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## ASM PACIFIC TECHNOLOGY LIMITED

(Incorporated in the Cayman Islands with limited liability) (Stock Code: 0522)

## ANNOUNCEMENT

This announcement is made by the Company pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

## Latest Development of the Labour Action at the ASM Pacific Technology Limited's Yantian Plant

Further to the announcement made on 8 November 2013, ASM Pacific Technology Limited (the "Company") is pleased to report that labour action at the Yantian plant of the Company's subsidiary, ASM Micro Electronic Technology Company Limited ("MET"), has ended on Friday, 22 November 2013.

Most of the workers involved in the labour action have returned to work. More than two hundred workers have left the Group. Currently, a few hundred workers have applied to leave and these applications are being processed. The Group intends to replace only some workers lost through the labour action as the bulk of the loss in manufacturing capacity will be taken up by outsourcing partners. The total amount of severance pay paid to the affected workers is estimated to be not more than RMB 53 million. In relation to the reduction of work force, it is estimated that staff costs of the Group will be reduced by approximately RMB70 million per annum.

In relation to the relocation of the Yantian plants, the Group has offered incentive packages to the workers to be relocated to Longgang. In addition, the Group has offered salary increments to all workers in the Group's three manufacturing subsidiaries in Shatoujiao, Fuyong and Huizhou, China. The additional cost associated with this salary increase is approximately RMB 11 million per month. This salary increase will become effective on 1 December 2013, one month earlier than when the usual annual salary increase comes into effect on 1 January each year.

The incident has limited adverse impact on the Group's shipment to its customers. The loss of production capacity caused by the incident has been relieved by support from outsourcing partners and other plants in the Group. Customers have not shown major concern about the incident and the Group is not aware that any order has been lost as a result of the incident.

The Group will provide further updates when appropriate.

On behalf of the Board Lee Wai Kwong Director Hong Kong, 25 November 2013

As at the date of this announcement, the Board comprises Mr. Arthur H. del Prado (Chairman), Mr. Lee Wai Kwong, Mr. James Chow Chuen and Mr. Robin Gerard Ng Cher Tat as Executive Directors, Mr. Charles Dean del Prado and Mr. Petrus Antonius Maria van Bommel as Non-executive Directors, and Miss Orasa Livasiri, Mr. John Lok Kam Chong, Mr. Wong Hon Yee and Mr. Eric Tang Koon Hung as Independent Non-executive Directors.