



FOR IMMEDIATE RELEASE

Gaylin reports 9 months' revenue of S\$53 million and earnings of S\$7.1 million

Summary of Financial Results For the Period Ended 31 December:

S\$'million	3Q FY2013	3Q FY2012	+ / (-) %	9M FY2013	9M FY2012	+ / (-) %
Revenue	13.7	16.7	-17.8	53.0	53.4	-0.6
Gross Profit	4.0	6.5	-39.1	17.0	16.9	0.2
GP Margin (%)	28.9	39.0	-10.1 pts	32.0	31.7	0.3 pts
EBITDA	1.6	5.1	-68.7	11.3	13.2	-14.6
EBITDA Margin (%)	11.7	30.8	-19.1 pts	21.3	24.7	-3.4 pts
Net Profit	0.6	3.4	-82.7	7.1	8.9	-20.4
Net Profit Margin (%)	4.3	20.3	-16.0 pts	13.3	16.6	-3.3 pts

Singapore, 8 February 2013 – Gaylin Holdings Limited (藝林控股有限公司) (“Gaylin” or the “Group”), one of the largest local-based rigging and lifting solutions providers to the global offshore oil and gas (“O&G”) industry, today reported S\$7.1 million in earnings on the back of S\$53.0 million in revenue for the nine months ended 31 December 2012 (“9MFY2013”).

The Group was faced with the project based nature of some of its key customers as well as some pricing pressures for the three months to 31 December 2012 (“3QFY2013”). As a result, revenue and earnings of the Group in 3QFY2013 fell to S\$13.7 million and S\$0.6 million respectively, compared to S\$16.7 million and S\$3.4 million for the three-month period a year ago. While still healthy, the Group’s gross profit margin in 3QFY2013 declined to 28.9% from 39.0% in 3QFY2012. This was largely due to lower sales of higher margin products, namely items that the Group fabricates or customize according to customers’ requirements, in the project segment of its customer base. However, both gross profit and gross profit margin have remained relatively constant at S\$16.9 million and 32.0% respectively for both periods 9MFY2013 and 9MFY2012.

Net profit for 9MFY2013 decreased by S\$1.8M mainly due to increase in IPO expenses of S\$0.7 million, staff costs of S\$0.7 million and interest expenses of S\$0.4 million.

Based on 432 million ordinary shares in issue, the Group’s earnings per share (“EPS”) for 3QFY2013 and net asset value per share (“NAV”) as at 31 December 2012 was 0.14 Singapore cents and 19.97



Singapore cents respectively. This compared to EPS of 1.13 Singapore cents for 3QFY2012 and NAV of 11.65 Singapore cents as at 31 March 2012, both based on 300 million ordinary shares in issue.

Said Mr Desmond Teo (张美昌), Executive Director and CEO of Gaylin, “Apart from pricing pressures, we experienced a slower third quarter because of the timing of our customers’ projects, namely fewer projects were delivered by them during this period compared to last year. Nevertheless, we remain positive on the outlook in the oil and gas industry in coming year.

Outlook

Since its IPO in October 2012, Gaylin has been busy with its growth plans to strengthen its standing as one of the largest rigging and lifting solutions providers in Singapore.

The Group is expecting the full operations of its newly constructed facilities in Tanjung Langsat (State of Johor, Malaysia) to commence in the first half of 2013. The Malaysia facilities is an important strategic chess piece for Gaylin as it puts the Group in close geographical proximity to offshore industry players in Malaysia and the region. With it, the Group is well-positioned to capitalize on opportunities, strengthen ties with existing customers and to win new customers.

As announced on 25 January 2013, the Group has completed the acquisition of Allseas Marine Services Pte. Ltd. This is in line with the Group’s plans of growing its ship chandlers’ supply business. The Group remains committed to expand our operations through acquisitions and strategic collaborations. These future plans, however, are subject to economic and market conditions.

In general, demand for the Group’s products and services are driven by the level of activities in the exploration, development and production of oil and gas in the global O&G industry. Notwithstanding the uncertainty in the world economy, Gaylin is cautiously optimistic that the O&G industries will remain positive in the next 12 months.

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About Gaylin Holdings Limited

With an operating history that can be traced back to 1974, Gaylin is one of the largest Singapore-based multi-disciplinary specialist providers of rigging and lifting solutions to the global offshore oil and gas (“O&G”) industry. The Group’s comprehensive range of inventory, years of experience and engineering capabilities allows Gaylin to respond to the needs of its customers quickly and efficiently, making Gaylin a one-stop solutions provider for its clients.

As part of the Group’s business, it manufactures and supplies a wide range of rigging and lifting equipment such as heavy lift slings and grommets, wire rope slings, crane wire, mooring equipment and related fittings and accessories. Gaylin also provides related services including load testing, spooling services, rental services and other fabrication services to customers globally. In addition, as part of its value-added customer service, the Group provides ship supplies such as ship stores and equipment to ships and oil rigs, which it sources from third party suppliers all over the world. Headquartered in Singapore, the Group has two warehouses and one fabrication facility in Singapore, one warehouse facility in Vietnam and a new facility in Malaysia which is expected to be fully operational by the first half of year 2013. Together, these facilities occupy an aggregate of approximately 430,558 square feet. Its sales and distribution markets comprise mainly Asia, Oceania, Europe, the Middle East and Africa.

Gaylin has been recognised with the international ISO 9002 certification in respect of the manufacture of wire rope slings since 1998 and the latest certification (ISO 9001:2008) was awarded in 2012. As testament to its achievement and performance, the Group was conferred the “Enterprise 50 (E50) Award” in 2009, the “2011 Singapore Brand Award” in 2011 and the “Promising SME 500 Award” and the “Circle of Excellence in Offshore and Marine Industry” in 2012.

CIMB Bank Berhad, Singapore Branch was the Issue Manager for the initial public offering and the listing of the Company's shares on the Main Board of the SGX-ST. The Issue Manager assumes no responsibility for the contents of this announcement.

Issued on behalf of Gaylin Holdings Limited:

August Consulting

Winston Choo, winston@august.com.sg

Silvia Heng, silvia@august.com.sg

Simon Leow, simon@august.com.sg

T: 65 6733 8873

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