

The AEM logo consists of a green circle with a white border, containing the letters 'AEM' in white, bold, sans-serif font. The background of the slide features a dark green, semi-transparent image of server racks on the left and a light gray background with a network diagram of nodes and lines on the right.

**AEM**

# **AEM Investor Update**

3Q2024



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# AEM Corporate Profile

AEM is a global leader in application-specific test and handling solutions for semiconductor and electronics companies serving the Compute and Advanced Packaging markets



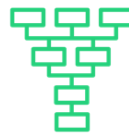
## Pioneer in Automated System Level Test

Since 2002, over 1,000 SLT systems installed for Compute Application



## TTM Revenue

S\$342M



## Full-Stack Test Capability

Systems | Consumables  
Software | Instruments



## Listed on SGX

AEM Holdings Limited  
(AWX.SI)



## Global Footprint

5 R&D centers  
5 manufacturing sites  
WW Customer Support



# 3Q2024 Highlights

Delivered profitability improvement, and increases 2H2024 guidance to between S\$190M to S\$210M

## Revenue

<b>S\$74.2M</b>	-6.5% vs 2Q2024
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## PBT (excluding exceptional items)

<b>S\$0.9M</b>	+3.5% vs 2Q2024
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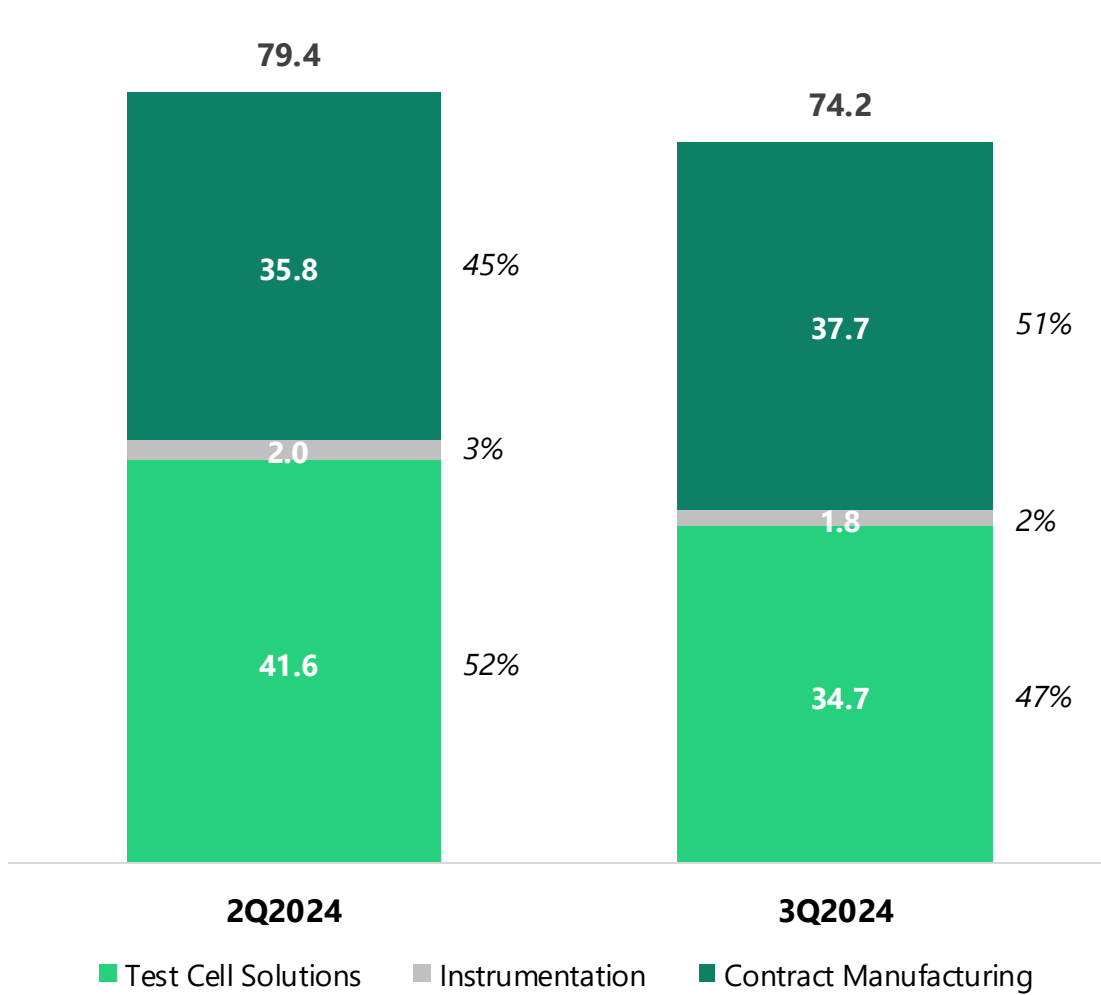
- The Group reported revenue of **S\$74.2M** in 3Q2024, while Profit Before Tax, excluding exceptional items, came in at **S\$0.9M** for the period
- Increase 2H guidance to S\$190M to S\$210M from previous S\$160M to S\$180M due to customer pull-in for inventory management
- Announced the commercialization of its expanded AMPS platform which features both burn-in and system level test for AI/HPC applications
- AEM has announced its mid-term 4-point strategy along to drive growth and shareholder value



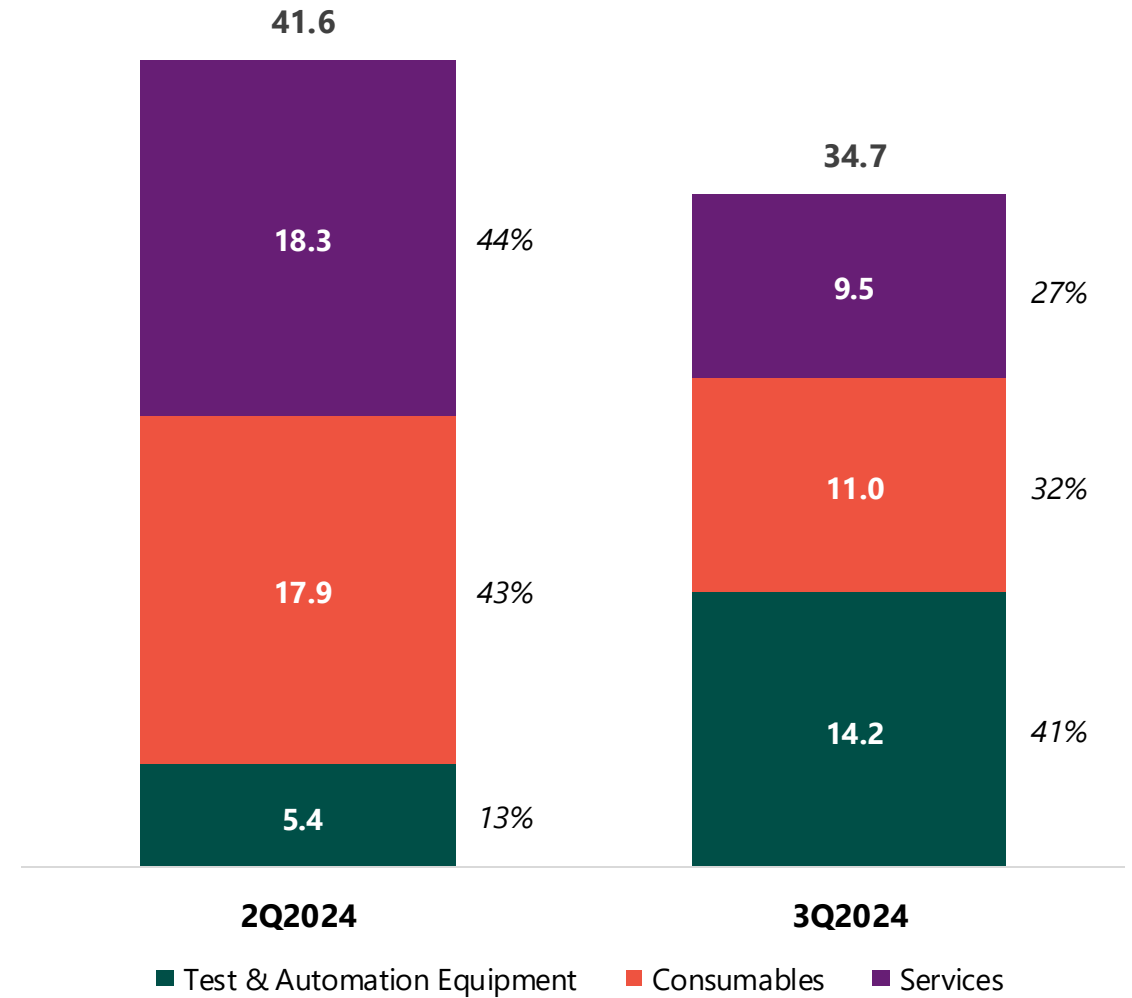
# Revenue Mix

TCS revenue was down 16.6% quarter-on-quarter, while Contract Manufacturing grew 5.3% quarter-on-quarter

### Total Revenue Mix (\$M)



### Test Cell Solutions Revenue Mix (\$M)





## 3Q2024 Key Financial Highlights

- Cash usage to support new product ramp up
- Total equity S\$473.9 million, down 0.9% from June
- NAV per share declined marginally to 149 cents, driven by foreign currency translation reserve movement and net loss for the period
- Inventories remained largely unchanged, which are predominantly related to the non-cancellable long-dated purchase order program with its key customer
- Stable capital structure, with the debt-to-equity ratio of 0.2x

	As at		
	Sep'24	Jun'24	QoQ
	S\$M	S\$M	%
Cash	47.1	79.0	(40.4)
Inventories	334.1	327.8	1.9
Trade and other receivables	71.6	67.1	6.6
<b>Total Assets</b>	<b>646.7</b>	<b>674.5</b>	<b>(4.1)</b>
Trade and other payables	56.0	69.0	(18.8)
Financial liabilities	87.1	95.7	(8.9)
<b>Total Liabilities</b>	<b>172.9</b>	<b>196.3</b>	<b>(11.9)</b>
<b>Total Equity</b>	<b>473.9</b>	<b>478.2</b>	<b>(0.9)</b>
<b>in SG cents</b>			
NTA per share	107.2	109.8	
NAV per share	149.4	151.0	
Debt / Equity	0.2X	0.2X	
No. of shares less treasury shares ('000)	313,021	312,401	



# 4-Point Strategy to Drive Growth & Shareholder Value

**Revenue growth from customer & market segment diversification**

**Continue to invest and retain Test 2.0 leadership**

**Achieve operational excellence**

**Talent and culture to consistently deliver results**



# AEM's capabilities enables it to address much of the US\$8B test market

## Total Semiconductor Manufacturing Equipment Market (2023) - US\$120B

Front End:  
US\$107B

Test:  
**US\$8.4B**  
(7% CAGR)

Assembly:  
US\$4B

**Test Instrument**  
(US\$5.7B)

**Probers / Handlers**  
(US\$2.7B)



**Consumables**  
(US\$3.7B)

**Wafer Test**



**Final Test**



**Burn-In**



**System Level Test**



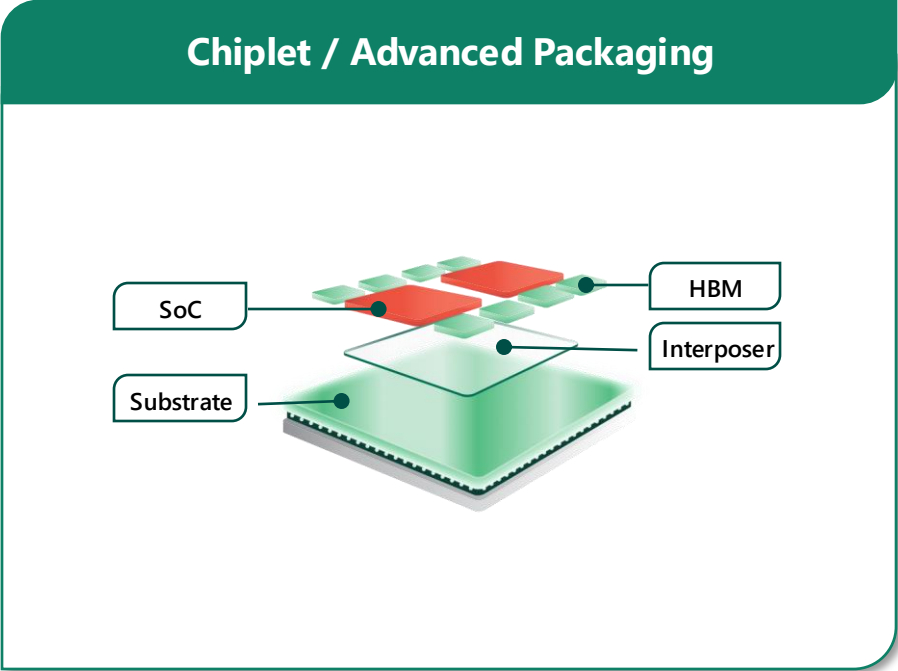
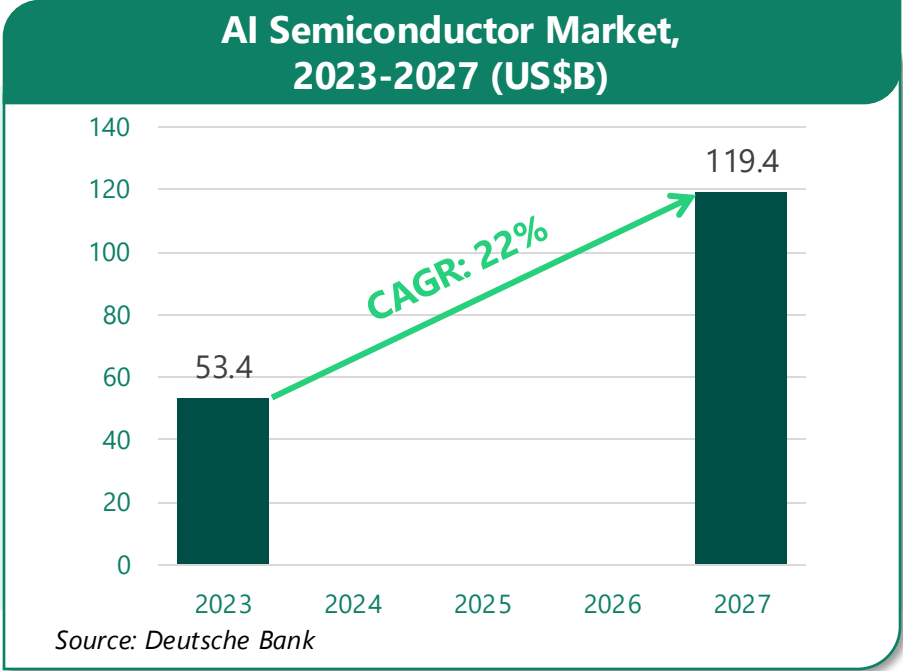




# AEM is poised for growth with the market driven by AI & advanced packaging

AI chips demand more power, and with power comes thermal challenges and exceptionally longer test times

## Secular Growth Drivers



## Test Challenges



Increasing Power Requirements



Increasing Test Times



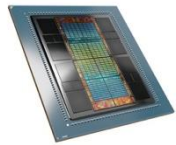
Increasing Test Coverage Requirements



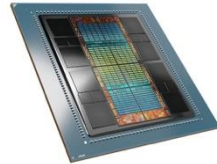
# Thermal technology is the critical test enabler for AI & advanced packaging

AEM's PiXL™ Thermal Engine delivers unmatched capabilities resulting in a significantly lower cost of test for customers

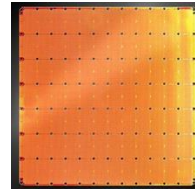
## Increasing Power Requirements & Package Size



**2024**  
1kW Power  
> 80mm package



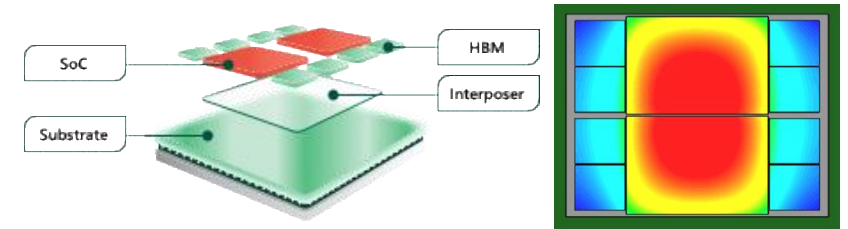
**2027**  
3kW Power  
150mm package



**Emerging**  
30kW Power  
200mm package

Sample AI Chip Roadmap\*

## Advanced Packaging Increases Thermal Gradient During Test



### AEM's Patented Thermal Engine for Multi-zone Control

- Enhance Test Quality
- Lower test time
- High throughput

### 40% Cost of Test Reduction



\* Source: AEM Customer Insights



# Broad product portfolio to test ICs from Engineering to Production

## Engineering Test Systems



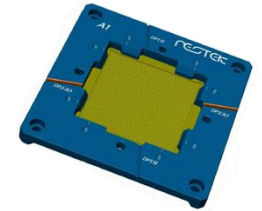
## Test Consumables & Collaterals



**Configurable Test Unit**



**Thermal Head**



**Sockets**

## High-Throughput Production Test Solutions



**MEMS / Cryogenic Wafer Probe**



**Automated Burn-In**



**Final Test Handlers**



**System Level Test Solutions**





# Investment Highlights

- Serving a large and high-growth Advanced Package burn-in and system level test market
- Emerging growth and customer diversification in Test Cell Solution business
- Differentiated products to address increasingly complex test requirements for AI/HPC devices
- Diversified vertical markets through Contract Manufacturing business

## 4-Point Strategy To Drive Growth and Shareholder Value

**Revenue growth  
from customer &  
market segment  
diversification**

**Continue to invest  
and retain Test 2.0  
leadership**

**Achieve operational  
excellence**

**Talent and culture to  
consistently deliver  
results**



# Thank You

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