

Dyna-Mac Holdings Ltd.
4Q 2019 Results
29-February-2020



FORWARD
WITH **CONFIDENCE**

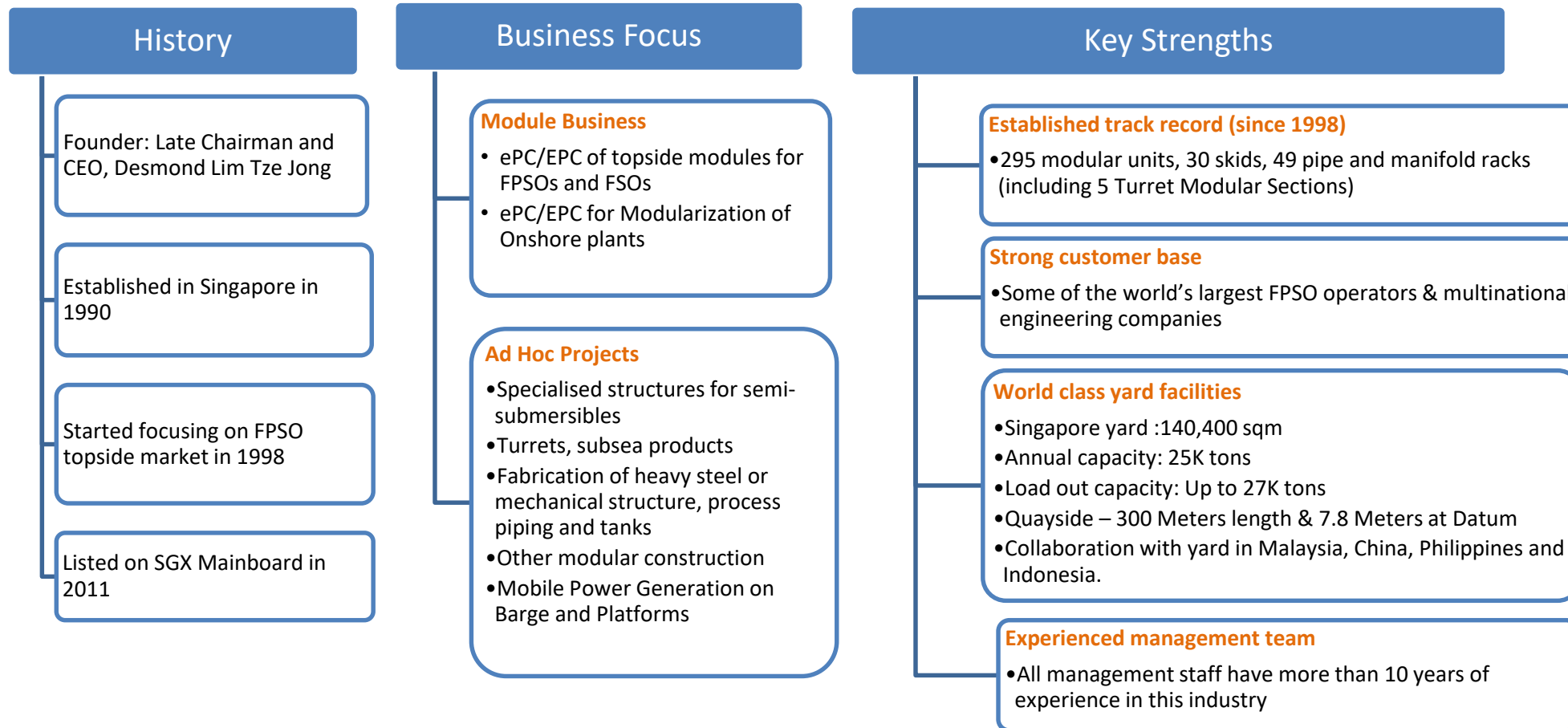
DYNA-MAC HOLDINGS LTD.



Business Overview

About Dyna-Mac

A multi-disciplinary modular fabrication specialist with core focus in topside modules for FPSO/FSO and PAUs & PARs for land based projects.



Summary of Work Experience

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

295 Modular Units + 30 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

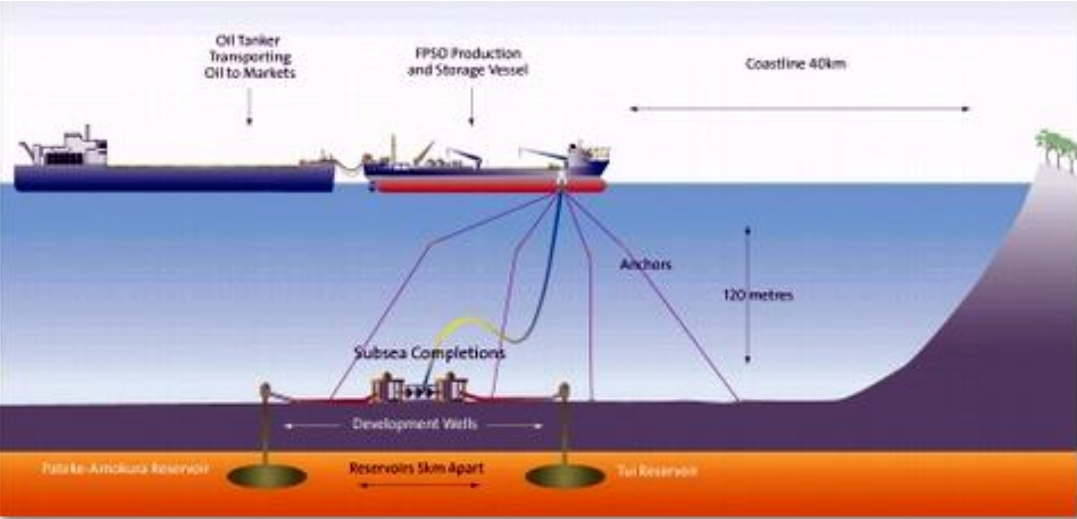
A floating production system receives fluids from a subsea reservoir, processes, stores and offloads. Most FPSOs are ship-shaped and are 'anchored' (moored) by a turret.

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 of more than 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



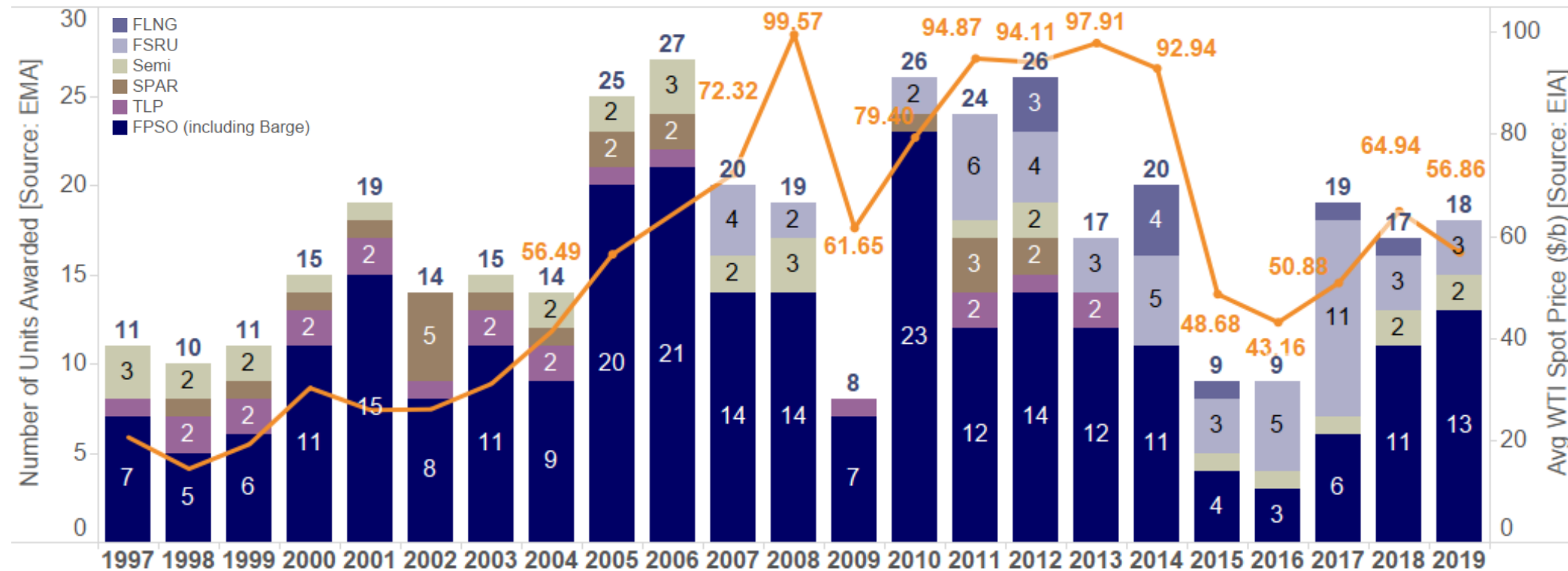


Prospects

What happened in 2019? – FPSO Orders Continue to Grow

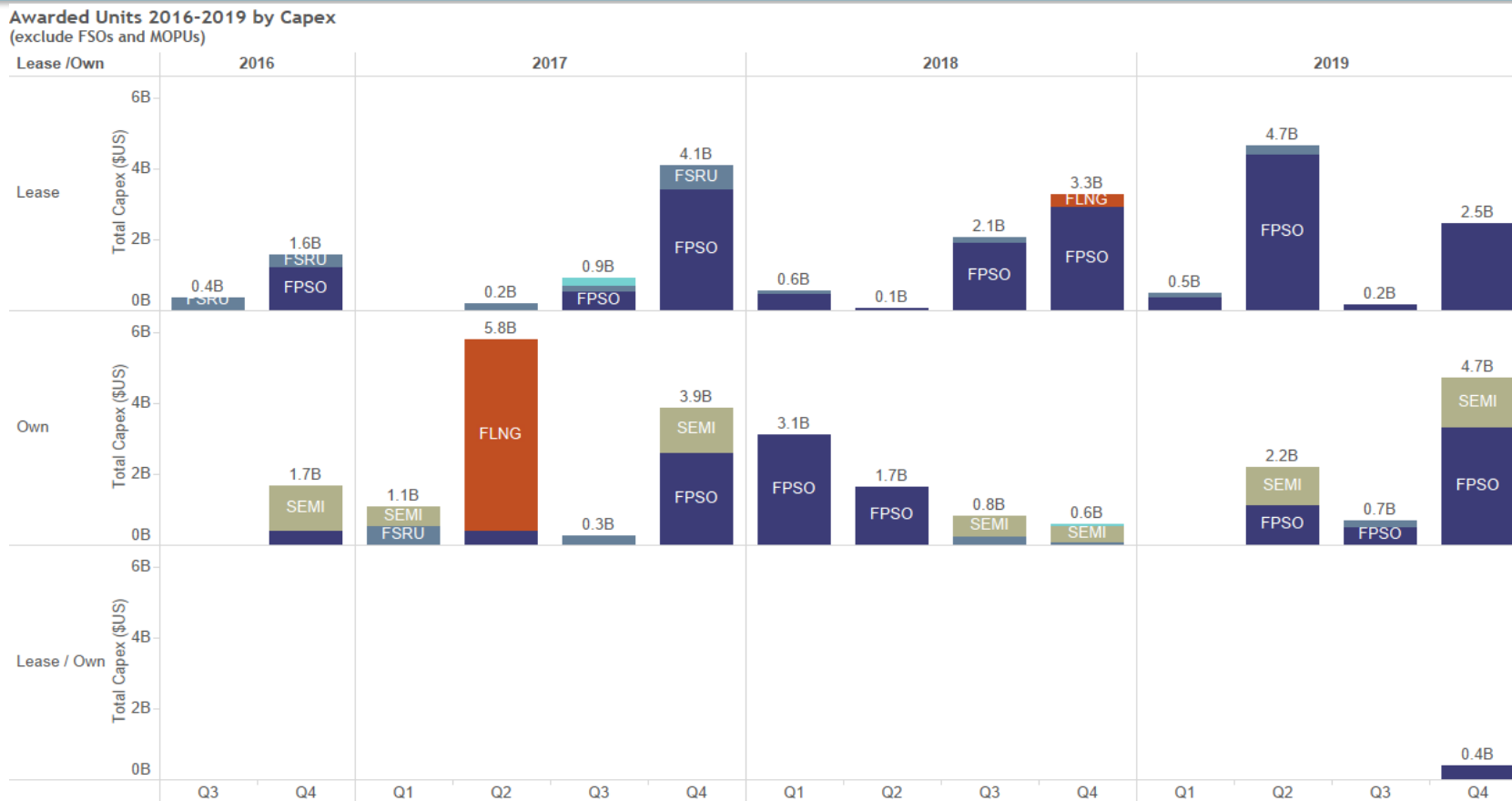
- 18 Awards in Total (more than in 2013)
- 13 FPSO Awards (highest level in seven years)
- 2 Semis Awarded (same as last year)

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



Source: EMA, 4Q 2019

\$16 Billion of FPS Awards in 2019: 13 FPSOs, 9 FSOs, 3 FSRUs, 2 SEMIs, 1 MOPU



Lease/Own (SBM Fast4Ward Hulls)

Major 2019 Orders

- **Barossa FPSO (Australia)** – EPC contract to Modec for large newbuilt gas FPSO
- **Mero 2 FPSO (Brazil)** – First Petrobras award for SBM in six years (*Seperiba*)
- **SBM Fast4Ward Hulls #4 & #5 (Speculation)** – Awarded to CSSC-SWS & China Merchants

Source: EMA, 4Q 2019

Awards by Yards: Singapore & China Most Active

2019 Awarded Units - Known Newbuild or Conversion Yards
(Those currently under discussion are excluded)



Southeast Asia:

- 3 FPSOs
- 1 SEMI
- 1 FSO (LNG)
- 1 FSRU

China:

- 5 FPSOs
- 1 FSRU

Korea:

- 1 FPSO
- 1 SEMI
 - First non-LNG FPS order at Daewoo since 2011

Norway:

- 1 FPSO

Deliveries in 2019 – 7 FPSOs & 7 Fuel Storage FSOs

2019 Delivered FPS Units
(excluding FSRUs, FLNGs & LNG Regas)

Location	Project (Field)	Unit Name	Floater Owner	Operator	Construction Yard	Hull Type
FPSO, Angola	Kaombo	Kaombo Sul	Total (EPC and O&M by Saipem)	Total	Sembcorp	Conversion
FPSO, Brazil	P 68 - Iara 1 (Berbigao / Sururu)	P 68	Petrobras	Petrobras	Rio Grande Sul / Jurong (topside integration)	New
	P 70 - Iara 2 (Atapu)	P 70	Petrobras	Petrobras	Cosco (hull) / COOEC (topside integration)	New
	P 77 - Buzios 4 (ex-Franco NW)	P 77	Petrobras	Petrobras	Inhauma / Cosco Dalian / Quip	Conversion
FPSO, U.K.	Lancaster	Aoka Mizu	Bluewater	Hurricane Energy	Dubai DD	Redeploy
FPSO, Malaysia	Layang	Helang (ex-Four Rainbow)	Yinson	JX Nippon	HRDD/Cosco Qidong	Redeploy
FPSO, Guyana	Liza	Liza Destiny	SBM	Exxon Mobil	Keppel	Conversion
FSO, Malaysia	Fuel Storage	Aquarius Star	Nathalin	Nathalin		No Conv
		Crystal Star	Nathalin	Nathalin		No Conv
		CS Innovation	CS Shipping	CS Shipping		No Conv
		Oceania	Euronav	Euronav		No Conv
FSO, Dubai	Fuel Storage	Capella	Khor Al Zubair Shipping	Khor Al Zubair Shipping		No Conv
FSO, Singapore	Fuel Storage	EM Splendour	Equatorial Marine Fuel	Equatorial Marine Fuel		No Conv

Hull Type
■ Conversion
■ New
■ No Conv
■ Redeploy

✓ 3 Petrobras FPSOs

- P68
- P70
- P77

✓ 2 Redeployments

- Aoka Mizu
- Helang (Ex-Four Rainbow)

✓ First of five Guyana FPSOs

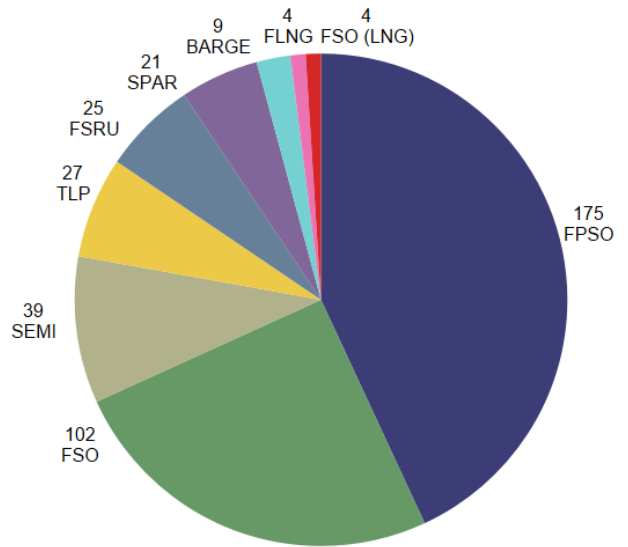
- Liza Destiny

✓ Growing demand for fuel storage due to IMO 2020

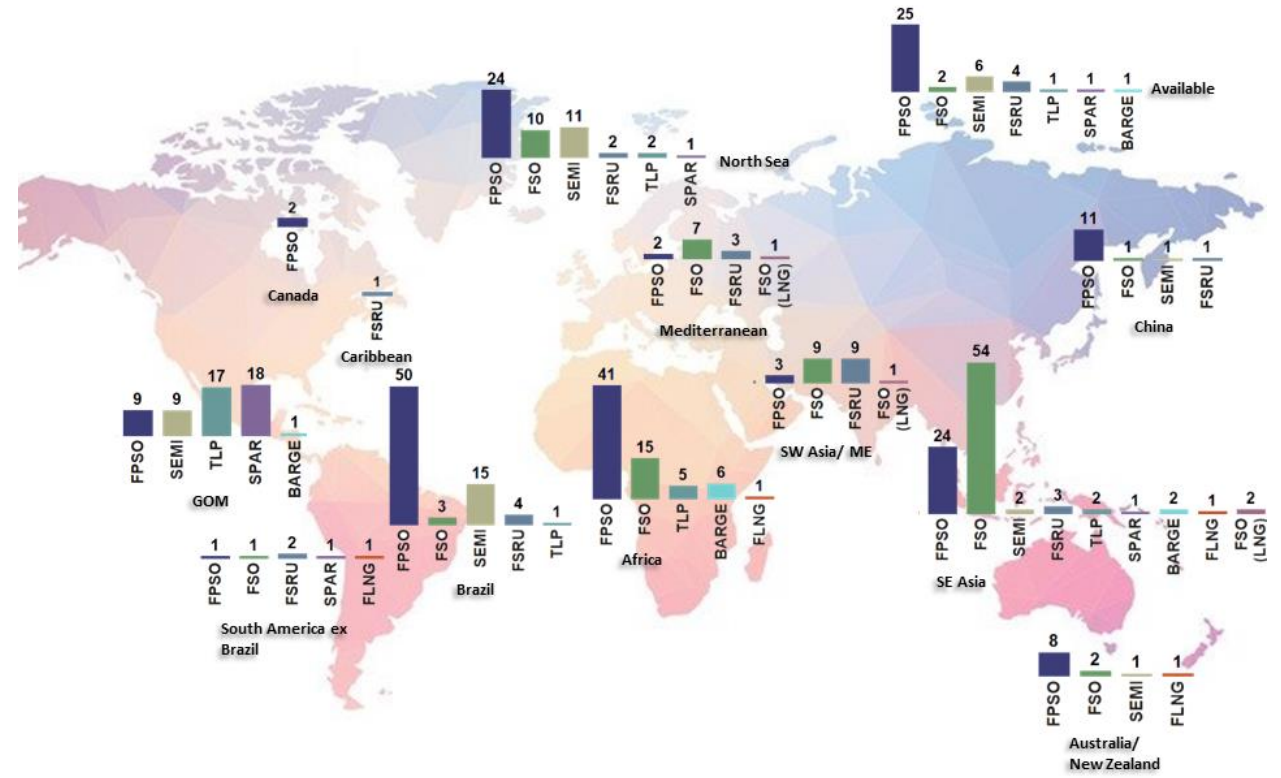
- 6 VLCC
- 1 ULCC

Current Status: 300 FPS & 98 FSO In Operation + 45 Available

Total Installed Units by FPS Type
(excluding MOPUs and LNG Regasification vessels)



- 175 FPSOs (58%)
- 39 Semis (13%)
- 27 TLPs (9%)
- 25 FSRUs (8%)
- 21 SPARs (7%)
- 9 Barges (3%)
- 4 FLNGs (1%)
- 106 FSOs (102 oil + 4 LNG)
- **45 Available Units**



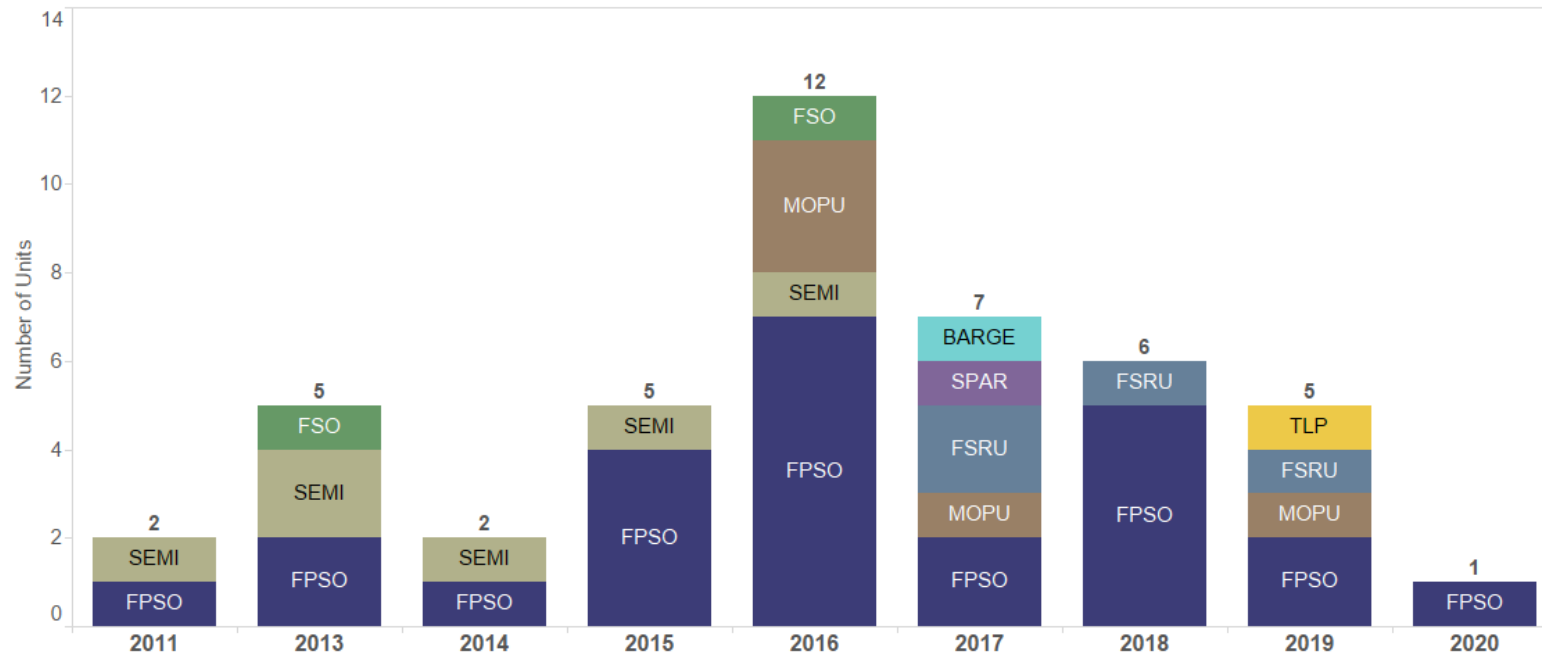
Notes:
 1. GOM's 9 FPSOs include 2 oil spill response and 4 well test units
 2. Units under repair not shown:
 Brazil: *BW Opportunity* FPSO

Current Status: 45 Units Available

45 Units Idle

- 25 FPSOs
- 6 SEMIs
- 5 MOPUs
- 4 FSRUs
- 2 FSOs
- 1 SPAR
- 1 TLP
- 1 Barge

Available FPS Units by Year of Lay-Up and Unit Type



Time Idle:

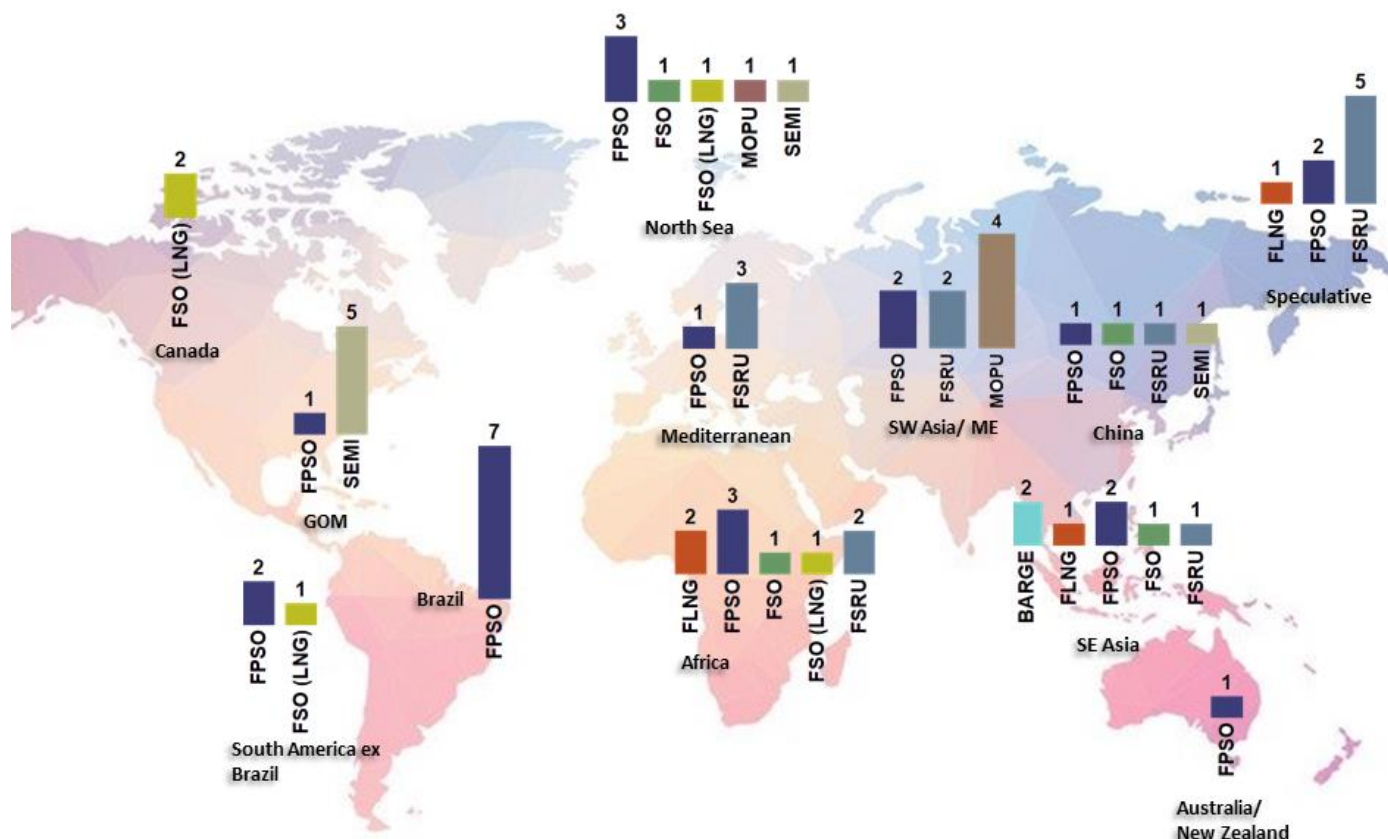
- 1 Year: 6 Units
- 2 Years: 6 Units
- 3 Years: 7 Units
- 4 Years: 12 Units
- 5+ Years: 14 Units

- **At least 50% will be scrapped**
- **15 units have good prospects for redeployment**
 - Built to high specs
 - Remaining design life

Source: EMA, 4Q 2019

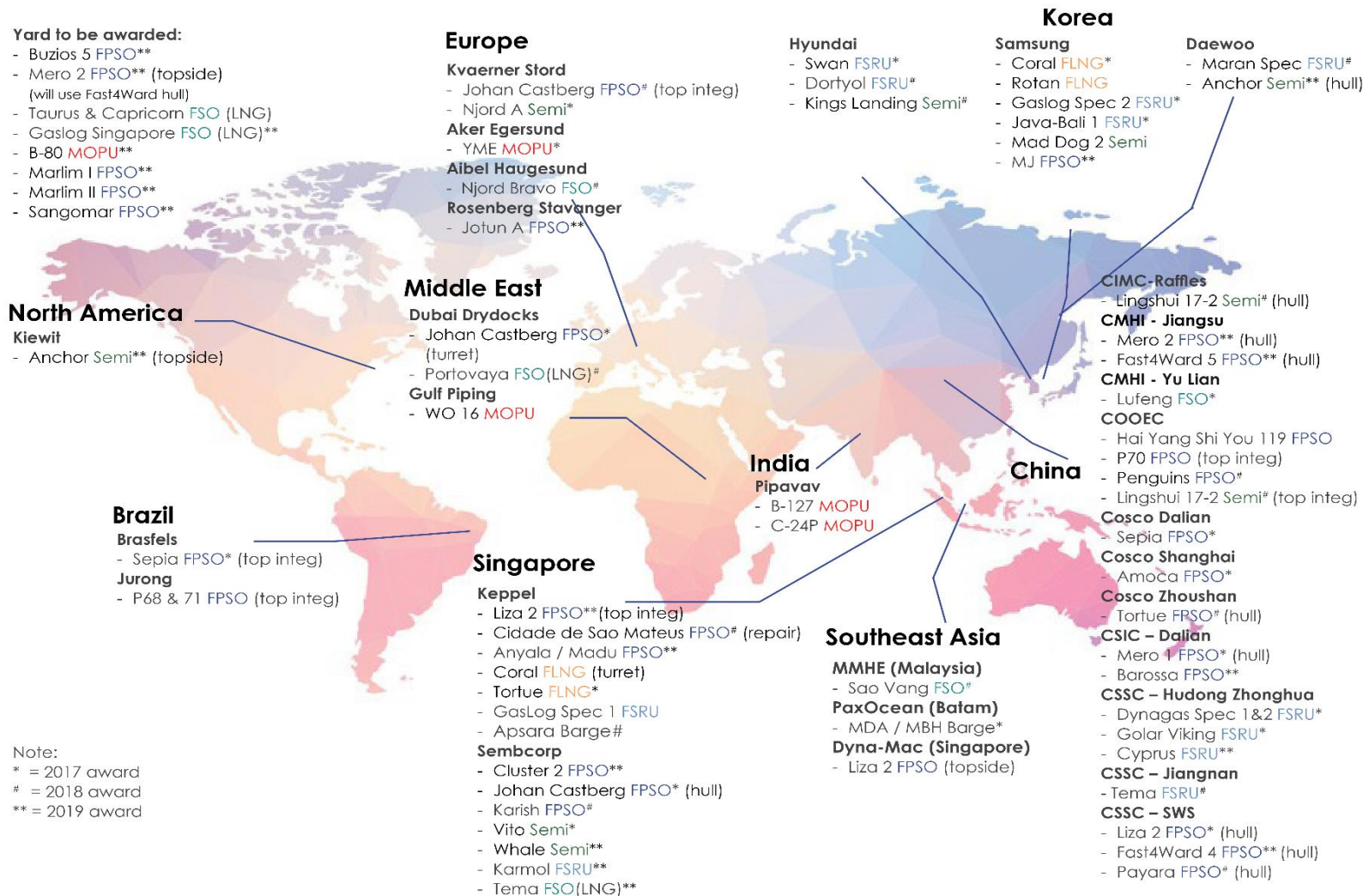
Current Status: 52 FPS + 9 FSOs & 5 MOPUs On Order

- 25 FPSOs (48%)
- 14 FSRUs (27%)
- 7 Production Semis (13%)
- 4 FLNGs (8%)
- 2 Production Barges (4%)
- 5 MOPUs
- 5 LNG FSOs
- 4 Oil FSOs
- **8 Speculative Units**
 - 5 FSRUs
 - 2 FPSO (hull)
 - 1 FLNG



Source: EMA, 4Q 2019

Who is Building What - Yard Activity

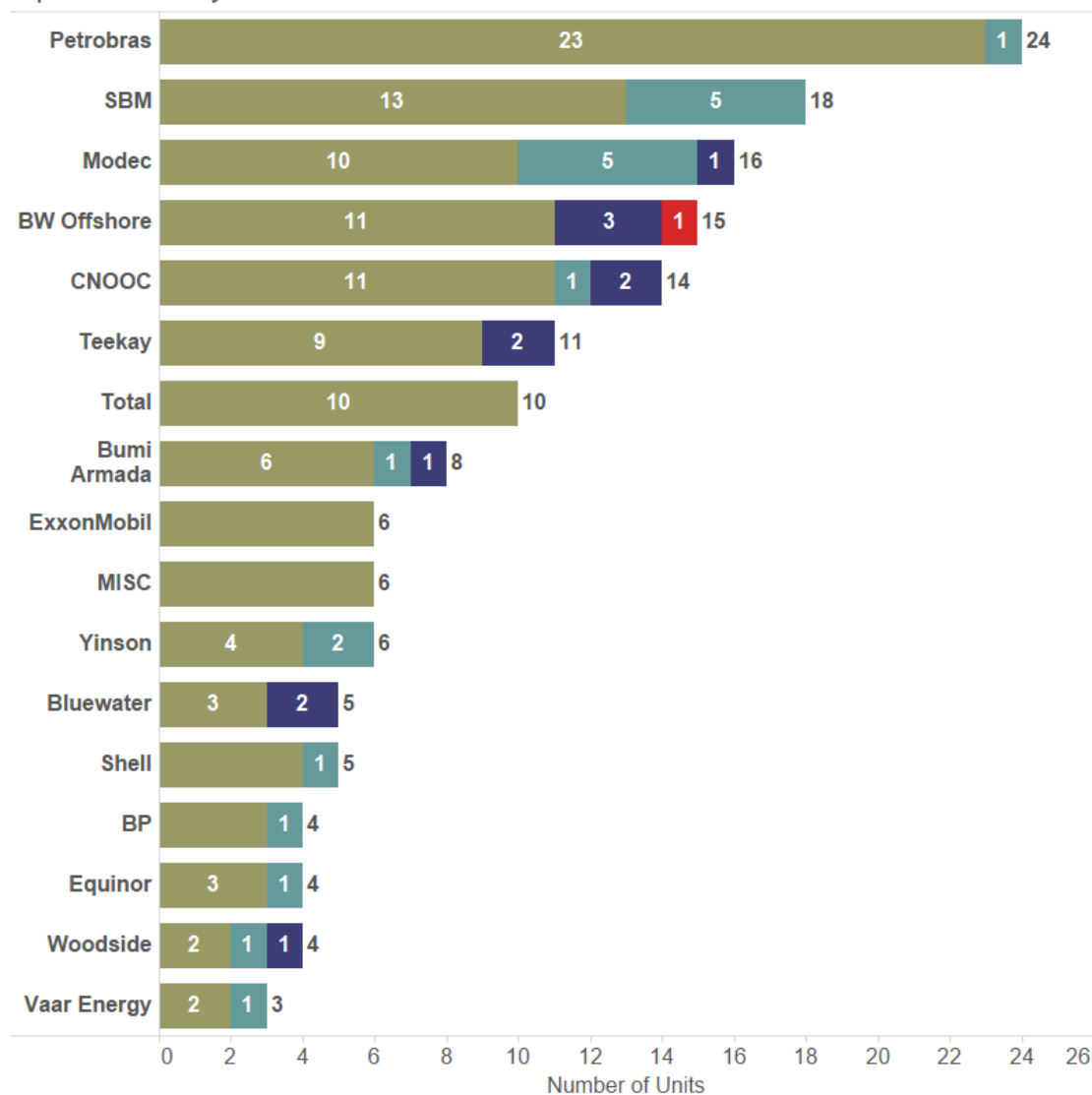


Note:
* = 2017 award
= 2018 award
** = 2019 award

Source: EMA, 4Q 2019

Top FPSO Owners

Top FPSO Owners by Status



Status
■ Under Repair
■ Available
■ On Order
■ Installed

Top 17 FPSO Owners

- 9 Oil Companies
- 8 Contractors (excludes EPC orders)

Leasing Contractors

- 62 units in operation
- 13 units on order
 - ✓ 5 for SBM
 - ✓ 5 for Modec
 (not including two EPC orders)
- 9 units available
- 1 unit under repair (*BW Opportunity*)

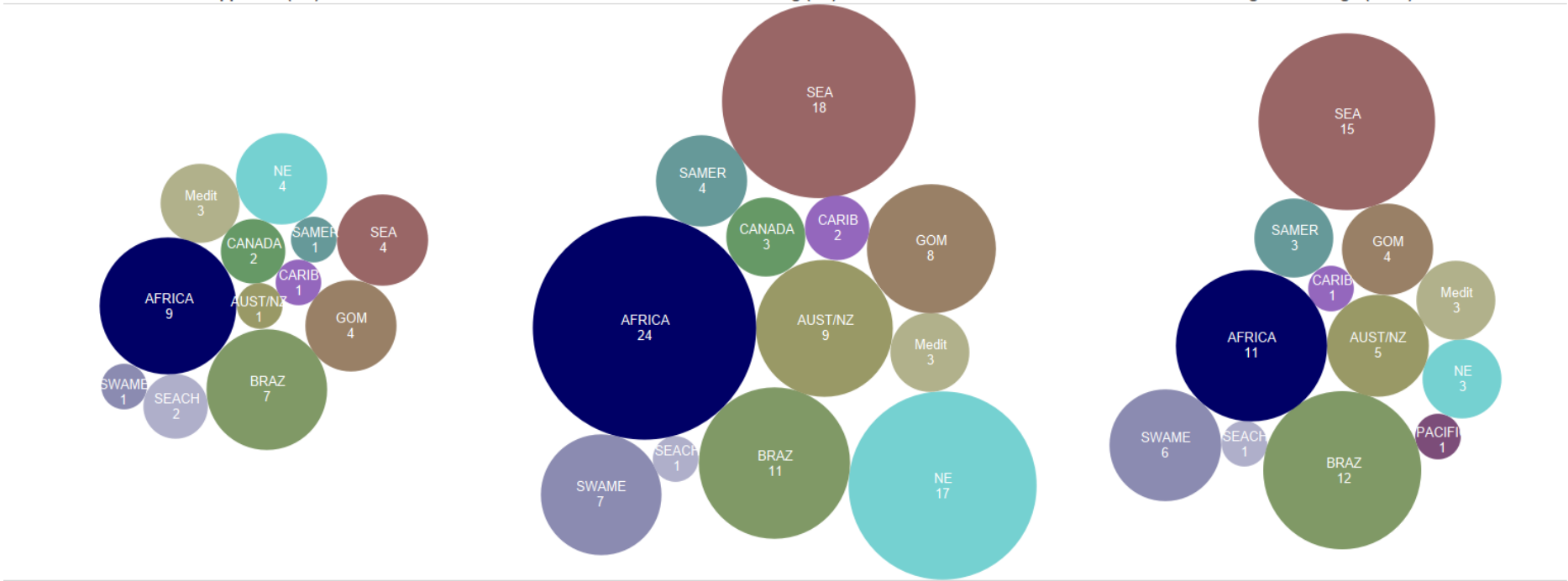
Oil Companies

- 66 units in operation
- 7 units on order
- 3 units available

Source: EMA, 4Q 2019

2020-24 Forecast - 211 Projects in planning pipeline

Projects Under Appraisal, Planning, and Bidding/Final Design Stage by Region



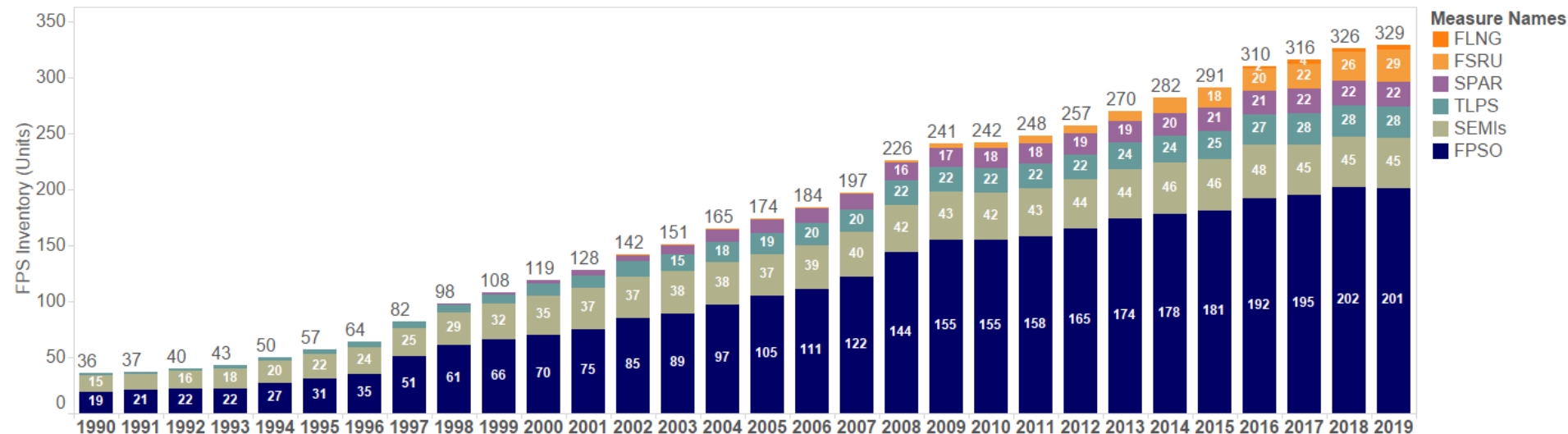
Bidding/Final Design: 31% (65 projects)
Planning: 51% (107 projects)
Appraisal: 18% (39 projects)

Source: EMA, 4Q2019

Floating Production System Growth: FPSOs still Dominate

Growth of FPS Inventory 1990-2019

Excludes MOPU, FSOs



- ❑ FPSOs are the most successful FPS unit type, growing from 19 to 201 in 25+ years
- ❑ FSRUs in service have grown from 2 to 29 over past ten years, with 14 more on order



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	FY Dec 2019
Revenue S\$(m)	319	270	204	33	115	98
	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 FY2019 Results
Net order book S\$(m)	353	175	13	90	7	85





Financial Review

Financial Highlights

Revenue and Profit/(Loss)	FY 2013	FY 2014	FY 2015	FY 2016	(*Restated) FY 2017	FY 2018	FY 2019
Revenue (S\$'m)	270	319	270	204	33	115	98
Gross profit/(loss) (S\$'m)	66	72	50	42	-30	23	2
Gross profit/(loss) margin (%)	25%	23%	19%	21%	-92%	20%	2%
Net profit/(loss) (S\$'m)	31	26	-5	-16	-58	1	-24
Net profit/(loss) margin (%)	11%	8%	-2%	-8%	N.M	1%	-24%
Cash and Bank Balances (S\$'m)	61	42	85	70	37	25	27
Bond Issue/Early Redemption (S\$'m)	-	50	-	-50	-	-	-

Financial Indicators

Balance Sheet	FY 2013	FY 2014	FY 2015	FY 2016	(*Restated) FY 2017	FY 2018	FY 2019
Total assets (S\$'m)	335	404	376	262	145	161	158
Total liabilities (S\$'m)	141	204	195	95	41	56	77
Net assets (S\$'m)	194	200	181	167	104	105	81
Return on equity (%)	15%	13%	-3%	-9%	-43%	1%	-26%
Gearing ratio	19%	25%	32%	22%	7%	19%	16%

	FY 2013	FY 2014	FY 2015	FY 2016	(*Restated) FY 2017	FY 2018	FY 2019
Cash Flows (S\$'m)							
	(12mths)	(12mths)	(12mths)	(12mths)	(12mths)	(12mths)	(12mths)
Net cash from/(used in) operating activities	12	-17	55	31	(1)	-25	13
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	(10)
Cash and Bank Balances	61	42	85	70	37	25	27

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	58%	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	-
FYE 31 Dec 2018 (12-mth period)	No dividend	-	0%		0.11	-
FYE 31 Dec 2019 (12-mth period)	No dividend	-	0%		0.168	-

Total Payout

74

Thank You
Q&A



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