

RESPONSE TO SGX-ST'S QUERY REGARDING ANNUAL REPORT 2012

In response to the query raised by Singapore Exchange Securities Trading Limited ("SGX-ST") on 22 April 2013 in connection with the Company's Annual Report for the financial ended 31 December 2012, the Board of Directors of Dyna-Mac Holdings Ltd. (the "Company") wishes to clarify as follows:

SGX-ST's Query

We note that \$26 million of IPO proceeds was utilized for general working capital. Please provide a meaningful breakdown with specific details on how the amount had been used as working capital.

Company's Response

The \$26 million from the IPO proceeds was used as working capital as follows:-

- \$24 million for the payment of net trade and other payables comprising mainly trade creditors, employee compensation, transportation and travelling, and legal and professional fees, and
- \$2 million for the payment of other current assets comprising mainly deposits paid for utilities and prepaid insurances.

By Order of the Board
Juliana Lee / Liew Meng Ling
Joint Company Secretaries
25 April 2013