

ellipticlabs

AI Software Platform for tapping into the seamless world



CEO Laila Danielsen



Sr. VP Ola Sandstad



CFO & IR Lars Holmøy

Investor update and technology demonstration | September 10, 2024



Investor update and technology demonstration

Today's agenda

- Registration
- Elliptic Labs market update and the way forward
Laila Danielsen, CEO
- Panel discussion
Facilitated by Carnegie analyst Oliver Pisani
- Live demonstration of our AI Virtual Seamless Sensor
Ola Sandstad, Senior VP of Product development
- Round-off



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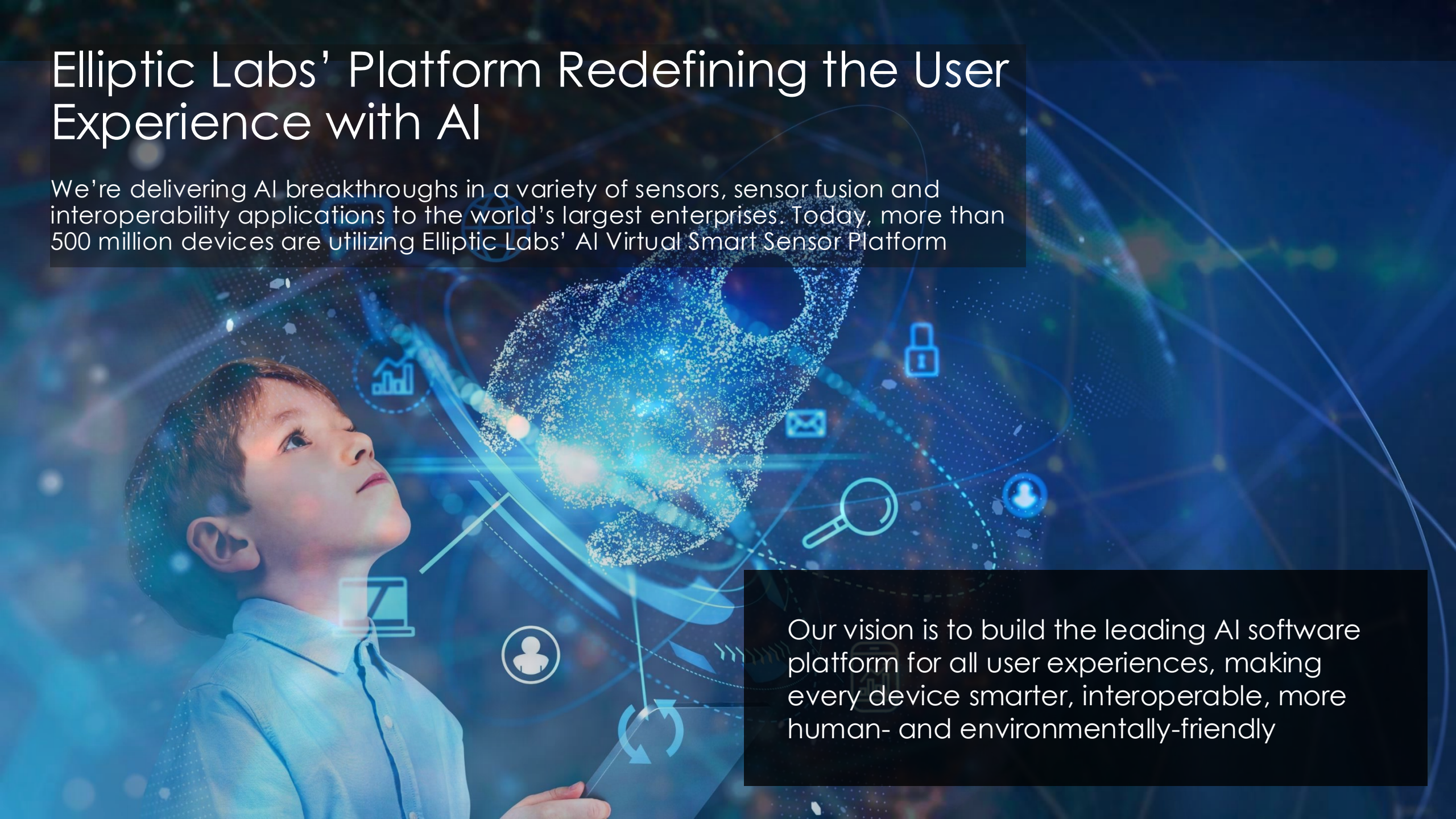
● Live demonstration of our AI Virtual Seamless Sensor

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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

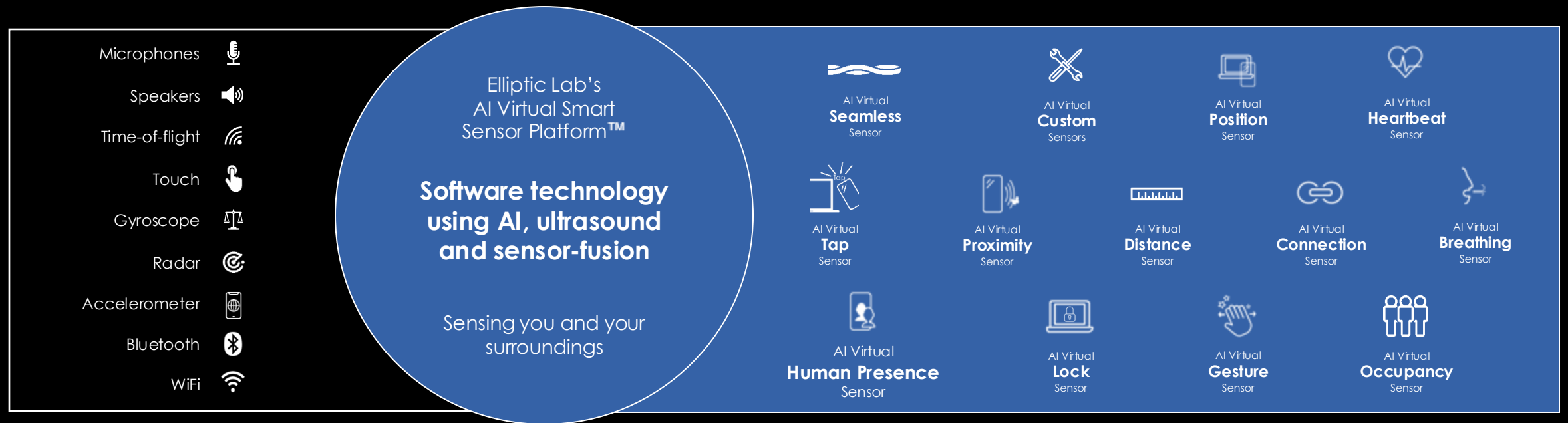


Our vision is to build the leading AI software platform for all user experiences, making every device smarter, interoperable, more human- and environmentally-friendly

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

Leveraging existing single-purpose inputs...

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



Key benefits

No added hardware sensors

Secure and private

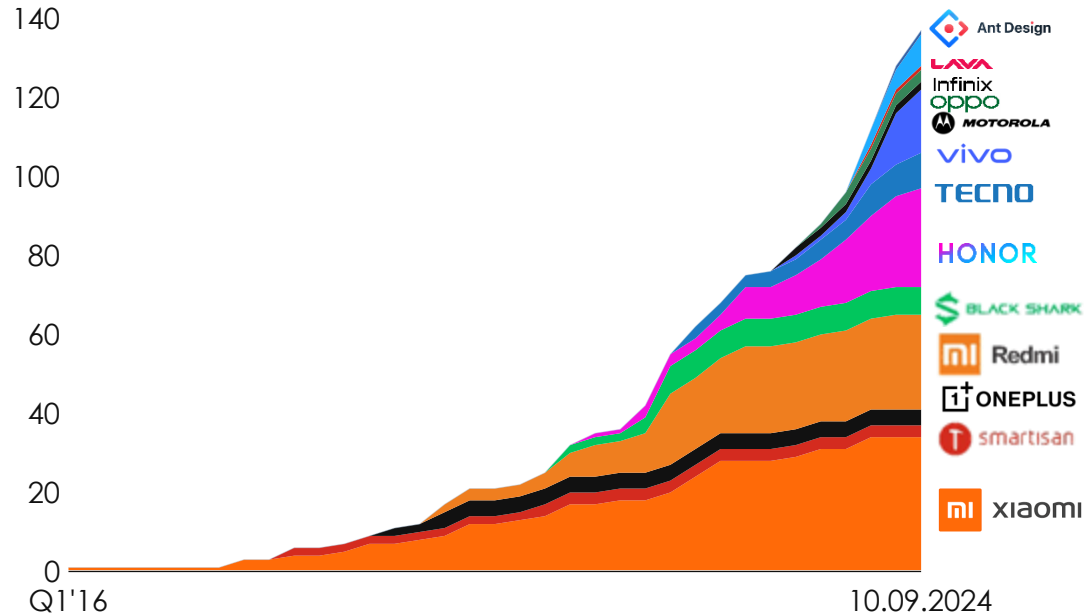
User experience

AI on the Edge

Broad smartphone deployment delivering AI capabilities

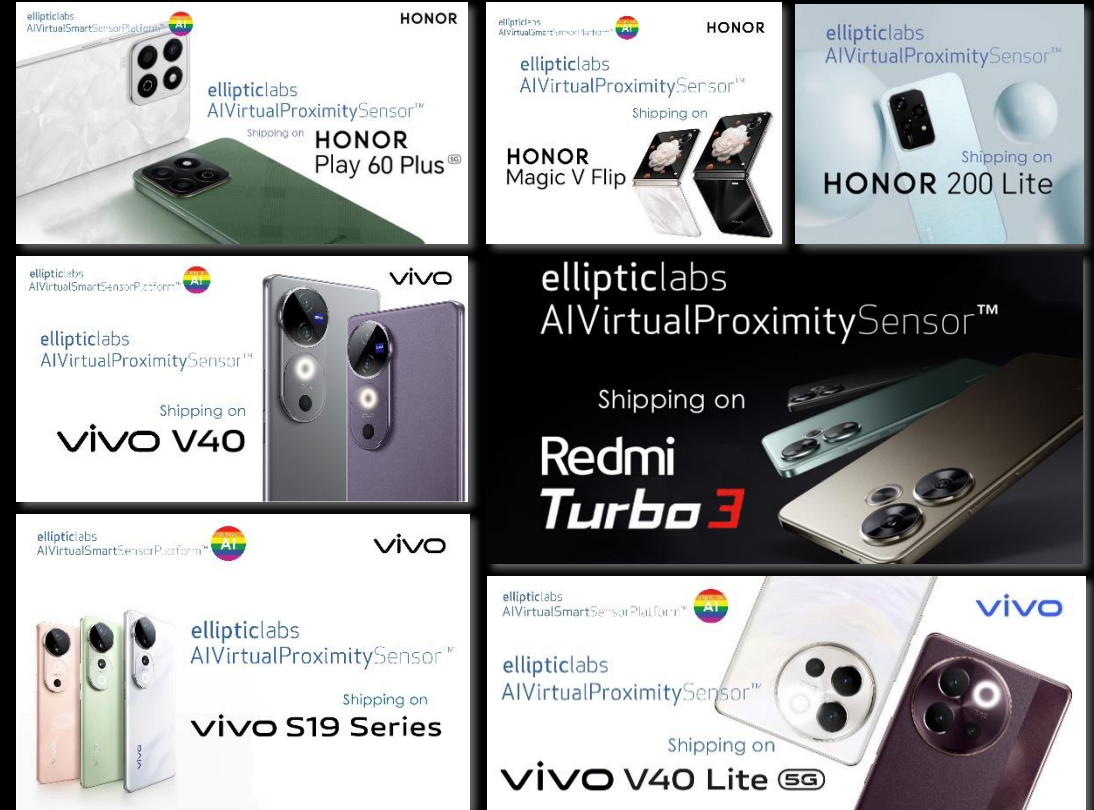
137 models launched to date

Cumulative to date 10.09.2024



- 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

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

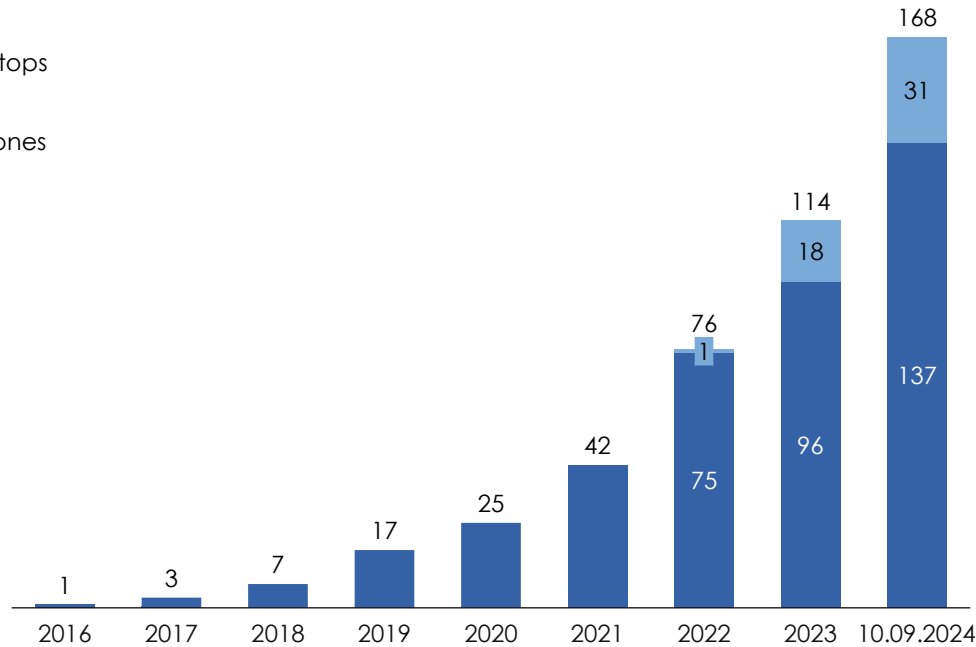


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Rapidly scaling laptop portfolio and enabling new use-cases

of models launched

Acc. Laptops
Acc. Smartphones

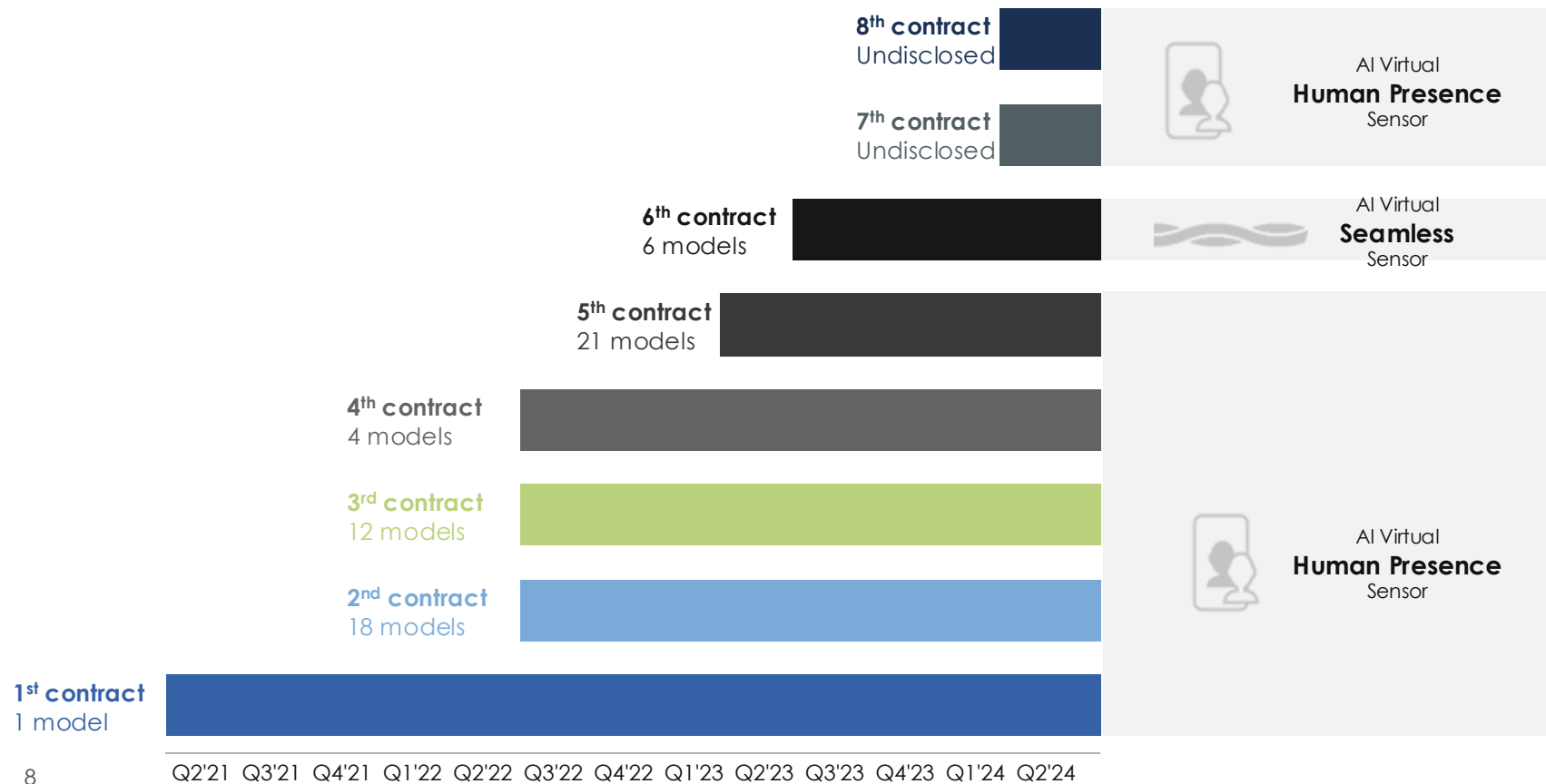


Smartphones launched	1	2	4	10	8	17	33	21	41
Laptops launched	0	0	0	0	0	0	1	17	13

- 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
- 4 of top-6 OEMs are customers of Elliptic Labs

Expanding laptop contract base for future launches

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



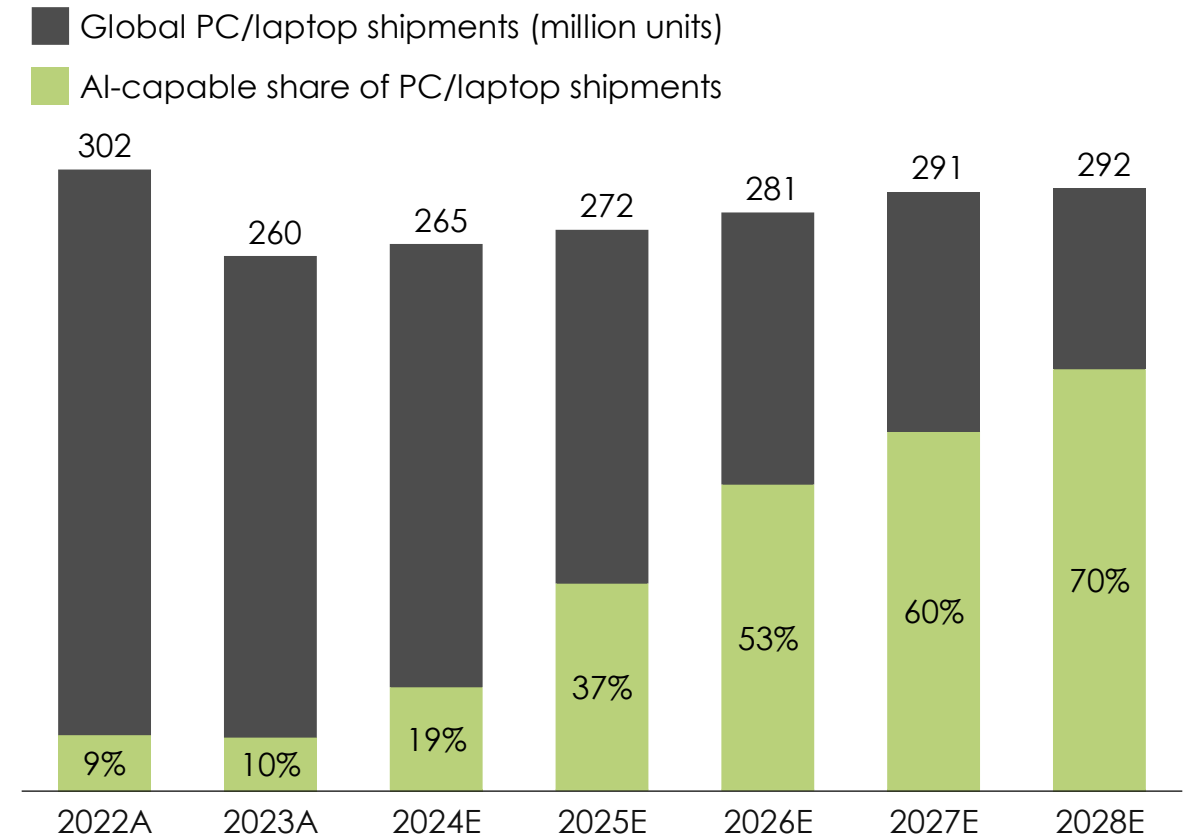
Increasing customer value & price point, moving up the software stack

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

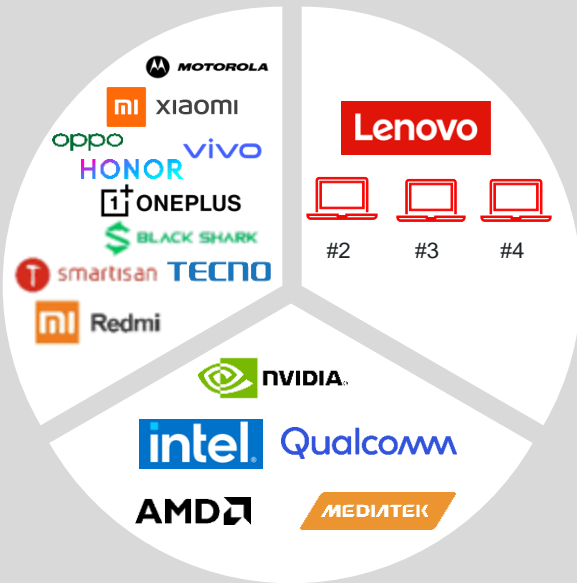
Forecasted AI-capable PC/laptop share 2024-2028



Driving the standards for AI Virtual Smart Sensors and device-to-device interoperability

Leadership position across the full ecosystem

Full ecosystem, operating systems, SoCs



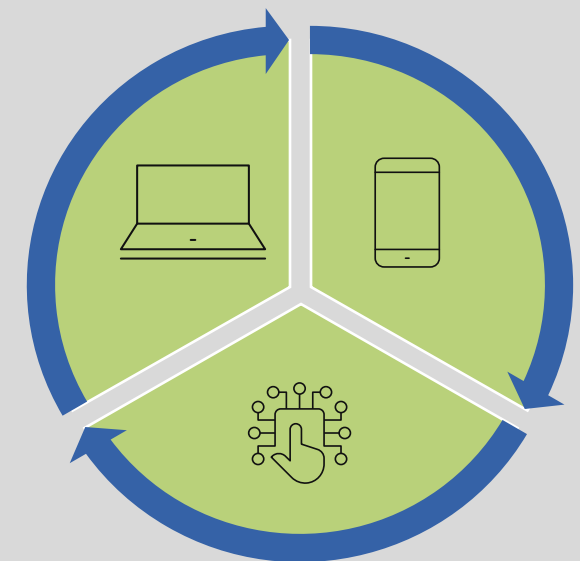
AI Virtual Smart Sensor Platform at the Core

Moving up customers' software stack enabling new use cases



Now with seamless interoperability between devices

Discover, identify, initiate, connect



Lenovo's Smart Share Introduction Video



[Click Here to Watch Lenovo's Smart Share Introduction Video](#)

Lenovo and Elliptic Labs bringing Smart Share to life

Lenovo Smart Share

- True device-to-device interoperability with a simple tap
- Powered by AI Virtual Seamless Sensor
- Fully supporting both iOS and Android, significant step in agnostic support for cross platform sharing
- Enhances user productivity, personalization, and privacy
- First coming to Lenovo's Aura Edition PCs, initially shipped on ThinkPad X1 Carbon Gen13 Aura Edition commercial laptop





“Smart Share is an AirDrop killer.”

“Using the M3 Pro MacBook Pro as my daily driver, I've found that AirDrop is easily one of the best implementations of wireless data transfer between devices. In Apple's own words, it just works, but I've been waiting for something similar on the Windows side.”

Many companies have tried, but I think Lenovo has finally cracked the code with Smart Share, and even put the Cupertino crew to shame. How? Well all it takes is a gentle tap on the side of the screen, and before you know it, your most recent photos pop up on screen for you to save.”

- Jason England, Tom's guide

SEAN HOLLISTER
Lenovo's Lunar Lake laptops have a new "Aura." Good news: [Lenovo's 14-inch ThinkPad X1 Carbon](#) and [15-inch Yoga Slim 7i](#) now have [Intel Lunar Lake chips](#) alongside 2.8K OLED screens and twin Thunderbolt 4 ports. Lenovo says the 2.16-pound Carbon is its lightest ever.
Weird news: They're both now "Aura Edition" laptops, which apparently means software like focus modes, posture alerts, and "Smart Share" — tap an iPhone or Android to your laptop to share photos.

PCMag UK > Software & Services > Games > Sony PlayStation Games > Computers & Electronics > Laptops
First Look: Lenovo's ThinkPad X1 Carbon Gen 13 Adds 'Lunar Lake' & Lightens Up
Packing Intel's new Core Ultra 2 CPUs, the fan-favorite X1 Carbon (alongside a spiffy Yoga sibling) now features 'Aura Edition' branding—signifying new software that streamlines DP settings and even lets you fan your photos to transfer photos.
by Matthew Buzzi | Sep 05, 2024
f x in p
Lenovo ThinkPad X1 Carbon Gen 13 Aura Edition hands-on review
Does Intel Core Ultra 200 series deliver the goods?
★★★★★ **Reviews** By Jason England published September 5, 2024

LENOVO
When)
Lenovo 'Smart Share' lets you transfer photos from Android & iPhone by smacking your laptop [Video]
Ben Schoon | Sep 5 2024 - 9:15 am PT | 3 Comments



timontti @timontti
It's Lenovo.
It's Lenovo Smart Share.
It's [SELABS.OL](#) Seamless sensor in use.
It will transfer also from iOS phones.
Carly @Carly_Okerfelt
Simplicity. Just tap and share photos between devices.
Learn more about Smart Share on our new Lenovo Aura Edition laptops at [lenovo.com/innovationworld](#). #LenovoInnovationWorld #WeAreLenovo

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We tried Lenovo's new Windows laptops — including one that follows your face
By Henry T. Casey, CNN Underscored
Pub
0.07
Lenovo's newest laptops have a clever solution for iPhone file transferring that you have to see for yourself
Lenovo's latest laptops at IFA 2024 come with an array of Smart Modes, including some interesting security features and more.
Written by Kyle Kucharski, Editor
Sept. 5, 2024 at 2:37 p.m. PT

Announcing Smart Share at Lenovo's US Headquarters



[Click Here to Watch Tom Butler & Laila Announce Smart Share](#)

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AI Virtual Seamless Sensor Connect Mouse

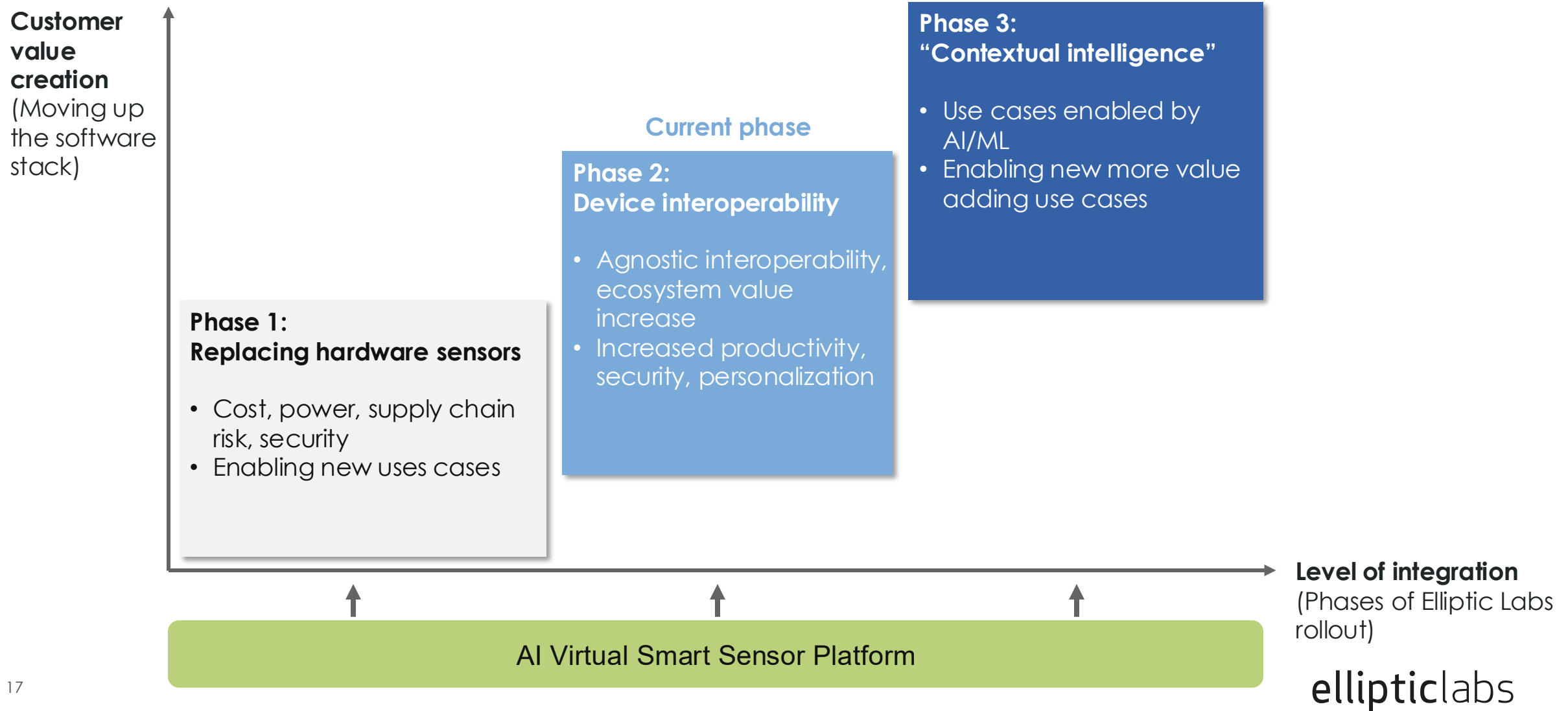
Use-case: Accessories connect to laptop with a simple tap on the side of the laptop display



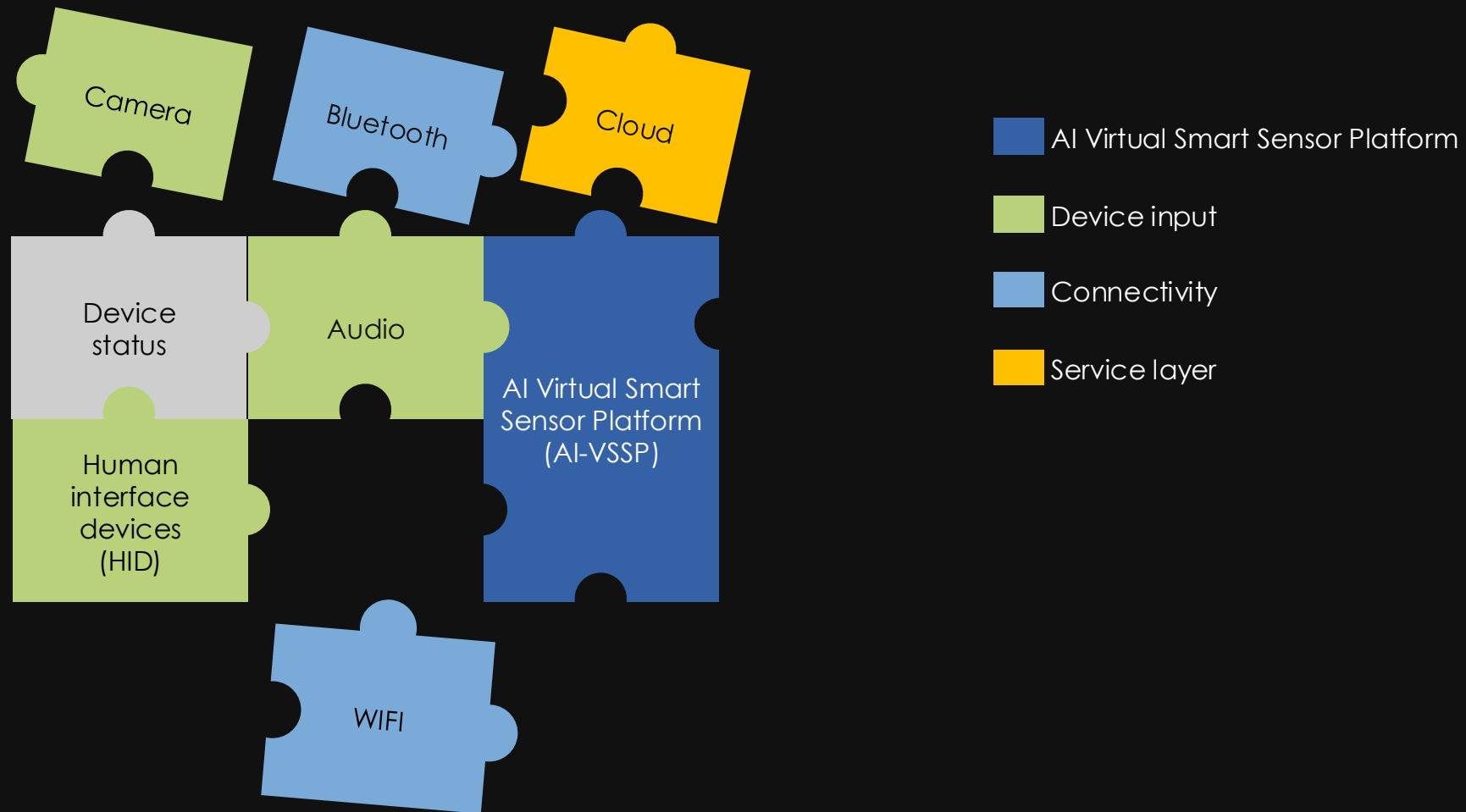
[Click This Link to See The AI Virtual Tap Sensor Video - BT Transfer](#)

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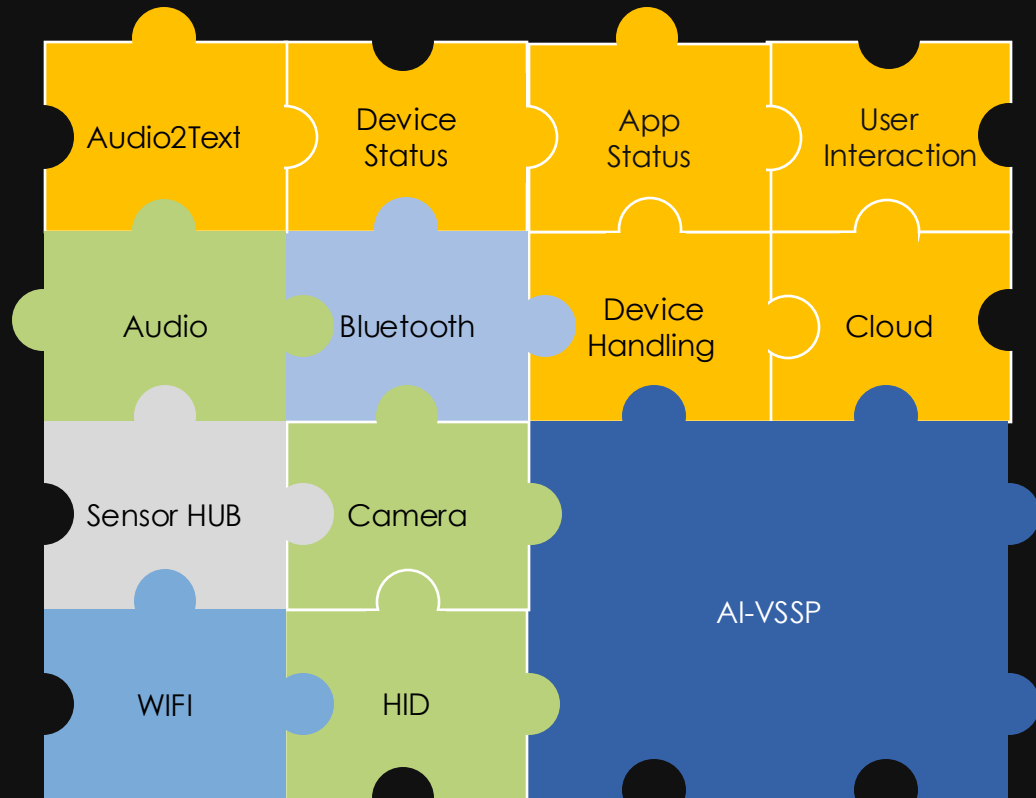
Moving from replacing hardware to acting on intelligence



Expanding capabilities of the AI Virtual Smart Sensor Platform



The long-term roadmap to enable contextual intelligence



Our AI Virtual Smart Sensor platform and our evolving relationships forms a powerful foundation for future opportunities

Leveraging our AI capabilities to shape the future of connected devices and beyond.

- AI Virtual Smart Sensor Platform
- Connectivity
- Device input
- Service layer



Thank you!

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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

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 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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