



**MENCAST HOLDINGS LTD.
AND ITS SUBSIDIARY CORPORATIONS**
(Company Registration No.200802235C)

**Financial Statements
for the Second Half Year and Full Year Ended
31 December 2025**

This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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A. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group					
	For the second half year ended 31 December			For the full year ended 31 December		
	2HY2025 (\$'000)	2HY2024 (\$'000)	Increase/ (decrease) (%)	FY2025 (\$'000)	FY2024 (\$'000)	Increase/ (decrease) (%)
Revenue	21,330	28,029	(24)	46,342	53,490	(13)
Cost of sales	<u>(17,797)</u>	<u>(18,319)</u>	(3)	<u>(36,007)</u>	<u>(37,670)</u>	(4)
Gross profit	3,533	9,710	(64)	10,335	15,820	(35)
Other gains – net						
- Interest income - bank deposits	13	35	(63)	31	70	(56)
- Reversal/(loss) allowance on trade receivables	1,208	-	NM	(126)	-	NM
- Write-off of trade and non-trade receivables	(1,334)	-	NM	(1,334)	-	NM
- Other	505	1,384	(64)	2,241	3,264	(31)
Expenses						
- Administrative	(5,604)	(4,923)	14	(10,872)	(9,953)	9
- Finance	(1,893)	(3,056)	(38)	(4,345)	(6,414)	(32)
(Loss)/profit before income tax	<u>(3,572)</u>	3,150	NM	<u>(4,070)</u>	2,787	NM
Income tax credit/(expense)	208	(343)	NM	462	(480)	NM
Net (loss)/profit	<u>(3,364)</u>	2,807	NM	<u>(3,608)</u>	2,307	NM
Other comprehensive (loss)/income, net of tax						
Items that may be reclassified subsequently to profit or loss:						
Currency translation differences for foreign operations, (loss)/gain ⁽¹⁾	(18)	11	NM	(72)	(15)	380
Items that will not be reclassified subsequently to profit or loss:						
Fair value gain on financial assets, at FVOCI	13	4	225	5	26	(81)
Total comprehensive (loss)/income	<u>(3,369)</u>	2,822	NM	<u>(3,675)</u>	2,318	NM
Net (loss)/profit attributable to:						
Equity holders of the Company	(3,309)	2,835	NM	(3,453)	2,419	NM
Non-controlling interests	(55)	(28)	96	(155)	(112)	38
	<u>(3,364)</u>	2,807	NM	<u>(3,608)</u>	2,307	NM
Total comprehensive (loss)/income attributable to:						
Equity holders of the Company	(3,312)	2,849	NM	(3,518)	2,430	NM
Non-controlling interests	(57)	(27)	111	(157)	(112)	40
	<u>(3,369)</u>	2,822	NM	<u>(3,675)</u>	2,318	NM
(Loss)/earnings per share (“(LPS)/EPS”) attributable to equity holders of the Company (cents per share)						
Basic and diluted	<u>(0.70)</u>	0.61	NM	<u>(0.74)</u>	0.53	NM

⁽¹⁾The currency translation difference arose from the consolidation of foreign subsidiaries, which mainly relates to the fluctuations of the Indonesian Rupiah against the Singapore Dollar.

⁽²⁾“NM” denotes not meaningful.

B. BALANCE SHEETS

	Group		Company	
	FY2025 (\$'000)	FY2024 (\$'000)	FY2025 (\$'000)	FY2024 (\$'000)
ASSETS				
Current assets				
Cash and cash equivalents	7,858	10,163	1,140	1,343
Trade and other receivables	10,321	14,407	32,759	34,614
Inventories	3,625	5,020	-	-
Contract assets	54	1,214	511	727
	21,858	30,804	34,410	36,684
Assets of disposal group classified as held-for-sale	70,544	70,544	-	-
	92,402	101,348	34,410	36,684
Non-current assets				
Financial assets, at FVOCI	122	117	-	-
Investments in subsidiary corporations	-	-	41,421	44,121
Investments in an associated company	-	-	-	-
Property, plant and equipment	60,878	68,078	326	9
Deposits for the purchase of property, plant and equipment	2,146	1,440	-	-
Goodwill	4,781	4,781	-	-
	67,927	74,416	41,747	44,130
Total assets	160,329	175,764	76,157	80,814
LIABILITIES				
Current liabilities				
Trade and other payables	8,641	9,660	17,285	17,854
Contract liabilities	2,006	2,661	-	-
Borrowings	7,313	7,696	2,918	2,872
Current income tax liabilities	4	474	-	-
	17,964	20,491	20,203	20,726
Liabilities directly associated with disposal group classified as held-for-sale	66,230	66,745	-	-
	84,194	87,236	20,203	20,726
Non-current liabilities				
Borrowings	42,903	51,536	32,611	35,132
Deferred income tax liabilities	1,822	2,079	-	-
	44,725	53,615	32,611	35,132
Total liabilities	128,919	140,851	52,814	55,858
NET ASSETS	31,410	34,913	23,343	24,956
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	93,592	93,420	93,592	93,420
Fair value reserve	45	40	-	-
Translation reserve	(1,029)	(959)	-	-
Accumulated losses	(62,603)	(59,150)	(70,249)	(68,464)
	30,005	33,351	23,343	24,956
Non-controlling interests	1,405	1,562	-	-
Total equity	31,410	34,913	23,343	24,956

C. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group	Share capital (\$'000)	Treasury shares (\$'000)	Accumulated losses (\$'000)	Fair value reserve ⁽¹⁾ (\$'000)	Translation reserve ⁽¹⁾ (\$'000)	Total (\$'000)	Non-controlling interests (\$'000)	Total equity (\$'000)
Balance as at 1 January 2025	93,623	(203)	(59,150)	40	(959)	33,351	1,562	34,913
Total comprehensive loss	-	-	(144)	(8)	(54)	(206)	(100)	(306)
Share issue pursuant to:								
- Share Awards under the PSAS 2021 ⁽³⁾	172	-	-	-	-	172	-	172
Balance as at 30 June 2025	93,795	(203)	(59,294)	32	(1,013)	33,317	1,462	34,779
Total comprehensive (loss)/income	-	-	(3,309)	13	(16)	(3,312)	(57)	(3,369)
Balance as at 31 December 2025	93,795	(203)	(62,603)	45	(1,029)	30,005	1,405	31,410
Balance as at 1 January 2024	93,470	(203)	(61,527)	14	(986)	30,768	1,594	32,362
Total comprehensive (loss)/income	-	-	(416)	22	(25)	(419)	(85)	(504)
Incorporation of a new subsidiary corporation	-	-	-	-	-	-	80	80
Write-off of translation reserve from an associated company ⁽²⁾	-	-	(42)	-	42	-	-	-
Share issue pursuant to:								
- Share Awards under the PSAS 2021 ⁽³⁾	153	-	-	-	-	153	-	153
Balance as at 30 June 2024	93,623	(203)	(61,985)	36	(969)	30,502	1,589	32,091
Total comprehensive income/(loss)	-	-	2,835	4	10	2,849	(27)	2,822
Balance as at 31 December 2024	93,623	(203)	(59,150)	40	(959)	33,351	1,562	34,913

⁽¹⁾ Fair value and translation reserves are not available for distribution.

⁽²⁾ Resulted from the internal reorganisation of Menji Technology Development (Shanghai) Co., Ltd. as announced on 23 January 2024.

⁽³⁾ PSAS 2021 – Mencast Performance Share Award Scheme 2021 was approved and adopted on 30 April 2021, subject to a maximum period of ten (10) years from the adoption date.

C. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

Company	Share capital (\$'000)	Treasury shares (\$'000)	Translation reserve ⁽¹⁾ (\$'000)	Accumulated losses (\$'000)	Total equity (\$'000)
Balance as at 1 January 2025	93,623	(203)	-	(68,464)	24,956
Total comprehensive loss	-	-	-	(1,010)	(1,010)
Share issue pursuant to:					
- Share Awards under the PSAS 2021 ⁽³⁾	172	-	-	-	172
Balance as at 30 June 2025	93,795	(203)	-	(69,474)	24,118
Total comprehensive loss	-	-	-	(775)	(775)
Balance as at 31 December 2025	93,795	(203)	-	(70,249)	23,343
Balance as at 1 January 2024	93,470	(203)	(42)	(64,395)	28,830
Total comprehensive loss	-	-	-	(1,592)	(1,592)
Write-off of translation reserve from an associated company ⁽²⁾	-	-	42	(42)	-
Share issue pursuant to:					
- Share Awards under the PSAS 2021 ⁽³⁾	153	-	-	-	153
Balance as at 30 June 2024	93,623	(203)	-	(66,029)	27,391
Total comprehensive loss	-	-	-	(2,435)	(2,435)
Balance as at 31 December 2024	93,623	(203)	-	(68,464)	24,956

⁽¹⁾ Translation reserve is not available for distribution.

⁽²⁾ Resulted from the internal reorganisation of Menji Technology Development (Shanghai) Co., Ltd. as announced on 23 January 2024.

⁽³⁾ PSAS 2021 – Mencast Performance Share Award Scheme 2021 was approved and adopted on 30 April 2021, subject to a maximum period of ten (10) years from the adoption date.

D. CONSOLIDATED STATEMENT OF CASH FLOWS

	The Group			
	For the second half year ended 31 Dec		For the full year ended 31 Dec	
	2HY2025 (\$'000)	2HY2024 (\$'000)	FY2025 (\$'000)	FY2024 (\$'000)
Cash flows from operating activities				
Net (loss)/profit	(3,364)	2,807	(3,608)	2,307
Adjustments for:				
- Income tax (credit)/expense	(208)	343	(462)	480
- Depreciation of property, plant and equipment	3,806	3,970	7,614	7,904
- Dividend income from financial assets, FVOCI	(5)	-	(13)	-
- (Gain)/loss on disposal of property, plant and equipment	(183)	29	(320)	83
- Impairment loss on property, plant, and equipment	1,543	805	1,543	805
- Loss on disposal of non-current assets held-for-sale	-	-	-	61
- (Reversal)/loss allowance on trade receivables and non-trade receivables	(1,208)	-	126	-
- Write-off of trade and non-trade receivables	1,334	-	1,334	-
- Write-back of long outstanding payables and accruals	(16)	(30)	(53)	(30)
- Shares Awards under the PSAS 2021	-	-	172	153
- Interest income	(13)	(35)	(31)	(70)
- Interest expense	1,893	3,056	4,345	6,414
- Currency translation differences	(16)	11	(60)	(12)
	3,563	10,956	10,587	18,095
Changes in working capital, net of acquisition of a subsidiary corporation:				
- Trade and other receivables	165	(1,339)	2,507	(1,290)
- Inventories	778	403	1,395	(944)
- Contract assets	201	(1,020)	1,160	(965)
- Trade and other payables	492	3,011	(855)	1,335
- Contract liabilities	187	(1,103)	(655)	1,484
Cash generated from operations	5,386	10,908	14,139	17,715
Interest received	13	35	31	70
Income tax refunded/(paid)	209	-	(265)	-
Net cash provided by operating activities	5,608	10,943	13,905	17,785
Cash flows from investing activities				
Dividend income from financial assets, FVOCI	5	-	13	-
Acquisition of a subsidiary corporation	-	-	-	191
Proceeds from the disposal of non-current assets classified as held-for-sale	-	-	-	1,034
Proceeds from disposal of property, plant and equipment	447	117	1,402	147
Purchase of property, plant and equipment	(1,441)	(1,507)	(3,245)	(2,241)
Receipt of asset-related government grant	-	1,050	-	1,050
Short-term bank deposits pledged	(5)	(7)	(10)	(13)
Net cash (used in)/provided by investing activities	(994)	(347)	(1,840)	168
Cash flows from financing activities				
Interest paid	(1,872)	(3,108)	(4,472)	(6,474)
Repayment of bank borrowings	(4,011)	(5,467)	(8,678)	(10,903)
Repayment lease liabilities	(795)	(718)	(1,559)	(1,397)
Increase/(decrease) of trade financing	528	(856)	249	801
Proceeds from the issuance of the subsidiary corporation's shares to non-controlling	80	-	80	-
Dividends paid to non-controlling interest	-	(300)	-	(300)
Net cash used in financing activities	(6,070)	(10,449)	(14,380)	(18,273)
Net (decrease)/increase in cash and cash equivalents	(1,456)	147	(2,315)	(320)
Cash and cash equivalents at the beginning of the financial period/year	8,779	9,491	9,638	9,958
Cash and cash equivalents at the end of the financial period/year	7,323	9,638	7,323	9,638

Cash and cash equivalents, for the purpose of presenting the consolidated statement of cash flows, consist of:

	As at 31 Dec 2025 (\$'000)	As at 31 Dec 2024 (\$'000)
Cash and bank balances	7,858	10,163
Short-term bank deposits pledged	(535)	(525)
	7,323	9,638

E. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Mencast Holdings Ltd. (the “**Company**”) is listed on the Catalist board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and incorporated and domiciled in Singapore. The address of its registered office is 42E Penjuru Road, Mencast Central, Singapore 609161.

These consolidated financial statements as at and for the financial period/year ended 31 December 2025 comprise the Company and its subsidiary corporations (collectively, the “**Group**”).

The principal activity of the Company is that of investment holding.

The principal activities of its subsidiary corporations are as follows:

- a. Manufacture, supply and refurbishment and reconditioning of stern gear;
- b. Collection of waste (including treatment and disposal of waste and recycling of non-metal waste);
- c. Fabrication of steel structure, shipbuilding and repairs;
- d. Manufacturing and precision machining services for parts used in machines and equipment; and
- e. Marketing, distribution and installation of eco-building materials and products.

2. Basis of preparation

The financial statements for the Second Half Year (“**2HY2025**”) and Full Year (“**FY2025**”) ended 31 December 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last unaudited financial statements for the period ended 30 June 2025 (“**1HY2025**”).

The accounting policies adopted are consistent with those of the previous financial year (“**FY2024**”), which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The financial statements are presented in Singapore dollars (“**SGD**” or “**\$**”), which is the functional currency of the Company and have been rounded to the nearest thousand (“**\$’000**”).

2.1 New and amended standards adopted by the Group

A number of amendments to SFRS(I)s have become applicable for the current reporting period/year. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by Management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the period/year ended 1HY2025 and FY2024.

Estimates, assumptions, and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 4.2 – Construction contracts

2. Basis of preparation (continued)

2.2 Use of judgements and estimates (continued)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period/year is included in the following notes:

- Note 8 – Provision for expected credit losses of trade receivables, contract assets, and other receivables
- Note 10 – Impairment of disposal group classified as held-for-sale
- Note 12 – Depreciation and impairment of property, plant and equipment
- Note 13 – Impairment test of goodwill: key assumptions underlying recoverable amounts

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period/year.

4. Segment and revenue information

The Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors assesses the performance of the operating segments based on revenue and gross profit. Administrative and finance expenses and other gains are not allocated to segments.

Segmental assets and liabilities are not monitored as the majority of the assets and liabilities can be utilised or discharged by different operating segments across the Group.

The Group's activities comprise the following segments:

- (a) Offshore & Engineering ("O&E") - Includes the provision of precision engineering, inspection, and maintenance services for offshore structures.
- (b) Marine - Includes stern gear manufacturing and refurbishment works, ship inspection, repair and maintenance services, and engineering and fabrication work.
- (c) Energy services - Includes waste treatment and recovery waste system. Capabilities of waste treatment plants include treatment of wastewater, oily sludge, slop, mud oil, contaminated soil, solid wastes, and filter cakes.
- (d) Building materials - Includes the marketing, distribution and installation of eco-building materials and products. It was introduced following shareholders' approval of the Group's business diversification in September 2025. While certain pilot projects were undertaken, the new business had not yet operated substantively or contributed materially to the Group as at FY2025; accordingly, they are not presented as reportable segments below.

4.1 The reportable segment information is as follows:

	<u>The Group</u>			Total (\$'000)
	Offshore & Engineering (\$'000)	Marine (\$'000)	Energy Services (\$'000)	
2HY2025				
Revenue				
Total segment revenue	1,679	10,117	9,880	21,676
Inter-segment revenue	-	(342)	(4)	(346)
Revenue from external parties	<u>1,679</u>	<u>9,775</u>	<u>9,876</u>	<u>21,330</u>
Gross (loss)/profit	<u>(560)</u>	<u>2,112</u>	<u>1,981</u>	<u>3,533</u>
Other gains – net				392
Expenses				
- Administrative				(5,604)
- Finance				(1,893)
Loss before income tax				<u>(3,572)</u>
Income tax credit				208
Net loss				<u>(3,364)</u>

4. Segment and revenue information (continued)

4.1 Reportable Segments (continued)

	<u>The Group</u>			
	Offshore & Engineering (\$'000)	Marine (\$'000)	Energy Services (\$'000)	Total (\$'000)
2HY2024				
Revenue				
Total segment revenue	2,778	17,171	10,470	30,419
Inter-segment revenue	(56)	(2,293)	(41)	(2,390)
Revenue from external parties	<u>2,722</u>	<u>14,878</u>	<u>10,429</u>	<u>28,029</u>
Gross (loss)/profit	<u>(166)</u>	<u>7,032</u>	<u>2,844</u>	9,710
Other gains – net				1,419
Expenses				
- Administrative				(4,923)
- Finance				(3,056)
Profit before income tax				<u>3,150</u>
Income tax expense				(343)
Net profit				<u>2,807</u>

	<u>The Group</u>			
	Offshore & Engineering (\$'000)	Marine (\$'000)	Energy Services (\$'000)	Total (\$'000)
FY2025				
Revenue				
Total segment revenue	3,019	25,838	20,225	49,082
Inter-segment revenue	-	(2,721)	(19)	(2,740)
Revenue from external parties	<u>3,019</u>	<u>23,117</u>	<u>20,206</u>	<u>46,342</u>
Gross (loss)/profit	<u>(1,313)</u>	<u>7,092</u>	<u>4,556</u>	10,335
Other gains – net				812
Expenses				
- Administrative				(10,872)
- Finance				(4,345)
Loss before income tax				<u>(4,070)</u>
Income tax credit				462
Net loss				<u>(3,608)</u>

4. Segment and revenue information (continued)

4.1 Reportable Segments (continued)

	<u>The Group</u>			
	Offshore & Engineering (\$'000)	Marine (\$'000)	Energy Services (\$'000)	Total (\$'000)
FY2024				
Revenue				
Total segment revenue	5,274	29,806	21,644	56,724
Inter-segment revenue	(56)	(3,121)	(57)	(3,234)
Revenue from external parties	<u>5,218</u>	<u>26,685</u>	<u>21,587</u>	<u>53,490</u>
Gross (loss)/profit	<u>(176)</u>	<u>12,283</u>	<u>3,713</u>	15,820
Other gains – net				3,334
Expenses				
- Administrative				(9,953)
- Finance				<u>(6,414)</u>
Profit before income tax				2,787
Income tax expense				<u>(480)</u>
Net profit				<u>2,307</u>

4.2 Disaggregation of revenue

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following nature of revenue and geographical regions.

	At a point in time \$'000	Over time \$'000	Total \$'000
2HY2025			
Construction contracts			
- Singapore	-	18	18
- Asia	-	374	374
	<u>-</u>	<u>392</u>	<u>392</u>
Sale of goods			
- Singapore	6,111	-	6,111
- Asia	4,960	-	4,960
- Rest of the world	102	-	102
	<u>11,173</u>	<u>-</u>	<u>11,173</u>
Services income from maintenance, repair and overhaul and waste management			
- Singapore	8,478	-	8,478
- Asia	667	-	667
- Rest of the world	620	-	620
	<u>9,765</u>	<u>-</u>	<u>9,765</u>
Total	<u>20,938</u>	<u>392</u>	<u>21,330</u>

4. Segment and revenue information (continued)

4.2 Disaggregation of revenue (continued)

	At a point in time \$'000	Over time \$'000	Total \$'000
2HY2024			
Construction contracts			
- Singapore	-	10	10
- Asia	-	725	725
	-	735	735
Sale of goods			
- Singapore	8,886	-	8,886
- Asia	2,631	-	2,631
- Rest of the world	635	-	635
	12,152	-	12,152
Services income from maintenance, repair and overhaul and waste management			
- Singapore	12,162	-	12,162
- Asia	1,238	-	1,238
- Rest of the world	1,742	-	1,742
	15,142	-	15,142
Total	27,294	735	28,029

	At a point in time \$'000	Over time \$'000	Total \$'000
FY2025			
Construction contracts			
- Singapore	-	18	18
- Asia	-	825	825
	-	843	843
Sale of goods			
- Singapore	15,006	-	15,006
- Asia	8,959	-	8,959
- Rest of the world	147	-	147
	24,112	-	24,112
Services income from maintenance, repair and overhaul and waste management			
- Singapore	18,892	-	18,892
- Asia	983	-	983
- Rest of the world	1,512	-	1,512
	21,387	-	21,387
Total	45,499	843	46,342

4. Segment and revenue information (continued)

4.2 Disaggregation of revenue (continued)

	At a point in time \$'000	Over time \$'000	Total \$'000
FY2024			
Construction contracts			
- Singapore	-	42	42
- Asia	-	1,584	1,584
	-	1,626	1,626
Sale of goods			
- Singapore	19,033	-	19,033
- Asia	3,718	-	3,718
- Rest of the world	856	-	856
	23,607	-	23,607
Services income from maintenance, repair and overhaul and waste management			
- Singapore	23,168	-	23,168
- Asia	2,395	-	2,395
- Rest of the world	2,694	-	2,694
	28,257	-	28,257
Total	51,864	1,626	53,490

Construction contracts

The Group has ongoing contracts to construct specialised equipment. For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of specialised equipment. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("**input method**").

Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of construction revenue. When it is probable that the total contract costs will exceed the total construction revenue, a provision for onerous contracts is recognised immediately.

Significant judgement is used to estimate the total contract costs to complete. In making these estimates, Management has relied on the expertise of the surveying engineers to determine the progress of the construction and also on past experience from completed projects.

The breakdown of revenue is as follows:

	Group		
	Financial year ended		Increase/ (decrease)
	2025	2024	
	(\$'000)	(\$'000)	(%)
Revenue reported for:			
First Half Year ended 30 June	25,012	25,461	(2)
Second Half Year ended 31 December	21,330	28,029	(24)
	46,342	53,490	(13)
Net (loss)/profit before deducting non-controlling interests reported for:			
First Half Year ended 30 June	(244)	(500)	(51)
Second Half Year ended 31 December	(3,364)	2,807	NM
	(3,608)	2,307	NM

5. (Loss)/profit before income tax

(Loss)/profit before income tax has been arrived after (charging)/crediting:

	Group					
	For the second half year ended 31 Dec			For the full year ended 31 Dec		
	2HY2025 (\$'000)	2HY2024 (\$'000)	Increase/ (decrease) (%)	FY2025 (\$'000)	FY2024 (\$'000)	Increase/ (decrease) (%)
<u>Included in Other (charges)/credits – net:</u>						
- Dividend income from financial assets, FVOCI	5	-	NM	13	-	NM
- Foreign currency exchange (loss)/gain, net ⁽¹⁾	(31)	47	NM	(221)	95	NM
- Government grants ⁽²⁾	163	516	(68)	292	618	(53)
- Impairment loss on property, plant and equipment ⁽³⁾	(1,543)	(805)	92	(1,543)	(805)	92
- Loss on disposal of non-current assets held-for-sale ⁽⁴⁾	-	-	-	-	(61)	(100)
- Gain/(loss) on disposal of property, plant and equipment ⁽⁵⁾	183	(29)	NM	320	(83)	NM
- Rental income on operating lease ⁽⁶⁾	1,298	1,262	3	2,586	2,512	3
- Sale of scrap ⁽⁷⁾	350	294	19	646	869	(26)
- Write-back of long outstanding payables and accruals ⁽⁸⁾	16	30	(47)	53	30	77
- Other income, net ⁽⁹⁾	64	69	(7)	95	89	7
	505	1,384	(64)	2,241	3,264	(31)
<u>Included under finance expenses:</u>						
Interest expenses on:						
- Bank borrowings	1,565	2,712	(42)	3,666	5,740	(36)
- Trade financing	42	70	(40)	104	125	(17)
- Lease liabilities - leasehold land	267	261	2	538	524	3
- Lease liabilities - leasehold building	2	4	(50)	5	9	(44)
- Lease liabilities - hire purchase	17	9	89	32	16	100
	1,893	3,056	(38)	4,345	6,414	(32)
<u>Included under cost of sales and administrative expenses:</u>						
- Depreciation of property, plant and equipment	3,250	3,473	(6)	6,520	6,913	(6)
- Depreciation of ROU assets - leasehold land	421	422	-	843	844	-
- Depreciation of ROU assets - leasehold building	44	44	-	87	85	2
- Depreciation of ROU assets - hire purchase	91	31	194	164	62	165
	3,806	3,970	(4)	7,614	7,904	(4)
<u>Included under income tax expense:</u>						
- (Over)/under-provision of current income tax in prior financial years ⁽¹⁰⁾	(205)	474	NM	(205)	153	NM
- (Over)/under-provision of deferred income tax in prior financial years ⁽¹⁰⁾	-	-	-	(254)	327	NM

Note:

- (1) The foreign currency exchange loss in 2HY2025 of \$31,000 and FY2025 of \$221,000 arose mainly from the weakening of the US dollar (“USD”) against the Singapore dollar (“SGD”), which negatively impacted the revaluation of USD-denominated receivables, collections and bank balances.

In comparison, the foreign exchange gains recorded in 2HY2024 and FY2024 were mainly attributable to the strengthening of the USD against the SGD during those periods.

- (2) Government grants receipts in FY2025 mainly comprised of payouts under the Career Conversion Programme of \$173,000 and the Progressive Wage Credit Scheme of \$47,000. For 2HY2025, the government grants primarily consisted of Career Conversion Programme payouts of \$136,000.

The higher government grant receipts in 2HY2024/FY2024 were largely attributable to a one-off payment of \$428,000 received by a subsidiary from Enterprise Singapore under the Capability Development Scheme.

- (3) The impairment loss on property, plant and equipment in 2HY2025/FY2025 relates to the write-down of a vessel to its recoverable amount, being fair value less costs of disposal.

In 2HY2024/FY2024, the impairment loss on property, plant and equipment in 2HY2024/FY2024 was related to under-utilised machinery and equipment in the Offshore & Engineering and Marine segments, amounting to \$509,000 and \$296,000, respectively.

- (4) An adjustment of \$61,000 for loss on disposal of non-current assets held-for-sale was recognised in 1HY2024, following the finalisation of net cash and net working capital adjustments. This relates to the third and final payment tranche under the sale and purchase agreement (“SPA”) for the disposal of the Group’s remaining 20% equity interest in Vac-Tech Engineering Pte Ltd (“Vac-Tech”), which was legally completed on 1 February 2023. The Group ceased to hold any interest in Vac-Tech thereafter.

5. (Loss)/profit before income tax (continued)

Note: (continued)

- (5) In 2HY2025/FY2025, the Group recorded a gain of \$183,000 from the disposal of machinery in the Marine segment, together with an additional gain of \$137,000 mainly from the disposal of a fully depreciated motor vehicle during 1HY2025.
- In FY2024, the loss on disposal of property, plant and equipment of \$83,000 was mainly due to the disposal of an obsolete lathe machine from the Marine segment.
- (6) Rental income remained relatively consistent across both reporting periods, FY2025/FY2024 and 2HY2025/2HY2024, reflecting steady occupancy and lease arrangements.
- (7) Scrap sales in FY2025 decreased by \$223,000 to \$646,000 from \$869,000 in FY2024, mainly due to lower activity in the Marine segment, partly offset by contributions of \$126,000 from the Energy Services segment.
- Sales of scrap in 2HY2025 were relatively consistent with 2HY2024, with a slight increase of \$56,000.
- (8) The write-back of long outstanding payables and accruals was mainly due to over-accruals of certain expenses in prior years that were found to be no longer payable after review.
- (9) Other income pertains to miscellaneous income/expenses.
- Other income in FY2025 totalled \$95,000, primarily comprising VPC parking income of \$60,000 and interest on overdue customer invoices of \$24,000.
 - In FY2024, the other income mainly comprised VPC parking income of \$51,000 and a concession of \$36,000 received from SP Services during 2HY2024 in relation to prior year water leakage at one of the Group's properties.
- (10) Please see Part E Note 7 for the explanation of the movement of income tax credit/(expense).

6. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions were entered into between the Group and related parties on terms agreed between the parties:

Nature of Transactions	2HY2025 \$'000	2HY2024 \$'000	FY2025 \$'000	FY2024 \$'000
Sale of goods and/or services	22	34	56	68
Purchases of products and services	(5)	-	(26)	-
Recharges of common costs	-	-	2	-
Consideration for the reorganisation of Menji Shanghai	-	-	-	91

Related parties mainly comprise companies controlled or significantly influenced by the Group's key management personnel, directors and their close family members or are associated companies of the Group.

Reorganisation of Menji Shanghai

On 23 January 2024, the Group incorporated a new subsidiary corporation in Singapore, Menji Development Pte. Ltd. ("**Menji Development**"), with an issued capital of \$200,000 for 200,000 ordinary shares. The Group holds a 60% equity interest in Menji Development through Mencast Investment Holdings Pte. Ltd..

On the same day, the Group completed an internal reorganisation involving Menji Pte. Ltd. ("**Menji Singapore**"), by transferring its entire equity interests in Menji Technology Development (Shanghai) Co., Ltd., 旻集科技发展（上海）有限公司 ("**Menji Shanghai**"), to Menji Development for \$91,000, based on the total identifiable net assets as at the date of transfer.

Following the reorganisation:

- The Group's effective interests in Menji Shanghai increased from 49.73% to 60.0%, and
- The Group continues to hold a 49.73% equity interest in Menji Pte. Ltd., which remains an associated company of the Group.

Please refer to Part E, Note 18 for further details.

7. Income tax credit/(expense)

For FY2025, the Group recognised an income tax credit of \$462,000 (FY2024: income tax expense of \$480,000) attributable to the following:

- i. Current income tax
No provision for current income tax in FY2025 (FY2024: \$Nil), as the Group has unutilised tax losses and capital allowances that can offset future taxable income.
- ii. Deferred income tax
 - a. Deferred income tax credit of \$3,000 in FY2025 (FY2024: \$Nil).
 - b. Over-provision of deferred income tax from prior financial years of \$254,000 (FY2024: under-provision of \$327,000), mainly from timing differences in depreciation of certain machinery and equipment in the precision engineering business.
- iii. (Over)/under-provision of current income tax
Prior years' current income tax adjustments of \$205,000 (FY2024: under-provision of \$153,000), comprising:
 - A refund of \$209,000 for one entity in the Marine segment due to overpayment of tax, and
 - An under-provision of \$4,000 for another entity within the same segment, payable in 1Q2026.

Please refer to Part E Note 5.(10) for details on prior years' current income tax adjustments.

8. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group at amortised cost as at 31 December 2025 and 2024:

	<u>Group</u>		<u>Company</u>	
	FY2025	FY2024	FY2025	FY2024
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Financial assets, at FVOCI	122	117	-	-
Cash and cash equivalents ⁵	7,858	10,163	1,140	1,343
Trade and other receivables ^{1,3}	9,941	13,552	32,724	34,557
Contract assets ²	54	1,214	511	727
	<u>17,975</u>	<u>25,046</u>	<u>34,375</u>	<u>36,627</u>
Financial liabilities				
Trade and other payables ³	8,641	9,660	17,285	17,854
Borrowings ⁴	116,446	125,977	35,529	38,004
	<u>125,087</u>	<u>135,637</u>	<u>52,814</u>	<u>55,858</u>

Notes:

1. Excluding the prepayment and advances to suppliers.
2. The Group and the Company have no deferred costs for FY2025 and FY2024.
3. Including the Group's receivables from and payables to an associated company amounting to \$1.93 million and \$58,000, respectively (FY2024: \$1.88 million and \$68,000). The Company has receivables from an associated company amounting to \$1.12 million (FY2024: \$1.12 million)
4. Including the liabilities under the disposal group classified as held-for-sale.
5. Please see the significant restrictions below.

Significant restrictions

Cash in bank of \$6,000 as at 31 December 2025 (FY2024: \$6,000) is held in the People's Republic of China ("PRC") and is subject to local exchange control regulations. These local exchange regulations provide for restrictions on remitting capital from the country, other than through normal dividends.

8. Financial assets and financial liabilities (continued)

Expected credit losses (“ECL”) for trade and other receivables and contract assets

i. Trade receivables and contract assets

The Group applies the simplified approach under SFRS(I) 9 to measure ECL for trade receivables and contract assets, whereby lifetime ECL is recognised from initial recognition.

Trade receivables and contract assets are grouped based on days past due and shared credit risk characteristics, and categorised into (i) non-credit-impaired debtors and (ii) credit-impaired debtors, such as those in liquidation, bankruptcy, or legal proceedings.

For non-credit-impaired debtors, the Group applies an allowance matrix based on historically observed default rates over a 36-month period, adjusted for forward-looking information. The historical default rates and forward-looking assumptions are reviewed and updated at each balance sheet date.

For credit-impaired debtors, impairment is assessed on a debtor-specific basis, taking into consideration settlement arrangements (including instalment plans and contra arrangements) and reasonable forward-looking information, including actual or expected adverse changes in business, financial, or economic conditions that could materially affect the debtor’s ability to meet its obligations.

For 1HY2025, the Group recognised a loss allowance of \$1.31 million for trade receivables from non-related parties (1HY2024: \$Nil), mainly due to a specific customer undergoing compulsory liquidation. During the financial year ended 31 December 2025, these trade receivables were written off, as there was no reasonable expectation of recovery (FY2024: \$572,000).

In 2HY2025, an additional loss allowance of \$126,000 was recognised (FY2024: \$Nil).

ii. Other receivables

The Group and the Company apply the general approach to measure ECL for other receivables. At initial recognition, loss allowance is measured at an amount equal to 12-month ECL. Where credit risk has increased significantly since initial recognition, the allowance is measured at lifetime ECL.

In assessing ECL, the Group and the Company consider reasonable and supportable quantitative and qualitative information, including historical experience and informed credit assessments.

For 1HY2025, the Group recognised a loss allowance of \$23,000 for non-trade receivables from non-related parties (1HY2024: \$Nil), mainly due to a specific customer undergoing compulsory liquidation. During FY2025, these amounts were written off (FY2024: \$Nil).

During the financial year ended 31 December 2025, the Company also recognised a loss allowance of \$8.71 million (FY2024: \$3.48 million) in respect of receivables from subsidiary corporations, where there is no reasonable expectation of recovery.

During the financial year ended 31 December 2025, the Company wrote back a loss allowance of \$30,000 (FY2024: \$Nil) for non-trade receivables from a subsidiary corporation. The write-back was due to partial repayment of amounts that were previously impaired.

As at 31 December 2025, Management assessed and concluded that the ECL provision is adequate.

9. Financial assets, at FVOCI

Fair value measurements

The following table presents assets measured and carried out at fair value and classified by level of the following fair value measurement hierarchy:

- (i) quoted prices (unadjusted) in active markets for identical assets (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e., as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset that are not based on observable market data (unobservable inputs) (Level 3).

9. Financial assets, at FVOCI (continued)

Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)

	<u>Group</u>	
	FY2025 \$'000	FY2024 \$'000
Financial assets, at FVOCI	<u>122</u>	<u>117</u>

Financial assets, at FVOCI, are equity securities listed in Malaysia.

During the financial year ended 31 December 2025, the Group recognised a fair value gain of \$5,000 (FY2024: fair value gain of \$26,000).

The fair value of financial instruments traded in active markets (such as trading securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

10. Disposal group classified as held-for-sale

As at 31 December 2025, the carrying amount of assets and liabilities held-for-sale was \$70,544,000 and \$66,230,000, respectively (FY2024: \$70,544,000 and \$66,745,000).

These assets and liabilities are classified as held-for-sale in accordance with the Further Amended Debt Restructuring Agreement (“**Further Amended DRA**”), under which the Group is committed to selling a key property to reduce its debt.

For FY2025 and FY2024, Management has reviewed the classification and concluded that the criteria under SFRS(I) 5 *Non-Current Assets Held-for-Sale and Discontinued Operations* were met.

Impairment testing

Management applies judgement in measuring the property at the lower of carrying amount and fair value less cost to sell.

No impairment charge was recognised for the financial years ended 31 December 2025 and 2024.

11. Investment in an associated company

	<u>Group</u>		<u>Company</u>	
	FY2025 \$'000	FY2024 \$'000	FY2025 \$'000	FY2024 \$'000
<i>Equity investment</i>				
Beginning and end of financial year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

As at 31 December 2025 and 2024, the Group has one associated company, namely Menji Pte Ltd (“**Menji Singapore**”)

Menji Singapore

As explained in Part E, Note 6, on 23 January 2024, following the internal reorganisation, Menji Shanghai is no longer a subsidiary corporation of Menji Singapore. The Group continues to hold 49.73% equity interest in Menji Singapore, which remains an associated company of the Group.

As at 31 December 2025, the carrying amount of the investment in Menji Singapore is \$Nil (FY2024: \$Nil), as the Group and Company’s share of losses in Menji Singapore has exceeded its interest, hence, the Group and the Company have not recognised further losses. For the financial year ended 31 December 2025, the Group has an unrecognised share of losses in Menji Singapore amounting to \$81,000 (FY2024: \$194,000). As of FY2025, the Group’s accumulated unrecognised share of losses amounts to \$747,000 (FY2024: \$666,000*).

There are no contingent liabilities relating to the Group’s interests in an associated company.

* Restated due to an unrecognised share of \$38,000 on translation gains in FY2024 to be offset with the accumulated unrecognised share of losses in an associated company as at 31 December 2024 of \$704,000.

12. Property, plant and equipment (“PPE”)

As at 31 December 2025, the Group’s property, plant and equipment (“PPE”) had a net book value of \$60.88 million (FY2024: \$68.08 million).

The decrease was mainly attributable to the following:

- a. Depreciation on PPE and right-of-use (“ROU”) assets amounting to \$7.61 million;
- b. Impairment loss of \$1.54 million, recognised on a vessel to write-down its carrying value to the recoverable amount, as explained in Part E Note 5.(3);
- c. Disposal and write-off of PPE with a net book value of approximately \$1.08 million, resulting in a gain on disposal of \$0.32 million as explained in Part E Note 5.(5);
- d. Foreign currency translation loss on PPE from foreign subsidiaries of approximately \$15,000; offset with
- e. Additions to PPE and ROU assets totalling \$3.05 million, mainly comprising:
 - Motor vehicles, machinery and equipment for the Energy Services segment of \$1.11 million;
 - Marine propulsion business of approximately \$0.75 million;
 - Vessels (including refurbishment costs) amounting to \$0.62 million; and
 - A motor vehicle of \$0.39 million recorded under corporate assets.

In addition, the Group recognised deposits for the purchase of PPE amounting to \$2.15 million as at 31 December 2025 (FY2024: \$1.44 million), mainly relating to the Marine segment.

Impairment testing

Property, plant and equipment are tested for impairment whenever there is objective evidence or an indication that these assets may be impaired.

The recoverable amounts of the assets and, where applicable, the cash-generating units (“CGUs”) have been determined based on fair value less costs to sell and value-in-use (“VIU”).

During the financial year ended 31 December 2025, impairment losses of S\$1.54 million (FY2024: S\$805,000) were recognised for property, plant and equipment where the estimated recoverable amounts were lower than the carrying values and/or fair value less costs to sell.

Capital commitment

As at 31 December 2025, the Group’s capital commitments amounted to approximately \$1.53 million, mainly relating to the new build propellers business (FY2024: \$2.60 million).

13. Goodwill

	Group	
	FY2025	FY2024
	\$’000	\$’000
<i>Cost</i>		
Beginning and end of financial year	27,523	27,523
<i>Accumulated impairment</i>		
Beginning and end of financial year	(22,742)	(22,742)
Net book value	4,781	4,781

Impairment testing

For the purpose of annual impairment testing for goodwill, the Group determines the recoverable amount of the cash generating units based on value-in-use, based on financial budgets approved by Management.

Key assumptions used for value-in-use calculations:

	FY2025		FY2024	
	Growth rate¹	Discount rate²	Growth rate¹	Discount rate²
Recon	1%	9%	2%	9%

¹ Weighted average growth rate used to extrapolate cash flows beyond the budget period

² Pre-tax discount rate applied to the pre-tax cash flow projections

14. Borrowings

Amount repayable in one year or less, or on demand

Borrowings	FY2025		FY2024	
	Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
Bank borrowings	6,297	-	6,166	559
Lease liabilities -hire purchase	184	-	137	-
Current borrowings	6,481	-	6,303	559
Included in the disposal group classified as held-for-sale:				
- Bank borrowings	62,717	-	62,717	-
	69,198	-	69,020	559

Amount repayable after one year

Borrowings	FY2025		FY2024	
	Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
Bank borrowings	30,772	-	38,773	-
Lease liabilities -hire purchase	509	-	308	-
Non-current borrowings	31,281	-	39,081	-

The Group's borrowings disclosed above do not include the lease liabilities on leasehold land arising from SFRS(I)16, the details of which are as follows:

Group	Leasehold land		Leasehold building	
	FY2025 (\$'000)	FY2024 (\$'000)	FY2025 (\$'000)	FY2024 (\$'000)
Lease liabilities on:				
Current borrowings	771	744	61	90
Disposal group classified as held- for-sale	3,513	4,028	-	-
Non-current borrowings	11,622	12,393	-	62
	15,906	17,165	61	152

Security granted

The bank borrowings are secured by the Group's buildings on leasehold land, short-term bank deposits, and corporate guarantees by the Company.

The Group's hire purchase lease liabilities are secured by the leased motor vehicles, with legal title retained by the lessor and transferred to the Group upon full settlement.

The Group has fully repaid certain borrowings and, as a result, on 12 June 2025, entered into a Deed of Removal of Parties with the lenders. Pursuant to the deed, Ethoz Capital Ltd., RHB Bank Berhad, Standard Chartered Bank (Singapore) Limited, and Recon Propeller & Engineering Pte Ltd ("**Recon**") ceased to be parties to the Debt Restructuring Agreement ("**DRA**"), with United Overseas Bank Limited ("**UOB**") remaining as the sole lender thereafter. Notwithstanding Recon's removal as a party, the remaining Mencast parties remain responsible for fulfilling any obligations that the DRA purports to impose on Recon. All securities, guarantees, and subordination deeds granted to UOB under the existing facility agreements remain in full force and effect.

Financial covenants

The Group's bank borrowings are subject to financial covenant clauses whereby the Group is required to meet certain key financial ratios, any breach of which would result in an event of default under the relevant existing facility agreements.

On 13 February 2024, the Group entered into a letter agreement dated 6 February 2024 to amend certain terms of the Amended DRA (the "**Further Amended DRA**"), which provides, *inter alia*, that all financial covenants be waived by the lenders until 31 March 2026. Subsequently, on 11 February 2026, UOB agreed to waive the financial covenants under the Further Amended DRA until 31 March 2027.

15. Share capital

Group and Company	← No. of ordinary shares →			← Amount →		
	Issued share capital	Treasury shares	Total	Share capital	Treasury shares	Total
	'000	'000	'000	\$'000	\$'000	\$'000
FY2025						
Beginning of financial year	461,640	(455)	461,185	93,623	(203)	93,420
Share issue pursuant to:						
- Share Awards under the PSAS 2021	8,189	-	8,189	172	-	172
End of financial year	469,829	(455)	469,374	93,795	(203)	93,592

FY2024	← No. of ordinary shares →			← Amount →		
	Issued share capital	Treasury shares	Total	Share capital	Treasury shares	Total
	'000	'000	'000	\$'000	\$'000	\$'000
Beginning of financial year	456,541	(455)	456,086	93,470	(203)	93,267
Share issue pursuant to:						
- Share Awards under the PSAS 2021	5,099	-	5,099	153	-	153
End of financial year	461,640	(455)	461,185	93,623	(203)	93,420

The Group and the Company have a total issued and outstanding shares of 469,374,000 as at 31 December 2025 (31 December 2024: 461,185,000 shares).

The Company has no outstanding options or convertibles as at 31 December 2025 and 31 December 2024.

The Company's subsidiary corporations do not hold any shares in the Company as at 31 December 2025 and 31 December 2024.

As at 31 December 2025, the total number of treasury shares held was 455,000 (31 December 2024: 455,000).

There were no sales, transfers, disposals, cancellations and/or use of treasury shares as at the end of 31 December 2024.

The Mencast Performance Share Award Scheme 2021 (the "PSAS 2021", replacement of the expired PSAS 2010) was approved by members of the Company at an Extraordinary General Meeting held on 30 April 2021 which provides for the award of fully paid-up ordinary shares in the share capital of the Company, free of charge to Group employees (which includes Group Executive Directors) and Group Non-Executive Directors. For more details and information on PSAS 2021, please see the Circular to Shareholders in relation to the Proposed Adoption of Mencast Performance Share Award Scheme 2021 disclosed on the Mencast website.

FY2025

On 30 May 2025, the Company announced the grant of a total of 8,189,000 ordinary shares under PSAS 2021 to eligible employees of the Group. The shares were subsequently allotted and issued on 4 June 2025.

FY2024

On 28 May 2024, the Company announced the grant of a total of 5,099,000 ordinary shares under PSAS 2021 to eligible employees of the Group. The shares were subsequently allotted and issued on 30 May 2024.

16. Net asset value and (Loss)/earnings per share

Net asset value (“NAV”)

	Group		Company	
	FY2025	FY2024	FY2025	FY2024
NAV per ordinary share (SGD cents)	6.39	7.23	4.97	5.41
Number of shares used in the computation of NAV per share ('000)	469,374	461,185	469,374	461,185

(Loss)/earnings per share (“(LPS)/EPS”)

(a) Basic (loss)/earnings per share

Basic (loss)/earnings per share was calculated by dividing the net (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during 2HY2025 of 469,374,000 shares (2HY2024: 461,185,000 shares) and during FY2025 of 465,897,000 shares (FY2024: 459,081,000 shares).

(b) Diluted (loss)/earnings per share

For the purpose of calculating diluted (loss)/earnings per share, net (loss)/profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

The Company has no dilutive potential ordinary shares for 2HY2025 (2HY2024: Nil) and FY2025 (FY2024: Nil).

17. Contingencies

Group

As at 31 December 2025, the Group’s contingent liabilities amounted to \$244,000 in respect of banker’s guarantees issued in lieu of cash deposits. These guarantees are in favour of third parties and are set to expire at various dates between December 2025 and April 2028. Certain guarantees are disclosed as at 31 December 2025, notwithstanding their contractual expiry dates commencing from December 2025, as claims, if any, may be lodged within a specified period after expiry. No provision has been made in the financial statements, as the Board of Directors is of the opinion that the probability of a claim is remote.

Company

The Company has undertaken to provide ongoing financial support to certain subsidiary corporations in the normal course of business.

During FY2024, the Company has existing corporate guarantees issued to banks for borrowings of certain subsidiary corporations, which are not secured over the assets of the subsidiary corporations. These bank borrowings amount to \$559,000. As at 31 December 2025, the subsidiary corporations have fully paid their respective unsecured bank borrowings, and the related corporate guarantees have been released.

The Company has also provided corporate guarantees for certain hire-purchase lease liabilities of the subsidiary corporations. As these lease liabilities are fully secured by the related right-of-use (ROU) assets, no contingent liability has been recognised in respect of these guarantees in the financial statements.

18. Business combination

As disclosed in Part E, Note 6 and 11, on 23 January 2024, the Group has undertaken an internal reorganisation exercise involving Menji Singapore, transferring its entire equity interests in Menji Shanghai for \$91,000 to Menji Development.

The Group’s effective interest in Menji Shanghai increased from 49.73% to 60.0% (i.e. by 10.27%) as a result of the internal reorganisation and is accounted as an indirect subsidiary corporation of the Company.

Menji Shanghai is presently engaged in the provision of engineering and construction services, and the wholesale of building and construction materials in the People’s Republic of China (“PRC”).

18. Business combination (continued)

Details of the consideration and the assets acquired, the liabilities assumed, the non-controlling interest recognised and the effects on the cash flow of the Group, at the date of internal reorganisation:

	\$'000
(a) Purchase consideration:	
Cash to be paid	91
(b) Effect on cash flows of the Group	
Cash paid	-
Less: cash and bank balances in the subsidiary corporation	(191)
Cash inflow on acquisition	<u>(191)</u>
(c) Identifiable assets acquired, and liabilities assumed	
Cash and bank balances	191
Trade and other receivables	91
Property, plant, and equipment	295
Total assets	<u>577</u>
Trade and other payables	248
Borrowings - lease liabilities	238
Total liabilities	<u>486</u>
Total identifiable net assets	91
Less: Non-controlling interest	(37)
Consideration transferred for the business	<u>54</u>

Revenue and profit contribution

During the financial period from 23 January 2024 to 31 December 2024, Menji Shanghai contributed revenue of \$978,000 and a net loss of \$72,000 to the Group.

Had Menji Shanghai been acquired by Menji Development on 1 January 2024, the consolidated revenue and the consolidated profit after tax for the Group would have remained the same at \$53.49 million and \$2.31 million for the financial year ended 31 December 2024.

19. Events occurring after the balance sheet date

On 16 February 2026, Mencast Marine Pte. Ltd., a wholly-owned subsidiary of the Company, granted an option to purchase to Grandwoods Trading (Singapore) Pte Ltd in respect of the proposed disposal of the Group's leasehold property located at 42B Penjuru Road, Singapore, for a consideration of \$21.0 million. The option is valid until 4:00 pm on 18 March 2026 and, if exercised, will constitute a binding agreement for the proposed disposal, subject to the fulfilment of customary conditions precedent, including approvals from JTC Corporation and relevant authorities.

As of the date of this report, the option has been granted and the option fee received. The proposed disposal remains subject to the exercise of the option and satisfaction of the relevant conditions precedent. Accordingly, no adjustments have been made to the FY2025 financial statements. Further details are set out in the Company's announcement dated 16 February 2026.

F. OTHER INFORMATION REQUIRED BY LISTING MANUAL SECTION B: RULES OF CATALIST (“CATALIST RULES”) APPENDIX 7C

1. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The financial position of Mencast Holdings Ltd. and its subsidiary corporations as at 31 December 2025 and the related consolidated statement of profit or loss and other comprehensive income, balance sheets, statements of changes in equity and consolidated statement of cash flows for 2HY2025 and FY2025 and certain explanatory notes have not been audited or reviewed.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Statement of Comprehensive Income

Revenue

The Group’s total revenue decreased by \$7.15 million or 13%, from \$53.49 million in FY2024 to \$46.34 million in FY2025. The reduction primarily reflected softer activity levels and project timing differences across the Group’s business segments during the year, as customers remained cautious in project commencement and maintenance spending.

The decline was recorded across all three business segments:

- Marine segment – decreased by \$3.57 million;
- Offshore & Engineering (“O&E”) segment – decreased by \$2.20 million; and
- Energy Services segment – decreased by \$1.38 million.

Revenue for 2HY2025 decreased by \$6.70 million or 24%, from \$28.03 million in 2HY2024 to \$21.33 million, mainly reflecting lower new build deliveries and business services activities during the period.

Offshore & Engineering (“O&E”) segment

Revenue from the O&E segment represented 6% of total revenue in FY2025 (FY2024: 10%).

Revenue from the O&E segment decreased to \$3.02 million in FY2025, from \$5.22 million in FY2024, a decline of \$2.20 million or 42%, mainly due to:

- Absence of charter income of \$0.72 million in FY2025; and
- Revenue of \$0.98 million recognised in FY2024 from a China subsidiary as a result of internal restructuring compared to \$68,000 in FY2025.

Partially offset by:

- An increased revenue contribution of \$0.22 million from precision engineering activities.

This also explains the variation in the O&E segment revenue in 2HY2025 compared to 2HY2024.

Marine segment

Revenue from the Marine segment represented 50% of total revenue in FY2025 (FY2024: 50%).

The revenue from the Marine segment decreased to \$23.12 million in FY2025, from \$26.69 million in FY2024, mainly reflecting lower activity levels and delivery timing across propulsion equipment and related services during the year. This was mainly attributable to:

- Lower deliveries of new-build propellers of approximately \$1.78 million;
- \$1.28 million reduction from MRO services; and
- \$0.51 million decline from shipyard activities.

This also explains the variation in the Marine segment revenue in 2HY2025 compared to 2HY2024.

2. A review of the performance of the group (continued)

Review of Statement of Comprehensive Income (continued)

Revenue (continued)

Energy Services segment

Revenue from the Energy Services segment represented 44% of total revenue for FY2025 (FY2024: 40%).

Revenue decreased to \$20.21 million in FY2025, from \$21.59 million in FY2024, a decrease of \$1.38 million or 6%, mainly due to:

- Lower contribution from a certain trading-related order, which was \$1.57 million in FY2025, down from \$4.46 million in FY2024; and

Offset with:

- Higher revenue from waste treatment and collection activities of approximately \$1.51 million.

In 2HY2025, the revenue recognition of the trading-related order of \$1.07 million (2HY2024: Nil) helped offset the decline in revenue from the waste treatment and collection activities.

Cost of sales, gross profit (“GP”) and gross profit margin

The Group’s total cost of sales (COGS) in FY2025 decreased by \$1.66 million, from \$37.67 million in FY2024 to \$36.01 million, in line with the lower activity across the segments. Consequently, gross profit decreased by \$5.48 million, from \$15.82 million in FY2024 to \$10.34 million in FY2025, and gross profit margin fell from 30% to 22%.

The following factors contributed to the change in gross profit:

Offshore & Engineering (“O&E”) segment: COGS was \$4.33 million (FY2024: \$5.39 million), resulting in a gross loss of \$1.31 million (FY2024: \$0.18 million). No charter income was recognised during FY2025, while fixed depreciation and vessel upkeep costs continued to be incurred. In addition, vessel recovery-related costs were recognised during the year, which are not expected to arise in the ordinary course of operations. These were partially mitigated by positive contributions from precision engineering activities.

This also accounts for the variation in the O&E segment’s gross loss between 2HY2025 and 2HY2024.

Marine segment: COGS in FY2025 was \$16.03 million (FY2024: \$14.40 million), generating gross profit of \$7.09 million (FY2024: \$12.28 million) and a GP margin of 31%. The decline was mainly due to lower deliveries of new-build propellers, lower MRO services, and a decrease in shipyard activities.

This also explains the variation in the Marine segment’s gross profit between 2HY2025 and 2HY2024.

Energy Services segment: In FY2025, COGS was \$15.65 million (FY2024: \$17.87 million), resulting in a gross profit of \$4.56 million (FY2024: \$3.71 million) and a GP margin of 23% (FY2024: 17%). The increase in gross profit and gross profit margin in FY2025 was largely attributable to stronger margins from by-product sales.

In 2HY2025, gross profit declined to \$1.98 million (2HY2024: \$2.84 million), with a GP margin of 20% (2HY2024: 27%), mainly due to lower waste treatment and collection activities.

Other gains/(losses) - net

Detailed explanations of these gains/(losses) are set out in Part E, Note 5.

Administrative expenses

Administrative expenses increased by \$0.92 million or 9% to \$10.87 million in FY2025 (FY2024: \$9.95 million), and by \$0.68 million or 14% to \$5.60 million in 2HY2025 (2HY2024: \$4.92 million). The increase was mainly due to higher headcount costs and professional fees incurred in the Marine segment, supporting the ongoing transformation of the propulsion business.

2. A review of the performance of the group (continued)

Review of Statement of Comprehensive Income (continued)

Finance expenses

Finance expenses decreased by \$2.07 million or 32% to \$4.34 million in FY2025 (FY2024: \$6.41 million), mainly attributable to lower outstanding borrowings following scheduled principal repayments and improved borrowing rates during the year.

This also explains the fluctuation in finance expenses in 2HY2025 compared to 2HY2024.

Share of loss of associated companies

The Group and the Company's share of losses in its associated company have exceeded its carrying amount as at FY2023. Accordingly, no further share of losses was recognised in FY2025.

Income tax credit/(expense)

Detailed explanations of income tax credit/(expense) were highlighted in Part E, Note 7.

(Loss)/profit before income tax

Consequent to the above, the Group recorded a loss before income tax of \$4.07 million in FY2025, compared to a profit before income tax of \$2.79 million in FY2024. The loss was mainly attributable to lower activity levels and project timing differences across the business segments, as well as certain non-recurring items recognised during the year, including impairments and vessel recovery-related costs, which are not expected to arise in the ordinary course of operations.

For 2HY2025, the Group reported a loss before income tax of \$3.57 million, compared to a profit before income tax of \$3.15 million in 2HY2024.

Review of Balance Sheets

Current assets

As at 31 December 2025, the Group's current assets stood at \$92.40 million, representing a decrease of \$8.95 million, or 9%, from \$101.35 million as at 31 December 2024.

The decrease was mainly attributable to:

- **Cash and cash equivalents:** decreased by \$2.30 million, from \$10.16 million to \$7.86 million, consistent with the net cash outflows explained in the Review of Condensed Interim Consolidated Statement of Cash Flows.
- **Trade and other receivables:** decreased by \$4.09 million, from \$14.41 million to \$10.32 million, mainly due to higher collections, the write-off of \$1.33 million relating to a customer in the Offshore & Engineering segment following its compulsory liquidation (previously recognised a loss allowance in 1HY2025), and the overall decline in revenue across all business segments, which led to a lower level of receivables at year-end.
- **Inventories:** declined by \$1.40 million, from \$5.02 million to \$3.62 million, reflecting a lower volume of secured and ongoing orders for new-build propellers in the Marine segment.
- **Contract assets:** reduced by \$1.16 million, from \$1.21 million to \$54,000, following the billing and collection in January 2025 of work completed in 4Q2024.
- **Assets of disposal group classified as held-for-sale:** remained unchanged at \$70.54 million.

Non-current assets

As at 31 December 2025, the Group's non-current assets stood at \$67.93 million, representing a decrease of \$6.49 million, or 9%, from \$74.42 million as at 31 December 2024.

The decrease was mainly attributable to:

- **Property, plant, and equipment (PPE) and deposit for purchase of PPE:** net decrease of \$7.20 million in PPE, from \$68.08 million to \$60.88 million, as detailed in Part E, Note 12. This was partially offset by an increase in deposits for PPE from \$1.44 million to \$2.15 million, for capital investments in the Marine segment.
- **Financial assets, at FVOCI:** recorded a fair value gain of \$5,000 as disclosed in Part E, Note 9.
- **Other non-current assets:** comprising goodwill and investment in an associated company, remained unchanged during FY2025.

2. A review of the performance of the group (continued)

Review of Balance Sheets (continued)

Current liabilities

As at 31 December 2025, the Group's current liabilities stood at \$84.19 million, representing a decrease of \$3.04 million, or 3%, from \$87.24 million as at 31 December 2024.

The reduction was primarily due to:

- **Trade and other payables:** decreased by \$1.02 million, from \$9.66 million to \$8.64 million, primarily due to settlement of outstanding payables and lower expense accruals from reduced business activity.
- **Contract liabilities:** reduced by \$0.65 million, from \$2.66 million to \$2.01 million, mainly due to the recognition of revenue from previously billed contract advances in the Marine segment.
- **Borrowings:** decreased by \$0.38 million, from \$7.70 million to \$7.31 million, primarily due to the full repayment of unsecured loans, partially offset by new secured borrowings under lease liabilities (hire purchase) and higher utilisation of trade financing facilities.
- **Current income tax liabilities:** reduced from \$0.47 million to \$4,000, following tax payments and the under-provision of \$4,000 in FY2025 payable in 1Q2026. No current provision for FY2025 as the Group has unutilised tax losses and capital allowances to offset taxable income.
- **Liabilities directly associated with disposal group classified as held-for-sale:** decreased by \$0.52 million, from \$66.75 million to \$66.23 million, mainly relating to lease liabilities on leasehold land.

Non-current liabilities

As at 31 December 2025, the Group's non-current liabilities stood at \$44.73 million, representing a decrease of \$8.89 million, or 17%, from \$53.62 million as at 31 December 2024.

The decrease was mainly attributable to:

- **Borrowings:** decreased by \$8.63 million, from \$51.54 million to \$42.90 million, following scheduled repayments of long-term loans and lease liabilities.
- **Deferred income tax liabilities:** reduced by \$0.26 million, from \$2.08 million to \$1.82 million, reflecting the movement of temporary differences and tax depreciation on certain assets. Please refer to Part E Notes 7.ii for further details.

Review of Full Year Consolidated Statement of Cash Flows

For FY2025, the Group's cash and cash equivalents decreased by \$2.32 million, closing at \$7.32 million (FY2024: \$9.64 million). The movement mainly reflected financing and investing outflows, while operating activities continued to generate positive cash inflows during the year.

- **Operating activities:** Net cash provided by operating activities amounted to \$13.91 million in FY2025, compared with \$17.79 million in FY2024. The decrease was mainly attributable to the Group's net loss of \$3.61 million, along with non-cash adjustments such as depreciation, impairment losses, and interest expenses. Movements in working capital, including trade receivables, inventories, and contract assets, contributed positively to cash. Net payments of income tax of \$0.27 million partially offset cash inflows from operations.
- **Investing activities:** Net cash used in investing activities totalled \$1.84 million in FY2025, mainly due to purchases of PPE of \$3.25 million, partially offset by proceeds from the disposal of PPE of \$1.40 million. In contrast, FY2024 recorded a net cash inflow of \$0.17 million, supported by asset-related government grants of \$1.05 million and final-tranche proceeds of \$1.03 million from the disposal of Vac-Tech, partially offset by purchases of PPE of \$2.24 million.
- **Financing activities:** Net cash used in financing activities was \$14.38 million in FY2025, compared to \$18.27 million in FY2024. The decrease in cash outflow was mainly due to lower repayments of bank borrowings and lease liabilities, as well as reduced interest payments arising from lower outstanding loan balances and improved borrowing rates.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group's financial results for FY2025 were in line with the profit guidance released on 13 February 2026.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

During FY2025, business conditions were uneven amid geopolitical uncertainties and cost volatility, which influenced customer procurement behaviour across the Group's operating segments. The Group's performance for the year was affected by certain one-off items, including a debt impairment, impairment loss on a vessel and expenses relating to vessel recovery. Excluding these items, operating activity across the segments reflected softer demand and project timing differences, as customers remained cautious in project commencement and maintenance spending. Management expects overall business conditions for the next 12 months to remain challenging, with performance influenced by market demand and movements in materials and operating costs.

Offshore & Engineering (O&E)

The segment remains focused on engineering, inspection and maintenance services for offshore structures, with operations primarily based in Singapore. Following the streamlining of activities to its core service areas, the Group is undertaking measured efforts to enhance sales in selected precision engineering works where margins are relatively favourable. Contribution from this segment is expected to remain modest in the near term, given its current operational scope.

Marine

Deliveries of new-build propellers contributed to activity levels during the year, although order visibility remains uneven and may fluctuate with broader market conditions and project timing.

Demand for repair and maintenance activities may continue to be influenced by yard utilisation patterns and docking schedules in Singapore, including industry consolidation and prioritisation of higher-value projects, which may affect the timing of discretionary repair scopes. The Group continues to align its service offerings with customers' maintenance planning cycles, and activity levels are expected to remain dependent on vessel operating requirements and class maintenance cycles.

Energy Services

Waste collection activities and waste-to-by-product recovery remain the primary drivers of the segment and are expected to provide steady contributions, although revenue may vary between reporting periods depending on the timing of orders fulfilled. Operational focus will remain on improving plant efficiency, managing disposal costs and optimising by-product recovery to enhance margins.

Group priorities

The Group remains committed to prudent cost management, operational efficiency and active engagement with customers and partners to secure sustainable revenue streams.

5. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

6. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended for the current reporting year ended 31 December 2025, as the Company has no distributable reserves.

7. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

Nil.

8. Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the Audit Committee and that the transactions are carried out on an arm's length basis.

Transactions entered into with interested persons during FY2025 were as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested persons transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
McLink Asia Pte Ltd	Associates	\$37,000*	Nil**
MPS Solutions Pte Ltd		\$63,000*	
Sigi Beauty Pte Ltd		-	
Ole Investment Pte Ltd		-	
Ole Motorsports Pte Ltd		-	

* McLink Asia Pte Ltd and MPS Solutions Pte Ltd are owned by the brother of Mr. Wong Boon Huat, director and substantial shareholder of Mencast Holdings Ltd.

** There is no subsisting shareholders mandate for interested person transactions pursuant to Rule 920 of the Catalist Rules.

9. Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1) of the Catalist Listing Rules.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Rules of the SGX-ST.

10. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wong Boon Hwee	54	Brother of the Executive Director of the Company, Wong Boon Huat	Head of Marine division of Top Great Engineering & Marine Pte Ltd ("TGEM") and Mencast Offshore & Marine Pte Ltd since 2000 and 2012, respectively. Overseeing the day-to-day operation of projects in the marine repairs work and new fabrications.	No change.
Wong Boon Tian	59	Brother of the Executive Director of the Company, Wong Boon Huat	Facilities Manager since November 2018. He supports the Plant/Machinery Maintenance Manager in overseeing the building's mechanical and electrical systems and facilities, with a primary focus on preventive maintenance to minimise downtime and ensure optimal functionality.	No change

11. Disclosure pursuant to Rule 706A of the Catalist Rules

Save as disclosed in the Company's announcement dated 25 February 2025 with the incorporation of Mencast Environment Pte. Ltd. and the striking off of dormant subsidiary corporations, namely, S & W Pte. Ltd. and Virestorm Pte. Ltd., as disclosed in the Company's Annual Report FY2024 Note 35, Events occurring after the balance sheet date, there was no acquisition or sale of shares by the Company in FY2025, which requires disclosure pursuant to Rule 706A of the Catalist Rules.

BY ORDER OF THE BOARD

Sim Soon Ngee Glendle
Executive Chairman and Chief Executive Officer

27 February 2026