



AEM Holdings Ltd
52 Serangoon North Ave 4
Singapore 555853

For Immediate Release

**AEM achieves 2Q2017 profit before tax of S\$9.7 million,
almost doubling 1Q2017 profit before tax**

- **1H2017 revenue grew to S\$104.5 million versus S\$29.3 million in 1H2016**
- **1H2017 net profit grew to S\$12.3 million versus S\$1.6 million in 1H2016**
- **Group declares interim dividend of S\$0.025 per share**
- **Revenue and operating profit before tax for FY2017 is expected to be at least S\$200 million and S\$24.0 million respectively**

Singapore, 7 August 2017 – AEM Holdings Ltd (“AEM” or “the Group”), a global provider of equipment systems solutions and manufacturing services, reported profit before tax of S\$14.6 million for its first half ended 30 June 2017 (“1H2017”), up 579.1% from that of 1H2016. The Group’s 1H2017 revenue grew 256.9% year-on-year (“y-o-y”) to S\$104.5 million. The commercial success of the Group’s next generation semiconductor handler platform, which was commercially adopted by its key customer in late 2016, has driven much of the sales and profit growth in 2017.



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Table 1 – Financial Highlights

(S\$ '000)	6 months ended 30 Jun 2017 ("1H2017")	6 months ended 30 Jun 2016 ("1H2016")	Change
Revenue	104,461	29,272	256.9%
Profit before tax	14,553	2,143	579.1%
Net profit	12,349	1,579	682.1%
<i>Net profit margin</i>	<i>11.8%</i>	<i>5.4%</i>	<i>6.4%</i>

Consistent with the Group's announced sales orders for delivery in 2017, AEM reported higher revenue from its Equipment Systems ("ESS") business mainly due to higher equipment sales but also from a one-off catch-up sales in pans/ kits. Historically, our product mix between equipment and pans/ kits has been about 50%:50%. 2Q2017 saw that mix between equipment and pans/kits at 44%:56%, however, we do expect a reversion to the historical mix for the entire FY2017 as the commercial rollout and field installation of our handlers even out.

With the sales ramp, the Group was able to spread its fixed costs more effectively and thus managed to improve its net profit margin from 5.3% for 1H2016 to 11.8% in 1H2017, resulting in a 1H2017 net profit of S\$12.3 million compared with S\$1.6 million in 1H2016.

Mr. Charles Cher, AEM's Group CEO, commented, "With our improving financial performance, we are declaring an interim dividend of S\$0.025 per share to reward our shareholders. With our half-year performance and the sales orders recorded, we expect to achieve revenue and operating profit before tax of at least S\$200 million and S\$24.0 million respectively for FY2017."

Mr. Loke Wai San, the Group's Chairman, added, "The global semiconductor outlook for 2017 and 2018 looks positive. We continue to invest in improving our technical capabilities, delivery



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and field service support to better serve our main customer's longer term roadmap and global footprint requirements. At the same time, we continue to be on the lookout for possible acquisition targets that are synergistic to our business."

In June 2017, several long-only institutional funds bought vendor shares, amounting to approximately 4.2% of AEM's issued shares, and became new shareholders. The Group welcomes the expanding institutional shareholding support, which should bring higher levels of interest in and demand for management accountability which is a positive step in AEM's longer-term goal for shareholder value creation.

- End -

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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