



**RESPONSE TO SGX QUERIES ON THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

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The Board of Directors of ASL Marine Holdings Ltd. (the "Company") wishes to respond to the following queries raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") on 27 October 2015, with reference to the Company's annual report for the financial year ended 30 June 2015 (the "Annual Report"), as follow:

**Query 1:**

Guideline 2.4 of the Code states that the independence of any director who has served on the Board beyond nine years from the date of his first appointment should be subject to particularly rigorous review. In doing so, the Board should also take into account the need for progressive refreshing of the Board. The Board should also explain why any such director should be considered independent.

**Company's Response:**

Mr. Andre Yeap Poh Leong ("Mr. Andre") has served on the Board for more than 10 years while Mr. Christopher Chong Meng Tak ("Mr. Christopher") served more than 9 years from the date of their first election.

The rigorous review and the factors taken into consideration by the NC and the Board to assess and determine the independence of Mr. Andre and Mr. Christopher includes:

- a) Their contribution in terms of professionalism, integrity, objectively and ability to exercise independence of judgement in his deliberation in the interest of the Company;
- b) They have no relationship with the Company's related corporations, substantial shareholders, officers and Management that could impair their fair judgment; and
- c) They constructively assist in the setting strategies and goals for the Company and regularly assessing the performance of Management.

Hence, the Board is of the view that Mr. Andre and Mr. Christopher should still be considered independent in character and judgement despite having been on the Board for more than nine years as there were no circumstances which would likely affect or appear to affect his judgement.

**Query 2:**

Guideline 11.3 of the Code states, *inter alia*, that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, in the company's Annual Report. The Board's commentary should include information needed by stakeholders to make an informed assessment of the company's internal control and risk management systems. As required under Listing Rule 710, please make disclosures as recommended in the Code of Corporate Governance 2012 (the "Code") or otherwise explain the reason(s) for the deviation from the following Code guidelines.

**Company's Response:**

The Company refers to pages 62 to 63 of the Annual Report and would like to clarify that based on the reports from the internal and external auditors and concurrence of the Audit Committee, the Board is of the opinion that there were adequate and effective internal controls to address the financial, operational, policy, compliance and information technology controls, and risk management systems as at 30 June 2015 for the nature and size of the Group's assets and ensure the integrity of the financial statements. The management continues to focus on improving the standard of internal controls, corporate governance and the mitigation of high risk areas.

BY ORDER OF THE BOARD

Ang Kok Tian  
Chairman and Managing Director

28 October 2015