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**Event** : Sector Connect - SGX 2013 Retail Seminars  
**Topic** : MRO to the Oil & Gas and Marine Industry  
**Speaker** : **Glennle Sim**  
Executive Chairman and Chief Executive Officer  
Mencast Holdings Ltd

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- Group Overview
- Operations Review
- Financial Review
  - FY2012 and 1Q2013

# Group Overview



# Introduction to Mencast

- MRO (“Maintenance, Repair & Overhaul”) to Oil & Gas and Marine Industry
- Established in 1981, with a reputation for reliability, quality and service built up over 30 years experience
- First Company to list on SGX Catalist (June 2008) and first company to upgrade to SGX Main Board (Dec 2011) from Catalist



**Mencast**  
PARTNER PERFECT

Expert solutions, lasting relationships

# Mencast Serves the Entire Energy Cycle

## ENERGY CYCLE

### Exploration



### Remediation



### Production



### Maintenance



### Distribution



### Exploration & Production

*Offshore structure engineering and fabrication for exploration, production and seismic survey  
Pressure vessels, tanks, skid plates and precision components  
Rig positioning and thruster installation  
Remote Operated Vehicles*

### Distribution

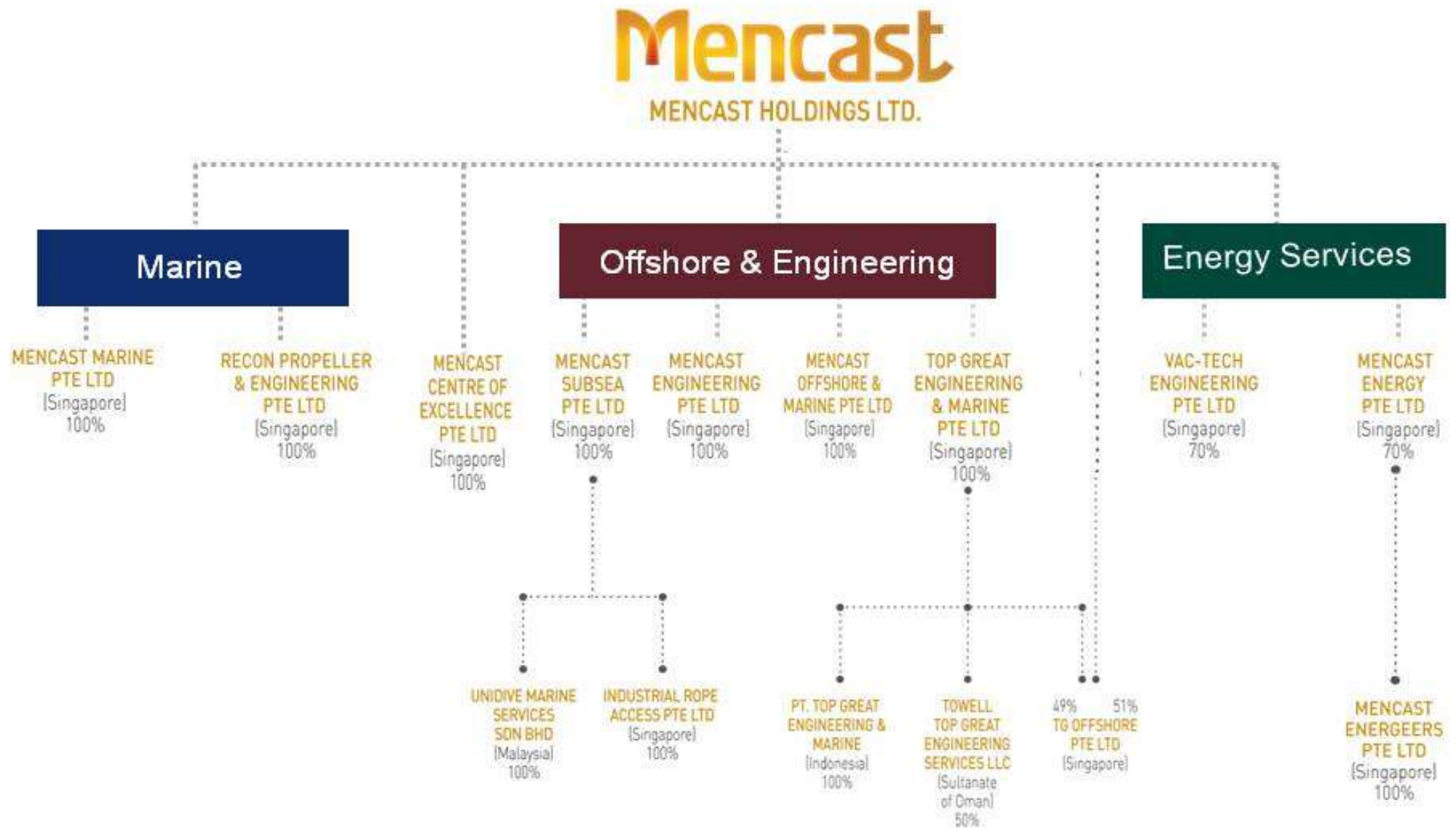
*Manufacturing of sterngear systems and equipment for oil tankers  
Piping systems and equipment for O&G industry*

### Refinery/ Maintenance

*Integrated MRO services for oil and gas and marine industry  
Underwater, topside and offsite capabilities*

### Environmental Remediation

*Cleaning, waste management and processing services  
Carbon footprint management  
Decommissioning*





# Mencast's Shareholders

## *Executive Directors*

### **Glennle Sim**

<b>Profile</b>	<b>Stake</b>
Executive Chairman & CEO	21.57%

### **Wong Boon Huat**

<b>Profile</b>	<b>Stake</b>
Executive Director	7.57%

## *Cornerstone Investor*

### **Gay Chee Cheong and Family**

<b>Profile</b>	<b>Stake</b>
Renown private investor	9.10%

## *Strategic Investors*

### **Heliconia Capital Management**

<b>Profile</b>	<b>Stake</b>
100%-owned subsidiary of Temasek	3.00%

### **Dymon Asia Special Opportunities Fund**

<b>Profile</b>	<b>Stake</b>
Premier Asian high return fund with close to US\$3 billion under management	2.35%

## *Other*

### **Sim Family**

<b>Profile</b>	<b>Stake</b>
Mother and siblings of Glennle Sim	20.23%

Board of Directors		
Name	Position	Role & Responsibilities / Profile Highlights
Glennle Sim	Executive Chairman & Chief Executive Officer	<ul style="list-style-type: none"> <li>Responsible for overall management, strategic planning, operations and marketing of Mencast Group.</li> <li>Graduated from NUS with Bachelor in Business Admin and Master of Business Admin from University of Delaware, USA.</li> <li>Certified in General Foundry Technology &amp; Non-Ferrous Metals Technology by Cast Metal Institute Inc. (USA).</li> </ul>
Wong Boon Huat	Executive Director	<ul style="list-style-type: none"> <li>Executive Director of Operations for Men cast's core Offshore &amp; Engineering, Marine &amp; Energy Services segments.</li> <li>Oversees formulation &amp; implementation of Group's operation plans and policies.</li> <li>Founder of Top Great Engineering &amp; Marine Pte Ltd, with 30 years of industry experience.</li> </ul>
Sunny Wong	Lead Independent Director	<ul style="list-style-type: none"> <li>Chairman of Nominating Committee and member of Audit &amp; Remuneration Committees.</li> <li>Managing Director of Wong Tan &amp; Molly Lim LLC and practicing advocate and solicitor of Singapore Supreme Court.</li> <li>Graduated from NUS with Bachelor of Laws (Honours).</li> </ul>
Ho Chew Thim	Independent Director	<ul style="list-style-type: none"> <li>Chairman of Audit Committee and member of Remuneration &amp; Nomination Committees.</li> <li>Accountant by vocation, over 35 years experience in financial management and held senior financial positions in mainly listed companies and banks including Poh Tiong Choon Logistics, Deutsche Bank, UIC, UOB, etc.</li> <li>Fellow Member of ICPA &amp; CPA Australia. Graduated with Bachelor of Accountancy (First Class Honours) from University of Singapore.</li> </ul>
Ng Chee Keong	Independent Director	<ul style="list-style-type: none"> <li>Chairman of Remuneration Committee and member of Audit &amp; Nomination Committees.</li> <li>Joined PSA in 1971 and last held position was President &amp; CEO of PSA. Current director in Jurong Port, Board Member of Centre of Maritime Studies (NUS).</li> <li>Bachelor of Social Science (Economics) from University of Singapore; graduated from Advanced Management Programs at Stanford University (USA) and INSEAD.</li> <li>Awarded Public Admin Medal (Gold) by Singapore govt. in 1997.</li> </ul>
David Leow	Independent Director	<ul style="list-style-type: none"> <li>Chairman of Corporate Strategy and Communication Committee and member of A&amp;R Committees.</li> <li>Over 20 years of experience in equity capital markets. Currently Managing Director of Thaler Group. Previous roles included senior positions in DBS Bank's Private Equity Group and UOB Kay Hian's Equity Capital Markets Group.</li> <li>Charter holder with the US CFA Institute as well as the ICA (Australia) and holds a Bachelor of Commerce from the University of Western Australia.</li> </ul>

## Board of Directors – Majority Independent Board



From left to right: Ho Chew Thim, Wong Boon Huat, Ng Chee Keong, Sim Soon Ngee Glendle, David Leow and Sunny Wong Fook Choy

Key Management		
Name	Position	Role & Responsibilities / Profile Highlights
Rodolfo “Jojo” Alviedo Jr	Chief Financial Officer	<ul style="list-style-type: none"> <li>Responsible for accounting and finance functions of Mencast Group.</li> <li>Amassed 20 years of international audit and advisory experience across Singapore, Philippines and Vietnam.</li> <li>Qualified CPA in Philippines.</li> </ul>
Brian Heng	Director of Corporate Strategy & Marketing Director in Mencast Centre of Excellence	<ul style="list-style-type: none"> <li>Spearheads marketing &amp; business development efforts, formulation of corporate strategies.</li> <li>Strategic human capital role in people development and training programmes.</li> <li>Doctorate of Philosophy from University of Queensland, Executive MBA from NUS, Master of Int’l Biz from Curtin University of Tech &amp; Master of Mass Comms from Griffith University.</li> </ul>
Sim Wei Wei	Head of Corporate Services	<ul style="list-style-type: none"> <li>Responsible for corporate services and strategic planning, overseeing coordination and allocation of resources for achievement of strategic objectives.</li> <li>Graduated from SMU with Bachelor of Business Management.</li> </ul>
Jack Phua	VP, Mencast Marine Director, Sterngear Services	<ul style="list-style-type: none"> <li>Oversees development of Marine activities.</li> <li>Co-founder of Recon Propeller &amp; Engineering Pte Ltd.</li> <li>Over 23 years of technical &amp; mgt experience in shipbuilding, repair &amp; maintenance industry.</li> </ul>
Edwin Tan	VP & MD, Mencast Subsea	<ul style="list-style-type: none"> <li>Responsible for diving, marine inspection, repairs and maintenance operations at Subsea.</li> <li>Certified diver and instructor with over 20 years of diving experience and more than 15 years of experience in Marine &amp; Offshore industry.</li> </ul>
Francis Ong	Operations Director, Mencast Subsea	<ul style="list-style-type: none"> <li>Holds certification in Industrial Rope Access Trade Association (IRATA) Rope Access Level 3, highest accolade awarded by the only worldwide association on industrial rope access.</li> <li>Leads a team of 40 rope access technicians.</li> <li>Certified diver with over 20 years of experience.</li> </ul>
Ho Gim Hai	MD, Vac-Tech Engineering	<ul style="list-style-type: none"> <li>In charge of developing and executing Vac-Tech strategic plans within Energy Services segment to penetrate the oil &amp; gas hazardous waste management sector.</li> </ul>
Lim Eng Sim	GM, Operations of Mencast Marine	<ul style="list-style-type: none"> <li>Spearheads operations in new sales projects and after-sales services, driving operational efficiency and effectiveness through implementation of continuous improvement initiatives.</li> <li>Over 20 years of experience in marine, aerospace and oil &amp; gas industries.</li> <li>Bachelor of Mechanical Engineering from NTU.</li> </ul>
Cheng Shao Rong	Senior Manager, Operations of Mencast Engineering	<ul style="list-style-type: none"> <li>Planning, supervision of projects and staff to ensure smooth execution and timely delivery of upstream precision engineering tools and equipment for customers.</li> <li>More than 26 years of experience in field of precision engineering.</li> </ul>

# Key Management



From left to right: Brian Heng Teck Kin, Francis Ong Yong Chye, Cheng Shao Rong, Edwin Tan Eng Hoe, Lim Eng Sim, Sim Wei Wei, Jojo Alviedo, Jack Phua Poh Cheng, and Ho Gim Hai

# Mission & Strategy

Vision

Most admired MRO partner and employer in the world

Goals

\$1 Billion Market Cap.

\$50+ million Net Profit

“BHAG 2020”

Big Hairy Audacious Goal

Strategy

Revenue  
Organic  
M&A into adjacent niches  
Cross Selling

Margins  
High utilization  
Productivity and processes  
Right structure & lean costs

Capital Spread  
High ROCE & ROE  
Low WACC  
Fund growth business

Enablers

“Partner Perfect”  
Culture of adding value  
Long term relationships  
Expert solutions

Talent  
Passion for performance  
Leverage teamwork  
Ownership culture

Scale  
Cost efficiency  
Market presence  
Able to invest in R&D

Focus  
Excellence of execution  
Speed!  
Invest in the best

# Roadmap: One Billion Market Cap.

## KEY DRIVERS

### Revenue Growth

Strong demand for MRO from Singapore and new markets.  
US\$2 billion revenue potential from identified markets.

### Margins

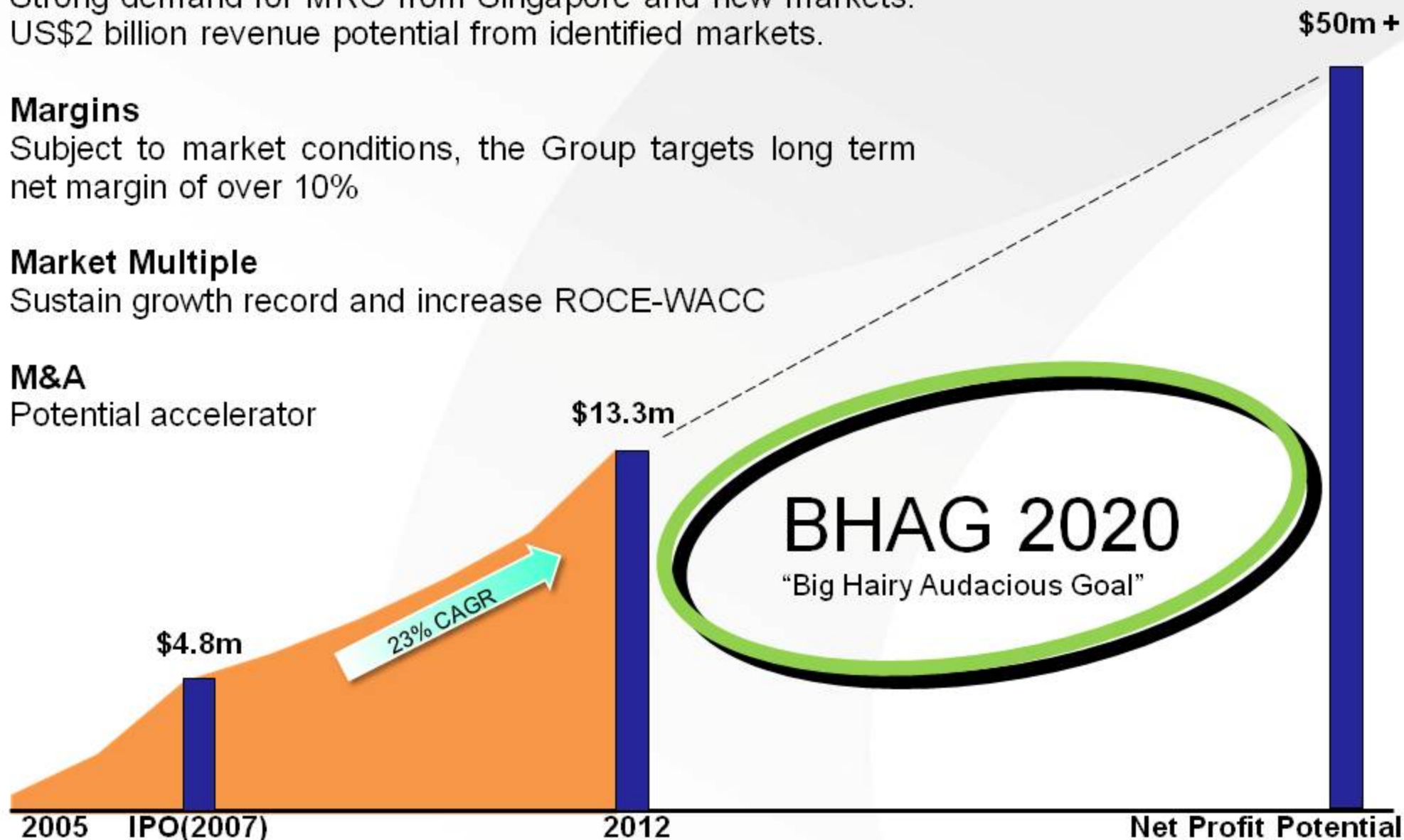
Subject to market conditions, the Group targets long term net margin of over 10%

### Market Multiple

Sustain growth record and increase ROCE-WACC

### M&A

Potential accelerator



# Operating Locations

Operating Locations	Descriptions	Built-Up Area (sqm)	Land Area (sqm)
No. 7 Tuas View Circuit Singapore 637642	Sterngear equipment manufacturing	6,698	8,501
No. 12 Kwong Min Road Singapore 628714	Precision machining and energy operations	2,946	4,623
No. 39 Tuas Avenue 13 Singapore 638999 (Note 2)	Sterngear services (Under Recon Propeller)	1,550	3,012
6 Tech Park Crescent Singapore 638126	Topside (Rope Access) and subsea (diving) services for the offshore and inshore marine industry, particularly in Inspections, Repairs & Maintenance.	1,718	1,718
42B & 42E Penjuru Road	Manufacture heavy rudder assemblies and high-end sterngear equipment for the marine and offshore industries	34,466	35,266
Total Built-up Area & Land Area in sqm		47,378	53,120

## Notes:

- 1) Excludes 15,091sqm of land leased from JTC in April 2013 which is under development. This land has a plot ratio of 2.0-2.5x
- 2) Property to be disposed by Recon Propeller. Pursuant to the requirements of JTC as a condition to the Group's acquisition of the lease of 42B Penjuru Road.



# Operations Review



# Integrated MRO Services

## Mencast

Partner Perfect



### Marine

- Customized sterngear manufacturing
- Reclaiming and reconditioning of sterngear
- Refurbishing of propulsion & sterngear system
- Water front, marine project deployment and management
- Maintenance, repair and inspection of shipyards and onboard vessels



### Offshore & Engineering

- Inspection, maintenance & fabrication of offshore structures
- Topside (rope access), subsea ROV, and commercial diving services
- In-house capabilities to manufacture metal precision components.
- Analysis of pressure vessels, and storage tank designs



### Energy Services

- Oil Sludge / Slop reclamation
- Hydro cleaning oil & gas tanks
- Encapsulation of wastes prior for landfill disposal
- Design and launch carbon footprint management initiatives & green initiatives

# Key Customers

Strong relationships with the customers have allowed Mencast to secure contracts averaging 3 to 5 years.

## Supporting Partners Across Offshore, Marine and Oil & Gas Sectors

### Marine



### Offshore & Engineering



### Energy Services



Providers of logistics and maintenance outsourcing services

# MARINE

## Principal Services

- Provide quality propeller repair and modification services
- Ship inspection, repair, maintenance, engineering and fabrication works
- Marine project management works

## Services Capability

- Customized manufacturing, mobile reclaiming and reconditioning of hull parts
- Customized marine project deployment and management
- Maintenance, repair and inspection at shipyards, ports, wharves and onboard vessels for offsite works
- 30 years of integrated marine specialist services, both offshore and onshore









# OFFSHORE & ENGINEERING

Mencast

## Principal Services

- Inspection, maintenance and fabrication of offshore structures
- Onshore structures-related services and engineering
- In-house capabilities to manufacture metal precision components

## Services Capability

- Fabricate complex skids, filtration membrane and pressured vessels
- Analysis of pressure vessels, and storage tank designs
- Full turnkey project management of engineering projects
- Supply Manpower onboard vessel to mobilize equipment
- Industrial rope access to bridges, tunnels and other construction projects





# OFFSHORE & ENGINEERING



# OFFSHORE & ENGINEERING



# OFFSHORE & ENGINEERING



# ENERGY SERVICES

Mencast

## Principal Services

- Chemical decontamination of exhumers
- Semi-robotic oil tank de-sludging
- Air-Fin cooling cleaning and Hydro cleaning
- Heat-Exchange re-tubing
- Mobile decontaminating plants

## Services Capability

- Custom-designed environmental and energy solutions
- Physically and chemically encapsulate wastes prior to landfill disposal
- Reclaim and lengthen asset life cycle to strengthen business model to become environmentally sustainable
- Design and launch carbon footprint management initiatives



# ENERGY SERVICES



# ENERGY SERVICES



# ENERGY SERVICES



# Mencast

MARINE



# Mencast

OFFSHORE & ENGINEERING



# Mencast

ENERGY SERVICES



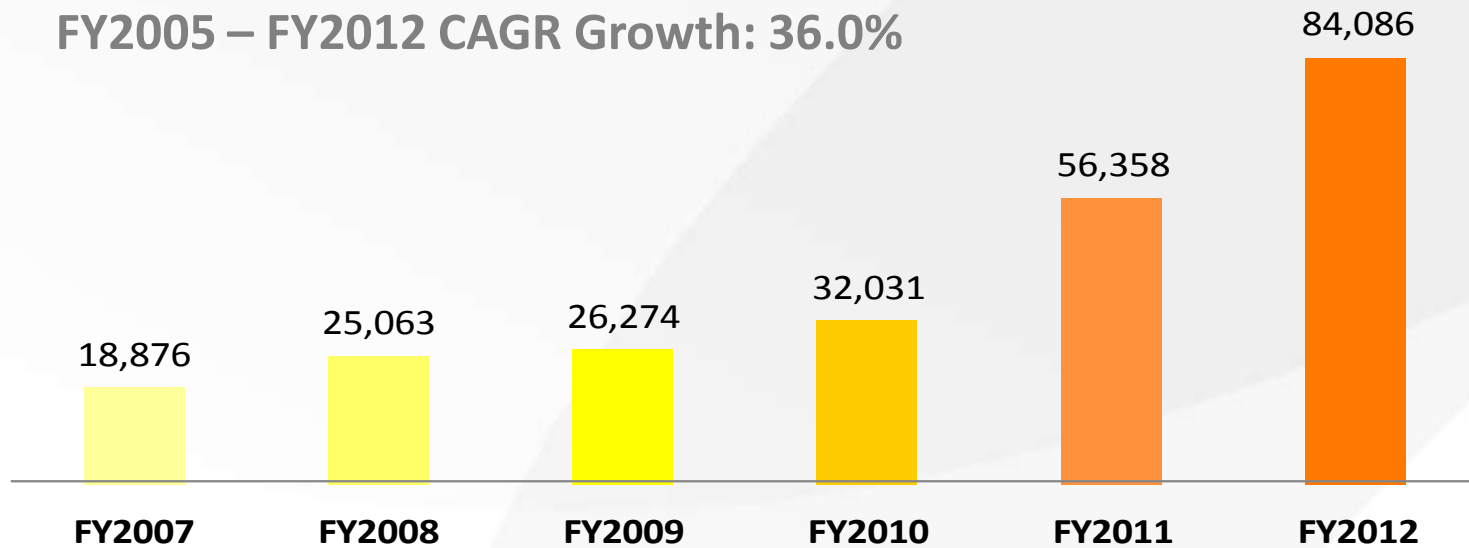


**Financial Review  
- FY2012 & 1Q2013**

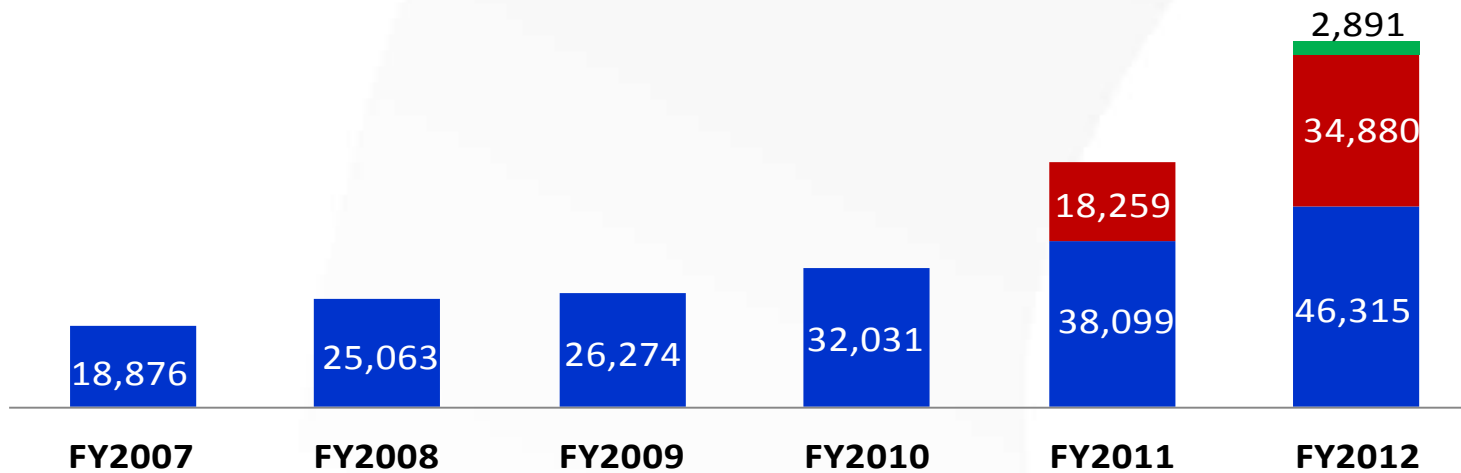


# Consistent Revenue Growth (Eight Consecutive Years of Growth)

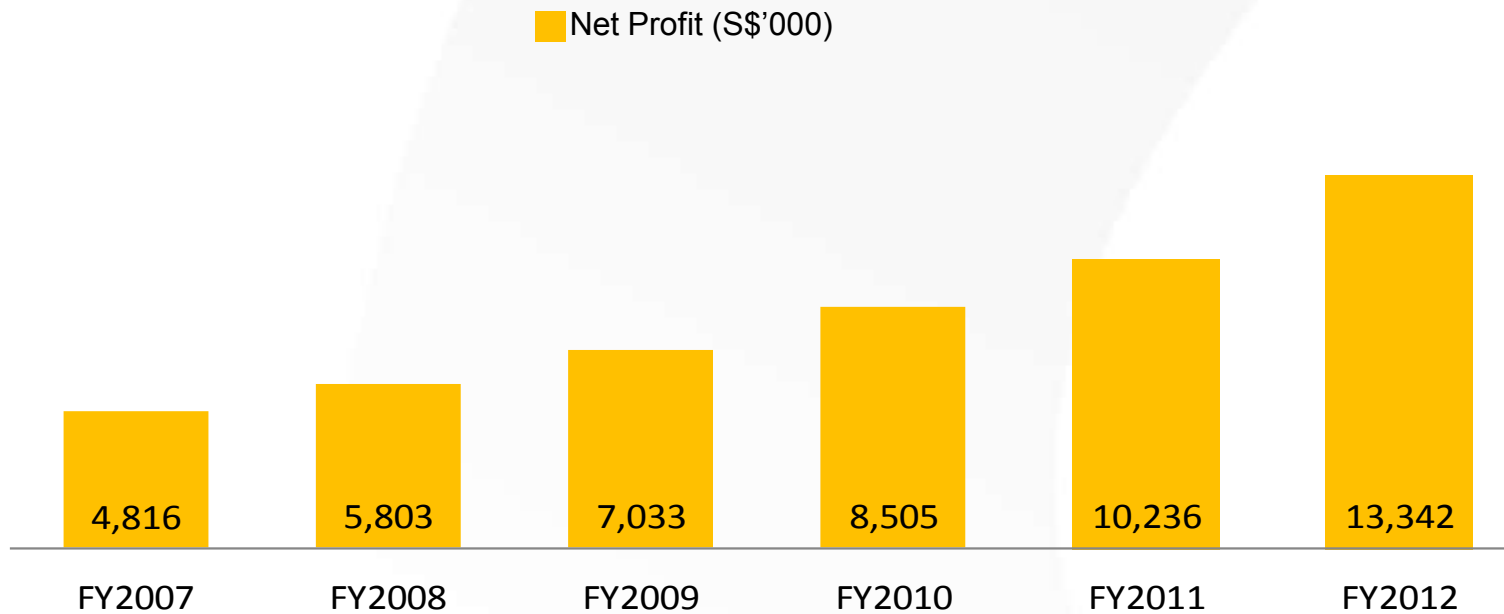
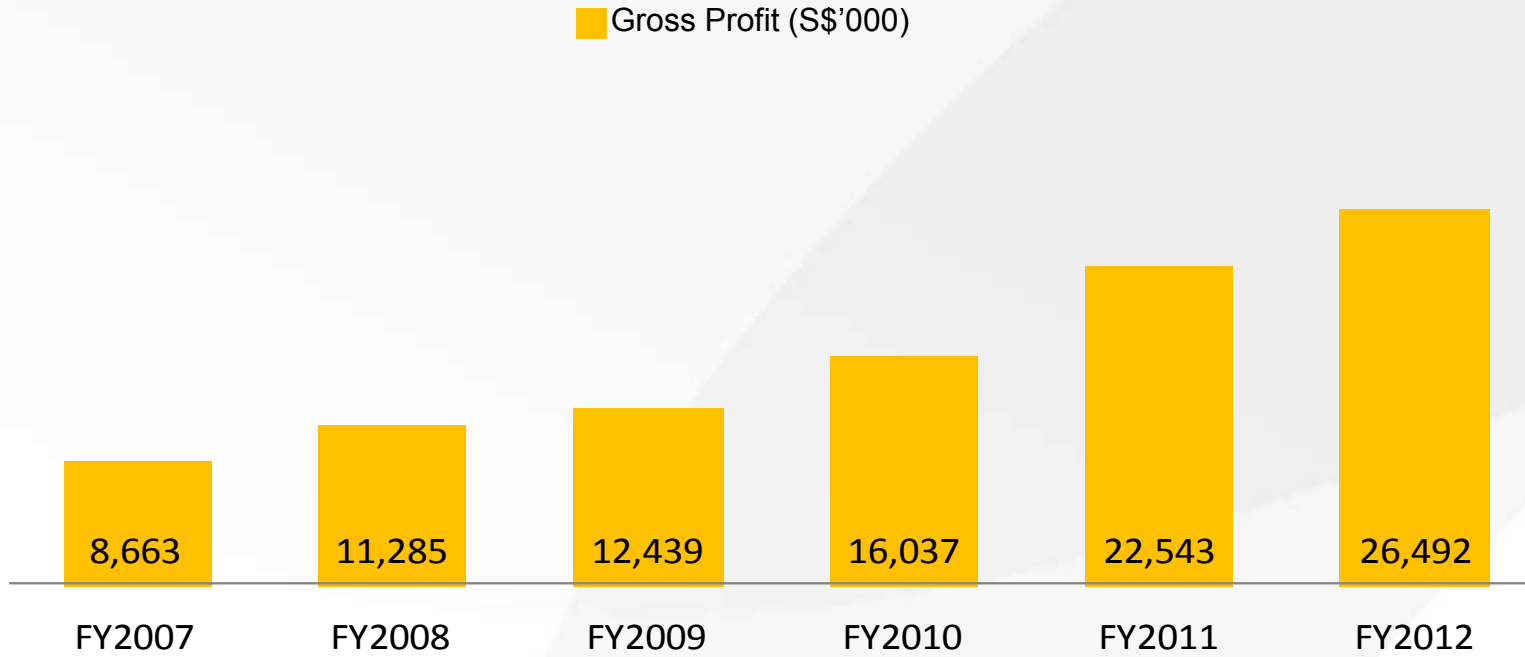
FY2005 – FY2012 CAGR Growth: 36.0%



■ Marine Services   ■ Offshore & Engineering Services   ■ Energy

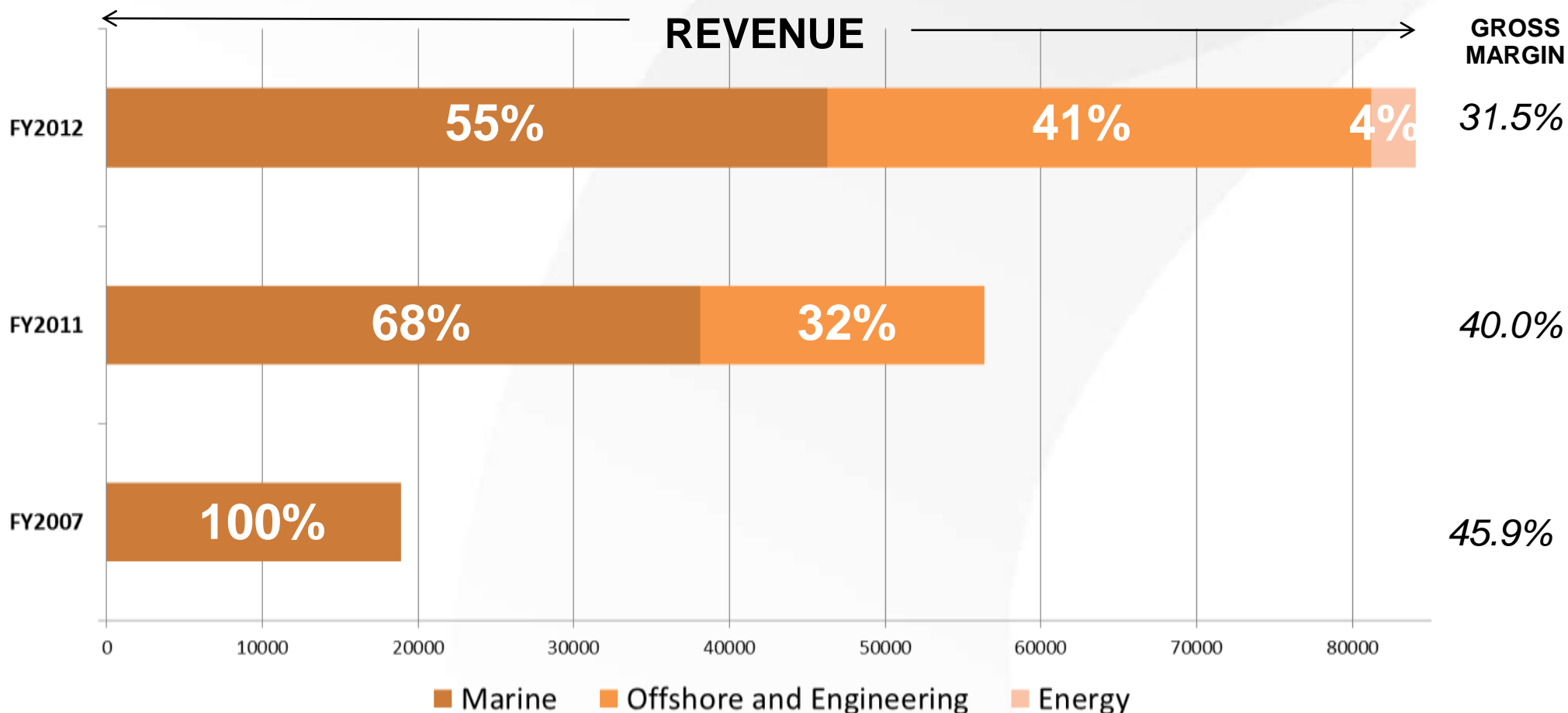


# Consistent Profit Growth



## Evolution of Business Mix

- Marine has a lower materials component than Offshore and Engineering, and thus higher gross margins
- Offshore and Engineering is still very lucrative and often has large contract values
- Energy Services has potential to generate high margins



# Revenue Growth Outlook 2013

- Growth in all business segments (i.e. Offshore & Engineering, Marine and Energy), particularly Energy
- Strong opportunities from Middle East, Batam, Thailand and Vietnam, each of which has revenue potential 2-3x Singapore
- Targeting revenue to narrow gap relative to fixed asset additions (full year benefit + higher average utilization)

## KPIs (2012 vs. 2010)

### PPE

Property Plant and  
Equipment

**3.4x**

### Revenue

Consolidated  
Group

**2.6x**

### Capacity

2013 vs. 2012

**+50%**

# THANK YOU!

## **MENCAST HOLDINGS LTD.**

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