

## u-blox reports strong growth and positive Cash EBIT in H1 2025

- **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 2024**
- **Free Cash Flow of CHF 5.4 million**
- **Successful divestment of Cellular business finalized in June 2025**

**Thalwil, Switzerland – 6 August 2025** – u-blox (SIX: UBXN), a global leader in automotive, industrial, and consumer markets, driving innovation through our cutting-edge positioning and short-range communication technologies, today announced its financial results for the first half of 2025, delivering strong growth and a return to positive Cash EBIT (adjusted).

*Following the divestment of the Cellular business, results for the first half of 2025 reflect the company's continuing operations, namely the Locate and Short-range businesses. Comparative figures for H1 2024 have also been adjusted accordingly.*

### Highlights H1 2025 Results

u-blox delivered strong revenue growth of 32% year-on-year, with revenue reaching CHF 123.4 million, up from CHF 93.8 million in H1 2024. All major business segments recorded double-digit growth, supported by the continued reduction of excess inventory at customers and broad-based demand recovery, particularly in the automotive and industrial sectors.

Profitability improved, with EBIT (IFRS) increasing by CHF 20 million, reaching CHF -7.7 million (H1 2024: CHF -28.0 million). Cash EBIT (adjusted) turned positive at CHF 2.9 million, an improvement from CHF -26.0 million in the prior year. This turnaround reflects the successful execution of cost reduction measures in 2024 and operational leverage from higher revenues.

Free Cash Flow also remained positive at CHF 5.4 million, underpinned by strict cost discipline and continued focus on working capital optimization.

In June 2025, u-blox completed the divestment of its Cellular business to Trasna, marking a pivotal step in its strategic transformation. The divestment allows u-blox to focus fully on its core strengths in positioning technologies. The agreement ensures continuity for the Cellular business, which is well-positioned for future growth under its new ownership.

### CEO Comment

"Our first-half 2025 results mark the beginning of the new u-blox with a focused strategy and improved execution performance," said Stephan Zizala, u-blox's Chief Executive Officer. "Our mid- and long-term structural growth potential is robust - the impressive order increase in H1 2025 for autonomous driving and mobile robotics of over 100% year-on-year underline this."

## Financial Overview

### Revenue

Revenue reached CHF 123.4 million in the first half of 2025, up from CHF 93.8 million in H1 2024. Foreign currency exchange rates negatively affected revenue by -2.1%, mainly from the weakening of the US Dollar.

### By Business

- Locate: Revenue grew 33% year-over-year to CHF 106.7 million, driven by improving demand in the automotive (+42%) and industrial (+29%) sectors.
- Short range: Revenue reached CHF 16.7 million, up 24% year-over-year, reflecting a rebound in automotive (+20%) and industrial (+33%) applications.

### By Region

- EMEA: Revenue increased 41% year-on-year to CHF 37.2 million (H1 2024: CHF 26.3 million), driven by strong demand in industrial markets.
- APAC: Revenue grew 20% to CHF 58.5 million (H1 2024: CHF 48.8 million), driven by 57% growth in automotive, which offset softer trends in industrial applications.
- AMEC: Revenue rose 49% to CHF 27.8 million (H1 2024: CHF 18.7 million), supported primarily by a rebound in industrial segments.

### By Market

- Automotive: Revenue totaled CHF 52.1 million, up 40% year-on-year. APAC led growth (+57%), accounting for roughly two-thirds of the segment. Notably, autonomous driving grew the fastest.
- Industrial: Revenue reached CHF 68.1 million, up 30% versus H1 2024. Growth was broad-based, with strong contributions from aftermarket telematics, UAVs, automation & monitoring, and mobile robotics.
- Consumer: Revenue declined 27% to CHF 3.3 million, continuing the downward trend in consumer demand observed since 2022.

### Gross Profit

Gross profit increased to CHF 71.7 million in the first half of 2025, up from CHF 48.6 million in the same period last year. The gross profit margin improved to 58.1%, compared to 51.8% in H1 2024, driven primarily by operating leverage on higher revenue.

### Research and Development (R&D)

R&D expenses amounted to CHF 56.0 million, up from CHF 48.0 million in H1 2024.

Cash R&D expenses (adjusted) reached CHF 44.9 million, compared to CHF 47.8 million in the prior-year period. The reduction is thanks to the cost savings achieved through 2024 cost reductions.

*Cash R&D expenses exclude non-cash items such as amortization and add back capitalized development costs.*

### Sales, General, and Administration (SG&A)

SG&A expenses decreased by 18% to CHF 23.4 million, compared to CHF 28.6 million in the first half of 2024. This reduction reflects the successful execution of the 2024 cost savings program.

### Operating Profit (EBIT)

On an IFRS basis, EBIT improved to CHF -7.7 million in H1 2025 from CHF -28.0 million in H1 2024. The EBIT margin improved accordingly to -6.2%, up from -29.9% in the prior-year period.

Cash EBIT (adjusted) turned positive at CHF 2.9 million, compared to CHF -26.0 million in H1 2024. The Cash EBIT margin (adjusted) improved to 2.4%, up from -27.7%. The improvement reflects cost discipline, operating leverage, and ongoing business transformation.

### Finance Result

Net finance results totaled CHF -2.2 million in H1 2025, compared to CHF 9.2 million in the prior-year period. The decline was largely driven by negative foreign exchange effects of CHF -1.9 million (H1 2024: CHF +8.2 million).

Excluding FX, net finance results stood at CHF -0.3 million, down slightly from CHF +0.9 million in H1 2024.

### Net Profit

Net profit from continuing operations improved to CHF -7.0 million, compared to CHF -15.2 million in H1 2024. Diluted earnings per share (EPS) from continuing operations were CHF -0.93, an improvement from CHF -2.07 in the prior year.

Total net profit, including the impact of discontinued operations (Cellular business), amounted to CHF -46.3 million, compared to CHF -25.8 million in H1 2024. The corresponding diluted EPS was CHF -6.20, compared to CHF -3.51.

### **Cash Flow**

Net working capital changes contributed CHF 35.3 million in the first half of 2025, from CHF 38.5 million in H1 2024, supported by ongoing improvements in working capital management.

Income tax paid was CHF 4.7 million, compared to CHF 0.3 million in the prior year.

Capital expenditures (Capex) dropped significantly to CHF 0.6 million, from CHF 20.6 million in H1 2024, due to lower capitalization of R&D costs.

As a result, free cash flow remained positive at CHF 5.4 million, from CHF 15.7 million reported in H1 2024.

### **Balance Sheet and Financing**

As of 30 June 2025, u-blox reported a solid net cash position of CHF 100.7 million, up from CHF 90.9 million as of 31 December 2024, reflecting improved cash generation and financial stability.

### **Cellular Divestment**

In June 2025, u-blox announced the closing of the previously communicated divestment of its Cellular business to Trasna. This strategic move reinforces u-blox's commitment to sharpening its focus on Locate. Cash inflows of CHF 12 million are expected in the second half of 2025, related to the transaction.

## Outlook

u-blox remains positive in its long-term development prospects. Demand and requirements for semiconductor solutions for automated and autonomous driving, precision agriculture and construction machinery, and mobile robotics are expected to grow significantly.

u-blox's expectations for the 2025 are unchanged as follows:

- Sequential quarterly improvement throughout 2025
- Double digit revenue growth in both Locate and Short range

## Guidance for Q3 2025

u-blox expects revenue of CHF 60 - 70 million in the third quarter of 2025, which mid-point represents growth in constant FX rates of 11% versus Q3 2024 and 6% versus Q2 2025. Cash EBIT margin (adjusted)<sup>1</sup> is expected at 0% to 10%. The guidance incorporates an expected FX impact, based on current exchange rates<sup>2</sup>, of CHF -5 million in Revenue, mainly from the weakening of the USD versus the CHF.

## Key figures

(CHF million)	H1 2025	H1 2024
Revenue	123.4	93.8
EBIT	-7.7	-28.0
EBIT margin	-6.2%	-29.9%
Cash EBIT (adjusted)	2.9	-26.0
Cash EBIT margin (adjusted)	2.4%	-27.7%
Free Cash Flow	5.4	15.7

For the complete consolidated financial statements and definitions of alternative performance indicators, please refer to our [Half-Year 2025 Report](#).

## Conference call and webcast details

For details on the half-year 2025 results webcast, please click [here](#).

## For further information, please contact:

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<sup>1</sup> Excluding restructuring costs

<sup>2</sup> USDCHF 0.79; EURCHF 0.93

u-blox (SIX:UBXN) is a global leader in automotive, industrial, and consumer markets, driving innovation through our cutting-edge positioning and short-range communication technologies. We are the pioneers behind high-precision technologies, providing smart and reliable solutions that enable people, vehicles, and machines to determine their precise position and communicate wirelessly. With headquarters in Thalwil (Zurich), Switzerland, and offices across Europe, Asia, and the USA, we are making a global impact.

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