

MENCAST HOLDINGS LTD.

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

APPLICATION FOR AN EXTENSION OF TIME TO EXIT THE WATCH-LIST PURSUANT TO RULE 1314 OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

1. INTRODUCTION

The Board of Directors (“**Board**” or “**Directors**”) of Mencast Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 5 June 2019 where the Company announced that it will be placed on the watch-list with effect from 6 June 2019 pursuant to Rule 1311 of the listing manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Listing Manual**”).

Pursuant to Rule 1314 of the Listing Manual, the Company may apply for its removal from the watch-list if it records consolidated pre-tax profit for the most recently completed financial year (based on audited full year consolidated accounts) and has an average daily market capitalisation of S\$40 million or more over the last six months. Pursuant to Rule 1315 of the Listing Manual, if the Company fails to comply with the above requirements within 36 months from the date it was placed on the watch-list, the SGX-ST may either remove the Company from the Official List or suspend trading of the listed securities of the Company with a view to removing the Company from the Official List.

The Board wishes to announce that the Company has submitted an application on 20 May 2022 to the SGX-ST for an extension of time of up to 31 December 2022 to comply with Rule 1314 of the Listing Manual (the “**Application**”).

2. EXTENSION OF TIME APPLICATION

Pursuant to paragraph 4.2(1) of Practice Note 13.2 of the Listing Manual, an issuer may apply to SGX-ST for an extension of time of up to 12 months if the issuer is able to satisfy (i) at least one of the requirements under Rule 1314 of the Listing Manual and (ii) has achieved healthy cash flow from its operating activities (based on its audited full year consolidated accounts for the most recently completed financial year).

As at the date of the Application, based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2021 (“**FY2021**”), the Group has recorded a consolidated pre-tax profit of S\$4.8 million and net cash inflow from operating activities of S\$18.8 million for FY2021. The Company’s average daily market capitalisation for the past 6 months has not exceeded S\$40 million, being S\$14.2 million. As such, the Company has fulfilled the prerequisite requirements to apply for an extension of time.

3. REASONS FOR THE EXTENSION APPLICATION

The Company is proposing to undertake a transfer from the Mainboard of the SGX-ST to Catalyst (“**Proposed Transfer**”). Accordingly, the extension of time is required in order for the Company to complete the Proposed Transfer. In particular, additional time is required:

- (i) for the Company and potential sponsor to go through the necessary process and procedures including submission of the application for the Proposed Transfer to the SGX-ST;
- (ii) for the SGX-ST to review the application for the Proposed Transfer; and

- (iii) for the Company to prepare a circular to shareholders as well as to serve a 21 days' notice for an extraordinary general meeting to be convened for the shareholders to approve the Proposed Transfer.

On 13 May 2022, the Company has appointed SAC Capital Private Limited to assist in the Proposed Transfer process, including submission of application for the Proposed Transfer to the SGX-ST. The Company is also proposing SAC Capital Private Limited to act as the Company's continuing sponsor subject to the effective transfer of the Company from the Mainboard to Catalist.

4. OTHER INFORMATION

The Company will make further announcements to update its shareholders on the outcome of the Application in due course.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENDLE
Executive Chairman & Chief Executive Officer

20 May 2022