



Press Release

u-blox acquires SIMCom cellular module product line

Shanghai-based SIMCom Wireless is one of the world's leading machine-to-machine (M2M) wireless module and solutions suppliers. In an asset deal worth USD 52.5 million, u-blox is acquiring the company's cellular modem products, R&D team and customer base, which will expand the u-blox cellular product range and make it one of the world's largest suppliers of cellular modules.

Thalwil, Switzerland – January 20, 2017 – u-blox (SIX: UBXN), a global leader in wireless and positioning modules and chips, today announced an asset deal with Shanghai-based SimTech Group Company Ltd. that will give u-blox control over the company's cellular modem products (known as SIMCom Wireless), patents and know-how, R&D and sales staff, and customer base. The deal significantly expands u-blox's existing cellular product range and makes it a major supplier of cellular modules worldwide.

The acquisition firmly establishes u-blox as a leader for a range of 2G, 3G and 4G products and creates new economies of scale. The acquisition of SIMCom's product portfolio offers additional solution options and price points which will widen u-blox's customer base and increase its geographical reach. The deal significantly increases the cellular module business in Asia, primarily China, and generates increased revenue in Europe and America. The larger scale will also provide the eventual opportunity to incorporate the recently announced u-blox's cellular chips into select modules in the combined portfolio.

Listed on the Hong Kong stock exchange, SimTech Group Company Ltd. will sell the assets included in the deal to u-blox for USD 52.5 million in cash. The Swiss company's biggest acquisition to date should increase revenues by approx. USD 75 million for the remaining three quarters of 2017, taking total revenues to the half-billion USD mark. Following fulfillment of closing conditions and regulatory approvals, the acquisition should be completed within three months. The assets will be integrated into u-blox's cellular product center and help to expand the company's R&D capacity by 150 specialists, and enlarge the sales organization.

All SIMCom's existing products will remain available under the SIMCom's brand name.

Subject to closure, u-blox adjusts its guidance figures for 2017. The company now expects revenues to reach between CHF 485 and 515 million, with profits in the region of CHF 60 and 65 million including integration costs. Details can be found in the table below.

	Actual FY 2015	Actual H1.2016	Prediction 2016	Previous Guidance 2017 ^{*)}	Updated Guidance 2017 ^{*)}
Revenue	338.3m	179.7m	360m	410m...425m	485 ... 515m
EBIT	51.3m	27.8m	56m...58m	60m... 65m	60 ... 65 m ^{**)}
	CHF	CHF	CHF	CHF	CHF

^{*)}This guidance is based on the absence of unforeseen economic adversity and exchange rates assumed at budget level
^{**)} EBIT offset by integration cost in 2017

A supplementary slide presentation can be downloaded [here](#) in PDF format.

u-blox will host a press conference for investors on Monday 23 January, 9.30am – 10.30am CET at the SIX Convention Point in Zürich.

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Financial calendar

2016 Full year results: March 16, 2017

Annual general meeting: April 25, 2017

About u-blox

Swiss u-blox (SIX:UBXN) is a global leader in wireless and positioning modules and chips for the automotive, industrial and consumer markets. u-blox solutions enable people, vehicles and machines to locate their exact position and communicate wirelessly over cellular and short range networks. With a broad portfolio of chips, modules and software solutions, u-blox is uniquely positioned to empower OEMs to develop innovative solutions for the Internet of Things, quickly and cost-effectively. With headquarters in Thalwil, Switzerland, u-blox is globally present with offices in Europe, Asia, and the USA.

www.u-blox.com

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Disclaimer

This release contains certain forward-looking statements. Such forward-looking statements reflect the current views of management and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the u-blox Group to differ materially from those expressed or implied. These include risks related to the success of and demand for the Group's products, the potential for the Group's products to become obsolete, the Group's ability to defend its intellectual property, the Group's ability to develop and commercialize new products in a timely manner, the dynamic and competitive environment in which the Group operates, the regulatory environment, changes in currency exchange rates, the Group's ability to generate revenues and profitability, and the Group's ability to realize its expansion projects in a timely manner. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this report. u-blox is providing the information in this release 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.

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