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Kulicke & Soffa Further Expands Advanced Packaging Presence through Strategic Lithography Acquisition

Kulicke & Soffa Acquires Liteq BV; Introduces the First Lithography Tool Developed Specifically for Advanced Packaging

SINGAPORE--(BUSINESS WIRE)-- Kulicke & Soffa Industries, Inc. (NASDAQ: KLIC) ("Kulicke & Soffa", "K&S" or the "Company"), today announced it has acquired a 100% equity stake of privately held Liteq BV.

Liteq, founded in 2014, has developed the first dedicated step-and-repeat tool serving the unique and broad-ranging requirements of Advanced Packaging lithography. Liteq's modular offerings of high-throughput, modular i-line steppers uniquely utilize a laser-light source, as opposed to more commonly used mercury-vapor-lamp sources. This forward-looking approach drives best-in-class cost-of-ownership to competitively serve existing and next-generation production requirements for fast-growing advanced packaging processes such as System-in-Package, Fan-Out Wafer Level Packaging, Through-Silicon-Via in addition to traditional Flip-Chip.

VLSI research, a leading technology research and advisory company, anticipates the advanced packaging lithography market to grow to \$296 million in 2021, from \$186 million in 2016, providing K&S an additional long-term growth opportunity and expanding its offerings within the advanced packaging market. Over the past several years, K&S has continued to aggressively develop several other advanced packaging related tools.

"We are very pleased to welcome Liteq's employees, customers and supply chain partners into the K&S family," remarked Fusen Chen, Kulicke & Soffa's President and Chief Executive Officer. "This highly complementary investment emphasizes our strategic and opportunistic capital deployment approach by further extending the Company's presence, strength, and value proposition within advanced packaging."

Gerrit van der Beek, Liteq's Chief Executive Officer stated, "Liteq has tremendous growth potential and collectively we are much better positioned to provide innovative solutions and services addressing the advanced packaging market. Leveraging on the extensive sales and distribution network; strong customer base and proven interconnect expertise of K&S, in addition to the committed support from our business partners, we are well positioned to address the industry's next set of challenges."

Centrally Located in Europe's Brainport Eindhoven

Liteq is located in Eindhoven, the Netherlands, the heart of Europe's Brainport Eindhoven. This innovative area offers a dense concentration of technology-centric customers, strategic suppliers and highly-skilled employees. Kulicke & Soffa's existing Netherlands facility, housing a workforce of over 200 employees is also based in Eindhoven.

Liteq's technologies were developed through close cooperation of several technology, financial and developmental organizations within the region including ASML Netherlands BV, Beltec Holding BV, the Brabant Development Agency (BOM), Sioux, Random Capital BV and Torrente BV.

Paul van Attekum, ASML CSVP of Corporate Strategy & Marketing said: "ASML was an early investor in Liteq and has supported the company in the development of the advanced packaging lithography tool. We believe the tool is ready for evaluation by customers. While ASML is selling its stake as part of this transaction, we will continue to provide specific development support to Liteq over the next few years within the framework of a support agreement."

Arnoud de Geus, Sioux's Director of New Business Development said, "Sioux is a long-term strategic supplier of K&S and has supported Liteq from inception. K&S will strengthen Liteq's market channels and global commercial reach tremendously. Sioux remains fully committed to support Liteq during and after this transition."

Miriam Dragstra, Capital Director of Brabant Development Agency (BOM) said, "Recognizing the strong Noord Brabant supply base and local presence of K&S, BOM is convinced that another innovative company will continue to flourish, adding to the growing eco-system of high-precision equipment companies. We are proud to have contributed to this successful venture, which highlights the incubation power of the Noord Brabant Province."

Advanced Packaging: Driving a New Generation of Opportunities

As traditional front-end production improvements fail to deliver the same historic cost and performance benefits, the semiconductor industry is evolving by seeking out new packaging techniques to deliver form factor, power efficiency and performance to mobile, cloud and internet-of-things driven applications. This changing landscape has provided a new set of industry challenges and opportunities. K&S is increasingly well positioned and continues to respond to these new challenges by delivering innovative equipment solutions through close customer engagement, operational excellence, acquisitions, and a long-term commitment to research and development.

About Kulicke & Soffa

Kulicke & Soffa (NASDAQ: KLIC) is a leading provider of semiconductor packaging and electronic assembly solutions supporting the global automotive, consumer, communications, computing and industrial segments. As a pioneer in the semiconductor space, K&S has provided customers with market leading packaging solutions for decades. In recent years, K&S has expanded its product offerings through strategic acquisitions and organic development, adding advanced packaging, electronics assembly, wedge bonding and a broader range of expendable tools to its core offerings. Combined with its extensive expertise in process technology and focus on development, K&S is well positioned to help customers meet the challenges of packaging and assembling the next-generation of electronic devices. (www.kns.com)

About Liteq

Liteq BV is an innovative company based in the Brainport Eindhoven region, the Netherlands. It is the first company to develop a dedicated lithography solution for the advanced packaging of microchips. Liteq's solution is based on a high productivity stepper which supports multiple packaging platforms and achieves optimal cost of ownership. Liteq originates from 2014. ASML Netherlands BV, Beltec Holding BV, the Brabant Development Agency (BOM), Sioux, Random Capital BV and Torrente BV were shareholders of Liteq. A unique feature of the Liteq stepper is the use of a laser light source instead of a mercury-vapor lamp. This enables Liteq to deliver excellent throughput and imaging performance.

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