



(Company Registration No.: 200909384G)

## FOR IMMEDIATE RELEASE

### **AZTECH GLOBAL REPORTS NET PROFIT OF \$70.5 MILLION AND PROPOSED RECORD FINAL AND SPECIAL DIVIDENDS OF 10 CENTS PER SHARE**

- Achieved net profit of \$70.5 million and net margin of 11.3%.
- Strong net cash position of \$294.2 million as of 31 December 2024.
- Proposed final ordinary and special dividends totalling \$77.2 million.
- Including interim dividend, total dividend payout for FY2024 amounts to \$115.8 million (15 cents per share).
- Received a record 9 prestigious awards in 2024.

**SINGAPORE, 25 FEBRUARY 2025** - SGX Mainboard-listed Aztech Global Ltd. and its group of companies ("**Aztech**" or "**the Group**"), designer and manufacturer of IoT devices and data-communication products, delivered a net profit of \$70.5 million on revenue of \$621.6 million for the financial year ended 31 December 2024 ("**FY2024**").

#### **Performance Review**

Revenue for FY2024 declined 30.6% year-on-year ("**YoY**") to \$621.6 million due to lower sales volume of IoT devices and data-communication products attributable to reduced demand from customers in the latter part of 2024.

The Group reported a net profit of \$70.5 million. The impact of lower revenue and higher depreciation was partly offset by higher interest income, net fair value gain on foreign exchange contracts and lower tax expense with a one-time deferred tax provision of \$7.1 million in the prior year. Net profit margin remained stable at 11.3%.

#### **Healthy Cash Balances**

The Group's net cash generated from operating activities increased by 35.7% YoY to \$113.3 million with disciplined cost management and positive working capital.

All currencies are in Singapore dollars unless otherwise specified.



Free cash flow also improved 38.8% YoY to \$109.9 million with prudent capital expenditure.

During the period ended 31 December 2024, the Group made total dividend payments of S\$77.2 million relating to FY2023 final dividend and FY2024 interim dividend. As of 31 December 2024, net cash position stood at a strong \$294.2 million, an increase of 17.8% YoY (31 December 2023: \$249.8 million).

### **Proposed Final Ordinary & Special Dividends<sup>1</sup>**

The Group has adopted a disciplined approach to cash and capital management over the years. It has accumulated a cash reserve of \$311.3 million<sup>2</sup> and retained earnings of \$141.8 million as at 31 December 2024.

In view of the strong cash flow generation, the Board has proposed a dividend of 10 cents per share, comprising a final ordinary dividend of 3 cents per share totalling \$23.2 million and a special dividend of 7 cents per share totalling \$54 million, subject to shareholder approval at the forthcoming Annual General Meeting. The proposed special dividend of \$54 million is a return of the Group's surplus cash to reward shareholders.

Including the interim dividend of 5 cents per share, the total ordinary dividend declared for the year is 8 cents per share (FY2023: 8 cents). The proposed final ordinary and special dividends lift the total dividend declared for FY2024 to 15 cents per share, an increase of 87.5% over the previous year and registering a payout ratio of 164.1%.

The proposed final ordinary dividend and special dividends amounting to 10 cents per share, if approved at the Annual General Meeting on 11 April 2025, will be paid on 29 April 2025.

### **Outlook & Awards**

Amid rising trade restrictions, geopolitical tensions and global economic uncertainties<sup>3,4</sup>, the Group is encountering some demand volatility from customers. The Group is prioritising expanding its customer base, strengthening relations with existing customers, managing its

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<sup>1</sup> On a one-tier tax-exempt basis.

<sup>2</sup> Includes cash and cash equivalents and short-term investments.

<sup>3</sup> IMF, World Economic Outlook – Global Growth: Divergent and Uncertain, 17 January 2025

<sup>4</sup> World Bank, Global Economic Prospects, 16 January 2025

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cost as well as enhancing its design and manufacturing capabilities. It will continue with digital transformation and automation to optimise operational efficiency.

In Malaysia, the Group has successfully consolidated its operations at its 300,000 sq ft manufacturing facility in Pasir Gudang, Johor and installed plastic injection machines that expanded the facility's production capacity and capability. It is adding a new automated production line in the said facility that is expected to be commissioned in the second quarter of 2025. Meanwhile, the Group has rationalised its manufacturing capacity at its facility in Dongguan, China.

5 new products entered commercial production in the final quarter of 2024. In addition, the Group secured 7 new customers during the year with commercial production expected in FY2025. The Group will also explore M&A opportunities to expand its customer base.

**Mr Michael Mun, Executive Chairman and CEO of Aztech Global Ltd.** commented, "We are positive about Aztech's strengths and potential. The return of surplus cash to shareholders through the special dividend demonstrates Aztech's strong cash generation, confidence in its future and commitment to enhancing shareholder value."

Mr Mun continued, "Our cash position remains at a healthy level, providing financial flexibility to drive growth and pursue value accretive acquisitions to our core businesses."

"We are proud to cap the year (2024) with 9 prestigious awards and to be recognised for the third consecutive year as one of Singapore's Fastest Growing Companies 2025 by *The Straits Times*. These awards reflect our collective dedication, resilience, and commitment to excellence - values that position Aztech for longer term growth," he added.

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### **About Aztech Global Ltd.**

Aztech Global Ltd. together with its group of companies ("Aztech") is a designer and manufacturer of IoT devices and data-communication products across diverse industries including security, consumer, communications, health-tech, industrial and automotive. Supported by its comprehensive suite of design, engineering and manufacturing services, Aztech prides itself as the key technology enabler across its clientele base that ranges from blue chip customers to technological start-ups with innovative products.

Headquartered in Singapore, Aztech is part of the group founded in 1986 and has four (4) R&D centers in Singapore, Hong Kong and the PRC namely in Shenzhen and Dongguan. In addition, it has three (3) manufacturing facilities in Dongguan, PRC and Johor, Malaysia with a workforce of about 2,000 worldwide. Aztech has been recognised for its business excellence and governance with numerous awards won. The list includes The Edge Singapore Centurion Club 2024 Award - Highest Growth in Profit After Taxes over Three (3) Years" for the Software & IT Services and Technology Equipment sector, Investors' Choice Awards 2024 Singapore Corporate Sustainability Award (Mid Cap Category) and Most Transparent Company Award (Technology Category) by SIAS, Singapore's Best Managed Companies 2024 by Deloitte, 200 Best Under a Billion 2024 and Special Award – Best Return on Equity by Forbes Asia, Fortune SEA 500 company in 2024, Singapore's Fastest Growing Companies from 2023 to 2025 by the Straits Times as well as Asia Pacific's High-Growth Companies 2024 by the Financial Times. Aztech (ticker: 8AZ) is a constituent stock in MSCI Singapore Micro Cap Index; FTSE ST All-Share Index; FTSE ST All-Share Industrial Index; FTSE ST China Index and FTSE ST Small Cap Index.

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