



DYNA-MAC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No: 200305693E)

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022

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DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022**

	Note	Group					
		6 months ended	6 months ended	Change	12 months ended	12 months ended	Change
		31-Dec-2022	31-Dec-2021		31-Dec-2022	31-Dec-2021	
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue	3	167,430	113,850	47.1%	291,473	220,210	32.4%
Cost of sales		(148,315)	(103,041)	43.9%	(259,850)	(197,904)	31.3%
Gross profit		19,115	10,809	76.8%	31,623	22,306	41.8%
Gross profit margin		11.4%	9.5%		10.8%	10.1%	
Other income		3,513	3,345	5.0%	5,862	7,024	-16.5%
Other expenses		(178)	-	NM	(191)	-	NM
Administrative expenses		(13,921)	(13,080)	6.4%	(25,469)	(25,009)	1.8%
Finance expenses		(2)	(67)	-97.0%	(14)	(142)	-90.1%
Profit before tax	4	8,527	1,007	>+200%	11,811	4,179	182.6%
Income tax credit	5	1,654	1,505	9.9%	1,594	1,438	10.8%
Net profit for the financial period/year		10,181	2,512	>+200%	13,405	5,617	138.7%
Net profit margin		6.1%	2.2%		4.6%	2.6%	
Attributable to:-							
Equity holders of the Company		9,956	2,987	>+200%	13,068	5,477	138.6%
Non-controlling interests		225	(475)	NM	337	140	140.7%
Net profit for the financial period/year		10,181	2,512	>+200%	13,405	5,617	138.7%
Other comprehensive income:-							
Currency translation differences arising from consolidation		(110)	(70)	57.1%	(131)	266	NM
Total comprehensive income for the financial period/year		10,071	2,442	>+200%	13,274	5,883	125.6%
Attributable to:-							
Equity holders of the Company		9,895	2,936	>+200%	13,022	5,766	125.8%
Non-controlling interests		176	(494)	NM	252	117	115.4%
Total comprehensive income for the financial period/year		10,071	2,442	>+200%	13,274	5,883	125.6%
Earnings per share attributable to equity holders of the Company (cents per share)							
Basic/diluted	6	<u>0.97</u>	<u>0.29</u>		<u>1.27</u>	<u>0.53</u>	

NM- not meaningful

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

**CONDENSED INTERIM BALANCE SHEETS
AS AT 31 DECEMBER 2022**

	Note	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current Assets					
Cash and cash equivalents		185,432	106,340	4,305	195
Trade and other receivables		30,138	57,758	16	28
Contract assets		3,446	2,812	-	-
Other current assets		1,131	728	14	14
		220,147	167,638	4,335	237
Non-Current Assets					
Club membership		15	16	-	-
Investment in subsidiaries		-	-	112,003	93,416
Property, plant and equipment	7	28,666	33,412	-	-
Right-of-use assets		23,484	25,312	-	-
Deferred tax assets		3,300	1,500	-	-
		55,465	60,240	112,003	93,416
Total Assets		275,612	227,878	116,338	93,653
LIABILITIES					
Current Liabilities					
Income tax payable		124	43	-	-
Trade and other payables		78,974	75,710	220	1,195
Provision for onerous contracts		-	634	-	-
Contract liabilities		127,582	90,651	-	-
Borrowings	8	-	1,083	-	-
Deferred capital and grants income		124	149	-	-
Lease liabilities		2,440	2,298	-	-
		209,244	170,568	220	1,195
Non-Current Liabilities					
Borrowings	8	-	2,952	-	-
Deferred capital and grants income		-	124	-	-
Deferred tax liabilities		14	5	-	-
Lease liabilities		22,354	24,075	-	-
		22,368	27,156	-	-
Total Liabilities		231,612	197,724	220	1,195
Net Assets		44,000	30,154	116,118	92,458
EQUITY					
Capital and Reserves Attributable to Equity Holders of the Company					
Share capital	9	146,096	145,605	146,096	145,605
Other reserves		705	670	360	279
Accumulated losses		(103,589)	(116,657)	(30,338)	(53,426)
Share Capital and Reserves		43,212	29,618	116,118	92,458
Non-controlling interests		788	536	-	-
Total Equity		44,000	30,154	116,118	92,458

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 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	
Group							
Balance at 1 January 2022	145,605	(116,657)	279	391	29,618	536	30,154
Total comprehensive income for the year	-	13,068	-	(46)	13,022	252	13,274
<u>Contributions by and distributions to owners</u>							
Share-based payment	-	-	572	-	572	-	572
Issuance of new shares under share-based payment	491	-	(491)	-	-	-	-
Total contributions by and distributions to owners	491	-	81	-	572	-	572
Balance at 31 December 2022	146,096	(103,589)	360	345	43,212	788	44,000
Company							
Balance at 1 January 2022	145,605	(53,426)	279	-	92,458	-	92,458
Total comprehensive income for the year	-	23,088	-	-	23,088	-	23,088
<u>Contributions by and distributions to owners</u>							
Share-based payment	-	-	572	-	572	-	572
Issuance of new shares under share-based payment	491	-	(491)	-	-	-	-
Total contributions by and distributions to owners	491	-	81	-	572	-	572
Balance at 31 December 2022	146,096	(30,338)	360	-	116,118	-	116,118

	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	
Group							
Balance at 1 January 2021	145,271	(122,134)	-	102	23,239	419	23,658
Total comprehensive income for the year	-	5,477	-	289	5,766	117	5,883
<u>Contributions by and distributions to owners</u>							
Share-based payment	-	-	613	-	613	-	613
Issuance of new shares under share-based payment	334	-	(334)	-	-	-	-
Total contributions by and distributions to owners	334	-	279	-	613	-	613
Balance at 31 December 2021	145,605	(116,657)	279	391	29,618	536	30,154
Company							
Balance at 1 January 2021	145,271	(40,443)	-	-	104,828	-	104,828
Total comprehensive loss for the year	-	(12,983)	-	-	(12,983)	-	(12,983)
<u>Contributions by and distributions to owners</u>							
Share-based payment	-	-	613	-	613	-	613
Issuance of new shares under share-based payment	334	-	(334)	-	-	-	-
Total contributions by and distributions to owners	334	-	279	-	613	-	613
Balance at 31 December 2021	145,605	(53,426)	279	-	92,458	-	92,458

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022**

	Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES				
Profit before tax	8,527	1,007	11,811	4,179
Adjustments for:				
- Amortisation of club membership	1	1	1	2
- Amortisation of deferred capital grants	(75)	(76)	(149)	(151)
- Depreciation of property, plant and equipment	3,600	3,452	7,118	6,864
- Depreciation of right-of-use assets	1,290	1,356	2,562	2,537
- (Gain)/loss on disposal of property, plant and equipment	(17)	-	102	(52)
- Gain on striking-off of a subsidiary	-	(163)	-	(163)
- Interest expenses	384	478	791	979
- Interest income	(1,129)	(42)	(1,333)	(67)
- Share-based payment	373	613	572	613
- Trade and other receivables written off	-	2	-	2
- Write-back of expected credit losses on trade and other receivables	(171)	(67)	(197)	(67)
- Write back of impairment loss on contract assets	-	(69)	-	(69)
- Write-back of impairment loss on property, plant and equipment	-	-	-	(910)
- Write-back of provision for onerous contract	-	-	-	(177)
- Unrealised translation loss/(gain)	102	156	26	(69)
	12,885	6,648	21,304	13,451
Changes in working capital				
- Contract assets	10,974	12,639	(634)	15,354
- Contract liabilities	(31,966)	45,712	36,931	42,385
- Other current assets	168	331	(403)	74
- Trade and other receivables	46,797	(42,869)	28,768	(28,332)
- Trade and other payables, including deferred grants income	3,948	3,194	2,331	20,678
Cash flows generated from operations	42,806	25,655	88,297	63,610
Income tax paid	(91)	(13)	(111)	(19)
Interest received	243	27	382	47
Net cash flows generated from operating activities	42,958	25,669	88,568	63,638
INVESTING ACTIVITIES				
- Additions to property, plant and equipment	(600)	(458)	(2,239)	(746)
- Proceeds from disposal of property, plant and equipment	17	-	63	964
Net cash flows (used in)/generated from investing activities	(583)	(458)	(2,176)	218
FINANCING ACTIVITIES				
- Interest expense paid	(384)	(478)	(791)	(979)
- Payment of principal portion of lease liabilities	(1,173)	(1,207)	(2,313)	(2,278)
- Repayment of bank borrowings	-	(530)	(4,035)	(965)
Net cash flows used in financing activities	(1,557)	(2,215)	(7,139)	(4,222)
Net increase in cash and cash equivalents	40,818	22,996	79,253	59,634
Cash and cash equivalents at the beginning of the period/year	144,838	83,419	106,340	46,219
Effect of currency translation on cash and cash equivalents	(224)	(75)	(161)	487
Cash and cash equivalents at the end of the period/year	185,432	106,340	185,432	106,340

In 2021, the Group is required to maintain certain minimum deposits with banks for banking facilities. Included in cash and cash equivalents are restricted cash \$12,700,000 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 and full year ended 31 December 2022 (“2H2022” and “12M2022”) 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 and full year ended 31 December 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 period ended 30 June 2022. 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.

	Group					
	6 months ended 31-Dec			12 months ended 31-Dec		
	Module Business	Ad-Hoc Projects	Total	Module Business	Ad-Hoc Projects	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2022						
Revenue						
Segment revenue to external parties	159,976	7,454	167,430	270,434	21,039	291,473
Segment gross profit	12,615	6,500	19,115	21,794	9,829	31,623
2021						
Revenue						
Segment revenue to external parties	99,226	14,624	113,850	195,959	24,251	220,210
Segment gross profit/(loss)	12,610	(1,801)	10,809	24,379	(2,073)	22,306

(a) Reconciliation

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

	Group			
	6 months ended 31-Dec-2022	6 months ended 31-Dec-2021	12 months ended 31-Dec-2022	12 months ended 31-Dec-2021
	\$'000	\$'000	\$'000	\$'000
Segment gross profit for reportable segments	19,115	10,809	31,623	22,306
Other income	3,513	3,345	5,862	7,024
Other expenses	(178)	-	(191)	-
Administrative expenses	(13,921)	(13,080)	(25,469)	(25,009)
Finance expenses	(2)	(67)	(14)	(142)
Profit before tax	8,527	1,007	11,811	4,179
Income tax credit	1,654	1,505	1,594	1,438
Net profit for the financial period/year	10,181	2,512	13,405	5,617

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

Group						
6 months ended 31-Dec			12 months ended 31-Dec			
Module Business	Ad-Hoc Projects	Total	Module Business	Ad-Hoc Projects	Total	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
2022						
<u>Geographical information:</u>						
Asia Pacific	128,816	7,454	136,270	170,774	16,129	186,903
Europe	31,160	-	31,160	99,660	4,910	104,570
	159,976	7,454	167,430	270,434	21,039	291,473
2021						
<u>Geographical information:</u>						
Asia Pacific	16,320	7,674	23,994	53,124	14,268	67,392
Europe	82,906	6,864	89,770	142,835	9,897	152,732
Americas	-	86	86	-	86	86
	99,226	14,624	113,850	195,959	24,251	220,210

(c) Timing of transfer of goods or service

Group						
6 months ended 31-Dec			12 months ended 31-Dec			
Module Business	Ad-Hoc Projects	Total	Module Business	Ad-Hoc Projects	Total	
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
2022						
<u>Timing of transfer of goods or service</u>						
Over time	159,976	7,454	167,430	270,434	21,039	291,473
	159,976	7,454	167,430	270,434	21,039	291,473
2021						
<u>Timing of transfer of goods or service</u>						
Over time	99,226	14,624	113,850	195,959	24,251	220,210
	99,226	14,624	113,850	195,959	24,251	220,210

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

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

4. Profit before tax

The Group's profit is stated after charging/(crediting):-

	Group					
	6 months ended 31-Dec-2022	6 months ended 31-Dec-2021	Change	12 months ended 31-Dec-2022	12 months ended 31-Dec-2021	Change
	\$'000	\$'000	%	\$'000	\$'000	%
The Group's profit is stated after charging/(crediting):-						
Amortisation of club membership	1	1	0.0%	1	2	-50.0%
Amortisation of deferred capital grants	(75)	(76)	-1.3%	(149)	(151)	-1.3%
Depreciation of property, plant and equipment	3,600	3,452	4.3%	7,118	6,864	3.7%
Depreciation of right-of-use assets	1,290	1,356	-4.9%	2,562	2,537	1.0%
Foreign exchange loss/(gain), net	196	(407)	NM	90	(174)	NM
(Gain)/loss on disposal of property, plant and equipment	(17)	-	NM	102	(52)	NM
Gain on striking-off of a subsidiary	-	(163)	NM	-	(163)	NM
Government grants income	(1,571)	(1,651)	-4.8%	(2,931)	(3,652)	-19.7%
Interest expenses	384	478	-19.7%	791	979	-19.2%
Interest income - bank deposits	(1,129)	(42)	>+200%	(1,333)	(67)	>+200%
Trade and other receivables written off	-	2	NM	-	2	NM
Rental income ^(Note 1)	(78)	(53)	47.2%	(128)	(100)	28.0%
Reversal of impairment loss on contract assets	-	(69)	NM	-	(69)	NM
Write-back of expected credit losses on trade and other receivables	(171)	(67)	155.2%	(197)	(67)	194.0%
Write-back of impairment loss on property, plant and equipment	-	-	NM	-	(910)	NM
Write-back of provision for onerous contract	-	-	NM	-	(177)	NM

Note 1 - Rental income comprises mainly of rental income from small administration office to subcontractors (31 December 2021 : rental income from small administration office to subcontractors and rental of barge).

NM - Not Meaningful

5. Taxation

The Group's calculation on the period income tax expense using tax rate that would be applicable to the expected total annual earnings, the major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group			
	6 months ended 31-Dec-2022	6 months ended 31-Dec-2021	12 months ended 31-Dec-2022	12 months ended 31-Dec-2021
	\$'000	\$'000	\$'000	\$'000
Income tax credit	1,654	1,505	1,594	1,438

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

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

6. Earnings per share

	Group			
	6 months ended 31-Dec-2022	6 months ended 31-Dec-2021	12 months ended 31-Dec-2022	12 months ended 31-Dec-2021
	Earnings per share (based on consolidated net profit attributable to equity holders):-			
Based on weighted average number of ordinary shares in issue (cents)	0.97	0.29	1.27	0.53
On a fully diluted basis (cents)	0.97	0.29	1.27	0.53
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	1,029,825	1,025,718	1,028,189	1,024,465
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	1,029,825	1,025,718	1,028,189	1,024,465

For 2H2022 and 12M2022, 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 31 December 2022, the Group acquired assets amounting to \$2,538,000 (31 December 2021: \$834,000), disposed off assets amounting to \$165,000 (31 December 2021: \$NIL) and write-back of impairment loss amounting to \$NIL (31 December 2021: \$910,000).

8. Borrowings

	Group			
	31-Dec-2022		31-Dec-2021	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less	-	-	1,083	-
Amount repayable after one year	-	-	2,952	-
	-	-	4,035	-

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

	31-Dec-2022		31-Dec-2021	
	Number of Ordinary Shares	Resultant issued share capital	Number of Ordinary Shares	Resultant issued share capital
	'000	\$'000	'000	\$'000
Share Capital				
Beginning of financial year	1,026,554	145,605	1,023,211	145,271
Issuance of new shares under share-based payment	3,955	491	3,343	334
End of financial year	1,030,509	146,096	1,026,554	145,605

Dyna-Mac Share Award Scheme 2021 (DMSAS 2021)

As at 31 December 2022, the number of contingent shares granted but not released were 4,771,000 (31 December 2021: 6,686,000) 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 4,771,000 under DMSAS 2021.

The Company does not hold any treasury shares as at 31 December 2022 and 31 December 2021.

10. Net asset value

	Group		Company	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
Net asset value per ordinary share based on existing share capital (cents)	4.19	2.89	11.27	9.01
Number of shares ('000)	1,030,509	1,026,554	1,030,509	1,026,554

11. Financial assets and financial liabilities

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

	Group		Company	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
	\$'000	\$'000	\$'000	\$'000
Financial Assets				
Cash and cash equivalents	185,432	106,340	4,305	195
Trade and other receivables	19,473	55,787	16	28
Deposits	811	463	-	-
Total undiscounted financial assets	205,716	162,590	4,321	223
Financial Liabilities				
Trade and other payables	78,974	75,710	220	1,195
Bank borrowings	-	4,035	-	-
Lease liabilities	28,584	30,831	-	-
Total undiscounted financial liabilities	107,558	110,576	220	1,195

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:

	Group			
	6 months ended 31-Dec-2022	6 months ended 31-Dec-2021	12 months ended 31-Dec-2022	12 months ended 31-Dec-2021
	\$'000	\$'000	\$'000	\$'000
<u>Transactions with a corporate shareholder and its related companies</u>				
Fabrication of topside modules and other ad-hoc services rendered	4,921	18,520	8,856	49,106
Sub-contracting and other ad-hoc services procured	(41)	(177)	(465)	(177)
<u>Transactions with related companies of a director</u>				
Corporate secretarial services procured	(42)	(35)	(61)	(56)

- (b) Key management personnel compensation

Key management personnel compensation is analysed as follows:

	Group			
	6 months ended 31-Dec-2022	6 months ended 31-Dec-2021	12 months ended 31-Dec-2022	12 months ended 31-Dec-2021
	\$'000	\$'000	\$'000	\$'000
Directors				
Short-term employee benefits	485	623	1,066	1,513
Post-employment benefits	12	34	29	71
Share-based payment	209	182	209	182
	706	839	1,304	1,766
Senior Management				
Short-term employee benefits	983	487	1,549	1,148
Post-employment benefits	44	35	89	87
Share-based payment	117	92	117	92
	1,144	614	1,755	1,327
	1,850	1,453	3,059	3,093

For the 12 months ended 31-Dec-2022, Teo Boon Hwee's remuneration for the first 6 months was included under the Director's category. He ceased to be alternate director to Lim Rui Ping of the Company with effect from 13 July 2022 and his remuneration thereafter was disclosed under Senior Management's category for the remaining months of the year.

13. Subsequent events

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 31 December 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 \$53.5m from \$113.9m in the six months ended 31 December 2021 (“2H2021”) to \$167.4m in the six months ended 31 December 2022 (“2H2022”) and increased by \$71.3m from \$220.2m in the twelve months ended 31 December 2021 (“12M2021”) to \$291.5m in the twelve months ended 31 December 2022 (“12M2022”). The increase was mainly due to higher progress achieved for the projects carried out in 2H2022 and 12M2022.

Gross profit increased by \$8.3m from \$10.8m in 2H2021 to \$19.1m in 2H2022 and increased by \$9.3m from \$22.3m in 12M2021 to \$31.6m in 12M2022. The increase was mainly due to higher revenue recognised coupled with higher profit margin achieved in 2H2022 and 12M2022.

Other income increased by \$0.2m or 5.0% from \$3.3m in 2H2021 to \$3.5m in 2H2022 and decreased by \$1.1m or 16.5% from \$7.0m in 12M2021 to \$5.9m in 12M2022. The increase in 2H2022 was mainly due to higher interest income and partially offset by lower forex gain and income earned from scrap. The decrease in 12M2022 was mainly due to a decrease in government grants, lower income earned from scrap, no write back of impairment loss on property, plant and equipment and partially offset by higher interest income.

Other expenses of \$0.2 million in 12M2022 were attributable mainly to forex loss and loss on disposal of property, plant and equipment.

Administrative expenses increased by \$0.8m or 6.4% from \$13.1m in 2H2021 to \$13.9m in 2H2022 and increased by \$0.5m or 1.8% from \$25.0m in 12M2021 to \$25.5m in 12M2022. This was mainly due to higher staff costs in 2H2022 and 12M2022.

The income tax credit of \$1.7m in 2H2022 and \$1.6m in 12M2022 arose from the recognition of deferred tax asset for carried forward tax losses that the Group expects to utilize and partially offset by income tax provision by its subsidiary.

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

Current assets

Total current assets increased by \$52.5m from \$167.6m as at 31 December 2021 to \$220.1m as at 31 December 2022.

Cash and cash equivalents increased by \$79.1m from \$106.3m as at 31 December 2021 to \$185.4m as at 31 December 2022 mainly due to higher collections from the projects carried out during the period.

Trade and other receivables decreased by \$27.7m from \$57.8m as at 31 December 2021 to \$30.1m as at 31 December 2022 mainly due to timely collection from customers.

Contract assets increased by \$0.6m from \$2.8m as at 31 December 2021 to \$3.4m as at 31 December 2022 mainly due to higher project progress achieved during the period.

Non-current assets

Non-current assets decreased by \$4.7m from \$60.2m as at 31 December 2021 to \$55.5m as at 31 December 2022 mainly due to depreciation of property, plant and equipment and right-of-use assets.

Current liabilities

Total current liabilities increased by \$38.6m from \$170.6m as at 31 December 2021 to \$209.2m as at 31 December 2022.

Trade and other payables increased by \$3.3m from \$75.7m as at 31 December 2021 to \$79.0m as at 31 December 2022 mainly due to higher payables recorded in line with higher progress achieved from the projects carried out.

Contract liabilities increased by \$36.9m from \$90.7m as at 31 December 2021 to \$127.6m as at 31 December 2022 mainly due to increase in advanced billings to customers.

Non-current liabilities

Total non-current liabilities decreased by \$4.8m from \$27.2m as at 31 December 2021 to \$22.4m as at 31 December 2022 mainly due to early settlement of bank borrowings.

Lease liabilities (Current and Non-current) decreased by \$1.6m 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 \$79.1m from \$106.3m as at 31 December 2021 to \$185.4m as at 31 December 2022.

Net cash flows generated from operating activities in 2H2022 and 12M2022 were \$43.0m and \$88.6m respectively mainly due to higher cash inflow from working capital.

Net cash flows used in investing activities in 2H2022 and 12M2022 were \$0.6m and \$2.2m respectively mainly due to additions to property, plant and equipment.

Net cash flows used in financing activities in 2H2022 and 12M2022 were \$1.6m and \$7.1m respectively 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.

While the global economic environment remains fragile amidst sustained inflation and rising interest rates, long-term industry fundamentals for the offshore oil and gas remain sound underpinned by sustained crude oil prices and projected increases in offshore exploration and production spending. Many oil and gas companies had achieved good results over the last year and are pushing ahead with their projects.

Mr Lim Ah Cheng, Executive Chairman and CEO of Dyna-Mac said “We are pleased to report that our team continues to deliver an improved set of results for the full year ended 31 December 2022 despite the competitive operating environment.

We would like to thank our employees and subcontractor partners for their hard work and commitment throughout the year.

Looking forward, 2023 will continue to be a busy year for Dyna-Mac as we are gradually ramp up production capacities to meet growing demands. Our team will continue to remain focused on ensuring that all our projects are completed within budget and on schedule and meeting high standards of quality, safety and reliability.

Dyna-Mac will be on the lookout for opportunities to further expand our yard and business operations and to position the Group to pursue new businesses to achieve sustainable growth. We will also explore inorganic growth opportunities.”

The Group has a net orderbook of \$412.3m as at 31 December 2022 with completion and deliveries stretching till 2024.

5. Dividends

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

Yes.

The Directors are pleased to recommend a final cash dividend of 0.29 cents per share tax exempt one-tier (2021: Nil) in respect of the financial year ended 31 December 2022 for approval by shareholders at the next Annual General Meeting to be convened.

Name of Dividend	Final FY2022
Dividend type	Cash
Dividend per share	0.29 cents
Tax rate	Tax exempt

**(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

The proposed final dividend if approved at the annual general meeting scheduled to be held on 25 April 2023 will be paid on 11 May 2023.

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

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

5. Dividends (Cont'd)

(d) Books closure date

Notice is hereby given that the Share Transfer Books and the Register of Members of the Company will be closed on 2 May 2023 at 5.00 p.m. for the preparation of dividend warrants. Duly completed transfers of ordinary shares (“Shares”) received by the Company's Registrar, M & C Services Private Limited, at 112 Robinson Rd, #05-01, Singapore 068902 up to 5.00 p.m. on 2 May 2023 will be registered to determine shareholders’ entitlement to the proposed final dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with Shares as at 5.00 p.m. on 2 May 2023 will be entitled to the proposed final dividend.

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

Not applicable.

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)	
		12 months ended 31-Dec-2022 \$'000	12 months ended 31-Dec-2021 \$'000	12 months ended 31-Dec-2022 \$'000	12 months ended 31-Dec-2021 \$'000
PURCHASES AND OTHER EXPENSES					
Green Scan Pte Ltd Subcontracting Services	Note 1	-	-	425	56
Asian Lift Pte Ltd Rental of floating crane/barge	Note 1	-	-	41	121
REVENUE					
Keppel Shipyard Limited Subcontracting Services	Note 1	-	-	8,856	49,106

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.

DYNA-MAC HOLDINGS LTD. AND ITS SUBSIDIARIES

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

8. Report of Persons Occupying Managerial Positions Who Are Related to a Director, Chief Executive Officer or Substantial Shareholder

Pursuant to Rule 704(11) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the particulars of persons occupying managerial positions in the Company who are related to the Directors, Chief Executive Officer or Substantial Shareholders of the Company are set as below:-

Name	Age	Family Relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Teo Boon Hwee	66	Uncle of Director, Ms Lim Rui Ping.	Chief Marketing Officer since 2011. Responsible for overseas expansion of business feasibilities, marketing, business development, contracts and commercial, tender and estimation, overseas project management in China, promotion advertising, clients' co-ordination and Government relationship including MPA, JTC and EDB.	Not Applicable.
Lim Rui Ping	38	Niece of Chief Marketing Officer, Mr Teo Boon Hwee.	Ms Lim Rui Ping has been appointed as the Non-Independent Non-Executive Director since November 2019.	Not Applicable.

9. 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.

10. 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 31 December 2022 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Lim Ah Cheng
Executive Chairman and Chief Executive Officer
21 February 2023