

Nordic at a glance

Investor Relations
February 2025



NORDIC[®]
SEMICONDUCTOR

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This presentation was prepared in connection with the Q4 results released on February 5, 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.

A globally leading IoT enabler

Simplifying lives through all things connected



Founded
1983

Employees
1,363 (~75% R&D)

Oslo listing
OSEBX:NOD

Market Cap
~\$2.4bn

- Fabless semiconductor company specialized in low power wireless connectivity and embedded processing for IoT
- Market leader in Bluetooth Low Energy
- Early adopter of Thread (802.15.4) and support for Zigbee. Active contribution to Matter development
- Launched Wi-Fi 6 connectivity (dual band)
- Complementing ultra low power solutions with innovative PMIC's
- Early mover in cellular IoT & 5G with LTE-M, NB-IoT and DECT NR+
- Value added device control and management through nRF Cloud

Dedicated to wireless connectivity

Broad portfolio - scalable solutions - common software platform

Strong product and solutions portfolio...

...for short-, medium- and long-range connectivity technologies



Low-power integrated circuits (ICs)

+



Embedded software

+

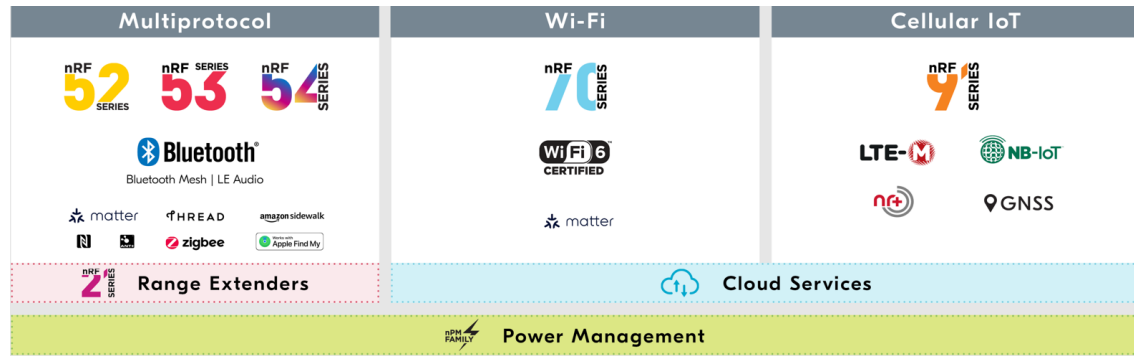


Advanced development tools

Short-range IoT

Medium-range IoT

Long-range IoT



Our tech solutions are recognized globally



2024 OFweek IoT Awards

nRF9151

Three most innovative cellular products and for offering unparalleled performance and versatility



2024 Time magazine and Statista

Named one of the "Worlds Most Sustainable Companies"



2024 EE Awards Asia

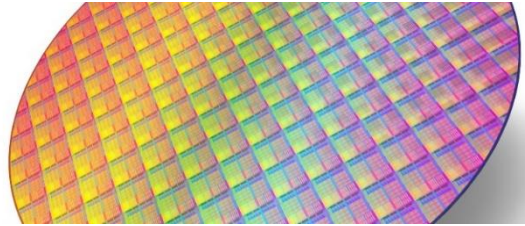
nRF54H20

For the most advanced low-power IoT devices

Resilient supply chain



- Norwegian company
- R&D in Norway, Finland, Sweden, UK, Poland, India and USA
- All development in-house



- Wafer production outsourced to TSMC and Global Foundries
- Facilities in Taiwan and Germany



- Test and packaging outsourced to ASE, Amkor, Nepes and Qorvo
- Facilities in Taiwan, Philippines and China

2024: Reorganizing with 4 new business units

Short-range, Long-range, Wi-Fi & Power Management (PMIC)



Short-range
Øyvind Strøm
EVP Short-range



Long-range
Øyvind Birkenes
EVP Long-range



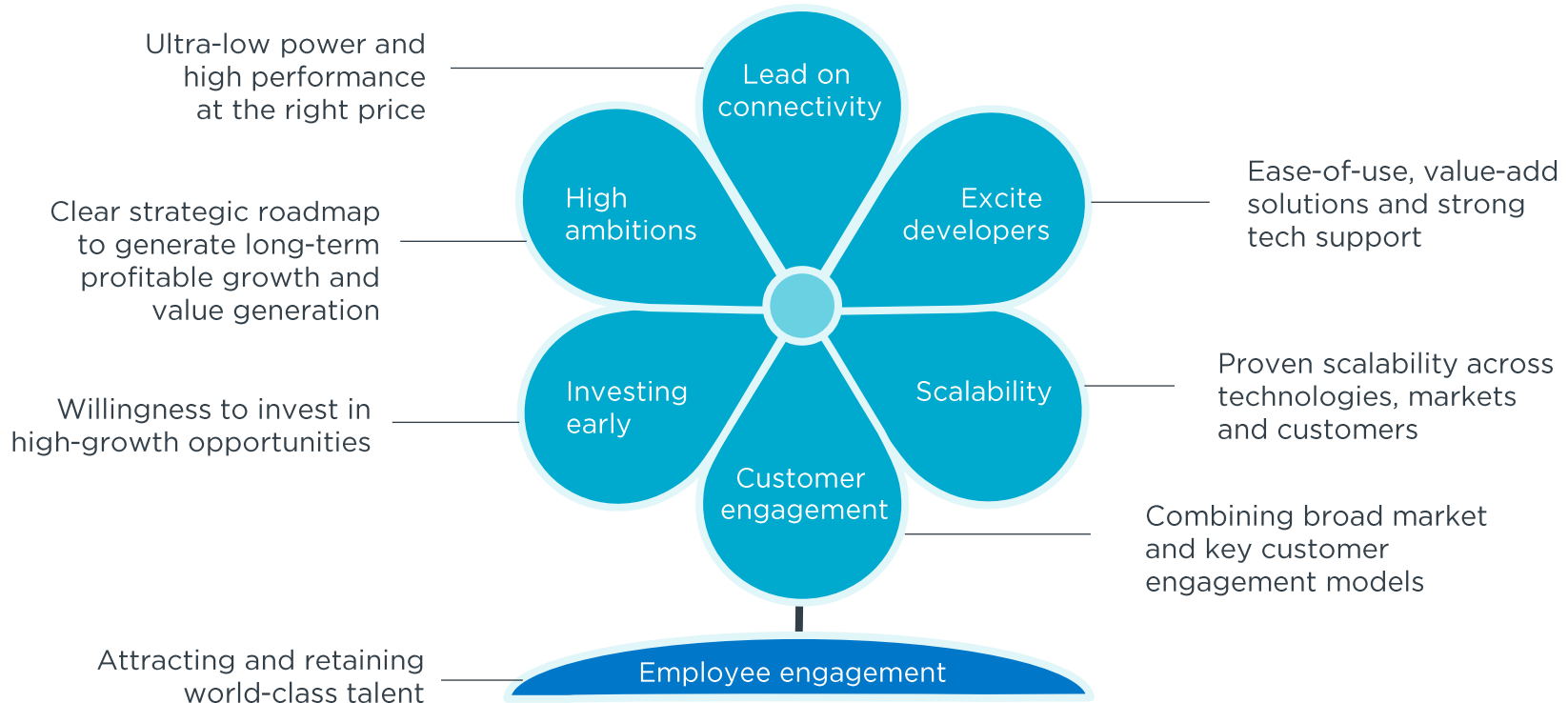
Wi-Fi
Joakim Ferm
SVP Wi-Fi



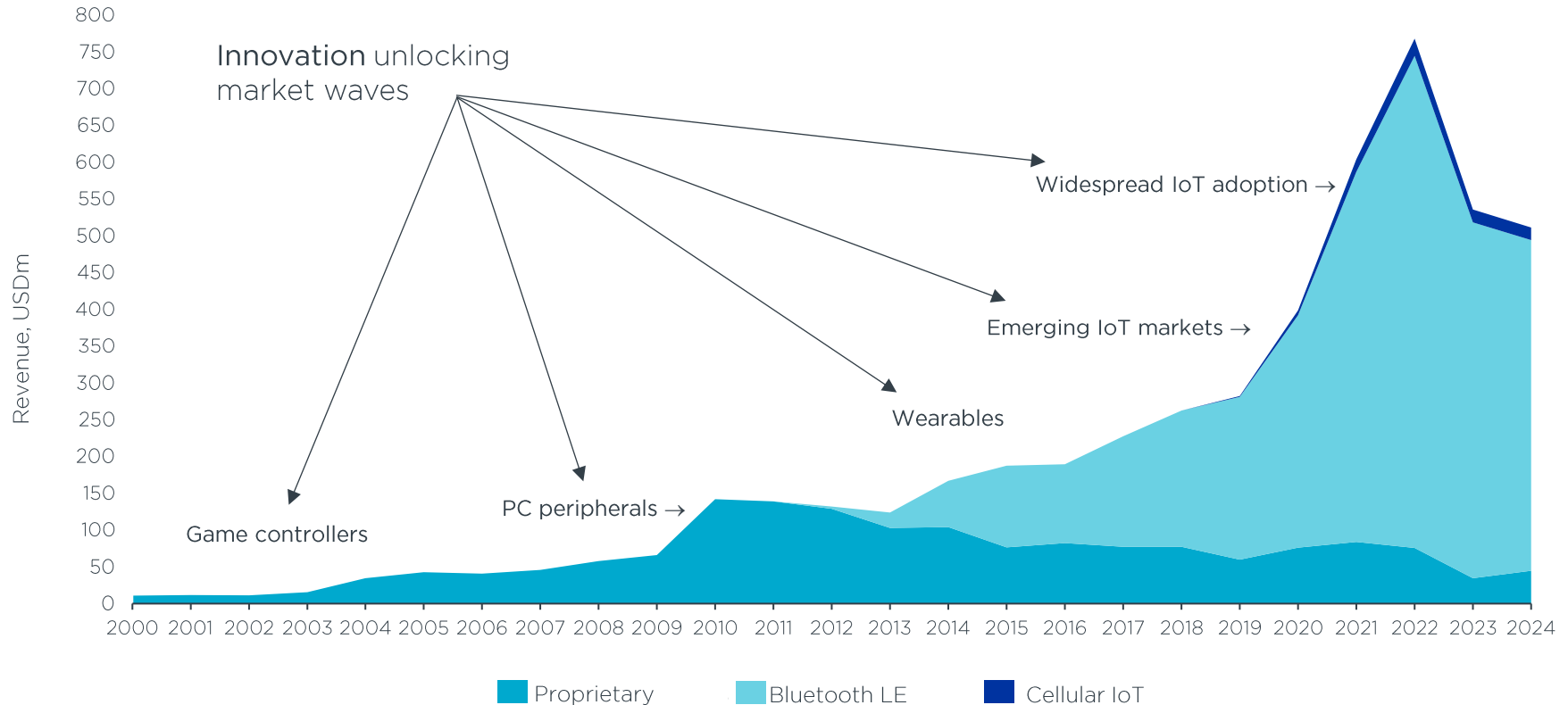
PMIC
Kjetil Holstad
EVP Strategy and Product Management

- Strengthening executive management team and improving accountability and autonomy
- Sharpening the focus on products and development roadmaps
- Customer centric and agile approach to improve market responsiveness and shorten time-to-market
- Seeking to improve return on our R&D investments and our world-class engineering teams

Strategy based on distinctive advantages



Nordic is on a long-lasting growth journey

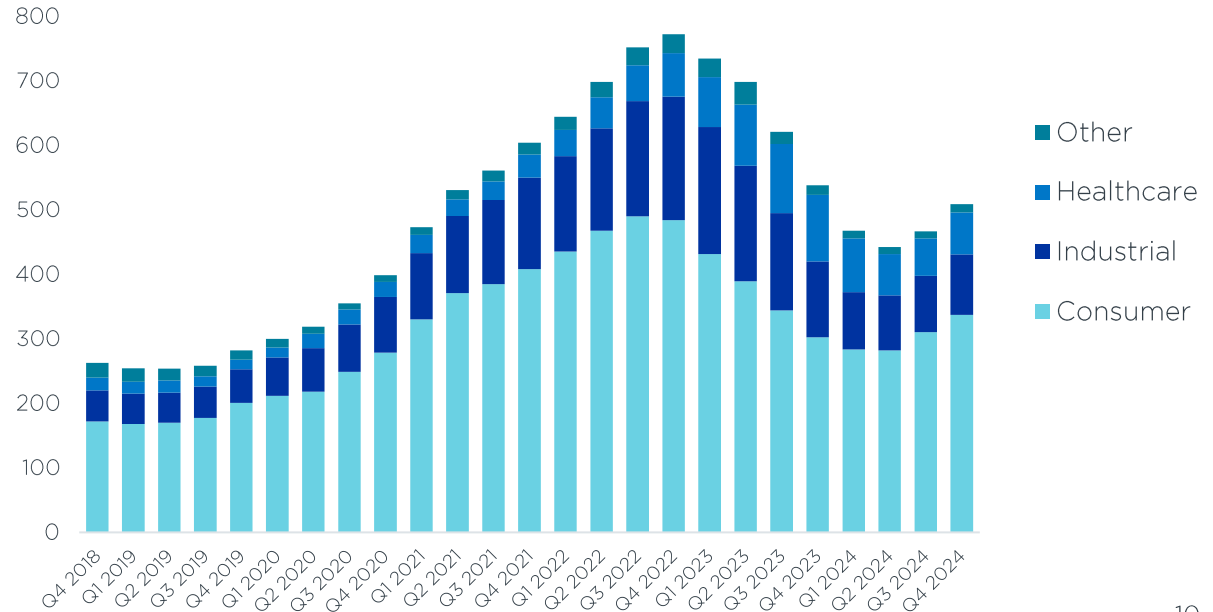


Revenue by end-user market

Markets gradually showing recovery

- Weak demand in all markets through 2023
- Markets stabilized, and started improving during 2024
- Improvement reflecting higher demand from both key customers and the broad market

Short-range revenue by end-user markets, last 12 months (USDm)



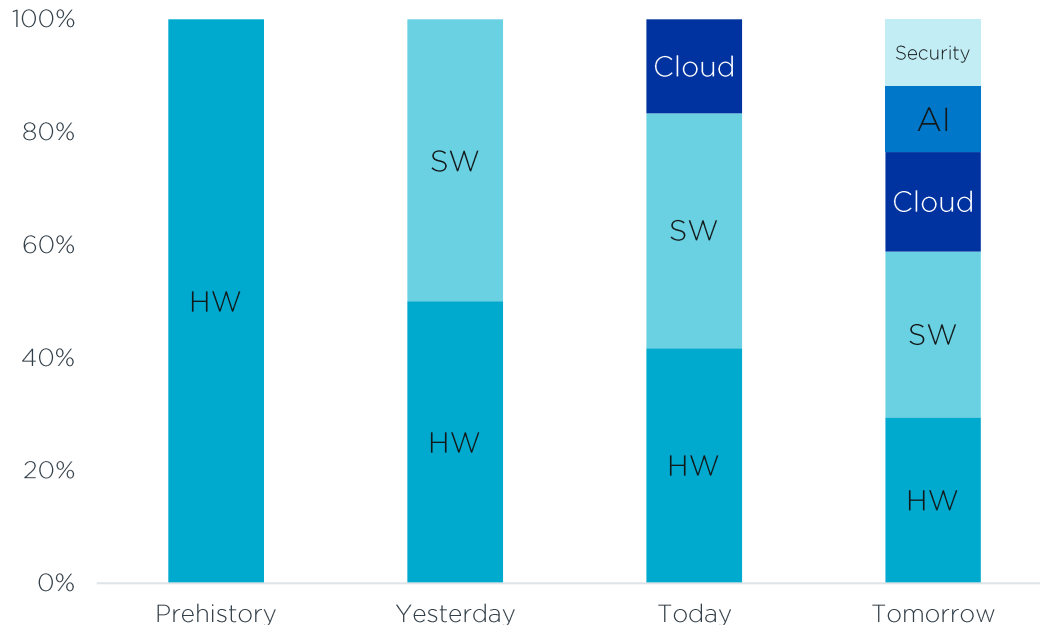
Breakdown by end-user markets

Aligned with customers end-products and our sales structure

Markets	Verticals
Consumer	<ul style="list-style-type: none"> Mobile/PC HID Wearables Smart Home Gaming VR/AR Consumer Asset Tracking Consumer Health Audio Toys CE Remotes Wireless Charging Other
Healthcare	<ul style="list-style-type: none"> Drug Delivery Disease Monitoring Hearing Aids Other
Industrial	<ul style="list-style-type: none"> Asset Tracking Professional Lighting Metering Building Automation Modules Retail Transportation Payment / ID Tools and Machinery Agriculture Beacons Maker and Education Automotive Other
Other	<ul style="list-style-type: none"> Catalog sales Undefined





Delivering on our customers' needs

Customer investment in product development



- Nordic is providing solutions to our customers reaching beyond ICs
- Investments in Software, Cloud, AI and Security is essential for the next growth wave

Broadening our technology space

	Cellular IoT
	Wi-Fi
	Power management
	Cloud Services

Sound **investment criteria** across technologies, products, services and verticals

- Sizeable markets
- Growth above industry average
- Opportunity for healthy gross-margins
- Opportunity to grow market share
- Feasibility from technical and financial viewpoint and time to market

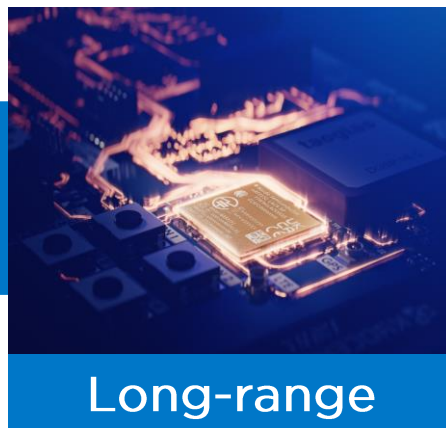
Innovating for growth across our portfolio

Executing on existing roadmaps and exploring new opportunities

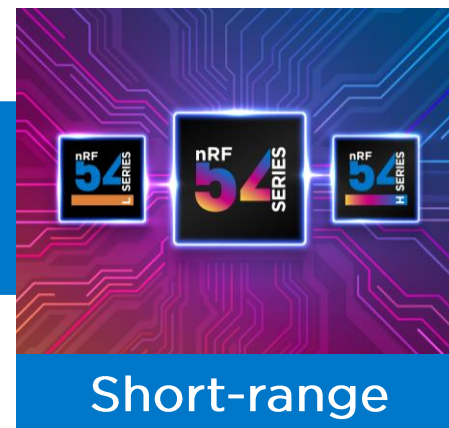
Early-stage



Scale-up



Established



Evaluating both organic and inorganic growth opportunities

Four major trends defining our opportunity

Consumer Work, Play, Live



Staying connected, at work, at home, and on the go ++

Connected health disruption



Medical monitoring, drug delivery, health trackers ++

Industrial IoT disruption



Automation, asset tracking, infrastructure, agriculture ++

Machine learning at the edge



Secure real-time data delivery demands smart edge devices

Revenue ambitions

Established: Short-range

- Ambition to grow faster than our market over time, driven by new product launches
- Expect modest growth with only limited effect of nRF54 in 2025
- Growth set to accelerate from 2026 onwards

Scale-up: Long-range

- Establish revenue base of >USD 100 million by 2028

Early-stage: Wi-Fi, PMIC

- Establish revenue bases of >USD 50 million in each of the business areas

Group level ambition

Deliver average annual revenue growth above 20% throughout the decade

Short-range IoT (Established)

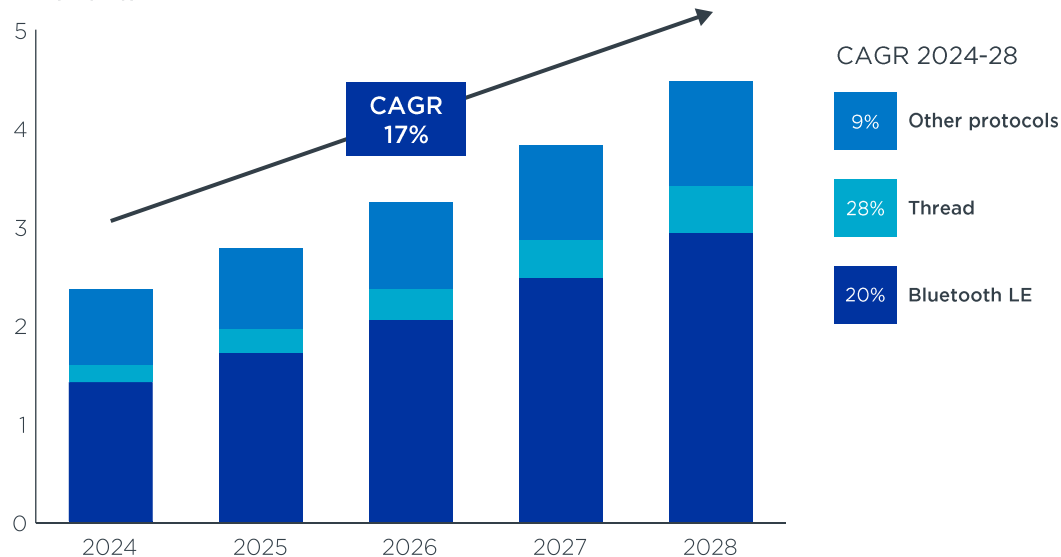
Market leader with strong growth

Ambition for Short-range

Healthy market outlook for our main engine

Serviceable markets across technologies*

Billion units



- Ambition to grow faster than our market over time, driven by new product launches
- Allow for cyclicity and non-linear growth, depending on economic developments

Source: Based on data from ABI, Bluetooth SIG, Omdia, TSR.

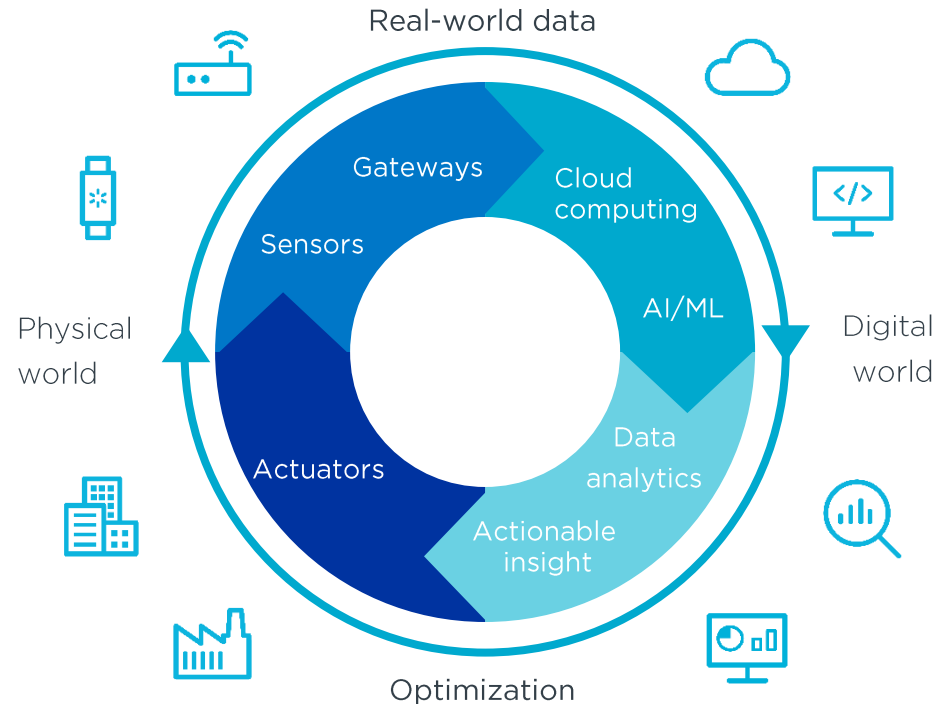
*Serviceable market (SAM) excludes all Bluetooth classic/dual mode devices, RF4CE and automotive.

IoT - Connect, Compute, Analyze and Act

IoT starts with connecting things

Bridging the physical and digital worlds requires:

- **Advanced** connectivity solutions
- **Powerful** low power compute
- **Accurate** sensing capability



Key connectivity for platform ecosystems

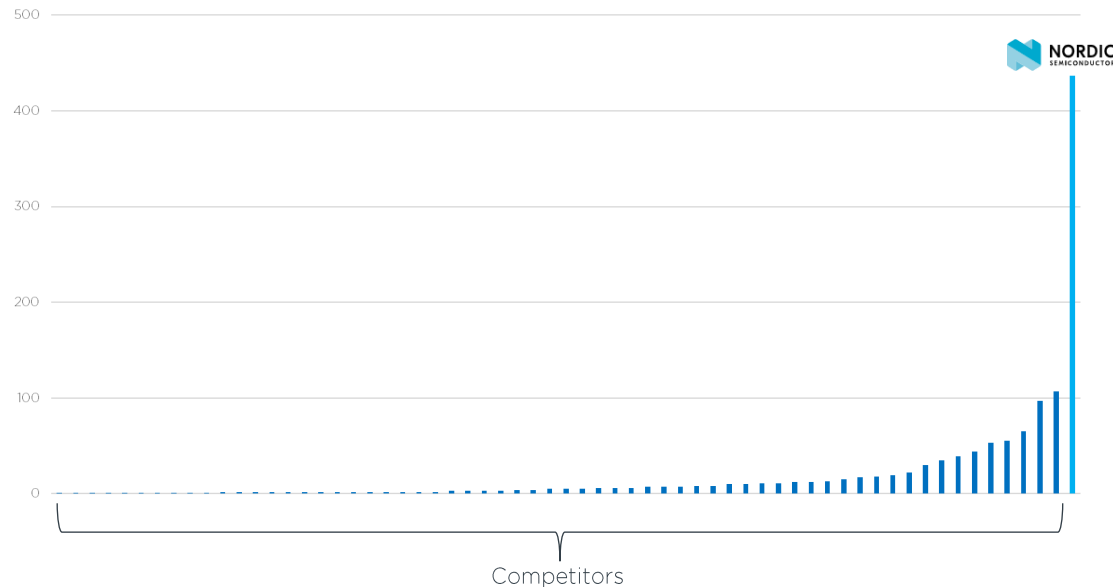
- Nordic leverages on leading broad market position and strong key customer relations built over many years
- Recently added support for Google's 'Find My Device', adding to already established support for 'Apple Find My'



Remaining the clear design win leader

35% share of certifications, 4x the number of #2

Bluetooth Low Energy end-product certifications, Last 12 Months Q4'24



Nordic
end-product
certifications

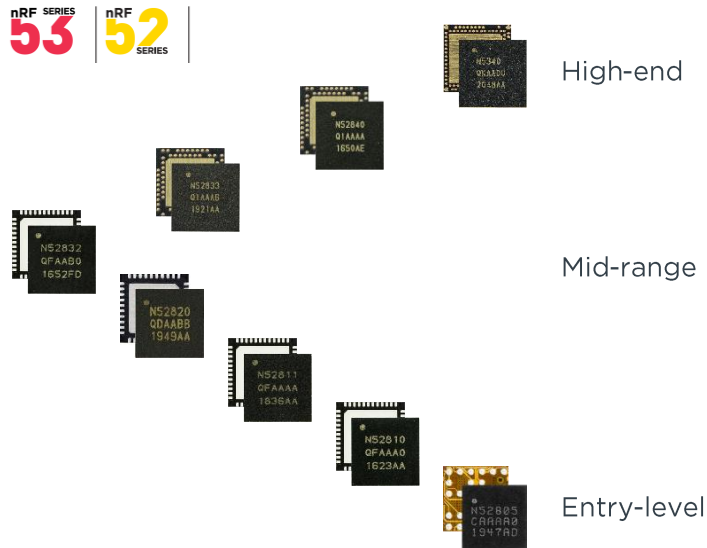
Q4'24
82 designs
26% share

2024
437 designs
35% share

*Source: Nordic Semiconductor / Bluetooth SIG

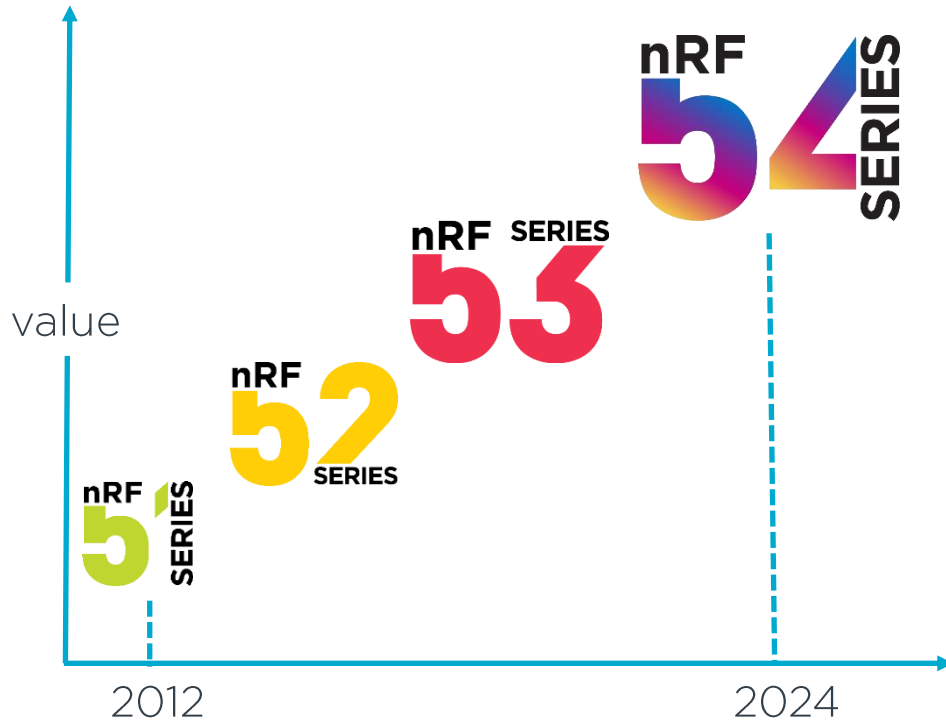
Successful short-range product strategy

Customer centric broadening of the portfolio



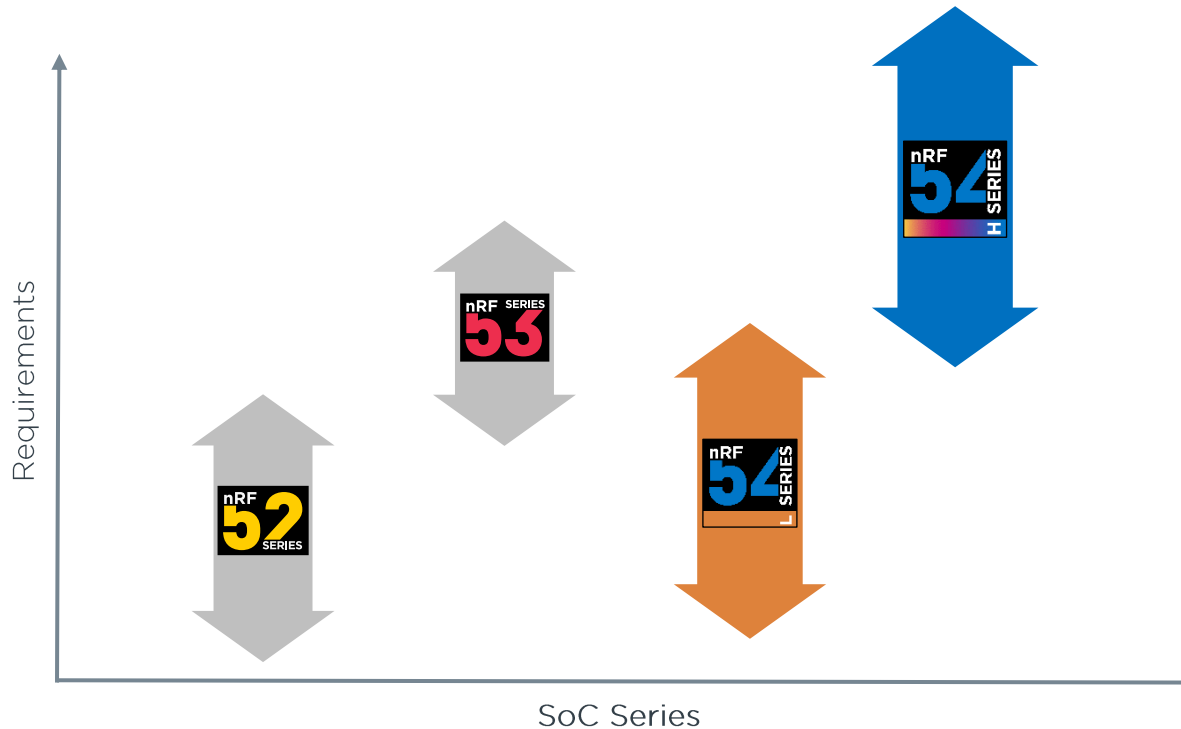
- Broad portfolio of ultra-low power SoCs
 - Multiprotocol products combining Bluetooth LE, Bluetooth mesh, ANT, NFC, Matter, Thread and Zigbee
- Leading the market on power consumption, performance and features
- Catering to all types of applications
 - From entry-level SoCs for cost constrained applications to high-end SoCs for complex IoT
- Major R&D efforts ongoing for development of next generation SoCs

Driving value through continuous innovation



- New product families increases overall value for customers
- More features enables faster time to market and better end-products from our customers

Nordic raising the bar once again

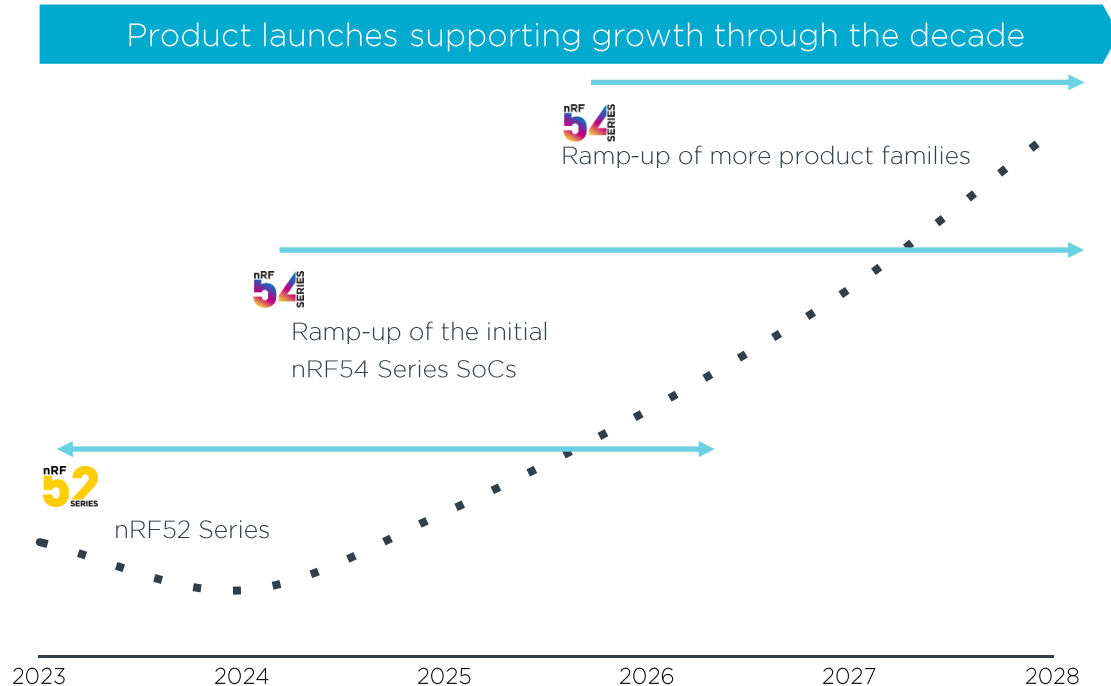


nRF54H Series
Revolutionary multiprotocol SoCs
For new advanced IoT products
GlobalFoundries® 22FDX

nRF54L Series
Next-level multiprotocol SoCs
Logical successor to the nRF52
TSMC 22ULL®

Unique growth opportunity

Driven by the launch of nRF54



- Ramp-up of the nRF54 Series set to drive growth through the decade
- Gradual transition from current nRF52 Series
- Rolling out a competitive portfolio covering our full SAM

Kicking off the year at CES 2025

Nordic showcased groundbreaking products

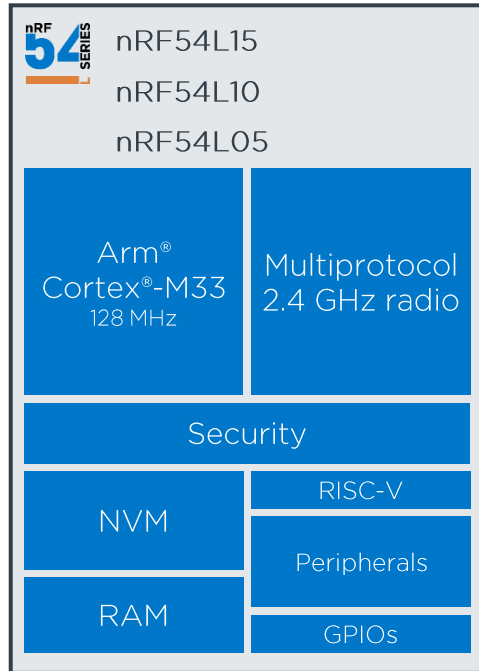
- High activity at the booth - main focus on nRF54 Series for use in existing and new end-user applications
- Several customers demonstrated end-products using nRF54 Series SoCs
- 12 different module makers promoted modules already incorporated both nRF54L and nRF54H in modules



Bode Miller (6x Olympic medalist & co founder Peak Ski) and Andy Wirth (CEO Peak Ski) presenting at Nordic's booth at CES 2025.

Launched three nRF54L variants

4x more nRF54L development kits shipped vs. nRF52 launch



Highlights:

- Integrated multi-purpose efficient MCU

SoC	NVM (RRAM)	RAM
nRF54L15	1.5 MB	256 KB
nRF54L10	1.0 MB	192 KB
nRF54L05	0.5 MB	96 KB

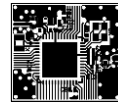
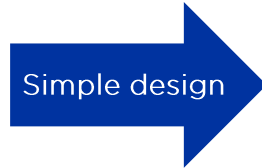
- Comprehensive set of standard peripherals
- High-speed serial interface, SPI / UART
- 128 MHz RISC-V coprocessor
- Pin-to-pin compatible package options
- Selection of devices to fit an application

nRF54L - Easy development



Highly-integrated wireless SoC

- Multi-purpose MCU
- Memory
- Multiprotocol 2.4 GHz radio
- Security features
- Peripherals and RISC-V coprocessor
- Power supply & Clock



Easy to handle QFN



Compact WLCSP



Asset trackers



Identification and "Fing my" tags



Gaming controllers



Custom remotes



Smart Home



Medical devices CGMs, ECGs

nRF54H – Focus on key customers and early adopters

Accelerating time to mass production of end-products



[Cherry demoing at CES 2025 world's first true dual 8K keyboard using nRF54H](#)

- High design activity with key customers – working to provide the software support required to enable design and mass production of end-products
- Key customers recognize that Nordic IP and low-power technology in the 22nm process node puts us ahead of the competition
 - High-speed USB, higher security, increased compute performance
 - Strong platform for AI/ML on the edge

Cornerstones of the nRF54 Series



Higher processing power
lower power consumption

22nm

Smallest and most modern
process node for connectivity in IoT

nRF54 SERIES



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



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



5.4 LE Audio Mesh

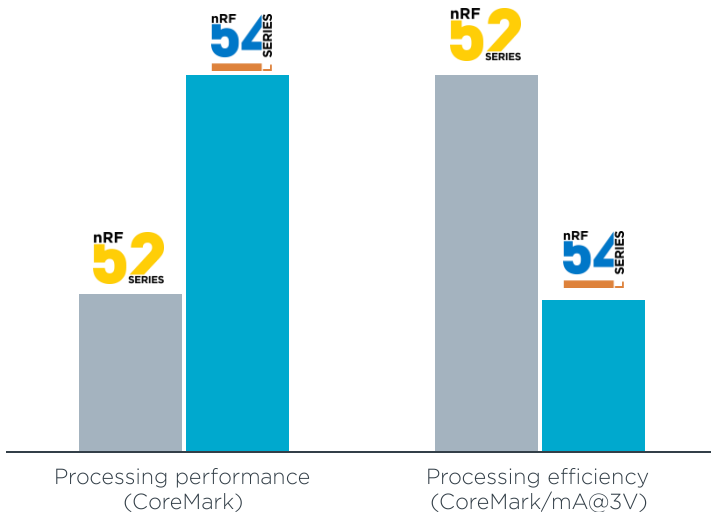


2.4 GHz
4 Mbps throughput

nRF52 Series vs nRF54L Series

Greater performance

Lower power consumption



A step change in performance

>2x
processing power than nRF52 Series

>2x
energy efficiency than nRF52 Series

~30%
reduced radio power consumption

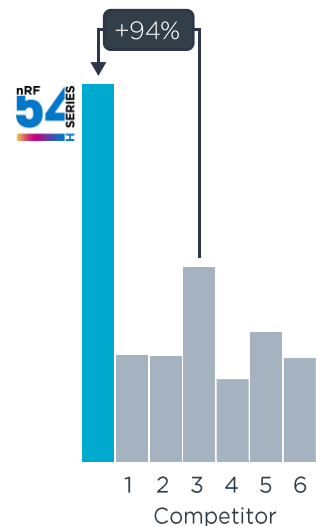
Max performance at highest efficiency

~2x performance compared to the highest performing low-power MCUs or SoCs on the market

>30% more efficient compared to the most energy efficient MCUs or SoCs

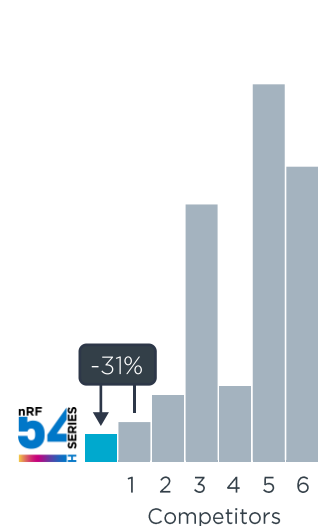
Nordic proprietary ultra-low power technology and IP in 22nm

Greater performance



Processing performance (CoreMark)

Lower power consumption



Processing efficiency (CoreMark/mA@3V)

Targeted applications



PC accessories

Gaming, VR, AR, and media controllers

Smart home and Matter

Medical devices

Industrial IoT



Advanced wearables

VR, AR, and advanced gaming controllers

Smart home and Matter

Medical and healthcare

LE Audio

Industrial

E-mobility

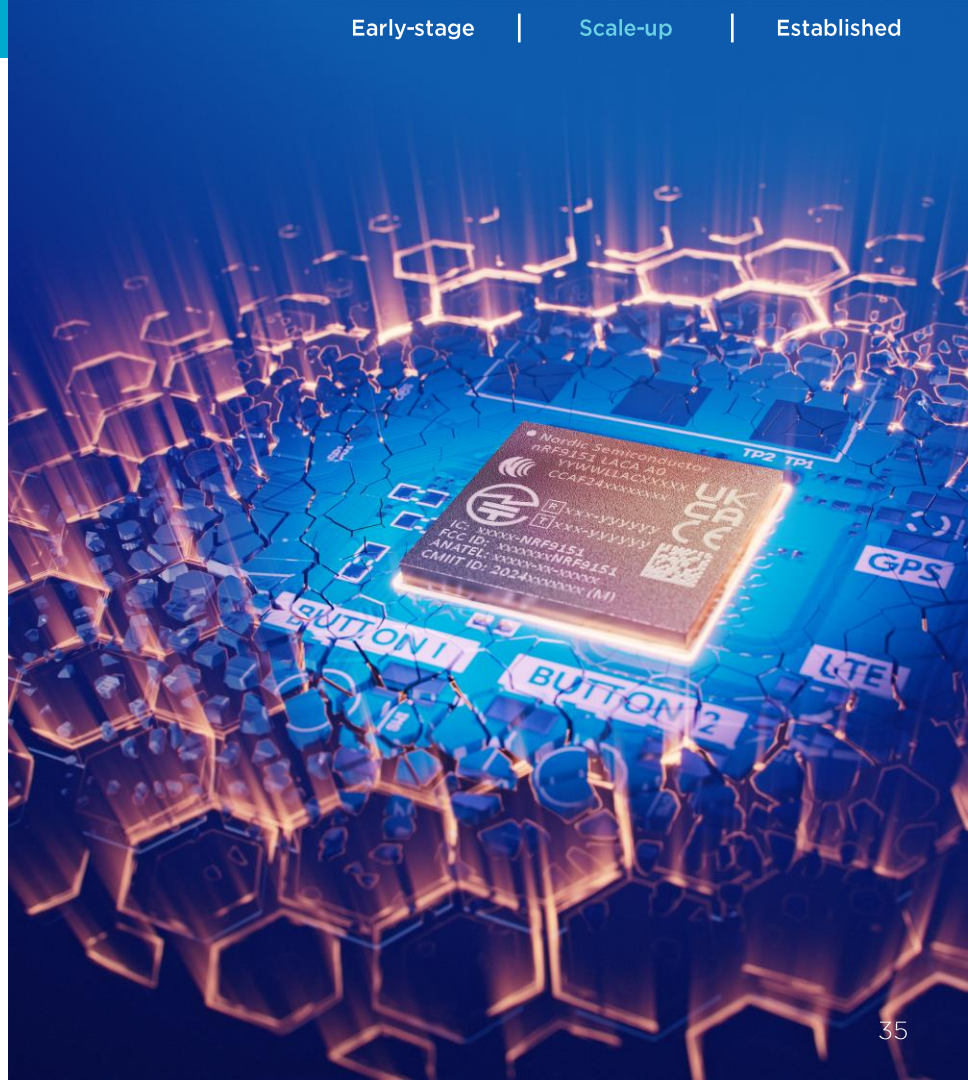
Long-range IoT (Scale-Up)

Early mover in next growth waves

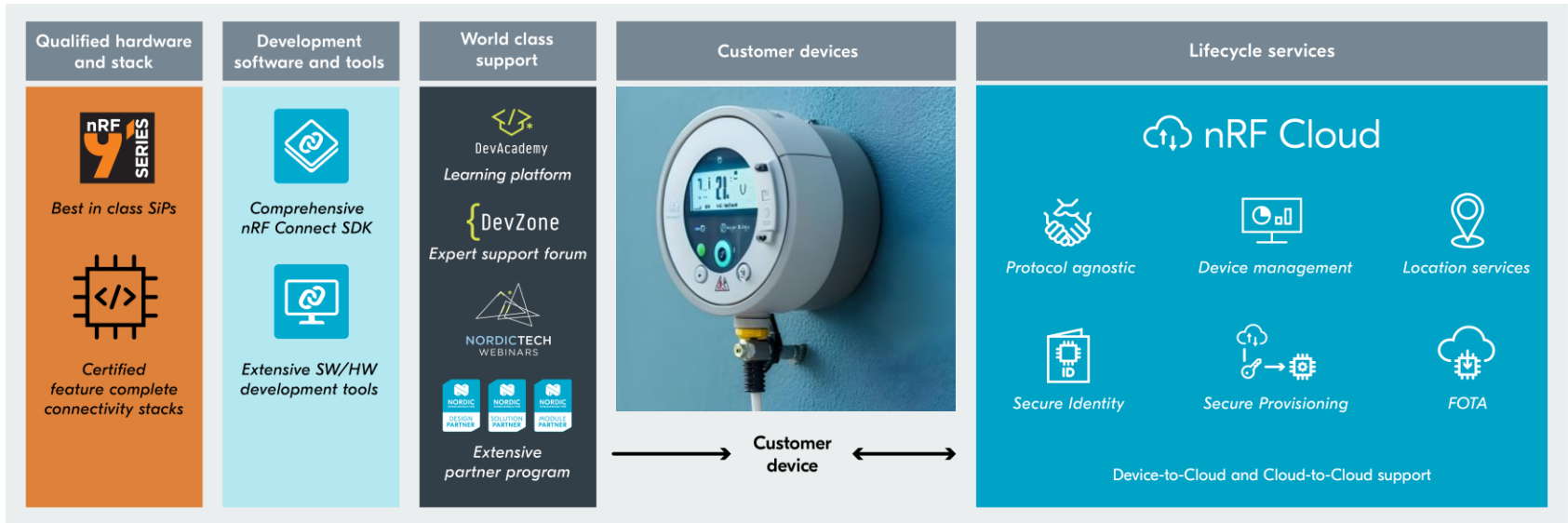
Ambition Long-range

What will it require?

- Target profitability in 2028.
Establishing a revenue base >USD 100 million, through market penetration of asset tracking, metering and industrial IoT
- Successful roadmap execution and product introductions, to access larger parts of market, drive growth and strengthen gross margins
- Cost containment



Nordic delivers a Long-Range complete solution Hardware, software, support and services

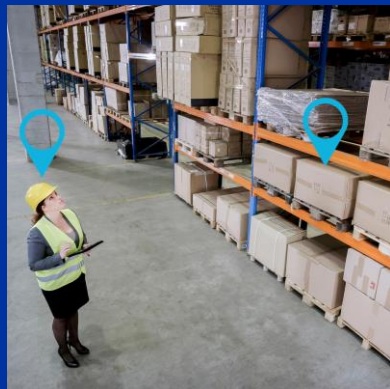


Making it easy for customers to use complex cellular technology

Positioned to win and scale

With IoT megatrends in commercial and industrial markets

Asset tracking



- Lowest Power
- Integrated locationing
- Smallest size
- Synergies with Bluetooth/Wi-Fi

Metering



- Lowest power
- Country of origin
- Performance and security
- One-stop shop from Nordic

Industrial IoT

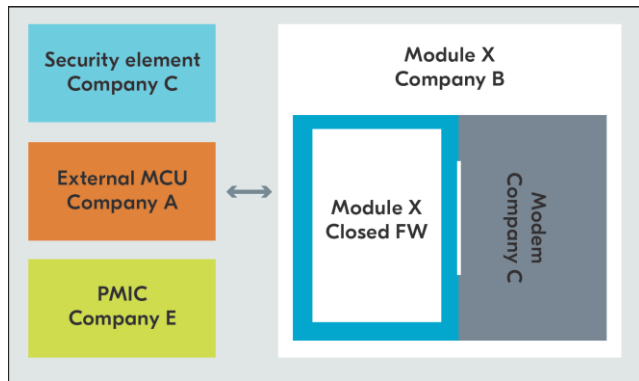


- Ease of use
- Lowest power
- Performance and security
- Synergies with Bluetooth/Wi-Fi

Lowers total cost and simplifies supply chain

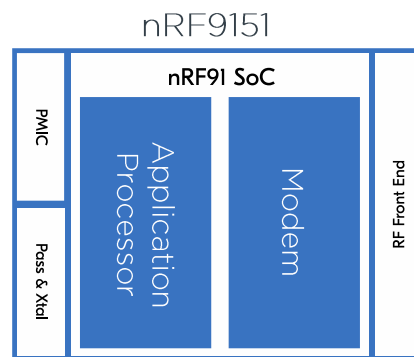
Others

Fragmented ownership



Nordic

Full solution ownership



Completely integrated

- Lower complexity
- Lower power
- Smaller size
- Total lower cost
- Simpler supply chain
- Support and maintained
- Globally Certified

nRF9151 sets new standards

Smallest and lowest power in the market

Lowest power cellular IoT solution

Lowest power and smallest size Cellular-IoT solution on the market, supports both Power Class 3 (23dBm) and Power Class 5 (20dBm) operation

Global connectivity and power efficiency

Global connectivity without regional limitations, including new unique modem features for power saving and ease of use

Unleashing the power of Non-Terrestrial Networks

Ensuring all-terrain connectivity for critical applications and ubiquitous service

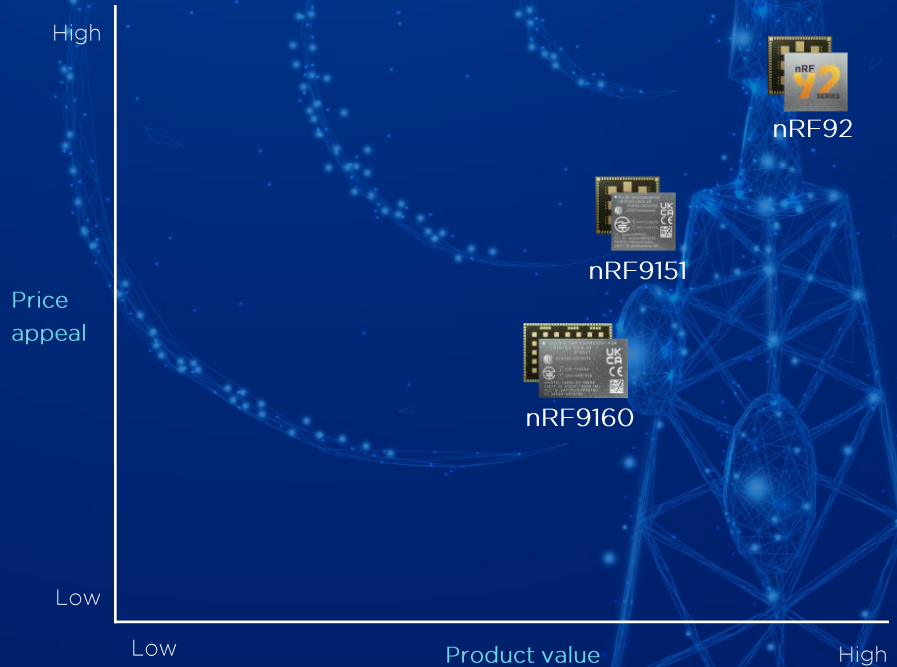
US tariff-free country of origin

20% smaller than
nRF9160
Up to 70% smaller than
competition



Highly competitive product roadmap

- Transitioning towards 22nm
- Lower power and lower cost
- More integration
- Higher performance
- Robust and proven software

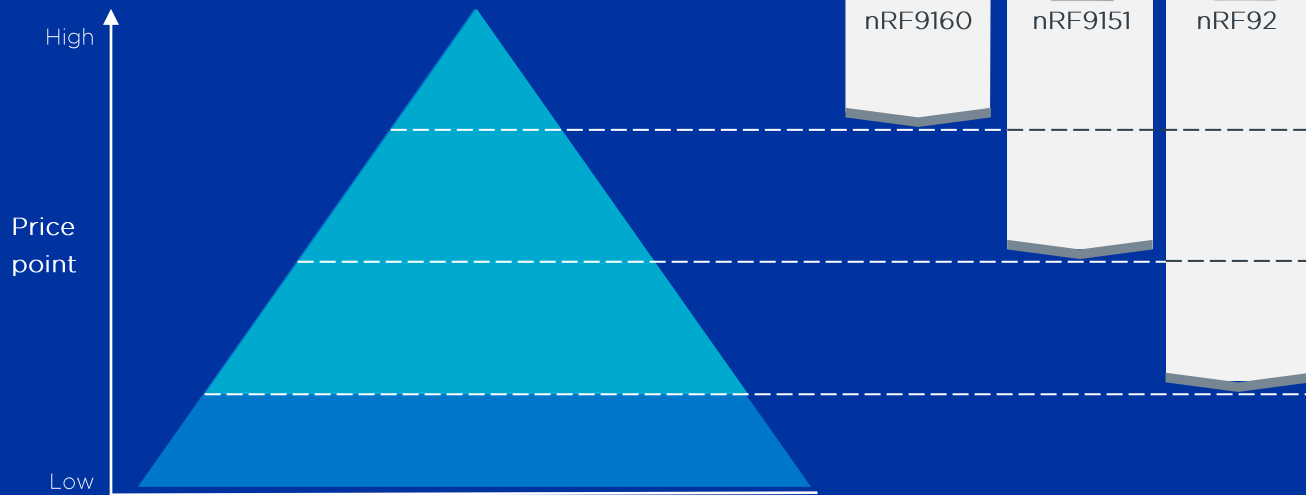


Opening a larger part of the market

Driving down costs enables more adaptive pricing strategies

Product roadmap to address the full serviceable market

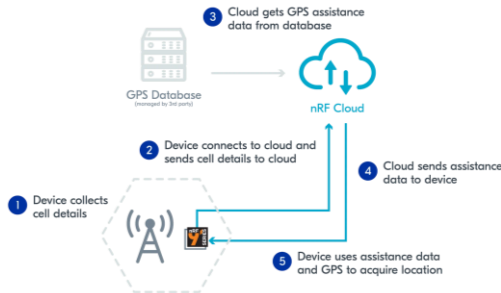
- Serviceable market (product value play)
- Non-serviceable low-end market



Expanding into cloud-based services

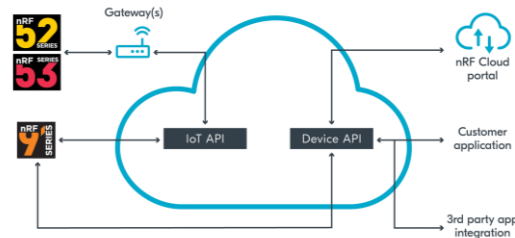
A new long term revenue stream for Nordic Semiconductor

Location Services



Initial services for nRF91 Series
 Assisted / Predictive GPS
 Cell-tower based location
 Significantly enhances battery life

Future Services



Also for short-range devices
 Firmware Over The Air updates
 Device lifetime management
 Other value added services

One-stop-shop



Out-of-the-box support on Nordic kits
 Tightly integrated, device to cloud
 Single sales point for customer
 «Ease of use»

nRF Cloud emerging as a value driver

nRF Cloud ARR beginning to gain traction

USDk



- High-value lifecycle services
- Fully standalone offering speeding up product development for our customers
- Ease-of-use key for market penetration
- Recurring high margin revenues with high stickiness over product lifetime

Services offered today



Location services



Security services



Device management

WiFi & PMIC (Early-stage)

Early mover in next growth waves

Ambition for Wi-Fi

Ability to differentiate will be key

Financial targets

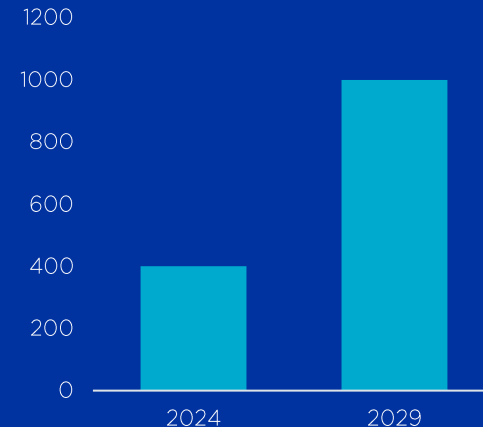
- Establish USD >50 million revenue base and reach profitability by 2028

Key success factors going forward:

- Increase customer conversion to nRF7000
- Launch nRF71 Series to capture the Wi-Fi SoC market for IoT - leveraging 22nm, 'best-in-class' power and radio, ample memory, advanced security and peripherals, and AI/ML accelerator

Select Wi-Fi target markets

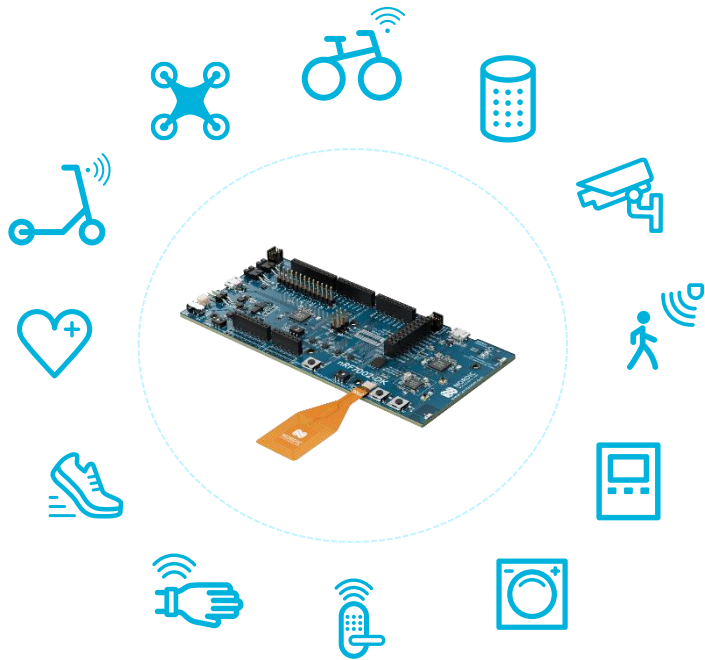
Units, million




Target markets: Embedded Wi-Fi in Smart Home and Industrial IoT, Consumer/Wearables, Home Entertainment/Smart Cameras

Expanding into Wi-Fi

nRF70 Series - enabling IoT



- Wi-Fi 6 companion IC - 40nm node
 - Dual band, 2.4 GHz and 5 GHz
 - QFN 6x6mm package
 - Customer projects within Smart Home/Matter, Building Automation and Asset Tracking and other verticals
-
-  Low Power - Efficient radio power saving schemes
 -  Robust performance - in dense congested environments
 -  Secure - Cutting-edge security protocols

Accelerating Wi-Fi market adoption

- Full connectivity solutions increasingly required in the market
- nRF70 accelerated learning and market penetration through companion devices with Bluetooth/Cellular IoT
- Design-ins already seen with nRF52, nRF53, nRF91 and now also with nRF54
- Next generation nRF71 builds on nRF54 Series architecture and performance and include a cutting-edge Wi-Fi 6E radio for comprehensive connectivity offering

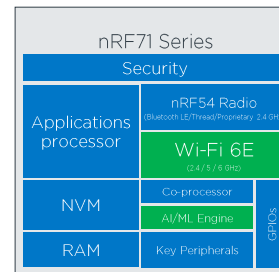
Initial combinations



New combination



Next generation



New generation will significantly expand the serviceable market

Ambition for PMIC

End-to-end low-power wireless IoT

Financial targets

- Establish USD >50 million revenue base and reach profitability by 2028

Key success factors going forward

- Expand addressable market with portfolio expansion
- Increase conversion rates with existing customers
- Win designs with key customers
- Establish PMIC product line enabling control of entire energy path from battery to antenna



Expand our PMIC lineup into primary-cell

Multi-function PMIC with unique system management features

Launched '21
nPM1100Launched '22
nPM6001Launched '23
nPM1300Launched '25
nPM2100

Charging		No		No
Power Rails (DCDC+Linear)	1	4+2	2+2	1+1
System Management Features				
Price				
Use Case	Bluetooth LE, cloT	Bluetooth LE, Wi-Fi, cloT	Bluetooth LE, cloT	Bluetooth LE
Availability	In production	In production	In production	Sampling

“By using the nPM2100, designers will be able to access much more of the energy stored in primary cells, making products last longer between battery changes or allowing the use of smaller batteries for the same battery life - resulting in more compact, lighter, and less expensive products”

Geir Kjosavik, Product Director - PMICs, Nordic Semiconductor

All IoT products require power management

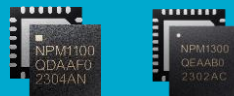
PMIC a key enabler of ultra low power solutions

- Maximizing battery life in applications is a key customer requirement
- PMICs optimized for Nordic ICs enhance power efficiency and system performance on customer circuit boards
- Innovating to broaden serviceable market
 - Initially focused on rechargeable batteries
 - Expanding to non-rechargeable, primary, batteries

Planned 2-3 product launches per year

Rechargeable batteries

Current offering



Expanding portfolio to cover broad market requirements



2025

2026

Primary batteries



2025

Strong demand for power management systems for non-rechargeable primary batteries, significantly expanding the addressable market

Acquired 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)
- The acquisition obtained U.S. regulatory approval December 1, 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

AI and ML on edge devices

Why smarter edge devices are needed



Latency

Edge computing with AI enables quicker decisions and real-time responsiveness for time sensitive applications



Bandwidth

Reduces reliance on constant network connectivity and conserves bandwidth by processing data locally



Privacy

Local processing and storage on edge devices minimizes risk of data breaches and mitigates privacy concerns from data in the cloud



Cost

Cloud-based AI increases cost significantly, edge computing reduces the need for cloud infrastructure



Energy efficiency

Smarter edge devices significantly reduces energy demand vs. cloud-based data processing and storage

Importance of energy efficient compute

- Low-power is and will remain core differentiator for Nordic
- Advancements with TinyML has allowed machine learning inference models to run on modest MCU cores, including the Arm Cortex M
- Currently customers are deploying machine learning to enhance their products and make them smarter and more efficient



OPUM Technologies

Digital rehabilitation platform for joint injuries
nRF52840



Lilbit

Pet tracker and health monitor
nRF9160 + nRF52811



Metasphere

Wastewater and sewerage spill monitoring
nRF9160



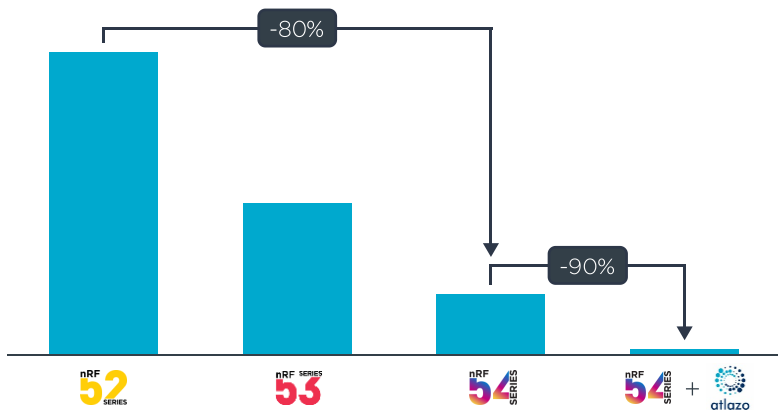
Artifeel

Home security system
nRF5340

AI to drive more efficient edge compute

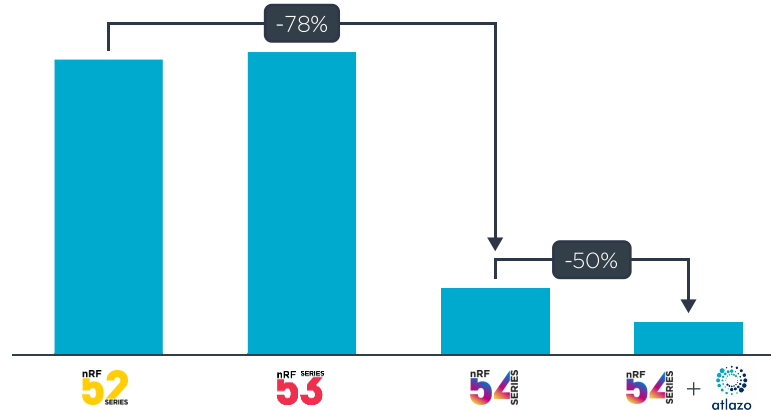
Latency

Regular MCU cores are built for general purpose tasks - accelerators drive performance for specific ML operations



Power consumption

Accelerators are designed for low power for specific tasks, giving superior performance versus regular MCU cores



Nordic's energy efficient compute and ultra low-power connectivity accelerated by AI and ML

IoT supporting sustainability

Nordic recognized by Time magazine and Statista

Named one of the "Worlds Most Sustainable Companies"

- TIME and Statista to recognize and reward companies that **prioritize sustainability** is designed to promote corporate responsibility and advance sustainable practices



Now using recycled plastic component packaging

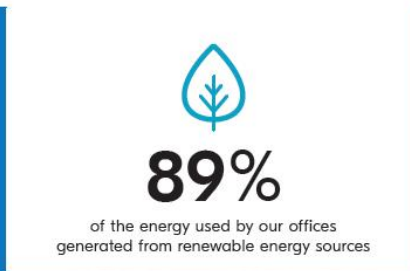
An important step in our sustainability strategy

- Nordic one of the first semiconductor companies to use component reels made from recycled plastic
- The switch to recycled plastic will reduce plastic waste by almost 15,000 kilograms per year



"Regarding ESG, we make an effort to walk our green talk"
Ole-Fredrik Morken, EVP of Supply Chain, Nordic Semiconductor

2023 ESG and people highlights



Awarded

A-



Awarded

B+



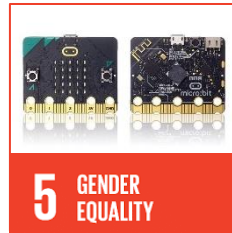
Received

**ESG Top-Rated
Companies list**



Sustainability depends on technology

Disruptive IoT projects can contribute immensely to UN SDGs



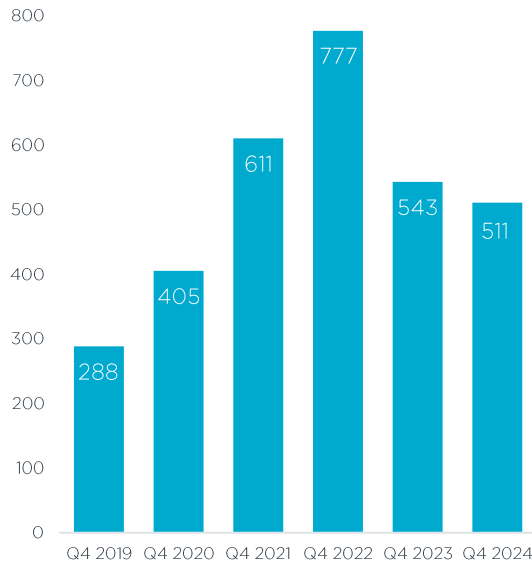
Key financials & Summary

Continuing a profitable growth journey

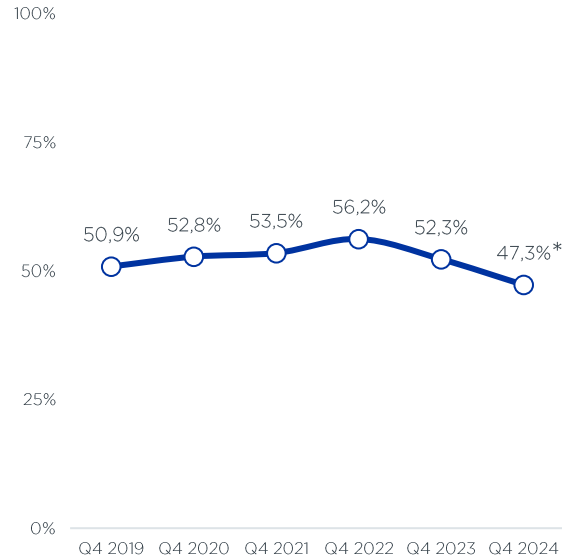
Financial performance – rolling 12 months

Earnings decline reflecting lower revenues and gross margin

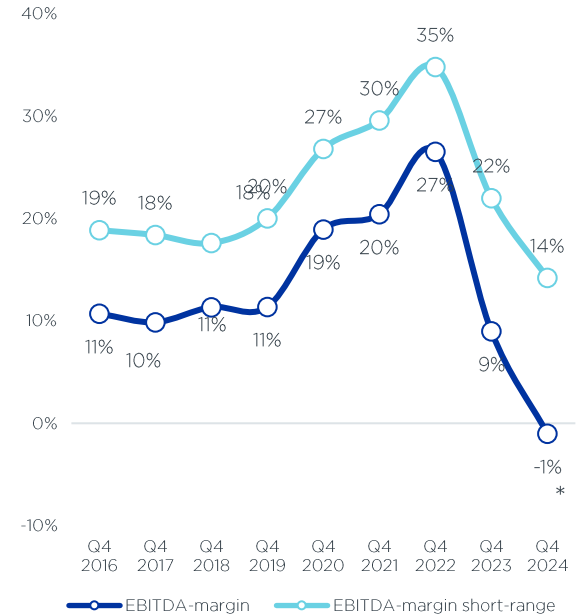
Revenue, last 12 months USDm



Gross margin, last 12 months, %



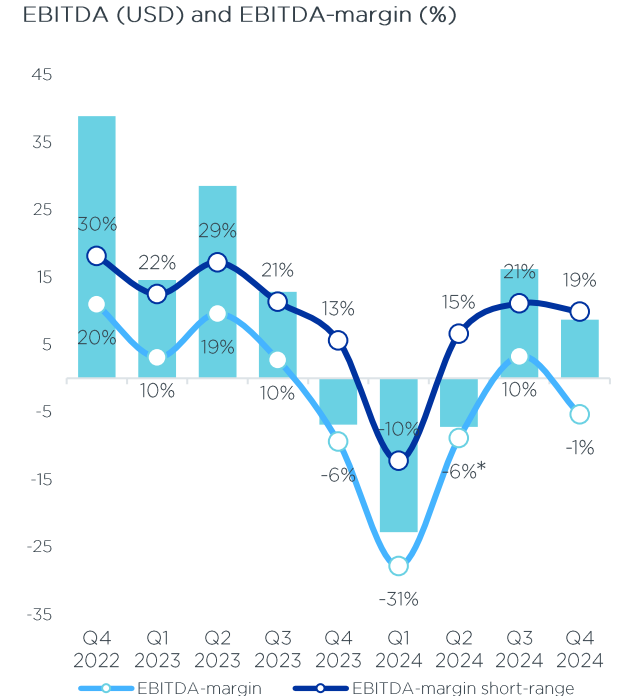
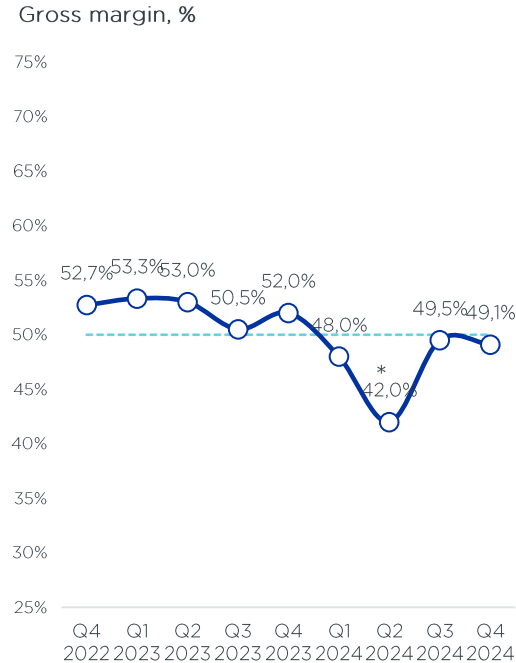
EBITDA-margin, last 12 months, %



*Includes a USD 10m writedown of Long-range components in Q2 2024

Financial performance – quarterly

Year-on-Year revenue improvement reflects a demand recovery

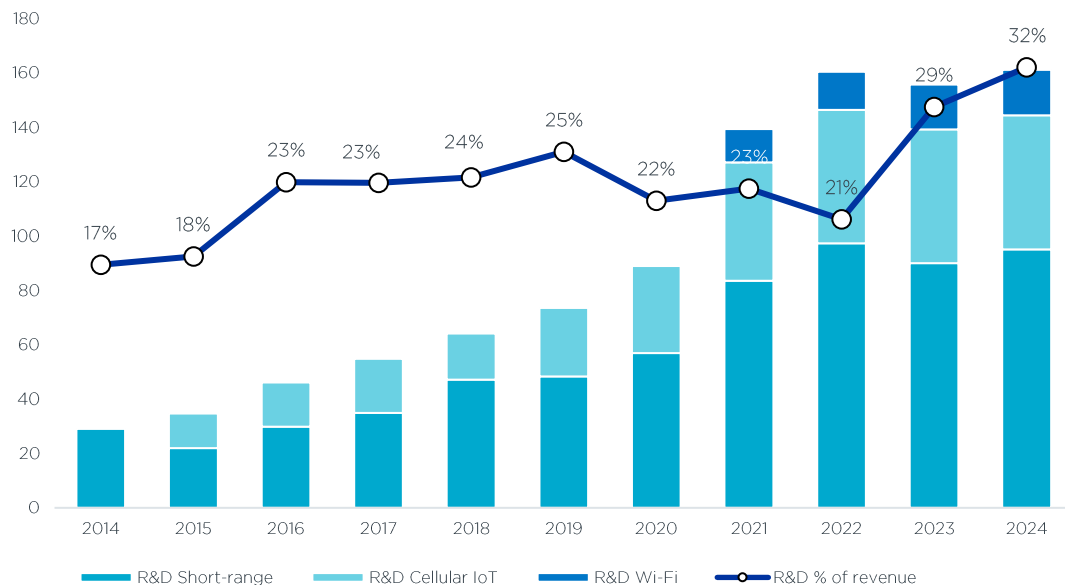


*Includes a USD 10m write-down of Long-range components in Q2 2024 (adjusted Gross Margin 49.8%, adjusted EBITDA-margin +2%)

Investing in innovation

Innovation is a core driver of long-term revenue and margins

R&D expenses* by technology, USDm

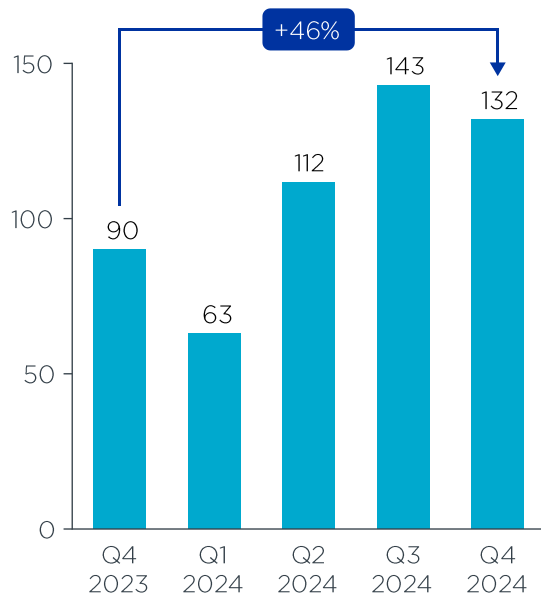


- R&D intensity increased in 2023 and 2024 as revenue decline continued
- Implemented measures to reduce costs and reallocate R&D resources
- On-going focus on cost

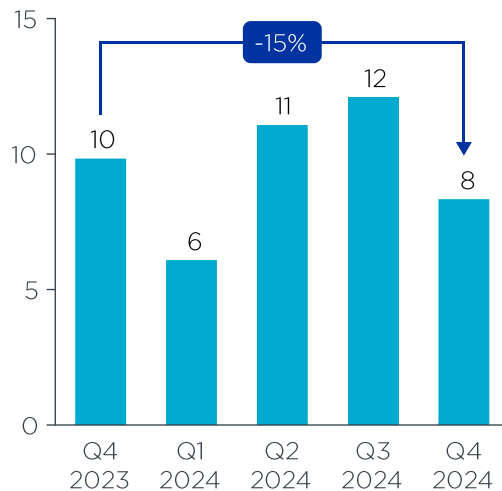
- Recognized in P&L
- 2023 and 2024 numbers are excluding restructuring cost

Revenue by technology

Bluetooth revenue (USDm)
Quarterly



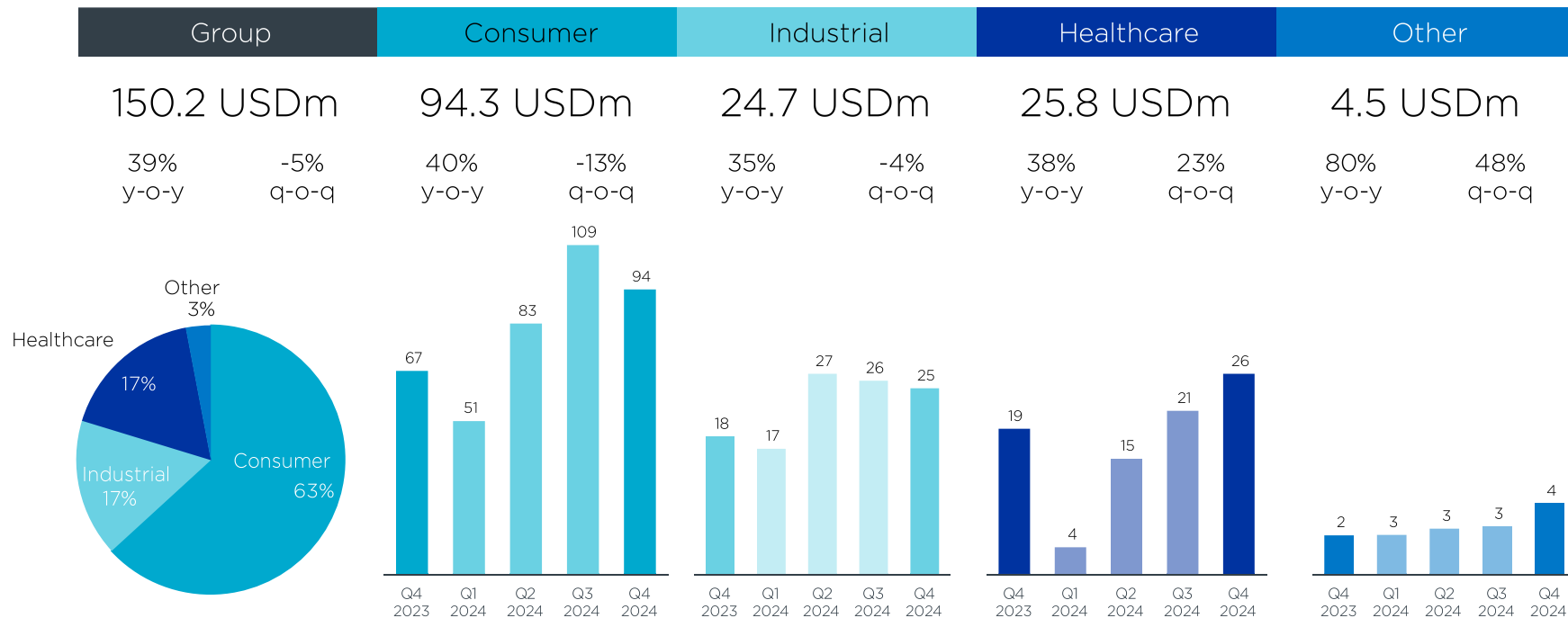
Proprietary revenue (USDm)
Quarterly



Long-range revenue (USDm)
Quarterly



Consumer leading the revenue recovery



Revenue recovery continuing in Q1

Q1 2025 guidance

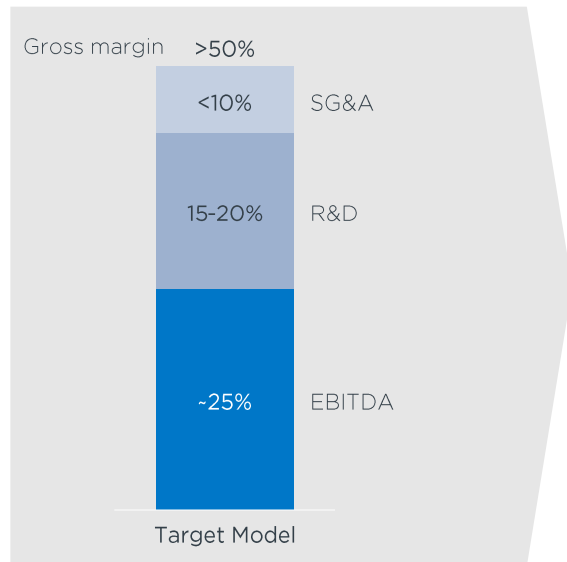
Revenue		Gross margin
USDm 140-160m		~50%
+88% to +115% y-o-y	-7% to +7% q-o-q	

- Strong year-on-year revenue growth outlook for Q1, reflecting both higher demand and significant inventory adjustments in Q1'24
- Orders from individual customers set to offset the typical seasonal demand downturn in Q1
- Gross margin expected at around ~50%

Target operating model

Organization set up for significantly higher revenue levels

Target operating model



Gross margin

- Gross margin depending on technology and customer mix
- Lower gross margin expected in cellular IoT Module business
- Higher gross margin opportunities in other new technologies and service offering
- Overall goal to maintain above 50%

SG&A

- Increasing operational leverage

R&D

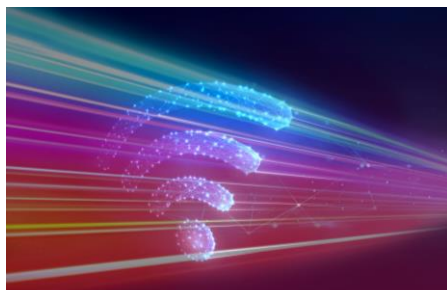
- Continued strong commitment to innovation

EBITDA

- High operational leverage - margin depending on volume growth

Group level 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 operating model profitability of ~25% EBITDA within five years

Our investment case

Improving returns - unlocking value creation opportunities

Clarifying strategy

Sharpened priorities and improved engineering execution

Operational agility

Market adaptive, customer-centric, roadmap-focussed

Capitalizing on innovation

New product launches supporting growth and margins

Profitable growth outlook

Clear market leader in a recovering market

Contact details

Ståle 'Steel' Ytterdal, SVP IR

Thomas Larsen , IR Manager

Please reach out to us on ir@nordicsemi.no