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## **ASMPT LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 0522)**

### **Announcement Of 2024 Unaudited Interim Results For The Six Months Ended 30 June 2024**

#### **Advanced Packaging: Strong Order Momentum**

##### **Group Financial Highlights for Q2 2024**

- \* Revenue of HK\$3.34 billion (US\$427.3 million), -14.3% YoY and +6.5% QoQ
- \* Bookings of HK\$3.12 billion (US\$399.3 million), +3.5% YoY and -2.4% QoQ
- \* Gross margin of 40.0%, -6 bps YoY and -184 bps QoQ
- \* Operating margin of 4.0%, -587 bps YoY and -360 bps QoQ
- \* Net profit of HK\$136.7 million, -55.6% YoY and -23.0% QoQ
- \* Basic earnings per share of HK\$0.33, -56.0% YoY and -23.3% QoQ

##### **Group Financial Highlights for 1H 2024**

- \* Revenue of HK\$6.48 billion (US\$828.7 million), -17.1% YoY and -5.8% HoH
- \* Bookings of HK\$6.32 billion (US\$808.6 million), -3.6% YoY and +11.0% HoH
- \* Gross margin of 40.9%, +67 bps YoY and +276 bps HoH
- \* Operating margin of 5.8%, -512 bps YoY and +212 bps HoH
- \* Net profit of HK\$314.2 million, -49.6% YoY and +255.2% HoH
- \* Interim basic earnings per share of HK\$0.76, -50.0% YoY and +245.5% HoH
- \* Interim dividend per share of HK\$0.35, -42.6% YoY
- \* Order backlog of HK\$6.40 billion (US\$819.8 million) as of 30 June 2024

##### **Non-HKFRS Measures<sup>1</sup>**

- \* Adjusted Net profit of HK\$314.6 million for 1H 2024 (-49.5% YoY and +158.1% HoH), and of HK\$137.1 million for Q2 2024 (-22.7% QoQ and -55.5% YoY)
- \* Adjusted Basic earnings per share of HK\$0.76 for 1H 2024 (-50.0% YoY and +153.3% HoH), and of HK\$0.33 for Q2 2024 (-23.3% QoQ and -56.0% YoY)

##### **Revenue Guidance for Q3 2024**

- \* US\$370 million to US\$430 million, -9.9% YoY and -6.4% QoQ at mid-point

<sup>1</sup> There were no corresponding Non-HKFRS adjustments in Q2 2023, 1H 2023 and Q1 2024. For more information about the Non-HKFRS Measures, please refer to the section under "Reconciliation of HKFRS Measures to the Non-HKFRS Measures".

The Directors of ASMPT Limited are pleased to announce the Group's unaudited results for the six months ended 30 June 2024:

## **RESULTS SUMMARY**

ASMPT Limited and its subsidiaries (the "Group" or "ASMPT") delivered revenue of HK\$6.48 billion (US\$828.7 million) for the six months ended 30 June 2024, a decline of 17.1% YoY and 5.8% HoH. The Group's consolidated profit after taxation for the first half of 2024 was HK\$314.2 million, a decline of 49.6% YoY but an increase of 255.2% HoH. Basic earnings per share for 1H 2024 was HK\$0.76, a decline of 50.0% YoY but an increase of 245.5% HoH.

## **DIVIDEND AND CLOSURES OF REGISTER OF MEMBERS**

The Board of Directors of ASMPT Limited (the "Company") has declared an interim dividend of HK\$0.35 (2023: HK\$0.61) per share, payable to shareholders whose names appear on the Register of Members of the Company on 16 August 2024.

For the purpose of determining shareholders' entitlement to the abovementioned interim dividend, the Register of Members of the Company will be closed from 14 August 2024 to 16 August 2024, both days inclusive, during which period no share transfers can be registered. In order to qualify for the abovementioned interim dividend, all transfers accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:00 p.m. on 13 August 2024. The interim dividend will be paid on or about 30 August 2024.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The performance review for the first six months of 2024 will begin with notable business highlights, followed by a financial review of the Group and its Segments: the Semiconductor Solutions Segment ("SEMI") and SMT Solutions Segment ("SMT").

### **1H 2024 Group Business Highlights**

The semiconductor industry in the first half of 2024 was a mixed picture. At one end, there was surging demand in logic and memory primarily driven by the progress of generative AI. However, the general semiconductor market experienced slower than expected recovery due to tepid consumer spending and softening in the industrial and automotive markets.

Against this backdrop, there was strong momentum for the Group's Advanced Packaging ("AP") solutions, which increased its percentage contribution to Group bookings in 1H 2024, mainly from System-in-Package ("SiP"), Thermo Compression Bonding ("TCB") and Photonics solutions.

For the Group's mainstream business, SEMI's mainstream bookings were up HoH, with increasing enquiry levels and customer engagements. However, its order flow has been sporadic and lacking the volumes that would indicate a broader based recovery. SMT maintained its leading market share position even though its bookings remained low due to softening of the SMT market.

The above clearly demonstrates the advantage of the Group's unique and broad-based portfolio. SEMI and SMT follow different business cycles, so a slowdown in one can be compensated by momentum in another. Moreover, the Group's AP and mainstream solutions have exposure to different facets of the industry, which also help the Group navigate through different industry cycles.

## MANAGEMENT DISCUSSION AND ANALYSIS - continued

### Advanced Packaging

Driven mainly by the strong demand from generative AI and High-Performance Computing (“HPC”) applications, the Group’s AP solutions’ percentage share of Group revenue for 1H 2024 increased YoY to around 25%, or approximately US\$210 million. AP’s highest revenue contribution was from TCB, followed by SiP and Photonics solutions.

For bookings, the Group’s AP solutions had strong momentum in 1H 2024 with order flow mainly from SiP, TCB and Photonics solutions. AP bookings showed significant YoY and HoH growth.

**TCB:** Order momentum continued for the Group’s TCB solutions in Q2 2024 for logic applications. The Group won orders for chip-to-wafer (“C2W”) applications from its leading IDM and OSAT customers. In addition, joint development with the leading foundry customer for the Group’s next generation fluxless TCB solution is on-track. The Group is confident that its fluxless TCB solution will become the preferred choice for ultrafine pitch logic applications.

For chip-to-substrate (“C2S”) applications, there was continuous and meaningful order flow from the Group’s leading foundry customer and its OSAT partner. The Group remains confident of winning more TCB orders in the rest of the year for C2S applications.

For HBM, ongoing engagements with key HBM players are progressing well for 12H stacking and beyond. The Group won orders for two tools for its next generation fluxless TCB solutions in July 2024 and following these breakthrough wins, its fluxless TCB is gaining more traction in HBM adoption.

TCB has a unique positioning across the market. First, TCB is the key enabling technology to power generative AI computing architecture as logic chips evolve into multi-chip configurations of CPU, GPU and NPU to drive AI applications from the cloud to the edge. These have multiple, larger chip interconnects that require flexible chiplet handling and large die bonding capabilities. Second, fast-growing HBM demand driven by generative AI requirements is accelerating memory stacking from 8H to 12H and above, with more stringent bonding requirements. Coupled with the recent relaxation of HBM package thickness requirements, these trends place TCB technology in the sweet spot to intercept increased demand in the near future. Third, TCB is also well positioned to capitalise on the proliferation of AP in edge servers and edge devices.

These market developments signal an accelerated adoption of TCB, with the Group’s TCB solutions enabling the most demanding applications through its best-in-class TCB capabilities. These include placement accuracy of less than 1 micron, fine bump pitch down to 10 microns, large die handling of up to 70x70mm and specifically for HBM applications, handling of thin die thickness of less than 30 microns, and chip gap of below 10 microns.

## MANAGEMENT DISCUSSION AND ANALYSIS - continued

**Hybrid Bonding (“HB”):** The Group had yet another major breakthrough in HB. It won maiden orders for its next generation of HB tools, securing orders for two such tools for HBM applications. These wins demonstrate a strong recognition of the Group’s technology and competitiveness for this emerging AP solution.

**Photonics:** The Group’s Photonics solutions are the market leader and saw meaningful order flow in 1H 2024 driven by increased demand for optical transceivers at data centres to meet strong growth in generative AI and 5G networks. In addition, there is increased traction for the Group’s Photonics solutions for 800G and higher optical transceivers, with the 2024-2028 CAGR for this market estimated at 31%. This momentum is being driven by major AI players, who require faster transmission speeds, higher bandwidth and lower latency.

**SiP:** These solutions continued to secure strong order wins in 1H 2024 despite the overall weakness in the SMT market. Demand came mostly from leading global smartphone players for RF modules, from wearables, and from AI and server-related applications.

### Automotive

The Group’s Automotive end-market applications continued to contribute the highest proportion to 1H 2024 Group revenue, about 24% or approximately US\$200 million. For SEMI, solutions catering to certain niche areas of the automotive supply chain contributed the most to revenue and these included solutions for power and Silicon Carbide modules, and for smart LED headlamps used in high-end vehicles. SMT also contributed strongly by converting its backlog while deftly navigating ongoing softness in the automotive market.

### Group Financial Review

(in HK\$ million)	Q2 2024	QoQ	YoY	1H 2024	HoH	YoY
<b>Bookings</b>	3,123.2 (US\$399.3 million)	-2.4%	+3.5%	6,323.1 (US\$808.6 million)	+11.0%	-3.6%
<b>Revenue</b>	3,342.2 (US\$427.3 million)	+6.5%	-14.3%	6,481.0 (US\$828.7 million)	-5.8%	-17.1%
<b>Gross Margin</b>	40.0%	-184 bps	-6 bps	40.9%	+276 bps	+67 bps
<b>Operating Margin</b>	4.0%	-360 bps	-587 bps	5.8%	+212 bps	-512 bps
<b>Adjusted Net Profit</b>	137.1	-22.7%	-55.5%	314.6	+158.1%	-49.5%
<b>Adjusted Net Profit Margin</b>	4.1%	-155 bps	-379 bps	4.9%	+308 bps	-312 bps

### 1H 2024 Group Financial Review

Group revenue of HK\$6.48 billion (US\$828.7 million) declined 17.1% YoY and 5.8% HoH due to declines in both SEMI and SMT. Group revenue was impacted by the following end markets:

- (i) Despite the softening market, Automotive continued to be the highest revenue contributor to the Group at about 24%, due to the Group’s comprehensive range of automotive solutions. SEMI and SMT had similar revenue contributions for Automotive.
- (ii) The Communication market was the second highest revenue contributor to the Group at about 17%, mainly due to high-end smartphone and photonics applications.
- (iii) The Industrial market declined as the market softened, contributing about 14% to Group revenue, mostly from SMT.

## **MANAGEMENT DISCUSSION AND ANALYSIS - continued**

By geography, China had stable revenue YoY and its contribution to Group revenue increased from 30% to 36%. Europe and the Americas declined in revenue YoY. Europe's share of Group revenue was down from 30% to 23%, and the Americas from 19% to 17%. Customer concentration risk continued to remain low for the Group as its top five customers accounted for approximately 16% of 1H 2024 revenue.

Group bookings of HK\$6.32 billion (US\$808.6 million) was a small decline of 3.6% YoY but grew 11.0% HoH. SEMI bookings recovered both YoY and HoH with SEMI's book-to-bill ratio above one for 1H 2024. SMT bookings declined due to market softness. The Group ended 1H 2024 with a backlog of HK\$6.40 billion (US\$819.8 million) and a book-to-bill ratio of 0.98.

Group gross margin improved to 40.9% mainly due to SEMI's favourable product mix.

Both operating margin of 5.8% and adjusted net profit of HK\$314.6 million declined YoY due to lower sales. However, both improved significantly on a HoH basis.

As of 30 June 2024, the Group continued to maintain a healthy liquidity position with gross cash and bank deposits totalling HK\$5.44 billion while bank borrowings were at HK\$2.53 billion.

### **Q2 2024 Group Financial Review**

The Group delivered revenue above the mid-point of the guidance previously issued. Revenue of HK\$3.34 billion (US\$427.3 million) was an increase of 6.5% QoQ, mainly due to growth in SEMI, partially offset by decline in SMT. There was strong QoQ revenue growth from AP.

Group bookings of HK\$3.12 billion (US\$399.3 million) were down slightly by 2.4% QoQ, mainly due to a decline in SMT while SEMI registered growth. Bookings were up 3.5% YoY.

Group gross margin of 40.0% was down 184 bps QoQ, mainly due to a decline in SMT while SEMI remained stable.

Operating margin of 4.0% and adjusted net profit of HK\$137.1 million were down QoQ in line with lower gross margin and higher operating expenses mainly due to the timing of provision for incentive shares.

## MANAGEMENT DISCUSSION AND ANALYSIS - continued

### Q2 2024 Semiconductor Solutions Segment Financial Review

(in HK\$ million)	Q2 2024	QoQ	YoY	1H 2024	HoH	YoY
<b>Bookings</b>	1,735.5 (US\$221.9 million)	+11.6%	+36.7%	3,291.1 (US\$420.9 million)	+28.1%	+18.7%
<b>Revenue</b>	1,662.2 (US\$212.5 million)	+20.9%	+0.4%	3,037.5 (US\$388.4 million)	-4.1%	-5.0%
<b>Gross Margin</b>	44.5%	-14 bps	+183 bps	44.6%	+668 bps	+72 bps
<b>Segment Profit</b>	87.5	NM	+218.3%	87.7	NM	+33.7%
<b>Segment Profit Margin</b>	5.3%	+526 bps	+360 bps	2.9%	+635 bps	+83 bps

NM: Not Meaningful

SEMI revenue increased 20.9% QoQ to HK\$1.66 billion (US\$212.5 million) in Q2 2024. Revenue performance for SEMI was mainly influenced by the following developments in its Business Units (“BUs”):

- (i) IC/Discrete BU revenue increased QoQ, mainly driven by TCB.
- (ii) Optoelectronics BU revenue increased QoQ, mainly due to photonics and high-end automotive headlamps.
- (iii) CIS BU revenue grew QoQ from a low base, mainly driven by high-end smartphone applications.

SEMI bookings increased 11.6% QoQ to HK\$1.74 billion (US\$221.9 million), driven by strong growth in AP. The book-to-bill ratio continued to remain above one since Q1 2024. In addition, SEMI’s quarterly bookings have shown YoY growth since Q4 2023, and registered strong YoY growth of 36.7% in this quarter.

The segment delivered a healthy gross margin of 44.5% due to higher volume and favourable product mix.

### Q2 2024 SMT Solutions Segment Financial Review

(in HK\$ million)	Q2 2024	QoQ	YoY	1H 2024	HoH	YoY
<b>Bookings</b>	1,387.7 (US\$177.4 million)	-15.6%	-20.6%	3,032.0 (US\$387.7 million)	-3.1%	-20.0%
<b>Revenue</b>	1,680.0 (US\$214.8 million)	-4.7%	-25.2%	3,443.5 (US\$440.3 million)	-7.2%	-25.5%
<b>Gross Margin</b>	35.6%	-409 bps	-257 bps	37.7%	-70 bps	-6 bps
<b>Segment Profit</b>	190.3	-34.4%	-55.5%	480.4	-8.4%	-47.1%
<b>Segment Profit Margin</b>	11.3%	-512 bps	-774 bps	14.0%	-19 bps	-570 bps

SMT revenue of HK\$1.68 billion (US\$214.8 million) in Q2 2024 declined slightly by 4.7% QoQ, mainly due to softness in the automotive and industrial end-markets, and lower revenues in Europe and the Americas. However, revenue from AP grew QoQ.

In line with the market slowdown, SMT bookings declined 15.6% QoQ to HK\$1.39 billion (US\$177.4 million), mostly from automotive applications. However, SMT continued to maintain its lead in market share.

Segment gross margin was 35.6%, a decline of 409 bps QoQ. Gross margin moderated in Q2 from higher margin in previous quarters due to product mix and volume.

## **MANAGEMENT DISCUSSION AND ANALYSIS - continued**

### **OUTLOOK**

The Group continues to remain very positive in the near term about its AP business prospects. However, recovery of SEMI mainstream business is taking longer than anticipated due to tepid consumer spending. Moreover, the SMT business continues to experience a softening market in the near term.

In view of this continuing dynamic situation, the Group expects revenue for Q3 2024 to be between US\$370 million to US\$430 million (-9.9% YoY and -6.4% QoQ at midpoint). The QoQ decline is mainly due to lower revenue from SMT.

Owing to its unique broad-based portfolio, the Group remains optimistic about its prospects and potential for growth over the long term. This confidence is further supported by long-term structural trends of automotive electrification, smart factories, green infrastructure, 5G/6G, IoT, and AI growth across cloud, datacentre, and AI edge devices. On a broader level, these structural trends are also moving in tandem with a sustained increase in two key areas: increased capex spend from nations securing their supply chains via more onshoring, and organisations preparing themselves to deal with more dynamic global supply chains.

### **RESEARCH AND DEVELOPMENT**

The Group's continued commitment to investing in research and development ("R&D") across the industry cycles is critical to its objective of remaining at the forefront of technology development. This emphasis on R&D positions the Group well to capitalize on technological breakthroughs required for tapping secular growth opportunities. The Group has prioritized additional investments towards advancement in its R&D capabilities, and these are part of the incremental operating expenditure of around HK\$250 million for 2024 in strategic areas including infrastructure.

With a global workforce of more than 2,600 in R&D, the Group operates several R&D centres worldwide across Asia, Europe and the Americas. For 1H 2024, the Group invested around HK\$1 billion in R&D (1H 2023: about HK\$1 billion). To date, the Group has delivered over 2,000 patents and patent applications.

### **LIQUIDITY AND FINANCIAL RESOURCES**

Cash and bank deposits as of 30 June 2024 were HK\$5.44 billion (31 December 2023: HK\$4.80 billion). Capital additions during the period amounted to HK\$181.9 million (1H 2023: HK\$227.8 million), which were fully funded by Company's operating cash flow.

As of 30 June 2024, the debt-to-equity ratio was 0.163 (31 December 2023: 0.127). Debts include all bank borrowings. The Group had available banking facilities of HK\$3.41 billion (US\$437.1 million) (31 December 2023: HK\$5.92 billion (US\$758.0 million)) in the form of bank loans and overdraft facilities, of which HK\$1.08 billion (US\$138.4 million) (31 December 2023: HK\$3.58 billion (US\$458.5 million)) were committed borrowing facilities. Bank borrowings, which are mainly arranged to support day-to-day operations and capital expenditure, are denominated in Hong Kong dollars and Chinese RMB.

## MANAGEMENT DISCUSSION AND ANALYSIS - continued

The Group had unsecured bank borrowings of HK\$2.50 billion and secured bank borrowings of HK\$0.03 billion as of 30 June 2024 (31 December 2023: unsecured bank borrowings of HK\$2.00 billion), mainly consisting of a variable-rate syndicated loan. The syndicated loan is repayable by instalments till February 2029. The Group uses interest rate swap to mitigate its exposure of the cash flow changes of the variable-rate syndicated loan by swapping HK\$0.50 billion (31 December 2023: HK\$1.75 billion) of the syndicated loan from variable rates to fixed rate. The Group's equity attributable to owners of the Company was HK\$15.43 billion as of 30 June 2024 (31 December 2023: HK\$15.69 billion).

As of 30 June 2024, cash holdings of the Group were mainly in US dollars, Euros and Chinese RMB. The Group entered into HK dollar and Euro hedging contracts to mitigate foreign currency exposure of the inter-company loans denominated in Euro. SMT Solutions Segment entered into US dollar and Euro hedging contracts to mitigate foreign currency risks, as a significant portion of the production of SMT equipment and its suppliers are located in Europe, while a substantial part of the Group's revenue for SMT equipment is denominated in US dollars. In terms of currency exposure, the majority of the Group's sales and disbursements in respect of operating expenses and purchases were mainly in US dollars, Euros and Chinese RMB.

### SIGNIFICANT INVESTMENT

As at 30 June 2024, Advanced Assembly Materials International Limited ("AAMI") was regarded as a significant investment of the Group as the value of the Group's investment in AAMI comprised 5% or more of the Group's total assets. Save as disclosed in this announcement, the information pursuant to paragraph 32(4A) of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") in relation to the Group's investment in AAMI is as follows:

(i) Details of the investment in AAMI:	5,338 ordinary shares in AAMI, representing 49% equity interests in AAMI. The carrying value of the Group's investment in AAMI is HK\$1,669 million
(ii) Fair value of the investment in AAMI:	HK\$1,860 million
(iii) The investment's size relative to the Group's total assets:	6.9%
(iv) The performance of the investment in AAMI:	For the six months ended 30 June 2024, the share of results of AAMI was HK\$17 million, and HK\$43 million dividend was received from AAMI
(v) Principal activity of AAMI and its subsidiaries:	Manufacturing and trading of materials products
(vi) The Group's investment strategy:	Long-term investment in the materials business



## **MANAGEMENT DISCUSSION AND ANALYSIS - continued**

### **HUMAN RESOURCES**

The Group has fully implemented the ASMPT Global People System (GPS), a global Human Resources Information System (“HRIS”). The second and final phase of the System’s global rollout was completed across Europe in July 2024 (phase one, covering Asia and the US, was completed in June 2023). This global HRIS will serve as the Group’s primary platform for managing HR processes and ensuring consistency and efficiency in operations worldwide. This initiative underscores the Group’s commitment to modernizing and standardizing HR practices across all ASMPT locations.

The Group established two new Women’s Chapters in Singapore and China. These chapters aim to empower and support women within the organization, and form part of the Group’s continual efforts to enhance the breadth and quality of its Diversity, Equity, and Inclusion (DEI) initiatives.

The Group is committed to recognizing exceptional employee contributions and early this year launched the inaugural SPARKS Awards to recognise and celebrate individuals and teams embodying ASMPT’s POWER values across the organisation. The first SPARKS Award Ceremony is scheduled towards the end of 2024.

As of 30 June 2024, total headcount for the Group was approximately 10,800, which excludes some 800 flexi workers and outsourced workers. Of this 10,800, approximately 900 are based in Hong Kong, 5,100 in mainland China, 1,000 in Singapore, 1,100 in Germany, 800 in Malaysia, 500 in Portugal, 400 in the United Kingdom, 400 in the United States, and the rest in other parts of the world.

Total manpower costs for the Group for 1H 2024 was HK\$2.53 billion versus HK\$2.49 billion over the same period in 2023. The Group continues its commitment to fairly remunerate its employees while manoeuvring through the prolonged semiconductor downcycle with a prudent and measured approach towards managing overall manpower costs.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Three months ended 30 June		Six months ended 30 June	
		2024	2023	2024	2023
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
	<i>Notes</i>				
Revenue	2	<b>3,342,213</b>	3,900,866	<b>6,480,996</b>	7,818,359
Cost of sales		<b>(2,003,989)</b>	(2,336,741)	<b>(3,828,396)</b>	(4,670,614)
Gross profit		<b>1,338,224</b>	1,564,125	<b>2,652,600</b>	3,147,745
Other income		<b>111,350</b>	28,285	<b>160,436</b>	56,365
Selling and distribution expenses		<b>(373,708)</b>	(405,385)	<b>(732,519)</b>	(795,580)
General and administrative expenses		<b>(294,974)</b>	(257,845)	<b>(552,059)</b>	(499,582)
Research and development expenses		<b>(534,472)</b>	(514,083)	<b>(993,154)</b>	(999,987)
Other gains and losses, net	5	<b>957</b>	43,450	<b>19,219</b>	19,784
Other expenses		<b>(11,448)</b>	(7,740)	<b>(20,550)</b>	(15,584)
Finance costs	6	<b>(53,645)</b>	(27,629)	<b>(95,831)</b>	(57,010)
Share of result of a joint venture		<b>11,480</b>	11,494	<b>16,739</b>	22,911
Profit before taxation		<b>193,764</b>	434,672	<b>454,881</b>	879,062
Income tax expense	7	<b>(57,068)</b>	(126,731)	<b>(140,730)</b>	(255,993)
Profit for the period		<b>136,696</b>	307,941	<b>314,151</b>	623,069
Profit (loss) for the period, attributable to:					
Owners of the Company		<b>135,054</b>	307,489	<b>314,967</b>	625,376
Non-controlling interests		<b>1,642</b>	452	<b>(816)</b>	(2,307)
Profit for the period		<b>136,696</b>	307,941	<b>314,151</b>	623,069
Earnings per share	9				
- Basic		<b>HK\$0.33</b>	HK\$0.75	<b>HK\$0.76</b>	HK\$1.52
- Diluted		<b>HK\$0.33</b>	HK\$0.74	<b>HK\$0.76</b>	HK\$1.51

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Three months ended 30 June		Six months ended 30 June	
	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Profit for the period	<b>136,696</b>	307,941	<b>314,151</b>	623,069
Other comprehensive (expense) income				
<i>Item that will not be reclassified to profit or loss:</i>				
- net fair value (loss) gain on investments in equity instruments at fair value through other comprehensive income	<b>(125)</b>	2,275	<b>(405)</b>	2,520
<i>Items that may be reclassified subsequently to profit or loss:</i>				
- exchange differences on translation of foreign operations				
- subsidiaries	<b>(118,427)</b>	(254,083)	<b>(275,329)</b>	(6,798)
- a joint venture	<b>(4,348)</b>	(23,981)	<b>(3,544)</b>	(11,399)
- fair value (loss) gain on hedging instruments designated as cash flow hedges	<b>(8,771)</b>	851	<b>(24,427)</b>	(16,350)
Other comprehensive expense for the period	<b>(131,671)</b>	(274,938)	<b>(303,705)</b>	(32,027)
Total comprehensive income for the period	<b>5,025</b>	33,003	<b>10,446</b>	591,042
Total comprehensive income (expense) for the period attributable to:				
Owners of the Company	<b>4,093</b>	40,777	<b>12,017</b>	598,272
Non-controlling interests	<b>932</b>	(7,774)	<b>(1,571)</b>	(7,230)
	<b>5,025</b>	33,003	<b>10,446</b>	591,042

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 30 June 2024 HK\$'000 (unaudited)	At 31 December 2023 HK\$'000 (audited)
	<i>Notes</i>		
<b>Non-current assets</b>			
Property, plant and equipment		2,086,907	2,189,566
Right-of-use assets		1,969,563	2,046,422
Investment properties		60,199	63,260
Goodwill		966,640	974,918
Intangible assets		1,013,035	1,020,457
Other investments		83,093	84,746
Interest in a joint venture		1,668,536	1,521,245
Deposits paid for acquisition of property, plant and equipment		42,459	13,745
Rental deposits paid		31,625	31,360
Derivative financial instruments		-	177,000
Deferred tax assets		737,440	590,140
Long-term bank deposits		-	2,158
Other non-current assets		5,344	7,030
		<b>8,664,841</b>	<b>8,722,047</b>
<b>Current assets</b>			
Inventories		6,330,210	6,315,473
Trade and other receivables	10	3,799,128	3,972,865
Amounts due from a joint venture and its affiliates		20,828	20,641
Derivative financial instruments		1,628	41,556
Income tax recoverable		22,933	51,107
Other financial assets		-	39,837
Bank deposits with original maturity of more than three months		748,793	365,261
Cash and cash equivalents		4,690,048	4,434,057
		<b>15,613,568</b>	<b>15,240,797</b>
<b>Current liabilities</b>			
Trade liabilities and other payables	11	2,218,628	2,364,029
Advance payments from customers		1,088,356	881,374
Amounts due to a joint venture and its affiliates		13,054	43,061
Derivative financial instruments		17,127	1,246
Lease liabilities		197,237	188,095
Provisions		240,450	270,487
Income tax payable		373,980	264,664
Bank borrowings		153,444	2,000,000
		<b>4,302,276</b>	<b>6,012,956</b>
<b>Net current assets</b>		<b>11,311,292</b>	<b>9,227,841</b>
		<b>19,976,133</b>	<b>17,949,888</b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

- continued

	At 30 June 2024 HK\$'000 (unaudited)	At 31 December 2023 HK\$'000 (audited)
<b>Capital and reserves</b>		
Share capital	41,451	41,451
Dividend reserve	145,077	323,314
Other reserves	15,246,898	15,326,282
Equity attributable to owners of the Company	<u>15,433,426</u>	15,691,047
Non-controlling interests	<u>106,855</u>	112,911
<b>Total equity</b>	<u><u>15,540,281</u></u>	<u>15,803,958</u>
<b>Non-current liabilities</b>		
Bank borrowings	2,375,000	-
Lease liabilities	1,776,112	1,841,509
Retirement benefit obligations	67,463	65,190
Provisions	45,175	47,183
Derivative financial instruments	8,771	-
Deferred tax liabilities	98,997	120,946
Other liabilities and accruals	64,334	71,102
	<u>4,435,852</u>	2,145,930
	<u><u>19,976,133</u></u>	<u>17,949,888</u>

**Notes:**

**1. PRINCIPAL ACCOUNTING POLICIES**

The condensed consolidated financial statements have been prepared on the historical cost basis except for the derivative financial instruments, other investments, other financial assets and certain financial liabilities which are measured at fair value at the end of reporting period.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2023.

In the current interim period, the Group has applied the following amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group's consolidated financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 2. SEGMENT INFORMATION

The Group has two (2023: two) operating segments: development, production and sales of (1) semiconductor solutions and (2) surface mount technology solutions. They represent two (2023: two) major types of products manufactured by the Group. The operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Company's Chief Executive Officer, the chief operating decision maker ("CODM"), for the purpose of allocating resources to segments and assessing their performance. The Group is organized and managed around the two (2023: two) major types of products manufactured by the Group. No operating segments have been aggregated in arriving at reportable segments of the Group.

Segment results represent the profit before taxation earned by each segment without allocation of interest income, finance costs, share of result of a joint venture, unallocated other income, unallocated net foreign exchange gain and fair value change of foreign currency forward contracts, unallocated general and administrative expenses, unallocated other gains, and other expenses.

### **Segment revenue and results**

An analysis of the Group's revenue and results by operating and reportable segment is as follows:

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Segment revenue from external customers</b>		
Semiconductor solutions	<b>3,037,475</b>	3,196,285
Surface mount technology solutions	<b>3,443,521</b>	4,622,074
	<b>6,480,996</b>	<b>7,818,359</b>
<b>Segment profit</b>		
Semiconductor solutions	<b>87,688</b>	65,595
Surface mount technology solutions	<b>480,441</b>	908,265
	<b>568,129</b>	973,860
Interest income	<b>69,354</b>	34,515
Finance costs	<b>(95,831)</b>	(57,010)
Share of result of a joint venture	<b>16,739</b>	22,911
Unallocated other income	<b>10,365</b>	10,925
Unallocated net foreign exchange gain and fair value change of foreign currency forward contracts	<b>17,538</b>	16,458
Unallocated general and administrative expenses	<b>(115,196)</b>	(107,013)
Unallocated other gains	<b>4,333</b>	-
Other expenses	<b>(20,550)</b>	(15,584)
Profit before taxation	<b>454,881</b>	<b>879,062</b>
<b>Segment profit %</b>		
Semiconductor solutions	<b>2.9%</b>	2.1%
Surface mount technology solutions	<b>14.0%</b>	19.7%

## 2. SEGMENT INFORMATION – continued

No analysis of the Group's assets and liabilities by operating segment is disclosed as they are not regularly provided to the CODM for review.

All of the segment revenue derived by the segments is from external customers.

### Geographical analysis of revenue by location of customers

	Revenue from external customers	
	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
China	2,326,312	2,344,444
Europe	1,483,461	2,342,068
- Germany	549,978	733,752
- Hungary	168,709	172,142
- Romania	92,957	183,945
- France	91,182	107,057
- Poland	85,950	79,240
- Netherland	55,527	101,272
- Austria	43,734	262,582
- Czech Republic	37,219	106,132
- Others	358,205	595,946
Americas	1,089,414	1,481,957
- United States of America	814,781	1,104,206
- Canada	79,482	88,865
- Mexico	78,387	114,628
- Others	116,764	174,258
Malaysia	476,440	480,246
Taiwan	355,625	258,201
Korea	246,987	223,072
Vietnam	95,366	124,786
India	92,731	135,962
Thailand	78,810	171,405
Singapore	75,236	58,799
Philippines	74,047	62,679
Japan	71,685	125,225
Others	14,882	9,515
	<b>6,480,996</b>	<b>7,818,359</b>



### 3. ANALYSIS OF QUARTERLY REVENUE AND RESULTS FOR THE THREE MONTHS ENDED 30 JUNE 2024

	<b>Three months ended</b>		
	<b>30 June 2024</b>	31 March 2024	30 June 2023
	<b>HK\$'000</b>	HK\$'000	HK\$'000
	<b>(unaudited)</b>	(unaudited)	(unaudited)
<b>Segment revenue from external customers</b>			
Semiconductor solutions	<b>1,662,179</b>	1,375,296	1,655,186
Surface mount technology solutions	<b>1,680,034</b>	1,763,487	2,245,680
	<b>3,342,213</b>	3,138,783	3,900,866
<b>Segment profit</b>			
Semiconductor solutions	<b>87,534</b>	154	27,499
Surface mount technology solutions	<b>190,345</b>	290,096	428,151
	<b>277,879</b>	290,250	455,650
Interest income	<b>36,599</b>	32,755	15,220
Finance costs	<b>(53,645)</b>	(42,186)	(27,629)
Share of result of a joint venture	<b>11,480</b>	5,259	11,494
Unallocated other income	<b>4,528</b>	5,837	5,765
Unallocated net foreign exchange gain and fair value change of foreign currency forward contracts	<b>699</b>	16,839	40,760
Unallocated general and administrative expenses	<b>(72,352)</b>	(42,844)	(58,597)
Unallocated other gains and losses	<b>24</b>	4,309	(251)
Other expenses	<b>(11,448)</b>	(9,102)	(7,740)
Profit before taxation	<b>193,764</b>	261,117	434,672
<b>Segment profit %</b>			
Semiconductor solutions	<b>5.3%</b>	0.01%	1.7%
Surface mount technology solutions	<b>11.3%</b>	16.5%	19.1%

#### 4. PROFIT BEFORE TAXATION

Six months ended 30 June	
2024	2023
HK\$'000	HK\$'000
(unaudited)	(unaudited)

Profit before taxation has been arrived at after charging (crediting):

Depreciation for property, plant and equipment	<b>178,036</b>	187,399
Depreciation for right-of-use assets	<b>120,500</b>	109,961
Depreciation for investment properties	<b>2,325</b>	2,450
Amortization for intangible assets	<b>56,613</b>	54,800
Government grants (included in other income)	<b>(8,652)</b>	(9,067)

#### 5. OTHER GAINS AND LOSSES, NET

During the period, included in other gains and losses (net), are mainly net foreign exchange gain and fair value change of foreign currency forward contracts of HK\$17.5 million (for the six months ended 30 June 2023: HK\$16.5 million) and net loss on disposal/write-off of property, plant and equipment of HK\$2.6 million (for the six months ended 30 June 2023: net gain of HK\$3.4 million).

#### 6. FINANCE COSTS

Six months ended 30 June	
2024	2023
HK\$'000	HK\$'000
(unaudited)	(unaudited)

Interest on bank borrowings	<b>63,540</b>	49,897
Interest on lease liabilities	<b>36,092</b>	24,759
Others	<b>5,912</b>	3,590
	<b>105,544</b>	78,246
Net gain on interest rate swaps designated as cash flow hedges	<b>(9,713)</b>	(21,236)
	<b>95,831</b>	57,010

## 7. INCOME TAX EXPENSE

**Six months ended 30 June**  
**2024**                      2023  
**HK\$'000**                    HK\$'000  
**(unaudited)**                (unaudited)

The charge (credit) comprises:

Current tax:

Hong Kong	<b>14,983</b>	14,863
People's Republic of China ("PRC")		
Enterprise Income Tax	<b>93,103</b>	10,978
Germany	<b>96,278</b>	218,308
Other jurisdictions	<b>109,727</b>	43,424
	<b>314,091</b>	287,573
Under(over)provision in prior years	<b>1,537</b>	(12,570)
	<b>315,628</b>	275,003
Deferred tax credit	<b>(174,898)</b>	(19,010)
	<b>140,730</b>	255,993

Current tax:

- (a) Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%. The Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits for the qualifying group entity and at 16.5% on the estimated assessable profits above HK\$2 million for the six months ended 30 June 2024 and 2023.
- (b) Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the Enterprise Income Tax rate of the Group's subsidiaries in the PRC is 25% for the six months ended 30 June 2024 (for the six months ended 30 June 2023: 25%), except for ASMPT Technology (China) Co., Ltd. ("ATC"). ATC obtained a new advanced technology service enterprise ("ATSE") certificate in July 2018. According to the tax circular Caishui [2017] No. 79, ATC, as an ATSE, is subject to Enterprise Income Tax at a reduced income tax rate of 15%. Based on local regulations, starting from 2022, ATC's ATSE recognition is subject to annual review and re-accreditation every three years. ATC's re-accreditation of ATSE recognition has been approved in October 2022 and the renewed ATSE certificate is obtained with validation till October 2025.

## 7. INCOME TAX EXPENSE – continued

- (c) ASMPPT Singapore Pte. Ltd. ("ATS") has been granted a Pioneer Certificate ("PC") to the effect that profits arising from the manufacture of certain semiconductor products are exempted from tax for a period of 10 years effective from 1 January 2022 to 31 December 2031 across specified products, subject to fulfillment of certain criteria during the relevant periods.

ATS has also been granted a Development and Expansion Incentive ("DEI") to the effect that certain income arising from qualifying activities conducted by ATS, are subject to a concessionary tax rate for a period of 10 years from 1 January 2021 to 31 December 2030, subject to fulfillment of certain criteria during the relevant period.

Income of ATS arising from activities not covered under the PC or DEI are taxed at the prevailing corporate tax rate in Singapore of 17% (for the six months ended 30 June 2023: 17%).

- (d) The calculation of current tax of the Group's subsidiaries in Germany is based on a corporate income tax rate of 15.00% (for the six months ended 30 June 2023: 15.00%) plus 5.50% (for the six months ended 30 June 2023: 5.50%) solidarity surcharge on the corporate income tax for the assessable profit for the period, which derives at tax rate of 15.825% (for the six months ended 30 June 2023: 15.825%). In addition to corporate income tax, trade tax is levied on taxable income. The applicable German trade tax (local income tax) rates for the Group's subsidiaries in Germany vary from 11.148% to 17.150% (for the six months ended 30 June 2023: 11.187% to 17.150%) according to the municipal in which the entity resides. Thus the aggregate tax rates were between 26.973% and 32.975% (for the six months ended 30 June 2023: between 27.012% and 32.975%).
- (e) The Group is subject to the global minimum top-up tax Pillar Two Rules. Pillar Two Rules has become effective in certain European countries such as Germany, Portugal and United Kingdom, Japan, Korea and Vietnam in which the group entities are incorporated. The top-up tax relates to the Group's operation in Portugal, where the annual effective income tax rate is estimated to be below 15 per cent. Therefore, a top-up tax is accrued in the current interim period using the tax rate based on the estimated adjusted covered taxes and net globe income for the year. The Group has recognized a current tax expense of HK\$9,551,000 related to the top-up tax for the six months ended 30 June 2024 (six months ended 30 June 2023: n/a) which is expected to be levied on group entities. The Group has applied the temporary mandatory exception for recognizing and disclosing deferred tax assets and liabilities for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.
- (f) Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The deferred tax credit is mainly related to the tax effect of temporary difference between the tax base of certain assets and liabilities and the carrying value of the assets and liabilities. The balance mainly includes temporary differences arising from retirement benefit obligations, provisions, inventories, trade receivables, right-of-use assets and lease liabilities.

## 8. DIVIDENDS

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<u>Dividend recognized as distribution during the period</u>		
Final dividend for 2023 paid of HK\$0.26 (2023: final dividend for 2022 paid of HK\$1.90) per share on 414,505,433 (2023: 412,504,333) shares	<b>107,771</b>	783,758
Special dividend for 2023 paid of HK\$0.52 per share on 414,505,433 shares	<b>215,543</b>	-
	<b><u>215,543</u></b>	<b><u>-</u></b>
<u>Dividend declared after the end of the interim reporting period</u>		
Interim dividend for 2024 of HK\$0.35 (2023: HK\$0.61) per share on 414,505,433 (2023: 412,504,333) shares	<b>145,077</b>	251,628
	<b><u>145,077</u></b>	<b><u>251,628</u></b>

The dividend declared after 30 June 2024 will be paid to the shareholders of the Company whose names appear on the Register of Members on 16 August 2024.

## 9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Earnings for the purpose of calculating basic and diluted earnings per share (profit for the period attributable to owners of the Company)	<b>314,967</b>	625,376
	<b><u>314,967</u></b>	<b><u>625,376</u></b>
	<b>Number of shares (in thousands)</b>	
	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<b>414,400</b>	412,397
Effect of dilutive potential shares:		
- Employee Share Incentive Scheme	<b>477</b>	394
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<b>414,877</b>	412,791
	<b><u>414,877</u></b>	<b><u>412,791</u></b>

## 10. TRADE AND OTHER RECEIVABLES

	At 30 June 2024 HK\$'000 (unaudited)	At 31 December 2023 HK\$'000 (audited)
Trade receivables (Note)	3,287,179	3,585,695
Value-added tax recoverable	189,658	171,577
Other receivables, deposits and prepayments	322,291	215,593
	<b>3,799,128</b>	<b>3,972,865</b>

The following is an aging analysis of trade receivables net of allowance for credit losses presented based on the due date at the end of the reporting period:

	At 30 June 2024 HK\$'000 (unaudited)	At 31 December 2023 HK\$'000 (audited)
Not yet due (Note)	2,464,850	2,838,005
Overdue within 30 days	395,432	223,539
Overdue 31 to 60 days	90,176	130,436
Overdue 61 to 90 days	87,411	80,436
Overdue over 90 days	249,310	313,279
	<b>3,287,179</b>	<b>3,585,695</b>

Note: The amount included notes receivables amounting to HK\$85,083,000 (31 December 2023: HK\$31,742,000) held by the Group for future settlement of trade receivables. All notes receivables received by the Group are with a maturity period of less than one year.

As at 30 June 2024, the Group has note receivables amounting to HK\$28,444,000 (31 December 2023: n/a) that were discounted to a bank with recourse. As the Group has not transferred the significant risks and rewards relating to these receivables, it continues to recognize the full carrying amount of the receivables and has recognized the cash received on the transfer as a collateralized borrowing. These receivables are carried at amortized cost in the Group's condensed consolidated statement of financial position.

Before accepting any new customer, the Group assesses the potential customer's credit quality and pre-sets maximum credit limit for each customer. Limits and credit quality attributed to customers are reviewed regularly. Payment terms with customers are mainly on credit together with deposits received in advance. Invoices are normally payable within 30 days to 60 days of issuance, except for certain well established customers, where the terms are extended to 3 to 4 months or longer.

## 11. TRADE LIABILITIES AND OTHER PAYABLES

	At 30 June 2024 HK\$'000 (unaudited)	At 31 December 2023 HK\$'000 (audited)
Trade payables	1,151,270	1,152,276
Deferred income (Note a)	121,305	144,277
Accrued salaries and wages	268,456	245,681
Other accrued charges	405,359	513,078
Payables arising from acquisition of property, plant and equipment	51,668	45,667
Gross obligation to acquire non-controlling interest	-	44,140
Other payables (Note b)	220,570	218,910
	<b>2,218,628</b>	<b>2,364,029</b>

Notes:

- (a) The amounts mainly represent the spare credits that grant customers the right to purchase certain amounts of spare parts for free, which are contract liabilities.
- (b) The amounts mainly represent the value-added tax payable and sundry payables or accruals of operating expenses.

The following is an aging analysis of trade payables presented based on the due date at the end of the reporting period:

	At 30 June 2024 HK\$'000 (unaudited)	At 31 December 2023 HK\$'000 (audited)
Not yet due	812,952	870,118
Overdue within 30 days	149,506	192,702
Overdue 31 to 60 days	89,329	49,999
Overdue 61 to 90 days	39,146	25,443
Overdue over 90 days	60,337	14,014
	<b>1,151,270</b>	<b>1,152,276</b>

The average credit period on purchases of goods ranges from 30 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

## RECONCILIATION OF HKFRS MEASURES TO THE NON-HKFRS MEASURES

For review of financial performance, the Group has provided adjusted net profit and adjusted earnings per share which are supplementary to the Group's consolidated results in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The Group believes that these additional figures provide our shareholders and investors with useful supplementary information about our ongoing operating performance and facilitates the analysis and comparison of financial trends and results between periods. The adjusted net profit and adjusted earnings per share exclude the impact of restructuring costs which were mainly related to employee severance and benefit arrangements.

The use of these non-HKFRS measures may have certain limitations as a tool for analysis and comparison. Shareholders and investors are advised not to consider these non-HKFRS measures in isolation from, or as a substitute for analysis of, the Group's financial performance as reported under HKFRS. Also, please note that these non-HKFRS measures may be defined differently from similar terms used by other companies.

The following table highlighted the reconciliations of the Group's financial measures prepared in accordance with HKFRS for Q2 2024, 1H 2024 and 2H 2023 to the non-HKFRS measures.

<b>Three months ended 30 June 2024</b>				
<b><u>Non-HKFRS adjustments</u></b>				
	<b>As reported</b>	<b>Restructuring</b>	<b>Income</b>	<b>Adjusted</b>
	<b>HK\$'000</b>	<b>costs</b>	<b>tax effect</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
Profit for the period	136,696	533	(101)	137,128
Net Profit Margin	4.1%			4.1%
Profit attributable to owners of the Company	135,054	533	(101)	135,486
Basic earnings per share (HK\$)	0.33			0.33
<b>Six months ended 30 June 2024</b>				
<b><u>Non-HKFRS adjustments</u></b>				
	<b>As reported</b>	<b>Restructuring</b>	<b>Income</b>	<b>Adjusted</b>
	<b>HK\$'000</b>	<b>costs</b>	<b>tax effect</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
Profit for the period	314,151	533	(101)	314,583
Net Profit Margin	4.8%			4.9%
Profit attributable to owners of the Company	314,967	533	(101)	315,399
Basic earnings per share (HK\$)	0.76			0.76



## RECONCILIATION OF HKFRS MEASURES TO THE NON-HKFRS MEASURES – continued

Six months ended 31 December 2023

### Non-HKFRS adjustments

	As reported HK\$'000 (unaudited)	Restructuring costs HK\$'000 (unaudited)	Income tax effect HK\$'000 (unaudited)	Adjusted HK\$'000 (unaudited)
Profit for the period	88,432	41,554	(8,119)	121,867
Net Profit Margin	1.3%			1.8%
Profit attributable to owners of the Company	89,977	41,554	(8,119)	123,412
Basic earnings per share (HK\$)	0.22			0.30

Note: There were no corresponding items to be adjusted for the non-HKFRS measures applicable to the Group's results for Q2 2023, 1H 2023 and Q1 2024.

## **CORPORATE GOVERNANCE**

The Company has complied with all the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Part 2 of Appendix C1 of the Listing Rules throughout the six months ended 30 June 2024.

The Company reviews its corporate governance practices regularly to ensure compliance with the CG Code.

## **AUDIT COMMITTEE**

The Audit Committee of the Company (the “Audit Committee”) comprises four Independent Non-Executive Directors and one Non-Executive Director who together have substantial experience in fields of auditing, legal matters, business, accounting, corporate internal control and regulatory affairs.

## **REVIEW OF FINANCIAL STATEMENTS**

The Audit Committee has reviewed the Group’s unaudited condensed consolidated financial statements for the six months ended 30 June 2024 in conjunction with the Company’s external auditor.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

During the six months ended 30 June 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities except that an independent professional trustee appointed by the Board under the Company’s Employee Share Incentive Scheme, pursuant to the terms of the rules and trust deed of the Employee Share Incentive Scheme, purchased on The Stock Exchange of Hong Kong Limited a total of 338,600 shares in the Company at a total consideration of approximately HK\$35.2 million (excluding ancillary trading fees, costs and expenses directly attributable to the purchase).

## **BOARD OF DIRECTORS**

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, Dr. Hichem M’Saad 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.

On behalf of the Board  
**Robin Gerard Ng Cher Tat**  
Director

Hong Kong, 23 July 2024