



MUN SIONG ENGINEERING LIMITED

(Incorporated in the Republic of Singapore)

(Company registration No. 196900250M)

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NEWS RELEASE

MUN SIONG ENGINEERING ACHIEVED S\$2.39 MILLION PROFIT BEFORE TAX FOR 9MFY2015

Singapore, 12th November 2015 - Mainboard listed Mun Siong Engineering Limited (“Mun Siong”) and its subsidiaries (“Group”), a turnkey solution provider to the process industry in Singapore, reported a net profit before tax of S\$2.39 million for the nine months ended 30 September 2015 (“9MFY2015”). The result is 4.1% lower compared to the results for the prior corresponding period. Revenue for 9MFY2015 is S\$53.45 million, about 2.7% lower than the S\$54.95 million recorded in 9MFY2014. The Group continues to maintain a healthy balance sheet with cash and cash equivalents balance of S\$20.59M as at 30 September 2015.

Economic data from China (the world second largest economy) continues to show a slow-down in the economy. Economic data from the American economy (the world largest economy) is unable to show conclusively that the economy has recovered. This has caused the American Federal Reserve to hold back the raising of key interest rates. The hesitation by the American Federal Reserve has been read negatively by the financial markets and has caused volatility in capital markets.

The slow-down in the Chinese economy and uncertainty in the American economy have caused crude oil prices to continue to trade within a range that is near its historical lows. This has put pressures on the operating profit margins of our business partners.

The Group has in recent months noticed that our business partners have held back or slow-down the award of new works. New works that come on stream are awarded at lower

prices causing a squeeze on profit margins. Strong competition among key service providers, due to shortage of works, has caused profit margins to deteriorate.

The Group will continue its efforts to pursue business opportunities, both domestically and in regional markets, to diversify and widen both the customer and revenue base. Such initiatives include strategic investment opportunities to enhance its range of services and products. However, these initiatives take time to bear fruits.

***** End of Release*****

About Mun Siong Engineering Limited (SGX Stock Code: MF6, Bloomberg: MSE: SP, Reuters: MSEL.SI)

Mun Siong Engineering Limited (文祥机械工程公司) a well-diversified group of companies with its core business in providing plant services and turnkey projects in piping and steel structure fabrication, static and rotating mechanical equipment detailed engineering and supply; electrical and instrumentation services and scaffolding works for process plants and modules for the oil, gas, petrochemicals, energy, chemicals and power industries.

The Mun Siong Group offers a range of products and services. Under the subsidiary, Wing Wah Industrial Services, we distribute, service and package pump skids like Edwards Vacuum Pumps, Weir Minerals- Floway pumps; Weir Gabbioneta pumps; Hughes pumps; Ampco Pumps and STB seals. As an integrated service provider, Mun Siong Group is also able to provide design and engineering solutions and the ability to deliver superior quality products and services to its customers.

In 2015 and 2014, Mun Siong Group won the WSH Workplace Safety & Health Performance Award (Silver), and a WSH Award for Supervisors, as well as a WSH Innovation Award (Silver) in 2014. 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.

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