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ASMPT LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0522)

PRESS RELEASE OF 2023 INTERIM RESULTS

A press release in relation to the results of ASMPT Limited and its subsidiaries for the six months ended 30 June 2023 is appended to this announcement.

On behalf of the Board
Robin Gerard Ng Cher Tat
Director

Hong Kong, 26 July 2023

As at the date of this announcement, the Board comprises Miss Orasa Livasiri (Chairman), Mr. John Lok Kam Chong, Mr. Wong Hon Yee, Mr. Eric Tang Koon Hung, Mr. Andrew Chong Yang Hsueh and Ms. Hera Siu Kitwan as Independent Non-Executive Directors, Mr. Benjamin Loh Gek Lim and Mr. Paulus Antonius Henricus Verhagen as Non-Executive Directors, and Mr. Robin Gerard Ng Cher Tat and Mr. Guenter Walter Lauber as Executive Directors.

(In case of any inconsistency, the English version of this announcement shall prevail over the Chinese version.)



ASMPPT Announces 2023 Interim Results

Q2 2023 Revenue Above Mid-point of Guidance Positioned Well for Generative AI and HPC Growth

Group Performance at a Glance

Group Financial Highlights for Q2 2023

- * Revenue of HK\$3.90 billion (US\$497.4 million), -25.0% YoY and -0.4% QoQ
- * Bookings of HK\$3.02 billion (US\$384.5 million), -35.1% YoY and -14.9% QoQ
- * Gross margin of 40.1%, -158 bps YoY and -33 bps QoQ
- * Operating margin of 9.9%, -892 bps YoY and -197 bps QoQ
- * Net profit of HK\$307.9 million, -66.0% YoY and -2.3% QoQ

Group Financial Highlights for 1H 2023

- * Revenue of HK\$7.82 billion (US\$997.5 million), -25.3% YoY and -12.1% HoH
- * Bookings of HK\$6.56 billion (US\$837.5 million), -43.9% YoY and -2.7% HoH
- * Gross margin of 40.3%, -89 bps YoY and -86 bps HoH
- * Operating margin of 10.9%, -804 bps YoY and -318 bps HoH
- * Net profit of HK\$623.1 million, -64.1% YoY and -29.5% HoH
- * Interim basic earnings per share of HK\$1.52, -63.9% YoY and -29.3% HoH
- * Interim dividend per share of HK\$0.61, -53.1% YoY
- * Order backlog of HK\$7.78 billion (US\$992.6 million) as of 30 June 2023

Revenue Guidance for Q3 2023

- * US\$410 million to US\$480 million

Full Results Announcement and Investor Presentation available from
<https://www.asmppt.com/en/investors/financials-results/>

(Hong Kong, 26 July 2023) — **ASMPPT Limited** (“ASMPPT” / the “Group”) (Stock code: 0522) announced its interim results for the six months ended 30 June 2023. A leading global provider of hardware and software solutions for the manufacture of semiconductors and electronics, ASMPPT’s technologies enable its diverse range of customers to create a wide range of semiconductor and electronics solutions for the digitally enabled world.

Group 1H 2023 Highlights

The Group continued to be impacted by weak industry conditions, marked by conservative consumer spending and capex investment, and on-going industry supply chain inventory digestion. While its SMT segment continued its resilient performance, making up most of Group revenue for the fourth consecutive quarter, recovery for its SEMI business is taking longer than anticipated as factory utilisation of its customer base, while showing gradual improvement, has not yet reached optimum levels.

Amidst a prolonged semiconductor downturn, the Group's unique and broad portfolio, coupled with its role as a key partner in the technology roadmaps of major customers, provides strong foundations for future growth, particularly from Advanced Packaging ("AP") that is being driven by strong secular demand in generative AI and High Performance Computing ("HPC"), and continued demand from Automotive.

"As we continued to hold steady amidst current market conditions for this first half, longer-term drivers for increased silicon growth continue to be strong tailwinds for our business," said **Mr. Robin Ng, Group CEO**. "In particular, we are positioned well to support the strong growth of generative AI and HPC, especially our market-leading Thermo Compression Bonding solutions that provide key features - including best-in-class placement accuracy - to meet the exacting demands of AI computing packages."

The Group's involvement in generative AI spans multiple solutions in its portfolio, with deep collaborations with key players. Its AP solutions are crucial enablers that support the strong growth in generative AI, which requires high precision bonding solutions aligned closely with optimal total cost of ownership. Here are some highlights:

The Group's AP solutions delivered 1H 2023 revenue of about US\$195 million, or 19% of Group revenue, with its Thermo Compression Bonding ("TCB") solutions the largest contributor to its AP revenue for 1H 2023.

In TCB, the Group is in a commanding position to address crucial logic and memory packaging bottlenecks in generative AI. For logic, the Group is enabling major customers in Chip-to-Wafer and Chip-to-Substrate processes that are critical for the heterogeneous integration and assembly of AI computing packages in increasingly sophisticated configurations. For high-bandwidth memory (HBM), the Group's solutions fulfil demanding packaging requirements for next-generation HBM. As generative AI proliferates, customers will migrate to these advanced HBM packages to meet increased storage and processing demands.

With the Group's TCB solutions capable of handling a variety of interconnect types, it is uniquely positioned to benefit from the accelerated adoption of TCB due to the increasing number of interconnects required by complex AI packages.

The Group won repeat orders for HBM, and it continues to engage deeply with multiple memory players. Order flow from logic is also promising from foundry and OSAT customers, particularly demand from its foundry customer base, which is growing due to AP capacity expansion. The Group is therefore confident of more TCB order flow for both logic and memory in 2H 2023.

The Group's **Mass Reflow High Precision Die-bonding** solutions are also benefitting from generative AI needs, with continuous order flow from top tier global clients. In **Hybrid Bonding**, the Group continues its engagement with key customers for qualification in various end-market applications, including memory.

Generative AI growth is also benefiting other tools in the Group's portfolio. For example, in **Silicon Photonics ("SiPh")**, the Group's market leading solutions have high placement accuracy

relevant for SiPh and Co-Packaged Optic devices, such as optical transceivers and photonic engines. Here, the Group received repeat orders for its tools to support a key customer's transceiver expansion plans to meet generative AI's high bandwidth transfer requirements, and it expects more such orders in 2H 2023. In **SMT Placement Tools**, there is traction in the server business driven by AI applications and the tools provide flexibility for customers in terms of handling larger server board weights and sizes.

Automotive end market applications contributed the highest proportion of Group revenue at approximately US\$230 million or 23% of 1H 2023 Group revenue. This came mainly from the Group's mainstream solutions, particularly SMT placement tools, molding tools and die bonders. The Group's Automotive solutions have contributed strongly to its overall performance in the last two years and this sector has begun normalising. Nevertheless, demand from EV players and for Silicon Carbide applications remain robust and its Automotive solutions continue to bag design wins that will eventually translate into High Volume Manufacturing demand.

Group Highlights - 1H 2023

Group 1H 2023 revenue of HK\$7.82 billion (US\$997.5 million) declined 25.3% YoY and 12.1% HoH, due mainly to SEMI, while SMT held steady. As mentioned, the Automotive market delivered the highest revenue contribution to 1H 2023 Group revenue (23%), driven mainly by mainstream solutions, while Industrial remained robust, mostly due to SMT.

Bookings of HK\$6.56 billion (US\$837.5 million) declined slightly by 2.7% HoH due to SMT, while SEMI grew from a low base. Bookings declined 43.9% YoY, mainly due to a high base effect, while contributions from AP, Automotive and Industrial end markets made up about 57% of Group bookings. Backlog at end 1H 2023 was HK\$7.78 billion (US\$992.6 million) with a book-to-bill ratio of 0.84.

Group gross margin of 40.3% was down 89 bps YoY and 86 bps HoH, partly due to segment mix as SMT contributed about 59% of Group revenue. Operating margin was 10.9%, down 804 bps YoY and 318 bps HoH, while net profit declined by 64.1% YoY and 29.5% HoH to HK\$623.1 million. Both operating margin and net profit were adversely impacted by lower sales volume.

As of 30 June 2023, the Group maintained a healthy liquidity position with gross cash and bank deposits totalling HK\$3.77 billion while bank borrowings were at HK\$2 billion.

Group Highlights – Q2 2023

The Group delivered revenue slightly above the mid-point of its previously issued guidance of HK\$3.90 billion (US\$497.4 million), flat QoQ but down 25.0% YoY due to a high base effect. Bookings of HK\$3.02 billion (US\$384.5 million) were down 35.1% YoY mainly due to a high base effect, and down 14.9% QoQ due to the ongoing industry downcycle.

Gross margin of 40.1% was down 158 bps YoY and 33 bps QoQ, mainly due to SEMI, and partially offset by margin improvement in SMT. The Group's overall profitability declined marginally QoQ, while YoY declines were due to lower sales volume, with operating margin of 9.9% down 197 bps QoQ and 892 bps YoY, and net profit of HK\$307.9 million down 2.3% QoQ and 66% YoY.

OUTLOOK

The Group's growth prospects remain strong due to long term structural trends of automotive electrification, smart factories, green infrastructure, 5G, IoT, and HPC fuelled by generative AI growth. The Group has a key competitive advantage as a major supplier and technology partner across many applications and solution areas.

Near term visibility is limited due to the current macroeconomic environment, marked by persistent inflation, tepid consumer sentiment and ongoing inventory digestion.

With these considerations in mind, the Group expects revenue for Q3 2023 to be between US\$410 million to US\$480 million (-23.4% YoY and -10.5% QoQ at midpoint), mainly due to SMT normalising.

About ASMPT Limited (“ASMPT”)

ASMPT is a leading global supplier of hardware and software solutions for the manufacture of semiconductors and electronics. Headquartered in Singapore, ASMPT’s offerings encompass the semiconductor assembly & packaging, and SMT (surface mount technology) industries, ranging from wafer deposition to the various solutions that organise, assemble and package delicate electronic components into a vast range of end-user devices, which include electronics, mobile communications, computing, automotive, industrial and LED (displays). ASMPT partners with customers very closely, with continuous investment in R&D helping to provide cost-effective, industry-shaping solutions that achieve higher productivity, greater reliability and enhanced quality.

ASMPT is listed on the Stock Exchange of Hong Kong (HKEX stock code:0522), and is one of the constituent stocks of 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 HK 35 Index. To learn more about ASMPT, please visit us at <https://www.asmpt.com/>.

Forward-Looking Statements

All statements included herein, other than statements of historical facts, are or may be forward-looking statements. These forward-looking statements reflect ASMPT’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known or unknown risks and uncertainties. Accordingly, actual results may differ materially from information contained in the forward-looking statements as a result of a number of factors. Readers should not place undue reliance on such forward-looking statements, and ASMPT does not undertake any obligation to update publicly or revise any forward-looking statements. No statement herein is intended to be or may be construed as a profit forecast.

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