IDEX

IDEX Biometrics ASA

Q3 2026 Results & Business Update

Oslo, November 2026

IDEX BIOMETRICS ASA
Third-Quarter 2026

Oslo, 12 November 2026

IDEX Biometrics ASA (Euronext Oslo Børs: IDEX) delivered record revenue of NOK 6.6 million in the third quarter of 2026, four times the second-quarter level. The Company expects fourth-quarter revenue to exceed NOK 14 million, based on the delivery schedule of the current order backlog, with new orders as upside. Since the second-quarter report, IDEX has received five IDEX Access purchase orders, including its largest IDEX Access order to date: more than USD 450,000 from a channel partner.

This autumn, AI-enabled cyber threats went from specialist warnings to front-page news. On 27 October 2026, the Norwegian National Security Authority (NSM) raised the national cyber risk level to high. The industry now broadly agrees that AI requires a verified human in the loop. What is still open is how to prove that a real person is present, and that is the problem IDEX is built to solve. The first partner-sourced business is coming in, but partner scaling has only just begun. To prepare for the next phase, IDEX is consolidating its operations in Norway, which reduces annual operating costs by approximately NOK 20 million. Cash was NOK 12.1 million at the end of the quarter, and the Company has no interest-bearing debt. Cash flow could turn positive in the fourth quarter if the backlog is delivered on schedule and more than NOK 4 million in additional orders are received for fourth-quarter delivery.

BUSINESS HIGHLIGHTS Q3 2026 AND TO DATE

- **Record revenue of NOK 6.6 million**, up from NOK 1.6 million in the second quarter. Revenue was below the more than NOK 8.5 million indicated in the second-quarter report, because deliveries scheduled for late in the quarter shipped in October.
- **Five IDEX Access purchase orders received in the third quarter and to date.** Some came from converted pilots and some were direct purchases by channel partners. The largest was an order of more than USD 450,000 (approximately NOK 4.3 million) for complete IDEX Access cards from a channel partner, for end use in the energy and retail sectors in Europe and APAC. Deliveries start in the fourth quarter of 2026.
- **IDEX received orders of NOK 5.3 million in the quarter**, up from NOK 1.9 million in the second quarter. The order backlog was NOK 17.9 million at the end of the quarter, of which NOK 14 million is scheduled for delivery in the fourth quarter.
- **The IDEX Access pipeline continues to build.** 39 pilots were signed or live as of November, up from 21 in August. Approximately one quarter of current pilots have come through channel partners, most of them since the start of the third quarter. Only one pilot has been lost to date.
- **34 channel partners signed**, nine more than in August. Seven partners are already selling IDEX, either rolling out market by market or fully activated across their markets. A further 18 are in enablement and nine have not yet started.
- **Operations consolidated in Norway.** The UK development site in Farnborough is closed, and engineering and technology will move to Oslo. The change reduces net annual operating costs by approximately NOK 20 million, effective from November 2026.
- **IDEX Pay:** the commercial launch with the Company's first Indian bank customer is expected in the fourth quarter of 2026. Two further pilots are ongoing.
- **Strengthened commercial and finance team.** Effective 1 October 2026, Victoria Allers Wismer joined as Chief Marketing Officer, Bianca Olsson as Head of Brand and Christian Fredrik Hodt as VP Finance.

CEO COMMENT

“The third quarter was a record for IDEX, and we expect revenue to more than double again in the fourth quarter, based on the backlog we are delivering. Just as important is where demand is coming from. This autumn, AI-enabled cyberattacks moved from specialist warnings to front-page news, and NSM has now raised Norway's national cyber risk level to high. Across the industry, from regulators to the largest banks, the conclusion is the same: AI needs a verified human in the loop. That is exactly what an IDEX card does.

We are also seeing the first business come through our channel partners, including our largest IDEX Access order to date. Partner scaling has only just begun. Seven of our 34 partners are selling today. Taking a partner from signing to selling in all its markets requires significant effort, and this is where we spend most of our time today, but it is how IDEX scales globally without growing its cost base.”

— Kjell-Arne Besseberg, CEO, IDEX Biometrics ASA

FINANCIAL REVIEW

The table below summarises the Company's key financial and operational figures for the quarter.

NOK million unless stated	Q3 2026	Q2 2026	Q3 2025
Order backlog (end of period)	17.9	23.7	n.a.
Order intake	5.3	1.9	n.a.
Total revenue	6.6	1.6	0.0
Gross margin	11%	19%	n.m.
Operating expenses excl. SBC	21.6	20.5	20.3
Adjusted EBITDA	(20.8)	(20.2)	(20.3)
Share-based compensation (SBC)	2.7	1.7	(1.7)
Net financial items, gain / (loss)	(2.4)	13.2	10.5
Net result for the period	(26.3)	(9.0)	(10.9)
Operational cash flow	(16.6)	(45.2)	(26.6)
Cash and cash equivalents (end of period)	12.1	28.5	10.6
Full-time equivalents (end of period)	28	28	39

Adjusted EBITDA is defined as EBITDA excluding share-based compensation. Figures in parentheses are negative. Reported in NOK following the change of functional currency in the fourth quarter of 2025.

Order intake and backlog

New orders in the third quarter were NOK 5.3 million, up from NOK 1.9 million in the second quarter. The order backlog was NOK 17.9 million at 30 September 2026, compared with NOK 23.7 million at 30 June 2026. New orders were offset by deliveries of NOK 6.6 million in the quarter. IDEX also removed a legacy sensor framework order of approximately NOK 3.8 million from the backlog. The remaining NOK 0.7 million decline from 30 June 2026 came from negative currency effects. NOK 14 million of the current backlog is scheduled for delivery in the fourth quarter of 2026.

Revenue

Total revenue for the third quarter was a record NOK 6.6 million, compared with NOK 1.6 million in the second quarter and zero in the third quarter of 2025. The increase reflects deliveries against the order backlog. Revenue was below the more than NOK 8.5 million indicated in the second-quarter report because deliveries scheduled for late in the quarter shipped in October. These deliveries are recognised in the fourth quarter. Quarterly revenue reflects when shipments are completed.

Gross margin

Gross margin was 11% in the third quarter, compared with 19% in the second quarter. The low margin reflects sensor sales at legacy partnership pricing, as indicated in previous reports. Complete IDEX Access solutions carry meaningfully higher gross margins than sensor sales alone. The Company expects margins to strengthen as the sales mix shifts towards complete cards, beginning with deliveries of its largest IDEX Access order to date from the fourth quarter.

Operating expenses

Operating expenses excluding share-based compensation were NOK 21.6 million, broadly stable compared with NOK 20.5 million in the second quarter. The increase reflects the stronger sales and marketing effort indicated in the second-quarter report. Operating expenses were NOK 20.3 million in the third quarter of 2025. Share-based compensation expense was NOK 2.7 million. This is a non-cash item and is excluded from adjusted EBITDA to show the underlying cost base and operating result.

From November 2026, the closure of the UK development site will reduce net annual operating costs by approximately NOK 20 million, or about NOK 5 million per quarter. This is a reduction of approximately 23% from the annualised third-quarter cost base.

Adjusted EBITDA

Adjusted EBITDA was negative NOK 20.8 million, compared with negative NOK 20.2 million in the second quarter and negative NOK 20.3 million in the third quarter of 2025.

Net financial items

With no interest-bearing debt, net financial items now mainly reflect currency movements. Net financial items were a loss of NOK 2.4 million, compared with a gain of NOK 13.2 million in the second quarter. The loss consists of currency effects on foreign-currency balances and is predominantly non-cash. The second-quarter gain was a non-cash item related to the derecognition of the Heights loan on repayment.

Cash flow and balance sheet

Cash and cash equivalents were NOK 12.1 million at 30 September 2026, compared with NOK 28.5 million at 30 June 2026. The negative adjusted EBITDA of NOK 20.8 million was partly offset by a NOK 4.3 million release of working capital. Inventory increased modestly as the Company prepared for expected sales. Net financing and investing cash flows were NOK 0 million. The Company has no interest-bearing debt.

Of the NOK 17.9 million backlog, NOK 14 million is scheduled for delivery in the fourth quarter against inventory already in place. Converting this backlog into cash therefore carries limited incremental cost.

OUTLOOK

Financial outlook

- **Fourth-quarter revenue is expected to exceed NOK 14 million,** more than double the third quarter, based on the delivery schedule of the current backlog. New orders give upside.
- **Potential for positive cash flow in the fourth quarter of 2026,** provided the backlog is delivered on schedule and more than NOK 4 million in additional orders are received for fourth-quarter delivery.
- **Lower operating costs.** Net operating costs will be approximately NOK 5 million lower per quarter from November 2026 after the UK site closure. The first quarter of 2027 will be the first full quarter of savings.
- **Gross margin is expected to improve** as the mix shifts towards complete IDEX Access cards.

- **Scalable model.** With an annual operating cost base of NOK 60–80 million, IDEX estimates its break-even volume at approximately 250,000 cards per year, excluding annual service revenue from IDEX Care.

Operational and commercial outlook

- **Partners drive the next phase.** Channel partners are how IDEX will scale globally. Partners go through three stages. Signing is the starting point. In enablement, partner sales teams are trained on IDEX products and use cases, and go-to-market plans, target segments and target customers are agreed. Partners then roll out market by market, proving IDEX in a first market before extending across their footprint. Of the 34 partners signed, seven are selling today and 27 have yet to start. As partners activate going forward and through 2027, IDEX expects more pipeline and orders to follow, without growth in its own cost base.
- **The pipeline continues to build.** 39 IDEX Access pilots are signed or live. Orders are now coming both from converted pilots and from direct purchases by channel partners.
- **Focus on critical access in the enterprise.** The near-term focus is employee login to IT systems and applications, where AI is making password phishing cheaper, more convincing and much larger in scale. In the longer term, any password login can be replaced by the IDEX card.
- **IDEX Pay.** The launch with the first Indian bank customer is expected in the fourth quarter of 2026. Further two banks are in the pilot and pipeline phases.
- **Market momentum.** Demand for hardware-rooted, phishing-resistant authentication is supported by a rapid rise in awareness of AI-enabled cyber threats. In Norway, NSM raised the national cyber risk level to high in October 2026. The European Central Bank required eurozone banks to submit AI cyber action plans by 31 October 2026. In the US, NIST, CISA and NSA have published guidance for incidents where AI agents undermine human oversight. Keeping a verified human in the loop was the central theme at the FIDO Alliance's Authenticate conference in October. Together with active enforcement of NIS2 and DORA across the EU, these developments point enterprise and public-sector buyers towards hardware-bound authentication of the kind IDEX supplies.

CONSOLIDATED INTERIM FINANCIAL INFORMATION (UNAUDITED)

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS

	Quarters		Nine months		Full year
Amounts in NOK 1,000s	**Q3 2026**	Q3 2025	**2026**	2025	2025
Operating revenue					
Product revenue	**6 610**	-	**8 934**	1 728	2 345
Service and other revenue	**-**	-	**193**	254	242
Total revenue	**6 610**	-	**9 126**	1 981	2 588
Operating expenses					
Cost of materials, net of inventory change	**5 853**	132	**7 918**	1 628	6 223
Compensation and benefits	**10 324**	5 612	**29 925**	22 010	26 812
Research and development	**2 548**	3 695	**7 699**	14 752	14 942
Other operating expenses	**11 415**	10 524	**34 102**	44 603	58 686
Amortization, depreciation and impairment	**334**	1 429	**1 038**	4 336	4 848
Total operating expenses	**30 474**	21 392	**80 682**	87 329	111 512
Loss from operations	**(23 864)**	(21 392)	**(71 556)**	(85 347)	(108 924)
Other financial items, net	**(2 417)**	10 456	**(3 116)**	9 443	4 958
Profit (loss) before tax	**(26 281)**	(10 936)	**(74 672)**	(75 904)	(103 966)
Income tax benefit (expense)	**-**	-	**-**	437	419
Net profit (loss) for the period	**(26 281)**	(10 936)	**(74 672)**	(75 467)	(103 547)
Profit (loss) per share, basic and diluted	**(0.35)**	(0.26)	**(1.05)**	(2.45)	(2.65)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Quarters		Nine months		Full year
Amounts in NOK 1,000s	**Q3 2026**	Q3 2025	**2026**	2025	2025
Net profit (loss) for the period	**(26 281)**	(10 936)	**(74 672)**	(75 467)	(103 547)
Foreign currency translation adjustment	**74**	-	**27**	-	(24)
Total comprehensive income (loss) for the period, net of tax	**(26 208)**	(10 936)	**(74 645)**	(75 467)	(103 571)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Amounts in NOK 1,000s	**September 30, 2026**	September 30, 2025	December 31, 2025
Assets			
Non-current assets			
Goodwill	**-**	-	-
Intangible assets	**4 108**	4 964	4 780
Total intangible assets	**4 108**	4 964	4 780
Property, plant and equipment	**153**	570	423
Right-of-use assets	**-**	379	91
Non-current receivables	**539**	565	571
Total non-current assets	**4 799**	6 478	5 865
Current assets			
Prepaid expenses	**2 069**	4 884	2 935
Inventory	**62 223**	56 376	57 268
Accounts receivable, trade	**261**	830	517
Accounts receivable, other	**3 613**	2 649	3 183
Cash and cash equivalents	**12 124**	10 611	7 209
Total current assets	**80 291**	75 350	71 112
Total assets	**85 090**	81 828	76 977
Equity and liabilities			
Equity			
Share capital	**77 309**	56 910	62 601
Share premium	**41 209**	18 173	26 696
Share-based payment reserve	**7 679**	359	633
Foreign currency translation effects	**27**	-	(24)
Capital reduction reserves	**-**	-	-
Other equity (accumulated losses)	**(67 020)**	(49 074)	(75 176)
Total equity	**59 203**	26 368	14 731
Non-current liabilities			
Non-current non-interest-bearing loans	**-**	11 143	7 698
Other non-current financial liabilities	**-**	7 875	9 645
Non-current lease liabilities	**-**	-	-
Total non-current liabilities	**-**	19 018	17 343
Current liabilities			
Accounts payable	**15 441**	15 040	11 676
Current lease liabilities	**-**	1 149	844
Public duties payable	**856**	831	664
Interest-bearing loans	**-**	-	-
Other current financial liabilities	**-**	5 428	10 955
Other current liabilities	**9 590**	13 995	20 764
Total current liabilities	**25 887**	36 442	44 903
Total liabilities	**25 887**	55 461	62 246
Total equity and liabilities	**85 090**	81 828	76 977

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Quarters		Nine months		Full year
Amounts in NOK 1,000s	**Q3 2026**	Q3 2025	**2026**	2025	2025
Profit (loss) before tax	**(26 281)**	(10 936)	**(74 672)**	(75 904)	(103 966)
Adjustments to reconcile profit before tax to net cash flows:					
Amortization, depreciation and impairment expense	**334**	1 429	**1 038**	4 336	4 848
Share-based compensation expense	**2 720**	(1 577)	**10 559**	(4 960)	(4 732)
(Gain) loss on modification of financial liabilities, net	**-**	(7 686)	**3 284**	31 960	27 445
Value change convertible loan and warrants	**-**	(5 956)	**(9 645)**	(47 925)	(40 034)
Other financial items	**2 384**	4 116	**9 645**	8 140	-
Other operating cash flows:					
(Increase) decrease in inventories	**(890)**	(959)	**(4 955)**	(960)	(1 345)
(Increase) decrease in accounts receivables	**75**	8	**(174)**	(527)	(212)
Increase (decrease) in accounts payable	**6 526**	(1 108)	**3 765**	5 609	2 167
(Increase) decrease in other working capital items	**(1 441)**	(3 899)	**(10 792)**	9 599	26 522
Interest paid	**(2)**	-	**(226)**	(65)	-
Change in income taxes	**-**	-	**-**	284	286
Net cash flow used in operating activities	**(16 575)**	(26 553)	**(72 174)**	(70 413)	(89 021)
Investing activities					
(Purchases) sales of property, plant and equipment	**(50)**	-	**(117)**	-	(443)
Change in non-current receivables	**15**	80	**32**	40	-
Payments on non-current receivables	**-**	-	**-**	-	-
Interest received	**36**	77	**58**	186	214
Net cash flow used in investing activities	**(0)**	157	**(26)**	226	(229)
Financing activities					
Net proceeds from issuance of shares	**-**	27 368	**98 893**	60 710	76 718
Proceeds from borrowings	**-**	-	**-**	0	0
Repayments of borrowings	**-**	-	**(22 000)**	-	-
Paid, not registered capital	**-**	-	**-**	-	-
Payments on lease liabilities	**-**	(948)	**-**	(2 776)	(3 120)
Payment related to a financed asset purchase	**-**	-	**-**	-	-
Change in non-current payables	**-**	-	**-**	(0)	-
Net cash flow from financing activities	**-**	26 420	**76 893**	57 934	73 598
Net change in cash and cash equivalents	**(16 576)**	24	**4 693**	(12 254)	(15 652)
Effect of foreign exchange rate changes	**221**	649	**223**	39	35
Opening cash and cash equivalents balance	**28 478**	9 937	**7 209**	22 826	22 826
Cash and cash equivalents at period end	**12 124**	10 611	**12 124**	10 611	7 208