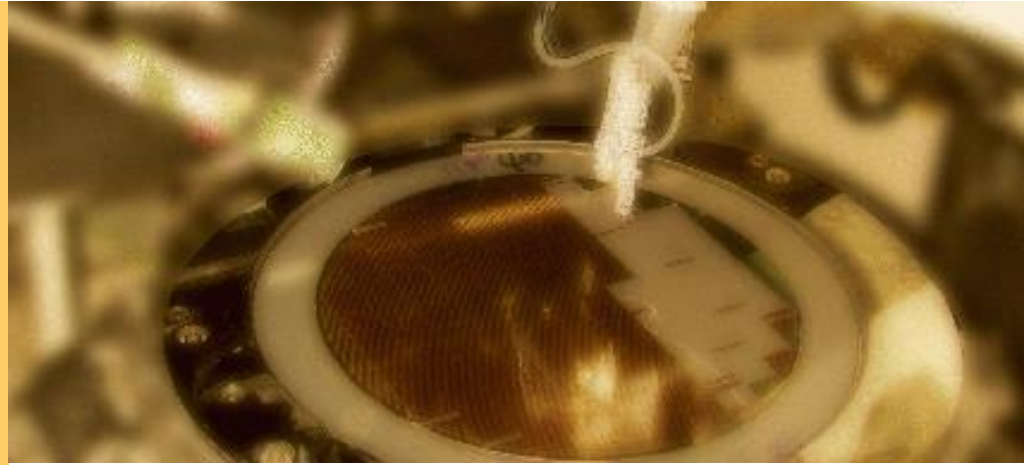




Benchmark of The Testing Industry



King Yuan Electronic Co., Ltd.
京元電子股份有限公司

[TWSE: 2449]

November, 2023

- Wafer Test Service
- Assembly Service
- Burn-In Service
- IC Test Service
- Backend Support
- Turnkey Operation



Safe Harbor Notice

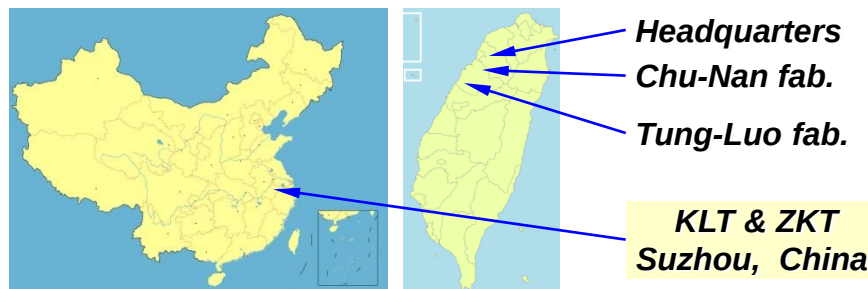
- ❖ Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of the Company to be materially different from any future performance, financial condition or results of operations implied by such forward - looking statements. Further information regarding these risks, uncertainties and other factors is included in the Company most recent Annual Report on Taiwan Stock Exchange (Market Observation Post System).

KYEC group snapshot

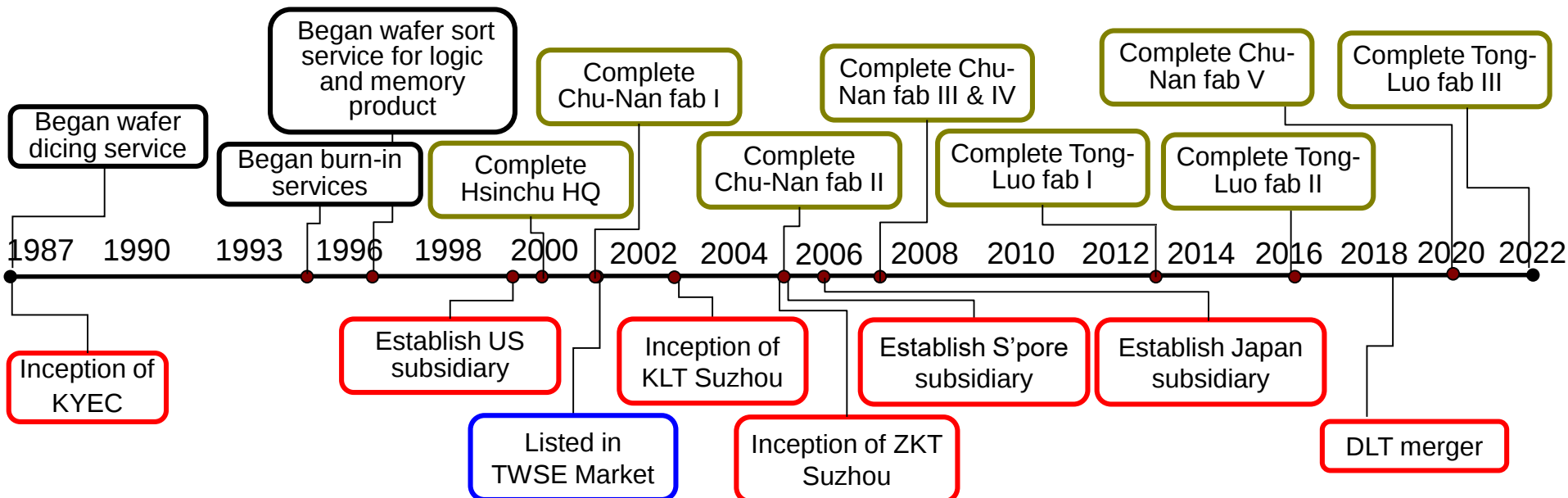
Overview

- Established In: May 1987
- Headquarters: Hsinchu, Taiwan
- TWSE Listed: 2449.TW
- Market Cap.⁽¹⁾: NT\$92,928.6 million
- Employees: 9,204

Manufacturing footprint in Taiwan & China



Key milestones

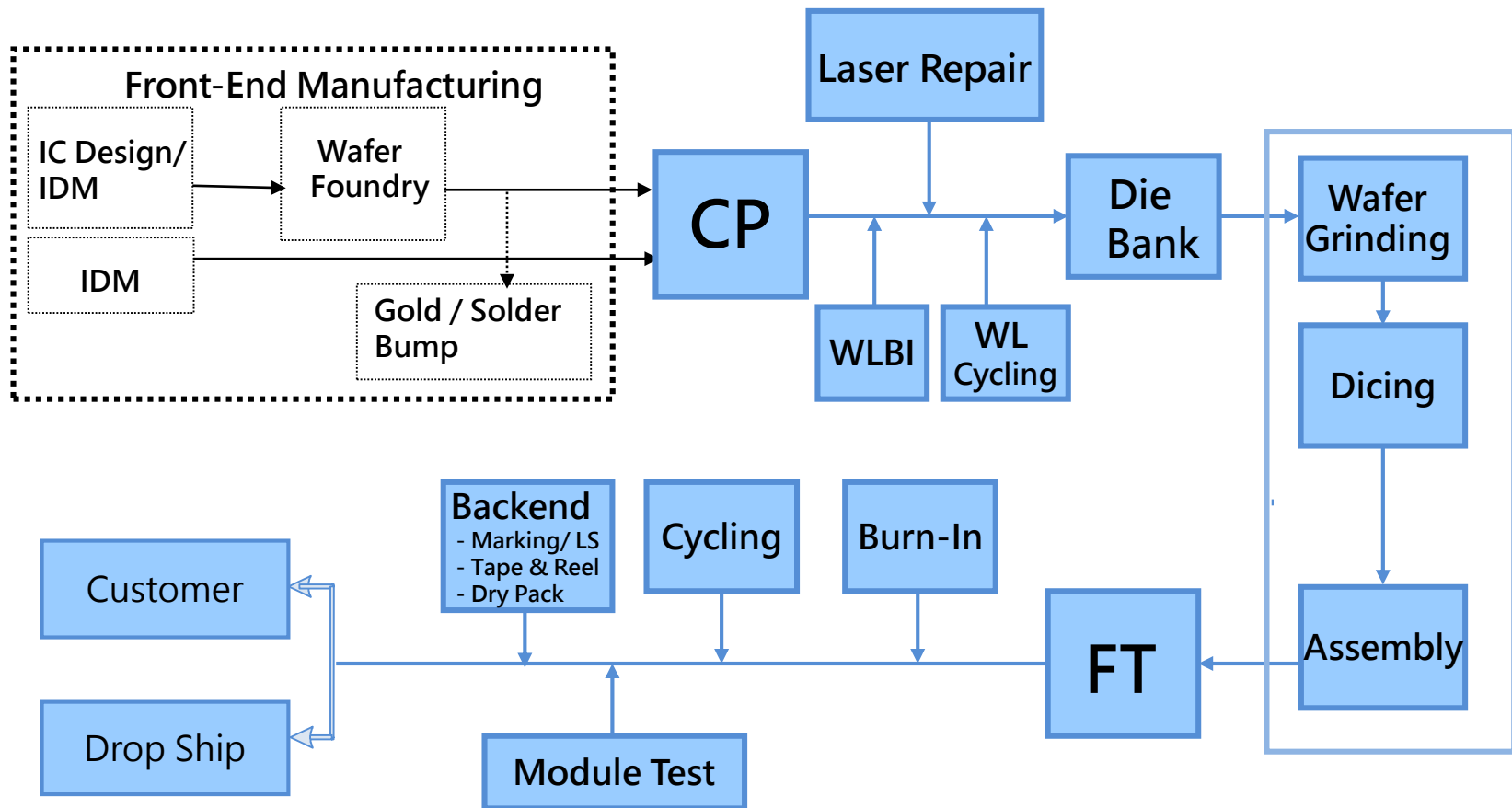


KYEC is the benchmark of semi testing industry

KYEC is uniquely positioned, locally and globally, as a pure-play testing house and aiming to take advantages of the ever-growing outsourced semi testing business.

- 1 4,800+ sets of installed test system, including both commercial and in-house developed testers, providing testing services for various end applications
- 2 Optimal customer structure and balanced business exposure to maintain strong margin growth during the volatile semiconductor market environment
- 3 In-house test system developing and manufacturing capability as a core competence differentiate KYEC from its OSAT peers
- 4 Seasoned management team with broad and deep industry experiences
- 5 Healthy financial structure and strong EBITDA profit to support CapEx
- 6 Corporate strategies dedicated to enhance shareholder's interests

IC manufacturing process and KYEC available services



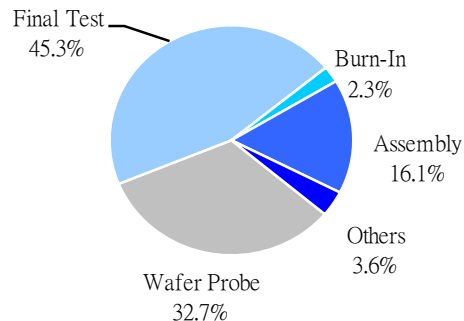
Note: Blue colors are KYEC available services

Diversified product mix for stable, long-term growth

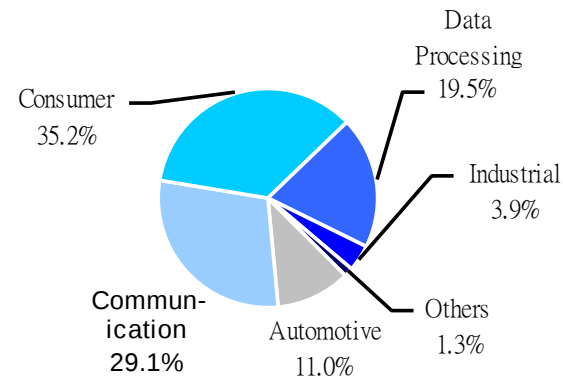
- ❑ In general, test services contributed about 80% of company's total revenue.
- ❑ Devices tested by KYEC have been widely used in various applications, including consumer, communication, automotive, data computing and industrial ... etc.
- ❑ Revenue recorded in Others included sale of equipment and tooling, lease income, and miscellaneous items.

Revenue breakdown for Q3'2023

By Manufacturing Process



By Application



KYEC services global top tier customers

□ 50% of global top 50 semi companies use KYEC's test services

(US\$ Millions)

2022	Company	2021	2022	Change	2022	Company	2021	2022	Change
1	Samsung Electronics	73,197	63,823	(12.8%)	26	Rohm*	3,224	3,099	(3.9%)
2	Intel*	72,701	58,436	(19.6%)	27	Qorvo	3,305	3,020	(8.6%)
3	Qualcomm	27,293	34,780	27.4%	28	ams OSRAM	2,978	2,976	(0.1%)
4	SK hynix	37,192	33,505	(9.9%)	29	Robert Bosch*	2,661	2,926	10.0%
5	Micron Technology	28,624	26,849	(6.2%)	30	Toshiba*	2,929	2,836	(3.2%)
6	Broadcom*	18,793	23,868	27.0%	31	OMNIVISION*	3,115	2,470	(20.7%)
7	AMD*	16,299	23,620	44.9%	32	Nexperia	2,008	2,295	14.3%
8	Texas Instruments	17,298	18,844	8.9%	33	Yangtze Memory Technologies	1,776	2,090	17.7%
9	Apple	14,580	18,099	24.1%	34	UniSoC Technologies	1,814	2,080	14.7%
10	MediaTek*	17,617	18,043	2.4%	35	Cirrus Logic*	1,591	2,015	26.6%
11	STMicroelectronics*	12,610	15,842	25.6%	36	Nanya Technology	3,051	1,937	(36.5%)
12	NVIDIA*	16,815	15,331	(8.8%)	37	Vishay	1,680	1,823	8.5%
13	Infineon Technologies*	12,681	14,587	15.0%	38	Winbond Electronics*	2,083	1,765	(15.3%)
14	NXP	10,844	12,954	19.5%	39	Monolithic Power Systems	1,163	1,758	51.2%
15	Analog Devices*	8,490	12,391	45.9%	40	LX Semicon	1,651	1,698	2.8%
16	Renesas Electronics*	9,120	11,372	24.7%	41	Diodes	1,495	1,661	11.1%
17	KIOXIA	12,212	10,006	(18.1%)	42	DENSO	1,775	1,655	(6.8%)
18	Sony*	8,769	9,259	5.6%	43	Synaptics*	1,316	1,612	22.5%
19	onsemi*	6,455	7,997	23.9%	44	Nichia	1,884	1,597	(15.2%)
20	Microchip Technology*	6,211	7,774	25.2%	45	Mitsubishi Electric	1,562	1,507	(3.5%)
21	Western Digital	9,121	7,598	(16.7%)	46	Sanechips Technology	1,509	1,373	(9.0%)
22	Marvell*	4,234	5,831	37.7%	47	Macronix International*	1,583	1,334	(15.7%)
23	Skyworks Solutions*	4,326	4,435	2.5%	48	Socionext	1,111	1,276	14.9%
24	Realtek Semiconductor*	3,763	3,762	(0.0%)	49	GigaDevice Semiconductor*	1,305	1,266	(3.0%)
25	Novatek*	4,819	3,724	(22.7%)	50	HiSilicon	1,543	1,265	(18.0%)

KYEC retains flexible and cost effective test solutions

- ❑ Current semi testing service provider is demanding on flexibility, cost effective and various platform/capacity for servicing the small-volume business trend.
- ❑ KYEC is standing to take advantage of this market trend for its flexible in test platform choices, capacity and in-house capability.
- ❑ KYEC currently installed 4,800+ test systems on its shop floor.

	Memory	Logic / Mixed-Signal	CIS/CCD	LCD Driver	RF / Wireless	SOC
Advantest	T5571P / T5581H / T5585 / T5588 T5371 / T5372 / T5377S T5382A / T5771 T5335 / T5365 / T5334 / T5335P	T6672 / T6673 T6575 / T6577 T6683		T6331 T6371 T6372 T6373	T2000-RF	T2000
Agilent (Verigy)	V1200 / V2000 V3000 / V4400	HP93K / HP94K / HP83K	HP93KIP / 94KIP		HP93KPSRF	HP93KPS / PS1600
LTX-Credence	Kalos / XW Kalos II / HEX Pkalos / Pkalos II	Duo / Quartet SCX12 / ITS9KEXA / CV ITS3KEXA / ASL1K / ASL3K-MS Sapphire / D10			ASL3K-RF Fusion-CX Fusion-MX	Sapphire / D10 Fusion-MX DiamondX
Teradyne	M1 / M2	Catalyst / J750 J750EX / iFlex Ultra Flex	IP750 IP750EMP		Flex-RF Catalyst-RF Ultra Flex-RF	J750EX / J750 / J750HD / ETS-364 iFlex / Ultra Flex Catalyst / M1 / M2
Yokogawa				TS6700 ST6730		
KYEC	M-series tester	E-series tester	I-series tester	D-series tester	E-series tester	E-series tester

In-house test systems widely use in mass production

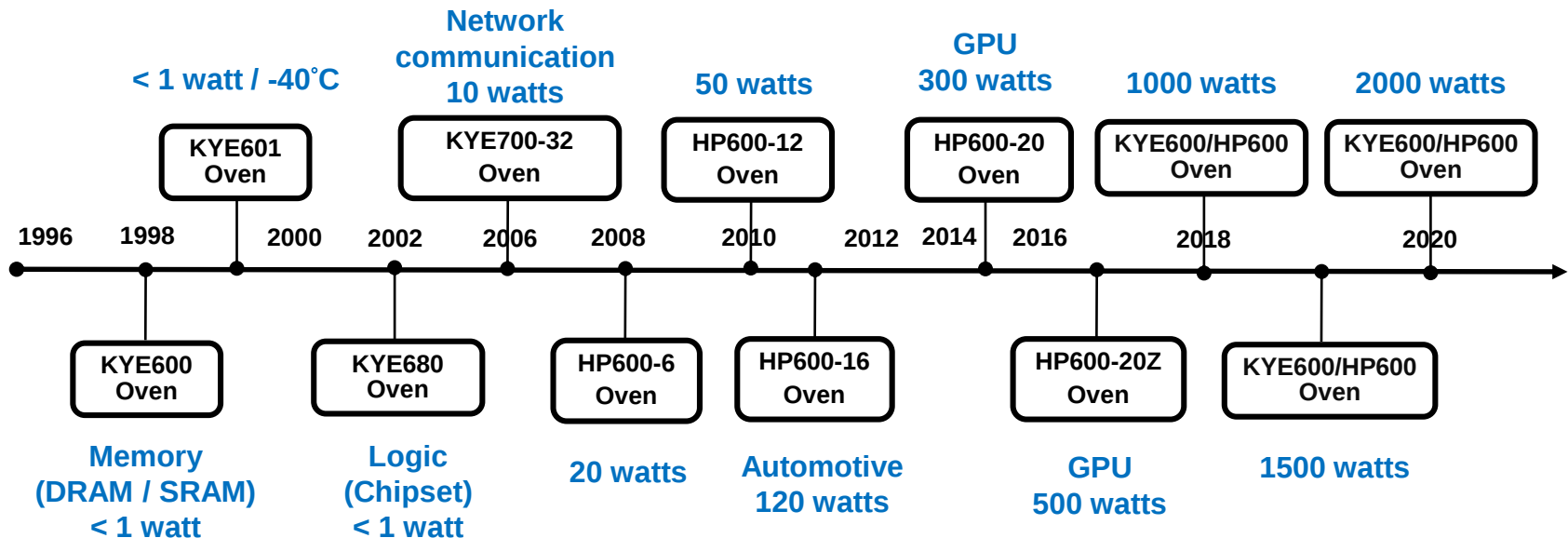
- ❑ In general, in-house test system provide a custom-tailored solution flexible in test configuration and programming for device used in various applications.
- ❑ In addition, KYEC designs and manufactures test tooling and probe card in-house.

Application of in-house tester



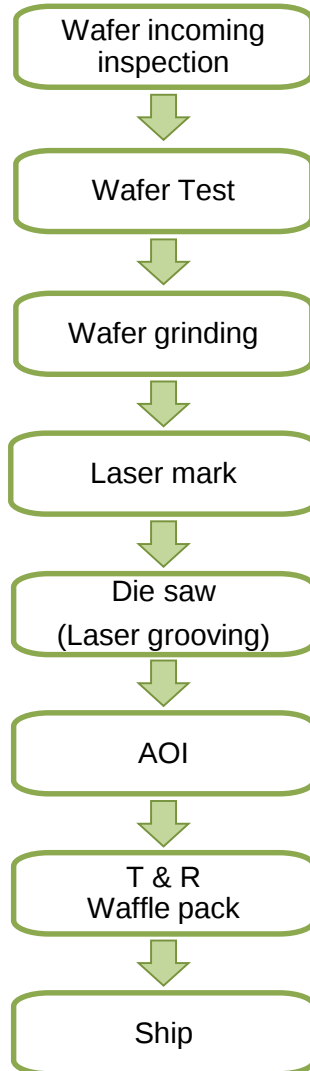
KYEC developed ovens for burn-in test services

- ❑ In-house burn-in ovens provide flexibility, custom tailored test services.
- ❑ Our burn-in oven is able to offer testing under wide range of power/watts for products after one single test setup.
- ❑ Our high-power burn-in oven employs the air-cooling technologies instead of the water-cooling used in the market available ovens, providing advantages of cost saving and easy maintenance.



KYEC provides turnkey WLCSP services as well

KYEC's WLCSP process flow



- ❑ In addition to wafer testing, KYEC provides wafer grinding, die sawing/laser grooving, AOI and packing services for Wafer Level Chip Scale Package (WLCSP) as well.
- ❑ WLCSP is primarily for applications as: e-compass, accelerometer, gyroscope, pressure, humidity, microphone, power management and memory products.
- ❑ WLCSP revenue in KYEC has increased significantly over last couple years. We expects this trend to continue in the future.



KYEC group management team with deep industry experience

C.K. LEE - Chairman & CEO

- Over 30 Years of semiconductor industry experience
- Former Manager of Manufacturing, United Microelectronics Corporation
- Bachelor of Department of Shipping & Transportation Management, National Taiwan Ocean University.

Gauss CHANG - General Manager

- Over 30 Years of semiconductor industry experience
- Former Manager of foundry business, Winbond Electronics Corp.
- MBA. from Saginaw Valley State University, Michigan, USA.

Hans HAN- Vice President

- Over 30 Years of semiconductor industry experience
- Former deputy assistant vice president of Walton Advanced Engineering Inc.
- Bachelor of Department of Electrical Engineering, National Taiwan University of Science and Technology. M.Sc. from Department of Electronic and Computer Engineering, National Taiwan University of Science and Technology.

Andy LIANG - Senior VP

- Over 20 Years of semiconductor industry experience
- Former manager of equipment engineering, UTAC/Taiwan
- Bachelor of Department of Electronic Engineering, Minghsin University of Science and Technology. MBA from Minghsin University of Science and Technology.

Steven CHANG - Senior VP

- Over 20 Years of semiconductor industry experience
- Former Manager of quality assurance, Macronix International Co., LTD.
- Bachelor of Department of Electrical Engineering, Chung Yuan Christian University. M.Sc. from Graduate School of Electrical Engineering, National Central University.

Logan CHAO - VP & CFO

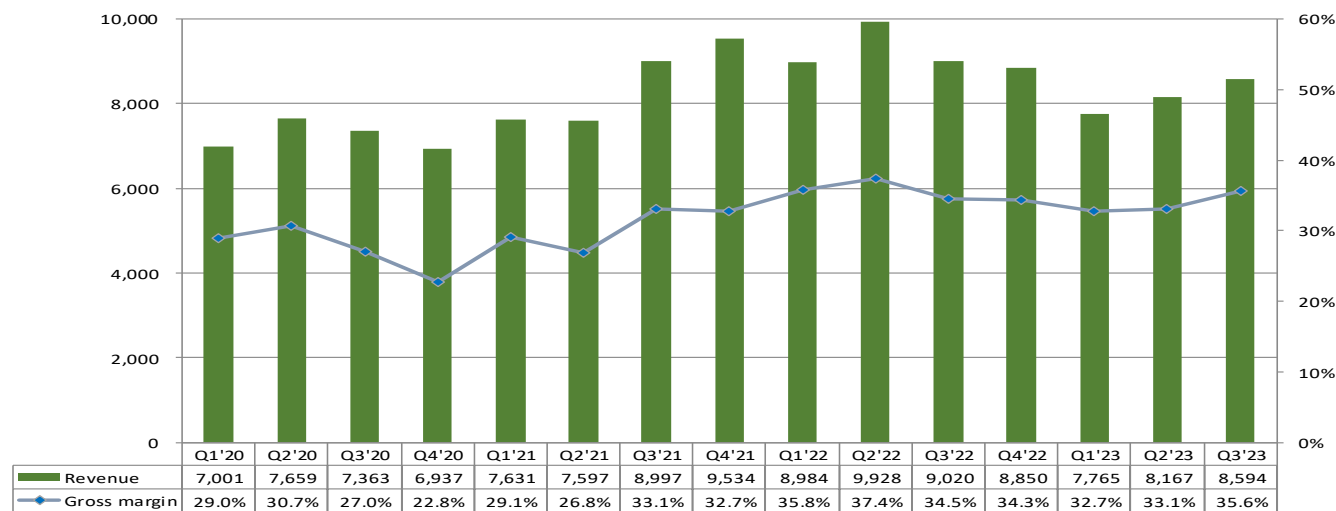
- Over 20 Years of semiconductor industry experience
- Former Audit manager of KPMG
- Bachelor of Department of Accounting, Chinese Culture University. EMBA of National Tsing Hua University.



Financial highlights

Financial Snapshot

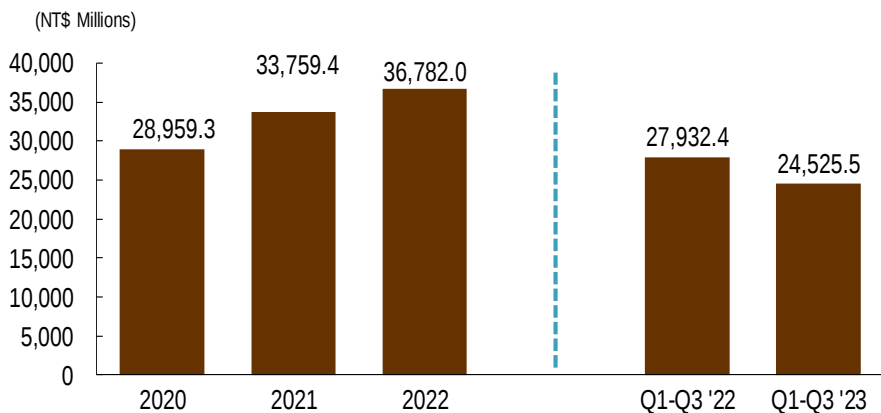
(NT\$ Millions)	Q2'23	Q3'23
Net Revenue	\$8,167.3	\$8,593.7
Gross Margin (%)	33.1%	35.6%
Expenses		
SG&A	\$643.5	\$672.7
R&D	\$317.6	\$341.1
EBITDA	\$4,006.8	\$4,338.5
EPS – diluted (NT\$)	\$1.26	\$1.25
EPS – basic (NT\$)	\$1.26	\$1.26



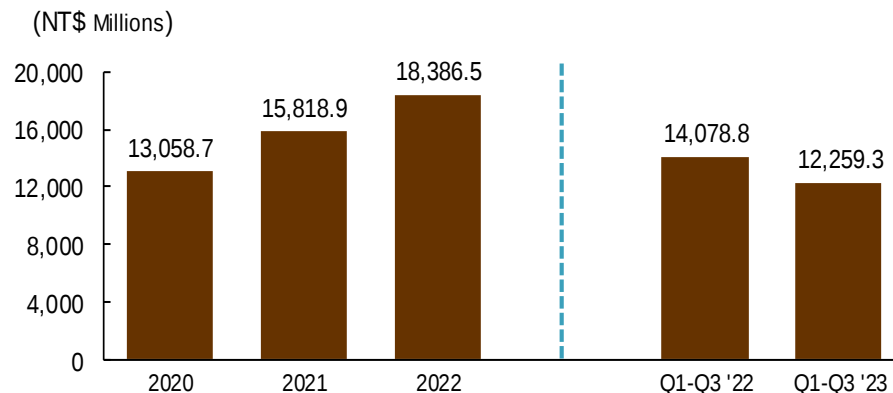
(NT\$ Millions)

Healthy business trends and capacity investment

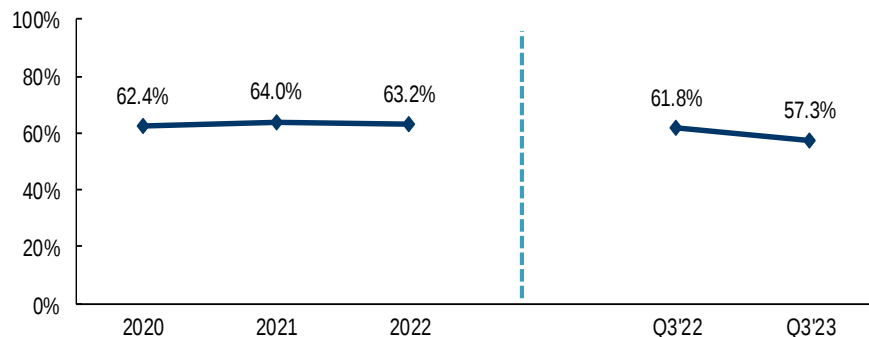
Revenue



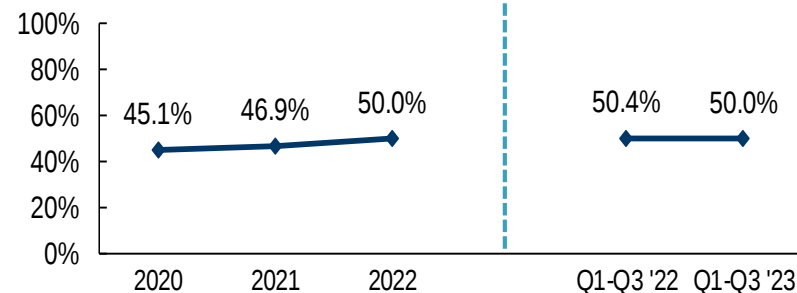
EBITDA



Utilization Rate

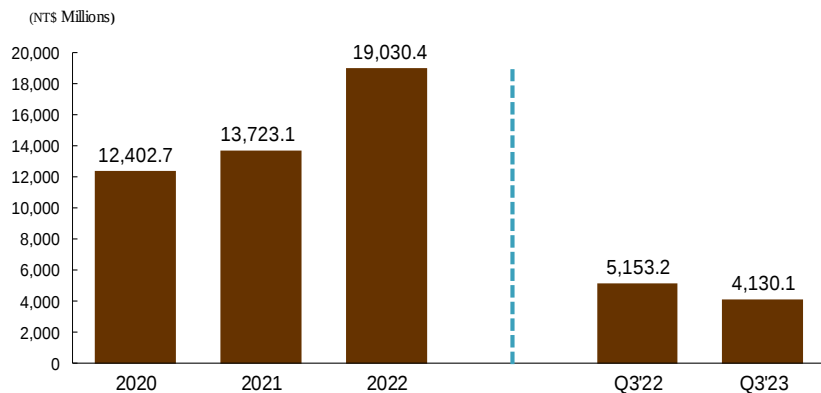


EBITDA Margin

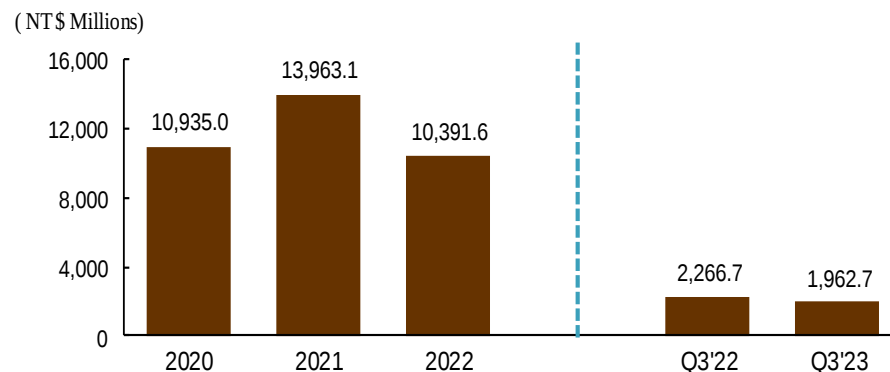


Optimal financial leverage enhances shareholder interest

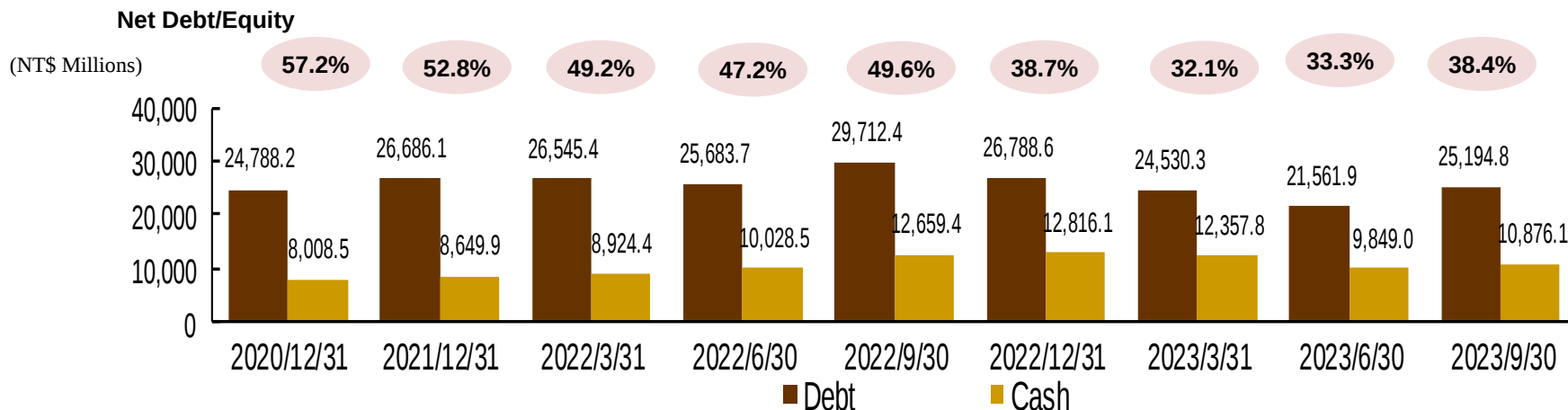
Cash Flow from Operations



CapEx



Debt | Cash



Company website

<http://www.kyec.com.tw>