

TRIYARDS buys into aluminium shipbuilding expertise; reports US\$26.7m FY14 PATMI

- ◆ **A\$23.3m purchase of shipbuilding & fabrication company Strategic Marine**
- ◆ **Adds yard capacity of 147,600m²; Strategic Marine's Vietnam yard proximity to current facility in VungTau offers operational synergies**
- ◆ **Purchase is in line with vision to build name in fabrication & engineering solutions and grow income streams**

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For immediate release

TRIYARDS Holdings Limited (TRIYARDS or the Group), an offshore vessel fabrication and engineering solutions provider to the oil and gas (O&G) industry, has added new capabilities, products and clients with its latest acquisition of experienced shipbuilding and fabrication companies, Strategic Marine (S) Pte Ltd and Strategic Marine (V) Co. Limited (collectively termed Strategic Marine).

Strategic Marine has been building aluminium and steel vessels as well as complex aluminium and steel structures for the marine infrastructure and mining sectors for over 10 years. Its two yards – one in Vung Tau, Vietnam, and the other in Singapore – with a total area of 158,648m² will increase the Group's yard capacity by over 67% (excluding Houston). Strategic Marine's Vietnam yard (area: 147,600 m²) is also strategically sited very close to TRIYARDS' existing 134,000 m² Vung Tau facility and offers operational synergies and room for growth.

TRIYARDS' Chief Executive Officer, Mr Chan Eng Yew, said: "Strategic Marine is a good fit for TRIYARDS as we work to build our name in fabrication and engineering solutions and move beyond the construction of Oil & Gas product lines adding capabilities and products which would target a wider clientele base.

"Besides immediately expanding our product range, we will also have access to the client and market base of Strategic Marine. On top of this, the increased yard space gives us flexibility to grow our ship repair and ship conversion income."

The deal was funded by cash and the Group's recent share placement proceeds of S\$20.65 million. The share placement, in which 29.5 million new shares were issued at S\$0.70 each, was completed on 29 September 2014.

TRIYARDS also announced its results for the full year ended 31 August 2014 (FY14). Net attributable profit (PATMI) came in at US\$26.7 million on a revenue of US\$268.6 million which was supported by ongoing work on three liftboats – two units of the enhanced BH 335 design and one unit from the proprietary-design BH 450 series which are nearing completion.

For the fourth quarter (4QFY14), TRIYARDS reported strong net cash generated from operating activities of US\$27.6 million against an outflow of US\$20.1 million previously, affirming the Group's tight working capital management. With the improved cash flow, TRIYARDS maintained its net gearing at 0.5 times.

Commenting on prospects, Mr Chan said: "Our future earnings will be enhanced by our newly acquired aluminium shipbuilding and fabrication capabilities and the rising momentum of our liftboat contract wins. We have set our sights to be one of the few Asian players able to construct hybrid steel and aluminium vessels and complex structures."

ABOUT THE COMPANY

www.triyards.com ♦ SGX mainboard listing: October 2012

TRIYARDS offers a broad spectrum of engineering and fabrication services that are marketed under the “TRIYARDS” brand. The Company currently owns and operates fabrication yards in Ho Chi Minh City and Vung Tau in Vietnam, as well as yards in Houston in the United States (TRIYARDS Houston) and Singapore.

The Group’s recent acquisition of experienced aluminium shipbuilders Strategic Marine (S) Pte. Ltd. and Strategic Marine (V) Company Limited adds both new fabrication capacity as well as engineering capabilities.

TRIYARDS’ yards in Vietnam are equipped with heavy-lift gantry cranes and deepwater berths, and both yards have the capability to undertake large-scale projects to fabricate different components of fixed platforms, as well as vessel conversion and construction.

TRIYARDS Houston produces equipment such as cranes, A-frames and winches, which can be installed on the self-elevating units and offshore support and construction vessels fabricated in Vietnam.

FOR FURTHER ENQUIRIES

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