



AEM Holdings Ltd.
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For Immediate Release

AEM records highest 9M revenue level in history for 9M2022 at S\$746.6 million; maintains revenue guidance for FY2022

- Delivered the highest third quarter and nine months revenue and profit before tax in the Group's history
- Profit before tax for the same period increased 123.4% y-o-y to reach S\$141.4 million
- The Group reported earnings per share of 36.95 Singapore cents, representing a 99% y-o-y increase from 18.58 Singapore cents in 9M2021
- The Group is maintaining its revenue guidance for FY2022 of between S\$820 million and S\$850 million on the back of strong demand from existing and new customers

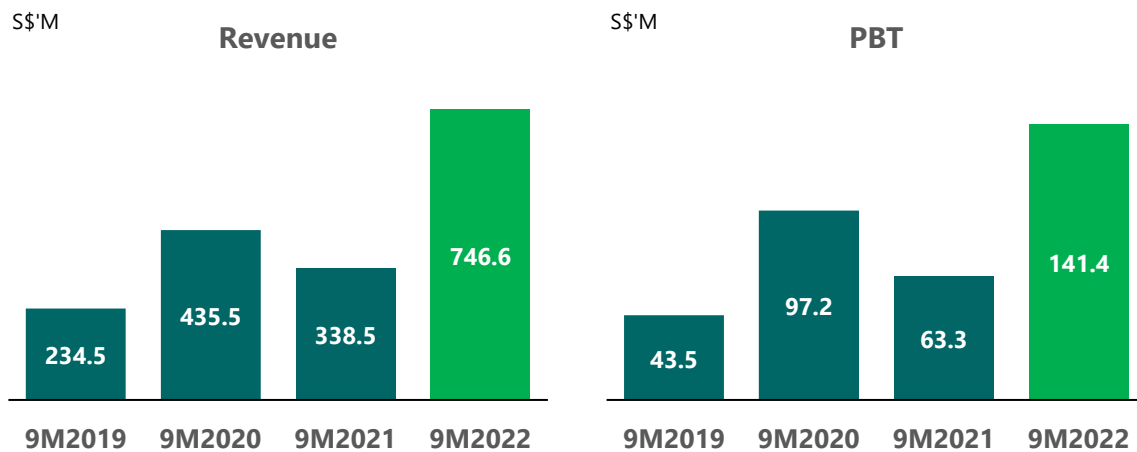
Singapore, 4 November 2022 – AEM Holdings Ltd. ("**AEM**" or "**the Group**"), a global leader in test innovation, announced its unaudited financial results for the three / nine months ended 30 September 2022 ("**3Q2022 / 9M2022**") today.



Financial Overview

Financial Highlights (S\$ '000)	3Q2022	3Q2021	Change (%)	9M2022	9M2021	Change (%)
	Revenue	206,092	146,205	41.0	746,575	338,456
Profit before tax ("PBT")	39,383	27,808	41.6	141,421	63,318	123.4
PBT margin	19.1%	19.0%	0.1ppts	18.9%	18.7%	0.2ppts
Net profit	32,232	23,299	38.3	115,291	52,995	117.6
Net profit margin	15.6%	15.9%	(0.3)ppts	15.4%	15.6%	(0.2)ppts

*Ppts: Percentage points



The Group's revenue more than doubled year-on-year ("y-o-y") to reach a record high of S\$746.6 million for 9M2022. The growth in top and bottom line were achieved on the back of a volume ramp up from new and existing customers for its System Level Testing handlers and peripheral tools as well as contributions from CEI Pte Ltd, which the Group acquired in March 2021. Driven by strong revenue growth, profit before tax also more than doubled from S\$63.3 million in 9M2021 to reach S\$141.4 million in 9M2022.



Balance Sheet Highlights			
(S\$ '000)	30-Sep-22	31-Dec-21	Change (%)
Inventories	322,460	204,926	57.4
Trade and other receivables	137,188	127,941	7.2
Cash and cash equivalents	153,584	216,180	(29.0)
Total assets	823,880	710,498	16.0
Trade and other payables	194,836	182,611	6.7
Total liabilities	334,982	307,984	8.8
Total equity	488,898	402,514	21.5
Net asset value per share (Singapore cents)	156.3	130.0	20.2

In order to support our key customer's mid-term ramp needs, the Group is investing in a longer dated Purchase Order backed program, equivalent to S\$280.0 million. As a result, the Group recorded an increase in inventories from S\$204.9 million as of 31 December 2021 to S\$322.5 million as of 30 September 2022. On the other hand, cash and cash equivalents were reduced from S\$216.2 million as of 31 December 2021 to S\$153.6 million as of 30 September 2022.

The Group maintains a strong balance sheet with total assets standing at S\$823.9 million as of 30 September 2022, compared to S\$710.5 million as of 31 December 2021. Similarly, the net asset value per share also increased from 130.0 Singapore cents as of 31 December 2021 to 156.3 Singapore cents as of 30 September 2022.

Business Outlook

The semiconductor industry is entering an interesting time with near term recessionary concerns counter-balanced with unprecedented mid-term government-backed capital investments globally. These investments are in next generation manufacturing capacity based on new semiconductor nodes and advance packaging technologies. The new advanced manufacturing and packaging developments will increasingly require new test methodologies that AEM defines as Test 2.0.



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As the leader in Test 2.0, AEM supports our key customer with their new test platforms, and we also support our recently announced new customer wins with their lab to production volume rollouts over the coming years. From AEM's perspective, the migration to Test 2.0 will drive new capability capex spend from our customers versus traditional capacity capex spend. Test 2.0 will also come with a higher percentage of test consumables which AEM has been investing in with our recent acquisitions.

AEM's CEO Chandran Nair commented, "While we remain cognizant of near-term risks given the recessionary concerns, we believe that the mid- to long-term outlook remains strong. Our conviction is further strengthened by customers' feedback and their confidence in placing our solutions in the critical path of their next generation product launches.

Given our success with our key customer and recent program wins with new customers, we continue to invest in R&D to release industry-leading Test 2.0 platforms. We also remain diligent in managing our costs and production efficiency."

About AEM Holdings Ltd.

AEM is a global leader in test innovation. We provide the most comprehensive semiconductor and electronics test solutions based on the best-in-class technologies, processes, and customer support. AEM has a global presence across Asia, Europe, and the United States. With manufacturing plants located in Singapore, Malaysia (Penang), Indonesia (Batam), Vietnam (Ho Chi Minh City), China (Suzhou), and Finland (Lieto), South Korea, and the United States (San Jose) and a global network of engineering support, sales offices, associates, and distributors, we offer our customers a robust and resilient ecosystem of test innovation and support.

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

Issued for and on behalf of AEM Holdings Ltd.
By Financial PR Pte Ltd

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