



Cohu to Enhance Data Analytics and AI/ML Platform with Acquisition of Tignis

December 16, 2024

POWAY, Calif.--(BUSINESS WIRE)--Dec. 16, 2024-- Cohu, Inc. (NASDAQ: COHU), a global supplier of equipment and services optimizing semiconductor manufacturing yield and productivity, today announced that it has entered into a definitive agreement to acquire Tignis, Inc. ("Tignis"), a provider of artificial intelligence (AI) process control and analytics-based monitoring software.

This strategic acquisition enables Cohu to expand its analytics offerings to the estimated \$2.6 billion semiconductor process control market targeted by Tignis' PAICe Monitor and PAICe Maker solutions. These innovative products leverage the insights of physical phenomena with cutting-edge AI, machine learning (ML), and data science to deliver advanced predictive and prescriptive automation solutions for semiconductor manufacturing. Tignis is also expected to deepen Cohu's expertise in data science while adding advanced analytics to its DI-Core software.

Industry 4.0 continues to drive a sea change in the semiconductor market as IDMs, foundries and equipment OEMs all look toward advanced analytics and AI/ML to unlock significant efficiency gains for manufacturing and test operations.

PAICe Monitor is an AI-driven anomaly detection and predictive maintenance platform that enables customers to quickly deploy the power of machine learning for deep analysis and prediction modeling that cannot be achieved with traditional methods. PAICe Maker is an AI-driven advanced process control solution for manufacturing that automatically adjusts for process drift over time, reducing maintenance costs and process variability. Integral to the platform, Tignis' patent pending domain-specific scripting language, Digital Twin Query Language (DTQL), provides explanatory syntax that enables users to manage complex data cleaning and analytics tasks without requiring data science experience.

Headquartered in Seattle, WA, and with development teams in the U.S. and Canada, Tignis was founded in 2017 to bring true AI capabilities to process control, enabling optimization of complex semiconductor and industrial manufacturing processes.

"We look forward to the very talented Tignis team joining the Cohu family. This acquisition represents a significant opportunity to accelerate our growth in semiconductor manufacturing, broaden our product portfolio, and deepen our customer presence," said Cohu President and CEO Luis Müller. "Together, our combined expertise and complementary capabilities will drive artificial intelligence process predictability, empowering semiconductor manufacturers to achieve higher yield, improved quality, and greater productivity."

"This is a very exciting time for Tignis and our customers," said Tignis President, CEO and Co-founder Jon Herlocker. "Cohu has a long and successful history in the semiconductor equipment market, and their vision for accelerating the adoption of AI/ML in semiconductor manufacturing and test is well-aligned with the goals Tignis has had since our founding. We are looking forward to creating epic solutions for our customers together as a team."

The terms of the transaction, which are not material to Cohu's financials, are not being disclosed. The acquisition will be funded with cash on hand and is expected to close in January 2025.

About Cohu:

Cohu (NASDAQ: COHU) is a global technology leader supplying test, automation, inspection and metrology products and services to the semiconductor industry. Cohu's differentiated and broad product portfolio enables optimized yield and productivity, accelerating customers' manufacturing time-to-market. Additional information can be found at www.cohu.com.

About Tignis:

Tignis (tignis.com) is a pioneer in AI-powered process control and monitoring with a physics and engineering foundation. Headquartered in Seattle, the company develops and sells innovative software solutions for the semiconductor industry that use AI and machine learning to enable next-generation Smart Manufacturing. Tignis provides semiconductor IDMs, equipment manufacturers, pure-play foundries, and components and materials suppliers with unprecedented automation, advanced predictive visibility and prescriptive process control—increasing manufacturing yield, decreasing unscheduled downtime, and reducing operating costs. Tignis works with the world's top semiconductor equipment manufacturers and fabricators.

Forward-Looking Statements:

Certain statements contained in this release and accompanying materials may be considered forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including statements regarding success or contribution of M&A transactions; new market entries, product introductions or customer adoptions and corresponding performance metrics or

financial impacts; product market projected growth and market sizes and related revenue opportunities for the semiconductor process control market; and any other statements that are predictive in nature and depend upon or refer to future events or conditions; and/or include words such as “may,” “will,” “should,” “would,” “expect,” “anticipate,” “plan,” “likely,” “believe,” “estimate,” “project,” “intend;” and/or other similar expressions among others. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance. Any third-party industry analyst forecasts quoted are for reference only and Cohu does not adopt or affirm any such forecasts.

Actual results and future business conditions could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: new product investments and product enhancements which may not be commercially successful; the semiconductor industry is seasonal, cyclical, volatile and unpredictable; recent erosion in mobile, automotive and industrial market sales; our ability to manage and deliver high quality products and services; failure of sole source contract manufacturer or our ability to manage third-party raw material, component and/or service providers; ongoing inflationary pressures on material and operational costs coupled with rising interest rates; economic recession; the semiconductor industry is intensely competitive, subject to rapid technological changes, and experiences consolidation of key customers for semiconductor test equipment; a limited number of customers account for a substantial percentage of net sales; significant exports to foreign countries with economic and political instability and competition from a number of Asia-based manufacturers; our relationships with customers may deteriorate; loss of key personnel; risks of using artificial intelligence within Cohu's product developments and business; reliance on foreign locations and geopolitical instability in such locations critical to Cohu and its customers; natural disasters, war and climate-related changes, including related economic impacts; levels of debt; access to sufficient capital on reasonable or favorable terms; foreign operations and related currency fluctuations; required or desired accounting charges and the cost or effectiveness of accounting controls; instability of financial institutions where we maintain cash deposits and potential loss of uninsured cash deposits; significant goodwill and other intangibles as percentage of our total assets; increasingly restrictive trade and export regulations impacting our ability to sell products, specifically within China; risks associated with acquisitions, investments and divestitures such as integration and synergies; constraints related to corporate governance structures; share repurchases and related impacts; financial or operating results that are below forecast or credit rating changes impacting our stock price or financing ability; law/regulatory changes and including environmental or tax law changes; significant volatility in our stock price; the risk of cybersecurity breaches; enforcing or defending intellectual property claims or other litigation.

These and other risks and uncertainties are discussed more fully in Cohu's filings with the SEC, including our most recent Form 10-K and Form 10-Q, and the other filings made by Cohu with the SEC from time to time, which are available via the SEC's website at www.sec.gov. Except as required by applicable law, Cohu does not undertake any obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

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