



**IDEX BIOMETRICS ASA**  
**PARENT COMPANY INTERIM STATEMENT OF FINANCIAL POSITION**  
**(Norwegian: “Mellombalanse”)**

**January 1, 2025**

This interim statement of financial position (Norwegian: “mellombalanse”) has been prepared for the purpose of a proposed share capital reduction.

The proposal will be considered by the extraordinary general meeting of shareholders in the company on April 11, 2025.

The document is filed with the Norwegian Register of company accounts. This statement and other public information about IDEX Biometrics ASA are available at the company’s web site [www.idexbiometrics.com](http://www.idexbiometrics.com).

The company’s disclosures to the market and the general public are available at Oslo Børs’s web sites [live.euronext.com/en](http://live.euronext.com/en) or [www.newspoint.no](http://www.newspoint.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.

The instant interim statement of financial position has been prepared by using principles for recognition and measurement that are consistent with the standards applied in the annual financial statements of the company.

**Date of issue:** March 21, 2025

**IDEX Biometrics ASA**  
**Parent Company Interim Statements of Financial Position**  
**(In USD thousands, except share numbers and per share amounts)**

	Note	As of	
		Jan 1, 2025	Dec 31, 2023
<b>Assets</b>			
Non-current assets:			
Goodwill	4	\$ —	\$ 968
Intangible assets	4	569	1 011
Property, plant and equipment	5	14	303
Right-of-use assets		15	39
Shares in subsidiaries	1, 10	452	1 749
Non-current receivables		7	7
Total non-current assets		1 058	4 077
Current assets:			
Prepaid expenses		660	463
Inventory	8	5 548	6 384
Accounts receivable, other	6	274	525
Accounts receivable, trade	6	30	1 068
Receivables from group companies	6	2 403	10 366
Cash and cash equivalents		1 921	10 818
Total current assets		10 837	29 625
<b>Total assets</b>		<b>\$ 11 894</b>	<b>\$ 33 701</b>

The accompanying notes are an integral part of this interim statement of financial position.

	Note	As of	
		Jan 1, 2025	Dec 31, 2023
<b>Equity and liabilities</b>			
Share capital (NOK 0.15 par value per share, 831,576,974 and 1,397,010,650 shares issued and outstanding at January 1, 2025 and December 31, 2023, respectively)	9	\$ 12 942	\$ 25 955
Share premium		1 735	2 118
Share-based payment	9	25 210	24 858
Capital reduction reserves		321 264	300 500
Accumulated loss		(360 485)	(337 510)
<b>Total equity</b>		<b>666</b>	<b>15 922</b>
Non-current liabilities:			
Non-current lease liabilities		—	13
<b>Total non-current liabilities</b>		<b>—</b>	<b>13</b>
Current liabilities:			
Accounts Payable		754	721
Payables to group companies		6 468	6 794
Current lease liabilities		4	19
Public duties payable		67	89
Interest-bearing loans	7	1 983	5 076
Other current financial liabilities	7	791	3 545
Other current liabilities		1 161	1 522
<b>Total current liabilities</b>		<b>11 228</b>	<b>17 766</b>
<b>Total liabilities</b>		<b>11 228</b>	<b>17 780</b>
<b>Total equity and liabilities</b>		<b>\$ 11 894</b>	<b>\$ 33 701</b>

The accompanying notes are an integral part of this interim statement of financial position.

March 21, 2025

The board of directors of IDEX Biometrics ASA

/s/ Morten Opstad  
Morten Opstad  
Chair

/s/ Annika Olsson  
Annika Olsson  
Board member

/s/ Adriana Saitta  
Adriana Saitta  
Board member

/s/ Anders Storbråten  
Anders Storbråten  
CEO

**IDEX Biometrics ASA**  
**Parent Company Interim Statements of Changes in Equity**  
**(In USD thousands)**

	Share capital	Share premium	Share-based payment	Foreign currency translation effects	Capital reduction reserve	Accumulated loss	Total equity
<b>Balance at January 1, 2023</b>	\$ 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	—	—	—	—	—	—	—
<b>Balance at December 31, 2023</b>	\$ 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
Conv. bond settled in shares	130	391	—	—	—	—	521
Share-based compensation	5	—	351	—	—	—	356
Loss for the period	—	—	—	—	—	(22 976)	(22 976)
Other comprehensive income	—	—	—	—	—	—	—
<b>Balance at January 1, 2025</b>	\$ 12 942	\$ 1 735	\$ 25 210	\$ —	\$ 321 264	\$ (360 485)	\$ 666

The accompanying notes are an integral part of this interim statement of financial position.

## **NOTES TO PARENT COMPANY INTERIM STATEMENT OF FINANCIAL POSITION**

### **1. Organization**

IDEX Biometrics ASA, is the parent company of the IDEX Group. The company's shares are listed on Euronext Oslo Børs under ticker symbol IDEX. Also warrants A&B are listed at Euronext Oslo Børs under ticker symbols IDEXJ and IDEXS, cf. note 9—*Share capital and share premium, warrants and incentive subscription rights*.

IDEX Biometrics ASA has wholly-owned subsidiaries in the United States (IDEX Biometrics Holding Company Inc. and IDEX Biometrics America Inc.), the United Kingdom (IDEX Biometrics UK Ltd.), and China (IDEX Electronics (Shanghai) Co., Ltd.). The parent company is the owner of all intellectual property of IDEX 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. IDEX Biometrics UK Ltd. has also developed intellectual property (IP) on its own account and risk, which IP IDEX Biometrics ASA has the right of first refusal to purchase at arm's length terms. As of the date of this interim statement of financial position, there is very little or no activity in the subsidiaries in the USA and China.

### **2. Basis of preparation and accounting principles**

This interim statement of financial position (Norwegian: "*mellombalanse*") for IDEX Biometrics ASA, the parent company in the IDEX Biometrics group, has been prepared for the purpose of a proposed share capital reduction.

This interim statement of financial position has been prepared by using principles for recognition and measurement that are consistent with the standards applied in the annual financial statements of the company, viz. IFRS Accounting Standards as adopted by the EU. There have not been any changes to IDEX Biometrics ASA's accounting policies applied in preparation of this interim statement of financial position compared to those applied in the annual financial statements for 2023. For the avoidance of doubt, the instant interim statement of financial position does not constitute a report that is compliant with IFRS.

This interim statement of financial position as of January 1, 2025 was approved by the board on March 21, 2025.

### **3. Going concern**

The going concern assumption has been applied in the preparation of the interim statement of financial position. Going concern assumes the realization of assets and liquidation 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. Net equity amounted to \$0.7 million, less than half the share capital, and the balance sheet solvency was negative as of January 1, 2025. 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.

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 in the future.

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 fund the commercialization efforts in line with the revised business strategy.

Further, an extraordinary general meeting will be held on April 11, 2025 when the board will propose, 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 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 board will also propose 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.

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 IDEX Biometrics's ability to continue as a going concern.

As an ongoing activity, IDEX Biometrics monitors liquidity and is prepared to take appropriate measures if and when required. IDEX 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, the board has on balance concluded that the conditions for the going concern assumption are met.

#### 4. Goodwill and other intangible assets

<i>Amounts in \$1,000</i>	<b>Goodwill</b>	<b>Acquired patents</b>	<b>Total</b>
<b>Carrying amount at December 31, 2023</b>	\$ 968	\$ 1 011	\$ 1 979
Amortization and impairment	(968)	(442)	(1 410)
<b>Carrying amount at December 31, 2024</b>	<b>\$ —</b>	<b>\$ 569</b>	<b>\$ 569</b>

There is only one cash generating unit (CGU) in the company and goodwill is allocated to this. IDEX performed an annual impairment test on January 1, 2025. Based on the impairment test, it was determined that the book value exceeded the recoverable amount. Accordingly, an impairment charge of \$968 thousand was recorded.

Acquired identifiable intangible assets, consisting primarily of patents, are held at cost, less accumulated amortization and impairment charges. Acquired patents are capitalized and amortized over the estimated useful life, which is the lifetime of the respective patent(s). As of January 1, 2025, and December 31, 2023, the value of the patents was deemed to not be impaired.

#### 5. Property, plant and equipment

Tangible fixed assets are comprised of scientific and test equipment, engineering tools, leasehold improvements, office equipment, and furniture with useful lives of three to seven years. In connection with the closing of the activities in IDEX America and IDEX China, right-to-use/leasehold assets were discontinued.

The strategic change disclosed on March 11, 2025, did not per se represent a reason for impairment.

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 January 1, 2025.

#### 6. Accounts receivable

Accounts receivable, trade, includes invoiced amounts due from customers. The receivables are stated at the estimated realizable value.

Accounts receivable, other, consist primarily of governments support to approved research and development projects and value added tax refund.

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 Zwiipe shall take place. IDEX Biometrics continues to pursue any recoverable value, but the receivable has been written off in the interim statement of financial position as of January 1, 2025.

Expected credit loss accrued for as of January 1, 2025, was \$849 thousand, and \$144 thousand at the end of 2023.

No group or other receivables than customer accounts receivables were overdue as of January 1, 2025 or at the end of 2023. A significant share of the receivables from group companies is related to IDEX UK. IDEX UK operated at a loss in 2023 but was profitable in 2024. IDEX UK is not expected to eventually repay the full receivable. 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 January 1, 2025. See note 10—*Subsidiaries*.

## 7. Convertible debt

<i>Amounts in USD 1,000</i>	<b>Interest rate</b>	<b>Amortization</b>	<b>Carrying value</b>
<b>Convertible bond as of Dec. 31, 2023</b>	6%	Bimonthly until June 28, 2027	
Convertible debt			\$ 5 076
Embedded derivative			3 545
<b>Total</b>			<b>\$ 8 621</b>
<b>Convertible bond as of Jan. 1, 2025</b>	0%	Semi-annual from Jun. 28, 2026 to Dec. 28, 2027	
Convertible debt			\$ 1 984
Embedded derivative			139
<b>Total</b>			<b>\$ 2 123</b>

In December 2023, IDEX Biometrics entered into a convertible debt financing agreement. The agreement has later been amended, 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 bond holder could elect to convert the outstanding loans into IDEX shares at any time prior to repayment at a conversion price of NOK 3.655, when taking into account the 5:1 share consolidation (reverse split) effective on record date January 10, 2024.

The conversion option is accounted for as an embedded derivative and was recognized separately as a financial liability at fair value through profit or loss. 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 lender could request up to two additional instalments to be paid in each period between the planned term dates. The company may 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 derecognised and the amended debt was recognised at fair value of the host contract and the embedded derivative. This resulted in a gain on modification, reducing the recognised value of the instruments.

As of January 1, 2025, the outstanding principal amount was NOK 66,640,000.

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 January 1, 2025. See note 11—*Subsequent events*.

## 8. 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. Inventory is recorded at the lower of cost and net realizable value, net of selling costs. Virtually all material and components in inventory are bespoke to IDEX and its products. It is not realistic to return to suppliers or find alternative outlets.

<i>Amounts in \$1,000</i>	January 1, 2025			December 31, 2023		
	Cost	Reserves	Net	Cost	Reserves	Net
Raw materials	\$ 3 876	\$ (705)	\$ 3 171	\$ 3 795	\$ —	\$ 3 795
Work in progress	36	—	36	102	—	102
Finished goods	3 107	(765)	2 342	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 seeking to also harvest from its long-time efforts in the payment market. Consequently, parts of the material and components held in inventory are less likely to be sold, and an obsolescence provision has been recognized.

The quantity of certain components (raw material) in inventory is substantially larger than what is required for the current 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. Based on an assessment with horizon three years derived from the current business plan and estimated usage, an impairment charge has been recognized as of January 1, 2025.

## 9. Share capital and share premium, warrants and incentive subscription rights

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 January 1, 2025. 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 plans have 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 written down, and the par value again NOK 0.15 per share. The reduction amount was transferred to Capital reduction reserve to cover uncovered losses.

During the year ended December 31, 2023, \$13.0 million of Share Premium was transferred to Capital Reduction Reserve, to cover uncovered losses. The transfer did not impact the total equity. No such transfer was made since December 31, 2023.



	<i>Number of instruments</i>	<b>Shares</b>	<b>Warrants</b>	<b>Incentive subscription rights</b>
Balance at December 31, 2022		1 166 326 584		81 106 631
Share issues (Employee Share Purchase Plan)		4 583 947		
Share issue (exercise of incentive subscription rights)		389 608		(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		
Net granted and expired/forfeited subscription rights				14 117 639
Balance at December 31, 2023		1 397 010 650	—	94 834 662
Consolidation (5:1) on January 10		279 402 130	—	18 966 932
Share issues (Employee Share Purchase Plan)		358 525		
Share issue (exercise of incentive subscription rights)		365 900		(532 572)
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 Au;		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	
Net granted and expired/forfeited subscription rights				4 135 505
Balance at January 1, 2025		831 576 974	526 160 419	22 569 865

IDEX Biometrics has awarded subscription rights to shares to employees and individual contractors. The weighted average exercise price of outstanding incentive subscription rights on January 1, 2025, was NOK 3.41 per share.

In connection with private placements in 2024, subscribers to new shares were also allocated warrants with vesting dates in 2025. 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, viz. 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. 17,258 warrants A were exercised in the period February 28-March 13, 2025.

<i>Amounts in USD 1,000</i>	<b>Exercise price</b>	<b>Expiry</b>	<b>Carrying value</b>
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
<b>Total</b>			<b>\$ 652</b>

The warrants were recognized on the respective issue dates as a financial liability denominated in NOK, at fair value through profit and loss. The valuation at initial recognition was based on option calculations. The original recognized value of the May warrants amounted to NOK 19.7 million or \$1.9 million, and the warrants A and B combined NOK 34.7 million or \$3.2 million. The warrants are valued at fair value at each balance sheet date. The May warrants are valued by option calculations while the Warrants A&B are listed on Euronext Oslo Børs and valued at market. 17,258 warrants A with exercise price NOK 0.15 per share were exercised in the period February 28-March 13, 2025. See note 11—*Subsequent events*.

## 10. Subsidiaries

The subsidiaries are 100% owned by IDEX Biometrics ASA. 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 subsidiaries do not have independent trade or business. The accounting year in all subsidiaries is the calendar year, same as in IDEX Biometrics ASA.

The subsidiaries are held in IDEX Biometrics ASA's statement of financial position at amortised cost. If the value of the subsidiary for any reason is determined to be lower than the amortised cost, a corresponding impairment charge has been recognised in order to not overvalue the subsidiary.

Amounts in \$1,000

Jan. 1, 2025	Ownership and votes	Carrying value
IDEX Biometrics Holding Co. Inc., Delaware, USA	100%	1
IDEX Biometrics America Inc., Delaware, USA	100%	—
IDEX Biometrics UK Ltd., England	100%	2 373
IDEX Electronics (Shanghai) Co., Ltd, China	100%	443
<b>Dec. 31, 2023</b>		
IDEX Biometrics Holding Co. Inc., Delaware, USA	100%	1
IDEX Biometrics America Inc., Delaware, USA	100%	—
IDEX Biometrics UK Ltd., England	100%	9 990
IDEX Electronics (Shanghai) Co., Ltd, China	100%	1 741

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 America ceased virtually all of its operation during the first half of 2024 and vacated its facilities. At the date of this interim statement of financial position there is negligible activity. IDEX Biometrics ASA has not injected share capital or made other investments in IDEX Holding but owed \$5,718 thousand to IDEX America as of January 1, 2025.

Due to losses in prior years, IDEX Biometrics UK Ltd. (IDEX UK) had negative equity as of January 1, 2025. IDEX Biometrics ASA has provided funding as needed. IDEX UK 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. Going forward, IDEX UK is expected to primarily provide services in mode (1). 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) ceased its operation during December 2024, and vacated its facilities. As of the date of this interim statement of financial position, IDEX China is in the process of being dissolved. IDEX Biometrics ASA has injected a share capital in IDEX China amounting to \$1,741 thousand, and has an accounts payable balance of \$443k 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 has written down its investment in IDEX China by \$1,298.

## 11. 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 interim statement of financial position as of January 1, 2025. See note 6—*Accounts receivable*.

Effective March 11, 2025, Anders Storbråten was appointed CEO of IDEX Biometrics ASA.

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—*Going concern*. The revised strategy has been taken into consideration when valuing the inventory as of January 1, 2025. See note 8—*Inventory*. The bridge funding did not have any effect on the recognized value of IDEX Biometrics ASA's assets or liabilities as of January 1, 2025.

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 January 1, 2025. 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 Date, 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 will be subject to approval 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 derecognised and the amended debt will be recognised 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 recognised 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 warrants are presented in note 9—*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]

There have been no other events between January 1, 2025, and the date of this interim statement of financial position that have had any material impact on the value of IDEX Biometrics ASA's assets and liabilities as of January 1, 2025.

## REPORT OF INDEPENDENT AUDITOR



Shape the future  
with confidence

Statsautoriserte revisorer  
Ernst & Young AS

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### INDEPENDENT AUDITOR'S REPORT

To the Annual General Meeting in IDEX Biometrics ASA

### Auditor's report on interim statement of financial position ("mellombalanse")

#### Opinion

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We have audited the accompanying interim statement of financial position of IDEX Biometrics ASA as at January 1, 2025, showing an equity of TUSD 666. The interim statement of financial position s comprises the financial positions and notes to interim statement of financial position. The interim statement of financial position is prepared by the Board and CEO by applying the accounting principles described in note 2 to the interim statement of financial position

In our opinion, interim statement of financial position presents fairly, in all material respects, the financial position of the Company as at January 1, 2025, in accordance with accounting principles described in note 2 to the interim statement of financial position

#### Basis for opinion

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We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the interim balance sheet* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the interim balance sheet in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have fulfilled our 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.

#### Basis for the interim statement of financial position and limited distribution

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We draw attention to note 2 to the interim statement of financial position, describing the basis for the preparation. As the interim statement of financial position has been prepared to enable IDEX Biometrics ASA to carry out a capital reduction, it is not considered suitable for other purposes.

#### Material uncertainty related to going concern

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We would like to draw attention to Note 3 in the interim statement of financial position. As outlined in the Notes, the Company has experienced substantial losses and negative cash flows from its operations. These circumstances, along with other matters described therein, 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.

#### Management's responsibility for the interim statement of financial position

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Management (the Board and the CEO) is responsible for the preparation of this interim statement of financial position as described in note 2 and for such internal control as management determines is necessary to enable the preparation of the interim balance sheet that is free from material misstatement, whether due to fraud or error.

In preparing the interim statement of financial position, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going



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concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the interim statement of financial position**

Our objectives are to obtain reasonable assurance about whether the interim statement of financial position is 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 law, regulations and generally accepted auditing principles in Norway, including International Standards on Auditing (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 this interim balance sheet.

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

- ▶ identify and assess the risks of material misstatement of the interim balance sheet, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit 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 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 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 interim financial position 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 to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the interim balance sheet, including disclosures, and whether the interim balance sheet represents the underlying transactions and events in a manner that achieves fair presentation.

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

Bergen, March 21, 2025  
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*The auditor's report is signed electronically*

Trine Hansen Bjerkvik  
State Authorized Public Accountant (Norway)

*Auditor's report for the interim statement of financial position of IDEX Biometrics ASA*