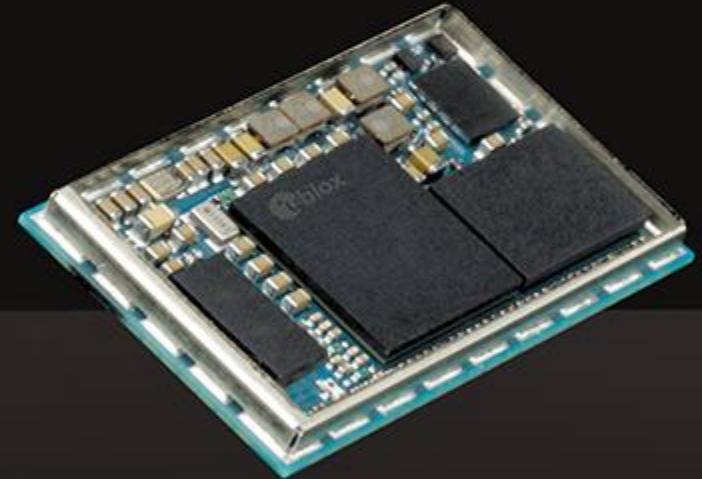# u-blox Investor Presentation

November 2020 | www.u-blox.com | SIX: UBXN

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.

Our vision
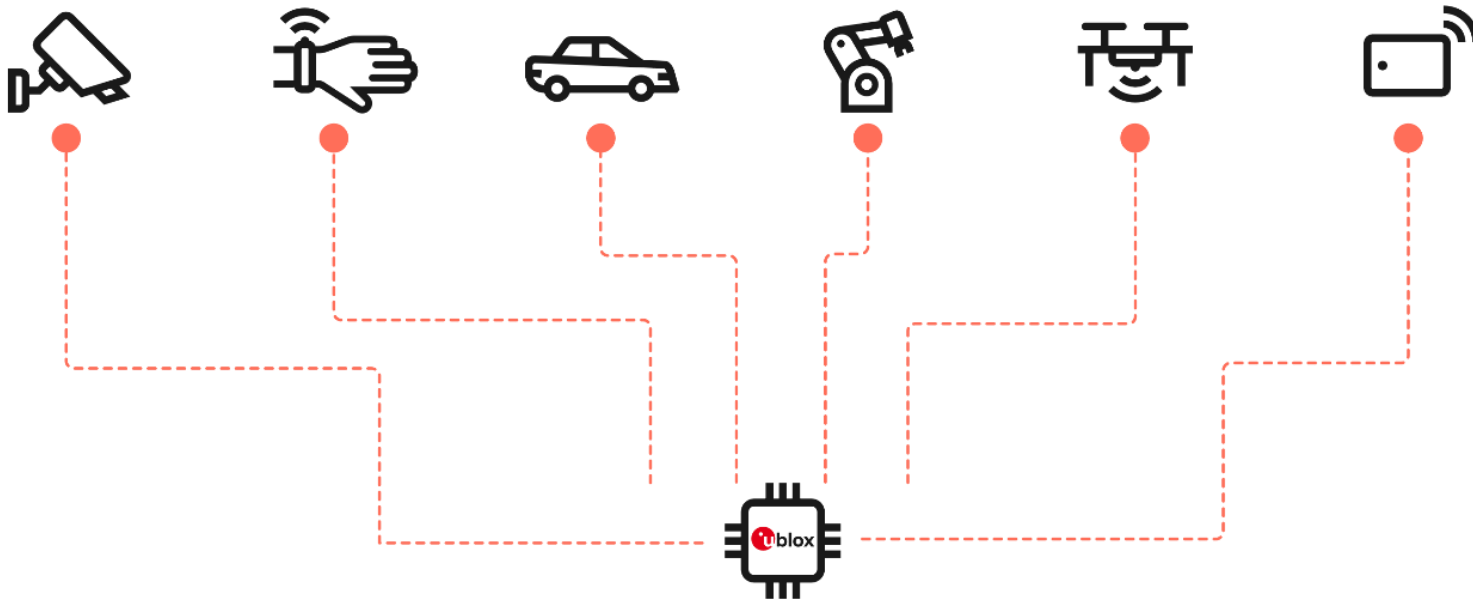
Mission

With our innovative products and services, we empower customers to locate their devices and connect them from silicon to cloud.

Vision

We enable customers to make their business wirelessly connected. As we develop next-generation silicon and services, we remain committed to putting state-of-the-art products into the hands of our customers that are built to last and to secure systems from within. Adhering to the Swiss tradition of technological innovation we continuously strive to find applicable and modern ways to boost our customers businesses. This helps us in building a sustainable future.

Billions of things waiting to be connected

u-blox

Drones
~5 million

Laptops
~0.9 billion

Cars
~0.5 billion

Parking spaces
~1.2 billion

Power tools
~1.3 billion

Bicycles
~1.3 billion

Pets
~0.5 billion

Street lights
~1 billion

People
~2.2 billion

u-blox Holding AG - UBX-20037476 - C1-Public

u-blox at a glance
A market leader in positioning and wireless communication technology

Our business

- Global provider of leading positioning and wireless communication technologies

- u-blox enables OEMs to reliably locate and connect people and devices

- A fabless company owning the full IP focusing on R&D and customer relationships

- All manufacturing outsourced

- Founded in 1997 as a spin-off from Swiss Federal Institute of Technology

P

Positioning

To locate the source of information

C

Cellular connectivity

To connect over a wide area

S

Short range connectivity

To connect over short distances

U

Services

Connectivity, Core Protection, Extensions

Products comprise of chipsets, modules and data services

u-blox at a glance in numbers

3
Core markets

Automotive Industrial Consumer

385m
Revenue in 2019

in CHF

1997
Founded as a spin-off from

ETH Zurich

20.5 %
of revenue invested into

R&D

7600
Customers
served world-wide
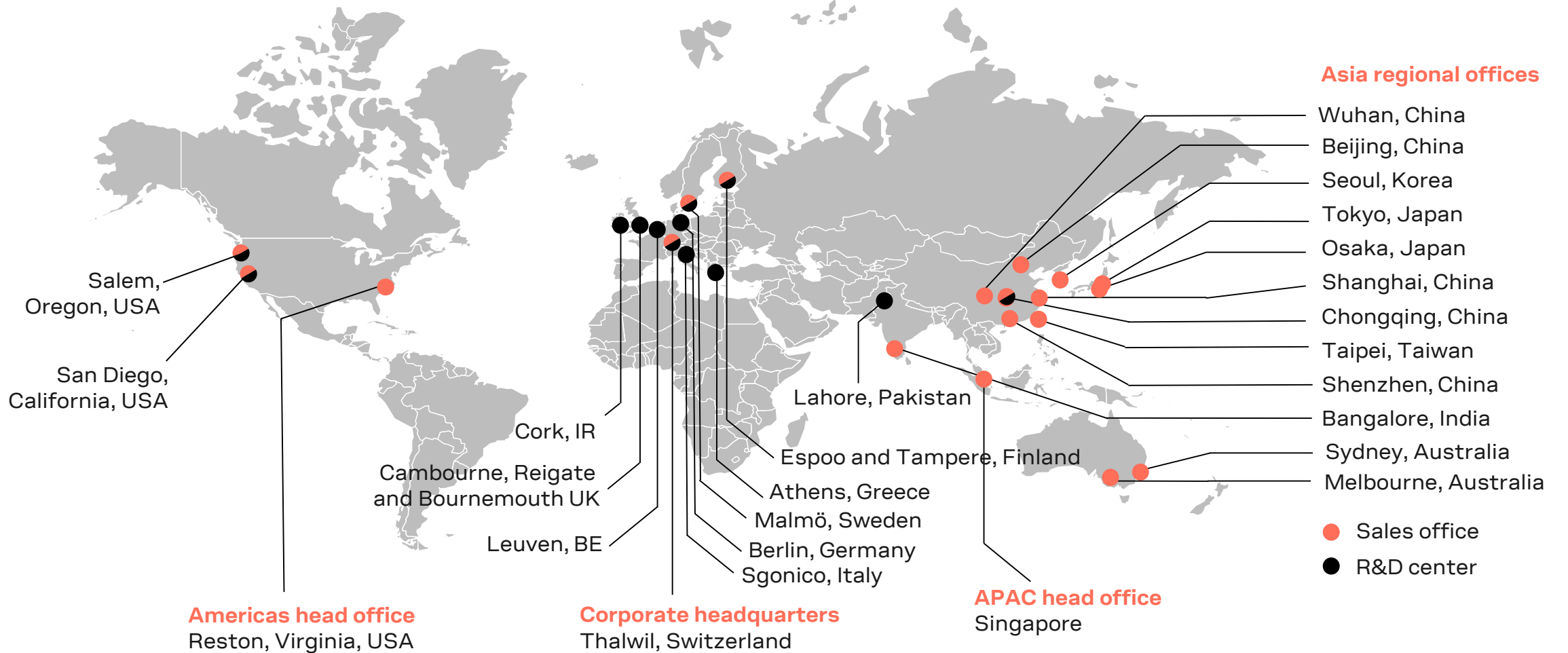
1/3
of revenue
AMER, EMEA, APAC

1000+
Employees
68% in R&D

2007
IPO and listed
SIX:UBXN

Global presence

29 locations

Asia regional offices

Wuhan, China

Beijing, China

Seoul, Korea

Tokyo, Japan

Osaka, Japan

Shanghai, China

Chongqing, China

Taipei, Taiwan

Shenzhen, China

Bangalore, India

Sydney, Australia

Melbourne, Australia

Salem,
Oregon, USA

San Diego,
California, USA

Lahore, Pakistan

Cork, IR

Cambourne, Reigate
and Bournemouth UK

Espoo and Tampere, Finland

Athens, Greece

Leuven, BE

Malmö, Sweden

Berlin, Germany

Sgonico, Italy

● Sales office

● R&D center

Americas head office
Reston, Virginia, USA

Corporate headquarters
Thalwil, Switzerland

APAC head office
Singapore

We make wireless and location easy

Unique solution capability for connecting things to the cloud

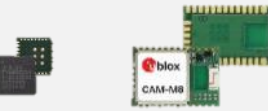|	**P** Positioning	**C** Cellular Communication	**S** Short Range Communication
Integrated Circuits			
Modules			
U Services	Connectivity Core Protection Extensions		

The **combination of our three core technologies** offered in the form of **chips and modules** provides essential benefits to our customers.

The combination of technologies provides for **solutions that deliver extra value** not available otherwise.

Services on top deliver improved functionality with recurring revenues over the lifetime of the product.

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We make wireless connectivity easy
Built bottom-up from core IP

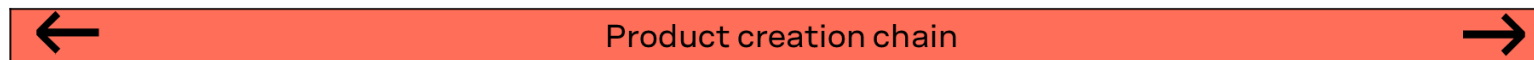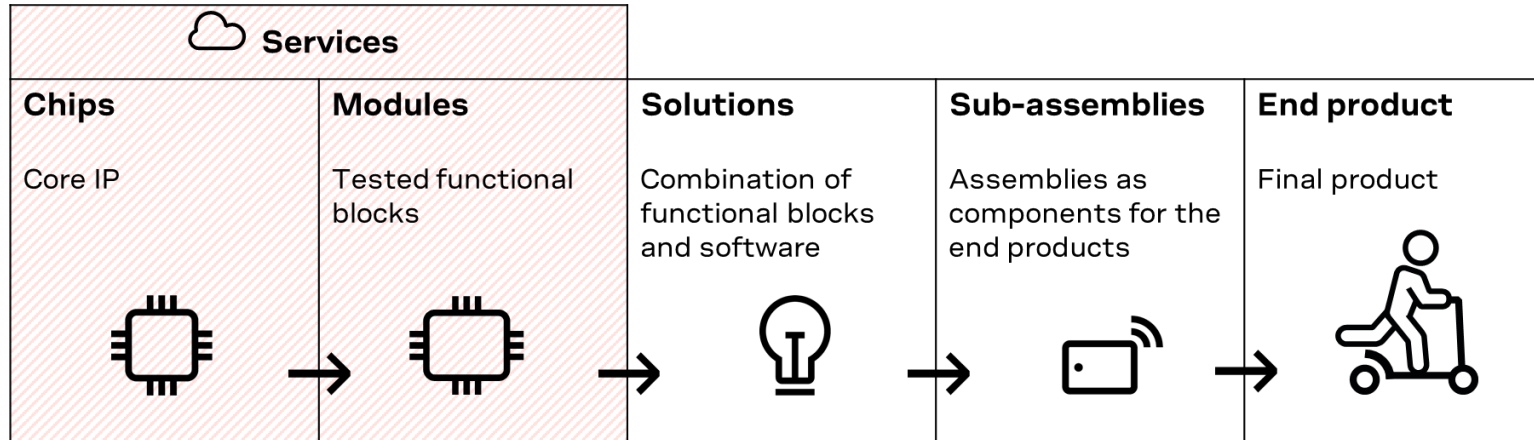| Services		Solutions	Sub-assemblies	End product
Chips	**Modules**	**Solutions**	**Sub-assemblies**	**End product**
Core IP	Tested functional blocks	Combination of functional blocks and software	Assemblies as components for the end products	Final product

☐ u-blox

← Product creation chain →

- Modules simplify the integration of wireless technology – just connect power and antenna.

- Modules are certified and thoroughly tested during assembly.

- Our chips let specialized high-volume customers benefit from economies of scale.

- Our rich software suite makes it easy for customers to adapt products to diverse applications.

- Data services enhance the feature set and performance of our products.

Enabling the Internet of Things (IoT)

Our technologies transform a wide range of products and services into the IoT

P Positioning
GPS, Glonass, Beidou, Galileo, QZSS

C Cellular
5G, LTE, 3G, 2G

S Short Range
Bluetooth, Wi-Fi

Automotive · Healthcare · Agriculture · Retail · Residential · Industrial
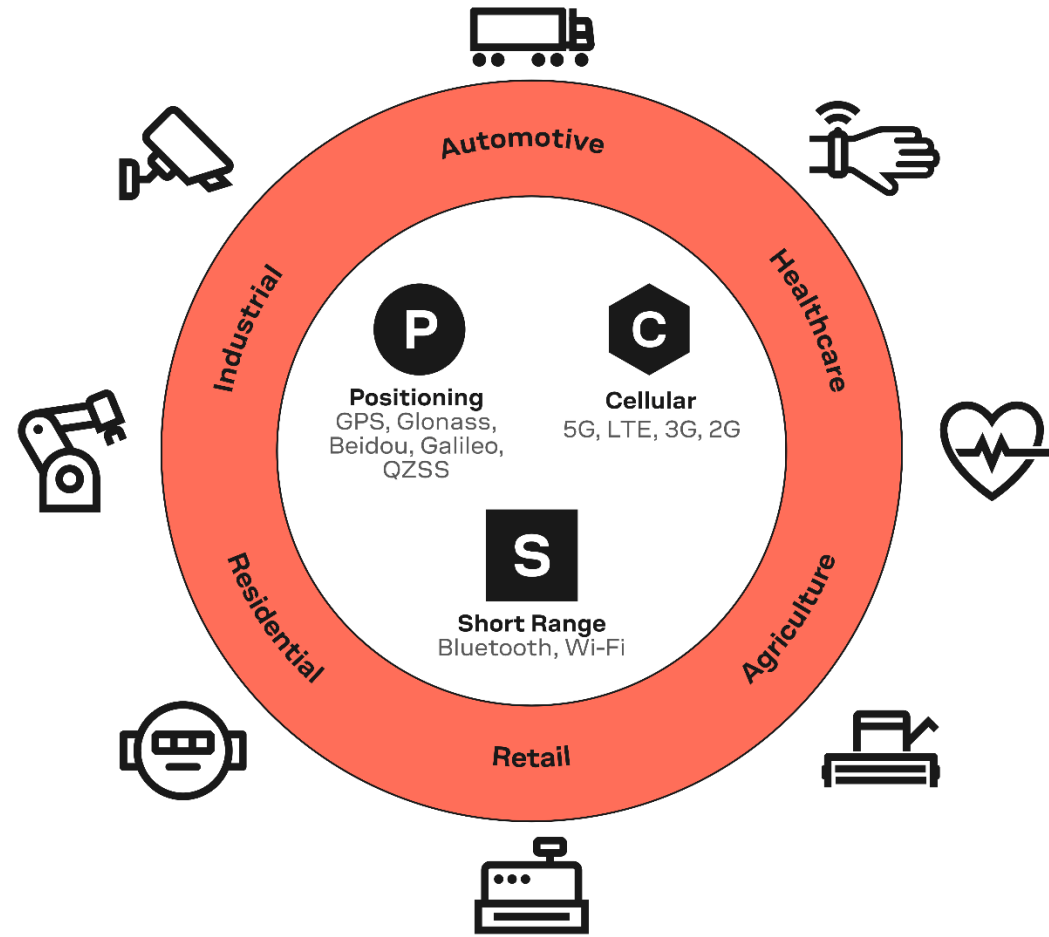
What POSITIONING technology delivers
u-blox is the benchmark for GNSS positioning performance
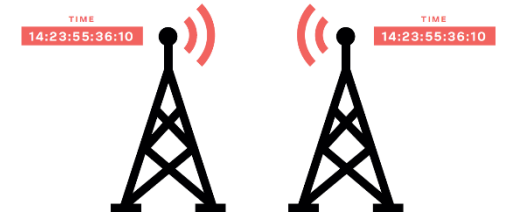
Standard precision
Meter-level accuracy suitable for a wide range of applications

High precision
Decimeter-to centimeter-level accuracy for robotics and autonomous driving

Dead reckoning
100% positioning information also in parking garages or tunnels

Timing
Highly accurate timing used in communication networks, power grids, or financial systems

What CELLULAR technologies deliver

Focus on low power – wide area (2G to 5G)
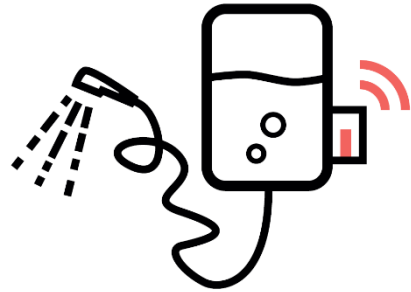
2G / 3G	LTE-M / NB-IoT	LTE Cat 1	High Cat LTE
• Low to medium data rates • Legacy network support, including data and voice	• Ultra-low to medium data rates ideal for IoT • Broad coverage • Ultra-low power	• Medium data rates • Mobile applications • Video / audio streaming	• Highest data rates • Video transmission and infotainment

What SHORT RANGE technology delivers

u-blox has the widest range of solutions for Bluetooth and Wi-Fi
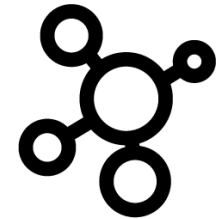
Sensor connection

- Capillary connectivity
- Ranging for positioning

Gateways, access points

- Bluetooth connectivity combined with Wi-Fi for internet access

V2X

- Reliable data transmission for enhanced vehicle safety

Networks

- Meshing of devices
- Long-range connectivity for controls

What SERVICE technology delivers

Connectivity and extensions enhance customer value over the entire product lifetime
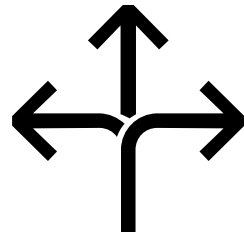
Communication

- End-to-end communication as a service
- 600+ GSM carriers across 190 countries
- Scalable MQTT broker and data flow manager
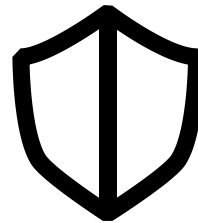
Security

- Secure data end-to-end
- Keep sensitive data safe
- Secure communication
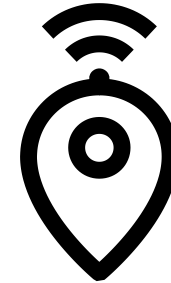
Location

- Hybrid GNSS & mobile location
- Satellite data via wireless networks
- High precision correction data

Strong foothold in long-term markets
Industrial and automotive markets define our DNA

- We have a strong traditional foothold in the industrial sector.

- We are experiencing continued growth in automotive.

- With our expansion into CEL and SHO, the consumer market has become an opportunistic application focus – mainly high-level consumer goods.

H1 2020

5.5%
23.8%
7.3%
63.4%

H1 2019

4.8%
30.0%
7.7%
57.5%

■ Industrial ■ Consumer ■ Automotive ■ Not assigned
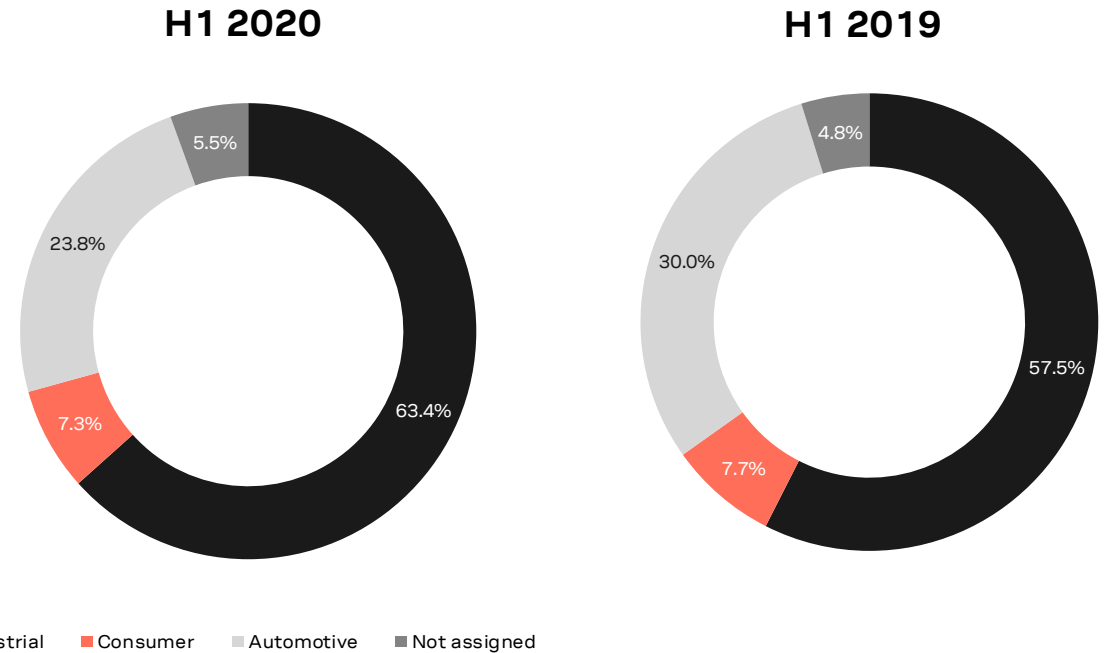
Note: Estimate

Growth drivers in the automotive space

In-vehicle electronic content is expanding strongly as volumes remain flat

- Internet connectivity replicated in the car
  - Wi-Fi hotspot
  - Smartphone to dashboard
  - Infotainment on all seats
- Vehicle to the cloud
  - Driver assistance
  - Car systems maintenance
  - Support services
- Vehicle-to-X (V2X)
  - Enhanced safety
- Position
  - Navigation
  - Automated driving

Source: auto motor und sport, Heft 24, 7 Nov 2019,

u-blox products connect vehicles

Wireless technology increases passenger comfort
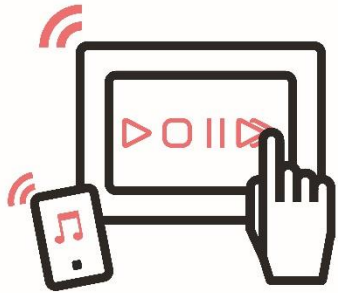
Smartphone to dashboard

Wi-Fi and Bluetooth
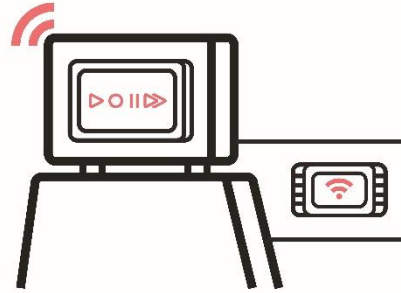
Rear seat entertainment

Wi-Fi

Smart charging

Wi-Fi
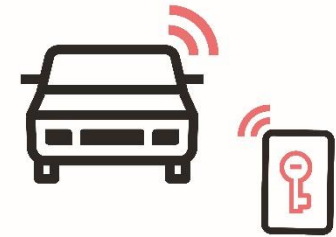
Keyless entry

Bluetooth

u-blox products connect vehicles
Wireless technology enables driver assistance
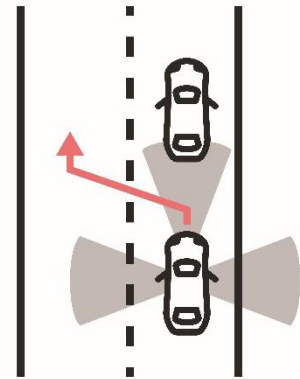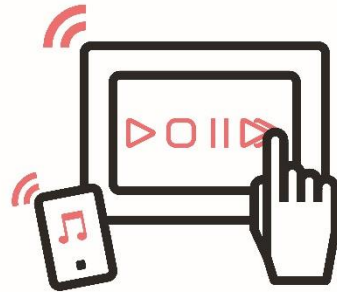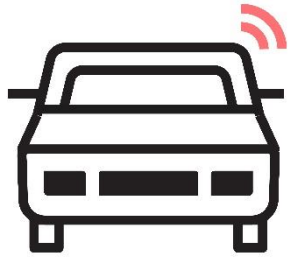
Cellular connectivity

LTE Cat 4+

In-car navigation

GNSS

Car-to-car communication

V2X

Automated driving

GNSS & Functional safety

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Growth drivers in the industrial space

The scope of application is increasing rapidly as the wireless content in individual applications remains fixed

- Most industrial applications transfer small amounts of data.

- Efficient solutions are a must.

- Connectivity must support high capillarity and density of things.

- Local control loops are replaced by edge and cloud combined intelligence.

- Power-optimized devices deliver long battery lives.
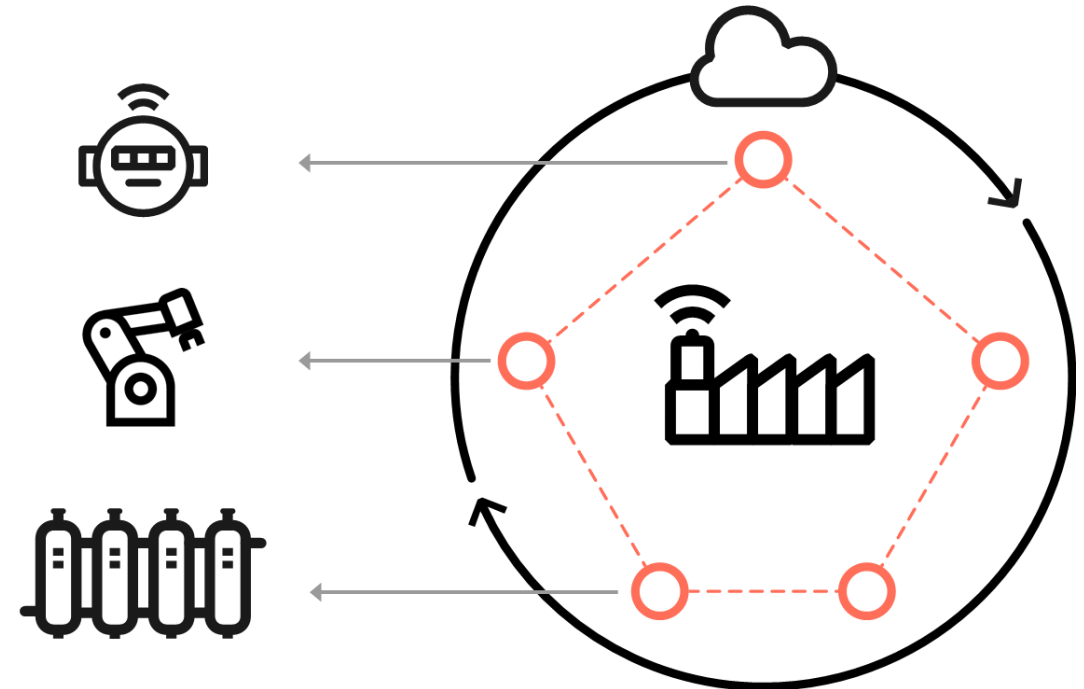
u-blox products connect industrial goods
Wireless content makes stand-alone equipment a thing of the past

Power tools
Bluetooth

Solar panels
Cellular , Wi-Fi

Containers
Cellular, Wi-Fi, Bluetooth

Products are core to new industrial solutions

Wireless technology enables previously unimaginable automation solutions

Lawnmowers

Cellular, GNSS

e-Scooters

Cellular, GNSS, Bluetooth

Drones

GNSS, Wi-Fi, Cellular

Why are we competitive?
We are innovative and reliable to the core

- Since our foundation as a spin-off from ETH, we have maintained our **innovative spirit,** the **still-present founders** are the guarantors of this attitude.

- **Strong enthusiasm** for our purpose is the central driver in our product centers.

- We focus on our markets and customers with **high dedication.**

- We are **lean and agile** - we make innovative products with less resources and shorter turnaround times.

- Our large competitors focus on very large customers in the consumer space – not our realm.

- We have **robust markets shares** in our market sectors and are often the **undisputed leader.**

- There is **no comparable company with our unique strategic line-up.**

Visibility – we know our customer base

High fulfillment rate of customer needs and high rates of business wins

- We **know all our customers** and all their projects.

- We have a complete database (CRM) of customers.

- **Fast reaction** to customer demand – short delivery lead times.

- **Business is anchored on design-ins**, not contracts.

- We engage in **strategic relationships with global players**.

Customer Product Life-cycle: Evaluation, HW design, SYS/SW design, Prototypes, Certification, Production, Deployment
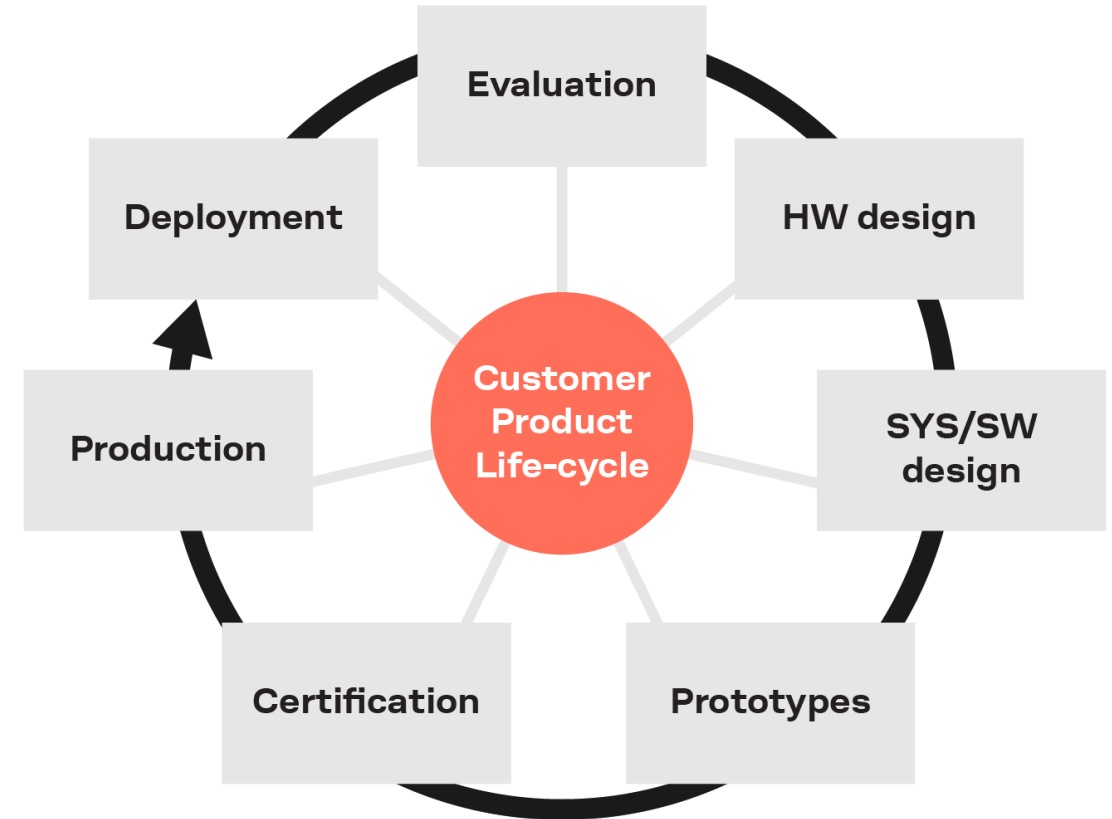
Customer relationships: Treon and Sulzer

NINA-B1 and SARA-R4 combine to make industry smarter

- Treon's platform uses our u-blox NINA Bluetooth module series to connect nodes distributed across a building in a wireless mesh network.

- Sulzer uses the u-blox-enabled Treon products to underpin its pioneering and versatile Sulzer Sense IoT asset-monitoring solution.

- Without the need to install wiring around large facilities, Sulzer Sense IoT enables operators to wirelessly and remotely monitor their pumps, agitators, motors and other rotating equipment, using a smartphone, tablet or computer.
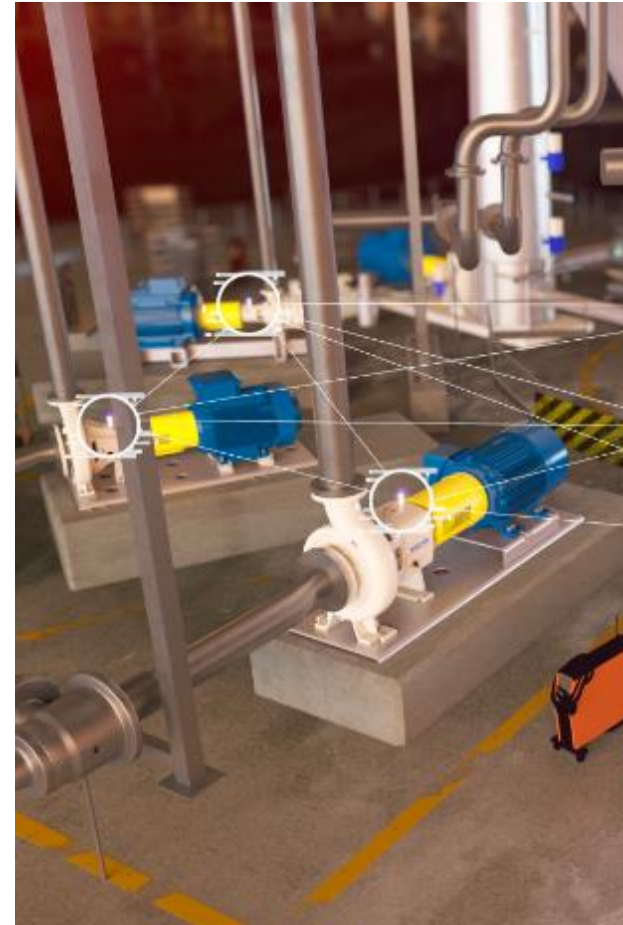
Customer relationships: AddMobile
MAX-M8, NINA-B1 and SARA-G3 combine to make work safer

- For construction projects to run safely and smoothly, operations teams need to know where workers, visitors and equipment are at all times.

- "Our beacons and hubs rely on a combination of GNSS, cellular connectivity and Bluetooth short range radio interfaces. u-blox provide all three technologies in one place which makes it easier (no need to find several suppliers, all embedded)."

  Bo Lyvall, Business Development Manager, AddMobile

Customer relationships: greenTEG

Leverages u-blox connectivity to protect health and safety amid COVID-19 pandemic

- CORE is a wearable for continuous and accurate core body temperature monitoring.

- CORE communicates wirelessly using the u-blox NINA-B306 stand-alone Bluetooth 5 low energy module

- Can be used to track users' wellness status as they return to the workplace from their homes, and alerts them when their core body temperature rises unexpectedly.

7600 customers worldwide

Continued expansion of our customer base

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Competition – main players

No other company offers the same solution space. Individual competitors occupy only a subset of our product sectors

u-blox

	C Cellular communication	**S** Short range communication	**P** Positioning	**U** Services
Integrated circuits	Qualcomm Mediatek Sequans	NXP Autotalks Silicon Labs Texas Instrument Qualcomm	Qualcomm STMicro	Trimble Hexagon
Modules	Telit Gemalto Sierra Wireless Quectel	Laird Lantronix Alps LG Murata	Quectel Septentrio	The market is more fragmented by many small local competitors
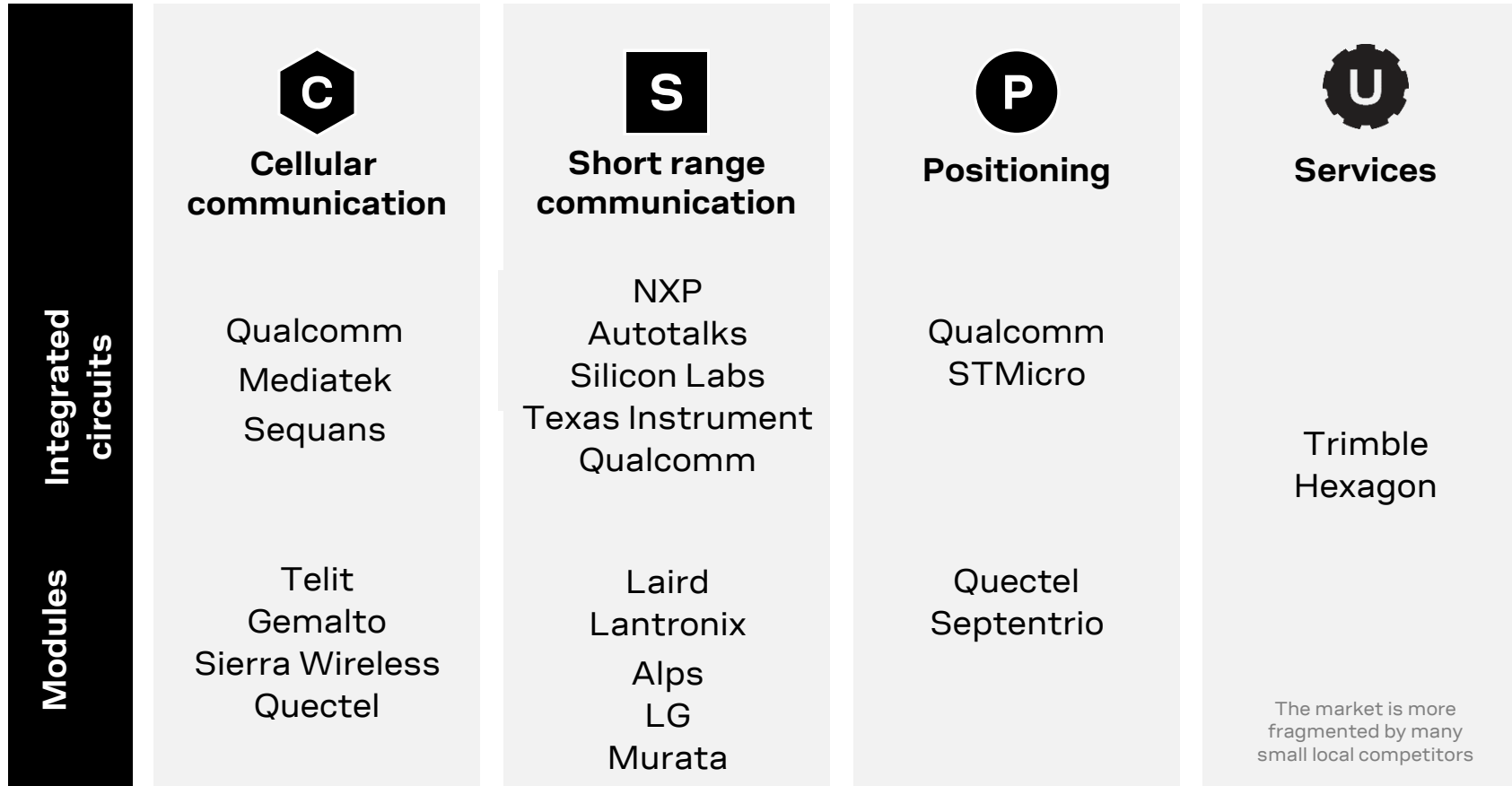
The **combination of our three core technologies** offered in the form of **chips and modules is unique in the market.**

- Competitors in the integrated circuits space focus mainly on the smart phone
- Competitors in the module space have no access to core IP and implement only the reference design of the chip suppliers

Business and product highlights H1 2020

- Acquired IoT Communication-as-a-Service Provider Thingstream
  - Aligns with strategy to expand services portfolio and accelerates path to achieving silicon-to-cloud differentiation
  - Provides comprehensive, end-to-end solution for global IoT connectivity services using the industry standard MQTT protocol
- Launched important new products across platform
  - R5 chipset certified by AT&T for LTE-M
  - Mesh technology for Bluetooth deployed in modules
  - VERA-P3 V2X module for traffic safety applications
  - Global LPWA cellular module SARA-R422 with increased security and positioning features
- Continued investing in R&D - capacity maintained
- OPEX cost saving initiated resulting in CHF 15m annual savings

Product launches H1 2020

Meeting our customers' needs for secure and simple cloud connectivity

Cellular communication

Short range radio communication

Positioning

Services

UBX-R5
UBX-R5 LTE-M/NB-IoT chipset offers unprecedented wireless technology integration with built-in end-to-end security, making it ideal for mission-critical or long life-cycle IoT applications.

VERA-P3
Brings easy access to V2X, an essential enabler of increased safety, convenience, and efficiency on the road.

JODY-W3
Designed for the increasing number of wireless high speed connections that will be required in vehicles.

M9
M9 platform expanded with additional features. The ultra-robust M9 technology platform will serve demanding automotive and high-end telematics applications.

Thingstream acquisition
Enables u-blox to expand its services portfolio with the addition of a complete and comprehensive IoT connectivity solution for customers and accelerates path toward achieving unique silicon-to-cloud differentiation.

Business model
Focus on intellectual property and customer relationships

Innovation

Wireless IP
The core of the business

Integrated circuits
The IP package in tangible and functional form

Modules
A sub-assembly easy to use by the OEM

Integration in OEM products
Engineering support

Lifetime usage by end customer
Recurring data services

Acquisitions and partnerships

u-blox Holding AG - UBX-20037476 - C1-Public
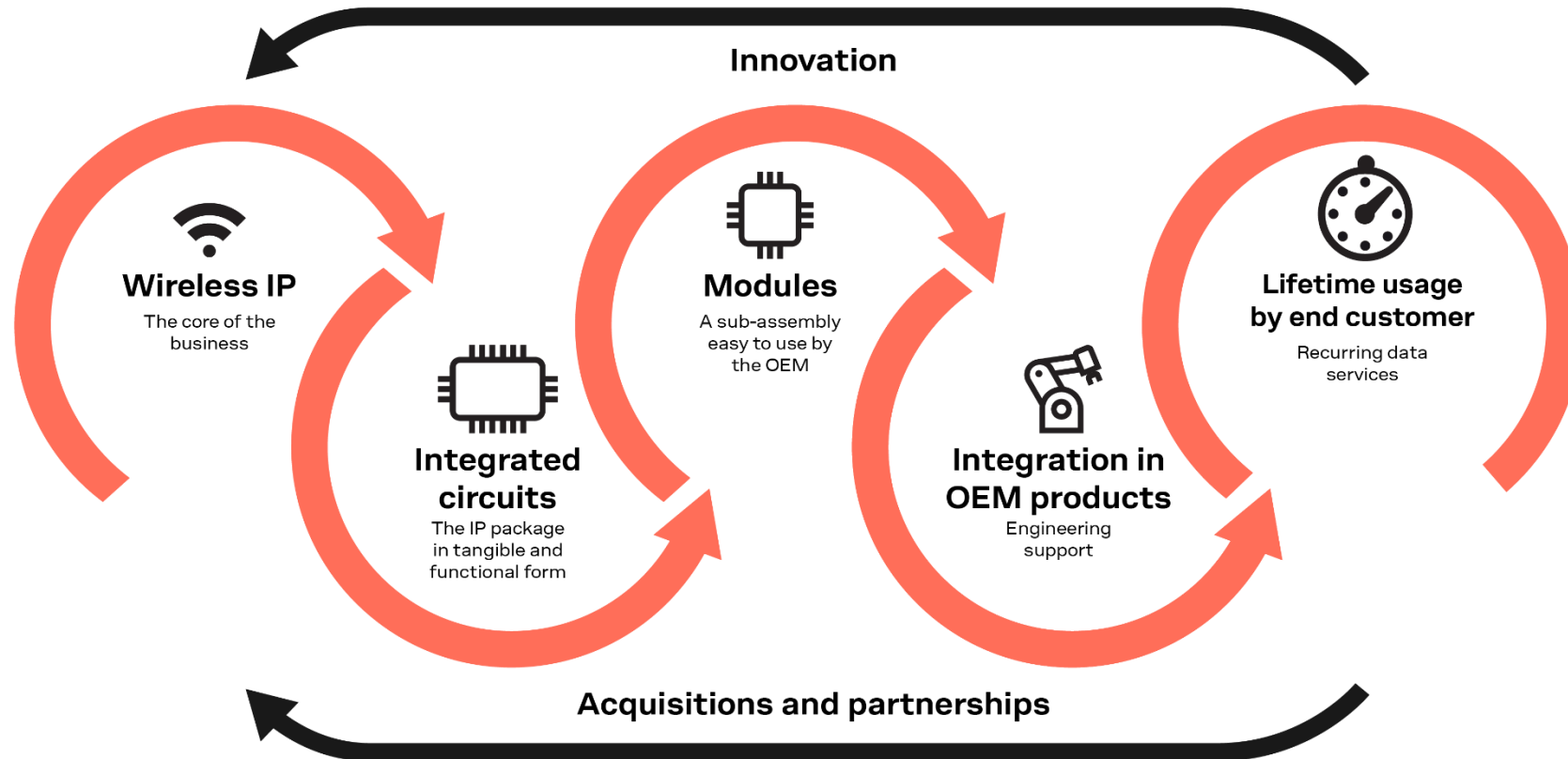
Inorganic growth
16 acquisitions in 10 years

u-blox

Ideas >200

Preliminary Analysis >100

Due Diligence 24

Closed Deals 16
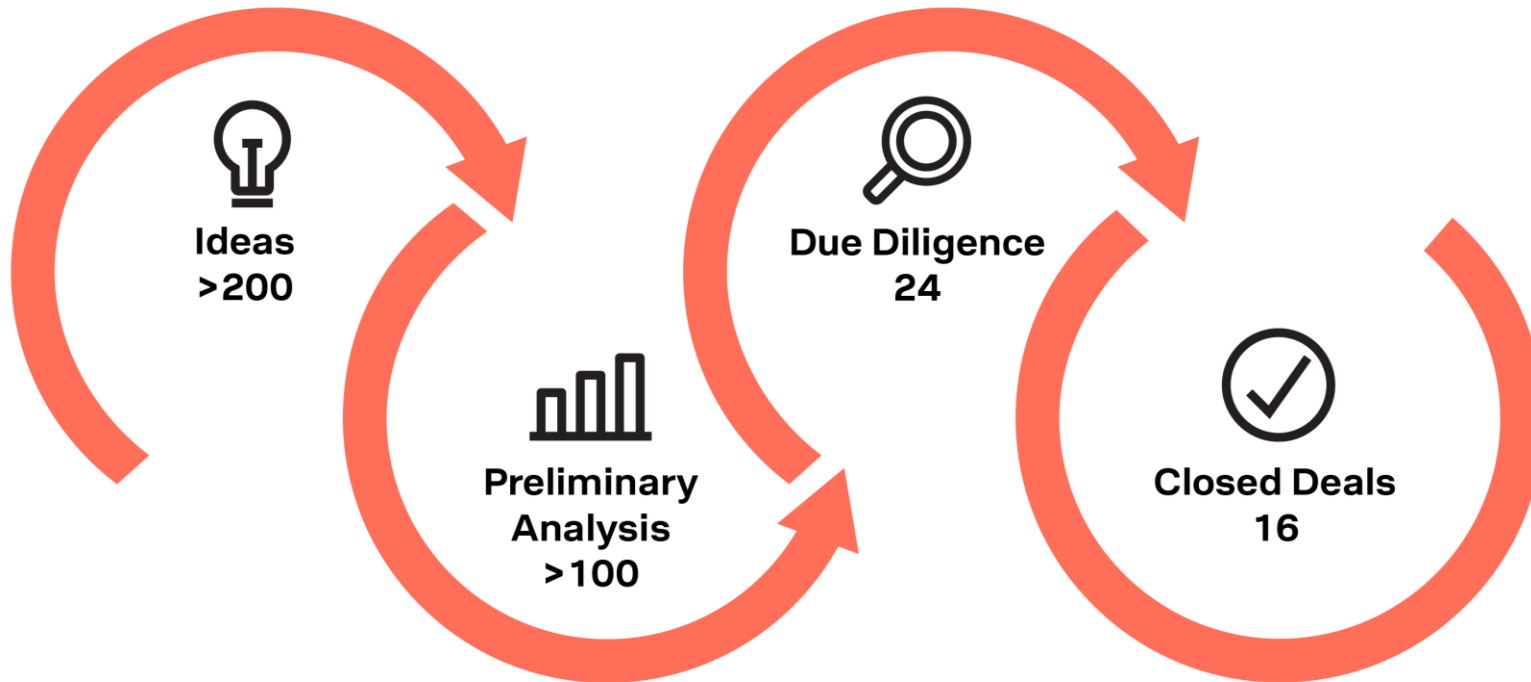
- Strong acceleration via acquisitions
- 13 technology and service focused deals, driving expansion of technology and product portfolio
- 3 business add-ons adds scale and expands customer base
- Successful, fast integrations
- Key people still on board

u-blox in summary

An attractive investment case

- A leading supplier of wireless technology to a broad range of industrial, automotive and consumer customers

- Unique, comprehensive solution offering for the IoT - from chip to cloud

- Strong underlying market trends
  - Automotive: Increasing electronic content per vehicle
  - Industrial: Significant application expansion for making things smart is driving volume growth

- Extensive business diversification: Geographic regions, applications, and technologies

- Long-term business cycle – long technology lifetime leads to longstanding customer relationships

- Established reputation as reliable and trusted industry partner; hard to replicate by newer, smaller competitors

- Solid track record of organic growth enhanced with acquisitions

- Proven strategy execution by long-standing management team

Sustainability

Integrating ESG into our strategy

It's exponential our sustainability potential

- Iot is posed to make an exponential contribution to a more sustainable world

- u-blox has a key role in the innovation driving sustainability across it and a responsibility to produce products and services sustainably

- We are taking action in 5 areas aligned with the 17 UN Global Compact Sustainable Development Goals

Our 5 engagements		Supported SDG
	Business Ethics	3, 5, 8, 16
	Employees	4, 5, 8, 9, 11
	Environmental responsibility	3, 12, 16
	Supply chain responsibility	3, 12, 16
	Community	3, 4, 5, 10, 11

How our products support sustainability

Driving greener travel

Our JODY-W2 Wi-Fi and Bluetooth products are being used in an inductive electric vehicle (EV) charging initiative which promises to simplify this key aspect of EV ownership, and thereby drive adoption of zero-emission vehicles.

Safer and energy efficient communities

Our UBX-M8 GNSS chipset and SARA-R4 series cellular modems are being used in smart street lighting around the globe. This enables real-time fault-detection that leads to faster repairs, keeping communities energy efficient.

Reducing greenhouse gas emissions from central heating

Heating large buildings is a significant contributor to global greenhouse gas emissions. The SARA-R4 cellular range is at the heart of a globally available system that cuts energy waste from buildings.

Financials

Revenues by geography

- APAC revenue slightly decreased by -2%
  - Strong continued business in China and Korea
  - Negative impact by COVID-19 on automotive and telematics applications
- EMEA revenue decreased by -16%
  - Increased demand for smart city, driver assistance and point-of-sale applications
  - Decline in automotive and micro mobility
- Americas revenue decreased by -14%
  - Growth with industrial automation and fitness
  - Reduced demand for fleet management and consumer applications

Revenue
(CHF millions)

	H1.19	H1.20
Total	190.6	174.0
APAC	71.5 / 37%	70.1 / 40%
EMEA	62.5 / 33%	55.0 / 32%
Americas	56.6 / 30%	48.9 / 28%

■ Americas ■ EMEA ■ APAC
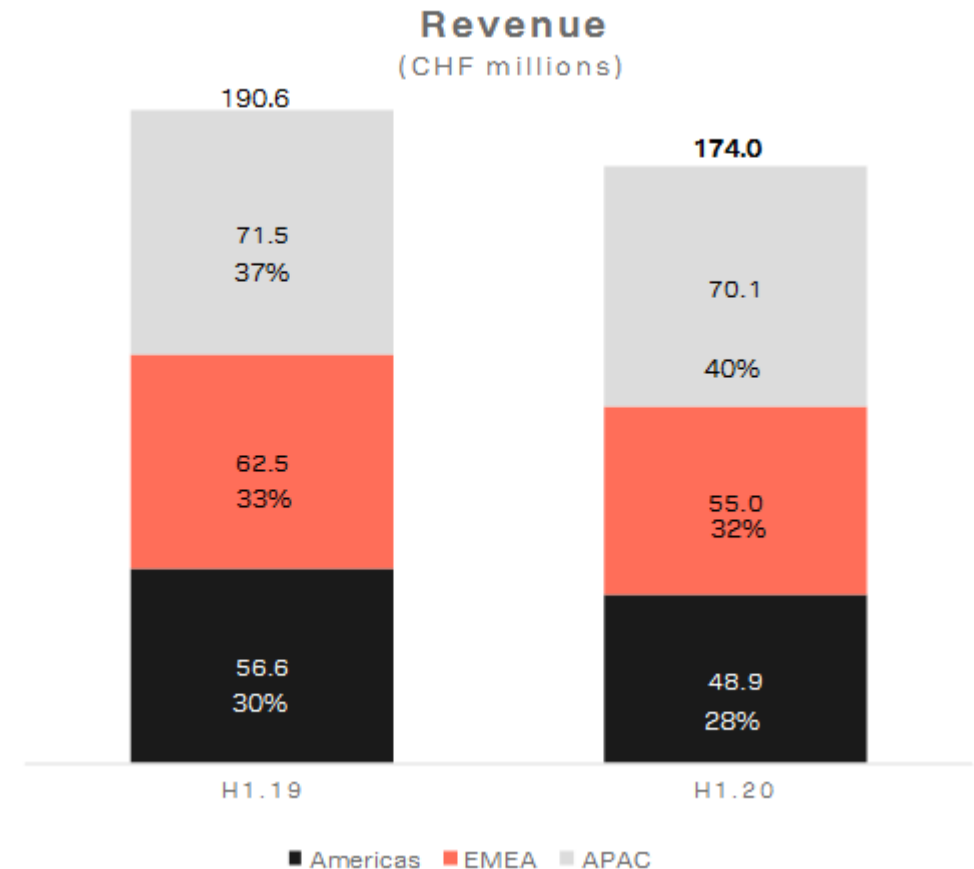
Note: based on reporting area

Global customer base

- Wide spread across different applications and geographical regions

- Strong and growing customer base, serving 7'600 customers worldwide in 2020 (2019: 7'200 customers)

- Low customer dependency
  - 97 customers total 80% of revenue
  - Largest customer accounts for 8.7% of total revenue in H1 2020

- 10 biggest customers account for 27.8% of total revenue in H1 2020

Number of customers totaling 80% of revenue

(# Customers)

	2017	2018	2019	H1.18	H1.19	H1.20
	84	104	108	104	94	97
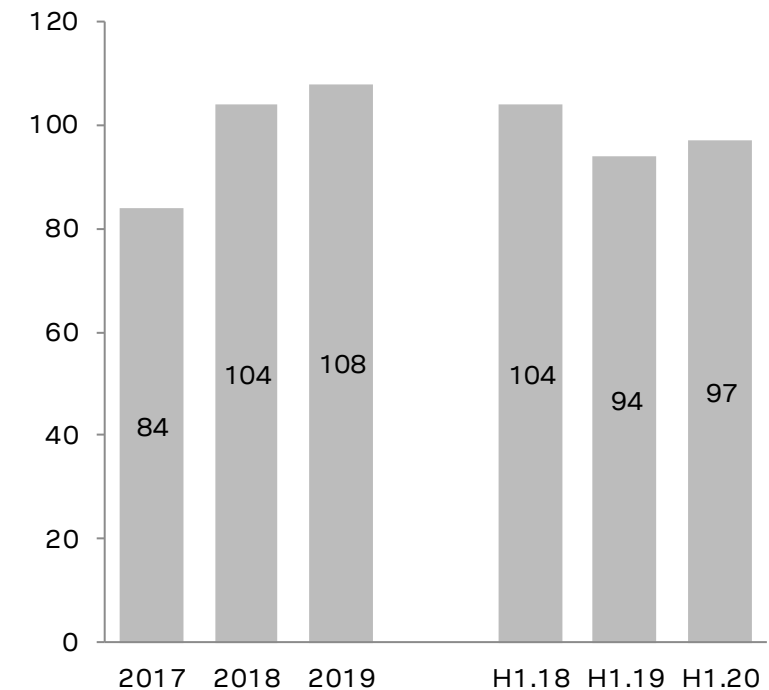
Shipments and ASP development

- Module business slight increase with decline in ASP due to product mix
- Major volume of chipset sales with u-blox 8/M8
- Decline in overall chipset volume due to decline in consumer and automotive markets, and lower ASP

Modules
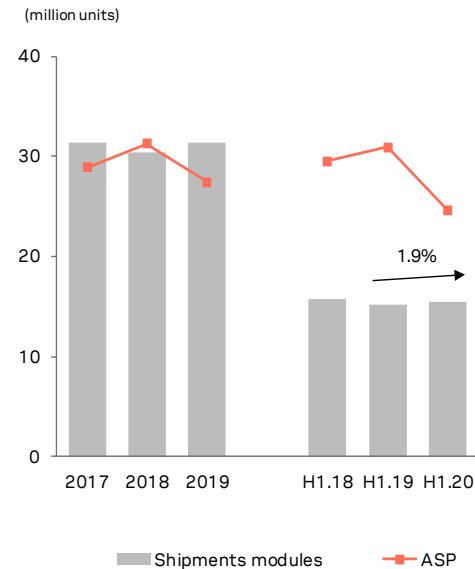
GNSS chips
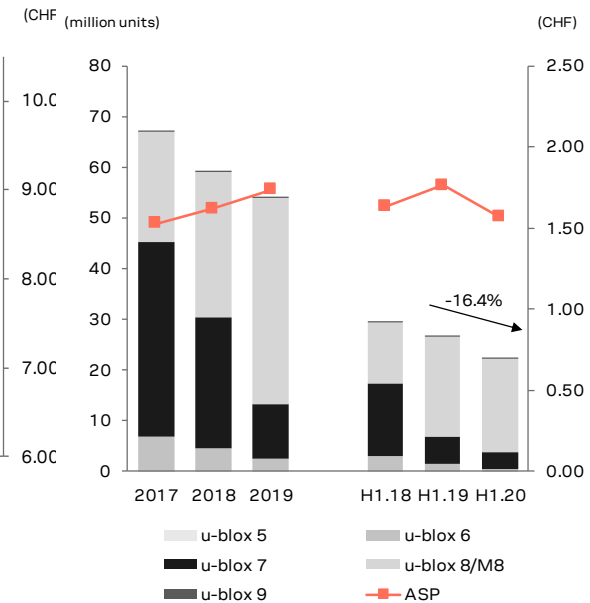
Revenue
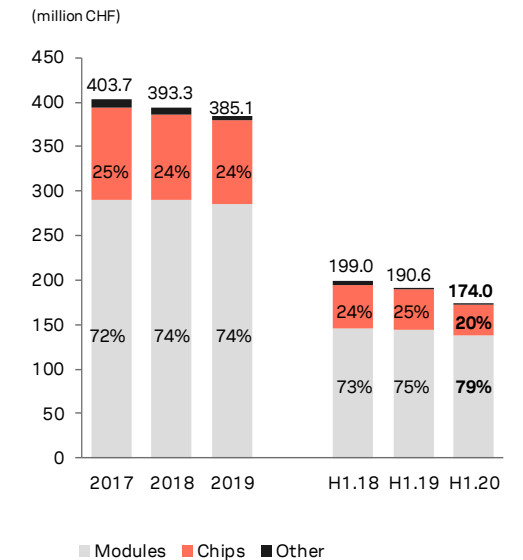
Gross profit

- Gross profit (adjusted) of CHF 79.4m
- Gross profit margin (adjusted) slightly higher than H1 2019
  - H1 2020 margin reflects positive impacts from product mix

Gross profit (adjusted)
Gross profit margin (adjusted)

(million CHF)

(in % of revenue)

Legend: ▢ Gross Profit (adjusted) ▬■▬ % of revenue

Period	Gross Profit (adjusted)	% of revenue
2017	184.8	45.8%
2018	177.9	45.2%
2019	175.1	45.5%
H1.18	94.0	47.2%
H1.19	86.1	45.2%
H1.20	79.4	45.6%
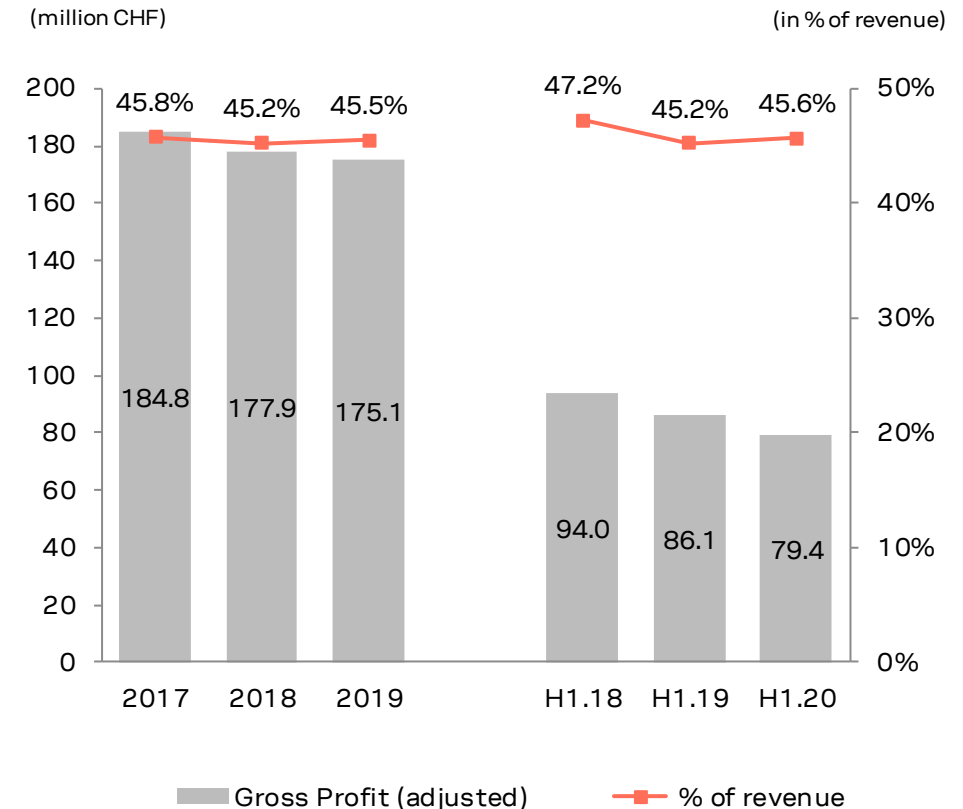
Distribution & Marketing / Research & Development

- D&M expenses (adjusted) profit from cost savings in H1 2020

- R&D expenses (adjusted) remain stable and R&D pipeline fully maintained

- Reduced cash-out for R&D compared to H1 2019

D&M expenses (adjusted)

(million CHF)   (in % of revenue)

| 8.4% | 8.8% | 9.1% | | 8.9% | 9.3% | 9.1% |

| 34.0 | 34.8 | 35.2 | | 17.7 | 17.8 | 15.8 |

| 2017 | 2018 | 2019 | | H1.18 | H1.19 | H1.20 |

D&M (adjusted) ■   % of revenues ■─

R&D expenses (adjusted)

(million CHF)   (in % of revenue)

| 14.5% | 17.2% | 20.5% | | 16.6% | 20.9% | 22.7% |

| 58.3 | 67.8 | 78.9 | | 33.1 | 39.8 | 39.5 |

| 2017 | 2018 | 2019 | | H1.18 | H1.19 | H1.20 |

R&D expense (adjusted) ■   R&D expense % of revenues ■─
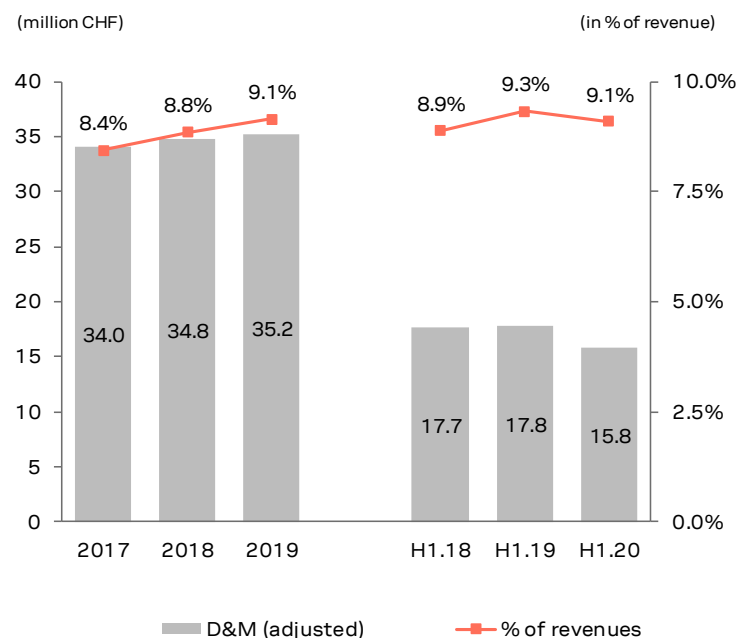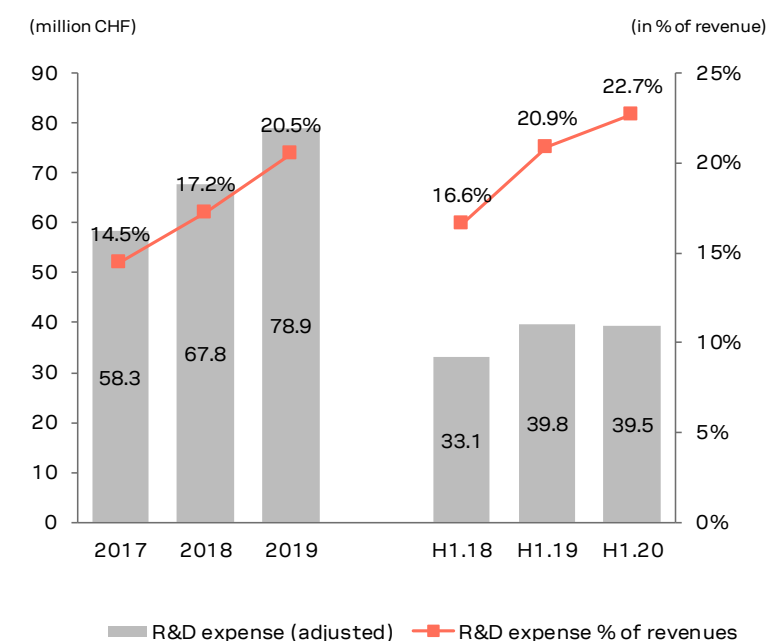
Income statement
Adjusted and IFRS numbers

- Adjustments are share-based payments of CHF 3.3m, pension impact of IAS-19 of CHF 1.0m, amortization of intangible assets acquired of CHF 0.6m and impairments of CHF 74.1m[3]

- Financial costs consists primarily of foreign exchange losses, the interest for the two bonds, and the result of Sapcorda GmbH

- For group adjustments corporate tax rate of 18.1% applied (H1 2019: 16.3%)

(in CHF 000s)	Jan-Jun 2020 (IFRS)	% revenue	Adjustments[2]	Jan-Jun 2020 (adjusted)	% revenue	Jan-Jun 2019 (adjusted)	% revenue
Revenue	**173'957**	100.0%		**173'957**	100.0%	**190'554**	100.0%
Cost of sales	-94'927	-54.6%	362	-94'565	-54.4%	-104'466	-54.8%
Gross Profit	**79'030**	45.4%	**362**	**79'392**	45.6%	**86'088**	45.2%
Distribution and marketing expenses	-16'907	-9.7%	1'102	-15'805	-9.1%	-17'758	-9.3%
Research and development expenses	-115'483	-66.4%	76'001	-39'482	-22.7%	-39'777	-20.9%
General and administrative expenses	-12'935	-7.4%	1'562	-11'373	-6.5%	-10'255	-5.4%
Other income	505	0.3%		505	0.3%	1'368	0.7%
Operating Profit (EBIT)	**-65'790**	-37.8%	**79'027**	**13'237**	7.6%	**19'666**	10.3%
Finance income	87	0.1%		87	0.1%	1'762	0.9%
Finance costs	-3'533	-2.0%		-3'533	-2.0%	-3'157	-1.7%
Share of profit of equity-accounted investees, net of taxes	-1'907	-1.1%		-1'907	-1.1%	-1'989	-1.0%
Profit before income tax (EBT)	**-71'143**	-40.9%	**79'027**	**7'884**	4.5%	**16'282**	8.5%
Income tax expense	11'121	6.4%	-14'328	-3'207	-1.8%	-2'645	-1.4%
Net Profit	**-60'022**	-34.5%	**64'699**	**4'677**	2.7%	**13'637**	7.2%
Minority interests	-69	0.0%		-69	0.0%		
Net Profit, attributable to equity holders of the parent	**-59'953**	-34.5%		**4'746**	2.7%	**13'637**	7.2%
Earnings per share in CHF	(8.64)			0.67		1.96	
Diluted earnings per share in CHF	(8.64)			0.67		1.96	
Operating Profit (EBIT)	-65'790	-37.8%	79'027	13'237	7.6%	19'666	10.3%
Depreciation and amortization	85'651	49.2%	-74'746	10'905	6.3%	13'072	6.9%
EBITDA [1]	**19'861**	11.4%	**4'281**	**24'142**	13.9%	**32'738**	17.2%

[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, Non-recurring expenses, impairments and amortization of intangible assets acquired

[3] Impairment was caused by current market conditions mainly in automotive, changes in business plan expectations and refocusing of various programs. The company's existing lines of product offerings remain unaffected.
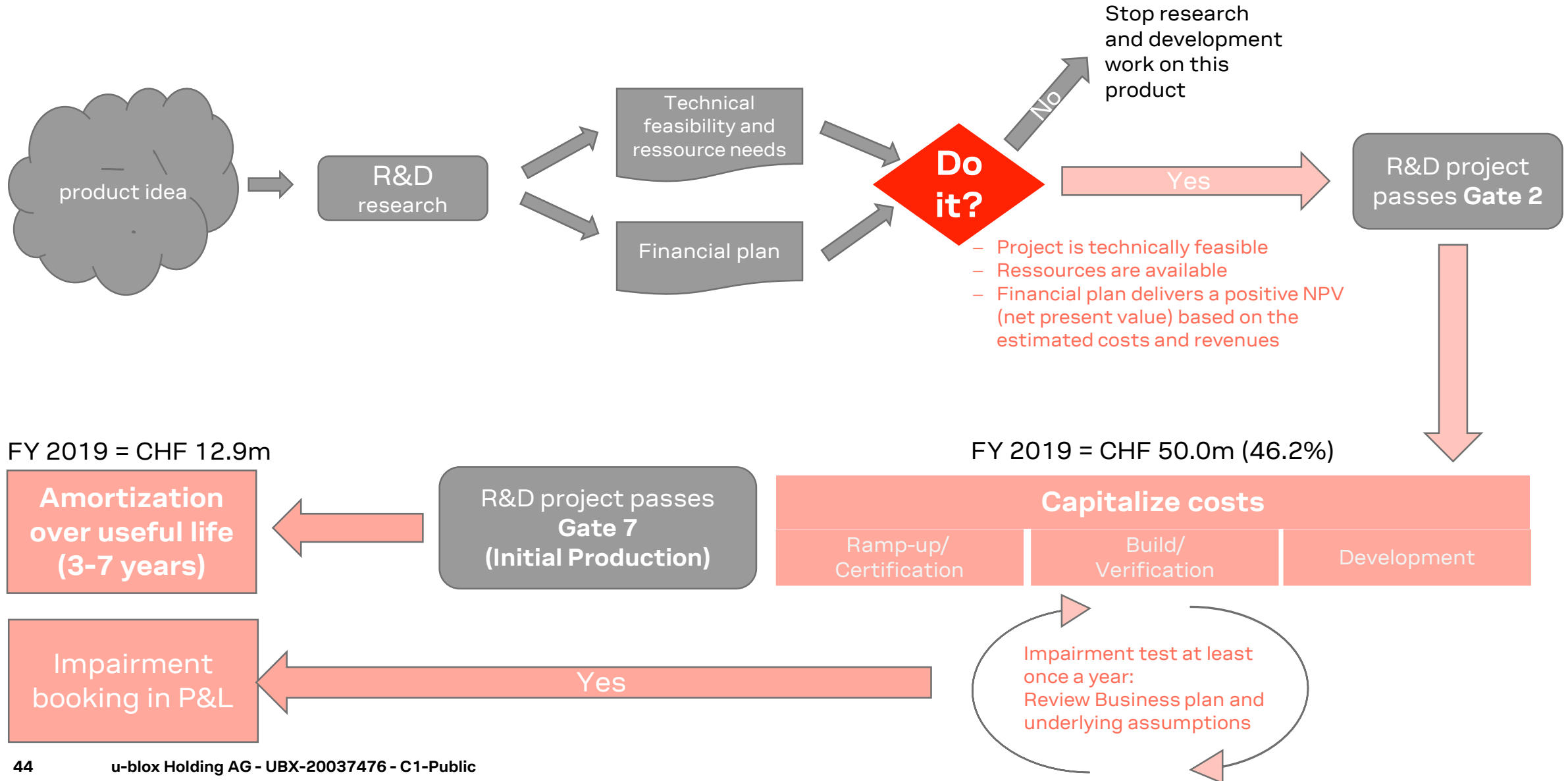
Capitalization of R&D
Mechanics

Stop research and development work on this product

product idea → R&D research → Technical feasibility and ressource needs / Financial plan → **Do it?**

No → Stop research and development work on this product

Yes → R&D project passes **Gate 2**

– Project is technically feasible
– Ressources are available
– Financial plan delivers a positive NPV (net present value) based on the estimated costs and revenues

FY 2019 = CHF 12.9m

Amortization over useful life (3-7 years)

R&D project passes **Gate 7 (Initial Production)**

FY 2019 = CHF 50.0m (46.2%)

Capitalize costs

Ramp-up/ Certification	Build/ Verification	Development

Impairment booking in P&L

Yes

Impairment test at least once a year: Review Business plan and underlying assumptions

Impairment booking
Reasons, and financial impact H1 2020

Why?

- Market conditions hampered by COVID-19 crisis and US-China trade war
  - Strong set-up in automotive market
  - Export business hampered in APAC
- Expectations in business plans less optimistic lowering NPVs
- Refocusing of efforts in various programs
- → Existing lines of product offerings remain unaffected and R&D pipeline fully loaded with next generation platforms

Financial impact H1 2020

- Income Statement
  - Only IFRS and local accounts are affected
  - No impact on EBITDA
  - Amortization of CHF 74m shown as R&D expenses
  - Positive impact on income tax of CHF 12m

- Balance Sheet
  - Capitalized Development reduced from CHF199.9m to CHF 140.2m
  - Acquired Technology reduced by CHF 7m
  - IP reduced by CHF 6m
  - Deferred tax asset increased through loss carry forwards by CHF 12m

- No impact on actual cashflows

Consolidated statement of cash flows

- Cash flow from operating activities negatively impacted by net working capital of CHF -5.8m (H1 2019: CHF 7.9m)

- Maintained investment activities

- Free Cash Flow (before acquisitions & participations in capital increase) CHF -8.4m (H1 2019: CHF 3.9m)

- Acquisition of Thingstream of CHF 9.3m and further investment into JV Sapcorda and Tashang of CHF 4.2m (H1 2019: CHF 3.4m)

(in CHF 000s)	For the period ended June 30, 2020	For the period ended June 30, 2019
Net Profit	-60'022	9'650
Depreciation & Amortization	85'651	14'164
Other non-cash transactions	3'312	2'547
Financial income & financial expense	5'353	3'384
Income tax expense	-11'121	1'872
Change in net working capital and provision	-5'825	7'900
Income tax paid	-3'493	-6'406
Net cash generated from operating activities	**13'855**	**33'111**
Net investment into property, plant and equipment	-2'855	-3'409
Net investment into intangibles	-19'855	-26'408
Net investments into financial assets	467	612
Acquisition of subsidiairies, net of cash acquired & participations	-13'518	-3'386
Net cash used in investing activities	**-35'761**	**-32'591**
Free Cash Flow (before Acquisition & participations in capital increase)	*-8'388*	*3'906*
Free Cash Flow	*-21'906*	*520*
Proceeeds from issuance of ordinary shares	0	91
Dividends paid to owners of the parent	0	-11'077
Net proceeds from borrowings	1'076	0
Payment of lease liabilities	-2'313	-2'192
Purchase of treasury shares	0	0
Non-controlling interests	125	0
Interest paid	-2'566	-2'182
Net cash used in financing activities	**-3'678**	**-15'360**
Net decrease in cash and cash equivalents	**-25'584**	**-14'840**
Cash and cash equivalents at beginning of year	127'424	136'296
Exchange gains/(losses) on cash and cash equivalents	-1'735	-481
Cash and cash equivalents at end of the period	**100'105**	**120'975**

Statement of financial position

- Strong financial position with a liquidity (incl. marketable securities) of CHF 100.6m (Dec. 2019: CHF 128.3m)
- Inventory CHF 60.5m (Dec. 2019: CHF 51.6m) affected by sudden low demand due to COVID-19 situation
- Trade receivables CHF 39.1m (Dec. 2019: CHF 48.5m)
- Capitalized R&D now CHF 140.2m (2019: CHF 199.9m). Amortization and Impairment of capitalized R&D: CHF 78.4m
- Current liabilities contain trade payables of CHF 26.2m (Dec. 2019: CHF 25.4m) and bond repayable April 2021 of CHF 59.9m
- Non-current liabilities contain bond of CHF 60.7m, deferred tax liabilities CHF 9.0 m, employee benefits (IAS-19) CHF 25.1m, provisions CHF 10.7m
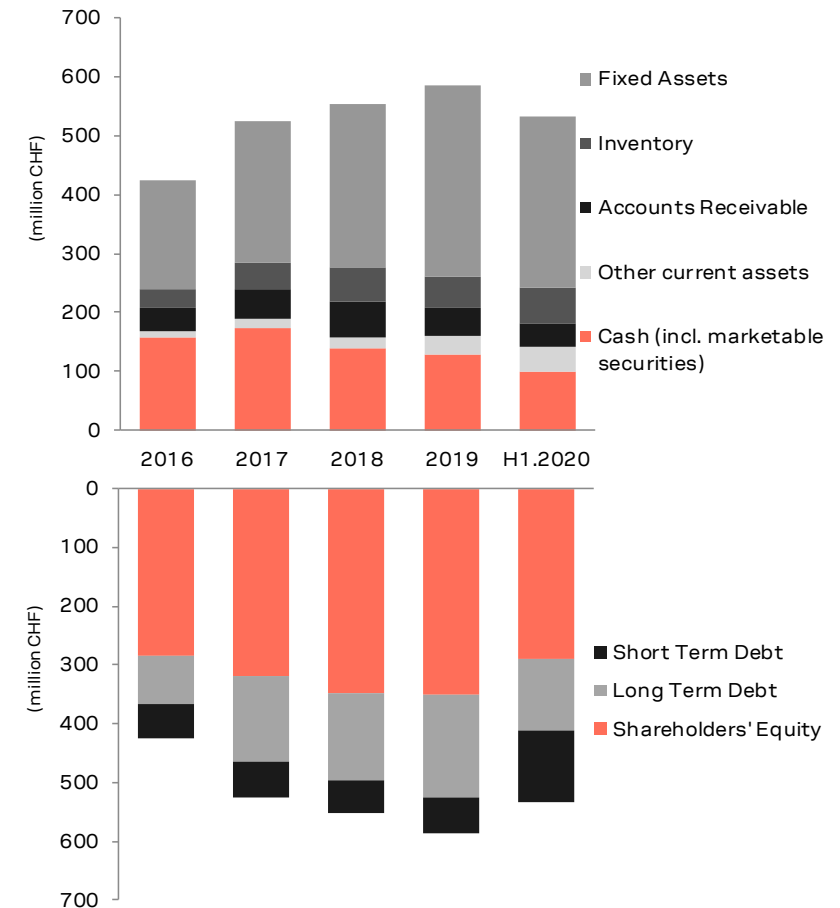
Executive Committee

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Jean-Pierre Wyss
Executive Vice President
Head of Production and
Logistics
Co-founder u-blox AG

Roland Jud
CFO

Markus Schaefer
Executive Director Global
Marketing & Sales

Andreas Thiel
Executive Vice President
Wireless Products
Co-founder u-blox AG

Additional information – see Corporate Governance and Financial Report 2019 p. 14 - 16

Analyst coverage

Analysts	
Baader Helvea	Rolf Renders
Bryan, Garnier & Co	Dorian Terral
Credit Suisse	Serge Rotzer
Julius Bär	Cengiz Sen
Kepler Cheuvreux	Torsten Sauter
MainFirst	Jürgen Wagner
Research Partners AG	Reto Huber
UBS	François-Xavier Bouvignies
Vontobel	Mark Diethelm
Zürcher Kantonalbank	Andreas Müller

Please note that any opinions, estimates, or forecasts regarding u-blox's performance made by these analysts are theirs alone and do not represent opinions, forecasts or predictions of u-blox or its management.

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Thank you for your attention

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