



GRAND BANKS YACHTS LIMITED
(Company Reg. No.: 197601189E)
274 Upper Bukit Timah Road #03-16
Singapore 588213

SGX-Listed Grand Banks Yachts Records 208.0% Increase in 1Q FY2018 Net Profit to S\$0.6M

- Revenue rose 63.6% to S\$21.3 million
- Eight new boat orders lift net order book to S\$38.6 million as at 30 September 2017

As at 30 September S\$'000	1Q FY2018	1Q FY2017	Change (%)
Revenue	21,318	13,032	63.6
Gross Profit	3,666	2,258	62.4
Total Operating Expenses	(3,035)	(2,405)	26.2
Profit/(Loss) from Operations	631	(147)	N.M.*
Net Profit	619	201	208.0

* N.M. – Not Meaningful

SINGAPORE, 13 November 2017 – Grand Banks Yachts Limited (“Grand Banks” or the “Group”) announced today a net profit of S\$0.6 million for the three months ended 30 September 2017 (“1Q FY2018”), up 208.0% from S\$0.2 million in 1Q FY2017, driven by yacht sales and operational improvements, even as it reported fresh orders for new designs.

The Singapore Exchange Mainboard-listed luxury boat maker said the 1Q FY2018 revenue rose S\$8.3 million or 63.6% to S\$21.3 million (1Q FY2017: S\$13.0 million), propelled by sales of traded-in and inventory yachts as well as more yachts reaching construction milestones for revenue recognition.

The improved financial results underscore the progress of the Group’s restructuring efforts at its yard in Pasir Gudang, Johor, southern Malaysia. With new automation, streamlined operations and introduction of new materials, the Group expects to lift Group-wide utilisation rates, expand its production capacity and reduce man hours required for per boat.

Gross profit for 1Q FY2018 increased 62.4% to S\$3.7 million from S\$2.3 million in 1Q FY2017. Gross profit margin remained relatively level at 17.2% (1Q FY2017: 17.3%). The gross profit margin reflects the sales mix in 1Q FY2018 which included new and inventory yachts, as well as trade-in boats – which typically have lower margins.

Media Release – SGX-Listed Grand Banks Yachts Records 208.0% Increase in 1Q FY2018 Net Profit to S\$0.6M

*13 November 2017
Page 2 of 3*

The Group utilised S\$1.9 million cash in operations (1Q FY2017: S\$3.5 million inflow) primarily due to increase in inventories as well as trade and other receivables. The Group ended the quarter with cash and cash equivalents of S\$12.0 million.

Earnings per share for 1Q FY2018 increased to 0.34 Singapore cent compared to 0.11 Singapore cent in 1Q FY2017. Net asset value per share was 24.94 Singapore cents as at 30 September 2017, up from 24.54 Singapore cents as at 30 June 2017.

In the last three years, apart from seeking operational efficiency at its Johor yard, Grand Banks has introduced new designs, including boats that are lighter and faster. Building on the success of the recently launched Grand Banks 60, the Group expects to unveil the new Grand Banks 52 by end-2018.

The Group secured eight new boat orders in 1Q FY2018 (1Q FY2017: seven), including one Grand Banks 60. This increased its aggregate net order book to S\$38.6 million as at 30 September 2017, up from S\$36.8 million as at 30 June 2017.

“Our improved performance this quarter reflects the improvements on the shopfloor – where we have introduced new techniques and re-aligned work processes – as well as the introduction of fresh designs catering to shifting tastes in the luxury boat sector. The new boats are clearly winning over new customers,” said Mr Mark Richards.

Mr Heine Askaer-Jensen, Chairman of Grand Banks, said: “After three years of restructuring, Mark and his team are reaping the first fruits of their hard work. Following the integration of the two brands and operations, we have established clear waypoints for the year ahead. We are confident that the new boats that Mark and the design team have lined up will further differentiate the Grand Banks brand.”

End of Release

About Grand Banks Yachts Limited

Grand Banks, a renowned manufacturer of luxury recreational motor yachts for 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 yards at Pasir Gudang, Johor, Malaysia, and Berkeley Vale, Sydney, Australia. The yachts, which range between 42 feet and 65 feet, have a reputation for impeccable quality that delivers an 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.pbmotoryachts.com

Grand Banks Yachts Limited contact:

Chiam Heng Huat, Chief Financial Officer
274 Upper Bukit Timah Road #03-16, Singapore 588213
Tel: (65) 6545-2929
Chiam Heng Huat, hhchiam@grandbanks.com

Investor/Media Relations contact:

WeR1 Consultants Pte Ltd
3 Phillip Street #12-01, Royal Group Building
Singapore 048693
Tel: (65) 6737-4844
Ian Lau, ianlau@wer1.net