

**GRAND BANKS**

GRAND BANKS YACHTS LIMITED  
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## Grand Banks Yachts Posts 10-Year High Net Profit of S\$9.5 Million for FY2018

- Third consecutive full-year profit is the Group's highest in ten years
- Full-year net profit before tax of S\$5.9 million
- 22 new boat orders in FY2018 lift net order book to S\$32.8 million
- Proposed full-year dividend of S\$0.005 per share

As at 30 June S\$'000	4Q FY2018	4Q FY2017	Change (%)	FY2018	FY2017	Change (%)
Revenue	17,991	19,901	(9.6)	83,492	58,701	42.2
Gross Profit	6,895	3,736	84.6	21,068	10,528	100.1
Total Operating Expenses	(4,086)	(2,507)	63.0	(15,296)	(9,881)	54.8
Profit from Operations	2,809	1,229	128.6	5,772	647	792.1
Net Profit	6,241	1,012	516.7	9,463	521	N.M. <sup>#</sup>

<sup>#</sup> denotes Not Meaningful

**SINGAPORE, 29 August 2018** – SGX Mainboard-listed luxury yacht builder **Grand Banks Yachts Limited** ("Grand Banks" or "the Group") announced today a ten-year high net profit of S\$9.5 million for the financial year ended 30 June 2018 ("FY2018"), an eighteen-fold surge from S\$0.5 million the previous year on the back of stronger sales and higher margins.

The Group, which owns the prestigious Grand Banks and Palm Beach boat brands, said revenue rose 42.2% to S\$83.5 million for FY2018 from S\$58.7 million a year ago ("FY2017") as the Group completed construction of more yachts and sold more inventory and trade-in boats. It received 22 new boat orders during the year, bringing its net order book to S\$32.8 million as at 30 June 2018.

Grand Banks' gross profit for FY2018 increased to S\$21.1 million from S\$10.5 million in FY2017, while gross profit margins rose to 25.2% from 17.9%. The Group attributed the improved margins to more efficient production at its redeveloped yard in Pasir Gudang, Malaysia – where its various measures to streamline manufacturing processes generated time and cost savings – and an increase in the number of bigger, higher-margin boats being built in FY2018 compared to FY2017.

The Group generated net cash from operating activities of S\$1.8 million for FY2018 (FY2017: S\$5.1 million), which was primarily due to higher profits but offset by increased receivables and inventories. Cash and cash equivalents came to S\$8.4 million as at 30 June 2018 compared to S\$15.9 million as at 30 June 2017, due to higher investment in new yacht models, the acquisition of the Stuart Yacht Corporation in the U.S. and upgrades to the Pasir Gudang facility.

Earnings per share for FY2018 amounted to 5.14 Singapore cents compared to 0.28 Singapore cent in FY2017, while net asset value per share was 30.41 Singapore cents as at 30 June 2018 compared to 24.54 Singapore cents a year ago.

In view of its return to profitability, the Group has also proposed a full-year dividend of S\$0.005 per share, subject to shareholders' approval at the forthcoming Annual General Meeting.

For the quarter ended 30 June 2018 ("4Q FY2018"), the Group posted a net profit of S\$6.2 million compared to S\$1.0 million the previous year ("4Q FY2017"). Revenue for 4Q FY2018 decreased 9.6% to S\$18.0 million from S\$19.9 million in 4Q FY2017 due to fewer trade-in boat sales. Gross profit increased 84.6% to S\$6.9 million (4Q FY2017: S\$3.7 million) while gross profit margin rose to 38.3% from 18.8% over the comparative periods.

Mr. Mark Richards, CEO of Grand Banks, said: "FY2018 marks my fourth year with Grand Banks and I am pleased to say that our team has made significant progress during these twelve months. This year's excellent results are a testament to their hard work and dedication to developing boats of the highest possible quality. I am very proud of what we have achieved together and look forward to greater growth in the year ahead."

Mr. Heine Askaer-Jensen, Chairman of Grand Banks, said: "With our enhanced boat designs, upgraded production capabilities and healthy net order book, we are confident that Grand Banks will continue to grow from strength to strength as a leading provider of luxury motor yachts. We are grateful to CEO Mark Richards and his management team for their efforts over the last few years to integrate our world-class boat brands and turn the company around."

In May 2018, Grand Banks completed the acquisition of the Stuart Yacht Corporation in Florida, which now serves as its headquarters in the U.S. – the world's largest boat market – and a private exhibition venue. The move enables Grand Banks to shore up its presence in the U.S., which is one of its strongest markets.

The Group will continue to boost the profile of both the Grand Banks and Palm Beach brands by marketing its yachts at leading boat shows. It is currently building a new long-range cruiser, the Grand Banks 52, which will debut in FY2019.

**## 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 70 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](http://www.grandbanks.com); [www.pbmotoryachts.com](http://www.pbmotoryachts.com)

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