

MENCAST HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company registration no.: 200802235C)

UPDATE ON USE OF PROCEEDS FROM RIGHTS ISSUE

The board of directors (the “**Board**”) of Mencast Holdings Ltd. (the “**Company**”) refers to the Company’s announcements dated 14 May 2014, 2 June 2014, 10 June 2014, 18 June 2014, 23 June 2014, 15 July 2014 and 16 July 2014 (the “**Announcements**”) and the offer information statement lodged with the Monetary Authority of Singapore on 18 June 2014 (the “**Offer Information Statement**”) in relation to the proposed renounceable non-underwritten rights issue of up to 59,540,977 new ordinary shares at an issue price of S\$0.20 for each rights share (the “**Rights Issue**”).

Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the Announcements and the Offer Information Statement.

Further to the Announcements and the Offer Information Statement in relation to Net Proceeds raised by the Company from the Rights Issue, the Board wishes to provide the following update on the utilisation of the Net Proceeds:

Intended use of Net Proceeds	Amount allocated S\$’000	Amount utilised as at the date of this announcement S\$’000	Balance as at the date of this announcement S\$’000
Funding of business expansion through mergers and acquisitions and capital expenditures ⁽¹⁾	10,000	10,000	-
General working capital requirements ⁽²⁾	1,790	1,790	-
Total	11,790	11,790	-

Note:

- (1) Capital expenditures consisted of payments for (a) construction of property at 42A Penjuru Road; (b) construction of crane barge; (c) construction of dormitory at 12 Kwong Min Road; and (d) construction of waste water treatment plant at 42E Penjuru Road.
- (2) Utilisation of net proceeds allocated for working capital requirements are mainly payments to suppliers and subcontractors.

The above utilisation is in line with the intended use of Net Proceeds as set out in the Announcements and the Offer Information Statement.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENN DLE
Executive Chairman and Chief Executive Officer
10 December 2015

About Mencast

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 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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