

**GRAND BANKS YACHTS LIMITED**

**FY2021 ANNUAL GENERAL MEETING**





# CHAIRMAN'S STATEMENT





# CEO'S STATEMENT



# MALAYSIA MCO HAS DISRUPTED OPERATIONS

---

- Movement Control Orders (MCO) in Malaysia resulted in several disruptions to operations
- Pasir Gudang yard was shut down for almost two and half month in the new financial year starting 1 July 2021
- Grand Banks has undertaken a vaccination programme for its remaining yet to be vaccinated workforce
- Operations progressively returned to full capacity on 12 September 2021
- During the halting of operations, employees took medical and annual leave, and the Group paid partial salary for days not covered by leave



# BUSINESS REVIEW

## 1Q FY2022

---

- Revenue is expected to decline to S\$11.5 million from S\$24.6 million in 1Q FY2021, mainly due to the prolonged shutdown of the Pasir Gudang factory
- Disruptions to operations, combined with increase in freight costs to shipping boats to customers and fixed overhead costs, the Group expects a negative gross profit, and hence net loss for 1Q FY2022
- Despite disruptions to operations, global yachting market is seeing an increase in demand for luxury yachts
- In the USA, the Group participated in two boat shows in the USA (Norwalk and Newport), as well as in Cannes, Europe
- 11 boats sold amid increased demand for luxury yachts, all built-to-order
- Net Order Book at an all-time high of S\$152.5 million as at 30 September 2021 (30 September 2020: S\$62.1 million)

## FINANCIAL POSITION; OUTLOOK

---

- Demand for luxury yachts on the rise amid curtailed leisure travel due to border restrictions
- All time high net order book will keep Pasir Gudang yard operations busy for the coming quarters
- The Group will continue to focus on digital marketing and sales initiatives to drive new boat orders in response to reduced participation in boat shows amid pandemic
- Continued disruptions in sea freight will increase in freight costs to ship boats to customers, compressing margins

# FINANCIAL HIGHLIGHTS

FY2021





# BALANCE SHEET AS AT 30 JUN 2021

S\$ ('000)	30 Jun 21	30 Jun 20	Change (%)
Total Assets	107,428	89,158	20.5
Total Liabilities	46,556	32,128	44.9
Total Equity	60,872	57,030	6.7
Cash and Cash Equivalents	45,213	10,717	321.9
Total Borrowings	4,633	6,733	(31.2)
Net Asset Value Per Share (cents)	32.97	30.89	6.7



# FINANCIAL SNAPSHOT FY2021

S\$ ('000)	FY2021	FY2020	Change (%)
Revenue	96,061	103,234	(6.9)
Gross Profit	20,690	18,884	9.6
Gross Profit Margin (%)	21.5%	18.3%	3.2 ppt*
Total Operating Expenses	(15,513)	(16,690)	(7.1)
Profit Before Tax	5,643	864	553.1
Net Profit	4,226	1,055	300.6
Earnings Per Share* (cents)	2.29	0.57	300.6

\*ppt: Percentage Points

# FINANCIAL REVIEW FY2021

---

- FY2021 revenue declined to S\$96.1 million from S\$103.2 million in FY2020 due to disruptions to operations at the Pasir Gudang yard
- Despite lower topline, net profit quadrupled to S\$4.2 million from S\$1.1 million a year ago
- 40 new boat orders and six trade-in boats recorded in FY2021, lifted by strong demand for yachts amid the pandemic
- Increased sales of higher-margin boats lifted FY2021 gross margin to 21.3% from 18.3% in FY2020
- Net order book of S\$116.9 million as at 30 June 2021 – record high since the Global Financial Crisis – compared to S\$48.9 million a year ago
- Proposes first and final one-tier tax exempt dividend of S\$0.005 per ordinary share



THANK YOU

---

MEDIA & INVESTOR CONTACT

WeR1 Consultants Pte Ltd

Tel: (65) 6721 7161

Isaac Tang: [grandbanks@wer1.net](mailto:grandbanks@wer1.net)