



Trusted For Lifting & Rigging

FOR IMMEDIATE RELEASE

## Gaylin registers revenue of S\$93.9 million in FY2016

### Summary of Financial Results For the Period Ended 31 March:

S\$'million	4Q FY2016	4Q FY2015	+/(-) %	12M FY2016	12M FY2015	+/(-) %
Revenue	21.9	25.9	(15.3)	93.9	109.9	(14.6)
Gross Profit	5.8	6.8	(13.9)	21.8	29.1	(25.2)
GP Margin (%)	26.5	26.1	0.4pp	23.2	26.5	(3.3)pp
Net Profit attributable to shareholders	5.7	1.3	346.9	1.3	7.4	(83.0)
Net Profit Margin (%)	25.5	2.4	23.1pp	1.3	6.8	(5.5)pp

*pp denotes percentage points*

Singapore, 27 May 2016 – 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, posted a revenue of S\$93.9 million for the full year ended 31 March 2016 (“FY2016”), 14.6% lower than S\$109.9 million recorded in the preceding financial year ended 31 March 2015 (“FY2015”).

Weighed down by the continued weakness in the O&G industry, which led to project delays, revenue from the Group’s rigging and lifting and ship chandling segments slid by S\$9.0 million and S\$7.0 million to S\$79.5 million and S\$14.4 million respectively in FY2016.

The gross profit margin slid marginally to 23.2% in FY2016 despite registering lower revenue and having tighter product margins coupled with fixed manufacturing overheads.

In FY2016, other income of the Group increased significantly from S\$2.4 million to S\$9.8 million, largely from a one-off reversal of contingent consideration amounting to S\$9.2 million in the fourth quarter of FY2016 arising from the acquisition of Rig Marine Holdings FZE and its subsidiaries (“Rigmarine”) as profit targets are not expected to be met. At the same time, other operating expenses rose from S\$0.6 million to S\$5.9 million. This was mainly due to an impairment of goodwill



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and intangible asset of S\$2.2 million and S\$0.7 million respectively, both stemming from the Rigmarine acquisition, as well as a foreign exchange loss of S\$1.8 million.

Consequently, Gaylin posted a net profit attributable to shareholders of S\$1.3 million in FY2016 compared to S\$7.4 million in FY2015.

Based on its full year performance and 438 million weighted average ordinary shares in issue, the Group's net asset value per share was 23.91 Singapore cents as at 31 March 2016 compared to 24.12 Singapore cents as at 31 March 2015.

Said **Mr Desmond Teo (张美昌), Executive Director and CEO of Gaylin**, "FY2016 has been a challenging year for us as flagging offshore exploration and development activities on the back of a volatile O&G sector have affected the demand for our products and services. In view of the operating landscape, we will continue to proactively implement cost-cutting measures to protect our margins. While we are taking a cautious approach in the new financial year, we remain committed to unlock value from our overseas operations such as Malaysia and Korea. In addition, we plan to further enhance avenues to market higher value services that include project engineering services and workforce development programmes among others as well as strengthen our position in certain markets."

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*This press release should be read in conjunction with Gaylin Holdings Limited FY2016 Financial Statements released via SGXNet on 27 May 2016.*



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**About Gaylin Holdings Limited**

*Founded in 1974, Gaylin Holdings Limited 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 with presence in nine countries, namely Singapore, Malaysia, Vietnam, Indonesia, China, South Korea, the United Arab Emirates ("the UAE"), Azerbaijan and Kazakhstan. Through our global network of offices, Gaylin serves a diverse base of customers from Asia, Oceania, Europe, the Middle East and Africa. In 2012, Gaylin became a public-listed company on the Mainboard of the Singapore Exchange ("SGX-ST") (Stock code: RF7).*

*We provide rigging and lifting equipment such as heavy lift slings and grommets, wire rope slings, crane wire, mooring equipment and related fittings and accessories; and related services such as project engineering services for deepwater mooring systems, workforce development, load testing, spooling services, rental services and other fabrication services. The Group also operates a ship chandling business.*

*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.*

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**Issued on behalf of Gaylin Holdings Limited:**

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