



AEM Holdings Ltd.
Registration No. 200006417D

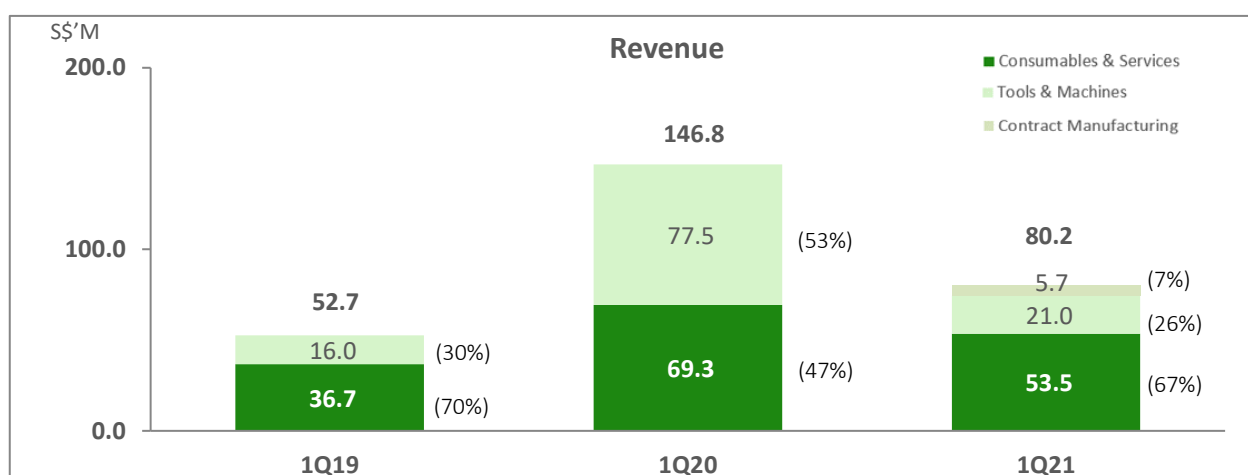
**Business Performance For the 1st Quarter Ended 31 March 2021
and Outlook Statement**

AEM reports revenue of S\$80.2 million and profit before tax of S\$15.9 million for 1Q2021

- **Group's 1Q2021 revenue at S\$80.2 million is second highest 1Q after record breaking 1Q2020**
- **Next generation handlers on track to start high volume ramp at customer sites in late 3Q 2021 and into FY2022**
- **Technology acquisitions and in-house R&D bearing results with engineering engagements with 10 out of the top 20 semiconductor companies for potential volume ramp in FY2022 / 2023**
- **CEI Limited became a subsidiary of the Group with effect 19 March 2021**
- **Entered the memory IC test market with ATECO investment**
- **The Group's revenue guidance for FY2021 to be between S\$460 million to S\$520 million with heavier weighting in 2H2021**
- **M&A program continues with tight integration focus**

Group Business Performance Review

(S\$ '000)	1Q2021	1Q2020	1Q 2019
Revenue	80,230	146,826	52,716
Profit before tax (PBT)	15,922	43,838	7,982
PBT Margin	19.8%	29.9%	15.1%
Net profit	13,343	36,134	6,596
Net profit after non-controlling interests	13,203	36,134	6,596
Net profit margin	16.5%	24.6%	12.5%



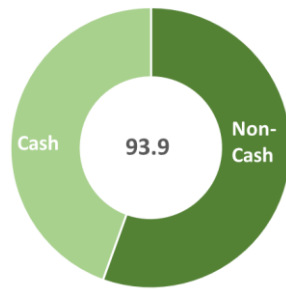
The Group achieved revenue of S\$80.2 million in 1Q2021 with 67% revenue from consumables and services, 26% revenue from tools and machines and 7% revenue from contract manufacturing.

The Group maintained a strong financial position as at 31 March 2021 with cash of S\$116.1 million.

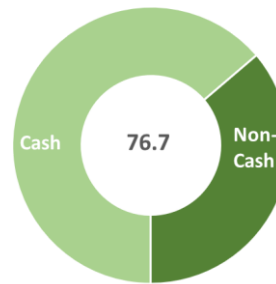
(S\$ '000)	31 Mar 21	31 Dec 20
Inventories	110,563	79,676
Trade and other receivables	65,641	47,571
Cash and cash equivalents	116,057	134,785
Total assets	440,114	335,519
Trade and other payables	82,326	86,708
Total liabilities	179,206	124,089
Total equity	260,908	211,430
Net asset value per share (cents)	93.9	76.7

As at 31 March 2021, the Group balance sheet remained robust with S\$116.1 million of cash and cash equivalents after various investments and acquisitions made during the quarter. Total assets increased from S\$335.5 million as at 31 December 2020 to S\$440.1 million as at 31 March 2021 largely due to inclusion of CEI Limited as the Group's subsidiary. The inclusion of CEI Limited also further boosted the net asset value per share from 76.7 Singapore cents as at 31 December 2020 to 93.9 Singapore cents as at 31 March 2021.

31 March 2021 NAV Per Share



31 December 2020 NAV Per Share



Business Outlook

Following the completion of the acquisition of CEI Limited, the Group would like to issue its FY2021 revenue guidance to be between S\$460 million to S\$520 million based on the sales order visibility and business outlook. After an exceptional year in 2020, with the Group's biggest customer ramping up demand on equipment and consumables throughout that year, demand in 1H2021 is expected to be lower with a strong recovery in 2H2021 through 2022 as our next generation tools are phased into our customer's High Volume Manufacturing sites globally. These new tools from the Group that are being delivered in 2H2021 and through 2022 are highly differentiated tools for the high-performance computing segment.

The Group also has deep technical engagements with 10 out of the top 20 semiconductor companies, spanning mobility, memory, and high-performance computing. The Group aims to achieve meaningful revenue from these engagements in 2022.

The Group completed the acquisition of CEI Limited, adding end-to-end customization and delivery capability, and driving synergy and efficiency. Additionally, the Group also partnered with ATECO Inc. to enhance its solutions for the memory IC test market. The acquisition of CEI Limited and the partnership with ATECO Inc., coupled with the six other acquisitions made by the Group since 2017, has allowed the Group to bring together the core technologies to realize its SLT+ vision and solidify its leadership in the industry. The Group now offers a full suite of application specific test solutions across MEMS, wafer sort, packaged ICs and RF interconnects with enhanced delivery capabilities.

Furthermore, heavy investments are going into the semiconductor front end as evidenced by Intel's and TSMC's announcements of new fabs constructions which typically lead investments in backend testing by several quarters, potentially expanding the Group's serviceable market.

The Group will continue to strategically expand its presence and further establish its leadership in the industry through both development of in-house technological capabilities as well as through mergers and acquisitions. We will continue to capitalize on global trends such as 5G and AI and strive to constantly increase our market share globally.

The Group continues to remain cautiously optimistic about its business and strives to capture new business opportunities as we navigate through these uncertain and volatile times.

By Order of the Board

Chandran Nair
Chief Executive Officer
3 May 2021