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This presentation was prepared in connection with the Q3 results released on October 17, 2023. 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.
Q3 2023:

- Revenue of USD 135m (-33% y/y, -12% q/q)
- Bluetooth USD 120m (-33% y/y, -16% q/q)
- Gross margin 50% and EBITDA margin of 10%

Outlook:

- Guiding for revenue of USD 110-130 million and gross margin around 50% in Q4
- Continued low visibility in the current cyclical downturn
Managing a sharp cyclical downturn

- Sharper and more prolonged downturn than we had anticipated
- Taking action to lower cost base and reallocate resources

Revenue development, last 12 months (USDm)*

*Q4’23 LTM based on midpoint of Q4 revenue guidance
Protecting our unique position

- Maintaining a unique technology platform with Bluetooth, Wi-Fi and Cellular IoT
- Reallocating resources from longer-term projects to projects generating revenue and profits in the near- to mid-term
- Cost measures include reduced use of consultants and assessment of total resource requirement to continue the main R&D programs
- These measures will have effect from 2024 and will reduce quarterly operating expenses in the order of USD 5 million

- Leading ultra-low-power wireless technologies
- Broad solution portfolio
- Common software platform, and development tools
- Exceptional technology support
- Solutions for a wide range of verticals
Tier-1s revenue share continue to increase

- Top-10 customers have continued to grow in absolute revenue and no. of designs
- Increasing customer concentration, with top-10 accounting for 54% of Bluetooth revenue LTM and above 60% in Q3
Steady and high certification market share
More than 5x as large as number 2 and 3

Bluetooth Low Energy end-product certifications, last 12 months

Nordic
end-product certifications

Q3’23
113 designs
42% mkt share

LTM
445 designs
42% mkt share

Nordic trends toward high volume designs

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

<table>
<thead>
<tr>
<th>Company</th>
<th>Product Description</th>
<th>Solution Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ultrahuman</td>
<td>Smart ring</td>
<td>nRF52840</td>
</tr>
<tr>
<td>Hisense</td>
<td>Virtual Reality (VR) headset and controllers</td>
<td>nRF52832</td>
</tr>
<tr>
<td>Velavu</td>
<td>Asset tracking and environment monitoring solution</td>
<td>nRF52833 + nRF9160</td>
</tr>
<tr>
<td>MINEW</td>
<td>MG5 Outdoor Mobile LTE Gateway</td>
<td>nRF52840 + nRF9160</td>
</tr>
<tr>
<td>Adeunis</td>
<td>Indoor environmental monitor device</td>
<td>nRF9160</td>
</tr>
</tbody>
</table>
Cellular IoT

Cellular IoT revenue last 12 months (USDm)

- Revenue decline reflecting market downturn and project push-outs
- Revenue development will remain dependent on the main customers’ production and purchasing cycles
- Base of ~390 projects
Nordic announcing nRF54L15
Ultra-low power Bluetooth 5.4 SoC

Built on the success and reputation of nRF52 Series:

- Natural step forward for customers using nRF52
- Advanced security, higher processing efficiency, more memory and new peripherals
- Ultra-compact for size-constrained designs

Manufactured on TSMC’s 22ULL® (22nm)

- Further enhancing the supply chain diversification
- Currently sampling lead customers and expect initial revenue towards end of 2024
Cornerstones of the nRF54 Series

- **Higher processing power**
- **lower power consumption**

- **22nm**
  - Smallest and most modern process node for connectivity in IoT

- **More security integrated**
  - ensuring its readiness for the next generation of IoT

- **4th generation Nordic radio equipped to support**
  - future Bluetooth specification updates

- **2.4 GHz**
  - 4 Mbps throughput

- **5.4 LE Audio Mesh**
World leading efficiency and performance

nRF54H - Driving the next level of IoT

First round of sampling was successful

- Sampled 50 customers YTD - target 100 customer sampled by end 2023
- Good feedback from lead customers - on track to realize initial revenue towards end of 2024

Breaking performance records

- Achieved world-leading processing efficiency and performance in tests by EEMBC ULPMark®-CoreMark
Nordic raising the bar once again

nRF54 - maintaining our market leading performance

nRF54H Series
Revolutionary multiprotocol SoCs
For new complex IoT products

nRF54L Series
Next-level multiprotocol SoCs
Logical successor to the nRF52
Nordic investing into open-source RISC-V

- Establishing a new company* together with other major semiconductor players:
  - Nordic Semiconductor, NXP, Qualcomm, Bosch, and Infineon
- Aiming to accelerate the commercialization of future products based on the open-source RISC-V architecture

*The company formation is subject to regulatory approvals in various jurisdictions.
Nordic acquires AI/ML tech IP and team
Harnessing the power of AI to transform our position in the IOT market

- Bolt-on acquisition of high strategic significance
- Buying the IP portfolio and employing small core team in San Diego
  - Always-on AI/ML accelerator – a key differentiator in the future
  - Smart Health analog front-ends
  - Power Management IC (PMIC)
- Expecting to see initial benefits within 12-18 months from closing*

* The transaction is dependent on regulatory approval, and completion of the transaction is expected by the end of 2023.

“This brings a new level of always-on AI/ML capabilities and technologies that will strengthen our core business”
Kjetil Holstad, EVP Strategy and Product Management
Bluetooth driving the sequential drop in Q3

Bluetooth revenue (USDm)
Quarterly

Proprietary revenue (USDm)
Quarterly

Cellular IoT revenue (USDm)
Quarterly
### Revenue by markets

<table>
<thead>
<tr>
<th></th>
<th>Group</th>
<th>Consumer</th>
<th>Industrial</th>
<th>Healthcare</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>USDm</td>
<td>135.0</td>
<td>81.0</td>
<td>23.7</td>
<td>26.5</td>
<td>3.3</td>
</tr>
<tr>
<td>y-o-y</td>
<td>-33%</td>
<td>-36%</td>
<td>-54%</td>
<td>+84%</td>
<td>-63%</td>
</tr>
<tr>
<td>q-o-q</td>
<td>-12%</td>
<td>-4%</td>
<td>-21%</td>
<td>-23%</td>
<td>-11%</td>
</tr>
</tbody>
</table>

Revenue for the individual markets excludes ASICs and consulting revenue.
Customer and product mix leading to lower margin q-o-q

- Expecting gross margin around 50% for Q4 2023
- Reiterating long-term ambition to maintain gross margin >50%
# Operating model performance Q3 2023

<table>
<thead>
<tr>
<th>Category</th>
<th>Q3 2023</th>
<th>Q3 2022</th>
<th>Δ</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>USD 135.0m</td>
<td>USD 202.1m</td>
<td>-33.2%</td>
<td>Demand reduction in cyclical downturn through 2023</td>
</tr>
<tr>
<td>Gross margin</td>
<td>50.5%</td>
<td>57.3%</td>
<td>-6.8pp</td>
<td>Change in customer and product mix</td>
</tr>
<tr>
<td>R&amp;D short-range</td>
<td>15.6%</td>
<td>11.4%</td>
<td>+4.2pp</td>
<td>• Total R&amp;D down from USD 38.2m to USD 36.8m</td>
</tr>
<tr>
<td></td>
<td>USD 21.1m</td>
<td>USD 23.1m</td>
<td></td>
<td>• Partly reflects increase in capitalization of USD 3.6m related to nRF54</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• The overall R&amp;D ratio is up from 18.9% to 27.2%, reflecting lower revenue</td>
</tr>
<tr>
<td>R&amp;D cellular IoT</td>
<td>8.6%</td>
<td>5.7%</td>
<td>+2.9pp</td>
<td>R&amp;D Wi-Fi</td>
</tr>
<tr>
<td></td>
<td>USD 11.6m</td>
<td>USD 11.5m</td>
<td></td>
<td>R&amp;D</td>
</tr>
<tr>
<td>R&amp;D Wi-Fi</td>
<td>3.0%</td>
<td>1.8%</td>
<td>+1.2pp</td>
<td>SG&amp;A</td>
</tr>
<tr>
<td></td>
<td>USD 4.0m</td>
<td>USD 3.6m</td>
<td></td>
<td>EBITDA</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>13.7%</td>
<td>8.6%</td>
<td>+5.1pp</td>
<td>Modest absolute cost increase, with increase in cost ratio due to the lower revenue</td>
</tr>
<tr>
<td></td>
<td>USD 18.5m</td>
<td>USD 17.4m</td>
<td></td>
<td>EBITDA</td>
</tr>
<tr>
<td>EBITDA</td>
<td>9.5%</td>
<td>29.8%</td>
<td>-20.2pp</td>
<td>Decline reflecting lower revenue and gross margin</td>
</tr>
</tbody>
</table>
Balancing investments and cost awareness

Flat salary cash costs y-o-y and q-o-q

- Employees increased by 11% y-o-y to 1,530, flat development q-o-q
- Reduced variable pay accruals in Q3 2023

Continuing work to adjust cost base to protect margins

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*Cash OPEX: Operating expenses, excl. capitalized R&D, depreciation and amortization, and option expenses
Capex intensity remains low

Capex of USD 2.0m in Q3

- Postponed some investments to Q4, and maintaining focus on spending reduction
- Overall capex intensity 3.3 % LTM
Continued disciplined cash strategy

- Strategic inventory increase of USD 10m in the quarter
- NWC/Revenue LTM of 37%
- Other items mainly impacted by decreased other short-term liabilities

* EBITDA Adjusted for Capitalized Development Costs
Summary and Outlook
Svenn-Tore Larsen, CEO
Continued challenging market

### Q4 2023 guidance

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Gross margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>USDm</td>
<td>-50%</td>
</tr>
<tr>
<td>110-130m</td>
<td></td>
</tr>
</tbody>
</table>

- Sequential revenue decline and flat gross margin expected from Q3 to Q4
- Continued low visibility in the current cyclical downturn
- Taking action to reduce cost and reallocate R&D resources.
- Cost optimization measures will have effect from 2024 and will reduce quarterly operating expenses in the order of USD 5 million