

ASM  Pacific Technology

# Q2 2021 EARNINGS PRESENTATION

*28<sup>th</sup> July 2021*

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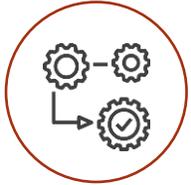
# AGENDA

-  **Key Highlights**
-  **Financial Performance**
-  **Outlook**
-  **Q&A**



# KEY HIGHLIGHTS

# Q2 2021 Group Key Highlights



**Superior Operational and Fulfilment Execution**



**Strong Performance from Advanced Packaging**



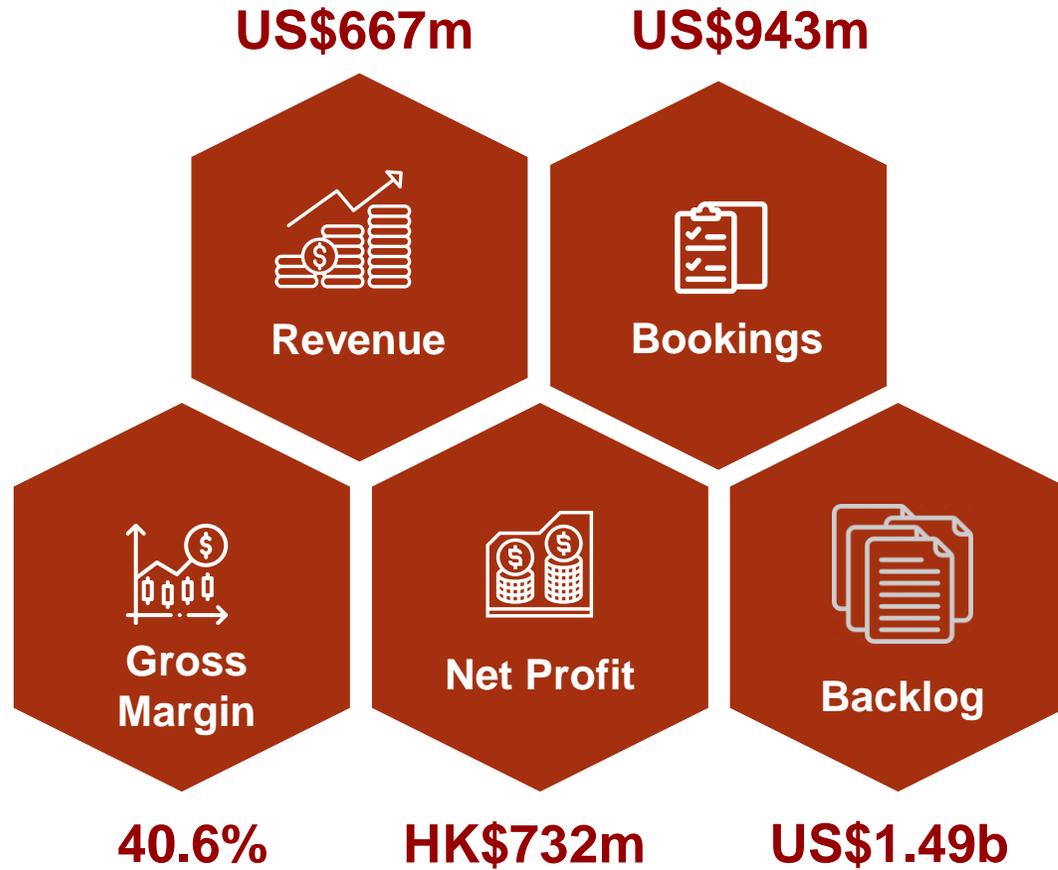
**Strategic Focus on Long-term Profitability**



# FINANCIAL PERFORMANCE

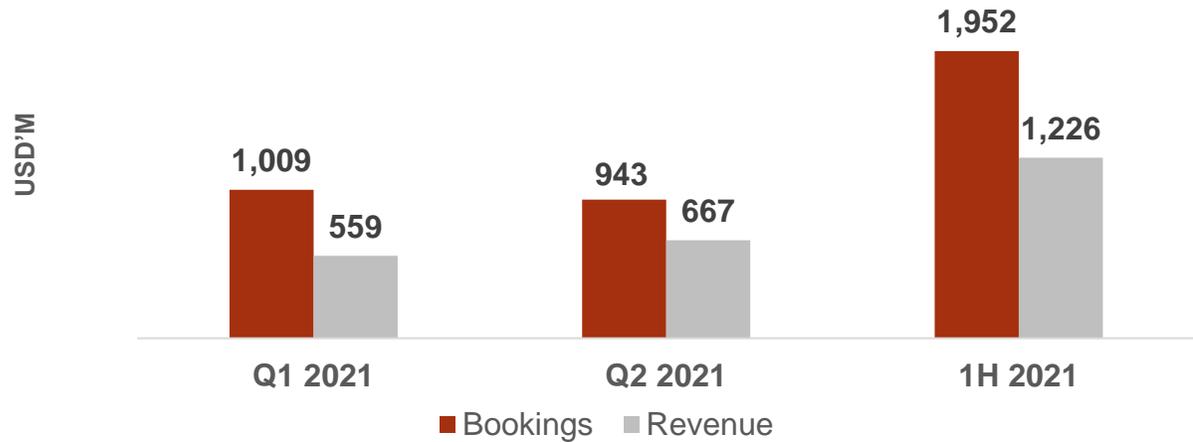
# Q2 2021 Group Financial Results

Revenue Exceeded Guidance and Bookings Better than Expected

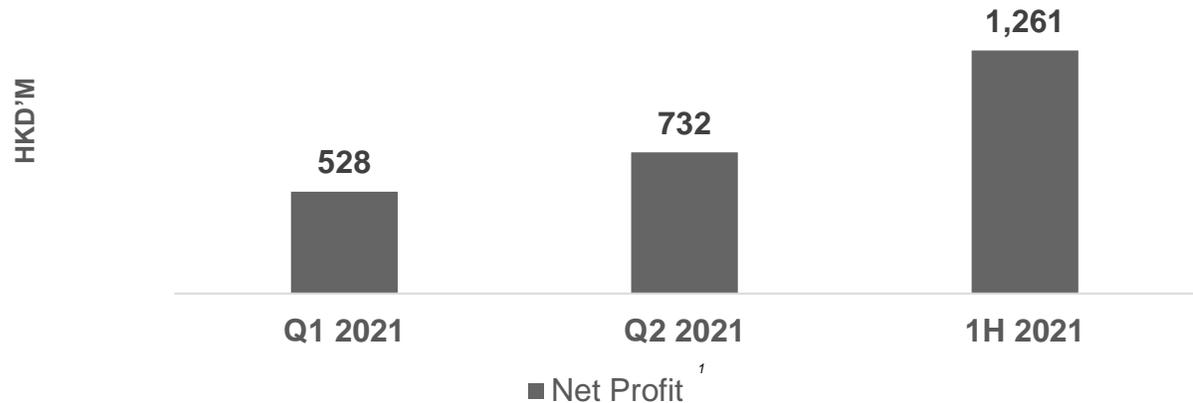


# Q2 / 1H 2021 Group Financial Performance

## Record 1H Revenue and Bookings



Period	Gross Margin
Q1 2021	39.6%
Q2 2021	40.6%
1H 2021	40.1%



**Q2 Group revenue exceeded guidance**

**Sequential improvement in GM – Q3 2020 to Q2 2021**

Record backlog of US\$1.49b

1H21 strong revenue performance driven by:

- Acceleration of CAPEX plans and expansion of capacity investments
- Long-term secular trends (HPC, automotive electrification, 5G)
- Broad-based demand fuelled by reopening of major economies

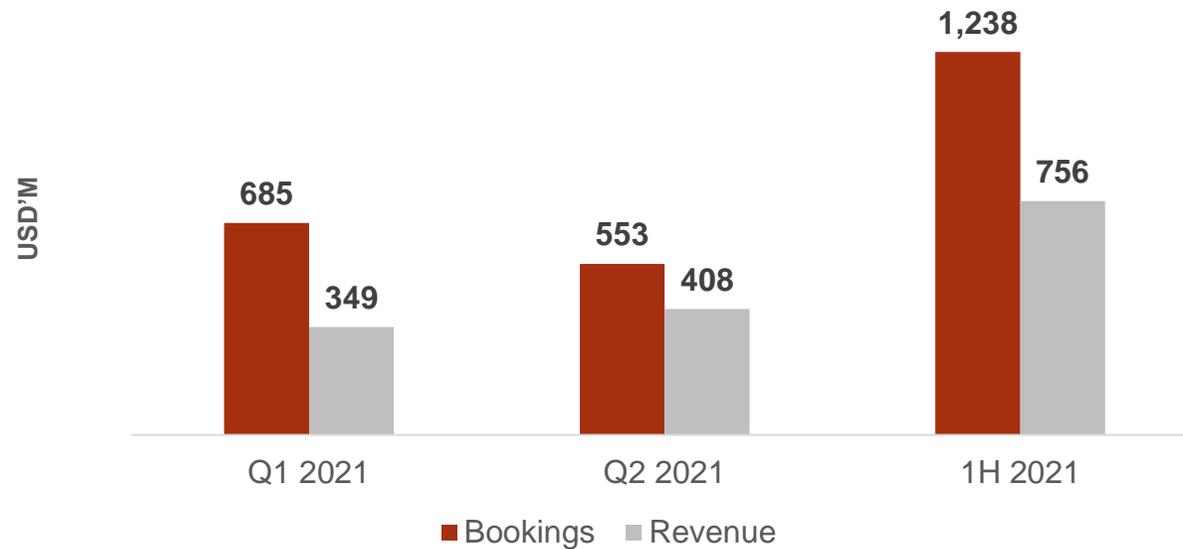
Better than expected 1H21 Group bookings driven by:

- Automotive, Consumer and Industrial applications more than doubling HoH

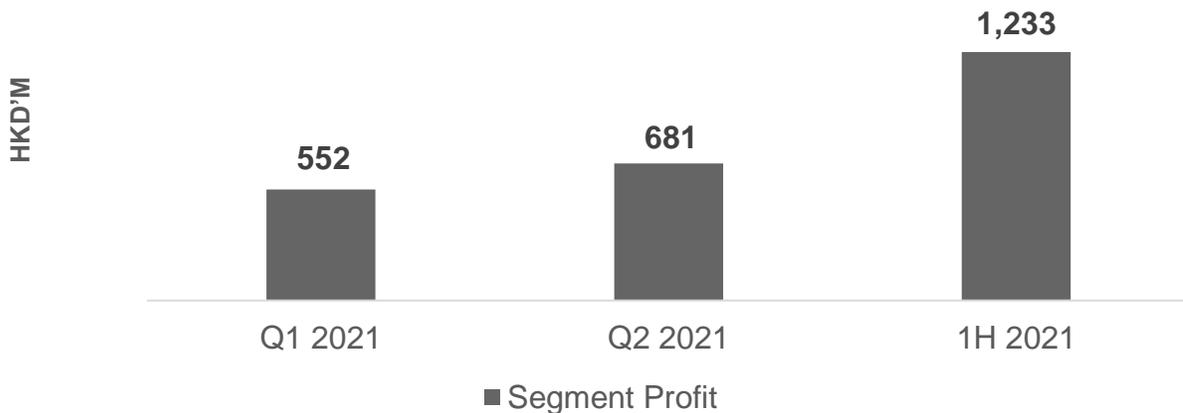
<sup>1</sup> including share of results from Advanced Assembly Materials International Limited (AAMI), a joint-venture, commencing from the beginning of 2021

# Q2 / 1H 2021 Semiconductor Solutions Segment Performance

## Scaled External Manufacturing Capacity to Capture Strong Demand



Period	Gross Margin
Q1 2021	44.0%
Q2 2021	43.8%
1H 2021	43.9%



Three consecutive quarters of revenue and profit growth

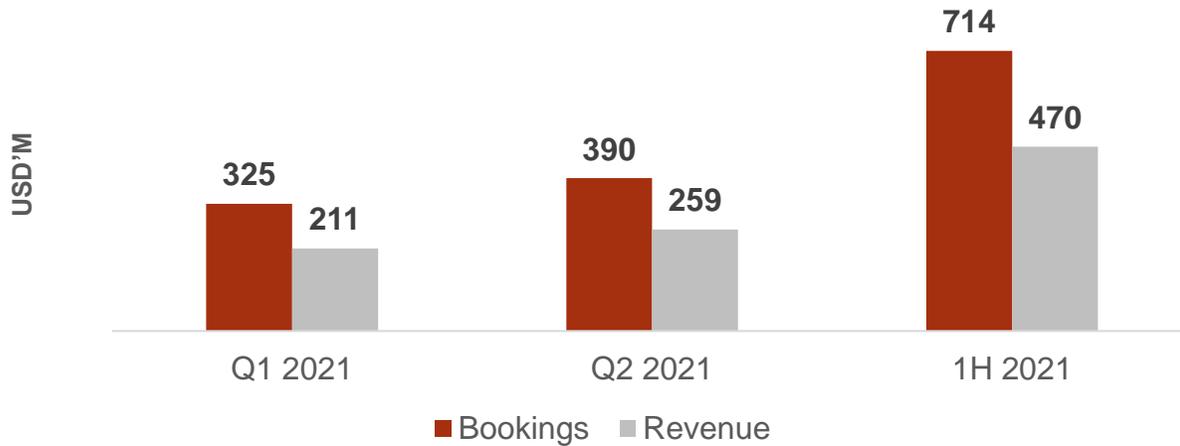
Strong Q2 bookings for mainstream die and wire bonding tools, and advanced packaging panel-level ECD tools

**Q2 Revenue trends:**  
**IC/D:** Dominated by mainstream die and wire bonders and test handlers  
**Opto:** Strong demand for general lighting. More Mini LED customers adopting HVM deployment and continued engagement with Micro LED customers  
**CIS:** Slight but encouraging QoQ improvement underpinned by broad and favourable customer mix

Q2 GM improved YoY due to higher volume, capacity utilization, increased productivity and effects from Group's strategic initiatives

# Q2 / 1H 2021 SMT Solutions Segment Performance

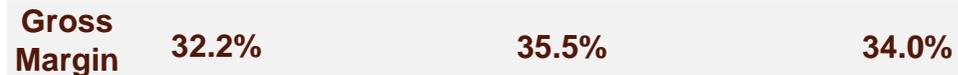
## Record Bookings



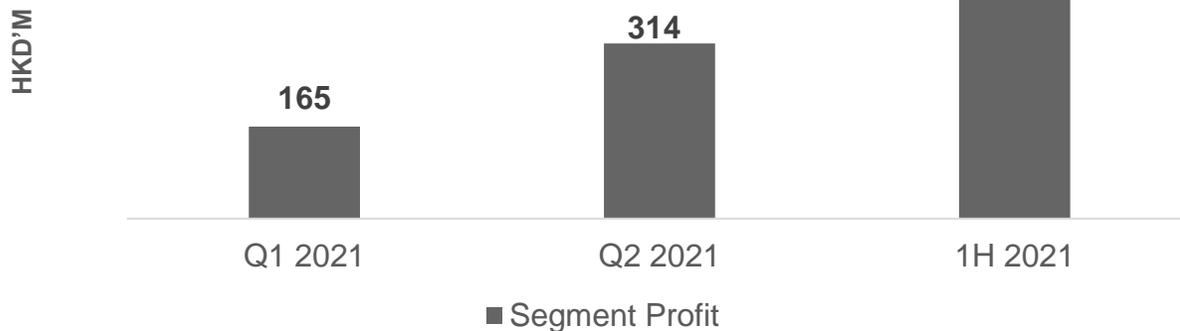
Two quarters of record bookings

Sharp improvement in Q2 GM

Q2 revenue grew QoQ for mainstream high-end placement tools  
Printing tools experienced increased demand on the back of key customer wins



Q2 revenue grew QoQ for advanced packaging tools, including highly accurate SiP tools

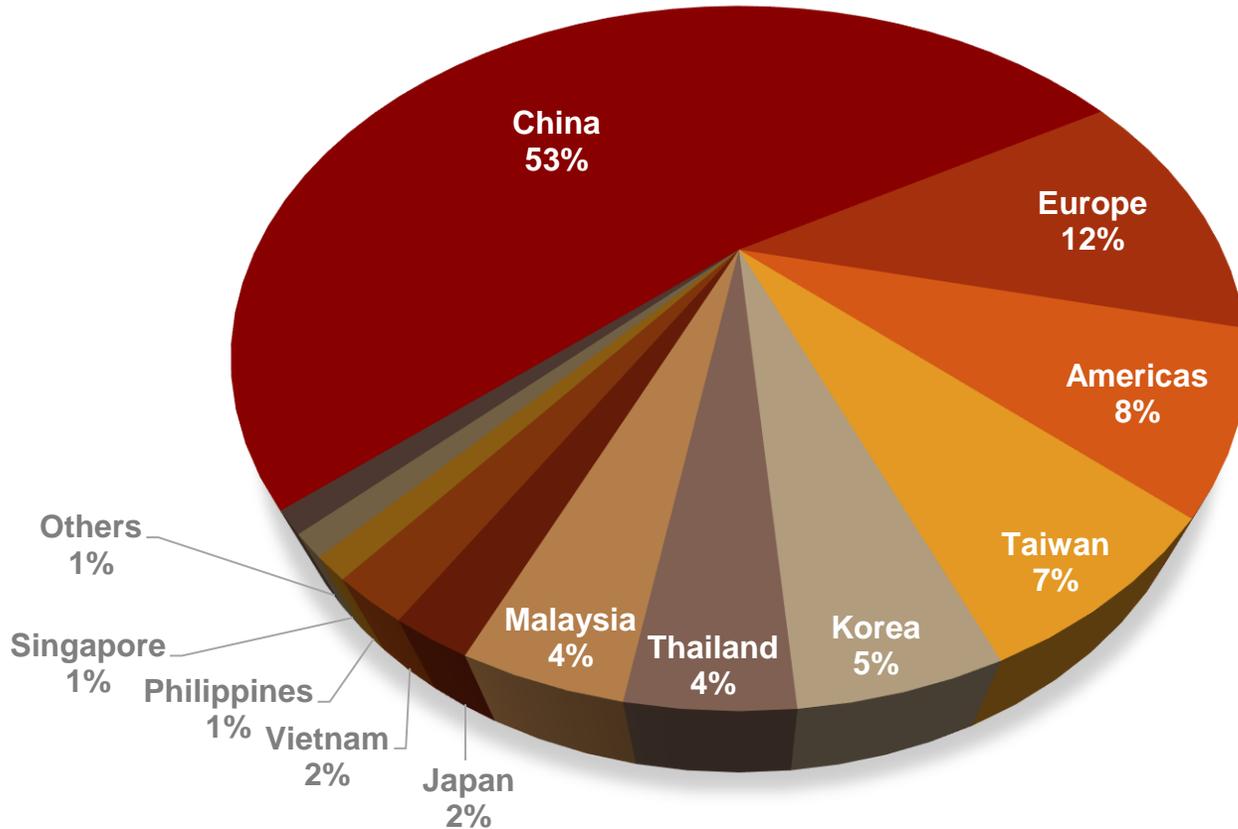


Q2 GM registered significant YoY growth due to favourable product mix, increased volume and utilisation, and positive effects from strategic initiatives

# Key partner to industry leading customers

We Serve Industry-Leading Semiconductor and Electronics Manufacturers Across the Globe

1H 2021 Segment Revenue Contribution  
(by geography)



Top 5 customers accounted for only 14.4% of Group 1H 2021 revenue reflecting high degree of diversity

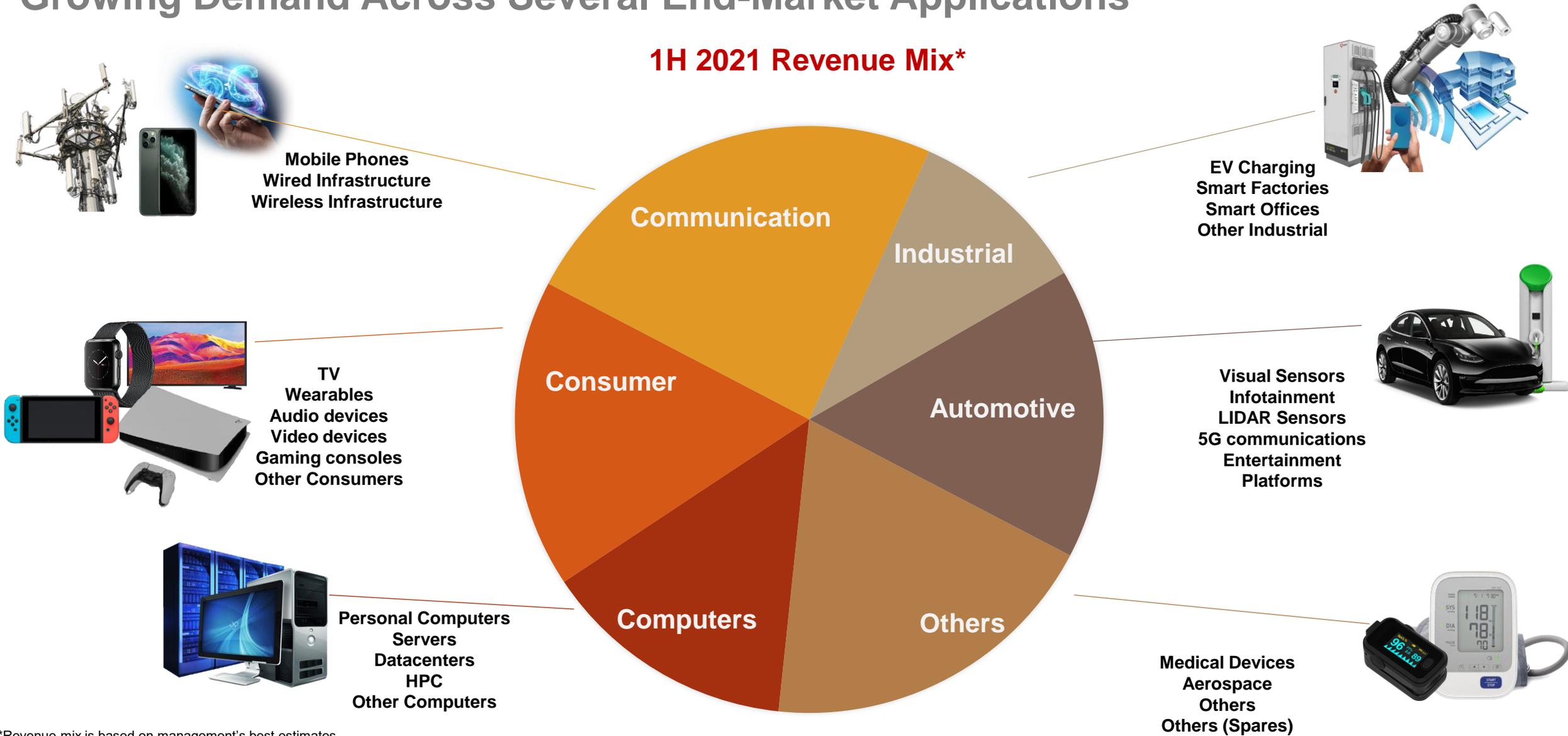
## Top customers include leading companies in:

- Integrated Device Manufacturers (IDMs)
- Outsourced Semiconductor Assembly and Test vendors (OSATs)
- High-Density Substrate
- Automotive component
- EMS
- Telecommunication and Information Technology
- LED
- Camera module

# Key End-Market Applications

Growing Demand Across Several End-Market Applications

1H 2021 Revenue Mix\*



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

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

# 1H 2021 Group Billing Application Trends

All Three End Applications Witnessed Significant HoH and YoY Growth

## Consumer



- Demand for wearables, gaming consoles, conventional fine pitch RGB displays and general lighting driving growth
- Closely engaging key customers in Mini LED

## Automotive



- Continued rebound, driven by automotive electrification (in particular, Mainland China) and general recovery of the Automotive sector
- Strong growth in discrete and power management applications from SEMI solutions segment

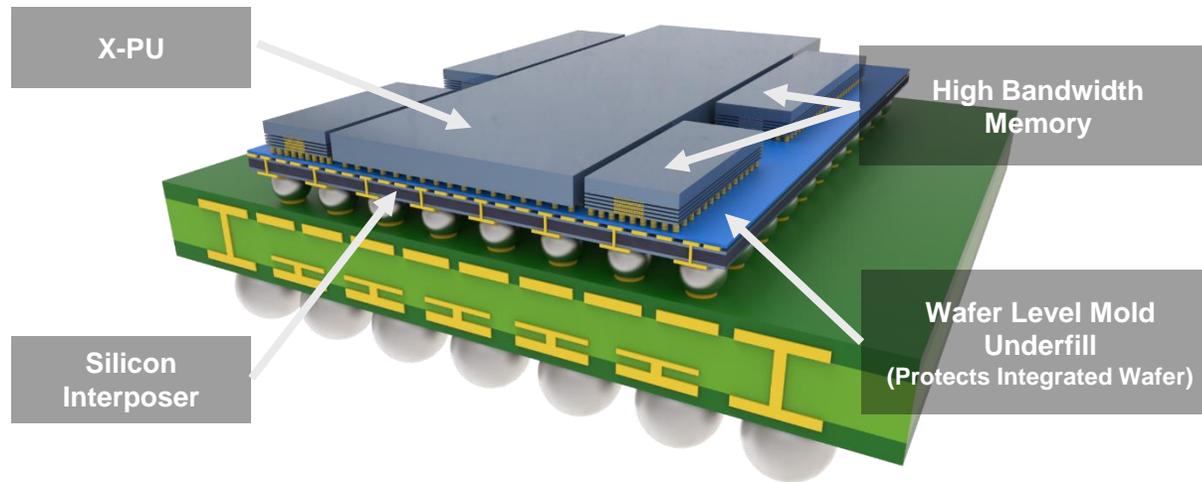
## Industrial



- Strong growth fueled by broad based demand for automation and control devices in varied application, including smart grids and EV charging infrastructure

# Strong Advanced Packaging Performance from Broadening Customer Base

The Group's diverse AP portfolio spans wafer-level to die-level high-accuracy placement tools and SiP placement tools, addressing a broad range of packaging technologies (2.5D, 3D-IC, Fan-in, Fan-out Wafer-Level and SiP)



Revenue contribution crossed \$1B over 3-year period (2H18 - 1H21)

1H21 booking exceeded ~80% of FY2020's booking

Panel-level ECD tools maintained dominant position with tier-1 high density interconnect substrate suppliers

Strong demand for SMT SiP tools

*Selected examples of our Advanced Packaging solutions*



Laser1205



SIPLACE TX Series



NUCLEUS



DEK Galaxy



NEXX

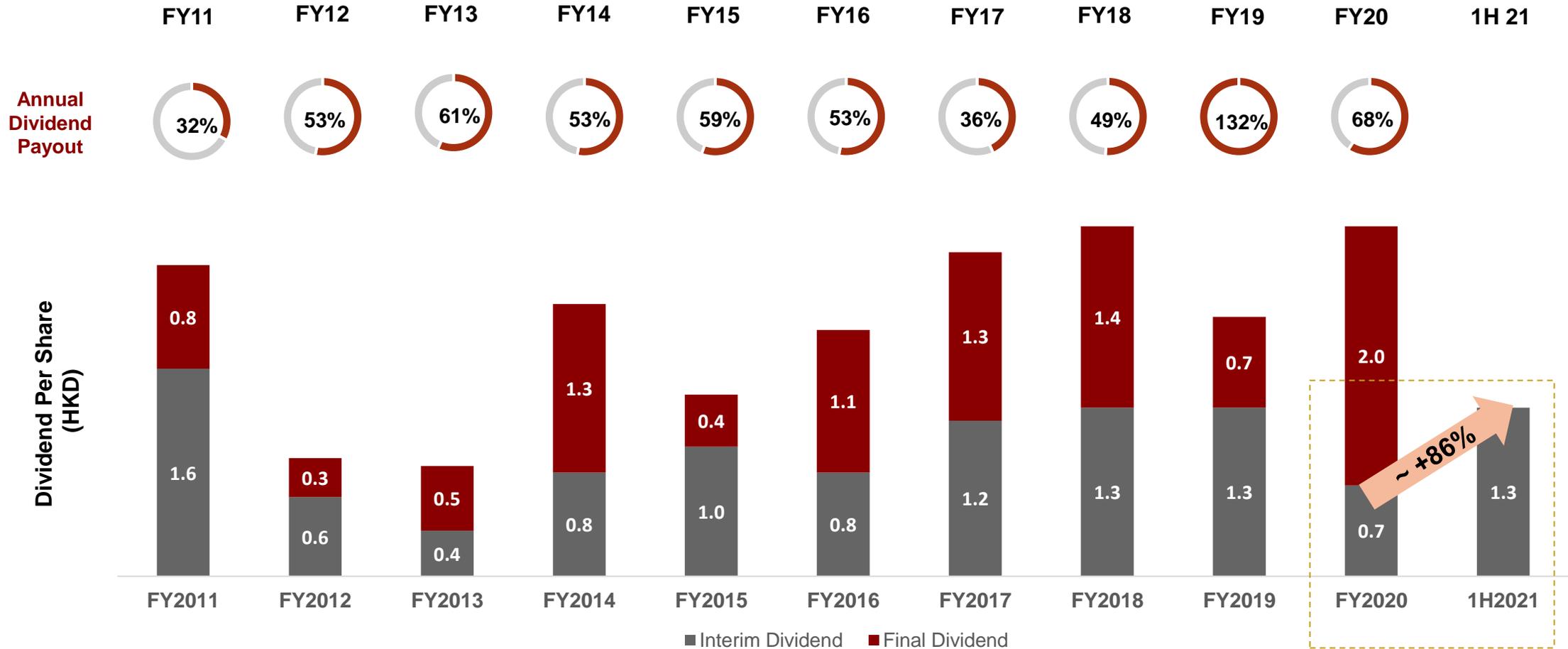


FIREBIRD

# 1H 2021 Dividends

YoY Increase of ~86%

## Dividend Payout (%)



Dividend policy of consistent annual dividend payout ratio of around 50% (consistent with average dividend payout ratio 2011-2020)



# OUTLOOK

# Financial Outlook

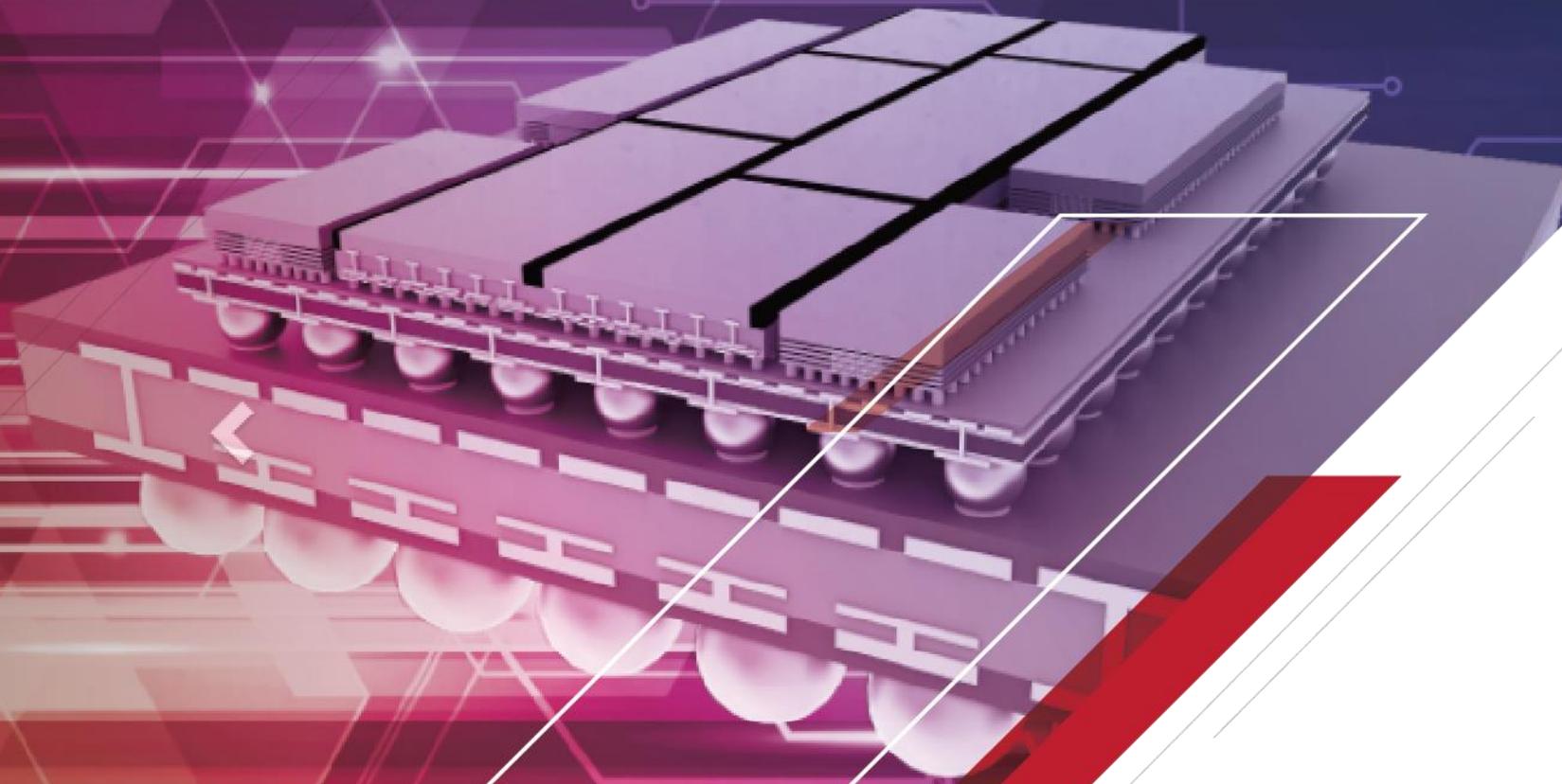
## Q3 2021 Revenue Guidance Supported by Record Backlog



**Q3 2021 Revenue Outlook**

**USD 730m to USD 780m**

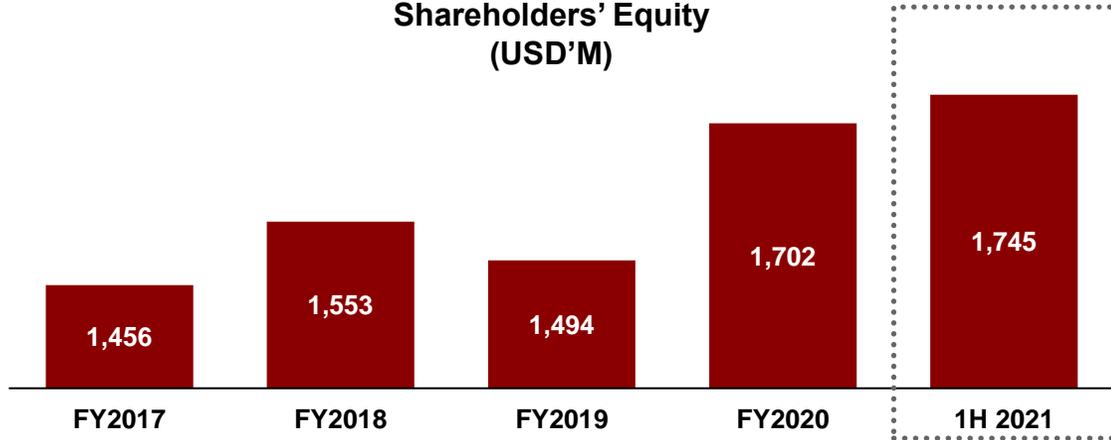
2H 2021 revenue to remain strong



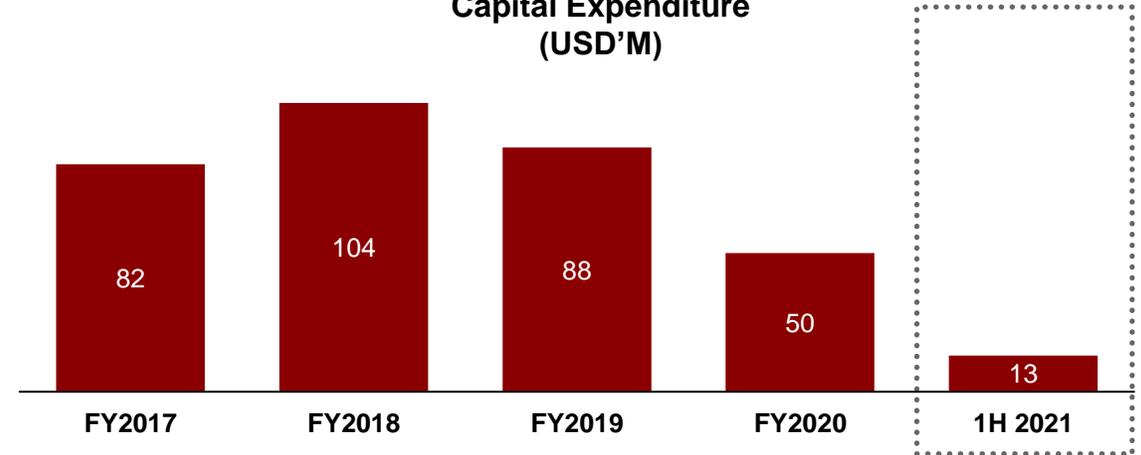
# FINANCIAL APPENDIX

# Group Balance Sheet Highlights

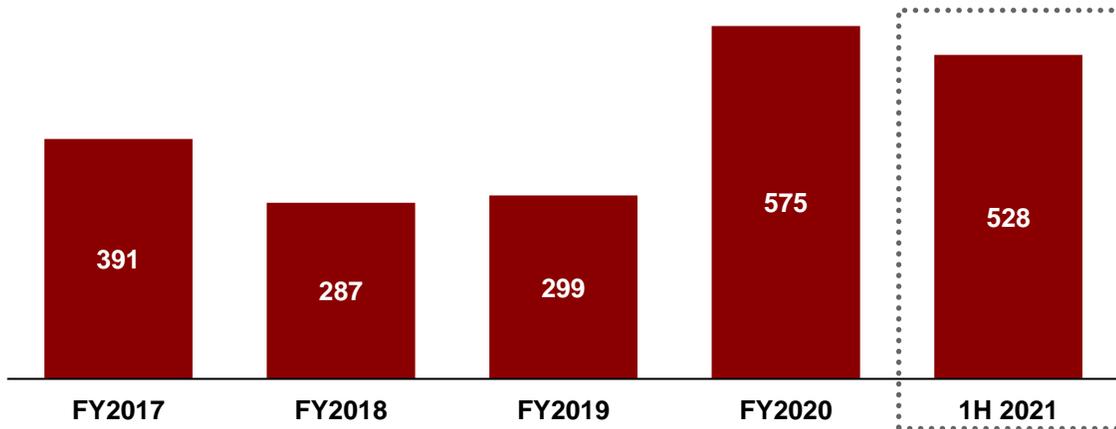
Shareholders' Equity (USD'M)



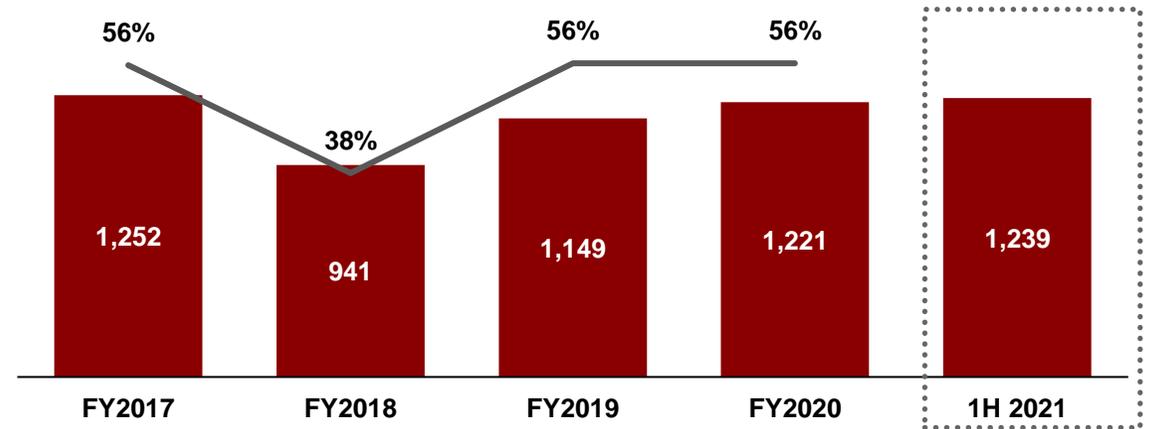
Capital Expenditure (USD'M)



Cash and Bank Deposit (USD'M)



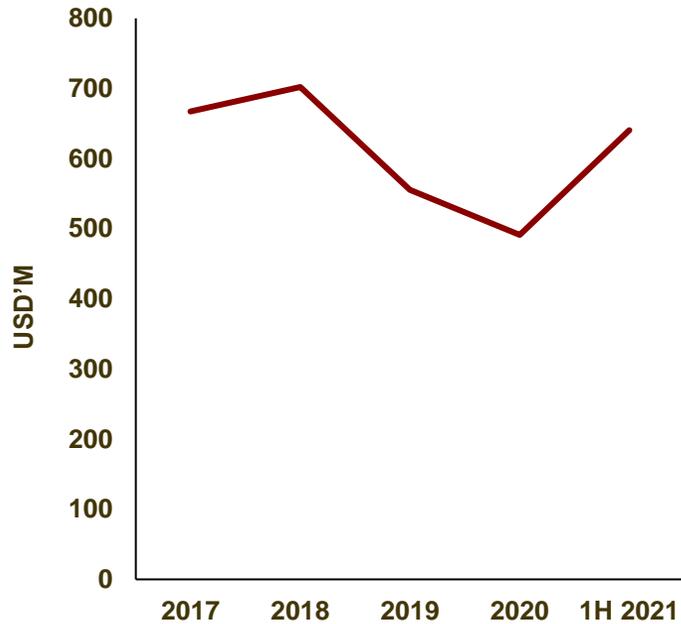
Net Working Capital (USD'M), as a percentage of sales



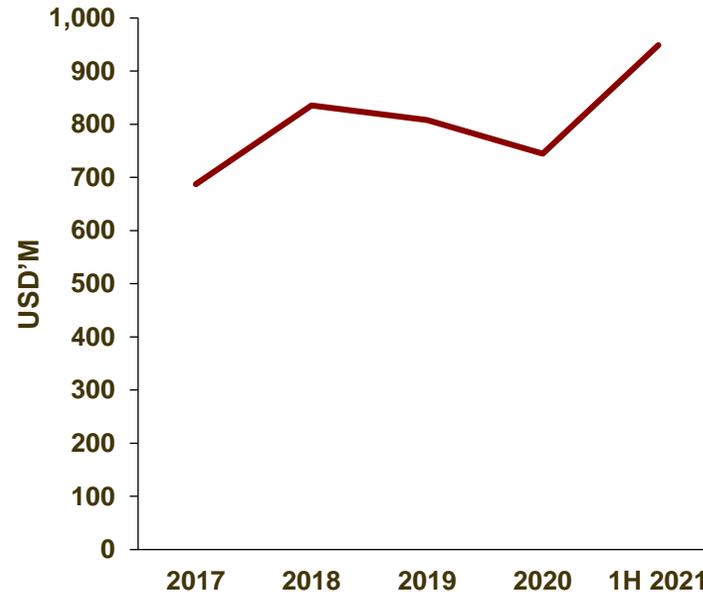
Results of the Group's former Materials Segment have been deconsolidated since 29 December 2020. Commencing first quarter of 2021, its contributions have been equity accounted for in the Group's performance.

# Group Balance Sheet Highlights

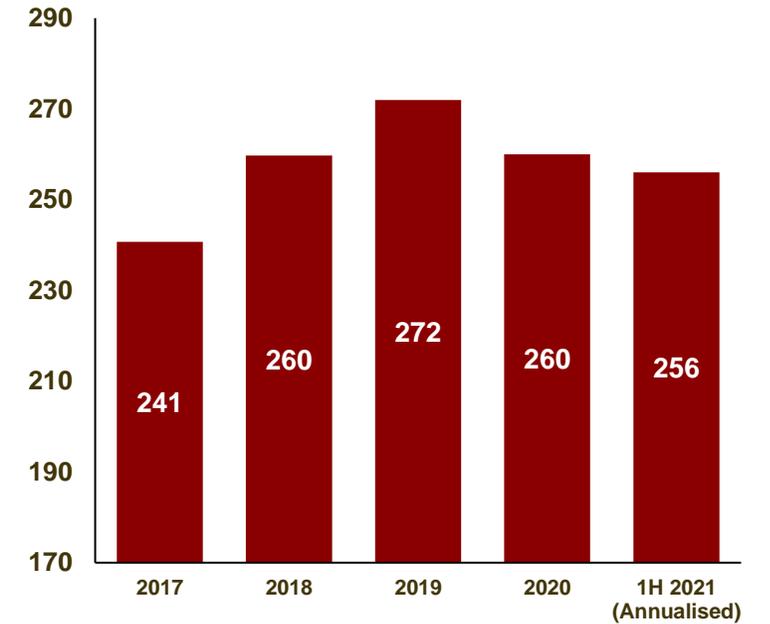
## Accounts Receivable<sup>1</sup>



## Inventory<sup>1</sup>



## Cash Conversion Cycle<sup>1</sup> (Days)



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

# Q&A



**THANK YOU**