

**MENCAST HOLDINGS LTD.**

(Incorporated in the Republic of Singapore)  
(Company registration no.: 200802235C)

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**PROPOSED JOINT VENTURE BETWEEN MENCAST HOLDINGS LTD. (THE "COMPANY"),  
BECKER MARINE SYSTEMS GMBH & CO. KG AND MACHINEFABRIEK AMERSFOORT B.V.  
(THE "JOINT VENTURE")**

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*Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Company's announcements dated 5 November 2008, 6 January 2009 and 11 March 2009 relating to the Joint Venture (the "**JV Announcements**").*

Further to the JV Announcements, the board of directors of the Company wishes to announce that the parties to the MOU, namely the Company, Becker Marine Systems GmbH & Co. KG ("**Becker**") and Machinefabriek Amersfoort B.V. ("**Amersfoort**"), intends to enter into a 3<sup>rd</sup> supplemental letter in relation to the MOU (the "**3<sup>rd</sup> Supplemental Letter**") to extend the deadline to enter into the formal agreement in relation to the Joint Venture to 31 December 2010.

The Company has been informed by Becker and Amersfoort that in view of the general economic situation and condition of the shipbuilding industry, particularly in Europe, both Becker and Amersfoort are of the view that it will not be feasible to commit resources to commence the Joint Venture at this present juncture or anytime during the first half of 2010. As such, the parties to the MOU intend to enter into the 3<sup>rd</sup> Supplemental Letter.

However, the Company wishes to announce that due to the festive and year-end holiday season, the signing of the 3<sup>rd</sup> Supplemental Letter has been delayed. The Company expects the 3<sup>rd</sup> Supplemental Letter to be entered into by the first week of January 2010.

The Company will make a further announcement once the 3<sup>rd</sup> Supplemental Letter has been entered into.

**BY ORDER OF THE BOARD**

SIM SOON NGEE GLENN DLE

Executive Chairman and Chief Executive Officer

31 December 2009

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*This announcement and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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