

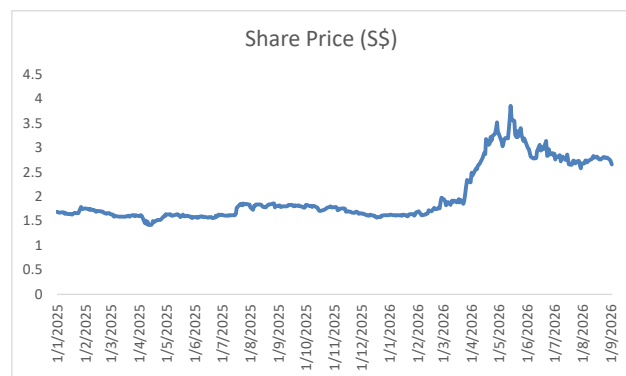
# Micro-Mechanics (Holdings) Limited

18 Sep 2026

## Non-rated

|                            |                                                      |
|----------------------------|------------------------------------------------------|
| <b>BBG</b>                 | MMH SP                                               |
| <b>Market Cap</b>          | S\$365.7m                                            |
| <b>Price (18 Sep 2026)</b> | S\$2.63                                              |
| <b>52-week range</b>       | S\$1.57-3.89                                         |
| <b>Shares Outstanding</b>  | 139.0m                                               |
| <b>Free Float</b>          | 45.2 %                                               |
| <b>Major Shareholder</b>   | Sarcadia LLC 30.12%<br>Christopher Reid Borch 13.14% |

Source: Company Data, Bloomberg, SAC Capital



Source: Company Data, Bloomberg, SAC Capital

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## KEY FINANCIAL HIGHLIGHTS

| Year ended Jun (US\$m)         | FY24   | FY25   | FY26   | 1HFY25 | 1HFY26 |
|--------------------------------|--------|--------|--------|--------|--------|
| Revenue                        | 57.9   | 65.2   | 75.5   | 32.5   | 35.4   |
| EBIT                           | 11.9   | 16.7   | 21.9   | 8.2    | 9.7    |
| Net profit                     | 8.0    | 12.4   | 15.9   | 6.0    | 6.9    |
| EPS (S\$ cents)                | 5.8    | 8.9    | 11.4   | 4.3    | 4.9    |
| Dividend per share (S\$ cents) | 6.0    | 7.0    | 8.0    | 8.0    | 9.0    |
| Net cash / (debt)              | 16.6   | 23.3   | 30.1   | 20.2   | 27.2   |
| <b>Valuation</b>               |        |        |        |        |        |
| Gross profit margin (%)        | 47.0%  | 49.4%  | 51.6%  | 49.1%  | 51.3%  |
| Net profit margin (%)          | 13.9%  | 19.0%  | 21.1%  | 18.5%  | 19.4%  |
| EV / EBITDA (x)                | 19.0   | 15.0   | 12.1   | 30.5   | 26.8   |
| P/E (x)                        | 45.5   | 29.5   | 23.0   | 60.6   | 53.3   |
| P/B (x)                        | 7.9    | 7.4    | 6.4    | 7.6    | 7.0    |
| Dividend yield (%)             | 2.3%   | 2.7%   | 3.0%   | 3.0%   | 3.4%   |
| ROE (%)                        | 17.45% | 25.19% | 27.69% | 12.48% | 13.04% |

## Micro Components, Macro Boost

**Micro-Mechanics (Holdings) Limited (“MMH” or “The Group”)** is a Singapore-based precision engineering company that designs, manufactures, and markets high-precision tools and parts for process-critical applications for the semiconductor and other high technology industries. The group operates across two segments: Consumable Tools, which are small, consumable precision tools used in the assembly and testing of semiconductor chips, and Wafer Fabrication Equipment (WFE), which are precision components used in the semiconductor wafer fabrication process. By serving both back-end and front-end processes, MMH operates in a niche and essential segment of the semiconductor supply chain.

**Financial Highlights.** MMH delivered strong financial results in FY2026. Group revenue increased by 15.8% YoY to S\$75.5 million, attributable to a strong 19.8% YoY increase in sales for the consumable tools segment. FY2026 Group gross profit went up by 20.8% YoY to S\$38.9 million and gross profit margin increased 2.2 ppt to 51.6%. Consequently, FY2026 Group net profit grew 28.3% YoY to S\$15.9 million.

**Five-Year Roadmap.** In the next 5 years, the Group targets to double revenue to ≥S\$150 million, while maintaining gross profit margin of >50% and limit overhead costs to <20%. To achieve these goals, the Group will focus on three priority areas: (i) strengthening customer support with expanded operations and localized capabilities, (ii) investing in next generation equipment and processes, (iii) incorporating smart and secure manufacturing through data driven decision making to improve operational effectiveness and support long term innovation. To achieve these goals, the Group will continue leveraging on its decentralised structure, localising supply chains and establishing factories and a physical presence to serve domestic markets. Looking ahead, the Group plans to expand operations in China and Malaysia, where the semiconductor industry continues to grow. Expanding their physical presence in Taiwan is another priority for the company to capture a larger share of the semiconductor value chain. In FY2027, the Group plans to invest S\$12 million to support these expansion plans and investments in next generation equipment and processing capabilities.

**Continued Commitment to Five-Star Factory Initiative.** A key pillar of the Five-Star Factory initiative is to provide strong customer engagement and support through a decentralized structure. This has proven to be the Group's competitive advantage, allowing it to remain insulated from geopolitical risks, supply chain disruptions, and tariff effects in an increasingly uncertain global climate. Additionally, the Five-Star Factory Initiative constitutes other pillars: High Performance Teams, Workplace Efficiency and Safety, Finance and IT Excellence, Operational Excellence, and Innovation Excellence. Notably, under Innovation Excellence, the Group completed a year-long project to evaluate and purchase a new machine designed to improve machining quality and efficiency for their WFE segment. In FY2026, the Group also invested S\$3.8 million in new equipment, machinery, and factory upgrades.

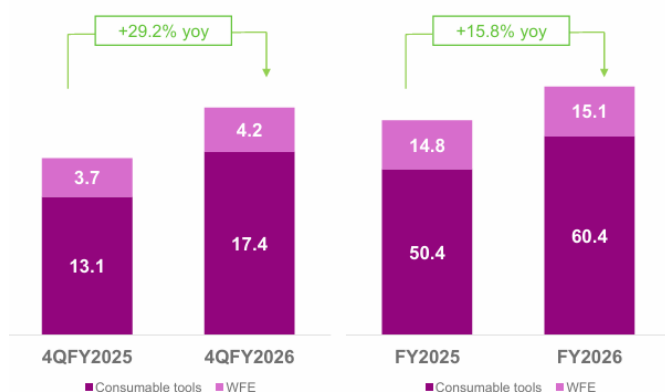
## Micro-Mechanics (Holdings) Limited

**Semiconductor Industry Forecast.** The global semiconductor market saw exceptional growth in 1H2026, increasing 102% YoY to US\$702 billion. This was led by memory and logic chip demand, driven by sustained investments in AI and high-performance computing. According to the World Semiconductor Trade Statistics (WSTS) organization, the semiconductor market is now forecasted to grow 108% in 2026, reaching US\$1.7 trillion. In 2027, growth is also projected to sustain, with the market expanding a further 29% to US\$2.1 trillion. As a manufacturer and supplier of consumable tools and parts for the testing and assembly of semiconductors, MMH is poised to be boosted by this growth of the semiconductor industry. Additionally, Deloitte notes that AI chips are high in value but low in volume, so manufacturers of the tools that make them are likely to be less impacted in the event of a decline in revenues for AI chips. MMH is thus well-positioned to benefit from the growth in the semiconductor industry, while enjoying a certain level of protection from downturns in the AI sector, as their tools and equipment will still be required for manufacturing other chips, such as those going into computers and automobiles.

**Risks:** The Group is exposed to foreign currency risk that relates to the countries in which the subsidiaries operate. Local politics could also impact the operations of the Group, due to their decentralized operating structure. Moreover, the Group is subject to the broader market conditions of the semiconductor industry.

**Valuation:** MMH is currently trading at a P/E of 23.2, compared to its peers in the semiconductor industry with a mean current P/E of 46.2. However, this includes companies with larger market capitalization than MMH, which may trade at a premium.

## Revenue by Business Segments (\$'m)



Source: Company Data

### 4QFY2026

**\$21.6m**

+29.2% yoy (4QFY2025:\$16.7m)  
+16.4% qoq (3QFY2026: \$18.6m)

- Revenue increase of 29.2% yoy to \$21.6 million was led by growth in consumable tools segment
- WFE sales grew 15.4% yoy to \$4.2 million, supported by higher bookings and continued recovery from material delays and shortages during 1QFY2026

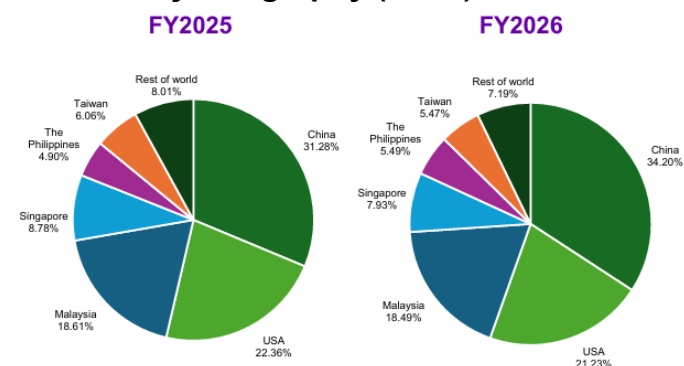
### FY2026

**\$75.5m**

+15.8% yoy (FY2025:\$65.2m)

- Revenue increase of 15.8% yoy to \$75.5 million was led by growth in consumable tools segment
- WFE segment sales increased 2.3% yoy to \$15.1 million

## Revenue by Geography (\$'m)



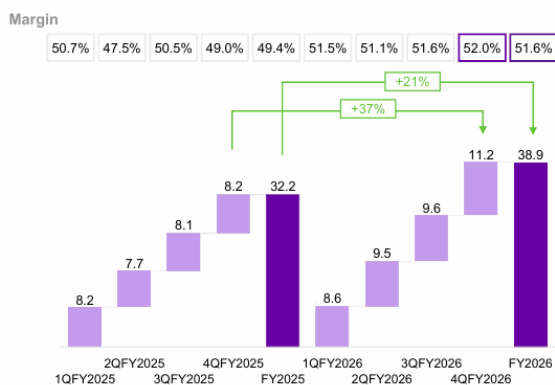
Source: Company Data

### Revenue from top four markets

|           | FY2025 (\$'m) | FY2026 (\$'m) | yoy change (%) |
|-----------|---------------|---------------|----------------|
| China     | 20.4          | 25.8          | 26.6           |
| USA       | 14.6          | 16.0          | 10.0           |
| Malaysia  | 12.1          | 14.0          | 15.1           |
| Singapore | 5.7           | 6.0           | 4.6            |

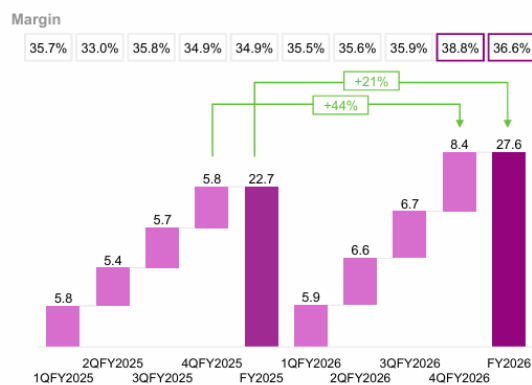
## Expansion of Gross Profit and EBITDA Margins (\$'m)

### GP & GP margin (\$'m)

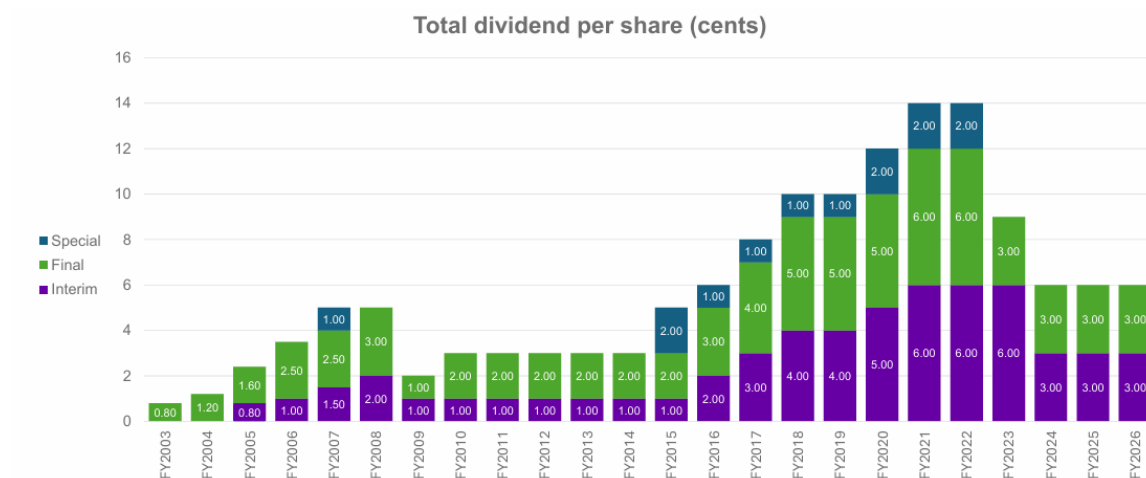


Source: Company Data

### EBITDA & EBITDA margin (\$'m)



## Dividend Track Record



Source: Company Data

## Five-Year Roadmap



Source: Company Data

# Income Statement

| FYE Jun (\$\$m)                   | FY24   | FY25   | FY26   | 1H FY25 | 1H FY26 |
|-----------------------------------|--------|--------|--------|---------|---------|
| Revenue                           | 57.9   | 65.2   | 75.5   | 32.5    | 35.4    |
| Cost of sales                     | (30.7) | (33.0) | (36.6) | (16.6)  | (17.2)  |
| Gross profit                      | 27.2   | 32.2   | 38.9   | 16.0    | 18.1    |
| Other income                      | 0.4    | 0.3    | 0.4    | 0.2     | 0.1     |
| Distribution expense              | (2.9)  | (3.0)  | (3.5)  | (1.6)   | (1.6)   |
| Administrative expense            | (9.1)  | (9.5)  | (10.2) | (4.8)   | (5.2)   |
| Others operating expenses         | (3.7)  | (3.4)  | (3.9)  | (1.7)   | (1.8)   |
| Results from operating activities | 11.9   | 16.6   | 21.8   | 8.1     | 9.6     |
| Finance income                    | 0.2    | 0.2    | 0.2    | 0.1     | 0.1     |
| Finance expense                   | (0.5)  | (0.4)  | (0.4)  | (0.2)   | (0.2)   |
| Net finance expense               | (0.3)  | (0.2)  | (0.2)  | (0.0)   | (0.1)   |
| Profit /(loss) before income tax  | 11.5   | 16.4   | 21.6   | 8.0     | 9.5     |
| Tax expense                       | (3.5)  | (4.0)  | (5.6)  | (2.0)   | (2.6)   |
| Net profit                        | 8.0    | 12.4   | 15.9   | 6.0     | 6.9     |

# Balance Sheet

| FYE Jun (\$\$m)                                             | FY24 | FY25 | FY26 | 1H FY25 | 1H FY26 |
|-------------------------------------------------------------|------|------|------|---------|---------|
| <b>ASSETS</b>                                               |      |      |      |         |         |
| <b>Non-current assets</b>                                   |      |      |      |         |         |
| Property, plant and equipment                               | 22.3 | 18.7 | 18.5 | 21.2    | 17.6    |
| Right-of-use assets                                         | 1.7  | 2.0  | 2.5  | 1.0     | 2.2     |
| Investment property                                         | 0.3  | -    | -    | -       | -       |
| Subsidiaries                                                | -    | -    | -    | -       | -       |
| Trade and other receivables                                 | 0.5  | 0.4  | 0.7  | 0.4     | 0.4     |
| Deferred tax assets                                         | 0.0  | 0.0  | 0.0  | 0.0     | 0.0     |
| Total non-current assets                                    | 24.8 | 21.2 | 21.7 | 22.6    | 20.2    |
| <b>Current assets</b>                                       |      |      |      |         |         |
| Inventories                                                 | 3.9  | 3.1  | 4.9  | 3.7     | 3.7     |
| Trade and other receivables                                 | 11.6 | 13.3 | 17.1 | 11.7    | 14.0    |
| Cash and bank balances                                      | 16.6 | 23.3 | 30.1 | 20.2    | 27.2    |
| Total current assets                                        | 32.1 | 39.7 | 52.2 | 35.6    | 45.0    |
| Total assets                                                | 56.9 | 60.8 | 73.8 | 58.2    | 65.2    |
| <b>LIABILITIES AND EQUITY</b>                               |      |      |      |         |         |
| <b>Non-current liabilities</b>                              |      |      |      |         |         |
| Deferred tax liabilities                                    | 1.4  | 1.4  | 1.6  | 1.4     | 1.4     |
| Trade and other payables                                    | -    | -    | -    | -       | -       |
| Provisions                                                  | 0.8  | 0.9  | 0.8  | 0.8     | 0.8     |
| Lease liabilities                                           | 0.3  | 0.9  | 1.0  | 0.0     | 1.1     |
| Total non-current liabilities                               | 2.6  | 3.2  | 3.5  | 2.2     | 3.3     |
| <b>Current liabilities</b>                                  |      |      |      |         |         |
| Trade and other payables                                    | 5.6  | 5.8  | 9.3  | 5.2     | 6.3     |
| Lease liabilities                                           | 1.4  | 1.1  | 1.5  | 1.0     | 1.2     |
| Current tax payable                                         | 1.2  | 1.5  | 2.1  | 1.4     | 1.8     |
| Total current liabilities                                   | 8.2  | 8.4  | 12.9 | 7.6     | 9.3     |
| Total liabilities                                           | 10.8 | 11.6 | 16.4 | 9.8     | 12.6    |
| <b>Equity attributable to equity holders of the Company</b> |      |      |      |         |         |
| Share capital                                               | 14.8 | 14.8 | 14.8 | 14.8    | 14.8    |
| Reserves                                                    | 31.3 | 34.4 | 42.7 | 33.5    | 37.8    |
| Total equity                                                | 46.1 | 49.2 | 57.4 | 48.3    | 52.6    |
| Total liabilities and equity                                | 56.9 | 60.8 | 73.8 | 58.2    | 65.2    |

# Cash Flow Statement

| FYE Jun (\$\$m)                                         | FY24  | FY25  | FY26   | 1H FY25 | 1H FY26 |
|---------------------------------------------------------|-------|-------|--------|---------|---------|
| <b>Cash flows from operating activities</b>             |       |       |        |         |         |
| Profit for the year                                     | 8.0   | 12.4  | 15.9   | 6.0     | 6.9     |
| Adjustments for:                                        |       |       |        |         |         |
| Depreciation of property, plant and equipment           | 6.5   | 6.2   | 5.8    | 3.1     | 2.9     |
| Depreciation of investment property                     | 0.0   | 0.0   | -      | 0.0     | -       |
| Property, plant and equipment written off               | 0.0   | 0.0   | 0.0    | 0.0     | 0.0     |
| Gain on disposal of property, plant and equipment       | (0.0) | (0.0) | (0.0)  | (0.0)   | (0.0)   |
| Interest income                                         | (0.2) | (0.2) | (0.2)  | (0.1)   | (0.1)   |
| Interest expense on lease liabilities                   | 0.2   | 0.1   | 0.2    | 0.0     | 0.1     |
| Service cost from retirement benefits                   | 0.0   | 0.0   | 0.0    | 0.0     | 0.0     |
| Interest cost from retirement benefits                  | 0.0   | 0.0   | 0.0    | -       | -       |
| Unwind of discount on reinstatement costs               | 0.0   | 0.0   | 0.0    | 0.0     | 0.0     |
| Doubtful debts written off                              | 0.0   | -     | 0.0    | -       | -       |
| Inventories written off                                 | 0.2   | 0.2   | 0.1    | 0.1     | 0.0     |
| Tax expense                                             | 3.5   | 4.0   | 5.6    | 2.0     | 2.6     |
| Changes in:                                             |       |       |        |         |         |
| Inventories                                             | 0.2   | 0.5   | (1.7)  | 0.2     | (0.6)   |
| Trade and other receivables                             | (0.4) | (1.9) | (3.6)  | 0.2     | (0.5)   |
| Trade and other payables                                | (0.1) | 0.7   | 1.7    | (0.0)   | 0.4     |
| Cash generated from operations                          | 18.0  | 22.0  | 23.8   | 11.6    | 11.8    |
| Retirement benefits paid                                | -     | (0.0) | (0.0)  | (0.0)   | (0.0)   |
| Income tax paid                                         | (3.5) | (3.7) | (4.9)  | (1.9)   | (2.3)   |
| Net cash generated from operating activities            | 14.6  | 18.3  | 18.9   | 9.6     | 9.4     |
| <b>Cash flows from investing activities</b>             |       |       |        |         |         |
| Interest received                                       | 0.2   | 0.2   | 0.2    | 0.1     | 0.1     |
| Purchase of property, plant and equipment               | (2.5) | (1.4) | (2.1)  | (1.2)   | (0.8)   |
| Proceeds from disposal of property, plant and equipment | 0.0   | 0.0   | 0.0    | 0.0     | 0.0     |
| Net cash used in investing activities                   | (2.2) | (1.2) | (1.9)  | (1.1)   | (0.7)   |
| <b>Cash flows from financing activities</b>             |       |       |        |         |         |
| Deposit pledged                                         | (0.0) | 0.0   | -      | -       | -       |
| Dividends paid                                          | (8.3) | (8.3) | (8.3)  | (4.2)   | (4.2)   |
| Interest paid                                           | (0.2) | (0.1) | (0.2)  | (0.0)   | (0.1)   |
| Payment of lease liabilities                            | (1.4) | (1.5) | (1.5)  | (0.7)   | (0.7)   |
| Treasury shares acquired                                | -     | -     | (0.6)  | -       | -       |
| Net cash used in financing activities                   | (9.9) | (9.9) | (10.6) | (5.0)   | (5.0)   |
| Net (decrease)/increase in cash and cash equivalents    | 2.4   | 7.2   | 6.4    | 3.6     | 3.8     |
| Cash and cash equivalents at beginning of the year      | 14.1  | 16.4  | 23.1   | 16.4    | 23.1    |
| Effect of exchange rate fluctuations on cash held       | (0.1) | (0.4) | 0.5    | 0.0     | 0.2     |
| Cash and cash equivalents at end of the year            | 16.4  | 23.1  | 30.0   | 20.1    | 27.1    |

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|------------------------------------|----------------------------------|
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