

Highlights, second quarter

- Sales grew strongly with a 74-percent revenue increase compared with the first quarter of 2023
- Cash position increased by 20 percent since the end of Q1 2023, to SEK 252 M
- Inventories declined 26 percent since the end of the first quarter of 2023, with a positive effect on cash flow
- Healthy growth in PCs and Mobile
- Continued price pressure within Mobile and weak quarterly sales in Payment and Access had a negative impact on Group gross margin

Second quarter of 2023

- Revenues amounted to SEK 203.3 M (228.1)
- The gross margin was 13.1 percent (31.1)
- EBITDA amounted to negative SEK 57.7 M (pos: 6.5)
- The operating result was a negative SEK 75.7 M (neg: 12.2)
- Earnings per share before and after dilution amounted to a negative SEK 0.18 (neg: 0.03)
- Cash flow from operating activities was SEK 52.4 M (neg: 28.3)

January-June 2023

- Revenues amounted to SEK 320.3 M (528.3)
- The gross margin was 14.7 percent (25.0)
- EBITDA amounted to negative SEK 118.0 M (neg: 3.6)
- The operating result was a negative SEK 151.4 M (neg: 43.9)
- Earnings per share before and after dilution amounted to a negative SEK 0.35 (neg: 0.12)
- Cash flow from operating activities was SEK 10.1 M (neg: 118.6)

SEK M	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change	Dec 2022
Revenue	203.3	228.1	-11%	320.3	528.3	-39%	861.8
Gross profit	26.6	70.9	-63%	46.9	132.1	-64%	166.4
Gross margin %	13.1	31.1	-18%	14.7	25.0	-10%	19.3
Operating profit	-75.7	-12.2		-151.4	-43.9		-631.0
Operating margin %	-37.3	-5.4		-47.3	-8.3		-73.2
EBITDA *	-57.7	6.5		-118.0	-3.6		-116.0
Adjusted EBITDA **	-57.7	6.5		-118.0	-3.6		-83.4
Profit/loss before tax	-84.6	-9.8		-169.6	-43.8		-652.2
Profit/loss for the period	-76.2	-9.5		-146.3	-35.6		-586.0
Earnings per share before and after dilution, SEK	-0.18	-0.03		-0.35	-0.12		-1.92
Cash and cash equivalents	252.4	212.8	19%	252.4	212.8	19%	274.1
Cash flow from operating activities	52.4	-28.3		10.1	-118.6		-334.1
Equity/assets ratio, % ***	56.7	62.7		56.7	62.7		59.9
Average number of employees	208	250	-17%	212	252	-16%	239

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

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

** Adjusted EBITDA, EBITDA adjusted with one time costs



CEO's comments

I am pleased with the strong increase in sales: +74 percent in comparison with the first quarter of 2023 (73-percent increase in constant currency terms). The significant sales increase was predominantly attributable to a bounce-back in our mobile business, as anticipated. PC also contributed to the healthy revenue growth, while sales in Payment and Access came in weaker this quarter.

I am also happy that we made significant progress in terms of reducing our excess inventory, with a positive effect on our cash position, which grew by 20 percent, to SEK 252 M, since the end of Q1. However, we are still facing intense price competition within Mobile, since our inventory levels and those of other sensor suppliers remain too high. We anticipate a return to more normal levels during the fourth quarter, but it could take even longer before the entire industry achieves balance. We do note that the number of suppliers participating in large-scale procurement processes has recently declined, which could be a sign of increased consolidation in the industry, which would be beneficial for us. I am pleased with the fact that we defended our market share in Mobile during the quarter.

Lower sales in the Payment and Access areas in the second quarter also impacted negatively on our gross margin. Revenue development in both Access and Payment tends to be more uneven and can fluctuate in the short term, since these industries are fragmented and more immature regarding the use of biometric solutions. Having said this, our view of the longer-term trend in demand in these areas remains positive. During the quarter, we announced that we had received our largest order to date from an Access customer outside Asia, for more than USD 1 M. This demonstrates the positive trend that we see in this market, particularly outside Asia.

We recently announced the establishment of a new organizational unit – New Business – under the leadership of Thomas Rex, Executive Vice President New Business. This unit is charged with developing new business and driving revenue growth, with a particular focus on the following four areas: New Partners, add-on acquisitions, Automotive, and Monetizing intellectual property rights (IPR). We are very excited about the work that Thomas drives, as we see significant new application areas and monetization opportunities for the company and we look forward to talking more about these initiatives in the near future.

Finally, on July 16, we announced that we have secured new financing amounting to at least SEK 340 M with an option to increase up to SEK 430 M, and that we have decided on an early redemption of the company's outstanding bond loan of SEK 300 M. This significantly improves the company's financial position, improving our ability to execute on our growth plans.

Ted Hansson, interim President and CEO



“We continued to reduce our inventory at a more rapid pace, with a positive effect on cash flow.”

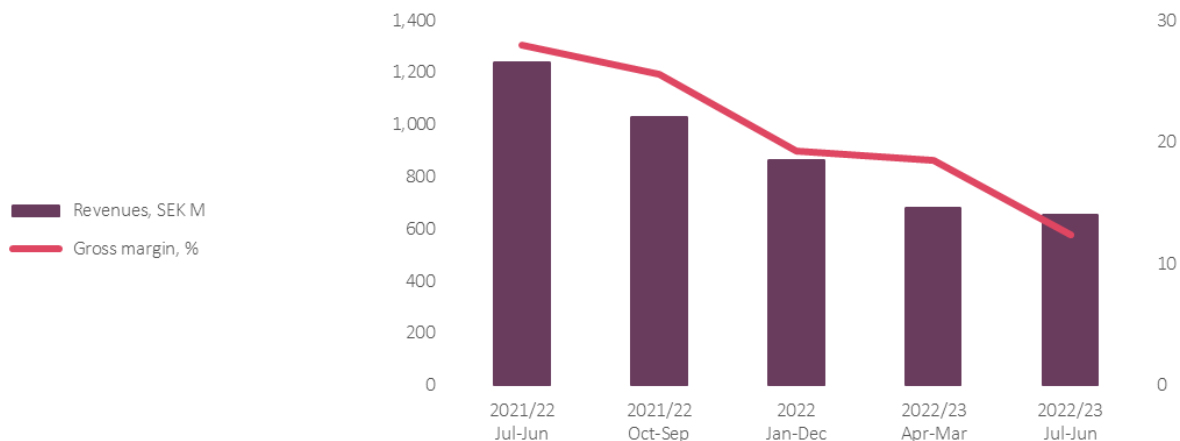


Revenues and operating result, second quarter of 2023

Revenues

The Group's revenues for the second quarter amounted to SEK 203.3 M (228.1), corresponding to a decrease of 11 percent compared with the second quarter of 2022 (decrease of 16 percent in constant currency terms). Compared with the preceding quarter, sales increased by 74 percent, driven by increased sales in the Asia operating segment (formerly Mobile & PC). At the same time, sales declined within the Rest of World segment (formerly Payment & Access). Our view of the demand trend going forward in this segment remains positive, but revenue development within the Access and Payment product groups tends to be more uneven and sensitive to economic fluctuations, since these industries are more immature when it comes to the use of biometric solutions. During the second quarter, we continued to reduce our inventory at a more rapid pace, with a positive effect on cash flow. Inventory amounted to SEK 203 M at the end of the second quarter, compared with SEK 274 at the end of the first quarter. Our order stock continued to develop well and the value at the end of June was higher than a quarter ago.

Revenues and gross margin, rolling 12 months



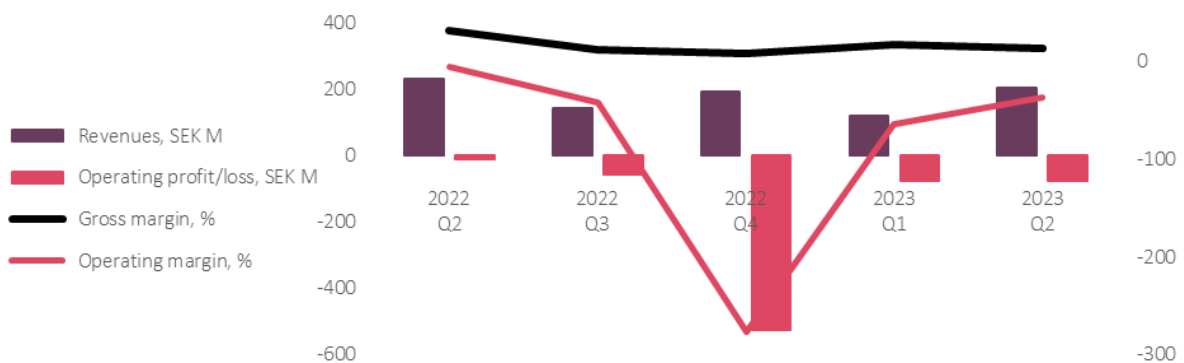
Trend in operating profit

Gross profit for the second quarter was SEK 26.6 M (70.9) and the gross margin was 13.1 percent (31.1). The gross margin was negatively impacted by particularly strong price pressure within Mobile due to continued destocking measures, at the same time as sales in Payment & Access, where selling prices are significantly higher, performed more weakly this quarter. The operating result for the second quarter was a negative SEK 75.7 M (neg: 12.2). Operating expenses amounted to SEK 102.3 M (83.1).

Development costs of SEK 12.5 M (23.4) were capitalized during the quarter, corresponding to 32.7 percent of total development costs, compared with 41.3 percent for the corresponding



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



quarter of 2022. Other operating income/expenses decreased to negative SEK 1.0 M (pos: 21.7) and pertain to exchange-rate fluctuations attributable to operating working capital.

EBITDA for the quarter amounted to a negative SEK 57.7 M (pos: 6.5), and comprised the operating result of negative SEK 75.7 M plus depreciation/amortization of SEK 18.0 M in the quarter.

Operating segments

Fingerprints reports results for the Asia operating segment (formerly Mobile & PC), the Rest of World operating segment (formerly Payment & Access) and as of this quarter, New Business. This unit was established for the purpose of accelerating the diversification of Fingerprints' revenues, with a particular focus on four areas: the automotive industry, new partners, M&A, and the monetization of intellectual property rights.

See the table on page 15. An operating segment is a part of the Group that conducts activities from which it can generate revenue, incur costs and for which independent financial information is available. Each segment has a manager who is responsible for the day-to-day operations and who regularly reports the results for the segment to the CEO. Sales are organized into the four product groups: Mobile, PC, Payment and Access. The Asia operating segment (formerly Mobile & PC) includes revenue from the Mobile and PC product groups, as well as the part of the Access product group attributable to Asia. In the Rest of World operating segment (formerly Payment & Access), revenue is included from the Payment product group and the part of the Access product group attributable to the geographic areas outside Asia. The company believes that this renaming of the operating segments, combined with expanded reporting of sales per product group (see below), increases transparency.

Product groups

With effect from the interim report for the first quarter, sales are also reported based on the four product groups: Mobile, PC, Payment and Access. Refer to the table on page 16.

Financial income and expenses

Financial income amounted to SEK 1.3 M (8.7). This item pertains to interest income on bank balances. The figure for the preceding year pertains to the effect of unrealized exchange-rate gains on bank balances.



Financial expenses amounted to negative SEK 10.2 M (neg: 6.3). Expenses for the quarter pertained primarily to interest on the bond loan and the effects of unrealized exchange rate losses on bank balances.

Earnings and earnings per share for the reporting period

The result for the second quarter of 2023 was a negative SEK 76.2 M (neg: 9.5). Earnings per share for the second quarter were a negative SEK 0.18 (neg: 0.03).

Cash flow and balance sheet, second quarter of 2023

Cash flow

Cash flow from operating activities was SEK 52.4 M (neg: 28.3). The positive cash flow was mainly attributable to lower tied-up working capital due primarily to a reduction in the company's inventory levels during the quarter.

Cash flow from investing activities amounted to a negative SEK 11.9 M (neg: 20.1), of which capitalized development expenditure accounted for SEK 12.5 M (19.4).

Cash flow from financing activities was negative SEK 3.2 million (neg: 3.7) and pertained to leasing fees on leased premises.

Exchange-rate fluctuations had an impact of SEK 4.2 M (9.8) on cash and cash equivalents during the quarter.

Liquidity and shareholders' equity

At June 30, 2023, the Group's disposable cash and cash equivalents totaled SEK 252.4 M (212.8), and the Group's net debt amounted to SEK 60.4 M on the same date (96.5). Interest-bearing liabilities comprise the bond issued in December 2021 of SEK 300 M (300) and lease liabilities pertaining to office premises of SEK 17.6 M (16.8), 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. In the balance sheet, the loan has an effective value of SEK 295.2 M.

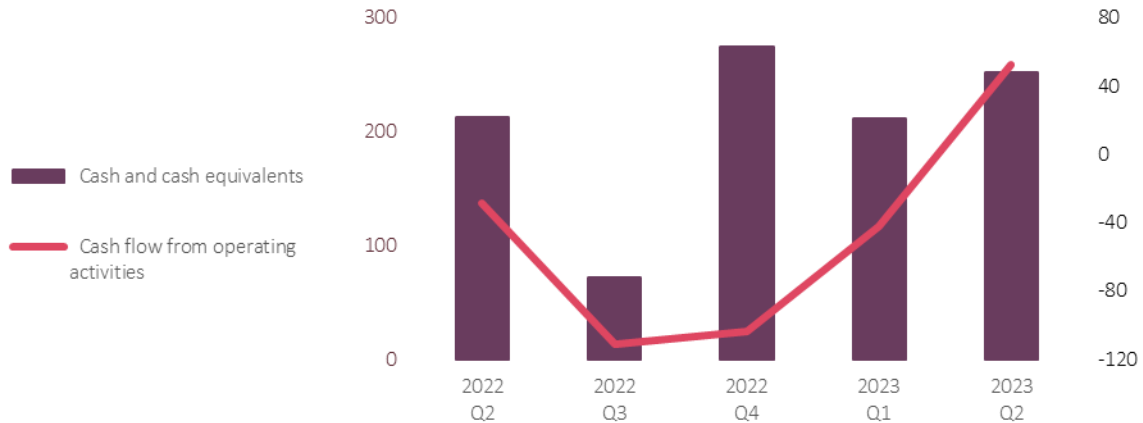
At period-end, consolidated shareholders' equity amounted to SEK 746.6 M (1,082.9) and the equity/assets ratio for the Group to 56.7 percent (62.7). Other comprehensive income in the second quarter amounted to negative SEK 45.5 M (60.6), and included the remeasurement of shareholders' equity in foreign 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 12.5 M (expense: 19.6). Investments in tangible fixed assets for the quarter amounted to an expense of SEK 0.1 M (expense: 0.5). Depreciation/amortization according to plan for the quarter totaled SEK 18.0 M (18.6). Financial fixed assets pertain to deferred tax of SEK 152.0 M (64.3).



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



Comments on the period January-June 2023

The Group's revenue for the period January–June 2023 totaled SEK 320.3 M (528.3), corresponding to a decrease of 39 percent compared with the year-earlier period. The period was characterized by intense price competition and lower volumes compared with the preceding year. The demand for smartphones and computers was subdued, while inventory levels for us and our competitors remained too high, which led to strong price pressure during the period. Order bookings were very weak at the beginning of the year, but have successively improved.

Gross profit for the period January–June 2023 was SEK 46.9 M (132.1) and the gross margin was 14.7 percent (25.0). The reduced sales volumes, combined with increased price competition within the Mobile product segment, had a negative impact on profitability.

Cash flow from operating activities for the period was SEK 10.1 M (neg: 118.6). The positive cash flow was mainly attributable to the reduction of inventory, as well as reduction of current receivables and an increase in current liabilities.

At June 30, 2023, the Group's disposable cash and cash equivalents totaled SEK 252.4 M, compared to SEK 212.8 M in the second quarter of 2022. At June 30, 2023, the Group's net debt totaled SEK 60.4 M, compared to SEK 43.2 M in the second quarter of 2022.

Other events during the second quarter of 2023

Business Development

During the quarter, Fingerprints became the first biometrics company to be accepted as a member of the World Economic Forum's (WEF) New Champions Community. The company will use its membership for such purposes as sharing knowledge of how biometric technology can be used to create intuitive solutions that make authentication more convenient and more secure.



During the quarter, Fingerprints announced that the company had received its largest order to date from an Access customer outside Asia of more than USD 1 M. This order demonstrates the positive trend that the company sees in this market, particularly outside Asia.

During the quarter, we continued to grow rapidly in PCs, despite continued dampened global demand for computers. Fingerprints has long had a leading position on the market for fingerprint sensors in Chromebooks, while four of the world's six largest PC manufacturers already integrate our technology into their products. Compared with the preceding quarter, sales increased by 63 percent in PCs, and by 56 percent in relation to the year-earlier period. Our assessment is that we will continue to increase our market share, while the share of new computer models equipped with fingerprint sensors continues to rise. We foresee continued favorable growth potential and we continue to strengthen our market offering, not least through the development of our own microcontroller unit (MCU). We continued to make positive progress within the framework of this project during the second quarter and will shortly be able to offer our customers a complete biometric system, comprising a fingerprint sensor and an MCU. This entails that we will be able to deliver better overall system performance while optimizing costs and strengthening our control of the supply chain.

To date, Fingerprints' sensors have been used in more than 700 mobile phone models. The 700th product, Xiaomi Redmi K60, is the first telephone to integrate Fingerprints' recently launched optical under-display sensor. The recently launched Google Pixel Fold is also included on the list. We now have a high level of activity in the under-display area, and are conducting several different projects together with our largest customers. Our entry into the under-display segment signifies a significant expansion of our addressable market and our goal is to capture a considerable share, while we shall also remain one of the world-leading players in capacitive sensors.



To date, Fingerprints' sensors have been used in more than 700 mobile phone models.

As previously communicated, Fingerprints has delivered more than a million T-Shape sensor modules for biometric payment cards to date. This reflects the strength in our collaboration with customers and partners throughout the value chain and means that we are well-positioned ahead of future launches of biometric cards. Our view of the long-term potential in biometric payment cards remains positive. At the same time, we observe a slowdown in the pace of commercial launches. As a result of this, we will reallocate development resources and investments for the time being to areas in which we see better growth opportunities in the short and medium term, not least to PCs.

Significant events during the second quarter of 2023

No significant events were reported during the quarter.

Significant events after the end of the period

On July 3, 2023, Fingerprints announced that Adam Philpott was appointed as new President and CEO. He will assume his new role on September 1, 2023, and will also remain a Board member of Fingerprint Cards AB after assuming his position as President and CEO.



On July 16, 2023, Fingerprints disclosed that the Board has decided on an early redemption of the company's outstanding bond loan of MSEK 300 through a new financing amounting to at least MSEK 340 with an option to increase up to MSEK 430. As a result of the challenging market in which the Company has operated since Covid-19, the outstanding bond loan has limited the Company's financial flexibility and opportunity to invest fully in the growth segments. As the Company now proactively chooses to carry out an early redemption of the outstanding bond loan, the bond loan's restrictive covenants no longer apply. This will enable an increased investment in the growth segments, an improved gross margin and thus also profitability.

Organization and Personnel

The number of employees at June 30, 2023, was 210 (258). In addition to full-time employees, consultants were also engaged during the second quarter, corresponding to 31 FTEs (45), mainly in technology development and sales. Accordingly, including employees and consultants, the company employed a total of 241 (303) FTEs on June 30, 2023. The reduction in personnel is due to the cost reduction program that is underway to adapt the company to the more challenging situation.

Share capital trend

The total number of shares in the company amounts to 424,492,719 (of which 7,875,000 A shares and 416,617,719 B shares).

The total number of votes in the company amounts to 495,367,719 (of which 78,750,000 pertain to A shares and 416,617,719 pertain to B shares).

The company had 3,800,000 B shares in treasury at the end of the period. The share capital amounts to SEK 18,483,477.

Number of shares

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Number of shares, (000s)					
Number of shares at period end	424,493	298,000	424,493	298,000	424,493
Of which class A-shares	7,875	6,000	7,875	6,000	7,875
Of which class B-shares	416,618	292,000	416,618	292,000	416,618
Number of buyback shares at end of period	-3,800	-3,800	-3,800	-3,800	-3,800
Number of shares outstanding at period end, before and after dilution	420,693	294,200	420,693	294,200	420,693
Outstanding warrants.	19,839	-	19,839	-	19,839
Number of shares outstanding at period end, before and after dilution	440,532	294,200	440,532	294,200	440,532
Average number of shares outstanding (000s)					
Average number of buyback shares	-3,800	-3,800	-3,800	-3,800	-3,800
Average number of issued A-shares	-	-	-	-	156
Average number of issued B-shares	-	-	-	-	10,385
Number of shares outstanding at period end, before and after dilution	420,693	294,200	420,693	294,200	304,741
Outstanding warrants.	19,839	-	19,839	-	1,653
Number of shares outstanding at period end, before and after dilution	440,532	294,200	440,532	306,394	306,394



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, 2022 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 2023 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 2023 amounted to SEK 7.7 M (45.1), of which the quarter's sales pertain to intra-Group sales to subsidiaries of SEK 6.1 M (26.6) relating to service fees. After financial items, a loss of SEK 25.4 M (loss: 27.9) was reported for the period.

The net result for the period was a loss of SEK 20.4 M (loss: 22.0). The Parent Company's disposable cash and cash equivalents at period-end totaled SEK 68.4 M (51.4).

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.

Fingerprints' current assessment is that the company is not materially impacted directly by the war between Russia and Ukraine.

For further information concerning the risks facing the Group, see the 2022 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 7:00 a.m. CEST on July 20, 2023.

Welcome to Fingerprints' presentation of the interim report for the second quarter of 2023 on July 20 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/yeoz8ops>

For media and analysts: Register for the teleconference via this link:
<https://register.vevent.com/register/BI86d5591f6a934bbab1effea63c4b3494>

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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.

Stockholm, July 19, 2023

Christian Lagerling
Chairman

Alexander Kotsinas
Member

Adam Philpott
Member

Mario Shiliashki
Member

Juan Vallejo
Member

Dimitrij Titov
Member

Ted Hansson
Interim 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 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Revenue	203.3	228.1	320.3	528.3	861.8
Cost of goods sold	-176.7	-157.2	-273.4	-396.2	-695.4
Gross profit	26.6	70.9	46.9	132.1	166.4
Gross Margin, %	13.1	31.1	14.7	25.0	19.3
Selling expenses	-42.5	-35.5	-76.3	-73.2	-142.6
Administrative expenses	-32.9	-36.0	-66.9	-66.9	-143.6
Development expenditure	-25.9	-33.3	-54.2	-60.5	-118.1
Write downs	0.0	-	-	-	-433.4
Other operating income/expenses	-1.0	21.7	-0.9	24.6	40.3
Operating profit/loss	-75.7	-12.2	-151.4	-43.9	-631.0
Operating Margin, %	-37.3	-5.4	-47.3	-8.3	-73.2
Finance income	1.3	8.7	2.3	14.8	15.4
Finance expenses	-10.2	-6.3	-20.5	-14.7	-36.6
Profit/loss before tax	-84.6	-9.8	-169.6	-43.8	-652.2
Income tax	8.4	0.3	23.3	8.2	66.2
Profit/loss for the period	-76.2	-9.5	-146.3	-35.6	-586.0
Other comprehensive income	30.7	70.1	26.4	91.3	84.0
Total comprehensive income for the period	-45.5	60.6	-119.9	55.7	-502.0
Profit/loss for the period attributable to:					
Parent Company shareholders	-45.5	60.6	-119.9	55.7	-502.0
Profit/loss for the period	-45.5	60.6	-119.9	55.7	-502.0
Earnings per share for the period before and after dilutions, SEK	-0.18	-0.03	-0.35	-0.12	-1.92



Condensed consolidated statement of financial position

SEK M	30-Jun 2023	30-Jun 2022	31-Dec 2022
Assets			
Intangible fixed assets	558.8	938.7	538.0
Tangible fixed assets	3.1	5.6	4.3
Right-of-use assets	19.3	18.6	25.3
Financial assets	152.7	65.7	121.8
<i>Total fixed assets</i>	<i>733.9</i>	<i>1,028.6</i>	<i>689.4</i>
Inventories	202.7	281.3	304.1
Accounts receivable	100.6	128.4	128.3
Other receivables	19.0	64.6	40.0
Prepaid expenses and accrued income	7.7	12.3	9.6
Cash and cash equivalents	252.4	212.8	274.1
<i>Total current assets</i>	<i>582.4</i>	<i>699.4</i>	<i>756.1</i>
Total assets	1,316.3	1,728.0	1,445.5
Shareholders' equity and liabilities			
<i>Shareholders' equity</i>	<i>746.6</i>	<i>1,082.9</i>	<i>866.5</i>
<i>Deferred tax liability</i>	<i>10.3</i>	<i>15.8</i>	<i>13.0</i>
Bond loans	295.2	292.5	293.7
Long-term lease liabilities	9.5	7.5	12.4
<i>Long-term lease liabilities</i>	<i>304.7</i>	<i>300.0</i>	<i>306.1</i>
Short-term debt lease liabilities	8.1	9.3	11.2
Accounts payable	77.0	158.8	74.3
Current tax liabilities	6.5	12.7	6.6
Other current liabilities	12.7	12.7	20.7
Accrued expenses and prepaid income	150.4	135.8	147.1
<i>Total current liabilities</i>	<i>254.7</i>	<i>329.3</i>	<i>259.9</i>
Total shareholders' equity and liabilities	1,316.3	1,728.0	1,445.5

Condensed consolidated statement of changes in equity

SEK M	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Opening shareholders' equity	792.1	1,022.3	866.5	1,027.2	1,027.2
Comprehensive income for the period	-45.5	60.6	-119.9	55.7	-502.0
Share issue	-	-	-	-	341.3
Closing shareholders' equity	746.6	1,082.9	746.6	1,082.9	866.5



Condensed consolidated cash-flow statement

SEK M	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Profit/loss before tax	-84.6	-9.8	-169.6	-43.8	-652.2
Adjustment for non-cash items	16.1	6.5	32.2	17.9	496.3
Income tax paid	-9.3	-17.2	-16.7	-28.1	-13.3
Change in inventory	85.6	-90.7	112.2	-94.1	-160.6
Change in current receivables	18.0	175.6	60.5	184.5	179.4
Change in current liabilities	26.6	-92.7	-8.5	-155.0	-183.7
Cash flow from operating activities	52.4	-28.3	10.1	-118.6	-334.1
Cash flow from investing activities	-11.9	-20.1	-29.3	-48.2	-104.6
Cash flow from financing activities	-3.2	-3.7	-6.2	-7.1	328.4
Change in cash and cash equivalents	37.3	-52.1	-25.4	-173.9	-110.3
Cash and cash equivalents on the opening date	210.9	255.1	274.1	374.3	374.3
Effect of exchange rate changes on cash	4.2	9.8	3.7	12.4	10.1
Closing cash and cash equivalents	252.4	212.8	252.4	212.8	274.1

The Group's operating segments

*

SEK M	Apr-Jun 2023	Apr-Jun 2022	Change, %	Jan-Jun 2023	Jan-Jun 2022	Change, %	Jan-Dec 2022
Revenue							
Asia	195.3	209.7	-7	299.1	491.6	-39	783.5
Rest of World	8.0	18.5	-56	21.2	36.7	-42	78.3
New Business	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Group	203.3	228.1	-11	320.3	528.3	-39	861.8

SEK M	Apr-Jun 2023	Apr-Jun 2022	Change, %	Jan-Jun 2023	Jan-Jun 2022	Change, %	Jan-Dec 2022
Operating profit/loss							
Asia	-19.6	14.9	-232	-56.3	19.3	-392	-169.4
Rest of World	-23.4	-34.6	-32	-42.8	-56.9	25	-423.1
New Business	-11.2	-	0	-11.2	-	0	-
Other	-21.5	7.5	-387	-41.1	-6.3	-	-38.5
Group	-75.7	-12.2	520	-151.4	-43.9	-245	-631.0

SEK M	Apr-Jun 2023	Apr-Jun 2022	Change, %	Jan-Jun 2023	Jan-Jun 2022	Change, %	Jan-Dec 2022
Profit/loss before tax							
Asia	-19.5	14.9	-231	-56.3	19.3	-392	-169.4
Rest of World	-23.4	-34.6	-32	-42.8	-56.9	25	-423.1
New Business	-11.2	-	-	-11.2	-	-	-
Other	-30.5	9.9	-	-59.3	-6.2	-	-59.7
Group	-84.6	-9.8	760	-169.6	-43.8	-287	-652.2

The operating segments have been renamed. "Asia" replaces the former "Mobile & PC", while "Rest of World" corresponds to the former "Payment & Access". In addition to this, sales per product category will be reported as of this interim report (see below).



Sales by product group

SEK M	Apr-Jun 2023	Apr-Jun 2022	Change, %	Jan-Jun 2023	Jan-Jun 2022	Change, %	Jan-Dec 2022
Revenue							
Mobile	164.1	150.6	9	242.6	419.7	-42	646.8
varav Asia				242.6	419.7	-42	646.8
varav Rest of World				0.0	0.0	-	0.0
Payment	3.5	1.1	233	7.5	2.6	192	15.2
varav Asia				0.0	0.0	-	0.0
varav Rest of World				7.5	2.5	194	15.2
PC	25.9	16.5	56	41.8	21.8	92	59.6
varav Asia				41.8	21.8	90	59.6
varav Rest of World				0.0	0.0	-	0.0
Access	9.8	60.0	-84	28.4	84.3	-66	140.2
varav Asia				14.6	50.2	-71	77.2
varav Rest of World				13.8	34.2	-60	63.0
Group	203.3	228.1	-11	320.3	528.3	-39	861.8

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

SEK M	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021
Revenue	203.3	117.0	190.3	143.2	228.1	300.2	356.6	354.3	290.2
Cost of goods sold	-176.7	-96.7	-173.5	-125.7	-157.2	-239.0	-243.5	-253.1	-209.8
Gross profit	26.6	20.3	16.8	17.5	70.9	61.2	113.1	101.2	80.4
Gross margin, %	13.1	17.3	8.8	12.2	31.1	20.4	31.7	28.6	27.7
Selling costs	-42.5	-33.8	-34.0	-35.4	-35.5	-37.8	-41.5	-41.8	-40.8
Administrative costs	-32.9	-34.0	-44.7	-32.0	-36.0	-30.9	-28.0	-24.4	-28.8
Development costs	-25.9	-28.3	-31.9	-25.7	-33.3	-27.2	-38.0	-23.2	-37.3
Write downs	0.0	0.0	-433.4	-	-	-	-	-	-
Other operating income/expenses	-1.0	0.1	-0.1	15.8	21.7	3.0	-1.7	-1.0	2.5
Operating profit/loss	-75.7	-75.7	-527.3	-59.8	-12.2	-31.7	3.9	10.8	-24.0
Operating margin, %	-37.3	-64.7	-277.1	-41.8	-5.4	-10.6	1.1	3.0	-8.3
Finance income/expenses	-9.0	-9.2	-14.4	-6.9	2.4	-2.3	1.5	2.5	-7.9
Profit/loss before tax	-84.6	-85.0	-541.7	-66.7	-9.8	-34.0	5.4	13.3	-31.9
Income tax	8.4	14.9	42.3	15.7	0.3	7.9	-0.1	-1.0	6.9
Profit/loss for the period	-76.2	-70.1	-499.4	-51.0	-9.5	-26.1	5.3	12.3	-25.0
Other comprehensive income	30.7	-4.3	-81.6	74.3	70.1	21.2	22.6	21.6	-17.4
Total comprehensive income for the period	-45.5	-74.4	-581.0	23.3	60.6	-4.9	27.9	33.9	-42.4



Consolidated statement of financial position for the past nine quarters

	30-Jun 2023	31-Mar 2023	31-Dec 2022	30-Sep 2022	30-Jun 2022	31-Mar 2022	31-Dec 2021	30-Sep 2021	30-Jun 2021
<i>SEK/USD exchange rate, balance date</i>	10.85	10.37	10.42	11.20	10.21	9.31	9.05	8.78	8.51
Assets									
Intangible fixed assets	558.8	541.5	538.0	1,021.6	938.7	868.2	838.5	812.8	784.0
Tangible fixed assets	3.1	3.6	4.3	5.0	5.6	5.9	6.5	6.1	6.7
Right-of-use assets	19.3	22.2	25.3	15.2	18.6	21.4	24.2	18.7	22.5
Financial fixed assets	152.7	138.7	121.8	81.0	65.7	61.2	53.6	50.9	47.8
<i>Total fixed assets</i>	<i>733.9</i>	<i>706.0</i>	<i>689.4</i>	<i>1,122.8</i>	<i>1,028.6</i>	<i>956.7</i>	<i>922.8</i>	<i>888.5</i>	<i>861.0</i>
Inventories	202.7	274.0	304.1	412.4	281.3	175.6	159.3	161.1	154.7
Accounts receivable	100.6	97.1	128.3	133.2	128.4	261.5	280.0	203.9	141.5
Other receivables	19.0	32.7	40.0	37.2	64.6	72.5	51.3	18.4	15.9
Prepaid expenses and accrued income	7.7	8.7	9.6	11.3	12.3	14.2	11.3	13.9	11.4
Cash and cash equivalents	252.4	210.9	274.1	71.4	212.8	255.1	374.3	120.7	193.1
<i>Total current assets</i>	<i>582.4</i>	<i>623.4</i>	<i>756.1</i>	<i>665.5</i>	<i>699.4</i>	<i>778.9</i>	<i>876.2</i>	<i>518.0</i>	<i>516.6</i>
Total assets	1,316.3	1,329.4	1,445.5	1,788.3	1,728.0	1,735.6	1,799.0	1,406.5	1,377.6
Shareholders' equity and liabilities									
<i>Shareholders' equity</i>	<i>746.6</i>	<i>792.1</i>	<i>866.5</i>	<i>1,106.2</i>	<i>1,082.9</i>	<i>1,022.3</i>	<i>1,027.2</i>	<i>999.3</i>	<i>965.4</i>
<i>Deferred tax liability</i>	<i>10.3</i>	<i>11.4</i>	<i>13.0</i>	<i>15.6</i>	<i>15.8</i>	<i>16.4</i>	<i>16.6</i>	<i>19.5</i>	<i>18.4</i>
<i>Long-term liabilities</i>	<i>304.7</i>	<i>305.4</i>	<i>306.1</i>	<i>298.6</i>	<i>300.0</i>	<i>302.9</i>	<i>304.2</i>	<i>7.0</i>	<i>8.2</i>
Short-term debt of long-term liabilities	8.1	9.7	11.2	9.6	9.3	10.3	11.3	9.9	12.1
Accounts payable	77.0	51.3	74.3	190.4	158.8	158.4	221.8	195.0	204.9
Current tax liabilities	6.5	6.4	6.6	8.0	12.7	6.2	14.0	7.1	1.9
Other current liabilities	12.7	14.3	20.7	18.5	12.7	45.5	35.5	13.9	22.7
Accrued expenses and prepaid income	150.4	138.8	147.1	141.4	135.8	173.6	168.4	154.8	144.0
<i>Total current liabilities</i>	<i>254.7</i>	<i>220.5</i>	<i>259.9</i>	<i>367.9</i>	<i>329.3</i>	<i>394.0</i>	<i>451.0</i>	<i>380.7</i>	<i>385.6</i>
Total shareholders' equity and liabilities	1,316.3	1,329.4	1,445.5	1,788.3	1,728.0	1,735.6	1,799.0	1,406.5	1,377.6

Consolidated cash-flow statement for the past nine quarters

SEK M	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021
Profit/loss before tax	-84.6	-85.0	-541.7	-66.7	-9.8	-34.0	5.4	13.3	-31.9
Adjustment for non-cash items	16.1	16.1	475.8	2.6	6.5	11.4	43.7	29.8	36.0
Income tax paid	-9.3	-7.4	5.4	9.4	-17.2	-10.9	-2.4	0.8	-1.8
Change in inventory	85.6	26.6	27.6	-94.1	-90.7	-3.4	-8.0	-10.9	-36.8
Change in current receivables	18.0	42.5	-28.9	23.8	175.6	8.8	-101.9	-59.7	106.6
Change in current liabilities	26.6	-35.1	-42.1	13.4	-92.7	-62.2	46.4	-18.8	-21.8
Cash flow fr. operating activities	52.4	-42.3	-103.9	-111.6	-28.3	-90.3	-16.8	-45.5	50.3
Cash flow from investing activities	-11.9	-17.4	-28.3	-28.1	-20.1	-28.1	-23.7	-26.0	-18.6
Cash flow from financing activities	-3.2	-3.0	337.8	-2.3	-3.7	-3.3	294.8	-3.6	-143.7
Change in cash and cash equiv.	37.3	-62.7	205.6	-142.0	-52.1	-121.7	254.3	-75.1	-112.0
Cash and cash equiv. on the opening date	210.9	274.1	71.4	212.8	255.1	374.3	120.7	193.1	313.6
Effect of exchange rate changes on cash	4.2	-0.5	-2.9	0.6	9.8	2.5	-0.7	2.7	-8.5
Closing cash and cash equivalents	252.4	210.9	274.1	71.4	212.8	255.1	374.3	120.7	193.1



Condensed income statement, Parent Company

SEK M	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Revenues	7.7	45.1	19.6	130.6	257.4
Cost of goods sold	-1.3	-17.0	-3.5	-33.5	-73.0
Gross profit	6.5	28.1	16.1	97.1	184.4
Selling expenses	-6.4	-3.9	-12.6	-15.4	-34.7
Administrative expenses	-31.5	-30.8	-65.7	-53.4	-94.0
Development expenditure	-3.7	-39.4	-14.2	-77.2	-149.4
Other operating revenues/expenses	-2.3	11.2	-1.2	14.7	28.4
Operating profit/loss	-37.4	-34.7	-77.6	-34.2	-65.3
Finance revenues	20.4	14.7	30.0	12.2	10.9
Finance expenses	-8.4	-7.8	-21.7	-16.3	-37.3
Profit/loss after financial items	-25.4	-27.9	-69.3	-38.3	-91.7
Group contribution	0.0	0.0	0.0	0.0	-222.7
Profit/loss before tax	-25.4	-27.9	-69.3	-38.3	-314.4
Tax	5.0	5.9	14.0	7.9	59.4
Profit/loss for the period ***	-20.4	-22.0	-55.3	-30.4	-255.0

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

Condensed balance sheet, Parent Company

SEK M	30-Jun 2023	30-Jun 2022	31-Dec 2021
Assets			
Intangible fixed assets	0.8	2.7	1.4
Tangible fixed assets	1.6	3.2	2.4
Financial fixed assets	687.8	126.0	598.2
<i>Total fixed assets</i>	<i>690.2</i>	<i>131.9</i>	<i>602.0</i>
Inventories	2.4	14.0	4.6
Accounts receivable	13.7	9.1	34.1
Current receivables	12.3	546.1	54.3
Cash and cash equivalents	68.4	51.4	191.3
<i>Total current assets</i>	<i>96.8</i>	<i>620.6</i>	<i>284.3</i>
Total assets	787.0	752.5	886.3
Shareholders' equity and liabilities			
<i>Shareholders' equity</i>	<i>372.0</i>	<i>311.8</i>	<i>427.3</i>
<i>Bond loan</i>	<i>295.2</i>	<i>292.5</i>	<i>293.7</i>
Accounts payable	12.0	37.3	23.0
Other current liabilities	107.8	110.9	142.3
<i>Total current liabilities</i>	<i>119.8</i>	<i>148.2</i>	<i>165.3</i>
Total shareholders' equity and liabilities	787.0	752.5	886.3



Key consolidated data

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Revenue, SEK M	203.3	228.1	320.3	528.3	861.8
Revenue change, %	-10.9	-21.4	-39.4	-15.4	-36.4
Gross margin, %	13.1	31.1	14.7	25.0	19.3
Operating margin, %	-37.3	-5.4	-47.3	-8.3	-73.2
Profit margin, %	-37.5	-4.2	-45.7	-6.7	-68.0
EBITDA, SEK M	-57.7	6.5	-118.0	-3.6	-116.0
Ajusted EBITDA, SEK M	-57.7	6.5	-118.0	-3.6	-83.4
Return on equity, %	-9.9	-0.9	-18.1	-3.4	-67.6
Cash flow from operating activities, SEK M	52.4	-28.3	10.1	-118.6	-334.1
Equity/assets ratio, %	56.7	62.7	56.7	62.7	59.9
Investments, SEK M	-12.0	-20.1	-29.3	-48.2	-104.6
Depreciations, SEK M	18.0	18.7	33.4	40.3	515.1
Average number of employees	208	250	212	252	239
Shareholders' equity per share before and after dilution, SEK	1.77	3.68	1.77	3.68	2.06
Cash flow from operating activities/share before and after dilution, SEK	0.12	-0.10	0.02	-0.40	-0.79
Number of shares at period end, 000s	420,693	294,200	420,693	294,200	420,693
Average number of shares before and after dilution, 000s	420,693	294,200	420,693	294,200	304,741
Share price at period end	1.84	8.94	1.84	8.94	2.93

Key consolidated figures for the past nine quarters

	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022	Apr-Jun 2022	Jan-Mar 2022	Oct-Dec 2021	Jul-Sep 2021	Apr-Jun 2021
Revenue, SEK M	203.3	117.0	190.3	143.2	228.1	300.2	356.6	354.3	290.2
Revenue change, %	-10.9	-48.7	-46.6	-59.6	-21.4	-15.4	-3.5	20.5	2.8
Gross margin, %	13.1	17.3	8.8	12.2	31.1	20.4	31.7	28.6	27.7
Operating margin, %	-37.3	-64.7	-277.1	-41.8	-5.4	-10.6	1.1	3.0	-8.3
Profit margin, %	-37.5	-59.9	-262.4	-35.6	-4.2	-8.7	1.5	3.5	-8.6
EBITDA, SEK M	-57.7	-60.2	-74.3	-38.1	6.5	-10.1	26.7	32.3	9.4
Return on equity, %	-9.9	-8.5	-50.6	-4.7	-0.9	-2.5	0.5	1.3	-4.0
Cash flow from operating activities, SEK M	52.4	-42.3	-103.9	-111.6	-28.3	-90.3	-16.8	-45.5	50.3
Equity/assets ratio, %	56.7	59.6	59.9	61.9	62.7	58.9	57.1	71.1	70.1
Investments, SEK M	-12.0	-17.4	-27.9	-28.1	-20.1	-28.1	-23.7	-26.0	-18.6
Depreciations, SEK M	18.0	15.5	453.0	21.7	18.7	21.6	22.8	21.6	33.5
Average number of employees	208	215	218	233	250	255	255	252	246
Shareholders' equity per share, SEK	1.77	1.88	2.06	3.76	3.68	3.47	3.49	3.40	3.28
Cash flow from operating activities, SEK	0.12	-0.10	-0.25	-0.38	-0.10	-0.31	-0.06	-0.15	0.17
Number of shares at period end, 000s	420,693	420,693	420,693	294,200	294,200	294,200	294,200	294,200	294,200
Average number of shares before and after dilution, 000s	420,693	420,693	336,364	294,200	294,200	294,200	294,200	294,200	295,754
Share price at period end, SEK	1.84	3.29	2.93	5.63	8.94	14.87	20.68	24.31	32.66



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

	Jul-Jun 2022-23	Apr-Mar 2022-23	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
Revenues, SEK M	653.7	678.6	861.8	1,028.0	1,239.2	1,301.3	1,355.8	1,368.6	1,308.2
Gross profit, SEK M	81.1	125.4	166.4	262.7	346.5	355.9	396.9	371.1	323.1
Gross margin, %	12.4	18.5	19.3	25.6	28.0	27.4	29.3	27.1	24.7
Operating profit/loss, SEK M	-738.5	-662.9	-631.0	-99.8	-29.2	-41.0	-7.6	-338.5	-353.9
Operating margin, %	-113.0	-97.7	-73.2	-9.7	-2.4	-3.2	-0.6	-24.7	-27.1
EBITDA, SEK M	-230.4	-166.2	-116.0	-14.9	55.3	58.4	85.6	91.4	67.8



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 in the Parent Company 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.
Adjusted EBITDA	EBITDA adjusted for non-recurring costs.
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 result	Operating result 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.