

Grand Banks Yachts' 1H FY2024 PAT Rises 91.7% to S\$6.9 Million; Revenue and GP Margin Increase on Higher Boat-Building Activities; Declares Interim Dividend of 0.5 Cent Per Ordinary Share

As at 31 December S\$'000	1H FY2024	1H FY2023	Change (%)
Revenue	65,007	50,215	29.5
Gross Profit	23,624	14,134	67.1
Gross Profit Margin (%)	36.3	28.1	8.2 ppt*
Total Operating Expenses	(12,654)	(9,595)	31.9
Profit Before Tax	10,468	4,352	140.5
Profit After Tax	6,928	3,614	91.7

*ppt: percentage points

SINGAPORE, 13 February 2024 – Grand Banks Yachts Limited (“Grand Banks” or the “Group”) announced today a 91.7% increase in profit after tax for the six months ended 31 December 2023 (“1H FY2024”) to S\$6.9 million amid higher revenue and gross profit margin as it accelerated construction and sales of luxury boats.

To reward shareholders for their loyalty, the SGX-Mainboard-listed Company has declared an interim dividend of 0.5 cent per ordinary share, its first interim dividend since 2008.

Revenue for the builder of world-renowned Grand Banks, Palm Beach and Eastbay motor yacht brands rose 29.5% in 1H FY2024 to S\$65.0 million from S\$50.2 million in 1H FY2023 as production activity increased at its facility in Pasir Gudang, Johor, Malaysia.

Gross profit for 1H FY2024 grew 67.1% to S\$23.6 million (1H FY2023: S\$14.1 million), outpacing revenue growth. Significantly, gross profit margin improved to 36.3% in 1H FY2024 from 28.1% in 1H FY2023 amid improved production efficiencies and revised boat prices.

Total operating expenses increased to S\$12.7 million in 1H FY2024 from S\$9.6 million in 1H FY2023, mainly due to higher costs relating to boat shows, marketing, professional services as well as commission expenses as sales activities increased.

Earnings per ordinary share for 1H FY2024 rose to 3.75 cents from 1.96 cents a year ago, while net asset value per ordinary share increased to 39.77 cents as at 31 December 2023 from 37.44 cents as at 30 June 2023.



Cash flows from operating activities registered S\$8.9 million for 1H FY2024 compared to S\$11.6 million a year ago. The positive cash flows in 1H FY2024 was mainly due to the higher profit during the period under review, lower inventories and an increase in contract liabilities. This was partially offset by higher receivables and contract assets, as well as a decrease in payables.

The Group secured 11 new boat orders during the period under review, similar to 1H FY2023, while net order book stood at S\$137.3 million as at 31 December 2023 compared to S\$159.4 million as at 30 June 2023. The strong order book, combined with the Group's robust balance sheet, will serve as a buffer against headwinds such as supply chain disruptions arising from geopolitical uncertainties, and macroeconomic challenges.

The Group has begun building a new factory at its Pasir Gudang yard which, upon completion, will increase total shopfloor space by more than 25%. The expansion will increase production capacity and internal efficiencies, shorten wait times and facilitate construction of bigger, sleeker, more fuel-efficient yacht models.

Mr. Heine Askaer-Jensen, Chairman of Grand Banks, said "Grand Banks has achieved a steady performance, from an alluring product program in combination with the strong execution ability of the management team. To recognise shareholders' loyalty, we have declared an interim dividend of 0.5 cent per ordinary share."

Mr. Mark Richards, Chief Executive Officer of Grand Banks, said, "Our performance shows we are reaping early successes in our efforts to ramp up production and reduce lead times. We continue to see healthy demand and visitor volume at recent boat shows, reflected in 11 new boat orders in the reporting period.

"The expansion at our Pasir Gudang yard will enhance our manufacturing capabilities and help us achieve faster delivery times. On the sales and marketing front, we are developing our service yard in Stuart, Florida, USA to provide even better after-sales services in order to cement our presence in the USA, our main market."

End of Release



About Grand Banks Yachts Limited

Grand Banks, a renowned manufacturer of luxury recreational motor yachts for more than 60 years, has designed and developed vessels that have become icons among boaters across the globe. While staying true to this heritage, Grand Banks continues to defy the expectations of yachtsmen with its timeless style, unique innovation and unyielding commitment to quality.

The Group manufactures yachts under the Grand Banks, Eastbay and Palm Beach brands out of its manufacturing yard at Pasir Gudang, Johor, Malaysia and provides customer support out of its service yards at Stuart, Florida, USA and Newport, New South Wales, Australia. The yachts, which range between 42 feet and 85 feet, have a reputation for impeccable quality that delivers unrivalled performance.

Grand Banks was listed on the Singapore Exchange Limited ("SGX") in 1987 and upgraded to the Main Board in 1993.

For more information, visit: www.grandbanks.com; www.palmbeachmotoryachts.com

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