

VOLUNTARY CONDITIONAL OFFER

by

PRICEWATERHOUSECOOPERS CORPORATE FINANCE PTE LTD

(Company Registration No.: 197501605H)
(Incorporated in the Republic of Singapore)

for and on behalf of

AEM SINGAPORE PTE. LTD.

(Company Registration No.: 199200362M)
(Incorporated in the Republic of Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

CEI LIMITED

(Company Registration No.: 199905114H)
(Incorporated in the Republic of Singapore)

OFFER ANNOUNCEMENT

1. INTRODUCTION

- 1.1 **The Pre-Conditional Offer.** PricewaterhouseCoopers Corporate Finance Pte Ltd (“**PwC CF**”), for and on behalf of AEM Singapore Pte. Ltd. (the “**Offeror**”), refers to the announcement (the “**Pre-Conditional Offer Announcement**”) dated 11 January 2021 (the “**Pre-Conditional Offer Announcement Date**”) by PwC CF, for and on behalf of the Offeror. The Pre-Conditional Offer Announcement stated, *inter alia*, that subject to and contingent upon the satisfaction of the Pre-Condition (as defined in Section 2 below), the Offeror intends to make a voluntary conditional offer (the “**Offer**”) for all the issued and paid-up ordinary shares (excluding any shares held in treasury) (the “**Shares**”) in the capital of CEI Limited (the “**Company**”) other than those already held by the Offeror as at the date of the Offer in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the “**Code**”).

As at the date of this Announcement (the “**Offer Announcement Date**”), the Offeror is a wholly-owned subsidiary of AEM Holdings Ltd. (“**AEM Holdings**”), a company incorporated in Singapore and listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Further information on the Offeror and AEM Holdings is set out in Section 4 below.

A copy of the Pre-Conditional Offer Announcement is available on the website of the SGX-ST at www.sgx.com. Capitalised terms that are not defined in this Announcement shall have the meanings set out in the Pre-Conditional Offer Announcement.

2. THE PRE-CONDITION

As announced by AEM Holdings on 15 February 2021, AEM Holdings has, on 13 February 2021, received the approval-in-principle of the SGX-ST for the listing and quotation of the New AEM Holdings Shares (as defined in Section 3(b) below) (the “**Pre-Condition**”).

Please note that the in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Offer, the New AEM Holdings Shares, AEM Holdings and/or its subsidiaries.

Accordingly, the Pre-Condition has been satisfied and PwC CF hereby announces, for and on behalf of the Offeror, the Offeror’s firm intention to make the Offer.

3. THE OFFER

Principal Terms of the Offer. Subject to the terms and conditions of the Offer to be set out in the formal offer document to be issued by PwC CF for and on behalf of the Offeror in respect of the Offer (the “**Offer Document**”), the Offeror will make the Offer in accordance with Rule 15 of the Code on the following basis:

- (a) **Offer Shares.** The Offer will be extended to all the Shares other than those already held by the Offeror as at the date of the Offer (the “**Offer Shares**”).

For the avoidance of doubt, the Offer will be extended, on the same terms and conditions, to all the Shares owned, controlled or agreed to be acquired by parties acting or presumed to be acting in concert with the Offeror. For the purpose of the Offer, the expression “**Offer Shares**” shall include the aforesaid Shares.

- (b) **Offer Consideration.** The consideration for each Offer Share will be S\$1.15 (the “**Offer Consideration**”), to be satisfied, at the option of shareholders of the Company (“**Shareholders**”) who validly accept the Offer, either in cash or a combination of cash and new ordinary shares in the capital of AEM Holdings (the “**New AEM Holdings Shares**”) in the following proportions:

For each Offer Share, either:

- (i) **S\$1.15 in cash (the “Cash Consideration”);**
- (ii) **S\$0.9775 in cash and 0.0486 New AEM Holdings Shares (the “85/15 Cash Shares Consideration”); or**
- (iii) **S\$0.8050 in cash and 0.0972 New AEM Holdings Shares (the “70/30 Cash Shares Consideration” and together with the 85/15 Cash Shares Consideration, the “Cash Shares Consideration Options”).**

Fractions of a New AEM Holdings Share will not be issued to any holder of Offer Shares who accepts the Offer and elects either of the Cash Shares Consideration Options, and will be disregarded. The issue price for each New AEM Holdings Share pursuant to the Cash Shares Consideration Options above is S\$3.55.

Shareholders can only elect one (1) out of the three (3) forms of the Offer Consideration set out above and not a combination thereof in respect of their Offer Shares.

If Shareholders fail to elect their preferred mode of the Offer Consideration, they will be deemed to have chosen to receive the Cash Consideration in respect of all of their Offer Shares tendered in acceptance of the Offer.

The Offer Consideration is final and the Offeror does not intend to revise the Offer Consideration.

By way of illustration:

- (A) a Shareholder who accepts the Offer and elects to receive the Cash Consideration will receive, for every 1,000 Offer Shares tendered in acceptance of the Offer, S\$1,150 in cash;
 - (B) a Shareholder who accepts the Offer and elects to receive the 85/15 Cash Shares Consideration will receive, for every 1,000 Offer Shares tendered in acceptance of the Offer, S\$977.50 in cash and 48 New AEM Holdings Shares; and
 - (C) a Shareholder who accepts the Offer and elects to receive the 70/30 Cash Shares Consideration will receive, for every 1,000 Offer Shares tendered in acceptance of the Offer, S\$805 in cash and 97 New AEM Holdings Shares.
- (c) **New AEM Holdings Shares.** The New AEM Holdings Shares will be listed on the SGX-ST and will, upon issue, be credited as fully-paid and free from all Encumbrances (as defined below) and will rank *pari passu* in all respects with the then existing shares in AEM Holdings as at the date of their issue, save that they will not rank for any dividend, rights, allotments or other distributions, the record date for which falls on or before the date of completion of the allotment and issuance of the New AEM Holdings Shares pursuant to the Offer.

Pursuant to the Offer and based on the terms of the Offer as at the Offer Announcement Date, AEM Holdings will issue (assuming full acceptance of the Offer and that all accepting Shareholders elect to receive the 70/30 Cash Shares Consideration, save for the Individual Undertaking Shareholders and TIHT (each as defined below) who have undertaken to accept the Offer and have elected to receive the 85/15 Cash Shares Consideration and the Cash Consideration respectively) up to approximately 7,047,237 New AEM Holdings Shares representing approximately 2.56% of the total number of issued shares in the capital of AEM Holdings (excluding treasury shares) as at the Offer Announcement Date and approximately 2.49% of the enlarged total number of issued shares in the capital of AEM Holdings¹. Such New AEM Holdings Shares will be allotted and issued pursuant to the general share issue mandate approved by the shareholders of AEM Holdings by way of an ordinary resolution at the annual general meeting of AEM Holdings held on 21 May 2020.

- (d) **No Encumbrances.** The Offer Shares are to be acquired (i) fully paid, (ii) free from all claims, charges, equities, mortgages, liens, pledges, encumbrances, rights of pre-

¹ For the purposes of this Announcement, the enlarged total number of issued shares in the capital of AEM Holdings comprises 282,604,904 AEM Holdings Shares (excluding treasury shares).

emption and other third party rights and interests of any nature whatsoever (“**Encumbrances**”), and (iii) together with all rights, benefits, entitlements and advantages attached thereto as at the Pre-Conditional Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares (collectively, the “**Distributions**”), the Record Date for which falls on or after the Pre-Conditional Offer Announcement Date. For the purpose of this Announcement, “**Record Date**” means, in relation to any Distributions, the date on which Shareholders must be registered with the Company or with The Central Depository (Pte) Limited (“**CDP**”), as the case may be, in order to participate in such Distributions.

- (e) **Adjustment for Distributions.** Without prejudice to the foregoing, the Offer Consideration has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution, the Record Date for which falls on or after the Pre-Conditional Offer Announcement Date. In the event of any such Distribution, the Offer Consideration payable to a Shareholder who validly accepts or has validly accepted the Offer shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer (the “**Offer Settlement Date**”) falls:
- (i) if the Offer Settlement Date falls on or before the Record Date and the Offeror is registered as the holder of the relevant Offer Shares as at the Record Date, the Offeror will pay the relevant accepting Shareholders the unadjusted Offer Consideration of S\$1.15 for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Shares from the Company; and
 - (ii) if the Offer Settlement Date falls after the Record Date, or if the Offer Settlement Date falls on or before the Record Date but the Offeror is not registered as the holder of the relevant Offer Shares as at the Record Date, the Offer Consideration payable for such Offer Shares tendered in acceptance shall be reduced by an amount which is equal to the Distribution in respect of such Offer Shares, as the Offeror will not receive such Distribution from the Company.
- (f) **Minimum Acceptance Condition.** The Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and the parties acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and the parties acting in concert with it holding such number of Shares carrying more than 50% of the voting rights attributable to the issued Shares as at the close of the Offer (excluding treasury shares) (the “**Minimum Acceptance Condition**”).
- Save for the Minimum Acceptance Condition, the Offer is unconditional in all other respects.**
- (g) **Further Details.** Further details of the Offer will be set out in the Offer Document.

- (h) **No Options Proposal.** Based on the latest information available to the Offeror, there are no outstanding options to subscribe for new Shares granted under any employee share scheme of the Company (“**Options**”) as at the Offer Announcement Date. In view of the foregoing, the Offeror will not make an offer to acquire any Options.

4. INFORMATION ON THE OFFEROR AND AEM HOLDINGS

- 4.1 **Offeror.** The Offeror is a company incorporated in Singapore on 20 January 1992 and is a direct wholly-owned subsidiary of AEM Holdings. The Offeror is involved in the design and manufacturing of semiconductor manufacturing equipment and related tooling parts and precision machining of components.

As at the Offer Announcement Date, the Offeror has an issued and paid-up share capital of S\$10,194,491 comprising 10,194,491 ordinary shares, of which 100% is held by AEM Holdings.

As at the Offer Announcement Date, the Directors of the Offeror are as follows:

- (a) Mr. Chandran Ramesh Nair (Chief Executive Officer of AEM Holdings); and
- (b) Ms. Leong Sook Han (Chief Financial Officer and Joint Company Secretary of AEM Holdings).

The Offeror does not hold any Shares as at the Offer Announcement Date.

- 4.2 **AEM Holdings.** AEM Holdings is a company incorporated in Singapore on 21 July 2000 and is listed on the Main Board of the SGX-ST. AEM Holdings is a global leader offering application specific intelligent system test and handling solutions for semiconductor and electronics companies serving advanced computing, 5G and AI markets. These activities are carried out through AEM Holdings’ subsidiaries (including the Offeror) (collectively, the “**AEM Group**”). Currently, the AEM Group has operations in Asia, Europe and North and Central Americas.

As at the Offer Announcement Date, AEM Holdings has an issued and paid-up capital of S\$50,726,976.08 comprising 276,862,980 issued ordinary shares (the “**AEM Holdings Shares**”) (of which 1,305,313 are treasury shares).

As at the Offer Announcement Date, the Directors of AEM Holdings are as follows:

- (a) Mr. Loke Wai San (Non-Executive Chairman and Director);
- (b) Mr. Chok Yean Hung (Non-Executive, Non-Independent Director);
- (c) Mr. Basil Chan (Independent Director);
- (d) Mr. Loh Kin Wah (Independent Director);
- (e) Mr. Adrian Chan Pengee (Lead Independent Director);
- (f) Mr. James Toh Ban Leng (Non-Executive, Non-Independent Director); and
- (g) Mr. Lavi Alexander Lev (Independent Director).

AEM Holdings does not hold any Shares as at the Offer Announcement Date.

5. INFORMATION ON THE COMPANY

The Company is a company incorporated in Singapore on 28 August 1999, and was listed on the Main Board of the SGX-ST in March 2000.

The principal activities of the Company and its subsidiaries (collectively, the “**Company Group**”) are those of contract manufacturing and design and manufacture of proprietary equipment. Contract manufacturing services include (a) assemblies of printed circuit board, box-build, prototype and equipment, and (b) value add engineering works such as circuit layout and functional design. The Company also designs and manufactures its own brand of proprietary equipment for the semiconductor industry. The Company Group has operations in Singapore, Indonesia and Vietnam.

Based on information available to the Offeror as at the Offer Announcement Date, the Company has an issued and paid-up share capital of approximately S\$23,572,686.36 comprising 87,934,213 Shares (of which 86,698,463 are ordinary shares and 1,235,750 are treasury shares).

As at the Offer Announcement Date, the Offeror is not aware of any outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights in the Company.

As at the Offer Announcement Date, the Directors of the Company are as follows:

- (a) Mr. Tien Sing Cheong (Executive Chairman);
- (b) Mr. Tan Ka Huat (Managing Director);
- (c) Mr. Tan Bien Chuan (Lead Independent Director);
- (d) Mr. Gan Chee Yen (Non-Executive Director);
- (e) Dr. Martin Tang Yue Nien (Independent Director);
- (f) Ms. Theng Siew Lian Lisa (Independent Director); and
- (g) Mr. Wang Ya Lun Allen (Alternate Director to Mr. Gan Chee Yen).

6. IRREVOCABLE UNDERTAKINGS

- 6.1 **Irrevocable Undertakings.** As at the Offer Announcement Date, the Offeror has received irrevocable undertakings (the “**Irrevocable Undertakings**”) from certain Shareholders, namely Mr. Tien Sing Cheong and Mr. Tan Ka Huat (the “**Individual Undertaking Shareholders**”) and TIHT Investment Holdings Pte. Ltd. (“**TIHT**” and collectively with the Individual Undertaking Shareholders, the “**Undertaking Shareholders**”) pursuant to which each of the Undertaking Shareholders has, amongst other things, unconditionally and irrevocably undertaken to the Offeror to tender all of its/his respective Shares (the “**Undertaking Shares**”) in acceptance of

the Offer and to elect the 85/15 Cash Shares Consideration or the Cash Consideration (as stated below) as the Offer Consideration for the Undertaking Shares.

The names of the Undertaking Shareholders, the number of Shares owned by them as at the Offer Announcement Date and the form of the Offer Consideration elected are as follows:

No.	Name of Undertaking Shareholder	No. of Shares which are the subject of the Irrevocable Undertaking	Percentage of Shares in issue (%) ⁽¹⁾	Form of Offer Consideration
1.	Mr. Tien Sing Cheong ⁽²⁾	8,671,900	10.00	85/15 Cash Shares Consideration
2.	Mr. Tan Ka Huat ⁽²⁾	4,013,340	4.63	85/15 Cash Shares Consideration
3.	TIHT Investment Holdings Pte. Ltd.	7,840,800	9.04	Cash Consideration
	Total	20,526,040	23.68	

Notes:

- (1) Based on a total number of 86,698,463 Shares (excluding 1,235,750 treasury shares) as at the Offer Announcement Date.
- (2) Each of Mr. Tien Sing Cheong and Mr. Tan Ka Huat is a Director of the Company as at the Offer Announcement Date.

6.2 **Termination of Irrevocable Undertakings.** Each of the Irrevocable Undertakings shall lapse and cease to have further force and effect:

- (a) on the date on which the Offer lapses or is withdrawn for any reason other than a breach of the Undertaking Shareholders' obligations under their respective Irrevocable Undertakings; or
- (b) (in respect of the Irrevocable Undertakings provided by the Individual Undertaking Shareholders only) on the date on which any bona fide competing offer for all the voting shares of the Company at a higher price than the Offer Consideration becomes or is declared unconditional (provided that the Individual Undertaking Shareholders have not accepted such competing offer),

whichever is earlier.

6.3 **No Other Undertakings.** Save for the Irrevocable Undertakings, as at the Offer Announcement Date, neither the Offeror nor any Relevant Person (as defined below) has received any other undertakings from any other party to accept or reject the Offer.

7. RATIONALE FOR THE OFFER

7.1 **Business Synergy.** The AEM Group believes that the business and operations of the Company are a strategic fit and will provide synergistic benefits to the business and operations of the AEM Group. Some of the synergistic benefits are as follows:

- (a) the Company's printed circuit board assembly capabilities will enable the AEM Group to have improved vertical integration with a higher level of control towards quality and agility over the entire supply chain;
- (b) the Company's regional infrastructure will enable the AEM Group to further increase the level of services to its customers by creating a site-resilient infrastructure that is essential as companies are rethinking the effectiveness of their current supply chain and manufacturing strategies as a result of the pandemic and increasing geo-political tensions;
- (c) the Company's assembly and box build capabilities will further enhance the AEM Group's service and product offering and in-house key capabilities;
- (d) the AEM Group's scale will provide wider customer reach and extensive cross selling opportunities as well as benefit the Company's branding and positioning in respect of semiconductor equipment; and
- (e) the acquisition of the Company by the AEM Group allows both the AEM Group and the Company to improve overall manufacturing process and efficiency through sharing of know-how and best practices.

7.2 **Opportunity for Shareholders to Realise their Investment in the Shares at a Premium to Market Price without incurring Brokerage Costs.** The Offer Consideration represents a premium of approximately 18.22%, 20.63%, 23.82% and 26.10% over the volume-weighted average price ("VWAP") per Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods up to and including 8 January 2021, being the last full trading day of the Shares prior to the Pre-Conditional Offer Announcement Date (the "**Last Trading Day**").

The Cash Consideration therefore presents Shareholders with a clean cash exit opportunity to realise their entire investment in the Shares at a premium over the historical trading prices of the Shares (before the Last Trading Day) without incurring brokerage and other trading costs.

7.3 **Opportunity to Participate in an Enlarged AEM Group.** The Cash Shares Consideration Options provide Shareholders with an opportunity to participate in the future prospects of an enlarged AEM Group at a discount to the current market price of AEM Holdings Shares. The issue price of S\$3.55 for each New AEM Holdings Share represents a discount of (i) approximately 2.74% to the last transacted price per AEM Holdings Share of S\$3.65 as at the Last Trading Day and (ii) approximately 17.44% to the last transacted price per AEM Holdings Share of S\$4.30 as at 11 February 2021, being the last trading day prior to the date of this Announcement.

7.4 **Historical Low Trading Liquidity.** The trading volume of the Shares has been low, with an average daily trading volume of approximately 24,786 Shares, 21,418 Shares, 20,649 Shares and 25,958 Shares during the one (1)-month period, three (3)-month period, six (6)-month period and 12-month period up to and including the Last Trading Day. These represent only

0.03%, 0.02%, 0.02% and 0.03% of the total number of issued Shares (excluding treasury shares) for the aforementioned relevant periods, respectively.

The Offer therefore provides Shareholders with an opportunity to realise their entire investment in the Shares at a premium over the historical 12 months' market prices² which may not otherwise be readily available to Shareholders given the historically low trading liquidity of the Shares.

- 7.5 **Costs of Maintaining Listing Status.** In maintaining its listed status, the Company incurs compliance and associated costs relating to continuing listing requirements under the Listing Manual of the SGX-ST (the "**Listing Manual**"). The Offeror is making the Offer with a view to delisting and privatising the Company. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses and costs relating to the maintenance of a listed status and channel such resources to its business operations.

8. OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

The Offeror intends for the Company to continue to develop and grow the existing businesses of the Company and its subsidiaries. The Offeror and the Company will continue to review, from time to time, the operations of the Company and its subsidiaries as well as the Company's strategic options. The Offeror retains the flexibility at any time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the interests of the Offeror and/or the Company.

Save as disclosed above, the Offeror has no current intentions to (a) introduce any major changes to the existing business of the Company, (b) re-deploy the fixed assets of the Company, or (c) discontinue the employment of the existing employees of the Company or its subsidiaries, in each case, other than in the ordinary and usual course of business.

9. COMPULSORY ACQUISITION AND LISTING STATUS

- 9.1 **Compulsory Acquisition.** Pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), if the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held in treasury), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**"), at a consideration equal to the Offer Consideration.

In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Consideration in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror, its related

² As of the Last Trading Day.

corporations or their respective nominees, comprise 90% or more of the total number of issued Shares (excluding Shares held in treasury). Dissenting Shareholders who wish to exercise such rights are advised to seek their own independent legal advice.

- 9.2 **Listing Status.** Pursuant to Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and its concert parties to above 90% of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time it is satisfied that at least 10% of the total number of issued Shares (excluding Shares held in treasury) are held by at least 500 Shareholders who are members of the public. Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding Shares held in treasury), thus causing the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

The Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company. In the event that the trading of Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1105 or Rule 1303(1) of the Listing Manual, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted.

10. FINANCIAL ASPECTS OF THE OFFER

The Offer Consideration represents the following premia over certain historical market prices of the Shares³ as set out below:

Description	Benchmark Price (S\$)	Premium of Offer Consideration over Benchmark Price (%)
(a) Last traded price of the Shares on the SGX-ST on 7 January 2021 (being the last full market day on which there were trades in the Shares immediately preceding the Last Trading Day as no Shares were traded on the Last Trading Day)	0.990	16.16
(b) VWAP for the 1-month period up to and including the Last Trading Day	0.973	18.22

³ The historical market prices of the Shares (rounded to the nearest three (3) decimal places) and the corresponding premia are computed based on data extracted from Bloomberg L.P..

Description	Benchmark Price (S\$)	Premium of Offer Consideration over Benchmark Price (%)
(c) VWAP for the 3-month period up to and including the Last Trading Day	0.953	20.63
(d) VWAP for the 6-month period up to and including the Last Trading Day	0.929	23.82
(e) VWAP for the 12-month period up to and including the Last Trading Day	0.912	26.10

The issue price of S\$3.55 per New AEM Holdings Share represents a discount of approximately (i) 2.74% to the last transacted price per AEM Holdings Share of S\$3.65 as at the Last Trading Day and (ii) 17.44% to the last transacted price per AEM Holdings Share of S\$4.30 as at 11 February 2021, being the last trading day prior to the date of this Announcement.

11. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

11.1 **No Holdings and Dealings in Company Securities.** As at the Offer Announcement Date, based on the responses received pursuant to the enquiries that the Offeror has made, none of the Offeror and the parties acting in concert with the Offeror (collectively, the “**Relevant Persons**”):

- (a) owns, controls or has agreed to acquire any (A) Shares, (B) securities which carry voting rights in the Company, or (C) convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company (collectively, the “**Company Securities**”); or
- (b) has dealt for value in any Company Securities during the three (3)-month period immediately preceding the Pre-Conditional Offer Announcement Date and up to the Offer Announcement Date (the “**Reference Period**”).

11.2 **Shareholdings and Dealings in AEM Holdings Securities.** The Appendix to this Announcement sets out, as at the Offer Announcement Date and based on the responses received pursuant to the enquiries that the Offeror has made, (i) the number of AEM Holdings Securities (as defined in Section 11.3(a) of this Announcement) owned, controlled or agreed to be acquired by the Relevant Persons as at the Offer Announcement Date, and (ii) the dealings in the AEM Holdings Securities during the Reference Period by the Relevant Persons.

11.3 **No Other Holdings and Dealings in AEM Holdings Securities.** Save as disclosed in this Announcement, as at the Offer Announcement Date and based on the responses received pursuant to the enquiries that the Offeror has made, none of the Relevant Persons:

- (a) owns, controls or has agreed to acquire any (i) ordinary shares in the capital of AEM Holdings (the “**AEM Holdings Shares**”), (ii) securities which carry voting rights in AEM Holdings, or (iii) convertible securities, warrants, options or derivatives in respect of the AEM Holdings Shares or securities which carry voting rights in AEM Holdings (collectively, the “**AEM Holdings Securities**”); or

(b) has dealt for value in any AEM Holdings Securities during the Reference Period.

11.4 Other Arrangements in respect of Company Securities and AEM Holdings Securities.

Save as disclosed in this Announcement, as at the Offer Announcement Date and based on the responses received pursuant to the enquiries that the Offeror has made, none of the Relevant Persons has:

(a) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to the Company Securities or AEM Holdings Securities which might be material to the Offer, other than the Irrevocable Undertakings;

(b) granted any security interest relating to any Company Securities or AEM Holdings Securities to another person, whether through a charge, pledge or otherwise;

(c) borrowed any Company Securities or AEM Holdings Securities from another person (excluding borrowed Company Securities and AEM Holdings Securities which have been on-lent or sold); or

(d) lent any Company Securities or AEM Holdings Securities to another person.

12. CONFIRMATION OF FINANCIAL RESOURCES

PwC CF, as financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares (excluding the shares component of the Offer Consideration (being the New AEM Holdings Shares to be issued under the Cash Shares Consideration Options) to be paid to the Undertaking Shareholders in respect of their respective Undertaking Shares).

13. OFFER DOCUMENT

The Offer Document setting out the terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance of the Offer will be electronically disseminated via an announcement on SGXNET and the Company's website not earlier than 14 days and not later than 21 days from the Offer Announcement Date. The Offer will remain open for acceptances by Shareholders for a period of at least 28 days from the date of posting of the Offer Document.

A hardcopy notification (the "**Notification**"), together with the appropriate form(s) of acceptance of the Offer, will be despatched to the Shareholders with instructions on how to access the electronic version of the Offer Document and its related documents.

Shareholders are advised to exercise caution when dealing in the Shares.

14. OVERSEAS SHAREHOLDERS

14.1 Overseas Jurisdictions. This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law. The Offer

will be made solely by the Offer Document and the relevant form(s) of acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted. **For the avoidance of doubt, the Offer will be open to all Shareholders, including those to whom the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and its related documents) and the relevant form(s) of acceptance may not be sent.**

The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement, the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and its related documents) and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the laws of that jurisdiction (“**Restricted Jurisdiction**”) and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the register of members of the Company or in the records of CDP (as the case may be) (each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions.

- 14.2 **Copies of the Notification and the Acceptance Forms.** Where there are potential restrictions on sending the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and its related documents) and the relevant form(s) of acceptance to any overseas jurisdictions, the Offeror and PwC CF each reserves the right not to send these documents to Overseas Shareholders in such overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, attend in person and obtain a copy of the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and its related documents) and the relevant form(s) of acceptance from the office of the Company’s share registrar, RHT Corporate Advisory Pte. Ltd. at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712. Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write to the Company’s share registrar at the above-stated address to request for the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and its related documents) and the relevant form(s) of acceptance to be sent to an address in Singapore by ordinary post at his own risk, up to five (5) market days prior to the close of the Offer.

15. RESPONSIBILITY STATEMENT

The Directors of the Offeror and AEM Holdings (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including without limitation, in relation to the Company Group), the sole responsibility of the Directors of the Offeror and AEM Holdings has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by
PricewaterhouseCoopers Corporate Finance Pte Ltd

For and on behalf of
AEM Singapore Pte. Ltd.
15 February 2021

Any inquiries relating to this Announcement or the Offer should be directed during office hours to the following:

PricewaterhouseCoopers Corporate Finance Pte Ltd
+65 6592 4719

IMPORTANT NOTICE

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the party making the statements regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror, AEM Holdings nor PwC CF undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

APPENDIX

DISCLOSURE OF SHAREHOLDINGS AND DEALINGS IN AEM HOLDINGS SECURITIES

1. Interests in AEM Holdings Shares of the Relevant Persons

The interests of the Relevant Persons in the AEM Holdings Shares as at the Offer Announcement Date are set out below:

Name	Direct Interests		Indirect Interests		Total Interests	
	No. of AEM Holdings Shares	% ⁽¹⁾	No. of AEM Holdings Shares	% ⁽¹⁾	No. of AEM Holdings Shares	% ⁽¹⁾
Mr. Loke Wai San ⁽²⁾	5,444,310	1.98	-	-	5,444,310	1.98
Mr. Chok Yean Hung ⁽²⁾	1,514,467	0.55	-	-	1,514,467	0.55
Mr. Basil Chan ⁽²⁾	150,000	0.05	-	-	150,000	0.05
Mr. Loh Kin Wah ⁽²⁾	525,000	0.19	-	-	525,000	0.19
Mr. Adrian Chan Pengee ⁽²⁾	85,000	0.03	-	-	85,000	0.03
Mr. James Toh Ban Leng ⁽²⁾⁽³⁾	12,225,020	4.44	2,196,772	0.80	14,421,792	5.23
Mr. Lavi Alexander Lev ⁽²⁾	25,000	0.01	-	-	25,000	0.01
Mr. Vesa Henttonen ⁽⁴⁾	1,640,000	0.60	-	-	1,640,000	0.60
Mr. Mark Yaeger ⁽⁵⁾	40,000	0.01	-	-	40,000	0.01
Mr. Pascal Pierra ⁽⁶⁾	40,000	0.01	-	-	40,000	0.01
Mr. Wu Cai Xiang ⁽⁷⁾	39,000	0.01	-	-	39,000	0.01
A.C.T. Holdings Pte Ltd ⁽⁸⁾	2,196,772	0.80	-	-	2,196,772	0.80
Concert parties of PwC CF	32,500	0.01	-	-	32,500	0.01

Notes:

- (1) Based on a total number of 275,557,667 AEM Holdings Shares (excluding 1,305,313 treasury shares) as at the Offer Announcement Date.
- (2) The individual is a Director of AEM Holdings. Mr. Loh Kin Wah's Shares are held under Citibank Nominees Singapore Pte Ltd.
- (3) Mr. James Toh Ban Leng is deemed to be interested in the 2,196,772 Shares held by A.C.T. Holdings Pte Ltd, pursuant to Section 4 of the Securities and Futures Act (Chapter 289) of Singapore.
- (4) Mr. Vesa Henttonen is a Director and the Chief Technical Officer of Afore Oy, a wholly-owned subsidiary of AEM Holdings.
- (5) Mr. Mark Yaeger is the President of AEM International (US) Ltd, a wholly-owned subsidiary of the Offeror, which is in turn wholly-owned by AEM Holdings.
- (6) Mr. Pascal Pierra is the President of Mu-TEST, a wholly-owned subsidiary of AEM Holdings.
- (7) Mr. Wu Cai Xiang is a Director of AEM Microtronics (Suzhou) Co., Ltd., a wholly-owned subsidiary of AEM Holdings.
- (8) Mr. James Toh Ban Leng is a Director of and also controls A.C.T. Holdings Pte Ltd.

The interests of the Relevant Persons in (a) the options granted pursuant to the AEM Holdings Share Option Scheme ("**AEM Holdings Options**") and (b) the awards granted pursuant to the AEM Holdings Performance Share Plan (the "**AEM Holdings Awards**"), which are convertible into AEM Holdings Shares, as at the Offer Announcement Date are set out below:

Name	Number of AEM Holdings Options	Number of AEM Holdings Awards
Mr. Loke Wai San	2,472,000	560,667
Mr. Chok Yean Hung	1,352,000	306,666
Mr. Chandran Ramesh Nair	620,690	-
Mr. Samer Kabbani ⁽¹⁾	-	50,287

Note:

- (1) Mr. Samer Kabbani is the Chief Technology Officer of AEM Holdings.

2. Dealings in AEM Holdings Securities by the Relevant Persons

The details of the dealings in the AEM Holdings Securities by the Relevant Persons during the Reference Period are as set out below:

Name	Date	Nature of Transaction	Number of AEM Holdings Shares or treasury shares in AEM Holdings Issued or Acquired	Issue Price or Transaction Price per AEM Holdings Share or Average Exercise Price per AEM Holdings Option (S\$) ⁽¹⁾
AEM Holdings	14 October 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	190,000 treasury shares	1.536
AEM Holdings	20 October 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	60,000 treasury shares	1.536
AEM Holdings	26 October 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	30,000 treasury shares	1.536
Mr. Vesa Henttonen	2 November 2020	Exercise of AEM Holdings Options	60,000 AEM Holdings Shares	1.142
Concert party of PwC CF	16 November 2020	Acquisition of AEM Holdings Shares	2,000 AEM Holdings Shares	3.480
Concert party of PwC CF	17 November 2020	Acquisition of AEM Holdings Shares	1,000 AEM Holdings Shares	3.360
AEM Holdings	19 November 2020	Transfer of treasury shares to employees of AEM	60,000 treasury shares	1.536

		Holdings pursuant to exercise of AEM Holdings Options		
AEM Holdings	24 November 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	60,000 treasury shares	1.536
Concert party of PwC CF	24 November 2020	Acquisition of AEM Holdings Shares	2,000 AEM Holdings Shares	3.410
Concert party of PwC CF	26 November 2020	Acquisition of AEM Holdings Shares	1,500 AEM Holdings Shares	3.520
AEM Holdings	9 December 2020	Transfer of treasury shares to employees of AEM Holdings pursuant to exercise of AEM Holdings Options	65,000 treasury shares	1.536
AEM Holdings	29 December 2020	Issuance of new AEM Holdings Shares to the vendors in connection with the acquisition of 100% of the issued shares in the share capital of InspiRain Technologies Pte. Ltd.	400,000 new AEM Holdings Shares	3.420
Concert party of PwC CF	5 January 2021	Acquisition of AEM Holdings Shares	2,000 AEM Holdings Shares	3.600

Note:

(1) Rounded to the nearest three (3) decimal places.