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ASMPT LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0522)

PRESS RELEASE OF 2022 THIRD QUARTER RESULTS

A press release in relation to the results of ASMPT Limited and its subsidiaries for the nine months ended 30 September 2022 is appended to this announcement.

On behalf of the Board
Robin Gerard Ng Cher Tat
Director

Hong Kong, 26 October 2022

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.



ASMPT 9-Month & Third Quarter 2022 Results: Resilient 9-Month Revenue & Gross Margin Performance Anchored by Unique Broad-Based Portfolio

Group Performance At a Glance

Group Financial Highlights for First Nine Months ("9M") of 2022

- * Revenue of HK\$15.03 billion (US\$1.92 billion), -4.5% YoY
- * Bookings of HK\$15.32 billion (US\$1.96 billion), -26.6% YoY
- * Gross margin of 41.1%, +77 bps YoY
- * Operating margin of 17.6%, -83 bps YoY
- * Net profit of HK\$2.35 billion, +3.8% YoY
- * Basic earnings per share of HK\$5.71, +4.0% YoY
- * Order backlog of HK\$10.06 billion (US\$1.28 billion) as of 30 September 2022

Group Financial Highlights for Q3 2022

- * Revenue of HK\$4.56 billion (US\$581.3 million), -26.8% YoY and -12.3% QoQ
- * Bookings of HK\$3.63 billion (US\$461.9 million), -36.6% YoY and -22.0% QoQ
- * Gross margin of 40.9%, +29 bps YoY and -82 bps QoQ
- * Operating margin of 14.4%, -638 bps YoY and -439 bps QoQ
- * Net profit of HK\$616.8 million, -38.5% YoY and -31.8% QoQ
- * Basic earnings per share of HK\$1.50, -38.8% YoY and -31.5% QoQ

Revenue Guidance for Q4 2022

- * US\$455 million to US\$525 million

Full Results Announcement and Investor Presentation available from

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

(Hong Kong, 26 October 2022) — **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 results for the nine months ended 30 September 2022. ASMPT's unique broad-based portfolio enabled it to achieve a resilient 9-month financial performance over the course of a challenging 2022.

Group 9M 2022 Highlights

- Group 9M 2022 revenue of HK\$15.03 billion (US\$1.92 billion), a dip of 4.5% YoY but still around 30% higher than the average 9M revenue of a 3-year pre-pandemic period from 2017-2019¹.
- Group bookings of HK\$15.32 billion (US\$1.96 billion), decline of 26.6% YoY due to record base effect for 2021 and challenging macroeconomic conditions.
 - Notably, Automotive and Advanced Packaging (“AP”) end markets continued to account for a relatively higher proportion of bookings.
 - Backlog was HK\$10.06 billion (US\$1.28 billion) as of 30 September 2022 with a book-to-bill ratio of 1.02.
- Group gross margin (“GM”) of 41.1% improved 77 bps YoY.
 - Quarterly GM has stayed above 40% for six consecutive quarters.
 - GM growth came from both the Group’s segments and a favourable product mix, along with targeted pricing adjustments and ongoing strategic initiatives.
 - Improvements partially offset by higher material prices and logistics costs due to stretched global supply chains.
- Group operating margin of 17.6% was down 83 bps YoY due to lower sales volume and an increase in operating costs mainly due to inflation.
- Group net profit increased 3.8% YoY to HK\$2.35 billion partly due to foreign exchange gains.

“Overall, the Group delivered a resilient performance for the first nine months of 2022. This was achieved in the face of significant macroeconomic developments such as trade tensions, sporadic COVID-19 restrictions, geopolitical conflicts and inflationary pressures, all of which progressively dampened consumer sentiment,” said **Mr. Robin Ng, Group CEO**. “What became clearer as 2022 unfolded is how our unique broad-based portfolio is providing us with important competitive advantages to navigate a more volatile, uncertain, complex and ambiguous macroeconomic environment.”

The influence of the Group’s unique, broad-based portfolio can be seen in the following areas:

- **Growing Contribution From Automotive:** The quickening pace of automotive electrification aligned well with the Group’s broad range of Automotive solutions, delivering 9M 2022 revenue growth and helping it progressively expand and strengthen its customer base. Notably, ASMPT’s solutions have been increasingly servicing more pure Electric Vehicle players.

¹ Comparison excludes the record high base effect of 2021, and pandemic-impacted 2020. Note that the Group’s former Materials segment results were deconsolidated and have been equity accounted for since 29 December 2020; this ‘around 30%’ figure *excludes* the revenue from this deconsolidated segment.

- **Robust Demand For AP Tools:** The Group's comprehensive range of AP solutions continued to yield stable contributions to its 9M 2022 revenue. With major semiconductor customers committing significant investments into advanced nodes over the longer term, this bodes well for demand of Group's AP solutions. Here are some highlights:
 - **Thermo Compression Bonding ("TCB")** solutions continue to enjoy order wins for its chip-to-wafer ("C2W") TCB tools since early 2022, and the Group has expanded its customer base into more diverse end market applications like advanced memory. Innovation in next-generation ultra-fine pitch C2W TCB technology continues apace, and it aims to deliver demo tools by Q1 2023.
 - **Advanced Displays (Mini/ Micro LED)** experienced pick-up in demand, 9M 2022 revenue increased YoY, along with significant growth in YoY bookings led by increased demand for Group's ultra-fine pitch Mini LEDs for indoor displays.
 - **Hybrid Bonding ("HB")** roadmap remains on track as the Group continues to work actively with key customers, focused on delivering its HB tools for qualifications to leading customers to support their plans for more advanced nodes over the next few years.

Strong SMT Performance: SMT segment's performance in 9M 2022 was anchored by both revenue and GM improvements. The revenue growth was mainly supported by Automotive and Industrial end markets, and robust demand from Europe and the Americas. The Group believes that its SMT business has gained market share during the year with demand for its high-end placement tools leading the way.

Group Q3 2022 Highlights

Revenue of HK\$4.56 billion (US\$581.3 million) was a decline of 26.8% YoY and 12.3% QoQ mainly due to dampened consumer sentiment resulting in some delivery pushouts requested by customers.

Bookings of HK\$3.63 billion (US\$461.9 million) declined 36.6% YoY and 22.0% QoQ, largely due to a high base effect coupled with weakness in Communication, Computers and Consumer end markets.

Gross margin was 40.9%, up 29 bps YoY and down 82 bps QoQ; this resilient performance was driven by both the Group's segments. Net profit of HK\$616.8 million was a decline of 38.5% YoY and 31.8% QoQ.

Share Buy-back Plan Update

The Group remains committed towards its dividend policy of maintaining around 50% pay out on an annual basis. To enhance shareholder value further, the Board has approved a Share Buy-back Plan (“SBP”) on 20 July 2022, pursuant to which the Company will buy back the on-market shares of the Company up to a maximum value of HK\$420 million. Since commencement of the SBP, a total of 2,467,400 shares have been steadily bought back for approximately HK\$152 million, representing 0.6% of total outstanding shares.

Guidance and Longer-term Outlook

TechInsights downgraded its forecast for the 2022 PAE (packaging and assembly equipment) market from 8.2% YoY growth in July to a 9.6% YoY decline in August. The Group continues to face challenging macroeconomic conditions, which also led some industry players to moderate their near-term outlook.

In addition, with the Group’s Q4 revenue historically lower than Q3 due to seasonality, it expects Q4 2022 revenue to be between US\$455 million to US\$525 million, a decline of 38% YoY and 16% QoQ at mid-point.

Looking ahead, strong tailwinds persist from a sustained and growing demand for chips and silicon content for an increasingly digital-driven world, with TechInsights forecasting the semiconductor PAE market to expand from US\$6.5 billion in 2021 to US\$8.3 billion in 2027, a CAGR of 4.3%.

“The Group remains confident that the prevailing short-term volatility and weak industry sentiments will eventually phase out as the industry gets back on track again for longer term growth,” explained **Mr. Robin Ng**. “We continue to execute on our strategic initiatives and investment in R&D, and I firmly believe this strong emphasis on R&D will put us in an advantageous position to capture opportunities. Being a leading global provider of hardware and software solutions for the manufacture of semiconductors and electronics, we are poised to continue our longer-term growth trajectory.”

About ASMPT Limited (“ASMPT”)

ASMPT (HKEX stock code: 0522) 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 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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