Spectra7 Announces Longer Reach Active Copper Cable Solution for Data Center Connectivity Applications

New GC2802 GaugeChanger™ Solution Targeted at new Generation of High-Performance Artificial Intelligence and Machine Learning Servers

SAN JOSE, Calif.--(BUSINESS WIRE)--November 10, 2020--(TSX-V:SEV) Spectra7 Microsystems Inc. ("Spectra7" or the "Company"), a leading provider of high-performance analog semiconductor products for broadband connectivity markets, today announced the GC2802 IC to support longer reach data center server interconnect applications.

In 2019, The Worldwide Data Center Server market size was USD 42,630 million and it is expected to reach USD 58,810 million by the end of 2026.[1] The majority of this growth is driven by demand from Hyperscalers.

New Artificial Intelligence (AI) and Machine Learning (ML) architectures are driving the need for longer and higher bandwidth server interconnects. Additionally, as Hyperscalers transition from 32 port switches to higher radix 64 port switches, interconnect lengths to servers will increase and span several racks.

The GC2802 is the latest addition to the GaugeChanger™ product line and provides additional gain at higher bandwidth to achieve 30% longer reach Active Copper Cables (ACCs) than the current GC2502 product. The GC2802 also supports extended temperature range of -40 to 85C and is footprint compatible with the GC2502.

"The GC2802 is a significant step forward in performance and will allow us to address new AI and ML server connectivity topologies that are appearing in the Data Center," said Spectra7 CEO Raouf Halim. "We have several customers ready to start building qual samples with these new parts and anticipate production revenue in 2021 from this new product."

GaugeChanger™ is an innovative and disruptive technology that allows copper to extend much longer lengths without the cost and power penalty of optics. It works equally well at 25Gbps NRZ and 50Gbps PAM-4 enabling new connector standards of 100, 200 and 400Gbps.

ABOUT SPECTRA7 MICROSYSTEMS INC.

Spectra7 Microsystems Inc. is a high-performance analog semiconductor company delivering unprecedented bandwidth, speed and resolution to enable disruptive industrial design for leading electronics manufacturers in virtual reality, augmented reality, mixed reality, data centers and other connectivity markets. Spectra7 is based in San Jose, California with a design center in Cork, Ireland and technical support location in Dongguan, China. For more information, please visit www.spectra7.com.

CAUTIONARY NOTES

Certain statements contained in this press release constitute "forward-looking statements". All statements other than statements of historical fact contained in this press release, including, without limitation, those regarding the Company's future financial position and results of operations, outlook, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to the risk factors discussed in the Company's Annual Information Form and annual MD&A for the year ended December 31, 2019. Management provides forward-looking statements because it believes they provide useful information to investors when considering their investment objectives and cautions investors not to place undue reliance on forward-looking information. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this press release and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

[1] Market Watch - Global Data Center Report

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