



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 30 November 2023, the Company has till 4 December 2024 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 2024 (“**FY2024**”) 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 of \$79.2 million for the 3 months ended 30 June 2024 (“**4Q FY2024**”) was \$17.7 million (18.3%) lower as compared to the corresponding quarter in FY2023 (“**4Q FY2023**”), due to lower contribution from shipbuilding and shiprepair, conversion and engineering services, partially offset by higher revenue from shipchartering.

For the 12 months ended 30 June 2024 (“**FY2024**”), the Group’s revenue of \$349.3 million was \$13.5 million (4.0%) higher as compared to the corresponding year ended 30 June 2023 (“**FY2023**”) due to higher revenue from shipchartering and shiprepair, conversion and engineering services, partially offset by lower revenue from shipbuilding due to absence of one-off sale of one Platform Support Vessel (previously held as inventories) in FY2023.

The Group recorded a lower profit before tax of \$1.4 million in 4Q FY2024 (4Q FY2023: \$12.0 million), a decrease of \$10.6 million mainly due to a) lower revenue and gross earnings; b) lower reversal of impairment loss on non-financial assets, c) higher impairment loss made on financial assets (mainly associates) partially offset by d) gain on disposal of property, plant and equipment and e) higher net foreign exchange gain recorded in 4Q FY2024.

The Group recorded a profit before tax of \$12.6 million in FY2024 (FY2023: \$7.0 million) mainly attributable to a) higher revenue and gross earnings, b) higher reversal of impairment loss on financial assets (mainly trade receivables) c) gain on disposal of property, plant and equipment, d) net foreign exchange gain, partially offset by e) lower reversal of impairment loss on non-financial assets and f) lower share of results from associates.

In FY2023, the Group recorded a reversal of impairment loss of \$21.7 million on non-financial assets, of which \$15.2 million from its existing two Platform Support Vessels, which were being transferred from inventories to property, plant and equipment after having secured long-term charter contracts with options to purchase.

Excluding the finance costs on amortisation of bank loans and bonds 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 \$5.0 million in 4Q FY2024 (4Q FY2023: \$16.3 million) and \$26.6 million in FY2024 (FY2023: \$21.3 million).

The Group's earnings before interest, tax, depreciation, amortization, impairments, and other non-cash flow items (“**Adjusted EBITDA**”) decreased by \$2.1 million (9.4%) to \$20.6 million in 4Q FY2024 and by \$21.8 million (34.2%) to \$85.7 million in FY2024. The Group continues to generate positive cash flow from its operating activities.

Please refer to the Company's unaudited quarterly financial statements for the fourth quarter ended 30 June 2024 dated 29 August 2024 for a detailed update on the Group's financial position and performance.

Update on Efforts for Satisfying Financial Exit Criteria

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

Over the past 4 years, the progress of our recovery plan, aimed at meeting the Exit Criteria within 36 months from December 4, 2019, has been hampered by the COVID-19 pandemic. As we gradually return to a state of normalcy from the pandemic, the marine service industry is also recovering in parallel, barring any adverse impact that may be caused by a) geopolitical tensions, b) interest rates and currency fluctuations, and c) inflationary pressures leading to higher energy price, raw material, labor costs due to a tight labor market. While it is challenging to predict the impact of global events and the growing emphasis on greener solutions (such as future green fuels and renewable energy), the overall long-term outlook for the marine industry remains positive and sustainable.

The Group reported a net profit of \$3.8 million in FY2024 (FY2023: \$3.6 million) and will continue to strive in improving its operating results and strengthen operational efficiency, productivity, and overall business performance. The Group remains committed to improving its businesses and implementing sustainable business solutions, taking into consideration the current and changing market conditions and the ongoing uncertainty in the global economy that may impact the Group's businesses.

Save for the above, there is no other material developments or update that may have a significant impact on the Group's financial position and the Company's market capitalization that would affect its position on the Watch-list. The Board will continue to closely monitor the situation and will make 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 2024