



# ASL MARINE HOLDINGS LTD.

(CO. REG. NO. 200008542N)

PRESS RELEASE -- FOR IMMEDIATE RELEASE

## ASL Marine remains profitable in challenging industry conditions, reports earnings of S\$7.9 Million for FY2015

- Industry downturn weighed on FY2015 revenue and profit, however, 4QFY2015 showed significantly improved revenue and profit compared to a year ago, supported by Shipbuilding and Shiprepair and Conversion segments
- Gross profit margins for Shiprepair and Conversion, and Engineering segments for FY2015 improved compared to those for FY2014
- Shipbuilding order book from external customers of approximately S\$356 million for 20 vessels, and shipchartering outstanding order book of approximately S\$57 million for long-term contracts as at 30 June 2015
- Cash dividend of 0.4 Singapore cents per share recommended for FY2015, representing a dividend payout of 21%

Singapore, 27 August 2015 – 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\$184.2 million and net profit attributable to shareholders of S\$7.9 million for the twelve months ended 30 June 2015 ("FY2015").

Financial Highlights	4QFY2015	4QFY2014	Chg	FY2015	FY2014	Chg
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	73,297	26,220	179.5	184,156	509,797	(63.9)
Gross Profit	10,779	6,378	69.0	38,097	58,828	(35.2)
Gross Profit Margin	14.7%	24.3%	(9.6) ppts	20.7%	11.5%	9.2 ppts
Other Operating Income	2,188	2,670	(18.1)	12,080	11,072	9.1
Administrative Expenses	(5,354)	(10,477)	(48.9)	(25,609)	(32,538)	(21.3)
Other Operating Expenses	(1,620)	(90)	1,700.0	(4,215)	(1,319)	219.6
Net Profit Attributable to Equity Holders	1,462	(4,147)	NM	7,931	22,118	(64.1)
Net Profit Margin	2.0%	NM	NM	4.3%	4.3%	-
Basic Earnings Per Share (cents)*	0.35	(0.99)	NM	1.89	5.27	(64.1)

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

\* Ppts: Percentage Points

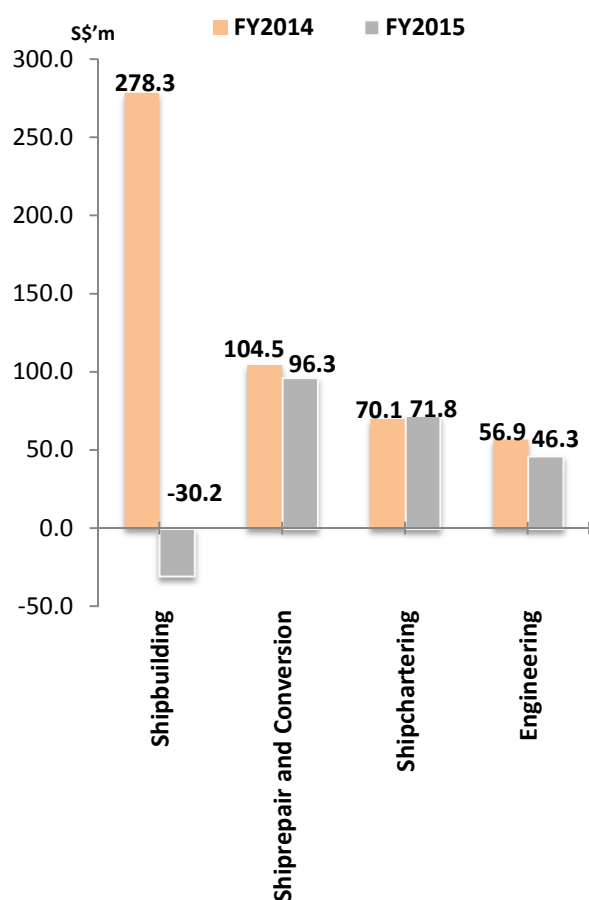
\* NM: Not Meaningful

## FY2015 FINANCIAL OVERVIEW

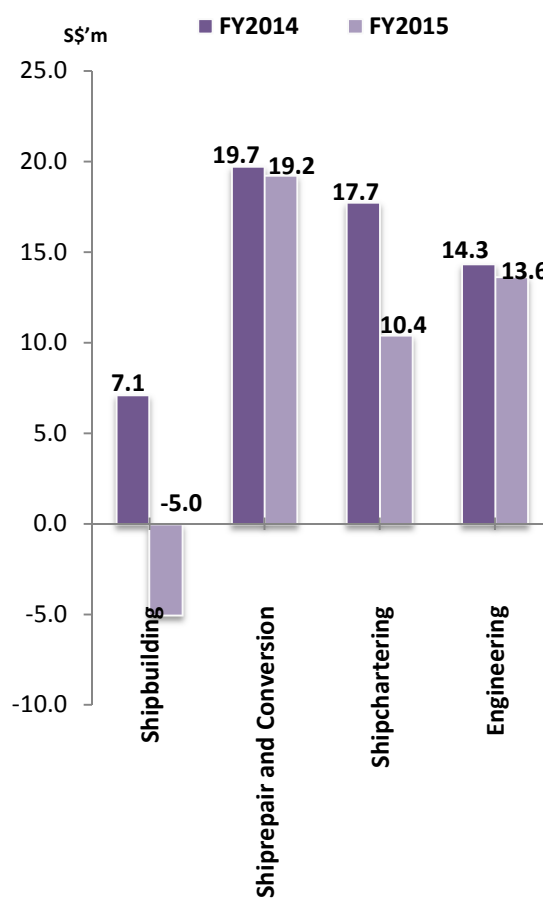
Group reported revenue of S\$184.2 million for FY2015, a 64% decline year-on-year ('yoy'). Gross profit was S\$38.1 million, a decline of 35% yoy.

Due to the impact of the S\$95 million reversal on shipbuilding revenue following the rescission of the two OSV shipbuilding contracts in December 2014, shipbuilding registered negative revenue of S\$30.2 million in FY2015.

### Segmental Revenue



### Segmental Gross Profit



For 4QFY2015, before the cancellation of the OSV, shipbuilding revenue decreased 50.3% yoy to S\$23.4 million, mainly due to the completion and delivery of several shipbuilding projects undertaken in the previous financial year and the low POC achieved from the new projects. Shipbuilding segment incurred a gross loss of S\$5.0 million for FY2015, but on a positive note, gross profit for 4QFY2015 improved yoy as there was no cost overrun or provision of liquidated damages required as seen in the previous quarters.

Shiprepair and Conversion revenue (recorded only upon completion) decreased 7.8% yoy to S\$96.3 million for FY2015, but for 4QFY2015 it registered a significant growth of 273.5% to S\$17.2 million due to revenue recognition of jobs completed during the quarter. Gross profit for Shiprepair and Conversion segment decreased 2.8% to S\$19.2 million for FY2015, with higher gross profit margin of 19.9% for FY2015 as compared to 18.9% for FY2014.

Shipchartering revenue increased by 2.5% yoy to S\$71.8 million for FY2015, supported by the two units of Landing Crafts ("LCT") that commenced operations in July 2014 and June 2015 respectively, and the two additional units of grab dredgers acquired in 4QFY2014. These charters counterbalanced the effect of the disposal of the ROV Support Vessel in November 2014, as well as the absence of revenue from the one unit of Anchor Handling Tug ("AHT"). Shipchartering segment reported gross profit of S\$10.4 million for FY2015, as compared to S\$17.7 million for FY2014. Gross profit margin for the shipchartering segment decreased from 25.3% to 14.4% yoy as a result of the change in vessel mix.

Engineering revenue declined by 18.8% yoy to S\$46.3 million for FY2015. New Buildings revenue decreased by 15.5% yoy to S\$10.8 million, while Components revenue decreased by 19.7% yoy to S\$35.4 million. Engineering segment generated S\$13.6 million gross profit in the financial year, a decrease of 5% yoy, but gross profit margin improved from 25.1% for FY2014 to 29.3% for FY2015.

Group reported net profit attributable to shareholders of S\$7.9 million for FY2015, compared to S\$22.1 million for FY2014. Earnings per share were 1.89 Singapore cents for FY2015 compared to 5.27 Singapore cents for FY2014. Group proposed a cash dividend of 0.4 Singapore cents per share, representing a dividend payout of 21%.

## **OUTLOOK**

During FY2015 and slightly after, the Group secured several new shipbuilding contracts with contract value worth approximately S\$140 million.

As at 30 June 2015, the Group had an outstanding shipbuilding order book from external customers of approximately S\$356 million for 20 vessels, comprising AHTS, tugs, barge, Seismic Support Vessel and tanker. These vessels will be progressively delivered up to the first quarter of FY2018.

The Group's shipchartering revenue consists of mainly short-term and ad-hoc contracts. Approximately 27% of shipchartering revenue in FY2015 was attributed to long-term chartering contracts. As at 30 June 2015, the Group had an outstanding order book of approximately S\$57 million for long-term shipchartering contracts.

*"As oil prices continue to trend lower over the past few quarters, our shipbuilding business took a hard hit, especially for OSVs. Shipchartering performance was stable as our non-offshore related vessels, such as tugs, work barges, dredgers, and tankers were less impacted by the tough offshore market, and they benefited from the lower logistic costs brought by lower oil prices.*

*While we have experienced one of the worst years for the offshore and marine sector in recent history, the Group still delivered reasonably satisfactory results for financial year 2015. This was attributable to our diversified business model and diversified fleet structure, as well as due to the persistent and diligent work of people at all levels in the Group during adversity of the market.*

*Our outstanding order books for shipbuilding and shipchartering remain healthy, and they offer certain earnings visibility even as the industry outlook remains challenging. Our established business framework and the stable client network will assist the Shiprepair and Conversion, and Engineering businesses to weather well in market volatilities. We will continue to explore business opportunities, stick to the strategy of maximizing deployment, enhancing and renewing our fleet to better meet customers' needs. Barring any unforeseen circumstances, the Board expects the Group to remain profitable for financial year 2016."*

**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 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.

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](http://www.aslmarine.com)

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By Financial PR Pte Ltd

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