



AEM HOLDINGS LTD.
Incorporated in the Republic of Singapore
(REGISTRATION NO. 200006417D)

AEM Holdings Ltd. and its Subsidiaries

Unaudited Condensed Interim Financial Statements
For the six months ended 30 June 2025

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AEM HOLDINGS LTD.
(REGISTRATION NO. 200006417D)

Condensed interim financial statements for the six months ended 30 June 2025

These statements for the six months ended 30 June 2025 have not been audited.

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

		6 months ended 30 June 2025 ("1H2025") S\$'000	6 months ended 30 June 2024 ("1H2024") S\$'000	Change* %
	Note			
Revenue	4	190,257	173,580	10%
Cost of sales		(141,909)	(130,193)	9%
Gross profit		48,348	43,387	11%
Other income		1,082	1,353	(20%)
Research & development expenses		(12,713)	(11,543)	10%
Selling, general & administrative expenses		(25,650)	(27,108)	(5%)
Foreign exchange (loss)/gain, net		(5,890)	2,043	NM
Other expenses		(38)	(4,668)	(99%)
Results from operating activities		5,139	3,464	48%
Finance income		272	587	(54%)
Finance costs		(1,467)	(2,698)	(46%)
Net finance costs		(1,195)	(2,111)	(43%)
Share of equity-accounted investees' loss, net of tax		-	(326)	NM
Profit before tax	6	3,944	1,027	284%
Tax expense	7	(788)	(205)	284%
Profit for the period		3,156	822	284%
Profit attributable to:				
Owners of the Company		3,083	895	245%
Non-controlling interests		73	(73)	NM
Profit for the period		3,156	822	284%
Earnings per share for profit for the period attributable to the owners of the Company:				
Basic (SGD in cent)	8	0.98	0.29	238%
Diluted (SGD in cent)	8	0.98	0.29	238%

Note:

*Increase/(decrease)

NM: Not meaningful

**A. Condensed interim consolidated statement of profit or loss and other comprehensive income
(cont'd)**

	6 months ended 30 June 2025 ("1H2025") S\$'000	6 months ended 30 June 2024 ("1H2024") S\$'000	Change* %
Note			
Other comprehensive (loss)/income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation difference – foreign operations	(12,002)	2,409	NM
Foreign currency translation differences on loss of significant influence reclassified to profit or loss	-	600	NM
Other comprehensive (loss)/income for the period, net of tax	(12,002)	3,009	NM
Total comprehensive (loss)/income for the period	(8,846)	3,831	NM
Total comprehensive (loss)/income attributable to:			
Owners of the Company	(8,920)	3,901	NM
Non-controlling Interests	74	(70)	NM
Total comprehensive (loss)/income for the period	(8,846)	3,831	NM

Note:

* Increase/(decrease)

NM: Not meaningful

B. Condensed interim statements of financial position

		Group		Company	
		30 June 2025 S\$'000	31 December 2024 S\$'000	30 June 2025 S\$'000	31 December 2024 S\$'000
Note					
Assets					
Property, plant and equipment	11	34,681	35,834	8	10
Investment properties		1,589	1,600	—	—
Right-of-use assets		18,815	21,094	22	67
Intangible assets	10	129,081	129,828	—	15
Interests in subsidiaries		—	—	82,851	82,851
Deferred tax assets		872	837	71	71
Non-current assets		185,038	189,193	82,952	83,014
Inventories	12	245,444	296,773	—	—
Trade and other receivables		143,395	142,658	112,550	108,926
Contract assets		84	776	—	—
Cash and cash equivalents		59,791	43,775	1,621	3,299
Current assets		448,714	483,982	114,171	112,225
Total assets		633,752	673,175	197,123	195,239
Equity					
Share capital	14	189,594	188,851	189,594	188,851
Reserves		(39,427)	(27,371)	(5,923)	(6,318)
Accumulated profits		327,339	324,218	5,848	6,256
Equity attributable to owners of the Company		477,506	485,698	189,519	188,789
Non-controlling interests		5,497	6,616	—	—
Total equity		483,003	492,314	189,519	188,789
Liabilities					
Financial liabilities	13	14,248	15,895	—	—
Trade and other payables		195	282	—	—
Deferred tax liabilities		11,250	11,634	—	—
Provisions		1,385	3,648	—	—
Defined benefit obligations		997	1,007	—	—
Non-current liabilities		28,075	32,466	—	—
Financial liabilities	13	58,684	78,484	23	67
Trade and other payables		46,304	53,736	6,683	5,710
Contract liabilities		7,727	7,324	—	—
Current tax payable		5,889	6,326	898	673
Provisions		4,070	2,525	—	—
Current liabilities		122,674	148,395	7,604	6,450
Total liabilities		150,749	180,861	7,604	6,450
Total equity and liabilities		633,752	673,175	197,123	195,239

C. Condensed interim statements of changes in equity

		Attributable to owners of the Company								
		Share capital S\$'000	Reserve for own shares S\$'000	Other reserves S\$'000	Share compensation reserve S\$'000	Currency translation reserve S\$'000	Accumulated profits S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group	Note									
At 1 January 2024		187,577	(10,091)	(10,323)	3,472	(15,958)	312,779	467,456	6,930	474,386
Total comprehensive income for the period										
Profit for the period		-	-	-	-	-	895	895	(73)	822
Other comprehensive income										
Foreign currency translation difference – foreign operations		-	-	-	-	2,406	-	2,406	3	2,409
Foreign currency translation differences on loss of significant influence reclassified to profit or loss		-	-	-	-	600	-	600	-	600
Total comprehensive income for the period		-	-	-	-	3,006	895	3,901	(70)	3,831
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Treasury shares reissued pursuant to share plans	14	-	920	103	(1,023)	-	-	-	-	-
Ordinary shares issued pursuant to share plans	14	249	-	244	(493)	-	-	-	-	-
Share-based payment transactions		-	-	-	726	-	-	726	-	726
Total contributions by and distributions to owners of the Company		249	920	347	(790)	-	-	726	-	726
Changes in ownership interests in a subsidiary										
Acquisition of non-controlling interests without a change in control	15	-	-	(248)	-	22	1	(225)	(506)	(731)
Total changes in ownership interests in a subsidiary		-	-	(248)	-	22	1	(225)	(506)	(731)
Total transaction with owners		249	920	99	(790)	22	1	501	(506)	(5)
At 30 June 2024		187,826	(9,171)	(10,224)	2,682	(12,930)	313,675	471,858	6,354	478,212

C. Condensed interim statements of changes in equity (cont'd)

		Attributable to owners of the Company							Non-controlling interests S\$'000	Total equity S\$'000
	Note	Share capital S\$'000	Reserve for own shares S\$'000	Other reserves S\$'000	Share compensation reserve S\$'000	Currency translation reserve S\$'000	Accumulated profits S\$'000	Total S\$'000		
Group										
At 1 January 2025		188,851	(9,171)	(10,224)	3,906	(11,882)	324,218	485,698	6,616	492,314
Total comprehensive income for the period										
Profit for the period		-	-	-	-	-	3,083	3,083	73	3,156
Other comprehensive loss										
Foreign currency translation difference – foreign operations		-	-	-	-	(12,003)	-	(12,003)	1	(12,002)
Total comprehensive (loss)/income for the period		-	-	-	-	(12,003)	3,083	(8,920)	74	(8,846)
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Ordinary shares issued pursuant to share plans	14	743	-	548	(1,291)	-	-	-	-	-
Share-based payment transactions		-	-	-	1,138	-	-	1,138	-	1,138
Total contributions by and distributions to owners of the Company		743	-	548	(153)	-	-	1,138	-	1,138
Changes in ownership interests in a subsidiary										
Acquisition of non-controlling interests without a change in control	15	-	-	(505)	-	57	38	(410)	(1,193)	(1,603)
Total changes in ownership interests in a subsidiary		-	-	(505)	-	57	38	(410)	(1,193)	(1,603)
Total transactions with owners		743	-	43	(153)	57	38	728	(1,193)	(465)
At 30 June 2025		189,594	(9,171)	(10,181)	3,753	(23,828)	327,339	477,506	5,497	483,003

C. Condensed interim statements of changes in equity (cont'd)

	Share capital S\$'000	Reserve for own shares S\$'000	Other reserves S\$'000	Share compensation reserve S\$'000	Accumulated (losses)/ profits S\$'000	Total S\$'000
Company						
At 1 January 2024	187,577	(10,091)	(1,400)	3,472	6,418	185,976
Total comprehensive loss for the period	-	-	-	-	(148)	(148)
Transactions with owners, recognised directly in equity						
<i>Contributions by and distributions to owners of the Company</i>						
Treasury shares reissued pursuant to share plans	-	920	103	(1,023)	-	-
Ordinary shares issued pursuant to share plans	249	-	244	(493)	-	-
Share-based payment transactions	-	-	-	726	-	726
Total transactions with owners	249	920	347	(790)	-	726
At 30 June 2024	187,826	(9,171)	(1,053)	2,682	6,270	186,554
At 1 January 2025	188,851	(9,171)	(1,053)	3,906	6,256	188,789
Total comprehensive loss for the period	-	-	-	-	(408)	(408)
Transactions with owners, recognised directly in equity						
<i>Contributions by and distributions to owners of the Company</i>						
Ordinary shares issued pursuant to share plans	743	-	548	(1,291)	-	-
Share-based payment transactions	-	-	-	1,138	-	1,138
Total transactions with owners	743	-	548	(153)	-	1,138
At 30 June 2025	189,594	(9,171)	(505)	3,753	5,848	189,519

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D. Condensed interim consolidated statement of cash flows

		6 months ended 30 June 2025 ("1H2025") S\$'000	6 months ended 30 June 2024 ("1H2024") S\$'000
	Note		
Cash flows from operating activities			
Profit for the period		3,156	822
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment		3,545	3,186
Depreciation of investment properties		13	14
Depreciation of right-of-use assets		3,271	4,371
Amortisation of intangible assets	10	5,487	4,157
Allowance for stock obsolescence	12	4,055	37
Loss on disposal of property, plant and equipment	6	-	30
Write off of property, plant and equipment		15	13
Loss on disposal of an associate		-	2,349
Gain on disposal of other investment		-	(78)
Net finance costs		1,195	2,111
Foreign exchange differences arising from translation		(4,506)	259
Reversal of defined benefit obligations		(10)	(201)
Share of loss of equity-accounted investees, net of tax		-	326
Equity-settled share-based payment expenses		1,138	726
Tax expense	7	788	205
		<u>18,147</u>	<u>18,327</u>
<i>Changes in:</i>			
Inventories		41,177	3,727
Trade and other receivables		(12,570)	(6,738)
Contract assets		705	700
Trade and other payables		389	(7,768)
Contract liabilities		424	626
Provisions		(491)	54
Cash from operating activities		<u>47,781</u>	<u>8,928</u>
Tax paid		<u>(1,376)</u>	<u>(1,858)</u>
Net cash generated from operating activities		<u>46,405</u>	<u>7,070</u>
Cash flows from investing activities			
Acquisition of intangible assets	10	(6,319)	(7,418)
Interest received		272	587
Proceeds from disposal of property, plant and equipment		-	486
Proceeds from disposal of an associate		-	6,630
Proceeds from disposal of other investment		-	5,897
Acquisition of property, plant and equipment	11	<u>(2,735)</u>	<u>(1,498)</u>
Net cash (used in)/generated from investing activities		<u>(8,782)</u>	<u>4,684</u>

D. Condensed interim consolidated statement of cash flows (cont'd)

		6 months ended 30 June 2025 ("1H2025") S\$'000	6 months ended 30 June 2024 ("1H2024") S\$'000
	Note		
Cash flows from financing activities			
Interest paid		(1,467)	(2,698)
Repayment of borrowings		(38,482)	(52,210)
Payment of lease liabilities		(3,111)	(3,619)
Proceeds from borrowings		21,800	25,000
Acquisition of subsidiary's interests from the non-controlling interest	15	(1,603)	(731)
Net cash used in financing activities		(22,863)	(34,258)
Net increase/(decrease) in cash and cash equivalents		14,760	(22,504)
Cash and cash equivalents at beginning of period		43,775	101,849
Effect of exchange rate fluctuations on cash held		1,256	(323)
Cash and cash equivalents at end of period		59,791	79,022

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

AEM Holdings Ltd. (the Company) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the Group). The principal activities of the Company are those relating to an investment holding company. The principal activities of the Group are design and manufacturing of semiconductor assembly and testing equipment, and contract manufacturing.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgement and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Management is of the opinion that there are no critical judgements made in applying the Group's accounting policies that have a significant risk of resulting in a material adjustment as at and for the six months ended 30 June 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 10.1 – goodwill impairment
- Note 12 – valuation of inventories

3. Seasonal Operations

The Group's businesses are not affected significantly by seasonal factors during the financial period.

4. Segment and revenue information

Segment information is presented based on the information reviewed by chief operating decision makers ("CODM") for performance assessment and resource allocation:

- Test Cell Solutions ("TCS")
- Instrumentation ("INS")
- Contract Manufacturing ("CM")
- Others

4.1 Reportable Segments

S\$'000	TCS	INS	CM	Others	Total
1 January 2025 to 30 June 2025					
Revenue from external parties	118,620	4,616	67,021	-	190,257
Inter-segment revenue	-	-	3,279	(3,279)	-
Total segment revenue	118,620	4,616	70,300	(3,279)	190,257
Depreciation and amortisation	(7,646)	(1,815)	(754)	(2,101)	(12,316)
Finance income	111	53	108	-	272
Finance costs	(1,350)	(2)	(57)	(58)	(1,467)
Foreign exchange (loss)/gain, net	(5,927)	1,419	(1,382)	-	(5,890)
Segment profit/(loss)	5,074	(457)	903	(1,576)	3,944
Profit before tax					3,944
Tax expenses					(788)
Profit for the period					3,156
Expenditure for segment non-current assets					
Additions to property, plant & equipment, intangible assets and right-of-use assets	7,529	975	1,631	-	10,135

S\$'000	TCS	INS	CM	Others	Total
As at 30 June 2025					
Segment assets	443,964	30,246	153,468	6,074	633,752
Segment liabilities	97,377	4,675	39,882	8,815	150,749

4.1 Reportable Segments (cont'd)

S\$'000	TCS	INS	CM	Others	Total
1 January 2024 to 30 June 2024					
Revenue from external parties	99,815	3,440	70,325	-	173,580
Inter-segment revenue	-	-	5,260	(5,260)	-
Total segment revenue	99,815	3,440	75,585	(5,260)	173,580
Depreciation and amortisation	(6,607)	(1,621)	(1,061)	(2,439)	(11,728)
Finance income	401	11	175	-	587
Finance costs	(2,404)	(3)	(75)	(216)	(2,698)
Foreign exchange gain/(loss), net	1,590	(198)	651	-	2,043
Segment profit/(loss)	1,916	(3,021)	4,622	(2,164)	1,353
Share of equity-accounted investees' loss					(326)
Profit before tax					1,027
Tax expenses					(205)
Profit for the period					822
Expenditure for segment non-current assets					
Additions to property, plant & equipment, intangible assets and right-of-use assets	7,438	1,329	1,832	-	10,599

S\$'000	TCS	INS	CM	Others	Total
As at 30 June 2024					
Segment assets	431,471	32,774	179,852	30,421	674,518
Segment liabilities	140,903	4,637	49,341	1,425	196,306

4.2 Disaggregation of Revenue

Set out below is an overview of the revenue of the Group for the six months ended 30 June 2025 and 30 June 2024:

	Group	
	6 months ended 30 June 2025 ("1H2025") S\$'000	6 months ended 30 June 2024 ("1H2024") S\$'000
Types of goods or services:		
Sale of goods	167,482	136,670
Rendering of Services	22,775	36,910
Total revenue	190,257	173,580
Timing of revenue recognition:		
At a point in time	168,069	138,322
Over time	22,188	35,258
Total revenue	190,257	173,580
Geographic information:		
Singapore	41,771	33,375
China	8,883	5,908
Costa Rica	3,014	22,360
Finland	455	1,984
France	602	563
Germany	3,204	4,964
Ireland	2,555	4,333
Malaysia	72,410	38,184
Republic of Korea	2,892	3,267
United Kingdom	2,480	3,577
United States of America	31,450	32,223
Vietnam	10,240	7,997
Other countries	10,301	14,845
Total revenue	190,257	173,580

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 30 June 2025 and 31 December 2024:

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Cash and bank balances	59,791	43,775	1,621	3,299
Trade and other receivables (financial assets) *	137,335	136,636	112,347	108,759
Financial liabilities and trade and other payables				
Financial liabilities	72,932	94,379	23	67
Trade and other payables (financial liabilities) **	32,880	41,276	6,299	5,283

* Excluding deposits and prepayments

** Excluding employees related payable

6. Profit before tax

6.1 Significant items

	Group	
	6 months ended 30 June 2025 ("1H2025")	6 months ended 30 June 2024 ("1H2024")
	S\$'000	S\$'000
Income		
Foreign exchange gain, net	-	2,043
Government grant income	615	1,042
Gain on disposal of other investment	-	78
Expenses		
Foreign exchange loss, net	(5,890)	-
Depreciation and amortisation	(12,316)	(11,728)
Legal, IT, and professional fees	(3,282)	(4,719)
Allowance for stock obsolescence	(4,055)	(37)
Loss on disposal of property, plant and equipment	-	(30)
Loss on disposal of an associate*	-	(2,349)

* On 25 June 2024, the Group entered into a share purchase agreement to dispose an aggregate of 470,504 common shares and 994,220 preferred shares of ATECO Inc. ("ATECO"), an associated company of the Group, representing all of the Group's shareholding interest in ATECO, for an aggregate purchase price of KRW6.8 billion (approximately S\$6.6 million). Included in the loss on disposal of an associate is S\$600,000 from foreign currency translation differences on loss of significant influence which has been reclassified to profit or loss.

6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Tax expenses

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	6 months ended 30 June 2025 ("1H2025") S\$'000	6 months ended 30 June 2024 ("1H2024") S\$'000
Current income tax expense	(1,193)	(543)
Deferred income tax expense relating to origination and reversal of temporary differences	405	338
	(788)	(205)

8. Earnings per share

	Group	
	6 months ended 30 June 2025 ("1H2025")	6 months ended 30 June 2024 ("1H2024")
Basic earnings per share (Singapore cents)	0.98 cents	0.29 cents
Weighted average number of ordinary shares ('000)	313,168	309,481
Diluted earnings per share (Singapore cents)	0.98 cents	0.29 cents
Weighted average number of ordinary shares adjusted for the effect of dilutive potential ('000)	315,965	311,270

9. Net asset value

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Net asset value per ordinary share (Singapore cents)	152.3 cents	155.2 cents	60.4 cents	60.3 cents

The calculation of net asset value per ordinary share was based on the existing share capital less treasury shares of 313,621,000 ordinary shares as at 30 June 2025 (31 December 2024: 313,022,000).

10. Intangible assets

	Group						
	Goodwill S\$'000	Technology S\$'000	Customer relationships S\$'000	Computer software S\$'000	Development costs S\$'000	Other S\$'000	Total S\$'000
At 31 December 2024							
Cost	60,625	10,724	21,903	4,966	62,777	3,693	164,688
Accumulated amortisation	-	(3,699)	(7,039)	(3,890)	(19,192)	(1,040)	(34,860)
Carrying amount	60,625	7,025	14,864	1,076	43,585	2,653	129,828
6 months ended 30 June 2025							
Opening carrying amount	60,625	7,025	14,864	1,076	43,585	2,653	129,828
Additions	-	-	-	-	6,319	-	6,319
Amortisation charge	-	(367)	(685)	(379)	(3,893)	(163)	(5,487)
Translation adjustment	(15)	35	-	(43)	(1,559)	3	(1,579)
Closing carrying amount	60,610	6,693	14,179	654	44,452	2,493	129,081
At 30 June 2025							
Cost	60,610	10,759	21,903	4,813	67,562	3,708	169,355
Accumulated amortisation	-	(4,066)	(7,724)	(4,159)	(23,110)	(1,215)	(40,274)
Carrying amount	60,610	6,693	14,179	654	44,452	2,493	129,081

	Company Computer software S\$'000
At 31 December 2024	
Cost	1,340
Accumulated amortisation	(1,325)
Carrying amount	15
6 months ended 30 June 2025	
Opening carrying amount	15
Amortisation charge	(15)
Closing carrying amount	-
At 30 June 2025	
Cost	1,340
Accumulated amortisation	(1,340)
Carrying amount	-

10.1 Goodwill impairment

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs (operating divisions) as follows:

	Group	
	30 June 2025 S\$'000	31 December 2024 S\$'000
Test Cell Solutions (TCS)	32,585	32,600
Test and Measurement Solution (TMS)*	1,230	1,230
Contract Manufacturing (CM)	26,795	26,795
	60,610	60,625

* This CGU was grouped under Instrumentation segment

The recoverable amount of the TCS, TMS, and CM CGU was based on its value in use, determined by discounting the pre-tax future cash flows to be generated from the continuing use of the CGU. The estimated recoverable amount of the CGU is higher than the carrying value of the CGU.

11. Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired assets amounting to S\$2,735,000 (30 June 2024: S\$1,498,000) and disposed of assets amounting to S\$Nil (30 June 2024: S\$516,000).

12. Inventories

	Group	
	30 June 2025 S\$'000	31 December 2024 S\$'000
Raw materials	124,189	167,378
Work-in-progress	26,886	20,740
Finished goods	94,297	108,379
Goods in-transit	72	276
	245,444	296,773

The Group recognised an allowance for stock obsolescence of S\$4,055,000 (1H2024: S\$37,000) based on slow-moving inventories. The allowance are included in "cost of sales" within the condensed interim consolidated statement of profit or loss.

13. Financial liabilities

	Group	
	30 June 2025	31 December 2024
	S\$'000	S\$'000
Amount repayable within one year or on demand		
Lease liabilities	5,611	5,947
Secured bank loans	2,877	3,029
Unsecured bank loans	50,196	69,508
	58,684	78,484
Amount repayable after one year		
Lease liabilities	13,896	15,675
Secured bank loans	65	65
Unsecured bank loans	287	155
	14,248	15,895
Total	72,932	94,379

14. Share capital

	Group					
	Total Issued Shares		Total Treasury Shares		Total Issued Less Treasury shares	
	Number of shares '000	Amount S\$'000	Number of Shares '000	Amount S\$'000	Number of Shares '000	Amount S\$'000
Fully paid ordinary shares, with no par value:						
At 1 January 2024	311,887	187,577	(2,985)	(10,091)	308,902	177,486
Bonus issue	3,118	-	(27)	-	3,091	-
Issue of shares under Performance Share Plan 2017	136	249	272	920	408	1,169
Share options exercised	621	1,025	-	-	621	1,025
At 31 December 2024 & 1 January 2025	315,762	188,851	(2,740)	(9,171)	313,022	179,680
Issue of shares under Performance Share Plan 2017	599	743	-	-	599	743
At 30 June 2025	316,361	189,594	(2,740)	(9,171)	313,621	180,423

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2025 and 31 December 2024.

15. Acquisition of non-controlling interests (NCI) of a subsidiary

On 25 April 2025, AEM Singapore Pte. Ltd., a wholly-owned subsidiary of the Company, had acquired additional 6.2% of the outstanding share capital of Nestek Korea Co., Ltd. ("Nestek"), a company incorporated in the Republic of Korea. The consideration for the acquisition is KRW1.7 billion (S\$1,603,000). Consequent to the investment, the Group's effective interest in Nestek increased from 64.9% to 71.1%. As part of the investment agreement, the Group will in a future date acquire further shares of Nestek from existing shareholder, which together with the acquired shares, will constitute up to 100% of the total outstanding share capital of Nestek on a fully-diluted basis.

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

	Group	
	30 June 2025	31 December 2024
	S\$'000	S\$'000
Carrying amount of NCI acquired	1,193	506
Consideration paid to NCI	(1,603)	(731)
Decrease in equity attributable to owners of the Company	(410)	(225)

The decrease in equity attributable to owners of the Company comprised:

- a decrease in Other reserves of S\$505,000 (1H2024: S\$248,000);
- an increase in Currency translation reserves of S\$57,000 (1H2024: S\$22,000); and
- an increase in Accumulated profits of S\$38,000 (1H2024: S\$1,000).

16. Use of proceeds

On 31 August 2021, the Company allotted and issued 26,800,000 shares to Venezio Investments Pte. Ltd. for an aggregate cash consideration of S\$103,118,000 pursuant to a share placement. After deducting related expenses, net proceeds amounted to S\$102,981,000 (the "Net Proceeds"). As stated in the Company's announcement dated 6 August 2021 in relation to the above-mentioned share placement, the Company intends to use the Net Proceeds to finance the Group's business expansion (including organic expansion and mergers and acquisitions).

During the six months ended 30 June 2025, S\$6,319,000 has been used for acquisition of intangible assets mainly for research & development, S\$2,735,000 used for acquisition of property, plant and equipment for business expansion, and also S\$1,603,000 used for the acquisition of Nestek's interests from non-controlling interest.

As at 30 June 2025, approximately S\$10,066,000 (31 December 2024: S\$20,723,000) remains unutilised out of the Net Proceeds of S\$102,981,000 from the above-mentioned share placement exercise.

The above utilisation of the Net Proceeds is consistent with the intended use of the net proceeds as disclosed in the Company's previous announcements released in relation to the above-mentioned share placement exercise.

17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

Other Information

1. Review

The condensed consolidated statements of financial position of AEM Holdings Ltd. and its subsidiaries as at 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Explanatory notes to condensed consolidated statement of profit or loss

Significant items included in profit before tax

Other income - Government grant income

Government grant income received for incentive schemes from various jurisdictions.

Finance income

The lower finance income in 1H2025 compared to 1H2024 was mainly due to lower bank and fixed deposit balances during 1H2025.

Finance costs

The lower finance expenses in 1H2025 compared to 1H2024 was mainly due to lower bank borrowings and lower interest rate during 1H2025.

Foreign exchange (loss)/gain, net

Foreign exchange loss, net, recorded in 1H2025 was largely due to a weaker United States Dollar vis-à-vis Singapore Dollar.

Other expenses

Included in other expenses in 1H2024 was the loss on disposal of an associate of S\$2.3 million.

Depreciation and amortisation

The increase in depreciation and amortisation in 1H2025 compared to 1H2024 was mainly due to the higher amortization of intangible assets, partially offset by lower depreciation of right-of-use assets where the leases have ended in 2024.

Legal, IT, and professional fees

Legal, IT, and professional fees for 1H2025 decreased compared to 1H2024 mainly due to proactive approach to manage operating costs.

Allowance for stock obsolescence

The allowance for stock obsolescence were made for slow-moving stock in accordance with the Group's provisioning policy.

3. Review of performance of the Group

Analysis of Consolidated Statement of profit or loss and other comprehensive income

The Group's revenue for 1H2025 increased by 10% to S\$190.3 million from S\$173.6 million in 1H2024. The revenue increase is primarily due to the successful production deployment and customer acceptance of the Group's AMPS-BI solution, powered by PiXL™ thermal technology combined with the pull-in of orders into 1H2025, partially offset by reduced demand from some end customers for Contract Manufacturing segment.

Gross profit margin increased from 25.0% in 1H2024 to 25.4% in 1H2025 mainly due to product mix.

Other income remained relatively flat at S\$1.1 million (1H2024: S\$1.3 million) which mainly comprise government grant income.

Other expenses in 1H2024 included loss on disposal of an associate of S\$2.3 million.

Research & development ("R&D") expenses increased to S\$12.7 million (1H2024: S\$11.5 million). The Group continues its investment in R&D activities and capabilities and prioritises product development of emerging technology that will stay ahead of competition.

Selling, general & administrative expenses are lower compared to 1H2024 mainly due to lower professional fees and proactive approach to manage operating costs.

Overall, profit before tax in 1H2025 increased to S\$3.9 million from S\$1.0 million in 1H2024.

Analysis of Statement of Financial Position of the Group

Property, plant and equipment

Decrease in property, plant and equipment mainly due to depreciation charges during the current period, partially offset by purchase of new assets.

Right-of-use assets

Decrease in right-of-use assets mainly due to depreciation charges, partially offset by new property leases entered by the Group during the current period.

Inventories

Inventories has decreased due to consumption during the current period.

Trade and other receivables

Higher sales towards the end of the period resulted in increased trade and other receivables.

Financial liabilities (current and non-current)

Decrease in financial liabilities mainly due to repayment of borrowings.

Current tax payable

The decrease was primarily due to tax payment during the current period.

Overall, total assets and total liabilities decreased to S\$633.8 million and S\$150.7 million, respectively, as at 30 June 2025. Net asset value per share decreased to 152.3 Singapore cents as at 30 June 2025, compared to 155.2 Singapore cents as at 31 December 2024.

Analysis of Consolidated Statement of Cash Flows

The Group's net cash generated from operating activities amounted to S\$46.4 million for 1H2025 arising primarily from decrease in inventories, and profit for the period, partially offset by higher trade and other receivables, and tax payment during the current period.

Net cash used in investing activities amounted to S\$8.8 million for 1H2025 due mainly to acquisition of intangible assets and property, plant and equipment during the current period.

For 1H2025, net cash used in financing activities amounted to S\$22.9 million due mainly to repayment of borrowings, payment for lease liabilities and interest expense, and acquisition of additional interest in Nestek from the non-controlling interest.

Consequently, cash and cash equivalents increased to S\$59.8 million as at 30 June 2025 from S\$43.8 million as at 31 December 2024.

4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

In the announcement “Revision of Revenue Guidance for 6-months Ending 30 June 2025” dated 26 June 2025, the Group has revised its 1H2025 revenue guidance to the range of S\$185 million and S\$195 million.

The Group has achieved a revenue of S\$190.3 million for 1H2025.

5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

The Group expects revenue in 2H2025 to be in the range of S\$170 million to S\$190 million, with its major AI / HPC customer expecting to ramp production in late 2025 / early 2026 for its next generation AI accelerator.

The Group has received a purchase order for an evaluation final test handler from its memory customer, and if accepted could result in production volumes in late 2026. This is an expansion of its earlier engagement with the same customer, “following the chiplet” upstream from System Level Test to Final Test.

6. Dividend information

6a. Current Financial Period Reported on

Any dividend declared for the current financial period reported on? No

6b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

6c. Date payable

Not applicable.

6d. Book Closure Date

Not applicable.

7. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No interim dividend has been declared or recommended for the current financial period in order to continue to invest in new customer programs.

8. Interested person transactions

The Company has not obtained a general mandate from shareholders for interested person transactions ("IPT").

Name of interested person	Aggregate value of all IPT during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	
	1H2025	1H2024
	S\$	S\$
NT Thor Holdings Pte. Ltd. ("NT Thor")	-	5,897,000
Chok Yean Hung	-	120,000
	-	6,017,000

NT Thor is regarded as an associate of Mr. Loke Wai San. The IPT of S\$5,897,000 for 1H2024 comprised disposal of 3,060,000 shares in NT Thor by a subsidiary of the Company.

Mr. Chok Yean Hung is a Director of the Company. The IPT of S\$120,000 in 1H2024 relates to consultancy services paid by the Company to Mr. Chok Yean Hung.

9. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

10. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director, the Chief Executive Officer or substantial shareholder of the Company.

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2025 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

Loke Wai San
Director

Chou Yen Ning @ Alice Lin
Director

13 August 2025