

DYNA-MAC HOLDINGS LTD.

Company Registration No. 200305693E
(Incorporated in the Republic of Singapore)

COMMENCEMENT OF CONSENT SOLICITATION EXERCISE BY DYNA-MAC HOLDINGS LTD. (THE "COMPANY") IN CONNECTION WITH THE S\$50,000,000 4.25 PER CENT. NOTES DUE 2017 (ISIN: SG6SC8000005) COMPRISED IN SERIES 001 (THE "NOTES") ISSUED BY THE COMPANY PURSUANT TO ITS S\$300,000,000 MULTICURRENCY MEDIUM TERM NOTE PROGRAMME (THE "PROGRAMME") ESTABLISHED ON 21 JULY 2014

Reference is made to:

- (a) the Notes; and
- (b) the trust deed dated 21 July 2014 (the "**Trust Deed**") made between (1) the Company, as issuer, and (2) DB International Trust (Singapore) Limited, as trustee (the "**Trustee**"), relating to the Programme and constituting the Notes.

Capitalised or other terms used but not defined herein shall, unless the context otherwise requires, have the meanings as set out in the consent solicitation statement dated 7 December 2015 (the "**Consent Solicitation Statement**") issued by the Company.

The Company wishes to announce that it has today commenced a consent solicitation exercise to seek the approval of the holders (the "**Noteholders**") of the Notes (the "**Consent Solicitation**"), by way of extraordinary resolution to, *inter alia*, only in respect of the Notes:

- (i) the waiver of the non-compliance with Clauses 7.2.1 and 7.2.3 of the Trust Deed and Conditions 3(b)(i) and 3(b)(iii) of the Notes in respect of the Test Period (as defined in the Trust Deed) ended 30 June 2015 and the non-compliance with Clause 7.2.1 of the Trust Deed and Condition 3(b)(i) of the Notes in respect of the Test Period (as defined in the Trust Deed) ended 30 September 2015;
- (ii) the waiver of the occurrence of the Event(s) of Default (as defined in the Trust Deed) or, as the case may be, Potential Event(s) of Default (as defined in the Trust Deed) under Conditions 9(b) and 9(c) of the Notes as a result of the non-compliance with Clauses 7.2.1 and 7.2.3 of the Trust Deed and Conditions 3(b)(i) and 3(b)(iii) of the Notes as described in paragraph (i) above and the waiver of any requirement, covenant and term in the Trust Deed and the Notes as a result of the non-compliance with Clauses 7.2.1 and 7.2.3 of the Trust Deed and Conditions 3(b)(i) and 3(b)(iii) of the Notes as described in paragraph (i) above;
- (iii) the deposit by the Company on the date of the Supplemental Trust Deed of S\$3,213,698.64, being the amount approximately equal to the interest payable on the aggregate principal amount of the Notes outstanding for three Fixed Rate Interest Periods (so long as the entire aggregate principal amount of the Notes remain outstanding) (the "**Initial Deposit**") into the Series 001 Interest Service Reserve Account;

- (iv) an amendment to Clause 7.1 of the Trust Deed and Condition 3(a) of the Notes such that an additional carve-out is inserted in Clause 7.1 of the Trust Deed and Condition 3(a) of the Notes permitting any security created pursuant to any account charge executed by the Company to secure the Notes (as defined in the Trust Deed) of any Series (as defined in the Trust Deed);
- (v) an amendment to the financial covenants set out in Clause 7.2 of the Trust Deed and Condition 3(b) of the Notes such that:
 - (a) the Consolidated Tangible Net Worth (as defined in the Trust Deed) shall not at any time be less than S\$150,000,000 (instead of S\$175,000,000 as currently provided);
 - (b) the ratio of Consolidated EBITDA to Consolidated Interest Expense (the “**Interest Coverage Ratio**”) in respect of any Test Period (as defined below) shall not be less than 3.0:1 provided that it will not be a breach of Clause 7.2.3 of the Trust Deed and Condition 3(b)(iii) of the Notes if:
 - (1) the Interest Coverage Ratio is less than 3.0:1 for any Test Period; and
 - (2) the Company has deposited a further amount of S\$1,071,232.88, being the amount approximately equal to the interest payable on the aggregate principal amount of the Notes outstanding for one Fixed Rate Interest Period (so long as the entire aggregate principal amount of the Notes remain outstanding), into the Series 001 Interest Service Reserve Account, except that no such deposit is required to be made if the moneys standing to the credit of the Series 001 Interest Service Reserve Account is an amount that is at least equal to the total amount of interest payable on the aggregate principal amount of the Notes outstanding for the remaining Fixed Rate Interest Period(s) immediately following the delivery of the compliance certificate referred to in Clause 15.9 of the Trust Deed in respect of such Test Period.

Amounts standing to the credit of the Series 001 Interest Service Reserve Account cannot be withdrawn by the Company and may be applied towards the payment of interest on the Notes or payment of amounts due and payable on the Notes on the date of maturity of the Notes or on the date of the Notes becoming due and payable; and
 - (c) the definition of “Test Period” shall be deleted in its entirety and substituted therefor with the following:

“**Test Period**” means each period of 12 months (on a rolling 12 month basis) ending on the last day of each financial quarter of the Group.”;
- (vi) the entry into of the Series 001 Account Charge with the Trustee to provide security over the Series 001 Interest Service Reserve Account; and
- (vii) the inclusion of consequential provisions in the Trust Deed relating to the Series 001 Interest Service Reserve Account, the Trustee’s power of enforcement of the security created by the Series 001 Account Charge, the application of moneys received by the Trustee pursuant to an enforcement of the security created by the Series 001 Account Charge, the Initial Deposit and

any subsequent deposit into the Series 001 Interest Service Reserve Account, the circumstances under which moneys deposited into the Series 001 Interest Service Reserve Account by the Company shall be applied by the Trustee and the rights and duties of, and the protections afforded to, the Trustee for all actions taken by it in respect of the Series 001 Interest Service Reserve Account as set out in the Supplemental Trust Deed in the form of the draft produced at the Meeting and for the purposes of identification signed by the chairman of the Meeting with such amendments (if any) as the Trustee may approve and/or require, to provide for such consequential provisions.

Oversea-Chinese Banking Corporation Limited has been appointed as the solicitation agent in connection with the Consent Solicitation. Further details on the Consent Solicitation can be found in the notice of meeting published in *The Business Times* and announced via SGXNET on 7 December 2015.

A copy of the Consent Solicitation Statement will be mailed to the Noteholders with an address in Singapore. In order to avoid any violation of laws applicable in countries other than Singapore, the Consent Solicitation Statement has not been and will not be mailed to Noteholders who do not presently have an address in Singapore ("**Foreign Noteholders**"). Foreign Noteholders who wish to obtain a copy of the Consent Solicitation Statement should provide in writing such an address in Singapore to Deutsche Bank AG, Singapore Branch, in its capacity as principal paying agent in connection with the Consent Solicitation, not later than five days before the Early Consent Fee Deadline.

In addition, Noteholders may collect copies of the Consent Solicitation Statement, the Voting Certificate, the Voting Instruction Form and the Tax Residency Declaration Form from the office of Deutsche Bank AG, Singapore Branch, in its capacity as principal paying agent in connection with the Consent Solicitation, at One Raffles Quay, #16-00 South Tower, Singapore 048583 from 7 December 2015, between 9.00 a.m. to 5.00 p.m. (Singapore time) from Mondays to Fridays (excluding public holidays), up to 10.00 a.m. (Singapore time) on 28 December 2015.

Questions and requests for further information and assistance in relation to the Consent Solicitation or the Consent Solicitation Statement may be directed to Oversea-Chinese Banking Corporation Limited, in its capacity as solicitation agent, during normal office hours at its address and telephone number set forth on the back cover of the Consent Solicitation Statement. Questions or requests for assistance in connection with the submission or delivery of Voting Instructions and/or Voting Instruction Forms may be directed to Deutsche Bank AG, Singapore Branch, in its capacity as principal paying agent, during normal office hours at its address and telephone number set forth on the back cover of the Consent Solicitation Statement.

Shareholders of the Company who are not otherwise holders of the Notes will not be eligible to attend or vote at the meeting of the Noteholders either in person or proxy.

By Order of the Board

Lim Tze Jong
Executive Chairman and CEO
7 December 2015

NOTE: This announcement does not constitute an invitation to participate in the Consent Solicitation. No offer or invitation to

issue or redeem any securities is being made pursuant to this release. This announcement must be read in conjunction with the Consent Solicitation Statement. This announcement does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of the Company or any other entity.