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Fingerprints announces final terms for the partially guaranteed rights issue

On 17 December 2024, the Board of Directors of Fingerprint Cards AB (publ) ("Fingerprints" or the "Company") announced that the Board of Directors resolved to carry out a partially guaranteed issue of units consisting of new shares of series B ("B-shares") and warrants entitling for subscription of B-shares ("Warrants") (together "Units") of up to approximately SEK 160 million with preferential rights for its existing shareholders, subject to subsequent approval from an extraordinary general meeting in the Company to be held on 17 January 2025 (the "Rights Issue"). Today, Fingerprints' Board of Directors announce the final terms of the Rights Issue, including the subscription price and the maximum number of Units (and thereby the maximum number of B-shares and Warrants) to be issued, the number of unit rights and the subscription price for each Unit and thereby the price per B-share (the Warrants will be issued free of charge). The subscription price has been set to SEK 0.48 per Unit and shareholders in Fingerprints will receive one (1) unit right per each existing share (irrespective of class) held on the record date, of which eleven (11) such unit rights entitles to subscribe for one (1) Unit in the Rights Issue. Each Unit consists of forty-eight (48) B-shares and eight (8) Warrants, each of which entitles to subscription of one (1) new B-share in the Company.

Summary

- Shareholders in Fingerprints as of the record date 24 January 2025, will receive one (1) unit right per each existing share (irrespective of class) held on the record date, of which eleven (11) such unit rights entitles to subscribe for one (1) Unit in the Rights Issue.
- A maximum of 333,126,105 Units will be issued in total. Each Unit consists of forty-eight (48) B-shares and eight (8) Warrants, each of which entitles to subscription of one (1) new B-share in the Company. This entails that not more than 15,990,053,040 new B-shares and 2,665,008,840 Warrants will be issued in the Rights Issue.
- The subscription price per Unit have been set to SEK 0.48, corresponding to SEK 0.01 per underlying B-share (the Warrants are issued free of charge), which entails that the Rights Issue, if fully subscribed for, will provide the Company with proceeds of approximately SEK 159.9 million before deduction of issue costs related to the Rights Issue.
- The record date in the Rights Issue is 24 January 2025 and the subscription period runs from and including 28 January 2025 up to and including 11 February 2025.
- The last day of trading in B-shares including the right to receive unit rights in the Rights Issue is 22 January 2025.
- The Rights Issue is subject to subsequent approval by the extraordinary general meeting to be held on 17 January 2025.
- The Rights Issue is subject to subscription undertakings and guarantee commitments in an aggregate amount of up to SEK 115 million.

Terms of the Rights Issue

Shareholders which on the record date 24 January 2025 are registered as shareholders in Fingerprints in the share register maintained by Euroclear Sweden AB, have preferential rights to subscribe for Units in relation to the number of shares, irrespective of class, held on the record date. Shareholders will receive one (1) unit right per each existing share (irrespective of class) held on the record date, of which eleven (11) such unit rights entitles the holder to subscribe for one (1) Unit in the Rights Issue. A maximum of 333,126,105 Units will be

issued in total. Each Unit consists of forty-eight (48) B-shares and eight (8) Warrants. This entails that not more than 15,990,053,040 new B-shares and 2,665,008,840 Warrants will be issued, entailing an increase of the total number of B-shares in the Company from 3,660,312,158 B-shares to up to 19,650,365,198 B-shares and an increase in the Company's share capital from SEK 159,722,063.945933 to up to SEK 162,920,074.553933, provided that Units are fully subscribed for in the Rights Issue.

One Warrant will entitle the holder to subscribe for one (1) B-share in the Company from and including the first trading day that falls after 11 September 2026 up to and including 2 October 2026 at a subscription price corresponding to 70 per cent of the volume-weighted average price ("VWAP") for the Company's B-share on Nasdaq Stockholm during the 10 trading days that occurs immediately prior to the exercise period for the Warrants, however not higher than the equivalent of 150 per cent of the subscription price per B-share in the Rights Issue and not lower than the equivalent of (i) the quota value for the Company's shares from time to time or (ii) SEK 0.01. Upon full exercise of all Warrants in the Rights Issue, the number of B-shares in the Company will increase by an additional 2,665,008,840 B-shares and the Company's share capital will increase by not more than SEK 533,001.768.

The subscription price per Unit has been set to SEK 0.48, corresponding to SEK 0.01 per underlying B-share (the Warrants are issued free of charge), which entails that the Rights Issue, if fully subscribed for, will provide the Company with proceeds of approximately SEK 159.9 million before deduction of issue costs.

In the event that not all Units are subscribed for with unit rights, the Company's Board of Directors shall resolve on allotment of Units subscribed for without unit rights within the maximum amount of the Rights Issue. In such cases, allotment of new Units shall be carried out in accordance with the following:

- *Firstly*, allotment of Units shall be granted to those who have subscribed for Units by exercising unit rights, regardless if they were registered as shareholders on the record date or not and, in the event of over-subscription, *pro rata* in relation to their subscription by exercising unit rights and, to the extent this is not possible, by drawing lots,
- *Secondly*, allotment of Units shall be granted to others who have subscribed for Units without exercising unit rights and, in the event of over-subscription, *pro rata* in relation to the subscribed amount and, to the extent this is not possible, by drawing lots,
- *Thirdly*, allotment of Units that does not constitute FDI Units (as defined below) shall, as applicable, be granted to the parties who guarantees part of the Rights Issue, *pro rata* in relation to such guarantee commitments in accordance with separate agreement with the Company, and
- *Ultimately*, as applicable, allotment of Units that constitutes FDI Units (as defined below) shall be granted to the relevant parties who guarantees part of the Rights Issue if and when that guarantor has obtained a positive FDI Decision (as defined below).

Allotment of Units (and thereby B-shares) in the Rights Issue that would entail that a party who guarantees part of the Rights Issue gains control of ten (10) per cent or more of the votes in the Company following the Rights Issue requires a prior decision from the Inspectorate of Strategic Products ("ISP") in accordance with the Screening of Foreign Direct Investment Act (the "Swedish FDI Act") (*Sw. lag (2023:560) om granskning av utländska direktinvesteringar*), and, if applicable, any other equivalent body pursuant to legislation in any other jurisdiction, to approve the investment or leave the application therefore without remark ("FDI Decision"). Such Units in the Rights Issue which, if granted to a party who guarantees part of the Rights Issue, would require a FDI Decision and such FDI Decision has not been obtained at the time of granting are referred to as "FDI Units".

The Rights Issue is covered by subscription undertakings and guarantee commitments in an aggregate amount of up to SEK 115 million. The subscription undertakings have been made by certain existing shareholders, board members and management team, including Juan Vallejo, Christian Lagerling, Adam Philpott and Fredrik Hedlund, amounting to SEK 0.7 million. Moreover, certain external investors, such as Wilhelm Risberg and Fredrik Lundgren, have entered into guarantee commitments in an aggregate amount of up to SEK 114.3 million. No guarantee commitment covers the subscription of and payment for Units in the Rights Issue in excess of SEK 115 million. A guarantee commission will be paid for the guarantee commitments, whereby commission is paid with ten (10) per cent of the guaranteed amount in cash. No fee will be paid in respect of the subscription undertakings.

The record date for determining which shareholders are entitled to subscribe for Units is 24 January 2025. The B-shares are traded including right to participate in the Rights Issue up to and including 22 January 2025. The subscription period is expected to run from and including 28 January 2025 up to and including 11 February 2025. In the event that any guarantee commitment will require the subscription and payment of FDI Units, there will be a separate and longer subscription and payment period in respect of such FDI Units which may run up until 13 June 2025. Trading in unit rights is expected to take place on Nasdaq Stockholm during the period from and including 28 January 2025 up to and including 6 February 2025, and trading in paid subscribed Units (Sw. *betalda tecknade Units*, "BTU") is expected to occur from and including 28 January 2025 up to and including 20 February 2025.

The new B-shares and Warrants to be issued through the issue of Units are expected to be admitted to trading on Nasdaq Stockholm on or around 26 February 2025.

Shareholders not participating in the Rights Issue will be subject to a dilutive effect corresponding to approximately 81.3 per cent of the number of shares and approximately 81.0 per cent of the number of votes upon full subscription in the Rights Issue. If the Warrants are exercised in full, there will be an additional dilutive effect corresponding to approximately 11.9 per cent of the number of shares and votes. The total dilutive effect upon full subscription in the Rights Issue as well as full exercise of all Warrants amounts to a maximum of approximately 83.6 per cent of the number of shares and a maximum of approximately 83.3 per cent of the number of votes. However, the shareholders have the possibility to fully or partly compensate themselves financially for the dilutive effect by selling their unit rights.

Extraordinary general meeting

The Rights Issue is subject to subsequent approval by the extraordinary general meeting to be held on 17 January 2025. The notice to the extraordinary general meeting is available at Fingerprints' website, www.fingerprints.com.

Preliminary timetable

- 17 January 2025: Extraordinary general meeting
- 22 January 2025: Last day of trading in shares including right to receive unit rights
- 23 January 2025: Estimated date for publication of the prospectus
- 23 January 2025: First day of trading in shares excluding right to receive unit rights
- 24 January 2025: Record date for participation in the Rights Issue
- 28 January – 6 February 2025: Trading in unit rights
- 28 January – 11 February 2025: Subscription period
- 28 January – 20 February 2025: Trading in paid subscribed Units (BTU)
- 12 February 2025: Estimated date for announcement of the outcome in the Rights Issue

Prospectus

A prospectus regarding the Rights Issue is intended to be published on or around 23 January 2025 on Fingerprints' website, www.fingerprints.com and on Carnegie Investment Bank AB's (publ) website, www.carnegie.se.

Advisors

Fingerprints has engaged Penser by Carnegie, Carnegie Investment Bank AB (publ), as financial advisor and Gernandt & Danielsson Advokatbyrå KB as legal advisor in connection with the Rights Issue.

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This is the type of information that Fingerprint Cards AB (publ) 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 above, on 16 January 2025 at 8:50 PM CET.

Important information

This press release does not contain and does not constitute an offer to acquire, subscribe or otherwise trade in units, warrants, shares, unit rights, subscription rights, BTU, BTA, convertibles or other securities in Fingerprints. The offer to relevant persons regarding the subscription of shares and warrants in Fingerprints (though units) will only be made through the prospectus that Fingerprints will publish on its website after approval and registration with the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*).

The information in this press release may not be disclosed, published or distributed, directly or indirectly, in or into the United States (including its territories and possessions), Australia, Japan, Canada, Hong Kong, New Zealand, Singapore or South Africa or any other jurisdiction where distribution or publication would be illegal or require registration or other measures than those that follow from Swedish law. Actions that violate these restrictions may constitute a violation of applicable securities laws.

No units, warrants, shares, unit rights, subscription rights, BTU, BTA, convertibles or other securities have been registered, and no units, warrants, shares, unit rights, subscription rights, BTU, BTA, convertibles or other securities will be registered under the United States Securities Act of 1933 as currently amended ("Securities Act") or the securities legislation of any state or other jurisdiction of the United States and no units, warrants, shares, unit rights, subscription rights, BTU, BTA, convertibles or other securities may be offered, sold, or otherwise transferred, directly or indirectly, within or into the United States, except under an available exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States.

In all EEA Member States ("EEA"), other than Sweden, Denmark, Finland and Norway, this press release is intended for and is directed only to qualified investors in the relevant Member State as defined in the Regulation (EU) 2017/1129 (together with associated delegated regulations and implementing regulations, the "Prospectus

Regulation”), i.e. only to those investors who can receive the offer without an approved prospectus in such EEA Member State.

In the United Kingdom, this press release is directed and communicated only to persons who are qualified investors as defined in Article 2(e) of the Prospectus Regulation (as incorporated into domestic law in the United Kingdom) who are (i) persons who fall within the definition of “professional investors” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (“the Regulation”), or (ii) persons covered by Article 49(2)(a) - (d) in the Regulation, or (iii) persons to whom the information may otherwise lawfully be communicated (all such persons referred to in (i), (ii) and (iii) above are collectively referred to as “Relevant Persons”). Securities in the Company are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will only be processed in respect of Relevant Persons. Persons who are not Relevant Persons should not act based on or rely on the information contained in this press release.

The Company considers that it carries out protection-worthy activities under the Foreign Direct Investment Screening Act (the “Swedish FDI Act”) (Sw. *lag (2023:560) om granskning av utländska direktinvesteringar*). According to the Swedish FDI Act, the Company must inform presumptive investors that the Company’s activities may fall under the regulation and that the investment may be subject to mandatory filing. If an investment is subject to mandatory filing, it must prior to its completion, be filed with the Inspectorate of Strategic Products (the “ISP”). An investment may be subject to mandatory filing if i) the investor, a member of the investor’s ownership structure or a person on whose behalf the investor is acting would, after the completion of the investment, hold votes in the Company equal to, or exceeding any of the thresholds of 10, 20, 30, 50, 65 or 90 per cent of the total number of votes in the Company, ii) the investor would, as a result of the investment, acquire the Company, and the investor, a member of the investor’s ownership structure or a person on whose behalf the investor is acting, would, directly or indirectly, hold 10 per cent or more of the total number of votes in the Company, or iii) the investor, a member of the investor’s ownership structure or a person on whose behalf the investor is acting, would acquire, as a result of the investment, direct or indirect influence on the management of the Company. The investor may be imposed an administrative sanction charge if a mandatory filing investment is carried out before the ISP either i) decided to leave the notification without action or ii) authorised the investment. Each shareholder should consult an independent legal adviser on the possible application of the Swedish FDI Act in relation to the Rights Issue for the individual shareholder.

This announcement does not constitute an investment recommendation. The price and value of securities and any income from them can go down as well as up and you could lose your entire investment. Past performance is not a guide to future performance. Information in this announcement cannot be relied upon as a guide to future performance.

Forward-looking statements

Matters discussed in this press release may contain forward-looking statements. Such statements are all statements that are not historical facts and contain expressions such as “believes”, “expects”, “anticipates”, “intends”, “estimates”, “will”, “may”, “continues”, “should” and other similar expressions. The forward-looking statements in this press release are based on various assumptions, which in several cases are based on additional assumptions. Although Fingerprints believes these assumptions were reasonable when made, such forward-looking statements are subject to known and unknown risks, uncertainties, contingencies and other material factors that are difficult or impossible to predict and beyond its control. Such risks, uncertainties, contingencies and material factors could cause actual results to differ materially from those expressed or implied in this communication through the forward-looking statements. The information, perceptions and forward-looking statements contained in press release speak only as at its date, and are subject to change without notice. Fingerprints undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or other circumstances, except for when it is required by law or other

regulations. Accordingly, investors are cautioned not to place undue reliance on any of these forward-looking statements.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Fingerprints have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Fingerprints may decline and investors could lose all or part of their investment; the shares in Fingerprints offer no guaranteed income and no capital protection; and an investment in the shares in Fingerprints is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Rights Issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Fingerprints.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Fingerprints and determining appropriate distribution channels.

About Fingerprints

Fingerprint Cards AB (Fingerprints) – the world’s leading biometrics company, with its roots in Sweden. We believe in a secure and seamless universe, where you are the key to everything. Our solutions are found in hundreds of millions of devices and applications, and are used billions of times every day, providing safe and convenient identification and authentication with a human touch. For more information visit our website, read our blog, and follow us on X. Fingerprints is listed on Nasdaq Stockholm (FING B).