



**Aztech Global Ltd.**

**1Q 2023 Business Performance Update  
Presentation**

**4 May 2023**

***Aztech***

## Note on Forward-Looking Statements

This presentation may contain certain forward-looking statements including, but not limited to, statements as to future operating results and plans.

These statements are based on our assumptions and estimates and are subject to known and unknown risks and uncertainties and other factors which may cause the actual results, performance or achievements of the Group to differ materially from any future results, performance or achievements expressed or implied by those projected in the forward-looking statements.

Consequently, readers are cautioned not to place undue reliance on any forward-looking statements.

# 1Q 2023 Results

1. Financial Performance Review
2. Business & Order Book Update
3. Outlook

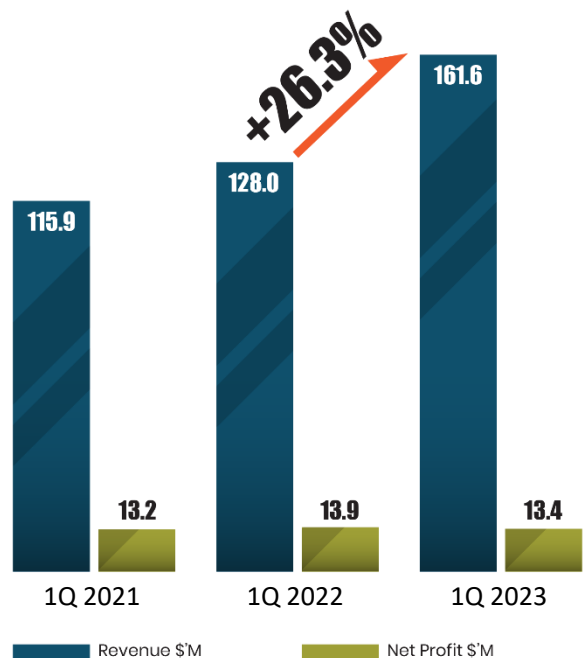
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# Financial Performance Review

Design to Build Resilient & Sustainable Manufacturability

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## Continued revenue growth and healthy balance sheet



1Q 2023

**EPS**  
**1.73 Cents**

1Q 2022:  
1.79 Cents

As at 31 March 2023

**Net Cash**  
**\$182.3M**

31 December  
2022: \$187.5 M

**NAV/Share**  
**39 Cents**

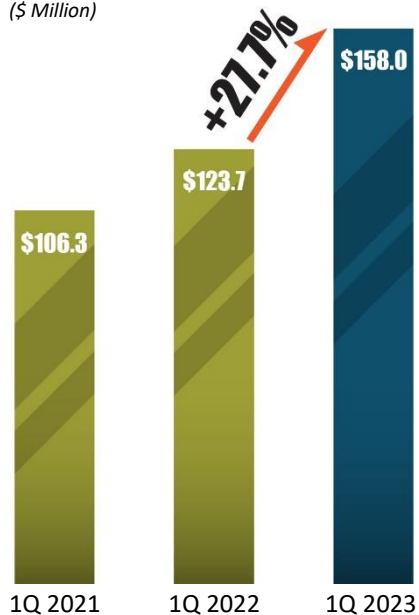
31 December  
2022: 37 Cents

- (1) 1Q 2023 basic & diluted EPS was computed based on profit attributable to equity holders of our Company and weighted average number of ordinary shares of 771,952,945.
- (2) Net cash of \$182.3 million excludes \$33.1 million of short-term investments (31 December 2022: \$30.3 million)
- (3) NAV per share as at 31 March 2023 and 31 December 2022 was computed based on the net assets of our Company and number of ordinary shares of 771,952,945.

## IoT Devices & Data-Communications Products – Key Revenue Contributor

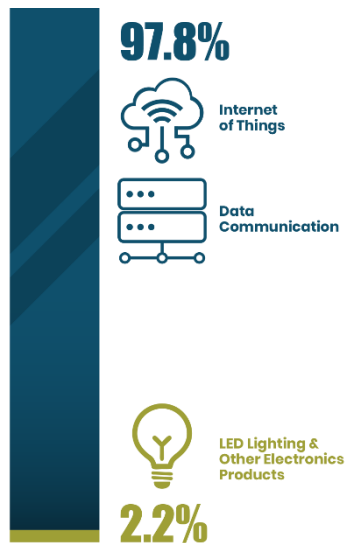
### IoT and Data-Com Products

(\$ Million)



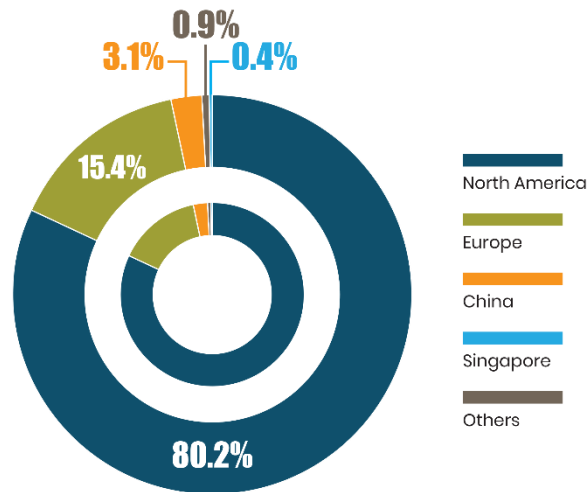
### Segment Revenue

(%)



### Revenue by Countries

(%)



All currencies are in Singapore dollars unless otherwise specified.

# 1Q 2023 Results Y-o-Y Comparison

| \$ Million               | 1Q 2023      | 1Q 2022      | % Change     |
|--------------------------|--------------|--------------|--------------|
| <b>Revenue</b>           | <b>161.6</b> | <b>128.0</b> | <b>26.3</b>  |
| EBITDA                   | 17.6         | 18.3         | (3.8)        |
| <b>Profit Before Tax</b> | <b>15.5</b>  | <b>15.9</b>  | <b>(2.5)</b> |
| PBT Margin (%)           | 9.6          | 12.4         | (280bps)     |
| Income Tax Expense       | (2.1)        | (2.0)        | n.m.         |
| Effective Tax Rate (%)   | 13.5         | 12.6         | 90bps        |
| <b>Net Profit</b>        | <b>13.4</b>  | <b>13.9</b>  | <b>(3.6)</b> |
| Net Profit Margin (%)    | 8.3          | 10.8         | (250bps)     |
| <b>EPS (cents)</b>       | <b>1.73</b>  | <b>1.79</b>  | <b>(3.4)</b> |

1Q 2023 & 1Q 2022 basic and diluted EPS was computed based on profit attributable to equity holders of our Company and weighted average number of ordinary shares of 771,952,945.

Revenue growth, efficiency gains and higher interest income were offset by:

- higher operating expenses resulting from inflationary cost pressures and impact of stronger local currencies at locations of operations; &
- net negative foreign exchange impact of \$3.1 million (comprised \$2.2 million net foreign exchange loss and \$0.9 million net realised foreign exchange loss arising from carried forward derivative financial instruments).

The Group will continue with its disciplined approach to cost and balance sheet management, and adherence to stringent foreign exchange risk controls & limits.



# Balance Sheet Summary as at 31 March 2023

## Healthy Balance Sheet with Net Cash of \$182.3 M

| (\$ Million)                             | 31 March 2023 | 31 December 2022 |
|--|---------------|------------------|
| Cash & Bank Balances                     | 205.1         | 196.0            |
| Lease Liabilities                        | (2.8)         | (3.2)            |
| Total Bank Borrowings                    | (20.0)        | (5.3)            |
| <b>Net Cash</b>                          | <b>182.3</b>  | <b>187.5</b>     |
| Current Assets                           | 526.2         | 515.6            |
| Current Liabilities                      | (255.1)       | (251.3)          |
| <b>Working Capital</b>                   | <b>271.1</b>  | <b>264.3</b>     |
| <b>Total Net Assets</b>                  | <b>299.0</b>  | <b>284.0</b>     |
| Accumulated Profits                      | 110.0         | 96.7             |
| Share Capital & Reserves                 | 189.0         | 187.3            |
| <b>Total Equity</b>                      | <b>299.0</b>  | <b>284.0</b>     |
| <b>Net Asset Value per Share (cents)</b> | <b>39.0</b>   | <b>37.0</b>      |

NAV per share as at 31 March 2023 and 31 December 2022 has been computed based on the net assets of our Company and number of ordinary shares of 771,952,945.

All currencies are in Singapore dollars unless otherwise specified.

Higher bank borrowings of \$20 million as at 31 March 2023 due mainly to bank loan taken to partly fund the acquisition of the Pasir Gudang facility in Johor, Malaysia. As a result of the acquisition, the Group recorded a higher capital expenditure amounting to \$22.7 million in 1Q 2023. Operating activities continued to generate positive cash flow of \$18.1 million for the quarter.

| (\$ million)                        | 1Q 2023      |
|-------------------------------------|--------------|
| Cash Flow From Operating Activities | 18.1         |
| Less Capital Expenditure            | (22.7)       |
| <b>Free Cash Flow</b>               | <b>(4.6)</b> |



# Business & Order Book Update

Design to Build Resilient & Sustainable Manufacturability

**Aztech**

## Completed the acquisition of the 300,000 sq ft facility in Johor

- The Group's total manufacturing built-up area at 846,000 sq ft spread across:



**Dongguan,  
China**

Built-up Area ~ 460,000 sq ft



**Gelang Patah,  
Johor, Malaysia**

Built-up Area ~ 86,000 sq ft



**Pasir Gudang,  
Johor, Malaysia**

Built-up Area ~ 300,000 sq ft

- Additional capacity to meet anticipated demand growth and production diversification needs of customers
- Operations at the Pasir Gudang facility remains on track to commence in June 2023

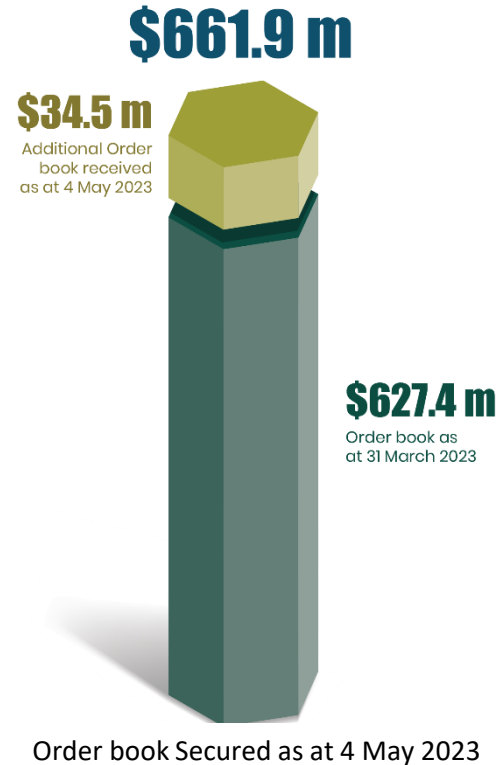
## Strong Order book



Order book remains strong

-Order book as at 31 March 2023 was \$627.4 million, and the Group has since received additional orders of \$34.5 million as at 4 May 2023

- Majority of the \$661.9 million orders secured to date is scheduled for completion in FY2023



# Outlook

Design to Build Resilient & Sustainable Manufacturability

**Aztech**

## Challenges:

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Supply chain challenges

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Inflationary cost pressures

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Higher interest rate environment to impact business and consumer spending

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Foreign currency risks

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Geopolitical tensions

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Covid-19 pandemic development

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Ramping up new Malaysia operations

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The outlook is uncertain again amid financial sector turmoil, high inflation, ongoing effects of Russia's invasion of Ukraine, and three years of COVID  
(Source: World Economic Outlook: A rocky recovery, IMF, April 2023)

**The Group is cautiously optimistic of its business, and will continue to take various mitigation measures to manage identified challenges:**

## Mitigation measures

- Disciplined balance sheet & cost management
- Conservative & stringent management of the Group's foreign exchange rate risk across its major currencies exposure in the US Dollar, Renminbi, Singapore Dollar and the Malaysia Ringgit
- Leverage on the Group's versatile operational framework to manage and balance customer orders across our manufacturing plants to ensure timely delivery, and safeguard our employees' health and well-being
- Work closely with our customers and suppliers to manage forecasts and component requirements

# Thank You

4 May 2023



*Aztech*