



AEM Holdings Ltd
52 Serangoon North Ave 4
Singapore 555853

For Immediate Release

AEM announces 221% growth in revenue and 446% growth in profit before tax for 2017 year-to-date

- **Strong 3Q2017 results are consistent with prior increased guidance to shareholders.**
- **Year-to-date (9M2017) revenue grew to S\$162.6 million from S\$50.6 last year, profit before tax grew to S\$26.2 million from S\$4.8 million last year, cash grew to S\$25.0 million from S\$8.4 million last year.**
- **Group declares interim dividend of S\$0.03 per share.**
- **Group on track to achieve at least S\$32 million in operating profit before tax for FY2017, consistent with guidance announced on 16 October 2017.**

Singapore, 2 November 2017 – AEM Holdings Ltd (“AEM” or “the Group”), a global provider of equipment systems solutions and manufacturing services, reported a net profit of S\$21.8 million for its nine months ended 30 September 2017 (“9M2017”), up 469.9% year-on-year (“y-o-y”) from that of 9M2016. The commercial success of the Group’s next generation semiconductor handler platform continues to drive sales and profit growth this year as the platform progresses through its multi-year commercial ramp.



Table 1 – Financial Highlights

(S\$ '000)	9 months ended 30 Sep 2017 ("9M2017")	9 months ended 30 Sep 2016 ("9M2016")	Change
Revenue	162,574	50,571	221.5%
Profit before tax	26,217	4,826	443.2%
Net profit	21,776	3,821	469.9%
<i>Net profit margin</i>	<i>13.4%</i>	<i>7.5%</i>	<i>5.9%</i>

Corresponding to the Group's announced sales orders for delivery in 2017, the Group reported higher revenue from its Equipment Systems ("ESS") business mainly due to higher equipment, pans and kits sales. Sales from ESS were higher by 240.5% increasing from S\$46.2 million for 9M2016 to S\$157.3 million for 9M2017.

In total, the Group's 9M2017 revenue reaches S\$162.6 million compared to S\$50.6 million for 9M2016, up 221.5% y-o-y.

The Group's higher sales volume allows it to spread its fixed costs more effectively resulting in an improvement in net margin for 9M2017 to 13.4% from 7.5% for 9M2016.

With higher revenue and better margins, the Group's 9M2017 profit before tax and net profit grew to S\$26.2 million and S\$21.8 million respectively. Profit before tax was delivered in line with guidance of S\$25.0 million to S\$27.0 million as announced on 16 October 2017.



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Mr. Charles Cher, AEM's Group CEO, commented, "With our continued good financial performance, we are declaring a second interim dividend of S\$0.03 per share in addition to the first interim dividend of S\$0.025 to reward our shareholders. Given our strong performance in the first nine months of 2017, we expect to achieve revenue and operating profit before tax for FY2017 of at least S\$215 million and S\$32 million respectively.

The Group's strong financial position has enabled us to reinvest some of our earnings into strengthening and diversifying our growth for the long term. In September 2017, the Group acquired Singapore-based InspiRain Technologies Pte Ltd ("InspiRain") for S\$3.6 million. InspiRain is a producer of advanced communications and industrial test solutions. We believe that the combination of InspiRain's advanced technology and patents together with AEM's global scale will yield positive, lasting growth and diversification synergies for the Group. The integration of InspiRain is proceeding positively at AEM."

Mr. Loke Wai San, the Group's Chairman, commented, "The global semiconductor outlook for the 2017 and 2018 remains positive as we progress with our multi-year rollout of the next-generation platform. We will continue to explore additional acquisitions, vertically upstream or downstream along our supply chain or horizontally in related sectors to further enhance our capabilities and mitigate our risk exposure to semiconductor volatility."

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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 takes pride in providing innovative, engineering-focused solutions and developing strong partnerships with customers and associates to cater to their manufacturing needs through our global engineering service support network and innovative people. Currently, AEM has 3 manufacturing plants located in Singapore, Malaysia (Penang) and China (Suzhou). Through our network of sales offices, associates and distributors, we have a global market presence spanning Asia, Europe and the United States.

Issued for and on behalf of AEM Holdings Ltd

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