



(Company Registration No.: 200909384G)

For Immediate Release

AZTECH GLOBAL REPORTS NET PROFIT OF \$13.2 MILLION AND REVENUE OF \$115.9 MILLION FOR Q1 FY2021

Financial position remains strong with cash and bank balances of \$261.3 million

SINGAPORE, 21 APRIL 2021 - SGX Mainboard-listed Aztech Global Ltd and its group of subsidiaries ("the Group"), a key technology enabler focusing on providing one-stop design and manufacturing services, today reported net profit of \$13.2 million on revenue of \$115.9 million for the three months ended 31 March 2021 ("Q1 FY2021").

Financial Highlights

- Q1 FY2021 revenue of \$115.9 million and net profit of \$13.2 million
- EBITDA was \$17.9 million for Q1 FY2021
- Strong cash and bank balances of \$261.3 million as at 31 March 2021
- Net cash of \$240.1 million as at 31 March 2021

The Group achieved revenue of \$115.9 million for Q1 FY2021 driven mainly by strong production volume and shipment of IoT and Data-communication products to customers that lifted revenue from this segment to \$106.3 million. Production at its manufacturing facilities was comparatively higher during Q1 FY2021 than in Q1 FY2020 as the factory shut down during the Chinese New Year holiday was relatively shorter in February 2021 to meet the increase need for production.

All currencies are in Singapore dollars unless otherwise specified.



Increase in revenue contribution from IoT devices and data communication products coupled with the continuous efforts to improve productivity and efficiency led to 411.4% and 600 basis points increase in EBITDA and EBITDA margin to \$17.9 million and 15.4% for Q1 FY2021, respectively. Net profit after taxation increased from \$0.6 million to \$13.2 million with net profit margin at 11.4% for Q1 FY2021. As a result, earnings per share for Q1 FY2021 improve to 2.01 cents from 0.09 cents a share in Q1 FY2020.¹

Healthy Balance Sheet

The Group's cash and bank balances stood at a strong \$261.3 million as at 31 March 2021. It has also recorded a net cash position of \$240.1 million following the inclusion of net proceed of \$188.6 million raised from the initial public offering (IPO) exercise in conjunction with its listing on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST").

Net working capital increased from \$18.0 million as at 31 December 2020 to \$221.7 million as at 31 March 2021 due mainly to net proceeds raised from its IPO and net cash generated from operations in Q1 2021.

¹ EPS for Q1 FY2021 has been computed based on the profit attributable to equity holders of our Company and weighted average no. of ordinary share of 653,164,444. The fully diluted EPS is the same as the EPS based on the weighted average number of ordinary shares on issue (as there were no options granted or outstanding during the financial year). EPS for Q1 FY2020 has been computed based on the profit attributable to equity holders of our Company and share capital of 618,720,000 Shares.

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Business Outlook

The global shortage of components is unlikely to abate in the next 12 months. The Group is committed to work closely with its customers, suppliers, business partners and relevant stakeholders in managing the situation towards ensuring smooth production and timely delivery of its customers' orders. Efforts such as product redesign and innovation to reduce or substitute components were taken, while strong relations between our customers and their suppliers enable us to secure components needed for production. In addition, the Group's cash reserves will enable it to optimally fund its component purchases.

The Group, which has secured new projects to produce new IoT products for both existing and new customers through ODM, JDM and CMS arrangement during the first quarter ended 31 March 2021, will proactively fortify its value to customers through quality design, product, service and technology to sustain growth.

The Group's outstanding order book was \$489 million following the close of Q1 2021.² Majority of the order is expected to be completed in FY2021. Our sales team will continue to work with customers on new orders for the next 12 months.

Aztech Global's Chairman and CEO Mr Michael Mun commented, "Taking into considerations the strong order book to date and measures that we have put in place to mitigate the COVID-19 pandemic, the Group, barring unforeseen circumstances, is cautiously optimistic of its performance in 2021."

² The Group's order book in respect as at any particular date is subject to changes in its customers' transactions and may not be indicative of its revenue for any succeeding periods.

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About Aztech Global Ltd.

The Group is a key technology enabler for the connected world of tomorrow, with a focus on providing one-stop design and manufacturing services.

Supported by our core strengths in R&D, design, engineering and manufacturing, our key products are IoT Devices, Data-communication products and LED lighting products.

Leveraging on our expertise, we also provide one-stop design and manufacturing services to blue chip customers, technology start-ups and other companies with innovative products.

Headquartered in Singapore, the Group has four R&D centers in Singapore, Hong Kong and the PRC namely in Shenzhen and Dongguan and three manufacturing facilities in Dongguan, PRC and Johor, Malaysia. To date, the Group has close to 3,000 employees worldwide.

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