



MUN SIONG ENGINEERING LIMITED

(Incorporated in Singapore)

(Company Registration No. 196900250M)

35 Tuas Road, Jurong Town,
Singapore 638496
Tel: +65-64116570
Fax: +65-68620218

NEWS RELEASE

Mun Siong Reports S\$1.13 million PBIT for 1Q2014 Results

Singapore, 6th May 2014 – Mainboard listed Mun Siong Engineering Limited (“Mun Siong”) and its subsidiaries (“Group”), a leading term resident maintenance service provider to the oil and gas and petrochemical industries reported a turnaround in its financial performance with a profit before income tax of S\$1.13 million for the first quarter of 2014 (“1Q2014”) as compared to a loss of S\$0.2 million in first quarter of 2013 (“1Q2013”).

The Group achieved revenue of S\$21.77 million for 1Q2014, which is an increase of 11.3% as compared to the corresponding period in the previous financial year.

The Group’s core revenue generators contributed to the revenue. The streamlined corporate structure allows the Group to better leverage and provides integrated synergies across the business units to achieve a competitive advantage in our integrated service line. The maintenance services with enhanced specialised capabilities in the licensed Curran protective tube coating solutions; furnace tubes decoking as well as the Conco System heat exchanger cleaning services continue to add value to the Group’s portfolio of services.

Profitability coupled with collection from our trade receivables has improved our cash on hand by S\$1.1 million during the quarter. As at the close of 1Q2014, our cash on hand stands at S\$18.3 million. The earning per share was improved by 0.27 cents to 0.22 cents in 1Q2014.

The Executive Chairman of the Group, Ms. Cheng Woei Fen commenting on the 1Q2014 results, made the remark that:-

“Key economic indicators continue to point to a slowing down of the PRC economy. The economic indicators to the North American economy continue to show mix signals.

Furthermore, the fear of an interest rate hike continues to be a matter of concern to business sentiments in North America.

Negative sentiments in both the PRC and North American economies may result in our clients deferring some or all of its capital expenditure plans. This will have a negative impact on our financial performance.

The tight labour market condition in Singapore continues to weigh negatively on our operating cost. This has resulted in the Group in being selective in undertaking new contracts and implementing stringent labour and cost management policies.”

Despite the challenges in the economic and operating landscape, the Mun Siong Group was profitable. This will not be possible without tight cost control from the management and the contributions from every employee’s commitment to strive for better and more productive performance.

The Group's current order book stands at S\$19.2 million. This is in addition to a number of maintenance contracts that were secured since FY2009.

****End of Release****

About Mun Siong Engineering Limited

Mun Siong Engineering Limited is an integrated mechanical engineering, electrical and instrumentation service provider for the process industries. With a wide range of highly efficient specialised in-house services, the Group is able to provide comprehensive integrated solutions to its customers, which include petroleum majors, petrochemical companies and multi-national engineering, procurement and construction (“EPC”) contractors.

Mun Siong Engineering Limited is one of the winner of the WSH Performance (Silver) and (SHARP) Award 2011. It is also honoured as a Singapore 1000 company (Public Listed companies 2013) by DP Information Group Singapore. Its Specialised Services Department has been awarded a Silver Award in the WSH Innovation Awards 2012 jointly organised by ASPRI and WSH Council. The award is given out by the organisers in recognition of companies for their commitment and efforts in eliminating or controlling workplace safety and health hazard, as well as innovative solutions which improve safety and health outcomes.

For more information and media enquiries, please contact:

Ms. Grace Wong, wong.cc.grace@mun-siong.com

Tel: +65-6411-6577 (DID)