UMS GROUP

Company Registration No.: 200100340R

UMS' NET ATTRIBUTABLE PROFIT GROWS TO S$20.1 MILLION ON HIGHER REVENUE OF S$125 MILLION FOR THE FIRST HALF OF FY2025

- Group sales and profit improved QoQ
- Proposed second interim dividend of 1.0 cent per share, giving shareholders total dividends of 2 cents per share for 1HFY2025
- Group remains well-poised to benefit from the AI-driven global chip sector rebound and rising shift of global semiconductor supply chains to the region as well as the sustained aviation boom
- Successful secondary listing on Bursa Malaysia to unlock more value for shareholders and potentially improve share liquidity

Singapore, 12 August 2025:

SGX Mainboard-listed UMS Integration Limited ("UMS" or "The Group") continues to reward shareholders with a tax-exempt interim dividend of 1 cent per share as it reported stronger quarterly and half yearly performances for the Group in the first six months of this financial year.

The Group posted higher sales and profits for both 1HFY2025 and 2QFY2025 despite geopolitical tensions and unprecedented market challenges triggered by imminent steep US trade tariffs since the start of the year.

Compared to 1HFY2024, Group net attributable profit in 1HFY2025 grew 5% to S$20.1 million as sales jumped 14% to S$125 million. On a quarterly basis, Group net attributable profit jumped 10% to $10.3 million on the back of a 20% sales surge to S$67.3 million in 2QFY2025.

The Group's financial position remains healthy as it continues to generate positive net cash from operating activities.

Earnings per share (EPS) for 2QFY2025 rose to 1.44 cents from 1.31 cents in the same period last year. For the half year, EPS improved to 2.83 cents from 2.72 cents last year.

Net Asset Value (NAV) per share also went up to 59.54 cents as at 30 June 2025 from 58.88 cents as at 31 December 2024.

Group Revenue

2QFY2025

Group sales advanced 20% YoY to S$67.3 million in 2QFY2025 from S$56.0 million in 2QFY2024 and 16.6% QoQ from S$57.7 million in 1QFY2025.

The sales surge in 2QFY2025 was driven by a 27% increase in its Semiconductor segment which was offset by a 14% decline in Aerospace sales and a 7% dip in revenue in the "Others" segment.

The lower Aerospace revenue was mainly due to a delivery push-out by one of its customers, while the softer performance of the Others segment was caused mainly by the weaker material and tooling distribution business.

Compared to 1QFY2025, both the Semiconductor and the Others segments rose 21% and 9% respectively, while the Aerospace business fell 13%.

Semiconductor Integrated System sales leapt 36% from S$20.8 million in 2QFY2024 to S$28.2 million in 2QFY2025. Component sales also climbed 20% from S$25.5 million to S$30.6 million during the same period.

Compared to 1QFY2025, both Semiconductor Integrated System and Semiconductor Component sales increased.

Semiconductor Integrated System sales surged 43.1% from S$19.7 million in 1QFY2025 while Semiconductor Components sales grew 5.9% from S$28.9 million during the same period.

Geographically, the Group's key markets delivered a mixed performance in 2QFY2025. Malaysia, Singapore and Taiwan posted sales increases while the US and Others posted lower sales.

Malaysia's 270% sales surge came from the stronger order flow from the Group's new major customer while Singapore's sales climbed 15% as compared to 2QFY2024 on the back of higher overall Semiconductor sales.

Taiwan revenue improved 3% from more component spare sales. Lower aerospace component sales caused US revenue to decline by 9%.

Sales in the "Others" market also fell 12% mainly due to weaker material/tooling distribution business.

1HFY2025

On a half-yearly basis, compared to 1HFY2024, Group revenue in 1HFY2025 leapt 14% to S$125 million from S$109.9 million.

Semiconductor sales rose 17% to S$107.4 million in 1HFY2025 from S$92 million while Aerospace revenue edged up 2% to S$11.5 million from S$11.3 million.

Sales in Others dipped 9% to S$6 million from S$6.7 million during the same period.

Semiconductor Integrated System sales increased 14% to S$47.9 million in 1HFY2025 compared to S$42.2 million in 1HFY2024. Revenue from component sales surged 20% from S$49.8 million to S$59.5 million during the same period.

All the Group’s key geographical markets, except for Malaysia and Singapore, posted softer sales in 1HFY2025.

Revenue from Singapore rose 5% to S$78.7m in 1HFY2025 compared to 1HFY2024 while Malaysia sales soared 250% to S$17.4 million during the same period.

Group Profitability

2QFY2025

The Group’s profitability strengthened in the period under review with gross material margin growing to 54.3% in 2QFY2025 from 53.5% in 2QFY2024. The margin improvement is mainly due to its changing product mix.

Group net profit climbed 11% to S$10.5 million compared to S$9.5 million in 2QFY2024 while net attributable profit rose 10% to S$10.3 million compared to S$9.3 million in the same period last year. Pre-tax profit grew 14% to S$12 million during the period under review.

On a QoQ basis, the Group's net attributable profit also rose 5.1% while its net profit edged up 2.9% and pre-tax profit grew 5.3 % from 1QFY2025.

The Group improved its bottom line despite incurring higher expenses and a foreign exchange loss of more than S$2.8 million (vs a gain of S$76,000 in 2QFY2024).

Personnel costs increased 16% mainly due to higher overtime costs and bonus provision made.

Depreciation expenses jumped 33% due to the addition of machineries. Utilities and freight charges also went up 14% and 6% respectively.

Other expenses fell 9% over last year - mainly due to lower professional fees and a decline in upkeep costs of property, equipment and machinery.

Finance income also plunged 57% due to lower cash balances. Income tax expenses went up 50% due to the higher profits and deferred tax adjustment at JEP Holdings Limited.

The Group's earnings were however lifted by a gain of S$0.3 million from the disposal of property, plant and equipment.

1HFY2025

For 1HFY2025, the Group continued to boost its bottom line as gross material margins increased to 55.1% from 53.3% in 1H2024 mainly due to a change in its product mix.

Group pre-tax profit and net profit rose 6% in 1HFY2025 to S$23.4 million and S$20.6 million respectively while Group net attributable profit grew to S$20.1 million during the period under review.

The better bottom line was achieved despite a decrease in finance income, higher expenses and a foreign exchange loss of S$3.9 m which was offset partially by a S$1 million gain from the disposal of fixed assets. Personnel costs went up 11% mainly due to higher overtime costs and bonus provision made while depreciation expenses climbed 35% as a result of additional machineries. Income tax also increased in line with higher profits.

Other expenses however dipped 2% due to lower professional fees, upkeep of machinery and freight charges.

Healthy Cashflow

The Group's financial position remained healthy.

The Group registered S$3.8 million (vs 2QFY2024: S$4.3 million) positive net cash from operating activities and a negative S$7.7 million (vs 2QFY2024: negative S$4 million) free cash flow in 2QFY2025. The lower net cash from operating activities was mainly attributed to higher inventories while continued investment (of about S$11.9 million) in its Penang facilities reduced its free cash flow.

On a half year basis, the Group registered S$15.2 million (vs S$14.3 million in 1HFY2024) positive net cash from operating activities. Free cash flow dipped to negative S$6.6 million (vs S$0.8 million in 1HFY2024) as the Group increased its capex investment to S$22.9 million in 1HFY2025.

Overall, the Group's cash and cash equivalents fell to S$59 million at the end of June 2025 from S$79.9 million at the end of December 2024.

Brighter Prospects

Commenting on the Group's performance, Mr Andy Luong, UMS' CEO said, "We continue to do better every quarter - delivering improved results in the second quarter compared to the first quarter of FY2025 despite unprecedented challenges brought about by US trade tariffs and intensifying geopolitical tensions.

The solid performance reflects the Group’s resilience and strategic focus on delivering high-quality and high-value products to support the increasingly complex demands of key customers in developing advanced semiconductors.

Our deep commitment to invest in strengthening our production capabilities and facilities has sharpened our competitive edge in securing several new product introductions (NPI) – particularly from our new key customer in Malaysia. Sales in Malaysia grew more than two-fold during the first six months of the year."

The robust recovery in the global semiconductor industry and the sustained aviation boom worldwide will continue to lift the Group's performance.

According to SEMI, the growth in total semiconductor manufacturing equipment sales is set to reach a new industry record of S$125.5 billion in 2025, a 7.4% year-on-year increase. Semiconductor manufacturing equipment growth is expected to continue in 2026, with sales projected to reach a new high of $138.1 billion, driven by leading-edge logic, memory and technology transitions. AI-fueled demand for chip innovations is driving investments in capacity expansions and leading-edge production.

The Wafer Fab Equipment (WFE) segment, which includes wafer processing, fab facilities and mask/reticle equipment, is projected to increase 6.2% to $110.8 billion in 2025. This upward revision from SEMI's 2024 Year-End Equipment Forecast of $107.6 billion is largely driven by increased sales to foundry and memory applications. Looking ahead to 2026, WFE segment sales are projected to expand 10.2%, reaching $122.1 billion. The growth is attributed to capacity expansions in leading-edge logic and memory to support AI applications, as well as ongoing process technology migrations across major segments.[1]

SEMI has also forecast 69% growth in advanced chipmaking capacity through 2028 due to AI.

The global semiconductor manufacturing industry is set to maintain strong momentum, with capacity projected to grow at a compounded annual growth rate (CAGR) of 7% from the end of 2024 through 2028, reaching a record high of 11.1 million wafers per month (wpm).

A key driver of this growth is the continued expansion of advanced process capacity (7nm and below), which is expected to increase by approximately 69% – from 850,000 wpm in 2024 to a historic high of 1.4 million wpm in 2028 – representing a CAGR of around 14%, double the industry average.

Investment in 2nm and below wafer equipment represents a particularly dramatic expansion, with funding more than doubling from US$19 billion in 2024 to US$43 billion in 2028. A remarkable 120% increase that underscores the industry's aggressive pursuit of next-generation manufacturing capabilities.[2]

The Group, with its new Penang facilities, will be a key beneficiary of the global chip sector rebound as well as the rising shift of global semiconductor supply chains to the region, especially Malaysia and Singapore – where its two key customers have committed major expansion plans.

Both its key customers have announced robust earnings guidance for the coming months.[3] [4] [5]

The Group is also well-placed to capitalise on the ongoing aviation boom as air travel accelerates worldwide.

Despite tariff-related uncertainties, geopolitical conflicts and global supply chain issues, IATA has a strong forecast for the aviation industry. Airlines are expected to transport more passengers and more cargo in 2025 than in 2024, even though previous demand forecasts were affected by trade tensions and a decline in consumer confidence. Total revenues are now projected to rise to hit a record $979 billion in 2025, reflecting a 1.3% increase from 2024.[6]

Going forward, the Group remains optimistic of brighter prospects ahead.

Mr Luong added, "The Group's recent successful secondary listing in Bursa Malaysia has also helped unlock value for shareholders as our market capitalisation has grown almost 50% since the beginning of this year - to hit above S$1 billion. While market uncertainties persist, our growth strategy remains intact. In view of the Group's commendable performance, the Board will continue to reward shareholders with a second interim dividend of 1.0 cent per share, bringing the total dividend payout for the half-year to 2 cents. At the same time, the Group will work hard to persist in our efforts to achieve sustainable growth and to improve shareholder value in the longer term."

Barring unforeseen circumstances, the Group expects to remain profitable in FY2025.

Sources:

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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.

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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