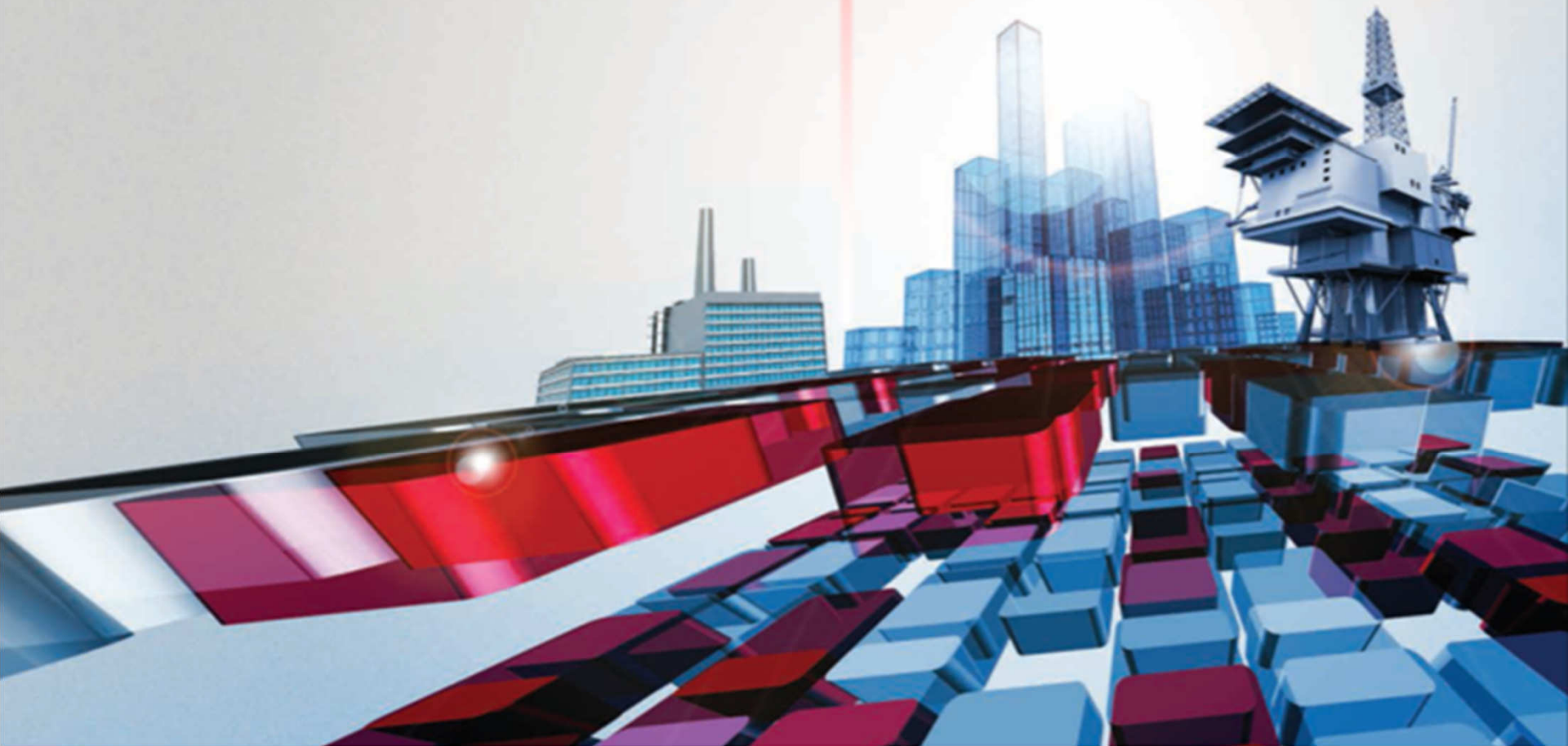
ASIA ENTERPRISES HOLDING LIMITED

MAJOR REGIONAL DISTRIBUTOR OF
STEEL PRODUCTS TO INDUSTRIAL END-USERS

10 October 2015

CORPORATE PRESENTATION

Shareholders Day



PRESENTATION **OUTLINE**

ASIA ENTERPRISES HOLDING LIMITED

1.	ESTABLISHED REGIONAL STEEL DISTRIBUTOR
2.	EXPERIENCED LEADERSHIP AND STRONG FINANCIAL POSITION TO RIDE THE STEEL INDUSTRY CYCLES
3.	INTRINSIC VALUE AND COMMITMENT TO SHAREHOLDERS

ASIA ENTERPRISES HOLDING LIMITED

ESTABLISHED STEEL DISTRIBUTOR
IN SINGAPORE AND THE REGION



CORPORATE **OVERVIEW**

ASIA ENTERPRISES HOLDING LIMITED

MAJOR REGIONAL STEEL DISTRIBUTOR

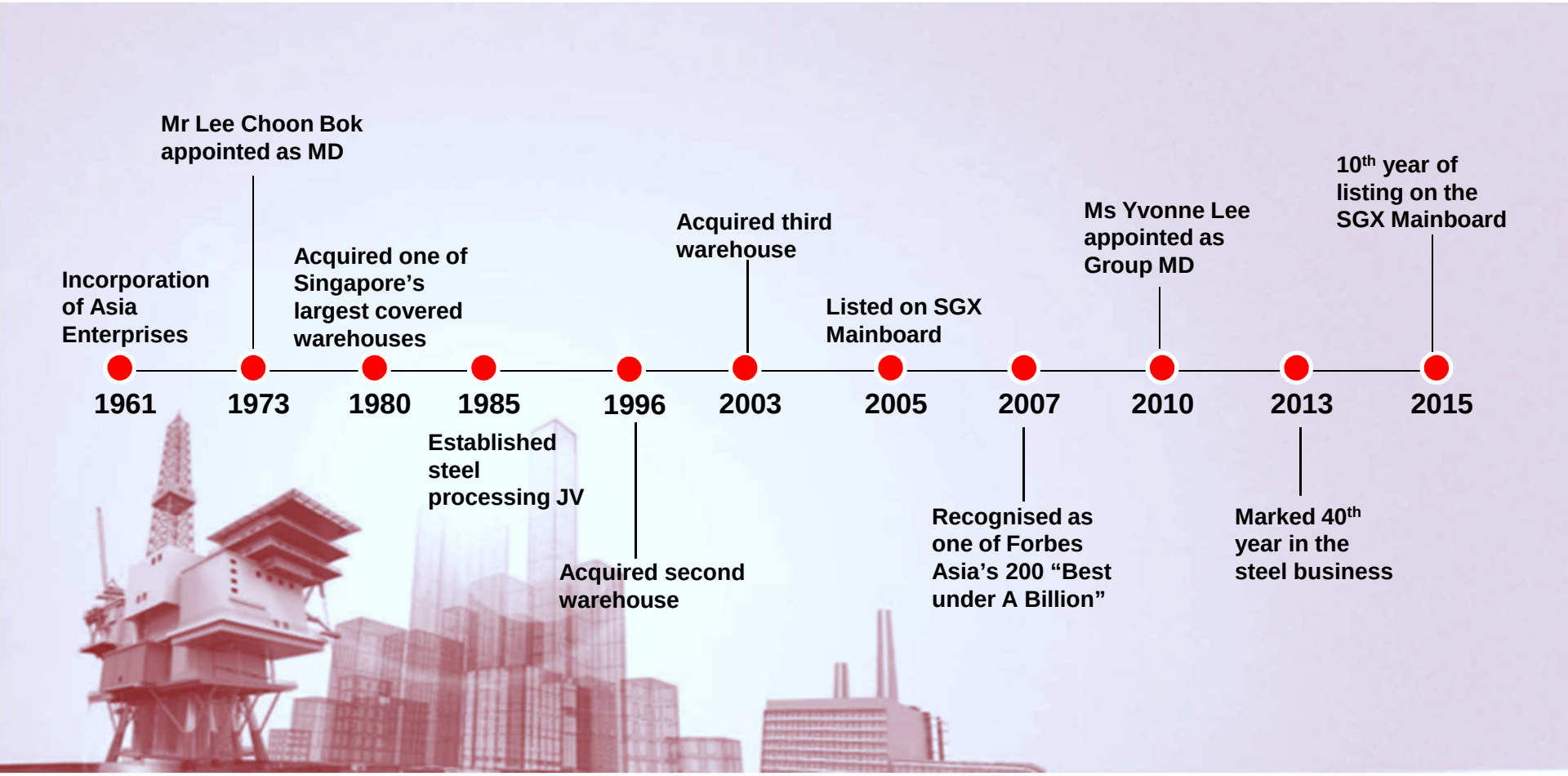
- Established since **1961**
- Focus on **INDUSTRIAL END-USERS**
- Specialist in distribution of steel products to **MARINE AND OFFSHORE SECTOR**
- Broad customer base in **ASIA PACIFIC REGION**
- One of Singapore's **LARGEST SUPPLIERS** of steel products



CORPORATE **OVERVIEW**

ASIA ENTERPRISES HOLDING LIMITED

CORPORATE MILESTONES



STEEL – A BASIC MATERIAL FOR MULTIPLE INDUSTRIAL USES

Some common steel products and their applications :

PRODUCT	APPLICATION
FLAT PRODUCTS	
Shipbuilding Plates	Shipbuilding, ship repair & conversions
High-tensile Plates	High strength hull structures, offshore structures, steel towers & structures
Hot-rolled Plates	Buildings, bridges, steel towers, machining parts, containers
Chequered Plates	Deck flooring in buildings, ships, towers
Electro-galvanised steel coils/sheets	Precision metal stamping, automotive, electrical appliances and electronics
LONG PRODUCTS	
Beams	Support columns and beams for buildings, bridges, underground structures, structural fabrication for ships, machinery, railway coaches
Angles	Structural reinforcement for steel towers, building frames, bridges, ships
Steel Pipes	Line pipes for steam, water, oil and gas transmission, and also used in chemical processing



CORPORATE **OVERVIEW**

STEEL DISTRIBUTORS PLAY A KEY INTERMEDIARY ROLE

Supply



Industry Value Chain

ASIA ENTERPRISES HOLDING LIMITED

Demand



Value-add

FACILITATE IMBALANCES BETWEEN DEMAND AND SUPPLY

- Bridge time lag between production and usage
- Readily available inventory for Just-In-Time delivery
- Flexible order sizes
- Steel processing facilities

CORPORATE **OVERVIEW**

ASIA ENTERPRISES HOLDING LIMITED

ONE-STOP SUPPLIER TO CUSTOMERS IN THE REGION







CORPORATE **OVERVIEW**

ASIA ENTERPRISES HOLDING LIMITED

LARGE WAREHOUSING FACILITIES

Combined land area of 45,934 sq m
- ~80% of steel items stored in covered warehouses for protection

3 Pioneer Sector Walk Acquired in 1996



25 Pioneer Sector 2 Acquired in 2003



36 Penjuru Lane Acquired in 1980

Undergoing re-development for lease renewal. Completion expected in Oct 2017



CORPORATE **OVERVIEW**

ASIA ENTERPRISES HOLDING LIMITED

DIVERSE BASE OF MORE THAN 700 ACTIVE CUSTOMERS





- ENGINEERING/ FABRICATION
- CONSTRUCTION
- OIL AND GAS
- MANUFACTURING
- PRECISION METAL STAMPING











Industrial end-users in Singapore, Indonesia, Malaysia and other countries in Asia Pacific

CORPORATE **OVERVIEW**

ASIA ENTERPRISES HOLDING LIMITED

HIGH BARRIERS TO ENTRY

Capital Intensive

- Substantial inventory with a diverse range of products
- Heavy investment in storage and equipment facilities

Established Network

- Critical mass of customers
- Wide network of established and reliable suppliers

Industry Expertise

- Over 40 years of experience
- Strong network of industry contacts







ASIA ENTERPRISES HOLDING LIMITED

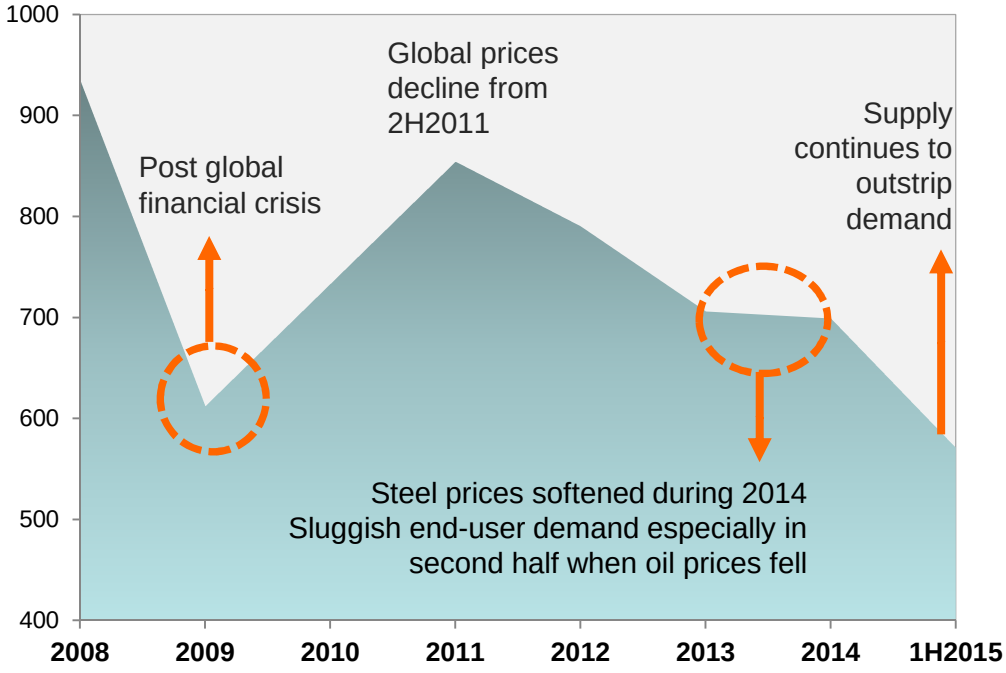
POSITIONED TO RIDE
THE STEEL INDUSTRY CYCLES



STEEL **INDUSTRY**

ASIA ENTERPRISES HOLDING LIMITED

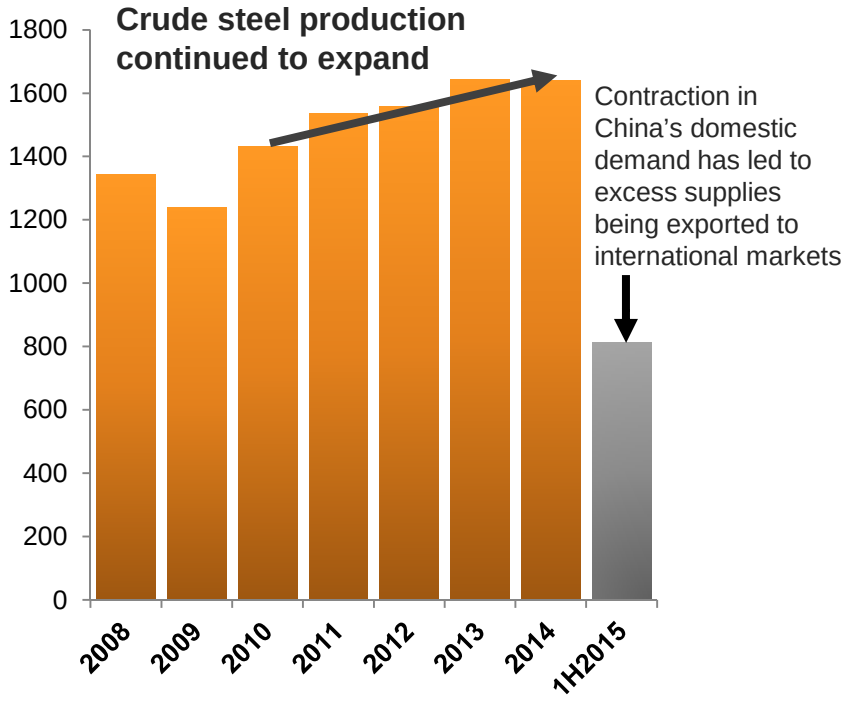
MEPS Global Composite Carbon Steel Price (Annual average)* (US$/tonne)



SOURCE : MEPS

**Prices illustrate the general steel price trend and are not representative of the Group's buying/selling prices*

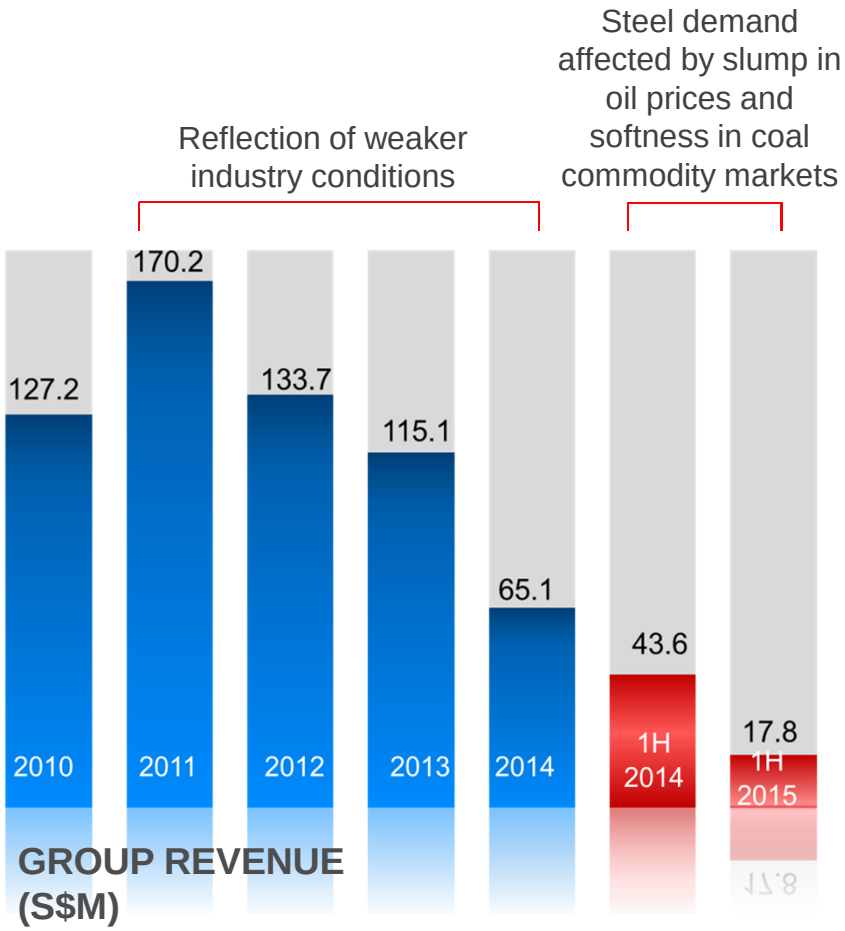
World crude steel production (million tonnes)

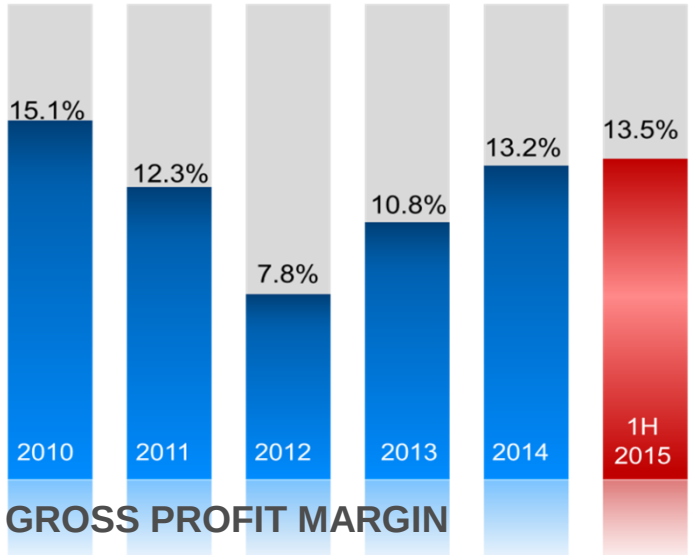


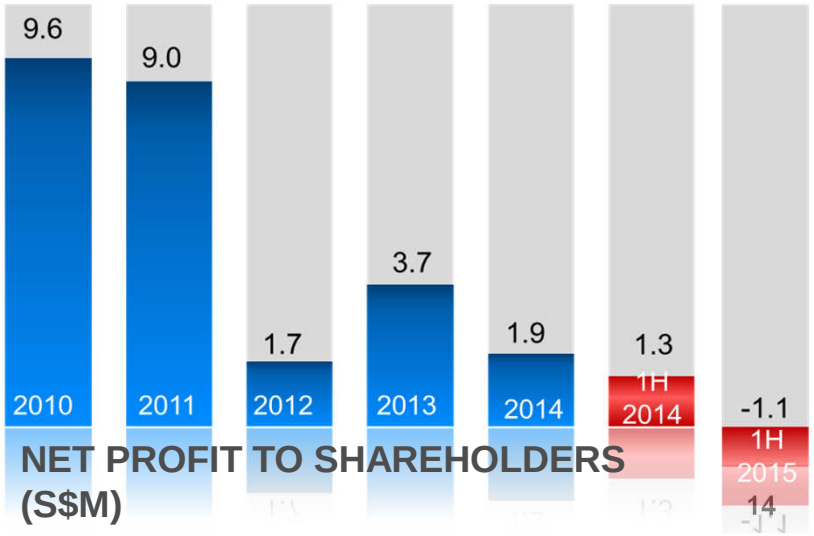
SOURCE : WORLD STEEL ASSOCIATION

FINANCIAL **PERFORMANCE**

ASIA ENTERPRISES HOLDING LIMITED





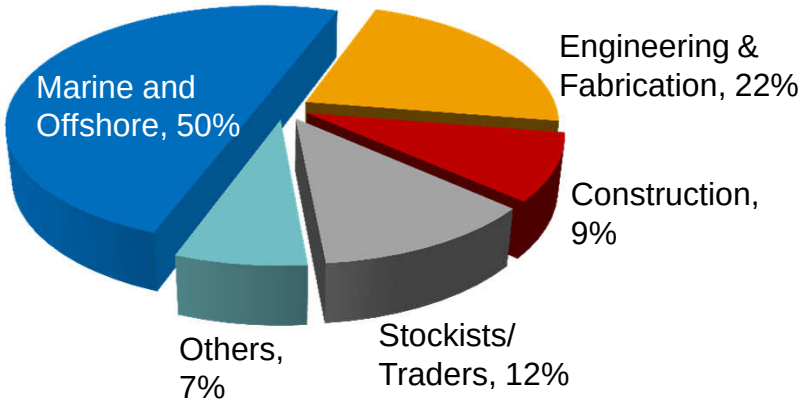


FINANCIAL **PERFORMANCE**

ASIA ENTERPRISES HOLDING LIMITED

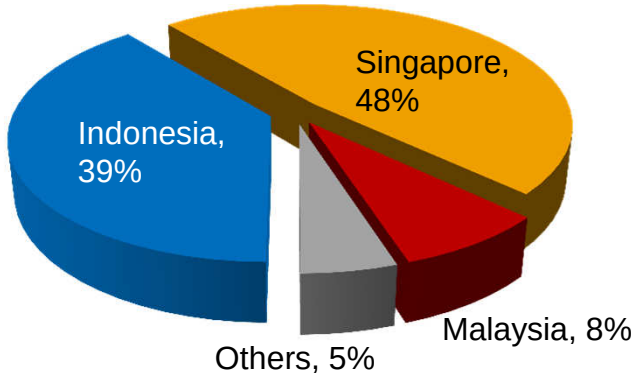
FY2014 REVENUE BREAKDOWN

By Customer Segment



Revenue contribution of M&O sector decreased to 50% in FY2014 from 67% in FY2013

By Geographical Market*



Indonesia market accounted for a smaller 39% of Group revenue, compared to 62% in FY2013

*Based on shipment destination

FY2015 **OUTLOOK**

ASIA ENTERPRISES HOLDING LIMITED

INDUSTRY CONDITIONS

Slow business conditions for steel distributors
as steel demand is dampened by lower business activities of end-users

Fall in oil and commodities prices
raises uncertainty of order flows for some steel end-user industries

Ample inventory in steel supply chain
Keen competition in the steel distribution industry expected to prevail

Challenging operating environment in the near-term
Not optimistic of returning to profitability in 2H15

Despite prevailing headwinds, we believe Asia Enterprises is well-positioned to withstand periods of slower market conditions

WITHSTANDING **INDUSTRY SLOWDOWN**

ASIA ENTERPRISES HOLDING LIMITED

(S$ million)

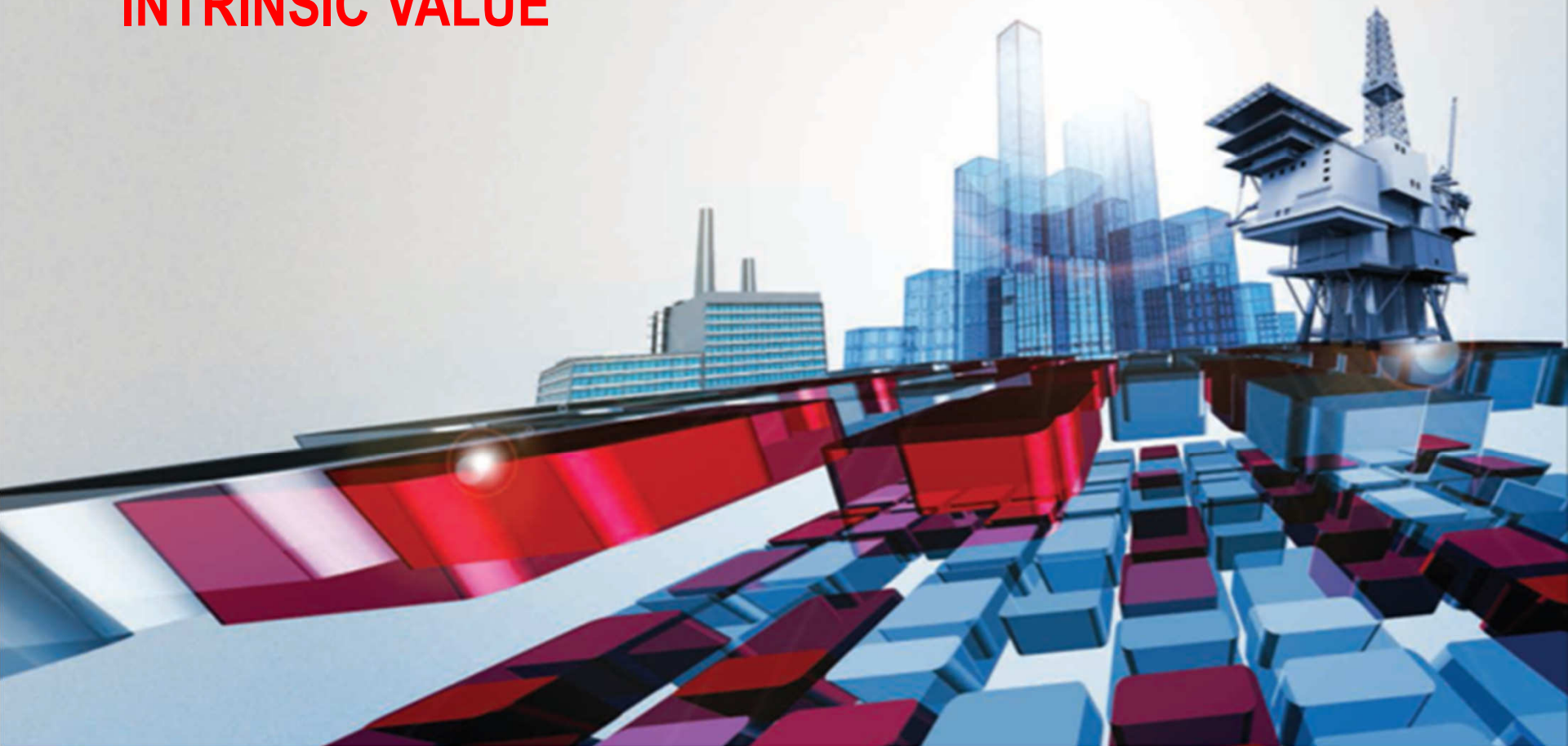
	As at 30 June 2015
Cash	**65.0**
Debt (including trust receipts)	**0.0**
Total assets	**112.4**
Total liabilities	**2.7**
Net asset value	**103.7**
Gearing	**Zero borrowings**
Current ratio	**51.4 times**

Well-positioned to withstand challenges

- ✓ **Strong balance sheet** – no debt, strong asset position and low liabilities
- ✓ **Experienced management team** – navigated the Group through several economic and business cycles
- ✓ **Focused on sustainability** – business prudence, financial discipline and lean operating structure

ASIA ENTERPRISES HOLDING LIMITED

ELEMENTS OF
INTRINSIC VALUE

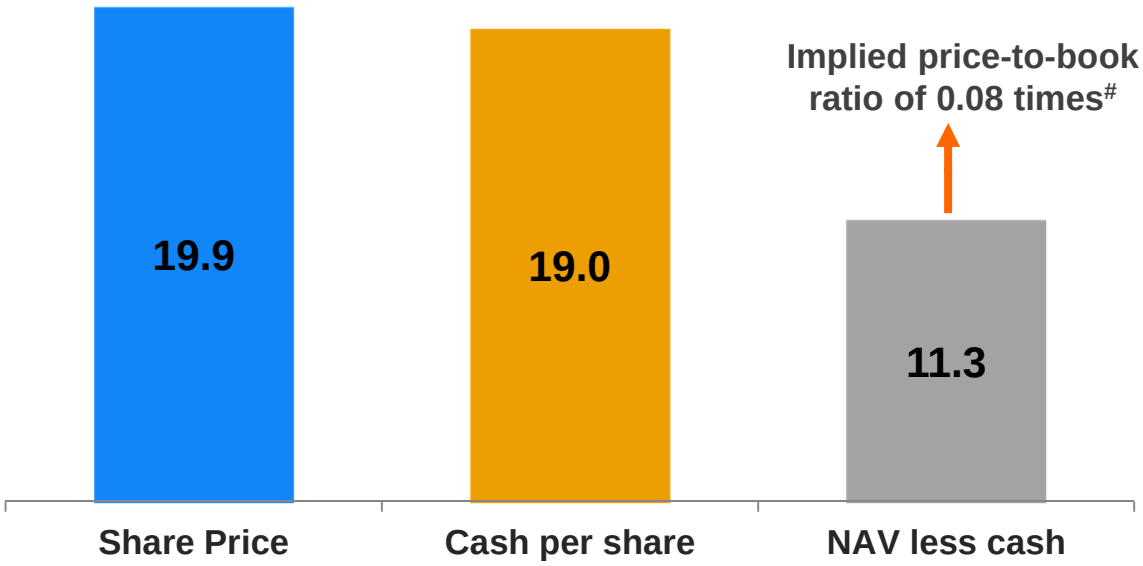


MARKET **VALUATION**

ASIA ENTERPRISES HOLDING LIMITED

95% of Share Price is backed by Cash

(cents)



As at 30 June 2015

NAV per share = 30.33 cents

Price-to-book ratio = 0.66 times*

*based on share price of 19.9 cents on 5 October 2015

#(Share price less cash per share) / (NAV less cash)

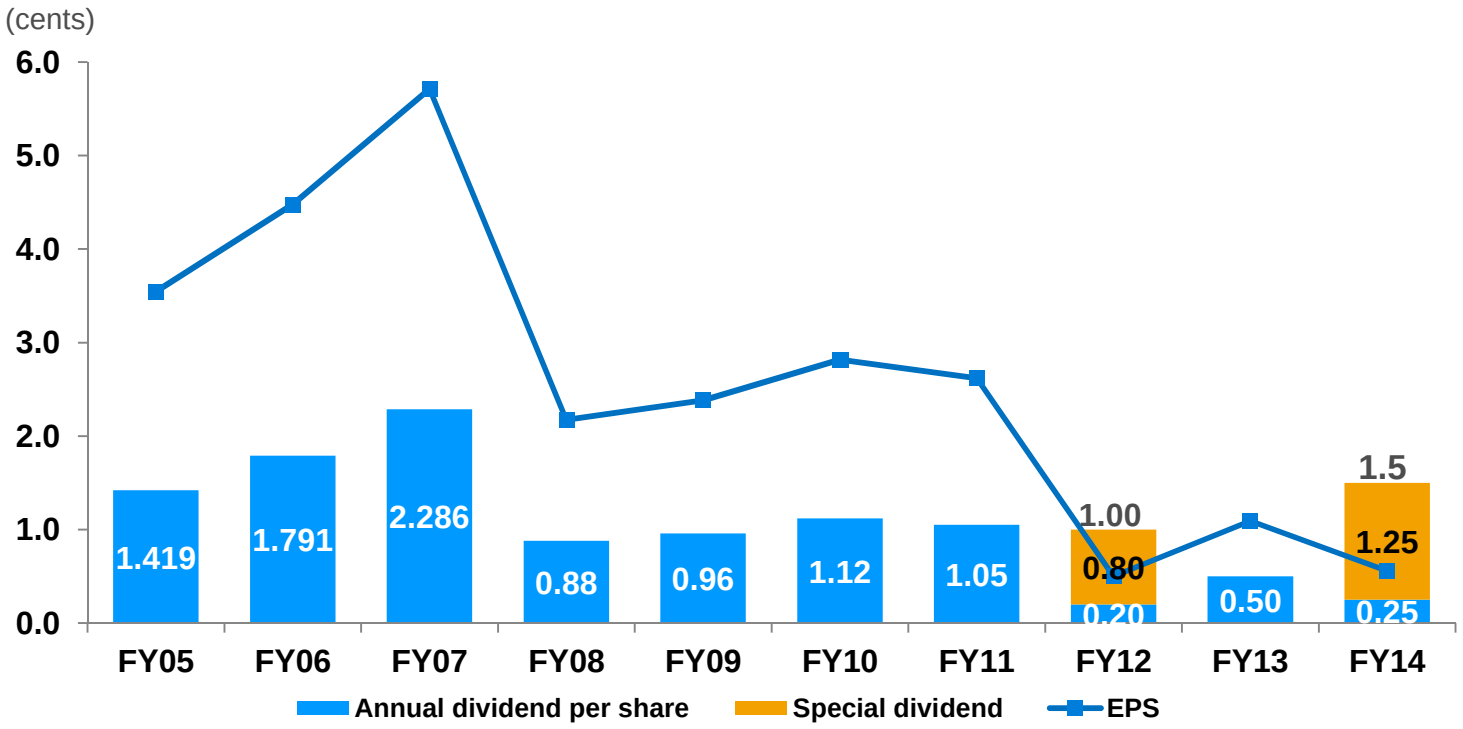
DIVIDEND **TRACK RECORD**

ASIA ENTERPRISES HOLDING LIMITED

COMMITTED TO REWARD SHAREHOLDERS

Final dividend of 0.25 cents and special dividend of 1.25 cents for FY2014

Annual dividend payout of at least 40% since FY2005



LONG-TERM **PERSPECTIVE**

ASIA ENTERPRISES HOLDING LIMITED

✓ **STEEL IS A BASIC MATERIAL THAT IS ESSENTIAL FOR INFRASTRUCTURE AND CONSTRUCTION OF OIL PLATFORMS, VESSELS AND BUILDINGS**

✓ **READY TO RIDE ON FUTURE RECOVERY**

✓ **SUSTAIN MARKET POSITION & STAY AHEAD OF COMPETITION**

- Slower vessel newbuilding activities at present but customers are still engaged in ship repair and other steel structure fabrication work
- Focus on "**Just-In-Time**" service to achieve shorter lead time and high quality deliveries
- Aligning our product mix and steel grades to our customers' project requirements

SINGAPORE MARKET	INDONESIA MARKET	OTHER ASIA-PAC MARKETS
• Serve **multiple industries** from marine and offshore, engineering/fabrication to construction • **Ongoing infrastructure and industrial projects** • Continue to **serve first-tier shipyards** and adopt a flexible sales strategy	• **Established reputation** and customer base • Sustain market position to **capitalise on shipyards' business activities** when oil and commodities markets recover	• Singapore is a **key steel sourcing hub** for other geographical markets • Continue to target the steel requirements of overseas end-users / distributors

IN **SUMMARY**

ASIA ENTERPRISES HOLDING LIMITED

Established steel distributor with 42 years of history
Consistent business principles and prudent financial management

Committed to reward shareholders
Established track record of dividend payments throughout business cycles

Sturdy financial position and experienced leadership
Confident of our ability to weather cyclical downturns

Ready to capitalise on recovery of steel end-user industries
Steel is a basic material that cannot be easily substituted for infrastructure, construction of vessels and offshore platforms

SAFE HARBOUR FOR **FORWARD-LOOKING STATEMENTS**

ASIA ENTERPRISES HOLDING LIMITED

This presentation contains certain statements that are not statements of historical fact, i.e. forward-looking statements. Investors can identify some of these statements by forward-looking items such as 'expect', 'believe', 'plan', 'intend', 'estimate', 'anticipate', 'may', 'will', 'would', and 'could' or similar words. However, you should note that these words are not the exclusive means of identifying forward-looking statements. These forward-looking statements are based on current expectations, projections and assumptions about future events. Although Asia Enterprises Holding Limited believes that these expectations, projections, and assumptions are reasonable, these forward-looking statements are subject to the risks (whether known or unknown), uncertainties and assumptions about Asia Enterprises Holding Limited and its business operations.

Some of the key factors that could cause such differences are, among others, the following:

- changes in the political, social and economic conditions and regulatory environment in the jurisdictions where we conduct business or expect to conduct business;
- the risk that we may be unable to realise our anticipated growth strategies and expected internal growth;
- changes in currency exchange rates;
- changes in customer preferences and needs;
- changes in competitive conditions in the steel industry and our ability to compete under these conditions;
- changes in pricing for our products; and
- changes in our future capital needs and the availability of financing and capital to fund these needs.

Given these risks, uncertainties and assumptions, the forward-looking events referred to in this presentation may not occur and actual results may differ materially from those expressly or impliedly anticipated in these forward-looking statements. Investors are advised not to place undue reliance on these forward-looking statements.

Investors should assume that the information in this presentation is accurate only as of the date it is issued. Asia Enterprises Holding Limited's business, financial conditions, results of operations and prospects may have changed since that day. Asia Enterprises Holding Limited has no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

ASIA ENTERPRISES HOLDING LIMITED

MAJOR REGIONAL DISTRIBUTOR OF
STEEL PRODUCTS TO INDUSTRIAL END-USERS

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