HEATEC JIETONG HOLDINGS LTD.
Heat Transfer & Piping System Specialist

PROPOSED JOINT VENTURE AND SUBSCRIPTION OF SHARES IN HEATEC GUANGZHOU CO., LTD. PURSUANT TO THE JOINT VENTURE AGREEMENT

The Board of Directors of Heatec Jietong Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to announce that Heatec Jietong Pte Ltd ("**HJPL**"), a wholly-owned subsidiary of the Company, together with GB Marine Engineering Services Co., Ltd and SafeOcean Governor Guangzhou Co., Ltd, have entered into a joint venture agreement ("**JV Agreement**") dated 8th July 2016 to incorporate a joint venture company known as Heatec Guangzhou Co., Ltd ("**Heatec Guangzhou**"), to provide repairs and services for heat exchangers and to design, sell and fabricate heat exchangers ("**Incorporation**").

Heatec Guangzhou will be registered with an initial issued and paid-up share capital of RMB1.0 million comprising 1,000,000 ordinary shares. The consideration to be paid by HJPL for its subscription in 51% shares of Heatec Guangzhou is RMB510,000 in cash (equivalent to approximately S$103,000 at the exchange rate of S$1.00 to RMB4.95 as at the date of this announcement. Following the shares subscription, Heatec Guangzhou will become an indirect owned subsidiary of the Company where the Company has indirect interest of 51%.

The subscription of shares in Heatec Guangzhou will be funded through internal resources and is not expected to have material impact on the consolidated net tangible assets per share and/or earnings per share of the Group for the current financial year ending 31 December 2016.

None of the Directors and/or substantial shareholders of the Company has any interests, direct or indirect (other than through their shareholdings in the Company) in the above Incorporation.

By Order of the Board

Soon Jeffrey
Chief Executive Officer
8th July 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). 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 Tan Chong Huat, Registered Professional, RHT Capital Pte. Ltd., Six Battery Road, 10-01, Singapore 049909, telephone (65) 6381 6757.