

JEP REPORTS 51.6% RISE IN NET ATTRIBUTABLE PROFIT OF S\$1.6 MILLION ON SALES OF S\$27.3 MILLION FOR 1HFY2025

- Higher capex for new plant and equipment to position the Group for future growth

Singapore, 12 August 2025

SGX Catalist-listed JEP Holdings Ltd (“JEP”, together with its subsidiaries, collectively the “Group”), a leading provider of precision machining and engineering solutions, posted a 51.6% jump in a net attributable profit of S\$1.6 million on sales of S\$27.3 million for the first six months of the financial year ending 31 December 2025 (“FY2025”).

The Group’s revenue remained relatively stable at S\$27.3 million in 1HFY2025, easing a marginal 0.2% from 1HFY2024. The Group’s Precision Machining segment which serves the Aerospace and Semiconductor industries, recorded higher revenues but this was partially offset by weaker performance in the Equipment Manufacturing and Trading & Others segments. Revenue from Equipment Manufacturing fell 22.4% to S\$6.0 million, while Trading & Others declined 31.4% to S\$2.9 million.

Despite this, profit before tax rose 59.8% to S\$1.9 million, up from S\$1.2 million a year ago, supported by stronger performance in the Precision Machining segment and higher other operating income as well as a decline in administrative, selling and distribution expenses.

Other operating income grew to S\$1.1 million in 1HFY2025 from S\$0.9 million in 1HFY2024, mainly due to gains from the disposal of property, plant and equipment.

The Group also improved cost efficiency, reducing the cost of sales, administrative, and selling & distribution expenses by 1.0%, 5.2% and 25.3% respectively compared to 1HFY2024.

All of the Group’s core business segments remained profitable in 1HFY2025, except for Equipment Manufacturing, as it is undergoing a transition to front-end semiconductor operations aimed at improving margins and synergies with its parent holding company - SGX Mainboard-listed UMS Integration Limited (“UMS”).

The Precision Machining segment, comprising Aerospace and Semiconductor sales, delivered a strong performance with 19.5% revenue growth to S\$18.4 million. Segment profit surged 174.4% to S\$2.7 million, supported by higher revenue and improved margins.

The Trading & Others segment posted a profit of S\$0.2 million on lower revenue which declined 31.4% to S\$2.9 million amid softer global demand and increased price competition.

The Equipment Manufacturing segment recorded a loss of S\$0.5 million on revenue of S\$6.0 million, down 22.4% year-on-year, mainly due to the ongoing transition.

All of the Group's key markets, except for Malaysia and USA, posted lower revenue.

Malaysia was the star performer – reporting a sales surge of more than 240.1% - rising from S\$2.8 million in 1HFY2024 to S\$9.4 million in 1HFY2025, driven by growth in the Precision Machining and Equipment Manufacturing segments. Sales in the USA rose 12.2% from S\$5.7 million to S\$6.4 million, mainly supported by higher sales in the Precision Machining (Aerospace) segment.

In contrast, sales in Singapore declined 34.2% from S\$13.2 million in 1HFY2024 to S\$8.7 million in 1HFY2025, due to lower revenue from the Equipment Manufacturing segments. Revenue from China fell 73.0%, from S\$3.0 million to S\$0.8 million, mainly due to a decline in sales in the Precision Machining and Trading & Others segments.

Revenue from other markets also dipped from S\$1.4 million to S\$1.1 million.

Reflecting the Group's performance, earnings per share ("EPS") for 1HFY2025 increased by 51.6% to 0.376 cents from 0.248 cents in 1HFY2024. The Group's net asset value ("NAV") per share edged up to 19.7 cents as at 30 June 2025, compared to 19.4 cents as at 31 December 2024.

Healthy Cash flow

The Group maintained a healthy financial position, with net cash and cash equivalents of S\$9.2 million as at 30 June 2025.

Net cash from operating activities rose by S\$4.2 million to S\$5.4 million in 1HFY2025, compared to S\$1.2 million in 1HFY2024.

As at 30 June 2025, the Group's cash and bank reserves were lower than the S\$14.4 million reported as at 30 June 2024 as the Group made investments of S\$8.9 million in plant, property and equipment and also made repayment of its loans to its parent holding company, bank and for lease liabilities during the period under review.

Outlook

The Group continued to deliver a positive 1HFY2025 performance despite ongoing macroeconomic uncertainties and uneven demand across industry segments and global markets.

Commenting on the Group's 1HFY2025 results, Mr. Andy Luong, Executive Chairman and Chief Executive Officer of JEP, said "The Group grew its bottom line in the first half of the year as we persisted in our strategy of focusing on our twin growth engines of Aerospace and Semiconductors. We continue to transition and evolve our business towards higher value, higher precision products to grow our sales and margins for better returns. At the same time, we will continue to drive productivity and cost efficiency to lower costs and enhance competitiveness to thrive in an increasingly volatile global landscape with rising trade and geopolitical tensions."

Going forward, the Group's Equipment Manufacturing segment will be transformed towards supporting the higher margin front-end semiconductor manufacturing sector. This shift towards front-end semiconductor manufacturing is aligned with the Group's plan to boost synergies with its parent holding company, UMS Integration Limited, and to accelerate its growth trajectory as it prioritizes the production of products with significant demand such as those that support Artificial Intelligence ("AI") and AI-related sectors.

On the Group's prospects, Mr. Luong said, "With our healthy cash flows, we invested S\$8.9 million for the purchase of plant and machinery in the first half of FY2025 as we position the Group for accelerated growth ahead. While headwinds persist from global trade tariffs and market pressures arising from geopolitical issues, we are optimistic of strong demand in both the aviation and AI sectors to lift our future performance."

Bain & Company forecasts that the aviation industry's long-term outlook remains solid. In its baseline scenario, global RPK ("Revenue Passenger Kilometer") is set to hit 14.8 trillion by 2040, equivalent to 178% of 2019 levels. This projection is underpinned by robust fundamentals in both emerging and mature markets.¹

Regionally, the most striking growth is expected in Asia. Intra-Asian air traffic is forecast to grow by 131% between 2019 and 2040, with China remaining a major growth engine. Bain & Company's model suggests that by 2040, China's total air traffic volume will more than double compared to 2019.¹

North America is also expected to see steady increases in intraregional demand, with a projected rise of 54% over the same period. Transatlantic traffic between Europe and North America is set to grow by around 44%, maintaining stable upward momentum despite slower overall growth in mature markets.¹

The global semiconductor market is projected to grow by 11–11.2% in 2025, reaching around US\$700 billion, driven by AI, cloud, and data centre demand, alongside strong private and public investment (WSTS, SIA).²

SEMI forecasts semiconductor equipment sales to hit a record US\$125.5 billion in 2025—a 7.4% year-on-year increase—with continued growth into 2026 supported by advances in logic, memory and manufacturing technologies (SEMI, 2025 Mid-Year Forecast).³

In view of these favourable trends, the Group remains confident of achieving long-term, sustainable growth. The Group will continue to maximize operational synergies with UMS to improve overall performance and seek new business opportunities.

¹ Source: <https://www.aviationbusinessnews.com/industry-news/air-traffic-demand-outlook-remains-stable-says-bain-company/>

² Source: <https://www.semiconductors.org/global-semiconductor-sales-increase-19-1-in-2024-double-digit-growth-projected-in-2025/>

³ Source: <https://www.semi.org/en/semi-press-release/semi-reports-global-total-semiconductor-equipment-sales-forecast-to-reach-125.5-billion-dollars-in-2025#:~:text=%E2%80%9420July%2022%2C%202025%20%E2%80%94%20SEMI,Total%20Semiconductor%20Equipment%20Forecast%20%E2%80%93%20OEM>

About JEP Holdings Ltd

JEP Holdings Ltd. is a leading solution 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 AS9100D, 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 also owns a large format precision engineering company, JEP Engineering Pte. Ltd. (formerly known as Dolphin 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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