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TRUSTED MANUFACTURING PARTNER OF THE WORLD'S LEADING OEMS



Company Overview

August 21, 2023

This presentation and the accompanying oral presentation contain “forward-looking” statements that are based on management’s beliefs and assumptions and on information currently available to management. Forward-looking statements include all statements other than statements of historical fact contained in this presentation, including information concerning our business plans and objectives, potential growth opportunities, competitive position, industry environment and potential market opportunities.

Forward-looking statements are subject to known and unknown risks, uncertainties, assumptions and other factors including, but not limited to: the growing global economic downturn; continued disruption to our supply chain, which could increase our costs and affect our ability to procure parts and materials; less customer demand for our products and services than forecasted; less growth in the optical communications, industrial lasers and sensors markets than we forecast; difficulties expanding into additional markets, such as the semiconductor processing, biotechnology, metrology and materials processing markets; increased competition in the optical manufacturing services markets; difficulties in delivering products and services that compete effectively from a price and performance perspective; our reliance on a small number of customers and suppliers; difficulties in managing our operating costs; difficulties in managing and operating our business across multiple countries (including Thailand, the People’s Republic of China, Israel, and the U.S.); and other important factors as described in reports and documents we file from time to time with the Securities and Exchange Commission (SEC), including the factors described under the section captioned “Risk Factors” in our most recent annual and quarterly reports on Form 10-K and Form 10-Q. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. These factors may cause our actual results, performance or achievements to differ materially and adversely from those anticipated or implied by our forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances described in the forward-looking statements will be achieved or occur. Moreover, neither we, nor any other person, assume responsibility for the accuracy and completeness of the forward-looking statements. We undertake no obligation to publicly update any forward-looking statements for any reason after the date of this presentation to conform these statements to actual results or to changes in our expectations, except as required by law.

Company Overview

**Global leader in advanced precision optical/
electronic/mechanical manufacturing services**

**Focus on high-mix/low-volume mission-
critical components and modules**

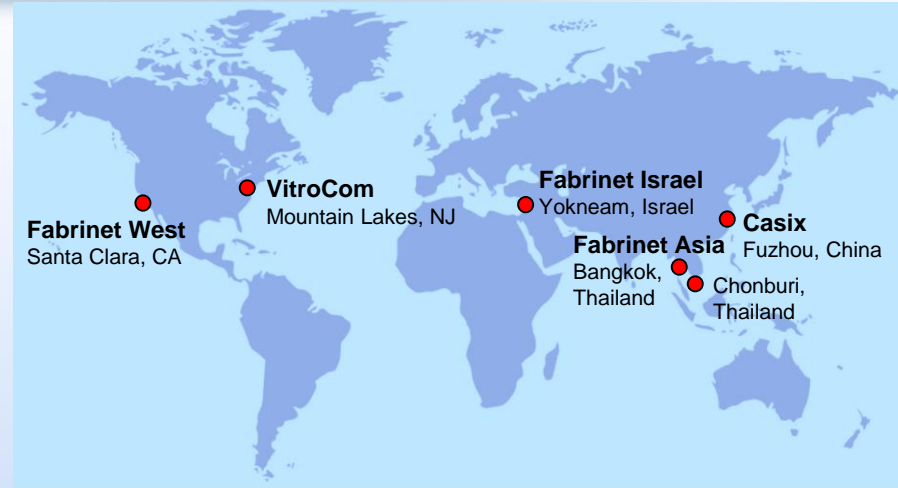
**Diverse end markets including optical
communications, industrial lasers, automotive
and optical sensing**

**Long-lasting customer relationships with
programs extending from new product
introduction (NPI) to volume production**

**Seasoned management team with extensive
and diversified manufacturing experience
in OEM and EMS industries**

Core values:

Total customer satisfaction | Sustainable Manufacturing | Positive work environment | Integrity



- Founded in 2000 by Chairman of the Board, Tom Mitchell (co-founder of Seagate Technologies)
- Factories in Thailand, China, New Jersey, California, and Israel.
- Total employees: >14,000
- Facilities: ~3.0 MM sq. ft.

Products We Manufacture

Optical Communications

- Transceivers
- Modulators
- Optical Amplifiers
- ROADM
- Silicon Photonics
- Line Cards
- Network Systems



Industrial Lasers

- Fiber Lasers
- Solid-State Lasers
- Gas Lasers
- Ultrafast Lasers



Automotive

- LIDAR
- EV Charging
- LED & Laser Lighting
- Safety & Control Sensors
- Pressure & Temperature Sensors



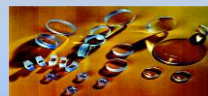
Optical Sensing

- LIDAR
- 3D Sensing
- AR/VR Systems
- Medical Diagnostics
- Metrology & Instrumentation



Customized Optics and Passive Devices – Vertical Integration

- Beam Splitters, Prisms, Laser Crystals, Waveplates, Ferrules



Efficient Global Manufacturing Footprint

Scalable Optical & Electro-Mechanical Assembly

Customized Optics

Quick-turn NPI Services



Bangkok, Thailand
Pinehurst campus



Fuzhou, China
Casix



Santa Clara, USA
Fabrinet West



Chonburi, Thailand
Chonburi campus



New Jersey, USA
VitroCom



Yokneam, Israel
Fabrinet Israel

Investment Highlights

- Large & Growing Addressable Markets

- Differentiated Business Model with Significant Barriers to Entry

- Unique Expertise in Precision Manufacturing Technologies Geared To Next-Generation Products in Diverse Industries

- Strong Relationships With Industry Leading OEMs

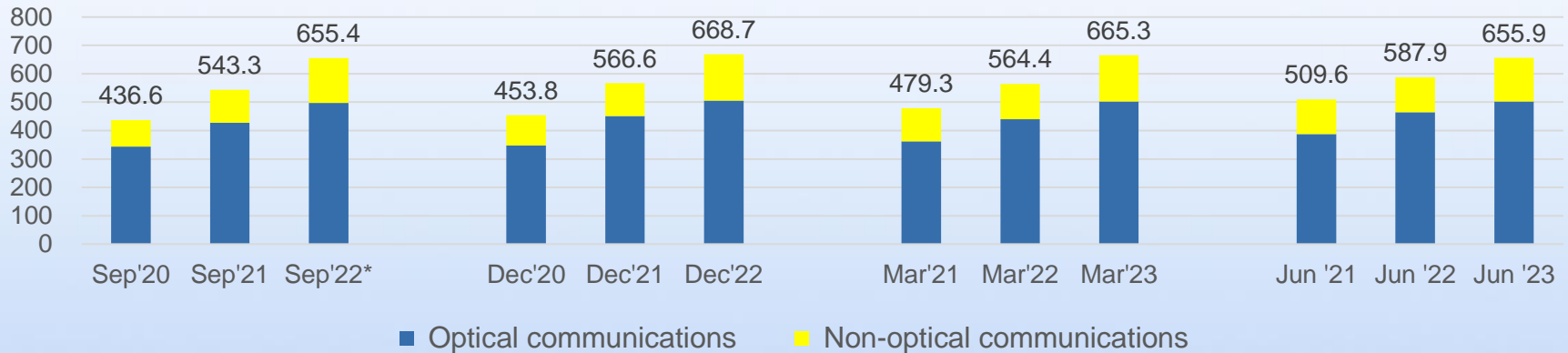
- Demonstrated Track Record of Growth & Profitability

- Experienced Management Team with History of Execution

Strong Revenue Trends

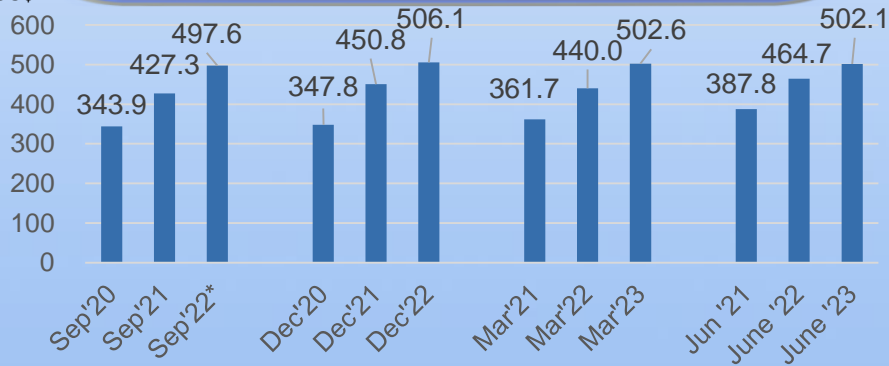
Quarterly Consolidated Revenue

US\$MM



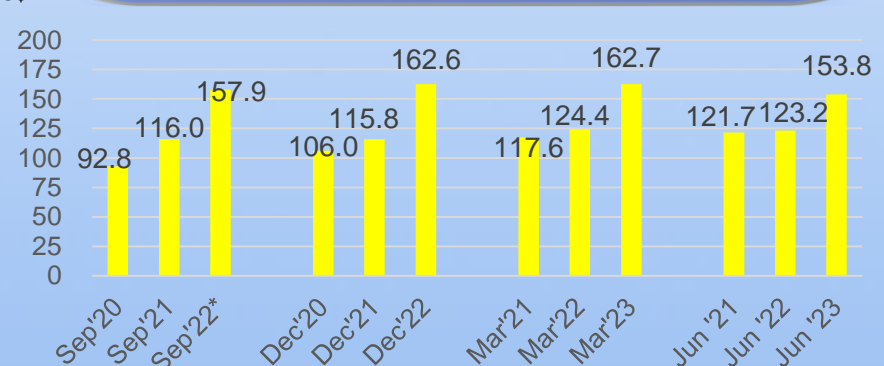
Optical communications revenue

US\$MM



Non-optical communications revenue

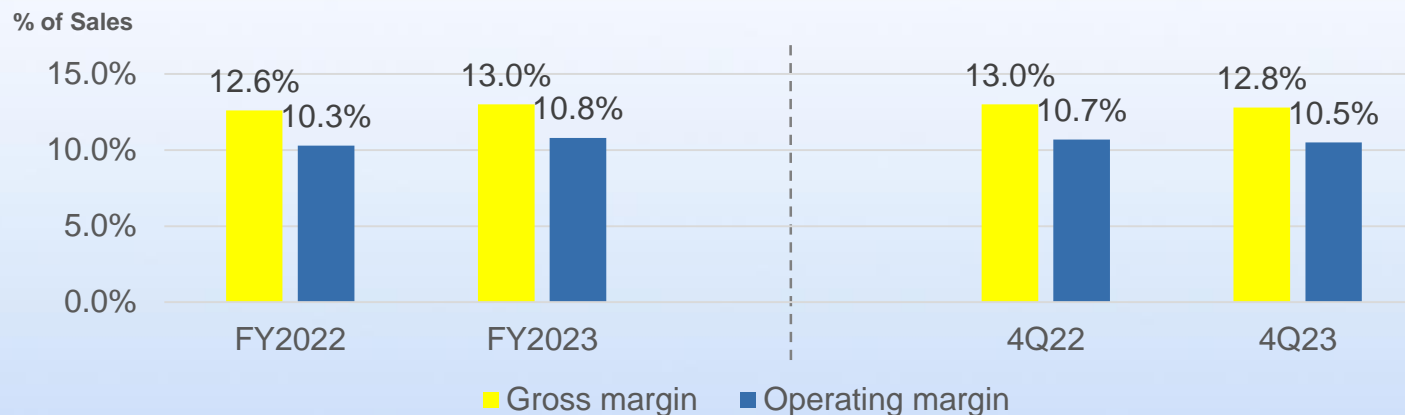
US\$MM



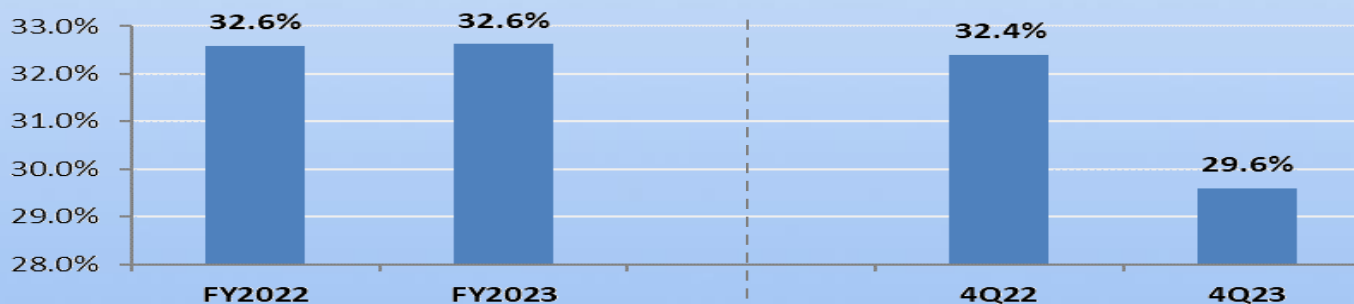
*The quarter ended September 30, 2022 benefited from an additional week in the quarter

Consistent Profitability Through the Cycles

Non-GAAP gross margin and non-GAAP operating margin ⁽¹⁾



ROIC ⁽²⁾



(1) Excludes share based compensation, executive separation cost, depreciation of fair value uplift/intangibles, business combination expenses, restructuring costs, etc. See Appendix for a reconciliation to most comparable GAAP measures.

(2) Return on Invested Capital = non-GAAP net income divided by average invested capital. Invested capital = total debt + shareholder equity – cash & equivalents, marketable securities and restricted cash. For ROIC in the current fiscal quarter and the prior year fiscal quarter, non-GAAP net income is annualized by multiplying the fiscal quarter's non-GAAP net income by 4. See Appendix for a reconciliation to most comparable GAAP measures.

Recent Financial Performance

Key Financials

US\$MM, except per share figures

3 months ended

30-Jun-23

24-Jun-22

Revenue	655.9	587.9
<i>Y-o-Y change</i>	12%	15%
Gross profit (non-GAAP) ⁽¹⁾	83.9	76.3
<i>Gross margin (non-GAAP) ⁽¹⁾</i>	12.8%	13.0%
Operating profit (non-GAAP) ⁽¹⁾	69.0	62.8
<i>Operating margin (non-GAAP) ⁽¹⁾</i>	10.5%	10.7%
Net Income (GAAP)	60.8	56.2
Net Income (non-GAAP) ⁽¹⁾	68.4	62.6
Diluted EPS (GAAP)	1.65	1.51
Diluted EPS (non-GAAP) ⁽¹⁾	1.86	1.68

(1) See Appendix for a reconciliation to most comparable GAAP measure

- Q4 revenue of \$655.9 million was above the guidance range
- Q4 non-GAAP operating margin was 10.5%
- Q4 non-GAAP EPS of \$1.86 was above the guidance range

Balance Sheet Supports Growth

Selected Items	
US\$MM	As of June 30, 2023
Cash, cash equivalents ⁽¹⁾	550.5
Working capital ⁽²⁾	670.2
Property, plant & equipment, net	310.4
Total debt ⁽³⁾	12.2
Total shareholders' equity	1,468.7

(1) Cash & cash equivalents include marketable securities and restricted cash

(2) Calculated as Trade accounts receivable + Inventory – Trade accounts payable

(3) Calculated as the sum of current & long-term debt, net of unamortized debt issuance costs



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Appendix

Non-GAAP Reconciliation of Gross Margin and Operating Margin

Reconciliation of GAAP Gross Profit and GAAP Gross Margin to Non-GAAP Gross Profit and Non-GAAP Gross Margin

(in thousands of U.S. dollars)	Three Months Ended			Twelve Months Ended	
	June 30, 2023	March 31, 2023	June 24, 2022	June 30, 2023	June 24, 2022
Revenue	\$ 655,871	\$ 665,281	\$ 587,874	\$ 2,645,237	\$ 2,262,224
Gross profit (GAAP)	\$ 82,295	\$ 86,007	\$ 74,933	\$ 336,273	\$ 278,594
Share-based compensation expenses	1,636	1,453	1,388	6,664	5,967
Depreciation of fair value uplift	-	-	-	-	92
Gross profit (Non-GAAP)	<u>\$ 83,931</u>	<u>\$ 87,460</u>	<u>\$ 76,321</u>	<u>\$ 342,937</u>	<u>\$ 284,653</u>
Gross margin (GAAP)	12.5%	12.9%	12.7%	12.7%	12.3%
Gross margin (Non-GAAP)	12.8%	13.1%	13.0%	13.0%	12.6%

Reconciliation of GAAP Operating Profit and GAAP Operating Margin to Non-GAAP Operating Profit and Non-GAAP Operating Margin

(in thousands of U.S. dollars)	Three Months Ended			Twelve Months Ended	
	June 30, 2023	March 31, 2023	June 24, 2022	June 30, 2023	June 24, 2022
Revenue	\$ 655,871	\$ 665,281	\$ 587,874	\$ 2,645,237	\$ 2,262,224
Operating profit (GAAP)	\$ 61,402	\$ 61,826	\$ 56,404	\$ 251,704	\$ 204,518
Share-based compensation expenses	6,572	6,533	6,347	27,603	28,048
Depreciation of fair value uplift	-	-	-	-	92
Restructuring and other related costs	1,024	5,872	-	6,896	135
Amortization of intangibles	-	70	94	224	422
Severance payment	-	-	-	-	105
Operating profit (Non-GAAP)	<u>\$ 68,998</u>	<u>\$ 74,301</u>	<u>\$ 62,845</u>	<u>\$ 286,427</u>	<u>\$ 233,320</u>
Operating margin (GAAP)	9.4%	9.3%	9.6%	9.5%	9.0%
Operating margin (Non-GAAP)	10.5%	11.2%	10.7%	10.8%	10.3%

Non-GAAP Reconciliation of Net Profit and EPS

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Reconciliation of GAAP measures to non-GAAP measures

(in thousands of U.S. dollars, except per share data)

	June 30, 2023		Three Months Ended March 31, 2023		June 24, 2022	
	Net income	Diluted EPS	Net income	Diluted EPS	Net income	Diluted EPS
GAAP measures	60,786	1.65	59,355	1.60	56,189	1.51
Items reconciling GAAP net income & EPS to non-GAAP						
Related to cost of revenues:						
Share-based compensation expenses	1,636	0.04	1,453	0.04	1,388	0.04
Total related to gross profit	1,636	0.04	1,453	0.04	1,388	0.04
Related to selling, general and administrative expenses:						
Share-based compensation expenses	4,936	0.13	5,080	0.14	4,959	0.13
Amortization of intangibles	-	-	70	0.00	94	0.00
Total related to selling, general and administrative expenses	4,936	0.13	5,150	0.14	5,053	0.14
Related to other income and expense:						
Restructuring and other related costs	1,024	0.03	5,872	0.16	-	-
Amortization of debt issuance costs	8	0.00	8	0.00	8	0.00
Total related to other income and expense	1,032	0.03	5,880	0.16	8	0.00
Total related to net income & EPS	7,604	0.21	12,483	0.34	6,449	0.17
Non-GAAP measures	68,390	1.86	71,838	1.94	62,638	1.68
Shares used in computing diluted net income per share						
GAAP diluted shares		36,737		36,989		37,222
Non-GAAP diluted shares		36,737		36,989		37,222

Revenue Mix

	F4Q21	F1Q22	F2Q22	F3Q22	F4Q22	F1Q23	F2Q23	F3Q23	F4Q23
Optical Communications	76%	79%	80%	78%	79%	76%	76%	76%	77%
Datacom	20%	21%	22%	19%	20%	19%	22%	24%	38%
Telecom	80%	79%	78%	81%	80%	81%	78%	76%	62%
Non-Optical Communications	24%	21%	20%	22%	21%	24%	24%	24%	23%

Optical and non-optical revenue mix presented as % of total revenue.
 Datacom and telecom revenue mix presented as % of optical revenue.