

The logo consists of a bright green circle with a white border, containing the letters 'AEM' in white, bold, sans-serif font.

**AEM**

# **AEM Investor Update**

May 8, 2024



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**In this presentation, all \$ dollar amounts are in Singapore dollars unless otherwise specified.**



## 1Q2024 Highlights

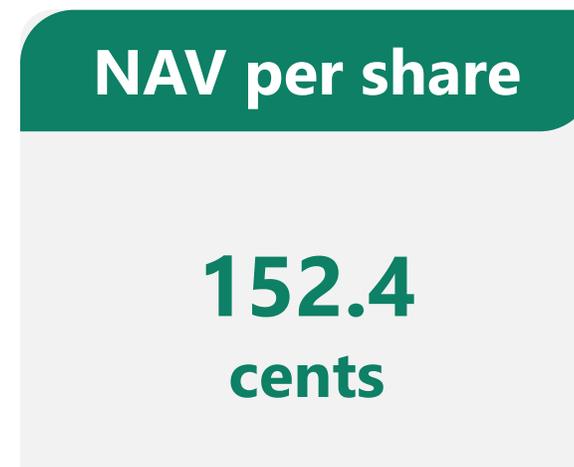
The Group's continued investment in R&D has yielded positive results with 2 key wins in the HPC / AI space

- The Group posted revenue of **S\$94.2M** in 1Q2024, with profit before tax of **S\$2.7M**
- During the period the Group announced two program wins with a major fabless provider of HPC / AI semiconductor chips to address the high-volume production burn-in and system level test needs for the customer's device roadmap
- Revenue from program wins at new customers is expected to drive more than 5x revenue growth from FY2023 to triple digit millions in FY2025
- Management maintains the 1H2024 guidance of S\$170M to S\$200M that it provided in late February as the uncertainties around product ramp timings from the Group's multiple customers continues



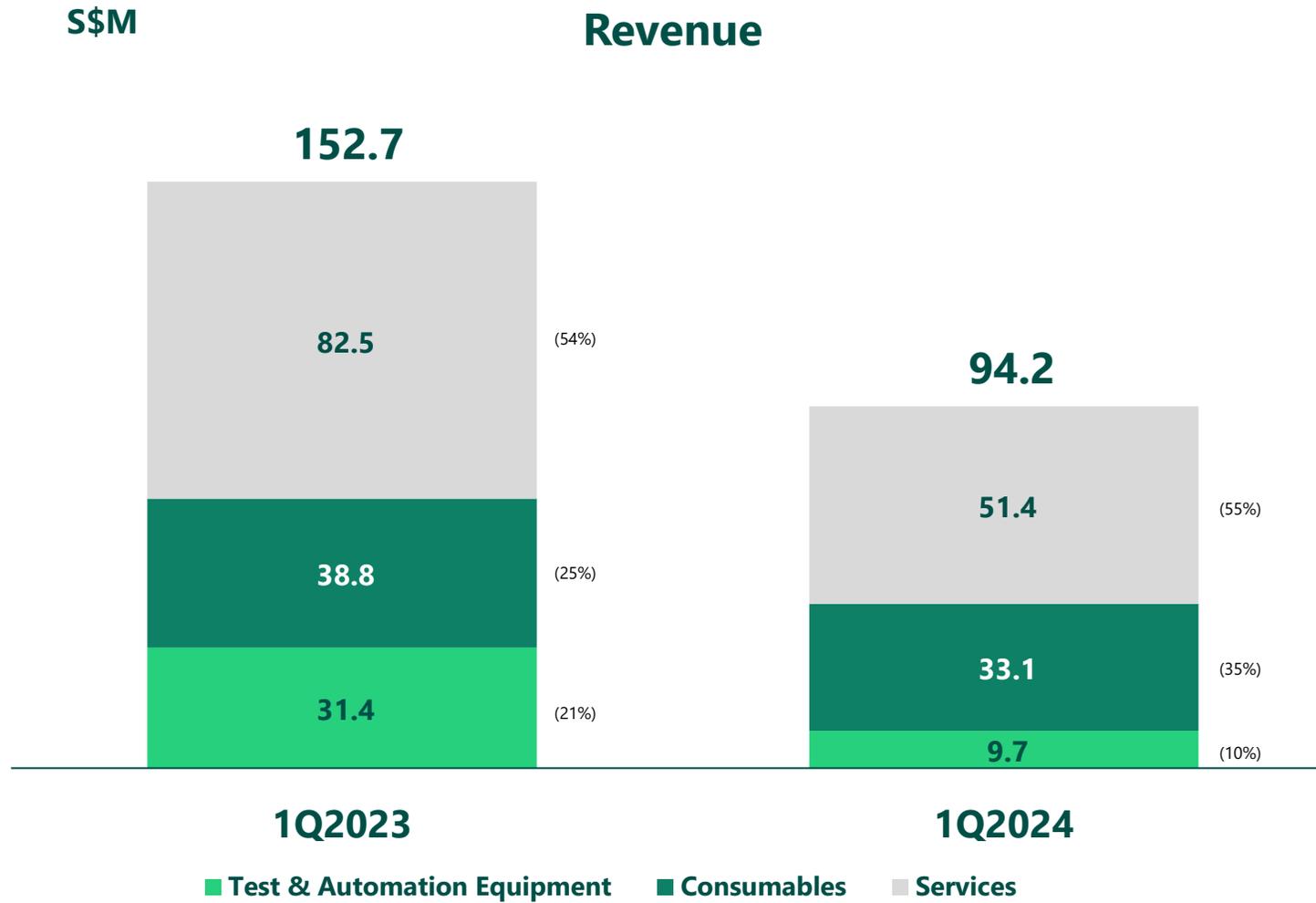
# 1Q2024 Financial Highlights

Revenue at S\$94.2M and PBT at S\$2.7M





# Revenue Mix

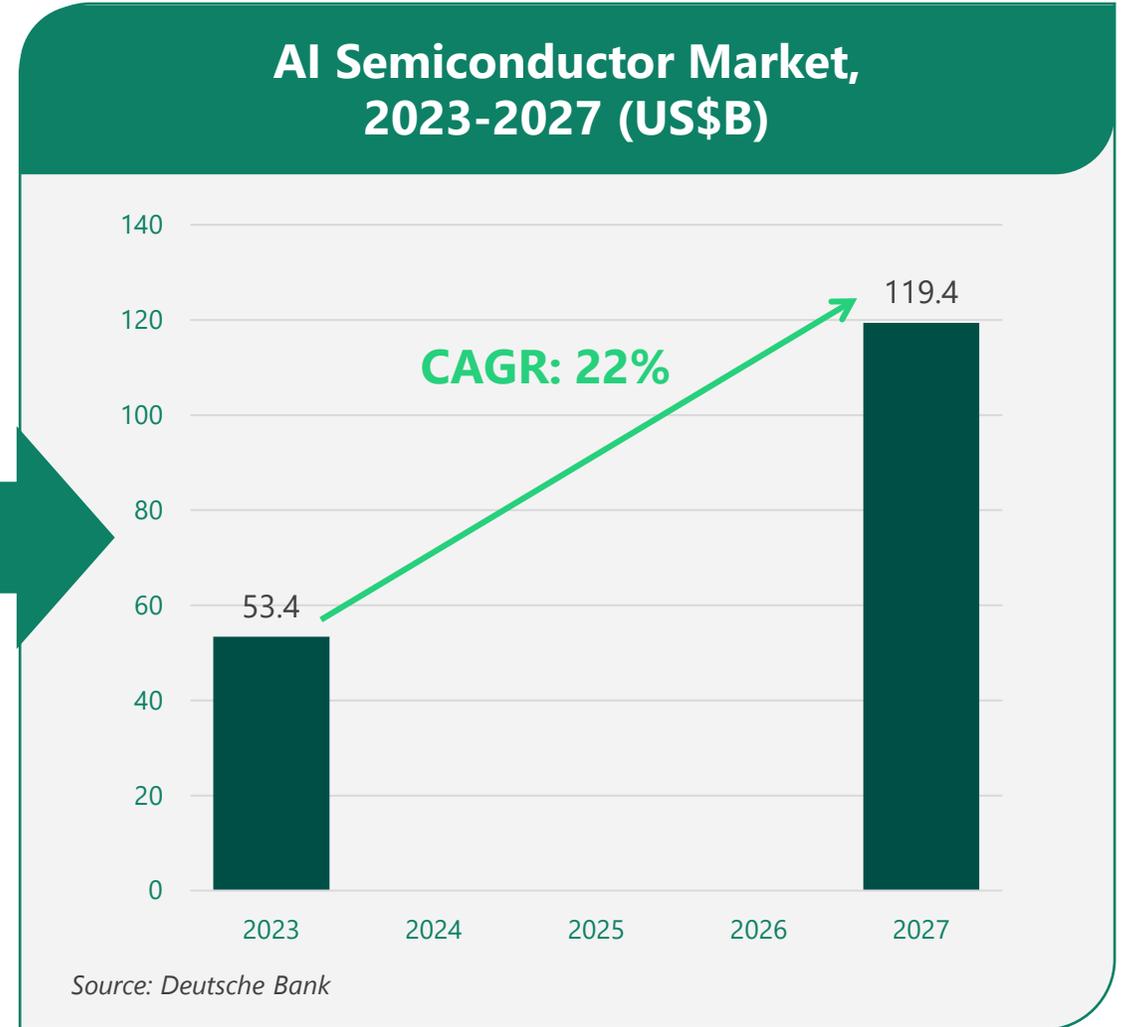
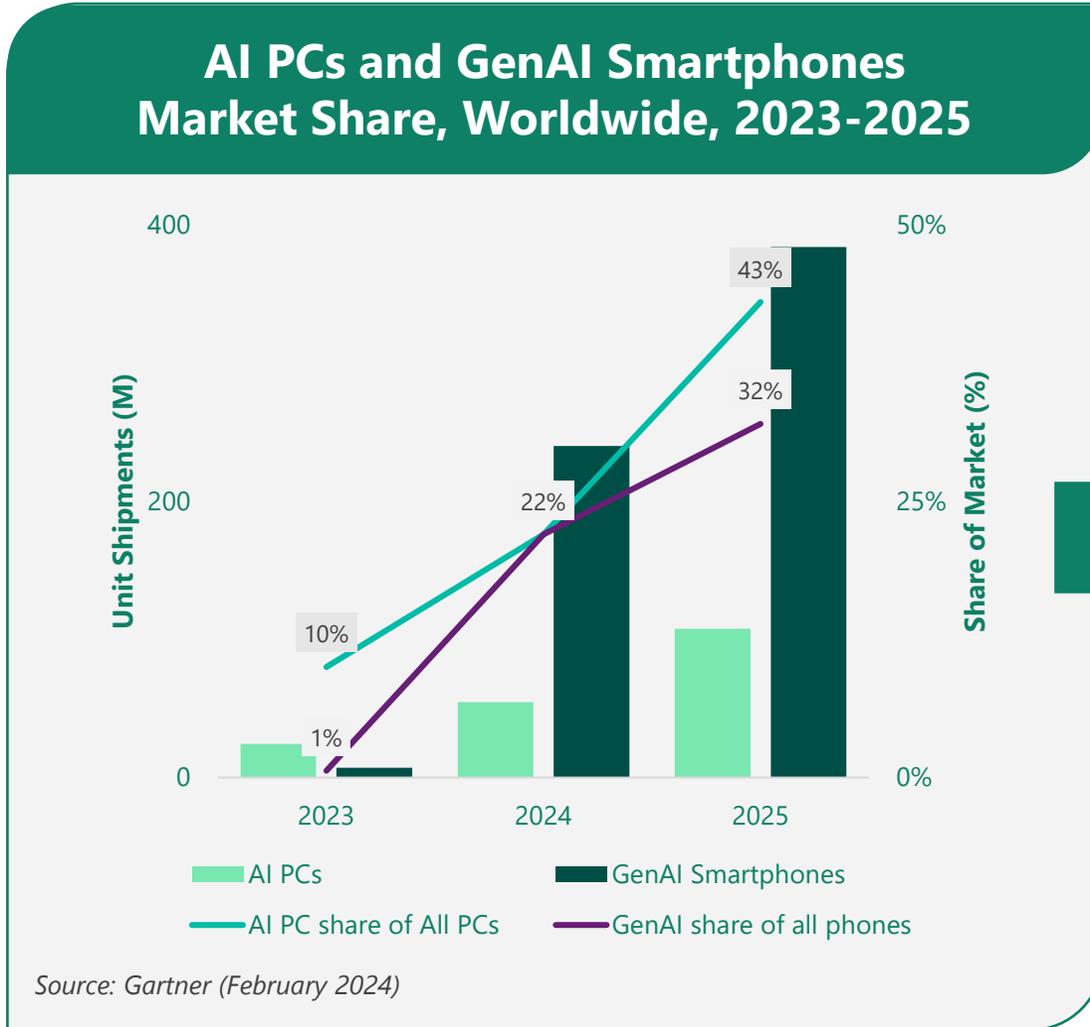


Services comprises manufacturing, engineering, and FSE revenue



# The next wave of infrastructure investment is being driven by generative AI

Today's AI market value growth is derived from skyrocketing ASPs vs. unit volume growth. This is expected to change with the proliferation of AI to edge devices in 2025 and beyond, which is when demand for test equipment will grow

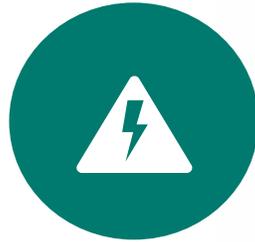




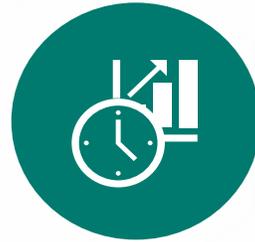
# Growth of AI unit volume brings about test challenges that will have a material impact on semiconductor companies' bottom lines

An innovative approach to testing is required to address these challenges while reducing overall cost of test. That approach is Test 2.0.

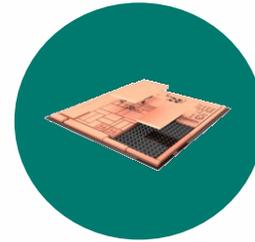
## Test Challenges



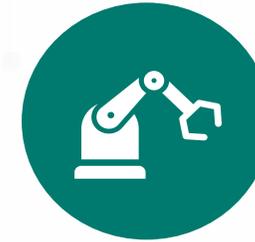
Increasing Power Requirements



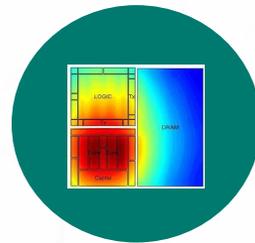
Reduced Time to Market



Increasing Device Complexity



Factory Automation



Thermal Gradients



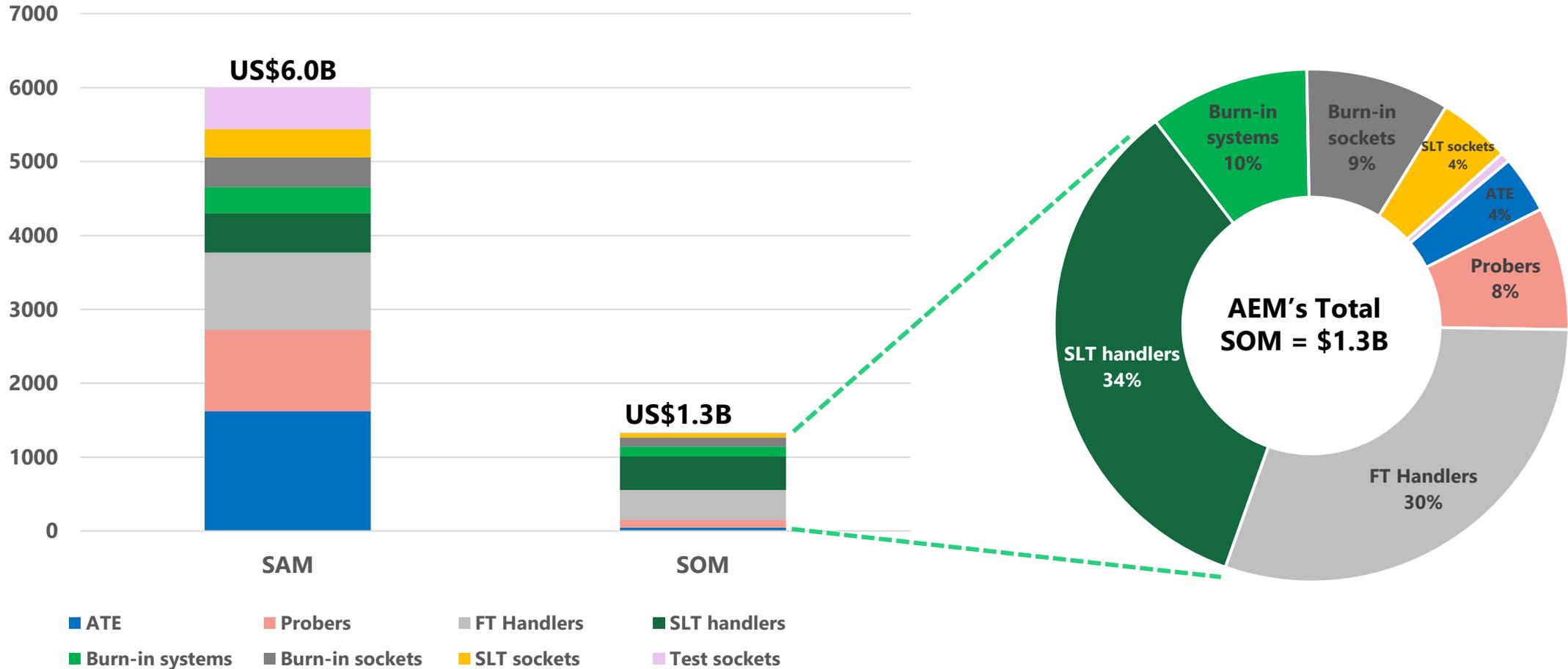
Increasing Test Coverage Requirements



Increasing Test Times



# Estimated 2025 AEM's Serviceable Addressable / Obtainable Markets

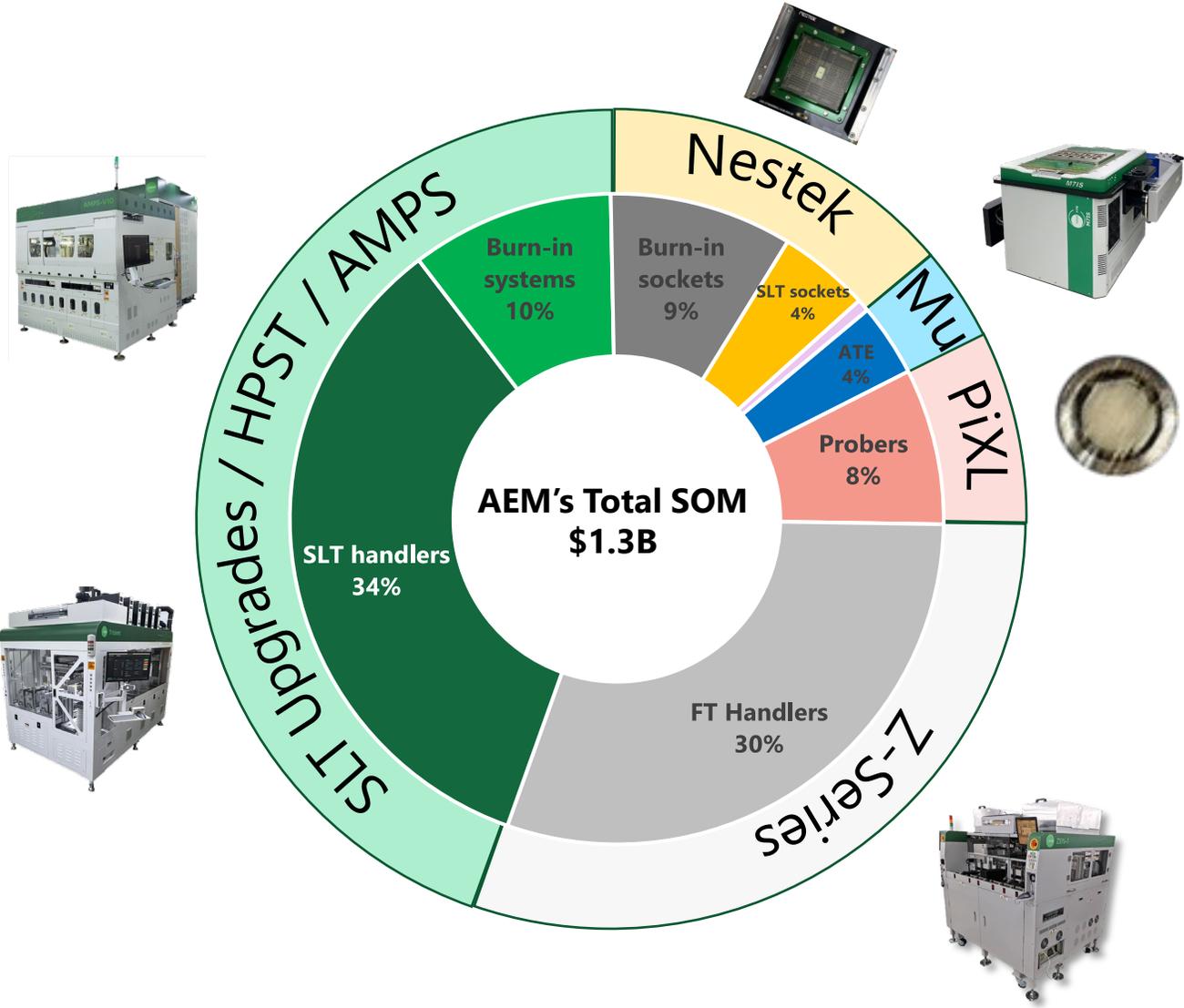


Source: Yole, Internal Analysis

SAM = Serviceable Addressable Market/ A portion of TAM targeted by AEM products and services.  
SOM= Serviceable Obtainable Market/ A portion of SAM that AEM can realistically capture.



# Addressing the Test 2.0 market via AEM's key technology pillars

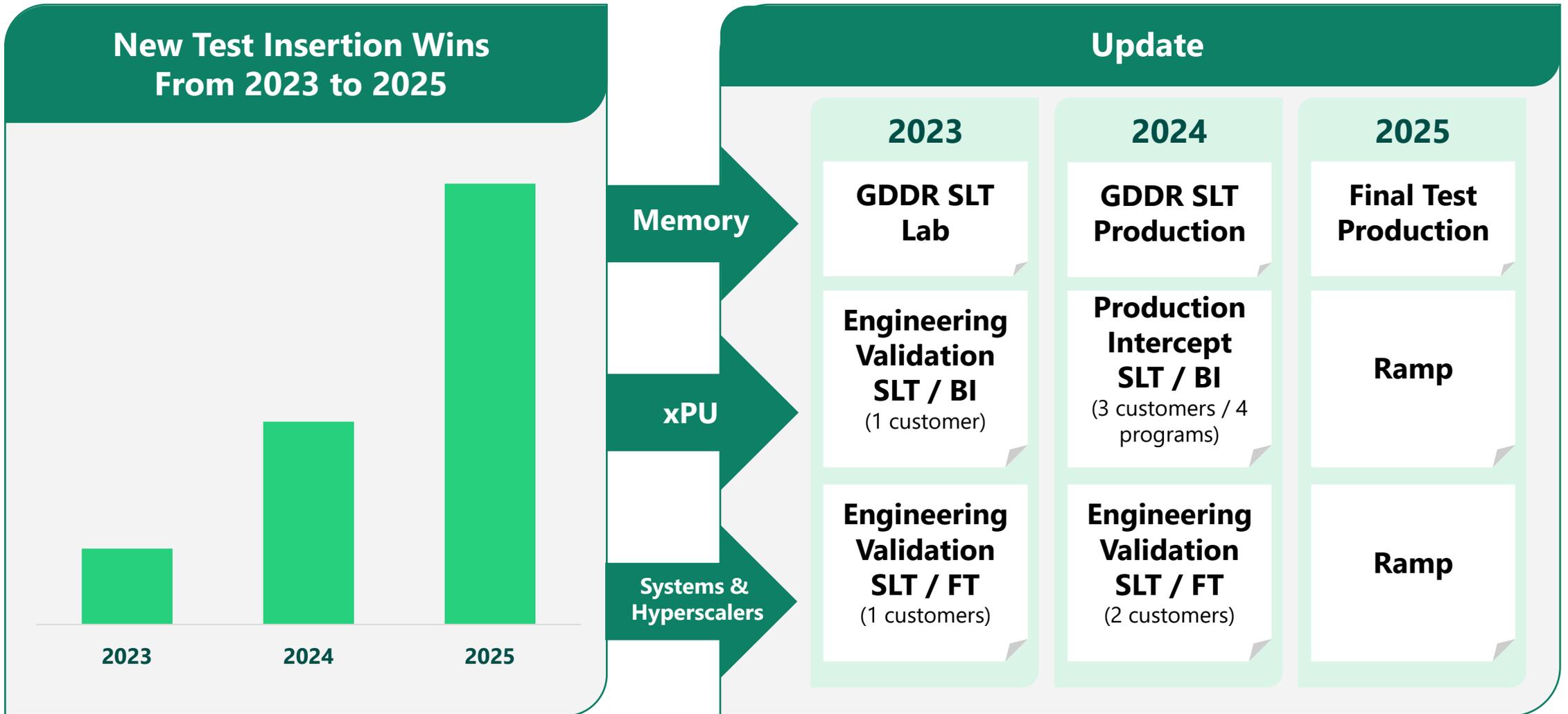


Source: Yole, Internal Analysis



# AEM's Test 2.0 paradigm is progressing

2023 was challenging, yet we progressed well with our new accounts. 2024 will set the foundation for new test insertion win revenue to grow more than 5x from FY2023 to triple digit millions in FY2025





# A Robust Balance Sheet

Sound capital structure – Debt / Equity ratio of 0.3X

	As at	
	Mar'24	Dec'23
	S\$M	S\$M
Cash	91.0	101.8
Inventories	326.5	328.6
Trade and other receivables	77.3	58.8
Total assets	716.5	707.5
Trade and other payables	80.8	74.1
Financial liabilities	123.9	126.4
Total equity	477.7	474.4
<b>in SG cents</b>		
NTA per share	111.0	110.8
NAV per share	152.4	151.3
Debt / Equity	0.3x	0.3x
No. of shares less treasury shares ('000)	308,902	308,902

**Trade and other receivables (+S\$18.5M)**

Increased mainly due to higher revenue towards the end of period

**Total equity (+S\$3.3M)**

Increased mainly due to profit after tax for 1Q2024 of S\$2.3M



# Thank You

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