

[For Immediate Release]

ASMPT Announces 2019 Third Quarterly Results

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On Track to Recovery Amidst Macro Uncertainties**Highlights****Third Quarter of 2019**

- * Group revenue of US\$531.3 million increased 15.1% over the preceding quarter but decreased 19.5% over the same period last year
- * Net profit of HK\$222.2 million increased 217.4% over the preceding quarter but decreased 63.1% over the same period last year
- * Earnings per share of HK\$0.55 for the third quarter 2019
- * Back-end equipment revenue of US\$232.9 million increased 12.8% over the preceding quarter but decreased 23.2% over the same period last year
- * SMT Solutions revenue of US\$235.6 million increased 19.0% over the preceding quarter but decreased 15.7% over the same period last year
- * Materials revenue of US\$62.8 million increased 9.8% over the preceding quarter but decreased 18.5% over the same period last year
- * New order bookings of US\$513.8 million decreased 14.6% and 16.9% over the preceding quarter and the same period last year, respectively
- * Cash and bank deposits of HK\$2.34 billion at the end of September 2019

First Nine Months of 2019

- * Group revenue of US\$1.46 billion decreased 22.7% over the same period last year
- * Net profit of HK\$400.5 million decreased 80.0% over the same period last year
- * Earnings per share of HK\$0.99 for the first nine months of 2019
- * Back-end equipment revenue of US\$634.9 million decreased 33.0% over the same period last year
- * SMT Solutions revenue of US\$653.3 million decreased 8.0% over the same period last year
- * Materials revenue of US\$170.5 million decreased 25.2% over the same period last year
- * New order bookings of US\$1.58 billion decreased 25.0% over the same period last year
- * Order backlog of US\$768.8 million as of 30 September 2019

(Hong Kong, 31 October 2019) — The world's No.1 semiconductor assembly and packaging solutions supplier **ASM Pacific Technology Limited** (“ASMPT” / the “Group”) (Stock code: 0522) today announced its results for the third quarter and the nine months ended 30 September 2019. Though the uncertain global trade tensions had resulted in customers being more cautious in the current business environment, ASMPT still recorded a quarter-on-quarter (“QoQ”) increase in revenue for all three business segments, and remains optimistic of the long-term growth of the market.

ASMPT reported a revenue of US\$531.3 million in the three months ended 30 September 2019. The Group's consolidated profit after taxation for the three months was HK\$222.2 million.

During the current quarter, the Group received new order bookings of US\$513.8 million. Bookings for the Back-end Equipment and the Materials Segments increased 6.2% and 7.6% against the preceding quarter, respectively. However, these were more than offset by a reduction of 36.5% QoQ in the SMT Solutions Segment's bookings. Bookings of the SMT Solutions Segment in the preceding quarter were at a high level which was close to the record quarterly bookings set in Q3 2018. Book to bill ratio for the Group in the current quarter was 0.97. Group gross margin was 34.7% for the current quarter.

Mr. Lee Wai Kwong, Chief Executive Officer of ASMPT, said, "Overall, the Group has achieved good level of billings for all three business segments in the current quarter. The Group's bookings saw a moderate decline QoQ which was partly seasonal and partly a reflection of market sentiments given the uncertainty of the continuing global trade discussions and the world economy at large. However, we noted that customers in China seemed to be once again leading in the market recovery."

The Back-end Equipment Segment in the current quarter maintained its steady growth from the preceding quarter, with billings of US\$232.9 million, representing a growth of 12.8% against the preceding quarter. Back-end Equipment Segment achieved a gross margin of 43.4% in the current quarter, representing an improvement of 267 bps QoQ. As a result of the aggressive cost reduction efforts carried out over the past 12 months, gross margin in the current quarter only declined 0.1% YoY while revenue for the Segment declined 23.2%. The Segment achieved segment profit growth of 168.9% QoQ.

At the product level, revenue for Advanced Packaging ("AP") and CMOS Imaging Sensor ("CIS") equipment together contributed to over 50% of the revenue of the Back-end Equipment Segment in the current quarter. Demand for bonders (both Die Attach and Wire Bonders) also showed signs of stabilisation after a long period of contraction. In terms of application segment, 5G infrastructure, high end computing, mini and micro LED and multi-cam modules continued to drive customers' demand across the IC/Discrete, Opto and CIS Business Segments.

China contributed to a significant increase of the orders in the current quarter. This could be due in part to the localisation of supply chain within China in response to the imposition of trade tariffs and restrictions by its trading partners.

Bookings for the Materials Segment have grown consecutively for three quarters. It has reached a level similar to that achieved in 2016 and 2017. The Segment also saw a 9.8% QoQ increase in its current quarter billings to US\$62.8 million. The lead frame market is clearly on track for a recovery. The Segment achieved segment profit margin of 3.7% in the quarter.

The SMT Solutions Segment extended its excellent performance in the current quarter, achieving billings of US\$235.6 million which was a 19.0% increase from the preceding quarter. The order book of the SMT Solutions Segment continued to be underpinned by 5G infrastructure demand but was offset by a weaker automotive application market. The Segment achieved a segment profit margin of 12.3% in the current quarter.

Mr. Lee concluded, “Despite the uncertain market sentiment, ASMPT is still on track to realise revenue resulting from the substantial orders for the advanced packaging panel deposition tools for high volume production of high end computing devices. Also, our best-in-class packaging and assembly solution for mini and micro LED has been well accepted by leading players in this space. As the dominant tools supplier for camera modules, we are also poised to benefit from the ongoing migration to multi-cameras and the relentless innovation in camera differentiation features.

We are positively optimistic of the longer-term growth potential in advanced packaging, CMOS image sensors, 5G related applications, IoT, automotive electrification, silicon photonics and mini/micro LED displays, which are expected to accelerate chip demand, and will in turn broaden our market outreach.”

About ASM Pacific Technology Limited

As a global technology and market leader, ASMPT (HKEX stock code: 0522), develops and provides leading edge solutions in surface mount technology, equipment and materials for the semiconductor assembly and packaging industries. Its surface mount technology solutions are deployed in a wide range of end-user markets including electronics, mobile communications, automotive, industrial and LED. Its continuous investment in research and development help to provide customers with innovative and cost-efficient solutions and systems that enable them to achieve higher productivity, greater reliability and enhanced quality.

Listed on the Hong Kong Stock Exchange since 1989, ASMPT is currently one of the constituent stocks on the Hang Seng Composite MidCap Index under the Hang Seng Composite Size Indexes, the Hang Seng Composite Information Technology Industry Index under Hang Seng Composite Industry Indexes and the Hang Seng Hong Kong 35 Index. To learn more about ASMPT, please visit our website at www.asmpacific.com.

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(N.B.: Enclosed please find the Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income of ASM Pacific Technology Limited.)

ASM PACIFIC TECHNOLOGY LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Three months ended 30 Sep		Nine months ended 30 Sep	
	2019	2018	2019	2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue	4,159,354	5,166,517	11,434,143	14,782,894
Cost of sales	(2,714,347)	(3,213,153)	(7,457,034)	(8,917,407)
Gross profit	1,445,007	1,953,364	3,977,109	5,865,487
Other income	49,614	49,144	78,808	84,478
Selling and distribution expenses	(418,244)	(413,017)	(1,172,359)	(1,182,432)
General and administrative expenses	(241,612)	(256,045)	(698,048)	(762,055)
Research and development expenses	(435,951)	(422,470)	(1,264,953)	(1,186,165)
Other gains and losses	(11,836)	(84,730)	(37,143)	(77,281)
Finance costs	(42,151)	(45,695)	(169,976)	(126,697)
Profit before taxation	344,827	780,551	713,438	2,615,335
Income tax expense	(122,580)	(178,486)	(312,922)	(615,822)
Profit for the period	222,247	602,065	400,516	1,999,513
Profit (loss) for the period attributable to:				
Owners of the Company	223,304	603,363	402,791	2,004,901
Non-controlling interests	(1,057)	(1,298)	(2,275)	(5,388)
	222,247	602,065	400,516	1,999,513
Earnings per share				
- Basic	HK\$0.55	HK\$1.49	HK\$0.99	HK\$4.95
- Diluted	HK\$0.55	HK\$1.49	HK\$0.99	HK\$4.91

ASM PACIFIC TECHNOLOGY LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Three months ended 30 Sep		Nine months ended 30 Sep	
	2019 (Unaudited) HK\$'000	2018 (Unaudited) HK\$'000	2019 (Unaudited) HK\$'000	2018 (Unaudited) HK\$'000
Profit for the period	222,247	602,065	400,516	1,999,513
Other comprehensive expense				
Exchange differences on translation of foreign operations, which may be reclassified subsequently to profit or loss	(174,778)	(132,706)	(226,165)	(243,595)
Total comprehensive income for the period	47,469	469,359	174,351	1,755,918
Total comprehensive income (expense) for the period attributable to:				
Owners of the Company	52,254	471,085	181,246	1,761,741
Non-controlling interests	(4,785)	(1,726)	(6,895)	(5,823)
	47,469	469,359	174,351	1,755,918