



# **IDEX Biometrics ASA**

## **Fourth quarter 2024**

### **Presentation**

27 February 2025

# Disclaimer

---

This presentation includes forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. Such forward-looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for IDEX Biometrics ASA (IDEX) and its subsidiaries. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions denoting uncertainty. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be markets we target, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates, and such other factors as may be discussed from time to time. Although IDEX believes its expectations and the information set forth in this presentation were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as described in this presentation. IDEX is not making any representation or warranty, expressed or implied, as to the accuracy, reliability, or completeness of the information in this presentation, and neither IDEX nor any of its directors, officers, or employees will have any liability to you or any other persons resulting from your use of the information in this presentation. IDEX undertakes no obligation to publicly update or revise any forward-looking information or statements in this presentation.



# Trusted identity for all by IDEX Biometrics

In an increasingly digitized society, identity protection is paramount and the costs for **cyber security risks and incidents** are quickly growing.

**Consumers** are expecting seamless experiences and simplicity when they access systems, doors, identify themselves or pay.

The IDEX **biometric card solutions** provides proof of identity and minimizes the risks for compromised credentials (pins and passwords), bringing security, higher productivity and peace of mind to end users.



# IDEX Biometrics - at a glance

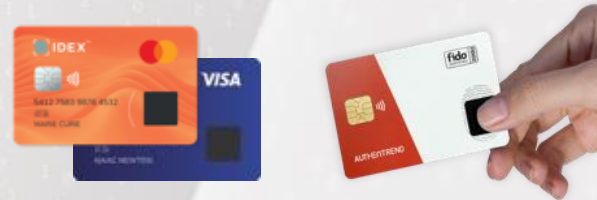
Euronext Oslo Bors  
Ticker: IDEX

## OUR COMPANY

- World leading technology for biometric fingerprint authentication card solutions
- Industry leading technology team and global commercial team
- Highly scalable business model with manufacturing and distribution partners
- Listed on Euronext Oslo Bors

## OUR MARKETS

- **Payment**
- **Access**
  - Digital access
  - Physical access



## OUR SOLUTIONS

- **Industry leading biometric sensor system**
  - High performance fingerprint biometric sensor and algorithms
- **Ready to launch biometric card solutions**
  - IDEX Pay – pre-certified (VISA/Mastercard) biometric card solutions
  - IDEX Access – biometric platform solution with Fido/Crypto application
- **Biometric cards**
  - Fully manufactured cards for payment and access, taken to market via resellers

## GLOBAL MARKET TRENDS

- 12 billion EMV payment cards in circulation, growing 5% annually
- Identity and Access Management market USD 50+ billion, growing 15% annually

## DISTRIBUTION PARTNERS

- Leading card manufacturing partners with portfolios of +1,000 banks
- Sales agent model in target markets: Asia, USA and Middle East

## KEY CERTIFICATIONS AND STANDARDS



Source: 15+ market, IDEX and IDEMIA & Dentsu Data Lab, 2024

# Fourth quarter highlights

## PAYMENTS

- **IDEX Pay platform certification**, manufacturers can now undergo both Visa and Mastercard certifications
- **New market entry in Japan with fintech bank LIFECARD**, launch planned for H1 '25<sup>1</sup>
- **Kona I**, the first manufacturer certified by Mastercard for both PVC and metal biometric cards<sup>1</sup>
- Reached **scale manufacturing quality** with key partners

## ACCESS

- **Strong momentum for IDEX Access**
- **US based DigAware placed order** for biometric sensor solution for smart access badges
- Market introduction of **Sentry Card**, combining FIDO based biometric login with door reading protocols
- **Release of AuthenTrend's ATKey Card** based on IDEX Access, available at scale in Q1'25

## COMPANY

- Reached targeted **quarterly operating run-rate of \$2.4M**
- Grade 'A' approval for **Mastercard Card Quality Management (CQM)**
- **Completed** rights issue in November, with retail investors participating on same terms as the September capital raise

VISA



mastercard.

КОНА I

SENTRY

RuPay

AUTHENTREND



BEAUTIFUL CARD



<sup>1</sup> Announced after the end of the quarter

# Q4 2024

## Financial summary



# Financial summary fourth quarter of 2024

- No product revenues in the quarter
- Cost cutting and streamlining of organisation and workstreams ongoing
- Operating expenses at USD 2.4 million (adj\*)
- Non-cash impairment of goodwill USD 1.0 million
- Net loss of USD 2.1 million
  
- Total assets USD 11.9 million, including inventory of USD 6.9 million fully paid
- Cash balance at year-end of USD 2.0 million
- Favourable tax position with tax deficit of NOK 2.9 billion\*\*
- The company is in active discussions with key shareholders and the financial lender to enable and arrange funding for continuing operations.

Operating expenses\*  
(USD million)

2.4

Total assets  
(USD million)

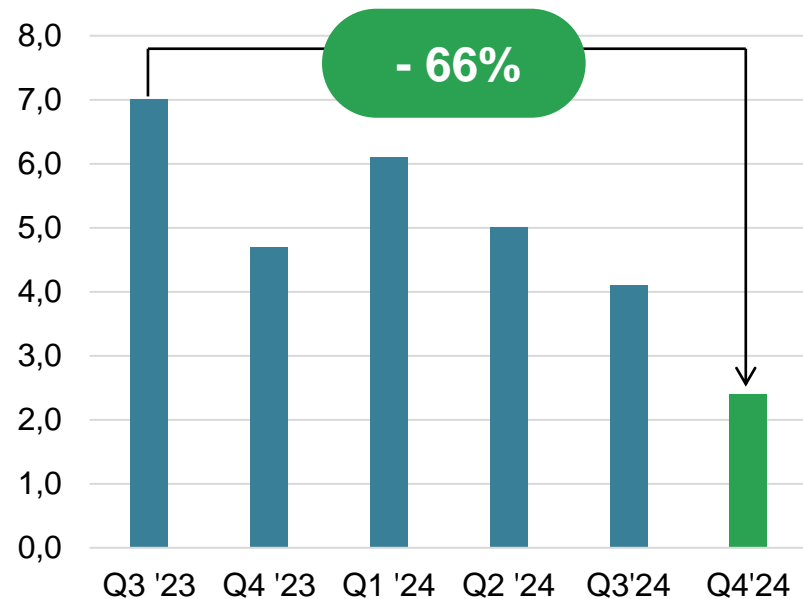
11.9

\* Operating expenses excluding cost of products sold and bad debt provisions

\*\* Carry forward losses for IDEX Biometrics ASA: "Fremførbart underskudd"

# Strategic restructuring

## Operating cost (USD million)



## Restructuring and scalable operating model

- Quarterly operating expenses reduced by 66% since mid 2023
- Customer-centric organization, focusing on execution of IDEX Pay and IDEX Access
- Capacity to grow sales within the current organization
- Scalable commercial reach of IDEX technology platform through manufacturer partnerships
- Channel partners preparing for sales to tech/software companies, equipment providers and system integrators
- Leverage high-quality external production capacity
- Pre-certified solutions with Mastercard and Visa addressing ecosystem of thousands of banks and issuers



# Q4 2024

## Commercial update

# IDEX Biometrics is positioned to capture a growing market

Biometric smart card market is expected to reach **37 million cards by 2028**<sup>1</sup>

→ IDEX expected to capture a significant market share considering

- industry leading technology
- high barriers to entry
- scalable go-to-market model

→ IDEX focused **portfolio strategy** across markets and segments

**1** IDEX Access  
Asia, USA

Regulation and cyberthreats drive demand; AuthenTrend Asia and globally, Sentry Card USA.

**2** IDEX Pay  
India, Japan

300M+ credit cards in circulation in Japan; India credit cards will double by 2028. LIFE CARD launch recently announced in Japan.

**3** IDEX Pay Metal Cards,  
Visually Impaired

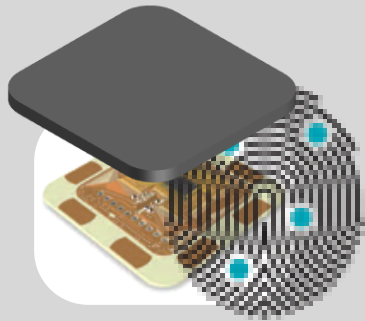
40M visually- and memory impaired in EU; 2x by 2050. Regulatory pressure. TaluCard UK.  
40M metal cards globally, CAGR 25%. EBL Bangladesh.

<sup>1</sup> ABI Research 2023.

# IDEX has market-ready solutions for Payments and Access

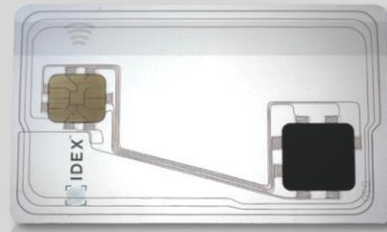
## Biometric Sensor System

→ Sensor and biometric algorithm sold as a system solution



## Biometric Card Solutions

→ Full ready to manufacture card solutions for manufacturers and partners



Payment pre-certified



## Biometric Cards

→ Fully manufactured card, taken to market via reseller





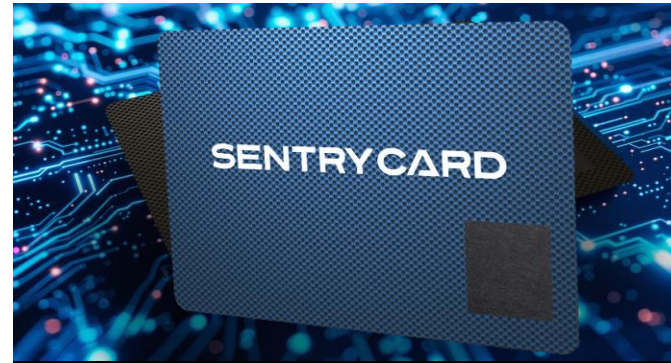
# Products coming to market based on the IDEX Access platform

## Authentrend



- ATKey Card - Smart card for digital access with key features such as digital business cards via tap-to-phone
- ATKey Card is based on IDEX Access Platform
- Commercially available per Q1, 2025.

## Sentry



- Sentry Card - Multi-functional biometric card including FIDO2 (digital access) and MIFARE DESFire (physical access)
- Addressing enterprise, government and industrial sectors
- Taking orders per Q1, 2025.

## DigAware



- DigAware - Biometric smart card with built in RFID and Bluetooth and emergency features for schools, hospitals and enterprises.
- In development, with planned commercial launch by Q3, 2025.

**3 access products in commercial ramp-up**

# AuthenTrend: Phishing-resistant biometrics solutions

**FIDO2/Passkey**  
enabled services  
(e.g. Windows login, IAM,  
web services and SSO)

**PKI/PIV**  
enabled services  
(e.g. Mac login, or  
mail and document  
signatures)

Authentication  
using **standard**  
**NFC APDU** for  
applications

**Digital Business**  
**Card** using NDEF  
Java Applet

**Physical access**  
using ISO/IEC  
14443 Type-A



Logical Access on IDEX Access

Physical Access



Healthcare



Schools



Military



Government



Enterprises

# Biometric cards with banks in major Asian markets



- One of the largest payment markets in Asia
- Credit cards the most popular alternative to cash – 314 million cards issued
- LIFE CARD targeting commercial deployment in the first half of 2025
- Other banks in progress

- More than 1 billion payment cards in circulation
- Consumers used to fingerprint authentication for public use
- The Reserve Bank of India (RBI) evaluating new regulatory framework for biometric payments
- IDEX in process with banks and pre-certified manufacturers, awaiting RBI regulatory approval

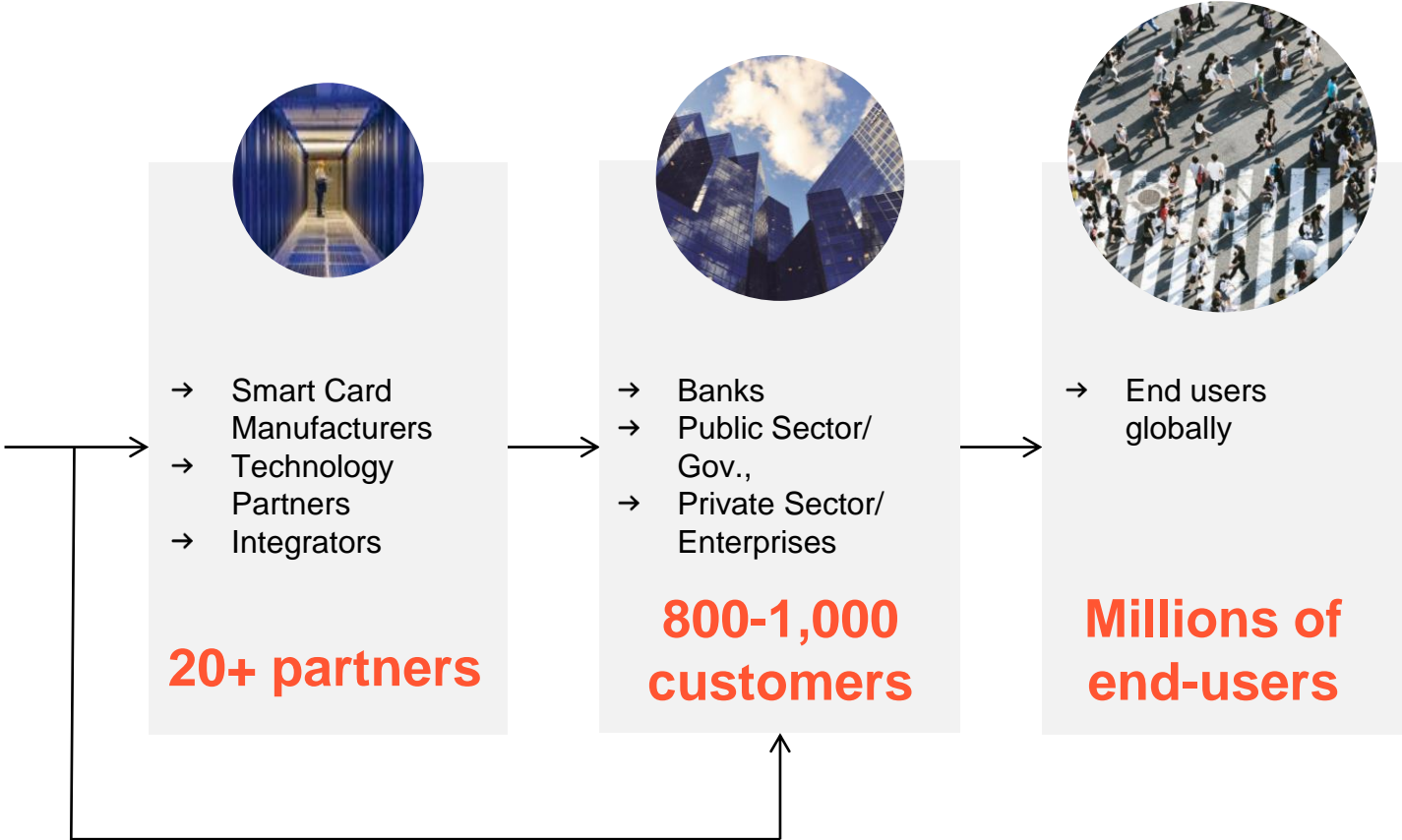


# The IDEX Biometrics scalable go-to-market model

IDEX partners with smart card manufacturer, technology partner and integrator collaboration, in addition to a direct sales model, to reach global scale

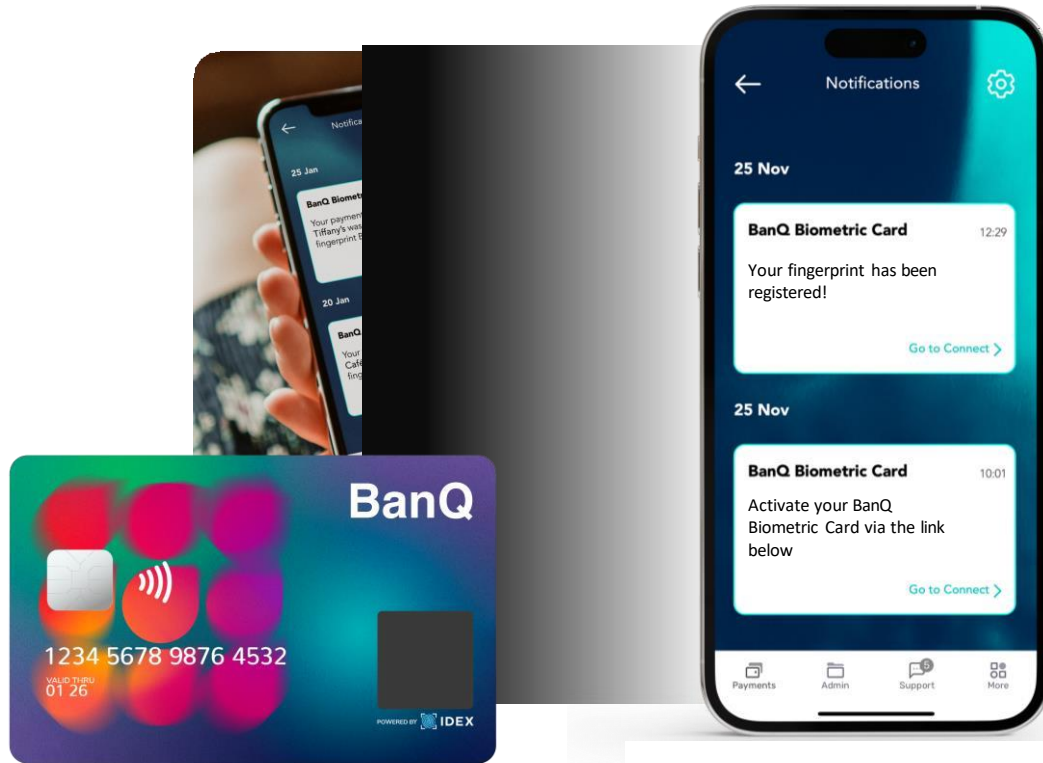


- Biometric Sensor System
- Algorithm
- Card Operating System
- Pre-Certified Biometric Card Solutions



# Q4 2024 Summary

# Biometric cards addressing digital security concerns

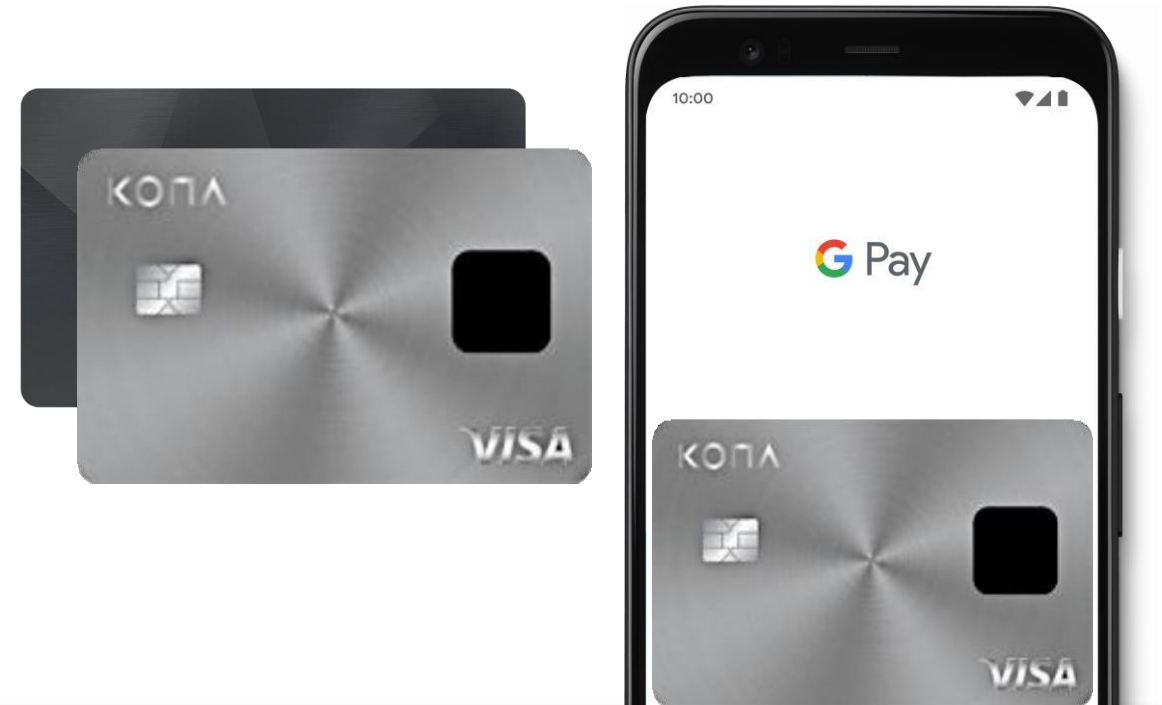


## Securing Online Banking

- Authenticate log-in with the tap of a biometric bank card on the bank's mobile banking app
- Reduce ID theft and log-ins with phished credentials

## Digital First with Biometrics

- Biometric card could be issued without card number
- Eliminates reissuance cost if mobile token is compromised
- Assures that only the genuine cardholder can use the physical card





# IDEX Biometrics is the industry leader in sensor technology and solutions



### Biometric Sensor designed for **Usability**

Large sensing area and accelerated biometric processing enables fastest transaction times and flawless user experience



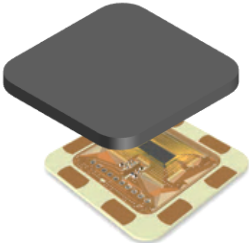
### Biometric Sensor designed for **Security**

A unique security crypto-accelerator on the sensor encrypts sensitive data, restricting attacker hacks and increasing security for enterprise applications



### Secure biometric **Matching** algorithms

Proprietary enrolment, anti-spoofing, and matching algorithms outperform Visa and Mastercard performance criteria, enabling seamless onboarding and high-accuracy liveness and matching



# IDEX Biometrics investment case



## Attractive market trends

- Cyber security & identity theft is an increasing problem for societies and companies worldwide
- IDEX addresses two large and growing markets; payments and access (digital/physical)
- Industry and regulators drive towards Multi Factor Authentication and increasing data privacy policies



## Biometric software solution platform

- Best-in-class biometric authentication and payment grade security standards
- Patented sensor technology and systems with high barrier to entry
- IDEX solution platform pre-certified with Mastercard and VISA, and industry compliant with FIDO-standards



## Scalable growth model

- Inhouse engineering, design, development and sales, with outsourced manufacturing and assembly (“fables”)
- Established global market reach through international card manufacturers
- Expandable software platform enabling multiple market growth segments



## Operational leverage

- Operational cost below USD 2.5 million per quarter
- Break-even at 2-3 million cards sold per year
- Favorable tax position and minimal OPEX increase from sales growth

# IDEX Biometrics offers seamless and scalable user experience

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



**Complete solutions**  
driving market adoption



Business transformation  
and **cost optimization**



Focused portfolio strategy  
for growing opportunities in  
**Asia** and **USA**

*Advancing biometric end-to-end solutions, capturing opportunities in growth markets*





Contact:

Marianne Bøe, Head of Investor Relations, +47 91800186

Kristian Flaten, CFO +47 95092322

[ir@idexbiometrics.com](mailto:ir@idexbiometrics.com)

[www.idexbiometrics.com](http://www.idexbiometrics.com)