



AEM

Testing
Innovation

AEM Investor Update

May 11, 2023

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

AEM Corporate Profile

AEM is a global leader in the fast growing **Test 2.0** market, delivering application-specific intelligent system test and handling solutions for semiconductor and electronics companies serving the advanced computing, 5G, and AI markets.



Leader in Fast Growing Test 2.0 Market

Test 2.0 growth is driven by advanced packaging & integrated logic. AEM has over **1,000** Test 2.0 tools in production



Full Stack Technology

Delivering **composable** technologies and solutions for advanced, integrated semiconductor test needs



Deploy at Scale

Critical delivery capabilities giving our customers a **reduced time to market**



2016-2022 Rev. CAGR **52%**

1Q2023 Results
Revenue: **\$152.7M**
PBT: **\$19.0M**
FY2023 Revenue Guidance: **\$500M**



Listed on SGX

Market Cap: ~\$1.1B*
AEM Holdings Ltd.
(SGD: AWX) (USD: XWA)

* As at 11 May 2023

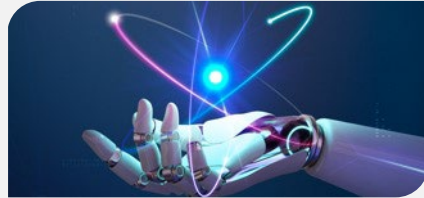
The industry megatrends continue to point to secular growth for semiconductor test, despite a short-term pullback

Semiconductor manufacturers are designing next generation devices, and engaging in developing production solutions to overcome their test challenges

Industry Megatrends



5G
High-speed, low-latency, and omnipresent connectivity opens a vast array of new applications and use cases



Artificial Intelligence
Growth of AI enables new business models and unlocks increasing value from data



IoT & Cloudification
Proliferation of IoT enabled devices and the cloudification of data requires increased power in the cloud and at the edge

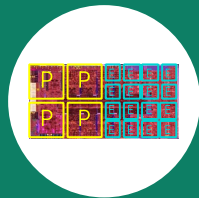


Automotive
Electrification of vehicles, introduction of autonomous driving capabilities, and digitalization

Device Volumes Increasing



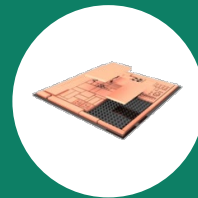
Test Challenges



Increasing Device Complexity



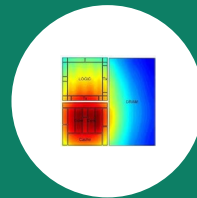
Increasing Power Requirement



Adoption of Advanced Packaging



Increasing Test Development Times



Increasing Thermal Challenges



Increasing Test Coverage Requirements

Device Test Times Increasing

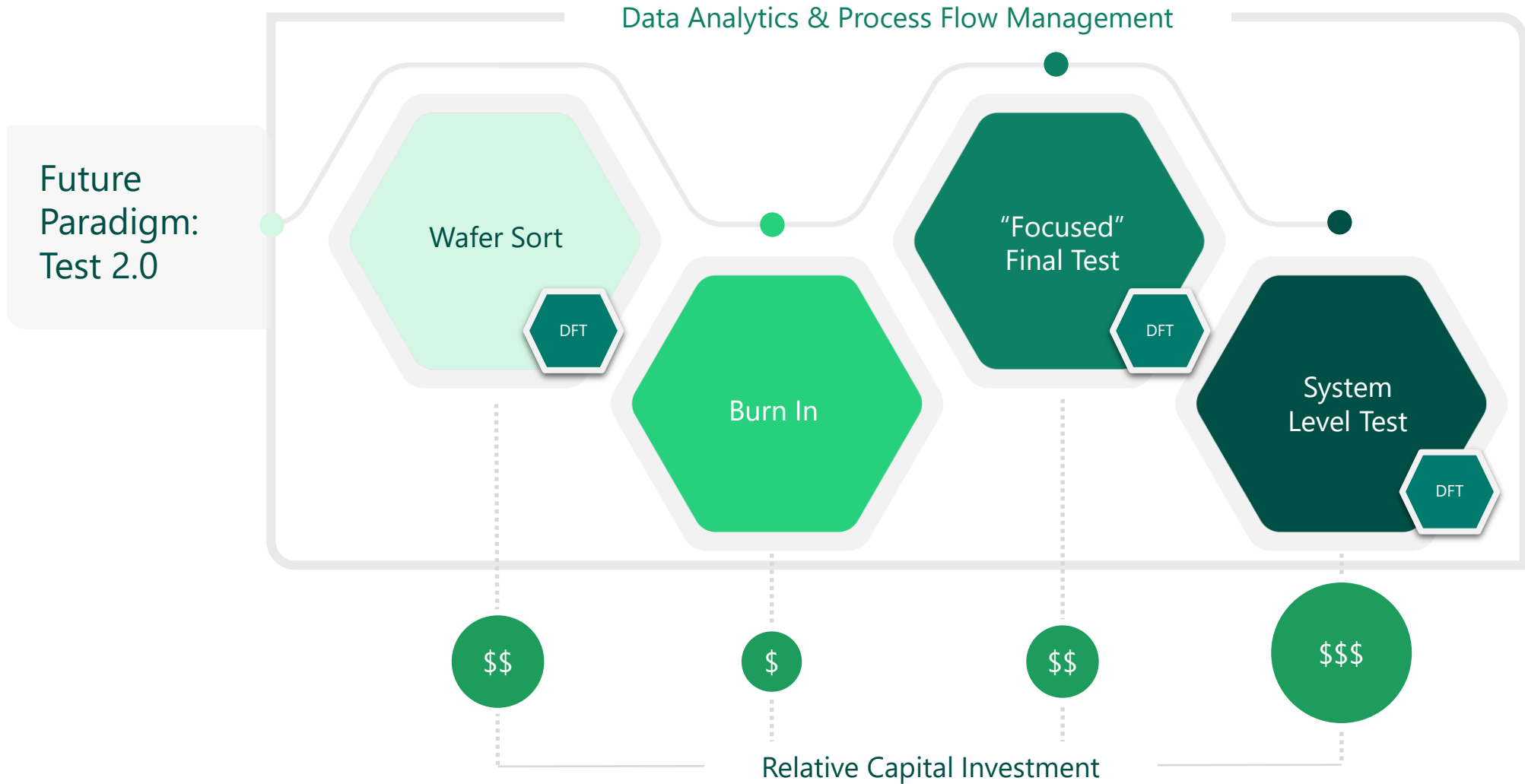


Growth In Test Spend

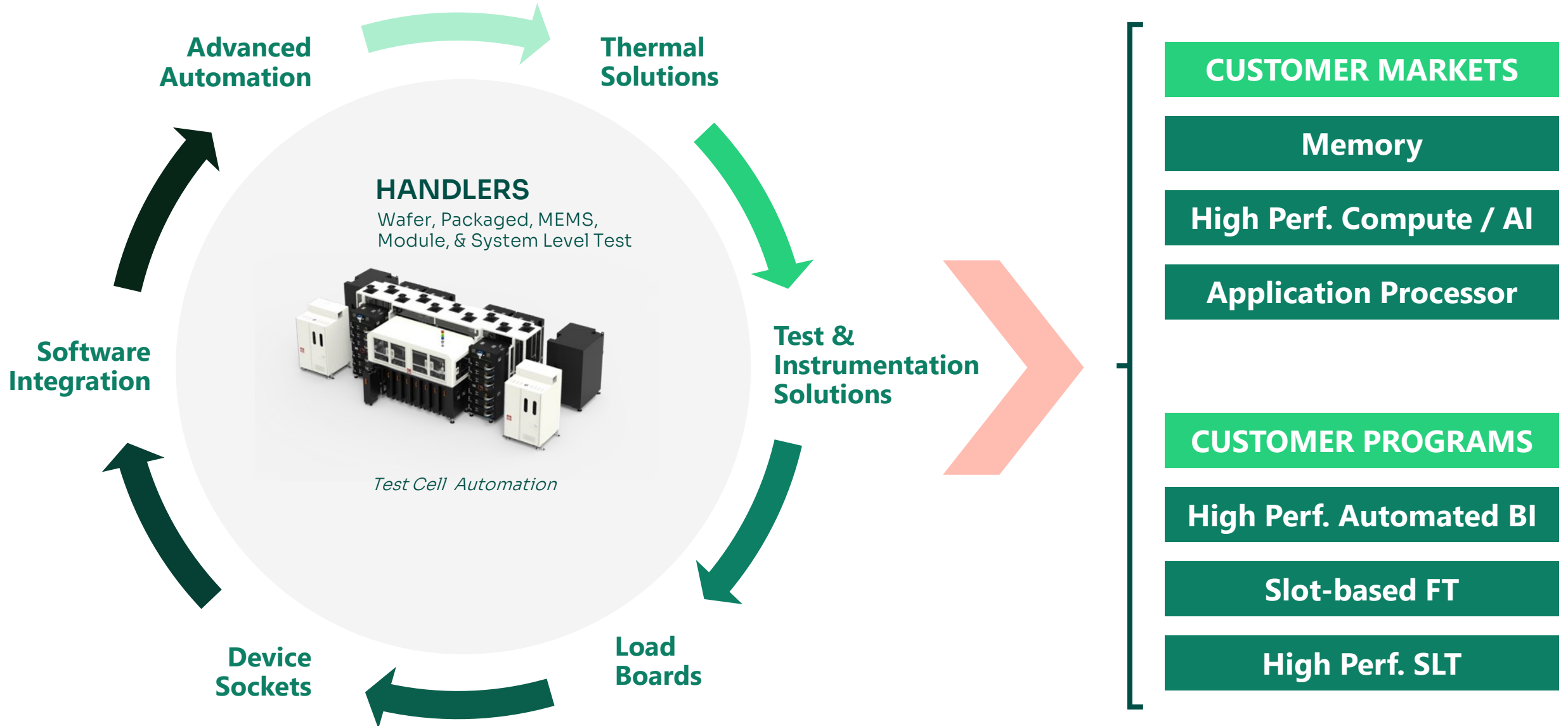
The Test 1.0 paradigm has run out of steam for the latest advanced logic and memory devices



Device manufacturers are looking to Test 2.0 to enable the requisite test coverage at the right cost



AEM's composable solution approach enables customers to reimagine their test flows and fully embrace the Test 2.0 paradigm



1Q2023 Highlights



- The Group posted revenue of **S\$152.7 million** in 1Q2023, with profit before tax of **S\$19.0 million** over the same period
- Investments in R&D continue, with Test 2.0 gaining traction at new customers which is spurring new opportunities
- Target revenue guidance remains at **S\$500 million** that may be revised up or down as the Group gains visibility into the second half of the year



1Q2023 Financials

1Q2023 Financial Highlights

Revenue at S\$152.7M and PBT at S\$19.0M



A Robust Balance Sheet

Sound capital structure – Debt/Equity ratio of 0.3X



	As at	
	Mar'23	Dec'22
	S\$M	S\$M
Cash	110.1	127.8
Inventories	373.1	367.7
Trade and other receivables	108.2	92.9
Total assets	809.8	805.6
Trade and other payables	114.0	118.9
Financial liabilities	139.8	143.3
Total equity	505.5	493.4
in SG cents		
NTA per share	123.5	119.6
NAV per share	161.1	157.1
Debt/ Equity	0.3x	0.3x
No. of shares less treasury shares ('000)	308,711	308,753



Highlights

Inventories (+S\$5.4M)

Increased mainly due to longer dated, non-cancellable purchase orders, entered with our key customer

Total equity (+S\$12.1M)

Increased mainly due to profit contribution in 1Q2023 of S\$19.0M

Thank You

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