

ellipticlabs

# 2025

## Q1 Report (Unaudited)

AI Virtual Smart Sensor Platform™



Seamless



Proximity



Presence



Distance



Gesture



Positioning



Connection



Breathing



Heartbeat

## Elliptic Labs — Q1 2025: Revenue from customers up 20% YoY with stable cash position and rapid launch pace

Elliptic Labs reports Revenues from contracts with customers of NOK 26.6 million for 2025, an increase from NOK 22.2 million 2024, representing an increase of 20%. Total revenue and other operating income was NOK 27.0 million (22.6) for the first quarter 2025. This corresponds to a Total revenue and other operating income increase of 19% year-over-year.

Elliptic Labs is setting a high growth trajectory through rapid scaling of its product portfolio and deployment footprint. In the first months of 2025, the company launched its platform on 23 new laptop models, including seven featuring dual-sensor configurations. By May 2025 we have already surpassed the number of laptops launched in FY 2024 by more than 50% and almost doubled the number of AI Virtual Smart Sensors deployed in laptops.

In the smartphone segment, Elliptic Labs has launched its platform on 23 new models year-to-date, with firm commitments secured for an additional 45 models to be launched later in the year. This commercial progress not only illustrates the company's accelerating momentum but also its ability to drive customer value and execute on its expansion strategy.

### Highlights from Q1 2025:

- Launched on 16 new laptop models, including four featuring dual-sensor configurations
- Launched on 11 new smartphones, with firm commitments for 45 additional models to be launched this year
- Revenues from customers NOK 26.6m, up 20% year-on-year
- EBITDA NOK -1.6m (NOK -3.3m in Q1 '24)

### Events after the End of the Quarter:

- Expanded with Current Smartphone Customer Under a Multi-Year Agreement
- Elliptic Labs Signs New Expansion License Contract with Existing Customer for 11 Smartphone Models
- Launched on seven new laptops, including three featuring dual-sensor configurations
- Launched on 12 new smartphones

Elliptic Labs continues to lead in AI Virtual Smart Sensor Platform, demonstrating its ability to scale efficiently and profitably while solidifying its position in the rapidly evolving AI-native device market.

## Outlook

Elliptic Labs increased Revenues from contracts with customers to NOK 26.6 million for Q1 2025, an increase from NOK 22.2 million in Q1 2024, representing an increase of 20%. From the commercial progress achieved over the recent months and quarters, the company is in a stronger position than ever to realize growth going forward.

So far in 2025, Elliptic labs has deployed 30 AI Virtual Smart Sensors across 23 laptops, up from 16 AI Virtual Smart Sensors across 15 laptops in for the full year 2024, demonstrating a clear growth trajectory for the company. Further, 23 smartphones have been launched so far in the year with 45 firm commitments already secured. As we move through the second quarter we see great promise for the remainder of the year.

Multiple products per device is a clear driver of solid revenue growth with vast potential going forward. The growing laptop contract portfolio with increasing number of dual-sensor configurations reflects the company's strategic focus to secure significant volume commitments in new contracts while maximizing the value of existing agreements.

Looking ahead, both Gartner and Canalys indicate that evolving product strategies—especially the rising incorporation of dedicated AI accelerators—are set to reshape the market. Canalys forecasts that AI-capable PCs will account for 37% of global shipments in 2025, reflecting a significant shift in consumer and enterprise priorities as manufacturers invest in next-generation technologies .

As Elliptic Labs continues to execute on its growth journey there will continue to be fluctuations in revenue recognition from timing of milestone revenues, launches and shipments in the market. Our focus remains on commercial expansion, building the foundation for significant profitable growth for the years to come.

Elliptic Labs the only company to have deployed AI Virtual Smart Sensors at scale, Elliptic Labs is well positioned to capitalize on market recovery and ongoing innovation in the laptop and smartphone industries. The company remains operationally and financially equipped to sustain its growth trajectory.

## Message from the CEO

Dear Shareholders,

**Following an exceptional year in 2024 marked by strategic expansion and technological innovation, I am pleased to report that our growth trajectory has continued into the first quarter of 2025. While the smartphone segment remains our primary revenue driver, our expanding footprint in the laptop space and growing market interest in our AI Virtual Tap Sensor reinforce our leadership in the AI Virtual Smart Sensor sector.**

### Technology Advancements Driving the Laptop Market

Our AI Virtual Tap Sensor, a key enabler of Lenovo's innovative Smart Share feature, has been widely recognized as a breakthrough in seamless device-to-device interaction. We expect this technology to be deployed across more laptop models in the near future.

We see strong potential in our dual-sensor configuration, which combines the AI Virtual Human Presence Sensor with the Smart Share feature. This was first introduced on Lenovo's ThinkPad X1 Carbon Aura Edition late last year.

Our business model is focused on deploying more sensors on more laptop models. So far in 2025 we have deployed our AI Virtual Smart Sensors on 23 laptop models, whereof seven models have deployed dual-sensor configurations – meaning two AI Virtual Smart Sensors per laptop. As such, by May 2025 we have already surpassed the number of laptops launched in FY 2024 and almost doubled the number of AI Virtual Smart Sensors deployed in laptops, and we see great promise in the launch trajectory for the remainder of the year.

This demonstrates the increasing demand for our cutting-edge AI driven technology. We are confident in increasing this number in the coming quarters as we continue to deliver contextual intelligence and richer user experiences across devices.



**"Broader device adoption, more products deployed, and strong customer commitments position us for continued growth in 2025 and beyond."**

### Expanding with Major Smartphone OEMs

We continue to strengthen and grow our strategic partnerships with leading global OEMs including Xiaomi, VIVO and Transsion in the smartphone market and Lenovo in the laptop market.

At the start of 2025, we announced expansion contracts with existing customers for a minimum commitment of 30 models, followed by additional contracts for a minimum of 16 smartphone models announced after Q1. So far in 2025 we have launched 23 models with 45 firm launch commitments remaining, and we continue to expand commercially utilizing our close relationships with key players in the market.

### Balancing Growth, Cost Management, and Financial Resilience

We delivered 20% year-over-year revenue growth from customer contracts in Q1 2025, totaling NOK 27 million, building on a strong Q1 2024. This includes milestone revenues from large expansion agreements and recurring royalty income under existing contracts.

We continue investments in research, product development, and strategic expansion, maintaining strict cost discipline for sustained success. We generated positive cash flow from operations and maintain a solid cash position. EBITDA improved significantly to NOK -1.6 million, marking clear progress from NOK -3.3 million in Q1 2024. We have the financial flexibility needed to execute our business plan moving forward.

### **Outlook and Future Growth**

Looking ahead, we see a robust market trajectory and compelling growth opportunities. Our focus remains clear: expanding our customer base, deepening existing relationships, and maximizing the value of our growing product portfolio. We are well-positioned to capitalize on rising demand for smarter, more sustainable, and intuitive devices.

Thank you for your continued trust and belief in our mission.

Sincerely,

Laila Danielsen

CEO

## Financial summary for the Group's YTD Q1 2025 (unaudited)

Comparable amounts for Q1 2024 are presented in parentheses.

### Operating revenue

Total revenue and other operating income shows an 19% increase year-on-year to mNOK 27.0 (22.6) in Q1 2025. Total revenue and other operating income for First Quarter 2025 included mNOK 0.4 (0.4) in Other operating income from grants. Revenues from contracts with customers increased by 20% to mNOK 26.6 (22.2) from the First Quarter 2024 to the First Quarter 2025.

In Q1 2025, a significant portion of the revenue originated from contracts with fixed minimum license fees. However, there was an increased contribution from license fees on shipped units, a trend that is expected to continue in future periods.

### Operating expenses and EBITDA

Operating expenses amounted to mNOK 28.6 (25.9) in the First quarter 2025, excluding depreciation and amortization.

Employee benefit expenses amounted to mNOK 22.0 (21.5) in the First quarter 2025, including mNOK 0.5 (1.8) in expenses related to the Groups share option program. Other operating expenses was mNOK 6.7 (4.3).

The increase in Employee benefit expenses reflects additions of 2 FTEs compared to First Quarter 2024, salary adjustments, and also full year effect from new hires 2024. Other operating expenses are up compared to First Quarter 2024. The increase is primarily due to the absence of a repayment related to a previously written-off loss from 2018. The repayment, amounting to approximately mNOK 2.0, was recognized in the First Quarter 2024, and the outstanding amount was fully settled by the end of last year. Adjusted for this item, other operating expenses remain relatively stable compared to the same quarter last year.

As a result, the Group reported an EBITDA of mNOK -1.6 (-3.3) in the First quarter 2025.

### Operating profit (EBIT)

The Group generated in the First quarter 2025 an operating loss of mNOK -6.9 (-8.3).

Depreciation and amortization amounted to mNOK 5.3 (5.0) for the First quarter 2025. The increase mainly reflects higher amortization of patents and capitalized development intangibles, as well as a slight increase in depreciation charges on lease contracts.

### Financial items

First quarter 2025 net financial items amounted to mNOK -7.5 (5.1). The Group has limited debt, and the primary factor explaining the negative financial items this quarter is disagio effects from unrealized foreign exchange losses on balance sheet items, driven by currency fluctuations.

**Profit/loss**

First Quarter loss before tax was mNOK -14.4 (-3.2).

The tax was mNOK 2.4 (0.5), resulting in a profit after tax of mNOK -12.0 (-2.6) for the First quarter 2025.

**Cash flow**

The Cash flow from operating activities in the First Quarter was mNOK 12.1 (-8.3), due mainly to the positive change in net current trade receivables.

Cash flow from investing activities was mNOK -6.6 (-6.4) mainly related to capitalized development costs. Cash flow from financing activities was mNOK -3.4 (-3.0) due to repayments of current borrowings, payments of lease liabilities, and interest payments.

Cash and cash equivalents at the end of the period were mNOK 76.8 (99.9). The cash flow from operations is within management expectations.

**Financing and debt**

The Group's equity at quarter end was mNOK 313.3 (305.0). The Group had Total non-current liabilities of mNOK 10.7 (14.9) at the end of First quarter 2025.

Total non-current liabilities and Total current liabilities was mNOK 35.3 (41.4).

The Group's increase in current trade receivables over recent periods is attributed to the varying payment terms of the groups contracts in line with IFRS 15 standard. As our revenue grows, an increase in trade receivables is anticipated. As stated in previous reports, the ratio of trade receivables to revenue is expected to decrease over time. While this quarter shows a notable decrease in ratio, it is important to note that fluctuations may occur from quarter to quarter, depending on the specific payment terms of contracts signed in previous periods and the revenue streams of the current quarter.

The Group maintains a sharp focus on expenses and cash flows ending the quarter with a cash position at mNOK 76.8 (99.9). We remain confident in the company's strategic cash management and emphasize that the current cash position aligns with our planned framework. Our history of financial discipline ensures that we are well-positioned to navigate temporary fluctuations and maintain a foundation for future growth.

## 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. In addition, a strong balance sheet is required to be able to meet thresholds set by customers. Elliptic Labs' cash position was mNOK 76.8 at the end of Q1 2025, and the Board of Directors assess this as sufficient to carry out Elliptic Labs' business plans.

### Risks Related to USA Tariffs (As of May 19, 2025)

Recent developments concerning USA tariffs on smartphones and PCs have introduced significant uncertainties into global markets. Currently, the United States and China have entered a temporary 90-day tariff truce, reducing tariffs from a peak of 145% down to 30%. This includes a 10% universal tariff and an additional 20% related to enforcement measures. Smartphones, laptops, and certain electronic components remain critical focal points under these tariff considerations. While the truce has temporarily eased immediate economic pressures on consumers and tech companies, the risk of tariff escalation remains high if a more permanent trade agreement is not achieved by the conclusion of the truce on August 11, 2025. Continued uncertainties surrounding tariff reinstatement could materially impact cost structures, profitability, and competitive positioning within affected sectors. Increased tariffs may result in renewed disruptions to supply chains, heightened manufacturing expenses, and further shifts in consumer demand patterns. Elliptic Labs is closely monitoring these developments and maintains robust strategic contingency plans aimed at mitigating potential adverse impacts on its business operations and financial performance.

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

Elliptic Labs is exposed to foreign exchange risk, as revenues from contracts with customers almost entirely are nominated in USD and or EUR whereas the largest portion of operating expenses are in NOK. Changes in the NOK/USD/EUR may result in change in top line and may effect profit before tax on an annual basis.

Please see the annual report 2024 for walkthrough of other potential operational risk and financial risk.



# Consolidated financial statements

## Consolidated statement of comprehensive income

For the financial period ended 31 March 2025 and 2024, and 31 December 2024.

(Amounts in 000 NOK)	Notes	Q1 2025 (Unaudited)	Q1 2024 (Unaudited)	2024 (Audited)
Revenues from contracts with customers		26 618	22 232	131 914
Other operating income	9	357	357	1 430
<b>Total revenue and other operating income</b>	<b>2</b>	<b>26 976</b>	<b>22 590</b>	<b>133 343</b>
Employee benefit expenses		-21 957	-21 549	-87 861
Other operating expenses	3	-6 663	-4 332	-20 365
<b>EBITDA</b>		<b>-1 645</b>	<b>-3 291</b>	<b>25 118</b>
Depreciation and amortization	4,5	-5 264	-4 960	-20 408
<b>Operating expenses</b>		<b>-33 884</b>	<b>-30 840</b>	<b>-128 633</b>
<b>Operating profit</b>		<b>-6 909</b>	<b>-8 251</b>	<b>4 710</b>
Financial income		1 598	6 184	16 960
Financial expenses		-9 056	-1 093	-4 623
<b>Net financial income/(expenses)</b>		<b>-7 458</b>	<b>5 091</b>	<b>12 337</b>
<b>Profit/(loss) before tax</b>		<b>-14 367</b>	<b>-3 160</b>	<b>17 047</b>
Income tax expense		2 365	544	-8 086
<b>Profit/(loss)</b>		<b>-12 002</b>	<b>-2 616</b>	<b>8 960</b>
Other comprehensive income:				
Foreign currency rate changes, may be reclassified to profit or loss		-526	355	667
Other comprehensive income, net of tax		-526	355	667
<b>Total comprehensive income for the period</b>		<b>-12 528</b>	<b>-2 261</b>	<b>9 627</b>
Profit/Loss for the period is attributable to:				
Equity holders of the parent company		-12 528	-2 261	9 627
Earnings per share outstanding		-0.12	-0.02	0.09
Earnings per share fully diluted		-0.12	-0.02	0.08

# Consolidated statement of financial position

At 31 March 2025, 31 December 2024 and 31 March 2024 respectively

(Amounts in 000 NOK)	Notes	31/03/25 (Unaudited)	31/12/24 (Audited)	31/03/24 (Restated)
<b>Non-current assets</b>				
Deferred tax assets	8	78 457	75 420	78 709
Intangible assets	4	68 696	66 252	58 617
Right of use assets		15 001	16 301	19 340
Property, plant and equipment	5	331	357	434
Non-current receivables		6 985	7 245	8 923
<b>Total non-current assets</b>		<b>169 470</b>	<b>165 575</b>	<b>166 024</b>
<b>Current assets</b>				
Current trade receivables		92 416	110 936	69 268
Other current receivables		9 979	8 125	11 131
Cash and cash equivalents	7	76 781	76 390	99 926
<b>Total current assets</b>		<b>179 176</b>	<b>195 451</b>	<b>180 325</b>
<b>Total assets</b>		<b>348 646</b>	<b>361 026</b>	<b>346 349</b>
<b>Equity and liabilities</b>				
Share capital		1 053	1 053	1 048
Other equity		312 250	324 288	303 903
<b>Total equity</b>		<b>313 302</b>	<b>325 341</b>	<b>304 951</b>
Non-current lease liabilities		10 692	10 727	13 854
Non-current borrowings		—	—	1 000
<b>Total non-current liabilities</b>		<b>10 692</b>	<b>10 727</b>	<b>14 854</b>
Current borrowings		1 000	2 000	4 000
Trade and other current payables		3 427	1 301	3 781
Current lease liabilities		5 154	6 625	6 126
Other current liabilities		15 070	15 032	12 637
<b>Total current liabilities</b>		<b>24 652</b>	<b>24 958</b>	<b>26 544</b>
<b>Total equity and liabilities</b>		<b>348 646</b>	<b>361 026</b>	<b>346 349</b>

## Consolidated statement of changes in equity

Attributable to owners of Elliptic Laboratories ASA.

2025 (Amounts in 000 NOK)	Share capital	Other paid in capital	Other equity	Translation reserve	Total equity
Shareholders' equity at 01.01.2025	1 048	355 002	-50 973	326	305 404
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>
<i>Transactions with owners:</i>					
Capital increase through issuance of ordinary shares	—	—	—	—	—
Transactions costs related to issuance of ordinary shares, net of tax	—	—	—	—	—
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>

2024 (Amounts in 000 NOK)	Share capital	Other paid in capital	Other equity	Translation reserve	Total equity
Shareholders' equity at 01.01.2024 (Restated)	1 048	355 002	-50 973	326	305 404
Profit (loss) for the period	—	—	-2 616	—	-2 616
Other comprehensive income for the period	—	—	—	355	355
<b>Total comprehensive income for the period</b>	<b>—</b>	<b>—</b>	<b>-2 616</b>	<b>355</b>	<b>-2 261</b>
<i>Transactions with owners:</i>					
Capital increase through issuance of ordinary shares	—	—	—	—	—
Transactions costs related to issuance of ordinary shares, net of tax	—	—	—	—	—
Employee share schemes	—	—	1 808	—	1 808
<b>Shareholders' equity at 31.03.2024</b>	<b>1 048</b>	<b>355 002</b>	<b>-51 781</b>	<b>681</b>	<b>304 951</b>

## Consolidated statement of cash flows

For the financial period ended 31 March 2025 and 2024, and 31 December 2024.

(Amounts in 000 NOK)	(Unaudited) Q1 2025	(Unaudited) Q1 2024 <sup>1</sup>	(Audited) 2024
<b>Cash flow from operating activities</b>			
Profit/(loss) before tax	-14 367	-3 160	17 047
Adjustment for:			
Taxes paid in the period	-845	—	-2 203
Depreciation, amortization and impairment	5 264	4 960	21 860
Share-based payment expense	489	1 808	5 475
Net finance items	2 337	-5 218	-795
Other non cash items	1 361	—	-388
Items classified as investing or financing activities	—	566	—
Change in current trade receivable	18 520	-8 655	-50 324
Change in trade payables	2 127	-75	-2 554
Change in other current assets and liabilities	-2 816	1 451	1 275
<b>Net cash flows from operating activities</b>	<b>12 069</b>	<b>-8 321</b>	<b>-10 607</b>
<b>Cash flow from investing activities</b>			
Payments of intangible assets	-7 367	-7 257	-30 502
Interest received	552	891	4 367
Proceeds from repayment of deposits	300	—	1 816
Payment of deposits	-81	—	-237
<b>Net cash flows from investing activities</b>	<b>-6 597</b>	<b>-6 367</b>	<b>-24 555</b>
<b>Cash flow from financing activities</b>			
Repayments of lease liabilities	-1 858	-1 456	-6 138
Repayments of current borrowings	-1 000	-1 000	-4 000
Proceeds from issuing shares	—	—	4 835
Paid interest on borrowings	-32	-121	-367
Paid interest on lease liabilities	-472	-443	-1 466
<b>Net cash flows from financing activities</b>	<b>-3 361</b>	<b>-3 020</b>	<b>-7 135</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>2 112</b>	<b>-17 709</b>	<b>-42 297</b>
Cash and cash equivalents at the beginning of the period	76 390	115 582	115 582
Translation differences	-1 721	2 052	3 105
Cash and cash equivalents at the end of period	76 781	99 926	76 390

<sup>1</sup> In the Annual Report 2024, the cash flow model was updated to a more detailed version. Consequently, some cash flow items have been reclassified under different activities compared to prior reports. However, the Q1 2024 figures are presented as previously disclosed.

# 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 2025 and 2024.

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 judgement in the process of applying the Group's accounting policies.

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

#### Changes to Opening Balance 2024

The opening balance as of 1 January 2024 has been restated from what was presented in the Q1 2024 report due to an error identified during the preparation of the Q4 2024 figures. The correction relates to previously unrecognized losses on abandoned patent applications. See note on Prior Period Errors in the 2024 Annual Report for details.

## Note 2 – Total revenue and other operating income

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

(Amounts in 000 NOK)	Q1 2025	Q1 2024	2024
Revenue recognized at point in time	26 618	22 232	131 914
<b>Total revenue</b>	<b>26 618</b>	<b>22 232</b>	<b>131 914</b>

License for IP and subsequent royalties are recognized at point in time when the software has been made available to the customer, and then in increments as minimum production thresholds are met if royalty-based revenue exceed the minimum fixed fee if any. For the financial year 2024 and YTD 2025, 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.

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 2025 all recognized revenues are unconditional as the related performance obligations have been satisfied.

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)	(Audited)
(Amounts in 000 NOK)	Q1 2025	Q1 2024	2024
Sales and marketing expenses	2 174	1 982	6 919
Short-term lease expenses	576	492	1 844
Electricity, heating and other property expenses	613	485	2 128
Consultants	1 187	959	3 686
Auditor	675	371	973
Legal	5	370	1 033
Patents	366	339	2 663
IT/Software	930	1 029	4 195
Other expenses	240	615	1 514
Recoveries of previously written-off receivables in 2018	—	-2 185	-5 018
Government grants recognized as other cost reduction	-103	-125	-512
<b>Total other operating expenses</b>	<b>6 663</b>	<b>4 332</b>	<b>20 365</b>

## Note 4 - Intangible assets

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	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>68 696</b>
Useful life:	5	5	5	
Amortization method:	Straight-line	Straight-line	Straight-line	

2024 (Amounts in 000 NOK)	Patents	Trademark	Capitalized development	Total intangible assets
Cost at 01.01.2024 (Restated)	20 227	24	77 636	97 887
Additions	990	—	5 702	6 692
<b>Cost at 31.03.2024</b>	<b>21 217</b>	<b>24</b>	<b>83 338</b>	<b>104 579</b>
Accumulated amortization charges 01.01.2024	12 475	6	29 780	42 261
Amortization charges	165	—	3 537	3 702
<b>Accumulated amortization charges 31.03.2024</b>	<b>12 640</b>	<b>6</b>	<b>33 316</b>	<b>45 962</b>
<b>Net booked value as at 31.03.2024</b>	<b>8 576</b>	<b>18</b>	<b>50 022</b>	<b>58 617</b>
Useful life:	5	5	5	
Amortization method:	Straight-line	Straight-line	Straight-line	

## Note 5 - Property, plant and equipment

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	—	—	—
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
<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	

2024 (Amounts in 000 NOK)	Right-of-use assets	Furniture and fixtures	Total tangible assets
Cost at 01.01.2024	22 427	514	22 941
Additions	1 572	—	1 572
Disposals	-1 346	—	-1 346
<b>Cost at 31.03.2024</b>	<b>22 653</b>	<b>514</b>	<b>23 167</b>
Accumulated depreciation charges 01.01.2024	2 980	54	3 034
Current year depreciation	1 232	26	1 258
Disposals	-899	—	-899
<b>Accumulated depreciation charges at 31.03.2024</b>	<b>3 313</b>	<b>80</b>	<b>3 393</b>
<b>Net booked value as at 31.03.2024</b>	<b>19 340</b>	<b>434</b>	<b>19 774</b>
Useful life:	1-5	5	
Amortization method:	Straight-line	Straight-line	



## Note 6 – Share option programs

As of 31 March 2025, the Group has option programs that includes a total of 70 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 2024 AGM until the date of resignation pro rata in relation to the period from the 2024 AGM until the Vesting Date.

As of 31 March 2025, the total number of outstanding options for both employees, management and BoD when converted into shares, was 6 176 739 of which 4 939 088 were already vested. The option program entitles the employees to approximately 5.54% of the fully diluted outstanding shares, which includes all outstanding options. The fully diluted outstanding share count on 31 March 2025 was 111 451 707.

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

(Amounts in 000 NOK)	31.03.2025	31.12.2024
Cash and cash equivalents	76 781	76 390
<b>Of which are restricted cash:</b>		
Restricted bank deposits for employee tax withholdings	1 395	2 193
<b>Not restricted cash</b>	<b>75 386</b>	<b>74 198</b>

## Note 8 – Estimates

The Group has recognized a deferred tax asset of mNOK 78.5 related to accumulated tax losses in Elliptic Laboratories ASA. These losses, incurred in prior periods primarily due to investment in research and development, are available for indefinite carryforward under Norwegian tax law. Recognition of the deferred tax asset is based on expected future taxable income, supported by the Group's established customer contracts, scalable business model, and anticipated revenue growth. The Group expects to utilize the tax losses within a few years.

## Note 9 – Government grants

The table below sets forth the treatment of government grants.

(Amounts in 000 NOK)	Q1 2025	Q1 2024	2024
Recognized as income from other sources	357	357	1 430
Reduction of capitalized development	910	744	2 967
Recognized as payroll cost reduction	175	319	1 271
Recognized as other cost reduction	103	125	512
<b>Total government grants</b>	<b>1 545</b>	<b>1 545</b>	<b>6 180</b>

## 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.

		Q1 2025	Q1 2024	2024
(Amounts in 000 NOK)	Notes	(Unaudited)	(Unaudited)	(Restated)
Revenues from contracts with customers		26 618	22 232	131 914
Other operating income	9	357	357	1 430
<b>Total revenue and other operating income</b>	<b>2</b>	<b>26 976</b>	<b>22 590</b>	<b>133 343</b>
Employee benefits expenses		-21 957	-21 549	-87 861
Other operating expenses	3	-6 663	-4 332	-20 365
<b>EBITDA</b>		<b>-1 645</b>	<b>-3 291</b>	<b>25 118</b>

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

	Q1 2025	Q4 2024	Q3 2024	Q2 2024	LTM
(Amounts in 000 NOK)					
Revenues from contracts with customers	26 618	47 573	28 225	33 884	<b>136 300</b>
EBITDA	-1 645	16 529	457	11 422	<b>26 764</b>

## Note 11 – Subsequent events

On the 2nd of April 2025, Elliptic Labs announced it had signed an expansion license contract for 11 confirmed smartphone models with an existing customer.

On the 5th of May 2025, Elliptic Labs announced it had expanded its collaboration with a current smartphone customer under a multi-year agreement.

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