



MICRO-MECHANICS (HOLDINGS) LTD.

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199604632W)

## Media Release

### Micro-Mechanics delivers 54.2% yoy growth in net profit to S\$12.4 million for FY2025

- Revenue for FY2025 increased 12.6% yoy to S\$65.2 million, underpinned by effective progress of *Five-Star Factory* initiative
- Achieved first full year of profitability at MMUS with the successful recalibration of the engineering and product focus
- Strong free cash flow generation of S\$7.2 million, enhancing balance sheet strength with cash and bank balances of S\$23.3 million
- Final dividend of 3.0 cents per share, bringing total dividend payout for FY2025 to 6.0 cents per share with dividend payout ratio of 67.3% for FY2025

Financial highlights (S\$)	4QFY2025	4QFY2024	Change (%)	FY2025	FY2024	Change (%)
<b>Revenue</b>	16,715,483	14,925,946	12.0	65,210,675	57,888,378	12.6
<b>Gross profit</b>	8,195,912	6,935,952	18.2	32,218,514	27,186,090	18.5
<b>Gross profit margin</b>	49.0%	46.5%	2.5 ppt	49.4%	47.0%	2.4 ppt
<b>EBITDA</b>	5,840,382	4,618,759	26.4	22,733,032	18,365,948	23.8
<b>EBITDA Margin</b>	34.9%	30.9%	4.0 ppt	34.9%	31.7%	3.2 ppt
<b>Net profit</b>	3,180,551	2,080,351	52.9	12,395,468	8,038,116	54.2
<b>Earnings per share</b>	2.29	1.50	52.7	8.92	5.78	54.3

**Singapore, 27 August 2025** – Micro-Mechanics (Holdings) Ltd. (“**Micro-Mechanics**” or the “**Group**”), a manufacturer of high precision tools and parts used in process-critical applications for the semiconductor industry, today reported its financial results for the fourth quarter and 12 months ended 30 June 2025 (“**4QFY2025**” and “**FY2025**”).

Group revenue increased 12.6% year-on-year (“**yoy**”) to S\$65.2 million for FY2025, driven by growth in both the Group’s consumable tools and Wafer Fabrication Equipment (“**WFE**”) segment. For FY2025, sales from consumable tools increased by 5.7% yoy to S\$50.4 million. Sales from the WFE segment increased by 45.5% yoy to S\$14.8 million, with the Group seeing orders rebound following its efforts to recalibrate its engineering and product focus to develop a more compelling, competitive and higher-value product mix.

For 4QFY2025, the Group’s revenue increased by 12.0% yoy to S\$16.7 million, representing four consecutive quarters of yoy topline growth. On a quarter-on-quarter (“**qoq**”) basis, Group revenue increased by 4.7% to S\$16.7 million for 4QFY2025.

Gross profit grew 18.5% yoy to S\$32.2 million for FY2025, with gross profit margin improving to 49.4% for FY2025 from 47.0% for FY2024. Net profit grew 52.9% yoy to S\$3.2 million for 4QFY2025, bringing net profit for FY2025 to S\$12.4 million.

In line with its continued commitment to delivering shareholder returns, the Group has proposed a final dividend of 3.0 Singapore cents per share, bringing the Group’s total dividend for FY2025 to 6.0 cents per share. This represents a dividend payout ratio of 67.3% for FY2025, exceeding the formal dividend policy payout of 40%. If approved by shareholders at the Company’s AGM on 30 October 2025, including the Group’s total dividends for FY2025, cumulative dividends since listing in 2003 will amount

to 134.9 cents per share. Excluding share price appreciation, this translates into a return of over 700% based on dividends alone for shareholders who have owned the Group's shares since its Initial Public Offering.

**Mr. Kyle Borch, Chief Executive Officer ("CEO") said:** "Over the past year, we have strengthened the foundations of our business by staying focused amid industry headwinds and diligently executing our strategic priorities. Our improved performance for FY2025 reflects our resilience and the positive impact of our efforts. As we head into FY2026, we are more committed than ever to pursuing excellence in all that we do, so that we can help our customers succeed with *Five-Star* solutions, contribute to the advancement of the semiconductor industry, and ultimately continue to deliver long-term sustainable value for our shareholders."

### **Key initiatives for FY2026**

Looking ahead, the Group is committed to sustaining the positive momentum seen in FY2025, with several initiatives in place to further strengthen its proposition and resilience across the value chain and deliver sustainable long-term value for its shareholders. These include:

#### *Advancing the Five-Star Factory initiative*

The Five-Star Factory initiative aims to drive excellence across five key areas – people, customer focus, operations, innovation, and workplace safety and efficiency – to strengthen the core foundations of the Group's business and futureproof it for sustainable long-term growth. Since its launch in FY2024, the initiative has delivered meaningful progress, supporting the Group's transition from traditional packaging to advanced packaging technologies. Emphasising process excellence is central to the Group's objective of becoming a *Next Generation Supplier* capable of meeting the industry's increasingly stringent standards for both consumable chip assembly tools and WFE components. This focus has also allowed the Group to remain agile and responsive to evolving customer needs in the face of ongoing external uncertainties.

Heading into FY2026, the Group remains focused on advancing the five pillars of excellence, with the aim of solidifying its foundations for sustainable long-term growth:

- **Fast, Effective and Local Support to Global Customers:** Strengthening the Group's decentralised structure and customer interactions to enable their success and the advancement of the semiconductor industry.
  - The Group is continuing to closely engage customers to identify new opportunities to support higher-value problems across the value chain.
  - The Group continued to demonstrate strong responsiveness to customer requests, reducing lead times in many instances to less than seven days.
- **Operational Excellence:** Leveraging lean engineering and management principles, data and automation to develop fast, flawless and cost-effective manufacturing.
  - The Group continued to minimise inventory overstocking with inventory of S\$3.1 million as at 30 June 2025 (30 June 2024: S\$3.9 million), representing 4.8% of annualised sales (30 June 2024: 6.7%). Inventory written off for FY2025 totalled S\$166k, compared to S\$214k for FY2024.
  - During the quarter, the Group continued to make good improvements in its elastomer manufacturing process, which represents about 29.6% of the Group's revenue, in terms of both cost, lead time and yield.
- **Innovation Excellence:** Strengthening a culture that promotes fresh thinking and ingenuity that drives product and process innovations and improvements, enables new manufacturing capability, and encourages the adoption of new technologies and methodologies.
  - The Group continues to engage its R&D and manufacturing teams to improve its manufacturing capabilities to support higher-value orders.
  - As part of the Group's ongoing efforts to drive *Innovation Excellence*, the Group is also continuing to focus and build its capabilities in leading-edge technology applications, including the development of elastomer pick up tools used to package advanced chips like High Bandwidth Memory.

- The Group is also exploring manufacturing software that leverages Artificial Intelligence and scientific-based approaches to optimise material removal during the machining process for greater efficiency.
- High Performance Teams: Building a *High Performance Team* of talented people with the right skills in the right positions, upskilling the Group's workforce through training programmes, and aligning incentive systems with measurements of progress and performance.
  - As part of a carefully planned transition to ensure continuity and strengthen the foundations for long-term growth, the Board of Directors appointed Mr. Kyle Borch as CEO with effect from 1 July 2025.
  - He succeeded Mr. Christopher Borch, who will continue in his capacity as Executive Chairman.
  - Additionally, the Group has onboarded the Group's first Vice President of Human Resources to help oversee and develop the Group's talent programmes, which will strengthen the long-term foundations for building *High Performance Teams*.
- Workplace Efficiency and Safety: Implementing "8S" practices by all personnel resulting in organised, productive, clean, safe and environmentally responsible operations.
  - As of FY2025, all the Group's facilities have improved their internal *Five-Star* ratings yoy, with two facilities scoring *Five-Star* ratings.

#### *Maintaining profitability at MMUS*

In 2HFY2024, the Group completed a restructuring plan at MMUS, where it strategically recalibrated the plant's engineering and product focus to create a more compelling, competitive and higher-value product mix of process-critical parts for the WFE industry. The Group also implemented a host of initiatives to optimise costs and improve efficiency as part of its overarching focus on enhancing *Operational Excellence* and accelerating innovation across its facilities.

As a result of these efforts, MMUS' core operating performance improved significantly yoy for FY2025 with a sharpened product mix and improved margins. Consequently, the Group recorded a full year profit at MMUS of S\$1.2 million for FY2025, compared to a loss of S\$2.2 million for FY2024. The Group is encouraged by the positive outcomes yielded in FY2025 and remains focused on sustaining this momentum amidst ongoing trade volatility and industry uncertainty.

#### *Prioritising disciplined capital management and good governance*

The Group continues to exercise disciplined capital management and uphold good governance to deliver sustainable long-term shareholder returns. For FY2025, the Group generated net cash from operations of S\$18.3 million. After deducting net cash used in investing activities of S\$1.2 million and net cash used in financing activities of S\$9.9 million, which was mainly for the payment of dividends in respect of FY2024 and 1HFY2025, the Group ended FY2025 with S\$23.3 million in cash and no bank borrowings.

To support sustained business and earnings growth, the Group is investing strategically in capital expenditure to enhance its manufacturing capabilities and productivity. These investments include equipment to support greater precision work, automation, and enhanced productivity.

The Board has recommended a final dividend of 3.0 cents per share for FY2025. If approved by shareholders at the Company's AGM on 30 October 2025, the Group's total dividends for FY2025 will amount to 6.0 cents per ordinary share, bringing the cumulative dividends since becoming a listed company in 2003 to 134.9 cents per share. Excluding share price appreciation, this translates into a return of over 700% based on dividends alone for shareholders who have owned the Group's shares since its Initial Public Offering.

The distribution reflects the Board and management's firm commitment to creating long-term, sustainable value for shareholders. This focus is underpinned by the Group's consistent adherence to strong governance practices at every level of the organisation. Since its listing in 2003, Micro-Mechanics has been recognised with nearly 40 awards for excellence in governance, transparency, and investor relations, most recently ranking 30th out of 467 Singapore-listed companies on the 2025 Singapore Governance and Transparency Index. Moving forward, the Group remains dedicated to enhancing

shareholder returns through sustaining earnings growth, maintaining stable dividends, and upholding exemplary standards of corporate governance.

### **Business outlook**

The Group has continued to demonstrate resilience amidst market volatility with tariff announcements initially in April 2025 and most recently in July 2025. As it heads into FY2026, the Group believes that it is well-positioned with a strong balance sheet to seize opportunities and navigate ongoing externalities in the long term, even as macroeconomic and geopolitical dynamics shift. The Group will also continue to maintain vigilance and take proactive measures to address any potential impacts affecting the business and its customers. With a disciplined growth strategy, strong balance sheet and proven track record of navigating past downcycles, the Group is confident in delivering on its ambitions to become a leading *Next Generation Supplier* of high-precision tools and parts used in process-critical semiconductor applications and drive sustainable long-term value for its shareholders.

*This news release should be read in conjunction with the Group's financial statements and announcement posted on the SGX website on 27 August 2025.*

### **Media and investor relations contact**

Jonathan Yeoh / Jan Rubiano

Teneo

+65 6955 8876 / +65 6977 6806

Email: [micro-mechanics@teneo.com](mailto:micro-mechanics@teneo.com)

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### **About Micro-Mechanics**

Micro-Mechanics is a leading Next Generation Supplier of high precision tools and parts for process-critical applications in the wafer fabrication and assembly processes of the semiconductor industry. The Group delivers an integrated suite of solutions across the value-chain, from the design and manufacturing of a range of industry-leading consumable tools and parts for the assembly and testing of semiconductors, to the contract manufacturing of precision parts and tools used in process-critical applications for the semiconductor wafer-fabrication industry.

Established since 1983 in Singapore, the Group was publicly listed on the SGX Mainboard (SGX:5DD) in 2003. The Group has grown steadily over the years to be a trusted partner by more than 600 customers globally, with a diversified geographical footprint across five operating facilities in Singapore, Malaysia, China, the Philippines and the USA.

The Group is committed to executing its 'Five-Star Factory' initiative driven by high-performance teams, operational and innovation excellence, workplace efficiency & safety and fast, effective local support to global customers. This is anchored by the Group's focus on financial discipline and strong governance to deliver sustainable long-term stakeholder returns.

Since listing, Micro-Mechanics has received nearly 40 awards in recognition of its high standards of corporate governance, quality of disclosure, transparency and investor relations. The Group was also recognised in the 'Forbes Asia Best Under A Billion List' in 2006 and 2022.

For more information, please visit the Group's website at [www.micro-mechanics.com](http://www.micro-mechanics.com)

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