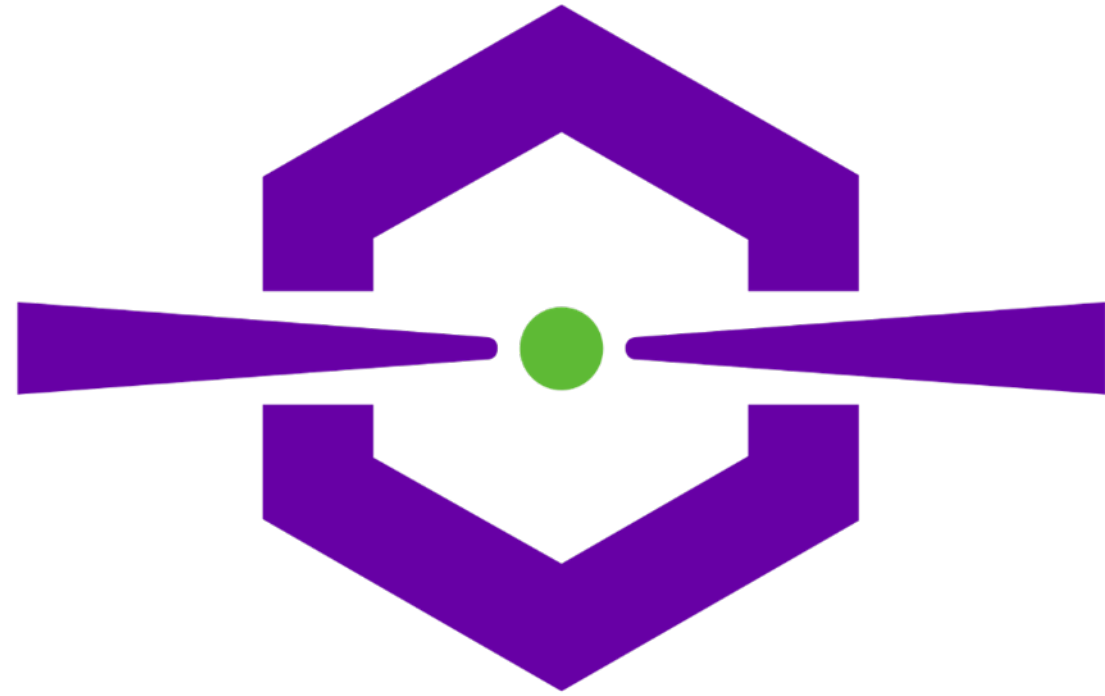


# Accelerating our *Journey to Excellence*

**Micro-Mechanics (Holdings) Ltd**

FY2025 results presentation

28 August 2025



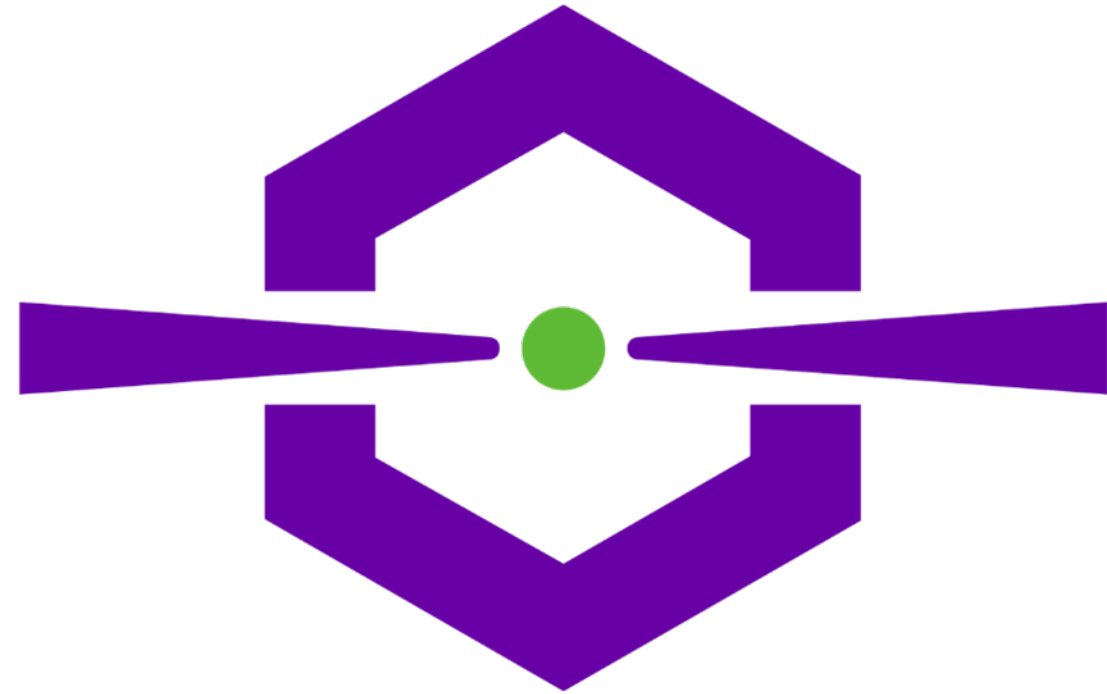
# Table of Contents

**03 – Corporate overview**

**06 – Operational update**

**15 – Financial highlights**

**26 – Outlook & summary**





# Corporate overview

# Corporate overview

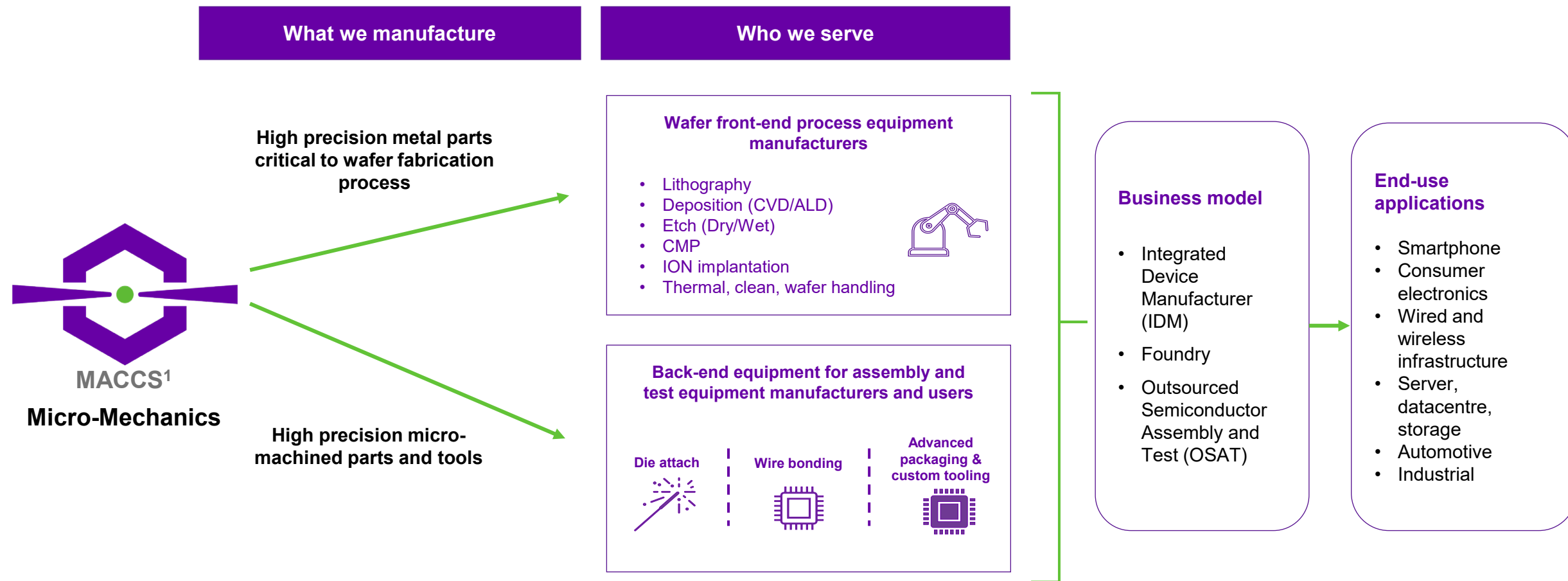
- Established track record since founding in 1983 and public listing on SGX Mainboard in 2003
- Target to be leading *Next Generation Supplier* of high precision tools and parts, for process-critical applications in semiconductor wafer-fabrication and assembly
- Trusted by more than 600 customers globally with diversified geographical footprint across five operating facilities in USA, Singapore, Malaysia, China and Philippines
- Purpose driven mission –
  - ***Perfect Parts and Tools, On Time, Every Time*** - based on scalable, repeatable, cost-effective and data-driven processes



Micro-Mechanics' headquarters in Singapore (MMS)

# Diversified customer base across semiconductor value chain

## Supplying next-generation process critical parts to over 600 customers globally



Note: 1) Materials, assemblies, components, consumables (including tools) and services



# Operational update



# Operational update

Meaningful progress seen across focus areas in FY2025



## Achieved first full year of profitability at MMUS<sup>1</sup>

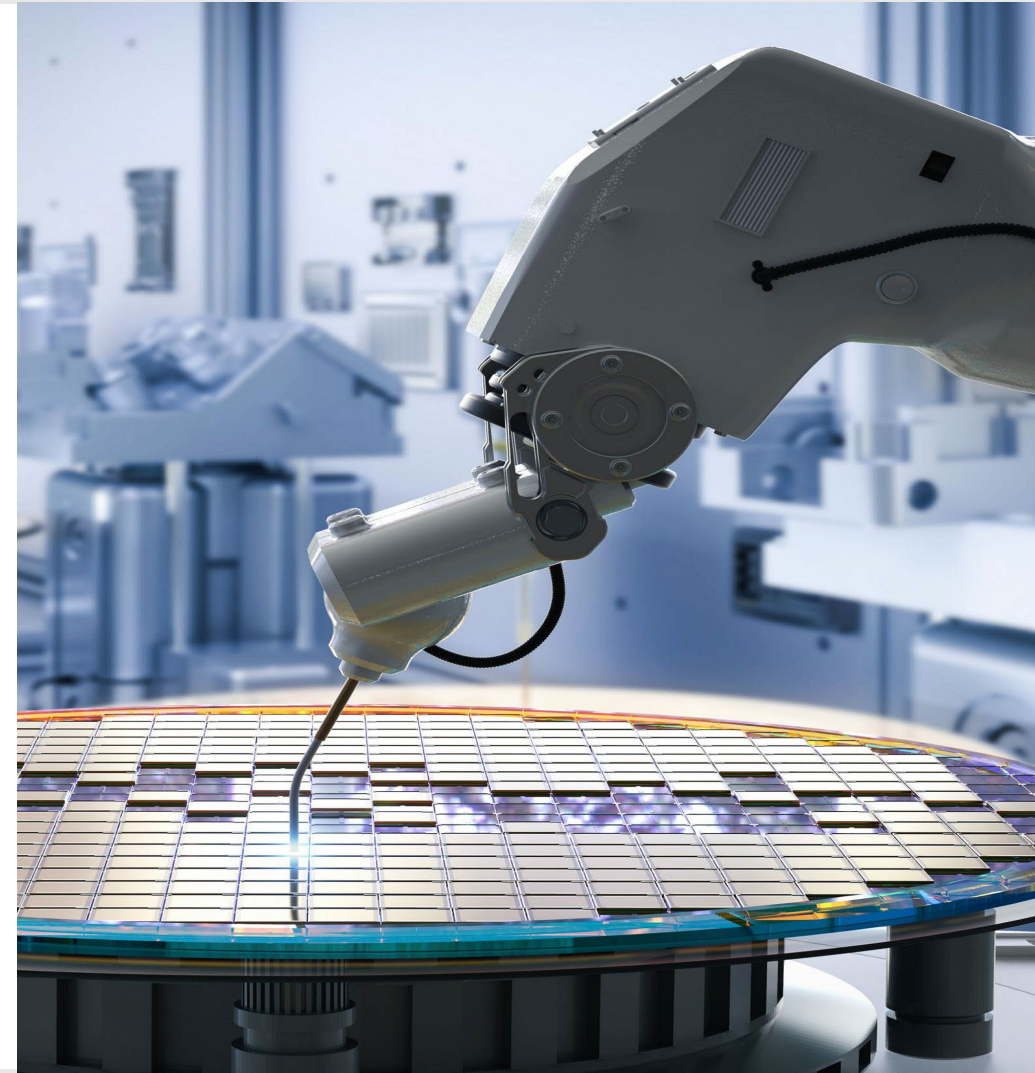
- Validation of successful restructuring with uplift in core operating performance led by a compelling, competitive and higher-value product mix



## Progressed *Five-Star Factory* initiative for sustainable success

- Continuing to improve efficiency of both operations and people to accelerate excellence across the Group

<sup>1</sup> USA subsidiary of Micro-Mechanics





# Five-Star Factory strengthens our core foundation

Five core pillars to drive excellence, navigate headwinds and capture growth

*Fast, Effective  
and Local Support  
to Global Customers*



Decentralising Group structure to respond effectively to customers

*Operational Excellence*



Developing best-in-class practices for repeatability and scalability

*Innovation Excellence*



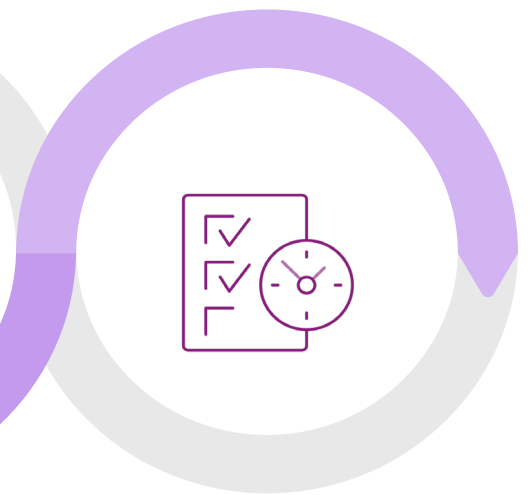
Developing new breakthroughs in next-generation components

*High Performance Teams*



Investing in our people to drive innovation and efficiency

*Workplace Efficiency And Safety*



Streamlining processes, reducing waste and maximising output





# Fast, Effective and Local Support to Global Customers

## Decentralising structure to respond effectively to customers



### Objectives

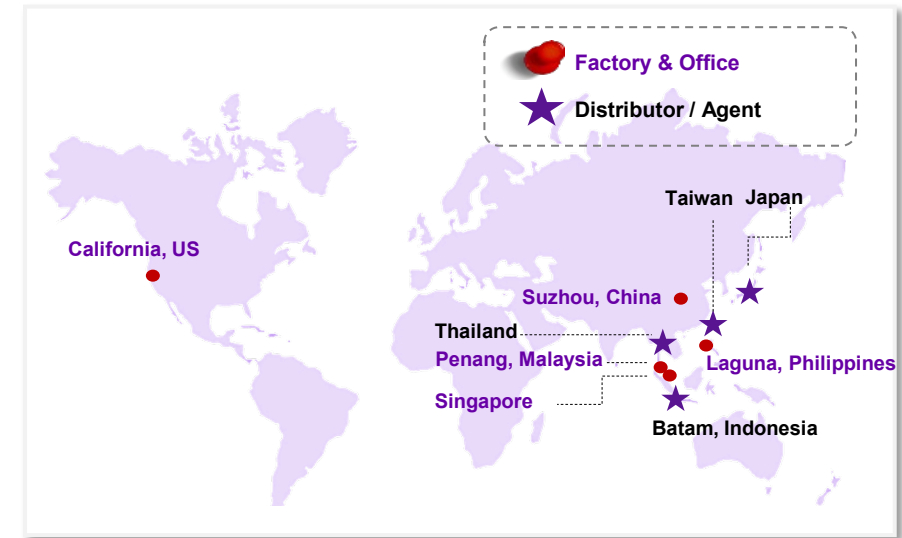
- Strengthen the Group's decentralised structure to improve our ability to promptly respond to customers' and industry's evolving high-value needs



### Milestones

- Closely engage customers to identify new opportunities and solve higher-value problems across the value chain
- Strong responsiveness to customer requests, reducing lead times in many instances to seven days

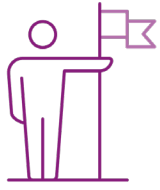
### Our Factories and Presence





# Operational Excellence

Developing best-in-class practices for flawless quality, repeatability and scalability



## Objectives

- Achieve fast, flawless and cost-effective manufacturing with lean engineering and management principles



## Milestones

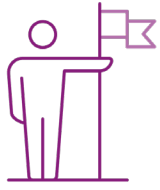
- Improved its elastomer manufacturing process, which represents about 29.6% of the Group's revenue, in terms of both cost, lead time and yield
- Minimising inventory overstocking with inventory at S\$3.1 million, representing 4.8% of annualised sales (30 June 2024: 6.7%)
  - Inventory written off for FY2025 totalled S\$166k, compared to S\$214k for FY2024





# Innovation Excellence

Developing breakthroughs in next-generation products, materials, and processes



## Objectives

- Promote fresh thinking and ingenuity
- Drive product and process innovations, new manufacturing capability and adoption of new technologies and methodologies



## Milestones

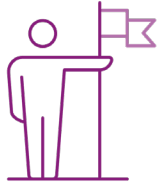
- Ongoing R&D to improve manufacturing capabilities to support higher-value orders
- Building capabilities in leading-edge technology applications such as elastomer pick up tools used to package advanced chips
- Investing in manufacturing software to leverage AI and scientific-based approaches to optimise material removal during the machining process for greater efficiency





# High Performance Teams

Investing in our people to drive innovation and teamwork



## Objectives

- Attract and retain talent with the right skills in the right positions
- Upskilling and training programmes to acquire new skillsets and master new techniques to solve new industry challenges
- Align incentive systems with measurements of performance to drive efficiency and productivity



## Milestones

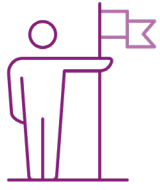
- Kyle Borch appointed as CEO effective 1 Jul; while Chris Borch continuing in his capacity as Executive Chairman
- Onboarded the Group's first Vice President of Human Resources
  - Overseeing and developing training programmes that will strengthen long-term foundations for building *High Performance Teams*





# Workplace Efficiency and Safety

Streamlining processes, reducing waste and maximising output



## Objectives

- Operate organised, productive, clean, safe and environmentally responsible operations with implementation of “8S”



## Milestones

- All the Group's facilities have improved their internal *Five-Star* ratings yoy and remain on track to achieving their internal “8S” targets
- Two facilities scored *Five-Star* ratings





# Five-Star Factory progress in FY2025

Executing on a planned roadmap to becoming a Next Generation Supplier

## FY2024

## FY2025

- Serving 600+ customers across five facilities



**Fast, Effective and  
Local Support to Global  
Customers**

- ✓ Continued to serve 600+ customers across five facilities
- ✓ Reduced lead times to less than seven days
- ✓ Insulated from tariffs due to the decentralised structure

- Completed MMUS restructuring; eliminating additional S\$1.3m in annual operating costs
- Continued restructuring of processes to reduce costs



**Operational Excellence**

- ✓ Full year of profitability at MMUS
- ✓ Decline in operating expense
- ✓ Minimised inventory overstocking

- WFE segment comprised 17.6% of FY sales
- Greater focus on traditional packaging technologies



**Innovation Excellence**

- ✓ Increased product mix - WFE sales up to 22.7% of total sales
- ✓ Focus on capabilities in leading-edge tech and advanced packaging

- Training & upskilling programmes under MMUniversity
- Staff remuneration including bonus programmes aligned with Group's KPIs and profitability



**High Performance  
Teams**

- ✓ Continued employee upskilling programmes completed
- ✓ Strengthened leadership bench

- Reduced energy waste through onsite solar facilities, providing 71% of total energy usage at MMUS



**Workplace Efficiency  
and Safety**

- ✓ As of FY2025, all the Group's facilities have improved their internal *Five-Star* ratings yoy



**MICRO-MECHANICS**

A photograph of a modern, multi-story office building with a curved facade and large glass windows. The building is surrounded by palm trees and landscaped grounds. A semi-transparent purple banner with the text "Financial highlights" is overlaid across the center of the image. In the foreground, there is a paved road with yellow markings and a white wall with a Micro-Mechanics logo and name.

# Financial highlights



# FY2025 highlights

Continued positive momentum in sales recovery

## Group revenue

S\$65.2m

+12.6% yoy

## EBITDA & EBITDA margin

S\$22.7m

+23.8% yoy

34.9%

+3.2 ppt yoy

## ROE & net profit

25.2%<sup>1</sup>

S\$12.4m

+54.2% yoy

## Cash and bank balances

S\$23.3m

S\$16.6m  
30 June 2024

Net cash with no borrowings

## CAPEX (consolidated)

S\$1.2m

1.9%  
of FY2025 sales

## Net cash from operations

S\$18.3m

S\$14.6m  
FY2024

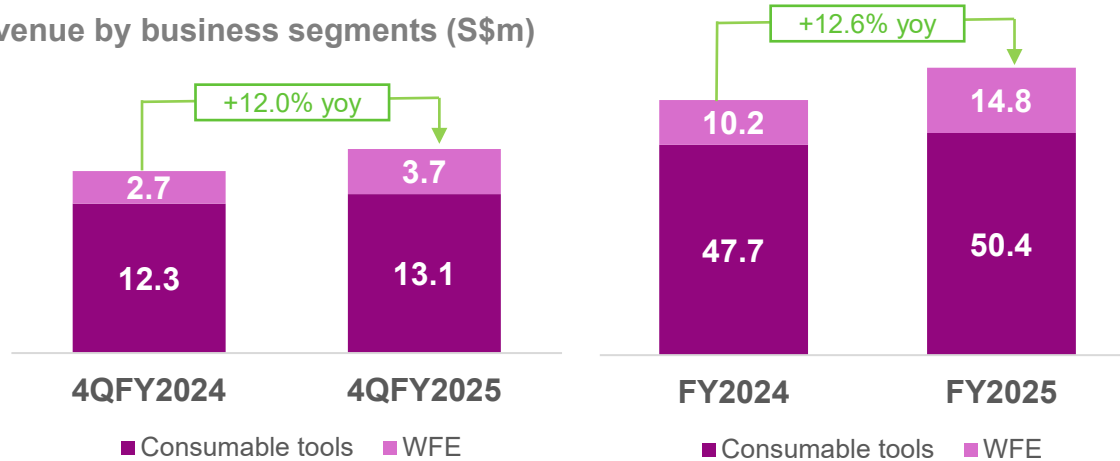
<sup>1</sup> Return on equity: full year of net profit over shareholders' equity at year end



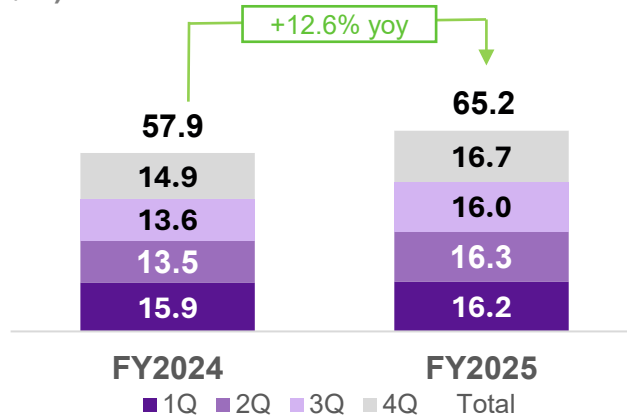
# Increased revenue across business segments

Orders rebounding in tandem with improved product mix

Revenue by business segments (\$m)



Revenue by quarterly (\$m)



## 4QFY2025

**S\$16.7m**

+12.0% yoy (4QFY2024:S\$14.9m)

+4.7% qoq (3QFY2025: S\$16.0m)

- Rebound in orders particularly in WFE segment, with sales up by 37.4% yoy, despite the 9.6% decline qoq due to the timing of order intake

## FY2025

**S\$65.2m**

+12.6% yoy (FY2024:S\$57.9m)

- Rebound in orders particularly in WFE segment, with sales increasing by 45.5% yoy
- Customers at both front and back-end of semiconductor value chain, with WFE segment growing share of revenue at 22.7% (FY2024:17.6%) due to improved product mix

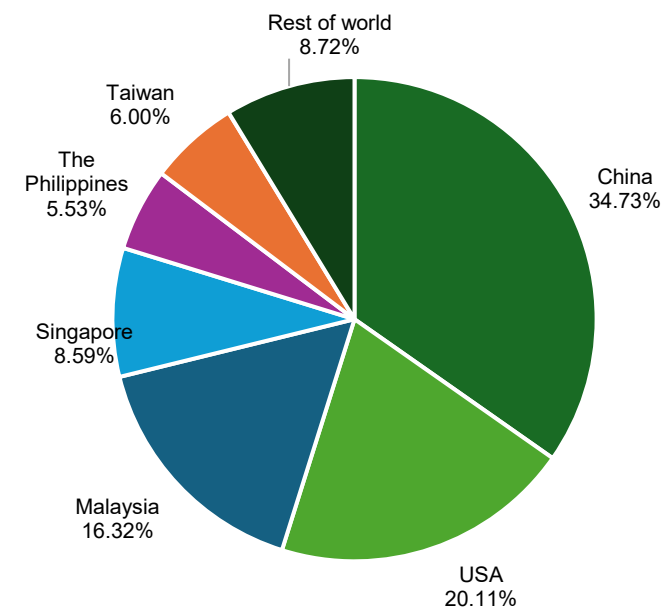
Notes: Due to rounding, some totals in numbers (in this and the following slides) may not correspond with the sum/subtraction of separate figures.



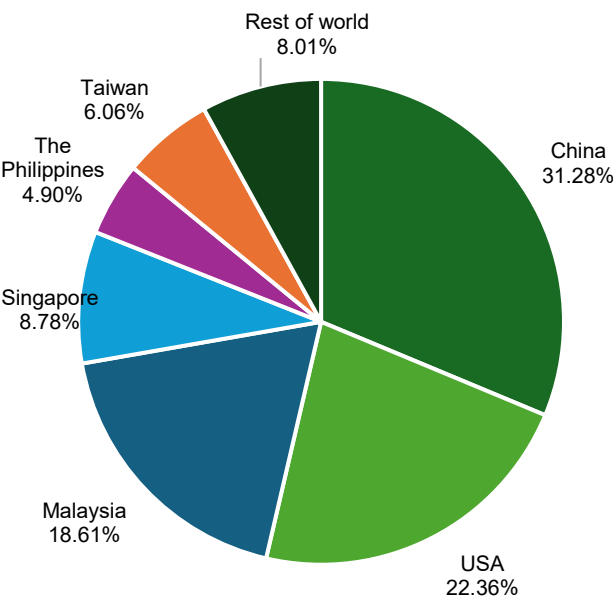
# Geographical diversification of revenue

## Group's decentralised structure supports resilience across markets

FY2024



FY2025



Revenue from top four markets						
	4QFY2024 S\$m	4QFY2025 S\$m	yoy% change	FY2024 S\$m	FY2025 S\$m	yoy% change
China	5.1	5.4	6.6%	20.1	20.4	1.5%
USA	3.2	3.8	19.7%	11.6	14.6	25.2%
Malaysia	2.4	3.1 <sup>1</sup>	27.0%	9.5	12.1	28.5%
Singapore	1.4	1.3	-2.5%	5.0	5.7	15.1%

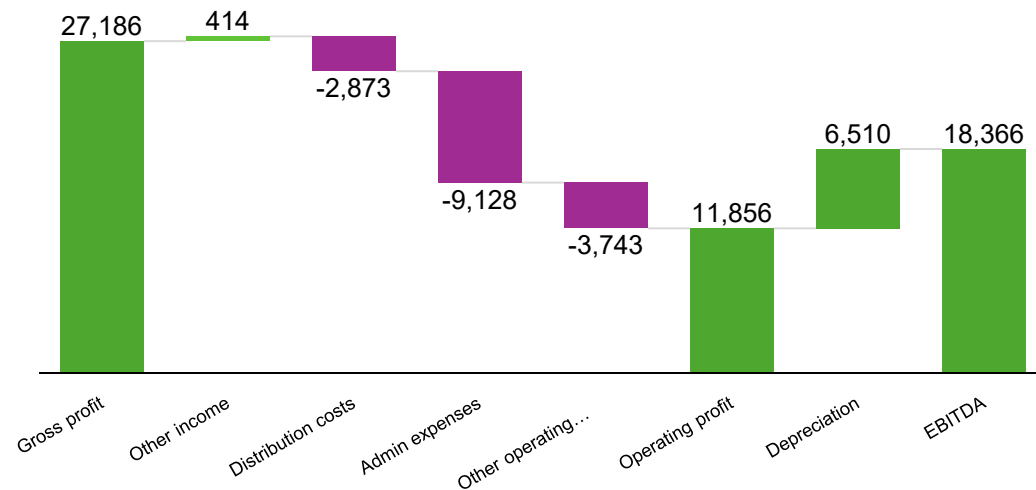
<sup>1</sup> Malaysia's sales figures for the previous quarter were misstated due to a formula error



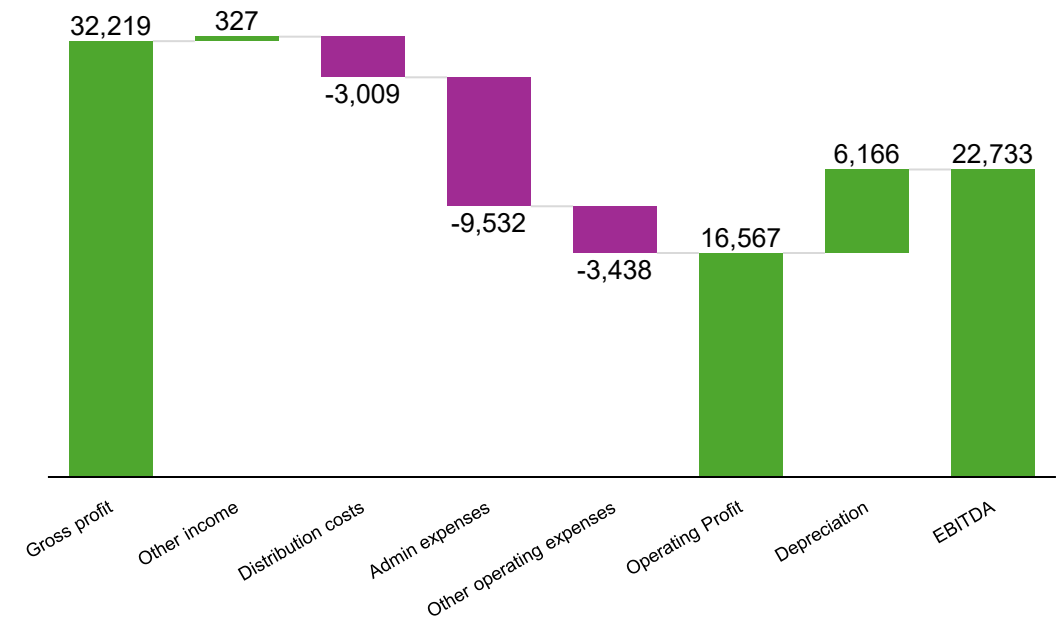
# Uplift in gross profit and EBITDA

Greater cost efficiencies with improved operating leverage

FY2024 (S\$, '000)



FY2025 (S\$, '000)

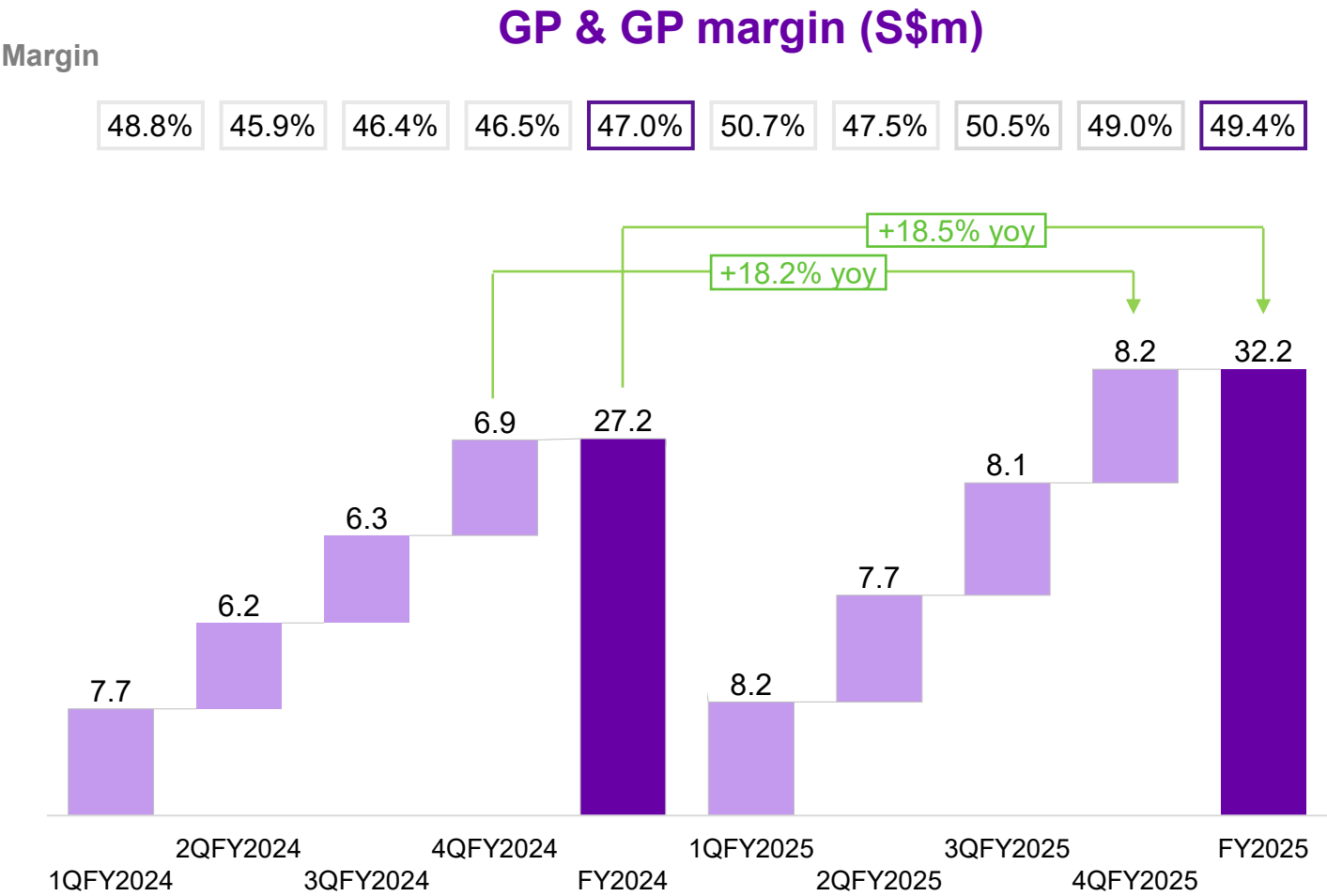


- **Decrease in other operating expense by 8.1%**
- Increase in distribution costs by 4.7% attributable to salary increment and promotion
- With **cost reduction measures**, MMH has managed to achieve higher EBITDA margin to 34.9% for FY2025



# Resilient gross profit margin

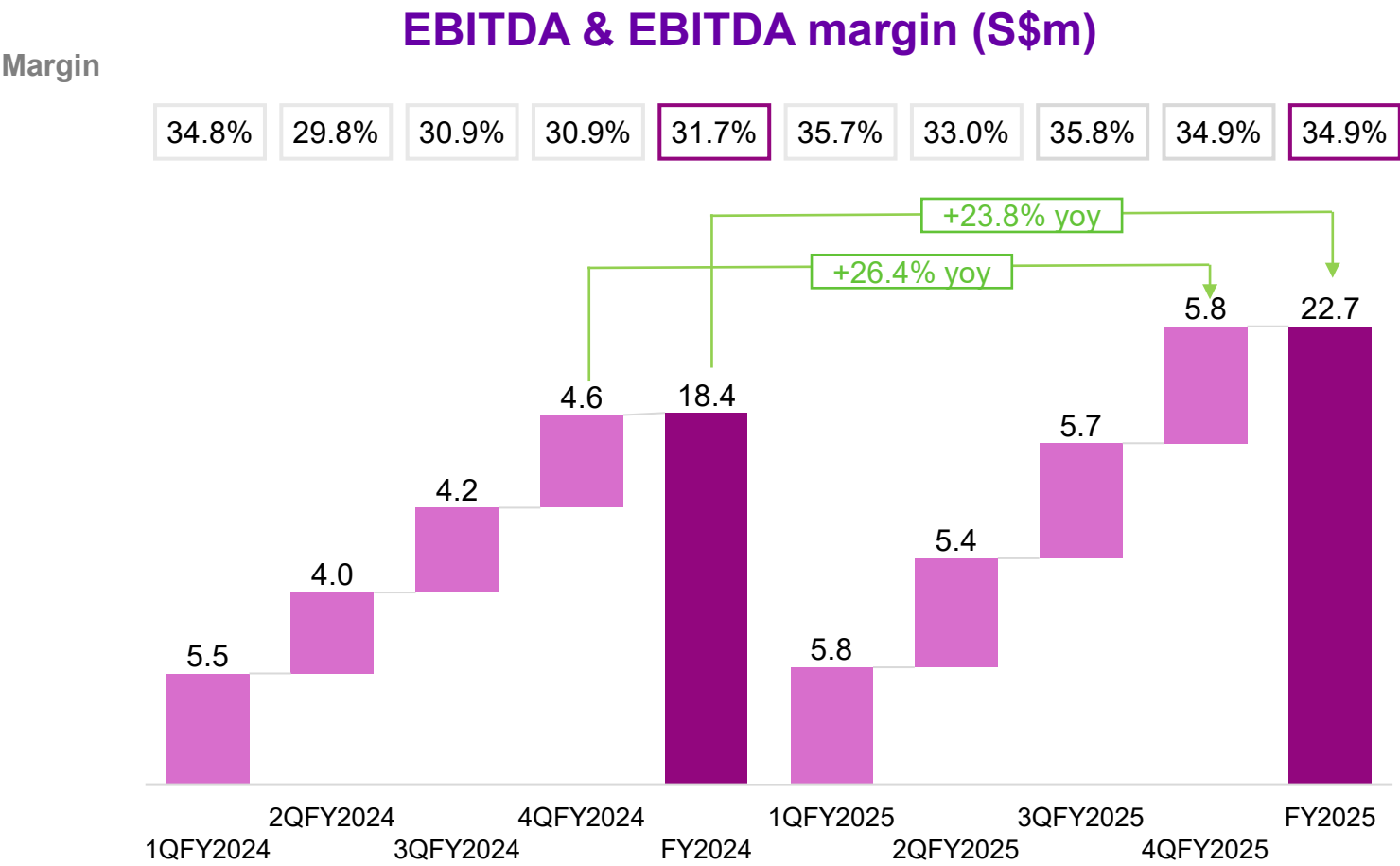
Supported by improved operating leverage and cost reduction measures





# Resilient gross profit margin

Supported by improved operating leverage and cost reduction measures

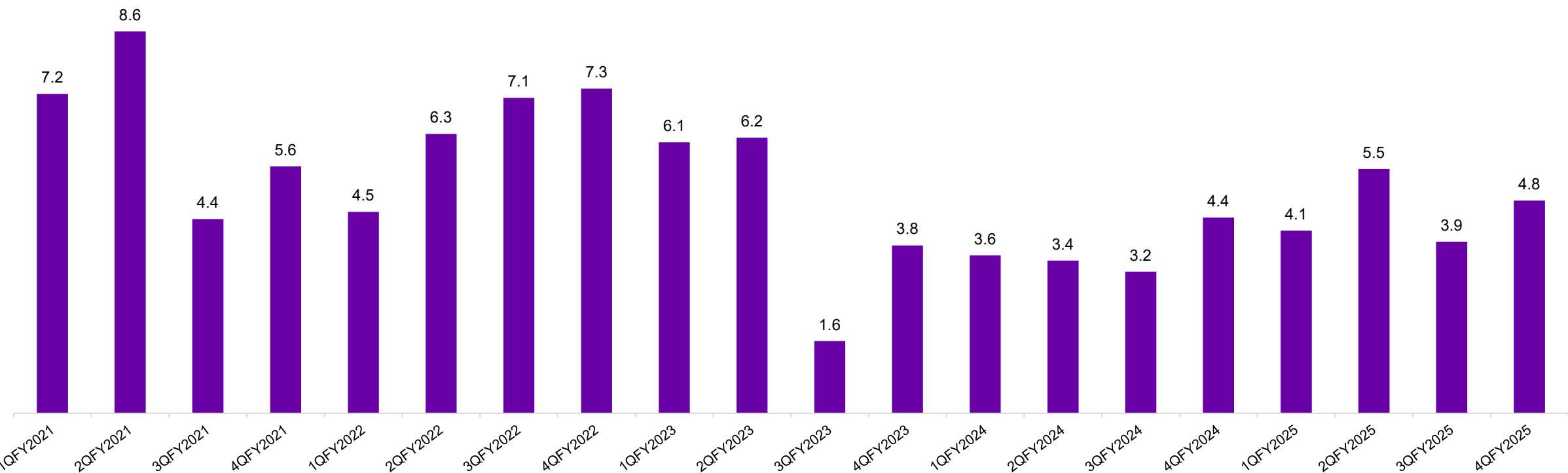




# Sustained positive operating cash flow generation

## Testament to robust and healthy working capital cycles

Operating cash flow (S\$m)





# Resilient financial position

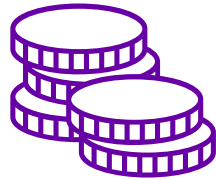
Anchored by disciplined cost and capital management

		As of 30 June 2024	As of 30 June 2025
Cash	Cash and bank balances	S\$16.6M	S\$23.3M
Gearing	Total borrowings	NIL	NIL
Trade receivables	Trade Receivables	S\$10.8M	S\$12.5M
	(Outstanding > 90days) / (Total trade receivables)	S\$3.7K	S\$2.0K
	Bad debt expenses	S\$3.9K	NIL
Inventory	Inventory	S\$3.9M	S\$3.1M
	Inventory / Sales	6.7%	4.8%
	Inventory write-off	S\$214K	S\$166K
Net asset value	NAV per ordinary share (cents)	33.14	35.4
Equity	Shareholders' equity	S\$46.1M	S\$49.2M



# Commitment to long-term total shareholder returns (TSR)

Listing to date TSR of >3,000%<sup>1</sup> reflects Group's sustainable and long-term growth trajectory



Total dividend in FY2025

6.0 cents



Dividend payout ratio<sup>2</sup>

67.3%



Cumulative dividend per share

134.9 cents since listing

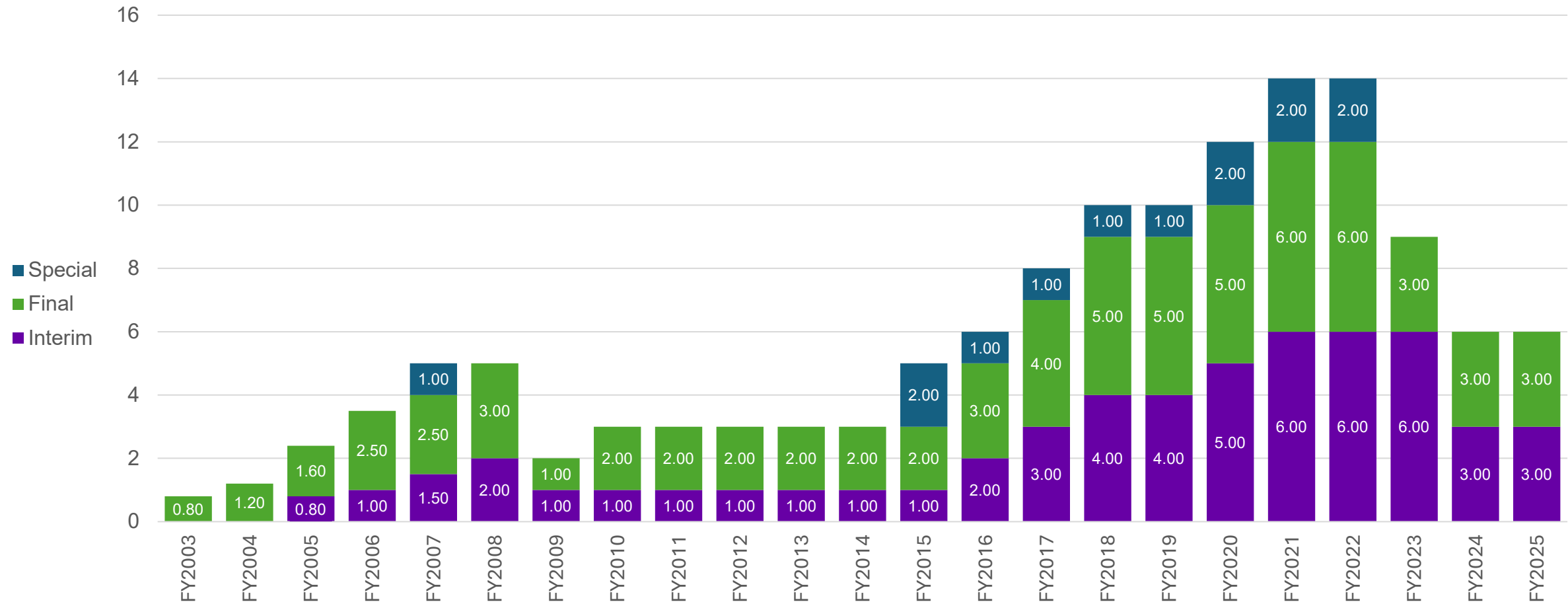
Notes: 1) Bloomberg; for the period 24 June 2003 (IPO) until 30 June 2025; which represents the additional number of shares purchased in the period for each share at the beginning of the period, assuming dividends are reinvested through buying more of the security. STI returned 419% while FTSE ST All Share Index returned 217% during the same period. 2) Total dividend payout in 12 months divided by earnings for FY2025.



# Cumulative dividends represent >700% shareholder returns

Total dividend payout of 134.9 cents per share since listing

Total dividend per share (cents)



美科精微机械(苏州)有限公司

8A

# Outlook & summary

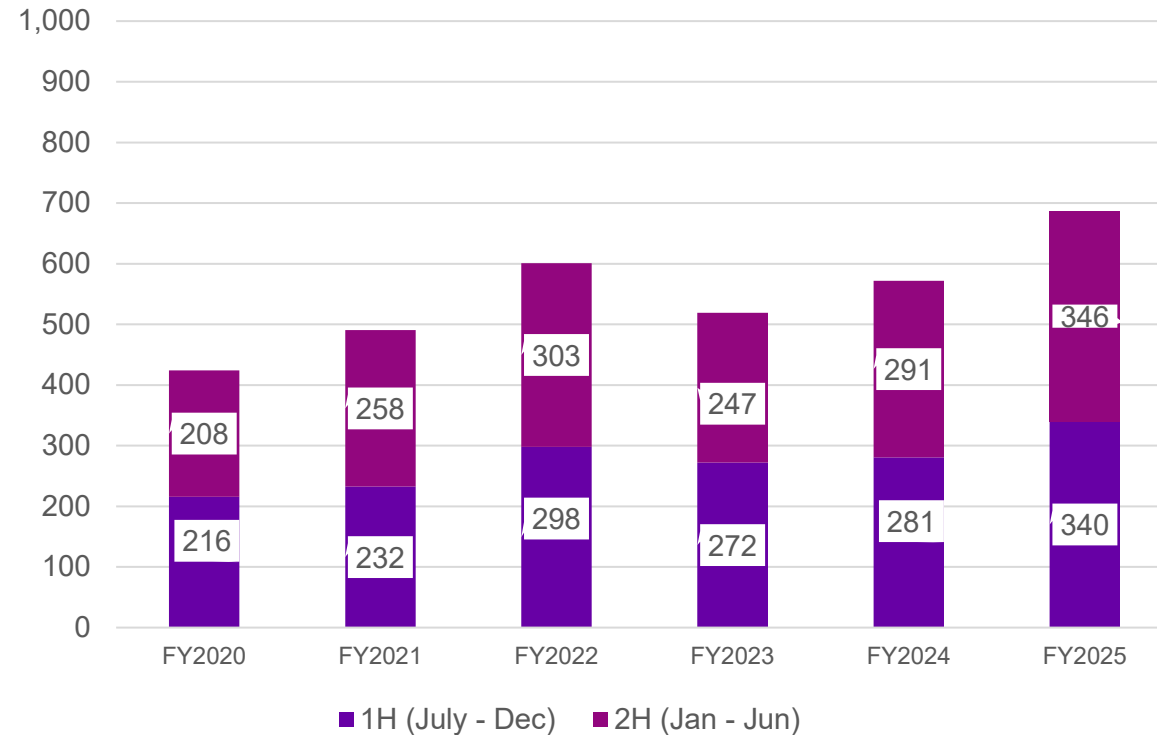
 MICRO-MECHANICS



# Encouraging sector performance and outlook

The industry is in the advanced stages of rebalancing inventory and production

Worldwide semiconductor revenue in US\$ (billion)<sup>1</sup>



Source: 36 Years WSTS Blue Book Data

Notes: 1) Presented with Micro-Mechanics' calendar cycle (July – Jun); 2) WSTS' calendar cycle (Jan – Dec)

## Sales forecast for end-2025<sup>2</sup>

US\$728b 

Supported by uptick in demand for consumer electronics as well as rebound in orders in the WFE market.

Source: WSTS

## Sales forecast for 2026<sup>2</sup>

US\$800b  2025F +9.9%

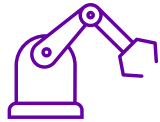
Supported by uptick in demand for consumer electronics as well as rebound in orders in the WFE market driven by growth across Memory, Logic, and Analog sub-sectors.

Source: WSTS

# Strategic priorities for FY2026

Strengthening proposition and operational resilience to enhance enterprise value

Target to be leading *Next Generation Supplier* of high precision tools and parts used in process-critical applications for the wafer-fabrication and assembly processes of the semiconductor industry



## Advancing *Five-Star Factory* initiative

- Continuing to strengthen the five pillars of excellence to achieve sustained success
- The initiative has enabled the Group to apply its expertise in packaging to the front-end WFE sector, allowing the Group to become a *Next-Generation Supplier* serving at the intersections of both the consumable tools and WFE segments



## Maintaining MMUS's profitability

- Continued restructuring of processes to reduce costs and improve efficiency
- Sharpen engineering focus to four main product areas for the WFE sector to develop a compelling and competitive differentiation which allows product mix and price optimisation



## Prioritising disciplined capital management & good governance

- Maintaining the Group's track record of financial discipline by maintaining zero bank borrowings, steady dividends and investing activities
- Investing strategically in capex to enhance its manufacturing capabilities and productivity
- Keeping good governance as the cornerstone of all business practices
  - Nearly 40 awards for good governance, transparency and investor relations since listing in 2003
  - Ranked 30<sup>th</sup> out of 467 Singapore-listed companies on the 2025 Singapore Governance and Transparency Index



# Investment highlights

Positioned for high-quality earnings & sustainable growth



## Favourable industry outlook

- Continued positive momentum from semiconductor industry's recovery



## Geopolitical resilience

- Decentralised structure and Singapore listing offer a buffer against geopolitical risks
- Insulated from tariff effects as MMH mostly serves domestic market



## Diversified customer base

- Serving more than 600 clients across front-end and back-end segments worldwide



## High quality earnings and cash flow

- Significant yoy improvements in revenue, EBITDA and NPAT



## Committed to strong shareholder returns

- Strong track record in delivering shareholder returns with TSR of >3,000% since listing



# Safe harbour for forward-looking statements

This presentation contains certain statements that are not statements of historical fact, i.e. forward-looking statements. Investors can identify some of these statements by forward-looking items such as 'expect', 'believe', 'plan', 'intend', 'estimate', 'anticipate', 'may', 'will', 'would', and 'could' or similar words. However, you should note that these words are not the exclusive means of identifying forward-looking statements. These forward-looking statements are based on current expectations, projections and assumptions about future events.

Although Micro-Mechanics (Holdings) Ltd. believes that these expectations, projections, and assumptions are reasonable, these forward-looking statements are subject to the risks (whether known or unknown), uncertainties and assumptions about Micro-Mechanics (Holdings) Ltd. and its business operations. Some of the key factors that could cause such differences are, among others, the following:

- changes in the political, social and economic conditions and regulatory environment in the jurisdictions where we conduct business or expect to conduct business;
- the risk that we may be unable to realise our anticipated growth strategies and expected internal growth;
- changes in and new developments in technologies and trends;
- changes in currency exchange rates;
- changes in customer preferences and needs;
- changes in competitive conditions in the semiconductor industry and our ability to compete under these conditions;
- changes in pricing for our products; and
- changes in our future capital needs and the availability of financing and capital to fund these needs.

Given these risks, uncertainties and assumptions, the forward-looking events referred to in this presentation may not occur and actual results may differ materially from those expressly or impliedly anticipated in these forward-looking statements. Investors are advised not to place undue reliance on these forward-looking statements. Investors should assume that the information in this presentation is accurate only as of the date it is issued. Micro-Mechanics (Holdings) Ltd.'s business, financial conditions, results of operations and prospects may have changed since that day. Micro-Mechanics (Holdings) Ltd. has no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

# Thank you

For more information, please contact investor relations at  
[micro-mechanics@teneo.com](mailto:micro-mechanics@teneo.com)

