



**AEM Holdings Ltd**  
52 Serangoon North Ave 4  
Singapore 555853

**For Immediate Release**

## **AEM delivers record growth and profitability in FY2017:**

**Revenue up 216% to S\$221.6 million, and  
net profit up 576% to S\$31.5 million**

- **Profit before tax grew 505% year-on-year to S\$36.8 million. Cash and cash equivalents grew from S\$6.3 million as at 31 December 2016 to S\$46.1 million as at 31 December 2017**
- **Group proposes final dividend of S\$0.065 per share, representing a total dividend of S\$0.12 per share for FY2017, in line with previously announced dividend policy of not less than 25% payout on net earnings**
- **Group expects FY2018 to outperform FY2017, delivering revenue and operating profit before tax of at least S\$255 million and S\$42 million respectively**
- **Group proposes the issuance of 3 bonus shares for every 1 existing share, to enhance trading liquidity in the AEM's stock**

**Singapore, 23 February 2018** – AEM Holdings Ltd (“AEM” or “the Group”), a global provider of equipment systems solutions and manufacturing services, reported revenue and net profit of S\$221.6 million and S\$31.5 million respectively for its full year ended 31 December 2017, representing increases of 216.0% and 576.2% respectively year-on-year. AEM’s topline growth was driven by strong ongoing demand for the Group’s new generation semiconductor handler



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platform from its key customer, and profit growth was enhanced by improving strategic product mix, operating efficiencies, and positive economies of scale as the business grows.

**Table 1 – Financial Highlights**

(S\$ '000)	Financial Year ended 31 Dec 2017 ("FY2017")	Financial Year ended 31 Dec 2016 ("FY2016")	Change
Revenue	221,622	70,123	216.0%
Profit before tax	36,836	6,091	504.8%
Net profit	31,489	4,657	576.2%
<i>Net profit margin</i>	<i>14.2%</i>	<i>6.6%</i>	-

In line with prior announcements regarding the growth of the Group's sales orders for delivery in 2017, the Group reported significantly higher revenue for its Equipment Systems ("ESS") business mainly due to higher equipment, pans and kits sales. Sales from ESS were 233.3% increase from S\$64.4 million for FY2016 to S\$214.8 million for FY2017.

FY2017 revenue and operating profit before tax of S\$221.6 million and S\$36.8 million are in line with the Group's recent guidance of S\$215 million revenue and S\$35 million to 37 million operating profit before tax respectively.

Net margins for FY2017 of 14.2% was also significantly better than FY2016's 6.6% as a results of the higher revenue, better margins from engineering service revenue for new projects and pans/kits revenue couple with favorable cost efficiency being achieved.



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The strong net profit growth also generated more cash from operations with cash and cash equivalents growing from S\$6.3 million as at 31 December 2016 to S\$46.1 million as at 31 December 2017.

With FY2017's higher profit and strong cash flow, the Group proposes a final dividend of S\$0.065 per share. As a result, net of dividends paid out for 2Q2017 and 3Q2017, total dividends for FY2017 will be S\$0.12 per share, in line with the Group's dividend policy of not less than 25% payout on net earnings.

Having ensured sustainable sales growth from its key customer and next-generation handling platform for the next few years, the Group has been concurrently developing additional diversified growth opportunities globally. The acquisition of InspiRain in November 2017 provided opportunities for AEM to access the growing radio frequency and advanced networking markets. The near-completed acquisition of Afore Oy further expands AEM's access to the exciting and rapidly growing MEMS (Micro-Electro-Mechanical Systems) device market. Both of these acquisitions possess significant merger synergy opportunities with AEM as the InspiRain and Afore benefit from AEM's global sales, engineering, management and field support infrastructure to deliver and develop their products worldwide.

Mr. Loke Wai San, the Group's Chairman, commented, "AEM's strong core organic business is well-complemented by an acquisition aimed at strengthening and broadening our technical expertise. Additionally, our acquisitions have positioned AEM well to capitalize on the exciting secular expansion of high-growth tech markets driven by the adoption of Electric Vehicles, Autonomous Driving, the Internet of Things, and 5G networking."



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As part of AEM's continued growth expansion, the Company also announced today a 3 for 1 bonus shares issue aimed at rewarding shareholders and deepening liquidity for AEM's stock.

The Group expects FY2018 to outperform FY2017, and provided FY2018 guidance of at least S\$255 million in revenue and at least S\$42 million in operating profit before tax.

- End -

#### **About AEM Holdings Ltd**

AEM Holdings Ltd is listed on the main board of the Singapore Exchange (Reuters: AEM.SI; Bloomberg: AEM SP).

AEM Holdings Ltd ("AEM") aims to be among the world's leading companies providing solutions in equipment systems; precision components and related manufacturing services across various industries.

AEM takes pride in providing innovative, engineering-focused solutions and developing strong partnerships with customers and associates to cater to their manufacturing needs through our global engineering service support network and innovative people. Currently, AEM has 3 manufacturing plants located in Singapore, Malaysia (Penang) and China (Suzhou). Through our network of sales offices, associates and distributors, we have a global market presence spanning Asia, Europe and the United States.

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#### **Issued for and on behalf of AEM Holdings Ltd**

##### **By Financial PR Pte Ltd**

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