



## NEWS RELEASE

### **Micro-Mechanics Delivers Record Revenue and Net Profit for FY2022**

- Net profit increased 9.7% to S\$19.8 million on revenue growth of 11.8% to S\$82.5 million in FY2022
- Group's return-on-equity improves to a record 34% in FY2022
- Proposing final dividend of 6 cents per share and special dividend of 2 cents per share, which will bring the total dividend payout to 14 cents per share for FY2022
- Healthy financial position with cash of S\$20.4 million and no bank borrowings

**Singapore, 27 August 2022** – Micro-Mechanics (Holdings) Ltd. (“Micro-Mechanics” or the “Group”), a manufacturer of high precision tools and parts used in process-critical applications for the semiconductor industry, has scored a second consecutive year of record revenue and net profit for the 12 months ended 30 June 2022 (“FY2022”).

The Group's net profit rose 9.7% to S\$19.8 million on the back of an 11.8% increase in revenue to S\$82.5 million. The Group saw double-digit sales growth in its three largest markets during FY2022. Sales in China grew 18.0% to S\$27.6 million. In the USA market, sales increased 19.4% to S\$17.6 million while sales in Malaysia rose 10.9% to S\$12.7 million. These three markets contributed 33.4%, 21.4% and 15.4% respectively to Group sales in FY2022.

The Group also achieved its highest-ever quarterly results for the three months ended 30 June 2022 (“4Q22”) as net profit jumped 22.7% to S\$5.9 million on revenue growth of 14.8% to S\$22.0 million.

To reward shareholders, Micro-Mechanics has proposed a final dividend of 6 cents per share and special dividend of 2 cents per share, which will bring its total dividend payout for FY2022 to 14 cents per share.

CEO of Micro-Mechanics, Mr Chris Borch said, “Despite facing significant challenges in the aftermath of the COVID-19 pandemic that included staff shortages, inflationary pressures, supply chain shortages and other disruptions, we managed to keep our five worldwide factories running and focused on meeting the needs of customers. This operational resilience, amid continued growth of the global semiconductor industry, enabled the Group to deliver another year of record revenue and profit in FY2022.

Although rapidly rising costs for materials, energy and manpower exerted significant pressure on our gross profit (GP) margin, the Group still maintained a healthy GP margin of 53.4% for FY2022. These inflationary pressures are expected to prevail in FY2023 and we plan to continue our relentless focus on working to strengthen our GP margin with initiatives that enhance the value we bring to customers, improve quality and streamline the operations of our factories.

Micro-Mechanics has a decentralized structure with factories in Singapore, Malaysia, China, the Philippines and the USA. With more chip fabrication plants expected to be built in China and the USA over the next few years and efforts to turn Singapore and Malaysia into hubs for semiconductor equipment manufacturing, the Group is in a strong position to capitalise on the industry's future growth.”

*This news release should be read in conjunction with the Group's financial statements posted on the SGX website on 27 August 2022.*

#### **MEDIA AND INVESTOR RELATIONS CONTACT**

#### **OCTANT CONSULTING**

phone (65) 62963583

**Herman Phua** | mobile 9664 7582 | email herman@octant.com.sg

**Lisa Heng** | mobile 9090 9887 | email lisa@octant.com.sg

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### **About Micro-Mechanics**

Micro-Mechanics designs, manufactures and markets high precision tools and parts used in process-critical applications for the wafer-fabrication and assembly processes of the semiconductor industry.

The Group serves a worldwide base of customers from five manufacturing facilities located in Singapore, Malaysia, China, the Philippines and the USA. Micro-Mechanics' strategy is to relentlessly pursue product and operational improvements while providing fast, effective and local support to its customers worldwide.

In addition to designing and manufacturing a market-leading range of consumable tools and parts used in the assembly and testing of semiconductors, the Group also engages in the contract manufacturing of precision parts and tools used in process-critical applications for the semiconductor wafer-fabrication industry.

Since listing on the Singapore Exchange in June 2003, Micro-Mechanics has won over 30 awards in recognition of its high standards of corporate governance, quality of disclosure, transparency and investor relations.

For more information, please visit the Group's website at [www.micro-mechanics.com](http://www.micro-mechanics.com)