

GRAND BANKS YACHTS LIMITED

(Registration No: 197601189E)



GRAND BANKS.

Fourth Quarter And Full Year Unaudited Financial Statements for the Year Ended 30 June 2013

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED INCOME STATEMENT (UNAUDITED) - in SGD

	Group			Group		
	3-Month Period Ended 30-Jun-13 \$'000	3-Month Period Ended 30-Jun-12 \$'000	Inc / (Dec) %	12-Month Period Ended 30-Jun-13 \$'000	12-Month Period Ended 30-Jun-12 \$'000	Inc / (Dec) %
Revenue	11,803	11,469	2.9	35,253	32,759	7.6
Cost of sales	(11,034)	(8,976)	22.9	(30,466)	(29,675)	2.7
Gross Profit	<u>769</u>	<u>2,493</u>	(69.2)	<u>4,787</u>	<u>3,084</u>	55.2
Selling and marketing expenses	(1,350)	(1,181)	14.3	(4,644)	(4,724)	(1.7)
Administrative expenses	(1,068)	(803)	33.0	(3,680)	(3,479)	5.8
Other operating expense	(286)	(3,524)	(91.9)	(1,218)	(4,205)	(71.0)
Total operating expenses	(2,704)	(5,508)	(50.9)	(9,542)	(12,408)	(23.1)
Loss from operations	<u>(1,935)</u>	<u>(3,015)</u>	(35.8)	<u>(4,755)</u>	<u>(9,324)</u>	(49.0)
Other non-operating income/(expense), net	(317)	57	N.m	(276)	721	(138.3)
Loss before taxation	<u>(2,252)</u>	<u>(2,958)</u>	(23.9)	<u>(5,031)</u>	<u>(8,603)</u>	(41.5)
Income tax expense	(19)	(2,594)	(99.3)	(184)	(2,616)	(93.0)
Net loss for the period	<u>(2,271)</u>	<u>(5,552)</u>	(59.1)	<u>(5,215)</u>	<u>(11,219)</u>	(53.5)

N.m - Percentage / Computation not meaningful

Additional information to the income statement:

	Group			Group		
	3-Month Period Ended	3-Month Period Ended	Change	12-Month Period Ended	12-Month Period Ended	Change
	30-Jun-13 \$'000	30-Jun-12 \$'000	%	30-Jun-13 \$'000	30-Jun-12 \$'000	%
(Allowance)/Reversal of allowance made for slow-moving materials	(62)	3	N.m	(98)	(268)	(63.4)
(Allowance)/Reversal of allowance made for obsolescence on finished goods	(229)	62	(469.8)	(229)	200	(214.7)
Allowance made for doubtful debts	-	(1,196)	(100.0)	-	(1,196)	(100.0)
Depreciation of property, plant and equipment	(446)	(733)	(39.2)	(1,632)	(3,541)	(53.9)
Amortisation of intangibles	-	(14)	(100.0)	-	(57)	(100.0)
Foreign exchange (loss)/gain	(343)	(52)	559.6	(535)	343	(256.0)
Fair valuation (loss)/gain on quoted debt securities held-for-trading	(9)	(1)	800.0	(41)	1	N.m
Impairment loss on intangible assets and property, plant and equipment included in other operating expenses, net	-	(2,205)	(100.0)	-	(2,205)	(100.0)
Interest income included in other non-operating income/(expense), net	28	94	(70.2)	233	319	(27.0)
Property, plant and equipment written off	(85)	(67)	26.9	(87)	(67)	29.9
Taxation:						
- deferred tax expense	-	(2,573)	(100.0)	-	(2,573)	(100.0)
- current tax	(19)	(21)	(9.5)	(184)	(43)	327.9

N.m - Percentage / Computation not meaningful

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) - in SGD

	Group		Group	
	3-Month Period Ended 30-Jun-13 \$'000	3-Month Period Ended 30-Jun-12 \$'000	12-Month Period Ended 30-Jun-13 \$'000	12-Month Period Ended 30-Jun-12 \$'000
		Change %		Change %
Net loss for the period	(2,271)	(59.1)	(5,215)	(11,219)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Net currency translation differences of financial statements of foreign subsidiaries	47	(106.8)	102	(460)
Total Comprehensive Income for the period	<u>(2,224)</u>	<u>(64.4)</u>	<u>(5,113)</u>	<u>(11,679)</u>

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENT OF FINANCIAL POSITION (UNAUDITED) - in SGD

	Group		Company	
	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	8,277	8,352	-	-
Subsidiaries	-	-	19,000	19,000
	<u>8,277</u>	<u>8,352</u>	<u>19,000</u>	<u>19,000</u>
Current assets				
Inventories	23,385	13,461	-	-
Trade and other receivables	1,331	218	167	38
Prepayments	1,580	865	15	1
Current tax recoverable	63	47	-	-
Derivative assets	1	-	-	-
Investment held-for-trading	792	1,077	792	818
Cash and cash equivalents	13,560	22,561	10,055	6,307
	<u>40,712</u>	<u>38,229</u>	<u>11,029</u>	<u>7,164</u>
Total assets	<u>48,989</u>	<u>46,581</u>	<u>30,029</u>	<u>26,164</u>
Current liabilities				
Trade and other payables	8,891	6,995	266	377
Provision for warranty claims	1,681	1,448	-	-
Current tax payables	161	63	-	-
	<u>10,733</u>	<u>8,506</u>	<u>266</u>	<u>377</u>
Capital and reserves				
Share capital	29,062	23,823	29,062	23,823
Share-based compensation reserve	142	87	142	87
Accumulated profits	30,634	35,849	559	1,877
Foreign currency translation reserve	(21,582)	(21,684)	-	-
	<u>38,256</u>	<u>38,075</u>	<u>29,763</u>	<u>25,787</u>
Total equity and liabilities	<u>48,989</u>	<u>46,581</u>	<u>30,029</u>	<u>26,164</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Not applicable.

Detail of any collateral

Not applicable.

1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) - in SGD

	Group		Group	
	3-Month Period Ended 30-Jun-13 S'000	3-Month Period Ended 30-Jun-12 S'000	12-Month Period Ended 30-Jun-13 S'000	12-Month Period Ended 30-Jun-12 S'000
Operating activities				
Loss before taxation	(2,252)	(2,958)	(5,031)	(8,603)
<i>Adjustments for:-</i>				
Depreciation of property, plant and equipment	446	733	1,632	3,541
Amortisation of intangible assets	-	14	-	57
Allowance for doubtful debts	-	1,196	-	1,196
Impairment loss on property, plant and equipment	-	2,109	-	2,109
Property, plant and equipment written off	85	67	87	67
Impairment of intangible assets	-	96	-	96
Interest income	(28)	(94)	(233)	(319)
Provision for warranty claims	213	218	802	616
Fair valuation loss/(gain) on quoted debt securities held-for-trading	9	1	41	(1)
Gain from change in fair value of financial derivatives	(1)	-	(1)	-
Amortisation of equity-settled share based payment	55	15	55	23
	<u>(1,473)</u>	<u>1,397</u>	<u>(2,648)</u>	<u>(1,218)</u>
<i>Changes in working capital:</i>				
(Increase)/Decrease in inventories	(4,397)	1,352	(10,091)	7,947
(Increase)/Decrease in trade and other receivables	(1,032)	231	(1,155)	439
(Increase)/Decrease in prepayments	(518)	588	(733)	(139)
Increase/(Decrease) in trade and other payables	2,052	(1,449)	2,249	(650)
Net cash (used in)/generated from operations	<u>(5,368)</u>	<u>2,119</u>	<u>(12,378)</u>	<u>6,379</u>
Net income tax paid	(33)	33	(102)	(3)
Warranty claims paid	(314)	(246)	(563)	(649)
Restricted cash	(317)	-	(317)	-
Cash flows from operating activities	<u>(6,032)</u>	<u>1,906</u>	<u>(13,360)</u>	<u>5,727</u>
Investing activities				
Interest received	65	56	255	281
Proceeds from matured debt securities held-for-trading	-	-	244	-
Purchase of property, plant and equipment	(339)	(369)	(1,673)	(1,412)
Cash flows from investing activities	<u>(274)</u>	<u>(313)</u>	<u>(1,174)</u>	<u>(1,131)</u>
Financing activities				
Proceeds from issue of shares	-	-	5,239	-
Deposits pledged	(998)	-	(998)	-
Cash flows from financing activities	<u>(998)</u>	<u>-</u>	<u>4,241</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	<u>(7,304)</u>	<u>1,593</u>	<u>(10,293)</u>	<u>4,596</u>
Cash and cash equivalents at beginning of period/year	19,581	21,144	22,561	18,161
Effect of exchange rate changes on balances held in foreign currency	(32)	(176)	(23)	(196)
Cash and cash equivalents at end of period/year	<u>12,245</u>	<u>22,561</u>	<u>12,245</u>	<u>22,561</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY (UNAUDITED) - in SGD

Group	Share capital \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Accumulated profits \$'000	Total \$'000
At 01-Jul-11	23,761	126	(21,224)	47,068	49,731
Issue of shares	62	(62)	-	-	-
Equity-settled performance shares	-	23	-	-	23
Total Comprehensive Income for the period	-	-	(460)	(11,219)	(11,679)
At 30-Jun-12	<u>23,823</u>	<u>87</u>	<u>(21,684)</u>	<u>35,849</u>	<u>38,075</u>
At 01-Jul-12	23,823	87	(21,684)	35,849	38,075
Issues of new shares	5,239	-	-	-	5,239
Equity-settled performance shares	-	55	-	-	55
Total Comprehensive Income for the period	-	-	102	(5,215)	(5,113)
At 30-Jun-13	<u>29,062</u>	<u>142</u>	<u>(21,582)</u>	<u>30,634</u>	<u>38,256</u>

Company	Share capital \$'000	Share-based compensation reserve \$'000	Accumulated profits \$'000	Total \$'000
At 01-Jul-11	23,761	126	2,566	26,453
Issue of shares	62	(62)	-	-
Equity-settled performance shares	-	23	-	23
Total Comprehensive Income for the period	-	-	(689)	(689)
At 30-Jun-12	<u>23,823</u>	<u>87</u>	<u>1,877</u>	<u>25,787</u>
At 01-Jul-12	23,823	87	1,877	25,787
Issue of shares	5,239	-	-	5,239
Equity-settled performance shares	-	55	-	55
Total Comprehensive Income for the period	-	-	(1,318)	(1,318)
At 30-Jun-13	<u>29,062</u>	<u>142</u>	<u>559</u>	<u>29,763</u>

- 1(d) (ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

The Company did not issue any shares during the 3-month period ended 30 June 2013 (30 June 2012: Nil ordinary shares). The Company issued 19,223,250 ordinary shares during the year ended 30 June 2013 (30 June 2012: 138,000 ordinary shares).

There are no outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of immediately preceding financial year.

- 1(d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.**

The Company did not hold any treasury shares as at 30 June 2013 and 30 June 2012. The Company's share capital consists of 115,339,500 ordinary shares as at 30 June 2013 (30 June 2012: 96,116,250 ordinary shares).

- 1(d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

The Company did not have any treasury shares during the period under review.

- 2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by our auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period, as those of the most recent audited financial statements for the financial year ended 30 June 2013. In addition, the Group has adopted new/revised FRS and INT FRS that have become effective for the financial year beginning 1 July 2012.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

From 1 July 2012, the Group has applied the Amendments to FRS1, Presentation of Items of Other Comprehensive Income to present separately items of other comprehensive income that would be reclassified subsequently to profit or loss when specific conditions are met from those that would never be reclassified subsequently to profit or loss. The adoption of the amended standard affects only the disclosures in the financial statements. There is no financial effect on the results, earnings per share and the financial position of the Group for the current and previous financial periods.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividend.

3-Month Period Ended 30-Jun-13	3-Month Period Ended 30-Jun-12	12-Month Period Ended 30-Jun-13	12-Month Period Ended 30-Jun-12
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Loss per ordinary share for the financial period based on net loss attributable to shareholders: -

- on weighted average number of ordinary shares in issue (cents)	(1.97)	(5.78)	(4.70)	(11.67)
- on a fully diluted basis (cents)	(1.97)	(5.78)	(4.70)	(11.67)

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the :-

(a) Current period reported on; and

(b) Immediately preceding financial year.

	Group	Company		
Net asset value per ordinary share based on existing issued share capital at the end of the respective financial period/year (cents)	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12
	33.17	39.61	25.80	26.83

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -

a) Any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors.

The Group's introduction of new models, along with continued recovery in the U.S. market and growth in the Asia-Pacific market combined to lift revenue in the period under review. For the quarter ended 30 June 2013 ("4Q 2013"), the Group's revenue of S\$11.8 million increased 2.9% from S\$11.5 million in 4Q 2012. Revenue in 4Q 2013 increased 14.6% sequentially compared to S\$10.3 million in 3Q 2013. As a result, revenue increased 7.6% to S\$35.3 million for the year ended 30 June 2013 ("FY 2013") from S\$32.8 million in FY 2012.

Reflecting the recovery in the U.S. market – the Group's largest – sales from North America grew 24.4% to S\$19.4 million in FY 2013 from S\$15.6 million in FY 2012, accounting for 55.0% of Group revenue, an increase from 47.7%. Asia-Pacific was second, recording a 11.3% increase to S\$10.0 million in FY 2013 from S\$9.0 million in FY 2012 and increasing its contribution to total revenue to 28.3% from 27.3%, respectively. Reflecting the debt crisis, sales in Europe declined 28.3% to S\$5.9 million in FY 2013 from S\$8.2 million in FY 2012, lowering its contribution to 16.7% from 25.0%, respectively.

Despite higher revenue in 4Q 2013, gross profit declined to S\$0.8 million from S\$2.5 million in 4Q 2012 partly due to the sales of a company-owned yacht and a trade-in yacht, both at cost. In addition, there was a write-down of S\$0.72 million of certain inventory/trade in yachts to their estimated net realisable values as well as upgrading costs of the first two hulls of a new model. For the whole of FY 2013 gross profit rose 55.2% to S\$4.8 million from S\$3.1 million in FY 2012. Overall, gross profit margin for FY 2013 improved to 13.6% compared to 9.4% for FY 2012.

Total operating expenses in 4Q 2013 decreased 50.9% to S\$2.7 million from S\$5.5 million in 4Q 2012, mainly due to the absence of exceptional items amounting to S\$3.4 million (principally provision for doubtful debts of S\$1.2 million and asset impairment of S\$2.2 million) in 4Q 2012. For the whole of FY 2013, operating expenses decreased 23.1% to S\$9.5 million from S\$12.4 million a year earlier.

As a result, the Group lowered its net loss to S\$2.3 million for 4Q 2013 from S\$5.6 million for 4Q 2012. For the whole of FY 2013, the Group's net loss reduced by more than half to S\$5.2 million compared to S\$11.2 million in FY 2012.

b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group's cash and cash equivalents were lower at S\$13.6 million as at 30 June 2013 compared to S\$19.6 million as at 31 March 2013. This was principally due to the increase in inventories of S\$4.2 million for the period. For the year, the increase in inventories was S\$9.9 million and explains the main reason for the reduction in the Group's cash and cash equivalents from S\$22.6 million as at 30 June 2012. Loss from operations explains the utilization of the remaining difference, after receipt of S\$5.2 million net proceeds from the share placement in September 2012. The Group's inventories increased to S\$23.4 million from S\$13.5 million over the comparative year due to the increase in company-owned boats (S\$1.2 million), raw materials (S\$2.8 million) and work-in-progress (S\$5.9 million) from dealer and customer orders.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group had stated in previous announcements that it expects to recognise two-thirds of the net order book, or approximately S\$12.0 million, in 4Q 2013. The Group had also said it expected its financial performance in FY 2013 to be significantly better than that of FY 2012 as it continues to narrow its losses, in line with the Corporate and Business Update announced on 18 July 2012. In addition, it had expected its total sales for 4Q 2013 to be the highest for any quarter in the last four years. The unaudited results are consistent with these statements.

The Group also stated that, "while it does not expect FY 2013 to be profitable, the Group is optimistic that it will continue to narrow the losses further with a view to achieving profitability in FY 2014, thereby ensuring the timely removal of the Company from the Watch-List administered by the Singapore Exchange. The Group will be making a request for an extension of time to remove itself from the Watch-List in view of, amongst others, its expected improvement in financial performance and will keep shareholders updated of its application, as appropriate." These statements remain unchanged.

- 10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group's net order book stood at S\$13.3 million as at 30 June 2013. There has been continuing recovery of the Group's U.S. market which resulted in our U.S. order book almost doubling to S\$7.8 million from S\$4.0 million, over the comparative periods. The Asia-Pacific market has also continued to grow with an order book standing at S\$5.5 million, up from S\$3.2 million a year earlier. The European market remains weak, with no orders from the region as at 30 June 2013.

To capitalize on the increasing interest in the Asia-Pacific region, the Group actively participated in boat shows, starting in Yokohama in March, Osaka and Singapore in April, Sanctuary Cove (Australia) in May, and the latest being the Sydney International Boat Show in August. At these shows, new Grand Banks yacht models introduced during the financial year were showcased to enthusiastic response.

Through extensive marketing and participating in boat shows, the Group's newly-designed yachts comprised 95% of the order book as at 30 June 2013 compared to 19% as at 30 June 2012. This is a testament to the success of the new designs.

While the losses of the Group in FY 2013 have narrowed compared to FY 2012, the Directors are of the opinion that more needs to be done to improve the financial performance in FY 2014. The Group has embarked on a review of its operational structure and processes with a view to achieving profitability in FY 2014, in line with its priority for the Company to be removed from the Watch-List administered by the Singapore Exchange.

The Group has also been exploring investment opportunities and will continue to do so to widen its market reach and broaden its revenue streams.

The Company intends to undertake a fund-raising exercise in due course to strengthen its financial position, enhance its financial flexibility and to provide the Company with readily available funds for the Company's investment initiatives.

- 11. Dividend**

a) Current Financial Period Reported on 30 June 2013

Any dividend declared for the current financial year reported on?

No.

b) Corresponding Period of the immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

- 12. If no dividend has been declared / recommended, a statement to that effect.**

No dividend has been declared.

- 13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate has been obtained.

- 14. Negative confirmation by the Board pursuant to Rule 705(5).**

Not applicable for announcement of full year financial statements.

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

	Reconciliation												
	Manufacturing & Wholesale		Retail		Corporate		Elimination		Consolidated				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	12-month year ended 30-Jun-13	12-month year ended 30-Jun-12	12-month year ended 30-Jun-13	12-month year ended 30-Jun-12	12-month year ended 30-Jun-13	12-month year ended 30-Jun-12	12-month year ended 30-Jun-13	12-month year ended 30-Jun-12	12-month year ended 30-Jun-13	12-month year ended 30-Jun-12	12-month year ended 30-Jun-13	12-month year ended 30-Jun-12	12-month year ended 30-Jun-12
Revenue & expenses													
External revenue	29,894	23,397	5,359	9,362	—	—	—	—	—	—	—	—	—
Inter-segment revenue	4,817	6,362	—	—	632	588	(5,449)	(6,950)	—	—	—	—	—
Total revenue	34,711	29,759	5,359	9,362	632	588	(5,449)	(6,950)	35,253	32,759	35,253	32,759	
Segment results*	590	394	(854)	(754)	(3,238)	(2,016)	(130)	453	(3,632)	(1,923)	(3,632)	(1,923)	
Depreciation, impairment & amortisation	(2,897)	(4,709)	(32)	(35)	(50)	(50)	1,347	(2,205)	(1,632)	(6,999)	(1,632)	(6,999)	
Interest income	199	326	14	41	51	88	(31)	(136)	233	319	233	319	
Interest expense	—	—	(31)	(136)	—	—	31	136	—	—	—	—	
Operating loss before tax	(2,108)	(3,989)	(903)	(884)	(3,237)	(1,978)	1,217	(1,752)	(5,031)	(8,603)	(5,031)	(8,603)	
Income tax credit / (expense)	(58)	(2,549)	12	(13)	(138)	(39)	—	(15)	(184)	(2,616)	(184)	(2,616)	
Segment loss	(2,166)	(6,538)	(891)	(897)	(3,375)	(2,017)	1,217	(1,767)	(5,215)	(11,219)	(5,215)	(11,219)	

* Segment results: Earnings Before Interest, Taxation, Depreciation, Amortisation & Impairment

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Revenue contribution by sales regions is shown below:

	Group		Group	
	12-Month Year Ended 30-Jun-13 \$'000	% of Total Revenue	12-Month Year Ended 30-Jun-12 \$'000	% of Total Revenue
USA	19,406	55.0	15,603	47.7
Europe *	5,878	16.7	8,200	25.0
Others	9,969	28.3	8,956	27.3
Total Revenue	35,253	100.0	32,759	100.0

* comprises Holland & Italy (2012 : Holland, Italy & France)

17. A breakdown of revenue:

	Group		
	12-Month Year Ended 30-Jun-13 \$'000	12-Month Year Ended 30-Jun-12 \$'000	Change %
(a) Revenue reported for the first half of the financial year	13,185	13,440	(1.9)
(b) Loss reported for the first half of the financial year	(2,223)	(4,071)	(45.4)
(c) Revenue reported for the second half of the financial year	22,068	19,319	14.2
(d) Loss reported for the second half of the financial year	(2,992)	(7,148)	(58.1)

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	12-Month Year Ended 30-Jun-13 \$'000	12-Month Year Ended 30-Jun-12 \$'000	Change %
	Final dividend net of tax	Nil	Nil

19. Report of persons occupying managerial positions who are related to a director, chief executive officer or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company wishes to disclose that the former-chief executive officer who resigned on 31 December 2012 is the son of a substantial shareholder. Other than the above, the Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or substantial shareholder of the Company.

20. The status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use.

The Group has, as at today fully used the approximately S\$5.2 million from the net proceeds raised in September 2012 through the placement of 19.2 million shares. The proceeds have been used for new product development, factory improvements, an increase in yacht inventory for sale and working capital, as disclosed in the announcement dated 29 August 2013.

By Order of the Board
GRAND BANKS YACHTS LIMITED

Peter Kevin Poli
Executive Director
29 August 2013