

## Highlights

- Gross margin improved by 8 percentage points compared with the fourth quarter of the preceding year.
- Order for the most recent generation of the T-Shape sensor module (T2) from one of the world's three largest card manufacturers.
- A separation of the business operations into two wholly owned subsidiaries was implemented to sharpen focus in each area and thereby drive profitable growth.
- Fingerprints issued SEK 300 M in senior secured bonds with the aim of accelerating growth.

## Fourth quarter of 2021

- Revenues amounted to SEK 356.6 M (369.4)
- The gross margin was 31.7 percent (23.7)
- EBITDA totaled SEK 26.7 M (32.4)
- The operating result was SEK 3.9 M (neg: 326.8)
- Earnings per share before and after dilution amounted to SEK 0.02 (neg: 1.02)
- Cash flow from operating activities was a negative SEK 16.8 M (pos: 46.9)

## January – December 2021

- Revenues amounted to SEK 1,355.8 M (1,255.7).
- The gross margin was 29.3 percent (21.9)
- EBITDA totaled SEK 85.6 M (59.4)
- The operating result was negative SEK 7.6 M (neg: 365.8)
- Earnings per share before and after dilution amounted to SEK 0.00 (neg: 1.1)
- Cash flow from operating activities amounted to SEK 24.3 M (158.1)

SEK M	Oct-Dec 2021	Oct-Dec 2020	Change	Jan-Dec 2021	Jan-Dec 2020	Change
Revenue	356.6	369.4	-3%	1,355.8	1,255.7	8%
Gross profit	113.1	87.4	29%	396.9	275.2	44%
<i>Gross margin %</i>	31.7	23.7		29.3	21.9	
Operating profit	3.9	-326.8		-7.6	-365.8	
<i>Operating margin %</i>	1.1	-88.5		-0.6	-29.1	
EBITDA	26.7	32.4	-18%	85.6	59.4	44%
Profit/loss before tax	5.4	-338.5		-1.0	-381.2	
Profit/loss for the period	5.3	-313.3		0.1	-340.8	
Earnings per share before and after dilution, SEK	0.02	-1.02		0.00	-1.10	
Cash and cash equivalents	374.3	377.0	-1%	374.3	377.0	-1%
Cash flow from operating activities	-16.8	46.9	-136%	24.3	158.1	-85%
Equity/assets ratio, %	57.1	75.1		57.1	75.1	
Average number of employees	255	237	8%	250	232	8%



## CEO's comments

Sales in the fourth quarter of 2021 amounted to SEK 357 M, while we continued to improve the gross margin, which increased by 8 percentage points, to 32 percent, compared with the corresponding period of 2020 and by 3 percentage points compared with the preceding quarter. Although sales for the quarter in constant currency terms decreased by 4 percent compared with the corresponding period in 2020, the trend is positive. This is reflected in a sales increase in constant currency terms of 16 percent for the full-year 2021 compared with 2020. We were able to deliver this growth despite an insufficient access to production capacity throughout the year due to the prevailing semiconductor shortage in the world. I believe that this demonstrates the strength and stability of our business, which also began to expand into new areas during the year at a significantly higher pace than previously. Growth in the PC and Access areas contributed to the gross margin improvement, both in the quarter and on a full-year basis. At the same time, the product mix within Mobile has continued to shift to newer products, with a positive effect on the gross margin.

Our Mobile operations continued to perform strongly during the fourth quarter and although the first quarter is usually seasonally weak, we also expect a positive trend during 2022. This is reflected in our previously disclosed revenue forecast of SEK 1,600-2,000 M for the full-year 2022. Following a weak 2020, when many consumers postponed upgrading their smartphones due to the coronavirus pandemic, we saw higher demand in 2021, which also drove the market for fingerprint sensors. The capacitive sensor remains the most common biometric modality by far in the mobile industry. The most recent generation of ultrathin sensors, designed for side-mounting, continued to increase its share of the market during the year. Fingerprints leads the development in this area and the growing share of new products contributed to the positive gross margin trend in the fourth quarter.

During 2021, we received the first volume orders for our new biometric PC solution, and in the fourth quarter, we announced that another PC model has been launched with our technology: HONOR MagicBook V14. We already dominate the market for fingerprint sensors in Chromebooks, while three of the world's five largest manufacturers of Windows PCs are already working on integrating our technology in their products. To date, we have been able to announce Windows PC launches with our sensors in products by Dell, HONOR, Huawei and Xiaomi. I expect that we will be able to unveil more names of customers that use our technology in the near future. As announced earlier, our sales to the PC industry have all the prerequisites to outgrow the Access area in the next 12-18 months and thereby develop into the second largest application area for our products.

During the fourth quarter, yet another commercial launch of biometric payment cards was made using our technology, this time by Bank Pocztowy in Poland. We expect to see an increasing number of launches in 2022 and we continue to drive development in collaboration with our partners. All of the world's three largest providers of secure elements for payment cards have chosen Fingerprint Cards' technology for their reference designs and, at the beginning of January, one of them, STMicroelectronics, received a CES 2022 Innovation Award



“We continued to improve the gross margin, which increased by 8 percentage points compared with the corresponding period in 2020”



for STPayBio, an advanced platform for biometric payment cards that was developed in collaboration with Fingerprint Cards and Linxens. During the quarter, we also received an initial order for the most recent generation of our T-Shape sensor module (T2) from one of the world's three largest card manufacturers, to be used for the commercialization of the next generation of biometric payment cards. In January 2022, we announced that the most recent generation's T-Shape sensor module (T2) achieved compliance with Mastercard's updated security requirements for fingerprint sensors.

The negative cash flow from operating activities in the fourth quarter is due to an increase in receivables and inventory, a consequence of our growth initiatives. We are seeing a continued positive trend in the underlying market for our products and Fingerprints has ambitious growth plans. This increases the need for working capital and R&D investments, and I am therefore very pleased that, in December 2021, we were able to successfully issue SEK 300 M in senior secured bonds to further accelerate the company's growth.

To further expand our opportunities for driving profitable growth in our various focus areas, we also implemented a separation of our business operations into two wholly owned subsidiaries at the end of the year. The change came into force on January 1, 2022, and entails that our Payments & Access operations are led by the Fingerprint Cards Switzerland AG subsidiary, based in Zug, Switzerland, and our Mobile and PC operations will be led by our Fingerprint Technology Company (FPC) subsidiary in Shanghai, China. This change enables an even sharper focus on our two individual business operations, which have industry conditions that differ in terms of structure, geography, customers, partners and regulations. Our new organization also gives us better possibilities to explore distinct and separate financing options and avenues of development for the different subsidiaries in our Group.

Christian Fredrikson, President and CEO

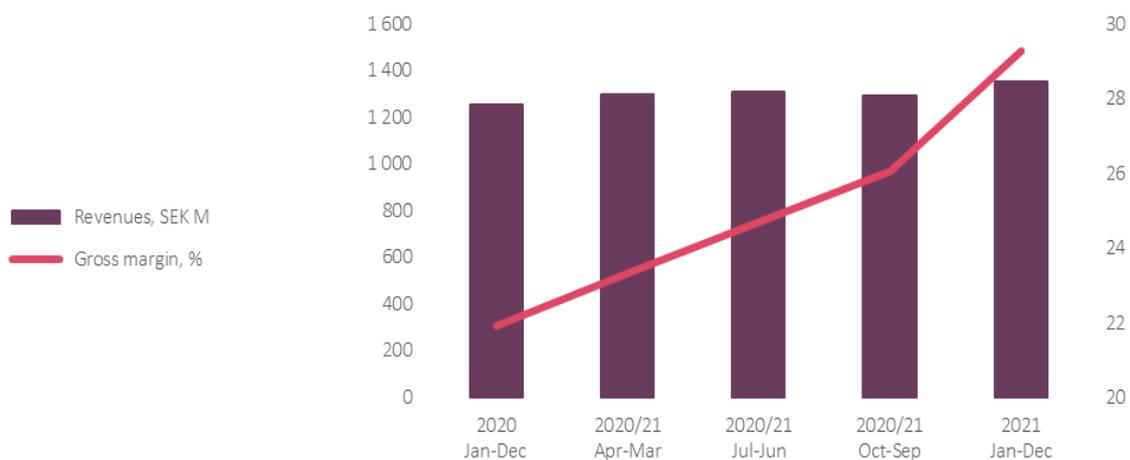


## Revenues and operating profit

### Revenues

Consolidated revenues for the fourth quarter amounted to SEK 356.6 M (369.4), down 3 percent year-on-year (decrease of 4 percent in constant currency terms). The demand for Fingerprints' products remained healthy in the mobile segment, at the same time as our revenue streams are now beginning to be diversified into new areas at a higher pace than previously. Our access to production capacity has improved, but remains insufficient due to the global semiconductor shortage.

### Revenues and gross margin, rolling 12 months



### Trend in operating profit

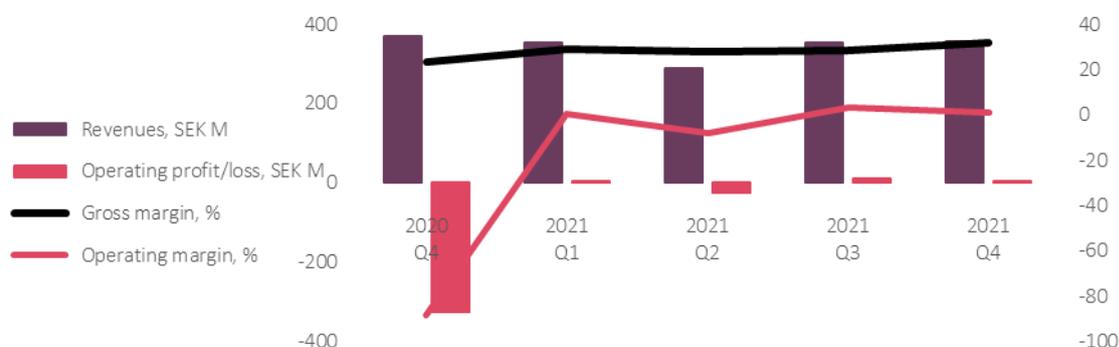
Gross profit for the fourth quarter was SEK 113.1 M (87.4) and the gross margin amounted to 31.7 percent (23.7). A favorable product mix, with a high share of new products, contributed to improving the gross margin during the quarter, while sales to new segments outside the mobile industry grew.

Operating profit for the fourth quarter was SEK 3.9 M (neg: 326.8) Operating margin was 1.1 percent (neg: 88.5). Operating expenses amounted to SEK 109.2 M (414.2). Development costs of SEK 19.9 M (31.6) were capitalized during the quarter, which corresponds to 34.3 percent of total development costs, compared with 66.0 percent for the corresponding quarter of 2020.

EBITDA for the quarter totaled SEK 26.7 M (32.4).



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



### Financial income and expenses

Net financial items amounted to SEK 1.5 M (expense: 11.7). 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

Profit for the fourth quarter of 2021 amounted to SEK 5.3 M (neg: 313.3). Earnings per share for the fourth quarter were SEK 0.02 (neg: 1.02).

## Cash flow and balance sheet

### Cash flow

Cash flow from operating activities was a negative SEK 16.8 M (pos: 46.9). The negative cash flow is due to an increase in receivables and inventory, a consequence of the company's growth initiatives.

Cash flow from investing activities for the fourth quarter amounted to a negative SEK 23.7 M (neg: 33.1), of which capitalized development expenditure accounted for a negative SEK 19.9 M (neg: 31.6).

Cash flow from financing activities amounted to SEK 294.8 M (neg: 76.3). The bond issue of SEK 300 M generated positive cash flow of SEK 292.6 M after deductions for issue expenses.

Exchange-rate fluctuations had a negative impact of SEK 0.7 M (neg: 13.3) on cash and cash equivalents during the quarter. Most of the company's cash holdings consist of USD.

### Liquidity and shareholders' equity

At December 31, 2021, the Group's disposable cash and cash equivalents totaled SEK 374.3 M (377.0), and the Group's net cash holdings amounted to SEK 58.7 M (354.4) on the same date. Interest-bearing liabilities comprise the bonds issued in December 2021 of SEK 292.6 M and lease liabilities pertaining to office premises of SEK 22,9 M (16.2), recognized in accordance with IFRS 16.

The company issued SEK 300 M in senior secured bonds with a three-year tenor and a floating interest rate of Stibor 3 months + 9.0% per annum.

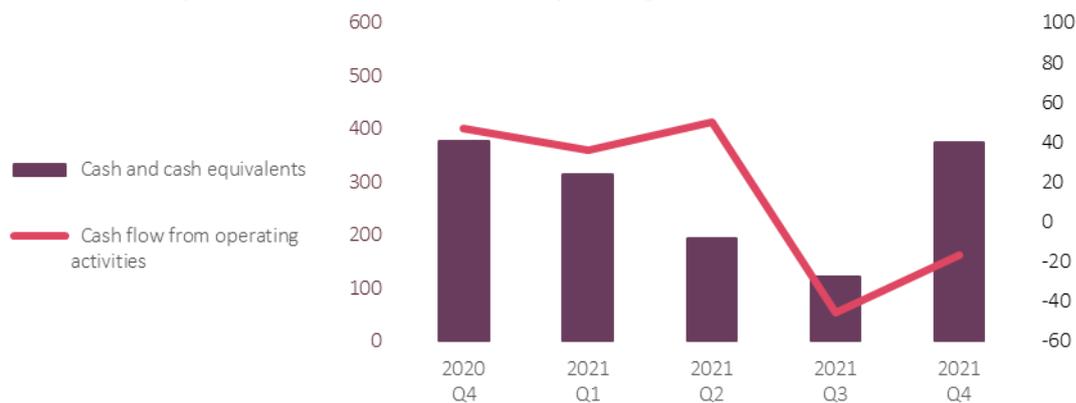
At period-end, consolidated shareholders' equity amounted to SEK 1,027 M (1,182.9) and the equity/assets ratio for the Group to 57,1 percent (75.1).



## Investments, fixed assets and depreciation/amortization

Investments in intangible fixed assets during the quarter amounted to an expense of SEK 22.1 M (expense: 32.8). Investments in tangible fixed assets for the quarter amounted to an expense of SEK 1.3 M (expense: 0.3), and other financial items of SEK 0.3 (-). Depreciation/amortization according to plan for the quarter totaled SEK 22.8 M (18.6).

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



## Comments on the period January-December 2021

The demand for Fingerprints' products remained healthy during the period, but revenues in the second quarter were negatively impacted by the temporary closure by the Vietnamese authorities of an industrial complex, in which one of Fingerprints' suppliers has production facilities, due to an outbreak of COVID-19. The production capacity at our Vietnamese supplier was fully restored during the third quarter, while we also secured additional capacity with other suppliers. The lockdown in Vietnam during the second quarter was the only significant direct impact of the COVID-19 pandemic on Fingerprints' operations. The global shortage of semiconductors, which affected Fingerprints' access to production capacity, could be said to be an indirect effect of the COVID-19 pandemic, since the increased digitalization in the world led to higher demand for chips.

A more favorable product mix, with a higher share of new products, contributed to improving the gross margin during the period. Profitability also benefited from continued effective cost control.

Cash flow from operating activities was positive during the period, but the higher demand for our products led to an increase in accounts receivable and inventories.



## Other events during the fourth quarter of 2021

### Business Development

Fingerprints announced that the company has signed a multi-year contract with the Indian company Mantra Softech India Pvt Ltd, for Fingerprints' iris recognition solution.

The UK company Freevolt Technologies (formerly Drayson Technologies) launched S-Key, a biometric access card that integrates Fingerprints' T-Shape sensor module.

Bird Home Automation, a Berlin-based manufacturer of the "DoorBird" access control system, expanded its product portfolio with a door system that includes a fingerprint sensor module from Fingerprints.

Fingerprints received an Initial order for the most recent generation of its T-Shape sensor module (T2) from one of the world's three largest card manufacturers. The sensor module will be used to commercialize the next generation of biometric payment cards. The latest T-Shape generation delivers 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. In January 2022, we announced that this most recent generation's T-Shape sensor module (T2) achieved compliance with Mastercard's updated security requirements for fingerprint sensors.



*During the quarter, Fingerprints received an order for the latest generation of its T-Shape sensor module (T2) from one of the world's three largest card manufacturers.*

Fingerprints' biometric solution for PCs is used in the recently launched HONOR MagicBook V14 computer.

## Significant events during the fourth quarter of 2021

On December 16, 2021, Fingerprints announced that the company had successfully issued SEK 300 million in senior secured bonds with a three-year tenor and a floating interest rate of Stibor 3 months + 9.0% per annum under a framework of SEK 500 million. The net proceeds from the Bond Issue will be applied towards general corporate purposes, including investments in working capital and R&D to further accelerate growth.

Fingerprint Cards AB (publ) announced on November 22, 2021, that the company expects Group revenues for the full-year 2022 to be in the range of SEK 1,600-2,000 million, based on the exchange rate SEK/USD 8.70, and that the EBITDA margin is expected to be in the range of 14-18 percent for the fourth quarter of 2022.

## 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 at December 31, 2021, was 261 (240). In addition to full-time employees, 49 (36) consultants were also engaged during the fourth quarter, mainly in technology development and sales. Accordingly, including employees and consultants, the company employed a total of 310 (276) people on December 31, 2021.

## 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 and which were bought back pursuant to a resolution by the 2020 Annual General Meeting, 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 after the bonus issue remains unchanged and amounts to SEK 12,975,667.

No buyback of own shares occurred during the fourth quarter of 2021. The shares bought back constitute treasury holdings and have been assigned no value in assets or shareholders' equity.

### Buyback of own shares

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
<b>Number of treasury shares (000s)</b>				
Number of buyback shares beginning	3,800	7,968	12,424	-
Number of buyback shares during period	-	4,456	7,344	12,424
Number of cancellation of shares during period	-	-	-15,968	-
<b>Number of buyback shares at end of period</b>	<b>3,800</b>	<b>12,424</b>	<b>3,800</b>	<b>12,424</b>
<b>Price for buyback shares</b>				
Price for buyback shares during period	-	71.7	225.4	190.4
Average price buyback shares (SEK)	-	16.09	30.70	15.33

### Number of shares



	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
<b>Number of shares, (000s)</b>				
Number of shares at period end	298,000	313,968	298,000	313,968
Of which class A-shares	6,000	6,000	6,000	6,000
Of which class B-shares	292,000	307,968	292,000	307,968
Number of buyback shares at end of period	-3,800	-12,424	-3,800	-12,424
Number of shares outstanding at period end, before and after dilution	294,200	301,544	294,200	301,544
Number of shares outstanding at period end, before and after dilution	294,200	301,544	294,200	301,544
<b>Average number of shares outstanding (000s)</b>				
Average number of buyback shares	-3,800	-8,231	-9,923	-5,139
Average number of shares outstanding, before and after dilution	294,200	305,737	295,351	308,829

## 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, 2020 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 2021 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 year-end report compared with the year-end report for January-December 2020. Therefore, this report is not directly comparable in this respect to the year-end report for January-December 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 fourth quarter of 2021 amounted to SEK 166.9 M (368.8), of which the quarter's sales pertain to intra-Group sales to subsidiaries of SEK 161.2 M (0) as part of a change to the legal structure of the Group. After financial items, a loss of SEK 12.4 M (loss: 1,028.1) was reported for the period. The net result for the period was a loss of SEK 4.4 M (loss: 1,005.1). The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 279.9 M (337.5).



## Significant risks and uncertainties – Group and Parent Company

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

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

<b>Market risks:</b>	Geopolitical instability, Supplier costs, Risk of obsolescence, Economic fluctuations, Currency risk, Loss of customers and price pressure due to increased competition.
<b>Operational risks:</b>	Delivery capacity of suppliers, Competency provision, Loss of key competencies, Reduced technological lead and Information leaks
<b>Financial risks:</b>	Financing risk and Credit risk.
<b>Legal risks:</b>	Product defects and product liability, Patent risk and Corruption.
<b>Other risks:</b>	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 2020 Annual Report, which is available on our website, [www.fingerprints.com](http://www.fingerprints.com).

## 2022 Annual General Meeting

The Annual General Meeting will be held in Stockholm on May 24, 2022. Shareholders who wish to have a matter considered at the AGM shall provide a written proposal to [investrel@fingerprints.com](mailto:investrel@fingerprints.com) or to Bolagssekreteraren, Fingerprint Cards AB, Box 2412, SE-403 16 Gothenburg, no later than seven weeks before the AGM, to guarantee that the matter can be included in the invitation to the AGM. 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 07:00 a.m. CET on January 28, 2022.

Welcome to Fingerprints' presentation of the results for the fourth quarter of 2021 on January 28 at 9:00 a.m. CET. The presentation will be webcast, and participants can register via the link below.



<https://edge.media-server.com/mmc/p/ae2ki69u>

**For media and analysts:** The teleconference can be accessed on +44 (0) 2071 928000 (international participants) or 08-506 921 80 (Swedish participants). Please enter the conference ID 6498218.

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/)

Issuance, publication or distribution of this press release in certain jurisdictions could be subject to restrictions. The recipient of this press release is responsible for using this press 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.

Gothenburg January 27, 2022

---

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

This year-end report has not been examined by the company's auditors.



# Financial statements and key figures

Condensed consolidated statement of comprehensive income .....	14
Condensed consolidated statement of financial position .....	14
Condensed consolidated cash-flow statement .....	15
The Group's operating segments .....	15
Consolidated statement of income and other comprehensive income for the past nine quarters ...	16
Consolidated statement of financial position for the past nine quarters.....	16
Consolidated cash-flow statement for the past nine quarters.....	17
Fair value and carrying amount of financial liabilities and assets.....	17
Condensed income statement, Parent Company.....	18
Condensed balance sheet, Parent Company.....	18
Key consolidated data .....	19
Key consolidated figures for the past nine quarters.....	19
Rolling 12-month key figures for the Group for the past nine quarters.....	20



## Condensed consolidated statement of comprehensive income

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Revenue	356.6	369.4	1,355.8	1,255.7
Cost of goods sold	-243.5	-282.0	-958.9	-980.5
<b>Gross profit</b>	<b>113.1</b>	<b>87.4</b>	<b>396.9</b>	<b>275.2</b>
<b>Gross Margin, %</b>	<b>32</b>	<b>24</b>	<b>29</b>	<b>22</b>
Selling expenses	-41.5	-35.9	-159.8	-130.4
Administrative expenses	-28.0	-27.1	-102.1	-84.4
Development expenditure	-38.0	-16.3	-138.2	-94.5
Other operating income/expenses	-1.7	-334.9	-4.4	-331.7
<b>Operating profit/loss</b>	<b>3.9</b>	<b>-326.8</b>	<b>-7.6</b>	<b>-365.8</b>
<b>Operating Margin, %</b>	<b>1</b>	<b>-88</b>	<b>-1</b>	<b>-29</b>
Finance income/expenses	1.5	-11.7	6.6	-15.4
<b>Profit/loss before tax</b>	<b>5.4</b>	<b>-338.5</b>	<b>-1.0</b>	<b>-381.2</b>
Income tax	-0.1	25.2	1.1	40.4
<b>Profit/loss for the period</b>	<b>5.3</b>	<b>-313.3</b>	<b>0.1</b>	<b>-340.8</b>
Other comprehensive income	22.6	-56.5	69.6	-84.8
<b>Total comprehensive income for the period</b>	<b>27.9</b>	<b>-369.8</b>	<b>69.7</b>	<b>-425.6</b>
Earnings per share for the period before and after dilutions, SEK	0.02	-1.02	0.00	-1.10

## Condensed consolidated statement of financial position

SEK M	31-Dec 2021	31-Dec 2020
<b>Assets</b>		
Intangible fixed assets	838.5	759.3
Tangible fixed assets	6.5	7.0
Right-of-use assets	24.2	24.8
Financial assets	53.6	46.8
<i>Total fixed assets</i>	<i>922.8</i>	<i>837.9</i>
Inventories	159.3	136.3
Accounts receivable	280.0	196.2
Other receivables	51.3	15.5
Prepaid expenses and accrued income	11.3	12.2
Cash and cash equivalents	374.3	377.0
<i>Total current assets</i>	<i>876.2</i>	<i>737.2</i>
<b>Total assets</b>	<b>1,799.0</b>	<b>1,575.1</b>
<b>Shareholders' equity and liabilities</b>		
<i>Shareholders' equity</i>	<i>1,027.2</i>	<i>1,182.9</i>
<i>Deferred tax liability</i>	<i>16.6</i>	<i>20.6</i>
<i>Long-term liabilities</i>	<i>304.2</i>	<i>9.8</i>
Short-term debt of long term lease liabilities	11.3	12.8
Accounts payable	221.8	200.7
Current tax liabilities	14.0	2.0
Other current liabilities	35.5	15.0
Accrued expenses and prepaid income	168.4	131.3
<i>Total current liabilities</i>	<i>451.0</i>	<i>361.8</i>
<b>Total shareholders' equity and liabilities</b>	<b>1,799.0</b>	<b>1,575.1</b>



## Condensed consolidated cash-flow statement

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Profit/loss before tax	5.4	-338.5	-1.0	-381.2
Adjustment for non-cash items	43.7	368.6	122.3	451.8
Income tax paid	-2.4	2.5	-2.3	0.2
Change in inventory	-8.0	33.1	-38.9	97.1
Change in current receivables	-101.9	-33.5	-107.2	1.1
Change in current liabilities	46.4	14.7	51.4	-10.9
<b>Cash flow from operating activities</b>	<b>-16.8</b>	<b>46.9</b>	<b>24.3</b>	<b>158.1</b>
Cash flow from investing activities	-23.7	-33.1	-91.0	-119.1
Cash flow from financing activities	294.8	-76.3	58.4	-209.2
<b>Change in cash and cash equivalents</b>	<b>254.3</b>	<b>-62.5</b>	<b>-8.3</b>	<b>-170.2</b>
Cash and cash equivalents on the opening date	120.7	452.8	377.0	563.9
Effect of exchange rate changes on cash	-0.7	-13.3	5.6	-16.7
<b>Closing cash and cash equivalents</b>	<b>374.3</b>	<b>377.0</b>	<b>374.3</b>	<b>377.0</b>

## The Group's operating segments

SEK M	Oct-Dec 2021	Oct-Dec 2020	Change, %	Jan-Dec 2021	Jan-Dec 2020	Change, %
<b>Revenue</b>						
Sensors	356.6	369.4	-3	1,355.8	1,255.7	8
Other	-	-	-	-	-	-
<b>Group</b>	<b>356.6</b>	<b>369.4</b>	<b>-3</b>	<b>1,355.8</b>	<b>1,255.7</b>	<b>8</b>

SEK M	Oct-Dec 2021	Oct-Dec 2020	Change, %	Jan-Dec 2021	Jan-Dec 2020	Change, %
<b>Operating profit/loss</b>						
Sensors	3.9	-326.8	-	-7.6	-365.8	-
Other	-	-	-	-	-	-
<b>Group</b>	<b>3.9</b>	<b>-326.8</b>	<b>0</b>	<b>-7.6</b>	<b>-365.8</b>	<b>-</b>

SEK M	Oct-Dec 2021	Oct-Dec 2020	Change, %	Jan-Dec 2021	Jan-Dec 2020	Change, %
<b>Profit/loss before tax</b>						
Sensors	5.4	-338.5	-	-1.0	-381.2	-
Other	-	-	-	-	-	-
<b>Group</b>	<b>5.4</b>	<b>-338.5</b>	<b>0</b>	<b>-1.0</b>	<b>-381.2</b>	<b>-</b>



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

SEK M	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019
Revenue	356.6	354.3	290.2	354.7	369.4	294.0	282.3	310.0	381.4
Cost of goods sold	-243.5	-253.1	-209.8	-252.5	-282.0	-240.8	-221.6	-236.1	-293.3
<b>Gross profit</b>	<b>113.1</b>	<b>101.2</b>	<b>80.4</b>	<b>102.2</b>	<b>87.4</b>	<b>53.2</b>	<b>60.7</b>	<b>73.9</b>	<b>88.1</b>
<b>Gross margin, %</b>	<b>31.7</b>	<b>28.6</b>	<b>27.7</b>	<b>28.8</b>	<b>23.7</b>	<b>18.1</b>	<b>21.5</b>	<b>23.8</b>	<b>23.1</b>
Selling costs	-41.5	-41.8	-40.8	-35.7	-35.9	-28.9	-30.6	-35.0	-40.3
Administrative costs	-28.0	-24.4	-28.8	-20.9	-27.1	-18.0	-21.0	-18.4	-27.3
Development costs	-38.0	-23.2	-37.3	-39.7	-16.3	-12.1	-28.6	-37.4	-37.8
Other operating income/expenses	-1.7	-1.0	2.5	-4.2	-334.9	1.2	2.8	-0.8	2.0
<b>Operating profit/loss</b>	<b>3.9</b>	<b>10.8</b>	<b>-24.0</b>	<b>1.7</b>	<b>-326.8</b>	<b>-4.6</b>	<b>-16.7</b>	<b>-17.7</b>	<b>-15.3</b>
<b>Operating margin, %</b>	<b>1.1</b>	<b>3.0</b>	<b>-8.3</b>	<b>0.5</b>	<b>-88.5</b>	<b>-1.6</b>	<b>-5.9</b>	<b>-5.7</b>	<b>-4.0</b>
Finance income/expenses	1.5	2.5	-7.9	10.5	-11.7	-6.3	-21.6	24.2	-17.2
<b>Profit/loss before tax</b>	<b>5.4</b>	<b>13.3</b>	<b>-31.9</b>	<b>12.2</b>	<b>-338.5</b>	<b>-10.9</b>	<b>-38.3</b>	<b>6.5</b>	<b>-32.5</b>
Income tax	-0.1	-1.0	6.9	-4.7	25.2	9.2	16.0	-10.0	13.9
<b>Profit/loss for the period</b>	<b>5.3</b>	<b>12.3</b>	<b>-25.0</b>	<b>7.5</b>	<b>-313.3</b>	<b>-1.7</b>	<b>-22.3</b>	<b>-3.5</b>	<b>-18.6</b>
Other comprehensive income	22.6	21.6	-17.4	42.8	-56.5	-32.3	-75.3	79.3	-51.0
<b>Total comprehensive income for the period</b>	<b>27.9</b>	<b>33.9</b>	<b>-42.4</b>	<b>50.3</b>	<b>-369.8</b>	<b>-34.0</b>	<b>-97.6</b>	<b>75.8</b>	<b>-69.6</b>

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

	31-Dec 2021	31-Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020	31 Mar 2020	31 Dec 2019
<i>SEK/USD exchange rate, balance date</i>	9.05	8.78	8.51	8.73	8.18	9.03	9.35	10.08	9.32
<b>Assets</b>									
Intangible fixed assets	838.5	812.8	784.0	812.0	759.3	1,138.6	1,147.7	1,213.9	1,127.8
Tangible fixed assets	6.5	6.1	6.7	7.2	7.0	9.2	10.5	13.2	15.8
Right-of-use assets	24.2	18.7	22.5	23.8	24.8	19.2	23.1	28.4	32.9
Financial fixed assets	53.6	50.9	47.8	41.6	46.8	24.3	18.1	4.0	18.3
<b>Total fixed assets</b>	<b>922.8</b>	<b>888.5</b>	<b>861.0</b>	<b>884.6</b>	<b>837.9</b>	<b>1,191.3</b>	<b>1,199.4</b>	<b>1,259.5</b>	<b>1,194.8</b>
Inventories	159.3	161.1	154.7	116.0	136.3	174.2	196.9	230.1	253.4
Accounts receivable	280.0	203.9	141.5	245.7	196.2	166.4	159.2	225.9	197.3
Other receivables	51.3	18.4	15.9	15.3	15.4	17.4	15.8	17.9	15.4
Prepaid expenses and accrued income	11.3	13.9	11.4	13.6	12.2	9.6	9.9	11.0	12.3
Cash and cash equivalents	374.3	120.7	193.1	313.6	377.0	452.8	429.0	485.3	563.9
<b>Total current assets</b>	<b>876.2</b>	<b>518.0</b>	<b>516.6</b>	<b>704.2</b>	<b>737.2</b>	<b>820.4</b>	<b>810.8</b>	<b>970.2</b>	<b>1,042.3</b>
<b>Total assets</b>	<b>1,799.0</b>	<b>1,406.5</b>	<b>1,377.6</b>	<b>1,588.8</b>	<b>1,575.1</b>	<b>2,011.7</b>	<b>2,010.2</b>	<b>2,229.7</b>	<b>2,237.1</b>
Shareholders' equity and liabilities									
Shareholders' equity	1,027.2	999.3	965.4	1,147.8	1,182.9	1,624.4	1,658.4	1,839.6	1,798.9
Deferred tax liability	16.6	19.5	18.4	20.9	20.6	26.0	31.1	36.8	38.6
Long-term liabilities	304.2	7.0	8.2	8.9	9.8	4.8	6.7	9.3	11.8
Short-term debt of long-term liabilities	11.3	9.9	12.1	12.6	12.8	11.5	13.4	16.0	17.9
Accounts payable	221.8	195.0	204.9	215.0	200.7	192.0	148.6	188.9	235.2
Current tax liabilities	14.0	7.1	1.9	2.0	2.0	1.6	0.6	0.7	0.8
Other current liabilities	35.5	13.9	22.7	14.2	14.9	15.8	15.2	12.9	9.8
Accrued expenses and prepaid income	168.4	154.8	144.0	167.4	131.3	135.6	136.2	125.5	124.1
<b>Total current liabilities</b>	<b>451.0</b>	<b>380.7</b>	<b>385.6</b>	<b>411.2</b>	<b>361.8</b>	<b>356.5</b>	<b>314.0</b>	<b>344.0</b>	<b>387.8</b>
<b>Total shareholders' equity and liabilities</b>	<b>1,799.0</b>	<b>1,406.5</b>	<b>1,377.6</b>	<b>1,588.8</b>	<b>1,575.1</b>	<b>2,011.7</b>	<b>2,010.2</b>	<b>2,229.7</b>	<b>2,237.1</b>



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

SEK M	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Okt-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Okt-Dec 2019
Profit/loss before tax	5.4	13.3	-31.9	12.2	-338.5	-10.9	-38.3	6.6	-32.5
Adjustment for non-cash items	43.7	29.8	36.0	12.8	368.6	33.4	45.3	4.5	66.8
Income tax paid	-2.4	0.8	-1.8	1.1	2.5	0.0	-1.4	-0.9	8.2
Change in inventory	-8.0	-10.9	-36.8	16.9	33.1	7.5	33.2	23.3	41.2
Change in current receivables	-101.9	-59.7	106.6	-52.2	-33.5	-5.8	69.5	-29.1	-15.3
Change in current liabilities	46.4	-18.8	-21.8	45.5	14.7	43.5	-27.0	-42.1	14.0
<b>Cash flow fr. operating activities</b>	<b>-16.8</b>	<b>-45.5</b>	<b>50.3</b>	<b>36.3</b>	<b>46.9</b>	<b>67.7</b>	<b>81.3</b>	<b>-37.8</b>	<b>82.4</b>
Cash flow from investing activities	-23.7	-26.0	-18.6	-22.7	-33.1	-32.6	-27.4	-26.0	-19.1
Cash flow from financing activities	294.8	-3.6	-143.7	-89.1	-76.3	-4.4	-88.8	-39.7	-19.7
<b>Change in cash and cash equiv.</b>	<b>254.3</b>	<b>-75.1</b>	<b>-112.0</b>	<b>-75.5</b>	<b>-62.5</b>	<b>30.7</b>	<b>-34.9</b>	<b>-103.5</b>	<b>43.6</b>
Cash and cash equiv. on the opening date	120.7	193.1	313.6	377.0	452.8	429.0	485.3	563.9	536.7
Effect of exchange rate changes on cash	-0.7	2.7	-8.5	12.1	-13.3	-6.9	-21.4	24.9	-16.4
<b>Closing cash and cash equivalents</b>	<b>374.3</b>	<b>120.7</b>	<b>193.1</b>	<b>313.6</b>	<b>377.0</b>	<b>452.8</b>	<b>429.0</b>	<b>485.3</b>	<b>563.9</b>

## Fair value and carrying amount of financial liabilities and assets

SEK M	12/31/2021		12/31/2020	
	Carrying amount	Fair amount	Carrying amount	Fair amount
<b>Financial assets</b>				
<b>Current financial assets:</b>				
<b>Financial assets at amortized cost:</b>				
Accounts receivable	280.0	280.0	196.2	196.2
Cash and cash equivalents	374.3	374.3	377.0	377.0
<b>Total financial assets</b>	<b>654.2</b>	<b>654.2</b>	<b>573.2</b>	<b>573.2</b>
<b>Financial liabilities</b>				
<b>Long-term financial liabilities:</b>				
Bond loans	292.6	292.6	0.0	0.0
Long-term lease liabilities	11.6	11.6	9.8	9.8
<b>Current financial liabilities:</b>				
Short-term lease liabilities	11.3	11.3	12.8	12.8
Accounts payable	221.8	221.8	200.7	200.7
<b>Total financial liabilities</b>	<b>537.4</b>	<b>537.4</b>	<b>223.3</b>	<b>223.3</b>
<b>By category:</b>				
Total financial assets	654.2	654.2	573.2	573.2
Financial liabilities at amortized cost	537.4	537.4	223.3	223.3
<b>Net</b>	<b>116.9</b>	<b>116.9</b>	<b>349.9</b>	<b>349.9</b>



## Condensed income statement, Parent Company

SEK M	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Revenues	166.9	368.8	1,144.7	1,251.7
Cost of goods sold	-26.6	-277.4	-750.4	-952.3
<b>Gross profit</b>	<b>140.3</b>	<b>91.4</b>	<b>394.3</b>	<b>299.4</b>
Selling expenses	-22.3	-35.2	-112.1	-129.8
Administrative expenses	-25.7	-30.7	-105.1	-93.4
Development expenditure	-109.3	-15.5	-215.0	-94.0
Other operating revenues/expenses	-1.2	-68.5	-5.3	-65.3
<b>Operating profit/loss</b>	<b>-18.2</b>	<b>-58.6</b>	<b>-43.2</b>	<b>-83.1</b>
Finance revenues/expenses	5.8	-969.5	18.5	-971.1
<b>Profit/loss after financial items</b>	<b>-12.4</b>	<b>-1,028.1</b>	<b>-24.7</b>	<b>-1,054.2</b>
Group contribution	6.5	0.0	6.5	0.0
<b>Profit/loss before tax</b>	<b>-5.9</b>	<b>-1,028.1</b>	<b>-18.2</b>	<b>-1,054.2</b>
Tax	1.5	22.6	3.1	28.5
<b>Profit/loss for the period</b>	<b>-4.4</b>	<b>-1,005.5</b>	<b>-15.1</b>	<b>-1,025.7</b>

## Condensed balance sheet, Parent Company

SEK M	31-Dec 2021	31-Dec 2020
<b>Assets</b>		
Intangible fixed assets	87.6	139.5
Tangible fixed assets	3.8	4.4
Financial fixed assets	135.5	109.5
<i>Total fixed assets</i>	<i>226.9</i>	<i>253.4</i>
Inventories	8.5	136.3
Accounts receivable	160.7	195.2
Current receivables	177.6	23.9
Cash and cash equivalents	279.9	337.5
<i>Total current assets</i>	<i>626.7</i>	<i>692.9</i>
<b>Total assets</b>	<b>853.6</b>	<b>946.3</b>
Shareholders' equity and liabilities		
<i>Shareholders' equity</i>	<i>340.9</i>	<i>581.4</i>
<i>Long-term liabilities</i>	<i>292.6</i>	<i>0.0</i>
Accounts payable	74.7	199.7
Tax liabilities	3.7	0.2
Other current liabilities	141.7	165.0
<i>Total current liabilities</i>	<i>220.1</i>	<i>364.9</i>
<b>Total shareholders' equity and liabilities</b>	<b>853.6</b>	<b>946.2</b>



## Key consolidated data

	Oct-Dec 2021	Oct-Dec 2020	Jan-Dec 2021	Jan-Dec 2020
Revenue, SEK M	356.6	369.4	1,355.8	1,255.7
Revenue change, %	-3.5	-3.0	8.0	-14.0
Gross margin, %	31.7	23.7	29.3	21.9
Operating margin, %	1.1	-88.5	-0.6	-29.1
Profit margin, %	1.5	-84.8	0.0	-27.1
EBITDA, SEK M	26.7	32.4	85.6	59.4
Return on equity, %	0.5	-26.0	0.0	-28.5
Cash flow from operating activities, SEK M	-16.8	46.9	24.3	158.1
Equity/assets ratio, %	57.1	75.1	57.1	75.1
Investments, SEK M	-23.7	-33.1	-91.0	-119.1
Depreciations, SEK M	22.8	359.2	93.3	425.1
Average number of employees	255	237	250	232
Shareholders' equity per share before and after dilution, SEK	3.49	3.92	3.49	3.92
Cash flow from operating activities/share before and after dilution, SEK	-0.06	0.15	0.08	0.51
Number of shares at period end, 000s	294,200.0	301,544.3	294,199.9	301,544.3
Average number of shares before and after dilution, 000s	294,200.0	305,737.0	295,351.4	308,829.2
Share price at period end	20.68	17.41	20.68	17.41

## Key consolidated figures for the past nine quarters

	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021	Jan-Mar 2021	Oct-Dec 2020	Jul-Sep 2020	Apr-Jun 2020	Jan-Mar 2020	Oct-Dec 2019
Revenue, SEK M	356.6	354.3	290.2	354.7	369.4	294.0	282.3	310.0	381.4
Revenue change, %	-3.5	20.5	2.8	14.4	-3.2	-16.6	-26.1	-9.6	-10.0
Gross margin, %	31.7	28.6	27.7	28.8	23.7	18.1	21.5	23.8	22.7
Operating margin, %	1.1	3.0	-8.3	0.5	-88.5	-1.6	-5.9	-5.7	-4.0
Profit margin, %	1.5	3.5	-8.6	2.1	-84.8	-0.6	-7.9	-1.1	-5.0
EBITDA, SEK M	26.7	32.3	9.4	17.2	32.4	8.7	6.7	11.6	13.3
Return on equity, %	0.5	1.3	-4.0	4.3	-26.0	-2.1	-5.6	4.2	-4.0
Cash flow from operating activities, SEK M	-16.8	-45.5	50.3	36.3	46.9	67.7	81.3	-37.8	82.4
Equity/assets ratio, %	57.1	71.1	70.1	72.2	75.1	80.7	82.5	82.5	80.0
Investments, SEK M	-23.7	-26.0	-18.6	-22.7	-33.1	-32.6	-27.4	-26.0	-19.1
Depreciations, SEK M	22.8	21.6	33.5	15.5	359.2	13.3	23.4	29.3	28.6
Average number of employees	255	252	246	236	237	234	235	231	220
Shareholders' equity per share, SEK	3.49	3.40	3.28	3.85	3.92	5.31	5.42	5.92	5.73
Cash flow from operating activities, SEK	-0.06	-0.15	0.17	0.12	0.15	0.22	0.26	-0.12	0.26
Number of shares at period end, 000s	294,200	294,200	294,200	298,000	301,544	306,000	306,000	310,640	313,968
Average number of shares before and after dilution, 000s	294,200	294,200	295,754	299,935	305,737	306,000	310,345	313,467	313,968
Share price at period end, SEK	20.68	24.31	32.66	29.15	17.41	17.88	16.91	13.16	18.88



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

	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	Apr-mar 2019/20	Jan-dec 2019
Revenues, SEK M	1,355.8	1,368.6	1,308.2	1,300.4	1,255.7	1,267.7	1,326.2	1,425.7	1,458.6
Gross profit, SEK M	396.9	371.1	323.1	303.4	275.2	275.9	302.8	326.3	331.1
Gross margin, %	29.3	27.1	24.7	23.3	21.9	21.8	22.8	22.9	22.7
Operating profit/loss, SEK M	-7.6	-338.5	-353.9	-346.5	-365.8	-54.3	-53.1	-30.2	-14.4
Operating margin, %	-0.6	-24.7	-27.1	-26.6	-29.1	-4.3	-4.0	-2.1	-1.0
EBITDA, SEK M	85.6	91.4	67.8	65.0	59.4	40.3	67.2	104.6	128.7



## 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 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>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</b>	Cash and cash equivalents less interest-bearing debt, including finance leasing debts.
<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 profit</b>	Operating profit 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.