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METASURFACE

METASURFACE TECHNOLOGIES HOLDINGS LIMITED

元续科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8637)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is made by Metasurface Technologies Holdings Limited (the "**Company**") pursuant to Rule 17.12 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited.

Please refer to the attached product highlights sheet for the offer document dated 28 October 2026 and published by the Company on the website of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 28 October 2026 in relation to the proposed listing of the issued ordinary shares of the Company on Catalist of the SGX-ST.

Yours faithfully,
For and on behalf of the Board
Metasurface Technologies Holdings Limited
CHUA Chwee Lee (CAI Shuili)
Chief Executive Officer and Executive Director

Singapore, 28 October 2026

As at the date of this announcement, the executive Directors are Dato' Sri CHUA Chwee Lee (CAI Shuili), Ms. JEE Wee Jene and Mr. SOH Cheng Joo; the non-executive Director is Mr. THNG Chong Kim; and the independent non-executive Directors are Mr. TAN Chek Kian, Mr. ANG Yong Sheng, Jonathan (HONG Yongsheng) and Mr. CHAN Yang Kang.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its posting. This announcement will also be published on the website of the Company at https://www.metatechnologies.com.sg/.

METASURFACE

METASURFACE TECHNOLOGIES HOLDINGS LIMITED
元續科技控股有限公司
(Company Registration No.: 384837)
(Incorporated in the Cayman Islands on 7 December 2021)

PLACEMENT IN RESPECT OF 18,000,000 PLACEMENT SHARES AT S$0.54 FOR EACH PLACEMENT SHARE, PAYABLE IN FULL ON APPLICATION

Prior to making a decision to purchase the Placement Shares, you should consider all the information contained in the Offer Document carefully and whether you understand what is described in the Offer Document. This Product Highlights Sheet should be read in conjunction with the Offer Document. You will be subject to various risks and uncertainties, including the potential loss of your entire principal amount invested. You should also consider whether an investment in the Placement Shares is suitable for you, taking into account your investment objectives and risk appetite. If you are in doubt as to investing in the Placement Shares, you should consult your legal, financial, tax or other professional adviser. You are responsible for your own investment choices.

This Product Highlights Sheet[1] is an important document.

- **It highlights the key information and risks relating to the offer of the Placement Shares contained in the Offer Document. It complements the Offer Document[2].**
- **You should not subscribe for the Placement Shares if you do not understand the nature of an investment in shares of a company, our business or are not comfortable with the accompanying risks.**
- **If you wish to subscribe for the Placement Shares, you will need to make an application in the manner set out in the Offer Document. If you do not have a copy of the Offer Document, please contact our Company, or the Sponsor, Issue Manager and Placement Agent to ask for one.**

Issuer	Metasurface Technologies Holdings Limited	**Place of incorporation**	Cayman Islands
Details of this offer	Total number of Placement Shares to be offered under the Placement: 18,000,000 Placement Shares	**Total amount to be raised in this offer**	Gross proceeds of approximately S$9.72 million and net proceeds of approximately S$7.28 million will be raised from the Placement
Issue Price	S$0.54 for each Placement Share	**Listing status of Issuer and the Securities**	An application has been made to the SGX-ST for permission to list all our issued Shares, the Placement Shares, the Option Shares and the Award Shares. The Shares are expected to be listed on 4 November 2026. Our Shares are currently listed on GEM. Upon listing and quotation on Catalist, our Shares will be traded on the HKSE and SGX-ST. Our Shares are quoted on the HKSE in HK$. Our Shares will be quoted on Catalist in S$.
Sponsor, Issue Manager and Placement Agent	UOB Kay Hian Private Limited		

PRODUCT HIGHLIGHTS SHEET

[1] This Product Highlights Sheet does not constitute, or form any part of any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities nor shall it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever. The information in this Product Highlights Sheet is based on information found in the Offer Document. Any decision to subscribe for the Placement Shares must be made solely on the basis of information contained in the Offer Document. Capitalised terms used in this Product Highlights Sheet, unless otherwise defined, shall bear the meanings as defined in the Offer Document.

[2] The Offer Document, lodged with and registered by the SGX-ST, acting as agent on behalf of the Authority on 28 September 2026 and 28 October 2026, respectively, may be obtained on request, subject to availability, during office hours, from UOB Kay Hian Private Limited at its address stated in the Offer Document. An electronic copy of the Offer Document (together with this Product Highlights Sheet) is also available on the SGX-ST's website: http://www.sgx.com.

OVERVIEW

WHO ARE WE AND WHAT DO WE DO?

Our Group is one of the leading precision component engineering services providers headquartered in Singapore, specialising in the provision of precision machining services and precision welding services for customers primarily in the semiconductor industry, as well as the aerospace and data storage segments.

Our precision component engineering services support customers in high-end manufacturing sectors, including the semiconductor industry, where demand is increasingly driven by the growing adoption of AI, data centres, electronic products and integrated circuits. Our international customer base is mainly drawn from the semiconductor, aerospace and data storage segments, and includes customers with manufacturing bases in Singapore, Malaysia, Japan, U.S., Korea and India.

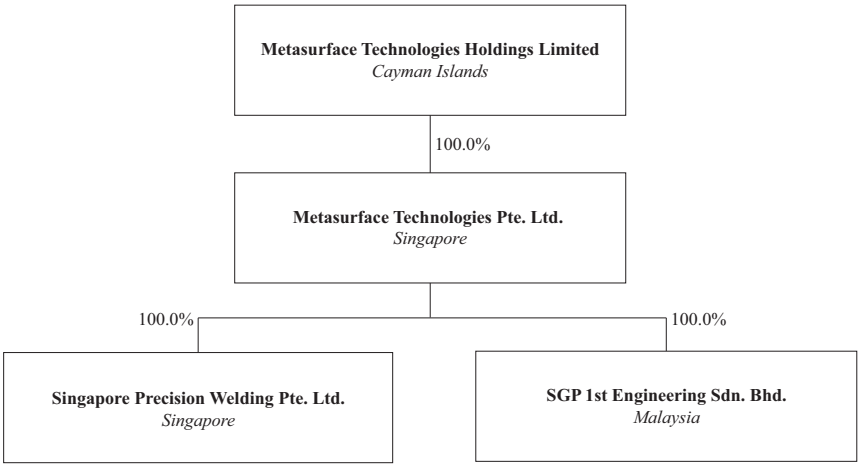
Our Group offers two types of precision component engineering services – (i) precision machining services which are machining processes for removing materials from a workpiece with high accuracy to create parts and components with tight tolerance with accuracy in the range of hundreds of micrometre, and (ii) precision welding services which involve the application of weldment equipment and specialised welding technique on a workpiece in a very precise and controlled manner.

Our Group is headquartered in Singapore, with our operations being supported by production facilities located in Singapore and Malaysia where we maintain a large fleet of machinery and equipment. Our machinery and equipment are highly versatile and adaptable, offering a range of functionalities that enable the efficient execution of production processes and can accommodate different programme configurations to meet customers' specifications. Our machinery is capable of manufacturing large-format components exceeding one metre in size and up to two feet in thickness. Based on the Independent Market Report, the accuracy for large format vacuum chambers is around ±100 µm to ±10 µm and the lower the µm, the higher the accuracy. Given that our Group can achieve an accuracy of ±5 µm, it is considered to be an advanced capability in the industry.

Our Directors believe our competitive strengths include the following: (a) established and enduring business relationships with reputable international customers; (b) advanced production technologies and manufacturing capabilities to fulfil customer product specifications; (c) industry-specific qualifications and certifications for precision machining and precision welding; and (d) experienced management team supported by high-calibre engineers with advanced technical expertise.

Refer to the sections entitled "Offer Document Summary – Our Business Overview" on page 39, "General Information on our Group – Business Overview" on pages 151 to 153, "General Information on our Group – Our Business and Manufacturing Process – Our Business Process" on pages 153 to 155, and "General Information on our Group – Competitive Strengths" on pages 178 to 181 of the Offer Document for more information on our history, business and competitive strengths.

The structure of our Group as at the date of the Offer Document is as follows:



Refer to the section entitled "Group Structure" on page 108 of the Offer Document for more information on our Group structure.

WHO ARE OUR DIRECTORS AND KEY EXECUTIVES?

Our Directors are Dato' Sri Chua Chwee Lee (Founder, Executive Director and CEO); Ms. Jee Wee Jene (Executive Director); Mr. Soh Cheng Joo (Executive Director); Mr. Thng Chong Kim (Non-Executive Director); Mr. Tan Chek Kian (Chairman of our Board and Independent Non-Executive Director); Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng) (Independent and Non-Executive Director); and Mr. Chan Yang Kang (Independent and Non-Executive Director).

Our Executive Officers are Ms. Hou Jing (Group CFO); and Mr. Chin Chee Hong (Senior Program Manager).

Refer to the section entitled "Directors, Executive Officers and Employees" on pages 211 to 224 of the Offer Document for more information on our Directors and Executive Officers.

WHO ARE OUR CONTROLLING SHAREHOLDERS?

	As at Latest Practicable Date				Immediately after the Placement			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of issued Shares	%	Number of issued Shares	%	Number of issued Shares	%	Number of issued Shares	%
Dato' Sri Chua	–	–	55,022,335	37.02	–	–	55,022,335	33.02
SGP BVI	55,022,335	37.02	–	–	55,022,335	33.02	–	–

Refer to the section entitled "Shareholders – Ownership Structure" on pages 90 to 91 of the Offer Document for more information on our Controlling Shareholders.

HOW WAS OUR HISTORICAL FINANCIAL PERFORMANCE AND WHAT IS OUR CURRENT FINANCIAL POSITION?

Selected Items from the Consolidated Statement of Comprehensive Income

	← Audited →			← Unaudited →	
(S$'000)	**FY2023**	**FY2024**	**FY2025**	**6M2025**	**6M2026**
Revenue	38,769	37,722	47,598	24,766	26,978
Gross profit	14,415	12,866	17,692	10,411	10,273
Profit before tax	3,345	4,704[1]	11,580	9,577[2]	4,548
Profit for the year/period attributable to owners of the Company	4,607	3,193[1]	10,103	8,756[2]	3,705
Fair value gain/(loss) of financial assets at FVOCI	–	–	28,660[3]	–	(13,873)[3]
Total comprehensive income/(loss) attributable to owners of the Company	**4,598**	**3,083[1]**	**38,785**	**8,762**	**(10,180)**
Pre-Placement EPS (cents)[4]	3.7	2.3	6.7	5.8	2.5
Post-Placement EPS (cents)[5]	2.8	1.9	6.1	5.3	2.2

Notes:

(1) Excluding the one-off expenses in relation to our listing on the HKSE amounting to S$2.6 million in FY2024, our Group's profit before tax, profit attributable to the owners of the Company and total comprehensive income attributable to the owners of the Company for FY2024 would have been approximately S$7.3 million, S$5.8 million and S$5.7 million, respectively.

(2) Excluding the one-off other gain in relation to the remeasurement gain arising from loss of significant influence over an associate and reclassification of the investment to FVOCI amounting to S$6.4 million in 6M2025, our Group's profit before tax and profit attributable to the owners of the Company for 6M2025 would have been approximately S$3.2 million and S$2.4 million, respectively.

(3) The fair value gain/(loss) of financial assets at FVOCI was due to the reclassification of our investment in MetaOptics Ltd following the Group's loss of significant influence and MetaOptics Ltd ceased to be an associate of the Group on 27 June 2025. Please refer to the section entitled "Risk Factors – Risks relating to our Business and Industry – Investments classified as financial assets at FVOCI are subject to market and valuation risks" of the Offer Document for more details.

(4) For illustrative purposes, pre-Placement EPS for the Period Under Review have been computed based on the profit attributable to the owners of the Company and our pre-Placement issued Share capital of 123,000,000 Shares, 136,500,000 Shares and 150,000,000 Shares for the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025, respectively, and 150,000,000 Shares for the period ended 30 June 2025 and 149,902,000 Shares (excluding 98,000 Treasury Shares as at 30 June 2026) for the period ended 30 June 2026.

(5) For illustrative purposes, post-Placement EPS have been computed based on the profit attributable to the owners of the Company and our post-Placement issued Share capital of 166,617,000 Shares (excluding 1,383,000 Treasury Shares as at the date of the Offer Document).

Refer to the sections entitled "Offer Document Summary – Financial Highlights" on pages 42 to 43, "Selected Consolidated Financial Information" on pages 109 to 114, "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 115 to 143 of the Offer Document, "Appendix A – Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" on pages A-1 to A-107 and "Appendix B – Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" on pages B-1 to B-27 for more information on our financial performance and position.

PRODUCT HIGHLIGHTS SHEET

Selected Items from the Consolidated Statement of Financial Position

	← Audited →			← Unaudited →
(S$'000)	**As at 31 December 2023**	**As at 31 December 2024**	**As at 31 December 2025**	**As at 30 June 2026**
Non-current assets	44,345	43,470	76,951	62,222
Current assets	25,515	33,030	38,590	46,097
Total assets	**69,860**	**76,500**	**115,541**	**108,319**
Current liabilities	16,104	11,656	11,705	15,202
Non-current liabilities	26,759	25,432	23,935	23,260
Total liabilities	**42,863**	**37,088**	**35,640**	**38,462**
Total equity	**26,997**	**39,412**	**79,901**	**69,857**
NAV per Share (cents)[(1)]	**21.9**	**28.9**	**53.3**	**46.6**

Note:

(1) For illustrative purposes, our NAV per Share have been computed based on the total equity and our pre-Placement issued Share capital of 123,000,000 Shares, 136,500,000 Shares, 150,000,000 Shares and 149,902,000 Shares (excluding 98,000 Treasury Shares as at 30 June 2026) for FY2023, FY2024, FY2025 and 6M2026, respectively.

Selected Items from the Consolidated Statement of Cash Flows

	← Audited →			← Unaudited →	
(S$'000)	**FY2023**	**FY2024**	**FY2025**	**6M2025**	**6M2026**
Net cash generated from operating activities	10,486	6,360	10,858	5,098	692
Net cash used in investing activities	(407)	(1,520)	(2,547)	(1,653)	(638)
Net cash (used in)/ generated from financing activities	(5,079)	4,026	(4,001)	(2,461)	(2,100)
Net increase/(decrease) in cash and cash equivalents	5,000	8,866	4,310	984	(2,046)
Effect of currency translation on cash and cash equivalents	21	(117)	(21)	–	153
Cash and cash equivalents as at beginning of the year/ period	4,204	9,225	17,974	17,974	22,263
Cash and cash equivalents as at end of the year/period	**9,225**	**17,974**	**22,263**	**18,958**	**20,370**

Review of results of operations

The most significant factors contributing to our financial performance in FY2023 as compared to FY2024 are as follows:

- Revenue decreased by approximately S$1.1 million or 2.7%, from approximately S$38.8 million in FY2023 to approximately S$37.7 million in FY2024, primarily due to decrease in revenue from precision welding services, partially offset by an increase in revenue from precision machining services.
- Revenue from precision welding services decreased by approximately S$2.6 million or 11.1% from approximately S$23.2 million in FY2023 to approximately S$20.6 million in FY2024 as a result of customers' de-stocking of their existing inventories on hand. Revenue from precision machining services increased by approximately S$1.6 million or 9.9% from approximately S$15.5 million in FY2023 to approximately S$17.1 million in FY2024 due to higher demand from the aerospace industry as air travel accelerated worldwide post-COVID19.

- Revenue from customers in the semiconductor industry decreased by approximately S$0.4 million or 1.2% from approximately S$34.1 million in FY2023 to approximately S$33.7 million in FY2024 mainly due to lower demand for precision welding services as a result of customers' de-stocking their existing inventories. Revenue from customers in the aerospace industry increased by approximately S$1.4 million or 83.8% from approximately S$1.6 million in FY2023 to approximately S$3.0 million in FY2024 in line with the increase in air travel worldwide post-COVID19. Revenue from customers in the data storage industry decreased by approximately S$1.6 million from approximately S$2.4 million in FY2023 to approximately S$0.8 million in FY2024. Revenue was higher in FY2023 due to an ad hoc project we undertook for a customer in the data storage industry.
- Cost of sales increased by approximately S$0.5 million or 2.1%, from approximately S$24.4 million in FY2023 to approximately S$24.9 million in FY2024 mainly due to increase in unit cost of raw materials and higher labour costs as a result of increased headcount for precision machining services to meet customers' demand.
- Gross profit decreased by approximately S$1.5 million, or 10.7%, from approximately S$14.4 million in FY2023 to approximately S$12.9 million in FY2024, in line with the decrease in sales and a decrease in gross profit margin.
- Our Group recorded net other gains of approximately S$1.1 million in FY2024, as compared to net other losses of approximately S$0.4 million in FY2023, mainly attributable to (i) the recognition of net currency gain of approximately S$0.6 million in FY2024, when compared to a net currency loss of approximately S$0.5 million in FY2023 due to the foreign exchange fluctuations of US$ against S$ during the respective year; and (ii) the recognition of gain on dilution of shareholdings in an associate of approximately S$0.3 million in FY2024, when compared to approximately S$23,000 in FY2023.
- Administrative expenses decreased by approximately S$1.3 million or 11.5%, from approximately S$11.7 million in FY2023 to approximately S$10.3 million in FY2024. The decrease was mainly attributable to the absence of share-based payments in FY2024 in relation to the grant of shares and exercise of anti-dilution rights pursuant to the Anti-dilution Undertaking (approximately S$3.2 million in FY2023), which was partially offset by an increase in expenses related to our listing on GEM of approximately S$0.7 million, increase in wages and salaries of approximately S$0.4 million, and the increase in repair and maintenance cost of approximately S$0.3 million.
- Profit from discontinued operations in FY2023 represents the operating results of MetaOptics Technologies before our Group's disposal of approximately 33.3% of its interests on 16 May 2023. As a result, profit from discontinued operations decreased from approximately S$2.1 million in FY2023 to S$Nil in FY2024. Profit from discontinued operations in FY2023 was mainly attributable to the recognition of gain on disposal of MetaOptics Technologies of approximately S$2.5 million.
- As a result of the foregoing, our Group recorded a profit of approximately S$3.2 million and S$4.4 million in FY2024 and FY2023, respectively.

The most significant factors contributing to our financial performance in FY2024 as compared to FY2025 are as follows:

- Revenue increased by approximately S$9.9 million, or 26.2%, from approximately S$37.7 million in FY2024 to approximately S$47.6 million in FY2025, primarily due to higher demand for related products and services across the semiconductor industry supply chain, which directly contributed to higher sales for our precision machining and precision welding services during the period.
- Revenue from precision machining services increased by approximately S$7.8 million or 45.7% from approximately S$17.1 million in FY2024 to approximately S$24.9 million in FY2025. Revenue from precision welding services increased by approximately S$2.1 million from approximately S$20.6 million in FY2024 to approximately S$22.7 million in FY2025.
- Revenue from customers in the semiconductor industry increased by approximately S$10.2 million or 30.2% from approximately S$33.7 million in FY2024 to approximately S$43.8 million in FY2025 primarily due to increased demand from *Customer A* and *Customer B*, which is in line with growth in the semiconductor industry. Revenue from customers in the aerospace industry decreased by approximately S$0.5 million or 16.0% from approximately S$3.0 million in FY2024 to approximately S$2.5 million in FY2025 mainly due to a decrease in demand from a customer which is a designer, manufacturer and integrator of precision motion control products and solutions used in the aerospace industry. Revenue from customers in the data storage industry increased by approximately S$0.4 million or 48.0% from approximately S$0.8 million in FY2024 to approximately S$1.2 million in FY2025 primarily due to a customer undertaking a production line upgrade for new products during FY2025.
- Cost of sales increased by approximately S$5.0 million or 20.3%, from approximately S$24.9 million in FY2024 to approximately S$29.9 million in FY2025, mainly attributable to higher purchases of raw materials required for precision machining services in order to meet customers' demand as well as higher labour costs (increase in sales incentives) in line with the increase in revenue.

- Gross profit increased by approximately S$4.8 million, or 37.5%, from approximately S$12.9 million in FY2024 to approximately S$17.7 million in FY2025 in line with the increase in revenue.
- Other income decreased by approximately S$1.3 million or 47.9%, from approximately S$2.7 million in FY2024 to approximately S$1.4 million in FY2025. The decrease was mainly due to the expiration of a lease and service agreement with an independent third-party resulting in a decrease in income from rental, storage, and tubular management services during the prior year.
- Net other gains increased by approximately S$4.1 million, from approximately S$1.1 million in FY2024 to approximately S$5.2 million in FY2025. This increase was mainly due to the remeasurement gain arising from classification of an associate company to an investment carried at fair value through other comprehensive income of approximately S$6.4 million, partially offset by the recognition of a net currency loss of approximately S$1.3 million in FY2025. In contrast, our Group recorded a net currency gain of approximately S$0.6 million in FY2024 due to foreign exchange fluctuations between US$ and S$.
- Finance cost increased by approximately S$0.6 million, or 50.9%, from approximately S$1.2 million in FY2024 to approximately S$1.9 million in FY2025. The increase was primarily due to the recognition of discounting of amount due from an investee, amounting to approximately S$0.9 million in FY2025. The nature of the finance cost arose from the discounting of the amount due from MetaOptics Ltd of approximately S$2.88 million to its present value using the prevailing market interest rate for a similar instrument with a comparable credit rating, in accordance with IFRS 13.
- As a result of the foregoing, our Group recorded a profit of approximately S$10.1 million and S$3.2 million in FY2025 and FY2024, respectively.

The most significant factors contributing to our financial performance in 6M2025 as compared to 6M2026 are as follows:

- Revenue increased by approximately S$2.2 million, or 8.9%, from approximately S$24.8 million in 6M2025 to approximately S$27.0 million in 6M2026. This growth was primarily driven by higher demand for related products and services across the semiconductor industry supply chain, which directly contributed to higher sales for our precision welding services during the period.
- Revenue from precision machining services slightly decreased by approximately S$2.4 million during 6M2026 compared to 6M2025 mainly due to inventory optimisation activities by our aerospace customer and the delivery timing of new orders being scheduled in the second half of 2026, which temporarily moderated order volumes during 6M2026. The revenue generated from precision welding services increased by approximately S$4.6 million during 6M2026 compared to 6M2025 primarily due to the upward trend and growth within the semiconductor industry, directly contributing to higher sales.
- Revenue from customers in the semiconductor industry increased by approximately S$2.8 million or 12.3% from approximately S$22.9 million in 6M2025 to approximately S$25.7 million in 6M2026 primarily due to increased demand from *Customer A*, *Customer C* and *Customer F*, which is in line with the upward trend and growth within the semiconductor industry. Revenue from customers in the aerospace industry decreased by approximately S$0.6 million or 50.8% from approximately S$1.2 million in 6M2025 to approximately S$0.6 million in 6M2026 mainly due to inventory optimisation activities by our customer and the delivery timing of new orders being scheduled in the second half of 2026, which temporarily moderated order volumes during 6M2026. Revenue from customers in the data storage industry remained relatively stable at approximately S$0.6 million in each of 6M2025 and 6M2026.
- Cost of sales increased by approximately S$2.4 million or 16.4%, from approximately S$14.4 million in 6M2025 to approximately S$16.7 million in 6M2026, mainly attributable to higher raw material costs driven by raw material shortages during 6M2026 as a result of global geopolitical tensions.
- Gross profit decreased by approximately S$0.1 million, or 1.3%, from approximately S$10.4 million in 6M2025 to approximately S$10.3 million in 6M2026 mainly due to the increase in cost of sales during 6M2026.
- Our Group recorded net other losses of approximately S$0.1 million in 6M2026, as compared to net other gains of approximately S$5.8 million in 6M2025. The significant net other gains in 6M2025 were mainly attributable to the recognition of remeasurement gain arising from reclassification of an associate company to an investment carried at FVOCI of approximately S$6.4 million during 6M2025.
- Finance cost decreased by approximately S$1.1 million or 74.3%, from approximately S$1.5 million in 6M2025 to approximately S$0.4 million in 6M2026. The decrease was primarily due to the recognition of discounting of amount due from an investee, amounting to approximately S$0.9 million in 6M2025. The nature of the finance cost arose from the discounting of the amount due from MetaOptics Ltd of approximately S$2.88 million to its present value using the prevailing market interest rate for a similar instrument with a comparable credit rating, in accordance with IFRS 13.

- As a result of the foregoing, our Group recorded a profit of approximately S$3.7 million and S$8.8 million in 6M2026 and 6M2025, respectively.

The above factors are not the only factors contributing to our financial performance in the Period Under Review. Please refer to the other factors set out in the section entitled "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 115 to 143 of the Offer Document.

INVESTMENT HIGHLIGHTS

WHAT ARE OUR BUSINESS STRATEGIES AND FUTURE PLANS?

Our business strategies and future plans for the growth and expansion of our business are as follows:

(a) Maintaining and strengthening long-term relationships with reputable international customers while expanding and diversifying our customer base. We intend to strengthen and maintain long-term relationships with our reputable international customers through proactive engagement and consistent delivery of high-quality services, while leveraging our established track record in the semiconductor industry to expand our customer base in the data storage, aerospace and oil and gas segments, and further diversify into the module assembly services segment, supported by enhanced marketing initiatives and broader service offerings to drive long-term sustainable growth.

(b) Continuing to pursue business expansion and scale up operations. We intend to continue scaling up our operations by enhancing our production capabilities through investments in new CNC machines, cashflow and supply chain management, and human resources framework to capitalise on the growing demand for precision component engineering services, particularly within the semiconductor industry, while leveraging our technical expertise, operational synergies, expanding workforce, and strengthened operational efficiency to support long-term sustainable growth.

(c) Enhancing quality assurance capabilities and optimising operational efficiency. We intend to enhance our quality assurance capabilities and optimise operational efficiency through investments in coordinate measuring machines, production planning and monitoring systems, ERP integration, and upgraded CNC programming software to strengthen quality control, improve real-time production oversight and data analytics, increase production efficiency, and support the continued growth of our precision component engineering operations.

(d) Joint ventures, acquisitions and strategic alliances. We may pursue joint ventures, acquisitions, and strategic alliances to achieve vertical integration, expand into new markets and customer bases, and gain economies of scale for future growth.

Refer to the section entitled "General Information on our Group – Business Strategies and Future Plans" on pages 181 to 185 of the Offer Document for more information on our strategies and future plans.

WHAT ARE THE KEY TRENDS, UNCERTAINTIES, DEMANDS, COMMITMENTS OR EVENTS WHICH ARE REASONABLY LIKELY TO HAVE A MATERIAL EFFECT ON US?

Based on our operations as at the Latest Practicable Date and barring any unforeseen circumstances, our Directors have observed the following trends which may have an impact on our Group's business and financial prospects for the next twelve (12) months from the Latest Practicable Date:

(a) we expect our overall revenue to grow, in view of the expected market growth in the global semiconductor industry and the precision engineering industry as set out in the Independent Market Report;

(b) we expect the growing adoption of AI and automation technologies in the precision engineering industry to present both opportunities and challenges for our Group. The increasing integration of AI-driven manufacturing processes, predictive maintenance systems and automated quality control is expected to enhance production efficiency and reduce operational downtime. While the adoption of such technologies may require upfront capital expenditure on equipment upgrades, software systems and workforce training, we believe that these investments will, over time, strengthen our competitive positioning and improve our operational margins. There is, however, no assurance that the anticipated benefits of such technological adoption will materialise within the current financial year;

(c) as with other businesses in Singapore and Malaysia, we expect overall cost of sales and operating expenses (such as staff costs, raw material costs and other administrative expenses) to increase in line with expected growth in business activities;

(d) the production of precision engineering equipment involves many manufacturing processes including metal fabrication, precision machining, precision welding, surface treatment, cleaning, packaging and assembly. Downstream customers of precision engineering equipment have been streamlining and consolidating their supply chains due to convenience and cost-effectiveness considerations. As such, they are increasingly looking for manufacturers who can provide a one-stop manufacturing service, covering an extensive range of services, and hence, increasing trend for manufacturers to expand their in-house manufacturing capabilities and provide a wider range of integrated manufacturing services. We believe that we are able to expand our complementary services through vertical integration of different manufacturing processes and position ourselves as integrated solution providers, which will strengthen our competitiveness. There is, however, no assurance that our ability to do so will materialise within the current financial year;

Refer to the sections entitled "Risk Factors" on pages 47 to 81, "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 115 to 143, "General Information on our Group – Prospects" on pages 185 to 187 and "General Information on our Group – Trend Information" on pages 187 to 189 of the Offer Document for more information on the key trends which may have an impact on us.

(e) rapid technological advancement in our customers' industries, including semiconductors, aerospace, and data storage, results in the technical requirements and the product specifications of our Group's products to be subject to continuous evolutions and changes. This increases the need for more advanced capabilities in high-end equipment and skilled manpower to meet our customers' demand. We expect there to be higher capital expenditure requirements for advanced production equipment and increased competition for qualified and skilled engineers and technicians;

(f) the precision engineering industry is recognised as a strategic pillar of Singapore's advanced manufacturing ecosystem. We expect that there will be further supportive policies and incentives from the government to foster innovation and research and development in the precision engineering industry and strengthening the regulatory framework for such industry. Our Group may leverage on such incentives and policies to upgrade our capabilities, develop proprietary processes or intellectual property and strengthen our compliance and quality systems. There is, however, no assurance that our ability to do so will materialise within the current financial year;

(g) it is our current intention to expand our business operations, including by diversifying our customer base and strengthening our presence in the aerospace and data storage segments. In doing so, we may incur capital expenditures, acquisition costs, and may take on additional bank borrowings, if so required. We expect, barring any unforeseen circumstances, that our business expansion will generate future revenue for our Group with corresponding increases in our operating expenses. There is, however, no assurance that the business expansion will have any material impact on the profitability of our Group in the current financial year. Please also refer to the section entitled "General Information on our Group – Business Strategies and Future Plans" of the Offer Document for further details; and

(h) we expect our other operating expenses to increase due to the expenses incurred in connection with the Listing, as well as the ongoing compliance costs of a dual-listed public company on the SGX-ST and the HKSE.

The above are not the only trends, uncertainties, demands, commitments or events that could affect us. Please refer to the other factors set out in the sections of the Offer Document listed in the column to the right.

WHAT ARE THE KEY RISKS WHICH HAD MATERIALLY AFFECTED OR COULD MATERIALLY AFFECT US AND YOUR INVESTMENT IN OUR SECURITIES?

We consider the following to be the most important key risks which had or could materially affect our business operations, financial position and results and your investment in our Shares.

- **We derive a significant portion of our revenue from our major customers.**

During the Period Under Review, a significant portion of our revenue was derived from our major customers. Our major customers accounted for approximately 88.6%, 88.6%, 86.4% and 85.0% of our total revenue for FY2023, FY2024, FY2025 and 6M2026, respectively. In particular, *Customer A* (as described in the section entitled "General Information on our Group – Major Customers" of the Offer Document) contributed 21.7%, 25.6%, 26.8% and 27.2% to our total revenue in the same periods.

To the best knowledge of our Directors, *Customer B*, *Customer C* and *Customer D* (as described in the section entitled "General Information on our Group – Major Customers" of the Offer Document) are contract manufacturers and/or service providers of *Customer A*, and certain products manufactured by us for these customers may have been supplied, directly or indirectly, to *Customer A*. Our Group commenced our business relationships with *Customer A*, *Customer B*, *Customer C* and *Customer D* in 2009, 2011, 2019 and 2015, respectively. *Customer A* directs our Group to procure materials from specific suppliers designated by *Customer A*. In order to supply products and/or services to *Customer A*, *Customer B*, *Customer C* and *Customer D*, our Group is required to, and has, obtained the requisite customer certifications from such customers.

We expect that revenue derived from our major customers, including *Customer A*, will continue to represent a significant portion of our total revenue. As we do not enter into long-term contracts or framework sales agreements with major customers, there can be no assurance that we will be able to maintain business relationships with all of our major customers or secure new orders of similar value from other customers. If any of our major customers, in particular *Customer A*, were to discontinue their business relationship with us, whether due to our removal as their approved supplier or a deterioration in their business or financial performance, our business, financial condition, and results of operations will be materially and adversely affected.

Refer to the section entitled "Risk Factors" on pages 47 to 81 of the Offer Document for more information on risk factors.

- **We have limited customer diversification and may not be able to expand into new markets.**

We have strategically focused our business on providing precision component engineering services for the semiconductor industry. This exposes us to industry cyclicality and limits diversification. In FY2023, FY2024, FY2025 and 6M2026, approximately 87.9%, 89.2%, 92.1% and 95.4% of our revenue, respectively, was derived from customers in the semiconductor industry. The global semiconductor and semiconductor equipment industries are subject to short-term demand volatility driven by fluctuating inventory cycles and global economic conditions. The volatility and uncertainty in the global semiconductor industry and the global semiconductor manufacturing equipment industry are driven by systemic economic, political, or financial crises, as well as the impact of tariffs and other trade barriers. We cannot assure that the favourable development of the global semiconductor industry and the global semiconductor manufacturing equipment industry will continue or grow as projected, or at all. If the global semiconductor industry and the global semiconductor manufacturing equipment industry is unable to achieve the projected growth as disclosed in the Offer Document, our Group's business expansion plans, financial condition, and results of operations may be materially and adversely affected.

We plan to expand our customer base in our current segments, including deepening our presence in the data storage, aerospace and oil and gas segments. However, there can be no assurance that we will be able to successfully expand into new segments. If we are unable to successfully enter into new industries, or further grow our business in the semiconductor segment, our financial condition and results of operations may be materially and adversely affected.

- **Our business and results of operations may be materially and adversely affected if we are unable to retain existing qualified engineering staff or recruit additional skilled production personnel.**

Our manufacturing processes primarily involve the operation of CNC machines and specialised welding techniques, which require a high level of technical expertise to meet the stringent standards and precision demanded by our customers. Our production team prepares internal production work instructions that set out the manufacturing processes for different orders, and the expertise of this team directly affects the quality of our products. These personnel have strong engineering backgrounds, skills and experience which may not be readily available in the labour market.

Our future success depends on our ability to retain our skilled engineering personnel and to attract and recruit additional skilled engineering staff. If we are unable to retain or recruit suitably qualified engineering personnel, we may encounter difficulties in adopting new production techniques, expanding our production capacity or maintaining product quality, which could materially and adversely affect our business, results of operations and reputation. Furthermore, skilled and experienced engineers who are accustomed to our complex production processes are not readily or quickly replaceable. Any significant loss of such personnel within a short period without suitable replacements could disrupt our production operations and materially and adversely impact our business and results of operations.

- **Fluctuations in labour costs and raw material prices may negatively affect our profitability and financial position.**

For FY2023, FY2024, FY2025 and 6M2026, our direct labour costs were approximately S$5.3 million, S$5.7 million, S$6.9 million and S$3.9 million, respectively, accounting for approximately 22.0%, 23.1%, 23.0% and 23.1% of our total cost of sales. Any significant increase in staff costs arising from higher foreign worker levies or increases in minimum wage rates could increase our operating expenses and place pressure on our operating cash flows, and materially and adversely affect our results of operations and financial position.

During the Period Under Review, we sourced raw materials primarily comprising aluminium and steel for our production processes. Any substantial increase in raw material prices may result in higher procurement costs and result in an increase in cost of sales. We may not be able to effectively pass on increased raw material costs to our customers. If we are unable to adjust our product pricing in a timely manner to offset such cost increases, our profit margins and results of operations may be materially and adversely affected.

- **We may fail to maintain and renew our industry-specific certifications in relation to our quality control and production technologies.**

Our production of precision parts and components requires a high degree of accuracy, repeatability and efficiency. Accordingly, the effectiveness of our quality control system is critical to our business. To ensure product quality, we adopt a stringent quality control system that requires significant capital investment and human resources to closely monitor every stage of the production process.

If we are unable to maintain the effectiveness of our quality control system or renew our quality control certifications, demand for our products and services may decline, which could adversely affect our competitiveness in the precision component engineering market. In addition, we may risk delivering products or services that are defective, inconsistent or ineffective, which could expose us to product liability claims or other forms of litigation.

Certain existing and potential customers require their suppliers to hold specific industry and technological certifications. These customers may also impose their own internal procedures and standards that suppliers must satisfy in order to qualify as approved vendors. These industry-specific certifications are essential to our operations and are generally subject to periodic review and renewal by the relevant issuing authorities.

During the Period Under Review, our Group did not face any issues with maintaining or renewing the aforementioned certifications. However, we cannot assure you that we will be able to successfully maintain or renew these certifications on a timely basis or at all, or that our existing certifications will be sufficient to support all of our current or future business activities.

The above are not the only risk factors that had a material effect or could have a material effect on our business operations, financial position and results, and your Shares. Please refer to the section titled "Risk Factors" on pages 47 to 81 of the Offer Document for a discussion on other risk factors and for more information on the above risk factors. Prior to making a decision to invest in our Shares, you should consider all the information contained in the Offer Document.

WHAT ARE THE RIGHTS ATTACHED TO THE SECURITIES OFFERED?

As at the Latest Practicable Date, our issued and paid-up share capital was S$26,000, comprising 150,000,000 Shares of par value of HK$0.001 each, of which 1,383,000 Shares are Treasury Shares.

As at the date of the Offer Document, there is only one (1) class of shares in the capital of our Company, being the Shares. There is no restriction on the transfer of fully paid Shares in scripless form except where required by law or the Catalist Rules.

There are no founder, management, deferred or unissued Shares reserved for issuance for any purpose. The Placement Shares shall have the same interest and voting rights as our existing Shares that were issued prior to this Placement and there are no restrictions on the transferability of our Shares except where required by law or the Catalist Rules.

As at the Latest Practicable Date, no person has been, or is permitted to be, given an option to subscribe for any securities of our Company or any of our subsidiaries.

A summary of our Memorandum and Articles of Association relating to, among others, the voting rights of our Shareholders is set out in "Appendix D – Summary of Certain Provisions of the Memorandum and Articles of Association of our Company and the Cayman Companies Act" of the Offer Document.

Refer to the section entitled "Share Capital" on page 87 of the Offer Document for more information on the Placement Shares.

HOW WILL THE PROCEEDS OF THE OFFER BE USED?

The total gross proceeds to be raised from the Placement comprising all Placement Shares will be approximately S$9.72 million. The estimated net proceeds to be raised from the Placement, after deducting the aggregate estimated expenses incurred in relation to the Placement of approximately S$2.44 million, will be approximately S$7.28 million. We intend to use our gross proceeds from the issue of the Placement Shares in the following manner:

	Estimated amount (S$'million)	Estimated amount allocated for each dollar of the gross proceeds raised from the Placement (cents)
Use of proceeds		
To fund our business expansion, including the acquisition of 5-axis machines and other advanced machinery and software	6.00	61.7
To strengthen our quality control capabilities	1.00	10.3
General working capital	0.28	2.9
Net proceeds from the Placement	**7.28**	**74.9**
Listing expenses	2.44	25.1
Gross proceeds from the Placement	**9.72**	**100.0**

Refer to the section entitled "Use of Proceeds and Expenses of the Placement" on pages 82 to 84 of the Offer Document for more information on our use of proceeds.

WILL WE BE PAYING DIVIDENDS AFTER THE OFFER?

We currently do not have a fixed dividend policy. The declaration and payment of future dividends may be recommended by our Board at their discretion, after considering a number of factors, including the factors outlined below as well as other factors deemed relevant by our Board: (a) the level of our cash and retained earnings; (b) our actual and projected financial performance; (c) our projected levels of capital expenditure and expansion plans; (d) our working capital requirements and general financial condition; and (e) the terms of borrowing arrangements (if any). Subject to the aforementioned factors, our Board intends to recommend up to 30.0% of our net profits after tax attributable to Shareholders as dividends for each of FY2026 and FY2027 (the "**Proposed Dividend**"). However, investors should note that the foregoing statements, including the statement on the Proposed Dividend, are merely statements of our present intention and shall not constitute legally binding obligations on our Company or legally binding statements in respect of our future dividends, which may be subject to modification (including reduction or non declaration thereof) at our Directors' sole and absolute discretion.

The above should not be taken as an indication of the dividends payable to Shareholders in the future, as explained in the paragraph headed "Risk Factors – We may not be able to declare dividends in the future" of the "Risk Factors" section of the Offer Document.

Refer to the section entitled "Dividend Policy" on pages 85 to 86 of the Offer Document for more information on our dividend policy.

DEFINITIONS

"%" or "per cent"	:	Percentage or per centum
"6M2025"	:	Six-month financial period ended 30 June 2025
"6M2026"	:	Six-month financial period ended 30 June 2026
"Anti-dilution Undertaking"	:	The undertaking by Dato' Sri Chua on 13 December 2021 to transfer, or procure the transfer of, such number of shares in Metasurface Technologies to Mr. Thng as may be necessary to maintain Mr. Thng's agreed shareholding proportion of 10.0% in Metasurface Technologies or a related corporation in the event that such shareholding is diluted below 10.0% prior to the submission of a listing application for the purpose of the listing on the HKSE
"Articles of Association"	:	The second amended and restated articles of association of our Company conditionally adopted on 14 October 2026 and which will take effect from the Listing Date, a summary of which is set out in Appendix D to the Offer Document, and as amended, supplemented or otherwise modified from time to time
"Authority"	:	The Monetary Authority of Singapore
"Board" or "Board of Directors"	:	The board of Directors of our Company as at the date of the Offer Document, unless otherwise stated
"Catalist"	:	The Catalist of the SGX-ST, being the sponsor-supervised listing platform of the SGX-ST
"Catalist Rules"	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
"CDP"	:	The Central Depository (Pte) Limited
"CNC"	:	The abbreviation for "computer numerical controls", where the functions and motions of a machine tool are controlled by means of a prepared programme containing alphanumeric data. CNC can control the motions of a workpiece or tool, the input parameters such as feed, depth of cut and the functions, such as turning the spindle on/off or coolant on/off
"Controlling Shareholder"	:	A person who: (a) directly or indirectly has an interest of 15.0% or more of the nominal amount of all the voting shares in our Company in issue (excluding Treasury Shares), unless otherwise determined by the SGX-ST; or (b) in fact exercises control over our Company
"Directors"	:	The directors of our Company as at the date of the Offer Document, unless otherwise stated
"EPS"	:	Earnings per Share
"Executive Directors"	:	The executive Directors as at the date of the Offer Document, unless otherwise stated
"Executive Officers"	:	The executive officers of our Group as at the date of the Offer Document, who is each also a key executive as defined under the SFR, unless otherwise stated
"HK$"	:	Hong Kong dollars, being the lawful currency of Hong Kong
"HKSE"	:	The Stock Exchange of Hong Kong Limited
"IFRS"	:	International Financial Reporting Standards, amendments and the related interpretations issued by the International Accounting Standards Board
"Independent Non-Executive Directors"	:	The independent Directors as at the date of the Offer Document, unless otherwise stated
"Independent Market Report"	:	A market research report commissioned by us and prepared by the Industry Consultant on the overview of the industry in which we operate, as referred to in the Offer Document
"Industry Consultant"	:	China Insights Industry Consultancy Limited, a market data research and consulting company
"Latest Practicable Date"	:	14 September 2026, being the latest practicable date prior to the lodgement of the Offer Document with the SGX-ST, acting as agent on behalf of the Authority
"Listing"	:	The proposed listing and quotation of our Shares, including the Placement Shares, the Option Shares and the Award Shares, on Catalist
"Listing Date"	:	The date of the Listing

"Listing Manual"	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
"Memorandum"	:	The memorandum of association of our Company adopted on 7 June 2024, a summary of which is set out in Appendix D to the Offer Document, and as amended, supplemented or otherwise modified from time to time
"MetaOptics Ltd"	:	MetaOptics Ltd (SGX: 9MT) is a company incorporated in the Cayman Islands and listed on Catalist, directly held by our wholly-owned subsidiary, Metasurface Technologies as to approximately 12.47% as the Latest Practicable Date
"MetaOptics Technologies"	:	MetaOptics Technologies Pte. Ltd. (formerly known as Q'Son Advanced Optics Pte. Ltd.), a private company limited by shares incorporated on 15 June 2021 in Singapore, a wholly-owned subsidiary of MetaOptics Ltd
"Metasurface Technologies"	:	Metasurface Technologies Pte. Ltd. (formerly known as Q'Son Precision Engineering Pte Ltd), a private company limited by shares incorporated on 6 January 2000 in Singapore and a direct wholly-owned subsidiary of our Company
"NAV"	:	Net asset value
"Non-Executive Directors"	:	The non-executive Directors of our Company (including Independent Non-Executive Directors) as at the date of the Offer Document, unless otherwise stated
"Period Under Review"	:	The period which comprises FY2023, FY2024, FY2025 and 6M2026
"Placement"	:	The placement of Placement Shares to investors, including institutional and other investors in Singapore, subject to and on the terms of the Offer Document and Placement Agreement
"Placement Agreement"	:	The placement agreement dated 28 October 2026 entered into between our Company and UOBKH, the details of which are set out in the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements" of the Offer Document
"Placement Shares"	:	The 18,000,000 new Shares for which our Company invites applications to subscribe for pursuant to the Placement, subject to and on the terms and conditions set out in the Offer Document
"S$" and "cent"	:	Singapore dollars and cents, respectively, being the lawful currency of Singapore
"Securities Account"	:	The securities account maintained by a CDP Depositor with CDP, but does not include a securities sub-account
"SFR"	:	The Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018, as amended, modified or supplemented from time to time
"SGX-ST" or "SGX"	:	Singapore Exchange Securities Trading Limited
"Share(s)"	:	Ordinary share(s) of par value HK$0.001 each in the share capital of our Company
"Shareholder(s)"	:	Person(s) who are registered as holder(s) of Shares in the register of members of our Company, or where CDP is the registered holder, the term "**Shareholders**" shall, in relation to such Shares and where the context permits, mean CDP Depositors whose Securities Accounts are credited with Shares
"US$"	:	United States dollars, being the lawful currency of the United States of America
"UOBKH" or the "Sponsor, Issue Manager and Placement Agent"	:	UOB Kay Hian Private Limited

CONTACT INFORMATION

WHO CAN YOU CONTACT IF YOU HAVE ENQUIRIES RELATING TO OUR OFFER?

The Company	**:**	**Metasurface Technologies Holdings Limited**
Address	:	No. 43 Tuas View Circuit, Singapore 637360
Email	:	info@metatechnologies.com.sg.
Telephone No.	:	+65 6475 9008
Website	:	www.metatechnologies.com.sg
Sponsor, Issue Manager and Placement Agent	**:**	**UOB Kay Hian Private Limited**
Address	:	83 Clemenceau Avenue, #10-01 UE Square, Singapore 239920
Telephone No.	:	+65 6535 6868