



日月光投控
ASE HOLDINGS

First Quarter 2024 Earnings Release

ASE Technology Holding

25 April, 2024

aseglobal.com

Safe Harbor Notice



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Consolidated Statements of Income



Quarterly Comparison
(Unaudited)

(NT\$ million)	Q1 / 2024	%	Q4 / 2023	%	Q1 / 2023	%	QoQ	YoY
Net Revenues:								
ATM	72,862	54.9%	80,761	50.3%	72,524	55.4%	-10%	0%
EMS	59,326	44.7%	79,155	49.3%	57,731	44.1%	-25%	3%
Others	615	0.4%	665	0.4%	636	0.5%	-8%	-3%
Total Net Revenues	132,803	100.0%	160,581	100.0%	130,891	100.0%	-17%	1%
Gross Profit	20,868	15.7%	25,761	16.0%	19,339	14.8%	-19%	8%
Operating Income (Loss)	7,525	5.7%	11,815	7.4%	7,695	5.9%	-36%	-2%
Pretax Income (Loss)	7,860	5.9%	12,367	7.7%	7,870	6.0%	-36%	0%
Income Tax Benefit (Expense)	(1,904)	-1.4%	(2,461)	-1.5%	(1,777)	-1.4%		
Non-controlling Interests	(274)	-0.2%	(514)	-0.3%	(276)	-0.2%		
Net Income Attributable to Shareholders of the Parent	5,682	4.3%	9,392	5.8%	5,817	4.4%	-40%	-2%
Basic EPS(NT\$)	1.32		2.18		1.36		-39%	-3%
Diluted EPS(NT\$)	1.28		2.13		1.30		-40%	-2%

Additional Commentary From Management^{1&2}:

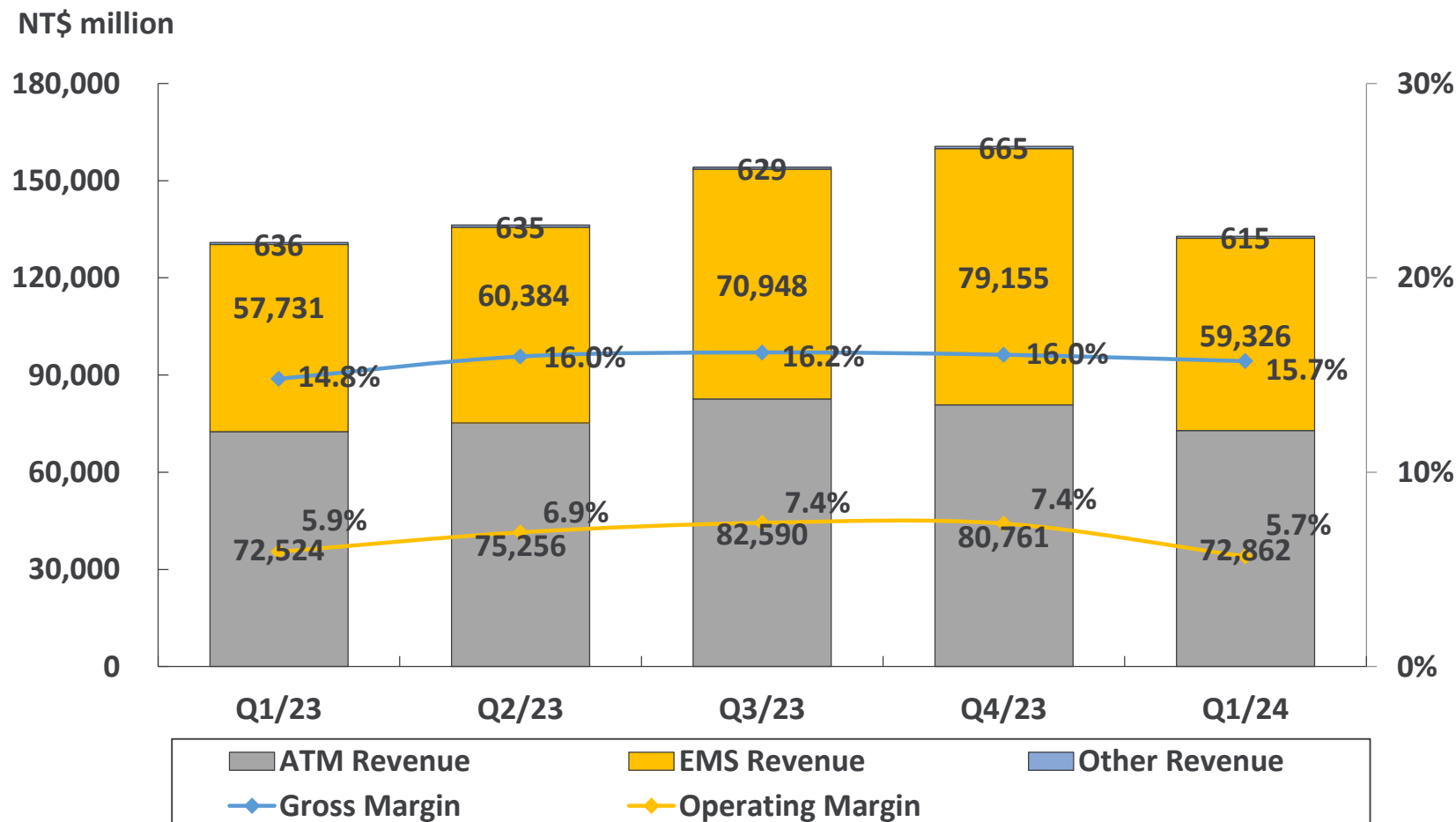
Gross Profit excl. PPA expenses	21,775	16.4%	26,668	16.6%	20,256	15.5%	-18%	7%
Operating Income excl. PPA expenses	8,695	6.5%	12,984	8.1%	8,874	6.8%	-33%	-2%
Net income attributable to shareholders of the parent excl. PPA expenses	6,834	5.1%	10,544	6.6%	6,980	5.3%	-35%	-2%
Basic EPS(NT\$) excl. PPA expenses	1.58		2.45		1.63		-36%	-3%

¹: PPA expenses are the P&L impacts from the accounting treatment of purchase price allocation in relation to the ASE/SPIL transaction, which resulted in increased asset values from purchase price premiums in PP&E, intangibles and right-of-use assets. The PPA expenses excluded are related to depreciation, amortization and other expenses NT\$1.13bn in 1Q24, NT\$1.12bn in 4Q23 and NT\$1.13bn in 1Q23.

²: PPA expenses are the P&L impacts from the accounting treatment of purchase price allocation in relation to the USI/Asteelflash transaction, which resulted in increased asset and liability values from purchase price premiums in PP&E, intangibles, right-of-use assets and deferred tax liability. The PPA expenses excluded are related to depreciation, amortization, other expenses and income tax benefit NT\$0.03bn in both 1Q24 and 4Q23, and NT\$0.04bn in 1Q23.

Consolidated Operations

(Unaudited)



ATM Statements of Income



Quarterly Comparison
(Unaudited)

(NT\$ million)	Q1 / 2024	%	Q4 / 2023	%	Q1 / 2023	%	QoQ	YoY
Net Revenues:								
Packaging	60,388	81.7%	67,378	82.1%	60,770	82.9%	-10%	-1%
Testing	12,102	16.4%	13,363	16.3%	11,407	15.6%	-9%	6%
Direct Material	1,338	1.8%	1,205	1.5%	1,106	1.5%	11%	21%
Others	80	0.1%	58	0.1%	36	0.0%	38%	122%
Total Net Revenues	73,908	100.0%	82,004	100.0%	73,319	100.0%	-10%	1%
Gross Profit	15,557	21.0%	19,218	23.4%	14,749	20.1%	-19%	5%
Operating Income (Loss)	6,077	8.2%	9,212	11.2%	6,409	8.7%	-34%	-5%

Additional Commentary From Management¹:

Gross Profit excl. PPA expenses	16,433	22.2%	20,091	24.5%	15,624	21.3%	-18%	5%
Operating Income excl. PPA expenses	7,203	9.7%	10,335	12.6%	7,534	10.3%	-30%	-4%

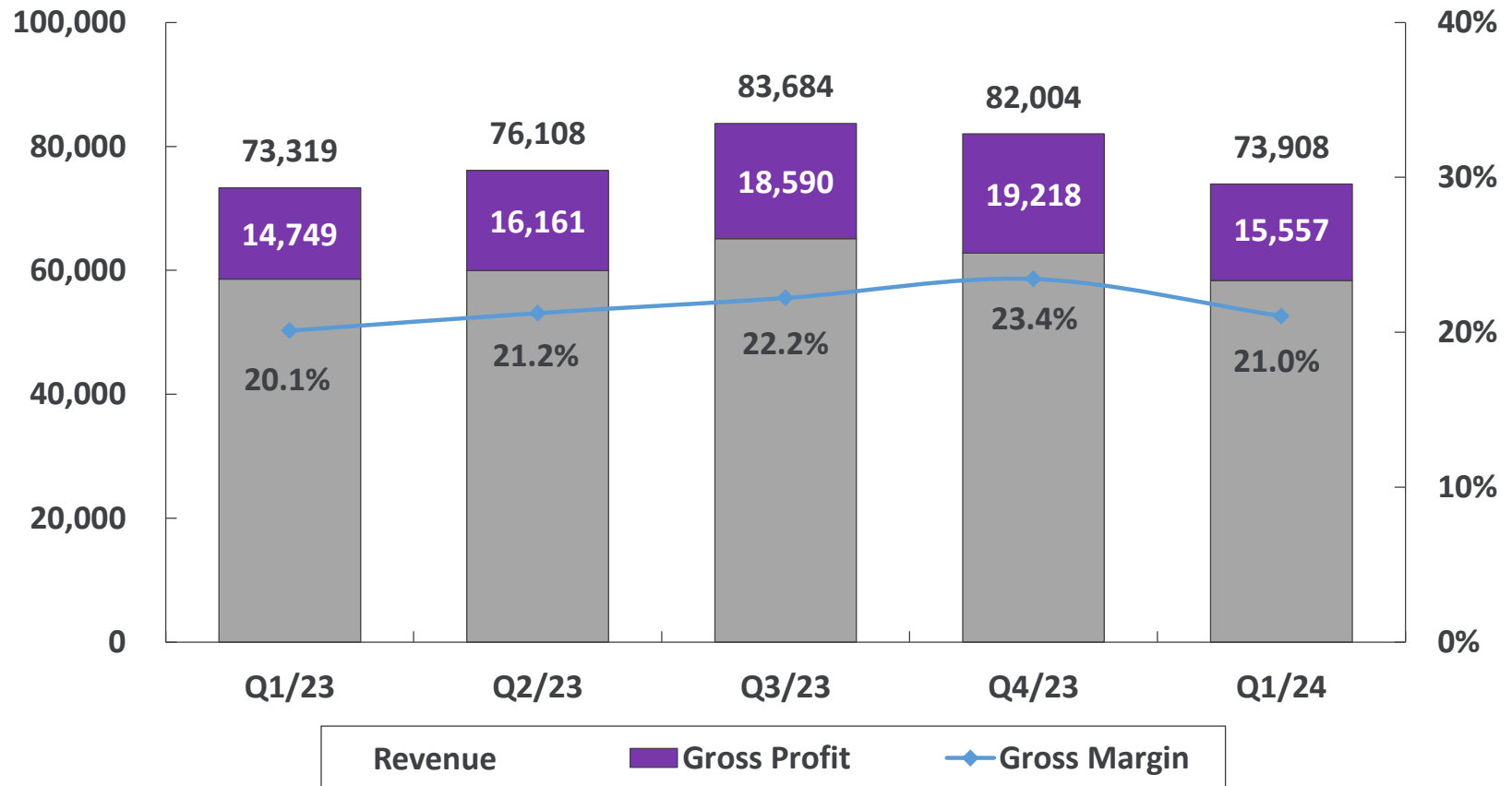
¹: PPA expenses are the P&L impacts from the accounting treatment of purchase price allocation in relation to the ASE/SPI transaction, which resulted in increased asset values from purchase price premiums in PP&E, intangibles and right-of-use assets. The PPA expenses excluded are related to depreciation, amortization and other expenses NT\$1.13bn in 1Q24, NT\$1.12bn in 4Q23, and NT\$1.13bn in 1Q23.

ATM Operations

(Unaudited)

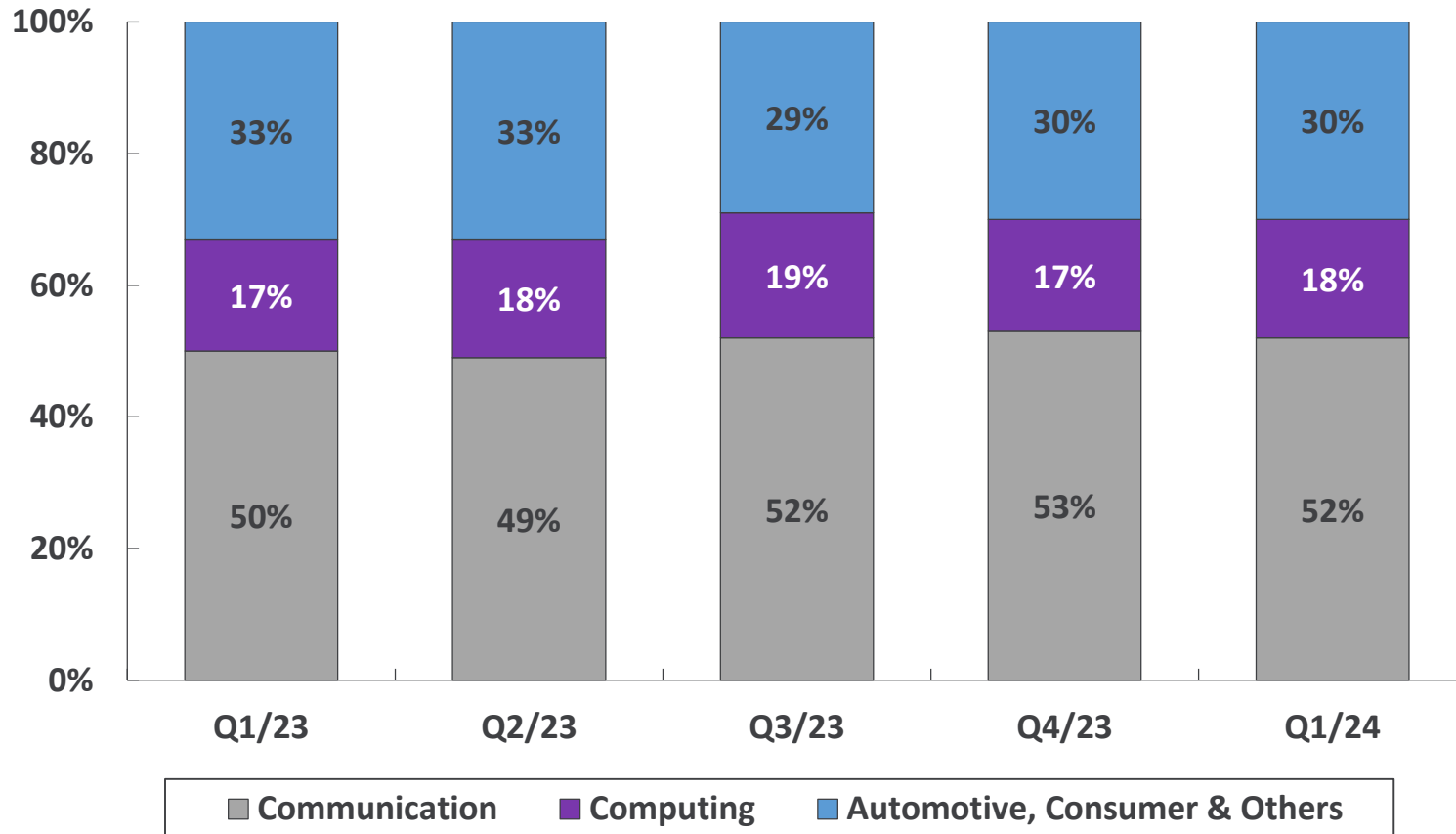


NT\$ million



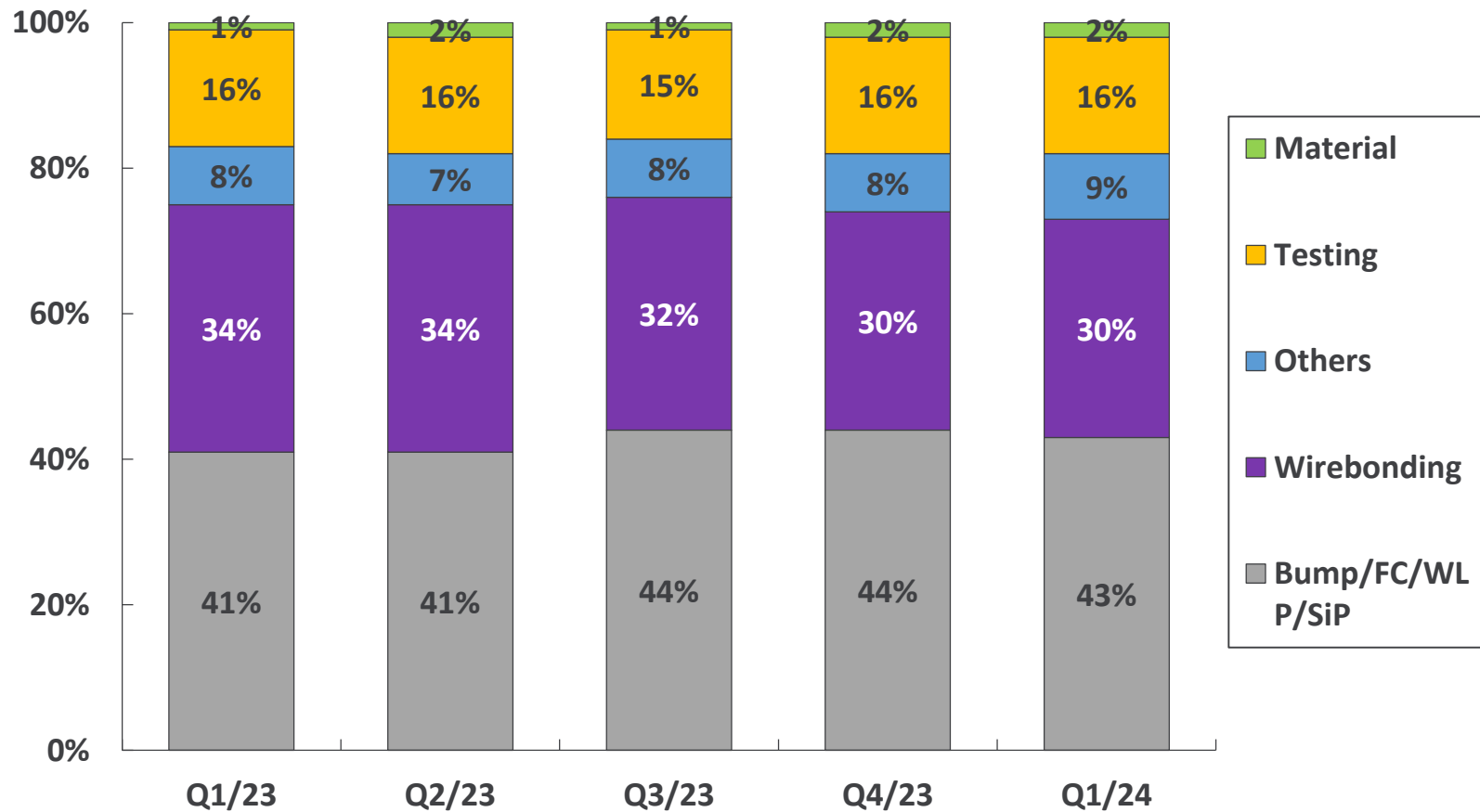
ATM Revenues by Application

(Unaudited)



ATM Revenues by Type

(Unaudited)

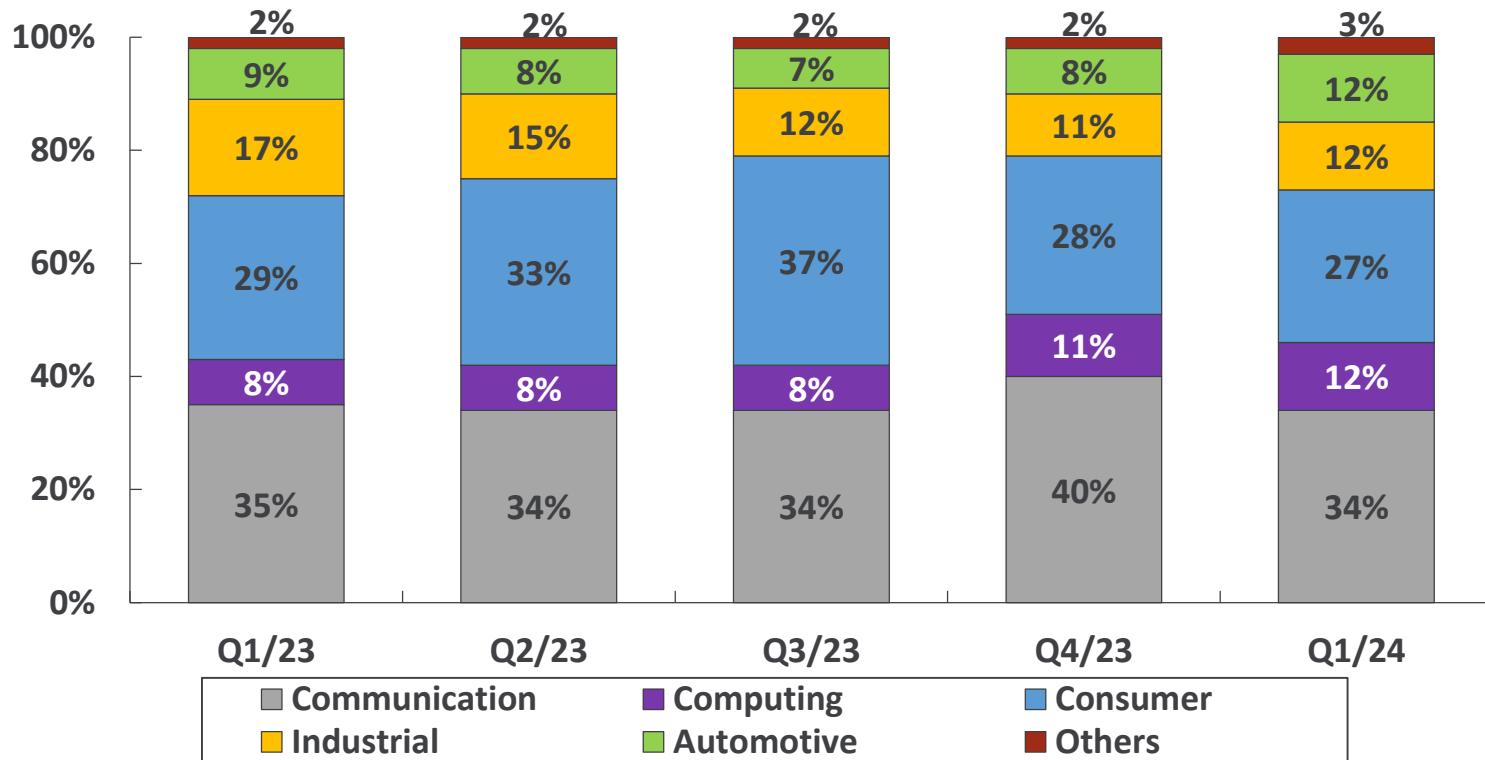


EMS Operations



Quarterly Comparison/Revenues by Application
(unaudited)

(NT\$ million)	Q1 / 2024	%	Q4 / 2023	%	Q1 / 2023	%	QoQ	YoY
EMS Net Revenues	59,365	100.0%	79,182	100.0%	57,733	100.0%	-25%	3%
Gross Profit	5,499	9.3%	6,686	8.4%	4,567	7.9%	-18%	20%
Operating Income (Loss)	1,657	2.8%	2,799	3.5%	1,325	2.3%	-41%	25%



Key Balance Sheet Items & Indices

(Unaudited)



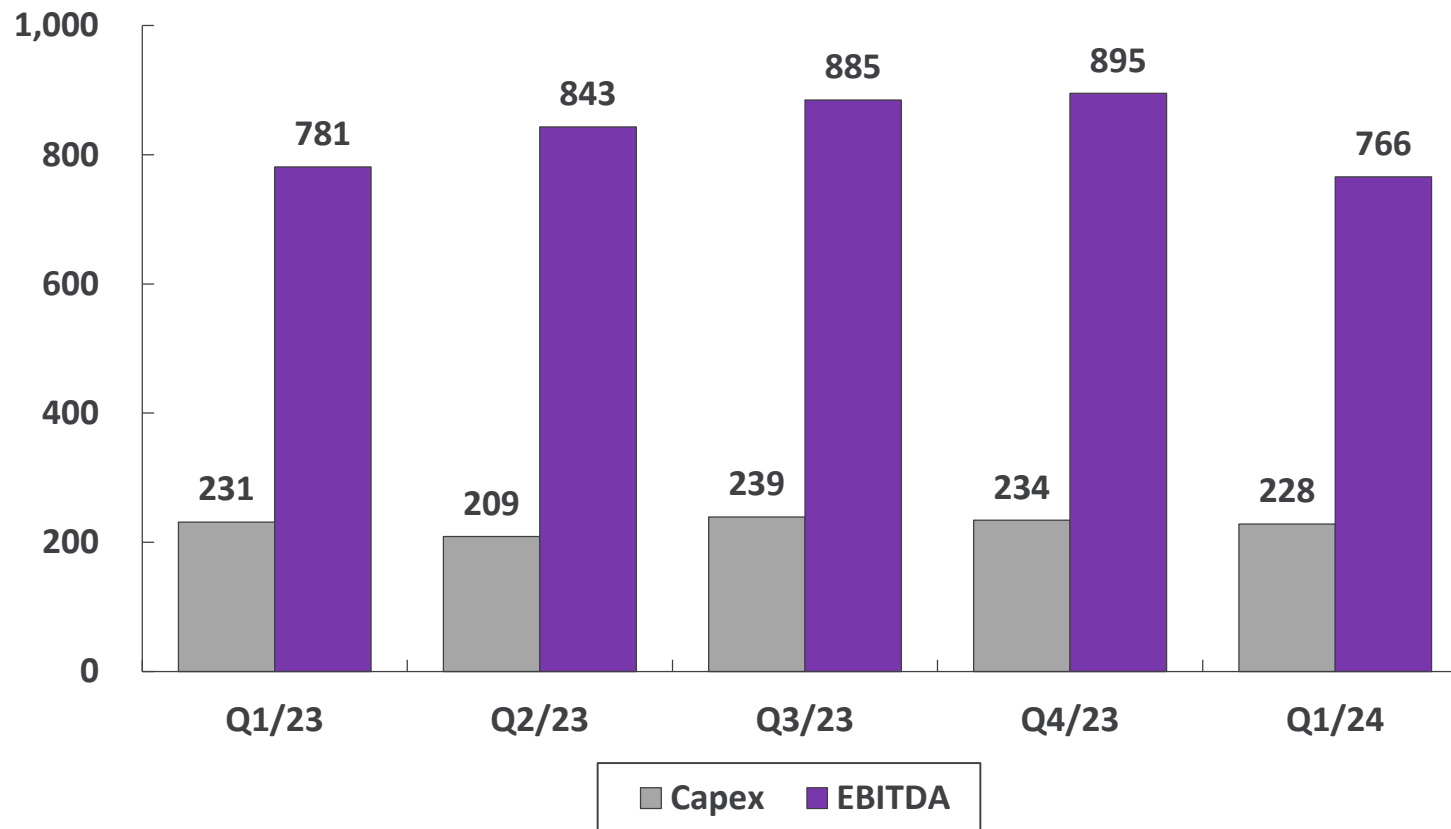
(NT\$ million)	Mar. 31, 2024	Dec. 31, 2023
Cash and cash equivalent	\$75,105	\$67,284
Financial assets - current	8,410	4,683
Financial assets - non current & investments - equity method	30,776	29,698
Property, plant & equipment	265,592	264,812
Total assets	681,470	666,575
Short-term loans & short-term bills payable	56,863	53,042
Current portion of bonds payable	9,602	24,520
Current portion of long-term loans	4,473	4,096
Bonds payable	31,618	20,489
Long-term loans	84,589	81,365
Total interest bearing debts	195,344	191,734
Total liabilities	369,301	348,465
Total equity (Including non-controlling interest)	312,169	318,110
Quarterly EBITDA	23,974	28,606
Current ratio	1.19	1.18
Net debt to equity ratio	0.36	0.38

Equipment Capital Expenditures vs. EBITDA

(Unaudited)



US\$ million



Second Quarter 2024 Outlook



Based on our current business outlook and exchange rate assumptions, management projects overall performance for the second quarter of 2024 to be as follows:

- In NT dollar terms, our ATM 2nd quarter 2024 revenues should grow by mid single digits quarter over quarter;
- Our ATM 2nd quarter gross margin should be slightly above 1st quarter 2024 levels;
- In NT dollar terms, our EMS 2nd quarter 2024 revenues should be similar with the 1st quarter 2024;
- Our EMS 2nd quarter 2024 operating margin should be slightly below 1st quarter 2024 levels.



Thank you

Consolidated Statements of Comprehensive Income

(Unaudited)

(NT\$ thousand)	Q1/2023	Q2/2023	Q3/2023	Q4/2023	FY/2023	Q1/2024
Revenues	130,891,073	136,275,353	154,166,844	160,581,201	581,914,471	132,802,855
COGS	111,551,750	114,534,530	129,251,183	134,819,876	490,157,339	111,934,809
PPA under COGS	917,384	913,036	907,151	906,818	3,644,389	907,257
Gross profit	19,339,323	21,740,823	24,915,661	25,761,325	91,757,132	20,868,046
Gross profit excl. PPA	20,256,707	22,653,859	25,822,812	26,668,143	95,401,521	21,775,303
OPEX	11,643,749	12,328,656	13,510,320	13,946,699	51,429,424	13,343,096
PPA under OPEX	261,948	262,147	262,426	262,460	1,048,981	262,320
Operating income	7,695,574	9,412,167	11,405,341	11,814,626	40,327,708	7,524,950
Operating income excl. PPA	8,874,906	10,587,350	12,574,918	12,983,904	45,021,078	8,694,527
Non Op gain/(loss)	174,771	698,626	846,651	552,592	2,272,640	334,868
PPA under Non Op gain/ (loss)	6,270	7,693	69	1,423	15,455	1,027
Non Op gain/ (loss) excl. PPA	181,041	706,319	846,720	554,015	2,288,095	335,895
Pretax income	7,870,345	10,110,793	12,251,993	12,367,218	42,600,349	7,859,818
PPA under Pretax income	1,185,602	1,182,876	1,169,646	1,170,701	4,708,825	1,170,604
Pretax income excl. PPA	9,055,947	11,293,669	13,421,639	13,537,919	47,309,174	9,030,422
Tax expenses	1,777,556	1,913,865	2,890,485	2,461,045	9,042,951	1,904,488
PPA under Tax expense	(13,652)	(12,466)	(11,470)	(11,278)	(48,866)	(10,700)
Tax expense excl. PPA	1,791,208	1,926,331	2,901,955	2,472,323	9,091,817	1,915,188
Non-controlling interests	275,624	456,505	585,666	514,200	1,831,995	273,822
PPA under Non-controlling interests	9,332	8,517	7,814	7,709	33,372	7,239
Non-controlling interests excl. PPA	284,956	465,022	593,480	521,909	1,865,367	281,061
Net income attributable to shareholders of the parent	5,817,165	7,740,423	8,775,842	9,391,973	31,725,403	5,681,508
PPA expenses under Net income attributable to shareholders of the parent	1,162,618	1,161,893	1,150,362	1,151,714	4,626,587	1,152,665
Net income attributable to shareholders of the parent excl. PPA	6,979,783	8,902,316	9,926,204	10,543,687	36,351,990	6,834,173
Total PPA expenses	1,171,950	1,170,410	1,158,176	1,159,423	4,659,959	1,159,904
Basic EPS (NT\$)	1.36	1.80	2.04	2.18	7.39	1.32
Basic EPS (NT\$) excl. PPA	1.63	2.07	2.31	2.45	8.46	1.58
Diluted EPS (NT\$)	1.30	1.76	2.00	2.13	7.18	1.28
Diluted EPS (NT\$) excl. PPA	1.57	2.03	2.27	2.40	8.25	1.54