

Dyna-Mac Acquires Exterran Offshore to Enhance Capabilities

- Acquisition gives Dyna-Mac additional fabrication capacity for current and future projects
- Acquisition complements the Group's on-going strategic reorganisation of its facilities along Gul Road

SINGAPORE, 3 January, 2024 - Dyna-Mac Holdings Ltd. (SGX: NO4) ("Dyna-Mac" or the "Company" and together with its subsidiaries, the "Group"), is pleased to announce that it has signed a Share Purchase Agreement (SPA) to acquire 100% of the total issued and paid up share capital of Exterran Offshore Pte. Ltd. ("Acquired Entity").

The Acquired Entity will be integrated into the Group and renamed to reflect the Dyna-Mac branding. Through this acquisition, Dyna-Mac will secure access to the Acquired Entity's yard facilities of approximately 4.5 hectares along Gul Road, which will provide additional fabrication capacity for the Group's current and future projects. This will in turn enable the Group to undertake larger projects, more complex modular construction work, as well as those involving hydrogen and ammonia piping. The additional workshops would also allow the Group to consolidate piping fabrication, reducing the need for outsourcing and rentals, thereby lowering costs, boosting productivity and improving overall product quality.

The new site, whose lease expires in 2030, is located beside Dyna-Mac's main module assembly facility at Gul Road, and complements the Group's on-going strategic reorganisation of its facilities along that stretch. This acquisition would also extend the Group's projected total waterfront length along Gul Road to more than 680 metres. The additional seafront would allow the Group to improve on its current method of construction via split modules, shortening time to deliver projects, as well as providing an option to work on cable manufacturing and modules for the pharmaceutical sector.

"The strategic acquisition of the Acquired Entity underscores our commitment to opportunistic value creation, and creates a multitude of synergies and opportunities for the Group," said Lim Ah Cheng, Executive Chairman and Chief Executive Officer. "This milestone not only reflects our dedication to growth and expansion, but also sets us up for sustained success and strengthens our position in the industry. We look forward to driving innovation, integrating the new facility's strengths seamlessly into our operations, and delivering even greater value to all our stakeholders."

The aggregate cash consideration of the SPA was US\$8.25 million, which was arrived at following arm's length negotiation, on a willing buyer willing seller basis mainly based on consideration of the land and building value. The latest available unaudited net tangible asset value and net book value of the Acquired Entity as at 31 December 2023 is US\$3.65 million, including US\$2.51 million in cash. The latest valuation report conducted by an independent valuer, OrangeTee Advisory Pte. Ltd. in August 2023 valued the land and building owned by the Acquired Asset at S\$17 million using income capitalisation method and direct comparison method. The only existing contract signed by the Acquired Entity was novated to an entity within the Enerflex group, Dyna-Mac is not assuming and will not be liable for any liabilities, debts or obligations of the Acquired Entity arising out of the ownership or operation of the Acquired entity prior to the acquisition.

The acquisition is not expected to have a material impact on the Group's net asset value and net profits for the financial year ending 31 December 2024.

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About Dyna-Mac Holdings Ltd.

Dyna-Mac is a global multi-disciplinary contractor who undertakes the detailed engineering, procurement, fabrication, construction, pre-commissioning and commissioning of offshore topside modules and facilities for FPSOs (floating production storage and offloading vessels), FSOs (floating storage and offloading vessels), FLNGs (floating liquefied natural gas vessels), FSRUs (floating storage and regasification units), and onshore modules for land-based plants for the energy industry as well as CCUS (carbon capture, utilisation and storage), renewables, green energy sectors, with focus on LNG, green hydrogen and ammonia. Headquartered in Singapore, Dyna-Mac is listed on the Mainboard of the Singapore Exchange.

For more information, please visit www.dyna-mac.com.