

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 27 June, 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 as at 11 April 2013, the Company has utilised the net proceeds from the Placement as follows: -

Use of net proceeds	Allocation of net proceeds as announced on 20 March 2012 (S\$'000)	Re-allocation of net proceeds⁽¹⁾ (S\$'000)	Total re-allocated net proceeds (S\$'000)	Total net proceeds utilised as at 11 April 2013 (S\$'000)
Acquisitions of Unidive Marine Services Pte Ltd (now known as Mencast Subsea Pte Ltd) ("Unidive") and Vac-Tech Engineering Pte Ltd ("Vac-Tech")	4,000	213	4,213	4,213
Expansion				
Deposit for the construction of 42B Penjuru Road	4,000	121	4,121	1,590
Progressive payments for the construction of 42B Penjuru Road				2,531
Total for expansion	<u>4,000</u>	<u>121</u>	<u>4,121</u>	<u>4,121</u>
General working capital – Deposits for purchases of property, plant and equipment	3,895	(334)	3,561	3,561
Total	<u>11,895</u>	<u>–</u>	<u>11,895</u>	<u>11,895</u>

Note:

- (1) Due to external cost factors in relation to the Company's acquisitions of Unidive and Vac-Tech and its construction work at 42B Penjuru Road, the Company redirected part of the funds allocated under general working capital for purposes of its acquisitions and expansion instead.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENDLE

Executive Chairman and Chief Executive Officer

11 April 2013