

Annual Report

2025

NEXT BIOMETRICS GROUP ASA



2025

Contents

3	Letter from the CEO
5	NEXT Biometrics at a glance
6	Report from the Board of Directors
13	Corporate Governance Report
22	Corporate Social Responsibility Report
25	Financial Statements Group
30	Notes to financial statement - Group
63	Financial Statements Parent Company
68	Notes to financial statement - Parent Company
77	Responsibility statement
78	Auditor's report
83	Alternative performance measures

Letter from the CEO

DEAR SHAREHOLDER,

Our Annual Report for 2025 covers 2025 and gives an update on developments in 2026. The results for 2025 did not meet the expectations we had when the year started. The Aadhaar program was temporarily halted and sluggish during large parts of 2025 because of a security incident at one competitor's Aadhaar integration. The knock-on effects of Aadhaar's temporary pause are also worth noting. As Aadhaar is recognised as a quality stamp in biometrics markets in Africa, South-East Asia and South America, the security incident in India also impacted these markets.

Below I'll outline that while the industry is still experiencing some of the factors that saw our 2025 results fall short of our expectations, increased market momentum in India and numerous other markets pushing forward with national ID programmes makes us confident in gradually increasing our revenues during the coming quarters and years.

Summarising 2025

As previously communicated, the results for 2025 did not meet the expectations we had when the year started.

You may recall that the Aadhaar program was temporarily halted and sluggish during large parts of 2025 because of a security incident at one competitor's Aadhaar integration. The temporary pause in the Aadhaar national and digital ID program impacted and delayed operations and deliveries, a trend which continued throughout 2025.

The new Fake Finger Detection (FFD) test implemented because of this incident could only be conducted by STQC, the sole authorized testing agency. Limited testing capacity at STQC created certification backlogs across vendors. This led to a cascading delay in Aadhaar project rollouts, and delays in rollouts impacted device production schedules and reduced short-term sensor demand.

The knock-on effects of Aadhaar's temporary pause are also worth noting. As Aadhaar is recognised as a quality stamp in biometrics markets in Africa, South-East Asia and South America, the security incident in India also impacted these markets. There are numerous national and digital ID programs in these regions, the MOSIP-program which covers 29 countries being the most significant.

As I mentioned, we are seeing signs that this disruption will soon be behind us.

In India, with the certification backlog now largely cleared, Aadhaar activity is resuming. With our unique liveness detection capabilities, NEXT is the only supplier to have a biometric sensor – our Basalt FAP 20 solution – in the certified modules of two of the seven OEMs approved in line with the new FFD tests.

In parallel, multiple government agencies have started issuing new tenders and we expect demand to accelerate in Q2 2026 and normalize by Q3 2026. We also see long term, new use cases opening in hotel registration, Hospital-Patient registration, e-signing using fingerprint & payments using Aadhaar.










Separately, we are closely following the Africa, South-East Asia and South America markets and have experienced increased market traction during the last quarter. We actively pursue these market opportunities globally and on February 19th, 2026, NEXT secured the first order for its biometric reader for Government ID use cases in Malaysia.

Looking ahead, while we have been through the perfect storm and are still feeling the aftermath, the certified high-quality of our products and increased market momentum, combined with an expanded and well received product range, makes us confident in gradually increasing our revenues during the coming quarters and years. Since last year we have added another twenty-one design wins, bringing the total to 85 design wins, reflecting sustained interest in our high security, large-







Ulf Ritsvall
CEO

Key Highlights

-  21 New design wins, increasing the total to 85 by yearend, up from 64 a year earlier.
-  Entered new market segment with an order for NEXT Basalt FAP20 for access control tablets (Identity Access Management).
-  Secured three new orders to the market in India, a sign that the markets we serve are regaining momentum, particularly in India, where tenders and orders have started to be issued again by OEMs and government agencies.
-  First order for Government ID use cases in Malaysia.
-  Extended partnership with US based solution provider and signed a multi-year deal for NEXT Oyster III solution.
-  NEXT continues to invest in technology that will shape its long-term strategic position;
 -  2 granted US patents for full-screen smartphone authentication
 -  Taiwanese display partner committed, to co-develop the full-screen solution, with the target of showcasing the prototype at Mobile World Congress 2027 in Barcelona.
-  In the beginning of 2026, we secured NOK 9 million in funding, through a shareholder loan. Recently, we also announced an 82% underwritten Rights Issue yielding gross proceeds totaling NOK 41-50 million.

area fingerprint sensor technology across multiple verticals, including government ID, banking & finance, access control, and identity access management. These design wins are not just milestones — they represent long-term commercial relationships and future revenue opportunities. They validate our technology leadership and confirm that our solutions address real customer needs in high-security environments. NEXT's sensors are designed into products with lifecycles of 4-10 years.

Our present solutions are integrated and used within:

-  Government ID: 10+ national ID and local programs
-  Banking & Finance: 150,000+ Point of Sales (POS) terminals
-  Laptop & Notebooks: 25+ laptop and tablet models from tier-1 OEMs
-  Access Control: 650 000 + physical and logical access control devices

Also playing a part in this confidence, and something that I'm especially proud of, is the strong progress we have made with US patents granted in November 2025 and January 2026. These patents secure core intellectual property for full-screen authentication in smartphones, this marks a total of 38 granted patents for NEXT. We have strong product development momentum, the theoretical design is done and, in January 2026, NEXT selected a renowned Taiwanese display partner, Giantplus, to co-develop the solution. NEXT and Giantplus are conducting R&D and technical product development initiatives with the target of showcasing the prototype in March 2027 at Mobile World Congress in Barcelona. Authenticating anywhere on the display is a long-sought-after innovation and we are receiving substantial interest from key industry players.

The increasing market momentum gives solid ground for optimism, and our main focus in the near term will be to convert marketable goods to revenue. This optimism is based on, among others, newly secured orders in India and the growing design-win traction we experience from our customers and partners. Further, at year end we have inventory valued at net book value of NOK 25.4 million, which corresponds to approximately NOK 50 to 70 million in revenue when sold to end-customers assuming gross margin at around 50%.

In order to capitalize on the increasing market momentum NEXT needed to secure the corresponding funding. Hence, in March 2026 NEXT announced a partially underwritten rights issue of new shares with preferential subscription rights for the Company's existing shareholders to raise gross proceeds of up to NOK 50 million. The Rights Issue is partially underwritten by certain new and existing shareholders, who have committed to subscribe for NOK 41 million of the total subscription amount. Further, the Company has agreed that the initial amount under the shareholder loan agreement entered into with certain lenders on 20 January 2026 for the principal amount of NOK 9 million, will be set off through the issuance of new shares in the Company to the lenders at a conversion price equal to the Subscription Price in the Rights Issue, upon completion of the Rights Issue. The announced 82% underwritten Rights Issue will yield gross proceeds totaling 41-50 million.

As I look back upon the year, I am humbled by the challenges we have faced. At the same time, I am immensely proud of what we have achieved in terms of developing our product pipeline and I am cautiously optimistic on our outlook in 2026. I believe this is just the start of the growth of the biometrics industry and our company. We aim to continue to lead, deliver solutions, and pave the way for biometrics in 2026.

Thank you.
Ulf Ritsvall



NEXT Biometrics at a glance

NEXT provides advanced fingerprint sensor technology that delivers uncompromised security and accuracy for the best possible user experience in banking & finance, government ID, access control, laptop & notebook market areas. NEXT Biometrics Group ASA is headquartered in Oslo, with sales, support, and development operations in Seattle, Taipei, Tokyo, New Delhi and Shanghai.

Technology & product development

NEXT Biometrics is a pioneer in the field of Active Thermal® technology. NEXT's unique Active Thermal® technology offers high-security authentication using ultra-thin sensors with high image quality and low energy consumption.

Compared to competing technologies, Active Thermal sensors offer many advantages: Secure, future-proof, Cost-effective performance & integration, Excels in demanding environments.

NEXT's sensor solutions have steadily gained momentum in the industry. This is due to their large, thin FAP-standardized sensing area combined with high image quality, high security level, and low energy consumption.

The products are used in various applications such as point of sales terminals (POS), readers, Notebooks and Access solutions.

Its Active Thermal® technologies are certified by entities including Aadhaar, ChinaID, FBI-PIV, MOSIP and NIBSS, and has been implemented in countries including Bangladesh, China, Ghana, India, Malaysia, Pakistan, U.S. and Vietnam.

In 2025, we continued our focus on research and product development as part of our technology leadership. We set out to further develop NEXT's product portfolio, aligning it with the evolving needs of our customers. Our FAP20 has long been a flagship product, highly regarded for its slim form-factor and compatibility with the leading digital identity platforms. During the year we focused on enhancing its capabilities and launching a new version with an integrated MCU and slim design targeted for the market in India (L1 Slim). We also added additional design-wins for our FAP20 China ID sensor, which is targeting the high security market including banking, health care and social security applications.

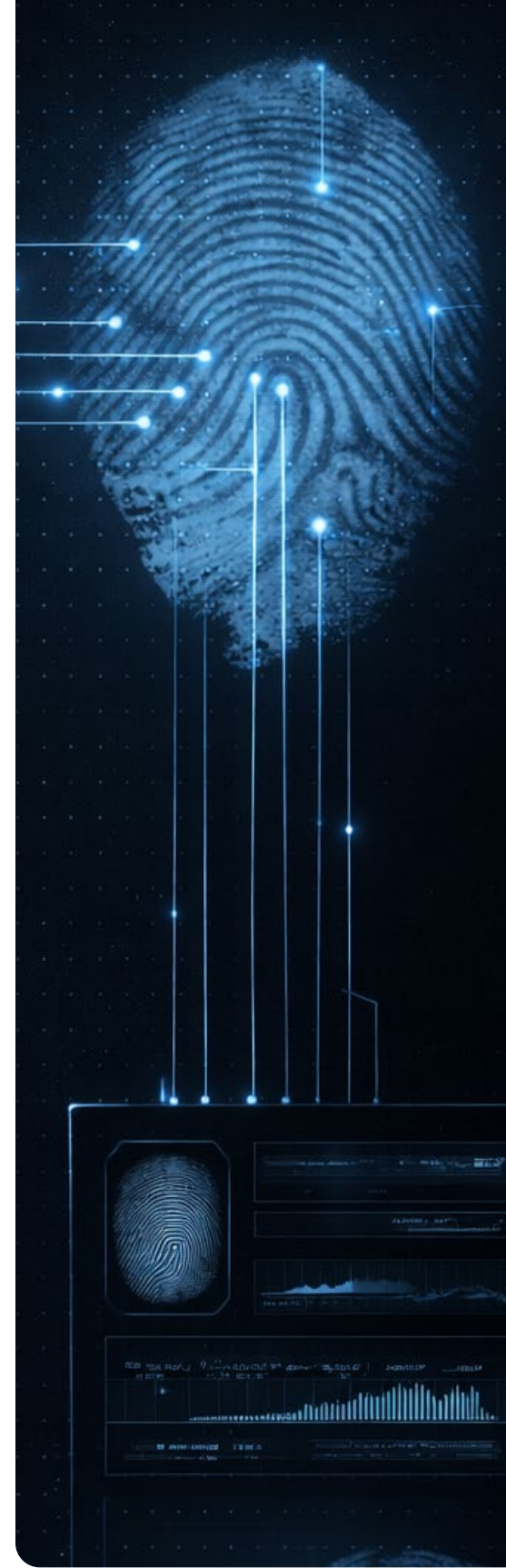
The added customer product integrations are important milestones that will secure the long-term development of NEXT's product shipment volume.

During the year, we successfully launched the first version of the Basalt series (FAP30 sized) fingerprint sensor in June 2025. The Basalt product (FAP30 sized) broadens NEXT's product portfolio and makes NEXT a more attractive partner to international OEMs (Original Equipment Manufacturers) targeting high-end solutions. The first OEM customers have received FAP30 samples and are working on the end-customer product designs targeted for the world market.

In addition, the Group's technology roadmap includes a new product that targets the smartphone market. The planned smartphone product includes fingerprint authentication for mobile phones Anywhere-on-display. During the year we have been working on developing a prototype of this product. Moreover, we have been working on selecting a display partner for the development of Anywhere-on-display authentication (announced subsequent to year-end). We will continue to progress our work to secure commercial partnerships and prepare for the planned product demo that is scheduled early 2027.

Sales & marketing

The Group has a dedicated global sales force that has established relationships with stakeholders in different ecosystems active in focused market segments. The company has a diversified customer base, which includes Biometric technology companies, POS manufacturers, biometric HW manufacturers, and Government ID providers. NEXT's ongoing business development efforts are expected to bring additional volumes from new use cases and targeted niche applications.



Manufacturing

NEXT has established outsourced production with strong partners in Asia with proven ability to produce large volumes of high quality and robust sensors for mass market deployment, which is highly recognized and appreciated by existing and potential new customers. The Group can increase production capacity rapidly when needed.

Report from the Board of Directors

Summary from the board of directors

2025 was a year of fundamental reset for the Group. The incoming Board inherited a business with too optimistic market guidance, critically elevated receivables, and a joint venture arrangement with the China external sales and marketing partner that needed to be investigated in an independent external investigation due to irregularities.

This totality required a restatement of revenues, cost of goods sold and operating expenses in the 2024 financial accounts, an immediate need for an equity private placement at NOK 4.25 per share. A thorough overhaul of the Group's financial controls and revenue recognition practises, was initiated.

With these issues addressed, the Board turned its attention to rebuild the Group on a sound foundation. A new strategy for 2026 and 2027 was adopted in December, focused on monetising existing inventory, advancing the Finger-on-Display platform, and driving new sales. Moreover, a cost reduction program has been initiated.

A global leader in fingerprint sensor technology

NEXT Biometrics Group ASA ("Parent Company") is a public limited liability company incorporated and domiciled in Norway, with headquarters in Stortorvet 7, 0155 Oslo, Norway. The Parent company and its subsidiaries ("NEXT" or "the Group") provides advanced fingerprint sensor technology that delivers uncompromised security and accuracy for the best possible user experience in the areas of Government ID, Access control, Laptop&Notebook and Banking&Finance.











NEXT's fingerprint sensors are unique, using thermal conductivity to read the fingerprint image, as opposed to capacitive, ultra sonic, or optical sensing. This patented sensing principle allows designs uniquely compatible with low temperature polysilicon production processes ("LTPS") used in high-end displays. This enables significantly lower production costs for the Group's fingerprint sensors compared to competing sensor technologies.

The Group has developed and markets a portfolio of fingerprint sensors, sensor modules, and readers, which may be designed into a wide range of products and solutions.

The Group has six wholly owned subsidiaries and a 50% shareholding in the subsidiary that is controlled by the group. See section The NEXT Biometrics Group for further details.

NEXT Biometrics Group ASA's shares are listed on the Oslo Stock Exchange.

Key Highlights

-  Revenues for 2025 were NOK 13.4 million, compared with NOK 19.7 million in 2024.
-  Adjusted EBITDA¹ was NOK -59.9 million in 2025, compared with NOK -68.6 million in 2024.
-  Booked additional material restatements relating to revenue, cost of sales, other operating expenses and accounts receivables relating to 2024 (please see [note 26](#) for details)
-  Twenty one new design wins were secured in 2025, bringing the cumulative total to 85 as at December 2025; these are expected to contribute to future revenues.
-  Two US patents granted for full-screen biometric authentication technology for smartphones and NEXT selected a Taiwanese display partner to co-develop the solution
-  Launched FAP30 NEXT Granite Sensor and FAP20 NEXT Basalt L1 Slim to the market — an important step in expanding NEXT global footprint and technology leadership in National IDs, Banking and Finance. Announced first FAP30 customer order to the market in India.
-  Announced second partner in India (Evolute) that completed India L1 Aadhaar certification
-  Secured first mass production orders in Sri Lanka and Vietnam, both new market geographics
-  Achieved rigorous NIBSS certification after supported its second customer implementation with a new smart point of sale (POS) for a top Nigerian bank.
-  Extended partnership with US based Identity Access Management (IAM) solution provider and signed a multi-year deal for NEXT Oyster III solution.

¹ Please see section Alternative Performance measures on page [83](#) for further details

Business overview

The 2025 annual report marks the close of a challenging year for NEXT, but also the beginning of what is believed to be a more constructive phase for the Company. While financial performance in 2025 did not meet the targets and expectations set at the start of the year, there are now obvious signs that the markets served by NEXT are reopening and that customer activity is improving.

A principal reason for weak market activity during 2025 was the temporary disruption to India's Aadhaar ecosystem following a security incident involving a competing solution. This resulted in a reset of market requirements, including the introduction of new Fake Finger Detection (FFD) standards. Because testing could only be performed by STQC, the sole authorised agency in India, certification bottlenecks emerged across the market, delaying product approvals, customer roll outs, and short-term sensor demand. These effects persisted throughout 2025.

At the same time, this development has reinforced the importance of secure and robust biometric technology and validates NEXT's long standing emphasis on security and liveness detection. With NEXT's Basalt FAP20 solutions included in certified modules for two of the seven OEMs approved under the new FFD requirements, NEXT is well positioned to benefit as certification backlogs ease and demand in India begins to recover.

In India, the Aadhaar programme has registered fingerprints for more than one billion people, providing access to various governmental services and benefit systems. NEXT's local partners will certify their products, which include NEXT's FAP20 sensors. Consequently, the generational upgrade of India's national Aadhaar programme and the resulting demand from NEXT's local partners are expected to drive strong demand for NEXT sensors in 2026 and subsequent years.

Biometric technology is deployed across laptop and governmental projects and has been adopted in medical services, devices for financial inclusion such as pension payments, point of sale (POS) devices, office and facility access, voter registration, and time and attendance solutions.

The Group has developed products and established a manufacturing platform, together with sales and marketing capabilities, to build a business with a significant footprint and customers in key markets such as banking

& finance, government ID, access control, laptops, and POS solutions. The Group possesses proven, differentiated technology that outperforms competing solutions in key respects including form factor (size and thickness), biometric performance, quality, standards compliance, and unit cost. As at the end of 2025, NEXT has biometric distributors operating in the Americas, Asia, Europe, and Africa. NEXT is represented in major, large, and growing biometric markets with high security requirements and extensive biometric adoption.

NEXT's commercial platform continues to strengthen. NEXT secured twenty-one design wins during the year, increasing the total to 85 by year-end, up from 64 a year earlier. We regard this as a strong indicator of customer interest and a broader base for future revenue growth as market conditions improve.

In China, security remains an important market driver and, as the world's most biometrically enabled country, interest in our FAP20 sensor — including its liveness capability — is increasing. NEXT announced in early 2024 that one of its partners had been awarded China ID certification for the FAP20 sensor.

In the Americas, NEXT has two distributors covering the United States, Mexico, and Brazil. The focus in these markets is to replace the current installed base of bulky and costly optical fingerprint products.

In the laptop market, the Group is pursuing new business opportunities involving higher security FAP20 implementations.

The Group launched the first version of its new FAP30 product, which delivers excellent image quality and integrated anti-spoofing functionality, providing superior capability to detect a live finger. The larger FAP30 sensor naturally provides a more complete fingerprint image. The FAP30 sensor can be readily integrated into a variety of system configurations. The Group has presented product samples to interested customers; feedback has been very positive, and the addressable market is substantial. NEXT continued preparations for FBI PIV certification following the successful launch of the Basalt series (FAP30) during 2025. NEXT completed the FBI certification in January 2026.

NEXT continues to invest in technology that will shape its long-term strategic position. During the period, NEXT was granted two US patents covering core intellectual property for Fullscreen biometric authentication in smartphones. In January 2026, NEXT selected Taiwan based Giantplus to co-develop an anywhere on display solution. This project represents a strategically important initiative for NEXT; a key milestone is to present a prototype showcase at Mobile World Congress 2027 in Barcelona. We believe this work supports a differentiated long-term technology position and future shareholder value creation.

In the near term, NEXT's principal focus is to convert inventory into revenue as market activity improves and customer orders resume. The existing inventory provides a strong basis to support increased deliveries as demand returns. Combined with improving market momentum, a broadened product offering, growing design-win traction and continued technological progress, this gives cause for optimism as we enter 2026.

Sustainability and transparency

NEXT complies with the authorities' requirements for sustainability reporting; further information is available in the Corporate Social Responsibility Report (see page 22). Reporting required by the Norwegian Transparency Act for the 2024 financial year was published in the 2024 financial reporting section on the company's website (www.nextbiometrics.com/investors/financial_reports_presentations/) in June 2025. Transparency Act reporting for 2025 will be published no later than 30 June 2026 at the same web location.



The NEXT Biometrics Group

The Group has six wholly owned subsidiaries: NEXT Biometrics AS (Norway) and its subsidiaries NEXT Biometrics Inc. (Seattle, USA), NEXT Biometrics Taiwan Ltd. (Taipei, Taiwan), NEXT Biometrics Solutions India Pvt. Ltd. (Bengaluru, India), and NEXT Biometrics AB (Malmo, Sweden). In addition, the group has control over and a 50% shareholding in NEXT Biometrics China Ltd. (Shanghai, China). All seven subsidiaries in the Group are consolidated into Group accounts.

In 2025 the Group sold 50% of the shares in NEXT Biometrics China Ltd. (NEXT China) at zero cost to the external party. In the shareholders agreement it has been agreed that a certain part of shares in NEXT China will be transferred back to NEXT Biometrics AS at zero cost. Moreover, the Group has majority of votes in the board and general meetings of NEXT China. Hence, there is no minority interest in relation to NEXT China. Still, the Group and the external party is in disagreement and is currently in two legal disputes in China. See [Note 17](#) for further details.



Financial summary – the group

Comprehensive income

Revenues were NOK 13.4 million in 2025, compared with NOK 19.7 million in 2024.

Cost of materials was NOK 13.6 million in 2025, compared with NOK 16.8 million in 2024.

Please note that valuation of inventory is a critical accounting estimate. Please see [note 12](#) for further details.

Gross profit was NOK -0.2 million (-1%) in 2025, compared with a gross profit of NOK 2.9 million (15%) in 2024.

Adjusted gross profit was NOK 7.0 million (52%) in 2025, compared with NOK 3.3 million (17%) in 2024.

Payroll expenses were NOK 36.3 million in 2025, compared with NOK 32.8 million in 2024. The average number of employees was 25 in 2025, compared with 23 in 2024. The Group had twenty-four employees at the end of 2025, unchanged from the end of 2024. Share-based remuneration, including related accrued social security tax, included in payroll expenses amounted to NOK 2.4 million in 2025, compared with NOK 1.1 million in 2024. The increase in share-based remuneration cost in 2025 is attributable to the higher number of options awarded in 2025. Research and development (R&D) expenses included in payroll expenses were NOK 6.6 million in 2025, compared with NOK 6.5 million in 2024.

Other operating expenses were NOK 39.4 million in 2025, compared with NOK 40.6 million in 2024. R&D expenses included in other operating expenses were NOK 2.8 million in 2025, compared with NOK 4.2 million in 2024. See [note 5](#) and [6](#) for further details.

Total R&D expenses, included in both payroll and other operating expenses, were NOK 9.4 million in 2025, compared with NOK 10.7 million in 2024. The Group's 2025 expenses were primarily related to development of the FAP30, China ID and the new Fingerprint on Display products as well as general improvements to fingerprint sensors.

Depreciation, amortisation, and impairment were NOK 4.6 million in 2025, compared with NOK 5.4 million in 2024. The decrease in 2025 reflects a lower asset base due to assets reaching the end of their depreciable lives.

Net financial items amounted to a net gain of NOK 0.2 million in 2025, compared with a net gain of NOK 1.0 million in 2024. Gains in 2025 were related to currency gains and interest income.

Income tax expense was NOK 0.1 million in 2025, compared with NOK 0.2 million in 2024.

EBITDA for the Group was negative NOK 76.0 million in 2025, compared with negative NOK 70.5 million in 2024.

Adjusted EBITDA for the Group was negative NOK 59.9 million in 2025, compared with negative NOK 68.6 million in 2024.

Loss after tax for the Group was NOK 80.5 million in 2025, compared with NOK 75.1 million in 2024.

In the outlook section of NEXT's 2024 annual report, the company stated that it expected an increased number of design wins, improved profitability and revenues of NOK 180–200 million for 2025. During 2025 NEXT increased its number of design wins in line with expectations. However, revenues in 2025 declined to NOK 13.4 million owing to slow demand in India and China caused by project delays and the security incident in India that resulted in governmental approval delays. In addition, revenues from FAP30 sensor sales were lower than anticipated.

Changes in accounting policies

The accounting policies applied in preparation of the financial statements for 2025 are consistent with those applied in the preparation of Annual Report for 2024.

Financial position and cash

Total assets as of 31 December 2025 amounted to NOK 49.3 million, compared with NOK 116.7 million as of 31 December 2024.

Total equity was NOK 25.2 million at the end of 2025, compared with NOK 84.8 million at the end of 2024.

The Group had non current liabilities of NOK 1.0 million and current liabilities of NOK 23.1 million at the end of 2025, compared with non current liabilities of NOK 2.2 million and current liabilities of NOK 29.7 million at the end of 2024.

Cash amounted to NOK 8.3 million at the end of 2025, compared with NOK 62.9 million at the end of 2024.

The Group had gross trade receivables of NOK 0.8 million at the end of 2025, compared with NOK 3.3 million at the end of 2024.

Cash flow

Net cash flow from operating activities was negative NOK 69.6 million in 2025, compared with negative NOK 61.7 million in 2024. Net cash flow from operations was higher than EBITDA mainly due to non-cash costs relating to inventory write-downs (in 2025) and reversal of costs triggered by the restatements (in 2024).

Net cash flow from investing activities was negative NOK 2.2 million in 2025, compared with negative NOK 0.6 million in 2024.

Net cash flow from financing activities was positive NOK 17.3 million in 2025 because of the share issue completed in October 2025. Net cash flow from financing activities was positive NOK 58.1 million in 2024.

Financial summary – the parent company

Comprehensive income

Total revenues for the parent company were NOK 6.6 million in 2025, compared with NOK 9.5 million in 2024. Revenues primarily comprised management fees and royalties charged to the subsidiary NEXT Biometrics AS.

Payroll expenses, including share-based remuneration, for the parent company were NOK 12.3 million in 2025, compared with NOK 11.8 million in 2024. The change reflects a higher number of options awarded in 2025. There were three employees in the parent company at yearend 2025, compared with four at the end of 2024.

Other operating expenses for the parent company were NOK 14.7 million in 2025, compared with NOK 7.7 million in 2024.

Depreciation and amortisation for the parent company were NOK 1.4 million in 2025, unchanged from 2024.

Net financial income was negative NOK 144.1 million in 2025, compared with net financial income of NOK 1.8 million in 2024. The decrease in financial income is due to booking of a write-down on investments in subsidiaries of NOK 144.3 million in 2025 following the conclusion of the company's impairment assessment.

The parent company recorded a loss before tax in both 2025 and 2024; accordingly, no tax payable arose. No deferred tax assets have been recognised for 2025 or 2024.

Loss after tax for 2025 was NOK 166.0 million, compared with NOK 9.6 million in 2024.

Financial position and cash

Total assets as of 31 December 2025 amounted to NOK 230.0 million, compared with NOK 369.5 million as of 31 December 2024.

The parent company had current liabilities of NOK 10.1 million at the end of 2025, compared with NOK 7.6 million at the end of 2024.

Cash amounted to NOK 3.0 million at the end of 2025, compared with NOK 47.9 million at the end of 2024.

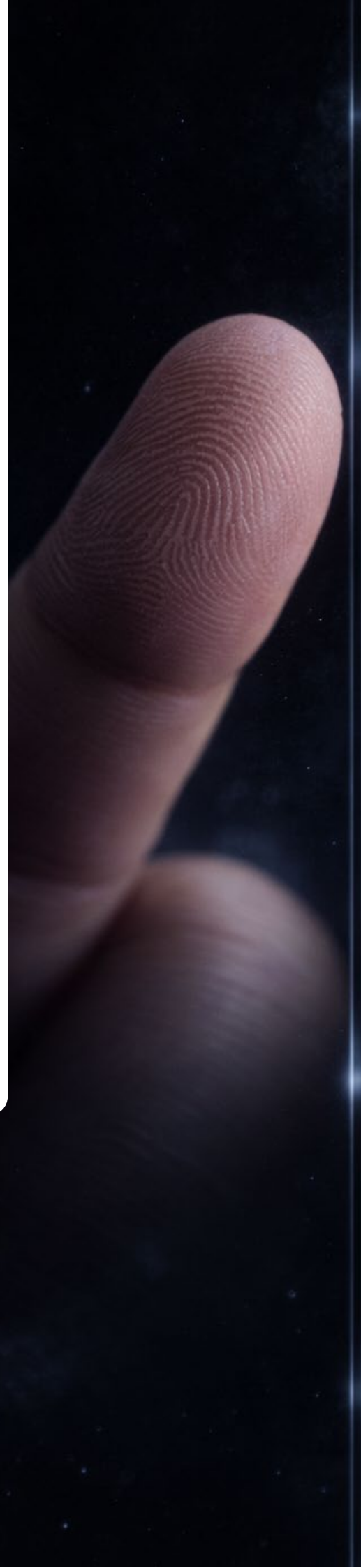
Cash flow

Net cash flow from operating activities was negative NOK 14.0 million in 2025, compared with negative NOK 7.7 million in 2024. Net cash flow from investing activities was negative NOK 49.7 million in 2025, compared with negative NOK 44.0 million in 2024. Net cash flow from financing activities was positive NOK 18.7 million in 2025, compared with positive NOK 59.5 million in 2024.

Equity and allocation of profit (loss) after taxes

Equity for the parent company was NOK 219.9 million at the end of 2025, compared with NOK 361.7 million at the end of 2024.

The Board of Directors proposes that the parent company's loss after tax of NOK 166.0 million be charged to the share premium account.



NEXT shares and share capital

NEXT ASA's shares are listed on the Oslo Stock Exchange main list under the ticker NEXT. The year end closing price for 2025 was NOK 1.84, down from NOK 6.88 at the end of 2024. During 2025, the shares traded in a range of NOK 1.37 to NOK 7.18.

The issued share capital of the parent company at the end of 2025 amounted to NOK 119.9 million, comprising 119,860,417 ordinary shares with a par value of NOK 1 each. At the end of 2025 there were 3,158 registered shareholder accounts, compared with 3,391 at the end of 2024.

Financial risk, capital management

NEXT is exposed to certain financial risks related to exchange rates and interest rates. These are, however, insignificant relative to the business risk. NEXT's principal business risks may be summarised as follows:

- (a) NEXT currently has higher costs than revenues and negative cash flow from operations.
- (b) NEXT's business plan assumes additional revenue from existing and new products under development.
- (c) Revenue from NEXT's products depends, among other things, on market factors outside NEXT's control.
- (d) Competing companies' products have entered the commercial stage and the competitive landscape for NEXT's products is continually evolving.
- (e) NEXT's target markets are subject to rapid technological change.

NEXT raised gross proceeds of NOK 20.0 million in a private placement completed in October 2025. See [note 19](#) in the consolidated financial statements for further details.

The Group has entered into, and intends to continue entering into, stock option agreements to attract talented and experienced employees. As of 31 December 2025, NEXT had 13,987,161 share options outstanding. See [note 19](#) in the consolidated financial statements for further details.

NEXT manages liquidity passively by placing funds in floating rate bank accounts. The majority of cash is held in Norwegian kroner at parent company level and is distributed to affiliates as appropriate. This approach provides central control of overall liquidity and helps manage expense levels in the affiliates.

NEXT has financial liabilities relating to office leases in multiple locations as of 31 December 2025.

NEXT's sales and production costs are denominated in US dollars. Other operating expenses are primarily in Norwegian kroner (NOK) and US dollars (USD), depending on location. Equity transactions are in NOK. In the parent company, most costs and all equity transactions are in NOK. NEXT does not use financial instruments to hedge this exposure.

The Group is exposed to credit risk. NEXT sells sensors to leading international distributors and original equipment manufacturers of electronic components, primarily based in Asia, Europe, and North America. The majority of the Group's receivables are currently not credit insured. In late 2025 the Group entered into a Factoring Agreement with a bank in Norway that provides financing on a pre-selected set of end-customers and distributors within specified limits.

Liability insurance

The Group maintains directors' and officers' liability insurance with total coverage of NOK 50 million; the policy covers legal costs, emergency costs, and various other contingency expenses.

Employees

At the end of 2025, the Group employed twenty-four people (2024: 24), of whom six were women (2024: 6). In addition, the Group engages individual technical and scientific specialists on a contract basis. The average proportion of female employees in the Group was 25% in 2025 (2024: 25%).

The parent company employed three people at the end of 2025; all three were male. The average proportion of female employees in the parent company was 0% in 2025 (2024: 25%). The Board currently comprises five members, of whom three are women.

The parent company recorded no long-term absences due to illness and no work-related incidents or accidents resulting in material damage or personal injury during 2025. The average sickness absence rate in the parent company was 1.36% in 2025, compared with 1.1% in 2024.

Corporate governance

NEXT's corporate governance guidelines comply with section 3-3b of the Norwegian Accounting Act and seek to adhere to the Norwegian Code of Practice for Corporate Governance dated 14 October 2021. See the separate annual report section "Corporate Governance Report" for further information.

Social responsibility, environment and climate impact

NEXT's social responsibility guidelines comply with section 3-3c of the Norwegian Accounting Act. See the separate annual report section "Corporate Social Responsibility Report" for further information on social responsibility, environmental and climate impact, and the working environment. The Group does not own or operate manufacturing facilities; manufacturing is outsourced to third parties. Climate impact and potential risk are considered low in the short to medium term. See [note 22](#) for further details on climate risks.



Going concern

In accordance with section 2-2(8) of the Norwegian Accounting Act, the Board of Directors confirms that the financial statements have been prepared on a going concern basis. Please see [note 25](#) for further details.

Subsequent events

The Group announced the terms of its partially underwritten rights issue on 18 March 2026. The rights issue is partially underwritten by certain new and existing shareholders, who have committed to subscribe for NOK 41 million of the total subscription amount of up to NOK 50 million. In connection with the rights Issue, the Group also raised bridge loans of a total amount of NOK 25 million to cover immediate short-term liquidity needs,

primarily related to working capital needs. Please see [note 24](#) for further details.

Between 31 December 2025 and the date of approval of these financial statements there have been no other events that have had a material impact on the Group's or the parent company's results for 2025 or on the value of the Group's or the parent company's assets and liabilities as of 31 December 2025.

Outlook

The Board of Directors wishes to highlight that any forward-looking statements and assessments are subject to substantial uncertainty, and actual developments may differ materially from current expectations.

The Anywhere on display project has the potential to drive transformative changes across the biometric and display market. NEXT's two new two US patents secure core intellectual property and early interest from selected industry leaders in the Smartphone industry confirms the technology's groundbreaking potential. Technology development is on track to demonstrate the prototype at Mobile World Congress in 2027, which is likely to trigger interest from major players in the industry and opportunities for licensing revenues.

NEXT has implemented cost reduction measures in early 2026 with annual underlying OPEX targeted to reach NOK 60 to 65 million. At the same time, we are seeing signs that the markets we serve are regaining momentum, particularly in India, where orders have started to be issued again by OEMs and government

agencies have resumed tender activity and NEXT has received three new orders. Demand in India is expected to accelerate further in Q2 2026 and normalize by Q3 2026.

We also see improving activity in other markets, including MOSIP-related countries, Bangladesh and selected opportunities in the Americas. We believe this supports a more constructive commercial outlook for 2026 and reinforces the view that the temporary disruption in 2025 is gradually being left behind.

India is expected to be our strongest near-term market. With certification bottlenecks easing, increased tender activity, recent order intake and a broadened product offering, we believe NEXT is well positioned to capture growth as market activity returns. At the same time, our technology investments, including our patented full screen authentication solution and the co-development partnership with Giantplus, continue to strengthen our long-term strategic position.

NEXT has three revenue streams: signed contracts, design wins, and large tenders or one-time revenues. Due to the nature and development stage of the biometric markets we serve, the timing of these revenue streams remains difficult to predict. However, momentum is improving, the commercial pipeline is strengthening, and the revenue target for 2026 is NOK 70 million, with a gross margin target of 50 to 55%.

The increased market momentum gives us reason for cautious optimism. Our main focus in the near term will be to convert inventory into revenue and cash flow as demand returns. At year-end, NEXT's inventory had a net book value of NOK 25.4 million, which corresponds to approximately NOK 50 to 70 million in potential revenue when sold to end-customers, assuming gross margin at around 50%. The inventory monetisation is expected to support operating cash flow. In addition, the Group's liquidity position will be strengthened by the recently announced bridge loan and rights issue, which is expected to provide liquidity runway into 2027.

The board of directors of NEXT Biometrics Group ASA

Oslo, 27 April 2026

/Sign/

Hans Henrik Klouman
Chair

/Sign/

Roy Tselentis
Deputy Chair

/Sign/

Emine Lundkvist
Board member

/Sign/

Siri Gornæs Børsum
Board member

/Sign/

Tove Giske
Board member

/Sign/

Ulf Ritsvall
CEO

Corporate Governance Report

1

Introduction

For NEXT Biometrics Group ASA ("NEXT" or the "Company"), good corporate governance is about doing the right things, and doing the things right. The manner in which the Company is managed is vital to the development of the Company's value over time. The Company's corporate governance framework has been designed to provide a foundation for value creation, business risk reduction, and to ensure good control

mechanisms. NEXT believes in open and honest communication with the shareholders, and interaction between shareholders, the board of directors and the Company's management. NEXT aims to show respect and responsibility for shareholders as well as with all stakeholder groups, such as co-operating partners, customers, suppliers, employees and authorities. NEXT is subject to corporate governance reporting requirements according

to section 3-3b of the Norwegian Accounting Act and the continuing obligations of stock exchange listed companies at Oslo Stock Exchange. Further, NEXT's board of directors endorses "The Norwegian Code of Practice for Corporate Governance" (the "Code"), most recently revised in August 2025 and issued by the Norwegian Corporate Governance Policy Board. The Code is available at <http://www.nues.no/>.

2

NEXT'S implementation and reporting on corporate governance

NEXT aspires to comply with the recommendations of the Code. Taking into account the size and maturity of the Company, there may be deviations from the Code. If the Code is deviated from, the deviation is described and explained in the

relevant section of this report. The Company's policies, instructions and internal processes are continuously developed. A review of the Company's corporate governance policy is performed annually to ensure continued compliance with the Code.

3

Business

NEXT's business is clearly described in the Company's articles of association: "The objective of the company is to conduct research, development and commercialization of security products, participation and investment in companies conducting similar activities as well as other activities that will naturally fall under this". The Company's articles of association are available at the Company's homepage, www.nextbiometrics.com.

Basic corporate values

The Company has formulated three basic corporate values to form a guideline for the Company's business operations: (i) innovative business models, (ii) close client relationship and (iii) global reach. "The ethical and corporate social responsibility guideline" has been set out in accordance with these values.

Ethics and corporate social responsibility

The Company has implemented ethical and corporate social responsibility guidelines, in accordance with its basic corporate values. Moreover, the Company promotes and ensures sustainable business operations and supply chain. Additional information is included in the sections related to specific Environmental, Social, and Governance matters in this report.



Capital structure

The board of directors and the management of the Company seek, at all times, to have a sound relation between the Company's capital structure and the Company's objectives, strategies and risk profile. The board shall immediately take adequate steps should it be apparent at any time that the Company's equity or liquidity is less than adequate.

Dividend policy

It is a long-term objective of the Company to generate returns to shareholders in the form of dividends and capital appreciation, at a level which is at least equal to other investment possibilities with comparable risk.

Since NEXT is in a growth-phase, no dividend has been paid so far. Further, no dividend has been proposed for the coming year. When the Company reaches a steady state position, NEXT intends to establish a clear and predictable dividend policy, which will form the basis for any proposals on dividend payments to be resolved by the general meeting.

Authorizations to the board of directors

The annual general meeting, held on 9 May 2025, gave the board authorization to increase the Company's share capital by up to NOK 23,031,000 to enable the Company to conduct share issues in an effective manner. The board of directors was also granted authorization to deviate from the shareholders' preferential rights when using the authorization.

Moreover, the board of directors was given authorization to increase the Company's share capital for the option program by up to NOK 9,278,911, out of which NOK 2,160,000 can be used to issue shares to board members under options granted to board members in 2020, 2022 and 2025. The authorization covers capital increases by way of contributions in kind but does not cover capital increases in connection with mergers, and the board may decide that the shareholders' pre-emption right to the new shares can be deviated from. The authorization is limited in time until the 2026 general meeting or 30 June 2026, whichever comes first.

The extraordinary annual general meeting, held on 8 October 2025, gave the board of directors' authorization to issue one or several convertible loans with an aggregate total principal of up to NOK 20,000,000. In connection with the conversion of any loan issued by the use of this authorization, the Company's share capital may be increased by up to NOK 4,000,000 through the issuance of up to 4,000,000 new shares, each with a nominal value of NOK1. The authorization is limited in time until the 30 June 2027.

As of 31 December 2025, there are no further authorizations granted to the board of directors, neither to increase the share capital by issuing new shares, nor to the Company to purchase its own shares. Any future authorizations given will be limited in time until the next general meeting, in accordance with the Code.

Class of shares

The Company has one class of shares and there are no voting restrictions. Each share represents one vote and equal rights at the Company's general meeting. The par value per share is NOK1.00.

Pre-emption rights of existing shareholders

NEXT's existing shareholders have pre-emption rights to subscribe for shares in the event of a share capital increase, unless otherwise indicated by special circumstances. Any decision to deviate from the pre-emption rights of existing shareholders shall be justified. The justification for such decisions shall be publicly disclosed in a stock exchange announcement issued in connection with the increase in share capital.

Transactions with close associates

The Company's significant shareholders, a shareholder's parent company, board members, executive personnel and close associates of any such parties are considered to be related parties. All transactions with related parties will be carried out in accordance with the arm's length principle.

All transactions with related parties that are not immaterial will be publicly disclosed by NEXT. In the event that such a transaction occurs, the board will arrange for a valuation to be obtained from an independent third party. This will not apply if the transaction requires the approval of the general meeting pursuant to the requirements of the Norwegian Public Limited Companies Act.

If NEXT should carry out any transaction in its own shares, this will be carried out either through the stock exchange or at prevailing stock exchange prices to ensure equal treatment of all shareholders.

Other than this, the board is not aware of any transactions in 2025 between the Company and the shareholders, a shareholder's parent company, directors, executive personnel or parties closely related to such individuals that qualify as material transactions.

6

Shares and negotiability

The shares in the Company are freely transferable, and the Company's articles of association contain no restrictions on transferability, ownership, trading or voting.

7

General meetings

The general meeting is the Company's supreme governing body, and all shareholders are guaranteed participation and the opportunity to exercise their rights.

The Company's board takes steps to ensure that the shareholders can participate in the general meetings of the Company. The board of directors will ensure that:

- the resolutions and any supporting information distributed are sufficiently detailed, comprehensive and specific to allow shareholders to form a view on all matters to be considered at the general meeting;
- members of the board of directors, the chair of the nomination committee and the auditor (if the items to be considered are of such a nature that the auditor's attendance must be regarded as essential) are present at the general meeting;
- the general meeting is able to elect an independent chairperson for the general meeting; and
- that shareholders are able to vote on each independent matter, including on each individual candidate nominated for election.

Shareholders are encouraged to give notice of their intention to attend the AGM, with a deadline as close to the date of the General Meeting as possible, typically one day in advance.

Shareholders who are unable to attend the general meeting in person will be given the opportunity to, and encouraged to, vote by proxy or through written voting in a period prior to the general meeting. The Company will in this respect provide information on the procedure for representation at the general meeting and prepare a proxy form/ written voting form that makes voting on each individual matter possible. The Company will nominate a person to act as a proxy for the shareholders.

8

Nomination committee

Article 6 of the Company's articles of association sets out the requirements for the nomination committee.

Composition

The nomination committee shall consist of two to three members, where all members, including the chair, are elected by the general meeting, which also have approved guidelines for the duties and remuneration of the nomination committee. The nomination committee members shall be independent of the board of directors and executive management. The members are elected for a period of up to two years.

The current nomination committee was elected at the annual general meeting on 9 May 2025 for the period until the annual general meeting in 2026.

All of the members of the nomination committee have been selected to consider the interests of shareholders in general and are independent from both the Company's executive management and the Company's board of directors. As of 31 December 2025, the nomination committee consisted of Hans Herman Horn (chair), Haakon M. Sæter and Andreas Berdal Lorentzen.

NEXT is not aware of the existence of any agreements or business partnerships between the Company and any third parties in which members of the nomination committee have direct or indirect interests.

Instructions and work

Instructions to the nomination committee were last revised by the general meeting held on 16 May 2014. The nomination committee is responsible for seeking out and nominating qualified candidates for the board of directors and the nomination committee, and for proposing the remuneration to be paid to the board of directors and the nomination committee, including an explanation of how it came to its recommendations. The nomination committee gathers input from shareholders, the board of directors and the Company's executive personnel as part of its work on proposing candidates for election to the board.

The Company provides information on the membership of the committee.

Composition of the board of directors

The articles of association state that the Company's board of directors should comprise three to nine board members elected by the general meeting. The chair of the board is elected by the general meeting and among the Company's board.

NEXT emphasizes that the board shall have requisite competency to independently evaluate the cases presented by the executive management team as well as the Company's operation. It is also considered important that the board can function well as a body of colleagues.

As of 31 December 2025, the board of directors comprises the following five members:

- Hans Henrik Klouman
- Roy Tselentis
- Siri Gornæs Børsum
- Tove Giske
- Emine Lundkvist

All of the abovementioned board members are elected for the period until the annual general meeting in 2026.

A presentation of the board can be found on the Company's website.

The board's independence

NEXT believes that it is in the best interests of the Company and its shareholders to have independent directors and applies the Code's list of criteria for evaluating whether a director is considered independent.

Three out of the five board members are women, and none of the members of the Company's executive management or main business connections are members of the board of directors. The members of the board of directors are independent of the Company's main shareholders. The composition of the board ensures that it can attend to the common interests of all shareholders and meet the Company's need for expertise, capacity and diversity, and that it can operate independently of any special interests.

Each independent director who experiences a change in circumstances that could affect such director's independence is obligated to deliver a notice of such change to the chair of the board.

Members of the board are encouraged to own shares in the Company.

Election of the board of directors

The general meeting appoints the members of the board of directors based on the proposal from the Company's nomination committee. The chair of the board is elected by the general meeting.

It is the Company's view that directors who have developed a valuable insight into the Company and its operations over time make important contributions to the board. On this background, the Company does not wish to establish time limits in relation to the term of office for board members. However, directors are elected each year.

To ensure that the board continues to generate new ideas and operate effectively, the board evaluates and assesses its performance on an annual basis.

A member of the board is entitled to retire prior to the end of his or her term of appointment if special circumstances arise. If possible, the board and the nomination committee shall be given reasonable prior notice thereof.

The board's responsibilities

Norwegian law lays down the tasks and responsibilities of the board of directors. These include the overall management and supervision of the Company. This means that the board bears the ultimate responsibility for managing the Company and for monitoring its administration and business activities. The board is responsible for establishing internal control systems and for ensuring that the Company operates in compliance with the adopted value platform and Code of Ethics. The directors of the board shall discharge their duties in a loyal manner.

The fundamental responsibility of the directors is to oversee day-to-day management and evaluate strategy, to exercise their business judgment to act in what they reasonably believe to be the best interests

of the Company and its shareholders. The board is also to oversee such matters as are required by statutory law, the Company's articles of association, policies, instructions and procedures as well as resolutions of the general meeting. It is the duty of the board to oversee the management's performance to ensure that the Company operates in an effective, efficient and ethical manner in order to produce value for the Company's shareholders. The board also evaluates the Company's overall strategy and monitors the Company's performance against its operating plan.

The board is responsible for supervising strategic, financial and execution risks and exposures associated with the Company's business strategy, product innovation and

sales road map, policy matters, significant litigation and regulatory exposures, and other current matters that may present material risk to the Company's financial performance, operations, infrastructure, plans, prospects or reputation, acquisitions and divestitures. Further, the board shall ensure that the ongoing activities of the Company are subject to adequate control.

Annual plan

The board of directors sets an annual plan for its work, with particular emphasis on financial objectives, strategy and implementation. This plan covers the follow-up of the Company's operations, internal control, strategy development and other issues.

Instructions for the board of directors

The board of directors has implemented instructions for its own work. The board's instructions are subject to review every second year and are revised as needed. The current instruction was revised 5 November 2024.

The instructions cover the following items: appointment of the board of directors; board member independence; tenure and retirement; by-election; the duties of the board; committees; takeovers; allocation of the work within the board; the working procedures of the board; meeting – including meeting plan; quorum; disqualification; majority requirements; categories of decision; minutes; safety procedures and duty of confidentiality; information concerning the work of the board; evaluation of the work of the board and board committees; directors' liability insurance; liability for damages; new board members or CEO awareness of instructions; waiver and amendment; approval of transactions with related parties and communications with shareholders.

Instruction for the CEO

There is a clear segregation of duties between the board of directors and the executive management. The board has prepared a set of instructions for the CEO. The current instruction was revised 5 November 2024.

The CEO shall follow the guidelines and instructions issued by the board of directors. The CEO is responsible for the day-to-day management of the Company, pursuant to section 6-14 in the Norwegian Public Limited Companies Act. The CEO ensures that the board receives relevant information in an accurate, sufficient, and timely manner in order to allow the board to carry out its duties. The CEO represents the Company externally in matters that form part of the day-to-day management. The day-to-day management does not cover matters of extraordinary nature or of major importance. However, the CEO is authorized to decide on matters of extraordinary nature or major important cases, where the decisions of the board of directors cannot be awaited without serious detriment to the Company. The board of directors must be notified of the decision as soon as possible.

Financial reporting

The board is responsible for ensuring the integrity of financial information. The board evaluates the integrity of the Company's accounting and financial reporting systems, including the audit of the Company's annual financial statements by the independent auditors, and that appropriate disclosure controls and procedures and systems of internal control are in place.

Quarterly and annual financial reports are reviewed and approved at board meetings and form the basis for external financial reporting.

In connection with the presentation of the year-end financial statements, the CEO and the CFO declare that the accounts have been prepared in accordance with generally accepted accounting principles, and that to the best of their knowledge all information is accurate and no material information has been omitted.

Board meetings

The board shall deliberate matters and make decisions in meetings, unless the chair of the board finds that the matter may be presented in writing or be dealt with in another satisfactory manner.

The directors are free to consult the Company's executives as needed. Any board member or the CEO can require specific matters to be deliberated on by the board. The CEO shall, in consultation with the chair of the board, prepare matters to be deliberated by the board. Any matter shall always be prepared and presented in such a manner as to provide the board with a satisfactory basis for making its decision.

The CEO has a right and a duty to attend the board's deliberation of matters, unless otherwise determined by the board with respect to each individual matter. The CEO is not entitled to cast votes. Other participants are called in as needed.



Conflicts of interest and disqualification

The board of directors ensures that members of the board of directors and executive personnel make the Company aware of any material interest that they may have in items to be considered by the board of directors.

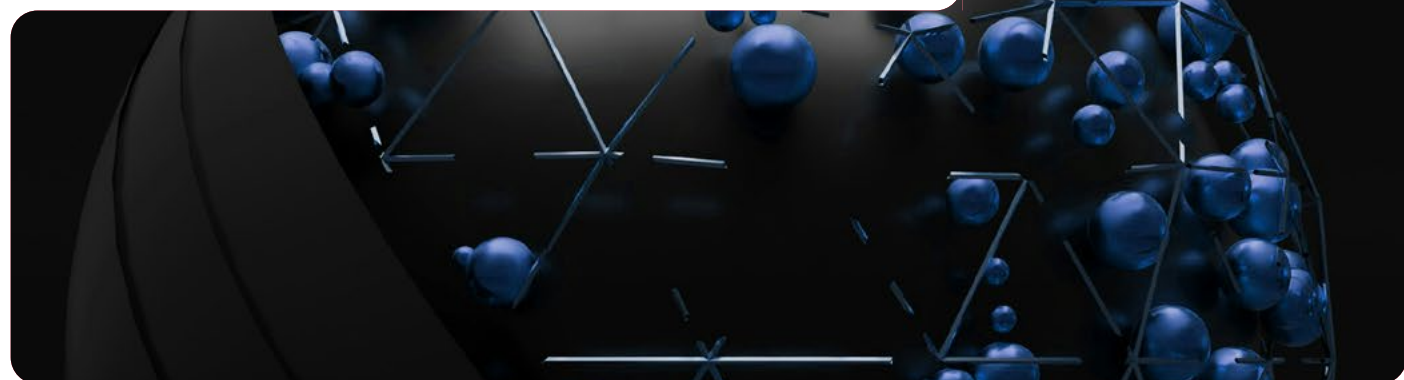
A member of the board or the executive management may not participate in the discussion or decision of issues of such special and prominent interest to the person in question, or to any closely related party of said person, that the board member or member of the executive management must be regarded as having a distinct personal or financial interest in the matter. This is in compliance with section 6-27 of the Norwegian Public Limited Companies Act.

Chair of the board of directors

The chair of the board of directors ensures that the board of directors operates well and carries out its duties. In addition, the chair of the board of directors also has certain specific duties in respect of the general meeting. Matters to be considered by the board are prepared by the chief executive in collaboration with the chair, who chairs the meetings of the board.

Board Committees

The board has appointed a separate audit committee. The committee shall prepare, draw up and present items for consideration by the board as a whole.



Audit Committee

The Company's audit committee is governed by the Norwegian Public Limited Companies Act and a separate instruction adopted by the board. A majority of the members shall have qualifications in accounting or auditing. The principal tasks of the audit committee are:

- prepare the board of directors' supervision of the Company's financial reporting process;
- monitor the systems for internal control and risk management;
- have continuous contact with the Company's auditor regarding the audit of the annual accounts;
- review and monitor the independence of the Company's auditor, including in particular the extent to which services other than auditing provided by the auditor or the audit firm represent a threat to the independence of the auditor;
- monitor the Company's compliance with applicable legal and regulatory requirements;
- handle and investigate concerns raised by the Company's employees related to the internal revision or audit; and
- evaluate the audit committee's activities.

The audit committee consists of Emine Lundkvist (Chair) and Roy Tselentis.

Remuneration Committee

The remuneration committee draws up guidelines and proposals for senior executive remuneration. The Company's remuneration policy, including remuneration to the CEO and the senior executives, are dealt with at one of the board meetings and accounted for in the Board's annual report.

The remuneration committee consists of Siri Gommæs Børsum (Chair) and Tove Giske.

The board of director's evaluation of its own work

The board shall annually evaluate its activities, performance and competence, and has adopted a self-assessment questionnaire for the purpose thereof. The assessment results shall be submitted to the nomination committee.

It is ultimately the responsibility of the board of directors to ensure that NEXT has sound internal controls and risk management systems appropriate to the Company's size and business. The board, and the management, have increased focus on risk management and internal controls. The board of directors forms its opinion on the Company's internal controls and risk management systems based on the information presented to it by the management.

The executive management closely monitors the main risk factors, to ensure the Company has proper guidelines, processes and internal controls in place. The board of directors conducts annual reviews of the Company's most important areas of exposure to risk and such areas' internal control arrangements.

NEXT has experienced finance and accounting personnel, who continuously strive to improve routines and internal control systems. Initiatives are ongoing to ensure risks are efficiently managed, and that key controls are in place to achieve financial goals, operational goals, and compliance with regulations. The Company's internal controls and systems also cover the Company's corporate values, ethical guidelines and principles of corporate social responsibility.

The size of the Group's operations and limited staff size necessarily lead to dependence on key individuals and a limitation on the possible implementation of internal control risk reduction measures.

The Norwegian entities of NEXT have an internal risk management, finance and

accounting function. The board presents an in-depth review of NEXT's financial status in the "Report from the board of directors" as part of this annual report. The Group communicated in its reporting for second half 2025 that irregularities had occurred relating to customers/distributors and the subsidiary in China. The Board of Directors initiated an investigation into the irregularities. The key focus of the investigation was to establish the necessary facts to be able to assess any additional need for adjustments in the financial reporting. The facts revealed in the investigation necessitated need for restatements in the 2024 and adjustments in the 2025 financial reporting. Please see [note 26](#) in the Group Financial statements for further information on the restatements.

The remuneration of the board reflects the board's responsibility, expertise, time commitment and the complexity of the Company's activities.

The general meeting approves the remuneration paid to the board of directors each year. The nomination committee prepares the proposed remuneration to the general meeting.

The remuneration of the board of directors is not linked to the Company's performance.

The current board members were granted share options in 2020, 2022 and 2025, which were approved at the annual general meetings held in 2020, 2022 and 2025. Moreover, the board members' options awarded in 2020 were extended to June 2026 at the 2023 annual general meeting. Further, the board members' options awarded in 2022 were extended to June 2027 at the 2025 annual general meeting. The Company deviates from the Code by granting options to board members.

For more details on the remuneration to the board, please refer to [note 20](#) in the annual financial statements. Except for the one deviation above, the Company does not deviate from the Code in relation to remuneration of the board of directors.

The board establishes guidelines for the remuneration of the executive management team setting out the main principles applied in determining the salary and other remuneration of the executive management team. The general meeting approved the remuneration guidelines in May 2024. The guidelines are available on the Company's website.

The main principle in the Company's policy for remuneration is that the leading employees should be offered competitive terms to attract and retain the competence that the Company needs.

The general meeting has approved the Company's share option programs.

For details regarding remuneration to the executive management and for details regarding share option arrangements, see [note 20](#) in the annual financial statements.

The Company deviates from the Code by not having a cap on the performance-related remuneration.



14

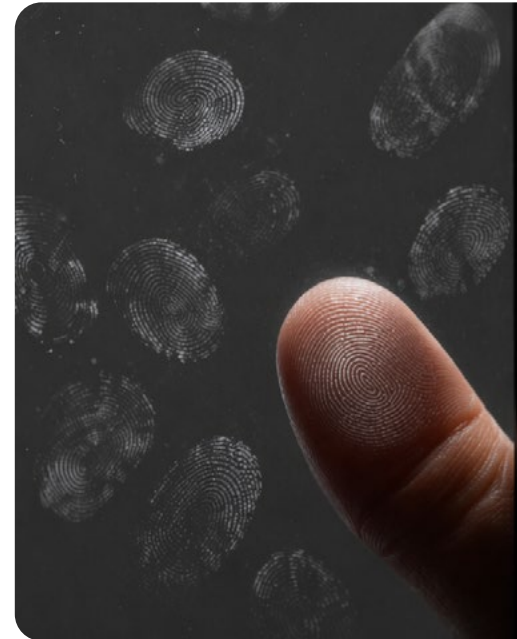
NEXT believes in open and honest communication with the shareholders, and interaction between shareholders, the board of directors and the Company's management. The board of directors and the executive management team assign considerable importance to giving the shareholders and other stakeholders relevant and current information about the Company and its activity areas.

Regular information is published through annual reports, quarterly reports, press releases, notices to the stock exchange and investor presentations in accordance with what is deemed appropriate from time to time. Information on value drivers and risk factors is provided through the interim reporting, which will enable investors to evaluate NEXT's performance and risk.

The CEO is responsible for investor relations and is the main contact person of the Company for the capital market. All communication is done solely in the English language.

All reports and notices are issued and distributed according to the rules and regulations of the Oslo Stock Exchange. Information relevant to investors is published at Oslo Stock Exchange and made available on the Company's website. Shareholder information, including a financial calendar and information about webcasts, is available on www.nextbiometrics.com/investors.

Information and communications



15

The Company has established guidelines for the board on how it will act in the event of a take-over bid. The board will handle take-over bids in accordance with Norwegian law, including the Norwegian Securities Trading Act and the Code. The Company has not been subject to any take-over bids in 2025.

There are no defense mechanisms against take-over bids in the Company's articles of association nor any underlying steering document. In corporate take-over or restructuring situations, the board shall exercise due and proper care so that all shareholder values and interests are preserved. During the course of a take-over process, the board and management shall

ensure that the shareholders are treated equally, and that the Company's business activities are not disrupted unnecessarily. The board has a particular responsibility to ensure that shareholders are given sufficient information and time to form a view on the offer. The board of directors otherwise concurs with what is stated in the Code regarding this issue.

Take-overs

16

The Company's auditor is elected by the general meeting and is fully independent from the Company. From 2024, RSM Norge AS is the Company's auditor. NEXT represents a small share of the auditor's business. NEXT does not obtain significant business or tax planning advice from its auditor. For further information, see [note 20](#) to the group financial statements.

The board of directors is responsible for ensuring that the board and the audit committee are provided with sufficient insight into the work of the auditor. In this regard, the board of directors ensures that the auditor submits the main features of the plan for the audit of the Company to the audit committee annually. The board of directors invites the auditor to participate in board meeting(s) that deal with the annual accounts. At these meetings, the auditor (i) reports

on any material changes in the Company's accounting principles and key aspects of the audit, (ii) comments on any material estimated accounting figures, and (iii) reports all material matters on which there has been disagreement between the auditor and the executive management of the Company.

The audit committee shall at least once a year perform a review of the Company's internal control procedures with the auditor, including weaknesses identified and proposals for improvement. The board and the audit committee shall review periodically the use of the auditor for services other than the audit. At least once a year, the audit committee and the board will meet the auditor without the presence of the CEO or other members of executive management.

At the annual general meeting, the board shall present a review of the auditor's compensation as paid for audit work required by law and remuneration associated with other assignments.

In connection with the auditor's presentation to the board of the annual work plan, the board considers if the auditor to a satisfactory degree also carries out a control function.

Auditor

Articles of association for NEXT Biometrics Group ASA

Per 31 December 2025

§ 1 The Company name

The name of the company is NEXT Biometrics Group ASA. The company is organised as a public limited liability company.

§ 2 Business office

The company's registered office is in Oslo municipality.

§ 3 Business Activities

The objective of the company is research and development, and commercialisation of safety products, trade and investment in such companies and what is connected with such business.

§ 4 Share capital

The company's share capital is NOK 119,860,417 divided into 119,860,417, each with a nominal value of NOK 1. The company's shares shall be registered in the Norwegian Central Securities Depository.

§ 5 Board of Directors

The Company's board of directors shall consist of 3 – 9 members as appointed by the general meeting.

§ 6 Nomination Committee

The company shall have a nomination committee. The nomination committee shall consist of two or three members appointed by the general meeting. The members of the nomination committee, including the director, shall be elected by the general meeting. The nomination committee shall be elected for a period of two years, if not other period is decided upon by the general meeting.

The nomination committee makes recommendations to the general meeting regarding election of board members and members to the nomination committee, and regarding remuneration to the board members and members of the nomination committee. The general meeting shall resolve the remuneration to the members of the nomination committee. The general meeting may lay down guidelines for the nomination committee.

§ 7 Signatory Rights

Two board members jointly have the right to sign on behalf of the company. The board of directors may give power of procuration.

§ 8 General Meeting

Documents regarding matters to be discussed at the general meeting of the company, also applying documents that, pursuant to law, shall be included in, or attached to the notice of the general meeting of shareholders, can be made available at the company's website. The requirement regarding physical distribution shall then not apply. A shareholder may in any case request to be sent documents that shall be discussed at the general meeting.

The shareholder may vote in writing, including by way of electronic communication in advance in a period prior to the general meeting. The board of directors may establish guidelines for such advanced voting. It shall be stated in the notice for the general meeting the guidelines laid down. At the ordinary general meeting the following matters shall be addressed and decided upon:

1. Approval of the annual accounts and annual report, including the distribution of dividends.
2. Other matters that pursuant to law or the articles of association must be dealt with at the general meeting



Corporate Social Responsibility Report



This review of NEXT Biometrics Group ASA ("NEXT" or the "Group")'s corporate social responsibility principles and practice is prepared in compliance with Section 3-3c of the Norwegian Accounting Act.

NEXT's business consists of research & development, commercialization and manufacturing of fingerprint technology and products for a variety of uses. NEXT works closely with world class manufacturing subcontractors and distribution partners. NEXT is committed to be a good corporate citizen and demonstrate integrity and high ethical standards in all its business dealings.

NEXT's board and management are committed to maintaining high ethical standards and have implemented guidelines with regards to values and ethics. The purpose of these standards and guidelines is to create a sound corporate culture and to preserve the integrity of NEXT by helping employees to promote standards of good business practice. NEXT's Ethical and Social Responsibility Guidelines were last approved

by the board on 5 November 2024 and applies to all employees of the Group. They also apply to anyone who holds a position of trust in the Group (including membership of boards) and hired consultants acting on behalf of the Group. They aim to provide guidance to our people on a common platform.

NEXT has also established a Supplier Code of Conduct that requires NEXT Biometrics Group suppliers to conduct business in a responsible manner, based on the duty to respect human rights, labor rights, protect health, safety and the environment, prevent corruption and in general, apply sound business practices. NEXT's Supplier Code of Conduct was last updated and approved by the Board on 5 November 2024.

The Group strives for a business culture characterized by openness. Openness is a prerequisite for motivation, trust, confidence, and safety at work. Everyone shall feel confident to raise any concern, small or large, with their manager or another colleague.

The Ethical and Corporate Social Responsibility Guidelines support NEXT's vision, core values, and principles. The guidelines are instrumental in NEXT's approach to human rights, fair working environment and equal rights, health and safety, environment, business ethics, and anti-corruption. The Group regularly reviews the guidelines and takes steps to update and educate the organization.

Human rights

In addition to following national rules and regulations, NEXT conducts its business in line with fundamental international rules. Including those described in international human rights conventions such as the UN Convention on Human Rights and the labour rights conventions of the International Labour Organization (ILO).

The Group respects the right to freedom of association and opposes any form of child labour, forced labour or discrimination. NEXT practices equal opportunities and rights and encourages all business relations to follow the same principles. Any violations of basic human rights are unacceptable to the Group.

It is our goal to have no form of human rights abuse or labor issues at any stage related to production of our products.

Fair working environment

NEXT has a personnel policy designed to prevent discrimination on the grounds of race, color, gender, sexual orientation, age, disability, language, religion, legitimate political or other opinions, national or social origin, property, birth or other status.

The Group employs many different nationalities from a diversity of cultures and has built an international mindset for years. Employees are encouraged to treat each other and business contacts with respect and act according to local laws and regulations, as well as to pay attention to local values and norms for social conduct.

The Group does not tolerate degrading treatments towards any employee. The Group's employees are encouraged to report any incident of discrimination to their nearest

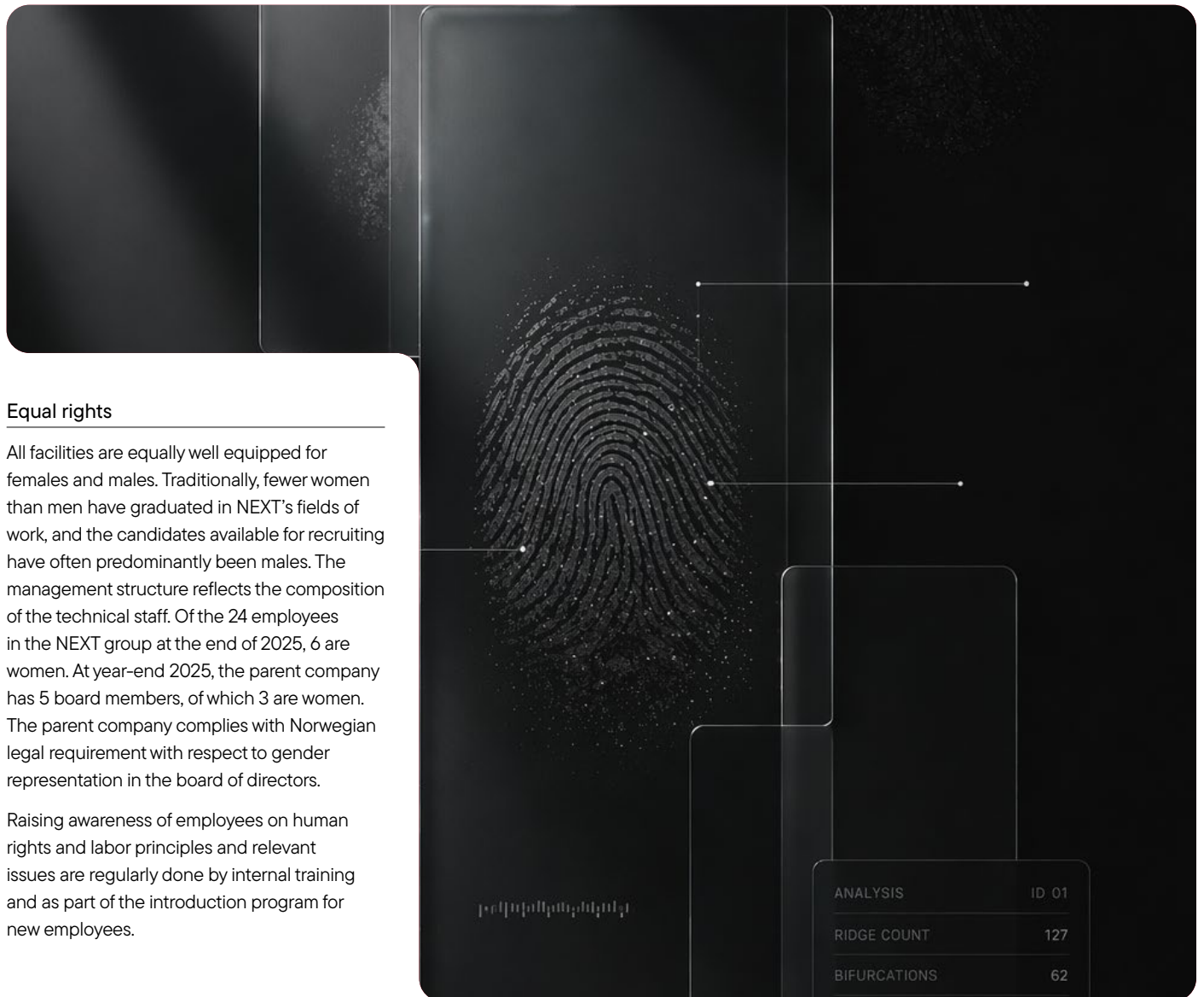
leader or through the applicable whistle-blow channels through our HR department.

NEXT's board and management seek to create a working environment that is pleasant, stimulating, safe, and beneficial to all employees. The working environment complies with existing rules and regulations. The board has not found a reason to implement special measures. No employee in the group has suffered work-related injuries resulting in sick leave. No accidents or incidents involving the assets of the Group have occurred. The parent company had no long-term leave of absence due to illness or any work-related incidents or accidents resulting in material damage or personal injury during 2025. The average sickness absence rate in the parent company was 1.3% in 2025 compared to 1.1% in 2024.

Equal rights

All facilities are equally well equipped for females and males. Traditionally, fewer women than men have graduated in NEXT's fields of work, and the candidates available for recruiting have often predominantly been males. The management structure reflects the composition of the technical staff. Of the 24 employees in the NEXT group at the end of 2025, 6 are women. At year-end 2025, the parent company has 5 board members, of which 3 are women. The parent company complies with Norwegian legal requirement with respect to gender representation in the board of directors.

Raising awareness of employees on human rights and labor principles and relevant issues are regularly done by internal training and as part of the introduction program for new employees.



Health and Safety

Health and safety are an indispensable component in all the Group's activities. All hazards and risks to health and safety must be avoided. Generally, NEXT's business involves low safety risk in day-to-day activities, without the use of heavy machinery or equipment that can cause damage or injuries. As a fabless biometrics company, production has been outsourced to specialized manufacturers. NEXT is concerned for the safety of employees in third party factories, and it is an integral part of the evaluation criteria which the Group applies ahead of being classified as a "NEXT certified vendor/partner".

None of the processes in use by the suppliers are known to be of hazard to the staff.

Environment and climate impact

NEXT does not own or operate manufacturing facilities. Manufacturing is done through third parties that comply with the ISO 14001 environmental standard, among others. Consequently, there is little pollution associated with the Group's operations. NEXT seeks to limit resource consumption, prevent unnecessary environmental pollution including optimizing transportation of goods, and manage waste in an environmentally friendly and resource efficient manner.

NEXT climate impact and potential risk are low in the short to medium term. The Group is not impacted by physical climate risk such as potential flooding or general increase in the sea level. Moreover, NEXT does not face any potential liabilities due to damage caused by climate change. Still, NEXT is likely to be impacted by the regulatory and technological changes that are to be implemented (in the future) to reach a carbon neutral society, which may lead to long term increased electronic component purchase and manufacturing costs.

Business ethics & anti-corruption

The Group's operations depend on the trust of contractual parties, the authorities, shareholders, employees, and society in general. In order to gain trust, the Group is dependent upon professionalism, expertise, and high ethical standards in all aspects of the Group's work. This applies to the way the Group operates and to the conduct of each individual. All employees are therefore expected to behave with care, integrity and professionalism and abstain from actions that may weaken trust in the Group.

The NEXT Biometrics' Ethical and Corporate Social Responsibility Guidelines contain guidelines for ethical behaviour in business relations. These guidelines clearly state that NEXT strongly oppose all forms of corruption or bribery. NEXT encourages reporting of suspected misconduct; a «whistle-blower» communication channel. NEXT adheres to national and foreign antitrust laws.

No one may receive benefits for themselves or others from the Group's business contacts if such benefits are based on the employment relationship. Correspondingly, no one shall give such benefits to the Group's business contacts. The guidelines explicitly govern conflict of interests, gifts and money laundering. Business courtesies of modest value, conforming to normal social customs and not intended for influence, are not considered bribes. All gifts with an estimated value of more than NOK 1,000 must be reported to the Group's CFO, who will keep a log over such gifts and assess whether the relevant gift can be retained or provided, based on a case-by-case evaluation.

NEXT has to date not been accused of, or involved in, any cases pertaining to any form of corruption or bribery. NEXT encourages each employee to report on possible censurable incidents. NEXT's employees have an obligation to report on criminal activity and on incidents which could endanger life or health. The board of directors and management are not aware of any breach of our code of conduct.

Raising awareness of the guidelines has been the Group's main action regarding this area. The Group is not aware of any breach of the implemented guideline. The Group does not have any other guidelines or actions regarding Corporate Social Responsibility due to the limited size and resources of the parent company. The Group will continue to focus on these guidelines and incorporate them into our company culture. The Group will do this by updating and educating the organization.



Financial Statements Group



Group | Consolidated statement of comprehensive income

1 January - 31 December

(amounts in NOK 1,000)	Notes	2025	Restated* 2024
Revenues	<u>3,26</u>	13,364	19,681
Cost of materials	<u>12,26</u>	-13,551	-16,780
Gross profit		-187	2,900
Payroll expenses	<u>4,19</u>	-36,346	-32,791
Other operating expenses	<u>5,6,26</u>	-39,430	-40,647
Depreciation and amortization	<u>10,11</u>	-4,627	-5,394
Total operating expenses		-80,403	-78,832
Operating profit (loss)		-80,590	-75,932
Financial income	<u>7</u>	562	1,482
Financial expenses	<u>7</u>	-281	-119
Net currency gains (losses)	<u>7</u>	-103	-332
Net financial items		178	1,030
Profit (loss) before taxes		-80,413	-74,902
Income tax expenses	<u>8</u>	-130	-197
Profit (loss) after taxes		-80,543	-75,099
Earnings per share (in NOK)			
Basic and diluted	<u>9</u>	-0.69	-0.70
Other comprehensive income (loss) that may be reclassified subsequently to profit and loss:			
Translation differences on net investments in foreign operations		-3,268	4,280
Other comprehensive income (loss)		-3,268	4,280
Total comprehensive income (loss)		-83,810	-70,819
Profit (loss) after taxes attributable to:			
Owners of the parent company		-80,543	-75,099
Total comprehensive income (loss) attributable to:			
Owners of the parent company		-83,810	-70,819

The consolidated financial statements should be read in conjunction with the accompanying notes.

*The Group has restated its 2024 financial statements. See [note 26](#) for details.

Group | Consolidated statement of financial position

As of 31 December

(amounts in NOK 1,000)	Notes	2025	2024
			Restated*
			2024
Intangible assets	<u>10</u>	2,201	825
Property, plant and equipment	<u>11</u>	3,660	7,094
Total non-current assets		5,862	7,919
Inventories	<u>12</u>	15,590	17,672
Inventories in consignment	<u>12,26</u>	9,809	17,719
Accounts receivables	<u>13,26</u>	768	3,321
Other current assets	<u>14</u>	8,946	7,138
Cash	<u>15</u>	8,294	62,907
Total current assets		43,408	108,757
Total assets		49,269	116,676
Share capital	<u>19</u>	119,860	115,155
Share premium		23,549	70,268
Other reserves		40,065	35,208
Retained earnings	<u>26</u>	-158,299	-135,853
Total equity		25,175	84,779
Non-current lease liabilities	<u>18</u>	996	2,244
Other non-current liabilities		3	-
Total non-current liabilities		999	2,244
Accounts payables		10,340	10,910
Current lease liabilities	<u>18</u>	1,643	1,843
Other current liabilities	<u>8,16,26</u>	11,112	16,900
Total current liabilities		23,095	29,653
Total equity and liabilities		49,269	116,676

The board of directors of NEXT
Biometrics Group ASA

Oslo, 27 April 2026

/Sign/

Hans Henrik Klouman
Chair

/Sign/

Roy Tselentis
Deputy Chair

/Sign/

Emine Lundkvist
Board member

/Sign/

Siri Gornæs Børsum
Board member

/Sign/

Tove Giske
Board member

/Sign/

Ulf Ritsvall
CEO

The consolidated financial statements should be read in conjunction with the accompanying notes.

*The Group has restated its 2024 financial statements. See [note 26](#) for details.

Group | Consolidated statement of cash flow

1 January - 31 December

(amounts in NOK 1,000)	Notes	2025	Restated* 2024
Profit (loss) before taxes	<u>26</u>	-80,413	-74,902
Share based remuneration	<u>4,5</u>	4,857	3,243
Share based payments social security expense	<u>4</u>	-1,880	-1,637
Income taxes paid	<u>8</u>	-98	-
Depreciation and amortization	<u>10,11</u>	4,627	5,394
Change in inventories	<u>12,26</u>	9,992	-11,902
Change in accounts receivables	<u>13,26</u>	2,553	8,981
Change in accounts payables		-570	4,926
Change in other working capital items and other	<u>26</u>	-8,971	2,955
Interests received	<u>7</u>	562	1,400
Interests paid	<u>7</u>	-257	-141
Net cash flow from operating activities		-69,600	-61,683
Purchase of property, plant and equipment and intangible assets	<u>10,11</u>	-2,161	-597
Net cash flow from investing activities		-2,161	-597
Net proceeds from issue of shares	<u>19</u>	19,349	60,129
Payment of lease liabilities	<u>18</u>	-2,000	-2,017
Net cash flow from financing activities		17,349	58,111
Net change in cash flow		-54,411	-4,168
Cash balance as of 1 January		62,907	67,753
Effects of exchange rate changes on cash		-202	-679
Cash balance as of 31 December		8,294	62,907
Comprising of:			
Cash	<u>15</u>	8,294	62,907

The consolidated financial statements should be read in conjunction with the accompanying notes.

*The Group has restated its 2024 financial statements. See [note 26](#) for details.

Group | Consolidated statement of changes in equity

1 January - 31 December

Attributable to owners of the parent company

(amounts in NOK 1,000)	Notes	Share capital	Share premium	Other reserves	Retained earnings	Total equity
As of 1 January 2025		115,155	70,268	35,208	-135,853	84,779
Reclassification			104,638		-104,638	-
Profit (loss) after taxes					-80,543	-80,543
Other comprehensive income (loss)					-3,268	-3,268
Total comprehensive income (loss)		-	104,638	-	-188,448	-83,810
Share issues	<u>19</u>	4,706	15,294			20,000
Share issue costs	<u>19</u>		-651			-651
Share based remuneration	<u>19</u>			4,857		4,857
Transfer of loss to share premium			-166,001		166,001	-
As of 31 December 2025		119,860	23,549	40,065	-158,299	25,175
As of 1 January 2024 as originally presented		104,025	30,858	31,965	-72,497	94,351
Correction of error (net of tax)*	<u>26</u>				-2,124	-2,124
As of 1 January 2024 restated					-74,621	92,227
Profit (loss) after taxes 2024 as originally presented	<u>26</u>				-45,235	-45,235
Correction of error (net of tax) 2024*	<u>26</u>				-29,864	-29,864
Other comprehensive income (loss) restated	<u>26</u>				4,280	4,280
Total comprehensive income (loss) restated	<u>26</u>	-	-	-	-70,819	-70,819
Share issues	<u>19</u>	11,130	51,313			62,442
Share issue costs	<u>19</u>		-2,314			-2,314
Share based remuneration	<u>19</u>			3,243		3,243
Transfer of loss to share premium			-9,589		9,589	-
As of 31 December 2024 restated		115,155	70,268	35,208	-135,853	84,779

The consolidated financial statements should be read in conjunction with the accompanying notes.

*The Group has restated its 2024 financial statements. See [note 26](#) for details.

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

Notes to financial statement – Group

NOTE 1

General information

NEXT Biometrics Group ASA (“Parent company”) is a public limited liability company, incorporated and domiciled in Norway, with headquarter in Stortorvet 7, 0155 Oslo, Norway. The Parent company and its subsidiaries (“NEXT” or “the Group”) provides advanced fingerprint sensor technology that delivers uncompromised security and accuracy for the best possible user experience in the smart card, government ID, access control and notebook markets.

The Group has six wholly owned subsidiaries: NEXT Biometrics AS (Norway) and its subsidiaries NEXT Biometrics Inc. (Seattle, USA), NEXT Biometrics Taiwan Ltd. (Taipei, Taiwan), NEXT Biometrics Solutions India Pvt. Ltd. (Bengaluru, India), and NEXT Biometrics AB (Malmo, Sweden). In addition, the group has control over and a 50% shareholding in NEXT Biometrics China Ltd. (Shanghai, China). All seven subsidiaries in the Group are consolidated into Group accounts.

NEXT Biometrics China Ltd. (Shanghai, China) is a company that is controlled by the Group and that NEXT Biometrics AS owns 50% of the share capital as per 31/12/2025 following a transaction where the Group sold 50% of the shares in NEXT Biometrics China Ltd. (NEXT China) in 2024 for zero cost. The Group has an obligation to repurchase 50% as a part of an agreement with an external party. Hence, the Group controls the subsidiary and will acquire the remaining shares in the entity at zero cost. Moreover, the Group has majority of votes in the board and general meetings of NEXT China. Hence, there is no minority interest in relation to NEXT China.

Still, the Group and the external party is in disagreement and is currently in multiple legal conflicts. Consequently, the subsidiary is fully consolidated, and no minority interest is recorded in the balance sheet of the Group.

NEXT ASA's shares are listed on the Oslo Stock Exchange.

The purpose of the company as stated in the articles of association is to conduct research, development and commercialization of security products, as well as other activities that will naturally fall under this.

The financial statements have been approved for issuance by the Board of Directors on 27 April 2026 and are subject to approval by the Annual General Meeting on 19 May 2026.

Changes in accounting policies

The accounting policies applied in preparation of the financial statements for the year ended 31 December 2025 are consistent with those applied in the preparation of the prior year financial statements.

New and amended standards and interpretations adopted by the Group as of 1 January 2025

The new amendments to IAS 1 concerning new disclosure requirements relating to liabilities with covenants and convertible debt is not applicable for the group.

There are no new amendments applicable for the annual reporting period commencing 1 January 2025 that have been adopted by NEXT Biometrics Group.

New and amended standards and interpretations not yet adopted

IFRS 18 Presentation and Disclosure in Financial Statements is effective for periods beginning on or after 1 January 2027.

IFRS 18 will replace IAS 1 Presentation of Financial Statements and introduce new requirements to help achieve comparability across companies. Although IFRS 18 will not affect the recognition or measurement of items in the financial statements, changes are expected to be made to the Group's presentation of the Consolidated statement of comprehensive income.

Management is currently assessing the detailed implications of applying the new standard to the Group's consolidated financial statements.

NOTE 2

Summary of material accounting policies

Basis of preparation

These financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU per 31 December 2025.

Going concern

The Board of Directors confirms that the financial statements have been prepared under the assumption of going concern. Please refer to [note 25](#) for further details.

Currency

These financial statements are presented in Norwegian kroner, which is also the Parent company's functional currency. Except for NEXT Biometrics AS, which is based in Norway and that uses USD as its functional currency, each entity within the Group utilizes the local currency of its domicile and operational base as its functional currency.

Property, plant and equipment

Property, plant and equipment are held at cost less accumulated depreciation and impairment losses. When assets are sold or disposed, the gross carrying amount and accumulated depreciations are reversed. Any gain or loss on the sale or disposal is recognized in the profit and loss.

Inventory

Raw materials, work in progress and finished products are valued at the lower of cost and net realizable value after deduction for obsolescence. Costs are determined using the FIFO and average cost method.

Cash flow

The cash flow statement has been drawn up in accordance with the indirect method and reports cash flows during the period classified by operating, investing and financing activities.

Significant estimates and judgements

Preparation of financial statements in accordance with IFRS requires that the management makes judgements and prepares estimates and assumptions which have an impact on the recognized amounts for assets, liabilities, revenue and costs. Estimates and related assumptions have been based on the management's best knowledge of past and recent events, experience and other factors which are considered reasonable under the circumstances. Actual results may deviate from such assumptions. Estimates and underlying assumptions are subject to continuous evaluation.

Critical accounting estimates for the Group are:**Share-based remuneration:**

The cost of options granted to employees and employee option social security costs are classified as employee costs while cost of options granted to consultants/contractors are classified as other operating costs. Please see [note 19](#) for further details.

Research and development expenses and capitalization of intangible assets:

Research costs are expensed as incurred. An intangible asset arising from the development expenditure on an individual project is recognized only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, the Group's intention and capability of completing the development and realize the assets, and the net future financial benefits of use or sale.

Estimate uncertainty related to inventory valuation and allowance for inventory obsolescence

The allowance for inventory obsolescence (inventory write-down) is based on the expected demand and resulting obsolescence estimate for each group of finished products, intermediate products, and raw materials. The estimated obsolescence is based on the 2026-2027 sales budget. The estimates have been set after thorough evaluations and significant judgements. In 2025, the inventory turnover was low due to delays of sales in India, China and Bangladesh. In 2026, the sales are expected to accelerate, and a major part of the inventory is expected to be sold. Still, the Group has a limited operating history with several of its major customers and many of these customers are located in countries with high geo-political risk, which makes it more challenging to estimate future sales and establish obsolescence estimates. Moreover, there is

risk and uncertainty to these expected sales estimates in relation to the expected progress in the sales process that is dependent on the group's customers' progress on their sales to end-customers and individual project progress relating to product development and government certifications. These risks may differ per product and these observations, together with the relatively significant amount of inventory held by the group at year-end 2025, make valuation of the inventory and estimated inventory obsolescence significant accounting estimates. Please see [note 12](#) for further details.

NOTE 3

Revenues and segment reporting

Accounting principle

The Group manufactures and sell fingerprint sensor technology hardware and software, both to distributors and end-customers. The sales contract and terms of delivery depends on the customer, but most products are shipped ex-works. In accordance with IFRS 15, revenue is recognized when control of the product is transferred to the customer or distributor. Typically when the customer picks up the products as per contract, the Group has delivered and transferred the products, there is no unfulfilled obligation that could affect the customer's acceptance of the

products. The goods are predominately sold based on fixed prices. No significant element of financing is deemed present as the sales are normally made with a credit term of 30-90 days upon delivery, which is consistent with market practice.

The Group delivers products both to distributors and directly to end-customers. The Group assess individual contracts and determines whether the individual sales or shipment to a distributor is to be considered revenue or a consignment sale or shipment. When making this assessment it

will be considered whether the risk has been transferred from the Group to the distributor. Such considerations involves whether the buyer is considered to be able to pay the Group on the agreed terms, whether the buyer could have the opportunity to return products to the Group and whether the distributor/agent has sold or will be able to sell products to end-customer. The classification of a sale to a distributor as a normal sale or as a consignment sales will have an impact on the timing and measurement of revenue recognition.

(amounts in NOK 1,000)	2025	Restated 2024
Fingerprint sensor technology	13,158	19,358
Other income	205	322
Total operating revenues	13,364	19,681

The Group targets four customer groups and application areas for the technology:

- (i) Office & Notebooks
- (ii) Payment & Fintech
- (iii) Access control
- (iv) Public Security

The same generic fingerprint sensor technology and products is used for all customers. Most of the Group's key IP, including our NEXT Active Thermal™ is shared and used in all products. The employees in the Group work across all products and customers. The R&D personnel are focused

on technology, rather than specific customer groups such as Office & Notebooks or Public Security. Based on this, the Group consider that we only operate within one business segment, and therefore also report only within one business segment, "Fingerprint sensor technology".

The Group's property, plant and equipment (PPE) mainly consist of a specialized coating machine that is located in Taipei, Taiwan. The remaining part of the Group's PPE consists of R&D test equipment located in Seattle, USA and Taipei, Taiwan.

The Group's revenues, both in 2025 and in 2024, were mainly related to customers geographically located in Asia (Japan and India), Europe (France and Germany) and North America. The Group has 5 major customers, which represent 19% (45%), 19% (1%), 18% (0%), 13% (5%) and 10% (3%) of revenues in 2025 (2024 in brackets).

All of the group's revenue is point in time type of revenue.

Other income of NOK 0.2 million mainly relates to sublease of office space.

Restated revenues

A reconciliation of previously reported figures to the restated amounts is presented in the table below.

(amounts in NOK 1,000)	As previously reported 2024	Adjustments 2024	Restated 2024
Fingerprint sensor technology	71,252	-51,894	19,358
Other income	322	-	322
Total operating revenues	71,574		19,681

NOTE 4

Payroll expenses

(amounts in NOK 1,000)	2025	2024
Salaries, fees	-28,170	-26,169
Share based remuneration (salary part)	-4,232	-2,776
Share based remuneration (employer's tax)	1,880	1,637
Social security taxes	-3,924	-3,600
Pension contribution	-1,142	-652
Other personnel expenses	-759	-1,231
Total payroll expenses	-36,346	-32,791
Average numbers of employees	25	23

The cost for share based remuneration (employer's tax) was negative NOK 1.9 million in 2025 compared to a negative cost of NOK 1.6 million in 2024. The negative cost in 2025 is due to reduction in the liability for share option social security tax mainly triggered by a reduction in the Group's stock price and lowered social security cost for future periods from 19.1% to 14.1%. Please refer to [note 19](#) for further information on the Group's option program.

The Group employed an average number of employees of 25. In addition, the company had 21 contractors who were working for the company on a part time or full time basis by year end.

The parent company, NEXT Biometrics Group ASA, provides a contribution-based pension insurance scheme for all employees. The scheme satisfies the mandatory service pension ('OTP') in Norway.

NEXT Biometrics Inc has a 401-K plan for its employees, which allows employees to save for retirement with pre-tax funds. The company currently does not contribute to this plan but pays for its administration. NEXT Biometrics Taiwan Ltd offers an employee pension plan with an annual contribution of 6% of the salary, but capped at TWD 9,000 per month per employee (NOK 3,100 per month).

NEXT Biometrics China Ltd and NEXT Biometrics Solutions Pvt Ltd have no local pension plans.

Termination benefits

Termination benefits are payable when the employment is terminated by the Group before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when the Group can no longer withdraw the offer.



NOTE 5

Other operating expenses

(amounts in NOK 1,000)	Restated	
	2025	2024
Product and marketing costs	-7,320	-8,131
Business services costs	-16,235	-18,084
R&D costs	-2,783	-4,173
R&D and government grants ¹	1,699	1,848
Fees to contractors, auditors, lawyers and others ²	-10,945	-5,382
Allowance for expected credit loss	-16	98
Other expenses ³	-3,205	-6,371
Share based remuneration (operating part) ⁴	-625	-452
Total other operating expenses	-39,430	-40,647

The Group's business service costs decreased from NOK 18.1 million in 2024 to NOK 16.2 million in 2025 mainly due to lower sales incentive bonuses.

The Group's R&D costs decreased mainly due to capitalization of project expenses.

As communicated throughout 2025, the Board of Directors initiated an external investigation of the irregularities in China and have carried out a comprehensive review of historical reported revenues and our internal controls. We have also incurred additional litigation costs. This has caused significantly higher fees from auditors, lawyers and other service providers in 2025 compared to 2024.

1) R&D grants and other government grants are related to Skattefunn and Forregion grants in 2024/2025.

2) Fees to contractors, auditors, lawyers refers to amounts paid the company's contractors and service providers who are working for the company on a part time or full time basis.

3) Other expenses include software expenses, IT cost, insurance fees, non deductible VAT and stock exchange related fees.

4) Share based remuneration (operating part) refers to share options granted to contractors (see [note 18](#) for further information).

Restated other operating expenses

A reconciliation of previously reported figures to the restated amounts is presented in the table below.

(amounts in NOK 1,000)	As previously reported	Adjustments	Restated
	2024	2024	2024
Product and marketing costs	-6,795	-1,336	-8,131
Sales and marketing incentive fees ¹	-3,631	3,631	-
Business services costs	-18,084		-18,084
R&D costs	-4,173		-4,173
R&D and government grants	1,848		1,848
Fees to contractors, auditors, lawyers and others	-5,382		-5,382
Allowance for expected credit loss ²	-7,315	7,413	98
Other expenses ³	-3,057	-3,314	-6,371
Share based remuneration (operating part)	-452		-452
Total other operating expenses	-47,041		-40,647

Explanation of adjustments:

- 1) Reversed sales and marketing fees in relation to partner in China (see [note 26](#) for more information)
- 2) Reduction of allowance of expected credit loss as a consequence of restatements (reversal of revenue and related account receivables)
- 3) Booked valuation allowance for prepaid VAT for sales domestically in China in connection with restatements (see [note 26](#) for more information)



NOTE 6

Research and development cost

Cost related to research and development is only recognized on projects we are confident will amount to either a new product or a substantially improved existing product. In general, research costs are expensed when incurred. Research expenditures is only capitalized when research and development cost can be measured reliably and confidently. Capitalized research and development was NOK 2.2 million. Please refer to [note 10](#) for further details.

The reported research and development (R&D) costs includes external project costs for work and material purchased from various companies and institutions. The payroll cost of R&D staff is included in payroll. The major parts of the R&D costs are related to development and substantial improvement of the sensor technology as well as production trials and pilot production of new sensor modules.

Expensed R&D costs for the Group amounted to NOK 9.4 million in 2025 (2024: NOK 10.7 million), of which NOK 6.6 million (2024: NOK 6.5 million) is presented in payroll expenses and NOK 2.8 million (2024: NOK 4.2 million) in other operating expenses.

Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as a reduction in expense. When the grant can be viewed as payment for a deliverable or performance of service, it is recognized as other revenue.

The subsidiary NEXT Biometrics AS' estimated R&D public grant in connection with SkatteFUNN (Norwegian Government tax deduction for research and development in the innovative business sector) for 2025 is NOK 1.5 million (2024: NOK 1.8 million). The total amount is presented as part of "Other current assets" in the balance sheet and has correspondingly led to a reduction in other operating expenses. The grant is subject to final approval by the tax authorities. In addition to SkatteFUNN, the Group was granted a public grant in connection with FORREGION (FORREGION Oslo aims to strengthen research-based innovation in the business sector and in the municipality's own operations) amounting to NOK 0.5 million of which NOK 0.2 million was recognized in 2025.

NOTE 7

Financial items

(amounts in 1,000 NOK)	2025	2024
Interest income	562	1,400
Interest income on sub-leases (see note 17)	-	81
Total financial income	562	1,482
Interest expenses	-2	-2
Interest expenses leases (see note 18)	-256	-139
Other financial expenses	-24	22
Total financial expenses	-281	-119
Realized currency gains (losses)	-212	-273
Change in unrealized currency gains (losses)	109	-59
Net currency gains (losses)	-103	-332
Net financial items	178	1,030

NOTE 8

Income taxes

The tax expense consists of the tax payable and changes in deferred tax. Deferred tax has been calculated based on the temporary differences between the recorded and tax values, as well as on any tax loss carry-forward at the balance sheet closing date. Any temporary differences increasing or reducing tax that will or may reverse in the same period, have been netted.

A deferred tax asset will be recognized when it is probable that the Group will have sufficient profit for tax purposes to utilize the tax asset. At each balance sheet date, the Group reviews its unrecognized deferred tax assets and the

value it has recognized. The Group recognizes an unrecognized deferred tax asset to the extent that it has become probable that the Group can utilize the deferred tax asset. Similarly, the Group will reduce its deferred tax asset to the extent that it can no longer utilize it.

Deferred tax and deferred tax assets are measured on the basis of the expected future tax rates. Deferred tax assets related to losses carried forward is recognized when it is probable that the loss carried forward may be utilized. Evaluation of probability is based on historical earnings, expected future margins

and the size of the order backlog. Future events may lead to these estimates being changed. Such changes will be recognized when reliable new estimates can be made.

The subsidiary NEXT Biometrics AS has applied for R&D public grant funds in connection with SkatteFUNN (Norwegian Government tax deduction for research and development in the innovative business sector) in 2024 and 2025. The amount for 2025 is NOK 1.5 million. Please see [note 6](#) and [14](#) for further details.

(amounts in NOK 1,000)	2025	2024
Current taxes (entities located in Norway)	-	-
Current taxes (International subsidiaries*)	130	197
Change in deferred taxes (International subsidiaries*)	-	-
Total income tax expenses	130	197

* Subsidiaries in Taiwan, USA, India and China

Income tax expense reconciliation:

(amounts in NOK 1,000)	2025	2024
Profit (loss) before taxes	-80,413	-74,902
Expected income tax expenses at Norwegian nominal tax rate (22%)	-17,691	-16,478
Difference between local tax rates and Norwegian nominal tax rate	-190	-336
Effect of change in local tax rates	-	-
Tax effect of permanent differences	-355	-189
Change in deferred tax assets not recognized	18,233	16,689
Prior year underaccrual/(overaccrual) of income tax	-	-5
Other	-128	123
Actual income tax expenses	-130	-197
Effective tax rate	0%	0%

Deferred tax related to the following temporary differences:

(amounts in NOK 1,000)	2025	2024
Property, plant and equipment	-1,927	-1,801
Inventories	-25,482	-17,004
Accounts receivables and other assets	-2,934	-2,733
Lease liabilities	-227	-875
Other temporary differences	-	-1,865
Tax losses carried forward	-1,480,170	-1,400,726
Total temporary differences and tax losses carried forward	-1,510,740	-1,425,004



Note 8 Continued

Deferred tax related to the following temporary differences:

Deferred tax assets (amounts in NOK 1,000)	2025	2024
Property, plant and equipment	424	396
Inventories	5,606	3,741
Accounts receivables and other assets	645	601
Lease liabilities	50	192
Other temporary differences	1	410
Tax losses carried forward	325,597	308,160
Deferred tax assets not recognized	-332,323	-313,500
Deferred tax assets(-)/liability(+) in the balance sheet	-	-

As of 31 December 2025, NOK 1 480 million (2024: NOK 1 401 million) of tax losses carried forward are related to the Norwegian companies with no limitations in expiry date.

Due to a history of losses, deferred tax assets are not recognized.

The following table illustrates the deferred tax balance recognized in the statement of financial position:

(amounts in NOK 1,000)	2025	2024
Deferred tax assets	-	-
Deferred tax liabilities	-	-
Net deferred taxes as of 31 December	-	-



NOTE 9

Earnings per share

The calculations of earnings per share attributable to the equity holders of the parent company are based on the following data:

	2025	Restated 2024
Profit (loss) after taxes (NOK 1,000)	-80,543	-75,099
Number of shares outstanding as of 1 January	115,154,535	104,024,929
New shares issued during the year (see note 19)	4,705,882	5,500,000
Exercised incentive options during the year (see note 19)	-	5,629,606
Number of shares outstanding as of 31 December	119,860,417	115,154,535
Weighted average number of shares for the year	116,147,283	107,219,921
Effect of dilution option programmes	-	-
Weighted average number of shares adjusted for effect of dilution	116,147,283	107,219,921
Earnings per share, basic and diluted (NOK)	-0.69	-0.70

Earnings per share

Earnings per share are calculated by dividing the profit or loss for the period by the weighted average number of ordinary shares outstanding over the course of the period. Earnings per share fully diluted are calculated

based on the result of the year divided by the average number of shares fully diluted. The effect of dilution is not counted in when the result is a decrease loss per share.

Restated earnings per share

A reconciliation of previously reported figures to the restated amounts is presented in the table below.

	As originally presented 2024	Adjustments 2024	Restated 2024
Profit (loss) after taxes (NOK 1,000)	-45,235	-29,865	-75,099
Number of shares outstanding as of 1 January	104,024,929		104,024,929
New shares issued during the year (see note 19)	5,500,000		5,500,000
Exercised incentive options during the year (see note 19)	5,629,606		5,629,606
Number of shares outstanding as of 31 December	115,154,535		115,154,535
Weighted average number of shares for the year	107,219,921		107,219,921
Effect of dilution option programmes	-		-
Weighted average number of shares adjusted for effect of dilution	107,219,921		107,219,921
Earnings per share, basic and diluted (NOK)	-0.42		-0.70

NOTE 10

Intangible assets

Intangible assets mainly consist of capitalized project cost and office software. Intangible asset accumulated cost also includes the value of the patent and know-how (IP) described as the NEXT Active Thermal™ Sensing principle and capitalized costs related to ASIC hardware design.

(amounts in NOK 1,000)	2025	2024
Accumulated cost as of 1 January	33,255	30,494
Additions	2,161	54
Disposals at cost	-	-
Translation differences	-2,895	2,707
Accumulated cost as of 31 December	32,520	33,255
Accumulated amortization and impairment losses as of 1 January	-32,430	-28,963
Amortization	-777	-762
Accumulated amortization and impairment losses of disposed items	-	-
Translation differences	2,888	-2,705
Accumulated amortization and impairment losses as of 31 December	-30,319	-32,430
Carrying amount as of 31 December	2,201	825
Amortization period in years (straight line)	3-12	3-12

As of 31 December 2025, in carrying amount, there is internally generated assets amounting to NOK 2.2 million whereas NOK 0.0 million are separately acquired assets (2024: NOK 0.8 million). There are no impairments related to intangible assets in 2025 and 2024. Capitalized project cost and office software have an amortization period of 3-5 years. Patent and know-how (IP) have had an amortization period of 12 years.

The carrying amount for the patent and know-how (IP) described as the NEXT Active Thermal™ Sensing principle and capitalized costs related to ASIC hardware design is zero as per 31 December 2025.



NOTE 11

Property, plant and equipment

(amounts in NOK 1,000)	2025			2024		
	Equipment	Right of use assets	Total	Equipment	Right of use assets	Total
Accumulated cost as of 1 January	38,616	5,392	44,008	35,765	5,317	41,082
Additions	-	916	916	597	4,276	4,873
Disposals at cost	-51	-977	-1,028	-5	-4,755	-4,760
Translation differences	-3,284	-355	-3,639	2,260	553	2,813
Accumulated cost as of 31 December	35,282	4,975	40,257	38,616	5,392	44,008
Accumulated depreciation and impairment losses as of 1 January	-35,528	-1,386	-36,914	-30,871	-3,473	-34,344
Depreciation	-1,779	-2,072	-3,851	-2,524	-2,108	-4,632
Impairment losses	-	-	-	-	-	-
Derecognition of RoU asset due to office lease amendment	-	-	-	-	-224	-224
Accumulated depreciation and impairment losses of disposed items	-	977	977	-5	4,755	4,750
Translation differences	3,179	12	3,191	-2,128	-336	-2,464
Accumulated depreciation and impairment losses as of 31 December	-34,128	-2,469	-36,597	-35,528	-1,386	-36,914
Carrying amount as of 31 December	1,155	2,506	3,660	3,088	4,006	7,094
Depreciation period in years (straight line)	3-10	2-4		3-10	2-4	

As of 31 December 2025, carrying amount of equipment consists of machinery of NOK 1.2 million (2024: NOK 3.1 million). Right of use assets represent office leases and amounted to NOK 2.5 million as per 31 December 2025 (2024: NOK 4.0 million).

The accumulated cost of equipment primarily relates to the coating machine purchased in 2017 that is located in Taiwan, amounting to NOK 25.5 million. The remainder of the accumulated equipment cost mainly represents a cutting machine, that has an accumulated cost of NOK 7.3 million and zero net book value. Please note that these assets have been subject to currency adjustments. There are no impairments related to equipment in 2025.

Additions in 2025 for right of use assets are related to new office lease in Taiwan. See also [note 17](#) for further information regarding leases.



NOTE 12

Inventories (critical accounting estimate)

	Restated	
	2025	2024
Raw material, consumables and supplies	7,213	9,382
Work in progress	3,878	2,790
Finished products	4,500	5,500
Inventories in consignment	9,809	17,719
Total inventories	25,399	35,391

Cost of materials is defined as cost of materials and production service expenses

Cost of materials includes net write-downs of inventories. In 2025, write-downs on inventories was NOK 8.3 million while the write-down of inventories was NOK 0.36 million in 2024.

The total net inventory value was NOK 25.4 million as 31 December 2025 (NOK 35.4 million as per 31 December 2024 (restated)). Raw materials, work in progress and finished products are valued at the lower of cost and net realizable value after deduction for obsolescence.

The Group booked an inventory write-down of NOK 8.3 million in 2025. The allowance for inventory obsolescence (inventory write-down) is based on the expected demand and resulting obsolescence estimate for each group of finished products, intermediate products, and raw materials. The estimated obsolescence is based on the 2026-2027 sales budget. The estimates have been set after thorough evaluations and significant judgements. In 2025, the inventory turnover was low due to delays of sales in India, China and Bangladesh. In 2026, the sales are expected to accelerate, and a major part of the inventory is expected to be sold. Still, the Group has a limited operating history with several of its major customers and many of these customers are located in countries

with high geo-political risk, which makes it more challenging to estimate future sales and establish obsolescence estimates. Moreover, there is risk and uncertainty to these expected sales estimates in relation to the expected progress in the sales process that is dependent on the group's customers' progress on their sales to end-customers and individual project progress relating to product development and government certifications. These risks may differ per product and these observations, together with the relatively significant amount of inventory held by the group at year-end 2025, make valuation of the inventory and estimated inventory obsolescence significant accounting estimates.

Restated inventories

A reconciliation of previously reported figures to the restated amounts for the 2024 financial statements is presented in the table below.

Please see [note 26](#) for further information on the restatement.

	As originally presented	Adjustment	Restated
	2024	2024	2024
(amounts in NOK 1,000)			
Raw material, consumables and supplies	9,382		9,382
Work in progress	2,790		2,790
Finished products	5,500		5,500
Inventories in consignment		17,719	17,719
Total inventories	17,672		35,391

NOTE 13

Accounts receivables

(amounts in NOK 1,000)	2025	Restated 2024
Accounts receivables - gross	768	6,591
Accounts receivables - loss allowance	-	-3,270
Total accounts receivables as of 31 December	768	3,321

The total credit loss allowance provision was NOK 0 million as per year end 2025 (2024: NOK 3.3 million), representing 0% (2024: 49.6%) of the total gross value of accounts receivables.

The Group has few, but large customers. The provision is based on individual assessment of each customer after thorough evaluations and discussions with each respective customer.

(amounts in NOK 1,000)	2025	Restated 2024
Not due	768	472
30-90 days overdue	-	218
90-120 days overdue	-	-
120-180 days overdue	-	1
180+ days overdue	-	2,630
Total accounts receivables as of 31 December	768	3,321

ACCOUNTS RECEIVABLES AND OTHER FINANCIAL ASSETS

Initial recognition and measurement

Account receivables are initially recognized when they are originated. An account receivable without a significant financing component is initially measured at the transaction price.

Account receivables write-off

The gross carrying amount of a account receivables is written off when the Group has no reasonable expectations of recovering it in its entirety or a portion thereof.

Accounts receivable loss allowance

The Group recognizes loss allowances on account receivables measured at amortized cost. None of the account receivables contain a significant financing component and the time value of money will not need to be considered as it is insignificant.

Restated accounts receivables

A reconciliation of previously reported figures to the restated amounts for the 2024 financial statements is presented in the table below. Please see [note 26](#) for further information on the restatement.

The Group has few, but large customers. The Group considers reasonable and supportable information that is relevant and available when estimating loss allowance. This includes both quantitative and qualitative information and analysis of each customer and their domicile. The provision is based on individual assessment of each customer after thorough evaluations and discussions with each respective customer, as well as past experience. The Group has a limited operating history with several of its major customers, which makes it more challenging to establish expected credit loss estimates for these receivables.

(amounts in NOK 1,000)	As originally presented 2024	Adjustment 2024	Restated 2024
Accounts receivables - gross	67,424	-60,833	6,591
Accounts receivables - loss allowance	-10,669	7,400	-3,270
Total accounts receivables as of 31 December	56,754		3,321

NOTE 14

Other current assets

(amounts in NOK 1,000)	2025	2024
Prepayments	2,175	3,073
Government grants (see note 6)	1,455	1,776
Deposits	353	376
Income taxes and other taxes receivables	2,996	758
Other receivables	1,967	1,155
Total other current assets as of 31 December	8,946	7,138



NOTE 15

Cash

Cash include cash in hand, deposits held at call with banks and bank deposits related to employee withholding tax (restricted funds).

(amounts in NOK 1,000)	2025	2024
Cash - unrestricted	8,044	62,615
Cash - employee withholding tax deposits	249	293
Total cash	8,294	62,907

NOTE 16

Other current liabilities

	2025	2024
Accrued salary, vacation pay and board remuneration	2,504	3,405
Public duties payable	917	1,336
Share options social security tax	-	1,880
Other current liabilities	7,690	10,279
Total other current liabilities	11,112	16,900

Total other current liabilities was NOK 11.0 million as per 31 December 2025 compared to NOK 16.8 million as per 31 December 2024. The liability for share option social security tax was reduced from NOK 1.9 million in 2024 to NOK 0 million in 2025 due to the reduction of the company's stock price during 2025. Other current liabilities was NOK 7.7 million as per 31 December 2025, of which NOK 4.3 million is prepayments from customers and distributors and NOK 3.4 million mainly relates to uninvoiced goods and services that has been received by the group.

The Group entered into a contract with an external party targeting to reach certain sales targets in China. Upon reaching certain milestones, performance fees would be due to the external partner. According to the initial agreement, the Group may elect to settle the liability in cash or in NEXT Biometrics Group ASA shares at its own discretion. In the Group's reporting for the half year and third quarter 2025 the Group communicated that irregularities had occurred in the Chinese part of the business. Moreover, it was communicated that NEXT reversed accruals for compensation for sales and marketing incentives in China that were earlier booked in 2024 and 2025. Hence, the accrued liability for marketing incentive fees were restated to NOK 0.0 million as per 31 December 2024 and set to NOK 0.0 million as per 31 December 2025.

For financial liabilities at amortised cost, the carrying amount is assessed to be a reasonable approximation of fair value. All items above are at amortised cost or nominal value.

Provisions

Provisions are recognized when, and only when, the Group has a valid liability (legal or constructive) as a result of events that have taken place and it is more probable than not that a financial settlement will take place as a result of the event(s), and the size of the amount can be measured reliably. Provisions are reviewed on each balance sheet date and their level reflects the best estimate of the liability. When the effect of time is insignificant, the provisions will be equal to the size of the expense necessary to be free of the liability. When the effect of time is significant, the provisions will amount to the present value of future payments to cover the liability. Any increase in the provisions due to time is recorded as other financial expenses.

Restated other current liabilities

A reconciliation of previously reported figures to the restated amounts for the 2024 financial statements is presented in the table below.

Please see [note 26](#) for further information on the restatement.

Contingent liabilities and assets

Contingent liabilities are possible obligations resulting from past events which existence depends on future events; obligations that are not recognized because it is not probable that they will lead to an outflow of resources; and obligations that cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the annual financial statements but will be disclosed in the notes if applicable. A contingent asset is not recognized in the annual financial statements but is disclosed in the notes if there is a degree of probability that a benefit will accrue to the Group.

	As previously reported	Adjustments	Restated
(amounts in NOK 1,000)	2024	2024	2024
Accrued salary, vacation pay and board remuneration	3,405		3,405
Public duties payable	1,244		1,244
Share options social security tax	1,880		1,880
Other current liabilities	11,915	-1,636	10,279
Total other current liabilities	18,444		16,808

NOTE 17

Provisions, contingent liabilities and contingent assets

The company performed an investigation focusing on suspected irregularities in the Chinese part of the Group's business in the second half of 2025. The investigation substantiated that irregularities have occurred in the Group's subsidiary in China. The Group and its Chinese sales and marketing partner's views on several topics pertaining to the Chinese business differ significantly and the sales and marketing partner has filed a claim against NEXT with the Shanghai International Economic and Trade Arbitration Commission (SHIAC).

The sales and marketing partner has claimed a total payment of RMB 11.1 million, approximately NOK 16.0 million (based on 31 December 2025 exchange rates). Based on the facts revealed, the Group's position is that the company has no obligations to compensate the sales and marketing partner or any of its associated companies or individuals. Management considers it improbable that the claim will result in a financial obligation for the Group. Therefore, no provision has been recognized.

NEXT further argues that SHIAC has no jurisdiction over most of the claims raised by the sales and marketing partner and that these claims fall under arbitration in accordance with the Norwegian Arbitration Act with Oslo, Norway, as seat of arbitration. The timeline of the resolution is uncertain.

NEXT will continue to investigate the irregularities and will take any further relevant and necessary legal action against the relevant companies and individuals.

Even though NEXT's position is that the company has no financial obligation in relation to the court case described above, there is risk and uncertainty relating to the outcome of the legal case. This is due that China is considered a jurisdiction with an above average legal risk, which makes the assessment of contingent liabilities a critical accounting estimate.

In 2020, NEXT provided biometric products to a former client in Asia. The client failed to meet the agreed-upon payments, leading NEXT to decide to pursue these payments through the courts, citing a breach of contract. The arbitration court proceedings are ongoing. The book value of the NEXT receivable relating to this claim is zero as per 31 December 2025. In 2024, the former client countersued NEXT for breach of contract and is seeking NOK 17.5 million (converted to NOK based on 31 December 2025 exchange rates) plus interest in damages from NEXT. NEXT's management, in consultation with its legal advisors, considers this countersuit to be without merit and with a low likelihood of succeeding. As such, in accordance with IAS 37, no provision has been recognized for this potential liability in the financial statements as of 31 December 2025.

NEXT provided biometric products to a client, which took delivery of a part of its committed order in 2020. The client later communicated that it did not intend to take delivery of the remaining part of its order. In 2025, this former client sued NEXT for breach of contract and is seeking NOK 3.2 million (converted to NOK based on 31 December 2025 exchange rates) in damages from NEXT. NEXT's management, in consultation with its legal advisors, considers this countersuit to be without merit and with a low likelihood of succeeding. As such, in accordance with IAS 37, no provision has been recognized for this potential liability in the financial statements as of 31 December 2025.



NOTE 18

The table below shows the amounts related to leases recognized in the statement of financial position:

(amounts in NOK 1,000)	2025	2024
Property - office leases (included in "Property, plant and equipment")	2,506	4,006
Total right-of-use assets	2,506	4,006
Non-current lease liabilities	996	2,244
Current lease liabilities	1,643	1,843
Total lease liabilities	2,640	4,087

See [note 11](#) for more information regarding right-of-use assets.

As per 31 December 2025, the Group has office lease agreements in Norway, China, USA and Taiwan. The individual lease terms for the Group's office leases are generally 2-3 years including extension periods at inception of the lease period. The group's office leases in Taiwan was extended in 2025, while the leases in Norway and USA were extended in 2024.

The subsidiary in China entered into a new one-year office lease in 2025. In accordance with IFRS 16 regulations, the lease in China is not recognized as a right-of-use asset. Instead, it is directly recorded as an operating expense.

The table below shows the amounts related to leases recognized in the statement of comprehensive income:

(amounts in NOK 1,000)	2025	2024
Depreciation property right-of-use assets (included in "Depreciation and amortization")	-2,072	-2,108
Interest income (included in "Financial income")	-	81
Interest expenses (included in "Financial expenses")	-256	-139
Net expenses related to leases	-2,327	-2,166

The table below shows a reconciliation of the opening and closing balance for lease liabilities arising from financing activities:

(amounts in NOK 1,000)	2025	2024
Opening balance	4,087	1,940
Changes from financing cash flows	-2,000	-2,017
Changes in lease liabilities due to new/amended lease agreements or CPI adjustments	910	4,002
Other changes	-192	22
Translation differences	-165	140
Closing balance as of 31 December	2,640	4,087

The total cash outflow for leases in 2025 was NOK 2.0 million (2024: NOK 2.0 million).

Note 18 Continued

The table below shows the maturity profile for the lease liabilities based on contractual undiscounted payments:

(amounts in NOK 1,000)	2025	2024
Within one year	1,643	1,843
More than 1 year but within 5 years	996	2,447
After 5 years	-	-
Total contractual cash flows related to leases	2,640	4,290

Leasing agreements

Currently, the Group's only leases are office leases. The initial fixed lease period for the office leases are generally 2-3 years at inception of the individual leases. Currently, no office lease extension options have been recognized. The Group recognizes the office lease liability and a corresponding office right-of-use asset at the commencement date of the lease. Lease liabilities are measured at the present value of the remaining lease payments not paid at the commencement date. The lease payments are discounted using the lessee's interest rate implicit in the lease, or incremental borrowing rate when the interest rate implicit in the lease cannot be readily determined. Lease payments consists

of the following elements: fixed payments, variable lease payment that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease if the lease term reflects the lessee exercising that option. A corresponding asset representing the right to use the underlying asset during the lease term (right-of-use asset) is recognized, adjusted for prepayments done before commencement date, and initial direct costs and restoration costs if any. The right-of-use-asset is depreciated over the lease term and

the depreciation expense is recognized as an operating expense. Interest expense on the lease liability is recognized as a financial expense.

Lease contracts entered with a duration of less than 12 months and leases with a low value will not be recognized in the statement of financial position but recognized as an operating expense over the lease period. Lease liabilities will be remeasured upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments), which generally will be recognized as an adjustment to the right-of-use asset.

NOTE 19**Share capital, shareholder's information and share-based options**

There is one class of shares. All shares have equal rights and are freely negotiable. The share capital is fully paid in. The par value of the shares is NOK 1 per share.

There were 119,860,417 shares in the company on 31 December 2025, compared to 115,154,535 shares on 31 December 2024. At the end of 2025 there were 3,158 shareholder accounts compared to 3,391 at the end of 2024.

Number of shares outstanding	2025	2024
Opening balance	115,154,535	104,024,929
Share issue(s)	4,705,882	5,500,000
Exercised incentive share options	-	5,629,606
Closing balance	119,860,417	115,154,535

In October 2025, NEXT Biometrics Group ASA completed private placement of 4,705,882 new shares at a subscription price of NOK 4.25 per share, raising gross proceeds of NOK 20 million. Direct expenses and underwriting commission in relation to the private placement was NOK 0.7 million and net proceeds were NOK 19.3 million.

In October 2024, NEXT successfully completed a private placement issuing

5,500,000 new shares at a subscription price of NOK 7.3 per share, corresponding to gross proceeds of NOK 40.2 million. Direct expenses and underwriting commission in relation to the private placement was NOK 2.1 million and net proceeds were NOK 38.1 million. Moreover, in February, May and August 2024, 909,606 share options were exercised at an average subscription price of NOK 3.7 per share with total gross proceeds of NOK

3.4 million and net proceeds of NOK 3.3 million. Further, in September 2024, 4,720,000 share options were exercised at an average subscription price of NOK 3.99 per share with total gross proceeds of NOK 18.9 million and gross proceeds of NOK 18.8 million. Total net proceeds for the year 2024 amounted to NOK 60.1 million.

There are no authorizations to the board to purchase own shares.

Note 19 Continued

Capital resources

NEXT manages its liquidity passively, which means that funds are placed in floating-interest bank accounts. The majority of cash is held in Norwegian kroner at parent company level and is distributed when appropriate to the affiliates. This is both to have control of the overall liquidity situation and to manage expense levels in the affiliates.

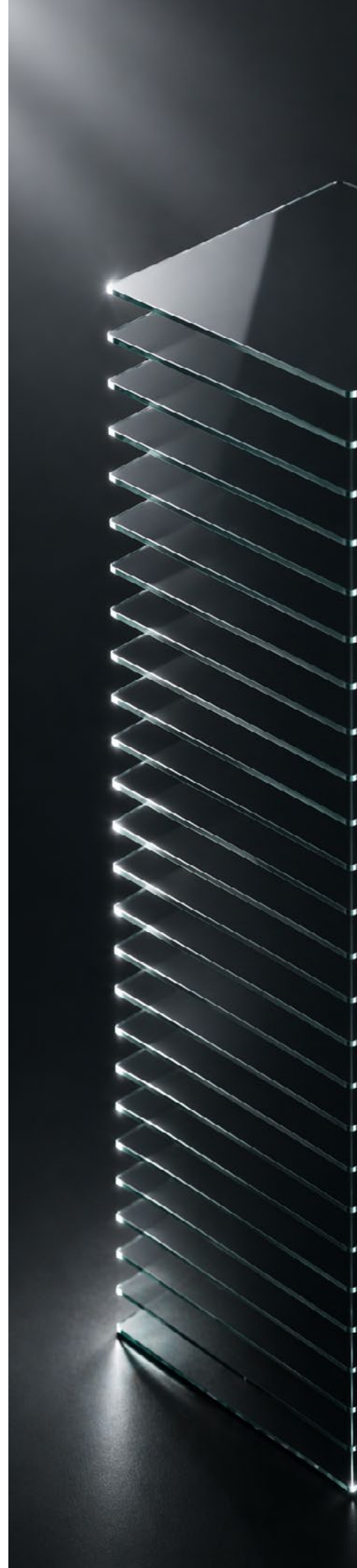
NEXT has no interest bearing debt by the end of 2025.

NEXT targets to have an equity ratio above 80%, measured as total equity divided by total assets.

		Restated
Equity ratio	2025	2024
Total equity	25,175	84,779
Total assets	49,269	116,676
Equity share	51%	73%

Capital resources	2025	2024
Current liabilities	23,095	29,653
Non-current liabilities	999	2,244
Less cash	-8,294	-62,907
Net debt (net cash)	15,800	-31,010
Total equity	25,175	84,779
Total capital resources	40,975	53,769
Gearing ratio (%)	39%	-58%

	As originally presented	Adjustment	Restated
(amounts in NOK 1,000)	2024	2024	2024
Equity ratio			
Total equity	118,857	-34,078	84,779
Total assets	152,390	-35,714	116,676
Equity share	78%		73%
Capital resources	2024	2024	2024
Current liabilities	31,289	-1,636	29,653
Non-current liabilities	2,244		2,244
Less cash	-62,907		-62,907
Net debt (net cash)	-29,374	-1,636	-31,010
Total equity	118,857	-34,078	84,779
Total capital resources	89,483	-35,714	53,769
Gearing ratio (%)	-33%		-58%



Note 19 Continued

The largest shareholders at year end and shares owned by executive and Directors of the Board:

Top 20 shareholders at 31 December 2025	Number of shares	Percent of shares
Skandinaviska Enskilda Banken AB	7,413,614	6.2 %
EDGEWATER AS	7,313,502	6.1 %
VALSET INVEST AS	7,000,000	5.8 %
NORUS AS	6,996,898	5.8 %
SILVERCOIN INDUSTRIES AS	6,941,162	5.8 %
HAAS AS	6,543,071	5.5 %
VERDIPAPIRFONDET DELPHI NORGE	6,122,241	5.1 %
SONGA CAPITAL AS	5,150,486	4.3 %
CAMACA AS	5,015,783	4.2 %
NORUS HOLDING AS	3,203,449	2.7 %
UBS SWITZERLAND AG	2,990,979	2.5 %
AS AUDLEY	2,627,027	2.2 %
LUCELLUM AS	2,470,000	2.1 %
MARSTAL AS	1,986,158	1.7 %
The Bank of New York Mellon SA/NV	1,567,896	1.3 %
CAMIKO AS	1,502,264	1.3 %
HANOMA HOLDING AS	1,500,000	1.3 %
ECOMNEX HOLDING AS	1,494,461	1.2 %
Skandinaviska Enskilda Banken AB	1,371,472	1.1 %
SPECTER INVEST AS	1,284,500	1.1 %
Total top 20	80,494,963	67.2 %
Others	39,365,454	32.8%
Total number of shares	119,860,417	100.0%



Note 19 Continued

Shares owned by Executives and Directors of the Board	Number of shares	Percent of shares	Held through
Senior Executives			
Ulf Ritsvall, CEO	67,000	0.06%	
Eirik Underthun, CFO	143,000	0.12%	
Marcus Lauren, CPO	20,000	0.02%	
Digvijay Singh Kanwar, SVP Head of Sales IUEA	-	0.00%	
Joshua Chui, SVP Head of Sales South-East Asia	-	0.00%	
Board of Directors			
Hans Henrik Klouman, Chair	93,059	0.08%	Virkelyst AS
Roy Tselentis, Deputy Chair	-	0.00%	
Tove Giske	450,000	0.38%	TGI AS
Siri Gornæs Børsum	9,412	0.01%	
Emine Lundkvist	79,738	0.07%	
Nomination Committee			
Hans Herman Horn	17,586,991	14.67%	NORUS AS, Norus Holding Datter AS, Edgewater AS & Hans Herman Horn
Haakon Sæter ¹	8,157,640	6.81%	Silvercoin Industries AS, Fredrikstad Spillerinvest AS, Six-Seven AS & Haakon Sæter
Andreas Berdal Lorentzen	-	0.00%	
Total	26,606,840	22.20%	

¹ In addition to the shares held directly through Silvercoin Industries AS, Fredrikstad Spillerinvest AS and Six-Seven AS, Silvercoin Industries AS held futures held futures contracts on 1,000,000 NEXT shares as per 31 December 2025.



Note 19 Continued

As of 31 December 2025, the Company has one share option program:

Long-term share options program

NEXT has allotted long-term share options to employees and board members. The options in the 2020, 2021 and 2022 program are fully vested as per 31. December 2025. 2/3 of the options allocated to employees in the 2023 program has vested while the remaining 1/3 will vest in quarter one 2026. 1/3 of the options allocated to employees in the 2024 program has vested, and 1/3 of remaining unvested options will vest in quarter three 2026 and 1/3 in quarter one 2027. The options in the 2020 and 2021 program were extended during 2023 and these options expire in Q2 2026. The options in the 2022 program expire in Q3 2027. The options in the 2023, 2024 and

2025 program expire 5 years after the options have been granted (2028, 2029 and 2030 respectively). The options in the 2025 program offered to board members is vesting 1/2 in 2026 and 1/2 in 2027.

There are currently an accumulated 13,987,161 (11.67% of total number of shares in the Company) share options outstanding. Out of these, 7,775,549 share options have vested.

Each option gives the holder the right to acquire one share from the Company at a strike price defined in the individual share option agreement.

The option agreements include a clause on accelerated vesting in case of a majority of shares in the Company are (i) sold to an acquirer, (ii) the Company is merged with another company, (iii) a demerger occurs, and (iv) if the company's shares are delisted.

At the Annual General Meeting (AGM) 9 May 2025 the Board of Directors was granted authorization to issue up to 9,278,911 shares in the company in relation to options granted to employees and board members.

Options - movement	2025		2024	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding options - Beginning period	10,020,579	5.65	14,048,519	4.81
Granted	4,070,000	4.08	2,225,000	7.86
Exercised	-	0.00	-5,629,606	3.96
Forfeited or expired	-103,418	7.94	-623,334	9.74
Outstanding options - End period	13,987,161	5.18	10,020,579	5.65
Vested options - End period	7,775,549	5.17	6,479,028	4.83

	2025		2024	
	Number of options	Weighted average fair value	Number of options	Weighted average fair value
Granted options - During period	4,070,000	0.79	2,225,000	2.00

2025	Net expense in the period (NOK 1,000)	Of which adjustment prior periods expense because of change in estimated number of options that will vest (NOK 1,000)	Remaining expense future periods (NOK 1,000)	Number of options expected to vest (number of options)
2020 grants	-	-	-	1,598,500
2021 grants	-	-	-	1,803,664
2022 grants	857,314	-	-	2,314,997
2023 grants	1,153,450	-	61,421	1,975,000
2024 grants	1,994,189	-	1,323,113	2,225,000
2025 grants	845,621	-	2,384,355	4,070,000
Total	4,850,574	-	3,768,889	13,987,161

Note 19 Continued

2025	Range of exercise price	Weighted average remaining contractual life (years)	Number of options expected to vest (number of options)	Total number of options outstanding (number of options)
2020 grants	2,49-3,21	0.47	1,598,500	1,598,500
2021 grants	5,97-7,45	0.47	1,803,664	1,803,664
2022 grants	4,48-4,89	1.66	2,314,997	2,314,997
2023 grants	5,94-6,46	2.46	1,970,653	1,975,000
2024 grants	7,86-7,86	3.46	2,121,439	2,225,000
2025 grants	3,38-5,16	4.36	3,684,790	4,070,000
Total			13,494,043	13,987,161

The fair value for the share-based options granted in the year has been calculated by use of the Black-Scholes and the following assumptions have been applied in 2024 and 2023:

Exercise price:

2025: Weighted average NOK 4.08 per share

2024: Weighted average NOK 7.86 per share

Vesting period:

2025 employee options: 1/3 have 1 years, 1/3 have 2 years and 1/3 have 2.5 years

2024 employee options: 1/3 have 1 years, 1/3 have 2 years and 1/3 have 2.5 years

Volatility:

2025: 34%-46% depending on time to maturity of individual options.

2024: 41%-42% depending on time to maturity of individual options.

Risk free interest rate:

2025: 3.67%-3.90% depending on time to maturity of individual options.

2024: 3.58%-4.10% depending on time to maturity of individual options

Attrition:

2025: Estimated 8% employee attrition for individual non-vested share-based options

2024: Estimated 8% employee attrition for individual non-vested share-based options.

No expected dividend payment



NOTE 20

Remuneration key personnel and audit fees

ACTUAL REMUNERATION - SENIOR EXECUTIVES

2025 (amounts in NOK 1,000)	Board remuneration	Salary	Bonus	Other benefits	Pension cost	Fair value granted options *	Total remuneration
Senior Executives							
Ulf Ritsvall, CEO	-	3,160	330	57	-	2,409	5,956
Eirik Underthun, CFO	-	2,124	-	6	173	260	2,563
Marcus Lauren, CPO**	-	2,880	-	-	-	208	3,088
Digvijay Singh Kanwar, SVP Head of Sales IUEA**	-	972	-519	-	-	258	710
Joshua Chui, SVP Head of Sales South-East Asia**	-	1,819	-1,341	-	-	219	697
Board of Directors							
Hans Henrik Klouman, Chair	-	-	-	-	-	426	426
Roy Tselentis, Deputy Chair	-	-	-	-	-	104	104
Tove Giske	-	-	-	-	-	-	-
Siri Gomnæs Børsum	200	-	-	-	-	55	255
Emine Lundkvist	200	-	-	-	-	85	285
Odd-Harald Hauge, former Chair	500	-	-	-	-	-	500
Petter Fjellstad, former Board member	200	-	-	-	-	-	200
Nomination committee							
Hans-Herman Horn, Chair	20	-	-	-	-	-	20
Haakon Sæter	20	-	-	-	-	-	20
Andreas Berdal Lorentzen	-	-	-	-	-	-	-
Jon Frode Vaksvik, former Chair	30	-	-	-	-	-	30
Total remuneration	1,170	10,955	-1,530	63	173	4,025	14,856

Note 20 Continued

2024 (amounts in NOK 1,000)	Board remuneration	Salary	Bonus	Other benefits	Pension cost	Fair value granted options *	Total remuneration
Senior Executives							
Ulf Ritsvall, CEO	-	2,960	1,509	65	-	1,939	6,472
Eirik Underthun, CFO	-	2,010	-	5	181	291	2,487
Marcus Lauren, CPO**	-	2,253	-	-	-	111	2,364
Digvijay Singh Kanwar, SVP Head of Sales IUEA**	-	991	904	-	-	206	2,100
Joshua Chui, SVP Head of Sales South-East Asia**	-	1,880	1,347	-	-	136	3,363
Peter Heuman, former CEO	-	87	-	-	5	-148	-56
Board of Directors							
Odd-Harald Hauge, Chair	200	-	-	-	-	-	200
Petter Fjeldstad	500	-	-	-	-	-	500
Emine Lundkvist	200	-	-	-	-	-	200
Siri Gornæs Børsum	200	-	-	-	-	-	200
Nomination committee							
Jon Frode Vaksvik, Chair	30	-	-	-	-	-	30
Haakon Sæter	20	-	-	-	-	-	20
Hans-Herman Horn	20	-	-	-	-	-	20
Total remuneration	1,170	10,181	3,760	70	186	2,535	17,900

* Fair value of granted options is equal to expensed share option remuneration for the year, which is based on fair value at grant date and vesting period (see [note 2](#) for further information).

** Hired through an external company. This is the invoiced amount from the external company, which includes social security and pension benefits.

Board remuneration reported above is based on paid-out amounts.

CEO remuneration

Ulf Ritsvall (CEO) has a salary of SEK 2.6 million per year. In addition, he is part of the Company's option plan and the bonus program, which provides annual bonuses based upon the achievement of performance objectives established by the company. Further, the CEO is entitled to a pension benefit of 15% of annual base salary. Ulf Ritsvall was awarded a bonus in 2025, which is expected to be paid out in 2026. Moreover, he was awarded a bonus for 2024 that was paid out in 2025. During 2024 and 2025, the company also paid pension benefits as salary, which is reported under salary in the tables above.

Severance

Ulf Ritsvall (CEO) has a severance agreement whereby he will receive 100% pay for 6 months for termination by the Company without cause.

Loans and guarantees for senior executives

The Company has not made any advance payments or issued loans to, or guarantees in favor of, any senior executives or members of the board as per 31 December 2025.

Note 20 Continued

Share based remuneration

Share-based payments are equity-settled share options granted to employees, contractors and members of the board of directors. The options are charged against the income statements at their fair value over the vesting period, with a corresponding increase in equity. The fair value of share-based options is determined using the Black-Scholes option-pricing model. The social security contribution payable in connection with the exercise of the share options is accrued on a straight-line basis as current liabilities, based on the intrinsic value of the share options at the end of each accounting period with consequent charges to the payroll expenses. Share-based

remuneration and option social security costs related to employees and members of the board are charged as payroll expenses, while costs related to contractors are charged as other operating expenses.

Salary, pension and any bonuses will attract employer's tax, which will be expensed simultaneously with the remuneration. The notional cost of options as share-based remuneration is expensed, but the equity effect is nil because the contra item is a notional equity injection of equal amount. In addition, employer's tax is accrued on the intrinsic value of the option on the balance sheet date.

For the shareholders, a possible exercise of share options will represent a dilution. At the end of 2025, the number of outstanding options to senior executives amounted to 11,675,000 corresponding to 9.7% of the share capital. At the end of 2024, the number of outstanding options to senior executives amounted to 8,085,000 corresponding to 7.0% of the share capital.

For further details regarding share-based remuneration, see [note 19](#).

2025	Accumulated quantity options OB	Granted options	Expired/adjusted options	Exercised options	Average exercise price - A	Accumulated quantity options CB	Average exercise price - B
Senior Executives							
Ulf Ritsvall, CEO	4,125,000	1,000,000	-	-	-	5,125,000	5.75
Eirik Underthun, CFO	1,450,000		-			1,450,000	5.54
Marcus Lauren, CPO	225,000	500,000	-	-	-	725,000	4.63
Digvijay Singh Kanwar, SVP Head of Sales IUEA	350,000	300,000	-	-	-	650,000	4.98
Joshua Chui, SVP Head of Sales South-East Asia	275,000	150,000	-	-	-	425,000	6.03
Board of Directors							
Hans Henrik Klouman, Chair	-	1,000,000	-	-	-	1,000,000	5.16
Roy Tselentis, Deputy Chair	-	500,000	-	-	-	500,000	4.84
Emine Lundkvist	230,000	-	-30,000	-	-	200,000	2.49
Siri Gornæs Børsum	200,000	-	-	-	-	200,000	4.89
Tove Giske	-	200,000				200,000	5.16
Odd-Harald Hauge, former Chair	200,000	-	-	-	-	200,000	2.49
Petter Fjellstad, former Board member	1,030,000	-	-30,000	-	-	1,000,000	2.49
Total	8,085,000	3,650,000	-60,000	-		11,675,000	

Note 20 Continued

OPTIONS - SHARE BASED REMUNERATION

2024	Accumulated quantity options OB	Granted options	Expired/ adjusted options	Exercised options	Average exercise price - A	Accumulated quantity options CB	Average exercise price - B
Senior Executives							
Ulf Ritsvall, CEO	2,725,000	1,400,000	-	-	-	4,125,000	6.30
Eirik Underthun, CFO	1,750,000	50,000	-	-350,000	2.49	1,450,000	5.54
Marcus Lauren, CPO	75,000	150,000	-	-	-	225,000	7.39
Digvijay Singh Kanwar, SVP Head of Sales IUEA	200,000	150,000	-	-	-	350,000	6.35
Joshua Chui, SVP Head of Sales South-East Asia	75,000	200,000	-	-	-	275,000	7.48
Peter Heuman, former CEO	5,020,000	-	-300,000	-4,720,000	3.99	-	-
Board of Directors							
Odd-Harald Hauge, Chair	200,000	-	-	-	-	200,000	2.49
Petter Fjellstad	1,030,000	-	-	-	-	1,030,000	2.66
Emine Lundkvist	230,000	-	-	-	-	230,000	3.27
Siri Gomnæs Børsum	200,000	-	-	-	-	200,000	4.89
Total	11,505,000	1,950,000	-300,000	-5,070,000		8,085,000	

A - Average exercise price for options exercised during the financial year (amounts in NOK)

B - Average exercise price for quantity of options by the end of the financial year (amounts in NOK)

Audit fees

(amounts in NOK 1,000)	2025	2024
Audit fee	1,047	780
Attestation	33	238
Tax services	1	-
Non-audit services	179	6
Total audit fees	1,261	1,024

NOTE 21

The Group is subject to various financial risks, which are systematically monitored and managed to mitigate potential adverse impacts. Our risk management ensures that these risks are identified, assessed, and controlled effectively, thereby safeguarding the Group's financial stability and performance.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group assesses each customer on an individual basis to estimate lifetime expected credit losses. The credit loss estimates are set by management based on internal and external information. This includes qualitative information and analysis, based on the Group's historical experience and including forward-looking information. These estimates are subject to risks and uncertainties that could cause actual results to differ from current expectations. For example, economic and market conditions in the geographic areas and industries that the Group is operating can change. Moreover, the Group is facing risks related to new customers in existing and new markets, market acceptance of new products and services and changes in governmental regulations that impact the ability of the Group's end customers to sell their products, which may affect the Group's ability to collect its account receivables. Further, the Group has a limited operating history with several of its major customers in the new markets, which makes the Group exposed to additional credit risk. See note 13 - Accounts receivables for more information regarding account receivables.

Financial risk management

Liquidity risk

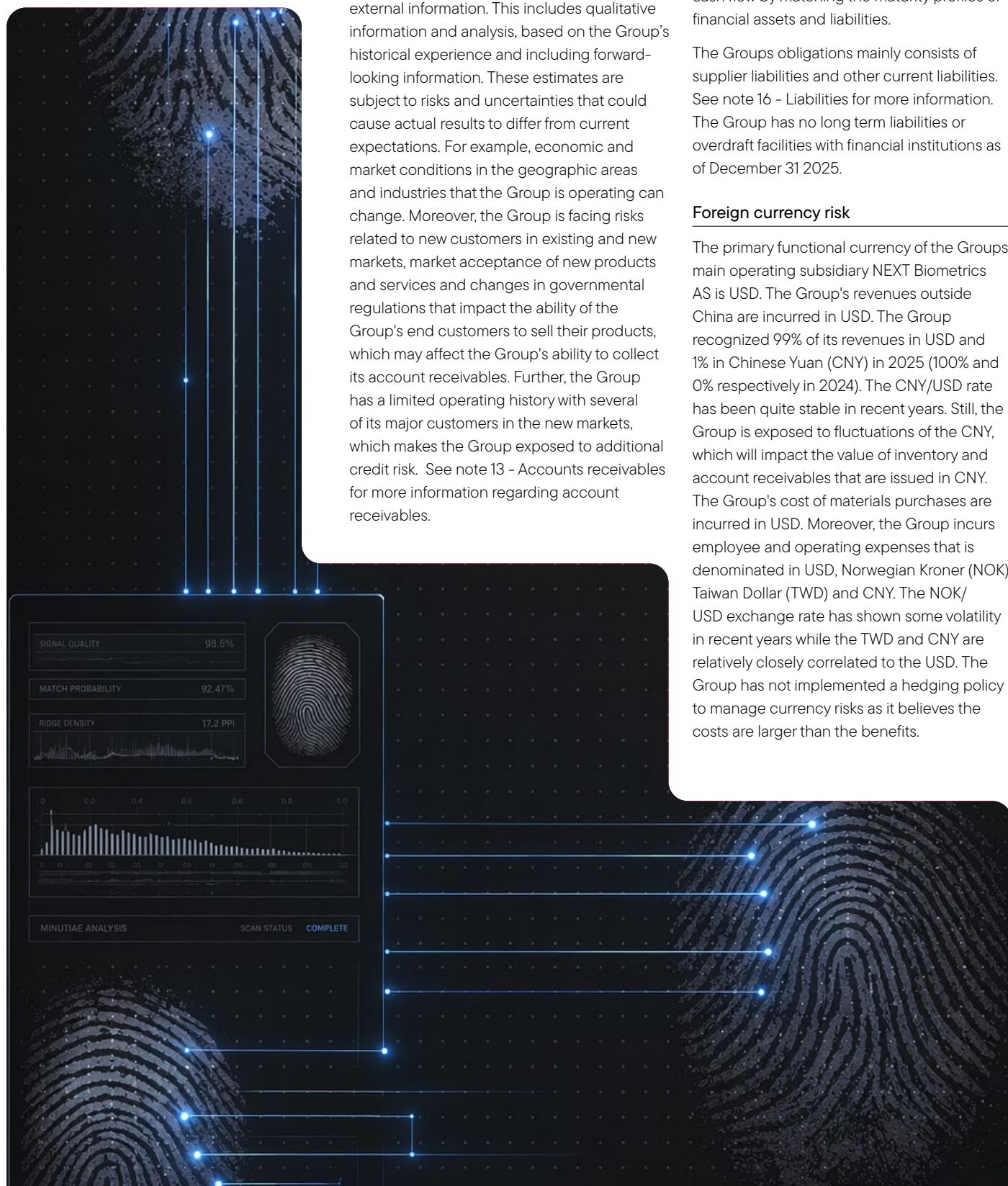
The Group strives to maintain sufficient cash to continue its operations and meet obligations.

The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecasted cash flow by matching the maturity profiles of financial assets and liabilities.

The Group's obligations mainly consist of supplier liabilities and other current liabilities. See note 16 - Liabilities for more information. The Group has no long term liabilities or overdraft facilities with financial institutions as of December 31 2025.

Foreign currency risk

The primary functional currency of the Group's main operating subsidiary NEXT Biometrics AS is USD. The Group's revenues outside China are incurred in USD. The Group recognized 99% of its revenues in USD and 1% in Chinese Yuan (CNY) in 2025 (100% and 0% respectively in 2024). The CNY/USD rate has been quite stable in recent years. Still, the Group is exposed to fluctuations of the CNY, which will impact the value of inventory and account receivables that are issued in CNY. The Group's cost of materials purchases are incurred in USD. Moreover, the Group incurs employee and operating expenses that are denominated in USD, Norwegian Kroner (NOK), Taiwan Dollar (TWD) and CNY. The NOK/USD exchange rate has shown some volatility in recent years while the TWD and CNY are relatively closely correlated to the USD. The Group has not implemented a hedging policy to manage currency risks as it believes the costs are larger than the benefits.



NOTE 22

Climate and ESG risk

The Group does not own or operate manufacturing facilities. Manufacturing is done through third parties. Climate impact and potential risk is low in the short to medium term. The Group is not directly impacted by physical climate risk such as potential flooding or general increase in the sea level. Moreover, the Group does not face any potential liabilities due to damage caused by climate

change. Still, the Group is likely to be impacted by the regulatory and technological changes that are to be implemented (in the future) to reach a carbon neutral society, which may lead to long term increased electronic component purchase and manufacturing cost.

ESG risk refers to the potential negative impact on a company's financial performance, reputation, or legal standing

due to environmental, social, or governance factors. Please refer to the Corporate Social Responsibility Report in this annual report on page 22 for a review of the company's focus in this area. The Group is operating in selected countries with lower ESG standards than Europe and have implemented policies and procedures to mitigate ESG and control ESG risk.

NOTE 23

Related parties

The Group's significant shareholders, board members and management are considered related parties. Transactions between related parties are always aimed at being carried at arm's length principle.

Board members have received remuneration according to the general meetings decisions. In addition, board members have been granted options. Salary and board remuneration to related parties have been disclosed in [note 20](#).

NOTE 24

Events occurring after the balance sheet date

On 18 March 2026, the Group announced a partially underwritten rights issue and a NOK 25 million bridge loan facility that will be repaid with proceeds from the Rights Issue.

The rights issue is partially underwritten by certain new and existing shareholders, who have committed to subscribe for NOK 41 million of the total subscription amount. The maximum gross proceeds in the rights issue is NOK 50 million. The net proceeds from the Rights Issue will be used for repayment of the bridge loans, and is expected to finance the Company's business plan into 2027.

Further, the Company has agreed that the initial amount under the shareholder loan agreement entered into with certain lenders on 20 January 2026 for the principal amount of NOK 9 million (the "Shareholder Loan"), will be set off through the issuance of new

shares in the Company to the lenders at a conversion price equal to the Subscription Price in the Rights Issue, upon completion of the Rights Issue. Any accrued interest under the Shareholder Loan is waived by the lenders under the Shareholder Loan.

The Rights Issue is subject to, inter alia, the following conditions: (i) an extraordinary general meeting of the Company to be held on 7 April 2026 having resolved a reverse share split and a share capital decrease by the reduction of the nominal value of the Company's shares, (ii) the Share Capital Reduction having been completed following expiry of a six-week creditor notice period under Section 12-5 of the Norwegian Public Limited Liability Companies Act, (iii) the annual general meeting of the Company to be held on 20 May 2026 having resolved the

Rights Issue, and (iv) the Financial Supervisory Authority of Norway having approved, and the Company having published, the Prospectus. Please refer to the March 18 2026 press release for further details.

Between 31 December 2025 and the resolution of these financial statements, there has not been any other event which have had any noticeable impact on the Group's or the parent company's result for 2025 or the value of the Group or the parent company's assets and liabilities as of 31 December 2025.

NOTE 25

Key assumptions going concern

The Group cash flow forecasts for 2026 and 2027 are the basis for the going concern statement. The revenue forecast is based on a comprehensive review of each underlying customer case resulting in revenues per quarter. Gross margin is expected to stay above 50% in 2026 and 2027. The Group has been implementing cost reductions measures, which will lower operating expenses towards the second half of 2026. Moreover, the Group is targeting to convert inventory into revenue, which will provide positive

cash flow from working capital. In addition, the Group's liquidity position has been and will be strengthened by the NOK 9 million shareholder loan, the recently announced bridge loan and NOK 50 million rights issue, which is expected to provide liquidity runway into the first half of 2027. Please see [note 24](#) for further details on the rights issue.

NOTE 26**Restatement of 2024 annual accounts**

The Group communicated in its reporting for the second quarter and half year 2025 that irregularities had occurred relating to customers/distributors and the subsidiary in China. The Board of Directors initiated an investigation of the irregularities. Due to significant overdue accounts receivable in general, the Board of Directors also requested that these accounts receivable were investigated and that relevant areas of improvement in the company's enterprise risk management were identified. In addition to investigating the irregularities pertaining to the Chinese business, the key focus of the investigation was to establish the necessary facts to be able to assess any additional need for adjustments in the financial reporting.

The implications of the observations and facts established from the investigation, and the subsequent assessments, are significant and substantial to the financial statements for the full year 2024. The facts revealed, and need for adjustments in the financial reporting, have no directly significant liquidity effects. The key implications fall into three different categories of reported sales, each briefly described below.

Sales and revenue irregularities relating to the business in China and NEXT Biometrics China (NEXT's Chinese subsidiary)

The investigation has substantiated that irregularities have occurred in the Group's subsidiary in China as selected sales transactions appear to lack proper commercial substance. The Group's and its sales and marketing partner's have different views on several topics, and the sales and marketing partner has filed a claim against the Group for unpaid sales and marketing incentive fees. The Group holds the view that certain sales transactions in China are not valid orders and has engaged legal advisors and is managing the dispute as required. Moreover, historical revenues in the amount of approximately NOK 13.2 million has been reversed in 2024 relating to these sales transactions. Also, the Group has not received payments for any of these goods and has requested the products returned. Currently, none of the customers and distributors have returned any products to the Group.

Other distributors in China and Taiwan

The investigation into other distributors related to Chinese activities and our subsidiary in China also revealed that the commercial agreements relating to the reported sales to two other Chinese distributors, and one Taiwanese distributor, do not meet the criteria to be recognised as revenue in NEXT's financial statements. Most of the reported sales was accounted for in 2024 and sums up to approximately NOK 25 million, which has been restated in the 2024 financial statements. Moreover, NOK 3 million in revenues was restated in the 2023 financial statement. A portion of the inventory shipped to the distributors based on sales reported by the subsidiary in China has been inspected. Most of the inventory shipped to distributors in China has been returned to the company and is recognized as inventory. A small portion of the shipped inventory in this category is still with a distributor and recognized as inventory in consignment as per 31 December 2025. Simultaneously, the Group has booked reversals for cost of materials for those transactions where either the goods have been returned or recognised as inventory in consignment.

Distributors targeting the market in India and Bangladesh

Entering both the market in India and Bangladesh has been more challenging than expected, amongst other reasons due to the unstable political situation in Bangladesh and a security breach pertaining to a supplier (without association to NEXT) to the Indian Aadhaar-program causing a major delay to NEXT's business. NEXT's distribution agreements, including its standard terms and conditions applicable to the reported sales, appear to be sound and managing relevant aspects of such a commercial agreement.

However, in 2025, we have learned that the Indian and Bangladeshi markets are more challenging and that it is de-facto an inherent uncertainty pertaining to payments from the reported sales. Even if it is clearly stated in the Group's commercial agreements, the Group has not received payment from its distributors until the end-customers have paid them.

Based on this, the Group has, for accounting purposes, decided to categorize most shipments pertaining to these distributors as

consignment arrangements. More specifically, this relates to all shipments to one of the distributors in 2024 and 2025 and one shipment in 2025 to the other distributor. Due to this, restated comparable figures for 2024 have been prepared and presented in this report. The previously reported revenues in 2024 relating to the markets in India and Bangladesh that now are reported as consignment arrangements represent approximately NOK 14 million in revenue reversals.

Reversals of cost of materials and recognition of inventory in consignment

In connection with the revenue restatements, the Group has booked reversals for cost of materials for those transactions where either the goods have been returned or recognised as inventory in consignment. The Group has booked reversal of costs of materials amounting to NOK 15.6 million in 2024 and NOK 1.1 million in 2023. Moreover, NOK 17.7 million inventory in consignment has been recognized as per 31 December 2024.

The goods stored in warehouses arranged by the distributors have been inspected as part of the investigation and appear to be in good condition and adequately secured.

Operating expense adjustments and reversals

The Group has also reversed bad debt expenses in conjunction with the reversals of revenue and account receivables, which amount to approximately NOK 7.4 million in 2024. Separately, the Group booked a reversal of sales and marketing incentive fees amounting to approximately NOK 3.7 million as well as additional costs of NOK 3.4 million relating to valuation allowances for prepaid VAT for sales domestically in China in connection with the restatements. The China VAT costs were triggered by the uncertain timeline for recovering the VAT through sales in China denominated in Chinese Yuan.

Moreover, the non-recurring expense adjustment includes a reclassification from revenue discounts to other operating expenses amounting to NOK 1.3 million, which was related to a sales and marketing incentives in India.

Note 26 Continued

The following tables show the amounts previously reported, the adjustments, and the amounts restated in each line item reported in the NEXT Group financial statements for the year ended December 31 2024:

Group Consolidated statement of comprehensive income	1 January - 31 December 2024		
(amounts in NOK 1,000)	Amounts as previously stated	Adjustments full year	Restated
Revenues	71,574	-51,894	19,681
Cost of materials	-32,416	15,635	-16,780
Gross profit	39,158	-36,258	2,900
Payroll expenses	-32,791		-32,791
Other operating expenses	-47,041	6,395	-40,647
Depreciation and amortization	-5,394		-5,394
Total operating expenses	-85,227	6,395	-78,832
Operating profit (loss)	-46,068	-29,864	-75,932
Financial income	1,482		1,482
Financial expenses	-119		-119
Net currency gains (losses)	-332		-332
Net financial items	1,030		1,030
Profit (loss) before taxes	-45,038	-29,864	-74,902
Income tax expenses	-197		-197
Profit (loss) after taxes	-45,235	-29,864	-75,099
Earnings per share (in NOK)			
Basic and diluted	-0.42		-0.70
Other comprehensive income (loss) that may be reclassified subsequently to profit and loss:			
Translation differences on net investments in foreign operations	6,369	-2,089	4,280
Other comprehensive income (loss)	6,369	-2,089	4,280
Total comprehensive income (loss)	-38,866	-31,953	-70,819
Profit (loss) after taxes attributable to:			
Owners of the parent company	-45,235		-75,099
Total comprehensive income (loss) attributable to:			
Owners of the parent company	-38,866		-70,819

Note 26 Continued

Group | Consolidated statement of financial position

As of 31 December 2024

(amounts in NOK 1,000)	Amounts as previously reported	Adjustments full year	Restated
Intangible assets	825		825
Property, plant and equipment	7,094		7,094
Total non-current assets	7,919		7,919
Inventories	17,672		17,672
Inventories in consignment	-	17,719	17,719
Accounts receivables	56,754	-53,433	3,321
Other current assets	7,138		7,138
Cash	62,907		62,907
Total current assets	144,471	-35,714	108,757
Total assets	152,390	-35,714	116,676
Share capital	115,155		115,155
Share premium	70,268		70,268
Other reserves	35,208		35,208
Retained earnings	-101,775	-34,078	-135,853
Total equity	118,857	-34,078	84,779
Non-current lease liabilities	2,244		2,244
Total non-current liabilities	2,244		2,244
Accounts payables	10,910		10,910
Income tax payables	-		-
Current lease liabilities	1,843		1,843
Other current liabilities	18,537	-1,637	16,900
Total current liabilities	31,289	-1,637	29,653
Total equity and liabilities	152,390	-35,714	116,676

Note 26 Continued

Group | Consolidated statement of cash flow

As of 31 December 2024

(amounts in NOK 1,000)	Amounts as previously reported	Adjustments full year	Restated
Profit (loss) before taxes	-45,038	-29,864	-74,902
Share based remuneration	3,243		3,243
Share based payments social security expense	-1,637		-1,637
Depreciation and amortization	5,394		5,394
Change in inventories	5,817	-17,719	-11,902
Change in accounts receivables	-44,452	53,433	8,981
Change in accounts payables	4,926		4,926
Change in other working capital items and other	8,807	-5,852	2,955
Interests received	1,400		1,400
Interests paid	-141		-141
Net cash flow from operating activities	-61,681	-2	-61,683
Purchase of property, plant and equipment and intangible assets	-597		-597
Net cash flow from investing activities	-597		-597
Net proceeds from issue of shares	60,129		60,129
Payment of lease liabilities	-2,017		-2,017
Net cash flow from financing activities	58,111		58,111
Net change in cash flow	-4,167		-4,167
Cash balance as of 1 January	67,753		67,753
Effects of exchange rate changes on cash	-679		-679
Cash balance as of 31 December	62,907		62,907
Comprising of:			
Cash	62,907		62,907

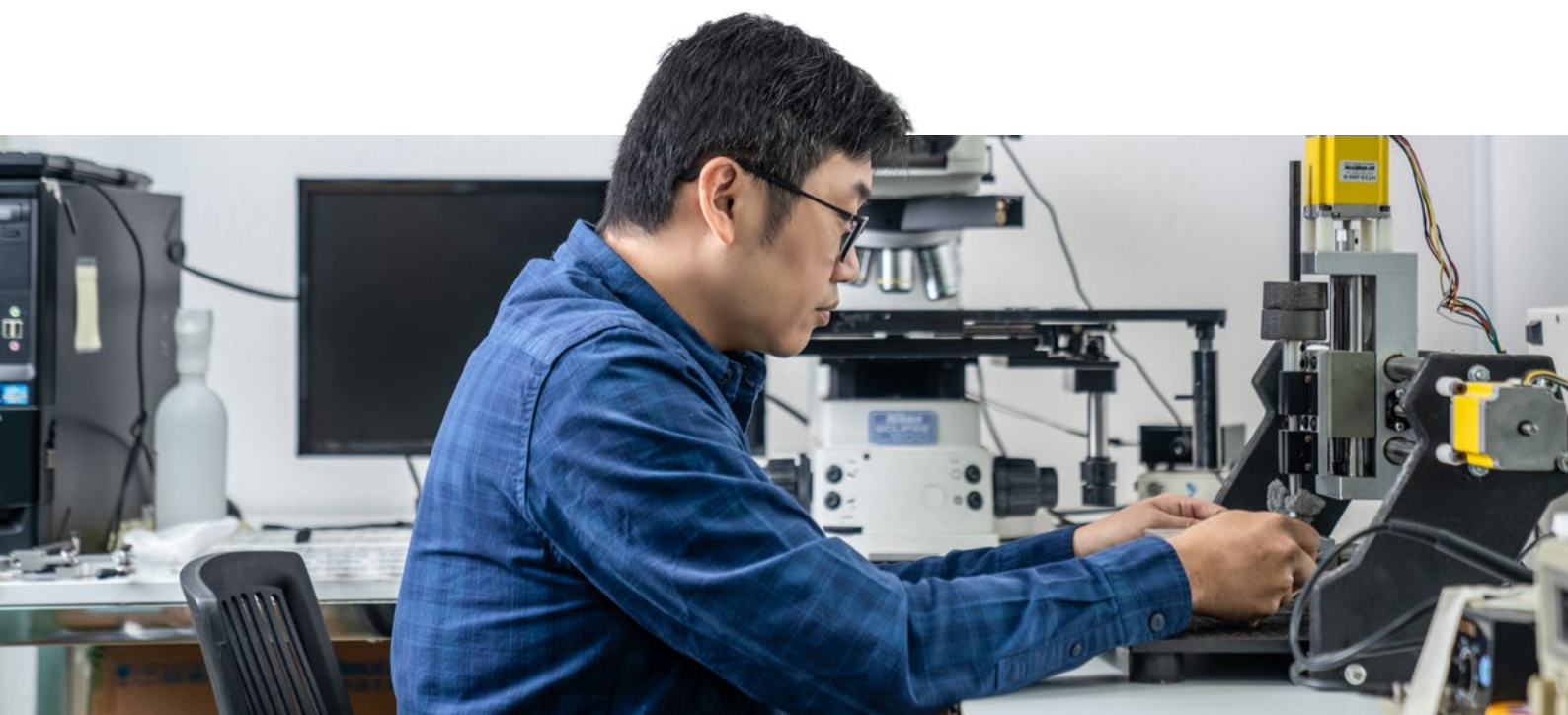
Financial
Statements
Parent Company



Parent Company | Consolidated statement of comprehensive income

1 January - 31 December

(amounts in NOK 1,000)	Notes	2025	2024
Revenues	<u>2</u>	6,616	9,451
Total revenues		6,616	9,451
Payroll expenses	<u>3</u>	-10,873	-11,361
Share based remuneration	<u>3</u>	-1,462	-432
Other operating expenses	<u>4</u>	-14,741	-7,715
Depreciation and amortization	<u>7,8</u>	-1,423	-1,366
Total operating expenses		-28,498	-20,874
Operating profit (loss)		-21,882	-11,423
Financial income	<u>5</u>	1,148	1,471
Financial expenses	<u>5</u>	-44	-55
Net currency gains (losses)	<u>5</u>	-962	418
Impairment on investments in subsidiaries	<u>5</u>	-144,260	-
Net financial items		-144,118	1,834
Profit (loss) before taxes		-166,001	-9,589
Income tax expenses	<u>6</u>	-	-
Profit (loss) after taxes		-166,001	-9,589
Other comprehensive income (loss)		-	-
Total comprehensive income (loss)		-166,001	-9,589



Parent Company | Statement of financial position

As of 31 December

(amounts in NOK 1,000)	Notes	2025	2024
Intangible assets	<u>7</u>	-	750
Property, plant and equipment	<u>8,15</u>	280	954
Shares in subsidiaries	<u>9</u>	224,120	312,790
Loans to group companies	<u>10</u>	897	5,534
Total non-current assets		225,297	320,028
Other current assets	<u>11</u>	1,704	1,542
Cash	<u>12</u>	2,989	47,924
Total current assets		4,692	49,466
Total assets		229,989	369,494
Share capital	<u>13</u>	119,860	115,155
Share premium		23,549	174,906
Other reserves		36,430	31,580
Retained earnings		40,060	40,060
Total equity		219,900	361,701
Non-current lease liability	<u>15</u>	-	227
Total non-current liabilities		-	227
Accounts payables		6,527	910
Current lease liabilities	<u>15</u>	227	648
Other current liabilities	<u>14</u>	3,336	6,008
Total current liabilities		10,089	7,566
Total equity and liabilities		229,989	369,494

The board of directors of NEXT
Biometrics Group ASA

Oslo, 27 April 2026

/Sign/

Hans Henrik Klouman
Chair

/Sign/

Roy Tselentis
Deputy Chair

/Sign/

Emine Lundkvist
Board member

/Sign/

Siri Gornæs Børsum
Board member

/Sign/

Tove Giske
Board member

/Sign/

Ulf Ritsvall
CEO

Parent Company | Statement of changes in equity

1 January - 31 December

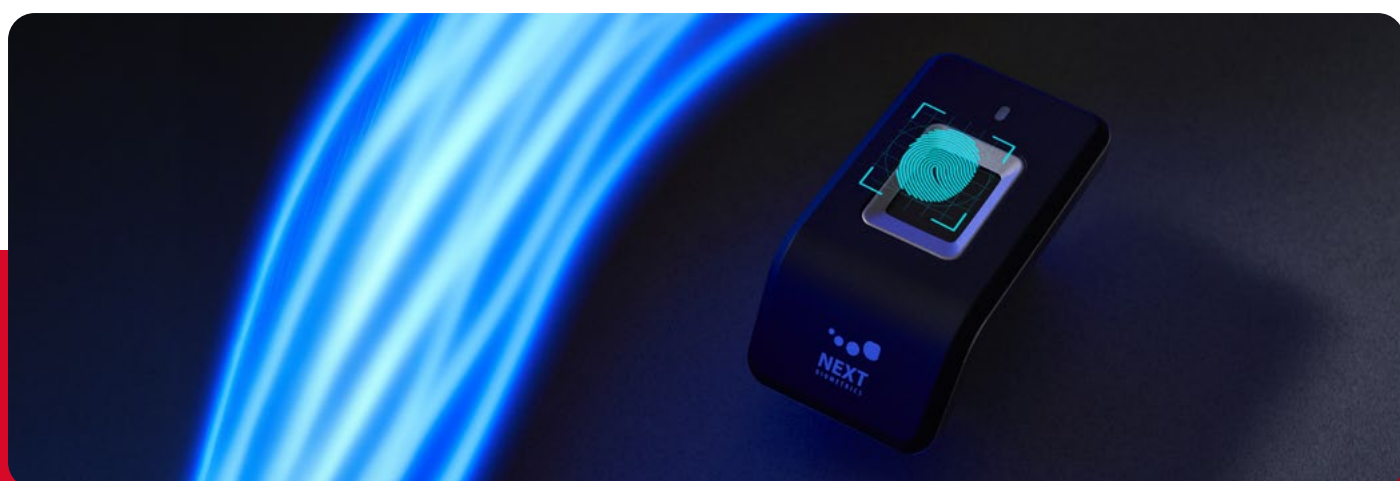
(amounts in NOK 1,000)	Notes	Share capital	Other reserves	Share premium	Other reserves	Retained earnings	Total equity
As of 1 January 2025		115,155		174,906	31,580	40,060	361,701
Profit (loss) after taxes						-166,001	-166,001
Other comprehensive income (loss)						-	-
Total comprehensive income (loss)		-		-		-166,001	-166,001
Share issues	<u>13</u>	4,706		15,294			20,000
Share issue costs	<u>13</u>			-651			-651
Share-based remuneration	<u>13</u>				4,851		4,851
Transfer of loss to share premium				-166,001		166,001	
As of 31 December 2025		119,860		23,549	36,430	40,060	219,900
As of 1 January 2024		104,025		135,496	28,336	40,060	307,918
Profit (loss) after taxes						-9,589	-9,589
Other comprehensive income (loss)						-	-
Total comprehensive income (loss)		-	-	-	-	-9,589	-9,589
Share issues	<u>13</u>	11,130		51,313			62,442
Share issue costs	<u>13</u>			-2,314			-2,314
Share-based remuneration	<u>13</u>				3,243		3,243
Transfer of loss to share premium				-9,589		9,589	
As of 31 December 2024		115,155		174,906	31,580	40,060	361,701



Parent Company | Statement of cash flow

1 January - 31 December

(amounts in NOK 1,000)	Notes	2025	2024
Profit (loss) before taxes		-166,001	-9,589
Share based remuneration	<u>13</u>	3,341	2,069
Accrued share option social security cost		-1,880	-4,345
Depreciation and amortization	<u>7,8</u>	1,423	1,366
Change in accounts payables		5,616	214
Change in other working capital items and other		-1,358	1,791
Impairment on investments in subsidiaries	<u>9</u>	144,260	-
Interests received		710	890
Interests paid		-44	-54
Net cash flow from operating activities		-13,932	-7,658
Net financing of subsidiary	<u>9,10</u>	-54,081	-45,000
Repayments of intercompany loan		4,419	1,013
Net cash flow from investing activities		-49,662	-43,987
Proceeds from issue of shares		19,349	60,129
Payment of lease liabilities	<u>15</u>	-690	-650
Net cash flow from financing activities		18,659	59,479
Net change in cash flow		-44,935	7,834
Cash balance as of 1 January		47,924	40,091
Effects of exchange rate changes on cash		-272	82
Cash balance as of 31 December		2,989	47,924
Comprising of:			
Cash	<u>12</u>	2,989	47,924



Notes to financial statement – Parent Company

NOTE 1

General information and summary of significant accounting policies

NEXT Biometrics Group ASA is a holding company and contains the activities that are performed in Norway including Group Management.

These financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU per 31 December 2025.

NEXT Biometrics Group ASA's accounting principles are consistent with the accounting principles for the Group, as described in [note 2](#) of the consolidated financial statements.

Where the notes for the parent company are substantially different from the notes for the Group, these are shown below. Otherwise, refer to the notes to the consolidated financial statements.

Shares in subsidiaries are accounted for using the cost method. The investments in subsidiaries are valued at cost unless impairment is required due to lower fair value. Assessments of impairment on shares in subsidiaries are done by the end of each reporting period. When the parent has an obligation to settle share-based remuneration to employees in subsidiaries in its own equity instruments, this is accounted for as an increase in equity and a corresponding increase in shares in subsidiaries.

NEXT Biometrics Group ASA's financial statements for 2025 have been prepared on the basis of a going concern assumption. Please see [note 25](#) in the Group financial statements for further details.

NOTE 2

Revenues

Operating revenues are management fee and royalty charged to the subsidiary NEXT Biometrics AS. Revenues from NEXT Biometrics AS totals to NOK 6.6 million in 2025 (2024: NOK 9.5 million).

NOTE 3

Payroll expenses

(amounts in NOK 1,000)	2025	2024
Salaries, fees	-8,371	-9,147
Share based remuneration (salary part)	-3,341	-2,069
Share based remuneration (employer's tax)	1,880	1,637
Social security taxes	-1,586	-1,625
Pension contribution	-373	-349
Other personnel expenses	-542	-240
Total payroll expenses	-12,334	-11,793

The parent company, NEXT Biometrics Group ASA, provides a contribution-based pension insurance scheme for all employees. The scheme satisfies the mandatory service pension ('OTP') in Norway. By the end of 2025, there were 3 employees in the parent company. Please refer to [Note 20](#) in the Group Financial notes for further information on the remuneration offered to the board and management of the company.

Average numbers of employees	4	4
------------------------------	---	---

NOTE 4

Other operating expenses

(amounts in NOK 1,000)	2025	2024
Fees to consultants, lawyers and others	-11,674	-4,361
Travel expenses	-609	-733
Other expenses	-2,459	-2,621
Total other operating expenses	-14,741	-7,715

Other expenses include insurance, marketing expenses, Oslo stock exchange fees, stock register fee and other costs.

Fees to consultants, lawyers and others includes remuneration to auditor, see specification in table below:

(amounts in NOK 1,000)	2025	2024
Audit fee	-722	-441
Attestation	-4	-202
Non-audit services	-120	-53
Total audit fees	-846	-696

NOTE 5

Financial items

(amounts in 1,000 NOK)	2025	2024
Interest income from group companies (see note 10)	724	499
Interest income on sub-leases (see note 15)	-	81
Interest income	424	890
Total financial income	1,148	1,471
Interest expenses	-2	-2
Interest expenses right-to-use assets (see note 15)	-42	-54
Impairment on investments in subsidiaries	-144,260	-
Total financial expenses	-144,304	-55
Realized currency gains (losses)	-304	-171
Change in unrealized currency gains (losses)	-658	590
Net currency gains (losses)	-962	418
Net financial items	-144,118	1,834

NOTE 6

Income taxes

(amounts in NOK 1,000)	2025	2024
Current taxes	-	-
Change in deferred taxes	-	-
Total income tax expenses	-	-

Income tax expense reconciliation:

Profit (loss) before taxes	-166,001	-9,589
Expected income tax expenses at Norwegian nominal tax rate (22%)	-36,520	-2,110
Tax effect of permanent differences	32,334	-47
Change in deferred tax assets not recognized	4,186	2,157
Actual income tax expenses	-	-
Effective tax rate	0%	0%

Deferred tax related to the following temporary differences:

(amounts in NOK 1,000)	2025	2024
Property, plant and equipment	280	954
Long term loans	336	536
Lease receivables	-	-
Lease liabilities	-227	-875
Other temporary differences	-	-1,880
Tax losses carried forward	-264,382	-243,672
Total temporary differences and tax losses carried forward	-263,993	-244,936
Deferred tax assets	-58,078	-53,886
Deferred tax assets not recognized	58,078	53,886
Deferred tax assets in the balance sheet	-	-



Note 6 Continued

Tax losses carried forward has no limitations in expiry date.

Due to a history of losses, deferred tax assets are not recognized.

The following table illustrates the deferred tax balance recognized in the statement of financial position:

(amounts in NOK 1,000)	2025	2024
Deferred tax assets	-	-
Deferred tax liabilities	-	-
Net deferred taxes as of 31 December	-	-

The following table illustrates the basis for calculation of current tax:

(amounts in NOK 1,000)	2025	2024
Profit (loss) before taxes	-166,001	-9,589
Permanent differences	146,972	-214
Change in temporary differences	-1,654	-4,911
Basis for current taxes	-20,683	-14,715

NOTE 7**Intangible assets**

Intangible assets consist mainly of acquisition of right to use the patent and know-how (IP) described as the NEXT Active Thermal™ Sensing principle.

(amounts in NOK 1,000)	2025	2024
Accumulated cost as of 1 January	7,458	7,458
Additions	-	-
Disposals at cost	-	-
Accumulated cost as of 31 December	7,458	7,458
Accumulated amortization and impairment losses as of 1 January	-6,708	-5,959
Amortization	-750	-750
Accumulated amortization and impairment losses of disposed items	-	-
Accumulated amortization and impairment losses as of 31 December	-7,458	-6,708
Carrying amount as of 31 December	-	750

Amortization period in years (straight line)	12	12
--	----	----

The individual intangible asset is not considered as separate cash generating units. Rather, that assets are evaluated for impairment in combination with other assets. Therefore, impairment tests have been performed as part of an overall impairment assessment.

The company booked an impairment of shares in subsidiaries. Consequently, it was concluded that there was no need for impairment of intangible assets. See [note 9](#) for further information.

NOTE 8

Property, plant and equipment

(amounts in NOK 1,000)	2025		2024	
	RoU-assets	Total	RoU-assets	Total
Accumulated cost as of 1 January	1,347	1,347	1,048	1,048
Additions	-	-	1,346	1,346
Disposals at cost	-	-	-1,047	-1,047
Accumulated cost as of 31 December	1,347	1,347	1,347	1,347
Accumulated depreciation and impairment losses as of 1 January	-392	-392	-600	-600
Depreciation	-673	-673	-616	-616
Impairment losses	-	-	-	-
Derecognition of RoU asset due to office lease amendment	-	-	-224	-224
Accumulated depreciation and impairment losses of disposed items	-	-	1,047	1,047
Accumulated depreciation and impairment losses as of 31 December	-1,066	-1,066	-392	-392
Carrying amount as of 31 December	280	280	954	954
Depreciation period in years (straight line)	2-4		2-4	

Right-of-use assets (RoU-assets) represent office leases. In 2024, the company extended the Oslo office lease by 2 years and changed its office location with the same office lease company, which represent the additions in

2024 for right-of-use assets (RoU-assets). See also [note 15](#) for further information regarding leases.

NOTE 9

Shares in subsidiaries and group companies

The table below shows the subsidiaries in the Group. NEXT Biometrics Group ASA owns 100% of NEXT Biometrics AS. The remaining subsidiaries are owned by NEXT Biometrics AS.

Please see table below for details. All subsidiaries are consolidated in the Group's financial statements.

(amounts in NOK 1,000)	Office	Owned directly by Parent company	Owned by NEXT Biometrics AS	Ownership / voting interest in % 2025	Ownership / voting interest in % 2024
NEXT Biometrics AS	Oslo, Norway	x		100%	100%
NEXT Biometrics Inc.	Seattle, USA		x	100%	100%
NEXT Biometrics China Ltd.	Shanghai, China		x	50%	50%
NEXT Biometrics Taiwan Ltd.	Taipei, Taiwan		x	100%	100%
NEXT Biometrics Solutions Pvt. Ltd.	Bengaluru, India		x	100%	100%
NEXT Biometrics AB*	Malmö, Sweden		x	100%	NA*

*NEXT Biometrics AS incorporated NEXT Biometrics AB as a new subsidiary during 2025.

Note 9 Continued

The table below shows the carrying amount of shares in subsidiaries for the Parent company as of 31 December:

(amounts in NOK 1,000)	2025	2024
NEXT Biometrics AS	224,120	312,790
Total shares in subsidiaries	224,120	312,790

The main asset in the parent company is shares in subsidiaries. The change in carrying amount from 31 December 2024 to 31 December 2025, is related to write down of shares in NEXT Biometrics AS of NOK 144.3 million, capital increases of NOK 54.1 million and investment in subsidiaries related to sharebased remuneration cost (relating to employees and contractors in subsidiaries) of NOK 1.5 million.

Management considers the market value of the group as an appropriate estimate of fair value. The market value of equity is considered to be the closing stock price at Oslo Stock Exchange at year-end 2025, which was NOK 1.835 per share and equals to a total market value of NOK 219.9 million. The market value of the company was lower than the book

value equity as per 31 December before the impairment assessment was performed. At year-end 2025, carrying amount of the shares in NEXT Biometrics AS was written down with NOK 144.3 million so that the carrying amount of equity in the parent company corresponds to market value of equity.

The company has also performed an impairment review in the form of a discounted cash flow analysis, which provides a higher value for the group than NOK 219.9 million. We believe the share price derived value should be the basis for the values used in the NEXT Biometrics Group ASA Financial Statements due to the uncertainties relating to the discounted cash flow valuation emerging from future revenue growth, gross margin, operating expenses and investments.

NOTE 10

(amounts in NOK 1,000)	2025	2024
Loan to NEXT Biometrics Taiwan Ltd.	897	5,534
Total loans group companies as of 31 December	897	5,534

The loan to NEXT Biometrics Taiwan Ltd. was charged with NIBOR 6 months + 3.2%. Interest for 2025 amounted to NOK 0.2 million (2024: NOK 0.4 million).

The parent company had a short-term loan to NEXT Biometrics AS during 2025. Interest was charged with the rate of 7.2% per annum. Interest for 2025 amounted to NOK 0.5 million. The loan was under registration in the corporate registry to be converted to share capital in NEXT Biometrics AS in December 2025.

**Loans to group companies**

NOTE 11

Other current assets

(amounts in NOK 1,000)	2025	2024
Receivables NEXT Biometrics AS	388	877
Prepayments	315	351
Deposits	115	115
Other receivables	885	199
Total other current assets	1,703	1,542

NOTE 12

Cash

(amounts in NOK 1,000)	2025	2024
Cash - unrestricted	2,739	47,631
Cash - employees withheld payroll tax deposits	249	293
Total cash	2,989	47,924

NOTE 13

Equity and share based remuneration

There is one class of shares. All shares have equal rights and are freely negotiable. The share capital is fully paid in. The par value of the shares is NOK 1 per share.

As of 31 December 2025, the Company has one share option program. There are currently an accumulated 13,987,161 (11.67% of total number of shares in the Company) share options outstanding.

Number of shares outstanding	2025	2024
Opening balance	115,154,535	104,024,929
Share issue(s)	4,705,882	5,500,000
Exercised incentive share options	-	5,629,606
Closing balance	119,860,417	115,154,535

Net amount in the period (NOK 1,000)

	2025	2024	
Share based remuneration cost , NEXT Biometrics Group ASA	3,341	2,069	See note 3 , payroll expenses
Share based remuneration cost , employees in NEXT Biometrics Group ASA subsidiaries	887	716	Booked as addition to investment in subsidiaries (Note 9 , shares in subsidiaries)
Share based remuneration cost , consultants/contractors in NEXT Biometrics Group ASA subsidiaries	623	458	Booked as addition to investment in subsidiaries (Note 9 , shares in subsidiaries)
Total	4,851	3,243	

NEXT Biometrics Group ASA booked a share based remuneration operating cost of NOK 3.3 million as payroll expense and NOK 1.5 million was booked as investment in subsidiaries.

For further information regarding share capital, shareholder's information and share-based options, please refer to [note 19](#) in group consolidated financial statement.

NOTE 14

Other liabilities

(amounts in 1,000 NOK)	2025	2024
Accrued salary, vacation pay and board remuneration	2,200	2,885
Public duties payable	798	1,022
Share options social security tax	-	1,880
Other current liabilities	338	220
Total other current liabilities	3,336	6,008

For financial liabilities at amortised cost, the carrying amount is assessed to be a reasonable approximation of fair value. All items above are at amortised cost or nominal value.

NOTE 15

Leases

The table below shows the amounts related to leases recognized in the statement of financial position:

(amounts in NOK 1,000)	2025	2024
Property - office leases (included in "Property, plant and equipment")	280	954
Total right-of-use assets	280	954
Non-current lease liabilities (included in "Other non-current liabilities")	-	227
Current lease liabilities (included in "Other current liabilities")	227	648
Total lease liabilities	227	875

See note 8 for more information regarding right-of-use assets.

The table below shows the amounts related to leases recognized in the statement of comprehensive income:

(amounts in NOK 1,000)	2025	2024
Depreciation property right-of-use assets (included in "Depreciation and amortization")	-673	-616
Interest income (included in "Financial income")	-	81
Interest expenses (included in "Financial expenses")	-42	-54
Net expenses related to leases	-715	-588

The table below shows a reconciliation of the opening and closing balance for lease liabilities arising from financing activities:

Note 15 Continued

The table below shows a reconciliation of the opening and closing balance for lease liabilities arising from financing activities:

(amounts in NOK 1,000)	2025	2024
Opening balance	875	430
Changes from financing cash flows	-690	-650
Changes in lease liabilities due to new/amended lease agreements or CPI adjustments	-	1,041
Other changes	42	53
Closing balance as of 31 December	227	875

The total cash outflow for leases in 2025 was NOK 0.7 million (2024: NOK 0.6 million).

The table below shows the maturity profile for the lease liabilities based on contractual undiscounted payments:

(amounts in NOK 1,000)	2025	2024
Within one year	230	690
More than 1 year but within 5 years	-	230
Total contractual cash flows related to leases	230	920

**NOTE 16**

The parent company's significant shareholders, board members and management, are considered related parties. For overview of transactions with these parties, please refer to [note 20](#) and [23](#) in group consolidated financial statement.

Companies within the Group are also considered related parties. See [note 2](#) for overview of sales to group companies and [note 10](#) for overview of loans to group companies.

Related party transactions**NOTE 17**

On 18 March 2026, the Group announced a partially underwritten NOK 50 million rights issue and a NOK 25 million bridge loan facility that will be repaid with proceeds from the Rights Issue. Please refer to [note 24](#) in the group consolidated financial statement for further details.

Between 31 December 2025 and the resolution of these financial statements, there has not been any other event which have had any noticeable impact on the Group's or the parent company's result for 2025 or the value of the Group or the parent company's assets and liabilities as of 31 December 2025.

Events occurring after the balance sheet dates

Responsibility statement

We confirm that, to the best of our knowledge, the financial statements for the period from 1 January to 31 December 2025 have been prepared in accordance with IFRS as adopted by the EU, with such additional information as required by the Norwegian Accounting Act, and give a true and fair view of the Group's and Parent company's assets, liabilities, financial position and result of operations, and that the Board of Directors' report gives a true and fair view of the development, performance and financial position of the Group and the Parent company, and includes a description of the principal risks and uncertainties that they face.

/Sign/

Hans Henrik Klouman
Chair

/Sign/

Roy Tselentis
Deputy Chair

/Sign/

Emine Lundkvist
Board member

/Sign/

Siri Gornæs Børsum
Board member

/Sign/

Tove Giske
Board member

/Sign/

Ulf Ritsvall
CEO

Oslo, 27 April 2026



Auditor's report

RSM Norge AS
 Ruseløkkveien 30, 0251 Oslo
 Pb 1312 Vika, 0112 Oslo
 Org.nr: 982 316 588 MVA

T +47 23 11 42 00
 F +47 23 11 42 01

www.rsmnorge.no

To the General Meeting of NEXT Biometrics Group ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NEXT Biometrics Group ASA, which comprise:

- the financial statements of the parent company NEXT Biometrics Group ASA (the Company), which comprise the balance sheet as at 31 December 2025, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and
- the consolidated financial statements of NEXT Biometrics Group ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2025, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

THE POWER OF BEING UNDERSTOOD
 ASSURANCE | TAX | CONSULTING

RSM Norge AS (organisasjonsnr. 982316588), RSM Advokatfirma AS (organisasjonsnr. 914095573) og RSM Norge Kompetanse AS (organisasjonsnr. 925107492) er medlem av RSM-nettverket og driver under navnet RSM. RSM er forretningsnavnet som brukes av medlemmene i RSM-nettverket. RSM Advokatfirma AS og RSM Norge Kompetanse AS er selskaper tilknyttet RSM Norge AS. Hvert medlem i RSM-nettverket er et selvstendig revisjons- og rådgivningsfirma med uavhengig virksomhet. RSM-nettverket er ikke selv en egen juridisk person av noen form i noen jurisdiksjon.

We have been the auditor of NEXT Biometrics Group ASA for 2 years from the election by the general meeting of the shareholders on 16 May 2024 for the accounting year 2024.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
<p>Inventory</p> <p>Inventories have a total carrying value of NOK 25,4 million after deducting for a obsolescence related write down to NOK 8,3 million.</p> <p>In 2025, inventory turnover has been low, and a significant part of the inventory is slow-moving. The write down for inventory obsolescence is based on the projected sales budget for 2026 to 2027. Sales budgets involve the use of management judgment, and there is significant estimation uncertainty related to the projected sales for 2026-2027. The uncertainty relates to long sales processes and unforeseen events in the markets that the Group operates in.</p> <p>Net realizable value of inventory has been considered a key audit matter due to the size of the balances and the inherit uncertainty related to futures sales volumes.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - We have obtained an understanding of the relevant inventory routines and the management consideration of obsolescence - We have reviewed the documentation prepared by management, including budget of future sales, and challenged management's assessments - We have assessed the nature of the goods and the probability of future write downs - We have evaluated market potential for the Groups products - We have considered whether management's assessment of the net realizable value is appropriately disclosed in the notes accompanying the financial statement
<p>Restatement of the 2024 financial statements</p> <p>The Board of Directors has initiated an independent investigation that led to restatement of the comparable numbers for 2024. The net negative impact on the equity for the Group as of December 31, 2024, was NOK 34,1 million.</p> <p>Restatement of the 2024 comparable numbers are considered a key audit matter due to the materiality of the adjustments applied.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - We have reviewed the reports from the independent investigation - We have reviewed management's accounting assessments following the results of the investigation - We have reviewed the calculations and accuracy of the restatements applied to the comparable numbers for 2024



<p>Going concern</p> <p>The consolidated financial statement has been prepared based on the going concern assumption. The Group's cash flow forecast for 2026 and the first half of 2027 formed the basis for the going concern assessment.</p> <p>Going concern has been considered a key audit matter due to the Group's historic weak profitability and strained liquidity situation. This indicates that there is a material uncertainty to whether the Group can continue as a going concern without significant increase in sales and injection of capital.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - We have obtained an understanding of the Group's financial position - We have evaluated management's assessment of the going concern assumption - We have reviewed the cash flow forecast for 2026 and first half of 2027 and challenged the management on the assumptions applied - We have reviewed the underwriting agreements for subscription for NOK 41 million in the Right Issue planned to be approved at the Annual Shareholder Meeting - We have evaluated that note 25 provides relevant information regarding assumptions and uncertainty
--	--

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in

our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of NEXT Biometrics Group ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name NB_Group_ASA_Annual_report_2025-12-31.xbri, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

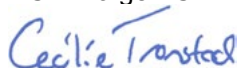
Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 27 April 2026

RSM Norge AS

A handwritten signature in blue ink that reads 'Cecilie Tronstad'.

Cecilie Tronstad

State Authorised Public Accountant

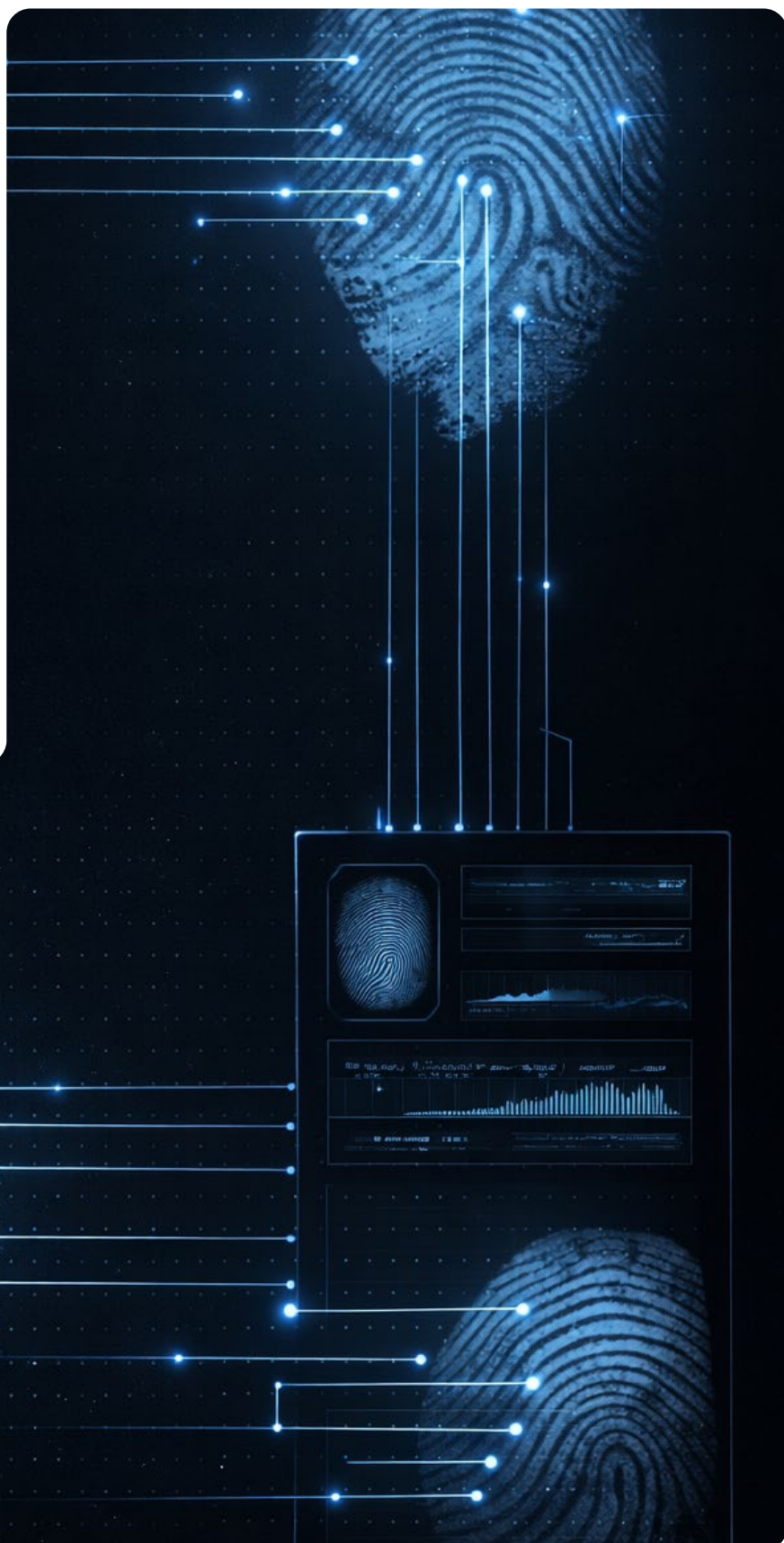


Alternative performance measures

NEXT's financial information has been prepared in accordance with International Financial Reporting Standards (IFRS). In addition, it is management's intent to provide alternative performance measures that are regularly reviewed by management to enhance the understanding of NEXT's performance, but not instead of, the financial statements prepared in accordance with IFRS. The alternative performance measures presented may be determined or calculated differently by other companies.

Definitions

Most of these key figures are alternative performance measures according to ESMA's definition. How these key figures are used is described below, as is how they are calculated. The alternative performance measures are used to provide a more comprehensive description of how the operational activities are developing, such as adjusted gross profit, Adjusted EBITDA and Adjusted operating expenses.



Gross profit / gross profit (%)

Gross profit is defined as revenues less cost of materials. Gross profit margin (%) is expressed as a percentage of revenues.

(amounts in NOK 1,000)	2025	2024
Revenues	13,364	19,681
Cost of materials	-13,551	-16,780
Gross profit	-187	2,900
Gross profit (%)	-187	2,900
Divided by revenues	13,364	19,681
Gross profit (%)	-1%	15%

Adjusted gross profit / Adjusted gross profit (%)

Adjusted Gross profit is defined as revenues less cost of materials excluding inventory write-downs. Adjusted Gross profit margin (%) is expressed as a percentage of revenues.

(amounts in NOK 1,000)	2025	2024
Revenues	13,364	19,681
Cost of materials excluding inventory write-downs and non-recurring adjustments	-6,384	-16,417
Adjusted gross profit	6,980	3,263
Adjusted gross profit	6,980	3,263
Divided by revenues	13,364	19,681
Adjusted gross profit (%)	52%	17%

Cost of materials excluding inventory write-downs and non-recurring adjustments

Cost of materials excluding inventory write-downs is cost of materials and production service expenses, less inventory write-downs and non-recurring adjustments. Cost of materials non-recurring adjustments are one-off adjustments that are not expected to occur in the future.

(amounts in NOK 1,000)	2025	2024
Cost of materials	-13,551	-16,780
Added inventory write-downs and non-recurring adjustments	7,167	363
Cost of materials excluding inventory write-downs and non-recurring adjustments	-6,384	-16,417

Adjusted gross profit / Adjusted gross profit (%)

Inventory write-downs are costs related to excess inventory in relation to raw materials, semi-finished goods, products and product lines that are discontinued and/or in the process of being discontinued. Inventory write-down non-recurring adjustments are one-off adjustments that are not expected to occur in the future.

EBITDA / Adjusted EBITDA

EBITDA is earnings before interest, taxes, depreciation, amortization and impairment losses.

Adjusted EBITDA is equal to EBITDA excluding "share-based remuneration" (salary part, employer's part tax part and operating part), inventory write-downs and non-recurring advisory and legal costs in connection with restatement/investigation and China litigation

(amounts in NOK 1,000)	2025	2024
Operating profit (loss)	-80,590	-75,932
Added back depreciation and amortization	4,627	5,394
EBITDA	-75,963	-70,538
Added back share-based remuneration (salary part)	4,232	2,776
Added back share-based remuneration (employer's tax)	-1,880	-1,637
Added back share-based remuneration (operating part)	625	452
Added inventory write-downs and non-recurring adjustments	7,167	363
Added back non-recurring advisory and legal costs in connection with restatement/investigation and China litigation	5,918	0
Adjusted EBITDA	-59,901	-68,584

Adjusted operating expenses (Adjusted OPEX)

Adjusted operating expenses (Adjusted OPEX) is defined as salaries and personnel cost and other operating expenses excluding share-based remuneration, inventory write-downs and non-recurring legal, investigation/advisory and audit fees in relation to the investigation of the fraud in China and related litigation.

(amounts in NOK 1,000)	2025	2024
Operating expenses (OPEX)	75,776	73,438
Deducted share-based remuneration (salary part)	-4,232	-2,776
Deducted share-based remuneration (employer's tax)	1,880	1,637
Deducted share-based remuneration (operating part)	-625	-452
Deducted non-recurring advisory and legal costs in connection with restatement/investigation and China litigation	-5,918	0
Adjusted Operating expenses (Adjusted OPEX)	66,881	71,847

Operating expenses (OPEX)

Operating expenses (OPEX) consist of salaries and personnel cost and other operating expenses.

DESIGNED BYTOTHEPOINT.CO.UK



NEXT BIOMETRICS GROUP ASA

NEXTBIOMETRICS.COM