



Trusted For Lifting & Rigging

FOR IMMEDIATE RELEASE

Gaylin achieves earnings of S\$11.6 million on record revenue of S\$96.3 million for FY2014

- *Ship chandling revenue surges 189.6% yoy to S\$16.6 million from strategic acquisitions of Allseas Marine and Phoenix Offshore*
 - *Rigging and lifting revenue gets a boost from Australia sales*
- *Recommends a first and final dividend of 0.9 cents per share; representing a dividend payout of 33.4%*

Summary of Financial Results For the Period Ended 31 March:

S\$'million	4Q FY2014	4Q FY2013	% Chg	FY2014	FY2013	% Chg
Revenue	25.3	24.1	4.9	96.3	77.1	24.9
Gross Profit	7.0	7.9	-11.6	28.7	24.9	15.5
GP Margin (%)	27.7	32.9	-5.2 pts	29.8	32.3	-2.5 pts
EBITDA	4.3	4.9	-12.3	16.7	16.2	3.4
EBITDA Margin (%)	17.0	20.3	-3.3 pts	17.3	21.0	-3.7 pts
Net Profit Attributable to Shareholders	3.1	3.4	-10.9	11.6	10.5	10.9
Net Profit Margin (%)	12.0	14.2	-2.2 pts	12.0	13.6	-1.6 pts
EPS (cts)	0.71	0.96	-26.0	2.69	2.95	-8.8

Singapore, 23 May 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, closed its fiscal year on a high note with a sterling set of results with record revenue. For the 12 months ended 31 March 2014 (“FY2014”), the Group achieved a net profit attributable to shareholders of S\$11.6 million underpinned by a 24.9% growth in revenue to S\$96.3 million.

The improved topline was largely thanks to the strategic acquisitions of Allseas Marine Services Pte Ltd and Phoenix Offshore Co. Ltd. by the Group in the last two years which significantly boosted its ship chandling revenue year-on-year from S\$5.7 million in FY2013 to S\$16.6 million in FY2014. Likewise, Gaylin’s rigging and lifting business also performed robustly, particularly in the Australia market where the Group experienced a S\$12.1 million surge in sales due to projects from new and existing customers based there.



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In line with its revenue growth, the Group's gross profit increased substantially by 15.5% to S\$28.7 million in FY2014 from S\$24.9 million a year ago. Gross profit margin however, slipped marginally from 32.3% to 29.8% in FY2014 because of an increase in sales of lower margin products which formed a higher proportion of the Group's revenue.

The Group's business expansion activities in FY2014 led to higher distribution costs which rose 34.1% to S\$3.9 million while administrative expenses also increased by 26.9% to S\$9.6 million. The hike in the latter was due to a number of reasons that included, amongst others, an increase in staff cost of S\$1.8 million to support business expansion and professional fees of S\$0.4 million.

Said Mr Desmond Teo (张美昌), Executive Director and CEO of Gaylin, "FY2014 is a milestone year for Gaylin for a myriad of reasons. Not only does 2014 mark Gaylin's 40th anniversary, FY2014 was also a year where the Group met its objectives of expanding overseas and achieved a sterling financial performance with record revenue. In view of this, I am pleased to recommend a first and final cash dividend of 0.9 Singapore cents per share for FY2014. This reflects a dividend payout of 33.4% which is aligned to what we had planned during our IPO."

Based on 432 million ordinary shares in issue, the Group's earnings per share ("EPS") for FY2014 and net asset value per share ("NAV") as at 31 March 2014 was 2.69 Singapore cents and 22.68 Singapore cents respectively. This compared to EPS of 2.95 Singapore cents for FY2013 and NAV of 20.76 Singapore cents as at 31 March 2013.

Outlook

Notwithstanding the uncertain world economy, the Group remains committed to strengthen its standing as one of the largest rigging and lifting solutions providers in Singapore and the region. It has reinforced this through its expansion plans in Malaysia, Vietnam, Indonesia, China, South Korea, and even the Middle East.

In Malaysia, the Group is advancing rapidly forward to further entrench itself in the market. Following operations commencement of the Tanjung Langsat facility in December 2013, the Group has accepted a letter of offer to lease a nearby plot of land with 30-year tenure, measuring around 439,956 square feet, for approximately MYR10.1 million. In a bid to expand its rigging and lifting operations in Asia Pacific, the Group has also recently set up Gaylin Wire Sdn. Bhd. in partnership with Husky Enviro



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Services Sdn. Bhd., a provider of waste and environmental services to the O&G industry sector in Malaysia.

Further ashore, the Group has received in-principle approval for its proposed 51% stake in Rig Marine Holdings FZC ("**Rigmarine**"), a company involved in the supply, rental, inspection and recertification of all lifting, mooring, towing and deck equipment with presence in the United Arab Emirates, Azerbaijan and Kazakhstan. Upon completion, Rigmarine will provide Gaylin with a springboard into the Caspian Sea region which boasts a booming O&G sector, as well as healthy investment return potential.

Said Mr Teo, "Our acquisitions to date have served us well and we are now reaping the benefits of the various companies we have acquired."

Looking ahead, the Group is cautiously optimistic that the outlook for the oil and gas industries will be 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 allow 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, it has offices, warehouses and manufacturing facilities in Singapore, Malaysia, Vietnam, Indonesia, China and South Korea, which together, occupy over half a million square feet. Its sales and distribution markets comprise mainly Asia, Oceania, Europe, the Middle East and Africa.

Underscoring its commitment to safety, Gaylin was awarded the bizSAFE STAR and SS506: Part 1:2009, OHSAS 18001:2007 certifications in 2013 for the manufacture of wire rope slings. Gaylin is also ISO 9002-certified since 1998 for the manufacture of wire rope slings and ISO 9001:2008-certified since 2012 for its quality management system. In 2014, Gaylin received ISO/IEC 17020:2012 certification for lifting equipment inspection from the Singapore Accreditation Council (SAC). In recognition of its drive for excellence, Gaylin has been 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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