3</i>   | <i>461.2</i>   | <i>389.8</i>   |
| <b>Total assets</b>                               | <b>478.7</b>   | <b>1,206.7</b> | <b>1,083.6</b> |
| <b>Shareholders' equity and liabilities</b>       |                |                |                |
| <i>Shareholders' equity</i>                       | <i>315.9</i>   | <i>833.2</i>   | <i>691.6</i>   |
| <i>Deferred tax liability</i>                     | <i>2.2</i>     | <i>8.8</i>     | <i>6.6</i>     |
| Convertible loan                                  | -              | 100.0          | 72.9           |
| Long-term lease liabilities                       | 3.5            | 8.0            | 6.5            |
| <i>Long-term liabilities</i>                      | <i>3.5</i>     | <i>108.0</i>   | <i>79.4</i>    |
| Short-term debt lease liabilities                 | 4.6            | 6.6            | 6.2            |
| Short-term debt convertible loan                  | -              | 33.9           | 21.9           |
| Accounts payable                                  | 45.7           | 83.1           | 103.5          |
| Current tax liabilities                           | 5.9            | 6.6            | 6.3            |
| Other current liabilities                         | 20.6           | 14.3           | 25.4           |
| Accrued expenses and prepaid income               | 80.3           | 112.2          | 142.7          |
| <i>Total current liabilities</i>                  | <i>157.1</i>   | <i>256.7</i>   | <i>306.0</i>   |
| <b>Total shareholders' equity and liabilities</b> | <b>478.7</b>   | <b>1,206.7</b> | <b>1,083.6</b> |

## Condensed consolidated statement of changes in equity

| SEK M                               | Jul-Sep<br>2024 | Jul-Sep<br>2023 | Jan-Sep<br>2024 | Jan-Sep<br>2023 | Jan-Dec<br>2023 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Opening shareholders' equity        | 637.6           | 746.6           | 691.6           | 866.5           | 866.5           |
| Comprehensive income for the period | -367.2          | -72.7           | -606.2          | -192.6          | -360.3          |
| Share issue                         | 45.5            | 159.3           | 230.5           | 159.3           | 185.4           |
| <b>Closing shareholders' equity</b> | <b>315.9</b>    | <b>833.2</b>    | <b>315.9</b>    | <b>833.2</b>    | <b>691.6</b>    |



## Condensed consolidated cash-flow statement

| SEK M   | Jul-Sep<br>2024 | Jul-Sep<br>2023 | Jan-Sep<br>2024 | Jan-Sep<br>2023 | Jan-Dec<br>2023 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Profit/loss before tax                        | -315.7          | -93.9           | -498.9          | -263.5          | -375.5          |
| Adjustment for non-cash items                 | 256.3           | 1.9             | 376.4           | 34.1            | 65.2            |
| Income tax paid                               | -1.7            | -4.4            | -16.1           | -21.1           | -22.1           |
| Change in inventory                           | 20.0            | 67.7            | 34.8            | 179.9           | 175.4           |
| Change in current receivables                 | 59.1            | 21.8            | 72.4            | 82.3            | 25.4            |
| Change in current liabilities                 | -43.0           | -31.1           | -130.6          | -39.6           | 43.3            |
| <b>Cash flow from operating activities</b>    | <b>-25.0</b>    | <b>-38.0</b>    | <b>-162.0</b>   | <b>-27.9</b>    | <b>-88.3</b>    |
| Cash flow from investing activities           | -2.4            | -12.4           | -10.4           | -41.7           | -46.1           |
| Cash flow from financing activities           | -111.9          | -2.4            | 110.0           | -8.6            | -25.7           |
| <b>Change in cash and cash equivalents</b>    | <b>-139.3</b>   | <b>-52.8</b>    | <b>-62.4</b>    | <b>-78.2</b>    | <b>-160.1</b>   |
| Cash and cash equivalents on the opening date | 189.5           | 252.4           | 109.9           | 274.1           | 274.1           |
| Effect of exchange rate changes on cash       | -1.2            | -1.7            | 1.5             | 2.0             | -4.1            |
| <b>Closing cash and cash equivalents</b>      | <b>49.0</b>     | <b>197.9</b>    | <b>49.0</b>     | <b>197.9</b>    | <b>109.9</b>    |

## Sales by product group

| SEK M          | Jul-Sep<br>2024 | Jul-Sep<br>2023 | Change, %  | Jan-Sep<br>2024 | Jan-Sep<br>2023 | Change, %  | Jan-Dec<br>2023 |
|----------------|-----------------|-----------------|------------|-----------------|-----------------|------------|-----------------|
| <b>Revenue</b> |                 |                 |            |                 |                 |            |                 |
| <b>Mobile</b>  | 76.1            | 134.5           | -43        | 250.8           | 377.5           | -34        | 519.1           |
| <b>Payment</b> | 0.7             | 2.9             | -75        | 2.6             | 10.4            | -75        | 11.7            |
| <b>PC</b>      | 7.8             | 22.3            | -65        | 63.4            | 64.1            | -1         | 96.9            |
| <b>Access</b>  | 18.2            | 25.2            | -27        | 44.8            | 53.1            | -16        | 77.7            |
| <b>Group</b>   | <b>102.8</b>    | <b>184.8</b>    | <b>-44</b> | <b>361.6</b>    | <b>505.1</b>    | <b>-28</b> | <b>705.4</b>    |



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

| SEK M  | Jul-Sep<br>2024 | Apr-Jun<br>2024 | Jan-Mar<br>2024 | Oct-Dec<br>2023 | Jul-Sep<br>2023 | Apr-Jun<br>2023 | Jan-Mar<br>2023 | Oct-Dec<br>2022 | Jul-Sep<br>2022 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenue  | 102.8           | 112.4           | 146.4           | 200.3           | 184.8           | 203.3           | 117.0           | 190.3           | 143.2           |
| Cost of goods sold                               | -84.0           | -108.2          | -130.2          | -181.3          | -161.2          | -176.7          | -96.7           | -173.5          | -125.7          |
| <b>Gross profit</b>                              | <b>18.8</b>     | <b>4.2</b>      | <b>16.2</b>     | <b>19.1</b>     | <b>23.6</b>     | <b>26.6</b>     | <b>20.3</b>     | <b>16.8</b>     | <b>17.5</b>     |
| <b>Gross margin, %</b>                           | <b>18.3</b>     | <b>3.7</b>      | <b>11.1</b>     | <b>9.5</b>      | <b>12.8</b>     | <b>13.1</b>     | <b>17.3</b>     | <b>8.8</b>      | <b>12.2</b>     |
| Selling costs                                    | -16.2           | -26.4           | -21.5           | -54.5           | -40.3           | -42.5           | -33.8           | -34.0           | -35.4           |
| Administrative costs                             | -28.5           | -32.1           | -35.9           | -39.0           | -21.7           | -32.9           | -34.0           | -44.7           | -32.0           |
| Development costs                                | -20.0           | -37.1           | -25.1           | -37.1           | -26.0           | -25.9           | -28.3           | -31.9           | -25.7           |
| Write downs                                      | -217.9          | -61.9           | 0.0             | -1.2            | -3.5            | 0.0             | 0.0             | -433.4          | -               |
| Other operating Income/expenses                  | -27.2           | 62.5            | -8.5            | 7.5             | 4.1             | -1.0            | 0.1             | -0.1            | 15.8            |
| <b>Operating profit/loss</b>                     | <b>-291.0</b>   | <b>-90.8</b>    | <b>-74.9</b>    | <b>-105.2</b>   | <b>-63.8</b>    | <b>-75.7</b>    | <b>-75.7</b>    | <b>-527.3</b>   | <b>-59.8</b>    |
| <b>Operating margin, %</b>                       | <b>-283.0</b>   | <b>-80.8</b>    | <b>-51.1</b>    | <b>-52.5</b>    | <b>-34.5</b>    | <b>-37.3</b>    | <b>-64.7</b>    | <b>-277.1</b>   | <b>-41.8</b>    |
| Finance income/expenses                          | -24.7           | -11.3           | -6.1            | -14.2           | -30.1           | -9.0            | -9.2            | -14.4           | -6.9            |
| <b>Profit/loss before tax</b>                    | <b>-315.7</b>   | <b>-102.1</b>   | <b>-81.0</b>    | <b>-119.4</b>   | <b>-93.9</b>    | <b>-84.6</b>    | <b>-85.0</b>    | <b>-541.7</b>   | <b>-66.7</b>    |
| Income tax                                       | -36.1           | -81.6           | -4.9            | -7.7            | 20.1            | 8.4             | 14.9            | 42.3            | 15.7            |
| <b>Profit/loss for the period</b>                | <b>-351.8</b>   | <b>-183.7</b>   | <b>-85.9</b>    | <b>-127.1</b>   | <b>-73.8</b>    | <b>-76.2</b>    | <b>-70.1</b>    | <b>-499.4</b>   | <b>-51.0</b>    |
| Other comprehensive income                       | -15.4           | -6.5            | 37.1            | -48.0           | 1.1             | 30.7            | -4.3            | -81.6           | 74.3            |
| <b>Total comprehensive income for the period</b> | <b>-367.2</b>   | <b>-190.2</b>   | <b>-48.8</b>    | <b>-175.1</b>   | <b>-72.7</b>    | <b>-45.5</b>    | <b>-74.4</b>    | <b>-581.0</b>   | <b>23.3</b>     |

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

|   | 30-Sep<br>2024 | 30-Jun<br>2024 | 31-Mar<br>2024 | 31-Dec<br>2023 | 30-Sep<br>2023 | 30-Jun<br>2023 | 31-Mar<br>2023 | 31-Dec<br>2022 | 30-Sep<br>2022 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <i>SEK/USD exchange rate, balance date</i>        | 10.09          | 10.61          | 10.69          | 10.04          | 10.89          | 10.85          | 10.37          | 10.42          | 11.20          |
| <b>Assets</b>                                     |                |                |                |                |                |                |                |                |                |
| Intangible fixed assets                           | 231.1          | 480.8          | 512.9          | 504.8          | 553.1          | 558.8          | 541.5          | 538.0          | 1,021.6        |
| Tangible fixed assets                             | 2.1            | 2.4            | 2.7            | 3.0            | 2.7            | 3.1            | 3.6            | 4.3            | 5.0            |
| Right-of-use assets                               | 9.8            | 11.3           | 12.9           | 14.4           | 16.2           | 19.3           | 22.2           | 25.3           | 15.2           |
| Financial fixed assets                            | 56.4           | 92.3           | 171.6          | 171.6          | 173.5          | 152.7          | 138.7          | 121.8          | 81.0           |
| <b>Total fixed assets</b>                         | <b>299.4</b>   | <b>586.8</b>   | <b>700.1</b>   | <b>693.8</b>   | <b>745.5</b>   | <b>733.9</b>   | <b>706.0</b>   | <b>689.4</b>   | <b>1,122.8</b> |
| Inventories                                       | 48.2           | 70.6           | 141.3          | 133.5          | 156.2          | 202.7          | 274.0          | 304.1          | 412.4          |
| Accounts receivable                               | 31.5           | 62.6           | 110.6          | 120.6          | 80.1           | 100.6          | 97.1           | 128.3          | 133.2          |
| Other receivables                                 | 21.8           | 74.8           | 12.1           | 17.9           | 20.4           | 19.0           | 32.7           | 40.0           | 37.2           |
| Prepaid expenses and accrued income               | 28.8           | 4.9            | 7.4            | 7.9            | 6.6            | 7.7            | 8.7            | 9.6            | 11.3           |
| Cash and cash equivalents                         | 49.0           | 189.5          | 45.6           | 109.9          | 197.9          | 252.4          | 210.9          | 274.1          | 71.4           |
| <b>Total current assets</b>                       | <b>179.3</b>   | <b>402.4</b>   | <b>317.0</b>   | <b>389.8</b>   | <b>461.2</b>   | <b>582.4</b>   | <b>623.4</b>   | <b>756.1</b>   | <b>665.5</b>   |
| <b>Total assets</b>                               | <b>478.7</b>   | <b>989.2</b>   | <b>1,017.1</b> | <b>1,083.6</b> | <b>1,206.7</b> | <b>1,316.3</b> | <b>1,329.4</b> | <b>1,445.5</b> | <b>1,788.3</b> |
| Shareholders' equity and liabilities              |                |                |                |                |                |                |                |                |                |
| <i>Shareholders' equity</i>                       | 315.9          | 637.6          | 658.8          | 691.6          | 833.2          | 746.6          | 792.1          | 866.5          | 1,106.2        |
| <i>Deferred tax liability</i>                     | 2.2            | 3.8            | 5.4            | 6.6            | 8.8            | 10.3           | 11.4           | 13.0           | 15.6           |
| <i>Long-term liabilities</i>                      | 3.5            | 65.1           | 66.8           | 79.4           | 108.0          | 304.7          | 305.4          | 306.1          | 298.6          |
| Short-term debt of long-term liabilities          | 4.6            | 5.3            | 6.0            | 28.1           | 40.5           | 8.1            | 9.7            | 11.2           | 9.6            |
| Accounts payable                                  | 45.7           | 100.0          | 126.0          | 103.5          | 83.1           | 77.0           | 51.3           | 74.3           | 190.4          |
| Current tax liabilities                           | 5.9            | 5.1            | 8.3            | 6.3            | 6.6            | 6.5            | 6.4            | 6.6            | 8.0            |
| Other current liabilities                         | 20.6           | 63.9           | 12.4           | 25.4           | 14.3           | 12.7           | 14.3           | 20.7           | 18.5           |
| Accrued expenses and prepaid income               | 80.3           | 81.0           | 110.4          | 142.7          | 112.2          | 150.4          | 138.8          | 147.1          | 141.4          |
| <b>Total current liabilities</b>                  | <b>157.1</b>   | <b>282.7</b>   | <b>286.1</b>   | <b>306.0</b>   | <b>256.7</b>   | <b>254.7</b>   | <b>220.5</b>   | <b>259.9</b>   | <b>367.9</b>   |
| <b>Total shareholders' equity and liabilities</b> | <b>478.7</b>   | <b>989.2</b>   | <b>1,017.1</b> | <b>1,083.6</b> | <b>1,206.7</b> | <b>1,316.3</b> | <b>1,329.4</b> | <b>1,445.5</b> | <b>1,788.3</b> |



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

| SEK M                                     | Jul-Sep<br>2024 | *Apr-Jun<br>2024 | Jan-Mar<br>2024 | Oct-Dec<br>2023 | Jul-Sep<br>2023 | Apr-Jun<br>2023 | Jan-Mar<br>2023 | Oct-Dec<br>2022 | Jul-Sep<br>2022 |
|---|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Profit/loss before tax                    | -315.7          | -102.1           | -81.0           | -119.4          | -93.9           | -84.6           | -85.0           | -541.7          | -66.7           |
| Adjustment for non-cash items             | 256.3           | 85.3             | 34.8            | 5.2             | 1.9             | 16.1            | 16.1            | 475.8           | 2.6             |
| Income tax paid                           | -1.7            | -8.2             | -6.1            | -1.0            | -4.4            | -9.3            | -7.4            | 5.4             | 9.4             |
| Change in inventory                       | 20.0            | 15.8             | -1.0            | 28.8            | 67.7            | 85.6            | 26.6            | 27.6            | -94.1           |
| Change in current receivables             | 59.1            | -12.3            | 25.5            | -56.9           | 21.8            | 18.0            | 42.5            | -28.9           | 23.8            |
| Change in current liabilities *           | -43.0           | -55.4            | -32.3           | 82.9            | -31.1           | 26.6            | -35.1           | -42.1           | 13.4            |
| <b>Cash flow fr. operating activities</b> | <b>-25.0</b>    | <b>-76.9</b>     | <b>-60.1</b>    | <b>-60.4</b>    | <b>-38.0</b>    | <b>52.4</b>     | <b>-42.3</b>    | <b>-103.9</b>   | <b>-111.6</b>   |
| Cash flow from investing activities       | -2.4            | -2.6             | -5.4            | -4.4            | -12.4           | -11.9           | -17.4           | -28.3           | -28.1           |
| Cash flow from financing activities *     | -111.9          | 223.4            | -1.5            | -17.1           | -2.4            | -3.2            | -3.0            | 337.8           | -2.3            |
| <b>Change in cash and cash equiv.</b>     | <b>-139.3</b>   | <b>143.9</b>     | <b>-67.0</b>    | <b>-81.9</b>    | <b>-52.8</b>    | <b>37.3</b>     | <b>-62.7</b>    | <b>205.6</b>    | <b>-142.0</b>   |
| Cash and cash equiv. on the opening date  | 189.5           | 45.7             | 109.9           | 197.9           | 252.4           | 210.9           | 274.1           | 71.4            | 212.8           |
| Effect of exchange rate changes on cash   | -1.2            | -0.1             | 2.8             | -6.1            | -1.7            | 4.2             | -0.5            | -2.9            | 0.6             |
| <b>Closing cash and cash equivalents</b>  | <b>49.0</b>     | <b>189.5</b>     | <b>45.7</b>     | <b>109.9</b>    | <b>197.9</b>    | <b>252.4</b>    | <b>210.9</b>    | <b>274.1</b>    | <b>71.4</b>     |

\* Cash flow has been restated for the quarter due to reclassifications to give a true and fair view

## Condensed income statement, Parent Company

| SEK M                                    | Jul-Sep<br>2024 | Jul-Sep<br>2023 | Jan-Sep<br>2024 | Jan-Sep<br>2023 | Jan-Dec<br>2023 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenues                                 | 0.0             | 8.3             | -0.2            | 27.9            | 28.9            |
| Cost of goods sold                       | -0.6            | -3.7            | -2.7            | -7.2            | -9.3            |
| <b>Gross profit</b>                      | <b>-0.6</b>     | <b>4.6</b>      | <b>-2.9</b>     | <b>20.7</b>     | <b>19.6</b>     |
| Selling expenses                         | -3.9            | -5.5            | -13.7           | -18.1           | -27.4           |
| Administrative expenses                  | -21.9           | -14.5           | -66.7           | -80.2           | -113.9          |
| Development expenditure                  | -6.1            | -169.7          | -7.9            | -183.9          | -22.2           |
| Other operating Income/expenses          | 24.1            | 0.1             | 82.7            | -1.1            | 3.9             |
| <b>Operating profit/loss</b>             | <b>-8.4</b>     | <b>-185.1</b>   | <b>-8.5</b>     | <b>-262.6</b>   | <b>-140.0</b>   |
| Finance revenues                         | -3.7            | 6.9             | 10.7            | 36.9            | 82.0            |
| Finance expenses                         | -25.1           | -32.2           | -44.9           | -53.9           | -62.0           |
| <b>Profit/loss after financial items</b> | <b>-37.2</b>    | <b>-210.3</b>   | <b>-42.7</b>    | <b>-279.6</b>   | <b>-120.0</b>   |
| Group contribution                       | -221.0          | 0.0             | -221.0          | 0.0             | -213.1          |
| <b>Profit/loss before tax</b>            | <b>-258.2</b>   | <b>-210.3</b>   | <b>-263.7</b>   | <b>-279.6</b>   | <b>-333.1</b>   |
| Tax                                      | -36.2           | 42.5            | -110.9          | 56.5            | 50.9            |
| <b>Profit/loss for the period *</b>      | <b>-294.4</b>   | <b>-167.8</b>   | <b>-374.6</b>   | <b>-223.1</b>   | <b>-282.2</b>   |

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



## Condensed balance sheet, Parent Company

| SEK M   | 30-Sep<br>2024 | 30-Sep<br>2023 | 31-Dec<br>2023 |
|---|----------------|----------------|----------------|
| <b>Assets</b>                                     |                |                |                |
| Intangible fixed assets                           | 0.1            | 0.5            | 0.2            |
| Tangible fixed assets                             | 1.3            | 1.3            | 1.8            |
| Financial fixed assets                            | 318.4          | 736.4          | 531.9          |
| <i>Total fixed assets</i>                         | <i>319.8</i>   | <i>738.2</i>   | <i>533.9</i>   |
| Inventories                                       | 0.0            | 0.3            | 0.0            |
| Accounts receivable                               | 1.5            | 12.1           | 4.4            |
| Current receivables                               | 33.9           | 54.1           | 10.7           |
| Cash and cash equivalents                         | 3.6            | 32.3           | 25.8           |
| <i>Total current assets</i>                       | <i>39.0</i>    | <i>98.7</i>    | <i>40.9</i>    |
| <b>Total assets</b>                               | <b>358.8</b>   | <b>837.0</b>   | <b>574.8</b>   |
| <b>Shareholders' equity and liabilities</b>       |                |                |                |
| <i>Shareholders' equity</i>                       | <i>187.4</i>   | <i>363.5</i>   | <i>331.6</i>   |
| <i>Long-term liabilities</i>                      | <i>128.8</i>   | <i>100.0</i>   | <i>72.9</i>    |
| Short-term debt liabilities                       | 0.0            | 33.9           | 21.9           |
| Accounts payable                                  | 12.2           | 17.7           | 66.5           |
| Tax liabilities                                   | -              | -              | 2.6            |
| Other current liabilities                         | 30.4           | 321.9          | 79.3           |
| <i>Total current liabilities</i>                  | <i>42.6</i>    | <i>373.5</i>   | <i>170.3</i>   |
| <b>Total shareholders' equity and liabilities</b> | <b>358.8</b>   | <b>837.0</b>   | <b>574.7</b>   |

## Key consolidated data

|  | Jul-Sep<br>2024 | Jul-Sep<br>2023 | Jan-Sep<br>2024 | Jan-Sep<br>2023 | Jan-Dec<br>2023 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenue, SEK M   | 102.8           | 184.8           | 361.6           | 505.1           | 705.4           |
| Revenue change, %  | -44.4           | 29.1            | -28.4           | -24.8           | -18.1           |
| Gross margin, %  | 18.3            | 12.8            | 10.8            | 13.9            | 12.7            |
| Operating margin, %  | -283.0          | -34.5           | -126.3          | -42.6           | -45.4           |
| Profit margin, %   | -342.1          | -39.9           | -171.9          | -43.6           | -49.2           |
| EBITDA, SEK M  | -50.0           | -40.4           | -102.9          | -158.4          | -242.2          |
| Adjusted EBITDA, SEK M   | -22.8           | -40.4           | -120.9          | -158.4          | -204.7          |
| Return on equity, %  | -73.8           | -9.4            | -123.4          | -25.9           | -43.6           |
| Cash flow from operating activities, SEK M                               | -25.0           | -38.0           | -162.0          | -27.9           | -88.3           |
| Equity/assets ratio, %   | 66.0            | 69.0            | 66.0            | 69.0            | 63.8            |
| Investments, SEK M   | -2.4            | -12.4           | -10.4           | -41.7           | -46.1           |
| Depreciations and write downs, SEK M                                     | 241.2           | 23.4            | 354.0           | 56.8            | 78.2            |
| Average number of employees  | 83              | 201             | 119             | 208             | 208             |
| Shareholders' equity per share before and after dilution, SEK            | 0.09            | 1.45            | 0.09            | 1.45            | 1.15            |
| Cash flow from operating activities/share before and after dilution, SEK | -0.01           | -0.07           | -0.04           | -0.05           | -0.15           |
| Number of shares at period end, 000s                                     | 3,664,387       | 574,978         | 3,664,387       | 574,978         | 593,090         |
| Average number of shares before and after dilution, 000s *               | 3,556,200       | 1,014,615       | 2,100,274       | 1,011,905       | 1,105,210       |
| Share price at period end  | 0.09            | 0.95            | 0.09            | 0.95            | 1.72            |

\* Comparison periods have been recalculated to take into account bonus issue elements in the completed rights issue



## Key consolidated figures for the past nine quarters

|   | Jul-Sep<br>2024 | Apr-Jun<br>2024 | Jan-Mar<br>2024 | Oct-Dec<br>2023 | Jul-Sep<br>2023 | Apr-Jun<br>2023 | Jan-Mar<br>2023 | Oct-Dec<br>2022 | Jul-Sep<br>2022 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Revenue, SEK M  | 102.8           | 112.4           | 146.4           | 200.3           | 184.8           | 203.3           | 117.0           | 190.3           | 143.2           |
| Revenue change, %   | -44.4           | -44.7           | 25.1            | 5.2             | 29.1            | -10.9           | -61.0           | -46.6           | -59.6           |
| Gross margin, %   | 18.3            | 3.7             | 11.1            | 9.5             | 12.8            | 13.1            | 17.3            | 8.8             | 12.2            |
| Operating margin, %                                       | -283.0          | -80.8           | -51.1           | -52.5           | -34.5           | -37.3           | -64.7           | -277.1          | -41.8           |
| Profit margin, %  | -342.1          | -163.4          | -58.7           | -63.5           | -39.9           | -37.5           | -59.9           | -262.4          | -35.6           |
| EBITDA, SEK M   | -50.0           | -2.4            | -50.5           | -83.8           | -40.4           | -57.7           | -60.2           | -74.3           | -38.1           |
| Return on equity, %                                       | -73.8           | -28.3           | -12.7           | -16.8           | -9.4            | -9.9            | -8.5            | -50.6           | -4.7            |
| Cash flow from operating activities, SEK M                | -25.0           | -76.9           | -60.1           | -60.4           | -38.0           | 52.4            | -42.3           | -103.9          | -111.6          |
| Equity/assets ratio, %                                    | 66.0            | 64.5            | 64.8            | 63.1            | 68.7            | 56.7            | 59.6            | 59.9            | 61.9            |
| Investments, SEK M  | -2.4            | -2.6            | -5.4            | -4.4            | -12.4           | -12.0           | -17.4           | -27.9           | -28.1           |
| Depreciations and write downs, SEK M                      | 241.2           | 88.4            | 24.4            | 21.4            | 23.4            | 18.0            | 15.5            | 453.0           | 21.7            |
| Average number of employees                               | 83              | 133             | 141             | 201             | 201             | 208             | 215             | 218             | 233             |
| Shareholders' equity per share, SEK                       | 0.09            | 0.20            | 1.08            | 1.15            | 1.45            | 1.77            | 1.88            | 2.06            | 3.76            |
| Cash flow from operating activities, SEK                  | -0.01           | -0.02           | -0.10           | -0.10           | -0.07           | 0.12            | -0.10           | -0.25           | -0.38           |
| Number of shares at period end, 000s                      | 3,664,387       | 3,166,045       | 608,832         | 593,090         | 574,978         | 420,693         | 420,693         | 420,693         | 294,200         |
| Average number of shares before and after dilution, 000s* | 3,556,200       | 1,519,255       | 1,546,449       | 1,382,106       | 1,014,615       | 420,693         | 420,693         | 336,364         | 294,200         |

\* Comparison periods have been recalculated to take into account bonus issue elements in the completed rights issue

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

|                              | Oct-Sep<br>2023-24 | Jul-Jun<br>2023-24 | Apr-Mar<br>2023-24 | Jan-Dec<br>2023 | Oct-Sep<br>2022-23 | Jul-Jun<br>2022-23 | Apr-Mar<br>2022-23 | Jan-Dec<br>2022 | Oct-Sep<br>2021-22 |
|------------------------------|--------------------|--------------------|--------------------|-----------------|--------------------|--------------------|--------------------|-----------------|--------------------|
| Revenues, SEK M              | 561.8              | 643.9              | 734.8              | 705.4           | 695.4              | 653.7              | 678.6              | 861.8           | 1,028.0            |
| Gross profit, SEK M          | 58.3               | 63.1               | 85.6               | 89.6            | 87.3               | 81.1               | 125.4              | 166.4           | 262.7              |
| Gross margin, %              | 10.4               | 9.8                | 11.6               | 12.7            | 12.5               | 12.4               | 18.5               | 19.3            | 25.6               |
| Operating profit/loss, SEK M | -562.0             | -334.7             | -319.6             | -320.4          | -742.5             | -738.5             | -662.9             | -631.0          | -99.8              |
| Operating margin, %          | -100.0             | -52.0              | -43.5              | -45.4           | -106.8             | -113.0             | -97.7              | -73.2           | -9.7               |
| EBITDA, SEK M                | -186.7             | -177.1             | -232.5             | -242.2          | -232.7             | -230.4             | -166.2             | -116.0          | -14.9              |



## About Fingerprint Cards

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

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

## Vision

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

## Mission

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

## Business concept

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

## Glossary

Refer to the company's website: [www.fingerprints.com](http://www.fingerprints.com)





## Definitions

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

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



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