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ASMPT LIMITED

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

PRESS RELEASE OF 2023 ANNUAL RESULTS

A press release in relation to the results of ASMPT Limited and its subsidiaries for the year ended 31 December 2023 is appended to this announcement.

On behalf of the Board
Robin Gerard Ng Cher Tat
Director

Hong Kong, 28 February 2024

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 Annual Results

Solid Performance for Advanced Packaging

Group Performance at a Glance

Group Financial Highlights for Q4 2023

- * Revenue of HK\$3.40 billion (US\$435.4 million), -21.4% YoY and -2.0% QoQ
- * Bookings of HK\$2.74 billion (US\$349.8 million), -12.2% YoY and -7.6% QoQ
- * Gross margin of 42.3%, +87 bps YoY and +812 bps QoQ
- * Operating margin of 5.5%, -825 bps YoY and +356 bps QoQ
- * Net profit of HK\$75.7 million, -71.6% YoY and +493.4% QoQ
- * Basic earnings per share of HK\$0.18, -72.3% YoY and +350.0% QoQ

Group Financial Highlights for FY 2023

- * Revenue of HK\$14.70 billion (US\$1.88 billion), -24.1% YoY
- * Bookings of HK\$12.26 billion (US\$1.57 billion), -33.5% YoY
- * Gross margin of 39.3%, -186 bps YoY
- * Operating margin of 7.5%, -920 bps YoY
- * Net profit of HK\$711.5 million, -72.8% YoY
- * Basic earnings per share of HK\$1.73, -72.8% YoY
- * Order backlog of HK\$6.61 billion (US\$846.1 million) as of 31 December 2023
- * Full Year 2023 dividend per share (including special dividend) of HK\$1.39

Non-HKFRS Measures¹

- * Adjusted Net profit of HK\$745 million for FY 2023 (-71.5% YoY), and of HK\$76 million for Q4 2023 (+68.4% QoQ and -71.3% YoY)
- * Adjusted Basic earnings per share of HK\$1.82 for FY 2023 (-71.4% YoY), and of HK\$0.18 for Q4 2023 (+63.6% QoQ and -72.3% YoY)

Revenue Guidance for Q1 2024

- * US\$370 million to US\$430 million, -20.0% YoY and -8.1% QoQ at mid-point

Full Results Announcement and Investor Presentation available from

<https://www.asmpt.com/investors/financials-results/>

¹ For more information about the Non-HKFRS Measures, please refer to the section under "Reconciliation of HKFRS Measures to the non-HKFRS Measures" of Full Results Announcement.

(Hong Kong, 28 February 2024) — **ASMPT Limited** (ASMPT / the Group/ the Company) (Stock code: 0522), a leading global provider of hardware and software solutions for the manufacture of semiconductors and electronics, announced its annual results for the year ended 31 December 2023.

The semiconductor industry faced a tough year in 2023 due to the impact from macroeconomic headwinds that weakened overall consumer sentiment and electronics demand. Despite this, the Group demonstrated resilience with its unique broad-based portfolio across its Semiconductor Solutions (SEMI) and SMT business segments.

Group FY 2023 Highlights

- Full year revenue was HK\$14.70 billion (US\$1.88 billion), down 24.1% YoY. The prolonged downturn adversely impacted SEMI, whose revenue contracted 37.0% YoY, while SMT's decline was 10.0% and remained resilient due to continued demand from Automotive and Industrial end-markets. This highlights the advantage of the Group's broad-based portfolio as its two segments follow different business cycles and this shielded the Group to a certain extent during a downcycle.
 - SMT contributed about 57% to Group revenue in 2023, delivering higher revenue than SEMI for a sixth consecutive quarter in Q4 2023.
 - Automotive continued to be the highest contributor to Group revenue at approximately 22%, even in the face of some market softness. The Group's comprehensive range of Automotive solutions and its engagements with a growing base of customers helped Automotive maintain its strong contribution.
 - Industrial also saw some weakness, but percentage contribution remained stable at about 16% of Group revenue. It was also the highest contributor to SMT's performance, benefitting from structural trends towards intelligent factories, greener infrastructure, enhanced automation, and digitalization.
- Full year bookings were HK\$12.26 billion (US\$1.57 billion), down 33.5% YoY, impacted by SEMI, which declined 39.7% during this downcycle year. As SMT normalised in the second half of the year, segment bookings were impacted, resulting in 2023 bookings decline of 27.7% YoY.
 - Combined bookings from AP, Automotive and Industrial remained stable at about 60% of Group bookings for 2023.
 - Backlog was HK\$6.61 billion (US\$846.1 million) with a book-to-bill ratio of 0.83.
- Group gross margin was 39.3%, down 186 bps, mainly due to SEMI, while SMT witnessed gross margin growth due to a favourable product mix.
- Group operating margin declined by 920 bps YoY to 7.5% due to lower sales volumes and reduced gross margin.
- Group adjusted net profit declined 71.5% YoY to HK\$744.9 million, in line with reduced revenue and operating margin.

- The Group continued to maintain a robust balance sheet and recorded strong cash and bank deposits of HK\$4.80 billion at end 2023 (2022 end: HK\$4.42 billion). Net cash was at a record level of HK\$2.80 billion at end 2023 (2022 end: HK\$2.17 billion).
- The Board recommended a special cash dividend of HK\$0.52 per share to shareholders. It brings total dividend per share for 2023 to HK\$1.39, a payout of 80%.

“In the face of a challenging macroeconomic environment in 2023, ASMPT demonstrated resilience and adaptability,” said **Mr. Robin Ng, Group CEO**. “In addition to continued demand from Automotive and Industrial end markets, we also saw an increasing demand for our Advanced Packaging solutions to support emerging applications in generative AI and High Performance Computing. We firmly believe that Advanced Packaging represents a strategic growth area with significant potential and will prioritise investments in both talent and capacity to further strengthen our leading position. ASMPT is well-positioned to capitalize on opportunities in the AI market to sustain long-term success.”

SMT – Resilient Performance with Largest Market Share

Driven by Automotive and Industrial end markets, SMT showed strong revenue performance in the face of the broader semiconductor industry downturn. Demand for SMT's high-end placement and printing tools remained robust, coming primarily from Europe and the Americas. There was also growing demand for its SMT placement tools for AI-related server applications, and demand from smartphone and wearable applications, specifically for SMT's Systems-in-Package (SiP) AP tools.

Automotive – Maintaining Pole Position for Revenue Contribution

Automotive end-market applications contributed the highest proportion of 2023 Group revenue at about 22% or approximately US\$410 million.

ASMPT's comprehensive range of Automotive solutions are a competitive advantage, with notable momentum in the expanding Electric Vehicle (EV) market being fuelled by new automakers entering the industry and launching more EV models. The Group has increased engagements with these EV players, enabling more of its solutions to becoming the process of record (POR) for these companies.

Demand for Silicon Carbide (SiC) related applications is also on the rise, with the Group's 'total solutions' – which include laser dicing for wafers, die attach, pressure sintering, molding, and SMT placement - positioning it as a preferred co-development partner for its customers.

ASMPT estimates the addressable market for Automotive end-market applications to grow from about US\$1.8 billion in 2024 to US\$2.6 billion in 2028, a compounded annual growth rate (CAGR) of about 10%.

Advanced Packaging (AP) – Expanding Customer Base in High Growth Market

AP's percentage share of Group revenue for 2023 increased YoY to around 22%, or about US\$410 million. The Group estimates that its addressable market for AP will increase from approximately US\$1.7 billion in 2024 to US\$3.3 billion in 2028, a CAGR of about 18%, largely powered by growth in generative AI applications. Here are some highlights:

Thermo-Compression Bonding (TCB) solutions delivered their highest yearly revenue on the back of a robust backlog, contributing the most to overall Group AP revenue. With an early mover advantage, ASMPT's TCB solutions are a market leader with the largest installed base of tools globally. It has expanded its TCB customer base beyond logic IDMs and is deeply embedded in generative AI supply chains, dominating in C2S and C2W applications for HPC and AI, with meaningful orders from a leading foundry and OSATs. In the High-Bandwidth Memory (HBM) market, ASMPT's tools are in production at a leading player. As it engages with multiple HBM players, it is ready for 12H/16H HBM with its next generation ultrafine pitch TCB. With production capacity expansion planned for 2024 and beyond to meet increasing demand, ASMPT is poised to capitalize on the generative AI boom.

Flip Chip (FC) High Precision Die-bonding tools have also gained traction for generative AI and HPC applications, with consistent order momentum throughout 2023 expected to continue in 2024. Its FC tools are capable of panel level pick-and-place fan-out applications with lower form factors that are well-suited for AI edge devices. It continues to engage leading foundry, HBM and OSAT customers for C2W and C2S.

ASMPT's TCB and FC tools are already catering to AI players at cloud and datacentre levels and are poised to take advantage of the huge potential demand surge in AI edge devices.

In **Hybrid Bonding (HB)**, the first orders for two tools for 3D integration purposes were received in 2023, to be delivered in the second half of 2024. ASMPT is confident of securing more orders for its HB tools in Q1 2024 and beyond as engagements with key customers for its next-generation HB tools progress well for various end-market applications, including memory. These give the Group confidence that it will intercept the High Volume Manufacturing (HVM) ramp for HB.

In **Photonics**, rapid generative AI growth demands increased bandwidth requirements. Datacentres are expanding and upgrading to support this, boosting demand for higher bandwidth optical transceivers and Co-Packaged Optics (CPO) applications. ASMPT's market leading Photonics solutions cater to transceiver bandwidths from 100G to 800G and beyond and its Silicon Photonics (SiPh) solutions have best-in-class placement accuracy and a highly flexible system capable of handling multiple bonding processes for CPO. The Group's Photonics solutions won repeat orders from leading AI players in 2023, with order

momentum expected to continue in 2024.

Its **Advanced Display** tools encompass both Mini and Micro LED applications. Improving sentiment and HVM potential of RGB displays for seamless, high-resolution indoor video walls resulted in increased traction and order flow momentum in the later part of 2023 and is expected to continue into 2024. ASMPT's Mini LED solutions are well-positioned to capitalise on this demand growth with their ultrafine pitch capabilities, while its Micro LED solutions have been progressing steadily toward mass market adoption across diverse applications, including smartwatch and automotive. In fact, it is the first tool provider to win orders in Micro LED for smartwatch applications, and also won orders in automotive smart headlamps for high-end vehicles as demand for such headlamps continues growing.

ASMPT is also engaging customers with its next generation **SMT AP** tools with higher placement accuracy, multi-die picking capabilities, and ability to pick dies directly from the wafer for better performance. These tools are gaining traction for SiP, wafer level fan-out and embedded substrate applications, and SMT expects more orders for these AP tools in 2024.

Group Q4 2023 Highlights

Group revenue of HK\$3.40 billion (US\$435.4 million) was marginally higher than the mid-point of revenue guidance previously issued, a decline of 2.0% QoQ and 21.4% YoY.

Bookings of HK\$2.74 billion (US\$349.8 million) declined 12.2% YoY due to SMT and declined 7.6% QoQ due to general seasonality.

Gross margin was 42.3%, up 812 bps QoQ and 87 bps YoY respectively. QoQ gross margin increase was due to Q3's exceptionally low gross margin and better product mix for both SEMI and SMT. Group adjusted net profit of HK\$76.5 million was up 68.4% QoQ but down 71.3% YoY.

Dividends

ASMPT has a dividend policy of distributing around 50% of its annual profits as dividends and firmly believes in returning excess cash to its shareholders. After considering its short-term needs and cash on hand, the Board of Directors has resolved to recommend to shareholders the payment of a final dividend of HK\$0.26 (2022: final dividend of HK\$1.90) per share. In addition, the Board has also recommended a special cash dividend of HK\$0.52 per share to shareholders. Together with the interim dividend of HK\$0.61 (2022: HK\$1.30) per share paid in August 2023, the total dividend payment for year 2023 will be HK\$1.39 (2022: HK\$3.20) per share, a payout of 80%.

Outlook and Q1 2024 Revenue Guidance

The Group expects Q1 2024 revenue to be between US\$370 million to US\$430 million, representing a decline of 20.0% YoY and 8.1% QoQ at mid-point. The decline is mainly due to lower revenue from SMT as its bookings began softening in the second half of 2023.

Many experts have anticipated the semiconductor industry to recover in 2024. This could in turn fuel the next multi-year industry upcycle and the Group remains optimistic about its prospects as it taps this longer-term industry optimism with its unique broad-based portfolio. The Group's confidence is further supported by long-term structural trends from automotive electrification, smart factories, green infrastructure, 5G/6G, IoT, and AI growth across cloud, datacentre, and AI edge devices.

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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