



NEXT Biometrics Group ASA

Quarterly report – Q4 2015

Highlights

- Volume deliveries to Dell, the first company tier 1 customer
- Significant progress in Smart Card related R&D
- Private placement to Greenbridge Partners of NOK 120 mill
- Termination of inventor royalty agreement
- Transfer to the main list - OB Match

Status

Product: Throughout 2015, NEXT and its partners realized several key Smart Card related development milestones. During this period and continuing into 2016 NEXT has focused large parts of the R&D resources to Smart Card activities. NEXT sees significant opportunities within several of the major volume Smart Card market segments.

Up until Q3, NEXT delivered sample, test and integration modules to Dell. November and December 2015 were the first months of volume deliveries for launched Dell Notebooks and Tablets. Costs related to transition to new products and volume ramp-up have been booked in Q4-15 and will be booked in Q1-16.

The NEXT ASIC project, the last major element in the ongoing cost down program, is after some delays in 2015, now proceeding well with targeted first volume production lots in Q4-16.

Sales and market: The Company focuses its resources on quality dependent market segments that require high levels of security and convenience coupled with the ability to serve close to 100% of a given population. These markets include Smart Cards, NEXT-Enabled markets, traditional markets, high-end smartphones and quality notebooks. The Next technology is well suited for these markets. In addition the Company has made great leaps in R&D in the Smart Card space and will continue to focus on this market in the future.

Financing: The Company has in Q4 secured a private placement of MNOK 120 from Greenbridge Partners, a privately held Investment Company founded by Melker Schörling and Ola Rollén. This placement of 2,000,000 new shares and the exercise of warrants of 93,750 by Icreate Investments Limited, an affiliate of the Foxconn group, resulted in gross proceeds of MNOK 127.5.

Key financial figures

Amounts in NOK million

(except per share data)

	Q4-2015	Q4-2014	Q3-2015	2015	2014	2013
Total revenue	1,7	4,4	0,2	4,6	6,7	0,0
Operating profit (loss)	-45,5	-35,9	-30,3	-121,8	-82,6	-37,6
Net profit (loss) for the period	-47,5	-33,4	-29,9	-121,5	-79,7	-38,8
Opening cash balance	45,3	163,5	76,0	129,3	69,7	0,6
Net change in cash flows	84,9	-34,3	-30,7	1,0	59,5	69,1
Closing cash balance	130,2	129,3	45,3	130,2	129,3	69,7
Total equity	172,7	161,6	90,1	172,7	161,6	63,2
Earnings per share - basic & diluted	-3,78	-2,96	-2,64	-10,44	-7,92	-5,06
Weighted average number of shares (in thousands)	12 593	11 267	11 318	11 639	10 057	7 673

Interim condensed financial statements as of 31 December 2015 (Unaudited)

Profit & loss statement

Revenues

Operating revenue in the fourth quarter of 2015 was NOK 1.7 million, compared to NOK 0.2 million in the previous quarter and NOK 4.4 million in the fourth quarter of 2014. The revenue in the fourth quarter of 2015 was generated by shipment of 46,000 sensors.

For the year 2015, operating revenue amounted to NOK 4.6 million compared to NOK 6.3 million for the year 2014. The revenue for the year 2015 was generated by shipment of more than 100,000 sensors.

Due to low production volumes, high manufacturing costs have been high and the calculated gross margin is negative. The production costs for these initial delivered sensors are currently included in other operating expenses. Several of the initial cost elements related to production and delivery of these units are one-offs or temporary and do not give a clear and relevant cost of goods sold.

Operating expenses

Payroll expenses amounted to NOK 20.9 million in the fourth quarter of 2015, compared to NOK 14.4 million in the previous quarter and NOK 6.4 million in the corresponding quarter of 2014. The quarterly increase of NOK 6.5 million was mainly due to increased accrued social cost related to share-based remuneration. In addition, increased research and development (R&D) costs included in payroll expenses and increased operational activity in Asia were the main reasons for the increase from the corresponding quarter of 2014.

Payroll expenses for the year 2015 amounted to NOK 54.0 million compared to NOK 21.9 million for the year 2014. The increase was mainly due to higher R&D costs, increased operational activity in Asia and increased accrued social cost related to share-based remuneration.

Other operating expenses amounted to NOK 25.6 million in the fourth quarter of 2015, compared to NOK 15.5 million in the previous quarter and NOK 33.6 million in the corresponding quarter of 2014. The increase from the previous quarter of NOK 10.1 million was mainly related to increased production costs and additional write-down of inventories. R&D costs included in other operating expenses decreased to NOK 5.6 million in

the fourth quarter of 2015, compared to NOK 7.6 million in the previous quarter and NOK 7.3 million in the corresponding quarter of 2014.

Other operating expenses amounted to NOK 73.0 million for the year 2015 compared to NOK 66.8 million for the year 2014. The increase of NOK 6.2 million was mainly due to increased operational activity in Asia.

Total R&D expenses, included in both payroll and other operating expenses, amounted to NOK 52.6 million for the year 2015 compared to NOK 38.8 million for the year 2014 (see note 4).

Depreciation, amortisation and investments

Depreciation and amortisation amounted to NOK 0.7 million in the fourth quarter of 2015 compared to NOK 0.7 million in previous quarter and NOK 0.4 million in the corresponding quarter of 2014. For the year 2015 depreciation and amortisation amounted to NOK 1.9 million compared to NOK 0.6 million for the year 2014.

Investments amounted to NOK 0.7 million in the fourth quarter of 2015 compared to NOK 0.4 million in previous quarter and NOK 1.3 million in the corresponding quarter of 2014. Investments for the year 2015 amounted to NOK 18.5 million compared to NOK 2.1 million for the year 2014. The main investment in 2015 was the coating machine with a capacity of 1.2 million units per month and a total investment of NOK 15.5 million completed in the second quarter of 2015.

Net financial items

Net financial items amounted to a net cost of NOK 2.1 million in the fourth quarter of 2015 compared to a net income of NOK 0.5 million in the previous quarter and a net income of NOK 2.6 million in the fourth quarter of 2014. The decrease of NOK 2.6 million in net financial items from the previous quarter was mainly related to the net present value effect of the one-time payment related to the termination of inventor royalty agreement.

For the year 2015 net financial items amounted to a net income of NOK 0.3 million compared to a net income of NOK 2.9 million for the year 2014. The decrease was mainly due to the net present value effect of the one-time payment related to the termination of the inventor royalty agreement.

Net profit (loss) for the period

Net loss in the fourth quarter of 2015 was NOK 47.5 million compared to a loss of NOK 29.9 million in the previous quarter and a loss of NOK 33.4 in the fourth quarter of 2014.

Net loss for the year 2015 amounted to NOK 121.5 million compared to a loss of NOK 79.8 million for the year 2014. The increased loss was mainly due to increased R & D costs and increased operational activity in Asia.

NEXT is exposed to currency effects, as we report in NOK while most our transactions are in USD. As NOK has weakened in the second half of 2015 compared to the first half of 2015, this has had a significant impact on our reported cost in NOK in the fourth quarter.

NEXT operated at a loss and did not incur deferred or payable income taxes for the year 2015 or the year 2014

Cash flow and balance sheet

Cash and cash equivalents

Cash and cash equivalents amounted to NOK 130.2 million by the end of 2015 compared to NOK 129.3 million by the end of 2014. The operations, including investments, consumed cash in an amount of NOK 44.2 million in the fourth quarter of 2015 compared to NOK 30.6 million in the previous quarter and NOK 37.2 in the fourth quarter of 2014.

The net proceeds of the private placement of 2,000,000 new shares, the exercise of warrants of 93,750 and the exercise of 62,100 options gave total gross proceeds of NOK 129.1 million. The Company's share capital is NOK 13,473,515, divided into 13,473,515 shares with a par value of NOK 1 per share.

Total cash consumed for the year 2015, including investments, amounted to NOK 128.1 million compared to NOK 114.2 million for the year 2014. The cash consumed for the year 2015 was mainly related to the loss of NOK 120.8 million and investments of NOK 18.5 million.

Equity

Equity amounted to NOK 172.7 million by the end of 2015 compared to NOK 161.6 million by the end of 2014. This was mainly due to the net proceeds of NOK 129.1 million described above and the loss of NOK 120.8 million in 2015.

Outlook

- Smart Card Ramp Up Milestones to be passed.
- NEXT-Enabled Markets generate attractive long term volume business
- Boost of NEXT Enabled business based on the 1411-Series launched.
- Serve the quality focused Notebook segment

NEXT is at present ramping up Smart Card related plans and activities. Investments and the distribution of these are under discussion with strategic partners. Dependent of the above, the group cash position may cover less than 12 months of operations and the Board will accordingly initiate activities to ensure relevant company financing.

Oslo, February 19, 2016
Board of directors
NEXT Biometrics Group ASA

NEXT Biometrics Group ASA

Condensed interim statements of comprehensive income (unaudited)

31 December 2015

Amounts in NOK 1,000		2015	2014	2015	2014
	Notes	1.10-31.12	1.10-31.12	1.1-31.12	1.1-31.12
PROFIT AND LOSS					
Revenue					
Operating revenue	3	1 705	4 382	4 571	6 306
Other revenue	3	0	0	0	375
Total revenue		1 705	4 382	4 571	6 681
Operating expenses					
Payroll expenses	4	20 923	6 409	54 000	21 914
Other operating expenses	4	25 576	33 566	70 520	66 781
Total operating expenses		46 499	39 975	124 520	88 695
Profit (loss) before tax, depreciations and amortization		-44 795	-35 593	-119 949	-82 014
Depreciations and amortisation	5,6	686	353	1 866	596
Operating profit (loss)		-45 481	-35 946	-121 815	-82 609
Net financial items	7	-2 061	2 561	304	2 918
Net profit (loss) for the period		-47 541	-33 385	-121 511	-79 691
Earnings per share - basic and diluted	9	-3,78	-2,96	-10,44	-7,92
Other comprehensive income					
Items that will be reclassified to profit and loss					
Exchange rates differences		58	-85	-41	-105
Total other comprehensive income		58	-85	-41	-105
Total comprehensive income for the period		-47 483	-33 470	-121 552	-79 797
Total comprehensive income for the period attributable from:					
Owners of the parent company		-47 483	-33 470	-121 552	-79 797
Total		-47 483	-33 470	-121 552	-79 797

Condensed interim statements of financial position (unaudited)

Amounts in NOK 1,000		31.des.15	31.des.14
ASSETS			
Non-current assets			
Intangible assets	5	7 068	7 215
Machinery and office equipment	6	18 725	1 960
Total non-current assets		25 793	9 175
Current assets			
Inventory		22 140	17 154
Receivables			
Account receivables		1 680	3 770
Other receivables		12 913	19 568
Total receivables		14 594	23 338
Cash and cash equivalents		130 231	129 265
Total current assets		166 964	169 758
Total assets		192 757	178 933
EQUITY AND LIABILITIES			
Equity			
Share capital	8	13 474	11 318
Share premium		395 119	268 155
Other paid in capital		20 158	16 594
Retained earnings		-256 009	-134 457
Total equity		172 743	161 609
Liabilities			
Non-current liabilities			
Other non-current provisions	7	0	7 147
Total non-current liabilities		0	7 147
Current liabilities			
Accounts payable		7 929	5 121
Public duties payable		179	465
Other current liabilities		11 907	4 590
Total current liabilities		20 015	10 177
Total liabilities		20 015	17 323
Total equity and liabilities		192 757	178 933

NEXT Biometrics Group ASA

Condensed interim statements of cash flow (unaudited)

Amounts in NOK 1,000	Notes	2015	2014	2015	2014
		1.10-31.12	1.10-31.12	1.1-31.12	1.1-31.12
Cash flows from operating activities					
Profit (loss) before taxes		-47 541	-33 385	-121 511	-79 691
Share based remuneration (equity part)		1 022	1 409	3 564	4 407
Depreciations and amortisation	5,6	686	353	1 866	596
Change in working capital items		2 290	-4 374	6 451	-37 382
Net cash flows from operating activities		-43 543	-35 997	-109 630	-112 070
Cash flows from investing activities					
Purchase of tangible assets		-687	-1 250	-18 484	-2 133
Net cash flows from investing activities		-687	-1 250	-18 484	-2 133
Cash flows from financing activities					
Change in non-current debt		0	-148	0	0
Share issue net of expenses		129 121	3 213	129 121	173 845
Net cash flows from financing activities		129 121	3 065	129 121	173 845
Translation differences		58	-85	-41	-105
Net change in cash flows		84 949	-34 267	966	59 537
Opening cash balance		45 282	163 531	129 265	69 728
Closing cash balance		130 231	129 265	130 231	129 265

Condensed interim statements of changes in equity (unaudited)

Amounts in NOK 1,000	Notes	Share capital	Share premium	Other paid-in capital	Retained earnings	Total Equity
Balance 1 October 2015		11 318	268 155	19 136	-208 525	90 083
Shares issue	8	2 156	126 965			129 121
Share based compensation				1 022		1 022
Translation differences					58	58
Net profit (loss)			0		-47 541	-47 541
Balance 31 December 2015		13 474	395 119	20 158	-256 009	172 743
Balance 1 October 2014		11 188	272 558	15 185	-108 473	190 457
Shares issue	8	130	3 083			3 213
Share based compensation				1 409		1 409
Translation differences					-85	-85
Net profit (loss)			-7 486		-25 899	-33 385
Balance 31 December 2014		11 318	268 155	16 594	-134 457	161 609
Balance 1 January 2015		11 318	268 155	16 594	-134 457	161 609
Shares issue	8	2 156	126 965			129 121
Share based compensation				3 564		3 564
Translation differences					-41	-41
Net profit (loss)			0		-121 511	-121 511
Balance 31 December 2015		13 474	395 119	20 158	-256 009	172 743
Balance 1 January 2014		8 788	104 326	12 187	-62 147	63 154
Shares issue	8	2 530	171 315			173 845
Share based compensation				4 407		4 407
Translation differences					-105	-105
Net profit (loss)			-7 486		-72 205	-79 691
Balance 31 December 2014		11 318	268 155	16 594	-134 457	161 609

Notes to the condensed interim financial statements

31 December 2015 (Unaudited)

1. General information

NEXT BIOMETRICS GROUP ASA ("NEXT") is a public limited liability company incorporated and domiciled in Norway. NEXT Biometrics Group ASA is the parent company of the Group whose headquarter is located in Oslo, Norway, with subsidiaries in Shanghai, Seattle, Taipei and Prague. NEXT's shares were listed at Oslo Stock Exchange main list, OB Match, as of 17 December 2015.

The operations of the Group are carried out by the Group's operating subsidiaries. As per the end of 2015, the Group has five wholly owned operating subsidiaries: NEXT Biometrics AS (Norway) and its subsidiaries NEXT Biometrics Inc (Seattle, USA), NEXT Biometrics China Ltd (Shanghai, China), NEXT Biometrics Taiwan Ltd (Taipei, Taiwan) and NEXT Biometrics s.r.o (Prague, Czech Republic).

The purpose of the company as stated in the articles of association is to conduct research, development and commercialization of security products, as well as other related activities that will naturally fall under this.

2. Basis of preparation, accounting policies

This condensed interim financial report for the fourth quarter of 2015 has been prepared in accordance with IAS 34 "Interim financial reporting". The condensed interim financial report should be read in conjunction with the annual financial statements for 2014.

The IFRS accounting policies applied in this condensed interim financial report are consistent with those applied and described in the annual financial statements for 2014.

The going concern assumption has been applied when preparing this financial report. In 2014 NEXT raised additional funds to enable NEXT to enter the commercial phase. NEXT made a private placement in 2015, which in addition to the exercise of warrants and options, gave total new funds of NOK 129.1 million. By the end of 2015 NEXT had earned revenue from commercial volumes, but still at modest levels.

NEXT is at present ramping up Smart Card related plans and activities. Investments and the distribution of these are under discussion with strategic partners. Dependent of the above, the group cash position may cover less than 12 months of operations and the Board will accordingly initiate activities to ensure relevant company financing.

This interim financial report has not been subject to audit.
The board of directors approved the report on 19 February 2016.

3. Revenue and segment reporting

Operating revenue - Per business segment (amounts in NOK)	2015 1.1-31.12	2014 1.1-31.12
Fingerprint sensor technology	4 571 441	6 306 414
Total	4 571 441	6 306 414

NEXT have grouped its activities into four main market segments: (i)Smartphones & Tablets, (ii) Notebooks & Accessories, (iii) Existing/Traditional markets and (iv) NEXT Enabled markets.

The core technology (sensor and ASIC) is generic to the four markets. Since NEXT has limited revenues, it is operating and reporting only in one business segment; *Fingerprint sensor technology*.

For the year 2015 more than 100,000 sensors were shipped, of which 46,000 sensors were shipped in the fourth quarter of 2015. For the year 2014, more than 150,000 sensors were shipped to customers, of which over 100,000 were shipped in the fourth quarter of 2014.

4. Operating expenses

Payroll expenses	2015	2014
(amounts in NOK)	1.1-31.15	1.1-31.12
Share based remuneration (salary part)	3 327 298	3 001 961
Share based remuneration (employer's tax)	5 170 345	-1 907 640
R&D related payroll expenses	27 807 955	11 061 540
Other payroll expenses	17 694 395	9 758 506
Total	53 999 993	21 914 367
Other operating expenses	2015	2014
(amounts in NOK)	1.1-31.12	1.1-31.12
Share based remuneration (operating part)	236 941	1 405 382
R&D related operating expenses	24 779 397	27 703 940
Other expenses *	45 504 128	37 671 389
Total	70 520 466	66 780 711
Total - Operating expenses	124 520 459	88 695 078

*Cost of goods sold is included in other expenses.

5. Intangible assets

The company entered into a royalty agreement on 8 May 2008 regarding NEXT Biometrics Group ASA right to use the patent described as the *Active Thermal Sensing Principle*. This purchase was recognized at net present value and included in the opening balance as of 1 January 2012. The book value is depended on the successful development of the fingerprint technology in the parent company and in the subsidiaries. In October 2015, NEXT and Ngoc Minh Dinh terminated the royalty payment part of the agreement, against a one-time payment of NOK 9,500,000. For further information, see note 7.

	2015	2014
Intangible assets (amounts in NOK)	1.1-31.12	1.1-31.12
Cost - Opening balance	7 458 255	7 458 255
Additions	215 826	0
Disposals at cost	0	0
Currency adjustments	0	0
Cost - Closing balance	7 674 081	7 458 255
Accumulated depreciation - Opening balance	243 204	0
Depreciation	362 495	243 204
Accumulated depreciation of disposed items	0	0
Currency adjustments	0	0
Accumulated depreciation - Closing balance	605 699	243 204
Book value - Closing balance	7 068 382	7 215 051
Depreciation period (straight line) years	3-12	12

The patent is amortized over the patent life from the time revenue was recognized.

6. Tangible assets

Machinery and equipment (amounts in NOK)	2015	2014
	1.1-31.12	1.1-31.12
Cost - Opening balance	3 535 656	1 161 523
	17 948	
Additions	643	2 116 481
Disposals at cost	0	0
Currency adjustments	654 409	257 652
	22 138	
Cost - Closing balance	708	3 535 656
Accumulated depreciation - Opening balance	1 575 766	1 061 698
Depreciation	1 503 503	272 511
Accumulated depreciation of disposed items	0	0
Currency adjustments	334 484	241 557
Accumulated depreciation - Closing balance	3 413 753	1 575 766
	18 724	
Book value - Closing balance	954	1 959 890
Depreciation period (straight line) years	3-10	3-7

7. Provisions

Royalty payments

NEXT Biometrics Group AS and former board member Ngoc Minh Dinh entered into a royalty agreement on 8 May 2008 regarding the company's right to use the patent described as the *Active Thermal Sensing principle*.

In October 2015, NEXT and Ngoc Minh Dinh agreed to terminate the royalty payments. The agreement was initially designed to ensure Ngoc Minh Dinh's a minimum payment for development of the technology regardless of his ownership in the Company. Ngoc Minh Dinh was thus entitled to a royalty equal to 5% of the Company's gross margin. NEXT and Ngoc Minh Dinh agreed to terminate the annual payment under the agreement against a one-time payment of NOK 9,500,000 settled in November 2015.

Royalty payments (amounts in NOK)	2015	2014
	1.1-31.12	1.1-31.12
Opening balance	7 546 803	7 649 839
Time value	145 230	196 964
Additional	0	0
One-time payment (final settlement) *	-7 692 033	-300 000
Closing balance	0	7 546 803
	2015	2014
Presented as:	1.1-31.12	1.1-31.12
Current liability	0	400 000
Non-current liability	0	7 146 803
Closing balance	0	7 546 803

Accounting effects - Termination of the royalty payments:

Minimum royalty cumulated amounts - Nominal value	9 400 000
2013 - Annual down payment	-200 000
2014 - Annual down payment	-300 000
2015 - One-time payment (final settlement)	<u>-9 500 000</u>
Operating expenses - Net excess payment	600 000
Minimum royalty cumulated amounts - Net present value	7 692 034
2010 – Prepayment	<u>-1 000 000</u>
Net royalty provision	6 692 034
2015 - One-time payment (final settlement)	-9 500 000
Operating expenses - Net excess payment	<u>600 000</u>
Financial expenses - Net amount (final settlement)	2 207 966

After the settlement NEXT does not have any contingent assets or contingent liabilities. NEXT has not issued any guarantees.

8. Shares and incentive options

	2015	2014
Shares	1.1-31.12	1.1-31.12
Opening balance	11 317 665	8 787 665
Share issue(s)	2 093 750	2 400 000
Exercised incentive options	62 100	130 000
Closing balance	13 473 515	11 317 665

In November 2015, the Company's Extraordinary General Meeting (EGM) passed a resolution to increase the Company's share capital by NOK 2,000,000 by issuance of 2,000,000 new shares. Iskossala Ltd, an affiliate of Greenbridge Partners subscribed for these 2,000,000 new shares at the subscription price of NOK 60 per share, in total NOK 120,000,000.

Icreate Investments Limited, an affiliate of the Foxconn group, exercised in November 2015, a total of 93,750 unconditional warrants issued on 9 June 2014, each giving the right to subscribe for and be allotted one new share in the Company. The subscription price per warrant was NOK 80 per share, in total NOK 7,500,000. After this exercise, a total of 281,250 conditional warrants remain outstanding.

In addition, the share capital increased with 62,100 shares due to exercised options in December 2015. The options were exercised at a subscription price in the range of 11.30 – 50.00 per share corresponding to a total subscription price of NOK 2.2 million.

After the private placement of 2,000,000 new shares, the exercise of warrants of 93,750 and the exercise of 62,100 options the Company's share capital is NOK 13,473,515, divided into 13,473,515 shares with a par value of NOK 1 per share.

Share options

At the Annual General Meeting (AGM) 16 May 2014 the Board of Directors was granted authorization to increase the Company's share capital by up to NOK 1 393 000 for the company's option program. The remaining amount under the board authorization is NOK 1,200,900.

In the fourth quarter of 2015, the board of directors resolved to grant 73,000 new share options, in accordance with the Company's share option program. Radek Matyasek (VP Sales EMEA) was the only primary insider to receive grants in this section at a strike price of NOK 47 per share. He received 10,000 options (30,000 options).

After these option exercises and grant of new options, the total numbers of options outstanding are 1,374,276

Options	2015	2014
	1.1-31.12	1.1-31.12
Opening balance	1 299 876	1 275 332
Grant of incentive options	209 500	224 544
Exercised incentive options	-62 100	-130 000
Forfeited incentive options	-73 000	-60 000
Expired incentive options	0	-10 000
Closing balance	1 374 276	1 299 876

In order to attract talented, experienced and high value networked human resources the Company has entered and plan to continue to enter into share option agreements. NEXT has granted incentive options to employees, contractors and high value networked individuals and members of the advisory board.

Options	2015		2014		2013	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
	01.01.2015 - 31.12.2015		01.01.2014 - 31.12.2014		01.01.2013 - 31.12.2013	
Outstanding at the beginning of period	1 299 876	28,65	1 275 332	25,46	843 201	14,40
Granted	209 500	54,44	224 544	47,63	437 931	47,06
Exercised	- 62 100	35,16	-130 000	25,00	-5 800	50,00
Cancelled	-	-	-	-	-	-
Forfeited	-73 000	52,67	-60 000	25,00	-	-
Expired	-	-	-10 000	75,00	-	-
Adjusted quantity	-	-	-	-	-	-
Modification / Dividends	-	-	-	-	-	-
Outstanding at the end of period	1 374 276	31,16	1 299 876	28,65	1 275 332	25,46
Vested options	1 004 100	20,50	970 210	19,63	925 277	18,92
Weighted Average Fair Value of Options Granted during the period	209 500	39,80	251 544	26,26	437 931	24,55
Intrinsic value outstanding options at the end of the period	1 345 276	105 596 159	857 700	29 369 951	1 224 332	63 385 569
Intrinsic value vested options at the end of the period	1 004 100	86 064 831	827 710	29 055 056	915 277	51 892 999

9. Profit (loss) per share

When the period result is a loss, the loss per diluted number of shares shall not be reduced by the higher diluted number of shares but equals the result per basic number of shares.

The diluted number of shares has been calculated by the treasury stock method. If the exercise price of incentive options exceeds the average per share in the period, the incentive options are not counted as being dilutive.

	2015	2014
1 January – 31 December	1.1-31.12	1.1-31.12
Profit (loss) attributable to the shareholders (NOK)	-121 511 077	-79 691 090
Number of ordinary shares issue at 31 December	13 473 515	11 317 665
Weighted average basic number of shares	11 639 238	10 057 062
Weighted average diluted number of shares	11 640 359	11 323 499
Profit (loss) per share, basic and diluted (NOK)	-10,44	-7,92

10. Risk management

A description of risk factors can be found in Note 2 of NEXT Biometrics Group ASA's 2014 annual report.

11. Events occurring after the balance sheet date

Between 31 December 2015 and the resolution of these condensed consolidated interim financial statements, there has not been any other event which have had any noticeable impact on NEXT's result in the year 2015 or the value of the company's assets and liabilities at 31 December 2015.