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This presentation was prepared in connection with the Q3 results released on October 20, 2020. Information contained herein will not be updated. The following slides should also be read and considered in connection with the information given orally during the presentation.
Continued strong growth in Q3
Driven by both Tier-1s and broad market demand

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Gross margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>USDm</td>
<td>54.1%</td>
</tr>
<tr>
<td>119.4</td>
<td>+45.3% y-o-y</td>
</tr>
<tr>
<td></td>
<td>+34.9% q-o-q</td>
</tr>
</tbody>
</table>

- Bluetooth revenue USD 97.1m (+56.0%)
- Proprietary revenue USD 19.0m (+3.0%)
- Cellular IoT revenue USD 1.6m
- Gross margin of 54.1%
  - Including USD 2 million recalculation from previous quarters (1.7%-points)
  - Continued high volumes of advanced high-margin SoCs
Order backlog at new and higher level

- Order backlog of USD 288m, +154% yoy
  - ~82% of order backlog in Bluetooth Low Energy and multiprotocol solutions
- Technology shifts and accelerated technology adoption
  - Higher demand in all main markets
  - Move from Bluetooth Classic to Bluetooth LE
- Shift in customer mix - larger customers
  - Top-10 account for ~42% of Bluetooth order backlog
  - Tier-1s bring in higher volume products with longer timeframes
  - Longer order backlog - stretching out over the next three quarters
Shift in customer mix

Large customers growing fast

- Top-10 customers’ share of Bluetooth revenue increasing from ~33% in Q3’19 to ~43% in Q3’20
- Revenue from top-10 Bluetooth customers doubled over the past year
- Revenue from other Bluetooth customers +34%
New technology platforms defining features

- Platform companies now defining the features and specs for new ecosystems
- **Nordic** leverages on strong relations built over years
  Example: Nordic to develop Bluetooth LE solutions for Amazon Sidewalk, with Tile set to be the first 3rd party device
- **Nordic** integral part of the CHIP project with major platforms
Continued high certification market share

Bluetooth Low Energy end-product certifications, Last 12 months*

*Source: DNB Markets/FCC
New product launches in Q3

<table>
<thead>
<tr>
<th>TAIYO YUDEN</th>
<th>MEZOO</th>
<th>Airbolt</th>
<th>ProMOS Technologies</th>
<th>Rohde &amp; Schwarz</th>
</tr>
</thead>
<tbody>
<tr>
<td>nRF52805</td>
<td>nRF52832</td>
<td>nRF52833 + nRF9160</td>
<td>nRF9160</td>
<td>nRF9160</td>
</tr>
<tr>
<td>Module</td>
<td>Lightweight wearable</td>
<td>Gateway &amp; Asset</td>
<td>LTE-M smart watch</td>
<td>High-volume production</td>
</tr>
<tr>
<td></td>
<td>ECG tag</td>
<td>Tracking</td>
<td></td>
<td>tester</td>
</tr>
</tbody>
</table>

Selection of publicly disclosable product designs launched in Q3
Fast uptake of nRF52805 after June launch

- TAIYO YUDEN selecting nRF52805 for its EYSSSNZWW module

  “We selected the nRF52805 SoC for the module for the powerful Arm Cortex M4 processor, excellent radio sensitivity, and low power consumption”

  -Mikio Aoki, TAIYO YUDEN, Deputy General Manager

- Minew selecting nRF52805 for its MS46F11 module

  “We selected the nRF52805 SoC for our MS46SF11 module because its high-performance Arm Cortex-M4 processor, compact size, and extremely low power consumption makes it ideal for cost sensitive two-layer PCB wireless designs”

  - Eddie Wang, Senior Marketing Manager, Shenzhen Minew Technologies
Cellular IoT progressing

Regulatory certifications overview:

- Traction with new design wins in consumer-oriented applications like smart watches and trackers
- Received first 100k unit order for single design in October
- Certification from three new major operators in Q3:
  - China Telecom
  - AT&T
  - Bell Canada
Enhanced nRF9160 Hardware version

Strengthening Nordic’s position as the ‘low power’ leader

- 10-20% longer battery lifetime through 30% reduction in sleep current
- Cellular IoT applications mostly sleep and wake-up only to transmit bursts of sensor data.
- 15% reduction in data transmit power

“This power efficiency should not be possible and is far below anything we have seen. Send samples and explain how this is achievable.”

- Utility metering OEM, Europe
Case study: nRF9160 - a game changer in asset tracking

- Nordic sees growing interest in asset tracking with cellular IoT
- Taking advantage of nRF9160’s technical features
  - Small form factor
  - Low power
  - GPS
- Projects spread over various types of assets
  - Construction tools
  - Fleet Management
  - High value items

Crosby Technologies use Nordic’s nRF9160 in its Shipsafe asset tracker to monitor critical items such as ventilators, biomedical equipment, human transplant organs, and high-end industrial equipment.
Revenue growth of 45% in Q3

- Growth in all technologies in Q3
  - Bluetooth accounting for 81% total revenue, after increasing 56% yoy to USD 97.1 million
  - Proprietary +3% to USD 19.0 million
  - Cellular IoT +187% to USD 1.6 m

- ...and year-to-date
  - Bluetooth +40% to USD 218.4 million
  - Proprietary +17% to USD 50.8 million
  - Cellular IoT +336% to USD 3.9 million
Revenue growth in all markets

<table>
<thead>
<tr>
<th>Group</th>
<th>Consumer Electronics</th>
<th>Wearables</th>
<th>Building/Retail</th>
<th>Healthcare</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>USDm</td>
<td>USDm</td>
<td>USDm</td>
<td>USDm</td>
<td>USDm</td>
<td>USDm</td>
</tr>
<tr>
<td>119.4</td>
<td>55.4</td>
<td>19.4</td>
<td>22.9</td>
<td>7.8</td>
<td>10.7</td>
</tr>
</tbody>
</table>

- ~40%-60% year-on-year growth across the markets
- Consumer electronics almost 50% above the previously highest quarter on record
- All-time high levels also for Wearables and Building/Retail
- Healthcare below Q2, which was boosted by flow of Covid-19 initiatives
Spike in gross margin in Q3

Gross margin at 54.1%

- Positive effect of 1.7%-points from reversal of cost of goods sold of USD 2 million from the previous quarter
- Continued favorable product mix, with high share of complex high value SoCs
- Gross margin expected at 51-52% in Q4 2020
- Reiterating medium-term gross margin range of 48%-50% for the short-range business
# Operating model performance Q3 2020

<table>
<thead>
<tr>
<th>Category</th>
<th>Q3 2020</th>
<th>Q3 2019</th>
<th>Change</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>USD 119.4m</td>
<td>USD 82.2m</td>
<td>+45.3%</td>
<td>Growth in all technologies and markets</td>
</tr>
<tr>
<td>Gross margin</td>
<td>54.1%</td>
<td>49.8%</td>
<td>+4.3pp</td>
<td>Product mix, unit costs, positive one-off</td>
</tr>
<tr>
<td>R&amp;D short-range</td>
<td>13.2%</td>
<td>15.1%</td>
<td>-1.9pp</td>
<td>Continued investments, high operational</td>
</tr>
<tr>
<td>R&amp;D cellular IoT</td>
<td>6.9%</td>
<td>8.2%</td>
<td>-1.3pp</td>
<td>Continued investments, high operational</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>10.0%</td>
<td>12.4%</td>
<td>-2.4pp</td>
<td>Higher equity and other compensation</td>
</tr>
<tr>
<td>EBITDA</td>
<td>24.0%</td>
<td>14.1%</td>
<td>+9.9pp</td>
<td>High operational leverage, good cost control</td>
</tr>
</tbody>
</table>
Cash operating expenses

- Cash cost increase of 20%, mainly due to increased number of employees and bonus accruals

**Salary:**
- Number of employees increased by 16% to 872 over the past last 12 months

**Other Opex:**
- Varies with pace of product introductions
- Sharp focus on cost containment
- Reduced travelling

<table>
<thead>
<tr>
<th>Cash OPEX* (USDm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2019</td>
</tr>
<tr>
<td>---------</td>
</tr>
<tr>
<td>Other Opex</td>
</tr>
<tr>
<td>21.5</td>
</tr>
</tbody>
</table>

* Operating expenses, excl. capitalized R&D, depreciation and amortization and option expenses
Year-on-year EBITDA improvement

EBITDA (USDm) and margin (%), quarterly

EBITDA (USDm) and margin (%), LTM
Low Capex of USD 2.3 million, mainly because delivery of new manufacturing testers was moved to Q4

- Q4 2020 guidance at ~USD 5 million
- FY20 Capex intensity set to decline below 5% of revenue in 2020, from 7% in 2019
Continued strong cash position

Operating cash flow of USD 8.6m
- NWC/Revenue LTM at 28.7%, compared to 26.7% at end of Q3 2019

Continued disciplined cash strategy
- Tight cash management and optimized cash conversion

Share issue improving the cash balance
- Repaid USD 40m debt drawn in Q1
- Cash balance at ~2.5x last 12 months

R&D-spend

* EBITDA Adjusted for Capitalized Development Costs
Summary

Svenn-Tore Larsen, CEO
Building on a strong and resilient operating model

Technology innovation in a customer centric business model

Early movers
Investing early in high-growth markets

Sustainable business
In own operation and throughout the value chain

Attracting talent
Building and retaining high-quality workforce

Engaging customers
Combined broad market and tier-1 engagement model

Lead on connectivity
Low power, high performance, feature-rich, reliable and robust

Scalable solutions
Across technologies, markets and customers

Exciting developers
Ease-of use, value-add integration and solutions

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Scalable solutions
Across technologies, markets and customers

Exciting developers
Ease-of use, value-add integration and solutions
Solid market position and ambitious targets

Solid market position
- Market leader in Bluetooth Low Energy
- Dominant share in the broad market
- Strong ties to the large platforms and vertical leaders
- Positioned for market leadership in cellular IoT

Accelerating growth YTD
- Bluetooth revenue +40%
- Proprietary revenue +17%
- Traction in cellular IoT

Ambitious targets
- Long-term drivers in place to support ambitious strategy
- Increased confidence in USD 1 billion aspiration
- Long-term ambition of 20% EBITDA margin remain in place

*On CMD 22nd October 2019, the company communicated an aspiration to become a USD 1bn revenue company within five years.*
Solid Q3 – order backlog supports strong Q4

### Q4 2020 guidance

<table>
<thead>
<tr>
<th>Revenue</th>
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<tbody>
<tr>
<td>USDm</td>
<td>~51%-52%</td>
</tr>
<tr>
<td>115-125</td>
<td>Flat</td>
</tr>
</tbody>
</table>

- Growth supported by higher backlog
  - Backlog structure changing character – larger orders spread over longer period
- Medium-term gross margin guidance of 48%-50%
- Risks and uncertainties remain
  + Further upside potential in faster technology adoption
  - Supply chain risks due to high demand might temporarily affect output capacity
Q&A