

Almere, The Netherlands

February 28, 2023, 6 p.m. CET

# ASM INTERNATIONAL N.V. REPORTS FOURTH QUARTER 2022 RESULTS

ASM International N.V. (Euronext Amsterdam: ASM) today reports its fourth quarter 2022 operating results (unaudited).

**ASM finishes the year with strong bookings and new record high revenue**

## FINANCIAL HIGHLIGHTS

€ million	Q4 2021	Q3 2022	Q4 2022
New orders	644.9	675.5	828.6
YoY change% as reported / at constant currencies	70% / 70%	8% / 1%	28% / 26%
Revenue	491.3	609.8	724.8
YoY change% as reported / at constant currencies	42% / 40%	41% / 33%	48% / 42%
Gross profit margin%	47.0%	48.1%	46.4%
Normalized gross profit margin% <sup>-1</sup>	47.0%	48.1%	46.9%
Operating result	131.3	159.9	181.9
Operating result margin%	26.7%	26.2%	25.1%
Normalized operating result <sup>-1</sup>	131.3	160.4	189.8
Normalized operating result margin% <sup>-1</sup>	26.7%	26.3%	26.2%
Share in income of investments in associates (excluding amortization intangible assets resulting from the sale of ASMPT stake 2013)	25.8	19.6	8.3
Amortization intangible assets (resulting from the sale of ASMPT stake in 2013)	(3.2)	(3.6)	(3.5)
Impairment of investments in associates	—	(321.4)	106.1
Net earnings (losses)	134.9	(150.5)	236.6
Normalized net earnings <sup>-2</sup>	138.1	174.9	142.4

1- Excluding amortization of fair value adjustments from respective purchase price allocations (before tax)

2- Excluding amortization of fair value adjustments from purchase price allocations (net of tax), change in fair value of the contingent consideration (LPE earn-out) and impairment of ASMPT

- New orders of €829 million for the fourth quarter 2022 increased by 26% at constant currencies compared to the same period last year (28% as reported). The increase in new orders is partly driven by the acquisition of LPE, which experienced exceptionally strong orders in Q4, partially for delivery in the second half of 2023.
- Year-on-year revenue growth for the fourth quarter 2022 was 42% at constant currencies (48% as reported).

- Normalized gross profit margin of 46.9%, excluding PPA expenses in the fourth quarter 2022, was similar to 47.0% in the same quarter last year. Including PPA expenses, gross margin was 46.4% in Q4 2022.
- Normalized operating result for the fourth quarter 2022, excluding PPA expenses, improved from €131 million last year to €190 million this year driven again by strong revenue growth, which was partly offset by an increase in operating expenses.
- Net earnings included a non-cash reversal of €106 million of the Q3 impairment of ASMPT, to account for the partial recovery market valuation of the stake in ASMPT.
- Net earnings include a negative impact of €8 million (net of tax) relating to PPA expenses. Normalized net earnings for the fourth quarter 2022 were €142 million, up from €138 million in Q4 last year, and included a translation loss of €36 million compared to a translation gain of €7 million in Q4 2021 and a translation gain of €25 million in Q3 2022.
- Details of (estimated) amortization and earn-out expenses (PPA expenses) relating to the acquisition of LPE are found in Annex 2.

## COMMENT

“ASM delivered a strong performance yet again in 2022. Revenue increased 33% at constant currency, our sixth consecutive year of double-digit growth. Our ASM team went again the extra mile to meet customer requirements despite the challenging supply chain conditions in 2022,” said Benjamin Loh, President and CEO of ASM. “In the fourth quarter, we realized revenue of €725 million, including record-high sales in the logic/foundry segment. As already announced on January 17, 2023, Q4 revenue exceeded earlier expectations. This was driven by a further improvement in supply chain conditions, even though we continue to experience constraints in certain areas.

Q4 bookings amounted to €829 million, driven by steady logic/foundry demand, and also record-high power/analog bookings. The latter included a solid contribution from LPE, which has been consolidated since October 3, 2022. Supported by strong demand in the silicon carbide market, and taking into account persistent supply constraints, we expect LPE to generate revenue in excess of €130 million in 2023, up from our previous forecast of more than €100 million.

For the full year, our revenue increased to a new record high of €2,411 million, led by strong growth in our ALD and Epi product lines. Operating profit increased by 29% to €632 million, even with significantly higher investment in R&D and SG&A. Excluding €314 million in cash spent on acquisitions, we generated free cash flow of €381 million, up 43% from 2021. In 2022, we continued with our focus on sustainability and we took important next steps by submitting our GHG measurements and targets for validation to the Science Based Targets initiative (SBTi) in Q4 2022.

## OUTLOOK

ASM started the year with a record-high order backlog of €1.7 billion. On a currency comparable level, we expect revenue for Q1 of €660 - 700 million, with a slight increase in Q2 revenue compared to this level. Based on the current visibility, we expect revenue in the second half of 2023 to remain at a healthy level, albeit somewhat lower than in the first half of 2023. Looking at the wafer fab equipment (WFE) market in 2023, logic/foundry spending on the most advanced nodes and automotive-related power/analog demand is expected to remain resilient. The reduction in memory spending is expected to continue in 2023, while demand for trailing-edge nodes in logic/foundry, especially consumer related is expected to soften. In total, the WFE market is forecasted to drop by a mid to high teens percentage in 2023, a level that we expect to outperform, supported by our strong positions in the leading-edge logic/foundry market, and also by the momentum of newly introduced product and applications.

Taking into account ASM's strong growth in the last years, in combination with continued solid growth opportunities, we need to further expand our capacity around the world, including the recently announced expansion of our innovation and manufacturing infrastructure in South Korea. As a result, we have decided to step up CapEx to a level of €150-200 million in 2023.

## **LPE ACQUISITION**

On July 18, 2022, ASM entered into a definitive agreement under which it would at closing acquire all of the outstanding shares of LPE, an Italian based manufacturer of epitaxial reactors for silicon carbide (SiC) and silicon. As announced in our press release of July 18, 2022, the transaction was financed with a combination of cash, a conditional earn out, and 631,154 ASM shares (a combination of 580,000 treasury shares and 51,154 newly issued shares).

The acquisition was completed on October 3, 2022, and LPE is now a fully owned subsidiary and operates as a product unit under ASM's Global Products organization.

## **DIVIDEND PROPOSAL**

ASM will propose to the forthcoming 2023 Annual General Meeting on May 15, 2023, to declare a regular dividend of €2.50 per common share over 2022, maintaining the same level of regular dividend paid over 2021 (€2.50 per common share).

## **REVOLVING CREDIT FACILITY (RCF)**

In 2023, ASM converted its revolving facility into a Sustainability-Linked RCF aligned with the Sustainability-Linked Loan Principles by the Loan Market Association.

Under the terms of the facility, the interest rate is linked to the achievement of long-term sustainability goals targeting gender diversity, net zero and value chain packaging reuse which are in line with ASM's sustainability strategic focus. Achievement of these targets will impact the interest rate as the lenders will apply a discount on the existing margin or add a penalty to the existing margin depending on the sustainability achievement against the target.

## About ASM International

ASM International N.V., headquartered in Almere, the Netherlands, and its subsidiaries design and manufacture equipment and process solutions to produce semiconductor devices for wafer processing, and have facilities in the United States, Europe, and Asia. ASM International's common stock trades on the Euronext Amsterdam Stock Exchange (symbol ASM). For more information, visit ASM's website at [www.asm.com](http://www.asm.com).

*Cautionary Note Regarding Forward-Looking Statements: All matters discussed in this press release, except for any historical data, are forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. These include, but are not limited to, economic conditions and trends in the semiconductor industry generally and the timing of the industry cycles specifically, currency fluctuations, corporate transactions, financing and liquidity matters, the success of restructurings, the timing of significant orders, market acceptance of new products, competitive factors, litigation involving intellectual property, shareholders or other issues, commercial and economic disruption due to natural disasters, terrorist activity, armed conflict or political instability, changes in import/export regulations, epidemics and other risks indicated in the Company's reports and financial statements. The Company assumes no obligation nor intends to update or revise any forward-looking statements to reflect future developments or circumstances.*

*This press release contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.*

ASM will host the quarterly earnings conference call and webcast on Wednesday, March 1, 2023, at 3:00 p.m. CET.

Conference call participants should pre-register using this [link](#) to receive the dial-in numbers, passcode and a personal PIN, which are required to access the conference call.

A simultaneous audio webcast, and replay will be accessible at <https://www.asm.com/investors/webcasts-presentations/2022/fourth-quarter-earnings>.

## CONTACT

### Investor and media contact:

Victor Bareño

T: +31 88 100 8500

E: [investor.relations@asm.com](mailto:investor.relations@asm.com)

# ANNEX 1

## OPERATING AND FINANCIAL REVIEW

### Bookings

The following table shows the level of new orders for the fourth quarter of 2022 and the backlog at the end of the fourth quarter of 2022, compared to the previous quarter and the comparable quarter previous year:

€ million	Q4 2021	Q3 2022	Q4 2022	YTD 2021	YTD 2022
Backlog at the beginning of the period	647.7	1,408.3	1,524.8	323.6	811.3
Backlog increase through business combinations	—	—	106.8	—	106.8
New orders for the period	644.9	675.5	828.6	2,195.7	3,152.5
Revenue for the period	(491.3)	(609.8)	(724.8)	(1,729.9)	(2,410.9)
FX-effect for the period	10.0	50.8	(66.3)	21.9	9.5
Backlog at the end of the period	<b>811.3</b>	<b>1,524.8</b>	<b>1,669.2</b>	<b>811.3</b>	<b>1,669.2</b>
Book-to-bill ratio (new orders divided by revenue)	1.3	1.1	1.1	1.3	1.3

The backlog increased from €1,525 million at the end of the third quarter 2022 to €1,669 million as per December 31, 2022. New orders for the fourth quarter 2022 increased to €829 million, up 26% at constant currencies. New orders included part of previous China bookings that were excluded in Q3 due to the US export restrictions. As a result of the acquisition of LPE, the backlog increased €107 million on acquisition date (October 3rd, 2022).

The book-to-bill ratio for Q4 was 1.1. In terms of customer segments, new orders in the fourth quarter 2022 were led by foundry followed by power/analog and then logic and memory.

### Revenue

€ million	Q4 2021	Q3 2022	Q4 2022	YTD 2021	YTD 2022
Equipment revenue	399.6	511.6	627.3	1,408.1	2,033.7
Spares & service revenue	91.8	98.1	97.6	321.8	377.2
Revenue	<b>491.3</b>	<b>609.8</b>	<b>724.8</b>	<b>1,729.9</b>	<b>2,410.9</b>

Revenue for the fourth quarter 2022 increased to €725 million, up 42% year-on-year at constant currencies (48% as reported). Compared to the previous quarter, revenue increased by 20% at constant currencies (19% as reported). Revenue in the fourth quarter was led by foundry followed by logic and then memory.

Equipment revenue in the fourth quarter increased by 51% year-on-year at constant currencies (57% as reported). Compared to the previous quarter, equipment revenue increased by 23% at constant currencies (23% as reported).

Spares & service revenue in the fourth quarter grew by 3% year-on-year at constant currencies (6% as reported). Compared to the previous quarter, spares & service revenue increased by 1% at constant currencies (decreased 1% as reported).

## Gross profit margin

€ million	Q4 2021	Q3 2022	Q4 2022	YTD 2021	YTD 2022
Gross profit	231.1	293.3	336.5	828.1	1,142.9
Normalized gross profit	231.1	293.3	339.6	828.1	1,146.0
Gross profit margin%	47.0%	48.1%	46.4%	47.9%	47.4%
Normalized gross profit margin%	47.0%	48.1%	46.9%	47.9%	47.5%

Normalized gross profit margin of 46.9%, excluding PPA expenses in the fourth quarter 2022 was similar to 47.0% in the same quarter last year and lower than the third quarter 2022 margin of 48.1%. The change is largely explained by mix, particularly compared to the level in Q3 2022 which reflected a relatively favorable mix. The impact of currency changes on the gross profit for the fourth quarter was a decrease of 1% quarter-on-quarter and an increase of 4% year-on-year. Including PPA expenses, gross margin was 46.4% in Q4 2022.

## Selling, general and administrative expenses

€ million	Q4 2021	Q3 2022	Q4 2022	YTD 2021	YTD 2022
SG&A expenses	55.0	72.5	76.0	189.5	276.6
Normalized SG&A expenses	55.0	72.5	74.7	189.5	275.4

Selling, general and administrative (SG&A) expenses increased by 5% compared to the level in the previous quarter and increased by 38% year-on-year. The year-on-year increase is mainly due to headcount growth (up 29% year-on-year at the end of December), higher, partially variable, employee-related compensations and consolidation of LPE. SG&A included €1 million in PPA expense in Q4 2022. As a percentage of revenue, SG&A expenses decreased to 10.5% compared to 11.2% in Q4 2021 and 11.9% in Q3 2022. The impact of currency changes for the fourth quarter was a decrease of 2% quarter-on-quarter and an increase of 10% year-on-year.

## Research and development expenses

€ million	Q4 2021	Q3 2022	Q4 2022	YTD 2021	YTD 2022
Gross research and development expenses	64.1	78.4	93.1	206.0	301.6
Capitalization of development expenses	(24.2)	(26.7)	(25.0)	(82.0)	(102.6)
Amortization of capitalized development expenses	8.1	9.0	10.6	25.2	34.9
Impairment of capitalized development expenses	0.9	—	—	2.0	—
Net research and development expenses	<b>48.8</b>	<b>60.7</b>	<b>78.8</b>	<b>151.2</b>	<b>233.9</b>
Normalized net research and development expenses	<b>48.8</b>	<b>60.3</b>	<b>75.2</b>	<b>151.2</b>	<b>229.4</b>

The gross research and development expenses increased by 19% compared to the previous quarter and increased 45% year-on-year. The impact of currency changes for the fourth quarter was a decrease of 1% quarter-on-quarter and an increase of 4% year-on-year.

Net R&D expenses increased by 30% compared to the previous quarter and increased by 61% year-on-year. The year-on-year increase of €30 million was mainly due to increased growth of R&D projects, headcount growth, increased, partially variable, employee-related compensations and consolidation of LPE. Net R&D included €4 million in PPA expense in Q4 2022. Net R&D expenses were 10.9% of revenue in Q4 2022 compared to 9.9% in the same period in 2021.

## Operating result

€ million	Q4 2021	Q3 2022	Q4 2022	YTD 2021	YTD 2022
Operating result	131.3	159.9	181.9	491.5	632.4
Operating result margin%	26.7%	26.2%	25.1%	28.4%	26.2%
Normalized operating result	131.3	160.4	189.9	491.5	641.2
Normalized operating result margin%	26.7%	26.3%	26.2%	28.4%	26.6%

Normalized operating result margin of 26.2%, excluding PPA expenses in the fourth quarter 2022, was 0.5% points lower compared to the same period last year and remains similar to the previous quarter. The impact of currency changes for the fourth quarter was neutral quarter-on-quarter and an increase of 1% year-on-year. Including PPA expenses, operating margin was 25.1% in Q4 2022.

## Financing costs

Financing costs are mainly related to currency translation results. The Q4 2022 results included a translation loss of €36 million compared to a gain of €7 million included in the Q4 2021 results and a gain of €25 million included in the Q3 2022 results. The translation results were 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. Financing costs relating to the LPE earn-out expense amounted to €3 million.

## Share in income of investments in associates

€ million	Q4 2021	Q3 2022	Q4 2022	YTD 2021	YTD 2022
Share in income of investments in associates (excluding amortization intangible assets resulting from the sale of the 12% stake of ASMPT)	25.8	19.6	8.3	86.6	78.4
Amortization intangible assets (resulting from the sale of the 12% stake of ASMPT)	(3.2)	(3.6)	(3.5)	(12.2)	(13.6)
Share in income of investments in associates	22.6	16.0	4.8	74.4	64.8

Share in income of investments in associates (excluding amortization intangible assets resulting from the sale of the 12% stake of ASMPT), which reflects our approximate 25% shareholding in ASMPT, decreased by €11 million compared to Q3 2022. ASMPT's net earnings, on a 100% basis, decreased by €43 million to €34 million compared to previous quarter. Q4 last year, also on a 100% basis, showed net earnings of €103 million. For further information on the Q4 results of ASMPT, please visit ASMPT's website [www.asmpt.com](http://www.asmpt.com).

Amortization of intangible assets resulting from the sale of the 12% stake of ASMPT in 2013 amounted to €3 million in Q4. For 2023, on a currency comparable basis, this amortization is expected to amount to €4 million.

## Impairment of investment in associates

€ million	Q4 2021	Q3 2022	Q4 2022	YTD 2021	YTD 2022
Impairment of investments in associates, at beginning of period	-	-	321.4	-	-
Impairment of investments	-	321.4	-	-	321.4
Reversal of impairment	-	-	(106.1)	-	(106.1)
Impairment of investments in associates, at end of period	-	321.4	215.3	-	215.3

The impairment charge of €321 million on investments in associates, recognized in Q3 2022, has been partly reversed as a result of an increase in the recoverable amount.

The partial impairment reversal in the fourth quarter 2022 relates to a non-cash adjustment of €106 million, reflecting an increase in the market valuation of our stake in ASMPT in the quarter. This led to a net impairment on investments in associates of €215 million in full year 2022.

The partial impairment reversal is in line with our accounting policy under which, at each reporting date, we will determine if there is any objective evidence for impairment. If the fair value of an investment is less than its carrying amount, the company determines whether the decline in value is significant or prolonged. The impairment charge will be subsequently reversed only to the extent that the recoverable amount of the investment increases.

### Income taxes

Income taxes in the fourth quarter 2022 amounted to an expense of €18 million. Income taxes in the previous quarter amounted to an expense of €31 million. The effective tax rate, excluding the share in income and impairment of ASMPT for full year 2022 is 17.7% (2021: 19.6%).

### Net earnings

€ million	Q4 2021	Q3 2022	Q4 2022	YTD 2021	YTD 2022
Net earnings	134.9	(150.5)	236.6	494.7	389.1
Excluding:					
Amortization intangible assets (resulting from the acquisitions of Reno and LPE)	—	(0.4)	(7.9)	—	(8.7)
Income taxes (realization temporary differences)	—	0.1	2.2	—	2.4
Finance expense (earn-out)	—	—	(2.6)	—	(2.6)
Amortization intangible assets (resulting from the sale of the 12% stake of ASMPT)	(3.2)	(3.6)	(3.5)	(12.2)	(13.6)
Impairment of investments in associates	—	(321.4)	106.1	—	(215.4)
<b>Normalized net earnings</b>	<b>138.1</b>	<b>174.9</b>	<b>142.4</b>	<b>506.9</b>	<b>627.0</b>

Normalized net earnings in the fourth quarter 2022 decreased by €33 million to €142 million compared to previous quarter mainly due to €36 million translation loss in Q4 2022 compared to €25 million translation gain in the previous quarter.

### Cash flows

€ million	Q4 2021	Q3 2022	Q4 2022	YTD 2021	YTD 2022
Net cash from operating activities	64.3	154.6	103.8	380.6	541.5
Net cash from investing activities	(53.1)	(32.4)	(340.8)	(114.4)	(474.9)
Cash flows from operating activities after investing activities	11.2	122.1	(237.0)	266.2	66.6
Net cash from financing activities	(56.9)	(2.9)	(2.8)	(240.3)	(132.6)
<b>Total net cash provided / (used)</b>	<b>(45.7)</b>	<b>119.3</b>	<b>(239.8)</b>	<b>26.0</b>	<b>(66.0)</b>

The cash flow from operating activities decreased compared to the level in the previous quarter mainly due to higher cash outflow for working capital. Cash used in investing activities during Q4 2022 increased compared to Q3 2022 mainly due to the acquisition of LPE, which is partly settled in cash. Excluding €314 million in cash spent on acquisitions, we generated a full year cash flow from operating activities and after investing activities (free cash flow) of €381 million, up 43% from 2021. Cash used in financing activities during Q4 2022 was limited and compared to an outflow of €57 million in Q4 2021 used for the share buyback program, and in line with previous quarter.



## Working capital

€ million	December 31, 2021	September 30, 2022	December 31, 2022
Inventories	211.8	464.4	538.4
Accounts receivable	446.7	519.6	580.8
Other current assets	51.0	77.9	114.5
Accounts payable	(175.4)	(249.4)	(243.5)
Provision for warranty	(27.2)	(34.6)	(34.2)
Accrued expenses and other payables	(190.6)	(346.2)	(458.9)
<b>Working capital</b>	<b>316.4</b>	<b>431.7</b>	<b>497.1</b>

Net working capital increased to €497 million compared to €432 million per September 30, 2022 (€316 million per December 31, 2021), mainly explained by higher inventory levels and increased accounts receivable, partly offset by an increase of accrued expenses and other payables. The number of outstanding days of working capital, measured against quarterly sales, decreased slightly to 62 days on December 31, 2022, compared to 64 days on September 30, 2022 (58 days on December 31, 2021).

## Sources of liquidity

As per December 31, 2022, the Company's principal sources of liquidity consisted of €419 million in cash and cash equivalents and €150 million in undrawn bank lines.

## ANNEX 2

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

€ thousand, except per share data	Three months ended December 31,			Full year
	2021	2022	2021	2022
Revenue	<b>491,340</b>	<b>724,765</b>	<b>1,729,911</b>	<b>2,410,927</b>
Cost of sales	(260,269)	(388,261)	(901,780)	(1,268,046)
Gross profit	<b>231,072</b>	<b>336,504</b>	<b>828,131</b>	<b>1,142,881</b>
Other income	4,019	182	4,071	40
Operating expenses:				
Selling, general and administrative	(54,968)	(75,998)	(189,547)	(276,620)
Research and development	(48,827)	(78,764)	(151,197)	(233,866)
Total operating expenses	(103,795)	(154,762)	(340,744)	(510,486)
Operating result	<b>131,296</b>	<b>181,924</b>	<b>491,458</b>	<b>632,435</b>
Net interest income (expense)	(463)	(2,292)	(1,989)	(1,852)
Foreign currency exchange gain (loss)	6,706	(35,572)	33,473	25,011
Share in income of investments in associates	22,597	4,787	74,382	64,771
Impairment of investments in associates, net	—	106,051	—	(215,389)
Earnings before income taxes	<b>160,136</b>	<b>254,898</b>	<b>597,324</b>	<b>504,976</b>
Income taxes	(25,247)	(18,261)	(102,615)	(115,863)
Net earnings	<b>134,889</b>	<b>236,637</b>	<b>494,709</b>	<b>389,113</b>

#### Per share data:

Basic net earnings	2.78	4.80	10.17	7.97
Diluted net earnings <sup>-1</sup>	2.76	4.77	10.11	7.93

#### Weighted average number of shares used in computing per share amounts (in thousand):

Basic	48,606	49,326	48,645	48,820
Diluted <sup>-1</sup>	48,871	49,603	48,909	49,097

Outstanding shares <sup>-2</sup> :	48,569	49,326	48,569	49,326
Treasury shares <sup>-3</sup> :	729	22	729	22

Amounts are rounded to the nearest thousand €; therefore amounts may not equal (sub) totals due to rounding.

1 The calculation of diluted net earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in earnings of the Company. Only instruments that have a dilutive effect on net earnings are included in the calculation. The calculation is done for each reporting period individually. The possible increase of common shares caused by employee stock options and restricted shares for the three months ended December 31, 2022, is 277,573 common shares, and full year 2022, the possible increase is 277,912 common shares. Adjustments have been reflected in the diluted weighted average number of shares and net earnings per share for this period.

2 The increase in outstanding shares at the end of December 31, 2022, is due to the issuance of 51,154 shares as part of the LPE acquisition financing.

3 The decrease in treasury shares at the end of December 31, 2022, is mainly due to the use of 580,000 treasury shares as part of the LPE acquisition financing.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ thousand	December 31, 2021	December 31, 2022
<b>Assets</b>		
Right-of-use assets	26,938	31,663
Property, plant and equipment	257,017	312,053
Goodwill	11,270	318,465
Other intangible assets	274,833	646,104
Investments in associates	848,812	686,341
Other investments	—	5,814
Deferred tax assets	69	181
Other non-current assets	8,774	9,627
Evaluation tools at customers	63,717	68,676
<b>Total non-current assets</b>	<b>1,491,430</b>	<b>2,078,924</b>
Inventories	211,841	538,425
Accounts receivable	446,724	580,823
Income taxes receivable	18,614	18,778
Other current assets	50,972	114,524
Cash and cash equivalents	491,507	419,315
<b>Total current assets</b>	<b>1,219,658</b>	<b>1,671,865</b>
<b>Total Assets</b>	<b>2,711,088</b>	<b>3,750,789</b>
<b>Equity and liabilities</b>		
Equity	<b>2,241,754</b>	<b>2,749,319</b>
Lease liabilities	15,886	18,604
Contingent consideration payable	—	78,649
Deferred tax liabilities	45,748	123,803
<b>Total non-current liabilities</b>	<b>61,634</b>	<b>221,056</b>
Accounts payable	175,436	243,499
Provision for warranty	27,181	34,219
Income taxes payable	14,519	43,785
Accrued expenses and other payables	190,564	458,911
<b>Total current liabilities</b>	<b>407,700</b>	<b>780,414</b>
<b>Total Liabilities</b>	<b>469,334</b>	<b>1,001,470</b>
<b>Total Equity and Liabilities</b>	<b>2,711,088</b>	<b>3,750,789</b>

Amounts are rounded to the nearest thousand €; therefore amounts may not equal (sub) totals due to rounding.

## CONSOLIDATED STATEMENT OF CASH FLOWS

€ thousand	Three months ended December 31,			Full year
	2021	2022	2021	2022
<b>Cash flows from operating activities:</b>				
Net earnings	134,889	236,637	494,709	389,113
<b>Adjustments to reconcile net earnings to net cash from operating activities</b>				
Depreciation, amortization and impairments	27,139	38,296	95,580	122,434
Net gain on sale of property, plant and equipment	(4,019)	(182)	(4,071)	(40)
Share-based compensation	4,896	9,606	17,242	29,877
Net finance (income) costs	(7,342)	7,910	(23,510)	3,886
Share in income of investments in associates	(22,597)	(4,787)	(74,382)	(64,771)
Impairment of investments in associates	—	(106,051)	—	215,389
Income tax	25,247	18,261	102,615	115,863
Changes in evaluation tools at customers	11,836	2,233	(7,980)	(20,516)
Changes in employee benefits	(24)	17	(339)	198
Income tax paid	(53,086)	(23,337)	(151,623)	(90,481)
<b>Operating cash flows before changes in working capital</b>	<b>116,939</b>	<b>178,603</b>	<b>448,241</b>	<b>700,952</b>
<b>Decrease (increase) in working capital:</b>				
Accounts receivable	(72,417)	(68,007)	(154,030)	(125,068)
Other current assets	16,320	(26,649)	15,350	(53,273)
Inventories	(19,374)	(46,355)	(39,148)	(276,914)
Provision for warranty	1,506	287	7,140	5,097
Accounts payable, accrued expenses and other payables	21,334	65,913	103,087	290,694
<b>Net cash from operating activities</b>	<b>64,308</b>	<b>103,792</b>	<b>380,640</b>	<b>541,488</b>
<b>Cash flows from investing activities</b>				
Capital expenditures	(30,815)	(36,782)	(72,199)	(101,184)
Proceeds from sale of property, plant and equipment	4,147	426	6,159	940
Capitalized development expenditure	(24,208)	(25,050)	(81,973)	(102,627)
Purchase of intangible assets	(2,200)	(1,831)	(2,680)	(4,662)
Dividend received from associates	—	—	36,297	48,919
Acquisitions of subsidiaries, net of cash acquired	—	(275,561)	—	(314,295)
Other investments	—	(1,971)	—	(1,971)
<b>Net cash used in investing activities</b>	<b>(53,076)</b>	<b>(340,769)</b>	<b>(114,396)</b>	<b>(474,880)</b>
<b>Cash flows from operating activities after investing activities</b>	<b>11,232</b>	<b>(236,977)</b>	<b>266,244</b>	<b>66,608</b>
<b>Cash flows from financing activities</b>				
Payment of lease liabilities	(2,067)	(2,781)	(7,854)	(10,289)
Purchase of treasury shares	(58,031)	—	(140,142)	—
Proceeds from issuance of treasury shares	3,206	—	4,630	—
Credit facility renewal fee paid	—	—	—	(660)
Dividends to common shareholders	—	—	(96,893)	(121,650)
<b>Net cash used in financing activities</b>	<b>(56,892)</b>	<b>(2,781)</b>	<b>(240,259)</b>	<b>(132,599)</b>
Foreign currency translation effect	12,185	(11,187)	30,294	(6,201)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(33,475)</b>	<b>(250,945)</b>	<b>56,279</b>	<b>(72,192)</b>
Cash and cash equivalents at beginning of period	524,982	670,260	435,228	491,507
Cash and cash equivalents at end of period	491,507	419,315	491,507	419,315

Amounts are rounded to the nearest thousand €; therefore amounts may not equal (sub) totals due to rounding.

**(Estimated) amortization and earn-out expenses for the period 2022 – 2025**

(Estimated) purchase price allocation amortization and earn-out expenses relating to the acquisitions of Reno and LPE are as follows:

€ million	Q4 2022 Actual	Full year 2022 Actual	2023 Estimate	2024 Estimate	2025 Estimate
Cost of sales	(3.1)	(3.1)	(26.9)	—	—
Net research and development expenses	(3.6)	(4.4)	(14.2)	(14.2)	(14.2)
Selling, general and administrative expenses	(1.2)	(1.2)	(4.8)	(4.8)	(4.8)
<b>Total impact on operating results</b>	<b>(7.9)</b>	<b>(8.7)</b>	<b>(45.8)</b>	<b>(19.0)</b>	<b>(19.0)</b>
Finance expenses <sup>-1</sup>	(2.6)	(2.6)	(9.7)	(8.7)	(2.8)
Income taxes (realization temporary differences)	2.2	2.3	12.7	5.2	5.2
<b>Total impact on net earnings</b>	<b>(8.3)</b>	<b>(9.0)</b>	<b>(42.8)</b>	<b>(22.5)</b>	<b>(16.6)</b>

1 Finance expenses include the change in fair value of the contingent consideration (LPE earn-out).

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **Basis of presentation**

ASM's annual accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS-EU'). In preparing the financial information in this document, except as described otherwise, the same accounting principles are applied as in the 2021 ASM consolidated annual accounts.

Amounts are rounded to the nearest thousand €; therefore amounts may not equal (sub) totals due to rounding.

All reported data is unaudited.

### **Principles of consolidation**

The Consolidated Financial Statements include the accounts of ASM and its subsidiaries, where ASM holds a controlling interest. All unrealized intercompany profits, transactions and balances have been eliminated in consolidation. Associates are investments in entities in which ASM can exert significant influence but which ASM does not control, generally by ASM having between 20% and 50% of the voting rights. These entities are accounted for using the equity method.