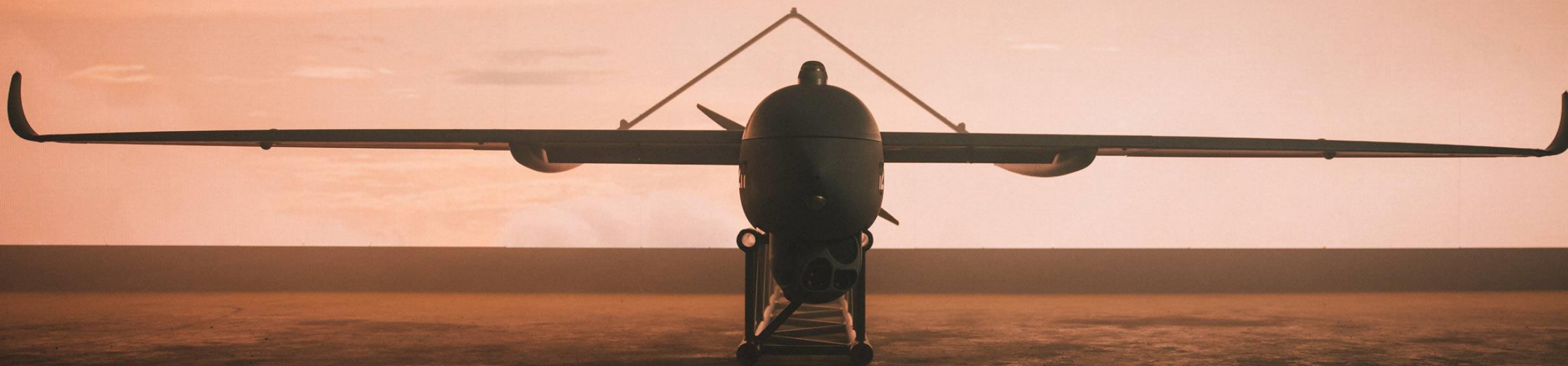


# Q2 2024 Presentation

30th August 2024

NU  
GROUP



Above all - we protect values and lives

NU GROUP™

# Agenda

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



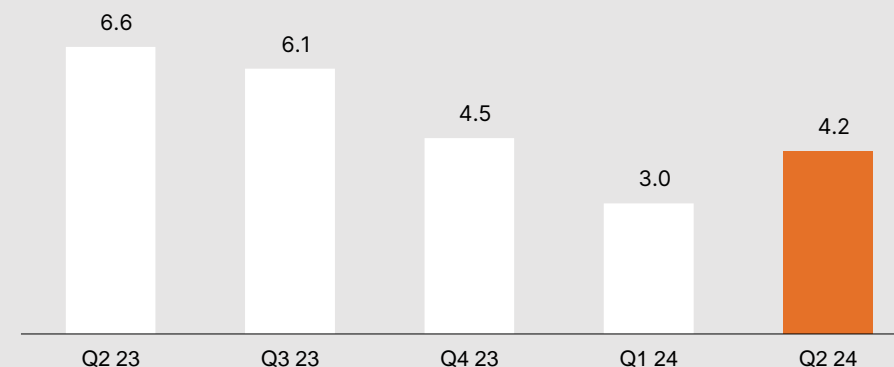
# Highlights



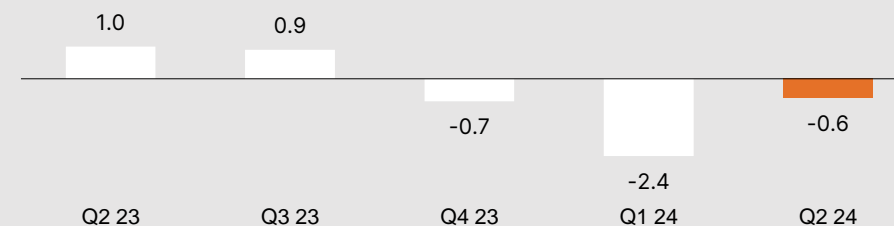
# Highlights

- We are launching a new profile, web and strategy end August 2024, where Nordic Unmanned Group has rebranded to NU Group. This marks a significant shift in the Group's identity and future focus
- Q2 2024 revenue of EUR 4.2 million (EUR 6.6 million)<sup>1</sup> with YTD 2024 revenue of EUR 7.2 million (8.8 million). The reduction is mainly due to an insurance claim recorded in Q2 2023 and the sale of Ecoxy in late 2023
- Personnel costs are reduced by 25% in Q2 2024 compared to Q2 2023 and 23% year to date compared to comparative periods last year
- Q2 2024 adjusted EBITDA of negative EUR 0.6 million (EUR 1.0 million) with YTD 2024 adjusted EBITDA of negative 3.0 million (negative EUR 2.6 million)
- Q2 2024 net loss of EUR 3.4 million (negative EUR 7.1 million) with YTD 2024 net loss of EUR 8.2 million (negative EUR 11.8 million)
- Adjusted for insurance claims recorded in Q2 2023 and discontinued operations (Ecoxy), the quarter over quarter reduction in revenue was EUR 0.2 million, while the Group had an increase in revenue of EUR 0.2 million YTD 2024 compared to YTD 2023. Adjusted for the same elements, the change in adjusted EBITDA quarter over quarter was a reduction of EUR 0.7 million and an improvement of EUR 0.6 million YTD
- Q2 2024 saw lower than anticipated activity due to delayed start up as well as project delays
- AirRobot awarded Type Certification of the AR100-H system and started deliveries to Bundeswehr under the Mikado II project
- In the process of strengthening the balance sheet through the implementation of the financial restructuring announced in May 2024, leading to reduced interest-bearing debt, equity raise and a strengthened balance sheet
- At the end of June, NU Group was the first within Brazilian borders to carry out an unmanned long-range flight offshore
- Stop of workorder for Tiquila contract affecting revenue for AirRobot. Discussions are in process with the client about the next step

Revenue  
EUR million



Adjusted EBITDA  
EUR million



A close-up photograph of a white drone with a camera mounted on its underside, resting on a bed of dry, brown leaves. The drone's propellers are visible, and it has several small lights (green, red, blue) illuminated. The background is a soft-focus green forest.

# Business update

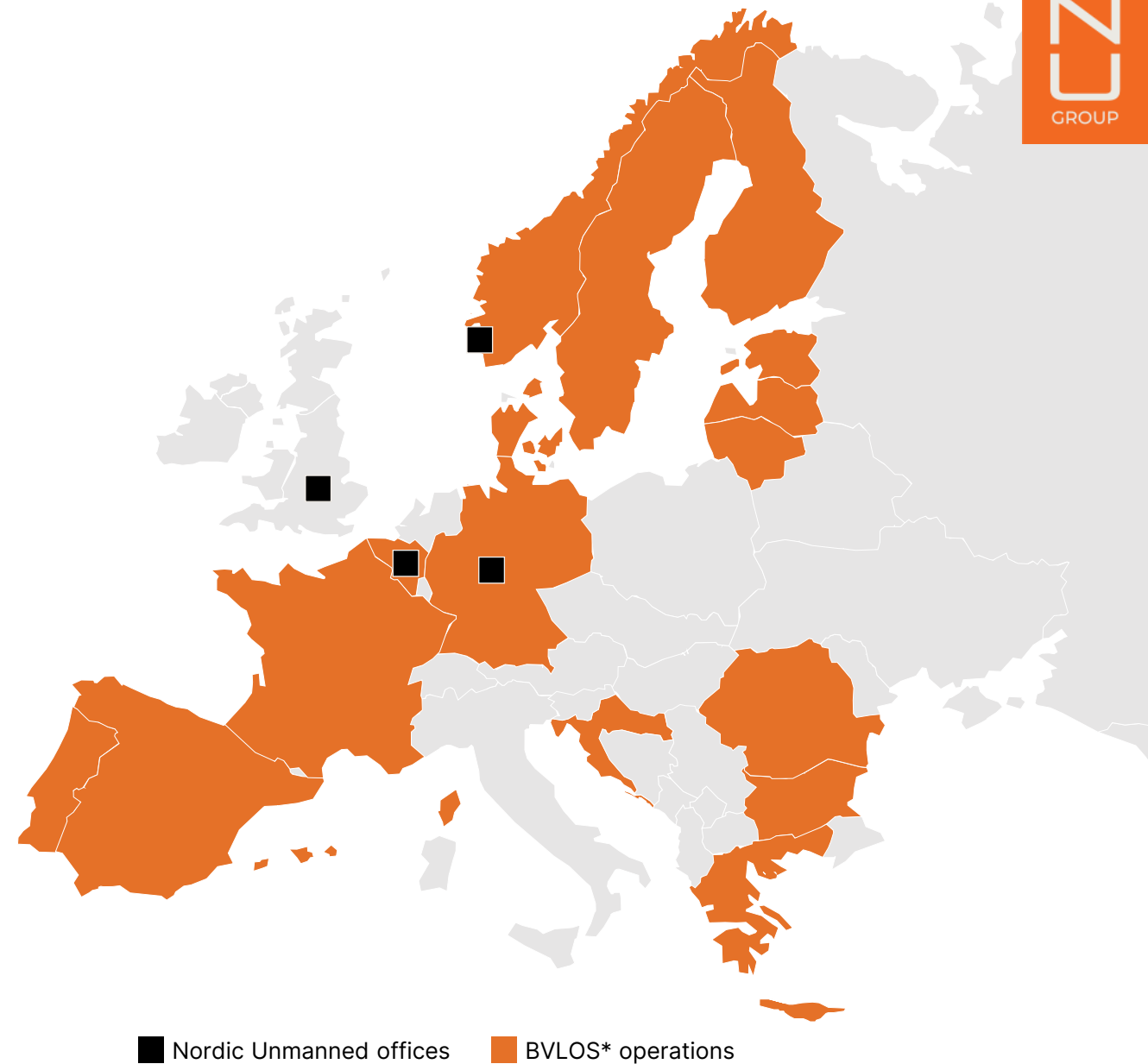
# NU Group in brief

NU Group is a leading European certified operator of unmanned aircraft systems to clients within both the defense-, security- and civil surveillance industries. We are also a European manufacturer of lightweight drones tailored for defense & security.

The Group serves large corporations, government agencies and security customers by offering systems, AI supported solutions, and flight services for environmentally friendly delivery of productivity improvements and time critical, actionable data insights.

Founded in Norway in 2014, NU Group has offices in Sandnes (NO), Cranfield (UK), Hasselt (BE) and Arnsberg (GER). Nordic Unmanned ASA is listed on Euronext Growth with the ticker NUMND. The Group's operating history is 20 years.

Approx. 100 FTE's



# Business segments



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



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



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

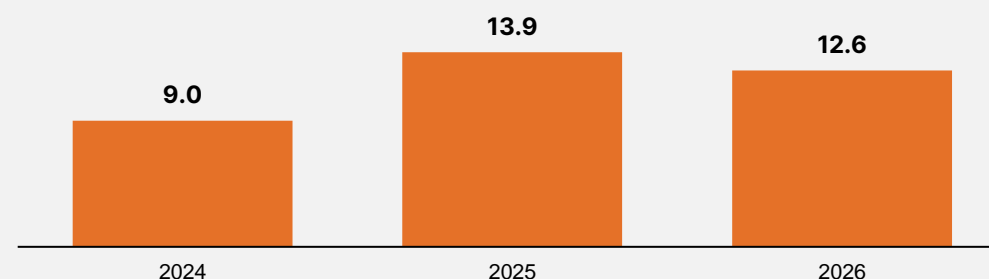
# Flight services

- Q2 2024 revenue of EUR 2.9 million
  - Decline due to insurance claim in 2023 and divested business
  - Later start-up of OP46 and OP5 flying season
- Q2 2024 adjusted EBITDA EUR 0.3 million
  - YoY Improvement of EUR 1.1 million when adjusted for 2023 insurance claim
  - 25% reduction in personnel costs
- Operational highlights
  - First offshore flight within Brazilian borders
  - Commenced first deployment under OP5 contract with Aerosonde UAS upgraded with vertical take-off and landing capabilities
- Strategy:
  - Pursue an asset light, pureplay service model. Consolidation efforts in progress

Unaudited figures in EUR '000	Q2 2024	Q2 2023	YTD 2024	YTD 2023
<b>Operating revenue</b>	<b>2 896</b>	<b>4 407</b>	<b>3 971</b>	<b>5 442</b>
Cost of goods sold	97	500	633	605
Personnel expenses & other operating expenses	1 924	2 774	4 067	5 220
Allocated Group Cost	574	1 032	1 063	1 923
<b>Adjusted EBITDA</b>	<b>301</b>	<b>101</b>	<b>-1 792</b>	<b>-2 305</b>
Adjusted EBITDA %	10 %	2 %	-45 %	-42 %
Non-recurring items	-	1 595	-	1 595
<b>EBITDA</b>	<b>301</b>	<b>-1 494</b>	<b>-1 792</b>	<b>-3 900</b>
EBITDA%	10 %	-34 %	-45 %	-72 %

## Estimated contract backlog

EUR million





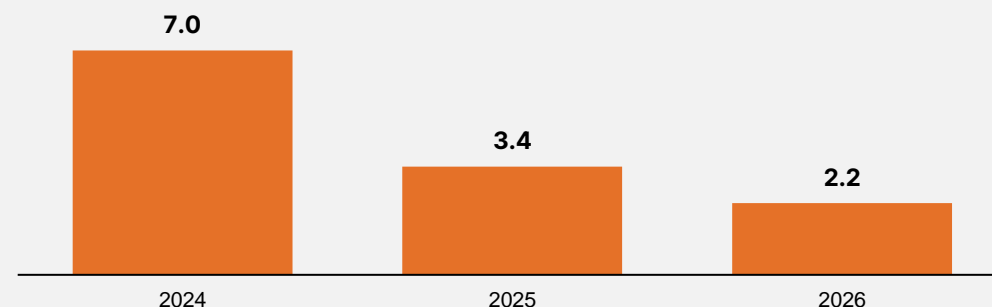
# AirRobot

- Q2 2024 revenue of EUR 1.3 million
  - First delivery of 10 AR-100H to Bundeswehr under the Mikado 2 contract
  - Conducted AR-100H training of Bundeswehr drone instructors
  
- Q2 2024 adjusted EBITDA negative EUR 0.6 million
  - Stop Work order affecting timing of deliveries from the Tiquila contract. In dialog with the customer on timing of restart
  
- Operational highlights
  - Gained type Certification Approval II B from the German Armed Forces for its AR100-H unmanned aerial system.
  
- Strategy:
  - Focus on technology and products for defense, leveraging recent NATO country approval to drive sales outside of Germany, with a particular emphasis on NATO countries. Maintain lean in-house production while pursuing partnerships to scale both go-to-market efforts and manufacturing beyond Germany.

Unaudited figures in EUR '000	Q2 2024	Q2 2023	YTD 2024	YTD 2023
<b>Operating revenue</b>	<b>1 250</b>	<b>1 843</b>	<b>3 150</b>	<b>2 903</b>
Cost of goods sold	662	-47	1 366	603
Personnel expenses & other operating expenses	845	1 288	1 704	2 010
Allocated Group Cost	335	415	739	794
<b>Adjusted EBITDA</b>	<b>-592</b>	<b>187</b>	<b>-660</b>	<b>-503</b>
Adjusted EBITDA %	47 %	10 %	-21 %	-17 %
Non-recurring items	-800	-	-800	-
<b>EBITDA</b>	<b>208</b>	<b>187</b>	<b>140</b>	<b>-503</b>
EBITDA%	17 %	10 %	4 %	-17 %

## Estimated contract backlog

EUR million



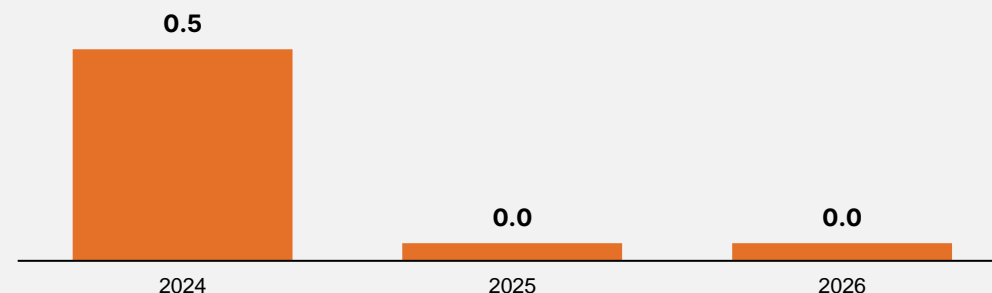
# DroneMatrix

- Q2 2024 revenue of EUR 0.1 million
  - Lower revenue due to lower drone sales to critical infrastructure customer
- Q2 2024 adjusted EBITDA negative EUR 0.2 million
  - EBITDA effected by reduction in revenue
- Operational highlights
  - Stable flight operations for Port of Antwerp
  - Delivery of project with Gassco in the Port of Zeebrugge to implement the drone-in-a-box
  - Increased commercial traction with increased pipeline
  - Supporting services and increased group synergies in joint offers to the market
- Strategy:
  - Build on its AI and software strengths. Address all major European ports and critical infrastructure based on Port of Antwerp business case

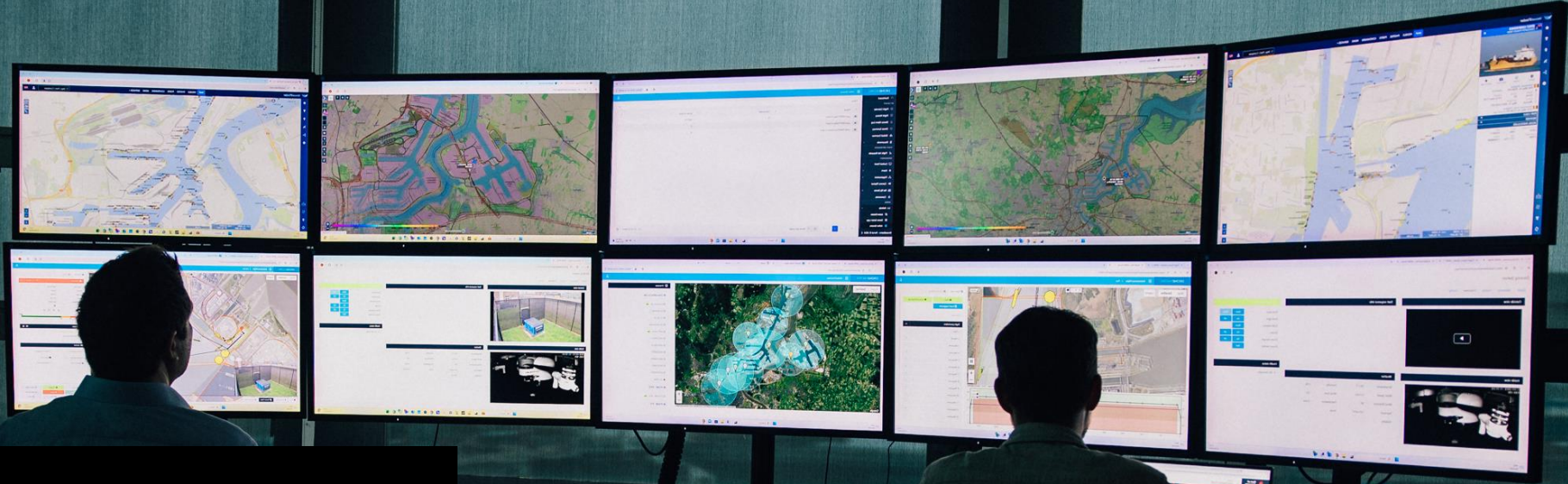
Unaudited figures in EUR '000	Q2 2024	Q2 2023	YTD 2024	YTD 2023
<b>Operating revenue</b>	<b>116</b>	<b>371</b>	<b>237</b>	<b>584</b>
Cost of goods sold	78	95	118	111
Personnel expenses & other operating expenses	207	213	377	394
Allocated Group Cost	35	51	71	102
<b>Adjusted EBITDA</b>	<b>-204</b>	<b>12</b>	<b>-329</b>	<b>-22</b>
Adjusted EBITDA %	-177 %	3 %	-139 %	-4 %
Non-recurring items	-	-	-	-
<b>EBITDA</b>	<b>-204</b>	<b>12</b>	<b>-329</b>	<b>-22</b>
EBITDA%	-177 %	3 %	-139 %	-4 %

## Estimated contract backlog

EUR million



# Financials



# Consolidated Income statement : Improved underlying performance

- Q2 2024 revenue and EBITDA affected negatively by project delays in AirRobot and delayed start up of the 2024 season in Flight Services. Q2 2023 included proceeds from insurance claims
- 21% reduction in Personnel and Other operating expenses
- Q2 2024 net loss of EUR 3.9 million a YoY improvement of 46%

<u>Unaudited figures in EUR '000</u>	<u>Q2 2024</u>	<u>Q2 2023</u>	<u>YTD 2024</u>	<u>YTD 2023</u>
Operating revenue	4 213	6 584	7 238	8 751
Adjusted EBITDA	-616	1 010	-2 995	-2 568
EBITDA	-616	-1 839	-2 995	-5 418
EBIT	-3 274	-6 241	-6 996	-11 317
Net financial items	-578	-34	-1 237	-638
Income (loss) before tax	-3 852	-6 275	-8 233	-11 955
Net income (loss)	-3 852	-7 142	-8 233	-11 753

# Consolidated Balance sheet: Prior to financial restructuring

- Book equity 17%
- Available liquidity:
  - Group cash EUR 0.3 million
  - Undrawn overdraft facilities of EUR 0.2 million
- Tjelta Eiendom AS has provided the Company with EUR 2 million in short-term liquidity loan in order to settle the EUR 2 million bridge loan to the Banks
- Restructuring anticipated to be completed in Q3 2024
  - Equity offering of NOK 47 million (EUR 4.1 million)
  - Conversion of NOK 60 million interest bearing debt to equity (EUR 5.2 million)
  - Debt write off of NOK 10 million
  - Interest payment postponed to Q2 2025
  - Instalment payments postponed to Q2 2026
  - Pre-agreed sharing of net proceeds in respect of sale of assets

<b>Unaudited figures in EUR '000</b>	<b>30 Jun 2024</b>	<b>30 Jun 2023</b>	<b>31 Dec 2023</b>
Total fixed assets	28 566	34 915	30 750
Inventory and Receivables	9 549	9 958	8 541
Cash and cash equivalents	292	568	1 227
<b>Total assets</b>	<b>38 407</b>	<b>45 441</b>	<b>40 519</b>
Equity	6 518	12 410	13 920
Liabilities to financial institutions	16 940	2 789	17 311
Short term liabilities to financial institutions	9 165	20 309	3 513
Payables and other short-term liabilities	5 784	9 932	5 775
<b>Total equity and liabilities</b>	<b>38 407</b>	<b>45 441</b>	<b>40 519</b>

# Consolidated Cash flow

## Operating activities:

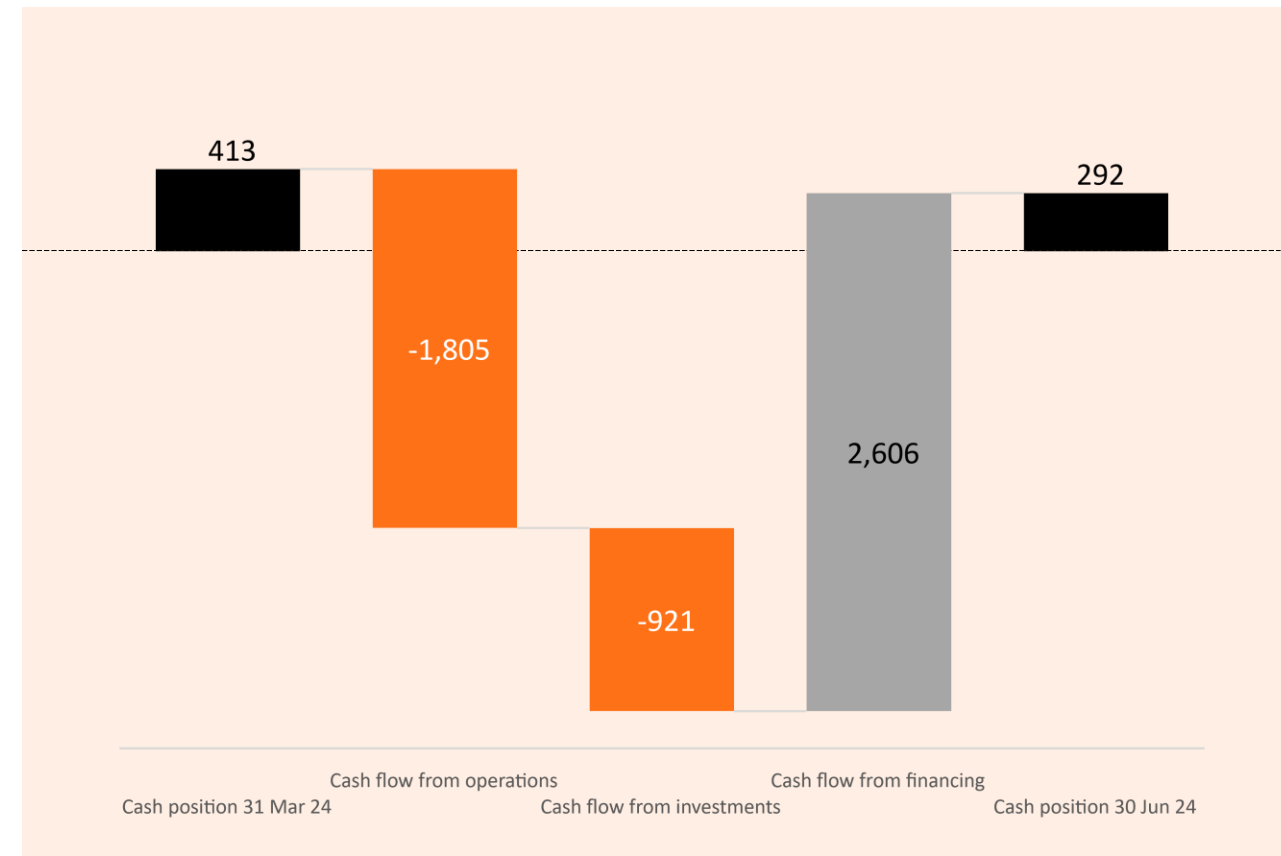
- Q2 2024 net cash flow from operating activities was negative EUR 1.8 million due to losses in the OEM segment (AirRobot and DroneMatrix) and deferred flight operations.

## Investing activities:

- Q2 2024 net cash flow from investing activities was negative EUR 0.9 million, mainly related to purchase of equipment for the ongoing flight season.

## Financing activities:

- Net cash changes from financing was EUR 2.6 million, related to an additional short term credit facility of EUR 3.0 million.



# Key highlights of the financial restructuring

- A total equity raise of NOK 47.0 million, consisting of a Private Placement of NOK 23.5 million towards Tjelta Eiendom AS and a NOK 23.5 million subsequent offering, towards all other eligible shareholders in the company.
- Of the approx. EUR 12.3 million outstanding principal of the term loan facility with the company's lenders, an amount of NOK 60 million (approx. EUR 5.2 million) is to be converted to shares in the company at a conversion price of NOK 0.10 per share.
- The outstanding principal of the term loan facility following the conversion will amount to approx. EUR 7.1 million.
  - The first interest payment of the term loan facility is postponed until 30 June 2025, with quarterly interest payments following first interest payment.
  - Pre-agreed sharing of net proceeds with the lenders in case of sale of assets.
- A financial lender has accepted to revise terms by reducing the interest rate and deferring payments of interest until June 2025 and first principal payment postponed until June 2026 and to accept the wright-down of NOK 10 million.
- Once the share capital changes related to the financial restructuring as approved by the EGM have been registered with the Norwegian Register of Business Enterprises, the Company's share capital will be NOK 17,336,312.94 divided into 1,733,631,294 shares, each with a par value of NOK 0.01.
- Subject to final documentation and completion of the financial restructuring, the Company and Tjelta Eiendom AS will each pay to the banks EUR 1 million of the outstanding amount of the EUR 2 million bridge loan guaranteed by Tjelta Eiendom AS from February 2024, repaying the loan in full.

Following such payments, Tjelta Eiendom AS will have a remaining claim against the Company in the amount of EUR 2 million, which Tjelta Eiendom AS may elect to convert into shares in the Company at a price of NOK 0.05 per share.

- The share capital increases and the debt forgiveness aforementioned are all conditional, inter alia, upon completion of the Share Capital Reduction, and are also mutually conditional upon each other. The conditions for the amendments of loan facilities as agreed with the major secured lenders must be fulfilled before these changes can be registered and the financial restructuring can take effect. The Company is still working on the completion of such conditions.

# Outlook



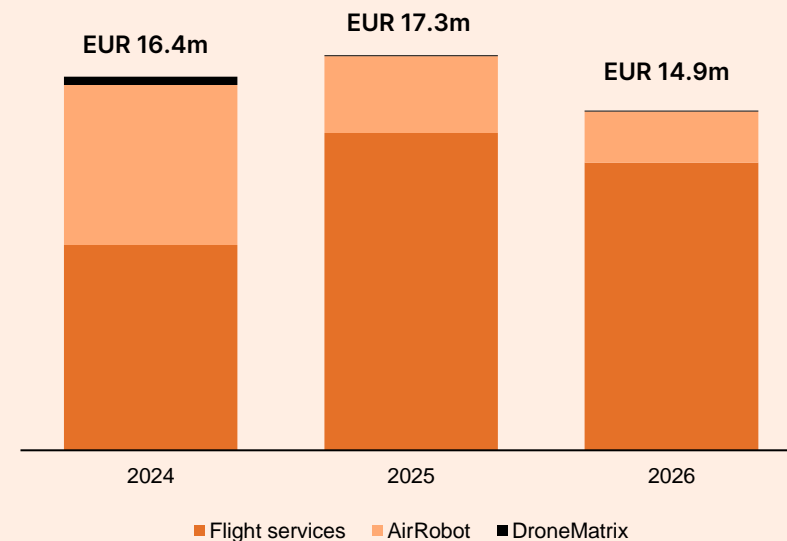


# Estimated contract backlog\*

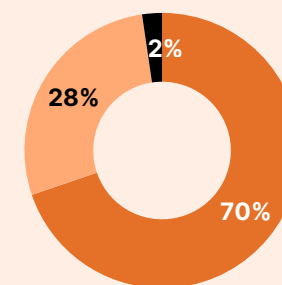
## EUR 48 million

- Estimated contract backlog\* consists of:
  - EUR 37 million of framework contracts
  - EUR 11 million of purchase orders/contracts

Contract	Partner	Expires	Original 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





# Outlook

- The key drivers for the anticipated growth in demand for drone technology and services are increasing focus on defense and security, an increasingly favorable regulatory environment in Europe, improved awareness and education, substantial environmental benefits, cost efficiencies as well as safety and security benefits, and continued technological advancements.
- Our history, track record, client base and implemented cost measures, a new profile and strategic direction together with the anticipated financial restructuring and defined turnaround activities are anticipated to benefit the Group in the long term.
- The estimated contract backlog is EUR 48 million and the unweighted value of the pipeline of opportunities is above EUR 500 million.
- There is an attractive future for those companies that pull through the challenges, and our aim is to see NU Group among the winners in the future.

# Focus: 2024 - a Transition Year

- Anticipated financial restructuring in Q2/Q3 2024
- Reset Nordic Unmanned - launched a new profile and refined strategy
- Targeted expansion towards the defense and security market
- Increase profitability in Flight Services with efficiency targets, adding scale and consolidation efforts
- Lean in-house manufacturing in AirRobot and scale through partnering in NATO countries – both for G2M and for manufacturing
- Build on AI and software capabilities and scale DroneMatrix with increased focus on Ports in Europe and critical infrastructure

# Summary



# Summary



Significantly improved cost base



Financial restructuring



New profile and refined strategy towards defense, security and consolidation



Execution of turnaround plan and strategic roadmap



Generally positive long-term outlook

A person in full tactical gear, including a helmet and a balaclava, is shown from the chest up. They are holding a rifle. The background is a dramatic scene of fire and smoke, with a bright orange and red glow. The overall tone is serious and protective.

# Q&A

Above all – We Protect  
Values and Lives

NU GROUP™

# Disclaimer – forward looking statements

In addition to historical information, this presentation contains statements relating to our future business, events and/or results. These “forward-looking” statements include certain estimates, assumptions and projections of Nordic Unmanned ASA (the “Company”), based on information currently available to the Company. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including statements preceded by, followed by or that include the words “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “predict,” “anticipate,” “believe,” “think,” “view,” “seek,” “target,” “goal” or similar expressions; any projections of earnings, revenues, expenses, synergies, margins or other financial items; any statements of the plans, strategies and objectives for future operations, including integration and any potential restructuring plans; any statements concerning proposed new products, services, developments or industry rankings; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

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