Cohu Launching Artificial Intelligence (AI) Inspection Capability

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POWAY, Calif.--(BUSINESS WIRE)--Nov. 16, 2023-- Cohu, Inc. (NASDAQ: COHU), a global supplier of equipment and services optimizing semiconductor manufacturing yield and productivity, today announced the market introduction of Artificial Intelligence (AI) Inspection software, a new product offering as part of Cohu's DI-Core analytics platform.

AI Inspection software provides real-time computation that enables semiconductor manufacturers to improve visual inspection accuracy at production speeds. AI Inspection more accurately differentiates micro-scale defects from cosmetic patterns as compared with current methods. The product utilizes proprietary deep learning and neural network technologies to improve inspection yield without compromising quality. The global market for artificial intelligence applications in manufacturing is projected to grow at a 43% CAGR and reach $21.3 billion by 2028. Cohu's DI-Core AI Inspection module is aimed at optimizing semiconductor inspection, creating an opportunity to deliver approximately $5 million annual subscription revenue on Cohu's equipment installed base.

"We are pleased to introduce our DI-Core AI Inspection software, which has received initial orders from two customers," said Luis Müller, Cohu President and CEO. "We believe AI Inspection has the potential to provide meaningful benefits, and up to 2% higher first pass inspection yield for customers utilizing this product on Cohu equipment."

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.

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 Cohu's DI-Core Artificial Intelligence (AI) Inspection software and its features, benefits and expected yield improvements; customer design wins and estimated revenue capture; global market size for artificial intelligence applications in manufacturing; 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: cyclical COVID-19 pandemic impacts; new product investments and product enhancements which may not be commercially successful; inability to effectively manage multiple manufacturing sites in Asia and secure reliable and cost-effective raw materials; failure of sole source contract manufacturer; ongoing inflationary pressures on material and operational costs coupled with rising interest rates; economic recession; instability of financial institutions where we maintain cash deposits and potential loss of uninsured cash deposits; the semiconductor industry is seasonal, cyclical, volatile and unpredictable; the semiconductor mobility market segment (primarily semiconductors used in smartphones, also other wearables) is undergoing a significant downturn; risks of using artificial intelligence within Cohu's product developments and business; the semiconductor equipment industry is intensely competitive; rapid technological changes and product introductions and transitions; 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; loss of key personnel; reliance on foreign locations and geopolitical instability in such locations critical to Cohu and its customers; natural disasters, war and climate-related changes, including economic impacts from the Hamas-Israel conflict or any other wars; increasingly restrictive trade and export regulations impacting our ability to sell products, specifically within China; significant goodwill and other intangibles as percentage of our total assets; risks associated with the EQT acquisition, such as integration and synergies, and other risks associated with additional potential acquisitions, investments and divestitures; levels of debt; financial or operating results that are below forecast or credit rating changes impacting our stock price or financing ability; law/regulatory and including tax law changes; significant volatility in our stock price; and the risk of cybersecurity breaches.

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.

For press releases and other information of interest to investors, please visit Cohu's website at www.cohu.com.

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