

# Interim report 2024

For the six month period  
Ended June 30, 2024



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# Interim Management Board report

## ASM Consolidated results for the six months ended June 30, 2024

The following table shows the operating performance for the six months ended June 30, 2024, compared to the same period of previous year:

(€ million)	Six months ended June 30,		Change
	2023	2024	
New orders	1,133.2	1,453.4	28 %
<i>yoy change % at constant currencies</i>	(33.0)%	29.5 %	
Revenue	1,379.2	1,345.1	(2)%
<i>yoy change % at constant currencies</i>	27.0 %	(1.2)%	
Gross profit margin	48.8 %	51.3 %	
Adjusted gross profit margin <sup>1</sup>	50.1 %	51.3 %	
Operating result	374.9	364.7	12 %
Operating result margin	27.2 %	27.1 %	
Adjusted operating result <sup>1</sup>	401.3	374.1	(7)%
Adjusted operating margin <sup>1</sup>	29.1 %	27.8 %	
Net earnings	531.6	332.1	(199.5)
Adjusted net earnings <sup>1</sup>	343.7	343.5	(0.2)

<sup>1</sup> Adjusted figures are non-IFRS performance measures (previously referred to as "normalized"). Reference is made to the table at the end of this section for a reconciliation of non-IFRS performance measures.

Amounts are rounded to the nearest tenth of million euro; therefore amounts may not equal (sub) totals due to rounding.



### Backlog

Backlog includes orders for which purchase orders or letters of intent have been accepted, typically for up to one year. Orders are subjected to the risk of cancellation or rescheduling by customers. In addition, orders could be subject to price negotiations and changes in specifications as a result of changes in customers' requirements. Due to possible customer changes in delivery schedules and requirements and to cancellation of orders, our backlog at any particular date is not necessarily indicative of actual revenue for any succeeding period.

The backlog increased from €1,400 million at the end of June 30, 2023 to €1,576 million as per June 30, 2024. New orders for the first half year 2024 increased to €1,453 million, increased 30% at constant currencies. The book-to-bill ratio for the first half year was 1.1. In terms of customer segments, new orders in the first half year 2024 were led by foundry, followed by memory, logic and power/analog.

### Revenue

Revenue for the six months ended June 30, 2024 slightly decreased to €1,345 million, down (1)% at constant currencies (decreased by 2% as reported). Revenue in the first half year 2024 were led by foundry, followed by memory, power/analog and logic.

Equipment revenue in the first half year 2024 decreased by 3% at constant currencies (decreased by 4% as reported). Spares & services revenue in the first half year 2024 increased by 11% at constant currencies (increased by 9% as reported).

### Adjusted gross profit

The adjusted gross profit margin for the six months ended June 30, 2024, increased to 51.3% compared to 50.1% in the same period last year. The change is largely explained by a generally positive mix, and continued strong contribution from China sales. At constant currencies, the adjusted gross profit for the first half year 2024 increased by 1% (decreased by 0.1% as reported).

### Adjusted selling, general and administrative expenses

Adjusted selling, general and administrative expenses (SG&A) increased by 12% compared to the level in the first half year-on-year. This increase was mainly caused by a non-recurring item of €8.4 million tax charge due to the accelerated vesting of previously granted performance shares (article 32bb of the Dutch Wage Tax act).

In addition, year on year SG&A expenses increased across the board, largely due to limited headcount increase to manage the growth, increased annual merit compensation and higher variable expense.

As a percentage of revenue, the adjusted SG&A expenses increased to 11.9% in the first half year from 10.4% in the same period last year. On constant currency basis, adjusted SG&A increased by 13% year-on-year.

### Adjusted net research and development (R&D) expenses

Adjusted net R&D expenses increased by 7% compared to the first half year-on-year, in line with our strategy to continue to support investments for future growth opportunities. On constant currency basis, adjusted net R&D increased by 9% year-on-year.

### Adjusted operating result

The adjusted operating result margin in the first half year 2024 was 27.8%, an decrease of 1.3% points compared to the same period last year, mainly driven by increased, partially non-recurring, spending in SG&A and by increased



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R&D investments to support growth. At constant currencies, the adjusted operating result for the first half year 2024 decreased by 6% (decreased by 7% as reported)

### Adjusted net finance income (costs)

Adjusted financing income increased by €44 million to €49 million, mainly due to a translation gain of €39 million compared to a gain of €1 million included in the first half year 2023 results. The translation results are mainly related to movements in the US dollar in the respective periods. A substantial part of ASM's cash position is denominated in US dollar.

### Share in income of investments in associates

Result from investments, which reflects our approximate 25% shareholding in ASMPT, decreased by €9 million compared to the same period previous year. ASMPT's net earnings, on a 100% basis, decreased by €38 million to €37 million compared to the same period previous year. For further information on the half year results of ASMPT, please visit ASMPT's website [www.asmpacific.com](http://www.asmpacific.com).

Amortization intangible assets, resulting from the sale of the 12% stake of ASMPT in 2013, amounted to €0.2 million in the first half year. For 2024, on a currency comparable basis, this amortization is expected to amount to €0.4 million.

### Adjusted income taxes

Adjusted income taxes in the first half year increased to €89 million compared to €81 million in the first half of 2023.

### Net earnings

(€ million)	Six months ended June 30,	
	2023	2024
Net earnings	531.6	332.1
Excluding:		
Amortization of purchase price allocation (resulting from the acquisitions of Reno and LPE)	(26.4)	(9.5)
Income taxes (deferred taxes on PPA adjustments)	7.3	2.6
Finance expense (earn-out)	(4.8)	(4.3)
Amortization intangible assets (resulting from the sale of the 12% stake of ASMPT)	(3.6)	(0.2)
Reversal of impairment of investments in associates	215.4	—
<b>Adjusted net earnings</b>	<b>343.7</b>	<b>343.5</b>

Adjusted net earnings in the first half of 2024 remains stable compared to first half of 2023.



## Cash flow, balance sheet, liquidity and capital resources

### Cash flow summary

The following table shows the cash flow statements for the six months ended June 30, 2024, compared to the same period of previous year:

(€ million)	Six months ended June 30,	
	2023	2024
Net cash from operating activities	362.7	337.4
Net cash used in investing activities	(122.2)	(172.6)
<b>Cash flows from operating activities after investing activities</b>	<b>240.6</b>	<b>164.8</b>
Net cash used in financing activities	(178.9)	(200.0)
<b>Total net cash provided (used)</b>	<b>61.7</b>	<b>(35.2)</b>

The cash flow from operating activities decreased compared to the first half of 2023 due to higher working capital. Cash used in investing activities during the first half year 2024 increased compared to the first half of 2023 mainly due to increased capitalized development expenditures. Cash used by financing activities in the first half year of 2024 increased as a result of a higher dividend distribution (+€0.25 per share) and a higher outflow of €9 million for the share buyback program amounting to €59 million for the first half of 2024 out of the €150 million share buyback program (first half of 2023 €50 million).

### Working capital

Net working capital is composed as follows:

(€ million)	June 30, 2023	December 31, 2023	June 30, 2024
Inventories	581.8	525.7	578.4
Accounts receivable	534.6	487.7	624.3
Contract assets	39.2	59.4	44.3
Other current assets	44.7	68.8	68.5
Accounts payable	(217.5)	(177.7)	(229.8)
Provision for warranty	(26.8)	(22.7)	(25.4)
Contract liabilities	(312.3)	(300.2)	(360.3)
Accrued expenses and other payables	(151.4)	(216.2)	(198.2)
Working capital	492.1	424.8	501.9

Net working capital increased to €502 million compared to €425 million per December 31, 2023 (€492 million per June 30, 2023), mainly explained by higher inventory level (+€53 million) and increased accounts receivable (+€137 million), partly offset by higher accounts payable (€52 million) and contract liabilities (€60 million).

The number of outstanding days of working capital, measured against quarterly revenue, decreased slightly to 64 days on June 30, 2024 (June 30, 2023: 66 days).



### Sources of liquidity

As per June 30, 2024, the company's principal sources of liquidity consisted of €637 million in cash and cash equivalents and €150 million in undrawn bank lines ("RCF facility"). The RCF facility has a tenor of five years (May 2027) with an option to extend two times one year. The facility amount is €150 million with an accordion option to increase the facility amount by €100 million.

### Share buyback program

The execution on the €150 million share buyback program, announced in February 2024, has started on May 15, 2024, and will end as soon as the aggregate purchase price of the common shares acquired by ASM has reached €150 million, but ultimately on October 15, 2024. On June 30, 2024, 39.4% of the program was completed at an average share price of €653.71.

### Subsequent events

Subsequent events have been evaluated by the company until July 23, 2024, the issuance date of this interim report 2024.

There are no subsequent events to report.



## Reconciliation between IFRS and non-IFRS performance measures

(€ million)	Six months ended June 30,					
	2023			2024		
	Reported	delta	Adjusted	Reported	delta	Adjusted
Revenue	1,379.2	—	1,379.2	1,345.1	—	1,345.1
Cost of sales <sup>1</sup>	(705.6)	17.1	(688.5)	(655.3)	—	(655.3)
<b>Gross profit <sup>1</sup></b>	<b>673.6</b>	<b>17.1</b>	<b>690.7</b>	<b>689.8</b>	<b>—</b>	<b>689.8</b>
Other income	0.1	—	0.1	—	—	—
Operating expenses:						
Selling, general and administrative <sup>1</sup>	(146.0)	2.4	(143.7)	(162.8)	2.4	(160.3)
Research and development <sup>1</sup>	(152.7)	7.0	(145.8)	(162.3)	7.0	(155.3)
Total operating expenses	(298.8)	9.3	(289.4)	(325.1)	9.5	(315.7)
<b>Operating result</b>	<b>374.9</b>	<b>26.4</b>	<b>401.3</b>	<b>364.7</b>	<b>9.5</b>	<b>374.1</b>
Finance income (expense) <sup>2</sup>	(0.7)	4.8	4.2	5.7	4.3	10.0
Foreign currency exchange gain (loss)	0.9	—	0.9	39.0	—	39.0
Net finance income (costs) <sup>2</sup>	0.2	4.8	5.0	44.7	4.3	49.0
Share in income of investments in associates <sup>1</sup>	15.0	3.6	18.6	9.0	0.2	9.2
(Impairment) Reversal of impairment of investments in associates, net <sup>3</sup>	215.4	—	215.4	—	—	—
<b>Result before income taxes <sup>1,2,3</sup></b>	<b>605.5</b>	<b>34.9</b>	<b>640.3</b>	<b>418.4</b>	<b>14.0</b>	<b>432.4</b>
Income taxes <sup>4</sup>	(73.9)	(7.3)	(81.2)	(86.3)	(2.6)	(88.9)
<b>Net earnings from operations <sup>1,2,3,4</sup></b>	<b>531.6</b>	<b>27.5</b>	<b>559.1</b>	<b>332.1</b>	<b>11.4</b>	<b>343.5</b>

We have changed the terminology of non-IFRS performance measures from "Normalized" as previously applied in our external reporting to "Adjusted". There is no change in the definition to calculate such non-IFRS performance measures. For further elaboration on the use of non-IFRS performance measures, reference is made to section 29 Non-IFRS Financial performance measures of the 2023 ASM International N.V. consolidated annual accounts.

<sup>1</sup> Adjusted for the amortization of fair value adjustments from purchase price allocations.

<sup>2</sup> Adjusted for the change in fair value of the contingent consideration ('LPE earn-out').

<sup>3</sup> Adjusted for the (impairment) reversal.

<sup>4</sup> Adjusted for the realization of temporary differences resulting from purchase price allocation.





# Interim ESG update

## Climate transition and emission reductions

In March 2024, we published our climate transition plan to support our ambitious target of achieving net zero emissions by 2035. A significant milestone was reached in the first half of 2024 as we transitioned to 100% renewable electricity across our global operations for the first two quarters of the year (H1 2023: 88%). This transition results in substantial reductions in our Scope 1 and 2 emissions. By switching to renewable electricity, we project our 2024 Scope 1 and 2 emissions to reduce with more than 50% year-on-year.

## Reusable crating program

Our commitment to reducing our environmental footprint extends to our shipping practices. The finalization of our life cycle assessment (LCA) report highlighted the positive impacts of using reusable crates to ship our machines. Each reusable crate shipment reduces CO<sub>2</sub> emissions by 68% compared to single-use crates. In the first half of 2024, we executed 115 reusable crate shipments to our customers (H1 2023: 175), saving a total of 2.3 tonnes CO<sub>2</sub>e, which accounts for the full lifecycle emissions footprint. We have planned expansion of reusable crates to additional tool platforms in H2 2024.

## Workforce development and diversity

We are committed to fostering an inclusive work environment that drives innovation and long-term success. As of June 2024, our total headcount including temporary workers reached 4,617, compared to 4,654 at the end of 2023, reflecting a slight decrease during H1 2024. While our year-on-year attrition rate remained stable at 10.4% for H1 2024 (H1 2023: 10.3%), voluntary attrition decreased to 6.5% (H1 2023: 8.3%). The widening gap between overall and voluntary attrition is primarily due to restructuring efforts, while improving talent retention.

We've made modest progress in gender diversity. Female representation in our overall workforce increased to 18% (H1 2023: 17%), though it slightly decreased to 16% at the sub-board level (H1 2023: 17%). To address this, we're expanding initiatives like ASM's Women Mentoring Program, pairing senior executives with female talents to accelerate the development of future women leaders.

## Safety

To accelerate workplace safety, we implemented a new safety strategy in December 2023, with a stronger focus on culture and engagement. In the first half of 2024, we observed a total of 11 injury and first-aid cases, which is the same overall number as in the first half of 2023. While the total remained constant, we noted a 29% decrease in recordable injuries, accompanied by an increase in reported first-aid cases. The focus on fostering a proactive safety culture remains crucial for ensuring the well-being of our employees and maintaining a safe working environment across our global operations. We will continue to monitor these trends closely and adjust our strategies as needed to further improve our safety performance.

## Responsible sourcing in our supply chain

ASM recognizes that our impact extends beyond our direct operations to suppliers who provide essential materials and services. In May 2024, we completed our most recent conflict minerals due diligence cycle, aiming to increase the use of certified smelters in our supply chain. This ensures that human rights are upheld when sourcing tin, tantalum, tungsten, and gold (3TG). Despite a 58% increase in high-risk smelters and refineries reported in our minerals supply chain, we saw only a 7% increase in the number of suppliers reporting those high-risk smelters and



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refineries compared to 2023. With this concentration of 3TG mineral risks, we are working toward improvement through our continued, targeted engagement.

In April 2024, we hosted our second supplier sustainability summit, this time in Phoenix, Arizona, engaging key partners on our shared sustainability plans. The summit facilitated discussions on supporting each other in achieving our sustainability goals, fostering collaboration within our supply chain. We also continued to host webinars in the first half of 2024, providing insights and technical guidance on sustainability topics to enable supplier development.



# Reporting responsibilities and risks

## Related party transactions

There have been no significant related party transactions or changes in related party transactions described in ASM's 2023 Annual Report that could have a material effect on the financial position or performance of the company in the first six months of the 2024 financial year.

## Auditors' involvement

The contents of this Interim Financial Report have not been audited or reviewed by an external auditor.

## Risks and uncertainties

In conducting our business, we face a number of principal risks and uncertainties that each could materially affect our business, revenues, income, assets and liquidity and capital resources. For a detailed description of our assessment of the major risk factors, see Risk management in our 2023 Annual Report. Those risk factors are deemed incorporated and repeated in this report by reference. ASM believes that these risks similarly apply for the second half of 2024.

We monitor our primary risks and emerging risks on a continuous basis and implement appropriate measures as promptly as practicable to address known and new risks as they emerge and change. Additional risks not known to us or now believed to be not material could later turn out to have material impact on us.

## Responsibility statement

The Management Board of the company hereby declares that, to the best of its knowledge:

- the condensed consolidated interim financial statements of the first six months ended June 30, 2024, prepared in accordance with IAS 34, Interim Financial Reporting give a true and fair view of the assets, liabilities, financial position and results of the company and the undertakings included in the consolidation taken as a whole; and
- the Interim report of the Management Board gives a fair review of the information required pursuant to section 5:25d(8)/(9) of the Dutch Financial Markets Supervision Act ("Wet op het Financieel Toezicht").

Almere, the Netherlands

July 23, 2024

Management Board ASM International N.V.

H. M'Saad, Chairman of the Management Board and Chief Executive Officer

P.A.H. Verhagen, Member of the Management Board and Chief Financial Officer



ASM Interim Report 2024

# Condensed consolidated interim financial statements

For the six months ended June 30, 2024



## Interim condensed consolidated statement of profit or loss

(€ thousand, except share data)	Notes	Six months ended June 30,	
		2023	2024
Revenue	5,6	1,379,172	1,345,124
Cost of sales		(705,557)	(655,329)
<b>Gross profit</b>		<b>673,615</b>	<b>689,795</b>
Other income		59	—
<b>Operating expenses:</b>			
Selling, general and administrative		(146,048)	(162,783)
Research and development		(152,735)	(162,329)
<b>Total operating expenses</b>		<b>(298,783)</b>	<b>(325,112)</b>
<b>Operating result</b>		<b>374,891</b>	<b>364,683</b>
Finance income		4,617	13,618
Finance expense		(5,292)	(7,946)
Foreign currency exchange gain (loss)		868	38,986
<b>Net finance income (costs)</b>		<b>193</b>	<b>44,658</b>
Share in income of investments in associates	3	15,003	9,019
Reversal of impairment of investments in associates	3	215,389	—
<b>Result before income taxes</b>		<b>605,476</b>	<b>418,360</b>
Income taxes		(73,915)	(86,274)
<b>Net earnings from operations, attributable to common shareholders</b>		<b>531,561</b>	<b>332,086</b>
<b>Per share data</b>	8		
Basic net earnings per share (€)		10.77	6.74
Diluted net earnings per share (€)		10.71	6.71
<b>Weighted average number of shares (thousand)</b>			
Basic		49,342	49,236
Diluted		49,654	49,477



## Interim condensed consolidated statement of comprehensive income

(€ thousand)	Six months ended June 30,	
	2023	2024
Net earnings from operations, attributable to common shareholders	531,561	332,086
Other comprehensive income, net of income tax		
Items that will not be reclassified subsequently to profit or loss:		
<b>Share in other comprehensive income (loss) of investments in associates</b>	<b>705</b>	<b>691</b>
Items that may be subsequently reclassified to profit or loss:		
Remeasurement of defined benefit obligation	—	(240)
Foreign currency translation effect	(79,339)	17,961
<b>Other comprehensive income, net of income tax</b>	<b>(78,634)</b>	<b>18,412</b>
<b>Total comprehensive income, attributable to common shareholders</b>	<b>452,927</b>	<b>350,498</b>



## Interim condensed consolidated statement of financial position

(€ thousand)	Notes	June 30, 2023	December 31, 2023	June 30, 2024
<b>Assets</b>				
Right-of-use assets		34,215	35,395	32,877
Property, plant and equipment		338,062	384,949	416,519
Evaluation tools at customers	4	70,543	79,597	91,339
Goodwill		320,473	320,167	320,750
Other intangible assets	2	663,958	705,624	769,916
Investments in associates	3	873,062	861,937	891,549
Other investments		9,612	11,307	16,899
Deferred tax assets		224	179	30,809
Other non-current assets		7,104	15,778	18,223
Employee benefits		2,229	2,919	2,652
<b>Total non-current assets</b>		<b>2,319,482</b>	<b>2,417,852</b>	<b>2,591,533</b>
Inventories		581,770	525,690	578,430
Accounts receivable		534,610	487,727	624,283
Contract assets		39,215	59,392	44,317
Income taxes receivable		19,552	29,957	24,650
Other current assets		44,662	68,845	68,541
Cash and cash equivalents		490,347	637,264	637,381
<b>Total current assets</b>		<b>1,710,156</b>	<b>1,808,875</b>	<b>1,977,602</b>
<b>Total assets</b>		<b>4,029,638</b>	<b>4,226,727</b>	<b>4,569,135</b>
<b>Equity</b>				
		<b>3,045,829</b>	<b>3,226,811</b>	<b>3,410,067</b>
Lease liabilities		20,707	22,684	20,207
Contingent consideration payable		83,477	88,304	92,653
Deferred tax liabilities		121,611	150,147	185,038
<b>Total non-current liabilities</b>		<b>225,795</b>	<b>261,135</b>	<b>297,898</b>
Accounts payable		217,507	177,686	229,794
Provision for warranty		26,842	22,716	25,351
Contract liabilities		312,337	300,241	360,275
Income taxes payable		49,899	21,925	47,545
Accrued expenses and other payables		151,429	216,213	198,205
<b>Total current liabilities</b>		<b>758,014</b>	<b>738,781</b>	<b>861,170</b>
<b>Total liabilities</b>		<b>983,809</b>	<b>999,916</b>	<b>1,159,068</b>
<b>Total equity and liabilities</b>		<b>4,029,638</b>	<b>4,226,727</b>	<b>4,569,135</b>



## Interim condensed consolidated statement of changes in equity

(€ thousand, except share data)	Number of common shares outstanding	Common shares	Capital in excess of par value	Treasury shares at cost	Retained earnings	Other reserves <sup>1)</sup>	Total equity
<b>Balance January 1, 2023</b>	<b>49,326,319</b>	<b>1,974</b>	<b>47,960</b>	<b>(3,446)</b>	<b>2,507,949</b>	<b>194,882</b>	<b>2,749,319</b>
Net earnings	—	—	—	—	531,561	—	531,561
Other comprehensive income	—	—	—	—	—	(78,634)	(78,634)
<b>Total comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>531,561</b>	<b>(78,634)</b>	<b>452,927</b>
Dividend paid to common shareholders	—	—	—	—	(123,383)	—	(123,383)
Compensation expense share-based payments	—	—	16,617	—	—	—	16,617
Vesting restricted shares out of treasury shares	13,184	—	(2,044)	2,044	—	—	—
Purchase of common shares	(138,653)	—	—	(50,090)	—	—	(50,090)
Issue of common shares out of treasury shares	80,000	3	—	(3)	—	—	—
Other movements in investments and associates:							
Dilution	—	—	—	—	439	—	439
<b>Balance June 30, 2023</b>	<b>49,280,850</b>	<b>1,977</b>	<b>62,533</b>	<b>(51,495)</b>	<b>2,916,566</b>	<b>116,248</b>	<b>3,045,829</b>
Net earnings	—	—	—	—	220,512	—	220,512
Other comprehensive income	—	—	—	—	—	(12,413)	(12,413)
<b>Total comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>220,512</b>	<b>(12,413)</b>	<b>208,099</b>
Dividend paid to common shareholders	—	—	—	—	—	—	—
Compensation expense share-based payments	—	—	20,691	—	—	—	20,691
Exercise stock options out of treasury shares	18,249	—	(1,965)	2,828	—	—	863
Vesting restricted shares out of treasury shares	28,497	—	(9,936)	9,936	—	—	—
Purchase of common shares	(125,850)	—	—	(50,838)	—	—	(50,838)
Cancellation of common shares out of treasury shares	—	—	—	—	—	—	—
Other movements in investments and associates:							
Dilution	—	—	—	—	2,167	—	2,167
<b>Balance December 31, 2023</b>	<b>49,201,746</b>	<b>1,977</b>	<b>71,323</b>	<b>(89,569)</b>	<b>3,139,245</b>	<b>103,835</b>	<b>3,226,811</b>
Net earnings	—	—	—	—	332,086	—	332,086
Other comprehensive income	—	—	—	—	—	18,412	18,412
<b>Total comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>332,086</b>	<b>18,412</b>	<b>350,498</b>
Dividend paid to common shareholders	—	—	—	—	(135,487)	—	(135,487)
Compensation expense share-based payments <sup>2</sup>	—	—	26,763	—	—	—	26,763
Exercise stock options out of treasury shares	—	—	—	—	—	—	—
Vesting restricted shares out of treasury shares	104,571	—	(41,297)	41,297	—	—	—
Purchase of common shares	(89,571)	—	—	(58,518)	—	—	(58,518)
Issue of common shares out of treasury shares	—	—	—	—	—	—	—
Other movements in investments and associates:							
Dilution	—	—	—	—	—	—	—
<b>Balance June 30, 2024</b>	<b>49,216,746</b>	<b>1,977</b>	<b>56,789</b>	<b>(106,790)</b>	<b>3,335,844</b>	<b>122,247</b>	<b>3,410,067</b>

<sup>1</sup> Other reserves consist of the currency translation reserve, remeasurement on net defined benefit and the reserve for proportionate share in other comprehensive income investments in associates.

<sup>2</sup> Share-based payments include income taxes recognized directly in shareholders' equity of €7.6 million.





## Interim condensed consolidated statement of cash flows

(€ thousand)	Six months ended June 30,	
	2023	2024
<b>Cash flows from operating activities</b>		
Net earnings from operations	531,561	332,086
<b>Adjustments to reconcile net earnings to net cash from operating activities</b>		
Depreciation, amortization and impairments	85,613	85,668
Net loss (gain) on sale of property, plant and equipment	4	121
Share-based compensation	16,617	19,173
Net finance (income) costs	(11,415)	(35,110)
Share in income of investments in associates	(15,003)	(9,018)
Reversal of impairment of investments in associates	(215,389)	—
Income tax	73,915	86,274
Changes in evaluation tools at customers	(13,737)	(21,211)
Changes in employee benefits pension plans	63	1
Income tax paid	(67,743)	(42,056)
<b>Operating cash flows before changes in working capital</b>	<b>384,486</b>	<b>415,928</b>
<b>Decrease (increase) in working capital:</b>		
Accounts receivable	21,036	(144,208)
Other current assets	2,514	(341)
Inventories	(60,719)	(51,693)
Provision for warranty	(6,217)	2,546
Contract assets and liabilities	53,270	87,619
Accounts payable, accrued expenses and other payables	(31,633)	27,531
<b>Net cash from operating activities</b>	<b>362,737</b>	<b>337,381</b>
<b>Cash flows from investing activities</b>		
Capital expenditures	(70,573)	(67,394)
Proceeds from sale of property, plant and equipment	1,409	38
Capitalized development expenditures	(66,721)	(89,168)
Purchase of intangible assets	(5,829)	(10,800)
Dividend received from associates	23,383	—
Acquisition of subsidiaries, net of cash acquired	—	—
Other investments	(3,831)	(5,287)
<b>Net cash used in investing activities</b>	<b>(122,162)</b>	<b>(172,611)</b>
<b>Cash flows from operating activities after investing activities</b>	<b>240,575</b>	<b>164,770</b>
<b>Cash flows from financing activities</b>		
Payment of lease liabilities	(5,399)	(6,013)
Purchase of treasury shares	(50,090)	(58,518)
Debt issuance fees paid	(4)	—
Dividends to common shareholders	(123,383)	(135,487)
<b>Net cash used in financing activities</b>	<b>(178,876)</b>	<b>(200,018)</b>
<b>Foreign currency translation effect on cash and cash equivalents</b>	<b>9,333</b>	<b>35,365</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>71,032</b>	<b>117</b>
Cash and cash equivalents at beginning of year	419,315	637,264
<b>Cash and cash equivalents at balance sheet date</b>	<b>490,347</b>	<b>637,381</b>



# Notes to the interim condensed consolidated financial statements

## Note 1. General information / summary of material accounting policies

### General information

ASM International N.V. (ASM or the company) is a Dutch public liability company domiciled in the Netherlands with its principal operations in Europe, the United States and Asia. The company dedicates its resources to the research, development, manufacturing, marketing and servicing of equipment and materials used to produce mainly semiconductor devices. The company is registered at Versterkerstraat 8, 1322 AP Almere, the Netherlands.

The company's shares are listed for trading on the Euronext Amsterdam Stock Exchange (symbol ASM).

The accompanying condensed consolidated interim financial statements include the financial statements of ASM International N.V., headquartered in Almere, the Netherlands, and its consolidated subsidiaries (together referred to as ASM or the company).

The condensed consolidated interim financial statements for the six months ended June 30, 2024 were authorized for issue by the Management Board on July 23, 2024.

The condensed consolidated interim financial statements have not been audited or reviewed by an external auditor. In the condensed consolidated interim financial statements amounts are rounded to the nearest thousand euro; therefore amounts may not equal (sub) totals due to rounding.

### Accounting policies

The interim condensed consolidated financial statements for the six month ended 30 June 2024 have been prepared in accordance with IAS 34, Interim Financial Reporting. The company has prepared the financial statements on the basis that it will continue to operate as a going concern. The condensed consolidated interim financial statements do not include all of the information and disclosures required for full annual financial statements and should be read in conjunction with ASM's 2023 Annual Report. In addition, the notes to these condensed consolidated interim financial statements are presented in a condensed format. The applied accounting principles are in line with those as described in ASM's 2023 Annual Report and are based on IFRS as endorsed by the European Union.

### Changes in accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the last annual financial statements, except for the IFRS standards and interpretations effective on January 1, 2024. These include amendment to IAS 1, IFRS 16, IAS 7 and IFRS 7. The changes / amendments have been assessed for their potential impact and do not have material impact on ASM's interim condensed consolidated financial statements, but are expected to affect the accounting policy disclosures in the company's annual consolidated financial statements.



### **Use of estimates and judgments**

The preparation of the company's condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ materially from those estimates. We evaluate our estimates and underlying assumptions on an ongoing basis. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.



## Note 2. Other intangible assets

Other intangible assets include capitalized development expenditure, software developed or purchased (including licenses) for internal use, purchased technology from third parties and other intangibles. The changes in the amount of other intangible assets are as follows:

(€ thousand)	Development costs	Software	Purchased technology	Other intangibles	Total
<b>Balance January 1, 2023</b>	<b>340,430</b>	<b>10,176</b>	<b>207,666</b>	<b>87,832</b>	<b>646,104</b>
Additions	66,721	5,721	—	260	72,702
Reclassification	—	76	1,374	(1,374)	76
Disposals	—	(152)	—	—	(152)
Amortization for the period	(21,671)	(1,147)	(10,164)	(8,073)	(41,055)
Impairments	—	—	—	—	—
Foreign currency, translation effect	(13,019)	(295)	33	(436)	(13,717)
<b>Balance June 30, 2023</b>	<b>372,461</b>	<b>14,379</b>	<b>198,909</b>	<b>78,209</b>	<b>663,958</b>
Additions	80,499	9,881	—	527	90,907
Reclassification	—	(76)	(1,895)	1,895	(76)
Amortization for the period	(22,131)	(1,910)	(3,857)	(14,494)	(42,392)
Impairments	(2,475)	—	—	—	(2,475)
Foreign currency, translation effect	(4,123)	149	(764)	440	(4,298)
<b>Balance December 31, 2023</b>	<b>424,231</b>	<b>22,423</b>	<b>192,393</b>	<b>66,577</b>	<b>705,624</b>
Additions	89,168	9,059	—	1,742	99,969
Reclassification	—	—	—	—	—
Disposals	—	—	—	—	—
Amortization for the period	(24,517)	(1,397)	(7,033)	(2,443)	(35,390)
Impairments	(448)	—	—	—	(448)
Foreign currency, translation effect	(611)	158	604	10	161
<b>Balance June 30, 2024</b>	<b>487,823</b>	<b>30,243</b>	<b>185,964</b>	<b>65,886</b>	<b>769,916</b>

Impairment charges on capitalized development costs are included in operating expenses under research and development. Impairment of capitalized development expenses primarily related to development of new hardware for which customer demand has shifted out in time, new process technologies that were not successful, and purchased technology which became obsolete. The impairment charges in 2023 and 2024 related to customer-specific projects.

Capitalized development costs are amortized over their estimated useful lives of five years.

Amortization starts when the developed asset is ready for its intended use. For the company, this occurs when the application is transferred to high-volume manufacturing.

The company estimated a useful life of purchased technology of 15 years. Other intangibles assets are amortized over their estimated useful lives of respectively one year (order backlog), four years (trade name) and 17 years (customer relationships). The amortization of development costs and purchased technology is included in R&D; the amortization of the order backlog in cost of sales upon realization of respective sales; the amortization of customer relationships is included in SG&A.



### Note 3. Investments in associates

The changes in the investments in associates are as follows:

(€ thousand)	ASMPT	Other	Total
<b>Balance January 1, 2023</b>	<b>685,841</b>	<b>500</b>	<b>686,341</b>
Reversal impairment of investments in associates	215,389	—	215,389
Share in net earnings of investments in associates	18,619	—	18,619
Other comprehensive income of investments in associates	705	—	705
Amortization recognized intangible assets	(3,616)	—	(3,616)
Dilution ASMPT share to 24.97%	439	—	439
Dividends	(23,383)	—	(23,383)
Foreign currency translation effect	(21,432)	—	(21,432)
<b>Balance June 30, 2023</b>	<b>872,562</b>	<b>500</b>	<b>873,062</b>
Additions through business combinations	—	—	—
Impairments of investments in associates, net	—	—	—
Share in net earnings of investments in associates	2,586	—	2,586
Other comprehensive income of investments in associates	(1,322)	—	(1,322)
Amortization recognized intangible assets	(50)	—	(50)
Dividends	(7,370)	—	(7,370)
Dilution ASMPT share to 24.85%	2,168	—	2,168
Foreign currency translation effect	(7,137)	—	(7,137)
<b>Balance December 31, 2023</b>	<b>861,437</b>	<b>500</b>	<b>861,937</b>
Reversal impairment of investments in associates	—	—	—
Share in net earnings of investments in associates	9,208	—	9,208
Other comprehensive income of investments of associates	691	—	691
Amortization recognized intangible assets	(189)	—	(189)
Dividends	—	—	—
Dilution ASMPT share to 24.85%	—	—	—
Foreign currency translation effect	19,902	—	19,902
<b>Balance June 30, 2024</b>	<b>891,049</b>	<b>500</b>	<b>891,549</b>

On March 15, 2013, the company divested a controlling stake in its subsidiary ASMPT Ltd (ASMPT). After the initial accounting of the sale transaction and related gains future income from ASMPT was adjusted for the fair value adjustments arising from the basis differences as if a business combination had occurred under IFRS 3R, Business Combinations, i.e. a purchase price allocation (PPA).

The purchase of the associate has been recognized at fair value, being the value of the ASMPT shares on the day of closing of the purchase transaction. The composition of this fair value was determined through a PPA. The PPA resulted in the recognition of intangible assets for customer relationship, technology, trade name, product names and goodwill. For inventories and property, plant & equipment a fair value adjustment was recognized.

The ASMPT investment is accounted for under the equity method on a go forward basis. Equity method investments are tested for prolonged impairment.

If the fair value of an investment is less than its carrying value at the balance sheet date, the company determines whether the lower fair value is temporary or prolonged. The amount per share recognized as per June 30, 2024 under equity accounting amounts to HK\$72.31 (December 31, 2023 after impairment: HK\$72.18) whereas the level 1 fair value per share (being the market price of a share on the Hong Kong Stock Exchange) was HK\$108.9 as per June 30,



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2024 (December 31, 2023: HK\$74.50). Management performed an impairment trigger analysis and concluded that no impairment of the carrying value of ASMPT was required as per June 30, 2024.

In December 2023 2,001,100 common shares of ASMPT were issued, for cash at par value of HK\$0.10 per share, pursuant to the Employee Share Incentive Scheme of ASMPT. Despite the completion of the share buyback program executed by ASMPT, ASM's ownership in ASMPT have diluted to 24.85% as of December 31, 2023 due to the shares issued under the plan in 2023

At June 30, 2024, the book value of our equity method investment in ASMPT was €891.0 million. The historical cost basis of our 24.85% share of net assets on the books of ASMPT was €471.6 million as of June 30, 2024 resulting in a basis difference of €419.5 million. €3.4 million of this basis difference has been allocated to intangibles assets. The remaining amount was allocated to goodwill. Each individual, identifiable asset will periodically be reviewed for any indicators of potential impairment which, if required, would result in acceleration of basis difference amortization. We amortize the basis differences allocated to the assets on a straight-line basis, and include the impact within the results of our equity method investments. Amortization and depreciation are adjusted for related deferred tax impacts. Included in net income attributable to ASM for the six months period ending June 30, 2024 was after-tax expense of €0.2 million, representing the depreciation and amortization of the basis differences.

Summarized 100% earnings information for ASMPT equity method investment excluding basis adjustments (foreign currency exchange rate average for 2024: 1 HK\$: €0.11794 and for 2023: 1 HK\$: €0.11830):

(HK\$ million)	Six months ended June 30,	
	2023	2024
Revenue	7,818.4	6,481.0
Earnings before income tax	879.1	454.9
Net earnings	623.1	314.2

Summarized 100% statement of financial position information for ASMPT equity method investment excluding basis adjustments (foreign currency exchange rate as per June 30, 2024: 1 HK\$: €0.11743, December 31, 2023: 1 HK\$: €0.11963 and as per June 30, 2023: 1 HK\$: €0.11743):

(HK\$ million)	June 30, 2023	December 31, 2023	June 30, 2024
Current assets	15,402	15,241	15,614
Non-current assets	8,168	8,722	8,665
Current liabilities	6,202	6,013	4,302
Non-current liabilities	1,661	2,146	4,436
Equity	15,707	15,804	15,540



#### Note 4. Evaluation tools at customers

The changes in the amount of evaluation tools are as follows:

(€ thousand)	June 30, 2023	June 30, 2024
<b>At cost</b>		
<b>Balance at beginning of year</b>	<b>101,073</b>	<b>107,411</b>
Evaluation tools shipped	24,394	29,547
Evaluation tools sold and returns	(17,437)	(16,464)
Foreign currency translation effect	(3,866)	216
<b>Balance at end of period</b>	<b>104,164</b>	<b>120,710</b>
<b>Accumulated depreciation</b>		
<b>Balance at beginning of year</b>	<b>32,397</b>	<b>27,814</b>
Depreciation for the year	9,247	9,785
Evaluation tools sold and returns	(6,780)	(8,128)
Foreign currency translation effect	(1,243)	(100)
<b>Balance at end of period</b>	<b>33,621</b>	<b>29,371</b>
<b>Carrying amount at beginning of year</b>	<b>68,676</b>	<b>79,597</b>
<b>Carrying amount at end of period</b>	<b>70,543</b>	<b>91,339</b>
Useful lives in years:		5



**Note 5. Segment disclosure**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer (CEO), who is the Chief Operating Decision Maker (CODM).

The company has one reportable segment that manufactures and sells equipment used in wafer processing, encompassing the fabrication steps in which silicon wafers are layered with semiconductor devices. The segment is a product driven organizational unit comprised of manufacturing, service, and sales operations in Europe, the United States and Asia.

Geographical information is summarized as follows:

	Six months ended June 30,			
	2023		2024	
(€ thousand)	Revenue	Non-current assets <sup>1)</sup>	Revenue	Non-current assets <sup>1)</sup>
United States	265,481	422,811	200,431	276,273
Europe	187,186	649,561	76,412	1,086,584
Asia	926,505	361,466	1,068,282	286,381
<b>Total</b>	<b>1,379,172</b>	<b>1,433,838</b>	<b>1,345,125</b>	<b>1,649,238</b>

<sup>1)</sup> Other than financial instruments, deferred tax assets and post-employment benefit assets

For geographical reporting, revenue are attributed to the geographic location in which the customer's facilities are located.





## Note 6. Revenue

### Contract balances

(€ thousand)	June 30, 2023	June 30, 2024
Contract assets	39,215	44,317
Contract liabilities	312,337	360,275

The contract assets primarily relate to the company's right to consideration for work completed and revenue recognized but not billed at the reporting date. The contract asset is transferred to accounts receivables when the rights become unconditional. This usually occurs when the company issues an invoice to the customer.

Contract liabilities relate to the advance consideration received (or an amount of consideration is due) from customers for which revenue is not yet recognized because the performance obligation has not been satisfied yet. This part of the revenue is deferred at the transaction price allocated to the performance obligations until shipment (depending Inco-term).

### Revenue Streams

The company generates revenue primarily from the sales of equipment and sales of spares & services.

(€ thousand)	Six months ended June 30,	
	2023	2024
Equipment revenue	1,169,400	1,117,084
Spares & services revenue	209,772	228,040
<b>Total</b>	<b>1,379,172</b>	<b>1,345,124</b>

Total revenue decreased by 2% as reported.



### **Note 7. Litigation matters and legal proceedings**

ASM is and may become a party to various legal proceedings incidental to its business. As is the case with other companies in our industry and similar industries, the company faces exposure from actual or potential claims and legal proceedings. Although the ultimate result of legal proceedings cannot be predicted with certainty and in many events cannot be reasonably estimated, it is the opinion of the company's management that the outcome of any claim which is currently pending, either individually or on a combined basis, will not have a material effect on the financial position of the company, its cash flows and result of operations.



## Note 8. Earnings per share

Basic net earnings per common share is calculated by dividing net earnings attributable to common shareholders by the weighted average number of common shares outstanding for that period. The dilutive effect is calculated using the treasury stock method. The calculation of diluted net earnings per share assumes the exercise of options issued under our stock option plans (and the issuance of shares under our share plans) for periods in which exercised (or issuances) would have a dilutive effect. The calculation of diluted net earnings per share does not assume exercise of options (or issuance of shares) when such exercises (or issuances) would be anti-dilutive.

The calculation of basic and diluted net earnings per share attributable to common shareholders is based on the following data:

(€ thousand, except share data)	Six months ended June 30,	
	2023	2024
Net earnings used for purposes of calculating net income per common share		
Net earnings from operations	531,561	332,086
Basic weighted average number of shares outstanding during the year (thousands)	49,342	49,236
Effect of dilutive potential common shares from stock options and restricted shares	312	241
Dilutive weighted average number of shares outstanding	49,654	49,477
Basic net earnings per share:		
from operations	10.77	6.74
Diluted net earnings per share:		
from operations	10.71	6.71



### **Note 9. Related party transactions**

The company has a related party relationship with its subsidiaries, equity accounted investees and members of the Supervisory Board and the Management Board. Related party transactions are conducted on an at arm's length basis with terms comparable to transactions with third parties.

The company has no other significant transactions or outstanding balances with its equity-accounted investees other than its equity-interest holdings.

There have been no significant related party transactions or changes in related party transactions described in ASM's Annual Report 2023 that could have a material effect on the financial position or performance of the company in the first six months of the 2024 financial year.



## Safe harbor statement

In addition to historical information, some of the information posted or referenced herein or on the website contains statements relating to our future business and/or results, including, among others, statements regarding future revenue, sales, income, expenditures, sufficiency of cash generated from operations, maintenance of interest in ASMPT Ltd, business strategy, product development, product acceptance, market penetration, market demand, return on investment in new products, facility completion dates and product shipment dates, corporate transactions, restructurings, liquidity and financing matters, outlooks, and any other non-historical information. These statements include or may be interpreted to include certain projections and business trends, which are or could be considered 'forward-looking'. We caution readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements.

You can identify forward-looking statements by the use of words like 'may', 'could', 'should', 'project', 'believe', 'anticipate', 'expect', 'plan', 'estimate', 'forecast', 'potential', 'intend', 'continue', 'aim', 'strive' and variations of these words or comparable words.

Forward-looking statements do not guarantee future performance and involve risks and uncertainties. You should be aware that our actual results may differ materially from those contained in the forward-looking statements as a result of certain risks and uncertainties.

These risks and uncertainties include, but are not limited to, economic conditions and trends in the semiconductor industry and the duration of industry downturns, currency fluctuations, the timing of significant orders, market acceptance of new products, competitive factors, litigation involving intellectual property, shareholder(s) or other issues, commercial and economic disruption due to natural disasters, terrorist activity, armed conflict or geopolitical tensions or political instability, changes in import/export regulations, epidemics, pandemics and other risks indicated in our most recently filed Annual Report and other filings from time to time. The risks described are not the only ones. Some risks are not yet known and some that we do not currently believe to be material could later become material. Each of these risks could materially affect our business, revenues, income, assets, liquidity, and capital resources. All statements are made as of the date of posting unless otherwise noted, and we assume no obligation to update or revise any forward-looking statements to reflect future developments or circumstances.

