



Trusted For Lifting & Rigging

FOR IMMEDIATE RELEASE

Gaylin achieves a strong quarter; 3Q earnings surges over 3 folds to S\$2.5 million, lifting 9M earnings by 21.5% to S\$8.6 million

- Quarterly revenue jumps 62.8% to S\$22.3 million
- Gross profit margin and net profit margin both improve in Q3 on higher-margin projects
 - Facility in Malaysia has commenced operations

Summary of Financial Results For the Period Ended 31 December:

S\$'million	3Q FY2014	3Q FY2013	+/(-) %	9M FY2014	9M FY2013	+/(-) %
Revenue	22.3	13.7	62.8	71.1	53.0	34.0
Gross Profit	7.1	4.0	78.4	21.7	17.0	28.1
GP Margin (%)	31.7	28.9	2.8 pts	30.6	32.0	-1.4 pts
EBITDA	3.7	1.6	126.8	12.4	11.3	10.2
EBITDA Margin (%)	16.4	11.7	4.7 pts	17.5	21.3	-3.8 pts
Net Profit Attributable to Shareholders	2.5	0.6	322.7	8.6	7.1	21.5
Net Profit Margin (%)	10.9	4.3	6.6 pts	12.0	13.3	-1.3 pts
EPS (cts)	0.57	0.18	216.7	1.99	2.14	-7.0

Singapore, 11 February 2014 – Gaylin Holdings Limited (藝林控股有限公司) (“Gaylin” or the “Group”), 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, today announced a good set of results for the third quarter ended 31 December 2013 (“3Q FY2014”), with robust growth in both its top- and bottom-lines.

The Group’s net profit attributable to shareholders soared 322.7% to S\$2.5 million in 3Q FY2014 on the back of a 62.8% growth in revenue from S\$13.7 million in 3Q FY2013 to S\$22.3 million in 3Q FY2014. This was mainly due to contribution from its ship supply business resulting from its acquisition of Allseas Marine Services Pte Ltd (“Allseas Marine”) and Phoenix Offshore Co., Ltd in 2013, as well as higher revenue derived from some of the Group’s key customers.

The Group saw its profitability improve in 3Q FY2014 with gross profit margin rising 2.8 percentage points to 31.7% and net profit margin up 6.6 percentage points to 10.9% compared to a year ago, as the Group completed projects with higher profit margins in the latest quarter.



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Based on 432 million ordinary shares in issue, the Group's earnings per share ("EPS") for 3Q FY2014 and net asset value per share ("NAV") as at 31 December 2013 was 0.57 Singapore cents and 21.96 Singapore cents respectively. This compared to EPS of 0.18 Singapore cents for 3Q FY2013 and NAV of 20.76 Singapore cents as at 31 December 2013.

On a year-to-date basis, the Group saw its profit attributable to shareholders rise 21.5% to S\$8.6 million for 9M FY2014 from S\$7.1 million a year ago while revenue spiked 34% to S\$71.1 million from S\$53.0 million.

Said Mr Desmond Teo (张美昌), Executive Director and CEO of Gaylin, "Despite global economic uncertainties, we managed to achieve strong revenue growth and improve our overall profitability in 3Q FY2014 as we executed our expansion plans. Looking ahead, we remain cautiously optimistic of the oil and gas industry in the next 12 months."

Business Strategies and Outlook

The Group has commenced its operations in Malaysia with the completion of its test-bed installation in December 2013. Located in Tanjung Langsat, the facility spans approximately 103,145 square feet with a capacity of 3,000 tonnes and an effective testing length of up to 80 metres. Together with its existing facilities in Singapore and Vietnam as well as its newly acquired facilities in China and South Korea, the Group commands over half a million square feet of manufacturing and warehousing space, making it a major player in the O&G rigging and lifting sector.

Commenting on the relevance of this new facility to the Group, Mr Teo added, "Our Malaysia facility is instrumental to Gaylin's expansion strategy due to its proximity to the many O&G players operating in Malaysia and the region, allowing us to react faster to the market demand."

In line with its regional expansion strategy, Gaylin is also advancing into the Middle East via a proposed acquisition of 51% stake in Rig Marine Holdings FZC ("**Rig Marine**"). Rig Marine is involved in the supply, rental, inspection and recertification of all lifting, mooring, towing and deck equipment with presence in the UAE, Azerbaijan and Kazakhstan. Upon completion, this will provide Gaylin with a springboard into the Caspian Sea region which boasts a booming oil and gas sector, as well as healthy investment return potential.



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Said Mr Teo, "Our acquisitions to date have served Gaylin well, unlocking revenue growth for the Group as well as effectively extending our presence in overseas markets. Moving forward, we remain committed to exploring synergistic acquisition and strategic collaboration opportunities into Asian or other markets in order to further create value for shareholders."

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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, we have offices, warehouses and manufacturing facilities in Singapore, Vietnam, China, South Korea and Malaysia, which together, occupy over half a million square feet. Its sales and distribution markets comprise mainly Asia, Oceania, Europe, the Middle East and Africa.

As testament of Gaylin's commitment to safety, we were awarded the bizSAFE STAR by the Workplace Safety and Health Council, Ministry of Manpower as well as the SS506: Part 1:2009, OHSAS 18001:2007 certification by DAS Certification Singapore for the manufacture of wire rope slings in 2013. This is in addition to our ISO 9002 certification for the manufacture of wire rope slings, which we obtained in 1998, as well as our ISO 9001:2008 certification in 2012 in recognition of our quality management system. In addition, we were conferred the "Enterprise 50 (E50) Award" in 2009, the "2011 Singapore Brand Award" and the "Promising SME 500 Award" in the platinum category 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.

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