

Hong Kong

ADD (no change)

Consensus ratings*: Buy 12 Hold 8 Sell 0

Current price:	HK\$90.00
Target price:	HK\$112.0
Previous target:	HK\$95.00
Up/downside:	24.4%
CGSI / Consensus:	26.9%
Reuters:	0522.HK
Bloomberg:	522 HK
Market cap:	US\$4,768m HK\$37,305m
Average daily turnover:	US\$10.35m HK\$80.89m
Current shares o/s:	414.5m
Free float:	75.1%

*Source: Bloomberg

Key changes in this note

- FY24-25F revenue decreased by 10-11% due to slower revenue growth in SMT solutions.
- FY24-25F GPM decreased by 0.20% pt due to a change in revenue mix.
- FY24-25F EPS decreased by 14-15% due to reduced revenue in SMT solutions and lower GPM



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	18.5	13.9	33.3
Relative (%)	13.2	18.1	49.1

Major shareholders	% held
ASM International N.V.	25.0
FIL Ltd	10.0
Brown Brothers Harriman & Co.	8.1

Analyst



Ray KWOK
T (852) 2532 1113
E ray.kwok@cgsi.com

ASMPT Limited

Generative AI boosts AP tools demand

- FY23 net profit was 25% below due to slow semiconductor recovery.
- AP tools demand to rise in FY24-26F due to expanding TCB customer base.
- Reiterate Add with higher TP of HK\$112.0, based on 2.8x FY24F P/BV.

Weak 4Q23 results, continued drag from semiconductor downturn

ASMPT reported weak 4Q23 results, with a net profit of HK\$75m, a drop of 72% yoy (+415% qoq on a low base), owing to the prolonged downturn in the global semiconductor market. 4Q23 revenue fell 21% yoy (-2% qoq) to HK\$3.4bn, at the upper range of the company's guidance, driven by semiconductor solutions (-15% yoy, +1% qoq) and surface mount technology (SMT) solutions (-26% yoy, -5% qoq). Group GPM significantly increased 812bp qoq (on a low base in 3Q23) and 87bp yoy to 42.3% due to an improved product mix. FY23 net profit was 25% short of our forecast due to a slower-than-expected recovery of the global semiconductor market.

Revenue to see strong positive growth in 3Q/4Q24F

4Q23 bookings in semiconductor solutions increased by 11% yoy (-9% qoq) due to strong demand for advanced packaging (AP) tools, particularly thermo compression bonding (TCB) for high bandwidth memory (HBM) and high-performance computers (HPC). Bookings in SMT solutions fell 25% yoy (-9% qoq) in 4Q23, due to weaker consumer electronics, communication and PC demand. Book-to-bill ratio fell slightly from 0.84x in 3Q23 to 0.82x in 4Q23, dragged by SMT. The company expects 1Q24F revenue to decline by 20% yoy and 8% qoq to c.HK\$3.1bn (within our expectations), on the back of a prolonged semiconductor downturn. Nonetheless, we anticipate strong sequential revenue improvement (qoq) in 2Q-4Q24F, supported by rising orders for AP tools, as well as a steady recovery in automotive and smartphone applications.

Generative AI applications to drive semiconductor revenue growth

AP tools accounted for 22% of FY23 revenue; we expect AP tools sales to grow as the company expands its TCB customer base from IDMs into foundries and OSATs. We expect FY24F revenue to resume growth of 9% yoy (+13% in semiconductors, +7% in SMT), underpinned by stronger contributions from AP tools, including TCB, flip-chip highprecision die-bonding, and hybrid bonding on growing demand for logic, HBM and AI edge devices, as well as growing SMT placement tools demand from substrate. We expect group GPM to further expand to 42%+ (FY23: 39.3%) on higher contribution from high-margin AP tools.

Reiterate Add, with higher target price of HK\$112.0

We reiterate Add on ASMPT as we believe it would be a key beneficiary of the rising AP demand from generative AI applications and resuming capex among OSATs in China. We lower our FY24-25F EPS forecasts by 14-15% on slower SMT revenue growth and lower GPM assumptions due to a change in revenue mix. We raise our TP to HK\$112.0 as we roll forward to FY24F and raise P/BV target multiple to 2.8x (previously 2.5x), +1 s.d. of its 3-year average, to reflect the improving semiconductor industry outlook. Share price catalysts: global semiconductor recovery and strong AP tools demand. Risks: prolonged semiconductor downturn affecting revenue growth, and slowing EV penetration globally.

Financial Summary	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Revenue (HK\$m)	19,363	14,697	16,058	18,456	20,855
Operating EBITDA (HK\$m)	3,912	1,744	2,673	3,240	3,908
Net Profit (HK\$m)	2,628	715	1,583	2,091	2,674
Normalised EPS (HK\$)	6.42	1.79	3.82	5.04	6.45
Normalised EPS Growth	(18%)	(72%)	114%	32%	28%
FD Normalised P/E (x)	14.11	50.59	23.67	17.92	14.01
DPS (HK\$)	3.20	1.39	1.91	2.52	3.23
Dividend Yield	3.56%	1.54%	2.12%	2.80%	3.58%
EV/EBITDA (x)	8.60	19.08	12.11	9.83	7.95
P/FCFE (x)	12.59	17.62	29.84	37.01	23.74
Net Gearing	(12.7%)	(15.4%)	(21.1%)	(22.6%)	(24.9%)
P/BV (x)	2.36	2.38	2.25	2.09	1.93
ROE	17.0%	4.7%	9.8%	12.2%	14.4%
% Change In Normalised EPS Estimates			(15.5%)	(14.0%)	
Normalised EPS/consensus EPS (x)			0.88	0.81	

SOURCES: CGSI RESEARCH, COMPANY REPORTS

Generative AI boosts AP tools demand

Figure 1: Results comparison

FYE 31 Dec (HK\$m)	4QFY23	4QFY22	yoy % chg	qoq % chg	4QFY23 Cum	4QFY22 Cum	yoy % chg	FY23F Prev.	Comments
Revenue	3,405	4,330	(21.4)	(2.0)	14,697	19,363	(24.1)	14,732	4Q23 revenue fell 21% yoy (-2% qoq), driven by SEMI solutions (+11 yoy and
Operating costs	(3,025)	(3,510)	(13.8)	(5.2)	(12,953)	(15,443)	(16.1)	(12,903)	-6% qoq), and SMT solutions (-25% yoy and -9% qoq).
EBITDA	380	821	(53.7)	33.4	1,744	3,920	(55.5)	1,829	
EBITDA margin (%)	11	19	-	-	12	20	-	12	
Depn & amort.	(235)	(246)	(4.3)	-	(713)	(739)	(3.4)	(799)	4Q23 GPM expanded by 87bps yoy (+812bps qoq) to 4123%, strong qoq
EBIT	144	575	(74.9)	192.7	1,031	3,182	(67.6)	1,029	improvement due to low base in 3Q23, yoy improvement due to product mix
Interest expense	(52)	(30)	76.8	82.6	(138)	(120)	15.0	(111)	
Interest & invt inc	34	(169)	NM	(23.0)	153	209	(26.7)	240	
Associates' contrib	(19)	13	(241.1)	(362.2)	11	163	(93.1)	172	
Exceptionals	19	(13)	NM	-	(21)	(13)	NM	(40)	
Pretax profit	126	377	(66.6)	305.5	1,036	3,421	(69.7)	1,290	
Tax	(50)	(110)	(54.3)	174.5	(325)	(795)	(59.2)	(335)	
Tax rate (%)	40	29	-	-	31	23	-	26	
Minority interests	(0)	0	NM	NM	4	2	76.4	7	
Net profit	75	267	(71.8)	415.2	715	2,628	(72.8)	961	4Q23 net profit dropped 72% yoy (+415% qoq) to HK\$75m
Core net profit	56	280	(79.9)	2.3	737	2,641	(72.1)	1,002	FY23 net profit made up 74% of our FY23F forecast, mainly due to
EPS (HK\$)	0.18	0.65	(71.6)	415.2	1.75	6.43	(72.8)	2.35	lower-than-expected revenue from SEMI.
Core EPS (HK\$)	0.14	0.68	(79.7)	2.3	1.80	6.46	(72.1)	2.45	

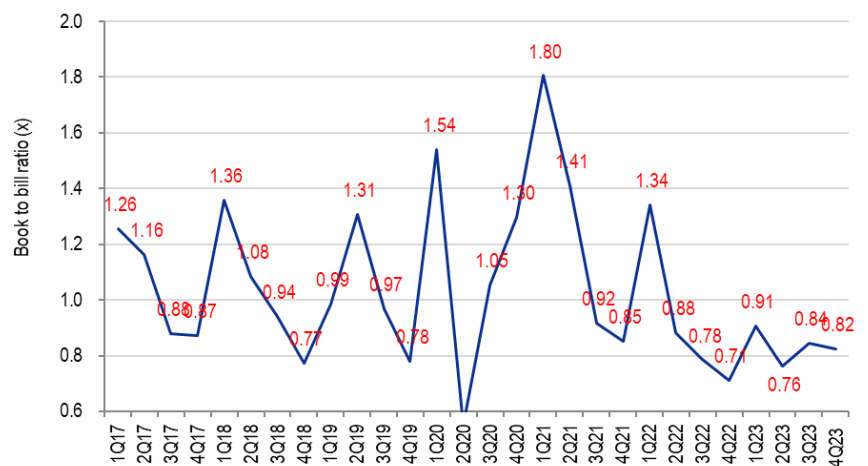
SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 2: Bookings, billings and gross profit margin growth by business segment (4Q23)

4Q23	Bookings		Billings		Gross profit margin chg (ppt)	
	yoy	qoq	yoy	qoq	yoy	qoq
The group	-12.1%	-5.2%	-21.4%	-2.0%	0.87%	8.12%
Semiconductor solution:	10.6%	-6.2%	-15.3%	1.2%	-0.46%	11.90%
SMT solutions	-25.0%	-8.7%	-26.0%	-4.7%	2.13%	5.00%

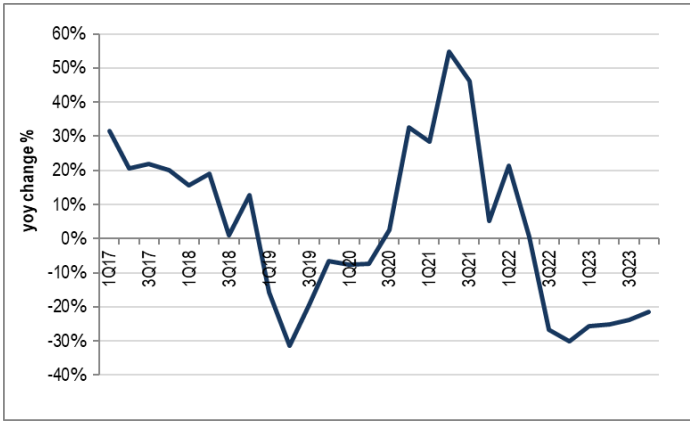
SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 3: Book-to-bill ratio, by quarter (1Q17 to 4Q23)



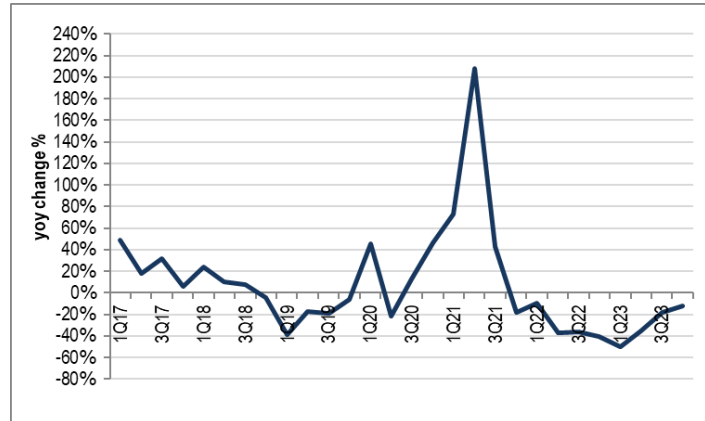
SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 4: ASMPT's billings growth (1Q17 to 4Q23)



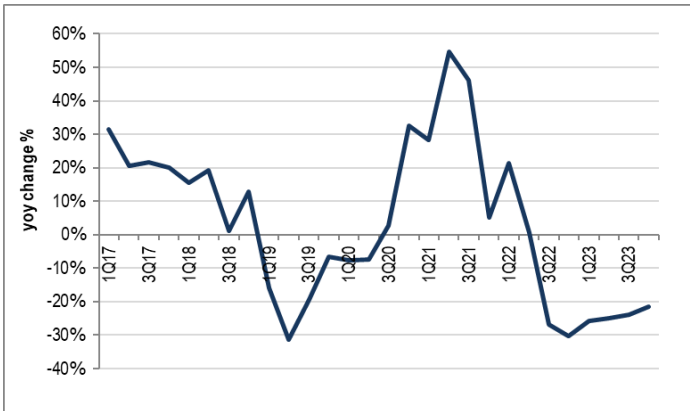
SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 5: ASMPT's bookings growth (1Q17 to 4Q23)



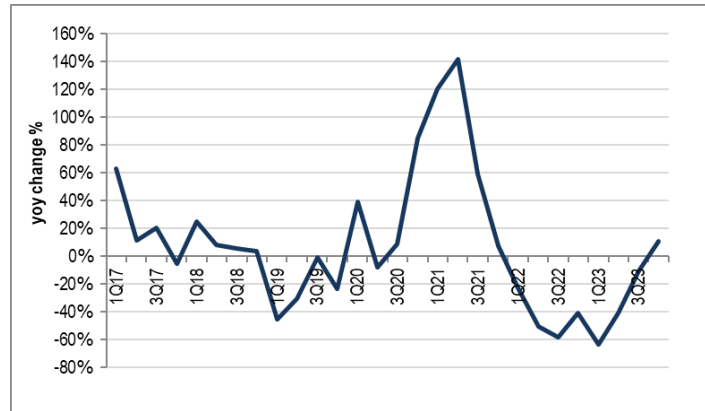
SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 6: Semiconductor solutions – billings growth (1Q17 to 4Q23)



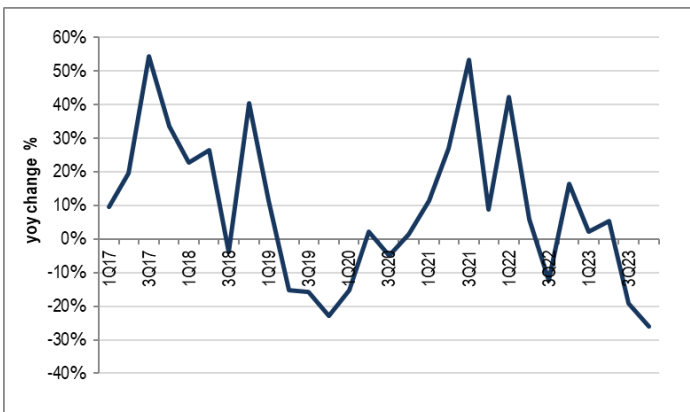
SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 7: Semiconductor solutions – bookings growth (1Q17 to 4Q23)



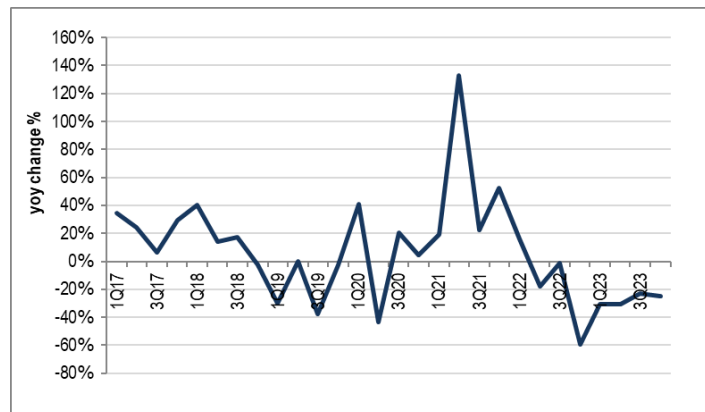
SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 8: SMT solutions – billings growth (1Q17 to 4Q23)



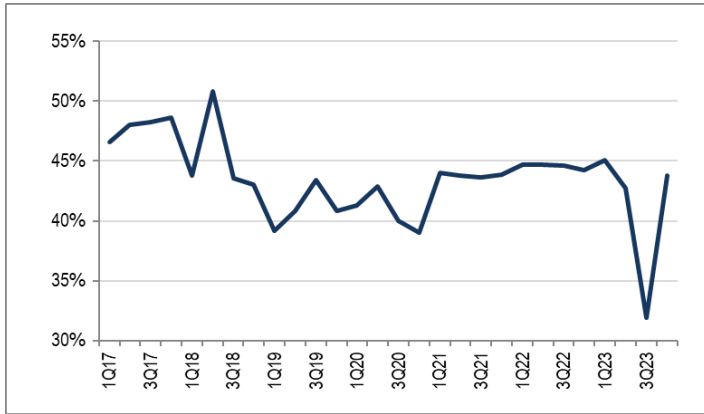
SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 9: SMT solutions – bookings growth (1Q17 to 4Q23)



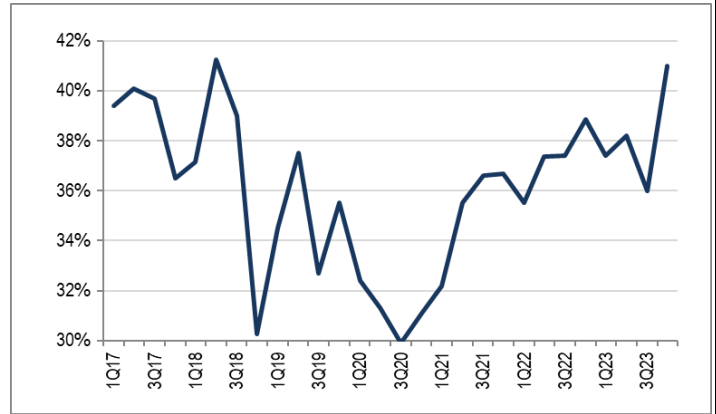
SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 10: Semiconductor solutions – GPM (1Q17 to 4Q23)



SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 11: SMT solutions – GPM (1Q17 to 4Q23)



SOURCES: CGS-CIMB RESEARCH, COMPANY REPORTS

Figure 12: Earnings revisions

FYE - 31 Dec (HK\$m)	FY24F			FY25F			FY26F		
	Old	New	% chg	Old	New	% chg	Old	New	% chg
Total revenue	18,132	16,058	-11%	20,513	18,456	-10%	N/A	20,855	N/A
Gross profit	7,366	6,813	-8%	8,523	7,872	-8%	N/A	8,933	N/A
Gross margin (%)	42.6%	42.4%	-0.2% pts	42.9%	42.7%	-0.2% pts	N/A	42.8%	N/A
EBITDA	2,884	2,673	-7%	3,572	3,240	-9%	N/A	3,908	N/A
EBITDA margin (%)	16.9%	16.6%	-0.3% pts	17.9%	17.6%	-0.3% pts	N/A	18.7%	N/A
Net profit	1,865	1,583	-15%	2,420	2,091	-14%	N/A	2,674	N/A
Core net profit	1,865	1,583	-15%	2,420	2,091	-14%	N/A	2,674	N/A
EPS (HK\$)	4.52	3.82	-15%	5.86	5.04	-14%	N/A	6.45	N/A

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS



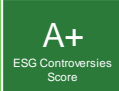
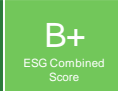



Figure 13: Peer comparison

Company	Bloomberg Code	Recom.	Price		Upside (%)	Market Cap (US\$m)	P/E		3-year EPS CAGR %	P/BV (x)		Recurring ROE (%)		EV/EBITDA (x)		Dividend yield (%)	
			(local curr)	(local curr)			CY2024F	CY2024F		CY2023F	CY2024F	CY2023F	CY2024F	CY2023F	CY2024F	CY2023F	CY2024F
Semiconductor production equipment (SPE) manufacturers																	
ASM Pacific	522 HK	Add	90.00	112.00	24%	4,768	23.6	17.8	-7.7%	2.4	2.3	4.6%	9.8%	NA	NA	1.5%	2.1%
M Technovation	MIMK	Hold	1.83	1.59	-13%	343	20.6	17.6	7.2%	1.5	1.5	5.7%	7.2%	14.3	11.3	1.8%	2.4%
Fuji Machine	6134 JP	Not Rated	2,625	N/A	N/A	1,704	23.1	17.0	-13.9%	1.1	1.1	9.9%	5.0%	5.0	8.0	3.0%	3.0%
Kulicke & Soffa	KLIC US	Not Rated	48.85	N/A	N/A	2,752	27.7	16.4	-26.8%	N/A	N/A	8.6%	8.1%	N/A	N/A	0.0%	0.0%
Wonik IPS	240810 KS	Add	28,500	36,000	26%	1,051	12.9	11.9	10.6%	1.6	1.5	0.2%	11.2%	44.0	6.9	0.7%	0.7%
Leeno Industrial	058470 KS	Add	197,000	250,000	27%	2,256	27.3	26.5	-0.3%	5.5	4.9	19.3%	18.9%	20.3	16.8	1.5%	1.5%
SFA Engineering	056190 KS	Add	26,400	35,000	33%	712	9.2	8.3	13.9%	0.8	0.8	4.4%	8.7%	5.6	3.2	1.6%	3.8%
Average							20.6	16.5	-2.4%	2.2	2.0	7.5%	9.8%	17.8	9.2	1.4%	1.9%
Foundry																	
SMC	981 HK	Hold	16.62	18.10	0.09	25,661	16.1	13.7	-12.4%	0.9	0.9	4.4%	5.6%	7.8	6.6	0.0%	0.0%
Hua Hong Semiconductor	1347 HK	Not Rated	16.10	N/A	N/A	4,537	23.9	11.8	-11.0%	0.6	0.5	5.4%	2.6%	6.0	6.0	0.0%	0.2%
TSMC	2330 TT	Not Rated	698.00	N/A	N/A	572,785	18.3	14.8	6.7%	5.2	4.4	25.6%	25.3%	12.0	9.6	1.7%	2.0%
UMC	2303 TT	Not Rated	48.15	N/A	N/A	19,092	11.7	9.6	-11.0%	1.7	1.7	17.5%	14.5%	5.2	5.5	6.5%	5.9%
Win Semiconductors	3105 TT	Not Rated	152.00	N/A	N/A	2,039	30.2	20.5	21.2%	1.9	1.8	-0.5%	6.3%	18.7	11.5	1.3%	1.5%
SK Hynix	000660 KS	Add	153,800	180,000	17%	84,113	11.6	5.6	105.0%	2.1	1.8	-16.1%	16.6%	23.3	5.5	0.8%	0.8%
DB HiTek	000990 KS	Hold	47,500	56,000	18%	1,584	10.0	9.1	-25.3%	1.2	1.1	12.4%	11.6%	2.9	1.9	0.8%	0.8%
Average							17.4	12.2	10.5%	2.0	1.7	6.9%	11.8%	10.8	6.7	1.6%	1.6%
OSAT and materials suppliers																	
Malaysian Pacific Industries	MPI MK	Reduce	28.62	22.40	-22%	1,196	35.9	25.2	NA	2.9	2.8	5.2%	8.0%	11.6	10.7	1.0%	1.0%
Daeduck Elec	353200 KS	Add	22,200	24,000	8%	824	13.2	11.9	NA	1.3	1.2	3.1%	9.6%	6.6	4.1	1.7%	1.7%
Tokai Carbon Korea	064760 KS	Add	94,400	110,000	17%	828	15.3	13.9	NA	2.5	2.3	13.1%	15.5%	9.8	6.4	1.6%	1.6%
Average							21.5	17.0	NA	2.3	2.1	7.2%	11.1%	9.3	7.1	1.5%	1.4%
Semiconductor (fabless)																	
China Res Micro	688396 CH	Not Rated	41.01	N/A	N/A	7,518	28.0	22.3	-1.9%	2.5	2.3	6.9%	8.3%	21.8	16.8	0.4%	0.5%
GigaDevice	603986 CH	Not Rated	70.38	N/A	N/A	6,521	36.7	23.8	-7.6%	3.0	2.8	3.1%	7.9%	68.8	28.8	0.2%	0.6%
Montage	688008 CH	Not Rated	51.08	N/A	N/A	8,099	39.8	26.1	18.4%	5.6	5.0	4.8%	13.5%	73.1	35.0	0.3%	0.7%
Maxscend	300782 CH	Not Rated	101.37	N/A	N/A	7,515	33.0	24.9	22.0%	5.6	4.9	12.5%	15.2%	32.6	22.5	0.2%	0.6%
NavInfo	002405 CH	Not Rated	7.24	N/A	N/A	2,388	N/A	124.7	-230.7%	1.5	1.5	-5.5%	-3.0%	N/A	1,807.8	0.0%	0.0%
Will Semiconductor	603501 CH	Add	90.35	132.00	46%	15,261	44.4	27.4	NA	5.7	5.0	4.7%	12.0%	36.5	18.5	0.1%	0.2%
Wingtech Technology	600745 CH	Not Rated	36.41	N/A	N/A	6,286	12.1	9.7	18.0%	1.2	1.1	7.5%	9.0%	6.9	5.8	0.3%	0.5%
Average							32.3	37.0	-30.3%	3.6	3.2	4.9%	9.0%	39.9	276.4	0.2%	0.4%
Semiconductor - Integrated device manufacturers (IDMs)																	
Samsung	005930 KS	Add	72,900	115,000	58%	326,936	14.0	-	-13.5%	1.4	1.3	3.2%	8.7%	12.4	6.7	2.0%	2.0%
MediaTek	2454 TT	Not Rated	1,115.00	N/A	N/A	56,441	18.8	15.8	-1.7%	4.3	4.1	17.3%	23.4%	19.5	14.4	5.3%	4.7%
Intel	INTC US	Not Rated	42.73	N/A	N/A	180,662	32.2	19.6	6.4%	1.7	1.7	3.9%	4.4%	16.1	14.0	1.7%	1.2%
NV/IDA	NVDA US	Not Rated	787.01	N/A	N/A	1,967,525	63.5	32.2	76.5%	N/A	44.7	29.7%	83.1%	187.5	55.2	0.0%	0.0%
Infineon	IFX GR	Not Rated	34.48	N/A	N/A	48,738	16.5	13.1	11.7%	2.7	2.4	20.5%	14.7%	8.1	9.3	1.1%	1.0%
Qualcomm	QCOM US	Not Rated	158.30	N/A	N/A	176,663	16.4	14.6	-5.7%	8.3	7.6	45.3%	43.7%	15.1	13.0	2.0%	2.1%
Average							26.9	15.9	12.3%	3.7	10.3	20.0%	29.7%	43.1	18.8	2.0%	1.8%

PRICES AS AT 27 FEB 2024

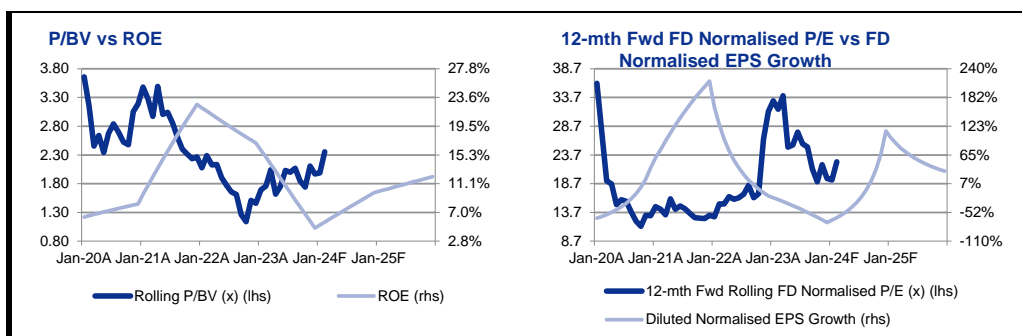
SOURCES: CGSI RESEARCH ESTIMATES, BLOOMBERG

Note: Estimates for Not Rated companies are based on Bloomberg consensus

 Refinitiv ESG Scores	
     	
ESG in a nutshell	
<p>In FY22, ASMPT continued its ESG efforts and achieved significant progress in environmental protection that included a decreasing emissions figure. The company also protects the rights of its employees and provides opportunity for career development and personal enrichment, in our view. It takes part in a series of charity activities as part of its social responsibility efforts. Moreover, it has formed a specific ESG team to implement its ESG blueprint. In our view, ASMPT is not involved in any environmentally detrimental industry practices and takes efforts to minimise the environmental impact of its operations.</p>	
Environmental	Implications <p>In FY22, its total energy consumption of electricity fell 10.7% yoy to 106m kWh, while energy consumption intensity stayed at a stable level of 5.5 kWh/HK\$'000 revenue in both FY22 and FY21. Total water consumption fell 8.9% yoy to 0.51m m³, while water consumption intensity was kept at 0.03 m³/HK\$'000 revenue in both FY22 and FY21. Total greenhouse gas emissions fell to 64.5 kilotonnes (-17.4% yoy), while emission intensity (tonnes/HK\$'000 revenue) decreased from 0.0036 in FY20 to 0.0033 in FY21. Hazardous waste production was 557 tonnes in 2021 (-45% yoy), while non-hazardous waste was 3,075 tonnes (+10% yoy).</p> <p>According to Refinitiv, ASMPT scored a B in the Environmental pillar, and was ranked 18th out of 124 in the global semiconductor and semiconductor equipment sector.</p>
Social	Implications <p>ASMPT values the legal rights of its employees, especially on fair and effective implementation. The company has established workplace health and safety committees to ensure the safety of its employees. For the community, ASMPT organised a virtual global charity event called "Together We Run" to promote a healthy lifestyle and provide free meals for charities in 2022. The company also launched specific student internship programmes to promote the career development of young people.</p> <p>According to Refinitiv, ASMPT scored a B+ in the Social pillar, and was ranked 15th out of 124 in the global semiconductor and semiconductor equipment sector.</p>
Governance	Implications <p>ASMPT has in place a structure to oversee, manage and implement sustainability goals under its Board of Directors, exco, ESG Coalition and ESG Team.</p> <p>It did not face any non-compliance of relevant laws and regulations related to health and safety, advertising, labelling and privacy matters in 2022. For ESG, the company has put forward a well-rounded sustainability strategy, including nurturing employees, supporting communities, creating value through innovation and minimising its environmental impact.</p> <p>According to Refinitiv, ASMPT scored a B+ in the Governance pillar, and was ranked 41st out of 124 in the global semiconductor and semiconductor equipment sector.</p>

SOURCES: CGSI RESEARCH, REFINITIV

BY THE NUMBERS



Profit & Loss

(HK\$m)	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Total Net Revenues	19,363	14,697	16,058	18,456	20,855
Gross Profit	7,966	5,774	6,813	7,872	8,933
Operating EBITDA	3,912	1,744	2,673	3,240	3,908
Depreciation And Amortisation	(739)	(713)	(769)	(712)	(671)
Operating EBIT	3,174	1,031	1,904	2,528	3,236
Financial Income/(Expense)	(88)	(55)	(4)	43	77
Pretax Income/(Loss) from Assoc.	163	11	9	13	14
Non-Operating Income/(Expense)	185	70	100	100	100
Profit Before Tax (pre-EI)	3,434	1,057	2,010	2,684	3,427
Exceptional Items	(13)	(21)	0	0	0
Pre-tax Profit	3,421	1,036	2,010	2,684	3,427
Taxation	(795)	(325)	(442)	(617)	(788)
Exceptional Income - post-tax					
Profit After Tax	2,626	712	1,568	2,067	2,639
Minority Interests	2	4	15	24	35
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	2,628	715	1,583	2,091	2,674
Normalised Net Profit	2,639	733	1,568	2,067	2,639
Fully Diluted Normalised Profit	2,641	737	1,583	2,091	2,674

Cash Flow

(HK\$m)	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
EBITDA	3,912	1,744	2,673	3,240	3,908
Cash Flow from Inv. & Assoc.	(163)	(11)	(9)	(13)	(14)
Change In Working Capital	346	1,190	(510)	(1,241)	(1,241)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	(63)	0	0	0	0
Other Operating Cashflow	860	289	290	248	214
Net Interest (Paid)/Received	(88)	(55)	(4)	43	77
Tax Paid	(795)	(325)	(442)	(617)	(788)
Cashflow From Operations	4,009	2,832	1,999	1,660	2,156
Capex	(422)	(550)	(450)	(450)	(450)
Disposals Of FAs/subsidiaries	(32)	0	0	0	0
Acq. Of Subsidiaries/investments	(179)	0	0	0	0
Other Investing Cashflow	34	83	106	123	128
Cash Flow From Investing	(599)	(467)	(344)	(327)	(322)
Debt Raised/(repaid)	(450)	(250)	(400)	(320)	(256)
Proceeds From Issue Of Shares	0	0	0	0	0
Shares Repurchased	0	0	0	0	0
Dividends Paid	(1,610)	(1,321)	(576)	(791)	(1,045)
Preferred Dividends					
Other Financing Cashflow	(497)	(3)	(3)	(3)	(3)
Cash Flow From Financing	(2,556)	(1,574)	(979)	(1,114)	(1,304)
Total Cash Generated	854	791	676	218	530
Free Cashflow To Equity	2,960	2,115	1,255	1,012	1,578
Free Cashflow To Firm	3,530	2,503	1,765	1,412	1,885

SOURCES: CGSI RESEARCH, COMPANY REPORTS

BY THE NUMBERS... cont'd

Balance Sheet

(HK\$m)	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Total Cash And Equivalents	4,263	4,434	5,113	5,334	5,867
Total Debtors	4,544	3,973	4,341	4,989	5,637
Inventories	7,450	6,315	6,543	7,490	8,437
Total Other Current Assets	259	518	51	51	51
Total Current Assets	16,515	15,241	16,047	17,864	19,992
Fixed Assets	2,231	2,190	1,982	1,831	1,720
Total Investments	1,585	1,585	1,585	1,585	1,585
Intangible Assets	1,970	1,995	1,995	1,995	1,995
Total Other Non-Current Assets	2,475	2,953	2,953	2,953	2,953
Total Non-current Assets	8,261	8,722	8,514	8,363	8,253
Short-term Debt	250	2,000	1,600	1,280	1,024
Current Portion of Long-Term Debt					
Total Creditors	2,879	2,364	2,449	2,804	3,158
Other Current Liabilities	2,117	1,649	1,492	1,531	1,590
Total Current Liabilities	5,247	6,013	5,541	5,615	5,772
Total Long-term Debt	2,000	0	0	0	0
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	1,524	2,025	2,212	2,543	2,873
Total Non-current Liabilities	3,524	2,025	2,212	2,543	2,873
Total Provisions	148	121	121	121	121
Total Liabilities	8,919	8,159	7,875	8,279	8,766
Shareholders' Equity	15,739	15,691	16,574	17,835	19,366
Minority Interests	119	113	113	113	113
Total Equity	15,858	15,804	16,687	17,948	19,479

Key Ratios

	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Revenue Growth	(11.8%)	(24.1%)	9.3%	14.9%	13.0%
Operating EBITDA Growth	(18.1%)	(55.4%)	53.3%	21.2%	20.6%
Operating EBITDA Margin	20.2%	11.9%	16.6%	17.6%	18.7%
Net Cash Per Share (HK\$)	4.88	5.87	8.48	9.78	11.68
BVPS (HK\$)	38.12	37.85	39.98	43.03	46.72
Gross Interest Cover	26.46	7.48	17.31	31.60	63.21
Effective Tax Rate	23.2%	31.3%	22.0%	23.0%	23.0%
Net Dividend Payout Ratio	50.0%	78.2%	50.0%	50.0%	50.0%
Accounts Receivables Days	98.2	105.8	94.7	92.3	93.0
Inventory Days	238.7	281.5	254.5	242.0	243.8
Accounts Payables Days	103.9	107.2	95.3	90.6	91.3
ROIC (%)	22.8%	7.4%	13.7%	18.2%	21.6%
ROCE (%)	17.5%	6.2%	11.1%	14.0%	16.8%
Return On Average Assets	10.6%	3.2%	6.5%	8.0%	9.4%

Key Drivers

	Dec-22A	Dec-23A	Dec-24F	Dec-25F	Dec-26F
Semiconductor solutions revenue (yoy change %)	-25.2%	-37.0%	12.6%	18.2%	13.0%
SMT solutions revenue (yoy change %)	9.8%	-10.0%	6.7%	12.3%	13.0%
Semiconductor solutions (GPM %)	44.6%	41.0%	44.2%	44.6%	45.0%
SMT solutions (GPM %)	37.3%	37.0%	41.0%	41.0%	41.0%

SOURCES: CGSI RESEARCH, COMPANY REPORTS

DISCLAIMER

The content of this report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by and belongs to CGS International. Reports relating to a specific geographical area are produced and distributed by the corresponding CGS International entity as listed in the table below.

This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.

By accepting this report, the recipient hereof represents and warrants that he is entitled to receive such report in accordance with the restrictions set forth below and agrees to be bound by the limitations contained herein (including the “Restrictions on Distributions” set out below). Any failure to comply with these limitations may constitute a violation of law. This publication is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of CGS International.

The information contained in this research report is prepared from data believed to be correct and reliable at the time of issue of this report. CGS International may or may not issue regular reports on the subject matter of this report at any frequency and may cease to do so or change the periodicity of reports at any time. CGS International has no obligation to update this report in the event of a material change to the information contained in this report. CGS International does not accept any obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant, (ii) ensure that the content of this report constitutes all the information a prospective investor may require, (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, CGS International, its affiliates and related corporations shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof. In particular, CGS International disclaims all responsibility and liability for the views and opinions set out in this report.

Unless otherwise specified, this report is based upon sources which CGS International considers to be reasonable. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research.

Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of CGS International or any of its affiliates to any person to buy or sell any investments.

CGS International, its affiliates and related corporations and/or their respective directors, associates, connected parties and/or employees may own or have positions in securities of the company(ies) covered in this research report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities. Further, CGS International, its affiliates and their respective related corporations do and seek to do business with the company(ies) covered in this research report and may from time to time act as market maker or have assumed an underwriting commitment in securities of such company(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report.

CGS International or its affiliates may enter into an agreement with the company(ies) covered in this report relating to the production of research reports. CGS International may disclose the contents of this report to the company(ies) covered by it and may have amended the contents of this report following such disclosure.

The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously. No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report. The analyst(s) who prepared this research report is prohibited from receiving any compensation, incentive or bonus based on specific investment banking transactions or for providing a specific recommendation for, or view of, a particular company. Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations and the research personnel involved in the preparation of this report may also participate in the solicitation of the businesses as described above. In reviewing this research report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request.

Reports relating to a specific geographical area are produced by the corresponding CGS International entity as listed in the table below. The term “CGS International” shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case except as otherwise stated herein, CGS International Securities Pte. Ltd. and its affiliates, subsidiaries and related corporations.

Country	CGS International Entity	Regulated by
Hong Kong	CGS International Securities Hong Kong Limited	Securities and Futures Commission Hong Kong
Indonesia	PT CGS International Sekuritas Indonesia	Financial Services Authority of Indonesia
Malaysia	CGS International Securities Malaysia Sdn. Bhd. (formerly known as CGS-CIMB Securities Sdn. Bhd.)	Securities Commission Malaysia
Singapore	CGS International Securities Singapore Pte. Ltd.	Monetary Authority of Singapore
South Korea	CGS International Securities Hong Kong Limited, Korea Branch	Financial Services Commission and Financial Supervisory Service
Thailand	CGS International Securities (Thailand) Co. Ltd.	Securities and Exchange Commission Thailand

Other Significant Financial Interests:

(i) As of February 28, 2024 CGS International has a proprietary position in the securities (which may include but not be limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) -

(ii) Analyst Disclosure: As of February 28, 2024, the analyst(s) who prepared this report, and the associate(s), has / have an interest in the securities (which may include but not be limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) -

This report does not purport to contain all the information that a prospective investor may require. Neither CGS International nor any of its affiliates make any guarantee, representation or warranty, express or implied, as to the adequacy, accuracy, completeness, reliability or fairness of any such information and opinion contained in this report. Neither CGS International nor any of its affiliates nor their related corporations shall be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

This report is general in nature and has been prepared for information purposes only. It is intended for circulation amongst CGS International's clients generally and does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. The information and opinions in this report are not and should not be construed or considered as an offer, recommendation or solicitation to buy or sell the subject securities, related investments or other financial instruments or any derivative instrument, or any rights pertaining thereto.

Investors are advised to make their own independent evaluation of the information contained in this research report, consider their own individual investment objectives, financial situation and particular needs and consult their own professional and financial advisers as to the legal, business, financial, tax and other aspects before participating in any transaction in respect of the securities of company(ies) covered in this research report.

The securities of such company(ies) may not be eligible for sale in all jurisdictions or to all categories of investors.

Restrictions on Distributions

Australia: Despite anything in this report to the contrary, this research is provided in Australia by CGS International Securities Singapore Pte. Ltd. ("CGS SG") and CGS International Securities Hong Kong Limited ("CGS HK"). This research is only available in Australia to persons who are "wholesale clients" (within the meaning of the Corporations Act 2001 (Cth) and is supplied solely for the use of such wholesale clients and shall not be distributed or passed on to any other person. You represent and warrant that if you are in Australia, you are a "wholesale client". This research is of a general nature only and has been prepared without taking into account the objectives, financial situation or needs of the individual recipient. CGS SG and CGS HK do not hold, and are not required to hold an Australian financial services license. CGS SG and CGS HK rely on "passporting" exemptions for entities appropriately licensed by the Monetary Authority of Singapore (under ASIC Class Order 03/1102) and the Securities and Futures Commission in Hong Kong (under ASIC Class Order 03/1103).

Canada: This research report has not been prepared in accordance with the disclosure requirements of Dealer Member Rule 3400 – Research Restrictions and Disclosure Requirements of the Investment Industry Regulatory Organization of Canada. For any research report distributed by CIBC, further disclosures related to CIBC conflicts of interest can be found at <https://researchcentral.cibcwm.com>.

China: For the purpose of this report, the People's Republic of China ("PRC") does not include the Hong Kong Special Administrative Region, the Macau Special Administrative Region or Taiwan. The distributor of this report has not been approved or licensed by the China Securities Regulatory Commission or any other relevant regulatory authority or governmental agency in the PRC. This report contains only marketing information. The distribution of this report is not an offer to buy or sell to any person within or outside PRC or a solicitation to any person within or outside of PRC to buy or sell any instruments described herein. This report is being issued outside the PRC to a limited number of institutional investors and may not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose.

France: Only qualified investors within the meaning of French law shall have access to this report. This report shall not be considered as an offer to subscribe to, or used in connection with, any offer for subscription or sale or marketing or direct or indirect distribution of financial instruments and it is not intended as a solicitation for the purchase of any financial instrument.

Germany: This report is only directed at persons who are professional investors as defined in sec 31a(2) of the German Securities Trading Act (WpHG). This publication constitutes research of a non-binding nature on the market situation and the investment instruments cited here at the time of the publication of the information.

The current prices/yields in this issue are based upon closing prices from Bloomberg as of the day preceding publication. Please note that neither the German Federal Financial Supervisory Agency (BaFin), nor any other supervisory authority exercises any control over the content of this report.

Hong Kong: This report is issued and distributed in Hong Kong by CGS HK which is licensed in Hong Kong by the Securities and Futures Commission for Type 1 (dealing in securities) and Type 4 (advising on securities) activities. Any investors wishing to purchase or otherwise deal in the securities covered in this report should contact the Head of Sales at CGS HK. The views and opinions in this research report are our own as of the date hereof and are subject to change. If the Financial Services and Markets Act of the United Kingdom or the rules of the Financial Conduct Authority apply to a recipient, our obligations owed to such recipient therein are unaffected. CGS HK has no obligation to update its opinion or the information in this research report.

This publication is strictly confidential and is for private circulation only to clients of CGS HK.

CHK does not make a market on other securities mentioned in the report.

None of the analyst(s) or the associates serve as an officer of the listed corporation mentioned in this report.

CIMB does not have an officer serving in any of the listed corporation mentioned in this report

CIMB does not receive any compensation or other benefits from any of the listed corporation mentioned, relating to the production of research reports.

Indonesia: This report is issued and distributed by PT CGS International Sekuritas Indonesia ("CGS ID"). The views and opinions in this research

report are our own as of the date hereof and are subject to change. CGS ID has no obligation to update its opinion or the information in this research report. This report is for private circulation only to clients of CGS ID. Neither this report nor any copy hereof may be distributed in Indonesia or to any Indonesian citizens wherever they are domiciled or to Indonesian residents except in compliance with applicable Indonesian capital market laws and regulations.

This research report is not an offer of securities in Indonesia. The securities referred to in this research report have not been registered with the Financial Services Authority (Otoritas Jasa Keuangan) pursuant to relevant capital market laws and regulations, and may not be offered or sold within the territory of the Republic of Indonesia or to Indonesian citizens through a public offering or in circumstances which constitute an offer within the meaning of the Indonesian capital market law and regulations.

Ireland: CGS International is not an investment firm authorised in the Republic of Ireland and no part of this document should be construed as CGS International acting as, or otherwise claiming or representing to be, an investment firm authorised in the Republic of Ireland.

Malaysia: This report is distributed in Malaysia by CGS International Securities Malaysia Sdn. Bhd. (formerly known as CGS-CIMB Securities Sdn. Bhd.) ("CGS MY") solely for the benefit of and for the exclusive use of our clients. Recipients of this report are to contact CGS MY, at Level 29, Menara Aras Raya, No. 11, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia, in respect of any matters arising from or in connection with this report. CGS MY has no obligation to update, revise or reaffirm its opinion or the information in this research report after the date of this report.

New Zealand: In New Zealand, this report is for distribution only to persons who are wholesale clients pursuant to section 5C of the Financial Advisers Act 2008.

Singapore: This report is issued and distributed by CGS SG. CGS SG is a capital markets services licensee under the Securities and Futures Act 2001. Accordingly, it is exempted from the requirement to hold a financial adviser's licence under the Financial Advisers Act, 2001 ("FAA") for advising on investment products, by issuing or promulgating research analyses or research reports, whether in electronic, print or other form. CGS SG is subject to the applicable rules under the FAA unless it is able to avail itself to any prescribed exemptions.

Recipients of this report are to contact CGS SG, 10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #09-01, Singapore 018983 in respect of any matters arising from, or in connection with this report. CGS SG has no obligation to update its opinion or the information in this research report. This publication is strictly confidential and is for private circulation only. If you have not been sent this report by CGS SG directly, you may not rely, use or disclose to anyone else this report or its contents.

If the recipient of this research report is not an accredited investor, expert investor or institutional investor, CGS SG accepts legal responsibility for the contents of the report without any disclaimer limiting or otherwise curtailing such legal responsibility. If the recipient is an accredited investor, expert investor or institutional investor, the recipient is deemed to acknowledge that CGS SG is exempt from certain requirements under the FAA and its attendant regulations, and as such, is exempt from complying with the following:

- (a) Section 34 of the FAA (obligation to disclose product information);
- (b) Section 36 (duty not to make recommendation with respect to any investment product without having a reasonable basis where you may be reasonably expected to rely on the recommendation) of the FAA;
- (c) MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03];
- (d) MAS Notice on Recommendation on Investment Products [Notice No. FAA-N16];
- (e) Section 45 (obligation on disclosure of interest in specified products), and
- (f) any other laws, regulations, notices, directive, guidelines, circulars and practice notes which are relates to the above, to the extent permitted by applicable laws, as may be amended from time to time, and any other laws, regulations, notices, directive, guidelines, circulars, and practice notes as we may notify you from time to time. In addition, the recipient who is an accredited investor, expert investor or institutional investor acknowledges that as CGS SG is exempt from Section 36 of the FAA, the recipient will also not be able to file a civil claim against CGS SG for any loss or damage arising from the recipient's reliance on any recommendation made by CGS SG which would otherwise be a right that is available to the recipient under Section 36 of the FAA.

CGS SG, its affiliates and related corporations, their directors, associates, connected parties and/or employees may own or have positions in specified products of the company(ies) covered in this research report or any specified products related thereto and may from time to time add to or dispose of, or may be materially interested in, any such specified products. Further, CGS SG, its affiliates and its related corporations do and seek to do business with the company(ies) covered in this research report and may from time to time act as market maker or have assumed an underwriting commitment in specified products of such company(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report.

CGS SG does not make a market on the securities mentioned in the report.

South Korea: This report is issued and distributed in South Korea by CGS International Securities Hong Kong Limited, Korea Branch ("CGS KR") which is licensed as a cash equity broker, and regulated by the Financial Services Commission and Financial Supervisory Service of Korea. In South Korea, this report is for distribution only to professional investors under Article 9(5) of the Financial Investment Services and Capital Market Act of Korea ("FSCMA").

Spain: This document is a research report and it is addressed to institutional investors only. The research report is of a general nature and not personalised and does not constitute investment advice so, as the case may be, the recipient must seek proper advice before adopting any investment decision. This document does not constitute a public offering of securities.

CGS International is not registered with the Spanish Comision Nacional del Mercado de Valores to provide investment services.

Sweden: This report contains only marketing information and has not been approved by the Swedish Financial Supervisory Authority. The distribution of this report is not an offer to sell to any person in Sweden or a solicitation to any person in Sweden to buy any instruments described herein and may not be forwarded to the public in Sweden.

Switzerland: This report has not been prepared in accordance with the recognized self-regulatory minimal standards for research reports of banks issued by the Swiss Bankers' Association (Directives on the Independence of Financial Research).

Thailand: This report is issued and distributed by CGS International Securities (Thailand) Co. Ltd. (“CGS TH”) based upon sources believed to be reliable (but their accuracy, completeness or correctness is not guaranteed). The statements or expressions of opinion herein were arrived at after due and careful consideration for use as information for investment. Such opinions are subject to change without notice and CGS TH has no obligation to update its opinion or the information in this research report.

Corporate Governance Report (CGR): ([Thai CGR and Anti-Corruption of Thai Listed Companies - Click here](#))

The disclosure of the survey result of the Thai Institute of Directors Association (“IOD”) regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. CGS TH does not confirm nor certify the accuracy of such survey result.

Score Range:	90 - 100	80 – 89	70 - 79	Below 70	No Survey Result
Description:	Excellent	Very Good	Good	N/A	N/A

United Arab Emirates: The distributor of this report has not been approved or licensed by the UAE Central Bank or any other relevant licensing authorities or governmental agencies in the United Arab Emirates. This report is strictly private and confidential and has not been reviewed by, deposited or registered with UAE Central Bank or any other licensing authority or governmental agencies in the United Arab Emirates. This report is being issued outside the United Arab Emirates to a limited number of institutional investors and must not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose. Further, the information contained in this report is not intended to lead to the sale of investments under any subscription agreement or the conclusion of any other contract of whatsoever nature within the territory of the United Arab Emirates.

United Kingdom and European Economic Area (EEA): In the United Kingdom and European Economic Area, this material is also being distributed by CGS International Securities UK Ltd. (“CGS UK”). CGS UK is authorized and regulated by the Financial Conduct Authority and its registered office is at 53 New Broad Street, London EC2M 1JJ. The material distributed by CGS UK has been prepared in accordance with CGS International’s policies for managing conflicts of interest arising as a result of publication and distribution of this material. This material is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of CGS UK; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Order”), (c) fall within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc”) of the Order; (d) are outside the United Kingdom subject to relevant regulation in each jurisdiction, material(all such persons together being referred to as “relevant persons”). This material is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons. This material is categorised as non-independent for the purposes of CGS UK and therefore does not provide an impartial or objective assessment of the subject matter and does not constitute independent research. Consequently, this material has not been prepared in accordance with legal requirements designed to promote the independence of research and will not be subject to any prohibition on dealing ahead of the dissemination of research. Therefore, this material is considered a marketing communication.

United States: This research report is distributed in the United States of America by CGS International Securities USA, Inc, a U.S. registered broker-dealer and an affiliate of CGS MY, CGS SG, CGS ID, CGS TH and CGS HK and is distributed solely to persons who qualify as “U.S. Institutional Investors” as defined in Rule 15a-6 under the Securities and Exchange Act of 1934. This communication is only for Institutional Investors whose ordinary business activities involve investing in shares, bonds, and associated securities and/or derivative securities and who have professional experience in such investments. Any person who is not a U.S. Institutional Investor or Major Institutional Investor must not rely on this communication. The delivery of this research report to any person in the United States of America is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. CGS International Securities USA, Inc. (“CGS US”) is a FINRA/SIPC member and takes responsibility for the content of this report. For further information or to place an order in any of the above-mentioned securities please contact a registered representative of CGS US.

CGS-CIMB Securities (USA) Inc. does not make a market on other securities mentioned in the report.

CGS US has not managed or co-managed a public offering of any of the securities mentioned in the past 12 months.

CGS US has not received compensation for investment banking services from any of the company mentioned in the past 12 months.

CGS US neither expects to receive nor intends to seek compensation for investment banking services from any of the company mentioned within the next 3 months.

United States Third-Party Disclaimer: If this report is distributed in the United States of America by Raymond James & Associates, Inc (“RJA”), this report is third-party research prepared for and distributed in the United States of America by RJA pursuant to an arrangement between RJA and CGS International Securities Pte. Ltd. (“CGSI”). CGSI is not an affiliate of RJA. This report is distributed solely to persons who qualify as “U.S. Institutional Investors” or as “Major U.S. Institutional Investors” as defined in Rule 15a-6 under the Securities and Exchange Act of 1934, as amended. This communication is only for U.S. Institutional Investors or Major U.S. Institutional Investor whose ordinary business activities involve investing in shares, bonds, and associated securities and/or derivative securities and who have professional experience in such investments. Any person who is not a U.S. Institutional Investor or Major U.S. Institutional Investor must not rely on this communication. The delivery of this report to any person in the U.S. is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. If you are receiving this report in the U.S from RJA, a FINRA/SIPC member, it takes responsibility for the content of this report. For further information or to place an order in any of the above-mentioned securities please contact a registered representative of CGS US or RJA. <https://raymondjames.com/InternationalEquityDisclosures>

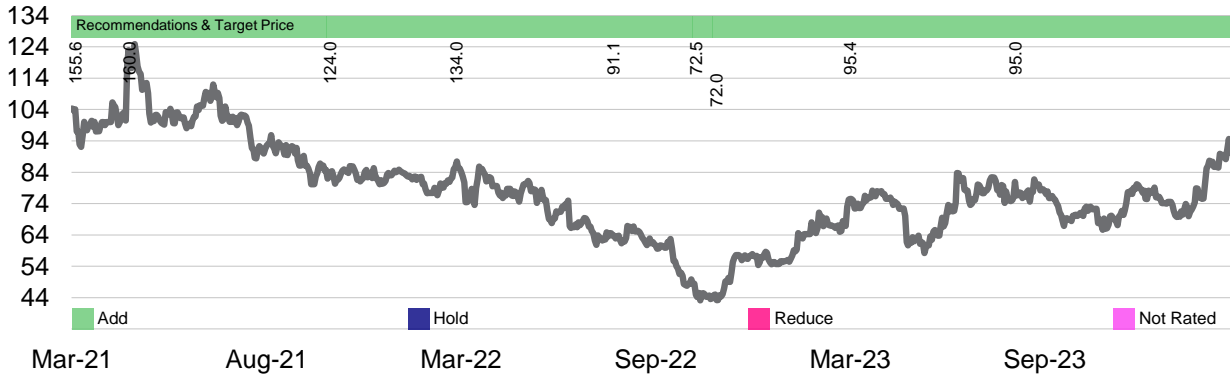
Other jurisdictions: In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is only for distribution to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.

Distribution of stock ratings and investment banking clients for quarter ended on 31 December 2023		
636 companies under coverage for quarter ended on 31 December 2023		
	Rating Distribution (%)	Investment Banking clients (%)
Add	67.5%	1.3%
Hold	22.5%	0.0%
Reduce	10.1%	0.2%

Spitzer Chart for stock being researched (2 year data)

ASMPT Limited (522 HK)

— Price Close



Recommendation Framework

Stock Ratings

Definition:

Add The stock's total return is expected to exceed 10% over the next 12 months.

Hold The stock's total return is expected to be between 0% and positive 10% over the next 12 months.

Reduce The stock's total return is expected to fall below 0% or more over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

Overweight An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.

Neutral A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.

Underweight An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

Country Ratings

Definition:

Overweight An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.

Neutral A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.

Underweight An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.