

## INDUSTRY OVERVIEW

*The information and statistics set out in this section and other sections of this document were extracted from various official government publications, publicly available market research, other sources provided by independent suppliers, and the independent industry report prepared by CIC (the “CIC Report”). We engaged CIC to prepare the CIC Report, an independent industry report, in connection with the [REDACTED]. We believe that the sources of information contained in this section are appropriate sources for such information and have taken reasonable care in reproducing such information. We have no reason to believe that such information is false or misleading or that any material fact has been omitted that would render such information false or misleading. The information from official government sources has not been independently verified by us, any of the Sole Sponsor, the Sole [REDACTED], [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED] and the [REDACTED], any of their respective directors and advisors, or any other persons or parties involved in the [REDACTED], and no representation is given as to its accuracy.*

## SOURCES OF INFORMATION

We engaged CIC, an independent market research and consulting company that provides industry consulting services, commercial due diligence, and strategic consulting, to conduct detailed research on and analysis of the Singapore M&E engineering industry. We have agreed to pay a fee of RMB400,000 to CIC in connection with the preparation of the CIC Report. We have incorporated certain information from the CIC Report into this section, as well as into “Summary”, “Business”, “Financial Information”, and elsewhere in this document to provide potential [REDACTED] with a comprehensive presentation of the industries where we operate.

CIC conducted both primary and secondary research using a variety of resources. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analysing data from various publicly available data sources, such as the Singapore Department of Statistics, Building and Construction Authority of Singapore, etc.

The CIC Report was compiled based on the following key assumptions: (i) the overall social, economic, and political environment in Singapore is expected to remain stable during the forecast period; (ii) relevant key industry drivers are likely to drive the M&E engineering market in Singapore during the forecast period; and (iii) there is no extreme force majeure or unforeseen set of industry regulations in which the market may be affected in either a dramatic or fundamental way.

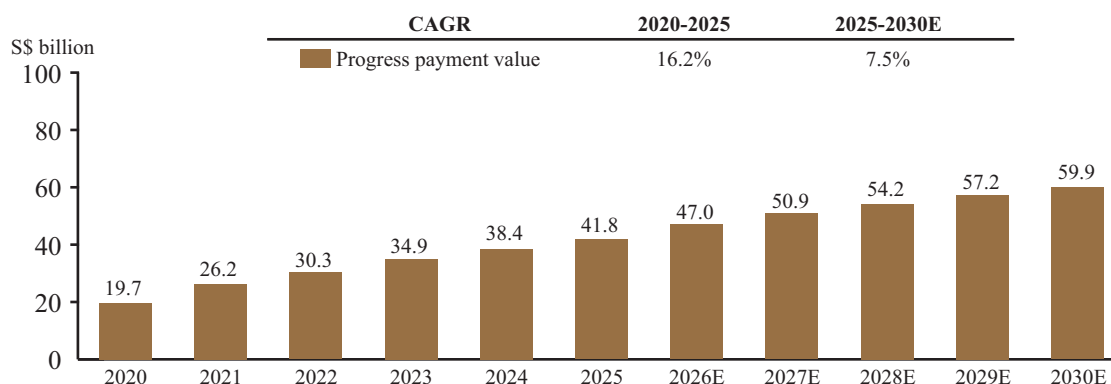
## OVERVIEW OF SINGAPORE CONSTRUCTION INDUSTRY

The Singapore construction industry mainly comprises the construction, development, upgrading, refurbishment and maintenance of buildings and infrastructure in the public and private sectors, involving a broad range of building, civil engineering, M&E engineering and other specialist works. Singapore’s continued economic expansion has provided fundamental support for the construction industry. It has not only increased demand for productive and public-use built assets, but also strengthened the fiscal investment capacity of the government and other demand-side participants to advance larger-scale construction works. In terms of certified progress payment value, the market size of the Singapore construction industry increased from approximately S\$19.7 billion in 2020 to approximately S\$41.8 billion in 2025, representing a CAGR of approximately 16.2%, with the market size in 2025 reaching the highest level in nearly two decades. In 2021, driven by the general resumption of construction activities and the release of accumulated project backlog, the market size increased by approximately 32.5% as compared with 2020. From 2022 to 2025, the market continued to expand, mainly driven by rail transit projects such as the Cross Island Line, as well as public institutional building projects such as new hospitals and schools.

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As a land-constrained urban economy, Singapore has sustained demand for housing renewal, infrastructure upgrading and redevelopment of existing assets, which is expected to provide a relatively stable base for future construction activity. At the same time, capital-intensive private-sector projects represented by integrated resort expansions and advanced industrial facilities are expected to generate construction demand with larger contract values and longer construction periods. Driven by these factors, the market size of the Singapore construction industry is expected to further increase from approximately S\$41.8 billion in 2025 to approximately S\$59.9 billion by 2030, representing a CAGR of approximately 7.5%, higher than the CAGR of approximately 1.4% recorded from 2015 to 2025.

### Market size of construction industry in Singapore, in terms of certified progress payment value<sup>1</sup>, 2020–2030E



Note:

- Referring to the aggregate value of construction works completed during a specified period that has been assessed and certified for progress payment under the relevant construction contracts.

Source: Building and Construction Authority of Singapore, Singapore Department of Statistics, the CIC Report

In Singapore’s construction industry, key participants generally include project owners, main contractors and subcontractors. Project owners, such as government agencies, statutory boards, real estate developers and industrial manufacturing companies, initiate projects and determine the principal project requirements. Given that construction projects typically involve multiple work stages and specialised trades, main contractors, as the primary contracting party responsible for overall project delivery, commonly engage subcontractors to carry out specific work streams, including structural works, building works, M&E engineering works, etc. In general market practice, project owners usually appoint the main contractor through a tendering process. After securing the main contract, the main contractor breaks down the project into different work packages, identifies suitable subcontractors and enters into subcontracting arrangements with selected subcontractors. To be selected for relevant work packages and perform the subcontracted works in line with the main contract requirements, subcontractors are generally expected to hold appropriate registrations and grades corresponding to the relevant work scope, demonstrate experience in comparable projects, and possess the technical, safety and quality control capabilities required for project execution. The subcontractors then carry out their respective work packages according to the main contractor’s construction programme, while the main contractor coordinates the sequencing, interfaces and progress of different subcontracted works to ensure delivery in accordance with the main contract.

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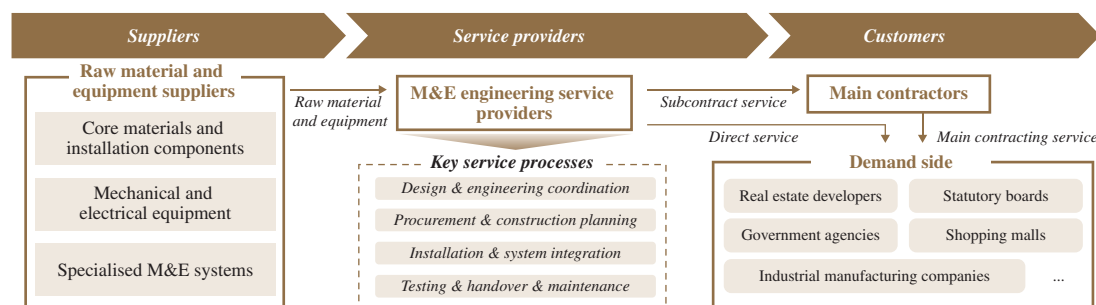
### OVERVIEW OF SINGAPORE M&E ENGINEERING INDUSTRY

M&E engineering, or mechanical and electrical engineering, refers to professional engineering services that design, install, commission, maintenance, and repair mechanical and electrical systems, encompassing service types such as electrical engineering, ACMV (air-conditioning, mechanical ventilation and refrigeration), sanitary and plumbing, fire protection, and other specialised building systems. Modern buildings and infrastructure rely on M&E engineering systems to support essential operating functions, particularly power supply, indoor environmental control and fire safety. The reliability and efficiency of these systems directly affect whether a building can be occupied, operated and maintained on a sustainable basis. As construction projects in Singapore involve larger building footprints, more interfaces between different building systems, higher energy efficiency and green building requirements, and wider adoption of smart building systems, the importance of M&E engineering in the overall construction value chain is expected to continue to increase.

#### Value Chain of Singapore M&E Engineering Industry

The upstream segment comprises suppliers of core materials, installation components, major mechanical and electrical equipment, and specialised system packages required for M&E engineering services. These suppliers provide the equipment and components that M&E engineering service providers need to meet project specifications and manage procurement cost and delivery schedules. The midstream segment is led by M&E engineering service providers and represents the core value-added stage of the industry. At this stage, upstream materials, equipment and system packages are integrated into completed M&E engineering works that meet project specifications and enable buildings and infrastructure to operate as intended. Downstream demand mainly comes from real estate developers, government, healthcare institutions, industrial manufacturing companies, etc., which require M&E engineering services for various construction projects.

#### Value chain of M&E engineering industry



Source: Building and Construction Authority of Singapore, the CIC Report

M&E engineering service providers commonly participate in high-value building and infrastructure projects through subcontracting arrangements with main contractors. After an M&E engineering work package is awarded, the M&E engineering service provider is responsible for carrying out the relevant M&E engineering works in accordance with the project specifications and the main contractor’s construction programme. Such project-based installation works are typically undertaken under lump-sum contracts, with the contract value agreed upfront based on a defined scope of works. As M&E engineering works are closely linked with building structure and interior works, M&E engineering service providers need to coordinate their work sequence and site interfaces with the main contractor and other subcontractors throughout project execution. Certain M&E engineering service providers with higher qualification grades, solid financial capabilities, extensive project experience, integrated system capabilities and project management capabilities may also act as specialist contractors and undertake M&E engineering projects directly from downstream customers, particularly large-scale specialist M&E

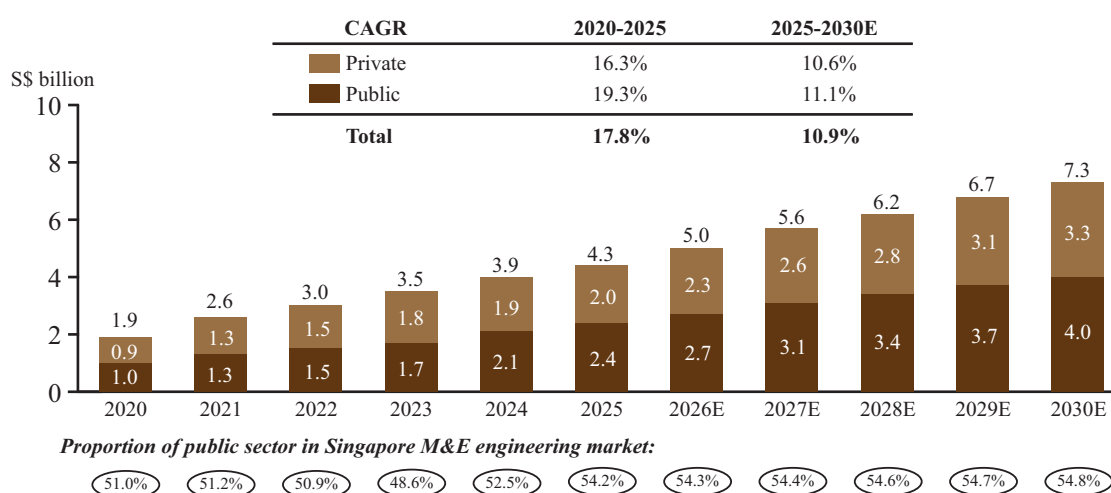
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engineering projects with higher technical requirements. In addition to project-based lump-sum contracts, M&E engineering service providers may undertake maintenance contracts for completed buildings and facilities, including preventive, corrective and other maintenance works for M&E engineering systems.

### Market Size of Singapore M&E Engineering Industry

The Singapore M&E engineering industry is closely linked to overall construction activities, with market demand mainly arising from the installation and upgrading of electrical, ACMV and other M&E engineering systems in building and infrastructure projects. In terms of certified progress payment value, the market size of the Singapore M&E engineering industry increased from approximately S\$1.9 billion in 2020 to approximately S\$4.3 billion in 2025, representing a CAGR of approximately 17.8%, which is higher than the overall growth in the Singapore construction industry during the same period. Looking forward, the growth of the Singapore M&E engineering industry is expected to be increasingly supported by higher functional standards for buildings. As new-build and upgrading projects place greater emphasis on energy efficiency, system resilience and smart building controls, the share of M&E engineering works in overall project value is expected to increase further. In particular, technically demanding commercial and industrial facilities generally require greater investment in M&E engineering systems than ordinary building projects, which is expected to shift demand for M&E engineering services towards higher-value projects. Driven by these factors, the market size of the Singapore M&E engineering industry is expected to increase from approximately S\$4.3 billion in 2025 to approximately S\$7.3 billion by 2030, representing a CAGR of approximately 10.9%.

**Market size of M&E engineering industry, in terms of certified progress payment value, by clientele, Singapore, 2020–2030E**



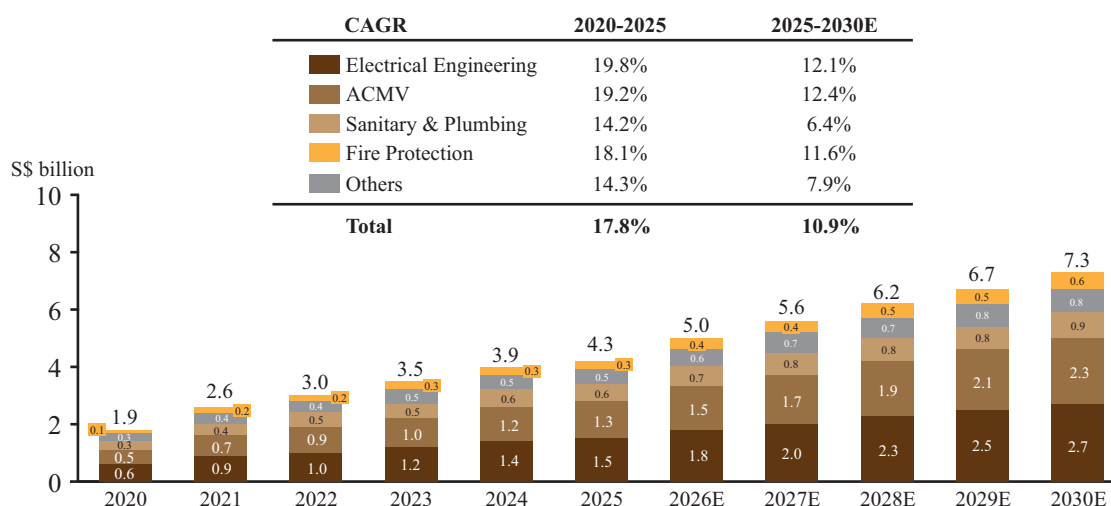
Source: Building and Construction Authority of Singapore, Singapore Department of Statistics, the CIC Report

The public sector refers to projects commissioned and funded by government agencies or related parties, while the private sector refers to projects commissioned and funded by private developers, corporations, or individual clients. By clientele, the public sector accounted for approximately 54.2% of the total Singapore M&E engineering market in 2025. M&E engineering projects from the public sector are typically higher in individual contract value but fewer in number than private sector projects, as they are often associated with large-scale government-led infrastructure, public housing, healthcare and transportation developments involving complex system requirements and stringent technical specifications, while also imposing higher qualification standards on contractors, thereby creating greater entry barriers for market participants. From 2020 to 2025, the public sector recorded a CAGR of 19.3%, supported largely by large-scale civil engineering works, including rail-based public transport

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lines and airport projects, which require extensive electrical, ACMV, and specialised M&E engineering systems. Looking ahead, the public sector is projected to grow at a CAGR of 11.1% from 2025 to 2030, maintaining its leading share due to ongoing infrastructure investment and large-scale institutional projects. The private sector, accounting for the remaining 45.8% of the market, is primarily composed of residential, commercial, and industrial developments, predominantly commissioned by private developers, with steady growth supported by emerging demand such as data centres and high-tech manufacturing facilities in the industrial sector.

**Market size of M&E engineering industry, in terms of certified progress payment value, by service types, Singapore, 2020–2030E**



Source: Building and Construction Authority of Singapore, Singapore Department of Statistics, the CIC Report

Electrical engineering services mainly include the installation and operation of electrical-based systems, such as switchgears, transformers and large generators. Electrical engineering constitutes the largest share of the Singapore M&E engineering market, valued at S\$1.5 billion in 2025, recording a CAGR of approximately 19.8% from 2020 to 2025 and projected to grow at a CAGR of approximately 12.1% from 2025 to 2030. It is fundamental to the operation of buildings and infrastructure, as electrical engineering provides the power and control necessary for reliable operation, supporting equipment functionality, safety and fire protection systems, communication networks, emergency backup systems, and smart building infrastructure. In addition, ACMV works mainly include the installation and operation of HVAC and refrigeration systems, which have important implications for indoor environment and building energy performance. ACMV is the second largest service type in the Singapore M&E engineering industry, valued at approximately S\$1.3 billion in 2025, with a CAGR of approximately 19.2% from 2020 to 2025 and a projected CAGR of approximately 12.4% from 2025 to 2030. In particular, ACMV systems in biomedical facilities, data centres, and other industrial facilities require high-capacity, precise cooling to maintain strict environmental conditions, while also meeting stringent energy management and reliability requirements. Other specialised M&E engineering services mainly include fire protection services, plumbing and sanitary services, communication and security systems, mechanical engineering works, lift and escalator installation, solar photovoltaic systems, building automation systems and integrated building services.

### Market Drivers of Singapore M&E Engineering Industry

- Growth in demand from new construction works.** Singapore has continued to develop large-scale public infrastructure and high-specification building projects in recent years, including Changi Airport, the Cross Island Line, the expansion of Marina Bay Sands Integrated Resort and public

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housing projects, which have supported demand for new construction works. In addition, construction activities in data centres, high-technology manufacturing facilities and healthcare facilities have also contributed to incremental demand for M&E engineering services. As M&E engineering systems are essential for buildings and infrastructure to commence operation, the continued progress of new projects is expected to support the growth of the M&E engineering market.

- ***Growth in retrofitting and energy-efficiency upgrading demand for existing buildings.*** A large number of existing buildings in Singapore have been in operation for many years, and their existing M&E engineering systems may no longer meet current energy-efficiency standards or operational requirements. The Singapore Green Building Masterplan targets to green 80% of buildings by gross floor area by 2030, meaning that buildings are expected to achieve higher levels of energy efficiency, environmental performance and sustainable operation, while the Green Mark Incentive Scheme for Existing Buildings 2.0 also provides funding support for eligible energy-efficiency retrofitting projects in existing buildings, including support for part of the retrofitting costs incurred by building owners. These factors improve the economic feasibility and willingness for building owners to upgrade building systems, making retrofitting of existing buildings an important source of recurring demand for the M&E engineering market.
- ***Development of digital technologies.*** Technological advancement drives the Singapore M&E engineering industry mainly through the increasing complexity of building systems and the growing value of engineering services. The adoption of IoT sensors, intelligent controls, BIM (building information modelling) coordination and digital twin technologies has expanded the role of M&E engineering works beyond conventional installation, as M&E engineering service providers are increasingly required to support system coordination, operational readiness and post-completion performance. For buildings with high operating requirements, M&E engineering systems directly affect the stability, energy efficiency and manageability of asset operations. As a result, demand for M&E engineering services with higher technical content and higher unit value is expected to increase.
- ***Government policies and regulatory requirements.*** The Singapore government imposes stringent policy and regulatory requirements on building sustainability, safety and contractor qualifications, which drive M&E engineering works towards higher performance and compliance standards. Green Mark standards and minimum environmental sustainability standards promote the adoption of more energy-efficient M&E engineering solutions in both new and existing buildings. At the same time, public sector projects and large-scale projects generally require contractors to satisfy the applicable BCA workhead requirements and demonstrate sufficient safety and project delivery capability, which make qualified and compliant M&E engineering service providers better positioned to participate in higher-value projects.

### Future Trends of Singapore M&E Engineering Industry

- ***Expanding demand for M&E engineering solutions for sustainable and smart buildings.*** Sustainable and smart buildings are expected to become increasingly important in Singapore as building owners seek to reduce energy consumption, improve operating efficiency and meet green building requirements. Singapore’s green building framework, including Green Mark standards, supports the adoption of higher-performance building systems in both new developments and major retrofitting projects. As a result, demand is expected to increase for M&E engineering solutions that can support energy-efficient operation and intelligent building management. These solutions typically involve higher technical requirements and closer integration with building operations

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thereby creating more opportunities for M&E engineering service providers with high-specification project experience, system integration capabilities and energy-efficiency-related technical capabilities.

- ***Increasing integration of building systems.*** M&E engineering components are increasingly being integrated into centralised management platforms. BMS (building management systems) enable building owners and operators to monitor system performance, identify faults and coordinate operational responses more efficiently. The adoption of integrated systems helps reduce energy wastage, improve occupant comfort and streamline maintenance workflows. As buildings become more complex, customers increasingly require M&E engineering systems that support interoperability with IoT sensors, predictive analytics and automated controls. In addition, D&B (design-and-build) has emerged as an important industry trend, enabling M&E service providers to play a more integrated role across system design, engineering coordination and implementation, thereby delivering more integrated M&E systems and enhancing profitability through value-added services. Against this backdrop, market participants with qualifications and relevant project experience across multiple M&E engineering disciplines are generally better positioned to handle integration requirements such as cross-system interfaces, construction coordination, testing and commissioning, and are more likely to be preferred by customers and main contractors as they help reduce project coordination risks and enhance consistency in system delivery.
- ***Growing adoption of DfMA and prefabricated M&E engineering systems.*** The adoption of DfMA (design for manufacturing and assembly) and prefabricated M&E engineering solutions has gained momentum as the construction industry seeks to improve productivity, quality and safety standards. Under this approach, selected mechanical, electrical and plumbing modules are pre-assembled and tested in factory environments before being delivered to project sites for installation. This helps reduce on-site labour requirements, shorten installation periods, improve quality consistency and lower the likelihood of rework. As prefabricated M&E engineering systems require early-stage design coordination, modular planning and close interface management between factory production and on-site installation, the wider adoption of DfMA is expected to place greater emphasis on M&E engineering service providers’ technical capability, design capability and cross-disciplinary coordination capability.
- ***Accelerating digitisation and automation in M&E engineering services.*** Digitisation and automation are transforming M&E engineering by enabling more efficient design, installation and maintenance workflows. BIM has become an important tool for improving coordination among different trades, reducing design clashes and enhancing the accuracy of project deliverables. Digital twin technologies, 3D modelling and automated fabrication tools are increasingly used to simulate system performance, optimise installation sequencing and support maintenance planning. During construction, automation solutions such as robotic cable pulling and automated duct installation can reduce reliance on manual labour and improve installation precision. During operation, remote monitoring and AI-driven analytics support predictive maintenance and condition-based servicing, which help reduce lifecycle costs and improve system uptime. These digital innovations are expected to reduce errors, shorten delivery timelines and enable M&E engineering service providers to deliver higher-value services across the building lifecycle.

## COMPETITIVE LANDSCAPE OF SINGAPORE M&E ENGINEERING INDUSTRY

M&E engineering service providers are companies whose primary revenue derives from mechanical and electrical services, including ACMV, electrical, fire protection, and other related systems. In Singapore, the BCA classifies these services under specific M&E engineering workheads, each graded from L1 to L6 based on project track record, financial capacity, and execution capability. Among the ME workheads, ME01 (ACMV), ME05 (Electrical Engineering), ME11 (Mechanical

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Engineering), and ME15 (Integrated Building Services) represent the largest sectors. As at May 2026, over 5,000 companies are registered under the BCA M&E engineering workheads, with more than 200 attaining the highest L6 grading. Some of the leading players hold multiple BCA Grade L6 workhead registrations, demonstrating their cross-disciplinary coordination, resource mobilisation and project integration capabilities in undertaking large-scale and technically sophisticated projects across different M&E engineering disciplines. Other leading players may focus on one or two core workheads, while generating substantial revenue and building strong project track records within those specialised areas. As of May 2026, only 13 companies hold four or more BCA Grade L6 M&E engineering workhead registrations. As tenders for large-scale government projects and high-specification projects generally place greater emphasis on qualification grading, relevant project experience and delivery capability of tenderers or subcontractors, market players with multiple high-grade BCA workhead registrations are generally better positioned in competing for relevant projects.

In 2025, the M&E engineering industry in Singapore remains relatively fragmented, with the top five players accounting for 15.9% of the total market. In terms of revenue from M&E engineering in Singapore in 2025, the Company ranked 4th in the Singapore M&E engineering industry and 2nd among local M&E engineering service providers in Singapore, with revenue from M&E engineering amounting to S\$122 million. Among market players, the Company is one of the leading providers of M&E engineering services in Singapore, with a proven capability to execute multiple large-scale projects, including rail-based public transport lines, airport and hospital developments. Among the top five market players by M&E engineering service revenue in 2025, the Company is the only one holding four BCA Grade L6 M&E engineering workhead registrations, demonstrating its comprehensive service coverage, high qualification level and robust project execution capabilities across multiple M&E engineering disciplines. The competitive landscape of Singapore M&E engineering industry is illustrated in the table below.

**Top five M&E engineering service providers, in terms of M&E engineering revenue  
in Singapore, 2025**

| <u>Ranking</u> | <u>Company</u>           | <u>Headquarters<br/>Location</u> | <u>L6-graded M&amp;E<br/>engineering workheads</u> | <u>Revenue from<br/>M&amp;E engineering<br/>in Singapore</u><br><i>(S\$ million)</i> |
|----------------|--------------------------|----------------------------------|----------------------------------------------------|--------------------------------------------------------------------------------------|
| 1              | Company A <sup>(1)</sup> | Japan                            | ME01, ME05, ME15                                   | 168                                                                                  |
| 2              | Company B <sup>(2)</sup> | Singapore                        | ME05, ME11                                         | 143                                                                                  |
| 3              | Company C <sup>(3)</sup> | Japan                            | ME05, ME11                                         | 137                                                                                  |
| <b>4</b>       | <b>The Company</b>       | <b>Singapore</b>                 | <b>ME01, ME04, ME05, ME15</b>                      | <b>122<sup>(5)</sup></b>                                                             |
| 5              | Company D <sup>(4)</sup> | Japan                            | ME01, ME05, ME15                                   | 118                                                                                  |

*Notes:*

- (1) Established in 1956 in Japan, Company A is a private company providing M&E engineering services in ACMV, electrical engineering, and integrated building services.
- (2) Established in 2006 in Singapore, Company B is a public company specialising in water and environmental infrastructure and, through its wholly-owned subsidiaries, principally engages in the provision of M&E engineering, procurement and construction solutions and services for water and waste management projects.
- (3) Established in 1971 in Japan, Company C is a private company providing M&E engineering services in electrical engineering and mechanical engineering.

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- (4) Established in 1944 in Japan, Company D is a public company providing M&E engineering services in ACMV, electrical engineering, and integrated building services.
- (5) As Guthrie Engineering became a wholly-owned subsidiary of the Company on 1 July 2025, its revenue for the six months ended 30 June 2025 was not included in the Company’s total revenue for 2025.

*Source: Building and Construction Authority of Singapore, Fiscal Reports of Listed Companies, the CIC Report*

### Entry Barriers of Singapore M&E Engineering Industry

- ***Regulatory qualifications and safety certifications.*** The Singapore M&E engineering industry is subject to stringent regulatory and qualification requirements. M&E engineering service providers are generally required to obtain the relevant BCA workhead registrations, such as ME01 for air-conditioning, refrigeration and ventilation works, ME05 for electrical engineering works and other applicable M&E engineering workhead registrations, with the relevant grading determined based on factors such as financial capacity, track record, personnel capability and safety management standards. Higher-grade qualifications allow M&E engineering service providers to undertake projects of larger contract value and therefore constitute an important barrier to entry for participation in sizeable public and private sector projects. In addition, M&E engineering works may involve high-risk construction environments, including electrical installation, work at height, lifting operations and plant room works. M&E engineering service providers are therefore required to comply with workplace safety and health requirements and relevant safety certification standards.
- ***Specialised technical capabilities and detailed design capabilities.*** M&E engineering involves multiple specialised systems. Each system is subject to specific requirements in terms of technical standards, installation methods and regulatory compliance. Customers and main contractors are placing greater emphasis on M&E engineering service providers’ detailed design capabilities, technical solution formulation and cross-system coordination capabilities. Market players lacking relevant technical know-how, detailed design experience and system integration capabilities may face difficulties in satisfying the technical entry requirements of large-scale or high-specification projects.
- ***Project track record and on-site execution capability.*** Participation in larger-scale M&E engineering projects depends on an M&E engineering service provider’s project track record and practical delivery capabilities. Large-scale M&E engineering works usually involve longer project periods, multi-trade coordination, on-site resource deployment and continuous coordination with main contractors. Relevant service providers are generally required to demonstrate their ability to complete local installation and commissioning works on schedule, while effectively managing project progress, quality and costs. Accordingly, the scale of completed projects, on-site management capability and project coordination capability represent important practical barriers to entry for higher-value M&E engineering projects.
- ***Capital and working capital requirements.*** M&E engineering projects typically require substantial upfront funding, including procurement of equipment and materials, labour mobilisation, payments to subcontractors, performance bonds and project execution funding. As project payments are usually made based on certified progress, M&E engineering service providers need to manage the timing gap between procurement payments and collection of progress payments. Companies with stronger financial resources and financing capabilities are better positioned to participate in large project tenders, withstand cost fluctuations and invest in technology, equipment and professional personnel.

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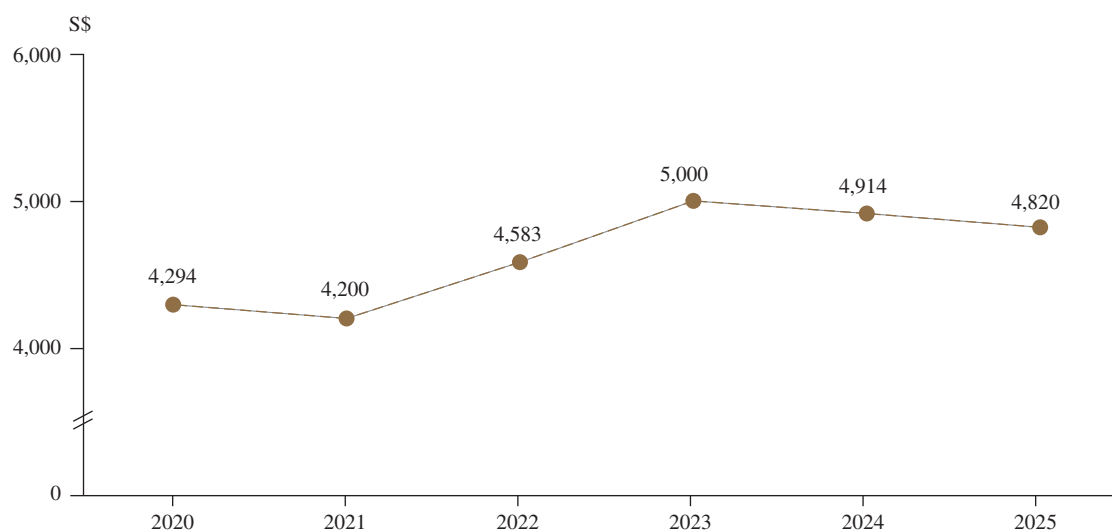
- Supplier network, talent and customer relationships.** M&E engineering relies on stable supplier support, experienced technical personnel and long-term customer relationships. A mature supplier network helps service providers secure project inputs and manage delivery risk, while an experienced team supports consistent execution quality. Given the project-based and reputation-driven nature of the industry, established relationships with key customers also help service providers secure repeat business and gain access to larger projects.

## COST ANALYSIS OF SINGAPORE M&E ENGINEERING INDUSTRY

Project costs of M&E engineering service providers in Singapore mainly comprise raw material and equipment costs and labour costs. The cost structure may vary across different types of M&E engineering projects. For example, electrical engineering projects are more likely to be affected by price fluctuations in cables, distribution equipment and related metal materials, while integrated building services projects are more likely to be affected by labour costs, specialist system procurement costs and the coordination requirements of multiple M&E engineering workstreams. Accordingly, changes in raw material, equipment and labour costs may affect the tender pricing, project execution costs and profit margins of M&E engineering service providers.

In terms of labour costs, the median gross monthly income of full-time employed residents in the construction industry increased from S\$4,294 in 2020 to S\$4,820 in 2025, representing a CAGR of approximately 2.3% from 2020 to 2025. This indicator showed an overall fluctuating upward trend, mainly due to labour shortages in the construction industry, tight supply of skilled workers and changes in foreign worker policies. The decline from 2023 to 2025 indicates that labour shortages in the construction industry had eased to some extent, although the income level in 2025 remained higher than that in 2020. Looking forward, due to the further expansion in demand for skilled technicians, foreign worker quota and levy arrangements, and increasing project complexity, relevant labour costs are expected to remain at a high level and continue to increase, which may exert certain pressure on the project execution costs and profit margins of M&E engineering service providers.

**Median gross monthly income of full-time employed residents in the construction industry, Singapore, 2020–2025**



Source: Building and Construction Authority of Singapore, Singapore Ministry of Manpower, the CIC Report