# CORPORATE PRESENTATION

25 Nov 2016

Smart
Automation
for the World

# Disclaimer

This is a presentation of general information relating to the current activities of AEM Holdings Ltd **("AEM").** It is given in summary form and does not purport to be complete. In addition, the presentation may contain forward-looking statements relating to financial trends for future periods, compared to the results for previous periods. Some of the statements contained herein are not historical facts but are statements of future expectations relating to the financial conditions, results of operations and businesses and related plans and objectives. The information is based on certain views and assumptions and would thus involve 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. Such statements are not and should not be construed as a representation as to the future of AEM and should not be regarded as a forecast or projection of future performance. No reliance should therefore be placed on these forward-looking statements, which are based on the current view of the management of AEM on future events. The presentation is also not to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. AEM accepts no responsibility whatsoever with respect to the use of this document or any part thereof.

# About AEM

- AEM Holdings Ltd (AEM) group of companies is in the core business of design and manufacturing of equipment and precision components to the semiconductor, solar, smart card and other industries.
- Publicly listed on the mainboard of Singapore Exchange since Year 2000 (Reuters: AEM.SI, Bloomberg: AEM SP)
- Two Business Divisions:
  - Equipment
  - Precision Components
- Global manufacturing presence in Singapore (Serangoon North), China (Suzhou) and Malaysia (Penang)
- Global Field Service Support in Singapore, Malaysia, Philippines, Vietnam, China, Costa Rica and USA

# Development & Manufacturing Sites

**Serangoon, Singapore (ASG)**



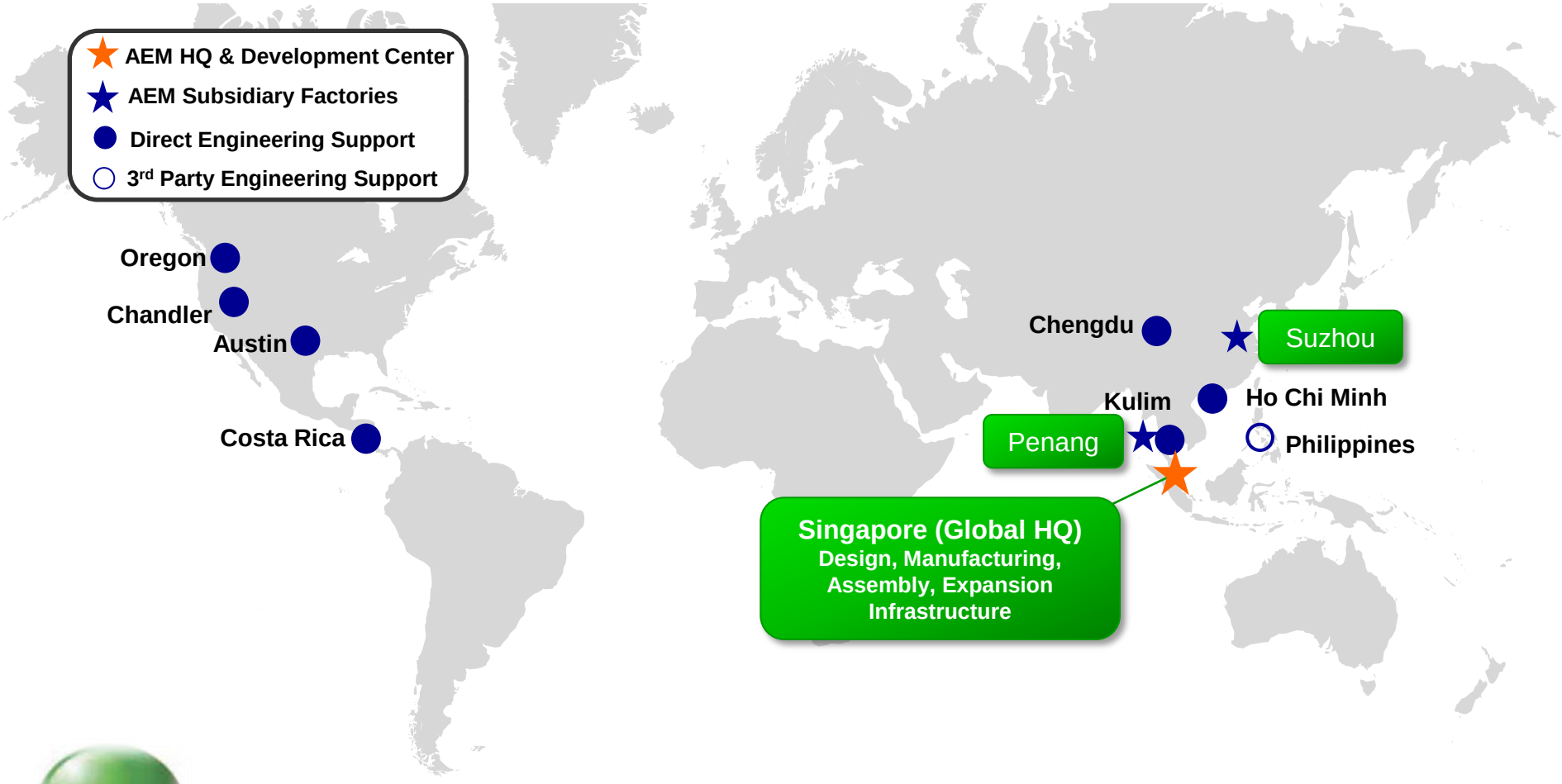
**Penang, Malaysia (AMM)**



**Suzhou, China (ASZ)**



# Our Global Presence



# Equipment Portfolio

# Automated Test Handlers





- Over 700 machines sold
- System Level Test
- Recurring consumables sales

# Hot-Spot Tester

*An Integrated Thermal Imaging handler to test and grade PV Cells*



- Highly customized Handler, integrating Thermal Imaging Module to test and grade PV Cells
- Scratch-Free handling through;  Bernoulli Pickup and Vacuum Ejector
- Optimized Vacuum Chuck Design to support Thermal Imaging
- Support mapping for Traceability
- High throughput of above 1600 UPH
- Design and Build to S2S8 requirement

# Wafer Loader and Unloader

*Loader and Unloader to automate wafer processing*







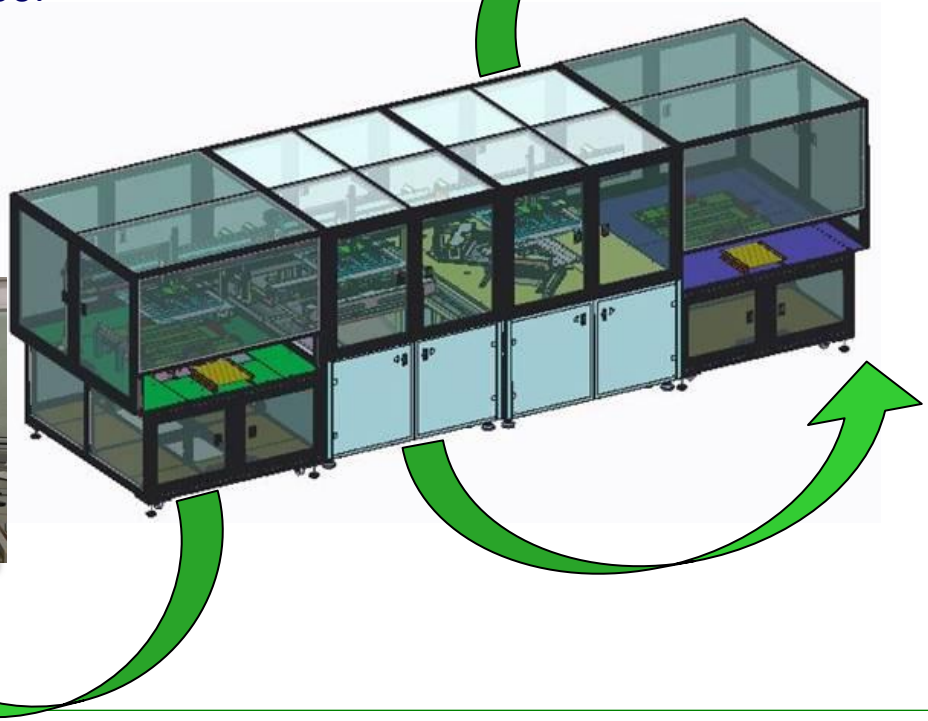
- Highly customized Handler, integrating Thermal Imaging Module to test and grade PV Cells
- Silicon Wafer Handling Automation
- High throughput up to 2500 WPH
- High Mechanical Yield
- Rotated, Offset and Broken Wafer Detection
- Walking Beam Concept
- Cassette Loading & Unloading

# Smartcard Backend Handler

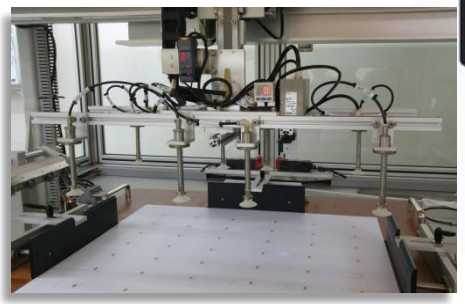
*An Automated Backend Line for Smartcard Processing*

- Modular setup, allows flexibility in :
  - Customizing design
  - Individual process upgrading
  - Subsequent expansion for other assembly process
- Production : Loader, Cut, Unloader
- Options : Vision Inspection, Test, Print, Punch, Sort
- Production UPH 300-500.



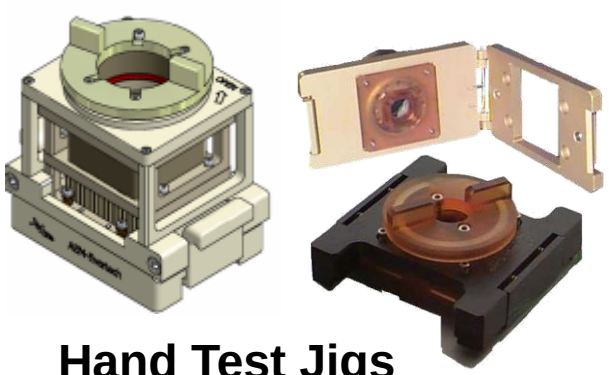




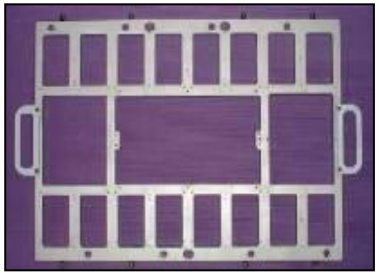



Precision Component
Solutions

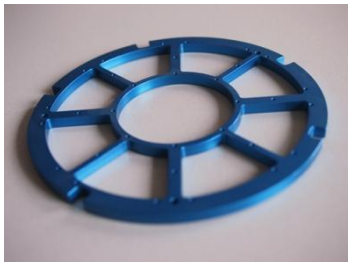
# Broad Product Range



Hand Test Jigs



Agilent 93000 512/1024



Probe Card



Teradyne Tiger

Stiffeners



Test Sockets

- Design, develop and manufacture precision engineering products for semiconductor, solar, life sciences and aerospace industries
- Products include final test sockets, device change kits, load board stiffeners, jigs & fixtures and preventive maintenance kits.
- Major supplier of parts to leading semiconductor OEMs

# Financials

# Last 3 Sales Order Announcements

SGXNET Announcement

AEM Holdings Ltd
(Registration No. 200006417D)

SALE ORDER RECEIVED

The Board of directors of AEM Holdings Ltd is pleased to announce that it has outstanding order book of S$24.5 million as at 15 March 2016 for equipment and kits orders to be delivered in the coming year.

By Order of the Board

Charles Cher Lew Siang
Chief Executive Officer
18 March 2016

SGXNET Announcement

AEM Holdings Ltd
(Registration No. 200006417D)

SALE ORDER RECEIVED

The Board of Directors of AEM Holdings Ltd is pleased to announce that the Company has attained an outstanding order book balance of S$38.3 million as at 5 October 2016. This balance comprises orders for equipment and kits to be delivered in the coming year (that is, the 12 months starting 5 October 2016).

By Order of the Board

Charles Cher Lew Siang
Chief Executive Officer
6 October 2016

SGXNET Announcement

AEM Holdings Ltd
(Registration No. 200006417D)

NEWS RELEASE

AEM REPORTS STELLAR 3RD QUARTER FINANCIAL PERFORMANCE AS THE ADOPTION OF NEW HIGH-DENSITY TEST HANDLERS TAKES OFF

*Group expects profitability in FY2016 and further growth in FY2017*

- *329% rise in year-on-year 3Q2016 net profit after tax*
- *70% rise in year-on-year 3Q2016 revenue*
- *Sales order book of S$45.5 million as of 8 November 2016*
- *EPS rises to 5.15 cents and NAV per share rises to 59.8 cents*

**SINGAPORE** *8 November 2016* : Main board listed AEM Holdings Ltd ("AEM" or the "Group"), a global equipment systems solutions manufacturer in the semiconductor industry, today announced sterling financial results for the third quarter ended 30 September 2016.

| Announced on 18 Mar 16 | Announced on 6 Oct 16 | Announced on 8 Nov 16 |
|---|---|---|
| **Sales order – S$24.5M** | **Sales order – S$38.3M** | **Sales order – S$45.5M** |

# AEM Financial Performance

| | FY2014 S$'000 | FY2015 S$'000 | 9M2016 S$'000 |
|---|---|---|---|
| **Revenue** | 30,860 | 47,611 | 50,601 |
| Materials, consumables and inventory changes, excluding stock obsolescence | (16,861) | (26,318) | (32,066) |
| Staff costs | (11,249) | (12,191) | (9,590) |
| Depreciation and amortisation | (1,890) | (1,262) | (669) |
| Other expenses net other income | (5,115) | (4,629) | (3,913) |
| Total expenses net other income | (35,115) | (44,400) | (46,238) |
| **Profit/(loss) before impairment and tax** | **(4,255)** | **3,211** | **4,363** |
| Impairment (loss)/loss reversed | (25,187) | 763 | 585 |
| **Profit/(loss) before taxation** | (29,442) | 3,974 | 4,948 |
| Tax credit/(expenses) | 2,134 | 1,808 | (896) |
| Share of loss of an associate | - | - | (230) |
| **Profit/(loss) for the year/period** | **(27,308)** | **5,782** | **3,822** |
| Loss from discontinued operations | (12,636) | - | - |
| **Profit/(loss) including discontinued operations** | **(39,944)** | **5,782** | **3,822** |
| EBITDA | (40,128) | 5,209 | 5,617 |

# Other Statistics

- Total number of shares outstanding (excluding treasury shares) – 42,920,429.
- Number of shares held in the hands of the public – 66.6%.
- Shares bought back – 2,192,200 as at 25 November 2016.
- NAV per share – 59.8 cents as at 30 Sept 2016.
- EPS – 8.70 cents for 9M2016 and 5.15 cents for 3Q2016.
- Dividend payment of 1.5 cents in the last 1 year.
- Low debt level of only $106,000 as at 30 Sept 2016.

# Industry Comparable

| Industry Comparable | PE Multiple | Price/ NTA | EV/ EBITDA |
|---|---|---|---|
| AEM | 3.3 x | 1.05 | 1.7 |
| Cohu | 116.8 x | 2.15 | 15.9 |
| Xcerra | 32.5 x | 1.59 | 31.1 |
| MIT | 22.9 x | 0.72 | 7.46 |

Source: Yahoo! Finance, as at 24 Nov 16.

# Investment Highlights

- Strategic relationship with one of the world's largest semicon companies for more than 15 years in developing and manufacturing customised test handlers and consumables.
- Our test handlers are capable for performing high parallelism and multiple processes deployed across numerous platforms.
- Revenue drivers from the next generation high density modular test handlers going into high volume manufacturing and the demand for their related consumables.
- Improved profitability with increasing sales order.
- Healthy financial position with low debt and capital expenditure requirement, generating positive cash from operation.
- Low PE and price/NTA valuations compared to industry comparables.

AEM

# Thank You