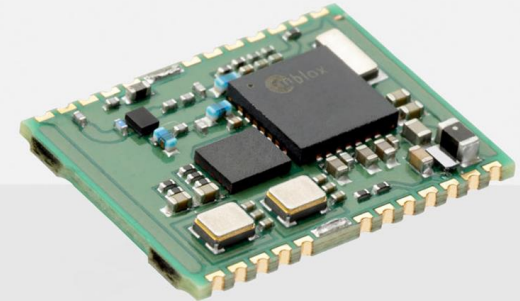


First Half 2023 Results u-blox Holding AG

18 August 2023

Stephan Zizala, CEO

Roland Jud, CFO



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.

Agenda

H1 2023 Highlights and Revenue Analysis

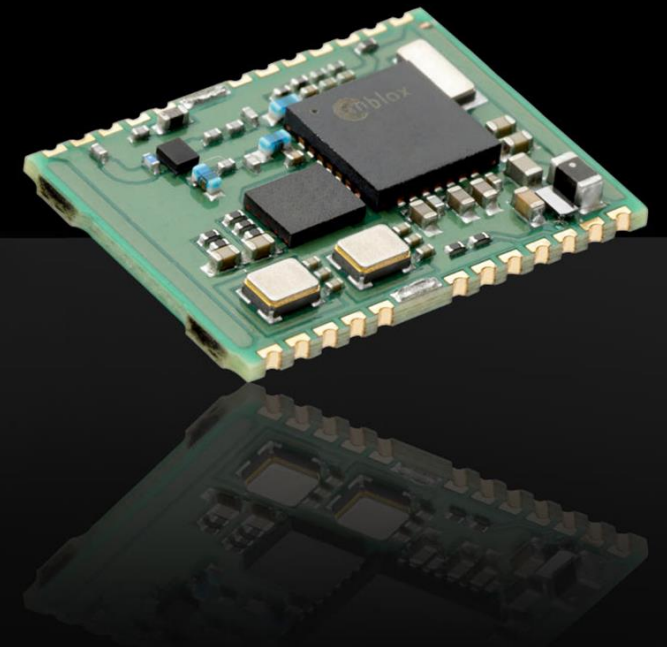
H1 2023 Financial Review

H1 2023 Business Review

Outlook

Q&A

H1 2023 Highlights and Revenue Analysis



H1 2023 Highlights: Double-digit growth in revenue

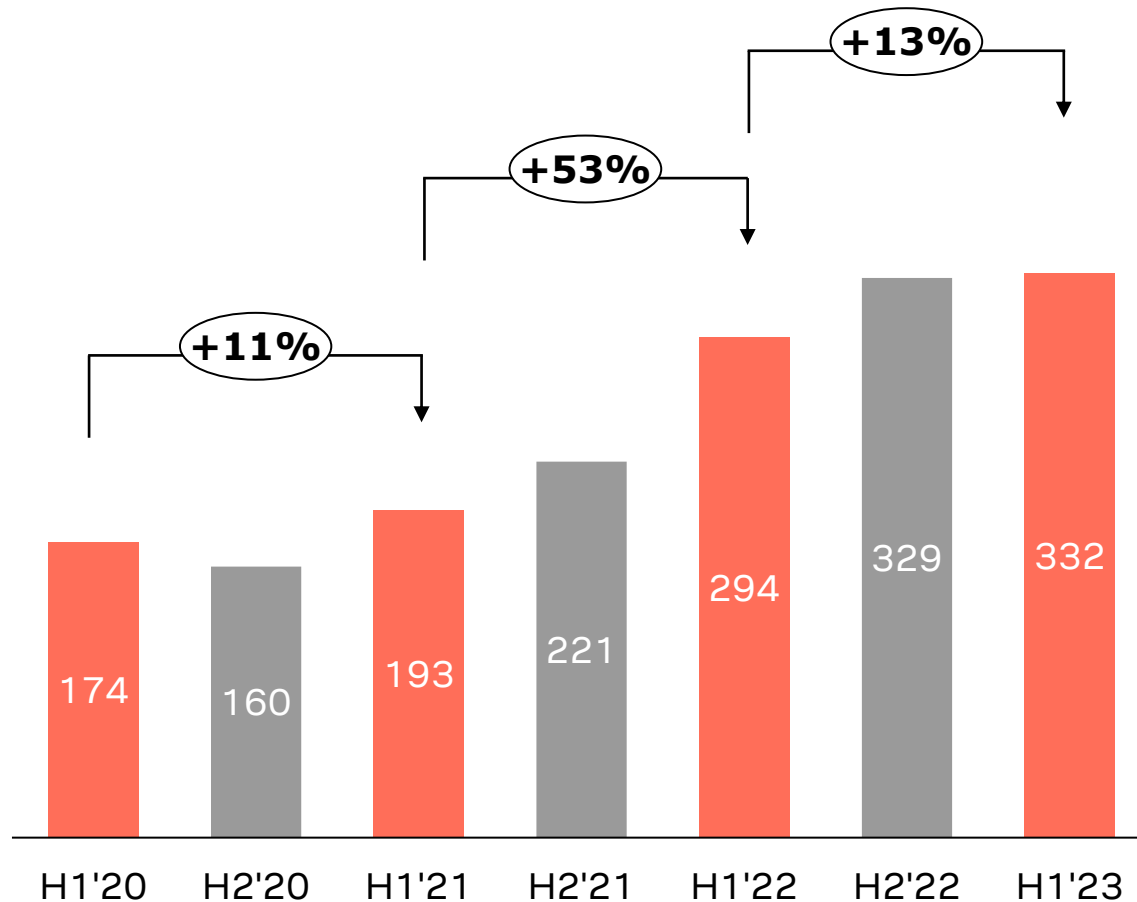
- Revenue increased by 13% (+15% at constant currencies)
- EBIT (adjusted¹) reached CHF 61.7 million corresponding to an EBIT margin (adjusted) of 18.6%
- Net profit (adjusted) amounted to CHF 48.3 million
- Secured significantly more design-wins in automotive and industrial target applications than in the previous year
- Partnership with Orbcomm enabling satellite IoT connectivity at attractive cost

1)Excl. Share-based payments, impacts based on IAS-19, amortization of intangible assets acquired, impairments and non-recurring expenses.



H1 2023 with double-digit growth in revenue

Revenue [MCHF]



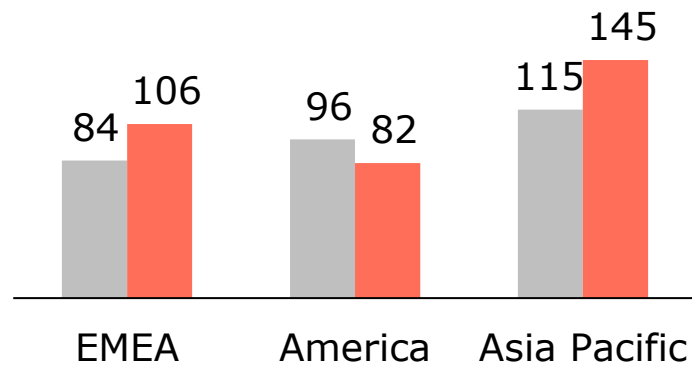
- H1 2023 revenue of CHF 332 million
- Revenue increased by 13% in CHF
- Revenue grew by 15% at constant FX rates
- Double-digit growth despite strong comparison base in 2022
- Revenue was mainly driven by volumes in the focus markets of automotive and industrial applications and delivery of the 2022 order backlog

Revenue segmentation H1 2023

Revenue by region

[MCHF]

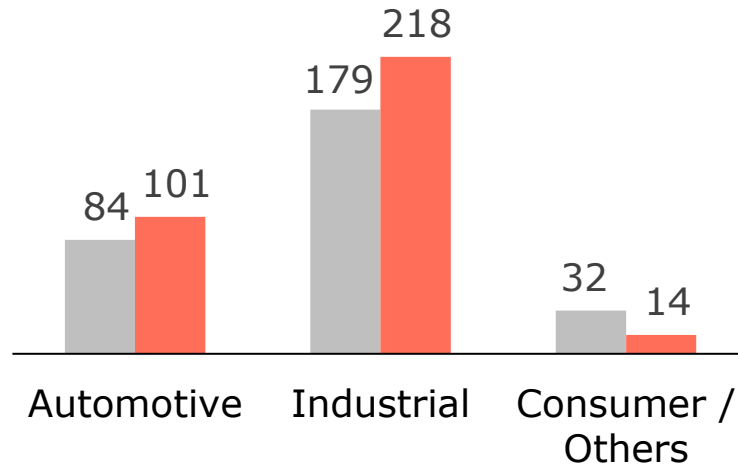
■ H1'22 ■ H1'23



- EMEA: Ramp up of the tracking business and delivery of the 2022 order backlog
- America: Demand reduction in healthcare and consumer applications
- APAC: Demand from automotive customers and safety stock build-up for a healthcare customer

Revenue by market

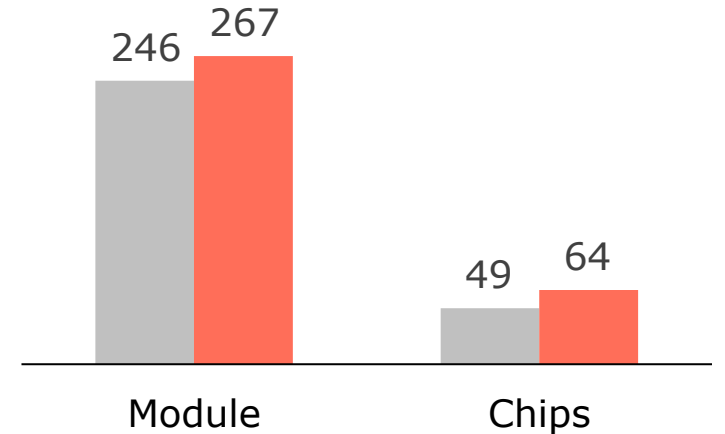
[MCHF]



- Automotive: Driven by new products and delivery of the 2022 order backlog
- Industrial: Strong demand in tracking with market share gains and deliveries of the 2022 order book
- Consumer / Others: Primarily due to the decline of consumer demand since mid-2022

Revenue by product type

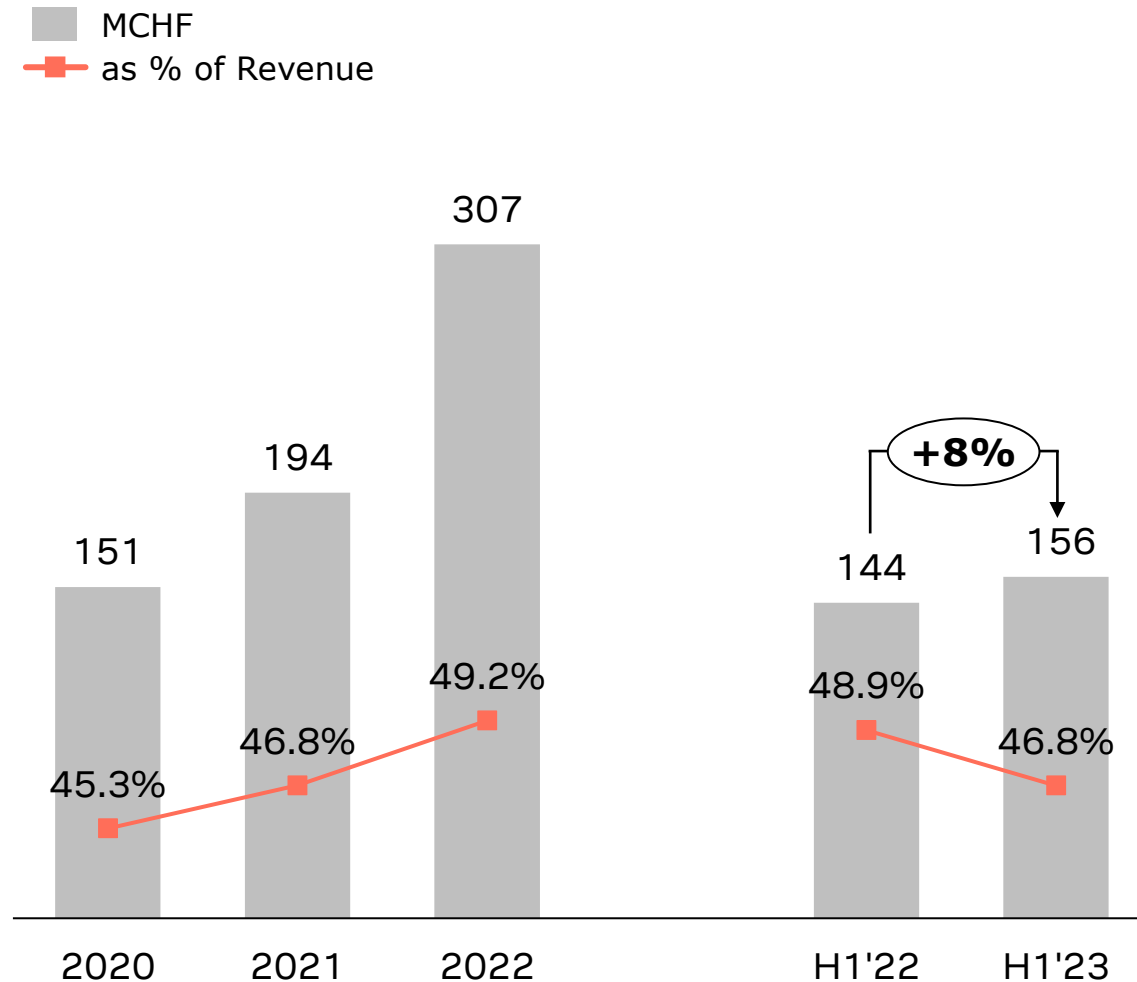
[MCHF]



- Module and chips volumes grew in the period
- Chips sales grew faster driven by automotive

Gross profit (adjusted)

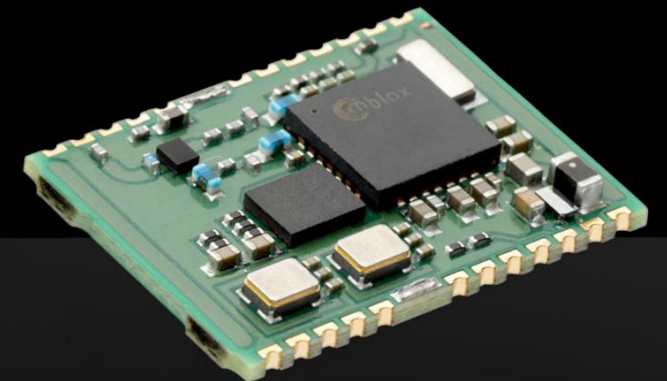
Gross profit (adjusted)



- Gross profit (adjusted¹) increased to CHF 156 million from CHF 144 million in H1 2022
- Gross profit margin (adjusted) reached 46.8% from 48.9%
- Product mix changes responsible for the decline
- No significant price deflation

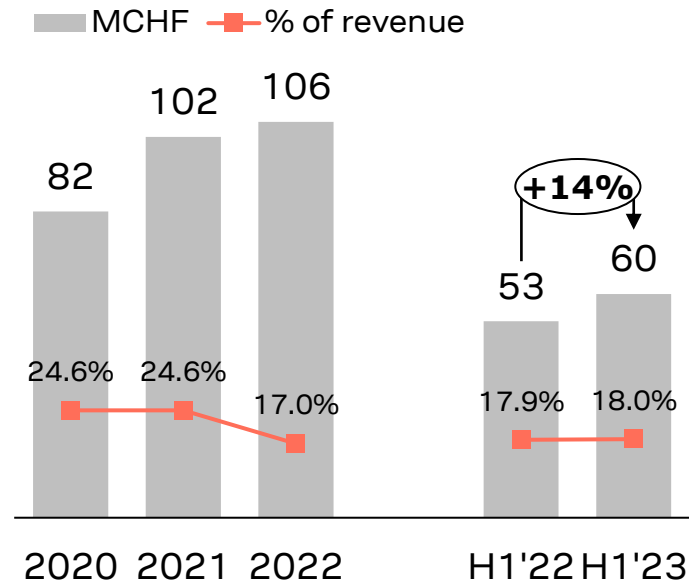
¹Excl. Share-based payments, impacts based on IAS-19, amortization of intangible assets acquired, impairments and non-recurring expenses.

H1 2023 Financial Review



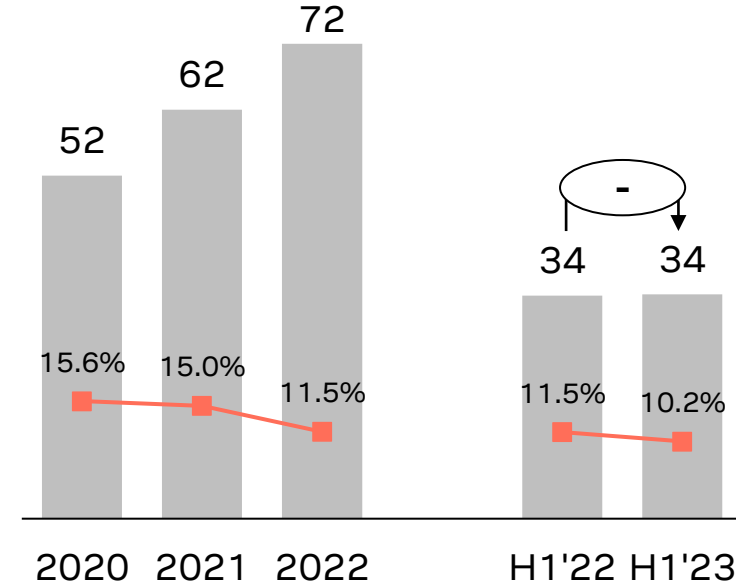
Operating expenses and EBIT

R&D expenses* (adjusted¹)



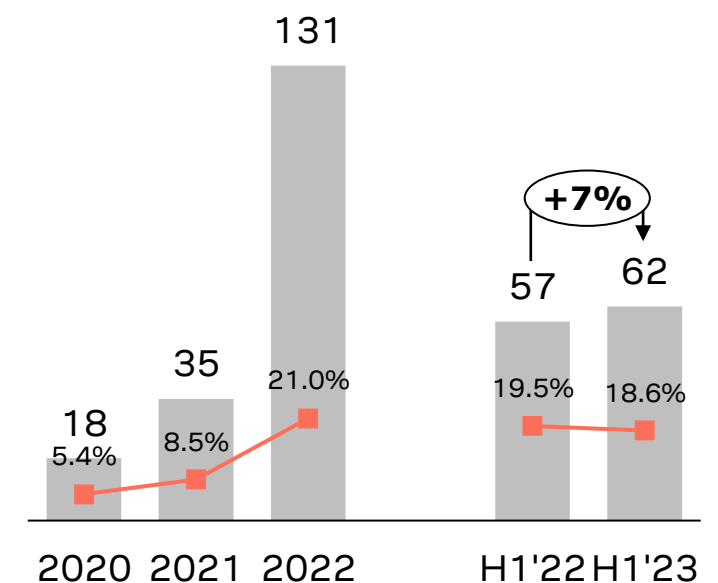
- R&D expenses (adjusted) increase in the period mainly due to a lower average capitalization rate in the period

SG&A expenses* (adjusted)



- SG&A (adjusted) as a percentage of revenue was 130bps lower in H1 2023 versus H1 2022, mainly due to operational leverage and lower personnel expenses related to variable compensation

EBIT (adjusted)

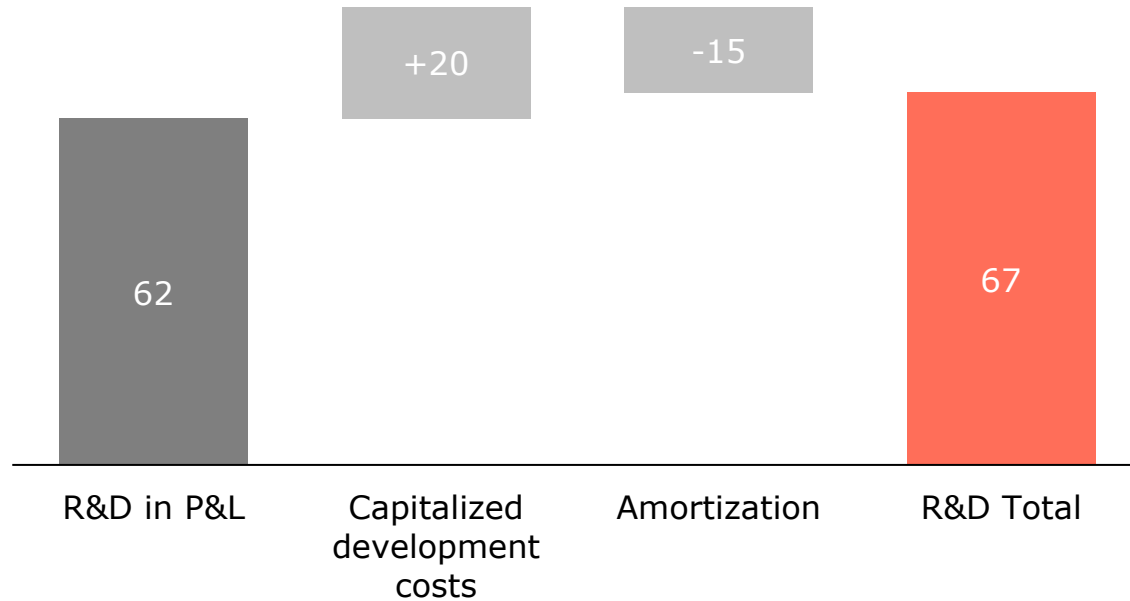


- EBIT (adjusted) grew in H1 2023 after exceptional results achieved in 2022, yielding a margin of 18.6%

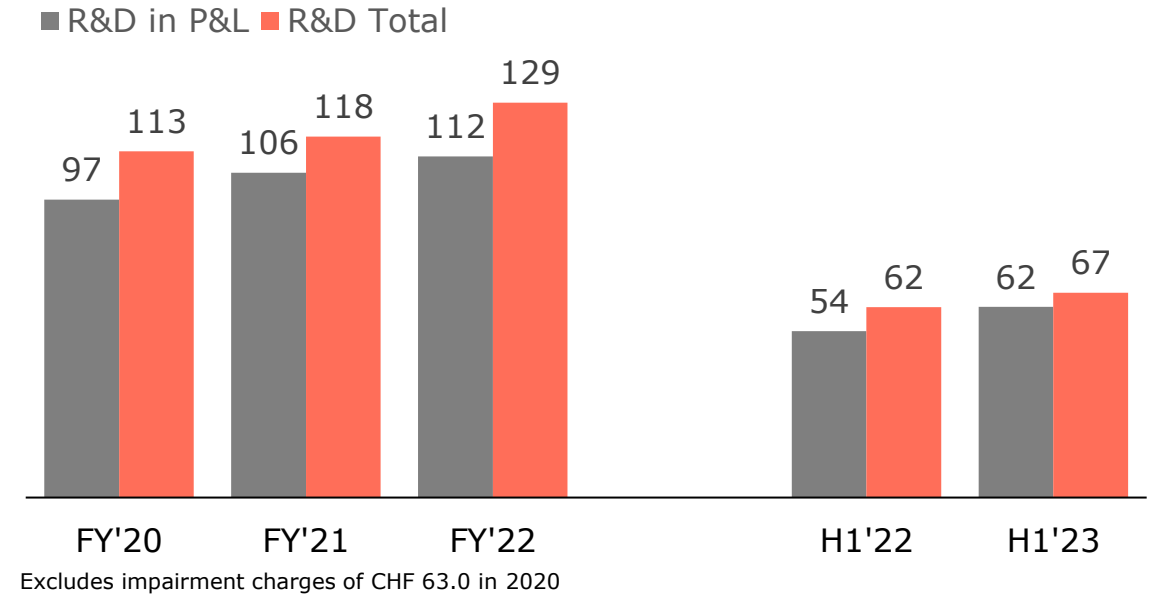
* Expenses including depreciation and amortization 1) Excl. Share-based payments, impacts based on IAS-19, amortization of intangible assets acquired, impairments and non-recurring expenses.

R&D expenses and capitalization

R&D expenses H1 2023 [MCHF]



Historical [MCHF]



- R&D expenses in the P&L exclude capitalized development costs and includes amortization

- Over time and depending on the state of development projects, capitalization and amortization fluctuate, generating different results in the P&L
- Currently capitalization at similar levels of amortization

Income statement

IFRS reported and adjusted figures [MCHF]

	H1 2023						H1 2022	
	IFRS		Adjustments ²⁾		Adjusted		Adjusted	
	MCHF	%	MCHF	MCHF	%	MCHF	%	
Revenue	332.3	100	-	332.3	100	294.4	100	
Gross profit	155.5	46.8	+0.2	155.6	46.8	143.8	48.9	
R&D expenses	(62.3)	(18.8)	+2.4	(59.9)	(18.0)	(52.6)	(17.9)	
SG&A expenses	(34.7)	(10.4)	+0.7	(34.0)	(10.2)	(33.8)	(11.5)	
EBIT	58.5	17.6	+3.2	61.7	18.6	57.4	19.5	
Net fin. results, assoc.	(0.5)	(0.2)	+0.1	(0.4)	(0.1)	(0.8)	(0.3)	
FX	(3.4)	(1.0)	-	(3.4)	(1.0)	3.1	1.1	
EBT	54.5	16.4	+3.3	57.8	17.4	59.7	20.3	
Income tax	(8.5)	(15.5)	-1.0	(9.5)	(16.4)	(11.0)	(18.4)	
Net profit	46.1	13.9	+2.3	48.3	14.5	48.7	16.6	
Basic EPS (in CHF)	6.52	1.96	+0.33	6.85	2.06	7.02	2.38	
Diluted EPS (in CHF)	6.35	1.91	+0.32	6.67	2.01	7.00	2.38	
	-			-		-		
EBIT	58.5	17.6	+3.2	61.7	18.6	57.4	19.5	
Depreciation and amort.	(23.7)	(7.1)	+1.4	(22.3)	(6.7)	(19.1)	(6.5)	
EBITDA¹⁾	82.2	24.7	+1.8	84.0	25.3	76.6	26.0	

- FX result of CHF -3.4 million in H1 2023
 - Realized CHF -2.2 million
 - Unrealized CHF -1.2 million
- Income tax (adjusted) of CHF 9.5 million in H1 2023
 - 16.4% tax rate (adjusted)
- Diluted EPS (adjusted) of CHF 6.67

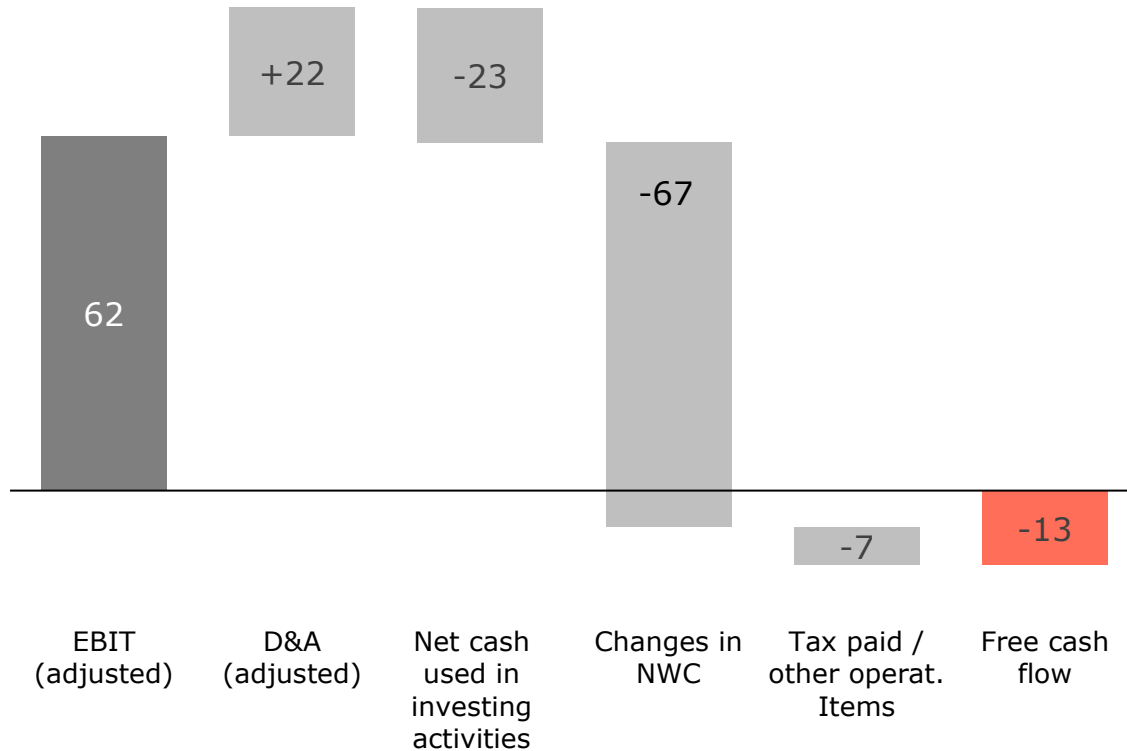
1) Management calculates EBITDA (earnings before interest, taxes, depreciation and amortization) by adding back depreciation and amortization to operating profit (EBIT), in each case determined in accordance with IFRS.

2) Adjustments are impacts of share-based payments, pension calculation according to IAS-19, nonrecurring expenses, impairments and amortization of intangible assets acquired.

Cash generation

IFRS reported figures [MCHF]

Free cash flow H1 2023



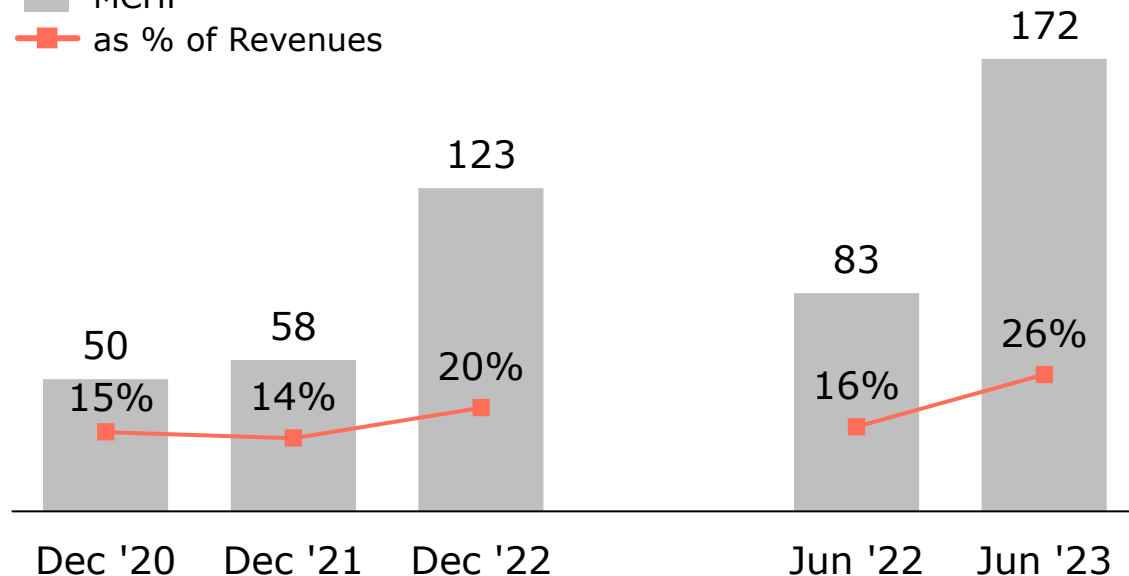
- Changes in net working capital of CHF -67 million
 - Higher trade receivables, due to higher level of sales in June 2023
 - Lower trade payables, due to stable inventory levels in H1 2023 (build up of inventory at the end of 2022 caused high trade payables in Dec 2022)
 - Lower accrued expenses related to variable compensation
- Capex of CHF 23 million
- Free cash flow CHF -13 million

Balance sheet: Working capital and net cash

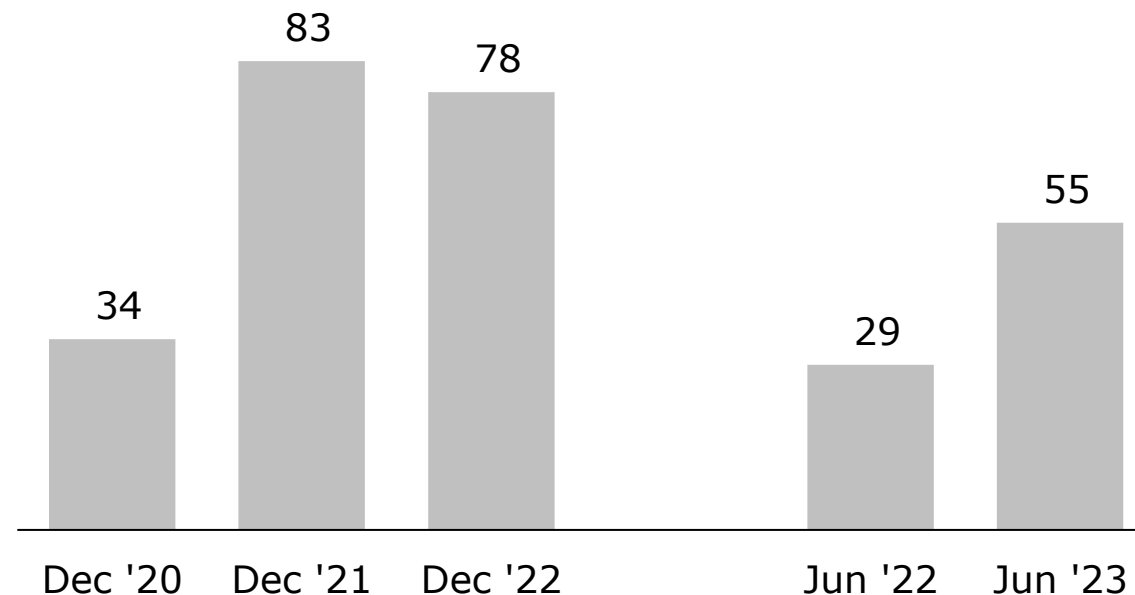
IFRS reported figures [MCHF]

Net working capital

■ MCHF
—■ as % of Revenues



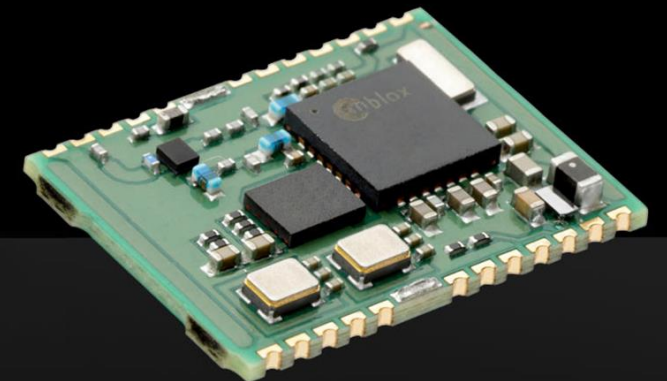
Net cash position



- Working capital increased compared to 30 June '22 and 31 Dec '22

- Net cash position as of 30 June 2023 of CHF 55 million
- Dividend payment of CHF 14 million
- Repayment of the CHF 60 million bond
- Drawn of a CHF 40 million short-term bank facility

H1 2023 Business Review



H1 2023: Right products, reliable partnerships (1/2)

- Focus on automotive and industrial
 - Secured significantly more design-wins than in the previous year, including one in automated driving with a leading car manufacturer
 - These wins underline our strong market position especially in positioning and secure our mid- to long term structural growth
 - JODY-W5: u-blox's newest dual-band Wi-Fi 6 and dual-mode Bluetooth® 5.3 module is an automotive-grade module, ideal for preventing wireless network congestion in the car and delivering enhanced audio functionalities



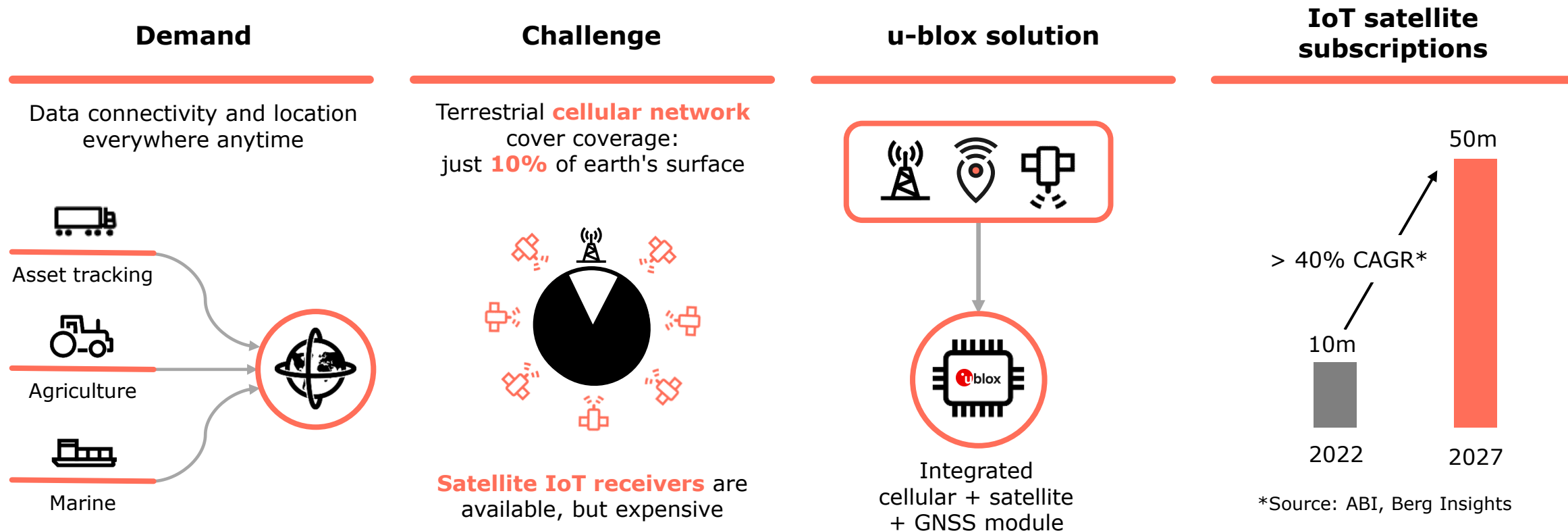
H1 2023: Right products, reliable partnerships (2/2)

- New service expansions
 - GMV: to combine u-blox's GNSS receiver hardware with GMV's safe correction service, sensor fusion, and positioning engine
 - Position Partners: u-blox offers PointPerfect GNSS augmentation service to Victoria and New South Wales, as an initial step in rolling out the service to the Australian and New Zealand markets
 - Orbcomm: Partnership to cover Orbcomm's satellite protocols and 3GPP LTE M needs, creating a good opportunity for expanding u-blox's satellite communication capabilities



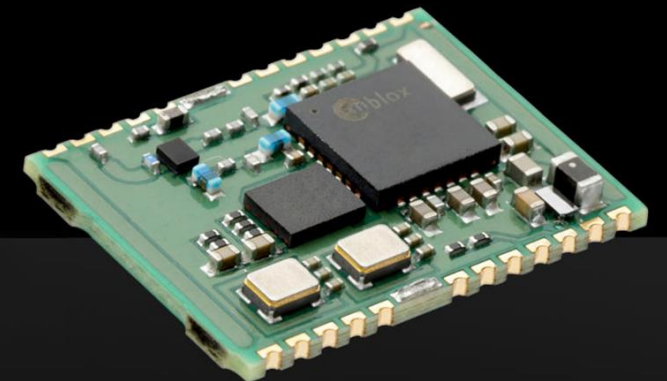
u-blox enables IoT connectivity beyond cellular

Cost effective cellular + satellite connectivity solutions



u-blox and its partner Orbcomm **enable a new multi-million-dollar market** by a unique combination of cellular, satellite communication and GNSS competencies

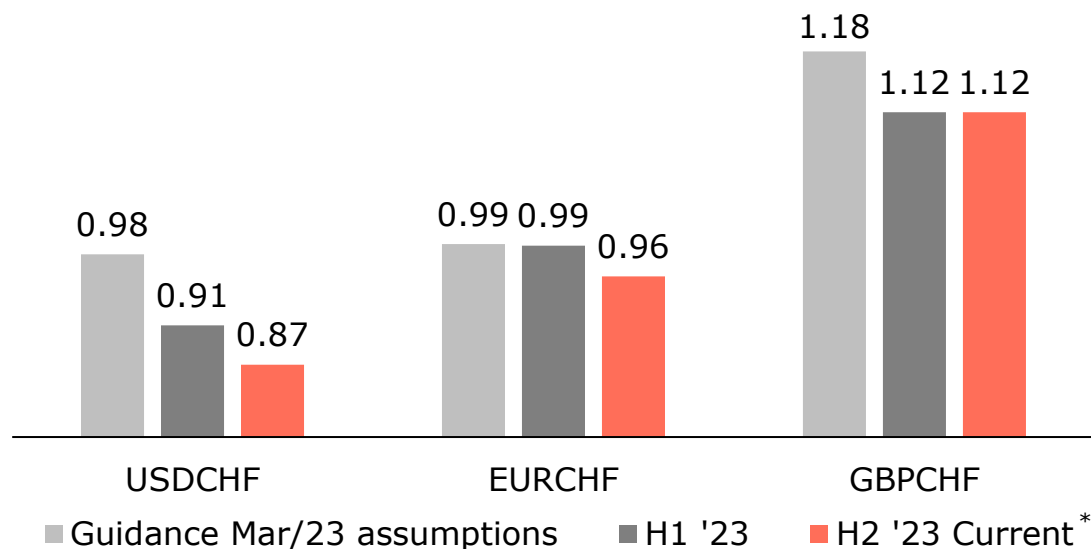
Outlook



FY 2023 Guidance

Foreign exchange development

Development of main currencies



*Spot rates as of 1 Aug 2023

- Guidance released in March '23 assumed an average USDCHF of 0.98, EURCHF of 0.99 and GBPCHF of 1.18
- The three currencies lost value versus the Swiss Franc in 2023

FX sensitivity vs the Swiss Franc

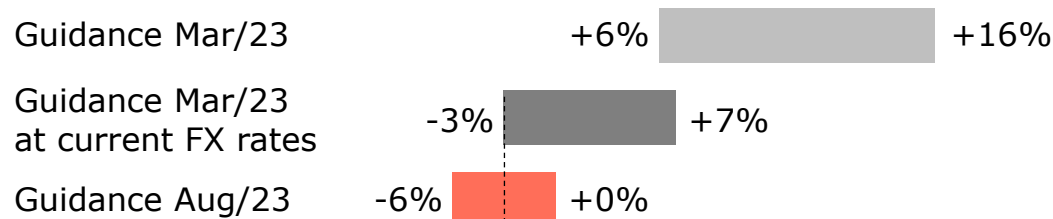
+10% of	USD	EUR	GBP
Revenue	+ 9%	+ 1%	0%
EBITDA	+ 14%	0%	- 2%
EBIT	+ 19%	0%	- 4%

- u-blox is exposed mainly to the US Dollar on a revenue and profitability basis
- EUR and GBP play a smaller role

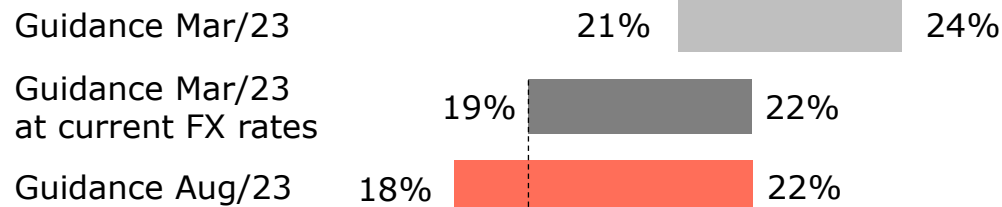
FY 2023 Guidance

Revised guidance August 2023

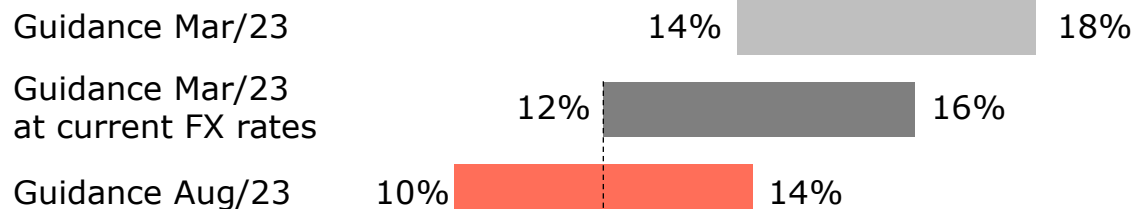
Revenue [vs FY 2022]



EBITDA margin (adjusted)



EBIT margin (adjusted)



- Guidance released in March '23 assumed an average USDCHF of 0.98, EURCHF of 0.99 and GBPCHF of 1.18
- By converting the original guidance to current rates, a new range is obtained
- From the lower end of the converted guidance, we derive the revised guidance
- The revised guidance reflects:
 - Adverse currency effects
 - Overstocking very late in the soft market cycle (overreaction to supply shortage in 2022 at top tier customers)
 - Focused and consistent investment in our long-term growth
- Additional effects on EBITDA and EBIT margin
 - Lower operational leverage
 - Inventory cost at higher FX rates
 - Lower gross margin due to changes in product mix

FY 2023 Guidance

Revised guidance August 2023

	2022 act.	Guidance 2023 (10 March 2023)	Revised guidance 2023 (18 August 2023)
Revenue change YoY	51%	+6...16% +37 ... +100 (MCHF)	-6...+0% -39 ... +1 (MCHF)
EBITDA¹⁾ margin	27.2%	21...24%	18...22%
EBIT¹⁾ margin	21.0%	14...18%	10...14%

Transparent reporting

- Full P&L bi-annually
- Quarterly update of revenue

Exchange rate assumptions

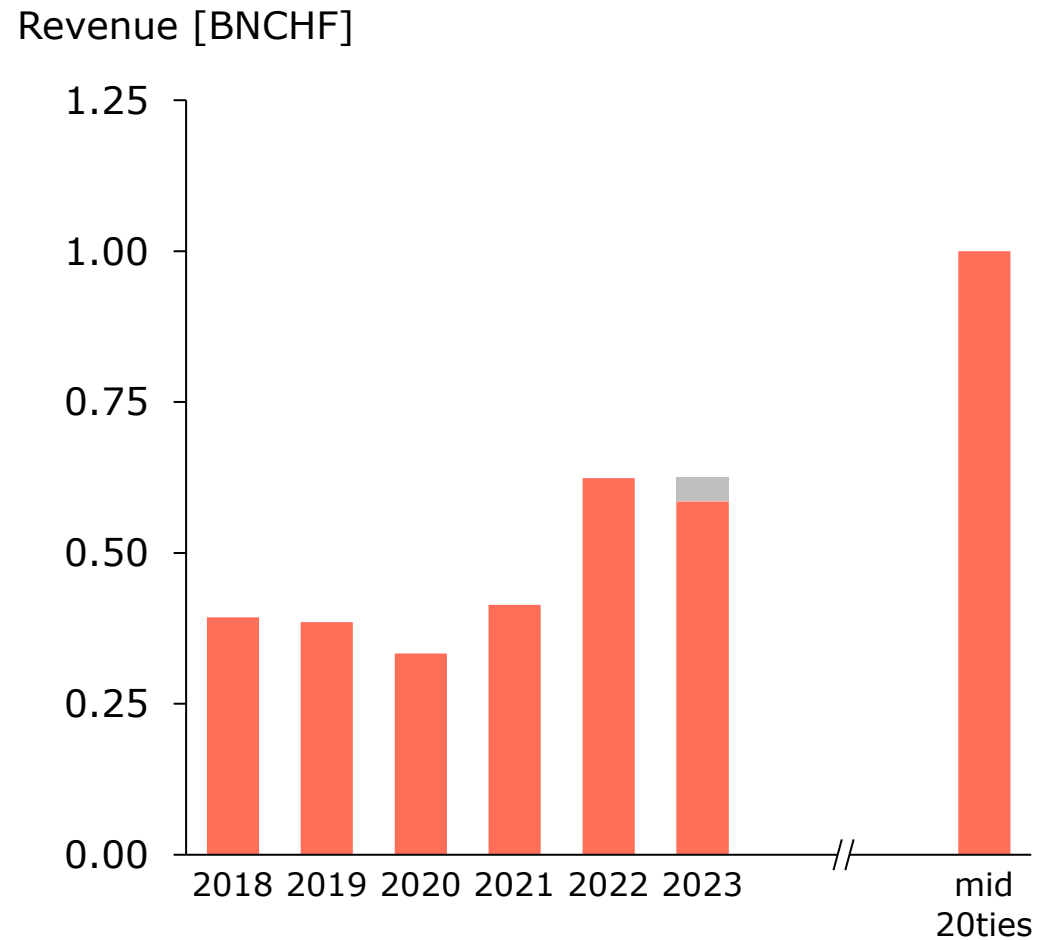
1 USD = 0.89 CHF, 1 EUR = 0.97 CHF, 1 Pound Sterling = 1.12 CHF

FX-sensitivity against CHF

+10% of	USD	EUR	GBP
Revenue	+ 9%	+ 1%	0%
EBITDA	+ 14%	0%	-2%
EBIT	+ 19%	0%	-4%

¹⁾ Excl. share-based payments, impacts based on IAS-19, amortization of intangible assets acquired, impairments and non-recurring expenses.

Financial ambitions shown at CMD 2022



Ambitions

GM ~ 50%

R&D < 20%

SG&A < 14%

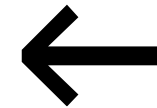
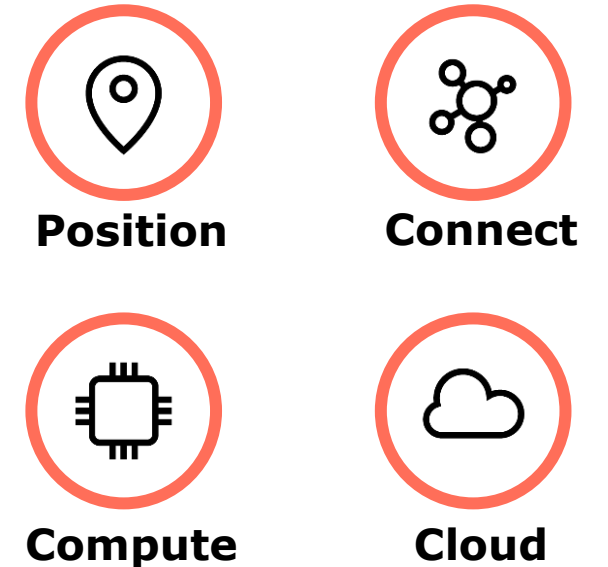
(indicative, no guidance)



u-blox: positioning and connectivity solutions addressing megatrends – precise, reliable, easy to work with

Megatrends



u-blox value

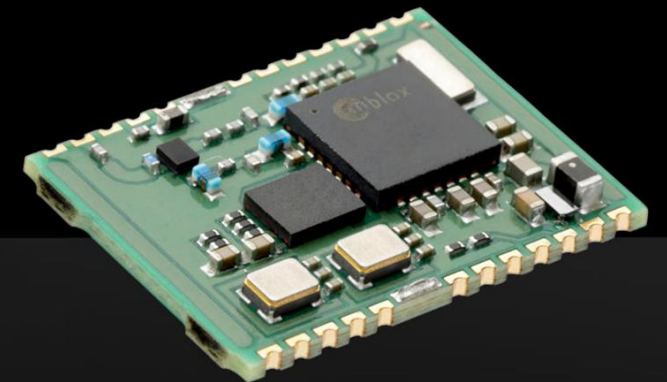


-  Easy to implement
-  Safe and secure

Upcoming events

Nine-month revenue release	11 October 2023
Capital markets day	21 November 2023

Q&A





Contact

Rafael Duarte

Head of Investor Relations

Phone: +41 79 966 89 12

rafael.duarte@u-blox.com

Dynamics Group AG

Doris Rudischhauser

Phone: +41 79 410 81 88

doris.rudischhauser@u-blox.com

The Equity Group Inc.

Lena Cati

Phone: +1 (212) 836-9611

lcati@equityny.com

Thank you for your attention