

**GRAND BANKS YACHTS LIMITED**

(Company Reg. No.: 197601189E)

274 Upper Bukit Timah Road #03-16

Singapore 588213

## Grand Banks Yachts 2Q 2015 Revenue Rises 33.6% To S\$12.7M; Fresh Orders Lift Order Book 44.0% To S\$25.2M

(ending 31 December)	2Q'15 S\$'000	2Q'14 S\$'000	Change %	1H'15 S\$'000	1H'14 S\$'000	Change %
Revenue	12,678	9,488	33.6	19,195	19,005	1.0
Gross Profit	2,221	2,012	10.4	2,840	3,786	(25.0)
Total Operating Expenses	(1,962)	(1,660)	18.2	(4,105)	(3,839)	6.9
Profit/(Loss) Before Taxation	393	289	36.0	(944)	(273)	245.8
Net Profit/(loss) for the Period	58	269	(78.4)	(1,212)	(310)	291.0
EBITDA*	1,156	674	71.5	393	524	(25.0)

\*EBITDA is shown given the non-cash expenses associated with the acquisition of Palm Beach Motor Yacht Co Pty Ltd

**SINGAPORE, 10 February 2015 – Grand Banks Yachts Limited (“Grand Banks” or “the Group”)** announced today that it had secured seven new yacht orders and sold two inventory yachts for the quarter ended 31 December 2014 (“2Q 2015”), its best quarter of orders booked in two and half years, lifting the order book 44.0% to S\$25.2 million.

The SGX Mainboard-listed builder of two luxury boat brands said its new U.S. sales strategy – including more direct involvement of its senior executives and joint marketing for the Grand Banks and Palm Beach brands at boat shows – has begun to gain traction, riding on the increasing demand for luxury yachts in the United States and Asia.

Grand Banks said the nine yachts – comprising eight Grand Banks yachts and one Palm Beach yacht – include two inventory yachts for immediate delivery and orders for seven new yachts. Revenue from the former was recognised in 2Q 2015 while revenue for the latter will be recognised over the 2015 and 2016 financial years (ending 30 June).

Concurrently, the Group also reported its results for 2Q 2015, which showed a net profit after tax of S\$0.1 million, compared to S\$0.3 million in 2Q 2014 while earnings before interest, taxes, depreciation and amortisation (“EBITDA”) increased 71.5% to S\$1.2 million compared to S\$0.7 million over the comparative periods.

The Group’s revenue for 2Q 2015 increased 33.6% to S\$12.7 million from S\$9.5 million in 2Q 2014, due to the sale of two inventory yachts. Gross profit of S\$2.2 million was comparable to that of 2Q 2014. However, gross profit margin declined to 17.5% from 21.2% across the comparative periods.

Total operating expenses increased to S\$2.0 million in 2Q 2015 from S\$1.7 million in 2Q 2014 mainly due to higher administrative expenses after the appointment of a new executive and inclusion of Palm Beach expenses. This was mitigated by lower salaries

after restructuring sales offices in United States and Australia. Other operating income declined significantly due to the recovery of doubtful debts in 2Q 2014.

Profit per share for 2Q 2015 was 0.03 cent while net asset value per share stood at 27.43 cents as at 31 December 2014.

For the six months ended 31 December 2014 (“2H 2015”), the Group recorded revenue of S\$19.2 million, compared to S\$19.0 million from 2H 2014. The Group’s net loss increased to S\$1.2 million in 2H 2015 from S\$0.3 million a year ago.

Cash and cash equivalents increased to S\$20.0 million as at 31 December 2014 from S\$17.2 million as at 30 September 2014, lifted by the proceeds from the sale of two inventory yachts.

The Group’s aggregate net order book increased 44.0% to approximately S\$25.2 million as at 31 December 2014 from S\$17.5 million as at 30 September 2014.

To accelerate marketing efforts, the Group will be participating in several major boat shows including the upcoming Miami International Boat Show – where it will be debuting the newest Palm Beach model, the first 52-foot yacht – and the Singapore Yacht Show two months later.

Mr. Mark Richards, Chief Executive Officer of Grand Banks, said, “The surge in boat orders this quarter underscores the success of our joint marketing efforts as we work towards integration of both brands. Concurrently, we are also upgrading our range of yachts as well as building new Grand Banks and Palm Beach models, three of which will be introduced later this fiscal year. ”

Mr. Heine Askaer-Jensen, Chairman of Grand Banks, said, “We continue to drive synergies between both Grand Banks and Palm Beach through integrating and streamlining our operations in both our manufacturing locations in Malaysia and Australia. We remain committed to drive value to our shareholders in the long run as we work towards increasing our order book under both brands.”

**## End of Release ##**

### **About Grand Banks Yachts Limited**

With a renowned legacy that dates back to 1956, Singapore-based Grand Banks Yachts Limited is a global brand well known for its vast experience in manufacturing and selling luxury motor yachts. The Grand Banks brand is recognized across the globe for superior quality and craftsmanship which created one of the most acclaimed and highly sought-after yachts in the market today. The Group's manufacturing facility is located in Pasir Gudang in Malaysia. Grand Banks was listed on the SGX in 1987 and upgraded to the Main Board in 1993.

In 2014, Grand Banks underwent its first acquisition – of Palm Beach Motor Yacht Co Pty Ltd (“Palm Beach”), a manufacturer of luxury yachts with a reputation for impeccable quality that combines cutting-edge technology and modern designs. Palm Beach has its manufacturing facility at Berkeley Vale, Sydney, Australia, and builds yachts ranging between 42 feet to 65 feet.

For more information, visit: [www.grandbanks.com](http://www.grandbanks.com); [www.pbmotoryachts.com](http://www.pbmotoryachts.com)

#### **Grand Banks Yachts Limited contact:**

Peter Poli, Chief Financial Officer  
274 Upper Bukit Timah Road #03-16  
Singapore 588213  
Tel: (65) 6545 2929  
Peter Poli, [peterp@grandbanks.com](mailto:peterp@grandbanks.com)

#### **Investor/Media Relations contact:**

**WeR1 Consultants Pte Ltd**  
38A Circular Road, Singapore 049394  
Tel: (65) 6737 4844  
Ian Lau, [ianlau@wer1.net](mailto:ianlau@wer1.net)  
Sheryl Sim, [sheryl@wer1.net](mailto:sheryl@wer1.net)