



## **DYNA-MAC HOLDINGS LTD.**

(Incorporated in the Republic of Singapore)

(Company Registration No: 200305693E)

### **CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2022**

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DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Note	Group		
		6 months ended	6 months ended	Change
		30-Jun-2022	30-Jun-2021	
		\$'000	\$'000	%
Revenue	3	124,043	106,360	16.6%
Cost of sales		(111,535)	(94,863)	17.6%
<b>Gross profit</b>		<b>12,508</b>	<b>11,497</b>	<b>8.8%</b>
Gross profit margin		10.1%	10.8%	
Other income		2,462	3,912	-37.1%
Other expenses		(126)	(233)	-45.9%
Administrative expenses		(11,548)	(11,929)	-3.2%
Finance expenses		(12)	(75)	-84.0%
<b>Profit before tax</b>	4	<b>3,284</b>	<b>3,172</b>	<b>3.5%</b>
Income tax expense	5	(60)	(67)	-10.4%
<b>Net profit for the financial period</b>		<b>3,224</b>	<b>3,105</b>	<b>3.8%</b>
Net profit margin		2.6%	2.9%	
<b>Attributable to:-</b>				
Equity holders of the Company		3,112	2,490	25.0%
Non-controlling interests		112	615	-81.8%
<b>Net profit for the financial period</b>		<b>3,224</b>	<b>3,105</b>	<b>3.8%</b>
<b>Other comprehensive income:-</b>				
Currency translation differences arising from consolidation		(21)	336	NM
<b>Total comprehensive income for the financial period</b>		<b>3,203</b>	<b>3,441</b>	<b>-6.9%</b>
<b>Attributable to:-</b>				
Equity holders of the Company		3,127	2,830	10.5%
Non-controlling interests		76	611	-87.6%
<b>Total comprehensive income for the financial period</b>		<b>3,203</b>	<b>3,441</b>	<b>-6.9%</b>
<b>Earnings per share attributable to equity holders of the Company (cents per share)</b>				
Basic/diluted	6	<b>0.30</b>	<b>0.24</b>	

NM- not meaningful

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

CONDENSED INTERIM BALANCE SHEETS  
AS AT 30 JUNE 2022

	Note	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		30-Jun-2022	31-Dec-2021	30-Jun-2022	31-Dec-2021
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents		144,838	106,340	210	195
Trade and other receivables		75,878	57,758	3	28
Contract assets		14,420	2,812	-	-
Other current assets		1,299	728	21	14
		<b>236,435</b>	<b>167,638</b>	<b>234</b>	<b>237</b>
<b>Non-Current Assets</b>					
Club memberships		16	16	-	-
Investment in subsidiaries		-	-	93,416	93,416
Property, plant and equipment	7	31,368	33,412	-	-
Right-of-use assets		24,040	25,312	-	-
Deferred tax assets		1,500	1,500	-	-
		56,924	60,240	93,416	93,416
<b>Total Assets</b>		<b>293,359</b>	<b>227,878</b>	<b>93,650</b>	<b>93,653</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Income tax payable		81	43	-	-
Trade and other payables		74,728	75,710	1,436	1,195
Provision for onerous contracts		-	634	-	-
Contract liabilities		159,548	90,651	-	-
Borrowings	8	-	1,083	-	-
Deferred capital and grants income		149	149	-	-
Lease liabilities		2,332	2,298	-	-
		<b>236,838</b>	<b>170,568</b>	<b>1,436</b>	<b>1,195</b>
<b>Non-Current Liabilities</b>					
Borrowings	8	-	2,952	-	-
Deferred capital and grants income		50	124	-	-
Deferred tax liabilities		14	5	-	-
Lease liabilities		22,901	24,075	-	-
		22,965	27,156	-	-
<b>Total Liabilities</b>		<b>259,803</b>	<b>197,724</b>	<b>1,436</b>	<b>1,195</b>
<b>Net Assets</b>		<b>33,556</b>	<b>30,154</b>	<b>92,214</b>	<b>92,458</b>
<b>EQUITY</b>					
<b>Capital and Reserves Attributable to Equity Holders of the Company</b>					
Share capital	9	145,605	145,605	145,605	145,605
Other reserves		884	670	478	279
Accumulated losses		(113,545)	(116,657)	(53,869)	(53,426)
<b>Share Capital and Reserves</b>		<b>32,944</b>	<b>29,618</b>	<b>92,214</b>	<b>92,458</b>
Non-controlling interests		612	536	-	-
<b>Total Equity</b>		<b>33,556</b>	<b>30,154</b>	<b>92,214</b>	<b>92,458</b>

**DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

	Attributable to equity holders of the Company				Non-controlling interest	Total equity	
	Share capital	Accumulated losses	Share Reserve	Foreign currency translation reserve			Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Group</b>							
Balance at 1 January 2022	145,605	(116,657)	279	391	29,618	536	30,154
Total comprehensive income for the period	-	3,112	-	15	3,127	76	3,203
Share-based payment	-	-	199	-	199	-	199
<b>Balance at 30 June 2022</b>	<b>145,605</b>	<b>(113,545)</b>	<b>478</b>	<b>406</b>	<b>32,944</b>	<b>612</b>	<b>33,556</b>
<b>Company</b>							
Balance at 1 January 2022	145,605	(53,426)	279	-	92,458	-	92,458
Total comprehensive loss for the period	-	(443)	-	-	(443)	-	(443)
Share-based payment	-	-	199	-	199	-	199
<b>Balance at 30 June 2022</b>	<b>145,605</b>	<b>(53,869)</b>	<b>478</b>	<b>-</b>	<b>92,214</b>	<b>-</b>	<b>92,214</b>

	Attributable to equity holders of the Company				Non-controlling interest	Total equity	
	Share capital	Accumulated losses	Share Reserve	Foreign currency translation reserve			Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Group</b>							
Balance at 1 January 2021	145,271	(122,134)	-	102	23,239	419	23,658
Total comprehensive income for the period	-	2,490	-	340	2,830	611	3,441
<b>Balance at 30 June 2021</b>	<b>145,271</b>	<b>(119,644)</b>	<b>-</b>	<b>442</b>	<b>26,069</b>	<b>1,030</b>	<b>27,099</b>
<b>Company</b>							
Balance at 1 January 2021	145,271	(40,443)	-	-	104,828	-	104,828
Total comprehensive loss for the period	-	(157)	-	-	(157)	-	(157)
<b>Balance at 30 June 2021</b>	<b>145,271</b>	<b>(40,600)</b>	<b>-</b>	<b>-</b>	<b>104,671</b>	<b>-</b>	<b>104,671</b>

**DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES**

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

	<b>Group</b>	
	<b>6 months ended 30-Jun-2022</b>	<b>6 months ended 30-Jun-2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	3,284	3,172
Adjustments for:		
- Amortisation of club memberships	** -	1
- Amortisation of deferred capital grants	(74)	(75)
- Depreciation of property, plant and equipment	3,518	3,412
- Depreciation of right-of-use assets	1,272	1,181
- Finance expenses	12	75
- Gain on striking-off of a subsidiary	(7)	-
- Interest income	(204)	(25)
- Loss/(gain) on disposal of property, plant and equipment	126	(52)
- Share-based payment	199	-
- Write-back of expected credit losses on trade and other receivables	(26)	-
- Write-back of impairment loss on property, plant and equipment	-	(910)
- Write-back of provision for onerous contract	-	(177)
- Unrealised translation gain	(75)	(225)
	<b>8,025</b>	<b>6,377</b>
<b>Changes in working capital</b>		
- Contract assets	(11,608)	2,715
- Contract liabilities	68,897	(3,327)
- Other current assets	(571)	(257)
- Trade and other receivables	(18,029)	14,537
- Trade and other payables, including deferred grants income	(1,617)	17,481
<b>Cash flows generated from operations</b>	<b>45,097</b>	<b>37,526</b>
Income tax paid	(21)	(6)
Interest received	139	20
<b>Net cash flows generated from operating activities</b>	<b>45,215</b>	<b>37,540</b>
<b>INVESTING ACTIVITIES</b>		
- Additions to property, plant and equipment	(1,639)	(288)
- Proceeds from disposal of property, plant and equipment	46	964
<b>Net cash flows (used in)/generated from investing activities</b>	<b>(1,593)</b>	<b>676</b>
<b>FINANCING ACTIVITIES</b>		
- Interest expense paid	(12)	(72)
- Payment of principal portion of lease liabilities	(1,140)	(1,071)
- Repayment of bank borrowings	(4,035)	(435)
<b>Net cash flows used in financing activities</b>	<b>(5,187)</b>	<b>(1,578)</b>
<b>Net increase in cash and cash equivalents</b>	<b>38,435</b>	<b>36,638</b>
Cash and cash equivalents at the beginning of the period	106,340	46,219
Effect of currency translation on cash and cash equivalents	63	562
<b>Cash and cash equivalents at the end of the period</b>	<b>144,838</b>	<b>83,419</b>

\*\* - Amount less than \$1,000

The Group is required to maintain certain minimum deposits with banks for banking facilities. Included in cash and cash equivalents are restricted cash of \$12.7m (1H 2021: \$19.4m) designated by the Group for this purpose.

## **DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES**

### **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

#### **1. Corporate information**

Dyna-Mac Holdings Ltd. (the “Company”) is listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and is incorporated and domiciled in Singapore. The registered office is at 59 Gul Road, Singapore 629354 and the principal place of business is at 45 Gul Road, Singapore 629350.

These condensed interim financial statements as at and for the six months ended 30 June 2022 relate to the Company and its subsidiaries (collectively, the “Group”).

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are:

- a) Contractors for project management, engineering, fabrication and installation of land and marine works.
- b) Contractors for repair and marine works.
- c) Provides project management services for projects in the People’s Republic of China.
- d) Repair of ships, tankers and other ocean-going vessels, manufacture and repair of marine engine and ship parts, and the provision of manpower resources for shipping-related projects.

#### **2. Basis of Preparation**

These condensed interim consolidated financial statements for the six months ended 30 June 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the year ended 31 December 2021. Accordingly, this report should be read in conjunction with the Group’s Annual Report for the financial year ended 31 December 2021 and any public announcements made during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The financial statements are presented in Singapore Dollars (“SGD” or “\$”) and all values are rounded to the nearest thousand (\$’000), except when otherwise indicated.

##### **2.1 New and amended standards adopted by the Group**

There are no new standards, amendments to standards and interpretations effective for annual periods beginning on or after 1 January 2022, which will result in significant impact on the condensed interim financial statements of the Group.

##### **2.2 Use of estimates and judgements**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as described in the last annual financial statements as at and for the year ended 31 December 2021.

**DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)**

**3. Segment and revenue information**

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors considers the business from a business segment perspective. Management manages and monitors the business in the two primary business segments: Module business and Ad-hoc projects.

	<b>Group</b>		
	<b>6 months ended 30-Jun</b>		
	<b>Module Business</b>	<b>Ad-Hoc Projects</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>2022</b>			
<b>Revenue</b>			
Segment revenue to external parties	110,458	13,585	124,043
<b>Segment gross profit</b>	<b>9,101</b>	<b>3,407</b>	<b>12,508</b>
<b>2021</b>			
<b>Revenue</b>			
Segment revenue to external parties	96,732	9,628	106,360
<b>Segment gross profit/(loss)</b>	<b>11,768</b>	<b>(271)</b>	<b>11,497</b>

**(a) Reconciliation**

A reconciliation of segment gross profit to net profit is as follows:

	<b>Group</b>	
	<b>6 months ended 30-Jun-2022</b>	<b>6 months ended 30-Jun-2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Segment gross profit for reportable segments</b>	<b>12,508</b>	<b>11,497</b>
Other income	2,462	3,912
Other expenses	(126)	(233)
Administrative expenses	(11,548)	(11,929)
Finance expenses	(12)	(75)
<b>Profit before tax</b>	<b>3,284</b>	<b>3,172</b>
Income tax expense	(60)	(67)
<b>Net profit for the financial period</b>	<b>3,224</b>	<b>3,105</b>

**DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)**

**3. Segment and revenue information (cont'd)**

**(b) Geographical information**

**2022**

**Geographical information:**

Asia Pacific

Europe

**2021**

**Geographical information:**

Asia Pacific

Europe

<b>Group</b>		
<b>6 months ended 30-Jun</b>		
<b>Module Business</b>	<b>Ad-Hoc Projects</b>	<b>Total</b>
<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
41,958	8,675	50,633
68,500	4,910	73,410
<b>110,458</b>	<b>13,585</b>	<b>124,043</b>
31,505	6,595	38,100
65,227	3,033	68,260
<b>96,732</b>	<b>9,628</b>	<b>106,360</b>

**(c) Timing of transfer of goods or service**

**2022**

**Timing of transfer of goods or service**

Over time

**2021**

**Timing of transfer of goods or service**

Over time

<b>Group</b>		
<b>6 months ended 30-Jun</b>		
<b>Module Business</b>	<b>Ad-Hoc Projects</b>	<b>Total</b>
<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
110,458	13,585	124,043
<b>110,458</b>	<b>13,585</b>	<b>124,043</b>
96,732	9,628	106,360
<b>96,732</b>	<b>9,628</b>	<b>106,360</b>





**DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)**

**6. Earnings per share**

	<b>Group</b>	
	<b>6 months ended 30-Jun-2022</b>	<b>6 months ended 30-Jun-2021</b>
Earnings per share (based on consolidated net profit attributable to equity holders):-		
Based on weighted average number of ordinary shares in issue (cents)	0.30	0.24
On a fully diluted basis (cents)	0.30	0.24
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	1,026,554	1,023,211
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	1,026,554	1,023,211

For 1H2022, the weighted average number of ordinary shares outstanding during the period for basic and diluted earnings per share is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares issued during the period multiplied by a time-weighting factor.

**7. Property, plant and equipment**

During the financial period ended 30 June 2022, the Group acquired assets amounting to \$1,638,810 (30 June 2021: \$288,600), disposed of assets amounting to \$171,363 (30 June 2021: \$NIL) and write-back of impairment loss amounting to \$NIL (30 June 2021: \$910,000)

**8. Borrowings**

	<b>As at 30-Jun-2022</b>		<b>As at 31-Dec-2021</b>	
	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Amount repayable in one year or less	-	-	1,083	-
Amount repayable after one year	-	-	2,952	-
	-	-	<b>4,035</b>	-

In January 2022, the Group voluntarily repaid the borrowings in full.

**DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)**

**9. Share capital**

	30-Jun-22		31-Dec-21	
	Number of Ordinary Shares	Resultant issued share capital	Number of Ordinary Shares	Resultant issued share capital
	'000	\$'000	'000	\$'000
<b>Share Capital</b>				
<b>Beginning of financial period</b>	1,026,554	145,605	1,023,211	145,271
Issuance of new shares under share-based payment	-	-	3,343	334
<b>End of financial period</b>	1,026,554	145,605	1,026,554	145,605

**Dyna-Mac Share Award Scheme 2021 (DMSAS 2021)**

As at 30 June 2022, the number of contingent shares granted but not released were 6,686,000 (30 June 2021: nil) for DMSAS 2021. Based on the achievement factor, the actual release of the awards in ordinary shares of the company could range from zero to a maximum of 6,686,000 under DMSAS 2021.

The Company does not hold any treasury shares as at 30 June 2022 and 30 June 2021.

**10. Net asset value**

	Group		Company	
	30-Jun-2022	31-Dec-2021	30-Jun-2022	31-Dec-2021
Net asset value per ordinary share based on existing share capital (cents)	3.21	2.89	8.98	9.01
Number of shares ('000)	1,026,554	1,026,554	1,026,554	1,026,554

**11. Financial assets and financial liabilities**

The financial assets and financial liabilities of the Group as at 30 June 2022 and 31 December 2021:

	Group		Company	
	30-Jun-2022	31-Dec-2021	30-Jun-2022	31-Dec-2021
	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>				
Cash and cash equivalents	144,838	106,340	210	195
Trade and other receivables	74,190	55,787	3	28
Deposits	482	463	-	-
<b>Total undiscounted financial assets</b>	<b>219,510</b>	<b>162,590</b>	<b>213</b>	<b>223</b>
<b>Financial Liabilities</b>				
Trade and other payables	74,728	75,710	1,436	1,195
Bank borrowings	-	4,035	-	-
Lease liabilities	29,292	30,831	-	-
<b>Total undiscounted financial liabilities</b>	<b>104,020</b>	<b>110,576</b>	<b>1,436</b>	<b>1,195</b>

**DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)**

**12. Related party transactions**

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

- (a) Sales and purchases of goods and services

Other than those disclosed elsewhere in the financial statements, the Group had the following significant related party transactions on terms agreed during the financial year:

	<b>Group</b>	
	<b>6 months ended 30-Jun-2022</b>	<b>6 months ended 30-Jun-2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Transactions with a corporate shareholder and its related companies</u>		
Fabrication of topside modules and other ad-hoc services rendered	3,935	30,586
Sub-contracting and other ad-hoc services procured	(425)	-
<u>Transactions with related companies of a director</u>		
Corporate secretarial services procured	20	20

- (b) Key management personnel compensation

Key management personnel compensation is analysed as follows:

	<b>Group</b>	
	<b>6 months ended 30-Jun-2022</b>	<b>6 months ended 30-Jun-2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Directors</b>		
Short-term employee benefits	581	377
Post-employment benefits	17	9
	598	386
<b>Senior Management</b>		
Short-term employee benefits	566	363
Post-employment benefits	45	20
	611	383
	<b>1,209</b>	<b>769</b>

## **DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES**

### **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)**

#### **13. Subsequent events**

On 9 July 2022, the Company granted awards under the Dyna-Mac Share Award Scheme 2021 (DMSAS 2021). On 29 July 2022 and 8 August 2022, the Company issued 3,098,000 and 562,500 new ordinary shares under DMSAS 2021 for the vesting of the 2<sup>nd</sup> tranche of the contingent share awards granted to the eligible participants under the DMSAS 2021 in financial year ended 31 December 2021 and 1<sup>st</sup> tranche of the contingent share awards granted to the eligible participants under the DMSAS 2021 in financial year ending 31 December 2022 respectively. These new ordinary shares shall rank pari passu in all respect with the existing issued shares of the Company. Following the issuance and allotment of these shares, the total number of issued shares of the Company has increased from 1,026,554,000 to 1,030,214,500 ordinary shares.

There are no known subsequent events which led to adjustments to this set of interim financial statements.

## DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

**1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The condensed interim financial statements, comprising the condensed interim balance sheets of Dyna-Mac Holdings Ltd. (“the Company”) and its Subsidiaries (“the Group”) as at 30 June 2022, the condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

**2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following: -**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### **Condensed Interim Consolidated Statement of Comprehensive Income**

Revenue increased by \$17.6m from \$106.4m in the six months ended 30 June 2021 (“1H2021”) to \$124.0m in the six months ended 30 June 2022 (“1H2022”). The increase was mainly due to higher progress achieved for the projects carried out in 1H2022.

Gross profit increased by \$1.0m from \$11.5m in 1H2021 to \$12.5m in 1H2022. The increase was mainly due to higher revenue recognized in 1H2022.

Other income decreased by \$1.4m or 37.1% from \$3.9m in 1H2021 to \$2.5m in 1H2022. This is mainly due to decrease in government grants, write-back of impairment loss on property, plant and equipment and partially offset by income earned from scrap sales and interest income.

Administrative expenses decreased by \$0.4m or 3.2% from \$11.9m in 1H2021 to \$11.5m in 1H2022. This is mainly due to lower allocation of staff cost to cost of sales due to idle period in 1H2021.

#### **Condensed Interim Balance Sheets**

##### **Current assets**

Total current assets increased by \$68.8m from \$167.6m as at 31 December 2021 to \$236.4m as at 30 June 2022.

Cash and cash equivalents increased by \$38.5m from \$106.3m as at 31 December 2021 to \$144.8m as at 30 June 2022 mainly due to higher collections from the projects carried out during the period.

Trade and other receivables increased by \$18.1m from \$57.8m as at 31 December 2021 to \$75.9m as at 30 June 2022 mainly due to higher progress achieved for the projects carried out during the period.

Contract assets increased by \$11.6m from \$2.8m as at 31 December 2021 to \$14.4m as at 30 June 2022 mainly due to higher project progress achieved during the period.

##### **Non-current assets**

Non-current assets decreased by \$3.3m from \$60.2m as at 31 December 2021 to \$56.9m as at 30 June 2022 mainly due to depreciation of property, plant and equipment and right-of-use assets.

## DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (cont'd)

#### **Condensed Interim Balance Sheets (cont'd)**

##### **Current liabilities**

Total current liabilities increased by \$66.2m from \$170.6m as at 31 December 2021 to \$236.8m as at 30 June 2022.

Trade and other payables decreased by \$1.0m from \$75.7m as at 31 December 2021 to \$74.7m as at 30 June 2022 mainly due to payment made to suppliers.

Contract liabilities increased by \$68.8m from \$90.7m as at 31 December 2021 to \$159.5m as at 30 June 2022 mainly due to increase in advanced billings to customers.

##### **Non-current liabilities**

Total non-current liabilities decreased by \$4.2m from \$27.2m as at 31 December 2021 to \$23.0m as at 30 June 2022 mainly due to settlement of bank borrowings.

Lease liabilities (Current and Non-current) decreased by \$1.1m mainly due to repayment of lease liabilities.

#### **Condensed Interim Consolidated Statement of Cash Flows**

The Group registered an increase in cash and cash equivalent of \$61.4m from \$83.4m as at 30 June 2021 to \$144.8m as at 30 June 2022.

Net cash flows generated from operating activities in 1H2022 was \$45.2m mainly due to higher cash inflow from working capital.

Net cash flows used in investing activities in 1H2022 was \$1.6m mainly due to additions to property, plant and equipment.

Net cash flows used in financing activities in 1H2022 was \$5.2m, mainly due to repayment of bank borrowings and repayment of lease liabilities.

## DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

### OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)

3. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement has been previously disclosed to the shareholders.

4. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group successfully delivered 15 topside modules, 3 pipe racks and 1 turret during 1H2022. With its healthy net orderbook of S\$535.2m as at 30 June 2022 with completion and deliveries stretching to 2024, the Group remains focused on effective execution and completion of projects with emphasis on safety, quality and on-time delivery. This net orderbook includes new orders of S\$270.3m secured since January 2022 to-date.

Amidst concerns over the protraction of the Russia-Ukraine conflict, further escalation of global geopolitical tensions and global supply chain disruptions giving rise to inflation and material cost volatility, the Group believes that the industry fundamentals remain sound, underpinned by high oil prices and projected increases in exploration and production spending. The Group continues to closely monitor and take measures to mitigate material costs volatility and is in close discussions with potential clients for new projects with deliveries beyond 2024.

The Group is on target to strengthen its middle management team and skilled workers to meet its planned loading. All yards are fully occupied in the execution of the 3 major projects concurrently. The Group is pleased to embark on this journey of growth and development with the support of all stakeholders.

5. **Dividends**

- (a) **Current financial period reported on**  
**Any dividend declared for the current financial period reported on?**

No.

- (b) **Corresponding period of the immediately preceding financial year**  
**Any dividend declared for the corresponding period of the immediately preceding financial year?**

No.

- (c) **Date payable**

Not applicable.

- (d) **Books closure date**

Not applicable.

6. **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No dividend has been declared (recommended) for the period ended 30 June 2022 as the Company needs to conserve cash for working capital and growth opportunities.



**DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES****OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2 (CONT'D)****7. Interested person transaction disclosure**

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)	
		6 months ended 30-Jun-2022 \$'000	6 months ended 30-Jun-2021 \$'000	6 months ended 30-Jun-2022 \$'000	6 months ended 30-Jun-2021 \$'000
<b>PURCHASES AND OTHER</b> Green Scan Pte Ltd Subcontracting Services	Note 1	-	-	425	-
<b>REVENUE</b> Keppel Shipyard Limited Subcontracting Services	Note 1	-	-	3,935	30,586

Note 1 : The interested person is a member of Keppel Group, which the scope of works are approved by shareholders under Keppel IPT Mandate in the Annual General Meeting.

**8. Confirmation pursuant to Rule 720(1) of the listing manual**

The Company confirms that it has procured undertakings from its Board of Directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the listing manual.

**9. Confirmation pursuant to Rule 705(5) of the listing manual**

The Board of Directors of the Company hereby confirms to the best of its knowledge nothing has come to its attention which may render the unaudited financial results for the period ended 30 June 2022 to be false or misleading in any material respect.

**BY ORDER OF THE BOARD**

Lim Ah Cheng  
Chief Executive Officer and Executive Director  
11 August 2022