

**MENCAST HOLDINGS LTD.**

(Incorporated in the Republic of Singapore)

(Company Registration No. : 200802235C)

---

**PROPOSED JOINT VENTURE WITH BECKER MARINE SYSTEMS GMBH & CO. KG AND MACHINEFABRIEK AMERSFOORT B.V.**

The board of directors of Mencast Holdings Ltd. ("**Mencast**") is pleased to announce that Mencast has today entered into a Memorandum of Understanding ("**MOU**") with Becker Marine Systems GmbH & Co. KG ("**Becker**") and Machinefabriek Amersfoort B.V. ("**Amersfoort**") to establish a new joint venture company in Singapore ("JV Co").

Under the MOU, the proposed issued share capital of the JV Co is S\$0.5 million and it is intended that Mencast will own 51.0% of the share capital of the JV Co with Becker and Amersfoort owning the balance 49.0% of the JV Co. Subsequent to the formation of the JV Co, Mencast, Becker and Amersfoort will collectively provide a loan of S\$6.0 million, to be disbursed in various tranches, to the JV Co based on their respective shareholding proportion in the JV Co.

The proposed business activity of the JV Co is to establish a manufacturing plant in Singapore to produce heavy rudder assemblies and high-end sterngear equipment for the marine and offshore industries in the Asia Pacific region.

As both Becker and Amersfoort are industry leaders in their respective fields with clientele in Europe and internationally, and given Singapore's international reputation for intellectual property protection, the parties have decided to establish the JV Co (with operations based in Singapore) to leverage on Singapore's strategic location, infrastructure and the clientele base of Becker and Amersfoort to build a new business with a strong customer network in the Asia Pacific region.

The MOU is not legally binding in nature and is intended to act as a framework for a definitive joint venture agreement ("**JVA**") to be entered into between the parties. The parties to the MOU agree to commence negotiations and to enter into the JVA within 60 days after the signing of the MOU. In the event that the parties are unable to conclude the JVA within the stated timeframe, the timeframe can be further extended upon common consent of all parties to the JVA.

None of the directors or substantial shareholders of Mencast has any interest, direct or indirect in the aforesaid joint venture.

Mencast will make further announcements relating to the JVA and the JV Co at the appropriate time once the JVA has been entered into.

### **About Mencast Holdings Ltd.**

The first company to achieve a listing on SGX CATALIST on 25 June 2008, Mencast is a Singapore-based sterngear equipment manufacturer and sterngear services provider for a wide range of commercial vessel applications.

Catering primarily to customers in the offshore oil and gas and marine industry for the local and regional shipyards, Mencast's clientele include some of the major players in the offshore oil and gas and marine industry, such as the the ASL Group, Berg Propulsion Group, Keppel Group, Labroy, Nam Cheong, NGV Tech and SembCorp Marine Group.

Mencast is one of the first sterngear equipment manufacturers in Singapore to obtain the ISO9001:2000 Quality Management System. Also, it had achieved the Singapore SME 500 award for two consecutive years in 2005 and 2006.

For more information, please refer to the corporate website of Mencast at [www.mencast.com.sg](http://www.mencast.com.sg).

### **About Becker Marine Systems**

Becker is the largest shipyard independent manufacturer of high performance rudders and rudder systems. Globally represented by more than 20 country agencies, Becker is a leader in maneuvering and automated handling systems with a range of high performance rudders, rudder systems, kort nozzles and automated material handling systems, designing and providing tailor-made solutions for vessels of any type and size.

For more information, please refer to the corporate website of Becker at [www.becker-marine-systems.com](http://www.becker-marine-systems.com).

### **About Machinefabriek Amersfoort**

Since its foundation in 1932, Amersfoort has a proud tradition of owning and operating innovative cost effective production facilities. For more than half a century, Amersfoort has been a household word in machining, specialized in heavy milling and turning operations.

For more information, please refer to the corporate website of Amersfoort at [www.amersf.nl](http://www.amersf.nl).

This announcement and its contents have been reviewed by the Company's sponsor, CIMB-GK Securities Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the SGX-ST. It 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.

The contact person for the Sponsor is Mr Mah Kah Loon, Head, Corporate Finance, 50 Raffles Place, #19-00 Singapore Land Tower, Singapore 048623, telephone (65) 6225-1228.

**BY ORDER OF THE BOARD**

SIM SOON NGEE GLENN DLE  
Chief Executive Officer  
5 November 2008