



# NEXT Biometrics Group ASA – Interim report as at 31 December 2018

## HIGHLIGHTS Q4-2018

- \* Q4-18 revenue of NOK 29.3 million, compared with NOK 30.2 million in Q3-18
- \* Q4-18 gross margin of 36%, compared with 30% in Q3-18
- \* Full-year 2018 revenue growth of 10% and gross margin of 28% (FY 2017: -6%)
- \* Sampling of One Touch ID FAP 20 sensor started in Q4-18
- \* Infineon technology partnership and R&D program with MK Group strengthen smart card position
- \* Government ID progress with orders from Telpo, Tysso and India agreement with Digitsecure

## Post Q4-18 events

- \* Received and delivered purchase order for 30,000 chipsets from Tactilis
- \* Increased customer traction in India reflected in firm awards and growing lead pipeline
- \* Expanding smart card ecosystem with agreements in Asia
- \* Initiated cost reduction program
- \* Raised NOK 160 million in gross proceeds in a private placement
- \* Subsequent offering with potential gross proceeds of NOK 28

**NEXT CEO Ritu Favre commented:** "We have delivered consistently on our technology roadmap through 2018. Our FAP 20 sensor is with customers for testing and the Dual Interface solution for payment cards is soon ready for sampling. Increased year-over-year revenues for 2018 and the significantly improved gross margin confirm we are pivoting from product development to revenue generation. Going forward, we expect to leverage our large-size, highly secure and cost-effective sensor technology in all market segments to drive growth and position for the emerging hyper-growth of the payment smart-card market."

## PRESENTATION OF FOURTH QUARTER RESULTS

NEXT will present a business review and its interim report for the fourth quarter of 2018 today at 08.30 Norwegian time at SANDS, Cort Adelers gate 33, Oslo. The presentation will be held in English. It will be available as a live feed and as a recording on the company website or through this link:

<http://webtv.hegnar.no/presentation.php?webcastId=97603689>

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## ABOUT NEXT Biometrics:

NEXT 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 company's patented NEXT Active Thermal™ principle allows the development of large, high quality fingerprint sensors in both rigid and flexible formats. NEXT Biometrics Group ASA ([www.nextbiometrics.com](http://www.nextbiometrics.com)) is headquartered in Oslo, with sales, support and development operations in Seattle, Silicon Valley, Taipei, Prague, Bengaluru and Shanghai.