



MICRO-MECHANICS (HOLDINGS) LTD.

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

Media Release

Micro-Mechanics reports 72.6% yoy increase in net profit to S\$3.2 million in 3QFY2025

- Revenue up 17.3% yoy to S\$16.0 million in 3QFY2025, with WFE segment sales up 95.7% yoy to S\$4.0 million
- Positive operating cash flow of S\$3.9 million in 3QFY2025 with net cash position of S\$19.2 million
- Accelerating excellence and operational resilience through 'Five-Star Factory' initiative to sustain earnings recovery and long-term growth
- Deputy CEO Kyle Borch to succeed Christopher Borch as CEO effective 1 July 2025, Christopher Borch to continue as Executive Chairman

Financial highlights (S\$)	3QFY2025	3QFY2024	Change (%)	9MFY2025	9MFY2024	Change (%)
Revenue	15,958,711	13,609,940	17.3	48,495,192	42,962,432	12.9
Gross profit	8,055,671	6,317,754	27.5	24,022,602	20,250,138	18.6
Gross profit margin	50.5%	46.4%	4.1 ppt	49.5%	47.1%	2.4 ppt
EBITDA	5,707,376	4,206,441	35.7	16,892,650	13,747,189	22.9
EBITDA Margin	35.8%	30.9%	4.9 ppt	34.8%	32.0%	2.8 ppt
Net profit	3,183,572	1,844,259	72.6	9,214,917	5,957,765	54.7
Earnings per share	2.29	1.33	72.2	6.63	4.29	54.5

Singapore, 29 April 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 third quarter and nine months ended 31 March 2025 (“**3QFY2025**” and “**9MFY2025**”).

Group revenue increased 17.3% and 12.9% year-on-year (“**yoy**”) to S\$16.0 million and S\$48.5 million in 3QFY2025 and 9MFY2025 respectively. On a quarter-on-quarter (“**qoq**”) basis, Group revenue decreased 2.1% from S\$16.3 million in 2QFY2025, due to softer results from the Group’s consumable tools segment. Consumable tools remained the Group’s core business segment, accounting for 74.6% of the Group’s revenue with revenue increasing 3.2% yoy to S\$11.9 million in 3QFY2025. Revenue from the Group’s Wafer Fabrication Equipment (“**WFE**”) parts segment increased by 95.7% yoy to S\$4.0 million in 3QFY2025.

Gross profit grew 27.5% yoy to S\$8.1 million in 3QFY2025, attributable to lower cost of sales and reflecting the Group’s continuous effort on operational excellence. Gross profit margin improved to 50.5% for 3QFY2025 from 46.4% in 3QFY2024 and 47.5% in 2QFY2025, reflecting the Group’s continuous efforts in operational excellence, one of the pillars of the ‘Five-Star Factory’ initiative.

Mr. Christopher Borch, Executive Chairman and CEO, said: “We delivered another strong performance in 3QFY2025 despite heightened geopolitical and macroeconomic uncertainties. Our WFE segment continued to see positive sales momentum this quarter, further validating our recent efforts to strengthen our competitiveness in process-critical WFE parts. Our ‘Five-Star Factory’ initiative has also enabled us to adapt and respond effectively to our customers amidst an increasingly complex operating landscape. As market dynamics continue to evolve, we remain focused on strengthening our fundamentals such as our decentralised structure to enhance our resilience as we navigate these externalities and protect long-term value for our shareholders.”

Update on key initiatives for FY2025

Keeping broader economic dynamics in mind, the Group continues to progress several key initiatives to build on the improved financial performance in 1HFY2025 and sustain earnings recovery in FY2025. These include:

Sustaining 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.

Core operating performance at MMUS has continued to improve with a sharpened product mix and improved margins. The Group achieved its third consecutive quarter of profitability at MMUS with profit before tax of S\$442k, compared to PBT of S\$316k in 2QFY2025 and S\$216k in 1QFY2025. The Group remains focused on sustaining this momentum amidst ongoing trade volatility and uncertainty within the global semiconductor industry.

Executing the 'Five-Star Factory' initiative

Additionally, the Group continues to progress and benefit from the implementation of the 'Five-Star Factory' initiative, which aims to strengthen five fundamentals or "pillars" to accelerate excellence across its five factories. These include:

- **Fast, Effective & Local Support to Global Customers**: Strengthening the Group's decentralised structure, thus further improving its ability to respond to its customers' evolving needs quickly and effectively and to solve high-value customer and industry problems.
 - The Group continues to engage with customers who are looking to strengthen their own supply chains.
- **Operational Excellence**: Leveraging lean engineering and management principles, data and automation to develop fast, flawless and cost-effective manufacturing.
 - The Group has continued to minimise inventory overstocking with inventory at S\$3.7 million as at 31 March 2025 (30 June 2024: S\$3.9 million), representing 5.7% of annualised sales (30 June 2024: 6.7%). Inventory written off in 3QFY2025 totaled S\$27k, compared to S\$31k in 3QFY2024.
 - In 3QFY2025, Executive Chairman and CEO Christopher Borch was also conferred the Daniel J. Epstein Engineering Management Award by the University of Southern California's Viterbi School of Engineering for his accomplishments and contributions to the field of engineering management.
- **Innovation Excellence**: Creating 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's Singapore facility developed a High-Bandwidth Memory (HBM) chip manufacturing component that resulted in higher yields for a global memory chip maker.
 - The Group also continues to engage its R&D and manufacturing teams to improve its manufacturing capabilities to support higher-value orders.
- **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.
 - In 3QFY2025, the Group promoted Wendy Tan to Senior Vice President (Finance), alongside several regional operational leads to drive each pillar of excellence under the 'Five-Star Factory' initiative.

- The Group also appointed a Vice President for human resources based in Penang to drive the Group's internal career and leadership development initiatives.
- Additionally, the Group has appointed a consultant to advise on the strategic direction of its Wafer Fab Equipment (WFE) offerings. The consultant brings over 30 years of comprehensive experience in the semiconductor industry, spanning executive management, marketing, engineering, and manufacturing. Until recently, he served as a board member and CEO of U.S. operations for a publicly listed Japanese technology company.
- **Workplace Efficiency, Health, and Safety:** Implementing “8S” practices by all personnel resulting in organised, productive, clean, safe and environmentally responsible operations.
 - As of 3QFY2025, all the Group's facilities have improved their internal 'Five-Star' ratings year on year and remain on track to achieving their internal “8S” targets.

The Group is encouraged by the progress and remains focused on advancing the five pillars of excellence across its five factories.

Prioritising disciplined capital management and good governance

Additionally, the Group continues to exercise disciplined capital management and uphold good governance to deliver sustainable long-term shareholder returns. The Group generated net cash from operating activities of S\$3.9 million in 3QFY2025 and ended 3QFY2025 with S\$19.2 million in cash and bank balances and no bank borrowings.

Appointment of CEO

To support the Group's long-term strategic growth and leadership continuity, the Board of Directors has appointed Mr. Kyle Borch as Chief Executive Officer (“CEO”), effective 1 July 2025, at the start of the Group's next financial year (“FY2026”). Currently serving as Group Deputy CEO, Mr. Borch will immediately assume the role of CEO-designate to facilitate a seamless transition into his new responsibilities. He succeeds Group Executive Chairman and CEO Mr. Christopher Borch, who will continue as Executive Chairman.

Business outlook

The Group has not experienced any direct impact from the retaliatory tariffs announced across major economies in April 2025. While the Group believes that it is well-positioned to navigate ongoing externalities heading into the rest of FY2025, it remains vigilant about any potential indirect impacts on its customers. With a strategic focus on strengthening its core foundation, the Group continues to future-proof its operations to drive sustainable, high-quality earnings and long-term growth. Aligned with its vision to become a leading Next Generation Supplier of high-precision tools and parts for semiconductor wafer-fabrication and assembly processes, the Group remains agile and adaptable—committed to enabling customer success and advancing industry innovation in an increasingly complex global landscape.

This news release should be read in conjunction with the Group's financial statements and announcement posted on the SGX website on 29 April 2025.

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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 over 30 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
