CORPORATE PRESENTATION

20 January 2017

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) focuses on delivering customized automation solutions for highly complex industrial applications.
- Through working with the world's leading companies in industries such as semiconductors, solar and smart cards, AEM has developed a deep knowledge base in integrating complex solutions requiring high accuracy pick-and-place, tri-temp environments, high parallelism and the application of advanced thermo and fluid dynamics.
- We support our customers throughout the lifecycle of a program from design and tool development to mass volume production and field service engineering support.
- Our business model comprises Non-Recurring Engineering services, sales of customized capital equipment and sales of consumables for the customized capital equipment.

Listed on main board of Singapore Exchange since 2000

Stock Code - SGX: AWX

Sales ~ S$65.1m
(LTM as of Q3 2016)

EBITDA ~ S$7.6m
(LTM as of Q3 2016)

PAT ~ S$8.4m
(as of Q3 2016 with S$1.8m tax credit)

Sales backlog ~ S$84.5m
(as of 1 Jan 2017)

Net Cash ~ S$8.3m
(end of Q3 2016)

Development & Manufacturing Sites

Serangoon, Singapore (ASG)



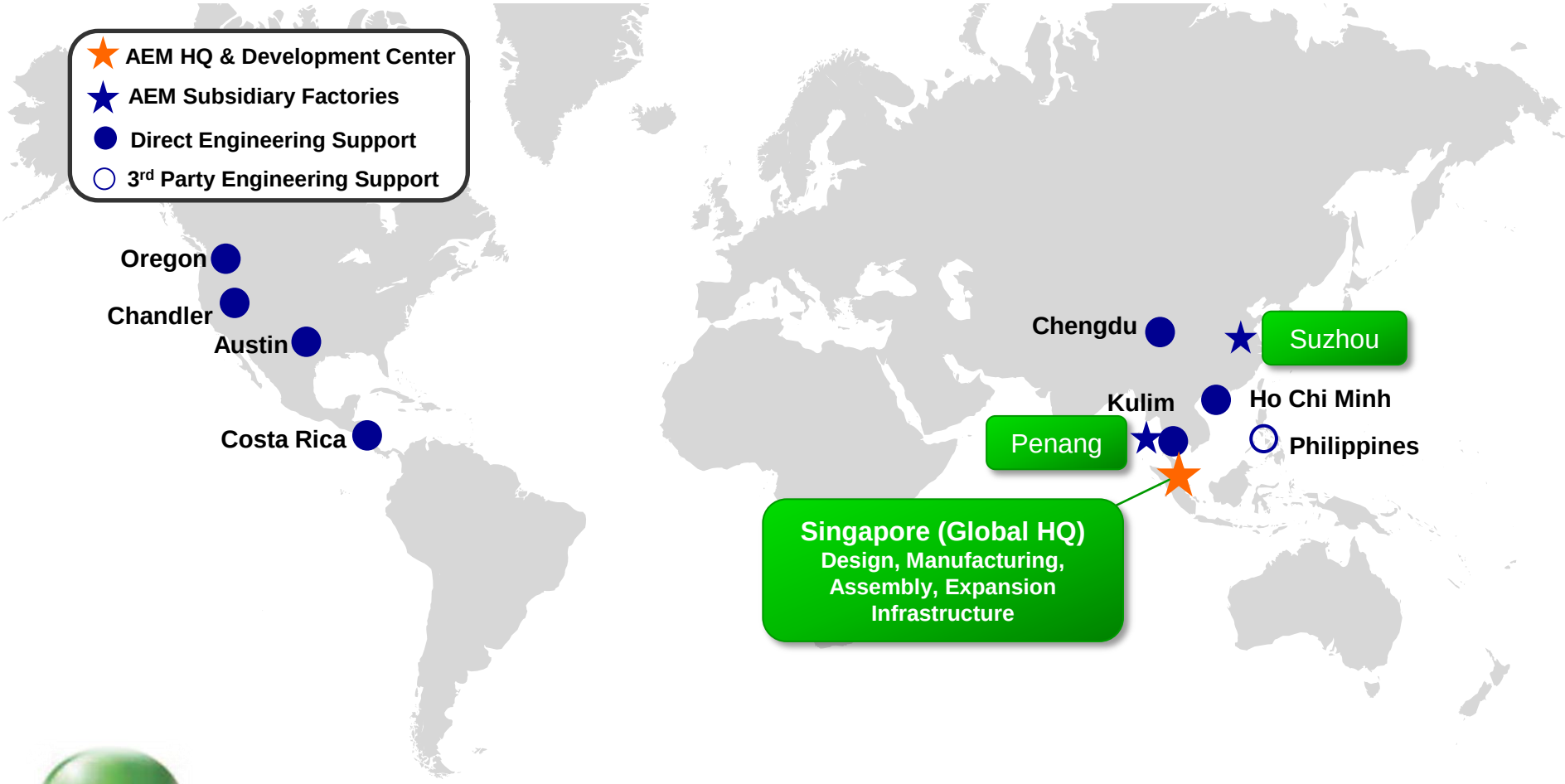
Penang, Malaysia (AMM)



Suzhou, China (ASZ)



Our Global Presence



Equipment Portfolio

Business highlights

- **Leading global provider of high-end test handlers**
- **Stable, 15+ year relationship with marque customer spanning 4 platform generations**
- **Attractive and durable core business based on selling handling platforms**
  - Test handlers provide significant benefits to customer, reducing costs and increasing product yield and quality
  - Each handling platform represents a proven, multi-year life cycle of equipment, upgrades and consumables sales
  - New high-volume platform represents multi-year opportunity for AEM
  - Customer's co-investment in our platforms represents customer confidence and commitment to our products
- **Defensible competitive position**
  - Few or no competitors able to match high-end handler specifications (AEM is sole-source into its customer for its latest platform)
- **Strong growth momentum**
  - Significant order book and backlog for new high density modular test handler platform
  - Known upgrade and consumables opportunities for existing platforms

We are vertically integrated to control the performance of our complex tools

System Development + Integration | **Life Cycle Management**

Design	Components	Systems	Field Support	Spares + Consumables
• System Conceptualization • Proof-Of-Concept • Prototyping - Validation	• Modules, Sub-Modules and Standard Parts • Source + Quality • Supply chain management	• Integration • Alpha – High Volume Manufacturing • Installation • Commission	• Service Support – Uptime • System upgrades & CIP	• Spare Stocking • Supply chain management

Automated Test Handlers



- Over 700 STHI tools 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

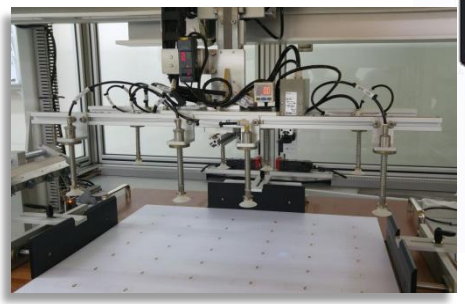
An Automated Backend Line for Smartcard Processing

- 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.



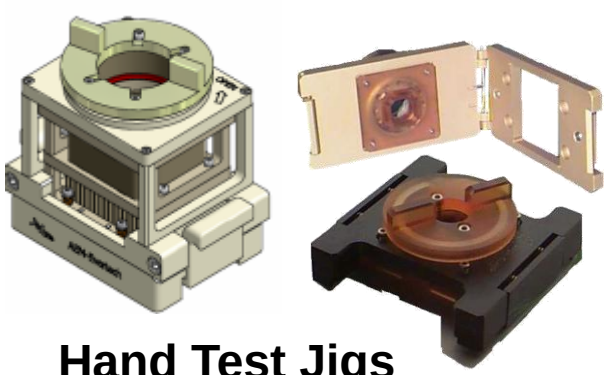




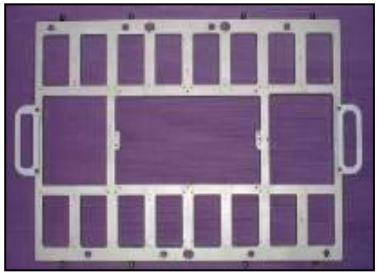



Precision Component
Solutions

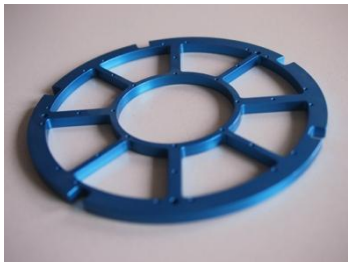
Broad Product Range



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

Next Generation Products

Future Revenue Drivers

Test Solutions

Integrated Test Solutions

Full Turnkey Services from Bump, Wafer Probe, Assembly, Final Test, Post Test to Drop Shipment



AEM Test Handlers

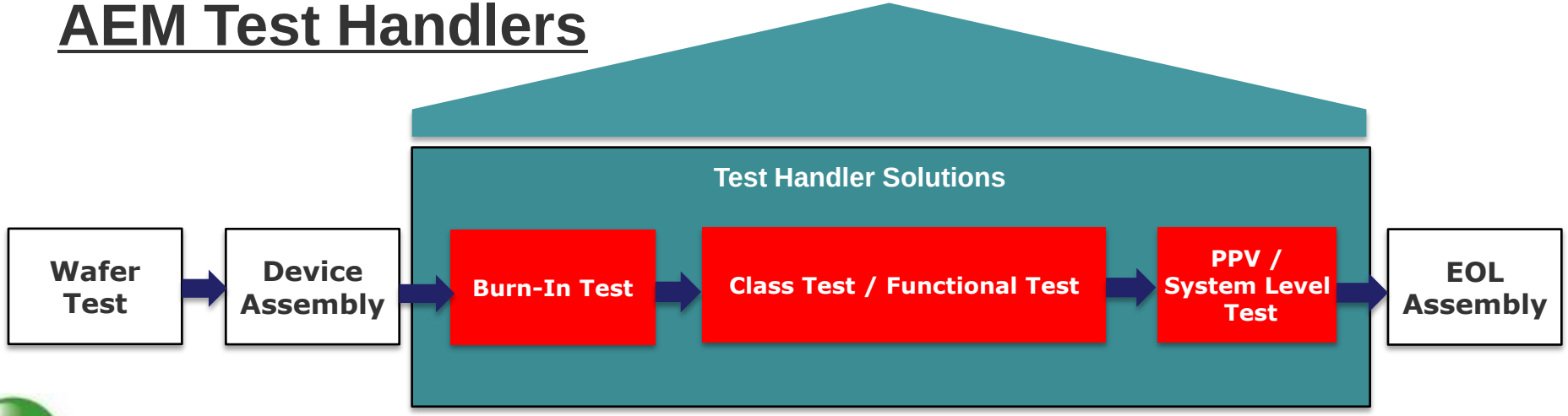


Illustration from: STATS ChipPAC Presentation, on its Test Solution

AEM test handlers

Why automated test handlers?

- ***Cost savings*** – Efficient automation reduces both the cost and the working capital required for chip production (faster test = faster throughput, less WIP)
- ***Quality improvements*** – Advanced testing improves chip quality, resulting in lower rejects, failures and warranty work and higher market share (chip reliability is mission-critical for customers)

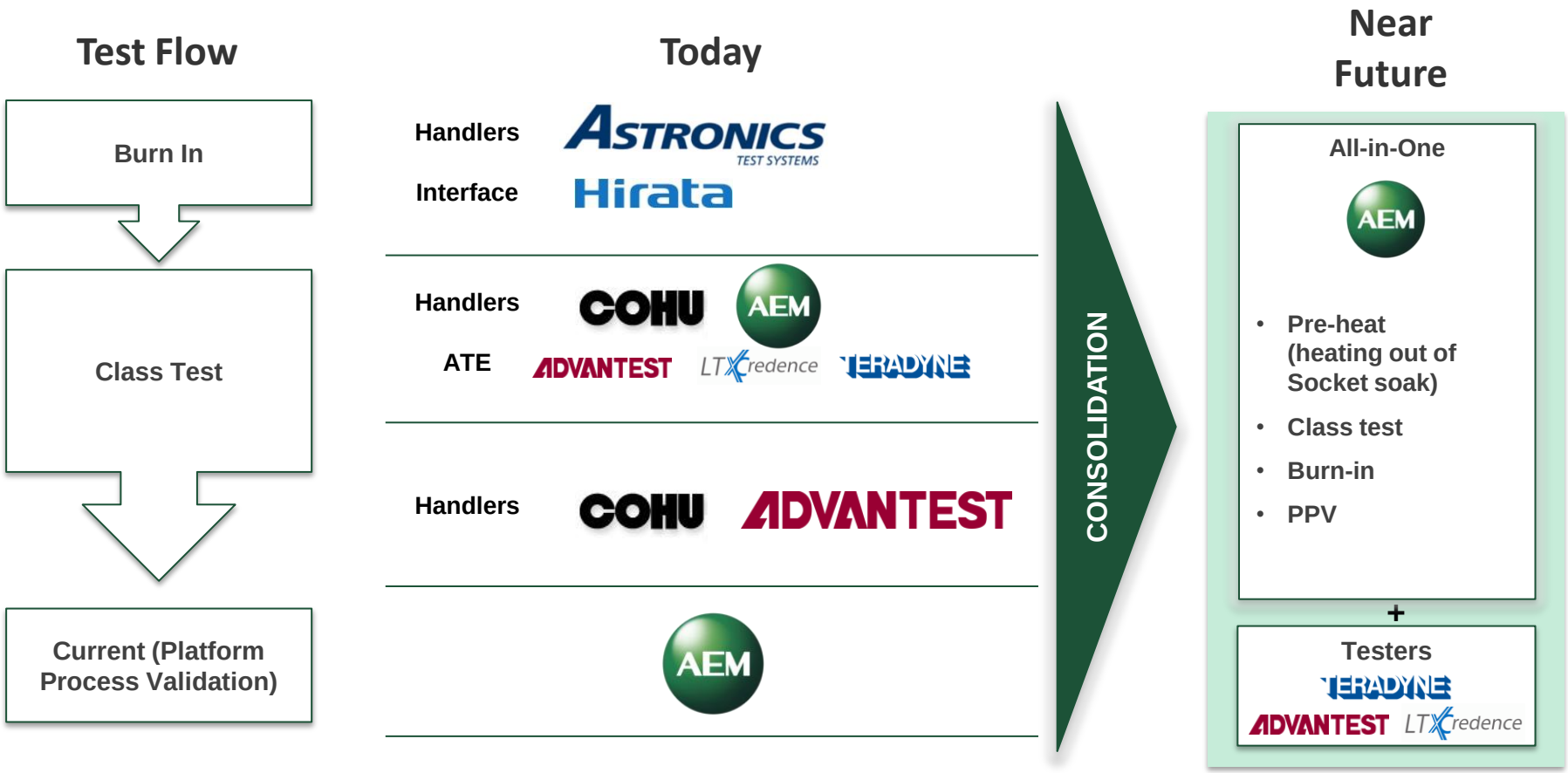
Our capabilities

- Advanced testers require advanced robotics, thermal and fluid engineering, complex systems integration, and precision manufacturing expertise
- AEM has world-class capabilities in these disciplines

Our value proposition

- ***Strategic partnership*** – our customers value our ability to work closely with them to engineer, test and deliver systems, and then to provide continuous improvements over the lifecycle of our platforms
- ***Technical expertise*** – our customers value our technical capabilities in engineering and delivering high-end handler platforms

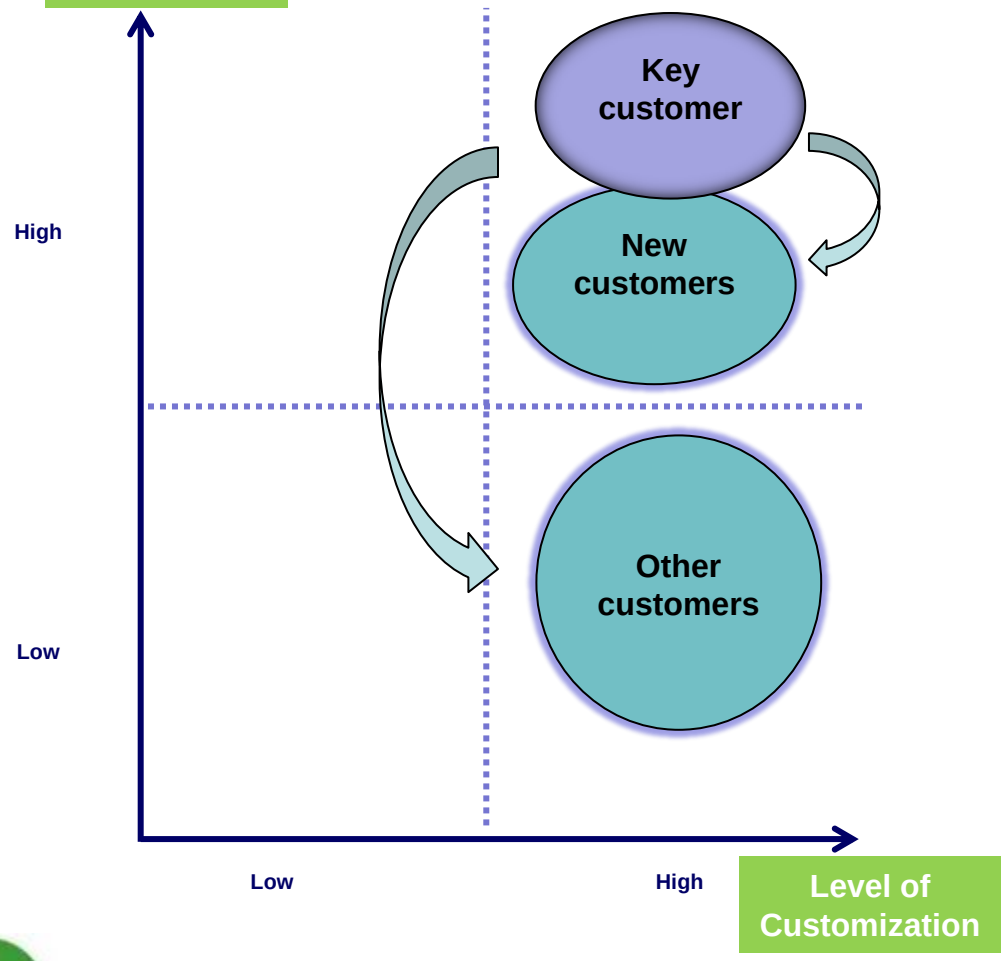
The future of back-end testing



AEM handlers are cost- and time- saving solutions which allow customers to consolidate disparate test platforms into a single high-performance platform

What We Do – Smart Automation for the World

Focus on Customized + Complex Solution



Track Record of Success

- **Semiconductor Back-end Test Handlers**
  - World's leading semiconductor company
    - 15 years of business relationship
    - 4 generations of test handlers + consumable sales
- **Smartcard back-end hander**
  - World's leading RFID Inlay producer
- **Materials handling equipment**
  - World's leading solar cell producer

Group's Growth Strategy

Core account

- Strong commercial ramp for HDMT platform
- Attractive upgrades opportunity for STHI platforms
- Continued consumables and upgrade sales across all platforms
- Longer term work on next-generation handlers

Growth accounts

- Freed-up HDMT engineering resources redeployed to expand growth accounts
- Continued account expansion and new account capture in solar, industrial and smart card.

New businesses

- Leverage complex automation track record into new verticals
- Selective M&A

- Good visibility of short and medium term growth
- Attractive opportunities supporting sustainable long-term growth

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 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.

SGXNET Announcement

AEM Holdings Ltd
(Registration No. 200006417D)

SALES ORDER RECEIVED

The Board of Directors of AEM Holdings Ltd wishes to announce that the Company has generated an outstanding order book balance of S$84.5 million as at 1 January 2017. This balance comprises purchase orders for equipment and kits to be delivered in this financial year.

By Order of the Board

Charles Cher Lew Siang
Chief Executive Officer
4 January 2017

Announced on 6 Oct 16	Announced on 8 Nov 16	Announced on 4 Jan 17
Sales order – S$38.3M	**Sales order – S$45.5M**	**Sales order – S$84.5M**

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	**(27,308)**	**5,782**	**3,822**
Loss from discontinued operation	(12,636)	-	-
Profit/(loss) for the year including discontinued operation	**(39,944)**	**5,782**	**3,822**
EBITDA	(40,128)	5,209	5,617
EBITDA if exclude impairments/discontinued op	(2,305)	4,446	5,032

Note:- FY2014 impairments for: Discontinued operation ($14.7M) , Development cost ($3.4M), Discontinued business inventory (S$6.2M) and disposed building ($2.7M)

Other Statistics

- Total number of shares outstanding (excluding treasury shares) – 42,765,129.
- Number of shares held in the hands of the public – 72.8%.
- Shares bought back – 2,347,500 as at 17 January 2017.
- 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 Comparables

Industry Comparables	Market Cap *(in USD mm)*	Revenue *(in USD mm)*	EBITDA *(in USD mm)*	Net Income *(in USD mm)*	EBTIDA Margin	Net Margin	PE Multiple	Price/ NTA	EV/ EBITDA
AEM	28.3	49.6	7.1	6.2	14.3%	12.4%	5.0x	1.6x	3.4x
Cohu	365.9	274.9	13.5	3.3	4.9%	1.2%	116.8x	2.3x	17.6x
Xcerra	427.9	325.9	9.4	3.4	2.9%	1.0%	126.3x	1.9x	34.1x
MIT	24.8	43.7	1.8	1.2	4.2%	2.8%	21.7x	0.7x	6.8x

Source: Capital IQ, LTM data as of 17 Jan 2017

Investment Highlights

- Leading global provider of high-end test handlers with defensible competitive industry positioning
- Strategic relationship with one of the world's largest semiconductor companies for more than 15 years in developing and manufacturing customised test handlers and consumables.
- Our test handlers are capable of performing high parallelism and multiple processes deployed across numerous platforms, thus achieving significant cost savings for the customer.
- Revenue drivers from the next generation high density modular test handlers going 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 EV/EBITDA, PE Ratio and price/NTA valuations compared to industry comparables.


Thank You