

MENCAST HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company registration no.: 200802235C)

USE OF PROCEEDS FROM THE PLACEMENT OF 22,500,000 NEW ORDINARY SHARES IN THE CAPITAL OF MENCAST HOLDINGS LTD. ("PLACEMENT")

All capitalized terms used and not defined herein shall have the same meanings given to them in the announcements dated 20 March, 3 April and 4 May 2012 (the "Announcements").

The Board of the Company refers to the Announcements made in relation to the Placement.

In accordance with Rule 704(30) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual (the "Listing Rules"), the Board wishes to announce that the amount of approximately S\$1.59 million, which is equivalent to approximately 13.4% of the net proceeds of the Placement, has been utilised to fund the construction of a new building at Penjuru Road as part of our expansion.

The above-stated utilisation of the net proceeds of the Placement is consistent with the disclosure made in the Announcements.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENN DLE

Executive Chairman and Chief Executive Officer

27 June 2012