



Fourth quarter 2024

Earnings presentation

18 February 2025

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Today's agenda

- Key events
- Introduction to poLight
- Operations and markets review
- Financial review
- Outlook
- Q&A

Presenting



Dr Øyvind Isaksen

Chief Executive Officer

Dr Isaksen has been CEO of poLight since August 2014. He has previously held several CEO positions, most recently in the publicly listed company Q-Free ASA, which he left in January 2014, after 7 years as CEO. Øyvind Isaksen holds a PhD in Applied Physics.



Joakim Hines Bredahl

Chief Financial Officer

Mr Bredahl's career started in entrepreneurship, followed by an eight-year stint at Verdane Capital Advisors and nine years in Nordea in different customer-facing roles. Joakim Bredahl has a BA (Hons) in Finance and Marketing from Strathclyde Business School.

Key events in the quarter

- Woptix announced the commercial launch of its SEBI RT1000 Development Kits using TLens® (2 October).
- Transcend Vivoscope announced it is to offer turnkey miniature two-photon imaging systems equipped with poLight tunable optics (5 October).
- Thorlabs announced that its Mini2P Imaging System will leverage poLight ASA's TLens® for optimal neurological imaging (7 October).
- Three commercial companies with Mini2p solutions showcased their products at the SfN Neuroscience '24 conference.
- poLight ASA confirmed the use of poLight TLens® in two new handheld barcode products (8 October).
- Purchase order - worth NOK 344,000, related to the release of the barcode products announced 8 October, received 24 October.

Post quarter:

- Purchase order worth NOK 729,000 to supply TWedge® wobulator evaluation kits to a top tier consumer OEM customer for an AR application (13 February).
- Successfully participated at CES 2025 in Las Vegas January 7-10 and SPIE AR|VR|MR 2025 in San Francisco from January 28-29.



poLight® at a glance

Background & description

- Founded in 2005
- Global player in tunable optics
- Holds 22 worldwide granted patent families, 13 pending applications and 4 registered trademarks
- Empowers breakthrough applications for several consumer products (e.g. AR/MR), industrial and healthcare
- 51 employees including long-term consultants
- Fabless
- Headquartered in Tønsberg, Norway with employees in Finland, France, UK, US, China, Taiwan, Japan, and the Philippines
- Listed in Oslo Stock Exchange (PLT) in 2018

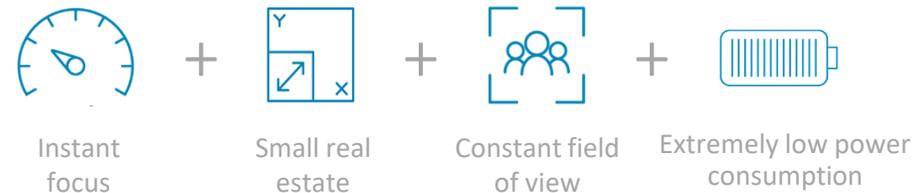
Well-suited for several applications



Global customer-oriented organisation

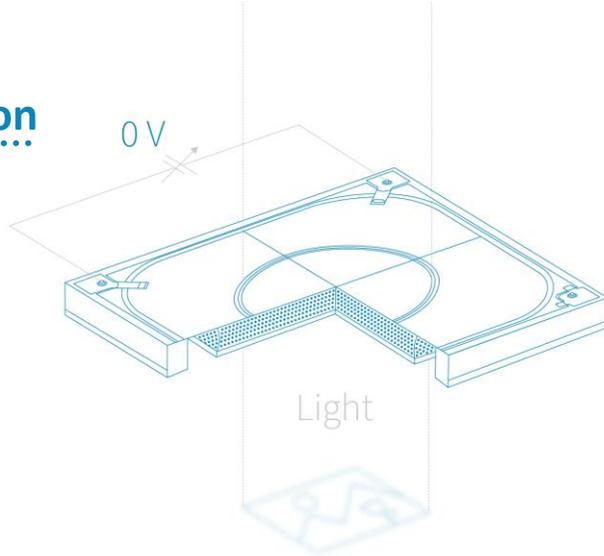


Unmatched technical characteristics enabling better user experiences



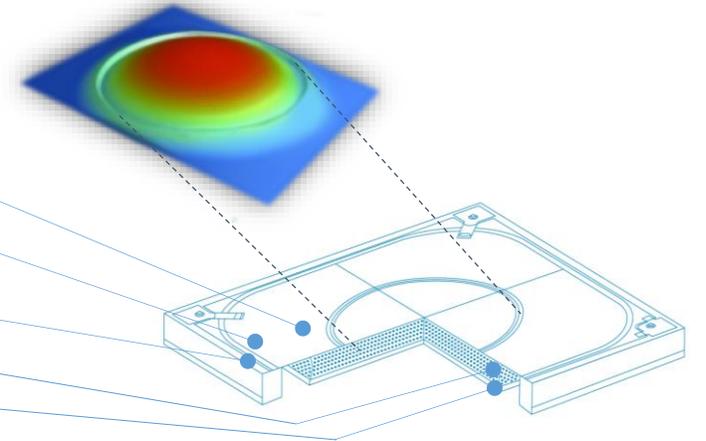
TLens[®] Actuator: Enabling Smallest, Lowest Power, Fastest AF Cameras & Laser Projectors

Principle of operation

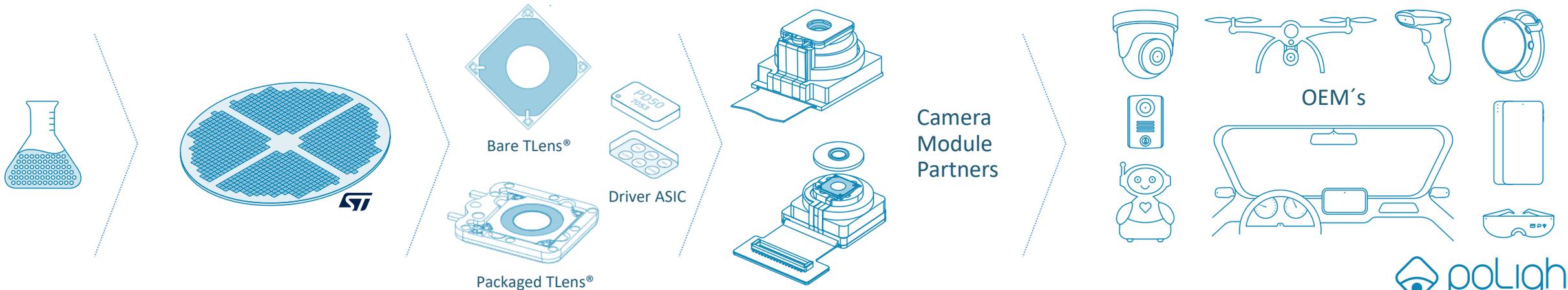


Implementation

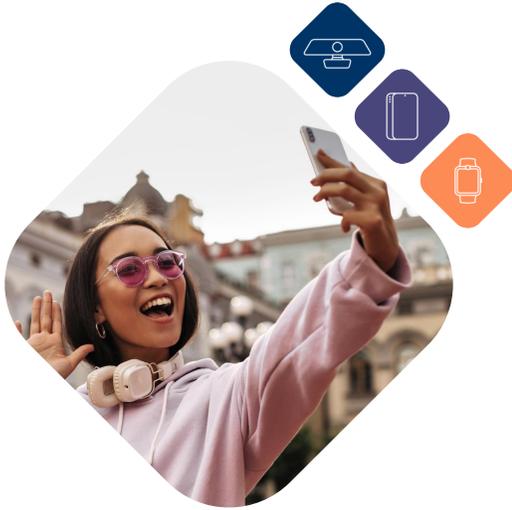
- Piezo MEMS film
- Glass membrane
- Silicon
- Polymer
- Glass window



From Gel > MEMS Wafer > TLens[®] > Camera module > OEM



poLight® products & technology well-suited for several applications



Smartphones, Wearables, Accessories

- Smartphone represent a large addressable market each year with billions of cameras
- 1.2 billion phones per year with 1 front camera and an average of 3 rear cameras
- Camera function remains a key killer app
- Wearables, accessories like webcams offer consumer volume opportunities
- Potential addressable market for TLens®/poLight technology estimated at 2.5 billion units per year



Augmented/Mixed Reality (AR/MR)

- AR/MR is expected to grow significantly as the technology is rapidly advancing
- Initial AR/MR HMD/smartglasses deployments are in *enterprise* (industrial, commercial, educational, etc.) but soon expanding to *consumer* (entertainment, gaming, productivity, etc.) markets.



Industrial Barcode/Machine Vision

- Evolving from 1D laser to 2D imaging code scanners
- Lasers replaced by camera systems, where autofocus will improve efficiency in scanning and portfolio
- Barcode and machine vision technology is spreading to new industries
- OEM scan engine vendors today are increasingly looking to enable machine vision capabilities on their current offerings



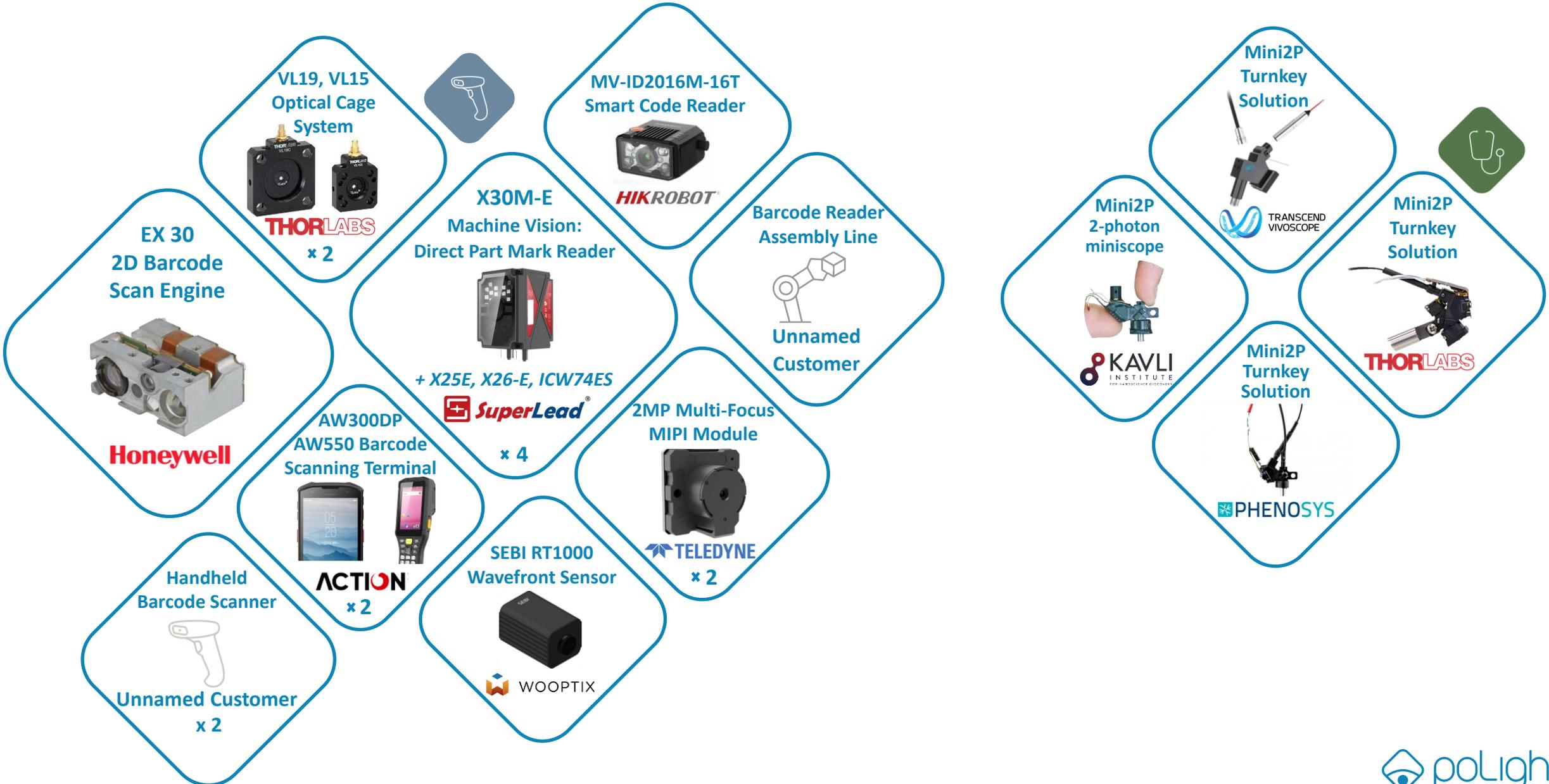
Others

- New opportunities are emerging that could represent significant potential
- Healthcare and automotive are two other examples of new opportunities for poLight technology

TLens[®] customer-wins: AR/MR and Consumer



TLens[®] customer-wins: Industrial/MV and Healthcare

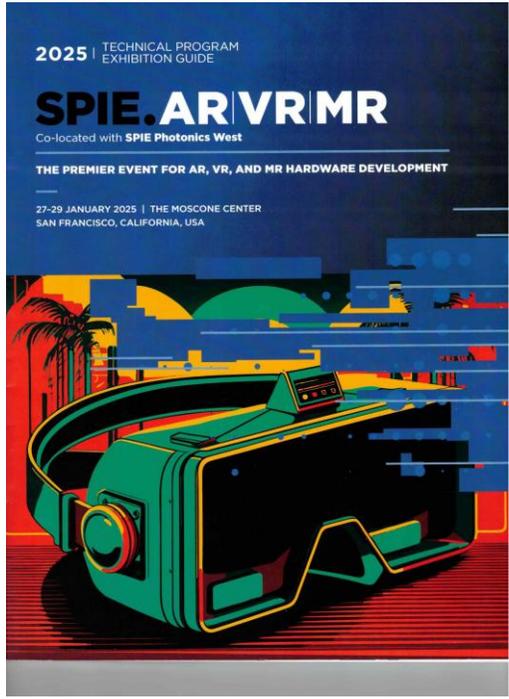


Operations and market review



poLight is stepping up its presence at important events

- Participated at CES 2025 in Las Vegas January 7-10 and
- SPIE AR|VR|MR 2025 in San Francisco from January 28-29





Use case: Consumer



Consumer: poLight remains persistent in relation to consumer market

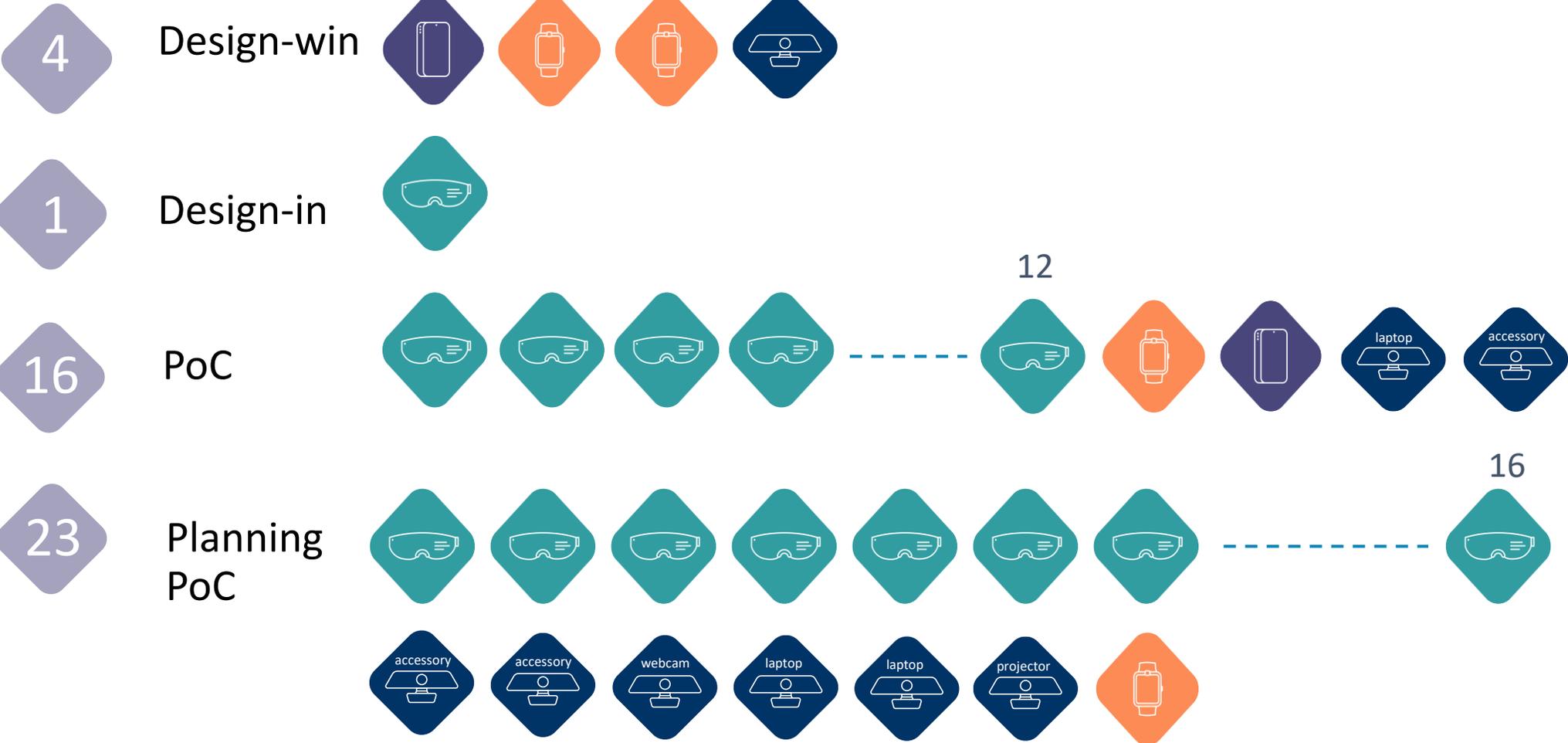
- The main activity in the quarter related to augmented/mixed reality (AR/MR), laptop, webcam, smartphone and smartwatch applications.
- On the AR/MR side in general, the level of activity and interest is high.
 - This market is still in a definition phase, so changes in customer priorities may occur from quarter to quarter.
 - A noticeable change in the pipeline from the previous quarter is that number of planned PoCs has increased from seven to 16 – which is clearly a positive sign.
 - Some of the consumer-related PoCs are maturing and real product possibilities are under discussion.
- The traditional consumer market (e.g. smartphones) is challenging, but there are certain consumer application areas and trends that may open attractive business opportunities.
- poLight has embarked on several development projects to enable less costly integration of TLens® and broaden the company’s offering to cover wider application areas.
- Not least, investing in reference designs at the camera module level, which target various consumer applications.



Design-win	Design-in	Completed PoC	Ongoing PoC	Planning PoC
4 (4)	0 (0)	40 (38)	4 (5)	7 (5)

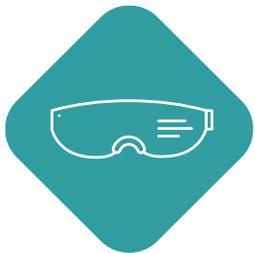
Table above exclude AR/MR, next slide include AR/MR

Status on consumer (including AR/MR)





Use case:
AR



AR/MR - key focus area for poLight but needs to mature

- TLens® is being considered and tested by several important AR/MR market players.
- The TLens® technology's low power consumption, insensitivity to gravity, temperature stabilisation, high speed and compactness stand out as key technical benefits.
- The ecosystem, the technology and the market in general still need to mature before massive deployment of consumer products will occur.
- Key players are, however, of the opinion that this will develop into an important consumer market.
- Potential consumer-oriented opportunities are growing in number and becoming increasingly mature.
- With respect to TWedge®, major consumer AR/MR OEMs have started testing the prototypes for various applications.
 - Continue building appetite by selling technical samples, and to learn from the market about its needs, applications and required specifications.
 - Obtain a lead customer's commitment to supporting further product development and trigger mass production.



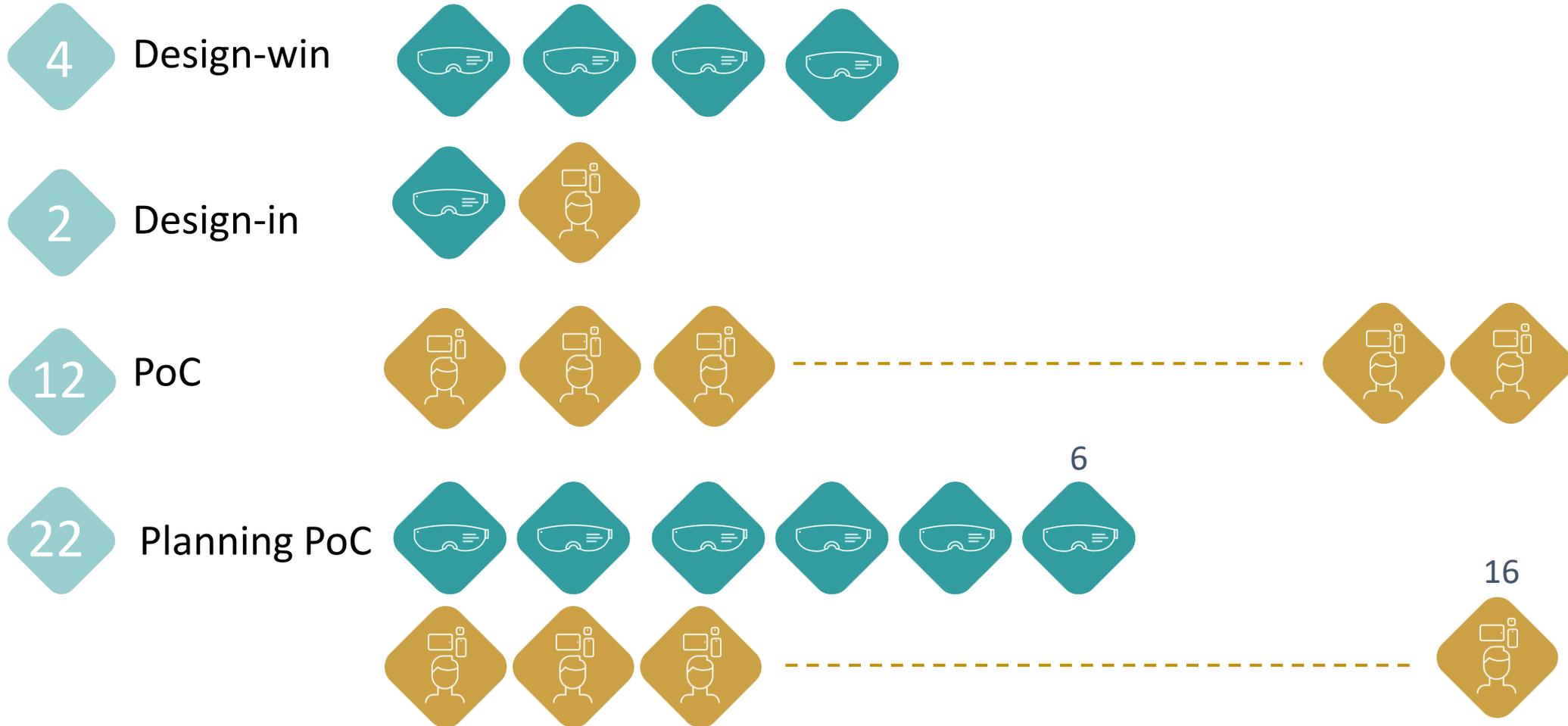
AR/MR - cont.

- Since the previous quarter, two enterprise design-in cases have been cancelled, due to a strategic decision taken by the customer.
- One new enterprise case moved from PoC to design-in, so there is a net reduction of one design-in compared with the last quarter.
- The number of planned PoCs increased to 22, up from 14 the quarter before.
- **Post quarter:** Purchase order worth NOK 729,000 to supply TWedge® wobulator evaluation kits to a top tier consumer OEM customer for an AR application (13 February).

Design-win	Design-in	Completed PoC	Ongoing PoC	Planning PoC
4 (4)	2 (3)	21 (20)	12 (14)	22 (14)



Status on AR/MR





Use case:
Industrial



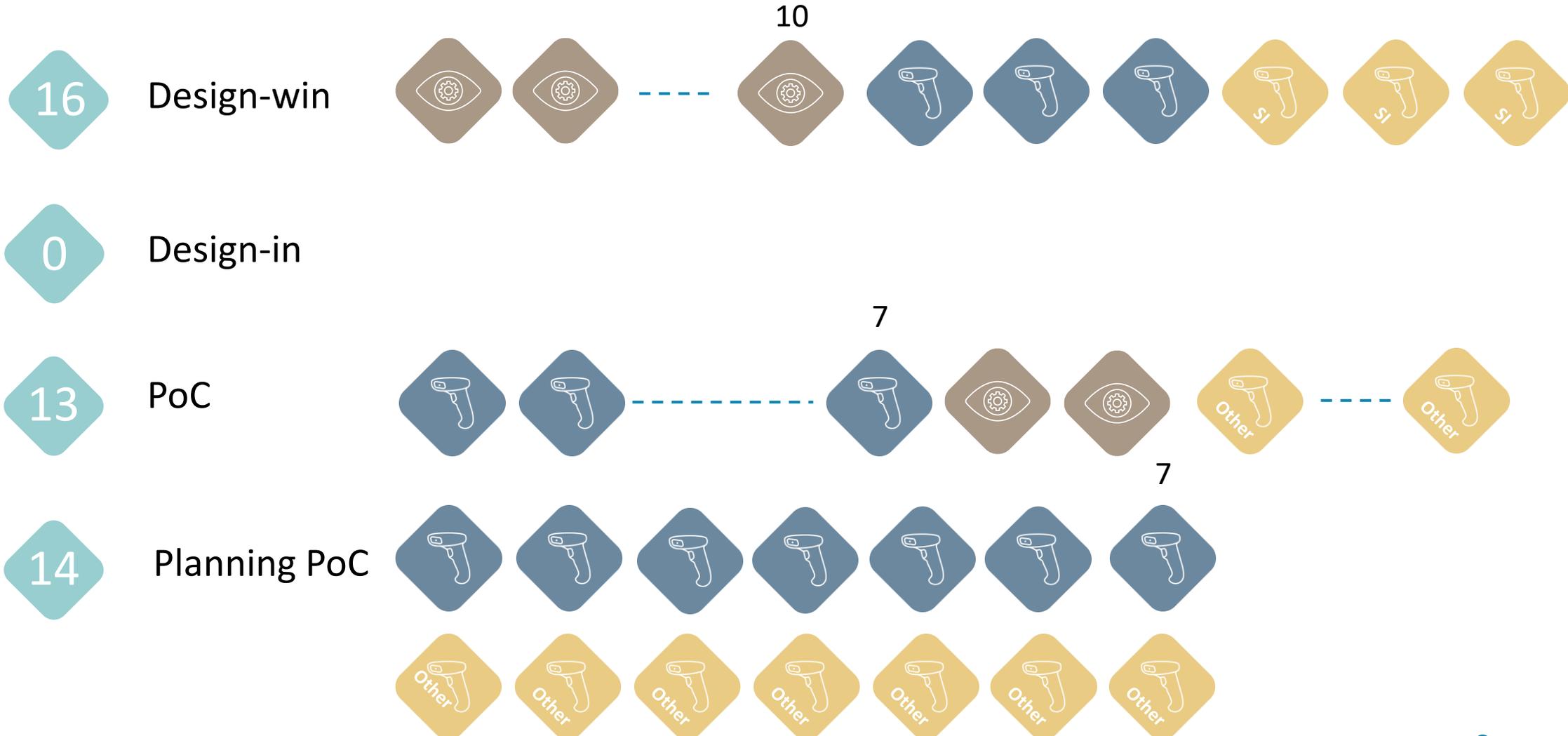
Barcode / Industrial

- Six companies currently use TLens® in 13 different products.
- Still shipping and are expected to do so for several more years.
- During the quarter;
 - (Oct 8) TLens® was confirmed to be used in two new handheld barcode products from an existing customer.
 - (Oct 24) a purchase order worth NOK 344,000, was received to related two the above.
 - (Oct 2) Woptix released to market a wavefront phase camera, the SEBI RT1000, using TLens®.
- **Post quarter :** order from existing barcode customer (worth NOK 350k) and a significant sample order (worth NOK 396k) for a new application/customer.



Design-win	Design-in	Completed PoC	Ongoing PoC	Planning PoC
16 (16)	0 (0)	42 (40)	13 (15)	14 (16)

Status on Barcode/Industrial





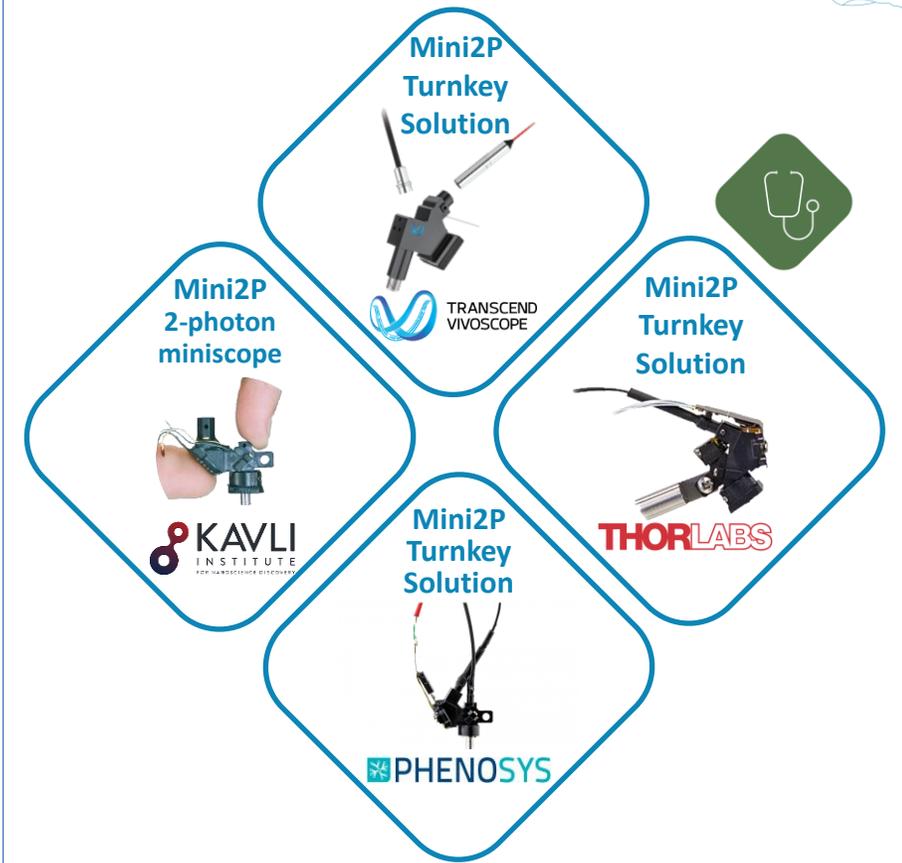
Use case:

Healthcare & Automotive

Healthcare

- The cooperation poLight has developed with the Kavli Institute at the Norwegian University of Science and Technology (NTNU) related to Mini2P microscope have led to several similar projects.
- In addition to engaging directly with research labs, the company is involved with three commercial companies.
- All of them have now released commercially available solution to the market, and two of them was announced during the quarter;
 - Transcend Vivoscope (Oct 5) and Thorlabs (Oct 7).
- All three companies were represented and showcased their Mini2p solutions at SfN Neuroscience '24 conference, - Mini2P was the highlight of their boot.
- In addition to the activity related to Mini2P, poLight is engaged in some commercial endoscope cases.
- Commercial breakthrough for this application still ahead of us, as the trend is still to use low-resolution sensors, with no clear need for autofocus.

4 design-win, 0 design-in, 14 PoCs ongoing and 4 planning PoC



Automotive – a nontrivial volume opportunity longer term

- In-cabin camera requirement demand new solution.
- Autonomous driving drives step change in camera adoption.
- The use case calls for non-mechanical focusing solution.
- There may be a need for new technology, and TLens® is one of the solutions being evaluated.
- The market is potentially significant but will most likely require a new revision of TLens®, which will take years to develop and qualify.



0 design-win, 0 design-in, 1 PoCs ongoing and 2 planning PoC

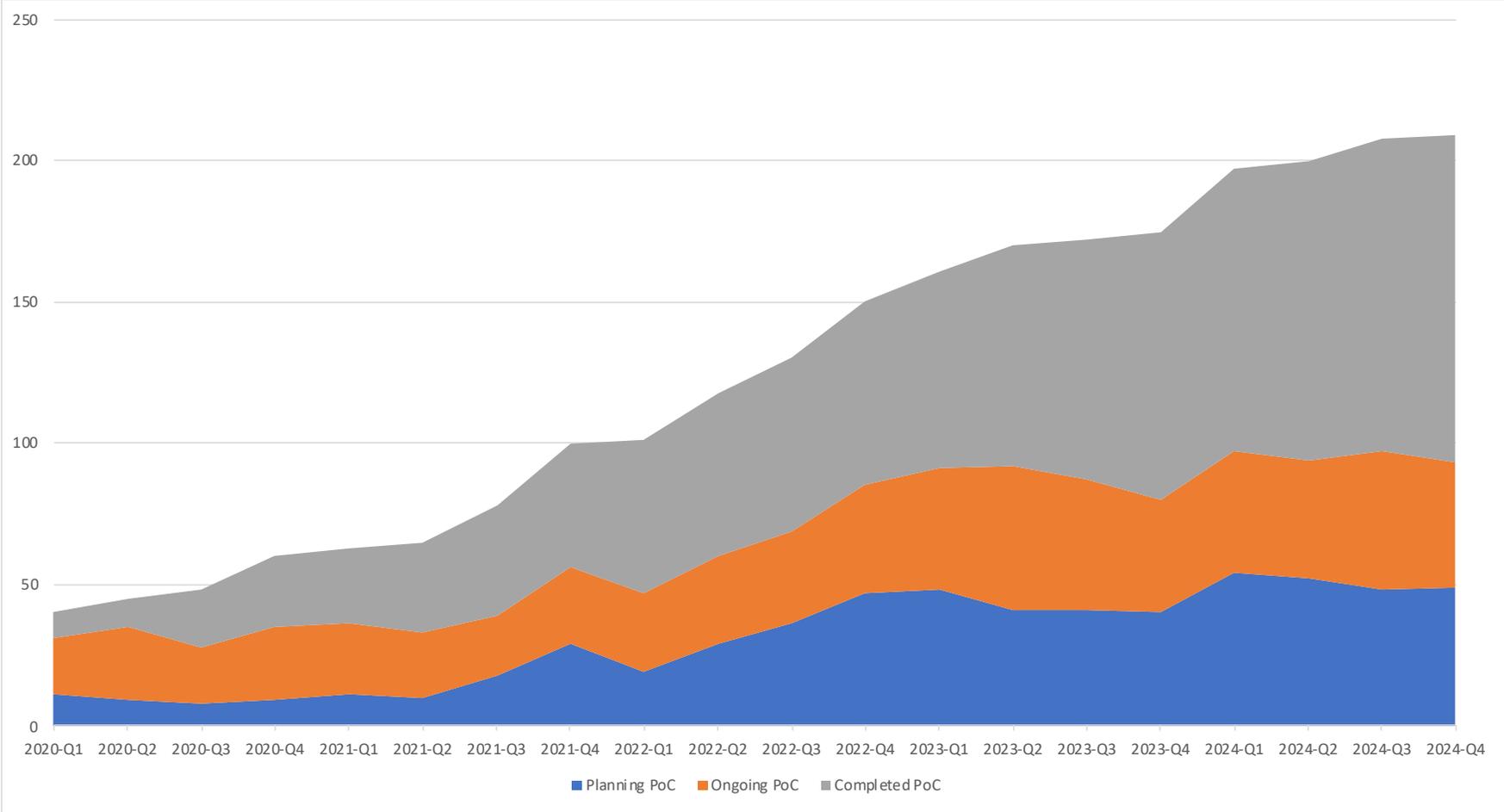


Promising pipeline

		Design-win	Design-in	Completed PoC	Ongoing PoC	Planning PoC
Consumer	  	4 (4)	0 (0)	40 (38)	4 (5)	7 (5)
Augmented/Mixed Reality	 	4 (4)	2 (3)	21 (20)	12 (14)	22 (14)
Industrial	  	16* (16)	0 (0)	42 (40)	13 (15)	14 (16)
Other (medical, automotive)	 	4 (4)	0 (0)	13 (13)	15 (15)	6 (13)
<p>* Now counting each model from the different suppliers as design-win. 10 (7) design-win's if not. Number in () represents last quarter</p>		28 (28)	2 (3)	116 (111)	44 (49)	49 (48)

poLight PoC pipeline development

Planning PoC,
PoC,
Completed PoC



Financial review



Key financials

Income statement

<i>(in NOK million)</i>	Q4 2024	Q4 2023	FY 2024	FY 2023
Revenue	1.2	5.1	9.6	22.5
Change in obsolescence provision	-1.1	0.0	-6.4	-1.4
Cost of sales	-0.2	-2.2	-2.2	-8.9
Research and development expenses	-8.3	-10.4	-32.3	-34.6
Sales and marketing expenses	-4.4	-5.9	-16.3	-17.7
Operational / supply chain expenses	-6.1	-4.8	-23.5	-16.7
Administrative expenses	-10.4	-8.2	-24.0	-22.0
EBITDA	-29.3	-26.3	-95.1	-78.8

- Revenue reflects sales of TLens® and ASICs and NRE of NOK 1.2 million
- EBITDA loss of NOK 29.3 million vs. loss of NOK 26.3 million in Q4 2023
 - Increased provision for inventory obsolescence of NOK 1.1 million (Cost of sales)
 - The provision for legal expenses increased by NOK 3 million in the quarter

Balance sheet summary

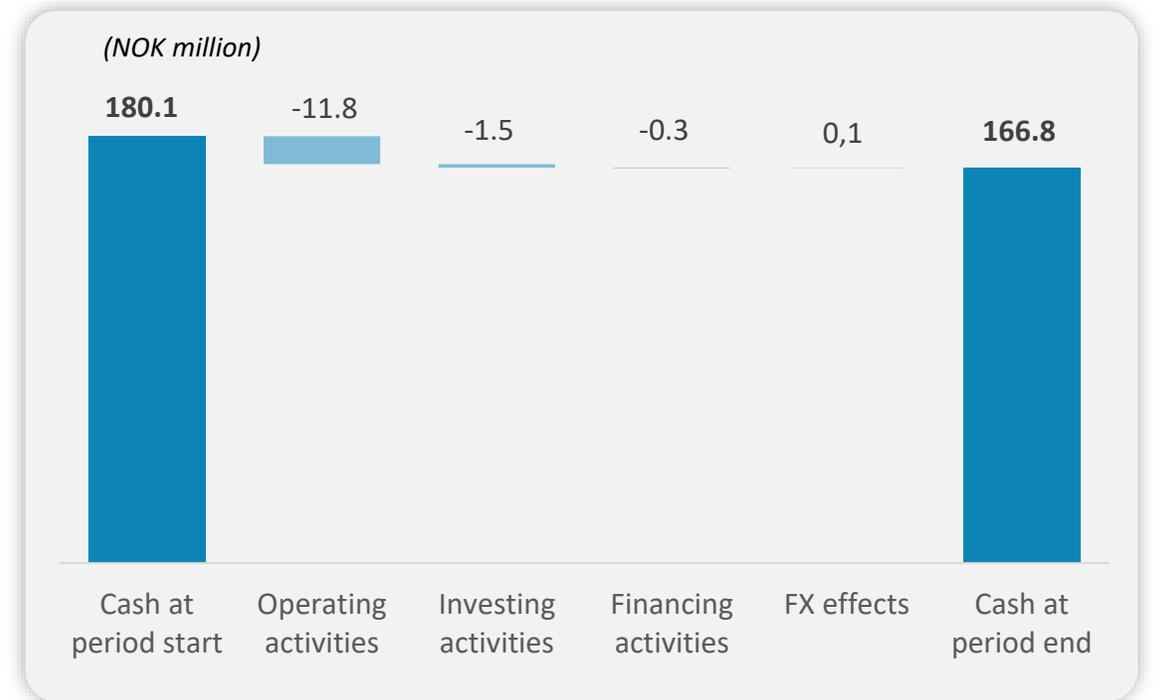
<i>(in NOK million)</i>	31.12.2024	31.12.2023
Intangible assets	10.3	17.6
Inventories	62.4	70.1
Cash and cash equivalents	166.8	114.8
Total equity	234.9	199.5
Total current liabilities	19.2	21.9
Total equity and liabilities	264.0	223.4

- Cash position of NOK 166.8 million, compared with NOK 114.8 million at year-end 2023
- Inventory of NOK 62.4 million compared with NOK 70.1 million at 31.12.2023.
 - The inventory has decreased by NOK 1 million during the quarter mainly due to the increased provision for obsolescence

Cash Flow

- Q4 cash used in operating activities was NOK 11.8 million
 - positive working capital changes
 - decreased receivables of NOK 4.4 million,
 - increased payables of NOK 2.2 million and
 - received government grants of NOK 2.4 million.
- Q4 cash used in investing activities was NOK 1.5 million
 - Lab equipment
 - IT and office equipment at new HQ
- Q4 net decrease in cash was NOK 13.5 million
- Net decrease in cash Q4 2023 was NOK 18 million

Q4 2024 cash flow development



Outlook



Outlook

- Although the ongoing market activity did not translate into substantial revenues in the fourth quarter, there is still good reason to be optimistic about future developments.
- Throughout the year, the company received numerous confirmations that it is well positioned with respect to several promising market segments representing significant business potential.
- poLight is becoming increasingly well-known with reputable customers and other players in the ecosystem praising its technology and solutions.
- Key design-win references have been achieved in all prioritised market areas.
- poLight is also implementing important technology programmes aimed at future-proofing the company.
- The manufacturing setup is gradually being optimised.
- The organisation is highly competent, capable and motivated for what lies ahead.
- Furthermore, the company is yet to actively explore several market segments and fully develop the technology platform, both of which have the potential to open up a wide range of business opportunities.
- By working hard, being persistent and consistently taking a market and customer-oriented approach, poLight's progress will continue going forward.



Q&A



NEXT EVENT;

- Q1-25 Report

30 April 2025



Appendix



Management Team



Dr Øyvind Isaksen

Chief Executive Officer

Dr Isaksen has been CEO of poLight since August 2014. He has previously held several CEO positions, most recently in the publicly listed company Q-Free ASA, which he left in January 2014, after 7 years as CEO. Øyvind Isaksen holds a PhD in Applied Physics.



Joakim Hines Bredahl

Chief Financial Officer

Bredahl is a senior executive with background from various aspects of financing through entrepreneurship, venture capital (Verdane Capital Advisors) and banking (Nordea). He has a BA (Hons) in Finance and Marketing from Strathclyde Business School.



Pierre Craen

Chief Technology Officer

Craen is a senior executive with more than 20 years' experience in opto-mechanical systems engineering. Prior to joining poLight, he managed product development teams at Varioptic, Barco and Motorola/Symbol. Mr Craen holds an MSc in Optical Engineering from Sup-Optic, as well as an MSc in Applied Physics.



Marianne Sandal

Chief Operating Officer

Sandal is a senior executive with background from Tele-communications (Nera) and Road User Charging (Q-Free). She holds a BSc in Mechanical Engineering in addition to courses from Norwegian School of Management (BI). She has been responsible for world wide operations for more than 15 years.

Board of Directors



Grethe Viksaas – *Board Chair, independent*

Grethe Viksaas has had a long career in the Northern European managed service provider Basefarm AS. First as founder and CEO, and later as executive chair and member of the board of directors. Prior to Basefarm, Ms Viksaas held several management positions in IT companies. She has experience from numerous board positions, including Telenor ASA. She is currently a non-executive director on the boards of Link Mobility Group Holding ASA, Crayon Group Holding ASA and CatalystONE Solutions Holding AS. She chairs the boards of Farmforce AS and Norkart AS. Ms Viksaas has a master's degree in computer science from the University of Oslo.



Marianne Bøe – *Board member, independent*

Marianne Bøe is Head of Investor Relations at IDEX Biometrics, working with investor communication and other administrative related tasks. Prior to this Ms Bøe has been a portfolio manager for more than 20 years and has broad and extensive experience from investing in globally listed companies, with a special focus on the technology sector. She holds a Master of Science degree in Economics and Business Administration from Norwegian School of Economics (NHH), and has participated in the Advanced Portfolio Management Program arranged by NFF (Norsk Finansanalytikerforening).



Svenn-Tore Larsen - *Board member, independent*

Svenn-Tore Larsen, former CEO of Nordic Semiconductor. Mr Larsen has broad international experience in the semiconductor business, previously as Director for the Nordic region for Xilinx Inc. He has also worked at Philips Semiconductor. Svenn-Tore Larsen has a degree in Electrical Engineering from the University of Strathclyde, UK.



Thomas Görling - *Board member, independent*

Thomas Görling holds a Master of Science from the Royal Institute of Technology in Stockholm and has a professional background from management positions within the European optical instrument and systems industry. He has wide-ranging experiences of venture capital investments and building successful technology companies from a previous long-term engagement as Senior Investment Director at Stiftelsen Industrifonden.



Jean-Christophe Eloy - *Board member, independent*

Jean-Christophe Eloy is the founder of Yole Group and its CEO and President. Yole Group is specialized in the semiconductor industry and providing marketing, technology and strategy consulting, reverse engineering and reverse costing in addition to corporate finance services. Mr Eloy has spent his entire career in the semiconductor industry, starting at CEA/LETI (France, semiconductor applied R&D organization) as marketing manager and then creating the semiconductor practice at Ernst & Young. He is also a member of the board of Riber SA (France,) as well as Silmach (France). Mr Eloy is a graduate from EM Lyon Business School (France) and from engineering school INPG-ENSERG (France).

Statement of income

<i>NOK 000</i>	Note	Q4 2024	Q4 2023	FY 2024	FY 2023
Sale of goods		736	3 040	7 586	20 099
Rendering of services		491	2 107	2 038	2 412
Revenue		1 227	5 147	9 624	22 511
Change in obsolescence provision		-1 078	-4	-6 409	-1 410
Cost of sales		-248	-2 181	-2 208	-8 939
Gross profit		-99	2 962	1 007	12 162
Research and development expenses net of governmental grants	6,9	-8 338	-10 360	-32 323	-34 616
Sales and marketing expenses		-4 433	-5 871	-16 305	-17 712
Operational / supply chain expenses		-6 076	-4 849	-23 542	-16 684
Administrative expenses		-10 371	-8 182	-23 950	-21 971
Operating result before depreciation and amortisation (EBITDA)		-29 317	-26 300	-95 113	-78 821
Depreciation and amortisation	8	-2 653	-2 506	-10 489	-9 670
Operating result (EBIT)		-31 969	-28 806	-105 602	-88 492
Net financial items	7	2 245	1 349	6 956	3 223
Loss before tax		-29 724	-27 457	-98 646	-85 269
Income tax expense		-52	-110	-139	-220
Loss for the period		-29 776	-27 567	-98 785	-85 489

Balance sheet

<i>NOK 000</i>	Note	Q4 2024	31.12.2023
ASSETS			
Property, plant and equipment		9 559	9 239
Intangible assets	8	10 306	17 580
Right-of-use assets		10 241	2 915
Total non-current assets		30 106	29 735
Inventories		62 431	70 089
Trade and other receivables	9	3 792	8 194
Prepayments		953	626
Cash and cash equivalents		166 752	114 788
Total current assets		233 927	193 697
Total assets		264 033	223 432
EQUITY AND LIABILITIES			
Share capital		5 185	2 648
Share premium		225 373	194 503
Reserves		1 436	1 281
Retained earnings		2 889	1 108
Total equity		234 882	199 541
Interest-bearing loans and borrowings		369	0
Lease liabilities		9 615	1 951
Total non-current liabilities		9 984	1 951
Trade and other payables	10	14 116	19 757
Interest-bearing loans and borrowings		57	0
Current lease liabilities		663	1 182
Provisions	12	4 331	1 000
Total current liabilities		19 167	21 940
Total liabilities		29 151	23 891
Total equity and liabilities		264 033	223 432

Cash flow

NOK 000	Note	Q4 2024	Q4 2023	FY 2024	FY 2023
Operating activities					
Profit / loss (-) before tax		-29 724	-27 457	-98 646	-85 269
Adjustments for:					
Depreciation of property, plant and equipment and right-of-use assets		834	687	3 214	2 396
Amortisation of intangible assets	8	1 819	1 819	7 275	7 275
Net finance income		-2 245	-1 349	-6 956	-3 223
Equity-settled share-based payments		3 427	2 929	10 008	8 101
Gain on disposal of property, plant and equipment		0	-14	0	-14
Other non-cash items		-4 231	-2 290	-404	-807
Changes in unrealised net foreign exchange rate differences/fluctuations		-68	-63	-162	-18
Changes in working capital:					
Decrease (+) in trade and other receivables and prepayments		4 400	-850	3 905	-2 374
Decrease (+) in inventories		1 046	-457	7 658	-24 512
Increase (+) in trade and other payables	10	4 299	5 901	-5 641	-2 723
Changes in provisions and government grants	12	2 216	-252	3 502	2 497
Interest received	7	6 603	3 812	7 431	4 518
Interest paid	7	-105	-60	-256	-259
Income tax paid		-52	-110	-139	-220
Net cash flows used in operating activities		-11 782	-17 756	-69 213	-94 631
Investing activities					
Proceeds from sale of property, plant and equipment		0	392	0	392
Purchase of property, plant and equipment		-1 480	-277	-2 402	-387
Net cash flows used in investing activities		-1 480	115	-2 402	6
Financing activities					
Proceeds from issuance of ordinary shares		0	0	146 382	148 500
Proceeds from exercise of share options		0	0	0	287
Transaction costs on issue of shares		0	0	-22 419	-22 702
Payment of lease liabilities		-257	-318	-1 128	-1 089
Proceeds from borrowings		0	0	474	0
Repayment of borrowings		-5	0	-48	0
Net cash flows from/(used in) financing activities		-262	-318	123 261	124 996
Net increase/decrease in cash and cash equivalents		-13 525	-17 959	51 647	30 371
Effect of exchange rate changes on cash and cash equivalents		135	-25	317	169
Cash and cash equivalents at the start of the period		180 141	132 772	114 788	84 249
Cash and cash equivalents at the close of the period		166 752	114 788	166 752	114 788