



ASL MARINE HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

Co. Reg. No. 200008542N

VARIANCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND THE PRELIMINARY UNAUDITED FULL YEAR RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

The Board of Directors (the “**Board**”) of ASL Marine Holdings Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the announcement released by the Company on 29 August 2017 in relation to its unaudited full year financial results (the “**Preliminary Results**”) for the financial year ended 30 June 2017 (“**FY2017**”). Further reference is made to the audited financial statements of the Company for FY2017 (“**Audited Financial Statements**”) which will be despatched to shareholders as part of the FY2017 Annual Report.

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to announce and clarify certain material reclassifications made to the Preliminary Results, following the finalisation of the audit. Details and clarifications of the aforesaid reclassifications between the Audited Financial Statements and the Preliminary Results are set out in **Appendix A** attached.

The reclassifications did not result in any changes to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income of the Group for FY2017.

BY ORDER OF THE BOARD

Ang Kok Tian
Chairman, Managing Director and CEO
12 October 2017

1. Statements of Financial Position as at 30 June 2017

The variance was due to reclassification of interest-bearing loans and borrowings of \$53,399,000 from non-current liability to current liability with respect to a 5-year club term loan facility ("CTL facility").

The CTL facility required the Group to comply with certain covenants which are tested on a quarterly basis. As at 30 June 2017, the Group had not met one of the covenants imposed. At the request of the Group, subsequent to the financial year ended 30 June 2017, the Banks had waived the covenant that was breached. As the waiver was obtained subsequent to 30 June 2017, the Group did not have an unconditional right to defer its settlement for at least 12 months after 30 June 2017. As such the Group has reclassified an amount of \$53,399,000 from non-current liability to current liability.

The material reclassification between the Audited Financial Statements and the Preliminary Results is set out below:

	Group			Company		
	Audited \$'000	Unaudited \$'000	Difference \$'000	Audited \$'000	Unaudited \$'000	Difference \$'000
Current liabilities						
Interest-bearing loans and borrowings	215,233	161,834	53,399	65,295	11,896	53,399
Non-current liabilities						
Interest-bearing loans and borrowings	313,751	367,150	(53,399)	142,500	195,899	(53,399)

2. Consolidated Statement of Cash Flows for FY2017

Variances due to reclassification are as follows:

	Group			Note
	Audited \$'000	Unaudited \$'000	Difference \$'000	
Net cash flows generated from operating activities	85,919	77,269	8,650	a, b, c
Net cash flows used in investing activities	(24,538)	(20,808)	(3,730)	a,b
Net cash flows used in financing activities	(60,583)	(55,663)	(4,920)	c

Notes:

- Reclassification of proceeds from disposal of property, plant and equipment of \$3,395,000 from cash flows generated from investing activities to cash flows generated from operating activities.
- Reclassification of cash inflow from a related party of \$335,000 from non-trade nature (investing activities) to trade nature (operating activities).
- Reclassification of interest payments of \$4,920,000 which were capitalised in construction work-in-progress from cash flows used in operating activities to cash flows used in financing activities.

3. Disclosure of Revenue by Geographical Segments

The variances between the Audited Financial Statements and Preliminary Results are set out below:

	Audited	Unaudited	Difference
	\$'000	\$'000	\$'000
Singapore	128,895	153,657	(24,762)
Indonesia	34,355	28,110	6,245
Rest of Asia	27,044	19,082	7,962
Europe	40,174	101,370	(61,196)
United States of America and other countries	111,793	40,042	71,751
	<u>342,261</u>	<u>342,261</u>	<u>-</u>