

Phononic and Fabrinet Partner to Scale Global Production of High-Performance Thermoelectrics

Solid-State Cooling and Heating Innovator and Leading Global Optical Component Manufacturer Establish Partnership to Meet Explosive Market Demand

December 7, 2020; Durham, NC & Bangkok, Thailand -- To support the growing demand from optical communications, 5G mobile, and automotive LiDAR, Phononic, a global leader in solid-state cooling and heating technology, today announced that it has partnered with Fabrinet (NYSE: FN), a leading provider of advanced optical packaging and precision optical, electro-mechanical and electronic manufacturing services. This partnership allows Phononic to dramatically expand high-volume manufacturing capabilities beyond its existing Durham, NC, factory with Fabrinet's state-of-the-art manufacturing facilities in Thailand.

The voracious appetite for data consumption and communications worldwide is a key driver behind Phononic's growth in its optoelectronics business. With 12 straight quarters of growth, Phononic forecasts to increase revenue in 2020 from their optoelectronics business unit by over 150% compared to 2019. Thermoelectric devices are mission critical components needed inside many of the fiber optic transceivers that deliver and transmit data to laptops, mobile phones, smart TVs and vehicles.

The COVID-19 pandemic has only accelerated a trend that was already in full swing, wherein all aspects of our lives are moving increasingly online.

This partnership creates an exciting business and technical opportunity for both parties. "We are very pleased to partner with Phononic to leverage our core technical competency while expanding our coverage of the optical component value chain," said Dr. Harpal Gill, President & COO of Fabrinet. "Phononic is disrupting the optical component space with their leading performance and power consumption savings and we are excited to help them expand and meet anticipated demand."

Phononic recognizes the global brand recognition from Fabrinet's extensive experience in optical communications and believe Fabrinet is uniquely qualified to enable Phononic to meet its rapidly growing market demand. "In my 20 years in this industry, I have always seen Fabrinet as a critical go-to expansion partner," said Kevin Granucci, Vice President and GM of Phononic. "We share the same customer base, so Fabrinet deeply understands the performance, quality and reliability standards required of products in this arena, and they have an unparalleled track record for meeting them."

This expansion is particularly critical in APAC, where there is a tremendous and growing customer base for Phononic's devices. Optical communications components companies based in the region will be able to leverage Phononic's in-continent expansion for thermoelectric devices in optical components for datacenters, high-speed coherent applications, as well as 5G mobile and access networks (FTTx).

This expansion also allows Phononic to continue delivering disruptive and sustainable cooling solutions for its key target sectors beyond optical communications and LiDAR: Micro fulfillment food storage and delivery, and its licensing initiatives in life sciences & healthcare, food & beverage and sustainable climate control. Phononic corporate headquarters, R&D, product development and production will continue to operate at full capacity and strength at the company's headquarters and facilities in Durham, NC.

About Fabrinet

Fabrinet is a leading provider of advanced optical packaging and precision optical, electro-mechanical, and electronic manufacturing services to original equipment manufacturers of complex products, such as optical communication components, modules and subsystems, automotive components, medical devices, industrial lasers and sensors. Fabrinet offers a broad range of advanced optical and electro-mechanical capabilities across the entire manufacturing process, including process design and engineering, supply chain management, manufacturing, advanced packaging, integration, final assembly and testing. Fabrinet focuses on production of high complexity products in any mix and any volume. Fabrinet maintains engineering and manufacturing resources and facilities in Thailand, the United States of America, the People's Republic of China, Israel and the United Kingdom. For more information visit: www.fabrinet.com.

About Phononic

Phononic, Inc. is an innovator of semiconductor cooling solutions that sustainably displace antiquated mechanical incumbents. The Company's thermoelectric chips and fully integrated products are used in micro cooling (5G/Optoelectronics/LiDAR applications); micro fulfillment (food storage, curbside pick-up and delivery); and licensed to leaders in the life sciences & healthcare, food & beverage and climate control sectors. Phononic's innovations are revolutionizing the way people work and communicate, how grocers merchandize and deliver food, how life-saving vaccines and drugs are protected, and how houses and buildings are cooled – setting a new global standard of efficiency and sustainability.

For additional Company and product information visit: www.phononic.com.