

Press Release – NSIG – March 13, 2018

The National Silicon Industry Group (NSIG) provides annual update

NSIG, the officially sanctioned materials group in China, is providing an annual update regarding its growth. NSIG is the largest shareholder of Okmetic, Simgui, and Zing Semiconductor, and this update is broken into sections for each company.

Okmetic Oy.

In 2017, Okmetic grew with the market to increase results to record revenues and profits, while continuing to focus on specialty products based on its technical advantages. Okmetic also announced that it was doubling its size over the next three years with the support of NSIG to continue to address the expanded demands of its loyal customers. This includes the expansion of capacity to service the High Resistivity market and a new building dedicated to C-SOI.

Simgui Inc.

Simgui is focused on SOI and Epi solutions for the semiconductor market. In 2017, Simgui expanded its Epi business, and increased its SOI output dramatically in concert with the needs of the market. Simgui is executing on continued expansion plans for the RF-SOI market for 2018, and has developed longer term plans to address the FD-SOI market as appropriate.

Zing Semiconductor Inc.

Zing Semiconductor is focused on 300mm manufacturing in the NSIG family. Zing installed equipment and was qualified to provide Test wafers to a variety of customers in 2017. Zing also provided prime wafer qualification samples during that period, and is in the process of ramping output for these wafers while increasing qualification activities at a number of customers. In addition to producing tens of thousands of wafers per month over the last six months, Zing is finishing the installation of the first phase of 100k wafers/month of capacity which is on track to be consumed this year, and will be starting the receipt and installation of the next phase of 200k wafers/month of capacity in the second half of this year, which is anticipated to be consumed during the course of 2019. Zing has also been confirmed to be the sole Nationally Sponsored Company for next generation process development, which will allow it to spend over 1B RMB on these activities. This will be important as Zing ramps capacity towards the target of 1M wafers/month over the next several years.

Mr. Nabeel Gareeb, from the NSIG CEO office, stated – “It is good to see the progress across all fronts of the NSIG family in a short period of time. We were happy to realize NSIG’s first consolidated breakeven quarter late in 2017 in spite of the heavy investments in Zing. We look forward to continued progress across the entire family in 2018, and are targeting to increase NSIG group consolidated revenue by at least 30% while significantly improving our profitability during the same period to enable self-funding of NSIG over the longer term. Without the hard work of all our employees, and the support of our customers, shareholders, and suppliers, this accelerated progress would not be possible”.

Stated Dr. Xi Wang, Chairman of NSIG – “We are very pleased to see the level of accomplishments at NSIG as a result of Mr. Gareeb’s leadership and the support of our shareholders, who have recently re-affirmed their commitment to invest 5B RMB into NSIG in 2018, and twice that amount over the next 2-3 years. We look forward to establishing our presence clearly on the world stage as a solutions provider for our customers across the broad array of technologies that are demanded by device applications”.

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NSIG was formed in December, 2015, and is headquartered in Shanghai. It is a shareholder of Okmetic (200mm and smaller diameter wafers), Simgui and Soitec (SOI substrates), and Zing Semiconductor (300mm diameter wafers). The shareholders of NSIG are Sino IC Capital, Guosheng Capital, Summit View Capital, SIMIC and Jiading Industry Zone.