



PRESS RELEASE -- FOR IMMEDIATE RELEASE

ASL Marine posts lower earnings of S\$22.1 million for FY2014

- Group believes that 4th quarter's performance was an anomaly and expects 1st quarter of FY2015 to revert back to normal
- Revenue was up 9.5% to S\$509.8 million mainly due to shiprepair and conversion segment posting a record year and also as the engineering segment grew significantly
- Outstanding order book for shipbuilding segment of S\$321 million and long term shipchartering contracts worth S\$74 million as at 30 June 2014
- Cash dividend of 1.0 Singapore cents per share recommended for FY2014

Singapore, 28 August 2014 – ASL Marine Holdings Ltd. (“ASL Marine” or the “Group”), an integrated marine company offering comprehensive services in shipbuilding, shiprepair and conversion, shipchartering and dredging engineering, reported revenue of S\$509.8 million and net profit attributable to shareholders of S\$22.1 million for the full year ended 30 June 2014 (“FY2014”).

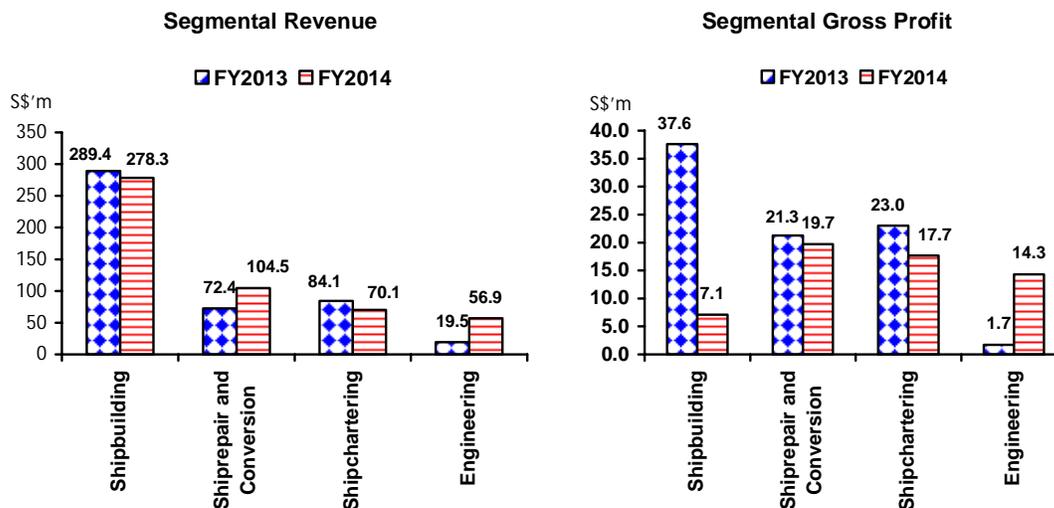
Financial Highlights	4Q FY2014	4Q FY2013 (Restated)	Chg	FY2014	FY2013 (Restated)	Chg
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	26,220	149,461	(82.5)	509,797	465,441	9.5
Gross Profit	6,378	23,329	(72.7)	58,828	83,608	(29.6)
Gross Profit Margin	24.3%	15.6%	-	11.5%	18.0%	-
Other Operating Income	2,670	12,052	(77.8)	11,072	11,347	(2.4)
Administrative Expenses	(9,362)	(8,640)	8.4	(32,538)	(23,441)	38.8
Other Operating Expenses	(90)	(1,767)	(94.9)	(1,319)	(5,889)	(77.6)
Net Profit Attributable to Equity Holders	(3,032)	14,405	n.m	22,118	44,466	(50.3)
Net Profit Margin	n.m.	9.6%	-	4.3%	9.6%	-
Basic Earnings Per Share (cents)*	(0.72)	3.43	n.m	5.27	10.60	(50.3)

* Based on the weighted average of 419,511,294 ordinary shares in issue

n.m denotes not meaningful

FY2014 FINANCIAL OVERVIEW

The Group's revenue rose by 9.5% year-on-year ("y-o-y") to S\$509.8 million for FY2014. The increase was due to higher contributions primarily from the shiprepair and conversion segment and engineering segment which were partially offset by the decline in revenue from the shipbuilding segment and shipchartering segment.



The reversal of shipbuilding revenue amounting to S\$52.4 million due to the cancellation of a shipbuilding contract for one platform supply vessel resulted in a 3.8% y-o-y decline in the revenue for shipbuilding segment to S\$278.3 million in FY2014. Without the cancellation, the revenue for the shipbuilding segment increased by 14.3% y-o-y to S\$330.8 million supported mainly by 212.9% surge in revenue from construction of dredgers to S\$115.6 million and 169.9% surge in revenue from construction of tugs to S\$58.4 million. Gross profit for the segment declined from S\$37.6 million to S\$7.1 million in FY2014 with the reversal of profit for the cancelled vessel, certain cost overruns and provisions taken for liquidated damages.

The shiprepair and conversion segment registered record high revenue of S\$104.5 million in FY2014, an increase of 44.4% y-o-y. This was mainly due to the completion of rig repair works in 2Q FY2014 and the major conversion works on a crude oil tanker in 3Q FY2014. Consequent to the higher revenue earned in FY2014, gross profit increased by S\$3.8 million in FY2014 when compared to gross profit of S\$15.9 million (excluding write-back of subcontractor costs of S\$5.4 million) in FY2013.

Revenue from the shipchartering segment declined 16.7% y-o-y to S\$70.1 million in FY2014, mainly due to the non-consolidation of shipchartering revenue amounting to S\$17.1 million earned by PT Capitol Nusantara Indonesia ("PT CNI") after the partial disposal of 24% effective interest in FY2013. Additionally, the reduction in shipchartering revenue is caused by the lower utilisation rates of Anchor Handling Tug ("AHT") and tugboats due to lower demand for high horse power tugs and the off-hire of an AHT. In tandem to the decrease in revenue, the overall gross profit of shipchartering segment declined by 23.0% to S\$17.7 million in FY2014.

The Group recorded S\$56.9 million in revenue for its Engineering segment, up 191.8% y-o-y in FY2014. This was mainly due to higher percentage of completion achieved as projects

that were awarded in FY2013, were completed during FY2014. As a result of stronger demand and orders received from customers, this segment also registered robust growth in the revenue from components and services side. In line with the above, the gross profit increased S\$12.6 million to S\$14.3 million in FY2014.

Administrative expenses increased by 38.8% to S\$32.5 million in FY2014 due to the consolidation of 12 months of expenses incurred by Vosta LMG (the Group's engineering segment) in FY2014 as compared to 6 months in FY2013. In addition, the increase in administrative expenses was partially due to amortisation of intangible assets of S\$1.3 million, rationalisation cost of S\$1.5 million as well as payments on installments collected from the buyer of the cancelled vessel.

All of the above translated to a 50.3% y-o-y decrease in net profit attributable to shareholders to S\$22.1 million for FY2014.

The Group has recommended a final cash dividend of 1.0 Singapore cents per share for FY2014, translating into a dividend payout of 19.0%.

OUTLOOK

The Group's shipbuilding order book from external customers stood at approximately S\$321 million as at 30 June 2014 and it comprised of 28 vessels, including OSVs, AHTS, self-propelled cutter suction dredger, tugs and barges. Barring any unforeseen circumstances, 21% of the order book is expected to be recognised in the first half of FY2015. For the Group's shiprepair and conversion segment, there are 4 units of rigs for which repair works are expected to be completed in the coming quarters.

The Group's shipchartering revenue consists of mainly short-term and ad-hoc contracts. Approximately 32% of shipchartering revenue in FY2014 was attributed to long-term chartering contracts. The Group had an outstanding order book of approximately S\$74 million with respect to long-term shipchartering contracts.

Meanwhile, the Group remains strategically committed to maximising deployment, enhancing and renewing its fleet to better meet customers' needs. The Group's shipchatering operations currently has an outstanding delivery order of 14 vessels worth approximately S\$42 million, comprising of landing crafts, tugs and barges. With the exception of 2 units of barges and 2 units of tugs for a total worth of S\$6 million, these vessels are being built internally by the Group.

While the Group is of the view that the conditions in the dredging market is expected to remain tepid, the Group's strategy is to continue focusing on the segment's component business as there is robust demand and simultaneously promote and reintroduce more items.

***“The Group’s performance was adversely impacted in the last quarter of FY2014 due to exceptional circumstances, which comprised of an OSV cancellation and delayed deliveries of 2 OSVs. We would like to highlight that the 4th quarter was an anomaly to our usual financial performance and we expect that in 1st quarter of FY2015 the results will revert back to trend.*”**

Looking forward, we expect the outlook of the offshore and marine industry to remain competitive as the Group continues to believe that the current oil prices are conducive to enhanced exploration and production (E&P) activities.

The acquisition of our third shipyard in Batam marks the Group's strategic commitment to further strengthen and expand our shipbuilding and shiprepair capacity and capabilities.

While the cancellation and delayed delivery of OSV vessels overshadowed certain segments, underneath that, we had relatively steady/good performance across the business segments, particularly the shiprepair and conversion segment and engineering segment. With the continued competition and challenging market conditions, the Group remains focused to improve productivity so as to minimize project costs over-run and ensure timely delivery of vessels to our customers. As a token of appreciation for the loyal support of our shareholders, the Group has recommended 1.0 cent per share in dividends."

Ang Kok Tian
Chairman and Managing Director, ASL Marine

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About ASL Marine Holdings Ltd. (Bloomberg Code: ASL SP)

ASL Marine Holdings Ltd. is a dynamic marine group principally engaged in shipbuilding, shiprepair and conversion, shipchartering, dredging engineering and other marine related services, catering to customers from Asia Pacific, South Asia, the Middle East, Europe and Australia. ASL Marine owns and operates shipyards in Singapore, Batam (Indonesia) and Guangdong (China), providing a comprehensive range of marine engineering services spanning myriad sectors/ industries. The Group's 300,000 dwt graving dry dock in Batam is one of the few docks in the region capable of repairing Capesize vessels. It has a young fleet of about 156 vessels comprising barges, towing tugs, Anchor Handling Tugs, Anchor Handling Towing/ Supply vessels and other vessels for its shipchartering operation.

ASL Marine added engineering segment to its business model after the acquisition of Vosta LMG group. Vosta LMG is a leading international dredging engineering and contracting company with more than 140 years of history in providing specialized and tailor-made solutions to the world's dredging industry. Vosta LMG designs, provides specialist parts to, and manages the construction of large custom-built or standard, self-propelled or stationary dredgers. Vosta LMG's strength in design allows it to convert, refit and upgrade existing dredgers. Vosta LMG also provides inspection, training, management and advisory services to clients all over the world.

For more information, please refer to the corporate website www.aslmarine.com

Issued for and on behalf of ASL Marine Holdings Ltd.

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