

Q2

& first half report 2024



NORDIC[®]
SEMICONDUCTOR

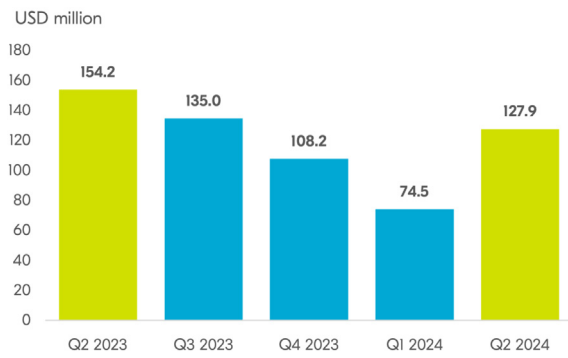
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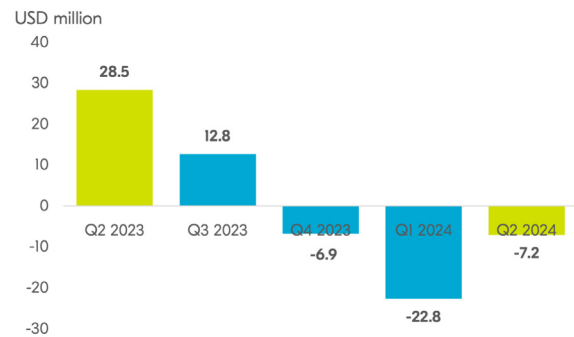
Highlights Q2

- Revenue of USD 127.9 million
- Write-down of Long-range component inventory of USD 10 million
- Reported gross margin of 42.0%, and adjusted gross margin of 49.8% excluding the inventory write-down
- Reported EBITDA of USD -7.2 million, and adjusted EBITDA of USD 2.8 million
- Stabilizing market - see return to year-on-year growth in Q3

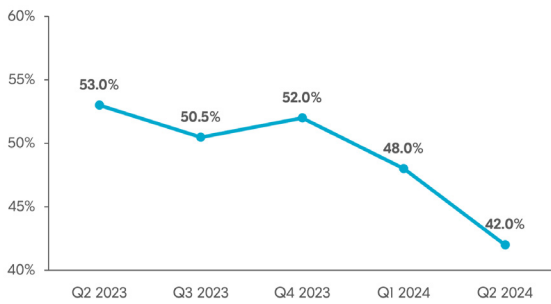
Revenue



EBITDA



Gross margin



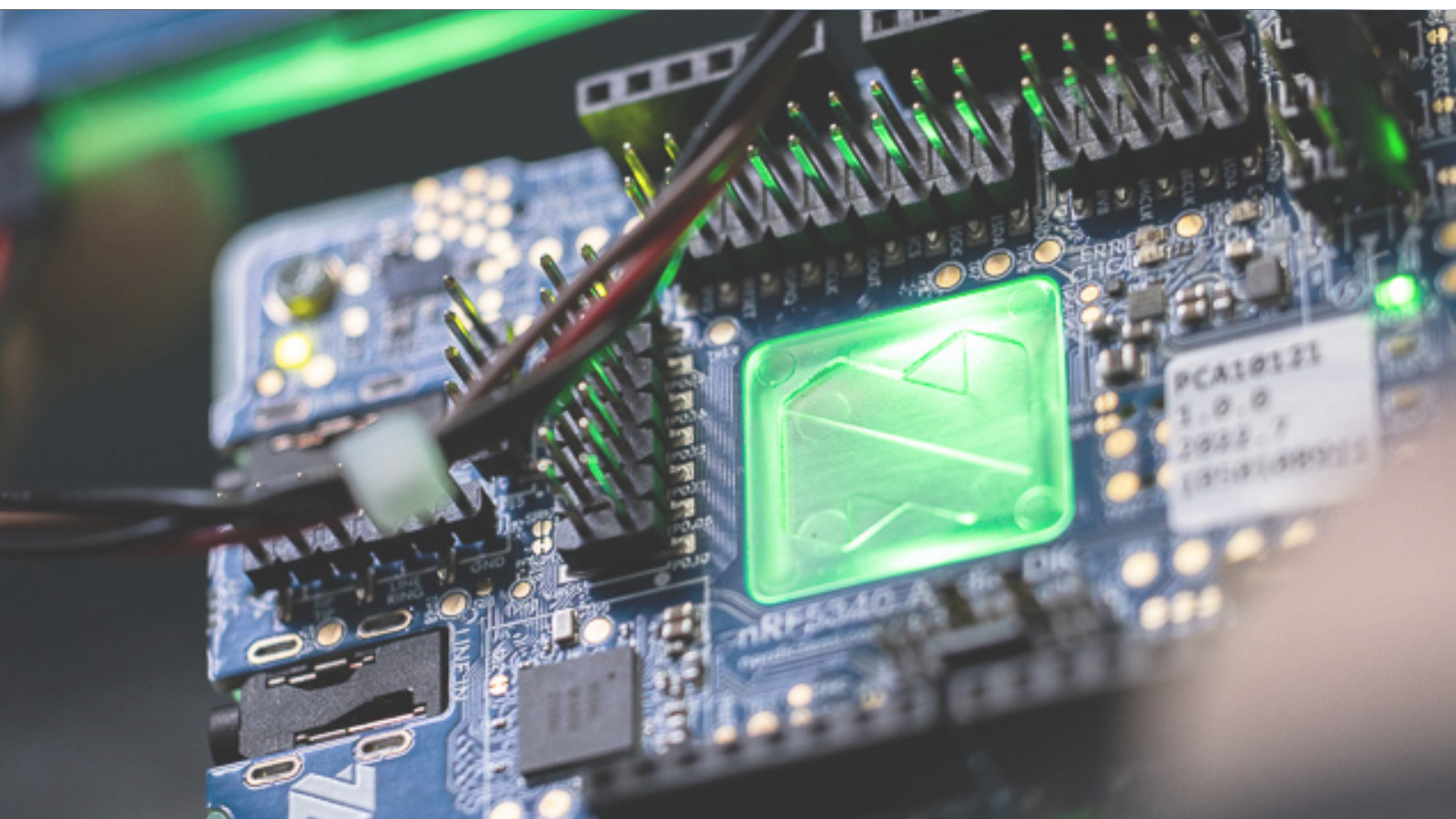
EBITDA margin



Key figures

Q2 and first half 2024 financial summary

Amount in USD million	Q2			H1		
	2024	2023	Change	2024	2023	Change
Revenue	127.9	154.2	-17.0%	202.4	299.6	-32.4%
Gross profit	53.8	81.7	-34.2%	89.5	159.3	-43.8%
Gross margin %	42.0%	53.0%	-11 p.p.	44.2%	53.2%	-8.9 p.p.
Adjusted gross margin %	49.8%	53.0%	-3.2 p.p.	49.2%	53.2%	-4 p.p.
EBITDA	-7.2	28.5	-125.4%	-30.1	43.1	-169.8%
Adjusted EBITDA	2.8	28.5	-90.3%	-20.1	43.1	-146.6%
EBITDA %	-5.7%	18.5%	-24.1 p.p.	-14.8%	14.4%	-29.2 p.p.
Operating profit (EBIT)	-16.8	17.6	-195.5%	-50.3	20.6	-343.7%
Operating profit % (EBIT)	-13.1%	11.4%	-24.5 p.p.	-24.8%	6.9%	-31.7 p.p.
Net profit after tax	-15.1	15.9	-194.9%	-40.8	18.9	-315.8%
Cash and cash equivalents				258.0	252.0	2.4%
LTM Opex excluding depreciation / LTM revenue				53.4%	33.7%	19.7 p.p.
Net working capital / LTM revenue				44.7%	29.0%	15.7 p.p.
Equity ratio				68.8%	75.6%	-6.8 p.p.
Number of employees				1390	1520	-8.6%



Q2 & H1 2024 review

Revenue amounted to USD 127.9 million in the second quarter 2024, a year-on-year decline but a strong increase from the first quarter. The sequential improvement reflects higher demand from both key customers and the broad market, as well as seasonal effects. The adverse effect of distributor inventory adjustments on reported revenue was also significantly lower than in the previous quarter.

Demand recovery

Nordic reported total revenue of USD 127.9 million in Q2 2024, which was a decrease of 17% from USD 154.2 million in Q2 2023 but a strong increase of 72% from Q1 2024. Revenue for the first half 2024 amounted to USD 202.4 million, a decline of 32% from first half 2023.

The sequential improvement reflects a demand recovery among both key customers and the broad market, in line with historical seasonal patterns. The adverse effect of inventory adjustments at the distributor level was also significantly lower than in the first quarter.

Nordic now sees broad market customers returning after a challenging 2023. In addition, design activity is picking up among both key customers and the broad market. Higher volume demand from a broadening customer base should indicate that the inventory adjustments are behind us at the distributor level, although individual end-customers still have excessive inventory, which is expected to last into 2025.

Demand from the company's end-customers is expected to follow historical seasonal patterns in the second half of the year, with typically strongest demand in the third quarter of the year.

Revenues by technologies

Nordic classifies its revenues into the following technologies: Short-range wireless components, long-range (cellular IoT) wireless components, ASIC components and other. Other revenues include PMIC,

front end modules and Wi-Fi components, as well as development tool sales and services. Short-range wireless components are in turn split between Bluetooth and Proprietary solutions.

Bluetooth revenue amounted to USD 111.8 million in Q2 2024, a decrease of 22% year-on-year but up 78% from the previous quarter. Bluetooth share of total revenue was 87% in Q2 2024.

Both larger and smaller customers contributed to the sequential Bluetooth revenue improvement. The top-10 Bluetooth customers account for 57% of revenue over the last 12 months.

As previously communicated, Nordic is on track to launch and recognize first revenue on the nRF54 Series during the 2H of 2024.

Proprietary product revenue amounted to USD 11.1 million in Q2 2024, an increase of 73% year-on-year and up 82% from the previous quarter. Proprietary share of total revenue was 9% in Q2 2024. The sequential increase reflects a demand recovery for PC accessories and home office equipment.

Long-range revenue remained subdued at USD 3.7 million in Q2 2024, and although this was an increase of 45% year-on-year it was roughly unchanged from the previous quarter. Long-range share of total revenue was 3% in Q2 2024. Nordic sees increased design activity and traction in cellular IoT markets with industrial players.

Amounts in USD thousand	Q2			H1		
	2024	2023	Change	2024	2023	Change
Bluetooth	111 847	143 207	-21.9%	174 785	274 035	-36.2%
Proprietary wireless	11 071	6 409	72.7%	17 158	14 351	19.6%
Short-range wireless components	122 918	149 616	-17.8%	191 943	288 386	-33.4%
Cellular IoT	3 743	2 588	44.6%	7 521	7 311	2.9%
ASIC components	545	1 726	-68.4%	1 486	2 874	-48.3%
Other	743	287	158.9%	1 497	1 074	39.4%
Total revenue	127 949	154 217	-17.0%	202 447	299 645	-32.4%

Nordic expects demand to pick up with the launch of the new nRF9151 SiP (System-in-Package), which is smaller, more energy-efficient and more cost-effective than the current nRF9160/61 flagship products in the long-range business.

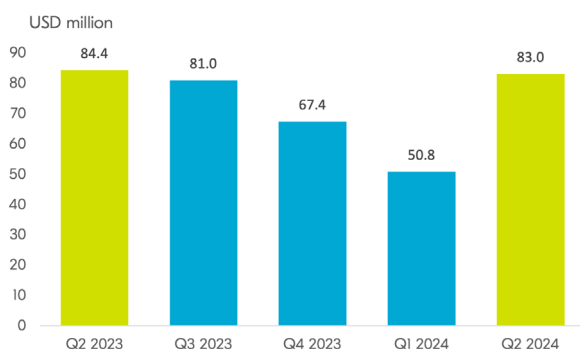
Over the past few years, post-Covid, Nordic has carried high inventories of the nRF9160 SiPs, viewed in the context of sharp demand decline throughout 2023 and continued modest demand into 2024. Going forward, some customers are expected to transition to the new nRF9151 SiP, increasing the risk of obsolescence for the older components. In line with a cautious accounting policy, Nordic has therefore recorded an inventory write-down of USD 10 million in the P&L for the second quarter of 2024, representing approximately one third of the Long-range inventory on hand.

The company has taken active steps to support future growth ambitions. As noted in previous quarterly reports, the company made a strategic decision to increase inventories of 55nm wafers for the nRF52 and nRF53 Series SoCs last year, and has established dual supply of 22nm wafers for its next-generation nRF54 Series SoCs.

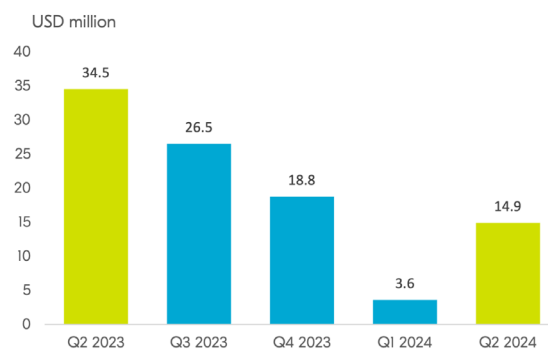
ASIC component revenues amounted to USD 0.5 million in Q2 2024, compared to USD 1.7 million in Q2 2023 and USD 0.9 million in Q1 2024. Other revenues amounted to USD 0.7 million, compared to USD 0.3 million in Q2 2023 and USD 0.8 million in Q1 2024.

In terms of end-user markets, Nordic reports on Consumer, Industrial, Healthcare and Other.

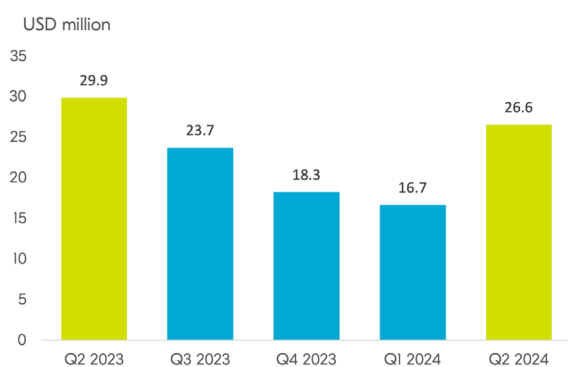
Consumer



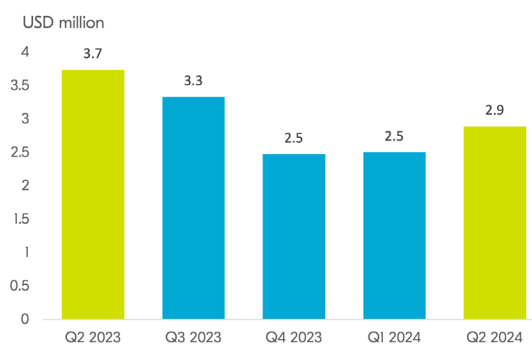
Healthcare



Industrial



Other



Revenues by end-product markets Amounts in USD thousand	Q2			H1		
	2024	2023	Change	2024	2023	Change
Consumer	83 049	84 358	-1.6%	133 878	154 108	-13.1%
Industrial	26 565	29 873	-11.1%	43 230	75 235	-42.5%
Healthcare	14 899	34 522	-56.8%	18 460	58 082	-68.2%
Other	2 891	3 738	-22.7%	5 393	9 346	-42.3%
Total revenue excl. ASIC & Consulting	127 404	152 491	-16.5%	200 961	296 771	-32.3%

Consumer remained the largest end-user market in Q2 2024, accounting for 65% of total revenues. Revenue in the second quarter decreased by 2% year-on-year but increased by 63% quarter-on-quarter to USD 83 million. The sequential increase reflects improvements across most of the consumer customer base.

Industrial revenue amounted to USD 27 million in Q2 2024, accounting for 21% of total revenue. Revenue declined by 11% from Q2 2023 but improved by 59% quarter-on-quarter. Demand from the industrial sector shows healthy growth in the US and Asia, but remains slow in Europe.

Healthcare revenue amounted to USD 15 million in Q2 2024, which was a decline of 57% from the exceptionally strong Q2 2023 but a sharp increase from USD 4 million in Q1 2024. Revenue in this area remains dependent on a relatively small number of customers and is prone to wide variations from quarter to quarter.

'Other' revenue accounted for USD 2.9 million in Q2 2024, or 2% of total revenue. This compares to USD 3.7 million in Q2 2023 and USD 2.5 million in Q1 2024.

The design win market leader

Nordic had a market share of 38% of new design certifications in the Bluetooth Low Energy market in the second quarter 2024 and 42% over the last 12 months, according to FCC and Bluetooth SIG data compiled by DNB Markets.

The company is a clear market leader with approximately five times as many designs wins as the the second largest. The total number of new Bluetooth LE designs certified over the last 12 months was 1,220, of which 510 had Nordic inside.

Due to new restrictions regarding distribution of FCC and Bluetooth SIG data, Nordic may be required to discontinue or modify the quarterly reporting of design win data with effect from the third quarter 2024.

Strategic product innovations

This quarter, Nordic has introduced innovative products in Cellular IoT and Cloud Services, highlighting its strategic focus on expanding market opportunities and enhancing technological capabilities.

Several customers have launched products in key growth areas such as energy monitoring, sustainable agriculture, personal health, and environmental sensors. For instance, the smart energy solution and wireless soil monitoring system highlighted this quarter, demonstrate Nordic's ability to meet the rising demand for energy-efficient and sustainable technologies. Customer testimonials highlight Nordic's reliability, low power consumption, and robust support, which are all critical factors driving adoption.



The dual-core nRF5340 SoC can be found in a new Auracast TV Streamer, together with the nRF21540 RF FEM, delivering low power, long-range, reliable wireless connectivity, with improved audio quality. Nordic's solutions provide high-quality streamed audio to an end user's Bluetooth LE- or Auracast-enabled headphones, speakers, or hearing aids.

An nRF52840-powered fridge and freezer monitoring device is now commercially available. It oversees stock availability, door positions, and temperature levels. The nRF52840 SoC was chosen due to its large memory capacity and low power consumption. The smart monitor's extremely low power consumption enables it to run using ambient energy harvested from the environment. An end customer of the monitor reports double-digit sales growth wherever they have deployed the solution to address on-shelf availability challenges.

Commitment to sustainability

Nordic's sustainability initiatives, including the use of recycled plastic for component reels and validated greenhouse gas emission reduction targets, enhance the company's ESG profile, making it an attractive proposition for socially responsible stakeholders. The inclusion in TIME magazine's list of the world's most sustainable companies further recognizes this position.

Nordic has also joined IoT4Ag, an NSF Engineering Research Center focused on using IoT technologies to advance precision agriculture and address global food, energy, and water security challenges. As a member, with a seat on the Industrial Practitioner Advisory Board, Nordic will contribute strategic guidance and expertise. This collaboration aims to develop scalable, efficient agricultural technologies, enhancing monitoring, control, and precision to improve agricultural productivity and sustainability. Nordic's involvement underscores its commitment to innovative solutions in the rapidly growing smart agriculture market.



Industry recognition

The nPM1300 PMIC, shortlisted for the Electronics Industry Awards, showcases Nordic's innovation in power management solutions. The nPM1300 is the first PMIC to integrate all the essential system management features necessary for low-power embedded designs.



Expanding Nordic long-range IoT solutions

Moreover, the nRF9151 System-in-Package (SiP), the smallest and lowest power cellular IoT solution for the massive IoT market will be made available in the third quarter. The nRF9151 expands Nordic's footprint in the cellular IoT market, supporting LTE-M/NB-IoT and DECT NR+ for diverse applications such as industrial automation, asset tracking, and smart metering. Notably, the nRF9151 is manufactured in a US tariff-free country, enhancing its market appeal. With its enhanced power options and reduced footprint, this SiP simplifies the development and deployment of scalable IoT products, positioning Nordic as a leader in the rapidly growing cellular IoT sector. Additionally, the launch of nRF Cloud Device Management Services provides a comprehensive suite for device management, offering flexibility and scalability for IoT customers.

Sisvel licensing

A new agreement has been announced between Nordic Semiconductor and Sisvel for the licensing of LTE-M and NB-IoT technology standard essential patents (SEPs). This collaboration streamlines cloT SEP licensing, providing developers efficient and transparent access to end-product licenses from over 30 patent owners. This facilitates the adoption of cloT devices and addresses the licensing challenges typically faced by cellular developers in areas such as smart health, smart energy, smart cities, and asset tracking. Nordic believes this solution marks a significant step towards a more efficient future for cellular IoT development, benefiting the IoT market with greater licensing transparency and predictability.





Financial results

	Q2			H1		
	2024	2023	Change	2024	2023	Change
Amounts in USD thousand						
Gross profit	53 771	81 744	-34.2%	89 522	159 298	-43.8%
Gross margin %	42.0%	53.0%	-11 p.p.	44.2%	53.2%	-8.9 p.p.
Adjusted gross margin %	49.8%	53.0%	-3.2 p.p.	49.2%	53.2%	-4 p.p.
Operating expenses excl. depreciation and amortization	61 003	53 227	14.6%	119 584	116 225	2.9%
EBITDA	-7 232	28 517	-125.4%	-30 062	43 073	-169.8%
Adjusted EBITDA	2 768	28 517	-90.3%	-20 062	43 073	-146.6%
EBITDA %	-5.7%	18.5%	-24.1 p.p.	-14.8%	14.4%	-29.2 p.p.
Depreciation and amortization	9 562	10 935	-12.6%	20 217	22 445	-9.9%
EBIT	-16 794	17 581	-195.5%	-50 279	20 629	-343.7%

Gross profit

Gross profit was USD 53.8 million in Q2 2024. This included an inventory write-down of USD 10 million related to cellular IoT components, and was a decline from USD 81.7 million in Q2 2023. The reported gross margin hence decreased to 42.0% in Q2 2024 from 53.0% in Q2 2023. The gross margin was 49.8% adjusted for the inventory write-down, which was in line with company guiding and a sequential improvement from 48.0% in Q1 2024.

For the first half year 2024, gross profit decreased to USD 89.5 million from USD 159.3 million in the first half 2023, with the gross margin decreasing to 44.2% from 53.2% in the same period last year. Adjusted for the inventory write-down the gross margin was 49.2% in the first half 2024.

Besides the inventory write-down, the changes in gross margin mainly reflect changes in customer and product mix. In Q1 2024 gross margin was negatively affected by distributor inventory adjustment effects as well as a particularly low absolute revenue level.

Operating expenses

Nordic has had strict cost control and focus on returning to operating profitability, at the same time delivering on all key projects without significant workforce cuts in excess of the downsizing process in Q4 2023.

Operating expenses excluding depreciation and amortization amounted to USD 61.0 million in Q2 2024. This represents a 15% increase in cost compared to USD 53.2 million in Q2 2023.

The year-on-year increase is mainly due to a lower project capitalization rate in Q2 2024, combined with salary increases and higher variable pay levels in 2024. This was partially offset by a reduction in the number of employees and a reduction in other operating expenses.

Due to the lower capitalization rate and higher non-cash equity compensation, total cash operating expenses only increased by 3% in Q2 2024 from 58.6 million in Q2 2023 to USD 60.1 million. Cash operating expenses are calculated by adding back capitalized development expenses and deducting depreciation and equity-based compensation from total operating expenses.

Of the cash operating expenses, USD 41.0 million were related to payroll expenses, compared to USD 38.2 million in Q2 2023.

The total number of Nordic employees was 1390 at the end of Q2 2024, a year-on-year decrease of 9%.

Other cash operating expenses amounted to USD 19.1 million in Q2 2024, compared to USD 20.3 million in Q2 2023.

For the first half year 2024, operating expenses excluding depreciation and amortization increased 2.9% to USD 119.6 million, up from USD 116.2 million in the first half of 2023.

Nordic is exposed to currency fluctuations, mainly in NOK, EUR and USD. Compared to the previous year changes in these exchange rates reduced quarterly operating costs by approximately USD 0.1 million.

In Q2 2024 R&D costs amounted to USD 40.2 million, compared to USD 34.4 million in Q2 2023. USD 23.7 million was related to the short-range business (including PMIC), USD 12.1 million to cellular, and USD 4.4 million to Wi-Fi. In Q2 2024, Nordic capitalized a total of USD 2.9 million in development expenses, compared to USD 6.5 million in Q2 2023.

The generally high capitalization rate over the past years mainly reflects development of the nRF54 SoC series. Nordic commenced capitalization of R&D after customer sampling which started late Q1 2023. The decrease from Q2 2023 to Q2 2024 can be attributed to allocation of resources to projects in other stages in the development cycle. The capitalized expenses in Q2 2024 include USD 0.2 million related to Wi-Fi investments, USD 0.1 million to long-range, and USD 2.6 million to the short-range business.

Profit

EBITDA was a negative USD 7.2 million in Q2 2024, compared to a positive USD 28.5 million in Q2 2023. Adjusted EBITDA was a positive 2.8 million in Q2 2024, adjusting for the inventory write-down related to cellular IoT components.

Besides the write-down, the weaker results can be attributed to lower revenue, a decline in gross margin, and less capitalization of development expenses.

For the first half year 2024, EBITDA showed a loss of USD 30.1 million, compared to a profit of USD 43.1 million in the same period last year, whereas the adjusted EBITDA showed a loss of USD 20.1 million excluding the inventory write-down. Besides the write-down, the change is mainly due to the revenue shortfall compared to the first half last year.

Depreciation and amortization decreased to USD 9.6 million in Q2 2024, compared to USD 10.9 million in Q2 2023. The decrease mainly reflects completion of depreciation or amortization period for existing assets, while awaiting the start of depreciation on current capitalized assets. Amortization of internally developed R&D amounted to USD 2.3 million in Q2 2024 and depreciation of leased assets to USD 2.3 million.

Reported operating loss (EBIT) was USD 16.8 million in Q2 2024, compared to a profit of USD 17.6 million in Q2 2023. For the first half year 2024, the reported EBIT decreased to loss of USD 50.3 million from a profit of USD 20.6 million in the same period last year.

Net financial items resulted in a loss of USD 1.2 million in Q2 2024, compared to a gain of USD 2.0 million in Q2 2023. The difference is mainly explained by USD/NOK movements.

The reported loss before tax was hence USD 18.0 million in Q2 2024, compared to a profit before tax of USD 19.6 million in Q2 2023. The tax income in Q2 2024 was USD 2.9 million, compared to a tax expense of USD 3.7 million in Q2 2023. The reported net loss was hence USD 15.1 million in Q2 2024, compared to a net profit of USD 15.9 million in Q2 2023.

For the first half 2024, the reported loss before tax was USD 48.6 million compared to a profit of USD 28.0 million in 2023, whereas the reported net loss was USD 40.8 compared to a net profit of USD 18.9 million in the same period last year.

The parent company's statutory tax rate is 22%. The company presents its accounts in USD, with the parent company's profits translated into NOK for taxation purposes.

Financial position

Amounts in USD thousand	30.06.2024	31.12.2023	30.06.2023
Capitalized development expenses	42 070	38 938	31 100
Total non-current assets	259 407	253 008	227 086
Inventory	170 441	163 090	147 933
Cash and cash equivalents	257 966	290 957	252 013
Total current assets	558 116	609 237	578 908
Total assets	817 523	862 245	805 994
Total equity	562 258	602 077	609 301
Equity percentage	68.8%	69.8%	75.6%
Total liabilities	255 265	260 168	196 693
Total equity and liability	817 523	862 245	805 994

Total shareholders' equity amounted to USD 562.3 million at the end of Q2 2024, down from USD 602.1 million at the end of 2023. The decline mainly reflects the losses in the period, including the USD 10 million adverse effect of an inventory write-down relating to cellular IoT components.

The Group equity ratio was 68.8% of a total asset base of USD 817.5 million.

Cash and cash equivalents amounted to USD 258.0 million at the end of Q2 2024, compared to USD 291.0 million at the end of 2023. The main reason for the decline is the operating loss and increase in inventory.

Net working capital was USD 199.1 million at the end of Q2 2024, down from USD 200.7 million at the end of Q2 2023. Measured as a percentage of last 12 months revenue, net working capital increased to 44.7% from 29.0% at the end of Q2 2023.

The year-over-year changes in net working capital mainly reflect an increase in inventory to USD 170.4 million in Q2 2024 from USD 147.9 million in Q2 2023, despite the inventory write-down of USD 10 million in Q2 2024. This reflects that Nordic strategically built inventory of key components through 2023, following a period of supply constraints. Inventory levels peaked in the first quarter of 2024.

Accounts receivable decreased to USD 106.3 million at the end of Q2 2024 from USD 158.4 million at the end of Q2 2023, reflecting the lower revenue. Accounts payable also decreased by USD 17.7 million to USD 23.1 million.

Total current assets amounted to USD 558.1 million at the end of Q2 2024, down from USD 578.9 million at the end of the Q2 2023.

Non-current assets amounted to USD 259.4 million at the end of Q2 2024, compared to USD 227.1 million at the end of Q2 2023. The change is explained by leasing contracts and capitalized development expenses offset by reduction in fixed assets.

Current liabilities amounted to USD 113.4 million, compared to USD 168.5 million at the end of Q2 2023. The decrease reflects a drop in income tax payable due to a decrease in taxable position, as well as a decrease in accounts payable.

Non-current liabilities amounted to USD 141.9 million, compared to USD 28.2 million at the end of Q2 2023. Non-current liabilities in Q2 2024 mainly consist of a NOK 1.0 billion bond with an outstanding balance of USD 93.1 million which was issued in Q4 2023. Additionally, non-current lease liabilities have increased as a result of new contracts and extensions of existing contracts.

Cash flow

Amounts in USD thousand	Q2		H1	
	2024	2023	2024	2023
Cash flows from operations	32 776	31 999	-2 615	-97 439
Cash flows from investing activities	-5 447	-11 227	-11 366	-25 881
Cash flows from financing activities	-4 968	-2 113	-13 631	-4 107
Change in cash and cash equivalents	22 954	18 753	-32 990	-127 091
Cash and cash equivalents at the end of the period	257 966	252 013	257 966	252 013

Cash flow from operating activities was USD 32.8 million in Q2 2024, compared to USD 32.0 million in Q2 2023. The operating cash flow in Q2 2024 reflects reduced inventory levels from Q1 2024, combined with increased accounts payable.

Cash flows from investing activities resulted in an outflow of USD 5.4 million in Q2 2024, compared to an outflow of USD 11.2 million in Q2 2023. Capital expenditures (including software) amounted to USD 2.5 million, down from USD 4.8 million in the second quarter last year. Capitalized development expenses decreased to USD 2.9 million in Q2 2024 from USD 6.5 million in the same period last year.

Cash flows from financing activities resulted in an outflow of USD 5.0 million compared to an outflow of USD 2.1 million in Q2 2023. The higher cash outflow is a result of payments related to interest bearing debt and increased leasing payments.

Funding

The Group's cash position was USD 258.0 million at the end of Q2 2024, compared to USD 291.0 million at the end of 2023. The cash is mainly kept in the Group's functional currency USD to minimize the impact of currency fluctuations.

The issued bond is denominated in NOK and a comparable cash and cash equivalent amount is held in this currency to offset currency effects. The currency effect of cash and bond is offset in Net foreign exchange gains (losses) in the P&L. The change in the NOK cash position due to fluctuations in NOK/USD exchange rate is included in the line "Effects of exchange rate changes on cash and cash equivalents" in the cash flow statement, whereas the counterbalancing currency effect will be realized at the future bond settlement, ultimately resulting in a net-zero impact on maturity date.

Available cash including overdraft facilities and Nordic's sustainability linked RCF of USD 200 million, amounted to USD 458 million. The undrawn RCF has been extended until June 2026.

Risk and uncertainty

The company has identified six major groups of risk: Strategic, Operational, Financial, Legal & Compliance, Social and Climate & Environment related risk. Some of these risks are outside of Nordic's control, including industry and specific cyclical risks. The supply of and demand for semiconductors and electronic products is sensitive to global economic conditions and international trade flows. While the underlying long-term market trends point towards increasing demand for Nordic's products, the operations are exposed to a variety of factors with impact on the financial position of the company. Macroeconomic fluctuations can also play a critical role in shaping the overall risk landscape for the company.

Strategic risks

The main strategic risks are:

- Cyclical nature of the semiconductor industry
- Wafer supply constraints
- Customer concentration
- Attraction and retention of key talent
- Competitiveness of Nordic products
- Geopolitical risk and trade tensions

The semiconductor industry is inherently risky due to its cyclical nature, characterized by fluctuating demand and supply. Rapid technological changes, short product life cycles, volatile pricing, and evolving standards add to its instability. Periodic downturns, often linked to maturing product cycles or economic declines, lead to decreased demand, falling prices, reduced revenues, underutilized capacity, and rising inventories. Nordic has faced negative impacts on its operations and cash flows during such downturns, and future downturns could be severe and prolonged. Additionally, Nordic's ability to cut costs during these periods may be limited due to the necessity of maintaining its competitive position.

As a fabless semiconductor company, Nordic outsources silicon wafer production, packaging, and testing to third-party suppliers, primarily in Asia. Disruptions at any stage of this multi-supplier manufacturing process can harm revenue and customer relations. Nordic does normally not have long-term supply contracts, relying on suppliers' ability to meet volume demands. Suppliers typically do not guarantee that adequate capacity will be available within the time required to meet demand for the Group's products, and qualifying a new vendor can take over twelve months, which can negatively impact supply in the short term.

In the first half year of 2024, Nordic derived around 57% of its total Bluetooth LE revenue from its 10 largest customers. Due to the customer concentration, Nordic's revenue could fluctuate materially and could be materially and disproportionately impacted by the decisions of the company's largest customers if they were to cancel or reduce their purchase commitments. Furthermore, in the event that Nordic's largest customers experience a dramatic decline in sales, fail to compete with their competitors due to oversupply or overcapacity in the market or if they decide to alter the product mix, Nordic's business, financial condition, and results of operations could be materially and adversely affected.

Nordic's success depends largely on the company's ability to attract and retain key personnel. Loss of key employees or the inability to attract or retain qualified personnel, may result in inability to deliver on strategic goals.

The semiconductor industry is highly competitive, with competition based on performance, pricing, quality, features, design, engineering, innovation, availability, delivery, and support. Nordic faces competition from established and new entrants, particularly from China, which is boosting its semiconductor industry through policy changes and investment. The US Chips Act and EU Chips Act may also intensify competition from those regions. Competitors range from large, diversified companies to smaller, specialized firms, often with greater resources. Increasing competition could affect Nordic's market share and customer relationships. As Bluetooth LE adoption increases, the risk of losing specific markets to niche competitors rises. Additionally, other wireless standards like Ultra-Wide Band and various Wi-Fi standards combined with Bluetooth in a combo chipset pose threats. Nordic's strategy for cellular IoT, exemplified by the nRF91 Series, faces risks from competing technologies and market preferences. Failure to keep pace with the industry could negatively impact Nordic's financial condition and operations.

Rising tensions between China and Taiwan could disrupt third-party foundries and subcontractors, severely impacting Nordic's manufacturing and business. With over 50% of semiconductor wafers sourced from Taiwan, such tensions could significantly affect demand for Nordic products. Additionally, geopolitical risks, such as the Ukraine conflict, have caused supply chain disruptions, energy price increases, inflation, and trade frictions, contributing to market volatility and potential global economic downturns, adversely impacting Nordic's business, financial condition, and operations. Rising geopolitical tensions have also increased the risk of tariffs in various jurisdictions that can have a negative effect on demand for Nordic's products.

Financial risks

The company has seen no major changes to the financial risk compared to the statements given in the Annual Report 2023. Nordic maintains a sharp focus on cost and cash flows and navigates from a strong position. Nordic's strategy and growth ambitions require an adequate cash position to fund the R&D activities needed to drive the technology and product roadmaps forward. The Group's cash position was USD 258.0 million at the end of the second quarter of 2024. The Board of Directors continue to assess the liquidity risk as low.

Nordic holds interest-bearing debt as disclosed in Note 7. The direct risk associated with interest rate fluctuations is considered low. The company also assesses the credit risk as low.

Nordic is exposed to foreign exchange risk. Revenue and direct production costs are almost entirely nominated in USD. Payroll is predominantly nominated in other currencies than USD, where the largest currencies are NOK (around 50%) and EUR (around 20%). Significant fluctuations in exchange rates, especially between NOK and USD, can materially impact the company's financial results. Other operating expenses are nominated primarily in USD but also in a range of other currencies. The company presents its accounts in USD, with profits translated into NOK for taxation purposes.

Please refer to the Annual Report for 2023 for a thorough review of the company's risks and mitigating initiatives.

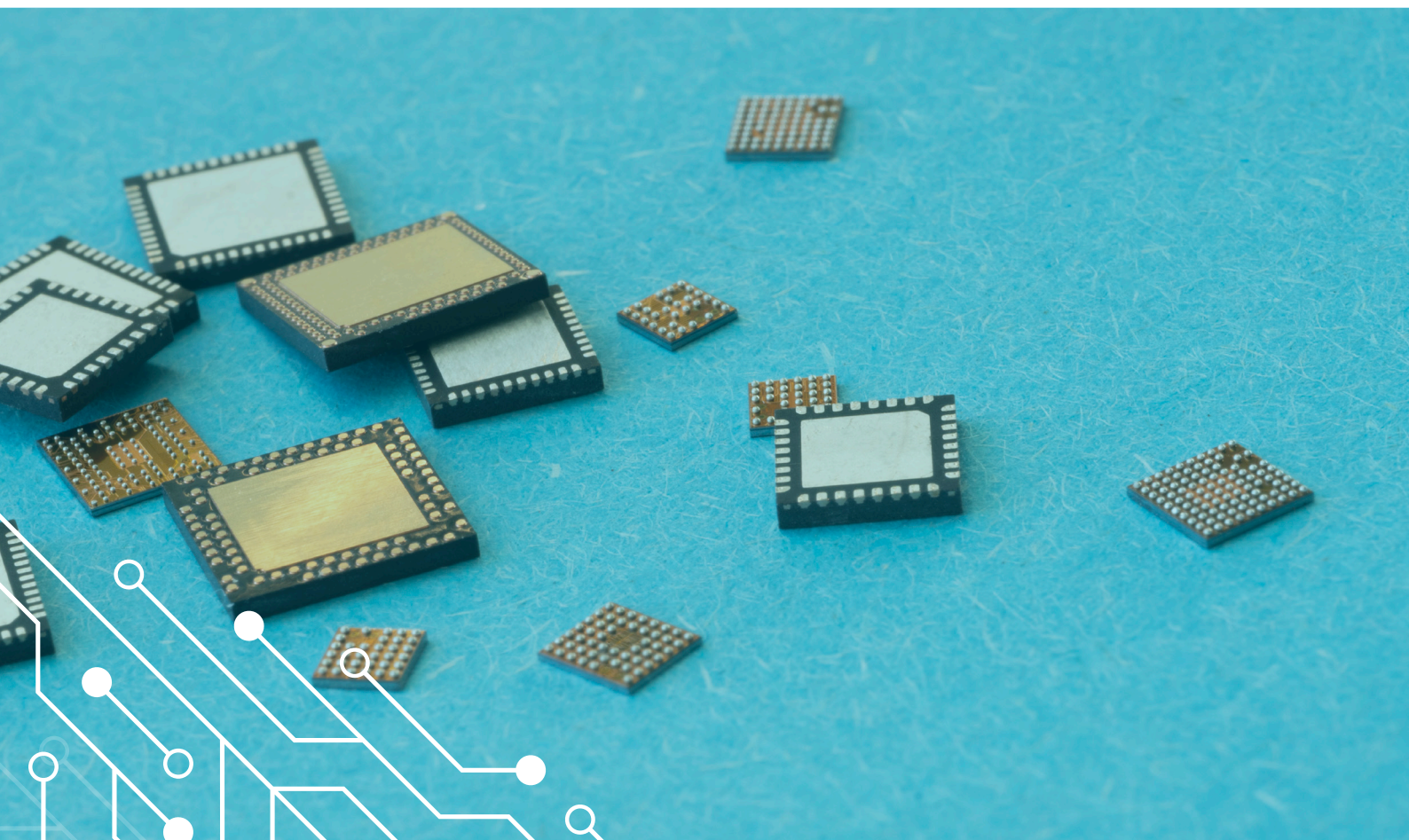
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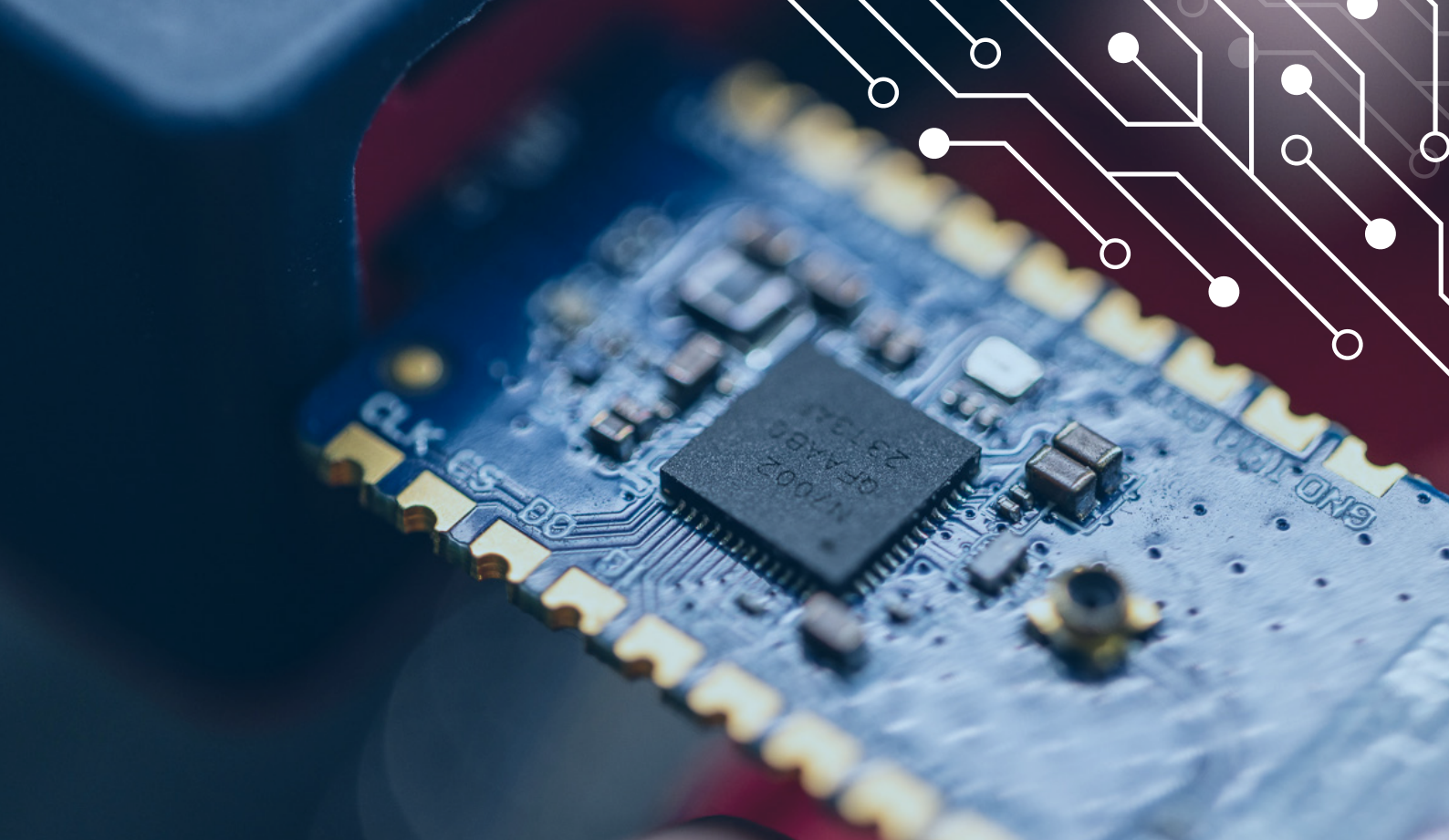
Nordic Semiconductor reported a strong sequential revenue improvement from USD 74 million in the first quarter to USD 128 million in the second quarter 2024, supported by stronger underlying demand, seasonal effects and less adverse effects of distributor inventory adjustments in the second quarter.

While recognizing the volatility and uncertainty in the global economy, the company sees the positive trend continuing and expects revenue to increase further to USD 150-170 million supported by seasonally higher demand in the third quarter. The revenue guidance corresponds with a year-on-year revenue increase of 11%-26% compared to the third quarter last year.

Adjusted gross margin was 50% in the second quarter, excluding the adverse effect of an inventory write-down, and is expected to come in at around this level also in the third quarter. Nordic reiterates its long-term ambition to maintain a gross margin level above 50%.

As stated in the previous financial reports, the current overarching priority of the company is to return to revenue growth and restore profitability. The new top management is looking forward to presenting its longer-term strategic ambitions on a Capital Markets Day in Oslo on September 26, 2024.





Oslo, August 7, 2024

Anita Huun
Board member

Birger Steen
Chair

Inger Berg Ørstavik
Board member

Snorre Kjesbu
Board member

Vegard Wollan
Chief Executive Officer

Annastiina Hintsu
Board member

Jon Helge Nistad
Board member, employee

Anja Dekens
Board member, employee

Morten Dammen
Board member, employee

Dieter May
Board member

Dr. Helmut Gassel
Board member

Condensed financial information

Income statement

Amounts USD thousand	Note	Q2		H1		Full year
		2024	2023	2024	2023	2023
Total revenue	4	127 949	154 217	202 447	299 645	542 869
Cost of materials		-74 178	-72 473	-112 925	-140 347	-259 157
Gross profit		53 771	81 744	89 522	159 298	283 712
Payroll expenses		-42 207	-33 452	-82 639	-77 152	-152 990
Other operating expenses		-18 796	-19 775	-36 945	-39 073	-81 691
EBITDA		-7 232	28 517	-30 062	43 073	49 031
Depreciation and amortization	6	-9 562	-10 935	-20 217	-22 445	-44 329
Operating Profit		-16 794	17 581	-50 279	20 629	4 702
Share of profit from associates		-116	—	-116	—	—
Net interest income		433	1 578	930	3 073	6 036
Net foreign exchange gains (losses)		-1 501	420	855	4 273	1 358
Profit before tax		-17 978	19 580	-48 610	27 975	12 096
Income tax expense		2 927	-3 726	7 829	-9 080	-4 447
Net profit after tax		-15 051	15 854	-40 781	18 895	7 650
Earnings per share						
Ordinary earning per share (USD)		-0.078	0.083	-0.212	0.098	0.040
Fully diluted earning per share (USD)		-0.077	0.082	-0.210	0.098	0.039
Weighted average number of shares						
Basic		192 090	192 090	192 130	191 861	192 306
Fully diluted		194 847	192 892	194 296	192 841	193 913
Net profit after tax		-15 051	15 854	-40 781	18 895	7 650
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:						
Actuarial gains (losses) on defined benefit plans (before tax)		-27		-27		-37
Income tax effect		6		6		8
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:						
Currency translation differences		-297	205	-1 081	599	1 109
Total comprehensive income		-15 369	16 059	-41 883	19 494	8 730

Consolidated statement of financial position

Amounts USD thousand	Note	30.6.24	31.12.23	30.6.23
ASSETS				
Non-current assets				
Goodwill		10 887	10 891	10 363
Capitalized development expenses	5/6	42 070	38 938	31 100
Software and other intangible assets	5/6	16 981	19 063	12 204
Deferred tax assets		15 001	5 872	3 552
Fixed assets	6	23 148	29 095	34 006
Right-of-use assets	6	56 526	54 670	35 861
Investments in joint ventures		321	6	—
Other long term assets		94 473	94 473	100 000
Total non-current assets		259 407	253 008	227 086
Current assets				
Inventory		170 441	163 090	147 933
Accounts receivable		106 301	133 316	158 415
Other current receivables		23 407	21 874	20 547
Cash and cash equivalents		257 966	290 957	252 013
Total current assets		558 116	609 237	578 908
Total assets		817 523	862 245	805 994
EQUITY				
Share capital		317	317	317
Treasury shares		-1	-1	-1
Share premium		235 448	235 448	235 448
Other equity		326 494	366 313	373 537
Total equity		562 258	602 077	609 301
LIABILITIES				
Non-current liabilities				
Pension liability		655	661	700
Borrowings	7	93 138	97 491	
Non-current lease liabilities		48 059	47 864	27 483
Total non-current liabilities		141 852	146 016	28 183
Current liabilities				
Accounts payable		23 110	12 201	40 817
Income taxes payable		1 458	5 640	33 896
Public duties		7 166	6 334	7 408
Current lease liabilities		10 231	9 897	8 392
Other current liabilities		71 448	80 079	77 997
Total current liabilities		113 413	114 151	168 509
Total liabilities		255 265	260 168	196 693
Total equity and liability		817 523	862 245	805 994

Consolidated statement of changes in equity

Amount in USD thousand	Share capital	Treasury shares	Share premium	Other paid in capital	Currency translation reserve	Retained earnings	Total equity
Equity as of 1.1.24	317	-1	235 448	15 160	-290	351 442	602 077
Net profit for the period						-40 781	-40 781
Other comprehensive income					-1 081	-21	-1 102
Share based compensation		0		5 872			5 872
Repurchase of own shares		0				-3 808	-3 808
Equity as of 30.6.24	317	-1	235 448	21 032	-1 371	306 832	562 258
Equity as of 1.1.23	317	-2	235 448	5 358	-1 399	343 821	583 544
Net profit for the period						18 895	18 895
Other comprehensive income					599		599
Share based compensation		0		3 121			3 121
Consideration shares in business combination		0		3 141			3 141
Equity as of 30.6.23	317	-1	235 448	11 621	-800	362 716	609 301



Statement of cash flows

		Q2		H1		Full year
Amount in USD thousand	Note	2024	2023	2024	2023	2023
Cash flows from operating activities						
Profit before tax		-17 978	19 580	-48 610	27 941	12 096
Taxes paid for the period		-2 111	-8 155	-5 451	-15 963	-41 948
Depreciation and amortization		9 562	10 935	20 217	22 445	44 329
Net interest		-433	-1 579	-930	-3 073	-6 036
Interest received		2 680	1 992	5 651	4 394	9 552
Change in inventories, trade receivables and payables		34 254	1 304	31 795	-22 463	-41 153
Share-based compensation		3 819	1 123	5 872	3 001	6 548
Movement in pensions		39	-2	-5	20	-17
Prepayments		—	—	—	-100 000	-100 000
Other operations related adjustments		2 944	6 801	-11 154	-13 742	-2 345
Net cash flows from operating activities		32 776	31 999	-2 615	-97 439	-118 973
Cash flows used in investing activities						
Capital expenditures (including software)	6	-2 525	-4 759	-3 243	-10 269	-25 529
Capitalized development expenses	6	-2 922	-6 468	-7 692	-9 612	-21 973
Investment in associate company		—	—	-431	—	-6
Business Combination, net of cash acquired		—	—	—	-6 000	-6 000
Net cash flows used in investing activities		-5 447	-11 227	-11 366	-25 881	-53 502
Cash flows from financing activities						
Repurchase of treasury shares		—	—	-3 808	—	—
Proceeds from issuance of bond		—	—	—	—	92 935
Payment of interest		-1 825	—	-3 706	—	—
Repayment of lease liabilities		-2 700	-1 945	-5 457	-3 768	-8 426
Credit facility fee		-444	-168	-660	-339	-811
Net cash flows from financing activities		-4 968	-2 113	-13 631	-4 107	83 698
Effects of exchange rate changes on cash and cash equivalents		593	94	-5 379	336	630
Net change in cash and cash equivalents		22 954	18 753	-32 990	-127 091	-88 147
Cash and cash equivalents beginning of period		235 013	233 260	290 957	379 104	379 104
Cash and cash equivalents at end of period		257 966	252 013	257 966	252 013	290 957

Notes

Note 1: General

The Board of Directors approved the condensed second quarter interim financial statements for the three months ended June 30, 2024 and six first months of 2024 for publication on August 7, 2024.

Nordic Semiconductor is a Norwegian fabless semiconductor company specializing in wireless communication technology that powers the Internet of Things (IoT). Nordic was established in 1983 and has around 1,400 employees across the globe. The company's award-winning Bluetooth Low Energy solutions pioneered ultra-low power wireless, making it the global market leader. Nordic's technology range was later supplemented by ANT+, Thread and Zigbee, and in 2018 Nordic launched its low power, compact LTE-M/NB-IoT cellular IoT solutions to extend the penetration of the IoT. The Nordic portfolio was further complemented by Wi-Fi technology in 2021.

Nordic Semiconductor ASA is listed on the Oslo Stock Exchange under the ticker NOD, and is a public limited liability company registered in Norway. The parent company's head office is located at Otto Niensens veg 12, 7052 Trondheim.

Note 2: Confirmation of the financial framework

The Group financial statements for Nordic Semiconductor ASA and its wholly owned subsidiaries, together called "The Group" have been prepared in accordance with IAS 34 Interim Financial Statements. The interim financial statements for Q2 2024 do not include all the information required for the full year financial statements and shall be read in conjunction with the Group Annual Accounts for 2023.

The financial statements are presented in thousand USD, unless otherwise stated. As a result of rounding adjustments, the figures in one or more rows or columns included in the financial statements may not add up to the total of that row or column.

In the interim financial statements for 2024, judgments, estimates and assumptions have been applied that may affect the use of accounting principles, book values of assets and liabilities, revenues and expenses. Actual values may differ from these estimates. The major assumptions applied in the interim financial statements for 2024 and the major sources of uncertainty in the statements are similar to those found in the Financial Statements for 2023.

Note 3: Significant accounting principles

Significant accounting principles are described in the Group Financial Statement for 2023. The group accounts for 2023 were prepared in accordance with International Financial Reporting Standards (IFRS), relevant interpretations of this, as well as additional Norwegian disclosure requirements described in the Norwegian GAAP and the Norwegian Securities Trading Act.

The same accounting principles and methods of calculation have been applied as in the Financial Statements for 2023 for the Group.

Note 4: Segment information

In accordance with IFRS 8, the Group has only one business segment, which is the design and sale of integrated circuits and related solutions.

The Group classifies its revenues into the following technologies: Short-range wireless components, long-range (cellular IoT), ASIC components and consulting services. Within Wireless components, the Group reports its revenues based on the markets to which its components communicate. These include: Consumer, Industrial, Healthcare, and Others.

The Group also reports its short-range Wireless component revenue by proprietary wireless and Bluetooth protocols.

Note 5: Intangible assets

The Group recognizes intangible assets in the balance sheet if it is likely that the expected future economic benefits attributable to the asset will accrue to the Group and the assets acquisition cost can be measured reliably.

Costs associated with development are capitalized if the following criteria are met in full:

- The product or the process is clearly defined and the cost elements can be identified and measured reliably;
- The technical feasibility is demonstrated;
- The product or the process will be sold or used in the business;
- The asset will generate future financial benefits;
- Sufficient technical, financial and other resources for project completion are in place.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end

of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Note 6: Capitalization, depreciation and amortization

Amount in USD thousand	Q2		H1		Full year
Specification of capital expenditures, balance sheet	2024	2023	2024	2023	2023
Capitalized development expenses (payroll expenses)	2 603	5 620	6 794	8 473	16 155
Capitalized acquired development expenses	319	848	899	1 138	5 818
Capital expenditures (including software)	2 525	4 759	3 243	10 269	25 529
Right-of-use assets (non-cash)	750	17 106	6 410	18 232	41 348
Acquisition (net)	—	—	431	10 172	10 172
Currency adjustments	-57	-7	-184	129	398
Total	6 140	28 325	17 593	48 413	99 420
Depreciation and amortization					
Capitalized development expenses	2 287	2 309	4 560	5 120	9 644
Software and other intangible assets	1 858	1 452	3 671	3 001	6 202
Fixed assets	3 150	5 207	7 431	10 537	20 389
Right-of-use assets	2 267	1 967	4 554	3 786	8 094
Total	9 562	10 935	20 217	22 444	44 329

Note 7: Net interest-bearing debt

The Group has a bond of USD 93 million with an interest of NIBOR + 3%. The maturity date of the bond is November 28, 2028. In the event that Nordic loses its Investment Grade Rating, the margin will rise by one percent until the Group regains the Investment Grade Rating. The Group must uphold an equity ratio of 40% in case Nordic loses the Investment Grade Rating.

The Group has a sustainability linked revolving credit facility, which enables it to borrow up to USD 200 million with an interest rate equal to SOFR + margin. The line of credit expires in June 2026, with option to extend. As of June 30, 2024, the Group had not drawn on the credit facility. The security for the credit line is provided by inventory, receivables and operating equipment.

The following financial covenants apply for the revolving credit facility:

Equity ratio shall not be lower than 40%.

Note 8: RSU and performance shares

Nordic has an Long-term Incentive (LTI) plan for all employees, which include Restricted Stock Units (RSUs) and Performance Shares (PSUs). The executive management team's LTI plan is split into two parts, where 50% is composed of RSUs and the remaining 50% is given as PSUs.

With reference to the Annual general meeting held on April 24, 2024, Nordic Semiconductor, on May 3, 2024, granted 946,922 RSUs and PSUs to employees, including the executive management team. This is equivalent to 0.49% of the company's outstanding share capital. The Annual General Meeting of Nordic Semiconductor ASA approved the issue of RSUs and PSUs of an aggregate nominal value of up to 1% of the company's outstanding share capital.

	HI		Full year
	2024	2023	2023
Outstanding RSUs beginning of period	1 404 565	1 002 504	1 002 504
Granted	1 355 419	—	958 462
Forfeited	70 532	29 870	146 600
Released	375 650	409 801	409 801
Outstanding end of period	2 313 802	562 833	1 404 565

	HI		Full year
	2024	2023	2023
Outstanding performance shares beginning of period	77 357	109 632	109 632
Granted	516 983	—	43 861
Forfeited	19 547	—	21 929
Performance adjusted	(17 375)	43 371	43 371
Released	—	97 578	97 578
Outstanding end of period	557 418	55 425	77 357

Note 9: Financial risk

Nordic is exposed to several risks, including currency risk, interest rate risk, liquidity risk and credit risk. For a detailed description of these risks and how the Group manages these risks, please see the annual report for 2023.

Note 10: Events after the balance sheet

No events have occurred since June 30, 2024 with any significant effect that will impact the evaluation of the submitted accounts.

Financial Calendar 2024:

- September 26, 2024 - Capital Markets Day
- October 24, 2024 - 3rd Quarter 2024
- February 5, 2025 - 4th Quarter 2024

For further information, please contact:

- Ståle Ytterdal, IR, +47 930 37 430
- Pål Elstad, CFO, +47 991 66 293

Board and Management confirmation

We confirm that, to the best of our knowledge, the enclosed condensed set of financial statements for the first half year of 2024, which has been prepared in accordance with IAS 34 Interim Financial Statements, gives a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations, and that the interim management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

Oslo, August 7, 2024



Anita Huun
Board member



Birger Steen
Chair



Inger Berg Ørstavik
Board member



Snorre Kjesbu
Board member



Vegard Wollan
Chief Executive Officer



Annastiina Hintsa
Board member



Jon Helge Nistad
Board member, employee



Anja Dekens
Board member, employee



Morten Dammen
Board member, employee



Dieter May
Board member



Dr. Helmut Gassel
Board member

Alternative performance measures

The financial information is prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by EU. Additionally, it is management's intent to provide alternative performance measures (APM) that are regularly reviewed by management to enhance the understanding of the Group's performance.

The Group has identified the following APMs used in reporting (amount in USD million):

Gross margin. Gross profit divided by Total revenue. Gross margin is presented as it is the main financial KPI to measure the Group's operational performance.

	Q2		H1		Full year
	2024	2023	2024	2023	2023
Gross profit	53.8	81.7	89.5	159.3	283.7
Total revenue	127.9	154.2	202.4	299.6	542.9
Gross margin	42.0%	53.0%	44.2%	53.2%	52.3%

EBITDA terms are presented as they are commonly used by investors and financial analysts.

- EBITDA. Earnings before interest, taxes, depreciation and amortization.

	Q2		H1		Full year
	2024	2023	2024	2023	2023
Operating Profit	-16.8	17.6	-50.3	20.6	4.7
Depreciation and amortization	9.6	10.9	20.2	22.4	44.3
EBITDA	-7.2	28.5	-30.1	43.1	49.0

- EBITDA margin. EBITDA divided by Total Revenue.

	Q2		H1		Full year
	2024	2023	2024	2023	2023
EBITDA	-7.2	28.5	-30.1	43.1	49.0
Total revenue	127.9	154.2	202.4	299.6	542.9
EBITDA margin	-5.7%	18.5%	-14.8%	14.4%	9.0%

- Total Operating Expenses. Sum of payroll expenses, other operating expenses, depreciation and amortization.

	Q2		H1		Full year
	2024	2023	2024	2023	2023
Payroll expenses	42.2	33.5	82.6	77.2	153.0
Other operating expenses	18.8	19.8	36.9	39.1	81.7
Depreciation and amortization	9.6	10.9	20.2	22.4	44.3
Total operating expenses	70.6	64.2	139.8	138.7	279.0

- Cash operating Expenses. Total payroll and other operating expenses adjusted for non-cash related items including option expenses, receivable write-off and capitalization of development expenses. Nordic management believes that this measurement best captures the expenses impacting the cash flow of the Group.

	Q2		H1		Full year
	2024	2023	2024	2023	2023
Total operating expenses	70.6	64.2	139.8	138.7	279.0
Depreciation and amortization	-9.6	-10.9	-20.2	-22.4	-44.3
Option expense	-3.8	-1.1	-5.9	-3.0	-6.5
Capitalized expenses	2.9	6.5	7.7	9.6	22.0
Cash operating expenses	60.1	58.6	121.4	122.8	250.1

- EBITDA margin excluding Long-range and Wi-Fi. EBITDA excluding cellular IoT and Wi-Fi, divided by total revenue excluding cellular IoT revenue. This APM shows Nordic's profitability excluding products in an investment phase with limited revenue.

	Q2		H1		Full year
	2024	2023	2024	2023	2023
Reported EBITDA	-7.2	28.5	-30.1	43.1	49.0
Long-range (cellular IoT) EBITDA loss	21.0	10.7	32.7	23.0	45.5
Wi-Fi expense	4.4	4.0	8.4	8.5	16.5
EBITDA excluding Long-range and Wi-Fi	18.1	43.2	11.0	74.6	111.0
Total revenue (excluding cellular IoT revenue)	124.2	151.6	194.9	292.3	525.3
EBITDA margin excluding Long-range and Wi-Fi	14.6%	28.5%	5.6%	25.5%	21.1%

- Last twelve months operating expenses excluding depreciation and amortization divided by last twelve months revenue. Nordic's business is seasonal and by dividing last twelve months operating expenses excl. depreciation by last twelve months revenue, management is able to track cost level trends in relation to revenue. As a growth business it is key to keep cost level under control while still growing the business, and this ratio keeps track on that.

	Q2 2024	Q2 2023
Total operating expenses	280.1	279.8
Depreciation and amortization	-42.1	-45.9
Operating expenses excluding depreciation and amortization	238.0	233.8
Total revenue LTM	445.7	693.1
LTM opex / LTM revenue	53.4%	33.7%

- Net working capital divided by last twelve months revenue. Net working capital is a measure of both a company's efficiency and its short-term financial health, and by dividing the measure by last twelve months, seasonal effects are excluded. Nordic management uses this ratio to report on liquidity management to the financial market and internally to track performance.

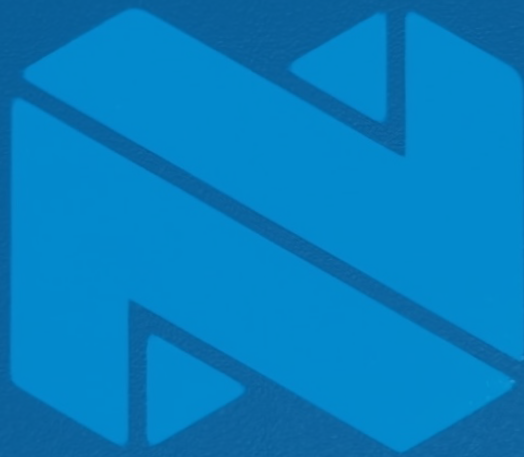
	Q2 2024	Q2 2023
Current assets	558.1	578.9
Cash and cash equivalents	-258.0	-252.0
Current financial assets	—	—
Current liabilities	-113.4	-168.5
Current financial liabilities	0.6	—
Current lease liabilities	10.2	8.4
Income taxes payable	1.5	33.9
Net working capital	199.1	200.7
Total revenue LTM	445.7	693.1
NWC / LTM revenue	44.7%	29.0%

- Adjusted Gross Margin. Gross margin excluding exceptional items like restructuring costs, write downs and other items outside of regular business specified upon occurrence. This APM shows Nordic's profit margin excluding items outside of regular business.

	Q2		H1	
	2024	2023	2024	2023
Gross profit	53.8	81.7	89.5	159.3
Write down	10.0	—	10.0	—
Adjusted Gross profit	63.8	81.7	99.5	159.3
Total revenue	127.9	154.2	202.4	299.6
Adjusted Gross margin	49.8%	53.0%	49.2%	53.2%

- Adjusted EBITDA. EBITDA excluding exceptional items like restructuring costs, write downs and other items outside of regular business specified upon occurrence. This APM shows Nordic's profitability excluding items outside of regular business.

	Q2		H1	
	2024	2023	2024	2023
Reported EBITDA	-7.2	28.5	-30.1	43.1
Write down	10.0	0.0	10.0	0.0
Adjusted EBITDA	2.8	28.5	-20.1	43.1



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