



## SETS MANY NEW RECORDS IN 2017 於二零一七年創下多項新紀錄

- 2017**
- Record Group revenue of US\$2.25 billion, representing an increase of 23.0% over the preceding year
  - Net profit of HK\$2.80 billion and earnings per share of HK\$6.90, representing a surge of 94.4% over the preceding year
  - Record Back-end equipment revenue of US\$1.11 billion, representing an increase of 19.5% over 2016
  - Record Materials revenue of US\$275.2 million, representing an increase of 14.5% over 2016
  - Record SMT solutions revenue of US\$865.9 million, representing an increase of 30.9% over 2016
  - Record new order bookings of US\$2.34 billion, representing an increase of 24.7% over 2016

- 二零一七年**
- 集團收入創新高達22.5億美元，較前年增加23.0%
  - 盈利為港幣28.0            28.0



**DIRECTORS****Independent Non-Executive Directors:**

Orasa Livasiri, *Chairman*  
Lok Kam Chong, John  
Wong Hon Yee  
Tang Koon Hung, Eric

**Non-Executive Directors:**

Charles Dean del Prado  
Petrus Antonius Maria van Bommel

**Executive Directors:**

Lee Wai Kwong  
Tsui Ching Man, Stanley  
Robin Gerard Ng Cher Tat

**SECRETARY**

So Sau Ming

**AUDITOR**

Deloitte Touche Tohmatsu  
35/F One Pacific Place  
88 Queensway  
Hong Kong

**PRINCIPAL BANKERS**

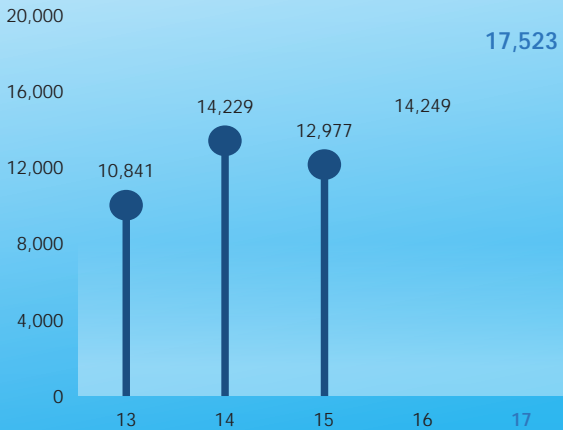
The Hongkong and Shanghai Banking Corporation Limited  
Standard Chartered Bank (Hong Kong) Limited  
Citibank, N.A.  
The Bank of Tokyo-Mitsubishi UFJ, Ltd  
Commerzbank AG

**REGISTERED OFFICE**

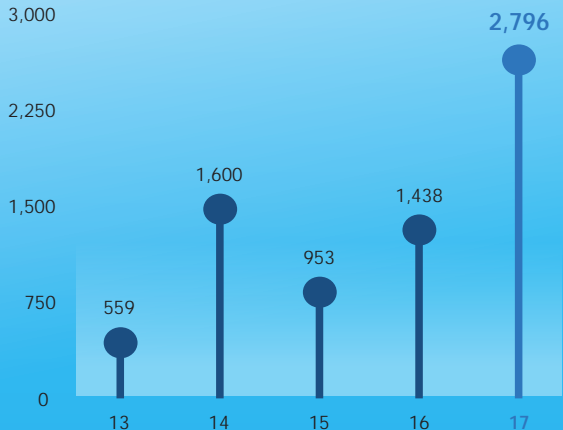
Whitehall Houssway



**Revenue**  
(HK\$' Million)



**Profit**  
(HK\$' Million)



# CHAIRMAN'S STATEMENT

## **RESULTS**

ASM Pacific Technology Limited and its subsidiaries



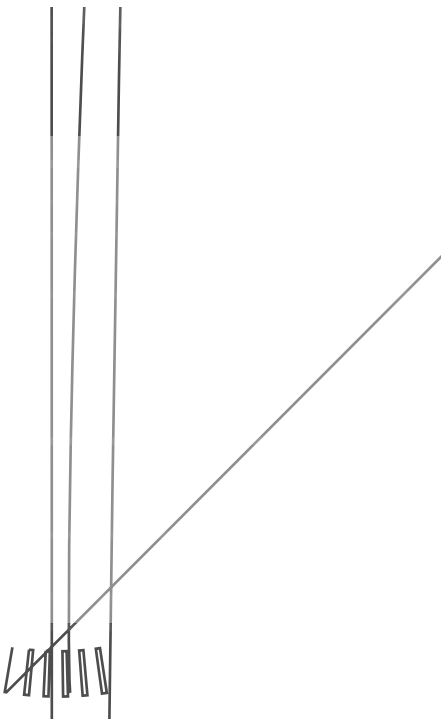
**REVIEW (CONTINUED)**

In 2017, net profit for the Group amounted to HK\$2.80 billion, representing a surge of 94.4% over the preceding year. Gross margin of the Group grew 2.6% (264bps) to 40.2%, the highest achieved since 2010. Gross margin of the Back-end Equipment Segment improved to a six-year high.

The Group ended the year with a strong momentum as all three business segments delivered positive year-on-year revenue growth. Group revenue for Q4 last year amounted to US\$541.5 million, representing a



# AN ACHIEVEMENT OF RECORDS FOR 2017



**REVIEW (CONTINUED)****Back-end Equipment Segment (Continued)**

Last year, the IC/Discrete market led the growth of our Back-end Equipment Segment. It was the largest

















**HUMAN RESOURCES (CONTINUED)**

Recognizing the importance of creating opportunities to nurture and groom young engineering talent in locations where ASMPT operates, the Group has been collaborating with TII to provide opportunities for young engineering talent to gain practical experience through internships and apprenticeships. The Group has also been collaborating with TII to provide opportunities for young engineering talent to gain practical experience through internships and apprenticeships.





# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW





**MARKET AND PRODUCT  
DEVELOPMENT (CONTINUED)****SMT Solutions Segment (Continued)**

The Group has improved its position in the smartphone market as we now command the top

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

**FINANCIAL (CONTINUED)**

The Group has convertible bonds with a principal























DIRECTORS' REPORT (CONTINUED)

**EMPLOYEE SHARE INCENTIVE SCHEME**



DIRECTORS' REPORT (CONTINUED)

**DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**



DIRECTORS' REPORT (CONTINUED)

## **DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS AND CONNECTED TRANSACTIONS**

The Independent Non-Executive Directors of the Company confirmed that the connected transactions have been







## THE BOARD (CONTINUED)

### Board composition (Continued)

\* Mr. Tang Koon Hung, Eric was appointed as Member of Nomination Committee with effect from 1 February 2018.

\*\* Mr. Patrick Shuang Kung retired as Independent Non-Executive Director and Member of Remuneration Committee and Nomination Committee with effect from 9 May 2017.

CORPORATE GOVERNANCE REPORT (CONTINUED)

## THE BOARD







CORPORATE GOVERNANCE REPORT (CONTINUED)







## REMUNERATION OF DIRECTORS (CONTINUED)

### Remuneration Committee (Continued)

The main duties of Remuneration Committee are as follow:

- On an annual basis, to review and approve the specific remuneration of the Chief Executive Officer including but not limited to basic salary, performance based discretionary bonus and bonus shares allocation.
- On an annual basis, to review and approve the recommendations made by the Chief Executive Officer for

CORPORATE GOVERNANCE REPORT (CONTINUED)

**ACCOUNTABILITY AND AUDIT**

**ACCOUNTABILITY AND AUDIT (CONTINUED)**  
Audit Committee

CORPORATE GOVERNANCE REPORT (CONTINUED)

## **ACCOUNTABILITY AND AUDIT (CONTINUED)**

### **Auditor's remuneration**











# SUSTAINABILITY REPORT

This report covers our 2017 fiscal year information and it underpins our commitment to integrate sustainable practices into the Group's area of focus such as Corporate Governance, Risk Management, Environmental



**SOCIAL (CONTINUED)****Suppliers**

At ASMPT, we are committed to ensuring our procurement process encourages fair competition and to applying a high level of objectivity and impartiality in supplier selection. Suppliers are selected based on their



**KEY AUDIT MATTERS (CONTINUED)**

Key audit matter

How our audit addressed the key audit matter

---

**KEY AUDIT MATTERS (CONTINUED)**

Key audit matter

How our audit addressed the key audit matter

## KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
<b><i>Warranty provision</i></b>	
We identified warranty provision as a key audit matter due to the significant estimates involved by the Group's management in determining the provision.	

## KEY AUDIT MATTERS (CONTINUED)

Key audit matter

---

How our audit addressed the key audit matter





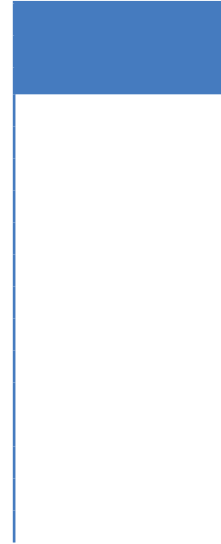








At 31 December 2017





For the year ended 31 December 2017

---

Attributable to owners of the Company			
Share capital	Share premium	Employee share-based compensation reserve	Shares held for





## CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	2017 HK\$'000	2016 HK\$'000
--	------------------	------------------

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2017

## 1. GENERAL

ASM Pacific Technology Limited ("the Company") is an exempted company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited ("The Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)





## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

### HKFRS 15 “Revenue from Contracts with Customers” (Continued)

The directors of the Company have assessed the impact on application of HKFRS 15 and have identified the following areas that will be affected:

Currently under HKAS 18, the Group recognizes revenue from sales of back-end equipment when the goods are delivered and titles have passed to the customer and the significant risks and rewards of ownership of the equipment have been transferred to the customer. The Group has assessed the impact of HKFRS 15 on its revenue recognition policy and has identified the following areas that will be affected:







NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

### 3. SIGNIFICANT ACCOUNTING POLICIES





**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**  
Property, plant and equipment (Continued)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j12rchES







### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Leasing (Continued)

##### Leasehold land and buildings

When the Group makes payments for a property interest which includes both leasehold land and building





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (Continued)

##### Convertible bonds (Continued)

At the date of issue, the fair value of the liability component (including any embedded non-equity







NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Short-term and other long-term employee benefits

Short-term employee benefits are recognized at the undiscounted amount of the benefits expected to be







## 5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going

**6. FINANCIAL INSTRUMENTS (CONTINUED)**

**Financial risk management objectives and policies (Continued)**

**Market risk (Continued)**

*Foreign currency risk management (Continued)*

The carrying amounts of the group entities' foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:









NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017



**6. FINANCIAL INSTRUMENTS (CONTINUED)**  
Financial risk management objectives and policies (Continued)





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017















## 16. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, is as follows:



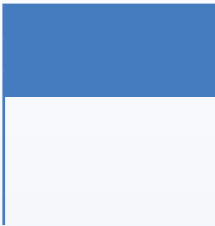


**18. DIVIDENDS**

	2017 HK\$'000	2016 HK\$'000
<b>Dividend recognized as distribution during the year</b>		
Interia.9(t)-9.9 y(a.9(t)--9.9 y(a.9(8(d.9(e)-9.9(r)-9.9(t)-d f.9(t)-o.9(r)-9 7) T p.9(r)-a-9.9 y(a.9(t)d o.9(r)-f 9.9(K)-9.9(\$)-91.20 ) T: 9.9		

**19. EARNINGS PER SHARE**

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

## 20. PROPERTY, PLANT AND EQUIPMENT

Freehold land  
outside  
Hong Kongoutside outside  
Hong Kong

outside outside outside outs





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

## 21. INVESTMENT PROPERTY (CONTINUED)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

## 23. INTANGIBLE ASSETS

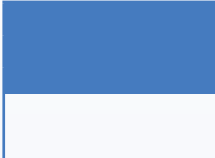
	Trade name HK\$'000	Technology HK\$'000	Customer bases HK\$'000	Licenses and similar rights HK\$'000	Total HK\$'000
<b>COST</b>					
At 1 January 2016	244,596	177,563			





**27. INVENTORIES**

The carrying amount of the inventories, net of allowance, is made of below:



## 28. TRADE AND OTHER RECEIVABLES (CONTINUED)

*Notes:*

- (a) The amount included notes receivables amounting to HK\$777,905,000 (2016: HK\$410,358,000).
- (b) Pursuant to the Master Sale and Purchase Agreement of the acquisition entered into between Siemens Aktiengesellschaft ("Siemens AG") and the Company, Siemens AG undertook to pay to the Group such amount as was necessary to indemnify 13 former direct and indirect subsidiaries of Siemens AG ("ASM AS Entities") from and against any and all taxes imposed to ASM AS Entities relating to any taxable periods beginning before and ending before or after 7 January 2011 while Siemens AG was the beneficial owner. The amount recoverable from Siemens AG represented the aggregate amount of the tax liabilities of ASM AS Entities covered under the tax indemnity and was therefore recoverable from Siemens AG. It was due for settlement once the Group paid the related taxes and received the tax demand notes from tax authorities. The amount was settled during the year ended 31 December 2017.

**Credit policy:**

Before accepting any new eTtorme,g the(Group)10.1(assessesg)10.1( the)10.1(pnotEntalw)10.1( eTtormeses)10.1( Credit)10













NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

### 35. EMPLOYEE SHARE INCENTIVE SCHEME (CONTINUED)

Movement of the shares granted to employees and members of the management of the Group under the Scheme during the year ended 31 December 2017 are as follows:











NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

## 36. RETIREMENT BENEFIT PLANS (CONTINUED)

### Defined benefit plans (Continued)

Notes: (Continued)

#### (a) Principal pension benefit plans (Continued)

The following table shows the movements in the present value of the plan assets for the years ended:







## 36. RETIREMENT BENEFIT PLANS (CONTINUED)

### Defined benefit plans (Continued)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



**36. RETIREMENT BENEFIT PLANS (CONTINUED)****Defined benefit plans (Continued)**

For the year ended 31 December 2016

Principal pension benefit plans HK\$'000	Other post- employment benefit plans HK\$'000	Total HK\$'000
---	--	-------------------

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

### 37. DEFERRED TAXATION

A summary of the major deferred tax assets and liabilities recognized and movements thereon during the current and prior years is as follows:

Depreciation/ amortization	Tax losses	Retirement benefit obligations	Inventories	Trade receivables	Provisions	Others	Total
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
(Note a)		(Note b)					





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

### 38. CONVERTIBLE BONDS (CONTINUED)

The Company may, having given not less than 30 nor more than 60 days' notice (the "Redemption  
Notice") to the bondholders, redeem the convertible bonds in whole or in part, at any time after the date of issue, at the option of the Company, at a price of 100% of the principal amount of the convertible bonds plus any interest accrued and unpaid thereon up to and including the date of redemption.

**38. CONVERTIBLE BONDS (CONTINUED)**

On 20 May 2016, convertible bonds with principal amount of HK\$150,000,000 were converted into the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
For the year ended 31 December 2017

### 39. CONTINGENT LIABILITIES

- (a) As at 31 December 2017, the Group has provided guarantees amounting to HK\$2,837,000 (2016: HK\$2,445,000) to the Singapore government for work permits of
- (b) As at 31 December 2016, a subsidiary of the Group was involved in a litigation with a third party for which the High Court ruled in favour of the Group, a third party was awarded HK\$10.6 million (2016: HK\$10.2 million) in damages.















## **45. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)**

*Note:*

# FIVE-YEAR FINANCIAL SUMMARY

