

Financial Report 2024

Management Discussion & Analysis

u-blox reported resilient results in 2024:

- Revenue of CHF 262.9 million
- EBIT (adjusted) of CHF –59.6 million
- Free cash flow of CHF 10.1 million

Revenue

Revenue on a constant FX rates basis declined by 53.1% in 2024. Measured in Swiss Francs, it reached CHF 262.9 million in 2024, from CHF 576.9 million in 2023, representing a decline of 54.4% year-on-year. Foreign currency exchange rates negatively affected revenue by 1.4%, mainly from the strengthening of the Swiss Franc versus the US Dollar.

Revenue by region

- Asia Pacific: Revenue in 2024 decreased by 55% to CHF 123.6 million from CHF 272.3 million in the same period last year, mainly driven by significant reduction from health-care customers.
- EMEA: In 2024 revenue amounted to CHF 92.6 million, down from CHF 173.3 million one year earlier (–47%), primarily due to a soft performance in industrial.
- Americas: Revenue in 2024 totaled CHF 46.7 million compared to CHF 131.3 million in 2023 (–64%). The negative performance was mainly driven by the soft performance in automotive and industrial.

Revenue by market

- Automotive: Revenue reached CHF 97.9 million in 2024, –42% lower compared to the same period last year. Signs of recovery were identified in the second half of 2024, as revenue grew double-digit versus the first half of 2024, mainly driven by Locate.

- Industrial: Revenue amounted to CHF 145.3 million in 2024, a decrease of –62% versus the previous year, mostly driven by health-care and aftermarket telematics.
- Consumer / Others: Revenue totaled CHF 19.8 million in 2024, –10% lower compared to 2023, primarily due to the continued decline in consumer demand since 2022.

Gross Profit

Gross profit reached CHF 120.1 million in 2024 from CHF 253.9 million in 2023. The respective gross profit margin reached 45.7% in 2024 from 44.0% one year earlier. The better performance in Locate compared to Connect generated a positive mix effect, which explains the improvement of the gross margin at Group level.

Research and Development expenses

R&D expenses remained practically stable at CHF 164.3 million, compared to CHF 188.1 million in 2023. Cash R&D expenses (adjusted) declined by 8.1% to CHF 118.7 million in 2024, from CHF 129.1 million in 2023.

Sales, General and Administration (SG&A) expenses

SG&A expenses declined by 1.7% to CHF 67.9 million in 2024 (CHF 69.1 million in 2023), a consequence of cost reduction initiatives in the year.

Operating Profit (EBIT)

On an IFRS basis, EBIT amounted to CHF –112.2 million in 2024, lower than in 2023 (CHF –3.4 million). On an adjusted basis, EBIT (adjusted) reached CHF –59.6 million in 2024, lower than in 2023 (CHF 69.7 million).

Management Discussion & Analysis

Financial Results

Net finance results in 2024 amounted to CHF 7.7 million from CHF –8.9 million in 2023. Excluding FX effects, net finance results totaled CHF 0.7 million in 2024 from nil one year earlier. FX results reached CHF 7.0 million in 2024 compared to CHF –9.0 million in the same period last year.

Net Profit

Net reached CHF –88.9 million as compared to CHF –8.6 million in the prior year period. Diluted EPS in 2024 amounted to CHF –12.07 per share compared to CHF –1.21 per share in 2023.

Net profit (adjusted) decreased to CHF –43.7 million compared to CHF 51.1 million in the prior year period. Diluted EPS (adjusted) in 2024 amounted to CHF –5.95 per share compared to CHF 7.01 in 2023.

Cash Flow

Changes in net working capital were CHF +60.1 million in 2024 vs. CHF –45.9 million in 2023. Working capital improved significantly in the year, driven by lower receivables and inventory levels.

Income tax paid was CHF 0.7 million in 2024, from CHF 6.0 million in 2023. Capex of CHF 26.6 million in 2024 compares to CHF 48.3 million in 2023. The reduction reflects the reduction in R&D Capitalization as well as the cost optimization program implemented in H2'24.

As a result, Free cash flow reached CHF 10.1 million in 2024 compared to CHF 10.9 million in the prior year.

Balance Sheet and Financing

During 2024, u-blox recognized CHF 31.0 million of impairment losses on intangible assets. The impairment charge in 2024 was recognized in 'Research and development expenses' and relates to intangible assets in 'Intellectual property rights / acquired technology' and 'Capitalized development costs' in the Cellular business.

u-blox's net cash position on December 31, 2024 stood at CHF 90.9 million after a dividend payment of CHF 7.3 million versus CHF 86.2 million on December 31, 2023.

Based on the Company's financials, the Board of Directors will propose no dividend payment for 2025 at the Annual General Meeting.

Alternative Performance Measures

In this annual report and other forms of communication, u-blox uses key performance indicators (KPIs) which are not defined by IFRS, and are defined as alternative performance measures. u-blox believes that those KPIs enhance the understanding of the company's performance. The main alternative performance measures used by u-blox are defined and/or reconciled below.

Adjusted Income Statement

The following table reconciles the Income Statement according to IFRS and Adjusted figures: The adjustments are impacts of share-based payments, pension calculation according to IAS-19, non-recurring expenses, amortization and impairment of intangible assets acquired.

For the year ended December 31			Adjustments							
in CHF 1,000	2024 (IFRS)	in %	Share- based pay- ments	Pension (IAS 19)	Amor- tization intan- gible assets	Impair- ment in- tangible assets	Re- struc- turing	Sum of Adjust- ments	2024 (adjust- ed)	in %
Revenue	262,884	100							262,884	100
Cost of sales	-142,789	-54.3	440				317	758	-142,031	-54.0
Gross Profit	120,095	45.7	440				317	758	120,853	46.0
Sales and marketing expenses	-35,500	-13.5	1,465		135		2,074	3,674	-31,826	-12.1
Research and development expenses	-164,311	-62.5	3,982		2,510	30,992	7,999	45,484	-118,826	-45.2
General and administrative expenses	-34,318	-13.1	1,453	-1,709			2,925	2,669	-31,649	-12.0
Other income	1,870	0.7							1,870	0.7
Operating loss (EBIT)	-112,164	-42.7	7,341	-1,709	2,646	30,992	13,315	52,585	-59,579	-22.7
Finance income	10,122	3.9							10,122	3.9
Finance costs	-2,419	-0.9		179				179	-2,240	-0.9
Share of loss of equity-accounted investees, net of taxes	-82	-0.0							-82	-0.0
Loss before income tax (EBT)	-104,543	-39.8	7,341	-1,530	2,646	30,992	13,315	52,764	-51,779	-19.7
Income tax benefit	15,631	5.9	644	275	-479	-5,607	-2,422	-7,588	8,043	3.1
Net loss	-88,912	-33.8	7,985	-1,255	2,167	25,386	10,893	45,176	-43,736	-16.6
Earnings per share in CHF	-12.07								-5.95	
Diluted earnings per share in CHF	-12.07								-5.95	

Alternative Performance Measures

For the year ended
December 31

in CHF 1,000	2023		Adjustments					2023		
	(IFRS)	in %	Share-based payments	Pension (IAS 19)	Amortization intangible assets	Impairment intangible assets	Re-structuring	Sum of Adjustments	(adjusted)	in %
Revenue	576,910	100							576,910	100
Cost of sales	-323,021	-56.0	375					375	-322,646	-55.9
Gross Profit	253,889	44.0	375					375	254,264	44.1
Sales and marketing expenses	-41,025	-7.1	919		135			1,055	-39,970	-6.9
Research and development expenses	-188,134	-32.6	2,597		2,701	65,422		70,720	-117,414	-20.4
General and administrative expenses	-29,957	-5.2	591	327				918	-29,039	-5.0
Other income	1,839	0.3							1,839	0.3
Operating (loss) / profit (EBIT)	-3,388	-0.6	4,483	327	2,836	65,422		73,068	69,680	12.1
Finance income	2,203	0.4						0	2,203	0.4
Finance costs	-11,125	-1.9		186				186	-10,939	-1.9
Share of loss of equity-accounted investees, net of taxes	-199	-0.0							-199	-0.0
(Loss) / profit before income tax (EBT)	-12,509	-2.2	4,483	513	2,836	65,422		73,254	60,745	10.5
Income tax benefit / (expense)	3,878	0.7	-1,074	-91	-513	-11,835		-13,513	-9,634	-1.7
Net (loss) / profit	-8,631	-1.5	3,408	422	2,323	53,587		59,741	51,110	8.9
Earnings per share in CHF	-1.21								7.17	
Diluted earnings per share in CHF	-1.21								7.01	

Alternative Performance Measures

Sales, General and Administration (SG&A) expenses (adjusted)

The following table reconciles Sales, General and Administration (SG&A) expenses (adjusted) from the Adjusted Income Statement:

For the year ended December 31

in CHF 1,000	2024		Share-based payments	Pension (IAS 19)	Amortization intangible assets	Impairment intangible assets	Adjustments		2024	
	(based on IFRS)	in %					Re-structuring	Sum of Adjustments	(adjusted)	in %
Sales and marketing expenses	-35,500	-13.5	1,465		135		2,074	3,674	-31,826	-12.1
General and administrative expenses	-34,318	-13.1	1,453	-1,709			2,925	2,669	-31,649	-12.0
Other income	1,870	0.7							1,870	0.7
SG&A expenses	-67,948	-25.8	2,918	-1,709	135		4,999	6,343	-61,605	-23.4

For the year ended December 31

in CHF 1,000	2023		Share-based payments	Pension (IAS 19)	Amortization intangible assets	Impairment intangible assets	Adjustments		2023	
	(based on IFRS)	in %					Re-structuring	Sum of Adjustments	(adjusted)	in %
Sales and marketing expenses	-41,025	-7.1	919		135			1,055	-39,970	-6.9
General and administrative expenses	-29,957	-5.2	591	327				918	-29,039	-5.0
Other income	1,839	0.3							1,839	0.3
SG&A expenses	-69,143	-12.0	1,510	327	135			1,973	-67,170	-11.6

Alternative Performance Measures

Earning before Interest, Taxes, Depreciation and Amortization (EBITDA) adjusted

The following table reconciles Earning before Interest, Taxes, Depreciation and Amortization (EBITDA) adjusted from the Adjusted Income Statement:

For the year ended December 31

in CHF 1,000	2024		Share-based payments	Pension (IAS 19)	Amortization intangible assets	Impairment intangible assets	Re-structuring	Adjustments		2024	
	(based on IFRS)	in %						Sum of Adjustments	(adjusted)	in %	
Operating loss (EBIT)	-112,164	-42.7	7,341	-1,709	2,646	30,992	13,315	52,585	-59,579	-22.7	
Depreciation, amortization and impairment	73,774	28.1			-2,646	-30,992	-1,672	-35,311	38,463	14.6	
EBITDA	-38,390	-14.6	7,341	-1,709	0	0	11,643	17,274	-21,116	-8.0	

For the year ended December 31

in CHF 1,000	2023		Share-based payments	Pension (IAS 19)	Amortization intangible assets	Impairment intangible assets	Re-structuring	Adjustments		2023	
	(based on IFRS)	in %						Sum of Adjustments	(adjusted)	in %	
Operating (loss) / profit (EBIT)	-3,388	-0.6	4,483	327	2,836	65,422		73,068	69,680	12.1	
Depreciation, amortization and impairment	111,001	19.2			-2,836	-65,422		-68,258	42,743	7.4	
EBITDA	107,613	18.7	4,483	327	0	0		4,810	112,423	19.5	

Cash Research and Development expenses (adjusted)

The following table reconciles Cash Research and Development expenses (adjusted) from the Adjusted Income Statement and Consolidated Statement of Cash Flows.

u-blox capitalizes parts of its investments in R&D. Thus, the R&D expenses recorded in the Income Statements excludes the portion that is capitalized, and includes the amortization of the capitalized assets.

u-blox believes that Cash R&D expenses (adjusted) reflects better the economical investment made by the company in this area.

For the year ended December 31

in CHF 1,000	2024		Share-based payments	Pension (IAS 19)	Amortization intangible assets	Impairment intangible assets	Re-structuring	Adjustments		2024	
	(based on IFRS)	in %						Sum of Adjustments	(adjusted)	in %	
Research and development expenses	-164,311	-62.5	3,982		2,510	30,992	7,999	45,484	-118,826	-45.2	
Amortization	25,659	9.8							25,659	9.8	
Impairment	30,992	11.8				-30,992		-30,992	0	0.0	
Capitalized development costs	-25,549	-9.7							-25,549	-9.7	
Cash Research and Development expenses	-133,208	-50.7	3,982		2,510	0	7,999	14,492	-118,716	-45.2	

Alternative Performance Measures

For the year ended December 31

in CHF 1,000	2023		Share-based payments	Pension (IAS 19)	Amortization intangible assets	Impairment intangible assets	Adjustments		2023	
	(based on IFRS)	in %					Re-structuring	Sum of Adjustments	(adjusted)	in %
Research and development expenses	-188,134	-32.6	2,597	0	2,701	65,422	70,720	-117,414	-20.4	
Amortization	29,381	5.1						29,381	5.1	
Impairment	63,889	11.1				-63,889	-63,889	0	0.0	
Capitalized development costs	-41,088	-7.1						-41,088	-7.1	
Cash Research and Development expenses	-135,952	-23.6	2,597		2,701	1,533	6,831	-129,121	-22.4	

Change in Net Working Capital

The following table reconciles Change in Net Working Capital from the Consolidated Statement of Cash Flows:

in CHF 1,000	2024	2023
Change in trade and other receivables and prepaid expenses	54,970	-17,888
Change in inventories	33,681	13,892
Change in trade and other payables and accrued expenses	-28,527	-41,887
Change in Net Working Capital	60,124	-45,884

Free Cash Flow

The following table reconciles Free Cash Flow from the Consolidated Statement of Cash Flows:

in CHF 1,000	2024	2023
Net cash generated from operating activities	36,752	59,172
Net cash used in investing activities	-26,615	-48,313
Free cash flow	10,137	10,860

Net Cash

The following table reconciles Net Cash from the Consolidated Statement of Financial Position:

in CHF 1,000	December 31, 2024	December 31, 2023
Cash and cash equivalents	90,947	126,884
Financial liabilities	0	-40,698
Net Cash	90,948	86,186

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Consolidated financial statements u-blox Group

Consolidated statement of financial position

in CHF 1,000	Note	December 31, 2024	December 31, 2023
Assets			
Current assets			
Cash and cash equivalents	6	90,947	126,884
Trade accounts receivable	7	31,095	84,000
Other receivables		9,897	10,643
Current tax assets		2,729	3,008
Inventories	8	61,503	96,954
Prepaid expenses		16,067	17,294
Total current assets		212,238	338,783
Non-current assets			
Property, plant and equipment	9	10,777	12,849
Right-of-use assets	25	26,364	30,595
Goodwill	10	53,625	52,693
Intangible assets	10	112,902	147,118
Other financial assets		1,530	1,696
Equity-accounted investees	11	0	474
Deferred tax assets	22	20,488	8,898
Total non-current assets		225,686	254,323
Total assets		437,924	593,106
Liabilities and equity			
Current liabilities			
Trade accounts payable		12,468	31,367
Other payables		11,044	14,566
Provisions	14	779	3,783
Lease liabilities	25	5,648	5,041
Current tax liabilities		5,598	5,267
Accrued expenses	12	20,932	26,669
Financial liabilities	13	0	40,698
Total current liabilities		56,469	127,391
Non-current liabilities			
Other payables		4,370	4,109
Provisions	14	14,732	12,364
Pension liabilities	15	16,650	14,800
Lease liabilities	25	24,015	26,838
Deferred tax liabilities	22	725	5,744
Total non-current liabilities		60,492	63,855
Total liabilities		116,961	191,246
Shareholders' equity			
Share capital	16	77,821	83,592
Share premium	16	44,018	32,922
Treasury shares		-1,691	-3,521
Cumulative translation differences		-33,537	-37,051
Retained earnings		234,352	325,918
Total equity		320,963	401,860
Total liabilities and equity		437,924	593,106

These consolidated financial statements should be read in conjunction with the accompanying Notes.

Consolidated income statement

in CHF 1,000	Note	2024	2023
Revenue	5	262,884	576,910
Cost of sales		-142,789	-323,021
Gross profit		120,095	253,889
Sales and marketing expenses		-35,500	-41,025
Research and development expenses	19	-164,311	-188,134
General and administrative expenses		-34,318	-29,957
Other income		1,870	1,839
Operating loss (EBIT)		-112,164	-3,388
Finance income	21	10,122	2,203
Finance costs	21	-2,419	-11,125
Share of loss of equity-accounted investees, net of taxes	11	-82	-199
Loss before income tax (EBT)		-104,543	-12,509
Income tax benefit	22	15,631	3,878
Net loss		-88,912	-8,631
Basic earnings per share (in CHF)	17	-12.07	-1.21
Diluted earnings per share (in CHF)	17	-12.07	-1.21

Consolidated statement of comprehensive income

in CHF 1,000	Note	2024	2023
Net loss		-88,912	-8,631
Other comprehensive income			
Remeasurements on pension liabilities	15	-3,362	-3,380
Income tax benefit on remeasurements on pension liabilities	22	608	612
Items that will not be reclassified to income statement		-2,754	-2,768
Currency translation differences		3,514	-9,213
Items that are or may be reclassified subsequently to income statement		3,514	-9,213
Other comprehensive income, net of taxes		760	-11,981
Total comprehensive income		-88,152	-20,612

These consolidated financial statements should be read in conjunction with the accompanying Notes.

Consolidated statement of changes in equity

in CHF 1,000	Note	Share capital	Share premium	Treasury shares	Cumulative translation differences	Retained earnings	Total equity
Balance at January 1, 2023		96,842	23,180	-27,708	-27,838	347,522	411,998
Net loss for the period		0	0	0	0	-8,631	-8,631
Other comprehensive income for the period, net of taxes		0	0	0	-9,213	-2,768	-11,981
Total comprehensive income		0	0	0	-9,213	-11,399	-20,612
Share-based payments ¹⁾	18, 22	0	0	0	0	3,501	3,501
Decrease in par value	16	-14,435	0	282	0	0	-14,153
Options and RSUs exercised during the year, net of transaction costs	16, 18	1,186	9,742	2,779	0	-4,213	9,494
Sale of treasury shares		0	0	21,126	0	-9,493	11,633
Total transactions with equity holders of the parent		-13,249	9,742	24,187	0	-10,204	10,475
Balance at December 31, 2023		83,592	32,922	-3,521	-37,051	325,918	401,860
Net loss for the period		0	0	0	0	-88,912	-88,912
Other comprehensive income for the period, net of taxes		0	0	0	3,514	-2,754	760
Total comprehensive income		0	0	0	3,514	-91,666	-88,152
Share-based payments ¹⁾	18, 22	0	0	0	0	6,109	6,109
Decrease in par value	16	-7,319	0	0	0	9	-7,310
Options, RSUs and PSUs exercised during the year, net of transaction costs	16, 18	1,548	11,096	1,830	0	-6,018	8,456
Total transactions with equity holders of the parent		-5,771	11,096	1,830	0	100	7,255
Balance at December 31, 2024		77,821	44,018	-1,691	-33,537	234,352	320,963

1) Represents the amount of employee stock option expenses of CHF 7.3 million (2023: CHF 4.5 million) including respective tax effects of CHF -1.2 million (2023: CHF -1.0 million) recognized for 2024 and 2023 respectively.

For further information on share capital and share premium see Note 16.

Consolidated statement of cash flows

in CHF 1,000	Note	2024	2023
Cash flows from operating activities			
Net loss		-88,912	-8,631
Adjustments for:			
Depreciation	9, 25	12,932	12,051
Amortization	10	29,850	33,528
Impairment of intangible assets	10	30,992	65,422
Share-based payment transactions	18	7,341	4,483
Change of pension liability		-1,544	450
Other non-cash transactions		4,537	1,996
Interest income	21	-3,163	-2,203
Interest expenses	21	1,626	1,730
Share of loss of equity accounted investees	11	82	199
Income tax benefit	22	-15,631	-3,878
Change in trade and other receivables and prepaid expenses		54,970	-17,888
Change in inventories		33,681	13,892
Change in trade and other payables and accrued expenses		-28,527	-41,887
Change in provisions		-735	5,871
Income tax paid		-747	-5,963
Net cash generated from operating activities		36,752	59,172
Cash flows from investing activities			
Acquisition of property, plant and equipment	9	-3,687	-7,129
Acquisition of intangible assets	10	-26,587	-42,713
Proceeds from disposal of property, plant and equipment	9	64	17
Acquisition of businesses (net of cash acquired)	23	0	-600
Proceeds from sale of marketable securities		0	45
Acquisition of financial assets		-38	-17
Proceeds from disposal of financial assets		470	6
Participation in a capital increase in an associate	11	0	-113
Interest received		3,163	2,191
Net cash used in investing activities		-26,615	-48,313
Cash flows from financing activities			
Proceeds from exercise of options	18	8,456	9,494
Par value reduction	16	-7,310	-14,153
Proceeds from sale of treasury shares	16	0	11,633
Payments of lease liabilities	25	-5,491	-5,643
Proceeds from financial liabilities	13	0	40,000
Repayment of financial liabilities	13	-40,000	-60,000
Interest paid		-2,344	-1,509
Net cash used in financing activities		-46,689	-20,178
Net decrease in cash and cash equivalents		-36,552	-9,319
Cash and cash equivalents at beginning of year		126,884	137,746
Exchange gains / (losses) on cash and cash equivalents		615	-1,543
Cash and cash equivalents at end of year	6	90,947	126,884

These consolidated financial statements should be read in conjunction with the accompanying Notes.

Notes to the consolidated financial statements

1 Corporate information and basis of preparation

u-blox Group ('u-blox' or the 'Group') consists of u-blox Holding AG ('the company' or 'the parent'), incorporated on September 21, 2007 in Thalwil, Switzerland, and its consolidated subsidiaries (together "the Group entities").

The shares of u-blox Holding AG are listed on the International Reporting Standard of the SIX Swiss Exchange.

u-blox' core activities comprise the development, manufacturing and marketing of products and services supporting GPS / GNSS satellite positioning systems. u-blox offers a range of GPS / GNSS positioning products, including satellite receiver chips and chips, receiver modules, receiver boards, antennas and smart antennas which are in use worldwide for navigation, automatic vehicle location, security, traffic control, location-based services, timing and agriculture. Since 2009, u-blox offers also wireless products and services. In 2014 and 2015, u-blox expanded its wireless activities by acquisition into short range radio area. Hardware production is fully outsourced to external contractors.

Statement of compliance and basis of preparation of the consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and comply with Swiss law. They have been prepared using the historical cost convention except for items requiring fair value accounting and for net defined benefit obligations, which are measured at fair value of plan assets less the present value of the defined benefit obligations. The consolidated financial statements are presented in Swiss Francs (CHF), rounded to the nearest thousand unless otherwise stated. Due to rounding, the figures presented in the tables may not add up precisely to the total provided. Group entities prepare their individual financial statements using their functional currency, which was identified to be the respective local currency.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses as well as disclosure of contingent assets and liabilities. Although these judgments, estimates and assumptions are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The estimated and underlying assumptions are reviewed on an ongoing basis, and revised if necessary, see Note 3.

2 Material accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Changes in accounting policy and disclosure

The accounting policies applied in these consolidated financial statements are the same as those described in the Group's consolidated financial statements for the year ended December 31, 2023.

Principles of consolidation

The consolidated financial statements include the financial statements of u-blox Holding AG, which provides holding functions, and its subsidiaries and associates, the following entities at December 31, 2024 and 2023:

Company	Share capital (million)	Ownership interest Dec. 31, 2024	Ownership interest Dec. 31, 2023	Function
u-blox AG, CH-Thalwil	CHF 4.23	100%	100%	E, L, S, M, H
u-blox Asia Pacific Ltd., HK-Hong-Kong	USD 0.10	100%	100%	M
u-blox America Inc., US-Reston	USD 0.10	100%	100%	S
u-blox Singapore Pte. Ltd., SG-Singapore	SGD 0.06	100%	100%	M
u-blox Japan K.K., JP-Tokyo	JPY 10.00	100%	100%	M
u-blox Italia S.p.A., IT-Sgonico	EUR 0.40	100%	100%	D, M
u-blox UK Ltd., UK-Reigate	GBP 0.00	100%	100%	D
u-blox San Diego Inc., US-San Diego	USD 0.00	100%	100%	D
u-blox Cambridge Ltd., UK-Cambridge	GBP 0.51	100%	100%	D
u-blox Espoo Oy, FI-Espoo	EUR 0.05	100%	100%	D, M
u-blox Luton Ltd., UK-Luton	GBP 0.00	100%	100%	D
u-blox Lahore (Private) Ltd., PK-Lahore	PKR 14.11	100%	100%	D
u-blox Cork Ltd., IE-Cork	EUR 0.00	100%	100%	D
u-blox Malmö AB, SE-Malmö	SEK 0.83	100%	100%	D, M
u-blox Athens S.A., GR-Athens	EUR 0.18	100%	100%	D
u-blox Berlin GmbH, DE-Berlin	EUR 0.03	100%	100%	D
Sapcorda Services GmbH, DE-Berlin	EUR 0.06	100%	100%	D
u-blox Wireless Technology (Shanghai) Ltd.	RMB 1.45	100%	100%	D
Thingstream Invest AG, CH-Zug	CHF 0.50	100%	100%	H
Thingstream Ltd., UK-Poole	GBP 0.00	100%	100%	D, M
u-blox Chemnitz GmbH, DE-Chemnitz	EUR 0.04	100%	100%	D
u-blox US Holding Inc., US-Delaware	USD 0.00	100%	100%	H
Zero Point Motion Ltd., UK- London ¹⁾	GBP 0.02	6.2%	10.9%	n/a

E = Engineering and R&D. | L = Logistics. | S = Sales and support. | M = Marketing and sales support. | D = R&D services. | H = Subholding.

1) significant influence lost in 2024 after stepping down from the Board of Directors.

Subsidiaries are all entities that u-blox Holding AG has the ability to control. u-blox Holding AG controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Group. When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured, and its subsequent settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in the financial result in the income statement.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the recognized amount of any non-controlling interests in the acquiree and in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognized at cost, which includes directly attributable transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss of equity-accounted investees, until the date on which significant influence ceases.

Intercompany transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognized in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

Items included in the financial statements of each Group company are recognized using the currency of the primary economic environment in which the company operates (functional currency).

Transactions in foreign currencies are translated into the functional currency by applying the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at closing exchange rates are recognized in the income statement.

For consolidation purposes, items in the balance sheet of foreign Group companies are translated into Swiss francs at closing exchange rates, while income statement items are translated at average rates for the respective period. The resulting currency translation differences are recognized in other comprehensive income. In the event of an entity's deconsolidation, currency translation differences are reclassified to the income statement as part of the gain or loss on the entity's divestment or liquidation.

The following rates were used to translate the financial statements of the Group's entities into CHF for consolidation purposes:

	December 31, 2024		December 31, 2023	
	Average rate	Closing rate	Average rate	Closing rate
EUR	0.95273	0.93947	0.97236	0.92826
USD	0.88058	0.90770	0.89858	0.84099
GBP	1.12511	1.13606	1.11712	1.07071
HKD	0.11285	0.11686	0.11477	0.10769
SGD	0.65884	0.66407	0.66923	0.63735
CNY	0.12268	0.12438	0.12717	0.11880
JPY	0.00582	0.00577	0.00641	0.00596
PKR	0.00316	0.00326	0.00323	0.00301
SEK	0.08329	0.08199	0.08473	0.08336

Cash and cash equivalents

Cash and cash equivalents are stated at nominal value. They include cash on hand, bank accounts and fixed-term deposits or call deposits with original terms of less than 3 months.

Trade accounts receivable and other receivables

Trade accounts receivable and other receivables are recognized initially at fair value and subsequently measured at amortized cost, less loss allowances. The loss allowance on trade accounts receivable and other receivables is calculated using the 'expected credit loss' (ECL) model. See section impairment of financial assets.

Inventories

Inventories consist principally of purchased raw materials, work in progress and finished products which are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price less the estimated cost of completion and selling expenses. Raw materials consist of components which are assembled by external contractors into finished products. The cost of all inventories is based on the weighted average cost principle and includes costs incurred in acquiring the inventory and bringing it to its present location and condition. It excludes overheads and borrowing costs. Allowances are made for slow-moving items. Obsolete items are written off.

Property, plant and equipment

Property, plant and equipment is stated at acquisition cost less accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis over the following useful lives:

	Estimated useful life (years)
Furniture, equipment and vehicles	2-6
IT infrastructure	2-5
Tools and test infrastructure	2-5

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. At the time of disposal, items of property, plant and equipment are derecognized from the statement of financial position. Any gains or losses on disposal are recognized in the income statement as a component of other income and expenses.

Goodwill

Goodwill resulting from business combinations represents the difference between the purchase considerations paid and the fair value of net assets acquired. Due to indefinite life, it is subject to an annual impairment test.

Intangible assets

Intangible assets are stated at acquisition cost less accumulated amortization and impairment losses. Amortization is calculated on a straight-line basis over the following useful lives:

	Estimated useful life (years)
Intellectual property rights / acquired technology	2-5
Software	2-5
Capitalized development costs	3-7
Customer relationships / other intangible assets	2-5

Capitalized development costs

Development activities involve a plan or design for the production of new or substantially improved products and services. Development expenditures are capitalized if they can be measured reliably, the product or service is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditures capitalized include the cost of materials as well as direct labor and overhead costs that are directly attributable to preparing the asset for its intended use.

The Group expenses research and development costs incurred in the preliminary project stage. To the extent that research and development costs include the development of embedded software, the Group believes that software development is an integral part of the semiconductor design. Therefore, such costs are expensed as incurred until technological feasibility has been established. Thereafter, any additional development costs are capitalized.

Expenditures for research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are expensed in profit or loss when incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Capitalized development costs are measured at cost less accumulated amortization and accumulated impairment losses. Amortization commences if the asset (or a part of it) is in use or when the product is released to customers.

Impairment of property, plant and equipment, right-of use assets, goodwill and intangible assets

The carrying amounts of the Group's property, plant and equipment, right-of-use assets and intangible assets are reviewed at each balance sheet date or earlier if a significant event has occurred to determine whether there is any indication of impairment. If any such indication exists, an impairment test is performed. Goodwill is tested for impairment at least every year.

An impairment loss is recognized in the income statement whenever the carrying amount of an asset or CGU exceeds its recoverable amount. Recoverable amount is the higher of fair value less cost of disposal and the asset's or CGU's value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on the risks specific to the asset(s) or CGU.

An impairment loss is reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. An impairment loss recognized with respect to goodwill is not reversed.

Other financial assets

Other financial assets primarily consist of rent deposits for offices, loans and equity instruments. Rent deposits and loans bear interest at current market rates and are stated at amortized cost, which approximates their fair value. Exchange rate gains and losses on other financial assets are recorded in the income statement. Impairments in value of other financial assets are expensed in the income statement, see section "impairment of financial assets". Equity instruments are classified as "financial assets at fair value through profit and loss", and changes in fair values are included in the income statement.

Impairment of financial asset

The IFRS 9 impairment model applies to financial assets measured at amortized cost, except for investments in equity instruments. Loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not. An entity may determine that a financial asset's credit risk has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement always applies for trade accounts receivable without a significant financing component.

The Group calculated ECLs based on actual credit loss experience over the past three years or based on external counterparty credit ratings and include forward-looking information.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables include other obligations including contingent payments to former shareholders of acquired subsidiaries. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Leases

For any new contracts, the Group considers whether a contract is, or contains, a lease. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. For leaseholds the depreciation period is between one and fourteen years.

The Group measures the lease liability at the present value of the lease payments unpaid at the commencement date, discounted with the Group's incremental borrowing rate. The Group determines the incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease, type and location of the asset leased.

Lease payments included in the measurement of the lease liability comprise the fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this manner, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognize right-of use assets and lease liabilities for short-term leases with a term of 12 months or less. The Group recognizes lease payments associated to these leases as an expense on a straight-line basis over the lease term. As a practical expedient, the Group elected for the leasehold category not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

Employee benefits

Pension obligations

Employee benefit plans are operated by certain subsidiaries, depending on the level of coverage provided by government post employment benefit facilities in the respective countries. Such employee benefit plans exist on the basis of both defined contributions and defined benefits.

Contributions to defined contribution plans are recognized as personnel expenses in the period in which they are incurred.

For defined benefit plans, the benefit plan obligation is determined using the projected unit credit method, with valuations being carried out by independent actuaries, usually at the end of each year. The present value of the defined benefit plan obligation less the fair value of the defined benefit plan assets is recognized in the balance sheet as a liability. Remeasurements of the net defined benefit plan assets and liabilities, which comprise actuarial gains and losses, the return on defined benefit plan assets (excluding interest), are recognized immediately as other comprehensive income. Contributions by employees are recognized as a reduction of service cost in the period in which the related service is rendered.

Net interest on the net defined benefit plan assets and liabilities is determined by applying the discount rate used to measure the defined benefit plan obligation at the beginning of the year. Service cost and net interest are recognized in the consolidated income statement as personnel expenses.

Income taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income.

Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets on tax loss carry forwards and deductible temporary differences are recognized only to the extent that it is probable that future profits will be available to utilize the deferred tax asset. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Share-based payments

The Group operates equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options and shares) of the Group. The fair value of the employee services received in exchange for the grant of the equity instruments is based on a binomial model for options and take into consideration the quoted price for shares in case of RSU respectively PSU, and is recognized as an expense with the counter-entry recognized in equity. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted, excluding the impact of any service and non-market performance vesting conditions.

Non-market performance and service conditions are included in assumptions about the number of equity instruments that are expected to vest. The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of equity instruments that are expected to vest based on the service and non-market vesting conditions.

It recognizes the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. When the options are exercised, the company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control over goods to a customer.

The Group sells standardized positioning and wireless products generally via purchase orders to customers, i. e. end customers and distributors. In general, customers obtain control of the goods when they are dispatched from the Group's warehouse. Invoices are generated and revenue is recognized at that point in time. For service revenues, the Group generally recognizes revenues proportionally to the fulfillment of the performance obligations, consistent with the nature, timing and extent of the services provided. Invoices are usually payable within 30 days. Contracts with customers may contain variable consideration such as volume rebates. Variable consideration is generally not constrained as the Group has experience with this type of contracts and it is not probable that a significant reversal in the amount of revenue recognized will occur once the uncertainty associated with the variable consideration is resolved. Contracts include a standard warranty clause to guarantee that the products comply with agreed specifications.

Financial instruments

Financial instruments comprise cash and cash equivalents, trade accounts receivable and parts of other receivables, loans and borrowings, equity instruments, accrued expenses and trade and parts of other payables. These financial instruments are recognized initially at fair value. Subsequent measurement is at amortized cost except for equity instruments and liabilities for contingent consideration, which are subsequently measured at fair value through profit or loss.

Revised IFRSs issued but not yet effective in 2024

The following revised standards, which are or may be applicable to u-blox, have been issued, but are not yet effective and are not applied early in these consolidated financial statements:

Revised / New Standards	Effective date	Planned application by u-blox
Lack of Exchangeability (Amendments to IAS 21)	January 1, 2025	Reporting year 2025
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026	Reporting year 2026
Annual Improvements to IFRS Accounting Standards (Volume 11)	January 1, 2026	Reporting year 2026
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	January 1, 2026	Reporting year 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027	Reporting year 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027	Reporting year 2027

The impact of IFRS 18 on the consolidated financial statements is currently being assessed.

Changes in presentation

As part of its continuous improvement processes, u-blox has analyzed the presentation of certain non-cash transactions in the statement of consolidated cash flows and has elected to change the presentation of other non-cash transactions, interest income and interest expense to allow for a more meaningful presentation. Comparative figures have been adjusted accordingly. The reclassification did not have an impact on operating cash flows.

3 Critical accounting judgments and estimates

The preparation of the consolidated financial statements is dependent upon estimates and assumptions in applying the accounting policies for which management exercise a certain degree of judgment. In applying the relevant accounting policies to the consolidated financial statements, certain assumptions and estimates are made about the future, which may have a material influence on the amount and presentation of assets and liabilities, revenues and expenses as well as disclosures. The estimates used in preparing the consolidated financial statements and valuations are based on empirical values and other factors which are deemed appropriate in the given circumstances.

The following estimates used and assumptions made in applying the accounting policies have a critical influence on the consolidated financial statements.

Description	Judgmental decisions and estimation insecurity	Further information
Impairment of intangible assets	Assessment of whether an impairment exists, estimates of expected future cash flows, including estimated growth rates, discount rates and estimated useful life.	Note 10
Impairment of goodwill	Key assumptions such as projected cash flows, weighted average cost of capital (WACC) and long-term growth rate for determination of recoverable amount.	Note 10
Provisions	A number of third parties in the wireless sector protect and enforce their intellectual property rights. Reliance on third party technology integrated into some of the Group's products carries the risk of paying royalties for such technology. Defendant in royalty- and warranty-related proceedings incidental to the ordinary course of business. Estimates of outcome and financial effect, probability of occurrence and of expected cash outflow.	Note 14
Pension liability	Assumptions such as discount rates, life expectancy and pension growth increases are required to calculate the present value of the respective defined benefit obligations. These estimates and assumptions used are based on future projections.	Note 15

4 Changes in scope of consolidation

In 2024, u-blox lost its significant influence over Zero Point Motion Ltd after stepping down from the Board of Directors.

In 2023, u-blox lost its significant influence over Robok Ltd after stepping down from the Board of Directors.

5 Segment reporting

The Group develops and distributes chips and modules to locate and connect devices which are mainly used in automotive, industrial and consumer applications. Products and services are marketed and sold by the u-blox worldwide sales organization, which is organized in three geographic regions: EMEA, America and Asia Pacific.

Reportable segments

Reportable segments are determined based on the internal reports that the entity's Chief Operating Decision Maker (CODM) regularly reviews to assess the performance and allocate resources. Consequently, the segments reflect the internal organization and management structure within the Group as well as the internal financial reporting to the CODM, which has been identified as the Board of Directors of u-blox Holding AG.

Internal financial reporting, which is reviewed by the CODM as a basis for operational decision-making and performance assessment, includes financial information of the Group as a whole without further breakdown. Therefore, the business is managed as one reportable segment.

No distinction is made between the accounting policies of the reporting to the CODM and those of the consolidated financial statements.

in CHF 1,000	2024	2023
Total Revenue	262,884	576,910
EBITDA ¹⁾	-38,390	107,614
Depreciation	-12,932	-12,051
Amortization	-29,850	-33,528
Impairment	-30,992	-65,422
Operating loss (EBIT)	-112,164	-3,388

1) EBITDA is calculated by adding back depreciation, amortization and impairment to Operating profit (EBIT).

Geographic information

u-blox in Switzerland is the main decision-making body and bears the associated business risks. For reasons of maintaining a market presence in proximity to the customers, marketing and sales are managed by three regional managers, respectively. However, resource allocation to these regions is not meaningful as the regional staff is mainly acting as representative of u-blox and regional managers are not part of the management of u-blox. Furthermore, most of the businesses are developed on a global base with partners of u-blox customers involved in various geographic regions.

The following table summarizes revenue by geographic region based on reporting area:

in CHF 1,000	2024	in %	2023	in %
EMEA	92,574	35.2	173,323	30.0
America	46,690	17.8	131,304	22.8
Asia Pacific	123,620	47.0	272,283	47.2
Total	262,884	100.0	576,910	100.0

The following table summarizes revenue by geographic region based on customers' location:

in CHF 1,000	2024	in %	2023	in %
EMEA	69,927	26.6	139,586	24.2
thereof Switzerland	284	0.1	1,729	0.3
Germany	13,478	5.1	28,805	5.0
America	43,534	16.6	110,814	19.2
thereof United States of America	27,216	10.4	76,737	13.3
Asia Pacific	149,423	56.8	326,510	56.6
thereof China	73,752	28.1	92,774	16.1
Total	262,884	100.0	576,910	100.0

The following table summarizes Property, plant and equipment, Right-of-use assets, Intangible assets and Goodwill by geographic region as allocated:

in CHF 1,000	2024	in %	2023	in %
EMEA	198,399	97.4	235,807	96.9
thereof Switzerland	140,050	68.8	176,062	72.4
Italy	13,541	6.6	14,031	5.8
UK	12,596	6.2	12,509	5.1
Finland	10,379	5.1	10,358	4.3
Sweden	10,271	5.0	10,840	4.5
Germany	5,148	2.5	6,476	2.7
America	3,629	1.8	5,812	2.4
Asia Pacific	1,639	0.8	1,636	0.7
Total	203,667	100.0	243,255	100.0

Revenue by market

in CHF 1,000	2024	in %	2023	in %
Automotive	97,859	37.2	169,232	29.3
Consumer	19,759	7.5	21,859	3.8
Industrial	145,266	55.3	385,819	66.9
Total	262,884	100.0	576,910	100.0

Revenue by product type

in CHF 1,000	2024	in %	2023	in %
Module	213,199	81.1	468,174	81.2
Chips	48,000	18.3	107,440	18.6
Services	1,685	0.6	1,296	0.2
Total	262,884	100.0	576,910	100.0

No individual customer accounted for more than 10% of consolidated sales in 2024 and 2023.

The Group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

6 Cash and cash equivalents

in CHF 1,000	December 31, 2024	December 31, 2023
Petty cash	6	7
Cash at banks	37,619	39,902
Call and fixed-term deposits	53,322	86,975
Total	90,947	126,884

7 Trade accounts receivable

in CHF 1,000	December 31, 2024	December 31, 2023
Gross amount	31,508	84,345
Loss allowance	-413	-344
Total	31,095	84,000

8 Inventories

in CHF 1,000	December 31, 2024	December 31, 2023
Raw material (components)	45,751	66,587
Work in progress	2,080	6,130
Finished products	13,671	24,237
Total	61,503	96,954

In 2024, inventories of CHF 123.5 million (2023: CHF 300.5 million) were recognized as an expense during the year and included in 'cost of sales'. This includes the write-down to net realizable value of CHF 3.8 million (2023: CHF 7.9 million) recognized as an expense in cost of sales during the period.

9 Property, plant and equipment

Cost in CHF 1,000	Furniture, equipment and vehicles	IT infra- structure	Tools and test infra- structure	Total
Balance at January 1, 2023	17,879	6,056	58,439	82,374
Additions	1,102	1,249	4,777	7,129
Disposals	-8	-517	-16	-541
Translation differences	-745	-328	-1,755	-2,828
Balance at December 31, 2023	18,228	6,459	61,445	86,134
Additions	94	1,790	1,802	3,687
Disposals	-1,077	-365	-3,269	-4,712
Translation differences	181	100	674	956
Balance at December 31, 2024	17,426	7,985	60,653	86,065

Accumulated depreciation in CHF 1,000	Furniture, equipment and vehicles	IT infra- structure	Tools and test infra- structure	Total
Balance at January 1, 2023	16,972	4,391	48,384	69,748
Depreciation	428	904	4,753	6,085
Disposals	-8	-359	-8	-375
Translation differences	-700	-221	-1,253	-2,174
Balance at December 31, 2023	16,692	4,716	51,876	73,284
Depreciation	568	1,155	3,762	5,484
Disposals	-993	-329	-2,933	-4,254
Translation differences	168	65	540	773
Balance at December 31, 2024	16,436	5,607	53,244	75,287
Net carrying amount at January 1, 2023	907	1,664	10,055	12,626
Net carrying amount at December 31, 2023	1,536	1,744	9,569	12,849
Net carrying amount at December 31, 2024	990	2,378	7,409	10,777

Disposals mainly pertain to fully depreciated assets that were derecognized upon their retirement.

Depreciation for the year is recorded in the following income statement positions:

in CHF 1,000	2024	2023
Cost of sales	1,367	2,323
Sales and marketing expenses	135	148
Research and development expenses	3,064	3,047
General and administrative expenses	919	566
Total depreciation	5,484	6,085

10 Goodwill and intangible assets

Cost in CHF 1,000	Goodwill	Intellectual property rights/ acquired technology	Software	Capitalized development costs ¹⁾	Customer relation- ships / other intangible assets	Total intangible assets
Balance at January 1, 2023	55,616	44,605	9,672	318,605	6,582	379,465
Additions	0	0	1,624	41,088	0	42,713
Disposals	0	0	0	-32,278	0	-32,278
Translation differences	-2,923	-741	-193	0	-213	-1,147
Balance at December 31, 2023	52,693	43,864	11,103	327,415	6,369	388,752
Additions	0	434	604	25,549	0	26,587
Disposals	0	-2,801	-74	0	0	-2,875
Translation differences	932	76	54	0	59	189
Balance at December 31, 2024	53,625	41,573	11,688	352,965	6,428	412,654
Accumulated amortization and impairment losses in CHF 1,000	Goodwill	Intellectual property rights/ acquired technology	Software	Capitalized development costs	Customer relation- ships / other intangible assets	Total intangible assets
Balance at January 1, 2023	0	36,344	8,175	125,213	6,278	176,010
Amortization	0	3,311	700	29,381	135	33,528
Impairment	0	1,534	0	63,889	0	65,422
Disposals	0	0	0	-32,278	0	-32,278
Translation differences	0	-659	-176	0	-213	-1,048
Balance at December 31, 2023	0	40,529	8,700	186,205	6,200	241,634
Amortization	0	3,221	834	25,659	135	29,850
Impairment	0	0	0	30,992	0	30,992
Disposals	0	-2,801	-74	0	0	-2,875
Translation differences	0	51	40	0	59	150
Balance at December 31, 2024	0	41,001	9,500	242,856	6,394	299,751
Net carrying amount at January 1, 2023	55,616	8,260	1,497	193,392	305	203,455
Net carrying amount at December 31, 2023	52,693	3,334	2,404	141,211	169	147,118
Net carrying amount at December 31, 2024	53,625	572	2,188	110,108	34	112,902

¹⁾ The capitalized development costs consist primarily of internally developed costs.

Disposals mainly pertain to fully amortized or impaired assets that were derecognized upon their retirement.

Amortization and impairment for the year is recorded in the following income statement positions:

in CHF 1,000	2024	2023
Cost of sales	54	199
Sales and marketing expenses	135	135
Research and development expenses	60,172	98,263
General and administrative expenses	480	353
Total amortization and impairment	60,842	98,950

Impairment of intangible assets

In 2024, the Group recognized CHF 31.0 million of impairment losses on capitalized development costs. The impairment has been allocated to four lines of Cellular products that represent individual CGUs. The recoverable amount of these CGUs was estimated based on the present value of the future cash flows expected to be derived from the CGUs (value in use). The expected future cash flows reflected changing market dynamics. The value in use for the CGUs was estimated to be zero and consequently, an impairment was recognized.

During 2023, the Group recognized CHF 65.4 million of impairment losses on intangible assets. The impairment was due to the decision to discontinue the future cellular chip development. Each of those development projects was deemed an individual cash generating unit ('CGU'). The impairment charge in 2024 and 2023 was recognized in 'Research and development expenses' and relates to intangible assets in 'Capitalized development costs' (2023: 'Intellectual property rights / acquired technology' in addition).

For the calculation, a pre-tax discount rate of 10.80% (2023: 9.78%) was used.

Goodwill

Goodwill has been allocated to a group of CGUs, which represents the lowest level on which it is monitored for internal management purposes. The group of CGUs is identical to the Group's operating segment.

Impairment of CGUs containing goodwill

The carrying amount of the assets of the group of CGUs, including allocated goodwill, is tested for impairment at least annually. The value in use is thereby determined based on future discounted cash flows. As a basis for the calculation, the five-year mid-term plan is used. Subsequent years are included using a perpetual annuity. The projections are based on knowledge and experience and on judgments made by management as to the probable economic development. Consequently, it is assumed that for all CGUs, there are no planned significant changes in their organization. The underlying projections for the next five years are therefore calculated based on historical amounts and the latest market estimates. Pre-tax discount rates were applied in determining the recoverable amount of the units. The discount rates were estimated based on an industry weighted average cost of capital.

Following parameters have been used for the calculations:

	2024		2023	
	Pre tax discount rate	Growth rate (residual value)	Pre tax discount rate	Growth rate (residual value)
Goodwill	10.80%	3%	9.78%	3%

The growth rate does not exceed the long-term average growth rate for the industry.

The estimated recoverable amount of the group of CGUs exceeded its carrying amount. No reasonably possible changes in key assumptions would cause the recoverable amount to fall short of the carrying amount of goodwill.

11 Equity accounted investees

u-blox occasionally invests in start-up companies, which develop products and services supporting GPS / GNSS satellite positioning systems. In 2024, u-blox lost its significant influence over one associate which was reclassified to other financial assets as a result. As of December 31, 2024, the Group does not have significant influence over any associate (2023: one associate).

The following table shows the reconciliation of movements of equity-accounted investees:

in CHF 1,000	2024	2023
Balance at January 1	474	582
Capital increase	0	113
Share of net results	-82	-199
Translation differences	26	-22
Reclassification to other financial assets	-418	0
Balance at December 31	0	474

12 Accrued expenses

in CHF 1,000	December 31, 2024	December 31, 2023
Personnel related	12,916	16,906
Other accruals	8,016	9,763
Total	20,932	26,669
thereof classified as financial liabilities (Note 23)	8,016	9,763

Accrued expenses include accruals for personnel (such as bonus, social security etc.) as well as licenses, insurance premiums, warranties, attorney fees and administration services.

13 Financial liabilities

On May 7, 2024, the short-term overdraft bank facility in the amount of CHF 40 million was paid back in full.

On May 8, 2023, the Group made use of CHF 40 million of the short-term overdraft bank facility at 2.7% interest.

On April 18, 2023, the bond in the amount of CHF 60 million was paid back in full.

The following table shows the reconciliation of financial liabilities to net cash from financing activities in the statement of cash flows.

in CHF 1,000	2024	2023
Balance at January 1	40,698	59,969
Changes from financing cash flows		
Proceeds from financial liabilities	0	40,000
Repayments of financial liabilities	-40,000	-60,000
Total changes from financing cash flows	-40,000	-20,000
Other changes		
Interest expense	793	981
Interest paid	-1,491	-825
Other	0	573
Total other changes	-698	729
Balance at December 31	0	40,698

14 Provisions

in CHF 1,000	Royalties	Other	Total provisions
Balance at January 1, 2024	12,520	3,625	16,145
Used	0	-1,241	-1,241
Additions	728	914	1,642
Release	0	-1,136	-1,136
Translation differences	0	101	101
Balance at December 31, 2024	13,248	2,262	15,510
thereof current	0	779	779
thereof non-current	13,248	1,484	14,732

Royalties

u-blox' products are designed to conform to certain wireless industry standards which are based on certain patented technologies. A provision for royalty payments is recorded which is estimated to be due to these patent holders once the license agreements are concluded with them. The provision is based on absolute amounts, and on a percentage of individual product revenues and is recorded at the time revenue is recognized. Should the actual royalties to be paid under license agreements signed in the future differ from the estimates, the royalty provision would be revised. Provisions for royalties considered to have a duration of less than one year, more than one year respectively, are classified as current, as non-current respectively. Provisions are recorded based on the best estimate of future probable economic outflow. Management believes that these provisions are sufficient.

Other

The provision for “Other” mainly relates to long-service leave expenses. The release in “Other” related to a license lawsuit. The license lawsuit was dropped in 2024.

15 Pension liability

The Group maintains defined benefit plans in Switzerland, Greece and partly in Italy and defined contribution plans in the United Kingdom (UK), Ireland, partly in Italy, Germany, Sweden, Finland, the United States of America (USA), Pakistan and Japan. These plans comply with prevailing legal requirements to cover the majority of employees in the event of retirement, death and disability. The most significant plans are in Switzerland, accounting for 99% of u-blox' entire defined benefit obligation and 100% of the plan assets.

The Swiss pension plans are governed by the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG), which stipulates that pension plans are to be managed by independent, legally autonomous units. The assets of the pension plan are held within a separate fund and cannot revert to the employer. The ultimate governing body of a post-employment benefit plan (Board of Trustees) is composed of equal numbers of employee and employer representatives. Post-employment benefit plans are overseen by a regulator as well as by a state supervisory board.

The Board of Trustees is responsible for the investment strategy and policy, the fund's objectives, benefit obligations (asset and liability management) and risk capacity. The Board of Trustees has delegated the implementation of the investment policy to an Investment Committee which is composed of equal numbers of employees and employer representatives. All governing and administration bodies have an obligation to act in the interests of the plan participants.

In Switzerland, the Group contributes to three pension plans funded via two different pension funds. There is a base plan for all employees and a supplementary plan for employees with salaries exceeding a certain limit. Both plans provide benefits depending on the pension savings at retirement. The base plan includes certain legal minimum interest credits of 1.25% to the pension savings (i. e., investment return; 2023: 1.0%) and guaranteed rates of conversion of pension savings into an annuity at retirement. Plan participants are insured against the financial consequences of old age, disability and death. The various benefits are defined in regulations, with the BVG specifying the minimum benefits that are to be provided. The two pension funds are collective funds. The pension funds are legally separated from the Group.

In case of an underfunding of the pension plan, various measures can be taken such as adjusting the pension commitment by altering the conversion rates of increasing current contributions of both employer and employee.

The third plan covers the salary that is not insured by the collective fund. Benefits are provided in the event of retirement, death, or disability. Those are based on insured salary and on an individual old age account. The plan is funded by assets held within a separate independent legal entity and is financed by contributions paid by the employees and by the employer. Plan participants have the choice of investment strategy for the individual accounts and three savings models. There is no guarantee of interest rate to be allocated to these accounts.

Movement in net defined benefit liability

The following table shows the net defined benefit liability and its components. The movements in the table below represent mainly the Swiss plan. The unfunded Italian and Greek plans are also included but have no significant impact on the movements.

in CHF 1,000	Defined benefit obligation		Fair value of plan assets		Net defined benefit liability	
	2024	2023	2024	2023	2024	2023
Balance at January 1	89,596	82,068	-74,796	-71,151	14,800	10,917
Included in income statement						
Current service cost	5,222	4,171	0	0	5,222	4,171
Past service cost	-2,738	0	0	0	-2,738	0
Interest cost / (income)	1,303	1,827	-1,123	-1,641	180	186
Administration cost	0	0	68	70	68	70
	3,787	5,998	-1,055	-1,571	2,732	4,427
Included in other comprehensive income						
Remeasurements loss / (gain):						
– Actuarial loss / (gain) arising from:						
– financial assumptions	3,461	5,053	0	0	3,461	5,053
– experience adjustments	7,441	-115	0	0	7,441	-115
– demographic assumptions	0	-57	0	0	0	-57
– return on plan assets excluding interest income	0	0	-7,540	-1,501	-7,540	-1,501
	10,902	4,881	-7,540	-1,501	3,362	3,380
Other						
Contributions by employer	0	0	-4,212	-3,900	-4,212	-3,900
Plan participants' contributions	2,526	2,366	-2,526	-2,366	0	0
Benefits paid, net	-5,427	-5,693	5,390	5,693	-37	0
Exchange rate differences	5	-24	0	0	5	-24
	-2,896	-3,351	-1,348	-573	-4,244	-3,924
Balance at December 31	101,389	89,596	-84,739	-74,796	16,650	14,800
thereof funded					16,291	14,452
thereof unfunded (refers to the Italian and Greek pension plans)					359	348

Past service cost recorded in 2024 relates to the increased retirement age of women and the reduction in conversion rates.

The expected contribution of the Group for defined benefit plans for the financial year 2025 amounts to CHF 4,101 thousand (2024: CHF 3,959 thousand).

Principal actuarial assumptions (Swiss plan only)

Calculation of defined benefit obligations	December 31, 2024	December 31, 2023
Discount rate	0.95%	1.50%
Salary growth	1.25%	1.75%
Future pension indexations	0.00%	0.00%
Mortality table	BVG 2020G	BVG 2020G

At December 31, 2024, the weighted-average duration of the defined benefit obligation for the Swiss plan was 17.6 years (2023: 17.5 years).

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to significant actuarial assumptions. The impact of a change in the respective assumptions on the defined benefit obligation at the end of the reporting period would be as follows:

	2024	2023	2024	2023
Change	0.25%	0.25%	-0.25%	-0.25%
in CHF 1,000				
Change of the discount rate	-2,744	-2,455	2,969	2,650
Salary growth	149	117	-169	-134
Pension growth	1,388	1,252	-1,329	-1,201
	-1 Year	-1 Year	+1 Year	+1 Year
Life expectancy	-1,083	-959	1,086	956

The sensitivity analysis is based on realistically possible changes as of the end of the reporting period. Each change in a significant actuarial assumption was analyzed separately as part of the test. Interdependencies were not considered.

Asset classes (Swiss plan only)

in CHF 1,000	2024	2023
Cash and cash equivalents	4,502	1,554
Equity instruments	32,136	28,139
Debt instruments	21,567	22,604
Real estate	5,590	5,283
Investment funds	17,435	14,333
Other	3,509	2,883
Total fair value of plan assets	84,739	74,796

All equity securities and bonds have quoted prices in active markets.

The investment strategy pursues the goal of achieving the highest possible return on assets within the framework of its risk tolerance and thus of generating income on a long-term basis in order to meet all financial obligations. This is achieved through a broad diversification of risks over various investment categories, markets, currencies and industry segments in both developed and emerging markets. The assets also do not contain any shares of u-blox Holding AG. Investments in real estate are undertaken solely via real estate funds. There are no direct holdings of real estate.

Defined contribution plans

In 2024, Group contributions recognized as an expense for defined contribution plans were CHF 5,330 thousand (2023: CHF 5,331 thousand).

16 Share capital and share premium

	Number of shares	Ordinary share capital CHF 1,000	Share premium CHF 1,000
Balance at January 1, 2023	7,173,448	96,842	23,181
Decrease in par value	0	-14,435	0
Options, RSUs and PSUs exercised during the year	95,436	1,186	9,742
Balance at December 31, 2023	7,268,884	83,592	32,922
Decrease in par value	0	-7,319	0
Options, RSUs and PSUs exercised during the year	142,605	1,548	11,096
Balance at December 31, 2024	7,411,489	77,821	44,018

Ordinary share capital

The share capital consists of 7,411,489 (2023: 7,268,884) fully paid-in registered shares with a nominal value of CHF 10.50 (2023: CHF 11.50) each. Holders of these shares are entitled to receive dividends as declared and are entitled to one vote per share at general meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued. During 2024, the par value was decreased by CHF 1.00 (2023: CHF 2.00) per share, resulting in a payment to shareholders (excluding treasury shares) of CHF 7.3 million (2023 CHF 14.2 million).

Capital band

At the general meeting held on April 18, 2024, the Board of Directors was authorized to increase, decrease respectively, the share capital through the issuance, cancellation respectively, of 731,939 (2023: to increase by 721,771) fully paid-in registered shares with a nominal value of CHF 10.50 (2023: CHF 11.50), by April 2029 (2023: April 2028), at the latest.

Conditional share capital

At the general meeting held on April 18, 2024, the shareholders resolved that the Board of Directors shall be authorized to increase the share capital by 365,969 (2023: 309,718) fully paid-in registered shares with a nominal value of CHF 10.50 (2023: CHF 11.50) up to CHF 3,842,674.50 (2023: CHF 3,561,757). The conditional share capital is used for the exercise of share-based compensation plans as approved by the Board of Directors. In 2024, 142,605 (2023: 95,436) shares out of the conditional capital served exercises from the share-based compensation programs. Share capital increased by the nominal value. Share premium increased by the difference of market value less nominal value and less cost of conditional capital increase. The difference between strike price and market value was presented within retained earnings. The cost of conditional capital increase amounted to CHF 126 thousand in 2024 (2023: CHF 109 thousand).

Share premium

The share premium comprise the statutory share premium of u-blox Holding AG.

Treasury shares

At December 31, 2024, the Group held 9,609 (2023: 20,002) of the Group's shares. In 2024, 10,393 (2023: 15,622) treasury shares served exercises from the share-based payment plans. For exercised options, the difference between strike price and book value of the Group's shares was presented within retained earnings, while for RSU and PSU, it is the book value of the Group's shares. In 2023, 120,000 treasury shares were sold to a third party at an average selling price of CHF 96.94. The sale resulted in a deficit of CHF 9.5 million, which was presented within retained earnings.

The reserve for the Group's treasury shares comprises the cost of u-blox shares held by the Group at December 31, 2024.

17 Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to the equity holders of u-blox Holding AG by the weighted average number of shares outstanding during the year. In the case of diluted earnings per share, the weighted average number of shares outstanding is adjusted assuming all outstanding dilutive share-based payment programs will be exercised.

	2024	2023
Net loss (in CHF 1,000)	-88,912	-8,631
Weighted average number of outstanding shares (basic)	7,365,437	7,127,209
Effect of share-based compensation programs	n/a	n/a
Weighted average number of outstanding shares (diluted)	7,365,437	7,127,209
Basic earnings per share (in CHF)	-12.07	-1.21
Diluted earnings per share (in CHF)	-12.07	-1.21

At December 31, 2024, the Group had 399,804 (2023: 701,169) outstanding options, 138,388 (2023: 74,165) RSUs and 22,835 (2023: 11,803) PSUs granted to employees. See Note 18.

18 Employee compensation and benefits

Personnel expenses

Personnel expenses included in operating expenses consist of the following:

in CHF 1,000	2024	2023
Salaries	94,978	79,718
Share-based payments	7,341	4,483
Social taxes	14,705	14,640
Pension cost	7,845	9,572
Other personnel related expenses	5,076	6,410
Total personnel expenses	129,945	114,823

Share based compensation

Starting 2023, the company introduced the Restricted Share Unit (RSU) program for employees and the Performance Share Unit (PSU) program for the Executive Committee. These two programs follow the employee stock option plan (ESOP) which phases out when all granted stock options are either exercised, expired or forfeited. In 2024 and 2023, no new options were granted from the ESOP. The RSU and PSU programs as well as the ESOP are equity-settled share-based payment plans.

RSU

Under this plan, RSUs are granted on May 1 to eligible employees of the Group. With the grant of one RSU, the participants of the program are entitled to receive one u-blox Holding AG share after three years of service from the grant date, provided that they are in an unterminated employment relationship. Accelerated vesting is possible for defined events like retirement or restructuring.

The following table shows the movements in the RSU program:

	2024	2023
	Number of RSUs	Number of RSUs
Outstanding at January 1	74,165	0
Granted	82,484	74,861
Exercised	-13,227	-208
Forfeited	-5,034	-488
Outstanding at December 31	138,388	74,165

The fair value of the RSUs granted is based on a valuation model taking into account different parameters such as the u-blox Holding AG share price at the grant date and the net present value of the dividends expected to be paid during the holding period.

The fair value of RSUs granted during 2024 was CHF 85.10 (2023: CHF 107.60).

The weighted-average share price at the date of exercise in 2024 was CHF 72.56 (2023: CHF 85.70).

PSU

Under this plan, PSUs are granted on January 1 to members of the Executive Committee. With the grant of one PSU, the participants of the program are entitled to receive 0.0 to 1.5 u-blox Holding AG shares after three years of service from the grant date, provided that they are in an unterminated employment relationship. Accelerated vesting is possible for defined events like retirement or restructuring.

The number of shares allocated per PSU at the end of the vesting period varies depending on the achievement of performance thresholds in terms of the adjusted EBITDA margin, which are defined for each grant. The achievement factor is measured based on a three-year average of the annual adjusted EBITDA margin following the grant. Management calculates EBITDA (earnings before interest, taxes, depreciation and amortization) by adding back depreciation and amortization to Operating Profit (EBIT), each determined in accordance with IFRS. Adjusted EBITDA excludes impacts from share-based payments, impacts from IAS 19, amortization of intangible assets acquired, impairments and non-recurring expenses.

The following table shows the movements in the PSU program:

	2024	2023
	Number of PSUs	Number of PSUs
Outstanding at January 1	11,803	0
Granted	13,981	11,803
Exercised	-2,949	0
Outstanding at December 31	22,835	11,803

The fair value of the PSUs granted is based on a valuation model taking into accounting different parameters such as the u-blox Holding AG share price at the grant date and the net present value of the dividends expected to be paid during the holding period.

The fair value of PSUs granted during 2024 was CHF 99.90 (2023: CHF 110.20).

The weighted-average share price at the date of exercise in 2024 was CHF 91.20.

Employee stock option plan

Employees of the Group were entitled to receive options under a stock option plan with a vesting period of three years and an option period of 6 years. The exercise price was determined by the Board of Directors. For US, UK (for part of the grant), Belgium and Finland residents, the exercise price equals the closing price of the share on the SIX Swiss Exchange on the grant date. For all other employees, the exercise price is the volume weighted average share price of the company on the SIX Swiss Exchange during the thirty trading days preceding and including the grant date or the closing price of the share on the SIX Swiss Exchange on the grant date. One option grants the right to purchase one u-blox Holding AG share.

The following table shows the movements in outstanding employee stock options:

	2024		2023	
	Weighted average exercise price in CHF	Number of options	Weighted average exercise price in CHF	Number of options
Opening balance	93.15	701,169	105.9	973,589
Exercised	62.82	-136,822	86.67	-110,850
Forfeited	74.41	-34,945	98.35	-23,963
Expired	191.59	-129,598	187.66	-137,607
Ending balance	73.25	399,804	93.15	701,169
thereof vested and exercisable	76.66	210,851	135.47	284,000

The weighted-average share price at the date of exercise for stock options exercised in 2024 was CHF 90.95 (2023: CHF 115.33).

The following table summarizes the employee stock options outstanding at December 31, 2024, and December 31, 2023 respectively:

Expiry date	Exercise Price CHF	Options outstanding at December 31, 2024	Options outstanding at December 31, 2023
2024	191.55	n/a	109,264
2024	191.80	n/a	20,334
2025	78.95	26,210	43,570
2025	78.95	3,905	5,669
2026	91.87	80,126	89,297
2026	97.80	12,960	15,866
2027	58.85	76,056	168,440
2027	58.85	11,594	33,174
2028	69.25	158,583	176,900
2028	70.45	30,370	38,655
Total	73.25	399,804	701,169
Weighted average remaining expected life at December 31		2.0 years	2.2 years
Weighted average remaining contractual life at December 31		2.1 years	2.5 years

19 Research and development

in CHF 1,000		2024	2023
Research and development expenditures		100,003	83,461
Depreciation		4,135	6,410
Amortization		29,180	32,841
Impairment		30,992	65,422
Total research and development expenses		164,311	188,134

20 Operating expenses by nature

in CHF 1,000	Note	2024	2023
Material costs	8	123,487	300,475
Personnel expenses	18	129,945	114,823
Depreciation	9, 25	12,932	12,051
Amortization	10	29,850	33,528
Impairment	10	30,992	65,422
Travel- and representation expenses		2,616	5,169
Administration expenses		9,843	13,765
Marketing expenses		3,510	4,138
Other expenses		33,742	32,765
Total		376,917	582,137

The position other expenses mainly consists of product development and software maintenance expenses.

21 Finance income / finance costs

in CHF 1,000		2024	2023
Interest income		3,163	2,203
Foreign exchange gain, net		6,959	0
Finance income		10,122	2,203
Interest expenses		-1,626	-1,730
Financial assets at FVTPL – net change in fair value		-126	0
Financial liabilities at FVTPL – net change in fair value		-215	-229
Other finance expenses		-452	-196
Foreign exchange loss, net		0	-8,970
Finance costs		-2,419	-11,125
Total, net		7,703	-8,922

All finance income and costs from financial assets and financial liabilities have been recognized in the income statement.

22 Income tax expense

Income taxes can be analyzed as follows:

in CHF 1,000	2024	2023
Current income taxes	1,379	3,134
Deferred income taxes	-17,010	-7,012
Total income tax benefit	-15,631	-3,878

The Group has operations in various locations, where differing tax laws and income tax rates apply. Consequently, the effective tax rate on consolidated income may vary from year to year, based on the source of earnings. The reconciliation between the effective income tax and the expected income tax based on the consolidated profit / loss before income tax computed with the expected tax rate of the main operating company in Thalwil, is as follows:

in CHF 1,000	2024	2023
Loss before income tax	-104,543	-12,509
Applicable Group tax rate	18.1%	18.1%
Expected income tax benefit	-18,912	-2,263
Effect of different tax rates	92	10
Non-tax-deductible expenses	652	259
Tax-exempt income	-92	-611
Prior year items	305	782
R&D tax credits	-153	-1,241
Tax loss carry forwards not recognized or derecognized in current year	1,386	427
Effect from share-based payments	1,065	-1,018
Utilization of previously unrecognized tax losses	-168	-139
Other	195	-85
Effective income tax benefit	-15,631	-3,878

Deferred tax assets and liabilities

The following table summarizes the movement in the net deferred tax assets, liabilities respectively:

in CHF 1,000	2024	2023
Deferred income tax assets / (liabilities), net at January 1	3,154	-3,163
Deferred income taxes recognized in the income statement	17,010	7,012
Deferred income taxes recognized as other comprehensive income	-623	-370
Currency translation differences	222	-325
Deferred income tax assets, net at December 31	19,763	3,154

Effects of temporary differences and tax loss carry forwards that give rise to significant components of deferred tax assets and deferred tax liabilities are as follows:

in CHF 1,000	December 31, 2024		December 31, 2023	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Inventories	0	0	0	4,523
Property, plant and equipment	486	103	393	180
Right-of-use assets	0	5,548	0	6,169
Intangible assets	0	38	0	191
Accrued expenses	489	0	917	0
Provisions	1,932	0	486	0
Pension liabilities	2,994	0	2,659	0
Lease liabilities	6,495	0	6,453	0
Other liabilities	5	472	0	630
Share based compensation	0	1,424	3,728	2,469
Tax loss carry forwards	14,947	0	2,680	0
Deferred tax assets / liabilities (gross)	27,349	7,586	17,316	14,162
Netting	-6,861	-6,861	-8,418	-8,418
Deferred tax assets / liabilities (net)	20,488	725	8,898	5,744

In 2024, the Group's principal entity incurred a tax loss of CHF 77.8 million. Management has assessed the recoverability of cumulative tax losses, which expire after 7 years. Based on the five-year business plan, the Group's principal entity is expected to generate taxable profits to utilize the recognized tax loss carry forwards.

The Group has unrecognized tax loss carry forwards in the amount of CHF 15.5 million (2023: CHF 11.6 million) from several subsidiaries, whereof the majority of tax loss carry forwards does not expire. Based on the five-year business plan, it is uncertain that the respective subsidiaries will generate taxable profits.

In 2024, the intrinsic value of the employee stock options exceeded the cumulative amount recognised as a share-based payment expense. The excess deferred income taxes in the amount of CHF -1.2 million (2023: CHF -1.0 million) were recognised directly in equity.

In 2024, deferred income taxes in the amount CHF 0.6 million (2023: CHF 0.6 million) were recognized in other comprehensive income relating to the remeasurement of the pension liability.

23 Financial risk management

Financial instruments

The following table shows the carrying amount of financial assets and financial liabilities.

in CHF 1,000	December 31, 2024	December 31, 2023
Cash and cash equivalents	90,947	126,884
Trade accounts receivable	31,095	84,000
Other receivables	3,240	2,226
Other financial assets	1,238	1,696
Financial assets at amortized cost	126,521	214,806
Other financial assets	292	0
Financial assets at fair value through profit or loss	292	0
Trade accounts payable	12,468	31,367
Other payables	8,674	10,799
Accrued expenses	8,016	9,763
Lease liabilities	29,663	31,879
Financial liabilities	0	40,698
Liabilities at amortized cost	58,821	124,506
Contingent consideration	4,370	4,109
Liabilities at fair value through profit or loss	4,370	4,109

With the exception of lease liabilities, the carrying amounts above are a reasonable approximation of the fair values.

Financial assets at fair value through profit or loss consist of unquoted equity instruments. The contingent consideration contains a non-current liability to the former shareholders of Sapcorda Services GmbH. The valuation technique applied is discounted cash flow. The valuation model considers the present value of the expected future cash flows, discounted using a risk-adjusted discount rate.

Fair value hierarchy

The different levels of financial instruments carried at fair value or for which the fair value is disclosed have been defined as follows in the table below:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or the liability, either directly (i. e. as prices) or indirectly (i. e. derived from prices).

Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

December 31, 2024 in CHF 1,000	Carrying amounts	Fair value		
	Total	Level 1	Level 2	Level 3
Financial assets at FVtPL	292	0	0	292
Total assets	292	0	0	292
Contingent consideration	4,370	0	0	4,370
Total liabilities	4,370	0	0	4,370

December 31, 2023 in CHF 1,000	Carrying amounts Total	Level 1	Fair value Level 2	Level 3
Contingent consideration	4,109	0	0	4,109
Total liabilities	4,109	0	0	4,109

There were no reclassifications between the various levels in 2024 and 2023. The Group has not disclosed the fair value for financial instruments such as trade accounts receivable and payables, because their carrying amounts are a reasonable approximation of fair value.

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in level 3 of the fair value hierarchy:

Financial assets at fair value through profit or loss

in CHF 1,000	2024	2023
Balance at January 1	0	0
Reclass from equity-accounted investees	418	0
For the period recognized in finance expenses	-126	0
Balance at December 31	292	0

Contingent consideration

in CHF 1,000	2024	2023
Balance at January 1	4,109	4,757
Payment of contingent consideration	0	-600
For the period recognized in finance expenses	215	229
Translation differences	46	-276
Balance at December 31	4,370	4,109

Risk exposure

The Group has exposure to the following risks from its use of financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk
 - c1) Interest rate risk
 - c2) Currency risk

This Note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash and cash equivalents, trade accounts receivable from customers and investment securities.

Trade accounts receivable

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. In general, the Group minimizes part of the credit risk as far as possible through credit insurance or a requirement of customers to either guarantee their payment by Letter of Credit or to make a payment in advance. Collections and payments are continuously monitored.

u-blox has entered into a credit insurance agreement with Allianz. Under this agreement, 95% of the agreed credit line for each customer is insured. For new customer, Allianz conducts a credit assessment and assigns a defined credit limit. As long as the outstanding invoices from u-blox customers remain within the approved credit limits, Allianz guarantees coverage of 95% of the receivables in the event of a loss. Consequently, the maximum potential loss for receivables within the defined credit limits is limited to 5%.

The Group applies the simplified approach which allows using an allowance matrix to measure the ECLs of trade accounts receivable. Under this approach, u-blox calculates historical loss rates based on days past due buckets. Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data have been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The movement in the loss allowance in respect of trade accounts receivable during the year was as follows:

in CHF 1,000	2024	2023
Balance at January 1	344	298
Amounts written off	-61	-241
Net remeasurement of loss allowance	127	302
Translation differences	3	-15
Balance at December 31	413	344

The following table provides information about the exposure to credit risk and ECLs for trade accounts receivable.

December 31, 2024 in CHF 1,000	Weight- ed-average loss rate	Gross carrying amount	Loss allowance	Credit- impaired
Current (not past due)	0.1%	27,393	-18	No
1–30 days past due	0.8%	2,813	-24	No
31–90 days past due	7.1%	906	-64	No
91–180 days past due	18.2%	109	-20	No
More than 180 days past due	100.0%	286	-286	Yes
Total		31,508	-413	

December 31, 2023 in CHF 1,000	Weight- ed-average loss rate	Gross carrying amount	Loss allowance	Credit- impaired
Current (not past due)	0.0%	73,894	-21	No
1–30 days past due	0.2%	5,679	-10	No
31–90 days past due	0.7%	4,075	-28	No
91–180 days past due	21.0%	147	-31	No
More than 180 days past due	46.4%	550	-255	Yes
Total		84,345	-344	

Trade accounts receivable which are not yet due are mainly receivables arising from long-term standing customer relationships. Based on past experience, u-blox does not expect any significant defaults.

Cash and cash equivalents and marketable securities

The Group held cash and cash equivalents of CHF 90,947 thousand at December 31, 2024 (2023: CHF 126,884 thousand). The major part of the cash and cash equivalents is held in Switzerland with banks and financial institutions counterparties rated AAA to A according to Standard & Poor's. A minor part of Cash at banks is held with banks and financial institutions abroad with ratings from AA to BB. Furthermore, the Group limits its exposure to credit risk by investing only in fixed time deposits. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.

Guarantees

The Group's policy is to provide financial guarantees only to wholly-owned subsidiaries. At December 31, 2024, no guarantees were outstanding (2023: none).

The maximum credit risk on financial instruments corresponds to the carrying amounts of the individual financial assets. u-blox has not entered into any guarantees or similar obligations that would increase the risk over and above the carrying amounts.

The maximum credit risk as per the balance sheet date was as follows:

in CHF 1,000	December 31, 2024	December 31, 2023
Cash and cash equivalents	90,947	126,884
Trade accounts receivable	31,095	84,000
Other receivables	3,240	2,226
Other financial assets	1,238	1,696
Total	126,521	214,806

b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses short-term forecasts, which assists in monitoring cash flow requirements and optimizing its cash return on investments. The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Group maintains the following lines of credit:

The Group has access to an undrawn syndicated bank loan on a total line of CHF 140 million valid for three years, with two extension options of one additional year each, therefore running for a maximum term of five years. This syndicated bank loan was amended to CHF 50 million in January 2025 with unchanged duration. Interest is determined based on market interest rates.

The following are the contractual maturities of financial liabilities:

December 31, 2024 in CHF 1,000	Carrying amounts	Contractual cash flows	up to 1 year	1 – 5 years	more than 5 years
Trade accounts payable	12,468	12,468	12,468	0	0
Other payables	8,674	8,674	8,674	0	0
Contingent consideration	4,370	4,663	0	4,663	0
Accrued expenses	8,016	8,016	8,016	0	0
Lease liabilities	29,663	32,032	6,122	15,121	10,789
Total	63,190	65,853	35,280	19,784	10,789

December 31, 2023 in CHF 1,000	Carrying amounts	Contractual cash flows	up to 1 year	1 – 5 years	more than 5 years
Trade accounts payable	31,367	31,367	31,367	0	0
Other payables	10,799	10,799	10,799	0	0
Contingent consideration	4,109	4,608	0	4,608	0
Accrued expenses	9,763	9,763	9,763	0	0
Lease liabilities	31,879	34,632	5,697	16,480	12,455
Financial liabilities	40,698	41,076	41,076	0	0
Total	128,615	132,245	98,702	21,088	12,455

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

c1) Interest rate risk

Interest rate risk arises from movements in interest rates which could have adverse effects on the Group's net income or financial position.

- The cash position is used for general corporate purposes and to fund the planned growth.
- Revenue and operating cash flows are substantially independent of changes in market interest rates.

Management considers that the Group is not exposed to any significant risks arising from changes in market interest rates and therefore no hedging instruments are utilized.

An increase of the interest rate of 0.25% would have resulted in a positive impact of CHF 227 thousand (2023: CHF 317 thousand) on net profit and equity.

c2) Currency risk

The Group is exposed to different currencies and their fluctuations due to its global footprint. The impact of such fluctuations can be material. Accordingly, u-blox enters from time to time into economic hedging transactions pursuant to which u-blox purchases CHF under forward purchase contracts in order to minimize its CHF exposure. These transactions require judgments and assumptions about the future expense levels, and as a result, do not entirely eliminate the exposure to currency fluctuations. Furthermore, while the hedging transactions provide fixed currency rates for periods covered by the contracts, the transactions will not protect the Group from long-term movements in currency rates. Revenues and cost of sales are to a certain extent denominated in the same currency, which provides a natural hedge.

The table below shows the significant currency risks arising from financial instruments in a foreign currency from the perspective of the Group entity which holds these financial instruments:

in CHF 1,000	December 31, 2024		December 31, 2023	
	USD	EUR	USD	EUR
Total currency exposure	32,405	12,941	120,624	22,752

A 10% change in exchange rates at December 31 would have increased or decreased net profit and equity by the amounts listed below. The assumption underlying this analysis is that all other variables, in particular interest rates, remain unchanged.

Sensitivity analysis	2024		2023	
	USD/CHF	EUR/CHF	USD/CHF	EUR/CHF
Change	10.00%	10.00%	10.00%	10.00%
in CHF 1,000				
Impact on income statement and equity for positive change	2,654	1,060	9,880	1,864
Impact on income statement and equity for negative change	-2,654	-1,060	-9,880	-1,864

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is maintained at an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

24 Capital management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors both the number of shareholders, as well as the return on capital, which the Group defines as net profit divided by total shareholders' equity (based on IFRS values). Return on capital was -27.8% in 2024 (2023: -2.1%). Neither the company nor any of its subsidiaries are subject to externally imposed capital requirements. The Board plans to invest future profits, if any, into the long-term growth of the business but also, based on the sound cash situation, intends to enable the shareholders participate in the business result by dividend payments or by repaying part of the share premium.

25 Leases

Overview of Group's lease contracts

The Group differentiates its lease contracts into leasehold and other leases. Leasehold includes office premises and related parking spaces, which consist of approximately 90% of the Group's right-of-use assets. All other assets classified as leases under IFRS 16 are reported as leases other. Leases other consists mainly of leased vehicles, IT and office equipment.

Lease terms

The Group leases buildings for office space in several different locations. Each leasehold contract is assessed on an individual basis. Management judgment has been used to assess the term of leases with indefinite duration. If a contract includes an extension option or termination option, assessment is made whether or not an option would be exercised with reasonable certainty.

In case of a significant event or significant change of circumstances within the Group's control a reassessment is performed. The lease term for leaseholds is generally not assessed longer than three years due to the business' normal planning uncertainty, with the exception of contracts already in force or with fixed contractual lease terms.

The lease term of assets other than leasehold is determined according to the contracts' duration.

Payments

Some leasehold rentals are linked to annual changes in local price indices and some include a property tax. These amounts are generally determined annually and are taken into account at the effective date of the change.

Lease components recognized in the income statement when measuring lease:

in CHF 1,000	2024	2023
Short-term leases	40	55
Depreciation of right-of-use assets	7,448	5,967
Interest expense on lease liabilities	834	683

Right-of-use assets (ROU)

Information about leases for which the Group is a lessee is presented below.

in CHF 1,000	Leasehold 2024	Leasehold 2023	Other 2024	Other 2023	Total ROU 2024	Total ROU 2023
Balance at January 1	26,955	30,271	3,640	3,750	30,595	34,021
Depreciation charge of the year	-6,859	-5,415	-589	-551	-7,448	-5,966
Modifications and reassessments	1,867	2,558	-140	-257	1,727	2,301
New contracts	678	373	447	717	1,125	1,089
Translation differences	361	-833	3	-19	365	-851
Balance at December 31	23,002	26,955	3,362	3,640	26,364	30,595

Lease liabilities

in CHF 1,000	2024	2023
Balance at January 1	31,879	35,081
Changes from financing cash flows		
Payment of lease liabilities	-5,491	-5,643
Interest paid for leases	-834	-683
Total changes from financing cash flows	-6,324	-6,326
Modifications and reassessments	1,727	2,301
New contracts	1,125	1,089
Interest expense	834	683
Translation differences	423	-950
Balance at December 31	29,663	31,879

Amounts recognized in the Consolidated statement of cash flows:

in CHF 1,000	2024	2023
Payment of lease liabilities	5,491	5,643
Short-term lease payments	40	55
Interest paid for leases	834	683
Total cash outflows for leases	6,364	6,381

26 Guarantees, pledges in favor of third parties and contingent liabilities

At December 31, 2024, and 2023, there were no guarantees in favor of third parties. The Group is not exposed to any significant contingent liabilities. There is no known, threatened or pending litigation against any Group company

27 Related parties

Related parties are members of the Board of Directors and Executive Committee, close family members of the aforementioned parties, and shareholders with a significant influence or control over the Group, as well as entities under these parties' control. The total compensation to the Board of Directors and Executive Committee was:

in CHF 1,000	2024	2023
Salaries	2,858	3,165
Share-based payments	1,292	675
Social taxes	268	272
Pension cost	522	450
Other personnel related expenses	112	18
Total compensation	5,052	4,580

There were no other significant transactions with related parties during the years ended December 31, 2024 and 2023. The detailed disclosures regarding executive remuneration required by Swiss law are included in the compensation report.

28 Subsequent events after the balance sheet date

On January 14, 2025, u-blox announced the strategic decision to increase focus on its Locate business. After careful evaluation, u-blox has concluded that phasing out the Cellular business is the most viable course of action to ensure the Group's long-term strategic focus and operational efficiency. u-blox' Cellular business currently has over 200 employees. u-blox anticipates a one-time negative EBIT impact of up to CHF 65 million in 2025.

The Board of Directors authorized these consolidated financial statements on February 25, 2025, for the issuance.

There have been no events between December 31, 2024, and the date of authorization of these consolidated financial statements that would lead to an adjustment of the carrying amounts of assets and liabilities presented at December 31, 2024.



Statutory Auditor's Report

To the General Meeting of u-blox Holding AG, Thalwil

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of u-blox Holding AG and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 91 to 132) give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards IFRS and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters



Capitalization of development costs



Valuation of capitalized development costs



Valuation of inventory

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Capitalization of development costs

Key Audit Matter

For the Group, as a fabless supplier of positioning and wireless semiconductors and modules, research & development (R&D) belongs to the core activities.

If certain criteria are met, the Group recognizes development costs as intangible assets. These criteria include, among others, the feasibility of the product, reliably measurable attributable expenditure and probable future economic benefits. In 2024, the Group capitalized development costs of TCHF 25,549 (2023: TCHF 41,088), while R&D expenditure in the amount of TCHF 110,003 (2023: TCHF 83,461) was recognized in the consolidated income statement. The assessment of the amount of costs to be capitalized for each product requires significant judgment.

There is a risk of over- or understatement of the capitalized development costs, either when the relevant criteria are not met but development costs are still capitalized, or when the criteria for capitalization are met but the costs are expensed.

Our response

Our audit procedures included, amongst others, the following:

- We tested the operating effectiveness of key internal controls over the Group's approval and assessment relating to the recognition of development costs and the approval of R&D expenses.
- We obtained a list of the products for which development costs incurred in the period were capitalized. We assessed if the capitalization criteria for each product were met. We challenged in our discussion with the management the business case and the underlying assumptions, as well as the stage of the development of the product, based on the internal operational reports that are prepared by the product managers. We furthermore assessed the consistency and completeness of the list of capitalized products with the operational reports. On a sample basis, we tested the accuracy of the calculation model and the underlying data, including cost rates and registered hours of the respective employees.
- Based on our reading of the internal operational product reports and the discussion with management we assessed whether R&D expenses should have been capitalized.

For further information on the capitalization of development costs refer to the following:

- Note 2 to the consolidated financial statements: Accounting policies
- Note 10 to the consolidated financial statements: Goodwill and intangible assets
- Note 19 to the consolidated financial statements: Research and Development



Valuation of capitalized development costs

Key Audit Matter

The Group capitalized a significant amount of development costs, as described above. As of December 31, 2024, the carrying amount of capitalized development costs was TCHF 110,108 (2022: TCHF 141,211).

In order to assess the valuation of the capitalized costs, the Group performs an annual impairment test for those costs relating to products that are not yet available for use. In addition, the Group assesses indicators for impairment for the capitalized development costs of final-products that are already available for use.

The recoverability of these intangible assets depends on the successful launch of the new products in the market and the continuing sale of established products. Consequently, management's assessment of the valuation involves significant judgment, among others concerning the future cash flows, associated discount rate, growth rates as well as the estimated useful life.

There is a risk of over- or understatement of capitalized development costs if they are not fully recoverable or if the estimated useful lives are not accurate.

Our response

Our work focused on challenging the assumptions used by management in conducting their valuation assessment (determination of useful life, impairment calculation and review of potential impairment indicators) and the reconciliation of the impairment losses recognized.

This included:

- We evaluated the reasonableness of current forecasts including a trend analysis of margins, sales and development costs against those achieved historically.
- For products not yet in use – we considered the internal operational reports that address the development status of each product.
- For products in use – we challenged management's assessment of indicators for impairment.
- We assessed management's documentation over the appropriateness of the useful lives including an analysis of expected future and actual historical sales of products.
- We also evaluated the sensitivity analysis prepared by management, re-performed the calculation and assessed the disclosures relating to the impairment review.

For further information on the valuation of capitalized development costs refer to the following:

- Note 2 to the consolidated financial statements: Accounting policies
- Note 3 to the consolidated financial statements: Critical accounting judgements and estimates
- Note 10 to the consolidated financial statements: Goodwill and intangible assets



Valuation of inventory

Key Audit Matter

Inventories amount to TCHF 61,503 (2023: TCHF 96,954) and form significant part of the Group's assets as of December 31, 2024. The Group's inventories are composed of raw materials, work in progress and finished products.

Inventories are measured at the lower of cost and net realizable value. The cost of inventory is based on weighted average cost and does include costs incurred in acquiring the inventory and bringing it to its present location and condition. The group recognizes an allowance for slow moving items.

We focused on this area as there is a risk that inventory value is overstated given the significant build up in volume and value in the year under review. The recognition of inventory allowances and value adjustments involves management judgement.

Our response

Our audit procedures included, amongst others, the following:

- We gained an understanding of the Group's inventory cost process, the scrapping process, the inventory forecasting and purchase process and the stocktaking process.
- On a sample basis, we challenged and recalculated the cost components of inventory.
- We gained an understanding of the Group's process to estimate the net realizable value of inventories and challenged the Group's assumptions to calculate the estimated net realizable value.
- On a sample basis, we validated the net realizable value test prepared by the Group by comparing book values of finished goods as of December 31, 2024 against sales or customer orders recognized in the new financial year.

For further information on the valuation of inventory refer to the following:

- Note 2 to the consolidated financial statements: Accounting policies
- Note 8 to the consolidated financial statements: Inventories

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the compensation report of the company and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law, ISAs and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our group audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Silvan Jurt
Licensed Audit Expert
Auditor in Charge

Raphael Gähwiler
Licensed Audit Expert

Lucerne, February 25, 2025

KPMG AG, Pilatusstrasse 41, CH-6003 Lucerne

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Financial statements u-blox Holding AG

Statement of financial position

in CHF 1,000	Note	December 31, 2024	December 31, 2023
Assets			
Current assets			
Cash at bank		1,781	2,511
Other receivables – third parties		291	252
Prepaid expenses		59	72
Total current assets		2,131	2,835
Non-current assets			
Loans granted to companies in which the entity holds an investment		194,765	181,394
Investment	2.1	14,698	14,698
Total non-current assets		209,463	196,092
Total assets		211,594	198,927
Liabilities and shareholders' equity			
Current liabilities			
Accrued expenses		869	955
Total current liabilities		869	955
Total liabilities		869	955
Shareholders' equity			
Share capital	2.2	77,821	83,592
Legal capital reserve			
Reserves from capital contributions	2.3	44,020	32,923
Legal retained earnings			
General legal retained earnings		5,740	5,469
Reserves for treasury shares	2.5	787	1,058
Available earnings			
Profit brought forward		76,252	77,678
Profit / (loss) for the year		6,105	-1,426
Treasury shares	2.4	0	-1,324
Total shareholders' equity		210,725	197,972
Total liabilities and shareholders' equity		211,594	198,927

Income statement

in CHF 1,000	Note	2024	2023
Income			
Dividend income	2.6	6,000	6,000
Other financial income	2.7	3,763	3,911
Total income		9,763	9,911
Expenses			
Financial expenses	2.8	-735	-9,998
Other operating expenses		-2,440	-1,339
Direct taxes		-483	-
Total expenses		-3,658	-11,337
Profit / (loss) for the year		6,105	-1,426

Notes to the financial statements

1 Principles

u-blox Holding AG, Thalwil, Switzerland is the parent company of u-blox Group.

1.1 General aspects

These financial statements were prepared according to the principles of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

1.2 Loans to group companies

Financial assets include a long-term loan to u-blox AG. It is valued at its acquisition cost.

1.3 Treasury shares

Treasury shares are recognized at acquisition cost and deducted from shareholders' equity at the time of acquisition. In case of a resale, the gain or loss is recognized through the income statement as financial income or financial expense.

1.4 Share-based payments

Shares awarded to employees within share-based payment programs are granted by capital increase. The amount paid by the employees for the nominal value of the shares awarded is recorded in share capital, while the paid amount exceeding the nominal value is considered to be a share premium and is recorded in legal capital reserves. The difference between the amount paid and the market value of the shares is also recorded in legal capital reserves. u-blox Holding AG is compensated for the difference by subsidiaries. Alternatively, treasury shares can be used for share-based programs.

2 Information on balance sheet and income statement items

2.1 Investments

	Share capital in (million)		Share in capital and voting rights in %		
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	
u-blox AG, CH-Thalwil	CHF 4.23	CHF 4.23	100%	100%	directly held
u-blox Asia Pacific Ltd., HK-Hong-Kong	USD 0.10	USD 0.10	100%	100%	indirectly held
u-blox America Inc., US-Reston	USD 0.10	USD 0.10	100%	100%	indirectly held
u-blox Singapore Pte. Ltd., SG-Singapore	SGD 0.06	SGD 0.06	100%	100%	indirectly held
u-blox Japan K.K., JP-Tokyo	JPY 10.00	JPY 10.00	100%	100%	indirectly held
u-blox Italia S.p.A., IT-Sgonico	EUR 0.40	EUR 0.40	100%	100%	indirectly held
u-blox UK Ltd., UK-Reigate	GBP 0.00	GBP 0.00	100%	100%	indirectly held
u-blox San Diego Inc., US-San Diego	USD 0.00	USD 0.00	100%	100%	indirectly held
u-blox Cambridge Ltd., UK-Cambridge	GBP 0.51	GBP 0.51	100%	100%	indirectly held
u-blox Espoo Oy, FI-Espoo	EUR 0.05	EUR 0.05	100%	100%	indirectly held
u-blox Luton Ltd., UK-Luton	GBP 0.00	GBP 0.00	100%	100%	indirectly held
u-blox Lahore (Private) Ltd., PK-Lahore	PKR 14.11	PKR 14.11	100%	100%	indirectly held
u-blox Cork Ltd., IE-Cork	EUR 0.00	EUR 0.00	100%	100%	indirectly held
u-blox Malmö AB, SE-Malmö	SEK 0.83	SEK 0.83	100%	100%	indirectly held
u-blox Athens S.A., GR-Athens	EUR 0.18	EUR 0.18	100%	100%	indirectly held
u-blox Berlin GmbH, DE-Berlin	EUR 0.03	EUR 0.03	100%	100%	indirectly held
Sapcorda Services GmbH, DE-Berlin	EUR 0.06	EUR 0.06	100%	100%	indirectly held
u-blox Wireless Technology (Shanghai) Ltd.	RMB 1.45	RMB 1.45	100%	100%	indirectly held
Thingstream Invest AG, CH-Zug	CHF 0.50	CHF 0.50	100%	100%	indirectly held
Thingstream Ltd., UK-Poole	GBP 0.00	GBP 0.00	100%	100%	indirectly held
u-blox Chemnitz GmbH, DE-Chemnitz	EUR 0.04	EUR 0.04	100%	100%	indirectly held
u-blox US Holding Inc., US-Delaware	USD 0.00	USD 0.00	100%	100%	indirectly held
Zero Point Motion Ltd., UK- London ¹⁾	GBP 0.02	GBP 0.02	6.2%	10.9%	indirectly held

1) significant influence lost in 2024 after stepping down from the Board of Directors.

2.2 Share capital

The share capital consists of 7,411,489 (2023: 7,268,884) registered shares with a nominal value of CHF 10.50 (2023: CHF 11.50) each. During 2024, the par value was decreased by CHF 1.00 (2023: CHF 2.00) per share, resulting in a payment to shareholders of CHF 7.3 million (2023: CHF 14.2 million).

In 2024, 142,605 (2023: 95,436) options, Restricted Share Units (RSUs) and Performance Share Units (PSUs) were exercised out of the conditional capital, resulting in a share capital increase of CHF 1,547,860 (2023: CHF 1,186,052). On December 31, 2024, 399,804 options were outstanding (2023: 701,169) as well as 138,388 RSUs (2023: 74,165) and 22,835 PSUs (2023: 11,803).

Capital band

At the general meeting held on April 18, 2024, the Board of Directors was authorized to increase, decrease respectively, the share capital through the issuance, cancellation respectively, of 731,939 (2023: to increase by 721,771) fully paid-in registered shares with a nominal value of CHF 10.50 (2023: CHF 11.50), by April 2029 (2023: April 2028), at the latest.

Conditional share capital

	December 31, 2024	December 31, 2023
Number of registered shares	273,871	309,718
With a nominal value of CHF 10.50 (2023: CHF 11.50) each	CHF 2,875,646	CHF 3,561,757.00

2.3 Reserves from capital contributions

The options, RSUs and PSUs exercised in 2024 led to an increase in reserves from capital contributions of CHF 11,096,111 (2023: CHF 9,743,732) net of transaction costs.

2.4 Treasury shares

In 2024, 7,519 treasury shares were transferred from u-blox Holding AG to u-blox AG at an average selling price of CHF 79.90, which resulted in a loss of CHF 722,929 presented in financial expenses. In 2023, 120,000 treasury shares were sold to a third party at an average selling price of CHF 96.94, which resulted in a loss of CHF 9,492,599 presented in financial expenses.

See Note 2.2 for information on decrease in par value.

	Quantity	Value in CHF 1,000
Balance at January 1, 2023	127,519	22,704
Sales	-120,000	-21,126
Par value decrease	0	-255
Balance at December 31, 2023	7,519	1,324
Sales	-7,519	-1,324
Balance at December 31, 2024	0	0

2.5 Reserves for treasury shares

As of December 31, 2024, u-blox AG holds 9,609 (2023: 12,483) treasury shares at an average price of CHF 81.95 (2023: CHF 84.79) for which a reserve for treasury shares is accounted for at u-blox Holding AG.

In 2024, u-blox AG acquired 7,519 (2023: 0) treasury shares from u-blox Holding AG at an average price of CHF 79.90 each.

In 2024, 10,393 shares were allocated to employees as part of the share-based payment program (2023: 15,622) at an average price of CHF 85.95 (2023: CHF 115.91).

See Note 2.2 for information on decrease in par value.

2.6 Dividend income

In the reporting year, dividend income from u-blox AG amounted to CHF 6 million (2023: CHF 6 million).

2.7 Other financial income

The other financial income mostly consists of interest income from u-blox AG of CHF 3.8 million (2023: CHF 3.9 million).

2.8 Financial expenses

in CHF 1,000	2024	2023
Interest on bond	0	284
Intercompany interest expense	0	210
Loss from sale of treasury shares	723	9,493
Other	12	11
Total	735	9,998

3 Other information

3.1 Full-time equivalents

u-blox Holding AG does not have any employees.

3.2 Collateral for third-party liabilities

Collateral provided for liabilities of third parties amounts to CHF 0 (2023: CHF 66 million). These are guarantees issued in favor of subsidiaries.

3.3 Performance Share Units (PSUs) for members of the Board of Directors and Executive Committee

Starting 2023, PSUs are granted as part of the compensation of the Executive Committee.

	2024		2023	
	Number of PSUs	Value in CHF 1,000	Number of PSUs	Value in CHF 1,000
Allocated to members of the Board of Directors	0	0	2,949	325
Allocated to members of the Executive Committee	13,981	1,397	8,854	976
Total	13,981	1,397	11,803	1,301

3.4 Significant events after the balance sheet date

There are no significant events after the balance sheet date, which could impact the book value of the assets or liabilities which should be disclosed here.

Proposal of the Board of Directors for appropriation of available earnings

The Board of Directors proposes to the Annual General Meeting the following appropriation of available earnings at December 31, 2024:

in CHF 1,000	2024	2023
Brought forward from previous year	76,252	77,678
Profit / (loss) for the year	6,105	-1,426
Available earnings before appropriation	82,357	76,252

The Board of Directors is proposing to the General Meeting, to be held on April 16, 2025, to carry forward the available earnings 2024 of CHF 82,357,574.

Thalwil, February 25, 2025

For the Board of Directors
The Chairman André Müller



Statutory Auditor's Report

To the General Meeting of u-blox Holding AG, Thalwil

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of u-blox Holding AG (the Company), which comprise the balance sheet as at December 31, 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 139 to 145) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Silvan Jurt
Licensed Audit Expert
Auditor in Charge

Raphael Gähwiler
Licensed Audit Expert

Lucerne, February 25, 2025

This Annual Report contains certain forward-looking statements, which can be identified by terms like “believe”, “assume”, “expect” or similar expressions, or implied discussions regarding potential new projects or potential future revenues, or discussions of strategy, plans or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. All forward-looking statements are based only on data available to u-blox at the time of preparation of this Annual Report. u-blox does not undertake any obligation to update any forward-looking statements contained in this Annual Report as a result of new information, future events or otherwise.

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