March 1, 2021

Zacks Small-Cap Research

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IDEX Biometrics ASA (NASDAQ: IDBA)

IDBA: Q4 on Target as Revenues Ramp, ADS List on NASDAQ Today at 75:1 Ratio

We are valuing IDEX on 2025 revenues discounted to today using the average EV/Sales of other fabless semiconductor companies that trade at 9.5 times 2021 estimated sales.

Current Price (02/26/21)	$26.25
Valuation	**$75.00**

OUTLOOK

IDEX Biometrics is a Norwegian-headquartered fabless semiconductor company largely operating from the US with a US based senior management team that provides hardware and software systems to create biometric fingerprint protected payment cards and other smart card solutions. Next generation payment cards are being piloted and should start to ship in volume at the end of this year. The networks that process 45% of cards worldwide have already certified its technology. Its solution results in a payment card cost that is 30-50% less expensive than cards built with the competition through leading-edge design and is protected by IP. Without legacy product to cannibalize, IDEX provides a pure play in fingerprint based biometric solutions.

SUMMARY DATA

52-Week High	**$32.25**
52-Week Low	**$14.25**
One-Year Return (%)	**379**
Beta	**2.6**
Average Daily Volume (sh)	**39,746**
ADS Outstanding (mil)	**12.2**
Market Capitalization ($mil)	**$320**
Short Interest Ratio (days)	**0.1**
Institutional Ownership (%)	**5.4**
Insider Ownership (%)	**19.1**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2021	**N/M**
P/E using 2022	**N/M**

Risk Level	**High**
Type of Stock	**Small-Growth**
Industry	**Elec. Comp-Semi**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2019	0.2 A	0.0 A	0.1 A	0.1 A	0.4 A
2020	0.1 A	0.1 A	0.2 A	0.6 A	1.1 A
2021	0.6 E	0.8 E	1.2 E	2.5 E	5.0 E
2022					20.0 E

Earnings Per ADS

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2019	-$1.04 A	-$0.95 A	-$0.94 A	-$1.16 A	-$4.06 A
2020	-$0.66 A	-$0.65 A	-$0.65 A	-$0.63 A	-$2.62 A
2021	-$0.60 E	-$0.59 E	-$0.58 E	-$0.49 E	-$2.27 E
2022					-$1.90 E

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WHAT'S NEW

Today marks the debut of IDEX Biometrics on NASDAQ through the listing of ADSs. An IDEX ADS is comprised of 75 shares making the total primary ADS outstanding 12.2 million. Our report has been revised to reflect ADSs rather than shares.

IDEX Makes Progress on Multiple Large Opportunities

Q4 results were completely on target with expectations, and we are heartened by the progress the company continues to make in very large opportunities. The most exciting we think is its lead in China where it now has two designs certified by China UnionPay and remains the only company certified by them. This early is significant in such a huge market. In addition to payment cards, the company revealed that it is in the new Chinese wallet being piloted by the Postal Service Bank of China. It is a thick card that will be able to store and transact with the soon to be implemented China fiat cryptocurrency aka digital Yuan. This cryptocurrency is the only legal cryptocurrency in China and is ultimately to lead to the discontinuance of cash in the country. This wallet also allows users in Beijing to access health care services and it being considered for other applications. The purpose of the wallet is to provide a device that can allow transactions without needing to own a smartphone or have an Internet connection. This device will store Yuan much like a prepaid debit card would and is a solution for using digital currency for the unbanked and unconnected. Xiong'an branch of the Agricultural Bank of China is the only other bank that has a wallet it is testing. The market for these wallets could be huge particularly if the government mandates their use.

Other than China, IDEX continues to increase the number of card pilots it is in as well as ramping order shipments to Bloomberg. We expect the first adopters will be the European banks as Paribas starts rolling out is fingerprint cards and its local competitors move to compete with the same. As a result, we believe the first US banks to launch fingerprint cards may be those who are owned by European banks. Clearly the US will lag implementation as Asia and Europe are so far ahead in their process. The good news is moving to biometric cards needs no new POS hardware at retailers as opposed to the last generation of pin and chip so there would be no friction there.

While MasterCard already certifies IDEX, we expect VISA certification to be achieved in the next two months. VISA was slower to pursue biometric cards and has just gotten to certifying designs this year.

IDEX Reports Q4 on Target as it Starts to Ramp Production

In Q4 of 2020 the company generated $598,000 in revenues compared to $160,000 in 2019, product sales however were $593,000 in Q4 2020 compared to $10,000 in 2019, reflecting production shipments to Bloomberg as well as sample and pilot shipments to card manufacturers. Most of these sales were to Bloomberg for its new keyboards against its $6 million minimum contract. These sales yielded a gross margin of 70.2% versus 79.2% due to the mix of product versus NRE revenues.

Expenses decreased $2.1 million in Q4 2020 versus Q4 2019. This year the company benefited from a $936,000 development credit, which brought R&D spending to a negative $144,000. In Q4 2019 the credit was $553,000.

Operating loss for the quarter was $7.2 million compared to a loss of $7.3 million last year. The net loss was $7.2 million compared to $9.5 million, while the non-GAAP loss was $6.5 million versus $9.0 million, a decrease of $5.5 million, as management streamlined operations as it approaches volume ramps. The non-GAAP loss takes out stock-based compensation as well as $500,000 in one-time expenses from listing on NASDAQ in the Q4 2020 quarter.

GAAP loss per share was $0.009 this year compared to $0.015 last, and non-GAAP was a loss of $0.008 versus $0.015. The share count increased 41.4% to 868 million.

GAAP loss per ADS was $0.63 versus a loss of $1.16 last year. The non-GAAP loss per ADS was $0.56 versus a loss of $1.11 in Q4 2019.

EBITDA loss in this quarter was $6.0 million compared to $8.7 million in 2019. Cash flow (not including changes in working capital) was a negative $6.0 million compared to a negative $8.8 million. Free cash flow was a negative $6.2 million compared to $9.1 million last year.

Balance Sheet

At the end of December IDEX had $7.3 million in cash, $6.7 million in working capital and no debt. It is burning about $5-6 million a quarter. On November 9th the company sold 42.5 million new shares at NOK 1.65 per share in a private placement resulting in gross proceeds of NOK 70 million (US$7.9 million). Its American Depository Shares (ADSs) are now listed on NASDAQ under the ticker IDBA, at the ratio of 75:1 shares to ADS.

Subsequent Events

On February 15, IDEX sold 83,214,674 new shares at NOK 2.75 per share for gross proceeds of about NOK 229 million (**US$27.2 million**). The company intends to use the proceeds to cover expansion investments and used for general corporate purposes, and is expected to fund the company to the commercially scalable volumes phase. The company now has share capital of NOK137,304,213.30, and **915,361,422 primary** shares outstanding.

On February 2, 2021: IDEX announced that its fingerprint sensor and Tongxin Microelectronics' secure element (SE) have been included in a second biometric payment card certified by China UnionPay. The card is ready for volume production and is being manufactured by Goldpac. TMC and IDEX have the **only** solutions to be certified by China UnionPay.

KEY POINTS

- IDEX Biometrics was founded in Norway in 1997 and has since 2014 largely become a US centric product company with extensive expertise in fingerprint biometrics and semiconductor and systems design. It is a fabless semiconductor company that targets primarily the payment card industry and is just starting to ship production volumes of its next generation sensors and solutions to major card providers.

- Next generation credit cards will have fingerprint authentication embedded sensors and chips. Importantly this generational switch will not require new POS equipment as with chip and PIN and should occur much faster. This technology is expected to reduce fraud and increase usage easily providing payback for banks even with the incremental cost. IDEX's unique patent-protected *"off-chip"* design allows cards to be manufactured at less than half the price of competitors by separating

the fingerprint sensor from its controller chip thus allowing the use of a smaller, newer, and more powerful chips.

- Despite the existence of smartphone-based payment systems, market researcher Nilson still believes the market for payment cards will increase 7.3% per year. There are 23.6 billion payment cards in use globally. Biometric payment card units are expected to grow from 2 million shipped in 2021 to a minimum of 400 million by 2024. IDEX could receive $3 per card of the market share it captures.

- IDEX has already had its design certified by two out of the three major card networks, MasterCard and China UnionPay, who process over 45% of the cards in use worldwide. It has begun to provide cards in small quantities to card issuers to sample and conduct pilots at banks in various countries.

- It has more than $7 million of revenue under contract, all booked in 2020, and is now shipping against these orders. In 2021 we expect the company will be providing product to many of the major card providers who in turn will sell to their customers worldwide. In addition, it will be selling production volumes to customers in the secure access control business and other applications such as IOT.

- The company trades on the Oslo Børs. Until Friday it was trading on the OTCQB, but today its ADSs started trading on NASDAQ under the ticker IDBA.

- As a fabless semiconductor company with high operating leverage, it is expected to be at very high pretax margins once it ramps revenues and it deserves a enterprise value to sales valuation in line with its peers that trade at 9.5 times. It currently trades at $320 million market cap (or $355 million fully diluted). We believe that by 2025 it has the potential of $500 million in sales at which point it could be valued as a $5 billion company.

OVERVIEW

IDEX Biometrics was founded in 1997 and is headquartered in Norway. The company has 90 employees and currently operates from offices in Wilmington, MA and Rochester, NY (54 employees), Farnborough, UK (37), Shanghai China (8), and Norway (1). It files financials in Norway and is listed on the Oslo Bors and OTCQB exchanges. The company applied to be listed on NASDAQ in October under the ticker IDBA. As a result, it has begun to file in the US with the SEC including a prospectus filed in October of 2020.

It sells its system solutions which include fingerprint sensors, chips, and the software to make them function, to companies that incorporate fingerprint identification technology into their products. IDEX is targeting primarily the payments card market including contactless debit and credit cards. The company also supplies its products for access control and IoT. It has developed a unique design that fits the specific parameters required for cards including energy harvesting and low power operation at industry leading costs. Its main competitor is Fingerprint Cards AB (FPC) of Sweden, who has participated in more pilots with partners but is offering an older, more expensive, larger, and kludgy solution. IDEX believes customers will see its cost and design advantages and it will capture large market share in this nascent industry.

Q4 Shipments

- Dongwoon Anatech - volume production orders for both its current and next generation, TrustedBio fingerprint sensors. Dongwoon Anatech is a smart card integrator headquartered in Seoul, South Korea. These orders are for DWA's smart identity (ID) cards. This order is a small order in quantities for testing, but since this company makes access control and security cards it does not need to go through the same certifications as bank cards and will be able to roll out products quicker.

- Ubivelox - a production order for its TrustedBio™ products. Ubivelox, headquartered in Seoul, South Korea, is working with IDEX to provide biometric payment cards for its 140+ customer base, which include MasterCard and Visa issuers across the Asia Pacific region.

- Zwipe (ZWIPE.ST) - 300,000 units of TrustedBio™ fingerprint sensors to integrate with Zwipe's PayONE platform. Zwipe is a Norwegian pioneer in contactless payments who sells fingerprint credit cards and watchbands and has partnered with IDEMIA. The order is for its customers to conduct pilots. IDEX has just begun to ship to Zwipe in small quantities and its order is expected to be filled throughout 2021.

- Hengbao – a production order for IDX3205 fingerprint sensors. Hengbao is one of the largest smart card companies based in China, and its cards support MasterCard, China UnionPay, VISA, JCB and others, as well as emerging digital currency standards. IDEX has begun to ship to Hengbao for upcoming pilots.

- Although IDEX has been selected by Goldpac to fulfill its orders for the digital wallet at the Postal Bank of China, IDEX does not expect to begin shipping to Goldpac until Q2 2021.

FORECASTS

2021

In 2021 we expected some increase in revenues that will come from increased shipments to Bloomberg and the beginnings of volume shipments in the payment card market. We suggest investors focus more on design wins, pilots, customers signed, and card certifications. A pilot can take a couple of months and then a design win can turn into revenues six to twelve months later. To get an idea of order of magnitude, a customer order for samples could be $30,000, while for a pilot could be $50,000 to $100,000 for 100 to 200 cards. For a typical launch, volume could be 2 million units or $6 million in shipments.

Another important factor for 2021 and 2022 is the cash burn required to reach cash breakeven, which will dilute shareholders. For 2021 we are expecting revenues of between $3 and $7 million depending on when customers decide to place orders after successful pilots. Most revenues will be in the latter half of the year, although we do expect revenues to increase sequentially throughout 2021.

Expenses are more predictable, and we expect the company to spend in levels more like 2019 than 2020. Expenses of $30 million in 2021 would lead to a loss of $27 to $28 million million for the year requiring $24 million in cash.

For 2021 we are looking for revenues of $5 million and a loss of $27.5 million or a loss of $0.03 per share using 912 million shares.

Beyond 2021

In order to evaluate IDEX's potential revenues we need to look at the market and think about the possible market share IDEX could capture. Using ABI's forecast forecast of 353 million biometric cards in 2025 as the minimum and IDEX's content of $3 per card that is a total addressable market of $1.1 billion a year. If IDEX gets half, that is $530 million in revenues in 2025.

However given the actual cost of the card at $5 per card, we believe the potential market is closer to that afforded by the entire contactless card market size, which would be 3.4 billion cards or $10.2 billion. Assuming half the contactless market goes biometric and half of the half goes to IDEX that would be $2.6 billion in revenues to IDEX in 2025.

The company should be EBITDA positive at quarterly revenues of $11-13 million and $6-7 million in expenses using a 50% gross margin. We expect his could be achieved in 2022.

VALUATION

IDEX is coming from near zero revenues as it launches its new products and gains acceptance in the marketplace. To value the company we need to look to future years and discount valuations back to today to calculate a current price for IDEX. From the comp chart below we see that the average fabless semiconductor company trades as an average of 9.5 times enterprise value to 2021 estimated sales. By 2025 IDEX could reach $500 million in sales or higher. That would result in an enterprise value of $4.75 billion. After its recent raises the company now has 915.4 primary shares outstanding. According to the treasury stock method, the current fully diluted share count at a stock price of NOK2.97 per share is **942 million fully diluted shares**. We are adding 20 million shares to reach 962 million by 2025. Divided by 962 gives us a stock price of $4.94 share. Discounting that by 30% per year to current value gives an EV of $1.66 billion and a stock price of $1.73 per share. To be conservative we are starting with a valuation of $1.00 per share and will increase that as we see it ramp revenues and land design wins on it path to our earnings expectations. Translating that $1.00 price per shares to ADS is $75.00 per ADS.

Fabless Semiconductors

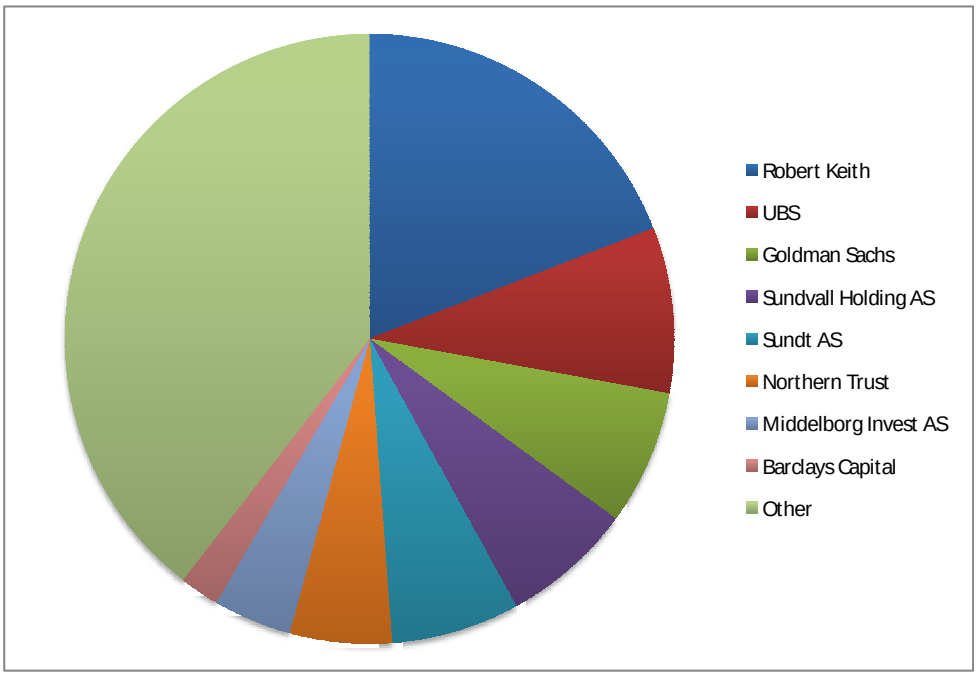
		Cal. Revenue				EBIDTA		Enterprise Value / Sales				EV/EBITDA	Included	
Company	Ticker	2022E	2021E	2020	LTM	EBITDA	Margin	2022E	2021E	2020E	LTM		in Average?	Ent. Value
AMD	AMD	$15,620	$13,510	$9,760	$9,760	1,680	17%	6.4x	7.4x	10.3x	10.3x	59.9x	y	100,610
Broadcom	AVGO	$27,400	$26,300	$23,890	$23,890	11,040	46%	8.2x	8.6x	9.4x	9.4x	20.4x	y	225,280
Cirrus Logic	CRUS	NA	$1,457	$1,330	$1,350	674	50%	NA	3.1x	3.4x	3.3x	6.7x	y	4,520
Inphi	IPHI	$922	$806	$683	$683	253	37%	9.6x	11.0x	13.0x	13.0x	35.1x	y	8,870
Lightwave Logic	LWLG	NA	NA	NA	$0	(6)	NM	NM	NM	NM	NM	-23.6x	y	136
Marvell	MRVL	$3,474	$3,480	$2,966	$2,890	496	17%	9.5x	9.5x	11.2x	11.4x	66.7x	y	33,090
MediaTek	2454.TW	NA	NA	NA	$322,150	53,120	16%	NA	NA	NA	3.9x	23.9x	y	1,270,000
Monolithic Power Sys	MPWR	$1,160	$1,010	$844	$844	190	22%	14.1x	16.2x	19.4x	19.4x	86.3x	y	16,360
Novatek	3034.TW	NA	NA	NA	$79,960	15,860	20%	NA	NA	NA	3.3x	16.8x	y	265,830
NVIDIA	NVDA	$24,320	$21,680	$16,680	$16,680	6,470	39%	13.8x	15.5x	20.1x	20.1x	51.9x	y	335,610
Qualcomm	QCOM	NA	$31,700	$26,690	$26,690	9,130.0	34%	NA	5.0x	5.9x	5.9x	17.3x	y	158,152
Realtek	2379.TW	NA	NA	NA	$72,360	8,940.0	12%	NA	NA	NA	2.8x	22.7x	y	203,230
Xilinx	XLNX	NA	$3,387	$3,050	$3,050	955.6	31%	NA	9.0x	10.0x	10.0x	32.1x	y	30,630
Average								**10.3x**	**9.5x**	**11.4x**	**9.4x**	**32.0x**		**204,024**

RISKS

- The use of biometric payment and security cards is still in the testing and pilot stage. There is no assurance customers will ultimately choose to use this technology or that it will work as expected.
- IDEX is just starting to produce larger volumes of product. There is no assurance they will be able to successfully manufacture product in the volumes needed at the cost expected.
- Production ramps and customer acceptance and rollouts may talk longer than expected and forecasts may not be achieved in the time frame we predict.

- The company is still losing money and is cash flow negative. We expect it will need further funding before reaching cash flow break even, diluting current shareholders.

OWNERSHIP



INCOME STATEMENT

US$ in Thousands	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21E	Q2 21E	Q3 21E	Q4 21E	2019	2020	2021E	2022E
Product sales	10	42	53	53	53	121	246	593	600	750	1,200	2450	159	1,013	5,000	
Other operating income	150	1	96	18	47	28	2	5	0	0	0	0	265	82	0	
Total Revenue	**$ 160**	**$ 43**	**$ 149**	**$ 72**	**$ 100**	**$ 149**	**$ 248**	**$ 598**	**$ 600**	**$ 750**	**$ 1,200**	**$ 2,450**	**$ 424**	**$ 1,095**	**$ 5,000**	**$ 20,000**
Yr-to-yr growth	74.3%				-37.5%	246.5%	66.4%	730.6%	500.0%	403.4%	383.9%	309.7%		158.3%	356.6%	300.0%
Cost of revenue	6	19	21	15	19	32	45	178	210	300	504	1,103	62	275	2,117	9,800
Gross margin	154	24	128	57	81	117	203	420	390	450	696	1,348	362	820	2,884	10,200
Gross margin %	96.3%	55.8%	85.9%	79.2%	81.0%	78.5%	81.9%	70.2%	65.0%	60.0%	58.0%	55.0%	85.4%	74.9%	57.7%	51.0%
Operating expenses																
Payroll expenses	5,259	4,780	5,037	6,676	4,677	3,515	4,275	5,206	5,000	5,050	5,100	5,150	21,749	17,672	20,300	22,000
Development expenses	1,141	919	968	1,360	40	1,069	930	(144)	625	625	625	125	4,385	1,895	2,000	3,500
Other operating expenses	1,132	1,254	1,012	1,246	1,191	1,218	1,370	2,157	1,500	1,550	1,600	1,620	4,641	5,936	6,270	6,521
Amortization and depreciation	401	406	393	432	429	422	430	439	440	440	440	440	1,633	1,719	1,756	1,756
Operating expenses	7,933	7,359	7,410	9,714	6,337	6,224	7,005	7,658	7,565	7,665	7,765	7,335	32,408	27,222	30,326	33,777
Operating income	(7,779)	(7,335)	(7,282)	(9,657)	(6,256)	(6,107)	(6,802)	(7,238)	(7,175)	(7,215)	(7,069)	(5,988)	(32,046)	(26,402)	(27,443)	(23,577)
Net financial items	(17)	(52)	(110)	(34)	(164)	(330)	7	0	40	0	0	0	(216)	(451)	0	0
Pretax loss from operations	**(7,796)**	**(7,387)**	**(7,392)**	**(9,691)**	**(6,420)**	**(6,437)**	**(6,795)**	**(7,238)**	**(7,135)**	**(7,215)**	**(7,069)**	**(5,988)**	**(32,262)**	**(26,853)**	**(27,443)**	**(23,577)**
Income taxes	94	155	129	(218)	(101)	(41)	(3)	45	25	25	25	25	160	99	100	100
Net loss	(7,890)	(7,542)	(7,521)	(9,473)	(6,319)	(6,396)	(6,792)	(7,283)	(7,160)	(7,240)	(7,094)	(6,013)	(32,422)	(26,754)	(27,543)	(23,677)
Non-GAAP net loss	(7,101)	(6,932)	(6,926)	(8,983)	(5,806)	(5,992)	(5,128)	(6,508)	(6,435)	(6,515)	(6,369)	(5,288)	(29,891)	(22,899)	(27,543)	(23,677)
Exchange differences on foreign operations	(17)	(305)	117	441	717	(305)	(622)	879	0	0	0	0	(662)	670	0	0
Total comprehensive income	(7,907)	(7,847)	(7,404)	(9,032)	(5,602)	(6,701)	(7,414)	(6,404)	(7,160)	(7,240)	(7,094)	(6,013)	(33,084)	(26,084)	(27,543)	(23,677)
Basic net loss per share	**$ (0.014)**	**$ (0.013)**	**$ (0.013)**	**$ (0.015)**	**$ (0.009)**	**$ (0.009)**	**$ (0.009)**	**$ (0.008)**	**$ (0.008)**	**$ (0.008)**	**$ (0.008)**	**$ (0.007)**	**$ (0.054)**	**$ (0.035)**	**$ (0.030)**	**$ (0.025)**
Yr-to-yr growth					-36.4%	-31.7%	-31.5%	-45.6%	-9.6%	-8.2%	-10.1%	-21.8%		-35.6%	-13.4%	-16.2%
Non-GAAP loss per share	$ (0.012)	$ (0.012)	$ (0.012)	$ (0.015)	$ (0.008)	$ (0.008)	$ (0.006)	$ (0.007)	$ (0.007)	$ (0.007)	$ (0.007)	$ (0.006)	$ (0.050)	$ (0.030)	$ (0.030)	$ (0.025)
Basic shares outstanding in mil	570.4	597.8	598.0	613.3	718.0	742.6	787.9	867.6	900.0	915.4	915.4	915.4	598.4	767.1	911.5	935.4
Yr-to-yr growth					25.9%	24.2%	31.8%	41.4%	25.4%	23.3%	16.2%	5.5%		28.2%	18.8%	2.6%
Diluted shares	570.4	597.8	598.0	**605.4**	719.1	743.7	789.0	873.1	901.1	936.9	936.9	936.9	600.2	773.4	928.0	960.7
Yr-to-yr growth					26.1%	24.4%	31.9%	44.2%	25.3%	26.0%	18.7%	7.3%		28.9%	20.0%	3.5%
Basic net loss per ADS	**$ (1.04)**	**$ (0.95)**	**$ (0.94)**	**$ (1.16)**	**$ (0.66)**	**$ (0.65)**	**$ (0.65)**	**$ (0.63)**	**$ (0.60)**	**$ (0.59)**	**$ (0.58)**	**$ (0.49)**	**$ (4.06)**	**$ (2.62)**	**$ (2.27)**	**$ (1.90)**
Non-GAAP loss per ADS	$ (0.93)	$ (0.87)	$ (0.87)	$ (1.11)	$ (0.56)	$ (0.56)	$ (0.46)	$ (0.56)	$ (0.54)	$ (0.52)	$ (0.51)	$ (0.42)	$ (3.74)	$ (2.22)	$ (2.23)	$ (1.85)
Basic ADS outstanding in millions	7.6	8.0	8.0	8.2	9.6	9.9	10.5	11.6	12.0	12.2	12.2	12.2	8.0	10.2	12.2	12.5
Diluted ADS	7.6	8.0	**8.0**	**8.1**	10.3	10.6	11.2	11.6	12.0	12.5	12.5	12.5	8.0	10.3	12.4	12.8
EBITDA	(6,589)	(6,319)	(6,294)	(8,735)	(5,314)	(5,281)	(5,308)	(6,024)	(6,305)	(6,345)	(6,199)	(5,118)	(27,937)	(21,927)	(23,967)	(18,577)

BALANCE SHEET

Thousands US $	Dec 31, 2020	Sept 30, 2020	Qtr-Qtr % Growth	Dec. 31, 2019	Yr-Yr % Growth
Current					
Cash and cash equivalents	**$ 7,298**	**$ 5,704**	28%	**$ 14,126**	-48%
Inventory	859	834	3%	686	25%
Trade receivables	487	223	118%	31	1471%
Prepaid expenses	1,031	655	57%	769	34%
Other current receivables	1,163	686	70%	772	51%
Current Assets	10,838	8,102	34%	16,384	-34%
Goodwill	968	871	11%	941	3%
Other intangible assets	2,442	2,123	15%	2,605	-6%
Property, plant and equipment	1,667	1,661	0%	2,013	-17%
Right of use asset	1,016	1,017	0%	1,375	-26%
Long-term receivable	75	72	4%	152	-51%
Total Assets	17,006	13,846	23%	23,470	-28%
Liabilities					
Accounts payable	631	539	17%	463	36%
Income tax payable	0	97	-100%	129	-100%
Current lease liabilities	731	661	11%	788	-7%
Public duties payable	320	209	53%	357	-10%
Notional employer's tax on sub. Rights	216	54	300%	3	7100%
Other current liabilities	2,267	1,813	25%	3,277	-31%
Current Liabilities	4,165	3,373	23%	5,017	-17%
Deferred tax liability	0	0	0%	31	-100%
Non-current lease liability	327	392	-17%	610	-46%
Total liabilities	4,492	3,765	19%	641	601%
Shareholders' Equity					
Share capital	17,251	16,505	5%	15,445	12%
Share premium	213,858	206,624	4%	197,639	8%
Other paid-in capital	18,664	17,844	5%	15,903	17%
Total paid-in capital	249,773	240,973	4%	228,987	9%
Foreign currency translation effects	(12,322)	(13,201)	-7%	(12,992)	-5%
Retained earnings	(224,937)	(217,690)	3%	(198,183)	13%
Total shareholder's equity	12,514	10,082	24%	17,812	-30%
Tot Liabilities and Share. Equity	17,006	13,847	23%	23,470	-28%
Cash	$ 7,298	$ 5,704	28%	$ 14,126	-48%
Current ratio	2.6	2.4	8%	3.3	-20%
Quick ratio	2.4	2.2	11%	3.1	-23%
Working capital	6,673	4,729	41%	11,367	-41%
Debt	0	0	0%	0	0%
Debt/total assets	0.0%	0.0%	0%	0.0%	0%

CASH FLOWS

	Mar. 31, 2019	June 30, 2019	Sept 30, 2019	Dec. 31, 2019	YR 2019	Mar. 31, 2020	June 30, 2020	Sept 30, 2020	Dec. 31, 2020	YR 2020
Cash flows from operating activities:	3 month	3 month	3 month	3 month		3 month	3 month	3 month	3 month	
Net loss	$ (7,795)	$ (7,387)	$ (7,392)	$ (9,692)	$ (32,263)	$ (6,420)	$ (6,436)	$ (6,795)	$ (7,202)	$ (26,853)
Adjustments to reconcile net loss to net cash used in operating activities:										
Amortization and depreciation	402	406	396	432	1,633	429	422	430	439	1,719
Stock-based compensation	789	610	595	490	2,531	513	404	1,064	775	2,755
Changes in working capital:										
Inventories	(190)	(312)	(304)	983	470	(16)	(42)	(140)	59	(139)
Accounts receivables	(90)	159	155	(22)	8	(59)	(63)	(72)	(220)	(414)
Accounts payable	(84)	237	231	(219)	(124)	217	329	(447)	41	141
Change in other working capital	(1,053)	(371)	(623)	1,782	895	12	(695)	(69)	133	(618)
Other operating activities	(6)	4	4	12	43	197	325	(51)	109	579
Net financial items	(33)	(51)	(50)	(21)	(135)	(20)	-	(2)	(5)	(27)
Income taxes	3	(195)	(190)	-	(226)	(16)	43	-	(464)	(437)
Net cash flows from operating activities	(8,057)	(6,900)	(7,178)	(6,255)	(27,168)	(5,163)	(5,713)	(6,082)	(6,335)	(23,294)
Cash flows from investing activities:										
Purchases of property, plant & equipment	(31)	(261)	(233)	(324)	(850)	(522)	(18)	(51)	(242)	(333)
Proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Payments on non-current receivables	2	-	-	(8)	(6)	-	19	56	1	75
Interest received	33	51	30	21	135	19	-	1	5	26
Net cash flows from investing activities	4	(209)	(203)	(311)	(721)	(503)	1	6	(236)	(232)
Cash flows from financing activities:										
Proceeds from issue of shares	24,514	(506)	-	9,908	34,164	(1)	10,251	-	8,035	18,731
Payments on lease liabilities	(164)	(165)	(164)	(182)	(675)	(192)	(200)	(199)	(202)	(793)
Payment related to financed asset purchase					(500)					(500)
Net cash provided by financing activities	24,350	(671)	(164)	9,726	32,989	(193)	10,051	(199)	7,833	17,438
Net increase (decrease) in cash	16,297	(7,780)	(7,545)	3,160	5,100	5,861	4,339	(6,275)	1,262	(6,088)
Effect of exchange rate changes on cash	(3)	(29)	7	299	(609)	(1,265)	62	577	332	(740)
Cash at beginning of period	9,722	26,016	18,207	10,667	9,635	14,126	7,001	11,402	5,704	14,126
Cash at end of period	26,016	18,207	10,669	14,126	14,126	18,722	11,402	5,704	7,298	7,298
Cash flow	(6,604)	(6,371)	(6,401)	(8,770)	(28,099)	(5,478)	(5,610)	(5,301)	(5,988)	(22,379)
Free cash flow	(6,635)	(6,632)	(6,634)	(9,094)	(28,949)	(6,000)	(5,628)	(5,352)	(6,230)	(22,712)

HISTORICAL STOCK PRICE



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