MENCAST HOLDINGS LTD.
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Revenue and net profit declined by 27% and 59% respectively for the half year ended 30 June 2015

- **Revenue decreased by 27% to $54.2 million, mainly due to decline in Offshore & Engineering segment of 43%**
- **Net profit decreased by 59% to $3.5 million**
- **Order book stands at $18.5 million as at 30 June 2015**

Singapore, 6 August 2015 – **Mencast Holdings Ltd.** and its subsidiaries ("Mencast" or the "Group"), a Mainboard listed and Singapore-based maintenance, repair and overhaul ("MRO") provider comprising Offshore & Engineering, Marine and Energy Services, announced a 27% decrease in revenue and 59% decrease in net profit for the half year ended 30 June 2015 ("HY2015"). A table on the financial highlights is provided below:

FINANCIAL HIGHLIGHTS	HY2015	HY2014	chg
	$'000	$'000	%
Revenue	54,184	74,686	(27)
Gross Profit	14,256	20,868	(32)
Net Profit After Tax	3,471	8,466	(59)

Commenting on the Group's prospects, **Mr Glenndle Sim, Executive Chairman & CEO of Mencast,** said, ***"The protracted low oil prices continue to adversely affect our customers and their demand for our services in the Oil & Gas sector especially our Offshore division.***

In the Marine segment, the demand for sterngear repair and maintenance services as well as the sterngear manufacturing market remains challenging.

Our Energy Services segment has been growing and, barring unforeseen circumstances, we expect this trend to continue.

Group's order book as at 30 June 2015 stands at $18.5 million (as at 31 December 2014: $32.1 million)."

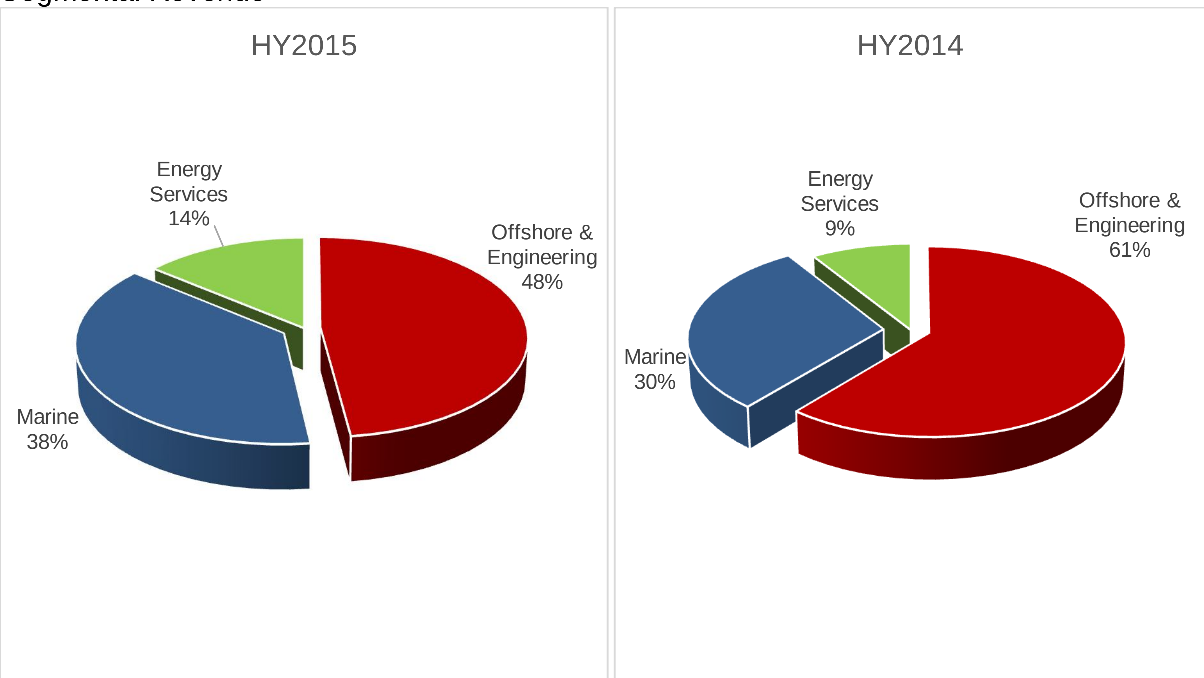
Financial Overview

The Group reported revenue of $54.2 million for the half year ended 30 June 2015, a 27% down from $74.7 million for the half year ended 30 June 2014. The decrease in revenue was mainly due to decrease in revenue in Offshore & Engineering segment of 43%.

Segmental Revenue	HY2015		HY2014	
	($'000)	(%)	(S$'000)	(%)
Offshore & Engineering	25,992	48	45,593	61
Marine	20,579	38	22,099	30
Energy Services	7,613	14	6,994	9
Total	54,184	100	74,686	100

1) *Offshore & Engineering includes offshore structures, engineering, manufacturing, inspection and maintenance. This also includes rope access services*
2) *Marine Services includes stearngear manufacturing and refurbishment works, ship inspection, repair & maintenance services and engineering & fabrication works. This also includes diving services*
3) *Energy includes oil sludge and slop reclamation, hydro cleaning oil and gas tanks, encapsulation of wastes before landfill disposal and design and launch carbon footprint management initiatives and green initiatives*

Segmental Revenue



Overall, revenue from Offshore & Engineering segment decreased by $19.6 million or 43% due to:

Decrease in revenue from construction contracts as a result of (a) decrease in orders from recurring customers; and (b) most of the major contracts secured in FY2013 – FY2014 have been substantially completed and there are no major contracts secured during HY2015 due to the slow down in the Oil & Gas market;

Such decrease was slightly offset by the increase in revenue from precision engineering business as new orders from major Oil & Gas equipment manufacturers were secured since latter part of FY2014.

Revenue from Marine segment decreased by $1.5 million or 7% mainly due to decrease in revenue from diving and berthing services offset by the increase in revenue from sterngear repair services.

Revenue from Energy Services increased by $619,000 or 9% due to increase in demand for tank cleaning services as well as variation orders from existing contracts.

Cost of sales and gross profit decreased by $13.8 million or 26% and $6.6 million or 32% respectively, in line with the decrease in revenue.

Gross profit margin decreased from 28% in HY2014 to 26% in HY2015 mainly due to lower margin for Offshore & Engineering projects.

Other income increased by $308,000 mainly due to write back of allowance for impairment of trade receivables and write-back of long-outstanding payables.

The Group’s administrative expenses decreased by $1.2 million or 11% due to:

- lower staff cost and related staff expenses arising from cost savings in salaries and related expenses as a result of decrease in head count; and

- decrease in insurance expense, travelling and entertainment, and utilities arising from cost cutting initiatives implemented since second half of FY2014.

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ABOUT MENCAST HOLDINGS LTD. (Bloomberg Ticker: MCAST SP)

Mencast Holdings Ltd. and its subsidiaries ("Mencast' or the "Group") is a regional maintenance, repair and overhaul ("MRO") solutions provider for the global Offshore, Oil & Gas and Marine sectors. Headquartered in Singapore, our Group was successfully listed in June 2008 as the first sponsor-approved listing on Singapore's SGX Catalist and later became the first such company to transfer to the SGX Mainboard.

Led by a dedicated and experienced management team, and operating from our new waterfront facilities and logistics seaborne hub on 52,120 square meters of land area, Mencast is well on track to achieve its goal of becoming a leader in the Oil & Gas MRO industry. **For more information on Mencast, visit http://www.mencast.com.sg**

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