



Press Release

u-blox updates guidance for FY 2017, contract to buy SIMCom's cellular product line amicably terminated

Thalwil, Switzerland – May 22, 2017 – u-blox (SIX: UBXN), a global leader in wireless and positioning modules and chips, and SIM Technology Group Limited today announced that they will not proceed with the sale, respectively acquisition, of SIMCom cellular module product line.

Despite best efforts on the part of SIM Technology Group and u-blox, the Parties could not close the deal as originally intended and were unable to find alternatives that worked for both whilst sustaining the intended benefits. Both Parties have therefore decided to amicably terminate the Asset Purchase Agreement and Technology Assignment Contract with all ancillary agreements.

u-blox CEO Thomas Seiler commented: "While we are disappointed that the deal has not come to fruition, u-blox and SIM Technology Group Limited continue to have a good relationship and expect to find other ways of working together in the future."

Seiler continued: "Our strategy for cellular products remains focused on growth. For some time now we have been working on adapting our product range to achieve a stronger geographical diversification mainly for the Asian markets, where we make 50% of our global revenue. The strong move to LTE based connectivity will naturally open new strategic windows. Our strong focus and investment in our own chipset development especially for IoT applications is a key part of our strategy. Our guidance indicates a continued strong growth."

As a result of this situation, u-blox has revised its guidance figures for 2017 back to levels as provided on January 11, 2017 and foresees for FY 2017 continued growth in all regions expecting revenues of between CHF 410 and 425 million, with EBIT in the range of CHF 60 to 65 million.

About u-blox

Swiss u-blox (SIX:UBXN) is a global leader in wireless and positioning semiconductors and modules 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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For more information:

u-blox

Gitte Jensen, Investor Relations Manager

Phone: +41 44 722 74 86

E-mail: gitte.jensen@u-blox.com

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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.

This press release is published in German and English. Should the German translation differ from the English original, the English version is binding.