Dyna-Mac Holdings Ltd.
(Co Reg No. 200305693E)

Dyna-Mac reports 114.0% net profit increase from better utilisation of capacity by intensifying land use, improved productivity and tighter cost control

- **The Group achieved revenue growth of $93.7 million, marking a 32.1% increase to $385.2 million**
- **The Group's net profit increased by $15.3 million to $28.7 million**
- **EBITDA surged by $10.6 million or 64.0% from $16.7 million in 12M2022 to $27.3 million**
- **The Group posted a net orderbook worth $438.2 million**

	12 months ended 31-Dec-2023	**12 months ended 31-Dec-2022**	**Change**
	$'000	**$'000**	**%**
Revenue	385,171	291,473	32.1
Gross profit	50,091	31,623	58.4
Gross profit margin (%)	13.0	10.8	20.4
Other income	7,422	5,862	26.6
Net profit for the financial year	28,691	13,405	114.0
EBITDA	27,308	16,652	64.0
Return on equity (%)	40.8	30.2	35.1
Earnings per share - Basic (cents)	2.75	1.27	116.5
Earnings per share - Diluted (cents)	2.50	1.25	100.0

SINGAPORE, February 20, 2024 - Dyna-Mac Holdings Ltd. (SGX: NO4) ("**Dyna-Mac**" or the "**Company**" and together with its subsidiaries, the "**Group**"), is pleased to announce its financial results for the twelve months ended 31 December 2023 ("**12M2023**").

In 12M2023, the Group achieved revenue growth of $93.7 million, marking a 32.1% increase to $385.2 million compared to $291.5 million in the twelve months ended 31 December 2022 ("**12M2022**"). The upswing in revenue was mainly attributed to higher progressive recognition from projects executed in 12M2023.

The Group's gross profit also experienced substantial growth, increasing by 58.4% to $50.1 million in 12M2023, compared to $31.6 million in 12M2022.

Furthermore, other income witnessed a healthy rise, totaling $7.4 million in 12M2023, reflecting a 26.6% increase from $5.9 million in 12M2022. The rise in other income was mainly due to higher interest income, partially offset by a decrease in government grants.

Throughout 12M2023, the Group delivered consistently strong performance, with net profit reaching $28.7 million, marking an impressive 114.0% or $15.3 million increase compared to $13.4 million achieved in 12M2022. The higher margin was made possible due to better utilisation of capacity by intensifying land use, improved productivity and tighter cost control.

The Group's cash position improved to $216.1 million as compared with $185.4 million as of 31 December 2022.

The Group's financial ratios have also shown improvement, with the EBITDA surging by $10.6 million or 64.0% from $16.7 million in 12M2022 to $27.3 million in 12M2023. Return on equity (ROE) increased from 30.2% in 12M2022 to 40.8% in 12M2023, while earnings per share rose from 1.27 cents in 12M2022 to 2.75 cents in 12M2023. These improvements are underpinned by the Group's higher revenue and profits.

Outlook

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 S$438.2 million 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

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About Dyna-Mac

Dyna-Mac is a global multi-disciplinary contractor who undertakes the detailed engineering, procurement, fabrication, construction of compressor skids and modules for Carbon Capture, Utilization and Storage (CCUS), onshore 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 Fixed Platforms, onshore modules for land-based plants for the energy industry as well as offshore and onshore renewables and green energy sectors, with focus on LNG, green hydrogen and ammonia.

Headquartered in Singapore, Dyna-Mac is listed on the main board of the Singapore Exchange. For more information, visit www.dyna-mac.com.