

MENCAST HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200802235C)

ACQUISITION OF THE ASSETS OF TEAM INTERNATIONAL DEVELOPMENT AND TEAM PRECISION ENGINEERING (THE "TEAM ASSETS") – ENTRY INTO SUPPLEMENTAL ASSETS TRANSFER AGREEMENT

Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the announcements dated 28 November 2011, 19 January 2011, 1 February 2012, 14 February 2012 and 18 February 2013 (the "Announcements").

The Board of Directors (the "**Directors**") of Mencast Holdings Ltd. (the "**Company**") refers to the Announcements and wishes to announce that it has, on 6 June 2013, entered into a supplemental assets transfer agreement (the "**Supplemental Agreement**") with the Vendors, pursuant to which the parties have agreed to revise the terms of the Agreement in relation to the allotment and issuance of the 3rd Tranche Consideration Shares to the Vendors.

Pursuant to the Supplemental Agreement, the Parties have mutually agreed that:

- (i) the cash component of the 3rd Tranche payment shall be payable on the day falling 24 months from the Completion Date, or within 10 Business Days after the Vendors have notified the Company in writing that the Profit Warranty has been met, whichever is earlier; and
- (ii) the relevant Shares to be issued under the 3rd Tranche shall also be issued by the Company to the Vendors within 10 Business Days from the day falling 24 months from the Completion Date, or within 10 Business Days after the Vendors have notified the Company in writing that the Profit Warranty has been met, whichever is earlier

In addition to the above, the Parties have also mutually agreed that in the event that the Company undertakes a bonus issue of shares at nil consideration on a *pro-rata* basis to all existing shareholders of the Company, the Vendors' entitlement to the remaining unissued shares under the Agreement shall be adjusted accordingly to take into account such bonus issue so that they will not be unnecessarily diluted.

For the avoidance of doubt, any issuance of additional shares will be subject to the approval of the Company's shareholders, the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and other regulatory authorities (where applicable), pursuant to which further announcements will be made as and when appropriate.

Save for the above, all other terms of the Agreement remain unchanged.

Further announcements in respect of the allotment and issuance of the 3rd Tranche Consideration Shares will be made in due course.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENN DLE
Executive Chairman and Chief Executive Officer
6 June 2013