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ASE HOLDINGS

Second Quarter 2025 Earnings Release

ASE Technology Holding

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aseglobal.com

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1H2025 Recap

(in US dollar terms)

- Consolidated revenues grew 9% YoY in 1H2025, with ATM revenues up 18% YoY. Leading-edge advanced packaging and overall testing outpaced growth while the general segment saw some recovery.
- Leading-edge advanced packaging and testing revenues were over 10% of ATM revenues in 1H2025 versus 6% for full year 2024.
- Our testing business grew 31% YoY in 1H2025. Continuing momentum into 2H2025 on increased turnkey and expanding leading edge test.
- Machinery capex was US$1.9 billion; building, facility and automation was US$0.9 billion in 1H2025, mainly driven by advanced packaging and testing.

2H2025 Outlook

(in US dollar terms)

- For ATM business, expect momentum to carry into 3Q25, with quarter-to-quarter growth in 4Q25.
- Leading-edge advanced packaging and testing revenues target to increase by US$1 billion versus 2024, contributing 10% of growth, while general segments to grow by mid-to-high single digit YoY in 2025.
- Expect revenues uptrend continuing into 2026 and beyond driven by leading-edge solutions and broad-based semiconductor demand related to AI proliferation and general recovery.
- Investment in R&D, human capital, advanced capacity, and smart factory infrastructure are key to support the multi-year growth.

Business Update

- Market Dynamics
  - Mega Trend & Future Opportunities
  - Technology & Focus
  - ASE Position
- Operations
  - Leading-edge and Taiwan Capacity Tightness
  - Expansion on Schedule
  - Resource Optimization
- Challenges
  - Forex & Tariff Uncertainties

Financial Section

Link to Earnings Conference Materials

Scan me!

Consolidated Statements of Income

Quarterly Comparison

(Unaudited)

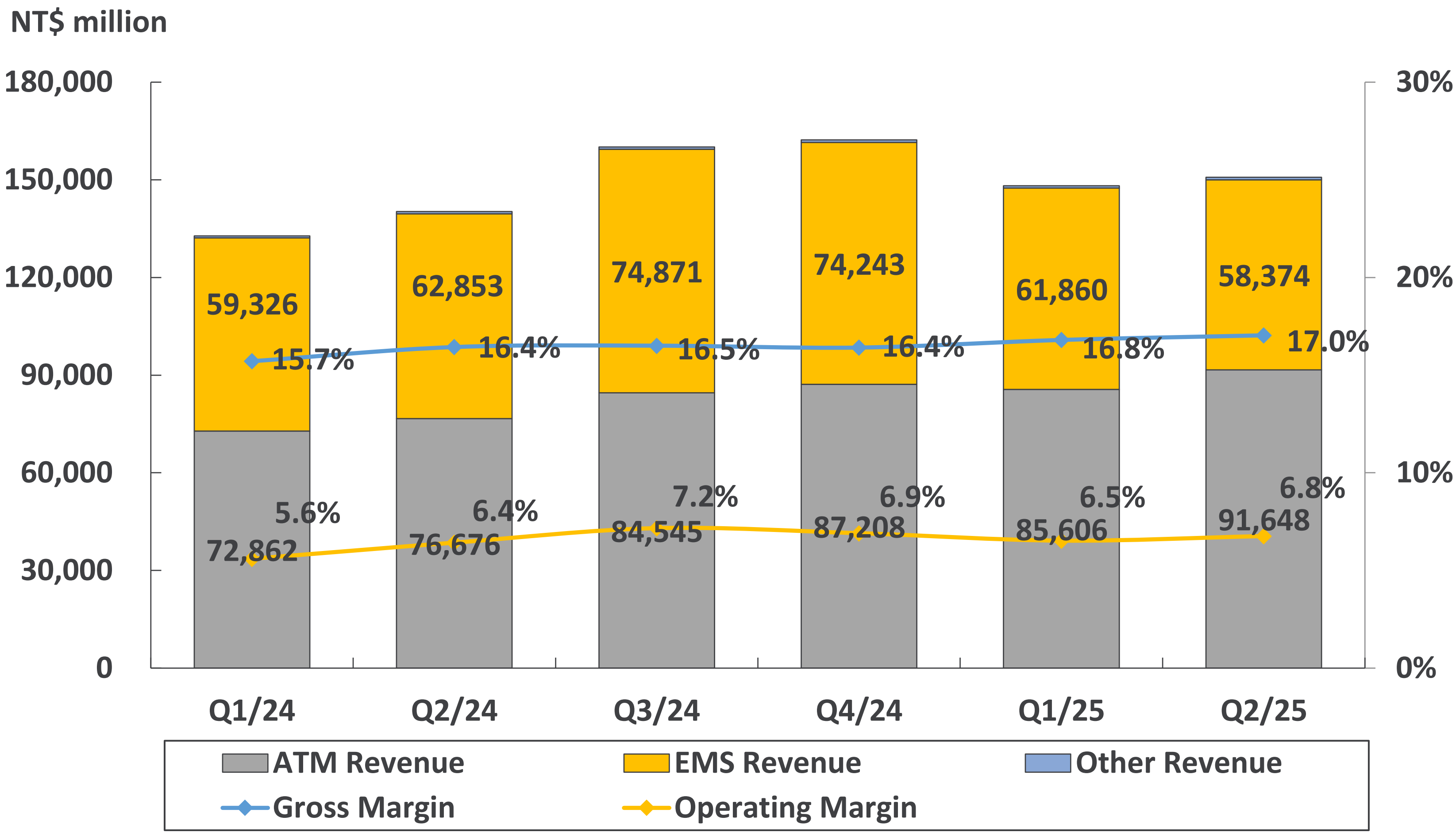
(NT$ million)	Q2 / 2025	%	Q1 / 2025	%	Q2 / 2024	%	QoQ	YoY
Net Revenues:								
ATM	91,648	60.8%	85,606	57.8%	76,676	54.7%	7%	20%
EMS	58,374	38.7%	61,860	41.7%	62,853	44.8%	-6%	-7%
Others	728	0.5%	687	0.5%	709	0.5%	6%	3%
Total Net Revenues	150,750	100.0%	148,153	100.0%	140,238	100.0%	2%	7%
Gross Profit	25,687	17.0%	24,893	16.8%	23,054	16.4%	3%	11%
Operating Income (Loss)	10,193	6.8%	9,671	6.5%	9,009	6.4%	5%	13%
Pretax Income (Loss)	9,255	6.1%	9,810	6.6%	10,105	7.2%	-6%	-8%
Income Tax Benefit (Expense)	(1,576)	-1.2%	(2,022)	-1.4%	(1,950)	-1.4%		
Non-controlling Interests	(158)	-0.1%	(234)	-0.2%	(377)	-0.3%		
Net Income Attributable to Shareholders of the Parent	7,521	5.0%	7,554	5.1%	7,778	5.5%	0%	-3%
Basic EPS(NT$)	1.74		1.75		1.80		-1%	-3%
Diluted EPS(NT$)	1.70		1.64		1.75		4%	-3%

Additional Commentary From Management:

Gross Profit excl. PPA expenses	26,208	17.4%	25,450	17.2%	24,013	17.1%	3%	9%
Operating Income excl. PPA expenses	10,974	7.3%	10,491	7.1%	10,230	7.3%	5%	7%
Net income attributable to shareholders of the parent excl. PPA expenses	8,288	5.4%	8,352	5.6%	8,978	6.4%	-1%	-8%
Basic EPS(NT$) excl. PPA expenses	1.91		1.93		2.08		-1%	-8%

Consolidated Operations

(Unaudited)



ATM Statements of Income

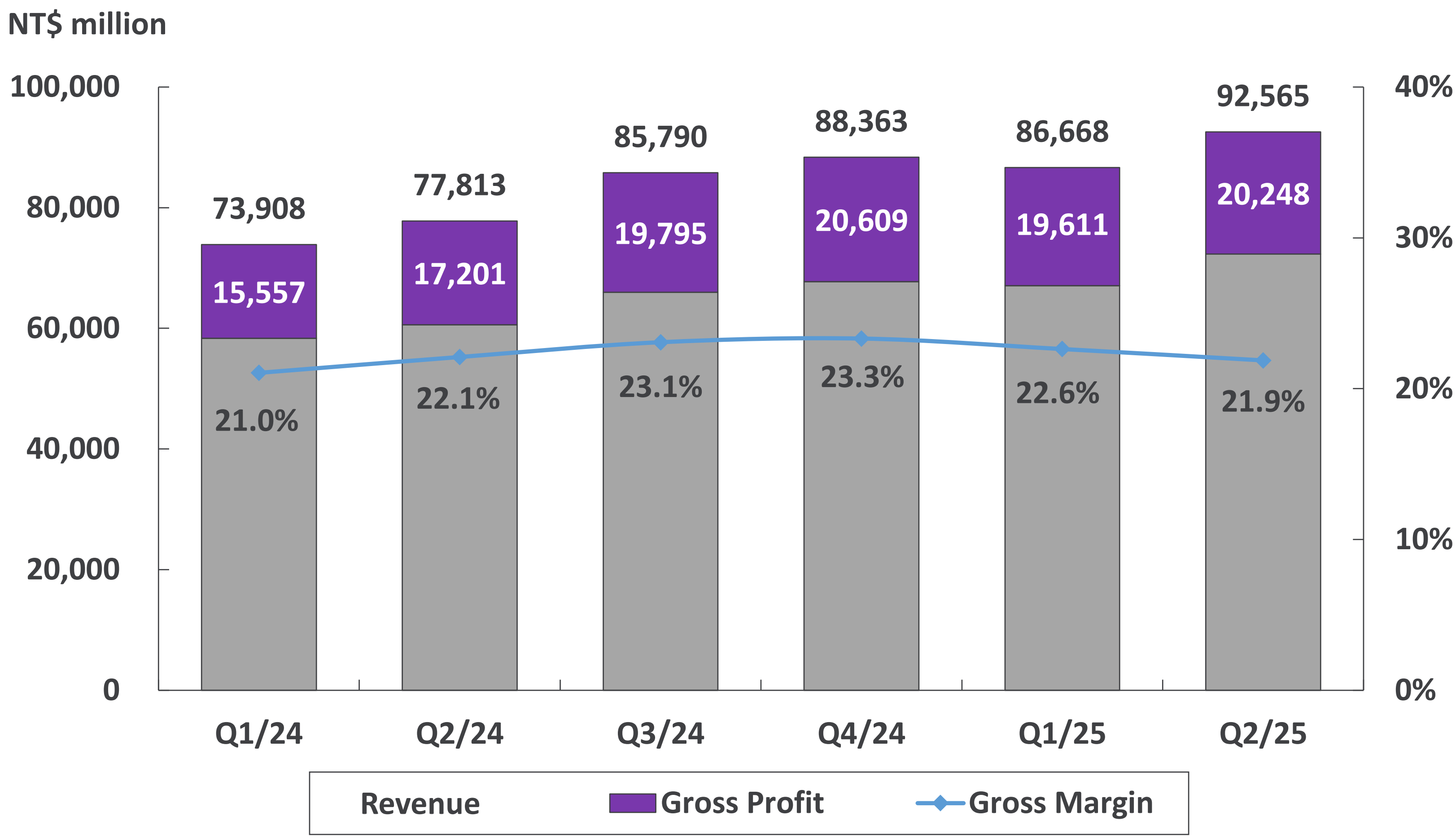
Quarterly Comparison

(Unaudited)

(NT$ million)	Q2 / 2025	%	Q1 / 2025	%	Q2 / 2024	%	QoQ	YoY
Net Revenues:								
Packaging	74,440	80.4%	69,360	80.0%	63,838	82.1%	7%	17%
Testing	16,612	18.0%	16,004	18.5%	12,623	16.2%	4%	32%
Direct Material	1,431	1.5%	1,219	1.4%	1,264	1.6%	17%	13%
Others	82	0.1%	85	0.1%	88	0.1%	-4%	-7%
Total Net Revenues	92,565	100.0%	86,668	100.0%	77,813	100.0%	7%	19%
Gross Profit	20,248	21.9%	19,611	22.6%	17,201	22.1%	3%	18%
Operating Income (Loss)	8,817	9.5%	8,335	9.6%	7,254	9.3%	6%	22%
Additional Commentary From Management:								
Gross Profit excl. PPA expenses	20,751	22.4%	20,137	23.2%	18,117	23.3%	3%	15%
Operating Income excl. PPA expenses	9,569	10.3%	9,111	10.5%	8,420	10.8%	5%	14%

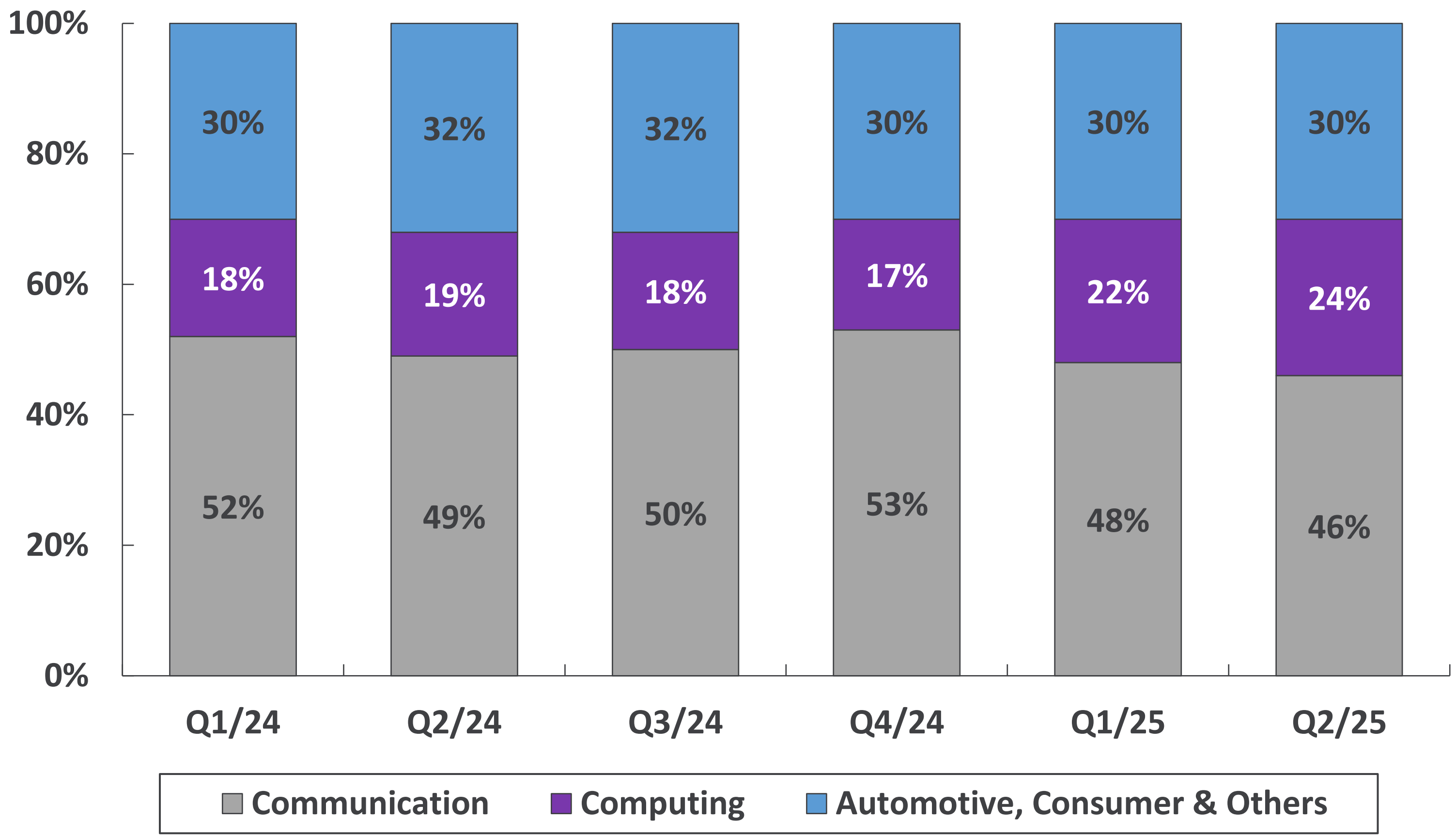
ATM Operations

(Unaudited)



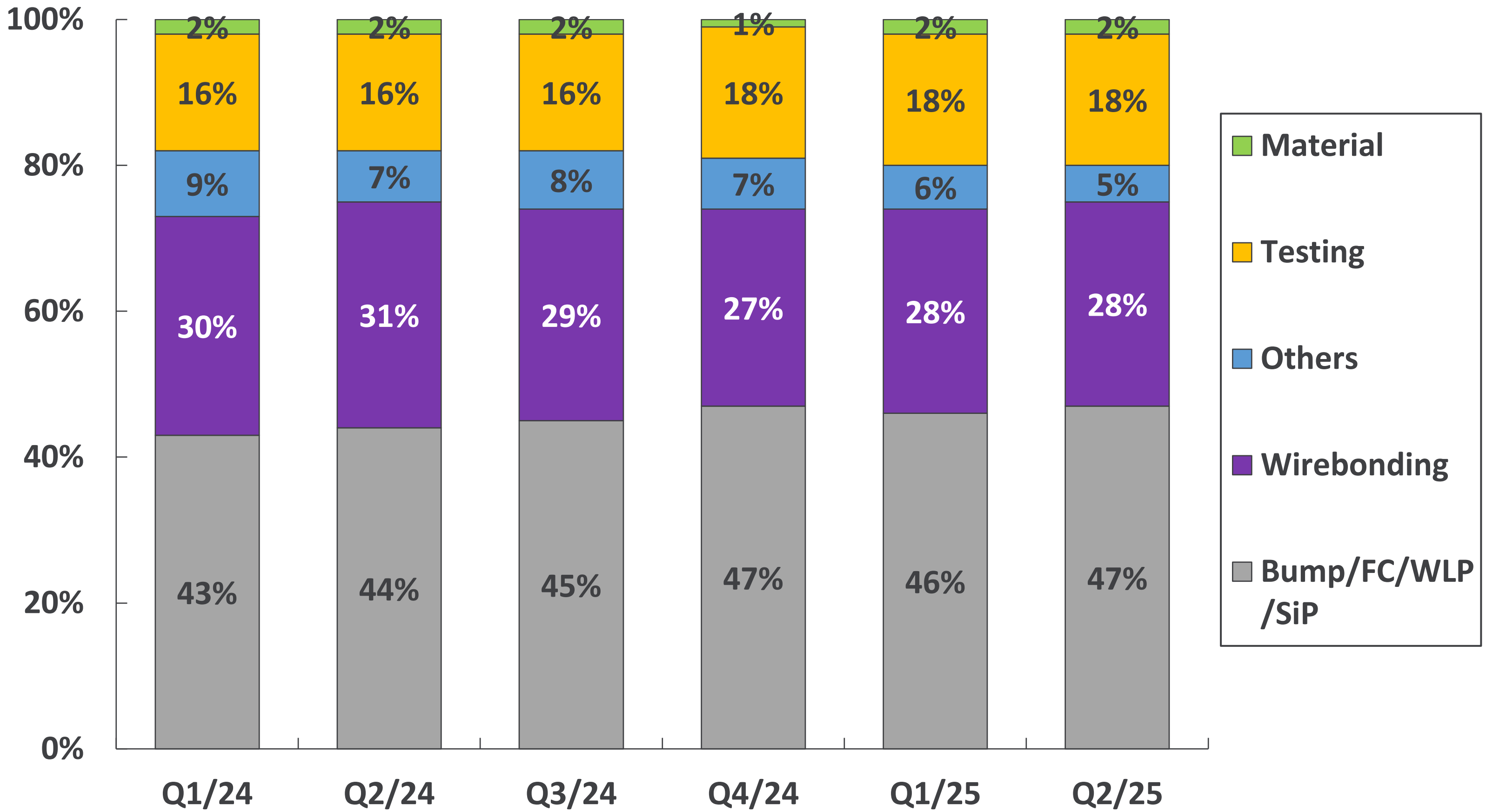
ATM Revenues by Application

(Unaudited)



ATM Revenues by Type

(Unaudited)

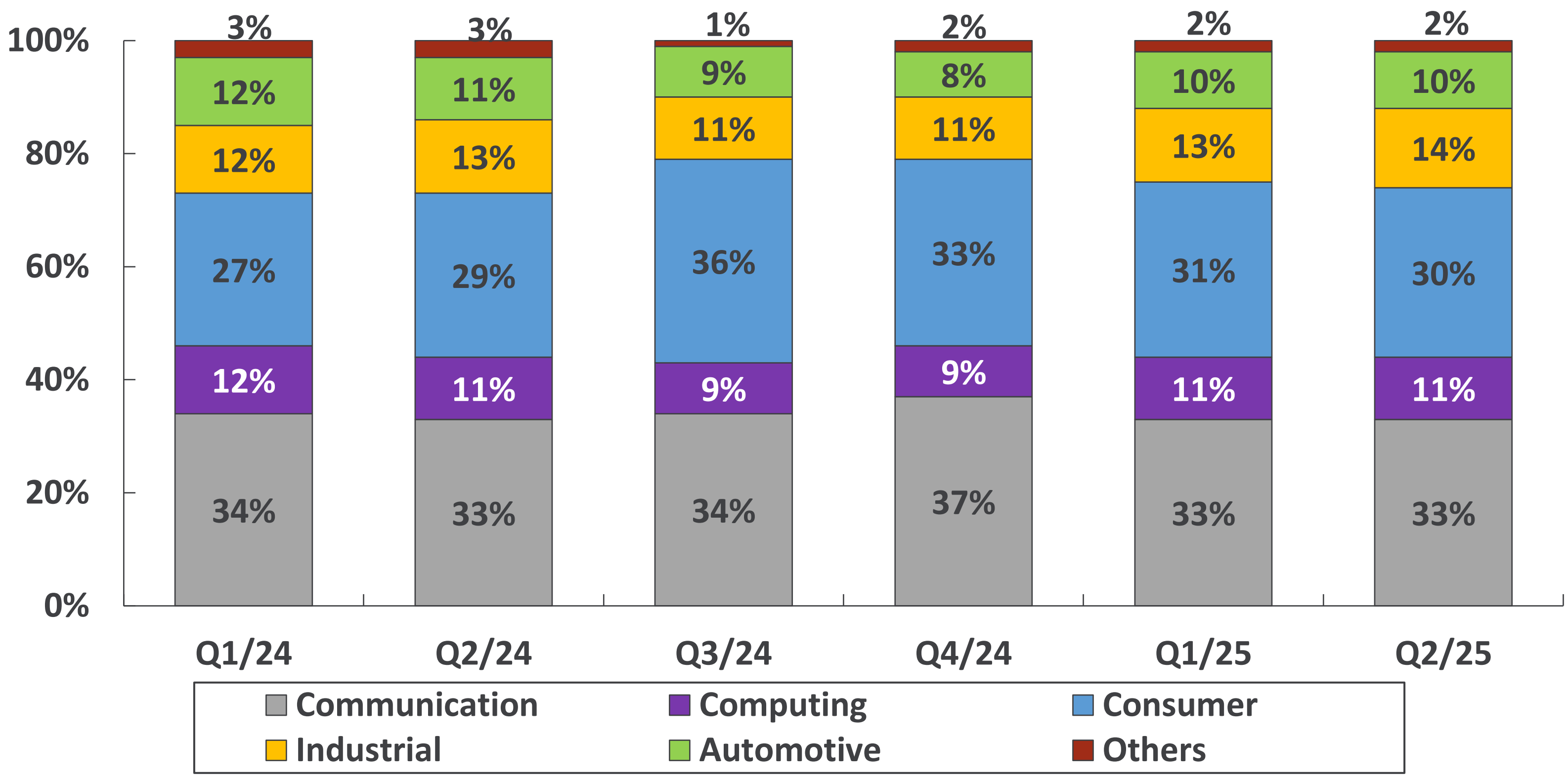


EMS Operations

Quarterly Comparison & Revenues by Application

(unaudited)

(NT$ million)	Q2 / 2025	%	Q1 / 2025	%	Q2 / 2024	%	QoQ	YoY
EMS Net Revenues	58,770	100.0%	62,295	100.0%	62,907	100.0%	-6%	-7%
Gross Profit	5,549	9.4%	5,528	8.9%	6,025	9.6%	0%	-8%
Operating Income (Loss)	1,513	2.6%	1,608	2.6%	1,942	3.1%	-6%	-22%



Key Balance Sheet Items & Indices

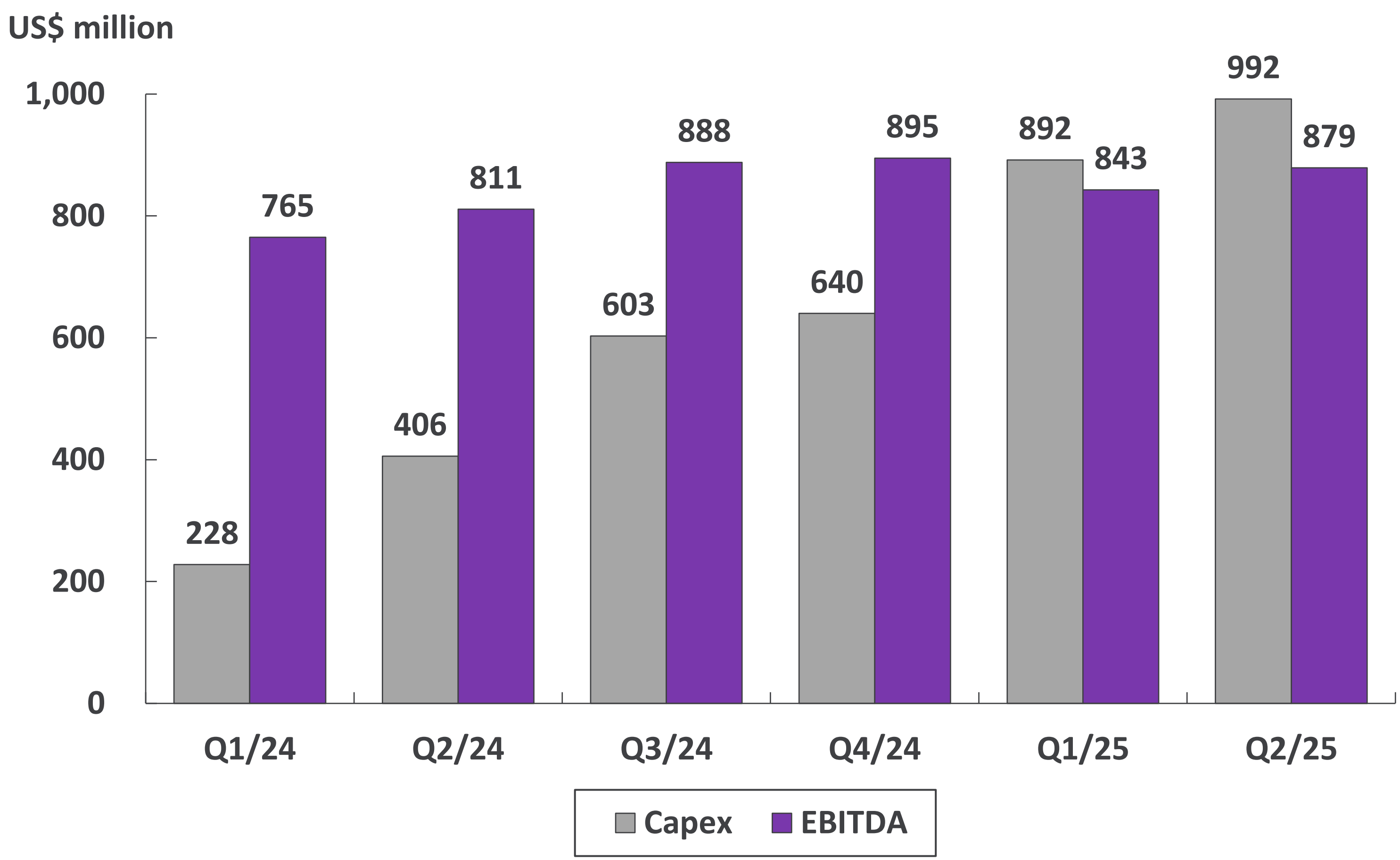
(Unaudited)

(NT$ million)	Jun. 30, 2025	Mar. 31, 2025
Cash and cash equivalent	$72,785	$77,100
Financial assets - current	4,118	16,435
Financial assets - non current & investments - equity method	38,409	41,428
Property, plant & equipment	364,849	342,056
Total assets	**765,175**	**774,177**
Short-term loans & short-term bills payable	40,369	55,485
Current portion of bonds payable	8,499	14,999
Current portion of long-term loans	4,431	5,775
Bonds payable	16,668	21,066
Long-term loans & long-term bills payable	162,326	126,708
Total interest bearing debts	240,132	231,637
Total liabilities	**450,240**	**439,154**
Total equity (Including non-controlling interest)	**314,935**	**335,023**
Quarterly EBITDA*	**27,426**	**27,628**
Current ratio	**1.02**	**1.04**
Net debt to equity ratio	**0.52**	**0.41**

*: EBITDA stands for net income or loss before interest, taxes, depreciation, amortization, impairment and investment gain or loss as well as other items.

Equipment Capital Expenditures vs. EBITDA

(Unaudited)



Third Quarter 2025 Outlook (1/2)

Based on our current business outlook and exchange rate assumptions of 1 US dollar to 29.2 NT dollars (versus 31.2 in 2nd quarter 2025), management projects overall performance for the third quarter of 2025 to be as follows:

■ **Consolidated**

- In US dollar terms, our consolidated 3rd quarter 2025 revenues should grow by 12 to 14 percent quarter over quarter; in NT dollar terms, our consolidated 3rd quarter revenues should grow by 6 to 8 percent quarter over quarter;
- Our consolidated 3rd quarter 2025 gross margin should decrease by 1.0 to 1.2 percentage points quarter over quarter;
- Our consolidated 3rd quarter 2025 operating margin should decrease by 0.1 to 0.3 percentage points quarter over quarter.

Third Quarter 2025 Outlook (2/2)

Based on our current business outlook and exchange rate assumptions of 1 US dollar to 29.2 NT dollars (versus 31.2 in 2nd quarter 2025), management projects overall performance for the third quarter of 2025 to be as follows:

■ATM

- In US dollar terms, our ATM 3rd quarter 2025 revenues should grow by 9 to 11 percent quarter over quarter; in NT dollar terms, our ATM 3rd quarter revenues should grow by 3 to 5 percent quarter over quarter;
- Our ATM 3rd quarter gross margin should decrease by 0.9 to 1.1 percentage points quarter over quarter.

■EMS

- In US dollar terms, our EMS 3rd quarter 2025 revenues should grow by 18 to 20 percent quarter over quarter; in NT dollar terms, our EMS 3rd quarter revenues should grow by 12 to 14 percent quarter over quarter;
- Our EMS 3rd quarter 2025 operating margin should increase by 0.3 to 0.5 percentage points quarter over quarter.

Thank you

Appendix 1

Consolidated Statements of Comprehensive Income

(Unaudited)

(NT$ thousand)	Q1/ 2025[1&2]	Q2/ 2025[1&2]
Revenues	148,153,262	150,750,323
COGS	123,260,526	125,062,803
PPA under COGS	557,027	520,681
Gross profit	24,892,736	25,687,520
Gross profit excl. PPA	25,449,763	26,208,201
OPEX	15,221,435	15,494,438
PPA under OPEX	262,652	260,038
Operating income	9,671,301	10,193,082
Operating income excl. PPA	10,490,980	10,973,801
Non Op gain/(loss)	138,628	(938,600)
PPA under Non Op gain/ (loss)	61	959
Non Op gain/ (loss) excl. PPA	138,689	(937,641)
Pretax income	9,809,929	9,254,483
PPA under Pretax income	819,740	781,678
Pretax income excl. PPA	10,629,669	10,036,161
Tax expenses	2,021,624	1,575,805
PPA under Tax expense	(12,964)	(9,337)
Tax expense excl. PPA	2,034,588	1,585,142
Non-controlling interests	234,472	157,593
PPA under Non-controlling interests	8,408	5,811
Non-controlling interests excl. PPA	242,880	163,404
Net income attributable to shareholders of the parent	7,553,833	7,521,085
PPA expenses under Net income attributable to shareholders of the parent	798,368	766,530
Net income attributable to shareholders of the parent excl. PPA	8,352,201	8,287,615
Total PPA expenses	806,776	772,341
Basic EPS (NT$)	1.75	1.74
Basic EPS (NT$) excl. PPA	1.93	1.91
Diluted EPS (NT$)	1.64	1.70
Diluted EPS (NT$) excl. PPA	1.82	1.88

[1]: PPA expenses are the P&L impacts from the accounting treatment of purchase price allocation in relation to the ASE/SPIL and ASE/Infineon transaction, which resulted in increased asset values from purchase price premiums in inventory, PP&E, intangibles, right-of-use assets, other assets, and deferred tax liability. The PPA expenses excluded are related to depreciation, amortization, other expenses, and income tax benefit $0.77bn in 1Q25 and $0.75bn in 2Q25.

[2]: PPA expenses are the P&L impacts from the accounting treatment of purchase price allocation in relation to the USI/Asteelflash and USI/Hirschmann transaction, which resulted in increased asset and liability values from purchase price premiums in inventory, 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 $0.04bn in 1Q25 and $0.02bn in 2Q25.