



ASMPT Limited

**Q2 2022
RESULTS
PRESENTATION**

21st July 2022

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AGENDA



Group Key Highlights



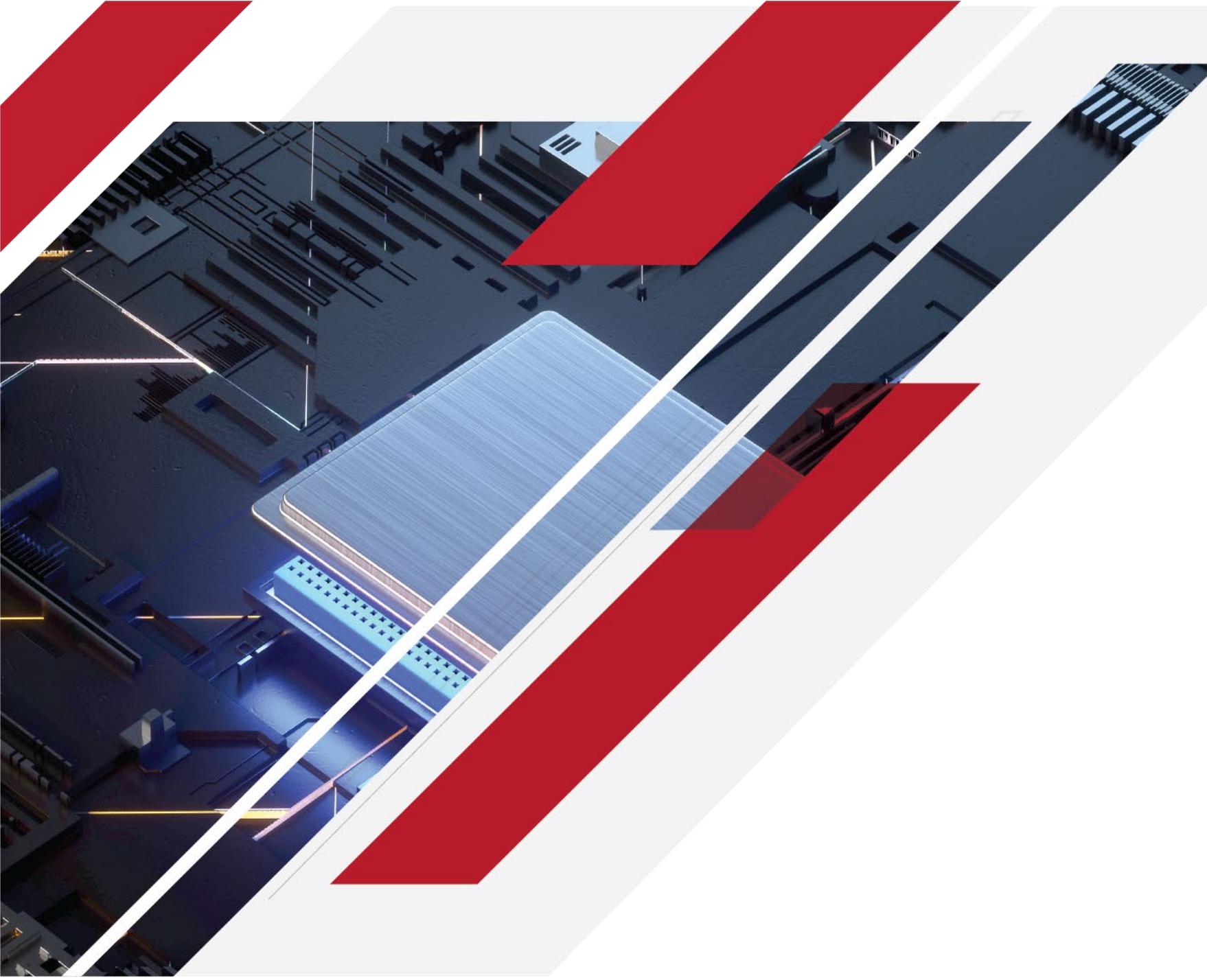
Financial Performance



Outlook



Q&A



GROUP KEY HIGHLIGHTS

1H 2022 Group Key Highlights

Strong Gross Margins & YoY Revenue Growth

Sustained Contribution from High Growth Sector : Automotive and Advanced Packaging

Thermo Compression Bonding and Hybrid Bonding Technology Roadmaps Present Significant Opportunities

Dominant Leader for Panel Electrochemical Deposition Tools

Market Leader for System-in-Package Placement

1H 2022 Group Key Highlights

Strong Gross Margins & YoY Revenue Growth

(+10.1% YoY)
(-15.8% HoH)

US\$1,338M



Revenue

(-22.8% YoY)
(+6.6% HoH)

US\$1,496M



Bookings

(+104 bps YoY)
(+21 bps HoH)

41.2%



Gross Margin

(+212 bps YoY)
(-148 bps HoH)

18.9%



Operating Margin



Backlog



Net Profit



EPS



DPS

US\$1,425M

(-3.2% YoY)
(+11.1% HoH)

HK\$1,735M

(+37.6% YoY)
(-12.4% HoH) ¹

HK\$4.21

(+38.0% YoY)
(-9.9% HoH)

HK\$1.30

(Flat YoY)

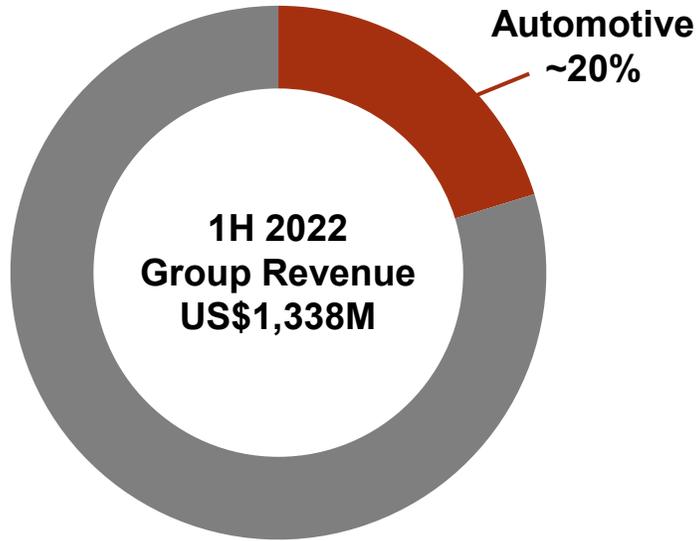


Notes

¹ excluding one-off items of HK\$65.0 million and their related tax charge of HK\$0.5 million recorded in Q4 2021 amounting to HK\$65.5 million

1H 2022 Group Key Highlights

Sustained Contribution from High Growth Sector : Automotive



- YoY growth of close to 60%
- Fastest growth market within the Group
- Significant new customer acquisitions
- Addressable market US\$2.9 billion by 2026 with 2021-2026 CAGR 9%

Automotive CIS Solutions



Vehicle LiDAR Module

LED / Advanced Display Solutions



In-Vehicle Micro LED Display

Silver Sintering Solutions



Power Module

Advanced Packaging Solutions



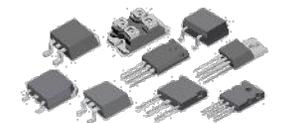
Self-Drive Computing Board

SMT Solutions



Automotive PCB

Die/Wire Bond & Mold



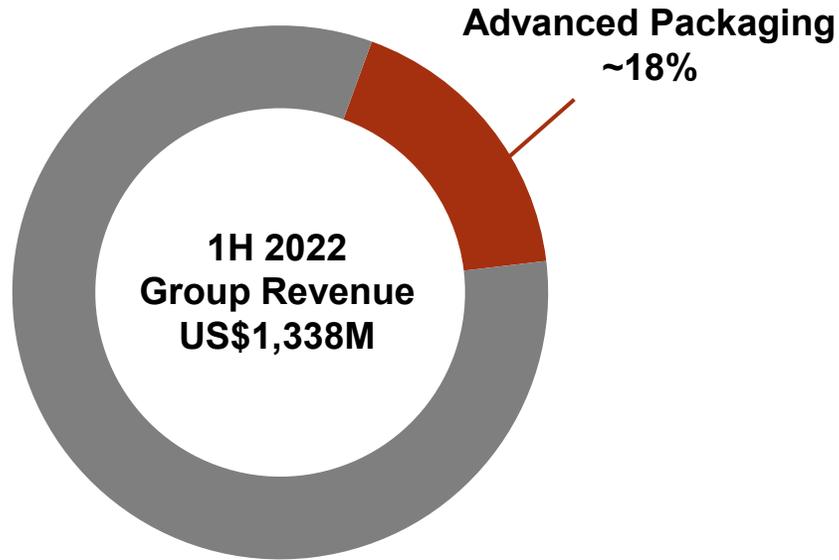
Power Discrete Packages
Analog, Logic, MCUs



*Automotive solutions provided by ASMPT

1H 2022 Group Key Highlights

Sustained Contribution from High Growth Sector : Advanced Packaging



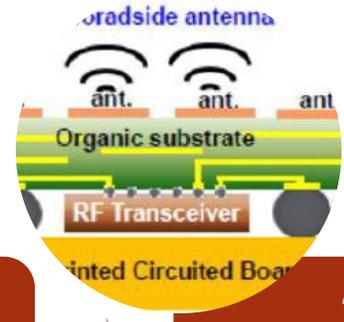
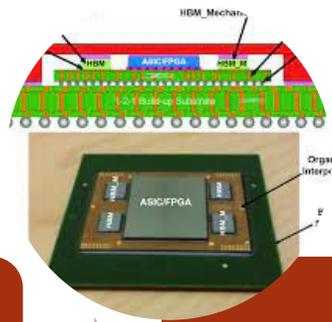
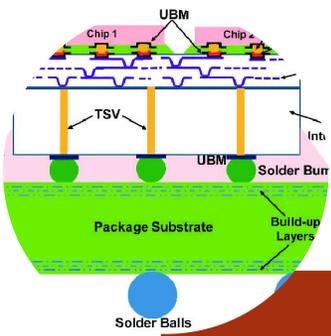
- Addressable market US\$2.7 billion by 2026 with 2021-2026 CAGR of 11%
- Unique and differentiated AP capabilities strengthen competitive advantage

Comprehensive Advanced Packaging Solutions

Advanced Packaging Processes	Physical Vapor Deposition	Electro-Chemical Deposition – Wafer/Panel Lvl Plating	Laser Dicing	Wafer/ Panel Lvl Molding	Wafer/ Panel Lvl Fan Out	Ultra Precision Die Bonding (Silicon Photonics)	Mass Transfer (Mini/Micro LED)	Multi-Chip Module Bonding	Thermo Compression Bonding	Flip Chip	Wafer Level Fan In	SMT SiP Placement	Hybrid Bonding
ASMP Solutions													
	Apollo Series Conductor	Stratus Series	Laser 1205	ORCAS	NUCLEUS	NANO	AD300 Series	VECTOR	FIREBIRD	Infinite	SUNBIRD	SIPLACE TX Micron	LithoBolt

Total Interconnect Solutions for AP and Heterogenous Integration

Unique AP Portfolio Addressable Market CAGR 11%, US\$2.7 Billion (2026)



Film Deposition

(Fine L/S interconnect deposition on organic substrate, glass carrier or glass substrate)

1st Level Interconnect

(Die to organic substrate, wafer, panel or wafer carrier interconnect)

2nd Level Interconnect

(SiP component mounting to PCB and Die to Wafer)

Market Leader

- Panel Level ECD

- Chip-to-Substrate TCB
- Chip-to-Wafer TCB
- Mid-End Flip Chip
- Mini/Micro LED Mass Transfer Die Bond
- Panel Level Fan Out Pick and Place
- Silicon Photonics Die Bond

- Universal and Fungible Printing Tools
- Placement Tools For HD SiP Package

New Innovations

- Next Gen Panel Level ECD
- Next Gen Wafer Level ECD
- Next Gen Wafer PVD

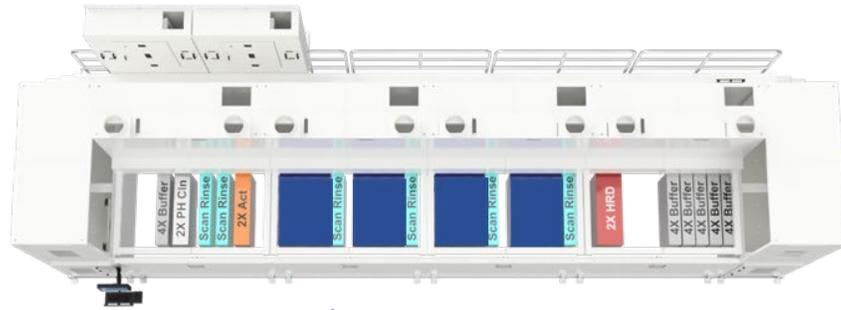
- Chip-to-Wafer Hybrid Bonding
- Chip-to-Wafer Ultra-Fine Pitch TCB
- High Precision Wafer Level Fan Out Pick and Place
- Multi-Chip SiP Module Bonding

- Next Gen High Accuracy Printing Tools
- Next Gen High Speed Placement Tools for Chip-to-Wafer

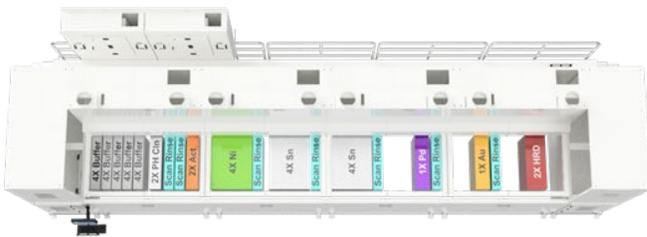
Advanced Packaging : Film Deposition

Dominant Leader for Panel Level ECD

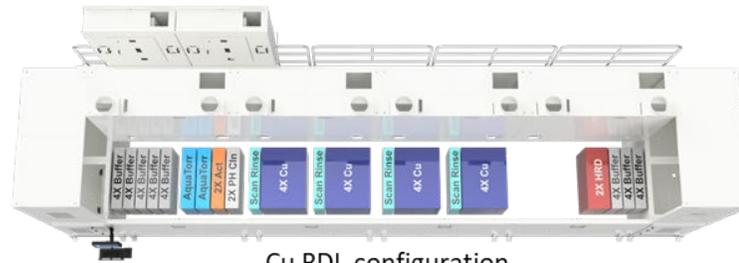
Scalable and Interchangeable Configuration
Smallest footprint



Modular & Flexible in configuration



Multi Metal stack configuration



Cu RDL configuration

Dominant Market Leader Panel Level ECD

- Strong order momentum in 2021 continued into 1H 2022
- De-facto standard for fine line space (*10 micron and below*)

Global Installations Amidst Exponential Growth in HPC

- Technology leadership ahead of peers
- Scalable and interchangeable configuration with smallest footprint

Multi-Year Beneficiary from Significant New ABF Substrate Capacity Investment

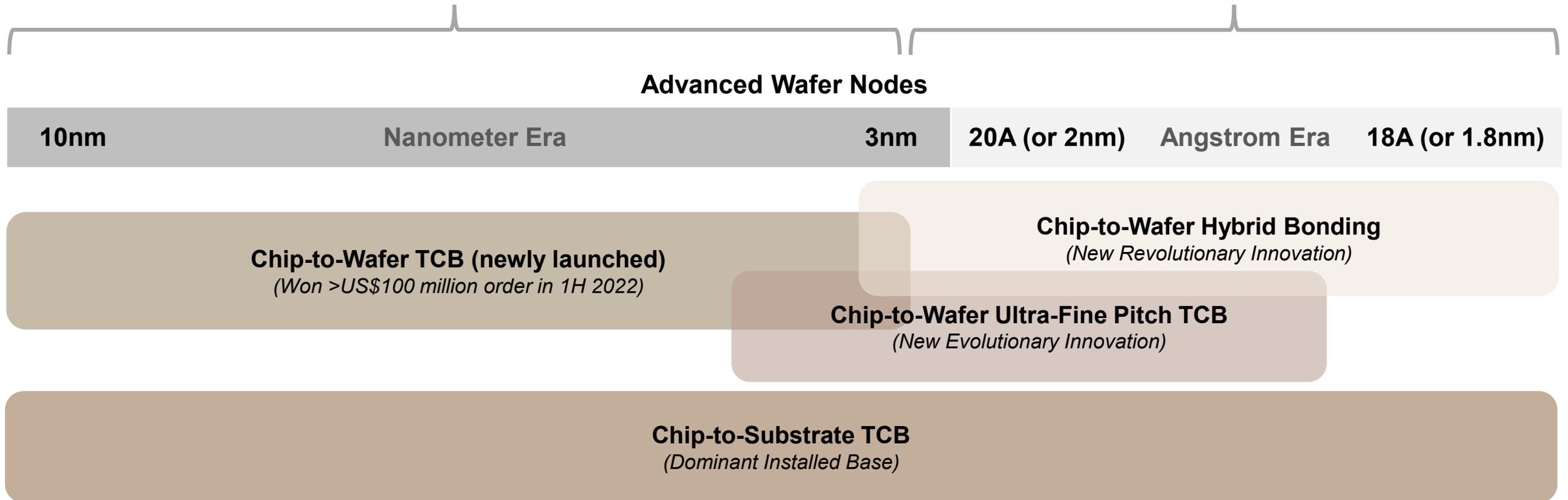
- Prior years' underinvestment
- Significant industry demand for multilayer ABF driven by HPC needs

Advanced Packaging : 1st Level Interconnect

TCB and Hybrid Bonding Technology Roadmaps Present Significant Opportunities

In 2021, 10nm to 4nm > 90%* of total advanced nodes wafer fab capacity

By 2025, 3nm and below ~25%* of total advanced nodes wafer fab capacity



Source : * Counterpoint Research

Advanced Packaging : 1st Level Interconnect

Overview of TCB and Hybrid Bonding Market Readiness

	Chip-to-Substrate TCB	Chip-to-Wafer TCB	Chip-to-Wafer Hybrid Bonding
Readiness of Wafer Fab Ecosystem	Mature	High Growth	Early Adoption
Relative Cost to Flip Chip Mass Reflow	Medium	Medium	High
Customer CAPEX Considerations	Back-End Assembly Facilities	Mid-End Assembly Facilities	Front End Cleanroom Facilities Other Front-End Tools Required <i>(ie CMP, Clean, Plasma, Metrology, Annealing)</i>
Manufacturing Readiness	HVM	Transitioning to HVM	Qualification to LVM
Customer Buying Patterns	Capacity Buy for HVM	Capacity and Technology Buy for HVM <i>(Chip-to-Wafer TCB)</i> New Gen Technology Buy <i>(Chip-to-Wafer Ultra Fine Pitch TCB)</i>	Frontier Technology Buy <i>(At Learning Curve Phase)</i>

Advanced Packaging : 2nd Level Interconnect

Market Leader for SiP Placement

Proliferation of 5G RF Front-End Modules Driving Demand for SiP Placement Tools



2G

Power Amplifiers



3G

Power Amplifiers

Filters

Switches



4G

Filters: 40

Bands: 15

Tx/Rx Filters: 30

Switch Throws: 10

CA Combos: 10

Peak Rate 150Mbps

2x2 MIMO DL



5G

Filters: 70

Bands: 30

Tx/Rx Filters: 75

Switch Throws: 30

CA Combos: 200

Peak Rate > 1Gbps

4x4 MIMO DL and UL

Significant Investment in AP 2nd Level Interconnect Solutions

- Order momentum in 2021 continued into 1H 2022
- Proven and preferred partner for highest density SiP applications

Broad Customer Base

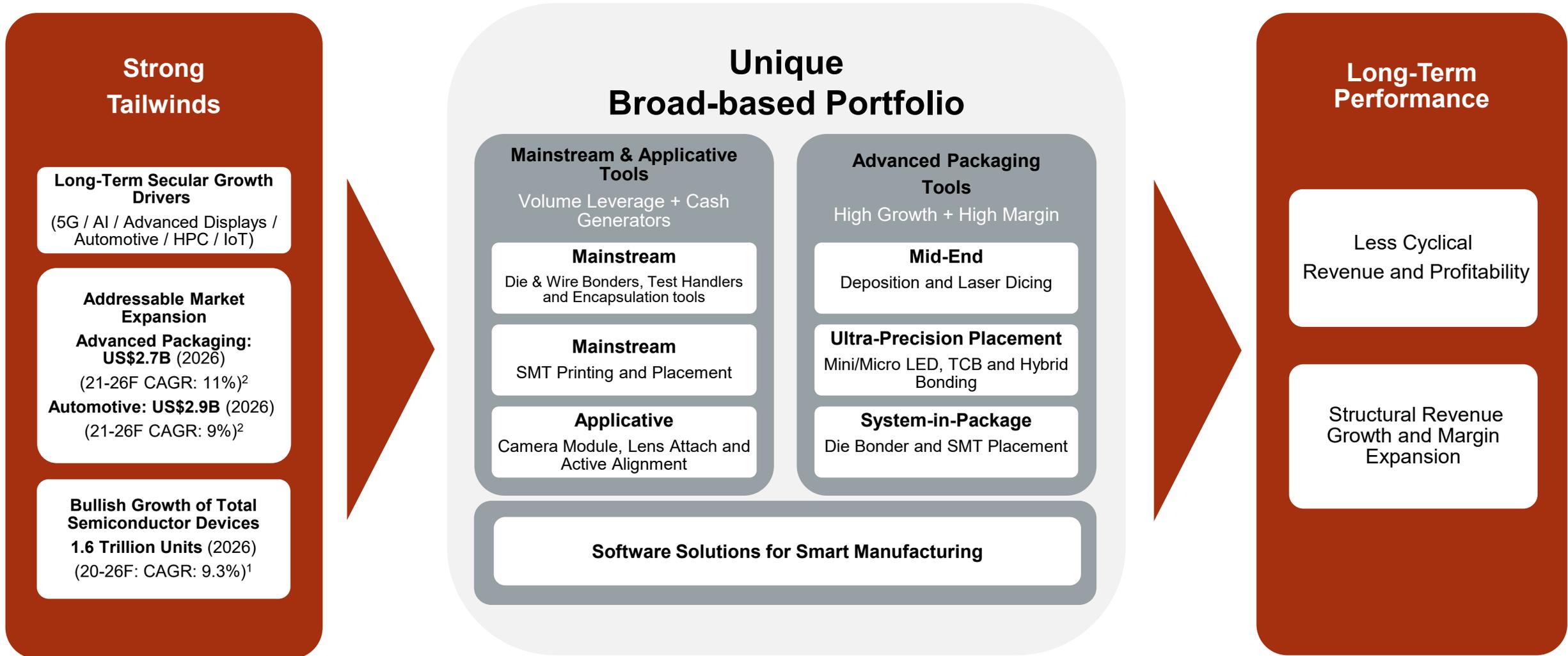
- Leading OSATs, High Density Substrate Manufacturers, fabless/foundry and IDMs

Multi-Year Demand for SiP Module Integration

- Proliferation of 5G front-end RF modules
(Significantly higher component count 5G vs 4G)
- Strong demand for consumer wearables and power management applications
(Requirements for higher performance SiP on a smaller form factor)

Unique Broad-Based Portfolio

Provides Significant Competitive Advantages



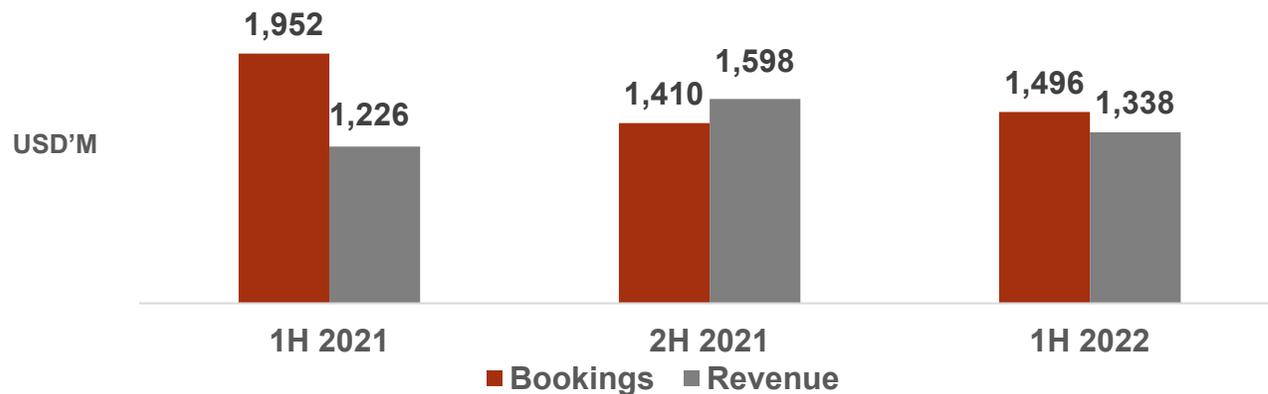
¹ TechInsights Worldwide Semiconductor History and Forecast, December 2021

² Company Management's Estimates



FINANCIAL PERFORMANCE

1H 2022 Group Financial Results



Period	Gross Margin
1H 2021	40.1%
2H 2021	40.9%
1H 2022	41.2%



Period	Operating Margin
1H 2021	16.8%
2H 2021	20.4%
1H 2022	18.9%

Record 1H Revenue and Strong Gross Margin Performance

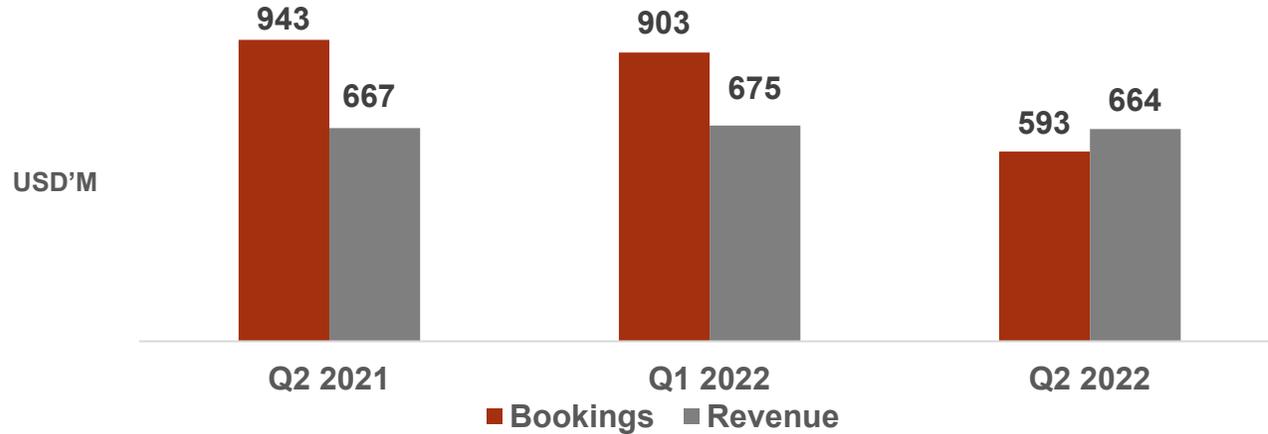
1H 22 Bookings:

- Automotive and AP: ~46% of Group bookings
- Book-to-bill ratio: 1.12

Drivers for YoY margins improvement:

- SEMI and SMT segments experiencing stronger gross margins
- Targeted pricing adjustments
- Accretive effects from strategic initiatives

Q2 2022 Group Financial Results



Positive YoY and QoQ Gross Margin Growth

Q2 22 Revenue

- Slightly below the low end of Q2 revenue guidance, due to:
 - Stretched supply chains
 - Logistics constraints
 - Weaker consumer sentiments

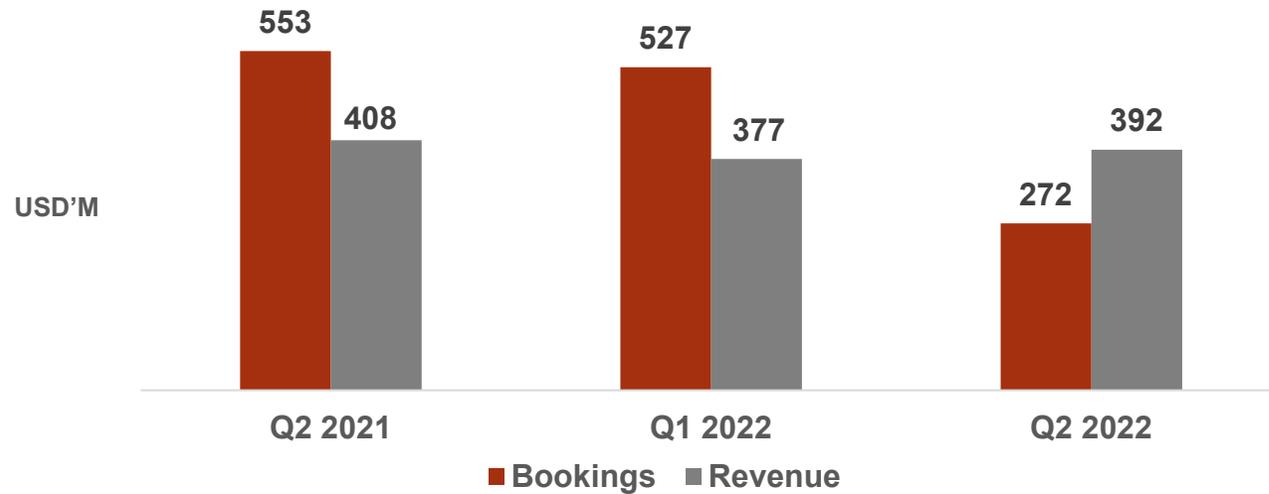
Q2 22 Bookings declined YoY and QoQ due to:

- High base effect

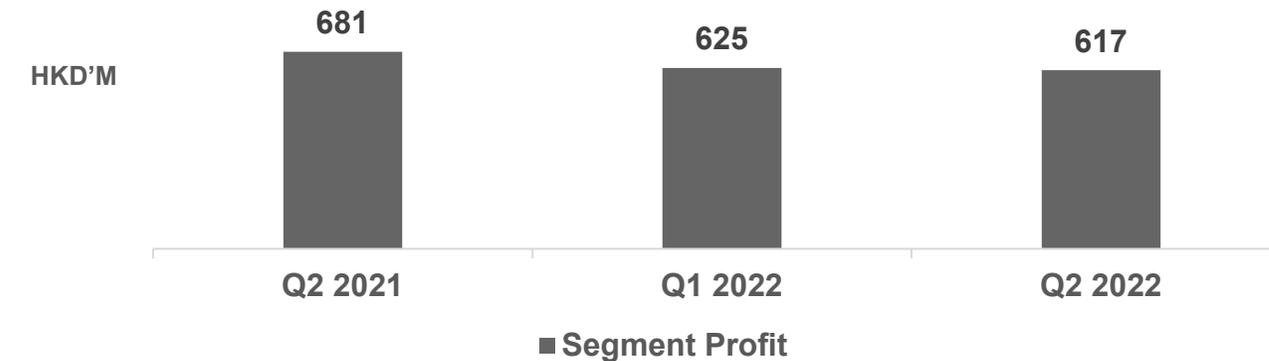
Drivers for YoY and QoQ gross margin improvement:

- Stronger margin performance of SMT segment

Q2 2022 Semiconductor Solutions Segment Performance



Period	Gross Margin
Q2 2021	43.8%
Q1 2022	44.7%
Q2 2022	44.7%



Period	Segment Margin
Q2 2021	21.5%
Q1 2022	21.2%
Q2 2022	20.1%

Positive YoY Gross Margin Growth

Q2 Revenue:

- IC/Discrete
 - Die bonders (incl. eClip), encapsulation tools and test handlers strong QoQ growth
 - Panel level ECD, laser dicing and TCB tools QoQ uptick in deliveries
- Optoelectronics
 - YoY growth for automotive, photonics and silicon photonics applications
 - Total revenue YoY and QoQ decline due to weaker consumer sentiments
- CIS
 - Slower YoY and QoQ performance due to softness in smartphone market

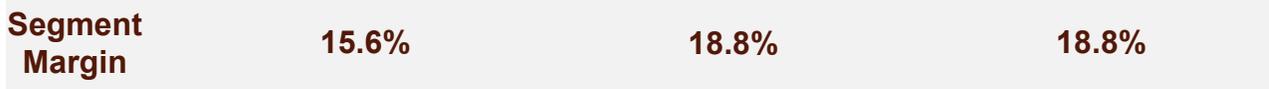
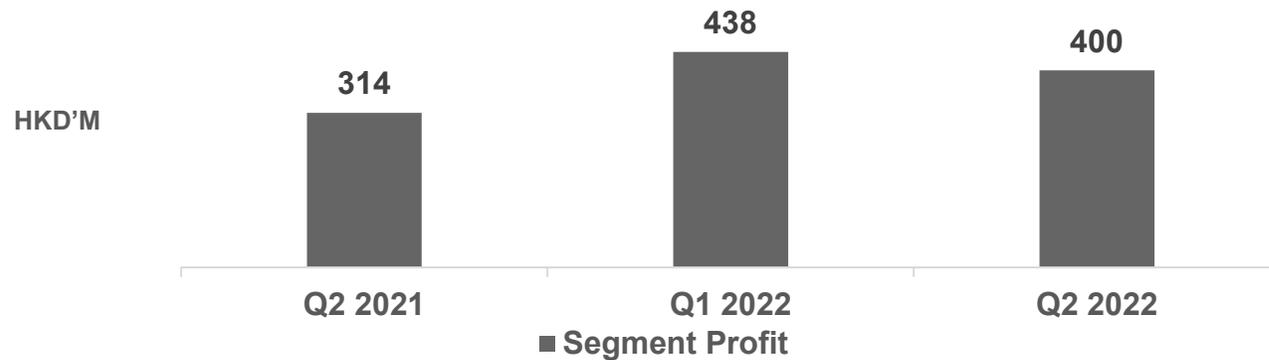
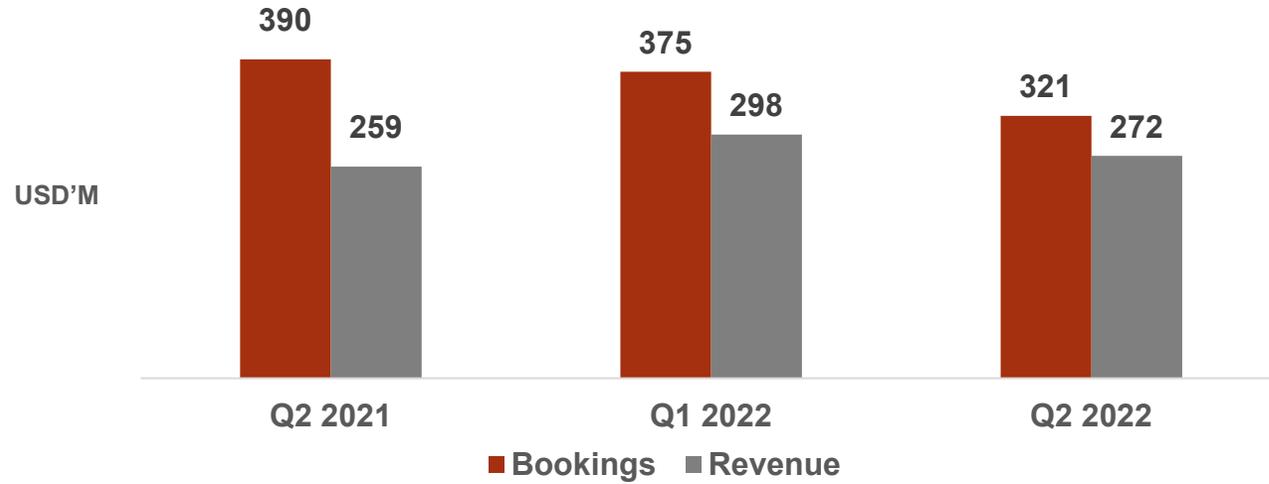
Q2 Bookings were dominated by:

- Mainstream die bonders, wire bonders, and encapsulation tools
- Advanced tools including panel level ECD, TCB and MCM bonders

Q2 Gross margin YoY improvement:

- Higher proportion of revenue from AP and automotive, targeted pricing adjustments and accretive effects from strategic initiatives
- Managed to control cost pressures from inflation and supply chain shortages

Q2 2022 SMT Solutions Segment Performance



Positive YoY and QoQ Gross Margin Growth

Q2 Revenue

- YoY growth attributed to increased deliveries to automotive and industrial customers
- QoQ decline due to lower contribution from Chinese customers

Q2 Bookings:

- YoY and QoQ decline due to high base effect
- Remained at elevated levels vs prior years' Q2s

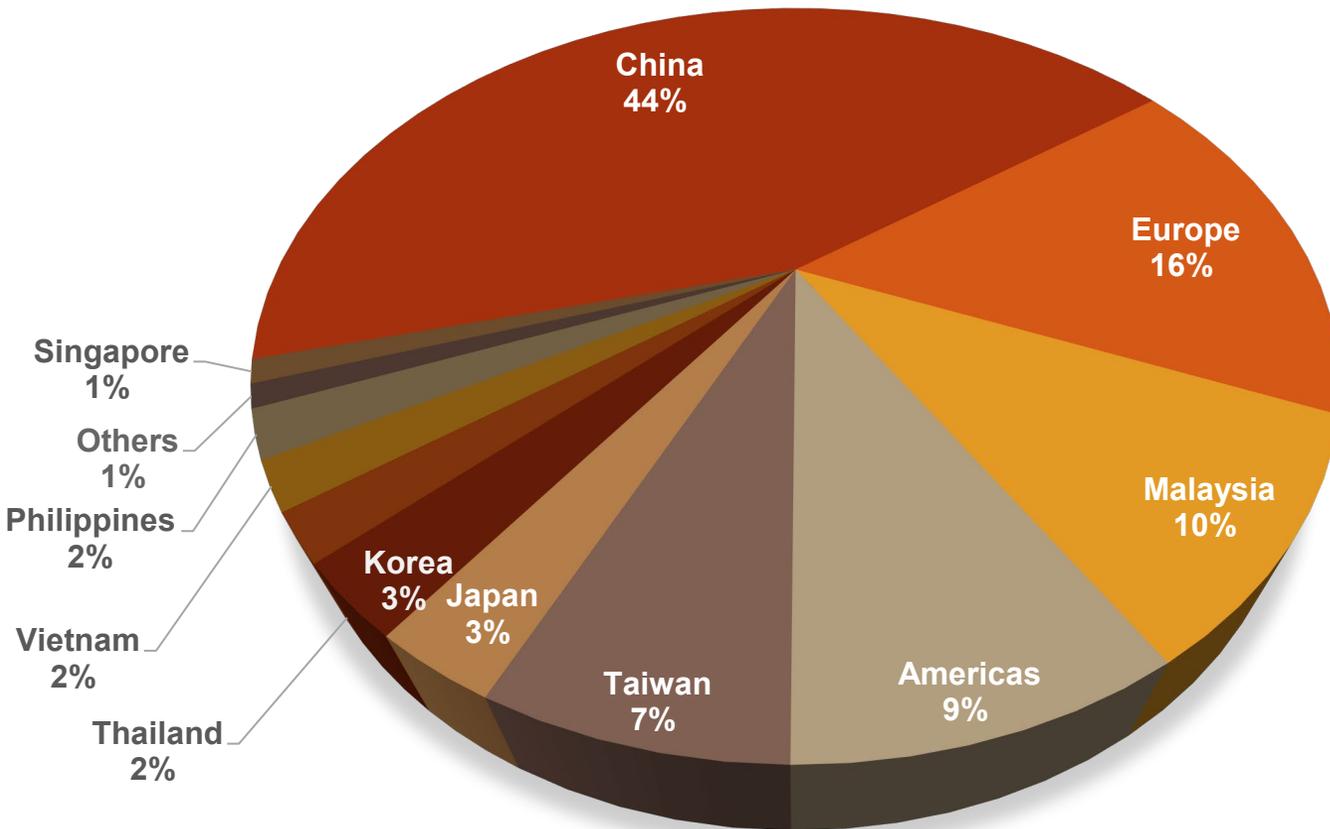
Q2 Gross margin:

- YoY improvement on higher contribution from automotive and industrial customers, targeted pricing adjustments and accretive effects from strategic initiatives

Key Partner to Industry Leading Customers

Serving Industry-Leading Semiconductor and Electronics Manufacturers Globally

1H 2022 Revenue Breakdown by Geography



Key Customer Groups

OEM

Fabless/Foundry

OSAT

EMS

IDM

LED Manufacturers

CIS Camera
Module
Manufacturers

High Density
Substrate
Manufacturers

Key End-Market Applications

Serving Broad-based End-Market Applications*

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

1H 2022
Revenue

~9%

~22%

~18%

~14%

~20%

~17%

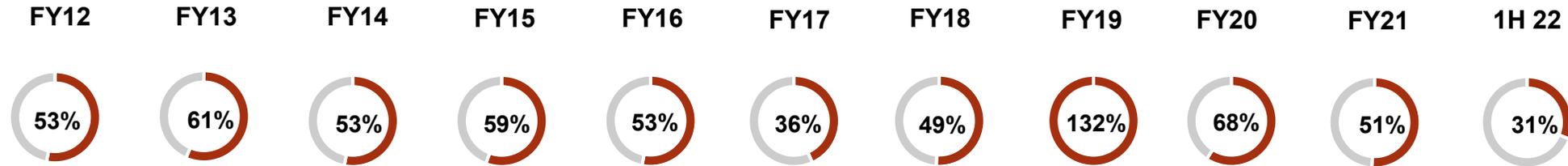
*Revenue mix is based on management's best estimates.

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

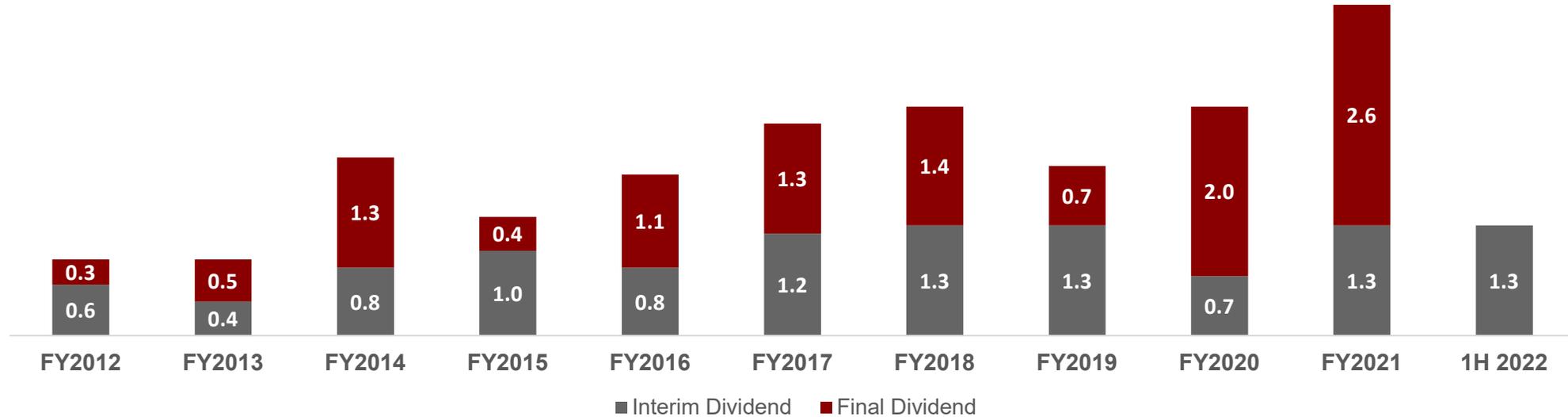
1H 2022 Dividends

Sustainable Dividend

Dividend Payout (%)



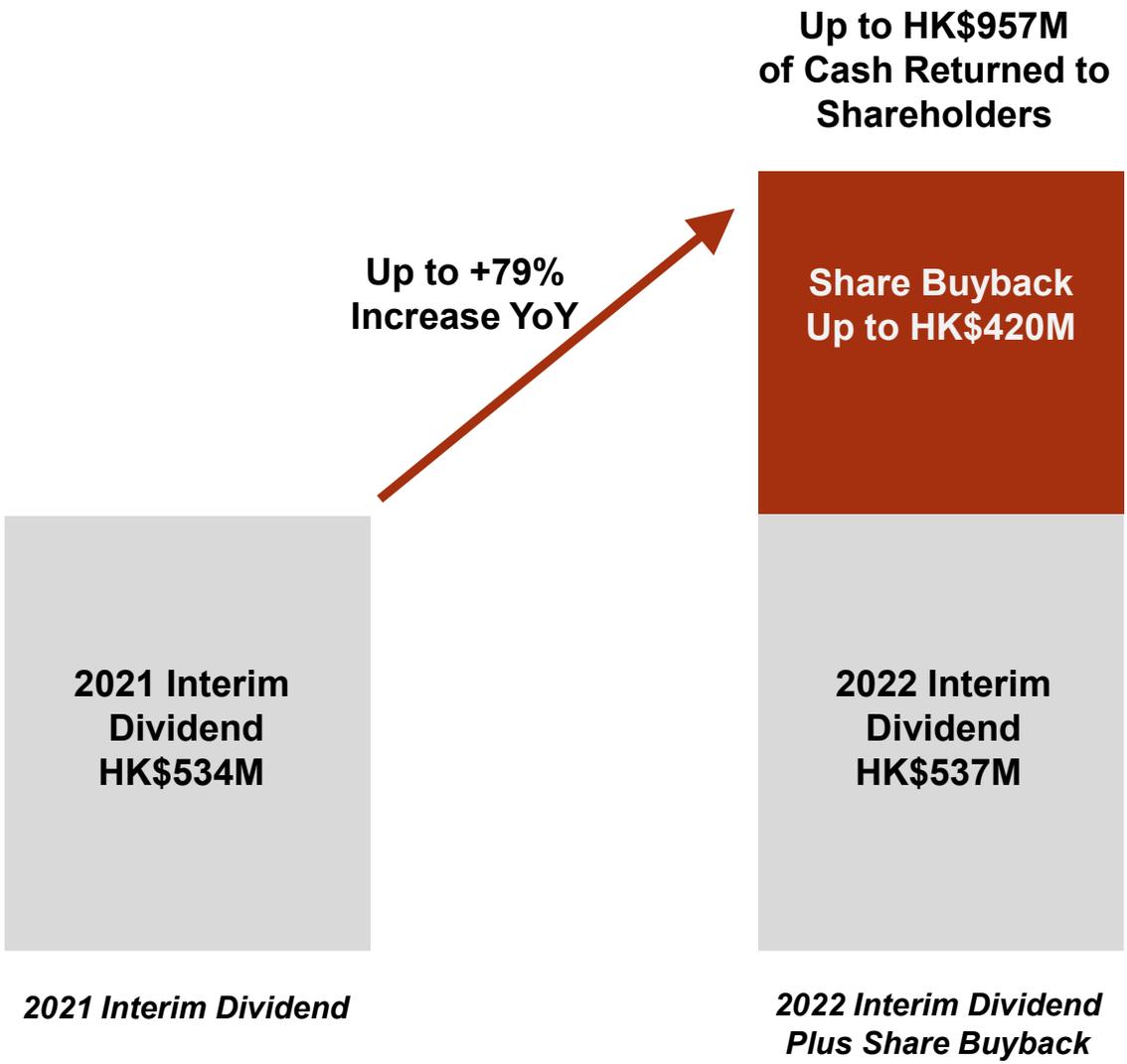
Dividend Per Share (HKD)



Dividend policy of consistent annual dividend payout ratio of around 50% (consistent with average dividend payout ratio 2012-2021)

Enhancing Shareholder Value

Share Buy-back Up to HK\$420M Reflects Confidence in Long-Term Prospects



- Confidence in delivering long-term growth
- Solid financial performance
- Positive Effects of Share Buy-back Plan
 - Up to +79% YoY increase in cash returned to Shareholders
 - Enhance EPS and shareholder value
- Remain committed to 50% annual dividend payout



OUTLOOK

Outlook

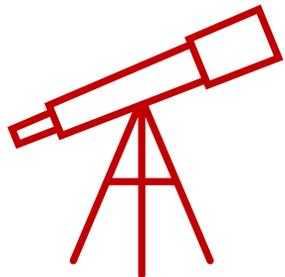


Q3 2022 Revenue Guidance

US\$560m to US\$630m

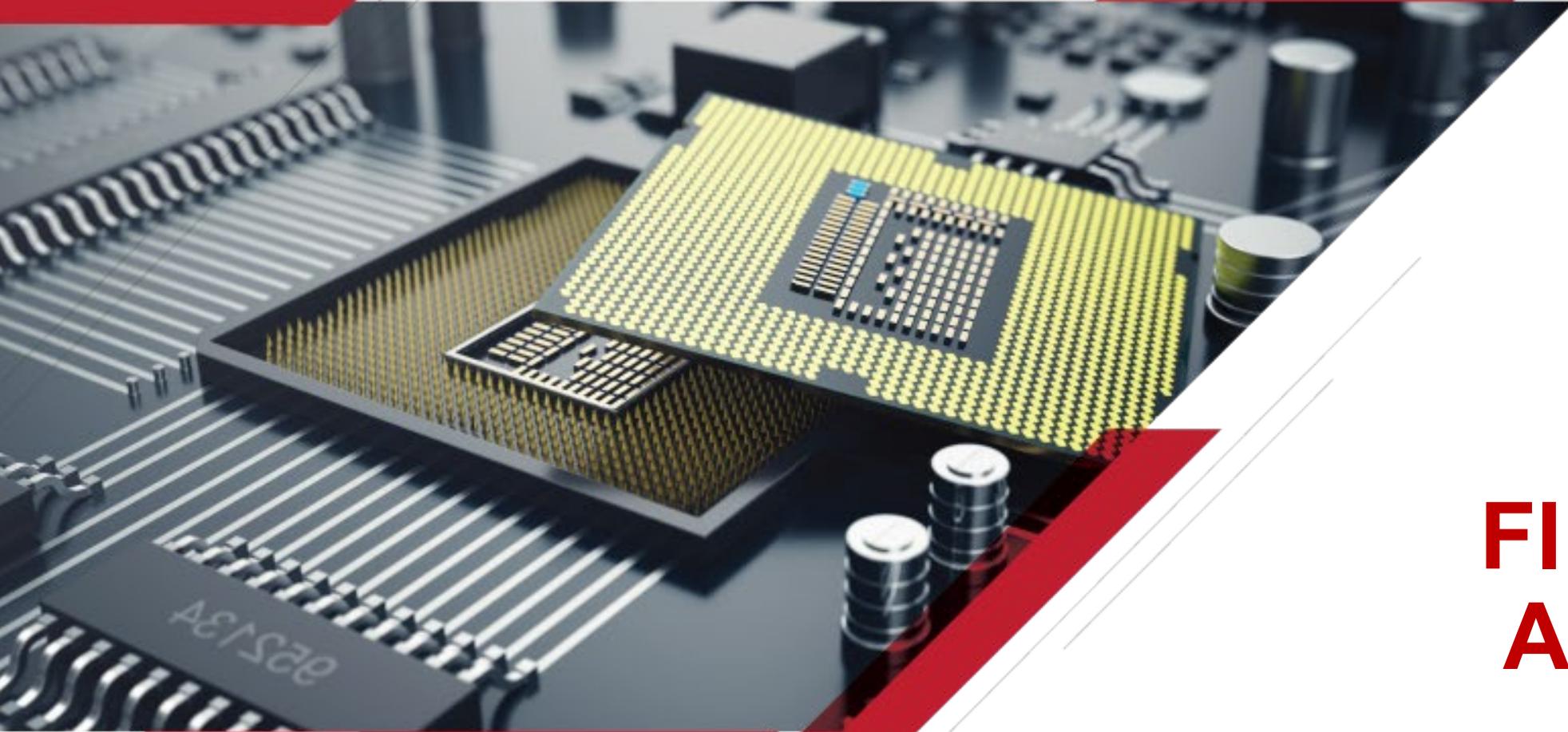
(-25.8% YoY and -10.3% QoQ at mid-point of guidance)

- Continue to navigate dynamic and challenging operating environment
- Near term focus on converting high backlog
- Constraining factors
 - Weak consumer sentiment
 - Ongoing supply chain issues
 - COVID-19 induced uncertainties



Long Term Outlook

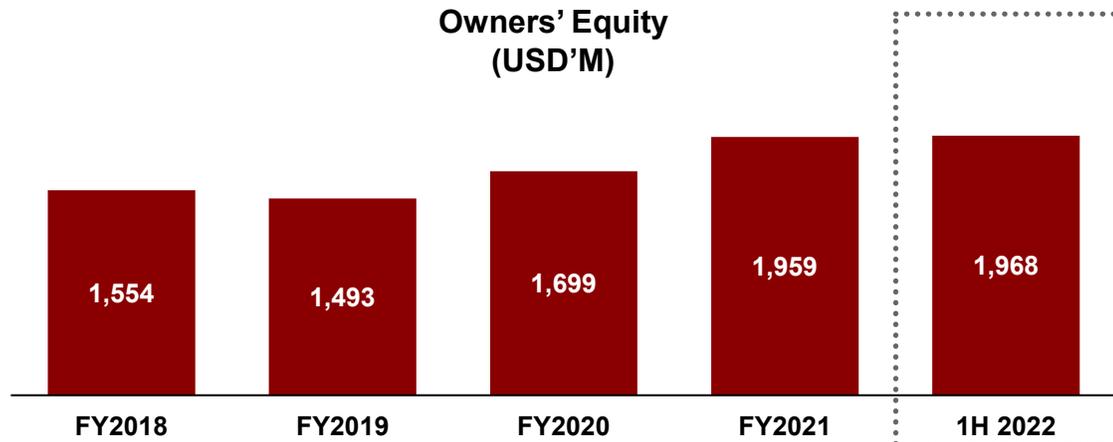
- Silicon consumption will accelerate in increasingly digital world
- Long term structural growth for semiconductor capital equipment market
- PAE Market forecast to grow from US\$6.5B (2021) to US\$8.4B (2026), CAGR 5.2%



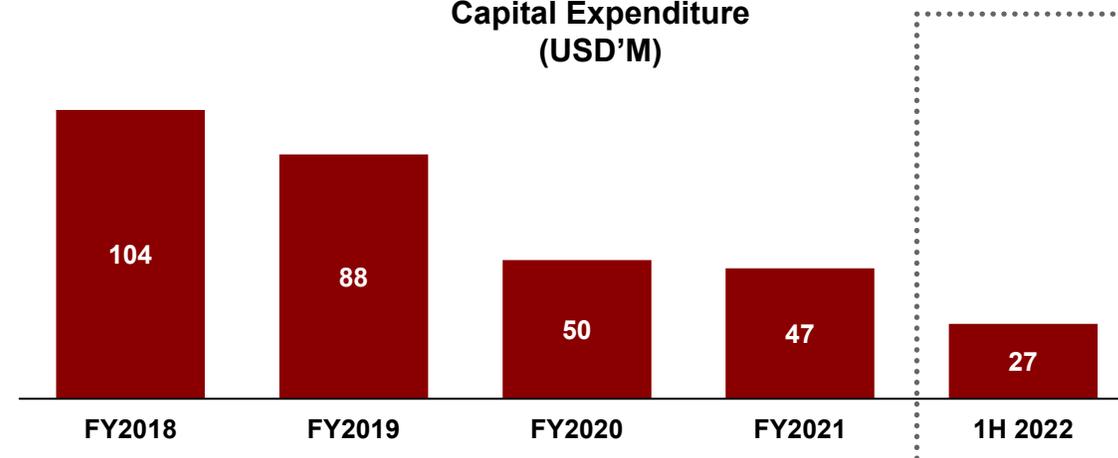
FINANCIAL APPENDIX

Group Balance Sheet Highlights

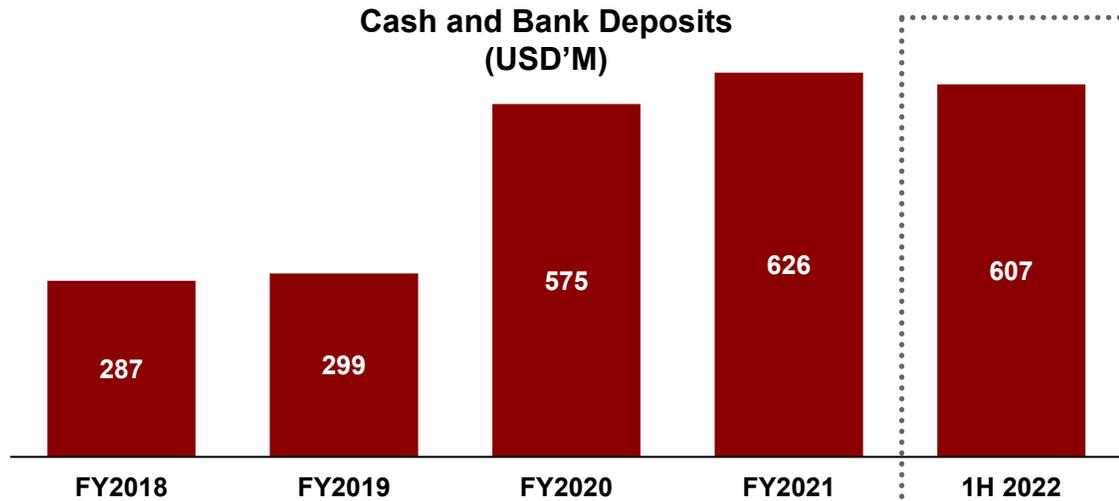
Owners' Equity (USD'M)



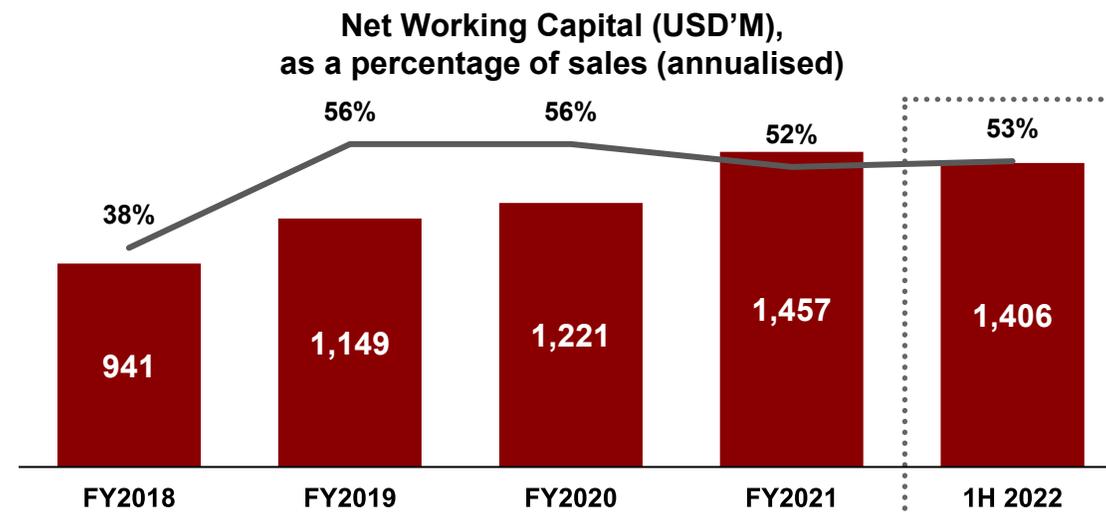
Capital Expenditure (USD'M)



Cash and Bank Deposits (USD'M)



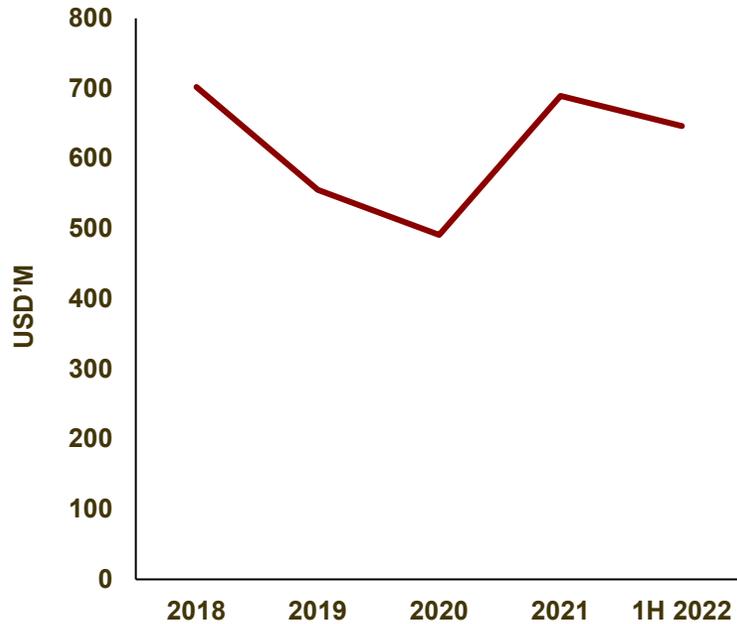
Net Working Capital (USD'M), as a percentage of sales (annualised)



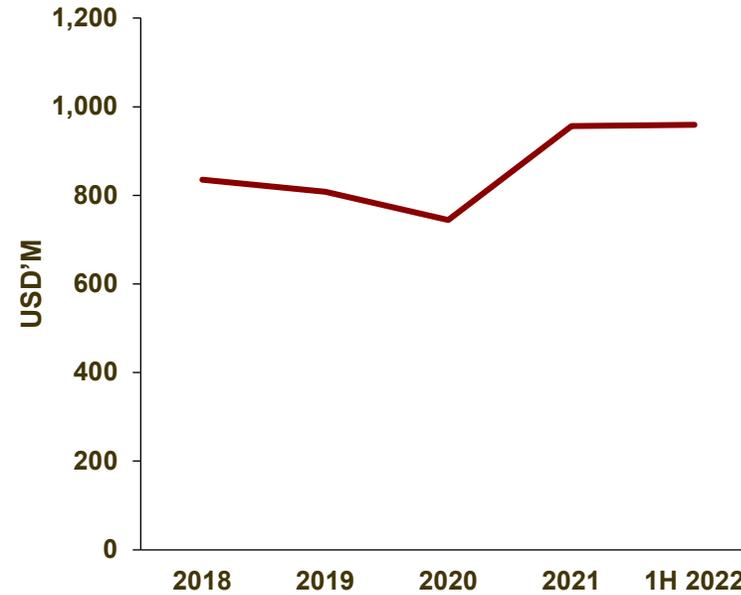
Results of the Group's former Materials Segment have been deconsolidated since 29 December 2020. Commencing first quarter of 2021, its contributions have been equity accounted for in the Group's performance.

Group Balance Sheet Highlights

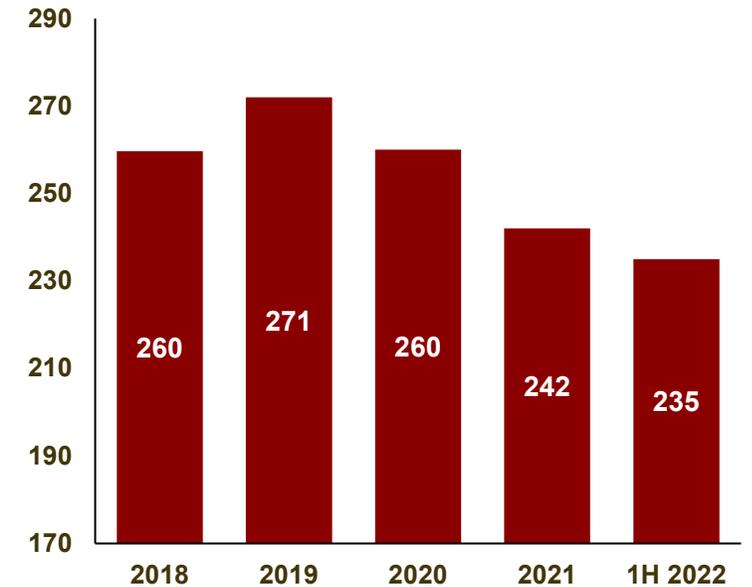
Accounts Receivable¹



Inventory¹



Cash Conversion Cycle¹ (Days)



¹ Excludes contribution from Material Segment from FY2020 onwards, which has been deconsolidated and equity accounted for since 29 December 2020.



Q&A



THANK YOU

ASMPT Limited