

Highlights

- COVID-19-related restrictions in China had a significant negative effect on Fingerprints' sales, at the same time as the gross margin was strengthened due to increased sales in PC and Access.
- In light of the uncertain market situation, Fingerprints is retracting its previously communicated forecasts relating to sales and EBITDA margin (refer to page 8).
- Cost adjustments are being carried out to address the downturn in the Chinese mobile market.
- Fingerprints secured its first design win for the FPC 1632, the company's optical under-display fingerprint sensor. Entry into the under-display segment entails a significant expansion of our addressable market in the mobile segment.

Second quarter of 2022

- Revenues amounted to SEK 228.1 M (290.2)
- The gross margin was 31.1 percent (27.7)
- EBITDA totaled SEK 6.5 M (9.4)
- The operating result was a negative SEK 12.2 M (neg: 24.0)
- Earnings per share before and after dilution amounted to a negative SEK 0.03 (neg: 0.08)
- Cash flow from operating activities was a negative SEK 28.3 M (pos: 50.3)

January – June 2022

- Revenues amounted to SEK 528.3 M (644.9)
- The gross margin was 25.0 percent (28.3)
- EBITDA totaled a negative SEK 3.6 M (pos: 26.7)
- The operating result was a negative SEK 43.9 M (neg: 22.3)
- Earnings per share before and after dilution amounted to a negative SEK 0.12 (neg: 0.06)
- Cash flow from operating activities was a negative SEK 118.6 M (pos: 86.6)

SEK M	Apr-Jun 2022	Apr-Jun 2021	Change	Jan-Jun 2022	Jan-Jun 2021	Change	Jan-Dec 2021
Revenue	228.1	290.2	-21%	528.3	644.9	-18%	1,355.8
Gross profit	70.9	80.4	-12%	132.1	182.6	-28%	396.9
Gross margin %	31.1	27.7		25.0	28.3		29.3
Operating profit	-12.2	-24.0		-43.9	-22.3		-7.6
Operating margin %	-5.4	-8.3		-8.3	-3.5		-0.6
EBITDA *	6.5	9.4	-31%	-3.6	26.7	-114%	85.6
Profit/loss before tax	-9.8	-31.9		-43.8	-19.7		-1.0
Profit/loss for the period	-9.5	-25.0		-35.6	-17.5		0.1
Earnings per share before and after dilution, SEK	-0.03	-0.08		-0.12	-0.06		0.00
Cash and cash equivalents	212.8	193.1	10%	212.8	193.1	10%	374.3
Cash flow from operating activities	-28.3	50.3		-118.6	86.6	-237%	24.3
Equity/assets ratio, % **	62.7	70.1		62.7	70.1		57.1
Average number of employees	250	246	2%	252	241	5%	250

* EBITDA, Operating profit before interest, taxes, depreciation, amortisations and write downs.

** Equity/assets ratio, Equity at the end of period divided by total assets.



CEO's comments

Extensive COVID-19-related restrictions were in effect in China for much of the second quarter, which had a significant negative impact on Fingerprints' sales in the mobile segment in China. Sales in the second quarter fell 21 percent year on year (down 33 percent in constant currency terms), and 24 percent relative to the first quarter of 2022 (down 28 percent in constant currency terms). The gross margin was 31.1 percent, compared with 27.7 percent in the year-earlier period. The increase is primarily due to the significant growth of the share of sales attributable to the PC and Access segments.

The lockdowns in China have led to a sharp drop in smartphone sales in the country, resulting in mobile phone producers scaling back their orders of fingerprint sensors to a minimum in parallel with carrying out destocking measures. According to the China Academy of Information and Communications Technology (CAICT), deliveries of mobile phones in the first five months of the year in China fell by a full 27 percent compared with the corresponding period in 2021. Looking at full-year 2022, Gartner expects mobile phone deliveries in China to fall by about 18 percent.

In view of the lockdowns in China, we are taking a number of measures to adapt our costs. Regrettably, this will entail staff reductions in certain areas. We are reducing the workforce globally by about 10 percent, at the same time as we are deferring some projects and cutting back on our other costs. However, all of our growth-oriented projects are proceeding according to plan. Combined, these actions will reduce our annual operating expense run rate by approximately SEK 80 M, corresponding to approximately 20 percent of our cost base, with full effect from the fourth quarter of 2022. These cost adjustments are necessary to meet the slump in the Chinese mobile market.

Meanwhile, Fingerprints' long-term goals are unchanged and we remain focused on implementing our strategy. During the year, we have increased our market share in capacitive fingerprint sensors for mobile phones, while we are now also establishing a position in the market for optical under-display sensors. On June 30, we announced that we had secured a design win for the FPC 1632, our optical under-display solution, from a major Asian smartphone OEM. We expect to commence shipments relating to this project in the fourth quarter of this year. This marks our entry into an entirely new market segment, thereby opening attractive growth opportunities. If we consider the market for fingerprint sensors in mobile phones, capacitive sensors account for approximately two-thirds of the volume while under-display sensors account for about one-third. The average selling price (ASP) for under-display is higher, so in terms of value these two markets are more comparable in size. Our entry into the under-display segment thus entails a significant expansion of our addressable market. Fingerprints' goal is to capture a significant share of the under-display market, and we expect the FPC 1632 to make a considerable contribution to our revenues next year. In parallel, we shall continue to be a world leader in capacitive sensors.

We are thus strengthening our position in Mobile at the same time as we are now also broadening our revenue base to encompass areas outside the mobile industry at an increasingly rapid pace. Our revenue in application areas outside mobile telephony has been about 10 percent for the past two years. During the first half of this year, however, we noted a substantial increase and we expect this share to continue to increase during this and next year. This will fuel growth while reducing our risk level as we expand into new areas. Our operations in Payments are making a positive contribution, but the Access and PC segments account for the vast majority of the anticipated growth outside the mobile industry next year. Four of the world's six largest PC manufacturers already use our biometric technology in their products,



“Extensive COVID-19-related restrictions in China had an impact on us in Q2. Our strategy stands firm and we are focusing on strengthening our market position.”



and the proportion of computers equipped with fingerprint sensors is now increasing steadily. During the quarter, a further two laptop models integrating Fingerprints' technology were launched by a Taiwan-based PC manufacturer. We will also shortly be able to announce the first computer to feature Fingerprints' biometric Match-on-Chip solution, which was added to Microsoft's approved vendor list (AVL) for Windows Hello Enhanced Sign-in Security earlier this year. This approval means that we can now efficiently address the entire PC market: both enterprise computers and PCs for private use. Match-on-Chip solutions for business computers have a higher ASP and currently account for about half of our addressable market in the PC segment.

We maintained a high level of activity in Payments during the quarter. There is substantial potential in this area, although biometric payment cards still account for a modest proportion of our sales. During the period, we announced that our technology is being used in two commercial launches of biometric payment cards in Morocco. This means that Fingerprints' T-Shape sensor module for payments is now being used in eight commercial launches of biometric payment cards in different parts of the world. We are continuing to drive the development in collaboration with several of the world's leading payment card players. As previously announced, the world's three largest suppliers of secure elements for payment cards – Infineon, NXP and STMicroelectronics – have all chosen Fingerprint Cards' technology for their reference designs. During the quarter, we announced collaborations with several other players in the value chain – Feitian, BCC, MoriX Co., LTD, Transcorp and Mswipe – with the aim of developing advanced solutions for biometric payment cards. We are still only in the infancy of this development, and we will continue to strengthen our world-leading position in this emerging mass market for biometric solutions.

While the slowdown noted in the mobile market in China in the second quarter was severe and has negatively affected OEMs as well as their component suppliers, our assessment is that the effect is temporary and that the situation will gradually return to normal. Our strategy stands firm and we are focusing on strengthening our position, both in the mobile market and in the new rapidly growing segments that contributed to an improvement in our gross margin in the second quarter. Fingerprints' revenue streams will continue to diversify at a rapid pace during the remainder of this year and in 2023.

Christian Fredrikson, President and CEO



Revenues and operating profit, second quarter of 2022

Revenues

Consolidated revenues for the second quarter amounted to SEK 228.1 M (290.2), down 21 percent compared with the second quarter of 2021 (decrease of 33 percent in constant currency terms). The COVID-19-related restrictions introduced in China have led to a sharp drop in smartphone sales in the country, resulting in mobile phone producers scaling back their orders of fingerprint sensors to a minimum at the same time as they carried out destocking measures. This situation had a negative impact on Fingerprints' sales trend for the quarter, but is deemed to be of a temporary nature.

Revenues and gross margin, rolling 12 months



Trend in operating profit

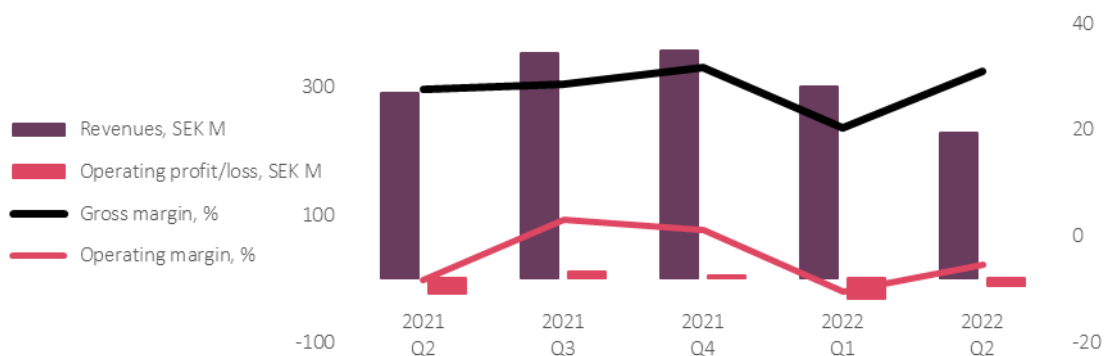
Gross profit for the second quarter was SEK 70.9 M (80.4) and the gross margin was 31.1 percent (27.7). The margin was positively impacted by a favorable product mix, with a growing share of sales in the PC and Access areas.

The operating result for the second quarter was a negative SEK 12.2 M (neg: 24.0). The operating margin was a negative 5.4 percent (neg: 8.3). Operating expenses amounted to SEK 83.1 M (104.4). Development costs of SEK 23.4 M (17.5) were capitalized during the quarter, which corresponds to 41.3 percent of total development costs, compared with 31.9 percent for the corresponding quarter of 2021. Other operating income/expenses increased to SEK 21.4 M (2.5), of which SEK 16.7 M (3.4) is attributable to positive operational changes in exchange rates.

EBITDA for the quarter amounted to SEK 6.5 M (9.4), and comprised an operating result of a negative SEK 12.2 M, plus depreciation/amortization of SEK 18.7 M in the quarter (see definition on page 22).



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



Financial income and expenses

Financial income amounted to SEK 8.7 M (-). The item pertains to the effect of unrealized exchange rate gains on currency accounts.

Financial expenses amounted to SEK 6.3 M (7.9). Expenses for the quarter related to interest on bond loans. The comparative figure in the corresponding quarter 2021 related to the combined impact of expenses and effects of unrealized exchange rate losses on currency accounts.

Earnings and earnings per share for the reporting period

The result for the second quarter of 2022 was a negative SEK 9.5 M (neg: 25.0). Earnings per share for the second quarter were a negative SEK 0.03 (neg: 0.08).

Cash flow and balance sheet, second quarter of 2022

Cash flow

Cash flow from operating activities was a negative SEK 28.3 M (pos: 50.3). In addition to a negative result for the second quarter, the negative cash flow was attributable to the build-up of inventory.

Cash flow from investing activities for the second quarter amounted to a negative SEK 20.1 M (neg: 18.6), of which capitalized development expenditure accounted for a negative SEK 19.6 M (neg: 17.5).

Cash flow from financing activities amounted to a negative SEK 3.7 M (neg: 143.7) for the second quarter of 2022 and pertained to lease payments of a negative SEK 3.7 M (neg: 3.7). No repurchases of own shares have been carried out in 2022. Repurchases in the second quarter of 2021 amounted to SEK 140.0 M.

Exchange-rate fluctuations had a positive impact of SEK 9.8 M (neg: 8.5) on cash and cash equivalents during the quarter. Most of the company's cash holdings consist of USD.

Liquidity and shareholders' equity

At June 30, 2022, the Group's disposable cash and cash equivalents totaled SEK 212.8 M (193.1), and the Group's net debt amounted to SEK 96.5 M (net cash pos: 172.8) on the same



date. Interest-bearing liabilities comprise the bonds issued in December 2021 of SEK 292.5 M (-) and lease liabilities pertaining to office premises of SEK 16.8 M (20.3), recognized in accordance with IFRS 16.

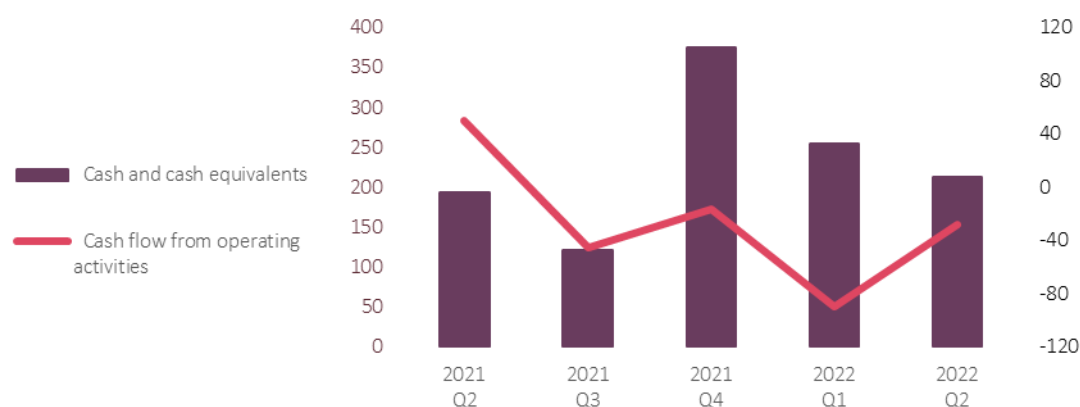
The company has senior secured bonds in an amount of SEK 300 M, with a three-year tenor and at a floating rate of interest of Stibor 3 months +9 percent per year.

At period-end, consolidated shareholders' equity amounted to SEK 1,082.9 M (965.4) and the equity/assets ratio for the Group to 62.7 percent (70.1). Other comprehensive income amounted to SEK 70.1 M (neg: 17.4), and pertained to the remeasurement of shareholders' equity in foreign currencies, the majority of which is attributable to USD.

Investments, fixed assets and depreciation/amortization

Investments in intangible fixed assets during the quarter amounted to an expense of SEK 19.6 M (expense: 17.6). Investments in tangible fixed assets for the quarter amounted to an expense of SEK 0.5 M (expense: 0.7). Depreciation/amortization according to plan for the quarter totaled SEK 18.6 M (33.5).

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





Other events during the second quarter of 2022

Business Development

In April 2022, Fingerprints announced that the company's technology will be used in at least two commercial launches of biometric payment cards in Morocco. The launches will be carried out by two of the country's largest banks.



In April, Fingerprints' optical under-display solution successfully passed qualification tests for a major Asian smartphone OEM, and at the end of June we announced that Fingerprints has now secured its first design win from the same manufacturer. We expect to commence shipments related to this project in the fourth quarter of this year. This marks our entry into an entirely new market segment, thereby opening attractive growth opportunities.

During the quarter, we announced that we had secured our first design win for the FPC 1632, Fingerprints' optical under-display solution.

Fingerprints has established collaborations with two Indian tech companies – Mswipe and Transcorp – with the aim of introducing contactless biometric payment cards in the Indian market.

Feitian has selected the latest generation of the T-Shape (T2) sensor module and FPC-BEP, Fingerprints' software platform for payments, for the biometric payment cards the company is developing.

MoriX Co., LTD, a leading Tokyo-based electronics company, has been granted a Letter of Approval from Mastercard to produce biometric payment cards using Fingerprints' technology.

Fingerprints and BCC, a leading card manufacturer based in Taiwan, have commenced a collaboration to develop and launch biometric cards for both the Access and Payment segments.

During the quarter, a Taiwan-based PC OEM launched two laptop models integrating Fingerprints' biometric PC solution. Four of the world's six largest PC OEMs use Fingerprints' technology in their products.

During the quarter, we reached the milestone of 500 registered patents since the company's inception. We always endeavor to obtain a balanced and growing patent portfolio extending from algorithms and biometric image processing to sensors and hardware packaging technology.

Significant events during the second quarter of 2022

On June 22, 2022, Fingerprints announced that Stockholm District Court had found Johan Carlström guilty of four counts of insider trading. He was sentenced to one year and six months in prison. As a result of this verdict, Mr. Carlström has left the Board of Directors and resigned from his position as Chairman of the Board of Fingerprint Cards AB. The Board of Directors



appointed Dimitrij Titov as acting Chairman, and plans to convene an extraordinary general meeting.

Significant events after the end of the period

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

Forecast

In light of the uncertain market situation, Fingerprints is retracting the forecast the company issued on November 22, 2021, which stated that the company expected Group revenues for full-year 2022 to be in the range of SEK 1,600-2,000 M, based on the exchange rate SEK/USD 8.70, and that the EBITDA margin was expected to be in the range of 14-18 percent for the fourth quarter of 2022.

Organization and Personnel

The number of employees at June 30, 2022, was 258 (253). In addition to full-time employees, consultants were also engaged during the second quarter, corresponding to 45 FTEs (47), mainly in technology development and sales. Accordingly, including employees and consultants, the company employed a total of 303 (300) people on June 30, 2022.

Share capital trend

In accordance with a resolution passed at the 2021 Annual General Meeting, the cancellation of bought-back shares and a bonus issue, without the issue of new shares, were registered by the Swedish Companies Registration Office in June 2021. Fingerprint Cards AB's registered share capital has not changed but the number of shares and votes has decreased.

Following the cancellation of 15,967,675 Class B shares held by the company which were bought back, the number of shares amounts to 298,000,000, of which 6,000,000 comprise Class A shares and 292,000,000 Class B shares. The total number of votes is 352,000,000. The share capital amounts to SEK 12,975,667.

No buybacks of own shares occurred during the second quarter of 2022. The shares bought back, which constitute treasury holdings, have been assigned no value in assets or shareholders' equity and amounted to 3,800,000 Class B shares at the end of the period.

Buyback of own shares

Mkr	Apr-jun 2022	Apr-jun 2021	Jan-jun 2022	Jan-jun 2021	Jan-dec 2021
Antal återköpta aktier (tusen)					
Antal aktier i eget innehav vid periodens ingång	3 800	15 968	3 800	12 424	12 424
Antal återköpta aktier under perioden	-	3 800	-	7 344	7 344
Antal makulerade aktier under perioden	-	-15 968	-	-15 968	-15 968
Antal aktier i eget innehav vid periodens utgång	3 800	3 800	3 800	3 800	3 800
Pris för återköpta aktier					
Pris för återköpta aktier under perioden	-	140,0	-	225,4	225,4
Genomsnittligt pris återköpta aktier (kr)	-	36,84	-	30,70	30,70



Number of shares

	Apr-jun 2022	Apr-jun 2021	Jan-jun 2022	Jan-jun 2021	Jan-dec 2021
Antal aktier (tusen)					
Antal aktier före och efter utspädning vid periodens utgång	298 000	298 000	298 000	298 000	298 000
Varav A-aktier	6 000	6 000	6 000	6 000	6 000
Varav B-aktier	292 000	292 000	292 000	292 000	292 000
Antal B-aktier i eget innehav vid periodens utgång	-3 800	-3 800	-3 800	-3 800	-3 800
Antal utestående aktier före och efter utspädning vid periodens utgång	294 200	294 200	294 200	294 200	294 200
Medelantalet aktier för perioden (tusen)					
Genomsnittligt antal aktier i eget innehav för perioden	-3 800	-18 214	-3 800	-16 135	-9 923
Genomsnittligt antal utestående aktier för- och efter utspädning	294 200	295 754	294 200	297 833	295 351

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, 2021 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 2022 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 second quarter of 2022 amounted to SEK 45.1 M (293.4), of which the quarter's sales pertain to intra-Group sales to subsidiaries of SEK 26.6 M (6.3) as part of a change to the legal structure of the Group. After financial items, a loss of SEK 27.9 M (loss: -27.7) was reported for the period. The net result for the period was a loss of SEK 22.0 M (loss: -22.0). The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 51.4 M (147.7).



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 2021 Annual Report, which is available on our website, www.fingerprints.com.

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 07:00 a.m. CEST on July 18, 2022.

Welcome to Fingerprints' presentation of the interim report for the second quarter of 2022 on July 18 at 9:00 a.m. CEST. The presentation will be webcast, and participants can register via the link below.

<https://edge.media-server.com/mmc/p/964ycad6>

For media and analysts: Registration for the teleconference is carried out via this link:
<https://register.vevent.com/register/BI0460f85298c04bf384fa9580b2451218>

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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.

Gothenburg, July 17, 2022

Dimitrij Titov
Chairman

Sofia Bertling
Member

Ted Elvhage
Member

Tomas Mikaelsson
Member

Alexander Kotsinas
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	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Revenue	228.1	290.2	528.3	644.9	1,355.8
Cost of goods sold	-157.2	-209.8	-396.2	-462.3	-958.9
Gross profit	70.9	80.4	132.1	182.6	396.9
Gross Margin, %	31.1	27.7	25.0	28.3	29.3
Selling expenses	-35.5	-40.8	-73.2	-76.5	-159.8
Administrative expenses	-36.0	-28.8	-66.9	-49.7	-102.1
Development expenditure	-33.3	-37.3	-60.5	-77.0	-138.2
Other operating income/expenses	21.7	2.5	24.6	-1.7	-4.4
Operating profit/loss	-12.2	-24.0	-43.9	-22.3	-7.6
Operating Margin, %	-5.4	-8.3	-8.3	-3.5	-0.6
Finance income	8.7	0.0	14.8	2.6	7.0
Finance expenses	-6.3	-7.9	-14.7	0.0	-0.4
Profit/loss before tax	-9.8	-31.9	-43.8	-19.7	-1.0
Income tax	0.3	6.9	8.2	2.2	1.1
Profit/loss for the period	-9.5	-25.0	-35.6	-17.5	0.1
Other comprehensive income	70.1	-17.4	91.3	25.4	69.6
Total comprehensive income for the period	60.6	-42.4	55.7	7.9	69.7
Profit/loss for the period attributable to:					
Parent Company shareholders	60.6	-42.4	55.7	7.9	69.7
Profit/loss for the period	60.6	-42.4	55.7	7.9	69.7
Earnings per share for the period before and after dilutions, SEK	-0.03	-0.08	-0.12	-0.06	0.00



Condensed consolidated statement of financial position

SEK M	30-Jun 2022	30-Jun 2021	31-Dec 2021
Assets			
Intangible fixed assets	938.7	784.0	838.5
Tangible fixed assets	5.6	6.7	6.5
Right-of-use assets	18.6	22.5	24.2
Financial assets	65.7	47.9	53.6
<i>Total fixed assets</i>	<i>1,028.6</i>	<i>861.0</i>	<i>922.8</i>
Inventories	281.3	154.7	159.3
Accounts receivable	128.4	141.5	280.0
Other receivables	64.6	15.8	51.3
Prepaid expenses and accrued income	12.3	11.4	11.3
Cash and cash equivalents	212.8	193.1	374.3
<i>Total current assets</i>	<i>699.4</i>	<i>516.5</i>	<i>876.2</i>
Total assets	1,728.0	1,377.6	1,799.0
Shareholders' equity and liabilities			
<i>Shareholders' equity</i>	<i>1,082.9</i>	<i>965.4</i>	<i>1,027.2</i>
<i>Deferred tax liability</i>	<i>15.8</i>	<i>18.4</i>	<i>16.6</i>
Bond loans	292.5	-	292.6
Long-term lease liabilities	7.5	8.2	11.6
<i>Long-term lease liabilities</i>	<i>300.0</i>	<i>8.2</i>	<i>304.2</i>
Short-term debt lease liabilities	9.3	12.1	11.3
Accounts payable	158.8	204.9	221.8
Current tax liabilities	12.7	1.9	14.0
Other current liabilities	12.7	22.7	35.5
Accrued expenses and prepaid income	135.8	144.0	168.4
<i>Total current liabilities</i>	<i>329.3</i>	<i>385.6</i>	<i>451.0</i>
Total shareholders' equity and liabilities	1,728.0	1,377.6	1,799.0

Condensed consolidated cash-flow statement

SEK M	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Profit/loss before tax	-9.8	-31.9	-43.8	-19.7	-1.0
Adjustment for non-cash items	6.5	36.0	17.9	48.8	122.3
Income tax paid	-17.2	-1.8	-28.1	-0.7	-2.3
Change in inventory	-90.7	-36.8	-94.1	-20.0	-38.9
Change in current receivables	175.6	106.6	184.5	54.4	-107.2
Change in current liabilities	-92.7	-21.8	-155.0	23.8	51.4
Cash flow from operating activities	-28.3	50.3	-118.6	86.6	24.3
Cash flow from investing activities	-20.1	-18.6	-48.2	-41.3	-91.0
Cash flow from financing activities	-3.7	-143.7	-7.1	-232.8	58.4
Change in cash and cash equivalents	-52.1	-112.0	-173.9	-187.5	-8.3
Cash and cash equivalents on the opening date	255.1	313.6	374.3	377.0	377.0
Effect of exchange rate changes on cash	9.8	-8.5	12.4	3.6	5.6
Closing cash and cash equivalents	212.8	193.1	212.8	193.1	374.3



The Group's operating segments

SEK M	Apr-Jun 2022	Apr-Jun 2021	Change, %	Jan-Jun 2022	Jan-Jun 2021	Change, %	Jan-Dec 2021
Revenue							
Sensors	228.1	290.2	-21	528.3	644.9	-18	1,355.8
Other	-	-	-	-	-	-	-
Group	228.1	290.2	-21	528.3	644.9	-18	1,355.8
SEK M	Apr-Jun 2022	Apr-Jun 2021	Change, %	Jan-Jun 2022	Jan-Jun 2021	Change, %	Jan-Dec 2021
Operating profit/loss							
Sensors	-12.2	-24.0	49	-43.9	-22.3	-97	-7.6
Other	-	-	-	-	-	-	-
Group	-12.2	-24.0	49	-43.9	-22.3	-97	-7.6
SEK M	Apr-Jun 2022	Apr-Jun 2021	Change, %	Jan-Jun 2022	Jan-Jun 2021	Change, %	Jan-Dec 2021
Profit/loss before tax							
Sensors	-9.8	-31.9	69	-43.8	-19.7	-122	-1.0
Other	-	-	-	-	-	-	-
Group	-9.8	-31.9	69	-43.8	-19.7	-122	-1.0



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

SEK M	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020
Revenue	228.1	300.2	356.6	354.3	290.2	354.7	369.4	294.0	282.3
Cost of goods sold	-157.2	-239.0	-243.5	-253.1	-209.8	-252.5	-282.0	-240.8	-221.6
Gross profit	70.9	61.2	113.1	101.2	80.4	102.2	87.4	53.2	60.7
Gross margin, %	31.1	20.4	31.7	28.6	27.7	28.8	23.7	18.1	21.5
Selling costs	-35.5	-37.8	-41.5	-41.8	-40.8	-35.7	-35.9	-28.9	-30.6
Administrative costs	-36.0	-30.9	-28.0	-24.4	-28.8	-20.9	-27.1	-18.0	-21.0
Development costs	-33.3	-27.2	-38.0	-23.2	-37.3	-39.7	-16.3	-12.1	-28.6
Other operating income/expenses	21.7	3.0	-1.7	-1.0	2.5	-4.2	-334.9	1.2	2.8
Operating profit/loss	-12.2	-31.7	3.9	10.8	-24.0	1.7	-326.8	-4.6	-16.7
Operating margin, %	-5.4	-10.6	1.1	3.0	-8.3	0.5	-88.5	-1.6	-5.9
Finance income/expenses	2.4	-2.3	1.5	2.5	-7.9	10.5	-11.7	-6.3	-21.6
Profit/loss before tax	-9.8	-34.0	5.4	13.3	-31.9	12.2	-338.5	-10.9	-38.3
Income tax	0.3	7.9	-0.1	-1.0	6.9	-4.7	25.2	9.2	16.0
Profit/loss for the period	-9.5	-26.1	5.3	12.3	-25.0	7.5	-313.3	-1.7	-22.3
Other comprehensive income	70.1	21.2	22.6	21.6	-17.4	42.8	-56.5	-32.3	-75.3
Total comprehensive income for the period	60.6	-4.9	27.9	33.9	-42.4	50.3	-369.8	-34.0	-97.6

Consolidated statement of financial position for the past nine quarters

	30-Jun 2022	31-Mar 2022	31-Dec 2021	30-Sep 2021	30-Jun 2021	31-Mar 2021	31-Dec 2020	30-Sep 2020	30-Jun 2020
<i>SEK/USD exchange rate, balance date</i>	10.21	9.31	9.05	8.78	8.51	8.73	8.18	9.03	9.35
Assets									
Intangible fixed assets	938.7	868.2	838.5	812.8	784.0	812.0	759.3	1,138.6	1,147.7
Tangible fixed assets	5.6	5.9	6.5	6.1	6.7	7.2	7.0	9.2	10.5
Right-of-use assets	18.6	21.4	24.2	18.7	22.5	23.8	24.8	19.2	23.1
Financial fixed assets	65.7	61.2	53.6	50.9	47.8	41.6	46.8	24.3	18.1
Total fixed assets	1,028.6	956.7	922.8	888.5	861.0	884.6	837.9	1,191.3	1,199.4
Inventories	281.3	175.6	159.3	161.1	154.7	116.0	136.3	174.2	196.9
Accounts receivable	128.4	261.5	280.0	203.9	141.5	245.7	196.2	166.4	159.2
Other receivables	64.6	72.5	51.3	18.4	15.9	15.3	15.4	17.4	15.8
Prepaid expenses and accrued income	12.3	14.2	11.3	13.9	11.4	13.6	12.2	9.6	9.9
Cash and cash equivalents	212.8	255.1	374.3	120.7	193.1	313.6	377.0	452.8	429.0
Total current assets	699.4	778.9	876.2	518.0	516.6	704.2	737.2	820.4	810.8
Total assets	1,728.0	1,735.6	1,799.0	1,406.5	1,377.6	1,588.8	1,575.1	2,011.7	2,010.2
Shareholders' equity and liabilities									
Shareholders' equity	1,082.9	1,022.3	1,027.2	999.3	965.4	1,147.8	1,182.9	1,624.4	1,658.4
Deferred tax liability	15.8	16.4	16.6	19.5	18.4	20.9	20.6	26.0	31.1
Long-term liabilities	300.0	302.9	304.2	7.0	8.2	8.9	9.8	4.8	6.7
Short-term debt of long-term liabilities	9.3	10.3	11.3	9.9	12.1	12.6	12.8	11.5	13.4
Accounts payable	158.8	158.4	221.8	195.0	204.9	215.0	200.7	192.0	148.6
Current tax liabilities	12.7	6.2	14.0	7.1	1.9	2.0	2.0	1.6	0.6
Other current liabilities	12.7	45.5	35.5	13.9	22.7	14.2	14.9	15.8	15.2
Accrued expenses and prepaid income	135.8	173.6	168.4	154.8	144.0	167.4	131.3	135.6	136.2
Total current liabilities	329.3	394.0	451.0	380.7	385.6	411.2	361.8	356.5	314.0
Total shareholders' equity and liabilities	1,728.0	1,735.6	1,799.0	1,406.5	1,377.6	1,588.8	1,575.1	2,011.7	2,010.2



Consolidated cash-flow statement for the past nine quarters

SEK M	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020
Profit/loss before tax	-9.8	-34.0	5.4	13.3	-31.9	12.2	-338.5	-10.9	-38.3
Adjustment for non-cash items	6.5	11.4	43.7	29.8	36.0	12.8	368.6	33.4	45.3
Income tax paid	-17.2	-10.9	-2.4	0.8	-1.8	1.1	2.5	0.0	-1.4
Change in inventory	-90.7	-3.4	-8.0	-10.9	-36.8	16.9	33.1	7.5	33.2
Change in current receivables	175.6	8.8	-101.9	-59.7	106.6	-52.2	-33.5	-5.8	69.5
Change in current liabilities	-92.7	-62.2	46.4	-18.8	-21.8	45.5	14.7	43.5	-27.0
Cash flow fr. operating activities	-28.3	-90.3	-16.8	-45.5	50.3	36.3	46.9	67.7	81.3
Cash flow from investing activities	-20.1	-28.1	-23.7	-26.0	-18.6	-22.7	-33.1	-32.6	-27.4
Cash flow from financing activities	-3.7	-3.3	294.8	-3.6	-143.7	-89.1	-76.3	-4.4	-88.8
Change in cash and cash equiv.	-52.1	-121.7	254.3	-75.1	-112.0	-75.5	-62.5	30.7	-34.9
Cash and cash equiv. on the opening date	255.1	374.3	120.7	193.1	313.6	377.0	452.8	429.0	485.3
Effect of exchange rate changes on cash	9.8	2.5	-0.7	2.7	-8.5	12.1	-13.3	-6.9	-21.4
Closing cash and cash equivalents	212.8	255.1	374.3	120.7	193.1	313.6	377.0	452.8	429.0

Condensed income statement, Parent Company

SEK M	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Revenues	45.1	293.4	130.6	647.7	1,144.7
Cost of goods sold	-17.0	-197.4	-33.5	-447.1	-750.4
Gross profit	28.1	96.0	97.1	200.6	394.3
Selling expenses	-3.9	-45.7	-15.4	-81.0	-112.1
Administrative expenses	-30.8	-22.9	-53.4	-42.7	-105.1
Development expenditure	-39.4	-48.8	-77.2	-87.1	-215.0
Other operating revenues/expenses	11.2	2.5	14.7	-1.9	-5.3
Operating profit/loss	-34.7	-18.9	-34.2	-12.1	-43.2
	14.7	1.3	12.2	6.4	19.3
Finance revenues/expenses	-7.8	-10.1	-16.3	-0.3	-0.8
Profit/loss after financial items	-27.9	-27.7	-38.3	-6.0	-24.7
Group contribution	0.0	0.0	0.0	0.0	6.5
Profit/loss before tax	-27.9	-27.7	-38.3	-6.0	-18.2
Tax	5.9	5.7	7.9	0.4	3.1
Profit/loss for the period ***	-22.0	-22.0	-30.4	-5.6	-15.1

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



Condensed balance sheet, Parent Company

SEK M	30-Jun 2022	30-Jun 2021	31-Dec 2021
Assets			
Intangible fixed assets	2.7	148.3	87.6
Tangible fixed assets	3.2	4.1	3.8
Financial fixed assets	126.0	120.2	135.5
<i>Total fixed assets</i>	<i>131.9</i>	<i>272.6</i>	<i>226.9</i>
Inventories	14.0	148.4	8.5
Accounts receivable	9.1	145.1	160.7
Current receivables	546.1	28.5	177.6
Cash and cash equivalents	51.4	147.7	279.9
<i>Total current assets</i>	<i>620.6</i>	<i>469.7</i>	<i>626.7</i>
Total assets	752.5	742.3	853.6
Shareholders' equity and liabilities			
<i>Shareholders' equity</i>	<i>311.8</i>	<i>350.4</i>	<i>340.9</i>
Bond loan	292.5	-	292.6
<i>Long-term liabilities</i>	<i>292.5</i>	<i>-</i>	<i>292.6</i>
Accounts payable	37.3	201.0	74.7
Tax liabilities	0.0	0.0	3.7
Other current liabilities	110.9	190.9	141.7
<i>Total current liabilities</i>	<i>148.2</i>	<i>391.9</i>	<i>220.1</i>
Total shareholders' equity and liabilities	752.5	742.3	853.6



Key consolidated data

	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Revenue, SEK M	228.1	290.2	528.3	644.9	1,355.8
Revenue change, %	-21.4	2.8	-18.1	8.9	8.0
Gross margin, %	31.1	27.7	25.0	28.3	29.3
Operating margin, %	-5.4	-8.3	-8.3	-3.5	-0.6
Profit margin, %	-4.2	-8.6	-6.7	-2.7	0.0
EBITDA, SEK M	6.5	9.4	-3.6	26.7	85.6
Return on equity, %	-0.9	-4.0	-3.4	0.7	0.0
Cash flow from operating activities, SEK M	-28.3	50.3	-118.6	86.6	24.3
Equity/assets ratio, %	62.7	70.1	62.7	70.1	57.1
Investments, SEK M	-20.1	-18.6	-48.2	-41.3	-91.0
Depreciations, SEK M	18.7	33.5	40.3	49.0	93.3
Average number of employees	250	246	252	241	250
Shareholders' equity per share before and after dilution, SEK	3.68	3.28	3.68	3.28	3.49
Cash flow from operating activities/share before and after dilution, SEK	-0.10	0.17	-0.40	0.29	0.08
Number of shares at period end, 000s	294,200	294,200	294,200	294,200	294,200
Average number of shares before and after dilution, 000s	294,200	295,754	294,200	297,833	295,351
Share price at period end	8.94	32.66	8.94	32.66	20.68

Key consolidated figures for the past nine quarters

	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020
Revenue, SEK M	228.1	300.2	356.6	354.3	290.2	354.7	369.4	294.0	282.3
Revenue change, %	-21.4	-15.4	-3.5	20.5	2.8	14.4	-3.2	-16.6	-26.1
Gross margin, %	31.1	20.4	31.7	28.6	27.7	28.8	23.7	18.1	21.5
Operating margin, %	-5.4	-10.6	1.1	3.0	-8.3	0.5	-88.5	-1.6	-5.9
Profit margin, %	-4.2	-8.7	1.5	3.5	-8.6	2.1	-84.8	-0.6	-7.9
EBITDA, SEK M	6.5	-10.1	26.7	32.3	9.4	17.2	32.4	8.7	6.7
Return on equity, %	-0.9	-2.5	0.5	1.3	-4.0	4.3	-26.0	-2.1	-5.6
Cash flow from operating activities, SEK M	-28.3	-90.3	-16.8	-45.5	50.3	36.3	46.9	67.7	81.3
Equity/assets ratio, %	62.7	58.9	57.1	71.1	70.1	72.2	75.1	80.7	82.5
Investments, SEK M	-20.1	-28.1	-23.7	-26.0	-18.6	-22.7	-33.1	-32.6	-27.4
Depreciations, SEK M	18.7	21.6	22.8	21.6	33.5	15.5	359.2	13.3	23.4
Average number of employees	250	255	255	252	246	236	237	234	235
Shareholders' equity per share, SEK	3.68	3.47	3.49	3.40	3.28	3.85	3.92	5.31	5.42
Cash flow from operating activities, SEK	-0.10	-0.31	-0.06	-0.15	0.17	0.12	0.15	0.22	0.26
Number of shares at period end, 000s	294,200	294,200	294,200	294,200	294,200	298,000	301,544	306,000	306,000
Average number of shares before and after dilution, 000s	294,200	294,200	294,200	294,200	295,754	299,935	305,737	306,000	310,345
Share price at period end, SEK	8.94	14.87	20.68	24.31	32.66	29.15	17.41	17.88	16.91



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

	Jul-Jun 2021-22	Apr-Mar 2021-22	Jan-Dec 2021	Oct-Sep 2020/21	Jul-Jun 2020/21	Apr-Mar 2020/21	Jan-Dec 2020	Okt-Sep 2019/20	Jul-Jun 2019/20
Revenues, SEK M	1,239.2	1,301.3	1,355.8	1,368.6	1,308.2	1,300.4	1,255.7	1,267.7	1,326.2
Gross profit, SEK M	346.5	355.9	396.9	371.1	323.1	303.4	275.2	275.9	302.8
Gross margin, %	28.0	27.4	29.3	27.1	24.7	23.3	21.9	21.8	22.8
Operating profit/loss, SEK M	-29.2	-41.0	-7.6	-338.5	-353.9	-346.5	-365.8	-54.3	-53.1
Operating margin, %	-2.4	-3.2	-0.6	-24.7	-27.1	-26.6	-29.1	-4.3	-4.0
EBITDA, SEK M	55.3	58.4	85.6	91.4	67.8	65.0	59.4	40.3	67.2



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	Number of shares less bought back shares held 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 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.
Average number of shares outstanding	The Parent Company's average weighted number of shares outstanding at the end of the period.
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, including lease liabilities.
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.