



MEMSCAP
The Power of a Small World™



HEADING FOR 2023:

MEMSCAP ANNOUNCES THE SALE OF ITS NORTH CAROLINA MANUFACTURING PLANT TO SCIENCE CORPORATION & THE CONCLUSION OF A STRATEGIC SUPPLY AGREEMENT FOR OPTICAL COMMUNICATIONS PRODUCTS

*On-time Completion of the FABLITE Program according to Initial Company Plan
MEMSCAP New Organization improving agility and profitability profile*

Grenoble (France) – December 7, 2022 – 06:30 PM.

MEMSCAP (NYSE Euronext: MEMS), the leading provider of innovative solutions based on MEMS (micro-electro-mechanical systems) technology, today announced it has fully executed its FABLITE Program through the sale of its North Carolina Manufacturing Plant (USA) and the conclusion of a strategic supply agreement for its optical communications products.

North Carolina Manufacturing Plant Sale Transaction

MEMSCAP entered into a definitive Asset Purchase Agreement with Science Corporation, a California-based Company which develops advanced technologies with the goal to blur the lines between medical devices and consumer electronics, covering the sale and transfer of certain assets of its US subsidiary (MEMSCAP Inc.), including:

- The entire North Carolina teams.
- The North Carolina plant lease as well as all plant's tools and equipment and associated technology.
- The foundry business customers.

The purchase price to acquire the above assets totals 3.0 million US dollars.

The Asset Purchase Agreement excludes the Variable Optical Attenuator (VOA) Products, Intellectual Property and Business (MEMSCAP Optical Communications Business), which remain the ownership of MEMSCAP.

Strategic Supply Agreement of VOA Products

Concurrent with the Sale Transaction closing, MEMSCAP and Science Corporation entered into a strategic supply agreement for the manufacturing and supply of products for the MEMSCAP VOA business. Such Agreement includes a minimum of 3 years supply of chips and wafers.

Analysis and perspectives

Following this transaction and the on-schedule completion of the FABLITE Program, MEMSCAP business becomes focused around:

- the Avionics and Medical businesses operated by MEMSCAP Norwegian facilities, and
- the fabless VOA Product line servicing MEMSCAP Optical Communications business.

This new organization is expecting to deliver significant improvement to MEMSCAP agility and profitability.

"We are delighted to enter this transaction with Science Corporation, assuring to our teams in North Carolina a solid new home and for MEMSCAP the continuity of servicing the Optical Communications business with the same standards.", said Jean Michel Karam, Chairman & CEO of MEMSCAP. "We are very pleased for having conducted the FABLITE Program from the idea to an on-schedule implementation. Today, we are excited to enter 2023 with such agile organization we planned three years ago."

Q4 2022 earnings: January 25, 2023.

About MEMSCAP

MEMSCAP is the leading provider of innovative micro-electro-mechanical systems (MEMS)-based solutions.

MEMSCAP's products and solutions include components, component designs (IP), manufacturing and related services.

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www.memscap.com

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