JEP
HOLDINGS LTD

JEP Holdings reports a 7.2% increase in net attributable profit of S$3.4 million on revenue of S$53.8 million for FY2025

- Group performance rose on the robust recovery in global semiconductor demand
- Group is well poised to capture new opportunities in AI-driven growth in both aerospace and semiconductor industries

Singapore, 27 February 2026

SGX Catalist-listed JEP Holdings Ltd ("JEP", together with its subsidiaries, collectively the “Group”), a leading provider of precision machining and engineering solutions today reported a 7.2% rise in net attributable profit of S$3.4 million on sales of S$53.8 million for the financial year ended 31 December 2025 (FY2025).

Group profit before tax for the year grew 13.9% to S$4.2 million from S$3.6 million in the financial year ended 31 December 2024 (“FY2024”).

The Group’s bottom line benefitted largely from the improved performance of its precision machining business, as well as lower expenses.

The Group trimmed its administrative and selling and distribution expenses by 25.7% and 14.6% respectively. The Group also slashed its finance expenses by 16.6% to about S$0.5 million. Income tax expenses however increased due mainly to the Group's higher profit.

The Group's other operating income decreased by a third to S$1.4 million in FY2025 from S$2.1 million in FY2024 mainly due to lower interest income and foreign exchange losses.

Group sales in FY2025 dipped marginally by 5.4% to S$53.8 million from S$56.9 million in FY2024 caused mainly by weaker contributions from its Equipment Manufacturing and Trading and Others segments.

The Group’s Precision Machining sales increased by 14.2% to S$39.0 million in FY2025. The stronger performance was driven by an 85.2% surge in semiconductor sales, while its aerospace business eased by 6.6% compared to FY2024.

All of the Group's core business segments, except for its Equipment Manufacturing segment, remained profitable in FY2025.

The Group's Precision Machining segment (which comprises two sectors: semiconductor components and the aerospace sector) was the star performer in FY2025. Profit for this segment soared by 71.0% to S$6.2 million in FY2025, compared with S$3.6 million in FY2024, mainly due to higher revenue and improved margins.

This segment's sterling performance was lifted by stronger contributions from its semiconductor business.

The Equipment Manufacturing segment posted a loss of S$1.5 million in FY2025 (compared to a profit of S$0.1 million in FY2024) on sales of S$10.2 million, which declined by 30.5% from S$14.7 million in FY2024.

The weaker performance was mainly caused by additional transition costs (for example a one-off inventory adjustment) as this segment is moving away from the lower-margin business to support front-end semiconductor manufacturing, including specialised plastic machining fabrication.

The Trading & Others segment remained profitable at S$0.3 million in FY2025, compared to S$1.2 million in FY2024. Sales for the segment were S$4.6 million, 43.0% lower than the previous year, mainly as a result of weaker global demand for industrial manufacturing equipment and intensified competition.

The Group's key markets showed a mixed performance, with sales rising in Malaysia and Canada, while Singapore, China, the USA and the other markets posted lower revenue.

Revenue from Malaysia soared more than 150% from S$7.0 million in FY2024 to S$17.9 million in FY2025, driven by growth in the Precision Machining and Equipment Manufacturing segments. Sales in Canada edged up to S$2.9 million from S$2.8 million, on the back of higher sales in the Precision Machining segment.

In contrast, sales in Singapore decreased 32.3% from S$24.8 million in FY2024 to S$16.8 million in FY2025, primarily due to lower revenue from the Equipment Manufacturing and Trading & Others segments.

Revenue from China slumped 67.2%, from S$5.9 million to S$1.9 million, mainly due to weaker sales in the Precision Machining and Trading & Others segments. Revenue in the USA also declined by 10.3%, from S$13.6 million to S$12.2 million, while revenue from other markets dipped from S$2.8 million to S$2.1 million.

The Group's gross margin remained stable at 15.8%. Cost of sales dipped 5.5% from S$47.9 million in FY2024 to S$45.3 million in FY2025, in line with the 5.4% decline in revenue.

Reflecting the Group's performance, earnings per share ("EPS") for FY2025 increased 7.3% to 0.812 cents from 0.757 cents in FY2024. The Group's net asset value ("NAV") per share also improved to 20.3 cents as at 31 December 2025 from 19.4 cents as at 31 December 2024.

2HFY2025 Performance

Compared to the second half of FY2024 ("2HFY2024"), the Group performance softened in the second half of FY2025 ("2HFY2025").

Pre-tax profit slipped 7.6% to S$2.3 million (2HFY2024: S$2.5 million), while net attributable profit fell 14.4% to S$1.8 million from S$2.1 million in the same period last year. This bottom line was affected by the decrease in other operating income which dived 76.6% to S$0.3 million in the period under review.

However, compared to 1HFY2025, the Group's bottom line improved - as pre-tax profit grew 23.2% while net profit attributable to shareholders rose 16.0%.

Group sales decreased by 10.3% to S$26.5 million in 2HFY2025, from S$29.6 million in the corresponding period last year as revenue from the Equipment Manufacturing and Trading & Others segments fell approximately 39.4% and 56.0%, respectively, compared to 2HFY2024.

Revenue from the Group's Precision Machining segment however rose 9.8% to S$20.6 million in 2HFY2025, from S$18.8 million in 2HFY2024. The improved performance was driven by strong semiconductor sales, which doubled from S$3.8 million in 2HFY2024 to S$7.5 million in 2HFY2025, while aerospace sales declined by 13.0%, from S$15.0 million in 2HFY2024 to S$13.1 million in 2HFY2025.

Healthy Cash Flow

The Group's financial position remained healthy with net cash and cash equivalents of S$7.3 million at the end of December 2025. This is however lower than the S$12.6 million at the end of December 2024 as the Group invested S$20.3 million in property, plant, and equipment during the year.

Net cash generated from operating activities surged by S$9.5 million to S$15.5 million in FY2025 from S$6.0 million in FY2024.

The Group also settled all its bank borrowings in FY2025.

Optimistic Outlook

Commenting on the latest financial results of the Group, Mr. Andy Luong, Executive Chairman and CEO of JEP, said. “The Group delivered a positive performance in FY2025 despite a challenging global environment and market uncertainties. While sales dipped during the year, we managed to maintain stable profit margins and improve our bottom line by enhancing our cost management and operational efficiency.”

With the acceleration of AI applications globally, the Group sees robust growth opportunities in all its core business segments – particularly in the aerospace and semiconductor sectors.

The integration of AI in aviation is increasingly focused on fostering a safer, more sustainable, and efficient aviation ecosystem. This in turn will propel the growth of aviation demand - hence brightening the Group's outlook.

According to the International Air Transport Association (IATA), the global airline industry is projected to rake in a record net profit of US$41 billion in 2026, higher than US$39.5 billion expected this year. In 2026, globally, the passenger load factor is pegged at a record 83.8% while the net profit margin is expected at 3.9% even as supply chain issues persist. The number of passengers is projected to touch 5.2 billion, around 4.4 % more than 2025.[1]

Air cargo volumes are set to rise to 71.6 million tonnes in 2026, buoyed in part by robust e-commerce and semiconductor shipments to support the boom in AI (Artificial Intelligence) investments.[1]

According to the Semiconductor Industry Association (SIA), global semiconductor sales in 2026 are projected to reach roughly US$1 trillion. Semiconductors are the foundation of nearly all modern technology, and emerging technologies like AI, IoT, 6G, autonomous driving, and others will continue to drive robust demand for chips.[2]

Commenting on the Group's prospects, Mr. Luong said, “The global semiconductor industry as well as the aviation sector - driven by the diverse range of disruptive AI applications, are on the cusp of a gigacycle of growth.

To meet the demands of the myriad of game-changing technologies, the Group has taken bold steps to strengthen our capabilities to stay ahead in the AI ecosystem for years to come. We have made significant investments of over S$20 million to extensively overhaul our facilities in Singapore to focus on high-end engineering and machining, including the development of advanced processes to support customer demand. We have recently established direct contact with a new key customer for the production of specialised plastics components to support Advanced Packaging used in the production of advanced AI chips.

We are excited about the robust global trends in technology, and with our sound fundamentals supported by our revamped production facilities and healthy financial position, we are well-poised to capture new opportunities in AI-driven growth in both aerospace and semiconductor industries going forward. We expect the aforesaid strong industry prospects to have a positive impact on our financial performance in the near future."

Moving forward, the Group will continue to maximize operational synergies with UMS Integration Limited to improve overall performance and seek new business opportunities.

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

Sources:

1. https://www.business-standard.com/industry/aviation/global-airlines-set-for-record-usd-41-bn-profit-in-2026-as-demand-surges-iata-125120900711_1.html

2. https://www.semiconductors.org/global-annual-semiconductor-sales-increase-25-6-to-791-7-billion-in-2025/

About JEP Holdings Ltd

JEP Holdings Ltd. is a leading solutions 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 AS9100, 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. The Group specialises in plastic fabrication, with capabilities in producing CNC machined plastic parts and providing precision engineering services, JEP Engineering Pte. Ltd., and a trading business, JEP Industrades Pte. Ltd., which markets cutting tools used in manufacturing activities for various 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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