

Dyna-Mac Holdings Ltd.
FY 2017 Results



Raffles City Convention Centre
27 February 2018 – 10am



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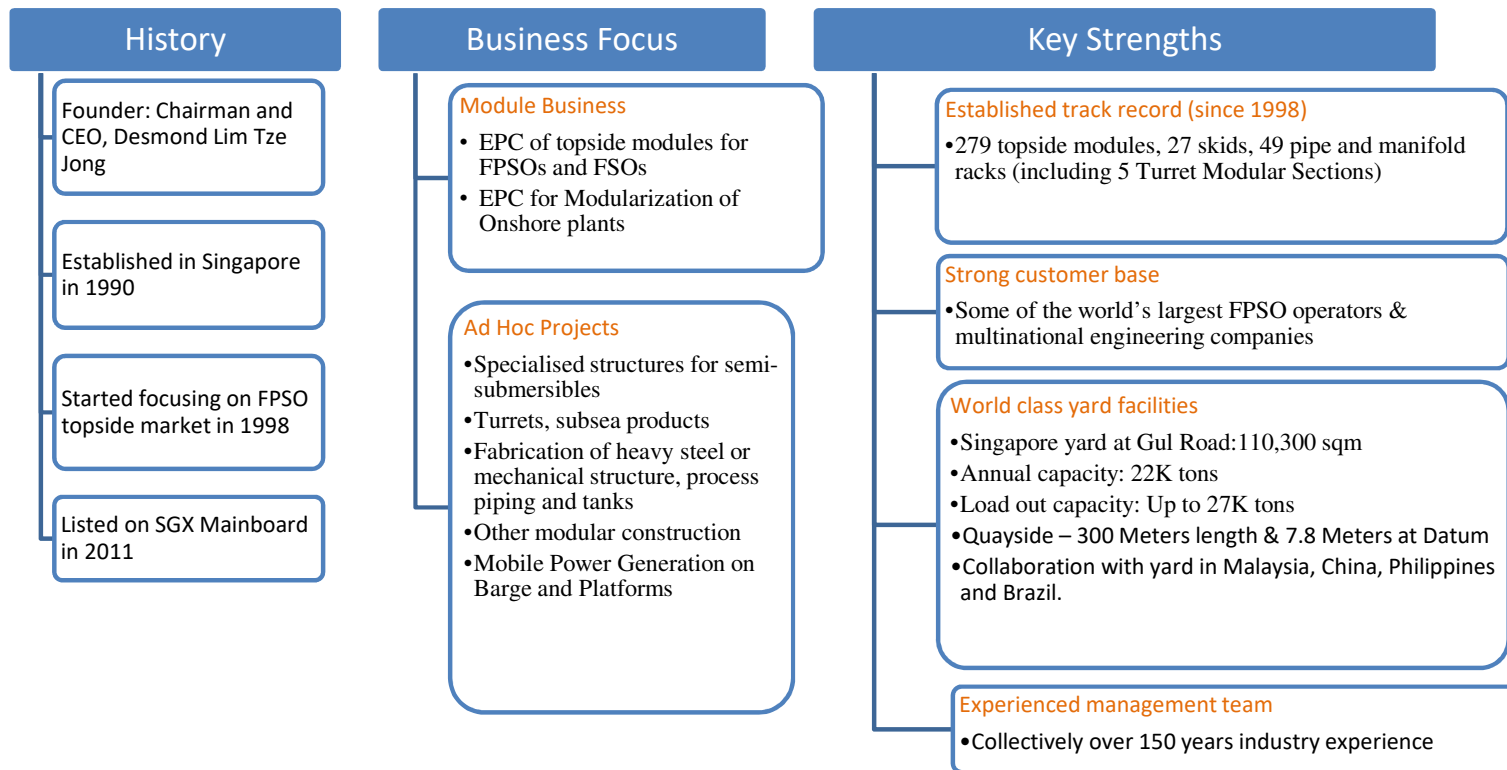
DYNA-MAC HOLDINGS LTD.



Business Overview

About Dyna-Mac

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



Summary of Work Experience

- **Total No. of Modules Loaded out by DM:**

279 Modules + 27 Skids + 49 PAR

(INCLUDING 5 TURRET MODULAR SECTIONS)



- **Heaviest Module Loaded out by Lifting:**

FPSO Glen Lyon – Turret Manifold Structure

Total Weight: 2,950 tons



- **Other Projects**

Semi-sub Hull (12,700t), Turret (10,000t),

Flare Tower, Sub-sea Pipe Line etc



Floating Production Storage Offloading (FPSO)s at a glance

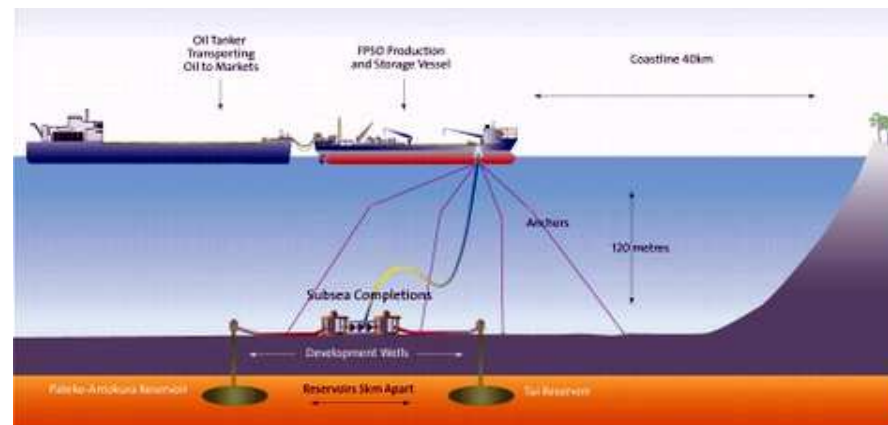
A floating production system receives fluids from a subsea reservoir, processes, stores and offloads. Most FPSOs are ship-shaped and are 'anchored' (moored) by a turret.

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 is approx. 110,300 sqm, producing output at maximum 22,000 tons.

Strong Relationship with the world's largest FPSO operators

➔ Our customer 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



Business Strategies



O&G Sector

Exploration and production

Producers of capital goods for exploration, production and transportation

Rig- and shipyards

ASL Marine
Cosco
Dyna-Mac Holdings
Keppel Corp
Nam Cheong*
Sembcorp Marine
Sembcorp Industries
Triyards*
Vard Holdings

**Suspended*

Transportation

EMAS Offshore*
Ezion Holdings*
Ezra Holdings*
Falcon Energy Group
Kim Heng Offshore & Marine
Holdings
KS Energy Services
Marco Polo Marine
Mermaid Maritime
Pacific Radiance
PACC Offshore Services
Holdings
Vallianz

Oil and other services

AusGroup
(scaffolding)
Charisma Energy
(exploration)
KrisEnergy
(exploration)
Federal International
(stockist for OSV
providers and oil majors)

Source : Bloomberg

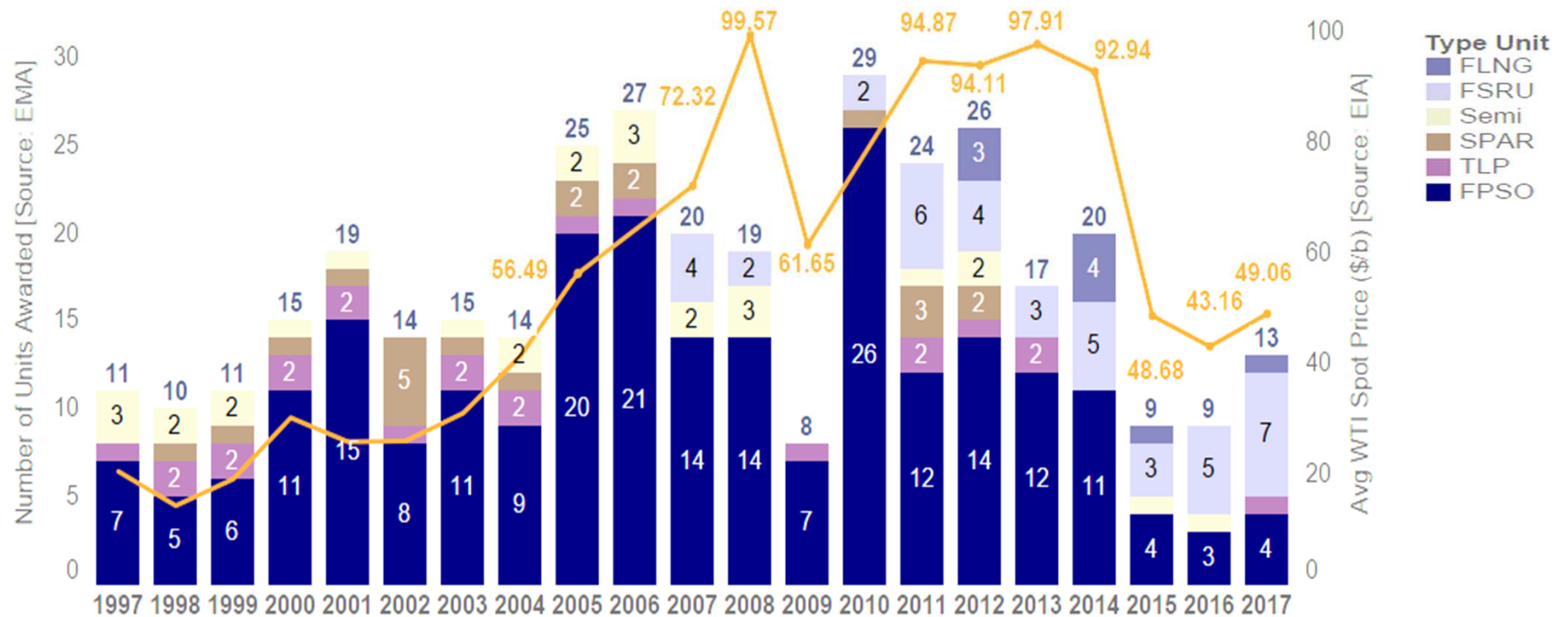


Prospects

Oil Price vs FPS Awards- Historical

Offshore ordering has benefited from the higher oil price, with 13 new floating production systems ordered in 2017.

Historical FPS Awards vs Average WTI Price by Year
(excludes FSOs & MOPUs)



Source: EMA, 4Q 2017

Prospects for O&M

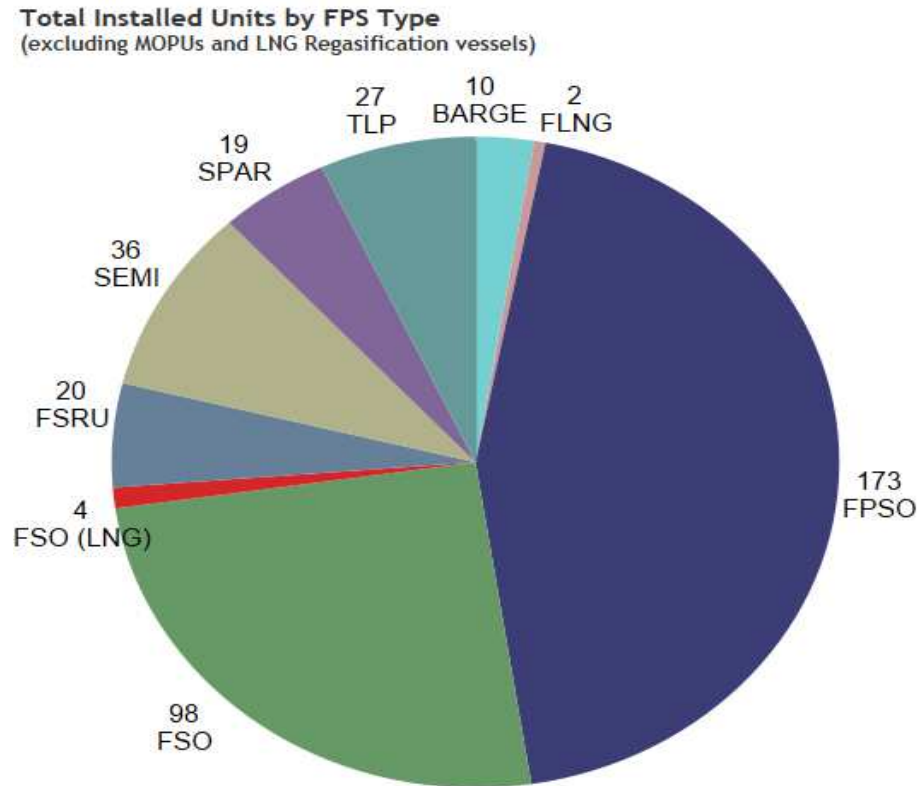


- There are **287** floating production systems (FPS) in service or available worldwide. FPSOs comprise **60** percent/**173** units of the current total.
- Current order backlog consists of **47** production floaters + 6 FSOs + 3 MOPU.
- **50** FPS units currently under construction – **19 FPSOs**
- Of the **135** planned projects, **56** are in the bidding or final design stage.

Source: EMA, 4Q 2017

Floaters Outlook

There are 287 floating production systems in service or available worldwide. FPSOs comprise 60 percent/173 units of the current total.



Source: EMA, 4Q 2017

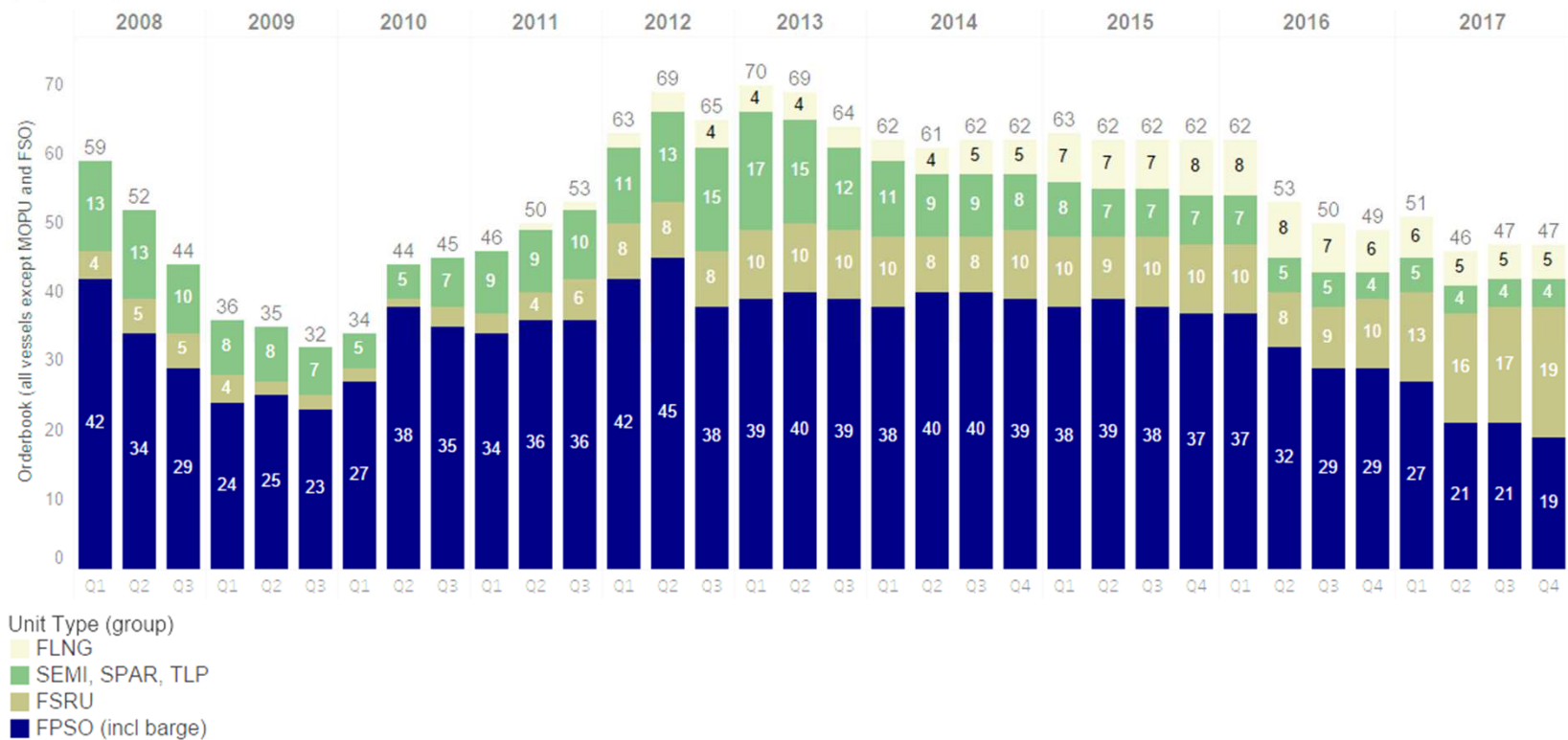
Floaters Outlook



Current order backlog for Floating Production Systems: 47 units, 19 FPSOs

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

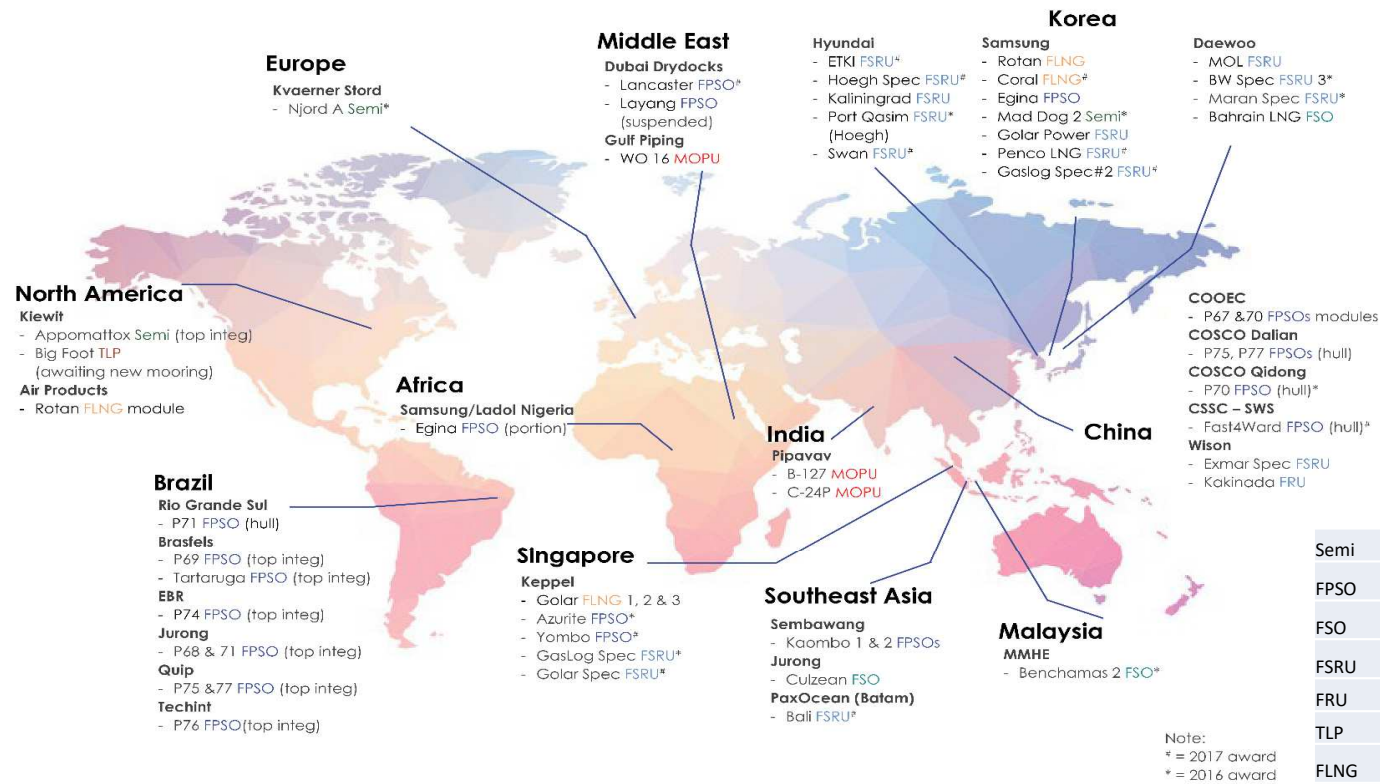
Orderbook 2008-2017
(Report Date)



Source: EMA, 4Q 2017

Floaters Outlook

50 FPS units currently under construction



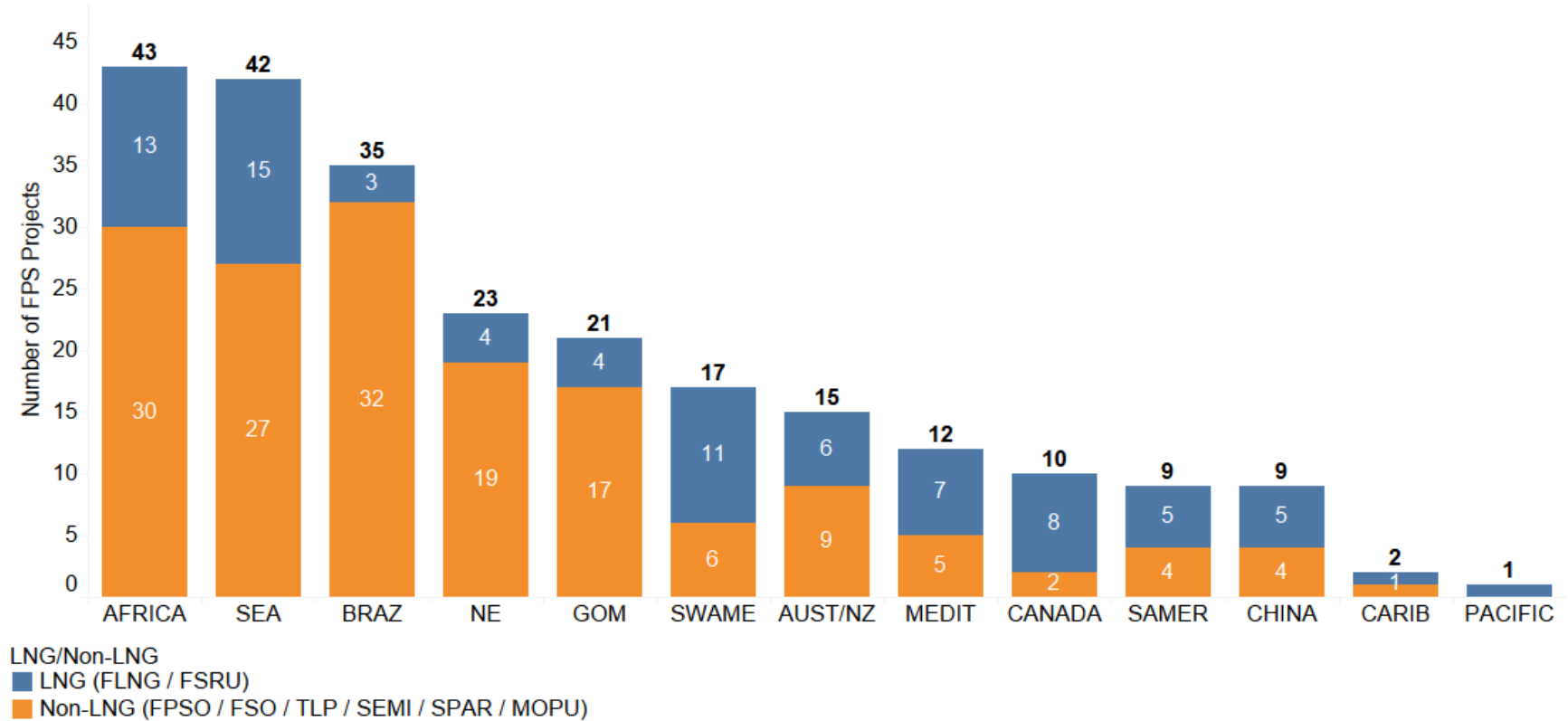
Semi	2	Semi-submersible platform
FPSO	19	Floating Production Storage and Offloading
FSO	2	Floating Storage and Offloading unit
FSRU	15	Floating Storage Regasification Unit
FRU	2	Floating Regasification Unit
TLP	1	Tension-leg platform
FLNG	5	Floating liquefied natural gas
MOPU	3	Mobile Offshore Production Unit
Total	50	

Source: EMA, 4Q 2017

Planning or Study Stage

135 planned projects

Projects in Planning Pipeline (AP, PL, B/FD) by Region



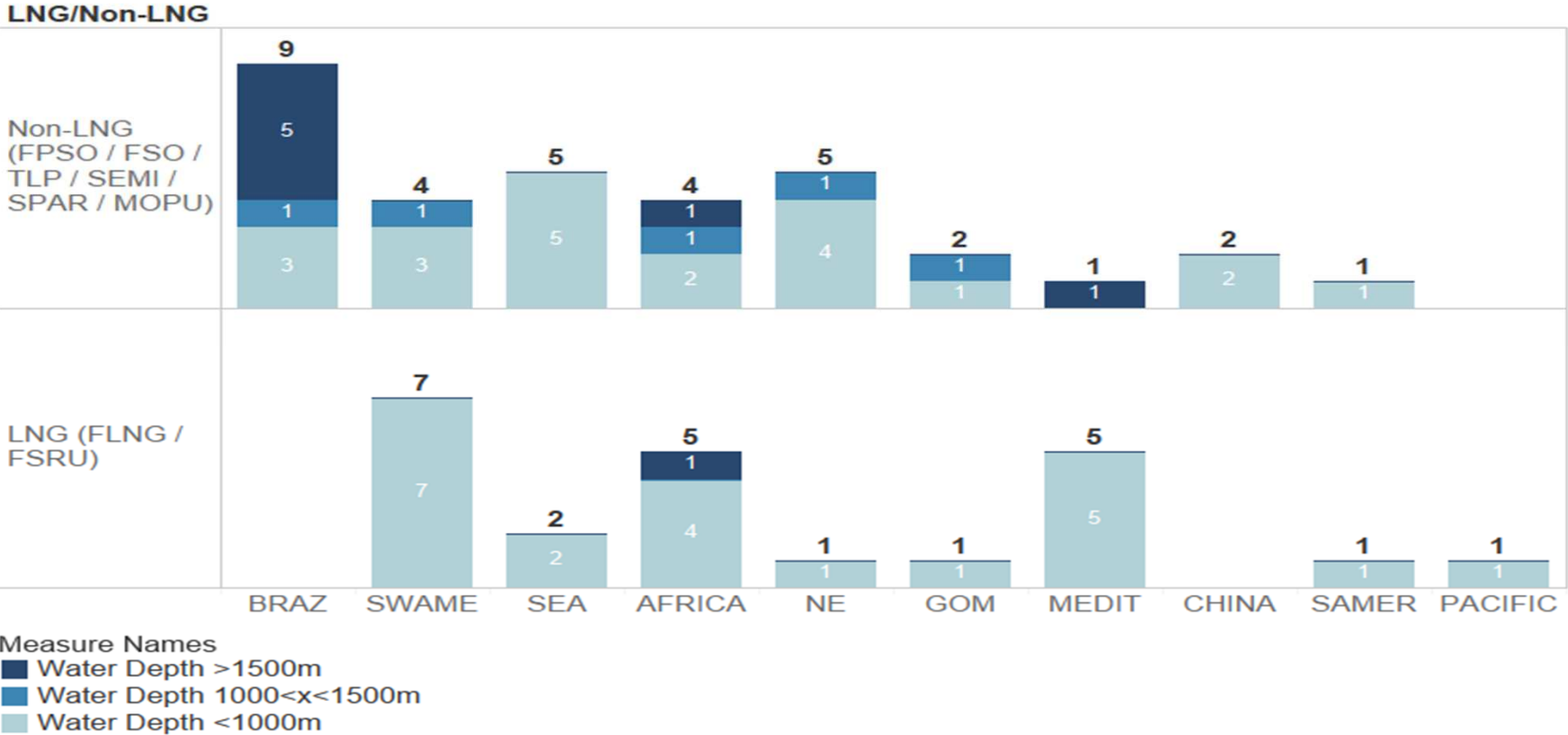
Source: EMA, 4Q2017

Bidding or Final Design Stage



56 are in the bidding or final design stage.

Projects in Bidding and Final Design Stage by Region and Water Depth



Source: EMA, 4Q 2017

Deepwater Becoming More Attractive as Break-Evens Decrease



Source: SBM

Source: Upstream Online, McKinsey Energy Insights, Arctic Securities, SBM Offshore, various media quotes, company presentations



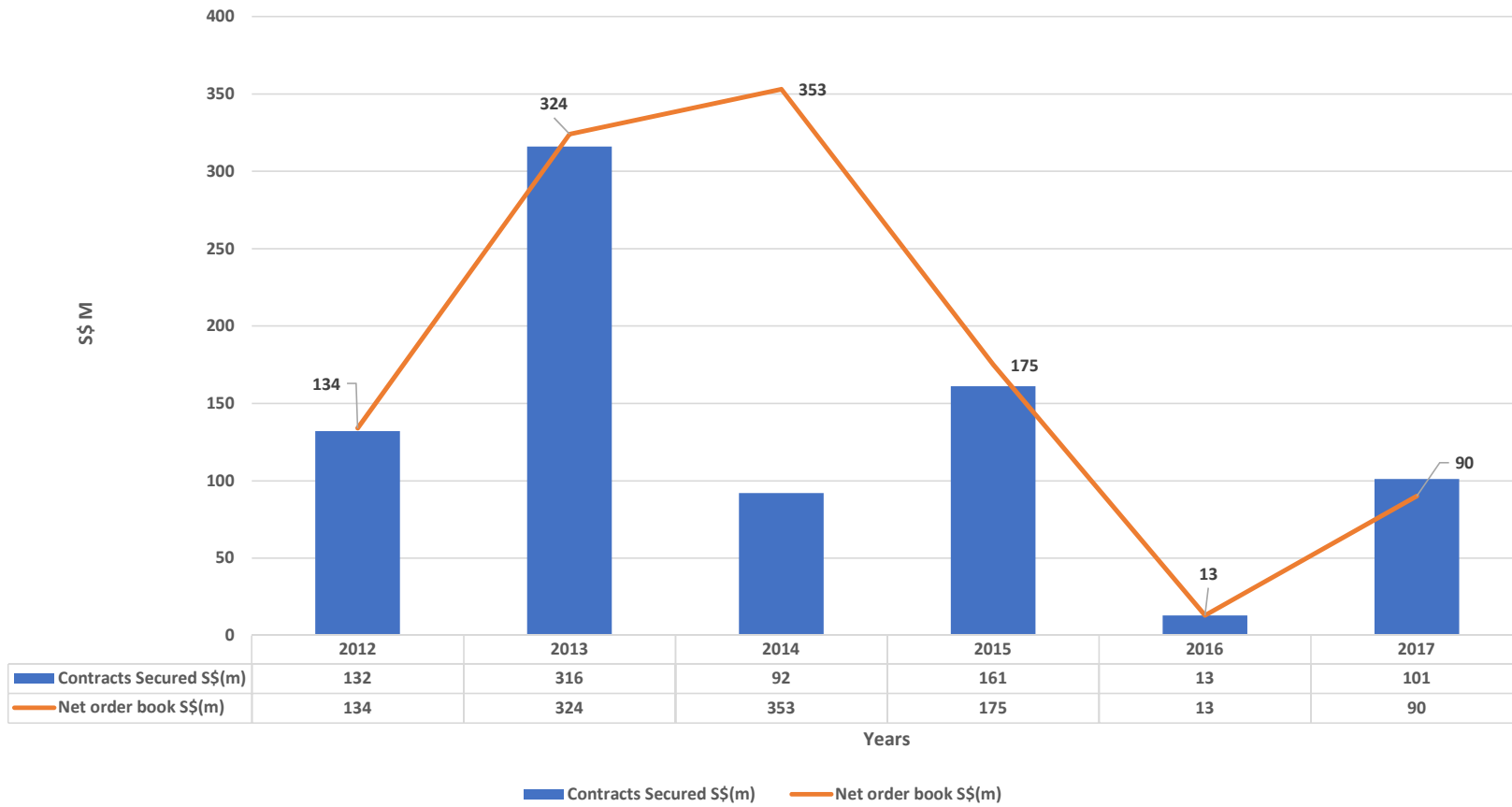
Order Book

Order Book & Revenue vs Brent Crude oil Price

	(12mths) FY Dec 2014	(12mths) FY Dec 2015	(12mths) FY Dec 2016	(12mths) FY Dec 2017
Order Secured (S\$'m)	92	161	13	101
Revenue (S\$'m)	319	270	204	31



Order Book





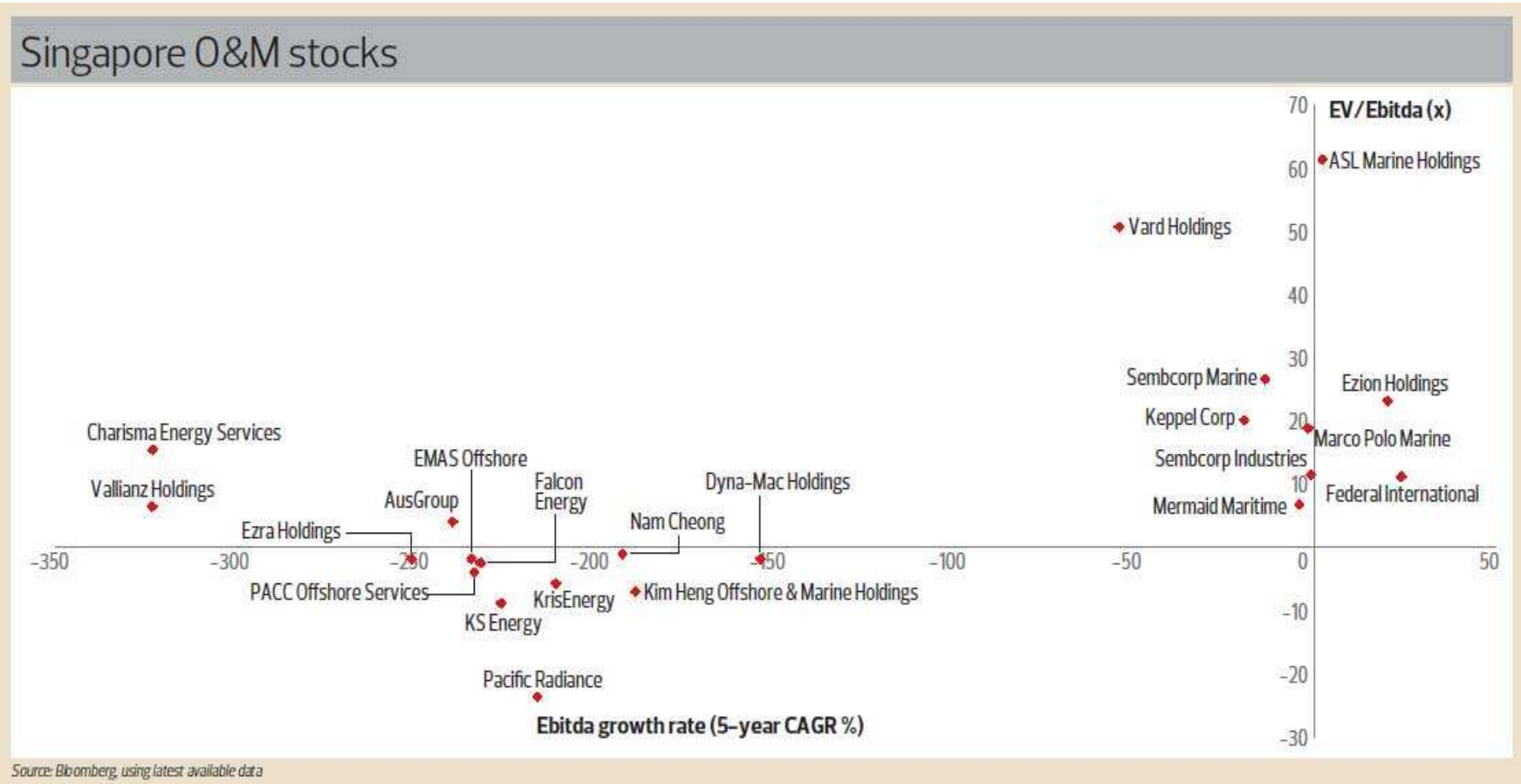
Financial Review

Financial Highlights



	(12mths)	(12mths)	(12mths)	(12mths)	(12mths)	(12mths)
	FY Dec 2012	FY Dec 2013	FY Dec 2014	FY Dec 2015	FY Dec 2016	FY Dec 2017
Revenue & Profit						
Revenue (S\$'m)	215	270	319	270	204	31
Gross profit/loss (S\$'m)	57	66	72	50	42	(30)
GP margin (%)	26%	25%	23%	19%	21%	N.M
Net profit/loss (S\$'m)	28	31	26	(5)	(16)	(58)
NP margin (%)	13%	11%	8%	-2%	-8%	N.M
Add back one-off adjustments:-						
1. Impairment of property, plant and equipment	-	-	-	-	11	2
2. Inventory write off	-	-	-	-	-	2
3. Impairment of Goodwill	-	-	-	-	6	-
4. Overseas operations (ceased)	-	-	-	-	-	11
5. Bad debts / VO under-recovered	-	-	-	8	11	13
6. Excess overheads due to under utilisation	-	-	-	8	18	18
subtotal one-off adjustments	-	-	-	16	46	45
Adjusted net profit / (loss) (S\$'m)	28	31	26	11	30	(13)
Adjusted net profit margin (%)	-	-	-	4%	15%	N.M
Cash and Bank Balances (S\$'m)	63	61	42	85	70	31
Bond Issue/ Early Redemption (S\$'m)	-	-	50	-	(50)	-

EBITDA growth rate



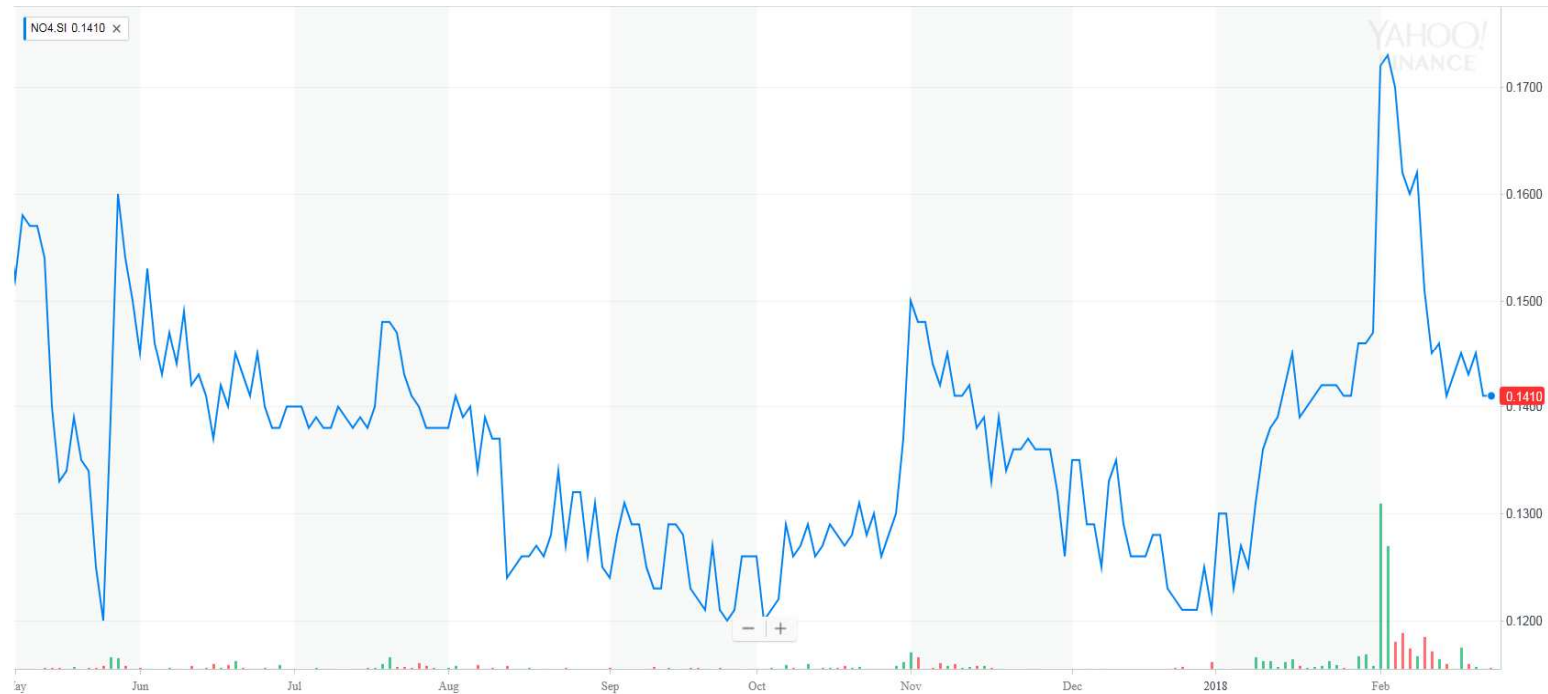
Financial Indicators

Balance Sheet	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	Dec-17
Total assets (S\$'m)	265	335	404	376	262	145
Total liabilities (S\$'m)	81	141	204	195	95	41
Net assets (S\$'m)	184	194	200	181	167	104
ROE (%)	19%	15%	13%	-3%	-9%	-43%
ROE (%) adjusted for one-off adjustment	19%	16%	13%	6%	17%	-9%
Gearing ratio	0%	19%	25%	32%	17%	6%

Cash Flows (S\$'m)	FY Dec 2012	FY Dec 2013	FY Dec 2014	FY Dec 2015	FY Dec 2016	FY Dec 2017
	(12mths)	(12mths)	(12mths)	(12mths)	(12mths)	(12mths)
Net cash used in/from operating activities	10	12	-17	55	31	-
Net cash used in/from investing activities	-27	-38	-8	19	-	-3
Net cash used in financing activities	41	14	10	-4	-49	-29
Cash and bank balances	63	61	42	85	70	37

Stock Information

Listing Date	2-Mar-11	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 23.2.2018	0.141	Market Cap. (S\$'m)	S\$ 144.3million



Dividend

	Dividend Yield	Dividend Per Share	Dividend Payout %	Dividend Payout date	Share Price	Total Dividend (\$'Mil)
FYE 31 May 2011 (12-mth period)	3.7% (based on share price of S\$0.540 @ 21 July 2011)	S\$0.02	62%	06-10-11	0.54	13
FYE 31 Dec 2011 (7-mth period)	0.9% (based on share price of S\$0.545 @ 16 Feb 2012)	S\$0.005	83%	24-05-12	0.545	5
FYE 31 Dec 2012 (12-mth period)	4.0% (based on share price of S\$0.445 @ 22 Apr 2013)	S\$0.02	72%	23-05-13	0.445	20
FYE 31 Dec 2013 (12-mth period)	4.9% (based on share price of S\$0.41 @ 22 Apr 2014)	S\$0.02	71%	23-05-14	0.41	21
FYE 31 Dec 2014 (12-mth period)	4.6% (based on share price of S\$0.41 @ 22 Apr 2015)	S\$0.015	0%	22-05-15	0.325	15
FYE 31 Dec 2015 (12-mth period)	No dividend	-	0%		0.146	-
FYE 31 Dec 2016 (12-mth period)	No dividend	-	0%		0.164	-
FYE 31 Dec 2017 (12-mth period)	No dividend	-	0%		0.151	-

Total Payout **74**

Thank You
Q&A



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