



MICRO-MECHANICS (HOLDINGS) LTD.

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

ANNOUNCEMENT

**ANNUAL GENERAL MEETING TO BE HELD ON 14 OCTOBER 2022
– RESPONSES TO QUESTIONS FROM SHAREHOLDERS**

The Board of Directors of Micro-Mechanics (Holdings) Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to thank shareholders for submitting their questions in advance of the Company’s Annual General Meeting (“AGM”) to be held on 14 October 2022.

For ease of reference, we have categorised and grouped together questions which are related to certain resolutions of the AGM, similar in nature, or pertaining to the same subject matter.

The Company’s responses to the questions that were raised by shareholders are set out in the following pages of this announcement.

By Order of the Board of Directors

Submitted by Chow Kam Wing,
Company Secretary
8 October 2022

ORDINARY RESOLUTION 1

GENERAL BUSINESS

- Q1. Could Micro-Mechanics provide us with an update on the latest technological development and focus, particularly as the semiconductor industry moves towards 7 nanometer and below device geometries? Are there many changes required for Micro-Mechanics critical parts and tools for the move to 5 nanometer as compared to the previous move from 10 nanometer to 7?**

As the semiconductor industry moves towards ever smaller device geometries, just a single defect could cause disastrous consequences in the ultra-complex manufacturing process of semiconductors. Our customers need the parts and tools that we make and supply to them to be flawless. As such, the Group is focused on the continual process of developing proprietary materials such as an elastomer that dissipates static electricity, and developing new cleaning methods that reduce the possibility of introducing organic or ionic contaminants during chip manufacturing. The Group also has ongoing initiatives aimed at improving the precision and repeatability of our core machining processes to ensure we keep pace with the industry's increasingly stringent requirements.

- Q2. For the previous major technological developments where Micro-Mechanics engineers in California completed the development of a critical part used in the wafer-fabrication process while our R&D team in Singapore produced several proprietary materials we believe are essential to the industry at 10 nanometer and below device geometries, have these devices become mainstream products for Micro-Mechanics? If so, what is the percentage share of such products that cater to devices at 10 nanometer and below?**

The critical part developed by our USA factory is being manufactured to specifications for a customer in the wafer-fabrication equipment industry. We manufacture a range of products for the customer and this critical part will become one of the key products for this customer.

For the Group's tooling business, demand for tools with more stringent properties such as dissipation of static electricity and reduction of contamination, is envisaged to move in tandem with the applications of chips that have device geometries below 10 nanometers. Due to competitive and commercial reasons however, the Group does not have a practice of disclosing specific sales breakdown by product categories.

OTHERS

ACCOLADES

- Q3. Congratulations to Micro-Mechanics for winning Forbes Asia Best Under A Billion Award on 10 Aug 2022. Is this the first time Micro-Mechanics has won this award? What did Micro-Mechanics do differently this time which helped to gain such recognition?**

It is the second time that Micro-Mechanics has been included in the Forbes Asia Best Under A Billion List as the Group also received this recognition in 2006. The Forbes Asia Best Under A Billion List recognises the 200 top-performing public companies (out of a pool of 20,000 listed firms) with less than US\$1 billion in yearly sales in the Asia-Pacific region. Forbes Asia selects companies based on a composite score that takes into account factors such as debt, sales, earnings per share growth and average returns on equity. We believe this recognition reflects the Group's continual efforts to improve its operational and financial performance.

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

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