

**MENCAST HOLDINGS LTD.**

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

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**QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE SGX-ST LISTING MANUAL**

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**Background**

Mencast Holdings Ltd. (the “Company”, and together with its subsidiaries, the “Group”) was placed on the watch-list under the financial entry criteria (“Financial Criteria Watch-list”) pursuant to Rule 1311(1) of the Listing Manual on 6 June 2019 as it recorded pre-tax losses for the three (3) most recently completed consecutive financial years (based on audited full year consolidated accounts) and an average daily market capitalisation of less than S\$40 million over the last 6 months.

The Company remains on the Financial Criteria Watch-list (hereinafter referred to as the “Watch-list”) as at the date of this announcement as the Company did not meet the Financial exit criteria pursuant to Rule 1314(1) of the Listing Manual (the “Financial Exit Criteria”).

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the “Board”) wishes to provide an update on its efforts and the progress made in meeting the Financial Exit Criteria.

**Update on the Unaudited Financial Performance and Financial Position**

Please refer to the announcement dated 13 August 2021 on the unaudited financial statements of the Group for the six months financial period ended 30 June 2021 for an update on the Group’s financial position and any material developments that may have an impact on its financial situation.

The Group reported a total revenue of S\$22.3 million for the six months ended 30 June 2021, as compared to S\$24.2 million in the corresponding period in 2020. Net profit attributable to equity holders of the Company was S\$0.2 million as compared to S\$10.5 million in previous year same period. Excluding non-recurring gain of S\$8.6 million, net profit attributable to equity holders of the Company would have been S\$1.9 million for previous year same period.

**Update on Efforts for Satisfying Financial Exit Criteria**

The Board endeavours to review the available options to meet the Financial Exit Criteria, taking into account of the lackluster market conditions and uncertainties surrounding the global economy in light of the COVID-19 situation. The Company will remain focused on efforts to improve its financial performance.

The Group’s Energy segment has been working relentlessly to develop and expand the capacity of its waste management business over the year. Many improvements and upgrading works were executed and it is presently working on the commissioning of new equipment to meet the health, safety, environmental and regulatory requirements. Barring unforeseen circumstances, the segment expects the capacity expansion plans and enhancement works to be ready by end of Q4 2021. The segment will also strategically seek to expand its customer base concurrently.

While the Group is mindful of the challenges and the impact of a prolonged outbreak of the COVID-19, it continues to stay focused on capturing opportunities that complement or expand its business of waste management and MRO services. The Group will also explore ways to diversify into other businesses or markets to provide alternative revenue and income streams to expand and boost the performance and net

asset value of the Company. It will remain prudent and focus on operational cost containment to ensure resiliency in its businesses.

The Company is aware of the 5<sup>th</sup> June 2022 deadline given by SGX-ST to meet the Financial Exit Criteria. The Company will, in the meantime, provide Shareholders with quarterly update on its efforts and the progress made in meeting the Financial Exit Criteria.

If any material development occurs between the quarterly updates, the Company will make immediate announcement of such development.

**BY ORDER OF THE BOARD**

SIM SOON NGEE GLENN DLE  
Executive Chairman & Chief Executive Officer  
12 November 2021

## **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>**

## **Contacts:**

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