JEP REPORTS 117.3% RISE IN NET ATTRIBUTABLE PROFIT OF S$3.4 MILLION ON HIGHER SALES OF S$31.7 MILLION FOR 1HFY2026

- 1HFY2026 net attributable profit exceeded full-year FY2025 net attributable profit

Singapore, 13 August 2026

SGX Catalist-listed JEP Holdings Ltd ("JEP", together with its subsidiaries, collectively the "Group"), a leading provider of precision machining and engineering solutions, posted a 117.3% jump in net attributable profit of S$3.4 million on higher sales of S$31.7 million for the first six months of FY2026 ("1HFY2026").

The Group's revenue grew 16.3% from S$27.3 million in 1HFY2025 driven by higher revenue contribution from the Precision Machining segment, which serves the Aerospace and Semiconductor industries. Sales in this segment leapt 32.1% to S$24.3 million from S$18.4 million during the period under review, on stronger contributions from both the Aerospace and Semiconductor industries. Aerospace revenue increased by 37.5% from S$11.5 million in 1HFY2025 to S$15.8 million in 1HFY2026, and increased by 21.3% compared with S$13.1 million in 2HFY2025. Semiconductor revenue increased by 23.3% from S$6.8 million in 1HFY2025 to S$8.4 million in 1HFY2026, and increased by 11.3% compared with S$7.5 million in 2HFY2025.

However, revenue contributions from both the Equipment Manufacturing and Trading & Others segments fell 14.1% and 21.3% to S$5.2 million and S$2.3 million respectively.

The Group's bottom line grew significantly in the first half of this year with its net attributable profit exceeding the full-year FY2025 performance.

Profit before tax more than doubled to S$4.1 million, up from S$1.9 million a year ago.

The strong performance was supported by higher contributions from the Precision Machining and Equipment Manufacturing segments, improved margins and enhanced operational efficiency. The Group also benefitted from a foreign exchange gain of S$0.2 million compared to a loss of S$0.4 million in 1HFY2025, as well as higher rental income of S$0.3 million compared to S$0.1 million in the first half of last year.

Other operating income, however, decreased to S$0.9 million in 1HFY2026 from S$1.1 million in 1HFY2025, mainly due to a lower gain on disposal of property, plant and equipment.

Gross profit increased by 61.1% to S$6.4 million in 1HFY2026, with gross margin improving to 20.3% from 14.6% in 1HFY2025, mainly due to changes in product mix and improved operational efficiency. The Group also benefited from lower selling and distribution expenses and finance expenses, which decreased by 2.7% and 33.2%, respectively. All the Group's core business segments remained profitable in 1HFY2026.

The Precision Machining segment reported a robust profit growth of 39.9% to S$3.7 million, supported by higher revenue contribution and improved margins.

The Trading & Others segment posted a profit of S$0.2 million while the Equipment Manufacturing segment returned to the black with a profit of S$0.5 million in 1HFY2026, compared with a loss of S$0.5 million in 1HFY2025. The turnaround was mainly attributable to this segment's transition to front-end semiconductor projects and the commencement of mass production for several first article inspection ("FAI") projects.

All of the Group's key markets recorded higher revenue compared to 1HFY2025. Revenue from the USA and the People's Republic of China recorded significant growth, increasing from S$6.4 million to S$7.6 million and from S$0.8 million to S$2.0 million, respectively, in 1HFY2026. The growth was mainly driven by higher contributions from the Precision Machining (Aerospace) segment.

Revenue from Canada also recorded strong growth, increasing by 104.8% from S$0.8 million in 1HFY2025 to S$1.7 million in 1HFY2026, supported by higher demand from Aerospace customers.

Revenue from Malaysia increased by 7.2% from S$9.4 million in 1HFY2025 to S$10.1 million in 1HFY2026, remaining the Group's largest geographical market. Revenue from Singapore was relatively stable, increasing slightly from S$8.7 million to S$8.8 million, while revenue from other markets increased from S$1.1 million to S$1.5 million.

Reflecting the Group's better performance, earnings per share ("EPS") for 1HFY2026 leapt by 117.3% to 0.817 cents from 0.376 cents in 1HFY2025. The Group's net asset value ("NAV") per share edged up to 21.1 cents as at 30 June 2026, compared to 20.3 cents on 31 December 2025.

JEP HOLDINGS LTD

Healthy Cash flow

The Group maintained a healthy financial position, with net cash and cash equivalents of S$7.0 million as at 30 June 2026.

Free cash flow increased to S$0.4 million despite lower net cash generated from operating activities, which decreased by S$1.2 million to S$4.2 million in 1HFY2026 from S$5.4 million in 1HFY2025, mainly due to changes in working capital requirements.

Net cash used in investing activities and financing activities declined. The decrease in cash used for investments was mainly due to lower capital expenditure on the purchase of property, plant and equipment, while net cash used in financing activities was primarily attributable to the repayment of loans and lease liabilities.

Outlook

The Group delivered a sterling 1HFY2026 performance riding on the strong upsurge in the global semiconductor industry and the sustained global aviation boom.

Commenting on the Group's 1HFY2026 results, Mr. Andy Luong, Executive Chairman and Chief Executive Officer of the Group, said, "The Group's standout performance in the first six months ended 30 June 2026 is underpinned by the massive AI supercycle and resilient air travel demand despite ongoing turbulence in the Middle East, trade tensions, oil shocks and other geopolitical strife that have created significant economic challenges worldwide. Our strategy of focusing on our twin growth engines of Aerospace and Semiconductors has positioned us in the right space at the right time to capture the wide spectrum of opportunities in these buoyant sectors."

IATA expects global air passenger demand to reach 5.2 billion travelers in 2026, driven by a 4.9% increase in traffic and supported by eased visa rules and resilient consumer appetite. Airlines are expected to fill a record 83.8% of seats, with industry net profits estimated at US$23 billion. Long-term, global air travel demand is on track to more than double by 2050. Under its central modeling scenario, IATA projects revenue passenger kilometers (RPKs) to reach 20.8 trillion by mid-century, reflecting a 3.1% compound annual growth rate. Emerging markets will spearhead this expansion, with the Asia-Pacific region leading the world with a 3.8% annual growth rate, followed closely by Africa at 3.6%.[1]

Global aviation leaders such as Airbus and Boeing are reported to have around 12 years of aircraft production in their order books after a surge in April demand pushed the global commercial aircraft backlog to a record high.[2]

According to reports, the semiconductor capital expenditure (capex) supercycle to support massive global AI demand is driving unprecedented infrastructure growth, with AI-related investments expected to surge to **US$757 billion** globally. Driven by the explosive demand for advanced chips, cloud capacity, and high-bandwidth memory (HBM), this unprecedented infrastructure wave is radically reshaping global tech spending.[3]

Going forward, the Group will ride on these robust trends to accelerate its growth. The Group will continue to improve operational synergies with its parent UMS Integration Ltd while staying prudent in managing business risks and changing market dynamics.

On the Group's outlook, Mr. Luong added, "The transformation of our Equipment Manufacturing division will now enable us to support the complex requirements of our key customers' advanced semiconductor manufacturing technologies – especially in advanced packaging solutions.

As at 30 June 2026, several FAI and new product introduction ("NPI") projects remained under qualification. We expect to ramp up operations to commence mass production as more FAI parts will be approved in the coming months.

We are therefore optimistic of brighter prospects for the Group."

Barring unforeseen circumstances, the Group is optimistic that its financial performance will remain strong in FY2026.

Sources:
[1] IATA – IATA Long-Term Air Transport Passenger Demand Projections
- https://www.iata.org/en/publications/economics/reports/iata-long-term-air-transport-passenger-demand-projections/

[2] Aerospace Global News – Airbus and Boeing now have 12 years of aircraft orders waiting to be built
- https://aerospaceglobalnews.com/news/airbus-boeing-12-year-aircraft-backlog-orders/

[3] Yahoo Finance – Goldman Sachs Predicts 3 Stocks to Benefit Most From $757B AI's Capex Supercycle
- https://finance.yahoo.com/technology/ai/articles/goldman-sachs-predicts-3-stocks-182355615.html

About JEP Holdings Ltd

JEP Holdings Ltd. is a leading solution provider of precision machining and engineering services. With over 30 years of operating history, we have built up a strong value chain to provide seamless manufacturing solutions to our clients. All our operations are supported by an experienced and passionate workforce, strong networks of established customers and suppliers, and stringent quality systems. The Group's main operating subsidiary, JEP Precision Engineering Pte. Ltd. ("JEPS"), was acquired by the Group in 2007. Accredited with AS9100D, ISO 45001 and NADCAP. JEPS has built a track record as a reliable sub-contractor for aerospace components since beginning operations in 1990 and is now part of the global supply chain for the world's leading aircraft manufacturers.

The Group is headquartered in Singapore and operates out of three facilities equipped with state-of-the-art machinery for manufacturing and the provision of secondary processes related to engineering services. Through its subsidiary, JEP Engineering Pte. Ltd., the Group specialises in plastic fabrication, with capabilities in producing Computer Numerical Control ("CNC") machined plastic parts and providing precision engineering services. The Group also operates JEP Industrades Pte. Ltd., a trading business marketing cutting tools for manufacturing applications across industries such as aerospace, mould, and die. The Group has been listed on SGX Catalist since 2004.

Issued on behalf of JEP Holdings Ltd

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