

MENCAST HOLDINGS LTD.

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

**DEBT RESTRUCTURING AGREEMENT
EXTENSION OF DEADLINE FOR WAIVER OF FINANCIAL COVENANTS AND DELEVERAGING OF DEBT**

Reference is made to the announcements by the Board of Directors (“**Board**”) of Mencast Holdings Limited (“**Company**” and together with its subsidiaries, the “**Group**”) on 1 February 2019, 1 April 2019, 13 May 2019, 26 September 2019, 1 April 2020, 26 August 2020 and 11 November 2021 (the “**Prior DRA Announcements**”) in relation to the entry by the Group into a Debt Restructuring Agreement (“**DRA**”) with the Lenders for a restructuring of the Group’s existing debts owed to such Lenders.

All capitalised terms used and not defined herein shall have the same meanings given to them in the Prior DRA Announcements.

The Board wishes to announce that the Group has, on 13 February 2024, entered into a letter agreement dated 6 February 2024 to amend certain terms of the Amended DRA (“**Further Amended DRA**”). The terms of the Further Amended DRA remain largely as per the Amended DRA with the following material amendments:

- (i) all financial covenants under the relevant existing facility agreements (i.e. clauses pertaining to financial conditions, the breach of which would result in an event of default under such facility agreements) will be waived until 31 March 2026, and no event of default under/or breach of such existing facility agreements shall arise therefrom;
- (ii) the Group shall deleverage its debt by at least \$55 million on or before 31 March 2026, through the divestment of one or more of the following: (i) certain agreed non-core assets and (ii) the diving and rope access business unit (“**Mencast Subsea**”)*; and
- (iii) during the restructuring period and until 31 March 2026, the Group shall not pay dividends or any other forms of distributions to its shareholders.

*In relation to (ii) above, the Group completed the disposal of its entire stake in Mencast Subsea on 30 June 2022 and announced such on even date.

The amendments effectively extend the aforesaid obligations of the Group under the Amended DRA for a period of 2 years, from 31 March 2024 to 31 March 2026.

In addition to the aforesaid amendments, the Amended DRA was also modified by a Deed of Removal of Parties dated 6 February 2024 (the “**Deed of Removal**”). Pursuant to the Deed of Removal, the following companies are no longer parties to the DRA arrangement:

- 1) Chinyee Engineering & Machinery Pte. Ltd.;
- 2) Unidive Subsea Pte. Ltd. (f.k.a. Mencast Subsea Pte. Ltd.) which has been disposed by the Group on 30 June 2022;
- 3) PT Mencast Offshore & Marine;
- 4) S & W Pte. Ltd.; and
- 5) Top Great Engineering & Marine Pte Ltd.

The Deed of Removal also modified the Amended DRA such that DBS Bank Ltd. is no longer a party to the DRA arrangement. Accordingly, the terms “Lender” and “Lenders” in the Further Amended DRA refer only to:

- 1) Ethoz Capital Ltd.;
- 2) RHB Bank Berhad;
- 3) Standard Chartered Bank (Singapore) Limited; and
- 4) United Overseas Bank Limited.

For the avoidance of doubt, the following Group companies remain party to the Further Amended DRA and shall continue to be responsible for the fulfilment of the obligations contained therein:

- 1) Mencast Holdings Ltd.;
- 2) Mencast Engineering Pte. Ltd.;
- 3) Mencast Marine Pte Ltd;
- 4) Mencast Offshore & Marine Pte. Ltd.; and
- 5) Recon Propeller & Engineering Pte. Ltd.

The Group appreciates the continuing support it has received from the Lenders and the Group is making continuous effort on the debt restructuring exercise. The Board will continue to provide further material updates at the appropriate times.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above transaction.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENN DLE
Executive Chairman & Chief Executive Officer
15th February 2024

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Charmian Lim (Telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.