



# NEXT BIOMETRICS GROUP ASA

THE "JUPITER" LAUNCH – OCTOBER 27<sup>th</sup> 2015



# “Jupiter” = ..

Assigned project name since November 2014

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- Multinational – Brandname – TIER 1
- Notebook and/or Tablets and/or Smartphones
- 7-digit volumes – Minimum 1.2 million units

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“Jupiter” = ..

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# The Dell Deal..

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## Deal life cycle

- Signed November 2014
- Multiple launches Q4-2015
- Product life cycle first deal = 12 months +

## Preparations

- Approx 15 000 sensors delivered during preparations/ ramp-up
- All tests - Passed
- Most models will be using full sized 12\*17 mm sensors

## Status

- NEXT sensors so far integrated in Notebooks & Tablets
- NEXT targets to be integrated in more DELL products
- NEXT expects 2016-volumes to exceed former NEXT estimate of min 1.2 million units
- NEXT will not guide further on 2016 volume potential





# The Company..

## NEXT BIOMETRICS GROUP ASA

- Offices in Oslo, Seattle, Silicon Valley, Prague, Shanghai and Taipei
- 55 employees. Headquartered in Oslo. Majority of employees in the US and Taipei.
- Dedicated to development and commercialization of area fingerprint sensors based on the Active Thermal Principle

## Finances

- Public company listed at the Oslo Stock Exchange in June 2014
- \$30 million raised / \$ 5 million from FOXCONN raised in the IPO
- \$ 14.5 million investment from Greenbridge Partners / Ola Rollen & Melker Schorling – signed October 8<sup>th</sup>-2015 \*

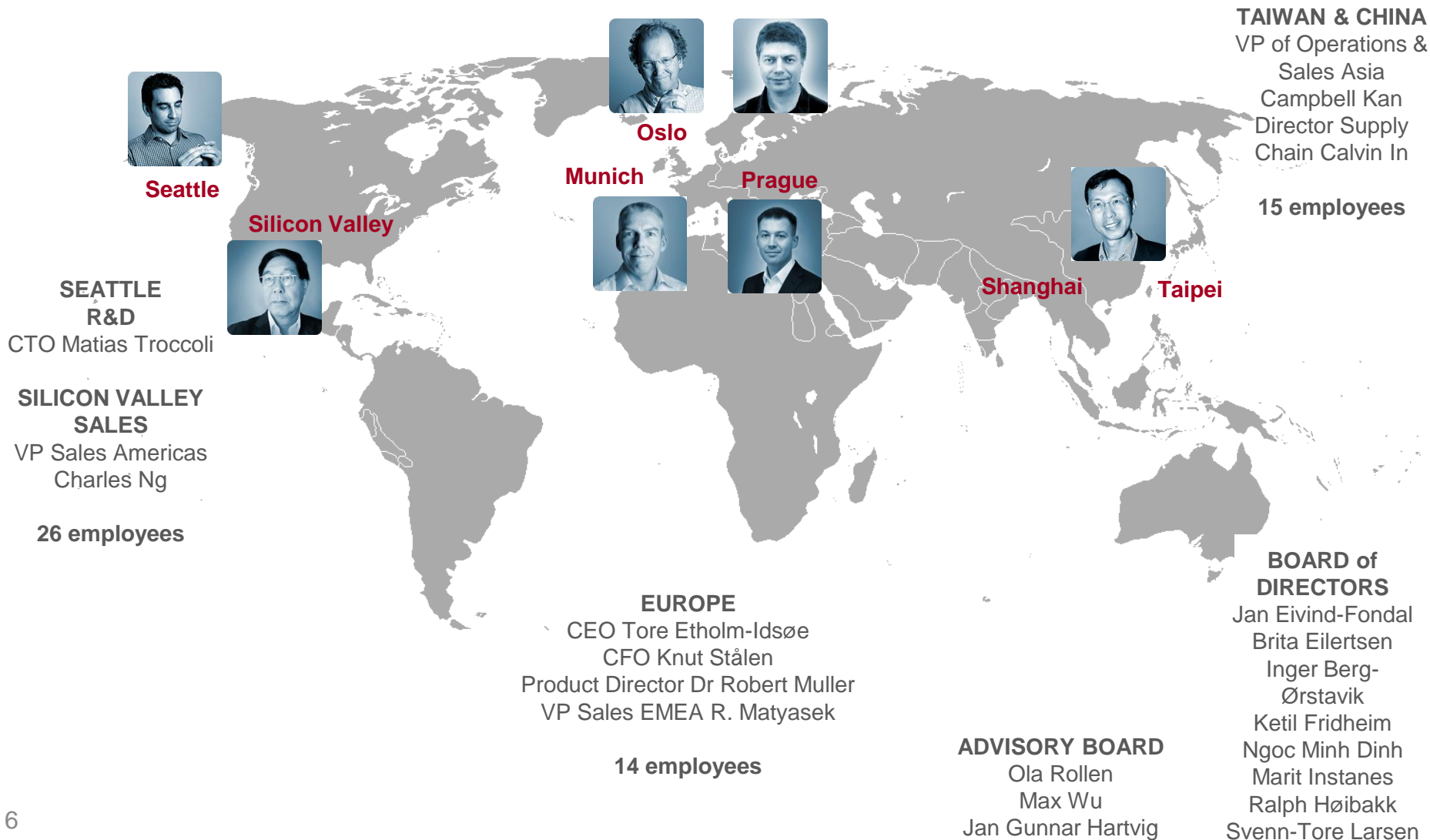
\* Contingent of approval in EGM November 2<sup>nd</sup>.





# NEXT Organisation...

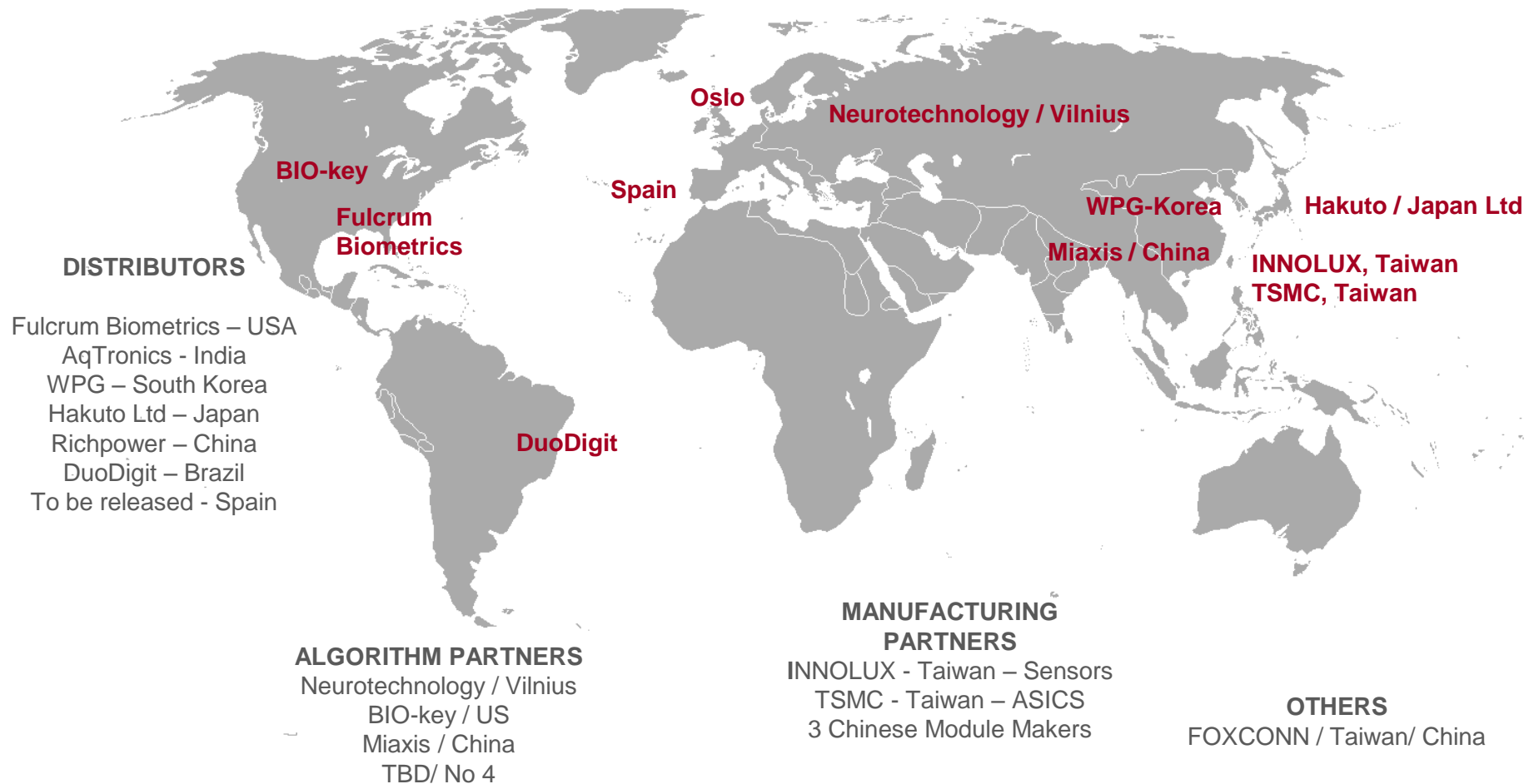
Exclusive of outsourced / partner resources





# NEXT Partners...

Exclusive of outsourced / partner resources





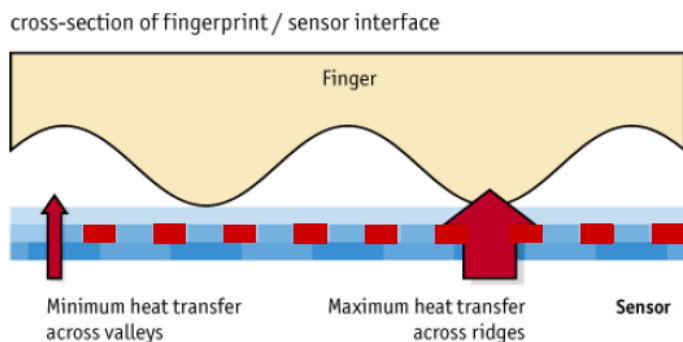
# The core technology

## Thermal conductivity vs Capacitive sensing

### Area sensor technology

#### Thermal conductivity

*A heat pulse is generated and a response measured by every pixel*

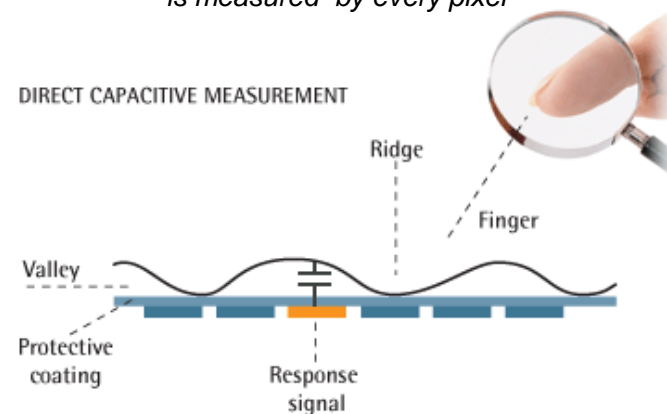


#### Players

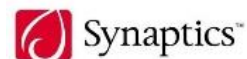


#### Capacitive sensing

*An electrical radio frequency signal is generated and response is measured by every pixel*



#### Players

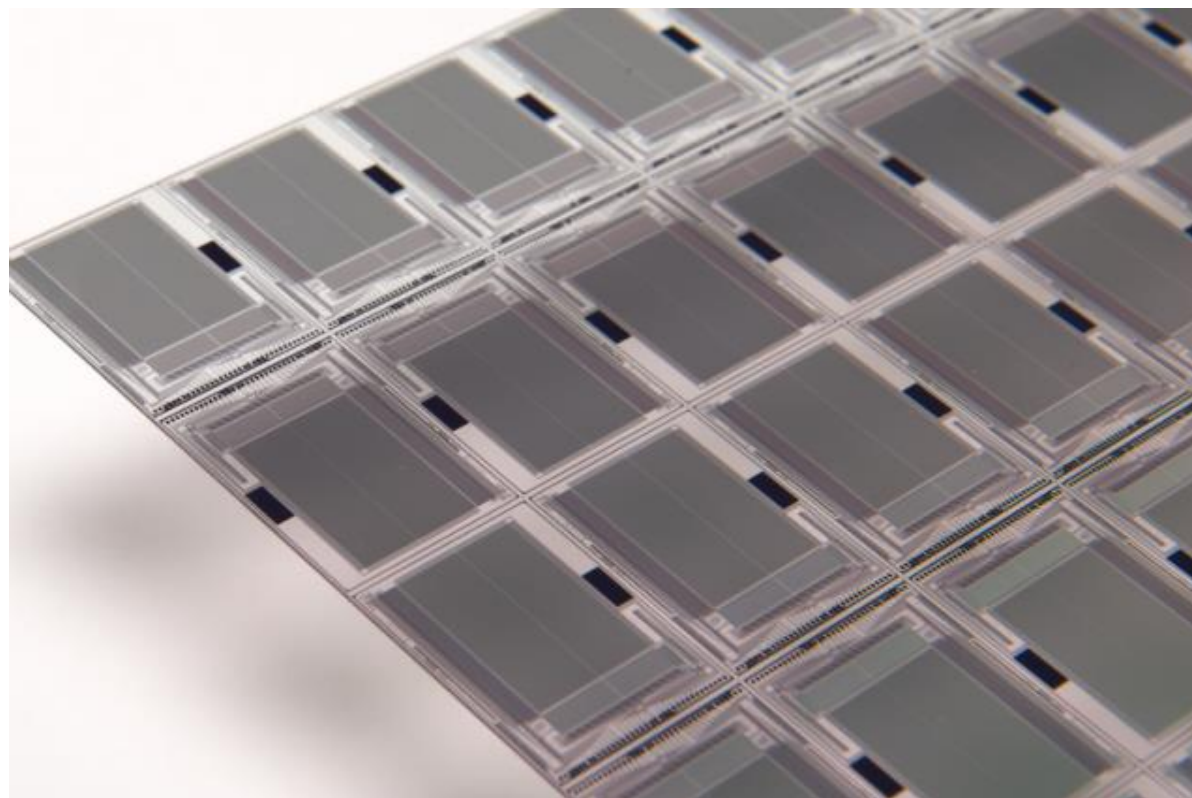
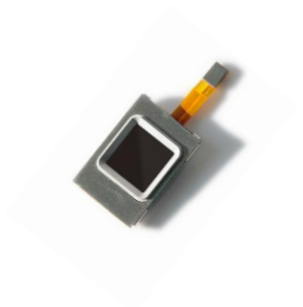


5-6 NEW CHINESE



# Unique access to game changing cost efficiency

Protected by patents and trade secrets at sensor and ASIC level..



**INNOLUX**

The Active Thermal Principle, patented and owned by NEXT, is based on transfer of heat from sensor into finger ridges and valleys

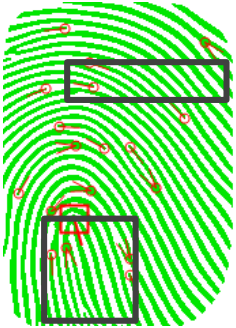
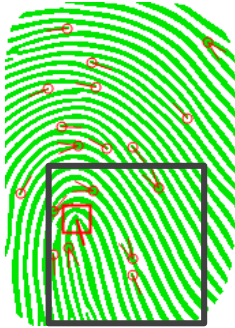
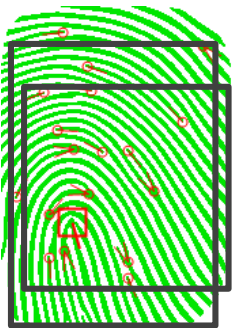
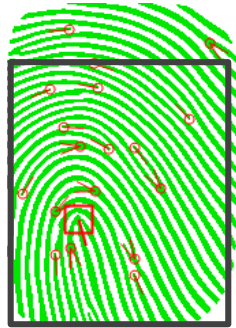
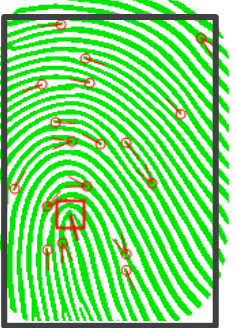


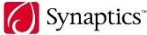

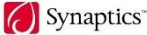



The unique simplicity of the NEXT Active Thermal pixel designs allows for mass production in standard high quality display fabs.

Facilitating mass production at a fraction of comparable competitors costs.



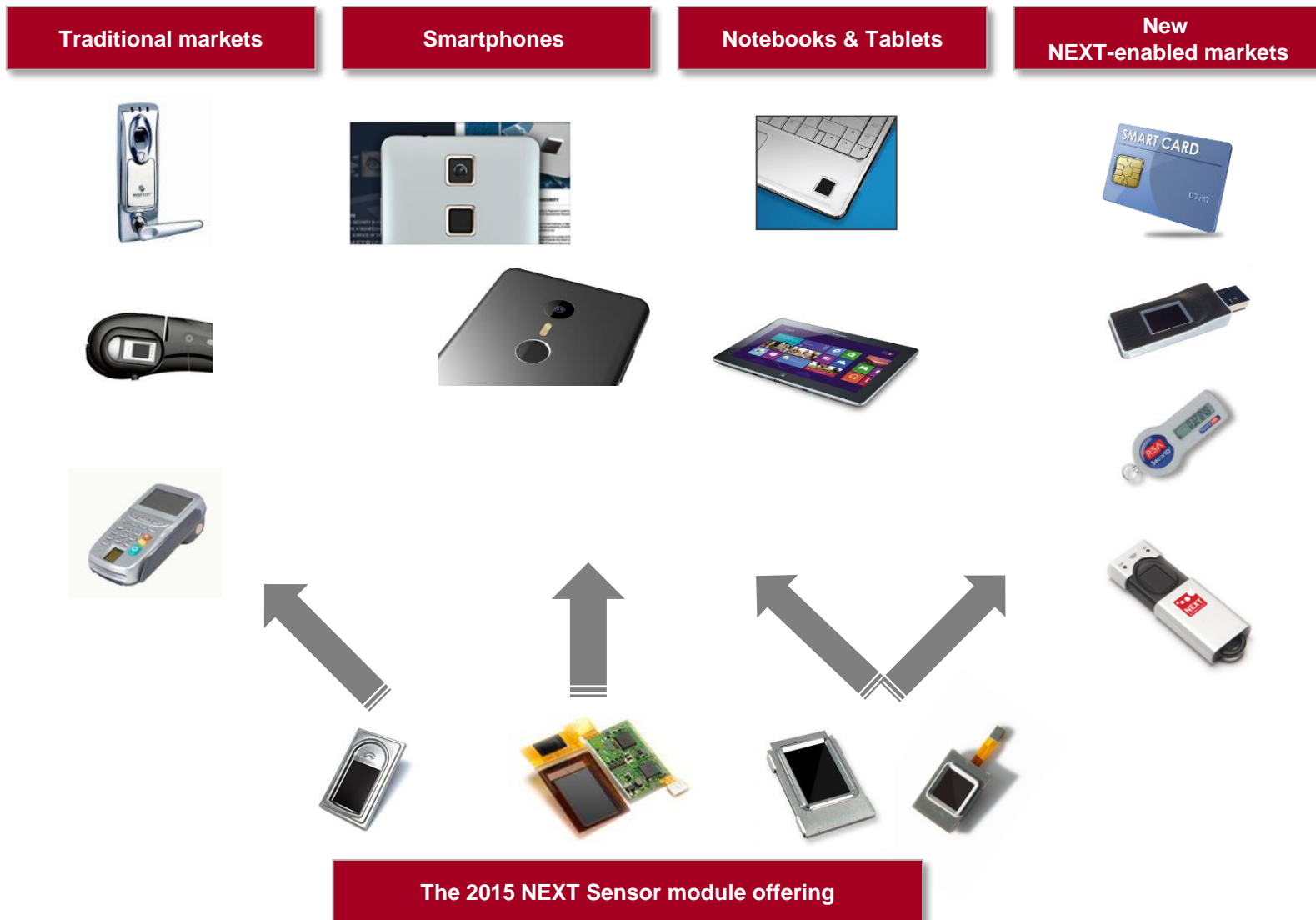
# Fingerprint sensor solutions by sensor size

## Competitive landscape

Convenience focused small formats		Formats offering both convenience & security		
				
  	 		 <b>FAP10</b>	
<p><b>30 – 45 mm<sup>2</sup></b>                      Format offering medium level of convenience at low level of security</p>	<p><b>64-92 mm<sup>2</sup></b>                      New low cost area sensor formats</p>	<p><b>201 mm<sup>2</sup></b>                      11.9 x 16.9 mm                      -&gt;  <b>144 mm<sup>2</sup></b>                      11.9*11.9 mm</p>	<p><b>211 mm<sup>2</sup></b>                      12.8 x 16.5 mm                      US NIST / FIPS201 standard for single fingerprint sensor device for user verification                      (capacitive, optical)</p>	<p><b>230 mm<sup>2</sup></b>                      12.8 x 18 mm                      No.1 in silicon area sensor markets                      FIPS approved</p>
Moderate user adoption		Specifications enabling very high levels of user adoption		



# Targeting a wide range of applications





# Smartcards

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## Summation Published Information

- NEXT production process – polysilicon is well positioned to create flexible sensors
- NEXT product director Dr Robert Muller is editor of the ISO committee defining the system-on-card standard

## Status

- NEXT has not yet proven or demonstrated a flexible sensor meeting all requirements of smartcard implementations

## NEXT Policy

- NEXT do not publish new products before it has been proven that they meet all mandatory requirements and that mass producibility has been proven.
- NEXT will not make further comments on this issue.



## 4 strong and significant competitive advantages..

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### Significantly lower pricing

- 70-80% cheaper than same size silicon area sensors
- 20-35% lower cost than tiny competitive area sensors

### Uncompromised security & convenience

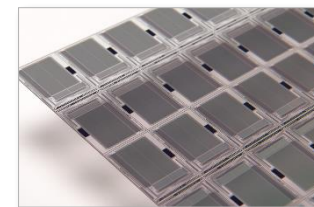
- Polysilicon technology allows robust sizes at low cost
- Company not forced to reduce size to stay price competitive

### Clean IP

- NEXT owns and controls the “Active Thermal Principle”
- No close competitors – No overlap with others..

### Flexibility of integration

- The NEXT module design allows low cost and fast adoptions to customer integration needs at module level





# Quality critical application requirements..

High-end Notebooks / Tablets / Smartphones & All other segments..

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“In mass market implementation context a fingerprint sensor system must work:

- Securely (FAR 1/10 000 or 1/ 100 000)
  - Conveniently (FRR < 1%)
  - Everyday (over the lifetime of the device)
  - Everywhere (indoor, outdoor, in dry, in humid conditions..)
- for
- 98% + of any given population

I

Applications not offering immediate access to pin-codes or passwords  
require a minimum size of 144 mm<sup>2</sup>.

II

NEXT is today the only supplier able to ship larger area sensors at mass market  
acceptable price levels.

# Q&A



## » Product / technology

## » Key NEXT Advantages

## » Financial / investors



» The "Madrid Report" - Confirming NEXT Superiority



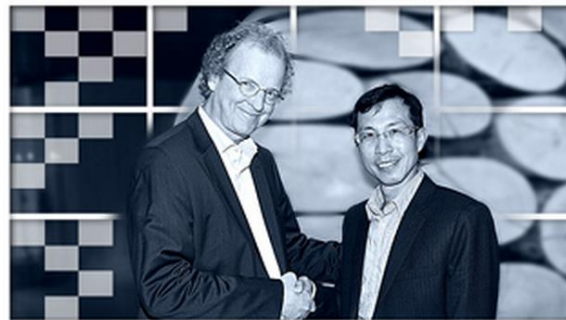
» Differentiating Smartphone sensor integration - Meeting quality dependent market specifications



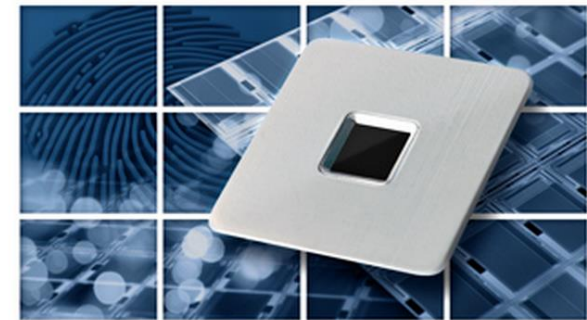
» NEXT receives order for 160 000 sensors



» Microsoft Managers highlight NEXT Biometrics in major Windows event



» Campbell Kan, New VP of Operations & Asia Sales



» SmartHome order for 100 000 sensors in segment of 7-digit opportunity