PRESS RELEASE

Almere, The Netherlands
July 18, 2022, 8.00 a.m. CET

ASM ANNOUNCES AGREEMENT TO ACQUIRE LPE, ENTERING HIGH-GROWTH SILICON CARBIDE EPITAXY EQUIPMENT BUSINESS

ASM International N.V. (Euronext Amsterdam: ASM) today announced that it reached an agreement under which ASM will acquire all outstanding shares of LPE S.p.A., a manufacturer of epitaxial reactors for silicon carbide (SiC) and silicon, based in Italy.

Founded in 1972, LPE has exclusively focused on designing, manufacturing and selling advanced epitaxy tools for power applications. LPE is a recognized leader in SiC epitaxy and has published many patents to date. LPE has a sizeable worldwide installed base of SiC epitaxy tools dedicated to manufacturing devices that address the rapidly growing electric vehicle market. Revenue expectations for LPE in 2023 are greater than €100 million, mainly driven by its SiC epitaxy equipment business.

Silicon carbide devices are experiencing strong growth driven by the rapidly expanding market for electric vehicles. The global auto industry is investing significantly in chips made from silicon carbide. Because of its wide bandgap, SiC is highly efficient at high voltages offering higher power efficiency, increased power density resulting in reduced component weight and size, as well as faster battery charging times. Consequently, demand for SiC epitaxy equipment is forecasted (based on ASM internal estimates) to grow at a CAGR in excess of 25% from 2021 to 2025.

“LPE with its strong culture of innovation and traction with silicon carbide device makers, both for 150mm and 200mm substrates, is well positioned to serve the needs of global automotive customers and their decarbonization drive,” said Benjamin Loh, President and CEO of ASM.
“Next to ASM’s expanding position in advanced Epi applications for the logic/foundry and memory markets, ASM is also a leader in silicon epitaxy solutions for the power electronics, analog and wafer markets. LPE’s offering of advanced SiC epitaxy tools complements ASM’s offering. I’m confident that the combination of LPE and ASM will help our customers accelerate their roadmaps towards next-generation more efficient power electronics, which will enable the further electrification of the automotive industry. The acquisition of LPE adds another high-growth business to our portfolio of differentiated deposition technologies and presents meaningful opportunities to create value by leveraging our innovative epitaxy technologies to further differentiate the product offering of LPE, by building upon our significant customer base in the power electronics market segment, and by utilizing our global field service network to address customer needs.”

Franco Preti, CEO of LPE, said: “We believe the acquisition by ASM will be attractive for LPE’s and ASM’s customers as well as for employees. The acquisition will additionally enable LPE to gain access to world-class R&D resources, as well as leverage on ASM’s global operations, sales and customer support network.”

Following the close of the transaction, LPE will operate as a product unit under ASM’s Global Products organization. LPE will continue to be based in Italy, with technology and manufacturing centers in Milan and Catania. LPE is profitable and is expected to contribute to net earnings immediately after closing.

The transaction is subject to FDI and anti-trust approval in a limited number of countries and other customary closing conditions which are expected to be met by the long stop date of November 10, 2022. Absent a closing by this date, the parties will discuss in good faith on an exclusive basis for a period of six months with the aim to still close the transaction.

ASM will finance the transaction using a combination of cash and shares. At closing the purchase price will be paid with €283.25 million in cash, and with 631,154 ASM shares. At the date of signing, the payment represents an enterprise value of €425 million on a cash and debt free basis. An additional amount of up to €100 million will be paid by way of an earn out based on certain performance metrics over a two-year period after the closing of the transaction. The shares will be a combination of treasury shares (580,000) and a limited number of newly issued ASM shares (51,154). The earn outs are to be paid out exclusively in cash. The cash amounts will be financed from ASM's net cash balance.

ASM will further discuss the acquisition in its upcoming Q2 2022 earnings call on July 21, 2022.

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**

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.

CONTACT

Investor and media contact:
Victor Bareño
T: +31 88 100 8500
E: investor.relations@asm.com