



## MEDIA RELEASE

15 November 2024

### CCCS Clears Proposed Acquisition of Dyna-Mac Holdings Ltd by Hanwha Ocean SG Holdings Pte Ltd

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) has cleared the proposed acquisition of Dyna-Mac Holdings Ltd (“**Dyna-Mac**”) by Hanwha Ocean SG Holdings Pte Ltd (“**Hanwha**”) (collectively, the “**Parties**”) (the “**Proposed Transaction**”) <sup>1</sup>.
2. CCCS has assessed that the Proposed Transaction, if carried into effect, will not infringe the section 54 prohibition of the Competition Act 2004 (the “**Act**”), which prohibits mergers that may substantially lessen competition within any market in Singapore.

### Background

3. Hanwha is a Singapore-incorporated special purpose vehicle for the Proposed Transaction and is not engaged in any business activity. After the Proposed Transaction, Hanwha will engage in the same businesses as Hanwha Ocean Co., Ltd (“**Hanwha Ocean**”). Hanwha Ocean is incorporated in South Korea and is publicly listed on the Korean Stock Exchange. It operates in the shipbuilding and offshore industry for ship, offshore plant, and specialty ship businesses. Both Hanwha and Hanwha Ocean are part of the Hanwha Group, a South Korean conglomerate.
4. Dyna-Mac is publicly listed on the Singapore Exchange and is a topside module<sup>2</sup> manufacturing company serving the energy and marine sectors, specialising in the fabrication of topside modules.

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<sup>1</sup> The Proposed Transaction will be executed through Hanwha’s purchase of Dyna-Mac’s shares.

<sup>2</sup> Topside modules in offshore plants refer to the above-water portion of offshore oil or gas platforms that contain essential equipment and facilities for operations. Generally, topside modules are composed of the process packages, utility packages, pipe rack, and flare tower.

5. On 3 October 2024, CCCS began reviewing Hanwha's application for a decision on whether the Proposed Transaction would infringe section 54 of the Act. CCCS conducted a public consultation from 4 October 2024 to 18 October 2024 and sought feedback from various stakeholders, including competitors and customers of Hanwha and Dyna-Mac. Most respondents did not raise any concerns.

### **CCCS's Assessment**

6. Hanwha, through Hanwha Ocean, will engage in the construction of offshore plants, which include production facilities such as floating production storage and offloading vessels and drilling rigs. Topside modules, which Dyna-Mac supplies, are input components in the production of offshore plants. As a result, Hanwha can potentially use Dyna-Mac's topside modules in their construction of offshore plants.
7. Given the potential supplier-customer relationship between the Parties, CCCS's assessment focused on the risk of input foreclosure, that is, whether competition will be adversely affected in the downstream market for offshore plants. This might happen if the Parties restrict the supply of Dyna-Mac's topside modules (an upstream input) to rival downstream suppliers of offshore plants.
8. CCCS concluded that the Proposed Transaction is unlikely to lead to a substantial lessening of competition in the supply of offshore plants because:
  - a. Dyna-Mac's market share in the global supply of topside modules is unlikely to be high.
  - b. Customers continue to have sufficient choice of suppliers for topside modules on a global basis.
  - c. Dyna-Mac's topside modules represent only a small portion of those used in the global supply of offshore plants.
9. Further information on the notification and CCCS's Grounds of Decision will be made available in due course on [CCCS's Public Register](#) at [www.cccs.gov.sg](http://www.cccs.gov.sg).

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## About the Competition & Consumer Commission of Singapore

The Competition and Consumer Commission of Singapore (“**CCCS**”) is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act 2004 which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act 2003 which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for businesses and consumers in Singapore.

For more information, please visit [www.cccs.gov.sg](http://www.cccs.gov.sg).

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