

**NORDIC
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Q4 2023 Presentation

13th March 2024

Agenda

- Highlights
- Business update
- Financials
- Outlook
- Focus 2024
- Summary



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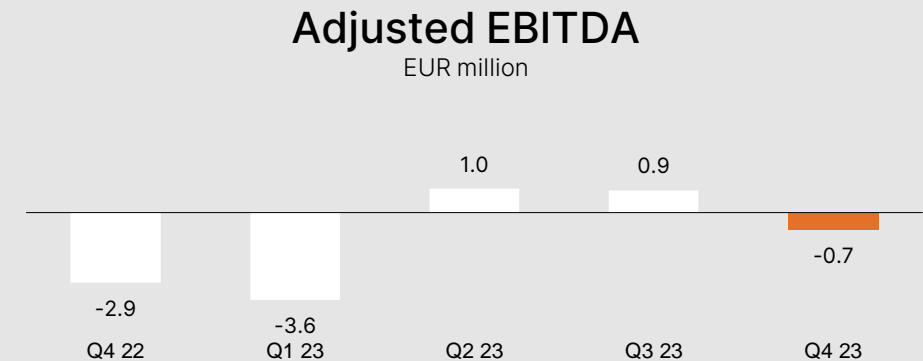
Highlights



Highlights

- Significant reduction in losses

- Q4 2023 revenue of EUR 4.5 million (EUR 4.2 million)
- Q4 2023 adjusted EBITDA of negative EUR 0.7 million (negative 2.9 million)
- Q4 2023 net loss of EUR 3.9 million (net loss of EUR 7.3 million) , adjusted for non-recurring items and impairments of EUR 0.5 million, is reduced by close to 50% compared to Q4 2022
- Flight Services produced 667 flight hours (438 flight hours) in Q4 2023, an increase of 52.2%
- AirRobot started deliveries to Lockheed Martin under the Tiquila project
- NOK 77.5 million raised in a private placement in Q4 2023
- Restructured long-term debt including 5-year term, amortization holiday to September 2025, interest accumulation until June 2024 and margin reduction from 5% to 3.5%





Business update

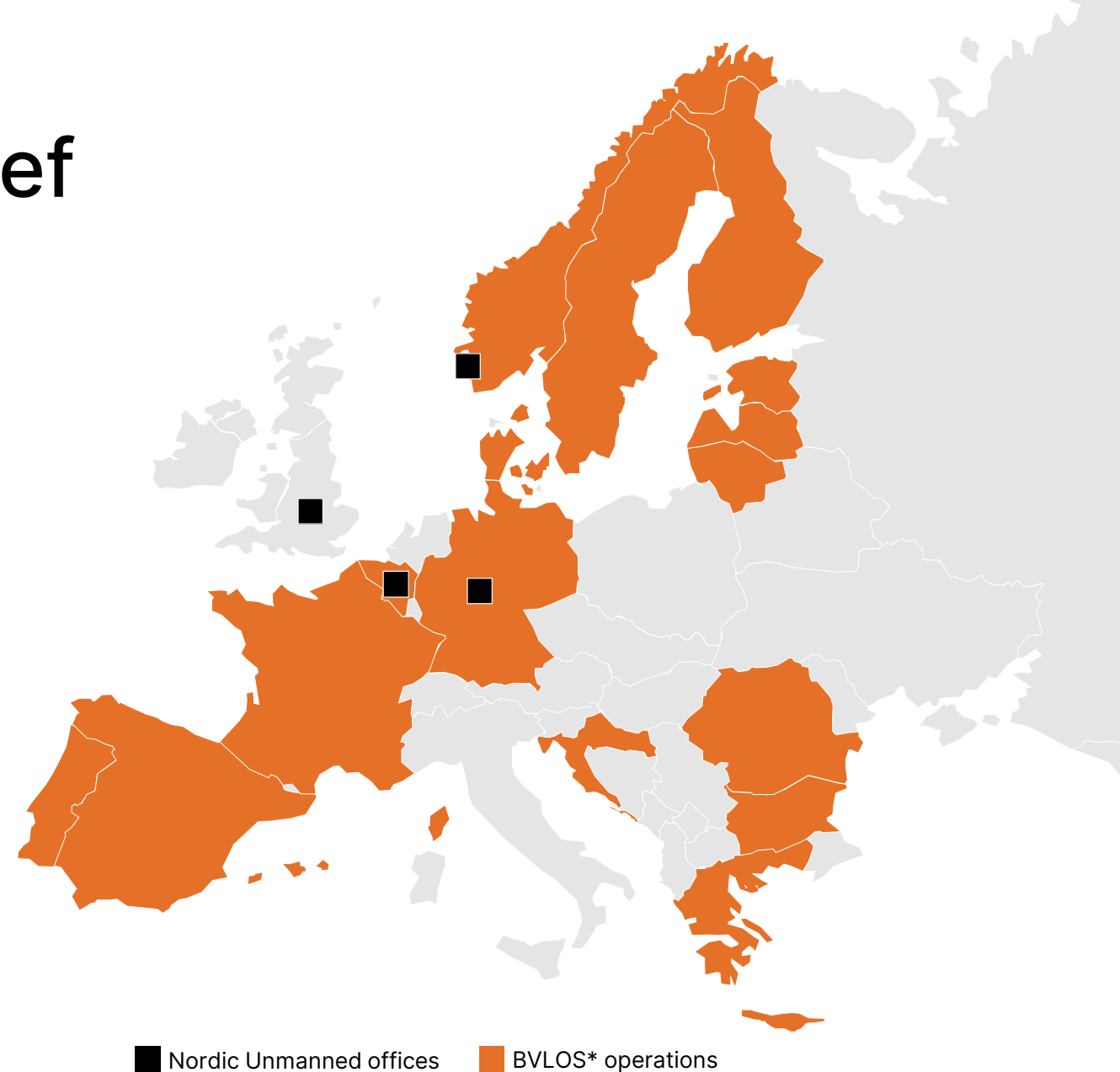
Nordic Unmanned in brief

Nordic Unmanned is a leading European manufacturer and certified operator of unmanned aircraft systems (UAS).

Nordic Unmanned is about A Safer Future, providing enabling technology and operational services to clients within defense, security and regulatory enforcement.

Headquartered in Sandnes in Norway with offices in Germany, Belgium and the UK.

Ca. 115 FTE's



Business segments



Flight Services

Nordic Unmanned Flight Services is a technology flight services operator providing time-critical actionable data to large corporate and governmental customers.



AirRobot

AirRobot is an OEM with a leading product platform in lightweight drones tailored for defense & security.



DroneMatrix

DroneMatrix is an OEM offering a fully integrated and autonomous drone system with proprietary software.

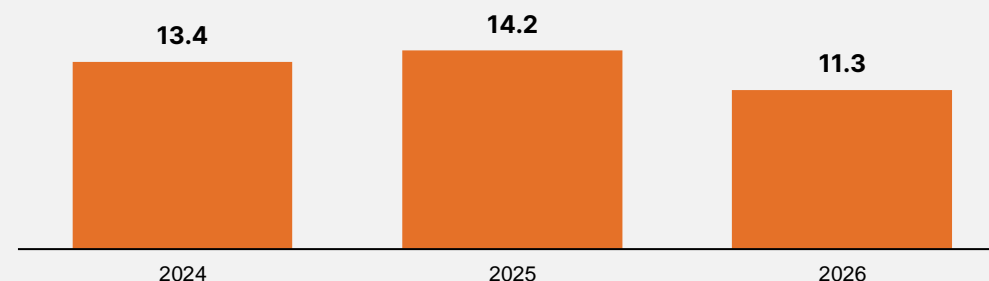
Flight services

- FY 2023 revenue of EUR 13.4 million
 - Decline of EUR 1.7 million
 - 4.097 flight hours a YoY increase of 39.5%
 - Lower revenue per flight hour due to lower cost platform
- FY 2023 adjusted EBITDA EUR – 2.1 million
 - A YoY improvement of EUR 2.7 million
- Q4 2023 revenue of EUR 4.2 million
 - Increase of EUR 0.5 million
 - EMSA OP46 & OP1 contracts main activity
 - Proceeds from insurance settlement EUR 2.7 million.
 - 667 flight hours in Q4, increase of 52% YoY
- Q4 2023 adjusted EBITDA of EUR 0.4 million
 - A YoY improvement of EUR 1.4 million

Unaudited figures in EUR '000	Q4 2023	Q4 2022	FY 2023	FY 2022
Operating revenue	4 201	3 716	13 431	15 098
Cost of goods sold	67	428	1 030	1 865
Personell expenses & other operating expenses	3 226	3 282	11 231	13 932
Allocated Group Cost	545	1 029	3 225	4 136
Adjusted EBITDA	362	-1 024	-2 055	-4 836
Adjusted EBITDA %	9 %	-28 %	-15 %	-32 %
Non-recurring items	40	-	1 555	-
EBITDA	402	-1 024	-3 609	-4 836
EBITDA%	10 %	-28 %	-27 %	-32 %

Estimated contract backlog

EUR million



AirRobot

- FY 2023 revenue of EUR 5.2 million
 - Increase of EUR 3.0 million
 - Started delivery of Heimdal sensors under the Tiquila contract
 - Progressing the AR-100H UAS certification under the Mikado 2 contract

- FY 2023 adjusted EBITDA EUR 0.2 million
 - A YoY improvement of EUR 1.6 million
 - Improved margins on delivery of the programs

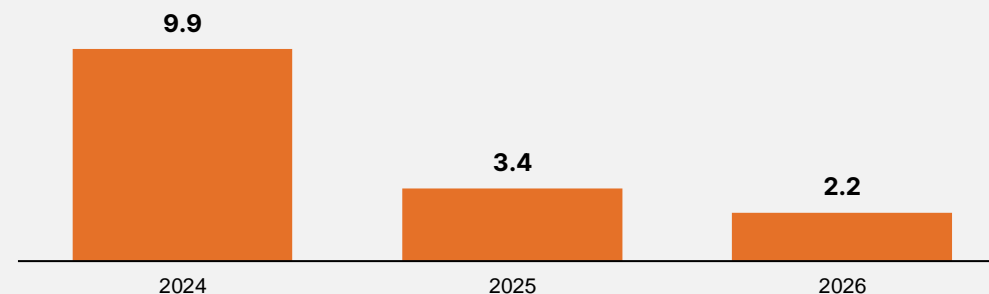
- Q4 2023 revenue of EUR - 0.1 million
 - The progress and associated revenue recognition of projects have been adjusted in Q4 2023 based upon the notified project delays

- Q4 2023 adjusted EBITDA of EUR - 0.6 million
 - A YoY improvement of EUR 0.4 million

Unaudited figures in EUR '000	Q4 2023	Q4 2022	FY 2023	FY 2022
Operating revenue	-76	767	5 181	2 210
Cost of goods sold	427	599	994	949
Personell expenses & other operating expenses	-154	929	2 716	2 018
Allocated Group Cost	207	227	1 320	642
Adjusted EBITDA	-556	-988	150	-1 399
Adjusted EBITDA %	729 %	-129 %	3 %	-63 %
Non-recurring items				
EBITDA	-556	-988	150	-1 399
EBITDA%	729 %	-129 %	3 %	-63 %

Estimated contract backlog

EUR million



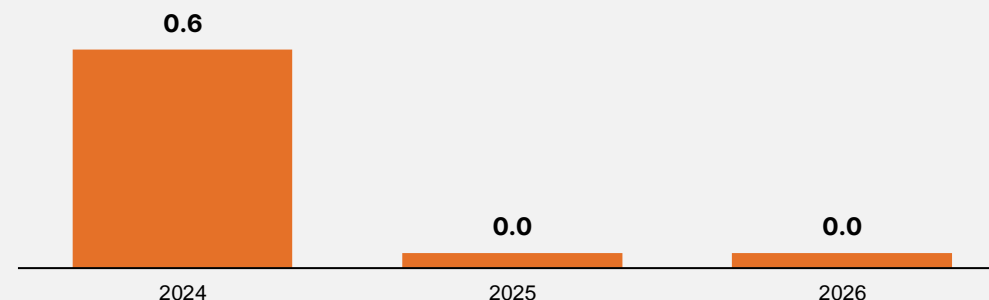
DroneMatrix

- FY 2023 revenue of EUR 1.2 million
 - Increase of EUR 0.8 million
 - Continuous support with Drone in a Box solutions to Port of Antwerp
 - Delivery of Drone in a Box solutions to Infrabel and University of Antwerp
 - Delivery of Counter UAV project
- FY 2023 adjusted EBITDA EUR - 0.3 million
 - A YoY reduction of EUR 0.1 million
- Q4 2023 revenue of EUR 0.2 million
 - A YoY decline of EUR 0.2 million
 - Delivery of Drone in a Box support to Port of Antwerp
 - Delivery of Counter UAV project
- Q4 2023 adjusted EBITDA of EUR - 0.3 million
 - A YoY reduction of EUR 0.3 million

Unaudited figures in EUR '000	Q4 2023	Q4 2022	FY 2023	FY 2022
Operating revenue	149	377	1 159	397
Cost of goods sold	-31	135	234	135
Personell expenses & other operating expenses	401	161	1 007	367
Allocated Group Cost	38	49	184	65
Adjusted EBITDA	-260	31	-266	-170
Adjusted EBITDA %	-175 %	8 %	-23 %	-43 %
Non-recurring items				
EBITDA	-260	31	-266	-170
EBITDA%	-175 %	8 %	-23 %	-43 %

Estimated contract backlog

EUR million





Financials



Income statement: Improved underlying performance

- FY 2023 revenue of EUR 19.5 million, 15 % YoY growth
- Q4 2023 revenue of EUR 4.5 million
- FY 2023 adjusted EBITDA negative EUR 2.5 million a YoY improvement of EUR 6.5 million
- Q4 2023 adjusted EBITDA negative EUR 0.7 million
- FY 2023 net loss of EUR 17.3 million a YoY improvement of EUR 0.7 million
- Q4 2023 net loss of EUR 3.9 million

<u>Unaudited figures in EUR '000</u>	<u>Q4 2023</u>	<u>Q4 2022</u>	<u>FY 2023</u>	<u>FY 2022</u>
Operating revenue	4 522	4 188	19 478	16 986
Adjusted EBITDA	-729	-2 917	-2 502	-8 981
EBITDA	-1 234	-2 917	-5 857	-8 981
EBIT	-3 276	-7 060	-15 334	-16 918
Net financial items	-585	-195	-1 949	-1 071
Income (loss) before tax	-3 861	-7 255	-17 283	-17 989
Net income (loss)	-3 895	-11 415	-17 304	-19 902

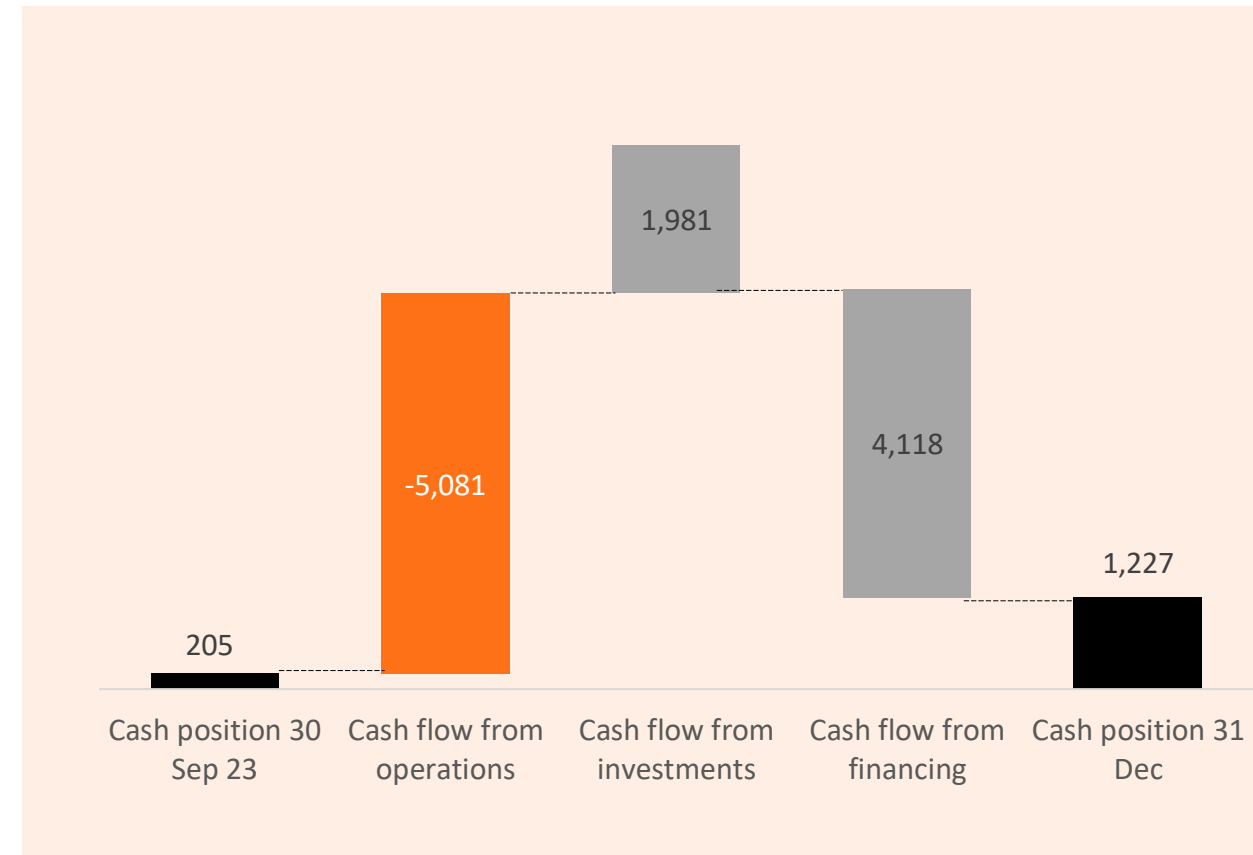
Balance sheet: Slimmer and improved liquidity

- Book equity 34%
- Available liquidity:
 - Group cash EUR 1.2 million
 - Undrawn overdraft facilities of EUR 3,5 million
- Refinanced long term debt with Senior Lenders
- The capital raise in the quarter added proceeds of EUR 6.2 million, of which EUR 1.6 million was used to pay down the overdraft facility and EUR 3.3 million was used to pay overdue vendors.

Unaudited figures in EUR '000	31 Dec 2023	30 Sep 2023	31 Dec 2022
Total fixed assets	30 826	35 707	38 267
Inventory and Receivables	8 263	7 393	6 859
Cash and cash equivalents	1 227	205	812
Total assets	40 316	43 304	45 938
Equity	13 722	11 655	23 556
Liabilities to financial institutions	17 311	2 984	13 129
Short term liabilities to financial institutions	3 513	19 704	2 674
Payables and other short term liabilities	5 771	8 962	6 579
Total equity and liabilities	40 316	43 304	45 938

Cash flow

- Q4 2023 net cash flow from operating activities was negative EUR 5.1 million due to paying overdue vendors of EUR 3.3 million, EUR 0.8 million additional inventory in AirRobot and negative cashflow from low season for flight services
- Q4 2023 net cash flow from investing activities was EUR 2.0 million, mainly related to proceeds from insurance settlements.
- Net cash changes from financing related capital raise in the quarter and added proceeds of EUR 6.2 million, of which EUR 1.6 million was used to pay down the overdraft facility.





Outlook

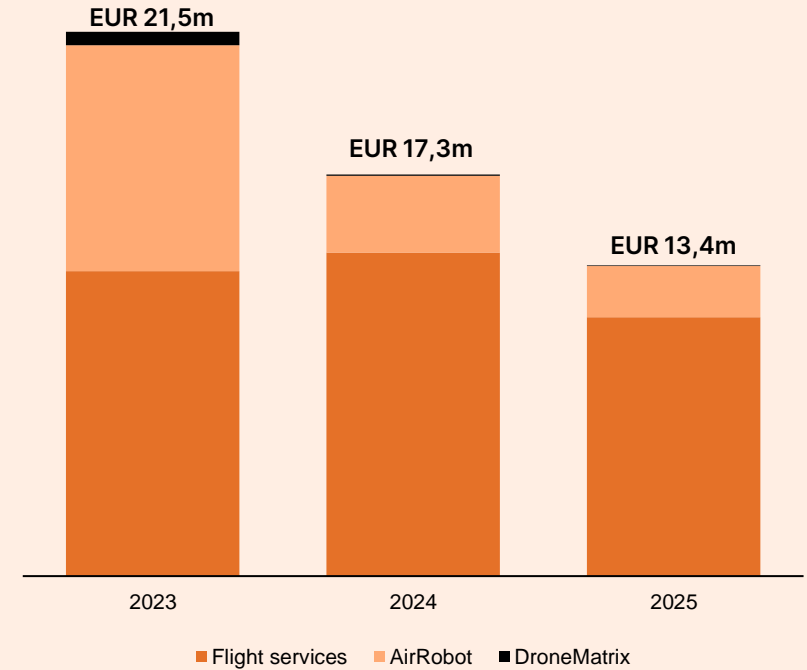


Estimated contract backlog*

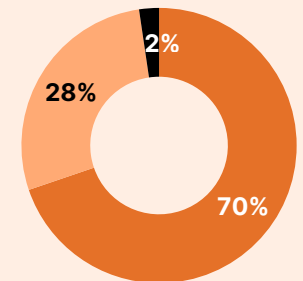
EUR 55 million

- Estimated contract backlog* consists of:
 - EUR 40 million of framework contracts
 - EUR 15 million of purchase orders/contracts

Contract	Partner	Expires	Contract value EURm
Mikado I	Bundeswehr	Q1 2027	3.0
Mikado II	Bundeswehr	Q2 2026 + MRO	12
Tiquila	Lockheed Martin	Q1 2033	>5
OP/1	EMSA	Q1 2026	7
OP/46	EMSA	Q2 2026	20
OP/5	EMSA	Q2 2027	20.5



(%) of Estimated Backlog



*) Contract backlog includes maximum remaining estimated value of signed and/or awarded Master Service (call-off) contracts and signed contracts/PO's. Annual utilization under Master service Agreements is based on call offs, contract estimates based on historic utilization and client feedback. Master Service Agreements with no anticipated call-offs are not included.



Outlook

- Generally positive outlook for UAS products and services - in particular within defense, security and regulatory enforcement
- Supportive demand drivers through increased awareness and a slowly maturing commercial industry, technological advancements, focus on security, and productivity and environmental benefits

Focus: 2024 - a Transition Year

- Extensive clean-up and improvements in progress to ensure future profitability
- Turnaround activities under planning or in progress
- These are naturally efforts which will take both time, effort, and capital to implement and deliver full potential.
- 2024 will therefore have to be a transition year supported by a capital plan with a view to become revitalized and repositioned going out of 2024
- Nordic Unmanned is all about a safer future. We have a plan and we will work the plan through 2024



Summary



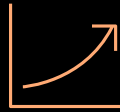
Summary



Significantly reduced losses



A turnaround plan and capital plan developed for implementation through 2024



Estimated order backlog of EUR 55 million providing a sole for activity



Generally positive long-term outlook in defense, security and regulatory enforcement



Clear mission – enabling technology and operational services for a safer future

Q&A



Above all – We Protect
Values and Lives

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