

## Grand Banks Yachts' 1H FY2023 Revenue Rises 48.7%; Net Profit of S\$3.6 Million Reverses Sharply the S\$0.7 Million Loss of 1H FY2022

As at 31 December S\$'000	1H FY2023	1H FY2022	Change (%)
Revenue	50,215	33,768	48.7
Gross Profit	14,134	7,505	88.3
Gross Profit Margin (%)	28.1	22.2	5.9 ppt*
Total Operating Expenses	(9,595)	(8,500)	12.9
Profit/(Loss) Before Tax	4,352	(682)	N.M.^
Profit/(Loss)	3,614	(694)	N.M.^

\*ppt: percentage points

^N.M: Not Meaningful

**SINGAPORE, 13 February 2023** – SGX Mainboard-listed **Grand Banks Yachts Limited** (“Grand Banks” or the “Group”) today reported a 48.7% increase in revenue to S\$50.2 million for the six months ended 31 December 2022 (“1H FY2023”), while net profit after tax of S\$3.6 million reversed a net loss of S\$0.7 million in 1H FY2022, underscoring its recovery from pandemic-related disruptions.

The luxury boat builder of world-renowned Grand Banks, Palm Beach and Eastbay motor yacht brands said 1H FY2023 revenue rebounded strongly from S\$33.8 million in 1H FY2022, when production at its facility in Pasir Gudang, Johor, Malaysia, was suspended for almost two and half months, in compliance with Malaysian Government’s Movement Control Orders.

In line with the higher top line, gross profit for 1H FY2023 rose to S\$14.1 million from S\$7.5 million a year ago while gross profit margin improved to 28.1% from 22.2% over the comparative period.

Total operating expenses for 1H FY2023 increased to S\$9.6 million compared to S\$8.5 million in 1H FY2022, amid higher payroll costs, as well as increased travel and marketing expenses as the Group resumed participation in international boat shows.

Earnings per ordinary share for 1H FY2023 amounted to 1.96 cents, compared to loss per ordinary share of 0.38 cent in 1H FY2022. The Group’s net asset value per ordinary share rose to 34.72 cents as at 31 December 2022 compared to 34.38 cents as at 30 June 2022.



Cash flows generated from operations rose to S\$11.6 million for 1H FY2023 from S\$4.1 million for 1H FY2022, driven by the higher bottom line, reductions in inventories due to the sale of a stock boat, lower receivables and increase in payables, partially offset by higher contract assets and prepayments.

On the outlook, with the current geo-political uncertainties, the opening up of travel post pandemic and higher interest costs, the Group anticipates a softening in demand. The Group secured 11 new orders in 1H FY2023 compared to 17 in 1H FY2022. The net order book stood at S\$168.8 million as at 31 December 2022 (30 June 2022: S\$182.9 million), and will provide a cushion against economic uncertainty and higher costs for raw materials and freight.

In December 2022, Grand Banks completed the acquisition of a 13,000 square feet (1,208 sqm) property located adjacent to its service yard in Stuart, Florida, USA for US\$1.9 million (S\$2.6 million). This will allow the Group to enlarge its footprint in the US, enhance new boat sales, increase service capabilities, and generate new revenue streams.

Mark Richards, Chief Executive Officer of Grand Banks, said, “We are pleased to deliver a strong set of results for 1H FY2023. As we fully recovered from the COVID-19 situation in Malaysia, we are starting new initiatives to further streamline production efficiencies and shorten delivery lead times.”

“Our recent acquisition in Stuart is a strategic move to enhance our US operations, improve new boat sales, brokerage sales and enhance after-sales service to our customers to solidify our reputation as a world-class luxury yacht builder. We expect these initiatives will, in turn, add long-term value to our shareholders.”

**## End of Release ##**



## About Grand Banks Yachts Limited

Grand Banks, a renowned manufacturer of luxury recreational motor yachts for more than 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 yard at Pasir Gudang, Johor, Malaysia and provides customer support out of its service yards at Stuart, Florida, USA and Newport, New South Wales, Australia. The yachts, which range between 42 feet and 85 feet, have a reputation for impeccable quality that delivers 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.palmbeachmotoryachts.com](http://www.palmbeachmotoryachts.com)

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