Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	976 846 923
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	IDEX BIOMETRICS ASA
Forretningsadresse:	Henrik Ibsens gate 90 0255 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Erling Svela
Dato for fastsettelse av årsregnskapet:	21.05.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert

År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 03.08.2025

Resultatregnskap

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		793 000	4 138 000
Sum inntekter		**793 000**	**4 138 000**
Kostnader			
Varekostnad		1 684 000	3 908 000
Lønnskostnad	5	1 087 000	2 308 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	11, 12, 13	1 751 000	752 000
Research and development	6, 7	12 067 000	12 912 000
Annen driftskostnad	8, 25	8 685 000	9 729 000
Sum kostnader		**25 274 000**	**29 609 000**
Driftsresultat		**-24 481 000**	**-25 471 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	16	9 611 000	695 000
Sum finansinntekter		**9 611 000**	**695 000**
Annen finanskostnad		8 106 000	365 000
Sum finanskostnader		**8 106 000**	**365 000**
Netto finans		**1 505 000**	**330 000**
Resultat før skattekostnad		**-22 976 000**	**-25 141 000**
Årsresultat		**-22 976 000**	**-25 141 000**

Balanse

Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	11	569 000	1 011 000
Goodwill	11	0	968 000
Sum immaterielle eiendeler		**569 000**	**1 979 000**
Varige driftsmidler			
Right-of-use assets	13	15 000	39 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	12	15 000	303 000
Sum varige driftsmidler		**30 000**	**342 000**
Finansielle anleggsmidler			
Investering i datterselskap	1, 27	452 000	1 749 000
Andre fordringer		7 000	7 000
Sum finansielle anleggsmidler		**459 000**	**1 756 000**
Sum anleggsmidler		**1 058 000**	**4 077 000**
Omløpsmidler			
Varer			
Varer	19	5 548 000	6 384 000
Sum varer		**5 548 000**	**6 384 000**
Fordringer			
Kundefordringer	14	30 000	1 068 000
Prepaid expenses		660 000	463 000
Andre fordringer	14	274 000	525 000
Konsernfordringer	14	2 403 000	10 366 000
Sum fordringer		**3 367 000**	**12 422 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	20	1 921 000	10 818 000
Sum bankinnskudd, kontanter og lignende		**1 921 000**	**10 818 000**

Balanse

Beløp i: USD	Note	2024	2023
Sum omløpsmidler		**10 836 000**	**29 624 000**
SUM EIENDELER		**11 894 000**	**33 701 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	22	12 942 000	25 955 000
Overkurs		1 735 000	2 118 000
Annen innskutt egenkapital		25 210 000	24 858 000
Sum innskutt egenkapital		**39 887 000**	**52 931 000**
Opptjent egenkapital			
Capital redction reserves		321 264 000	300 500 000
Udekket tap		360 485 000	337 509 000
Sum opptjent egenkapital		**-39 221 000**	**-37 009 000**
Sum egenkapital		**666 000**	**15 922 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Non-current lease liabilities			13 000
Non-interest-bearing loans	17	1 984 000	
Embedded derivative	17	139 000	
Sum annen langsiktig gjeld		**2 123 000**	**13 000**
Sum langsiktig gjeld		**2 123 000**	**13 000**
Kortsiktig gjeld			
Leverandørgjeld	16	754 000	721 000
Skyldige offentlige avgifter		87 000	89 000
Kortsiktig konserngjeld	16	6 468 000	6 794 000
Current lease liabilites	13, 16	4 000	19 000
Interest-bearing loans	17		5 076 000
Other current financial liabiliteis	17	652 000	3 545 000

Balanse

Beløp i: USD	Note	2024	2023
Annen kortsiktig gjeld		1 140 000	1 522 000
Sum kortsiktig gjeld		**9 105 000**	**17 766 000**
Sum gjeld		**11 228 000**	**17 779 000**
SUM EGENKAPITAL OG GJELD		**11 894 000**	**33 701 000**

Konsernets resultatregnskap

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		841 000	4 138 000
Sum inntekter		**841 000**	**4 138 000**
Kostnader			
Varekostnad		1 684 000	3 908 000
Lønnskostnad	5	8 797 000	14 305 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	11, 12, 13	2 517 000	1 635 000
Research and development	6, 7	2 457 000	2 393 000
Annen driftskostnad	8, 25	7 289 000	8 744 000
Sum kostnader		**22 744 000**	**30 985 000**
Driftsresultat		**-21 903 000**	**-26 847 000**
Finansinntekter og finanskostnader			
Annen finansinntekt		7 904 000	842 000
Finansinntekt fra modifikasjon av finansiell instrumenter, net		1 841 000	
Sum finansinntekter		**9 745 000**	**842 000**
Annen finanskostnad		2 411 000	639 000
Sum finanskostnader		**2 411 000**	**639 000**
Netto finans		**7 334 000**	**203 000**
Resultat før skattekostnad		**-14 569 000**	**-26 644 000**
Skattekostnad		-120 000	-15 000
Årsresultat		**-14 449 000**	**-26 629 000**

Konsernets balanse

Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	11	569 000	1 011 000
Goodwill		0	968 000
Sum immaterielle eiendeler		**569 000**	**1 979 000**
Varige driftsmidler			
Right-of-use assets	13	293 000	1 778 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	12	123 000	812 000
Sum varige driftsmidler		**416 000**	**2 590 000**
Finansielle anleggsmidler			
Andre fordringer		57 000	81 000
Sum finansielle anleggsmidler		**57 000**	**81 000**
Sum anleggsmidler		**1 042 000**	**4 650 000**
Omløpsmidler			
Varer			
Varer	19	5 548 000	6 384 000
Sum varer		**5 548 000**	**6 384 000**
Fordringer			
Kundefordringer		30 000	949 000
Andre fordringer		901 000	979 000
Prepaid expenses		765 000	648 000
Sum fordringer		**1 696 000**	**2 576 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		2 011 000	11 352 000
Sum bankinnskudd, kontanter og lignende		**2 011 000**	**11 352 000**
Sum omløpsmidler		**9 255 000**	**20 312 000**

Konsernets balanse

Beløp i: USD	Note	2024	2023
SUM EIENDELER		**10 297 000**	**24 962 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	22	12 942 000	25 955 000
Overkurs		1 735 000	2 118 000
Annen innskutt egenkapital		25 210 000	24 858 000
Sum innskutt egenkapital		**39 887 000**	**52 931 000**
Opptjent egenkapital			
FX transaltion effects		-11 959 000	-12 068 000
Capital reduction reserves		321 264 000	300 500 000
Udekket tap		344 479 000	330 029 000
Sum opptjent egenkapital		**-35 174 000**	**-41 597 000**
Sum egenkapital		**4 713 000**	**11 334 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Non-current lease lease liabilities	13, 16		1 238 000
Non-interest-bearing loans	17	1 984 000	
EEmbedded derivative	17	139 000	
Sum annen langsiktig gjeld		**2 123 000**	**1 238 000**
Sum langsiktig gjeld		**2 123 000**	**1 238 000**
Kortsiktig gjeld			
Konvertible lån	17		5 076 000
Leverandørgjeld	16	850 000	688 000
Skyldige offentlige avgifter		269 000	283 000
Current lease liabilites	13, 16	396 000	624 000
Annen kortsiktig gjeld	17	652 000	3 545 000
Annen kortsiktig gjeld		1 294 000	2 174 000
Sum kortsiktig gjeld		**3 461 000**	**12 390 000**

Konsernets balanse

Beløp i: USD	Note	2024	2023
Sum gjeld		**5 584 000**	**13 628 000**
SUM EGENKAPITAL OG GJELD		**10 297 000**	**24 962 000**

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Journalnummer:	2025 617348

Enheten

Organisasjonsnummer:	976 846 923
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	IDEX BIOMETRICS ASA
Forretningsadresse:	Henrik Ibsens gate 90 0255 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Erling Svela
Dato for fastsettelse av årsregnskapet:	21.05.2025

Grunnlag for avgivelse

År 2024: Årsregnskap er elektronisk innlevert.
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 02.08.2025

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 976 846 923
IDEX BIOMETRICS ASA

RESULTATREGNSKAP

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		793 000	4 138 000
Sum inntekter		**793 000**	**4 138 000**
Kostnader			
Varekostnad		1 684 000	3 908 000
Lønnskostnad	5	1 087 000	2 308 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	11, 12, 1	1 751 000	752 000
Research and development	6, 7	12 067 000	12 912 000
Annen driftskostnad	8, 25	8 685 000	9 729 000
Sum kostnader		**25 274 000**	**29 609 000**
Driftsresultat		**-24 481 000**	**-25 471 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	16	9 611 000	695 000
Sum finansinntekter		**9 611 000**	**695 000**
Annen finanskostnad		8 106 000	365 000
Sum finanskostnader		**8 106 000**	**365 000**
Netto finans		**1 505 000**	**330 000**
Resultat før skattekostnad		**-22 976 000**	**-25 141 000**
Årsresultat		**-22 976 000**	**-25 141 000**

Organisasjonsnr: 976 846 923
IDEX BIOMETRICS ASA

BALANSE

Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	11	569 000	1 011 000
Goodwill	11	0	968 000
Sum immaterielle eiendeler		**569 000**	**1 979 000**
Varige driftsmidler			
Right-of-use assets	13	15 000	39 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	12	15 000	303 000
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Investering i datterselskap	1, 27	452 000	1 749 000
Andre fordringer		7 000	7 000
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Sum anleggsmidler		**1 058 000**	**4 077 000**
Omløpsmidler			
Varer			
Varer	19	5 548 000	6 384 000
Sum varer		**5 548 000**	**6 384 000**
Fordringer			
Kundefordringer	14	30 000	1 068 000
Prepaid expenses		660 000	463 000
Andre fordringer	14	274 000	525 000
Konsernfordringer	14	2 403 000	10 366 000
Sum fordringer		**3 367 000**	**12 422 000**
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Bankinnskudd, kontanter og lignende	20	1 921 000	10 818 000
Sum bankinnskudd, kontanter og lignende		**1 921 000**	**10 818 000**
Sum omløpsmidler		**10 836 000**	**29 624 000**
SUM EIENDELER		**11 894 000**	**33 701 000**
BALANSE - EGENKAPITAL OG GJELD			

Egenkapital			
Innskutt egenkapital			
Selskapskapital	22	12 942 000	25 955 000
Overkurs		1 735 000	2 118 000
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Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Non-current lease liabilities			13 000
Non-interest-bearing loans	17	1 984 000	
Embedded derivative	17	139 000	
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Sum langsiktig gjeld		**2 123 000**	**13 000**
Kortsiktig gjeld			
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Sum gjeld		**11 228 000**	**17 779 000**
SUM EGENKAPITAL OG GJELD		**11 894 000**	**33 701 000**

Organisasjonsnr: 976 846 923
IDEX BIOMETRICS ASA

KONSERNRESULTATREGNSKAP

Beløp i: USD	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		841 000	4 138 000
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Kostnader			
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Annen finanskostnad		2 411 000	639 000
Sum finanskostnader		**2 411 000**	**639 000**
Netto finans		**7 334 000**	**203 000**
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Skattekostnad		-120 000	-15 000
Årsresultat		**-14 449 000**	**-26 629 000**

Organisasjonsnr: 976 846 923
IDEX BIOMETRICS ASA

KONSERNBALANSE

Beløp i: USD	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	11	569 000	1 011 000
Goodwill		0	968 000
Sum immaterielle eiendeler		**569 000**	**1 979 000**
Varige driftsmidler			
Right-of-use assets	13	293 000	1 778 000
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Andre fordringer		57 000	81 000
Sum finansielle anleggsmidler		**57 000**	**81 000**
Sum anleggsmidler		**1 042 000**	**4 650 000**
Omløpsmidler			
Varer			
Varer	19	5 548 000	6 384 000
Sum varer		**5 548 000**	**6 384 000**
Fordringer			
Kundefordringer		30 000	949 000
Andre fordringer		901 000	979 000
Prepaid expenses		765 000	648 000
Sum fordringer		**1 696 000**	**2 576 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		2 011 000	11 352 000
Sum bankinnskudd, kontanter og lignende		**2 011 000**	**11 352 000**
Sum omløpsmidler		**9 255 000**	**20 312 000**
SUM EIENDELER		**10 297 000**	**24 962 000**
BALANSE - EGENKAPITAL OG GJELD			

Egenkapital			
Innskutt egenkapital			
Selskapskapital	22	12 942 000	25 955 000
Overkurs		1 735 000	2 118 000
Annen innskutt egenkapital		25 210 000	24 858 000
Sum innskutt egenkapital		**39 887 000**	**52 931 000**
Opptjent egenkapital			
FX transaltion effects		-11 959 000	-12 068 000
Capital reduction reserves		321 264 000	300 500 000
Udekket tap		344 479 000	330 029 000
Sum opptjent egenkapital		**-35 174 000**	**-41 597 000**
Sum egenkapital		**4 713 000**	**11 334 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Non-current lease lease liabilities	13, 16		1 238 000
Non-interest-bearing loans	17	1 984 000	
EEmbedded derivative	17	139 000	
Sum annen langsiktig gjeld		**2 123 000**	**1 238 000**
Sum langsiktig gjeld		**2 123 000**	**1 238 000**
Kortsiktig gjeld			
Konvertible lån	17		5 076 000
Leverandørgjeld	16	850 000	688 000
Skyldige offentlige avgifter		269 000	283 000
Current lease liabilites	13, 16	396 000	624 000
Annen kortsiktig gjeld	17	652 000	3 545 000
Annen kortsiktig gjeld		1 294 000	2 174 000
Sum kortsiktig gjeld		**3 461 000**	**12 390 000**
Sum gjeld		**5 584 000**	**13 628 000**
SUM EGENKAPITAL OG GJELD		**10 297 000**	**24 962 000**

Organisasjonsnr: 976 846 923
IDEX BIOMETRICS ASA

NOTEOPPLYSNINGER - SELSKAP

- alle poster oppgitt i hele tall

Note
5

Antall årsverk i regnskapsåret
2.00

Sum	Beløp

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

Organisasjonsnr: 976 846 923
IDEX BIOMETRICS ASA

NOTEOPPLYSNINGER - KONSERN

- alle poster oppgitt i hele tall

Note
5

Antall årsverk i regnskapsåret
45.00

Sum	Beløp

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

IDEX Biometrics ASA

Vedlegg ved innsendelse av årsregnskapet 2024 til regnskapsregisteret

IDEX Biometrics ASA er børsnotert og kan iht regnskapsloven § 3-9 avlegge konsern- og selskapsregnskap iht IFRS.

Det følger av regnskapsloven §§ 3-9 og 3-1 at bestemmelsen om presentasjonsvaluta i 3-4 ikke gjelder for konsernregnskap og selskapsregnskap avlagt iht IFRS.

Det følger av IFRS at regnskapene kan presenteres i USD som er den valuta selskapet bruker i sin planlegging og drift.

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Geir Johannessen	20.11.2013	04.12.2013
Telefon	Deres referanse	Vår referanse
22 66 11 14	Morten Opstad/ErlingSvela	2013/889422

IDEX ASA
Rolfsbuktveien 17
1364 FORNEBU

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for IDEX ASA, org.nr. 976 846 923

Det vises til deres brev av 20. november 2013, der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for IDEX ASA fra og med regnskapsåret 2013. Søknaden gjelder også konsernregnskapet.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering IDEX ASA dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen omfatter også konsernregnskapet.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn
IDEX ASA er morselskapet i IDEX-konsernet som består av morselskapet i Oslo, samt datterselskaper i USA. Selskapet er et norsk allmennaksjeselskap som arbeider med fingeravtrykkteknologi. Aksjene er notert på Oslo Børs. En stor andel av aksjene eies av utlendinger. Kundepotensialet er utelukkende internasjonalt. Ingen av kundene eller leverandørene er privatpersoner. IDEX har i all hovedsak engelsk som arbeids- og selskapsspråk. All virksomhetsrelatert kunde- og leverandørkommunikasjon, med unntak av kontorrelaterte leverandører i Oslo-området, er på engelsk. Nesten all intern kommunikasjon foregår på engelsk, og alle eksterne avtaler må forefinnes på engelsk. Selskapet har ansatte og fast innleide fra en rekke land. Administrerende direktør er britisk statsborger og behersker ikke norsk. Styrekorrespondansen er på engelsk. I 2010 fikk IDEX ASA av Oslo Børs dispensasjon fra språkkravet i verdipapirloven § 5-13. Selskapet har i liten grad erfart at aksjonærer eller andre etterspør informasjon på norsk. Fra og med delårsrapporten for første halvår 2013 har selskapet sendt meldinger til markedet kun på engelsk. Selskapets nettsted har informasjon kun på engelsk, med unntak av enkelte presseklipp.

Det er uomgjengelig nødvendig for virksomheten og finansieringen av selskapet at årsregnskap og årsberetning utarbeides på engelsk. Selskapet selv behøver ikke norsk versjon og er ikke kjent med vesentlige interessentgrupper som behøver norsk versjon for å ha fullt utbytte av informasjonen.

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Skattedirektoratets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> *"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at konsernets arbeidsspråk er engelsk, og at kunder og leverandører er profesjonelle aktører der kommunikasjonen i hovedsak skjer på engelsk. Videre er det lagt vekt på at en vesentlig andel av aksjonærene er utenlandske, og at all informasjon til investorer og andre brukere i hovedsak gis på engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Geir Johannessen

IDEX
THE ID OF YOU

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20. november 2013

Skattedirektoratet
Seksjon for foretakskatt
Postboks 9200 Grønland
0134 Oslo

Søknad om tillatelse til å utarbeide årsregnskap og årsberetning på annet språk enn norsk, regnskapsloven 3.4

IDEX ASA søker med dette om dispensasjon fra Regnskapsloven § 3.4, 3.ledd:

> "Årsregnskapet og årsberetningen skal være på norsk. Departementet kan ved forskrift eller enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

IDEX ASA søker om tillatelse til å utarbeide både konsernets og morselskapets årsregnskap og årsberetning på engelsk i stedet for på norsk.

IDEX ASA er et norsk allmennaksjeselskap som arbeider med fingeravtrykkteknologi. IDEX har utviklet SmartFinger-teknologiplattformen som omfatter patentert avbildningsprinsipp, målemetode og brikkedesign. SmartFinger gjør det mulig å ha såkalt on-device innrullering, lagring av bildet samt verifikasjon i en og samme modul, som kan bygges inn i enhver elektronisk enhet, for eksempel mobiltelefon, datamaskin eller nøkkelbrikke, eller i et ID-kort.

IDEX ASA holder til på Fornebu i Bærum, og er morselskapet i IDEX-konsernet som består av morselskapet i Oslo, samt datterselskaper i USA (IDEX Holding Company Inc. og IDEX America Inc.). Datterselskapene ble opprettet i 2013. (IDEX ASA hadde også tidligere datterselskaper i USA, men disse ble avviklet i 2012.) Aksjene i IDEX ASA er notert på Oslo Børs (Oslo Axess, ticker "IDEX") og det er om lag 1800 aksjonærer og en stor andel av aksjene eies av utlendinger.

Selskapet er et teknisk utviklingsselskap innen fingeravtrykk, som er en teknisk avansert og spesialisert nisje. Virksomheten er internasjonalt innrettet: Selskapet har ikke egen produksjon, men benytter spesialiserte utenlandske kontraktsprodusenter. Kundepotensialet er også i praksis utelukkende internasjonalt, dvs. verdens ledende elektronikkprodusenter, bank/finans og ID-selskaper. Det er altså ikke privatpersoner som er selskapets leverandører eller kunder.

IDEX har i all hovedsak engelsk som arbeids- og selskapsspråk. All virksomhetsrelatert kunde- og leverandørkommunikasjon, med unntak av kontorrelaterte leverandører i Oslo-området, er på engelsk. Nesten all intern kommunikasjon foregår på engelsk fordi virksomheten er på engelsk og fordi ikke alle ansatte behersker norsk. Alle interne dokumenter knyttet til teknisk utvikling og alle eksterne avtaler må forefinnes på engelsk.

Selskapet har nå ansatte og fast innleide fra Frankrike, India, Iran, Kina, Tyskland, Storbritannia og USA.

Administrerende direktør i IDEX ASA er britisk statsborger og behersker ikke norsk. Dette innebærer at med dagens situasjon der norsk er pålagt som regnskapsspråk, må administrerende direktør i selskapet signere på regnskapsdokumenter hvis innhold ikke er fullt ut forståelig.

Styret i IDEX ASA har tidligere hatt utenlandske medlemmer. Styret består nå av fem norske personer. Selskapet har til hensikt å tiltrekke seg styremedlemmer med internasjonal bakgrunn. Styrets saksdokumenter og protokoller har hele tiden vært på engelsk, og styremøtene, der adm.dir. har møteplikt, holdes på engelsk.

I 2010 fikk IDEX ASA av Oslo Børs godkjent sin søknad om dispensasjon fra språkkravet i verdipapirloven § 5-13. Selskapet valgte likevel å sende de fleste meldinger til markedet på begge språk fram til medio 2013. Selskapet har i liten grad erfart at aksjonærer eller andre etterspør informasjon på norsk, og den overveiende andel henvendelser som knytter seg til børsmeldinger inneholder referanse til den engelske versjonen av meldingen. Fra og med delårsrapporten for første halvår 2013 har selskapet sendt meldinger til markedet kun på engelsk. Selskapet har ikke mottatt noen henvendelser fra aksjonærer eller andre som har ytret ønske om norsk versjon av noen meldinger.

IDEX ASA har en betydelig andel utenlandske aksjonærer. I aksjonærregisteret per 11. november 2013 var 33% av aksjene registrert på utenlandske aksjonærkonti.

Selskapets nettsted, www.idex.no, har informasjon kun på engelsk, med unntak av enkelte presseklipp som finnes kun på norsk.

Ved at selskapet er et teknisk utviklingsselskap, ønsker IDEX ASA å minimere administrasjonen. Å utarbeide regnskap med noter, årsberetning samt redegjørelsen for foretaksstyringen på norsk utgjør et betydelig merarbeid for selskapet. Ved at aksjen er børsnotert benytter selskapet IFRS og må derfor utarbeide omfattende noter til regnskapsoppstillingene. Dokumentene utarbeides på engelsk for innholdsmessig revisjon og vedtak i styret. Pga. tidsfaktoren og presisjonskravet samt krav til konsistent nomenklatur, kan ikke norsk versjon oversettes eksternt etterpå, men må utarbeides nesten parallelt, i en periode der kapasiteten allerede er knapp.

Som det vil framgå av foranstående er det det uomgjengelig nødvendig for virksomheten og finansieringen av selskapet at årsregnskap og årsberetning utarbeides på engelsk. Spørsmålet er således om det er tilstrekkelig med kun engelsk eller om selskapet i tillegg må utarbeide en norsk språkversjon. Selskapet selv behøver ikke norsk versjon og vi er ikke kjent med vesentlige interessenter/interessentgrupper som behøver norsk versjon for å ha fullt utbytte av informasjonen.

IDEX ASA anser at dersom selskapet får tillatelse til å utarbeide årsregnskap med noter, årsberetning og redegjørelse på engelsk i stedet for både norsk og engelsk, så vil selskapet oppnå en mer tids-, kostnads- og ressurseffektiv prosess internt, og også frigjøre kapasitet som kan brukes til mer kvalitetssikring av den ene språkversjonen i stedet for to språkversjoner.

IDEX ASA er innforstått med at en eventuell tillatelse kan være tidsbegrenset, og selskapet vil på oppfordring fra aktuelle myndigheter vederlagsfritt fremlegge norsk oversettelse av årsregnskap m.v. dersom dette er nødvendig for å gjennomføre ettersyn og kontroll.

Dersom det skulle behøves ytterligere informasjon i anledning denne søknaden, kan det fremskaffes IDEX' økonomidirektør, Erling Svela, telefon 4062 1040, epost erling.svela@idex.no.

Med vennlig hilsen
IDEX ASA

Morten Opstad
styreleder

Erling Svela
økoniomidirektør

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IDEX Biometrics ASA

2024 Annual report

This annual report is published to the company's shareholders and the general public, as well as the Norwegian Register of company accounts. This report and other public information about IDEX Biometrics ASA are available at the company's website www.idexbiometrics.com.

The company's disclosures to the market and the general public are available at Oslo Børs's websites live.euronext.com/en or www.newsweb.no.

References included in this document or other documents are intended as an aid to where information can be found. and the documents referenced are not incorporated by reference into this document unless explicitly stated.

IDEX Biometrics ASA prepares its consolidated and separate parent company financial statements on a historical cost basis, and in accordance with IFRS Accounting Standards as adopted by the EU.

April 29, 2025

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Table of contents

Report from the Board of Directors	3
Consolidated Financial Statements with Notes	12
Parent Company Separate Financial Statements with Notes	44
Responsibility Statement	79
Report of Independent Auditor under International Standards on Auditing	80
Articles of Association	85
Corporate Governance Review	86
Board of Directors and Executive Officers	92

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REPORT FROM THE BOARD OF DIRECTORS

IDEX Biometrics ASA was incorporated on July 24, 1996. The company's shares have been listed at Euronext Oslo Børs under the ticker "IDEX" since March 12, 2010. IDEX Biometrics ASA is the Group parent, headquartered in Oslo, Norway. The group also has subsidiaries in the United Kingdom, the United States, and China. The subsidiary in the United Kingdom is active, while the subsidiaries in the United States and China closed down their activities in 2024.

IDEX Biometrics is a global technology leader in biometric authentication solutions for smart cards, offering secure and convenient solutions for payments, access control, and digital identity. Through its patented and proprietary sensor technologies, integrated circuit designs, and software, IDEX makes unique and innovative biometric solutions, delivering secure, fast and seamless user experiences to customers worldwide. IDEX Biometrics partners with leading card manufacturers, technology companies and payment networks, bringing solutions to the market.

The IDEX Biometrics flexible technology platform supports a wide range of applications and use cases. Together with its partners, IDEX provides end-to-end solutions to partners, banks and other organizations seeking to launch their own biometric cards for access, payments or to support other authentication needs.

STRATEGY AND BUSINESS MODEL

Fingerprint authentication technology

The IDEX Biometrics technology leverages the unique biological markers of a person's fingerprint to confirm their identity through a seamless 'handshake procedure' with payment terminals, access readers or mobile phones. By eliminating the need for passwords and pins, our solution provides a more convenient and secure way to verify identity.

IDEX Biometrics offers comprehensive biometric platform solutions, with proprietary software and card operating capabilities. This enables us to support additional market verticals, expand our target markets, and create new growth opportunities.

The IDEX Biometrics fingerprint authentication solutions are certified by Mastercard and Visa. IDEX Biometrics solutions leverages a JavaCard card operating system and Java-based "applets," complying with the standards of GlobalPlatform, an independent standards body for secure channel communications and use of cryptographic data.

The strategy of IDEX Biometrics

IDEX Biometrics address evolving customer and end-user requirements by leveraging continuous advances in secure technologies, innovative design, and high-performance capabilities. Since its founding, the company has focused on research and development to drive growth.

The core competencies of IDEX Biometrics are characterized by deep domain expertise and a multi-disciplined, systems engineering approach, and build on organizational strengths in the following domains: biometric imaging and processing, sensor architectures, integrated circuit design, materials, manufacturing, and packaging, algorithm, firmware, and software development, encryption technologies, NFC and power management and industrial design.

The company recently conducted a strategic review, resulting in an updated strategy and business plan. As a result, IDEX Biometrics is focusing on accelerating new initiatives within Access, accelerating the time to profitability, and optimizing the cost structure.

IDEX Biometrics continues to support its partners and is anticipating that some of our long-standing efforts in building up the IDEX Pay market materialize.

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IDEX product solutions
The IDEX biometric software platforms, IDEX Pay and IDEX Access, are built on the same biometric platform, serving two different markets. The solutions can be layered with different applets to provide new functions and capabilities supporting payment, crypto wallets, and other digital authentication solutions, such as digital and physical access. The OS developed by IDEX allows our customers to provide their own customized applet for application specific functions.

IDEX has launched both its IDEX Pay and IDEX Access solutions to the market and is currently preparing for further scaling of biometric payment and access cards with several partners.

Principal markets
The Company has identified three main verticals with an accelerating need for biometric identity solutions: banking and payment, enterprise security and public services. IDEX leverages its biometrics technology platform to offer decentralized authentication solutions across payments and access control.

As the market matures and technology evolves, IDEX expects the solution for different use cases to converge. The IDEX Biometrics technology can already be seen in solutions that combine physical and digital access. The ability to attach attributes related to ID and health records are emerging. Fiat and digital currencies could co-exist on the same card, and there are many other examples.

Customers and business go-to-market model
Customers of IDEX Biometrics are manufacturers of payment cards, access cards, and other products using fingerprint sensors as the key to prove identity. The Company's customers are part of a large ecosystem with a multiparty supply chain to reach the final customer. Payments and access are separate ecosystems albeit with similarities in the cards' appearance and components. The IDEX Biometrics engagement strategy is to enable the ecosystems and enter into business relationships and implement go-to-market models tailored to the respective value chains.

The IDEX go-to-market strategy is scalable with a nimble structure effectively serving the global market. IDEX Biometrics sells its products and solutions directly to manufacturers or enterprises and in some cases through distributors and resellers. Customers of IDEX Biometrics are smart card manufacturers and system integrators of the Company's hardware and software biometric technologies.

Supply chain
IDEX operates with an asset light, fabless business model, leveraging external manufacturing partners to produce, assemble and test products. The majority of our card manufacturing partners are present in both payment and access.

While the pace of market adoption has been challenging, we are confident that our strong foundation, strategic focus and accelerating of the access business line will enable us to capitalize on the opportunities that lie ahead. The fingerprint biometric card solution as an efficient and secure way to perform Multifactor Authentication is driving growth in the years to come, with our strong IDEX portfolio of solutions, global footprint of manufacturers, and development partners positioning us for scale and growth.

FINANCIAL REVIEW

IDEX Biometrics recorded revenue of $0.8 million for 2024 compared to $4.1 million for 2023. Product revenue as a percentage of total revenue, represented 83.2% in 2024 and 99.8% in 2023, . The lower 2024 revenues are a consequence of the transition from legacy customer component sales in payments to becoming an end to end solution provider with IDEX Pay and IDEX Access. The market adoption of biometric payment cards has taken longer than anticipated and the access card solution was only market ready at the end of the year.

IDEX Biometrics does not own or operate manufacturing facilities, but operates as a *fabless* manufacturer, outsourcing manufacturing and product assembly activities. Like many other companies in the electronics markets, IDEX Biometrics experienced some disruptions in the supply chain in 2022, when the company expected strong revenue growth. This led to placing orders and holding relatively high values of raw materials,

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carrying relatively large quantities of finished goods. The supply situation normalized in 2023, but purchase orders were binding and due to lower-than-forecasted volumes sold in 2023 and 2024, the inventory remains high.

Development activities are conducted by the IDEX Biometrics staff. The development costs other than salaries, are tools and materials, individual contractors, and specialist services like testing the development activities were consolidated to Europe in 2024, and two engineering facilities in the USA were closed.

Products are not sold through stocking distributors. IDEX Biometrics has a direct sales force and customers around the world, mainly card manufacturers. In 2021 and 2022, the company expanded its marketing and sales teams. Due to slow revenue growth, the sales staff was reduced/downsized in 2024.

Profit and loss statements

Revenue

Revenues in 2024 was $0.8 million, a decline from the $4.1 million recorded in 2023. The majority of revenues is product sales. The decline in revenues from 2023 is related to slow adoption of biometrics in the payment card market. The majority of the company's revenues over the last few years have come from a small number of customers.

Cost of materials, net of inventory change

Cost of materials, net of inventory change, declined from $3.9 million in 2023 to $1.7 million, reflecting the lower revenues in 2024. The 2024 number also includes $1.5 obsolescence charge because of business focus shift to the access market and possible overstocking situation.

Under IFRS, the gross margin is an alternative performance measure ("APM"). In 2024, the product gross margin on product revenue was negative because of the obsolescence charge. Excluding obsolescence, the product gross margin was 46%. In 2023, the product gross margin was 5% .

Compensation and benefits

Compensation and benefits expenses include also cost of share-based remuneration.

Compensation and benefits expenses for 2024 were $8.8 million, as compared to $14.3 million for 2023. Throughout 2024, the company continued implementing cost reduction measures and organizational optimalisation to streamline operations and improve efficiency. Its full-time equivalent staff were 30 at the end of December 2024, down from 69 by end of 2023

Research and development

Research and development expenses are presented on a net basis, reflecting the recognized government grants. We regularly apply for and receive grants under government programs, in Norway and the United Kingdom, supporting research and development activities.

Research and development expenses, including the cost of individual contractors assigned to engineering roles, amounted to $2.4 million in 2024, compared to $2.4 million in 2023. As of December 31, 2024 and December 31, 2023, compensation for six individual contractors were included in Research and development expenses.

Other operating expenses

This category consists of costs associated with our marketing and sales activities and costs associated with administrative activities, including external services related to these functions.

Other operating expenses in 2024 were $7.3 million, as compared to $8.7 million in 2023 . Fundamentally, these expenses were reduced more from 2023 to 2024, but 2024 costs include the loss on customer receivables and legal costs related mainly to Zwipe amounting to $1.0 million.

Amortization, depreciation and impairment

In addition to continuing amortization and depreciation of assets, the annual assessment of goodwill resulted in an impairment charge of $1.0 million.

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Finance income and Finance cost, Gain (loss) on modification of financial liabilities

The amended terms of the convertible bonds effective September 17, 2024, represented an accounting gain for IDEX Biometrics amounting to $1.8 million. Other gains and losses related to the host contract and the embedded derivative (conversion option) are included in Financial income or Financial loss. Such gains and losses are caused by changes in the option value of the holder's right to conversion and changes in cash flow due to accelerated or deferred term payments.

Finance income amounted to $7.9 million while Finance cost amounted to $2.4 million. In addition to the value changes of the host contract and the embedded derivative, these lines include also (1) value changes to the outstanding warrants from the placements of shares in 2024 and (2) effective interest on the convertible, as well as (3) foreign exchange gains and losses. Interest income on bank deposits were insignificant.

In 2023, Finance income of $842 thousand consisted primarily of interest income, while Finance cost in 2023, $0.6 million, was mainly net foreign exchange translation losses. The interest expense for the convertible loan at year-end of 2023 was $21 thousand, while the gain on the embedded derivative was $87 thousand.

Income tax expense (benefit)

Income tax expense (benefit) for each entity is calculated using the income tax rates of the tax jurisdiction in which it operates.

The benefit amounting to $120 thousand in 2024 was repayment of overpaid company income tax in the US in a prior year. The parent company did not record or pay income taxes in Norway in 2024 or 2023.

Net loss for the year

Net loss for the years 2024 and 2023, was $14.4 million and $26.6 million, respectively.

On a per share basis, based on the shares outstanding after the 5:1 consolidation (reverse split) of shares effective on record date January 10, 2024, the losses were $0.03 and $0.10 per share, respectively.

Liquidity and Capital Resources

IDEX Biometrics has incurred significant operating losses and negative cash flows for many years. The Company expects to continue to incur operating losses and consume cash at least through 2025.

IDEX Biometrics completed one private placement transaction in the second quarter of 2024 and another two in the third quarter of 2024. Additionally, a subsequent offering related to the September private placement was completed in November 2024.

As of December 31, 2024, the Company had cash and cash equivalents of $2.0 million, representing approximately 19.5% of total assets. The cash balance in 2023 was $11.4. There is no other debt to banks or financial lenders than the convertible loan that was entered into in 2023. Other financing commitments are limited to the lease agreements for the office and lab facilities.

The company's balance sheet solvency, defined as the value of cash plus accounts receivable, less short-term liabilities, was negative $0.4 million as of December 31, 2024, compared to $0.9 million as of December 31, 2023.

Cash flows

Net cash flow used in operating activities

Net cash flow used in operating activities totaled $17.6 million in 2024, compared with $27.0 million in 2023. The main difference between net cash flow from operations in 2023 amount to $6.8 million related to the value change of warrants and the derivative related to the convertible debt.

Net cash flow used in investing activities

Net cash flow used in investing activities was $272 thousand, compared with $4 thousand used in 2023

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Net cash flow provided by financing activities

Net cash flow from financing activities totaled $8.0 million in 2024. The positive cash flow from financing activities reflects the net proceeds of $11.2 million in connection with the issuance of new shares, and the exercise of subscription rights, the repayment of borrowings of $2.6 million, and $0.6 million in payment of lease liabilities.

In March 2025, IDEX Biometrics secured NOK 30 million from a loan agreement, which included a conversion to shares approved at the Extraordinary General Meeting on 11 April 2025.

Operating and Capital Expenditure Requirements

Since inception IDEX has not achieved operating profit. While revenue is expected to grow in 2025 compared to 2024, it is likely that the Company will incur net losses and consume cash also in 2025. There are no plans for substantial capital expenditures or acquisition of intangible assets in 2025.

The funding requirements will depend on many factors, primarily revenue from and gross margin earned on products sold, working capital requirements, and the operating expenses.

Parent Company Financial Statements

The Financial Review above of the consolidated profit and loss statements, as well as the consolidated statements of financial position, largely apply to the parent company itself. The parent company holds all intellectual property rights. It is also the group's party to all trading relations with manufacturing partners and customers for the products and services offered by the Company. All revenues and cost of goods sold accrue in the parent company. The subsidiaries do not trade with external customers, but provide development services, market facilitation services, supply-chain and administrative services to IDEX Biometrics ASA on arms'-length terms. The subsidiaries are funded through a combination of equity and advances, as required.

Only three of the group's 31 employees as of December 31, 2024, are employed in the parent company. Hence, the parent has a small share of the group's payroll expenses. The parent company purchases development services from the subsidiaries, whose charges include the payroll cost of the development staff. Thus, the parent company reports higher development costs than the consolidated group. The parent company purchases marketing and other services from the subsidiaries, whose charges include the payroll cost of the staff performing the service. Thus, the parent company reports higher Other operating expenses than the consolidated group. In addition, most of the commercial team, who work and live in various countries where IDEX does not have a subsidiary, are individual contractors to the parent company, and the cost is included in Other operating expenses.

The short-term receivables from group companies are mainly from IDEX UK. IDEX UK carries its development cost in order to qualify for SME research and development tax relief in the UK, and the parent company has provided funding for the expenses.

Following losses in prior years, IDEX UK made a profit in 2024 due to sale of two IP packages to IDEX Biometrics ASA. Based on business plans, IDEX UK is not expected to be able to eventually repay its full payable to IDEX Biometrics ASA. IDEX Biometrics ASA has estimated IDEX UK's planned activity level going forward to determine the probable recoverable amount. An impairment charge amounting to $4.4 million has been made to the receivable as of December 31, 2024.

IDEX Electronics (Shanghai) Co., Ltd. (IDEX China) ceased its operation during December 2024, and vacated its facilities. As of the date of this report, IDEX China is in the process of being dissolved. Consequently, IDEX Biometrics ASA wrote down its net investment in IDEX China by $1,3 million as of December 31, 2024.

The impairment charges related to IDEX UK and IDEX China did not impact the consolidated group result or financial position.

Other aspects of the parent company's balance sheet are covered by the comments for the consolidated balance sheet for the group.

Allocation of the Net Loss for the Year

The net loss for 2024 of the parent company IDEX Biometrics ASA was $23.0 million compared to a net loss of $25.1 in 2023. The board proposes that the loss shall be added to Accumulated loss. The board does not propose any dividend payments for 2024.

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At the extraordinary general meeting on April 11, 2025, the shareholders resolved i.a. to reduce the share capital and allocate to cover part of Accumulated loss.

Going Concern

The going concern assumption has been applied in the preparation of the consolidated financial statements. The going concern assumes the realization of assets and satisfaction of liabilities in the normal course of business. IDEX Biometrics has incurred significant operating losses and negative cash flows during the development stage of the business. The future viability of the Company is dependent on its ability to generate cash from operating activities and to raise additional capital to finance its operations. The net equity amounted to $4.7 million, less than half of the share capital, and the balance sheet solvency, defined as cash plus current receivables less current liabilities, was negative $519 thousand on December 31, 2024. During 2024, the Company implemented measures to significantly reduce staff and operating expenses, mainly in the technical functions in the US and China, while maintaining the customer support functions and supply chain capabilities. The existing cash does not fund the Company's operating expenses and capital expenditures requirements for the next twelve months.

On March 11, 2025, the company disclosed that following a strategic review, concluding that the company shall concentrate its technical and commercial efforts on serving the access market, where IDEX is believed to possess competitive advantage. IDEX Biometrics will seek to also harvest from its long-time efforts in the payment market. On the same date, the company disclosed that it had received irrevocable undertakings from certain existing shareholders and new investors to lend NOK 30 million ($2.8 million) to the Company to fund the commercialization efforts in line with the revised business strategy ("March loans"). Subject to approval by an extraordinary general meeting, the loans would be convertible to shares at NOK 0.01 per share.

At the extraordinary general meeting on April 11, 2025 the shareholders resolved to (i) reduce the share capital of IDEX Biometrics ASA by decreasing the par value per existing share from NOK 0.15 per share to NOK 0.01 per share, and (ii) subject to completion of the share capital decrease, convert the March loans to shares at a subscription price per share equal to NOK 0.01 per share. The lenders have undertaken to subscribe for shares and settle the share contribution by debt conversion. The extraordinary general meeting also approved a subsequent offering of shares at the same price to the other existing shareholders, raising up to NOK 6 million ($0.6 million). These actions will cover the company's immediate cash needs.

Thirdly, the Company disclosed that it had entered into a commitment letter and term sheet for an amendment agreement with the holder of the Company's convertible bonds amounting to NOK 67 million ($6.3 million) whereby the terms of the convertible bond will be amended such that, inter alia, (i) the principal amount will be reduced by 25%, and, (ii) subject to the company obtaining additional equity on market terms by December 31, 2025, the principal amount would be reduced by a further 25%. Certain other terms of the bonds were also amended. The extraordinary general meeting approved the change of terms.

In the short term, the IDEX Biometrics is dependent on the successful implementation of the foregoing. The long-term future viability depends on the Company's ability to generate cash from operating activities and to raise additional capital to finance its operations. IDEX Biometrics's existing cash and the funding described above is not sufficient to fund its operating expenses and capital expenditures requirements for the next twelve months. While the Company has been successful in the past in raising funds through private placements of shares and issuance of convertible debt, there is no assurance that IDEX Biometrics will be successful in raising capital the future. The Company's failure to raise capital as and when needed would have a negative impact on its financial condition and its ability to pursue its business strategies. These factors cast significant doubt on the Company's ability to continue as a going concern.

As an ongoing activity, the Company monitors liquidity and the Board is prepared to take appropriate measures if and when required. IDEX Biometrics has been successful in the past with implementing cost reductions and raising capital through private placements of equity. Reflecting the recent funding described above and acknowledging the significant doubt identified above, the Board has on balance concluded that the conditions for the going concern assumption are met.

Subsequent events

On 11 March 2025, IDEX Biometrics secured a 30 million NOK loan financing, which will provide net proceeds to support the Company's commercialization efforts as part of the newly announced business strategy.

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An extraordinary general meeting in IDEX was held 11 April 2025, where the shareholders approved a series of resolutions. The meeting decided to reduce the company's share capital by decreasing the par value per existing share from NOK 0.15 per share to NOK 0.01. Additionally, the meeting approved a share capital increase through the conversion of loans to shares at a subscription price of NOK 0.01 per share. The lenders have committed to subscribing for shares and settling the share contribution by converting their loans into equity, As a result, 3,000,000,000 new shares will be issued.

The extraordinary general meeting also approved a subsequent repair offering of new which will be made to shareholders as of 10 March 2025 which: did not participate in the loans, are not allocated new shares in the debt conversion, and are not resident in a jurisdiction where the offering would be unlawful or require a prospectus. The maximum amount of the offering is NOK 6 million equal to 20% of the debt conversion, and represents up to 600,000,000 new shares.

THE IDEX SHARE

The Market Cap and hence the stock price were reduced by 79% during 2024. This was related to, amongst other things, general market conditions, the commercialization of the company's products taking longer than anticipated, and the need for several capital increases during the year. A 5:1 share consolidation (reverse split) took effect on the record date 10 January 2024. At 31 December 2024, there were 7 200 shareholders in the company. Average daily traded volumes in the stock were 3.5 million shares in 2024.

The extraordinary general meeting on 11 April 2025 approved a 100:1 reverse split. In connection with the share consolidation, the Company's shares will be transferred to a new ISIN NO0013536078 (Old ISIN NO0013107490). Date of ISIN change: 11 June 2025.

HEALTH AND SAFETY

IDEX Biometrics seeks to foster a culture of innovation in which staff are empowered to do and be rewarded for their best work. The board and management seek to create a working environment that is pleasant, stimulating, safe and to the benefit of all employees. The working environment complies with the existing rules and regulations. IDEX offers flexible working hours for all employees. The board has not found reason to implement special measures.

As of December 31, 2024, the Company had 44 individuals on staff, consisting of 31 employees and 13 individual contractors. Individual contractors typically reside in countries in which IDEX Biometrics does not have business operations.

Some of the staff serve on a part-time basis. As of December 31, 2024, the Company had 30 full-time equivalent (FTE) employees and 10 FTE individual contractors. Of this total of 40 FTEs:

- 21 were engaged in engineering functions (hardware design, systems design, and software development);
- 7 were engaged in marketing and sales functions;
- 6 were engaged in administrative and financial functions; and
- 6 were engaged in production planning and supply chain management.

No employees are represented by a labor union or covered by a collective bargaining agreement and there have not been any work stoppages in 2024 nor in 2023.

No employee has suffered work-related injury resulting in sick leave. No accidents or incidents involving the assets of IDEX Biometrics have occurred. The sick leave in the group was 0.34% in 2024, compared to 1.6% in 2023. Due to the low number of employees, statistics for the parent company are not presented. The sick leave data are not considered reason for concern.

IDEX practices equal opportunities in all aspects. All facilities at IDEX are equally well equipped for females and males. Traditionally, fewer women than men have graduated in IDEX's fields of work. The management structure reflects the composition of the technical staff. The board has not taken any special measures in these respects.

The compensation packages include a competitive base salary and benefits. The benefits vary from country to country according to local practice, and may include life and health insurance, supplemental insurance, paid time off, and paid parental leave. The Employee Share Purchase Plan was suspended early 2024 because of little interest. Generally (and subject to local laws), new employees and individual contractors are awarded

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subscription rights to shares. Staff members are also generally eligible to participate in an annual performance-based variable compensation plan, as well as be eligible for periodic awards of subscription rights based on the performance of the Company and that of the staff member. We believe a compensation program with the appropriate balance of short- and long-term incentives aligns the interests of holders of our equity securities and our personnel.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

IDEX Biometrics acknowledges and embraces the importance of Environmental, Social, and Governance (ESG) considerations in the development and execution of the Company's strategy, which must be sustainable and contribute to the well-being of the communities in which the Company operates.

The values are set forth in the Code of Conduct and Code of Ethics (the Code, available on the company's website). The Code states, "The purpose of the Company is to create value for the shareholders, while the business shall also be to the benefit for the Company's customers, staff, suppliers, other business relations and the society at large."

The Code further states that "IDEX makes every reasonable effort to secure a healthy, safe, and lawful work environment, and that the Company complies with all applicable laws, rules, and regulations concerning occupational health, safety, and environmental protection. The Company promotes equality and non-discrimination, non-harassment, fairness, and ethical behavior. The Company offers a pleasant, well-equipped, and safe work environment, maintains fair and balanced employment practices and equal employment opportunity policies, and complies with all applicable labor laws. IDEX encourages and also expects similar commitment from its suppliers, partners, and customers."

As a *fabless* developer and supplier of high-technology products, IDEX Biometrics outsources all manufacturing activities. The company selects manufacturing partners and other providers of products and services that follow responsible practices in all ESG aspects. The Company's operations does not have a significant impact on the natural environment, and the end-products in which the fingerprint authentication solutions are used (e.g., PVC smart cards) can be efficiently recycled. The Company is committed to minimizing use of energy, raw materials, water, and other resources, and makes every reasonable effort to minimize the waste generation. Recycling programs are in place in all facilities.

As set forth in the Code, IDEX Biometrics considers shareholders, staff, customers, business partners, authorities, and society at large to be important stakeholders, with interests to be protected and served. IDEX is committed to fulfill its obligation to be a responsible member of society through the conduct of its business in an ethical, socially-responsible, and transparent manner.

As of December 31, 2024, women represented 27% of the staff, and two functions/departments are led by women. The composition of the Board meets Norwegian statutory requirements, with two women among three members.

ESG risks are not considered to be material to the financial statements. There are no identified ESG-risks that could have the potential to materially harm the business in an operational manner.

As the business grows, the Company's operations and the elements of the ESG profile likely will evolve. Measurable and tangible elements will be included in due course to provide investors and other stakeholders with decision-useful information and indicators of the Company's progress towards ESG objectives.

The current corporate governance review is included in the annual report and is also available at the company's website.

The annual due diligence review of the Company's impact on human rights and working conditions, pursuant to the Norwegian transparency act, will be published at the Company's web site by June 30, 2025.

MANAGEMENT REMUNERATION, DIRECTORS' AND OFFICERS' INSURANCE

The annual general meeting in 2024 resolved a minor update to the 2021 policy for executive remuneration. The full policy is available at the company's website, https://www.idexbiometrics.com/about-idex/. The actual remuneration in 2024 has been disclosed in a note to the parent company financial statements and the 2024 Executive remuneration report will be presented to the 2025 annual general meeting.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Since the company's shares were admitted to listing on Oslo Børs, the company has had a conventional Norway-based insurance policy covering directors' and officers' liability worldwide, except for liabilities arising from U.S. Securities Act. ADSs representing the company's shares were listed on the Nasdaq Capital Market in the United States from March 2021 to August 2023. The company also maintained a U.S.-based liability insurance with worldwide coverage to protect directors and officers in the company from liabilities arising from U.S. Securities Act. This insurance expires in 2026. The company has contractually obligated itself to indemnify, and to advance expenses on behalf of, the directors and officers to the fullest extent permitted by applicable Norwegian law so that they will serve the company free from undue concern. The U.S.-based insurance and the indemnification agreements were authorized by the extraordinary general meeting of the company on December 15, 2020.

OUTLOOK

2024 was a year of transformation, when the company consolidated its development activities to the UK and general management to Norway. The number of staff, i.e. employees and individual contractors, was reduced from 87 full-time equivalents (FTE) at the beginning of the year to 40 FTE at the end of 2024. The company took measures to adjust the cost structure, while focusing efforts on a few key markets and segments. IDEX Biometrics continued making progress in 2024, while navigating the complexities with slow market adoption for biometric payment cards.

The IDEX Biometrics flexible technology platform enables a broad range of applications and use cases, including biometric cards for secure access, payments, and authentication across various industries. A major milestone was achieved during the year with the Visa certification for IDEX Pay, building on the existing Mastercard certification. IDEX Biometrics will continue to support its partners and anticipate that some of our long-standing ongoing efforts in building the IDEX Pay market will materialize.

A strategic review was conducted in the first quarter of 2025, resulting in an updated strategy focused on accelerating new initiatives within Access, achieving profitability faster, and optimizing the company's cost structure. A new CEO was appointed in March 2025.

April 29, 2025

The board of directors of IDEX Biometrics ASA

/s/ Morten Opstad
Morten Opstad
Chair

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Morten Opstad
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/s/ Annika Olsson
Annika Olsson
Board member

DocuSigned by:
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/s/ Adriana Saitta
Adriana Saitta
Board member

Signé par :
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/s/ Anders Storbråten
Anders Storbråten
CEO

Signed by:
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CONSOLIDATED FINANCIAL STATEMENTS

IDEX Biometrics ASA
Consolidated Statements of Profit and Loss

Amounts in $1000, except per share amounts	Note	Year Ended December 31, 2024	2023
Revenue:			
Product		$ 700	$ 4,131
Service		141	8
Total revenue	4	841	4,138
Operating expenses:			
Cost of materials, net of inventory change		1,684	3,908
Compensation and benefits	5	8,797	14,305
Research and development	6, 7	2,457	2,393
Other operating expenses	8, 25	7,289	8,743
Amortization and depreciation, impairment	11, 12, 13	2,517	1,635
Total operating expenses		22,745	30,986
Loss from operations		(21,903)	(26,847)
Finance income	16, 17	7,905	842
Gain (loss) on modification of financial liabilities, net	17	1,841	—
Finance cost	16, 17	(2,411)	(639)
Loss before tax		(14,569)	(26,644)
Income tax benefit/(expense)	9	120	16
Net loss for the year		$ (14,449)	$ (26,629)
Loss per share, basic and diluted	10	$ (0.03)	$ (0.11)

Consolidated Statements of Comprehensive Income

Amounts in $1000	Note	Year Ended December 31, 2024	2023
Net loss for the year		$ (14,449)	$ (26,629)
Other comprehensive income that may be reclassified to profit (loss) in subsequent periods:		—	—
Foreign currency translation adjustment		108	(436)
Total comprehensive income (loss) for the period (net of tax)		$ (14,341)	$ (27,065)

The accompanying notes are an integral part of these consolidated financial statements.

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IDEX Biometrics ASA
Consolidated Statements of Financial Position

Amounts in $1000	Note	December 31, 2024	December 31, 2023
Assets			
Non-current assets:			
Goodwill	11	$ —	$ 968
Intangible assets	11	569	1,011
Property, plant and equipment	12	122	812
Right-of-use assets	13	293	1,779
Non-current receivables	15	57	81
Total non-current assets		1,043	4,651
Current assets:			
Prepaid expenses		764	648
Inventory	19	5,548	6,384
Accounts receivable, trade	14	30	949
Accounts receivable, other	14	901	979
Cash and cash equivalents	20	2,011	11,352
Total current assets		9,255	20,312
Total assets		$ 10,297	$ 24,962

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

	Note	December 31, 2024	December 31, 2023
Equity and liabilities			
Share capital (NOK 0.15 par value per share, 831,576,974 and 1,397,010,650 shares issued and outstanding at December 31, 2024 and 2023, respectively)	22	$ 12,942	$ 25,955
Share premium		1,735	2,118
Share-based payment reserve		25,210	24,858
Foreign currency translation effects		(11,959)	(12,068)
Capital reduction reserves		321,264	300,500
Accumulated loss		(344,478)	(330,030)
Total equity		4,713	11,334
Non-current liabilities:			
Non-current non-interest-bearing loans	17	1,983	—
Other non-current financial liabilities	17	139	0
Non-current lease liabilities	13, 16	—	1,238
Total non-current liabilities		2,123	1,238
Current liabilities:			
Accounts Payable	16	850	688
Current lease liabilities	13, 16	396	624
Public duties payable		269	283
Interest-bearing loans	17	—	5,076
Other current financial liabilities	17	652	3,545
Other current liabilities	16	1,294	2,174
Total current liabilities		3,461	12,390
Total liabilities		5,584	13,628
Total equity and liabilities		$ 10,297	$ 24,962

The accompanying notes are an integral part of these consolidated financial statements.

April 29, 2025

The board of directors of IDEX Biometrics ASA

/s/ Morten Opstad
Morten Opstad
Chair

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Morten Opstad
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/s/ Annika Olsson
Annika Olsson
Board member

DocuSigned by:
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/s/ Adriana Saitta
Adriana Saitta
Board member

Signé par :
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/s/ Anders Storbråten
Anders Storbråten
CEO

Signed by:
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IDEX Biometrics ASA

Consolidated Statements of Changes in Equity

Amounts in $1000	Share capital	Share premium	Share-based payment	Foreign currency translation effects	Capital reduction reserve	Accumulated loss *	Total equity
Balance at December 31, 2022	$ 22,762	$ 4,036	$ 23,575	$ (11,632)	$ 287,500	$ (303,401)	$ 22,841
Share issuance	3,128	11,009	—	—	—	—	14,137
Share-based compensation	65	73	1,282	—	—	—	1,420
Net loss for the year	—	—	—	—	—	(26,629)	(26,629)
Transfer of share premium	—	(13,000)	—	—	13,000	—	—
Other comprehensive income	—	—	—	(436)	—	—	(436)
Balance at December 31, 2023	25,955	2,118	24,857	(12,068)	300,500	(330,030)	11,334
Share capital reduction	(20,764)	—	—	—	20,764	—	—
Share issuance	7,616	(774)	—	—	—	—	6,842
Convertible bond settlement in shares	130	391	—	—	—	—	521
Share-based compensation	5	—	351	—	—	—	356
Net loss for the year	—	—	—	—	—	(14,449)	(14,449)
Other comprehensive income	—	—	—	108	—	—	108
Balance at December 31, 2024	$ 12,942	$ 1,735	$ 25,209	$ (11,960)	$ 321,264	$ (344,479)	$ 4,713

The accompanying notes are an integral part of these consolidated financial statements.

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IDEX Biometrics ASA

Consolidated Statements of Cash Flow

Amounts in $1000	Note	Year Ended December 31, 2024	2023
Operating activities			
Profit (loss) before tax		$ (14,569)	$ (26,644)
Amortization and depreciation expense	11, 12, 13	2,517	1,635
Share-based compensation expense	23	351	1,283
Gain (loss) on modification of financial liabilities, net		(1,841)	—
Value change convertible loan and warrants		(6,837)	—
(Increase) decrease in inventories	19	836	(1,937)
(Increase) decrease in accounts receivable	14	1,038	370
Increase (decrease) in accounts payable	16	165	(852)
Change in other working capital items		1,187	(899)
Interest paid		(254)	(5)
Taxes paid (received)		(129)	46
Net cash flows from operating activities		(17,534)	(27,005)
Investing activities			
(Purchases) sale of property, plant, and equipment	12	114	(243)
Payment of non-current receivables		—	(6)
Collection of non-current receivables		23	—
Interest received		136	254
Net cash flows from investing activities		272	4
Financing Activities			
Net proceeds from issuance of shares	22, 23	11,176	14,275
Proceeds from borrowings	17	—	8,621
Repayments of borrowings		(2,657)	—
Payment of principal portion of lease liabilities		(596)	(671)
Net cash flows from financing activities		7,923	22,225
Net change in cash and cash equivalents		(9,339)	(4,776)
Effect of foreign exchange on cash balances		(2)	3
Opening cash and cash equivalents balance		11,352	16,124
Cash and cash equivalents at December 31	20	$ 2,011	$ 11,352

The accompanying notes are an integral part of these consolidated financial statements.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

IDEX Biometrics ASA and its wholly-owned subsidiaries (collectively, "IDEX Biometrics" or the "Company") specialize in the design, development, and sale of fingerprint authentication solutions. The Company's fingerprint authentication solutions are used primarily in contactless smart cards, including financial payment cards, access control cards, and card-based devices for the storage of digital currencies.

IDEX Biometrics ASA, the parent company, was incorporated in 1996 in Norway. The address of the head office is Dronning Eufemias gate 16, NO-0191 Oslo, Norway. The Company's shares are listed on Euronext Oslo Børs under the ticker symbol IDEX.

IDEX Biometrics is comprised of the Norwegian parent company and its subsidiaries in the United States (IDEX Biometrics Holding Company Inc. and IDEX Biometrics America Inc. (together, "IDEX America")), the United Kingdom (IDEX Biometrics UK Ltd. ("IDEX UK")), and China (IDEX Electronics (Shanghai) Co., Ltd. ("IDEX China")). The parent company is the owner of all intellectual property of IDEX Biometrics and is the contractual party to all customer and manufacturing partner agreements. All sales are generated by the parent company, and the parent company is the supplier to the customers. The subsidiaries provide various services to the parent company, mainly associated with engineering, supply-chain administration, and customer service functions. As of the balance sheet date there is very little or no activity in the subsidiaries in the USA and China.

2. Basis of Preparation

IDEX Biometrics prepares its Financial Statements on a historical cost basis, and in accordance with IFRS Accounting Standards as adopted by the EU. The financial statements are presented in U.S. Dollars ("USD" or "$"), and all amounts are rounded to the nearest thousand, unless otherwise indicated. The subtotals and totals in some of the tables may not equal the sum of the amounts shown in the primary financial statements due to rounding.

IDEX Biometrics ASA is the parent company in the IDEX Biometrics group. The parent company's Financial Statements are published separately.

3. Material Accounting Policies

Accounting policies that are material to the Company's results and financial position, in terms of the materiality of the items to which the policy is applied, are discussed below.

The material accounting policies described in these consolidated financial statements have been applied consistently for all periods presented, except as otherwise noted in the disclosure related to the impact of policy changes following the adoption of new accounting standards and voluntary changes in 2024.

The statements of profit and loss are presented by the nature of expense. The cash flow statements are presented by the indirect method.

There have not been any changes to the Company's accounting policies applied in the financial statements for 2024 compared to those applied in the annual financial statements for 2023

The Consolidated Financial Statements for 2024 were approved by the Board on April 29, 2025.

a. Going Concern

The going concern assumption has been applied in the preparation of the consolidated financial statements. The going concern assumes the realization of assets and satisfaction of liabilities in the normal course of business. IDEX Biometrics has incurred significant operating losses and negative cash flows during the development stage of the business. The future viability of the Company is dependent on its ability to generate cash from operating activities and to raise additional capital to finance its operations. The net equity amounted to $4.7 million, less than half of the share capital, and the balance sheet solvency, defined as cash plus current receivables less current liabilities, was negative $519 thousand on December 31, 2024. During 2024, the Company implemented measures to significantly reduce staff and operating expenses, mainly in the technical functions in the US and

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China, while maintaining the customer support functions and supply chain capabilities. The existing cash does not fund the Company's operating expenses and capital expenditures requirements for the next twelve months.

On March 11, 2025, the company disclosed that following a strategic review, concluding that the company shall concentrate its technical and commercial efforts on serving the access market, where IDEX is believed to possess competitive advantage. IDEX Biometrics will seek to also harvest from its long-time efforts in the payment market. On the same date, the company disclosed that it had received irrevocable undertakings from certain existing shareholders and new investors to lend NOK 30 million ($2.8 million) to the Company to fund the commercialization efforts in line with the revised business strategy ("March loans"). Subject to approval by an extraordinary general meeting, the loans would be convertible to shares at NOK 0.01 per share.

At the extraordinary general meeting on April 11, 2025 the shareholders resolved to (i) reduce the share capital of IDEX Biometrics ASA by decreasing the par value per existing share from NOK 0.15 per share to NOK 0.01 per share, and (ii) subject to completion of the share capital decrease, convert the March loans to shares at a subscription price per share equal to NOK 0.01 per share. The lenders have undertaken to subscribe for shares and settle the share contribution by debt conversion. The extraordinary general meeting also approved a subsequent offering of shares at the same price to the other existing shareholders, raising up to NOK 6 million ($0.6 million). These actions will cover the company's immediate cash needs.

Thirdly, the Company disclosed that it had entered into a commitment letter and term sheet for an amendment agreement with the holder of the Company's convertible bonds amounting to NOK 67 million ($6.3 million) whereby the terms of the convertible bond will be amended such that, inter alia, (i) the principal amount will be reduced by 25%, and, (ii) subject to the company obtaining additional equity on market terms by December 31, 2025, the principal amount would be reduced by a further 25%. Certain other terms of the bonds were also amended. The extraordinary general meeting approved the change of terms.

In the short term, the IDEX Biometrics is dependent on the successful implementation of the foregoing. The long-term future viability depends on the Company's ability to generate cash from operating activities and to raise additional capital to finance its operations. IDEX Biometrics's existing cash and the funding described above is not sufficient to fund its operating expenses and capital expenditures requirements for the next twelve months. While the Company has been successful in the past in raising funds through private placements of shares and issuance of convertible debt, there is no assurance that IDEX Biometrics will be successful in raising capital the future. The Company's failure to raise capital as and when needed would have a negative impact on its financial condition and its ability to pursue its business strategies. These factors cast significant doubt on the Company's ability to continue as a going concern.

As an ongoing activity, the Company monitors liquidity and the Board is prepared to take appropriate measures if and when required. IDEX Biometrics has been successful in the past with implementing cost reductions and raising capital through private placements of equity. Reflecting the recent funding described above and acknowledging the significant doubt identified above, the Board has on balance concluded that the conditions for the going concern assumption are met.

b. Consolidation

The Company's Consolidated Financial Statements are comprised of the financial statements of IDEX Biometrics ASA and its wholly-owned subsidiaries, with all intercompany transactions, balances, revenue, expenses, and unrealized internal profit or losses eliminated upon consolidation.

c. Equity

Equity is comprised of the following:

- Share Capital: comprised of the nominal amount of the parent's shares.
- Share Premium: comprised of: (1) the amount received attributable to Share Capital, in excess of the nominal amount of shares issued by the parent company, reduced by; (2) issuance costs directly attributable to the capital increase; and (3) transfers into the Capital Reduction Reserve.
- Share Based Payment Reserve: comprised of Share-based payment reserve.
- Foreign Currency Translation Effects: comprised of Currency Translation Difference.
- Capital Reduction Reserve: comprised of the absorption of accumulated losses of the Company by the Share Premium, as resolved by the Board of Directors (refer to Note 15—*Share Capital and Share Premium*).
- Accumulated Loss: comprised of cumulative historical losses of the Company.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

d. Cost of materials, net of inventory change

Cost of materials, net of inventory change, consists of the costs of raw materials, components, contract manufacturing, and transportation associated with production and storage of products for sale to customers, net of inventory change.

e. Research and development expenses

Expenses in this category consist primarily of the costs of services and materials used in engineering activities and certain outsourced development activities. Payroll costs related to research and development employees are classified as Compensation and benefit expenses, not as research and development expenses, on the Consolidated Statement of Profit and Loss. However, the compensation paid to individual contractors serving in engineering roles is included in Research and development expenses.

Research costs are expensed as incurred. Development expenses that do not meet the criteria of capitalization are expensed as incurred. Development expenses are capitalized when (i) the technical feasibility of completing development has been demonstrated, (ii) the costs of development can be measured reliably, (iii) it is probable that IDEX will realize future economic benefits from the asset, and (iv) IDEX has committed to complete the development. Once the development is complete and the resulting asset is available for use, the capitalized development cost (i.e., the asset value) is amortized over its expected useful life.

The Company applies for and has received government grants associated with certain research and development projects. The recognized value of government grants applicable to research and development activities are credited against research and development costs. Generally, the applications or claims for such grants are submitted after completion of the qualifying activities. When it is realistic that the application or claim will be successful and the amount can be determined reliably, the Company credit the value of the grant against research and development expenses for that reporting period. Pending receipt of funds, the expected value of the grant is recognized in Account receivable, other.

f. Convertible debt

The terms of the convertible debt agreements are evaluated to determine whether the instruments contain both liability and equity components, in which case the instrument is a compound instrument. Convertible debt agreements are evaluated to determine whether they contain embedded derivatives, in which case the instrument is a hybrid financial instrument. Based on evaluation of the terms in our convertible debt agreements, the Company determined that the conversion option was an embedded derivative and, therefore, the convertible debt was accounted for as a hybrid financial instrument. The Company elected to assign original transaction costs entirely to the financial liability host (principal).

Estimation methods are used to determine the fair value of embedded derivatives included in hybrid financial instruments. The determination of the effective interest used for the host contracts of hybrid financial instruments and the liability components of compound financial instruments is dependent on the outcome of such estimations. Evaluating the reasonableness of these estimations and the assumptions and inputs used in the valuation methods requires a significant amount of judgment and is therefore subject to an inherent risk of error.

g. Accounting estimates, based on the use of judgment and assumptions

The application of certain accounting standards requires management to make accounting judgments, estimates and assumptions affecting reported amounts of assets, liabilities, income and expenses.

The main area where the Company has made significant judgments when applying the accounting policies and that have the most material effect on the amounts recognized in the financial statements are goodwill and inventory.

Estimates used in the preparation of these financial statements are prepared based on bespoke models, while the assumptions on which the estimates are based rely on historical experience and other factors that management assesses to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

The most important matters in understanding the key sources of estimation uncertainty are described in each of the following sections below:

- Intangible assets
- Inventory
- Accounts receivable, trade
- Share-based compensation
- Embedded derivative in convertible debt
- Warrants

Intangible assets
IDEX's patents and other intellectual property rights created by the Company are capitalized only when they satisfy the criteria for capitalization. No development costs have been capitalized in 2024 or 2023. Acquired intangible assets are capitalized initially at fair value, normally the purchase price. Intangible assets are amortized over their useful economic lives. An assessment of impairment losses on non-current assets is made when there is an indication of a decrease in value. An intangible asset's carrying amount is compared to the asset's recoverable amount. The recoverable amount is the higher of the fair value (less costs to sell to an independent third party) or the calculated value based on the discounted estimated cash flow from continued use. The estimate is based on judgments of when and whether there will be an economic benefit from the asset, and assumptions about the amounts. As of December 31, 2024, the Company determined that there were no indicators of impairment, and no impairment was recorded.

Inventory
Inventories consist of raw materials, work in process, and finished goods. Inventory is recorded at the lower of cost and net realizable value. Most inventory items are tracked by lot, and the recorded cost is actual average cost per unit in the lot. Mass products are recorded at moving average cost per unit. Items of significant value are tracked by serial number and the recorded cost is the actual cost of the individual item. Impairment is assessed quarterly, based on management's judgment of when and whether the inventory may be sold, and assumptions about the sales price and selling costs. The estimate is uncertain, because timing of sales is subject to many risks. Selling prices are uncertain in the market for IDEX's products. Reselling components or other commodity raw materials at any value may not be easily achieved, and elements of work in progress and finished goods, if impaired (i.e., considered excess or obsolete inventory), generally have no resale value and are held for disposal.

Accounts receivable, trade
Trade accounts receivable consists of invoiced amounts owed by customers, net of minor prepayments received and allowances for doubtful accounts. Regarding allowances for doubtful accounts, see section *Credit and Liquidity Risk* below.

Share-based compensation
IDEX estimates the fair value of incentive subscription rights ("SRs") at the grant date by using the Black-Scholes option pricing model and record the share-based remuneration cost over the vesting period of the SRs. The valuation is based on share price and exercise price, share price volatility, interest rates, and the expected term of the SRs, based on historical data. The parameters may in the future deviate from the historical observations. The accrued cost of the employment taxes associated with the earned intrinsic value of the SRs will vary with share price, which is a highly unpredictable parameter.

IDEX estimates the fair value of the Employee Share Purchase Plan ("ESPP") at the grant date, i.e. the first date of the contribution period, by using the Black-Scholes option pricing model. The share-based compensation is expensed over the contribution period. The valuation is based on share price and exercise price, share price volatility, interest rates, and the term of the contribution period. The parameters may in the future deviate from the historical observations.

Embedded derivative in convertible debt
Estimation methods are used to determine the fair value of the embedded derivative included in the convertible debt. The effective interest used for the host contract and the embedded derivative is dependent on the estimations. A significant amount of judgment is exercised in determining the estimations and the assumptions and inputs used in the valuation methods at original recognition of the host contract and the embedded derivative, as well as revised valuation of the embedded derivative at each balance sheet date. The result is therefore subject to an inherent risk of error.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Warrants
IDEX Biometrics ASA has issued warrants to investors who have subscribed to shares in private placements in 2024. The warrants are denominated in NOK, while the Company's functional currency is the USD, and are not held proportionally among shareholders. As such, the warrants represent a financial liability; the obligation to issue shares at a fixed share price in NOK. Under IFRS, this obligation is initially recognized and subsequently held at fair value. Changes in value are recognized through profit and loss as other financial items. Upon issue, the warrants are recognized based on option value calculations. Option value calculations are also used at later balance sheet dates unless the warrants are traded in an active market and have observable fair value. A significant amount of judgment is exercised in determining the estimations and the assumptions and inputs used in the valuation method at original recognition of the warrants. The result is therefore subject to an inherent risk of error.

h. Revenue recognition

Revenue is recognized when control of the promised goods or services is transferred to a customer, in an amount reflecting the consideration the Company expects to be entitled to in exchange for those goods or services. Sales, value added, and other taxes incurred concurrent with revenue producing activities are excluded from revenue. Shipping and handling charges to customers are included in revenue, and costs incurred associated with outbound freight after control over a product has transferred to a customer are accounted for as revenue reductions.

The Company's primary source of revenue comes from the sale of its products, which principally are biometric fingerprint sensors. Each sensor also contains embedded software. The hardware and the embedded software are interdependent in that each needs the other to provide the intended fingerprint authentication function to the customer. IDEX Biometrics can also provide complete modules, i.e. a sensor, a secure element and antenna for embedding in a card, as well as the card operating system. The primary customers for the products are smart card manufacturers and similar solution integrators. IDEX Biometrics currently does not use distributors for the resale of its products.

IDEX Biometrics may license its intellectual property under right to use licenses, in which royalties due to the Company are based upon a percentage of the licensee's sales and/or unit volumes. In the years 2024 and 2023, the Company recognized no revenue from licensing its intellectual property.

The Company also recognizes revenue from contracts with customers associated with the delivery of certain services, ranging from standalone NRE to advisory services. Generally, these contracts include a single performance obligation (i.e., service element), and revenue is recognized upon the completion of the defined service element and final acceptance by the customer of any project deliverable. However, revenue from services may be recognized over time, if recognition of multiple service elements is based on completion of substantive and results-based contractual milestones, and acknowledgement by the customer of such completion.

The Company does not have material obligations or reserves for warranties, returns, or customer refunds. There were no contract asset or contract liability balances as of December 31, 2024 or 2023.

i. Accounting Standards

No amendments to standards or interpretations of standards effective as of January 1, 2024 and adopted by the Company were material to the Company's financial statements upon adoption.

IFRS 18—*Presentation and Disclosure in Financial Statements* takes effect as of January 1, 2027 and will be implemented in due course. Other standards, amendments to standards, and interpretations of standards, issued but not yet effective, are either not expected to materially impact, or are not expected to be relevant to, the Company's financial statements upon adoption.

Climate Change

As of December 31, 2024, the possible future financial impact to the Company resulting from climate change is uncertain and IDEX Biometrics does not have a basis to determine the direction or magnitude of any such impact. The Company is monitoring current and expected climate change effects, as well as measures considered or implemented by government and industry, in order to minimize any negative impact and to take advantage of any favorable opportunities that may arise.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Financial risks

IDEX emphasizes capital preservation and liquidity in managing its cash, which is held in bank accounts, which are denominated in USD, NOK, GBP, and CNY.

Short-term capital requirements include funding operating losses and supporting net working capital requirements. Reflecting the Company's operating model, investments in property, plant, and equipment are modest, and have been funded with proceeds from issuance of shares. IDEX has been funded through the issuance of shares since it was established in 1996. In 2023, the parent company took up a convertible loan.

The current cash position and financial forecasts indicate that in 2025, the Company will need significant funding in the form of equity injection, debt or other. The Board is considering various funding options and believes that the Company will obtain further financing for its planned operation, growth and working capital requirements. Refer to the section above regarding going concern.

Interest Rate Risk
As of December 31, 2024, IDEX Biometrics had cash of $2.0 million. The Company's exposure to interest rate sensitivity is influenced primarily by changes in the underlying bank interest rates in the various currencies. IDEX's cash is held in bank accounts, all of which are considered highly liquid. Accordingly, an immediate one percentage point change in interest rates would not have a material effect on the fair market value the Company's cash accounts.

The convertible loan is the only debt to financial lenders. The Company is not exposed interest rate associated with variable rate debt because the interest rate is fixed for the duration of the loan.

Currency Risk
The Company's trading transactions are denominated in U.S. Dollars ("USD"), which is the Company's consolidation and presentation currency. The functional currency of the parent company, IDEX Biometrics ASA, is USD, while the functional currencies of the subsidiaries are the currency in their respective domiciles. The Company incurs a portion of its expenses in currencies other than the USD, primarily British Pounds ("GBP"), Norwegian Krone ("NOK"), Euro ("EUR"), and, until the end of 2024, Chinese Yuan ("CNY"). The Company's cost level is exposed to changes in the rates of exchange between the USD and these currencies. IDEX seeks to minimize this exposure by maintaining currency cash balances at targeted levels appropriate to meet foreseeable short-term expenses in these other currencies. The remaining cash balance is held in USD-denominated accounts. The Company does not use forward exchange contracts or other hedging strategies to manage exchange rate exposure.

Each subsidiary's assets and liabilities are naturally hedged by being held and denominated in the functional currency of the subsidiary.

In addition to USD, the parent company holds bank deposits in NOK and GBP; receivables in NOK, GBP and EUR; and payables in NOK, GBP and EUR, and convertible debt in NOK. A 10% change in the relative value of USD to NOK would have had a corresponding effect on the carrying value of the Company's debt of about $600 thousand at December 31, 2024, and at December 31, 2023 the effect would be about $800 thousand. A 10% change in the value of USD to CNY or EUR was not material at December 31, 2024 or December 31, 2023. A 10% increase in the value of the GBP relative to the USD would have had a corresponding effect on the carrying value of the net financial assets and liabilities in foreign currencies at December 31, 2024 of about $245 thousand (December 31, 2023: $980 thousand).

Credit and Liquidity Risk
IDEX Biometrics extends customary credit terms to customers, reflecting its assessment of their individual creditworthiness. Based on review of customer accounts as of December 31, 2024, a specific reserve for possible loss has been recognized. The Company does not believe there is significant additional credit risk at large associated with its Accounts receivable, trade, balance as of December 31, 2024. (See Note 14—*Accounts receivable*.) A general reserve for doubtful accounts has not been recognized. If and when revenue continues to increase, receivable balances from a broadening customer base will increase, potentially increasing the credit risk at large.

The Company believes it faces minimal risk on its cash position, as IDEX's cash is on deposit with reputable, regulated banks.

IDEX Biometrics aims to increase revenue generation through sales of its products; however, it does not currently have the cash resources to fully meet its operating commitments for the twelve months following the date of the financial statements. This casts significant doubt on the Company's ability to continue as a going concern. See section *Going concern* above.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

4. Segment reporting

IDEX manages its operations as a single segment for the purposes of assessing performance and making operating decisions. IDEX operates as one operating segment, fingerprint imaging and authentication technology. IDEX has determined that its chief operating decision maker is its Chief Executive Officer. The Company's chief operating decision maker reviews the Company's financial information on an aggregated basis for the purposes of allocating resources and assessing financial performance.

IDEX categorizes customers by geographic region utilizing the addresses to which the Company invoices its products or services. The Company's product and service revenue by geographic region is as follows:

	Year ended December 31,	
Amounts in $1000	**2024**	**2023**
Product Revenue:		
Europe, Middle East, and Africa	$ 106	$ 3,029
Americas	248	975
Asia-Pacific	347	126
Total Product Revenue:	701	4,131
Service Revenue:		
Europe, Middle East, and Africa	—	2
Americas	72	—
Asia-Pacific	69	6
Total Service Revenue:	140	8
Total Revenue	$ 841	$ 4,138

The Company's revenue has in the past come from a limited number of customers. During 2024, the top three customers accounted for approximately 26%, 25% and 20% of the Company's revenue, respectively, and in 2023, the top two customers accounted for 47% and 20% of revenue, respectively.

5. Compensation and benefits

Compensation and benefits expenses consist of costs for direct employees of the Company. Compensation of individual contractors is reported as Research and development expenses or Other operating expenses, as applicable, based on the roles assigned to the individuals.

	Year ended December 31,	
Amounts in $1000	**2024**	**2023**
Salary, payroll tax, benefits, other	$ 8,464	$ 13,026
Share-based compensation	333	1,280
Total	$ 8,797	$ 14,305

The table below sets forth the number of employees and individual contractors by their function, measured in full-time equivalents. Most of the contractors live and work in countries in which the Company does not have a formal business presence.

	December 31, 2024		December 31, 2023	
	Employees	Contractors	Employees	Contractors
Research and development	16	4	53	5
Marketing and sales	3	4	4	11
General and administrative	5	1	5	2
Supply chain and distribution	6	—	7	—
Total staff	30	9	69	18

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

The average number of employees for the years 2024 and 2023 were 45 and 76 full-time equivalents, respectively.

The Company provides health and other benefits to employees consistent with common practice in the countries in which it operates. No such benefits are provided to individual contractors.

The parent company contributes to a pension insurance plan for all its Norwegian employees. The plan satisfies the Norwegian mandatory service pension rules (*obligatorisk tjenestepensjon*, OTP). The pension plan is a fully insured, defined contribution plan.

Employees of IDEX America may participate in a health, dental, and vision insurance plan. IDEX America also offers employer-funded plans for life insurance, short-term disability, and long-term disability.

IDEX China contributes to the mandatory social security plans in China, including contribution of 21% of eligible salary to each employee's personal retirement fund.

IDEX UK contributes up to 6% of an employee participant's base salary to IDEX UK's pension plan, subject to the employee contributing the same percentage through a salary reduction arrangement. The pension plan is a fully insured, defined-contribution plan.

In 2024, IDEX operated two share-based compensation programs: Incentive subscription rights (SRs), and an employee share purchase plan (ESPP). Share-based compensation is the recognized costs of the SR and ESPP programs. See Note 23—*Share-based remuneration*.

Compensation of Key Management

Please see also the 2024 Executive remuneration report, published separately.

In 2024 and 2023 key management consisted of the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), Chief Technology Officer ("CTO"), and Chief Commercial Officer ("CCO"). In 2024, the former CCO replaced the CEO, and the CCO position was closed. All officers are employed in the subsidiary in the country where they work, or serve as a contractor to the parent company.

	Year ended December 31,	
Amounts in $1000	**2024**	**2023**
Compensation and short-term benefits	$ 1,509	$ 1,487
Medical and similar benefits, contributions to pension schemes	19	52
Share-based compensation	365	221
Total compensation of key management	$ 1,893	$ 1,760

Compensation and other short-term benefits, whether cash or in kind, are the amounts declared for tax purposes for the respective years. Pension cost and share-based remuneration are expensed amounts in the respective years. Gains on exercise of incentive subscription rights, if any, are not included. Employers' tax is not included. The variable incentive pay paid in one year relate to achievements in the previous year. No officers exercised incentive subscription rights in 2024 and 2023.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Key management held the following subscription rights to Ordinary Shares under the subscription rights incentive plans with the following expiration dates and exercise prices:

			Number outstanding[1] as of December 31,	
Grant date	Expiration date	Exercise price (NOK)[1]	2024	2023
August 14, 2019	May 9, 2024	8.25		65,560
February 26, 2020	May 9, 2024	5.55		1,000,000
June 17, 2020	May 15, 2025	8.55	225,000	225,000
April 20, 2021	May 15, 2025	13.55	—	—
June 3, 2021	May 12, 2026	11.90	400,000	400,000
August 11, 2021	May 12, 2026	12.00	42,060	284,140
February 23, 2022	May 12, 2026	10.40	167,380	167,380
August 10, 2022	May 12, 2027	5.90	84,120	326,200
August 11, 2023	May 23, 2028	3.40	252,360	752,360
November 8, 2023	May 23, 2028	2.30	—	100,000
April 17, 2024	May 23, 2028	0.15	300,000	
July 12, 2024	May 16, 2029	1.45	6,000,000	
August 29, 2024	May 16, 2029	0.93	1,500,000	
Total			8,970,920	3,320,640

1 Exercise price and quantity in 2023 has been adjusted for the 5:1 share consolidation taking effect as of record date January 10, 2024

In case of share split or consolidation, the incentive subscription rights plan has adjustment clauses so that the number of subscription rights and the exercise prices are adjusted by the same ratio. See also notes 23—*Share-based compensation* and 26—*Subsequent events*.

Compensation paid to the Board is presented in Note 24—*Related party transactions*.

6. Research and development expenses

Research costs are expensed when incurred. Development costs are capitalized and held in the balance sheet only if they satisfy the criteria for capitalization. The same applies to IDEX's patents and other intellectual property rights created by IDEX. IDEX has not capitalized any development costs in 2024 or 2023. Development costs related to creation of intellectual property have been expensed when incurred.

Research and development expenses include the cost of individual contractors assigned to engineering roles.

Government grants in support of research and development activities are recognized as a credit against research and development costs when it is realistic that the application or claim will be successful and the amount can be determined reliably.

	Year ended December 31,	
Amounts in $1000	2024	2023
Gross research and development expenses	$ 2,873	$ 3,495
Government grants credited	(416)	(1,102)
Net research and development expenses	$ 2,457	$ 2,393

7. Government grants

The Norwegian Skattefunn program supports research and development activities conducted by Norwegian companies. If/when a company is in financial distress at the time the project is approved, it is not eligible for support. The support in 2024 was earned on activities conducted in 2024 on projects approved in prior years.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

The UK SME R&D tax relief program supports qualifying research and development activities of small and medium-sized enterprises in UK. The support recognized by IDEX Biometrics UK Ltd in 2024 relates to activities in 2024 for which support will be claimed in 2025.

	Year ended December 31,	
Amounts in $1000	2024	2023
Norway	$ 167	$ 480
United Kingdom	249	622
Total	$ 416	$ 1,102

The recognized amounts in 2024 and 2023 represent IDEX Biometrics expected grant amount based on the cost of the approved project applications.

8. Audit and audit fees

Ernst & Young AS (EY) is the auditor of the Company. The audit fees for the respective years are as follows:

	Year ended December 31,	
Amounts in $1000	2024	2023
Audit services	$ 165	$ 176
Audit-related services	50	37
Tax services	9	8
Other services	-	—
Total	$ 224	$ 221

Audit services represents the fees for the audit that must be performed by EY in order to issue an opinion on the Company's consolidated financial statements and to issue reports on the Company's statutory financial statements. The definition also includes fees for certain other audit services, which are services only the designated independent auditor reasonably can provide, such as the auditing of non-recurring transactions, the application of new accounting policies, and read-through reviews of interim financial reports.

Audit-related services represents fees for other assurance and related services provided by EY, which services are reasonably related to the performance of the audit, but not necessarily need to be performed by the Company's auditor, such as capital injection confirmations.

Tax services represent fees, approved by the Audit Committee, for technical tax services not related to the audit provided by EY.

Other services represent other fees, approved by the Audit Committee, for services not related to the audit provided by EY.

9. Income tax

The Company is subject to income taxes in the jurisdictions in which it operates. The Company's provision for income taxes (i.e., expense (benefit)) is based on income tax rates in the tax jurisdictions in which it operates, tax credits available in these jurisdictions, and reconciliation of differences between financial reporting values and tax reporting values.

As of December 31, 2024, the Company has a tax loss carryforward balance in Norway of $261,1 million, representing a potential deferred tax asset, if recognized and calculated at the current corporate tax rate of 22.0%, of $57.8 million. The Company also has a tax loss carryforward balance in the United Kingdom of $1.3 million, representing a potential deferred tax asset, if recognized and calculated at the current corporate tax rate of 19.0%, of $0.3 million. The Company does not have a tax loss carryforward balance or a deferred tax liability in China. In the United States, the Company expects returns of prepayments totaling $60 thousand.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Because the Company has concluded there is not sufficiently convincing evidence the Company will generate sufficient taxable profit, against which the unused tax losses could be applied, the Company has not recognized to date any deferred tax assets in its statement of financial position, consistent with IFRS. A deferred tax asset will be recognized when the Company determines it is more likely than not it will have sufficient future taxable profit to apply the tax loss carryforward against future income taxes.

The major components of income tax provision for the years shown are:

Tax expense (benefit) for the year

	Year Ended December 31,	
Amounts in $1000	**2024**	**2023**
Taxes payable on the result of the year	$ 12	$ —
Adjustment in respect to prior years	(132)	(16)
Change in recorded deferred tax liability	—	—
Income tax expense (benefit)	$ (120)	$ (16)

Elements of deferred tax

	Year Ended December 31,	
Amounts in $1000	**2024**	**2023**
Employer's tax on share-based compensation	$ —	$ (19)
Fixed Assets differences	(493)	519
Inventory differences	(1,407)	(869)
Accruals differences	(7)	(13)
Research and development tax credits	(1,140)	(496)
Losses carried forward	(263,624)	(252,801)
Basis for calculation of deferred tax asset	(266,671)	(253,679)
Calculated net deferred tax expense (benefit), local tax rates 5-22%	(59,297)	(55,670)
Unrecognized deferred tax asset *	59,297	55,670
Deferred tax liability (asset) in the balance sheet	$ —	$ —

Reconciliation of tax expense (benefit)

	Year Ended December 31,	
Amounts in $1000	**2024**	**2023**
Loss before tax	$ (14,569)	$ (26,644)
Norway statutory tax, calculated at rate of 22%	(3,205)	(5,862)
Difference in subsidiary taxes, using local rates vs 22%	160	46
Estimated tax on permanent differences	(2,752)	(744)
Adjustment in respect of prior years	(132)	(16)
Use of and change in tax loss carried forward	5,809	6,592
Income tax expense (benefit)	$ (120)	$ 16

As of December 31, 2024, there was not sufficiently convincing evidence the Company will generate sufficient taxable profit, against which the unused tax losses could be applied. Consequently, no deferred tax asset has been recognized. There are no restrictions as to how long tax losses may be carried forward in Norway or the United Kingdom. In China, the tax loss carryforwards that had not been utilized by the end of 2022, expired as of Dec 31, 2022. Tax credits associated with research and development activities in the United States, totaling $1.1 million as of December 31, 2024, can be applied against taxable income for the following for 20 years.

The various deferred tax assets that have not been recognized are denominated in their respective local currencies. As such, the change in the year-end value in USD of these unrecognized deferred tax assets includes foreign currency translation adjustments arising from changes in the exchange rates between USD and these local currencies from the prior year-end.

There are no deferred tax charges included in other comprehensive income in 2024 or 2023.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

10. Loss per share

A 5:1 share consolidation (reverse split) was completed at record date January 10, 2024. The per share calculations for all periods presented here are based on the new number of shares.

The profit or loss per share is calculated by dividing the profit (loss) for the period by the weighted average number of ordinary shares outstanding for the period. Loss per share is calculated per basic share (i.e., without consideration for the anti-dilutive effect of exercisable subscription rights).

	Year ended December 31,	
Amounts in $1000	2024	2023
Net loss for the year	$ (14,449)	$ (26,629)
Number of ordinary shares issued at December 31	831,576,974	279,402,130
Weighted average basic number of ordinary shares	414,656,727	253,042,411
Dilution effect (treasury stock method)	720,018	1,037,665
Weighted average diluted number of shares	415,376,744	254,080,076
Loss per share for the year (basic and diluted*)	$ (0.03)	$ (0.11)

* The effects of potentially dilutive shares issuable upon exercise of outstanding subscription rights are not included in the calculation due to the Company's net losses for the periods presented, as their effect would be anti-dilutive.

11. Goodwill and other intangible assets

Goodwill is the recorded difference between the consideration paid and the net value of identifiable assets acquired and held, less impairment charges, if any. Goodwill balances as of December 31, 2024, and December 31, 2023, reflected the following activity:

	Year ended December 31,	
Amounts in $1000	2024	2023
Cost at the beginning of the year	$ 968	$ 968
Impairment	(968)	—
Cost at the end of the year	$ —	$ 968

There is only one cash generating unit in the Company and goodwill is allocated to this. The goodwill originated from a business combination (Picofield Technologies, Inc) in 2013. IDEX performed the annual impairment test on December 31, 2024. The Company considers the relationship between the market capitalization of its shares and its book value, among other factors, when reviewing for indicators of impairment. As of 31 December 2024, the market capitalisation was less than the book value of equity, indicating a potential impairment of goodwill and/or impairment of other assets.

Recoverable amount is the higher of value in use (VIU) and fair value (FV) less cost to sell. The VIU is normally the highest. The analysis of VIU was based on a discounted five-year cash flow analysis of a five-year forecast period (2025-2029) with an additional terminal value.

Key assumptions are revenue, gross margin and the discount rate applied on the cash flow. Revenue forecast is a critical factor, and IDEX's revenue has been low. Based on management's estimates, the forecast assumes 185% growth in the first year, gradually reduced to 40% in the last year of the forecast period. 40% gross margin has been applied. This is based on actual margins in the three years 2022-2024 and management's estimate for the forecast period. The discount rate represent the current assessment of the risks, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operations and is derived from its weighted average cost of capital (WACC). The WACC applied to the forecast was 15.0%. The terminal value is calculated applying the equity rate of return and a long term growth rate of 3.0%. The key factors are also the main sensitivities of the VIU calculation.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Other intangible assets, consisting primarily of patents, are held at cost, less accumulated amortization and impairment charges. Other intangible asset balances as of December 31, 2024, and December 31, 2023, reflected the following activity:

Amortization period (straight-line, in years)	**Year ended December 31,**	
	2024	**2023**
Amounts in $1000	*10-17*	*10-17*
Cost at the beginning of the year	$ 5,173	$ 5,173
Additions	—	—
Impact of currency translation	—	—
Cost at the end of the year	$ 5,173	$ 5,173
Accumulated Amortization at the beginning of the year	$ 4,162	$ 3,685
Amortization	441	477
Impact of currency translation	—	—
Accumulated Amortization at the end of the year	4,603	4,162
Carrying amount at the end of the year	$ 570	$ 1,011

Acquired patents are capitalized and amortized over the estimated useful life, which is the lifetime of the respective patent(s). As of December 31, 2024, and December 31, 2023, the Company had not identified any indicators of impairment.

12. Property, plant, and equipment

Property, plant, and equipment is held at cost, less accumulated depreciation and impairment charges. When assets are sold or retired, such assets are no longer recorded in the Consolidated Statements of Financial Position. Any gain or loss on the sale or retirement is recognized in the Consolidated Statements of Profit and Loss.

The capitalized amount of property, plant, and equipment is the purchase price, including freight, installation, duties, taxes, and direct acquisition costs related to preparing the asset for use. Costs related to training and commissioning are expensed as incurred. Subsequent costs, such as expenses for repair and maintenance, are recognized as incurred in the Consolidated Statements of Profit and Loss. Subsequent enhancements creating future economic benefits are recognized in the Consolidated Statements of Financial Position as additions to property, plant, and equipment.

These assets are depreciated using the straight-line method over each asset's useful life. The depreciation period and method are assessed each year to ensure that the method and period used is consistent with the status of the non-current asset.

A recent change in the relation with a manufacturing partner is expected to lead to disuse and disposal of equipment held by IDEX Biometrics that is placed at the partner's facility. To reflect lower of net book value and value in use, an impairment charge amounting to USD 156k was recognized as of December 31, 2024.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Property, plant, and equipment balances as of December 31, 2024, and December 31, 2023, reflected the following activity:

2024 *Amounts in $1000*	**Plant and machinery, fixtures and fittings**	**Office furniture and office equipment**	**Instruments and lab equipment, software tools**	**Total**
Depreciation period, straight line, in years	*3-10*	*3-10*	*3-10*	
Accumulated cost at December 31, 2023	$ 1,148	$ 795	$ 2,329	$ 4,272
Additions (or disposals)	29	12	108	149
Disposals	(201)	(664)	(1,805)	(2,670)
Impact of currency translation	—	—	—	—
Accumulated cost at December 31, 2024	975	143	633	1,751
Accumulated depreciation at December 31, 2023	759	764	1,937	3,460
Depreciation	335	19	188	542
Accumulated depreciation of disposed assets	(135)	(653)	(1,586)	(2,373)
Impact of currency translation	—	—	—	—
Accumulated depreciation at December 31, 2024	960	130	539	1,629
Carrying amount at December 31, 2024	$ 15	$ 13	$ 94	$ 122

2023 *Amounts in $1000*	**Plant and machinery, fixtures and fittings**	**Office furniture and office equipment**	**Instruments and lab equipment, software tools**	**Total**
Depreciation period, straight line, in years	*3-10*	*3-10*	*3-10*	
Accumulated cost at December 31, 2022	$ 969	$ 803	$ 2,348	$ 4,120
Additions (or disposals)	177	2	66	245
Disposals	—	(18)	(108)	(126)
Impact of currency translation	2	8	23	33
Accumulated cost at December 31, 2023	1,148	795	2,329	4,272
Accumulated depreciation at December 31, 2022	486	734	1,793	3,013
Depreciation	272	40	236	548
Impact of currency translation	1	(11)	(91)	(101)
Accumulated depreciation at December 31, 2023	759	764	1,937	3,460
Carrying amount at December 31, 2023	$ 389	$ 31	$ 392	$ 812

There were no assets under construction at the end of 2024 or 2023.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

13. Leases

The Company's leases are for office and laboratory space. There is no exposure to future variable lease payments that are not reflected in the measurement of lease liabilities. In connection with the closing of the activities in IDEX Biometrics America Inc. and IDEX China, leasehold agreements were terminated and right-to-use/leasehold assets derecognized. Activity during 2024 and 2023 related to right-of-use assets are shown below.

Right-of-use assets

Amounts in $1000	Year ended December 31, 2024	2023
Depreciation period, straight line, years	*3-5*	*3-5*
Cost at the beginning of the year	$ 3,487	$ 2,643
Additions	—	844
Disposals of right to use assets	(1,424)	—
Impact of currency translation	6	—
Cost at the end of the year	2,069	3,487
Accumulated depreciation at the beginning of the year	1,708	1,098
Depreciation	522	610
Accumulated depreciation of disposed right of use assets	(450)	—
Impact of currency translation	(4)	—
Accumulated depreciation at the end of the year	$ 1,775	$ 1,708
Recorded value at the end of the year	293	1,779

Costs related to right-of-use assets included in the Consolidated Statements of Profit and Loss include the following:

Lease liabilities in the Consolidated Statements of Profit and Loss

Amounts in $1000	Year ended December 31, 2024	2023
Depreciation	$ 522	$ 610
Finance cost	82	130

Lease liabilities included in the Consolidated Statements of Financial Position and related activity in the Consolidated Statements of Profit and Loss and Consolidated Statements of Cash Flows include the following:

Lease liabilities in the Consolidated Statements of Financial Position

Amounts in $1000	Year ended December 31, 2024	2023
Balance at the beginning of the year	$ 1,779	$ 1,544
Additions	—	844
Disposed and retired assets	(974)	—
Accretion of interest	82	130
Payments	(491)	(739)
Balance at December 31	396	1,779
Non-current	—	1,238
Current	396	624
Total lease liabilities	$ 396	$ 1,862

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

14. Accounts receivable

Accounts receivable, trade, includes invoiced amounts due from customers. The receivables are held at the estimated realizable value. The Company's payment terms vary by the type and location of its customers and the products or services offered. Terms are typically payment within 30 to 60 days. Based on periodic review of customer accounts, a specific reserve for possible loss may been recognized as applicable. The Company does not require collateral from its customers, although there have been circumstances when the Company has required cash in advance (i.e., a partial down-payment) to facilitate orders in excess of a customer's established credit limit. To date, such amounts have not been material.

In an arbitration ruling at Oslo Chamber of Commerce on January 27, 2025, in favor of IDEX Biometrics, the company was awarded $0.7 million from customer Zwipe AS, plus late payment interest and compensation for the Company's legal costs. On March 6, 2025, the Oslo District Court ruled that bankruptcy proceedings for Zwipe shall take place. The receivable has been written off as of December 31, 2024.

A general reserve for doubtful accounts has not been recognized. Expected credit loss accrued for at the end of 2024 was $849 thousand, and $144 thousand at the end of 2023.

The balances reported as Accounts receivable, other, consist primarily of estimated support related to research and development projects, and value added tax refund due to the Company.

Balances and aging of accounts receivable at December 31, 2024, and December 31, 2023, were as follows:

Year ended December 31, 2024

	Maturity			
Amounts in $1000	Less than 3 months	3-6 months	6-12 months	Total
Accounts receivable, trade	$ —	$ —	$ 30	$ 30
Accounts receivable, other	137	598	167	902
Total	$ 137	$ 598	$ 197	$ 932

Year ended December 31, 2023

	Maturity			
Amounts in $1000	Less than 3 months	3-6 months	6-12 months	Total
Accounts receivable, trade	$ 979	$ —	$ —	$ 979
Accounts receivable, other	90	392	467	949
Total	$ 1,069	$ 392	$ 467	$ 1,928

15. Other current and non-current financial assets

Non-current receivables

	Year ended December 31,	
Amounts in $1000	2024	2023
Non-current receivables	57	81
Balance at December 31	57	81

The receivables are deposits for leasehold payments and are held at nominal value. Deposits amounting to $17 thousand and $6 thousand were released upon termination of lease agreements in America and China, respectively.

IDEX Biometrics ASA had no contingent assets at the end of 2024 or 2023.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

16. Accounts payable and other financial liabilities

Except for the convertible debt in note 17—*Convertible debt*, the Company's payable and other financial liabilities as of December 31, 2024, and December 31, 2023, were as follows:

Year ended December 31, 2024

	Maturity				
Amounts in $1000	Less than 3 months	3-6 months	6-12 months	1-5 years	Total
Accounts payable	$ 850	$ —	$ —	$ —	$ 850
Current lease liabilities	396	—	—	—	396
Other current liabilities	891	113	941	—	1,945
Total	$ 2,137	$ 113	$ 941	$ —	$ 3,191

Year ended December 31, 2023

	Maturity				
Amounts in $1000	Less than 3 months	3-6 months	6-12 months	1-5 years	Total
Non-current lease liabilities	$ —	$ —	$ —	$ 1,238	$ 1,238
Accounts payable	688	—	—	—	688
Current lease liabilities	146	148	331	—	624
Other current liabilities	782	760	9,254	—	10,796
Total	$ 1,615	$ 908	$ 9,585	$ 1,238	$ 13,346

Other current liabilities include accruals for earned compensation, earned vacation days not taken, potential employer's tax on share-based compensation, and accruals for goods and services received but not yet invoiced by the supplier.

The estimated employer's payroll tax liability related to share-based compensation amounted to $0 (nil) thousand on December 31, 2024, and $19 thousand on December 31, 2023. The amount will be due only if and when the subscription rights are exercised. The exercise will, in all likely circumstances, fund the payable employer's payroll tax.

Interest expense including effective interest on the convertible debt and interest on lease liabilities in the Consolidated Statement of Profit and Loss in Finance expense was $1,788 thousand in 2024 and $136 thousand in 2023. The balance of finance expense is currency losses.

Except for the convertible debt in note 17—*Convertible debt*, IDEX had no other significant current or non-current monetary obligations at the end of 2024 or 2023. The Company had no contingent liabilities at the end of 2024 or 2023.

17. Convertible debt, warrants

Amounts in $1000	Interest rate	Installment profile	Carrying value
Convertible bond as of Dec 31, 2023	6%	Bimonthly until June 28, 2027	
Convertible debt			$ 5,076
Embedded derivative			3,545
Total			$ 8,621
Convertible bond as of Dec 31, 2024	0%	Semi-annual from Jun. 28, 2026 to Dec. 28, 2027	
Convertible debt			$ 1,984
Embedded derivative			139
Total			$ 2,123

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

			Recognized value on the balance sheet	
			Year ended December 31,	
Amounts in $1000	Exercise price	Expiry	2024	2023
Warrants				
Warrants May-Jun	NOK 1.65	May 29, 2025	$ 1	$ —
Warrants A	NOK 0.15	March 13, 2025	326	—
Warrants B	NOK 0.15	April 11, 2025	326	—
Total			$ 652	$ —

In December 2023, IDEX entered into a convertible debt financing agreement. The agreement has been amended since, see below. The Company issued NOK 100 million or $9.9 million in convertible bonds at 6.0% interest p.a. The loan is denominated in NOK. IDEX Biometrics received NOK 92 million after deduction of the issue discount. Transactions and balance amounts are reported in USD at the exchange rates at the respective dates. The bondholder could elect to convert the outstanding loans into IDEX shares at any time prior to repayment at a conversion price of NOK 3.655, which price reflects the 5:1 share consolidation (reverse split) effective on the record date of January 10, 2024.

The conversion option was accounted for as an embedded derivative and was recognized separately from the host contract as a financial liability at fair value through profit or loss. See note 18—*Fair value measurement.* The host contract is recognized at amortized cost, a residual after deduction of transaction costs and the embedded derivative. The effective interest rate is based on the value of the host contract and the expected cash flow. Because the company does not have an unconditional right to defer payment beyond twelve months, both the host contract and the embedded derivative were classified as current liabilities as of December 31, 2023.Estimation methods are used to determine the fair value of the embedded derivative. There is a significant element of judgment in the estimation methods used and the assumptions applied.

Under the original agreement, the debt would be redeemed in 21 equal bi-monthly instalments of NOK 4.8 million plus accrued interest. The bondholder could request up to two additional instalments to be paid in each period between the planned term dates. The Company could elect to settle the interest payments, principal payments, or both with shares in lieu of cash. Any repayment in shares will be converted at 90% of the prevailing market price of the shares. On September 17, 2024, IDEX Biometrics entered into a commitment letter to amend the terms of the convertible bond. The full agreement was entered into on November 6, 2024. The coupon interest rate on the bond was reduced to 0%. The repayment will be in four semi-annual terms starting from June 28, 2026, extending the duration of the loan until December 28, 2027. The conversion rate on the loan was reduced to NOK 0.85 per share. Conversion can, at the earliest, be done on February 28, 2026, unless the share price exceeds NOK 1.25 after June 28, 2025. The Company may elect to settle the principal payments with shares in lieu of cash payments. Any repayment in shares will be converted at 90% of the prevailing market price of the shares. The amendment represented a substantial modification of the financial liability under IFRS 9. The original host contract and embedded derivative was therefore derecognized and the amended debt was recognized at fair value of the host contract and the embedded derivative. This resulted in a gain on modification As a consequence of the refinancing, the debt is classified as non-current as of December 31, 2024.

Amounts in $1000	Host contract (Level 3)	Embedded derivative (Level 3)	Total
(Gains)/Losses recognized from modification	(2,115)	274	(1,841)

Other (gains)/losses related to the host contract, the embedded derivative and the warrants recognized in the Consolidated Income Statements are presented as financial income for gains and financial expenses for losses. As of December 31, 2024, the outstanding principal amount was NOK 66,640 thousand or $5,871 thousand (December 31, 2023: NOK 100,000 thousand or $9,830 thousand).

On March 10, 2025, IDEX Biometrics and Heights entered into a commitment letter whereby the terms of the convertible bond will be amended. The amendment has not been reflected in the valuation of the convertible debt as of December 31, 2024. See note 26—*Subsequent events*.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

18. Fair value measurement

The Company has no financial assets that are measured at fair value.

The embedded conversion option in the convertible debt and the outstanding warrants are measured at fair value.

The Company considers that the carrying amount of the financial assets and liabilities that are recognised at amortised cost net of any impairment approximate their fair value.

The Company uses the following hierarchy for classification of the fair value of financial measurements:

- Level 1: Observed (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Methods for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Methods that use inputs that are not based on observable data

The actual method used and assumptions made in levels 2 and 3 may have a material effect on the estimated fair value. The table below shows the items measured at fair value, categorized within Levels 1-3.

On May 15, 2024, IDEX conducted a private placement of 33,333,333 shares. For each share subscribed to, the subscribers received one warrant with exercise price NOK 1.65. The May warrants are exercisable in quarterly windows after issue of interim reports and expire fourteen days after the interim report for the first quarter of 2025 has been issued.

On September 16, 2024, IDEX conducted a private placement of 466,666,666 shares. For each two shares subscribed to, the subscriber received two warrants with exercise price NOK 0.15: One warrant A exercisable within the first 14 days following the disclosure of the preliminary financial report for 2024, and one warrant B which is exercisable from March 31, 2025 to April 11, 2025. The initial recognition of the warrants was based on a Black Scholes option pricing model calculation, based on company volatility, exercise price and risk free interest rate. On December 12, 2024, the warrants A&B were admitted to trading on Euronext Oslo Børs. As a consequence of the listing admission, the instruments were transferred from Level 2 to Level 1. The transfer did not have a material impact on the instruments' fair value. See note 28—*Subsequent events*.

The table shows the carrying value of liabilities held at fair value at the respective dates, by Level:

Amounts in $1000	Embedded derivative (Level 3)	Warrants May (Level 2)	Warrants A and B (Level 1)	Total
Balance Jan 1, 2023				
Balance Dec 31, 2023	$ 3,545	$ —	$ —	$ 3,545
Balance Dec 31, 2024	$ 139	$ 1	$ 651	$ 791

The initial recognition of the host contract and embedded derivative was fair value. As such, the initial recognized amount was determined at Level 3. Subsequent modifications of the host contract assumes that the effective interest rate used to calculate the value is equal to the initial effective interest rate. Thus, the subsequent measurement of the host contract is amortised cost.

19. Inventory

Inventories consist of raw materials, work in process, and finished goods. Materials and components purchased for use in research and development activities are expensed at the time of purchase and excluded from inventory. Inventory is recorded at the lower of cost and net realizable value, less impairment, if any.

	Year ended December 31,					
	2024			2023		
Amounts in $1000	Cost	Reserves	Net	Cost	Reserves	Net
Raw materials	$ 3,876	$ (634)	$ 3,242	$ 3,795	$ —	$ 3,795
Work in progress	36	—	36	102	—	102
Finished goods	3,107	(836)	2,271	3,356	(869)	2487
Total	$ 7,019	$ (1,470)	$ 5,548	$ 7,253	$ (869)	$ 6,384

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

IDEX disclosed on March 11, 2025, a strategic shift to focus on the access market, while continuing to harvest from its long-time efforts in the payment market. Consequently, parts of the material and components held in inventory were deemed less likely to be sold, and an obsolescence provision has been recognized as of December 31, 2024.

Furthermore, the quantity of certain components (raw material) in inventory is substantially larger than what is required for the updated business plan. Some of the inventory may remain unused and unsold by the time the material becomes obsolete because of aging/shelf life and/or technical obsolescence. Any such obsolescence will depend on, among other factors, technical development, and the timing is uncertain. The impairment charge was based on an assessment with horizon three years derived from the business plan and estimated usage.

In 2024 and 2023, raw materials and products valued $163 thousand, and $251 thousand, thousand respectively, were charged to development expenses.

20. Cash and cash equivalents

Cash and cash equivalent balances by currency were as follows, valued in USD:

	Year ended December 31,	
Amounts in $1000	**2024**	**2023**
Denominated in USD	$ 1,337	$ 10,587
Denominated in NOK	590	424
Denominated in GBP	64	221
Denominated in CNY	20	120
Total	$ 2,010	$ 11,352

Of the amounts above, employees' withheld payroll tax deposits amounted to $47 thousand and $29 thousand at the end of 2024 and 2023, respectively. Only the withheld payroll tax deposits were restricted. Deposits for facilities rent or utilities are reported as Non-current receivables and have not been included in Cash and cash equivalents.

21. Restricted assets

For laboratory and office leases, the parent company and subsidiaries have placed an amount corresponding to about 3 months' rent and allocations of its leasehold facilities in an escrow account in landlords name for the benefit of the landlord. Such escrow accounts and other deposits amounted to $57 thousand at the end of 2024 and $81 thousand at the end of 2023, reported as Non-current receivables. No other assets have been pledged as security or are otherwise restricted.

22. Share capital and Share Premium, Warrants

There is one class of shares, and all shares have equal rights and are freely negotiable. The share capital is fully paid in. The par value of the shares was NOK 0.15 per share on December 31. 2024. IDEX does not beneficially own any of its own shares.

A 5:1 share consolidation (reverse split) took effect on record date January 10, 2024. The incentive subscription rights plan, cf. note 23—*Share-based compensation*, has adjustment clauses so that the number of subscription rights and the exercise prices were adjusted by the same ratio. The par value of the shares was NOK 0.15 per share before the consolidation, and NOK 0.75 per share after the consolidation. On February 26, 2024, the share capital was reduced, and the par value again NOK 0.15 per share. The reduction amount was transferred to Capital reduction reserve.

During the years ended December 31, 2023, and December 31, 2022, $13.0 million and $18.0 million, respectively, of Share Premium was transferred to Capital Reduction Reserve, to cover uncovered losses. The transfer did not impact the total equity or comprehensive income (loss). No such transfer was made in 2024.

Costs related to share issuance have been charged against equity and amounted to $1,112 thousand in 2024 and $756 thousand in 2023.

In connection with private placements in 2024, subscribers to new shares were also allocated warrants with vesting dates in 2025.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

See also note 26—*Subsequent Events*.

	Number of shares	Warrants
Balance at December 31, 2022	1,166,326,584	
Share issues (Employee Share Purchase Plan)	4,583,947	
Share issue (exercise of incentive subscription rights)	389,608	
Private placement of Shares on May 24	116,897,492	
Private placement of Shares on June 16	30,161,332	
Private placement of Shares on November 16	78,651,685	
Private placement of Shares on December 22	2	
Balance at December 31, 2023	1,397,010,650	—
Reverse split (5:1) on January 10	279,402,130	
Share issues (Employee Share Purchase Plan)	358,525	
Share issue (exercise of incentive subscription rights)	365,900	
Private placement of Shares on May 15	27,940,213	27,940,213
Private placement of Shares on June 19	5,393,120	5,393,120
Private placement of Shares on August 20	16,166,667	—
Convertible loan term payment settled in shares on August 29	9,123,333	—
Private placement of Shares on September 16	101,624,966	101,624,966
Private placement of Shares on October 14	365,041,700	365,041,700
Private placement of Shares on December 2	26,160,420	26,160,420
Balance at December 31, 2024	831,576,974	526,160,419

The warrants issued in May and June, 2024 ("May warrants") and in September-December, 2024 ("Warrants A" and "Warrants B" or, collectively, "Warrants A&B", have exercise prices of NOK 0.65 and NOK 0.15 per share, respectively. The May warrants are exercisable in quarterly windows after issue of interim reports and expire fourteen days after the interim report for the first quarter of 2025 has been issued. Warrants A are exercisable within the first 14 days following the disclosure the preliminary financial statements for 2024, wiz. from February 2025 to February 13, 2025, and Warrants B are exercisable from March 31, 2025, to April 11, 2025. The warrants will lapse unless exercised within the respective periods. The financial effect of the warrants is presented in note 17— *Convertible debt, warrants*.

Incentive subscription rights are presented in note 23—*Share-based compensation*.

See also note 26—*Subsequent events*.

23. Share-based compensation

The number of shares and other instruments as of December 31, 2023, and on earlier dates, are the actual number of instruments before the 5:1 share consolidation (reverse split) taking effect on record date January 10, 2024. The incentive subscription rights plans have adjustment clauses so that the number of subscription rights and the exercise prices are adjusted by the same ratio. The number of shares and other instruments as of January 10, 2024 and later dates, are the actual number of instruments i.e., after the 5:1 share consolidation.

Subscription rights plans

IDEX follows the practice of renewing its subscription rights plan at each Annual General Meeting, when the preceding plan is closed for further grants and a new plan is established. On May 16, 2024, the Annual General Meeting adopted the 2024 Subscription Rights Incentive Plan (the "2024 Plan"). The Board is responsible for administration of subscription rights plans and approves grants under the plans and the terms of each grant.

Under the 2024 Plan, the Board may grant up to 28,012,655 subscription rights, provided the total number of outstanding subscription rights does not exceed 10 percent of the number of registered shares.

Subscription rights may be granted to employees and individuals rendering services to the Company. The exercise price shall be, at a minimum, the higher of the average closing price of one share, as reported on the Oslo Børs, for the ten trading days preceding the date of the grant, or the closing price of one share, as reported on the Oslo Børs, on the trading day preceding the date of the grant. The board may in cases of particular circumstances decide that the exercise price is lower, but not less than the par value of the share. The total

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number of outstanding such grants may not exceed 2,801,265. Unless resolved otherwise by the Board, 25% of each grant of subscription rights vests per year. The annual vesting dates are the latest of the following dates before the date of grant of the subscription rights; (i) January 15, (ii) April 15, (iii) July 15 or (iv) October 15. Vesting and exercise is subject to the holder remaining associated with IDEX, and not conditional upon market factors or operational achievements. The subscription rights expire on the fifth anniversary of the Annual General Meeting at which the shareholders resolved to establish the plan under which the subscription rights were granted. Unvested subscription rights terminate on the holder's last day of employment or, in the case of non-employees, the last day of the individual's service to the Company. Vested subscription rights may be exercised up to 90 days after the holder's last day of employment. There are no cash settlement alternatives for the holders of subscription rights. The Company may elect to settle in cash.

The Annual General Meeting also resolved that until December 31, 2024, the board could issue replacement subscription rights ("RSR") at an exercise price not lower than NOK 2.22 per share against waiver and cancellation of existing subscription rights. The vesting schedule for such RSRs should be 1/3 each year over 3 years. No RSRs had been granted by December 31, 2024.

The fair value of the subscription rights at grant date is expensed as share-based compensation over the vesting period. The value is calculated using the Black-Scholes option pricing model. Upon exercise, the notional cost remains as recognized. An accrual for the potential employer's tax is recognized based on the intrinsic value on each balance sheet date. The actual employer's tax, if any, on exercise is recognized, net of the accrual. The following assumptions were applied when calculating the fair value of the subscription rights granted in the respective years:

	Year ending December 31,	
	2024	**2023[1]**
Exercise price (NOK)	0.15 - 1.80	0.15 - 0.93
Weighted average exercise price per share	1.17	0.49
Weighted average share price at date of grant	1.20	0.69
Expected term (years)[2]	2.77	3.01
Weighted average remaining term (years)	4.72	4.67
Share price volatility[3]	76%	77%
Risk-free interest rate	3.62%	3.88%
Expected dividend payment	—	—
Expected forfeiture	None	None
Fair value per subscription right	0.87	0.45

1 2023 numbers have not been adjusted for the 5:1 consolidation that took place effective January 10, 2024

2 The expected term has been set to midpoint between vesting date and expiry date. Due to very small quantity exercised in the past, there is inadequate data for determining the propensity to early exercise
3 Expected volatility is based on historical volatility over a period as long as the vesting period per tranche

Subscription rights activity	2024		2023	
	Number of Subscription Rights	**Weighted Average Exercise Price (NOK)**	**Number of Subscription Rights**	**Weighted Average Exercise Price (NOK)**
Outstanding as of January 1	94,834,661	1.42	81,106,631	1.74
Consolidated 5:1 record date January 10	(75,867,729)	7.10		
Granted	15,383,130	1.21	22,475,200	0.49
Exercised	(532,572)	0.75	(824,021)	0.15
Terminated	(10,158,799)	6.46	(7,327,449)	1.84
Expired	(1,088,826)	9.48	(595,700)	4.97
Outstanding as of December 31	22,569,865	3.41	94,834,661	1.42
Subscription rights exercisable as of December 31	5,451,280	7.81	50,694,011	1.67

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Subscription rights exercised in the year

2024			2023		
Number of subscription rights	Weighted average exercise price	W. average FMV of share at exercise	Number of subscription rights	Weighted average exercise price	W. average FMV of share at exercise
532,572	0.75	1.77	824,021	0.15	1.57

Outstanding and vested incentive subscription rights

	December 31, 2024						
	Outstanding Subscription Rights				Vested (Exercisable) Subscription Rights		
Exercise price (in NOK)	Number of Subscription Rights Outstanding	Weighted Average Exercise Price (NOK)	Weighted Average Remaining Term (Years)	Weighted Average Remaining Time to Vest (Years)	Number of Vested Subscription Rights	Weighted Average Exercise Price (NOK)	Weighted Average Remaining Term (Years)
0.00 - 0.49	550,000	0.15	3.40	0.79	-	-	-
0.50 - 0.99	2,651,200	0.85	3.88	1.25	623,100	0.75	3.24
1.00 - 1.49	12,020,680	1.45	4.40	1.29	-	-	-
1.50 - 1.99	40,900	1.80	3.40	1.79	-	-	-
2.00 - 2.49	25,000	2.30	3.40	-	25,000	2.30	3.40
2.50 - 2.99	-	-	-	-	-	-	-
3.00 - 4.99	1,742,929	3.51	3.25	1.07	482,959	3.50	3.26
5.00 - 9.99	5,539,156	9.21	1.23	0.18	4,320,221	9.34	1.06
Total	22,569,865	3.41	3.44	0.98	5,451,280	7.81	1.51

Outstanding and vested incentive subscription rights

	December 31, 2023						
	Outstanding Subscription Rights				Vested (Exercisable) Subscription Rights		
Exercise price (in NOK)	Number of Subscription Rights Outstanding	Weighted Average Exercise Price (NOK)	Weighted Average Remaining Term (Years)	Weighted Average Remaining Time to Vest (Years)	Number of Vested Subscription Rights	Weighted Average Exercise Price (NOK)	Weighted Average Remaining Term (Years)
0.00 - 0.49	11,663,861	0.16	3.38	1.08	2,662,861	0.15	0.36
0.50 - 0.99	13,755,300	0.70	4.11	1.98	420,800	0.71	0.36
1.00 - 1.49	15,749,000	1.13	2.29	1.35	6,750,350	1.12	1.51
1.50 - 1.99	32,657,600	1.70	1.16	0.66	31,666,100	1.70	1.15
2.00 - 2.49	15,545,600	2.28	2.37	1.01	6,450,400	2.33	2.37
2.50 - 2.99	4,864,000	2.65	2.37	1.29	2,432,000	2.65	2.37
3.00 - 4.99	599,300	3.12	1.33	0.54	311,500	3.15	1.30
5.00 - 9.99	—	—	—	—	—	—	—
Total	94,834,661	1.43	2.31	1.39	50,694,011	1.67	1.37

Employee Share Purchase Plan

The Employee Share Purchase Plan ("ESPP") is revolved each year at the Annual General Meeting. The current ESPP was approved at the 2024 Annual General Meeting. The 2023 ESPP was suspended effective March 1, 2024, and the 2024 ESPP has not been activated by the board. Under the ESPP, an IDEX employee based in Norway, the United Kingdom, or the United States may contribute up to 20% of his or her annual base salary, through payroll deductions, toward periodic purchases of new issue shares. Under the ESPP, an option for the purchase of a share is granted to a participating employees on the first day of a 6-months' "offering period" to purchase new issued shares at the end of that offering period at a purchase price equal to 85% of the lesser of the fair market value, based on the closing price of the share on Oslo Børs, on either the first day or the last day of

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that offering period. The offering periods occur from March through August, and from September through February. The shares are not restricted.

The ESPP is intended to qualify as an "employee stock purchase plan" under Section 423 of the U.S. Internal Revenue Code, thereby affording certain tax advantages to employees who are taxpayers in the United States. There are no tax advantages for ESPP participants who are taxpayers in Norway or the United Kingdom.

The share-based remuneration cost of the ESPP is calculated at the start of each contribution period and amortized over that period. The cost is based on the contribution amount and amounts to the discount of 15% at the beginning of the period, plus the option value of an 85% call and 15% put option granted at the beginning of the period. The option value is based on a Black-Scholes option pricing model applying prevailing interest rates and share price volatility at the beginning of the period. Any related employer's tax is recognized by the relevant entity on the date the employer's tax is incurred, which date varies by jurisdiction and employee disposition.

ESPP cost calculation parameters	**September 1, 2024**	**March 1, 2024**	**September 1, 2023**
Expected contribution amount (NOK 1,000)	—	—	532
Share price on start date (NOK per share)			0.64
Share price volatility			59%
Risk-free interest rate			4.24%
Expected dividend payment			—
Expected number of shares			972,698
Share-based compensation cost per expected share			0.23

In the offering period completed on February 29, 2024, 12 employees (2023: 28) participated in the ESPP and purchased a total of 358,525 shares at NOK 1.32 per share (February 28 and August 31, 2023 combined: 4,583,947 shares at average NOK 0.64 per share).

24. Related party transactions

The Company's significant shareholders, i.e. holding 5% or more of the shares, Board members, and management, as well as their related parties, are considered related parties of the Company. All transactions with related parties have been carried out on an arm's length principle.

There were no overdue balances with any related parties other than the subsidiaries at the end of 2024 or 2023.

Shareholders

In connection with the private placement on May 15, 2024, the Company entered into a share lending agreement with certain shareholders in order to facilitate swift settlement of the new shares in the private placements. As a fixed fee for the share lending, each lender received a fee equal to 5% per annum of the subscription price per new share in the private placement multiplied by the number of borrowed shares lent by the respective lender. The fees paid amounted to $5.5 thousand to Mr. Robert Keith and $2.6 thousand to Sundt AS. In connection with the private placements in May and November 2023, agreements at the same terms were in effect, and the Company paid total fees amounting to $0.7 thousand to Alden AS, $1.3 thousand to Mr. Robert Keith, $7.8 thousand to Sundt AS, and $2.7 thousand to Sundvall Holding AS.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Board remuneration

Board compensation is paid in arrears after being approved by the shareholders, generally at the Annual General Meeting. The following amounts were paid in 2024 and 2023:

	Year ended December 31, 2024		
Amounts in $1000	Cash Compensation	Share-based Compensation	Total
Morten Opstad, chair (1)	$ 40		$ 40
Lawrence John Ciaccia, former chair (2)	52		52
Annika Olsson	40		40
Adriana Saitta (3)	45		45
Deborah Davis, former board member (4)	50		50
Stephen Andrew Skaggs, former board member (5)	48		48
Total	$ 275	$ —	$ 275

(1) Mr. Opstad was elected chair at the 2024 annual general meeting. He was board member 2023-2024, and chair before then.
(2) Mr. Ciaccia was board member before the 2023 annual general meeting, when he was elected chair. He left the board at the 2024 annual general meeting.
(3) Ms. Saitta was elected to the board at the 2023 annual general meeting.
(4) Ms. Davis left the board at the 2024 annual general meeting.
(5) Mr. Skaggs left the board at the 2024 annual general meeting.

	Year ended December 31, 2023		
Amounts in $1000	Cash Compensation	Share-based Compensation	Total
Lawrence John Ciaccia, chair (1)	$ 62		$ 62
Deborah Davis	50		50
Hanne Høvding (2)	40		40
Annika Olsson	48		48
Morten Opstad (3)	48		48
Thomas M. Quindlen (4)	50		50
Stephen Andrew Skaggs	57		57
Total	$ 355	$ —	$ 355

(1) Mr. Ciaccia was elected chair at the 2023 annual general meeting He was formerly board member
(2) Ms. Høvding left the board at the 2023 annual general meeting.
(3) Mr. Opstad was elected board member at the 2024 annual general meeting. He was formerly chair.
(4) Mr. Quindlen left the board at the 2023 annual general meeting.

Subscription rights awarded to persons who are members of the Board, in their capacity of service providers, under the Company's subscription rights plans have the following expiration dates and exercise prices. For further information describing these plans, see Note 23—Share-based compensation.

			Number outstanding as of December 31,	
Grant date	Expiration Date	Exercise price (NOK)	2024	2023
June 17, 2020	May 15, 2025	8.55	120,000	120,000

The subscription rights were originally granted on August 15, 2018. They were replaced by the grant on June 17, 2020, as part of an exchange of subscription rights approved at the 2020 Annual General Meeting. This exchange was offered to all eligible holders.

There were no grants of incentive subscription rights to any board member in 2024 or 2023.

Morten Opstad, Board, chair 1997-2023, board member 2023-2024 and chair since May 2024, is a partner at Ræder Bing advokatfirma AS, the Company's primary law firm, which provided services to the Company resulting in charges of $331 thousand in 2024 and $172 thousand in 2023.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Lawrence J. Ciaccia, board member 2015-2023, and chair since May 23, 2023, provided consulting services to IDEX until April 2024. The fees paid to Mr. Ciaccia for his services beyond board duty totaled $17 thousand in 2024 and $50 thousand in 2023.

Nomination Committee

The following fees has been paid to the nomination committee in 2024 and 2023 for the services up to the 2024 annual general meeting and the 2023 annual general meeting, respectively. 2024: Chair Robert Keith $2.3 thousand, members Håvard Nilsson and Harald Voigt $1.4 thousand each. 2023: Chair Robert Keith $2.4 thousand, members Håvard Nilsson and Harald Voigt $1.4 thousand each.

Officers

Compensation to key management is disclosed in Note 5—*Compensation and benefits*.

25. Other Operating Expenses

	Year ended December 31,	
Amounts in $1000	2024	2023
Sales and marketing activities	$ 2,831	$ 3,509
Legal, audit, accounting and other services	1,385	1,894
IT expenses	730	1,705
Travel expenses	26	253
Other operating expenses	2,318	1,383
Total other operating expenses	$ 7,289	$ 8,743

Sales and marketing activities, mainly contractors, were scaled back from 2023 to 2024, as was travel. Legal and other services were reduced mainly due to the delisting from Nasdaq taking place in 2023. IT expenses were reduced due to less use of design tools and technical data processing, while Other increased mainly due to the loss on Zwipe receivable.

26. Subsequent Events

In an arbitration ruling at Oslo Chamber of Commerce on January 27, 2025, in favor of IDEX Biometrics, The Company was awarded $0.7 million from customer Zwipe AS, plus late payment interest and compensation for the Company's legal costs. On March 6, 2025, the Oslo District Court ruled that bankruptcy proceedings for Zwipe shall take place. The receivable has been written off in the financial statements as of December 31, 2024. See note 14—*Accounts receivable*.

The board appointed Anders Storbråten to CEO effective March 11, 2025. He replaced Catharina Eklof, who left IDEX as of the same date.

IDEX Biometrics disclosed on March 11, 2025, a revised strategy and a bridge funding amounting to NOK 30 million ($2.8 million) to fund the activities in line with the revised business strategy. See note 3—*Significant accounting policies*, section *Going concern*. The revised strategy has been taken into consideration when valuing the inventory as of December 1, 2024. See note 19—*Inventory*. The bridge funding did not have any effect on the recognized value of IDEX Biometrics ASA's assets or liabilities as of December 31, 2024.

Also on March 11, 2025, IDEX Biometrics disclosed that the company had entered into a commitment letter whereby the terms of its outstanding convertible bonds were amended. The amended terms do not cause a change in the liability of the convertible bonds as of December 31, 2024. The amendments included, inter alia, that (i) the principal amount of the bonds will be reduced by 25%, (ii) subject to the Company's consummation of any further equity raise on market terms latest December 31, 2025, the principal amount of the bonds would be reduced by a further 25%, (iii) the conversion period shall be the period from September 1, 2025 to two Oslo business days prior to the final maturity on December 28, 2027. If the market price of the share in the Company is NOK 0.10 or more, the bondholder shall be permitted to exercise its conversion rights under the bonds for so long as such price is maintained, (iv) the conversion price is reset to be NOK 0.065, (v) any provisions under the bonds relating to the bondholder's rights to exercise amortized payment advancements shall not apply. The amendments to the convertible bond were approved by the extraordinary general meeting of the company on April 11, 2025. The amendment represents a substantial modification of the financial liability under IFRS 9. The host contract and embedded derivative (as previously amended) will therefore be derecognized and the amended

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

debt will be recognized at fair value of the host contract and the embedded derivative as of March 10, 2025. This is expected to result in a gain on modification, reducing the recognized value of the instruments.

17,258 warrants A with exercise price NOK 0.15 per share were exercised in the period February 28-March 13, 2025. The remaining 233,316, 075 warrants A were not exercised and lapsed without compensation to the holders. The warrants are presented in note 22—*Share capital and share premium, Warrants*. Following the exercise and issue of shares, the Company's share capital is NOK 124,739,134.80, divided into 831,594,232 shares each with a nominal value of NOK 0.15. 36,767 warrants B with exercise price NOK 0.15 per share were exercised in the period March 31-April 11, 2025. The remaining warrants B were not exercised and lapsed without compensation to the holders. The exercise will be registered and the shares issued in due course.

At the extraordinary general meeting on April 11, 2025 the shareholders resolved, i.a. to (i) reduce the share capital of IDEX Biometrics ASA by decreasing the par value per existing share from NOK 0.15 per share to NOK 0.01 per share, and (ii) subject to completion of the share capital decrease, convert the bridge loans to shares at a subscription price per share equal to NOK 0.01 per share. The lenders have undertaken to subscribe for shares and settle the share contribution by debt conversion. The extraordinary general meeting also approved a subsequent offering of shares at the same price to the other existing shareholders, raising up to NOK 6 million ($0.6 million). Following the share capital reduction and the conversion of the bridge loans, and assuming full subscription to the subsequent offering, but excluding the warrants B share issue, the Company's share capital will be NOK 44,315,942.32, divided into 4,431,594,232 shares each with a nominal value of NOK 0.01.

There have been no other events between December 31, 2024, and the date of these financial statements that have had any material impact on the Company's results for 2024, or the value of the Company's assets and liabilities as of December 31, 2024.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

PARENT COMPANY SEPARATE FINANCIAL STATEMENTS

IDEX Biometrics ASA
Parent Company Separate Statements of Profit and Loss

Amounts in $1000, except per share amounts	Note	Year Ended December 31, 2024	2023
Revenue:			
Product		$ 700	$ 4,131
Service		93	8
Total revenue	4	793	4,138
Operating expenses:			
Cost of materials, net of inventory change		1,684	3,908
Compensation and benefits	5	1,087	2,308
Research and development	6, 7	12,067	12,912
Other operating expenses	8, 25	8,684	9,729
Amortization and depreciation	11, 12, 13	1,751	752
Total operating expenses		25,274	29,609
Loss from operations		(24,481)	(25,471)
Finance income	16	9,611	696
Finance cost	16	(8,106)	(365)
Loss before tax		(22,976)	(25,141)
Income tax expense (benefit)	9	—	—
Net loss for the year		$ (22,976)	$ (25,141)
Loss per share, basic and diluted	10	$ (0.06)	$ (0.11)

Statements of Comprehensive Income

	Year Ended December 31, 2024	2023
Net loss for the year	$ (22,976)	$ (31,023)
Other comprehensive income that may be reclassified to profit (loss) in subsequent periods:	—	—
Total comprehensive income (loss) for the period (net of tax)	$ (22,976)	$ (31,023)

The accompanying notes are an integral part of these financial statements.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

IDEX Biometrics ASA
Parent Company Separate Statements of Financial Position

Amounts in $1000	Note	Year Ended December 31, 2024	2023
Assets			
Non-current assets:			
Goodwill	11	$ —	$ 968
Intangible assets	11	569	1,011
Property, plant and equipment	12	14	303
Right-of-use assets	13	15	39
Shares in subsidiaries	1, 27	452	1,749
Non-current receivables	15	7	7
Total non-current assets		1,058	4,077
Current assets:			
Prepaid expenses		660	463
Inventory	19	5,548	6,384
Accounts receivable, other	14	274	525
Accounts receivable, trade	14	30	1,068
Receivables from group companies	14	2,403	10,366
Cash and cash equivalents	20	1,921	10,818
Total current assets		10,837	29,625
Total assets		$ 11,894	$ 33,701

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Amounts in $1000	Note	Year Ended December 31, 2024	2023
Equity and liabilities			
Share capital (NOK 0.15 par value per share, 831,576,974 and 1,397,010,650 shares issued and outstanding at December 31, 2024 and 2023, respectively)	22	$ 12,942	$ 25,955
Share premium		1,735	2,118
Share-based payment reserve		25,210	24,858
Capital reduction reserves		321,264	300,500
Accumulated loss		(360,485)	(337,510)
Total equity		666	15,922
Non-current liabilities:			
Non-current non-interest-bearing loans	17	1,983	—
Other non-current financial liabilities	17	139	—
Non-current lease liabilities	13	—	13
Total non-current liabilities		2,123	13
Current liabilities:			
Accounts Payable	16	754	721
Payables to group companies	16	6,468	6,794
Current lease liabilities	13, 16	4	19
Public duties payable		87	89
Interest-bearing loans	17	—	5,076
Other current financial liabilities	17	652	3,545
Other current liabilities	16	1,140	1,522
Total current liabilities		9,105	17,766
Total liabilities		11,228	17,780
Total equity and liabilities		$ 11,894	$ 33,701

The accompanying notes are an integral part of these financial statements.

April 29, 2025

The board of directors of IDEX Biometrics ASA

/s/ Morten Opstad
Morten Opstad
Chair

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Morten Opstad
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/s/ Annika Olsson
Annika Olsson
Board member

DocuSigned by:
152DE64C7336470...

/s/ Adriana Saitta
Adriana Saitta
Board member

Signé par :
95D37B56242B4B8...

/s/ Anders Storbråten
Anders Storbråten
CEO

Signed by:
665DE658B118455...

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IDEX Biometrics ASA
Parent Company Separate Statements of Changes in Equity

Amounts in $1000	Share capital	Share premium	Share-based payment	Foreign currency translation effects	Capital reduction reserve *	Accumulated loss *	Total equity
Balance at December 31, 2022	$ 22,762	$ 4,036	$ 23,576	$ —	$ 287,500	$ (312,369)	$ 25,505
Share issuance	3,128	11,009	—	—	—	—	14,137
Share-based compensation	65	73	1,283	—	—	—	1,421
Loss for the year	—	—	—	—	—	(25,141)	(25,141)
Transfer of share premium	—	(13,000)	—	—	13,000	—	—
Other comprehensive income	—	—	—	—	—	—	—
Balance at December 31, 2023	25,955	2,118	24,858	—	300,500	(337,510)	15,922
Share capital reduction	(20,764)	—	—	—	20,764	—	—
Share issuance	7,616	(774)	—	—	—	—	6,842
Convertible bond settlement in shares	130	391	—	—	—	—	521
Share-based compensation	5	—	351	—	—	—	356
Net loss for the year	—	—	—	—	—	(22,976)	(22,976)
Transfer of share premium	—	—	—	—	—	—	—
Other comprehensive income	—	—	—	—	—	—	—
Balance at December 31, 2024	$ 12,942	$ 1,735	$ 25,210	$ —	$ 321,264	$ (360,485)	$ 666

The accompanying notes are an integral part of these financial statements.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

IDEX Biometrics ASA
Parent Company Separate Statements of Cash Flow

Amounts in $1000	Note	Year Ended December 31, 2024	2023
Operating activities			
Profit (loss) before tax		$ (22,976)	$ (25,141)
Amortization and depreciation expense	11, 12, 13	1,751	752
Share-based compensation expense		351	1,421
Gain (loss) on modification of financial liabilities, net		(1,841)	—
Value change convertible loan and warrants		(6,837)	—
(Increase) decrease in inventories		836	(1,937)
(Increase) decrease in accounts receivable		1,038	(2,488)
Increase (decrease) in accounts payable		34	1,189
Change in other working capital items		1,261	235
Other operating items, including impairment and changes in intercompany balances		8,934	105
Interest paid		(254)	(8)
Other financial items		238	(327)
Net cash flow from operating activities		(17,464)	(26,200)
Investing activities			
(Purchases) sale of property, plant and equipment	11, 12, 13	(30)	(187)
(Payment) collection of non-current receivables		—	—
Repayments on loans to subsidiaries		—	—
Interest received		102	234
Net cash flows from investing activities		72	47
Financing activities			
Net proceeds from issue of shares	22, 23	11,176	14,137
Proceeds from borrowings	17	—	8,621
Repayments of borrowings		(2,657)	0
Payment of principal portion of lease liabilities		(25)	(29)
Net cash flow from financing activities		8,495	22,729
Net change in cash and cash equivalents		(8,897)	(3,423)
Opening cash and cash equivalents balance		10,818	14,242
Cash and cash equivalents at December 31	20	$ 1,921	$ 10,818

The accompanying notes are an integral part of these financial statements.

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NOTES TO PARENT COMPANY SEPARATE FINANCIAL STATEMENTS

1. Company Information

IDEX Biometrics ASA ("the Company") and its wholly-owned subsidiaries (collectively, "IDEX Biometrics") specialize in the design, development, and sale of fingerprint authentication solutions. The Company's fingerprint authentication solutions are used primarily in contactless smart cards, including financial payment cards, access control cards, and card-based devices for the storage of digital currencies.

IDEX Biometrics ASA was incorporated in 1996 in Norway. The address of the head office is Dronning Eufemias gate 16, NO-0191 Oslo, Norway. The Company's shares are listed on Euronext Oslo Børs under the ticker symbol IDEX.

IDEX Biometrics ASA has subsidiaries in the United States (IDEX Biometrics Holding Company Inc. and IDEX Biometrics America Inc. (together, "IDEX America")), the United Kingdom (IDEX Biometrics UK Ltd. ("IDEX UK")), and China (IDEX Electronics (Shanghai) Co., Ltd. ("IDEX China")). The parent company is the owner of all intellectual property of IDEX Biometrics and is the contractual party to all customer and manufacturing partner agreements. All sales are generated by the parent company, and the parent company is the supplier to the customers. The subsidiaries provide various services to the parent company, mainly associated with engineering, supply-chain administration, and customer service functions. As of the balance sheet date there is very little or no activity in the subsidiaries in the USA and China.

2. Basis of Preparation

IDEX Biometrics ASA prepares its Financial Statements on a historical cost basis, and in accordance with IFRS Accounting Standards as adopted by the EU. The financial statements are presented in U.S. Dollars ("USD" or "$"), and all amounts are rounded to the nearest thousand ($000), unless otherwise indicated. The subtotals and totals in some of the tables may not equal the sum of the amounts shown in the primary financial statements due to rounding.

IDEX Biometrics ASA is the parent company in the IDEX group. The Consolidated Financial Statements of IDEX Biometrics ASA including its subsidiaries are published separately.

3. Material Accounting Policies

Accounting policies that are significant to the Company's results and financial position, in terms of the materiality of the items to which the policy is applied, are discussed below.

The material accounting policies described in these consolidated financial statements have been applied consistently for all periods presented, except as otherwise noted in the disclosure related to the impact of policy changes following the adoption of new accounting standards and voluntary changes in 2024.

The statements of profit and loss are presented by the nature of expense. The cash flow statements are presented by the indirect method.

There have not been any changes to the Company's accounting policies applied in the financial statements for 2024 compared to those applied in the annual financial statements for 2023.

The parent company separate financial statements for 2024 were approved by the Board on April 29, 2025.

a. Going Concern

The going concern assumption has been applied in the preparation of the financial statements. The going concern assumes the realization of assets and satisfaction of liabilities in the normal course of business. IDEX Biometrics has incurred significant operating losses and negative cash flows during the development stage of the business. The future viability of the Company is dependent on its ability to generate cash from operating activities and to raise additional capital to finance its operations. The net equity amounted to $0.7 million, less than half of the share capital, and the balance sheet solvency, defined as cash plus current receivables less current liabilities, was negative $4.5 million on December 31, 2024. During 2024, the Company implemented measures to significantly reduce staff and operating expenses, mainly in the technical functions in the US and China, while maintaining the customer support functions and supply chain capabilities. The existing cash does not fund the Company's operating expenses and capital expenditures requirements for the next twelve months.

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On March 11, 2025, the company disclosed that following a strategic review, concluding that the company shall concentrate its technical and commercial efforts on serving the access market, where IDEX is believed to possess competitive advantage. IDEX Biometrics will seek to also harvest from its long-time efforts in the payment market. On the same date, the company disclosed that it had received irrevocable undertakings from certain existing shareholders and new investors to lend NOK 30 million ($2.8 million) to the Company to fund the commercialization efforts in line with the revised business strategy ("March loans"). Subject to approval by an extraordinary general meeting, the loans would be convertible to shares at NOK 0.01 per share.

Further, an extraordinary general meeting on April 11, 2025 the shareholders resolved to (i) reduce the share capital of IDEX Biometrics ASA by decreasing the par value per existing share from NOK 0.15 per share to NOK 0.01 per share, and (ii) subject to completion of the share capital decrease, convert the March loans to shares at a subscription price per share equal to NOK 0.01 per share. The lenders have undertaken to subscribe for shares and settle the share contribution by debt conversion. The extraordinary general meeting also approved a subsequent offering of shares at the same price to the other existing shareholders, raising up to NOK 6 million ($0.6 million). These actions will cover the company's immediate cash needs.

Thirdly, the Company disclosed that it had entered into a commitment letter and term sheet for an amendment agreement with the holder of the Company's convertible bonds amounting to NOK 67 million ($6.3 million) whereby the terms of the convertible bond will be amended such that, inter alia, (i) the principal amount will be reduced by 25%, and, (ii) subject to the company obtaining additional equity on market terms by December 31, 2025, the principal amount would be reduced by a further 25%. Certain other terms of the bonds were also amended. The extraordinary general meeting approved the change of terms.

In the short term, the IDEX Biometrics is dependent on the successful implementation of the foregoing. The long-term future viability depends on the Company's ability to generate cash from operating activities and to raise additional capital to finance its operations. IDEX Biometrics's existing cash and the funding described above is not sufficient to fund its operating expenses and capital expenditures requirements for the next twelve months. While the Company has been successful in the past in raising funds through private placements of shares and issuance of convertible debt, there is no assurance that IDEX Biometrics will be successful in raising capital the future. The Company's failure to raise capital as and when needed would have a negative impact on its financial condition and its ability to pursue its business strategies. These factors cast significant doubt on the Company's ability to continue as a going concern.

As an ongoing activity, the Company monitors liquidity and the Board is prepared to take appropriate measures if and when required. IDEX Biometrics has been successful in the past with implementing cost reductions and raising capital through private placements of equity. Reflecting the recent funding described above and acknowledging the significant doubt identified above, the Board has on balance concluded that the conditions for the going concern assumption are met.

b. Subsidiaries

Investments in subsidiaries are held at the lower of historical cost and net recoverable value.

c. Equity

Equity is comprised of the following:

- Share Capital: comprised of the nominal amount of the parent's shares.
- Share Premium: comprised of: (1) the amount received attributable to Share Capital, in excess of the nominal amount of shares issued by the parent company, reduced by; (2) issuance costs directly attributable to the capital increase; and (3) transfers into the Capital Reduction Reserve.
- Share Based Payment Reserve: comprised of Share-based payment reserve.
- Foreign Currency Translation Effects: comprised of Currency Translation Difference.
- Capital Reduction Reserve: comprised of the absorption of accumulated losses of the Company by the Share Premium, as resolved by the Board of Directors.
- Accumulated Loss: comprised of cumulative historical losses of the Company.

d. Cost of materials, net of inventory change

Cost of materials, net of inventory change, primarily consists of the costs of raw materials, contract manufacturing, and transportation associated with production and storage of products for sale to customers, net of inventory change.

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e. Research and development expenses

Expenses in this category consist primarily of the costs of services and materials used in engineering activities and certain outsourced development activities. Payroll costs related to research and development employees are classified as Compensation and benefit expenses, not as research and development expenses, on the Consolidated Statement of Profit and Loss. However, the compensation paid to individual contractors serving in engineering roles is included in Research and development expenses.

Research costs are expensed as incurred. Development expenses that do not meet the criteria of capitalization are expensed as incurred. Development expenses are capitalized when (i) the technical feasibility of completing development has been demonstrated, (ii) the costs of development can be measured reliably, (iii) it is probable that IDEX will realize future economic benefits from the asset, and (iv) IDEX has committed to complete the development. Once the development is complete and the resulting asset is available for use, the capitalized development cost (i.e., the asset value) is amortized over its expected useful life.

IDEX Biometrics ASA applies for and has received government grants associated with certain research and development projects. The recognized value of government grants applicable to research and development activities are credited against research and development costs. Generally, the applications or claims for such grants are submitted after completion of the qualifying activities. When it is realistic that the application or claim will be successful and the amount can be determined reliably, the Company credit the value of the grant against research and development expenses for that reporting period. Pending receipt of funds, the expected value of the grant is recognized in Account receivable, other.

f. Convertible Debt

The terms of the convertible debt agreements are evaluated to determine whether the instruments contain both liability and equity components, in which case the instrument is a compound instrument. Convertible debt agreements are evaluated to determine whether they contain embedded derivatives, in which case the instrument is a hybrid financial instrument. Based on evaluation of the terms in our convertible debt agreements, the Company determined that the conversion option was an embedded derivative and, therefore, the convertible debt was accounted for as a hybrid financial instrument. The Company elected to assign original transaction costs entirely to the financial liability host (principal).

Estimation methods are used to determine the fair value of embedded derivatives included in hybrid financial instruments. The determination of the effective interest used for the host contracts of hybrid financial instruments and the liability components of compound financial instruments is dependent on the outcome of such estimations. Evaluating the reasonableness of these estimations and the assumptions and inputs used in the valuation methods requires a significant amount of judgment and is therefore subject to an inherent risk of error.

g. Accounting estimates, based on the use of judgment and assumptions

The application of certain accounting standards requires management to make accounting judgments, estimates and assumptions affecting reported amounts of assets, liabilities, income and expenses.

The main areas where the Company has made significant judgments when applying the accounting policies and that have the most material effect on the amounts recognized in the financial statements are goodwill, inventory and investment in subsidiaries.

Estimates used in the preparation of these financial statements are prepared based on bespoke models, while the assumptions on which the estimates are based rely on historical experience and other factors that management assesses to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The most important matters in understanding the key sources of estimation uncertainty are described in each of the following sections below:

- Intangible assets
- Inventory
- Accounts receivable, trade
- Share-based compensation
- Embedded derivative in convertible debt
- Warrants

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Intangible assets
IDEX's patents and other intellectual property rights created by the Company are capitalized only when they satisfy the criteria for capitalization. No development costs have been capitalized in 2024 or 2023. Acquired intangible assets are capitalized initially at fair value, normally the purchase price. Intangible assets are amortized over their useful economic lives. An assessment of impairment losses on non-current assets is made when there is an indication of a decrease in value. An intangible asset's carrying amount is compared to the asset's recoverable amount. The recoverable amount is the higher of the fair value (less costs to sell to an independent third party) or the calculated value based on the discounted estimated cash flow from continued use. The estimate is based on judgments of when and whether there will be an economic benefit from the asset, and assumptions about the amounts. As of December 31, 2024, the Company determined that there were no indicators of impairment, and no impairment was recorded.

Inventory
Inventories consist of raw materials, work in process, and finished goods. Inventory is recorded at the lower of cost and net realizable value. Most inventory items are tracked by lot, and the recorded cost is actual average cost per unit in the lot. Mass products are recorded at moving average cost per unit. Items of significant value are tracked by serial number and the recorded cost is the actual cost of the individual item. Impairment is assessed quarterly, based on management's judgment of when and whether the inventory may be sold, and assumptions about the sales price and selling costs. The estimate is uncertain, because timing of sales is subject to many risks. Selling prices are uncertain in the market for IDEX's products. Reselling components or other commodity raw materials at any value may not be easily achieved, and elements of work in progress and finished goods, if impaired (i.e., considered excess or obsolete inventory), generally have no resale value and are held for disposal.

Accounts receivable, trade
Trade accounts receivable consists of invoiced amounts owed by customers, net of minor prepayments received and allowances for doubtful accounts. Regarding allowances for doubtful accounts, see section *Credit and Liquidity Risk* below.

Share-based compensation
IDEX estimates the fair value of incentive subscription rights ("SRs") at the grant date by using the Black-Scholes option pricing model and record the share-based remuneration cost over the vesting period of the SRs. The valuation is based on share price and exercise price, share price volatility, interest rates, and the expected term of the SRs, based on historical data. The parameters may in the future deviate from the historical observations. The accrued cost of the employment taxes associated with the earned intrinsic value of the SRs will vary with share price, which is a highly unpredictable parameter.

IDEX estimates the fair value of the Employee Share Purchase Plan ("ESPP") at the grant date, i.e. the first date of the contribution period, by using the Black-Scholes option pricing model. The share-based compensation is expensed over the contribution period. The valuation is based on share price and exercise price, share price volatility, interest rates, and the term of the contribution period. The parameters may in the future deviate from the historical observations.

Embedded derivative in convertible debt
Estimation methods are used to determine the fair value of the embedded derivative included in the convertible debt. The effective interest used for the host contract and the embedded derivative is dependent on the estimations. A significant amount of judgment is exercised in determining the estimations and the assumptions and inputs used in the valuation methods at original recognition of the host contract and the embedded derivative, as well as revised valuation of the embedded derivative at each balance sheet date. The result is therefore subject to an inherent risk of error.

Warrants
IDEX Biometrics ASA has issued warrants to investors who have subscribed to shares in private placements in 2024. The warrants are denominated in NOK, while the Company's functional currency is the USD, and are not held proportionally among shareholders. As such, the warrants represent a financial liability; the obligation to issue shares at a fixed share price in NOK. Under IFRS, this obligation is initially recognized and subsequently held at fair value. Changes in value are recognized through profit and loss as other financial items. Upon issue, the warrants are recognized based on option value calculations. Option value calculations are also used at later balance sheet dates unless the warrants are traded in an active market and have observable fair value. A significant amount of judgment is exercised in determining the estimations and the assumptions and inputs used in the valuation method at original recognition of the warrants. The result is therefore subject to an inherent risk of error.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

h. Revenue recognition

Revenue is recognized when control of the promised goods or services is transferred to a customer, in an amount reflecting the consideration the Company expects to be entitled to in exchange for those goods or services. Sales, value added, and other taxes incurred concurrent with revenue producing activities are excluded from revenue. Shipping and handling charges to customers are included in revenue, and costs incurred associated with outbound freight after control over a product has transferred to a customer are accounted for as revenue reductions.

The Company's primary source of revenue comes from the sale of its products, which principally are biometric fingerprint sensors. Each sensor also contains embedded software. The hardware and the embedded software are interdependent in that each needs the other to provide the intended fingerprint authentication function to the customer. IDEX Biometrics ASA can also provide complete modules, i.e. a sensor, a secure element and antenna for embedding in a card, as well as the card operating system. The primary customers for the products are smart card manufacturers and similar solution integrators. IDEX Biometrics currently does not use distributors for the resale of its products.

IDEX Biometrics ASA may license its intellectual property under right to use licenses, in which royalties due to the Company are based upon a percentage of the licensee's sales and/or unit volumes. In the years 2024 and 2023, the Company recognized no revenue from licensing its intellectual property.

The Company also recognizes revenue from contracts with customers associated with the delivery of certain services, ranging from standalone NRE to advisory services. Generally, these contracts include a single performance obligation (i.e., service element), and revenue is recognized upon the completion of the defined service element and final acceptance by the customer of any project deliverable. However, revenue from services may be recognized over time, if recognition of multiple service elements is based on completion of substantive and results-based contractual milestones, and acknowledgement by the customer of such completion.

The Company does not have material obligations or reserves for warranties, returns, or customer refunds. There were no contract asset or contract liability balances as of December 31, 2024, or 2023.

i. Accounting Standards

No amendments to standards or interpretations of standards effective as of January 1, 2024, and adopted by the Company were not material to the Company's financial statements upon adoption.

IFRS 18—*Presentation and Disclosure in Financial Statements* takes effect as of January 1, 2027, and will be implemented in due course. Other standards, amendments to standards, and interpretations of standards, issued but not yet effective, are either not expected to materially impact, or are not expected to be relevant to, the Company's financial statements upon adoption.

Climate Change

As of December 31, 2024, the possible future financial impact to the Company resulting from climate change is uncertain and IDEX Biometrics does not have a basis for assessing the direction or magnitude of any such impact. The Company is monitoring current and expected climate change effects, as well as measures considered or implemented by government and industry, in order to minimize any negative impact and to take advantage of any favorable opportunities that may arise.

Financial risks

IDEX emphasizes capital preservation and liquidity in managing its cash, which is held in bank accounts, which are denominated in USD, NOK, GBP, and CNY.

Short-term capital requirements include funding operating losses and supporting net working capital requirements. Reflecting the Company's operating model, investments in property, plant, and equipment are modest, and have been funded with proceeds from issuance of shares. IDEX has been funded through the issuance of shares since it was established in 1996. In 2023, the parent company took up a convertible loan.

The current cash position and financial forecasts indicate that in 2025, the Company will need significant funding in the form of equity injection, debt or other. The Board is considering various funding options and

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

believes that the Company will obtain further financing for its planned operation, growth and working capital requirements. Refer to the section above regarding going concern.

Interest Rate Risk
As of December 31, 2024, IDEX Biometrics ASA had cash of $1.9 million. The Company's exposure to interest rate sensitivity is influenced primarily by changes in the underlying bank interest rates in the various currencies. IDEX's cash is held in bank accounts, all of which are considered highly liquid. Accordingly, an immediate one percentage point change in interest rates would not have a material effect on the fair market value the Company's cash accounts.

The convertible loan is the only debt to financial lenders. The Company is not exposed interest rate associated with variable rate debt because the interest rate is fixed for the duration of the loan.

Currency Risk
The Company's trading transactions are denominated in U.S. Dollars ("USD"), which is the Company's presentation and functional currency. The Company incurs a portion of its expenses in currencies other than the USD, primarily British Pounds ("GBP"), Norwegian Krone ("NOK"), Euro ("EUR"), and, until the end of 2024, Chinese Yuan ("CNY"). The Company's cost level is exposed to changes in the rates of exchange between the USD and these currencies. IDEX seeks to minimize this exposure by maintaining currency cash balances at targeted levels appropriate to meet foreseeable short-term expenses in these other currencies. The remaining cash balance is held in USD-denominated accounts. The Company does not use forward exchange contracts or other hedging strategies to manage exchange rate exposure.

In addition to USD, the parent company holds bank deposits in NOK and GBP; receivables in NOK, GBP and EUR; and payables in NOK, GBP and EUR, and convertible debt in NOK. A 10% change in the relative value of USD to NOK would have had a corresponding effect on the carrying value of the Company's debt of about $600 thousand at December 31, 2024, and at December 31, 2023 the effect would be about $800 thousand. A 10% change in the value of USD to CNY or EUR was not material at December 31, 2024 or December 31, 2023. A 10% increase in the value of the GBP relative to the USD would have had a corresponding effect on the carrying value of the net financial assets and liabilities in foreign currencies at December 31, 2024 of about $245 thousand (December 31, 2023: $980 thousand).

Credit and Liquidity Risk
IDEX Biometrics ASA extends customary credit terms to customers, reflecting its assessment of their individual creditworthiness. Based on review of customer accounts as of December 31, 2024, a specific reserve for possible loss has been recognized. The Company does not believe there is significant additional credit risk at large associated with its Accounts receivable, trade, balance as of December 31, 2024. (See Note 14—*Accounts receivable*.) A general reserve for doubtful accounts has not been recognized. If and when revenue continues to increase, receivable balances from a broadening customer base will increase, potentially increasing the credit risk at large.

The Company believes it faces minimal risk on its cash position, as IDEX Biometrics ASA's cash is on deposit with reputable, regulated banks.

IDEX Biometrics ASA aims to increase revenue generation through sales of its products; however, it does not currently have the cash resources to fully meet its operating commitments for the twelve months following the date of the financial statements. This casts significant doubt on the Company's ability to continue as a going concern. See section *Going concern* above.

4. Segment reporting

IDEX manages its operations as a single segment for the purposes of assessing performance and making operating decisions. IDEX operates as one operating segment, fingerprint imaging and authentication technology. IDEX has determined that its chief operating decision maker is its Chief Executive Officer. The Company's chief operating decision maker reviews the Company's financial information on an aggregated basis for the purposes of allocating resources and assessing financial performance.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

IDEX Biometrics ASA categorizes customers by geographic region utilizing the addresses to which it invoices its products or services. The company's product and service revenue by geographic region is as follows:

	Year ended December 31,	
Amounts in $1000	**2024**	**2023**
Product Revenue:		
Europe, Middle East, and Africa	$ 106	$ 3,029
Americas	247	975
Asia-Pacific	347	126
Total Product Revenue:	700	4,131
Service Revenue:		
Europe, Middle East, and Africa	—	2
Americas	24	—
Asia-Pacific	69	6
Total Service Revenue:	93	8
Total Revenue	$ 793	$ 4,138

The Company's revenue has in the past come from a limited number of customers. During 2024, the top three customers accounted for approximately 26%, 25% and 20% of the Company's revenue, respectively, and in 2023, the top two customers accounted for 47% and 20% of revenue, respectively.

5. Compensation and benefits

Compensation and benefits expenses consist of costs for direct employees of the Company. Compensation of individual contractors is reported as Research and development expenses or Other operating expenses, as applicable, based on the roles assigned to the individuals.

	Year ended December 31,	
Amounts in $1000	**2024**	**2023**
Salaries	$ 560	$ 777
Social security taxes	72	100
Pension contribution	24	22
Other personnel expenses	98	130
Share-based compensation	351	1,283
Net employer's tax on share-based compensation	(18)	(4)
Total	$ 1,087	$ 2,308
Average no. of employees (full-time equivalents)		
In the parent company	2	2
In the group	45	76

At the end of 2024, there were 1 female and 2 male employee in IDEX Biometrics ASA (end of 2023: 1 female and 1 male). Salary statistics per gender have not been prepared.

IDEX Biometrics ASA provides a contribution-based pension insurance plan for its employees. The plan satisfies the Norwegian mandatory service pension rules (*obligatorisk tjenestepensjon*, OTP). Up to a maximum, the contribution is 5% and 10% up to and over a threshold, respectively, of the employee's annual eligible salary. The pension plan is a fully insured, defined contribution plan.

In 2024, IDEX operated two share-based compensation programs: Incentive subscription rights (SRs), and an employee share purchase plan (ESPP). Share-based compensation is the recognized costs of the SR and ESPP programs. IDEX Biometrics ASA recognizes the full notional cost of the programs for the group and accrues the

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

potential employer's tax. Upon exercise, the notional cost remains as recognized, while actual employer's tax, if any, on exercise is recognized by the relevant entity of the staff member. See Note 23—*Share-based remuneration.*

Remuneration to officers

Please see also the 2024 Executive remuneration report, published separately.

2024

Remuneration to the group's CEO and officers reporting to the CEO. All officers are employed in the subsidiary in the country where they work, or serve as a contractor to the parent company.

Amounts in $1000	Salary	Incentive variable pay	Pension contri-bution	Other benefits	Share-based remune-ration (1)	Total
Catharina Eklof, CEO[2]	$ 458	$ 109	$ —	$ —	$ 125	$ 692
Vince Graziani, former CEO[3]	261	62	—	1	128	452
Kristian Flaten, CFO[4]	28	—	2	—	—	30
John Kurtzweil, former CFO[5]	336	—	—	—	1	337
Anthony Eaton, CTO	234	21	14	2	109	380
Total	$ 1,317	$ 192	$ 16	$ 3	$ 365	$ 1,893

(1) The amount is the amortised cost in the year under IFRS 2 Share-based payments, for incentive subscription rights. The amount for ESPP is the option value at date of enrollment earned in 2024. Both amounts represent an upfront calculation and do not necessarily represent any gain from the plans. Any gain on subscription rights is reported separately in the year of exercise.
(2) Ms. Eklof is an individual contractor on assignment for IDEX. Prior to becoming CEO as of 19 August 2024, she was Chief commercial officer. The salary and incentive amounts reported are the gross invoiced amounts which cover also employer's taxes and other employment benefits. The incentives paid in 2024 were two last installments of the 2022 incentive and a sign on fee for the CEO position.
(3) Mr. Graziani left the position of CEO as of August 19, 2024. Until June 30, 2025, Mr. Graziani is a contracted adviser for a fixed fee of $3,500 per month.
(4) Mr. Flaten was appointed CFO as of November 1, 2024
(5) Mr. Kurtzweil was an individual contractor in the CFO position until October 31, 2024. The salary and incentive amounts reported are the gross invoiced amounts which cover also employer's taxes and other employment benefits.

Salary, bonus and other benefits, whether cash or in kind, are the amounts declared for tax purposes for the full year 2024. Pension cost and share-based remuneration are expensed amounts in the year. Gains on exercise of incentive subscription rights, if any, are reported separately. Employers' tax is not included. The bonuses paid in 2024, if any, relate to achievements in 2022.

No officers exercised incentive subscription rights in 2024.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

2023

Amounts in $1000	Salary	Incentive variable pay	Pension contri-bution	Other benefits	Share-based remune-ration (1)	Total
Vince Graziani, CEO	$ 360	$ 62	$ —	$ 28	$ 108	$ 558
John Kurtzweil, CFO (2)	55	—	—	—	1	56
Eileen Wynne, interim CFO (3)	141	—	—	—	—	141
Anthony Eaton, CTO	249	82	15	9	48	403
Catharina Eklof, CCO (4)	466	72	—	—	64	602
Total	$ 1,271	$ 216	$ 15	$ 37	$ 221	$ 1,760

(1) The amount is the amortised cost in the year under IFRS 2 Share-based payments, for incentive subscription rights. The amount for ESPP is the option value at date of enrollment earned in 2023. Both amounts represent an upfront calculation and do not necessarily represent any gain from the plans. Any gain on subscription rights is reported separately in the year of exercise.
(2) Mr. Kurtzweil was an individual contractor in the CFO position as of September 2023. The salary and incentive amounts reported are the gross invoiced amounts which cover also employer's taxes and other employment benefits.
(3) Ms. Wynne was interim CFO as of August 15, 2002 until September 2024. Ms. Wynne was an individual contractor and the salary and incentive amounts reported are the gross invoiced amounts which cover also employer's taxes and other employment benefits.
(4) Ms. Eklof is an individual contractor on assignment for IDEX. The salary and incentive amounts reported are the gross invoiced amounts which cover also employer's taxes and other employment benefits.

Salary, bonus and other benefits, whether cash or in kind, are the amounts declared for tax purposes for the full year 2023. Pension cost and share-based remuneration are expensed amounts in the year. Gains on exercise of incentive subscription rights, if any, are reported separately. Employers' tax is not included. The bonuses paid in 2023, if any, relate to achievements in 2022.

No officers exercised incentive subscription rights in 2023.

Grants of incentive subscription rights to officers

	Grant date	Exercise price (NOK per share)	Number of subscription rights
Year ended December 31, 2024			
Catharina Eklof, CEO	April 17	0.15	150,000
	July 12	1.45	3,000,000
	August 29	0.93	1,500,000
Vince Graziani, former CEO	April 17	0.15	250,000
	July 12	1.45	1,500,000
Kristian Flaten, CFO			—
John Kurtzweil, former CFO			—
Anthony Eaton, CTO	April 17	0.15	150,000
	July 12	1.45	3,000,000
Year ended December 31, 2023			
Vince Graziani, CEO	August 11	0.68	2,500,000
John Kurtzweil, CFO	November 8	0.46	500,000
Eileen Wynne, former interim CFO			—
Anthony Eaton, CTO	August 11	0.68	630,900
Catharina Eklof, CCO (4)	August 11	0.68	630,900

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

The number of shares and other instruments as of December 31, 2023, and on earlier dates, are the actual number of instruments before the 5:1 share consolidation (reverse split) taking effect on record date January 10, 2024. The incentive subscription rights plans have adjustment clauses so that the number of subscription rights and the exercise prices are adjusted by the same ratio. See also notes 23—*Share-based compensation* and 28—*Subsequent events*.

Guidelines for remuneration to officers

IDEX's remuneration policy for the supervisory board and executives as well as guidelines for incentive programs were approved at the Annual General Meeting on May 16, 2024.

Except for appropriate travel advances, IDEX has not made any advance payments or issued loans to, or guarantees in favor of, any members of the management.

Share-based remuneration to officers

The officers participate in the same share-based programs approved by the general meeting, that are in effect for all employees. In 2024 IDEX operated a subscription rights-based incentive program (SR program) and an employee share purchase plan (ESPP).

SR grants are scaled based on position, results and competitive considerations. The purpose of SR grants is to strengthen the company by providing to employees, management and individual contractors additional performance incentive.

The ESPP allows the participant to convert up to 20% of the base salary into shares, by contributing an amount from each paycheck during six months and purchasing new issue shares at 15% discount on lower of the share price at beginning and end of the contribution period. The 2023 ESPP was suspended effective March 1, 2024, and the 2024 ESPP has not been activated by the board.

Implementation and effect of the policies on remuneration to officers

Salary, pension and any paid bonuses will attract employer's tax which will be expensed simultaneously with the paid or earned remuneration.

Actual incentive payments in the respective years are reported in the tables above. The incentives may have been earned partly or in full in the calendar year before the payment was made. Incentives are paid only after evaluation against criteria has been conducted. Until the evaluation has taken place, an overall accounting accrual covering all participants in the bonus plan has been made. The accrual is not individual and therefore not included in the table of remuneration to officers.

The share-based remuneration reported in the tables is the period's notional cost of the respective officers' subscription rights. The equity effect of this cost is nil because the contra item is a notional equity injection of equal amount. In addition, the cost of employer's tax on the earned intrinsic value on the balance sheet date, is accrued. The value varies with the share price and may entail a net reversal of cost. On exercise, the actual employer's tax is expensed, and the accrual adjusted to cover the remaining outstanding subscription rights. The actual cost of the employer's tax is normally funded by the equity paid in on exercise. Any exercises of subscription rights by officers in the respective years are disclosed above.

For the shareholders, an actual or possible exercise will represent a dilution. At the end of 2024, the number of outstanding subscription rights to then-present officers including their close associates was 11,730,080, corresponding to 1.4 percent of the share capital (2023: 16,603,200 outstanding subscription rights to then-present officers, corresponding to 1.2 percent of the share capital at the time).

Compensation paid to the board of directors is presented in Note 24—*Related party transactions*.

6. Research and development expenses

Research costs are expensed when incurred. Development costs are capitalized and held in the balance sheet only if they satisfy the criteria for capitalization. The same applies to IDEX Biometrics ASA's patents and other intellectual property rights created by IDEX. IDEX Biometrics ASA has not capitalized any development costs in 2024 or 2023. Development costs related to creation of intellectual property have been expensed when incurred.

Research and development expenses include the cost of independent contractors assigned to engineering roles.

Government grants in support of research and development activities are recognized as a credit against research and development costs when it is realistic that the application or claim will be successful and the amount can be determined reliably.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Amounts in $1000	Year ended December 31, 2024	2023
Gross research and development expenses	$ 12,234	$ 13,392
Government grants credited to cost	(167)	(480)
Net research and development expenses	$ 12,067	$ 12,912

7. Government grants

Amounts in $1000	Year ended December 31, 2024	2023
SkatteFunn (recognized as cost reduction of R&D expenses	$ 167	$ 480

The Norwegian Skattefunn program supports research and development activities conducted by Norwegian companies. If/when a company is in financial distress at the time the project is approved, it is not eligible for support. The support in 2024 was earned on activities conducted in 2024 on projects approved in prior years.

The recognized amounts in 2024 and 2023 represent IDEX Biometrics ASA's expected grant amount based on the cost of the approved project applications.

8. Audit and audit fees

Ernst & Young AS (EY) is the auditor of the parent company as well as the IDEX group. The audit fees for the respective years are as follows:

Amounts in $1000	Year ended December 31, 2024	2023
Audit services	$ 130	$ 141
Audit-related services	50	37
Tax services	9	8
Other services	-	—
Total	$ 189	$ 186

Audit services represents the fees for the audit that must be performed by EY in order to issue an opinion on the Company's consolidated financial statements and to issue reports on the Company's statutory financial statements. The definition also includes fees for certain other audit services, which are services only the designated independent auditor reasonably can provide, such as the auditing of non-recurring transactions, the application of new accounting policies, and read-through reviews of interim financial reports.

Audit-related services represents fees for other assurance and related services provided by EY, which services are reasonably related to the performance of the audit, but not necessarily need to be performed by the Company's auditor, such as capital injection confirmations.

Tax services represent fees, approved by the Audit Committee, for technical tax services not related to the audit provided by EY.

Other services represent other fees, approved by the Audit Committee, for services not related to the audit provided by EY.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

9. Income tax

Tax expense for the year

Amounts in $1000	Year ended December 31, 2024	2023
Payable taxes on the result of the year	$ —	$ —
Change in deferred tax asset/liability	—	—
Income tax expense	$ —	$ —

Computation of payable taxes for the year

Amounts in $1000	Year ended December 31, 2024	2023
Profit (loss) before taxes	$ (22,976)	$ (25,141)
Permanent differences	(4,100)	(227)
Changes in temporary differences	2,349	370
	$ (24,727)	$ (24,998)
Calculated payable taxes on current year's loss. 22 % tax, representing payable taxes on current year's loss in Norway	—	—
Payable taxes on current year's result	$ —	$ —

Reconciliation of tax expense (benefit)

Amounts in $1000	Year ended December 31, 2024	2023
Profit (loss) before taxes	$ (22,976)	$ (25,141)
Norway statutory tax rate of 22%	(5,055)	(5,531)
Tax on permanent differences	(902)	(50)
Change in deferred tax asset not recognized on December 31	5,957	5,581
Actual tax expense	$ —	$ —

The change in deferred tax asset not recognized contains foreign currency exchange effects on the loss carry forward in Norway, denominated in NOK.

There are no deferred tax charges to other comprehensive income in 2024 or 2023and no tax payable balances.

Elements of deferred tax

Amounts in $1000	Year ended December 31, 2024	2023
Employer's tax on share-based compensation	$ —	$ (19)
Fixed Assets differences	(493)	715
Inventory differences	(1,470)	(869)
Other differences	(7)	(13)
Losses carried forward	(261,072)	(267,104)
Basis for calculation of deferred taxes	(263,109)	(267,290)
Calculated net deferred tax expense (benefit) 22%	(57,870)	(58,804)
Unrecognized deferred tax asset	57,870	58,804
Deferred tax liability (asset) in the balance sheet	$ —	$ —

The accumulated unrecognized deferred tax assets amounting to $57,884 and $58,804 at December 31, 2024 and 2023, respectively, are related to tax losses carry forward in Norway. IDEX Biometrics ASA has not generated

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

taxable profits in prior years. At December 31, 2024 there was not sufficiently convincing evidence that sufficient taxable profit will be generated, against which the unused tax losses could be applied.

Consequently, no deferred tax asset has been recognized. There are no restrictions as to how long tax losses may be carried forward in Norway.

10. Loss per share

A 5:1 share consolidation (reverse split) was completed at record date January 10, 2024. The per share calculations for all periods presented here are based on the new number of shares.

The calculation is based on the consolidated amount of profit (loss). The profit or loss per share is calculated by dividing the profit (loss) for the period by the weighted average number of ordinary shares outstanding for the period. Loss per share is calculated per basic share (i.e., without consideration for the anti-dilutive effect of exercisable subscription rights).

	Year ended December 31,	
Amounts in $1000	**2024**	**2023**
Net loss for the year	$ (14,449)	$ (26,629)
Number of ordinary shares issued at December 31	831,576,974	279,402,130
Weighted average basic number of ordinary shares	414,656,727	253,042,411
Dilution effect (treasury stock method)	720,018	1,037,665
Weighted average diluted number of shares	415,376,744	254,080,076
Loss per share for the year (basic and diluted*)	$ (0.03)	$ (0.11)

* The effects of potentially dilutive shares issuable upon exercise of outstanding subscription rights are not included in the calculation due to the Company's net losses for the periods presented, as their effect would be anti-dilutive.

11. Goodwill and other intangible assets

Goodwill is the recorded difference between the consideration paid and the net value of identifiable assets acquired and held, less impairment charges, if any. Goodwill balances as of December 31, 2024, and December 31, 2023, reflected the following activity:

	Year ended December 31,	
Amounts in $1000	**2024**	**2023**
Cost at the beginning of the year	$ 968	$ 968
Impairment	(968)	—
Cost at the end of the year	$ —	$ 968

There is only one cash generating unit in the Company and goodwill is allocated to this. The goodwill originated from a business combination (Picofield Technologies, Inc) in 2013. IDEX performed the annual impairment test on December 31, 2024. The Company considers the relationship between the market capitalization of its shares and its book value, among other factors, when reviewing for indicators of impairment. As of 31 December 2024, the market capitalisation was less than the book value of equity, indicating a potential impairment of goodwill and/or impairment of other assets.

Recoverable amount is the higher of value in use (VIU) and fair value (FV) less cost to sell. The VIU is normally the highest. The analysis of VIU was based on a discounted five-year cash flow analysis of a five-year forecast period (2025-2029) with an additional terminal value.

Key assumptions are revenue, gross margin and the discount rate applied on the cash flow. Revenue forecast is a critical factor, and IDEX's revenue has been low. Based on management's estimates, the forecast assumes 185% growth in the first year, gradually reduced to 40% in the last year of the forecast period. 40% gross margin has been applied. This is based on actual margins in the three years 2022-2024 and management's estimate for the forecast period. The discount rate represent the current assessment of the risks, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operations

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

and is derived from its weighted average cost of capital (WACC). The WACC applied to the forecast was 15.0%. The terminal value is calculated applying the equity rate of return and a long term growth rate of 3.0%. The key factors are also the main sensitivities of the VIU calculation.

Other intangible assets, consisting primarily of patents, are held at cost, less accumulated amortization and impairment charges. Other intangible asset balances as of December 31, 2024, and December 31, 2023, reflected the following activity:

Amortization period (straight-line, in years)	**Year ended December 31,**	
	2024	**2023**
Amounts in $1000	*10-17*	*10-17*
Cost at the beginning of the year	$ 5,173	$ 5,173
Additions	—	—
Impact of currency translation	—	—
Cost at the end of the year	$ 5,173	$ 5,173
Accumulated Amortization at the beginning of the year	$ 4,162	$ 3,685
Amortization	441	477
Impact of currency translation	—	—
Accumulated Amortization at the end of the year	4,603	4,162
Carrying amount at the end of the year	$ 570	$ 1,011

Acquired patents are capitalized and amortized over the estimated useful life, which is the lifetime of the respective patent(s). As of December 31, 2024, and December 31, 2023, the Company had not identified any indicators of impairment.

12. Property, plant and equipment

Property, plant, and equipment is held at cost, less accumulated depreciation and impairment charges. When assets are sold or retired, such assets are no longer recorded in the Consolidated Statements of Financial Position. Any gain or loss on the sale or retirement is recognized in the Consolidated Statements of Profit and Loss.

The capitalized amount of property, plant, and equipment is the purchase price, including freight, installation, duties, taxes, and direct acquisition costs related to preparing the asset for use. Costs related to training and commissioning are expensed as incurred. Subsequent costs, such as expenses for repair and maintenance, are recognized as incurred in the Consolidated Statements of Profit and Loss. Subsequent enhancements creating future economic benefits are recognized in the Consolidated Statements of Financial Position as additions to property, plant, and equipment.

These assets are depreciated using the straight-line method over each asset's useful life. The depreciation period and method are assessed each year to ensure that the method and period used is consistent with the status of the non-current asset.

A recent change in the relation with a manufacturing partner is expected to lead to disuse and disposal of equipment held by IDEX Biometrics ASA that is placed at the partner's facility. To reflect lower of net book value and value in use, an impairment charge amounting to USD 156k was recognized as of December 31, 2024.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Property, plant, and equipment balances as of December 31, 2024, and December 31, 2023, reflected the following activity.

2024 *Amounts in $1000* *Depreciation period, straight line, in years*	**Plant and machinery, fixtures and fittings** *3-10*	**Office furniture and office equipment** *3-10*	**Total**
Cost at December 31, 2023	$ 866	$ 6	$ 872
Additions	30	—	30
Disposals at cost	—	(4)	(4)
Cost at December 31, 2024	896	2	898
Accumulated amortization at December 31, 2023	565	4	569
Amortization	317	2	318
Accumulated amortization of disposed items	—	(4)	(4)
Accumulated amortization at December 31, 2024	882	2	883
Carrying amount at December 31, 2024	$ 15	$ 0	$ 15

2023 *Amounts in $1000* *Depreciation period, straight line, in years*	**Plant and machinery, fixtures and fittings** *3-10*	**Office furniture and office equipment** *3-10*	**Total**
Cost at December 31, 2022	$ 679	$ 6	$ 685
Additions	187	—	187
Disposals at cost	—	—	—
Cost at December 31, 2023	866	6	872
Accumulated amortization at December 31, 2022	315	3	318
Amortization	250	1	251
Accumulated amortization of disposed items	—	—	—
Accumulated amortization at December 31, 2023	565	4	569
Carrying amount at December 31, 2023	$ 301	$ 2	$ 303

There were no assets under construction at the end of 2024 or 2023.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

13. Leases

IDEX Biometrics ASA leases an office in Oslo. There is no exposure to future variable lease payments that are not reflected in the measurement of lease liabilities. Activity during 2024 and 2023 related to right-of-use assets are shown below.

Right-of-use assets

Amounts in $1000	Year ended December 31, 2024	2023
Depreciation period, straight line, years	*3-5*	*3-5*
Cost at the beginning of the year	$ 76	$ 76
Additions	—	—
Disposals at cost	—	—
Currency translation	—	—
Cost at December 31	76	76
Accumulated depreciation at the beginning of the year	38	14
Depreciation	23	24
Accumulated depreciation of disposed items	—	—
Impact of currency translation	—	—
Accumulated Amortization at the end of the year	$ 61	$ 38
Carrying amount at the end of the year	15	38

Costs related to right-of-use assets included in the Consolidated Statements of Profit and Loss include the following:

Lease liabilities included in the statements of profit and loss

Amounts in $1000	Year ended December 31, 2024	2023
Amortization and depreciation	22	24
Finance cost	1	3

Lease liabilities included in the statements of financial position

Amounts in $1000	Year ended December 31, 2024	2023
Balance at the beginning of the year	$ 33	$ 62
Additions		—
Accretion of interest	1	3
Payments	(27)	(26)
Impact of currency translation	(4)	—
Balance at December 31	$ 4	$ 39
Non-current	—	13
Current	—	19
Balance at December 31	$ 4	$ 33

14. Accounts receivable

Accounts receivable, trade, includes invoiced amounts due from customers. The receivables are held at the estimated realizable value. The Company's payment terms vary by the type and location of its customers and the products or services offered. Terms are typically payment within 30 to 60 days. Based on periodic review of customer accounts, a specific reserve for possible loss may been recognized as applicable. The Company does

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

not require collateral from its customers, although there have been circumstances when the Company has required cash in advance (i.e., a partial down-payment) to facilitate orders in excess of a customer's established credit limit. To date, such amounts have not been material.

In an arbitration ruling at Oslo Chamber of Commerce on January 27, 2025, in favor of IDEX Biometrics ASA, the company was awarded $0.7 million from customer Zwipe AS, plus late payment interest and compensation for the Company's legal costs. On March 6, 2025, the Oslo District Court ruled that bankruptcy proceedings for Zwipe shall take place. The receivable has been written off as of December 31, 2024.

A general reserve for doubtful accounts has not been recognized. Expected credit loss accrued for at the end of 2024 was $849 thousand, and $144 thousand at the end of 2023.

The balances reported as Accounts receivable, other, consist primarily of estimated support related to Skattefunn projects, and value added tax refund due to the Company.

No group or other receivables were overdue at the end of 2024 or 2023. A significant share of the receivables from group companies is related to IDEX UK. Following losses in prior years, IDEX UK made a profit in 2024 due to sale of two IP packages to IDEX Biometrics ASA. Based on business plans, IDEX UK is not expected to be able to eventually repay its full payable to IDEX Biometrics ASA. IDEX Biometrics ASA has estimated IDEX UK's planned activity level going forward to determine the probable recoverable amount. An impairment charge amounting to $4.4 million has been made to the receivable as of December 31, 2024. See note 27—*Subsidiaries.*//

Balances and aging of accounts receivable at December 31, 2024, and December 31, 2023, were as follows:

Maturity of current receivables	Year ended December 31, 2024			
Amounts in $1000	Less than 3 months	3-6 months	6-12 months	Total
Accounts receivable, other	$ 107	$ —	$ 167	$ 274
Accounts receivable, trade	—	—	30	30
Receivables from group companies	2,403	—	—	2,403
Total	$ 2,510	$ —	$ 197	$ 2,707

Maturity of current receivables	Year ended December 31, 2023			
Amounts in $1000	Less than 3 months	3-6 months	6-12 months	Total
Accounts receivable, other	$ 58	$ —	$ 467	$ 525
Accounts receivable, trade	1,068	—	—	1,068
Receivables from group companies	10,366	—	—	10,366
Total	$ 11,492	$ —	$ 467	$ 11,959

15. Other current and non-current financial assets

Non-current receivables	Year ended December 31,	
Amounts in $1000	2024	2023
Long-term loans to group companies	$ —	$ —
Non-current receivables	7	7
Balance at December 31	$ 7	$ 7

The receivables are deposits for leasehold payments and are held at nominal value.

IDEX Biometrics ASA had no contingent assets at the end of 2024 or 2023.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

16. Accounts payables and other financial liabilities

Except for the convertible debt in note 17—*Convertible debt*, the Company's payable and other financial liabilities as of December 31, 2024, and December 31, 2023, were as follows:

Year ended December 31, 2024

	Maturity				
Amounts in $1000	Less than 3 months	3-6 months	6-12 months	1-5 years	Total
Accounts payable	$ 754	$ —	$ —	$ —	$ 754
Current lease liabilities	4	—	—	—	4
Short-term payables to group companies	—	—	—	—	—
Other current liabilities	795	113	884	—	1,792
Total	$ 1,553	$ 113	$ 884	$ —	$ 2,550

Year ended December 31, 2023

	Maturity				
Amounts in $1000	Less than 3 months	3-6 months	6-12 months	1-5 years	Total
Accounts payable	$ 721	$ —	$ —	$ —	$ 721
Current lease liabilities	5	5	9	—	19
Short-term payables to group companies	6,794	—	—	—	6,794
Other current liabilities	1,087	328		—	1,415
Total	$ 8,607	$ 333	$ 9	$ —	$ 8,949

Other current liabilities include accruals for earned compensation, earned vacation days not taken, potential employer's tax on share-based compensation, and accruals for goods and services received but not yet invoiced by the supplier.

The estimated employer's payroll tax liability related to share-based compensation amounted to $0 (nil) thousand on December 31, 2024 and $19 thousand on December 31, 2023. The amount will be due only if and when the subscription rights are exercised. The exercise will, in all likely circumstances, fund the payable employer's payroll tax.

Effective interest expense including interest on lease liabilities and convertible debt in statement of profit and loss in finance expense was $1.9 million in 2024 and $5.3 thousand in 2023. The balance of finance expense is currency losses.

Except for the convertible debt in note 17—*Convertible debt*, IDEX Biometrics ASA had no other significant current or non-current monetary obligations at the end of 2024 or 2023. The Company had no contingent liabilities at the end of 2024 or 2023.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

17. Convertible debt, warrants

Amounts in $1000	Interest rate	Installment profile	Fair value
Convertible bond as of Dec 31, 2023	6%	Bimonthly until June 28, 2027	
Convertible debt			$ 5,076
Embedded derivative			3,545
Total			$ 8,621
Convertible bond as of Dec 31, 2024	0%	Semi-annual from Jun. 28, 2026 to Dec. 28, 2027	
Convertible debt			$ 1,984
Embedded derivative			139
Total			$ 2,123

			Recognized value on the balance sheet	
			Year ended December 31,	
Amounts in $1000	**Exercise price**	**Expiry**	**2024**	**2023**
Warrants				
Warrants May-Jun	NOK 1.65	May 29, 2025	$ 1	$ —
Warrants A	NOK 0.15	March 13, 2025	326	—
Warrants B	NOK 0.15	April 11, 2025	326	—
Total			$ 652	$ —

In December 2023, IDEX Biometrics ASA entered into a convertible debt financing agreement. The agreement has been amended since, see below. The Company issued NOK 100 million or $9.9 million in convertible bonds at 6.0% interest p.a. The loan is denominated in NOK. IDEX Biometrics ASA received NOK 92 million after deduction of the issue discount. Transactions and balance amounts are reported in USD at the exchange rates at the respective dates. The bondholder could elect to convert the outstanding loans into IDEX shares at any time prior to repayment at a conversion price of NOK 3.655, which price reflects the 5:1 share consolidation (reverse split) effective on the record date of January 10, 2024.

The conversion option was accounted for as an embedded derivative and was recognized separately from the host contract as a financial liability at fair value through profit or loss. See note 18—*Fair value measurement.* The host contract is recognized at amortized cost, a residual after deduction of transaction costs and the embedded derivative. The effective interest rate is based on the value of the host contract and the expected cash flow. Because the company does not have an unconditional right to defer payment beyond twelve months, both the host contract and the embedded derivative were classified as current liabilities as of December 31, 2023.Estimation methods are used to determine the fair value of the embedded derivative. There is a significant element of judgment in the estimation methods used and the assumptions applied.

Under the original agreement, the debt would be redeemed in 21 equal bi-monthly instalments of NOK 4.8 million plus accrued interest. The bondholder could request up to two additional instalments to be paid in each period between the planned term dates. The Company could elect to settle the interest payments, principal payments, or both with shares in lieu of cash. Any repayment in shares will be converted at 90% of the prevailing market price of the shares.

On September 17, 2024, IDEX Biometrics ASA entered into a commitment letter to amend the terms of the convertible bond. The full agreement was entered into on November 6, 2024. The coupon interest rate on the bond was reduced to 0%. The repayment will be in four semi-annual terms starting from June 28, 2026, extending the duration of the loan until December 28, 2027. The conversion rate on the loan was reduced to

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

NOK 0.85 per share. Conversion can, at the earliest, be done on February 28, 2026, unless the share price exceeds NOK 1.25 after June 28, 2025. The Company may elect to settle the principal payments with shares in lieu of cash payments. Any repayment in shares will be converted at 90% of the prevailing market price of the shares. The amendment represented a substantial modification of the financial liability under IFRS 9. The original host contract and embedded derivative was therefore derecognized and the amended debt was recognized at fair value of the host contract and the embedded derivative. This resulted in a gain on modification. As a consequence of the refinancing, the debt is classified as non-current as of December 31, 2024.

Amounts in $1000	Host contract (Level 3)	Embedded derivative (Level 3)	Total
(Gains)/Losses recognized from modification	(2,115)	274	(1,841)

Other (gains)/losses related to the host contract, the embedded derivative and the warrants recognized in the Consolidated Income Statements are presented as financial income for gains and financial expenses for losses. As of December 31, 2024, the outstanding principal amount was NOK 66,640 thousand or $5,871 thousand (December 31, 2023: NOK 100,000, thousand or $9,830 thousand).

On March 10, 2025, IDEX Biometrics ASA and Heights entered into a commitment letter whereby the terms of the convertible bond will be amended. The amendment has not been reflected in the valuation of the convertible debt as of December 31, 2024. See note 26—*Subsequent events*.

18. Fair value measurement

The Company has no financial assets that are measured at fair value.

The embedded conversion option in the convertible debt and the outstanding warrants are measured at fair value.

The Company considers that the carrying amount of the financial assets and liabilities that are recognised at amortised cost net of any impairment approximate their fair value.

The Company uses the following hierarchy for classification of the fair value of financial measurements:

- Level 1: Observed (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Methods for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Methods that use inputs that are not based on observable data

The actual method used and assumptions made in levels 2 and 3 may have a material effect on the estimated fair value. The table below show the items measured at fair value, categorized within Levels 1-3.

On May 15, 2024, IDEX conducted a private placement of 33,333,333 shares. For each share subscribed to, the subscribers received one warrant with exercise price NOK 1.65. The May warrants are exercisable in quarterly windows after issue of interim reports and expire fourteen days after the interim report for the first quarter of 2025 has been issued.

On September 16, 2024, IDEX conducted a private placement of 466,666,666 shares. For each two shares subscribed to, the subscriber received two warrants with exercise price NOK 0.15: One warrant A exercisable within the first 14 days following the disclosure of the preliminary financial report for 2024, and one warrant B which is exercisable from March 31, 2025 to April 11, 2025. The initial recognition of the warrants was based on a Black Scholes option pricing model calculation, based on company volatility, exercise price and risk free interest rate. On December 12, 2024, the warrants A&B were admitted to trading on Euronext Oslo Børs. As a consequence of the listing admission, the instruments were transferred from Level 2 to Level 1. The transfer did not have a material impact on the instruments' fair value. See note 28—*Subsequent events*.

The table shows the carrying value of liabilities held at fair value at the respective dates, by Level:

Amounts in $1000	Embedded derivative (Level 3)	Warrants May (Level 2)	Warrants A and B (Level 1)	Total
Balance Jan 1, 2023				
Balance Dec 31, 2023	$ 3,545	$ —	$ —	$ 3,545
Balance Dec 31, 2024	$ 139	$ 1	$ 651	$ 791

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

The initial recognition of the host contract and embedded derivative was fair value. As such, the initial recognized amount was determined at Level 3. Subsequent modifications of the host contract assumes that the effective interest rate used to calculate the value is equal to the initial effective interest rate. Thus, the subsequent measurement of the host contract is amortised cost.

19. Inventory

Inventories consist of raw materials, work in process, and finished goods. Materials and components purchased for use in research and development activities are expensed at the time of purchase and excluded from inventory. Inventory is recorded at the lower of cost and net realizable value, less impairment, if any.

	Year ended December 31,					
	2024			2023		
Amounts in $1000	Cost	Reserves	Net	Cost	Reserves	Net
Raw materials	$ 3,876	$ (634)	$ 3,242	$ 3,795	$ —	$ 3,795
Work in progress	36	—	36	102	—	102
Finished goods	3,107	(836)	2,271	3,356	(869)	2487
Total	$ 7,019	$ (1,470)	$ 5,548	$ 7,253	$ (869)	$ 6,384

IDEX disclosed on March 11, 2025, a strategic shift to focus on the access market, while continuing to harvest from its long-time efforts in the payment market. Consequently, parts of the material and components held in inventory were deemed less likely to be sold, and an obsolescence provision has been recognized as of December 31, 2024.

Furthermore, the quantity of certain components (raw material) in inventory is substantially larger than what is required for the updated business plan. Some of the inventory may remain unused and unsold by the time the material becomes obsolete because of aging/shelf life and/or technical obsolescence. Any such obsolescence will depend on, among other factors, technical development, and the timing is uncertain. The impairment charge was based on an assessment with horizon three years derived from the business plan and estimated usage.

In 2024 and 2023, raw materials and products valued $163 thousand and $251 thousand, respectively, were charged to development expense.

20. Cash and cash equivalents

Cash and cash equivalent balances by currency were as follows, valued in USD:

	Year ended December 31,	
Amounts in $1000	2024	2023
Denominated in USD	$ 1,321	$ 10,389
Denominated in NOK	590	424
Denominated in GBP	10	5
Denominated in CNY	—	—
Total	$ 1,921	$ 10,818

Of the amounts above, employees' withheld payroll tax deposits amounted to $29 thousand and $26 thousand at the end of 2024 and 2023, respectively. Only the withheld payroll tax deposits were restricted. Deposits for facilities rent or utilities are reported as Non-current receivables and have not been included in Cash and cash equivalents.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

21. Restricted assets

For the office lease, IDEX Biometrics ASA has placed an amount corresponding to about 3 months' rent and allocations of its leasehold facilities in an escrow account in the landlord's name for the benefit of the landlord. Such escrow accounts and other deposits amounted to $7 thousand at the end of 2024 and $7 thousand at the end of 2023, reported as Non-current receivables. No other assets have been pledged as security or are otherwise restricted.

22. Share capital and share premium, Warrants

There is one class of shares, and all shares have equal rights and are freely negotiable. The share capital is fully paid in. The par value of the shares was NOK 0.15 per share on December 31. 2024. IDEX does not beneficially own any of its own shares.

A 5:1 share consolidation (reverse split) took effect on record date January 10, 2024. The incentive subscription rights plan, cf. note 23—*Share-based compensation*, has adjustment clauses so that the number of subscription rights and the exercise prices were adjusted by the same ratio. The par value of the shares was NOK 0.15 per share before the consolidation, and NOK 0.75 per share after the consolidation. On February 26, 2024, the share capital was reduced, and the par value again NOK 0.15 per share. The reduction amount was transferred to Capital reduction reserve.

During the years ended December 31, 2023, and December 31, 2022, $13.0 million and $18.0 million, respectively, of Share Premium was transferred to Capital Reduction Reserve, to cover uncovered losses. The transfer did not impact the total equity or comprehensive income (loss). No such transfer was made in 2024.

Costs related to share issuance have been charged against equity and amounted to $1,112 thousand in 2024 and $756 thousand in 2023.

In connection with private placements in 2024, subscribers to new shares were also allocated warrants with vesting dates in 2025.

See also note 28—*Subsequent Events*.

	Number of shares	Warrants
Balance at December 31, 2022	1,166,326,584	
Share issues (Employee Share Purchase Plan)	4,583,947	
Share issue (exercise of incentive subscription rights)	389,608	
Private placement of Shares on May 24	116,897,492	
Private placement of Shares on June 16	30,161,332	
Private placement of Shares on November 16	78,651,685	
Private placement of Shares on December 22	2	
Balance at December 31, 2023	1,397,010,650	—
Reverse split (5:1) on January 10	279,402,130	
Share issues (Employee Share Purchase Plan)	358,525	
Share issue (exercise of incentive subscription rights)	365,900	
Private placement of Shares on May 15	27,940,213	27,940,213
Private placement of Shares on June 19	5,393,120	5,393,120
Private placement of Shares on August 20	16,166,667	—
Convertible loan term payment settled in shares on August 29	9,123,333	—
Private placement of Shares on September 16	101,624,966	101,624,966
Private placement of Shares on October 14	365,041,700	365,041,700
Private placement of Shares on December 2	26,160,420	26,160,420
Balance at December 31, 2024	831,576,974	526,160,419

The warrants issued in May and June, 2024 ("May warrants") and in September-December, 2024 ("Warrants A" and "Warrants B" or, collectively, "Warrants A&B", have exercise prices of NOK 0.65 and NOK 0.15 per share, respectively. The May warrants are exercisable in quarterly windows after issue of interim reports and expire fourteen days after the interim report for the first quarter of 2025 has been issued. Warrants A are exercisable

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

within the first 14 days following the disclosure the preliminary financial statements for 2024, wiz. from February 2025 to February 13, 2025, and Warrants B are exercisable from March 31, 2025, to April 11, 2025. The warrants will lapse unless exercised within the respective periods. The financial effect of the warrants is presented in note 17— *Convertible debt, warrants*.

Incentive subscription rights are presented in note 23—*Share-based compensation*.

See also note 28—*Subsequent events*.

As of December 31, 2024 there were 7,200 shareholder accounts on record, compared to 7,733 as of December 31, 2023.

Shareholders

For practical reasons, IDEX reports shareholders as registered in the VPS and does not combine accounts or prepare a list of beneficial owners of holdings in nominee accounts.

Shares and subscription rights held or controlled by board members, officers and their close relations	2024			2023 (1)	
	Shares	Incentive Subscription Rights	Warrants	Shares	Incentive Subscription Rights
Morten Opstad, chair (2)	2,479,786	—	1,000,000	7,398,916	—
Lawrence John Ciaccia, chair (3)	—	—	—	1,040,301	600,000
Annika Olsson, board member	10,527	—	—	52,631	—
Adriana Saitta, board member	—	—	—	—	—
Deborah Davis, board member (4)	—	—	—	564,479	—
Stephen A. Skaggs, board member (4)	—	—	—	1,018,053	—
Catharina Eklof, CEO (5)	1,684,604	5,218,240	1,000,000	89,684	2,841,200
Vincent Graziani, CEO (6)	—	—	—	2,535,444	9,920,800
Kristian Flaten, CFO (7)	1,000,000	—	—	—	—
John Kurtzweil, CFO (8)	—	—	—	—	500,000
Anthony, Eaton, CTO	56,928	3,752,680	—	284,639	3,341,200
Total	5,231,845	8,970,920	2,000,000	12,984,147	17,203,200

(1) The number of shares and subscription rights as of December 31, 2023, has not been adjusted for the 5:1 consolidation of shares as of record date January 10, 2024
(2) Mr. Opstad was elected chair at the 2024 annual general meeting, he was formerly board member since the 2023 annual general meeting, and chair before then
(3) Mr. Ciaccia was board member before the 2023 annual general meeting, when he was elected chair, He left the position at the 2024 annual general meeting
(4) Ms. Davis and Mr. Skaggs left the position at the 2024 annual general meeting
(5) Ms. Eklof was CCO prior to becoming CEO as of August 19, 2024
(6) Mr. Graziani left the position as of August 19, 2024
(7) Mr. Flaten was appointed CFO as of November 1, 2024
(8) Mr. Kurtzweil left the position as of October 1, 2024

23. Share-based compensation

The number of shares and other instruments as of December 31, 2023, and on earlier dates, are the actual number of instruments before the 5:1 share consolidation (reverse split) taking effect on record date January 10, 2024. The incentive subscription rights plans have adjustment clauses so that the number of subscription rights and the exercise prices are adjusted by the same ratio. The number of shares and other instruments as of January 10, 2024 and later dates, are the actual number of instruments i.e., after the 5:1 share consolidation.

Subscription rights plans

IDEX follows the practice of renewing its subscription rights plan at each Annual General Meeting, when the preceding plan is closed for further grants and a new plan is established. On May 16, 2024, the Annual General Meeting adopted the 2024 Subscription Rights Incentive Plan (the "2024 Plan"). The Board is responsible for administration of subscription rights plans and approves grants under the plans and the terms of each grant.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Under the 2024 Plan, the Board may grant up to 28,012,655 subscription rights, provided the total number of outstanding subscription rights does not exceed 10 percent of the number of registered shares.

Subscription rights may be granted to employees and individuals rendering services to the Company. The exercise price shall be, at a minimum, the higher of the average closing price of one share, as reported on the Oslo Børs, for the ten trading days preceding the date of the grant, or the closing price of one share, as reported on the Oslo Børs, on the trading day preceding the date of the grant. The board may in cases of particular circumstances decide that the exercise price is lower, but not less than the par value of the share. The total number of outstanding such grants may not exceed 2,801,265. Unless resolved otherwise by the Board, 25% of each grant of subscription rights vests per year. The annual vesting dates are the latest of the following dates before the date of grant of the subscription rights; (i) January 15, (ii) April 15, (iii) July 15 or (iv) October 15. Vesting and exercise is subject to the holder remaining associated with IDEX, and not conditional upon market factors or operational achievements. The subscription rights expire on the fifth anniversary of the Annual General Meeting at which the shareholders resolved to establish the plan under which the subscription rights were granted. Unvested subscription rights terminate on the holder's last day of employment or, in the case of non-employees, the last day of the individual's service to the Company. Vested subscription rights may be exercised up to 90 days after the holder's last day of employment. There are no cash settlement alternatives for the holders of subscription rights. The Company may elect to settle in cash.

The Annual General Meeting also resolved that until December 31, 2024, the board could issue replacement subscription rights ("RSR") at an exercise price not lower than NOK 2.22 per share against waiver and cancellation of existing subscription rights. The vesting schedule for such RSRs should be 1/3 each year over 3 years. No RSRs had been granted by December 31, 2024.

The fair value of the subscription rights at grant date is expensed as share-based compensation over the vesting period. The value is calculated using the Black-Scholes option pricing model. Upon exercise, the notional cost remains as recognized. An accrual for the potential employer's tax is recognized based on the intrinsic value on each balance sheet date. The actual employer's tax, if any, on exercise is recognized by the staff member's relevant entity and IDEX Biometrics ASA reverses the accrual. The following assumptions were applied when calculating the fair value of the subscription rights granted in the respective years:

	Year ending December 31,	
	2024	**2023[1]**
Exercise price (NOK)	0.15 - 1.80	0.15 - 0.93
Weighted average exercise price per share	1.17	0.49
Weighted average share price at date of grant	1.20	0.69
Expected term (years)[2]	2.77	3.01
Weighted average remaining term (years)	4.72	4.67
Share price volatility[3]	76%	77%
Risk-free interest rate	3.62%	3.88%
Expected dividend payment	—	—
Expected forfeiture	None	None
Fair value per subscription right	0.87	0.45

1 2023 numbers have not been adjusted for the 5:1 consolidation that took place effective January 10, 2024
2 The expected term has been set to midpoint between vesting date and expiry date. Due to very small quantity exercised in the past, there is inadequate data for determining the propensity to early exercise
3 Expected volatility is based on historical volatility over a period as long as the vesting period per tranche

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Subscription rights activity

	2024		2023	
	Number of Subscription Rights	Weighted Average Exercise Price (NOK)	Number of Subscription Rights	Weighted Average Exercise Price (NOK)
Outstanding as of January 1	94,834,661	1.42	81,106,631	1.74
Consolidated 5:1 record date January 10	(75,867,729)	7.10		
Granted	15,383,130	1.21	22,475,200	0.49
Exercised	(532,572)	0.75	(824,021)	0.15
Terminated	(10,158,799)	6.46	(7,327,449)	1.84
Expired	(1,088,826)	9.48	(595,700)	4.97
Outstanding as of December 31	22,569,865	3.41	94,834,661	1.42
Subscription rights exercisable as of December 31	5,451,280	7.81	50,694,011	1.67

Employee Share Purchase Plan

The Employee Share Purchase Plan ("ESPP") is revolved each year at the Annual General Meeting. The current ESPP was approved at the 2024 Annual General Meeting. The 2023 ESPP was suspended effective March 1, 2024, and the 2024 ESPP has not been activated by the board. Under the ESPP, an IDEX employee based in Norway, the United Kingdom, or the United States may contribute up to 20% of his or her annual base salary, through payroll deductions, toward periodic purchases of new issue shares. Under the ESPP, an option for the purchase of a share is granted to a participating employees on the first day of a 6-months' "offering period" to purchase new issued shares at the end of that offering period at a purchase price equal to 85% of the lesser of the fair market value, based on the closing price of the share, on either the first day or the last day of that offering period. The offering periods occur from March through August, and from September through February. The shares are not restricted.

The share-based remuneration cost of the ESPP for the group is calculated at the start of each contribution period and amortized over that period by IDEX Biometrics ASA. The cost is based on the contribution amount and amounts to the discount of 15% at the beginning of the period, plus the option value of an 85% call and 15% put option granted at the beginning of the period. The option value is based on a Black-Scholes option pricing model applying prevailing interest rates and share price volatility at the beginning of the period. Any related employer's tax is recognized by the relevant entity on the date the employer's tax is incurred, which date varies by jurisdiction and employee disposition.

ESPP cost calculation parameters	September 1, 2024	March 1, 2024	September 1, 2023
Expected contribution amount (NOK 1,000)	—	—	532
Share price on start date (NOK per share)			0.64
Share price volatility			59%
Risk-free interest rate			4.24%
Expected dividend payment			—
Expected number of shares			972,698
Share-based compensation cost per expected share			0.23

In the offering period completed on February 29, 2024, 12 employees in the group (2023: 28) participated in the ESPP and purchased a total of 358,525 shares at NOK 1.32 per share (February 28 and August 31, 2023 combined: 4,583,947 shares at average NOK 0.64 per share).

24. Related Party Transactions

The Company's significant shareholders, i.e. holding 5% or more of the shares, Board members, and management, as well as their related parties, are considered related parties of the Company. Furthermore, the subsidiaries are close relations to IDEX Biometrics ASA. All transactions with related parties have been carried out on an arm's length principle.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

There were no overdue balances with any related parties other than the subsidiaries at the end of 2024 or 2023.

Shareholders

In connection with the private placement on May 15, 2024, the Company entered into a share lending agreement with certain shareholders in order to facilitate swift settlement of the new shares in the private placements. As a fixed fee for the share lending, each lender received a fee equal to 5% per annum of the subscription price per new share in the private placement multiplied by the number of borrowed shares lent by the respective lender. The fees paid amounted to $5.5 thousand to Mr. Robert Keith and $2.6 thousand to Sundt AS. In connection with the private placements in May and November 2023, agreements at the same terms were in effect, and the Company paid total fees amounting to $0.7 thousand to Alden AS, $1.3 thousand to Mr. Robert Keith, $7.8 thousand to Sundt AS, and $2.7 thousand to Sundvall Holding AS.

Board remuneration

Board compensation is paid in arrears after being approved by the shareholders, generally at the Annual General Meeting. The following amounts were paid in 2024 and 2023:

	Year ended December 31, 2024		
Amounts in $1000	Cash Compensation	Share-based Compensation	Total
Morten Opstad, chair (1)	$ 40		$ 40
Lawrence John Ciaccia, former chair (2)	52		52
Annika Olsson	40		40
Adriana Saitta (3)	45		45
Deborah Davis, former board member (4)	50		50
Stephen Andrew Skaggs, former board member (5)	48		48
Total	$ 275	$ —	$ 275

(1) Mr. Opstad was elected chair at the 2024 annual general meeting. He was board member 2023-2024, and chair before then.
(2) Mr. Ciaccia was board member before the 2023 annual general meeting, when he was elected chair. He left the board at the 2024 annual general meeting.
(3) Ms. Saitta was elected to the board at the 2023 annual general meeting.
(4) Ms. Davis left the board at the 2024 annual general meeting.
(5) Mr. Skaggs left the board at the 2024 annual general meeting.

	Year ended December 31, 2023		
Amounts in $1000	Cash Compensation	Share-based Compensation	Total
Lawrence John Ciaccia, chair (1)	$ 62		$ 62
Deborah Davis	50		50
Hanne Høvding (2)	40		40
Annika Olsson	48		48
Morten Opstad (3)	48		48
Thomas M. Quindlen (4)	50		50
Stephen Andrew Skaggs	57		57
Total	$ 355	$ —	$ 355

(1) Mr. Ciaccia was elected chair at the 2023 annual general meeting He was formerly board member
(2) Ms. Høvding left the board at the 2023 annual general meeting.
(3) Mr. Opstad was elected board member at the 2024 annual general meeting. He was formerly chair.
(4) Mr. Quindlen left the board at the 2023 annual general meeting.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

Subscription rights awarded to persons who are members of the Board, in their capacity of service providers, under the Company's subscription rights plans have the following expiration dates and exercise prices. For further information describing these plans, see Note 23—Share-based compensation.

			Number outstanding as of December 31,	
Grant date	Expiration Date	Exercise price (NOK)	2024	2023
June 17, 2020	May 15, 2025	8.55	120,000	120,000

The subscription rights were originally granted on August 15, 2018. They were replaced by the grant on June 17, 2020, as part of an exchange of subscription rights approved at the 2020 Annual General Meeting. This exchange was offered to all eligible holders.

There were no grants of incentive subscription rights to any board member in 2024 or 2023.

Morten Opstad, Board, chair 1997-2023, board member 2023-2024 and chair since May 2024, is a partner at Ræder Bing advokatfirma AS, the Company's primary law firm, which provided services to the Company resulting in charges of $331 thousand in 2024 and $172 thousand in 2023.

Lawrence J. Ciaccia, board member 2015-2023, and chair since May 23, 2023, provided consulting services to IDEX until April 2024. The fees paid to Mr. Ciaccia for his services beyond board duty totaled $17 thousand in 2024 and $50 thousand in 2023.

Nomination Committee

The following fees has been paid to the nomination committee in 2024 and 2023 for the services up to the 2024 annual general meeting and the 2023 annual general meeting, respectively. 2024: Chair Robert Keith $2.3 thousand, members Håvard Nilsson and Harald Voigt $1.4 thousand each. 2023: Chair Robert Keith $2.4 thousand, members Håvard Nilsson and Harald Voigt $1.4 thousand each.

Officers

Compensation of key management is disclosed in Note 5—*Compensation and benefits*.

Subsidiaries

The parent company purchases various services from the subsidiaries at arm's length basis. The subsidiaries are funded by adequate equity and interest-free advances in order not encounter thin capitalization issues. Interest-bearing loans at arm's length interest rate have been issued in prior years but all loans were fully repaid in earlier periods.

Amounts in $1000	IDEX Biometrics ASA's cost of services from subsidiaries	
Intra-group transactions	**2024**	**2023**
IDEX Biometrics Holding Company Inc.	$ —	$ —
IDEX Biometrics America Inc.	5,141	10,251
IDEX Biometrics UK Ltd. (1)	6,742	3,594
IDEX Electronics (Shanghai) Co., Ltd.	809	713
Total	$ 12,692	$ 14,558

(1) The amount in 2024 includes $ 4,301 thousand for the purchase of an IP package.

There were overdue payables between IDEX Biometrics ASA and IDEX America and IDEX China at the end of 2023. There were no overdue payables between any group companies at the end of 2023.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

25. Other operating expenses

	Year ended December 31,	
Amounts in $1000	2024	2023
Sales and marketing activities	$ 2,829	$ 3,506
Legal, audit, accounting and other services	1,047	1,436
IT expenses	346	613
Travel expenses	1	9
Other operating expenses	1,778	1,013
Intercompany charges other than R&D	2,684	3,451
Total other operating expenses	$ 8,684	$ 10,028

Sales and marketing activities, mainly contractors, were scaled back from 2023 to 2024. Legal and other services were reduced mainly due to the delisting from Nasdaq taking place in 2023. IT expenses were reduced due to less use of design tools and technical data processing, while Other increased mainly due to the loss on Zwipe receivable.

26. Board authorizations to issue shares or acquire own shares

The board has been authorized by the respective annual or extraordinary general meetings to issue shares upon exercise of incentive subscription rights granted under the various incentive subscription rights programs, and to issue shares under the Employee Share Purchase Plan. See note 23—*Share-based compensation*.

Authorizations that were in effect as of December 31, 2024

Date and purpose of authorization	Authorized number of shares	Number of shares issued by Dec. 31, 2024
Extraordinary general meeting October 9, 2024:		
Issue of shares in a private placement to raise additional capital *	94,541,655	—
Issue of shares in a rights issue to raise additional capital *	94,541,655	—
Extraordinary general meeting December 21, 2023:		
Issue of shares to settle convertible bond	698,505,324	9,123,333

* The combined issue under these two authorisations may not exceed 94 541 655 shares.

At the annual general meeting on May 16, 2024, the board was authorized to acquire up to 28,012,655 of the company's shares. The authorization had not been used by the end of 2024.

See also note 28—*Subsequent Events*.

27. Subsidiaries

The subsidiaries provide various services to the parent company, mainly within technical development, supply-chain administration and customer interface, and marketing and sales facilitation services to IDEX Biometrics ASA. The accounting year in all subsidiaries is the calendar year, same as in the parent company and the group.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

	Ownership	Share of votes	Net profit or (loss)	Equity
	Dec. 31, 2024	Dec. 31, 2024	2024	Dec. 31, 2024
IDEX Biometrics Holding Co. Inc., Delaware, USA	100%	100%	—	-5
IDEX Biometrics America Inc., Delaware, USA	100%	100%	558	6,045
IDEX Biometrics UK Ltd., England	100%	100%	2,278	-6,347
IDEX Electronics (Shanghai) Co., Ltd, China	100%	100%	26	429

	Ownership	Share of votes	Net profit or (loss)	Equity
	Dec. 31, 2023	Dec. 31, 2023	2023	Dec. 31, 2023
IDEX Biometrics Holding Co. Inc., Delaware, USA	100%	100%	—	-5
IDEX Biometrics America Inc., Delaware, USA	100%	100%	351	5,487
IDEX Biometrics UK Ltd., England	100%	100%	-1,882	-8,682
IDEX Electronics (Shanghai) Co., Ltd, China	100%	100%	46	423

IDEX Biometrics Holding Company Inc. (IDEX Holding) is a holding company for the activities in the USA. The operating company, IDEX Biometrics America Inc. (IDEX America), is held by IDEX Holding. IDEX Holding and IDEX America were established in 2013 when operations commenced. IDEX America closed down virtually all its activities by the end of 2024. IDEX America's main facilities were in Wilmington, Massachusetts and Rochester, New York.

IDEX Biometrics UK Ltd. (IDEX UK) was incorporated and commenced operations in 2014. The registered office is in Manchester, England and the main facility is in Farnborough, England. IDEX UK was profitable in 2021 but had negative equity at the end of 2021 and made a loss in 2023 and 2022. The parent company has provided funding as needed. It is expected that IDEX UK will eventually become profitable and achieve positive equity from sale of IP development packages.

IDEX Biometrics UK Ltd has earned income from (1) provision of services to IDEX ASA priced at cost-plus, and (2) creating relevant IP in fingerprint technology, and selling such IP to IDEX Biometrics ASA at negotiated price. IDEX UK was profitable in 2024 and 202 due to sale of IP packages to IDEX ASA. Due to losses in prior years, IDEX UK had negative equity as of December 31, 2024. IDEX ASA has provided funding as needed The value has been written down to a level that can be justified by IDEX UK's planned activity and realistic profit margin.

IDEX Electronics (Shanghai) Co., Ltd. (IDEX China) was established and commenced activities in 2015. The company is registered in Shanghai and has one branch in Beijing and one branch in Shenzhen.

IDEX Electronics (Shanghai) Co., Ltd. (IDEX China) ceased its operation during December 2024, and vacated its facilities. As of the date of this report, IDEX China is in the process of being dissolved. As of December 31, 2024, IDEX Biometrics ASA had injected share capital in IDEX China amounting to $1,741 thousand and had an accounts payable balance of $443 thousand to IDEX China. On the dissolution date, the only asset held by IDEX China will be the receivable from IDEX Biometrics ASA. Consequently, IDEX Biometrics ASA wrote down its investment in IDEX China by $1,298 thousand as of December 31, 2024.

28. Subsequent Events

In an arbitration ruling at Oslo Chamber of Commerce on January 27, 2025, in favor of IDEX Biometrics ASA, The Company was awarded $0.7 million from customer Zwipe AS, plus late payment interest and compensation for the Company's legal costs. On March 6, 2025, the Oslo District Court ruled that bankruptcy proceedings for Zwipe shall take place. The receivable has been written off in the financial statements as of December 31, 2024. See note 14—*Accounts receivable*.

The board appointed Anders Storbråten to CEO effective March 11, 2025. He replaced Catharina Eklof, who left IDEX as of the same date.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

IDEX Biometrics disclosed on March 11, 2025, a revised strategy and a bridge funding amounting to NOK 30 million ($2.8 million) to fund the activities in line with the revised business strategy. See note 3—*Significant accounting policies*, section *Going concern* The revised strategy has been taken into consideration when valuing the inventory as of December 1, 2024. See note 19—*Inventory*. The bridge funding did not have any effect on the recognized value of IDEX Biometrics ASA's assets or liabilities as of December 31, 2024.

Also on March 11, 2025, IDEX Biometrics ASA disclosed that the company had entered into a commitment letter whereby the terms of its outstanding convertible bonds were amended. The amended terms do not cause a change in the liability of the convertible bonds as of December 31, 2024. The amendments included, inter alia, that (i) the principal amount of the bonds will be reduced by 25%, (ii) subject to the Company's consummation of any further equity raise on market terms latest December 31, 2025, the principal amount of the bonds would be reduced by a further 25%, (iii) the conversion period shall be the period from September 1, 2025 to two Oslo business days prior to the final maturity on December 28, 2027. If the market price of the share in the Company is NOK 0.10 or more, the bondholder shall be permitted to exercise its conversion rights under the bonds for so long as such price is maintained, (iv) the conversion price is reset to be NOK 0.065, (v) any provisions under the bonds relating to the bondholder's rights to exercise amortised payment advancements shall not apply. The amendments to the convertible bond were approved by the extraordinary general meeting of the company on April 11, 2025. The amendment represents a substantial modification of the financial liability under IFRS 9. The host contract and embedded derivative (as previously amended) will therefore be derecognized and the amended debt will be recognized at fair value of the host contract and the embedded derivative as of March 10, 2025. This is expected to result in a gain on modification, reducing the recognized value of the instruments.

17,258 warrants A with exercise price NOK 0.15 per share were exercised in the period February 28-March 13, 2025. The remaining warrants A were not exercised and lapsed without compensation to the holders. The warrants are presented in note 22—*Share capital and share premium, Warrants*. Following the exercise and issue of shares, the Company's share capital is NOK 124,739,134.80, divided into 831,594,232 shares each with a nominal value of NOK 0.15. 36,767 warrants B with exercise price NOK 0.15 per share were exercised in the period March 31-April 11, 2025. The remaining warrants B were not exercised and lapsed without compensation to the holders. The exercise will be registered and the shares issued in due course.

At the extraordinary general meeting on April 11, 2025 the shareholders resolved, i.a. to (i) reduce the share capital of IDEX Biometrics ASA by decreasing the par value per existing share from NOK 0.15 per share to NOK 0.01 per share, and (ii) subject to completion of the share capital decrease, convert the bridge loans to shares at a subscription price per share equal to NOK 0.01 per share. The lenders have undertaken to subscribe for shares and settle the share contribution by debt conversion. The extraordinary general meeting also approved a subsequent offering of shares at the same price to the other existing shareholders, raising up to NOK 6 million ($0.6 million). Following the share capital reduction and the conversion of the bridge loans, and assuming full subscription to the subsequent offering, but excluding the warrants B share issue, the Company's share capital will be NOK 44,315,942.32, divided into 4,431,594,232 shares each with a nominal value of NOK 0.01.

There have been no other events between December 31, 2024, and the date of these financial statements that have had any material impact on the Company's results for 2024, or the value of the Company's assets and liabilities as of December 31, 2024.

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RESPONSIBILITY STATEMENT

The board and the managing director have today reviewed and approved this report from the board of directors as well as the annual financial statements for the IDEX group and the parent company IDEX Biometrics ASA as of December 31, 2024.

The consolidated annual financial statements and the annual financial statements for IDEX Biometrics ASA have been prepared on a historical cost basis, and in accordance with IFRS Accounting Standards as adopted by the EU. and the additional requirements in the Norwegian accounting act effective December 31, 2024. The notes are an integral part of the respective financial statements. The report from the board of directors has been prepared in accordance with the Norwegian accounting act and generally accepted accounting practice in Norway.

We confirm, to the best of our knowledge, that the information presented in the financial statements gives a true and fair view of the group's and the parent company's assets, liabilities, financial position and result for the period viewed in their entirety, and that the report from the board of directors gives a true and fair view of the development, performance and financial position of the group and the parent company, and includes a description of the principal risks and uncertainties which the group and the parent company are facing.

April 29, 2025

The board of directors of IDEX Biometrics ASA

/s/ Morten Opstad
Morten Opstad
Chair

DocuSigned by:
Morten Opstad
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/s/ Annika Olsson
Annika Olsson
Board member

DocuSigned by:
152DE64C7338470...

/s/ Adriana Saitta
Adriana Saitta
Board member

Signé par :
95D37B56242B4B8...

/s/ Anders Storbråten
Anders Storbråten
CEO

Signed by:
665DE658B118455...

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REPORT OF INDEPENDENT AUDITOR

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Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av Den norske Revisorforening

To the General Meeting in IDEX Biometrics ASA

INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements

Opinion

We have audited the financial statements of IDEX Biometrics ASA (the Company) which comprise:

- The financial statements of the Company, which comprise the parent company separate statement of financial positions as at 31 December 2024, the statement of profit and loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and
- The financial statements of the Group, which comprise the consolidated statement of financial positions as at 31 December 2024, the consolidated statement of profit and loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements.
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 25 years from the election by the general meeting of the shareholders on 13 November 2000 for the accounting year 2000.

Material uncertainty related to going concern

We draw attention to Note 3 in the consolidated financial statements and in the parent company separate financial statements. As discussed in the Notes, the Company has incurred significant losses and negative cash flows from operations. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Notes. These events or conditions,

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along with other matters as set forth in the Notes, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2024. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of inventory

Basis for the key audit matter

Carrying amount of inventory was USD 5 548 thousand as of 31 December 2024. An obsolescence provision of USD 1 470 thousand was recognized in 2024.

Management performed an assessment of the net realizable value of inventory. Based on the revised strategy and further based on management's estimates for usage for the next three years, management made an obsolescence provision.

Management's assessment of the valuation of inventory was a key audit matter because of the significant value and that the obsolescence assessment requires significant judgement.

Our audit response

We obtained an understanding of the inventory process. Our procedures included conducting inventory observation and testing transactions occurring near the period-end.

We evaluated management's assessment of obsolescence of the inventory value and their principle for obsolescence provision. We tested management's assumptions for consistency towards managements internal forecast used.

We refer to notes 19 of the consolidated financial statements and parent company separate financial statements.

Impairment of goodwill

Basis for the key audit matter

Based on the impairment assessment goodwill of USD 968 thousand was impaired and carrying amount was 0 as of 31 December 2024.

An impairment assessment is performed annually, or whenever there is an indication of impairment. The determination of recoverable amount, being the higher of fair value less costs of disposal and value in use (VIU), requires management's judgment. The value in use was based on future cash flows including estimates of revenues and revenue growth, gross margin and discount rate.

Management's assessment of the valuation of goodwill was a key audit matter because the assessment requires significant judgement and estimation.

Our audit response

We evaluated management's model for value in use, we tested management's assumptions used in the value in use calculations and corroborated estimates of future revenues, gross margin and operating costs to internal forecasts. We further assessed the value to other available information such as value from capital increases and the stock exchange. We evaluated the level of consistency applied in the valuation methodology from previous years and assessed the historical accuracy of management's estimates. We assessed the mathematical accuracy of the valuation model and with the support of valuation specialist we assessed the discount rate used.

We refer to note 11 of the consolidated financial statements and parent company separate financial statements.

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Other information

The Board of Directors and the Chief Executive Officer (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises the information included in the annual report other than the financial statements and our auditor's report. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly for the statement on Corporate Governance.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

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evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of IDEX Biometrics ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXHECW11-2024-12-31-0-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (the ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

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In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Bergen, 29 April 2025
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The auditor's report is signed electronically

Trine Hansen Bjerkvik
State Authorised Public Accountant (Norway)

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ARTICLES OF ASSOCIATION OF IDEX BIOMETRICS ASA

Last amended on 11 April 2025 – Office translation from Norwegian

§ 1 The name of the company is IDEX Biometrics ASA and it is a public limited company.

§ 2 The objective of the Company is to deliver identification systems and other activities related to this.

§ 3 The business offices are in the Oslo municipality, Norway.

§ 4 The company's shares shall be registered in the Norwegian Registry of Securities.

§ 5 The share capital is NOK 8,315,942.32 divided into 831,594,232 shares each with a nominal value of NOK 0.01 per share and issued in name.

§ 6 The board of the Company consists of from three to seven members in accordance with the annual general meeting's instruction.

§ 7 The annual general meeting shall convene in or near Oslo at the board's decision, and shall consider:

- Determination of the annual financial statements
- Appropriation of (net) profit or covering of losses
- Election of chair of the board and board members
- Election of chair and members of the nomination committee
- Election of auditor
- Determination of remuneration to the board of directors, members of the nomination committee and the auditor
- Other matters which are governed by law
- Other matters which are mentioned in the notice of the annual general meeting.

§ 8 a. The company shall have a nomination committee. The nomination committee shall have three members, including a chairman. Members of the nomination committee shall be elected by the annual general meeting for a term of two years.

b. The nomination committee shall:

- Propose candidates for election to the board of directors
- Propose the remuneration to be paid to the board members
- Propose candidates for election to the nomination committee
- Propose the remuneration to be paid to the nomination committee members

c. The guidelines for the nomination committee shall be resolved by the annual general meeting.

§ 9 Documents which timely have been made available on the Internet site of the company and which deal with matters that are to be considered at the general meeting need not be sent to the company's shareholders.

§ 10 As a general rule, the company's general meetings shall be conducted in Norwegian. The general meeting may however resolve by a simple majority vote that English shall be used. Shareholders may present their points of view in the Norwegian or English language.

§ 11 A shareholder who wishes to attend the general meeting, in person or by proxy, shall notify his/her attendance to the company no later than 2 days prior to the general meeting. If the shareholder does not notify the company of his/her attendance in a timely manner, the company may deny him/her access to the general meeting.

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CORPORATE GOVERNANCE

Last updated by the board of directors on April 20, 2022 with latest editorial updates latest April 29, 2025

1. IMPLEMENTING AND REPORTING

This statement outlines the position of IDEX Biometrics ASA (IDEX or the Company) in relation to the recommendations contained in the Norwegian Code of Practice for Corporate Governance dated October 14, 2021 (the Code). The Code was not updated in 2022, 2023, or 2024. The Code is publicly available at www.nues.no. In the following, the Board of Directors (the Board) will address each recommendation of the Code and identify any areas where the Company does not fully comply with the recommendations and explain the underlying reasons for the deviations and any compensating measures where applicable.

2. IDEX'S BUSINESS

In the articles of association, the Company's business is defined as "The objective of the Company is to deliver identification systems and other activities related to this."

The Company's business goals and key strategies are stated in a business plan adopted by the Board. The plan is reviewed and revised annually by the Board. The business goals and key strategies are presented in the annual report.

IDEX seeks to create value for the shareholders in a sustainable manner, while taking into account financial, social and environmental considerations. The Company makes every effort to comply with the wording and intent of the laws, rules and regulations in the countries and markets where it operates. IDEX is not aware of being or having been in breach of any such statutory laws, rules or regulations. The Company pays due respect to the norms of the various stakeholders in the business. In addition to the shareholders, the Company considers its employees, the Company's business partners, the society in general and the authorities as stakeholders. IDEX is committed to maintain a high standard of corporate governance, be a good corporate citizen and demonstrate integrity and high ethical standards in all its business dealings.

The Board considers that the Board and the management have adequate monitoring and control systems in place to ensure insight in and control over the activities. The Board has resolved a code of conduct and ethical guidelines which apply to all employees, consultants and contractors as well as the elected board members. The code of conduct also incorporates the Company's guidelines on corporate social responsibility. The at all times current code of conduct is available on the Company's website, www.idexbiometrics.com.

3. CAPITAL STRUCTURE, EQUITY AND DIVIDENDS

IDEX was until 2021 a development company and was funded on equity until the fourth quarter 2023, when a convertible bond was issued. The capital structure is likely to change during the commercial growth stage. IDEX's working capital and fixed assets will most likely need to be funded by a combination of supplier credit and borrowing from financial lenders. The Board will target an optimal capital structure that leverages the equity while maintaining a moderate risk.

At several occasions, the Company has been in need of raising equity to fund its activities. Share issues, hereunder private placements, have been resolved by the shareholders at general meetings or by the Board pursuant to authorizations from the general meeting. The Board has annually proposed to the general meeting reasonable authorizations for share issues. Such board authorizations have explicitly stated the type and purposes of transactions in which the authorizations may be applied.

Proposed authorizations to issue shares have been considered and voted separately by each type and purpose. The Board authorizations to issue shares have been valid until the next annual general meeting, as recommended by the Code. The proposals have been approved by the shareholders.

The issue of the convertible bond in December 2023 was approved by the extraordinary general meeting on 21 December 2023.

Further, the Company has for many years had in place a moderate incentive scheme for its employees and individual contractors in the form of a subscription rights program, as resolved by the general meeting. The subscription rights program is limited to a number of subscription rights representing 10% of the Company's share capital. The Company implemented in 2020 an employee share purchase plan (ESPP) to encourage employee ownership and provide a cash saving to the company. The ESPP was discontinued as of March 1, 2024.

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The shareholders have authorized the Board to acquire up to 10% of the Company's own shares. The authorization ends at the next annual general meeting of shareholders. No such share purchases have been made as yet.

IDEX has not as yet declared or paid any dividends on its shares. The Company does not anticipate paying any cash dividends on its shares within the current planning horizon. IDEX intends to retain future earnings, to finance operations and the growth of its business. Any future decision to pay dividends would be based on an amended dividend policy that may be instituted in due course, which policy would reflect the Company's financial condition, results of operation and capital requirements.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

The Company places great emphasis on ensuring equal treatment of its shareholders. There are no trading restrictions or limitations relating only to nonresidents of Norway under the articles of association.

In the authorizations to issue new shares where the shareholders resolve to waive the pre-emptive rights of existing shareholders, the rationale for doing so shall be included as part of the decision material presented to the general meeting. If and when such transactions are conducted, the justification will also be included in the announcements to the market.

All related party transactions, whether completed, in effect or future, have been and will be carried out on an arm's length basis. Any related-party transactions shall be subject to review by the audit committee or other independent third party valuation unless the transaction by law requires shareholder approval. The Company takes legal and financial advice on these matters when relevant. The Company has a policy for transactions with related parties, available at the Company's website, www.idexbiometrics.com.

There are no clauses in the articles of association about trading in the Company's own shares. Any such trade must be authorized by the general meeting of shareholders.

5. FREELY NEGOTIABLE SHARES

The Company has one class of shares. Each share carries one vote. There are no restrictions on voting rights of the shares. All shares are freely assignable. The articles of association do not contain any restrictions on the shares.

6. GENERAL MEETINGS

Since the outbreak of Covid pandemic in 2020, the general meetings of shareholders have been held as web meetings, with a functionality whereby attendants can pose questions to the board, CEO or auditor. The meetings are open to guest attendants but only registered shareholders or proxy holders may vote on the subject matters or pose questions. The shareholders elect a person to chair the general meeting. The Board will arrange for an independent candidate if so requested by shareholders. Notice of a meeting of the shareholders shall be sent in a timely manner, and the Company shall issue the notice and documents for a general meeting, including the proxy form, no later than 21 days before the date of the general meeting. Foreign residents will receive the notice and any documents in English. The documents shall be precise and comprehensive to provide shareholders a basis for voting on the various matters. The articles of association state that documents which deal with matters that are to be handled at the general meeting need not be sent to the shareholders if the documents timely have been made available on the Company's web site, www.idexbiometrics.com..

The Board endeavours to provide comprehensive information in relation to each agenda item in order to facilitate constructive discussions and informed resolutions at the meeting.

The notice will also provide information on the procedures shareholders must observe in order to participate in and vote at the general meeting. Pursuant to the Norwegian public limited companies act (the PLCA), the Board may choose whether to hold a general meeting as a physical meeting or as an electronic meeting. Shareholders who are unable to attend in person will be provided the option to vote by proxy in favor or against each of the Board's proposals. If a general meeting is held as a physical meeting, shareholders have a right to attend by electronic means, unless the Board finds that there is sufficient reason to refuse this. The notice shall contain a proxy form as well as information of the procedure for proxy representation. Advance voting has not been introduced in the articles of association. At the meeting, votes shall be cast separately on each subject and for each office/candidate in the elections. Consequently, the proxy form shall to the extent possible, facilitate separate voting instructions on each subject and on each office/candidate in the elections. The notice, as well as the Company's website, will set out that the shareholders have the right to propose resolutions in respect of matters to be dealt with at the general meeting.

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7. NOMINATION COMMITTEE

The nomination committee is implemented in the Company's articles of association, and the mandate for the nomination committee has been resolved by the annual general meeting. The mandate is compliant with the current version of the Code. The annual general meeting elects the chair and two committee members. No current board member or IDEX executive may be a member of the nomination committee.

The mandate states that the nomination committee shall comply with the relevant sections in the Code. The nomination committee shall prepare and present proposals to the annual general meeting in respect of the following matters:

- Propose candidates for election to the Board.
- Propose the remuneration to be paid to the Board members.
- Propose candidates for election to the nomination committee.
- Propose the remuneration to be paid to the nomination committee members.

The nomination committee shall give a brief account of how it has carried out its work and shall substantiate its recommendations.

Information about the nomination committee, including deadlines and contact details, is available on the Company's web site, www.idexbiometrics.com.

8. BOARD OF DIRECTORS; COMPOSITION AND INDEPENDENCE

Since the 2024 annual general meeting there are three board members including the chair. The articles of association state that there shall be from three to seven board members. The service period is not stated in the articles of association, hence the Board members stand for election every two years pursuant to the PLCA. It follows from the articles of association that the chair of the Board shall be elected separately.

All board members are required to make decisions objectively in the best interest of the Company. The majority of the members of the Board shall be independent of the Company's executive management, material business contacts and the company's larger shareholders. This is intended to ensure that sufficient independent advice and judgment is brought to bear. The majority of the current Board meets the independence criteria of the Code. The Board meets the statutory gender requirements. The board members' attendance statistics is included in the presentation of the board members in the annual report.

The Board considers that it is beneficial for the Company and its shareholders at large that the Board members hold shares in the Company and encourages such share ownership.

The Board pays attention to ensure that ownership shall not in any way affect or interfere with proper performance of the fiduciary duties which the Board members and the management owe the Company and all shareholders. As and when appropriate, the Board takes independent advice in respect of its procedures, corporate governance and other compliance matters.

9. THE WORK OF THE BOARD OF DIRECTORS

The division of responsibility and duties between the Board and the managing director (CEO) is based on applicable laws and well established practices, which have been stated in board instructions in accordance with the PLCA. The Board instructions also set out the number of scheduled Board meetings per year and the procedures in connection with the Board's work and meetings.

The Board has the ultimate responsibility for the organization and planning of the Company, as well as a control and supervisory function, hereunder a duty to keep itself informed. The Board shall appoint the managing director and determine his or her remuneration, and also possibly give notice or dismiss the managing director. The Board shall approve the CEO's hiring, termination and remuneration of his or her direct reports. The Board shall ensure that the organization of the accounting and management of funds includes adequate control procedures. The Board shall monitor and follow up the status and development of the Company's operational, financial and other results.

The Board sets out an annual plan for its work, focusing on business goals and key strategies as described. Section 2 above. The Board instructions also list, inter alia, the following tasks:

- Issue interim and annual financial statements and other statutory reports;
- Issue notice of the annual general meeting;
- Resolve the annual plan and budget, including capital expenditure budget;
- Resolve investment in and disposals of subsidiaries and associated companies, and in real estate;

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- Resolve and issue guarantees and other commitments and the pledging of assets;
- Resolve customer-related or revenue-generating agreements as well as other agreements and activities which are significant and would be expected to have a significant impact on the Company's results and financial position; and
- Determine whether legal proceedings should be commenced or settled.

The Board instructions state that in situations when the chair cannot or should not lead the work of the Board, the deputy chair shall chair the Board. If the deputy chair is also prevented from chairing the Board, the longest-serving board member present shall chair the meeting until an interim chair has been elected by and among the board members present.

The Board conducts a self-evaluation of its performance and expertise annually.

Any and all related party transactions are handled pursuant to the Company's related party transaction policy, to ensure that the Company is made aware of any possible conflicts of interest and to ensure that any such transactions are handled in a sufficiently thorough manner.

The Board has set up an audit committee charter that is compliant with the rules that follows from the Norwegian PLCA and the Code. With a compact board of only three members, the full board serves as the audit committee. The audit committee as such is only advisory to the Board.

Since 2019, the Company has operated a compensation committee. The Board has set up a charter for the compensation committee. With a compact board of only three members, the full board now serves as the compensation committee. According to the compensation committee charter, the compensation committee is advisory to the Board, and also serves as an advisory forum to the managing director.

Members of the Board and the management are obliged to notify the Board if they have any material direct or indirect interest in any transaction contemplated or entered into by the Company or any other matter that will be considered by the Board.

10. RISK MANAGEMENT AND INTERNAL CONTROL

The Board has adopted rules and guidelines regarding, amongst other matters, risk management and internal control. The rules and guidelines duly take into account the extent and nature of the Company's activities as well as the Company's corporate values and code of conduct, including corporate social responsibility. The Board conducts an annual review of the Company's most important areas of exposure to risk and its internal control arrangements, including the reporting procedures.

IDEX issues interim financial reports each quarter and an annual financial report. The accounting policies applied when preparing the reports satisfy regulatory requirements. The Board reviews monthly financial reports for the group, comparing actual results to budget or plan. The size of the Company's operation and staff numbers necessarily leads to dependence on key individuals. However, the same factors also provide for transparency and inherent risk reduction. The subsidiaries are operationally integrated in the parent company, and the group works as one, unified company with staff on several sites. Legal and financial interaction between the group companies is conducted on arm's length terms.

IDEX's activities and financials are controlled by the parent company. The audit committee meets separately with the external auditor at least once per year to review risk factors and measures, and any incidents and issues. The audit committee reviews all interim and annual financial reports before resolution by the Board. The Board has resolved a financial manual, which sets out policies and procedures for financial management and reporting in the group. This manual provides instructions for financial planning, treasury, accounting and reporting. The manual is reviewed annually by the audit committee, and updated as and when appropriate. The Board acknowledges that for a small company like IDEX Biometrics, having operations outside Norway that are spread over several countries and time zones, business control is a practical challenge. In addition to the financial framework and systems, IDEX has implemented comprehensive IT systems and quality management systems and standardised operating procedures which are intended to ensure adequate business controls.

IDEX does not operate a separate internal audit function or department. The CFO department conducts internal reviews of the group companies. Each review is conducted by a staff member not involved in transaction processing in the entity in question, and the findings are reported to the audit committee.

As regards share trading by IDEX's Board members, employees and individual contractors, as well as their close relations and controlled entities, the Board has adopted an insider manual with ancillary documents. The insider manual is intended to ensure that, among other things, trading in the Company's shares by insiders are conducted in accordance with applicable laws and regulations.

Docusign Envelope ID: E80BDF2E-7CDA-4958-8678-4D4BABE5B3C0

11. REMUNERATION OF THE BOARD OF DIRECTORS

A reasonable cash remuneration to the Board members for their services from the annual general meeting in 2023 until the annual general meeting in 2024 was proposed to and resolved at the 2024 annual general meeting. To lessen the cash outflow and stimulate shareholding among the Board members, the annual general meeting granted an option for the Board members to receive the remuneration partly or fully in the form of shares. No board members took up this option in 2024. The remuneration to the board members is disclosed in the notes to the financial statements and in the annual management remuneration report presented to the annual general meeting.

The nomination committee shall propose to the 2025 annual general meeting the board remuneration for the period between the annual general meetings of 2024 and 2025. No share-based incentives have been granted as board remuneration. Any Board member performing work for the Company beyond the board duty shall ensure that such assignments do not in any way affect or interfere with proper performance of the fiduciary duties as a board member. Moreover, the Board, without the participation of the interested member, shall approve the terms and conditions of any such arrangements. Adequate information about the remuneration shall be disclosed in the annual financial statements.

Ræder Bing advokatfirma AS, in which chair – formerly board member - Morten Opstad is a partner, renders legal services to the Company. Mr. Opstad was member of the board until the 2024 annual general meeting, when he was elected chair of the board. In the cases where legal services provided by Ræder Bing are carried out by Mr. Opstad, such services, which are outside Mr. Opstad's duties as chair, are invoiced by Ræder Bing. The legal fees to Ræder Bing are disclosed in the notes to the financial statements.

12. SALARY AND OTHER REMUNERATION FOR EXECUTIVE PERSONNEL

Salary and other remuneration to the executive personnel in the Company is determined pursuant to the Company's executive remuneration policy, as approved by the 2021 annual general meeting and updated at the 2024 annual general meeting. The executive remuneration policy is publicly available on the Company's web site, www.idexbiometrics.com. The remuneration to the executives is disclosed in the notes to the financial statements and in the annual management remuneration report presented to the annual general meeting.

The executive remuneration policy seeks to align the interests of the Company's executives and its shareholders, and to continuously improve sustainable performance. Furthermore, the policy is designed to align the interests of the Company and its executives to ensure its contribution to the Company's commercial strategy, long-term interests and financial viability.

On an annual basis the Company's compensation committee shall review the executive remuneration policy, to determine if any revisions are necessary. Where revisions are required, the compensation committee shall make proposals to the Board which, if significant and subject to Board approval, are proposed by the Board to the annual general meeting for approval. In the absence of any significant revisions, the executive remuneration policy shall be presented and explained by the Board to the annual general meeting every four years at minimum. At each annual general meeting, the Board shall present an executive remuneration report for the previous financial year.

In the event of significant changes to the executive remuneration policy, these must be described and explained in the policy document. The policy shall describe and explain how the shareholders' views on the guidelines, the general meeting's vote and the salary reports since the previous vote on the policy have been taken into account.

13. INFORMATION AND COMMUNICATIONS

The Board places great emphasis on the relationship and communication with the shareholders. The primary channels for communication are the interim reports and presentations, the annual report and the associated financial statements. IDEX also issues other notices to shareholders when appropriate. The general meeting of shareholders and the presentations provide opportunities for shareholders to discuss any matters with the Board.

In December, the Company publishes its annual financial calendar for the following year. All reports and other notices are issued and distributed according to the rules and practices at Oslo Børs. The notices to the market are published on the Oslo Børs newssite, www.newsweb.no. The reports and other pertinent information are also available on the Company's website, www.idexbiometrics.com.

The Board has adopted the following policies:

- Policy for reporting of financial and other information and investor relations;
- Policy for contact with shareholders outside general meetings; and

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- Policy for information management in unusual situations attracting or likely to attract media or other external interest.

The financial reporting of IDEX is fully compliant with applicable laws and regulations. IDEX prepares and presents its annual financial reports in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The content of the interim reports is compliant with IFRS.

The current information practices are adequate under current rules. IDEX complies with the Oslo Børs at all times current code of practice for IR information.

14. TAKEOVERS

There are no takeover defence mechanisms in place. The Board will endeavor that shareholder value is maximised and that all shareholders are treated equally. The Board acknowledges its duty to not obstruct takeover bids and to not discourage or hinder competing bids. Any agreement with a bidder that acts to limit the Company's ability to arrange other bids should only be entered into when it is self-evident that such an agreement is in the common best interest of the Company and its shareholders.

The Board will avoid compensation to a bidder whose bid does not complete, and limit any such compensation to the costs the bidder has incurred in making the bid. The Board shall otherwise ensure full compliance with section 14 of the Code.

15. AUDITOR

IDEX's auditor, Ernst & Young AS (EY), is fully independent of the Company. IDEX represents a minimal share of EY's business. IDEX does not obtain business or tax planning advice from its auditor. The auditor may provide certain technical and clerical services in connection with the preparation of the annual tax return and other secondary reports, for which IDEX assumes full responsibility. EY has been the auditor of the Company since 2000. Latest partner rotation was in 2022. Audit firm rotation procedure will need to take place latest in 2029, effective 2030.

The audit committee and the Board reviews the auditor's annual plan, and the auditor presents to the committee and the Board the findings and recommendations after the audits. The auditor communicates in writing with the committee and the Board on all matters brought to light by the audit of which the committee and/or the Board should be apprised in order to be able to discharge its responsibility and functions. The auditor attends the audit committee and board meetings when annual financial statements are considered and resolved, and the committee as well as the board regularly meets separately with the auditor to review risk factors and measures, and any incidents and issues. Accounting policies and any changes are subject to the statutory audit.

Annually, the auditor shall submit an additional report to the Company's audit committee in which the auditor declares its independence and explains the results of the statutory audit carried out by providing a range of information about the audit. The specific information to be provided is regulated by EU's Audit Regulation, which is applicable in Norway in accordance with Section 12-1 of the Auditor's Act.

The Board shall make arrangements for the auditor to attend all general meetings in the Company.

All audit and other assignments to the auditor shall be approved by the audit committee before the assignment begins. The Board shall otherwise ensure full compliance with section 15 of the Code.

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BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

Executive officers and board directors as of April 30, 2025:

Name	Year of birth	Position(s)
Executive Officers[3]*:*		
Anders Storbråten[1]	1974	Chief Executive Officer
Kristian Flaten[2]	1972	Chief Financial Officer
Directors:		
Morten Opstad[4]	1953	Chair
Annika Olsson	1976	Board member
Adriana Saitta	1970	Board member

1 As of March 11, 2025. Preceded by Catharina Eklof, formerly Chief Commercial Officer, who was appointed CEO as of August 19, 2024, succeeding Vince Graziani. The former CEOs do not for IDEX Biometrics any longer
2 Since November 1, 2024. Preceded by John Kurzweil. Mr. Kurzweil no longer works for IDEX Biometrics
3 Anthony Eaton, Chief Technology Officer, left IDEX on January 31, 2025
4 Elected Chair at the 2024 annual general meeting, formerly board member

Since the 2024 annual general meeting, the full board is also the audit committee.

Board of Directors

The Board held 22 meetings during the period since the 2024 Annual General Meeting until and including April 30, 2025. Most of the meetings have been conducted by video conference. The very high number of meetings in 2024 was due to the funding situation in the year. The board has explored many alternatives that have had to be considered on short notice.

Morten Opstad, Chair Mr. Opstad served as chair of the Board at IDEX from March 1997 to 2023, when he transitioned to a Board member at the Annual General Meeting. At the Annual General Meeting in 2024, Mr. Opstad was reelected to the Board and appointed chair. He is a partner in Ræder Bing Advokatfirma AS in Oslo, Norway. He has rendered legal assistance in establishing and organizing several technology and innovation companies. He is a board member of Ensurge Micropower ASA, a publicly listed technology company, where he served as Chair for several years until May 2023. Mr. Opstad has a legal degree (Cand.Jur.) from the University of Oslo from 1979. He was admitted to the Norwegian Bar Association in 1986. Mr. Opstad was born in 1953, is a Norwegian citizen, and resides in Oslo, Mr. Opstad attended all board meetings in the period.

Annika Olsson Roth was elected as a Board member in May 2021. Ms. Olsson is independent of the Company's executive management, material business contacts, and larger shareholders. Ms. Olsson is Commercial director at Nets. She was formerly CEO of Ekspres Bank A/S, a unit of the BNP Paribas Group. During her 20-year career in consumer financial services, Ms. Olsson has held various executive positions. Prior to joining Ekspres Bank A/S in 2010, she held the position as Commercial Director for Resurs Bank, a leader in retail finance in the Nordic region. Ms. Olsson also serves on the board of directors of Collecti AB, since 2024. She has previously served on the boards of Finans & Leasing (the Association of Danish Finance Houses), and Finansbolagens Förening/Finansbolagens Service AB, a branch organization for financial companies. She holds a Bachelor's degree in finance and marketing from IHM Business School. Ms. Olsson was born in 1976, and is a Swedish citizen residing in Copenhagen, Denmark. Ms. Olsson attended all board meetings in the period.

Adriana Saitta has served as a Board member of IDEX since May 2023. She is independent of the Company's executive management, material business contacts, and larger shareholders. Ms. Saitta has extensive experience in the banking and business sectors, both as a board member and in executive positions. She is currently Head of Payments for la Banque Postale, one of the top retail Banks in France. From 2015 to 2023 she was the General Manager of Intesa Sanpaolo Paris, a business operating in the large corporate business in France. She is currently, and has been since 2020, an independent board member at Covivio Hotels, a listed European investment and development company, and député chairperson of Carte Bancaire, the french card scheme. Ms. Saitta has formerly been an independent board member at Beni Stabili (Groupe Covivio), located in Italy, chair of the supervisory board at Intesa Sanpaolo Card d.o.o., located in Croatia, and chair of the supervisory board at Consumer Finance Holding, located in Slovakia. In addition, Ms. Saitta has held several other positions within the Intesa Sanpaolo system, before this she was Associate Principal at McKinsey. She graduated summa cum laude with a bachelor's degree in business administration from Università Commerciale Luigi Bocconi in 1994,

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and with a master's in business administration from INSEAD in 1998. Ms. Saitta was born in 1970, is an Italian citizen, and resides in France. Ms. Saitta attended 16 board meetings in the period.

Family Relationships and Selection Arrangements

There are no family relationships between any of the Directors. There are no family relationships between any Director and any member of senior management of our Company. There is no arrangement or understanding with major shareholders, customers, suppliers, or others, pursuant to which Directors were elected or members of management was selected.

Executive officers as of April 30, 2025

Anders Storbråten was appointed Chief Executive Officer (CEO) as of 11 March 2025. Mr. Storbråten is an owner and director in Altea AS and Pinchcliffe AS. Mr. Storbråten is a serial entrepreneur with experience in restructuring and scaling technology companies globally. He has also been an investment banker at the technology teams of JP Morgan and Goldman Sachs. Mr. Storbråten has more than 25 years of international technology leadership experience. Mr. Storbråten has since June 2023 been Chair of the board of Glassverket Bolig AS, and Pinchcliffe AS since 2016. Mr. Storbråten holds a Master of Science in Industrial Economics and Technology Management from the Norwegian University of Science and Technology (NTNU) in Trondheim, Norway, and the Royal Institute of Technology (KTH) in Stockholm, Sweden. Mr. Storbråten is a Norwegian citizen who resides in Switzerland.

Kristian Flaten was appointed Chief Financial Officer (CFO) on November 1, 2024. Prior to joining IDEX Biometrics, Mr. Flaten accumulated over 25 years of financial leadership experience, with a focus on international business and financing. His expertise includes corporate financing, equity and debt financing, and business development in growth companies. Mr. Flaten was previously CFO at Quantafuel ASA, a listed clean tech company, and VP Investor Relations & Corporate Finance with BW Offshore, a listed oilfield services company. Additionally, he has experience in the financial sector through his roles at Export Finance Norway (now: Eksfin) and Handelsbanken. Mr. Flaten holds a Master of Science from NHH (Norwegian School of Economics) from Norway, with majors in Finance and Strategy. Mr. Flaten is a Norwegian citizen and resides in, Norway.

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