

# Dyna-Mac Holdings Ltd. 4Q 2013 Results



26 February 2014



# FUNDAMENTALLY STRONG

DYNA-MAC HOLDINGS LTD.

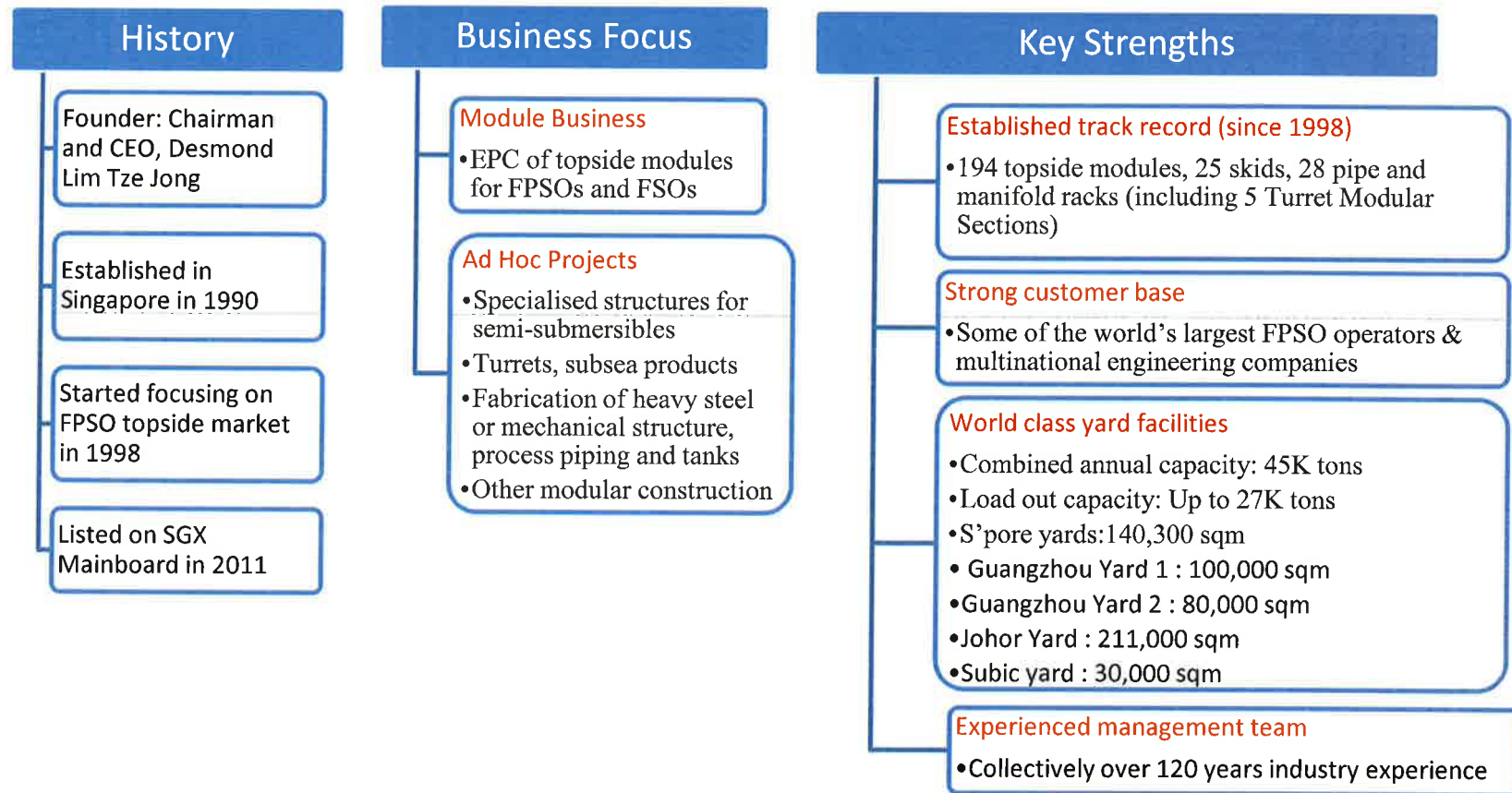
[www.dyna-mac.com](http://www.dyna-mac.com)



## Business Overview

# About Dyna-Mac

**A multi-disciplinary offshore fabrication specialist with core focus in FPSO/FSO topside modules**



# Floating Production Storage Offloading (FPSO)s at a glance

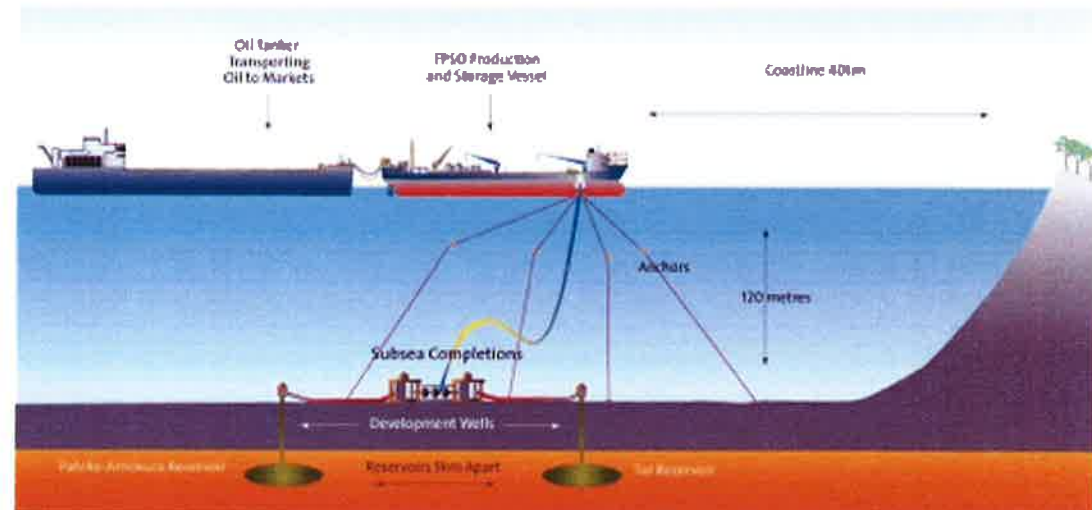
A floating production system receives fluids from a subsea reservoir, processes, stores and offloads. Most FPSOs are ship-shaped and are 'anchored' (moored) by a turret.

## Schematics of FPSO



## Advantages of FPSO

- Earlier cash flow because they are faster to develop than fixed platforms.
- Reduced upfront investments.
- Retained value because they can be deployed to other fields.
- Abandonment costs are less than fixed platforms.





## Our Yards

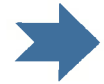


### Yard Capacity

- Total area of yards at Gul Road and Pandan Crescent is approx. 140,300 sqm, producing output at maximum 25,000 tons.
- Guangzhou yard 1 with area of approx. 100,000 sqm; yard 2 with area of approx. 80,000 sqm
- Johor yard with area of approx. 211,000 sqm.
- Subic yard with area of approx. 30,000 sqm.



## Strong relationship with the world's largest FPSO operators



Our customers are among the world's largest owners and operators of FPSOs and FSOs.



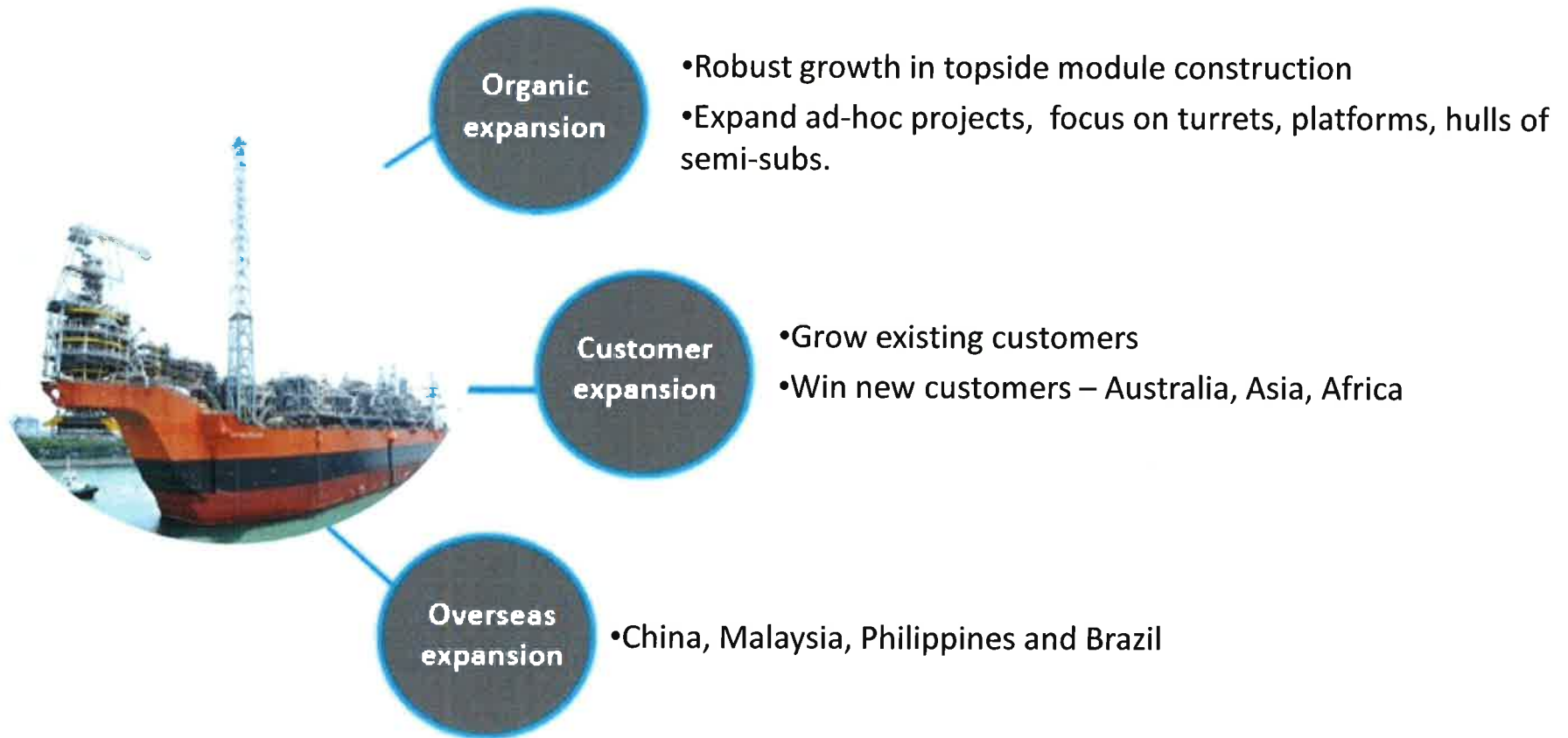
We also serve multinational engineering companies in the marine and oil and gas industries.



DAEWOO SHIPBUILDING &  
MARINE ENGINEERING CO., LTD.



# Business Strategies





## Prospects



## Prospects for O&M

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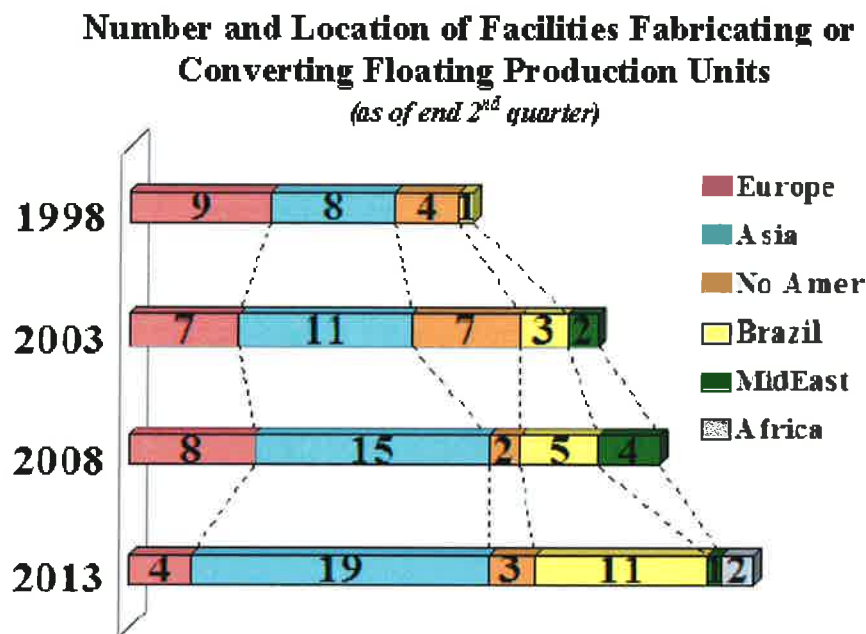
- The fundamentals driving the floating production market generally remain strong.
- World oil demand continues to grow, supply disruption remains a threat, spot oil prices continue to hover in the \$80 to \$120 range and deepwater drillers are operating at high utilisation.
- There are 271 floating production systems in service or available worldwide. FPSOs comprise 62 percent of the current total.
- Current order backlog consists of 72 production floaters, 9 FSOs and 4 MOPUs.
- Of the 241 planned projects, 69 are in the bidding or final design stage.



Source: IMA, July 2013

## Fabrication and conversion activity

Asia continues its dominance in production floater fabrication and conversion. Almost half of the facilities active in this sector are in Asia.

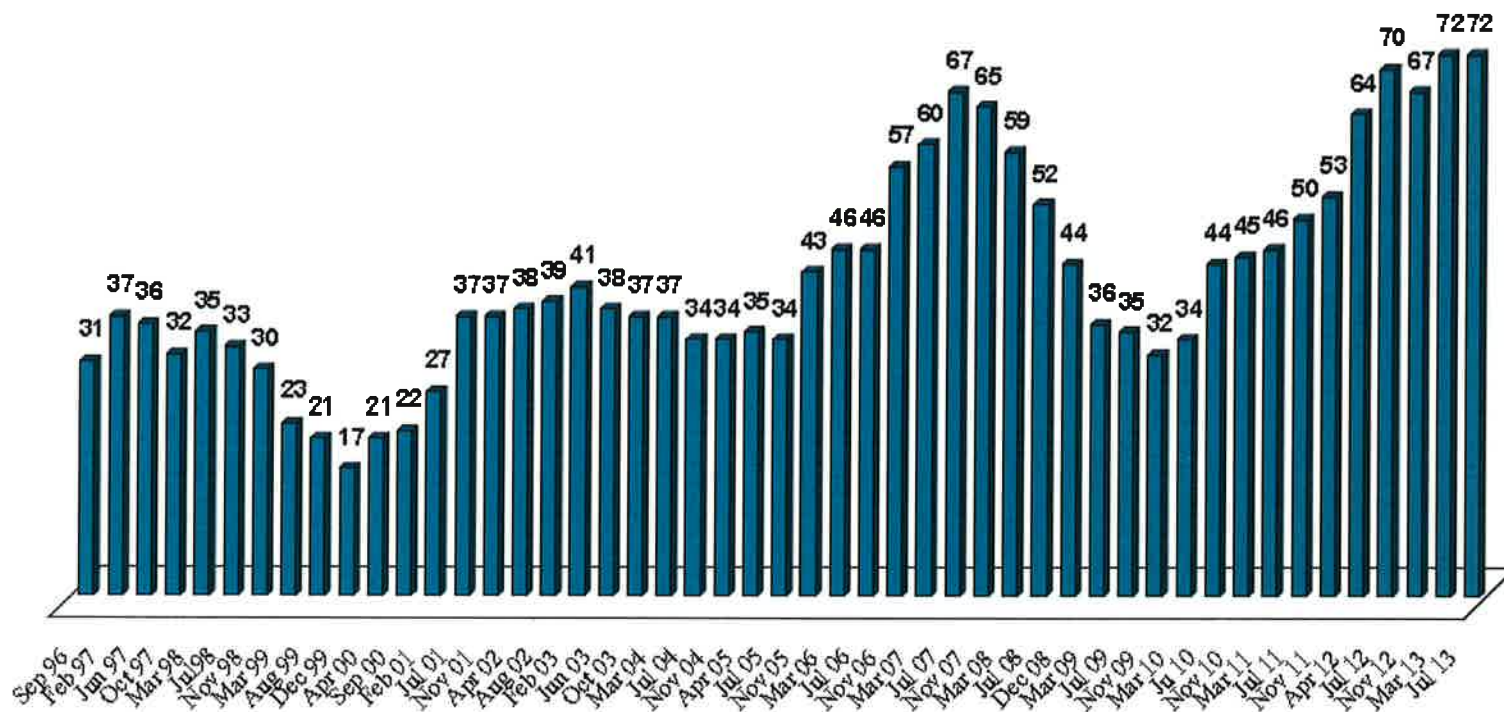


Source: IMA, July 2013

## Floaters Outlook: Backlog Continues to Grow

**Current order backlog for Floating Production Systems: 72 units**

(includes FPSOs, Semis, Spars, TLP and FSRUs)



Of the 72 units, 40 FPSOs (19 new, 21 conversions)

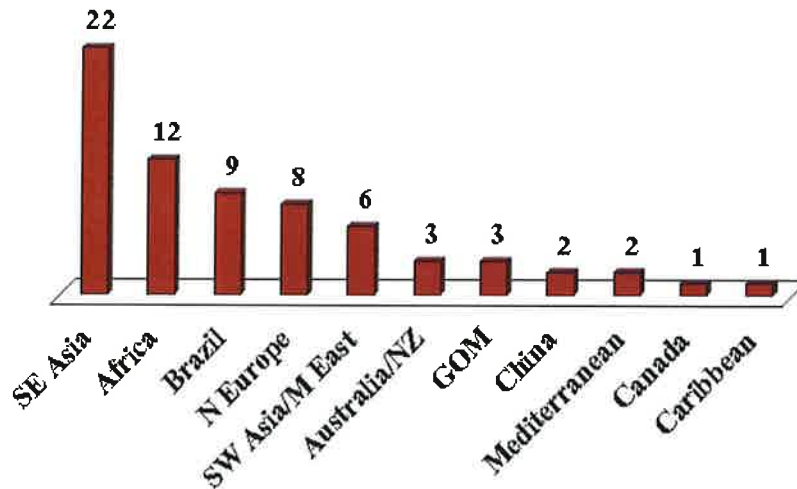


Source: IMA, July 2013

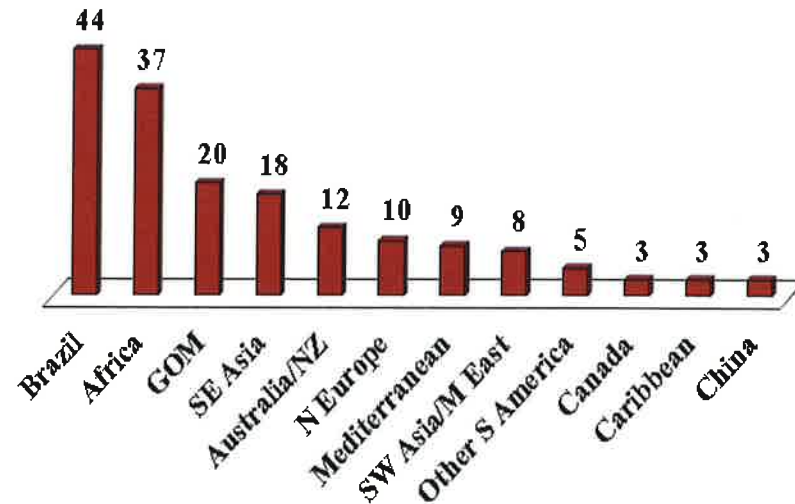
## Bidding or Final Design Stage / Planning or Study Stage

Of the 241 planned projects, 69 are in the bidding or final design stage.

**69 Floater Projects are in the  
Bidding or Final Design Stage  
(as of July 2013)**



**172 Floater Projects are in the  
Planning or Study Stage  
(as of July 2013)**



Source: IMA, July 2013



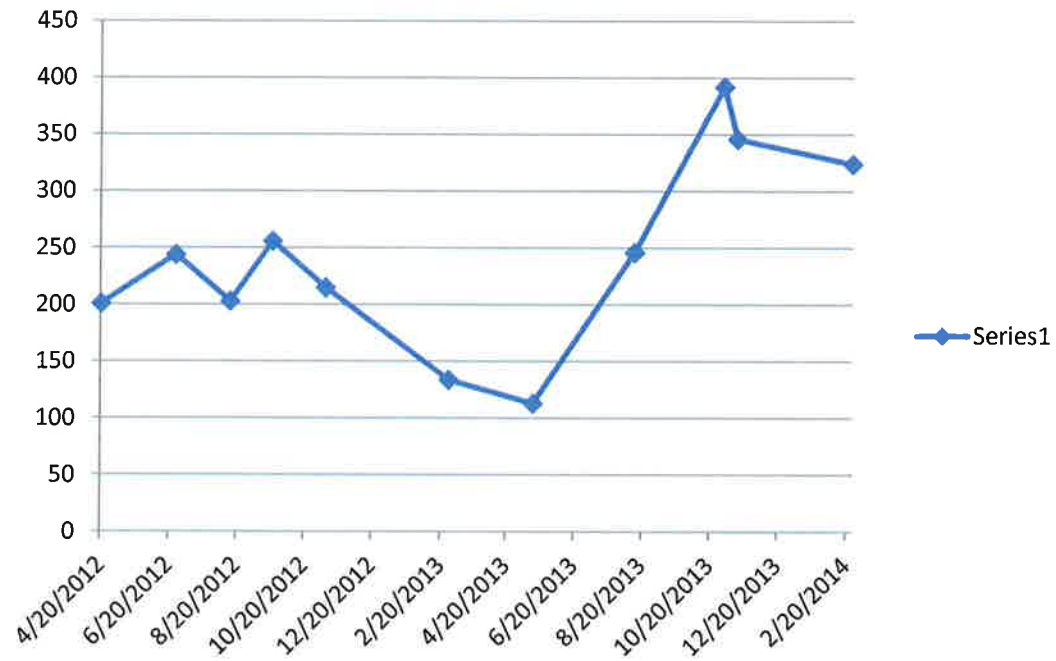


## Order Book

# Net Order Book

Net Order Book (\$\$'mil)

Date announced	Net order book S\$(m)
20/4/2012	201
26/6/2012	244
14/8/2012	203
21/9/2012	256
8/11/2012	215
27/2/2013	134
14/5/2013	113
13/8/2013	246
1/11/2013	392
13/11/2013	346
25/2/2014	324





## Financial Review

## Financial Highlights

Revenue & Profit	FY May 2008	FY May 2009	FY May 2010	FY May 2011	FP Dec 2011	FY Dec 2012	FY Dec 2013
	(12mths)	(12mths)	(12mths)	(12mths)	(7mths)	(12mths)	(12mths)
Revenue (S\$'m)	211	121	219	168	50	215	269
Gross profit (S\$'m)	41	28	51	50	13	57	66
GP margin (%)	19%	23%	23%	30%	26%	26%	24%
Net profit (S\$'m)	22	8	25	25	6	28	31
NP margin (%)	10%	7%	11%	15%	12%	13%	11%
Non-controlling Interest	0	0	0	0	0	0	2
Net profit attributable to equity holders of the company	22	8	25	25	6	28	29
%	10%	7%	11%	15%	12%	13%	11%





## Financial Indicators

Balance Sheet	May08	May09	May-10	May-11	Dec-11	Dec-12	Dec-13
Total assets (S\$'m)	117	131	165	228	159	265	351
Total liabilities (S\$'m)	92	104	135	100	44	81	157
Net assets (S\$'m)	25	27	30	128	115	184	195
ROE (%)	88%	30%	83%	20%	5%	19%	15%
Gearing (times)	0.7	0.6	0.7	0.1	0	0	0.19

Cash Flows (S\$'m)	FY May 2008 (12mths)	FY May 2009 (12mths)	FY May 2010 (12mths)	FY May 2011 (12mths)	FP Dec 2011 (7mths)	FY Dec 2012 (12mths)	FY Dec 2013 (12mths)
Net cash from operating activities	27	34	41	4	(3)	10	12
Net cash used in investing activities	(22)	(18)	(21)	(30)	(3)	(27)	(38)
Net cash used in financing activities	(8)	(12)	(15)	55	(17)	41	14
Cash & cash equivalents	5	8	13	42	18	43	31
Add: short term bank deposits	8	10	20	40	10	20	30
Cash and bank balances	13	18	33	82	28	63	61



## Use of IPO Proceeds as at 31 Dec 2013

Use of proceeds	Amount allocated (\$'million)	Amount utilised (\$'million)	Balance amount (\$'million)
a. Expansion of yard facility at 13 Pandan Crescent	8.0	8.0	-
b. Upgrading and expansion of yard facility at Main Yard	12.0	12.0	-
c. Acquisition of additional equipment and machineries	7.0	7.0	-
d. Expansion of operations overseas	20.0	20.0	-
e. General working capital	26.2	26.2	-
	73.2	73.2	-



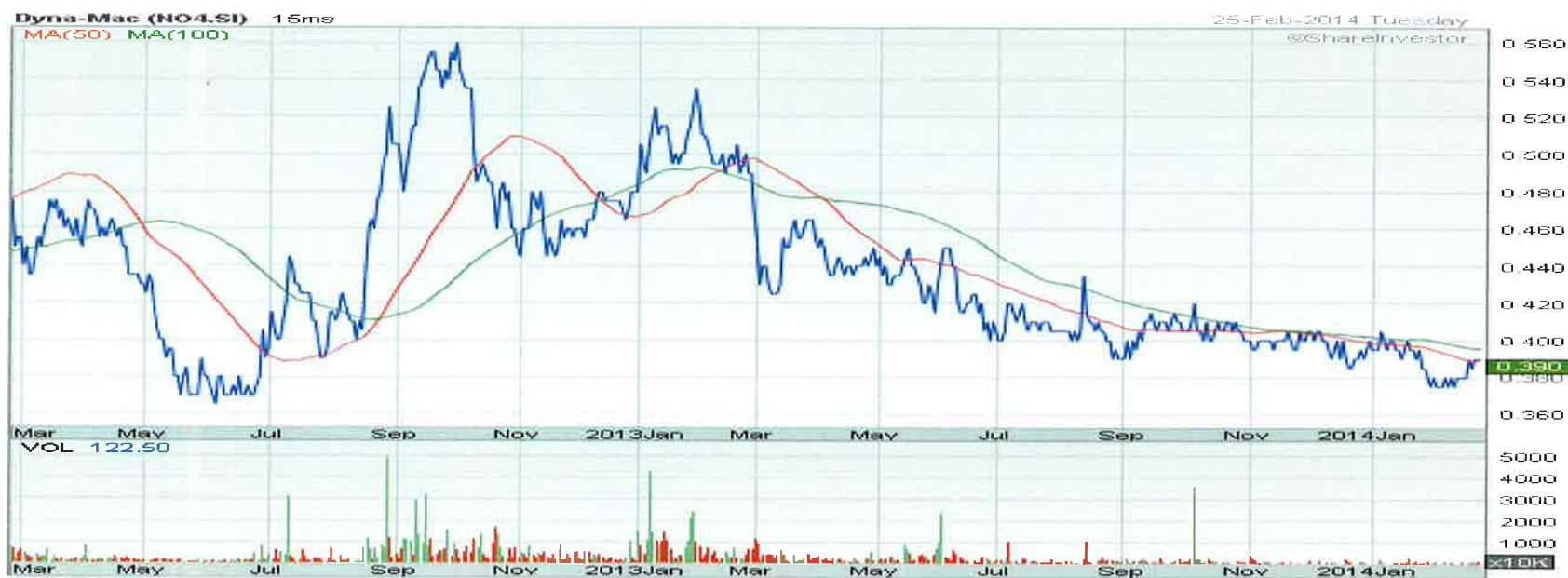
## Use of Placement Proceeds as at 31 Dec 2013

Use of proceeds	Amount allocated (\$'million)	Amount utilised (\$'million)	Balance amount (\$'million)
a. General working capital	45.7	-	45.7
	45.7	-	45.7



## Stock Information

Listing Date	2 Mar 2011	IPO Price	S\$0.35
SGX Stock Code	NO4	Shares in issue (subsequent to share placement Oct 2012)	1,023,211,000
Share price as at 25.2.2014	S\$0.39	Market Cap. (S\$'m)	S\$ 399million





# Dividend

	Dividend Yield	Dividend Per Share	Dividend Payout %
FYE 31 May 2011 (12-mth period)	3.7% (based on share price of S\$0.540 @ 21 July 2011)	S\$0.02	62%
FYE 31 Dec 2011 (7-mth period)	0.9% (based on share price of S\$0.545 @ 16 Feb 2012)	S\$0.005	83%
FYE 31 Dec 2012 (12-mth period)	4.0% (based on share price of S\$0.445 @ 22 Apr 2013)	S\$0.02	72%
FYE 31 Dec 2013 (12-mth period)	5.1% (based on share price of S\$0.39 @ 25 Feb 2014)	S\$0.02	71%



Thank You  
Q&A



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