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AI Virtual Smart Sensor Platform™

Laila Danielsen, CEO

Investor Presentation | March 2022

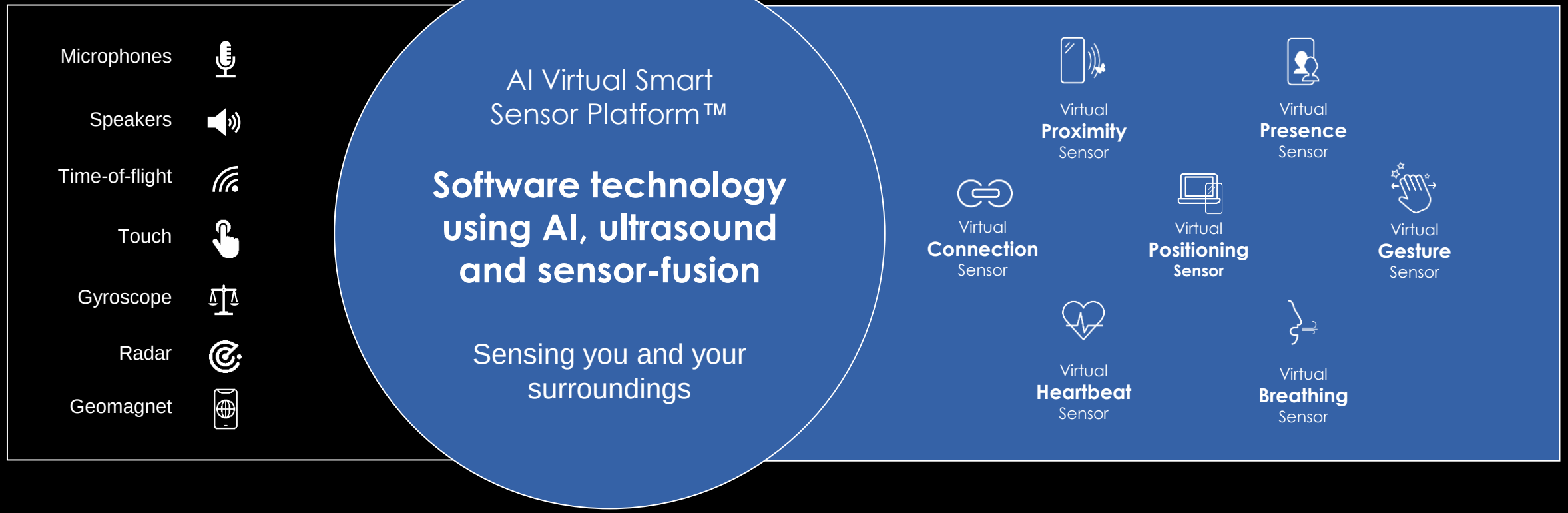
Sensors touch every aspect of life and drive the digital transformation

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

Our AI Virtual Smart Sensor Platform™ makes devices intelligent

Leveraging existing single purpose sensors

Elliptic Labs' Virtual Smart Sensors™



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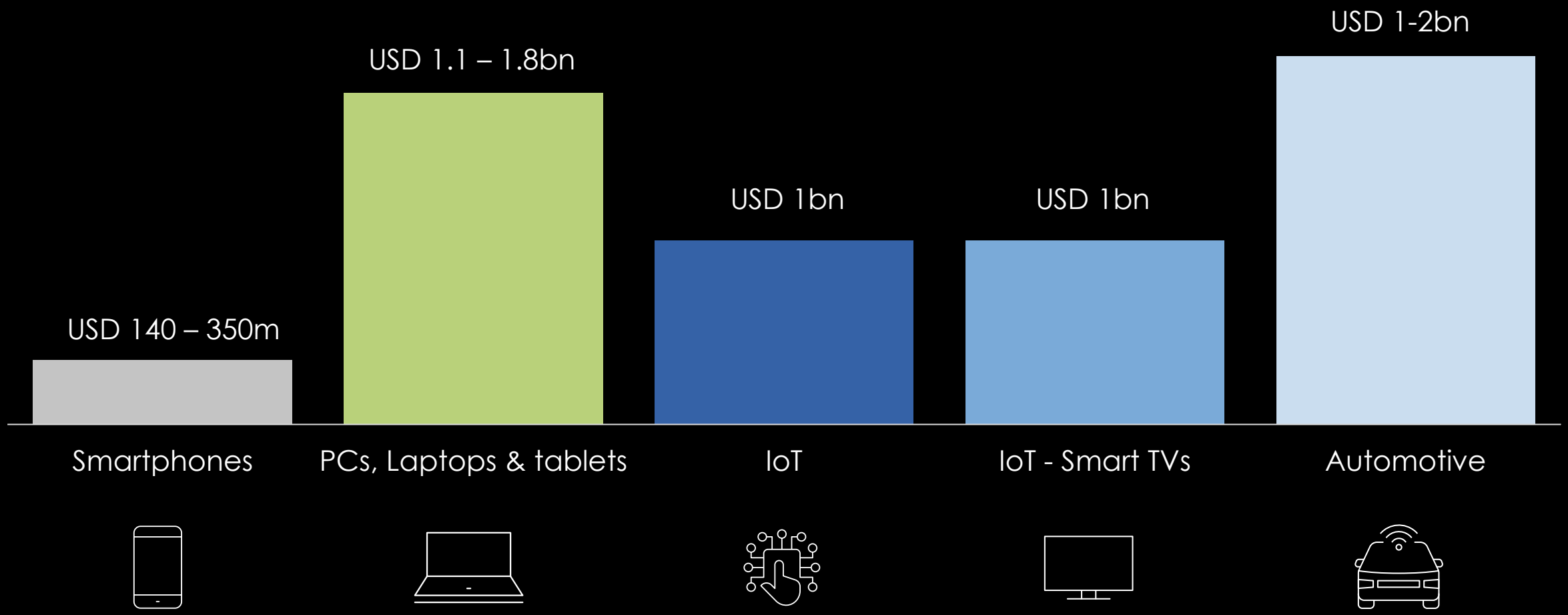
Billions of devices use hardware sensor components

Our USD 5.5 billion market opportunity



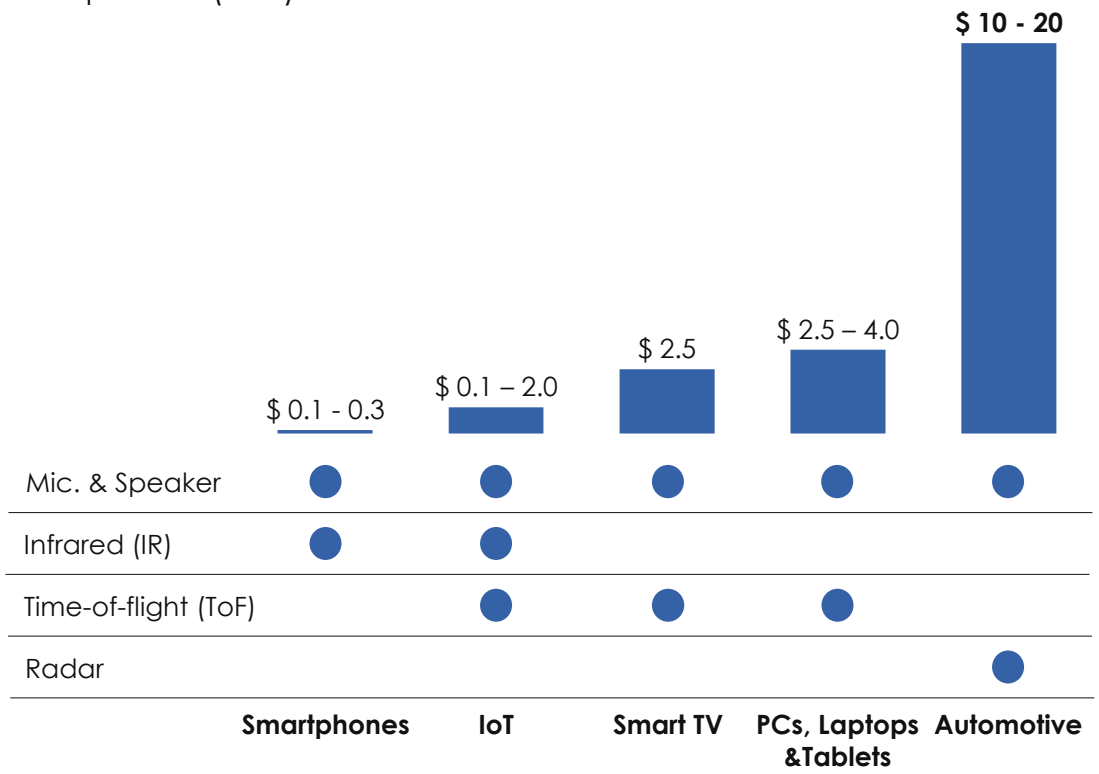
The market is dominated by non-intelligent hardware sensor components

Hardware sensor components

- Microphone and speaker
  - In most devices for standard audio and voice control
- Infrared Proximity Sensor:
  - Mature and incumbent technology in most smartphones
  - Enabling screen lock when marking calls
- Time-of-Flight:
  - Non-standardized and non-incumbent
  - In PCs, laptops, tablets, smart TVs, and IoT products
- Radar
  - Detects relative position and motion

Hardware sensors technology cost

Cost per unit (USD)



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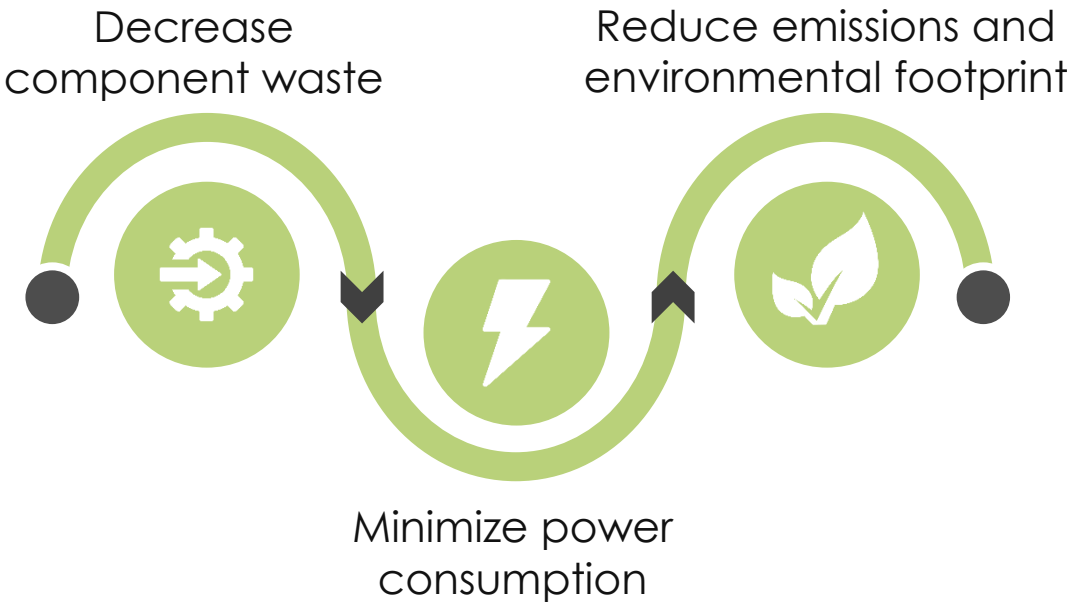
We reduce cost, risk & environmental footprint while adding more capabilities

Replacing hardware sensor components

- AI Virtual Smart Sensor Platform™ can replace infrared, time-of-flight and radar sensors for presence and proximity detection
  - Reducing cost
  - Additional features such as position detection, simplified connectivity and interaction between devices
  - As a non-optical, edge-solution safeguarding user privacy
- Our software solution streamlines hardware supply chain and eliminates sourcing risks

Reducing environmental footprint



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Our first vertical

The smartphone market

1.4 billion units

USD 140-350 million
market opportunity

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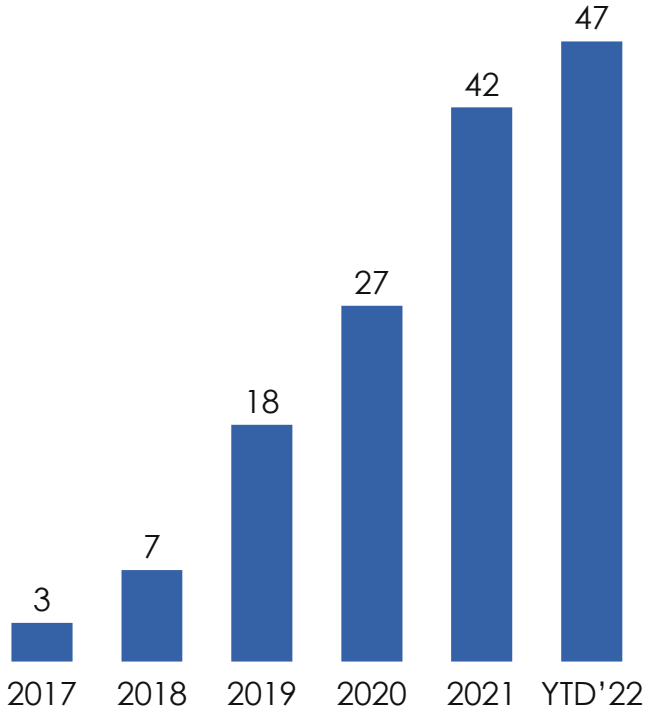
Increasing adoption rate in smartphone market after a decade of development

Penetrating the smartphone market

- Developed high software precision and credibility through years of experience
- Maturity allowing for efficient integration and deployment at scale
  - Machine learning accelerated scaling
- Market entry and expansion through partnerships with key manufacturers

47 announced[1] models using our software



Three announced[1] launches in Q4'21

Xiaomi
Redmi Note 11
Redmi Note 11 pro

Chinese market

BlackShark
BlackShark 60
BlackShark 60 pro

Global market

Honor
Honor 60

Global market

1) Not all models are publicly announced due to confidential agreements with customers

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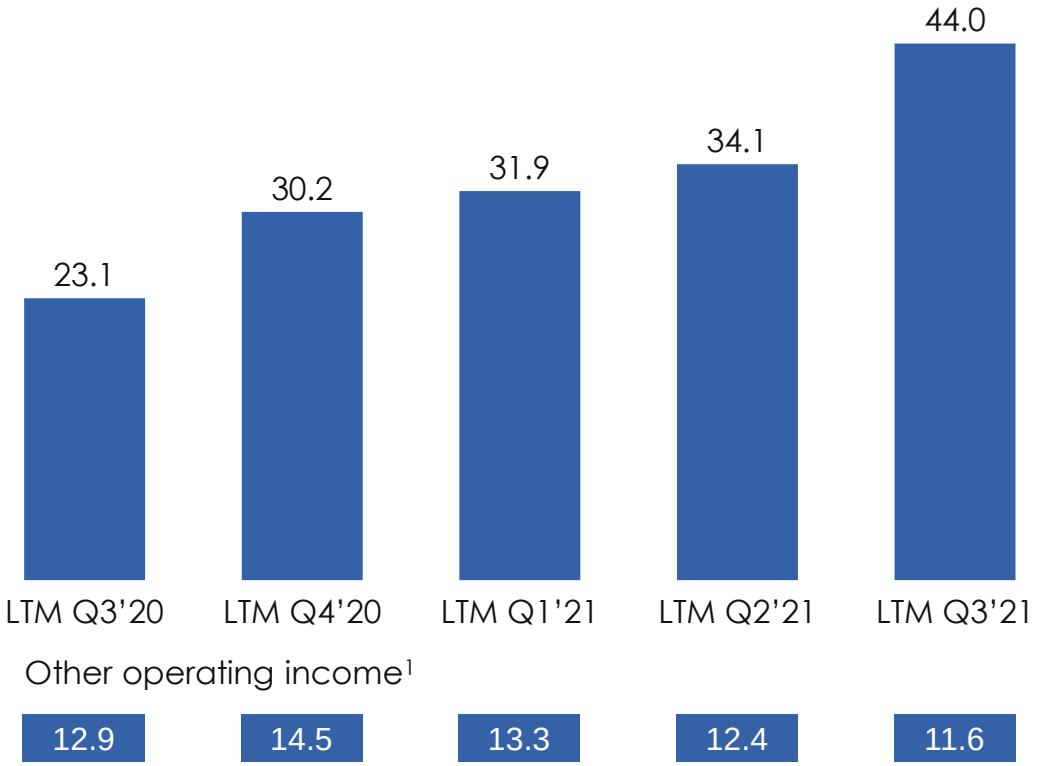
Majority of revenues are based on smartphones

Smartphone revenue development
NOK million, LTM



- Strong year-over-year revenue growth in smartphones vertical
- Flexible pricing model
  - Volume based license fee per unit/device
  - Subscription fee
  - Enterprise/annual license fee
- Seasonality in revenues due to nature of smartphone market sales
  - Historically strong sales in Q4

1) Other operating income mainly reflects research grants, Innovation Norway support, etc.

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Our next growth vertical

The PC, laptop & tablet market

460 million units

USD 1.1-1.8 billion
market opportunity

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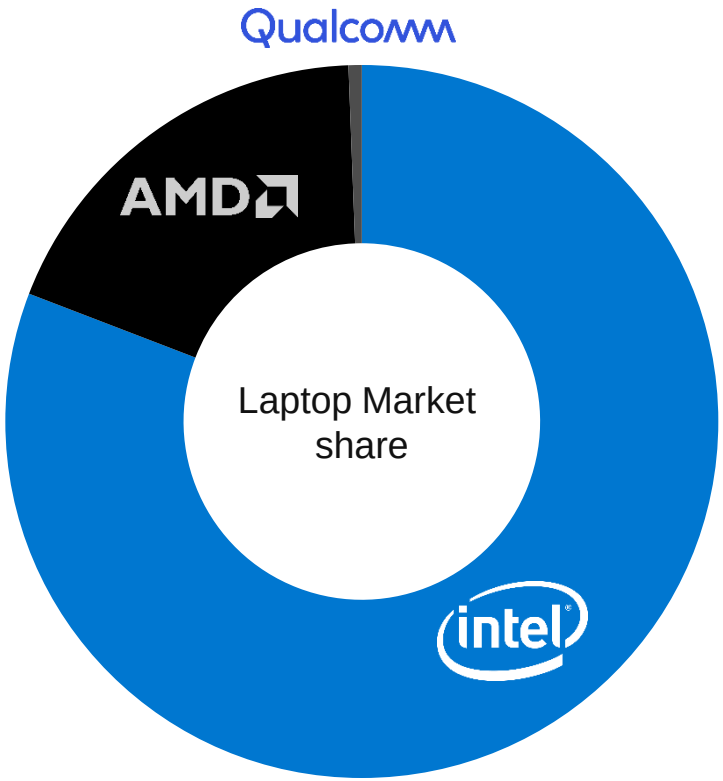
Uniquely positioned to expand in PC market through aligned roadmaps with Intel, AMD and Qualcomm

Aligned roadmaps with key CPU partners



intel	AMD	Qualcomm	Other
81%	19%	0.1%	0.5%

- Intel, AMD and Qualcomm representing over 99% of total CPU market combined
- Enabling our platform for all PC manufacturers and all laptop models

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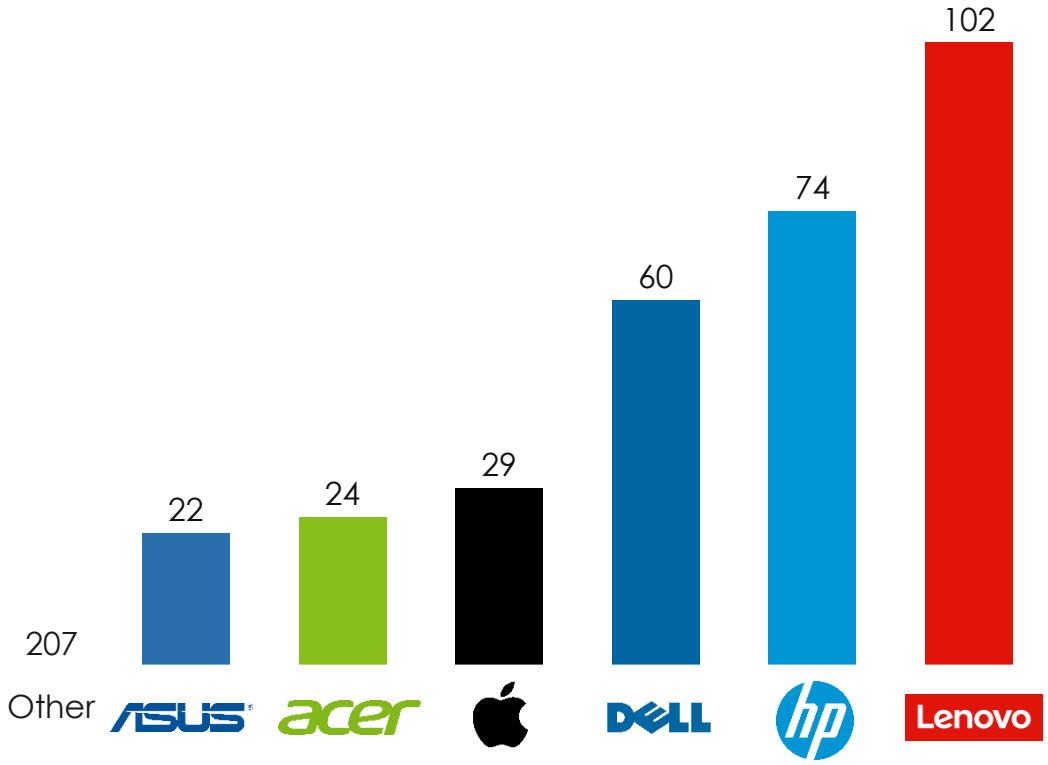
PC market concentrated by few high-volume companies

2021 laptop market volumes[1]
Million units



- Lenovo is the market leading OEM with ~20% market share in a 500+ million-unit market
- Elliptic's partnership with key CPU manufacturers enables our software on all laptops
- Competing hardware sensors
  - High-cost Time-of-Flight
  - USD 2.5 – 4.0 per unit

1) Includes PCs, Laptops and Tablets. Source: Gartner, Annual reports.

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First software-only presence sensor launched on top-selling Lenovo laptop

Lenovo ThinkPad T14 with new functionality

Elliptic's AI Virtual Presence Sensor debut on Lenovo's ThinkPad T14

- Initial functionality
  - Presence detection reusing existing microphone and speaker (ultrasound technology)
  - Elliptic recognized in ThinkPad T14 Spec:
    - "Virtual Leave & Lock Sensor Powered by Elliptic Labs"
- Signed Enterprise License Agreement with Lenovo
  - More visibility, greater interest from partner eco-system
  - Accelerate interest from other PC vendors

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We are set to grow along multiple dimensions

More customers

More customer models

AI Virtual Smart Sensor Platform™

Software technology using AI, ultrasound and sensor-fusion

Sensing you and your surroundings

More Products

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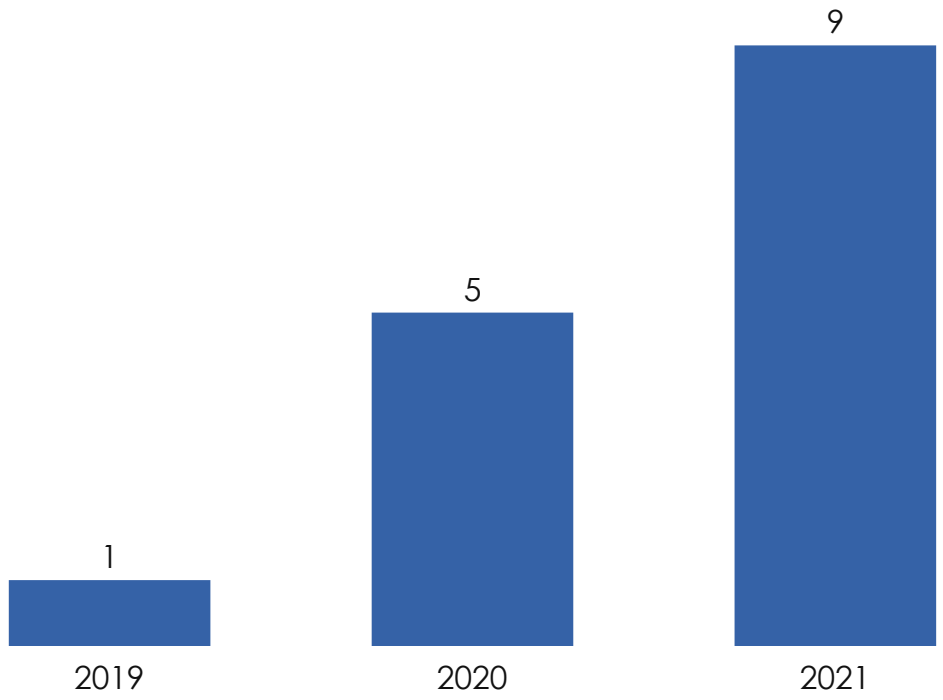
Our software platform enables significant value creation for laptop manufacturers and end-users

Reducing cost, risk and environmental footprint

- Meeting price-point & performance for broad deployment of presence-sensing capabilities
- Eliminating sourcing risk & reducing cost by replacing costly hardware sensors
  - Existing hardware-sensor supply constraints strengthening our competitive position
- Increasing laptop security and privacy
  - Does not use optical sensors to detect presence
- Reducing energy consumption
  - Increased battery lifetime by removing redundant hardware & minimizing use of processor capacity

PoC agreements open large growth opportunities

Number of Proof-of-Concept (PoC) Agreements in Laptops



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Additional growth opportunity

Building a position in the IoT market

2.1 billion units

USD 1 billion
market opportunity

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IoT market entry through license agreement with Bosch

First step penetrating the IoT market

- Elliptic Labs and Syntiant to bring always-on, ultra-low-power experiences to Bosch's Spexor device
  - Improvements driven by Elliptic Labs' Virtual Smart Sensor Platform
- Highly accurate, low-cost, 360-degree field of view presence detection solution that is poised to become the market standard
- Maintaining the highest ecological standards and safeguarding user privacy
- 2 Proof-of-concept agreements in IoT vertical

On target to deliver on our first IoT product: Bosch Spexor

Intrusion detection | Air quality measurement | Fire gases warning | Temperature alarm | Outdoor air quality and pollen

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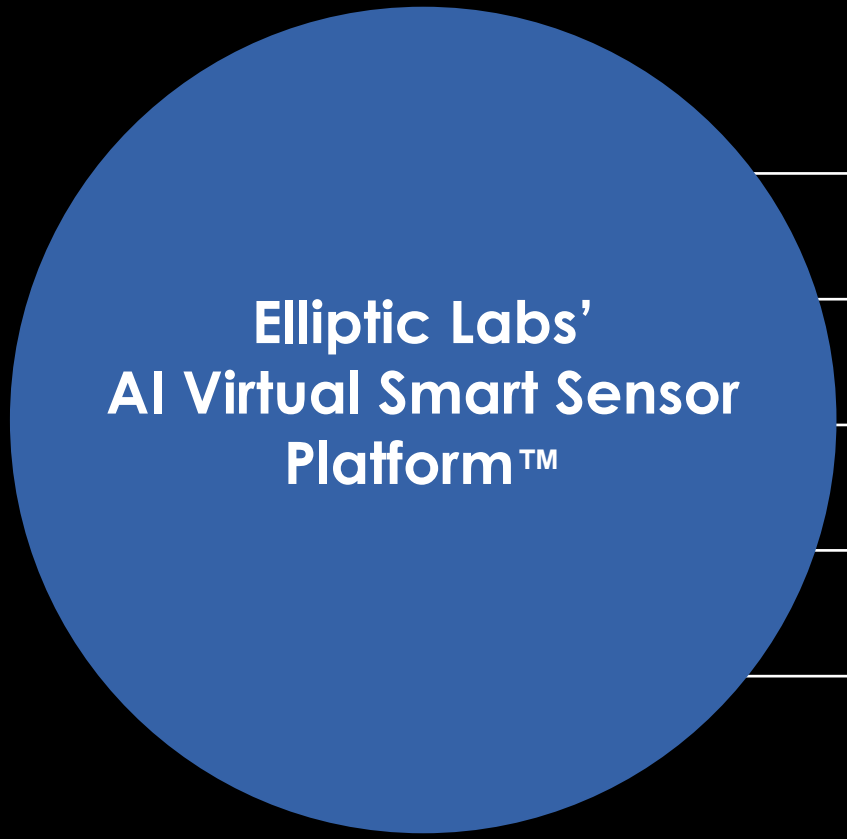
Deployed in hundreds of millions devices and growing



- Global AI software company headquarter in Norway with presence Europe, Asia, and USA. Established in 2006.
- AI Virtual Smart Sensors for proximity, presence, 3D gestures, heartbeat detection, and other features applicable for multiple verticals
- Solid and well-invested technology proven at scale with multiple customers and cost-efficient, machine-learning software platform
- Software-only business model with opportunity for >50% EBITDA margin, backed by a strong patent portfolio with 107 patents granted/pending
- Targeting NOK 500 revenue million in 2023

Clear path towards significant revenue

Key revenue drivers

- PCs, Laptops & Tablets: First enterprise agreement signed
  - Positioned to be the standard
  - Vertical to become the largest revenue driver
- Smartphones: Established market position
  - Increase revenue from new and existing customers
- IoT: Entered through license agreement
  - Technology adoption for long-term revenue growth
- Expansion into new verticals
  - Smart TVs
  - Automotive
- Increased price points for our software-sensors outside the smartphone market

2023 revenue target

500
NOK million

Building position in the IoT market

Laptops our next key growth vertical

Continued Smartphone expansion

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Investment highlights

Scalable AI software platform company with global customers and partners

- Providing Virtual Smart Sensors that make devices smarter, more human- and environmentally-friendly
- Commercial success with global tier 1 manufacturers in the smartphone, PC and IoT markets
- Semiconductor and hardware component ecosystem partners, enabling broad market penetration

$5.5 billion market opportunity and growing, driven by digital transformation and sustainability

- Billions of devices use hardware sensor components, Elliptic Labs is replacing hardware sensors with software (Virtual Smart Sensors)
- Reducing cost and power consumption and eliminating sourcing risk, while adding new features
- Wide-ranging expansion opportunities across multiple market verticals

Targeting substantial growth next two years with clear go-to-market strategy

- Targeting NOK +500 million in revenue in 2023, ~10x FY 2021
- Well-funded software company with a proven business model backed by strong IP
- Established presence in Norway, China, Taiwan, South Korea, Japan and USA with an international management team

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AI Virtual Smart Sensor Platform™

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Appendix

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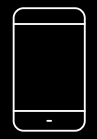
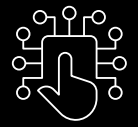
Wide-ranging opportunities across significant markets



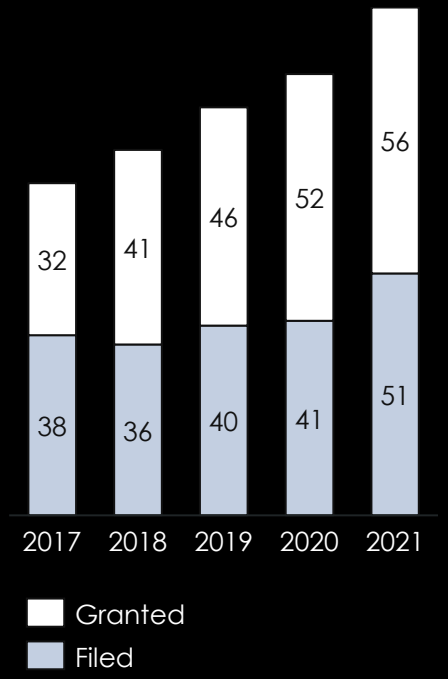


	Smartphones	PCs, Laptops & tablets	IoT	Smart TVs	Automotive
Number of units	1.4bn	460m	2.1 bn	400m	100m
x					
Price of alternatives	Infrared USD 0.10 – 0.25	Time-of-Flight / Radar USD 2.5 – 4.0	Time-of-Flight/Infrared USD 0.10 – 2.0	Time-of-Flight USD 2.50	Radar USD 10 – 20
=					
Total addressable Market	USD 140 – 350m	USD 1.1 – 1.8bn	USD 1bn	USD 1bn	USD 1-2bn

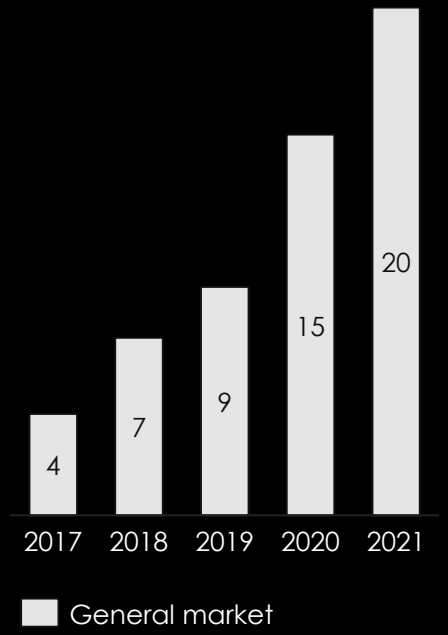
Flexible pricing model: Volume based license fee per unit/device, per virtual sensor,
Subscription fee, or
Enterprise/annual license fee

KPI dashboard

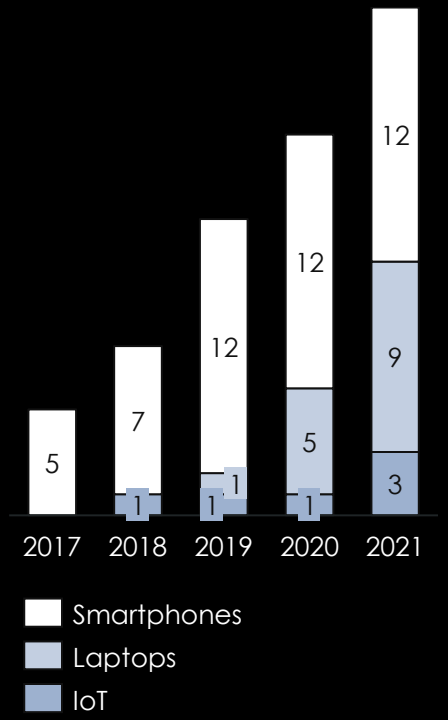
Patents



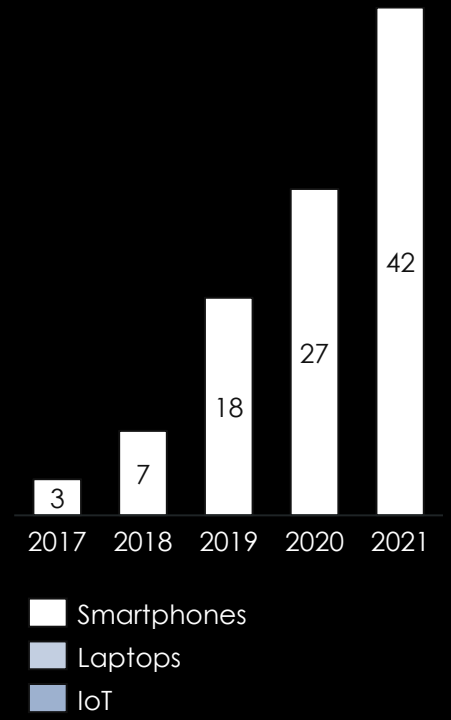
Partner-agreements



Proof-of-Concept Contracts



Models launched



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