

MICRO-MECHANICS (HOLDINGS) LTD.
(Company Registration No. 199604632W)

**RESPONSE TO QUERIES FROM SECURITIES INVESTORS ASSOCIATION
(SINGAPORE) (“SIAS”) ON THE ANNUAL REPORT**

Disclaimer: The questions and answers provided on this page serve purely as informative purposes through a SIAS representative during Micro Mechanics Holdings’ Annual General Meeting.

Question 1(iv)

Trade wars: Has the group experienced any negative impact due to the trade conflicts between the USA and China? With 5 plants in its network, will the impact of the group be minimal?

Ans: The trade war does not affect the company because their China factories only serve the local market and does not export. It is the same for the rest of their plants.

Question 1(v)

10 nanometer: What are the major opportunities as the industry moves towards 10 nanometer? Does the group have first mover advantage in this development?

Ans: What Micro-Mechanics is providing right now to the market is built on the research and development they did three to four years ago. Hence, right now they are reaping the rewards. When the company started their R&D, their technology will usually not reach the market because there are only a few players testing it out. When the market is ready to take on the new technology, Micro-Mechanics is already ahead of the others.