



GRAND BANKS YACHTS LIMITED

(Company Reg. No.: 197601189E)

PROFIT GUIDANCE FOR THE HALF-YEAR ENDED 31 DECEMBER 2021 (“1H FY2022”)

The Board of Directors (“Board”) of Grand Banks Yachts Limited (“Grand Banks” or the “Group”) would like to inform shareholders that following a preliminary review of the financial results, the Group expects to report a net loss for the six months ended 31 December 2021 (“1H FY2022”).

The loss is mainly attributable to the prolonged shutdown at the Group’s manufacturing facility in Pasir Gudang during the three months ended 30 September 2021 (“1Q FY2022”), in compliance with movement controls issued by the Malaysian Government to prevent the spread of COVID-19 infection. Due to the disruptions totalling almost 2.5 months, construction schedules for pre-sold boats were affected, impacting revenue recognition in 1Q FY2022.

The Group resumed boat construction activities in mid-September 2021 and hence recognised revenue thereafter. However, the loss of revenue and the combined impact of the accrued fixed overhead costs in 1Q FY2022, increased freight costs amid disruptions in sea freight, and rising material costs are expected to result in a net loss for 1H FY2022.

The Group plans to release its 1H FY2022 results mid-February 2022 when further details on the Group’s performance will be disclosed.

In the meantime, shareholders of the Group and potential investors are advised to exercise caution when dealing in the shares of the Group.

By Order of the Board

Mark Richards
Chief Executive Officer

21 January 2022