Vicplas International Ltd
Registration No: 199805363R
35 Joo Koon Circle,
Singapore 629110
Tel: (65) 6262 3888
Fax: (65) 6349 3877

MEDIA RELEASE

Vicplas International's 1H2025 net profit grew 9.4% to S$245,000 with a revenue growth of 6.4% to S$54.3 million

- Medical devices segment's performance improved with increased orders from certain customers but was impacted by increased operating costs from the Changzhou plant extension and new business development costs as well as startup related costs associated with new Mexico plant
- Pipes and pipe fittings segment continued to benefit from robust activity in Singapore's built environment for housing and civil engineering projects but saw its performance dip slightly as it focused on a prudent sales approach with an emphasis on credit risk management

SINGAPORE, 13 March 2025 – SGX Mainboard-listed Vicplas International Ltd ("**Vicplas**", "威百亿国际有限公司" or the "**Company**", or collectively with its subsidiaries, the "**Group**"), today announced its results for the half year ended 31 January 2025 ("**1H2025**").

Financial Highlights

The Group's revenue for 1H2025 increased by 6.4% to S$54.3 million from S$51.1 million for the half year ended 31 January 2024 ("**1H2024**") due to higher revenue from medical devices segment. Correspondingly, profit after tax increased by 9.4% to S$245,000 for the period under review due to the improved (albeit negative) results of the medical devices segment and slightly lower positive results of the pipes and pipe fittings segment.

Revenue for the medical devices segment was S$35.0 million in 1H2025, an increase of 10.5% from S$31.7 million in 1H2024 due to an increase in orders from certain customers and the gradual recovery of their post pandemic inventory levels.

The pipes and pipe fittings segment recorded a slight decline in revenue of 0.4% to S$19.3 million in 1H2025 from S$19.4 million in 1H2024, which was due to the segment's prudent approach in balancing sales against increasing credit risk exposure.

Segmental Revenue			
S$'M	**1H2025**	**1H2024**	**% Change**
Medical Devices	35.0	31.7	10.5
Pipes & Pipe Fittings	19.3	19.4	(0.4)

Segmental Results[1]			
S$'M	**1H2025**	**1H2024**	**% Change**
Medical Devices	(0.4)	(1.6)	77.4
Pipes & Pipe Fittings	3.6	4.1	(13.2)

Other income decreased by 14.1% in 1H2025 mainly due to a lower foreign exchange gain of S$0.5 million in 1H2025 as compared to S$1.0 million in 1H2024. Raw materials and consumables used increased by 3.7% mainly due to higher production activities in the medical devices segment. Employee benefits expense (including salary) increased by 2.6% due to increased headcount and overtime.

Other operating expenses increased by 16.6% to S$8.4 million, mainly due to higher production activities (including the start of production activities in the new Mexico plant) that resulted in higher selling and marketing, water and electricity, transportation and freight, repair and maintenance, and tooling expenses.

Overall, the Group recorded profit before tax of S$0.5 million for 1H2025, which was an increase of 82.3% from S$0.3 million for 1H2024; and profit after tax of S$245,000 for 1H2025, which was an increase of 9.4% from S$224,000 for 1H2024.

[1] The segmental results of the medical devices segment and pipes and pipe fittings segment are before corporate, interest and tax expenses as set out in Note 4 of the Condensed Interim Financial Statements

This translates into an earnings per share of 0.05 Singapore cents for 1H2025 (1H2024: 0.04 Singapore cents). The Group's adjusted EBITDA[2] for 1H2025 was S$4.4 million, which was an increase of 9.5%, compared to S$4.0 million for 1H2024.

Financial Position

As of 31 January 2025, the Group has a net asset value per share (excluding treasury shares) of 14.64 Singapore cents (31 July 2024: 14.59 Singapore cents)[3], shareholders' equity of S$74.8 million (31 July 2024: S$74.6 million) and cash and cash equivalents of S$6.9 million (31 July 2024: S$5.0 million).

Mr Walter Tarca, Group Chief Executive Officer of Vicplas commented: *"The medical devices segment's revenue in 1H2025 saw an improvement as certain customers' increased their orders following post-pandemic adjustments to their inventory over the course of the last two financial years. We expect the medical devices segment's revenue to improve as we commercialise new projects and as our Mexico plant begins to contribute to revenue in the second half of the financial year. However, segmental results will be constrained in the short term as the utilisation at our Mexico plant ramps up gradually to cover operating and amortisation costs and the utilisation at our Changzhou plant extension improves. The pipes and pipe fittings segment continues to benefit from robust activity in Singapore's built environment, especially for housing and civil engineering projects, but it also faces intensified competition and heightened credit exposure risks. To mitigate these challenges, the segment focused on a prudent sales approach with an emphasis on credit risk management and as a result, recorded a very slight decrease in revenue for 1H2025. The pipe and pipe fittings segment will continue to broaden its presence in civil engineering projects while further strengthening its leadership in resident projects, particularly in public housing. As a group, we remain cautiously optimistic, while keeping a vigilant watch on current challenges and uncertainties in the global macro and trading environment and the ongoing inflationary, interest rate and other cost pressures."*

[2] Adjusted EBITDA refers to earnings before interest, tax, depreciation and amortisation; and excludes unrealised foreign exchange by adding back unrealised foreign exchange loss and deducting unrealised foreign exchange gain.

[3] NAV per share is calculated based on 511,076,699 ordinary shares in issue excluding treasury shares as at 31 January 2025 (31 July 2024: 511,076,699 ordinary shares).

Business Outlook

For the next reporting period, the current expectation is for the Group's revenue growth to be positive in the next reporting period largely in relation to the gradual recovery in the medical devices segment. The Group continues to face a challenging operating environment with an increasing fixed cost base for the medical devices segment as it incurs higher development, expansion and amortisation costs associated with its expanding global footprint to meet customer demand.

While the Group remains cautiously optimistic, it is keeping a vigilant watch on current challenges and uncertainties in the global macro and trading environment and the ongoing inflationary, interest rate and other cost pressures. The Group will continue to exercise prudent cost management, while developing new business opportunities, and strengthening its base for future growth.

Medical devices segment

In 1H2025, the medical devices segment recorded a revenue of S$35.0 million which was an increase of 10.5% from 1H2024 due mainly to an increase in orders following adjustments made over the course of the last two financial years by certain customers in their post-pandemic inventory holdings. This was a pleasing improvement notwithstanding that Lunar New Year was in late January this year which caused the segment losing one week of production in its China plants.

The medical devices segment faced increased operating costs in 1H2025, associated with the Changzhou plant extension, new business development costs and startup related costs of the new plant in Juarez, Mexico. The Mexico plant is expected to contribute to segmental revenue in the second half of the financial year ending 31 July 2025. The segment has been successful in attracting new projects for the Mexico plant and these projects will be commercialised in the quarters ahead. Due to the improved revenue but higher base expenses as explained above, the segment recorded an improved negative result of S$0.4 million for 1H2025, as compared to a negative result of S$1.6 million for 1H2024.

During 1H2025, the segment continued to focus on building up new capabilities, closing future project opportunities, as well as validating its new Mexico plant to improve its flexibility and offerings to its global customer base. The segment's "In China for China" business is also gaining momentum.

The current expectation is for the revenue of the medical devices segment to improve as new projects are commercialised and as the Mexico plant begins to contribute to segmental revenue. However, the segmental results of the segment will continue to be constrained in the short term as the Mexico plant begins its operations and its utilisation ramps up gradually to absorb its operating and amortisation costs. There are also continuing operating costs associated with the Changzhou plant extension whilst its utilisation improves in the segment's "In China for China" business. After this phase is completed, the segment will be well-positioned to offer greater manufacturing flexibility and further grow its global customer base in key medical devices markets such as USA, Europe and Japan as well as expand its capability to service new projects for the China market. The segment continues to prioritise commercialising its funnel of new projects in order to meet its customers' market launch dates.

Pipes and pipe fittings segment

The pipes and pipe fittings segment recorded revenue of S$19.3 million in 1H2025, compared to S$19.4 million in 1H2024. While the segment benefited from the robust activity in Singapore's built environment, particularly in housing and civil engineering projects, it also faced intensified competition and heightened credit exposure risks. To mitigate these challenges, the segment focused on a prudent sales approach with an emphasis on credit risk management.

The segment continues to broaden its presence in civil engineering projects while further solidifying its leadership in residential projects, particularly in the public housing sector. By leveraging on the four Green Marks awarded by the Singapore Green Building Council, the segment not only aligns with industry sustainability trends but also upholds high-quality standards. Moreover, the segment's local manufacturing presence provides supply chain resilience and enables seamless delivery to meet the rapid pace of construction demands. While demand from the built environment is expected to remain strong, it will continue to focus on managing competition, cost pressures and credit risks.

End.

Note: This media release is to be read in conjunction with the announcement issued on SGXNET on the same date.

About Vicplas International Ltd

Vicplas International Ltd has two core businesses. The first is the design, development and manufacture of sterile and non-sterile medical devices through its wholly-owned subsidiaries, Forefront Medical Technology (Pte) Ltd, Forefront Medical Investment Pte. Ltd., Forefront Medical Americas Pte. Ltd. and XentiQ (Pte.) Ltd. in Singapore; Forefront (Xiamen) Medical Devices Co., Ltd and Forefront Medical Technology (Jiangsu) Co., Ltd in China; and Arrow Medical Limited in the United Kingdom. All the subsidiaries have EN ISO13485:2016 quality certification and, with the exception of XentiQ (Pte.) Ltd., are registered under the United States Food and Drug Administration (FDA) as a "contract manufacturer for medical devices". Forefront Medical Technology (Pte) Ltd, Forefront Medical Investment Pte. Ltd., Forefront (Xiamen) Medical Devices Co., Ltd and Forefront Medical Technology (Jiangsu) Co., Ltd have accreditation certificate of foreign medical device manufacturer from Japan Ministry of Health, Labour and Welfare and Korea Ministry of Food and Drug Safety. Forefront Medical Investment Pte. Ltd. and Forefront Medical Technology (Jiangsu) Co., Ltd are ISO14001:2015, ISO45001:2018 and ISO50001:2018 certified. Forefront Medical Investment Pte. Ltd. additionally has a Class A, B, C, D Medical Device manufacturer license registered under Health Science Authority (HSA) Singapore. Forefront Medical Technology (Jiangsu) Co., Ltd additionally has a Class III Medical Device Manufacturing License in China. Arrow Medical Limited additionally is CE Mark certified.

The second is the manufacture and distribution of piping systems for diverse industries including waste and potable water systems for residential homes, schools, commercial and industrial buildings; underground electrical and internal building wire piping systems; and data and signal line piping systems by telecommunications companies, through our wholly-owned subsidiaries, Vicplas Holdings Pte Ltd in Singapore and Rimplas Industries Sdn. Bhd. in Malaysia. Vicplas Holdings Pte Ltd is ISO50001:2018, ISO14001:2015. ISO14067:2018 and ISO45001:2018 certified and both subsidiaries are ISO9001:2015 certified. For more information, please visit the corporate website https://www.vicplas.com

---

For media queries, please contact:

Contact	:	Mr Derek Chng / Mr Gerald Woon
Email / DID / Mobile	:	derekchng@cogentcomms.com / (65) 6704 9285 / (65) 9638 8635
		woon@cogentcomms.com / (65) 6704 9268 / (65) 9694 8364