

MENCAST HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200802235C)

INCORPORATION OF NEW JOINT VENTURE COMPANY

The Board of Directors of Mencast Holdings Ltd. (the "**Company**") is pleased to announce that the Company has set up a joint venture company in Singapore ("**JV Company**") with Mr. Wong Boon Huat ("**WBH**"), details of which are set out below:

Name of JV Company : TG Offshore Pte. Ltd.

Principal activities : (a) Repair of ships, tankers and other ocean-going vessels
(b) Construction and repair of engines, boilers and machinery

Shareholders : Company (51.0% shareholding interest)
WBH (49.0% shareholding interest)

WBH is the owner of Top Great Engineering & Marine Pte Ltd ("**TG**") based in Singapore. TG is involved in marine, offshore and dredging activities and serves the industrial needs for fabrication & installation for on-shore and off-shore projects and provision of engineering services, with customers located in various South-east Asian countries.

The issued and paid-up share capital of the JV Company is S\$100 comprising 100 shares. The Company has invested S\$51 in the JV Company.

The Company's investment in the JV Company was funded through internal resources and the incorporation of the JV Company is not expected to have any material impact on the net tangible assets per share and earnings per share of the Company for the current financial year ending 31 December 2010.

None of the directors or substantial shareholders of the Company has an interest, direct or indirect, in the incorporation of the JV Company, other than through their shareholdings in the Company.

BY ORDER OF THE BOARD

SIM SOON NGEE GLENN DLE
Executive Chairman and Chief Executive Officer

Date: 3 February 2010

*This announcement and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the 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 Mr Mah Kah Loon, Head, Corporate Finance, CIMB Bank Berhad, Singapore Branch, 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone (65) 6337 5115.