

MACOM Announces Strategic Capital Investment Plan

- *Plan Supports MACOM's Strategy to Advance United States Semiconductor Manufacturing and Technology Leadership*
- *CHIPS and Science Act Proposed Direct Funding, Federal Investment Tax Credits and Direct State Funding Would Offset up to 50% of Costs*

LOWELL, MA, January 14, 2025 – [MACOM Technology Solutions Holdings, Inc. \("MACOM"\)](#) (Nasdaq: MTSI), is pleased to announce its long-term investment plan to modernize its Massachusetts and North Carolina semiconductor wafer fabrication facilities. MACOM's five-year strategic investment plan of up to \$345 million is supported by a recently executed preliminary, non-binding agreement with the CHIPS Program Office, which would provide for proposed direct funding from the U.S. Department of Commerce under the CHIPS and Science Act of up to \$70 million. The preliminary terms propose up to \$180 million to be supported by the CHIPS and Science Act through a combination of direct Federal funding, Federal Investment Tax Credits and State funding, including direct funding from the Massachusetts Technology Collaborative of up to \$15.7 million as well as other incentives from the State of Massachusetts. It is expected that the balance of approximately \$165 million would be self-funded by MACOM's operating cash flow over the next five years.

This wafer fab capital investment plan supports MACOM's growth and market positioning strategy to be an industry leading supplier of advanced RF, microwave and millimeter wave semiconductor technologies. MACOM's innovative technology and product portfolio supports existing and emerging Defense, Telecommunications and Datacenter applications.

Massachusetts Wafer Fabrication Facility Investment Highlights

- Expansion of clean rooms within existing building footprint
- Modernization of current 100mm production lines, including GaAs, GaN, Silicon and other III-V materials
- Installation of 150mm GaN-on-SiC manufacturing capability for advanced node applications
- Infrastructure upgrades (HVAC, water, solar and power systems)

North Carolina Wafer Fabrication Facility Investment Highlights

- Expansion of clean rooms within existing building footprint
- Installation of 150mm wafer size production capabilities to support RF GaN-on-SiC processes
- Installation of advanced MOCVD epitaxial growth capabilities
- Infrastructure upgrades (HVAC, water, power systems)

"This plan will strengthen MACOM's domestic semiconductor manufacturing capabilities, accelerate our growth strategy and enable us to better service our customers with leading technologies," said Stephen G. Daly, President and Chief Executive Officer, MACOM.

MACOM expects to work with the CHIPS Program Office to finalize the details and terms of a definitive agreement.

About CHIPS for America

CHIPS for America has awarded over \$33 billion of the over \$36 billion in proposed incentives funding allocated to date. These announcements across 22 states are expected to create over 125,000 jobs. Since the beginning of the Biden-Harris Administration, semiconductor and electronics companies have announced nearly \$450 billion in private investments, catalyzed in large part by public investment. CHIPS for America is part of President Biden and Vice President Harris's economic plan to invest in America, stimulate private sector investment, create good-paying jobs, make more in the United States, and revitalize communities left behind. CHIPS for America includes the CHIPS Program Office, responsible for manufacturing incentives, and the CHIPS Research and Development Office, responsible for R&D programs, that both sit within the National Institute of Standards and Technology (NIST) at the Department of Commerce. Visit chips.gov to learn more.

About Massachusetts Technology Collaborative (MassTech)

The Massachusetts Technology Collaborative (MassTech) is a statewide public agency focused on advancing technology statewide. The organization strengthens the competitiveness of the tech and innovation economy by driving strategic investments, partnerships and insights that harness the talent of Massachusetts. MassTech supports the Bay State's tech sector with a strategic focus on talent, ecosystems and innovation infrastructure across its diverse divisions and programs.

Find out more: www.masstech.org

About MACOM

MACOM designs and manufactures high-performance semiconductor products for the Telecommunications, Industrial and Defense and Datacenter industries. MACOM services over 6,000 customers annually with a broad product portfolio that incorporates RF, Microwave, Analog and Mixed Signal and Optical semiconductor technologies. MACOM has achieved certification to the IATF16949 automotive standard, the ISO9001 international quality standard and the ISO14001 environmental management standard. MACOM operates facilities across the United States, Europe, Asia and is headquartered in Lowell, Massachusetts. To learn more visit www.macom.com.

Special Note Regarding Forward-Looking Statements

This press release contains forward-looking statements. These forward-looking statements include, among others, statements about MACOM's strategic investment plan, negotiation and finalization of a definitive agreement with and receipt of funding from the Federal and State governments and MACOM's ability to utilize such funding and to self-fund a portion of and execute on its capital investment plan, MACOM's growth strategy and market positioning resulting therefrom and execution of the previously announced transfer of the North Carolina wafer fabrication facility from Wolfspeed, Inc. to MACOM.

These forward-looking statements reflect MACOM's current views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause those events or our actual activities or results to differ materially from those indicated by the forward-looking statements, including our ability to develop new products and achieve market acceptance of those products; component shortages or other disruptions in our supply chain, including as a result of geopolitical

unrest or otherwise; inflationary pressures; any failure to accurately anticipate demand for our products and effectively manage our inventory; our dependence on a limited number of customers; risks related to any weakening of economic conditions; our ability to compete effectively; and those other factors described in “Risk Factors” in MACOM’s filings with the Securities and Exchange Commission (“SEC”), including its Annual Report on Form 10-K, its Quarterly Reports on Form 10-Q and other filings with the SEC. These forward-looking statements speak only as of the date of this press release, and MACOM undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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