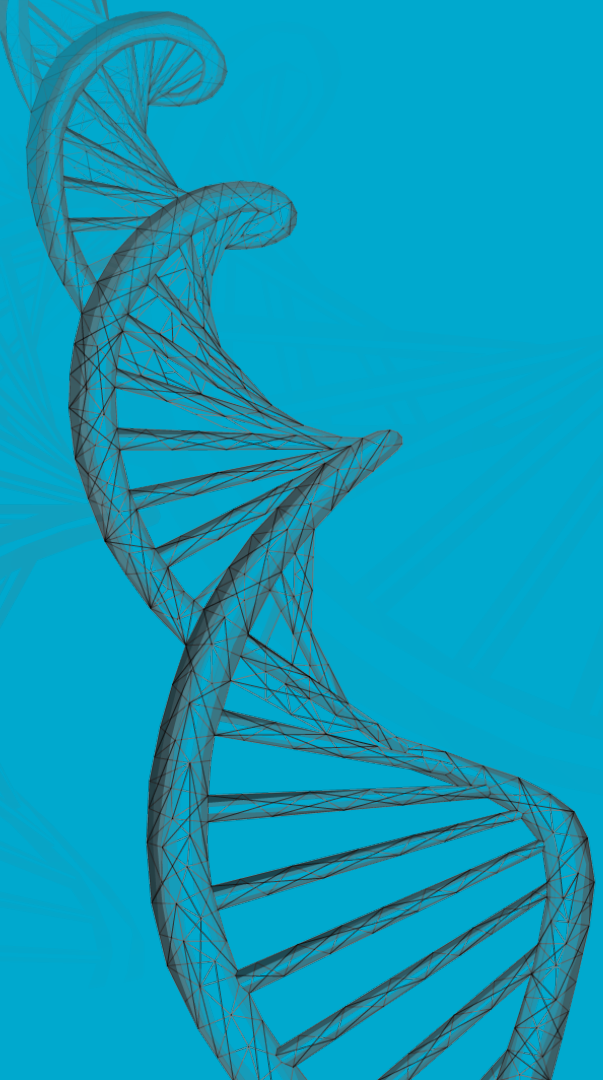
Go-to-market strategy

Director of Sales and Marketing, Geir Langeland



Our DNA

MODULES AVAILABILITY
GLOBAL PRESENCE PARTNERSHIP DESKTOP TOOLS
INTEROPERABILITY
CREDIBILITY INNOVATION CULTURE
MULTIPROTOCOL SCALABILITY DEVELOPMENT KITS LOW POWER
BRING VALUE OPEN SOURCE WORD OF MOUTH UNDERSTANDING MOBILE APPS
AGILE
DEVZONE CUSTOMER TECH SUPPORT
HONESTY TUTORIALS
NORDIC TECH TOUR QUALITY HANDS ON STARTUPS PERFORMANCE
FORMAL/INFORMAL STANDARDS SOCIAL MEDIA
INTEGRATION CLOUD COLLABORATION EASE OF USE
RESPECTFUL
BLOGS EDUCATION 3RD PARTY SUPPORT
ENGAGEMENT SOFTWARE OFFERING
PROOF OF CONCEPT
WORKING GROUPS
NETWORK DISRUPTIVE
SIZE TEAM WORK

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The customer journey

Customer journey

From nothing to broad market leader in 5 years

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#1 where it matters in catalogue sales

Short-range wireless development kits

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Global presence – local expertise

- Broadline distributors with 10-100's of product lines globally or in several regions
- Distribution application engineers trained by Nordic
- Perform important fulfilment and logistic services for Nordic
- Joint seminars and workshops
- Promoting and selling both long- and short-range portfolio from Nordic

Broadliners

RUTRONIK
ELECTRONICS WORLDWIDE

ARROW
NYSE: ARW

AVNET®
NASDAQ: AVT

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Local presence – deep expertise

- Small number of product lines and only focus on Nordic in one region
- Most provide design services for end customers
- Deep engagement with local Nordic technical and sales resources
- Joint seminars and workshops
- Promoting and selling both long- and short-range portfolio from Nordic

Value Add Distributors

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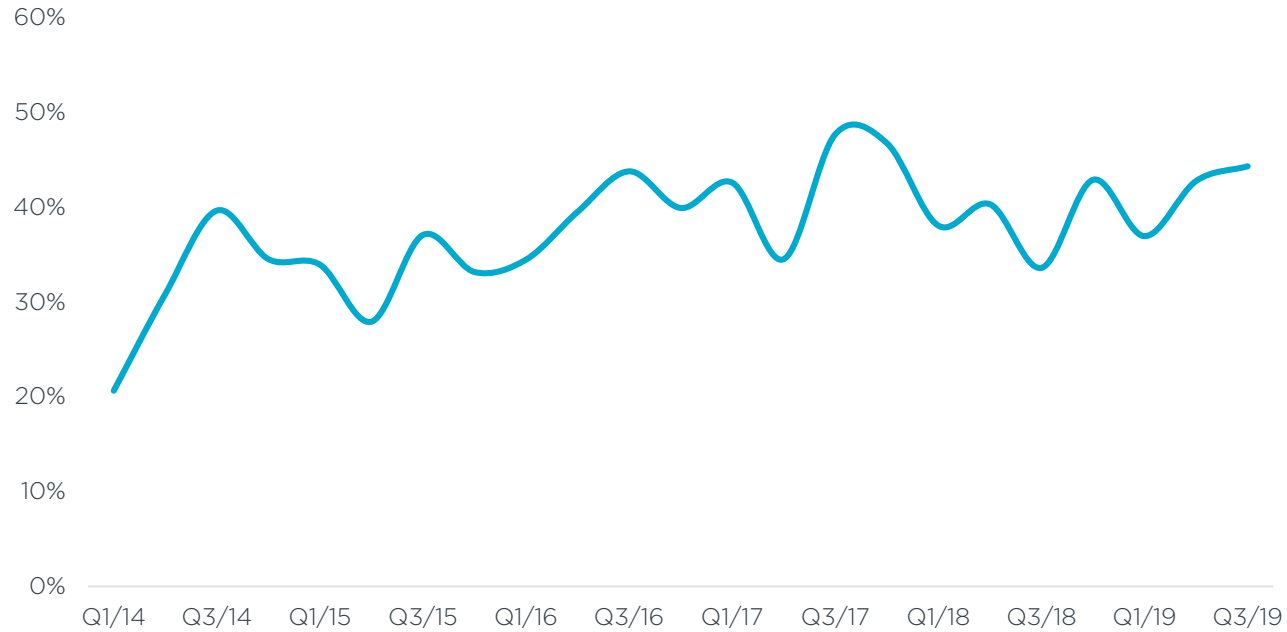
Undisputed #1 in the Bluetooth broad market

Market share - Bluetooth Low Energy end-product certifications*



End-product certifications, Nordic Q3 19

168

+39% y-o-y

+11% q-o-q

Source: DNB Markets

Almost two decades of sales experience and distribution channels now deployed to sell our cellular IoT solution!

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Q3 - broad range of new product launches

SMK Corporation nRF52832
Media streaming remote

ViewTag nRF525840
Luggage Tag

National Instruments nRF52840
Vibration sensor

Telepower nRF52810
Smart Card

McWong nRF52832
Mesh network lighting

Pin One nRF52832
Button displays

Unlimited nRF525832
Electric skateboard

Fruitech nRF52832
Smart pillbox

Do Technology nRF52840
Smart Watch

Montr nRF9160
Cellular Emergency button

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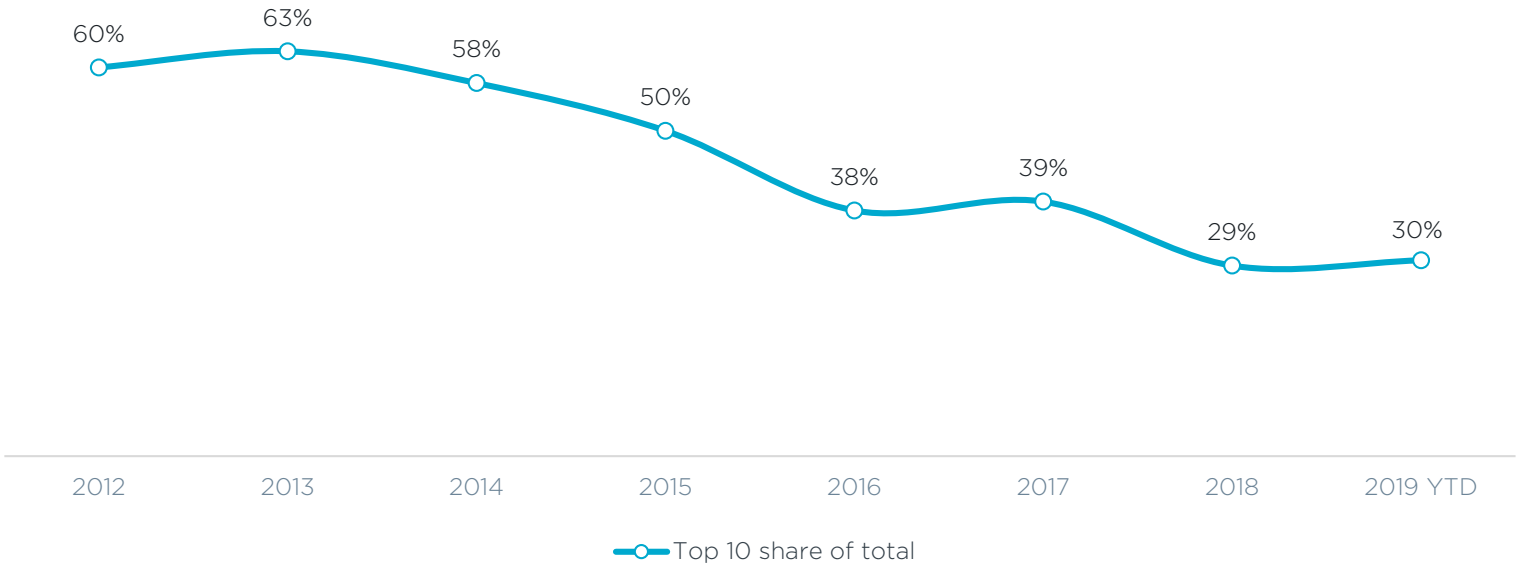
Reduced dependency on clients or products

Top-10's share of Bluetooth LE has been halved



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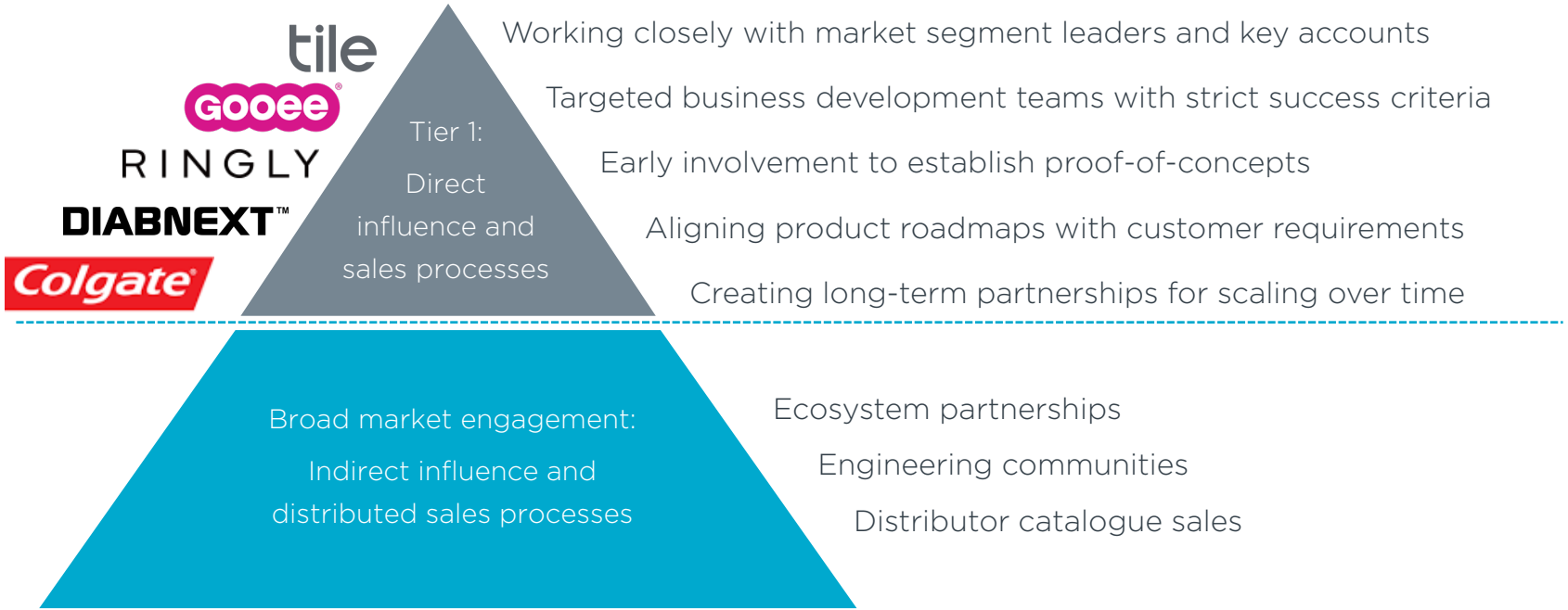
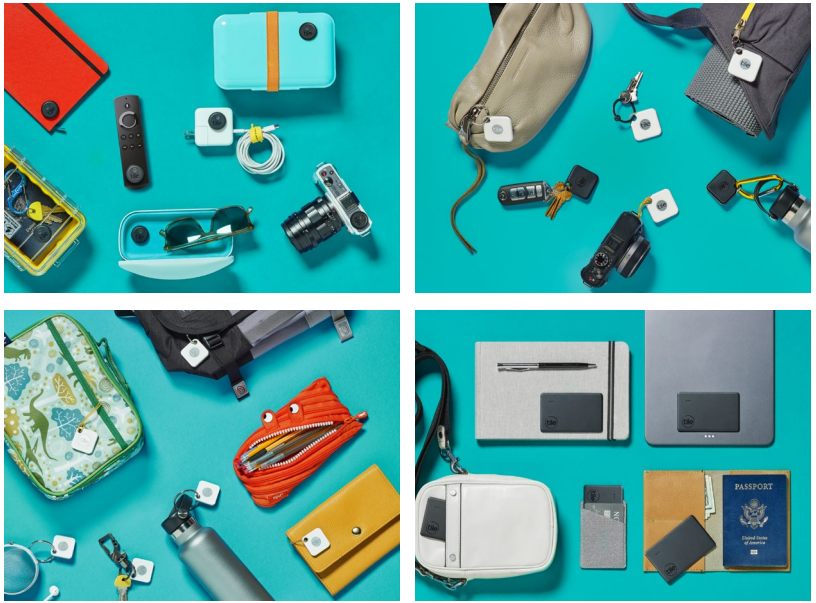
Solid positions with the vertical market leaders



Example: The Tile + Nordic partnership

- Tile recently announced new range of products using nRF52810 from Nordic
  - “Tile Sticker’, ‘Tile Pro’, ‘Tile Mate’, and ‘Tile Slim’.
- Tile finding-technology integrated into new Nordic SDK package
- Tile and Nordic partnering on a high level to enable existing Nordic customers to incorporate Tile technology



New range of Tile devices coming to the market built on nRF52810 SoCs

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Strengthening the focus on global tier 1s

- "Things" increasingly connect through platforms and the cloud
- Large market opportunity in servicing the platforms and their ecosystems
- Our product volumes and Bluetooth LE customer base ensures interoperability and attractiveness when connecting to platforms

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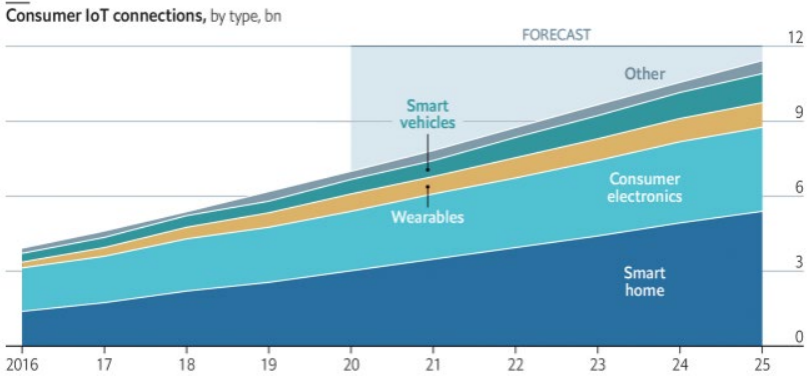
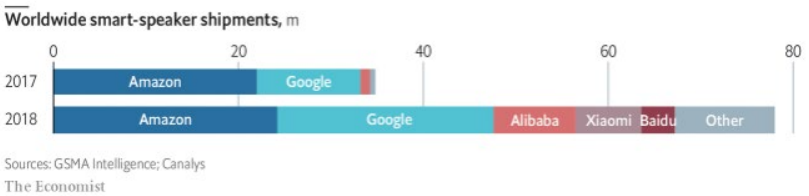
Smart hubs/speakers control connected home





Sources: GSMA Intelligence; Canalys
The Economist

"The correlation between ownership of smart hubs/speakers and smart devices across multiple use cases suggests that smart hubs are increasingly the control platform of choice for connected homes

–GSMA Intelligence, Feb 2019

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Xiaomi ecosystem – already using Nordic

Mi VR

Mijia smart door lock

Mi Quartz Watch

70mai Tire Pressure Monitoring System

Mi Bunny MITU robot

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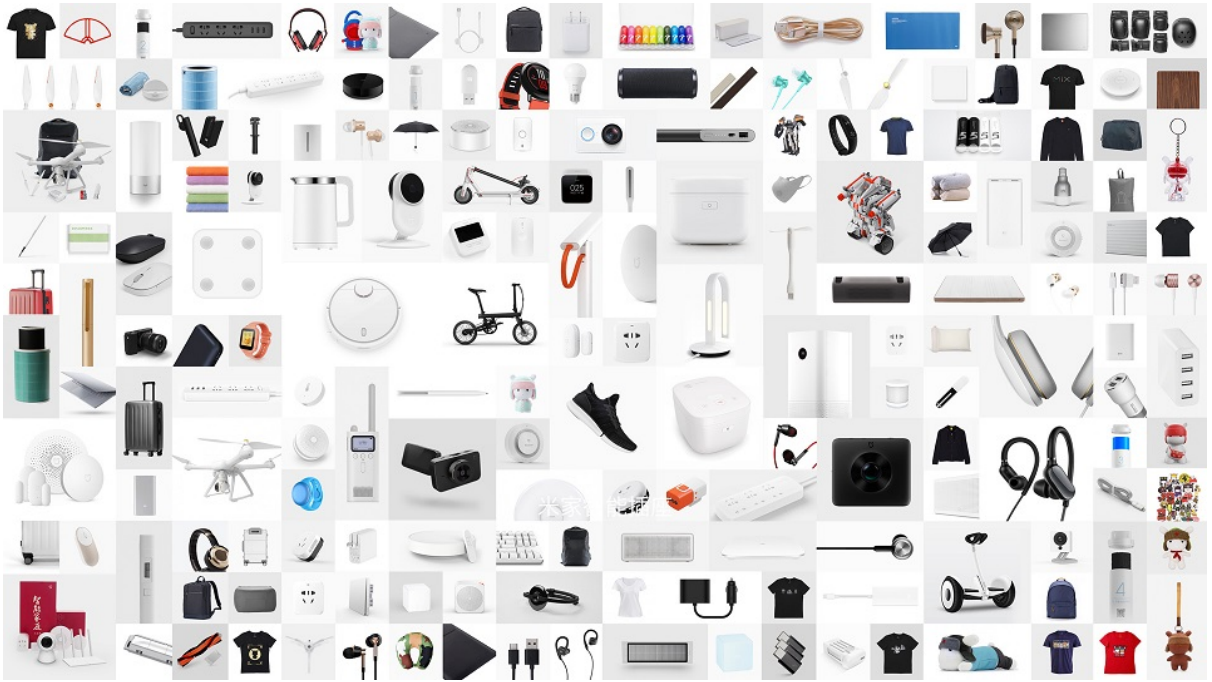
Xiaomi ecosystem – huge potential

Strategy to interconnect their own products with third parties



*Source: https://xiaomi-mi.com/ecosystem

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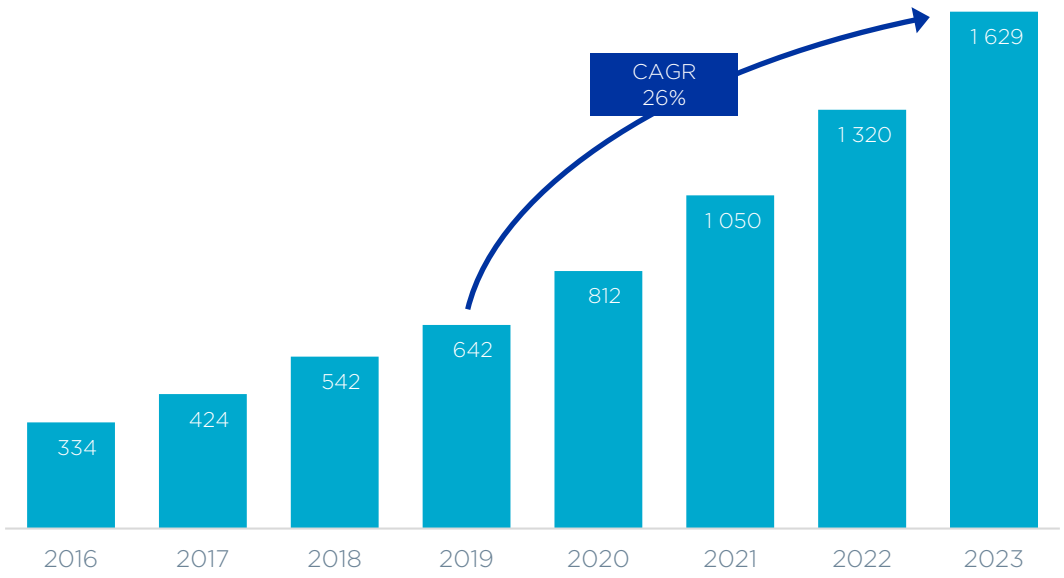
Strong market outlook for Bluetooth LE

IHS: Bluetooth Low Energy market outlook, million units



- Mobile/PC HID market levelling out
- Continued solid outlook for established verticals like Smart Home, wearables, retail, gaming/VR&AR, etc.
- Several emerging verticals hold potential to drive growth higher

Source: IHS Markit | Technology, now part of Informa Tech, Wireless IoT Connectivity Intelligence Service, 2019

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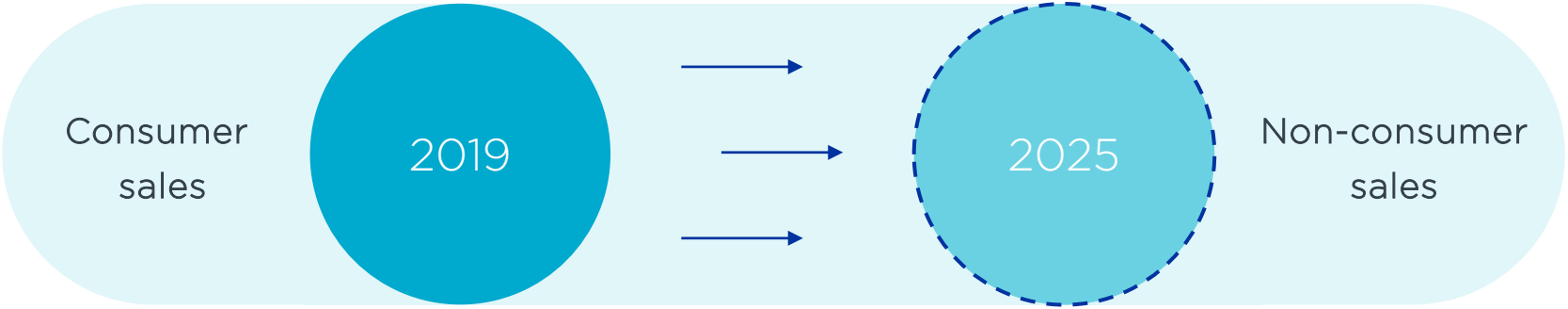
Landscape is changing

Strong growth within non-consumer



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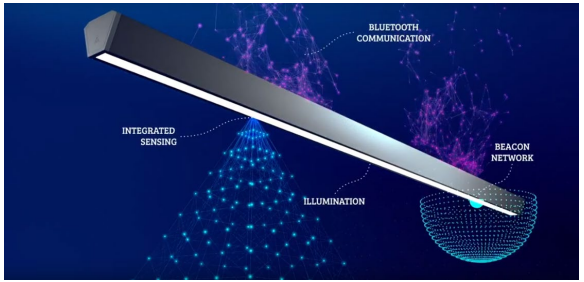
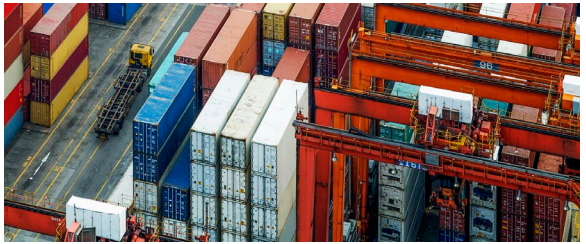
Major opportunities in disruptive verticals

- We might be underestimating potentially disruptive applications in e.g.:
  - Smart Home
  - Smart lighting
  - Drug delivery & disease monitoring
  - Logistics/Asset tracking
- Each may grow into several hundred million unit markets over the next 5 years
- Product and services development roadmaps targeted to unlock the volume and value potential





Smart lighting

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Smart lighting is in the early stages

- Large untapped market - only a small fraction of lighting is connected
- Upside potential supported by solid growth drivers
  - Fast increasing adoption of LED
  - Stricter EU lighting regulations on energy labelling and ecodesign
  - Large government-backed initiatives on smart cities, sustainability and energy usage
  - Strong use cases in both the enterprise and consumer markets

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Lighting is becoming the building backbone

- Connected lighting in the professional market is moving to mesh networks for light control, monitoring and building automation
- Occupancy & positioning
- Movement & direction
- Temperature & HVAC control
- Security & alarm systems
- Predictive & preventive maintenance
- Beacons
- Etc.

Smart lighting = Big Data

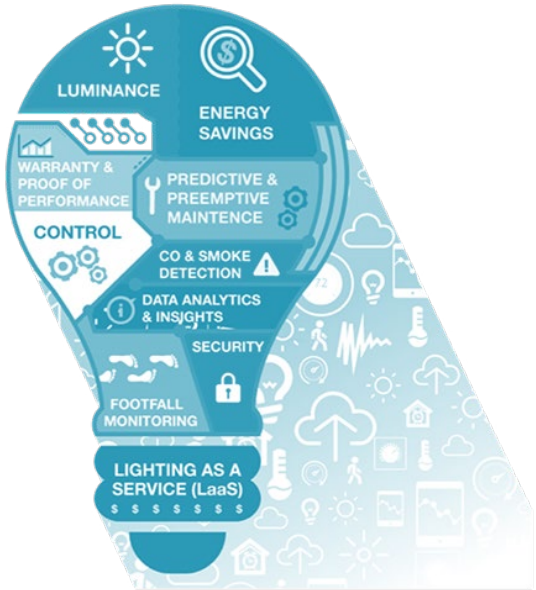

Illustration source: Gooee

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NOD partnering with lighting IoT leaders

- Partnered with Gooee in 2016, a leader in IoT building intelligence
- Gooee has demonstrated how lighting can be used to automate entire buildings or portfolios of buildings
- Wireless connectivity from Nordic is a key ingredient in this setup.

Gooee and croonwolter & dros in July signed a contract to connect over 5,000 buildings to Gooee's IoT platform

Illustration source: Gooee

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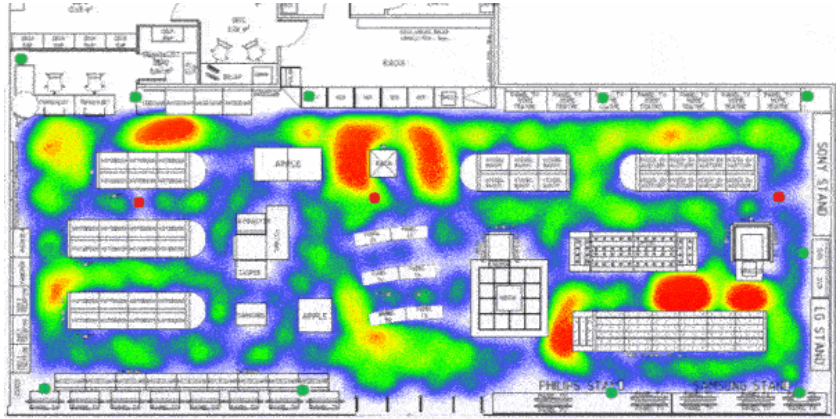
Example: Heat maps and beacons/proximity



- Where are people? How many?
- How long have they been there?
- Does HVAC need adjusting?
- Do restrooms need cleaning?

- What's the most valuable space?
- Can we improve space utilization?
- Who is moving where?
- Can we influence consumers?

Drug delivery & Disease monitoring

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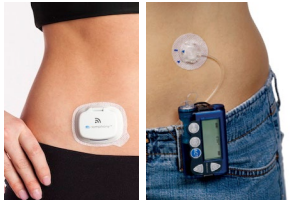
Drug delivery and disease monitoring

Self-injection pens

Metered inhalers



Diabetes pumps

Large potential markets for connected devices

- Disease areas: Diabetes/insulin, glucose, asthma, allergies, respiratory diseases, growth hormones, blood pressure, other

Strong technology roadmap needed:

- Competitive cost points needed to unlock high-volume disposable markets
- Size and power constraints
- Processing power requirements/battery tech
- Adherence to regulatory regimes will influence rollout

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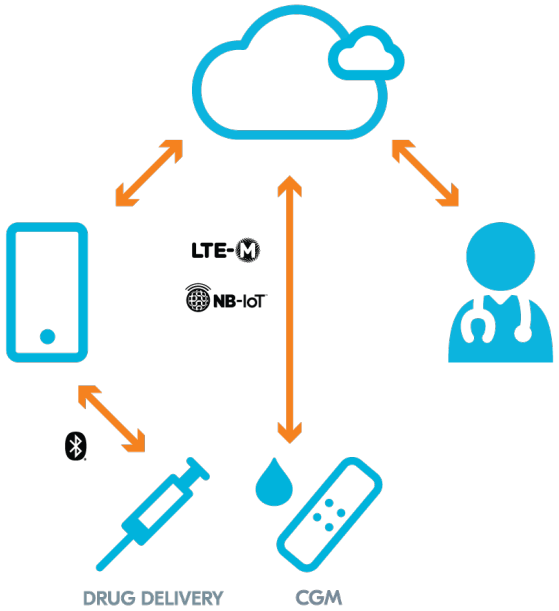
Typical Use Case for Medical Adherence



Medication management

- Automated medication diaries
- Amount, timing, type of medication
- Correct usage of delivery device

Notification and usage statistics

- Family and/or doctors/hospitals
- Feedback to pharma companies

Examples

Dexcom
(CGM)

Aterica Health
(Injector Case)

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Summary & Outlook

- Excellent position in the growing Bluetooth Low Energy market
- Broad market leader with strong ties to vertical tier 1s and platform ecosystems
- Fortifying positions in growing established verticals
- Targeting potentially disruptive new application areas
- Extending and leveraging our successful sales go-to-market strategy to cellular