NEWS RELEASE

Lumentum To Sell Certain Product Lines to AFR

2019-12-02

SAN JOSE, Calif. and ZHUHAI, China, Dec. 2, 2019 /PRNewswire/ -- Lumentum Holdings Inc. ("Lumentum"), a leading provider of photonics products for optical networking and lasers for industrial and consumer markets, and Advanced Fiber Resources (Zhuhai) Ltd. ("AFR"), a leading provider of passive optical components, today announced they have entered into an agreement whereby AFR will acquire the assets associated with certain Lithium Niobate based optical component product lines from Lumentum that are developed and manufactured by Lumentum's San Donato, Italy site.

"This transaction is a good outcome for all stakeholders as Lumentum's telecom transmission product strategy is now focused on Indium Phosphide photonic integrated circuit based components and modules and we planned to ramp down Lithium Niobate operations in San Donato," said Beck Mason, Lumentum's Senior Vice President and General Manager, Telecom Transmission.

"With this acquisition, AFR is excited to expand its market opportunities and capabilities to include Lithium Niobate based products for the communications and sensing markets," said X.L. Wang, AFR's Chairman and Chief Executive Officer. "We believe with our strengths in cost-effective high-volume manufacturing we are well positioned to address customer needs for Lithium Niobate products in our addressable markets."

The transaction is subject to certain customary closing conditions for a transaction of this type and is expected to close early in Lumentum's third quarter of fiscal year 2020. The product lines in the proposed transaction are part of the discontinued Telecom and Datacom product lines that Lumentum previously discussed on its first quarter fiscal year 2020 earnings call on October 31, 2019.

About Lumentum

Lumentum (NASDAQ: LITE) is a market-leading designer and manufacturer of innovative optical and photonic products enabling optical networking and laser applications worldwide. Lumentum's optical components and subsystems are part of virtually every type of telecom, enterprise, and data center network. Lumentum's lasers enable advanced manufacturing techniques and diverse applications including next-generation 3D sensing capabilities. Lumentum is headquartered in Milpitas, California with R&D, manufacturing, and sales offices worldwide. For more information, visit www.lumentum.com.

About Advanced Fiber Resources (AFR)

Incorporated in 2000, AFR (SZSE: 300620) is a leading provider of passive optical components, mainly designed for industrial laser, telecom, data center, fiber sensing, biomedical and academic research fields. Today, AFR has more than 1,000 employees and manufactures advanced and cost-effective products through our 360,000 sq-ft facilities in Zhuhai and Shenzhen, and has been widely recognized by customers worldwide for its superior quality in high power and polarization maintaining components.

Cautionary Note Regarding Forward-Looking Statements

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern Lumentum's expectations, strategy, plans or intentions, in particular, statements regarding the expected market opportunity, the expected benefits of the proposed transaction, the proposed closing date of the transaction and Lumentum's guidance for the second fiscal quarter of 2020, including the effect of the proposed transaction on guidance. Lumentum's expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected.

The forward-looking statements contained in this communication are also subject to other risks and uncertainties, including the risks related to our ability to complete the transaction, the development of markets as we expect and other important factors that could cause the results of the transaction to differ materially, as well as those risks more fully described in our filings with the Securities and Exchange Commission ("SEC"), including our Annual Report on Form 10-K for the year ended June 29, 2019 and our Quarterly Report on Form 10-Q for the fiscal quarter ended September 28, 2019. The forward-looking statements in this press release are based on information available to Lumentum as of the date hereof, and Lumentum disclaims any obligation to update any forward-looking statements, except as required by law.

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