



For Immediate Release

AEM Holdings Ltd.
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AEM reports record revenue and profit for FY2020

Profit before tax increases 78.6% y-o-y to S\$113.8 million

Proposed dividend payout per share increases by 76.5% y-o-y

- Revenue increased by 60.6% y-o-y to S\$519.0 million for FY2020, achieving the higher end of the Group's revenue guidance of S\$500 million to S\$520 million
- Profit before tax increased by 78.6% y-o-y to S\$113.8 million
- Proposed final dividend of 4.0 Singapore cents per share. Together with the interim dividend of 5.0 Singapore cents per share, the total dividend for the FY2020 is 9.0 Singapore cents per share (FY2019: 5.1 Singapore cents per share), representing 76.5% increase y-o-y

Singapore, 25 February 2021 – AEM Holdings Ltd (“**AEM**” or “**the Group**”), a global leader offering application specific intelligent system test and handling solutions for semiconductor and electronics companies serving advanced computing, 5G and AI markets, announced its financial results for the six months and twelve months ended 31 December 2020 (“**2H2020**” and “**FY2020**” respectively) today.

Financial Overview

By business segments, revenue from Equipment Systems Solutions (“**ESS**”) business, accounting for 96.6% of the Group's total revenue, increased by 62.8% year-on-year (y-o-y) in FY2020 to S\$501.3 million. This was driven by increase orders from customers. Revenue from Micro-Electro-Mechanical Systems (“**MEMS**”) decreased by 20.4% y-o-y in FY2020 to S\$5.9 million, mainly due to lower demand from customers, affected by COVID-19.



All other segments, namely System Level Test & Inspection (“SLT-I”), and Test and Measurement Solutions (“TMS”) recorded growth in sales of 59.0% and 38.0% respectively in FY2020 to S\$7.8 million and S\$4.0 million. Group’s total revenue of S\$519.0 million for FY2020 was 60.6% higher compared to that of FY2019, highest in AEM’s operating history.

Financial Highlights	2H2020	2H2019	Change (%)	FY2020	FY2019	Change (%)
(S\$ '000)						
Revenue	245,260	172,495	42.2	518,959	323,130	60.6
Profit before tax (PBT)	46,525	36,770	26.5	113,805	63,735	78.6
PBT Margin	19.0%	21.3%	(2.3)ppts	21.9%	19.7%	2.2ppts
Net profit	42,303	30,459	38.9	97,587	52,763	85.0
Net profit margin	17.2%	17.7%	(0.5)ppts	18.8%	16.3%	2.5ppts

*ppts: percentage points

AEM reported net profit of S\$97.6 million for FY2020, 85.0% higher than that of FY2019. Net profit margin increased from 16.3% for FY2019 to 18.8% for FY2020. Fully diluted earnings per share for FY2020 was 35.12 Singapore cents, compared to 19.38 Singapore cents for FY2019¹.

In FY2020, cash flows from operating activities of S\$125.3 million, before taking into account working capital changes. Cash and cash equivalents increased 25.2% in FY2020 to S\$134.8 million as at 31 December 2020. Net asset value per share was 76.7 Singapore cents as at 31 December 2020, compared to 49.8 Singapore cents as at 31 December 2019.

¹ Based on the weighted average number of shares adjusted for the effect of dilutive potential ordinary shares of 277,888,030 for FY2020 and 272,317,311 for FY2019 respectively



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The Group proposed final dividend of 4.0 Singapore cents per share. Together with the interim dividend of 5.0 Singapore cents per share, the total dividend for FY2020 is 9.0 Singapore cents per share representing 76.5% increase y-o-y.

Business Overview and Outlook

According to the World Semiconductor Trade Statistics (WSTS) organisation, the annual global sales of semiconductors is expected to increase by 8.4% in 2021, highlighting an upward revision from 6.2% as expected previously². Furthermore, the pandemic accelerated digitalisation and has made work from home the new normal. This has significantly boosted the IC market which is expected to grow by 11% in 2021 on the back of continuing economic recovery, 5G proliferation and cloud expansion³.

The Group constantly aims to expand the technology pillars and complement R&D efforts through Mergers & Acquisitions. To this effect, since 2017, the Group has acquired six companies in order to bring together core technologies to realise its SLT+ vision. Furthermore, as of 15 February 2021, AEM's wholly-owned subsidiary, AEM Singapore Pte. Ltd. ("**ASG**"), launched a voluntary conditional offer for CEI Limited ("**Offer**") with an option for all-cash or cash and new AEM shares, which is conditional upon ASG receiving acceptances under the Offer which will result in ASG holding shares carrying more than 50% of the voting rights attributable to the issued shares in CEI Limited, by the close of the Offer.

If the Offer becomes unconditional and the acquisition of CEI Limited's shares thereunder is successfully completed, CEI would be added to AEM's portfolio, which would solidify AEM's portfolio and its leadership position in serving semiconductor and electronics companies in the advanced computing, 5G and artificial intelligence space, and CEI's regional footprint and expertise in their field would strengthen AEM's resilience and enable us to be even more responsive to the needs of our global customer base.

² Semiconductor Industry Association (SIA), Global Semiconductor Sales Increase 6 Percent Year-to-Year in October; Annual Sales Projected to Increase 5.1 Percent in 2020: SIA, 2020

³ Mark Lapedus, Fearless Chip Forecasts for 2021: Semiconductor Engineering, 2021



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In addition to the growth opportunities and expanding semiconductor markets, the Group also foresees volatility in the near future from the escalating trade tensions and increased competition from major test equipment players in SLT.

AEM's Chairman Loke Wai San commented, "We are grateful that we have been able to grow in what has been a difficult year for many. I am proud of the way our global team at AEM managed through the crisis and movement restrictions, to deliver on our customer commitments while staying safe. We were also able to complete several acquisitions last year and are working well to integrate their new capabilities into our customer offerings."

The Group would like to highlight again that due to the relevant requirements and restrictions, it will not be issuing any financial guidance in respect of FY2021 until the close of the offer for CEI.

AEM wishes to emphasise that any statements regarding the future are not intended to be profit forecasts, estimations or projections, and should not be treated as such.

Responsibility Statement

The Directors of AEM (including those who may have delegated detailed supervision of this press release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release are fair and accurate and that there are no material facts not contained in this press release, the omission of which would make any statement in this press release misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including without limitation, in relation to CEI Limited), the sole responsibility of the Directors of AEM has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be reflected or reproduced in this press release.

The Directors jointly and severally accept responsibility accordingly.

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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 is a global leader offering application specific intelligent system test and handling solutions for semiconductor and electronics companies serving advanced computing, 5G and AI markets. These activities are carried out through AEM Holdings' subsidiaries in Asia, Europe and North and Central Americas.

Issued for and on behalf of AEM Holdings Ltd

By Financial PR Pte Ltd

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