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## ACQUISITION OF VOSTA LMG INTERNATIONAL B.V. AND CFT INTERNATIONAL GMBH

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### 1. INTRODUCTION

The Board of Directors of ASL Marine Holdings Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that Leo Dynamische Investering B.V., a wholly owned subsidiary of the Company, has on 12 November 2012 entered into a conditional sale and purchase agreement (the “**Agreement**”) with NordGB Suisse S.A. (the “**Seller**”), Mr. R.H.F. Dietze (“**Mr. Dietze**”), Vosta LMG International B.V. (“**Vosta LMG**”) and CFT International GmbH (“**CFT**”), for the sale and purchase of all the issued and outstanding shares of Vosta LMG and CFT (collectively, the “**Companies**” and together with their subsidiaries, the “**Group Companies**”) for a cash consideration of EUR 5.1 million and EUR 1 respectively (collectively, the “**Consideration**”) (equivalent to approximately S\$8.0 million) (the “**Acquisition**”).

Unless otherwise stated, an exchange rate of EUR 1: S\$1.56 has been used in this announcement.

### 2. INFORMATION ON VOSTA LMG

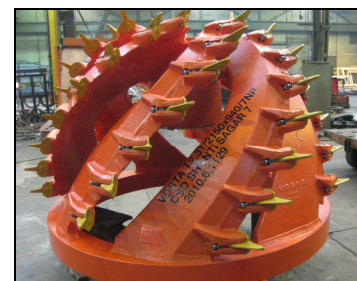
Vosta LMG is a well established and leading international dredging engineering and contracting company with more than 140 years of history. With its cutting edge but proven technical know-how and experience, Vosta LMG provides specialised and tailor-made solutions to the world’s dredging industry. Vosta 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 also allows it to convert, refit and upgrade existing dredgers.

Beyond designing and constructing dredgers, the Company also makes a wide range of dredging component packages of parts, including cutting-, suction-, discharge-, automation- and coupling systems, as well as individual parts such as cutter heads, underwater cutting wheels, dredge pumps, ball joints and automation packages. With its team of specialists, Vosta LMG also provides inspection, training, management and advisory services to clients all over the world, assisting them to increase the efficacy of their dredgers and operations.

Vosta LMG’s globally acknowledged R&D department boasts of continuous innovations as evidenced by its continually updated and improved product range. Vosta LMG owns several important patents, and its GREENFORCE Ball Joint and T-Cutter System have been nominated for the Maritime Innovation Award 2012. The GREENFORCE Ball Joint is a revolutionary design of a ball joint used in floating pipelines behind cutter suction dredgers that reduces costs as well as the impact on the environment. Vosta’s T-Cutter system revolutionised the way cutter teeth on cutter suction dredges are replaced by reducing downtime and increasing safety.



GREENFORCE Ball Joint



T-Cutter system

Vosta LMG has offices in the Netherlands, Germany, UAE, India, Singapore, China and the USA. Moving forward, it has also entered into long-term strategic agreements with other players in the industry, including a cooperation agreement for the supply of dredgers to Indian end-users.

For more information please visit the website [www.vostalmg.com](http://www.vostalmg.com)

### **3. INFORMATION ON CFT**

CFT is a German incorporated private company with limited liability, and is in the business of rendering administrative services and employ corresponding personnel to Group Companies that are based in Germany.

### **4. INFORMATION ON THE PURCHASER**

In connection with the Acquisition, the Company has incorporated a wholly owned subsidiary, Leo Dynamische Investerings B.V. (the "**Purchaser**"). The Purchaser is a private company with limited liability incorporated under the laws of the Netherlands. It has an issued and paid-up share capital of EUR 1 comprising 1 ordinary share and is in the business of investment holding.

### **5. RATIONALE FOR THE ACQUISITION**

From the Company's point of view, Vosta LMG's business comprises three parts: design, spare parts and project management. The main purpose of a ship is to maintain hull integrity so that it can keep water, sand and dirt out and stay afloat. Most dredgers seek to allow in water, sand and dirt so that they can clear a channel/area or deliver marine sand for reclamation. Thus, design is an integral and very important part of building a viable and efficient dredger. Sand and dirt are highly abrasive. Thus the teeth and other parts of the dredging mechanism require frequent replacement. As many large sized dredging systems are proprietary, this means a dredger designed by Vosta LMG and using their system requires that vessel to source Vosta LMG spare parts. Vosta LMG has no shipyard or fabrication plant. Thus on turnkey projects, Vosta LMG works with shipyards and fabrication plants.

It is the Company's strategy to maintain and enhance Vosta LMG's design and spare parts business. It is the Company's aim to try to integrate the project management business with its own even larger project management business to achieve for Vosta LMG more scale economies, price competitiveness, speed and reach. The integration will not result in all Vosta LMG projects being undertaken at the Company's yards. The choice of the yard is and will remain on price, quality and client preference.

From the Company's point of view, the acquisition is an important step in capturing a high barrier part of the industry's value chain. The Netherlands is an acknowledged leader in the field of dredging technology. By acquiring part of that technology, the Company believes that it can now add real value to clients in the dredging and marine earth moving industry and to economies where dredging and land reclamation is of vital importance.

### **6. PRINCIPAL TERMS OF THE ACQUISITION**

#### **6.1 Consideration**

The Consideration was arrived at based on negotiations on a willing-buyer willing-seller basis taking into account, *inter alia*, the extensive experience, excellence in technical know-how, contacts and existing business of Vosta LMG. The Consideration will be satisfied in cash, and will be funded through the Group's internal resources.

50% of the Consideration will be held in an escrow account prior to completion of the Agreement ("**Completion**"), and paid to the Seller upon Completion. The balance 50% will be paid to the Seller's bank account six months following Completion.

## 6.2 Conditions Precedent

Completion of the proposed Acquisition shall be conditional upon, *inter alia*, the following:

- (a) The Seller having delivered evidence reasonably satisfactory to the Purchaser that the restructuring, whereby certain entities that the Company does not intend to purchase are transferred out of the Group Companies, has been complete;
- (b) The Seller having delivered evidence reasonably satisfactory to the Purchaser that certain outstanding intercompany debts between the Group Companies, the Seller and its subsidiaries, Mr. Dietze and any of their affiliates and/or related persons have been settled and/or waived;
- (c) No event has occurred and no situation has arisen or threatens to arise between the date of the Agreement and Completion, which has resulted or could result in a material adverse change compared with the position of the Group Companies and their operations on 31 December 2011 and no breach of any obligation of the Seller under or pursuant to the Agreement has occurred or threatens to occur; and
- (d) All necessary approvals, consents and waivers of the Singapore Exchange Securities and Trading Limited (the "SGX-ST") required to complete the Agreement and all transactions contemplated under the Agreement, (if any) and the approval of the SGX-ST (if necessary) in respect of the Acquisition pursuant to the rules of the Listing Manual of the SGX-ST, being obtained and if such approvals, consents and waivers are obtained subject to any conditions and where such conditions affect any party, such conditions being acceptable to the party concerned, and if such conditions are required to be fulfilled before Completion, such conditions being fulfilled before Completion.

If on or before on 31 December 2012 the conditions precedent in the Agreement have not been satisfied or waived, the Purchaser may, in its sole discretion and without prejudice to any and all other rights available to the Purchaser, by notice to the Seller, (i) extend the date for satisfaction of these conditions precedent by one or more times up to three months, or (ii) terminate the Agreement with immediate effect without any liability on its part, except for prior breach of any of its obligations pursuant to the Agreement. If the conditions precedent in the Agreement have not been satisfied or waived on or before 31 March 2013, the Agreement shall terminate automatically, without any liability on any part of the parties, except for prior breach of any of their obligations pursuant to the Agreement.

## 6.3 Non-compete and non-solicitation

The Seller and Mr. Dietze each undertakes that they shall not, directly or indirectly, for a period of three years following Completion, in any country in which any of the Group Companies conducted any business or had plans to expand its business and had invested in such plans at the time of Completion:

- a) be engaged in any business and/or activity that is or is potentially in competition with any of the businesses of the Group Companies at Completion other than a holding purely for financial investment purposes;
- b) solicit or interfere with any person who, in the two years before and up to Completion, is a customer or supplier of, or has any other business relation with, any of the Group Companies; and/or
- c) employ or solicit any person who, in the two years before and up to Completion, is or has been an employee, director, officer or manager of any of the Group Companies.

## 6.4 Governing Law

The Agreement is governed by the laws of the Netherlands.

## 7. FINANCIAL EFFECTS

Vosta LMG is a Dutch incorporated private company with limited liability, and its negative net asset value and negative net tangible asset value as at 31 December 2011 based on its audited consolidated accounts is approximately EUR 3.2 million and EUR 3.9 million respectively.

CFT is a German incorporated private company with limited liability and its net tangible asset value as at 31 December 2011 based on its management accounts is approximately EUR 88.

The *pro forma* financial effects of the proposed Acquisition, based on the audited consolidated financial statements of the Group and the Companies for the financial year ended 30 June 2012 and 31 December 2011 respectively are set out below. The *pro forma* financial effects are only presented for illustration purposes, and are not intended to reflect the actual future financial situation of the Company or the Group after completion of the proposed Acquisition.

### Net Tangible Assets

Assuming that the proposed Acquisition has been completed on 30 June 2012, the effect on the net tangible assets (“NTA”) per share of the Company will be as follows:

	Before Acquisition	After Acquisition
NTA (S\$'000)	\$354,141	\$347,660
Number of shares	419,511,294	419,511,294
NTA per share (cents)	84.42	82.87

### Earnings per Share

Assuming that the proposed Acquisition has been completed on 1 July 2011, the effect on the earnings per share (“EPS”) of the Company will be as follows:

	Before Acquisition	After Acquisition
Profit after tax and minority interest (S\$'000)	32,326	26,251
Number of shares	419,511,294	419,511,294
EPS (cents)	7.71	6.26

## 8. DISCLOSEABLE TRANSACTION

The relative figures in respect of the proposed Acquisition, as computed on the bases set out in Rule 1006 of the Listing Manual, are as follows:

Bases in Rule 1006		
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable <sup>(1)</sup>
(b)	Net loss <sup>(2)</sup> attributable to assets to be acquired, compared with the Group's net profits	Not meaningful <sup>(3)</sup>
(c)	The aggregate value of the consideration given, compared with the Company's market capitalization <sup>(4)</sup> based on the total number of issued shares excluding treasury shares	3%
(d)	The number of equity securities issued by the Company as consideration for the Acquisition, compared with the number of equity securities previously in issue	Not applicable <sup>(5)</sup>

**Notes:**

- (1) This is not applicable to an acquisition of assets.
- (2) "Net profit or loss" means profit or loss before income tax, minority interests and extraordinary items.
- (3) It is not meaningful to compare the net loss of approximately S\$5.9 million attributable to Vosta LMG based on the audited financial statements of Vosta LMG for the financial year ended 31 December 2011, and the net loss of approximately S\$0.036 million attributable to CFT based on the management accounts of CFT for the financial year ended 31 December 2011, both at the exchange rate of EUR1: S\$1.68 with the net profits of the Group.
- (4) "Market capitalisation" is determined by multiplying the number of shares of the Company (419,511,294 Shares) in issue by the weighted average price of such shares S\$0.625 transacted on 9 November 2012 (being the market day preceding the date of the Agreement).
- (5) Not applicable as the Consideration shall be fully satisfied in cash.

As the relative figures as computed on the bases set out in Rule 1006 exceeds 5% but does not exceed 20%, the proposed Acquisition constitutes a "discloseable transaction" within the meaning of Chapter 10 of the Listing Manual, and has to be immediately announced by the Company.

**9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above Acquisition other than through their shareholdings in the Company.

**10. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Agreement is available for inspection during normal business hours at the registered office of the Company at 19 Pandan Road, Singapore 609271, for a period of 3 months commencing from the date of this announcement.

BY ORDER OF THE BOARD

Ang Kok Tian  
Chairman and Managing Director  
12 November 2012