



FOR IMMEDIATE RELEASE

## **Rigging and lifting solutions provider Gaylin's IPO attracts strong investor interest**

- *Total Offering is approximately 5.5 times subscribed*
- *Shares to commence trading on the Mainboard of the SGX-ST at 9:00 a.m. on 25 October 2012*

**Singapore, 24 October 2012 – Gaylin Holdings Limited** (藝林控股有限公司) (“Gaylin” or the “Company” and together with its subsidiaries, 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, announced today that its initial public offering (“IPO” or the “Offering”) of 110 million new shares (“New Shares”) at S\$0.35 each, has attracted strong interest from the market and has been oversubscribed.

**CIMB Bank Berhad, Singapore Branch** (联昌银行) is the Issue Manager while **CIMB Securities (Singapore) Pte. Ltd.** (联昌国际(新)证券私人有限公司) (“CIMB Securities”) is the Underwriter and Placement Agent for the IPO.

The Offering comprised 5 million New Shares to the public for subscription (“Offer Shares”) and 105 million New Shares by way of placement (“Placement”). As at the close of the Offering at 10.00 a.m. on 23 October 2012, there were 5,894 valid applications received in respect of the 5 million Offer Shares available for public subscription. In total, these applicants applied for an aggregate of approximately 502.2 million Offer Shares, with application monies received amounting to approximately S\$175.8 million. In addition, the Group received valid applications for approximately 104.7 million Placement Shares.

Based on the aggregate number of 110 million New Shares and total valid applications received for 606.9 million New Shares (comprising 502.2 million Offer Shares and 104.7 million Placement Shares), the IPO was approximately 5.5 times subscribed.

In addition, CIMB Securities, in consultation with the Company, has over-allotted 22 million shares under the Offering (“Additional Shares”), all of which were allotted to the Placement.



Trading of Gaylin's shares on the Mainboard of the Singapore Exchange Securities Trading Limited (the "SGX-ST") is expected to commence at 9.00 a.m. on 25 October 2012.

Commenting on the investors' positive response, Executive Director and CEO, Mr Desmond Teo (张美昌) said, "We are heartened by the keen interest in our IPO, which is a strong endorsement of the investment community's confidence in Gaylin's track record and brand name that has been around for more than three decades. We are further buoyed by the fact that investors appreciate our Group's investment merits, and the prospects in the offshore oil and gas sector."

#### **Use of Proceeds**

Of the estimated net proceeds of approximately S\$35.4 million (assuming the over-allotment option is not exercised), the Group intends to allocate approximately S\$20.0 million for the expansion into Asia and/or other markets. The Group also intends to use approximately S\$2.0 million for the expansion of its operations into Malaysia, while the rest will be set aside as general working capital.

Said Mr Teo, "Building on Gaylin's brand name in Singapore, we have exciting growth plans in place. We commenced the construction of our new 103,145 sq ft facility in Tanjung Langsat, State of Johor, Malaysia in February 2012 and expect full operations to commence in December 2012. We have also put in motion our plans to gain a foothold in the Korean market through the signing of a memorandum of understanding in September 2012 for the acquisition of a South Korean company engaged in the supply of wire ropes and related fittings to Korean customers in the offshore and marine industry."

"We intend to go where our customers go, and expand our sales and marketing capabilities by establishing representative offices in various strategic locations such as Perth, Australia. In fact, we have already set up a representative office in Kuala Lumpur, Malaysia in September 2012. We believe industry prospects remain strong, and we are optimistic about the sustained global demand for energy. We believe Gaylin is well poised to reap the benefits of this sustained demand," elaborated Mr Teo.

#### **Proposed Dividend**

The Directors intend to recommend and distribute dividends of at least 30% of the Group's net profits attributable to shareholders for each of FY2013 and FY2014.



## Corporate Profile

*Gaylin – One of the largest Singapore-based rigging and lifting solutions providers*

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 O&G industry. The Group currently has two warehouses and one fabrication facility in Singapore, occupying approximately 316,950 sq ft which houses one of the largest test facilities in Singapore capable of testing breaking loads of up to 2,000 tonnes. This is in addition to one warehouse facility in Vietnam occupying approximately 10,463 sq ft. The Group expects to commence operations at its new facilities located in Malaysia in December 2012.

As part of its core business, the Group supplies and manufactures rigging and lifting equipment, encompassing a wide range of products such as heavy lift slings and grommets, wire rope slings, mooring equipment and related fittings and accessories, and provides engineering services such as the design, fabrication, testing and certification of rigging and lifting equipment.

Gaylin's sales and distribution markets comprise mainly Asia, Oceania, Europe, the Middle East and Africa. Over the years, the Group has cemented strong relationships with its large and diversified pool of customers – these include vessel and oil rig owners and operators, charterers, shipbuilders, and drilling and mooring contractors. Gaylin's customer portfolio includes established names in the global offshore O&G industry such as Acteon Group, Bourbon Group, Britoil Offshore Services Pte Ltd, DOF Group, Sapura Acergy Sdn. Bhd. and Technip Group.

The Group carries a comprehensive inventory with a wide range of rigging and lifting products from more than 20 brands worldwide such as *TEUFELBERGER*, *Usha Martin* and *Kiswire*. This, coupled with its years of experience and engineering capabilities, allows Gaylin to be a one-stop solutions provider for its customers.

Gaylin is led by an experienced and committed management team including Mr Teo, who has more than 30 years of industry experience, and its Executive Directors and Chief Administrative Officer, each with over 25 years of experience in the industry.

The Group's track record as a reliable provider of rigging and lifting solutions is supported by the awards and accolades it has received over the years. They include the "Enterprise 50 (E50) Award" in 2009, the "2011 Singapore Brand Award" in 2011 and the "Promising SME 500 Award" in the platinum category in 2012.



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

***August Consulting***

Winston Choo, [winston@august.com.sg](mailto:winston@august.com.sg)

Silvia Heng, [silvia@august.com.sg](mailto:silvia@august.com.sg)

Foo Yiting, [yiting@august.com.sg](mailto:yiting@august.com.sg)

T: 65 6733 8873

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A final prospectus had been lodged with and registered by the Monetary Authority of Singapore ("MAS") on 17 October 2012 in connection with the Offering ("Prospectus").

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A copy of the Prospectus can be obtained from the website of the MAS.

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