

NORDIC UNMANNED

Q3 2022
Presentation



AGENDA

01 Q3 HIGHLIGHTS

02 FINANCIALS

03 BUSINESS UNITS

04 COMMERCIAL

05 SUMMARY & OUTLOOK

06 Q&A

07 APPENDIX



**NORDIC
UNMANNED**

The Textron Aerosonde landing after a cross-border operation in East Baltic

Q3'22 Highlights

+101

Percent increase

EUR 5.5 MILLION
Q3 REVENUE

Compared to Q3 2021

+91

Percent increase

YTD REVENUE

Compared to YTD 2021

65

EUR million

CONTRACT BACKLOG

157

EUR million

AWAITING TENDER DECISIONS

Next 6 months

471

SOx and NOx measurements

OF MARITIME VESSELS AND
INDUSTRIAL PLANTS

3000+

People

SUPPORTED IN SEARCH AND
RESCUE ACTIVITY

+179

Percent increase

FLIGHT HOURS

Compared to Q3 2021

139k

Kilometers

FLIGHT DISTANCE COVERED

by Aerosonde® Fixed Wing and
Camcopter® S-100 in Q3

AGENDA

01 Q3 HIGHLIGHTS

02 FINANCIALS

03 BUSINESS UNITS

04 COMMERCIAL

05 SUMMARY & OUTLOOK

06 Q&A

07 APPENDIX



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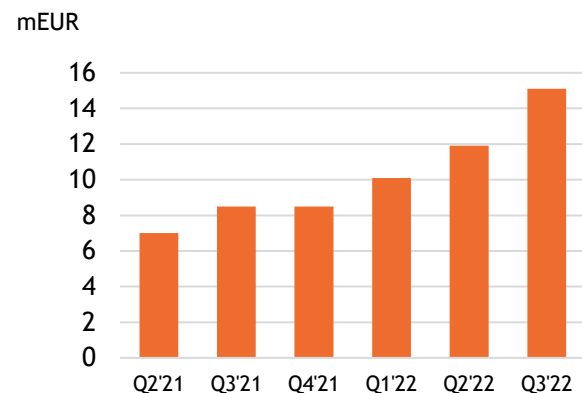
The Staaker® performing a bridge inspection with a LiDAR sensor

Financials:

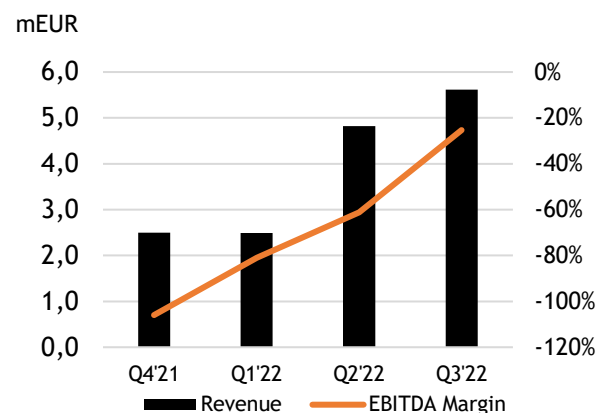
Strong growth - improved EBITDA

| mEUR | Quarters | | | YTD | |
|-------------------|----------|-------|-------|-------|-------|
| | Q3'22 | Q2'22 | Q3'21 | 2022 | 2021 |
| Operating revenue | 5.5 | 4.8 | 2.7 | 12.8 | 6.7 |
| EBITDA | -1.2 | -3.0 | -0.8 | -6.2 | -2.4 |
| EBITDA margin % | -22 % | -61% | -29 % | -49 % | -36 % |
| Net Income (loss) | -2.3 | -3.7 | -1.1 | -8.6 | -3.0 |

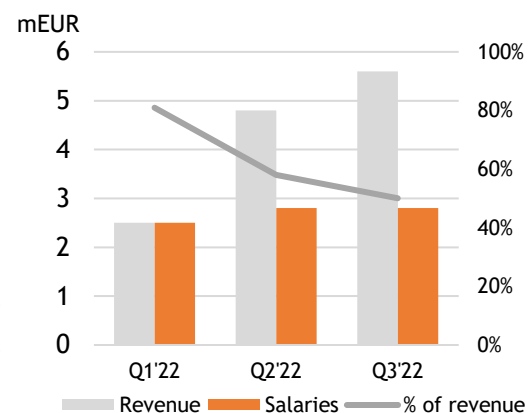
12 month revenue



Revenue and EBITDA margin



Salaries and revenue

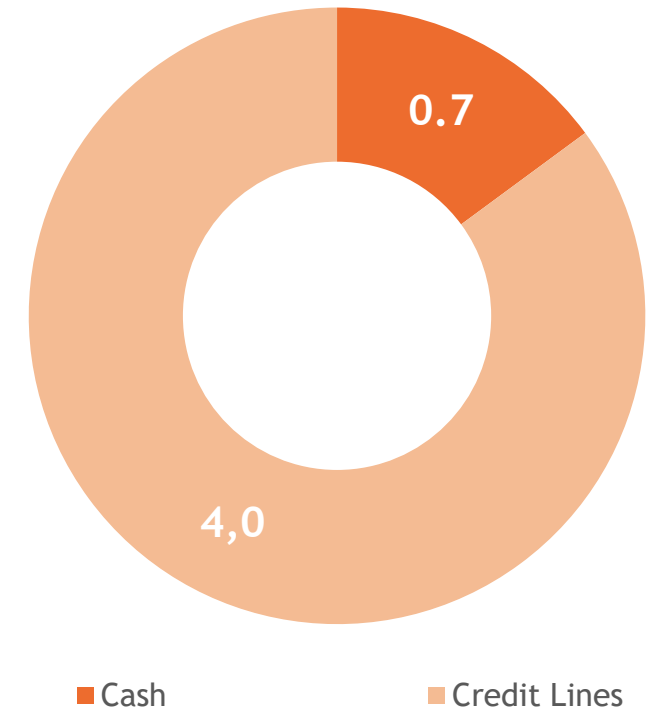


- 12 months revenue growth continues and is accelerating
- Improved EBITDA by 1.8 million from Q2
- Overhead cost reduced by EUR 0.6 million from Q2
- Strong growth on existing cost-base, trending towards break even
- Cost saving program of EUR 2 million concluded with full effect from Q1 2023

Liquidity and solidity

- Liquidity in form of cash and committed credit lines of EUR 4.7 million
- EUR 3.5 million credit line in AirRobot for the purpose of historic and future financing of the MIKADO II project with Bundeswehr
- Record high level of receivables towards EMSA with EUR 3 mill as per end of Q3
- Potential drone fleet adjustment may lead to divestment and replacement with new financing giving a net positive liquidity effect
- Solid balance sheet with 50% equity ratio

Liquidity of EUR 4.7 million



AGENDA

01 Q3 HIGHLIGHTS

02 FINANCIALS

03 BUSINESS UNITS

04 COMMERCIAL

05 SUMMARY & OUTLOOK

06 Q&A

07 APPENDIX



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The Textron Aerosonde VTOL HQ

Our business units

Organised into fully-functional business units



Nordun

Drone-As-A-Service

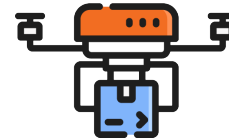
- Pure-play drone “airline”
- State-of-the-art fleet of UAVs and systems
- Pilots and technicians
- Operations Control Center
- Complex missions with advanced platforms and sensors
- LUC permit



NUMar

Data-As-A-Service

- Serves maritime market
- Emission monitoring services
- Data analytics and platform
- Subsidiaries
 - Ecoxy
 - NUAer



NUTech

Original equipment manufacturer (OEM)

- Portfolio owner of Nordic Unmanned Group’s own technology products
- Product families:
 - Staaker
 - AirRobot
 - DroneMatrix



NUGlobal

Sales and Distribution

- Global sales and distribution network offering:
 - Own products, solutions and services
 - Strategic partners, products and solutions
 - Global strategic distributors

Nordun

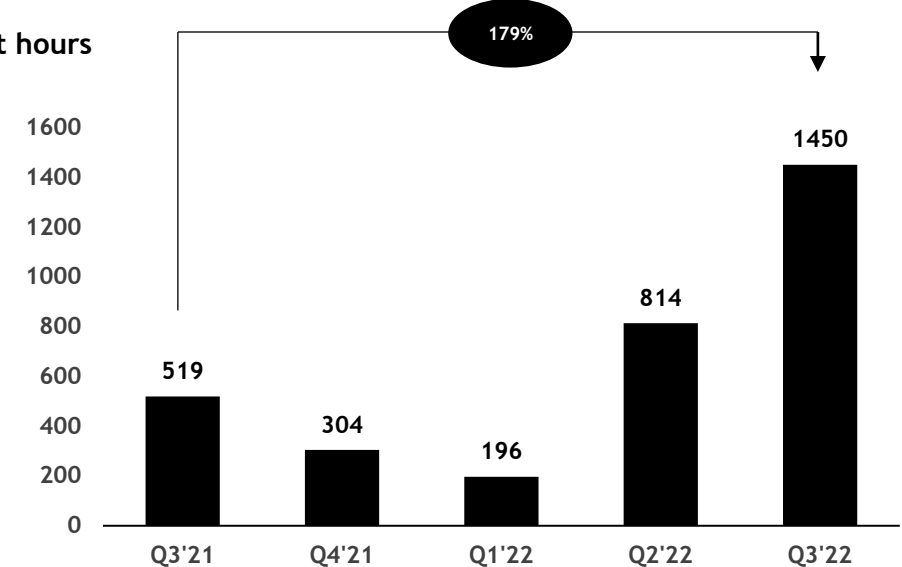
Record-high activity

- Revenue Q3 mEUR 4.1 (2.2)
- EBITDA Q3 mEUR 0.5 (0.2)
- Total investment in business unit of EUR 20+ million
- Business growth:
 - 1450 flight hours in Q3, increase of 179% compared to Q3 2021
 - 2460 flight hours YTD, an increase of 111% compared to YTD 2021
 - Covered 139 000 km of flight distance with the Aerosonde and Camcopter in Q3
- Significantly improved profitability of OP/46 contract with EMSA
- With European LUC, can self-authorize operations with dangerous goods with all drones in the Nordic Unmanned catalogue



Textron Aerosonde® Fixed Wing

Flight hours

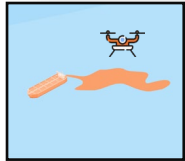


Significant contributions to life and the environment in Q3



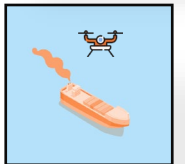
Search & rescue operations

90+ Search and Rescue operations
3000+ people involved in 2022 YTD



General maritime surveillance

175 maritime surveillance missions



Emission monitoring

836 vessels overflown
471 measurements done
167 environmental flights

175x

Less emission from our fleet
compared to its manned
alternatives

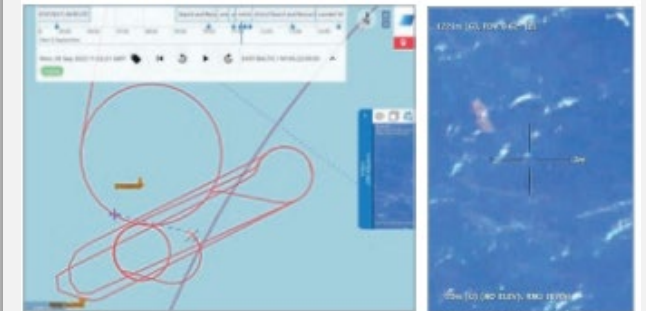
2378 tonnes CO2 saved

The amount CO² emissions saved by our
fleet compared to a S92 and MC-12 King
Air doing the same amount of flight
hours



EMSA RPAS CROSSING BORDERS IN SUPPORT OF SEARCH AND RESCUE OPERATIONS

Maritime authorities in charge of Search and Rescue operations are benefitting more and more from the capabilities of EMSA Remotely Piloted Aircraft Systems (RPAS) to support emergency situations. The latest example happened on 5 September when a Search and Rescue operation was launched under the command of the Latvian Coast Guard Service via MRCC Riga for a private jet plane which had crashed off the coast of Latvia. The RPAS flying in Estonia was requested by the Latvian authorities to support the operation, allowing the RPAS to immediately perform a cross border mission and support the Search and Rescue operation over Latvian waters. As a result, several objects were found adrift by the RPAS on the same day in the area of the accident and their coordinates and pictures were passed in real time to MRCC Riga and to the Latvian SAR vessels in the area. Through this well-coordinated RPAS regional operation, national authorities from Finland, Estonia and Latvia have been working in close cooperation since May, receiving data from the RPAS flights irrespective of the point from which the RPAS is deployed.



OP/5/2022 contract

Largest award in Group history

- Conditional letter of award from the European Maritime Safety Agency (EMSA) on 21 Oct 2022
- Value: EUR 20.5 million
- Duration: Up to four years (2+1+1)
- Scope: VTOL RPAS services for multipurpose maritime surveillance with medium range and endurance from land or vessel
- Current crew and part of current fleet will be used
 - Some upgrades of payloads and drone fleet will be required in 2023/2024
- Considerable fleet and staff synergies with existing contracts
- Financial effect from Q1 2023
- Full utilization of contract expected from 2024



NUTech

Products ready for market

- Revenue Q3 mEUR 0.6 (0.0)
- Gross profit Q3 mEUR 0.4 (0.0)
- EBITDA Q3 mEUR -0.4 (-0.1)
- Invested capital of EUR 11 million
- First production milestones of "MIKADO II" Bundeswehr contract with AirRobot AR-100H
- Strong development in maintenance and repair activity for "old" MIKADO I fleet
- DroneMatrix installed first two Drone-In-A-Box systems in the Port of Antwerp-Bruges
- The Staaker® Logistics drone completed groundbreaking successful offshore qualification flights



The Staaker® Logistics Drone ready for take-off from an offshore oil platform

NUMar

The preferred data provider for maritime industry

- Revenue Q3 mEUR 0.5 (0)
- EBITDA Q3 mEUR 0.1 (0)
- Invested capital of EUR 4 million
- NUAer demonstrated emissions monitoring capabilities onboard container vessel in USA
- NUAer achieved a larger commercial breakthrough for its sensor integrated on the Camcopter®
- Ecoxy continued to deliver steady growth and solid margins in Q3
- NUAer and Ecoxy performed parallel NO_x measurement campaign on gas turbines for large oil and gas operator



Sunset during emission monitoring in Southern California.

NUGlobal

Building distribution network

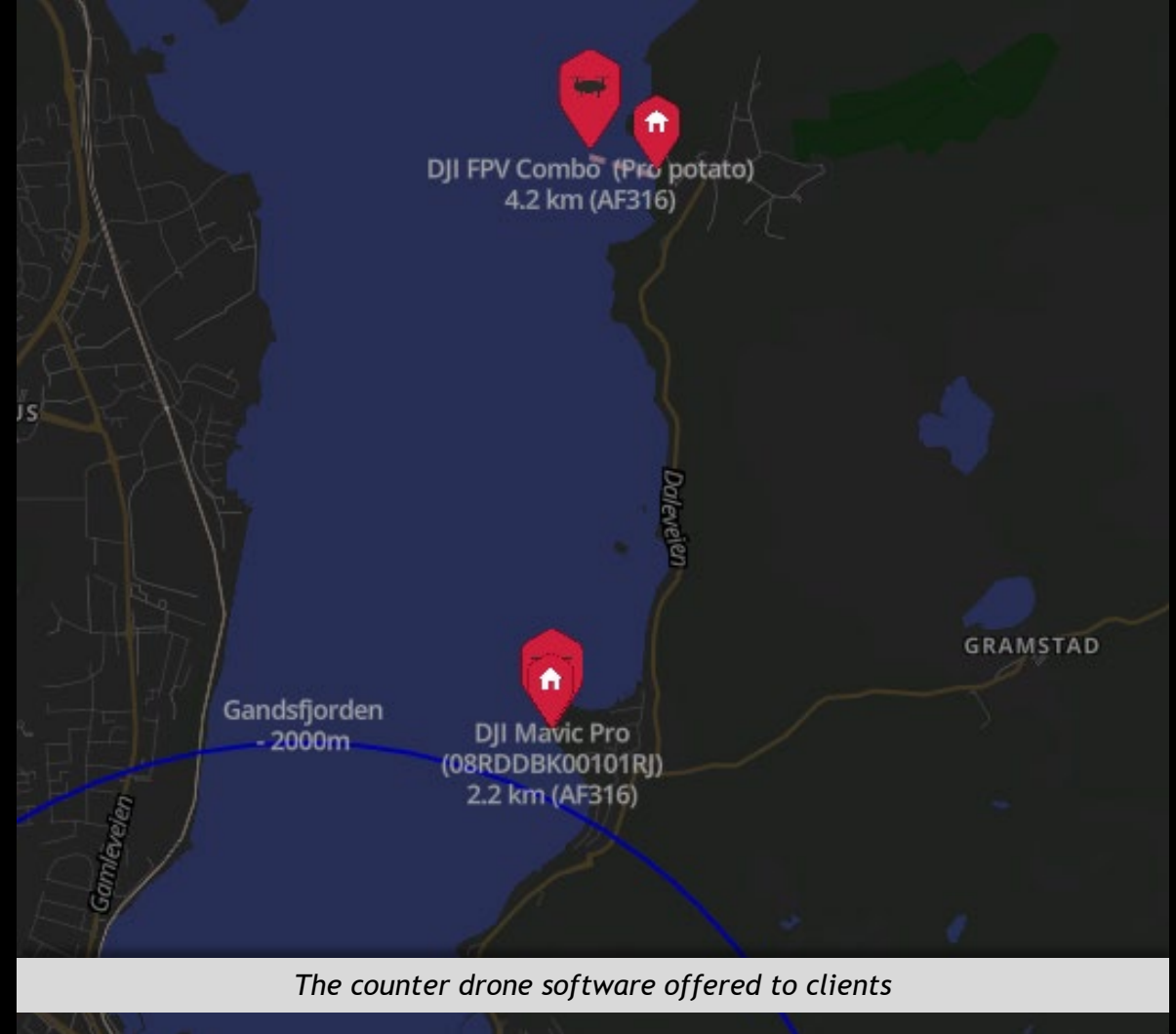
- Revenue Q3 mEUR 0.3 (0.4)
- Gross profit Q3 mEUR 0.0 (0.1)
- EBITDA Q3 mEUR -0.4 (-0.0)
- Investment inventory value of EUR 1.7 million
- Established office in Baltimore, Maryland (US)
- Established worldwide distributor networks in the US, Canada, Australia, New Zealand, Indonesia and Japan
- Revenue in the quarter mainly related to sale of smaller drones to law enforcement agencies
- Strong tender activity related to own drone systems, payloads as well as reseller activities



The emerging counter drone market

The latest opportunity for NUGlobal

- Dramatic increase in demand for counter drone systems
- DroneMatrix and Nordic Unmanned has been working in this market for some time
- Several commercial proposals under evaluation
- Hosted counter drone seminar at Nordic Unmanned HQ



AGENDA

01 Q3 HIGHLIGHTS

02 FINANCIALS

03 BUSINESS UNITS

04 COMMERCIAL

05 SUMMARY & OUTLOOK

06 Q&A

07 APPENDIX



Contract backlog

65

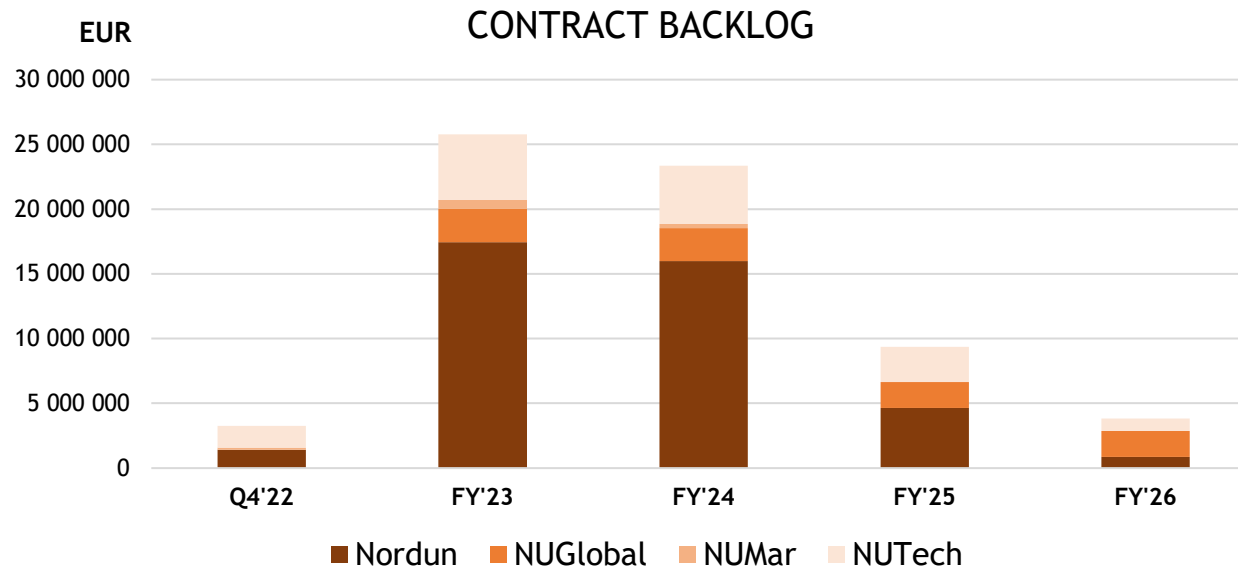
EUR million

TOTAL CONTRACT BACKLOG

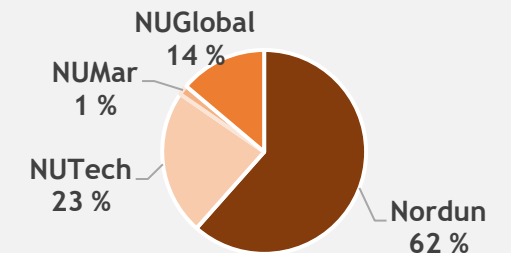
3.5

EUR million

NEW BACKLOG ADDED IN Q3



- EUR 3.5 million added backlog comes from NUMar and NUTech orders and contracts
- EUR 2 million net reduction during Q3
- 2023 backlog of EUR 25.7 million
- EUR 20.5 million OP5 framework agreement is not included yet as ICT has not been conducted



Potential awards in the near future



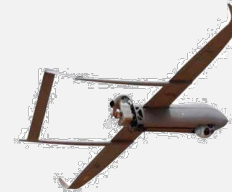
Maritime surveillance

RPAS Services for government customers in Europe



Offshore energy

Several offshore logistical concepts, shore to offshore / in-field offshore



Urgent requests for drones

RPAS System Integration for governmental customer



AirRobot Heimdal payload sensor

AirRobot Heimdal

Total CRM Pipeline: **EUR 1.3bn**

Value-adjusted win rate of 55%*

Additional triggers:

- Counter drone technology

Awaiting tender decisions next 6 months:

- EUR 157 million

AGENDA

01 Q3 HIGHLIGHTS

02 FINANCIALS

03 BUSINESS UNITS

04 COMMERCIAL

05 SUMMARY & OUTLOOK

06 Q&A

07 APPENDIX



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Concept drawing of logistics flight between offshore installations

Summary



Significant EBITDA improvement



Record high quarterly revenue and annual revenue



Continue to see a healthy market growth together with an additional capacity to scale



NUTech product lines transition from development to commercial products



Awaiting tender decisions on potential awards of EUR 157 million

Outlook



2023 Growth

The current contract backlog is expected to contribute revenues of EUR 25.7 million in 2023. Additional awards are expected, and these would further increase 2023 revenues accordingly.



2023 Profitability

Based on the current outlook, Nordic Unmanned expect to be profitable and cash positive from operations in 2023.

AGENDA

01 Q3 HIGHLIGHTS

02 FINANCIALS

03 BUSINESS UNITS

04 COMMERCIAL

05 SUMMARY & OUTLOOK

06 Q&A

07 APPENDIX



The Textron Aerosonde VTOL HQ ready for take-off



AGENDA

01 Q3 HIGHLIGHTS

02 FINANCIALS

03 BUSINESS UNITS

04 COMMERCIAL

05 SUMMARY & OUTLOOK

06 Q&A

07 APPENDIX



The workshop at Nordic Unmanned's HQ in Sandnes

Definitions

| | |
|---|---|
| EBITDA | Profit/(loss) for the period before net financial items, income tax expense, depreciation and amortization |
| Contract backlog | Contract backlog includes the maximum remaining estimated value of signed contracts |
| Historic win rate | Value of opportunities above EUR 200k won divided by aggregate value of closed targeted opportunities above EUR 200k |
| MRO | Maintenance, repair & overhaul |
| Value adjusted win rate | Based on 99 historical opportunities with value above EUR 200.000 |
| Reduced CO² emissions | <p>Average CO² emission of Sikorsky S92 and Challenger CL604 per flight hour - Average CO² emission of CAMCOPTER S-100 per flight hour = Reduced CO² emission.</p> <p>Our flight operations could be conducted by these comparable manned platforms; the helicopter Sikorsky S92 and the maritime surveillance plane Challenger CL604. Therefore, the average of these two platforms have been used when comparing CO² footprint with large drone flight operations.</p> |
| Definitions in sales pipeline | <p>Prospect: Potential leads not formally confirmed</p> <p>Qualified lead: Lead formally confirmed or received from client</p> <p>RFI delivered: Response to request for information (RFI)</p> <p>RFP / Proposal: Ongoing proposal response</p> <p>Awaiting award: Tender or offer submitted</p> <p>Projects with ongoing negotiations or un-announced wins not included in CRM pipeline</p> |

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