

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 Mark Kaufmann, you wrote:

How are the yard expansion in Batam affect your company's operating cashflow and margin?

When will it complete?

The yard expansion will be partially funded by our substantial positive operating cashflow, internal reserves and external borrowings. These however, will not affect the daily operation of our business as the Group has adequate facilities to cater to both the yard expansion as well as the increased business activities.

Such capital expenditure increases our overhead. In the short term, our margin may be slightly affected while it is catching up. However, in the medium to longer term, we will benefit substantially from such investments and our margin will improve.

Majority of the yard expansion in Batam is scheduled to be completed within the financial year ending 30 June 2006.

Dear PAUL CAMPBELL, you wrote:

What control, if any, does the Government of Singapore exert over the profits or activities of ASL. For example: If your profits continue to rise, at some point will the government place a heavy tax on your profits?

The Singapore Government does not exert control over the profits or activities of ASL. Profits are tax at a flat corporate rate of currently 20%, but ASL enjoys certain income which is in fact tax exempt.

Singapore's tax regime favours enterprise and business and it has one of the lowest corporate tax rates in the world. In addition, there are various tax schemes and incentives that are in place to help companies grow their business.

Dear Yeo Kok Chuan, you wrote:

1) What are the projects that is currently in progress. Have ASL secured essential funding for all the projects in your Book Order?

You may refer to our presentation slides for the full year result briefing on 25th August 2005 which can be found in the company website at www.aslmarine.com for details on the projects currently in progress.

All projects funding for our current order book has been secured.

2) In the next few months are there any factors that may have an impact on ASL's profits.

Overall, many factors impact on our profit margin. However, of primary concern are factors that are beyond our control. These include fuel prices, manpower shortages, regional security and natural disaster.

Fuel price increases will increase the operating cost of both our shipyards as well as chartering operations.

The buoyant marine sector has resulted in shortage of manpower for the shipyards. If the situation continues to worsen our shipyard will also be affected.

Regional security and absence of natural disaster is important to ensure the smooth running of both our shipyards and chartering operations. Any adverse development, unrest in the region or natural disaster may result in delay or work stoppages and affect our profit.

Though the increases in the before-mentioned costs will affect the Group in the immediate term, in the medium to longer term, such increases in costs can and will be passed on to the customers.

3) Could ASL list all the major projects it has secured and also the projected FY's that these gains could be realised. Could you indicate the projected revenue expected to realised from each project from FY 05 - FY 08. Thanks.

Please refer to our reply to your question 1 raised.

Dear SH Tay, you wrote:

What is the impact of the depreciation of rupiah on the company bottom line.

The relative decline in the Rupiah currency would generally translate into increased purchasing power in terms of Singapore Dollars. Those expenditures, such as workers' wages and subcontractors' payments, which are denominated in Rupiah would be lower in terms of our reporting currency, which is Singapore Dollars. As substantially all our revenue is billed in currencies other than the Rupiah currency, this would therefore generally have a positive impact on our bottom line.

However, one would have to bear in mind the risk of a sustained depreciation of the Rupiah currency, which may trigger imposition of strict exchange controls by the Indonesian Government and also of the resulting social unrest which it may bring along to the working environment which our Batam shipyard operates in.

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
