PRESS RELEASE

Swiss CCRAFT expands the world's first independent foundry for TFLN photonic chips

- CCRAFT, a spin-off from CSEM, is advancing the industrial-scale manufacturing of photonic chips based on Thin-Film Lithium Niobate (TFLN) for AI infrastructure, high-speed networks, aerospace, and quantum technologies through the world's first independent foundry of its kind.
- Oversubscribed USD 7.8 million (CHF 6.3 million) funding round with investors from Switzerland and Germany, led by QBIT Capital and including Zürcher Kantonalbank.
- The foundry in Neuchâtel is expected to scale up its manufacturing capacity to process up to 2,000 wafers (thin discs on which photonic chips are fabricated) per month by 2030.
- This creates a rare opportunity for Switzerland to position itself not only as a research hub, but also as a manufacturing hub in a strategic future market. In the global race for the next generation of AI and quantum chips, photonics is widely regarded as one of Europe's most significant industrial opportunities.
- CCRAFT has been commercializing the TFLN technology since April 2025, which was developed at CSEM over six years. CSEM will remain a close technology and innovation partner as industrial production in Neuchâtel continues to expand.

Neuchâtel, 2 July 2026 – As the global race for AI and quantum technologies accelerates, Swiss deep-tech company CCRAFT is building industrial-scale manufacturing capacity for photonic chips in Neuchâtel. The company aims to position Switzerland at the forefront of one of the most important enabling technologies of the digital economy.

Photonic chip manufacturer CCRAFT has successfully completed its funding round, securing USD 7.8 million (CHF 6.3 million). The proceeds will support CCRAFT's ambitious technical roadmap towards an industrialized production line, unlocking additional manufacturing capacity to serve key Tier-1 customers. In addition, CCRAFT has already secured more than USD 3.5 million (CHF 3 million) in public funding and cantonal support. With USD 11.3 million fresh capital, CCRAFT is accelerating its path towards establishing industrial-scale photonic chip manufacturing in Switzerland. The financing was led by QBIT Capital, with participation from Zürcher Kantonalbank, Apprecia Capital, Spacewalk, Blue Wonder Ventures, and a leading European AI infrastructure operator.

The world is currently building the infrastructure for artificial intelligence, driving a growing demand for next-generation photonic chips that transport data faster while consuming significantly less energy. Industrial-scale manufacturing of TFLN-based photonic chips remains largely unavailable. "CCRAFT was created to industrialize and commercialize a technology foundation developed over many years at CSEM. Today, we operate the world's first independent foundry for TFLN photonic chips and are already producing for customers across four continents. The next challenge is to

capitalize on our head start and scale production quickly to establish a leading global position in this emerging market," says Hamed Sattari, co-founder and CEO of CCRAFT.

To meet growing demand, the company aims to scale its production platform in Neuchâtel to a production capacity of up to 2,000 wafers (thin discs on which photonic chips are fabricated) per month by 2030. The global market for photonic integrated circuits is estimated at USD 15-20 billion. The addressable market for TFLN-based photonic chips alone is expected to reach several billion USD by 2030.

Strategic opportunity for Switzerland

"Europe has largely lost the ability to compete in traditional semiconductor production. In photonic chips, however, the race is still wide open," says Sattari. "Switzerland ranks among the world's leading technology hubs in this field. The challenge now is to translate this technological advantage into industrial production, skilled jobs and global supply chains – and to scale faster than the international competition."

As semiconductors become increasingly important from a geopolitical perspective, Switzerland is also gaining strategic relevance as a manufacturing location. Alongside technological excellence, factors such as trusted supply chains, intellectual property protection, political stability and industrial sovereignty are moving higher up the agenda.

CSEM as a technology and innovation partner

The technological foundation of CCRAFT is built on more than six years of research and development carried out at CSEM in Neuchâtel. Over recent years, the team has produced photonic chips for more than 40 partners worldwide through CSEM's pilot production line. The technology is now being commercialized and scaled for high-volume production by CCRAFT. CSEM will continue to support this transition as a key technology and innovation partner.

"We recognized the potential of thin-film lithium niobate photonics many years ago and invested early in developing the technology platform," says Alexandre Pauchard, CEO of CSEM. "As demand for next-generation photonic chips continues to grow, CCRAFT demonstrates how long-term research can be successfully transferred into industrial manufacturing and economic impact."

About CCRAFT

CCRAFT SA is a Swiss deep-tech company headquartered in Neuchâtel. The company develops and manufactures photonic chips based on thin-film lithium niobate for applications in AI data centers, communication technologies, quantum technologies and navigation. The CSEM spin-off is positioning itself as an independent pure-play foundry for the next generation of photonic integrated circuits. For further information, please visit **www.ccraft.com**

ABOUT CSEM

CSEM is a Swiss technology innovation center that develops breakthrough technologies with significant societal impact and transfers them into industrial applications to strengthen economic competitiveness. The public-private, non-profit organization is internationally recognized and supports the innovation activities of companies in Switzerland and abroad.

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CSEM operates in the fields of precision microfabrication, digital technologies and sustainable energy. To fulfil its mission as a bridge between research and industry, around 650 employees from 46 countries work closely with leading universities, universities of applied sciences, research institutes and industrial partners. Through its six sites in Allschwil, Alpnach, Bern, Landquart, Neuchâtel and Zurich, CSEM maintains a nationwide presence across Switzerland. For further information, please visit **www.csem.ch**

What are photonic chips?

Photonic chips are advanced microchips that use light to move and process data faster and more efficiently than conventional electronic chips. As a result, they are widely regarded as a key enabling technology for the next generation of AI data centers, high-speed communications networks, quantum technologies, as well as advanced sensing and aerospace applications.

CCRAFT focuses on thin-film lithium niobate (TFLN), one of the world's most promising platforms for high-performance photonics. TFLN-based chips support exceptionally high data rates while significantly reducing energy consumption. According to CCRAFT, the technology dramatically increases data transmission bandwidth compared with existing solutions while substantially lowering the energy required per transmitted bit.

Demand for such technologies is being driven in particular by the rapid global expansion of AI infrastructure. Modern data centers require hundreds of thousands of photonic chips to efficiently handle the growing volumes of data exchanged between processors, storage systems and networks.

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