

MICRO-MECHANICS (HOLDINGS) LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 199604632W)

INCREASE IN SHARE CAPITAL OF SUBSIDIARY

– MICRO-MECHANICS INC., USA

The Board of Directors of Micro-Mechanics (Holdings) Ltd. (the “Company”) wishes to announce that the Company has set aside an amount of USD8,000,000/- out of the Company’s working capital as additional investment in the paid-in capital of Micro-Mechanics Inc., USA (“MMUS”), a wholly-owned subsidiary of the Company (“Capital Contribution”). The total investment of the Company in MMUS after this additional investment is US\$18,500,000.

MMUS will use the Capital Contribution to purchase machines for its operation and to pay outstanding debts due to the Company and Micro-Mechanics Pte Ltd.

The transaction is not expected to have any material impact on the earnings per share and net tangible assets of the Group for the financial year ending 30 June 2018.

None of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the above transaction.

By Order of the Board

Chow Kam Wing
Company Secretary
22 June 2018