



Soitec and Simgui Announce Enhanced Partnership and Increased Production Capacity of 200mm SOI Wafers in China, Securing Future Growth

Companies redefine their manufacturing and licensing relationship to better serve the growing global market for RF-SOI and Power-SOI products

Bernin (Grenoble), France, February 19, 2019– **Soitec** (Euronext Paris), a world leader in designing and manufacturing innovative semiconductor materials, and Shanghai Simgui Technology Co., Ltd. (Simgui), a leading Chinese silicon-based semiconductor materials company, jointly announced today an enhanced partnership and an increase in annual production capacity of 200mm silicon-on-insulator (SOI) wafers from 180,000 to 360,000 at Simgui's manufacturing facility in Shanghai, China, to better serve the growing global market for RF-SOI in mobile and Power-SOI products.

Since signing their original licensing and technology transfer agreement in May 2014, the companies have achieved high quality standards with Simgui mastering Soitec's Smart Cut[™] proprietary process to deliver world-class RF-SOI and Power-SOI products. Simgui's strategic partnership with Soitec allows them to use the same tools and processes to deliver the same products meeting the same specifications.

This ramp up in production is a direct result of the close collaboration and customer focus of both partners to deliver high quality SOI products at high volume. To further advance this mission, Simgui and Soitec have redefined their original financial agreement and specific roles regarding the 200 mm wafers produced by Simgui. Simgui will focus on SOI wafer manufacturing and Soitec will manage worldwide product resale. To meet increasing worldwide demand for 200mm SOI in response to the growing market for RF-SOI used in mobile front-end modules (FEM) and for Power-SOI used in automotive and consumer electronics, Simgui has invested in their Shanghai fabrication line to offer customers this increased production capacity. The fab is production ready, having been qualified by multiple key customers inside and outside China.

"We are very pleased to continue our long-standing history and manufacturing partnership with Simgui to secure 200 mm capacity for our customers in markets where RF-SOI is today a standard for RF FEM for 4G & 5G and Power-SOI shows strong growth," said Dr. Bernard Aspar, Soitec's Executive Vice President, Communications and Power Business Unit. "Soitec and Simgui are committed to serve this industry with the right level of capacity and product quality." "Through our industrial collaboration with Soitec, Simgui has proven the robustness and highvolume scalability of Soitec's Smart Cut technology and we are pleased to announce this new step in our relationship and increase in production capacity to serve our existing and future customers," said Dr. Jeffrey Wang, Simgui's Chief Executive Officer. "China has design, wafer manufacturing and good momentum in the IC industry. We are committed to our strategic partnership with Soitec to keep advancing SOI as China's key differentiator."

About Shanghai Simgui Technology Co., Ltd. (Simgui)

Simgui is a Shanghai-based leading global supplier of customized silicon-on-insulator (SOI) and epitaxial (EPI) wafers and solutions for the semiconductor industry, with customers across Greater China, Japan, Korea, Europe, and the US. Founded in 2001 as a spin off from the Shanghai Institute of Microsystem and Information Technology (SIMIT) within the Chinese Academy of Sciences (CAS), Simgui is now part of the National Silicon Industry Group (NSIG), an industry holding company focused on semiconductor material business and its ecosystem development. The company has received numerous distinguished awards for its world-class industrial manufacturing and quality standards including the Chinese National Science and Technology Progress Award and the prestigious Scientific Achievement Award of CAS. For more information, visit: www.simgui.com.cn/en/

About Soitec

Soitec (Euronext, Tech 40 Paris) is a world leader in designing and manufacturing innovative semiconductor materials. The company uses its unique technologies and semiconductor expertise to serve the electronics markets. With more than 3,000 patents worldwide, Soitec's strategy is based on disruptive innovation to answer its customers' needs for high performance, energy efficiency and cost competitiveness. Soitec has manufacturing facilities, R&D centers and offices in Europe, the U.S. and Asia. Soitec and Smart Cut are registered trademarks of Soitec. For more information, please visit <u>www.soitec.com</u> and follow us on Twitter: @Soitec_EN

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