

**GRAND BANKS YACHTS LIMITED**  
**FY2016 RESULTS BRIEFING**





# FY2016 **FINANCIAL HIGHLIGHTS**

# FY2016 FINANCIAL HIGHLIGHTS

## INCOME STATEMENT

S\$ ('000)	4Q2016	4Q2015	Change (%)	FY2016	FY2015	Change (%)
Revenue	15,978	13,675	16.8	58,667	39,190	49.7
Gross Profit	1,528	536	185.1	10,197	3,873	163.3
Gross Profit Margin (%)	9.6	3.9	5.7 ppt	17.4	9.9	7.5 ppt
Total Operating Expenses	(2,163)	(2,519)	(14.1)	(9,038)	(8,609)	5.0
Profit/(Loss) Before Tax	(1,011)	(2,427)	(58.3)	1,268	(4,538)	N.M.
Tax Credit/(Expense)	1,018	(16)	N.M.	702	(261)	N.M.
Net Profit/(Loss)	7	(2,443)	N.M.	1,970	(4,799)	N.M.
Earnings/(Loss) Per Share (cents)	1.07 as at 30 Jun 2016			(2.62) as at 30 Jun 2015		

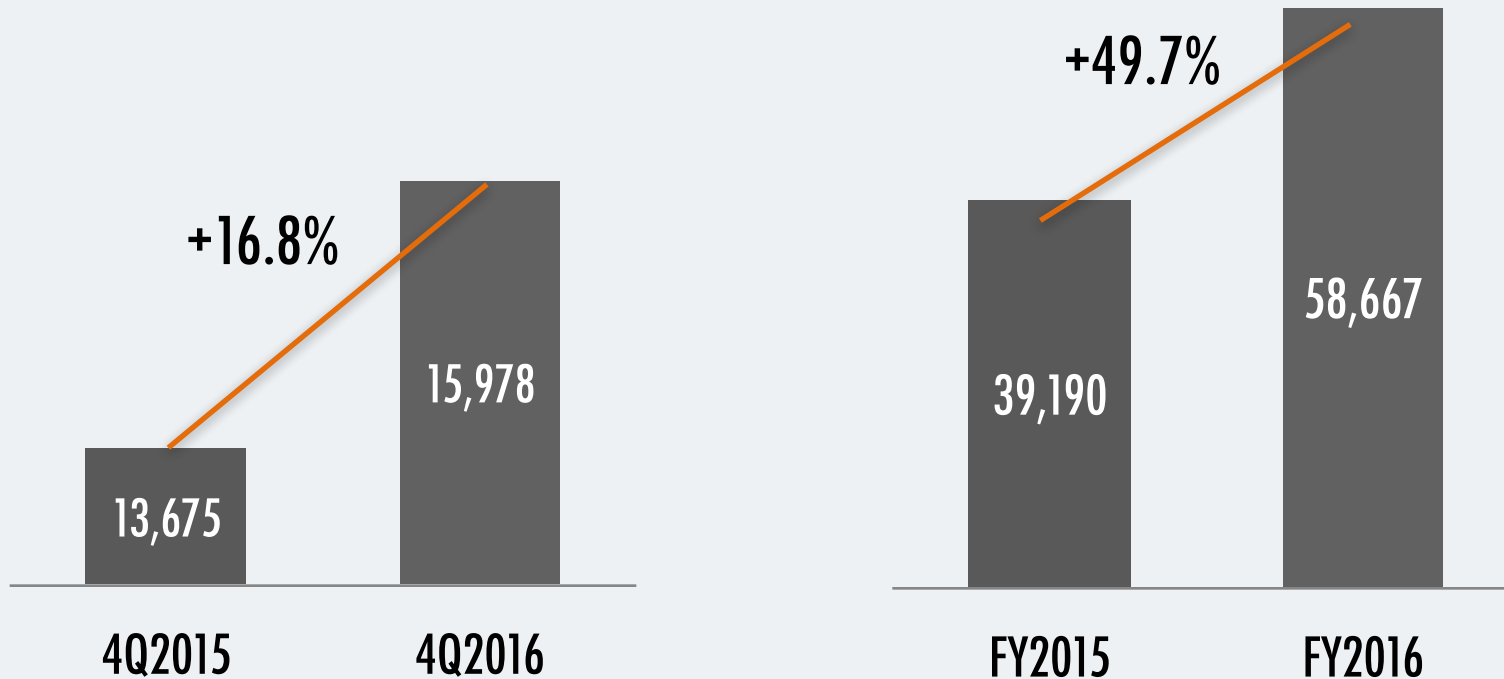
# FY2016 FINANCIAL HIGHLIGHTS

## BALANCE SHEET

S\$ ('000)	30 Jun 16	30 Jun 15	Change (%)
Total Assets	65,090	62,247	4.6
Total Liabilities	19,615	17,444	12.4
Total Equity	45,475	44,803	1.5
Cash and Cash Equivalents	16,350	21,701	(24.7)
Net Asset Value Per Share (cents)	24.71	24.34	1.5

# FY2016 FINANCIAL HIGHLIGHTS

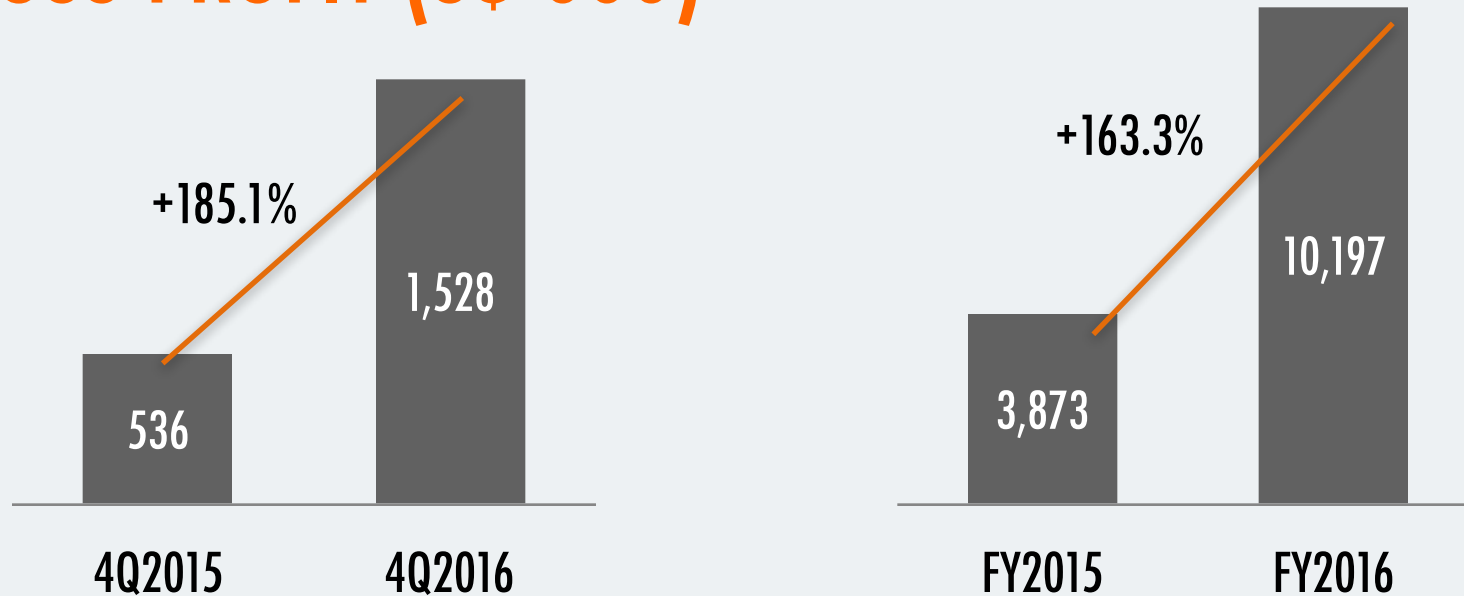
## REVENUE (S\$'000)



- The higher revenue was a result of more yachts achieving construction milestones, receipt of orders, and the sale of inventory yachts

# FY2016 FINANCIAL HIGHLIGHTS

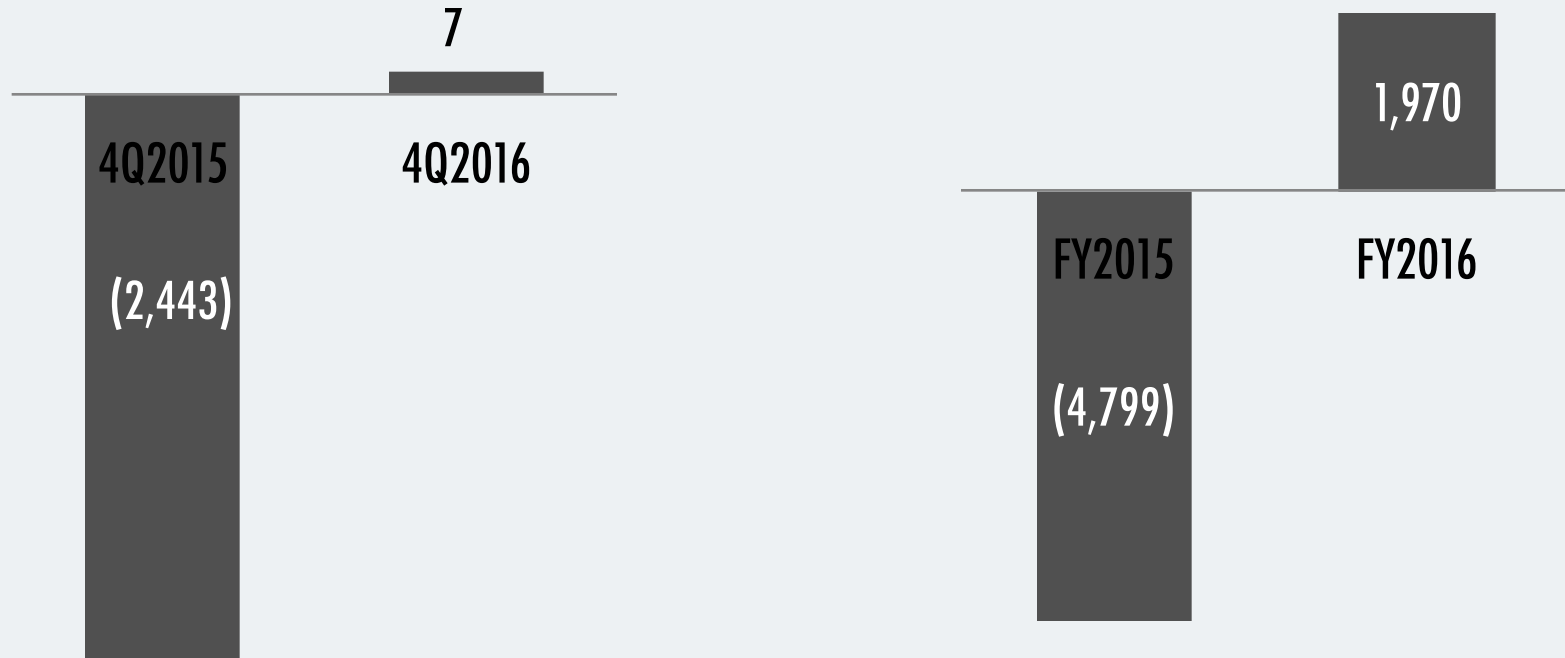
## GROSS PROFIT (S\$'000)



- 4Q2016 vs 4Q2015: GPM increased to 9.6% from 3.9%
- FY2016 vs FY2015: GPM increased to 17.4% from 9.9%
- Higher margins were a result of initiatives undertaken to integrate both brands:
  - Streamlining internal and operational efficiencies
  - Adoption of factory-direct sales model
  - Increased marketing efforts
  - Enhancement of manufacturing processes

# FY2016 FINANCIAL HIGHLIGHTS

## NET PROFIT (S\$'000)

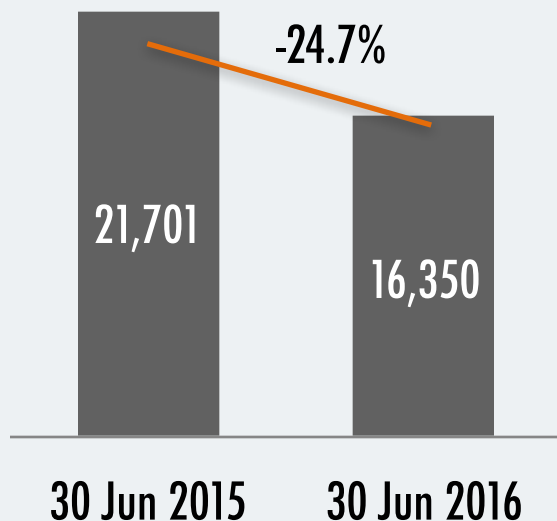


- Net profit of S\$2.0 million represents the Group's highest net profit in eight years

# FY2016 FINANCIAL HIGHLIGHTS

## CASH POSITION

### Cash and Cash Equivalents (S\$'000)



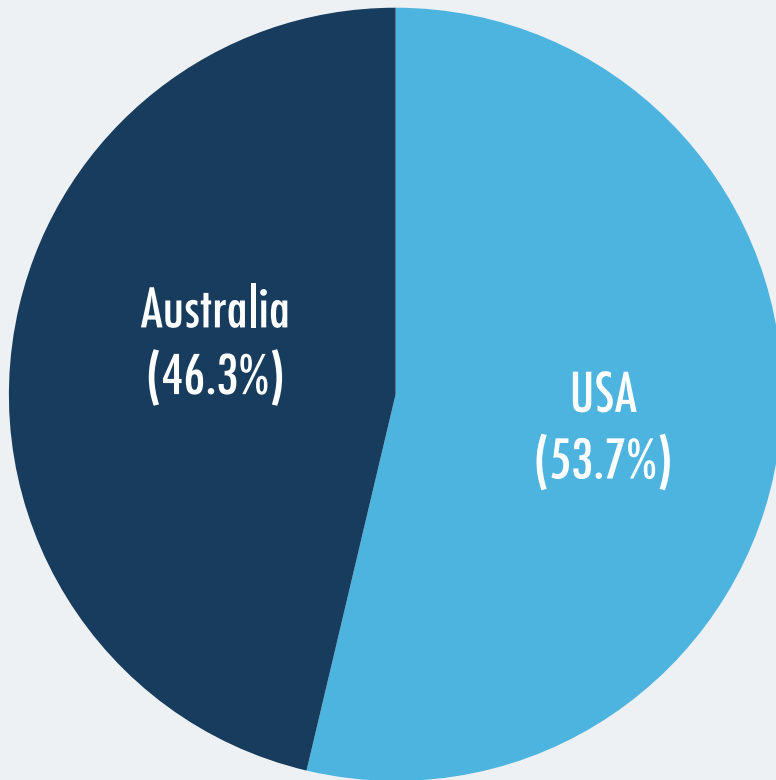
S\$ ('000)	30 Jun 16	30 Jun 15
Cash and cash equivalents per statement of cash flows	16,214	16,754
Restricted Cash	-	4,800
Deposits Pledged	136	147
Cash and cash equivalents per statement of financial position	16,350	21,701

- Cash and cash equivalents decreased despite strong cash flow from operations due to the Group's investment to develop new yacht models, and payment of the lease extension



# FY2016 FINANCIAL HIGHLIGHTS

## NET ORDER BOOK



- S\$34.1 million as at 30 June 2016
- Received orders for all new yacht models

# GRAND BANKS YACHTS AT A GLANCE





## ABOUT GRAND BANKS YACHTS

Founded in 1956, Singapore-based Grand Banks Yachts Limited is a global brand well known for its vast experience in manufacturing and selling luxury motor yachts. It was listed on SGX in 1987 and upgraded to the Main Board in 1993.

In August 2014, Grand Banks completed 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.

# RECENT HIGHLIGHTS

**MAY 2016**

- Announced 3Q16 results; Order book reaches seven-year high of S\$40.0 million

**APR 2016**

- Renewed lease of Pasir Gudang Yard (until Oct 2052)
- Showcased new Palm Beach 42 at Singapore Yacht Show 2016

**APR 2015**

- Achieved six-year high net order book for S\$31.6 million

**AUG 2014**

- Completed acquisition of Palm Beach Motor Yachts; Mark Richards appointed as CEO of enlarged Group

# NEW YACHT MODELS



**Grand Banks 50**



**Grand Banks 60**



**Eastbay 44**



**Palm Beach 42**

# PRODUCTION FACILITIES



PASIR GUDANG,  
JOHOR,  
MALAYSIA

BERKELEY VALE,  
SYDNEY,  
AUSTRALIA

- With Australia facility operating at full capacity, production of Palm Beach boats have been scaled up by fulfilling excess orders at Malaysia yard
- Increased efficiency of Malaysia yard through enhancement of manufacturing processes
- Extended lease of Pasir Gudang yard to 29 October 2052

# SALES AND DISTRIBUTION

- Transition to factory-direct sales model has yielded success:
  - Team of independent brokers allows Grand Banks to forge closer relationships with existing and potential customers
  - Retain bulk of the commission traditionally paid to third-party dealers
  - Resulted in record order book - rose to seven-year high of S\$40 million as at 30 March 2016

# STOCK DATA





# STOCK DATA

Basic Share Data	As at 30 Aug 2016
Share Price	S\$0.235
Average Daily Volume (past 3 months)	~ 23,000
No. of Issued Shares	184,034,649
Market Capitalisation	~ S\$43.2M

# OUTLOOK



# OUTLOOK

- Recent initiatives including launch of new boat models and adoption of factory-direct sales model are expected to underpin future performance
- Participation in the U.S. fall 2016 boat shows to showcase the new yacht models expected to increase profile of its brands
- The Group will continue to develop new boat designs, extend marketing efforts and further streamline Group-wide internal efficiencies with a view to enhancing shareholder value



## **MEDIA & INVESTOR CONTACT INFORMATION**

**WeR1 Consultants Pte Ltd**

**3 Phillip Street #12-01, Royal Group Building**

**Singapore 048693**

**Tel: (65) 6737 4844 Fax: (65) 6373 4944**

**Ian Lau: [ianlau@wer1.net](mailto:ianlau@wer1.net)**