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

PSL Holdings Limited (the “Company” together with its subsidiaries, the “Group”) was placed on the watch-list under the Financial Entry Criteria pursuant to Rule 1311(1) of the SGX-ST Listing Manual and Minimum Trading Price (“MTP”) Entry Criteria pursuant to Rule 1311(2) of the SGX-ST Listing Manual on 5 June 2017 and 6 June 2019, respectively.

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 profit after tax of S\$1.3 million for the three months ended 30 September 2021 (“3Q2021”) compared to a net profit after tax of S\$2.3 million for the three months ended 30 September 2020 (“3Q2020”). This was mainly due to a decrease in other gains arising from the elimination of the gain arising from the consolidation of PTMII following the completion of the purchase price allocation (“PPA”) exercise. This is partially offset by an increase in foreign exchange gains, coupled with a decrease in general and administrative expenses.

The Group had net assets of S\$26.0 million as at 30 September 2021 as compared to S\$24.6 million as at 31 December 2020. The Group has cash and cash equivalents of S\$13.3 million as at 30 September 2021 as compared to S\$10.4 million as at 31 December 2020.

In relation to the above, please refer to the Company’s results announcement for the financial period ended 30 September 2021 released on 11 November 2021 for more details.

Update on Future Direction and other Material Development(s)

Following the impact of Covid-19 restrictions, Indonesia’s economic growth slowed more than expected in the third quarter¹. As the number of Covid-19 cases has receded and restrictions have been eased, economic recovery has since regained momentum. However, rising global inflation, China’s economic slowdown and possible monetary tightening in the United States and the European Union could affect Indonesia’s growth outlook.

The long-term outlook for Indonesia’s construction sector remains positive as Indonesia is set to become the fourth largest construction market in 2030². This is supported by a robust pipeline of projects, including large-scale government backed infrastructure programmes such as the new capital city in East Kalimantan. Despite the immediate impact of Covid-19 related disruptions on the marine logistics sector, the Indonesian government remains committed to growing its maritime-based economy to support the country’s long-term economic growth.

The Group continues to closely monitor the financial and economic impact of the Covid-19 pandemic on the business operations of the Group. Amidst the challenging business environment, the Group will also continue to exercise prudence in financial management while seeking new opportunities in the post-pandemic recovery as it continues to strive for profitability in the coming quarters.

Following Court approval obtained on 6 October 2021, the Company’s Selective Capital Reduction is expected to take effect on 18 November 2021 and payment of the Cash Distribution will be made to Eligible Shareholders on or about 19 November 2021.

¹[The Straits Times, 05/11/2021: Indonesia ‘s economic growth slows more than expect on Covid-19 curbs](#)

²[The Business Times, 15/10/2021: Construction to outstrip growth in manufacturing over the next 10 years: report](#)

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

**Kee Siang Hui
Executive Director**

11 November 2021