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FOR IMMEDIATE RELEASE

- **Bahrain Market Headwinds and UAE Pre-Operating Expenses Weighed on 1HFY2026 Results;**
- **UAE Facility Operational and Making Progress;**
- **S$0.8 Million Gain from Pemac Disposal Recognized under Discontinued Operation**

Singapore, 7 November 2025 – SGX Mainboard-listed MTQ Corporation Limited ("MTQ" or "Group"), an established regional engineering, repair and maintenance services group, reported today its results for the six months ended 30 September 2025 ("1HFY2026").

Financial Highlights	1HFY2026	1HFY2025	Chg
	SGD'000	SGD'000	%
Revenue	22,964	33,430	(31)
Gross Profit	**5,228**	**10,941**	(52)
Gross Profit Margin	***22.8%***	***32.7%***	
Other Income	500	408	23
Other Operating Expenses	(4,629)	(5,014)	(8)
Staff Costs	(3,273)	(4,111)	(20)
Finance Costs	(760)	(711)	7
(Loss)/Profit Before Tax, from continuing operations	**(2,934)**	**1,513**	n/m
Tax Credit/(Expense)	60	(20)	n/m
(Loss)/Profit After Tax, from continuing operations	**(2,874)**	**1,493**	n/m
Profit from discontinued operation, net of tax	**841**	**721**	17
(Loss)/Profit After Tax	**(2,033)**	**2,214**	n/m

Financial Review

The Group reported S$23.0 million revenue for 1HFY2026, a decrease of 31% year-on-year ("YOY") compared to S$33.4 million in 1HFY2025, largely attributable to weaker performance from Bahrain, reflecting continued market softness and volatility in Saudi Arabia and Bahrain. Revenue in Singapore was also lower compared to 1HFY2025, mainly due to timing factors and reduced contributions from the trading business, though underlying activity levels remained relatively healthy. Correspondingly, the Group's gross profit margin declined to 22.8% (from 32.7% in 1HFY2025), primarily due to lower utilization during the period.

Revenue by geographical segment	2HFY2024	1HFY2025	2HFY2025	1HFY2026
	SGD'000	SGD'000	SGD'000	SGD'000
Singapore	14,021	17,021	13,091	**11,852**
Bahrain	16,108	14,483	15,462	**9,359**
United Kingdom	3,235	1,926	1,294	**1,753**
Total	**33,364**	**33,430**	**29,847**	**22,964**

For 1HFY2026, the Group also recorded higher UAE-related pre-operating expenses amounting to approximately S$1.9 million (of which about S$0.9 million were recognized within staff costs and other operating expenses), in line with the ramp-up of its new operations in the region. Despite these, total staff costs and other operating expenses were lower compared to 1HFY2025 reflecting the Group's continued cost discipline through tighter control and regular revalidation of major expenditure areas. Finance costs, however, increased in line with higher borrowings during the period.

Profit from discontinued operation comprised the gain on disposal of Pemac, following the completion of the transaction on 14 April 2025.

Overall, the Group's reported a net loss after tax of S$2.0 million in 1HFY2026, compared to a profit of S$2.2 million in 1HFY2025.

Cash flows	1HFY2026	1HFY2025
	SGD'000	SGD'000
Net cash from/(used in):		
- **Operating activities**	(225)	2,576
- **Investing activities**	(1,564)	545
- **Financing activities**	1,100	(8,835)
Net decrease in cash and cash equivalents (inclusive of exchange rate effects)	(813)	(5,899)

The Group recorded net cash outflows of S$0.2 million from operations in 1HFY2026. Investing activities mainly comprised capital expenditure of approximately S$5.0 million related to the Group's expansion into the UAE, and proceeds of about S$3.8 million received from the disposal of Pemac. After accounting for a net drawdown of S$3.0 million in bank borrowings and the payment of FY2025's final dividend of S$1.1 million, the Group ended the period with cash and cash equivalents of S$6.9 million as at 30 September 2025 (31 March 2025: S$7.7 million).

Balance Sheet	30 Sept 2025	31 Mar 2025
	SGD'000	SGD'000
Net current assets	27,581	35,770
Net assets	75,560	81,209
Cash and cash equivalents	6,853	7,666
Bank borrowings	19,484	16,531
Shareholder's funds	75,560	81,209
Net gearing[1]	14.3%	9.8%
Net assets value per share[2]	34 cents	36 cents

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

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

Within the balance sheet, S$5.7 million of bank borrowings were reclassified from non-current to current liabilities as the related revolving credit facility ("RCF") now matures within one year from the reporting date. The Group will be commencing discussions with the relevant bank to renew this facility, in addition to another RCF that was renewed earlier this financial year. Separately, a long-term financing arrangement, with tenure extending to 2032, was fully drawn down as at end of September 2025.

Results & outlook

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

"The first half of FY2026 has been challenging for the Group, particularly for our Bahrain operations, which continued to experience slower order conversion amid ongoing market uncertainties in Saudi Arabia and Bahrain. In Singapore, revenue was lower, though underlying business activity has remained relatively stable.

Our new UAE facility is now operational, with initial key industrial certifications obtained and further qualifications underway to strengthen our customer base in the region. We have also started completing some initial work, with additional orders secured and scheduled in the coming months as we gradually build momentum."

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

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

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