

SGXNET Announcement



AEM Holdings Ltd.
(Registration No. 200006417D)

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE SGX-ST LISTING MANUAL

Pursuant to Rule 706A of the Listing Manual of Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Board of Directors (the “**Board**”) of AEM Holdings Ltd. (the “**Company**”) wishes to announce the following in respect of the fourth quarter ended 31 December 2020:

(a) Incorporation of Subsidiary

AEM Singapore Pte. Ltd., a wholly-owned subsidiary of the Company, had incorporated a wholly-owned subsidiary known as Wavem US Inc. (“**Wavem**”). Information relating to Wavem is set out as follows:

Name of company	: Wavem US Inc.
Date of incorporation	: 13 November 2020
Country of incorporation	: United States of America
Issue share capital	: 1 United States Dollar (“ USD ”) comprising 100 shares of common stock with par value of USD0.0001 each
Principal activities	: Design and manufacturing of semiconductor test and handling equipment and related tooling parts, precision machining of components, engineering services and investment holdings.

(b) Establishment of Branch Offices

(i) AEM Singapore Pte. Ltd., a wholly-owned subsidiary of the Company, had established a branch office known as AEM Singapore Pte. Ltd., Taiwan Branch. (“**Taiwan Branch**”). Information relating to the Taiwan Branch is set out as follows:

Name of branch	: AEM Singapore Pte. Ltd., Taiwan Branch
Date of establishment	: 16 December 2020
Country of establishment	: Republic of China (Taiwan)
Issue share capital	: 50,000 New Taiwan Dollar
Principal activities	: Sale of semiconductor manufacturing equipment and related tooling parts, precision machining of components and engineering services

- (ii) AEM Microtronics (Suzhou) Co., Ltd., a wholly-owned subsidiary of the Company, had established a branch office known as AEM Microtronics (Suzhou) Co.,Ltd., Shanghai Branch. (“**Shanghai Branch**”). Information relating to the Shanghai Branch is set out as follows:

Name of branch	: AEM Microtronics (Suzhou) Co., Ltd., Shanghai Branch
Date of establishment	: 16 December 2020
Country of establishment	: People’s’ Republic of China
Issue share capital	: RMB100,000
Principal activities	: Sale of semiconductor manufacturing equipment and related tooling parts, precision machining of components and engineering services

(c) Acquisition of Subsidiary

Wavem had on 6 December 2020 acquired 100% shareholding in Lattice Innovation Inc, a U.S Company (the “**Acquisition**”) for a total consideration of US\$15.2 million (the “**Consideration**”).

The Consideration was arrived at after negotiation on a willing buyer and willing seller basis, the Company had taken into account, inter alia, the strategic merits of the Acquisition.

The book value and net tangible asset value of Lattice Innovation as at 31 October 2020 are US\$1.0 million and US\$1.1 million respectively.

The Consideration shall be satisfied through cash payment in three phases over the next three years through upfront cash (i) US\$11 million, (ii) a one-year holdback of US\$1.2 million and (iii) a three-year performance earn-outs of US\$3.0 million.

The above transactions were funded through internal resources and are not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the financial year ended 31 December 2020.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transactions.

By Order of the Board

Loke Wai San
Non-Executive Chairman

25 February 2021