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**ASM PACIFIC TECHNOLOGY LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 0522)**

**DISCLOSEABLE TRANSACTION**  
**ACQUISITION OF THE TEL NEXX BUSINESS**

**THE ACQUISITION**

The Board is pleased to announce that on 1 April 2018, the Company and its indirect wholly-owned subsidiary, ASM AS USA, entered into a Purchase Agreement with the Target Company, TEL USA and TEL pursuant to which ASM AS USA conditionally agreed to acquire the TEL NEXX Business by acquiring all the issued shares in the Target Company.

**LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios set forth in Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5 per cent. but is below 25 per cent., the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements in Chapter 14 of the Listing Rules.

**THE ACQUISITION**

The Board is pleased to announce that on 1 April 2018, the Company and its indirect wholly-owned subsidiary, ASM AS USA, entered into a Purchase Agreement with the Target Company, TEL USA and TEL pursuant to which ASM AS USA conditionally agreed to acquire all the issued shares in the Target Company (“**Shares**”).

**THE PURCHASE AGREEMENT**

**Date**

1 April 2018

**Parties and subject matter**

1. the Company;
2. ASM AS USA, as purchaser of the Target Company;
3. Target Company;
4. TEL USA, as seller of the Target Company; and
5. TEL.

In the Purchase Agreement, ASM AS USA agreed to acquire from TEL USA, and TEL USA agreed to sell and transfer to ASM AS USA, the entire issued share capital of the Target Company which is currently held by TEL USA, free and clear of all encumbrances, in consideration of the Purchase Price (as defined below) and (if any) the Earn-out Payments (as defined below) (“**Consideration**”). Pursuant to the Purchase Agreement, the economic interest of the TEL NEXX Business would be transferred to ASM AS USA on the Effective Date (conditional upon the Closing of the Acquisition). In exchange for the transfer of the economic interest of the TEL NEXX Business from TEL USA to ASM AS USA at an earlier date than the Closing Date, TEL USA will be compensated through an interest payable on the Base Purchase Price from the Effective Date through the Closing Date as set out in item (b) under the paragraph headed “Consideration – Purchase Price” below.

### **Information of TEL and TEL USA**

TEL mainly operates two lines of business: semiconductor production equipment and flat panel display (FPD) production equipment. It develops diverse semiconductor production equipment that covers principal chip manufacturing processes, supplying these systems, along with excellent technical support, to semiconductor manufacturers worldwide. Many of the products that are developed, manufactured, and sold by TEL which hold leading positions in the global market.

TEL USA is a wholly-owned direct subsidiary of TEL.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, each of TEL and TEL USA is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

### **Consideration**

The Consideration comprises the Purchase Price and (if any) the Earn-out Payments.

#### *Purchase Price*

The purchase price (“**Purchase Price**”) for the Shares payable by ASM AS USA will be as follows:

- (a) US\$90,000,000 (approximately HK\$706,320,000) (“**Base Purchase Price**”);
- (b) plus interest accruing on the Base Purchase Price calculated from the Effective Date through the Closing Date, at an annual interest rate equal to the three-month London Interbank Offered Rate as of the Effective Date, plus 0.25% (“**Agreed Rate**”);
- (c) plus the Net Working Capital Adjustment (which may be a negative number if the calculation results in a negative number under item (b) of the definition of “Net Working Capital Adjustment”);
- (d) plus the Interim Period Loan Amount, if any;
- (e) minus the Interim Period Adjustment;
- (f) plus the Net Intercompany Obligations Adjustment (which may be a negative number if the calculation results in a negative number);
- (g) minus the Leakage (other than Permitted Leakage);
- (h) minus the Inventory Transfer Amount; and
- (i) plus the Net Inventory Adjustment (which may be a negative number if the calculation results in a negative number).

### *Earn-out Payments*

As additional consideration for the Shares, where applicable, any earn-out payment payable by ASM AS USA, with respect to each Calculation Period within the Earn-out Period, will be an amount (“**Earn-out Payment**”) equal to (i) US\$4,000,000 if Adjusted Revenues for such Calculation Period is at least 100% of the Revenue Threshold for such Calculation Period; (ii) US\$4,000,000 times a ratio equal to the amount by which Adjusted Revenues for such Calculation Period exceeds 88% of the Revenue Threshold for such Calculation Period, divided by 12% of the Revenue Threshold for such Calculation Period, if Adjusted Revenues for such Calculation Period is at least 88% of the Revenue Threshold for such Calculation Period but less than 100% of the Revenue Threshold for such Calculation Period; and (iii) no Earn-Out Payment if Adjusted Revenues for such Calculation Period is less than 88% of the Revenue Threshold for such Calculation Period. In no event shall the aggregate Earn-out Payments exceed US\$8,000,000. Any Earn-out Payment is to be paid in full no later than five (5) Business Days following the date upon which the determination of Adjusted Revenue for the applicable Calculation Period becomes final and binding upon the Parties as provided in the Purchase Agreement, subject to ASM AS USA’s right of set-off under the Purchase Agreement.

### **Payment at Closing and subsequent adjustments**

TEL USA agreed to deliver to ASM AS USA no later than five (5) Business Days prior to the Closing Date the calculation of the proposed Estimated Purchase Price and the components thereof, together with reasonable supporting detail, based on the Target Company’s books and records and other information then available, together with wire transfer instructions for the payment of the Estimated Purchase Price. At Closing, subject to the satisfaction, or to the extent permitted by applicable law, the waiver at or prior to the Closing of each of the conditions set forth below (“**Conditions**”), ASM AS USA will pay or cause to be paid (as part of the Consideration set forth above) to TEL USA an amount in cash equal to the Estimated Purchase Price as agreed between ASM AS USA and TEL USA based on their discussion of the components comprising the Estimated Purchase Price in accordance with the Purchase Agreement (“**Payment at Closing**”).

The Payment at Closing (i.e. the agreed Estimated Purchase Price) will be subsequently adjusted by reference to the other components of the Purchase Price set forth above, namely the calculation of the Net Working Capital and the Net Working Capital Adjustment, the Interim Period Loan Amount, the Interim Period Adjustment, the calculation of the Net Intercompany Obligations Adjustment, the amount of Leakage (other than Permitted Leakage,) the amount of the Inventory Transfer Amount, and the amount of the Net Inventory Adjustment, based on the Target Company’s books and records and other information then available and as agreed between ASM AS USA and TEL USA as soon as practicable within 90 days after the Closing Date.

### **Basis of the Consideration**

The Consideration was determined between TEL and TEL USA on the one hand and the Company and ASM AS USA on the other hand after arm’s length negotiations, taking into account the market position, financial and operating performance, business prospects and development potential of the TEL NEXX Business and the synergies the TEL NEXX Business may bring to the Group.

Having considered the above factors, the Board considers that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Financing of the Consideration**

The Group has sufficient internal resources and banking facilities to fund the Consideration.

## Conditions

Closing of the Acquisition is subject to the satisfaction or, to the extent permitted by the applicable law, the waiver (by TEL USA or ASM AS USA, as applicable) at or prior to the Closing of each of the following Conditions:

- (a) all regulatory approvals, other than the satisfaction of the CFIUS Condition, having been obtained. Further, where an antitrust clearance is deemed to be granted by the expiry of the waiting period without any response having been given by the relevant governmental entity, the expiration or termination of waiting period in respect thereof;
- (b) the CFIUS Condition having been satisfied by no later than 31 March 2019;
- (c) no governmental entity of competent jurisdiction having enacted, issued, promulgated, enforced or entered any law (whether temporary, preliminary or permanent) that is in effect and restrains, enjoins or otherwise prohibits consummation of the transactions contemplated by the Purchase Agreement;
- (d) each of TEL USA and ASM AS USA having respectively performed in all material respects all obligations required to be performed by each of them under the Purchase Agreement at or prior to the Closing;
- (e) the representations and warranties of ASM AS USA under the Purchase Agreement being true and correct in all respects as of the date of the Purchase Agreement and as of the Closing, other than representations and warranties that expressly speak only as of a specific date or time, which will be true and correct as of such specified date or time, except to the extent that the failure of such representations and warranties of ASM AS USA to be true and correct, individually or in the aggregate, would not prevent, materially impair or materially delay the consummation of the transactions contemplated by the Purchase Agreement;
- (f) the representations and warranties of TEL USA under the Purchase Agreement being true and correct in all respects as of the Effective Date and as of the Closing, other than representations and warranties that expressly speak only as of a specific date or time, which will be true and correct as of such specified date or time, except to the extent that the failure of such representations and warranties of TEL USA to be true and correct, individually or in the aggregate, has not had, and is not reasonably likely to have, a material adverse effect ;
- (g) each of TEL USA and ASM AS USA having received from each other the documents required under the Purchase Agreement;
- (h) ASM AS USA having paid to TEL USA an amount in cash equal to the Estimated Purchase Price in accordance with instructions provided by Seller pursuant to the Purchase Agreement at Closing, and each of ASM AS USA's Affiliates having issued and paid all amounts under the Inventory Transfer POs (which in the aggregate shall equal the Inventory Transfer Amount);
- (i) each of the Inventory Transfer POs having been accepted by TEL USA's Affiliate to which they were issued and the transfer of title to the Genpo Inventory having been completed as contemplated by the Inventory Transfer POs; and
- (j) the Pre-Closing Reorganization having been completed reasonably satisfactorily to ASM AS USA.

## Closing

Closing of the Acquisition (“**Closing**”) will take place on the first day of the month following the fulfillment or waiver of the Conditions (other than the Conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of each of such Conditions), or such other time and place as the Parties shall mutually agree, but in no event later than 31 March 2019.

## FINANCIAL INFORMATION OF THE TEL NEXX BUSINESS / TARGET COMPANY

Profit before taxation and net profits of the TEL NEXX Business for the financial years ended 31 March 2016 and 31 March 2017, prepared in accordance with GAAP and derived from the TEL NEXX Business' standalone pro-forma unaudited profit and loss statement, are as follows:

US\$'000	Year ended 31 March 2016	Year ended 31 March 2017
Profit / (Loss) before taxation	9,782	(2,509)
Net profit / (loss)	7,854	(180)

Based on the balance sheet of the Target Company, the net assets of the Target Company were approximately US\$94,745,530 and US\$79,173,023 as at 31 March 2016 and 31 March 2017 respectively.

## REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company and its principal subsidiaries develops and provides leading edge solutions and materials for the semiconductor assembly and packaging industries. Its surface mount technology solutions are employed in a wide range of end-user markets including electronics, mobile communications, automotive, industrial, LED and alternative energy.

The TEL NEXX Business is a supplier of electrochemical deposition (“**ECD**”) and physical vapour deposition (“**PVD**”) equipment for advanced packaging of semiconductor devices. The TEL NEXX Business will be integrated into the Back-end Equipment Segment of the Group. The Directors are of the view that the Acquisition represents a unique opportunity for the Group to expand its product portfolio in the advanced packaging market, which is a high-growth adjacent market. The Target Company's advanced technology, research and development capabilities and technical know-how would further the Group's footprint into the highly specialized ECD and PVD equipment market for advanced packaging. Building on the strength of the Group's existing product portfolio in advanced packaging and its strong relationship with customers, the Group expects the Acquisition to be a win-win combination for the Target Company and the Group. Furthermore, the Group believes it can bring further tangible synergies to the Target Company, such as improvement in BOM costs through vertical integration in manufacturing and tapping on the Group's supply chain.

The Directors are of the view that the terms of the Purchase Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratio set forth in Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5 per cent. but is below 25 per cent., the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements in Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, the following defined terms shall have the meanings set forth below unless the context requires otherwise:

“Acquisition”	the proposed acquisition of the entire issued share capital of Target Company by ASM AS USA on the terms and subject to the conditions set forth in the Purchase Agreement
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<p>“Adjusted Revenue”</p>	<p>with respect to any Calculation Period, the net revenues of the Target Company determined in accordance with GAAP, except that (i) all intercompany transactions with any Affiliates of the Target Company shall be ignored, so that the revenues shall reflect the full consideration paid by unaffiliated third parties to the Target Company or any of its Affiliates, as applicable (for the avoidance of doubt, “Affiliates of the Target Company” shall mean Affiliates of TEL with respect to revenues recognized during any portion of the Calculation Period prior to the Closing Date, and shall mean Affiliates of the Company with respect to revenues recognized during any portion of the Calculation Period on and after the Closing Date), and (ii) revenue shall be recognized as follows: (a) with regard to revenues related to the sale of tools that have been demonstrated to meet product specifications prior to shipment, upon customer set-up and testing of such products, if such customer set-up and testing has occurred during the Interim Period, or, without duplication, upon 45 days following the date of shipment, if the end of such 45 day period occurs on or after the Closing Date; (b) with regard to revenues related to the sale of tools that have not been demonstrated to meet product specifications prior to shipment, upon customer acceptance; (c) with regard to revenues related to training services, upon completion of the training classes or upon the expiration of a customer-specific training period; and (d) with regard to revenues related to service contracts, as the services are performed</p>
<p>“Affiliates”</p>	<p>with respect to a person, any person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such person (and, for purposes of the Purchase Agreement, the Target Company shall be considered an Affiliate of TEL USA before the Closing and an Affiliate of ASM AS USA from and after the Closing)</p>
<p>“ASM AS USA”</p>	<p>ASM Assembly Systems, Inc., a company incorporated in the State of Delaware, United States</p>
<p>“Board”</p>	<p>the board of Directors of the Company</p>
<p>“Business Day”</p>	<p>a day, other than a Saturday or Sunday, on which commercial banks in New York, New York, United States; Tokyo, Japan; Singapore; and Hong Kong are open for the general transaction of business</p>
<p>“Calculation Period”</p>	<p>each of (a) the 12-month period beginning on the Effective Date, and (b) the 12-month period beginning on the one year anniversary of Effective Date</p>
<p>“CFIUS”</p>	<p>the Committee on Foreign Investment in the United States</p>
<p>“CFIUS Condition”</p>	<p>any review or investigation by CFIUS shall have been concluded and either (1) written notice has been received by respective counsel for ASM AS USA and the Target Company from CFIUS stating that (i) CFIUS has made a determination that the transactions contemplated by the Purchase Agreement</p>

	are not a covered transaction and not subject to review under applicable law or (ii) the review or investigation of the transactions contemplated by the Purchase Agreement under Section 721 of Title VII of the Defense Production Act of 1950, codified at 50 U.S.C. § 4565 <i>et seq.</i> , and the U.S. Department of the Treasury implementing regulations, codified at 31 C.F.R. Part 800 (“ <b>Section 721</b> ”) has been concluded and that CFIUS has made a determination that, among other things, the transactions contemplated under the Purchase Agreement do not present any unresolved national security concerns, or (2) CFIUS shall have sent a report to the President of the United States requesting the President’s decision and the President of the United States shall not have acted pursuant to Section 721 to suspend or prohibit the consummation of the transactions contemplated under the Purchase Agreement and matters incidental thereto and the applicable period of time for the President to take such action shall have expired
“Closing Date”	the date on which the Closing takes place
“Closing Time”	12:01 a.m., Eastern Time, on the Closing Date
“Company”	ASM Pacific Technology Limited, a company incorporated in the Cayman Islands with limited liability, all the shares of which are listed on the Main Board of the Stock Exchange (stock code: 0522)
“Debt”	the outstanding principal amount, all accrued and unpaid interest and other payment obligations (including any premiums, termination fees, expenses or breakage costs due upon prepayment or payable in connection with the Purchase Agreement or the consummation of the transactions contemplated thereunder or incidental thereto) in respect of (a) any indebtedness for borrowed money of the Target Company, whether or not recourse to the Target Company, (b) any obligation of the Target Company evidenced by bonds, debentures, notes or other similar instruments, (c) any “earn-out” obligations and other obligations for the deferred purchase price of property, goods or services (other than trade payables or accruals incurred in the ordinary course of business), (d) any liability under capital leases (determined in accordance with GAAP), (e) any letters of credit and bankers’ acceptances, (f) any contractual obligations relating to interest rate protection, swap agreements, collar agreements and/or other hedging arrangements, in each case, to the extent payable if such contractual obligation is terminated as of or prior to the Closing, and (g) any obligation of the type referred to in items (a) through (f) of this definition of another person the payment of which the Target Company has guaranteed or for which the Target Company is responsible or liable, directly or indirectly, jointly or severally, as obligor, guarantor or otherwise. Debt shall include any employee retention bonus and any other employee liabilities, including, but not limited to, defined benefit plan obligations and any employer portion of any employment or payroll taxes thereon, payable as a result of the

	transactions contemplated under the Purchase Agreement and matters incidental thereto
“Directors”	the directors of the Company
“Earn-out Period”	the period beginning on the Effective Date and ending on the day prior to the second anniversary of the Effective Date
“EBITDA”	profit before interest, tax, depreciation and amortization
“Effective Date”	1 April 2018
“Effective Time”	12:01 a.m., Eastern Time, on the Effective Date
“Effective Time Loan Amount”	the outstanding and unpaid principal balance, and any accrued and unpaid interest thereon, under the Seller Loan Facility as of the Effective Time
“Estimated Purchase Price”	(a) the Base Purchase Price, (b) plus interest accruing on the Base Purchase Price calculated from the Effective Date through the Closing Date, at the Agreed Rate, (c) plus TEL USA’s good faith estimate of the Net Working Capital Adjustment (which may be a negative number if the calculation results in a negative number under item (b) of the definition of “Net Working Capital Adjustment”), (d) plus TEL USA’s good faith estimate of the Interim Period Loan Amount, (e) minus TEL USA’s good faith estimate of the Interim Period Adjustment, (f) plus TEL USA’s good faith estimate of the Net Intercompany Obligations Adjustment (which may be a negative number if the calculation results in a negative number), (g) minus TEL USA’s good faith estimate of Leakage (other than Permitted Leakage), (h) minus TEL USA’s good faith estimate of the Inventory Transfer Amount, (i) plus TEL USA’s good faith estimate of the Net Inventory Adjustment (which may be a negative number if the calculation results in a negative number)
“Financial Statements”	collectively, (a) the unaudited balance sheet of the Target Company as at, and the related statement of income of the Target Company for the 12-month period ended, 31 March 2017; and (b) the unaudited balance sheet of the Target Company as at, and the related statement of income of the Target Company for the 11-month period ended, 28 February 2018
“GAAP”	generally accepted accounting principles in the United States applied on a consistent basis throughout the periods involved
“Genpo Inventory”	inventory related to the TEL NEXX Business that is owned by (a) Tokyo Electron Taiwan Limited, (b) Tokyo Electron Europe Limited, (c) Tokyo Electron Korea Limited, (d) Tokyo Electron (Shanghai) Logistic Center Limited, (e) Tokyo Electron America, Inc. and (f) TEL
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Interim Period”	the period beginning on the Effective Date and ending on the Closing Date
“Interim Period Adjustment”	sales of Genpo Inventory to third party customers during the Interim Period (net of any returns) minus (a) the cost of goods sold (i.e. the price of such inventory purchased from the Target Company, plus freight and duty) and (b) any related cost of labor with respect to any installation and warranty services, with respect to such Genpo Inventory
“Interim Period Loan Amount”	the outstanding and unpaid principal balance, plus accrued and unpaid interest at the Agreed Rate, outstanding under the Seller Loan Facility as of the Closing Date, minus the Effective Time Loan Amount
“Inventory Transfer Amount”	the aggregate amount paid or payable under the Inventory Transfer POs, converted into US\$ based on the Bank of Tokyo Mitsubishi telegraphic transfer buying rate as of the close of business in Japan on the Business Day immediately prior to the Closing Date
“Inventory Transfer POs”	the purchase orders issued by ASM AS USA’s Affiliates to TEL USA’s Affiliates collectively covering all of the Genpo Inventory held as of the Closing Date.
“Leakage”	<p>any of the following events occurring during the Interim Period, in each case other than Permitted Leakage:</p> <ul style="list-style-type: none"> <li>(a) the making, declaration or payment of any dividend or other distribution (whether in cash or in kind) or any return of capital (whether by redemption or purchase of equity interests or otherwise) by the Target Company or any of its subsidiaries (other than solely between the Target Company and one of its subsidiaries or between subsidiaries of the Target Company);</li> <li>(b) any payment to any present (as of immediately prior to the Closing Date) or former officer, director or manager of the Target Company or any of its subsidiaries in respect of indemnification obligations of the Target Company or any of its subsidiaries;</li> <li>(c) the payment of any fees (including management, transaction, professional services, monitoring, advisory, supervisory or other shareholder or director’s fees), or bonuses, service charges, royalties or other monetary or valuable benefits (including transaction bonuses), or reimbursement of any costs or expenses, by the Target Company or any of its subsidiaries to, on behalf of, or for the benefit of any Leakage Party or any of their respective employees, officers, advisers or consultants;</li> <li>(d) the payment of any Transaction Costs;</li> <li>(e) any transfer of any assets or any interest in any assets by the Target Company or any of its subsidiaries to or for the benefit of any Leakage Party or any of their</li> </ul>

	<p>respective employees, officers, advisers or consultants;</p> <p>(f) any assumption of any liability or incurrence of any liability by the Target Company or any of its subsidiaries to or for the benefit of any Leakage Party or any of their respective employees, officers, advisers or consultants;</p> <p>(g) any (x) waiver, release or forgiveness by the Target Company or any of its subsidiaries of any Debt owed by, or other liability of, any Leakage Party to the Target Company or any of its subsidiaries, or any change to the terms of such Debt or liability that is adverse to the Target Company or any of its subsidiaries or (y) extension of any loan, advance, capital contribution or other investment by the Target Company or any of its subsidiaries to or for the benefit of any Leakage Party or any of their respective employees, officers, advisers or consultants;</p> <p>(h) any creation of any encumbrance over any asset, rights or other interests of the Target Company or any of its subsidiaries in favor of or for the benefit of any Leakage Party or any of their respective employees, officers, advisers or consultants;</p> <p>(i) any tax paid, incurred or assumed by or on behalf of the Target Company or its subsidiaries in respect of any of the matters set forth in items (a) to (g) above; and</p> <p>(j) any agreement, arrangement or other commitment by the Target Company or any of its subsidiaries to do any of the things set forth in items (a) to (i) above</p>
“Leakage Party”	TEL USA, TEL and each of their respective Affiliates (other than the Target Company and any of its subsidiaries) and each of the direct and indirect officers, directors, managers, employees, shareholders, members, partners, controlling persons, representatives and family members of any of the foregoing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Net Intercompany Obligations Adjustment”	the book value of all intercompany payables cancelled pursuant to the Purchase Agreement, minus the book value of all intercompany receivables cancelled pursuant to the Purchase Agreement. For the avoidance of doubt, any amounts outstanding under the Seller Loan Facility shall not be included in the calculation of the Net Intercompany Obligations Adjustment
“Net Inventory Adjustment”	the aggregate book value of the Genpo Inventory as of the Closing Date minus the aggregate book value of the Genpo Inventory as of the Effective Date
“Net Working Capital”	the combined net book value of the current assets (including cash and cash equivalents but excluding any current and deferred tax assets) of the Target Company, as of the Effective Time, minus the combined net book value of the current

	liabilities of the Target Company (excluding any current and deferred tax liabilities), as of the Effective Time, in each case, without duplication and as determined in accordance with certain agreed-upon accounting principles, methodologies, procedures and classifications as set out in the Purchase Agreement and otherwise as determined in accordance with GAAP consistent with the application thereof in the Financial Statements, subject to certain exceptions as set out in the Purchase Agreement
“Net Working Capital Adjustment”	(a) the amount by which the Net Working Capital exceeds US\$15,500,000 or (b) the amount by which the Net Working Capital is less than US\$15,500,000, as applicable, provided that any amount which is calculated pursuant to item (b) above shall be deemed to be a negative number
“Parties”	ASM AS USA, Target Company, TEL USA, TEL and the Company
“Permitted Leakage”	(a) the payment of any compensation or benefits, or reimbursement of costs or expenses, paid or payable to or for the benefit of any Leakage Party who is an employee, board member or observer of the Target Company or any of its subsidiaries in the ordinary course of business and in connection with such person’s services as an employee, board member or observer, including certain payments relating to incentive bonuses (including the employer portion of any employment or payroll taxes); and (b) any Leakage pursuant to any agreement in effect on the Effective Date, to which the Target Company or any of its subsidiaries is a party or by which any of their respective properties or assets are bound or subject which relates to employment or the provision of goods or services, including the related party transactions set forth in the Purchase Agreement; and (c) any other agreed Leakage as specifically provided for under the Purchase Agreement
“Pre-Closing Reorganization”	collectively, (a) the transfer of the individuals listed in the Purchase Agreement to the Target Company effective as of immediately prior to the Closing Time, (b) the assignment of the assets listed in the Purchase Agreement to the Target Company, (c) the assignment of those contracts listed in the Purchase Agreement, (d) the cancellation or conversion to equity of all loans outstanding and unpaid accrued interest under the Seller Loan Facility, such that there is no balance outstanding under the Seller Loan Facility as of the Closing Date, (e) the remittance by Tokyo Electron Europe Limited on or prior to the Closing Date into a separate bank account in the name of and for the benefit of the Target Company established prior to the Effective Date, an amount equal to the warranty reserve relating to the products or services of the Target Company as of the Closing Date, (f) the acceptance of the respective Inventory Transfer POs by TEL USA’s Affiliates to which the Inventory Transfer POs were issued
“Purchase Agreement”	the purchase agreement entered into by and among ASM AS USA, Target Company, TEL USA, TEL and the Company dated 1 April 2018

“Revenue Threshold”	with respect to the first Calculation Period, US\$84,784,000, and with respect to the second Calculation Period, US\$106,711,000
“Seller Loan Facility”	the loan facility provided to the Target Company from time to time by TEL USA pursuant to an agreement entered on 1 May 2012 between the Target Company and TEL USA
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	TEL NEXX, Inc., a company incorporated in the State of Delaware, United States, which currently operates the TEL NEXX Business
“TEL”	Tokyo Electron Limited, a company ( <i>kabushiki kaisha</i> ) incorporated in Japan
“TEL NEXX Business”	the back end of line advanced packaging electrochemical deposition and physical vapour deposition equipment and processes business operated by the Target Company and to be transferred to ASM AS USA pursuant to the Acquisition
“TEL USA”	Tokyo Electron U.S. Holdings, Inc., a company incorporated in the State of Delaware, United States
“Transaction Costs”	any commissions, premiums, fees, costs, or expenses, including any commissions, premiums, fees, costs or expenses of any broker, agent, insurer, attorney, accountant, consultant or other professional or service provider of any kind, in each such case incurred in connection with the transactions contemplated by the Purchase Agreement and matters incidental thereto by, on behalf of, or for the benefit of TEL USA, TEL or any of their respective Affiliates (including the Target Company or any of its subsidiaries)
“United States” or “US”	United States of America
“US\$”	United States dollar, the lawful currency of the United States

Save as otherwise specified, conversions between HK\$ and US\$ contained in this announcement are calculated at HK\$7.8480 to US\$1 based on the exchange rate on 31 March 2018. Such conversions should not be taken as representation that the HK\$ amount could actually be converted into US\$, or *vice versa*, at any particular rate, or at all.

## **BOARD OF DIRECTORS**

As at the date of this announcement, the Board comprises Miss Orasa Livasiri (Chairman), Mr. John Lok Kam Chong, Mr. Wong Hon Yee and Mr. Eric Tang Koon Hung as Independent Non-Executive Directors, Mr. Charles Dean del Prado and Mr. Petrus Antonius Maria van Bommel as Non-Executive Directors, and Mr. Lee Wai Kwong, Mr. Stanley Tsui Ching Man and Mr. Robin Gerard Ng Cher Tat as Executive Directors.

By Order of the Board  
**ASM Pacific Technology Limited**  
**Lee Wai Kwong**  
Director

Hong Kong, 3 April 2018