



MTQ CORPORATION LIMITED

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- **Notable rebound in 2HFY2026, with revenue up 17% from 1HFY2026**
- **Narrowing underlying losses before tax; EBITDA improved to S\$3.0 million in 2HFY2026**
- **Middle East geopolitical situation had limited 2HFY2026 impact; softer near-term outlook expected amid ongoing uncertainty**

Singapore, 12 May 2026 – SGX Mainboard-listed MTQ Corporation Limited (“MTQ” or “Group”), an established engineering, repair and maintenance services group, reported today its results for the six months and twelve months ended 31 March 2026 (“2HFY2026” and “FY2026” respectively).

Financial Highlights	1HFY2026	2HFY2026	FY2026
	SGD'000	SGD'000	SGD'000
Revenue	22,964	26,893	49,857
Gross Profit	5,228	7,506	12,734
<i>Gross Profit Margin</i>	22.8%	27.9%	25.5%
Other Income	500	550	1,050
Other Operating Expenses	(4,632)	(4,159)	(8,791)
Staff Costs	(3,273)	(3,861)	(7,134)
Finance Costs	(760)	(885)	(1,645)
Underlying Loss Before Tax	(2,937)	(849)	(3,786)
Non-cash Impairments/Provisions	3	(3,775) ¹	(3,772)
Overall Loss Before Tax	(2,934)	(4,624)	(7,558)
Tax Credit	60	157	217
Loss After Tax from Continuing Operations	(2,874)	(4,467)	(7,341)
Profit from Discontinued Operations, Net of Tax	841	-	841
Overall Loss After Tax	(2,033)	(4,467)	(6,500)
Underlying EBITDA ²	209	2,973	3,182

¹Comprised S\$3.0 million impairment of goodwill and S\$0.8 million provisions relating to inventories and a receivable from an associate.

²Excluded discontinued operations and non-cash impairment and provisions.

Financial Review

The Group reported S\$26.9 million revenue for 2HFY2026, an increase of 17% compared to 1HFY2026, underpinned by broad-based improvements across key geographical segments. This was primarily due to the increased activity in Bahrain following certain rig resumptions, alongside early-stage contribution from the UAE. Overall gross profit margin also improved to 27.9% on higher utilization during the period.

Revenue by geographical segment	1HFY2026	2HFY2026	FY2026
	SGD'000	SGD'000	SGD'000
Singapore	11,852	12,270	24,122
Bahrain	9,359	11,915	21,274
United Arab Emirates	-	1,710	1,710
Others	1,753	998	2,751
Total	22,964	26,893	49,857

In line with earlier profit guidance, the Group recognized S\$3.0 million in impairment of goodwill and a total of S\$0.8 million provisions in light of ongoing uncertainties in the Middle East. Excluding these non-cash charges, the underlying cost base continued to trend down in 2HFY2026, supported by sustained cost discipline, despite higher expenses associated with the scaling up of operations in the UAE. Finance costs increased over the periods, in line with higher borrowings.

Overall, the Group recorded an underlying loss before tax of S\$0.8 million in 2HFY2026, a 71% improvement compared to 1HFY2026. This translated into an improved EBITDA of S\$3.0 million in 2HFY2026, supported by better operating leverage from increased activity levels in 2HFY2026.

Cash flows	1HFY2026	2HFY2026	FY2026
	SGD'000	SGD'000	SGD'000
Net cash from/(used in):			
- Operating activities (before changes in working capital)	88	2,964	3,052
- Changes in working capital	(313)	(2,796)	(3,109)
- Investing activities	(1,938)	(2,324)	(4,262)
- Financing activities	1,100	599	1,699
- Net change in cash & cash equivalents (inclusive of exchange rate effects)	(1,187)	(1,563)	(2,750)
Cash and cash equivalents at end of financial period/year	6,853	5,290	5,290

Net cash generated from operating activities before working capital changes was S\$3.0 million in 2HFY2026, reflecting improved underlying operating performance. After accounting for working capital movements and net investing outflows, which included capital expenditure of S\$3.7 million and proceeds of approximately S\$1.2 million from the prior disposal of Pemac, the Group recorded a net decrease in cash and cash equivalents. Cash and cash equivalents stood at S\$5.3 million as at 31 March 2026.

Balance Sheet	31 Mar 2026	31 Mar 2025
	SGD'000	SGD'000
Net current assets	25,152	35,770
Net tangible assets	70,710	77,916
Cash and cash equivalents	5,290	7,666
Bank borrowings	20,492	16,531
Shareholder's funds	70,942	81,209
Net gearing ¹	17.6%	9.8%
Net assets value per share ²	32 cents	36 cents

¹ Net gearing ratio is calculated based on net debt divided by net capitalization. The Group includes within its net debt, bank borrowings, less cash and cash equivalents. Net capitalization refers to net debt plus total equity.

² Net assets value is calculated based on the Group's net assets, divided by the total number of issued shares excluding treasury shares as at the end of the financial year.

Within the balance sheet, S\$6.8 million of bank borrowings were reclassified from non-current to current liabilities as the related facility falls due within one year from the reporting date. The Group has entered into arrangement to refinance this with a short-term facility, with completion pending customary documentation.

Results & outlook

Commenting on the financial results and outlook, Mr Asif Salim Vorajee, Group Chief Executive Officer said,

“FY2026 was a challenging year for the Group, with softer market conditions in Bahrain following the rig suspensions in Saudi Arabia. We are nonetheless encouraged by the sequential improvement in activity levels in the second half of FY2026, particularly in Singapore and Bahrain, which supported better underlying performance.

The commencement of operations at our UAE facility marks an important milestone in our regional expansion and positions us for opportunities as market conditions stabilize.

March 2026 was a particularly difficult period as we navigated disruptions arising from the conflict in the Middle East, with the safety of our people remaining our top priority. While the impact on our second half results was limited, we expect the operating environment to remain challenging and losses are expected to persist unless conditions stabilize.

We will continue to focus on cost discipline, operational efficiency and strengthening our core markets.”

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About MTQ Corporation Limited (Bloomberg Code: MTQ.SP)

Established in 1969, **MTQ Corporation Limited** (“**MTQ**”) specialises in engineering solutions and the supply for oilfield equipment, including repair, manufacture and rental services. With over 50 years of experience and a commitment to service quality, MTQ is the authorized working partner for some of the world’s largest OEMs in drilling equipment, and is accredited to carry out manufacturing and repair works in accordance to American Petroleum Institute Standards. MTQ also supplies a wide range of oilfield equipment and tools from leading global brands, offering comprehensive solutions across the sector.

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