

Asia Tech: Navigating The Noise Conference Call Series

Kinsus (3189 TT) IC Substrates

Speaker: Mr. Jack Mu, Spokesman

Key Findings:

- NVDA Blackwell and GTX 50 ramp (gaming) drives high & mid range **ABF substrate demand**. ABF Pricing stable.
- CoWoS roadmaps are positive for high-end ABF demand. There are plans to integrate passives into the interposer and substrates. As the technology matures, embedded memory will follow. Current price and yields are prohibitive.
- PC and consumer electronics remain weak. Low-end ABF oversupplied through 2025 as a result. However, prices remain stable as 1) market remains rational and 2) suppliers do not purchase from lower-priced Chinese suppliers.
- Less optimistic on growth from AMD. They will remain an important customer, but legacy LTAs and payments are rolling off in 1H25.

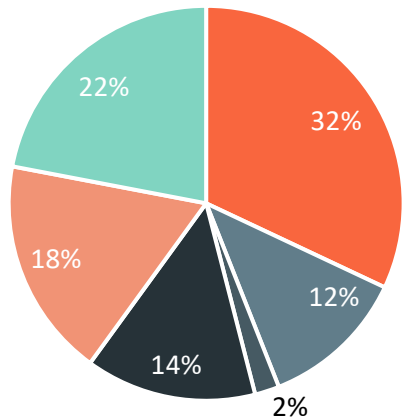
Next Calls: [Vanguard \(5347 TT\)](#) Nov 11th, [Inventec \(2356 TT\)](#) Nov 14th, [Pegatron \(4938 TT\)](#) Nov 19th

Source: Bloomberg and NSR estimates and analysis.

Kinsus (3189 TT, 104 TWD) EV 1.8 US\$bn Yield 1.0% ADTV 48 US\$m

IC Substrates (ABF & BT) for Smartphone, PC, Server, Base station

Sales Mix



- Handset
- Base Station
- Connectivity
- Consumer (memory)
- Substrate (HPC)
- Contact Lens

Company Overview

ABF Substrate

- Mainly reported in Base Station & Substrate, plus small Handset
- High Layer 1/3 of mix: NVDA Blackwell / AVGO switch / XLNX FPGA
- Mid Layer 1/3 of mix: NVDA consumer GPU / XLNX & ALTR mid tier FPG
- Low Layer 1/3 of mix for PC / TV / Wi-Fi / MPU

BT Substrate

- Smartphone & memory are the main applications
- Smartphone is 50% ios & 50% android
- Memory is DRAM for MU and NAND for WDC / Phison & Kioxia
- B/E to slightly higher margins of late due to oversupply

Competition

- Ibiden (4062 JP) **dominates high end ABF for AMD / INTC / NVDA**
- Shinko (6967 JP)
- Unimicron (3037 TT)
- AT&S (ATS AV)
- Zhen Ding (4958 TT)
- Nan Ya PCB (8046 TT)

Customers

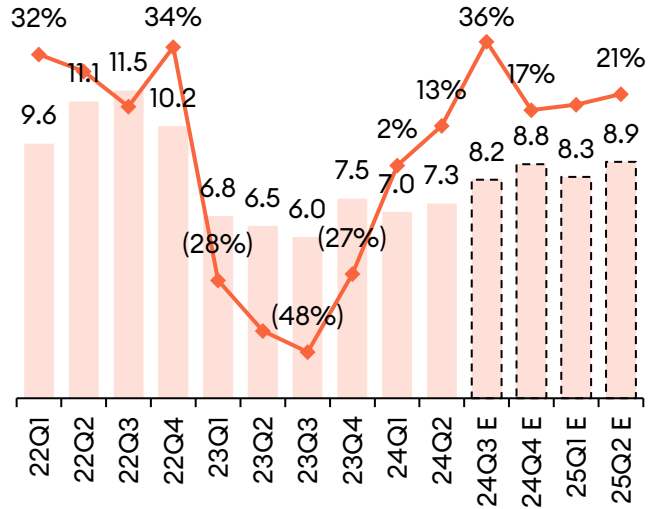
- Handset: AAPL SiP / MediaTek & QCOM AP / SWKS & QRVO RF
- NVDA: Consumer GPU / targeting more AI with Blackwell
- AMD / XLNX: high share for PC / Base station & Auto / low share on AI
- Memory: MU & WDC

Key Findings

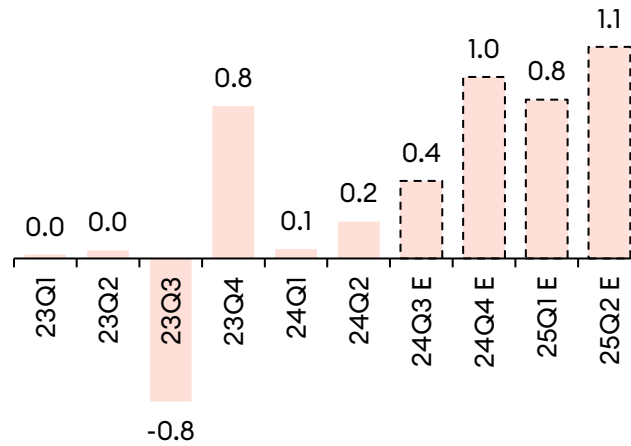
- Revenue + 16-17% in '25, +15% + in '26 as ABF grows ~25%. BT substrate up 10-15% in '25 on DDR 5
- Margins may return to 40% range in '26 & '27 on ABF demand but BT remains oversupplied & loss making
- ABF Substrate demand improving due to NVDA Blackwell & RTX 50 / targeting higher AI exposure
- Advanced fabs UTR ~40% and improving / low & mid-range approaching 80%. Capacity expansion pushed for Kinsus & Industry, although 5 months to add for ABF if/when demand surges.
- AI is 10% of '25 / NVDA + AVGO switch
- CoWoS to integrate passives and actives in both interposer and substrate, driving ABF area growth
- Glass substrate for high pin count IC's not meaningful for interposer or substrate until '27 or '28

Kinsus (3189 TT)

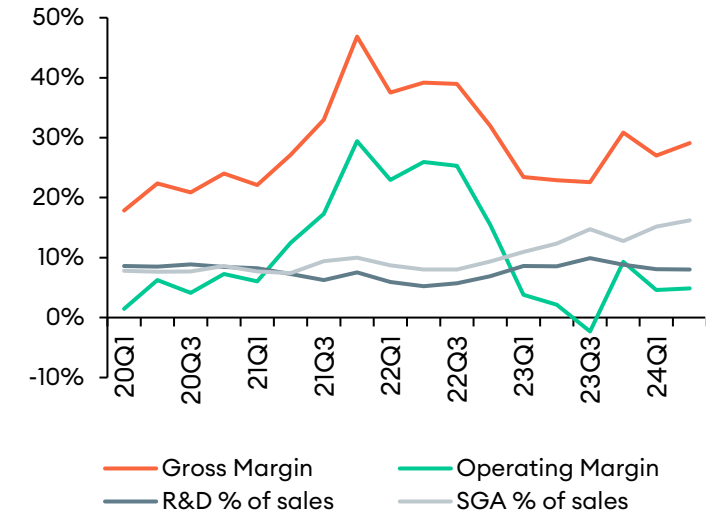
Revenue (TWD\$bn)



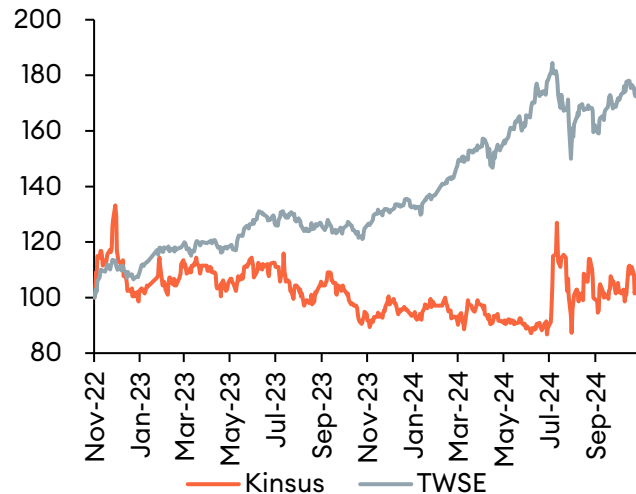
EPS (TWD)



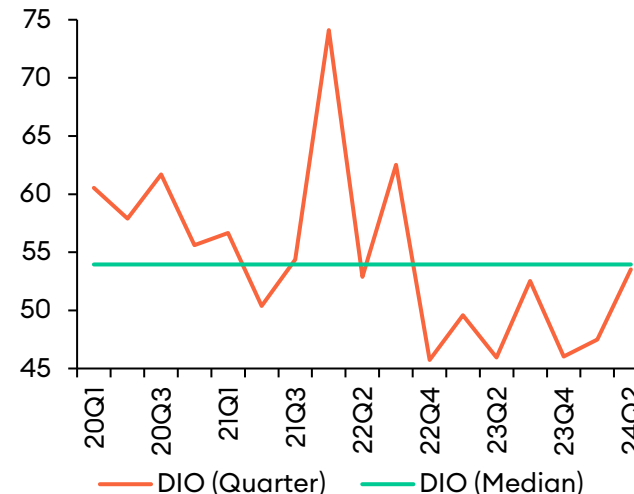
Margins (%)



Relative Performance (last 2 years)

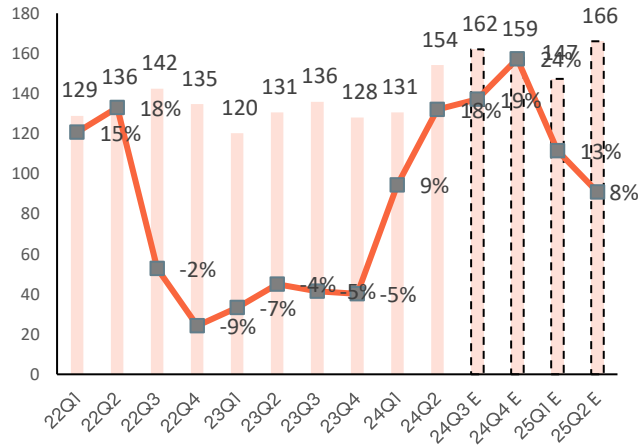


DIO (days)

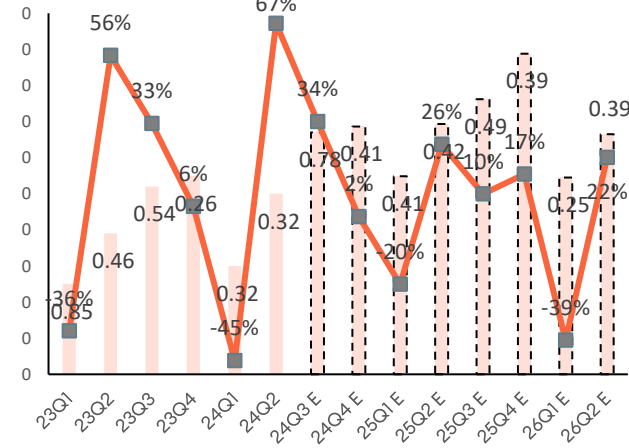


Gigabyte (2327 TT)

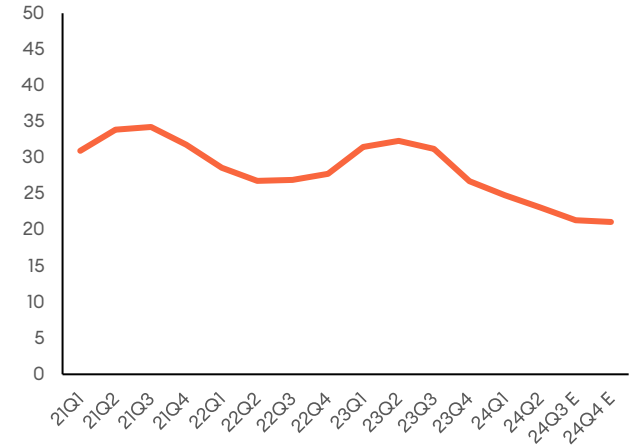
Revenue (TWD\$bn)



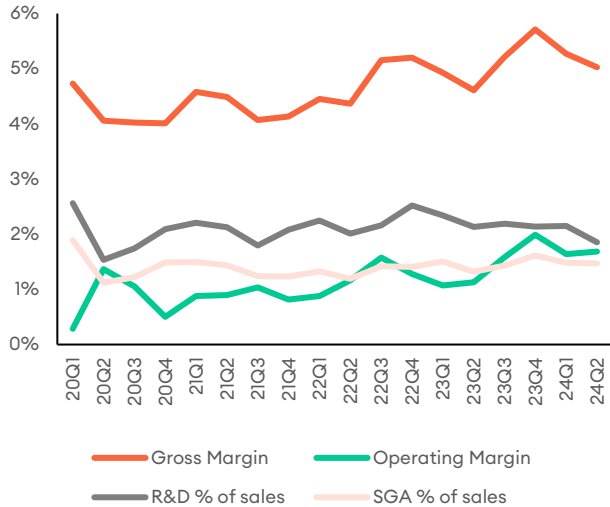
EPS (TWD)



P/E



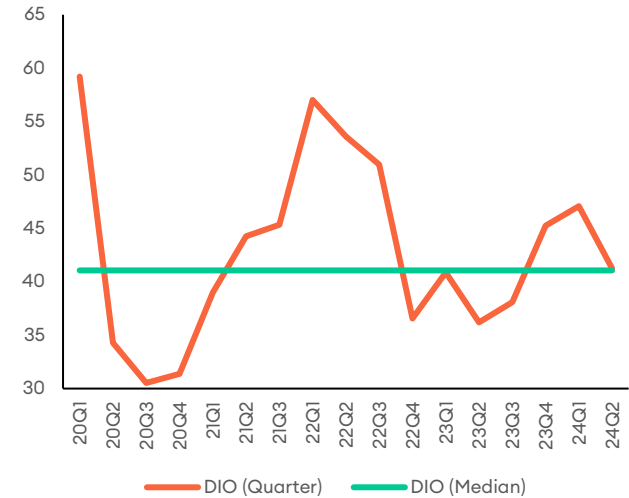
Margins (%)



Relative Performance (last 2 years)

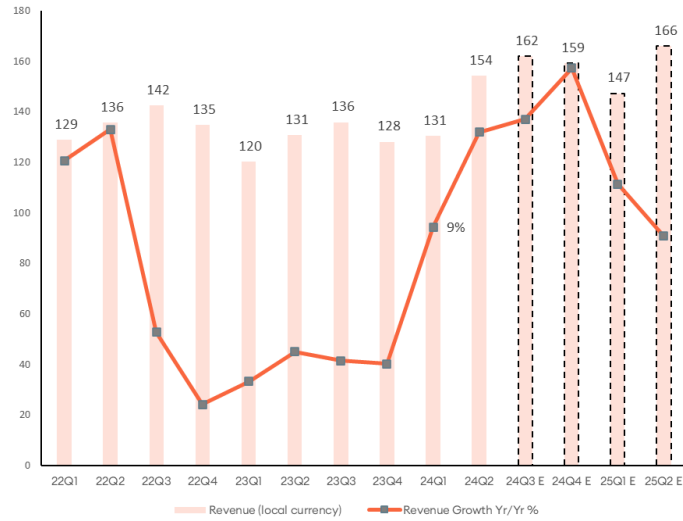


DIO (days)

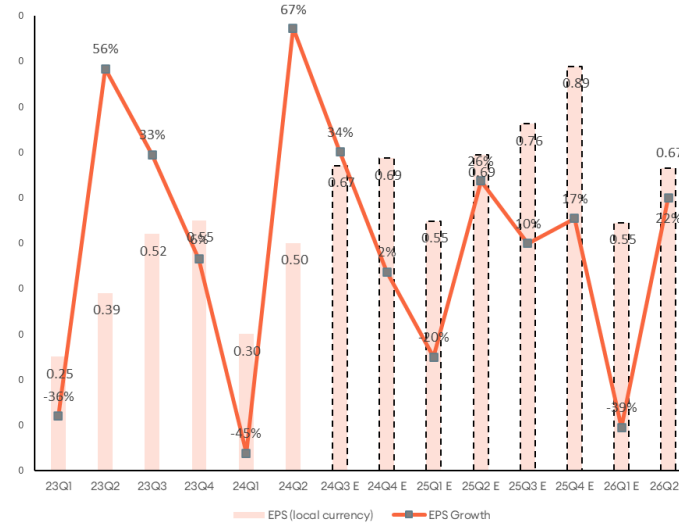


Gigabyte (2327 TT)

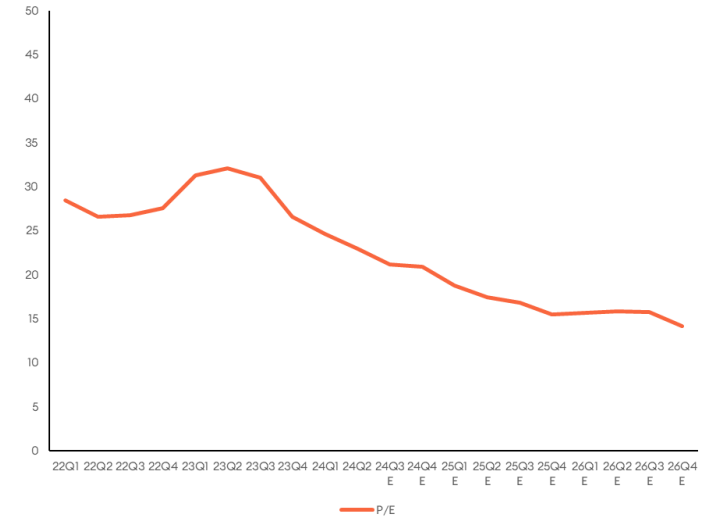
Revenue (TWD\$bn)



EPS (TWD)



P/E



Margins (%)

Relative Performance (last 2 years)

DIO (days)