



IDEX Biometrics Second Quarter and First Half 2024 Presentation

15 August 2024

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IDEX Biometrics

IDEX Biometrics is a technology company providing Biometric Smart Card solutions to Banks, Issuers, Enterprises and Governments

- We are focused on two very large markets: Payments and Access
- Each of these markets represents multi-billion dollar opportunities annually

Consumers, enterprises, and governments face rapidly increasing security threats due to compromised credentials

- Passwords and PINs are no longer sufficient
- Today's Multifactor Authentication (MFA) solutions improve security but are inconvenient
- Biometric authentication is accelerating as a convenient and more secure alternative

IDEX Biometrics is uniquely positioned as a technology platform company

- Decentralized, card-based, fingerprint-biometric authentication solutions for Payments and Access
- Data privacy by design (personal data encrypted and stored only on the card)
- Multifactor by design (something you have and something you are)
- Frictionless user experience (eliminates PINs and passwords)

Biometric authentication is becoming the standard for digital identity for cards, mobile, and the cloud

Second Quarter 2024 Financial Summary

Financial summary second quarter of 2024

- Revenues of \$0.4 million
- Gross margin of 40%
- Operating expenses of \$5.0 million
- Restructuring expense of \$1.1 million
- Consolidating engineering functions to Europe and closed two facilities in the US

Revenue
(million USD)

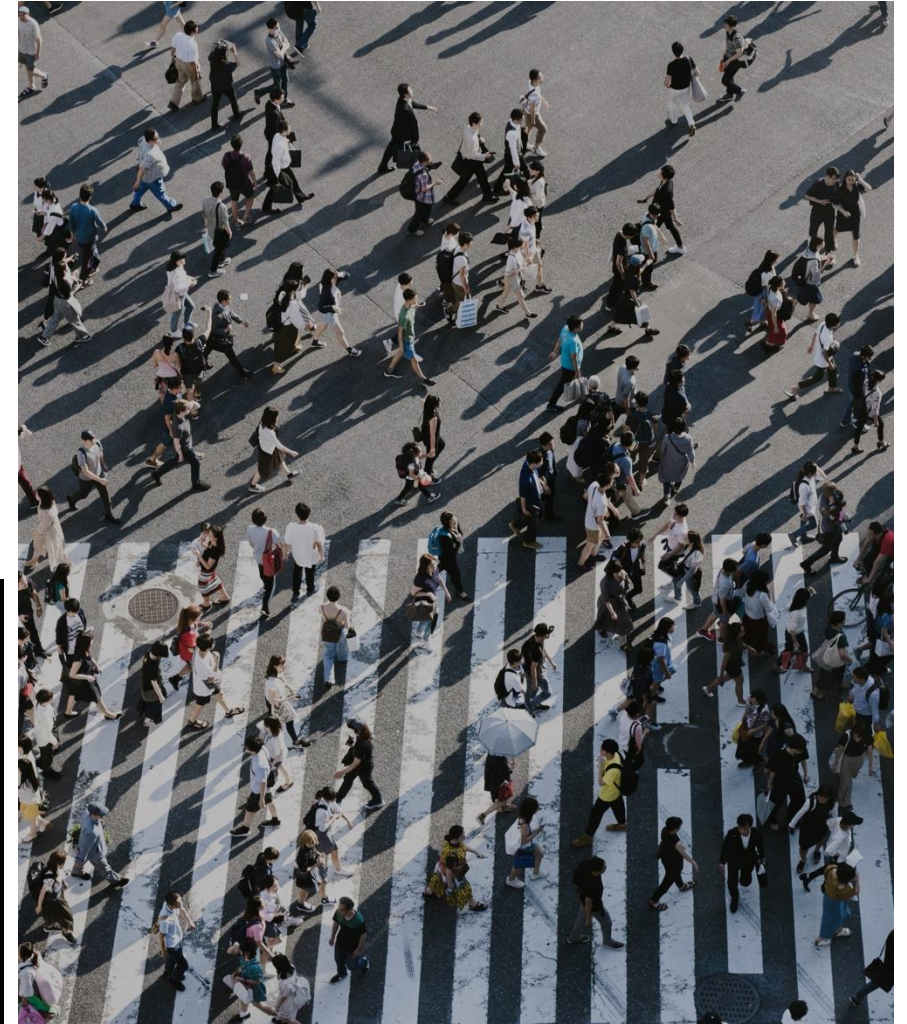
0.4

Gross margin

40%

Operating expenses*
(million USD)

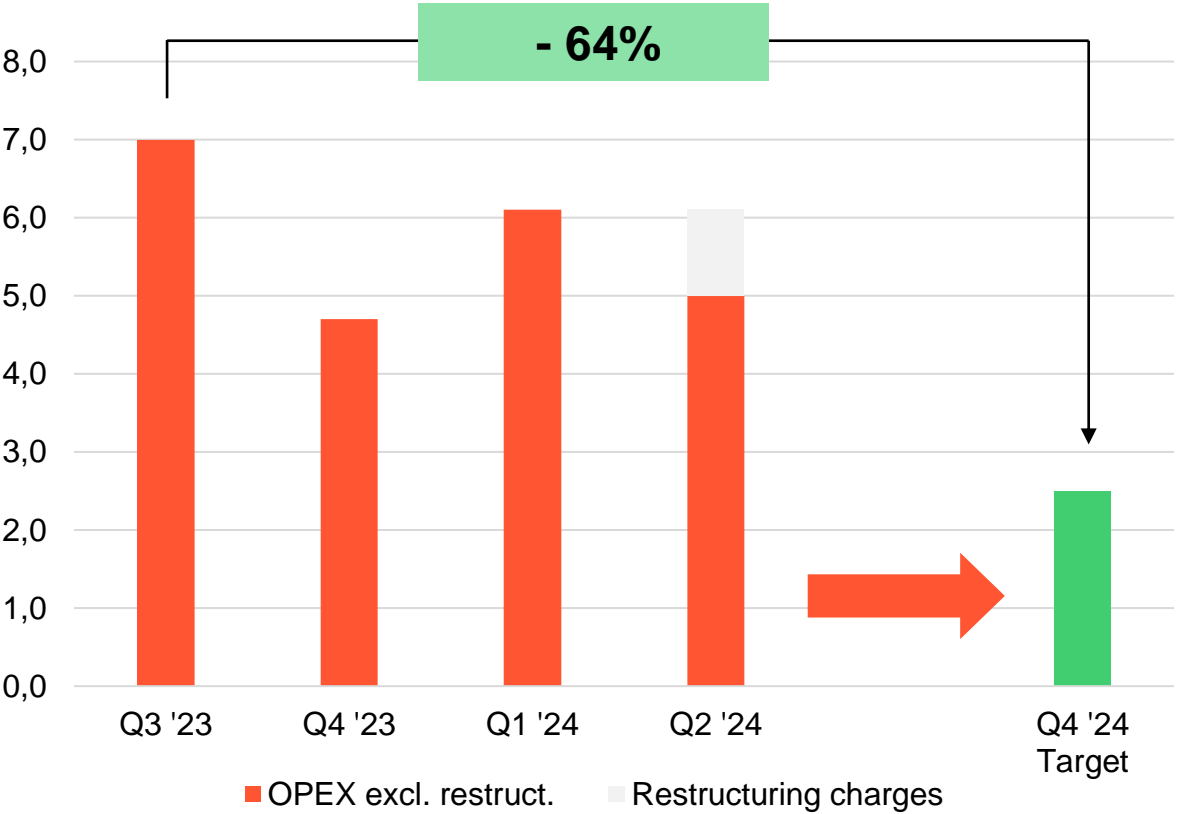
5.0



* Operating expenses excluding cost of products sold and restructuring charges

Additional expense reductions in full effect from the fourth quarter

Operating Cost – Million USD



Operational efficiencies initiatives

- Closed two US facilities
- Downsized US engineering team
- Laser focus on execution and expense optimization
- Targeting quarterly OPEX of \$2.5 million as of Q4-24

Private placement in May 2024

- Raised \$5.0 million before expenses, potential for additional \$5.0 million in warrants within 12 months

Second Quarter 2024 Commercial Update

Achievements and milestones

H1 2024 Achievements

- ✓ Bank launch announcements with IDEX Pay in Asia and Europe
 - ✓ Mutual Trust Bank, Bangladesh
 - ✓ Opening new market in South Asia with challenger bank
- ✓ Beautiful Card Corporation granted Mastercard LoA with IDEX Pay and placed order
- ✓ Mobile enrolment SDK solution in market (iOS & Android)
- ✓ Market expansion of IDEX Access with AuthenTrend and Sentry
- ✓ Large South Asian card manufacturing partner for IDEX Pay and IDEX Access
- ✓ TaluCard biometric payment card for visually impaired

H2 Upcoming Milestones

- › Continued IDEX Pay bank launches in Asia and Europe
- › Market commercialization of IDEX Access with partners
- › Visa certification of IDEX Pay biometric platform
- › Card manufacturers obtaining IDEX Pay LoAs
- › Crypto cold wallet platform in market
- › Biometric platform with ST Microelectronics
- › Operational efficiencies further materializing



H1 2024 – Globally, IDEX has expanded its customer base across banks and processors driving market traction for biometric smart cards

Commercial activities across payment and access increasing globally, and particular in growth markets across Asia for both IDEX and competition

APAC

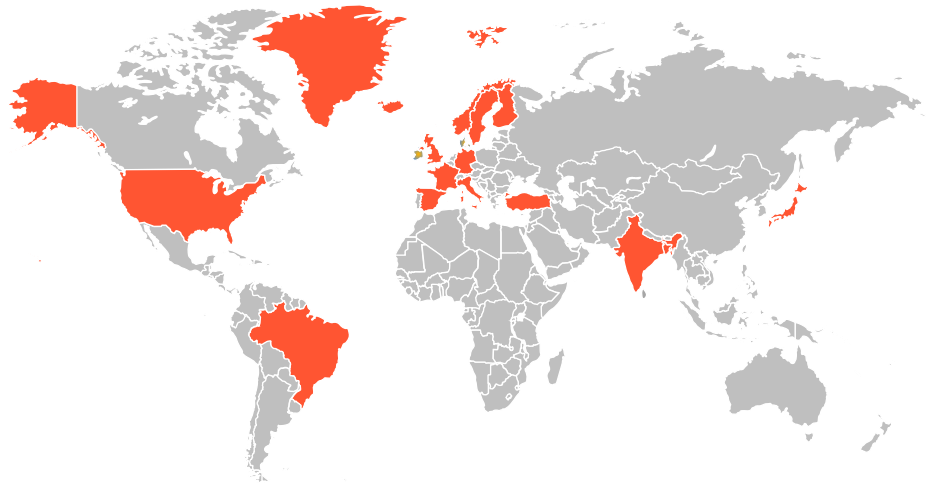
- Bangladesh
- India
- Japan
- Taiwan

Americas

- USA
- Brazil

EMEA

- Turkey
- UK
- Spain
- Germany
- France
- Italy
- Nordics



Payments

- ✓ Denizbank, Turkey
- ✓ Accomplish/Talu, UK
- ✓ Eastern Bank, Bangladesh
- ✓ Mutual Trust Bank Bangladesh
- ✓ Beautiful Card Corporation, Taiwan
- ✓ CompoSecure, USA
- > Garanti Bank, Turkey
- > Valid, Brazil
- > Moneycarer, UK

Access

- ✓ AuthenTrend, Japan
- ✓ Plasticard, Germany
- ✓ Scap, France
- ✓ Seriline, Nordics
- ✓ AXYS, USA
- ✓ ZKTeco, Spain
- > WiBio, Italy
- > Ensurity, India
- > BenjiLock, USA
- > Ansal, Turkey
- > CommLink, Bangladesh

✓ IDEX Biometric Solution



IDEX Biometric continues its focus on removing market entry barriers

Mobile integration

Tap-to-Mobile

iOS Mobile Enroll



Activation Pad

Android Mobile Enroll



Cost optimization



Industry standardization



New use cases



Use cases enabled by IDEX biometric solutions

PAYMENTS



01 In-store Payments & Tap-on-Phone

Authenticate every amount transaction contact or contactless enabling higher approval rates



02 E-Commerce Payments

Faster and more secure tap-on-phone transactions **no manual card entry and eases 3D secure**



03 Closed Loop Payments & Access

Secure wallet payments for e.g. schools, can be **combined with student ID** and benefits access



04 Strong Digital Authentication

Safeguard digital accounts with password-less user identification



05 Social Disbursement & Access

Enable **secure access and ID verification, disbursements, transit and transportation** use-cases

Payments made easier and safer for visually impaired with IDEX Pay



- **Biometric payment card with IDEX Pay biometric solution**, tactical guidance markers and **voice guidance from TaluCard**
- Enhancing **financial independence and security** for visually impaired
- **Setting new standards for accessible payments**, as per UK Consumer Duty regulation

“

Many blind people have had to tell their PIN to strangers so they can have it typed in for them, or be forced to leave their unpurchased items behind because they're unable to pay.

”

Drew Hyndman, BBC Access All



Laser focus on flawless execution and profitable growth

Market growth enabled by manufacturers scaling IDEX Pay and IDEX Access biometric platform solutions

01

Complete solutions driving market adoption

02

Opening markets by region and segment

03

Expanding to new markets and use cases



Increasing adoption of biometric card authentication through core technology and diversified end-to-end solution expansion, approaching new use cases together with ecosystem partners

