



ASL MARINE HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

Co. Reg. No. 200008542N

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

ASL Marine Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) was placed on the watch-list (the “**Watch-list**”) under financial entry criteria pursuant to Rule 1311 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”) on 4 December 2019, where the Company has 36 months thereon to meet the requirements of Rule 1314 of the Listing Manual. Pursuant to an extension of time granted by the Singapore Exchange Regulation Pte. Ltd. on 26 October 2022, the Company has till 4 December 2023 to fulfill Rule 1314 of the Listing Manual.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the “**Board**”) wishes to provide an update on the financial situation of the Company and the Group in respect of the financial year ended 30 June 2023 (“**FY2023**”) and its efforts and the progress made in meeting the financial exit criteria.

Update on Unaudited Financial Performance and Financial Position

The Group’s revenue for the fourth quarter ended 30 June 2023 (“**4Q FY2023**”) and twelve months ended 30 June 2023 (“**FY2023**”) was \$37.1 million (61.9%) and \$100.2 million (42.6%) higher respectively as compared to the previous corresponding periods, attributed to higher contribution from shipbuilding as well as shiprepair, conversion and engineering services.

The Group recorded profit before tax of \$12.0 million in 4Q FY2023 (4Q FY2022: loss before tax of \$10.5 million) and \$7.0 million in FY2023 (FY2022: loss before tax of \$31.8 million). This was mainly attributable to higher contribution from shipbuilding and shiprepair segments, reversal of impairment loss on assets, higher share of results of joint ventures and associates partially offset by higher finance costs and other operating expenses which included net foreign exchange loss, loss on disposal of assets and vessels written off.

Excluding the finance cost on amortisation of bank loans and bond which pertained to amortisation of fair value adjustments resulting from re-measurement of long term bank loans and bonds in prior years, the Group’s profit before tax would have been \$16.3 million in 4Q FY2023 (4Q FY2022: loss before tax of \$7.2 million) and \$21.3 million in FY2023 (FY2022: loss before tax of \$19.0 million).

For the financial year ended 30 June 2023, the Group disposed one Platform Supply Vessel held as inventories for sale and the remaining two PSVs were being transferred from inventories to property, plant and equipment based on recent transacted price, after having secured long-term charter contracts with option to purchase.

The Group’s earnings before interest, tax, depreciation, amortization, impairments and other non-cash flow items (Adjusted EBITDA) increased by \$16.4 million (253.7%) to \$22.8 million in 4Q FY2023 and \$24.9 million (64.0%) to \$63.9 million in FY2023. The Group continues to generate positive cash flow from its operating activities.

Please refer to the Company’s unaudited financial statements for the fourth quarter ended 30 June 2023 dated 29 August 2023 for an update on the Group’s financial position and performance.

Update on Efforts for Satisfying Financial Exit Criteria

The Group continues to focus on its core businesses with sustainable revenue generated from shipbuilding, shiprepair and ship chartering.

During the past 3.5 years, the COVID-19 pandemic has disrupted the progress of our recovery plan to meet the Exit Criteria within 36 months from 4 December 2019. As we return to normality from the COVID-19 pandemic, the marine service industry has also recovered in tandem, barring the adverse impacts that may be caused by a) geopolitical rivalry; b) rising interest rates and currency fluctuation and c) inflationary increase in the prices of energy, raw materials as well as labour and staff costs due to tight labour market. Whilst it is difficult to predict the impact of global events and the course of rising focus to greener solutions (for instance future green fuel and offshore renewable energy), the overall long-term outlook of the marine industry remains positive and sustainable.

The Group has turnaround and reported a net profit of \$3.6 million in FY2023 and will continue to strive in improving its operating results and strengthen its operational efficiencies, productivity and business performance. The Group remains committed in improving its businesses and the implementation of sustainable business solutions, taking into consideration the current and changing market conditions and uncertainty in the global economy on the Group's businesses.

Save for the above, there is no other material developments or update that may have a significant impact on the financial position of the Group and the market capitalization of the Company that would affect its position on the Watch-list. The Board will continue to monitor the situation closely, and will make the appropriate announcement(s), if applicable, should there be any material developments or updates.

BY ORDER OF THE BOARD

Ang Kok Tian
Chairman, Managing Director and CEO
29 August 2023