UMS INTEGRATION LIMITED

Company Registration No. 200100340R

# UMS Integration Limited and its subsidiaries

Unaudited Condensed Interim Financial Statements
For the six-month financial period ended 30 June 2026

**UMS INTEGRATION LIMITED AND ITS SUBSIDIARIES**

**Table of content**

## UMS INTEGRATION LIMITED AND ITS SUBSIDIARIES

## Condensed interim consolidated income statement
## For the six-month financial period ended 30 June 2026

| | Group | | | | | |
|---|---|---|---|---|---|---|
| | 2Q | | | 6 Months Ended | | |
| | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 | Change % | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 | Change % |
| Revenue (Note 4.1) | 87,139 | 67,347 | 29% | 156,528 | 125,001 | 25% |
| Changes in inventories | 1,338 | 15,041 | -91% | (2,464) | 22,563 | -111% |
| Raw material purchases and subcontractor charges | (41,230) | (45,815) | -10% | (70,331) | (78,742) | -11% |
| Employee benefits expense | (10,122) | (9,556) | 6% | (19,744) | (18,701) | 6% |
| Depreciation expense | (7,536) | (6,308) | 19% | (14,396) | (12,148) | 19% |
| Amortisation of intangible asset | (75) | (75) | 0% | (150) | (150) | 0% |
| Other expenses (Note 6.2) | (6,859) | (6,307) | 9% | (12,689) | (11,952) | 6% |
| Other (charges)/credits (Note 6.3) | (246) | (2,469) | -90% | 1,416 | (2,853) | N.M |
| Finance income (Note 6.1) | 67 | 287 | -77% | 176 | 678 | -74% |
| Finance expense (Note 6.1) | (135) | (121) | 12% | (259) | (248) | 4% |
| **Profit before income tax** | **22,341** | **12,024** | **86%** | **38,087** | **23,448** | **62%** |
| Income tax expense (Note 7) | (2,501) | (1,570) | 59% | (4,042) | (2,847) | 42% |
| **Net profit for the period** | **19,840** | **10,454** | **90%** | **34,045** | **20,601** | **65%** |
| **Profit attributable to:** | | | | | | |
| **Owners of the parent** | **19,396** | **10,260** | **89%** | **33,402** | **20,087** | **66%** |
| Non-controlling interests | 444 | 194 | 129% | 643 | 514 | 25% |
| | **19,840** | **10,454** | **90%** | **34,045** | **20,601** | **65%** |
| **Earnings per share attributable to owners of the Company (cents per share)*** | | | | | | |
| Basic | **2.18** | **1.16** | | **3.76** | **2.26** | |
| Diluted | **2.18** | **1.16** | | **3.76** | **2.26** | |

N.M - Not meaningful

*For purpose of comparison, the weighted average number of ordinary shares used for computing earnings per share ("EPS'') for 2Q 30 June 2025 and 6 months ended 2025 have been adjusted retrospectively for the 177,631,915 Bonus Shares issued on 15 January 2026.

**UMS INTEGRATION LIMITED AND ITS SUBSIDIARIES**

## Condensed interim consolidated statement of comprehensive income
## As at 30 June 2026

| | Group | | | | | |
|---|---|---|---|---|---|---|
| | 2Q | | | 6 Months Ended | | |
| | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 | Change % | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 | Change % |
| Net profit for the period | 19,840 | 10,454 | 90% | 34,045 | 20,601 | 65% |
| Other comprehensive income/(loss), net of income tax | | | | | | |
| *Items that may be classified subsequently to profit and loss:* | | | | | | |
| Exchange differences on translation of foreign operations | 217 | (293) | N.M | 428 | (1,170) | N.M |
| **Total comprehensive income for the period** | **20,057** | **10,161** | **97%** | **34,473** | **19,431** | **77%** |
| **Total comprehensive income attributable to:** | | | | | | |
| Owners of the parent | 19,611 | 9,904 | 98% | 33,825 | 18,847 | 79% |
| Non-controlling interests | 446 | 257 | 74% | 648 | 584 | 11% |
| | **20,057** | **10,161** | **97%** | **34,473** | **19,431** | **77%** |

## UMS INTEGRATION LIMITED AND ITS SUBSIDIARIES

## Condensed interim statement of financial position
## As at 30 June 2026

| | Group | | Company | |
|---|---|---|---|---|
| | 30-Jun-2026 | 31-Dec-2025 | 30-Jun-2026 | 31-Dec-2025 |
| | S$'000 | S$'000 | S$'000 | S$'000 |
| **ASSETS** | | | | |
| **Current Assets** | | | | |
| Cash and bank balances | 38,589 | 43,063 | 353 | 458 |
| Trade receivables and other current assets | 60,691 | 42,812 | 29,906 | 47,840 |
| Loan to subsidiaries | - | - | 833 | 1,873 |
| Inventories | 149,493 | 151,957 | - | - |
| **Total Current Assets** | 248,773 | 237,832 | 31,092 | 50,171 |
| | | | | |
| **Non-Current Assets** | | | | |
| Investments in subsidiaries | - | - | 278,944 | 270,724 |
| Property, plant and equipment (Note 12) | 189,295 | 194,370 | - | - |
| Right-of-use assets | 8,467 | 8,832 | - | - |
| Intangible assets (Note 11) | 87,201 | 87,351 | - | - |
| Loan to a subsidiary | - | - | 9,639 | 9,639 |
| Deferred tax assets | 161 | 159 | - | - |
| **Total Non-Current Assets** | 285,124 | 290,712 | 288,583 | 280,363 |
| | | | | |
| **Total Assets** | **533,897** | **528,544** | **319,675** | **330,534** |
| | | | | |
| **LIABILITIES AND EQUITY** | | | | |
| **Current Liabilities** | | | | |
| Trade and other payables | 42,312 | 47,044 | 6,119 | 10,081 |
| Lease liabilities | 1,781 | 1,831 | - | - |
| Income tax payable | 6,093 | 4,586 | 221 | 219 |
| **Total Current Liabilities** | 50,186 | 53,461 | 6,340 | 10,300 |
| | | | | |
| **Non-Current Liabilities** | | | | |
| Lease liabilities | 7,469 | 7,740 | - | - |
| Deferred tax liabilities | 10,836 | 10,432 | - | - |
| Long-term provision* | 405 | 405 | - | - |
| **Total Non-Current Liabilities** | 18,710 | 18,577 | - | - |
| | | | | |
| **Total Liabilities** | **68,896** | **72,038** | **6,340** | **10,300** |
| | | | | |
| **Capital and Reserves** | | | | |
| Share capital (Note 13) | 186,541 | 186,541 | 186,541 | 186,541 |
| Treasury shares (Note 13.1) | (145) | (145) | - | - |
| Reserves | (8,555) | (8,978) | - | - |
| Retained earnings | 267,820 | 251,268 | 126,794 | 133,693 |
| | 445,661 | 428,686 | 313,335 | 320,234 |
| **Non-controlling interests** | **19,340** | **27,820** | - | - |
| **Total Equity** | **465,001** | **456,506** | **313,335** | **320,234** |
| | | | | |
| **Total Liabilities and Equity** | **533,897** | **528,544** | **319,675** | **330,534** |

* Provision for reinstatement of leased premises.

UMS INTEGRATION LIMITED AND ITS SUBSIDIARIES

## Condensed interim statements of changes in equity
## For the six-month financial period ended 30 June 2026

| | Attributable to owners of the Company | | | | | | |
|---|---|---|---|---|---|---|---|
| | Share Capital S$'000 | Treasury Shares S$'000 | Foreign Exchange Translation Reserve S$'000 | Retained Earnings S$'000 | Total S$'000 | Non-controlling Interests S$'000 | Total S$'000 |
| **Group** | | | | | | | |
| **Balance at 1 January 2026** | 186,541 | (145) | (8,978) | 251,268 | 428,686 | 27,820 | 456,506 |
| **Changes in equity for first quarter** | | | | | | | |
| Net profit for the period | - | - | - | 14,006 | 14,006 | 199 | 14,205 |
| Other comprehensive income for the period- Exchange differences on translation of foreign operations | - | - | 208 | - | 208 | 3 | 211 |
| **Total comprehensive income for the quarter** | - | - | 208 | 14,006 | 14,214 | 202 | 14,416 |
| **Consideration paid for acquisition of noncontrolling interests** | - | - | - | 908 | 908 | (9,128) | (8,220) |
| **Balance at 31 March 2026** | 186,541 | (145) | (8,770) | 266,182 | 443,808 | 18,894 | 462,702 |
| **Changes in equity for second quarter** | | | | | | | |
| Net profit for the period | - | - | - | 19,396 | 19,396 | 444 | 19,840 |
| Other comprehensive income for the period- Exchange differences on translation of foreign operations | - | - | 215 | - | 215 | 2 | 217 |
| **Total comprehensive income for the quarter** | - | - | 215 | 19,396 | 19,611 | 446 | 20,057 |
| Dividend paid | - | - | - | (17,758) | (17,758) | - | (17,758) |
| **As at 30 June 2026** | 186,541 | (145) | (8,555) | 267,820 | 445,661 | 19,340 | 465,001 |

**UMS INTEGRATION LIMITED AND ITS SUBSIDIARIES**

## Condensed interim statements of changes in equity
## For the six-month financial period ended 30 June 2026

| | Attributable to owners of the Company | | | | | | |
|---|---|---|---|---|---|---|---|
| | Share Capital S$'000 | Treasury Shares S$'000 | Foreign Exchange Translation Reserve S$'000 | Retained Earnings S$'000 | Total S$'000 | Non-controlling Interests S$'000 | Total S$'000 |
| **Group** | | | | | | | |
| **Balance at 1 January 2025** | 186,541 | (145) | (13,354) | 245,204 | 418,246 | 25,673 | 443,919 |
| **Changes in equity for first quarter** | | | | | | | |
| Net profit for the period | - | - | - | 9,827 | 9,827 | 320 | 10,147 |
| Other comprehensive (loss)/income for the period- Exchange differences on translation of foreign operations | - | - | (884) | - | (884) | 7 | (877) |
| **Total comprehensive (loss)/income for the quarter** | - | - | (884) | 9,827 | 8,943 | 327 | 9,270 |
| **Balance at 31 March 2025** | 186,541 | (145) | (14,238) | 255,031 | 427,189 | 26,000 | 453,189 |
| **Changes in equity for second quarter** | | | | | | | |
| Net profit for the period | - | - | - | 10,260 | 10,260 | 194 | 10,454 |
| Other comprehensive (loss)/income for the period- Exchange differences on translation of foreign operations | - | - | (356) | - | (356) | 63 | (293) |
| **Total comprehensive (loss)/income for the quarter** | - | - | (356) | 10,260 | 9,904 | 257 | 10,161 |
| Dividend paid | - | - | - | (14,211) | (14,211) | - | (14,211) |
| **As at 30 June 2025** | 186,541 | (145) | (14,594) | 251,080 | 422,882 | 26,257 | 449,139 |

## UMS INTEGRATION LIMITED AND ITS SUBSIDIARIES

## Condensed interim statements of changes in equity
## For the six-month financial period ended 30 June 2026

| | Attributable to owners of the Company | | |
|---|---|---|---|
| | Share Capital S$'000 | Retained Earnings S$'000 | Total S$'000 |
| **Company** | | | |
| **Balance at 1 January 2026** | 186,541 | 133,693 | 320,234 |
| **Changes in equity for first quarter** | | | |
| Net profit for the period | - | 1,259 | 1,259 |
| **Total comprehensive income for the quarter** | - | 1,259 | 1,259 |
| **Balance at 31 March 2026** | 186,541 | 134,952 | 321,493 |
| **Changes in equity for second quarter** | | | |
| Net profit for the period | - | 9,600 | 9,600 |
| **Total comprehensive income for the quarter** | - | 9,600 | 9,600 |
| Dividend paid | - | (17,758) | (17,758) |
| **As at 30 June 2026** | 186,541 | 126,794 | 313,335 |

| | Attributable to owners of the Company | | |
|---|---|---|---|
| | Share Capital S$'000 | Retained Earnings S$'000 | Total S$'000 |
| **Company** | | | |
| **Balance at 1 January 2025** | 186,541 | 46,415 | 232,956 |
| **Changes in equity for first quarter** | | | |
| Net profit for the period | - | 85,093 | 85,093 |
| **Total comprehensive income for the quarter** | - | 85,093 | 85,093 |
| **Balance at 31 March 2025** | 186,541 | 131,508 | 318,049 |
| **Changes in equity for second quarter** | | | |
| Net profit for the period | - | 7,073 | 7,073 |
| **Total comprehensive income for the quarter** | - | 7,073 | 7,073 |
| Dividend paid | - | (14,211) | (14,211) |
| **As at 30 June 2025** | 186,541 | 124,370 | 310,911 |

**UMS INTEGRATION LIMITED AND ITS SUBSIDIARIES**

**Condensed interim consolidated cash flow statement**
**For the six-month financial period ended 30 June 2026**

| | Group | | | |
|---|---|---|---|---|
| | 2Q | | 6 Months Ended | |
| | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 |
| **Cash flows from operating activities** | | | | |
| Profit before income tax | 22,341 | 12,024 | 38,087 | 23,448 |
| Adjustments for: | | | | |
| Depreciation expense | 7,536 | 6,308 | 14,396 | 12,148 |
| Amortisation of intangible asset | 75 | 75 | 150 | 150 |
| Property, plant and equipment written off | 1 | 1 | 1 | 30 |
| Inventories written off | 178 | - | 178 | - |
| Gain on disposal of property, plant and equipment | (1) | (319) | (30) | (964) |
| Interest income | (67) | (287) | (176) | (678) |
| Interest expense | 135 | 121 | 259 | 248 |
| Unrealised foreign exchange loss/(gain) | 1,327 | (236) | (175) | - |
| **Operating cash flows before working capital changes** | 31,525 | 17,687 | 52,690 | 34,382 |
| Changes in working capital: | | | | |
| Trade receivables and other current assets | 5,697 | (6,230) | (6,026) | (4,905) |
| Inventories | (1,516) | (15,041) | 2,286 | (22,563) |
| Trade and other payables | 2,836 | 9,774 | (14,466) | 11,144 |
| **Cash generated from operations** | 38,542 | 6,190 | 34,484 | 18,058 |
| Income tax paid | (2,208) | (2,624) | (3,016) | (2,837) |
| **Net cash generated from operating activities** | **36,334** | **3,566** | **31,468** | **15,221** |
| | | | | |
| **Cash flows from investing activities** | | | | |
| Proceeds from disposal of property, plant and equipment | (50) | 384 | 31 | 1,058 |
| Purchase of property, plant and equipment (a) | (5,600) | (11,881) | (9,592) | (22,865) |
| Interest received | 67 | 287 | 176 | 678 |
| **Net cash used in investing activities** | **(5,583)** | **(11,210)** | **(9,385)** | **(21,129)** |

**UMS INTEGRATION LIMITED AND ITS SUBSIDIARIES**

**Condensed interim consolidated cash flow statement**
**For the six-month financial period ended 30 June 2026**

| | Group | | | |
|---|---|---|---|---|
| | 2Q | | 6 Months Ended | |
| | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 |
| **Cash flows from financing activities** | | | | |
| Proceeds from bank borrowings | - | - | 8,300 | - |
| Repayment of bank borrowings | (8,300) | (431) | (8,300) | (646) |
| Interest paid | (36) | (3) | (36) | (6) |
| | (8,336) | (434) | (8,336) | (652) |
| Repayment of lease liabilities | (179) | (169) | (342) | (330) |
| Interest paid | (110) | (118) | (223) | (242) |
| | (289) | (287) | (565) | (572) |
| Consideration paid for acquisition of non-controlling interests | - | - | (8,220) | - |
| Dividend paid | (17,758) | (14,211) | (17,758) | (14,211) |
| **Net cash used in financing activities** | **(26,383)** | **(14,932)** | **(26,579)** | **(15,435)** |
| Net increase/(decrease) in cash and cash equivalents | 4,368 | (22,576) | (4,496) | (21,343) |
| Net effect of exchange rate changes | (94) | (170) | 22 | 562 |
| Cash and cash equivalents at beginning of the period | 34,315 | 81,893 | 43,063 | 79,928 |
| **Cash and cash equivalents at end of the period** | **38,589** | **59,147** | **38,589** | **59,147** |

The reconciliation of purchase of property, plant and equipment ("PPE") is presented below:

| | Group | |
|---|---|---|
| **Note (a)** | **30-Jun-26 S$'000** | **30-Jun-25 S$'000** |
| **Purchase of property, plant and equipment** | | |
| **Total additions** | 8,369 | 21,287 |
| Movement in downpayment to suppliers of PPE | 1,223 | 1,578 |
| **Net cash outflow** | 9,592 | 22,865 |

## 1. Corporate information

UMS Integration Limited (the "Company") is a public limited company incorporated and domiciled in Singapore, and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The controlling shareholder of the Company is Mr Luong Andy.

The principal activity of the Company is investment holding. The principal activities of the Group are:

(a) Manufacture of precision machining components, assembly and integration of equipment modules for semiconductor equipment manufacturers;
(b) Precision engineering works for parts used mainly in the aerospace, oil and gas industries, and other general engineering and machinery work; and
(c) Manufacture of water disinfection systems, trading of non-ferrous metal alloys and cutting tools.

## 2. Basis of Preparation

The condensed financial statements for the three month and half year ended 30 June 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 31 December 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The financial statements, which are expressed in Singapore Dollar ("S$"), are rounded to the nearest thousand dollar (S$'000), except as otherwise indicated.

### 2.1 New and amended standards adopted by the Group

The Group has adopted the relevant standard applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

### 2.2 Use of judgements and estimates

In the application of the Group's accounting policies, which are described in Note 3 to the consolidated financial statements ("Annual Report 2025"), management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

## 2. Basis of preparation (cont'd)

### 2.3 Use of judgements and estimates (cont'd)

(a) Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

*Useful lives of property, plant and equipment and investment property*

The Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment and investment property. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment and investment property of a similar nature and function. It could change significantly as a result of technical innovations and competitor actions. Management will increase the depreciation charge where the useful lives are less than previously estimated, or it will write-off or write-down technically obsolete assets that have been abandoned or sold.

There is no change in the estimated useful lives of property, plant and equipment during the financial year. The carrying amounts of property, plant and equipment of the Group as at 30 June 2026 amounted to S$189,295,000 (31 Dec 2025: S$194,370,000).

*Impairment of goodwill*

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

*Impairment of loan and receivables*

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (“ECLs”). The ECLs on trade receivables are estimated using a provision matrix which involves grouping receivables according to historical loss patterns (e.g. customer rating or product or by geographical location) and applying a historic provision rate which is based on days past due for groupings of various customer segments that have similar loss patterns. In devising such a provision matrix, the Group uses its historical credit loss experience with forward-looking information (adjusted as necessary to reflect current conditions and forecast economic conditions) to estimate the lifetime expected credit losses on the trade receivables and contract assets. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customer’s actual default in the future.

## 2. Basis of preparation (cont'd)

### 2.3 Use of judgements and estimates (cont'd)

(b) Critical Judgements in applying Accounting Policies

In the process of applying the Group's accounting policies, the application of judgements that are expected to have a significant effect on the amounts recognised in the interim consolidated financial statements are discussed below.

*Allowance for inventories obsolescence*

Reviews are made periodically by management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. The Group writes down the cost of inventories whenever the net realisable value of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, changes in price levels or other causes. Allowances are recorded against the inventories based on historical obsolescence of slow-moving inventories.

## 3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## 4. Financial Information by Segments

The Group is organised into the following main **business segments**:

(a) Semiconductor: Manufacture of precision machining components, assembly and integration of equipment modules for semiconductor equipment manufacturers;

(b) Aerospace: Precision engineering works for parts used mainly in the aerospace, oil and gas industries, and other general engineering and machinery work; and

(c) Others: Manufacture of water disinfection systems, trading of non-ferrous metal alloys and cutting tools.

Management monitors the operating results of its segments separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is monitored based on revenue and gross profit. Selling expenses, administrative expenses, finance costs, assets and liabilities are managed on a legal entity basis.

The Group operates in six principal **geographical regions** - Singapore, United States of America ("USA"), Taiwan, Malaysia, South Korea and Others. Sales to external parties in the individual country grouped under "others" did not contribute more than 5% of the total sales of the Group.

In presenting information on the basis of geographical segments, segment revenue is based on the countries of domicile of the customers. Segment assets are based on the geographical location of the assets.

## 4. Financial Information by Segments (cont'd)

### 4.1 Revenue by Business Segments and Geographical Areas

**Revenue**
**6 Months 2026 vs 2025**

| | Group | | |
|---|---|---|---|
| | 6 Months Ended | | |
| | 30-Jun-26 | 30-Jun-25 | Change |
| | S$'000 | S$'000 | % |
| **Business Segments** | | | |
| Semiconductor (Semicon) | 134,466 | 107,434 | 25% |
| Aerospace | 15,835 | 11,537 | 37% |
| Others | 6,227 | 6,030 | 3% |
| | 156,528 | 125,001 | 25% |
| **Geographical Regions** | | | |
| Singapore | 92,666 | 78,702 | 18% |
| United States of America ('USA') | 13,547 | 14,529 | -7% |
| Taiwan | 9,211 | 8,907 | 3% |
| Malaysia | 26,033 | 17,364 | 50% |
| South Korea | 9,861 | 2,367 | 317% |
| Others | 5,210 | 3,132 | 66% |
| | 156,528 | 125,001 | 25% |

**Revenue**
**2Q2026 vs 2Q2025**

| | Group | | |
|---|---|---|---|
| | 3 Months Ended | | |
| | 30-Jun-26 | 30-Jun-25 | Change |
| | S$'000 | S$'000 | % |
| **Business Segments** | | | |
| Semiconductor (Semicon) | 75,540 | 58,833 | 28% |
| Aerospace | 8,557 | 5,368 | 59% |
| Others | 3,042 | 3,146 | -3% |
| | 87,139 | 67,347 | 29% |
| **Geographical Regions** | | | |
| Singapore | 53,463 | 43,118 | 24% |
| United States of America ('USA') | 7,104 | 7,245 | -2% |
| Taiwan | 3,273 | 4,545 | -28% |
| Malaysia | 14,006 | 9,361 | 50% |
| South Korea | 6,423 | 1,438 | 347% |
| Others | 2,870 | 1,640 | 75% |
| | 87,139 | 67,347 | 29% |

## 4. Financial Information by Segments (cont'd)

### 4.2 Business Segments

| | Semiconductor | | Aerospace | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 30-Jun-26 | 30-Jun-25 | 30-Jun-26 | 30-Jun-25 | 30-Jun-26 | 30-Jun-25 | 30-Jun-26 | 30-Jun-25 |
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| **6 Months Ended 30 June** | | | | | | | | |
| **Group** | | | | | | | | |
| Sales to external parties | 134,466 | 107,434 | 15,835 | 11,537 | 6,227 | 6,030 | 156,528 | 125,001 |
| **Segment results** | 32,838 | 21,939 | 2,440 | 1,111 | 2,809 | 398 | 38,087 | 23,448 |
| Material non-cash items include: | | | | | | | | |
| Depreciation expense | 12,816 | 10,873 | 1,139 | 925 | 441 | 350 | 14,396 | 12,148 |
| Inventories written off | 178 | - | - | - | - | - | 178 | - |
| Property, plant and equipment written off | 1 | 30 | - | - | - | - | 1 | 30 |
| Gain on disposal of property, plant and equipment | (30) | (811) | - | (153) | - | - | (30) | (964) |
| **Disaggregation of revenue** | | | | | | | | |
| At a point in time - sales of goods | 134,466 | 107,434 | 15,835 | 11,537 | 5,872 | 5,687 | 156,173 | 124,658 |
| Over time - rental income | - | - | - | - | 355 | 343 | 355 | 343 |
| Total revenue | 134,466 | 107,434 | 15,835 | 11,537 | 6,227 | 6,030 | 156,528 | 125,001 |

| | Semiconductor | | Aerospace | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 30-Jun-26 | 31-Dec-25 | 30-Jun-26 | 31-Dec-25 | 30-Jun-26 | 31-Dec-25 | 30-Jun-26 | 31-Dec-25 |
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| Total assets | 887,975 | 882,657 | 51,974 | 46,751 | 60,302 | 60,028 | 1,000,251 | 989,436 |
| Total liabilities | 286,637 | 293,677 | 14,569 | 13,611 | 19,768 | 19,712 | 320,974 | 327,000 |

| | Group | |
|---|---|---|
| | 30-Jun-26 | 31-Dec-25 |
| | S$'000 | S$'000 |
| Total assets for reportable segments | 1,000,251 | 989,436 |
| Elimination of inter-segment assets | (466,354) | (460,892) |
| Total assets | 533,897 | 528,544 |
| Total liabilities for reportable segments | 320,974 | 327,000 |
| Elimination of inter-segment liabilities | (252,078) | (254,962) |
| Total liabilities | 68,896 | 72,038 |

## 4. Financial Information by Segments (cont'd)

### 4.3 Geographical Segments

| | Singapore | | USA | | Taiwan | | Malaysia | | Korea | | Others | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Group** | **30-Jun-26** | **30-Jun-25** | **30-Jun-26** | **30-Jun-25** | **30-Jun-26** | **30-Jun-25** | **30-Jun-26** | **30-Jun-25** | **30-Jun-26** | **30-Jun-25** | **30-Jun-26** | **30-Jun-25** | **30-Jun-26** | **30-Jun-25** |
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| **6 Months Ended 30 June** | | | | | | | | | | | | | | |
| **Group** | | | | | | | | | | | | | | |
| Sales to external parties | 92,666 | 78,702 | 13,547 | 14,529 | 9,211 | 8,907 | 26,033 | 17,364 | 9,861 | 2,367 | 5,210 | 3,132 | 156,528 | 125,001 |

| | **30-Jun-26** | **31-Dec-25** | **30-Jun-26** | **31-Dec-25** | **30-Jun-26** | **31-Dec-25** | **30-Jun-26** | **31-Dec-25** | **30-Jun-26** | **31-Dec-25** | **30-Jun-26** | **31-Dec-25** | **30-Jun-26** | **31-Dec-25** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 | S$'000 |
| Other geographical information: | | | | | | | | | | | | | | |
| Non-current assets: | | | | | | | | | | | | | | |
| Property, plant and equipment | 81,981 | 88,772 | 92 | 99 | - | - | 107,222 | 105,499 | - | - | - | - | 189,295 | 194,370 |
| Intangible asset | 850 | 1,000 | - | - | - | - | - | - | - | - | - | - | 850 | 1,000 |
| Goodwill | 85,427 | 85,427 | - | - | - | - | 924 | 924 | - | - | - | - | 86,351 | 86,351 |
| Right-of-use assets | 8,018 | 8,306 | 449 | 523 | - | - | - | 3 | - | - | - | - | 8,467 | 8,832 |

## 5. Financial Assets and Financial Liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2026 and 31 December 2025:

| | Group | | Company | |
|---|---|---|---|---|
| | 30-Jun-26 | 31-Dec-25 | 30-Jun-26 | 31-Dec-25 |
| | S$'000 | S$'000 | S$'000 | S$'000 |
| **Group** | | | | |
| Financial assets | | | | |
| Trade receivables and other current assets | | | | |
| (excluding prepayments and advance to suppliers) | 45,888 | 33,819 | 29,906 | 47,807 |
| Loan to subsidiaries | - | - | 10,472 | 11,512 |
| Cash and bank balances | 38,589 | 43,063 | 353 | 458 |
| | 84,477 | 76,882 | 40,731 | 59,777 |
| Financial liabilities | | | | |
| Trade and other payables | | | | |
| (excluding contract liabilities) | 38,831 | 45,449 | 6,119 | 10,081 |
| Lease liabilities | 9,250 | 9,571 | - | - |
| | 48,081 | 55,020 | 6,119 | 10,081 |

## 6. Profit before tax

### 6.1 Finance income/(expense)

| | Group | | | | | |
|---|---|---|---|---|---|---|
| | 2Q | | | 6 Months Ended | | |
| | 30-Jun-26 | 30-Jun-25 | Change | 30-Jun-26 | 30-Jun-25 | Change |
| | S$'000 | S$'000 | % | S$'000 | S$'000 | % |
| **Group** | | | | | | |
| Interest income | | | | | | |
| - from cash and cash equivalents | 67 | 287 | -77% | 176 | 678 | -74% |
| Interest expense | | | | | | |
| - on lease liabilities and hire purchases | (110) | (118) | -7% | (223) | (242) | -8% |
| - on bank borrowings | (25) | (3) | 733% | (36) | (6) | 500% |
| Net finance (expense)/income | (68) | 166 | N.M | (83) | 430 | N.M |

## 6. Profit before tax (cont'd)

### 6.2 Other expenses:

| | Group | | | | | |
|---|---|---|---|---|---|---|
| | 2Q | | | 6 Months Ended | | |
| | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 | Change % | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 | Change % |
| Legal and professional fees | (1,071) | (862) | 24% | (1,920) | (1,587) | 21% |
| Utilities | (2,475) | (2,314) | 7% | (4,399) | (4,313) | 2% |
| Freight charges | (479) | (381) | 26% | (900) | (599) | 50% |
| Insurance | (202) | (181) | 12% | (445) | (363) | 23% |
| Upkeep of properties and equipment | (527) | (365) | 44% | (1,063) | (916) | 16% |
| Upkeep of machinery | (871) | (938) | -7% | (1,533) | (1,714) | -11% |
| Others | (1,234) | (1,266) | -3% | (2,429) | (2,460) | -1% |
| | (6,859) | (6,307) | 9% | (12,689) | (11,952) | 6% |

### 6.3 Other (Charges)/Credits

| | Group | | | | | |
|---|---|---|---|---|---|---|
| | 2Q | | | 6 Months Ended | | |
| | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 | Change % | 30-Jun-26 S$'000 | 30-Jun-25 S$'000 | Change % |
| Foreign exchange (loss)/gain - net | (354) | (2,808) | -87% | 1,167 | (3,859) | N.M. |
| Gain on disposal of property, plant and equipment | 1 | 319 | -100% | 30 | 964 | -97% |
| Property, plant & equipment written off | (1) | (1) | 0% | (1) | (30) | -97% |
| Inventories written off | (178) | - | N.M. | (178) | - | N.M. |
| Others | 286 | 21 | 1262% | 398 | 72 | 453% |
| | (246) | (2,469) | -90% | 1,416 | (2,853) | N.M. |

## 6. Profit before tax (cont'd)

### 6.4 Related Party Transactions

There are transactions and arrangements between the Group and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. In addition to the transactions and balances disclosed elsewhere in the consolidated financial statements, related party transactions include the following expenses:

| | Group | |
|---|---|---|
| | 30-Jun-26 | 30-Jun-25 |
| | S$'000 | S$'000 |
| ***Transactions with related party*** | | |
| Consultancy services charges and commission | 1,302 | 889 |
| **Total** | 1,302 | 889 |

Related party comprises mainly company which is controlled by the Group's key management personnel and their close family members.

## 7. Income Tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

| | Group | | | | | |
|---|---|---|---|---|---|---|
| | 2Q | | | 6 Months Ended | | |
| | 30-Jun-26 | 30-Jun-25 | Change | 30-Jun-26 | 30-Jun-25 | Change |
| | S$'000 | S$'000 | % | S$'000 | S$'000 | % |
| Current income tax: | | | | | | |
| - current year | (2,139) | (1,247) | 72% | (3,685) | (2,795) | 32% |
| - over provision in respect of prior years | - | 2 | -100% | 46 | - | N.M |
| Deferred taxation: | | | | | | |
| - current year | (362) | (325) | 11% | (403) | (52) | 675% |
| | (2,501) | (1,570) | 59% | (4,042) | (2,847) | 42% |

## 8. Dividends

As at 31 December 2025, the Group proposed a final exempt (one-tier) dividend of 2.0 cents per ordinary share (2024: 2.0 cents), amounting to S$17,758,000 (2024: S$14,211,000). This dividend was not recognised as a liability at year-end, as it was subject to shareholders' approval. This dividend was paid on 22 May 2026.

Tax consequences of paid dividends

The above-mentioned paid dividends to the shareholders by the Company have no income tax consequences.

## 9. Net Assets Value

| | Group | | Company | |
|---|---|---|---|---|
| | 30-Jun-26 | 31-Dec-25 | 30-Jun-26 | 31-Dec-25 |
| Net asset value per ordinary share based on total number of issued shares (excluding treasury shares) | 50.19 cents | 60.35 cents | 35.28 cents | 45.07 cents |
| Total number of issued shares (excluding treasury shares) | 888,167,856 | 710,535,941 | 888,167,856 | 710,535,941 |

## 10 Fair value measurement

*(i) Fair value of financial instruments*

Fair value is defined as the amount at which the financial instruments could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted prices, discounted cash flow models and option pricing models as appropriate.

The Group presents financial assets measured at fair value and classified by level of the following fair value measurement hierarchy:

a. Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
b. Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is as prices) or indirectly (i.e. derived from prices); and
c. Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

*(ii) Fair Value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis*

The carrying amounts of financial assets and financial liabilities with a maturity of less than one year (including cash and bank balances, trade and other receivables, loan to subsidiaries, bank borrowings, trade and other payables and lease liabilities) approximate their fair values due to the relatively short-term maturity of these financial instruments.

The carrying amount of lease liabilities approximate their fair values as they are subject to interest rates close to market rates of interest for similar arrangement with financial institutions.

## 11. Intangible assets

| | | Group | |
|---|---|---|---|
| | **Goodwill** | **Customer Relationship** | **Total** |
| | S$'000 | S$'000 | S$'000 |
| **Cost:** | | | |
| At 1 January 2026 and 30 June 2026 | 88,469 | 2,400 | 90,869 |
| **Accumulated amortisation** | | | |
| At 1 January 2026 | - | (1,400) | (1,400) |
| Amortisation for the period | - | (150) | (150) |
| **At 30 June 2026** | - | (1,550) | (1,550) |
| **Accumulated impairment** | | | |
| At 1 January 2026 and 30 June 2026 | (2,118) | - | (2,118) |
| **Net book value:** | | | |
| At 31 Dec 2025 | 86,351 | 1,000 | 87,351 |
| **At 30 June 2026** | 86,351 | 850 | 87,201 |

The Group performed its annual impairment test in December and when circumstances indicated that the carrying value may be impaired. The Group's impairment test for goodwill with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2025.

The customer relationship arose from the acquisition of JEP Holdings Ltd and its subsidiary. The remaining amortisation period of the customer relationship is two years (2028 - 2 years). The amortisation of customer relationship will be included in the "amortisation of intangible asset" line item in the consolidated income statement. In the opinion of the directors of the Group, there is no indication that the recorded book value cannot be recovered from the business operations in the future periods.

## 12. Property, plant and equipment

During the financial period, the Group acquired assets amounting to S$8,369,000 (30.06.2025: S$21,287,000). The Company did not acquire any assets during financial periods ended 30 June 2026 and 30 June 2025.

## 13. Share Capital

| | 30-Jun-26 | | 31-Dec-25 | |
|---|---|---|---|---|
| | No. of ordinary shares | S$'000 | No. of ordinary shares | S$'000 |
| **Group and Company** | | | | |
| Issued and fully paid: | | | | |
| At the beginning of the period/year | 710,535,941 | 186,541 | 710,535,941 | 186,541 |
| Issue of bonus shares during the period | 177,631,915 | - | - | - |
| At the beginning and end of the period/year | 888,167,856 | 186,541 | 710,535,941 | 186,541 |

## 13.1 Treasury shares

| | 30-Jun-26 | | 31-Dec-25 | |
|---|---|---|---|---|
| | No. of ordinary shares | S$'000 | No. of ordinary shares | S$'000 |
| **Group** | | | | |
| At the beginning and end of the period/year | 664,837 | 145 | 664,837 | 145 |

## 14. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

# Other Information Required by Listing Rule Appendix 7.2

**Other Information**

## 1. Review

The interim condensed consolidated balance sheet of UMS Integration Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") as at 30 June 2026 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month financial period ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

## 2. Review of performance of the Group

### Condensed Consolidated Statement of Profit or Loss and other comprehensive Income

**Revenue**

**2QFY2026**

Group revenue soared 29% to S$87.1 million in 2QFY2026 from S$67.3 million in 2QFY2025. Compared with 1QFY2026, Group revenue jumped 26% from S$69.4 million.

The year-on-year (Y-o-Y) sales increase was driven by strong growth in the Group's two main core businesses. Revenue from the Semiconductor segment increased 28% to S$75.5 million from S$58.8 million, while Aerospace revenue surged 59% to S$8.6 million from S$5.4 million. Revenue from the Others segment dipped 3% to S$3.0 million from S$3.1 million.

Compared with 1QFY2026, Semiconductor revenue increased 28% from S$58.9 million on higher sales of both integrated systems and components. Aerospace revenue rose 18% from S$7.3 million, while revenue from the Others segment eased 4% from S$3.2 million.

Semiconductor Integrated System ("IS") sales increased 19% from S$28.2 million in 2QFY2025 to S$33.5 million in 2QFY2026. Revenue from Semiconductor Component sales climbed 37% from S$30.6 million to S$42.1 million during the same period.

On Q-o-Q basis, Semiconductor IS sales leapt almost 50% from S$22.4 million in 1QFY2026. Component sales grew more than 15% from S$36.5 million during the same period.

Geographically, most of the Group's key markets recorded stronger sales in 2QFY2026. Revenue from Singapore increased 24% to S$53.5 million from S$43.1 million, mainly due to higher shipments of both integrated systems and components.

Malaysia revenue surged 50% to S$14.0 million from S$9.4 million as the Group continued to ramp up production of semiconductor components for its new major customer. Korea revenue jumped 347% to S$6.4 million from S$1.4 million, mainly due to shipments of semiconductor components to the new major customer's location in Korea.

Revenue from the "Others" geographical market soared 75% to S$2.9 million from S$1.6 million, mainly due to higher shipments of aerospace components. US revenue dipped 2% to S$7.1 million from S$7.2 million, while Taiwan revenue decreased 28% to S$3.3 million from S$4.5 million, mainly because a key customer changed the shipment location for certain orders.

**2. Review of the performance of the Group (cont'd)**

**Revenue**

**1HFY2026**

Group revenue increased 25% to S$156.5 million in 1HFY2026 from S$125.0 million in 1HFY2025.

Compared with 1HFY2025, Semiconductor revenue grew 25% to S$134.5 million from S$107.4 million, Aerospace revenue climbed 37% to S$15.8 million from S$11.5 million, and revenue from the Others segment edged up 3% to S$6.2 million from S$6.0 million.

Semiconductor Integrated System ("IS") sales rose 17% to S$55.9 million in 1HFY2026 from S$47.9 million in 1HFY2025. Semiconductor Component sales climbed 32% from S$59.5 million to S$78.6 million during the same period.

Geographically, Singapore revenue increased 18% to S$92.7 million, Malaysia revenue rose 50% to S$26.0 million, Korea revenue surged 317% to S$9.9 million, and revenue from the "Others" geographical market climbed 66% to S$5.2 million compared with 1HFY2025. Taiwan revenue edged up 3% to S$9.2 million, while US revenue declined 7% to S$13.5 million.

**Profitability**

**2QFY2026**

The Group's gross material margin remained stable at 54.2% in 2QFY2026, compared with 54.3% in 2QFY2025. However, on a Q-o-Q basis, its gross material margin improved 2.3% from 52.6% in 1QFY2026.

Personnel costs increased 6%, mainly due to a higher headcount and higher bonus provisions. Depreciation expenses rose 19% following the addition of production equipment.

Other expenses rose 9% year-on-year, mainly due to higher professional fees, freight charges arising from higher material purchases, upkeep costs for property and equipment, and utility costs amid elevated global energy prices.

Other charges decreased 90% from S$2.5 million in 2QFY2025 to S$0.2 million in 2QFY2026, mainly due to a 87% decline in foreign exchange loss to S$0.4 million from S$2.8 million, partially offset by an inventory write-off of S$0.2 million.

As a result, profit before tax jumped 86% to S$22.3 million in 2QFY2026 from S$12.0 million in 2QFY2025. Net profit also leapt 90% to S$19.8 million from S$10.5 million, while net profit attributable to shareholders of the Company surged 89% to S$19.4 million from S$10.3 million.

The Group's bottom-line also grew significantly on a Q-o-Q basis. The Group's pre-tax profit soared 42% from S$15.7 million in 1QFY2026 while net profit rose more than 39% from S$14.2 million and net attributable profit climbed 39% from S$14 million.

**2. Review of the performance of the Group (cont'd)**

**Profitability**

**1HFY2026**

Gross material margin dipped slightly to 53.5% in 1HFY2026, compared with 55.1% in 1HFY2025. The Group recorded other credits of S$1.4 million in 1HFY2026 compared with other charges of S$2.9 million in 1HFY2025. The improvement was mainly due to a net foreign exchange gain of S$1.2 million compared with a loss of S$3.9 million previously, partially offset by an inventory write-off of S$0.2 million and a S$0.9 million decrease in the gain on disposal of property, plant and equipment.

Finance income decreased 74% to S$0.2 million from S$0.7 million on the back of lower cash balances, while income tax expense rose 42% to S$4.0 million from S$2.8 million in line with the higher profits.

Profit before tax surged 62% to S$38.1 million in 1HFY2026 from S$23.4 million in 1HFY2025. Net profit leapt 65% to S$34.0 million from S$20.6 million, while net profit attributable to shareholders jumped 66% to S$33.4 million from S$20.1 million.

**Condensed Consolidated Balance Sheet**

Cash and Bank Balances / Bank borrowings
The net decrease in cash and cash equivalents by S$4.5 million (after netting-off bank borrowings) was mainly due to purchase of property, plant and equipment and payment of dividends during the period partially offset by the net cash generated from operating activities.

Trade and other receivables
Trade receivables and other current assets increased by S$17.9 million mainly due to higher sales and higher advance payment to suppliers.

Trade and other payables
Trade and other payables decreased by S$4.7 million mainly due to payment of staff and executive bonus during the period.

**Condensed Consolidated Cash Flow Statement**

**2QFY2026**

The Group's financial position remained healthy.

The Group generated S$36.3 million of net cash from operating activities in 2QFY2026, compared with S$3.6 million in 2QFY2025. Based on net operating cash flow less cash purchases of property, plant and equipment, free cash flow improved to positive S$30.7 million from negative S$7.9 million during the same period.

The stronger operating cash flow partly reflected the collection in 2QFY2026 of customer receivables that had been delayed in 1QFY2026 following changes to the customer's IT system. The issue has since been resolved.

During the quarter, the Group repaid the S$8.3 million short-term bank loan taken to finance the acquisition of the remaining 30% minority interest in Starke Singapore Pte. Ltd.

Overall, net cash decreased by S$4.5 million from S$43.1 million as at 31 December 2025 to S$38.6 million as at 30 June 2026.

**2. Review of the performance of the Group (cont'd)**

**Condensed Consolidated Cash Flow Statement (cont'd)**

**1HFY2026**

The Group generated S$31.5 million of net cash from operating activities in 1HFY2026, compared with S$15.2 million in 1HFY2025. Free cash flow improved to positive S$21.9 million from negative S$6.6 million during the same period.

The Group invested S$9.6 million in property, plant and equipment in 1HFY2026, mainly for the expansion of its Penang facilities. During the first half of the year, the Group also paid dividends of S$17.8 million.

**3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

The announced results are in line with the general prospect commentary previously disclosed to shareholders in the Group's business update announced on 11 May 2026.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

The Group delivered a stellar performance in 2QFY2026, with both its key Semiconductor and Aerospace businesses delivering outstanding results on the back of the strong AI "super-cycle" as well as the sustained aviation boom worldwide.

The Group is optimistic of continued robust growth going forward as its current level of performance has yet to reflect the full contribution from several new manufacturing services that the Group is setting up and progressing through customer qualification from its key customers, who have given strong forecasts of equipment demand for several years ahead.

SEMI forecasts global semiconductor manufacturing equipment sales to rise 23.2% year-on-year to a record US$165.9 billion in 2026 and to reach US$229.5 billion by 2028. Wafer fab equipment sales are projected to increase 23.1% to US$143.9 billion in 2026, followed by growth of 21.8% in 2027 and 14.1% in 2028, driven by investment in leading-edge logic, advanced memory, AI infrastructure, test and packaging.[1]

This positive industry trajectory is reinforced by the investment plans of leading chipmakers. One of the world's largest Taiwan-based chipmakers recently raised its full-year 2026 capital budget to between US$60 billion and US$64 billion, with about 70% to 80% allocated to advanced process technologies.[2]

Another Korea-based major chipmaker expects memory demand to remain above its supply capacity beyond 2030 and has warned of severe industry supply tightness in 2027.[3] Others have rejected AI bubble concerns and estimated that global AI development could require annual investment of US$5 trillion by 2040.[4]

While the industry remains cyclical and exposed to execution and macroeconomic risks, the sizeable capital commitments across the semiconductor value chain support a constructive medium-term outlook.

Both of the Group's major customers have projected robust demand, with year-on-year growth expected in 2026 and 2027.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months (cont'd)**

One of its key existing customers believes that the semiconductor industry is experiencing its strongest period ever as AI (artificial intelligence) is driving unprecedented computing demand and long-term growth.[5]

In the coming months, the Group will continue to work closely on its new major customer's new product introduction programme to complete qualification and ramp up the various programmes, further enhancing its vertical integration competitive edge.

In view of tight near-term capacity within the semiconductor components supply chain, the Group is taking steps to expand its manufacturing footprint. On 4 June 2026, the Group entered into a non-binding memorandum of understanding relating to a proposed investment in Vietnam-based precision engineering, metal processing and plating businesses. This initiative will create additional capacity to serve customers and also alleviate the tight labour situation in its Malaysia's operations.

The outlook for the Group's aerospace business also remains very bright. Despite ongoing turbulence from the Middle East crisis and trade tensions among the world's superpowers, air travel demand remains resilient. Airbus forecasts global passenger traffic to grow 3.9% annually between 2026 and 2045 and projects demand for 42,060 new aircraft over the period.[6] Boeing similarly expects passenger traffic to grow 4% annually and forecasts demand for nearly 44,000 new airplanes through 2045.[7] These forecasts support sustained demand for aerospace components and related services, notwithstanding near-term geopolitical, supply-chain and cost pressures.

According to reports, the world's two largest aviation companies now have around 12 years of aircraft production sitting in their order books after a sharp demand rebound in April pushed the global commercial aircraft backlog to a new record high.[8]

These robust industry trends augur well for the Group as it accelerates its growth plans in the pipeline – especially in advanced packaging solutions to support its key customers' massive investments in next-generation process technologies to address long-term demand driven by artificial intelligence, high-performance computing, advanced memory, and other data-intensive applications.

The Group will at the same time continue to monitor global market risks such as geopolitical tensions, trade restrictions, movements, energy costs and global supply-chain conditions, while maintaining disciplined execution of its capacity expansion and customer qualification programmes.

In view of the Group's strong performance and positive outlook, the Board has declared a second interim dividend of 1.0 cent per share to reward shareholders for their continued support.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months (cont'd)**

Sources:

1. SEMI — Global Semiconductor Equipment Sales Forecast to Reach a Record US$229 Billion in 2028 (14 July 2026) - 2026 total equipment and wafer fab equipment forecasts.
2. TSMC — Q2 2026 Earnings Call Transcript (16 July 2026) - 2026 capital budget, AI demand and revenue outlook.
3. Reuters — SK hynix CEO sees memory demand outstripping supply beyond 2030 (10 July 2026) - Industry supply-tightness commentary.
4. Reuters — SoftBank's Masayoshi Son dismisses AI bubble concerns (14 July 2026) - AI infrastructure investment outlook.
5. CNBC – This is the greatest time ever for semiconductors, says CEO of key equipment suppliers (28 May 2026) - Significant trend commentary
6. Airbus — Global Market Forecast 2026–2045 - Passenger traffic and new-aircraft demand forecast.
7. Boeing — Commercial Market Outlook 2026–2045 - Passenger traffic, fleet and delivery forecast.
8. Aerospace Global News – Airbus and Boeing now have 12 years of aircraft orders waiting to be built - Significant trend commentary

## 5. Dividend information

### a. Current Financial Period Reported on

Any dividend declared for the current financial period reported on?
**Yes**

| **Name of Dividend** | **Proposed Interim Dividend** |
|---|---|
| **Dividend Type** | Cash |
| **Dividend Amount (SGD)** | 1.0 cent per ordinary share,<br>(tax exampt one-tier) |
| **Tax rate** | Not applicable |

### b. Corresponding period of the immediately preceding financial year.

Any dividend declared for the corresponding period of the immediately preceding financial year?
**Yes**

| **Name of Dividend** | **Proposed Interim Dividend** |
|---|---|
| **Dividend Type** | Cash |
| **Dividend Amount (SGD)** | 1.0 cent per ordinary share,<br>(tax exampt one-tier) |
| **Tax rate** | Not applicable |

### c. Date payable

30 October 2026.

### d. Record date

NOTICE IS HEREBY GIVEN THAT the Share Transfer Books and Register of Members of the Company will be closed on 15 October 2026, for the purpose of determining members' entitlements to the Second Interim Dividend of 1.0 cent per ordinary share (tax-exempt one-tier) for the financial year ending 31 December 2026.

Duly completed registrable transfers received by the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd., 36 Robinson Road #20-01 City House Singapore 068877 up to the close of business at 5.00 p.m. on 16 October 2026 will be registered before entitlement to the Second Interim Dividend is determined. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 16 October 2026 will be entitled to the Second Interim Dividend.

Duly completed registrable transfers of Shares received by the Company’s share registrar in Malaysia, Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights 50490 Kuala Lumpur, Malaysia, no later than 5.00 p.m. on 16 October 2026 will be registered before entitlements to the Second Interim Dividend are determined.

### 5. Dividend information (cont'd)

For the purpose of determination of the Shareholders registered under the register of members in Singapore and the register of members in Malaysia for receiving the Second Interim Dividend in Singapore dollar or Malaysia Ringgit respectively, any removal of the Shares between the register of members in Singapore and the register of members in Malaysia has to be made by the Shareholders no later than 5:00 p.m. on 1 October 2026 in order to be effected before the payment of the Second Interim Dividend.

The exchange rate for converting Singapore Dollars into Malaysian Ringgit for the purpose of payment to the Shareholders registered under the register of members in Malaysia will be based on the official exchange rate of SGD 1 to MYR 3.19, as quoted by the Central Bank of Malaysia. Accordingly, the Second Interim Dividend payable to Shareholders registered under the register of members in Malaysia will be MYR 3.19 cents per ordinary share.

Payment of the Second Interim Dividend will be made on 30 October 2026.

### 6. Interested person transactions

The Group does not have a general mandate for interested person transactions. The aggregate value of the interested person transactions conducted during the six-month financial period ended 30 June 2026 is disclosed below

| | | **6 Months Period Ended 30 June 2026** |
|---|---|---|
| **Name of interested person** | **Nature of Relationship** | **Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual)<br>S$'000** |
| **Sure Achieve Consultant Pte Ltd** | | |
| Consultancy Services charges and commission | Transaction above is with Sure Achieve Consultant Pte Ltd in which Mrs. Sylvia SY Lee Luong is a director and shareholder. She is the wife of the CEO of the Group, Mr. Luong Andy.<br>The aggregate value of IPT entered into between the Group and Sure Achieve Consultant Pte Ltd amounted to S$1,302,000 which represents approximately 0.35% of the Group's latest audited net tangible assets as at 31 December 2025. | 1,302 |

**7. Negative confirmation pursuant to Rule 705 (5)**

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the 2Q2026 and the period ended 30 June 2026 financial results to be false or misleading in any material respect.

**8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

**BY ORDER OF THE BOARD**

**Luong Andy**
**Chief Executive Officer**

**13 August 2026**