Company Registration No.: 200100340R

UMS net profit soars 90% to $19.8m on higher revenue of $87.1 million for 2QFY2026.

- Group sales and profit improved QoQ
- Declared second interim dividend of 1.0 cent per share, giving shareholders total dividends of 2 cents per share for 1HFY2026
- Group remains well-poised to benefit from the AI-driven semiconductor "super-cycle" and sustained aviation boom
- Capacity expansion initiatives in Penang and Vietnam to support robust customer demand and long-term growth

Singapore, 13 August 2026:

SGX Mainboard-listed UMS Integration Limited ("UMS" or "The Group") continues to reward shareholders with a tax-exempt second interim dividend of 1.0 cent per share as it reported stellar quarterly and half-yearly performances for the first six months of FY2026.

The Group posted higher sales and profits for both 1HFY2026 and 2QFY2026, driven by strong growth in its two main core businesses, Semiconductor and Aerospace, on the back of the AI-driven chip "super-cycle" and sustained aviation boom worldwide.

Compared with 1HFY2025, Group net attributable profit in 1HFY2026 jumped 66% to S$33.4 million as sales increased 25% to S$156.5 million. On a quarterly basis, Group net attributable profit surged 89% to S$19.4 million on the back of a 29% rise in revenue to S$87.1 million in 2QFY2026.

The Group's financial position remained healthy as it generated stronger positive net cash from operating activities and free cash flow in both 2QFY2026 and 1HFY2026.

Earnings per share (EPS) for 2QFY2026 rose to 2.22 cents from 1.44 cents in the same period last year. For the half year, EPS improved to 3.76 cents from 2.83 cents last year.

Group Revenue

2QFY2026

Group revenue soared 29% year-on-year (YoY) 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 YoY 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 a quarter-on-quarter (QoQ) 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.

1HFY2026

On a half-yearly basis, 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 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.

Group Profitability

2QFY2026

The Group's gross material margin remained stable at 54.2% in 2QFY2026, compared with 54.3% in 2QFY2025. On a QoQ basis, gross material margin improved 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% YoY, 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 an 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.

The Group's bottom line also grew significantly on a QoQ basis. 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$14.0 million.

1HFY2026

Profit before tax surged 62% to S$38.1 million in 1HFY2026 from S$23.4 million in 1HFY2025 while net profit leapt 65% to S$34.0 million from S$20.6 million.

The profit surge was achieved despite a dip in gross material margin to 53.5%, 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.

The higher contributions from other credits was partially offset by lower finance income which fell 74% to S$0.2 million from S$0.7 million on the back of lower cash balances, and an 42% increase in income tax expense to S$4.0 million from S$2.8 million in line with the higher profits.

Healthy Cashflow

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. 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.

On a half-year basis, 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.

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.

Brighter Prospects

Commenting on the Group's performance, Mr Andy Luong, UMS' CEO said, "The Group delivered a stellar performance in 2QFY2026, with both our key Semiconductor and Aerospace businesses delivering outstanding results on the back of the strong AI 'super-cycle' and sustained aviation boom worldwide.

We are optimistic of continued robust growth going forward as our current level of performance has yet to reflect the full contribution from several new manufacturing services that we are setting up and progressing through customer qualification. Our key customers have also given strong forecasts of equipment demand for several years ahead."

SEMI forecasts global semiconductor manufacturing equipment sales to rise 23.2% YoY 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 YoY growth expected in 2026 and 2027.

One of its key existing customers believes that the semiconductor industry is experiencing its strongest period ever as 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 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 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. These forecasts support sustained demand for aerospace components and related services, notwithstanding near-term geopolitical, supply-chain and cost pressures.[7]

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 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, market volatility, energy costs and global supply-chain conditions.

Mr Luong added, " Multi-year capital expenditures will significantly exceed past spending as chip giants rapidly scale cutting-edge silicon and advanced packaging capacity globally.

With our strong financial standing and new production facilities in Malaysia and Vietnam, we are well equipped to support our customers' growth fuelled by demand for leading-edge foundry logic, DRAM memory and advanced packaging technologies tied to AI infrastructure.

We are also well-placed to support the sustained global aviation boom as major aircraft companies accelerate their plans to serve the surging air travel demand as well as increased defence spending.

Going forward, we will continue to execute our capacity expansion and customer qualification programmes with discipline to deliver sustainable growth and improve shareholder value over the longer term.”

Barring unforeseen circumstances, the Group expects to remain profitable in FY2026.

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.*

About UMS Integration Limited

Incorporated in Singapore on 17 January 2001, UMS Integration Limited ("UMS") is a one-stop strategic integration partner providing equipment manufacturing and engineering services to Original Equipment Manufacturers of semiconductors and related products. The Group has three core business segments - Semiconductors, Aerospace and Others (mainly Materials Distribution).

The Group's semiconductor business is focused on front-end semiconductor equipment contract manufacturing. It is also involved in complex electromechanical assembly and final testing devices. The products we offer include modular and integration systems for original semiconductor equipment manufacturing.

Through our key subsidiaries - Catalist-listed JEP Holdings Limited and Starke Singapore Pte Ltd, UMS is also in the business of manufacturing high precision aircraft parts for the fast-growing aerospace industry and materials distribution of high-quality metals and solutions for a variety of demanding industrial applications.

Headquartered in Singapore, the Group has production facilities in Singapore, Malaysia and California, USA.

UMS was named in the Forbes Best under a Billion list for two consecutive years - 2022 and 2023 - as one of the top-performing public companies with less than US$1 billion (S$1.38 billion) in yearly sales in the Asia-Pacific region. On 7 October 2022, UMS was also named Runner-Up of the Most Transparent Company Award 2022, Technology Category in the SIAS' Investors Choice Awards 2022.

UMS was also named winner of the prestigious Centurion Club Award 2023.

UMS was added to the MSCI Global Small Cap Index in February 2023.

UMS is a constituent of FTSE ST Singapore Shariah Index since 2018.

UMS is also ranked as one of the top-10 constituents of the MSCI Singapore Investable Market (IMI) Islamic Index in 2025.

UMS is also listed in September 2025 as one of companies on the SGX iEdge Singapore Next 50 Index which aims to track the performance of the next 50 largest companies listed on the SGX Mainboard, beyond the 30 largest companies by market capitalization.

In January 2026, UMS Integration was awarded “Deal of the Year (Equity and Equity-linked segment)“ for its secondary listing on Bursa by Islamic Finance News (IFN), the Malaysian finance industry's leading news provider of Islamic finance-related articles and coverage.

During 1Q2026, UMS also achieved the Sin Chew Business Excellence Award by Sin Chew Daily, one of Malaysia’s leading Chinese media.

The Group changed its name from UMS Holdings Limited to UMS Integration Limited on 5 September 2024 to better reflect the identity and status of the Group following its Secondary Listing on Bursa Malaysia, and to distinguish it from similarly named companies in Malaysia. The name change will also strengthen the Group's profile as an integrated comprehensive service provider for global chip companies.

Issued on behalf of UMS Integration Limited

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