SPECTRA7

Spectra7 and Foxconn Achieve Error Free Performance on Broadcom Tomahawk 3 Switch with Ultra-Thin 34AWG Active Copper Cable

Achieving Benchmark to Accelerate Adoption of Spectra7's Technology

SAN JOSE, Calif., Sept. 20, 2021 /CNW/ -- (TSXV: SEV) (OTCQB: SPVNF) Spectra7 Microsystems Inc. ("**Spectra7**" or the "**Company**"), a leading provider of high-performance analog semiconductor products for broadband connectivity markets, and Foxconn Interconnect Technology, Inc. (Foxconn), a leading supplier of interconnect solutions, announced that they have achieved error free performance on a Broadcom Tomahawk 3 switch. The testing relied on Spectra7 enabled 34AWG 200Gbps Active Copper Cable (ACC) built by Foxconn up to 2.5m in length, which are dramatically thinner and easier to route than the 26AWG cables that are typically used for these demanding applications.

"Achieving this benchmark on Broadcom's Tomahawk 3 platform is significant to maximizing performance within the data center and will accelerate adoption of our technology in the rapidly growing Artificial Intelligence and Machine Learning markets," said Spectra7 CEO Raouf Halim. "Foxconn Interconnect Technology has unsurpassed capabilities in development, research, manufacturing engineering, design and production and is the first to develop 34AWG ACCs using our technology."

Hyperscalers are now requiring thinner and more flexible cables to accommodate increased rack density. Bend radius and bend space are key cable parameters. Spectra7's GaugeChanger™ chips allow smaller 34AWG copper to be used thus dramatically improving both measurements.

The ACCs ran error free attaining a Bit Error Rate (BER) of better than 10^{15}. The benchmark was achieved with no Forward Error Correction (FEC). FEC increases the latency by up to 120ns per connection in each direction and degrades Artificial Intelligence (AI) and Machine Learning (ML) applications that are increasingly running on Hyperscaler systems.

The AI market is forecast to grow at 39.7% CAGR[1] and the ML market is forecast to grow at 43.8% CAGR[2] over the years 2019 to 2025.

ABOUT FOXCONN INTERCONNECT TECHNOLOGY, LIMITED ("FIT")

Foxconn Interconnect Technology (FIT) is a leading global solutions developer and manufacturer cultivating connectivity for a better world. With unsurpassed capabilities in development, research, manufacturing engineering and design, production, supply chain, and go-to-market planning for world class brands and private label products spanning B2C and B2B categories, FIT is at the forefront of worldwide technological trendsdelivering compelling user experiences at scale. With offices and manufacturing sites located in Asia, the Americas and Europe, FIT is a global leader in the manufacturing of high precision interconnect components.

For more information, visit FIT's website: fit-foxconn.com.

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.

Neither the TSX Venture Exchange nor its regulation services provided (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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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, the timing of the effective date of the Consolidation, the Company's strategy, 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 Management's Discussion and Analysis for the year ended December 31, 2020. 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.

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