

# Dyna-Mac Holdings Ltd.

## 1Q 2013 Results



14 May 2013



# FUNDAMENTALLY STRONG

DYNA-MAC HOLDINGS LTD.



# Business Overview

# About Dyna-Mac

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

### History

Founder: Chairman and CEO, Desmond Lim Tze Jong

Established in Singapore in 1990

Started focusing on FPSO topside market in 1998

Listed on SGX Mainboard in 2011

### Business Focus

#### Module Business

- EPC of topside modules for FPSOs and FSOs

#### Ad Hoc Projects

- Specialised structures for semi-submersibles
- Turrets, subsea products
- Fabrication of heavy steel or mechanical structure, process piping and tanks
- Other modular construction

### Key Strengths

#### Established track record

- 179 topside modules completed since 1998

#### Strong customer base

- Some of the world's largest FPSO operators & multinational engineering companies

#### World class yard facilities

- Combined annual capacity: 35K tons
- Load out capacity: Up to 27K tons
- Total gross land area: 140,300 sqm
- Recently acquired yard in Guangzhou of approx. 100,000 sqm
- Recently rented additional yard in Johor with area of about 211,000 sqm

#### Experienced management team

- Collectively over 120 years industry experience



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

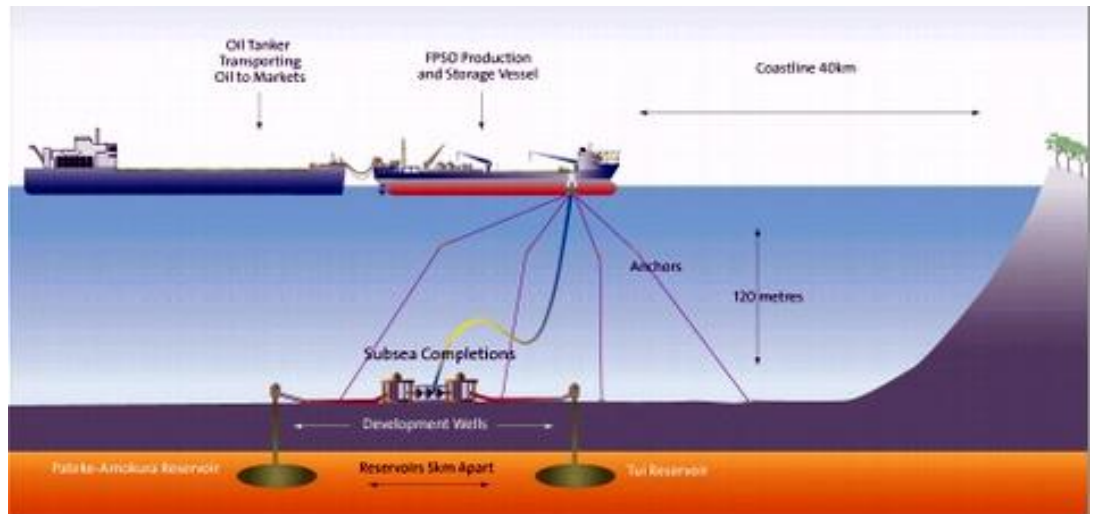
A floating production system receives fluids from a subsea reservoir, processes, stores and offloads. Most FPSOs are ship-shaped and are 'anchored' (moored) by a turret.

## 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.
- Acquired yard at Nansha, Guangzhou, with area of approx. 100,000 sqm.
- Rented yard in Johor with area of approx. 211,000 sqm.
- Rented yard from Keppel Subic in Philippines with area of approx. 6,000 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.



# Business Strategies





# Prospects



# Prospects for O&M

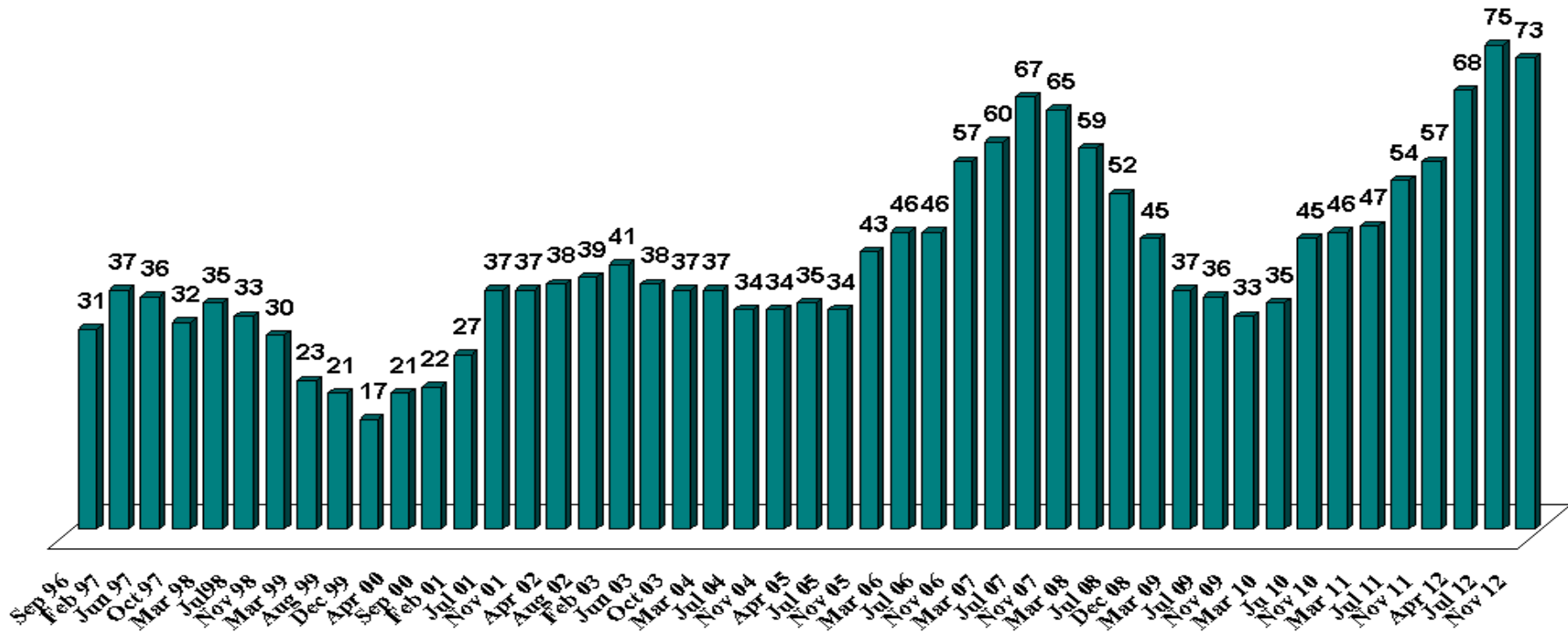
- The fundamentals driving the floating production market remain strong.
- World oil demand continues to grow, supply remains tight, oil futures four years out are trading between \$87 to \$95.
- Deepwater drilling continues to be robust. and orders for floating production systems continue to flow.
- There are 264 floating production systems in service or available worldwide. FPSOs comprise 63 percent of the current total.
- Current order backlog consists of 73 production floaters, 9 FSOs and 2 jack-up MOPUs.
- Production floater order backlog has decreased by 1 units since July 2012.
- This reverses the upward cycle that began second half 2009.



# Floater Outlook: Backlog Continues to Grow

**Current order backlog for Floating Production Systems: 73 units**

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



Of the 73 units, 44 FPSOs (18 new, 26 conversions)



# Fabrication and conversion activity

Asia remains the dominant location for production floater fabrication and conversion, accounting for 45% of the facilities active in this sector.

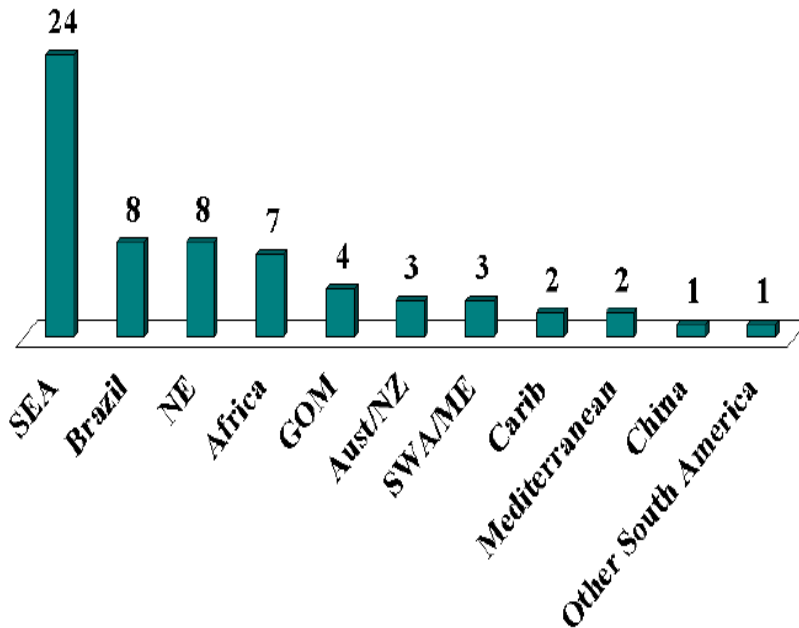
## Floating Production or Storage Systems Are Being Built or Integrated at Facilities in 35 Locations (as of November 2012)

<u>Asia</u>			<u>Europe / North America</u>	<u>Africa / Middle East</u>	<u>Brazil</u>	
<u>Korea</u>	<u>Singapore</u>	<u>Malaysia / China</u>	<u>Europe</u>	<u>Paenal</u>	<u>Rio Grande Sul</u>	<u>Maua</u>
<b>Daewoo</b>	<b>Keppel</b>	<b>Malaysia</b>	<b>Remontowa</b>	• CLOV FPSO portion	• 8 FPSO serial hulls	• Sapinhua-N FPSO top int
• Bigfoot TLP hull (n)	• Golar Spec FLNG (c)	<b>MMHE</b>	• PPF-1 Semi (mod)	• Ngoma FPSO portion	• P55 Semi hull assembly	• OSX Acu
• CLOV FPSO (n)	• Balnaves FPSO (c)	• Cendor FPSO (c)				• OSX 4 top integ
• VT3 FSRU (n)	• Lula-N FPSO (c)	• Gumusut semi (n)	<b>Technip Pori</b>	<b>Dubai DD</b>	<b>Brasfels</b>	• OSX 5 top integ
• Ichthys FPSO (n)	• OSX 2 FPSO (c)		• Lucius Spar hull (n)	• Spill Capture 1 (mod)	• P61 TLP (n)	• P68 & 71 top integ
• Kanowit FLNG (n)	• OSX 4 FPSO (c)	<b>China</b>	• Big Dog Spar hull (n)	• Spill Capture 2 (mod)	• P66 & P69 top integ	
	• OSX 5 FPSO (c)	<b>CSSC Chengxi</b>	• A Hanst Spar top integ	• Livorno FSRU (c)	• Lula-N FPSO top integ	<b>OSX – Mendes Junior</b>
<b>Samsung</b>	• P58 FPSO (c)	• Sapinhua N FPSO (c)	<b>Blohm &amp; Voss</b>	<b>Gulf Piping</b>	<b>Atlantico Sul</b>	• P67 & 70 top integ
• Knarr FPSO (n)	• Dong Do FPSO (c)		• Alma FPSO (mod)	• WO16 MOPU (c)	• P55 Semi hull blocks	
• Olympus TLP hull (n)	• Ngoma FPSO (c)	<b>Shanghaiquan</b>	• Petrojarl Banff (mod)			
• Prelude FLNG (n)	• Kamelia FPSO (c)	• UOTE FSO (c)			<b>Quip Rio Grande</b>	
• Ichthys CPP Semi (n)	• Lucina FSO (c)		<b>North America</b>		• P63 FPSO top integ	
• Gas Atac FSRU (n)	• Balai Cluster FPSO (c)	<b>COSCO Dalian</b>	<b>GIFI</b>		• P55 Semi top integ	
• Golar Spec 1 FSRU (n)		• Cemambi S FPSO (c)	• Bigfoot TLP top			
• Heidrun FSU (n)	<b>Jurong</b>	• P63 FPSO (c)	• Tub Bells Spar (n)		<b>Queiroz Galvao</b>	
• Jack/St. Malo Semi (n)	• OSX 3 FPSO (c)	<b>COSCO Nantong</b>			• P58 FPSO top integ	
	• P62 FPSO (c)	• Cheviot Octab. hull (n)	<b>Kiewit</b>			
<b>Hyundai</b>	• West Java FSRU (c)		• Olympus TLP top		<b>Camargo Correa – IESA</b>	
• Goliat FPSO (n)	<b>Sembawang</b>	<b>COSCO Qidong</b>	• Jack/St. Malo Semi top		• P62 FPSO top integ	
• Quad 204 FPSO (n)	• Banyu Urip FSO (c)	• Western Isles FPSO (n)	<b>Air Products</b>			
• Sumatra FSRU (n)	• Palanca FSO (mod)		• Prelude LNG module		<b>UTC/EBE</b>	
• Klaipeda FSRU (n)		<b>STX Dalian</b>	• Kanowit LNG module		• P58 FPSO modules	
• Quintero Bay FSRU (n)	<b>Dyna-Mac</b>	• Gaza FSU (n)			• P62 FPSO modules	
• Hoegh Spec FSRU (n)	• OSX 2 FPSO modules	<b>Wison</b>				
• A HanstSpar hull (n)	• OSX 3 FPSO modules	• LaCreciente FLRSU (n)			<b>Inhauma</b>	
• Moho Nord TLP (n)	• Q 204 FPSO modules				• 4 FPSOs – P74-77 (c)	
<b>Sungdong</b>	• Sapinhua N modules					
• Hai Thach FSO (n)	• Ngoma FPSO modules					

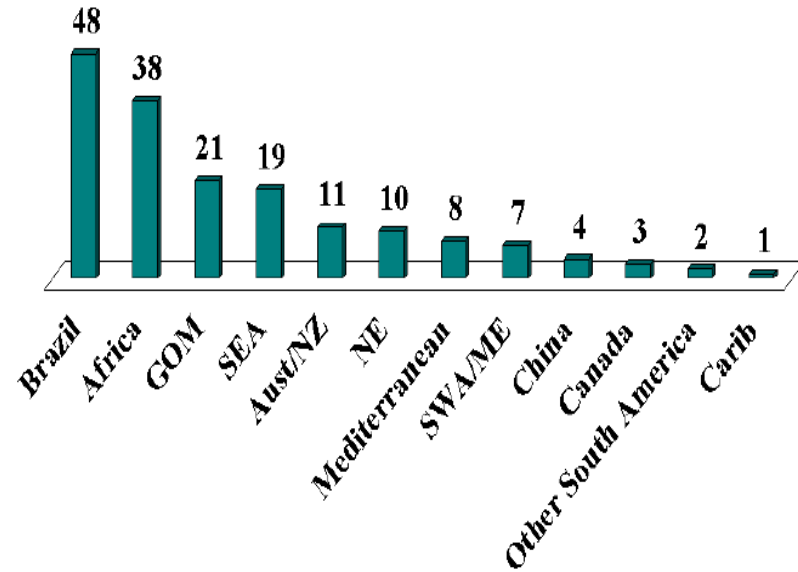
# Bidding and Final Design and Planning or Study Stage

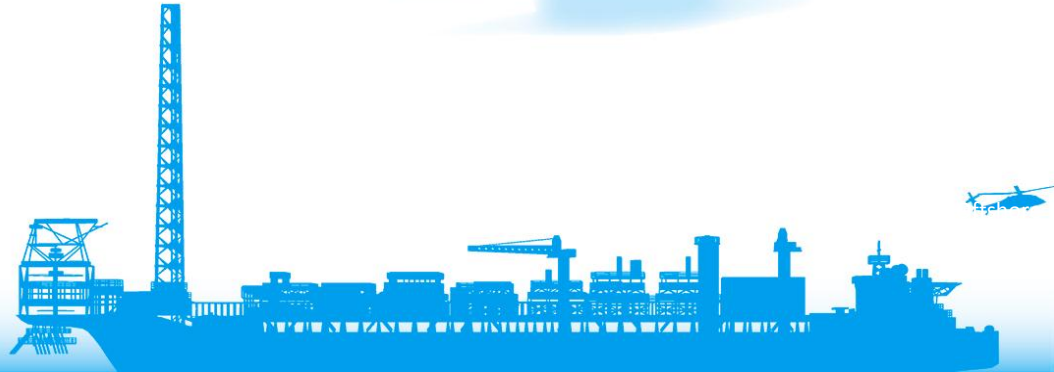
Asia remains a key location of current 'Bidding and Final Design Stage' and 'Planning or Study Stage'.

63 Floater Projects are in the  
Bidding and Final Design Stage  
(as of November 2012)



172 Floater Projects are in the  
Planning or Study Stage  
(as of November 2012)



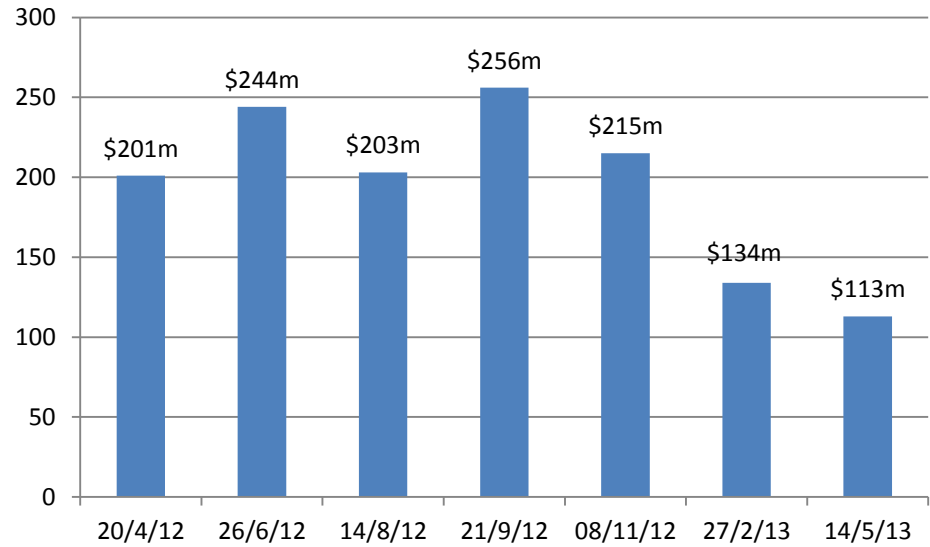


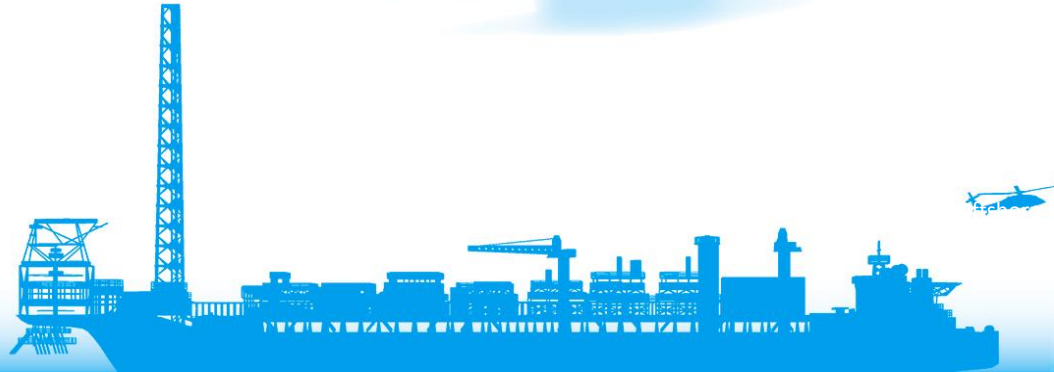
# Order Book

# Net Order Book



**Net Order Book (\$'mil)**





# Financial Review

# Financial Highlights

Revenue & Profit	FY May 08 (12M)	FY May 09 (12M)	FY May 10 (12M)	FY May 11 (12M)	FP Dec 11 (7M)	FY Dec 12 (12M)	1Q Mar 13 (3M)
Revenue (S\$'m)	211	121	219	168	50	215	60
Gross profit (S\$'m)	41	28	51	50	13	57	15
GP margin (%)	19%	23%	23%	30%	26%	26%	25%
Net profit (S\$'m)	22	8	25	25	6	28	7
NP margin (%)	10%	7%	11%	15%	12%	13%	12%





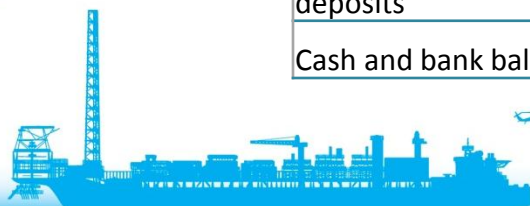
# Financial Indicators

Balance Sheet	FY May08 (12M)	FY May09 (12M)	FY May10 (12M)	FY May11 (12M)	FP Dec11 (7M)	FY Dec12 (12M)	1Q Mar13 (3M)
Total assets (S\$'m)	117	131	165	228	159	265	273
Total liabilities (S\$'m)	92	104	135	100	44	81	82
Net assets (S\$'m)	25	27	30	128	115	184	191
ROE (%)	88%	30%	83%	20%	5%	19%*	3%
Gearing (times)	0.7	0.6	0.7	0.1	0.0	0.0	0.0

Cash Flows (S\$'m)	FY May08 (12M)	FY May09 (12M)	FY May10 (12M)	FY May11 (12M)	FP Dec11 (7M)	FY Dec12 (12M)	1Q Mar13 (3M)
Net cash from operating activities	27	34	41	4	(3)	10	(3)
Net cash used in investing activities	(22)	(18)	(21)	(30)	(3)	(27)	(18)
Net cash used in financing activities	(8)	(12)	(15)	55	(17)	41	-
Cash & cash equivalents	5	8	13	42	18	43	21
Add: short term bank deposits	8	10	20	40	10	20	30
Cash and bank balances	13	18	33	82	28	63	51

\* Diluted



## Use of IPO Proceeds as at 31 Mar 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	11.5	8.5
e. General working capital	26.2	26.2	-
	<b>73.2</b>	<b>64.7</b>	<b>8.5</b>



## Use of Placement Proceeds as at 31 Mar 2013

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



# Stock Information

<b>Listing Date</b>	<b>2 Mar 2011</b>	<b>IPO Price</b>	<b>S\$0.35</b>
SGX Stock Code	N04	Issued Capital (subsequent to share placement Oct 2012)	1,023,211,000
Share price as at 22 April 2013	S\$0.445	Market Cap. (S\$m)	S\$512 million



# Dividend

	<b>Dividend Yield</b>	<b>Dividend Per Share</b>	<b>Dividend Payout %</b>
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%



Thank You  
Q&A



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