



u-blox HY 2025 Results

6 August 2025

Stephan Zizala, CEO
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Agenda

Strategy

HY 2025 Financial Results

Outlook

Q&A

Highlights Half-Year 2025

- **Strong revenue growth of +32% YoY**
 - Continued reduction of excess inventory at customers
 - Strong performance in Locate and Short range
 - Recovery in automotive and industrial markets
- **Cash EBIT (adj.) margin turns positive at 2.4% versus -27.7% in H1'24**
 - Significant reduction in the cost base
- **Free Cash Flow of CHF 5.4 million**
- **Successful divestment of Cellular business finalized in June 2025**
 - Financials presented with Cellular business as discontinued activities



Strategy



We have strong growth prospects...

u-blox POS SAM development 2023-2029 (USD m) Excl. Consumer

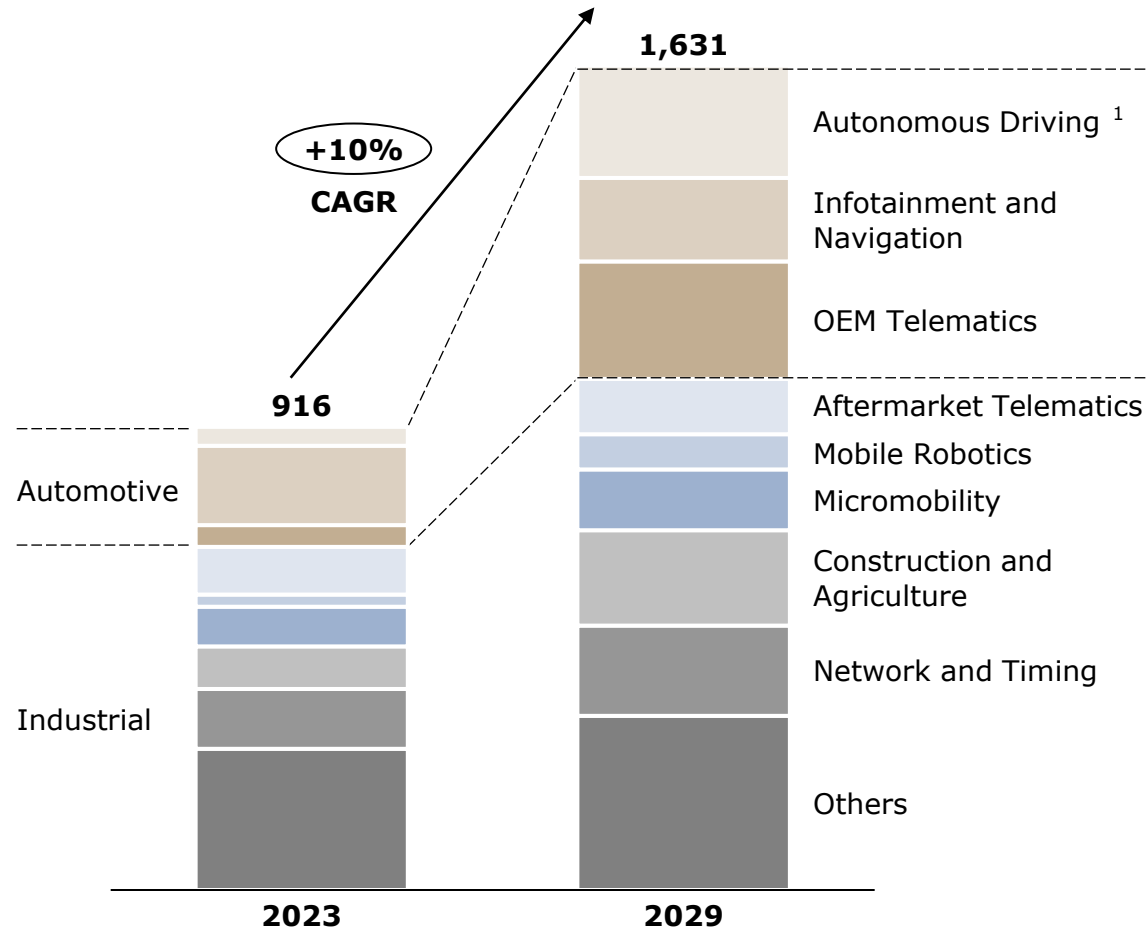
POS competitor ranking

Standalone GNSS chip/module market²

#1 

#2 Broadcom

#3 Airoha

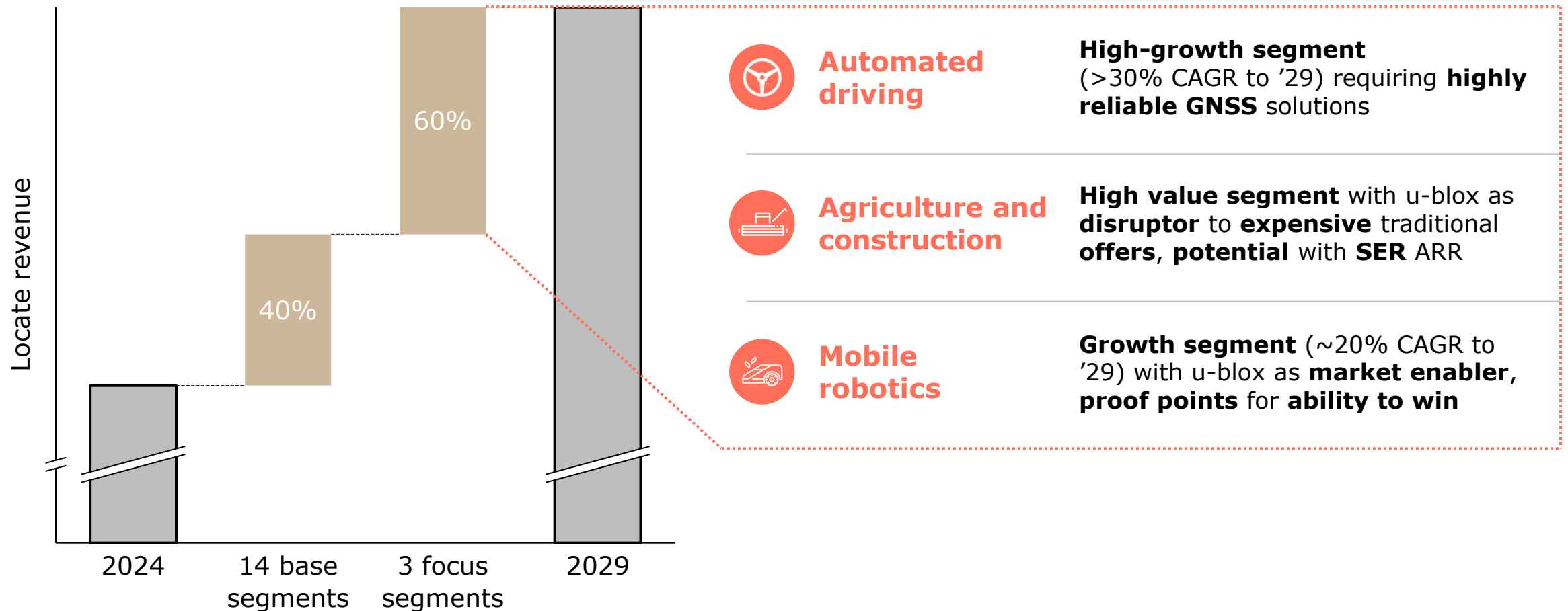


Source: u-blox internal, ABI, TSR Exchange Rate: USD/CHF = 0.8806

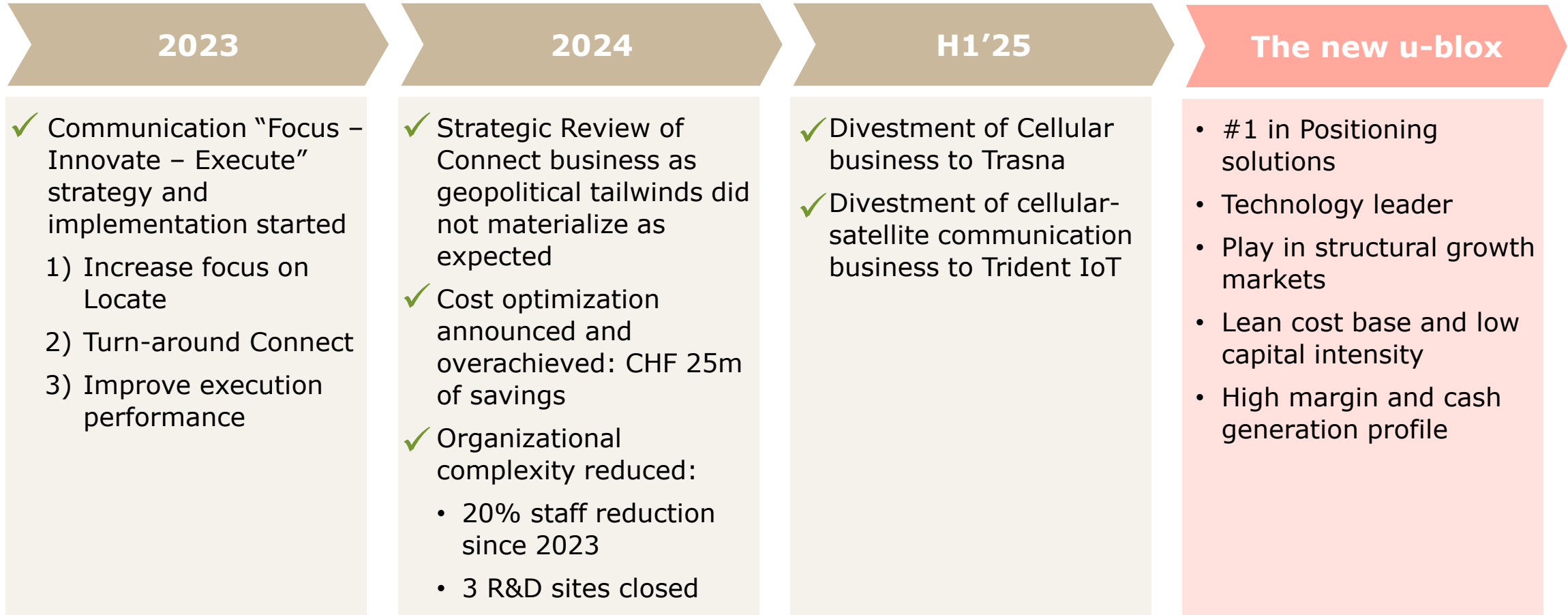
Notes:

1. Includes Safety Critical Products. 2. IC / module market shares 2022

... mainly from our focus markets



The NEW u-blox is HERE



The new u-blox is poised to generate sustainable value

We became more efficient and transparent...

	Cost base	FTEs / Sites	Net working capital	
2023	CHF 218 million	1,400 FTEs 33 sites	CHF 150 million	<ul style="list-style-type: none">• R&D Capitalization reduction<ul style="list-style-type: none">• 2023: CHF 41 m• 2025*: CHF 2 m• Quarterly trading update (Revenue, EBIT)• Quarterly guidance• New Financial Model• New KPIs focused on Cash metrics
2025*	CHF 155 million	< 850 FTEs 28 sites	CHF 33 million	

* Annualized H1 2025 figures
Cost base includes logistic costs, cash R&D and SG&A.

... resulting in a robust and scalable business model

Locate business characteristics

- Targets growth markets
 - Examples: autonomous driving, mobile robotics, asset tracking & management
- Shows high customer stickiness
 - High integration between u-blox products and solutions designed by customers
- Generates high profitability levels
 - Gross margin consistently > 60% thanks to technology leadership in GNSS
 - Cash EBIT margin > 25% when at scale
 - Strong free cashflow generation
 - Asset-light model, low capex requirements

Locate illustrative margin profile at different revenue levels

(CHFm)

Locate illustrative margin profile at different revenue levels			
Revenue	~200	~250	~350
Gross profit margin	>60%	>60%	>60%
Cash EBIT (adj) margin	~0%	~10%	>25%

This is how we plan to allocate the value generated by the business



R&D

- Disciplined and selective R&D investments
- Retain and further expand technology leadership



Cash position

- Solid balance sheet to support growth targets



M&A

- Project pipeline of attractive value-creative opportunities with strong strategic fit



Shareholder returns

- Share buybacks preferred method over dividends, in line with practice in the semiconductor industry

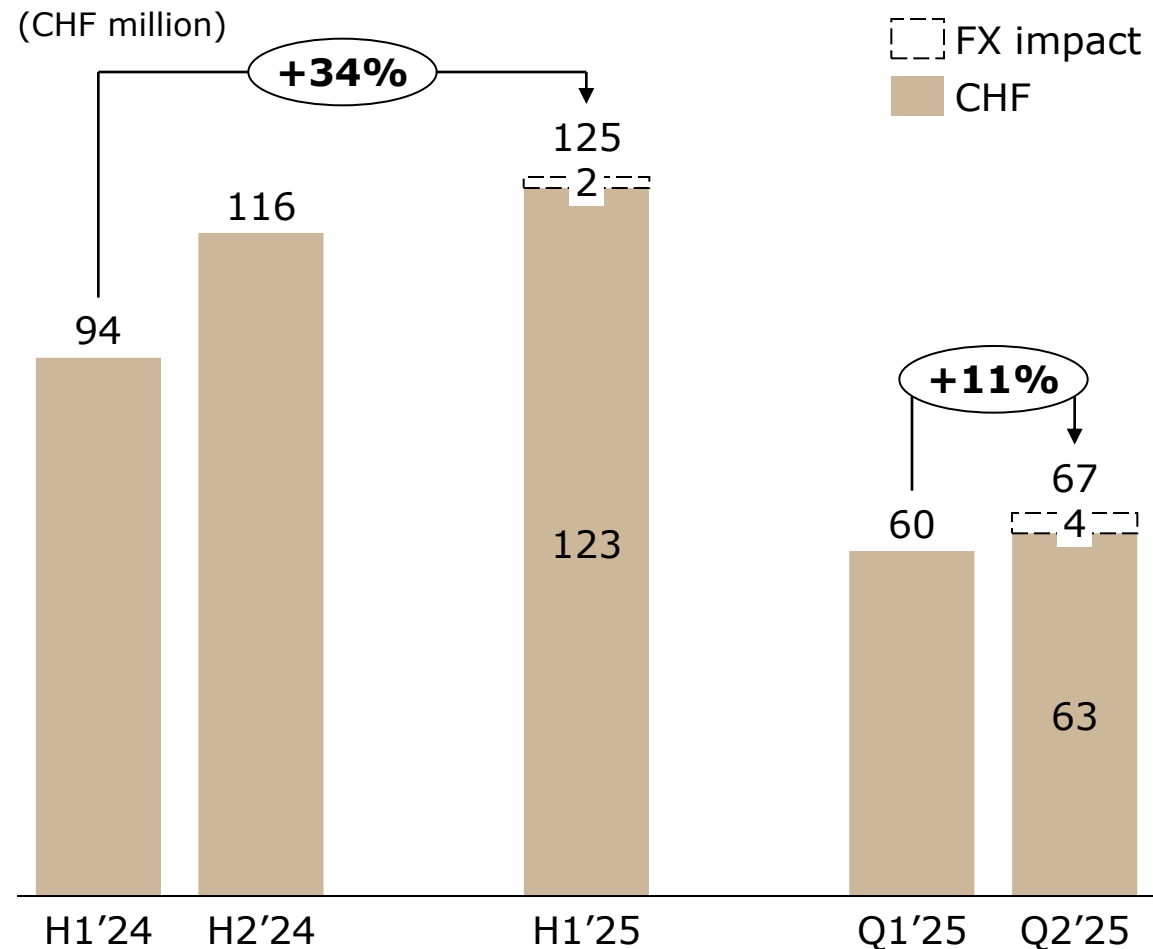
HY 2025 Financial Results



Strong H1 2025 revenue growth

All financial
information excludes
Cellular business

Revenue



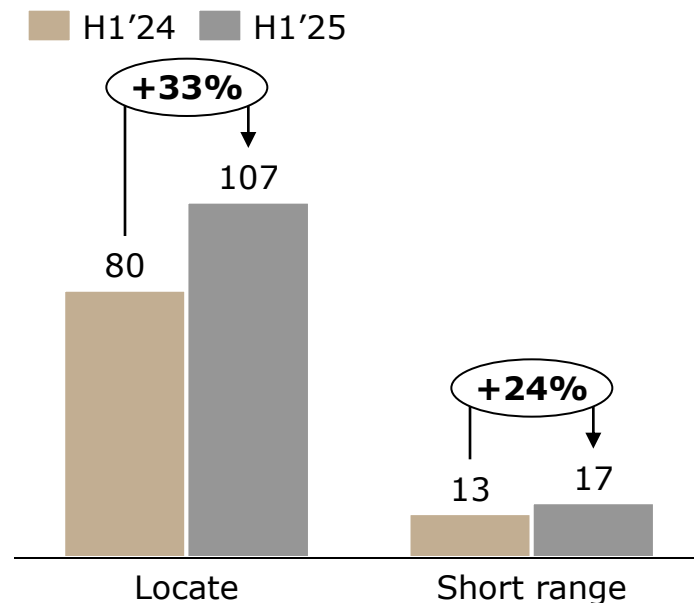
- Strong H1 2025 revenue growth
 - Reduction of inventory at customers
 - Strong growth in automotive and industrial businesses
 - Both Locate and Short range performed well
 - Revenue growth in constant FX rates of 34%
- Q2 2025 +5% versus the Q1 2025 (+11% in constant FX rates)

Improvement in all major business segments

All financial information excludes Cellular business

Revenue Locate / Connect

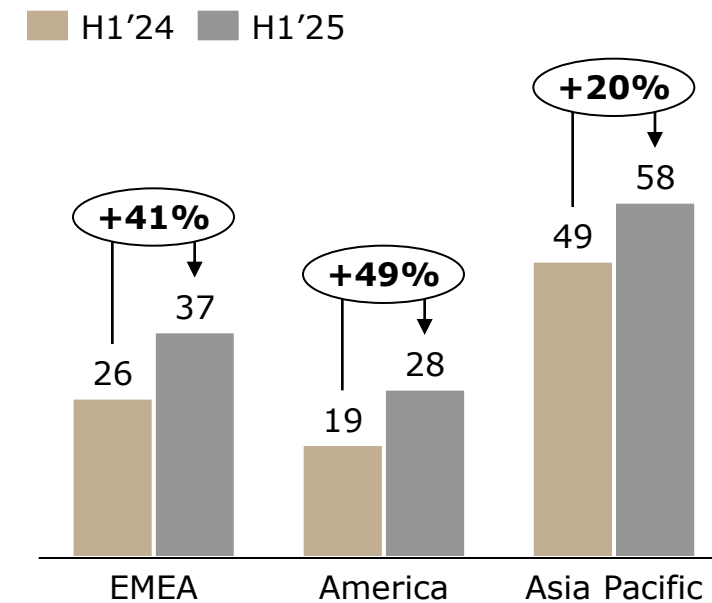
(CHF million)



- Locate's growth driven by improving demand in the automotive (+42%) and industrial (+29%) sectors
- Short range's growth reflects a rebound in automotive (+20%) and industrial (+33%) applications

Revenue by Region

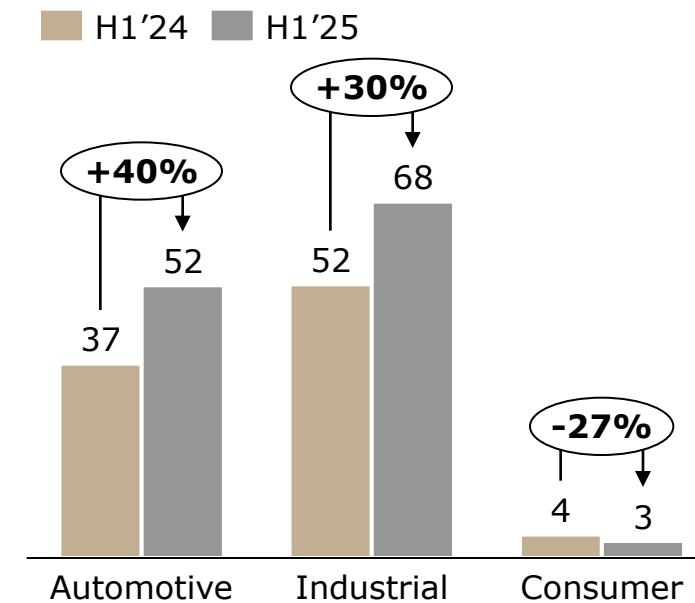
(CHF million)



- EMEA's increase driven by strong demand in industrial markets
- APAC's growth driven by 57% growth in automotive, which offset softer trends in industrial applications
- AMEC's performance supported primarily by a rebound in industrial segments

Revenue by Market

(CHF million)

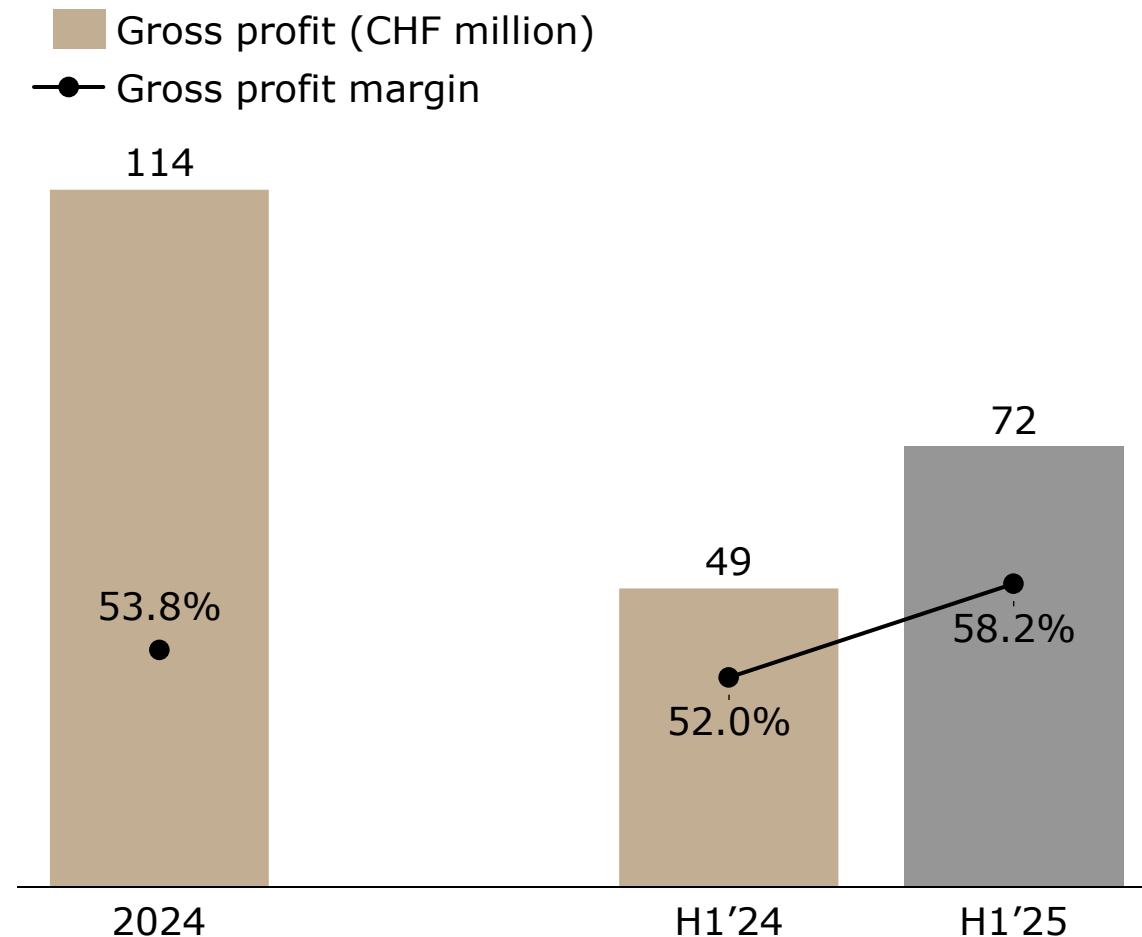


- Automotive's growth led by APAC (+57%), accounting for roughly two-thirds of the segment. Notably, autonomous driving grew the fastest
- Industrial's performance was broad-based, with strong contributions from aftermarket telematics, UAVs, automation & monitoring, and mobile robotics

Significant improvement in gross profit margin

All financial
information excludes
Cellular business

Gross profit (adjusted)



- Gross profit (adjusted) of CHF 71.9 m (CHF 48.8 m in H1 2024)
- Gross profit margin (adjusted) reached 58.2% from 52.0%
- Operating leverage from higher revenue
- Positive mix effect from higher growth in Locate
- Lower logistic costs

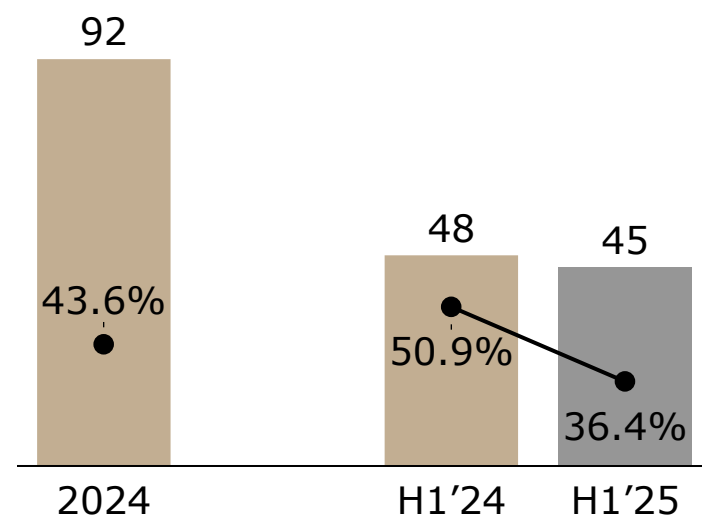
Note: For the definitions of u-blox's alternative performance measures, please refer to u-blox's HY 2025 Financial Report

Substantial cost reduction leads to positive cash EBIT

All financial information excludes Cellular business

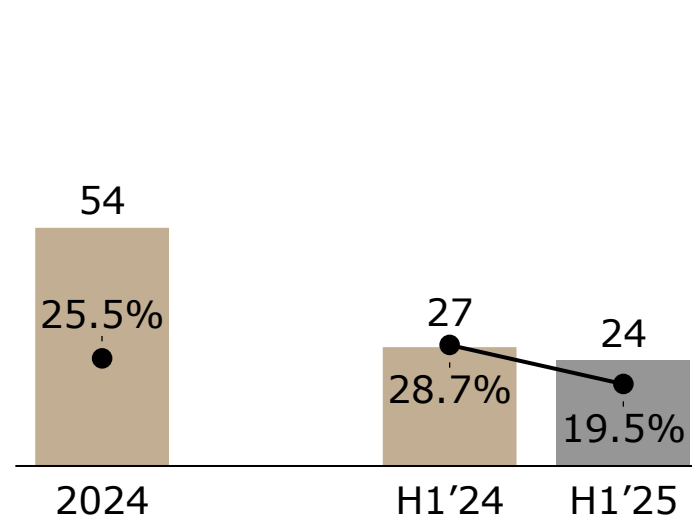
Cash R&D expenses (adj)

■ CHF million —●— % of revenues



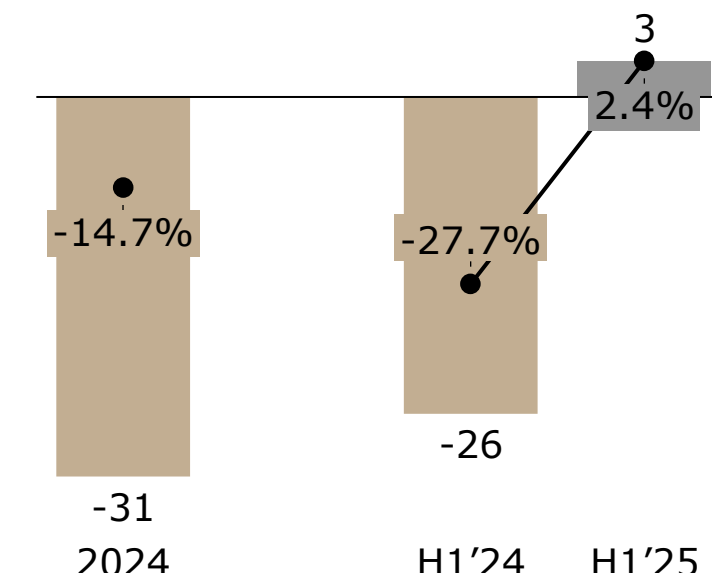
- The reduction is thanks to the cost savings achieved through 2024 cost reductions
- 2025 includes bonus provision

SG&A expenses (adj)



- Reduction reflects the successful execution of the 2024 cost savings program
- 2025 includes bonus provision

Cash EBIT (adj)



- Improvement reflects cost discipline, operating leverage, and ongoing business transformation

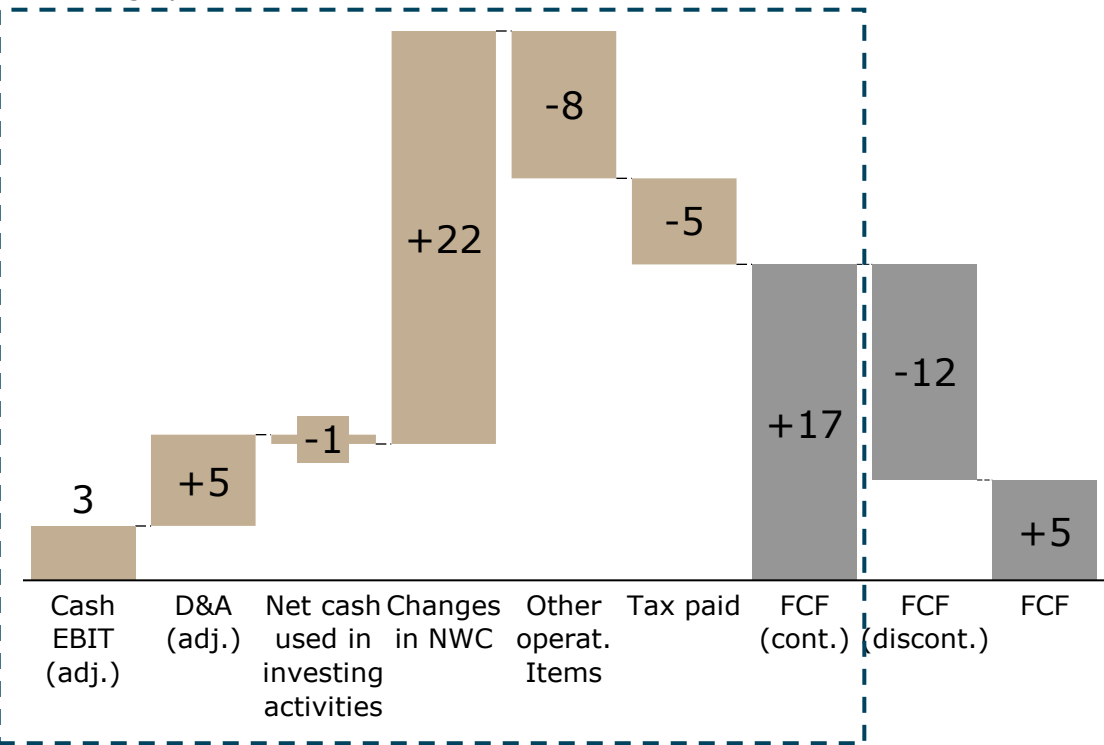
Note: For the definitions of u-blox's alternative performance measures, please refer to u-blox's HY 2025 Financial Report

Positive free cash flow in HY 2025

Free cash flow HY 2025

(CHF million)

Continuing operations

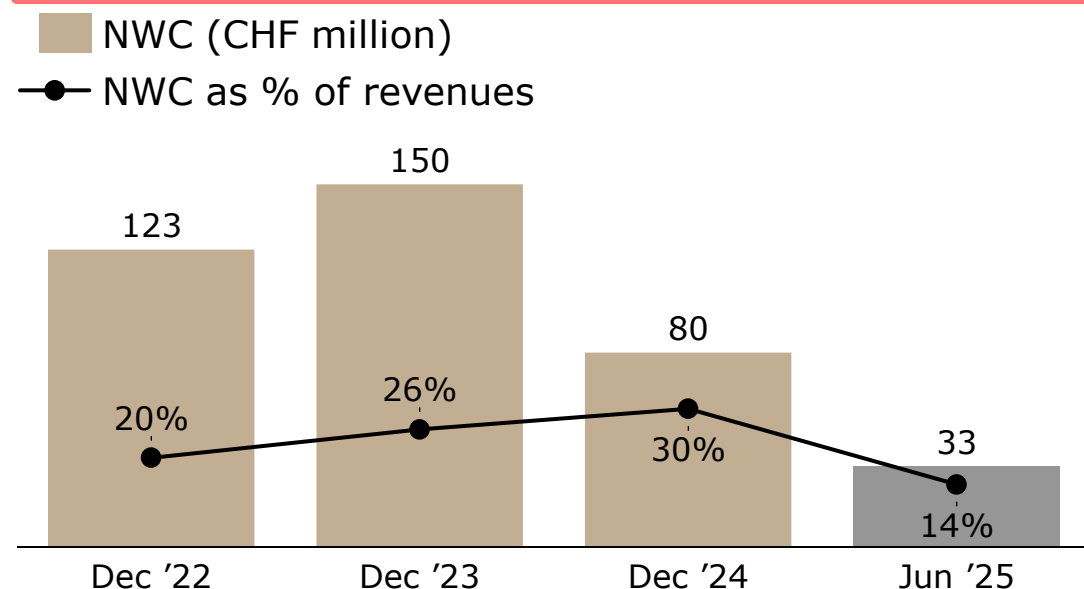


- Strong free cash flow in H1 2025 of CHF 5.4 m (CHF 15.7 m in H1 2024)
- Free cash flow from continuing operations of CHF 17m

Note: For the definitions of u-blox's alternative performance measures, please refer to u-blox's HY 2025 Financial Report

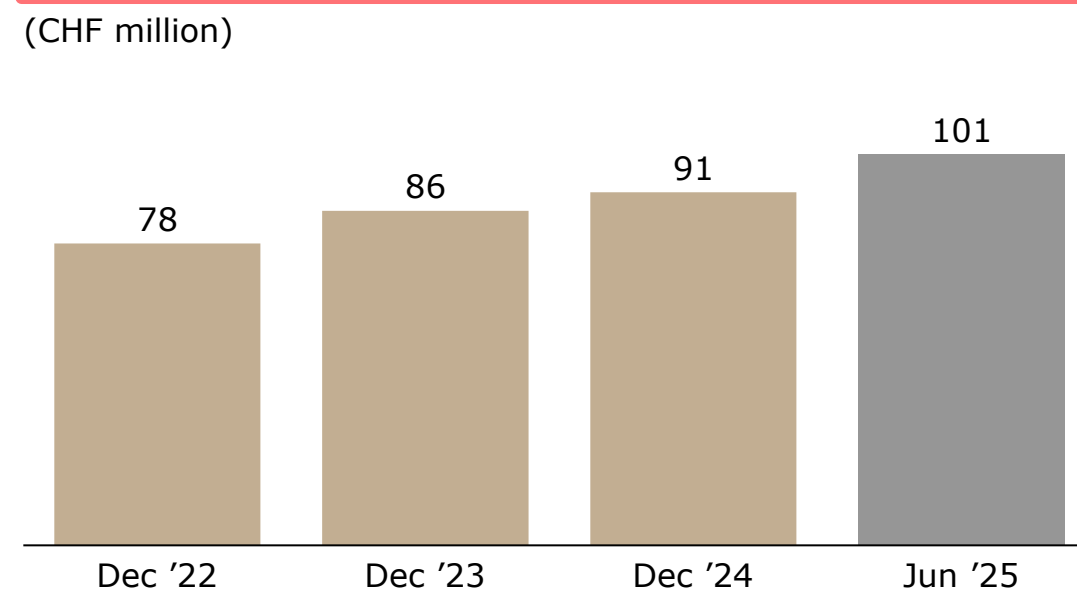
Substantial reduction in working capital supports healthy cash position

Net working capital



- Substantial reduction in net working capital by CHF 47 m versus Dec '24
 - Inventories down by CHF 39 m
 - Trade receivables down by CHF 9 m
 - Trade payables down by CHF 1 m

Net cash position



- Net cash position reflecting improved cash generation and financial stability
- Debt free

Note: For the definitions of u-blox's alternative performance measures, please refer to u-blox's HY 2025 Financial Report

Outlook



Guidance and Outlook

Q3 2025 guidance

Revenue	Cash EBIT margin
CHF 60 - 70 m at constant FX rates: +11% YoY / +6% QoQ (mid point)	0% to 10% Cash EBIT margin (adj)*

* Excludes restructuring costs
Considers FX impact on Revenue of CHF -5m

Outlook

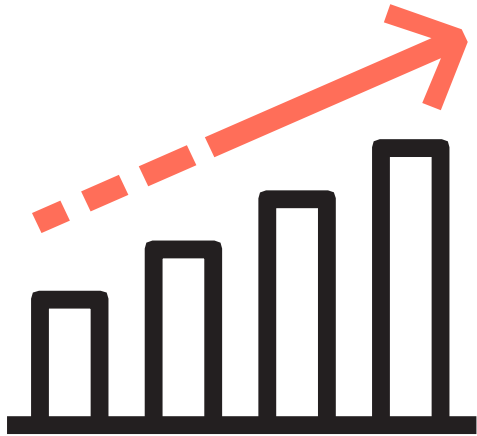
- Geopolitical volatility and lack of a significant recovery in automotive and industrial markets leads to “careful” ordering from customers
- We are well positioned to deal with the current situation
 - The cost base adjustment carried out in the last twelve months puts u-blox in a solid position
 - u-blox continues to monitor developments closely and maintain strict cost discipline
- Double-digit growth expected in Locate and Short Range in 2025

Note: FX rates for Q3 2025 guidance: USDCHF 0.79, EURCHF 0.93
For the definitions of u-blox's alternative performance measures, please refer to HY 2025 Annual Report

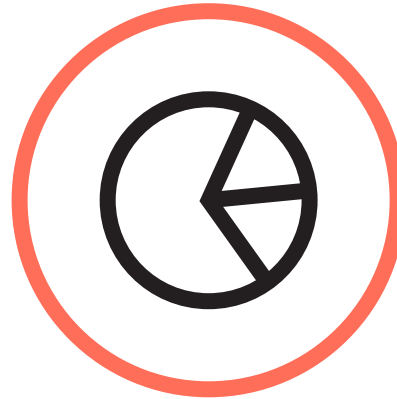
Conclusion

- **Strong H1 2025 results**
 - Revenue up 32% YoY driven by strong performance in Locate and Short-range
 - Cash EBIT (adjusted) turns positive at 2.4%, versus -27.7% in H1'24
 - Free Cash Flow of CHF 5.4 million
 - Successful divestment of Cellular business finalized in June 2025
- **We are excited about our future**
 - Robust mid- to long-term demand for our products
 - Short-term visibility remains limited due to recent geopolitical events
- **The new u-blox is poised to generate sustainable value**

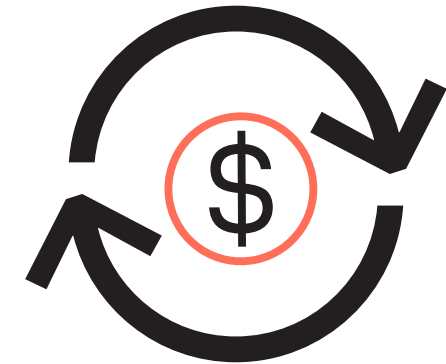
u-blox investment thesis



Strong in structural
growth markets



Undisputed market
leader in Positioning
based on unique IP



Sustainable value
creation

Q&A



Disclaimer

This presentation contains certain forward-looking statements. Such forward-looking statements reflect the current views of management and are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause actual results, performance or achievements of the Group to differ materially from those expressed or implied herein.

Should such risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation.

u-blox is providing the information in this presentation as of this date and does not undertake any obligation to update any forward-looking statements contained in it as a result of new information, future events or otherwise.

IR Agenda and Contacts

Q3 2025 guidance

9M 2025 trading update	22/Oct
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Contact

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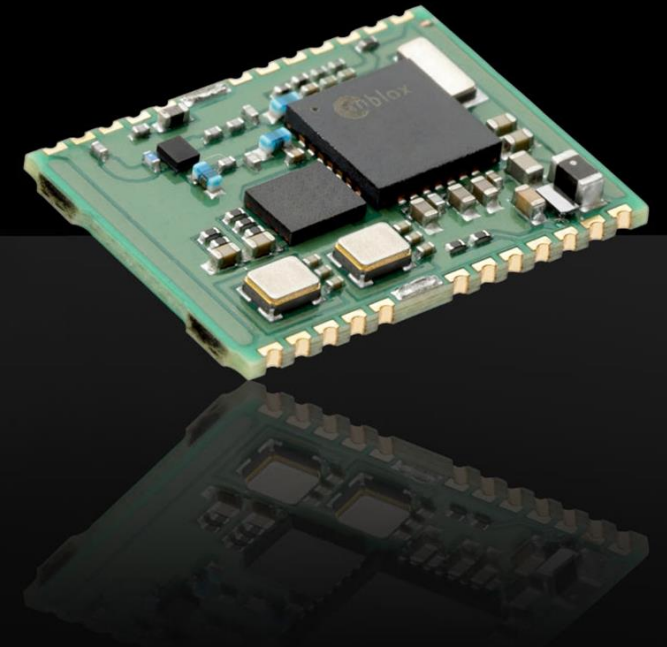
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Thank you for your attention

Appendix



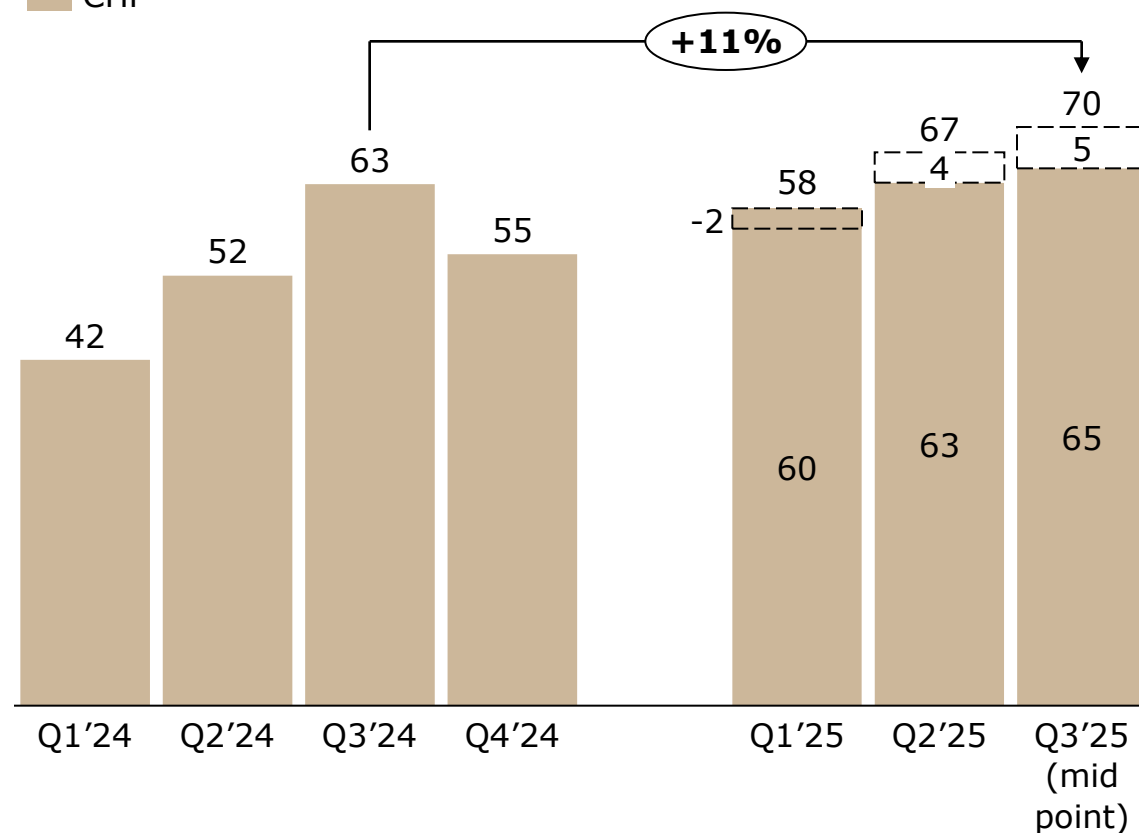
Gradual revenue improvement despite FX headwinds

Revenue

(CHF million)

□ FX impact

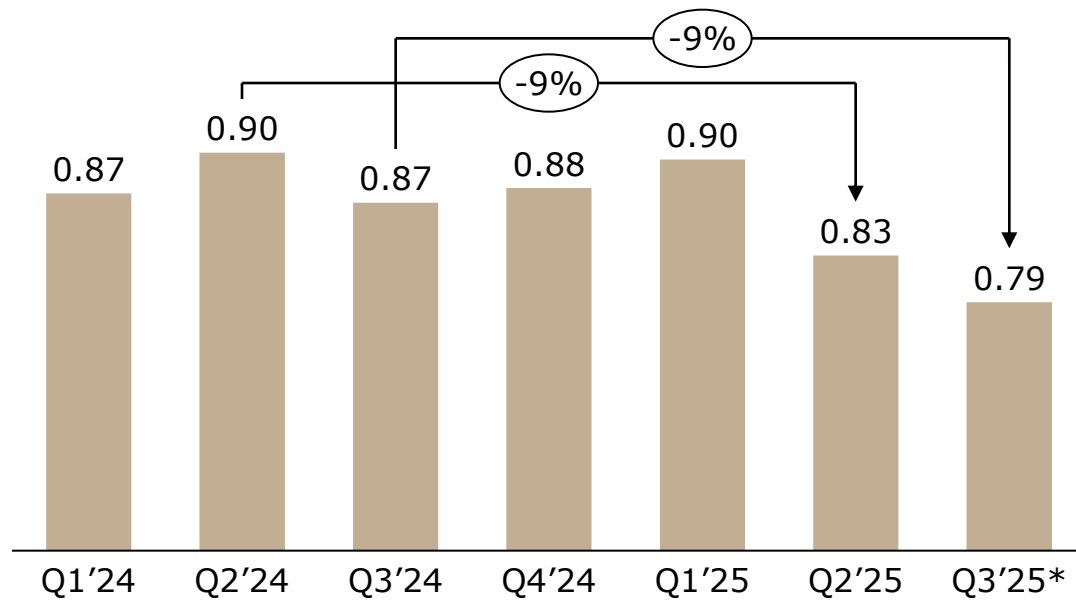
■ CHF



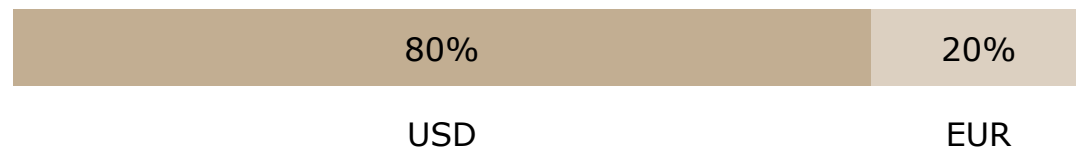
- Higher comparison base in Q3'24
- Q3'25 guidance assumes 8% negative FX impact compared to Q3'24

Negative FX impact due to the weakening of the USD

USD development



Revenue by currency



Impact on u-blox financials from weakening of the USD

- Revenue: negative translational FX impact
- Gross profit: naturally hedged as revenue and COGS predominantly in USD. Negative temporary impact as inventory was bought at a higher USD
- Opex: negative impact from expenses denominated in Swiss Francs

Income statement continuing operations (Locate + Short range)

	H1 2025					H1 2024		FY 2024	
(CHF million)	IFRS	%	adj.	adjusted	%	adjusted	%	adjusted	%
Revenue	123.4	100%	-	123.4	100%	93.8	100%	211.6	100%
Gross profit	71.7	58.1%	+0.2	71.9	58.2%	48.8	52.0%	113.9	53.8%
R&D expenses	-56.0	-45.4%	+1.6	-54.4	-44.1%	-45.4	-48.3%	-92.3	-43.6%
SG&A expenses	-23.4	-18.9%	-0.7	-24.0	-19.5%	-27.0	-28.7%	-54.0	-25.5%
EBIT	-7.7	-6.2%	+1.1	-6.6	-5.3%	-23.6	-25.1%	-32.4	-15.3%
Cash KPIs									
R&D expenses	-56.0	-45.4%	+1.6	-54.4	-44.1%	-45.4	-48.3%	-92.3	-43.6%
Amortization	10.3	8.3%	-	10.3	8.3%	10.2	10.9%	19.9	9.4%
Capitalized development costs	-0.8	-0.6%	-	-0.8	-0.6%	-12.6	-13.4%	-18.6	-8.8%
Cash R&D expenses	-46.5	-37.7%	+1.6	-44.9	-36.4%	-47.8	-50.9%	-91.0	-43.0%
Gross profit	71.7	58.1%	+0.2	71.9	58.2%	48.8	52.0%	113.9	53.8%
Cash R&D expenses	-46.5	-37.7%	+1.6	-44.9	-36.4%	-47.8	-50.9%	-91.0	-43.0%
SG&A expenses	-23.4	-18.9%	-0.7	-24.0	-19.5%	-27.0	-28.7%	-54.0	-25.5%
Cash EBIT	1.8	1.5%	+1.1	2.9	2.4%	-26.0	-27.7%	-31.1	-14.7%

Note: For the definitions of u-blox's alternative performance measures, refer to u-blox's HY 2025 Financial Report

Historical financial key figures continuing operations (Locate + Short range)

(CHF million)	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Guidance Q3'25
Revenue	41.8	52.0	63.1	54.6	60.2	63.2	60 - 70
Cash EBIT (adjusted)	-13.9	-12.1	0.2	-4.5	0.7	2.2	
Cash EBIT margin (adjusted)	-33.2%	-23.2%	0.4%	-8.2%	1.2%	3.6%	0% -10%

Note: For the definitions of u-blox's alternative performance measures, refer to u-blox's HY 2025 Financial Report