

The background features a digital globe composed of white dots and lines, held gently by two hands. A large, semi-transparent green arrow points diagonally from the top-left towards the bottom-right, crossing over the globe. The overall color palette is dark blue with glowing light effects.

Aztech Global Ltd.

**1Q 2022 Business Performance Update
Presentation**

18 April 2022

Aztech

Note on Forward-Looking Statements

This presentation may contain certain forward-looking statements including, but not limited to, statements as to future operating results and plans.

These statements are based on our assumptions and estimates and are subject to known and unknown risks and uncertainties and other factors which may cause the actual results, performance or achievements of the Group to differ materially from any future results, performance or achievements expressed or implied by those projected in the forward-looking statements.

Consequently, readers are cautioned not to place undue reliance on any forward-looking statements.

1Q 2022 Results Briefing Scope

1. Financial Performance Review
2. Update on Order Book
3. Outlook

Financial Performance Review

Design to Build Resilient & Sustainable Manufacturability

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Stable performance despite negative external impacts

Revenue

+10.4%
\$128.0 M

EBITDA

+2.2%
\$18.3 M

Effective Tax Rate

-30bps
12.8%

Net Profit

+5.3%
\$13.9 M

Net Profit Margin

-60bps
10.8%

EPS

-10.9%
1.79Cents

As at 31 March 2022

Net Cash
\$289.3M

31 December
2021: \$186.8 M

NAV/Share
40 Cents

31 December
2021: 38 Cents

- (1) 1Q 2022 EPS was computed based on profit attributable to equity holders of our Company and weighted average number of ordinary shares of 771,952,945. The fully diluted EPS is the same as the basic EPS based on the weighted average number of ordinary shares on issue (as there were no options granted or outstanding during the financial year).
- (2) Our China entity enjoys preferential tax treatment from the China tax regime.
- (3) NAV per share as at 31 March 2022 and 31 December 2021 has been computed based on the net assets of our Company and number of ordinary shares of 771,952,945.

1Q 2022 Results Y-o-Y Comparison

Deliver steady growth in revenue

\$ Million	1Q 2022	1Q 2021	% Change
Revenue	128.0	115.9	10.4
EBITDA	18.3	17.9	2.2
Profit Before Tax	15.9	15.2	4.6
PBT Margin (%)	12.4	13.1	(70bps)
Income Tax Expense	(2.0)	(2.0)	n.m.
Effective Tax Rate (%)	12.8	13.1	(30bps)
Net Profit	13.9	13.2	5.3
Net Profit Margin (%)	10.8	11.4	(60bps)
EPS (cents)	1.79	2.01	(10.9)

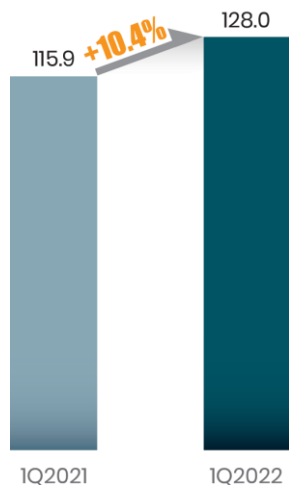
Manufacturing operations in Dongguan, China suspended from 15-20 March 2022 to support the testing and prevention of further spread of COVID-19 infection. Full operations resumed on 21 March 2022. Manufacturing facility in Johor, Malaysia remained fully operational during 1Q 2022.

1Q 2022 & 1Q 2021 EPS was computed based on profit attributable to equity holders of our Company and weighted average number of ordinary shares of 771,952,945 and 653,164,444 respectively. The fully diluted EPS is the same as the EPS based on the weighted average no. of ordinary shares on issue (as there were no options granted or outstanding during the financial year).

IoT Devices & Data-Communications Products Continued to be Revenue Growth Driver

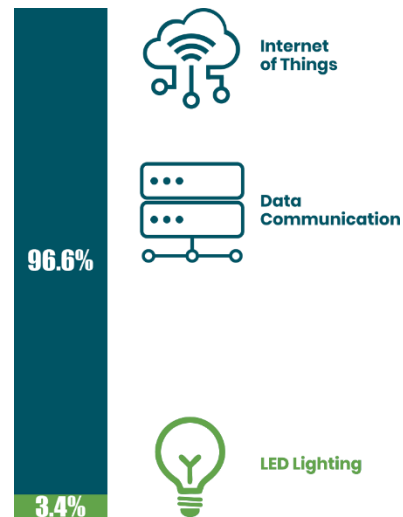
Revenue

(in \$ million)



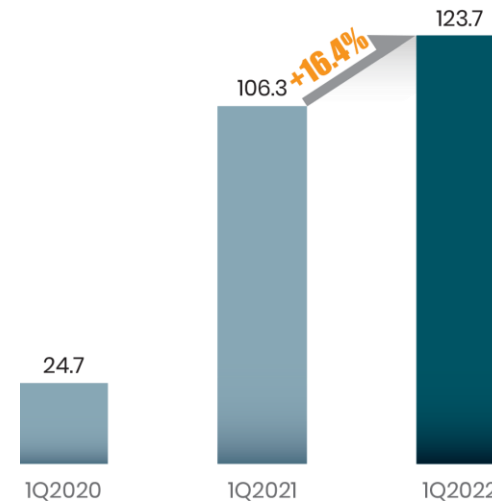
Segment Revenue

(in %)



IoT and Datacom Products

(Revenue in \$ million)



Derived 96% of Revenue from Core Markets of North America & Europe

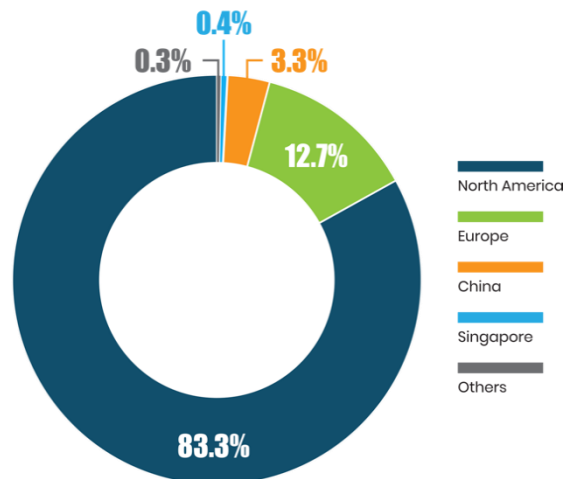
Revenue

(in \$ million)



Revenue by Countries

(in %)

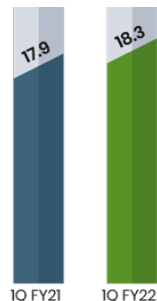


1Q 2022 revenue is calculated based on geographical locations of our customers where the revenue is derived from.

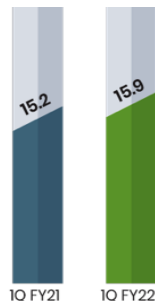
Europe comprises mainly Germany, Italy, Netherlands, Sweden, United Kingdom and Poland. North America comprises mainly the United States and Canada.

EBITDA, Pre-tax Profit, Net Profit & EPS Performance

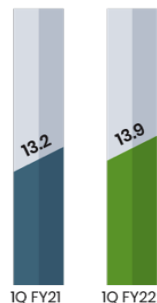
EBITDA \$million



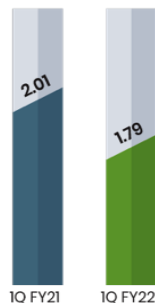
Profit Before Tax \$million



Net Profit \$million



EPS in Singapore cents



Notes:

- EBITDA added 2.2% to \$18.3 million from \$17.9 million
- Profit before tax grew by 4.6% to \$15.9 million from \$15.2 million
- Net Profit increased by 5.3% to \$13.9 million from \$13.2 million
- Improvement in revenue was partly negated by inflationary cost pressures that led to margin compression of between 60-110 bps for EBITDA, Profit before tax and Net Profit for 1Q 2022 compared with 1Q 2021
- EPS declined from 2.01 cents in 1Q 2021 to 1.79 cents in 1Q 2022 mainly due to increase weighted average number of ordinary shares¹

¹1Q 2022 & 1Q 2021 EPS was computed based on profit attributable to equity holders of our Company and weighted average number of ordinary shares of 771,952,945 and 653,164,444 respectively. The fully diluted EPS is the same as the EPS based on the weighted average no. of ordinary shares on issue (as there were no options granted or outstanding during the financial year).

Balance Sheet Summary as at 31 March 2022

Healthy Balance Sheet with Strong Net Cash Position

(\$ million)	31 March 2022	31 December 2021
Cash & Bank Balances	298.6	201.5
Total Bank Borrowings	(9.3)	(14.7)
Net Cash	289.3	186.8
Current Assets	537.9	491.6
Current Liabilities	(250.4)	(220.4)
Working Capital	287.5	271.2
Total Net Assets	307.5	293.0
Accumulated Profits	105.1	91.3
Share Capital & Reserves	202.4	201.7
Total Equity	307.5	293.0
Net Asset Value per Share (\$)	0.40	0.38

NAV per share as at 31 March 2022 and 31 December 2021 has been computed based on the net assets of our Company and number of ordinary shares of 771,952,945.

All currencies are in Singapore dollars unless otherwise specified.

As at 31 March 2022, the Group reported a strong net cash position of \$289.3 million, while accumulated profits increased by 15.1% to \$105.1 million before a dividend payable of about \$38.6 million subject to shareholders' approval at the forthcoming AGM.

The Group has also generated positive free cash flow of \$102.6 million for 1Q 2022:

(\$ million)	1Q 2022
Cash Flow From Operating Activities	103.2
Less Capital Expenditure	0.6
Free Cash Flow	102.6

Order Book Update

Design to Build Resilient & Sustainable Manufacturability

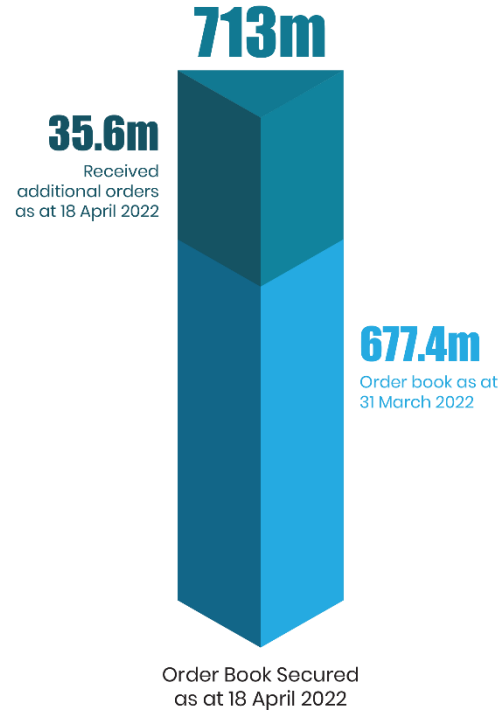
Order book remains Strong



Order book remains strong

-Order book as at 31 March 2022 was \$677.4 million, and the Group has since received additional orders of \$35.6 million as at 18 April 2022

- Majority of the \$713 million orders secured to date is scheduled for completion in FY2022



Outlook

Design to Build Resilient & Sustainable Manufacturability

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Measures to manage Operations and Supply Chain Vulnerability Resulting from new waves of COVID-19 outbreak in China & lockdowns

The electronics supply chain and our operations remain vulnerable to new COVID-19 outbreaks in China and lockdowns to stem the transmission of COVID-19 infection in the community.

Mitigation measures

- In view of the Group's operational framework, we have been managing customer orders and balancing them across our manufacturing plants to ensure timely delivery, while safeguarding our employees' health and well-being
- Continuing with our 3-Pronged Component Management Approach to manage component tightness
 - Actively collaborate with our customers on design changes to use alternative components
 - Leverage on our close working relations with long-term suppliers to secure required components
 - Expand our base of alternative suppliers to complete our component requirements for production



Our Targets

Target to achieve 10% of FY2022 revenue from new customers and widen our portfolio of high-quality customers

Deepen IoT expertise & capabilities in anticipation of new demands, includes expansion of manufacturing capacity with a green facility outside of China

Optimise factors of production and output through application of data analytics

Integrate sustainability into our business model & strategy formulation to future-proof business resiliency

Maintain healthy gross debt/equity ratio of $\leq 20\%$ and ensure adequacy of financial resources for operational and expansion needs

With various mitigation measures and growth focuses in place to fortify our business resiliency, we expect our operations to benefit from

- Strong global demand for IoT and data communication products;
- Strong order book secured; and
- Robust balance sheet to support growth.



Thank You

18 April 2022



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