



Soitec expands its engineered substrate portfolio into GaN (Gallium Nitride) with the acquisition of EpiGaN nv

Acquisition accelerates Soitec's penetration across high-growth 5G, power and sensor market segments

Bernin (Grenoble), France, May 13, 2019 – **Soitec** (Euronext Paris), an industry leader in designing and manufacturing innovative semiconductor materials, announced today that it has entered into a definitive agreement to acquire EpiGaN, a leading European supplier of GaN epitaxial wafer (epi-wafer) materials, for €30M in cash, plus an additional earn-out payment based on completion of certain milestones. EpiGaN's GaN products are used primarily within RF 5G, power electronics, and sensor applications, with the total addressable market of GaN technologies estimated to be between 500,000 to 1M wafers per year within five years.

"GaN technology is gaining significant traction in RF and power markets. GaN epi-wafers represent a natural strategic fit with Soitec's current portfolio of engineered substrates," said Soitec CEO Paul Boudre. "The acquisition of EpiGaN further extends and complements Soitec's portfolio beyond silicon to create new value-added process solutions for both RF 5G and power systems."

In the mobility space the co-optimization of performance, low power and cost is key. The arrival of 5G sub 6GHz and mmW is driving new generations of base stations, compared with 4G, which in turn require more energy-efficient, higher performing, smaller, and more affordable power amplifiers (PA). Soitec will expand its engineered substrates offering for PA with GaN leading the way in today's smaller, lighter, more efficient and cost effective base station designs.

"Widely recognized for its strong expertise in GaN for several years, EpiGaN has developed a technology which is ready and optimized for 5G broadband network applications," said EpiGaN co-founder and CEO Dr. Marianne Germain. "Our technology creates the unique opportunity for Soitec's customers to develop quickly product solutions targeting new high-growth markets, such as RF devices, efficient power switching devices and sensor devices."

"The GaN technology developed by EpiGaN opens up many future opportunities and we believe Soitec is an excellent partner to further develop the full potential of EpiGaN," said Katleen Vandersmissen, director of EpiGaN and representative of cornerstone investor Investment Company of Limburg (LRM).

In addition, the EpiGaN acquisition also creates new complementary growth opportunities across Soitec's existing Power-SOI products given GaN's use in power transistor designs. Both Power-

SOI and GaN address the requirements for integrating high-voltage and analog functions in intelligent, energy-efficient and highly reliable power IC devices, for use in consumer electronics, data center, automotive and industrial markets. EpiGaN will be integrated as one of Soitec's business units.

Agenda

Soitec will hold its Capital Market Day in Paris on June 13, 2019.

About Soitec

Soitec (Euronext Paris) is an industry 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 3,500 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. For more information, please visit www.soitec.com and follow us on Twitter: @Soitec_EN

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About EpiGaN

Founded in 2010 in Hasselt, Belgium, as a spin-off of imec, EpiGaN is a leading European supplier of Gallium Nitride (GaN) technology solutions. EpiGaN's technology is a key enabler for device innovation in power supplies, electric vehicles, wireless charging and RF power systems for 5G infrastructures, IoT (Internet of Things), and smart sensor systems. The company was named twice to the prestigious *Global Cleantech 100* list within the last 3 years. In 2011, LRM, Capricorn Cleantech Fund and Robert Bosch Venture Capital supported the company as investors, later followed by A-Capital and SPFI-FPIM.

For more information, please visit www.epigan.com.

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