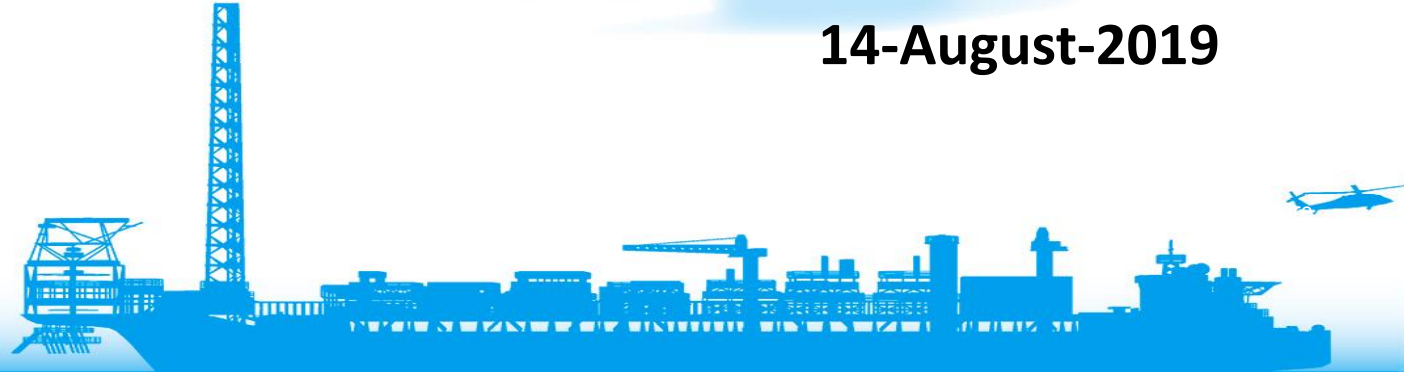


Dyna-Mac Holdings Ltd.  
2Q 2019 Results  
14-August-2019



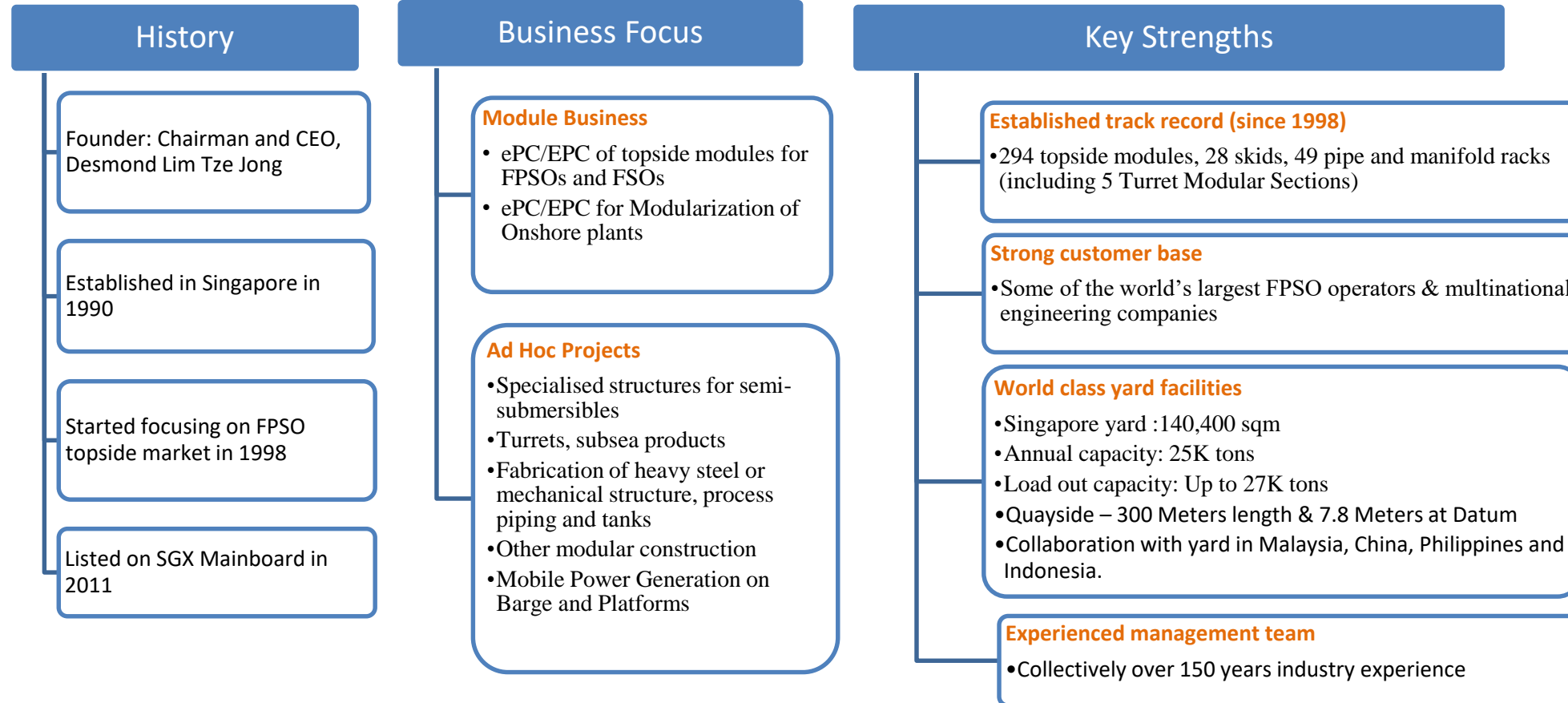
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DYNA-MAC HOLDINGS LTD.



## Business Overview

## 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:**

294 Modules + 28 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

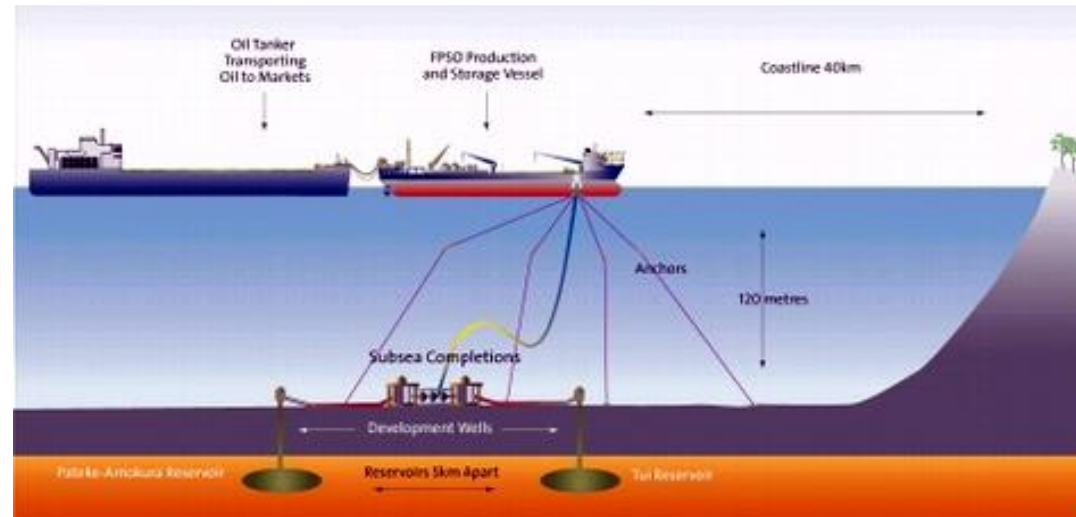
A floating production system receives fluids from a subsea reservoir, processes, stores and offloads. Most FPSOs are ship-shaped and are 'anchored' (moored) by a turret.

## 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 Singapore yard is approx. 140,400 sqm, producing output at maximum 25,000 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







# Prospects

# Recent Awards : 4 FPSOs, 1 Semi, 1 MOPU, 2 FSOs (fuel storage)

Awarded FPS Units by Field Name, Location, and FPS Type Since Q1 2019

Type Unit	Location	Field	Unit Name	Construction Yard	Estimated Capex	
2019, Q1, FPSO	Nigeria	Anyala / Madu	Abigail-Joseph (ex-Allan)	Keppel	\$350M	■
2019, Q1, FSRU	Mozambique	Powership Irem Sultan	Dwiputra	Sembcorp	\$150M	■
2019, Q1, FSO	Malaysia	Fuel Storage	Aquarius Star	-	\$25M	■
	Malta	Fuel Storage	Oceania	-	\$50M	■
	Singapore	Fuel Storage	EM Splendour	-	\$15M	■
2019, Q2, FPSO	Brazil	Buzios 5	Buzios 5	-	\$1,500M	■
		Mero (formerly Libra)	Mero 2	China Merchants-Jiangsu	\$1,700M	■
	India	Cluster 2	Ariake	-	\$1,200M	■
		KG-D6 / MJ Field	MJ FPSO	Samsung	\$967M	■
2019, Q2, FSO	Dubai	Fuel Storage	Capella	-	\$12M	■
	Malaysia	Fuel Storage	Crystal Star	-	\$22M	■
2019, Q2, MOPU	India	B-80	B-80 MOPU	-	\$75M	■
2019, Q2, SEMI	GC 807	Anchor	Anchor	Daewoo / Kiewit	\$1,100M	■

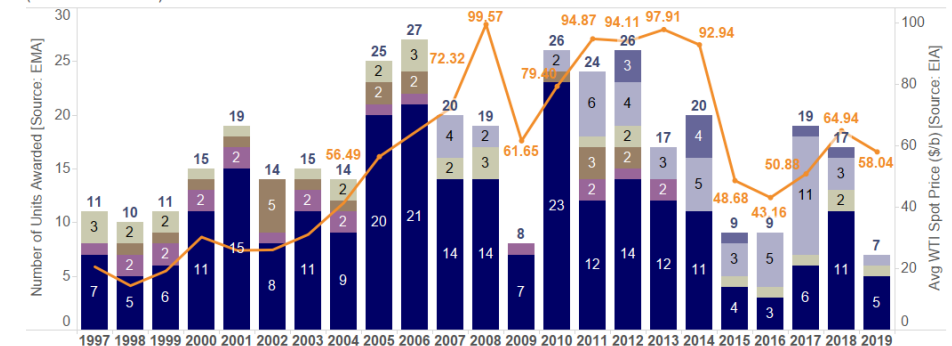
Lease /Own  
 ■ Lease  
 ■ Own



## 5 major awards in Q2 2019

- ✓ **2 Brazil FPSOs**
  - Petrobras Buzios 5 (Modec Lease)
  - Petrobras Mero 2 (SBM Lease)
    - First SBM award in Brazil since 2013
- ✓ **2 India FPSOs**
  - Reliance MJ (Samsung EPC)
  - ONGC Cluster 2 (Bumi/SP Lease)
- ✓ **1 US GOM Production Semi**
  - Chevron Anchor
    - Daewoo EPC (hull)
    - Kiewit EPC (topside)

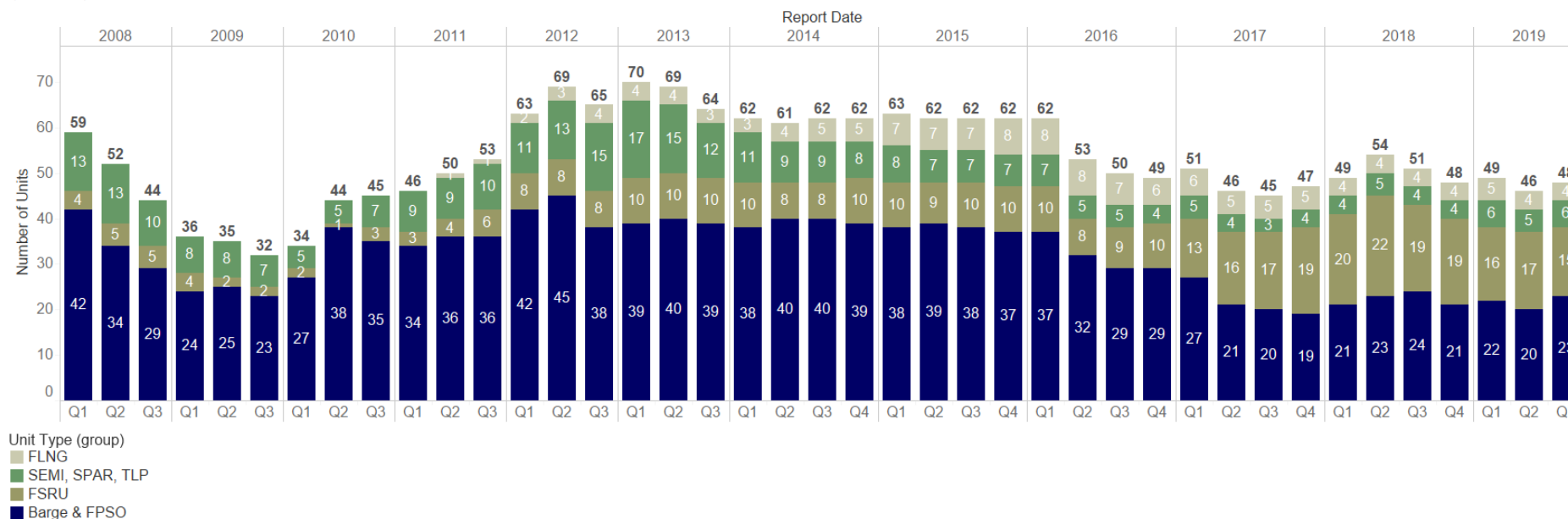
Historical FPS Awards vs Average WTI Price by Year (excludes FSOs & MOPUs)



Source: EMA, 2Q 2019

# FPS Order Backlog – More FPSOs, More Semis, Less FSRUs

Orderbook 2008-2019  
(Report Date)



**+ Current Orderbook is 48 Units**

Up 2 from last quarter, as orders exceed deliveries

**+ 11 more deliveries scheduled in 2019**

6 FSRUs, 4 FPSOs, 1 Barge

**+ Orders expected to maintain pace and backlog to remain in the mid-40's**

More FPSOs and Semis, less FSRUs

Source: EMA, 2Q 2019

# Yard Activity - FPSO work expanding across China and Singapore



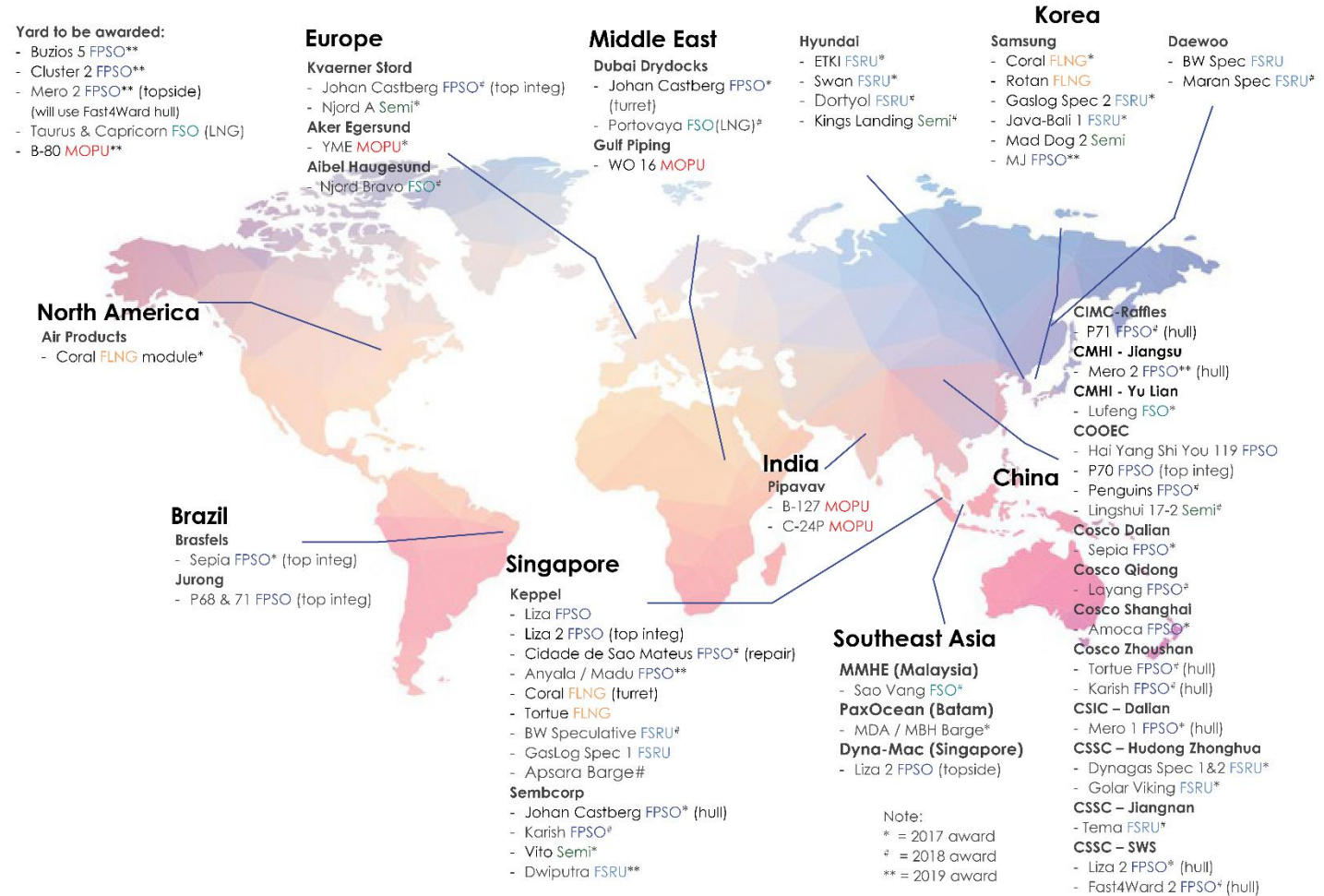
## China very busy

- COSCO: 5 projects in 3 yards
- CSSC: 5 projects in 3 yards
- COOEC: 4 projects in 1 yard
- CMHI: 2 projects in 2 yards



## Redeployments & Major Upgrades

- Njord A Semi & Njord B FSO
- Maersk Inspirer MOPU
- Layang FPSO (ex-Four Rainbow)
- Allan FPSO (Nigeria Anyala / Madu)
- Apsara Barge (ex-San Jacinto)



Source: EMA, 2Q 2019

# 227 Projects in Pipeline and Moving Forward

Projects Stage	March 2019	June 2019	Difference from last quarter
<b>Appraisal</b>	43	43	0
<b>Planning</b>	120	120	0
<b>Bidding/Final Design</b>	65	64	-1
<b>Total</b>	<b>228</b>	<b>227</b>	<b>0</b>

## Developments progressing:

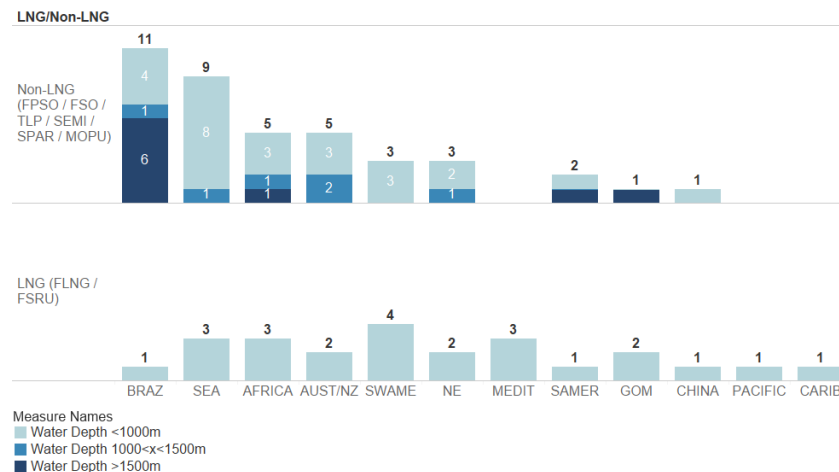
- USA: Whale, Leon / Moccasin
- Australia: Barossa, Jansz-Io, South Wales
- Africa: Bonga SW (Nigeria), Etinde (Cameroon)
- Brazil: Barcarena, Buzios V, Gato do Mato, Maromba
- SEA: Nam Du (Vietnam), Rosmari / Marjoram (Malaysia)

## New Floating Production requirements:

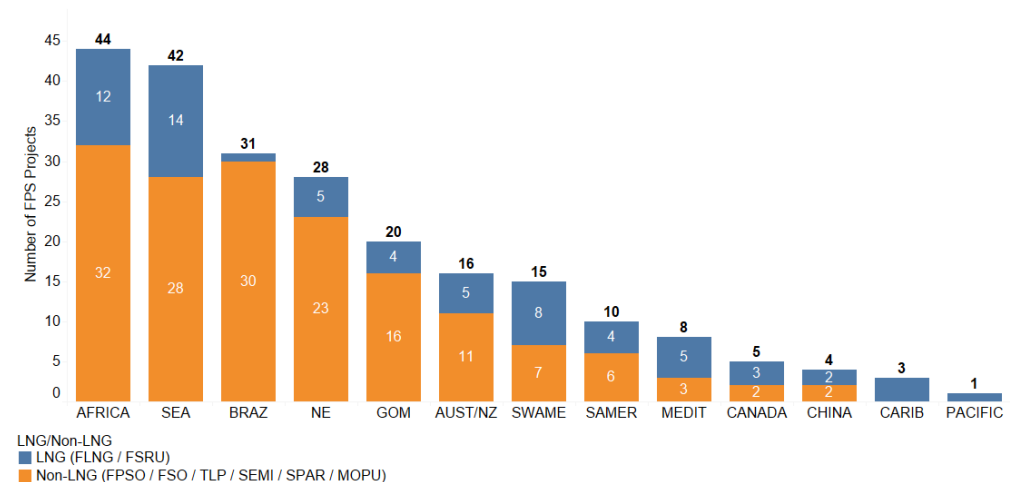
**FPSOs:** Colorau (Angola), Cholula (Mexico), HI (Nigeria)

**FSOs:** Ras El Besh Sfax (Tunisia), Sepat (Malaysia)

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



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



Source: EMA, 2Q2019



# What Other Awards are Possible in the Next 12 Months?

Likely Awards in Next 12 Months (Non-FPSOs)

Location	Operator	Project	Status	Hull Type	Estimated Capital Expenditure	
FLNG, Djibouti	GCL-Poly	Ogaden Basin LNG	Pending FID	New/Conv	1,200M	●
FSO, Cambodia	Kris Energy	Apsara	Tendering in progress	Conv/Redeploy	100M	●
FSO, Qatar	Total	Al Shaheen	Tendering in progress	Conv	500M	●
FSO, Vietnam	Petrovietnam	Block B	Tendering in progress	New	150M	●
FSRU, Australia	Australian Industrial Energy	New South Wales LNG	LOI with Hoegh	New/Redeploy	250M	●
FSRU, Brazil	Golar LNG	Bacarena LNG	Pending FID	Redeploy	100M	●
FSRU, Cyprus	DEFA	Cyprus Gas 2 EU	Tenders submitted	Conv/Redeploy	300M	●
FSRU, Dominican Republic	New Fortress Energy	DR LNG	Pending FID	Redeploy	200M	●
FSRU, Greece	Gastrade	Alexandroupolis LNG	Tenders submitted	Conv	400M	●
FSRU, Hong Kong	CLP / HK Electric	Hong Kong LNG	LOI with MOL	Redeploy	300M	●
MOPU, China	CNOOC	Weizhou - 12-8E	Tenders submitted	New/Redeploy	100M	●
MOPU, India	ONGC	Ratna	Tenders submitted	Conv/Redeploy	150M	●
SEMI, Australia	Woodside	Scarborough	FEED by McDermott	New	1,800M	●
SEMI, U.S.	Shell	Whale	FEED	New	1,250M	●

Lease/Own  
 ■ Lease  
 ■ Own

**10+ Non-FPSO projects could reach FID...**

## 4 FSRUs

Will be fulfilled by existing orders or units

## 3 FSOs

All leased units

## 2 MOPUs

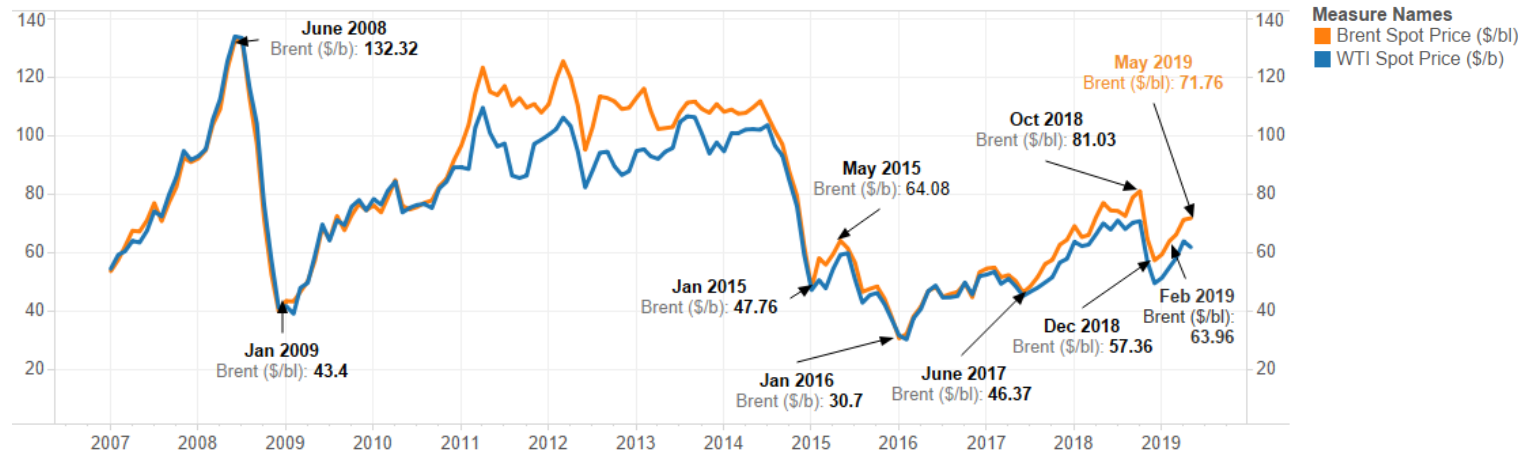
Redeployment / Completion of existing units

## 1 FLNG

Potential first award for Sembcorp's Gravifloat Concept

# Oil Prices Rebound in Q1 and Decline in Q2

WTI and Brent Historical Price by Month  
source: EIA

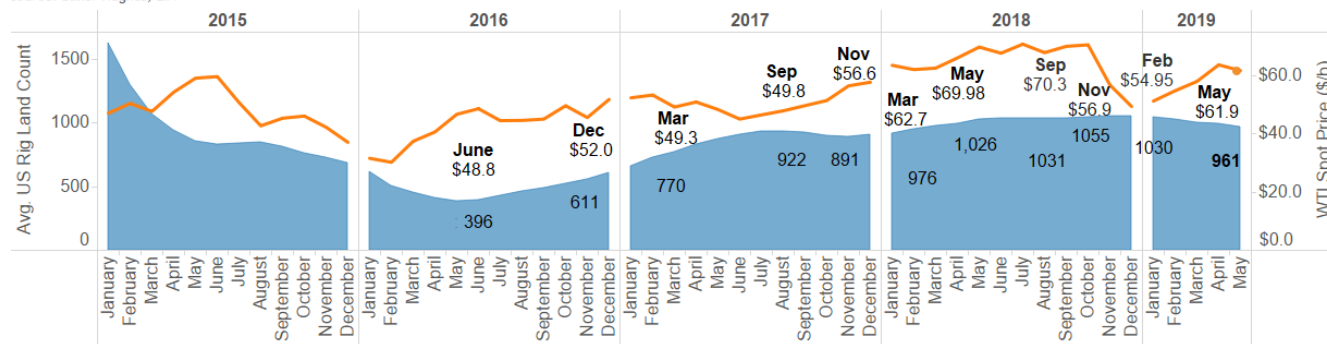


WTI and Brent prices is as of May 30 2019.

## US onshore rig count declines

➤ Lowest level since Feb 2018

North American Land Rig Count  
source: Baker Hughes, EIA



May rig data is up to week of May 31. WTI spot price is of May 31.

Measure Names  
■ Avg. US Land Rig Count  
■ WTI Spot Price (\$/b)

Source: EMA, 2Q 2019

# Offshore Drilling – Activity Increasing, but Rates remain Low

In Wood Mackenzie’s annual oil and gas exploration survey:

- 38% planned to drill more wells this year
- 10% expected to decrease their well count from 2018

*“We are seeing indications across our markets of significant improvement for jack-up drilling services.” – Shelf Drilling CEO*

*“There’s reason for optimism, but we’re not out of the woods yet by any means.” – Head of RigLogix*



## Order Book

# Net Order Book & Revenue vs Brent Crude oil Price



	FY Dec 2014	FY Dec 2015	FY Dec 2016	FY Dec 2017	FY Dec 2018	1H 2019
Revenue S\$(m)	319	270	204	33	115	33
	At date of FY2014 Results	At date of FY2015 Results	At date of FY2016 Results	At date of FY2017 Results	At date of FY2018 Results	At date of 1H 2019 Results
Net order book S\$(m)	353	175	13	90	7	131







# Financial Review

# Financial Highlights

Revenue & Profit	FY 2013	FY 2014	FY 2015	FY 2016	(*Restated) FY 2017	FY 2018	1H 2019
<b>Revenue (S\$'m)</b>	<b>270</b>	<b>319</b>	<b>270</b>	<b>204</b>	<b>33</b>	<b>115</b>	<b>33</b>
Gross profit/(loss) (S\$'m)	66	72	50	42	(30)	23	10.5
GP margin (%)	25%	23%	19%	21%	-92%	20%	32%
<b>Net profit /(loss) (S\$'m)</b>	<b>31</b>	<b>26</b>	<b>(5)</b>	<b>(16)</b>	<b>(58)</b>	<b>1</b>	<b>0.1</b>
NP margin (%)	11%	8%	-2%	-8%	N.M	1%	0.4%
<b><u>Add back one-off adjustments:-</u></b>							
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	-	-
<b>Sub-total one-off adjustments</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>46</b>	<b>45</b>	<b>-</b>	<b>-</b>
<b>Adjusted net profit/(loss) (S\$'m)</b>	<b>31</b>	<b>26</b>	<b>11</b>	<b>30</b>	<b>(13)</b>	<b>1</b>	<b>0.1</b>
Adjusted net profit margin (%)	11%	8%	4%	15%	N.M	1%	0.4%
<b>Cash and Bank Balances (S\$'m)</b>	<b>61</b>	<b>42</b>	<b>85</b>	<b>70</b>	<b>37</b>	<b>25</b>	<b>28</b>
<b>Bond Issue/Early Redemption (S\$'m)</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>(50)</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Financial Indicators

Balance Sheet	FY 2013	FY 2014	FY 2015	FY 2016	(*Restated) FY 2017	FY 2018	1H 2019
Total assets (S\$'m)	335	404	376	262	145	161	186
Total liabilities (S\$'m)	141	204	195	95	41	56	80
Net assets (S\$'m)	194	200	181	167	104	105	106
ROE (%)	15%	13%	-3%	-9%	-43%	1%	0.1%
ROE (%) adjusted for one-off adjustment	16%	13%	6%	17%	-9%	1%	0.1%
Gearing ratio	19%	25%	32%	22%	7%	19%	19%

Cash Flows (S\$'m)	FY 2013	FY 2014	FY 2015	FY 2016	(*Restated) FY 2017	FY 2018	1H 2019
	(12mths)	(12mths)	(12mths)	(12mths)	(12mths)	(12mths)	(6mths)
Net cash from/(used in) operating activities	12	(17)	55	31	(1)	(25)	4
Net cash (used in)/from investing activities	(38)	(8)	19	-	(3)	(0)	1
Net cash from/(used in) financing activities	14	10	(4)	(49)	(29)	13	(1)
<b>Cash and bank balances</b>	<b>61</b>	<b>42</b>	<b>85</b>	<b>70</b>	<b>37</b>	<b>25</b>	<b>28</b>

# Dividend

	Dividend Yield	Dividend Per Share	Dividend Payout %	Dividend Payout date	Share Price	Total Dividend (\$'Mil)
FYE 31 May 2011 (12-mth period)	<b>3.7%</b> (based on share price of S\$0.540 @ 21 July 2011)	S\$0.02	62%	06/10/2011	0.54	13
FYE 31 Dec 2011 (7-mth period)	<b>0.9%</b> (based on share price of S\$0.545 @ 16 Feb 2012)	S\$0.005	83%	24/05/2012	0.545	5
FYE 31 Dec 2012 (12-mth period)	<b>4.0%</b> (based on share price of S\$0.445 @ 22 Apr 2013)	S\$0.02	72%	23/05/2013	0.445	20
FYE 31 Dec 2013 (12-mth period)	<b>4.9%</b> (based on share price of S\$0.41 @ 22 Apr 2014)	S\$0.02	71%	23/05/2014	0.41	21
FYE 31 Dec 2014 (12-mth period)	<b>4.6%</b> (based on share price of S\$0.41 @ 22 Apr 2015)	S\$0.015	58%	22/05/2015	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	-
FYE 31 Dec 2018 (12-mth period)	No dividend	-	0%	-	0.11	-

**Total Payout** **74**

Thank You  
Q&A



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