

## ENABLANCE TECHNOLOGIES INC. ANNOUNCES FIRST QUARTER FISCAL 2024 FINANCIAL RESULTS

*(unless otherwise noted, all financial amounts in this news release are expressed in thousands of U.S. dollars)*

**Ottawa, Canada – November 29, 2023** – Enablance Technologies Inc. ("**Enablance**" or the "**Company**") (TSX-V: ENA), a supplier of optical components and subsystems, has filed its unaudited financial statements for the three months ended September 30, 2023 ("**Q1 2024**") and related management's discussion and analysis and certifications (collectively, the "**Financial Statements**"). Electronic copies of the Financial Statements are available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Enablance's issuer profile.

"The WSTS predicted early on that the global semiconductor market would slow considerably in 2023- especially in optoelectronics - with year-over-year growth rates predicted to be in single digits before returning in 2024 to the rapid growth rates we have become accustomed. In Q1, I believe that the current optical semiconductor cycle is trending in that direction. Looking ahead, optoelectronics is projected to experience robust growth exceeding \$95B by 2030 and growing at a CAGR of 9.3% through 2030. Our strategy of investing in key product and technology development initiatives to expand our product offering to take advantage of these immediate and long-term market opportunities is progressing. The acceleration of new DWDM and CWDM product releases in Q4 diversifies the product line greatly and will add many new customers," Commented Todd Haugen, CEO, Enablance Technologies.

"Likewise, investments in new LiDAR technologies including new Gen1 and Gen 2 product releases are planned to launch in early 2024. This is creating exciting new revenue opportunities in automotive where our sales pipeline has more than doubled from Q4. Advances in Lidar technology substantially improves sensor accuracy, resolution, and detection range. As we aggressively drive adoption of these new product releases, we are also investing time and resources to develop our AI optical products which continues to see strong interest, especially for products within the chassis and rack applications."

" To support our revenue generating activities, we are also improving the operational foundations needed to drive the growth plan. I am happy to report our team is executing across the business with improvements in R&D, Operations, and Finance. These combined activities will enable us to grow our revenues significantly in the long-term, and meet our strategic growth plan," Haugen added.

For the three-month period ending September 30, 2023, revenue decreased 59% to \$225 versus \$554 during the corresponding quarter in 2022 due primarily to the cyclical nature of the optical semiconductor market. NRE revenues jumped to \$131 or 87% from \$70 during the corresponding quarter in 2022. This year saw an increase in NRE revenue as customers sought out new products in AI, LiDAR, and Medical Imaging.

Gross margin for the quarter was (\$670) as compared to (\$380) for the same period in the prior year, a decline of (\$290), or (76%). The decline is due primarily to flat revenues matched with a significant investment in wafer fabrication in support of a ramp up in wafer production. Early investment was necessary to counter any risks to capacity constraints for the pipeline opportunities.

As the Company ramped up its staff, R&D and production capacity, the Company recognized a net loss of \$2,204 during the first quarter of fiscal 2023, compared to net loss of \$1,499 for the same period in the prior year. This decrease is primarily due to the cyclical drop in revenues matched with a marginally lower cost of revenues and increased operating costs.

"While this quarter's top line was negatively impacted by a cyclical shift in customer purchases, Enablence has made the necessary investments in staff, R&D and production capacity in preparation for what looks to be an optimistic focus on its new product line up." said Stan Besko, CFO of Enablence Technologies.

The "Financial Highlights" above are qualified in their entirety by the Financial Statements, which are available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Enablence's issuer profile. For additional information on the Company, please refer to the investor presentation of the Company, which is available on Enablence's website ([www.enablence.com/investors](http://www.enablence.com/investors)) in the "Corporate - Investors" tab.

### **About Enablence Technologies Inc.**

Enablence is a publicly traded company listed on the TSX Venture Exchange ("TSX-V" - ENA) that designs, manufactures and sells optical components, primarily in the form of planar lightwave circuits (PLC), on silicon-based chips. Enablence products serve a global customer base, primarily focused today on data center and other rapidly growing end markets. Enablence also works with customers that have emerging market uses for its technology, including medical devices, automotive LiDAR, and virtual and augmented reality headsets. In select strategic circumstances, the Company also uses its proprietary, non-captive fabrication plant in Fremont, California to manufacture chips designed by third party customers.

For more information, visit: [www.enablence.com](http://www.enablence.com).

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### **Cautionary Note Regarding Forward-Looking Information**

This news release contains forward-looking statements regarding the Company based on current expectations and assumptions of management, which involve known and unknown risks and uncertainties associated with our business and the economic environment in which the business operates. All such statements are forward-looking statements under applicable Canadian securities legislation. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. These statements are based on current expectations that involve several risks and uncertainties which could cause actual results to differ from those anticipated. Although the Company believes that the expectations reflected in the forward-looking statements contained in this news release, and the assumptions on which such forward-looking

statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. We caution our readers of this news release not to place undue reliance on our forward-looking statements as a number of factors could cause actual results or conditions to differ materially from current expectations. Additional information on these and other factors that could affect the Company's operations are set forth in the Company's continuous disclosure documents that can be found on SEDAR ([www.sedar.com](http://www.sedar.com)) under Enablene's issuer profile. Enablene does not intend, and disclaims any obligation, except as required by law, to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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