

DYNA-MAC HOLDINGS LTD.

Co. Reg. No. 200305693E
(Incorporated in Singapore)

UPDATE ON JOINT VENTURE – INCORPORATION OF A SUBSIDIARY IN CHINA

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Dyna-Mac Holdings Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s earlier announcement dated 9 April 2020 (“**Earlier Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings ascribed to them in the Earlier Announcement.

2. INCORPORATION OF JOINT VENTURE COMPANY

The Board wishes to announce that its indirect wholly-owned subsidiary, Dyna-Mac Offshore Engineering (Shanghai) Co., Ltd (hereinafter referred to as “**DM Shanghai**”) has on 12 June 2020 incorporated a 51% owned subsidiary, known as DM-CMHI Offshore Engineering (Jiangsu) Co., Ltd (精砺海事工程（江苏）有限公司), a company incorporated in China (“**JVCo**”). The breakdown of the shareholdings in the JVCo are set out below:-

Party	Contribution to the total registered capital of the JVCo	% of equity interests in the total registered capital of the JVCo
DM Shanghai	USD 765,000	51%
China Merchants Heavy Industry Holdings Limited	USD 735,000	49%

The main business activities of the JVCo include services of marine engineering design and module design and manufacturing, marine engineering equipment manufacturing, marine engineering platform equipment manufacturing, development of key supporting systems for marine engineering, research and development of marine engineering equipment, and engineering management services.

3. FINANCIAL EFFECTS

The Company’s contribution to the registered capital of the JVCo is funded by internal resources and is not expected to have significant material impact on the net tangible assets or earnings per share of the Group for the financial year ending 31 December 2020.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the date of this announcement, none of the Company’s directors, substantial shareholders or their associates has any interest, direct or indirect, in the JVCo, other than through their respective shareholdings in the Company (if any).

BY ORDER OF THE BOARD

Lim Ah Cheng
Chief Executive Officer
12 June 2020