



For Immediate Release

AEM's 1H2024 revenue in line with guidance, sees significant new customer business growth in 4Q2024

- The Group reported revenue of S\$173.6 million in 1H2024, down 36.9% vs. 1H2023, with profit before tax ("**PBT**"), excluding exceptional items, of S\$5.6 million.
- The Group announced the appointment of Amy Leong as CEO, effective 1 July 2024 to drive business growth in semiconductor test and technology leadership in the emerging Artificial Intelligence ("**AI**") / High Performance Compute ("**HPC**") and advanced packaging segments.
- AEM received a purchase order of more than S\$20 million for its recently announced new product - AMPS-BI, the industry's first fully automated high-throughput burn-in system optimized for AI/HPC applications.
- AEM unveiled PiXL™ Intelligent Thermal Control Technology and expanded its production deployment in AI Processor System Level Test at the previously announced major fabless customer, further emphasizing the criticality of the Group's thermal solution to production capabilities.
- Management expects 2H2024 revenue of between S\$160 million and S\$180 million, with significant new business growth expected in 4Q2024.

Singapore, 14 August 2024 – AEM Holdings Ltd. ("**AEM**" or "**the Group**"), a global leader in test innovation, announced its financial results for the six months ended 30 June 2024 ("**1H2024**") today.



Financial Overview

Financial Highlights (S\$ '000)	1H2024	1H2023	Change (%)
Revenue	173,580	275,221	(36.9)
Profit before tax (" PBT ") (excluding exceptional items)	5,641	30,253	(81.4)
PBT margin (excluding exceptional items)	3.2%	11.0%	(7.8) <i>ppts</i>
Net profit	822	19,715	(95.8)
Net profit margin	0.5%	7.2%	(6.7) <i>ppts</i>

* *ppts*: Percentage Points

The Group reported a 1H2024 revenue of S\$173.6 million and a profit before tax (PBT), excluding exceptional items, of S\$5.6 million. The exceptional items include a one-time restructuring cost and the disposal of non-core assets.

- The Test Cell Solutions ("**TCS**") segment revenue, accounting for 57.5% of Group revenue, declined 42.1% year-on-year, primarily due to weaker demand from its key semiconductor customer. Despite the overall reduction in systems sales, the segment's consumables business remained robust, making up 51.0% of the total TCS revenue for 1H2024.
- The Contract Manufacturing ("**CM**") segment revenue, accounting for 40.5% of Group revenue, declined 28.8% year-on-year, primarily due to a prolonged inventory digestion in the industrial sector.

The Management has proactively rationalized its cost structure, and realigned its talents across the group to fuel its new business growth. This has yielded a positive PBT despite markedly lower revenue from the year prior, while obtaining key milestone wins with its new marquee customers.



Balance Sheet Highlights			
(S\$ '000)	30-Jun-24	31-Dec-23	Change (%)
Inventories	327,778	328,616	(0.3)
Trade and other receivables	67,115	58,773	14.2
Cash and cash equivalents	79,022	101,849	(22.4)
Total assets	674,518	707,527	(4.7)
Trade and other payables	69,005	74,061	(6.8)
Financial liabilities	95,652	126,355	(24.3)
Total liabilities	196,306	233,141	(15.8)
Total equity	478,212	474,386	0.8
Net asset value per share (Singapore cents)	151	151	(0.0)
Debt/ Equity	0.2	0.3	

The Group maintains a strong balance sheet with total equity of S\$478.2 million as of 30 June 2024. NAV per share maintained at 151 cents. The capital structure remains sound, with debt-to equity ratio at 0.2x.

New Leadership to Drive the Next Phase of Growth in AI/HPC and Advanced Packaging

The Group's Board of Directors appointed Amy Leong as CEO, effective 1 July 2024. Amy was most recently the Senior Vice President and Chief Commercial Officer at Livermore, California-based FormFactor, Inc. and previously held various leadership roles including General Manager, Chief Marketing Officer, and Product Management. She brings over 25 years of semiconductor test and measurement experience at global technology companies including KLA, IBM and Gartner, with a proven track record of driving profitability and enterprise value growth.

AMPS-BI: Automated Burn-In for the AI/HPC and Advanced Packaging Market

AEM has accelerated efforts in commercializing technology created through its continuous investment in R&D to address the test challenges unique to AI/HPC and advanced packaged devices. The Group has recently announced its AMPS-BI system, enabling high-voltage stress testing capability to address AI devices' increasing demand for higher power dissipation. This high-parallel, fully automated burn-in system features PiXL™, AEM's patented Multi-Zone



AEM Holdings Ltd.
52 Serangoon North Ave 4
Singapore 555853

Intelligent Thermal Control that enables superior thermal stability and uniformity across the entire large advanced package during test, positively impacting yield and throughput. The Group has received an initial order of over S\$20 million for multiple systems to support this AI/HPC customer's early production ramp, with the systems expected to ship in 4Q2024. The Group expects this to be the start of a multi-year, multi-system rollout to grow the customer's AMPS-BI install base to support the customer's growth in the AI space.

Additionally, the Group received additional orders to expand its production deployment for its PiXL™ powered thermal System Level Test upgrades at the previously announced major AI/HPC fabless customer's production facilities. These orders further emphasize the criticality of the Group's thermal solution to production capabilities.

Business Outlook

For 2H2024, the Group forecasts revenue in the range of S\$160 million to S\$180 million. Despite moderate test utilization and a decrease in near-term new capacity demand from the Group's key customer, quarter-on-quarter revenue growth is anticipated in 4Q2024 driven by new customer business growth.

AEM's CEO, Amy Leong, commented, "The Artificial Intelligence (AI)/High Performance Compute (HPC) and advanced packaging market is gaining momentum, and AEM is well-positioned to capitalize on the exceptional growth expected in this space. We are committed to optimizing our operational efficiency and operating expenses, while maintaining our core investments in technology development and commercialization efforts to drive strategic growth. I look forward to sharing my vision for AEM during our 3Q2024 results briefing in November."

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, and Finland (Lieto), South Korea, and the United States (Tempe) 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.
52 Serangoon North Ave 4
Singapore 555853

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

For more information please contact:

Kamal SAMUEL / Shivam SARAF

Financial PR Pte Ltd

Tel: 6438 2990 / Fax: 6438 0064

E-mail: kamal@financialpr.com.sg / shivam@financialpr.com.sg