



MICRO-MECHANICS (HOLDINGS) LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199604632W)

ANNOUNCEMENT

**REPLY TO SGX QUERY ON FY2014 ANNUAL REPORT OF MICRO-MECHANICS
(HOLDINGS) LTD**

This announcement is made in response to a query raised by the SGX in its email dated 23 October 2014 in respect of the Annual Report of Micro-Mechanics (Holdings) Ltd. (the "Company" and together with its subsidiaries, the "Group") for the year ended 30 June 2014 ("FY2014").

SGX's query is:

"As required by Rule 1207(12) of the Listing Manual, please make disclosures as recommended in paragraph 9.3 of the Code of Corporate Governance 2012 (the "Code") or otherwise explain the reason(s) for the deviation from the following Code recommendations. Paragraph 9.3 of the Code states that the Company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO)".

The Company has complied with paragraph 9.3 in disclosing the remuneration of the top five key management personnel (who are not directors or the CEO) in bands but inadvertently overlooked disclosing in aggregate their total remuneration. In aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO) referred to on page 21 of FY2014 Annual Report was S\$491k.

The Board shall ensure that this disclosure is duly made in future and shall ensure compliance with the Code in all respects. The Board is keenly aware of, fully supports and is fully committed to transparency and Good Governance.

By Order of the Board of Directors

Submitted by Chow Kam Wing,
Company Secretary
24 October 2014

About Micro-Mechanics

Micro-Mechanics designs, manufactures and markets high precision tools, parts and assemblies for the semiconductor, medical, aerospace and other high technology industries.

The Group serves a worldwide base of customers from five manufacturing facilities located in Singapore, Malaysia, China, the Philippines and the USA. Together with its direct sales presence in Taiwan, Indonesia, and Europe, the Group's strategy is to relentlessly pursue product and operational improvement while providing its global customers with fast, effective and local support.

In addition to a market-leading range of precision tools, parts and consumable products used in the assembly and testing of semiconductors, the Group also manufactures precision parts and assemblies on a contract basis for tier-one equipment, aerospace, medical and other industries.

Micro-Mechanics has won wide recognition for its high standard of corporate governance and quality of disclosure, corporate transparency and communications with investors. It is a five time recipient of the Best Investor Relations Award (small cap category) at the Singapore Corporate Awards 2014, 2013, 2012, 2011 and 2010. The Group also won the Gold award for Best Managed Board (small cap category) at the Singapore Corporate Awards 2012. In addition, it has received six awards from the Securities Investors Association Singapore for its corporate transparency and governance practices, and was twice voted 'Best for Shareholders Rights and Equitable Treatment in Singapore' in Asiamoney's Corporate Governance Polls in 2009 and 2010.

For more information, please visit the Group's website at www.micro-mechanics.com

MEDIA AND INVESTOR RELATIONS CONTACT

Octant Consulting | phone (65) 6296 3583

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

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