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A WORD FROM 3C METAL'S PRESIDENT AND CEO



we continue to navigate challenging economic landscapes. we are working towards maintaining business continuity and to support our employees, clients and the community. Like many organizations around the globe, our workload has been impacted by the COVID-19 pandemic and the pressure on oil markets which heightened in March. 3C Metal's senior management team has been responding quickly to the changing circumstances - mobilizing our teams to support our clients as the global situation continues to evolve.

Despite obvious challenges, we are remaining positive during this time. We experienced a strong first quarter, and there are still many prospects for 2020. Our position remains strong with our core oil and gas clients. Although some work has been postponed, we have seen few cancellations and we remain at our clients' disposal for when work resumes.

Our business diversification efforts have been steadily growing and remains an area of focus for the company. In France, our team has secured several EPC contracts in upstream oil and gas. Our new Green Technology division, which is based in Dubai, is slowly expanding its portfolio and we continue to push to develop our foothold in the market. Our African entities continue to lead the way with diversification activities with projects in marine, mining and renewable energy.

Our main capital expenditure investments have not been affected by the current situation. We are committed to the investments we have in motion for our facilities, technology and teams. These include the expansion of our facilities in the Middle East and the relocation of our office and workshop in Malaysia to a larger facility.

As recently announced, 3C Metal has established a new entity in

Maputo, Mozambique. This strategic investment follows the successful establishment of a branch in Beira, Mozambique, in 2019. With a proven track record of operating in the country and upskilling and utilizing local labor, we look forward to building on the services offered to existing and new clients in the region.

At 3C Metal, client satisfaction is our ultimate goal and I believe our project execution capacity, service offerings and ability to remain dynamic is what sets us apart. We understand the pressures many of our clients are facing at the moment and will continue to look into additional measures to assist our clients in any way we can.

Lastly I would like to share my appreciation for the understanding our teams have shown during this period. From working from home and mobilization disruptions, to adjusting to changes in our workplaces - thank you to everyone for doing their part to stay safe whilst keeping the momentum strong in our operations.

Philippe Boy President and CEO of 3C Metal

A MESSAGE FROM THE MANAGING DIRECTOR OF 3C METAL BELMET



3C Metal Belmet has been working hard to meet the challenges posed by COVID-19 head-on and maintain business operations as much as possible. Our workshops in South Africa, Namibia and Mozambique have been running at high-level capacity to service our clients and try to regain lost time on existing projects due the lockdowns.

Prior to the COVID-19 outbreak, 3C Metal Group's African entities experienced a transition period following the merger of the Group's two entities in Cape Town, and the subsequent rename of all the African entities to 3C Metal Belmet. I'm pleased to say the transition has been smooth and successful, with the merger solidifying the record of successful collaboration between the entities. It has been a positive step to combine resources and to have the African entities of the Group operating under the one name.

Although in the past few months there has been a slowdown in activities, 3C Metal Belmet has still managed to secure new work through the repeat business of long-standing clients. We continue to deliver quality services to entities within the De Beers Group. In Port Nolloth, South Africa, our contract to oversee the maintenance and tracking of offshore containers for De Beers Group Services' supply chain has been renewed for a further three years. We are also currently involved in the delivery of subsea crawlers for De Beers Marine as well as the construction of the new process plant for one of their latest high-tech vessels.

A driving force of 3C Metal Belmet's success has been the strategic locations of our fabrication capabilities. Last year we expanded of our facilities in Walvis Bay Namibia, increasing its capacity by 70%. In South Africa, Cinco Engineering (a Broad-Based Black Economic Empowerment joint venture involving 3C Metal Belmet) recently secured a three-year lease for facilities

in the Port of Cape Town which will help to support our activities in the region. The recent establishment of an entity in Mozambique also places us in an ideal position to service the oil and gas sector on the east coast of Africa.

An added benefit of our multi-site service offering, is that it gives our clients flexibility to mitigate some risks in terms of COVID-19. Across our sites we've implemented similar operating procedures for fabrication which means should there be any regress or any strict regulations in one country we can move items to another one of our fabrication facilities. With events around COVID-19 resulting in a lot of uncertainty, our clients can remain confident in our ability to innovate and adapt to meet their needs.

Jarcu Groenewald

Managing Director of 3C Metal Belmet

3C METAL'S SUCCESSFUL DELIVERY OF A PROJECT FOR A TENDER-ASSISTED DRILLING RIG

In 2019, 3C Metal was commissioned to provide modifications of the piping and structures and electrical hook-up for a tender-assisted drilling rig.

The project was managed by 3C Metal's entity in South Africa, with assistance from 3C Metal's entities in the UAE and France. The overall work included piping and structural work and the supply, refurbishment and inspection of equipment. The associated electrical and instrumentation work was undertaken by 3C Metal's electrical partner ACTOM.

The piping and structural components of the work involved the installation of high pressure (HP) and low pressure (LP) piping from the tender rig to the drilling equipment set (DES); fabrication and installation of a personnel transfer bridge (PTB) landing pan; installation of a choke-and-kill manifold and support frame; replacement of sections of LP piping and installation of new valves and the prefabrication of three mouseholes and their foundations.

The equipment refurbishment was carried out in Malongo, Angola. Items requiring refurbishment included a casing stabbing board, pipe deck crane, catheads and a deadline anchor. 3C Metal also conducted the inspection of a bell nipple and the recertification of a cement manifold.

3C Supply (3C Metal's France-based entity dedicated to global sourcing) supplied the HP fittings used for the HP piping. Four 550 ton skidding cylinders as well as two 200 ton blowout preventer (BOP) lifting cylinders were provided by ACTOM.

After several months' duration, the project was successfully completed in late 2019. 3C Metal was able to deliver all components of the project to the highest standards of quality and with zero safety incidents.









3C METAL GROUP ESTABLISHES NEW ENTITY IN MOZAMBIQUE

3C Metal Group is excited to announce the establishment of a new entity, 3C Metal Belmet, in Mozambique. The new entity is located in Maputo, and will place the Group in a position to locally assist with gas projects sanctioned (and envisaged to be sanctioned) in the region. The 3C Metal Belmet team will deliver projects to local clients and drive activities in Mozambique in close collaboration with other 3C Metal Group entities.

Maputo was chosen as an ideal location to allow 3C Metal Group to pursue more opportunities in the oil and gas industry, particularly subsea projects but also offshore and downstream projects. The new office will further strengthen the Group's capabilities in the region and allow for quicker responses to the needs of local clients.

The name of the new entity reflects the rename of 3C Metal Group's African entities. Earlier this year, all 3C Metal Group's African entities were renamed 3C Metal Belmet following the merger of its entities in Cape Town (formerly 3C Metal South Africa and Belmet Marine).

3C Metal President and CEO, Philippe Boy, said the establishment of an entity in Mozambique is part of the strategic expansion of 3C Metal Group.

"In 2019, we established a branch in Beira, Mozambique, and have since seen an upturn in activity in the country. A full team and workshop facility was established to help us

deliver a project involving 40,000 inch equivalent of piping for an oil storage facility, which is due for completion later this year," Mr Boy said.

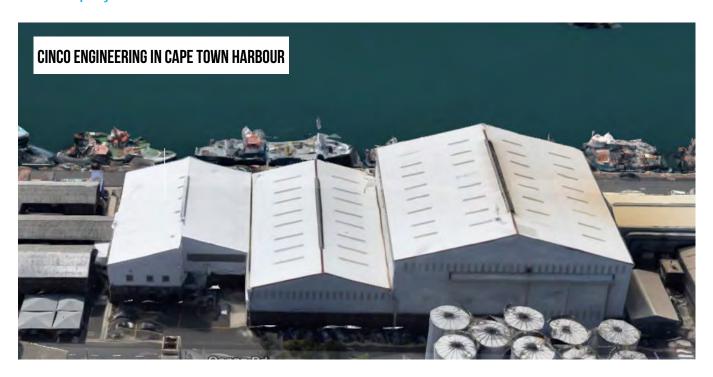
"With a proven track record of operating in Mozambique and upskilling and utilizing local labor, we are confident that we can play our part in developing local content in Mozambique while continuing to service existing and new clients in the region," he said.

The new entity was officially established in the second quarter this year and offers specialized services such as project management, engineering, deployment, 3D laser scanning surveys, piping and structural services and heavy fabrication. The entity will provide complete supply chain services for local clients with support from the Group's entities in South Africa, the UAE and France. 3C Metal is committed to hiring and upskilling local employees and using local subcontractors as far as possible.



CINCO ENGINEERING RENEWS LEASE IN CAPE TOWN HARBOUR AND CONTINUES TO DELIVER KEY SERVICES

In 2018, Cinco Engineering was formed from South Africa's leading engineering companies; 3C Metal Belmet (formerly 3C Metal South Africa and Belmet Marine), Nico's Engineering, Akram Consulting and MCM Blasting and Coatings. The companies came together to establish a Broad-Based Black Economic Empowerment (BBBEE) joint venture that aims to draw on the combined knowledge and resources of each of the companies and to focus on local projects.



Cinco Engineering has recently renewed its lease for facilities in the Cape Town Harbour for a further three years. The facilities cover an area of 4000m² with three crawler cranes with 25 ton lifting capacity and another four cranes with lifting capacity ranging from 5-20 tons.

Since its inception, Cinco Engineering has experienced a steady flow of work. The workshop fabrication team is currently fabricating and assembling a six storey recovery deckhouse for a client, with each individual module weighing approximately 35 tonnes. Each 13m x 12m deckhouse module will be transported from the Cinco Engineering workshop to the nearby construction site for final assembly with interconnecting piping and mining screening equipment. (see images: right).

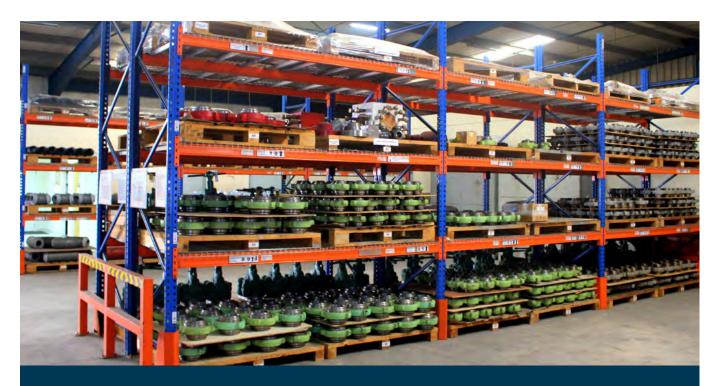
Cinco Engineering continues to offer clients a full scope of engineering services including fabrication, ship repair, high pressure piping, corrosion protection and non-destructive testing. Cinco Engineering is focused on undertaking engineering projects in the local marine industry with special emphasis on site installation and turnkey projects that include fabrication.





HIGHLIGHT ON 3C SUPPLY - 3C METAL GROUP'S ENTITY FOR GLOBAL SOURCING, PROCUREMENT AND LOGISTICS SERVICES

3C Supply, located in France, provides support to projects in any location worldwide. 3C Supply works in partnership with manufacturers and suppliers to streamline procurement processes and offer the best solutions to meet project requirements.



THE BENEFITS OF USING 3C SUPPLY:

Achieve cost-saving benefits through integrated and ISO 9001-certified supply chain services including:

Purchasing services: International network, qualified and approved suppliers and manufacturers, qualification audits, currency optimization, consolidation, stock management for dedicated spares, price list and project contract agreements.

Logistic Services: storemen, quality controllers, preparation (including cutting to length, painting and marking), storage area and handling up to 10 tons in-house.

Packing: As per international rules and customers requirements (wooden crate SEI fumigated, dangerous goods marking etc.).

Delivery: Freight forwarder partners worldwide and delivery as per customerspecific requirements.

Documentation: Material certificates, third-party inspection (ABS, DNV, Lloyds, BV), MSDS, COO, EUR1 and all customs documentation.

For more information contact sales@3csupply.com

3C SUPPLY PROJECT SUPPORT:



Electronic Cards:

3C Supply is able to provide OEM refurbished spare parts (including electronic cards) to help customers keep their equipment in service and reduce upgrade costs.



Chemicals and oil supply:

3C Supply is able to supply chemicals and oil to meet customers' needs. [Pictured left: Shipment for one of 3C Supply's customers - 32 drums of compressor oil, 4 of which were shipped by air due to urgency and the other 28 were shipped by sea.]

3C METAL FRANCE JOINT VENTURE SECURES EPC CONTRACT

3C Metal France - in joint venture with NGE (GUINTOLI) - has recently been awarded a 20-month EPC contract by French company, Teréga.

The project is for the development of 13 new sites serving gas to several towns along a new 40km pipeline from Capens to Pamiers, located in the south of France near Toulouse. The contract was awarded in April and adds to 3C Metal's successful history of delivering EPC projects for Teréga.

EPC CONTRACT UNDERWAY IN FRANCE FOR TERÉGA

Work is underway for the EPC contract awarded to 3C Metal France by Teréga as part of their RECOMP (gas recompression) project.

The contract consists of the integration of two new gas compressors in the Lussagnet Gas storage facility. Located in the Lacq region in southwestern France, the Lussagnet site is an underground natural gas storage facility operated by Teréga. The site supplies natural gas to distribution and transport grids in the far southwest, as well as parts of Spain and the rest of France. The new gas compressors will change the existing process of sending the decompressed gas to the atmosphere by re-injecting the gas back into the system.

MAERSK DELIVERER MPD INTEGRATION CARRIED OUT OFFSHORE AUSTRALIA

In March 2020, 3C Metal Asia completed the installation of a new managed pressure drilling (MPD) system integration for Maersk Drilling onboard the Maersk Deliverer semisubmersible rig. The rig has been awarded a three-year contract with Inpex in Western Australia and will now become the first rig with MPD capabilities to be used in Australia's oil fields.

Several of 3C Metal's entities were involved with the project and worked closely with Maersk Drilling and the MPD equipment provider, SafeKick, to deliver the project successfully. 3C Metal managed the different aspects of the MPD integration such as the survey, design and engineering; the supply of high pressure (HP) materials; fabrication and installation of the piping, structures, hydraulic tubing; and the associated electrical work. In total, the project required 180 tons of piping, structures and equipment; 55 OEM-supplied valves; and 4000m of electrical cable.

Throughout the installation, there were some changes in the scope requirement that needed the supply of additional materials not readily available in the Asian region. These items were sourced with the aid of 3C Metal's global entities and delivered to the vessel to meet the project's deadlines.

Using the vast knowledge obtained from 3C Metal's past MPD integration projects, the system was designed to reduce back pressure on the lines. This was achieved by using 5D bend elbows, custom Y-Tee pieces, and by reducing the number of elbows as much as possible. This resulted in a simple yet efficient installation of the piping manifold and lines, which were installed in a custom-made tower structure. In addition to the MPD system, the tower structure (built at 3C Metal's workshop in Malaysia) also works as a storage area which has increased the rig's deck space.















3C METAL USA AWARDED MPD INTEGRATION ON THE NOBLE TOM MADDEN

3C Metal USA has been awarded a project by Noble Corporation for the MPD integration on the Noble Tom Madden drillship while it is located offshore Guyana. Engineering and prefabrication have already commenced with some prefabrication being carried out by 3C Metal Middle East.





PROGRESS ON OFFICE AND WORKSHOP UPGRADE IN THE UAE

Work continues on the upgrade and expansion of the office and workshop facilities located in the Jebel Ali Free Zone (JAFZA), Dubai, UAE. The work is part of 3C Metal's commitment to pursue continual growth to keep up with clients' needs and to provide appropriate infrastructure and facilities for staff.









3C METAL ASIA MOVES TO A NEW LOCATION



On June 22, 3C Metal's entity in Malaysia, 3C Metal Asia, moved to a new location. The office and workshop is now located in Sime Darby Business Park, in Johor, 25km from the previous facility.

3C Metal Asia Operation's Manager, Quintus Deacon, expressed his appreciation to clients and partners for their continued support throughout the years, saying he looked forward to welcoming them to the new location and is excited about future cooperation.

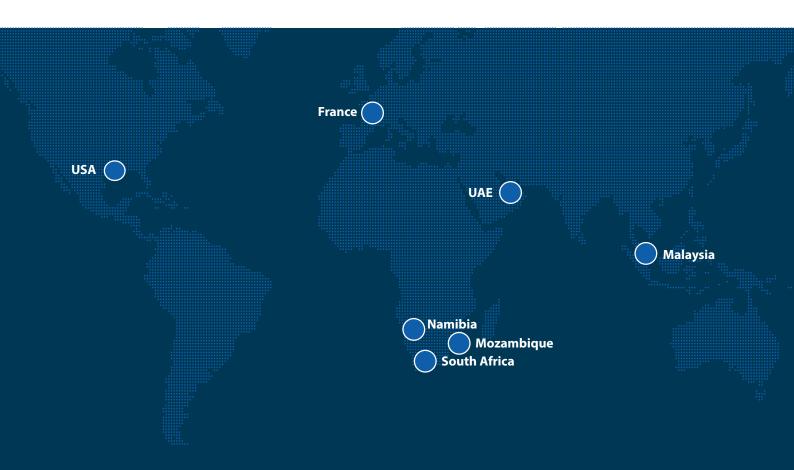


The larger workshop facilities will be better suited to 3C Metal's operations in the region. 3C Metal Asia was established in 2014 in Johor Bahru, Malaysia, and has since been steadily driving business development for the Group in the Asia-Pacific region.









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