

Highlights of the quarter

- The demand for Fingerprints' sensors remained healthy, while earnings were negatively impacted by continued insufficient access to production capacity among the major semiconductor manufacturers.
- *Design win* from a top-tier global PC manufacturer, with product launch planned for Q1 2021 (event after the quarter end).
- Launch of next-generation T-Shape® sensor module for contactless biometric cards.
- Visa certified a biometric payment card from Thales, in which Fingerprints' technology is included.

Third quarter of 2020

- Revenues amounted to SEK 294.0 M (352.5)
- The gross margin was 18 percent (23)
- EBITDA totaled SEK 8.7 M (35.6)
- The operating result was negative SEK 4.6 M (neg: 3.4)
- Earnings per share before dilution were negative SEK 0.01 (pos: 0.02)
- Cash flow from operating activities amounted to SEK 67.7 M (59.5)

January – September 2020

- Revenues amounted to SEK 886.3 M (1,077.2).
- The gross margin was 21 percent (23)
- EBITDA totaled SEK 27.0 M (115.4)
- The operating result was negative SEK 39.0 M (pos: 0.9)
- Earnings per share before dilution were negative SEK 0.09 (pos: 0.02)
- Cash flow from operating activities amounted to SEK 111.2 M (78.0)

SEK M	Jul-Sep 2020	Jul-Sep 2019	Change	Jan-Sep 2020	Jan-Sep 2019	Change	Jan-Dec 2019
Revenue	294.0	352.5	-17%	886.3	1,077.2	-18%	1,458.6
Gross profit	53.2	80.1	-34%	187.8	243.0	-23%	331.1
<i>Gross margin %</i>	18	23		21	23		23
Operating profit	-4.6	-3.4		-39.0	0.9		-14.4
<i>Operating margin %</i>	-2	-1		-4	0		-1
EBITDA	8.7	35.6	-76%	26.9	115.4	-77%	128.7
Profit/loss before tax	-10.9	13.6		-42.7	15.1		-17.4
Profit/loss for the period	-1.7	5.8		-27.5	5.0		-13.6
Earnings per share before dilution, SEK	-0.01	0.02		-0.09	0.02		-0.04
Cash and cash equivalents	452.8	536.7	-16%	452.8	536.7	-16%	563.9
Cash flow from operating activities	67.7	59.5	14%	111.2	78.0	43%	160.4
Equity/assets ratio, %	81	81		81	81		80
Average number of employees	234	214	9%	233	210	11%	209



CEO's comments

While demand for Fingerprints' products remained healthy, our result in this quarter was again negatively impacted by the prevailing shortage of production capacity among the major semiconductor manufacturers. The limitations in our supply chain pushed up purchasing prices even further, which had a negative effect on the gross margin. At the same time, our continued focus on working capital and effective cost control contributed to strong cash flow for the quarter. Our assessment is that the situation of insufficient access to production capacity will continue in the short term, but we expect ongoing changes to our product mix to, over time, contribute to improved profitability. As communicated earlier, we are planning for significant volume growth in the next few years, mainly in prioritized areas outside of the mobile phone industry. For this reason, the work to continue to broaden our supplier base is very important and we have intensified our efforts to secure more suppliers of key components, within as well as outside of mainland China.

Our ultrathin FPC1540 sensor, designed for side mounting, is reaping huge successes in the market, with several product launches during the period. These included phones from new customers, such as CAT Phones, Transsion and Vinsmart. We have recently seen a clear upswing in the market for capacitive sensors for smartphones. To date this year, approximately 60 percent of the smartphones launched by the ten largest manufacturers have a capacitive fingerprint sensor, while around 35 percent have an under-display sensor. Both capacitive sensors and under-display sensors are increasing somewhat, while we are seeing a decline in the share of devices without biometric sensors.

In the PC segment, there was also positive development in terms of demand, in line with our expectations. On October 22, we announced that we had secured a *design win* from a top-tier global PC manufacturer, with a product launch planned for Q1 2021. In addition to this, we secured several *design wins* from smaller PC manufacturers, which also have launches scheduled during Q1 2021. During the next few years, we expect healthy growth in the market for fingerprint sensors for computers. Our position in this segment is strong. Computers equipped with fingerprint sensors from Fingerprints have already been launched by Acer, Asus, Google, HP, Huawei, Microsoft and Samsung.

The activity level in the payment area was also high during the quarter. Card manufacturers and their business partners in various parts of the value chain have worked for many years to enable large-scale launches of biometric payment cards. The results of these efforts are now beginning to become increasingly concrete. During the quarter, it was announced that Visa has certified a payment card from Thales, which uses Fingerprints' technology. This biometric card is the first in the world to be certified by both Visa and Mastercard, which makes it possible for card issuers to conduct larger commercial launches. A reasonable cost level is another important requirement for ensuring that this new mass market for biometrics accelerates. In this respect, we took a significant step forward during the quarter with the launch of the latest-generation T-Shape® sensor module for contactless biometric payment cards. This new product gives a higher performance than its predecessor, while it is also world-leading in terms of cost efficiency, with an indicated price of less than USD 3 in volume production. It is also satisfying that we were able to announce partnerships during the quarter with both Infineon and STMicroelectronics, with the goal of developing advanced solutions for biometric cards.

Christian Fredrikson, President and CEO



“We have intensified our efforts to secure more suppliers of key components”

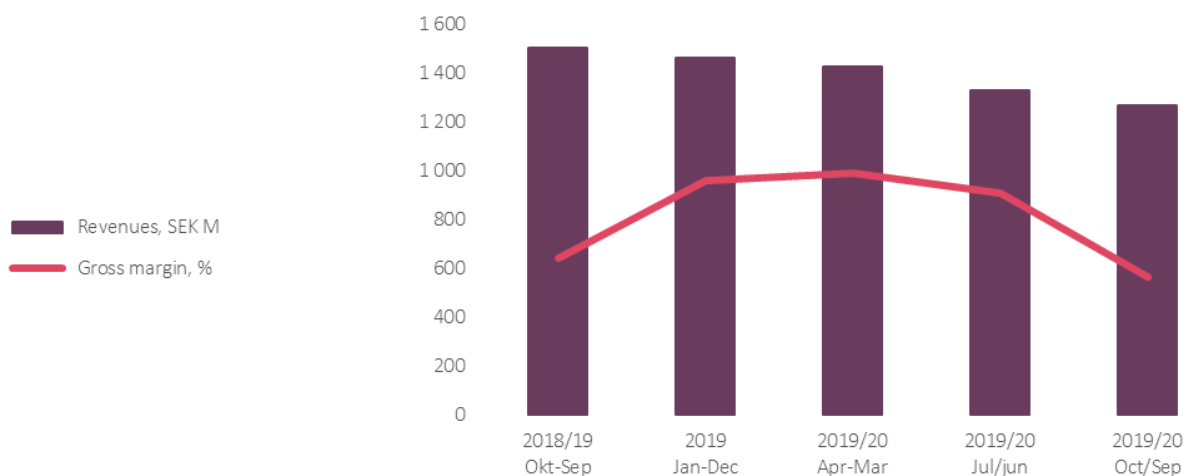


Revenues and operating profit

Revenues

Consolidated revenues for the third quarter amounted to SEK 294.0 M (352.5), down 17 percent year-on-year. Revenues were negatively impacted by continued insufficient access to production capacity among the major semiconductor manufacturers.

Revenues and gross margin, rolling 12 months



Trend in operating profit

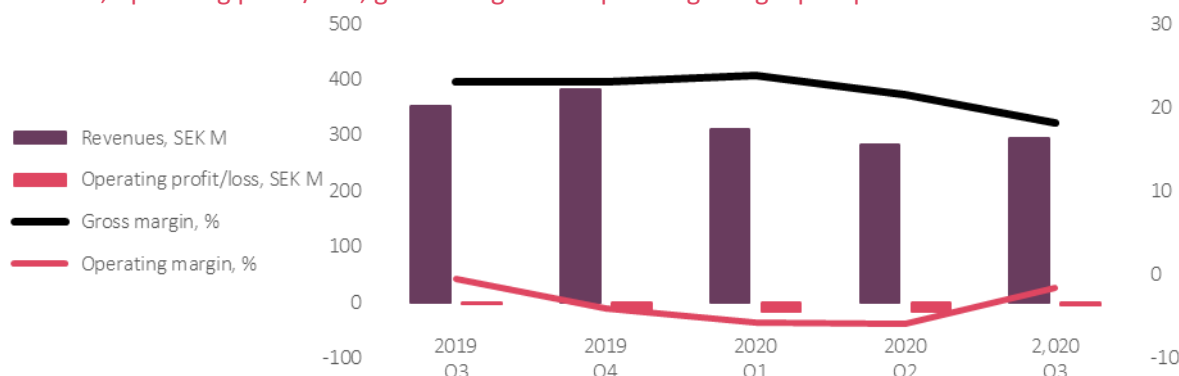
Gross profit for the third quarter was SEK 53.2 M (80.1) and the gross margin was 18 percent (23). The limitations in our supply chain pushed up purchasing prices, which had a negative effect on the gross margin. Operating margin was negative 2 percent (neg: 1).

Operating expenses amounted to SEK 57.8 M (83.5). Development costs of SEK 31.5 M (24.5) were capitalized during the quarter, which corresponds to 72 percent of total development costs, compared with 51 percent for the corresponding quarter of 2019.

EBITDA for the quarter totaled SEK 8.7 M (35.6).



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



Financial income and expenses

Net financial items amounted to an expense of SEK 6.3 M (income: 17.0). The item pertains primarily to the effect of unrealized changes in exchange rates on currency accounts.

Earnings and earnings per share for the reporting period

Net loss for the third quarter of 2020 amounted to SEK 1.7 M (profit: 5.8). Earnings per share for the third quarter were negative SEK 0.01 (pos: 0.02).

Cash flow and balance sheet

Cash flow

Cash flow from operating activities amounted to SEK 67.7 M (59.5).

Cash flow from investing activities for the third quarter amounted to a negative SEK 32.6 M (neg: 25.6), of which capitalized development expenditure accounted for a negative SEK 31.5 M (neg: 24.5).

Cash flow from financing activities amounted to a negative SEK 4.4 M (-), and pertained to the amortization of lease liabilities in accordance with IFRS 16 recognition of leased premises.

Exchange-rate fluctuations had a negative impact of SEK 6.9 M (pos: 16.5) on cash and cash equivalents for the quarter. Most of the company's cash holdings consist of USD and the exchange-rate fluctuations are largely a result of a weakening of USD in relation to SEK during the quarter.

Liquidity and shareholders' equity

At September 30, 2020, the Group's disposable cash and cash equivalents totaled SEK 452.8 M (536.7). Consolidated net cash holdings at the end of the third quarter amounted to SEK 436.6 M (504.9). Interest-bearing liabilities consist of lease liabilities for office premises amounting to SEK 16.2 M (31.8), reported according to IFRS 16 starting in 2019.

At period-end, consolidated shareholders' equity amounted to SEK 1,624.4 M (1,868.5) and the equity/assets ratio for the Group to 81 percent (81).

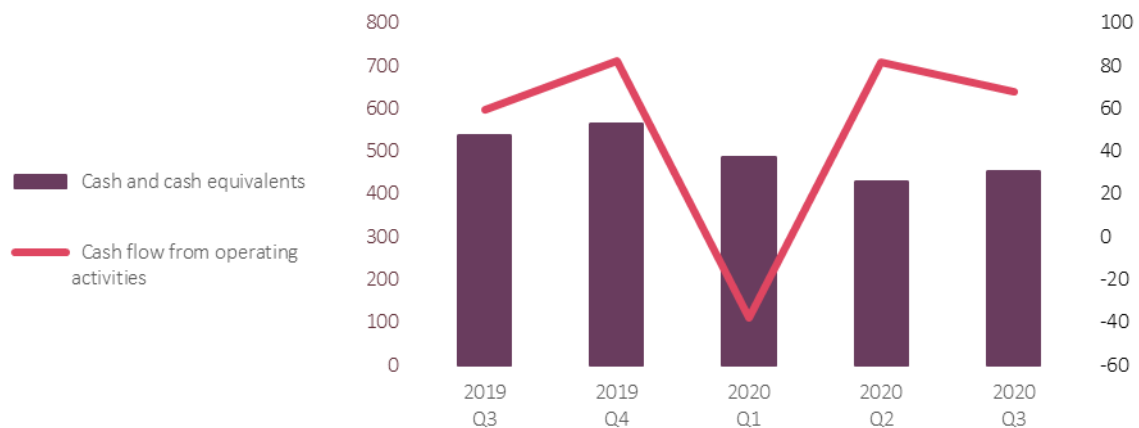
Investments, fixed assets and depreciation/amortization

Investments in intangible fixed assets during the quarter amounted to an expense of SEK 31.8 M (expense: 25.6). Investments in tangible fixed assets for the quarter amounted to an



expense of SEK 0.9 M (0.0). Depreciation/amortization according to plan for the quarter totaled SEK 13.2 M (39.0).

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



Other events during the third quarter of 2020

Business Development

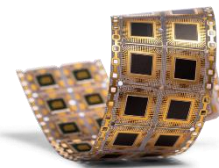
During the third quarter of 2020, several mobile devices with Fingerprints' sensors were launched, including Cat S62 Pro, Google Pixel 5, Google Pixel 4a 5G, Infinix Note 7 Lite, LG Q92 5G, VIVO (Z6, Y70s, Y50, Y30, IQOO Z1, IQOO Neo3), Vsmart Aris and Vsmart Aris Pro.

To meet the rising demand for biometric solutions in the PC segment, Fingerprints launched a new solution during the quarter that is specifically adapted to this application area. This new product can be used in many different types of computers and related equipment.

The latest-generation T-Shape® sensor module for biometric payment cards was launched. This new product offers better performance than its predecessor, while also being more cost effective, which means that it enables large-scale commercial launches of contactless biometric payment cards.

Fingerprints' technology is included in a biometric payment card from Thales that was recently certified by Visa. This biometric card is the first in the world to be certified by both Visa and Mastercard, entailing that card issuers can now plan for major commercial launches.

It was announced during the quarter that Fingerprints has entered partnerships with Infineon and STMicroelectronics to develop advanced solutions for biometric payment cards.



During the quarter, Fingerprints launched the latest-generation T-Shape® sensor module, which delivers better performance and cost efficiency than its predecessor.



Fingerprints entered a global licensing agreement with Sentry Enterprises, a US producer of identification solutions, pertaining to Fingerprints' software platform for Access, FPC-BEP, and the T-Shape® sensor module for integration into the SentryCard™ biometric ID card.

Significant events in the third quarter of 2020

No significant events were reported during the quarter.

Organization and Personnel

The number of employees at September 30, 2020 was 239 (214). In addition to full-time employees, 36 (50) consultants were also used during the third quarter, primarily in technology development and sales. Accordingly, including employees and consultants, the company employed a total of 275 (255) people on September 30, 2020.

Share capital trend

The number of shares amounts to 313,967,675, of which 6,000,000 are Class A shares and 307,967,675 are Class B shares.

The total number of votes is 367,967,675. On May 27, 2020, it was announced that the Board of Directors, based on the authorization by the Annual General Meeting held on May 26, 2020, had decided to acquire own shares. In total, own shares have been bought back for SEK 118.7 M in 2020, at an average price of SEK 14.90 per share. The shares bought back constitute treasury holdings and have been assigned no value in assets or shareholders' equity. The share capital is unchanged at SEK 12,975,667.

Buyback of own shares

SEK M	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Number of treasury shares (000s)					
Number of buyback shares beginning	7,968	-	-	-	-
Buyback of shares in period	-	-	7,968	-	-
Number of buyback shares at end of period	7,968	-	7,968	-	-
Price for buyback shares					
Price for buyback shares during period	-	-	118.7	-	-
Average price buyback shares (SEK)	-	-	14.90	-	-

Number of shares



	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Number of shares, (000s)					
Number of shares at period end	313,968	313,968	313,968	313,968	313,968
Of which class A-shares	6,000	6,000	6,000	6,000	6,000
Of which class B-shares	307,968	307,968	307,968	307,968	307,968
Number of buyback shares at end of period	-7,968	-	-7,968	-	-
Number of shares outstanding at period end	306,000	313,968	306,000	313,968	307,968
Number of shares outstanding, diluted at period end	306,000	313,968	306,000	313,968	313,968
Average number of shares outstanding (000s)					
Average number of buyback shares	-7,968	-	-4,523	-	-
Average number of shares outstanding, basic	306,000	313,968	309,445	313,968	313,968
Average number of shares outstanding, diluted	306,000	313,968	309,445	313,968	313,968

Accounting policies

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

The Parent Company's operating expenses are reclassified per function in this interim report compared with the interim reports for January-March and January-June 2020. Therefore, this report is not directly comparable in this respect to the interim reports for January-March and January-June 2020

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 third quarter of 2020 amounted to SEK 293.4 M (351.8) and the result after financial items for the period amounted to a loss of SEK 29,2 M (profit: 58.4). A net loss of SEK 23.1 M (profit: 46.0) was reported during the period. The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 413.8 M (485.4).



Significant risks and uncertainties – Group and Parent Company

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

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

Market risks:	Geopolitical instability, Supplier costs, Risk of obsolescence, Economic fluctuations, Currency risk, Loss of customers and price pressure due to increased competition.
Operational risks:	Delivery capacity of suppliers, Competency provision, Loss of key competencies, Reduced technological lead and Information leaks
Financial risks:	Financing risk and Credit risk.
Legal risks:	Product defects and product liability, Patent risk and Corruption.
Other risks:	Epidemics/pandemics, Conflict minerals, Restrictions on planned business development, Biometrics and integrity, Scalability internally, Discrimination and lack of diversity.

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



2021 Annual General Meeting

The Annual General Meeting will be held in Stockholm on May 26, 2021. Shareholders wishing to have matters considered at the Annual General Meeting should submit their proposals in writing to investrel@fingerprints.com or to the Company Secretary, Fingerprint Cards AB, Birger Jarlsgatan 14 (5th Floor), SE-114 34 Stockholm, Sweden, not later than seven weeks prior to the Annual General Meeting, in order for the proposal to 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 person set out below, at 7:00 a.m. CET on November 12, 2020.

Welcome to Fingerprints' presentation of the interim report on the third quarter of 2020 on November 12 at 9:00 a.m. CET. The presentation will be webcast, and participants can register via the link below.

<https://engage.vevent.com/rt/fingerprints/index.jsp?seid=170>

For further information, please contact: Stefan Pettersson, Head of Investor Relations

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investrel@fingerprints.com

www.fingerprints.com/

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Certification

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

Gothenburg, November 11, 2020

Johan Carlström
Chairman

Sofia Bertling
Member

Ted Elvhage
Member

Tomas Mikaelsson
Member

Alexander Kotsinas
Member

Dimitrij Titov
Member

Juan Vallejo
Member

Christian Fredrikson
President and CEO



Review report

(Translation from the Swedish original)

Fingerprint Cards AB (publ)

Corp. Reg. No. 556154-2381

Introduction

We have reviewed the summary of the interim financial information (interim report) of Fingerprint Cards AB (publ), as per September 30, 2020 and the nine-month period that ended on that 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 an opinion on this interim report based on our review.

Focus and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, Review of Interim Reports Performed by the company's elected auditors. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially smaller in scope than an audit conducted in accordance with the Standards on Auditing in Sweden (ISA) and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain such assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, an opinion expressed on the basis of a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

Opinions

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

Gothenburg, November 11, 2020

Moore KLN AB

Ulf Lindesson
Authorized Public Accountant



Financial statements and key figures

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Condensed consolidated statement of comprehensive income

SEK M	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Revenue	294.0	352.5	886.3	1,077.2	1,458.6
Cost of goods sold	-240.8	-272.4	-698.5	-834.2	-1,127.5
Gross profit	53.2	80.1	187.8	243.0	331.1
Gross Margin, %	18	23	21	23	23
Selling expenses	-28.9	-34.5	-94.5	-106.7	-147.0
Administrative expenses	-18.0	-20.1	-57.4	-59.7	-87.0
Development expenditure	-12.1	-23.4	-78.1	-72.9	-110.7
Other operating income/expenses	1.2	-5.5	3.2	-2.8	-0.8
Operating profit/loss	-4.6	-3.4	-39.0	0.9	-14.4
Operating Margin, %	-2	-1	-4	0	-1
Finance income/expenses	-6.3	17.0	-3.7	14.2	-3.0
Profit/loss before tax	-10.9	13.6	-42.7	15.1	-17.4
Income tax	9.2	-7.8	15.2	-10.1	3.8
Profit/loss for the period	-1.7	5.8	-27.5	5.0	-13.6
Other comprehensive income	-32.3	55.5	-28.3	88.0	37.0
Total comprehensive income for the period	-34.0	61.3	-55.8	93.0	23.4
Earnings per share for the period					
Before dilution, SEK	-0.01	0.02	-0.09	0.02	-0.04
After dilution, SEK	-0.01	0.02	-0.09	0.02	-0.04

Condensed consolidated statement of financial position

SEK M	30-Sep 2020	30-Sep 2019	31-Dec 2019
Assets			
Intangible fixed assets	1,138.6	1,182.7	1,127.8
Tangible fixed assets	9.2	19.5	15.8
Right-of-use assets	19.2	35.3	32.9
Financial assets	24.3	7.7	18.3
Total fixed assets	1,191.3	1,245.2	1,194.8
Inventories	174.2	300.3	253.4
Accounts receivable	166.4	187.5	197.3
Other receivables	17.4	23.5	15.4
Prepaid expenses and accrued income	9.6	7.9	12.3
Cash and cash equivalents	452.8	536.7	563.9
Total current assets	820.4	1,055.9	1,042.3
Total assets	2,011.7	2,301.1	2,237.1
Shareholders' equity and liabilities			
Shareholders' equity	1,624.4	1,868.5	1,798.9
Deferred tax liability	26.0	44.5	38.6
Long-term lease liabilities	4.8	14.1	11.8
Short-term debt of long term lease liabilities	11.5	17.8	17.9
Accounts payable	192.0	231.1	235.2
Current tax liabilities	1.6	1.1	0.8
Other current liabilities	15.8	15.2	9.8
Accrued expenses and prepaid income	135.6	108.8	124.1
Total current liabilities	356.5	374.0	387.8
Total shareholders' equity and liabilities	2,011.7	2,301.1	2,237.1



Condensed consolidated cash-flow statement

SEK M	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Profit/loss before tax	-10.9	13.6	-42.7	15.1	-17.4
Adjustment for non-cash items	33.4	9.7	83.2	81.1	147.9
Income tax paid	0.0	-1.5	-2.3	-4.9	3.3
Change in inventory	7.5	4.4	64.0	47.2	88.4
Change in current receivables	-5.8	41.8	34.6	54.2	38.9
Change in current liabilities	43.5	-8.5	-25.6	-114.7	-100.7
Cash flow from operating activities	67.7	59.5	111.2	78.0	160.4
Cash flow from investing activities	-32.6	-25.6	-86.0	-96.3	-115.4
Cash flow from financing activities	-4.4	0.0	-132.9	0.0	-19.7
Change in cash and cash equivalents	30.7	33.9	-107.7	-18.3	25.3
Cash and cash equivalents on the opening date	429.0	486.3	563.9	540.5	540.5
Effect of exchange rate changes on cash	-6.9	16.5	-3.4	14.5	-1.9
Closing cash and cash equivalents	452.8	536.7	452.8	536.7	563.9

The Group's operating segments

SEK M	Jul-Sep 2020	Jul-Sep 2019	Change, %	Jan-Sep 2020	Jan-Sep 2019	Change, %	Jan-Dec 2019
Revenue							
Sensors	294.0	352.5	-17	886.3	1,077.2	-18	1,458.6
Other	-	-	-	-	-	-	-
Group	294.0	352.5	-17	886.3	1,077.2	-18	1,458.6

SEK M	Jul-Sep 2020	Jul-Sep 2019	Change, %	Jan-Sep 2020	Jan-Sep 2019	Change, %	Jan-Dec 2019
Operating profit/loss							
Sensors	-4.6	-3.4	-36	-39.0	0.9	-	-14.4
Other	-	-	-	-	-	-	-
Group	-4.6	-3.4	-36	-39.0	0.9	-	-14.4

SEK M	Jul-Sep 2020	Jul-Sep 2019	Change, %	Jan-Sep 2020	Jan-Sep 2019	Change, %	Jan-Dec 2019
Profit/loss before tax							
Sensors	-10.9	13.6	-180	-42.7	15.1	-	-17.4
Other	-	-	-	-	-	-	-
Group	-10.9	13.6	-180	-42.7	15.1	-	-17.4



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

SEK M	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019	Oct-Dec 2018	Jul-Sep 2018
Revenue	294.0	282.3	310.0	381.4	352.5	381.8	342.9	424.3	431.2
Cost of goods sold	-240.8	-221.6	-236.1	-293.3	-272.4	-297.6	-264.2	-336.1	-316.1
Gross profit	53.2	60.7	73.9	88.1	80.1	84.2	78.7	88.2	115.1
Gross margin, %	18	21	24	23	23	22	23	21	27
Selling costs	-28.9	-30.6	-35.0	-40.3	-34.5	-37.6	-34.6	-35.0	-36.5
Administrative costs	-18.0	-21.0	-18.4	-27.3	-20.1	-17.7	-21.9	-39.0	-23.6
Development costs	-12.1	-28.6	-37.4	-37.8	-23.4	-25.5	-24.0	-42.9	-41.4
Other operating income/expenses	1.2	2.8	-0.8	2.0	-5.5	2.8	-0.1	3.2	-6.6
Operating profit/loss	-4.6	-16.7	-17.7	-15.3	-3.4	6.2	-1.9	-25.5	7.0
Operating margin, %	-2	-6	-6	-4	-1	2	-1	-6	2
Finance income/expenses	-6.3	-21.6	24.2	-17.2	17.0	-3.9	1.1	1.9	-3.9
Profit/loss before tax	-10.9	-38.3	6.5	-32.5	13.6	2.3	-0.8	-23.6	3.1
Income tax	9.2	16.0	-10.0	13.9	-7.8	0.4	-2.7	6.1	-0.2
Profit/loss for the period	-1.7	-22.3	-3.5	-18.6	5.8	2.7	-3.5	-17.5	2.9
Other comprehensive income	-32.3	-75.3	79.3	-51.0	55.5	-2.8	35.3	11.5	-10.6
Total comprehensive income for the period	-34.0	-97.6	75.8	-69.6	61.3	-0.1	31.8	-6.0	-7.7

Consolidated statement of financial position for the past nine quarters

	30-Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018
<i>SEK/USD exchange rate, balance date</i>	<i>9.03</i>	<i>9.35</i>	<i>10.08</i>	<i>9.32</i>	<i>9.80</i>	<i>9.27</i>	<i>9.28</i>	<i>8.97</i>	<i>8.86</i>
Assets									
Intangible fixed assets	1,138.6	1,147.7	1,213.9	1,127.8	1,182.7	1,124.8	1,129.5	1,102.7	1,112.4
Tangible fixed assets	9.2	10.5	13.2	15.8	19.8	23.0	26.9	30.2	34.7
Right-of-use assets	19.2	23.1	28.4	32.9	35.0	33.7	38.2	-	-
Financial fixed assets	24.3	18.1	4.0	18.3	7.7	20.2	21.9	27.8	-
Total fixed assets	1,191.3	1,199.4	1,259.5	1,194.8	1,245.2	1,201.7	1,216.5	1,160.7	1,147.1
Inventories	174.2	196.9	230.1	253.4	300.3	304.7	323.3	347.5	344.9
Accounts receivable	166.4	159.2	225.9	197.3	187.5	226.9	279.5	232.7	220.1
Other receivables	17.4	15.8	17.9	15.4	23.5	23.6	22.3	19.8	19.6
Prepaid expenses and accrued income	9.6	9.9	11.0	12.3	7.9	11.4	21.5	18.0	19.1
Cash and cash equivalents	452.8	429.0	485.3	563.9	536.7	486.3	337.6	540.5	742.0
Total current assets	820.4	810.8	970.2	1,042.3	1,055.9	1,052.9	984.2	1,158.5	1,345.7
Total assets	2,011.7	2,010.2	2,229.7	2,237.1	2,301.1	2,254.6	2,200.7	2,319.2	2,492.8
Shareholders' equity and liabilities									
Shareholders' equity	1,624.4	1,658.4	1,839.6	1,798.9	1,868.5	1,807.2	1,807.3	1,775.5	1,781.5
Deferred tax liability	26.0	31.1	36.8	38.6	44.5	46.8	47.5	51.9	32.1
Long-term liabilities	4.8	6.7	9.3	11.8	14.1	15.6	20.1	-	-
Short-term debt of long-term liabilities	11.5	13.4	16.0	17.9	17.8	18.1	18.1	-	-
Accounts payable	192.0	148.6	188.9	235.2	231.1	233.0	144.4	256.2	189.5
Current tax liabilities	1.6	0.6	0.7	0.8	1.1	1.1	1.4	1.3	0.9
Other current liabilities	15.8	15.2	12.9	9.8	15.2	19.7	4.6	27.1	191.5
Accrued expenses and prepaid income	135.6	136.2	125.5	124.1	108.8	113.1	157.3	207.2	297.3
Total current liabilities	356.5	314.0	344.0	387.8	374.0	385.0	325.8	491.8	679.2
Total shareholders' equity and liabilities	2,011.7	2,010.2	2,229.7	2,237.1	2,301.1	2,254.6	2,200.7	2,319.2	2,492.8



Consolidated cash-flow statement for the past nine quarters

SEK M	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019	Oct-Dec 2018	Jul-Sep 2018
Profit/loss before tax	-10.9	-38.3	6.6	-32.5	13.6	2.3	-0.8	-23.6	3.1
Adjustment for non-cash items	33.4	45.3	4.5	66.8	9.7	38.6	32.8	35.2	43.4
Income tax paid	0	-1.4	-0.9	8.2	-1.5	-1.8	-1.6	4.9	7.7
Change in inventory	7.5	33.2	23.3	41.2	4.4	18.6	24.2	-2.6	6.8
Change in current receivables	-5.8	69.5	-29.1	-15.3	41.8	64.6	-52.2	-18.9	167.9
Change in current liabilities	43.5	-27.0	-42.1	14.0	-8.5	57.3	-163.5	-21.1	-26.4
Cash flow fr. operating activities	67.7	81.3	-37.8	82.4	59.5	179.6	-161.1	-26.1	202.5
Cash flow from investing activities	-32.6	-27.4	-26.0	-19.1	-25.6	-27.4	-43.3	-31.0	-33.7
Cash flow from financing activities	-4.4	-88.8	-39.7	-19.7	-	-	-	-151.3	-162.3
Change in cash and cash equiv.	30.7	-34.9	-103.5	43.6	33.9	152.2	-204.4	-208.4	6.5
Cash and cash equiv. on the opening date	429.0	485.3	563.9	536.7	486.3	337.6	540.5	742.0	737.5
Effect of exchange rate changes on cash	-6.9	-21.4	24.9	-16.4	16.5	-3.5	1.5	6.9	-2.0
Closing cash and cash equivalents	452.8	429.0	485.3	563.9	536.7	486.3	337.6	540.5	742.0

Fair value and carrying amount of financial liabilities and assets

SEK M	9/30/2020		9/30/2019	
	Carrying amount	Fair amount	Carrying amount	Fair amount
Financial assets				
Current financial assets:				
Financial assets at amortized cost:				
Accounts receivable	166.4	166.4	187.5	187.5
Cash and cash equivalents	452.8	452.8	536.7	536.7
Total financial assets	619.2	619.2	724.2	724.2
Financial liabilities				
Long-term financial liabilities:				
Long-term lease liabilities	4.8	4.8	14.1	14.1
Current financial liabilities:				
Short-term lease liabilities	11.5	11.5	17.8	17.8
Accounts payable	192.0	192.0	231.1	231.1
Total financial liabilities	208.2	208.2	262.9	262.9
By category:				
Total financial assets	619.2	619.2	724.2	724.2
Financial liabilities at amortized cost	208.2	208.2	262.9	262.9
Net	411.0	411.0	461.3	461.3



Condensed income statement, Parent Company

SEK M	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Revenues	293.4	351.8	882.9	1,073.3	1,454.3
Cost of goods sold	-237.4	-262.2	-674.9	-804.6	-1,087.9
Gross profit	56.0	89.6	208.0	268.7	366.4
Selling expenses	-29.0	-34.4	-94.6	-106.7	-147.0
Administrative expenses	-23.7	-23.0	-62.7	-67.3	-97.0
Development expenditure	-13.8	-23.7	-78.5	-79.5	-121.0
Other operating revenues/expenses	1.3	-5.4	3.3	-4.2	-2.2
Operating profit/loss	-9.2	3.1	-24.5	11.0	-0.8
Finance revenues/expenses	-20.0	55.3	-1.5	83.7	44.0
Profit/loss after financial items	-29.2	58.4	-26.0	94.7	43.2
Appropriations	0.0	0.0	0.0	0.0	8.0
Profit/loss before tax	-29.2	58.4	-26.0	94.7	51.2
Tax	6.1	-12.4	5.9	-20.5	-11.7
Profit/loss for the period	-23.1	46.0	-20.1	74.2	39.5

Condensed balance sheet, Parent Company

SEK M	30-Sep 2020	30-Sep 2019	31-Dec 2017
Assets			
Intangible fixed assets	186.6	114.2	122.0
Tangible fixed assets	6.1	14.2	11.2
Financial fixed assets	1,004.0	1,035.8	1,015.3
<i>Total fixed assets</i>	<i>1,196.7</i>	<i>1,164.2</i>	<i>1,148.5</i>
Inventories	174.2	300.3	253.4
Accounts receivable	165.0	187.1	196.9
Current receivables	74.3	60.3	62.8
Cash and cash equivalents	413.8	485.4	518.1
<i>Total current assets</i>	<i>827.3</i>	<i>1,033.1</i>	<i>1,031.2</i>
Total assets	2,024.0	2,197.3	2,179.7
Shareholders' equity and liabilities			
<i>Shareholders' equity</i>	<i>1,658.8</i>	<i>1,832.3</i>	<i>1,797.6</i>
<i>Untaxed reserves</i>	<i>-</i>	<i>8.0</i>	<i>-</i>
Accounts payable	191.0	244.1	234.1
Other current liabilities	174.2	112.9	148.0
<i>Total current liabilities</i>	<i>365.2</i>	<i>357.0</i>	<i>382.1</i>
Total shareholders' equity and liabilities	2,024.0	2,197.3	2,179.7



Key consolidated data

	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Jan-Dec 2019
Revenue, SEK M	294.0	352.5	886.3	1,077.2	1,458.6
Revenue change, %	-17	-18	-18	-3	-5
Gross margin, %	18	23	21	23	23
Operating margin, %	-2	-1	-4	0	-1
Profit margin, %	-1	2	-3	0	-1
EBITDA, SEK M	8.7	35.6	26.9	115.4	128.7
Return on equity, %	-2	3	-3	5	1
Cash flow from operating activities, SEK M	67.7	59.5	111.2	78.0	160.4
Equity/assets ratio, %	81	81	81	81	80
Investments, SEK M	-32.6	-25.6	-86.0	-96.3	-115.4
Depreciations, SEK M	13.3	39.0	65.9	114.5	143.1
Average number of employees	234	214	233	210	209
Shareholders' equity per share, SEK					
- before dilution	5.31	5.95	5.88	5.95	5.73
- after dilution	5.31	5.95	5.88	5.95	5.73
Cash flow from operating activities/share, SEK					
- before dilution	0.22	0.19	0.36	0.25	0.51
- after dilution	0.22	0.19	0.36	0.25	0.51
Number of shares at period end, 000s ⁽¹⁾	306,000	313,968	306,000	313,968	313,967
Average number of shares, 000s					
- before dilution	306,000	313,968	309,445	313,968	313,967
- after dilution	306,000	313,968	309,445	313,968	313,967
Share price at period end	17.88	19.96	17.88	19.96	18.88

Key consolidated figures for the past nine quarters

	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019	Jul-Sep 2019	Apr-Jun 2019	Jan-Mar 2019	Oct-Dec 2018	Jul-Sep 2018
Revenue, SEK M	294.0	282.3	310.0	381.4	352.5	381.8	342.9	424.3	431.2
Revenue change, %	-17	-26	-10	-10	-18	-2	18	-31	-49
Gross margin, %	18	21	24	23	23	22	23	21	27
Operating margin, %	-2	-6	-6	-4	-1	2	-1	-6	2
Profit margin, %	-1	-8	-1	-5	2	1	-1	-4	1
EBITDA, SEK M	8.7	6.7	11.6	13.3	35.6	44.0	35.8	8.8	36.7
Return on equity, %	-2	-6	4	-4	3	0	2	0	0
Cash flow from operating activities, SEK M	67.7	81.3	-37.8	82.4	59.5	179.6	-161.1	-26.1	202.5
Equity/assets ratio, %	81	83	83	80	81	80	82	77	71
Investments, SEK M	-32.6	-27.4	-26.0	-19.1	-25.6	-27.4	-43.3	-31.0	-33.7
Depreciations, SEK M	13.3	23.4	29.3	28.6	39.0	37.7	37.8	34.3	29.7
Average number of employees	234	235	231	220	214	208	209	237	273
Shareholders' equity per share, SEK									
- before dilution	5.31	5.42	5.92	5.73	5.95	5.76	5.76	5.66	5.67
- after dilution	5.31	5.42	5.92	5.73	5.95	5.76	5.76	5.66	5.67
Cash flow from operating activities, SEK									
- before dilution	0.22	0.26	-0.12	0.26	0.19	0.57	-0.51	-0.08	0.64
- after dilution	0.22	0.26	-0.12	0.26	0.19	0.57	-0.51	-0.08	0.64
Number of shares at period end, 000s	306,000	306,000	310,640	313,968	313,968	313,968	313,968	313,968	313,968
Share price at period end, SEK	17.88	16.91	13.16	18.88	19.96	16.45	13.26	10.13	9.79



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

	Oct-Sep 2019/20	Jul-Jun 2019/20	Apr-Mar 2019/20	Jan-Dec 2019	Oct-Sep 2018/19	Jul-Jun 2018/19	Apr-Mar 2018/19	Jan-Dec 2018	Okt-Sep 2017/18
Revenues, SEK M	1,267.7	1,326.2	1,425.7	1,458.6	1,501.5	1,580.2	1,588.3	1,535.1	1,726.1
Gross profit, SEK M	275.9	302.8	326.3	331.1	331.2	366.2	36.3	2.4	44.3
Gross margin, %	22	23	23	23	22	23	2	0	3
Operating profit/loss, SEK M	-54.3	-53.1	-30.2	-14.4	-24.6	-14.2	-598.6	-771.6	-786.7
Operating margin, %	-4	-4	-2	-1	-2	-1	-38	-50	-46
EBITDA, SEK M	40.4	67.2	104.6	128.7	124.2	125.3	-320.7	-505.2	-531.5



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.
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.