

# Q2 2023 Results Presentation

26 July 2023



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# Agenda

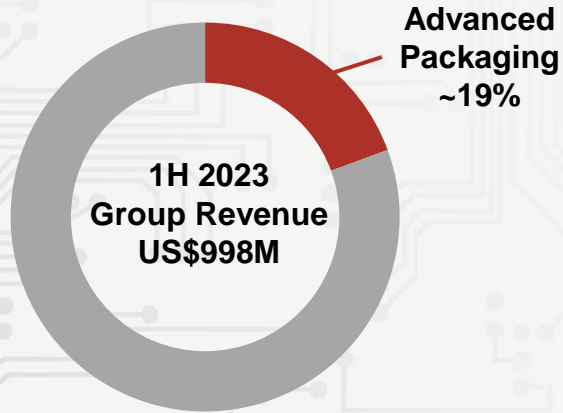
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## Key Highlights

# Advanced Packaging Highlights

## Positioned Well for Generative AI and HPC Growth



### Thermo-Compression Bonding (TCB):

- Highest contribution to AP revenue
- Logic: Key enablers of C2W and C2S processes
- Memory: Fulfil demanding requirements for next-gen HBM, won repeat HBM orders

**Mass Reflow High Precision Die-bonding:** Continuous order from top global customers

**Hybrid Bonding:** Engagement in various end-market applications, including memory

Other solutions benefitting from generative AI demand:

- Silicon photonics, laser singulation, panel ECD and SMT placement tools

Physical Vapor Deposition	Electro-Chemical Deposition (Wafer/ Panel Level Plating) *	Laser Singulation *	Wafer/ Panel Level Fan Out *	Ultra Precision Die Bonding (Silicon Photonics) *	Mass Transfer & Bonding (Advanced Displays)	Multi-Chip Module Bonding	Thermo Compression Bonding *	Hybrid Bonding *	Flip Chip	Wafer Level Fan In	SMT SiP Placement	
												
Apollo Series Conductor	Stratus Series	Laser 1205	NUCLEUS	NANO	AD300 Series	Vortex II	VECTOR	FIREBIRD	Lithobolt	AD8312FC	SUNBIRD	SIPLACE TX Micron

Comprehensive Range of Advanced Packaging Solutions

\* Advanced packaging solutions for generative AI and HPC

# TCB - Key Enabler for Generative AI and HPC

## Accelerated Adoption of TCB

### Generative AI Chip Demand Drivers

- Increased number of logic chiplets & new generation HBM
- Exponential increase in interconnects
- ~90% handled by TCB

### Accelerated TCB Adoption

#### TCB Equipment Market \*

*Inflection Point*

FY12

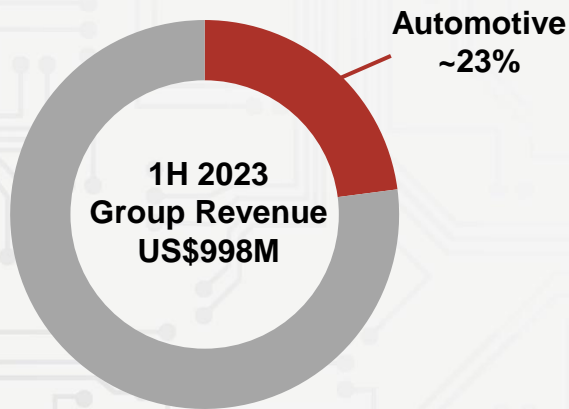
FY24

\* Source: Company management's estimates

### ASMPT's Unique TCB Capabilities

- Best in class die placement accuracy ( $<1\ \mu\text{m}$ )
- Thin die handling
- Ultra fine pitch bonding ( $< 15\ \mu\text{m}$ )
- Multi die format (up to 100x100mm)

# Automotive Highlights



- Highest revenue contribution, spanning across Group's mainstream solutions
- Has begun to normalise after strong contribution over the last two years
- Design wins translating into future HVM demand

**Laser Singulation & Silver Sintering Solutions**



**Power Module**

**Advanced Packaging Solutions**



**Self-Drive Computing Board**

**Automotive CIS Solutions**



**Vehicle LiDAR Module**

**LED / Advanced Display Solutions**



**In-Vehicle Micro LED Display**

**Die/Wire Bond & Mold**



**Power Discrete Packages  
Analog, Logic, MCUs**

**SMT Solutions**



**Automotive PCB**



**ASMP**T enabling the  
digital world

## Financial Performance



# 1H 2023 Key Financials



## Revenue

**US\$998M**

(-25.3% YoY)<sup>1</sup>

(-12.1% HoH)<sup>1</sup>



## Bookings

**US\$838M**

(-43.9% YoY)<sup>1</sup>

(-2.7% HoH)<sup>1</sup>



## Backlog

**US\$993M**

(-30.4% YoY)<sup>1</sup>

(-13.4% HoH)<sup>1</sup>



## Gross Margin

**40.3%**

(-89 bps YoY)

(-86 bps HoH)



## Operating Margin

**10.9%**

(-804 bps YoY)

(-318 bps HoH)



## Net Profit

**HK\$623M**

(-64.1% YoY)

(-29.5% HoH)



## EPS

**HK\$1.52**

(-63.9% YoY)

(-29.3% HoH)



## DPS

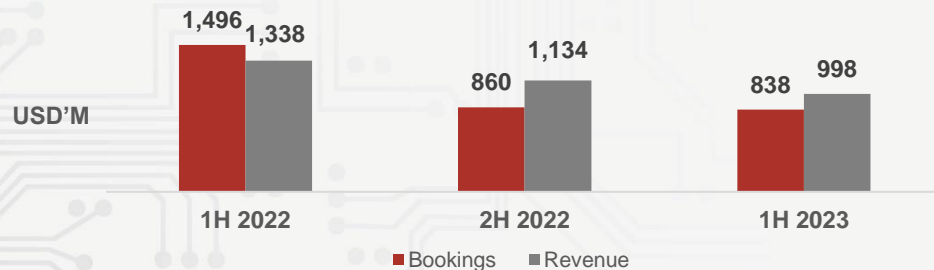
**HK\$0.61**

(-53.1% YoY)

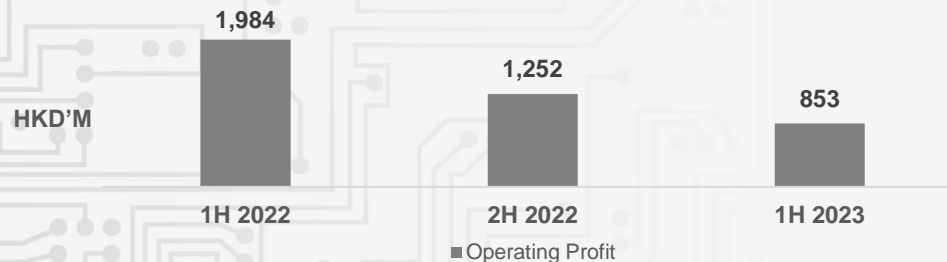
Note:

<sup>1</sup> The YoY & HoH % comparison is based on financials denominated in HK\$

# 1H 2023 Group Financial Results



Period	Gross Margin
1H 2022	41.2%
2H 2022	41.1%
1H 2023	40.3%



Period	Operating Margin
1H 2022	18.9%
2H 2022	14.1%
1H 2023	10.9%

## Revenue

- Declined HoH and YoY due to SEMI

## Bookings

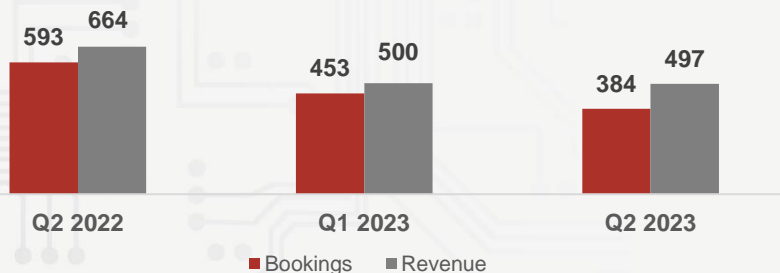
- Declined HoH due to SMT, while SEMI grew from low base
- Declined YoY due to high base effect
- AP, Automotive and Industrial accounted for ~57%

## Gross margin

- Declined HoH and YoY due to segment mix; SMT revenue contribution ~59%

# Q2 2023 Group Financial Results

USD'M



Gross Margin

41.7%

40.4%

40.1%

HKD'M



Operating Margin

18.8%

11.9%

9.9%

## Revenue

- Above mid-point of guidance
- Declined YoY due to high base effect

## Bookings

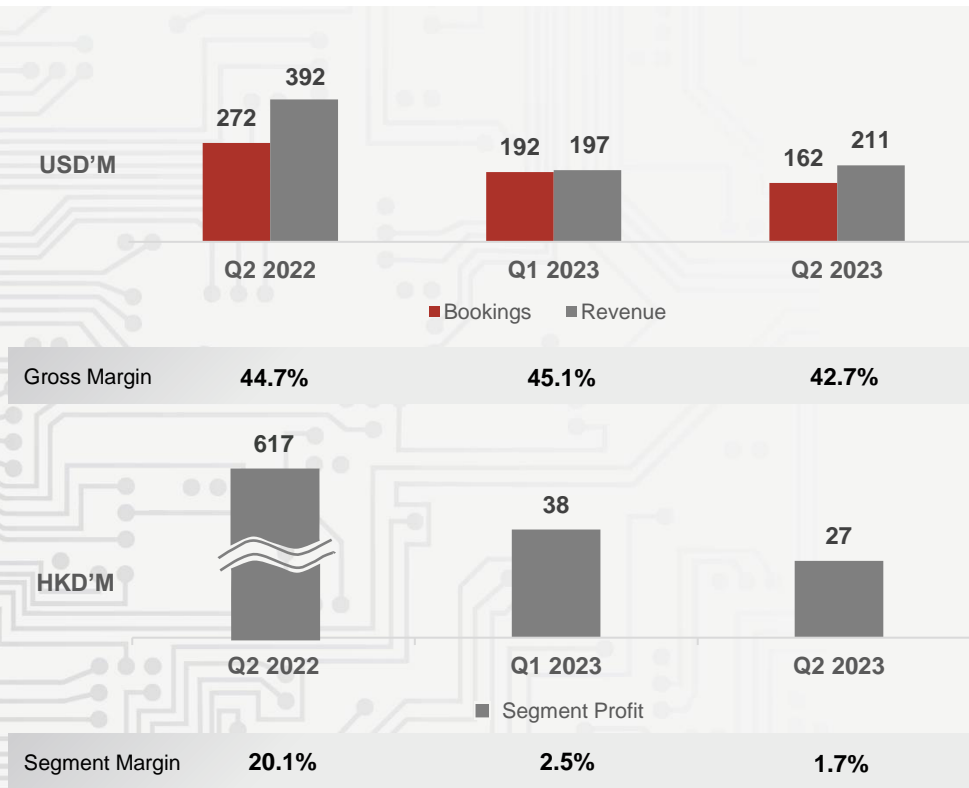
- Declined QoQ due to ongoing industry downcycle
- Declined YoY due to high base effect

## Gross margin

- Declined QoQ and YoY due to SEMI, partially offset by improvement from SMT



# Q2 2023 Semiconductor Solutions Segment Performance



## Revenue

- IC/Discrete: Highest contribution from TCB; uptick in contribution from mainstream tools
- Optoelectronics: QoQ growth driven by wire bonders for Conventional Displays and high-end Silicon Photonics
- CIS: Continued weakness in smartphone market

## Bookings

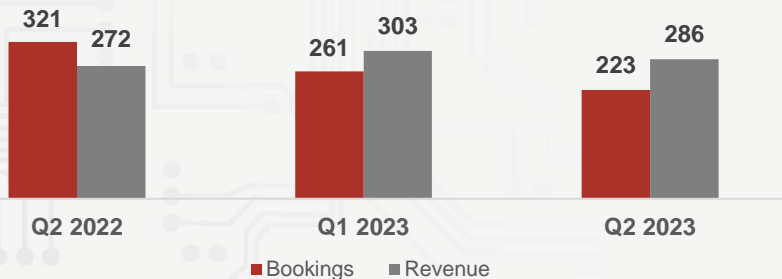
- Declined QoQ and YoY due to ongoing semiconductor downcycle

## Gross margin

- Declined QoQ due to higher mix of wire bonders
- Declined YoY due to volume effect

# Q2 2023 SMT Solutions Segment Performance

USD'M



Gross Margin

37.4%

37.4%

38.2%

HKD'M



Segment Margin

18.8%

20.2%

19.1%

## Revenue

- Driven by Industrial and Automotive, mostly from Europe

## Bookings







- Entered normalisation phase after high levels for more than 2 years
- Driven mostly by Industrial and Automotive

## Gross margin

- Increased QoQ and YoY due to favourable product mix

# Key End-Market Applications

## Serving Broad-based End-Market Applications\*

Automotive	Industrial	Consumer	Computers	Communication	Others
					
Visual Sensors Infotainment LIDAR Sensors V2X communications Entertainment Platforms	EV Charging Smart Factories Smart Offices Other Industrial	TV Wearables Audio devices Video devices Gaming consoles Other Consumers	Personal Computers Servers Datacentres HPC Other Computers	Mobile Phones Wired Infrastructure Wireless 5G Communications Infrastructure	Medical Devices Aerospace Others**

1H 2023  
Group  
Revenue

~23%

~18%

~13%

~12%

~10%

~24%

Note:

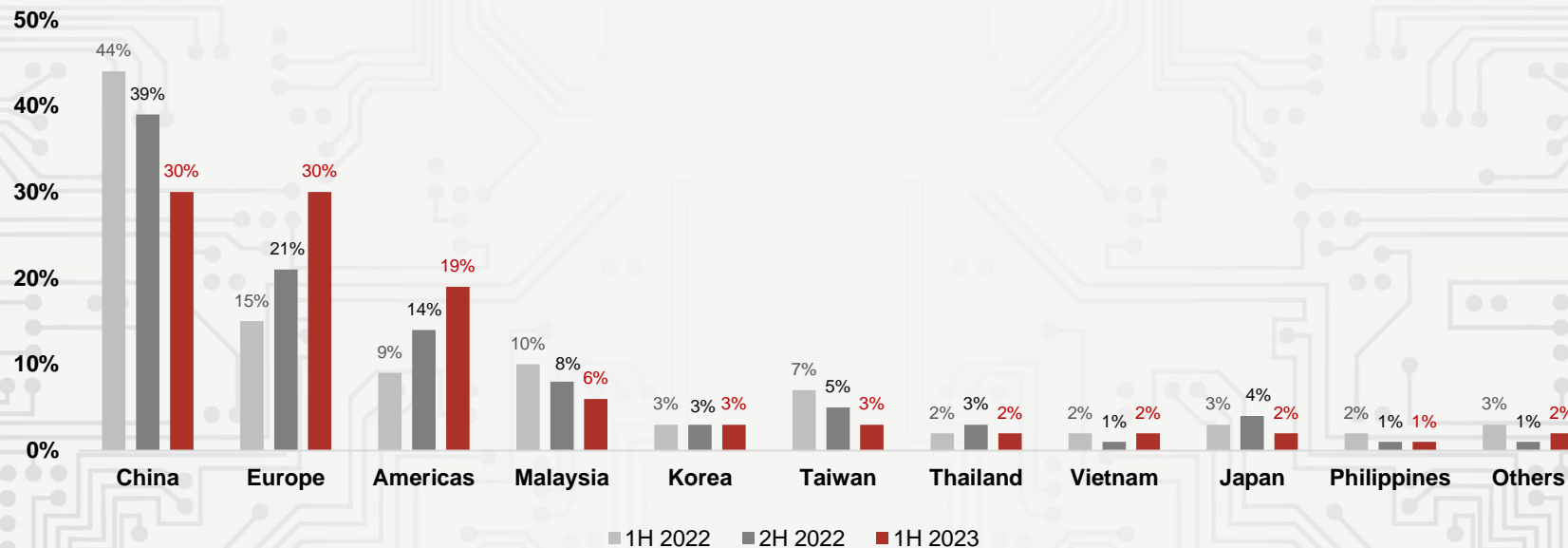
\* Revenue mix is based on management's best estimates

\*\* Others include revenue from spares, services and other applications that cannot be meaningfully identified



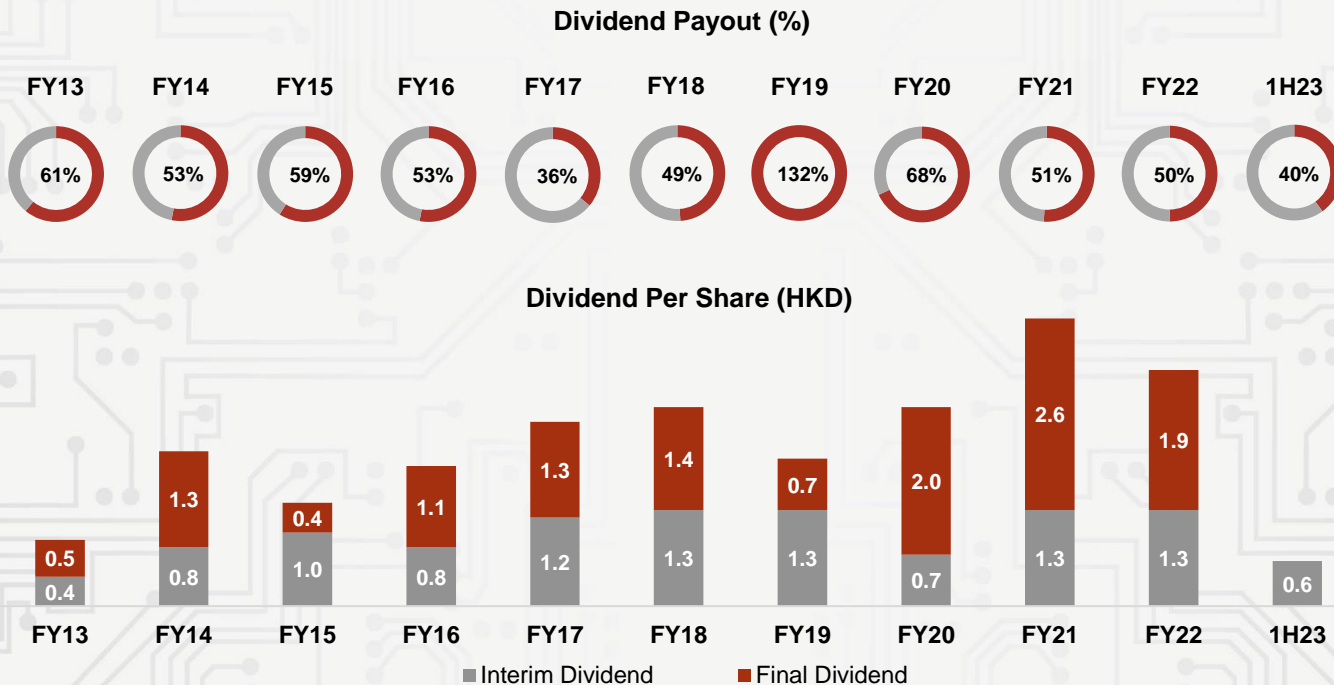
# Key Partner to Global Customers

## Group Revenue Contribution by Geography



# Returning To Shareholders

## Consistent Dividend Payout Ratio Policy Supported by Healthy Cash Flow



**Dividend policy of consistent annual dividend payout of around 50%**  
(consistent with average dividend payout ratio 2013-2022)

## Q3 2023 Revenue Guidance



Near term visibility continues to be limited due to:

- Uncertainty in macroeconomic environment
- Tepid consumer sentiment
- Ongoing inventory digestion

As SMT continues to normalise, the Group expects Q3 2023 revenue to be:

**US\$410m to US\$480m**

(-23.4% YoY and -10.5% QoQ at mid-point of guidance)

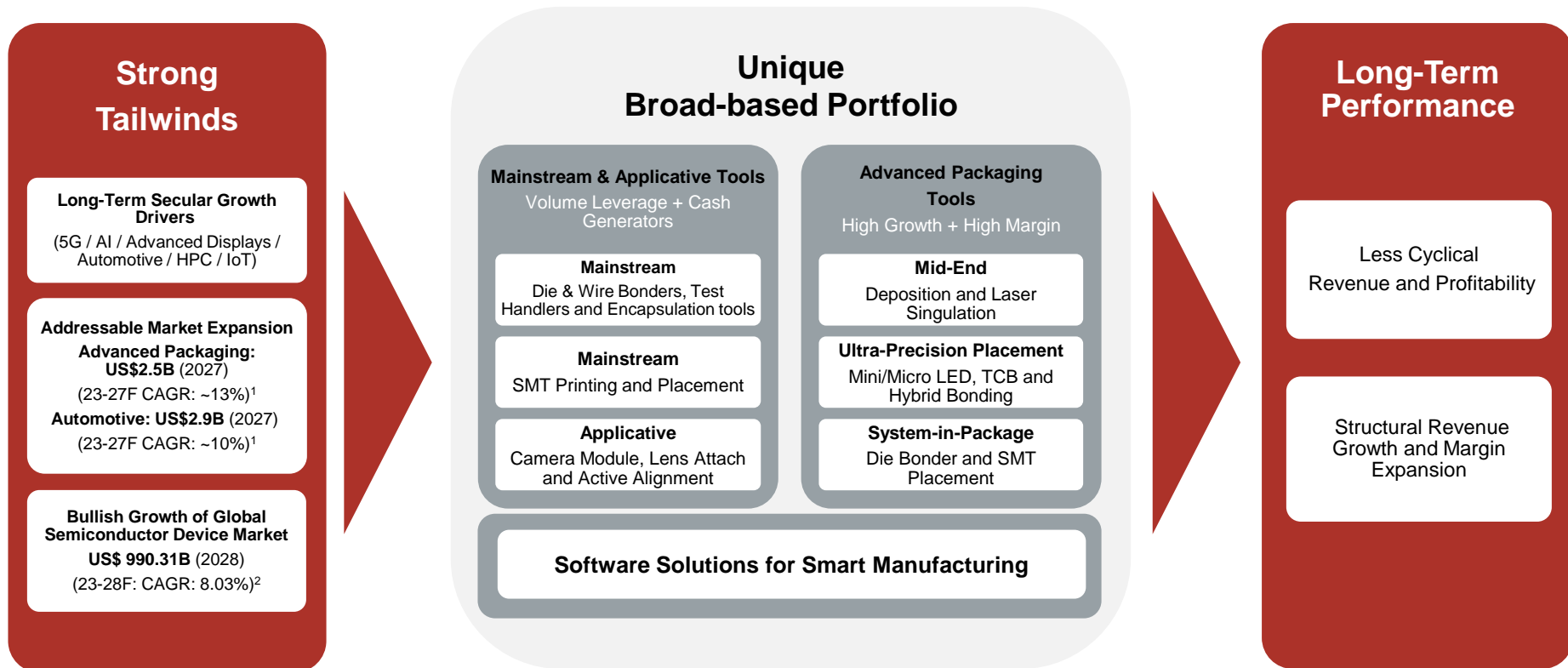
Longer-term outlook remains strong due to:

- Structural trends of automotive electrification, smart factories, green infrastructure, 5G, IoT and high-performance computing fueled by generative AI growth

## Key Investors Takeaways

# Key Investor Takeaways

## Unique Broad-based Portfolio



<sup>1</sup> Company Management's Estimates (Last updated in Q4 2022)

<sup>2</sup> Mordor Intelligence



Q&A


# ASMP T

enabling the  
digital world



## Thank You!

For enquiries, please contact:  
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 [asmpt.com](http://asmpt.com)

## Appendix





# Advanced Packaging

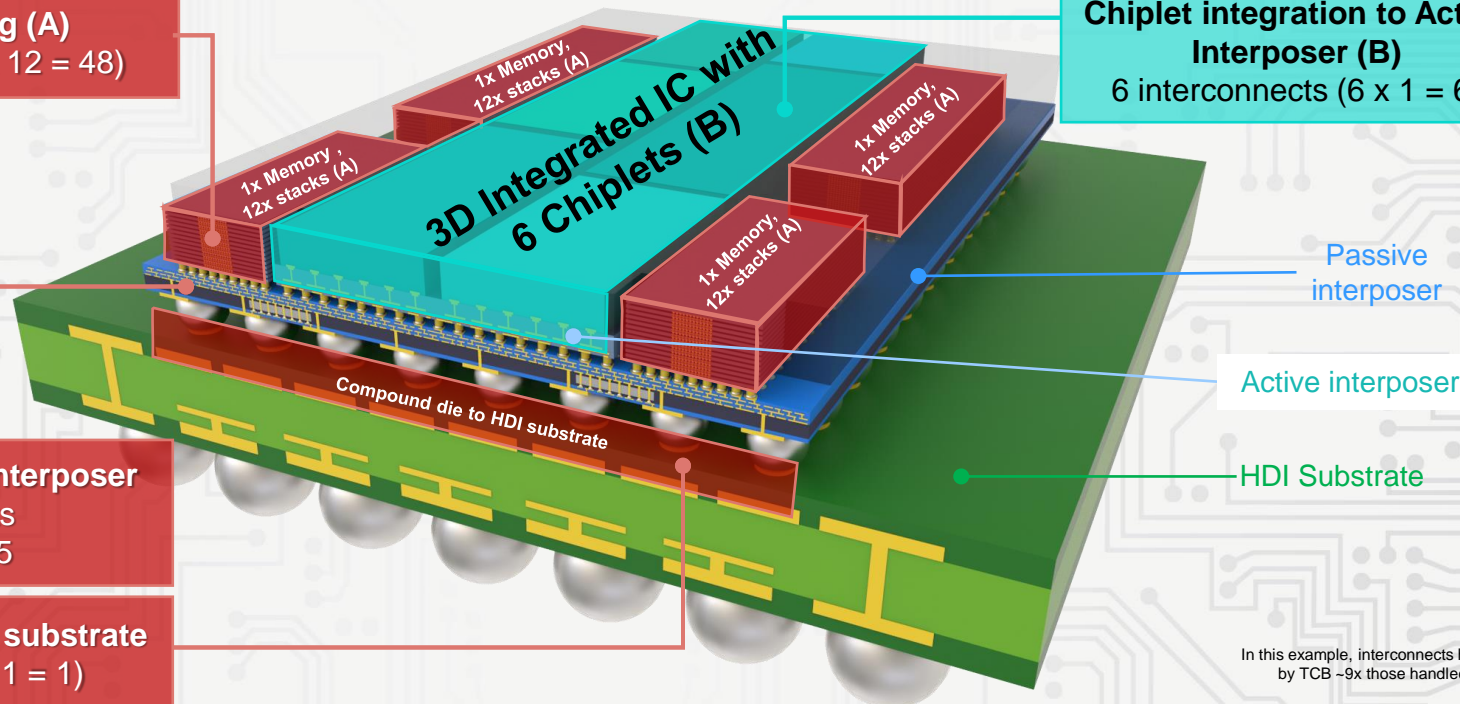
## Example of a High-end HPC device using both TCB & Hybrid Bonding

Interconnects by TCB = 54

**Memory stacking (A)**  
48 interconnects ( $4 \times 12 = 48$ )

Interconnects by HB = 6

**Chiplet integration to Active Interposer (B)**  
6 interconnects ( $6 \times 1 = 6$ )



**Bonding to Passive Interposer**  
5 interconnects  
 $4(A) + 1(B) = 5$

**Compound die to HDI substrate**  
1 interconnect ( $1 \times 1 = 1$ )

In this example, interconnects handled by TCB ~9x those handled by HB