

AEM

Testing Innovation

Presentation to Shareholders

AEM Holdings Ltd | AGM

April 28, 2022

Disclaimer

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This presentation may contain forward-looking statements which are subject to risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in these forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, governmental and public policy changes, and the continued availability of financing. Accordingly, such statements are not and should not be construed as a representation as to the future of AEM, and are not intended to be profit forecasts, estimations or projections of future performance and should not be regarded as such.

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The information in this presentation is qualified by, and should be read in conjunction with, the information contained in AEM's announcement of its audited full year financial statements for the year ended 31 December 2021.

In this presentation, all $ dollar amounts are in Singapore dollars unless otherwise specified.



Agenda

- FY2021 Recap: Expanding our Horizons
- State of Our Industry
- FY2021 Financial Review
- Resolution Results

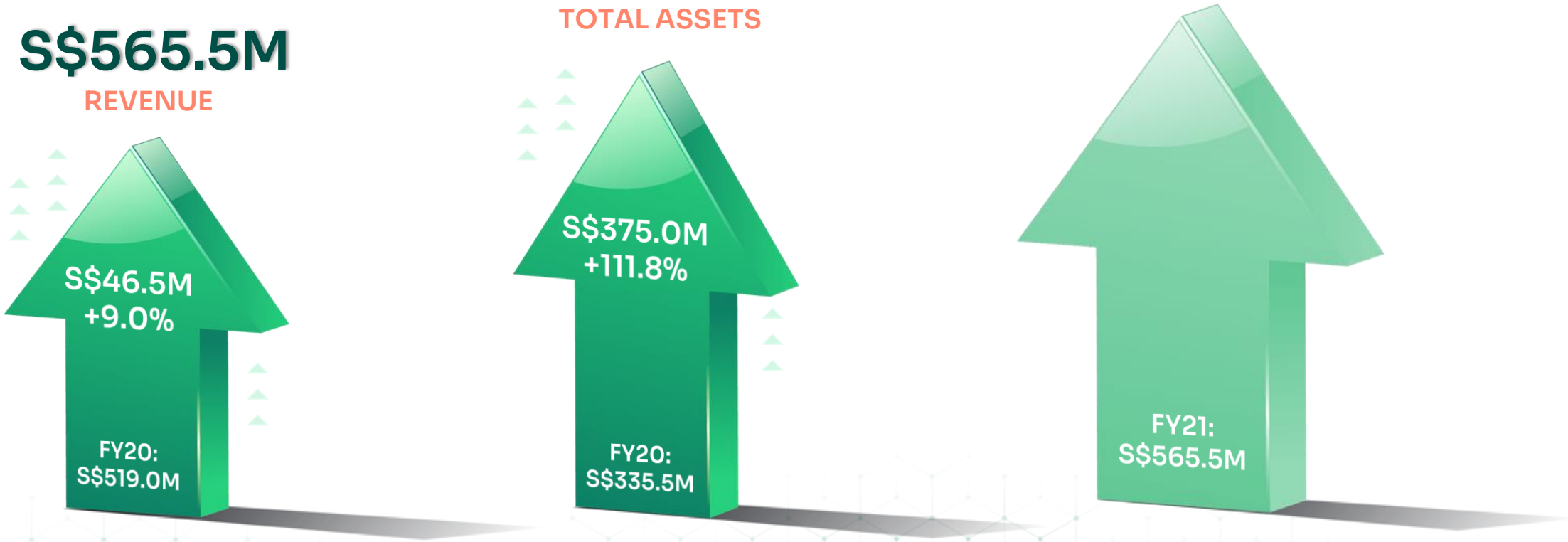

AEM
FY2021 Recap:
Expanding Our Horizons

Record Revenue, Strong Balance Sheet, Strong Outlook

S$565.5M
REVENUE

S$710.5M
TOTAL ASSETS

S$670-720M
FY2022 REVENUE OUTLOOK



Expanded Footprint with new R&D, Sales, and Applications Engineering Facilities



- NEW SALES & APPLICATIONS FACILITIES IN FY2021
- NEW MANUFACTURING FACILITIES IN FY2021
- NEW R&D CENTERS IN FY2021
- EXISTING FACILITIES AS AT END FY2020

Enhanced Our Delivery And Technology Capabilities Through M&A Activities



Acquired

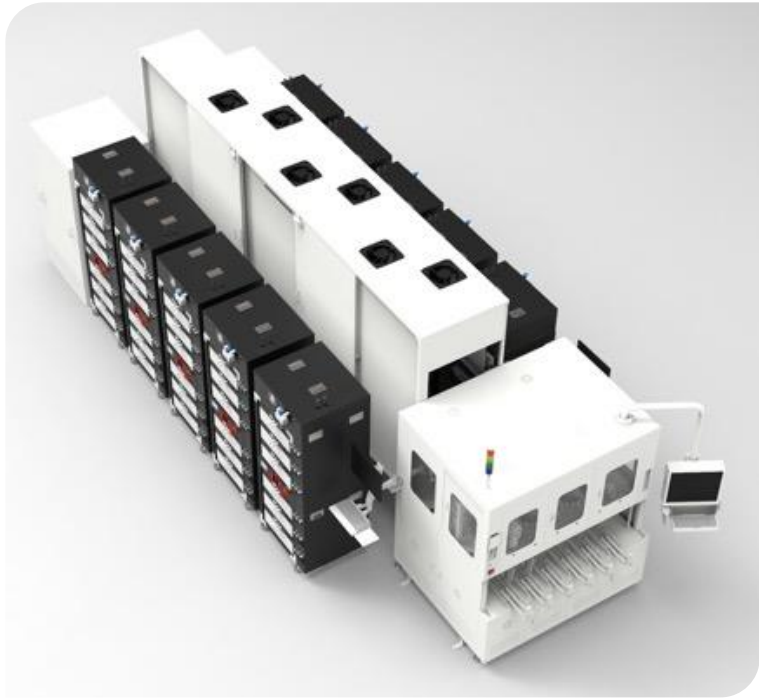
Enabling AEM to provide quick-turn, full-stack delivery capabilities

Invested

43.15% stake, giving AEM a strong Korean partner with which it can jointly offer advanced solutions to the memory market

Expanded Our SLT Offerings…





Developed the new SLT offering - Trident

High-power SLT offering, leveraging AEM's pedigree in Active Thermal Control (ATC) to solve daunting test challenges stemming from heterogenous integration.

Revamped AMPS Platform

Full-stack SLT+ solution, with integration of ATC, intelligent device tracking, and factory 4.0 automation. Solution was selected by a major memory IDM.

...And Expanded Our Wafer Platform Offerings



Wafer Probers

The wafer prober platforms address the Chip Scale Packaged sensor test requirements, and in FY2021 we developed enhancements to expand the usability of these systems



Cryogenic Wafer Platform

Cryogenic platform gained traction in FY2021, with quantum computing customers across US, Europe, and Asia

Wafer-Level Platform

FY2021 saw the finalization of the prototype for a new wafer-level platform that will be released in FY2022



Developed Application Specific Platform



AEM ATE

Launched the M5S-HD platform with a full suite of instrumentation to address the consumer, compute, automotive, and mobile markets



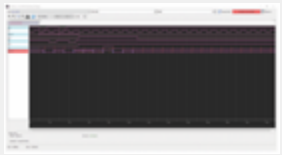
Application Specific Solutions

Delivered a fully integrated CMOS Image Sensor Test Cell solution to UTAC. This solution is an excellent example of the power of our technology pillar approach, which allows us to realize the synergies of our acquisitions (IRIS Solution, Mu-TEST) and our partnership with Ateco to rapidly deliver a cost-optimized application specific solution to our customer

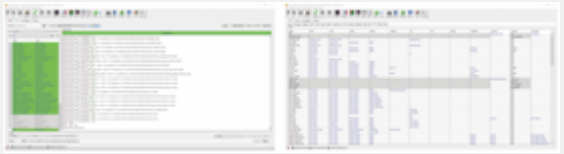
Potential Markets for AEM ATE

TECHNOLOGY

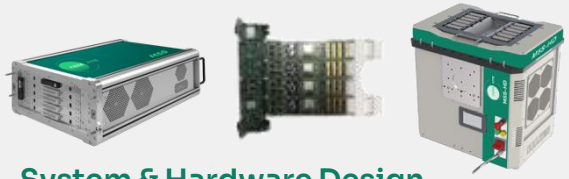




FPGA Design and IP's
Thanks to our proprietary FPGA-based hardware, AEM dramatically reduces the Cost of Test (CoT) for all the IC Semiconductor Companies



Software Design and IP's
AEM ATE Software has a comprehensive software toolset covering test program development, advanced debug functionalities and test operation



System & Hardware Design
With 5 and 10 slot configurations, covering all requirements from characterization to HVM productions

MARKETS







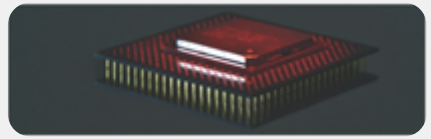


Broad Markets
Automotive, Mobility, Computing, Industrial, Defense & Aerospace

PRODUCTS



Digital ICs
Datacom, Chipsets, Microprocessors, Audio & Video Processors, etc.



System on Chip (SoC)
System in Package (SIP) & Mixed Signal



Memory
Embedded, Memory Controllers, etc.

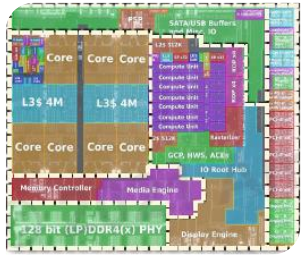


Image Sensors

State of Our Industry

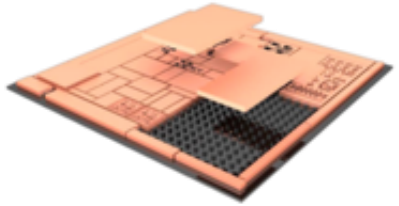
Industry Innovations Are Challenging The Industry's Ability To Provide An Assurance Of Quality At The Lowest Cost Possible

Increased Complexity: SW + HW



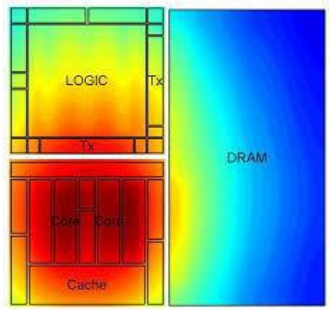


Advanced Packaging



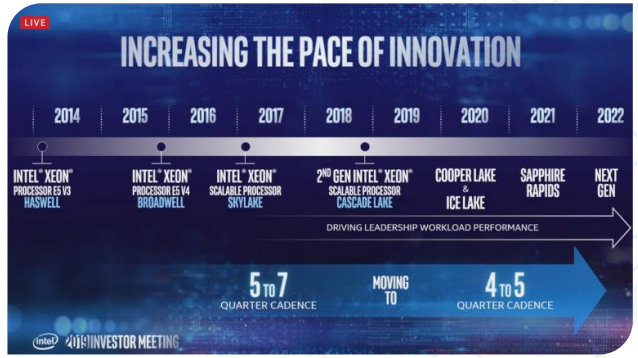
Source: DARPA, Intel

Thermal Challenges



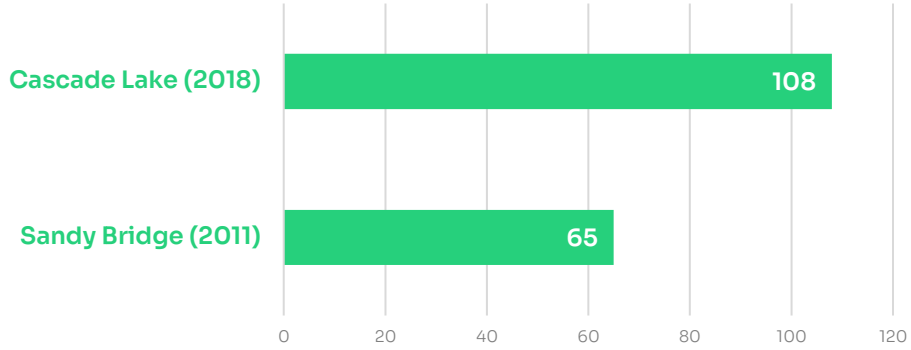
Source: Semanticscholar.org

Application Specificity Driving Increased Pace of Innovation



Source: Intel Investor Meeting 2019

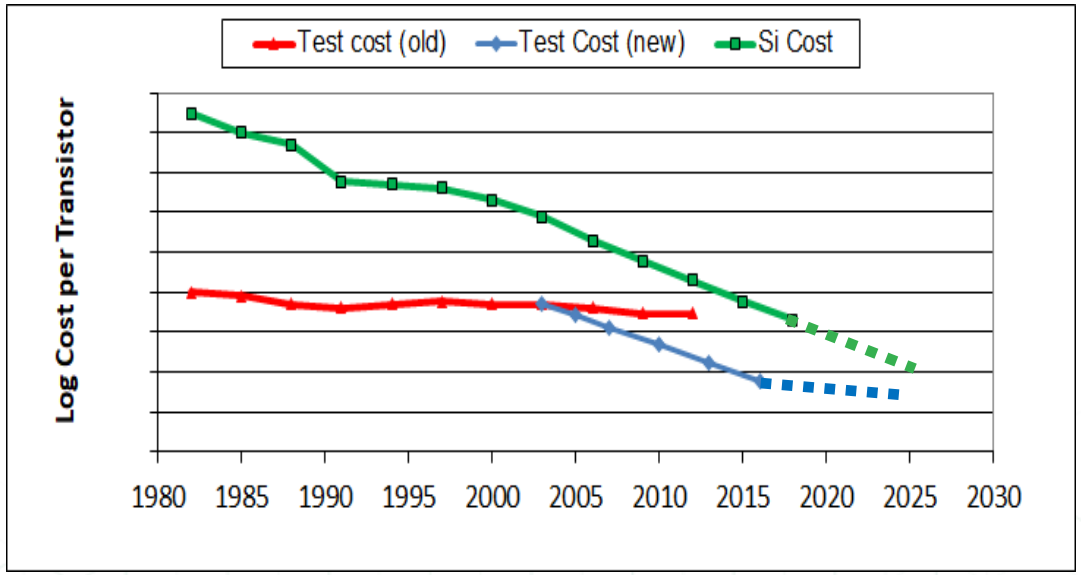
# of Variants per Generation of Xeon Processor



With The Challenges Being Faced,
The Current Paradigm's Limits Have Been Reached



Source: AEM Analysis

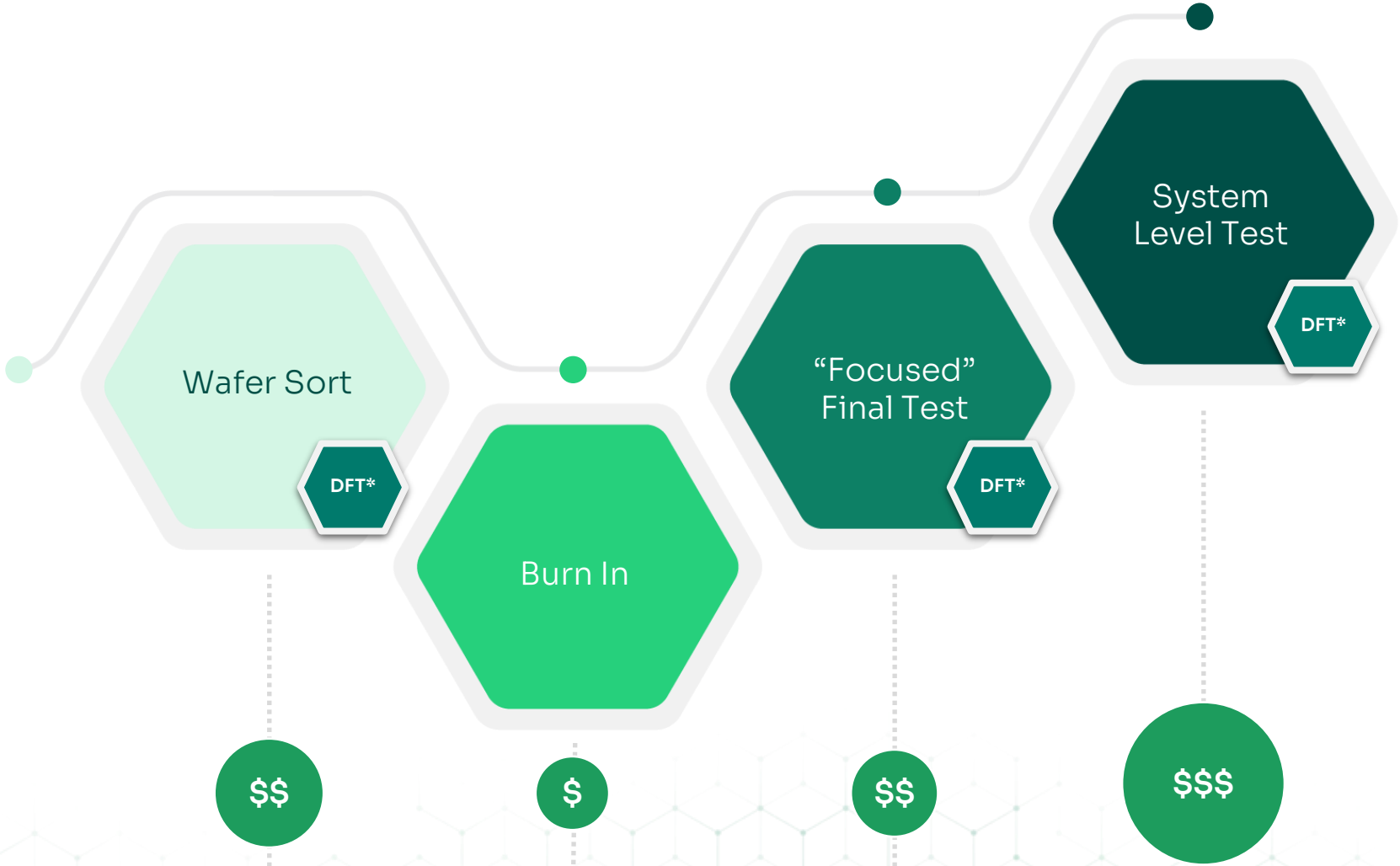


Source: Intel – 2020 SW Test Untethered Conference

AEM's Test 2.0 Vision Leverages Data With Intelligent Automation And Application Specific Solutions To Reset The Cost Of Test Curve Across Backend Test

Future Paradigm: Test 2.0

Data Analytics & Process Flow Management /(EDA* to SLT)



Source: AEM Analysis

**DFT: Design For Test*
**EDA: Electronic Design Automation*

2022 and Beyond

Enhancing delivery capabilities through the expansion of manufacturing facilities in South East Asia and the United States





Engaged and winning at leading semiconductor companies across memory, automotive, mobility, and high-performance computing / AI markets

Developing and delivering an expanded product portfolio with massively parallel burn in, application specific solutions, leading to growth in our consumables TAM



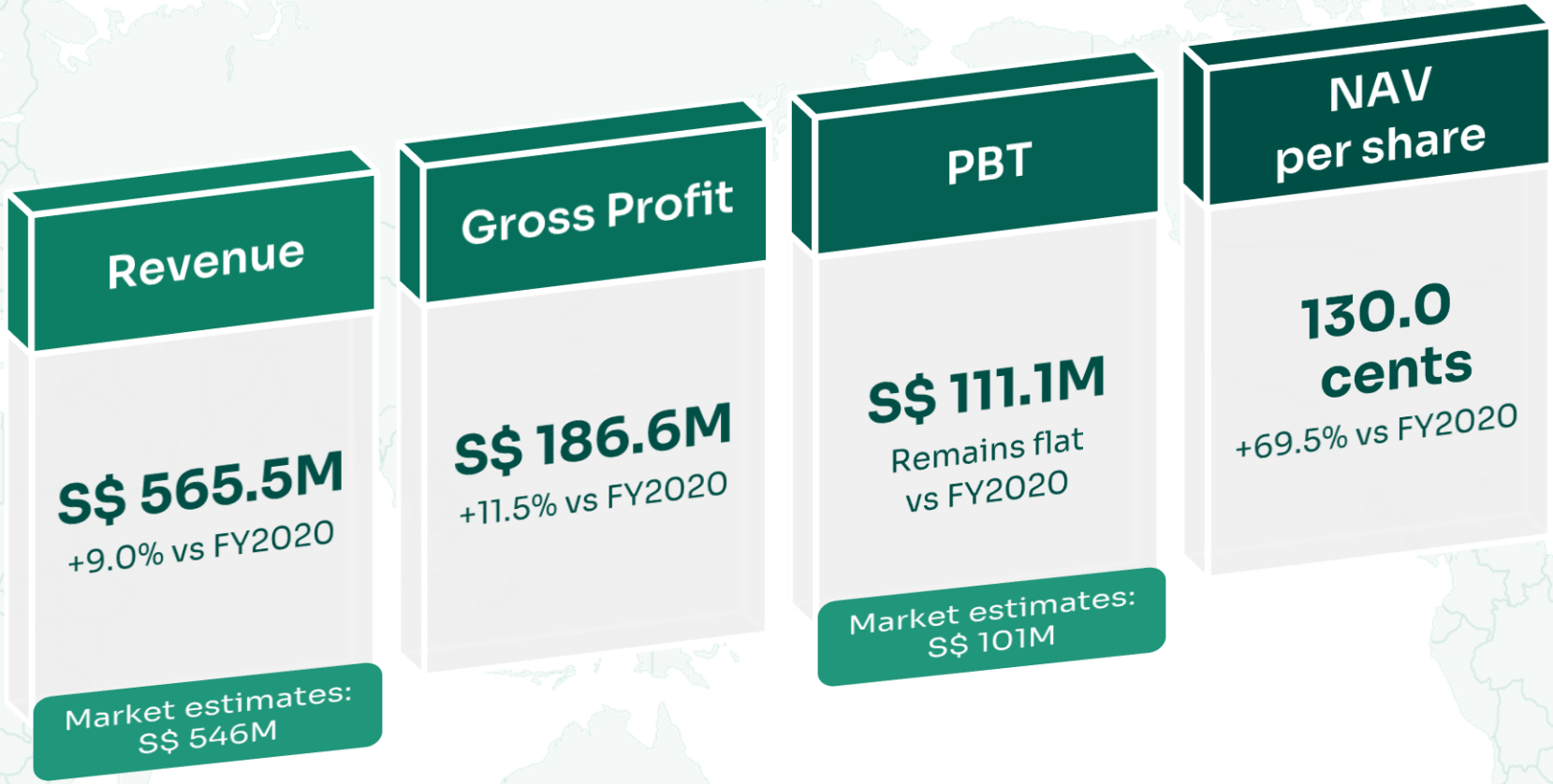
FY 2022 Guidance

S$670M to S$720M

+18% to 27%
Growth vs. 2021

FY2021 Financial Review

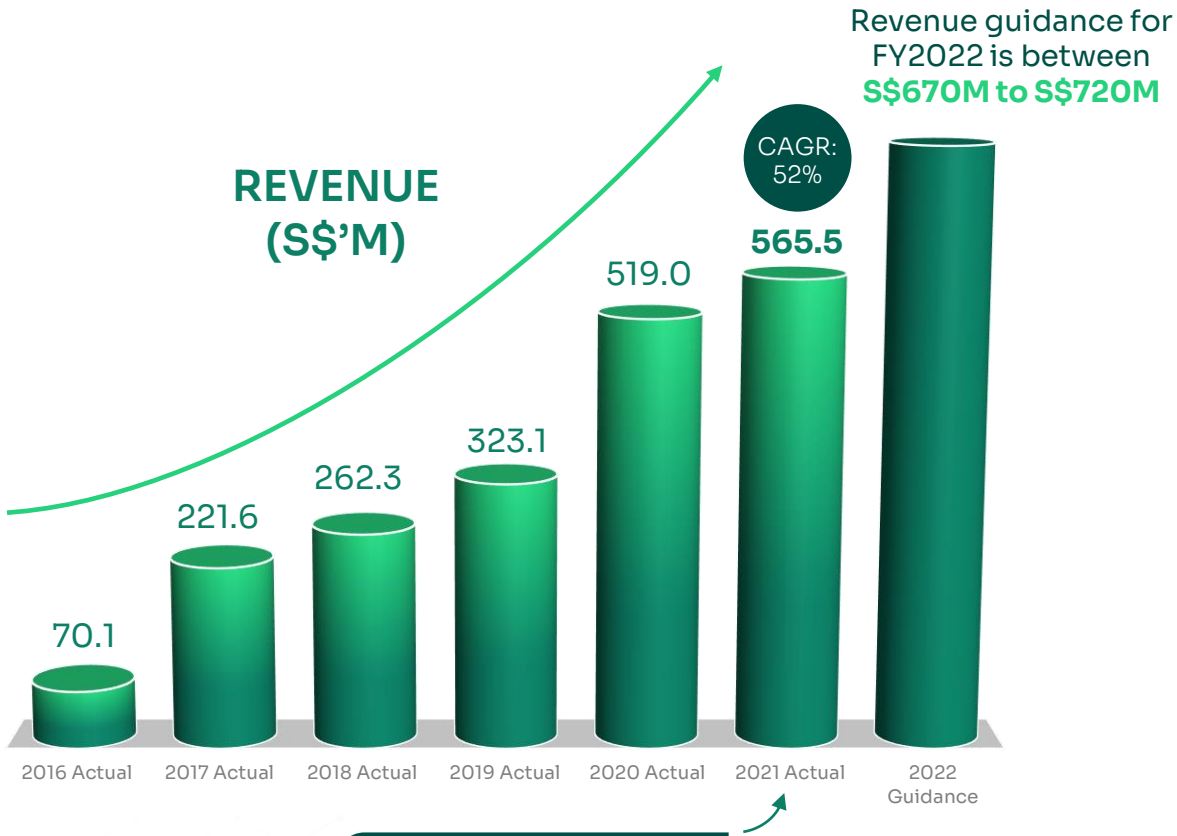
FY2021 Financial Results | Financial Highlights
Exceeded Analysts' Consensus Estimates

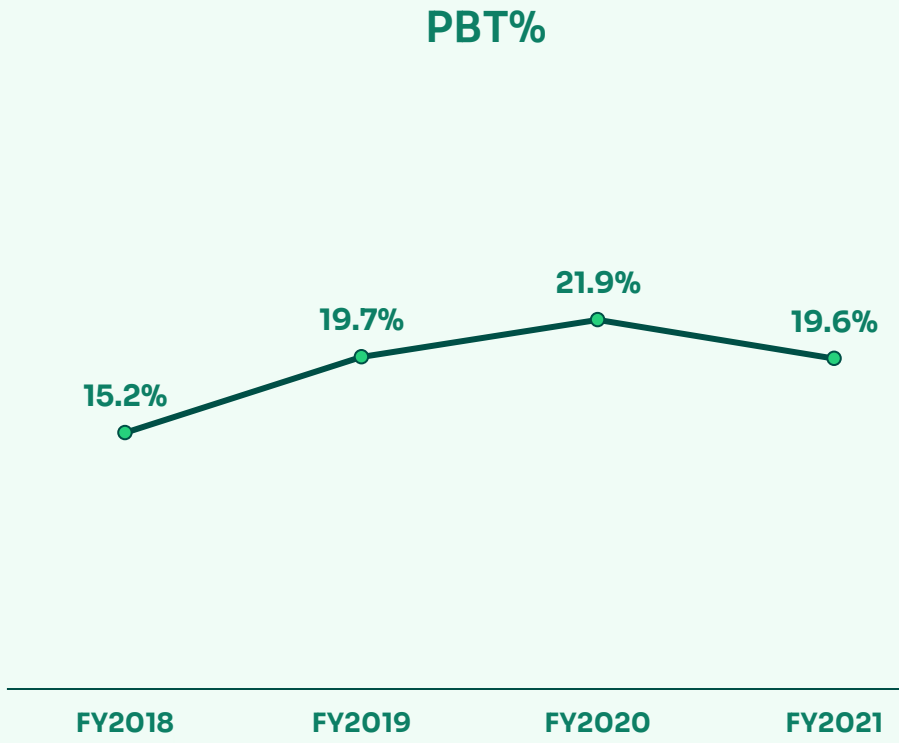


Proposed **final dividend 5.0 SG cents per share** payable on 31 May 2022
Including interim dividend of 2.6 SG cents per share, the payout is about 25% of net profit

FY2021 Financial Results

Highest Revenue Year on Record
S$565.5M in revenue and S$111.1M in PBT



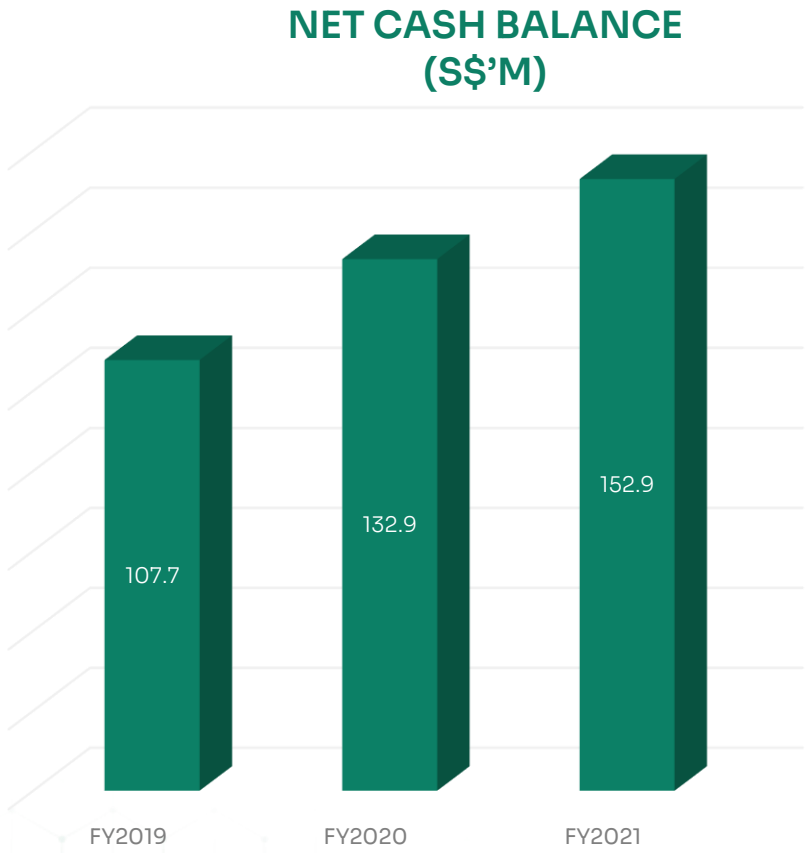


CEI acquired in 1Q 2021
Margin compression due to inclusion of CEI product mix

FY2021 Financial Results | Strengthened Our Cash Position With Shares Issuance From Private Placement

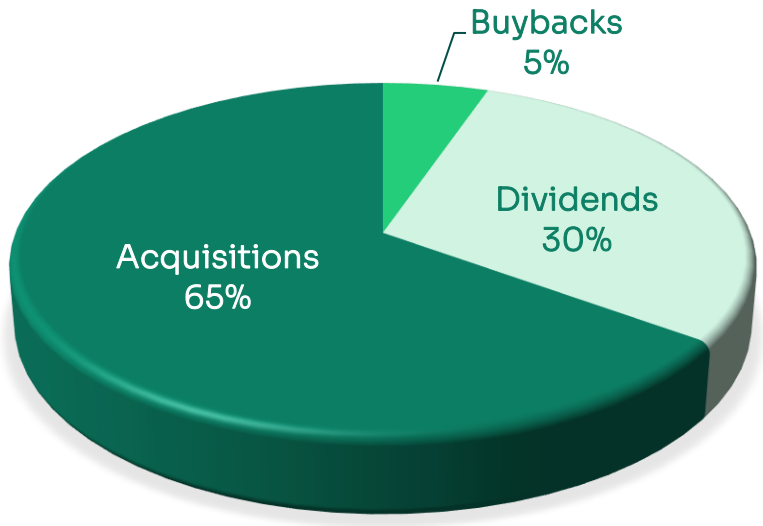
Sources and Applications of Funds:

S$'M	FY2019	FY2020	FY2021
Beginning Cash	58.9	107.7	134.8
PAT	52.8	97.6	92.1
Changes in working capital & others	14.8	(11.3)	(40.1)
Capital expenditure	(3.3)	(5.2)	(16.4)
Acquisition of investments	-	(25.2)	(87.6)
Return to shareholders	(12.2)	(25.1)	(23.2)
Proceeds from ESOS exercised	0.2	3.4	2.6
Proceeds from issuance of shares	-	-	103.1
Borrowings & other financing, net	(2.6)	(3.6)	49.8
Effect of FX translation	(0.9)	(3.5)	1.1
Ending Cash	**107.7**	**134.8**	**216.2**
Net Cash	**107.7**	**132.9**	**152.9**



FY2021 Financial Results | Investing for Growth Through Acquisition Without Losing Focus on Shareholders' Return

CUMULATIVE CAPITAL ALLOCATION BREAKDOWN FY2019 – FY2021



S$'M	FY2019	FY2020	FY2021	Cumulative
Dividends	10.5	22.2	18.6	51.3
Share buybacks	1.7	2.9	4.6	9.2
Acquisitions	-	25.2	87.6	112.8
Total	**12.2**	**50.3**	**110.8**	**173.3**

Dividend

S$ 51.3M over 3 years	Pay-out of 25% of recurring income

Share buybacks

S$ 9.2M since FY2019	Increasing trend

Investing for growth

Acquisitions in FY2021 is the largest yet

Resolutions & Results

Resolutions & Results

No	Resolution	For	Against	Results
1	Directors' Statement and Audited Financial Statements.	99.9%	0.1%	**PASSED**
2	Declare a final dividend of 5.0 cents per ordinary share.	99.9%	0.1%	**PASSED**
3	Re-elect the following Director: Mr. Loh Kin Wah.	90.9%	9.1%	**PASSED**
4	Re-elect the following Director: Ms. Chou Yen Ning @ Alice Lin.	99.9%	0.1%	**PASSED**
5	Re-elect the following Director: Mr. Tham Min Yew.	88.8%	11.2%	**PASSED**
6	Approve Directors' fees of S$860,000 (2021: S$648,000) for the financial year ending 31 December 2022, payable quarterly in arrears.	99.1%	0.9%	**PASSED**
7	To re-appoint KPMG LLP as the Auditors.	99.9%	0.1%	**PASSED**
8	Proposed Share Issue Mandate.	97.6%	2.4%	**PASSED**
9	Share Purchase Mandate Renewal.	99.0%	1.0%	**PASSED**

Note: See Notice of Annual General Meeting (AEM), 12 April 2022 for details of each resolution.



Thank You

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