

Accelerating our *Journey to Excellence*

Micro-Mechanics (Holdings) Ltd

2QFY2026 and 1HFY2026 results presentation

30 January 2026

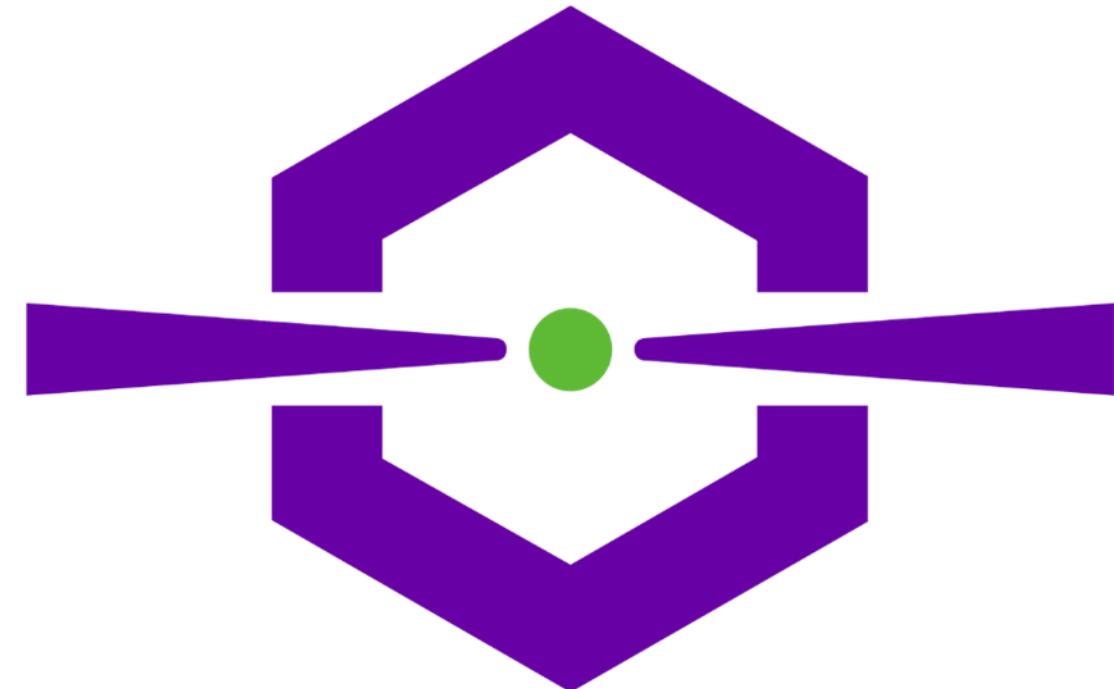


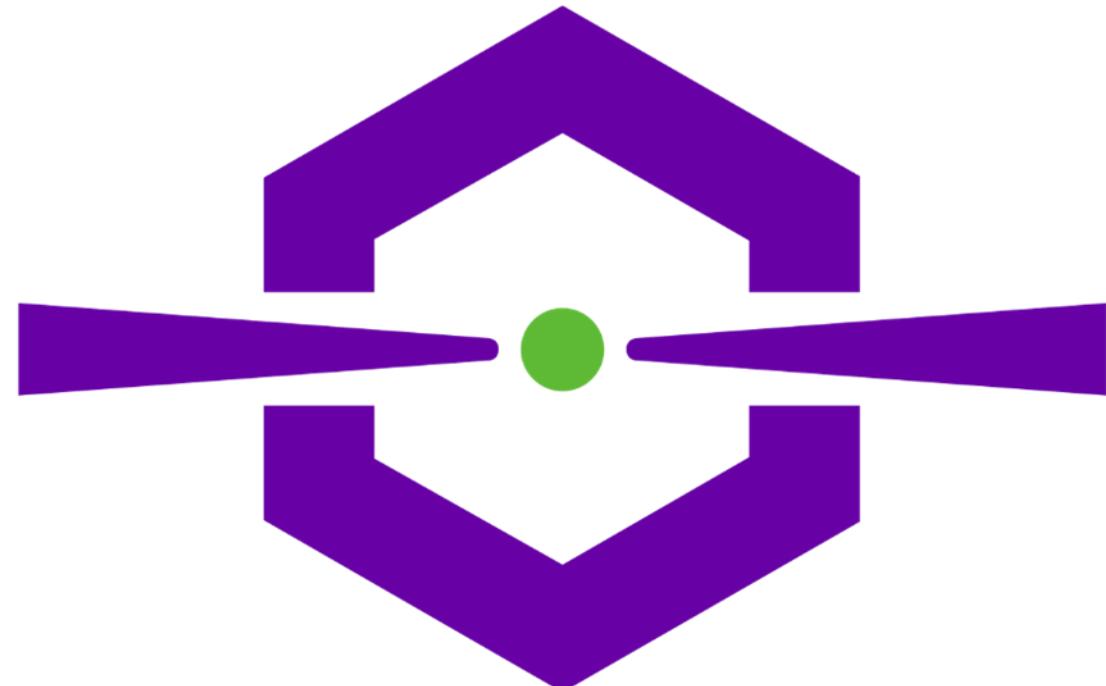
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MICRO-MECHANICS

Corporate overview

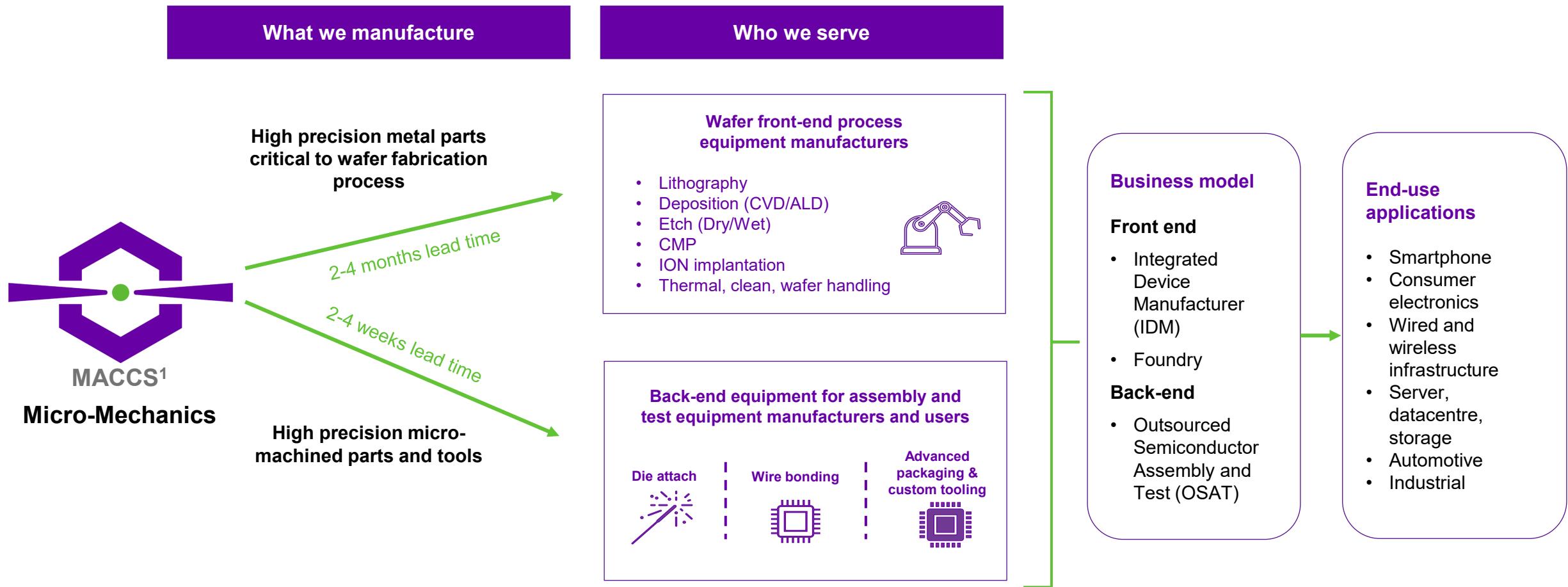
Corporate overview

- *Next Generation Supplier* focused on enabling advanced technologies
- Established track record since founding in 1983 and public listing on SGX Mainboard in 2003
- Trusted by more than 600 customers globally with diversified geographical footprint across five operating facilities in USA, Singapore, Malaysia, China and Philippines
- Purpose driven mission –
 - ***Perfect Parts and Tools, On Time, Every Time*** – based on scalable, repeatable, cost-effective and data-driven processes



Diversified customer base across semiconductor value chain

Supplying next-generation process critical parts to over 600 customers globally



Note: 1) Materials, assemblies, components, consumables (including tools) and services

Operational update



MICRO-MECHANICS

Micro-Mechanics' facility in Laguna, Philippines (MMPH)

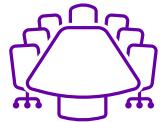
Operational update

Strengthening resilience and capabilities



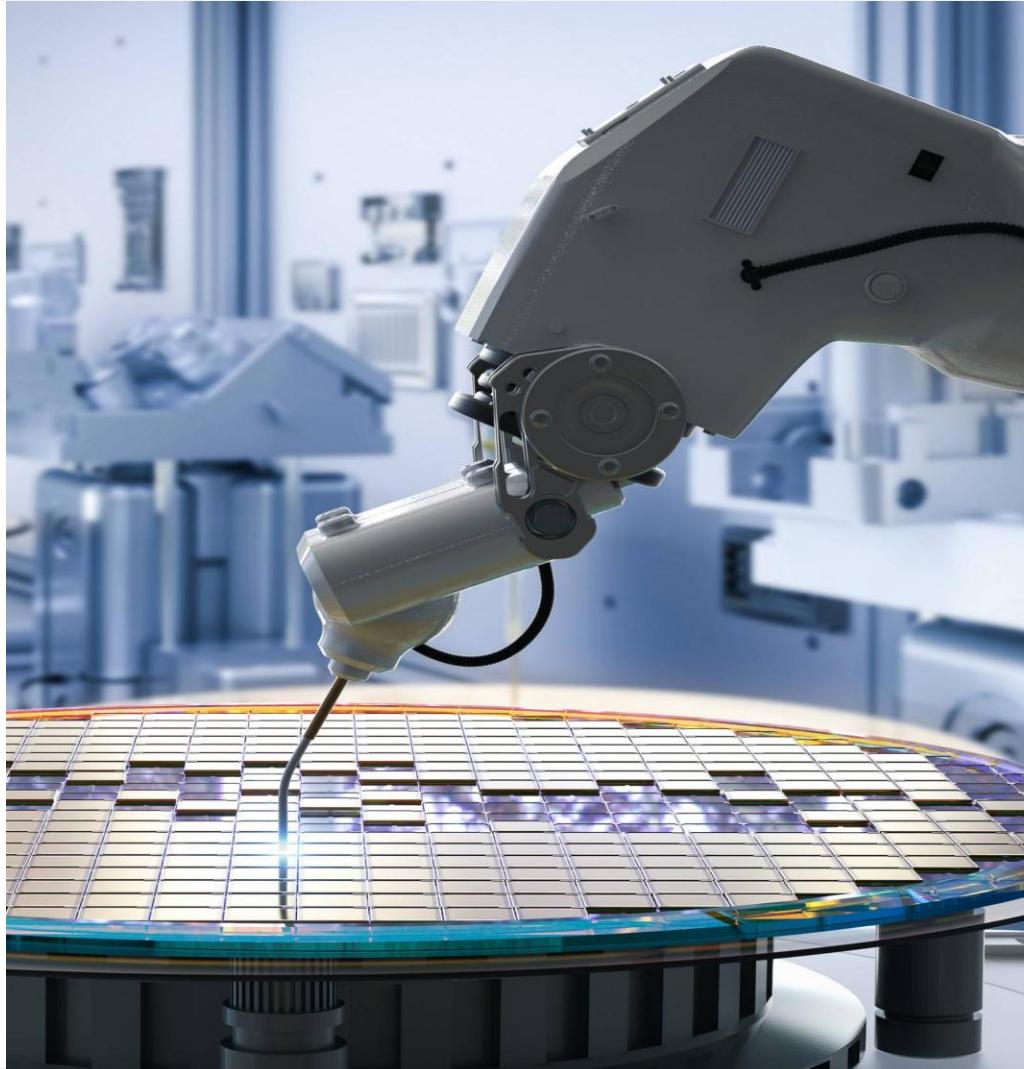
Continuing to progress *Five-Star Factory* initiative for sustainable success

- Continuing to strengthen excellence in areas fundamental to business performance



Prioritising disciplined capital management to support continued investment for growth

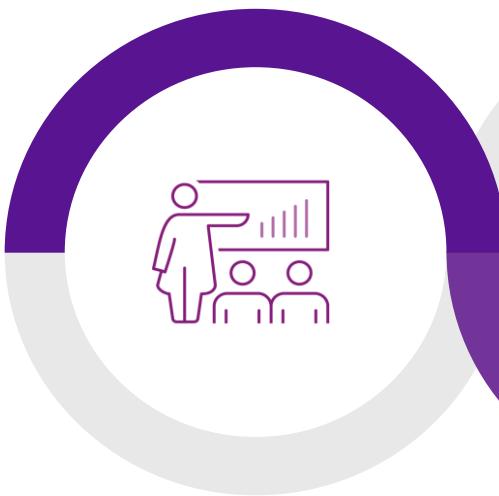
- Group seeks to allocate capital strategically to growth areas, including product development for Advanced Packaging and equipment for WFE manufacturing
- Higher capital expenditure of S\$2.3 million expected in 2HFY2026



Five-Star Factory strengthens our core foundation

Five core pillars to drive excellence, navigate headwinds and capture growth

Customer Engagement and Support



Decentralising Group structure to respond effectively to customers

High Performance Teams



Investing in our people to drive innovation and efficiency

Workplace Efficiency and Safety



Streamlining processes, reducing waste and maximising output

Operational Excellence



Developing best-in-class practices for repeatability and scalability

Innovation Excellence



Developing new breakthroughs in next-generation components

Customer Engagement and Support

Decentralising structure to respond effectively to customers



Objectives

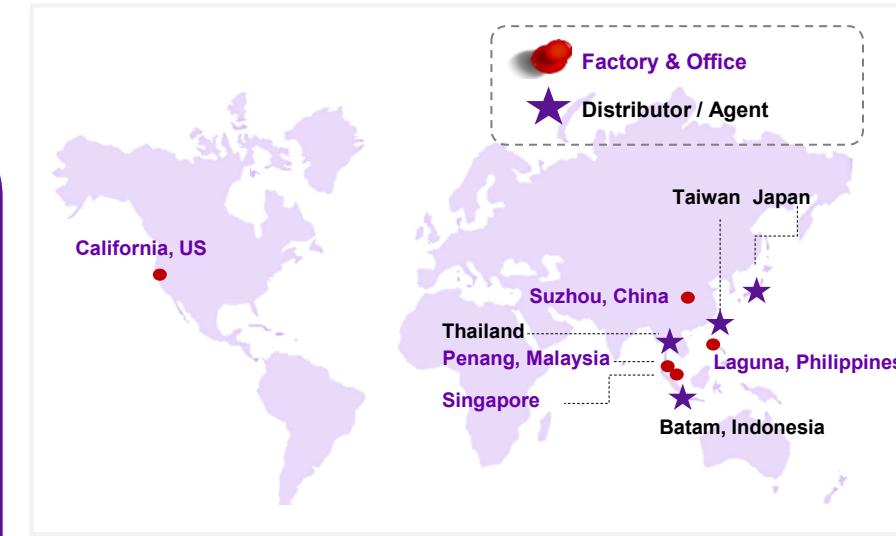
- Strengthen the Group's decentralised structure to improve our ability to promptly respond to customers' and industry's evolving high-value needs



Milestones

- Established a team to study how to better support customers in Taiwan
- Focused on supporting market growth in Arizona, which is attracting both WFE and Advanced Packaging investments by major chip makers

Our Factories and Presence



High Performance Teams

Investing in our people to drive innovation and teamwork



Objectives

- Attract and retain talent with the right skills in the right positions
- Upskilling and training programmes to acquire new skillsets and master new techniques to solve new industry challenges
- Align incentive systems with measurements of performance to drive efficiency and productivity



Milestones

- At the Annual General Meeting in October 2025, shareholders approved the adoption of a Performance Share Plan (PSP 2025), designed to reward high performing employees with shares and reinforce the Company's ownership culture



MICRO-MECHANICS

Workplace Efficiency and Safety

Streamlining processes, reducing waste and maximising output



Objectives

- Operate organised, productive, clean, safe and environmentally responsible operations with implementation of “8S”



Milestones

- Continued work with each factory to improve the way workplaces are organised, become more productive, and remain clean, safe and environmentally responsible
 - Based on a comprehensive internal audit, the Group awarded a “Five-Star 8S” rating to three of its five plants



Operational Excellence

Developing best-in-class practices for flawless quality, repeatability and scalability



Objectives

- Achieve fast, flawless and cost-effective manufacturing with lean engineering management principles



Milestones

- Minimising inventory overstocking with inventory at S\$3.7 million, representing 5.3% of sales (30 June 2025: 4.8%)
 - Inventory written off for 2QFY2026 totalled S\$19k, compared to S\$13k for 2QFY2025
- Remain focused on efforts to improve planning, streamline manufacturing and minimise inventory



Innovation Excellence

Engineering breakthroughs in next-generation products, materials, and processes



Objectives

- Promote fresh thinking and ingenuity
- Drive product and process innovations, new manufacturing capability and adoption of new technologies and methodologies



Milestones

- The Group's R&D team continues to develop new elastomers for advanced packaging applications
- For WFE, our engineers completed a year-long project to evaluate and purchase a new machine designed to improve machining quality and efficiency, with the
 - First installation scheduled at US plant in 1QFY2027
- Successfully evaluated new physics-based programming technology that can improve material removal rates by 10-30%
 - Implementation of programming method on long-cycle WFE parts is planned for 2HFY2026



Financial highlights



1HFY2026 highlights

Continued positive sales momentum

Group revenue

S\$35.4m

+8.7% yoy

EBITDA & EBITDA margin

S\$12.6m

+12.5% yoy

35.6%

+1.2 ppt yoy

ROE & net profit

25.1%¹

S\$6.9m

+13.7% yoy

Cash and bank balances

S\$27.2m

S\$23.3m
30 Jun 2025

Net cash with no borrowings

CAPEX (consolidated)

S\$799k

S\$1.2m
FY2025 CAPEX

Net cash from operations

S\$9.4m

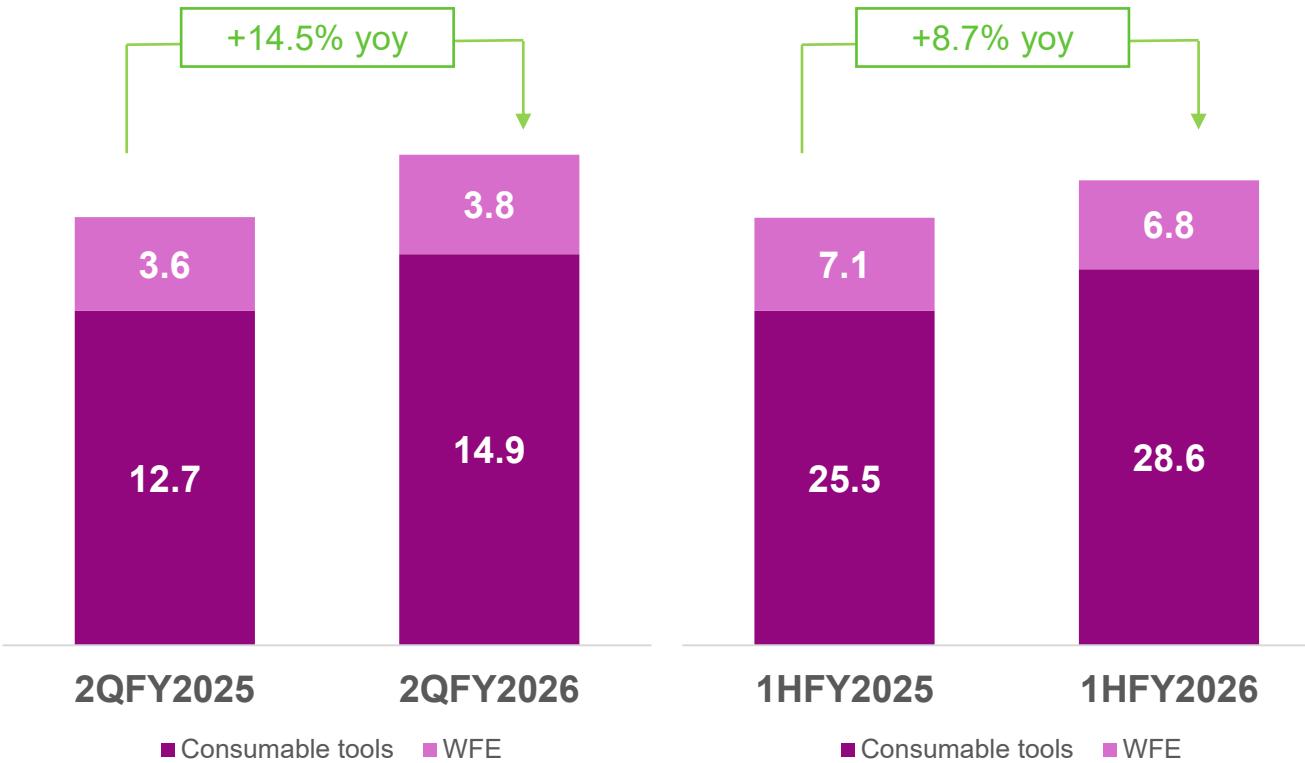
S\$9.6m
1HFY2025

Note: 1) Return on equity: full year of net profit over shareholders' equity at end of quarter

Revenue growth led by consumable tools sales

Sustained demand for higher-value products drove consumable tools to a 14-quarter high

Revenue by business segments (S\$m)



2QFY2026

S\$18.7m

+14.5% yoy (2QFY2025:S\$16.3m)
+11.6% qoq (1QFY2026: S\$16.7m)

- Revenue increase of 14.5% yoy to S\$18.7 million was led by growth in consumable tools segment
- WFE sales grew 5.8% yoy and 27.2% qoq to S\$3.8 million, driven by increased orders and recovery from material delays and shortages for 1QFY2026

1HFY2026

S\$35.4m

+8.7% yoy (1HFY2025:S\$32.5m)

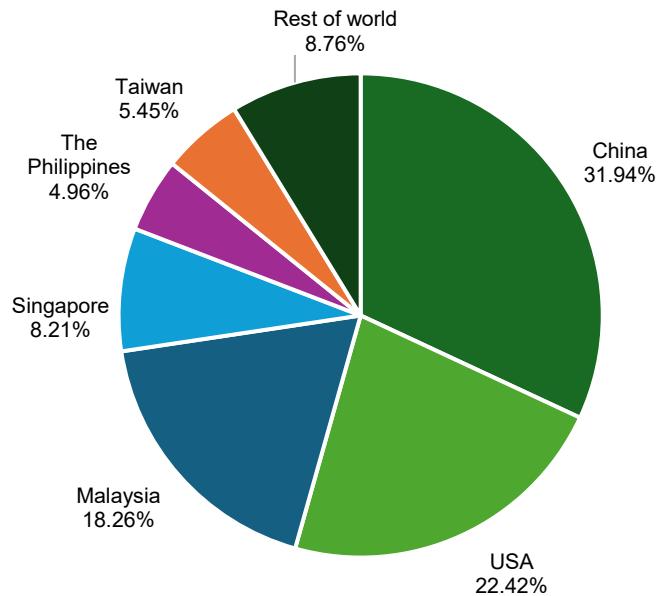
- Revenue increase of 8.7% yoy to S\$35.4 million was led by growth in consumable tools segment
- WFE segment sales fell 4.6% yoy to S\$6.8 million despite increased orders, impacted by material delays and shortages for 1QFY2026

Note: Due to rounding, some totals in numbers (in this and the following slides) may not correspond with the sum/subtraction of separate figures.

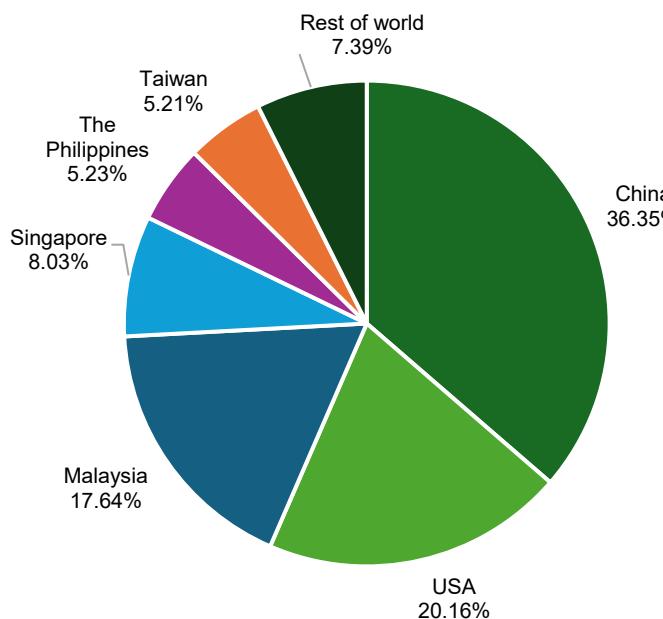
Geographical diversification of revenue

Group's decentralised structure supports resilience across markets

1HFY2025



1HFY2026



Revenue from top four markets

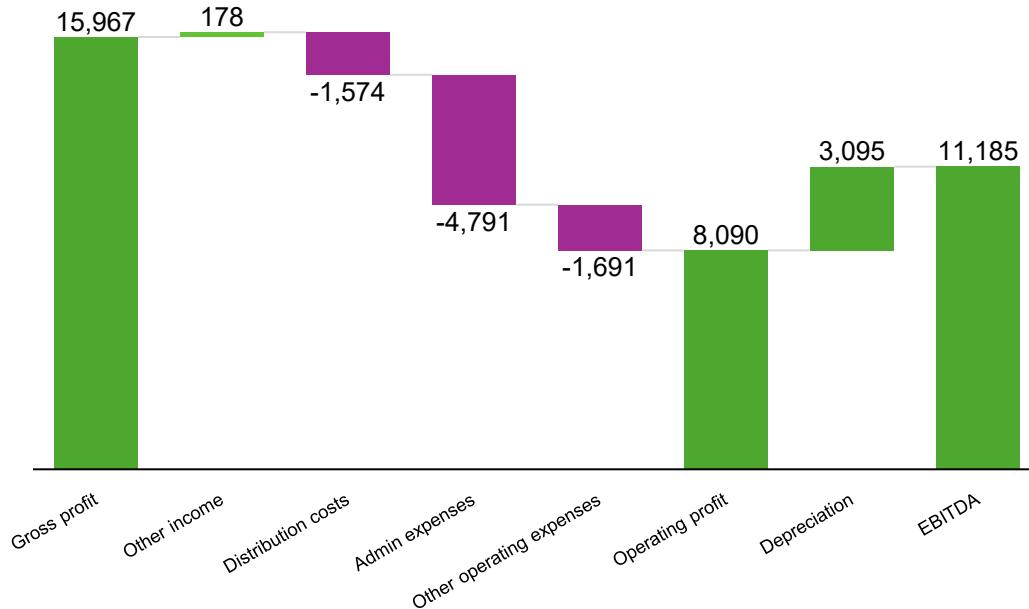
	1HFY2025 S\$m	1HFY2026 S\$m	yoY% change
China	10.4	12.9	23.7
USA	7.3	7.1	(2.3)
Malaysia*	5.9	6.2	5.0
Singapore	2.7	2.8	6.3

* The figure for Malaysia was previously missated and has now been corrected.

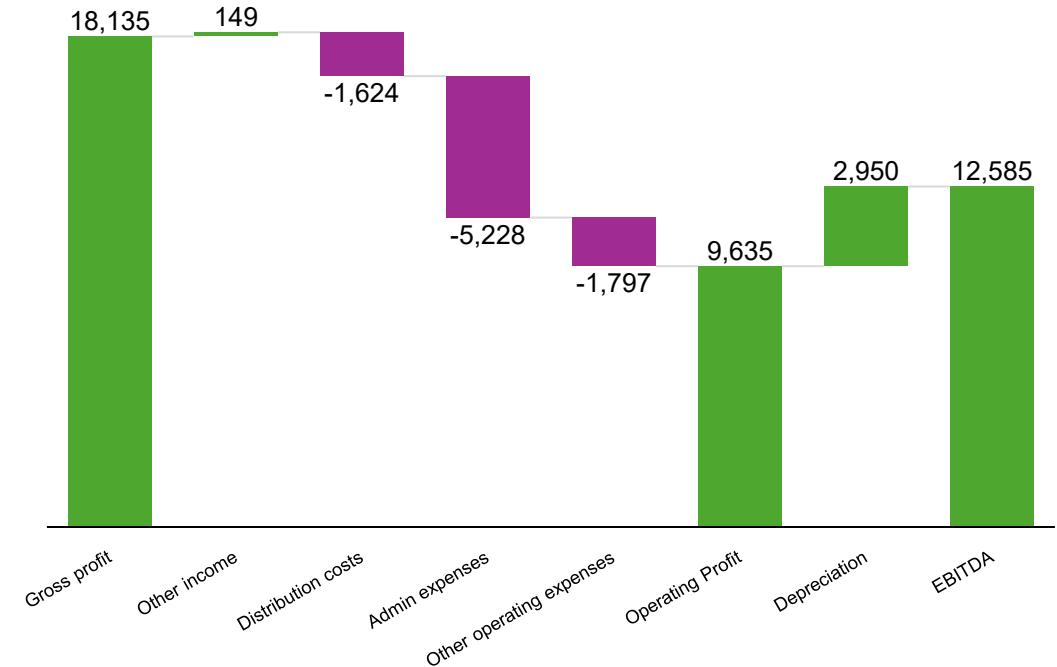
Continued uplift in gross profit and EBITDA

Supported by stronger customer engagements and enhanced manufacturing processes

1HFY2025 (S\$, '000)



1HFY2026 (S\$, '000)



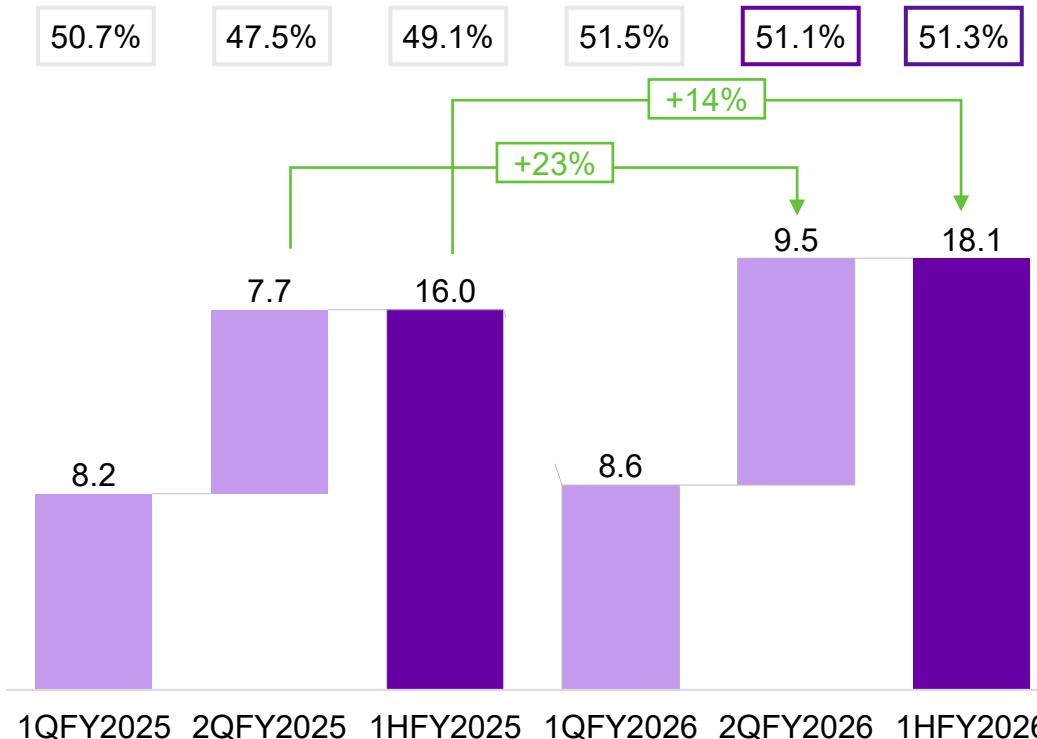
- 3.2% yoy increase in distribution costs, attributable to higher sales-incentives payouts
- 9.1% yoy increase in administrative expenses, primarily due to higher legal and professional costs, along with performance incentives
- 6.3% yoy increase in other operating expense, mainly driven by higher personnel costs

Steady expansion of GP and EBITDA margins

Continued focus on cost efficiencies and operational excellence

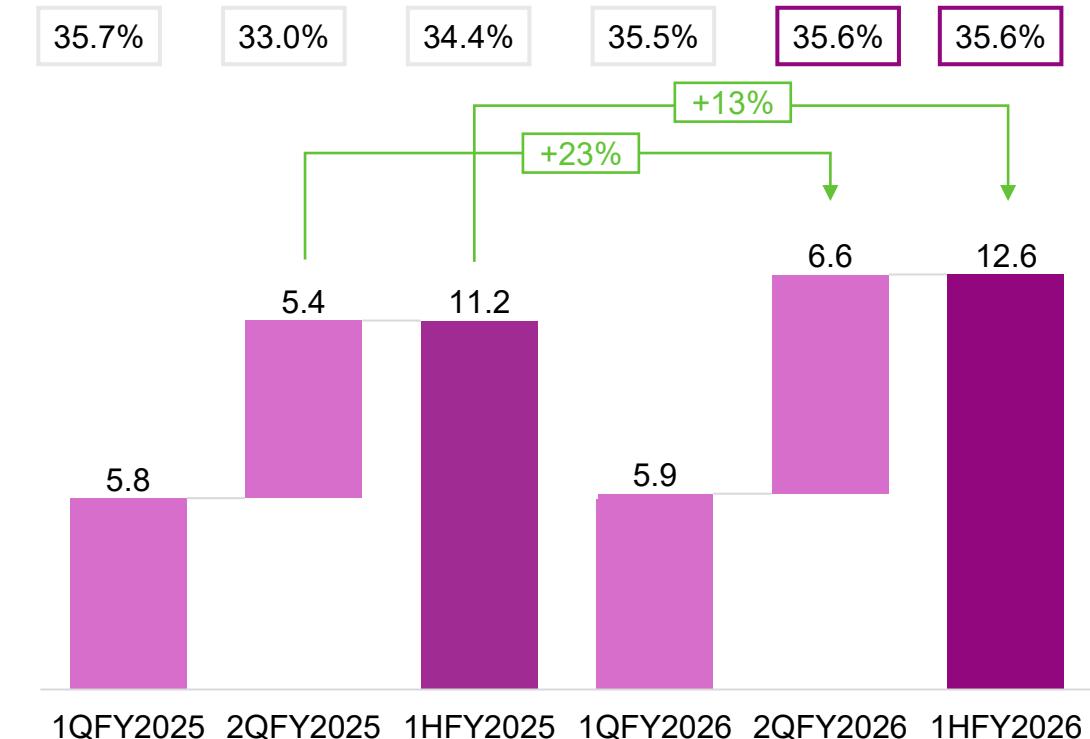
GP & GP margin (S\$m)

Margin



EBITDA & EBITDA margin (S\$m)

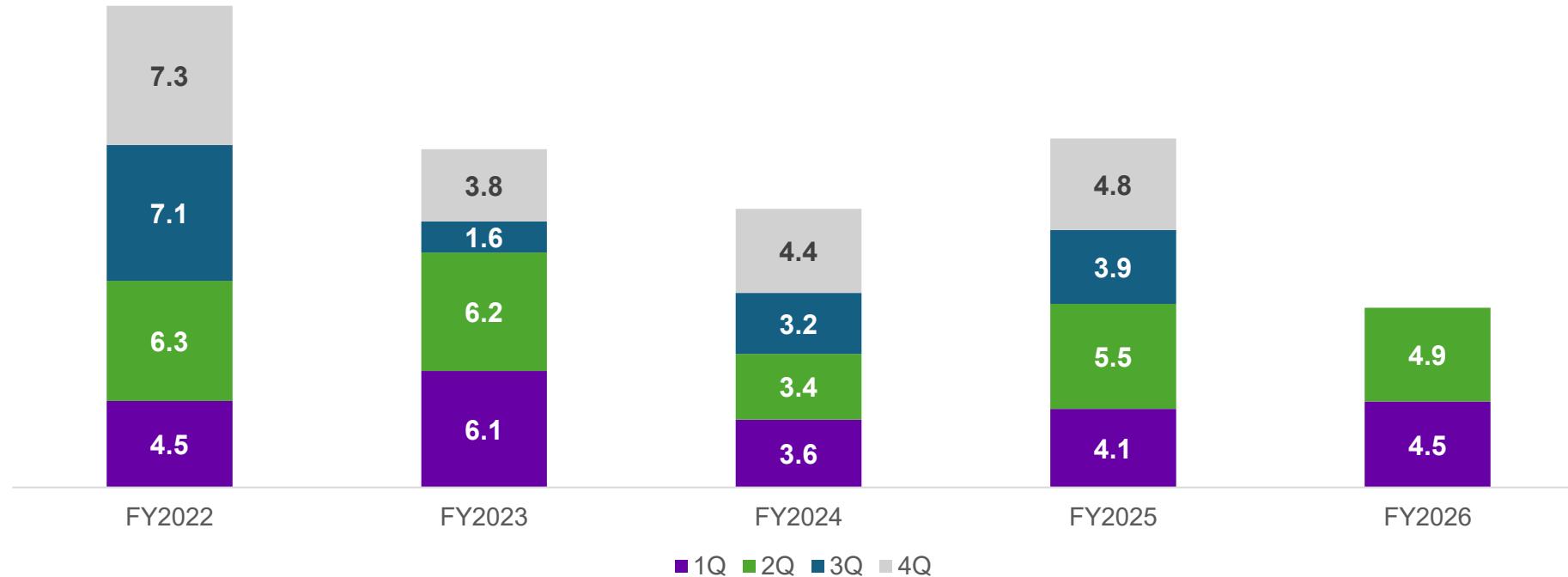
Margin



Sustained positive operating cash flow generation

Testament to robust and healthy working capital cycles

Operating cash flow (S\$m)



Resilient financial position

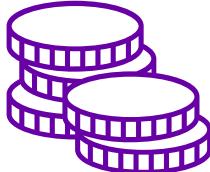
Strong balance sheet to support investing for growth

		As at 30 Jun 2025	As at 31 Dec 2025
Cash	Cash and bank balances	S\$23.3M	S\$27.2M
Gearing	Total borrowings	NIL	NIL
Trade receivables	Trade Receivables (Outstanding > 90days) / (Total trade receivables) Bad debt expenses	S\$12.5M S\$2.0K NIL	S\$13.2M S\$11.7K S\$2.7K
Inventory	Inventory Inventory / Sales Inventory write-off ¹	S\$3.1M 4.8% S\$166K	S\$3.7M 5.3% S\$43K
Net asset value	NAV per ordinary share (cents)	35.40	37.82
Equity	Shareholders' equity	S\$49.2M	S\$52.6M

Note: 1) The inventory write-off as at 30 Jun 2025 reflects write-offs for FY2025, while the figure as at 31 Dec 2025 reflects write-offs for 1HFY2026

Commitment to long-term total shareholder returns (TSR)

Listing to date TSR of >3,000%¹ reflects Group's sustainable and long-term growth trajectory



1HFY2026 interim dividend

3.0 cents



Dividend payout ratio²

60.8%



Cumulative dividend per share

137.9 cents since listing

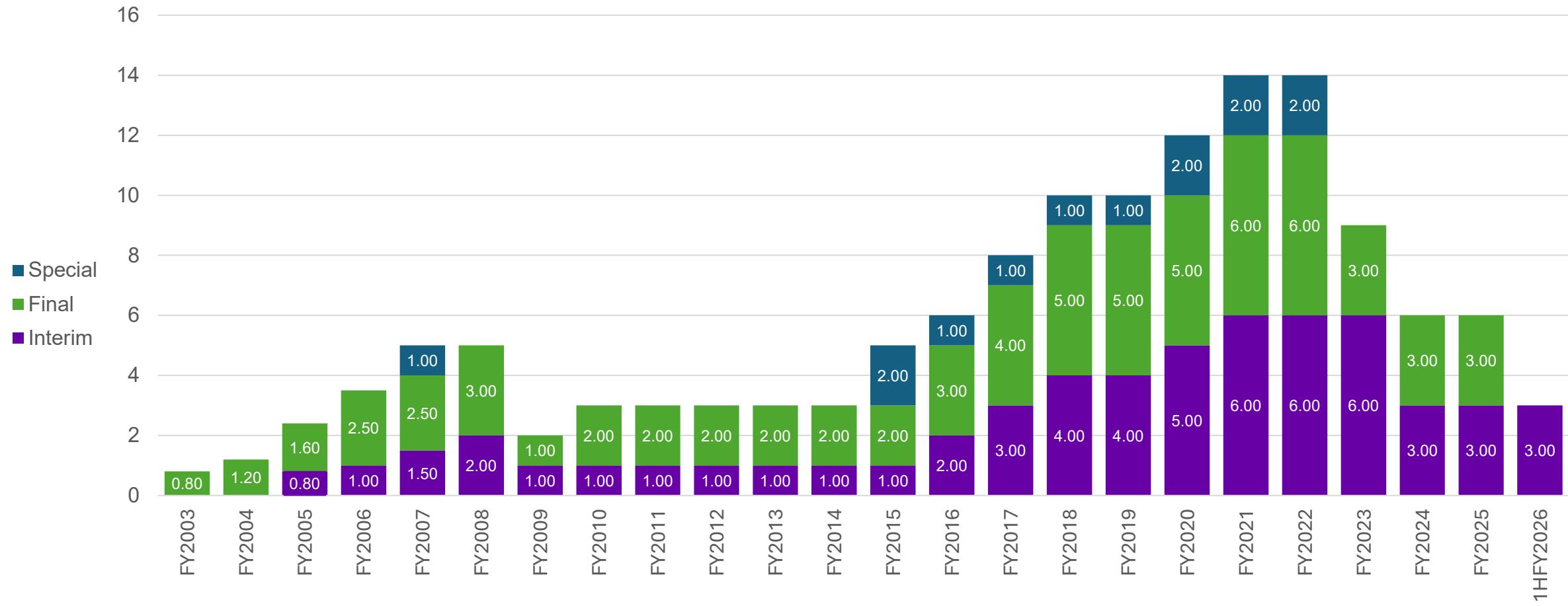
Notes: 1) Bloomberg; for the period 24 June 2003 (IPO) until 31 December 2025; which represents the additional number of shares purchased in the period for each share at the beginning of the period, assuming dividends are reinvested through buying more of the security. STI returned 524% while FTSE ST All Share Index returned 459% during the same period.

2) Dividend payout ratio for 1HFY2026

Cumulative dividends represent >700% shareholder returns

Total dividend payout of 137.9 cents per share since listing

Total dividend per share (cents)





美科精微机械(苏州)有限公司

8A

Outlook & summary



MICRO-MECHANICS

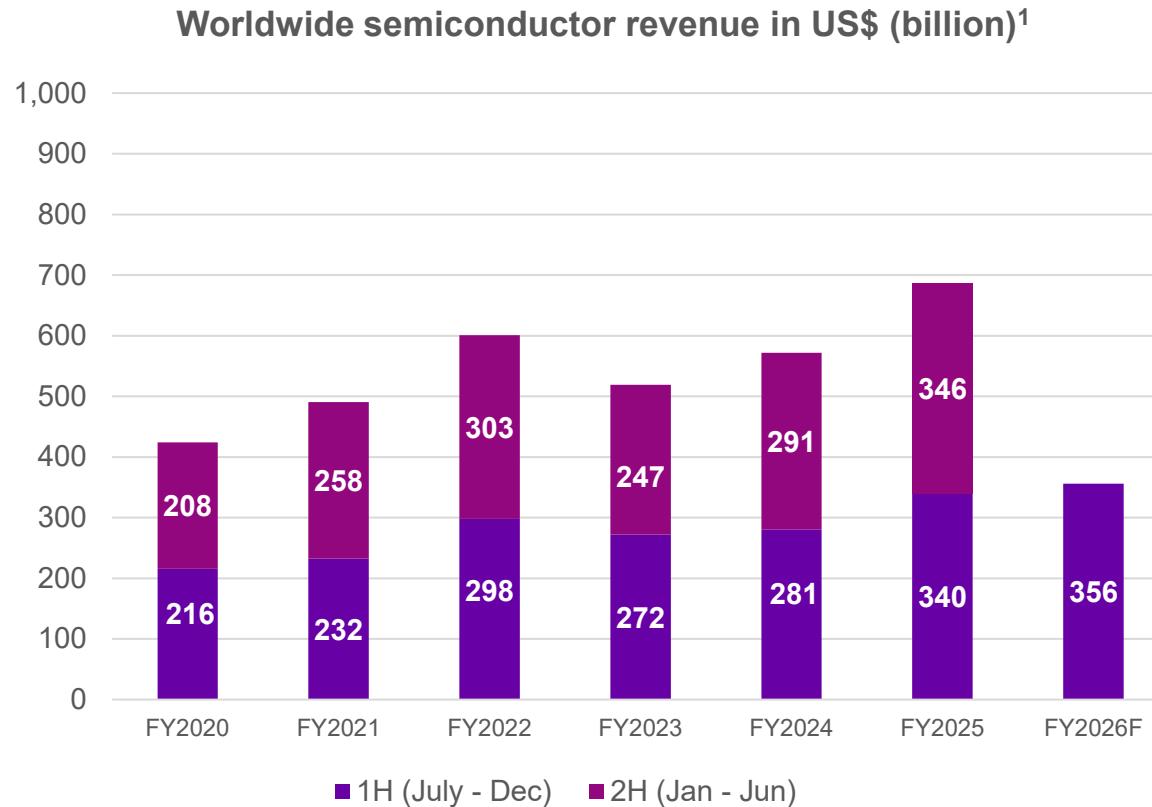


MICRO-MECHANICS

Micro-Mechanics' facility in Suzhou, China (MMSU)

Encouraging sector performance and outlook

Industry continuing to show strong sales momentum



Source: [36 Years WSTS Blue Book Historical Billings Report \(Nov 2025\)](#)

Notes: 1) Presented with Micro-Mechanics' calendar cycle (July – Jun);

2) WSTS' calendar cycle (Jan – Dec)

Sales forecast for end-2025²

US\$772b 

Upward revision supported by uptick in Logic and Memory demand, underpinned by AI-related application and data centre infrastructure

Source: WSTS

Sales forecast for 2026²

US\$975b 
2025F +26.3%

Supported by uptick in demand across all regions and product categories, with sustained momentum in Logic and Memory

Source: WSTS

Strategic priorities for FY2026

Strengthening proposition and operational resilience to enhance enterprise value

To be a leading **Next Generation Supplier** of high precision tools and parts used in process-critical applications for the wafer-fabrication and assembly processes of the semiconductor industry

FY2026



Advancing *Five-Star Factory* initiative

- Provide customers with fast, effective and local support across all five factories
 - Exploring market growth plans in Arizona which is attracting both WFE and Advanced Packaging investments by major chip makers
- Actively working to promote fresh thinking, ingenuity and the adoption of new technologies, leading to both product and process improvements.
- Continued efforts to improve planning, streamline manufacturing and minimise inventory
- Progressing towards “*Five-Star 8S*” rating across all five plants



Prioritising disciplined capital management & good governance

- Maintaining resilient working capital cycle to consistently generate positive operating and free cash flow
- Allocating capital strategically to growth areas, including product development for Advanced Packaging and equipment for WFE manufacturing
 - Expect higher capital expenditure of S\$2.3 million in 2HFY2026
- Keeping good governance as a cornerstone for long-term success



Investment highlights

Positioned for high-quality earnings and sustainable growth



Favourable industry outlook

- Continued positive momentum from semiconductor industry's recovery



Geopolitical resilience

- Decentralised structure and Singapore listing offer a buffer against geopolitical risks
- Insulated from tariff effects as MMH mostly serves domestic market



Diversified customer base

- Serving more than 600 clients across front-end and back-end segments worldwide



High quality earnings and cash flow

- Gross profit margin expansion and high ROE (>20%)
- Consistent generation of positive and free cash flow



Committed to strong total shareholder returns

- Strong track record across market cycles delivering shareholder returns with TSR of >3,000% since listing



Safe harbour for forward-looking statements

This presentation contains certain statements that are not statements of historical fact, i.e. forward-looking statements. Investors can identify some of these statements by forward-looking items such as 'expect', 'believe', 'plan', 'intend', 'estimate', 'anticipate', 'may', 'will', 'would', and 'could' or similar words. However, you should note that these words are not the exclusive means of identifying forward-looking statements. These forward-looking statements are based on current expectations, projections and assumptions about future events.

Although Micro-Mechanics (Holdings) Ltd. believes that these expectations, projections, and assumptions are reasonable, these forward-looking statements are subject to the risks (whether known or unknown), uncertainties and assumptions about Micro-Mechanics (Holdings) Ltd. and its business operations. Some of the key factors that could cause such differences are, among others, the following:

- changes in the political, social and economic conditions and regulatory environment in the jurisdictions where we conduct business or expect to conduct business;
- the risk that we may be unable to realise our anticipated growth strategies and expected internal growth;
- changes in and new developments in technologies and trends;
- changes in currency exchange rates;
- changes in customer preferences and needs;
- changes in competitive conditions in the semiconductor industry and our ability to compete under these conditions;
- changes in pricing for our products; and
- changes in our future capital needs and the availability of financing and capital to fund these needs.

Given these risks, uncertainties and assumptions, the forward-looking events referred to in this presentation may not occur and actual results may differ materially from those expressly or impliedly anticipated in these forward-looking statements. Investors are advised not to place undue reliance on these forward-looking statements. Investors should assume that the information in this presentation is accurate only as of the date it is issued. Micro-Mechanics (Holdings) Ltd.'s business, financial conditions, results of operations and prospects may have changed since that day. Micro-Mechanics (Holdings) Ltd. has no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

Thank you

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