

DYNA-MAC HOLDINGS LTD.

Co. Reg. No. 200305693E
(Incorporated in Singapore)

RESPONSES TO SGX-ST QUERIES ON THE COMPANY'S UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The Board of Directors of Dyna-Mac Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the queries raised by Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 26 February 2024 in relation to the Company’s unaudited financial statements for the financial year ended 31 December 2023 (the “**2023 FS**”) posted on SGXNet on 20 February 2024.

SGX Query

Please disclose:

- (i) a breakdown of the Group’s trade and other receivables amounting to S\$30,138,000 as at 31 December 2022 and S\$37,875,000 as at 31 December 2023; and
- (ii) details of the Group’s underlying transactions of its other receivables and the terms of the transactions.

Company’s Response to SGX Query

- (i) Breakdown of the Group’s trade and other receivables as follows:

	Group	
	2023	2022
	\$’000	\$’000
Trade receivables		
- Non-related party	28,283	15,850
- Related party	2,480	2,631
	30,763	18,481
GST receivables	3,309	1,722
Interest receivables	1,032	951
Staff loans	28	29
Other receivables – non-related party	2,743	8,955
	7,112	11,657
	37,875	30,138

- (ii) The other receivables – non-related party mainly are advances made to suppliers and subcontractors. The amounts are consideration made to which the Group expects to be entitled in exchange for transferring promised goods or services from the suppliers and subcontractors at a later date.

SGX Query

Please disclose a breakdown of trade and other payables amounting to S\$78,974,000 as at 31 December 2022 and S\$80,027,000 as at 31 December 2023. For other payables, please disclose the aging and nature of these other payables and whether the counterparties are related parties.

Company's Response to SGX Query

Breakdown of trade and other payables as below:

	Group	
	2023	2022
	\$'000	\$'000
Trade payables	19,966	30,882
Other payables	60,061	48,092
• Amount due to related parties	18	18
• Accrued operating expenses ^(a)	52,557	43,105
• Retention payables ^(b)	7,466	4,487
• Other payables	20	482
	<u>80,027</u>	<u>78,974</u>

(a) Accrued operating expenses pertains to cost incurred for our projects for which suppliers and subcontractors' invoices have not been received as at year end. The amount will due once invoiced by suppliers and subcontractors which normally settled on 30 to 60 days' terms.

(b) Retention payables pertains to retention sums withheld from subcontractors and will be paid upon completion of work by the subcontractors, and is expected to be paid within 12 months from year end.

SGX Query

Please explain the increase in right-of-use assets from \$23,484,000 as at 31 December 2022 to \$45,722,000 as at 31 December 2023.

Company's Response to SGX Query

The increase in right-of-use assets of \$22,238,000 mainly arose from the allocation of lease of 4.2 ha yard from JTC, alongside with the existing yard leases along Gul Road being extended to year 2050. Please find [General Announcement::Dyna-Mac Secures JTC Lease to Boost Fabrication Capacity, Wins LowCarbonSG Logo Award \(sgx.com\)](#) for more information.

BY ORDER OF THE BOARD

Lim Ah Cheng
Executive Chairman and Chief Executive Officer
28 February 2024