



ASL MARINE'S MANAGEMENT REPLIES TO ONLINE MANAGEMENT Q&A

Dear Investors,

Thank you very much for the questions and the opportunities to clarify them.

We hope you have a better understanding of our business through this online exchange.

Your questions will be reposted in blue followed by our replies in black.

Regards,
The Management Team
ASL Marine Holdings Ltd

Dear Michael See, you wrote:

Well done. You have delivered a set of good numbers for FY 06. Going forth, how are you intending to grow the business and when you expect to meet the targets.

Understand you are exploring into region and even Middle East, any specific growth target and at what risk and return.

The Group has positioned itself for further growth in its core businesses with special focus on its high margin shiprepair segment. This is evident from the building of a 150,000 dwt drydock in Batam which is due to be completed in second half of the financial year ending 30 June 2006 and set to be the largest dry dock in Indonesia. Other further developments will include the building of more workshops and a finger pier in Batam, establishment of a new shipyard in China, additions of plant and machineries to cope with the increased workload, renewal and upgrading of our vessel fleet and the further strengthening of our management team. In view of the developments in place, the Group is confident of providing a more comprehensive range of products and services, to both our existing and new customers in the near future.

The Group will continue to explore business opportunities in the region and also in emerging markets like the Middle East, especially in view of the booming market there for marine transportation. The risk will commensurate with the return that the Group is seeking, and will further enhance shareholders' value.

Dear Benjamin Yeo, you wrote:

Any further potential new contracts for this year 2006?

There are ongoing enquiries received on building of vessels, as and when any new contracts is signed and confirmed, announcement will be made by the Company via SGXNET.

Dear Flora, you wrote:

The company has been selling smaller & older vessels to buy new vessels. Would upgrading the vessels be more cost effective rather than simply buying new ones?

The Group takes into account the selling price offered for the smaller and older vessels in the current booming market against the time and costs (including opportunity costs) involved in upgrading the smaller and older vessels to the required specifications. In comparison, it is more cost effective to purchase new ones.

Dear Francis, you wrote:

I've noticed you have a lot of WIP for shipbuilding projects. Does the company have enough resources to complete these projects in time? Will the company face penalties from the customers should delays in projects occur?

We are well prepared in terms of financing, manpower as well as new plant and machinery additions. The Group obtains specific project financing for all its shipbuilding projects with project tenure of more than one year from its ready pool of bankers. Our manpower requirements are readily fulfilled by our long term subcontractors. Furthermore, the Group has increased its supervisory and management staff as well as its plant and machinery adequately to handle the increased workload.

Although delays in projects do occur sometimes, they are usually due to reasons which allow for time extensions under the contracts. With our improved management as well as good working relationships with our customers through continuous feedback and close communications, liquidated damages, if any, will be minimized.

Dear Alvin Teo, you wrote:

The shipbuilding & repair business is doing very well currently and i see the company is diversifying into coal concession in indonesia going into the energy business. Any plans to go into the oil & gas business (eg. biodiesel from palm oil)?

The Group is currently focused on expanding its core businesses and has no plans to diversify into other areas. Previously, the Group, through its jointly-controlled entities, diversified into the coal concession business in Indonesia in order to procure and strengthen its ship chartering division's position in the coal carrying business.

Dear Investors,

Thank you for all your questions and the interest in ASL Marine Holdings Ltd. We have come to the end of this Q&A session.

We have enjoyed and learnt much from your questions and we hope that you have a better insight of our Company and know more about our operations.

Regards,
The Management Team
ASL Marine Holdings Ltd
