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AI Software Platform for tapping into the seamless world

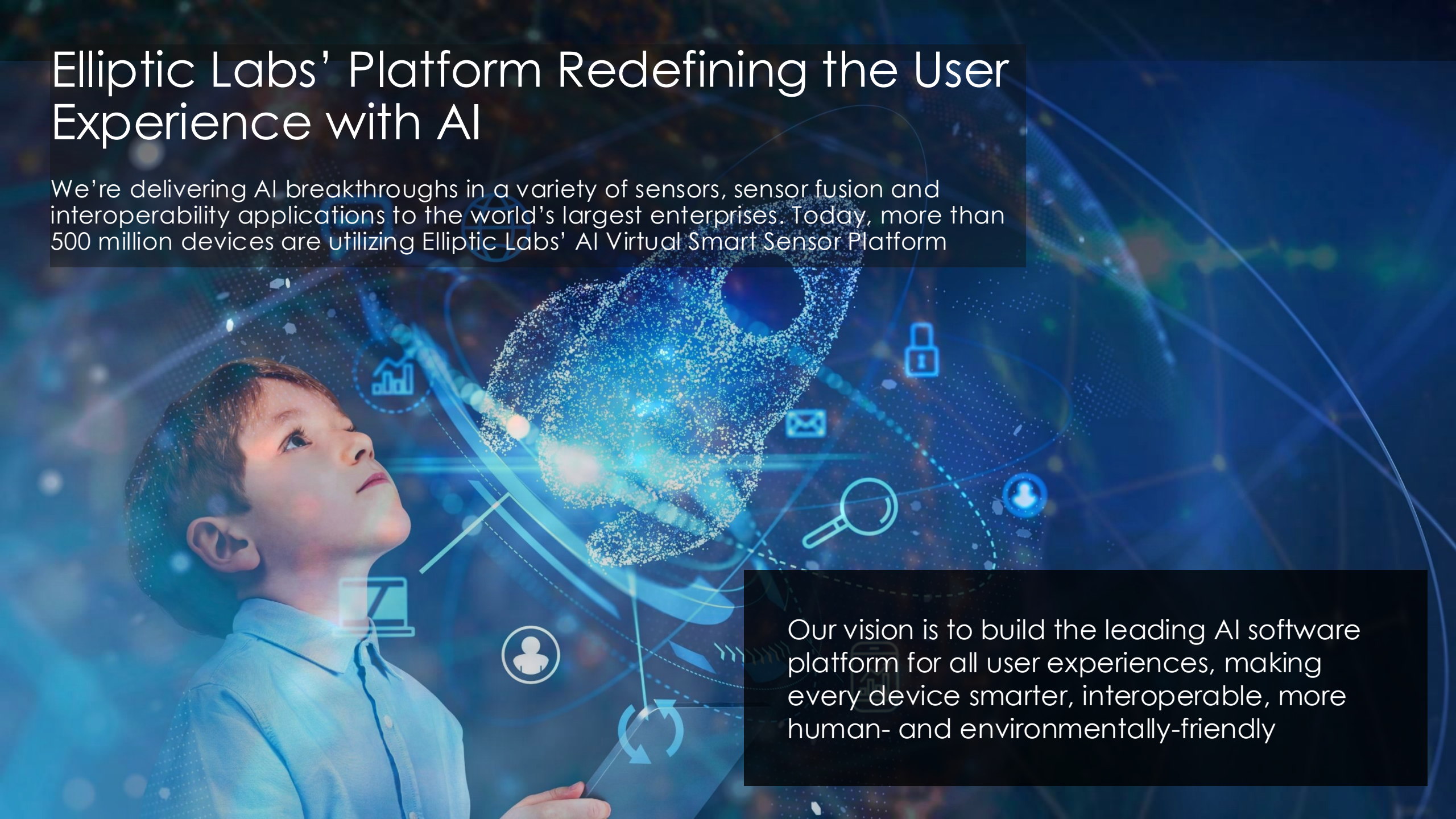


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Investor Presentation DNB TMT | August 28, 2024

Elliptic Labs' Platform Redefining the User Experience with AI

We're delivering AI breakthroughs in a variety of sensors, sensor fusion and interoperability applications to the world's largest enterprises. Today, more than 500 million devices are utilizing Elliptic Labs' AI Virtual Smart Sensor Platform

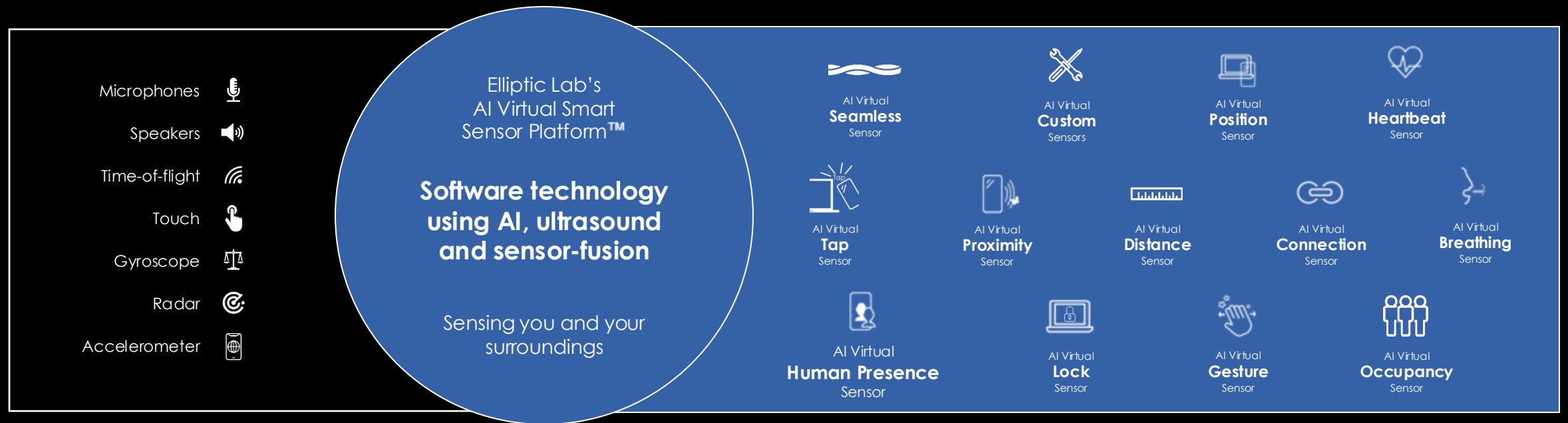


Our vision is to build the leading AI software platform for all user experiences, making every device smarter, interoperable, more human- and environmentally-friendly

Our AI Virtual Smart Sensors are deployed on more than 500 million devices, with recent entry into the PC market

Leveraging existing single-purpose sensors...

...to build a suite of AI Virtual Smart Sensors™



Key benefits

No added hardware sensors

Secure and private

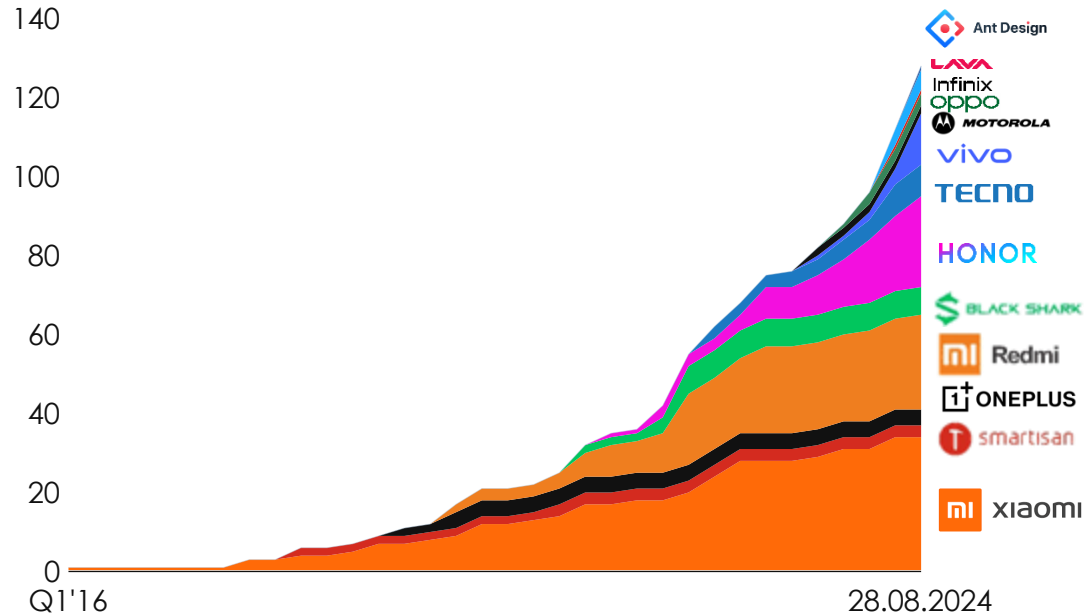
User experience

AI on the Edge

Broad smartphone deployment delivering AI capabilities

133 models launched to date

Cumulative to date 28.08.2024



- Leading market position with proven performance allows for rapid adoption without Proof-of-Concept testing
- Market expansion through continued partnerships with Qualcomm & MediaTek
- 3 of top-5 OEMs are customers of Elliptic Labs

37 smartphone launches announced so far in 2024 AI Virtual Proximity Sensor™ examples

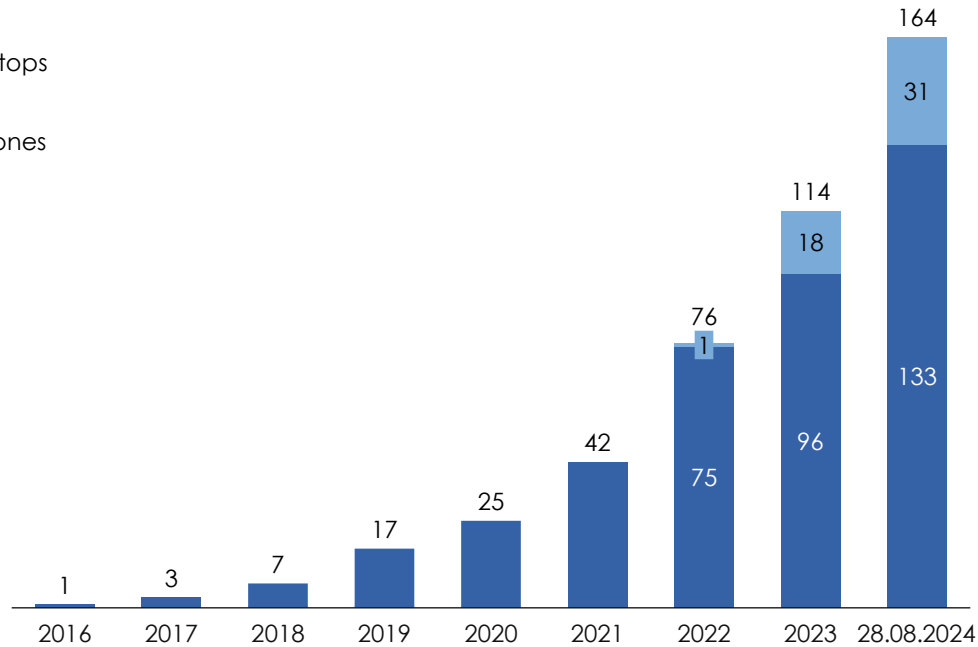


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Rapidly scaling laptop portfolio and enabling new use-cases

of models launched

Acc. Laptops
Acc. Smartphones

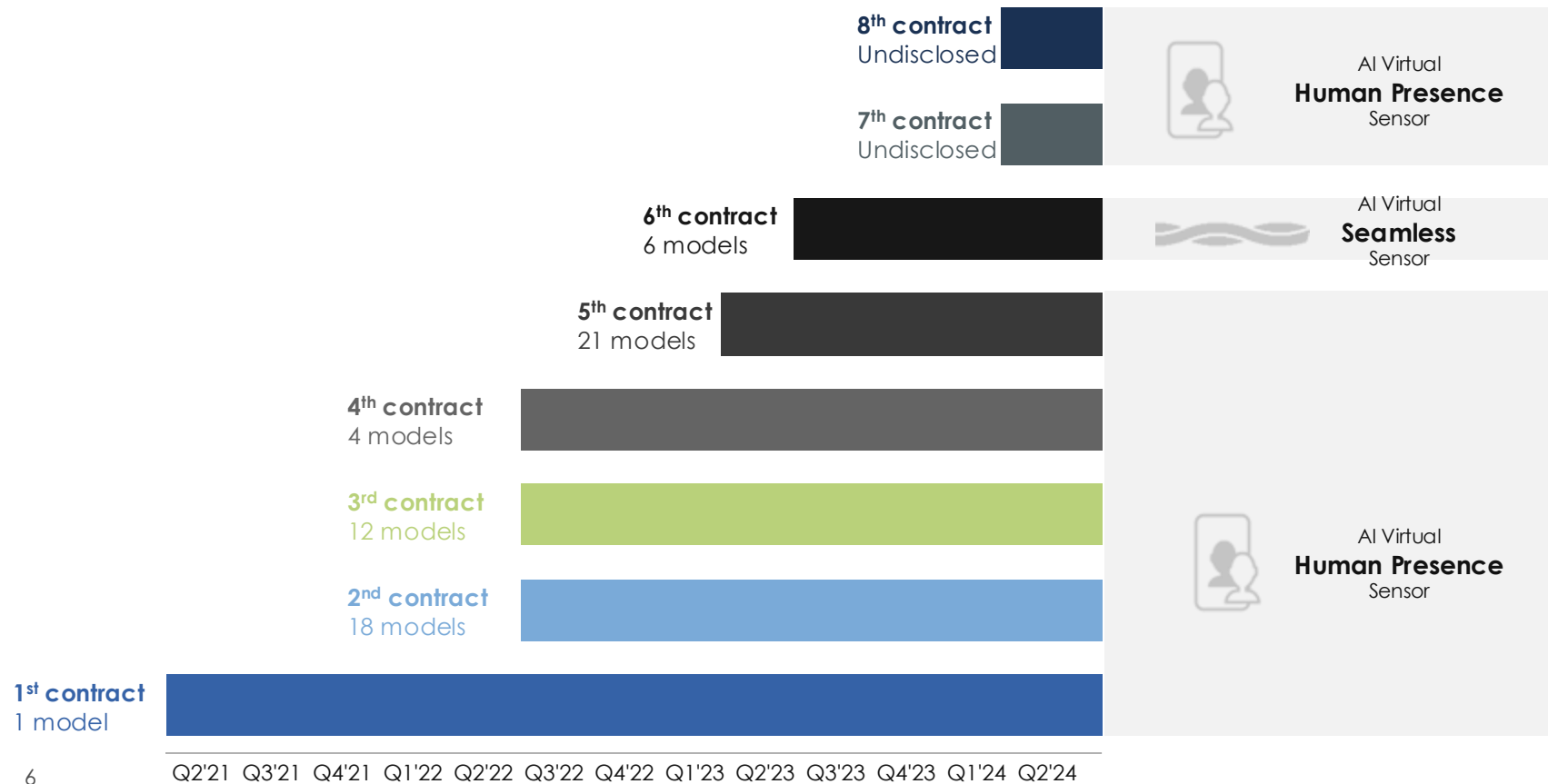


Smartphones launched	1	2	4	10	8	17	33	21	37
Laptops launched	0	0	0	0	0	0	1	17	13

- Built leading market position with key OEMs
- Started with smartphones, now expanding in laptop segment
- Recognized as a market leader in AI Virtual Smart Sensors

Expanding laptop contract base for future launches

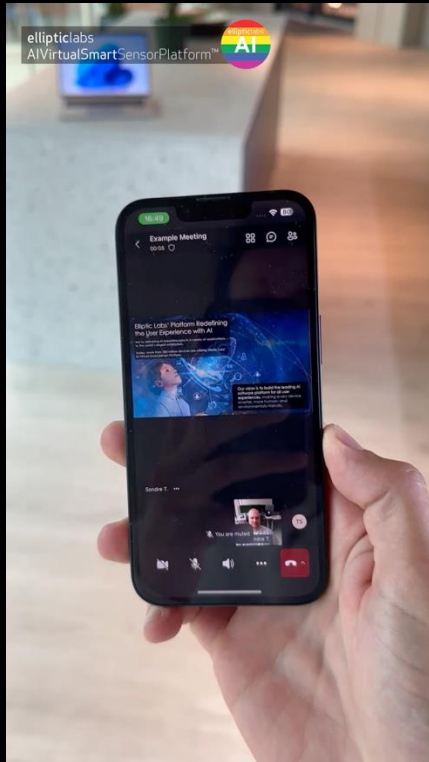
Contract journey for one laptop customer with Enterprise license agreement (ELA)



Increasing customer value & price point, moving up the software stack

AI Virtual Tap Sensor – Video conference calls

Use-case: Device to Device Video conference call transfer from smartphone to Windows laptop

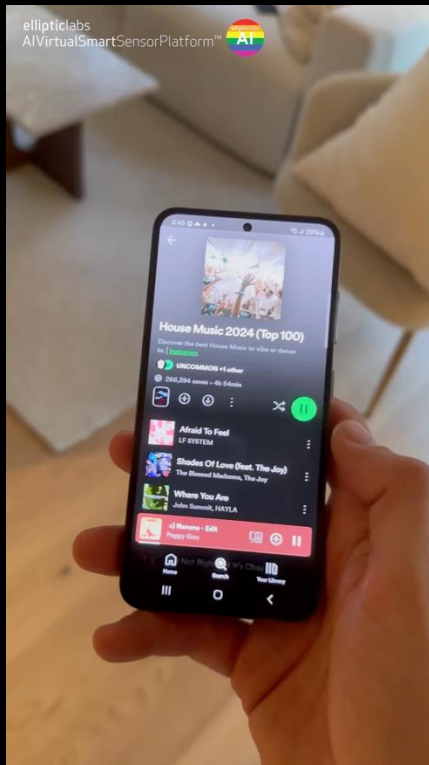


[Click This Link to See the AI Virtual Tap Sensor Transferring MS Teams Sessions Between Phone and Laptop Video](#)

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AI Virtual Tap Sensor – Music apps

Use-case: Device to Device Spotify session transfer from smartphone to Windows laptop



[Click This Link to See the AI Virtual Tap Sensor Transferring Spotify Session Between Phone and Laptop Video](#)

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AI Virtual Tap Sensor Video

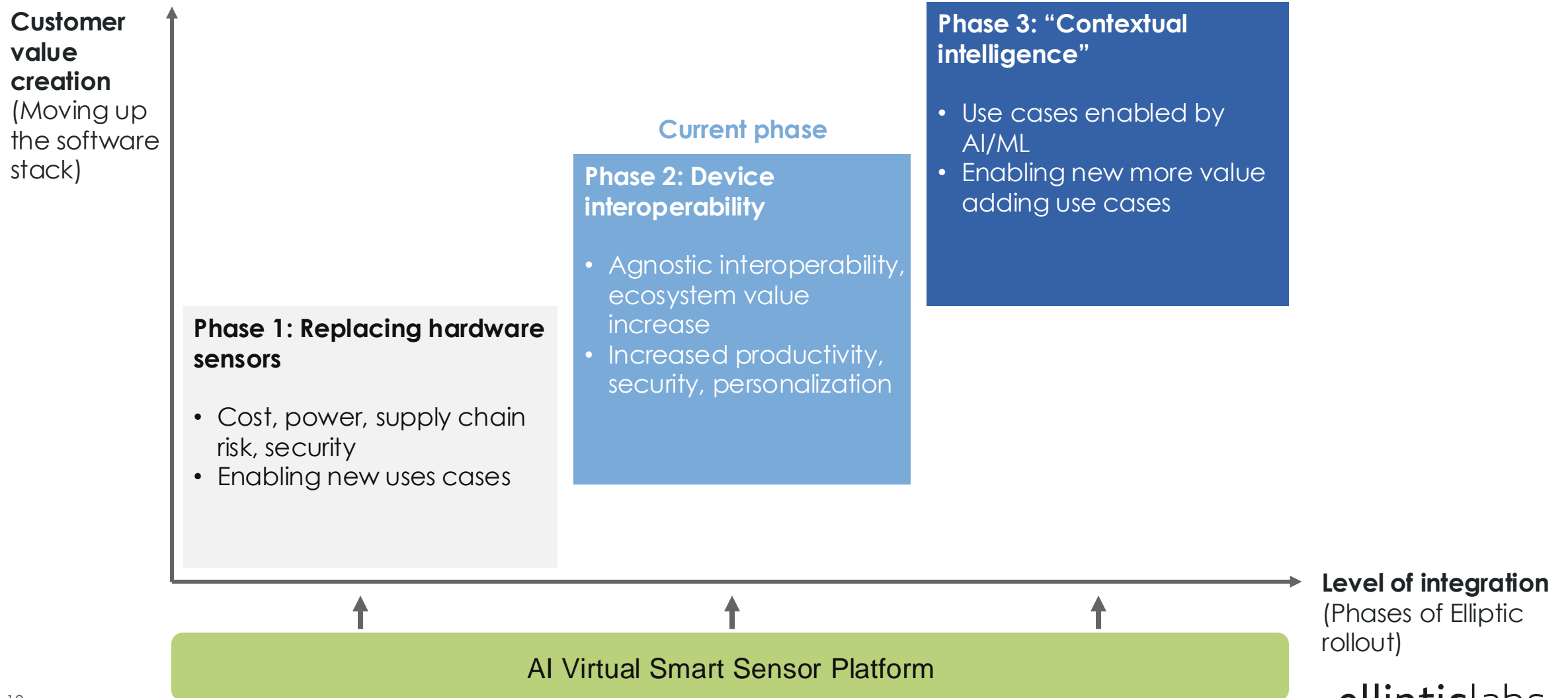
Use-case: Accessories connect to laptop with a simple tap on the side of the laptop display



[Click This Link to See the AI Virtual Tap Sensor Connecting Bluetooth Mouse to Laptop Video](#)

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Moving from replacing hardware to acting on intelligence

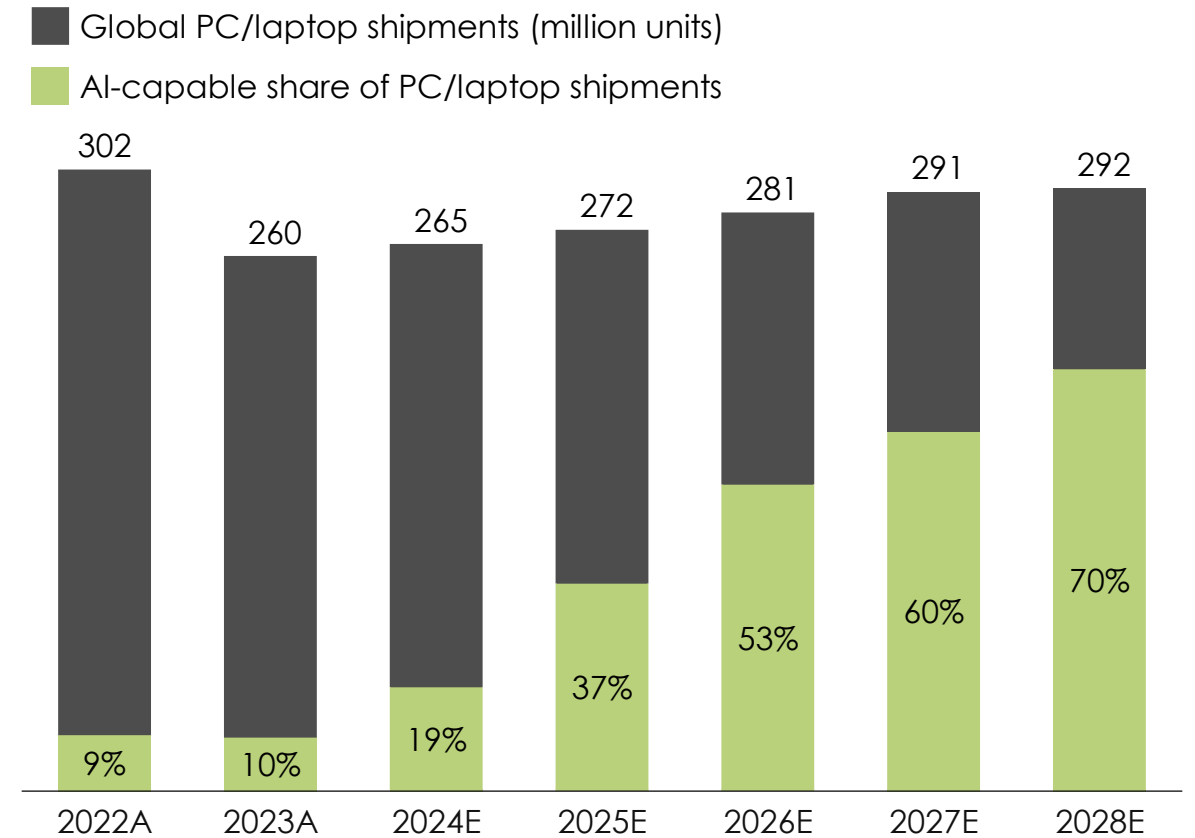


New AI capabilities a key driver of future PC/laptop market

Upcoming market demand for AI functionality

- PC market growth from refresh cycle boosted by demand for AI-enabled devices
- AI-capable PCs to unlock productivity, personalization and power efficiency
- Elliptic Labs AI Virtual Smart Sensor Platform supporting OEMs to deliver on demand

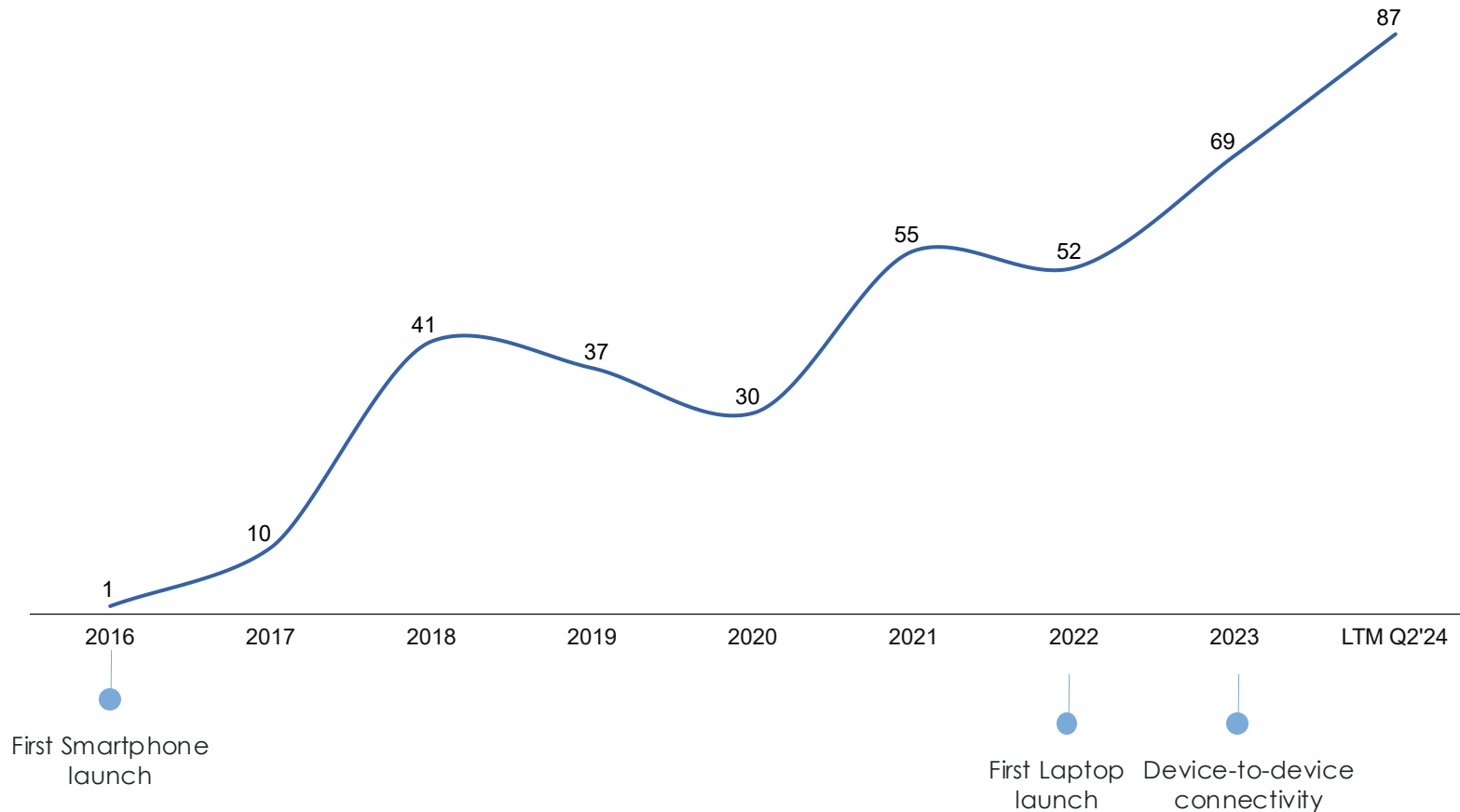
Forecasted AI-capable PC/laptop share 2024-2028



On a clear growth trajectory

Revenue from customers LTM

NOK Million



Multiple growth and value drivers as we move forward

- Scaling smartphone and laptop revenues
- More AI driven products per customer
- Expanding to peripherals, devices/accessories/IoT

Mid-term target

500

NOK million
revenue

>50%

EBITDA
margin

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Q&A



Thank you!

Appendix

Reported financials

Profit and loss

<i>(Amounts in 000 NOK)</i>	<i>Notes</i>	Q2 2024 <i>(Unaudited)</i>	Q2 2023 <i>(Unaudited)</i>	1H 2024 <i>(Unaudited)</i>	1H 2023 <i>(Unaudited)</i>	2023 <i>(Audited)</i>
Revenues from contracts with customers		33 884	33 180	56 116	37 230	68 321
Other operating income	9	357	310	715	310	1 312
Total revenue and other operating income	2	34 241	33 491	56 831	37 540	69 632
Employee benefits expenses		17 136	19 280	-38 684	-38 219	-80 552
Other operating expenses	3	5 683	5 989	-10 015	-11 507	-22 599
EBITDA		11 422	8 222	8 132	-12 185	-33 519
Depreciation and amortization	5	4 986	3 747	-9 946	-7 466	-16 224
Operating expenses		27 805	29 016	-58 645	-57 191	-119 375
Operating profit		6 436	4 475	-1 815	-19 651	-49 743
Financial income		1 006	2 408	7 190	8 953	12 191
Financial expenses		-1 242	-871	-2 335	-1 724	-9 306
Net financial income/(expenses)		-237	1 537	4 854	7 229	2 886
Profit/(loss) before tax		6 199	6 012	3 039	-12 422	-46 857
Income tax expense		1 448	2 015	-904	1 522	8 856
Profit/(loss)		4 751	3 997	2 135	-10 900	-38 001
Other comprehensive income:						
Foreign currency rate changes, may be reclassified to profit or loss		-88	141	267	437	151
Other comprehensive income, net of tax		-88	141	267	437	151
Total comprehensive income for the period		4 664	4 138	2 403	-10 462	-37 850

15 For more information and notes, please see Elliptic Labs Q2 2024 report

Reported financials

Cash flow

(Amounts in 000 NOK)	(Unaudited) Q2 2024	(Unaudited) Q2 2023	(Unaudited) 1H 2024	(Unaudited) 1H 2023	(Audited) 2023
Cash flow from operating activities					
Profit/(loss) before tax	6 199	6 012	3 039	-12 422	-46 857
Adjustment for:					
Taxes paid in the period	0	0	0	0	9
Depreciation and amortization	4 986	3 747	9 946	7 466	16 224
Share-based payments	1 360	3 756	3 169	6 744	9 842
Net finance items	97	0	-5 120	0	-3 369
Items classified as investing or financing activities	499	147	1066	313	-1 031
Change in current trade receivable	-9 928	-24 122	-18 583	-24 830	-20 118
Change in trade payables	2 581	594	2 507	-51	2 187
Change in other accruals	-3 867	-2 158	-2 416	-5 873	-2 396
Net cash flows from operating activities	1 929	-12 023	-6 392	-28 653	-45 509
Cash flow from investing activities					
Purchase of property, plant and equipment	0	-443	0	-443	-514
Capitalized development costs	-8 020	-6 194	-15 278	-12 285	-25 099
Interest received	1 557	0	2 448	0	4 642
Net cash flows from investing activities	-6 463	-6 637	-12 830	-12 729	-20 971
Cash flow from financing activities					
Payments of lease liabilities, classified as financing activities	-1 512	-686	-2 968	-1 363	-5 007
Repayments of current borrowings	-1 000	-1 000	-2 000	-2 000	-4 000
Proceeds from issuing shares	4 835	0	4 835	0	9 495
Transaction cost listing	0	0	0	0	0
Paid interest on loan	-102	-147	-223	-313	-589
Paid interest on lease liabilities	-449	0	-892	0	-1 356
Proceeds from government grants	0	0	0	0	3 663
Net cash flow from financing	1 772	-1 832	-1 248	-3 675	2 206
Net Change in Cash and Cash Equivalents	-2 762	-20 492	-20 471	-45 057	-64 274
Cash and cash equivalents at the beginning of the period	99 926	153 951	115 582	178 219	178 219
Effect of foreign currency rate changes on cash and cash equivalents	-88	141	267	437	151
Exchange rate effects bank	-182	0	1 516	0	1 486
Cash and cash equivalents at the end of period	96 895	133 600	96 895	133 600	115 582

Reported financials

Balance sheet

Assets

		30.06.2024	30.06.2023	31.12.2023
<i>(Amounts in 000 NOK)</i>	<i>Notes</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
Non-current assets				
Deferred tax assets	8	76 781	70 360	77 685
Intangible assets	4	64 620	51 943	57 814
Right of use assets		18 083	933	19 447
Property, plant and equipment	5	408	436	460
Other non-current receivables		7 248	8 164	8 861
Total non-current assets		167 140	131 836	164 266
Current assets				
Current trade receivables		79 196	65 324	60 612
Other current receivables		13 247	11 043	9 448
Cash and cash equivalents	7	96 895	133 600	115 582
Total current assets		189 338	209 967	185 642
Total assets		356 478	341 803	349 909

Equity & liabilities

		30.06.2024	30.06.2023	31.12.2023
<i>(Amounts in 000 NOK)</i>	<i>Notes</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
Equity and liabilities				
Share capital		1 053	1 041	1 048
Other equity		316 463	320 863	306 060
Total equity		317 516	321 904	307 109
Liabilities				
Non-current lease liabilities		13 220	542	15 874
Non-current borrowings		0	4 000	2 000
Total non-current liabilities		13 220	4 542	17 874
Current liabilities				
Current borrowings		4 000	4 000	4 000
Trade and other current payables		6 362	1 617	3 855
Current tax liabilities		0	0	0
Current lease liabilities		5 682	754	3 990
Other current liabilities		9 698	8 986	13 080
Total current liabilities		25 742	15 357	24 926
Total equity and liabilities		356 478	341 803	349 909

Shareholder information

Top 20 shareholders as of 3. July 2024

		Number of shares	% of total shares
1	MP PENSJON PK	10 317 913	9.8%
2	ALDEN AS	7 403 330	7.0%
3	VERDIPAPIRFONDET DNB SMB	5 550 937	5.3%
4	PASSESTA AS	5 299 994	5.0%
5	HORNE	4 665 455	4.4%
6	DANIELSEN	4 374 150	4.2%
7	J.P. Morgan SE	4 183 767	4.0%
8	Bank Pictet & Cie (Europe) AG	3 513 573	3.3%
9	SIX SIS AG	2 820 000	2.7%
10	GHIBLI AS	2 100 000	2.0%
10	VERDIPAPIRFONDET FONDSFINANS NORGE	2 100 000	2.0%
12	NORDNET LIVSFORSIKRING AS	1 806 370	1.7%
13	FABRES SCALER	1 600 000	1.5%
14	NUNATAK AS	1 585 447	1.5%
15	Danske Invest Norge Vekst	1 492 700	1.4%
16	INVEN2 AS	1 441 670	1.4%
17	Danske Bank A/S	1 333 330	1.3%
18	J.P. Morgan SE	1 229 218	1.2%
19	State Street Bank and Trust Comp	1 100 000	1.0%
20	Nordnet Bank AB	1 037 691	1.0%
	Top 20 shareholders	64 955 545	61.7%
	Other	40 319 423	38.3%
	Total	105 274 968	100.0%

Shares and options owned by BoD, mgmt, and employees as of 3. July 2024 (fully diluted)

	Number of shares	Percent of fully diluted shares
Shares owned by Board of Directors	7 421 330	6.6%
Shares owned by Management	4 416 032	3.9%
Allocated Options to Employees and management in shares	6 666 876	5.9%
Allocated Options to Board of Directors	158 000	0.1%
Other shareholders	93 437 606	83.4%
Total	112 099 844	100%

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AI Virtual Smart Sensor Platform™



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