

Grand Banks Yachts Records S\$1.1 Million NPAT in 1Q FY2023; Net Order Book Reaches All-Time High of S\$191.8 Million

- Revenue nearly doubled to S\$22.4 million in 1Q FY2023 from S\$11.5 million in 1Q FY2022
- Recovery propelled by recovery from operational disruptions between July to September 2021 at its Pasir Gudang yard
- 7 new built-to-order boats lifts net order book to record high of S\$191.8 million as at 30 September 2022 from S\$152.5 million a year ago

As at 30 September S\$'000	1Q FY2023	1Q FY2022	Change (%)
Revenue	22,396	11,526	94.3
Gross Profit/(Loss)	5,986	(349)	N.M.^
Gross Profit Margin (%)	26.7	N.M.^	N.M.^
Total Operating Expenses	(4,756)	(4,033)	17.9
Profit/(Loss) Before Tax	1,093	(4,343)	N.M.^
Net Profit/(Loss) After Tax	1,082	(4,165)	N.M.^

[^]N.M: Not Meaningful

SINGAPORE, 25 October 2022 – Grand Banks Yachts Limited (“Grand Banks” or the “Group”) reported net profit of S\$1.1 million for the three months ended 30 September 2022 (“1Q FY2023”) on near doubling of revenue, sharply reversing its net loss of S\$4.2 million a year ago, as its net order book soared to an all-time high.

The SGX Mainboard-listed boat builder of renowned boat brands, Grand Banks, Palm Beach and Eastbay boats, said revenue for 1Q FY2023 rose 94.3% to S\$22.4 million from S\$11.5 million a year ago, propelled by business recovery after nearly 2.5 months of COVID-19-related disruptions at its yard in Pasir Gudang, Malaysia, between July and September 2021.

The Group has been accelerating boat building momentum even as orders for its luxury boats resulted in an all-time high net order book of S\$191.8 million at end-September 2022 which compared with S\$152.5 million a year ago.

Accordingly, 1Q FY2023 gross profit reversed to S\$6.0 million from a loss of S\$0.3 million a year ago. Total operating expenses for 1Q FY2023 increased 17.9% to S\$4.8 million from S\$4.0 million for 1Q FY2022, mainly due to higher expenses for marketing and boat shows, following the resumption of physical boat shows as travel restrictions eased.

Grand Banks recorded 7 new built-to-order boat sales in the quarter in review as demand for boats – initially driven by travel lockdowns – increased even after the restrictions eased. The sales also underscore strong market acceptance of new, sleeker designs which are more fuel-efficient.



The Group intends to increase its labour force at its Pasir Gudang yard, in order to speed up boat construction activities and shorten wait times for customers.

Mr. Heine Askaer-Jensen, Chairman of Grand Banks, said: "We have delivered an encouraging set of results this quarter, and expect recovery to remain strong in the coming months. The Group is closely monitoring consumer sentiment amid increasing economic uncertainty, and remain optimistic even amid headwinds such as higher costs for raw materials and transportation of yachts."

Mr. Mark Richards, CEO of Grand Banks, said: "The yachting market has continued to be resilient even though travel restriction have eased. Attendance at physical boat shows is strong. Our order book underscores the demand for our brands, and cushions against economic headwinds. We plan to expedite boat construction by increasing headcount and investing in automation to meet orders and increase revenue recognition."

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; www.palmbeachmotoryachts.com

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