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ASMPT LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 0522)

PRESS RELEASE OF 2023 THIRD QUARTER RESULTS

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

On behalf of the Board
Robin Gerard Ng Cher Tat
Director

Hong Kong, 25 October 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.)



ASMPT Announces 2023 Third Quarter Results

Advanced Packaging A Bright Spot Amidst Weak Industry Conditions

Group Performance at a Glance

Group Financial Highlights for Q3 2023

- * Revenue of HK\$3.47 billion (US\$443.9 million), -23.8% YoY and -10.9% QoQ
- * Bookings of HK\$2.96 billion (US\$378.5 million), -18.3% YoY and -1.8% QoQ
- * Gross margin of 34.2%, -670 bps YoY and -594 bps QoQ
- * Operating margin of 1.9%, -1,254 bps YoY and -802 bps QoQ
- * Net profit of HK\$12.8 million, -97.9% YoY and -95.9% QoQ
- * Basic earnings per share of HK\$0.04, -97.3% YoY and -94.7% QoQ

Non-HKFRS Measures¹:

- * Adjusted Net profit of HK\$45.4 million, -92.6% YoY and -85.3% QoQ
- * Adjusted Basic earnings per share of HK\$0.11, -92.7% YoY and -85.3% QoQ

Revenue Guidance for Q4 2023

- * US\$390 million to US\$460 million, -23.2% YoY and -4.2% QoQ at mid-point

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

(Hong Kong, 25 October 2023) — **ASMPT Limited** (“ASMPT” / the “Group”) (Stock code: 0522) announced its third quarter results for the three months ended 30 September 2023. A leading global provider of hardware and software solutions for the manufacture of semiconductors and electronics, ASMPT’s technologies enable its diverse range of customers to create a wide range of semiconductor and electronics solutions for the digitally enabled world.

¹ For more information about Non-HKFRS measures, please refer to “Reconciliation of HKFRS Measures to the non-HKFRS Measures” on page 10 of the Group’s Q3 2023 results announcement.

Group Q3 2023 Highlights

The Group's performance in the third quarter continued to be impacted by prolonged industry weakness, with demand-supply dynamics yet to turn favourable amidst conservative consumer sentiment. The Group's unique and broad-based portfolio cushioned the business to a certain extent as SMT continued to deliver higher revenue than SEMI for a fifth consecutive quarter, even as SMT normalises. For end-market applications, revenue contributions from both Automotive and Industrial continued to contribute the highest proportion to Group revenue.

"We are confident that growth opportunities will unfold over the long term," said **Mr. Robin Ng, Group CEO**. "Encouragingly, we saw increased demand from customers for generative AI needs. Our market-leading product portfolio puts us in a good position to capture future demand from both AI and other enduring technology trends. Even as we continue to navigate a challenging macro-economic environment, we have continued seizing opportunities to grow, adapt and innovate, so that we can become even more efficient and competitive."

The Group saw continued demand for its AP solutions, which are to a large extent being driven by a growing global demand for generative AI and High-Performance Computing ("HPC") applications. These benefit a number of the Group's comprehensive AP solutions and give the Group confidence in the longer-term potential of its AP solutions suite. Here are some highlights:

Thermo Compression Bonding ("TCB") continued to contribute the most to both the Group's AP bookings and revenue for the quarter. Logic packaging demand continued to drive momentum for TCB. Orders for the Group's TCB solutions for generative AI applications came from a leading foundry and OSAT customers, and from a leading logic IDM customer for HPC applications. The Group is working closely with major generative AI players and expects continued order momentum for logic applications.

For the high-bandwidth memory ("HBM") market, the Group continues its engagements with multiple memory players to cater to more demanding packaging requirements for customers' next-generation HBM needs.

In **Mass Reflow ("MR") High Precision Die-bonding**, the Group continued to receive MR tool orders and deepened its engagements with leading foundry, memory and OSAT customers.

Demand remained robust for the Group's **SMT placement** tools for AI-powered server customers. In addition, its advanced placement tools are also gaining traction with orders from a leading foundry customer.

The Group's **Photonics and Silicon Photonics** solutions are able to meet the significantly high bandwidth transfer requirements of generative AI applications, and it secured repeat orders from leading AI customers for their transceiver expansion plans, with this order momentum expected to continue.

The Group also secured its second **Hybrid Bonding** order which will be used for 3D integration, with delivery expected in the second half of 2024.

Group Highlights – Q3 2023

Group Q3 2023 revenue of HK\$3.47 billion (US\$443.9 million), declined 10.9% QoQ and 23.8% YoY due to the prevalent industry weakness as both SEMI and SMT had lower revenues.

Bookings declined YoY mainly due to relatively weaker industry conditions. The Group had an isolated order cancellation in Q3 2023 for its panel deposition tools from a leading high-density substrate manufacturer in response to slower-than-expected digestion of its existing capacity.

Excluding this cancellation, the Group's Q3 2023 bookings would have been about 6% higher QoQ. Backlog for the Group was US\$922 million as of 30 September 2023.

The Group's gross margin declined mainly due to unfavourable product mix, volume effect and provision for aging inventories.

The Group also continued its cost control and efficiency-enhancing initiatives, including targeted headcount reduction in Q3 2023 of a low single digit percentage of the Group's workforce.

The Group's decrease in operating margin and net profit QoQ and YoY were mainly due to lower sales volume and gross margin. As of 30 September 2023, the Group maintained a healthy liquidity position with gross cash and bank deposits totalling HK\$4.17 billion while bank borrowings remained stable at HK\$2 billion.

OUTLOOK

Powered by its unique broad-based portfolio, the Group remains optimistic about its prospects and growth potential over the long term. This confidence is supported by long-term structural trends of automotive electrification, smart factories, green infrastructure, 5G, IoT, and high-performance computing fuelled by generative AI growth. To support this increasingly digitally connected world, more organisations are preparing for a future with increasingly dynamic global supply chains. The Group believes these factors will lead to an increase in overall capex spend.

In the short term, weak economy and end-market electronics demand will continue to prolong the industry inventory adjustment and constrain the capital spending of our customer base.

Considering the above and seasonality effects, the Group expects Q4 2023 revenue to be between US\$390 million to US\$460 million, representing a decline of -23.2% YoY and -4.2% QoQ at mid-point.

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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