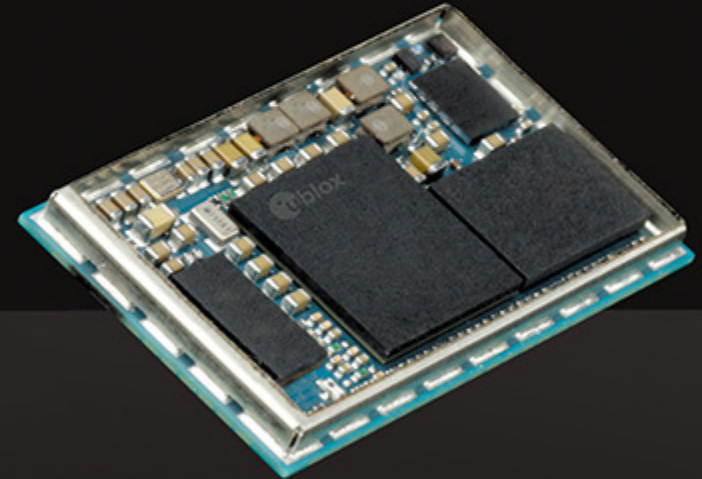


Investor Presentation

January 2023 | www.u-blox.com | SIX: UBXN



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.

Who we are

History

Ever since three bright ETH doctorate students and their professor founded u-blox in 1997, two things have driven everything we do: a desire to innovate and a constant focus on giving our customers a real competitive edge.



Our Values

**Innovative.
Reliable.
Restless.**

Mission

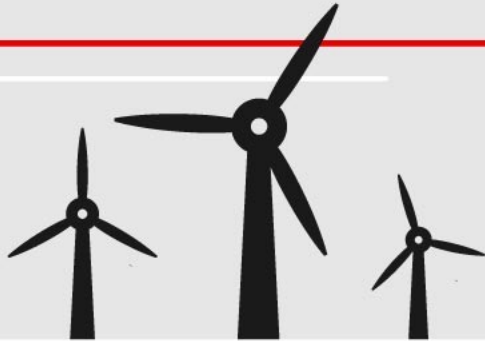
With our innovative products and services, we empower customers to locate their devices and connect them from silicon to cloud.



Vision

Our technologies enable our customers' businesses to connect wirelessly. As we develop next-generation silicon and services, we put state-of-the-art, secure, and durable products into their hands. Adhering to the Swiss tradition of technological innovation, we strive to find ways to boost our customers' businesses, helping to build a sustainable future.

Product centers



Together for a sustainable world

Considering our sustainability strategy, we focus on business ethics, environmental and supply chain responsibility, diversity, inclusiveness, and community charity work. The engagement of our people has spawned many community initiatives. Our corporate uGive program encourages employees to volunteer in charitable organizations.

ublox
25
YEARS

Services



thingstream

Our key markets



33

Locations over
four continents

18

R&D centers

60+

Nationalities

1300

Employees

Quality

Whether it's in our product design, our employees' skills, our relationships with our customers, or our commitments to sustainability, quality is our byword. We strive for excellence in all we do.

u-blox at a glance



- **Leading provider of positioning and connectivity technologies for industrial, automotive and consumer markets.**
- **Founded 1997 as a spin-off from ETH Swiss Institute of Technology.**

Ticker: UBXN (SIX Swiss Exchange)



Financial Overview

Assets: CHF 566m ⁽¹⁾

Liabilities: CHF 208m ⁽¹⁾

Revenues FY 2022 ⁽²⁾ : CHF 624m

(1) As of 30 June 2022, (2) As of 11 January 2023



Shareholder Information ⁽³⁾

Share Price: CHF 120.60

Shares Outstanding: 7.2m

Market Capitalization: CHF ~865m

(3) As of 9 January 2023



Structure

Employees: ~1300

Locations: 33

ETH spin-off, listed on SIX Exchange in 2007



Market presence

AMEC, EMEA, APAC

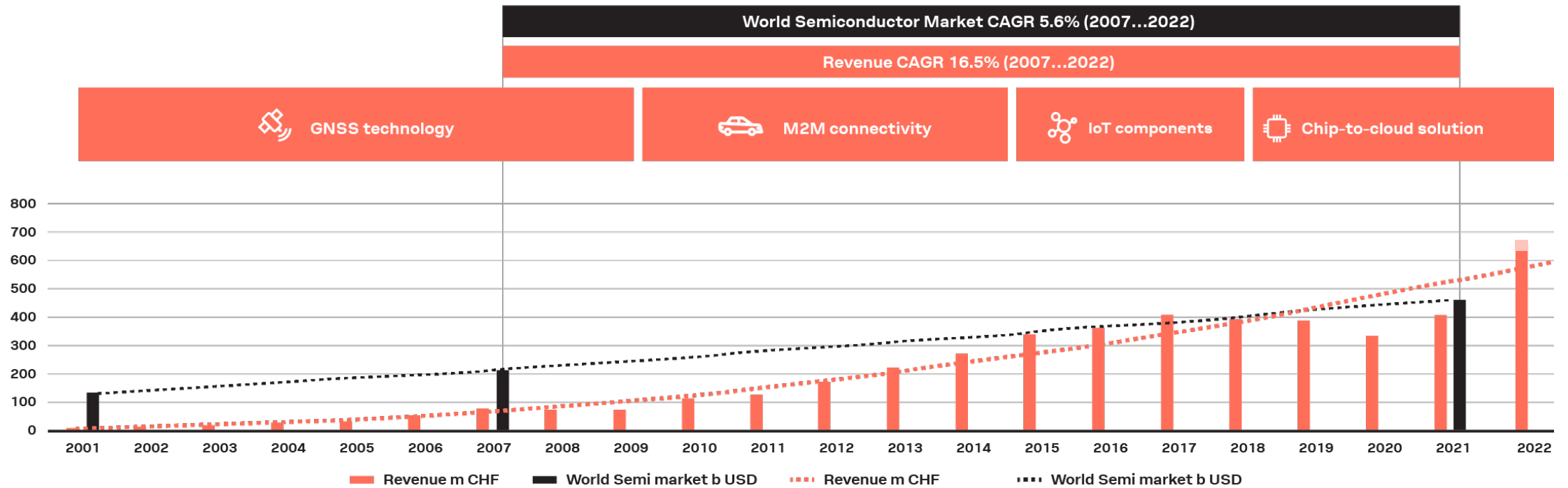
Industrial, Automotive, Consumer

14'500 customers



HQ based in Switzerland

From ETH spin-off to a leading wireless solution provider

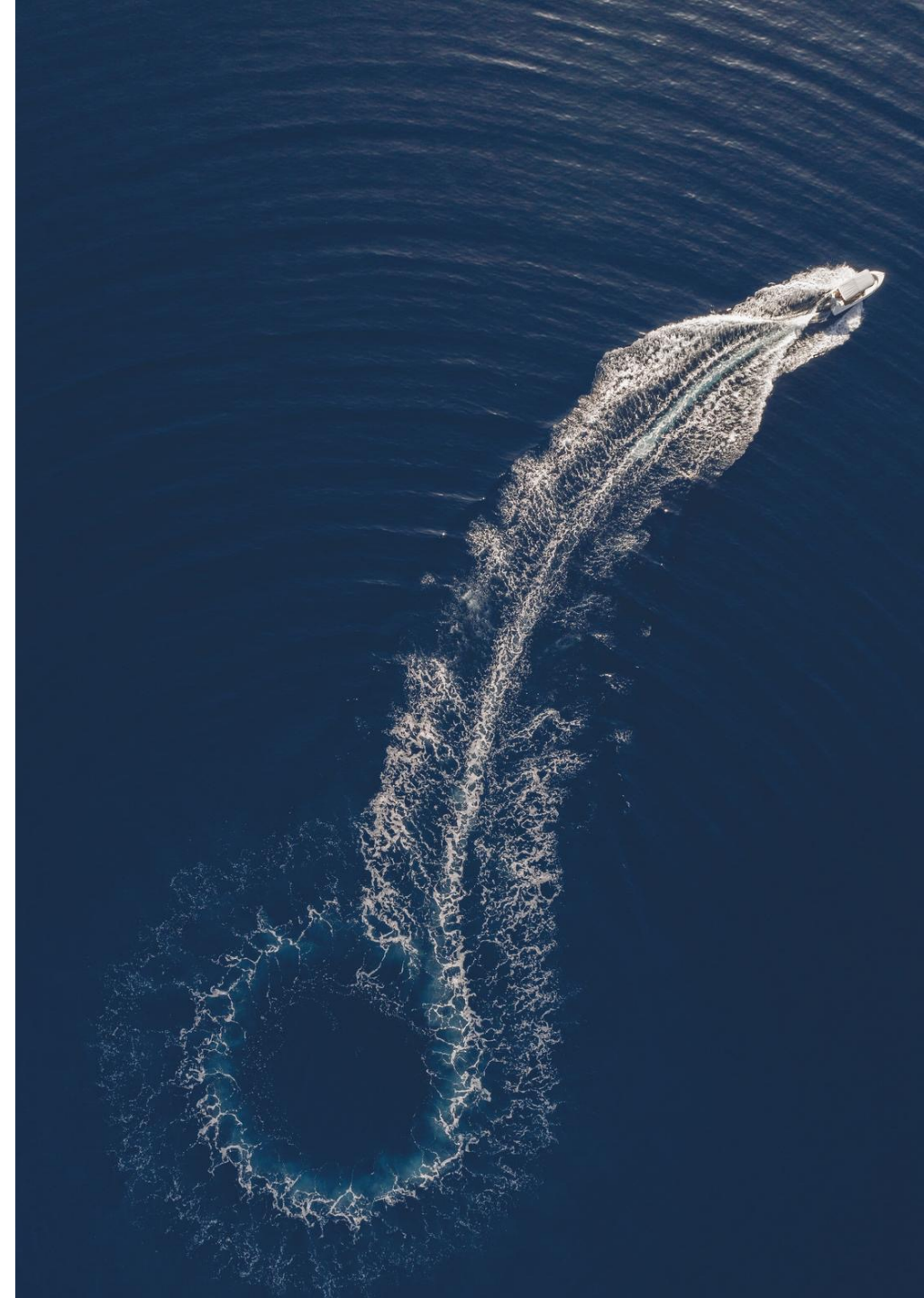


Source: u-blox, World Semiconductor Trade Statistics

Guidance 2022 range indicated by light red bar

In summary – who we are

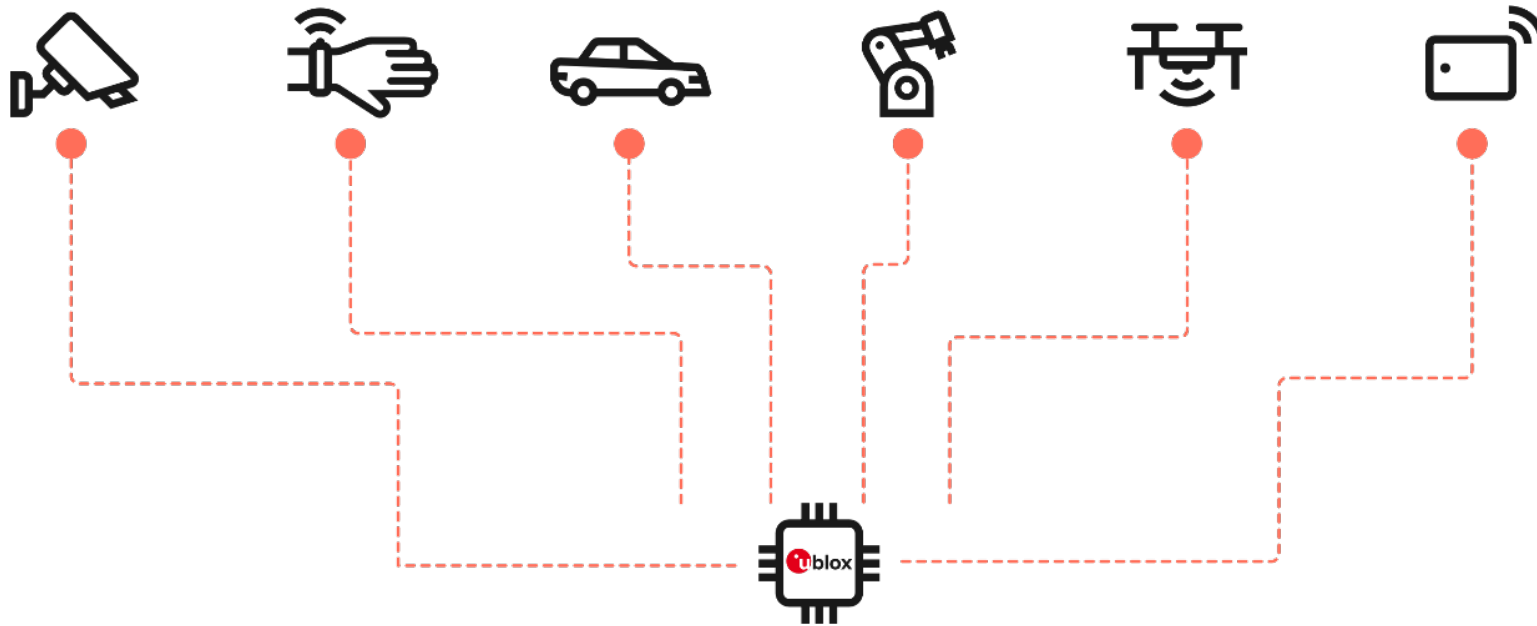
- **From core components to chip-to-cloud solution capability - a growth journey since 1997**
- **Unique position providing connectivity to the industry**
 - Chipsets build our innovation leadership foundation
 - Modules deliver access to 15'000+ customers
- **Strong solution capabilities based on our broad product base**
- **Long-term growth drivers in all application areas**



**u-blox is a solutions
provider**

Billions of things waiting to be connected

u-blox delivers the solution



We empower customers to locate their devices and connect them from silicon to cloud.

- We enable customers to make their business wirelessly connected.
- 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.

Strong growth drivers with long duration

Growth in industrial, automotive, and consumer markets

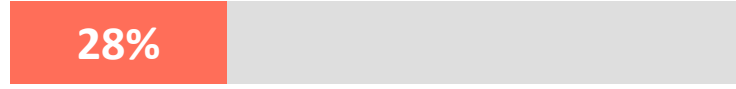


Industrial



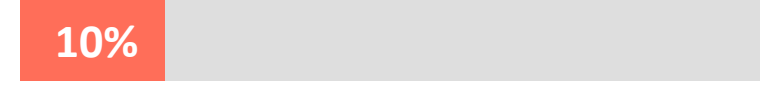
Revenue share H1 2022

Automotive



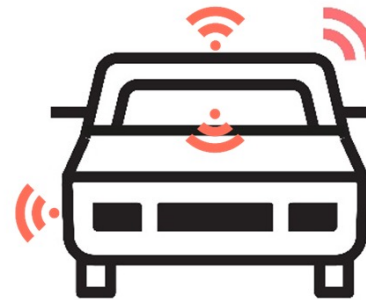
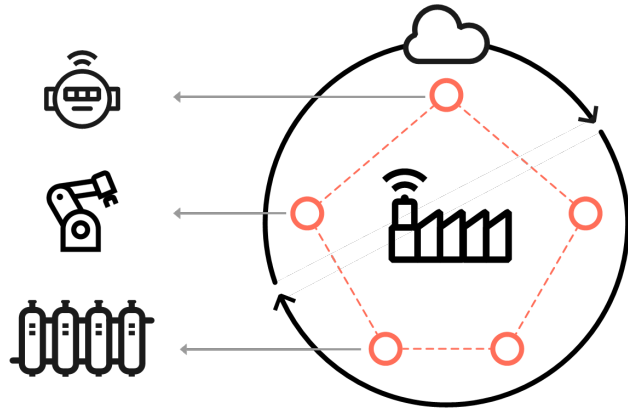
Revenue share H1 2022

Consumer



Revenue share H1 2022

1% = others

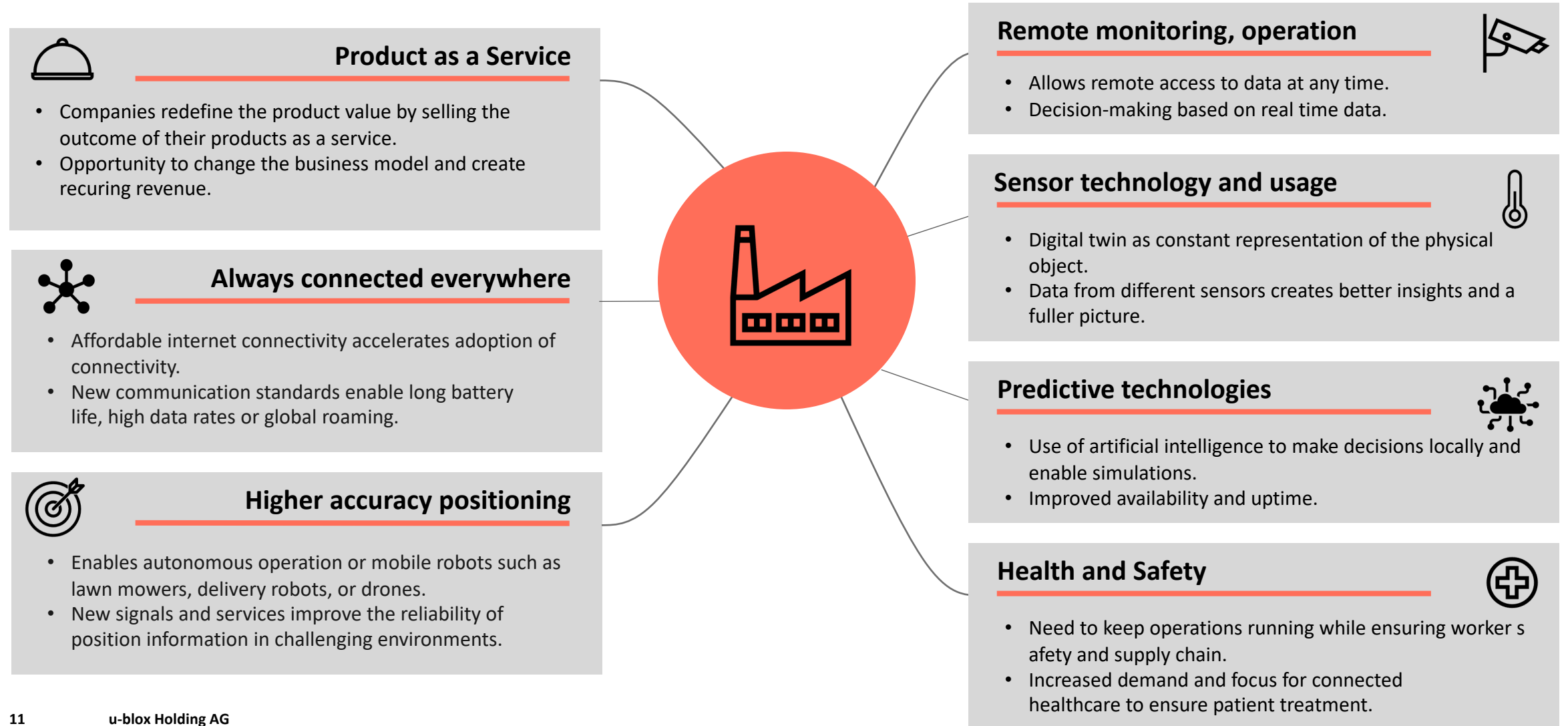


Scope of application is increasing rapidly
as the wireless content in individual
applications remains fixed

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

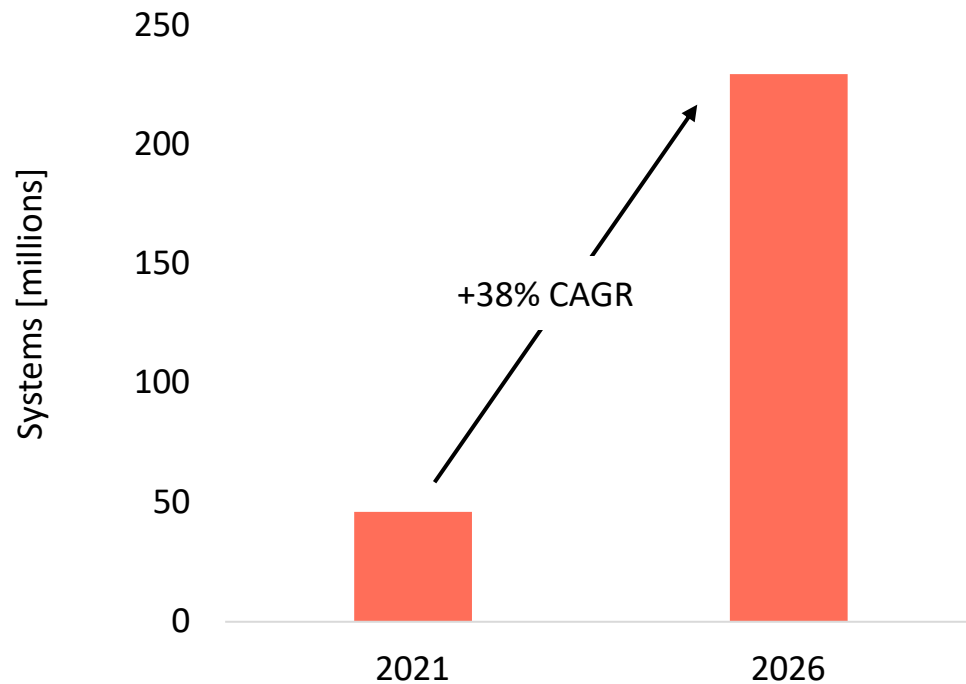
Applications
become more feature-rich
with connectivity as an expected
functionality

Industrial applications will become connected and autonomous



Strong market momentum in the industrial market, especially for positioning solutions

Industrial positioning market

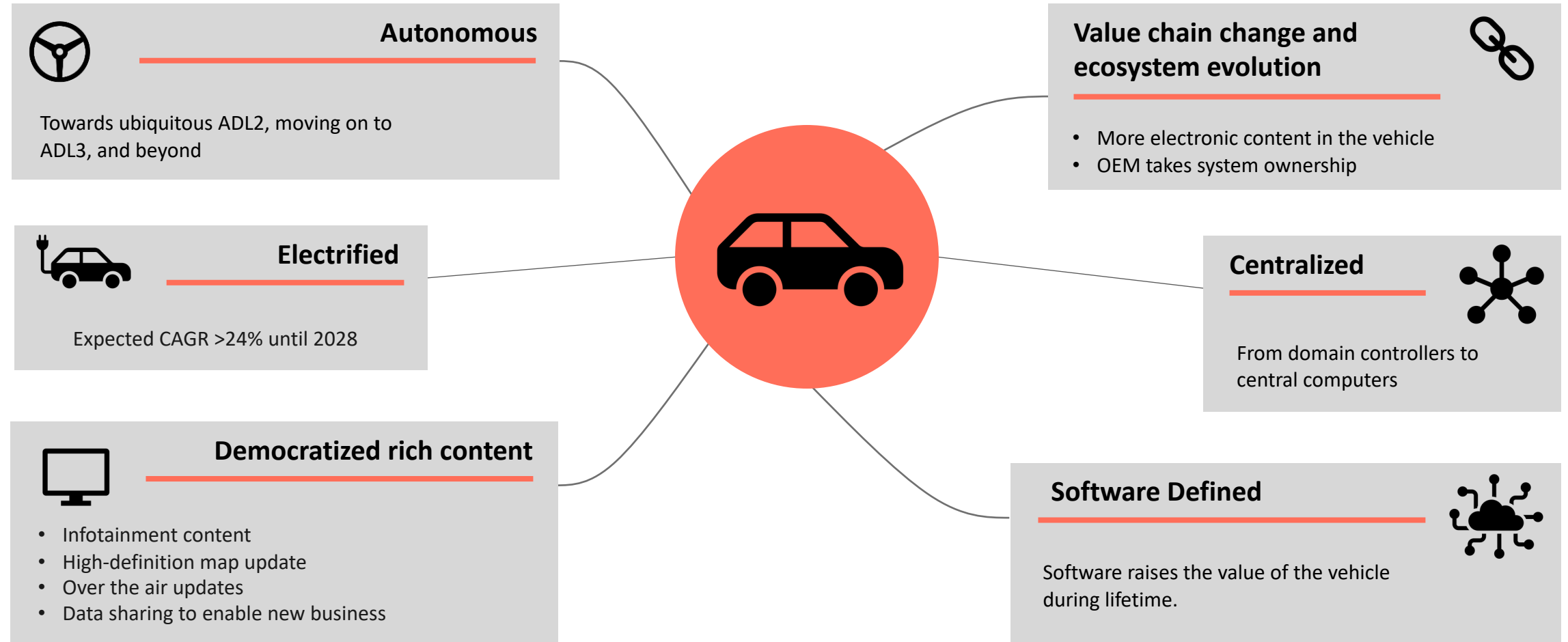


Sources: ABI, TSR, OMDIA, u-blox

- Positioning determines origin of information
- Devices that were previously stand-alone become connected
- Wide base of applications follow the trend



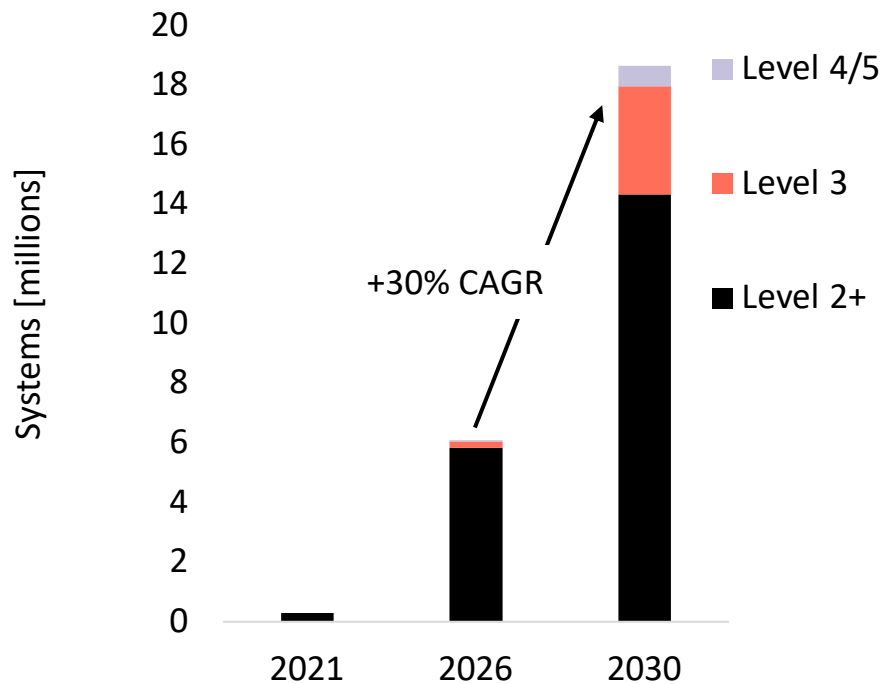
The car of the future will be autonomous, electric and increasingly shared



Strong market momentum of higher level of autonomous driving starting now

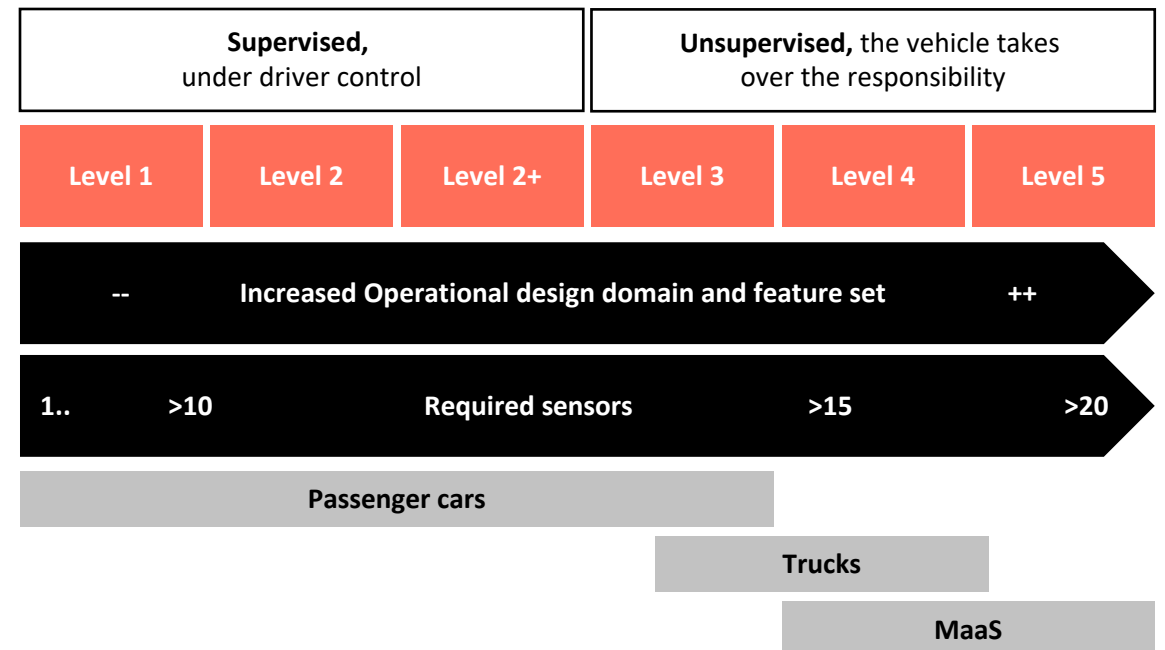


Car production with autonomous driving level 2+ and above



Sources: ABI, TSR, OMDIA, u-blox

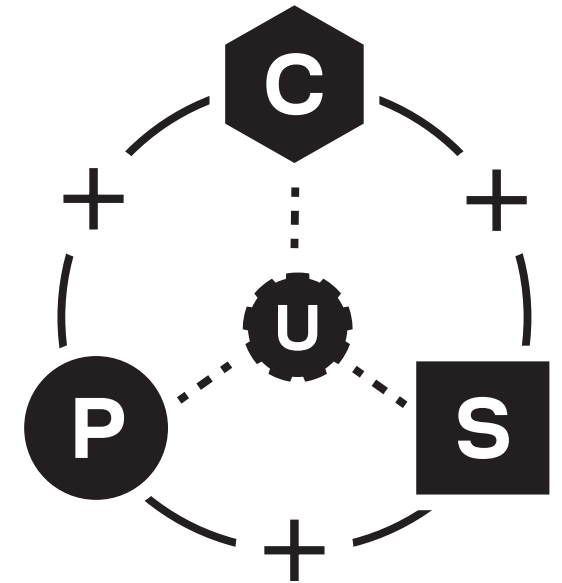
- Level 2+ and above benefits from high precision GNSS
- Significant growth with autonomous driving Level 2+
- Level 4 and Level 5 deployments are dominated by «Mobility as a Service (MaaS)»
- Precise, reliable, safe positioning solutions will contribute to electronic value growth per car



u-blox value proposition

What does a solution look like?

u-blox enables local and cloud connectivity, theft protection and navigation



Our solution space: three core technologies CEL, POS, SER + value-added services

Trusted solutions for autonomous vehicles

A complete solution for a strongly growing market

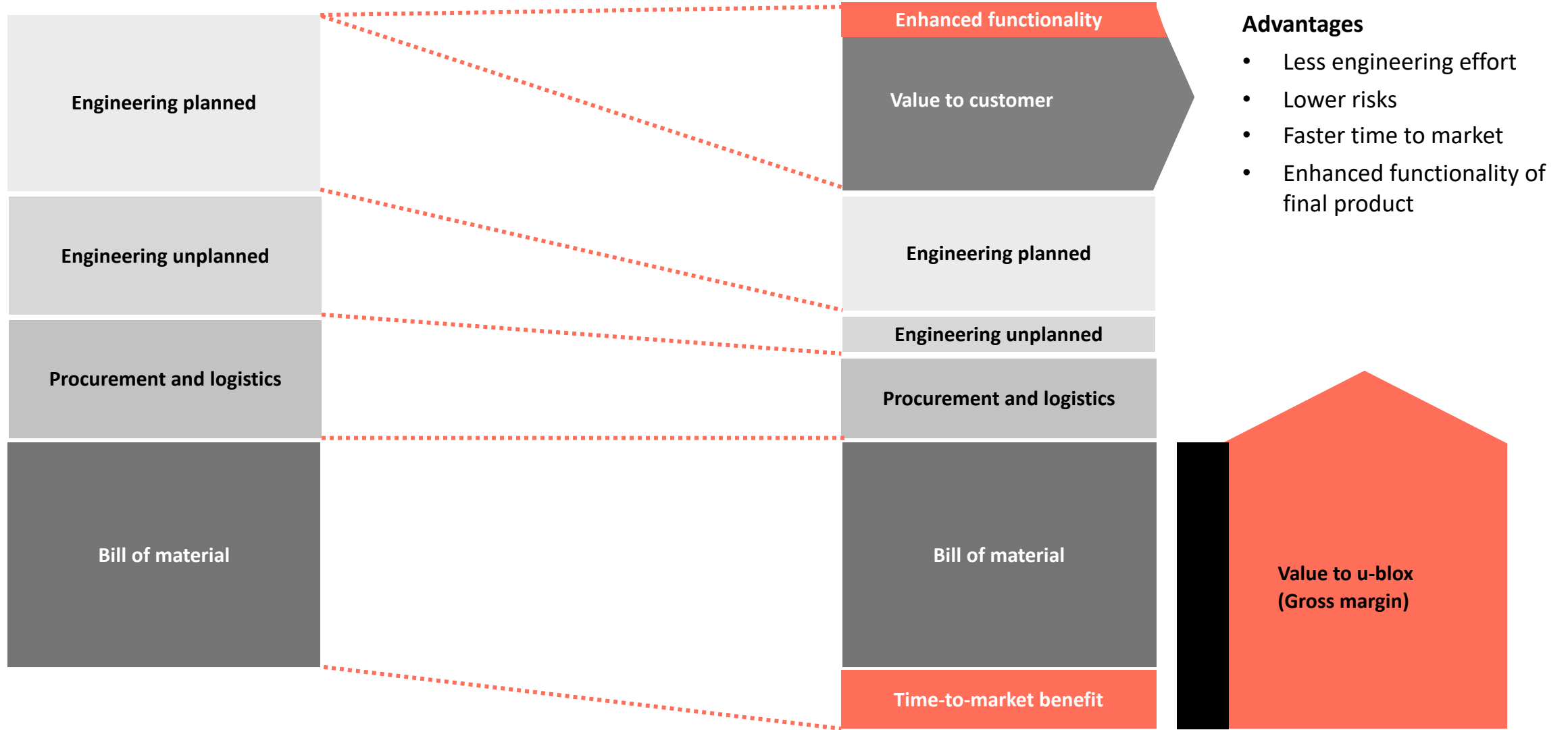


A complete solution package

- High precision positioning
- Cellular communication
- Short range communication
- Services

u-blox value enhancements

How customer value is created



Why are we competitive?

No other company offers the same solution portfolio



Company	Product Offer	Cellular	Positioning	Short Range Radio
Mediatek	Chip	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Qualcomm		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nordic		<input type="checkbox"/>		<input type="checkbox"/>
ST Microelectronics			<input type="checkbox"/>	<input type="checkbox"/>
Broadcom			<input type="checkbox"/>	<input type="checkbox"/>
NXP				<input type="checkbox"/>
Sequans		<input type="checkbox"/>		
Silicon Labs				<input type="checkbox"/>
Autotalks				<input type="checkbox"/>
u-blox			<input type="checkbox"/>	<input type="checkbox"/>
Quectel	Module	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Telit Cinterion		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alps		<input type="checkbox"/>		<input type="checkbox"/>
Fibocom		<input type="checkbox"/>		
Laird		<input type="checkbox"/>		
LG				<input type="checkbox"/>
Murata				<input type="checkbox"/>
Septentrio				<input type="checkbox"/>
Sierra Wireless		<input type="checkbox"/>		
Silicon Labs				<input type="checkbox"/>
u-blox		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hexagon	Services		<input type="checkbox"/>	
Telit		<input type="checkbox"/>		
Trimble			<input type="checkbox"/>	
u-blox		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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 consumer/handset/PC markets
- Competitors in the module space **have no access to core IP** and implement only the reference design of the chip suppliers
- Recent mergers reduce options for customers
- There is **no comparable company with our unique strategic line-up.**

*Semtech to acquire Sierra Wireless

R&D plans and expenditures

Maintaining our growth path: 18 R&D centers

Strong footprint to attract innovation talents



18

R&D centers worldwide



850+

engineers



CHF 100m+

annual investment
(2021)

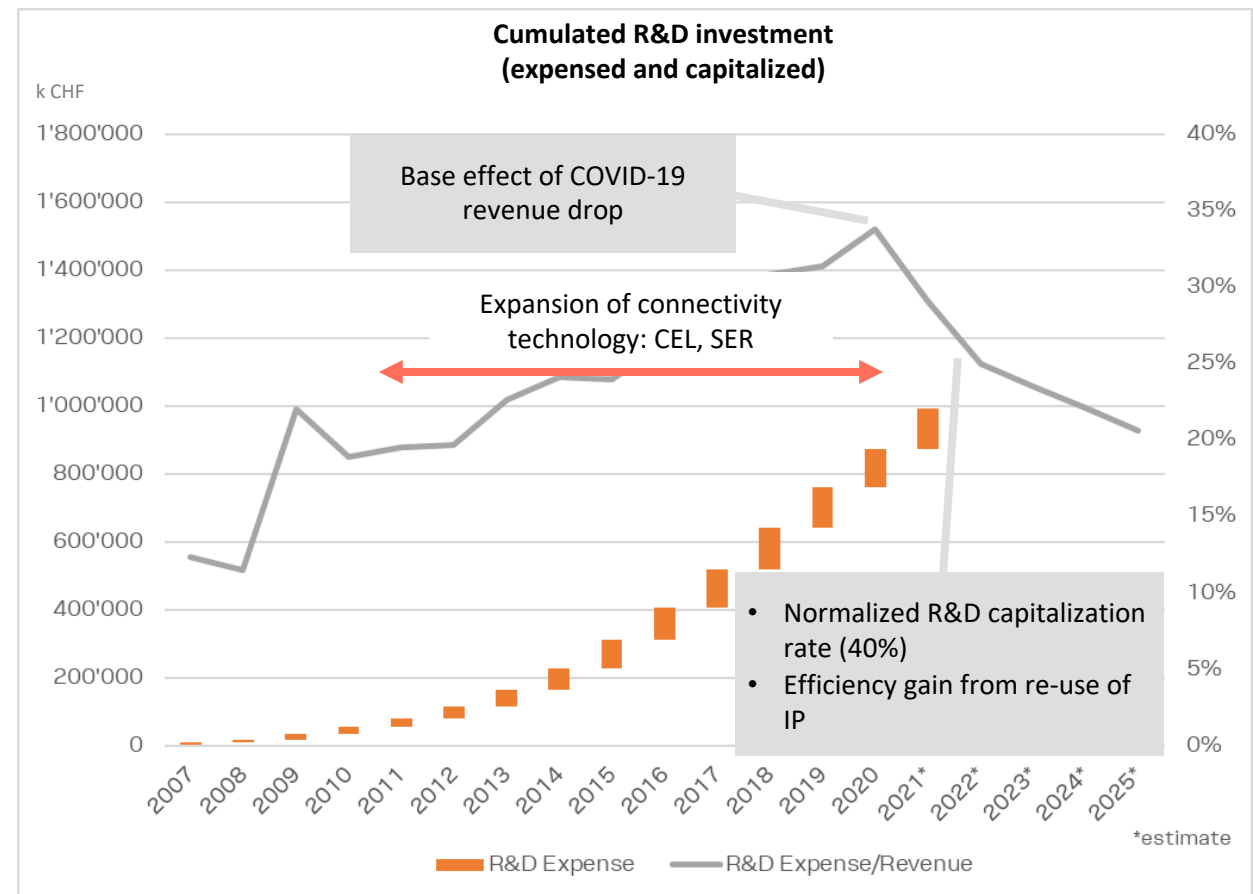


Investments in R&D paying dividends in time



Deep technology and market IP acquired over decades

- We continue to invest in technologies that will **push the industry forward** for years to come.
- Our IP is based on **CHF 1bn investment** over the last 15 years – the intrinsic value of u-blox and the source of our competitiveness.
- We have been **first to market** with many technologies: module form factors, leading positioning performance and, most recently, services.
- R&D intensity managed to **achieve positive free cash flow, our core KPI**



u-blox solution components

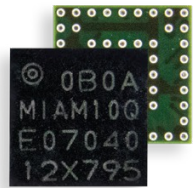
Making devices connected – from chip to cloud



Position

Precise and accurate

M10



Connect

Solid and robust

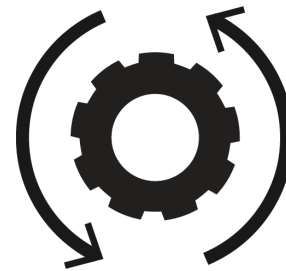
R5



Compute

Effortless at edge

u-connectXpress



Transfer

Simple and efficient

SaaS



All things are safe and secure

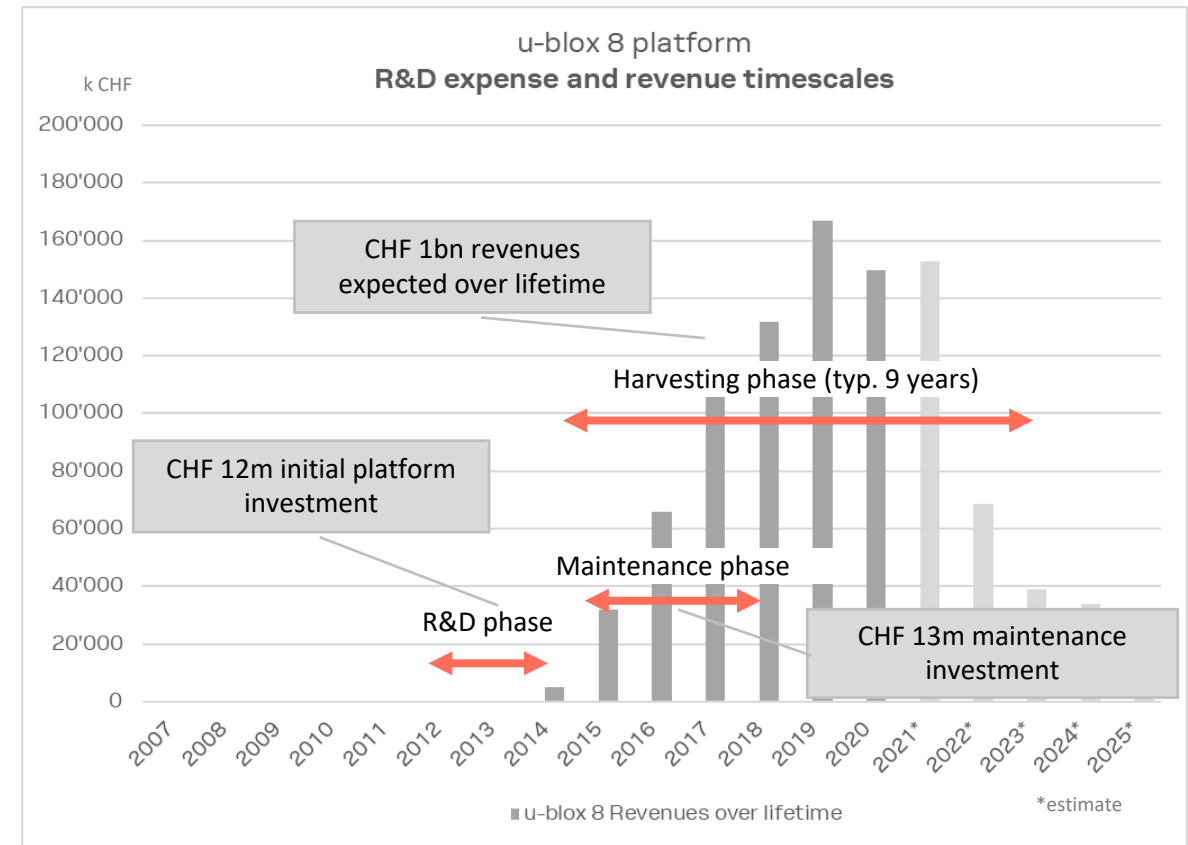
Solutions are easy to implement

Why we capitalize R&D

R&D phase is short over very long harvesting time



- u-blox 8 platform was developed between 2012 and 2014
- Market introduction 2014
- End of life expected in 2025
- Useful life 9 years with CHF 1bn expected sales over lifetime with continued maintenance investments
- Strong IRR from platform investments



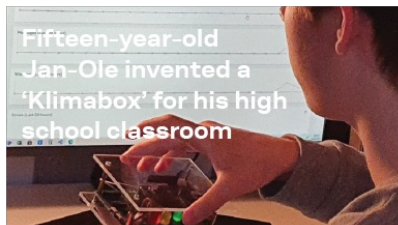
ESG & sustainability

Integrating ESG into our strategy

Sustainable progress with ample potential



2021 Highlights

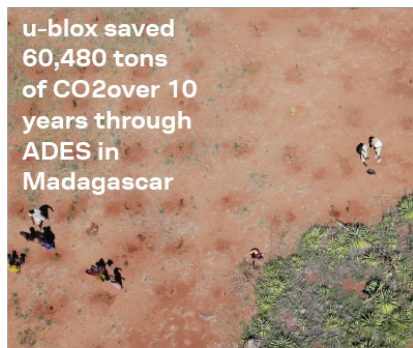


Fifteen-year-old Jan-Ole invented a 'Klimabox' for his high school classroom

We extended the number of chips produced on one wafer by a factor of 3 saving 66% in energy and materials

NaviBlind enables visually impaired people to navigate independently

2,569 young deer were saved from a painful death



u-blox saved 60,480 tons of CO2 over 10 years through ADES in Madagascar

91% of our modules are produced with renewable energy



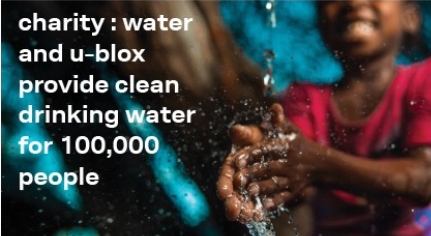
336 children were fed and educated in Ghana in 2021 at Mettoh school funded by u-blox since 2013

94% of employees trained on u-blox Code of Conduct

1,500 students attended 20,000 days of school across Europe thanks to No Isolation's AV1 robotic avatar



The India Mark II hand water pump developed by charity: water has rolled out across Uganda, India, and Ghana utilizing SARA-U201 cell modules and MAX-8C GNSS modules donated by u-blox



charity: water and u-blox provide clean drinking water for 100,000 people

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
	Environmental responsibility	3, 4, 5, 10, 11

[u-blox Sustainability Report 2021](#)

Responsible products

Tremendous positive impact for sustainable solutions



Optimizing individual vehicle route/traffic management



Optimizing the maintenance and life span of remote community water pumps to keep the tap flowing for thousands of villagers



Empowering visually impaired people to walk independently



Supporting older people who live alone with AgeTech



Optimizing energy generation and reducing energy waste



Enabling smart micromobility solutions



Advancing vehicle driver assistance systems for safety



Optimizing sustainable management of cities



Delivering vaccines to remote, hard to access communities



Connecting children who are unable to attend school to their classrooms and classmates with robotic avatars



Optimizing agriculture to reduce water and pesticide consumption while helping to prevent food scarcity



Optimizing manufacturing and logistics



Optimizing water generation and reducing water waste



Optimizing vehicle fleet management and transport



Optimizing sustainable building and site management



Protecting vulnerable wildlife with precision GPS



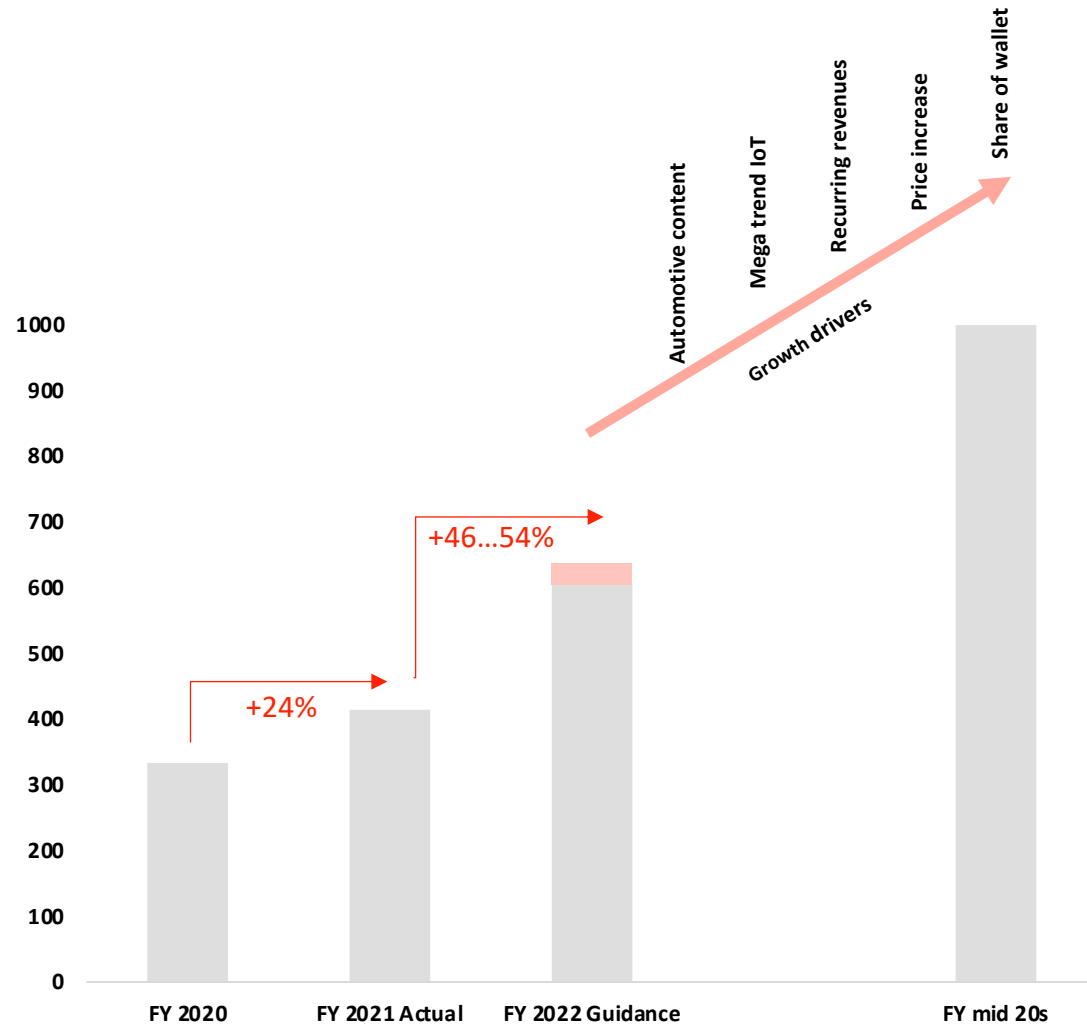
Optimizing healthcare technologies and environments

Financial summary

Continued revenue expansion in sight



Strong growth drivers from mega trends and solutions offering

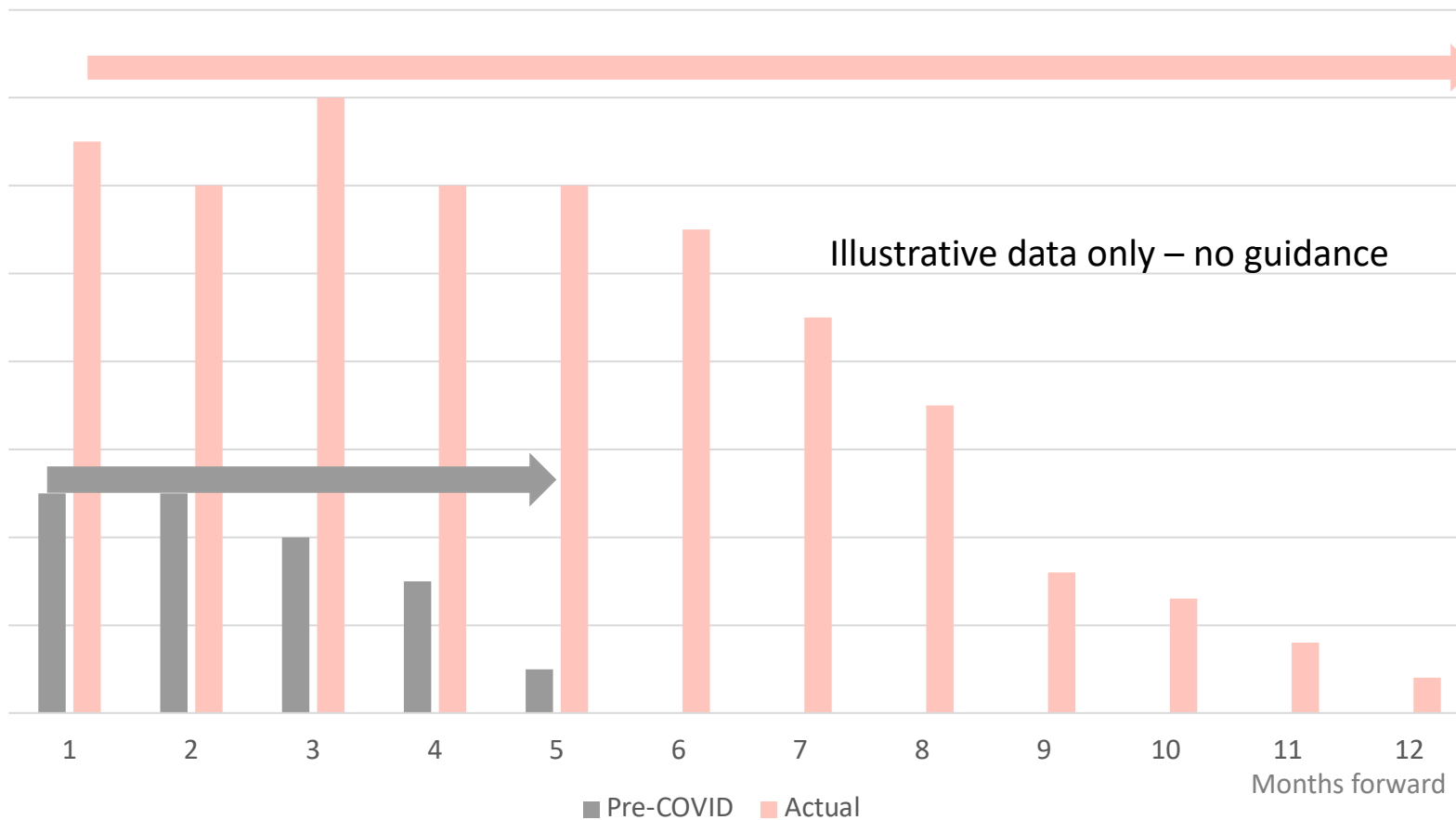


Only illustrative – picture does not provide for a mid-term guidance. Guidance 2022 range indicated by red bar

- Continued expansion of digitization in the car
- Low power solutions allow expansion of wearables
- Ongoing trend for smart industrial devices
- Acceleration from expanded solution capabilities
- High precision positioning and functional safety create basis for sizeable recurring revenues

Order book and visibility

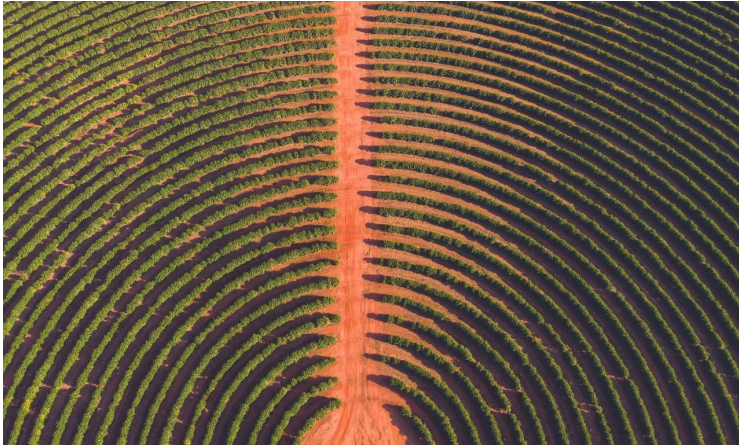
Strong extension of order value, and long-term visibility



- Lead times now 8 to 12 months
- Orderbook partly secured with NCNR orders
- No double ordering – our products occupy high switching cost at customer (not a commodity product)
- Customer inventories to re-balance as component availability improves

Key strategic initiatives

Strategy on track



Broadening sales channels

- Tapping more market potential
- Increase share of wallet



Expanding product offer

- Enhance focus on core promising applications for winning the market leaders
- More solution granularity

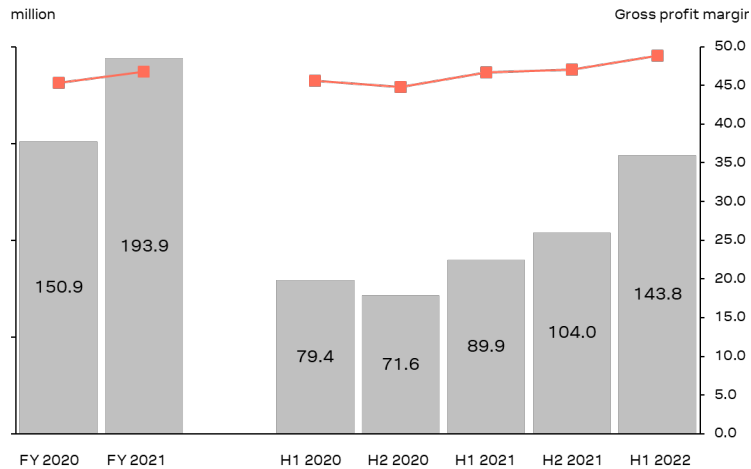


Autonomous driving

- Safe positioning engine
- Correction data

Financial ambitions

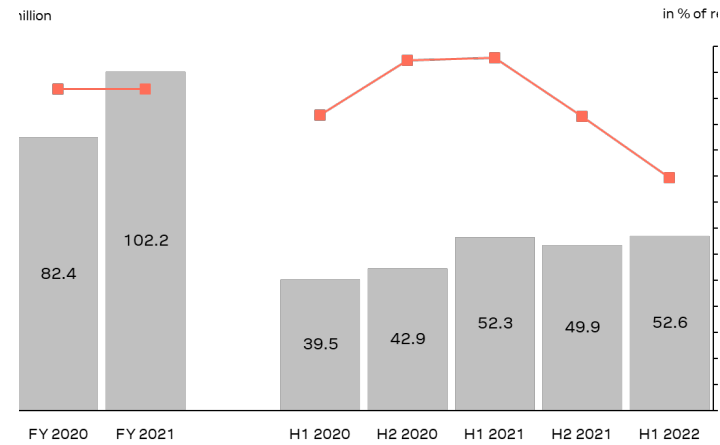
New levels of operating leverage to be maintained



Gross margin

≈50%

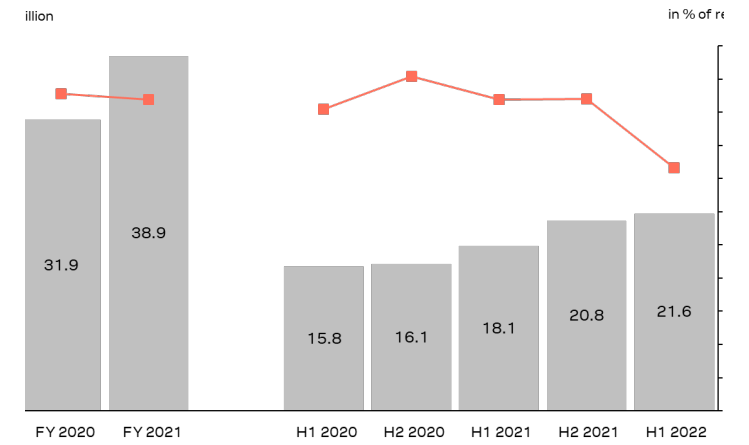
- Product mix
- Price increase



OPEX R&D

≤20%

- Agile organization
- Project selection



OPEX D&M

≤9%

- Channel management
- Wider share of wallet

Guidance 2022

Strong order book – revenues continually expanding



- **Continued expansion of demand**
 - Content extension in automotive
 - Expansion of industrial IoT
 - Healthy ramp-up with new products
- **Supply constraints for electronic components to gradually ease**
- **Record high orderbook**
- **FY 2022 record revenue level of CHF 624 million as reported on 11 January 2023, resulting in a growth rate of 51%**

CHF	FY 2021 (adjusted)	Guidance 2022 ^{(1) (2)} (adjusted) as of 11 Mar 22	Guidance 2022 ^{(1) (2)} (adjusted) as of 30 May 22	Guidance 2022 ^{(2) (3)} (adjusted) as of 19 Aug 22
Revenue growth	+26.9%	+21...32%	+27...39%	+46...54%
EBITDA margin	17.4%	16...18%	17...21%	22...25%
EBIT margin	8.5%	8...10%	10...14%	16...19%

¹⁾ Exchange rate assumptions for 2022: Average rate of 2021 (USD: 0.914, EUR: 1.081, GBP: 1.257)

²⁾ Changes as compared to FY 2021

³⁾ Exchange rate assumptions for H2 2022: Average rate of H1 2022 (USD: 0.944, EUR: 1.032, GBP: 1.226)

FX-sensitivity against CHF:

+10% of	USD	EUR	GBP
Revenue	+ 9%	+ 1%	0%
EBITDA	+ 16%	0%	-2%
EBIT	+ 22%	- 1%	- 3%

Round up

Key investment theses

Investments for the future



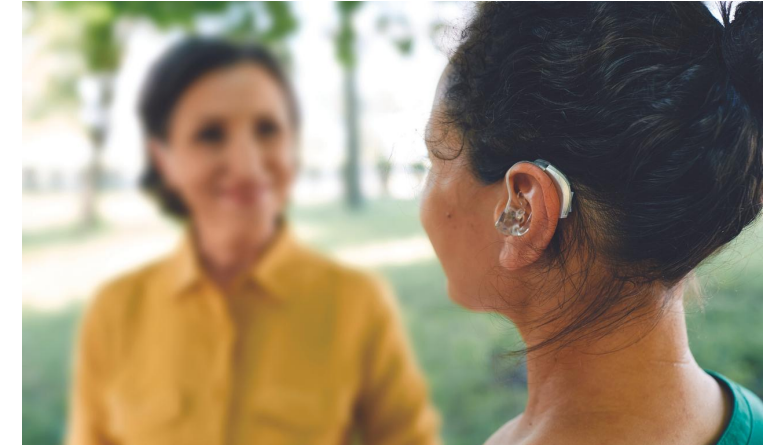
Market leader in industrial IoT with strong revenue growth

- Solution capability
- Partner with customer



Proven financial model with long-term resilient model

- High innovation
- Fabless



Reliable dividend policy with robust FCF

- Gross margin robustness
- Operating leverage with fabless business model

**Thank you
for your attention**

Upcoming events



- Full year 2022 results: 10 March 2023
- 3M 2023 revenues: 12 April 2023
- Annual General Meeting: 19 April 2023
- 1H 2023 revenues: 12 July 2023
- Half-year results: 18 August 2023

Investor relations contacts



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