

MENCAST HOLDINGS LTD.

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

DIFFERENCES BETWEEN UNAUDITED AND AUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The Board of Directors of Mencast Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s Financial Statement and Dividend Announcement for the financial year ended 31 December 2019 (“**FY2019**”) released to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) via the SGXNet on 28 February 2020 (the “**Announcement**”).

Pursuant to Rule 704(6) of the Listing Manual of the SGX-ST, the Board wishes to highlight there were certain material differences between the audited financial statements of the Company for FY2019 (“**Audited Results**”) and the Announcement, following new developments which are described in the Notes as well as discussions with the Group’s independent auditor and the finalisation of the audit. A summary of the material differences and explanation for the adjustments to the Consolidated Statement of Comprehensive Income and Balance Sheet (Company) is set out as below:

Consolidated Statement of Comprehensive Income (Group)

	Audited Results	Announcement	Difference	Note
	S\$’000	S\$’000	S\$’000	
Continuing operations:				
Other gains - net	8,166	9,109	(943)	1
Loss before income tax	(9,320)	(8,377)	(943)	
Loss from continuing operations	(8,883)	(7,940)	(943)	
Profit from discontinued operations	3,107	2,164	943	1
Total Loss	(5,776)	(5,776)	-	
(Loss)/profit attributable to equity holders of the Company relates to:				
Loss from continuing operations	(8,946)	(8,133)	(813)	1
Profit from discontinued operations	1,873	1,060	813	1
	(7,073)	(7,073)	-	
(Loss)/earnings per share attributable to equity holders of the Company (cents per share)				
Basic and diluted				
- From continuing operations	(2.09)	(1.90)	(0.19)	
- From discontinued operations	0.44	0.25	0.19	
Total loss per share	(1.65)	(1.65)	-	

Balance Sheet (Company)

Balance Sheet (Company level)	Audited Results	Announcement	Difference	Note
	S\$'000	S\$'000	S\$'000	
Trade and other payables	24,486	24,463	23	2
Accumulated losses	(41,177)	(41,154)	(23)	2

Notes:-

- 1) Mainly due to the reclassification of other gain of S\$943,000 (inclusive non-controlling interest's share of gain) in continuing operations to discontinued operations, arising from the disposal of 50% equity interest in Vac-Tech Engineering Pte Ltd.

After taking into consideration of non-controlling interests share of gain of S\$130,000 (being the difference between S\$943,000 and S\$813,000), the loss attributable to equity holders of the Company for continuing operations was S\$8.9 million. Profit attributable to equity holders of the Company for discontinued operation increased by the same amount to S\$1.87 million.

As a result of the above, the Group's loss per share (based on continuing operations) for FY2019 was 2.09 Singapore cents instead of loss per share of 1.90 Singapore cents. Total loss per share remained unchanged at 1.65 Singapore cents for FY2019.

- 2) The difference was mainly due to an under-accrual of S\$23,000 in legal expenses at Company's level.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENN DLE
 EXECUTIVE CHAIRMAN & CHIEF EXECUTIVE OFFICER
 9 April 2020

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.

For more information on Mencast, visit <http://www.mencast.com.sg>

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