

# ellipticlabs

# 2026

# Q1 Report (Unaudited)

# AI Virtual Smart Sensor Platform™



Seamless



Proximity



Presence



Gesture



Distance



Positioning



Connection



Occupancy



Breathing



Heartbeat

## Elliptic Labs — Q1 2026: Growing from a strengthened foundation through a transition year

Elliptic Labs reports Revenues from contracts with customers of mNOK 16.9 (26.6) for the first quarter 2026. This corresponds to a decrease of -37% year-over-year. Revenue development in the quarter was primarily impacted by timing effects related to contract renewals, milestone recognition and lower incremental volume revenue, as a larger share of shipment volumes remained within minimum commitment structures.

Shipment activity remained supported by continued momentum in the laptop segment during the quarter. Laptop shipment volumes increased 41% year-over-year, while smartphone shipment volumes were broadly in line with the corresponding quarter last year. The company continued deployments across both laptop and smartphone segments during the quarter.

Elliptic Labs continued to expand its portfolio through new model deployments and use cases during the quarter. The company launched its AI Virtual Smart Sensor Platform on 22 new smartphone models and 17 new laptop models, further strengthening its commercial position across both segments.

During the quarter, Elliptic Labs successfully completed a private placement raising gross proceeds of approximately NOK 60 million, strengthening the company's financial position and supporting continued execution of its strategic initiatives. In parallel, the company implemented targeted cost efficiency initiatives, including organizational and operational efficiency measures across selected functions and regions. The measures are expected to reduce the company's annualized operating cost base by approximately 15% compared to the last twelve months ended Q3 2025. The company expects the full cash effect from the measures to materialize from the second half of 2026.

Elliptic Labs also continued to advance its strategic initiatives within Edge AI and Human Presence Detection during the quarter. The company saw encouraging validation from partners and customers, while continuing to expand engagements related to contextual intelligence and software-defined sensing across connected devices. In addition, Elliptic Labs saw early but positive traction in adjacent verticals including smart glasses, Smart TV and smartwatches.

### Highlights from Q1 2026:

- 26th January 2026: Elliptic Labs announces a new license agreement with an existing Top-5 Global Smartphone Manufacturer, covering a minimum of five smartphones models scheduled to be launched in 2026.
- 27th January 2026: Elliptic Labs announces cost efficiency initiatives as part of the strategic review announced on the presentation of the third quarter 2025 results.
- 16th February 2026: Elliptic Labs signs new contract with current Laptop Customer to expand AI Virtual Human Presence Sensor across Consumer Laptop segments

- 4th March 2026: Elliptic Labs Appoints Sandstad and Norderud CEO and CFO on permanent basis
- 5th March 2026: Completed gross NOK 60 million private placement strengthening the company's financial position
- Launched on 22 smartphone models and 17 laptop models during the quarter

**Events after the End of the Quarter:**

- 1st of April 2026, Elliptic Labs announced that its March launches spanned 21 device models across leading global OEMs, including 12 smartphone models and 9 laptop models.
- 5th of May 2026, Elliptic Labs announced 14 new device launches in April 2026, comprising 7 smartphone models and 7 laptop/PC models.
- 21th of May 2026, Elliptic Labs announced the cancellation of a Subsequent Offering

## Outlook

2026 remains an execution-focused year for Elliptic Labs, with priorities centered around operational efficiency, commercial execution and positioning the company for renewed growth.

Within smartphones and laptops, Elliptic Labs continues to see solid deployment activity and shipment momentum across its customer base. The company expects these established business segments to remain the primary revenue contributors throughout 2026, supported by continued model launches, existing customer relationships and ongoing commercial engagements.

Revenue development may continue to fluctuate between quarters due to timing effects related to contract renewals, milestone recognition and the structure of minimum commitment agreements. While shipment volumes continue to develop positively overall, incremental volume revenue contribution remains temporarily below historical levels as a larger share of shipments currently operate within minimum commitment thresholds. The company expects incremental volume revenue to improve over time as shipment volumes increasingly exceed these thresholds across a broader set of deployed models.

Following the strategic review initiated in 2025, Elliptic Labs implemented targeted cost efficiency measures during the first quarter of 2026. The measures are expected to reduce the company's annualized operating cost base by approximately 15%, with the full cash effect expected from the second half of 2026.

Elliptic Labs continues to advance its Edge AI platform initiatives while selectively pursuing opportunities within adjacent device categories including smart TV, smart glasses and other wearable devices. The company believes demand for contextual intelligence and software-defined sensing will continue to expand across connected devices in the coming years.

Supported by existing customer relationships, a scalable deployment platform and a strengthened financial position following the completed private placement, Elliptic Labs remains focused on disciplined operational execution while continuing to invest selectively in long-term growth opportunities. Revenue contribution from newer strategic initiatives is expected to gradually materialize from 2027 onwards.

## Message from the CEO

Dear Shareholders,

In my previous CEO letter, I stated that Elliptic Labs needed to move forward with a broader scope and a leaner organization. The first quarter of 2026 marked an important continuation of that transition.

During the quarter, we strengthened our financial position through the completed private placement while implementing targeted measures to reduce our operating cost base. We now move forward with a stronger balance sheet and a leaner operational structure.

As part of this transition, we have continued to evolve our organizational structure to support more focused execution across our strategic priorities. During the quarter, we further aligned technical teams and development efforts around key platform initiatives and product areas. These changes are intended to strengthen coordination across the organization, improve execution efficiency and support faster progress across both existing and emerging opportunities.

What continues to give me confidence is the capability and execution strength demonstrated across the organization. Throughout the quarter, our teams have adapted quickly and executed with a high level of technical competence and collaboration within the updated structure. As a global company operating across multiple regions and time zones, we are also seeing continued improvements in operational efficiency through closer coordination and increasingly integrated workflows between teams.

In the laptop segment, we continued to see strong shipment momentum during the quarter, with shipment volumes increasing 41% year-over-year. Underlying sensor shipment trends also remained positive.

Revenue development was impacted by milestone recognition and lower incremental volume revenue, as a larger share of shipment volumes remained within minimum commitment agreements. In the smartphone market, memory and cost constraints continue to impact OEM model planning cycles. At the same time, our diversified smartphone customer portfolio helped maintain stable shipment activity across the segment.

Continued model expansion across both premium and high-volume devices reflects the strength of our technology and platform capabilities. By the end of April, Elliptic Labs had reached 24 laptop launches and 29 smartphone launches in 2026 across leading global OEMs. This compares to 23 laptops and 20 smartphones in the same period of 2025.

During the quarter, we saw encouraging validation of our Edge AI platform initiative. Engaging directly with ecosystem partners has been a high priority so far this year. These discussions continue to reinforce our view that software-defined sensing and contextual intelligence will become increasingly important across connected devices.

We also saw early but positive traction in the strategic initiatives within adjacent verticals, including smart TV, smart glasses and other wearables. Importantly, these opportunities build on our existing technology platform and



partner footprint, allowing us to expand selectively into adjacent device categories.

Looking ahead, 2026 remains focused on disciplined execution and positioning Elliptic Labs for renewed long-term growth. We expect our established laptop and smartphone business to remain the core of the company's revenue base throughout the year, while continuing to build future opportunities within Edge AI and adjacent verticals. With our technology platform, customer relationships and deployment experience, we believe Elliptic Labs is well positioned to benefit from the growing demand for contextual intelligence across connected devices.

Ola Tviberg Sandstad

CEO

## Financial summary for the Group's YTD Q1 2026 (unaudited)

Comparable amounts are presented in parentheses and refer to Q1 2025 for profit and loss and cash flow items. For balance sheet items, comparable amounts refer to 31. December 2025.

### Operating revenue

Total revenue and other operating income shows a -37% decrease year-on-year to mNOK 17.0 (27.0) in Q1 2026. Total revenue and other operating income for First Quarter 2026 included mNOK 0.1 (0.4) in Other operating income from grants. Revenues from contracts with customers decreased by -37% to mNOK 16.9 (26.6) from the First Quarter 2025 to the First Quarter 2026.

Revenue development during the quarter was impacted by contract timing effects, milestone revenue recognition and lower incremental volume revenue under minimum commitment agreements. Smartphone revenues decreased compared to Q1 2025, mainly reflecting the absence of a larger smartphone contract expansion signed during the corresponding quarter last year. Laptop revenues increased year-on-year, primarily driven by milestone revenue recognition related to a new laptop agreement entered into with an existing customer during Q1 2026.

Laptop shipment volumes increased year-on-year during the quarter, while smartphone shipment volumes were broadly in line with the corresponding quarter last year. However, a larger share of shipment volumes, particularly within the laptop segment, remained within minimum commitment thresholds compared to the corresponding period last year, temporarily limiting incremental volume revenue contribution despite continued shipment growth.

While shipment volumes remain at a higher level than last year, the timing of revenue recognition and volume mix may continue to create quarterly fluctuations.

### Operating expenses and EBITDA

Operating expenses amounted to mNOK 29.5 (28.6) in the First quarter 2026, excluding depreciation and amortization.

Employee benefit expenses amounted to mNOK 23.6 (22.0) in the First quarter 2026, including mNOK 0.1 (0.5) in expenses related to the Groups share option program. Other operating expenses was mNOK 6.0 (6.7).

During the quarter, the Group implemented targeted organizational adjustments and workforce reduction measures as part of the cost efficiency initiatives announced in January 2026. The quarter includes approximately mNOK 4.5 in non-recurring restructuring and severance-related costs recognized in full during the period under Employee benefit expenses. While the accounting impact was fully recognized in Q1 2026, related cash payments connected to notice periods and severance arrangements are expected to continue through Q2 2026, depending on local employment regulations and contractual arrangements.

Other operating expenses decreased compared with the First Quarter 2025, mainly reflecting lower lease expenses, reduced travel costs, lower sales and marketing activities, as well as an adjustment to the estimated provision for expected credit losses (ECL) on trade receivables.

As a result, the Group reported an EBITDA of mNOK -12.5 (-1.6) in the First quarter 2026.

### **Operating profit (EBIT)**

The Group generated in the First quarter 2026 an operating loss of mNOK -19.0 (-6.9).

Depreciation and amortization amounted to mNOK 6.5 (5.3) for the First quarter 2026. The increase mainly reflects higher amortization of capitalized development intangibles, as well as a slight increase in depreciation charges on lease contracts.

### **Financial items**

First quarter 2026 net financial items amounted to mNOK -3.5 (-7.5). The primary factor explaining the negative financial items is disagio effects from unrealized foreign exchange losses on balance sheet items.

### **Profit/loss**

First Quarter profit before tax was mNOK -22.6 (-14.4).

The tax was mNOK -0.1 (2.4), resulting in a loss after tax of mNOK -22.7 (-12.0) for the First quarter 2026.

### **Cash flow**

The Cash flow from operating activities in the First Quarter was mNOK -17.6 (12.1). The operating loss in the quarter contributed to a negative cash flow from operating activities.

Cash flow from investing activities was mNOK -4.8 (-6.6) mainly related to capitalized development costs. Cash flow from financing activities was mNOK 53.9 (-3.4), mainly due to proceeds of mNOK 60 from the share capital increase completed in March 2026.

Cash and cash equivalents at the end of the period were mNOK 74.0 (76.8). The cash flow from operations is within management expectations.

### **Financing and debt**

The Group's equity at quarter end was mNOK 221.1 compared to 188.0 at year end, the change primarily reflects the capital raise offset by the loss in the quarter. The Group had Total non-current liabilities of mNOK 8.5 (8.3) at the end of First quarter 2026.

Total non-current liabilities and Total current liabilities was mNOK 33.4 (33.7).

Trade receivables amounted to mNOK 82.8 at the end of the quarter, compared to mNOK 81.0 in Q4 2025 and mNOK 92.4 in Q1 2025. As communicated in previous reports, fluctuations in trade receivables and related ratios may occur between quarters depending on contract-specific payment structures, milestone timing and revenue mix under IFRS 15 contracts. Over time, the Group expects trade receivables as a share of revenue to improve, although development will depend on future contract structures and payment profiles.

The Group ended the quarter with a cash position of mNOK 74.0 (43.1). The Group maintain a sharp focus on costs and cash flows, and has in February implemented cost measures which will reduce both personnel and other operating costs and capitalized development costs going forward.

## Risks and uncertainty factors

Elliptic Labs' strategy and growth ambitions require an adequate cash position to fund the R&D activities needed to drive the technology and product roadmaps forward. The company's liquidity position is closely monitored by management and the Board of Directors.

Elliptic Labs' cash position was mNOK 74.0 at the end of Q1 2026. The company initiated a strategic review of Elliptic Labs' product and customer roadmaps, commercial opportunities, and long-term positioning at the end of 2025. As part of this review a cost cutting initiative was executed in Q1 2026. The company is carefully managing its cash position to ensure sufficient financial flexibility to execute on its strategy going forward.

### **Risks related to U.S. tariffs and trade policy**

U.S. trade policy and tariffs may impact global demand, pricing and supply chains for consumer electronics and PCs, which in turn could affect shipment volumes for Elliptic Labs' customers. In late 2025, the U.S. extended certain Section 301 tariff exclusions through November 10, 2026<sup>1</sup>.

In February 2026, the U.S. also imposed a temporary 10% ad valorem import duty on most imported goods (subject to product and country exceptions) and indicated that additional trade actions may follow.

While these measures reduce near-term uncertainty, the risk of future policy changes, including sector-specific measures, remains.

### **Component supply and memory market risk**

The global semiconductor ecosystem has recently experienced tightening in memory supply (including DRAM and NAND) driven by strong demand from AI-related infrastructure, with the potential to impact component availability and pricing for consumer electronics and PCs<sup>2</sup>. Such developments could lead to changes in OEM product configurations, launch timing, and shipment volumes, which may affect Elliptic Labs' royalty revenues and the timing of revenue recognition.

### **Geopolitical risk**

The war in Ukraine has currently no direct impact of Elliptic Labs current operations. The company continues to monitor the situation.

### **Foreign exchange risk**

Elliptic Labs is exposed to foreign exchange risk, as revenues from contracts with customers almost entirely are nominated in USD whereas the largest portion of operating expenses are in NOK. Changes in the NOK/USD will result in change in profit before tax.

Please see the annual report 2025 for walkthrough of other potential operational risk and financial risk.

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<sup>1</sup> [https://ustr.gov/about/policy-offices/press-office/press-releases/2025/november/ustr-extends-exclusions-china-section-301-tariffs-related-forced-technology-transfer-investigation?utm\\_](https://ustr.gov/about/policy-offices/press-office/press-releases/2025/november/ustr-extends-exclusions-china-section-301-tariffs-related-forced-technology-transfer-investigation?utm_)

<sup>2</sup> [https://www.idc.com/resource-center/blog/global-memory-shortage-crisis-market-analysis-and-the-potential-impact-on-the-smartphone-and-pc-markets-in-2026/?utm\\_](https://www.idc.com/resource-center/blog/global-memory-shortage-crisis-market-analysis-and-the-potential-impact-on-the-smartphone-and-pc-markets-in-2026/?utm_)

# Consolidated financial statements

## Consolidated statement of comprehensive income

For the financial period ended 31 March 2026 and 2025, and 31 December 2025.

<i>(Amounts in 000 NOK)</i>	Notes	Q1 2026 (Unaudited)	Q1 2025 (Unaudited)	2025 (Audited)
Revenues from contracts with customers		16 888	26 618	101 306
Other operating income	8	119	357	1 430
<b>Total revenue and other operating income</b>	<b>2</b>	<b>17 008</b>	<b>26 976</b>	<b>102 736</b>
Employee benefit expenses		-23 571	-21 957	-90 438
Other operating expenses	3	-5 971	-6 663	-34 775
<b>EBITDA</b>		<b>-12 534</b>	<b>-1 645</b>	<b>-22 477</b>
Depreciation and amortization	4,5	-6 488	-5 264	-24 763
<b>Operating expenses</b>		<b>-36 030</b>	<b>-33 884</b>	<b>-149 976</b>
<b>Operating profit</b>		<b>-19 022</b>	<b>-6 909</b>	<b>-47 240</b>
Financial income		461	1 598	4 546
Financial expenses		-3 999	-9 056	-17 337
<b>Net financial income/(expenses)</b>		<b>-3 538</b>	<b>-7 458</b>	<b>-12 791</b>
<b>Profit/(loss) before tax</b>		<b>-22 561</b>	<b>-14 367</b>	<b>-60 031</b>
Income tax expense		-100	2 365	-79 930
<b>Profit/(loss)</b>		<b>-22 660</b>	<b>-12 002</b>	<b>-139 961</b>
Other comprehensive income:				
Foreign currency rate changes, may be reclassified to profit or loss		-250	-526	-838
Other comprehensive income, net of tax		<b>-250</b>	<b>-526</b>	<b>-838</b>
<b>Total comprehensive income for the period</b>		<b>-22 910</b>	<b>-12 528</b>	<b>-140 799</b>
Profit/Loss for the period is attributable to:				
Equity holders of the parent company		-22 910	-12 528	-140 799
Earnings per share outstanding		-0.21	-0.12	-1.33
Earnings per share fully diluted		-0.21	-0.12	-1.33

## Consolidated statement of financial position

At 31 March 2026, 31 December 2025 and 31 March 2025 respectively

<i>(Amounts in 000 NOK)</i>	<i>Notes</i>	<b>31/03/26</b> <i>(Unaudited)</i>	<b>31/12/25</b> <i>(Audited)</i>	<b>31/03/25</b> <i>(Unaudited)</i>
<b>Non-current assets</b>				
Deferred tax assets		—	—	78 457
Intangible assets	4	70 310	71 454	68 696
Right of use assets	5	13 367	12 130	15 001
Property, plant and equipment	5	254	281	331
Non-current receivables		4 772	5 619	6 985
<b>Total non-current assets</b>		<b>88 703</b>	<b>89 484</b>	<b>169 470</b>
<b>Current assets</b>				
Current trade receivables		82 843	81 004	92 416
Other current receivables		8 916	8 116	9 979
Cash and cash equivalents	7	74 024	43 058	76 781
<b>Total current assets</b>		<b>165 782</b>	<b>132 178</b>	<b>179 176</b>
<b>Total assets</b>		<b>254 485</b>	<b>221 662</b>	<b>348 646</b>
<b>Equity and liabilities</b>				
Share capital		1 263	1 053	1 053
Other equity		219 865	186 942	312 250
<b>Total equity</b>		<b>221 128</b>	<b>187 995</b>	<b>313 302</b>
Non-current lease liabilities		8 521	8 308	10 692
<b>Total non-current liabilities</b>		<b>8 521</b>	<b>8 308</b>	<b>10 692</b>
Current borrowings			—	1 000
Trade and other current payables		2 149	2 003	3 427
Current lease liabilities		5 860	4 800	5 154
Other current liabilities	9	16 827	18 556	15 070
<b>Total current liabilities</b>		<b>24 836</b>	<b>25 358</b>	<b>24 652</b>
<b>Total equity and liabilities</b>		<b>254 485</b>	<b>221 662</b>	<b>348 646</b>

## Consolidated statement of changes in equity

Attributable to owners of Elliptic Laboratories ASA.

2026 (Amounts in 000 NOK)	Share capital	Other paid in capital	Other equity	Translation reserve	Total equity
<b>Shareholders' equity at 01.01.2026</b>	<b>1 053</b>	<b>359 956</b>	<b>-173 169</b>	<b>155</b>	<b>187 995</b>
Profit (loss) for the period	—	—	-22 660	—	-22 660
Other comprehensive income for the period	—	—	—	-250	-250
<b>Total comprehensive income for the period</b>	<b>—</b>	<b>—</b>	<b>-22 660</b>	<b>-250</b>	<b>-22 910</b>
<i>Transactions with owners:</i>					
Capital increase through issuance of ordinary shares	211	59 782	—	—	59 993
Transactions costs related to issuance of ordinary shares, net of tax	—	-4 065	—	—	-4 065
Employee share schemes	—	—	115	—	115
<b>Shareholders' equity at 31.03.2026</b>	<b>1 263</b>	<b>415 673</b>	<b>-195 714</b>	<b>-95</b>	<b>221 128</b>

2025 (Amounts in 000 NOK)	Share capital	Other paid in capital	Other equity	Translation reserve	Total equity
<b>Shareholders' equity at 01.01.2025</b>	<b>1 053</b>	<b>359 833</b>	<b>-36 537</b>	<b>993</b>	<b>325 341</b>
Profit (loss) for the period	—	—	-12 002	—	-12 002
Other comprehensive income for the period	—	—	—	-526	-526
<b>Total comprehensive income for the period</b>	<b>—</b>	<b>—</b>	<b>-12 002</b>	<b>-526</b>	<b>-12 528</b>
<b>Transactions with owners:</b>					
Capital increase through issuance of ordinary shares	—	—	—	—	—
Employee share schemes	—	—	489	—	489
<b>Shareholders' equity at 31.03.2025</b>	<b>1 053</b>	<b>359 833</b>	<b>-48 050</b>	<b>467</b>	<b>313 302</b>

## Consolidated statement of cash flows

For the financial period ended 31 March 2026 and 2025, and 31 December 2025.

(Amounts in 000 NOK)	(Unaudited) Q1 2026	(Unaudited) Q1 2025	(Audited) 2025
<b>Cash flow from operating activities</b>			
Profit/(loss) before tax	-22 561	-14 367	-60 031
Adjustment for:			
Taxes paid in the period	-1 021	-845	-6 093
Depreciation, amortization and impairment	7 366	5 264	25 325
Share-based payment expense	115	489	3 330
Net financing and investing items	822	2 337	3 023
Other non cash items	1 903	1 361	8 274
Change in current trade receivable	-1 838	18 520	29 932
Change in trade payables	147	2 127	702
Change in other current assets and liabilities	-2 529	-2 816	1 533
<b>Net cash flows from operating activities</b>	<b>-17 597</b>	<b>12 069</b>	<b>5 994</b>
<b>Cash flow from investing activities</b>			
Payments of property, plant and equipment	—	—	-31
Payments of intangible assets	-5 634	-7 367	-29 052
Interest received	62	552	1 986
Proceeds from repayment of deposits	802	300	323
Payment of deposits	—	-81	-81
<b>Net cash flows from investing activities</b>	<b>-4 770</b>	<b>-6 597</b>	<b>-26 855</b>
<b>Cash flow from financing activities</b>			
Repayments of lease liabilities	-1 712	-1 858	-6 895
Repayments of current borrowings	—	-1 000	-2 000
Proceeds from issuing shares	59 993	—	123
Payments for share issue costs	-4 065	—	—
Paid interest on borrowings	—	-32	-52
Paid interest on lease liabilities	-307	-472	-1 487
<b>Net cash flows from financing activities</b>	<b>53 908</b>	<b>-3 361</b>	<b>-10 311</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>31 542</b>	<b>2 112</b>	<b>-31 172</b>
Cash and cash equivalents at the beginning of the period	43 058	76 390	76 390
Translation differences	-576	-1 721	-2 160
<b>Cash and cash equivalents at the end of period</b>	<b>74 024</b>	<b>76 781</b>	<b>43 058</b>

# Notes to the consolidated financial accounts

## Note 1 – Accounting principles

### 1.1 General information

Elliptic Laboratories ASA and its subsidiaries, Elliptic Laboratories Inc and Healthy Pointers AS (together "Elliptic Labs" or the "Group") develop and sell technical solutions, which enable the interaction and information exchanges between individuals and technical devices, based on ultrasound software technology. Such devices are mobile phones, laptops, devices within the IoT-market and various other devices that could deploy the Group's software technology to enhance the user experience. Investments in and cooperation with other companies are also part of the Group's purpose.

The domicile of the Group is Oslo, Norway. The Group's head office is at Hausmannsgate 21, 0182 Oslo.

### 1.2 Summary of material accounting principles

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1.2.1 Basis of preparation

The First quarter consolidated financial statements of the Group have been prepared in accordance with IAS 34 for the financial reporting of the First quarter of 2026 and 2025.

The consolidated financial statements have been prepared under the historical cost convention, as modified by derivatives at fair value through profit or loss. This report has not been subject to audit.

The preparation of financial statements in conformity with IFRS® Accounting Standards as adopted by the EU, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

These consolidated financial statements have been prepared under the assumption of a going concern.

## Note 2 – Total revenue and other operating income

Revenues from contracts with customers are recognized at point in time:

(Amounts in 000 NOK)	Q1 2026	Q1 2025	2025
Revenue recognized over time	—	—	12 622
Revenue recognized at point in time	16 888	26 618	88 684
<b>Total revenue</b>	<b>16 888</b>	<b>26 618</b>	<b>101 306</b>

License for IP and subsequent royalties are recognized at point in time when the software has been made available to the customer and the customer obtains control of the license, and subsequently in increments as minimum production thresholds are met, to the extent that royalty-based revenue exceeds any minimum fixed fee. For the financial year 2025 and YTD 2026, the majority of the contracts from which revenue was recognized were of the minimum fixed fee character, but a growing share of reported revenue comes from royalties on shipped units, and is expected to increase going forward.

Development and testing of software (Proof of concept) is considered as a separate performance obligation and is recognized over time based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided. The Group recognized revenue from such services in 2025, whereas no such revenue has been recognized in YTD 2026.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by Elliptic Laboratories exceed the payment, a contract asset or a receivable is recognized. If the payments exceed the services rendered, a contract liability is recognized.

Payment terms typically vary depending on type of contract. For fixed-fee license contracts, fees are partly invoiced upon delivery of the software and signature of the agreement. The remaining contracted amounts are invoiced either upon the commercial launch of the end products covered by the contract or according to a predetermined payment schedule in the period between the signature date and the market launch. For royalty-based contracts, payments are invoiced quarterly, based on actual shipment data received from the customer. Where minimum fixed fees are included in the contract, a portion is typically invoiced upon contract signature, while the remaining minimum fixed is offset against future royalty payments.

As at 31 March 2026, recognized revenues are unconditional as the related performance obligations have been satisfied. The Group has remaining minimum commitment revenue under multi-year contracts that will be recognized in subsequent periods. The remaining minimum commitment revenue (backlog) as at 31 March 2026 was approximately NOK 31.8 million. This amount is not recognized as a contract liability, as invoicing and payments are received upon shipment in accordance with the contracts.

Revenues from contracts with customers have the following distributions between the different market verticals:

(Amounts in 000 NOK)	Q1 2026	Q1 2025	2025
Smartphones	5 166	21 660	60 080
PC/Laptops	11 723	4 958	41 226
<b>Total revenue</b>	<b>16 888</b>	<b>26 618</b>	<b>101 306</b>

Other operating income consists in total of government grants, which are recognized over time on a systematic basis over the periods in which the entity recognizes expenses for the related costs for which the grants are intended to compensate.

## Note 3 – Other operating expenses

(Amounts in 000 NOK)	(Unaudited)	(Unaudited)	(Audited)
	Q1 2026	Q1 2025	2025
Sales and marketing expenses	1 172	2 174	6 503
Short-term lease expenses	411	576	1 554
Electricity, heating and other property expenses	383	613	2 291
Consultants	1 589	1 187	4 036
Auditor	451	675	1 942
Legal	22	5	1 015
Patents	1 075	366	3 828
IT/Software	878	930	3 894
Other expenses	409	240	1 872
Impairment of trade receivables, ECL provision	-316	—	629
Write-offs of trade receivables	—	—	7 692
Government grants recognized as other cost reduction	-103	-103	-478
<b>Total other operating expenses</b>	<b>5 971</b>	<b>6 663</b>	<b>34 775</b>

## Note 4 - Intangible assets

2026 (Amounts in 000 NOK)	Patents	Trademark	Capitalized development	Total intangible assets
Cost at 01.01.2026	24 760	196	122 900	147 855
Additions	473	—	4 279	4 751
Disposals	-878	—	—	-878
<b>Cost at 31.03.2026</b>	<b>24 354</b>	<b>196</b>	<b>127 178</b>	<b>151 728</b>
Accumulated amortization charges 01.01.2026	14 433	6	61 959	76 398
Amortization charges	292	—	4 727	5 018
Disposals	-1	—	0	-1
<b>Accumulated amortization charges 31.03.2026</b>	<b>14 724</b>	<b>6</b>	<b>66 686</b>	<b>81 415</b>
<b>Net booked value as at 31.03.2026</b>	<b>9 630</b>	<b>190</b>	<b>60 492</b>	<b>70 310</b>
Useful life:	5	5	5	
Amortization method:	Straight-line	Straight-line	Straight-line	

<b>2025 (Amounts in 000 NOK)</b>	<b>Patents</b>	<b>Trademark</b>	<b>Capitalized development</b>	<b>Total intangible assets</b>
Cost at 01.01.2025	23 550	24	99 996	123 569
Additions	507	—	5 877	6 383
<b>Cost at 31.03.2025</b>	<b>24 056</b>	<b>24</b>	<b>105 872</b>	<b>129 952</b>
Accumulated amortization charges 01.01.2025	13 386	6	43 924	57 316
Amortization charges	239	—	3 699	3 938
<b>Accumulated amortization charges 31.03.2025</b>	<b>13 625</b>	<b>6</b>	<b>47 623</b>	<b>61 254</b>
<b>Net booked value as at 31.03.2025</b>	<b>10 431</b>	<b>18</b>	<b>58 249</b>	<b>68 698</b>
Useful life:	5	5	5	
Amortization method:	Straight-line	Straight-line	Straight-line	

## Note 5 - Property, plant and equipment

<b>2026 (Amounts in 000 NOK)</b>	<b>Right-of-use assets</b>	<b>Furniture and fixtures</b>	<b>Total tangible assets</b>
Cost at 01.01.2026	24 686	545	25 231
Additions	2 809		2 809
Disposals	-1 765		-1 765
<b>Cost at 31.03.2026</b>	<b>25 730</b>	<b>545</b>	<b>26 275</b>
Accumulated depreciation charges 01.01.2026	12 556	264	12 820
Current year depreciation	1 443	27	1 470
Disposables	-1 636	—	-1 636
<b>Accumulated depreciation charges at 31.03.2026</b>	<b>12 362</b>	<b>292</b>	<b>12 654</b>
<b>Net booked value as at 31.03.2026</b>	<b>13 367</b>	<b>254</b>	<b>13 621</b>
Useful life:	1-5	5	
Amortization method:	Straight-line	Straight-line	

<b>2025 (Amounts in 000 NOK)</b>	<b>Right-of-use assets</b>	<b>Furniture and fixtures</b>	<b>Total tangible assets</b>
Cost at 01.01.2025	23 433	514	23 948
Additions	—	—	—
Disposals	—	—	—
<b>Cost at 31.03.2025</b>	<b>23 433</b>	<b>514</b>	<b>23 948</b>
Accumulated depreciation charges 01.01.2025	7 132	157	7 290
Current year depreciation	1 300	26	1 326
Disposals	—	—	—
<b>Accumulated depreciation charges at 31.03.2025</b>	<b>8 432</b>	<b>183</b>	<b>8 616</b>
<b>Net booked value as at 31.03.2025</b>	<b>15 001</b>	<b>331</b>	<b>15 332</b>
Useful life:	1-5	5	
Amortization method:	Straight-line	Straight-line	

## Note 6 – Share option programs

As of 31 March 2026, the Group has option programs that includes a total of 62 employees and 4 board members in parent and subsidiary companies. The employees must work in the Group to be entitled to exercise the options at the time of vesting. If a Board member resigns or is not re-elected prior to the Vesting Date, the Options will be forfeited except a number of Options representing the period served since the 2025 AGM until the date of resignation pro rata in relation to the period from the 2025 AGM until the Vesting Date.

As of 31 March 2026, the total number of outstanding options for both employees, management and BoD when converted into shares, was 3 664 277 of which 2 993 311 were already vested. The option program entitles the employees to approximately 2.82% of the fully diluted outstanding shares, which includes all outstanding options. The fully diluted outstanding share count on 31 March 2026 was 130 001 042.

The purpose of the establishment of the option programs is to attract and retain key personnel. The fair value of the options is calculated at the grant date, based on the Black-Scholes model, and expensed over the vesting period of 4 years.

The board of directors has decided that a long-term share option program whereas upward to 2,5% of outstanding shares may be distributed yearly to the employees and management. outstanding options shall not exceed 7.5% of the total outstanding shares.

## Note 7 – Cash and cash equivalents

<i>(Amounts in 000 NOK)</i>	<b>31.03.2026</b>	<b>31.12.2025</b>
Cash and cash equivalents	74 024	43 058
<b>Of which are restricted cash:</b>		
Restricted bank deposits	2 846	5 290
<b>Not restricted cash</b>	<b>71 178</b>	<b>37 768</b>

## Note 8 – Government grants

The table below sets forth the treatment of government grants.

<i>(Amounts in 000 NOK)</i>	<b>Q1 2026</b>	<b>Q1 2025</b>	<b>2025</b>
Recognized as income from other sources	119	357	1 430
Reduction of capitalized development	910	910	2 990
Recognized as payroll cost reduction	175	175	1 282
Recognized as other cost reduction	103	103	478
<b>Total government grants</b>	<b>1 307</b>	<b>1 545</b>	<b>6 180</b>

## Note 9 - Commitments and contingencies

Elliptic Labs entered into a severance agreement with the former CEO in the Fourth Quarter 2025. The Group recognized a provision for the full severance amount as of 31 December 2025.

As of March 2026, the remaining provision amounts to mNOK 2.9, including an unconditional amount of mNOK 1.1 and a conditional amount of mNOK 1.8. The conditional amount is subject to specific conditions set out in the agreement

## Note 10 – Alternative performance measures (APMs)

Earnings before interest, taxes, depreciation and amortizations. EBITDA is a key performance indicator that the Group considers relevant for understanding the generation of profit before investments in fixed assets.

<i>(Amounts in 000 NOK)</i>	<i>Notes</i>	<b>Q1 2026</b>	<b>Q1 2025</b>	<b>2025</b>
		<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Restated)</i>
Revenues from contracts with customers		16 888	26 618	101 306
Other operating income	9	119	357	1 430
<b>Total revenue and other operating income</b>	<b>2</b>	<b>17 008</b>	<b>26 976</b>	<b>102 736</b>
Employee benefits expenses		-23 571	-21 957	-90 438
Other operating expenses	3	-5 971	-6 663	-34 775
<b>EBITDA</b>		<b>-12 534</b>	<b>-1 645</b>	<b>-22 477</b>

Last twelve months (LTM) refers to the timeframe of the immediately preceding 12 months.

<i>(Amounts in 000 NOK)</i>	<b>Q1 2026</b>	<b>Q4 2025</b>	<b>Q3 2025</b>	<b>Q2 2025</b>	<b>LTM</b>
Revenues from contracts with customers	16 888	41 992	8 095	24 601	<b>91 577</b>
EBITDA	-12 534	-429	-21 473	1 070	<b>-33 367</b>

## Note 11 – Subsequent events

On the 1st of April 2026, Elliptic Labs announced that its March launches spanned 21 device models across leading global OEMs, including 12 smartphone models and 9 laptop models.

On the 5th of May 2026, Elliptic Labs announced 14 new device launches in April 2026, comprising 7 smartphone models and 7 laptop/PC models.

On the 21th of May 2026, Elliptic Labs announced the cancellation of a Subsequent Offering.

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