



AEM

Presentation to Shareholders

AEM Holdings Ltd | AGM 21 May 2020

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



Agenda

- State of our Business
- 2019 financial review
- Resolutions - results





New Horizons

AEM's Global Operations and Covid-19 Response

AEM Global Footprint

- ◆ AEM subsidiary factories
- ◆ Direct engineering support
- 3rd party engineering support
- ◆ Afore Finland & Mu-TEST France



- All employees are safe
- BCP plans robust with active WFH and safe distancing practices
- Globally deemed as essential service
- Commitments to customers minimally impacted
- FY2020 Revenue Guidance intact

- Over 550 employees in Singapore, Malaysia, China, N. America, Central America, Finland, France, and Vietnam.
- Over 240 engineers in R&D, Production Engineering, and Field Service Engineering

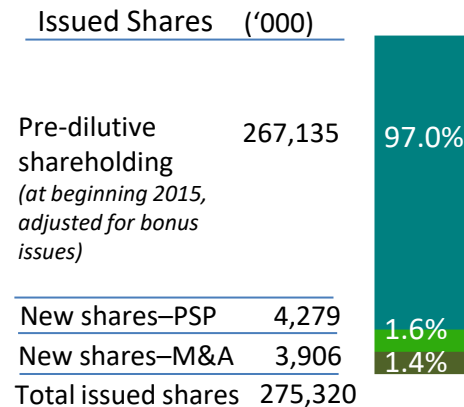
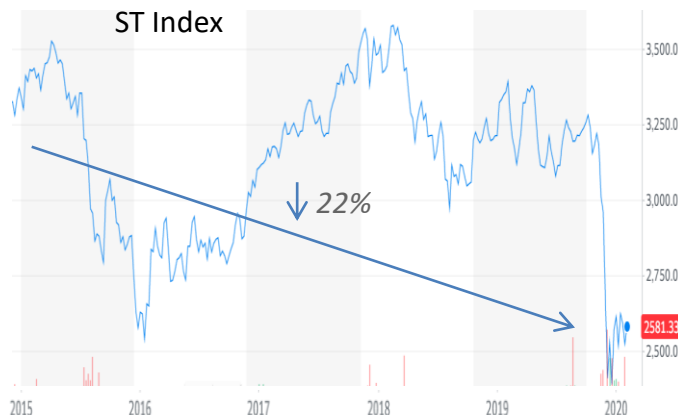
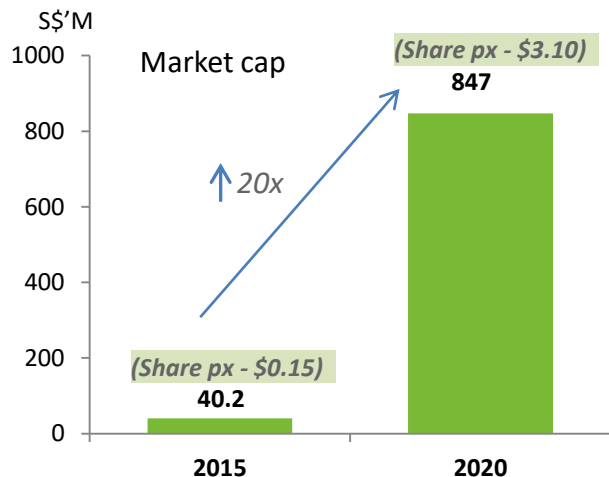
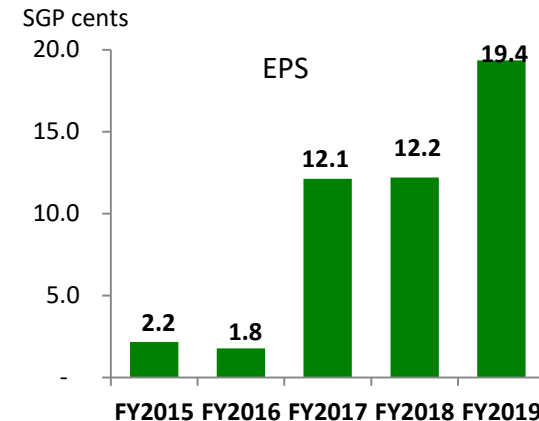
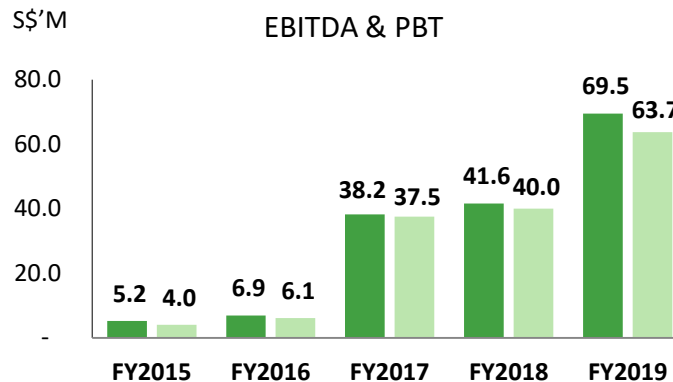
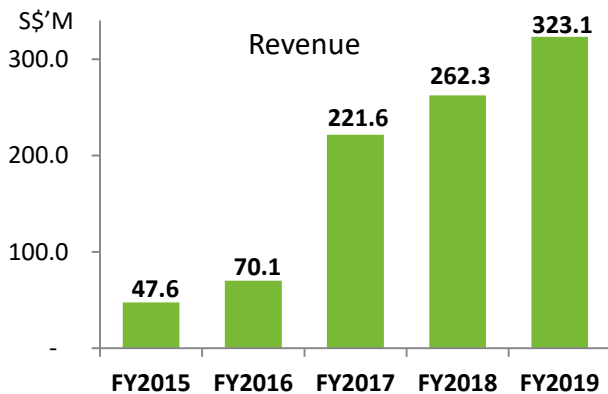


Expecting a record year in 2020, and we will continue to invest

We entered 2019 following a record performance in 2018, knowing that we have to continuously invest in our ability to innovate to sustain long term growth

- ❑ Record FY2019 financial performance achieving revenue of S\$323.1M and operating Profit Before Tax of S\$63.7M
- ❑ Revenue guidance for FY 2020 is between S\$430M and S\$445M
- ❑ Expanded leadership team and strengthening engineering and functional execution
- ❑ Acquisition of Mu-TEST enables AEM to offer a full solution with our AMPS handlers
- ❑ New horizons - System Level Test now widely recognized as a needed complement to ATE. Other AEM business units have landed key lab and commercial wins.
- ❑ Strong Balance Sheet; M&A program continues

Financial and Share Price Performance

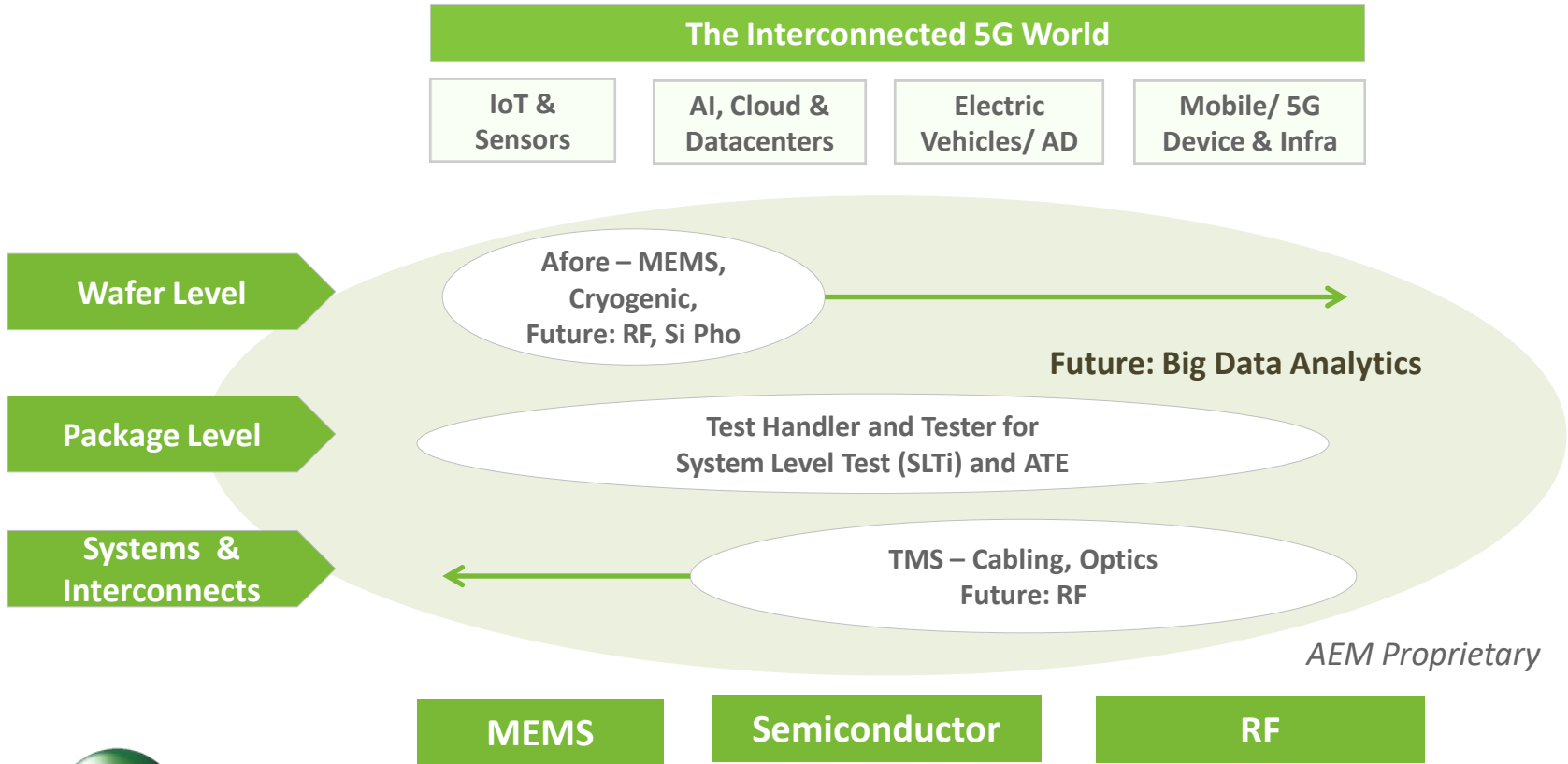


Note: The number of options outstanding is 7,593,690 (equivalent to 2.78% dilution) with up to 3 years vesting period.



AEM's vision

AEM 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



Our Target Markets

Non-Digital Probers

Pressure, Temp., Motion, Optical



MEMS, Quantum Computing

TAM: US\$50m

AEM Sales: FY19 – S\$2.8m
FY18 – S\$1.1m

Test Handlers

Wafer, Strip, Package, Module, Panel



System Level Test



MEMS Test

TAM: US\$600m

AEM Sales: FY19 – S\$177.9m
FY18 – S\$135.5m

Semiconductor Testers

Digital, Mixed Signal, Power / DPS



Low Cost ATE



Intelligent Load boards

TAM: US\$1,200m

Sales: Mu-Test (Acquired 03/20)

Enabling Technologies

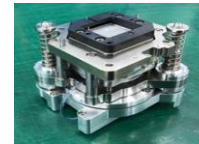
Multi-stimuli probers
Wafer Level Handling, Advanced PNP
Multi Autonomous Robotic Sys
Active Thermal Control
Advanced Vision
Mixed Mode VNA
Digital, RF test capability
FPGA programming & IP

Source: AEM analysis

Pans / Kits / Sockets



System Level Test Consumables



TAM: US\$300m

AEM Sales: FY19 – S\$139.5m
FY18 – S\$124.7m

Interconnect Testers



Cable Testers, Vector Network Analyzers

TAM: US\$500m

AEM Sales: FY19 – S\$2.9m
FY18 – S\$1.0m



Summary

Our business is on solid footing



Core account growth

New account growth

New business

HDMT platform is in full commercial deployment

Replacement of old handler fleet

Recurring consumables / kits growth

Grow next-gen hybrid solutions

Capture new semiconductor segments in System Level Test

Mu-TEST offers low-cost testers based on FPGA and provides full test solutions

TMS sale growth for 5G infrastructure

Selective M&A activity

2019

2020

2021





FY2019 financial review

FY2019 financial review - summary

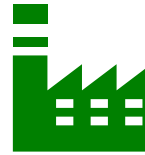
AEM is a global leader offering application specific intelligent system test and handling solutions for semiconductor and electronics companies serving advanced computing, 5G and AI markets



Listed on SGX

Market Cap
~S\$840m

AEM Holdings
Limited
(AWX.SI)



Revenue

2017 : S\$221.6m

2018 : S\$262.3m

2019 : S\$323.1m

2020 : Guidance of
S\$430m - S\$445m



Profit Before Tax

2017 : S\$37.5m

2018 : S\$40.0m

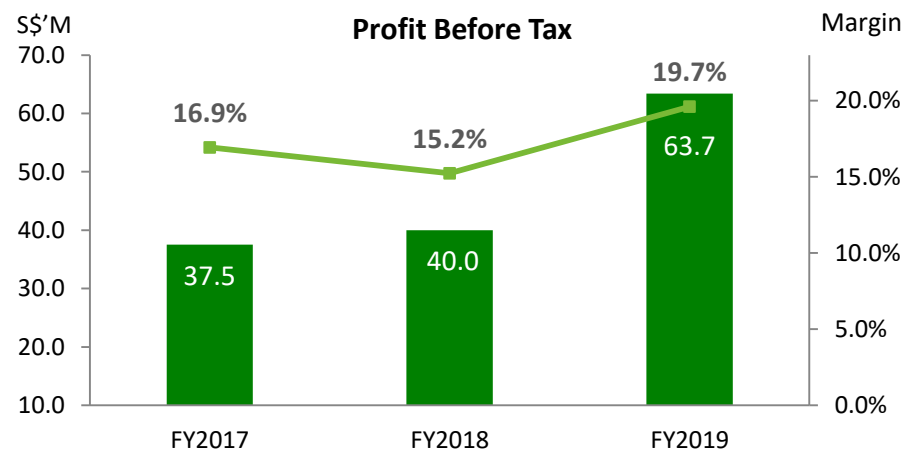
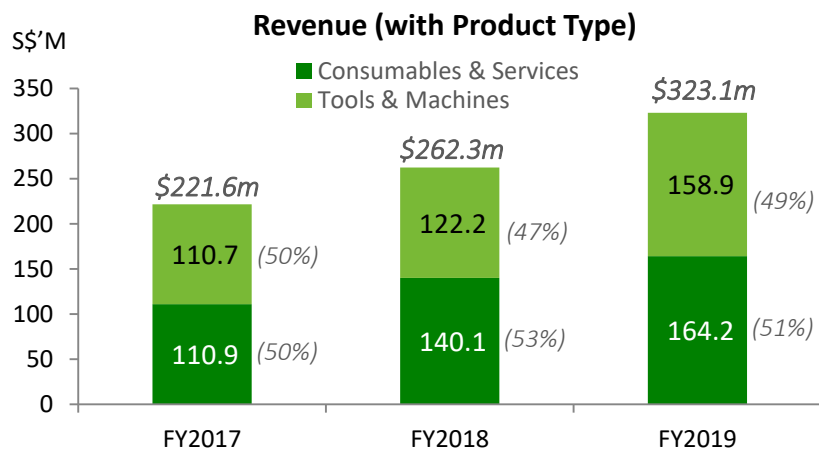
2019: S\$63.7m



FY2019 financial review – financial highlights

➤ Delivered record revenue, profits, and guidance in FY2019

- Revenue guidance revised upwards 3 times during the year due to demand increase
- Record revenue and profit growth supported by increased deliveries of test handlers and pans/kits



➤ Dividend

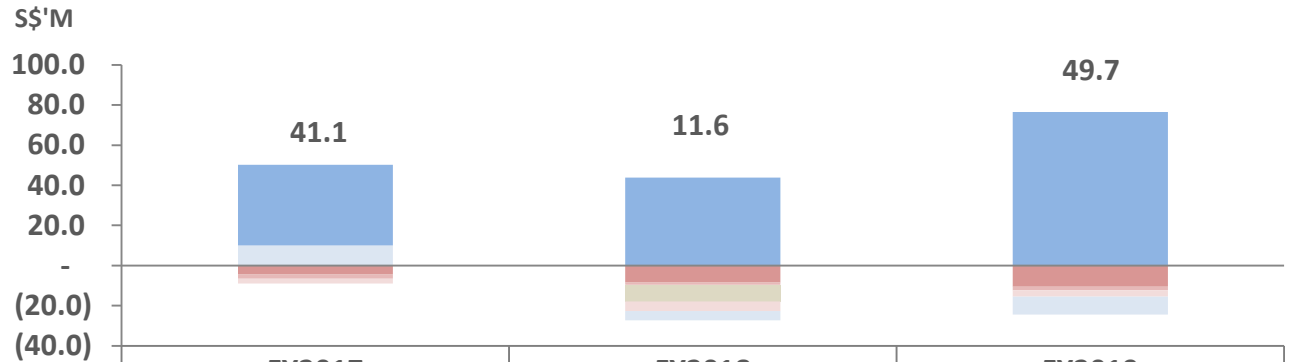
- Proposed **final dividend** of **3.1 cents** payable on 12 June 2020. Including interim dividend of 2.0 Singapore cents, the payout is about 25% of operating net profit.



FY2019 financial review – cash and cash flow

Cash Balance FY2017 FY2018 FY2019

 \$46.1m \$58.9m \$107.7m

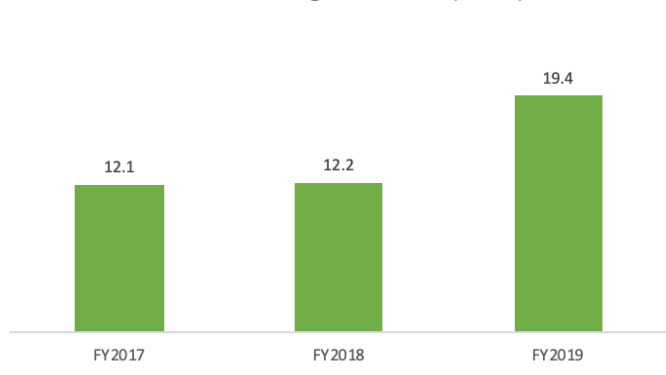


	FY2017	FY2018	FY2019
Operating profit	40.1	43.9	76.5
Changes in working capital and tax	10.1	(4.7)	(8.8)
Capex	(2.4)	(4.7)	(3.3)
M&A	-	(8.3)	-
Share buy back	(2.0)	(1.2)	(1.7)
Dividends	(4.5)	(8.4)	(10.5)
Net cash generated	41.1	11.6	49.7

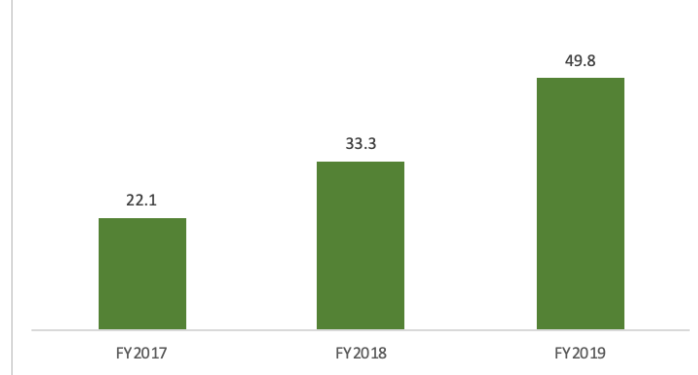


FY2019 financial review – financial summary

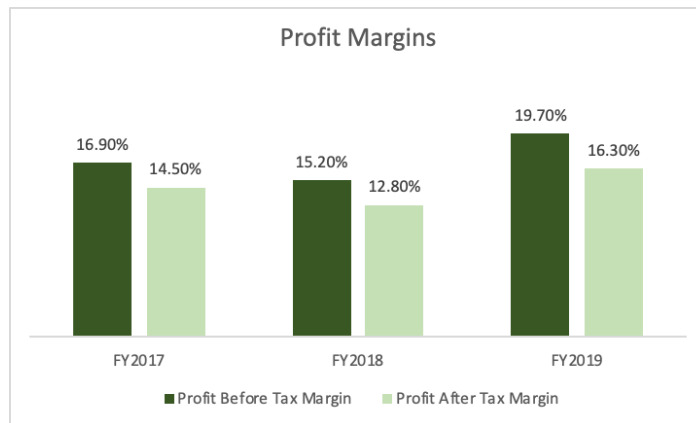
Diluted Earnings Per Share (cents)



Net Asset Value Per Ordinary Share (cents)



Profit Margins





Thank you

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