



## PRESS RELEASE

### BE Semiconductor Industries N.V. Announces Q1-24 Results

#### **Q1-24 Revenue of € 146.3 Million and Net Income of € 34.0 Million Revenue Exceeds Midpoint of Guidance and Gross Margin above Guidance**

Duiven, the Netherlands, April 25, 2024 - BE Semiconductor Industries N.V. (the "Company" or "Besil") (Euronext Amsterdam: BESL; OTC markets: BESLY), a leading manufacturer of assembly equipment for the semiconductor industry, today announced its results for the first quarter ended March 31, 2024.

#### **Key Highlights**

- Revenue of € 146.3 million, above midpoint of guidance. Down 8.3% vs. Q4-23 due primarily to lower shipments for high-performance computing and automotive end-user markets, partially offset by higher shipments for high-end mobile applications. Up 9.7% vs. Q1-23 due to higher shipments for 2.5D and 3D applications partially offset by weakness in smartphone end user markets
- Orders of € 127.7 million down 23.3% vs. Q4-23 principally due to a pause in demand for 2.5D and 3D applications following strong H2-23 and ongoing softness in mainstream assembly markets. Vs. Q1-23, orders decreased 10.1% due primarily to weakness in high-end mobile and automotive markets
- Gross margin of 67.2% rose by 2.1 points vs. Q4-23 and by 3.0 points vs. Q1-23 due primarily to a more favorable product mix
- Net income of € 34.0 million decreased 38.1% vs. Q4-23 and 1.4% vs. Q1-23 primarily due to higher share-based incentive compensation and, to a lesser extent, increased R&D spending. Besil's net margin declined to 23.2% vs. 34.4% in Q4-23 and 25.9% in Q1-23
- Ex share-based incentive compensation, Besil's adjusted net income (net margin) was € 49.5 million (33.8%) vs. € 57.7 million (36.2%) in Q4-23 and € 43.0 million (32.2%) in Q1-23
- Net cash of € 180.9 million increased € 67.9 million, or 60.1%, vs. Q4-23 due to strong cash flow from operations and the conversion into equity of Convertible Notes

#### **Outlook**

- Revenue expected to be flat (plus or minus 5%) vs. € 146.3 million reported in Q1-24
- Gross margin expected to range between 63-65% vs. 67.2% realized in Q1-24 due to the anticipated product mix
- Operating expenses expected to decrease 15%-20% vs. € 57.6 million in Q1-24 due to a reduction in share-based compensation expense

(€ millions, except EPS)	Q1-2024	Q4-2023	Δ	Q1-2023	Δ
<b>Revenue</b>	<b>146.3</b>	159.6	-8.3%	133.4	+9.7%
<b>Orders</b>	<b>127.7</b>	166.4	-23.3%	142.0	-10.1%
<b>Gross Margin</b>	<b>67.2%</b>	65.1%	+2.1	64.2%	+3.0
<b>Operating Income</b>	<b>40.7</b>	66.1	-38.4%	41.7	-2.4%
<b>Net Income*</b>	<b>34.0</b>	54.9	-38.1%	34.5	-1.4%
<b>Net Margin*</b>	<b>23.2%</b>	34.4%	-11.2	25.9%	-2.7
<b>EPS (basic)</b>	<b>0.44</b>	0.71	-38.0%	0.44	-
<b>EPS (diluted)</b>	<b>0.44</b>	0.68	-35.3%	0.44	-
<b>Net Cash and Deposits</b>	<b>180.9</b>	113.0	+60.1%	325.8	-44.5%

\* Excluding share-based compensation expense, Besil's adjusted net income (net margin) would have been € 49.5 million (33.8%), € 57.7 million (36.2%) and € 43.0 million (32.2%) in Q1-24, Q4-23 and Q1-23, respectively.



**Richard W. Blickman, President and Chief Executive Officer of Besi, commented:**

“Besi delivered solid first quarter results in an extended assembly market downturn. Revenue of € 146.3 million was above the midpoint of prior guidance and represented a 9.7% increase versus Q1-23. Year over year revenue growth reflected strength in both 2.5D and 3D AI related applications partially offset by continued weakness in mobile and automotive markets. Similarly, net income adjusted for share-based compensation rose to € 49.5 million, an increase of 15.1% versus Q1-23, with adjusted net margins increasing to 33.8% versus 32.2%. Profit growth was primarily attributable to increased revenue combined with a 3.0 point increase in gross margins to 67.2% associated with a more favorable product mix and net forex benefits. Our financial position also improved with net cash increasing by 60.1% from year end to reach € 180.9 million due to strong cash flow generation and the conversion into equity of Convertible Notes.

Order trends in Q1-24 reflected a number of cross currents affecting assembly equipment markets currently. For the quarter, orders decreased by 10.1% versus Q1-23 and by 23.3% sequentially. Mainstream assembly markets continue to be soft, particularly for smartphone and automotive applications, despite increasing utilization rates generally. For smartphone applications, it reflects both ongoing weakness in Chinese markets and limited new product innovation this year. For automotive applications, it reflects excess assembly capacity after a period of strong growth over the past two years. We also noted a pause in advanced packaging order development this quarter, particularly for 2.5D and 3D applications, after a strong ramp in H2-23 as customers install new incremental capacity. We expect these orders to revive in Q2-24. Orders for photonics applications continued to be strong in Q1-24. In addition, we received a follow on order for our new, in-line flip chip system for CoWoS applications, shipped a TCB Next system for evaluation to a second customer and received indications of interest for additional systems from multiple customers.

It appears that the recovery of the assembly equipment market in 2024 is progressing more slowly than previously anticipated due to continued excess capacity conditions in a number of our end-user markets. Many industry analysts now expect the upturn in mainstream assembly applications to be more H2-24 focused. However, our advanced packaging prospects continue to be favorable based on customer investment plans for 2.5D and 3D AI applications, particularly in the areas of hybrid bonding, CoWoS and photonics assembly. We anticipate orders for 25-35 hybrid bonding systems in Q2-24 from multiple customers, substantially all of which are for Besi’s most advanced 100nm accuracy generation. As such, we are increasing our R&D investment in each of these assembly processes to take advantage of growth anticipated in 2025-2027. We have also expanded our resource commitment to next generation TCB systems. We see a parallel path pursued by leading memory customers for the adoption of both hybrid bonding and next generation TCB assembly processes in order to meet the significant demand for high bandwidth memory necessary to support AI related capacity growth.

For Q2-24, we forecast that revenue will be flat plus or minus 5% versus Q1-24 with gross margins of 63%-65% based on our projected product mix. Aggregate operating expenses are forecast to decrease by 15-20% versus Q1-24 due to a reduction in share-based compensation expense.”



### **Share Repurchase Activity**

During the quarter, Beside repurchased approximately 100,000 of its ordinary shares at an average price of € 146.11 per share for a total of € 14.8 million. Cumulatively, as of March 31, 2024, a total of € 24.4 million has been purchased under the current € 60 million share repurchase plan at an average price of € 136.47 per share. As of March 31, 2024, Beside held approximately 3.4 million shares in treasury equal to 4.2% of its shares outstanding.

### **Convertible Notes**

At March, 31, 2024, Beside's total principal amount of its Convertible Notes outstanding equaled € 290.0 million. During the quarter, € 38.2 million of Convertible Notes due 2024 and 2027 were converted into approximately 0.8 million shares. Subsequent to quarter end, an additional € 89.5 million of Convertible Notes due 2027 were converted into approximately 1.8 million shares. As a result, Beside's total principal amount of Convertible Notes outstanding decreased to € 200.5 million at April 25, 2024.

### **Investor and media conference call**

A conference call and webcast for investors and media will be held today at 4:00 pm CET (10:00 am EDT). To register for the conference call and/or to access the audio webcast and webinar slides, please visit [www.beside.com](http://www.beside.com).

### **Important Dates**

- |  |                  |
|--|------------------|
| • Annual General Meeting of Shareholders | April 25, 2024   |
| • Investor Day                           | June 6, 2024     |
| • Publication Q2/Semi-annual results     | July 25, 2024    |
| • Publication Q3/Nine-month results      | October 24, 2024 |
| • Publication Q4/Full year results       | February 2025    |

### **Dividend Information\***

- |                                     |                      |
|-------------------------------------|----------------------|
| • Proposed ex-dividend date         | April 29, 2024       |
| • Proposed record date              | April 30, 2024       |
| • Proposed payment of 2023 dividend | Starting May 3, 2024 |

\*Subject to approval at Beside's AGM on April 25, 2024

### **Basis of Presentation**

The accompanying condensed Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. Reference is made to the Summary of Significant Accounting Policies to the Notes to the Consolidated Financial Statements as included in our 2023 Annual Report, which is available on [www.beside.com](http://www.beside.com).

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### **About Besi**

Besi is a leading supplier of semiconductor assembly equipment for the global semiconductor and electronics industries offering high levels of accuracy, productivity and reliability at a low cost of ownership. The Company develops leading edge assembly processes and equipment for leadframe, substrate and wafer level packaging applications in a wide range of end-user markets including electronics, mobile internet, cloud server, computing, automotive, industrial, LED and solar energy. Customers are primarily leading semiconductor manufacturers, assembly subcontractors and electronics and industrial companies. Besi's ordinary shares are listed on Euronext Amsterdam (symbol: BES1). Its Level 1 ADRs are listed on the OTC markets (symbol: BES1Y) and its headquarters are located in Duiven, the Netherlands. For more information, please visit our website at [www.besi.com](http://www.besi.com).

### **Caution Concerning Forward Looking Statements**

This press release contains statements about management's future expectations, plans and prospects of our business that constitute forward-looking statements, which are found in various places throughout the press release, including, but not limited to, statements relating to expectations of orders, net sales, product shipments, expenses, timing of purchases of assembly equipment by customers, gross margins, operating results and capital expenditures. The use of words such as "anticipate", "estimate", "expect", "can", "intend", "believes", "may", "plan", "predict", "project", "forecast", "will", "would", and similar expressions are intended to identify forward looking statements, although not all forward looking statements contain these identifying words. The financial guidance set forth under the heading "Outlook" contains such forward looking statements. While these forward looking statements represent our judgments and expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from those contained in forward looking statements, including any inability to maintain continued demand for our products; failure of anticipated orders to materialize or postponement or cancellation of orders, generally without charges; the volatility in the demand for semiconductors and our products and services; the extent and duration of the COVID-19 and other global pandemics and the associated adverse impacts on the global economy, financial markets, global supply chains and our operations as well as those of our customers and suppliers; failure to develop new and enhanced products and introduce them at competitive price levels; failure to adequately decrease costs and expenses as revenues decline; loss of significant customers, including through industry consolidation or the emergence of industry alliances; lengthening of the sales cycle; acts of terrorism and violence; disruption or failure of our information technology systems; consolidation activity and industry alliances in the semiconductor industry that may result in further increased customer concentration, inability to forecast demand and inventory levels for our products; the integrity of product pricing and protection of our intellectual property in foreign jurisdictions; risks, such as changes in trade regulations, conflict minerals regulations, currency fluctuations, political instability and war, associated with substantial foreign customers, suppliers and foreign manufacturing operations, particularly to the extent occurring in the Asia Pacific region where we have a substantial portion of our production facilities; potential instability in foreign capital markets; the risk of failure to successfully manage our diverse operations; any inability to attract and retain skilled personnel, including as a result of restrictions on immigration, travel or the availability of visas for skilled technology workers; those additional risk factors set forth in Besi's annual report for the year ended December 31, 2023 and other key factors that could adversely affect our businesses and financial performance contained in our filings and reports, including our statutory consolidated statements. We expressly disclaim any obligation to update or alter our forward-looking statements whether as a result of new information, future events or otherwise.

### Consolidated Statements of Operations

<i>(€ thousands, except share and per share data)</i>	<b>Three Months Ended</b>	
	<b>March 31, (unaudited)</b>	
	<b>2024</b>	2023
Revenue	<b>146,314</b>	133,406
Cost of sales	<b>48,043</b>	47,718
Gross profit	<b>98,271</b>	85,688
Selling, general and administrative expenses	<b>39,641</b>	28,982
Research and development expenses	<b>17,919</b>	14,995
Total operating expenses	<b>57,560</b>	43,977
Operating income	<b>40,711</b>	41,711
Financial expense, net	<b>589</b>	1,545
Income before taxes	<b>40,122</b>	40,166
Income tax expense	<b>6,143</b>	5,618
Net income	<b>33,979</b>	34,548
Net income per share – basic	<b>0.44</b>	0.44
Net income per share – diluted	<b>0.44</b>	0.44
Number of shares used in computing per share amounts:		
- basic	<b>77,181,326</b>	77,946,873
- diluted <sup>1</sup>	<b>82,106,146</b>	83,777,673

<sup>1)</sup> The calculation of diluted income per share assumes the exercise of equity settled share based payments and the conversion of all Convertible Notes outstanding

### Consolidated Balance Sheets

<i>(€ thousands)</i>	<b>March 31, 2024 (unaudited)</b>	December 31, 2023 (audited)
<b>ASSETS</b>		
Cash and cash equivalents	<b>232,053</b>	188,477
Deposits	<b>215,000</b>	225,000
Trade receivables	<b>150,192</b>	143,218
Inventories	<b>99,384</b>	92,505
Other current assets	<b>34,756</b>	39,092
<b>Total current assets</b>	<b>731,385</b>	688,292
Property, plant and equipment	<b>41,328</b>	37,516
Right of use assets	<b>16,901</b>	18,242
Goodwill	<b>45,613</b>	45,402
Other intangible assets	<b>90,241</b>	93,668
Deferred tax assets	<b>11,444</b>	12,217
Other non-current assets	<b>1,252</b>	1,216
<b>Total non-current assets</b>	<b>206,779</b>	208,261
<b>Total assets</b>	<b>938,164</b>	896,553
Current portion of long-term debt	<b>984</b>	3,144
Trade payables	<b>52,382</b>	46,889
Other current liabilities	<b>100,606</b>	87,200
<b>Total current liabilities</b>	<b>153,972</b>	137,233
Long-term debt	<b>265,142</b>	297,353
Lease liabilities	<b>13,625</b>	14,924
Deferred tax liabilities	<b>12,136</b>	12,959
Other non-current liabilities	<b>12,914</b>	12,671
<b>Total non-current liabilities</b>	<b>303,817</b>	337,907
<b>Total equity</b>	<b>480,375</b>	421,413
<b>Total liabilities and equity</b>	<b>938,164</b>	896,553

### Consolidated Cash Flow Statements

<i>(€ thousands)</i>	<b>Three Months Ended March 31,</b>	
	<b>(unaudited)</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
Income before income tax	<b>40,122</b>	40,166
Depreciation and amortization	<b>6,813</b>	6,493
Share based payment expense	<b>16,900</b>	9,273
Financial expense, net	<b>589</b>	1,545
Changes in working capital	<b>(3,251)</b>	4,454
Interest (paid) received	<b>1,169</b>	849
Income tax paid	<b>(2,089)</b>	(1,387)
Net cash provided by operating activities	<b>60,253</b>	61,393
<b>Cash flows from investing activities:</b>		
Capital expenditures	<b>(5,650)</b>	(1,135)
Capitalized development expenses	<b>(4,663)</b>	(5,390)
Repayments of (investments in) deposits	<b>10,000</b>	25,000
Net cash provided by (used in) investing activities	<b>(313)</b>	18,475
<b>Cash flows from financing activities:</b>		
Payments of lease liabilities	<b>(1,043)</b>	(1,100)
Purchase of treasury shares	<b>(14,779)</b>	(77,779)
Net cash used in financing activities	<b>(15,822)</b>	(78,879)
Net increase (decrease) in cash and cash equivalents	<b>44,118</b>	989
Effect of changes in exchange rates on cash and cash equivalents	<b>(542)</b>	(2,748)
Cash and cash equivalents at beginning of the period	<b>188,477</b>	491,686
Cash and cash equivalents at end of the period	<b>232,053</b>	489,927

**Supplemental Information (unaudited)**  
(€ millions, unless stated otherwise)

REVENUE	Q1-2024		Q4-2023		Q3-2023		Q2-2023		Q1-2023	
<b>Per geography:</b>										
China	58.5	40%	62.0	39%	40.8	33%	64.9	40%	37.6	28%
Asia Pacific (excl. China)	43.6	30%	57.9	36%	42.3	34%	59.2	36%	58.2	44%
EU / USA / Other	44.2	30%	39.7	25%	40.2	33%	38.4	24%	37.6	28%
Total	146.3	100%	159.6	100%	123.3	100%	162.5	100%	133.4	100%
<b>ORDERS</b>	<b>Q1-2024</b>		<b>Q4-2023</b>		<b>Q3-2023</b>		<b>Q2-2023</b>		<b>Q1-2023</b>	
<b>Per geography:</b>										
China	51.1	40%	71.1	43%	46.0	36%	51.4	46%	35.5	25%
Asia Pacific (excl. China)	45.0	35%	36.6	22%	40.9	32%	33.2	29%	71.3	50%
EU / USA / Other	31.6	25%	58.7	35%	40.4	32%	28.0	25%	35.2	25%
Total	127.7	100%	166.4	100%	127.3	100%	112.6	100%	142.0	100%
<b>Per customer type:</b>										
IDM	53.5	42%	82.7	50%	70.5	55%	60.5	54%	74.0	52%
Subcontractors	74.2	58%	83.7	50%	56.8	45%	52.1	46%	68.0	48%
Total	127.7	100%	166.4	100%	127.3	100%	112.6	100%	142.0	100%
<b>HEADCOUNT</b>	<b>Mar 31, 2024</b>		<b>Dec 31, 2023</b>		<b>Sep 30, 2023</b>		<b>Jun 30, 2023</b>		<b>Mar 31, 2023</b>	
Fixed staff (FTE)	1,760	88%	1,736	93%	1,725	87%	1,689	86%	1,682	84%
Temporary staff (FTE)	236	12%	134	7%	248	13%	279	14%	312	16%
Total	1,996	100%	1,870	100%	1,973	100%	1,968	100%	1,994	100%
<b>OTHER FINANCIAL DATA</b>	<b>Q1-2024</b>		<b>Q4-2023</b>		<b>Q3-2023</b>		<b>Q2-2023</b>		<b>Q1-2023</b>	
<b>Gross profit</b>	98.3	67.2%	103.9	65.1%	79.6	64.6%	106.6	65.6%	85.7	64.2%
<b>Selling, general and admin expenses:</b>										
As reported	39.6	27.1%	24.3	15.2%	23.3	18.9%	29.4	18.1%	29.0	21.7%
Share-based compensation expense	(16.9)	-11.6%	(2.8)	-1.7%	(1.6)	-1.3%	(5.5)	-3.4%	(9.3)	-7.0%
SG&A expenses as adjusted	22.7	15.5%	21.5	13.5%	21.7	17.6%	23.9	14.7%	19.7	14.8%
<b>Research and development expenses:</b>										
As reported	17.9	12.2%	13.5	8.5%	13.6	11.0%	14.3	8.8%	15.0	11.2%
Capitalization of R&D charges	4.7	3.2%	5.7	3.6%	4.7	3.8%	5.3	3.3%	5.4	4.0%
Amortization of intangibles	(3.6)	-2.4%	(3.3)	-2.1%	(3.3)	-2.6%	(3.5)	-2.2%	(3.5)	-2.6%
R&D expenses as adjusted	19.0	13.0%	15.9	10.0%	15.0	12.2%	16.1	9.9%	16.9	12.7%
<b>Financial expense (income), net:</b>										
Interest income	(4.0)		(3.6)		(2.9)		(3.1)		(2.6)	
Interest expense	2.8		3.0		2.8		2.9		2.9	
Net cost of hedging	1.6		1.7		1.7		2.0		1.6	
Foreign exchange effects, net	0.2		(0.4)		0.2		(0.1)		(0.4)	
Total	0.6		0.7		1.8		1.7		1.5	
<b>Gross cash</b>	447.1		413.5		391.2		378.3		644.9	
<b>Operating income (as % of net sales)</b>	40.7	27.8%	66.1	41.4%	42.7	34.6%	62.9	38.7%	41.7	31.3%
<b>EBITDA (as % of net sales)</b>	47.5	32.5%	72.7	45.6%	48.9	39.7%	69.3	42.6%	48.2	36.1%
<b>Net income (as % of net sales)</b>	34.0	23.2%	54.9	34.4%	35.0	28.4%	52.6	32.4%	34.5	25.9%
<b>Effective tax rate</b>	15.3%		16.1%		14.4%		14.0%		14.0%	
<b>Income per share</b>										
Basic	0.44		0.71		0.45		0.68		0.44	
Diluted	0.44		0.68		0.45		0.66		0.44	
<b>Average shares outstanding</b>	77,181,326		77,070,082		77,374,933		77,634,197		77,946,873	
<b>Shares repurchased</b>										
Amount	14.8		23.1		45.5		66.9		77.7	
Number of shares	101,049		226,572		447,829		761,937		1,120,327	