



Company Registration Number: 199707022K
(Incorporated in the Republic of Singapore)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF SGX-ST LISTING MANUAL

PSL Holdings Limited (the "Company" and together with its subsidiaries, the "Group") was placed from 5 June 2017 on the watch-list under the Financial Entry Criteria pursuant to Rule 1311(1) of the SGX-ST Listing Manual.

Pursuant to Rule 1313(2) of the SGX-ST Listing Manual, the Board of Directors of the Company (the "Board") wishes to provide the following updates:

Update on Unaudited Financial Performance and Financial Position

The Company recorded a net loss of S\$2.0 million for the three months ended 31 December 2018 ("4Q2018") compared with a net loss of S\$2.2 million for the three months ended 31 December 2017 ("4Q2017"). This was a result of a decrease in revenue from S\$2.9 million in 4Q2017 to S\$1.2 million in 4Q2018 mainly due to scaling down of TSL operations and lower revenue from the Construction Logistics segment contributed by PT IPA, as well as reduction in gain on deconsolidation and a decrease in impairment loss for loan to PTMII arising from deconsolidation of PTMII previously recorded in 4Q2017. The Group as at 31 December 2018 had net assets of S\$27.5 million compared to S\$32.9 million as at 31 December 2017. The Group has cash and cash equivalents of S\$7.2 million as at 31 December 2018 as compared with S\$11.0 million as at 31 December 2017.

In this respect, please refer to the Company's results announcement for the financial period ended 31 December 2018 released on 1 March 2019 for more details.

Update on Future Direction and other Material Development(s)

On 10 December 2018, the Group entered into a settlement agreement dated 10 December 2018 to resolve all outstanding disputes in relation to PT Momentum Indonesia Investama ("PTMII") arising out of and in connection with agreements which were entered into on behalf of PSL by the former management of the Company. The Group has successfully negotiated to be paid the Insurance Claim in lieu of one of the 7 barges, Momentum 3007, one of the PSL Escrow Period Vessels, which sunk due to unforeseen adverse weather conditions on 3 August 2018. PSL believes the global settlement will put an end to the disputes for it to progress and develop its Marine Logistics businesses with the acquisition of newer and better vessels along with sale of any near to obsolete vessels as part of ongoing efforts to implement profitable business opportunities to enhance values to Shareholders.

On 19 December 2018, the Group announced that mutually agreement was reached not to proceed with the proposed acquisition of PT. Buana Perkasa Sukses, an Indonesian company involved in coal trading and related businesses, and to terminate the non-binding MOU. The termination follows extensive due diligence as the Group remains committed to prudent management.

The Group continues to explore other business opportunities and potential to acquire assets for profits to be generated and long-term investment to increase the revenue sources on long term sustainable basis and values for the Shareholders.

**BY ORDER OF THE BOARD
PSL HOLDINGS LIMITED**

**Stephen Leong, BBM
Vice Chairman and Executive Director**

1 March 2019