



Mun Siong Engineering Limited

Condensed Interim Financial Statements for the six months
ended 30 June 2025

**MUN SIONG ENGINEERING LIMITED**

(Incorporated in the Republic of Singapore)

(Company registration number: 196900250M)

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Group		
	6 months ended 30 June		Incr / (Decr) %
	1H 2025	1H 2024	
	\$'000	\$'000	
Revenue	31,771	30,339	4.7
Cost of Sales	(31,426)	(28,735)	9.4
Gross Profit	345	1,604	(78.5)
Other income and recoveries	773	250	209.2
Administrative expenses	(3,808)	(3,748)	1.6
Other operating (expenses) / income	(784)	445	(276.2)
Share of results of an equity-accounted investee	83	64	29.7
Results from operating activities	(3,391)	(1,385)	144.8
Finance Income	55	153	(64.1)
Finance Costs	(105)	(74)	41.9
Loss before income tax	(3,441)	(1,306)	163.5
Tax expenses	(106)	(327)	(67.6)
Loss after income tax	(3,547)	(1,633)	117.2
Other comprehensive income:			
Items that may be reclassified to profit or loss:			
Foreign currency translation difference from foreign operations	270	(61)	(542.6)
Total other comprehensive loss	(3,277)	(1,694)	93.4
Loss attributable to:			
Owners of the Company	(3,547)	(1,633)	117.2
Non-Controlling Interest	-	-	-
	(3,547)	(1,633)	117.2
Total comprehensive loss attributable to:			
Owners of the Company	(3,277)	(1,694)	93.4
Non-Controlling Interest	-	-	-
	(3,277)	(1,694)	93.4

Earning per share for profit/(loss) for the period attributable to the owners of the Company during the year:

Basic (SGD in cent)	(0.61)	(0.28)
Diluted (SGD in cent)	(0.61)	(0.28)

NM: Not meaningful



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B. Condensed interim statements of financial position

	Group			Company (Note 1)		
	30-Jun-25	31-Dec-24	Change	30-Jun-25	31-Dec-24	Change
	\$'000	\$'000	%	\$'000	\$'000	%
ASSETS						
Non-current assets						
Property, plant and equipment	31,303	33,220	(5.8)	18,456	18,987	(2.8)
Investment properties	1,380	1,380	-	1,380	1,380	-
Investment in an equity-accounted investee	918	839	9.4	622	622	-
Subsidiaries	-	-	-	4,223	4,223	-
Other receivables	-	-	-	20,993	21,635	(3.0)
Total non-current assets	33,601	35,439	(5.2)	45,674	46,847	(2.5)
Current assets						
Current tax assets	168	171	(1.8)	-	-	-
Inventories	104	138	(24.6)	104	138	(24.6)
Contract Assets	11,518	9,318	23.6	7,238	4,762	52.0
Trade and other receivables	12,878	16,999	(24.2)	12,157	17,242	(29.5)
Cash and cash equivalents	9,447	10,268	(8.0)	8,159	7,429	9.8
Total current assets	34,115	36,894	(7.5)	27,658	29,571	(6.5)
Total assets	67,716	72,333	(6.4)	73,332	76,418	(4.0)
Equity						
Share capital	26,254	26,254	-	26,254	26,254	-
Treasury shares	(1)	(1)	-	(1)	(1)	-
Share based compensation reserve	(61)	(61)	-	(61)	(61)	-
Translation reserve	633	363	74.4	(48)	37	(229.7)
Retained earnings	16,529	20,076	(17.7)	30,096	30,511	(1.4)
Equity attributable to owners of the Company	43,354	46,631	(7.0)	56,240	56,740	(0.9)
Non-controlling interests	-	-	-	-	-	-
Total equity	43,354	46,631	(7.0)	56,240	56,740	(0.9)
Liabilities						
Non-current liabilities						
Loans and borrowings	1,314	1,382	(4.9)	1,271	1,302	(2.4)
Provisions	584	569	2.6	584	569	2.6
Deferred tax liabilities	566	517	9.5	566	466	21.5
Total non-current liabilities	2,464	2,468	(0.2)	2,421	2,337	3.6
Current liabilities						
Trade and other payables	17,182	15,070	14.0	10,071	9,383	7.3
Contract liabilities	-	89	(100.0)	-	-	-
Provisions	1,978	1,993	(0.8)	1,978	1,993	(0.8)
Loan from shareholder	1,808	1,808	-	1,808	1,808	-
Loans and borrowings	903	4,262	(78.8)	814	4,157	(80.4)
Tax payable	27	12	125.0	-	-	-
Total current liabilities	21,898	23,234	(5.8)	14,671	17,341	(15.4)
Total liabilities	24,362	25,702	(5.2)	17,092	19,678	(13.1)
Total equity and liabilities	67,716	72,333	(6.4)	73,332	76,418	(4.0)

NM: Not meaningful

Note 1: The Company level includes Mun Siong Engineering Taiwan Branch's financial results.



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C. Condensed interim statements of changes in equity

The Group	Share Capital	Treasury Shares	Share Based Compensation Reserve	Translation Reserve	Retained Earnings	Total	Non-Controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2025								
Balance at 1 January	26,254	(1)	(61)	363	20,076	46,631	-	46,631
Loss for the period	-	-	-	-	(3,547)	(3,547)	-	(3,547)
Foreign currency translation difference from foreign operations	-	-	-	270	-	270	-	270
Balance at 30 June	26,254	(1)	(61)	633	16,529	43,354	-	43,354
2024								
Balance at 1 January	26,254	(30)	(58)	29	25,831	52,026	-	52,026
Loss for the period	-	-	-	-	(1,633)	(1,633)	-	(1,633)
Foreign currency translation difference from foreign operations	-	-	-	(61)	-	(61)	-	(61)
Dividends paid	-	-	-	-	(232)	(232)	-	(232)
Grant of performance shares to employees	-	29	(3)	-	-	26	-	26
Balance at 30 June	26,254	(1)	(61)	(32)	23,966	50,126	-	50,126
The Company	Share Capital	Treasury Shares	Share Based Compensation Reserve	Translation Reserve	Retained Earnings	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
2025								
Balance at 1 January	26,254	(1)	(61)	37	30,511	56,740		
Loss for the period	-	-	-	-	(415)	(415)		
Foreign currency translation difference from foreign operations	-	-	-	(85)	-	(85)		
Balance at 30 June	26,254	(1)	(61)	(48)	30,096	56,240		
2024								
Balance at 1 January	26,254	(30)	(58)	65	32,647	58,878		
Loss for the period	-	-	-	-	(1,187)	(1,187)		
Foreign currency translation difference from foreign operations	-	-	-	(23)	-	(23)		
Dividends paid	-	-	-	-	(232)	(232)		
Grant of performance shares to employees	-	29	(3)	-	-	26		
Balance at 30 June	26,254	(1)	(61)	42	31,228	57,462		



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D. Condensed interim consolidated statement of cash flows

	Group	
	6 months ended 30 June	
	1H 2025	1H 2024
	\$'000	\$'000
Cash flows from operating activities		
Loss before income tax	(3,441)	(1,306)
Adjustments for:		
Depreciation of property, plant and equipment	1,705	1,416
Interest expense	90	60
Equity-settled Share-based payment transactions	-	26
Reversal of impairment loss on contract assets	(11)	(15)
Property, plant and equipment written off	86	13
Unwinding of discount on provision for restoration costs	15	14
Share of results of an equity-accounted investee	(83)	(64)
Interest income	(55)	(153)
Net (gain)/loss on disposal of property, plant and equipment	(644)	6
Operating cash flows before working capital changes	(2,338)	(3)
Changes in inventories	35	37
Changes in contract assets	(2,189)	(3,250)
Changes in trade and other receivables	4,121	10,108
Changes in trade and other payables	2,100	(4,989)
Changes in contract liabilities	(89)	123
Cash generated from operating activities	1,640	2,026
Tax paid (net)	(41)	(385)
Net cash generated from operating activities	1,599	1,641
Cash flows from investing activities		
Interest received	55	153
Proceeds from disposal of property, plant and equipment	815	8
Acquisition of property, plant and equipment	(565)	(931)
Net cash generated / (used in) from investing activities	305	(770)
Cash flows from financing activities		
Dividends paid	-	(232)
Proceeds from bank loans	742	-
Repayment of bank loans	(4,086)	(632)
Payment of lease liabilities	(84)	(75)
Interest paid	(91)	(60)
Net cash used in from financing activities	(3,519)	(999)
Net decrease in cash and cash equivalents	(1,615)	(128)
Cash and cash equivalents at beginning of period/year	10,268	9,720
Effect of exchange rate fluctuations on cash held (Note 1)	794	(275)
Cash and cash equivalents at end of period	9,447	9,317

Note 1: Translation impact due to strengthening of the SGD dollars against the USD dollars.

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E. Notes to the condensed interim consolidated financial statements**1. Corporate Information**

Mun Siong Engineering Pte Ltd (the “Company”) was incorporated in Singapore in 1969. It was converted to a public limited company in 2010 when its shares are quoted and traded on the main board of the Singapore Exchange.

The principal activities of the Company, including that of its subsidiaries and equity-accounted investee, are provisions of mechanical engineering, electrical engineering, project management and provision of specialized services to the process industries. Besides this, it is also an investment holding company.

To further the Company’s interest in Malaysia, the Group has three entities namely, HIMS Integrated Services Sdn Bhd (an equity-accounted investee) (“HIMS”) and Mun Siong Engineering Sdn Bhd, which in turn holds an equity interest in Pegasus Advance Engineering Sdn Bhd (the “PAE M”).

Its business interest in Taiwan started with a branch office (“Branch”) located in Kaohsiung, Taiwan. The financials of the Company include the results of the branch office. The Group also has a wholly owned subsidiary in Taiwan, namely Pegasus Advance Industrial Company Limited (“PAI”). PAI is also located in Kaohsiung.

For its US business, the Group set up an entity namely Pegasus Industrial Midwest Limited Liability Company (“PIM”) in the State of Illinois, USA. PIM is a wholly owned subsidiary of Pegasus Advance Engineering (US) Inc (“PAE US”). PAE US is wholly owned by Pegasus Advance Engineering (Netherlands) BV (“PAE Netherlands”) and it is also wholly owned by Pegasus Advance Engineering Pte Ltd (“PAE S”). The Company owns 100% interest in PAE S. PAE S, PAE Netherlands and PAE US principal activities are investment holding companies.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively the “Group”) and the Group’s interest in an equity-accounted investee.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim 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 annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year 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 condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

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2.1. New and Amended Standards Adopted by the Group

A number of amendments to the Standards have become applicable for the current reporting period. 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 condensed interim 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 expense. 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 year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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 interim period are:

- Revenue recognition: estimate of total contract costs used in determining the percentage of completion (refer to Note 4); and
- Impairment of property, plant and equipment (refer to Note 11).

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period. However, it should be noted that shorter working days in a month due to public holidays, for example Chinese New Year and Christmas, do affect the Group's revenue and operating performance.

4. Revenue

Revenue	Group	
	6 months ended 30 June	
	1H 2025	1H 2024
	\$'000	\$'000
Revenue from contracts with customers	31,771	30,339

Significant judgements are used to estimate total contract costs to complete. In making these estimates, management has relied on past experiences of completed projects. The estimated total contract costs are reviewed at every reporting period and adjusted where necessary, with the corresponding effect of change being recognized prospectively from the date of change.

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5. Segment and revenue information

The operating segments are reported in a manner consistent with internal reporting provided to the Group's Executive Committee who is responsible for allocating and assessing the performance of the operating segments. The Group's Executive Committee reviews internal management reports at least on a monthly basis.

There has been no change in reportable segment since FY2024.

Other services provided by the Group have been aggregated under the segment "Mechanical, electrical, instrumentation and others". None of these segments meets any of the quantitative thresholds for determining reportable segments in 1H2025 and 1H2024.

Reportable Segments	Group	
	6 months ended 30 June	
	1H 2025	1H 2024
	\$'000	\$'000
Revenue from external parties	31,771	30,339
Interest Income	55	153
Miscellaneous Income	25	25
Total other income	80	178
Total revenue and other income	31,851	30,517
Depreciation	1,705	1,416
Impairment of property, plant and equipment	-	-
Finance expense	90	60
Segment profit / (loss)	(3,549)	(1,395)
Unallocated segment profits	25	25
Fair value gain/(loss) on investment properties	-	-
Share of results of an equity-accounted investee	83	64
Consolidated profit/(loss) before income tax	(3,441)	(1,306)
Tax (expenses)/credit	(106)	(327)
Earnings for the interim period	(3,547)	(1,633)
Capital expenditures	565	931
Total assets for the reportable segment	61,523	61,882
Current tax assets	168	81
Investment properties	1,380	1,340
Investment in equity-accounted investee	918	726
Right-of-use assets	3,727	3,853
Consolidated total assets	67,716	67,882
Total liabilities for the reportable segment	23,769	16,065
Tax payable	27	503
Deferred tax liabilities	566	1,188
Consolidated total liabilities	24,362	17,756



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	Group	
	6 months ended 30 June	
	1H 2025	1H 2024
	\$'000	\$'000
Disaggregation of revenue		
Types of services:		
Rendering of services	31,771	30,339
Timing of revenue recognition		
At a point in time	24,710	26,949
Over time	7,061	3,390
	31,771	30,339
Geographical information		
Singapore	23,422	19,974
Indonesia	-	58
Malaysia	3,926	4,865
US	3,365	4,570
Taiwan	1,058	668
Philippines	-	204
	31,771	30,339

6. Financial Assets and Financial Liabilities

Set up below is an overview of the financial assets and financial liabilities of the Group and Company as of 30 June 2025 and 31 December 2024.

	Group		Company	
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	\$'000	\$'000	\$'000	\$'000
Financial Assets				
At amortised cost				
Trade and other receivables (exclude prepayments)	12,306	16,774	32,813	38,727
Cash and cash equivalents	9,447	10,268	8,159	7,429
	21,753	27,042	40,972	46,156
Financial Liabilities				
At amortised cost				
Trade and other payables	17,182	15,070	10,071	9,383
Loan from shareholder	1,808	1,808	1,808	1,808
Bank loans	754	4,098	754	4,098
	19,744	20,976	12,633	15,289

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Provision for expected credit losses ("ECL")

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default; or
- it is probable that the borrower will enter bankruptcy or financial reorganisation.

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

As at 30 June 2025, the Group's impairment for contract assets and trade receivables balances were \$41,000 (31 December 2024: \$52,000) and \$32,000 (31 December 2024: \$32,000) respectively.

7. Profit/(Loss) Before Income Tax**7.1. Significant Items**

	Group		
	6 months ended 30 June		Incr/ (Decr)
	1H2025	1H2024	(Decr)
	\$'000	\$'000	%
Depreciation of property, plant and equipment	1,705	1,416	20.4
Net (gain) / loss on disposal of property, plant and equipment	(644)	6	NM
Property, plant and equipment written off	86	13	561.5
Reversal on impairment loss on contract assets	(11)	(15)	(26.7)
Equity-settled share-based payment transactions	-	26	(100.0)
Net foreign exchange loss /(gain)	698	(377)	(285.1)
Finance (income)/expenses:			
Interest income	(55)	(153)	(64.1)
Interest on borrowings	52	19	173.7
Interest on lease liabilities	38	41	(7.3)
Unwinding of discount on provision for reinstatement costs	15	14	7.1
(Over)/under provision of tax in respect of prior years	12	117	(89.7)

NM: not meaningful

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7.2. Related Party Transactions

	Group	
	6 months ended 30 June	
	1H 2025	1H 2024
	\$'000	\$'000
Income/(expense)		
<i>Equity-accounted investee</i>		
Revenue from contract (rendering of services)	3,505	3,975
Management fees paid	(65)	(56)
Transactions with key management personnel		
- Directors' fees	(77)	(74)
- Short-term employee benefits	(870)	(951)

8. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	6 months ended 30 June	
	1H 2025	1H 2024
	\$'000	\$'000
<u>Current tax expense</u>		
Current year	45	91
Under / (over) provision in respect of prior years	12	117
<u>Deferred tax expenses / (credit)</u>		
Origination and reversal of temporary differences	49	119
Total tax expense	106	327

9. Dividends

No interim dividends for the first half ended 30 June 2025 (30 June 2024: \$Nil) is recommended.

10. Net Asset Value

	Group		Company	
	30 June 2025	31 Dec 2024	30 June 2025	31 Dec 2024
Net asset value per ordinary share based on existing issued share capital as at the respective dates (cents)	7.46	8.02	9.67	9.76
Number of shares (issued and issuable) used in computing net asset value per ordinary share	581,512,400	581,512,400	581,512,400	581,512,400

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11. Property, Plant and Equipment

	Group	
	6 months ended 30 June	
	1H2025	1H2024
	\$'000	\$'000
<u>Acquisition</u>		
Property, plant and equipment	565	931
Rights of use assets	-	-
	<u>565</u>	<u>931</u>
<u>Disposal and Write off</u>		
Property, plant and equipment	(257)	(27)
Rights of use assets	-	-
	<u>257</u>	<u>(27)</u>

For the period under review, the Group's market capitalization is lower than its net assets as at 30 June 2025. The Group performed an impairment assessment of its property, plant and equipment by determining the recoverable amount based on the value in use. This assessment requires significant judgement and takes into account past performance, management's expectations of market development, future cash flow and discount rates. The recoverable amount could change significantly, as a result of changes in market conditions and the assumptions used in determining the recoverable amount. Management assessed that no impairment losses were necessary for the period ended 30 June 2025.

The Group does not have any outstanding capital commitments as at 30 June 2025 (31 December 2024: \$Nil)

12. Investment Properties

The Group's investment properties consist of commercial properties, held for long-term rental yields and capital appreciation. These properties are not occupied by the Group and are leased to unrelated third parties under operating leases.

	Group and Company	
	2025	2024
	\$'000	\$'000
Investment Properties		
At 1 January	1,380	1,340
Fair value gain	-	-
At 30 June	<u>1,380</u>	<u>1,340</u>

12.1. Valuation

The Group engages external independent qualified valuers to determine the fair value of the Group's investment properties at the end of each financial year. The fair value measurement for all the investment properties has been categorized as a Level 2 fair value based on direct comparison method.

For the twelve months ended 31 December 2024, the Group recognized a fair value of \$40,000 on the investment properties.

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For the period ended 30 June 2025, the Group did not engage an independent valuer to determine the fair value. However, management had taken into consideration those underlying factors that would have made an impact to the fair value of the investment properties since the last valuation done in December 2024, including any tenant changes, assessing market rentals etc. For the period ended 30 June 2025, management assessed that there were no changes in the fair value of the investment properties.

13. Loans and Borrowings

	Group		Company	
	30 June 2025	31 Dec 2024	30 June 2025	31 Dec 2024
	\$'000	\$'000	\$'000	\$'000
<u>Amount repayable within one year</u>				
Lease liabilities (secured)	149	164	60	59
Bank loans				
-secured	-	-	-	-
-unsecured	754	4,098	754	4,098
Loan from shareholder (unsecured)	1,808	1,808	1,808	1,808
	<u>2,711</u>	<u>6,070</u>	<u>2,622</u>	<u>5,965</u>
 <u>Amount repayable after one year</u>				
Lease liabilities (secured)	1,314	1,382	1,271	1,302
Bank loans				
-secured	-	-	-	-
-unsecured	-	-	-	-
Loan from shareholder (unsecured)				
	<u>1,314</u>	<u>1,382</u>	<u>1,271</u>	<u>1,302</u>
	<u>4,025</u>	<u>7,452</u>	<u>3,893</u>	<u>7,267</u>

The secured borrowings (including lease liabilities) are secured against the respective operating assets and right-of-use assets.

In 2020, the Company drew down a loan amounting to \$5.0 million, that was part of the Singapore government support given to local enterprises in response to the Covid-19 pandemic ("Temporary Bridging Loan"). The loan is unsecured, for a tenor of 5 years (ending August 2025) and is repayable monthly. Interest payments commenced in August 2020 and principal repayments commenced in August 2021. The loan carries fixed interest rates of between 2.0% and 2.1% per annum. This is significantly below the Group's current borrowing cost. The total outstanding loan as at 30 June 2025 was \$281,000 (31 December 2024 was \$926,000) and are repayable within one year.

In the period under review, total short-term borrowings (including invoice financing) of \$4,086,000 were repaid. It also drew down new short-term borrowings, mostly invoice financing, of \$742,000 in the current period to finance its working capital needs. These short-term borrowings (including invoice financing) are unsecured, interest bearing between 3.36% to 4.0% per annum and has a tenor of 120 days.

In FY2024, the Company drew down in full \$1.8 million (comprising SGD 1.5 million and RM 1.0 million) of the credit facilities extended by the executive director/controlling shareholder. These loans were applied to working capital. This is an Interested Party Transaction (Chapter 9 of the SGX-ST listing rules) and has been announced on the SGX-ST on 28 February 2024.

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The controlling shareholder (lender) has given the consent to the Company (borrower) to rollover the outstanding loan amount upon maturity as allowed in the credit facilities agreement. Hence, no repayment was made during the period under review. As at 30 June 2025, the loan from controlling shareholder remains at \$1.8 million. Both the SGD and RM loans are unsecured. The SGD loan bears interests at 2.80% to 3.26% per annum and will mature in August 2025. The RM loan bears interests at 3.0% per annum and will mature in September 2025. As at the date of this announcement, the lender (executive director/controllers shareholder) has expressed willingness to rollover these two outstanding amounts.

For the period ended 30 June 2025, the total interest expense incurred relating to these credit facilities was \$26,000. Interest rates on third party loans (extended by financial institutions) on similar terms and conditions is priced above 3.3% pa which is higher than that paid under this interested party transactions.

The hire purchase agreement entered in FY2024 and the outstanding balance as at 31 December 2024 of \$27,000 were fully repaid in the current period. As at 30 June 2025, the Group and Company did not have any hire purchase outstanding amounts.

14. Share Capital

	Group and Company			
	As at 30 June 2025		As at 31 Dec 2024	
	Number of shares '000	Amount \$'000	Number of shares '000	Amount \$'000
Issued and paid-up share capital				
As at beginning and end	581,546	26,254	581,546	26,254
Treasury shares				
As at 1 January	34	1	834	30
Purchase of treasury shares	-	-	-	-
Reissuance of treasury shares pursuant to share plan	-	-	(800)	(29)
As at the end	34	1	34	1

The total number of issued shares excluding treasury shares as at 30 June 2025 was 581,512,400 (31 December 2024: 581,512,400).

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2025 and 31 December 2024.

15. Subsequent Event

There are no known subsequent events, as at the date of this announcement, which have led to adjustments to this set of interim financial statements.



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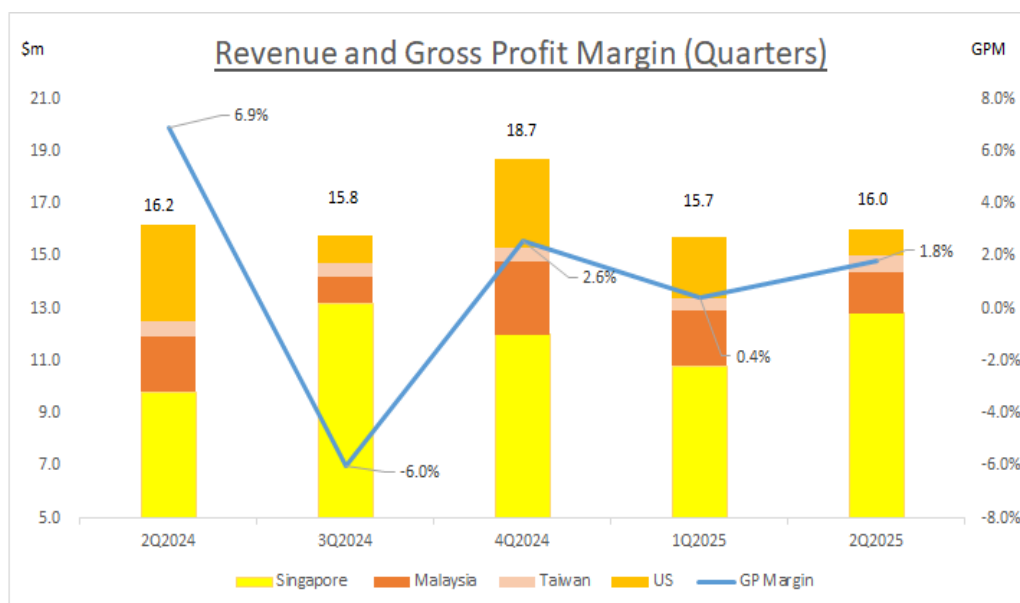
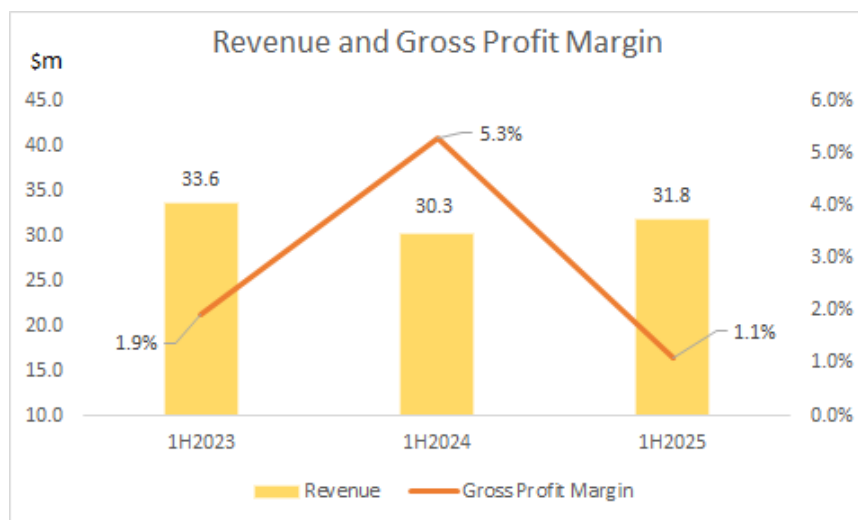
F. Other Information Required by Listing Rule Appendix 7.2

1. Whether the figures have been audited or reviewed

The condensed consolidated statement of financial position of Mun Siong Engineering Ltd and its related companies as at 30 June 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Revenue and Profitability



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	1H2025		1H2024		Variance	
	\$'000	%	\$'000	%	\$'000	%
Operations						
Singapore	23,599	74.3%	21,034	69.3%	2,565	12.2%
Malaysia	3,749	11.8%	4,067	13.4%	(318)	-7.8%
Taiwan	1,058	3.3%	668	2.2%	390	58.4%
US	3,365	10.6%	4,570	15.1%	(1,205)	-26.4%
Sales	31,771	100.0%	30,339	100.0%	1,432	4.7%
Cost of Sales	31,426	98.9%	28,735	94.7%	2,691	9.4%
Gross Profit /(loss)	345	1.1%	1,604	5.3%	(1,259)	-78.5%

The Group recorded revenue of \$31.8 million and \$30.3 million for the period ended 30 June 2025 ("1H2025") and 30 June 2024 ("1H2024") respectively. Comparing against corresponding period, there was more volume of work for the Singapore and Taiwan operations. The Malaysia and US operations, on the other hand, registered weaker revenue due to lower volume of work and smaller dollar value of work in the current period. This resulted in a net increase in revenue of \$1.4 million or 4.7% in the period under review.

Cost of sales increased by \$2.7 million or 9.4% to \$31.4 million for the current period. The increase was due to the Singapore operations engaging more subcontractors (cost into our quotations) to supplement its existing workforce for certain project works. The Group increased engineering headcounts to beef up our engineering capabilities to support the Group operations. In the period under review, US operations undertook a fabrication work which requires both materials of higher specifications and specialized equipment (which we hired). Due to delivery delays of these specialized materials from the Canada suppliers in 2Q2025 (arising from US unilateral imposition of trade tariffs) and to meet customers delivery schedule, 30 June 2025, we had to incur additional manpower costs to complete it. Besides additional labor costs, we were unable to pass the additional import taxes (tariffs) to that customer.

The Group incurred a gross profit of \$0.3 million (gross profit margin of 1.1%) in 1H2025 as compared to a gross profit of \$1.6 million (gross profit margin of 5.3%) in 1H2024.

Comparing 1H2025 and 1H2024, the lower gross profit and gross profit margin incurred in the current period were due to:

- (1) Unlike in 1H2024, when the US operations successfully executed its maiden high-value Turnaround Project, there were no similar projects undertaken during the current period. In 1H2025, the revenue composition shifted, with a higher proportion of smaller-value jobs and a broader mix of services. While this diversification supported activity levels, it yielded comparatively lower margins. Additionally, the overall margin was impacted by challenges in the fabrication work, resulting in a gross operating loss for the period.
- (2) In the absence of shut down activities during 1H2025, the Malaysia operations experience weaker revenue.

Due to our revenue recognition policies, costs to certain completed work have been included in 1H2025. Revenue is recognized when the business partner confirms the work claims/billing, subsequent to 1H2025.

Both the weaker revenue and recognizing costs ahead of revenue contributed to its gross operating losses.

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Singapore operations

The Singapore operations registered revenue of \$23.6 million in 1H2025 as compared to a revenue of \$21.0 million in 1H2024; an increase of \$2.6 million or 12.2%. There was more work in the second quarter of 2025 ("2Q2025") which resulted in higher productivity efficiency. The Singapore operations closed at higher gross profit in current period as compared to the corresponding period. With higher productivity efficiency, compared against the corresponding period, the gross profit margin in the current period improved by 7.7%.

Taiwan operations

There was more work in 1H2025 which resulted in an increase in revenue of \$0.4million or 58.4%. It registered gross profit in 1H2025 as compared to a gross loss in 1H2024.

Malaysia operations

The Malaysia operations registered revenue of \$3.7 million and \$4.1 million in 1H2025 and 1H2024 respectively, decrease of \$0.4 million or 7.8%. In 1H2024, the different sections of the Pengerang Facilities were shut down resulting in more work for the Malaysia operations. There was no shut down in the current period. The volume of work also decreased gradually in 2Q2025 as the Pengerang Facilities was preparing for Creditors Reliability Test ("CRT") which commenced in later part of June 2025. CRT is an operation test on the capabilities of the Pengerang facilities conducted by PRefchem.

It is also in the process of finalizing completed work claims with our business partner. Both the weaker revenue and recognition of costs ahead of revenue caused it to incur a gross loss in 1H2025 as compared to a gross profit in 1H2024.

US operations

The US operations recorded revenue of \$3.4 million in 1H2025, compared to \$4.6 million in the same period last year. The difference of \$1.2 million (or 26.4%) was primarily attributable to the absence of high-value projects such as turnaround work, which contributed significantly in 1H2024. The shift in project mix, combined with margin pressures and challenges in fabrication work, resulted in a gross loss for the period, compared to a gross profit in the prior year. Costs (losses) related to this fabrication work have been substantially accrued (recognized) in 1H2025 and will not impact its 2H2025 performance.

Other income and recoveries (increased by \$0.5 million or 209.2%)

The increase was due to gain on disposal of fixed assets and recovery of past medical claims in the period under review.

Administration Expenses (increased by \$60,000 or 1.6%)

The administrative costs in both periods were comparable and the costs increased in current period was insignificant.

Other Operating Income/ (Expenses) (decreased by \$1.2 million or 276.2%)

The Group incurred exchange losses of \$0.7 million in 1H2025 as compared to an exchange gain of \$0.4 million in 1H2024. The exchange losses in 1H2025 arose mainly from the strengthening of the SGD against the USD. These exchange losses are mostly unrealized and arose mainly from the Group's USD cash balances and foreign currency monetary balances (including intercompany balances) denominated in USD dollars.



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Finance Income (decreased by \$98,000 or 64.1%)

The lower finance income in the current period was due to lesser surplus funds (cash balances above working capital needs) placed in interest bearing deposits.

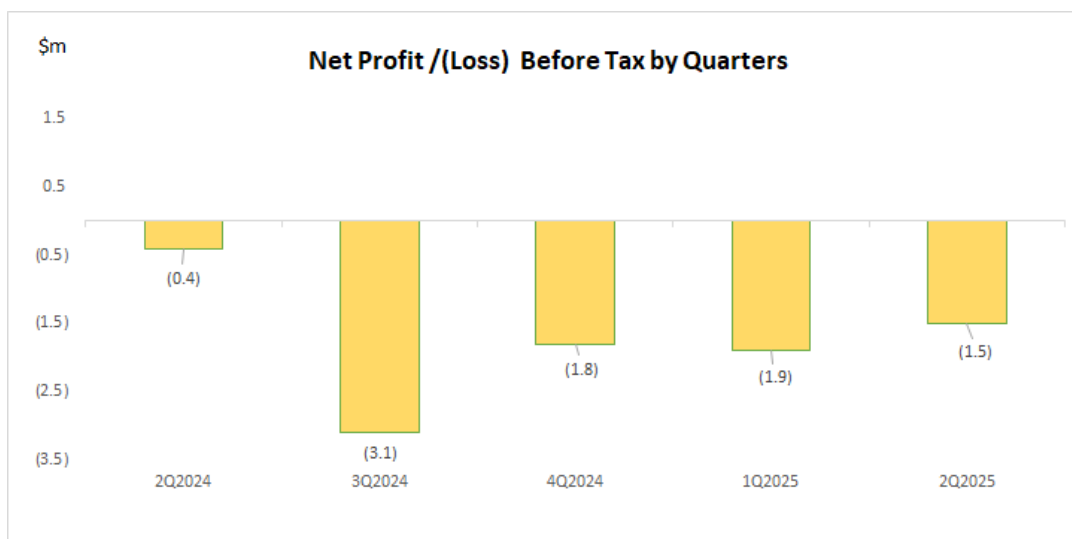
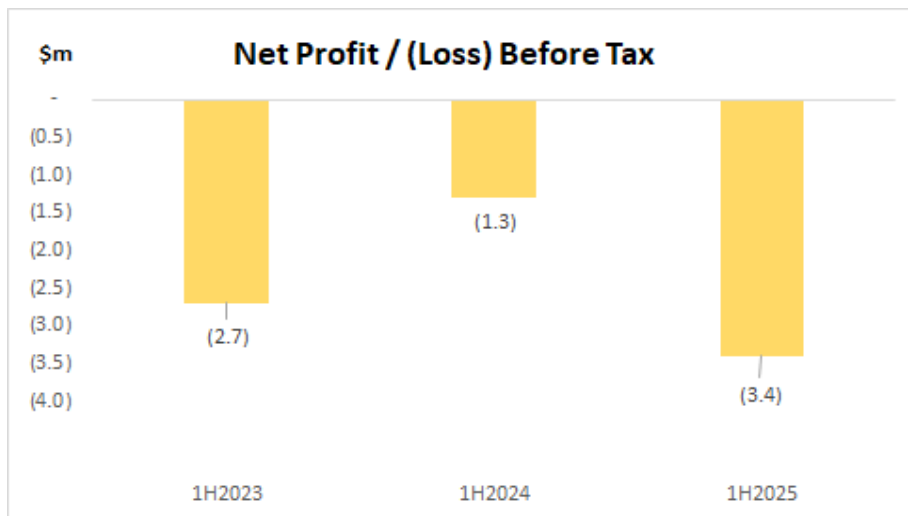
Finance Costs (increased by \$31,000 or 41.9%)

The increase in finance costs was due to interest for loans extended by the executive director/controlling shareholder and invoice financing of \$26,000 and \$5,000 respectively however 1H2024 we did not incur these costs.

Tax Expense (decreased by \$221,000 or 67.6%)

The Group incurred higher operating losses in 1H2025 as compared to 1H2024. This resulted in the Group making a lower tax provision for the period under review.

Current period performance



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	1H2025	1H2024
	\$'000	\$'000
Net profit / (loss) before tax	(3,441)	(1,306)
Add		
Depreciation	1,705	1,416
Finance costs	105	74
EBITDA	(1,631)	184

The Group recorded a net loss before tax of \$3.4 million and \$1.3 million for 1H2025 and 1H2024 respectively. In the absence of other income and recoveries, the operating losses would have been \$4.2 million and \$1.9 million respectively. The higher income and recoveries – in 1H2025 which was higher as compared to 1H2024 – has reduced the impact of the operating losses.

- Although the Singapore operations incurred net losses in both periods, the Singapore operations was able to narrow its net losses by 50% in the current period due to more work;
- The US operations reported net losses in both periods. The higher net loss in the current period was mainly attributed by the absence of high-value projects and higher costs (one of which the impact of unforeseen tariff-related costs) associated with fabrication work, which affected gross profitability;
- Weaker revenue (arising fewer works and recognizing costs ahead of revenue) resulted in the Malaysia operations incurring a net loss in the current period as compared to a net profit in the corresponding period; and
- Taiwan operations incurred net profit in the current period as compared to a net loss in 1H2024.

The Group generated negative EBITDA of \$1.6 million in 1H2025 as compared to a positive EBITDA of \$184,000 in 1H2024.

Review of statements of financial position

- (i) *Property, plant and equipment (Group decreased by \$1.9 million / Company decreased by \$0.5 million)*

The property, plant and equipment include rights of use assets and reinstatement.

During the period under review, the Group added \$0.6 million to fixed assets. This addition was offset by depreciation costs of \$1.7 million, write-off and disposal of fixed assets amounting to \$0.3 million and translation adjustment of \$0.5 million. The translation adjustment relates mostly to the US operations due to strengthening of SGD against the USD dollars.

At the Company level, the addition of fixed assets of \$0.6 million was offset by depreciation costs of \$1.0 million and the write-off and disposal of fixed assets amounting to \$0.1 million.

- (ii) *Non-current Receivables (Company decreased by \$0.6 million)*

These intercompany loans were extended to legal entities (Malaysia and US operations) within the Group, for working capital and past capital expenditures. The decrease of \$0.6 million was mainly due to foreign currency translation as some of these balances, (other than quasi-equity), are denominated in USD dollars.

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There was no repayment during the period under review as the Company had in FY2024 agreed to extend their repayments.

There were no third-party receivables in non-current receivables.

- (iii) *Contract assets (Group increased by \$2.2 million/ Company increased by \$2.5 million).
Contract liabilities (Group decreased by \$89,000)*

Group	30-Jun-25	31-Dec-24	Variance
	\$'000	\$'000	\$'000
Contract assets	11,559	9,370	2,189
Less impairment for contract assets	(41)	(52)	11 (Note 1)
Net contract assets	11,518	9,318	2,200

Note 1: as amount was billed, we wrote back the impairment in 1H2025.

In the period under review, the increase in contract assets of \$2.2 million, from 31 December 2024, were mainly due to more work completed in 2Q2025 from the Singapore operations; an increase of \$2.5 million. Taiwan and US operations also saw increases in contract assets, totaling \$0.4 million.

For the Malaysia operations, there was a decrease in contract assets of \$0.7 million due to slow down in work activities in 2Q2025 and increase in billings for the past completed works. Our business partner has expedited processing and approving our completed work. Other than an existing impairment of \$41,000 brought forward from FY2024, no further impairment was deemed necessary as the business partner is credit worthy and has not disputed our claims. Management remains actively engaged with this business partner to expedite the approval process for the remaining work claims.

At the Company level, the increase of \$2.5 million in contract assets were due to more work in 2Q2025 for the Singapore operations.

The Group and Company did not receive any advances from customers (contract liabilities) for the period ended 30 June 2025.

- (iv) *Trade and other receivables (Group decreased by \$4.1 million / Company decreased by \$5.1 million)*

Group

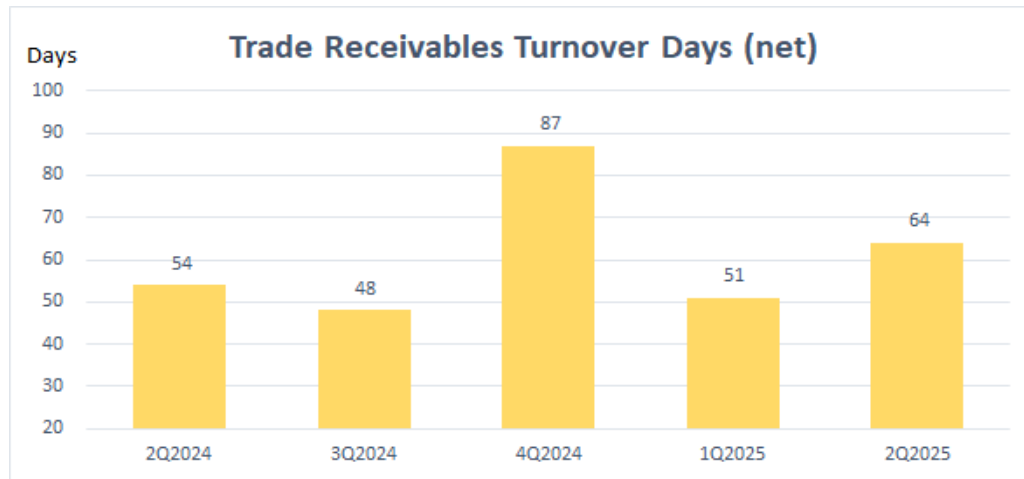
The trade receivable balances as at 30 June 2025 and 31 December 2024 were \$11.0 million and \$15.4 million respectively. The decrease of \$4.4 million was due to the conversion of trade receivables into cash.

Other receivables (deposits and prepayments) as at 30 June 2025 and 31 December 2024 were \$1.9 million and \$1.6 million respectively. The increase of \$0.3 million was due to the increase in prepayments and advance payments for materials (used in jobs). There was also an increase in retention sum for certain completed jobs in Taiwan.

As at 28 July 2025, \$7.1 million or 64.2% of the trade receivables as at 30 June 2025 had been converted into cash. No impairment was deemed necessary for the remaining outstanding trade receivables balances.

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Trade receivables turnover remains healthy – 87 days (31 December 2024) and 64 days (30 June 2025).

At the Company level, the trade and other receivables balances were \$12.2 million and \$17.2 million as at 30 June 2025 and 31 December 2024 respectively. The decrease of \$5.0 million was due to:

- (a) Decline in trade receivables balances of \$5.3 million due to conversion of trade receivables into cash; and
- (b) increase in non-trade activities amount due from related companies of \$0.3 million.

(v) Loans and Borrowings (Group and Company decreased by \$3.4 million)

Loans and borrowings comprise the temporary bridging loan, short terms loan, invoice financing, hire purchase and lease liabilities.

Between 31 December 2024 and 30 June 2025, the Group and Company added invoice financing of \$0.7 million and repaid \$4.1 million of borrowings.

The loan from executive director/controlling shareholder continues to be outstanding with balances of \$1.8 million as at 30 June 2025.

As at 30 June 2025 and 31 December 2024, our gross debt to shareholders funds (including shareholders loans) ratio was 9.3% and 16.0% respectively.

(vi) Trade and other payables (Group increased by \$2.1 million and Company increased by \$0.7 million)

Trade and other payables (Group) balances as at 30 June 2025 and 31 December 2024 were \$17.2 million and \$15.1 million respectively. The increase of \$2.1 million was due to more work activities in 2Q2025, resulting in more trade payables and accruals of expenses recognized in the period under review and timing of payments to suppliers.

The Company's trade and other payables balances as at 30 June 2025 and 31 December 2024 were \$10.1 million and \$9.4 million. The increase of \$0.7 million was due to (i) higher trade payable and accrual balances due to increase in work activities in 2Q2025 and (ii) timing of payments for intercompany payable balances.

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(vii) *Translation Reserve (Group increased by \$0.3 million and Company decreased by \$0.1 million)*

The higher translation gain at the Group level was due to the strengthening of the SGD against the USD dollars as at 30 June 2025.

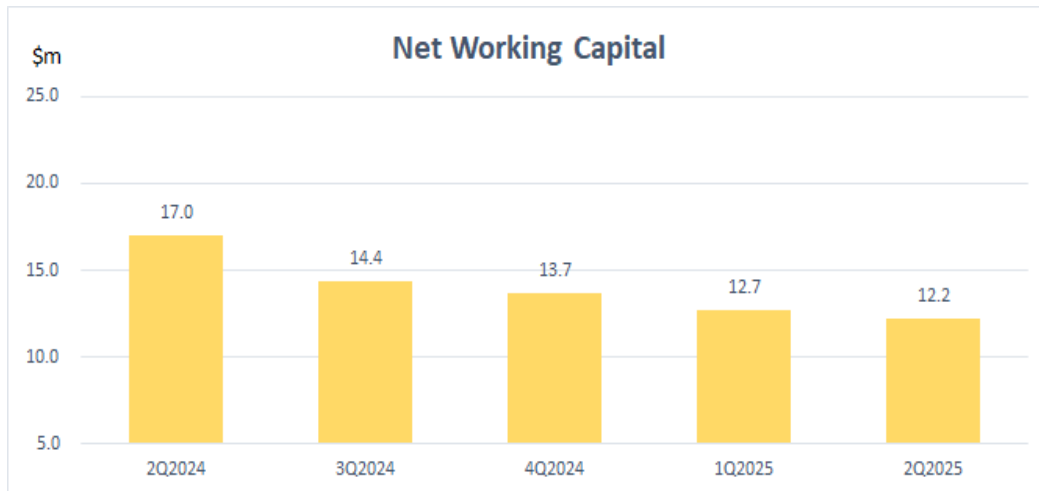
The translation loss at the Company level was due to the weakening of the SGD against the Taiwan dollars as at 30 June 2025.

Review of cash flow statement

The Group reported a cash balance of \$9.4 million as at 30 June 2025 (31 December 2024: \$10.3 million). The decrease in cash balances of \$0.9 million was due to

	\$ million
Net cash generated from operating activities	1.6
Net cash generated from investing activities	0.3
Net cash used in financing activities	(3.5)
Exchange rate impact on fluctuations	0.7
Net decrease in cash balances	(0.9)

As at 30 June 2025, the Company's cash balances were \$8.2 million (31 December 2024: \$7.4 million). The increase of \$0.7 million was mostly due to realization of trade receivables from 31 December 2024 and timing of payments to suppliers.



Net working capital (current assets less current liabilities) was \$12.2 million as at 30 June 2025 as compared to \$13.7 million as at 31 December 2024. The decline in working capital of \$1.5 million was mainly due to operating losses incurred in the period under review.

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

No forecast was previously provided.

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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 operating period and the next 12 months

Operating Environment:

Amid the current fluctuations in oil prices, many plant owners are proactively undertaking restructuring initiatives to enhance operational efficiency and optimise cost structures. As part of these efforts, some are strategically adjusting the timing or frequency of major maintenance activities, including planned Turnaround (TA) projects, to better align with business priorities.

Concurrently, selected operators are evaluating strategic asset sales, which may temporarily moderate project activity. While these shifts have led to a more selective tendering environment in the near term, they also present opportunities for more targeted and value-driven maintenance and project execution going forward.

The market for maintenance service providers has become increasingly competitive. With fewer sizable projects (value more than \$3.0 million) available, existing players are now contending aggressively for smaller-scale work, leading to further margin pressures and the need for enhanced productivity efficiency.

Coupled with the already thin margins from awarded project works, our Singapore operations will exercise discipline in resource management between our directly employed workforce and subcontracted labor. While subcontractors tend to be less productive and more costly, they remain a necessary part of the execution strategy, helping to bridge manpower gaps during the peak periods. This approach enables us to retain control over project management and quality, while maintaining the flexibility needed to respond to fluctuating project demands.

The Pengerang facilities are currently undergoing a Creditors Reliability Test ("CRT") over a three-month period beginning in late June 2025. CRT is an operation test on the capabilities of the Pengerang facilities conducted by PRefchem. Depending on the outcome of the CRT, there is potential for an uptick in work volume. In parallel, we intend to leverage this period to strengthen workforce capabilities through targeted training for our directly employed personnel and to streamline key operational processes.

In 2024, the successful execution of Turnaround projects for two key business partners in the U.S. attracted the attention of several plant owners in the surrounding Midwest region, particularly those with substantial processing capacities. As a result, our U.S. operations are currently engaged in discussions with these potential clients on initial small-scale work orders, which serve as capability assessments as part of their due diligence and pre-qualification processes.

To support these emerging opportunities, we anticipate incurring additional expenditure in the coming months to meet the necessary technical and compliance requirements. At the same time, our U.S. team continues to focus on expanding the scope of work with existing clients, with the goal of strengthening relationships and securing a more stable and recurring revenue base.

Liquidity:

Since FY2024, we have experienced a steady decline in net working capital which has since stabilized in the last 3 quarters (since 4Q2024). The loans from the executive director/controllers shareholder (Cheng Woei Fen), besides obvious cost savings, gave management greater latitude in cashflow management. These loans will play a material role in FY2025 and FY2026.

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Financial resources will be prioritized towards improving the Group's performance and meeting both financial and business obligations. The Board will not be recommending any dividends for FY2025.

Foreign Currencies Exposures:

In the near term, the Monetary Authority of Singapore, will continue to pursue a stable and stronger Singapore Dollar against currencies of its trading partners like US Dollar, Malaysia Ringgit and Taiwan Dollar.

1H2025 the Group recognized foreign exchange losses of \$0.7 million arising from its intercompany and cash balances related to its wholly owned foreign entities – Malaysia, Taiwan and United States.

However, loans extended to these wholly owned entities intended for longer term objectives or pay backs (acquisitions of land and building or plants and equipment) have their repayment extended and are now classified as “non-current receivables”. Changes between the Singapore Dollar and local currencies are accounted for in “foreign currency translation difference from foreign operations” – other comprehensive income and accounted for in the balance sheet.

5. Dividend Information

No dividend has been declared or recommended for the period ended 30 June 2025.

6. Interested person transactions.

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

The aggregate value of the interested person transaction for the period under ended 30 June 2025 was as follows: -

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920	
		Period ended		Period ended	
		30 June 25	30 June 24	30 June 25	30 June 24
		\$'000	\$'000	\$'000	\$'000
Cheng Woei Fen	Executive Chairlady /Controlling Shareholder				
The total interest expense on the shareholder loan for the period ended 30 June 2025 amount to \$26K (30 June 2024:\$Nil)					
Total Interested Person Transactions		-	-	-	-



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7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

8. Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2025 to be false or misleading in any material aspect.

9. Disclosure pursuant to Rule 706A of the Listing Manual

For the period 1 January 2025 to 30 June 2025, there are no changes to the Company and the Group shareholding percentages in its respective subsidiaries and associated company,

Neither the Company nor any of the Group's entities incorporate any new subsidiary or associated company during this period.

On behalf of the Board of Directors

Cheng Woei Fen
Executive Chairlady

Quek Kian Hui
Executive Deputy Chairman and CEO

7 August 2025