



# Quarterly presentation

## Q1 2025

April 29, 2025

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This presentation was prepared in connection with the Q1 results released on April 29, 2025. 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.

# Today's presenters

- Vegard Wollan, CEO
- Pål Elstad, CFO



# Strong performance in Q1

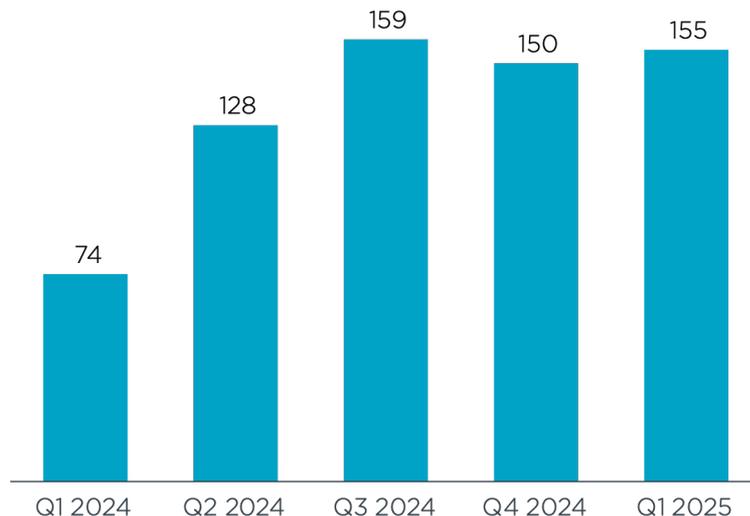
## Q1 2025

- Revenue of USD 155 million
  - High growth from a Q1'24 affected by significant inventory adjustments
  - Healthy underlying demand
  - Positively impacted by orders from individual large customers
  - Gross margin of 50%
- EBITDA USD 15 million

## Q2 2025 guidance

- Revenue of USD 145 - 165 million
  - Increased macro uncertainty
- Gross margin expected to remain at ~50%

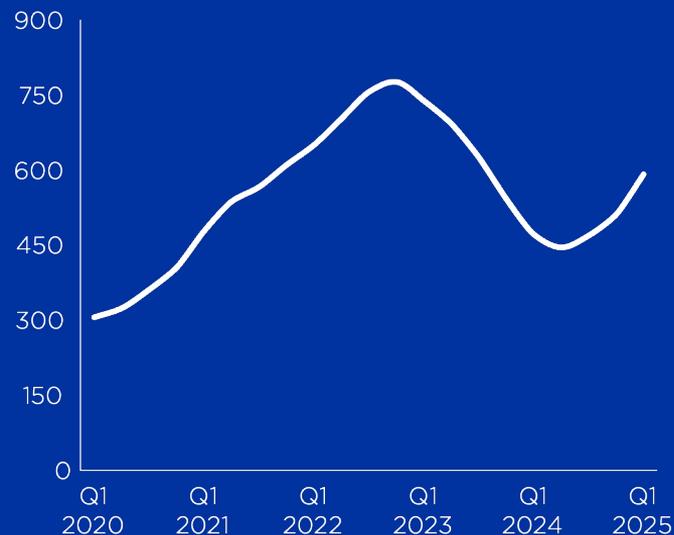
Quarterly revenue development (USDm)



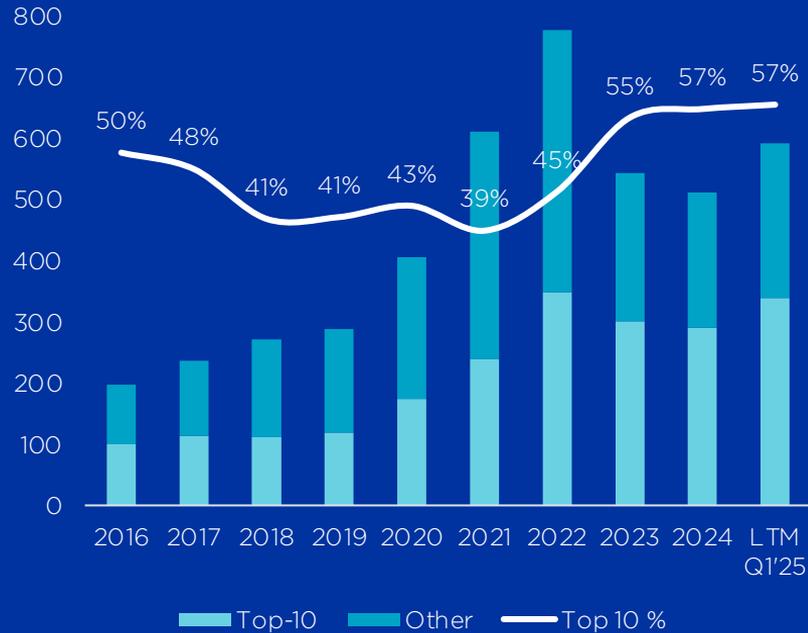
# Navigating macroeconomic uncertainty

- Nordic has been well positioned to capitalize on the gradual market recovery over the past year
- Trade policy changes affecting the complex semiconductor value chains
- Continuing to develop a diversified and resilient supply chain, maintaining close collaboration with our customers
- Too early to conclude on potential indirect effects

LTM revenue– five-year overview (USDm)



# Top-10 share stabilizing



- Solid revenue increases with both top-10 and broad market customers
- Maintained strong relationships with key customers
- High priority to regain traction in the broad market

# Remaining the clear design win leader

34% share certifications, 4x of the runner up

Bluetooth Low Energy end-product certifications, last 12 months



Nordic  
end-product  
certifications

Q1'25  
127 designs  
34% share

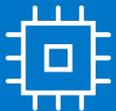
LTM  
451 designs  
34% share

\*Source: Nordic Semiconductor / Bluetooth SIG

Competitors

# nRF54 Series gains market traction

Engagement from key and broad market customers



High design activity with both existing and new customers



On track with innovative roadmap expanding our addressable market

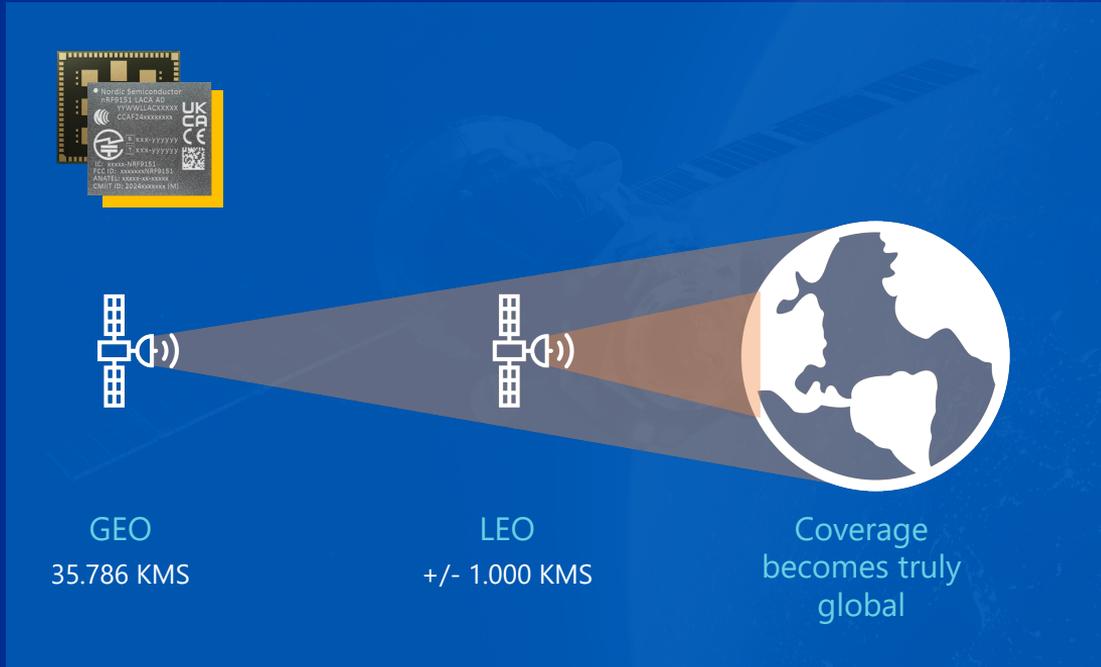


Limited 2025 revenue effect, accelerating growth from 2026



# nRF9151 expanding to satellite communication

Targeting remote infrastructure and globally roaming products



- Software update will enable nRF9151 to operate on both cellular networks and non-terrestrial networks, or combination
- Supporting both LEO (Low Earth Orbit) and GEO (Geostationary satellites)
- Customer support starting second half of 2025

# Strategic partnerships

## Unlocking global IoT connectivity with nRF9151

### Deutsche Telecom (DT)

Seamless connectivity with nRF9151 across DT's extensive network and roaming partners

### Skylo

nRF9151 certified for commercial satellite via Skylo NTN network

### Keysight

Live NTN demo at MWC using nRF9151 and Thingy:91 X

### NR+ Interest Group

Driving smart building standard with Siemens, Legrand, and Schneider.



# Product launch: nPM2100 PMIC

## For end-products with non-rechargeable batteries

- Enabling ultra-low power Bluetooth LE applications
- Optimized for power efficiency and system performance
- Expanding target market to meet the demand for primary/non-rechargeable cell batteries

### Application examples



Personal health  
monitoring



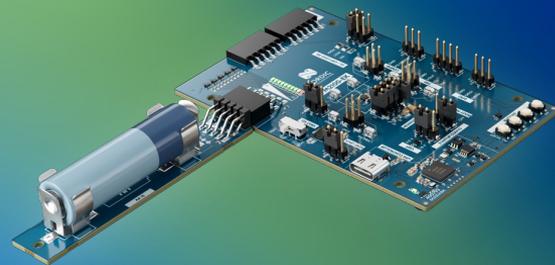
Consumer  
applications



Industrial sensors



Other



nPM2100 Evaluation Kit



*Power Product category  
winner of the Electronics  
Excellence Awards,  
Embedded World,  
2025*

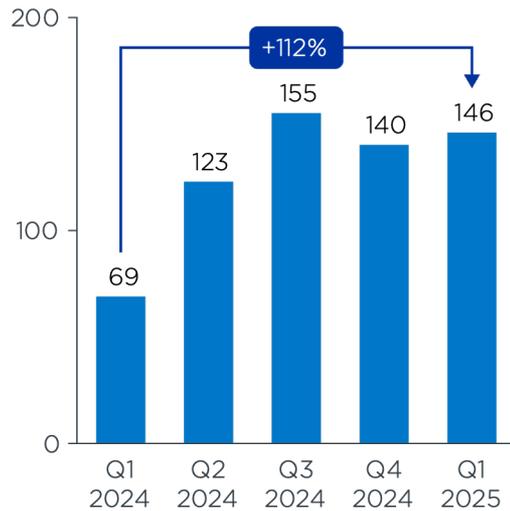
A blue-tinted image of a satellite in orbit above Earth. The satellite is the central focus, with its various components and solar panels visible. The Earth's surface is seen in the background, showing continents and oceans. The overall scene is set against the dark backdrop of space.

# Financials

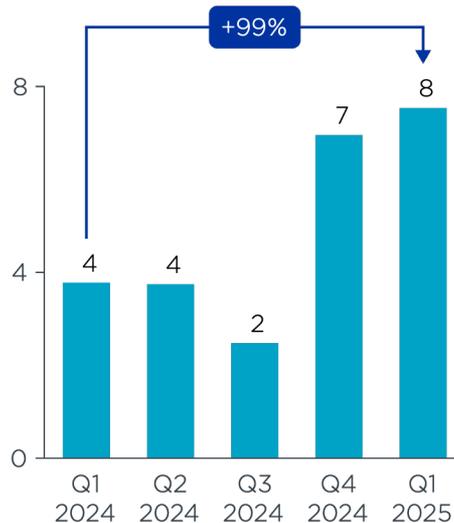
Pål Elstad, CFO

# Revenue by technology

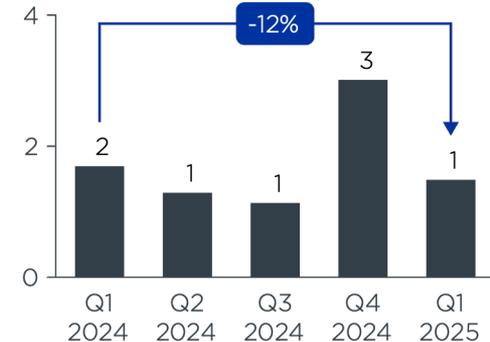
Short-range (USDm)  
Quarterly



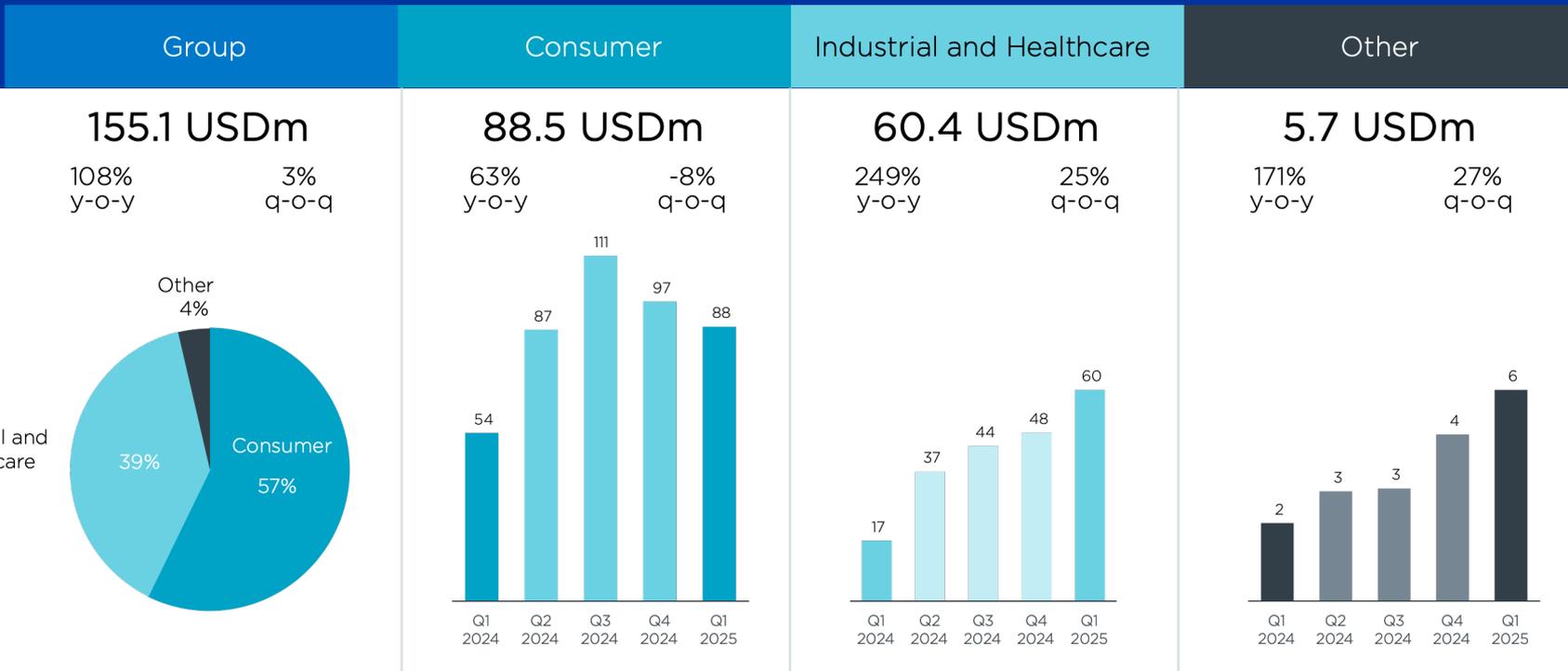
Long-range (USDm)  
Quarterly



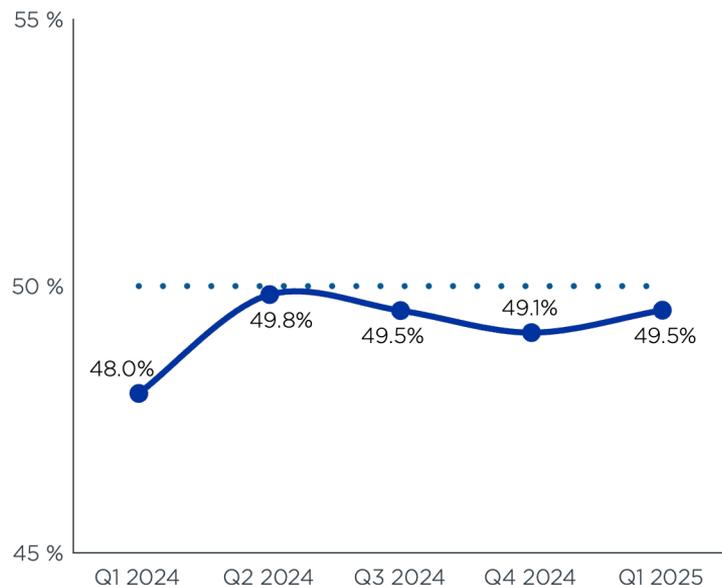
Other (USDm)  
Quarterly



# Strong momentum across key markets



# Gross margin



\* Note: Gross margin for Q2 2024 excludes a USD 10 million writedown of inventory in Long-range

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- Stable underlying development
- Year-on-year improvement reflecting customer and product mix, and low revenue in Q1'24
- Expecting gross margin around 50% also in Q2 2025
- Reiterating long-term ambition to maintain gross margin >50%

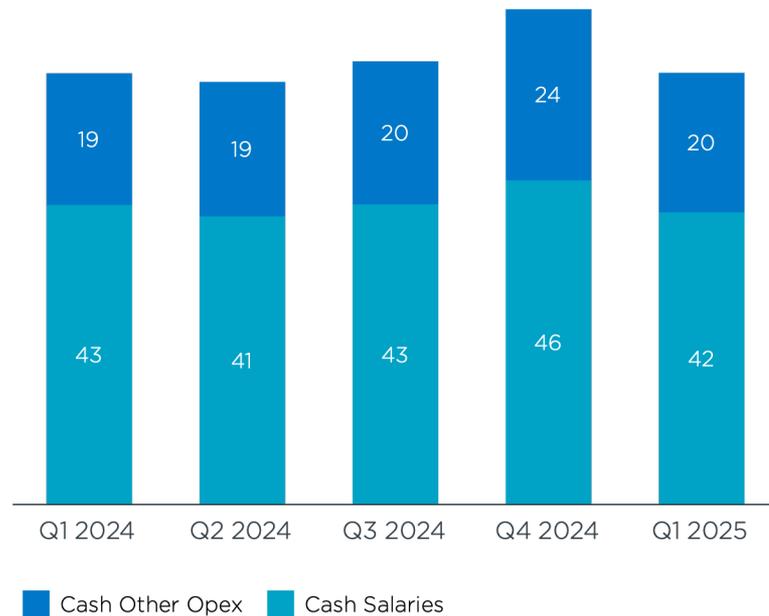
# Operating model performance Q1 2025

Gross Margin 49.5%		Q1 2025	Q1 2024	Δ		
R&D Short-range	16.5%	Revenue	USD 155.1 m	USD 74,498.4	+108.1 %	Gradual recovery, partly driven by orders from large customers
		Gross margin	49.5%	48.0%	+1.5pp	Close to target Gross Margins
R&D Long-range	6.5%	R&D Short-range	USD 25.6 m	USD 23.7 m	-15.3pp	Cost focus offset by less capitalization
		R&D Long-range	6.5%	15.7%	-9.2pp	Effects of reprioritizations
R&D Wi-Fi	2.3%	R&D Wi-Fi	USD 3.5 m	USD 4.0 m	-3.1pp	Costs managed closely
SG&A	14.7%	SG&A	USD 22.8 m	USD 19.3 m	-11.2pp	High activity related to product launches
		EBITDA	9.5%	-30.7%	+40.2pp	Moving toward target operating model
Q1 2025		EBITDA	USD 14.7m	USD -22.8m		

# Cash cost development

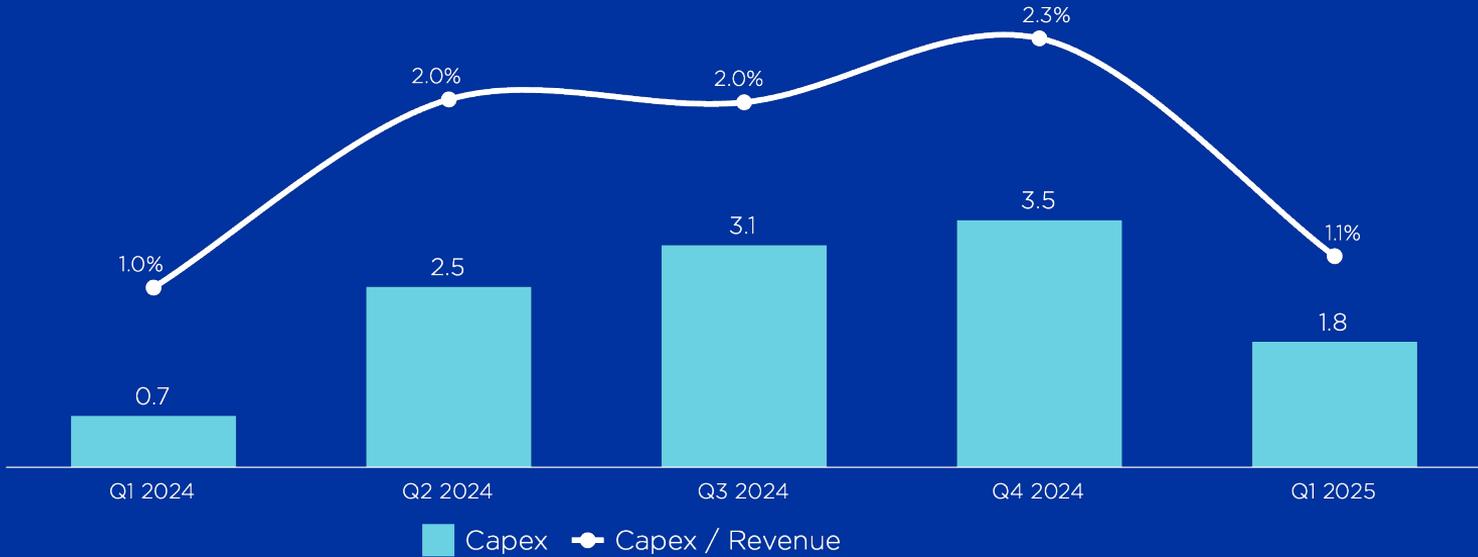
- Flat cash cost y-o-y with cost focus mitigating inflationary pressures
- Headcount down 4% vs. Q4 2024, 6% vs. Q1 2024
- Continuous focus on spending to improve margins

Cash OPEX (USDm)



# Capex intensity remains low

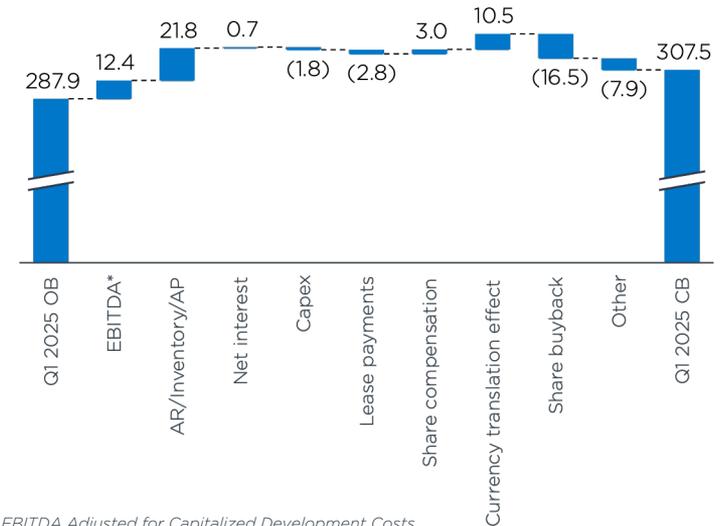
Capex (USDm)



# Focus on cash spending

- Operating cash flow of USD 34.9m in Q1
- NWC/Revenue (LTM) reduced to 26%, driven by low inventory and high collections
- Capex spending remain tightly managed
- Currency translation relates to the natural cash hedge of the bond
- Share buyback completed in Q1
- Other items reflects mainly payout of variable pay

Cash position and cash flow Q1 2025 (USDm)



A satellite with solar panels is shown in space, orbiting Earth. The image is overlaid with a blue tint. The satellite is positioned in the upper right quadrant, with its solar panels extending outwards. The Earth's surface is visible on the left side of the frame.

# Summary and outlook

Vegard Wollan, CEO

# On track with product portfolio renewal

## Short-range

Established

Launched the first nRF54 products late 2024  
Launching 2-4 nRF54 product families on 22nm per year

## Long-range

Scale-up

Launched the new nRF9151 in second half of 2024  
New nRF92 on 22nm in 2026

## Wi-Fi

Early-stage

New nRF71 on 22nm in 2026

## PMIC

Early-stage

Launched the new nPM2100 early 2025  
Launching 2-3 new products per year

# Committed to our long-term ambitions

Early-stage



Wi-Fi, PMIC

Scale-up



Long-range

Established



Short-range

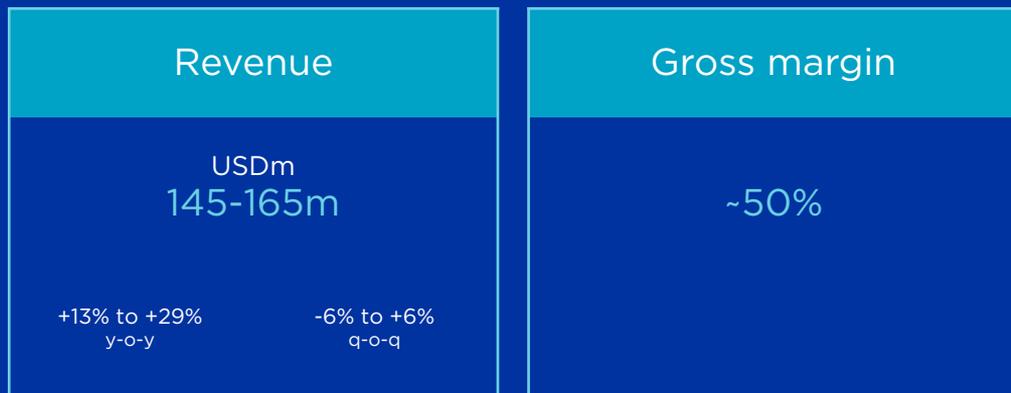
Group  
level  
ambitions

Deliver average annual revenue growth above 20% through the decade

Moving towards target operating model profitability of ~25% EBITDA within five years

# Q2 2025 guidance

Y/Y revenue growth amidst higher uncertainty



- Order inflow and customer forecasting indicates continued year-on-year revenue growth in Q2
- Gross margin expected to remain around ~50% in Q2



# Q&A

April 29, 2025