

**NOTE:**  
*This file contains  
Section 1-Summary  
pages only*



**IDEX Biometrics ASA**

(A public limited liability company organized under the laws of the Kingdom of Norway)

Organization number: 976 846 923

This Prospectus (the “**Prospectus**”) relates to and has been prepared in connection with the listing on Oslo Stock Exchange of 64,574,593 new shares (“**Tranche Two Shares**”), each with a par value of NOK 0.15, in IDEX.

The Private Placement included and was divided into;

- i. a first tranche consisting of 55,425,407 new Shares (“**Tranche One Shares**”), representing approximately 9% of the outstanding capital (“**Tranche One**”); and
- ii. a second tranche consisting of 64,574,593 **Tranche Two Shares** (together with the Tranche One Shares, the “**New Shares**”), representing approximately 11% of the outstanding capital (“**Tranche Two**”).

The Tranche One Shares were issued by a resolution by the Company’s Board of Directors (the “**Board**”) on 17 November 2019, pursuant to an authorization from the Annual General Meeting dated 9 May 2019, and was completed on 2 December 2019. The Tranche One Shares were thus tradeable immediately upon registration of the associated share capital increase in the Company Registry.

The Tranche Two Shares are issued by a resolution of the Extraordinary General Meeting on 12 December 2019. The Tranche Two Shares will be delivered to the subscribers following registration of the associated share capital increase in the Company Registry. The Tranche Two Shares will be transferred to IDEX’s ordinary ISIN and be tradable on the Oslo Stock Exchange under the ticker code “IDEX” upon approval and publication of this Prospectus.

**Investing in the Company and the Shares involves material risks and uncertainties. See Section 2 “Risk Factors” and Section 4.2 “Cautionary note regarding Forward-looking Statements”.**

**This Prospectus relates solely to the listing of the Tranche Two Shares and no offer is being made to purchase or subscribe for any Shares or other securities of the Company.**

DATE: 19 December 2019

## 1 EXECUTIVE SUMMARY

### 1.1 SECTION A – INTRODUCTION AND WARNINGS

Warnings	<p>This summary contains all sections required to be included in a summary for this type of securities and issuer. This summary should be read as an introduction to the Prospectus.</p> <p>Any decision to invest should be based on consideration of the Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the applicable national legislation in its Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the Summary including any transactions thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
The securities	<p>The Company’s shares are subject to trading on the Oslo Stock Exchange under ticker code “IDEX”.</p> <p>International securities identification number (ISIN): NO 000 307 0609</p>
The issuer	<p>Name of the issuer: IDEX Biometrics ASA          Business registration number: 976 846 923          Legal entity identifier (LEI): 5967007LIEEXZXHECW11          Address: Dronning Eufemias gate 16, 0191 Oslo, Norway          Tel: +47 6783 9119          Website: <a href="http://www.idexbiometrics.com">www.idexbiometrics.com</a></p>
Approval of the Prospectus	<p>The Prospectus was approved by the Financial Supervisory Authority of Norway on 19 December 2019.</p> <p>Contact information:          Financial Supervisory Authority of Norway          Address: Revierstredet 3, Postboks 1187 Sentrum, 0107 Oslo, Norway          Tel: +47 22 93 98 00          E-mail: <a href="mailto:post@finanstilsynet.no">post@finanstilsynet.no</a></p>

## 1.2 SECTION B – KEY INFORMATION ON THE ISSUER

<b>Who is the issuer of the securities?</b>																
Corporate information	<p>IDEX Biometrics ASA (“<b>IDEX</b>” or the “<b>Company</b>”). IDEX is a Norwegian public limited liability company incorporated under the laws of Norway and subject to the Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45 (Nw.: “<i>allmennaksjeloven</i>”) (the “<b>Norwegian Public Limited Companies Act</b>”). The Company was incorporated on 24 July 1996.</p>															
Principal activities	<p>IDEX develops fingerprint sensors and related system solutions for a range of biometrically-enabled applications, providing both hardware and software fingerprint solutions suitable to being embedded into products in order to improve security, user interface and convenience. IDEX’s product portfolio includes full-featured, biometric authentication solutions, which enable on-device fingerprint enrolment, template storage and verification. IDEX is growing and broadening its product portfolio of fingerprint sensors by developing next-generation products for its target markets.</p>															
Major shareholders	<p>As of the date of the Prospectus, the following registered shareholders have holdings in excess of the statutory thresholds for disclosure requirements<sup>1</sup>. Note: The list may include nominee shareholders, which holding may belong to one or several beneficial owners. In case of nominee shareholders, the disclosure requirement applies to the beneficial owner of the Shares.</p> <table border="1"> <thead> <tr> <th><b>Name of registered shareholder</b></th> <th><b>Number of Shares</b></th> <th><b>%</b></th> </tr> </thead> <tbody> <tr> <td>Sundvall Holding AS</td> <td>57,661,021</td> <td>8.82%</td> </tr> <tr> <td>UBS Switzerland AG</td> <td>55,799,466</td> <td>8.54%</td> </tr> <tr> <td>The Northern Trust Comp, London Br</td> <td>50,030,909</td> <td>7.66%</td> </tr> <tr> <td>Goldman Sachs International</td> <td>45,351,611</td> <td>6.94%</td> </tr> </tbody> </table> <p>UBS Switzerland AG, the Northern Trust Comp., London Br. and Goldman Sachs International are nominee shareholders. The Company is not aware of the number or identity of any beneficial owners of shares held by said nominees. To the best of the Company’s knowledge and belief, no shareholder, or group of shareholders, controls the Company, directly or indirectly.</p>	<b>Name of registered shareholder</b>	<b>Number of Shares</b>	<b>%</b>	Sundvall Holding AS	57,661,021	8.82%	UBS Switzerland AG	55,799,466	8.54%	The Northern Trust Comp, London Br	50,030,909	7.66%	Goldman Sachs International	45,351,611	6.94%
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Key management	<p>The Company’s key management comprise of the following members:</p> <table border="1"> <thead> <tr> <th><b>Name</b></th> <th><b>Position</b></th> </tr> </thead> <tbody> <tr> <td>Stan Swearingen</td> <td>Chief Executive Officer</td> </tr> <tr> <td>Derek D’Antilio</td> <td>Chief Financial Officer</td> </tr> <tr> <td>Fred Benkley</td> <td>Chief Innovation Officer</td> </tr> <tr> <td>Anthony Eaton</td> <td>Chief Technology Officer</td> </tr> </tbody> </table>	<b>Name</b>	<b>Position</b>	Stan Swearingen	Chief Executive Officer	Derek D’Antilio	Chief Financial Officer	Fred Benkley	Chief Innovation Officer	Anthony Eaton	Chief Technology Officer					
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<sup>1</sup> The overview does not include the Tranche Two Shares. The overview is based on data from the VPS as of 18 December 2019.

Statutory auditor	The Company's statutory auditor is Ernst & Young AS with registered address at Dronning Eufemias gate 6, 0191 Oslo, Norway.
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### What key financial information regarding the issuer?

#### Selected historical key financial information

#### Financial statements

The tables below set out selected historical information for the Group derived from the Group's audited consolidated financial statements as of and for the year ended 31 December 2018, and the unaudited consolidated interim financial statements as of and for the nine months' period ended 30 September 2019 and 30 September 2018 and the six months' periods ended 30 June 2019 and 30 June 2018.

<b>Profit and Loss</b>	<b>First nine months</b>		<b>First six months</b>		<b>Full year</b>
Amounts in NOK 1,000	<b>2019</b>	2018	<b>2019</b>	2018	<b>2018</b>
Total revenue	<b>1 324</b>	1 082	<b>1 740</b>	1 130	<b>3 585</b>
Gross margin	<b>1 134</b>	252	<b>1 523</b>	592	<b>2 082</b>
Loss before interest, tax, depreciation and amortization (EBITDA)	<b>(61 060)</b>	(57 882)	<b>(123 186)</b>	(117 482)	<b>(236 658)</b>
Net loss for the period	<b>(66 673)</b>	744	<b>887)</b>	003)	<b>097)</b>
Loss per share, basic and diluted (NOK)	<b>(0.11)</b>	(0.11)	<b>(0.23)</b>	(0.22)	<b>(0.45)</b>

<b>Financial position</b>	<b>At 30 September 2019</b>	At 30 June 2019	At 31 December 2018
Total assets	<b>180 522</b>	239 366	156 312
Total equity	<b>149 223</b>	208 679	123 239
Net financial debt	<b>(65 640)</b>	(124 400)	(50 641)

<b>Cash flow</b>	<b>First nine months</b>	First six months	Full year
Amounts in NOK 1,000	<b>2019</b>	2019	2018
Net cash flows from operating activities	<b>(186 196)</b>	(130 504)	(214 735)
Net cash flows used in investing activities	<b>(3 568)</b>	(1 769)	(7 899)
Net cash flows from financing activities	<b>202 466</b>	203 923	3 886

#### Investments

There are no significant fixed assets ordered at the date of this Prospectus. The Group does not have any firm plans or obligations to make significant future investments in tangible or intangible assets, or financial assets.

Selected key pro forma financial information	Not applicable. There is no pro forma financial information.
Qualifications in audit report	Not applicable. The audit reports do not include any qualifications.
<b>What are the key risks that are specific to the issuer?</b>	
Key risks specific to the issuer	<p>Risks related to the Group and the industry it operates in:</p> <ul style="list-style-type: none"> <li>• IDEX has a history of losses and expects additional losses in the future</li> <li>• IDEX may need additional capital, which, if obtainable, could dilute the ownership interest of investors</li> <li>• IDEX's business depends heavily on revenues from new technology, the commercial success of which is unproven</li> <li>• IDEX may not be able to effectively manage growth</li> <li>• IDEX is highly dependent on IP and the Company's methods of protecting its IP, or IP shared with third parties, may not be adequate</li> <li>• IDEX faces risks of claims for IP infringement</li> <li>• IDEX's markets are immature</li> </ul>

### 1.3 SECTION C – KEY INFORMATION ON THE SECURITIES

<b>What are the main features of the securities?</b>	
Type of class of securities being offered	<p>The Company has one class of Shares, and all Shares carry equal rights as set out in Section 4-1 (1), first sentence, of the Norwegian Public Limited Companies Act. The Shares are registered in the VPS and carry the securities identification code ISIN NO 000 307 0609.</p> <p>The New Shares are in all respects equal to the existing Shares of the Company.</p>
Currency	The Shares are issued in NOK and are quoted and traded in NOK at Oslo Stock Exchange.
Number of shares and par value	<p>For the avoidance of doubt, the Tranche One Shares have been subscribed for, paid, registered and delivered and admitted to trading at the Oslo Stock Exchange at the date of this Prospectus.</p> <p>Following the Private Placement of the Tranche Two Shares, IDEX's share capital will be NOK 107,698,309.80, divided into 717,988,732 ordinary Shares, each Share fully paid and having a par value of NOK 0.15.</p> <p>The Company's Extraordinary General Meeting resolved on 12 December 2019 to issue 64,574,593 Tranche Two Shares in the Company in connection with the Private Placement of New Shares. Upon expiry of the subscription period, all such New Shares had been subscribed for. The associated share capital increase has not been registered in the Company Registry as of the date of this Prospectus.</p>

Rights attached	The New Shares are ordinary Shares in the Company, i.e., the same class as the Shares already in issue and listed on Oslo Stock Exchange. The New Shares will obtain rights to receive dividends from the time of registration of the share capital increase in the Company Registry. The Company's shares have equal rights to the Company's profits, in the event of liquidation and to receive dividends unless all the shareholders approve otherwise. Each Share in the Company gives the holder the right to cast one vote at the general meetings of shareholders of the Company.
Restrictions on free transferability	The Company's Shares are freely transferable according to Norwegian law and the Company's Articles of Association.
Dividend policy	IDEX does not have any established dividend policy in place except to say that the Company's aim and focus is to enhance shareholder value and provide an active market in its Shares. IDEX has historically never declared or paid any dividends on its Shares and does not anticipate paying any cash dividends for 2019 or the next few years. IDEX intends to retain future earnings, if any, to finance operations and the expansion of its business. Any future determination to pay dividends will depend on the Company's financial condition, results of operation and capital requirements.
<b>Where will the securities be traded?</b>	
Listing and admission to trading	<p>The Company's Shares have been listed on Oslo Stock Exchange since 11 May 2015 under the ticker symbol "IDEX".</p> <p>The listing on Oslo Stock Exchange of the Tranche Two Shares is subject to the approval of the Prospectus by the Financial Supervisory Authority under the rules of the Norwegian Securities Trading Act. Such approval was granted on 19 December 2019.</p> <p>The first day of trading of the Tranche One Shares was on 3 December 2019. The first day of trading of the Tranche Two Shares is expected to be on or about 30 December 2019. IDEX's shares are not listed on any other regulated market place and IDEX does not intend to seek such listing.</p> <p>As of 11 November 2019, IDEX shares are traded on the OTCQB Venture Market exchange under the ticker symbol IDXAF.</p>
<b>What are the key risks that are specific to the securities?</b>	
Key risks specific to securities	Future issuances of Shares or other securities could dilute the holdings of shareholder and could materially affect the price of the Shares.

**1.4 SECTION D – KEY INFORMATION ON THE PRIVATE PLACEMENT**

<b>Under which conditions and timetable can I invest in this security?</b>																							
Terms and conditions of the offer	<p>On 17 November 2019, IDEX raised approximately NOK 41.57 million in gross proceeds through the issuance of 55,425,407 Tranche One Shares, each with a par value of NOK 0.15 and a Subscription Price of NOK 0.75 per Tranche One Share.</p> <p>Further, on 12 December 2019, the Company raised approximately NOK 48.43 million in gross proceeds through the issuance of 64,574,593 Tranche Two Shares, each with a par value of NOK 0.15 and a Subscription Price of NOK 0.75 per Tranche Two Share.</p> <p>Below is an overview of the terms and timetable for Tranche Two:</p> <table border="1"> <tbody> <tr> <td><b>Number of Tranche Two Shares:</b></td> <td>64,574,593</td> </tr> <tr> <td><b>Subscription Price per Tranche Two Share:</b></td> <td>NOK 0.75</td> </tr> <tr> <td><b>Payment date:</b></td> <td>On or about 20 December 2019</td> </tr> <tr> <td><b>Registration of share capital increase:</b></td> <td>On or about 23 December 2019</td> </tr> <tr> <td><b>Delivery of Tranche Two Shares:</b></td> <td>On or about 27 December 2019</td> </tr> <tr> <td><b>Trading of the Tranche Two Shares:</b></td> <td>Expected first day of trading of the Tranche Two Shares on Oslo Stock Exchange is on or about 30 December 2020</td> </tr> <tr> <td><b>Number of Shares pre Private Placement</b></td> <td>597,988,732 Shares, each with a par value of NOK 0.15.</td> </tr> <tr> <td><b>Number of Shares post Tranche One</b></td> <td>653,414,139 Shares, each with a par value of NOK 0.15.</td> </tr> <tr> <td><b>Number of Shares post Tranche Two</b></td> <td>717,988,732 Shares, each with a par value of NOK 0.15.</td> </tr> <tr> <td><b>Rights of the Tranche Two Shares</b></td> <td>The Tranche Two shares are in all respects equal to the ordinary Shares of the Company.</td> </tr> <tr> <td><b>Dilution:</b></td> <td>The percentage of immediate dilution resulting from the Private Placement for the Company's existing shareholders who did not participate in the Private Placement, is approximately 17%.</td> </tr> </tbody> </table>	<b>Number of Tranche Two Shares:</b>	64,574,593	<b>Subscription Price per Tranche Two Share:</b>	NOK 0.75	<b>Payment date:</b>	On or about 20 December 2019	<b>Registration of share capital increase:</b>	On or about 23 December 2019	<b>Delivery of Tranche Two Shares:</b>	On or about 27 December 2019	<b>Trading of the Tranche Two Shares:</b>	Expected first day of trading of the Tranche Two Shares on Oslo Stock Exchange is on or about 30 December 2020	<b>Number of Shares pre Private Placement</b>	597,988,732 Shares, each with a par value of NOK 0.15.	<b>Number of Shares post Tranche One</b>	653,414,139 Shares, each with a par value of NOK 0.15.	<b>Number of Shares post Tranche Two</b>	717,988,732 Shares, each with a par value of NOK 0.15.	<b>Rights of the Tranche Two Shares</b>	The Tranche Two shares are in all respects equal to the ordinary Shares of the Company.	<b>Dilution:</b>	The percentage of immediate dilution resulting from the Private Placement for the Company's existing shareholders who did not participate in the Private Placement, is approximately 17%.
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Estimated expenses	The total estimated expenses relating to the Private Placement will be NOK 0.6 million including Prospectus costs. No expenses will be charged to the investors by the Company.
<b>Why is this prospectus being produced?</b>	
Reasons for the offer/Use of proceeds	The capital raised through the Private Placement will be used to strengthen the Company's equity and financial position. The proceeds are expected to be used for the following principal purposes: <ul style="list-style-type: none"> <li>• 60% of the net proceeds will be used for securing working capital for the expected increase in customer shipments</li> <li>• 40% of the net proceeds will be used for supporting development of the Company's technology roadmap</li> </ul>
Estimated net proceeds	The subscription price per New Share was NOK 0.75, amounting to an aggregate subscription price and gross proceeds in the Private Placement of NOK 90 million. Taking into account the transaction costs related to the New Shares and all other directly attributable costs in connection with the Private Placement, the net proceeds are expected to be approximately NOK 89.4 million.
Underwriting agreements	No underwriting agreements have been concluded in connection with issuance of the New Shares.
Material conflicts	There is no interest of any natural and legal persons involved in the Private Placement, including any conflict of interest, that is material to the Private Placement.