



DYNA-MAC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No: 200305693E)

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

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DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023**

	Group					
	6 months ended 31-Dec-2023	6 months ended 31-Dec-2022	Change	12 months ended 31-Dec-2023	12 months ended 31-Dec-2022	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	202,912	167,430	21.2%	385,171	291,473	32.1%
Cost of sales	(177,431)	(148,315)	19.6%	(335,080)	(259,850)	29.0%
Gross profit	25,481	19,115	33.3%	50,091	31,623	58.4%
Gross profit margin	12.6%	11.4%		13.0%	10.8%	
Other income	3,900	3,513	11.0%	7,422	5,862	26.6%
Other expenses	(377)	(178)	111.8%	(406)	(191)	112.6%
Administrative expenses	(13,912)	(13,921)	-0.1%	(31,735)	(25,469)	24.6%
Finance expenses	(99)	(2)	>+200%	(101)	(14)	>+200%
Share of loss of an associate	(210)	-	NM	(210)	-	NM
Profit before tax	14,783	8,527	73.4%	25,061	11,811	112.2%
Income tax credit	3,708	1,654	124.2%	3,630	1,594	127.7%
Net profit for the financial period/year	18,491	10,181	81.6%	28,691	13,405	114.0%
Net profit margin	9.1%	6.1%		7.4%	4.6%	
Attributable to:-						
Equity holders of the Company	18,387	9,956	84.7%	28,488	13,068	118.0%
Non-controlling interests	104	225	-53.8%	203	337	-39.8%
Net profit for the financial period/year	18,491	10,181	81.6%	28,691	13,405	114.0%
Other comprehensive income:-						
Currency translation differences arising from consolidation	(35)	(110)	-68.2%	(42)	(131)	-67.9%
Total comprehensive income for the financial period/year	18,456	10,071	83.3%	28,649	13,274	115.8%
Attributable to:-						
Equity holders of the Company	18,366	9,895	85.6%	28,467	13,022	118.6%
Non-controlling interests	90	176	-48.9%	182	252	-27.8%
Total comprehensive income for the financial period/year	18,456	10,071	83.3%	28,649	13,274	115.8%
Earnings per share attributable to equity holders of the Company (cents per share)						
- Basic	6	1.77	0.97	2.75	1.27	
- Diluted	6	1.59	0.92	2.50	1.25	

NM- not meaningful

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

CONDENSED INTERIM BALANCE SHEETS
AS AT 31 DECEMBER 2023

	Note	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current Assets					
Cash and cash equivalents		216,103	185,432	599	4,305
Trade and other receivables		37,875	30,138	11,185	16
Contract assets		1,029	3,446	-	-
Other current assets		972	1,131	10	14
		255,979	220,147	11,794	4,335
Non-Current Assets					
Club membership		-	15	-	-
Investment in an associate		393	-	-	-
Investment in subsidiaries		-	-	112,003	112,003
Property, plant and equipment	7	28,064	28,666	-	-
Right-of-use assets		45,722	23,484	-	-
Other non-current assets		7,909	-	7,909	-
Deferred tax assets		7,068	3,300	-	-
		89,156	55,465	119,912	112,003
Total Assets		345,135	275,612	131,706	116,338
LIABILITIES					
Current Liabilities					
Income tax payable		-	124	-	-
Trade and other payables		80,027	78,974	8,313	220
Contract liabilities		147,351	127,582	-	-
Deferred capital grant		-	124	-	-
Lease liabilities		1,655	2,440	-	-
		229,033	209,244	8,313	220
Non-Current Liabilities					
Deferred tax liabilities		12	14	-	-
Lease liabilities		45,801	22,354	-	-
		45,813	22,368	-	-
Total Liabilities		274,846	231,612	8,313	220
Net Assets		70,289	44,000	123,393	116,118
EQUITY					
Capital and Reserves Attributable to Equity Holders of the Company					
Share capital	9	147,080	146,096	147,080	146,096
Other reserves		924	705	558	360
Accumulated losses		(78,106)	(103,589)	(24,245)	(30,338)
Share Capital and Reserves		69,898	43,212	123,393	116,118
Non-controlling interests		391	788	-	-
Total Equity		70,289	44,000	123,393	116,118

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Attributable to equity holders of the Company				Non-controlling interest	Total equity	
	Share capital	Accumulated losses	Share Reserve	Foreign currency translation reserve			Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Group							
Balance at 1 January 2023	146,096	(103,589)	360	345	43,212	788	44,000
Total comprehensive income for the year	-	28,488	-	(21)	28,467	182	28,649
Dividend paid relating to financial year ended 31 December 2022	-	(3,005)	-	-	(3,005)	-	(3,005)
<u>Contributions by and distributions to owners</u>							
Share-based payment	-	-	1,182	-	1,182	-	1,182
Issuance of new shares under share-based payment	984	-	(984)	-	-	-	-
Total contributions by and distributions to owners	984	-	198	-	1,182	-	1,182
Deemed disposal of a subsidiary	-	-	-	42	42	(579)	(537)
Balance at 31 December 2023	147,080	(78,106)	558	366	69,898	391	70,289
Company							
Balance at 1 January 2023	146,096	(30,338)	360	-	116,118	-	116,118
Total comprehensive income for the year	-	9,098	-	-	9,098	-	9,098
Dividend paid relating to financial year ended 31 December 2022	-	(3,005)	-	-	(3,005)	-	(3,005)
<u>Contributions by and distributions to owners</u>							
Share-based payment	-	-	1,182	-	1,182	-	1,182
Issuance of new shares under share-based payment	984	-	(984)	-	-	-	-
Total contributions by and distributions to owners	984	-	198	-	1,182	-	1,182
Balance at 31 December 2023	147,080	(24,245)	558	-	123,393	-	123,393

	Attributable to equity holders of the Company				Non-controlling interest	Total equity	
	Share capital	Accumulated losses	Share Reserve	Foreign currency translation reserve			Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Group							
Balance at 1 January 2022	145,605	(116,657)	279	391	29,618	536	30,154
Total comprehensive income for the year	-	13,068	-	(46)	13,022	252	13,274
<u>Contributions by and distributions to owners</u>							
Share-based payment	-	-	572	-	572	-	572
Issuance of new shares under share-based payment	491	-	(491)	-	-	-	-
Total contributions by and distributions to owners	491	-	81	-	572	-	572
Balance at 31 December 2022	146,096	(103,589)	360	345	43,212	788	44,000
Company							
Balance at 1 January 2022	145,605	(53,426)	279	-	92,458	-	92,458
Total comprehensive income for the year	-	23,088	-	-	23,088	-	23,088
<u>Contributions by and distributions to owners</u>							
Share-based payment	-	-	572	-	572	-	572
Issuance of new shares under share-based payment	491	-	(491)	-	-	-	-
Total contributions by and distributions to owners	491	-	81	-	572	-	572
Balance at 31 December 2022	146,096	(30,338)	360	-	116,118	-	116,118

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023**

	Group			
	6 months ended 31-Dec-2023	6 months ended 31-Dec-2022	12 months ended 31-Dec-2023	12 months ended 31-Dec-2022
	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES				
Profit before tax	14,783	8,527	25,061	11,811
Adjustments for:				
- Amortisation of club membership	-	1	1	1
- Amortisation of deferred capital grants	(50)	(75)	(124)	(149)
- Depreciation of property, plant and equipment	2,181	3,600	5,766	7,118
- Depreciation of right-of-use assets	1,276	1,290	2,588	2,562
- Interest expenses	536	384	909	791
- Interest income	(2,531)	(1,129)	(4,463)	(1,333)
- Loss on deemed disposal of a subsidiary	42	-	42	-
- Loss/(Gain) on disposal of property, plant and equipment	27	(17)	42	102
- Property, plant and equipment written off	36	-	36	-
- Share of loss of an associate	210	-	210	-
- Share-based payment	258	373	1,182	572
- Write-back of expected credit losses on trade and other receivables	-	(171)	-	(197)
- Write off of club membership	-	-	14	-
- Unrealised exchange loss	874	102	797	26
	17,642	12,885	32,061	21,304
Changes in working capital				
- Contract assets	2,134	10,974	2,417	(634)
- Contract liabilities	51,973	(31,966)	42,632	36,931
- Other current assets	1,300	168	156	(403)
- Trade and other receivables	9,495	46,797	(38,729)	28,768
- Trade and other payables	16,284	3,948	6,600	2,331
Cash flows generated from operations	98,828	42,806	45,137	88,297
Income tax paid	(74)	(91)	(258)	(111)
Interest received	2,194	243	4,382	382
Net cash flows generated from operating activities	100,948	42,958	49,261	88,568
INVESTING ACTIVITIES				
- Additions to property, plant and equipment	(2,549)	(600)	(3,221)	(2,239)
- Advance payment	(7,909)	-	(7,909)	-
- Deemed disposal of a subsidiary	(545)	-	(545)	-
- Proceeds from disposal of property, plant and equipment	6	17	8	63
Net cash flows used in investing activities	(10,997)	(583)	(11,667)	(2,176)
FINANCING ACTIVITIES				
- Dividend paid to equity holders of the Company	-	-	(3,005)	-
- Interest expense paid	(536)	(384)	(909)	(791)
- Payment of principal portion of lease liabilities	(953)	(1,173)	(2,164)	(2,313)
- Repayment of bank borrowings	-	-	-	(4,035)
Net cash flows used in financing activities	(1,489)	(1,557)	(6,078)	(7,139)
Net increase in cash and cash equivalents	88,462	40,818	31,516	79,253
Cash and cash equivalents at beginning of period/year	128,558	144,838	185,432	106,340
Effect of currency translation on cash and cash equivalents	(917)	(224)	(845)	(161)
Cash and cash equivalents at end of period/year	216,103	185,432	216,103	185,432

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. Corporate information

Dyna-Mac Holdings Ltd. (the “Company”) is listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and is incorporated and domiciled in Singapore. The registered office is at 59 Gul Road, Singapore 629354 and the principal place of business is at 45 Gul Road, Singapore 629350.

These condensed interim financial statements as at and for the six months and full year ended 31 December 2023 (“2H2023” and “12M2023”) relate to the Company and its subsidiaries (collectively, the “Group”).

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are:

- a) Contractors for project management, engineering, fabrication and installation of land and marine works.
- b) Contractors for repair and marine works.
- c) Provides project management services for projects in the People’s Republic of China.
- d) Repair of ships, tankers and other ocean-going vessels, manufacture and repair of marine engine and ship parts, and the provision of manpower resources for shipping-related projects.

2. Basis of Preparation

These condensed interim consolidated financial statements for the six months and full year ended 31 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2023. Accordingly, this report should be read in conjunction with the Group’s Annual Report for the financial year ended 31 December 2022 and any public announcements made during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The financial statements are presented in Singapore Dollars (“SGD” or “\$”) and all values are rounded to the nearest thousand (\$’000), except when otherwise indicated.

2.1 New standards, interpretations and amendments adopted by the Group

There are no new standards, interpretations and amendments adopted by the Group for annual periods beginning on or after 1 January 2023, which will result in significant impact on the condensed interim financial statements of the Group.

2.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as described in the last annual financial statements as at and for the year ended 31 December 2022.

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

3. Segment and revenue information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors considers the business from a business segment perspective. Management manages and monitors the business in the two primary business segments: Module business and Ad-hoc projects.

	Group					
	6 months ended 31-Dec			12 months ended 31-Dec		
	Module Business	Ad-Hoc Projects	Total	Module Business	Ad-Hoc Projects	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2023						
Revenue						
Segment revenue to external parties	200,730	2,182	202,912	370,795	14,376	385,171
Segment gross profit	24,428	1,053	25,481	41,318	8,773	50,091
2022						
Revenue						
Segment revenue to external parties	159,976	7,454	167,430	270,434	21,039	291,473
Segment gross profit	12,615	6,500	19,115	21,794	9,829	31,623

(a) Reconciliation

A reconciliation of segment gross profit to net profit is as follows:

	Group			
	6 months ended 31-Dec-2023	6 months ended 31-Dec-2022	12 months ended 31-Dec-2023	12 months ended 31-Dec-2022
	\$'000	\$'000	\$'000	\$'000
Segment gross profit for reportable segments	25,481	19,115	50,091	31,623
Other income	3,900	3,513	7,422	5,862
Other expenses	(377)	(178)	(406)	(191)
Administrative expenses	(13,912)	(13,921)	(31,735)	(25,469)
Finance expenses	(99)	(2)	(101)	(14)
Share of loss of an associate	(210)	-	(210)	-
Profit before tax	14,783	8,527	25,061	11,811
Income tax credit	3,708	1,654	3,630	1,594
Net profit for the financial period/year	18,491	10,181	28,691	13,405

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

3. Segment and revenue information (cont'd)

(b) Geographical information

		Group					
		6 months ended 31-Dec			12 months ended 31-Dec		
		Module Business	Ad-Hoc Projects	Total	Module Business	Ad-Hoc Projects	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2023							
	Asia Pacific	146,026	2,029	148,055	276,926	13,877	290,803
	Europe	54,704	39	54,743	93,869	385	94,254
	Americas	-	114	114	-	114	114
		200,730	2,182	202,912	370,795	14,376	385,171
2022							
	Asia Pacific	128,816	7,454	136,270	170,774	16,129	186,903
	Europe	31,160	-	31,160	99,660	4,910	104,570
		159,976	7,454	167,430	270,434	21,039	291,473

The Group's property, plant and equipment are located mainly in Singapore as at 31 December 2023 and 2022.

(c) Timing of transfer of goods or services

		Group					
		6 months ended 31-Dec			12 months ended 31-Dec		
		Module Business	Ad-Hoc Projects	Total	Module Business	Ad-Hoc Projects	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2023							
	Over time	200,730	2,182	202,912	370,795	14,376	385,171
		200,730	2,182	202,912	370,795	14,376	385,171
2022							
	Over time	159,976	7,454	167,430	270,434	21,039	291,473
		159,976	7,454	167,430	270,434	21,039	291,473

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

4. Profit before tax

The Group's profit before tax is stated after charging/(crediting):-

Group						
6 months ended 31-Dec-2023	6 months ended 31-Dec-2022	Change	12 months ended 31-Dec-2023	12 months ended 31-Dec-2022	Change	
\$'000	\$'000	%	\$'000	\$'000	%	
The Group's profit is stated after charging/(crediting):-						
Amortisation of club membership	-	1	NM	1	1	0.0%
Amortisation of deferred capital grants	(50)	(75)	-33.3%	(124)	(149)	-16.8%
Depreciation of property, plant and equipment	2,181	3,600	-39.4%	5,766	7,118	-19.0%
Depreciation of right-of-use assets	1,276	1,290	-1.1%	2,588	2,562	1.0%
Foreign exchange loss, net	550	196	180.6%	314	90	>+200%
Government grants income	(596)	(1,571)	-62.1%	(1,101)	(2,931)	-62.4%
Interest expenses	536	384	39.6%	909	791	14.9%
Interest income - bank deposits	(2,531)	(1,129)	124.2%	(4,463)	(1,333)	>+200%
Loss/(Gain) on disposal of property, plant and equipment	27	(17)	NM	42	102	-58.8%
Property, plant and equipment written off	36	-	NM	36	-	NM
Rental income ^(Note 1)	(76)	(78)	-2.6%	(131)	(128)	2.3%
Write-back of expected credit losses on trade and other receivables	-	(171)	NM	-	(197)	NM
Write off of club membership	-	-	NM	14	-	NM

Note 1 - Rental income comprises mainly of rental income from small administration office to subcontractors

NM - Not Meaningful

5. Taxation

The Group's calculation on the period income tax expense using tax rate that would be applicable to the expected total annual earnings, the major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

Group				
6 months ended 31-Dec-2023	6 months ended 31-Dec-2022	12 months ended 31-Dec-2023	12 months ended 31-Dec-2022	
\$'000	\$'000	\$'000	\$'000	
Current income tax				
- Current year income tax	60	145	138	205
- Under provision in respect of prior years	-	1	-	1
	60	146	138	206
Deferred tax assets				
- Recognition of tax effect from previously unrecognised tax losses	(3,768)	(3,768)	(3,768)	(1,800)
Income tax credit	3,708	1,654	3,630	1,594

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

6. Earnings per share

	Group			
	6 months ended 31-Dec-2023	6 months ended 31-Dec-2022	12 months ended 31-Dec-2023	12 months ended 31-Dec-2022
	'000	'000	'000	'000
Weighted average number of				
Ordinary shares used in the calculation of basic earnings per share	1,036,746	1,029,826	1,035,528	1,028,189
Adjustment for:				
Potential ordinary shares issuable under exercise of warrants	120,050	48,838	103,928	16,502
Ordinary shares outstanding used in the calculation of diluted earnings per share	1,156,796	1,078,664	1,139,456	1,044,691
Earnings per share				
- Basic (cents)	1.77	0.97	2.75	1.27
- Diluted (cents)	1.59	0.92	2.50	1.25

7. Property, plant and equipment

During the financial year ended 31 December 2023, the Group acquired assets amounting to \$5,250,000 (31 December 2022: \$2,538,000), disposed and written off assets with carrying amount of \$50,000 and \$36,000 respectively (31 December 2022: \$165,000 and Nil respectively).

8. Dividend

	Group			
	6 months ended 31-Dec-2023	6 months ended 31-Dec-2022	12 months ended 31-Dec-2023	12 months ended 31-Dec-2022
	\$'000	\$'000	\$'000	\$'000
Ordinary dividend paid:				
Final tax exempt one-tier 2022 cash dividend of 0.29 cents per share (2021: Nil cent per share)	-	-	3,005	-

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

9. Share capital

	31-Dec-23		31-Dec-22	
	Number of Ordinary Shares	Resultant issued share capital	Number of Ordinary Shares	Resultant issued share capital
	'000	\$'000	'000	\$'000
Share Capital				
Beginning of financial year	1,030,509	146,096	1,026,554	145,605
Issuance of new shares under share-based payment	6,415	984	3,955	491
End of financial year	1,036,924	147,080	1,030,509	146,096

Dyna-Mac Share Award Scheme 2021 (DMSAS 2021)

As at 31 December 2023, the number of contingent shares granted but not released were 6,337,100 (31 December 2022: 4,771,000) for DMSAS 2021. Based on the achievement factors, the actual release of the awards in ordinary shares of the company could range from zero to a maximum of 6,337,100 under DMSAS 2021.

The Company does not hold any treasury shares as at 31 December 2023 and 31 December 2022.

10. Net asset value

	Group		Company	
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
Net asset value per ordinary share based on existing share capital (cents)	6.74	4.19	11.90	11.27
Number of shares ('000)	1,036,924	1,030,509	1,036,924	1,030,509

11. Financial assets and financial liabilities at amortised cost

The financial assets and financial liabilities at amortised cost of the Group as at 31 December 2023 and 31 December 2022:

	Group		Company	
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
	\$'000	\$'000	\$'000	\$'000
Financial Assets				
Cash and cash equivalents	216,103	185,432	599	4,305
Trade and other receivables	32,293	19,473	11,185	16
Deposits	732	811	-	-
Total financial assets at amortised cost	249,128	205,716	11,784	4,321
Financial Liabilities				
Trade and other payables	80,027	78,974	8,313	220
Lease liabilities	47,456	138	-	-
Total financial liabilities at amortised cost	127,483	79,112	8,313	220

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

12. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

Other than those disclosed elsewhere in the financial statements, the Group had the following significant related party transactions on terms agreed during the financial year:

	Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
	\$'000	\$'000	\$'000	\$'000
<u>Transactions with a corporate shareholder and its related companies</u>				
Fabrication of topside modules and other ad-hoc services rendered	4,636	4,921	13,674	8,856
Sub-contracting and other ad-hoc services procured	(1,326)	(41)	(3,590)	(465)
<u>Transactions with related company of a director</u>				
Corporate secretarial services procured	(37)	(42)	(58)	(61)

(b) Key management personnel compensation

Key management personnel compensation is analysed as follows:

	Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
	\$'000	\$'000	\$'000	\$'000
Directors				
Short-term employee benefits	1,110	485	1,580	1,066
Post-employment benefits	(15)	12	26	29
Share-based payment	27	209	429	209
	1,122	706	2,035	1,304
Senior Management				
Short-term employee benefits	713	983	1,787	1,549
Post-employment benefits	21	44	117	89
Share-based payment	26	117	226	117
	760	1,144	2,130	1,755
	1,882	1,850	4,165	3,059

For the 12 months ended 31 December 2023, Teo Boon Hwee's remuneration was included under the Senior Management's category (12 months ended 31 December 2022: Director's category). He ceased to be alternate director to Lim Rui Ping of the Company with effect from 13 July 2022 and his remuneration thereafter was disclosed under Senior Management's category until his retirement on 30 June 2023.

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

13. Subsequent events

- (i) On 3 January 2024, the Company has obtained approval from SGX-ST for bonus warrants issue of one warrant for every five existing shares at an exercise price of 15 cents for each warrant into a new share. On 23 January 2024, a total of 207,384,835 bonus warrants were issued by the Company. The bonus warrant's exercise period will commence on and including the date falling six months from the warrants listing date, 22 July 2024 and expire at 5.00 p.m. on the date falling nine months from the warrants listing date, 22 October 2024. The bonus warrants cannot be exercised prior to the abovementioned six months' period prior to the warrants listing date.

Assuming that the bonus warrants are fully exercised and converted into new shares, the issued share capital of the Company would increase to 1,244,309,035 shares. The gross proceeds arising from the fully exercise of such bonus warrants will amount to approximately \$31,108,000 will be used towards capital expenditure for yard development, general corporate and working capital purposes.

- (ii) On 3 January 2024, the Company acquired all the issued shares in Exterran Offshore Pte. Ltd. ("Exterran") for a cash consideration of US\$8,250,000. This acquisition would provide the Company additional fabrication capacity for the Company's current and future projects.

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed interim financial statements, comprising the condensed interim balance sheets of Dyna-Mac Holdings Ltd. (“the Company”) and its Subsidiaries (“the Group”) as at 31 December 2023, the condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following: -

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Condensed Interim Consolidated Statement of Comprehensive Income

The Group’s revenue increased by \$35.5m or 21.2% from \$167.4m in the six months ended 31 December 2022 (“2H2022”) to \$202.9m in the six months ended 31 December 2023 (“2H2023”). In the twelve months ended 31 December 2023 (“12M2023”), the Group achieved revenue growth of \$93.7m or 32.1% to \$385.2m, compared to \$291.5m in the twelve months ended 31 December 2022 (“12M2022”). The upswing in revenue was mainly attributed to higher progressive recognition from projects executed in 2H2023 and 12M2023.

Gross profit increased by \$6.4m from \$19.1m in 2H2022 to \$25.5m in 2H2023 and increased by \$18.5m from \$31.6m in 12M2022 to \$50.1m in 12M2023. The boost in gross profit is mainly driven by higher revenue and improved profit margins in 12M2023.

Other income increased by \$0.4m or 11.0% from \$3.5m in 2H2022 to \$3.9m in 2H2023 and increased by \$1.5m or 26.6% from \$5.9m in 12M2022 to \$7.4m in 12M2023. The increase in 2H2023 and 12M2023 was mainly due to higher interest income and partially offset by a decrease in government grants.

Other expenses of \$0.4m in 12M2023 were attributable mainly to forex loss and loss on disposal of property, plant and equipment.

Administrative expenses increased by \$6.2m or 24.6% from \$25.5m in 12M2022 to \$31.7m in 12M2023. This was mainly due to higher staff costs in 12M2023.

The income tax credit of \$3.7m in 2H2023 and \$3.6m in 12M2023 arose from the recognition of deferred tax asset for carried forward tax losses that the Group expects to utilize.

The Group’s net profit increased by \$8.3m or 81.6% from \$10.2m in 2H2022 to \$18.5m in 2H2023 and increased by \$15.3m or 114.0% from \$13.4m in 12M2022 to \$28.7m in 12M2023. The higher margin was made possible due to better utilisation of capacity by intensifying land use, improved productivity and tighter cost control.

Condensed Interim Balance Sheets

Current assets

Total current assets increased by \$35.9m from \$220.1m as at 31 December 2022 to \$256.0m as at 31 December 2023.

Cash and cash equivalents increased by \$30.7m from \$185.4m as at 31 December 2022 to \$216.1m as at 31 December 2023 mainly due to higher collections from the projects carried out during the year.

Trade and other receivables increased by \$7.8m from \$30.1m as at 31 December 2022 to \$37.9m as at 31 December 2023 mainly due to higher project progress achieved during the year.

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)

2. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (cont'd)**

Condensed Interim Balance Sheets (cont'd)

Current assets (cont'd)

Contract assets decreased by \$2.4m from \$3.4m as at 31 December 2022 to \$1.0m as at 31 December 2023 mainly due to billings offset by project progress during the year.

Non-current assets

Non-current assets increased by \$33.7m from \$55.5m as at 31 December 2022 to \$89.2m as at 31 December 2023 mainly due to increase in right-of-use assets.

Other non-current assets increased by \$7.9m from Nil as at 31 December 2022 to \$7.9m as at 31 December 2023 mainly due to advance payment made for acquisition of a subsidiary which completed subsequent to the financial year.

Current liabilities

Total current liabilities increased by \$19.8m from \$209.2m as at 31 December 2022 to \$229.0m as at 31 December 2023.

Trade and other payables increased by \$1.0m from \$79.0m as at 31 December 2022 to \$80.0m as at 31 December 2023 mainly due to higher payables recorded in line with higher progress achieved from the projects carried out.

Contract liabilities increased by \$19.8m from \$127.6m as at 31 December 2022 to \$147.4m as at 31 December 2023 mainly due to increase in advanced billings to customers.

Non-current liabilities

Total non-current liabilities increased by \$23.4m from \$22.4m as at 31 December 2022 to \$45.8m as at 31 December 2023 mainly due to increase in lease liabilities.

Lease liabilities (Current and Non-current) increased by \$22.7m mainly due to recognition of new lease obligations.

Condensed Interim Consolidated Statement of Cash Flows

The Group registered an increase in cash and cash equivalent of \$30.7m from \$185.4m as at 31 December 2022 to \$216.1m as at 31 December 2023.

Net cash flows generated from operating activities in 2H2023 and 12M2023 was \$100.9m and \$49.3m respectively, mainly due to higher cash inflow from working capital.

Net cash flows used in investing activities in 2H2023 and 12M2023 were \$11.0m and \$11.7m respectively mainly due to additions to property, plant and equipment.

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to the shareholders.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The outlook for our key business of fabricating topside modules for Floating Production Storage and Offloading (FPSO) vessels continues to hold firm. Asia's FPSO market is anticipated to continue to grow, driven by accelerating energy demand as new exploration activities surge to all-time highs, often in deeper waters requiring sophisticated technology^[1]. Between 2024 and 2030, the global FPSO market is anticipated to be resilient, underpinned by stable crude oil usage^[2]. Despite the global macroeconomic environment, high inflationary pressures and rising geopolitical tensions, the Group is actively pursuing near adjacencies such as liquified natural gas (LNG) modules, carbon capture and storage (CCS) modules, and blue hydrogen modules. The Group is optimistic about its future opportunities.

The Group's orderbook of \$438.2m as of 31 December 2023, with deliveries into FY2025, showcases the buoyant demand for our FPSO topside modules offerings. The Group has also been actively increasing its yard space to ensure minimal capacity bottleneck in our pursuit for bigger orders in the years to come.

A case in point is our acquisition of Exterran Offshore and securing JTC lease adjacent to current facility, which provided us with the flexibility and capability to pursue larger contract-sized projects to further build on our robust orderbook. The acquisition strengthened our operational capabilities by gaining access to yard facilities of approximately 8.7 hectares with 680 meters waterfront along Gul Road. This capacity addition provides us not only with the bandwidth to take on more projects, but also the added flexibility to enhance our existing construction methodology to achieve better production efficiency by optimizing build methods for both onshore and offshore modules. The added capacity also allows the Group to venture into pharmaceutical module construction, hydrogen ammonia and exotic piping fabrication. More importantly, such constant refinement of our production process allows us to maintain Dyna-Mac's branding within our industry.

In addition to growing organically through increased capacity and strategic alliances with industry leaders, the Group also has the intention to expand through mergers and acquisitions. We continue our pursuit of inorganic growth opportunity with a view of diversifying our revenue sources.

Overall, the Group is encouraged by the consistent and strong stream of enquiries from both new and repeat customers, which signals sustained robust demand ahead. The Group is confident in continuing to build its orderbook.

^[1] Mordor Intelligence: Asia-Pacific FPSO Market Size & Share Analysis - Growth Trends & Forecasts (2024 - 2029)

^[2] Reuters (October 2023): World oil, gas, coal demand to peak by 2030, IEA says

5. Dividends

**(a) Current financial period reported on
Any dividend declared for the current financial period reported on?**

Yes.

The Directors are pleased to recommend a final cash dividend of 0.83 cents per share tax exempt one-tier in respect of the financial year ended 31 December 2023 (2022: 0.29 cents per share) for approval by shareholders at the next Annual General Meeting to be convened.

Name of Dividend	Final FY2023
Dividend type	Cash
Dividend per share	0.83 cents
Tax rate	Tax exempt

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)

5. Dividends (cont'd)

- (b) **Corresponding period of the immediately preceding financial year**
Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend	Final FY2022
Dividend type	Cash
Dividend per share	0.29 cents
Tax rate	Tax exempt

- (c) **Date payable**

The proposed final dividend if approved at the annual general meeting scheduled to be held on 24 April 2024 will be paid on 10 May 2024.

- (d) **Books closure date**

Notice is hereby given that the Share Transfer Books and the Register of Members of the Company will be closed at 5.00 p.m. on 2 May 2024 for the preparation of dividend warrants. Duly completed registrable transfers of ordinary shares (“Shares”) received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue Keppel Bay Tower #14-07, Singapore 098632 on 2 May 2024 at 5.00 p.m. will be registered to determine shareholders’ entitlement to the proposed final dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with Shares as at 5.00 p.m. on 2 May 2024 will be entitled to the proposed final dividend.

- 6. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

7. Interested person transactions disclosure

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under a shareholders’ mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)	
		12 months ended 31-Dec-2023 \$'000	12 months ended 31-Dec-2022 \$'000	12 months ended 31-Dec-2023 \$'000	12 months ended 31-Dec-2022 \$'000
PURCHASES AND OTHER EXPENSES					
Seatrium Sea Scan Pte Ltd (f.k.a. Keppel Sea Scan Pte Ltd)	Note 1				
Purchase of materials		-	-	120	-
Rental of air compressors		-	-	14	-
Green Scan Pte Ltd	Note 1				
Subcontracting services		-	-	-	425
Asian Lift Pte Ltd	Note 1				
Rental of floating crane/barge		-	-	2,724	41
ST Engineering Marine Ltd	Note 1				
Subcontracting services		-	-	732	-
REVENUE					
Seatrium O&G (Americas) Limited (f.k.a. Keppel Shipyard Limited)	Note 1				
Subcontracting services		-	-	13,674	8,856

Note 1: The interested person is a member of Temasek Group, which the scope of works are approved by shareholders under IPT Mandate in the Annual General Meeting.

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)

8. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Teo Boon Hwee	67	Uncle of Director, Ms Lim Rui Ping.	Chief Marketing Officer since 2011 until 30 June 2023. Responsible for overseas expansion of business feasibilities, marketing, business development, contracts and commercial, tender and estimation, overseas project management in China, promotion advertising, clients' co-ordination and Government relationship including MPA, JTC and EDB.	Teo Boon Hwee has retired on 30 June 2023.
Lim Rui Ping	39	Niece of Chief Marketing Officer, Mr Teo Boon Hwee.	Ms Lim Rui Ping has been appointed as the Non-Independent Non-Executive Director since November 2019.	Not Applicable.

9. **Confirmation pursuant to Rule 720(1) of the listing manual**

The Company confirms that it has procured undertakings from its Board of Directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the listing manual.

10. **Confirmation pursuant to Rule 705(5) of the listing manual**

The Board of Directors of the Company hereby confirms to the best of its knowledge nothing has come to its attention which may render the unaudited financial results for the period ended 31 December 2023 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Lim Ah Cheng
Executive Chairman and Chief Executive Officer
20 February 2024