ellipticlabs

2026

Q3 Report (Unaudited)

AIVirtualSmartSensorPlatform™



Elliptic Labs — Q3 2026: Continued execution and entry into smart wearables

Elliptic Labs reports revenues from contracts with customers of mNOK 18.8 (8.1) for Q3 2026, an increase of 132% year-on-year. Revenue growth was primarily driven by minimum commitment revenue recognized under multi-year laptop agreements. For the first nine months of 2026, revenues from contracts with customers amounted to mNOK 48.6 (59.3), a decrease of 18%.

The company's two key verticals, laptop and smartphone, experienced challenging market conditions weighing on global shipment volumes in the quarter, including memory and cost constraints. Elliptic Labs' generated 15% YoY growth in laptop shipment volumes. Despite the growth in laptop shipments, volumes under agreements expected to contribute incremental volume revenue remained below the minimum commitment thresholds, limiting the contribution in the quarter. Smartphone shipment volumes decreased 44% YoY, reducing incremental volume revenues in the quarter.

Elliptic Labs launched its AI Virtual Smart Sensor Platform on 19 smartphone models and three laptop models during the quarter, contributing to a total of 56 smartphone models and 35 laptop models YTD per Q3 2026. The company also signed a contract extension with an existing smartphone customer covering two additional projects.

Elliptic Labs signed its first commercial contract in the smart wearables market with a leading ODM, marking its entry into a new device category. The product launch is currently expected in Q2 2027. The company also signed a proof-of-concept agreement with a new laptop customer to evaluate its AI Virtual Human Presence Sensor™ and continued customer engagement within smart glasses and other adjacent device categories.

Cost efficiency measures implemented earlier in 2026 reached their full cash effect in Q3. Based on the current cost base, estimated annualized savings amount to approximately mNOK 24 across operating expenses and capitalized development costs. In Q3 2026, operating expenses, excluding depreciation and amortization, decreased to mNOK 24.5 (29.9), while EBITDA improved to mNOK -5.7 (-21.5). Cash and cash equivalents amounted to mNOK 52.7 at quarter end.

Highlights from Q3 2026:

- 28th August 2026: Elliptic Labs signs its first commercial contract in the smart wearables market with a leading ODM, marking its entry into a new vertical
- 24th September 2026: Elliptic Labs signs a proof-of-concept (PoC) agreement with a new laptop customer to evaluate its AI Virtual Human Presence Sensor.
- 25th September 2026: Elliptic Labs signs a contract extension with an existing smartphone customer, covering two new smartphone projects in 2026.

Events after the End of the Quarter:

- 3rd November 2026, Elliptic Labs announced the launch of seven new commercial device models in October incorporating its AI Virtual Smart Sensor Platform, comprising two laptops and five smartphone models.

Outlook

Elliptic Labs remains focused on improving win rates, converting opportunities into signed agreements and driving long-term revenue growth, while maintaining disciplined cost and cash management.

Smartphones and laptops remain the primary revenue contributors for the remainder of 2026. Memory supply constraints and elevated component costs are expected to weigh on Q4 shipments, delaying laptop threshold crossings and resulting in lower incremental volume revenue than previously anticipated in both the laptop and smartphone verticals. The extent of the anticipated H2 revenue improvement is therefore more uncertain and depends on the timing, scope and terms of smartphone contract renewals in Q4. Opportunities to expand customer deployments and introduce additional features remain, although weaker market conditions increase uncertainty around renewal values and future volume revenue.

The cost efficiency measures implemented earlier in 2026 reached their full cash effect in Q3. Based on the current cost base, estimated annualized savings amount to approximately mNOK 24 across operating expenses and capitalized development costs. The leaner cost base provides a stronger foundation for improved profitability as revenue grows over time. Elliptic Labs will maintain its focus on cash management and allocate resources in line with its commercial and strategic priorities.

Elliptic Labs is pursuing opportunities within smart wearables, smart glasses and other adjacent device categories, alongside its horizontal Edge AI offering. The first commercial smart wearables contract represents a concrete step in this expansion, with product launch expected in Q2 2027. Revenue contributions from newer initiatives are expected to gradually materialize from 2027 onwards.

Message from the CEO

Dear Shareholders,



During the third quarter, we reached an important milestone in our strategy with our first design win in wearables, specifically a smart watch project. This marks our entry into a new device category for the first time since expanding into PC/laptop in 2021. It reflects the focused efforts across our organization to bring our software-based sensing technology to new markets.

I am proud of the work our teams have put into reaching this milestone, and encouraged to see our technology gaining recognition across new device categories. Project delivery is ongoing with our trusted technology partners, and we expect the customer to launch in Q2 of 2027.

During Q3, we also made good progress in smart glasses, engaging with several leading and emerging vendors in Asia. Opportunities range from initial demonstrations and discussions around upcoming product developments to more in-depth technical evaluations. Smart glasses are particularly interesting to us, as space, power consumption and design flexibility are critical. Introducing privacy-aware sensing through software, without dedicated hardware, is a compelling proposition.

Our established verticals face challenging market conditions driven by high memory prices, with global volumes in parts of our business down approximately 20% this quarter. While market demand is outside our control, the value we deliver to customers is not. We remain focused on strengthening our positions through reliable delivery, continued innovation, expanded functionality and broader customer outreach. In laptops, our attention is on executing contracts secured over the past two years and preparing for upcoming customer launches.

Our sales process often includes a Proof of Concept (PoC), where customers evaluate our technology in their devices before making a commercial decision. During the quarter, we signed a PoC agreement with a new laptop customer for our Human Presence Sensor. While further evaluation and a commercial decision remain ahead, this is an important step in broadening our customer base and strengthening our laptop market position.

Our underlying edge AI software enables us to develop and deploy advanced features on limited hardware resources. We are now finalizing the productization of our horizontal edge AI offering and introducing it to potential customers for hands-on evaluation. This opens new opportunities for Elliptic Labs beyond our established markets.

With our first design win in wearables, growing engagement in smart glasses and continued progress across our existing business, we are steadily building a broader foundation for future growth.

Ola Tviberg Sandstad

CEO

Financial summary for the Group's YTD Q3 2026 (unaudited)

Comparable amounts are presented in parentheses and refer to Q3 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 123% increase year-on-year to mNOK 18.8 (8.5) in Q3 2026. Total revenue and other operating income for Q3 2026 included mNOK 0.0 (0.4) in Other operating income from grants. Revenues from contracts with customers increased by 132% to mNOK 18.8 (8.1) from Q3 2025 to Q3 2026.

The YTD 2026 revenues from contracts with customers was mNOK 48.6, a 18% decrease from mNOK 59.3 YTD 2025. Total revenue and other operating income YTD 2026 was mNOK 48.7 (60.4), a 19% decrease.

Revenue development during the quarter reflected the timing and mix of contract revenue and incremental volume revenue under minimum commitment agreements. Laptop revenue increased year-on-year, primarily driven by minimum commitment revenue recognized under two multi-year agreements entered into in 2025. Smartphone revenue decreased year-on-year, primarily due to lower incremental volume revenue, reflecting lower smartphone shipment volumes in the quarter.

The laptop and smartphone segments experienced challenging market conditions in the quarter, including memory and cost constraints weighing on global shipment volumes. Elliptic Labs' laptop shipment volumes increased 15% year-on-year, but volumes under agreements expected to contribute incremental volume revenue were below expectations and remained below the required thresholds, limiting the revenue contribution in the quarter. Smartphone shipment volumes decreased 44% year-on-year, reducing incremental volume revenue. Incremental volume revenue was lower year-on-year in both segments.

Operating expenses and EBITDA

Operating expenses amounted to mNOK 24.5 (29.9) in Q3 2026, excluding depreciation and amortization. For YTD 2026 the figure was mNOK 72.0 (82.4).

Employee benefit expenses amounted to mNOK 19.3 (23.1) in Q3 2026, including mNOK 1.5 (1.4) in expenses related to the Group's share option program. Other operating expenses were mNOK 5.2 (6.8). For YTD 2026 Employee benefit expenses amounted to mNOK 53.9 (63.4), including mNOK 2.5 (1.6) in expenses related to the Group's share option program. Other operating expenses in YTD 2026 was mNOK 18.1 (19.1).

The Q3 2026 decrease in Employee benefit expenses primarily reflects 20 fewer FTEs compared to Q3 2025, following the cost efficiency measures implemented earlier in 2026 and continued disciplined headcount management. Other operating expenses have decreased compared with Q3 2025, mainly because Q3 2025 included an increase in the provision for expected credit losses on trade receivables of mNOK 1.5 (Q3 2026: mNOK 0.1). This was partly offset by higher patent costs, mainly due to a non-cash estimate adjustment of mNOK 0.4.

Group EBITDA was mNOK -5.7 (-21.5) in Q3 2026, and mNOK -23.3 (-22.0) YTD 2026.

Operating profit (EBIT)

The operating loss in Q3 2026 was mNOK -12.1 (-27.7). For YTD 2026 the operating loss was mNOK -42.8 (-39.6).

Depreciation and amortization amounted to mNOK 6.5 (6.3) in Q3 2026 and mNOK 19.5 (17.5) YTD 2026. The YTD increase mainly reflects higher amortization of capitalized development intangibles, as well as a slight increase in depreciation charges on lease contracts.

Financial items

In Q3 2026, net financial items amounted to mNOK -2.9 (-0.9). The primary factor explaining the negative financial items this quarter is the agio effect from unrealized foreign exchange losses on balance sheet items, driven by currency fluctuations.

Financial items for YTD 2026 was mNOK -5.8 (-13.5), mainly due to unrealized foreign exchange losses on balance sheet items.

Profit/loss

Profit before tax in Q3 2026 was mNOK -15.1 (-28.7). The loss before tax for YTD 2026 was mNOK -48.6 (-53.1).

The tax expense was mNOK 0.0 (5.9), resulting in a loss after tax of mNOK -15.1 (-22.8) for Q3 2026. The tax expense was mNOK -0.2 (10.1) for YTD 2026, resulting in a loss of mNOK -48.7 (-43.0).

Cash flow

The Cash flow from operating activities in Q3 2026 was mNOK 0.1 (6.5), as the loss in the period was offset by a positive change in other current assets and liabilities, mainly related to the receipt of the 2025 SkatteFUNN grant.

Cash flow from investing activities was mNOK -4.4 (-6.5) mainly related to capitalized development costs. Cash flow from financing activities was mNOK -1.9 (-2.1), due to payments and interest of lease liabilities.

The Cash flow from operating activities for YTD 2026 was mNOK -26.0 (9.3). Cash flow from investing activities was mNOK -14.1 (-20.1), mainly due to capitalized development costs. Cash flow from financing activities was mNOK 50.0 (-8.4), 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 52.7 (54.8). The cash flow from operations is within management expectations.

Financing and debt

The Group's equity at quarter end was mNOK 197.3 compared to 188.0 at year end. The Group had Total non-current liabilities of mNOK 5.4 (8.3) at the end of Q3 2026.

Total liabilities were mNOK 22.1 (33.7).

Trade receivables amounted to mNOK 77.9 at the end of the quarter, compared to mNOK 81.0 at year end 2025 and mNOK 70.2 in Q3 2025. 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 52.7 (43.1). The Group continuous to maintain a disciplined approach to costs and cash management.

Risks and uncertainty factors

Liquidity risk

Elliptic Labs is exposed to liquidity risk and is dependent on maintaining sufficient cash resources to fund its operations and continued R&D activities. At the end of Q3 2026, the company had a cash position of mNOK 52.7. The private placement completed in March strengthened the company's financial position, while cost efficiency measures implemented earlier in 2026 had their full cash effect in Q3. Liquidity development going forward depends on commercial performance and the timing of customer payments. The company continues to focus on driving revenue growth and improving cash generation through commercial execution, alongside cost control, investment discipline and working capital management.

Risks related to U.S. tariffs and trade policy

U.S. tariffs and trade policy remain a source of uncertainty for global consumer electronics and PC markets. Changes in tariff rates, product exemptions and other trade measures may affect pricing, demand and supply chains, influencing customer product planning, launch timing and shipment volumes. These developments could affect Elliptic Labs' revenue and financial performance.

Market and component supply risk

Market conditions, including memory supply constraints and elevated component costs, may affect customer product planning, launch timing and shipment volumes within smartphones and PCs. These factors may influence Elliptic Labs' revenue development and the timing of contributions under customer agreements. The company maintains close dialogue with customers and monitors market developments.

Competence and retention risk

Elliptic Labs is dependent on attracting and retaining employees with key technical and commercial expertise. The company has not experienced material disruption related to employee retention to date, but competition for relevant competence remains high, and the loss of key personnel or challenges in recruitment could affect product development, customer delivery and commercial execution.

Geopolitical risk

Geopolitical conflicts and tensions, including the war in Ukraine and the ongoing conflict involving Iran and the wider Middle East, have not had a direct material impact on Elliptic Labs' operations to date. However, disruptions to shipping routes and energy supplies, together with sanctions and other restrictions, may affect supply chains, costs, customer demand and OEM planning. The company monitors these developments and their potential implications for its operations and customers.

Foreign exchange risk

Elliptic Labs is exposed to foreign exchange risk, as all revenue from contracts with customers is denominated in USD, while the largest portion of operating expenses is denominated in NOK. Exchange rate fluctuations affect revenue and expenses translated into NOK, as well as the value of foreign currency assets and liabilities, and consequently profit before tax.

Please refer to the 2025 annual report for further information on the company's operational and financial risks.

Consolidated financial statements

Consolidated statement of comprehensive income

For the financial period ended 30 September 2026 and 2025, and 31 December 2025.

(Amounts in 000 NOK)	*Notes*	Q3 2026 (Unaudited)	Q3 2025 (Unaudited)	YTD 2026 (Unaudited)	YTD 2025 (Unaudited)	2025 (Audited)
Revenues from contracts with customers		18 816	8 095	48 619	59 315	101 306
Other operating income	8	—	357	119	1 072	1 430
Total revenue and other operating income	2	**18 816**	**8 453**	**48 738**	**60 387**	**102 736**
Employee benefit expenses		-19 256	-23 128	-53 897	-63 365	-90 438
Other operating expenses	3	-5 219	-6 798	-18 126	-19 070	-34 775
EBITDA		**-5 659**	**-21 473**	**-23 284**	**-22 048**	**-22 477**
Depreciation and amortization	4,5	-6 491	-6 269	-19 468	-17 528	-24 763
Operating expenses		**-30 966**	**-36 194**	**-91 491**	**-99 962**	**-149 976**
Operating profit		**-12 150**	**-27 742**	**-42 752**	**-39 575**	**-47 240**
Financial income		801	1 194	2 162	3 670	4 546
Financial expenses		-3 727	-2 104	-7 984	-17 191	-17 337
Net financial income/(expenses)		**-2 925**	**-910**	**-5 822**	**-13 521**	**-12 791**
Profit/(loss) before tax		**-15 075**	**-28 652**	**-48 575**	**-53 096**	**-60 031**
Income tax expense		-4	5 869	-151	10 074	-79 930
Profit/(loss)		**-15 079**	**-22 783**	**-48 726**	**-43 023**	**-139 961**
Other comprehensive income:						
Foreign currency rate changes, may be reclassified to profit or loss		-249	-72	-365	-898	-838
Other comprehensive income, net of tax		**-249**	**-72**	**-365**	**-898**	**-838**
Total comprehensive income for the period		**-15 328**	**-22 855**	**-49 091**	**-43 921**	**-140 799**
Profit/Loss for the period is attributable to:						
Equity holders of the parent company		-15 328	-22 855	-49 091	-43 921	-140 799
Earnings per share outstanding		-0.12	-0.22	-0.40	-0.42	-1.33
Earnings per share fully diluted		-0.12	-0.22	-0.40	-0.42	-1.33

Consolidated statement of financial position

At 30 September 2026, 31 December 2025 and 30 September 2025, respectively

(Amounts in 000 NOK)	*Notes*	**30/09/26** *(Unaudited)*	**31/12/25** *(Audited)*	**30/09/25** *(Unaudited)*
Non-current assets				
Deferred tax assets		—	—	87 141
Intangible assets	4	67 277	71 454	72 121
Right of use assets	5	10 493	12 130	12 457
Property, plant and equipment	5	199	281	308
Non-current receivables		4 562	5 619	5 442
Total non-current assets		**82 532**	**89 484**	**177 469**
Current assets				
Current trade receivables		77 938	81 004	70 188
Other current receivables		6 236	8 116	7 808
Cash and cash equivalents	7	52 699	43 058	54 806
Total current assets		**136 873**	**132 178**	**132 802**
Total assets		**219 405**	**221 662**	**310 271**
Equity and liabilities				
Share capital		1 263	1 053	1 053
Other equity		196 020	186 942	283 475
Total equity		**197 283**	**187 995**	**284 528**
Non-current lease liabilities		5 435	8 308	8 460
Total non-current liabilities		**5 435**	**8 308**	**8 460**
Trade and other current payables		1 785	2 003	2 172
Current lease liabilities		6 123	4 800	4 706
Other current liabilities	9	8 779	18 556	10 405
Total current liabilities		**16 687**	**25 358**	**17 283**
Total equity and liabilities		**219 405**	**221 662**	**310 271**

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
Shareholders' equity at 01.01.2026	**1 053**	**359 956**	**-173 169**	**155**	**187 995**
Profit (loss) for the period	—	—	-48 726	—	-48 726
Other comprehensive income for the period	—	—	—	-365	-365
Total comprehensive income for the period	**—**	**—**	**-48 726**	**-365**	**-49 091**
Transactions with owners:					
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	—	—	2 451	—	2 451
Shareholders' equity at 30.09.2026	**1 263**	**415 673**	**-219 444**	**-210**	**197 283**

2025 (Amounts in 000 NOK)	Share capital	Other paid in capital	Other equity	Translation reserve	Total equity
Shareholders' equity at 01.01.2025	**1 053**	**359 833**	**-36 537**	**993**	**325 341**
Profit (loss) for the period	—	—	-43 023	—	-43 023
Other comprehensive income for the period	—	—	—	-898	-898
Total comprehensive income for the period	**—**	**—**	**-43 023**	**-898**	**-43 921**
Transactions with owners:					
Capital increase through issuance of ordinary shares	—	123	—	—	123
Employee share schemes	—	—	2 984	—	2 984
Shareholders' equity at 30.09.2025	**1 053**	**359 956**	**-76 576**	**95**	**284 528**

Consolidated statement of cash flows

For the financial period ended 30 September 2026 and 2025, and 31 December 2025.

(Amounts in 000 NOK)	(Unaudited) Q3 2026	(Unaudited) Q3 2025	(Unaudited) YTD 2026	(Unaudited) YTD 2025	(Audited) 2025
Cash flow from operating activities					
Profit/(loss) before tax	-15 075	-28 652	-48 575	-53 096	-60 031
Adjustment for:					
Taxes paid in the period	-669	-801	-2 370	-2 429	-6 093
Depreciation, amortization and impairment	6 759	6 493	21 368	17 898	25 325
Share-based payment expense	1 483	1 426	2 451	2 984	3 330
Net financing and investing items	-412	904	348	4 303	3 023
Other non cash items	2 250	1 622	5 802	4 344	8 274
Change in current trade receivable	876	23 510	3 066	40 748	29 932
Change in trade payables	-1 223	-3 498	-218	872	702
Change in other current assets and liabilities	6 092	5 523	-7 897	-6 310	1 533
Net cash flows from operating activities	**81**	**6 528**	**-26 024**	**9 315**	**5 994**
Cash flow from investing activities					
Payments of property, plant and equipment	—	—	—	-31	-31
Payments of intangible assets	-4 661	-7 036	-15 544	-21 959	-29 052
Interest received	267	518	493	1 613	1 986
Proceeds from repayment of deposits	218	—	1 399	323	323
Payment of deposits	-197	—	-406	-81	-81
Net cash flows from investing activities	**-4 373**	**-6 518**	**-14 057**	**-20 135**	**-26 855**
Cash flow from financing activities					
Repayments of lease liabilities	-1 692	-1 674	-5 092	-5 218	-6 895
Repayments of current borrowings	—	—	—	-2 000	-2 000
Proceeds from issuing shares	—	—	59 993	123	123
Payments for share issue costs	—	—	-4 065	—	—
Paid interest on borrowings	—	—	—	-52	-52
Paid interest on lease liabilities	-242	-378	-821	-1 249	-1 487
Net cash flows from financing activities	**-1 934**	**-2 053**	**50 015**	**-8 395**	**-10 311**
Net Change in Cash and Cash Equivalents	**-6 225**	**-2 043**	**9 933**	**-19 216**	**-31 172**
Cash and cash equivalents at the beginning of the period	59 021	56 955	43 058	76 390	76 390
Translation differences	-97	-105	-291	-2 368	-2 160
Cash and cash equivalents at the end of period	**52 699**	**54 806**	**52 699**	**54 806**	**43 058**

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

The same accounting policies and methods of computation have been applied as in the latest annual statement.

The Group's assessment of the impact of IFRS 18 Presentation and Disclosure in Financial Statements, effective from 1 January 2027, is ongoing.

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. Management has assessed the Group's ability to continue as a going concern and concluded that the going concern basis of preparation remains appropriate and that no material uncertainty exists that would cast significant doubt on the Group's ability to continue as a going concern.

Note 2 – Total revenue and other operating income

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

(Amounts in 000 NOK)	Q3 2026	Q3 2025	YTD 2026	YTD 2025	2025
Revenue recognized over time	—	—	—	12 622	12 622
Revenue recognized at point in time	18 816	8 095	48 619	46 692	88 684
Total revenue from contracts with customers	**18 816**	**8 095**	**48 619**	**59 315**	**101 306**

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 30 September 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 30 September 2026 was approximately mNOK 15.2. 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)	Q3 2026	Q3 2025	YTD 2026	YTD 2025	2025
Smartphones	3 872	5 688	21 723	36 525	60 080
PC/Laptops	14 944	2 407	26 896	22 790	41 226
Total revenue from contracts with customers	**18 816**	**8 095**	**48 619**	**59 315**	**101 306**

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

	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(Amounts in 000 NOK)	**Q3 2026**	**Q3 2025**	**YTD 2026**	**YTD 2025**	**2025**
Sales and marketing expenses	1 004	1 015	3 347	4 836	6 503
Short-term lease expenses	406	397	1 020	1 248	1 554
Electricity, heating and other property expenses	395	572	1 175	1 665	2 291
Consultants	877	872	3 886	2 794	4 036
Auditor	277	-5	1 598	1 290	1 942
Legal	89	157	858	404	1 015
Patents	1 080	768	2 986	1 498	3 828
IT/Software	748	842	2 376	2 438	3 894
Other expenses	314	816	1 336	1 737	1 872
Impairment of trade receivables, ECL provision	131	1 461	-149	1 461	629
Write-offs of trade receivables	—	—	—	—	7 692
Government grants recognized as other cost reduction	-103	-96	-308	-301	-478
Total other operating expenses	**5 219**	**6 798**	**18 126**	**19 070**	**34 775**

Management has reassessed the expected credit loss allowance on trade receivables as at 30 September 2026 and concluded that no changes to the methodology or significant assumptions are required.

Note 4 - Intangible assets

2026 (Amounts in 000 NOK)	**Patents**	**Trademark**	**Capitalized development**	**Total intangible assets**
Cost at 01.01.2026	24 757	196	122 900	147 852
Additions	888	—	11 904	12 792
Disposals	-1 901	—	—	-1 901
Cost at 30.09.2026	**23 744**	**196**	**134 804**	**158 744**
Accumulated amortization charges 01.01.2026	14 433	6	61 959	76 398
Amortization charges	890	—	14 180	15 070
Disposals	-1	—	—	-1
Accumulated amortization charges 30.09.2026	**15 322**	**6**	**76 139**	**91 467**
Net booked value as at 30.09.2026	**8 422**	**190**	**58 665**	**67 277**
Useful life:	5	5	5	
Amortization method:	Straight-line	Straight-line	Straight-line	

2025 (Amounts in 000 NOK)	Patents	Trademark	Capitalized development	Total intangible assets
Cost at 01.01.2025	23 550	24	99 996	123 569
Additions	2 765	—	16 710	19 475
Cost at 30.09.2025	**26 315**	**24**	**116 706**	**143 044**
Accumulated amortization charges 01.01.2025	13 386	6	43 925	57 317
Amortization charges	770	—	12 834	13 604
Accumulated amortization charges 30.09.2025	**14 156**	**6**	**56 759**	**70 921**
Net booked value as at 30.09.2025	**12 158**	**18**	**59 947**	**72 121**
Useful life:	5	5	5	
Amortization method:	Straight-line	Straight-line	Straight-line	

Management has assessed impairment indicators for the Group's intangible assets as at 30 September 2026 and concluded that no impairment loss is required.

Note 5 - Property, plant and equipment

2026 (Amounts in 000 NOK)	Right-of-use assets	Furniture and fixtures	Total tangible assets
Cost at 01.01.2026	24 686	545	25 231
Additions	2 809	—	2 809
Disposals	-1 765	—	-1 765
Cost at 30.09.2026	**25 730**	**545**	**26 275**
Accumulated depreciation charges 01.01.2026	12 556	264	12 820
Current year depreciation	4 317	82	4 399
Disposables	-1 636	—	-1 636
Accumulated depreciation charges at 30.09.2026	**15 237**	**346**	**15 583**
Net booked value as at 30.09.2026	**10 493**	**199**	**10 692**
Useful life:	1-5	5	
Amortization method:	Straight-line	Straight-line	

2025 (Amounts in 000 NOK)	Right-of-use assets	Furniture and fixtures	Total tangible assets
Cost at 01.01.2025	23 433	514	23 948
Additions	—	31	31
Disposals	—	—	—
Cost at 30.09.2025	**23 433**	**545**	**23 979**
Accumulated depreciation charges 01.01.2025	7 132	157	7 290
Current year depreciation	3 844	80	3 924
Disposals	—	—	—
Accumulated depreciation charges at 30.09.2025	**10 976**	**237**	**11 213**
Net booked value as at 30.09.2025	**12 457**	**308**	**12 765**
Useful life:	1-5	5	
Amortization method:	Straight-line	Straight-line	

Note 6 – Share option programs

As of 30 September 2026, the Group has option programs that includes a total of 62 employees and 5 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 2026 AGM until the date of resignation pro rata in relation to the period from the 2026 AGM until the Vesting Date.

As of 30 September 2026, the total number of outstanding options for both employees, management and BoD when converted into shares, was 5 095 358 of which 275 000 were already vested. The option program entitles the employees to approximately 3.88% of the fully diluted outstanding shares, which includes all outstanding options. The fully diluted outstanding share count on 30 September 2026 was 131 432 123.

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 3 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

(Amounts in 000 NOK)	30.09.2026	31.12.2025
Cash and cash equivalents	52 699	43 058
Of which are restricted cash:		
Restricted bank deposits	2 869	5 290
Not restricted cash	**49 831**	**37 768**

Note 8 – Government grants

The table below sets forth the treatment of government grants.

(Amounts in 000 NOK)	Q3 2026	Q3 2025	YTD 2026	YTD 2025	2025
Recognized as income from other sources	—	357	119	1 072	1 430
Reduction of capitalized development	910	910	2 730	2 730	2 990
Recognized as payroll cost reduction	175	175	525	525	1 282
Recognized as other cost reduction	103	103	308	308	478
Total government grants	**1 188**	**1 545**	**3 682**	**4 635**	**6 180**

Note 9 - Commitments and contingencies

Elliptic Labs entered into a severance agreement with the former CEO in Q4 2025. The Group recognized a provision for the full severance amount as of 31 December 2025.

As of September 2026, the remaining provision amounted to mNOK 1.0, all of which is conditional. 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.

(Amounts in 000 NOK)	*Notes*	Q3 2026 (Unaudited)	Q3 2025 (Unaudited)	YTD 2026 (Unaudited)	YTD 2025 (Unaudited)	2025 (Audited)
Revenues from contracts with customers		18 816	8 095	48 619	59 315	101 306
Other operating income	8	—	357	119	1 072	1 430
Total revenue and other operating income	2	**18 816**	**8 453**	**48 738**	**60 387**	**102 736**
Employee benefits expenses		-19 256	-23 128	-53 897	-63 365	-90 438
Other operating expenses	3	-5 219	-6 798	-18 126	-19 070	-34 775
EBITDA		**-5 659**	**-21 473**	**-23 284**	**-22 048**	**-22 477**

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

(Amounts in 000 NOK)	Q3 2026	Q2 2026	Q1 2026	Q4 2025	LTM
Revenues from contracts with customers	18 816	12 915	16 888	41 992	**90 611**
EBITDA	-5 659	-5 090	-12 534	-429	**-23 713**

Note 11 – Subsequent events

There have been no material events after the end of Q3 2026 that require adjustments to or disclosure in the interim financial statements. The following information has, however, been disclosed on Newsweb in accordance with Elliptic Labs' established practice:

On the 3rd of November 2026, Elliptic Labs announced the launch of seven new commercial device models in October incorporating its AI Virtual Smart Sensor PlatformTM, comprising two laptops and five smartphone models.

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