

# GRAND BANKS YACHTS LIMITED

FY2018 BRIEFING • 30 AUGUST 2018





# ABOUT THE COMPANY

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- Founded in 1956; listed on the Singapore Exchange Limited (“SGX”) in 1987, upgraded to SGX Mainboard in 1993
- Renowned manufacturer of iconic, high-quality luxury cruising yachts
- Acquired Australia-based Palm Beach Motor Yachts (“Palm Beach”) in 2014 after five consecutive years of losses
- Appointed Palm Beach founder and champion sailor Mark Richards as CEO to spearhead turnaround
- Now manufactures yachts under the Grand Banks and Palm Beach brands
- Two main production yards: Pasir Gudang (Johor, Malaysia) and Berkeley Vale (Sydney, Australia)

# OUR YACHTS



## CURRENT PRODUCT LINEUP



# OUR YACHTS

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**EASTBAY 44**



**GRAND BANKS 60**



# YACHT FEATURES



TOP-NOTCH FUEL EFFICIENCY



STRATEGIC CARBON-FIBER  
CONSTRUCTION



ADVANCED DESIGN,  
ENHANCED STABILITY



SPACIOUS & CUSTOMISABLE  
INTERIORS

# SALES MODEL

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- **Factory-direct sales model allows us to maintain strong customer relationships**
  - Top consultants boast decades of experience and unmatched industry knowledge
  - Represented in Southeast Asia, Australia, Europe and across the U.S.
  - Able to conduct training sessions for new yacht owners
- **Full-time factory-employed team delivers yachts directly to dock**
  - Consultants available on-demand; optional equipment pre-installed
  - On-site services supplemented by service centres worldwide

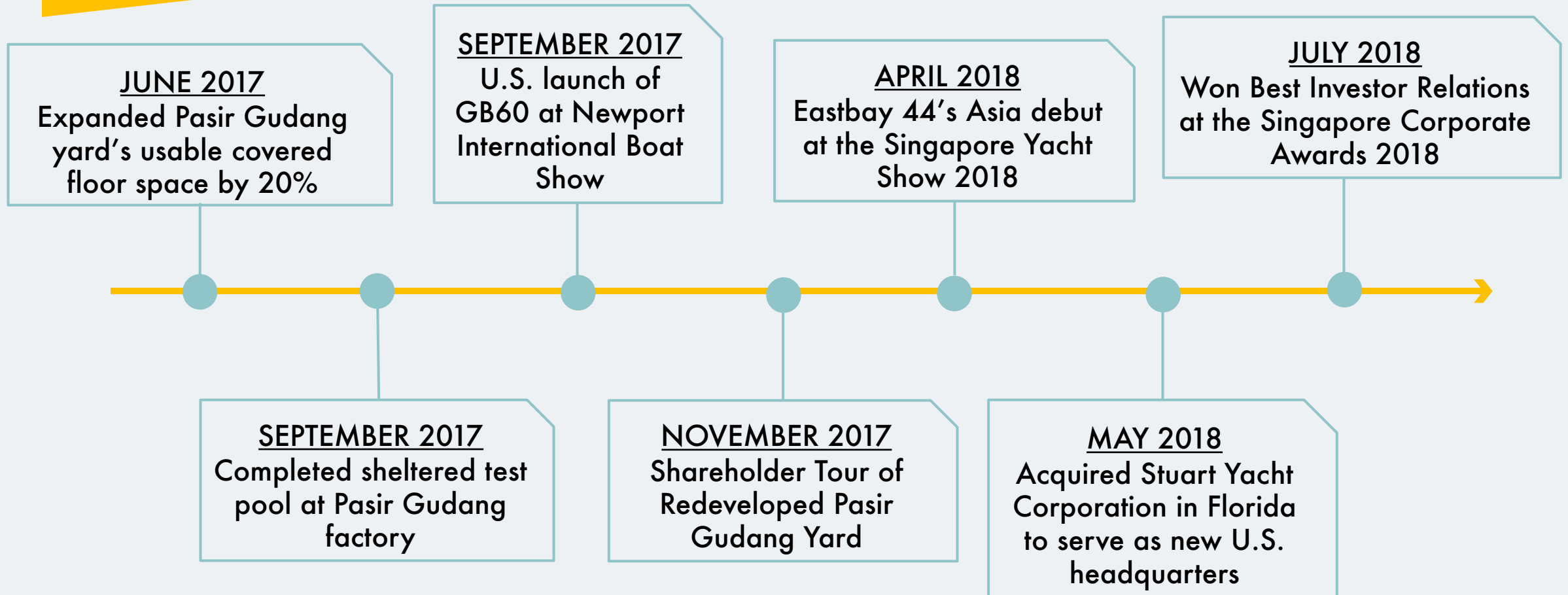


# YEAR IN REVIEW

30 JUNE 2017 – 30 JUNE 2018



# COMPANY MILESTONES





# REDEVELOPED YARD AT PASIR GUDANG



# SHAREHOLDERS' YARD TOUR





# STUART YACHT CORPORATION

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# BEST INVESTOR RELATIONS AWARD





# FINANCIAL HIGHLIGHTS

30 JUNE 2017 – 30 JUNE 2018



# INCOME STATEMENT

## FY2018

S\$ ('000)	FY2018	FY2017	Change (%)
Revenue	83,492	58,701	42.2
Gross Profit	21,068	10,528	100.1
Gross Profit Margin (%)	25.2	17.9	7.3 ppt
Total Operating Expenses	(15,296)	(9,881)	54.8
Profit Before Tax	5,902	930	534.6
Tax Credit/(Expense)	3,561	(409)	N.M.#
Net Profit	9,463	521	N.M.#
Earnings Per Share* (cents)	5.14	0.28	N.M.#

\* Weighted Average Basis

# Denotes Not Meaningful

# INCOME STATEMENT

## 4Q FY2018

S\$ ('000)	4Q FY2018	4Q FY2017	Change (%)
Revenue	17,991	19,901	(9.6)
Gross Profit	6,895	3,736	84.6
Gross Profit Margin (%)	38.3	18.8	19.5 ppt
Total Operating Expenses	(4,086)	(2,507)	63.0
Profit Before Tax	2,699	2,086	29.4
Tax Credit/(Expense)	3,542	(1,074)	(429.8)
Net Profit	6,241	1,012	516.7
Earnings Per Share* (cents)	3.39	0.55	516.4

\*Weighted Average Basis



# BALANCE SHEET

## AS AT 30 JUNE 2018

S\$ ('000)	30 Jun 18	30 Jun 17	Change (%)
Total Assets	82,248	67,492	21.9
Total Liabilities	26,214	22,277	17.7
Total Equity	56,034	45,215	23.9
Cash and Cash Equivalents	8,437	15,871	46.8
Net Asset Value Per Share (cents)	30.41	24.54	23.9

# FINANCIAL REVIEW

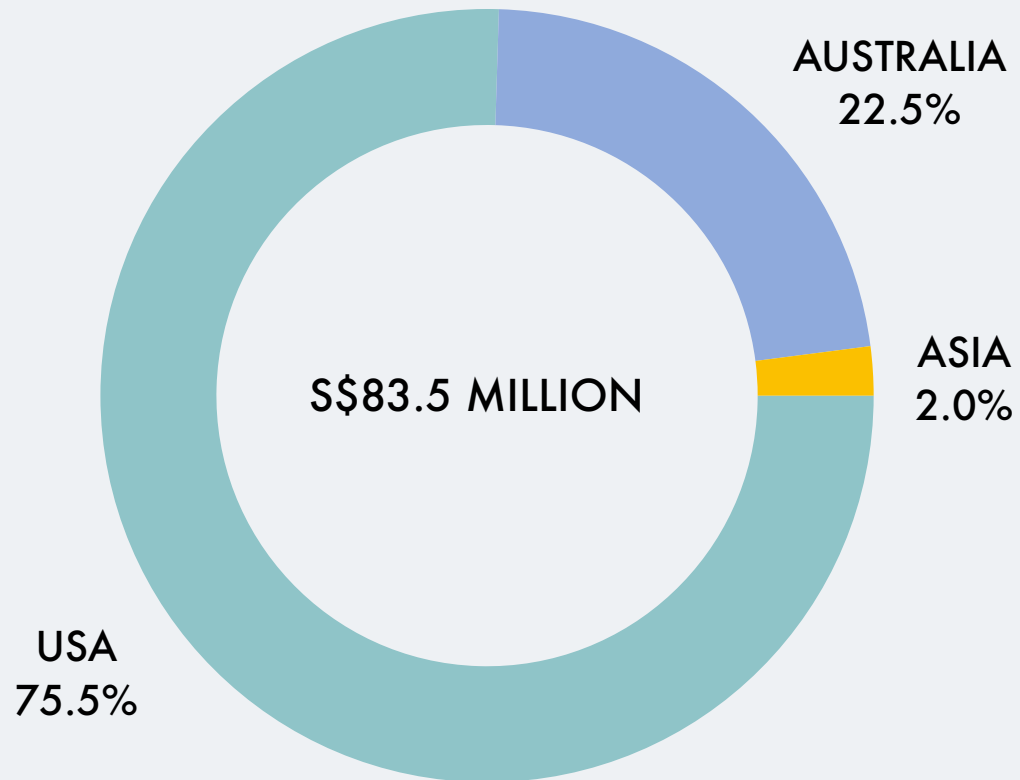
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- FY2018 marks Grand Banks Yachts' third consecutive full-year profit and highest in 10 years
- Profit surged 18-fold from FY2017 due to strong boat sales, higher margins and tax credit
- Healthy net order book of S\$32.8 million as at 30 June 2018 (22 new orders in FY2018)
- Improved margins attributed to more efficient production at redeveloped Pasir Gudang Yard
  - More boats completed and delivered this financial year
  - More stock boats, trade-in boats sold
  - Increase in the number of bigger, higher-margin boats being built

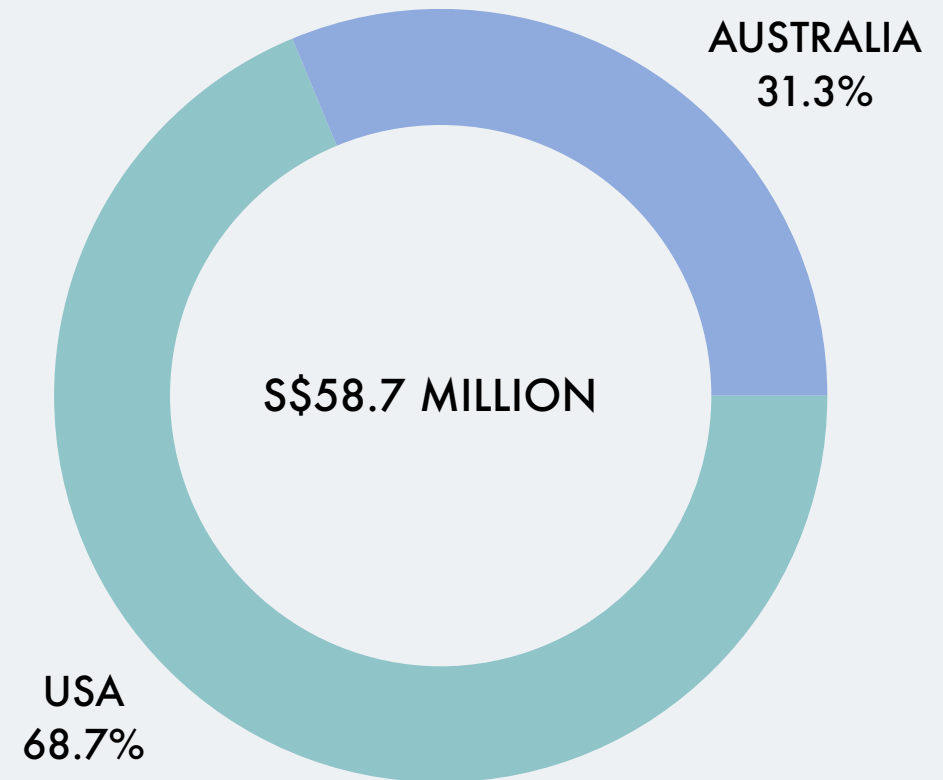


# REVENUE BREAKDOWN

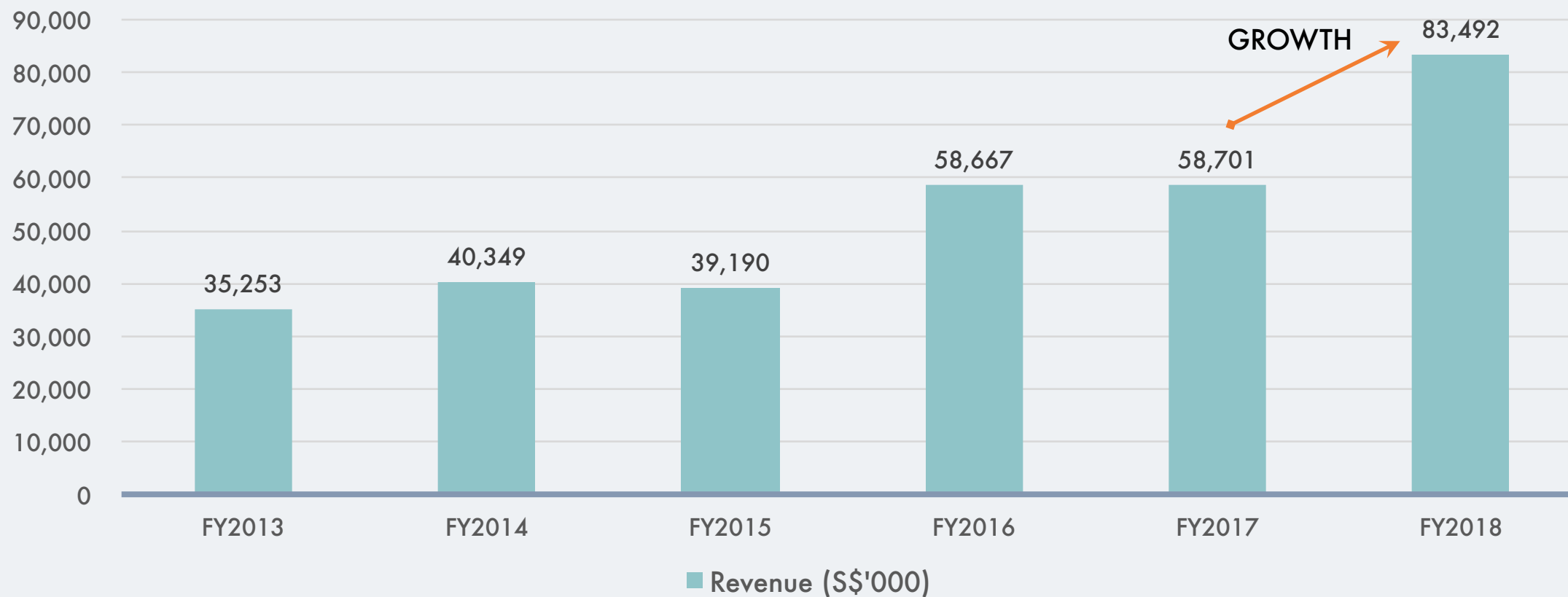
FY2018



FY2017

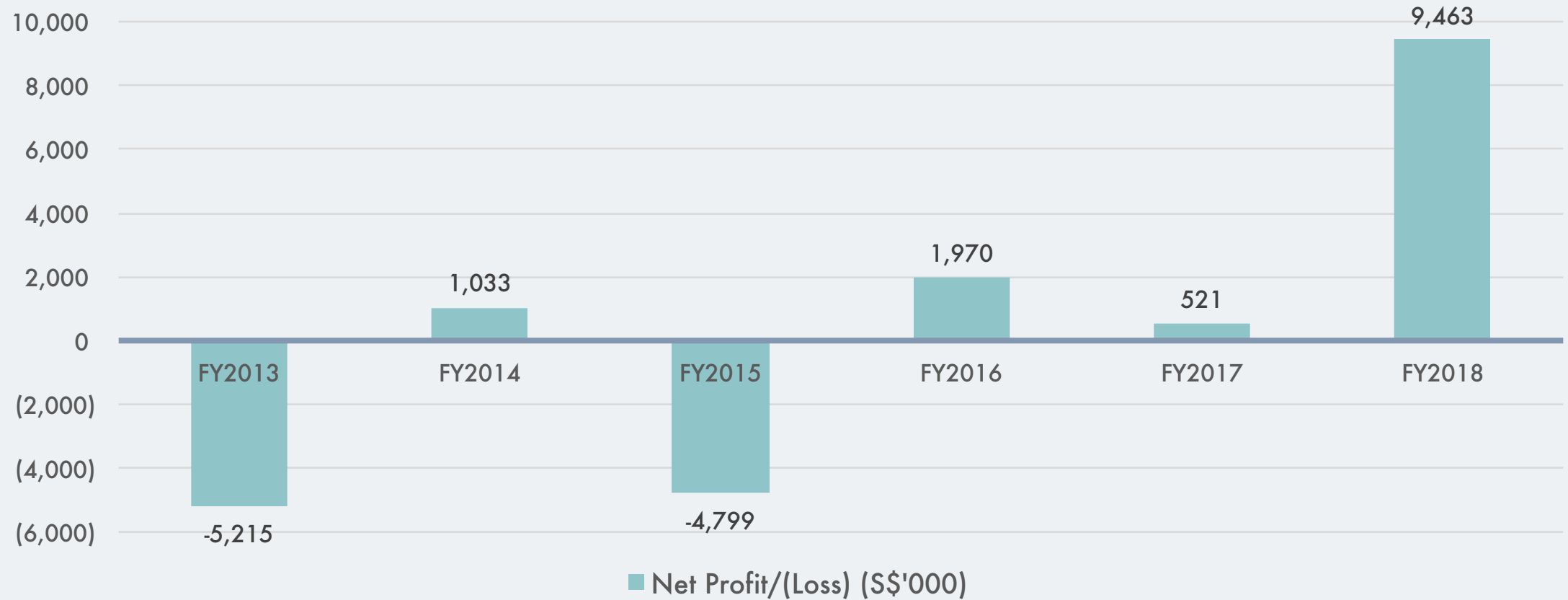


# REVENUE 5-YEAR CHART





# NET PROFIT/(LOSS) AFTER TAX 5-YEAR CHART

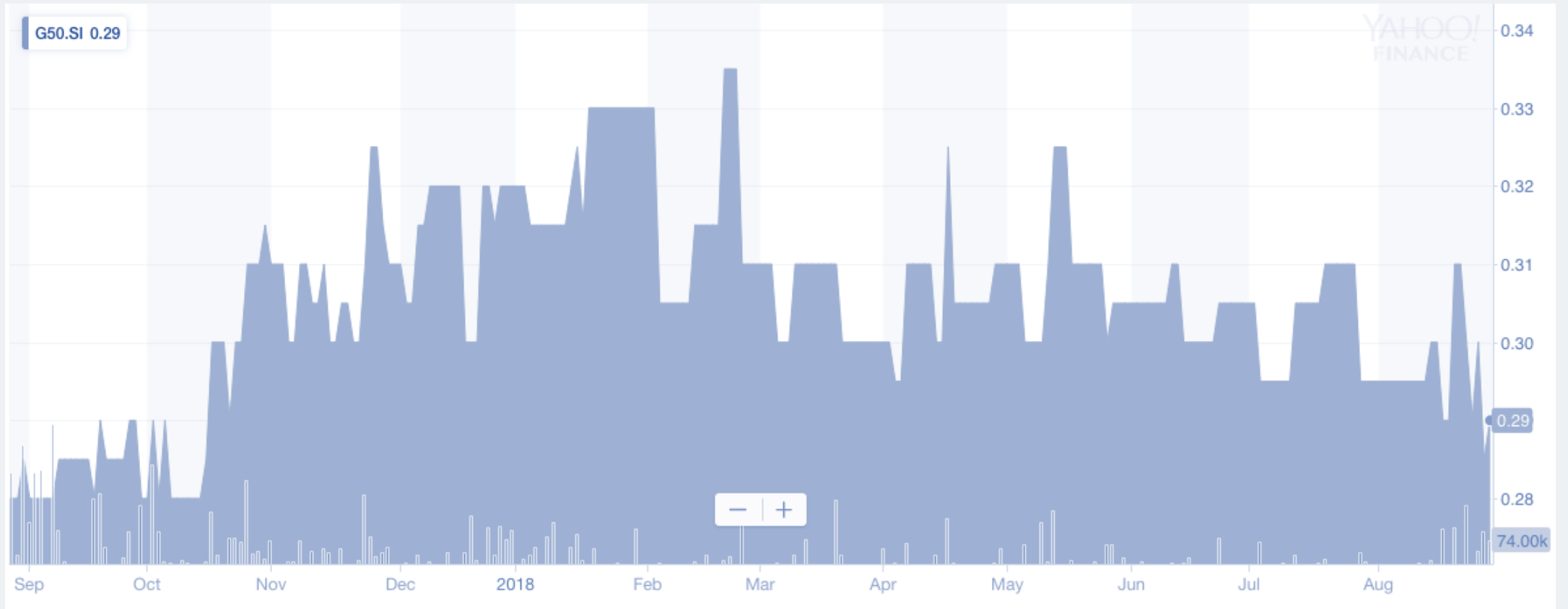


# STOCK DATA & OUTLOOK





# STOCK OVERVIEW



As at 29 August, 5:30 pm

# STOCK DATA & DIVIDEND

Basic Share Data	As at 30 Aug 2018, 9:15 AM
Share Price	S\$0.345
No. of Issued Shares	184.2 million
Market Capitalisation	~S\$63.6 million
P/E Ratio <sup>1</sup>	~6.7x
Proposed Dividend <sup>2</sup>	S\$0.005
Net Asset Value Per Share <sup>3</sup>	S\$0.30

<sup>1</sup>Market price per share / Earnings per share for the year ended 30 June 2018

<sup>2</sup>Pending shareholders' approval at the next Annual General Meeting

<sup>3</sup>As at 30 June 2018

# OUTLOOK

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- Higher investment in new yacht models and upgrades to Pasir Gudang facility translate into enhanced boat designs and upgraded production capabilities
- Currently building the Grand Banks 52, a new long-range cruiser, which will debut in 2019
- Greater presence in U.S., the world's largest boat market, through acquisition of the Stuart Yacht Corporation in Florida
- Will continue to boost profile of both its boat brands by marketing at leading boat shows



# THANK YOU • Q&A

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## MEDIA & INVESTOR CONTACT

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**GB** GRAND BANKS YACHTS