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2015 was a Year of Diversification for PSL As the Group Gears Up for Growth in 2016

- Completed acquisition of approximately 49% stake in PT Momentum Indonesia Investama (“MI”) on 25 November 2015 as PSL diversifies into Marine Logistics
- The new Marine Logistics business will provide the Group with a stable net profit guarantee of approximately US\$6.0 million attributable to shareholders over the next 24 months
- Rigorous cost cutting measures drastically reduced Group’s net losses to S\$1.3 million in FY2015 from S\$4.2 million in FY2014

SINGAPORE, 26 February 2016 – PSL Holdings Limited (“PSL” or “the Group”), a construction and marine logistics specialist, has today reported its financial results for the twelve months ended 31 December 2015 (“FY2015”).

Financial Highlights	4Q2015	4Q2014	Chg	FY2015	FY2014	Chg
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	2,631	1,348	95.2	7,994	9,675	(17.4)
Gross Profit	(92)	(1,014)	(90.9)	766	2,122	(63.9)
Gross Profit Margin	N.M.	N.M.	-	9.6%	21.9%	(12.3) pts
Other Operating Income	415	450	(7.8)	1,255	872	43.9
Operating Expenses ¹	(919)	(2,801)	(67.2)	(3,399)	(7,020)	(51.6%)
Net Profit after tax attributable to Shareholders	(322)	(3,233)	(90.0)	(1,301)	(4,181)	(68.9)
Net Profit Margin	N.M.	N.M.	-	N.M.	N.M.	-
Basic Earnings Per Share (cents) ²	(0.83)	(8.36)	(90.1)	(3.36)	(10.81)	(68.9)

¹ Operating Expenses includes selling and distribution expenses, general and administrative expenses and other operating expenses.

² On 27 November 2015, a share consolidation exercise was completed such that every ten (10) ordinary shares were consolidated into one (1) share. The basic and diluted earnings per share of all periods presented shall be adjusted for the effects from share consolidation accounted for retrospectively. Upon the completion of share consolidation and disregard any fraction of consolidated shares, the issued number of shares of 386,721,035 were consolidated into 38,671,830 consolidated shares.

N.M. – Not Meaningful

ppts – Percentage Points.

Financial Highlights

The Group's revenue decreased 17.4% year-on-year ("yoy") to S\$8.0 million in FY2015 mainly attributed to lower revenue recognised from its Trading & Engineering segment as the business scaled down its operations. This was also partially offset by revenue contributed by its newly acquired Marine Logistics segment. In November 2015, the Group had successfully completed an acquisition of approximately 49% stake of MII to diversify into Marine Logistics. MII provides freight logistics services for dry bulk cargo in Indonesia.

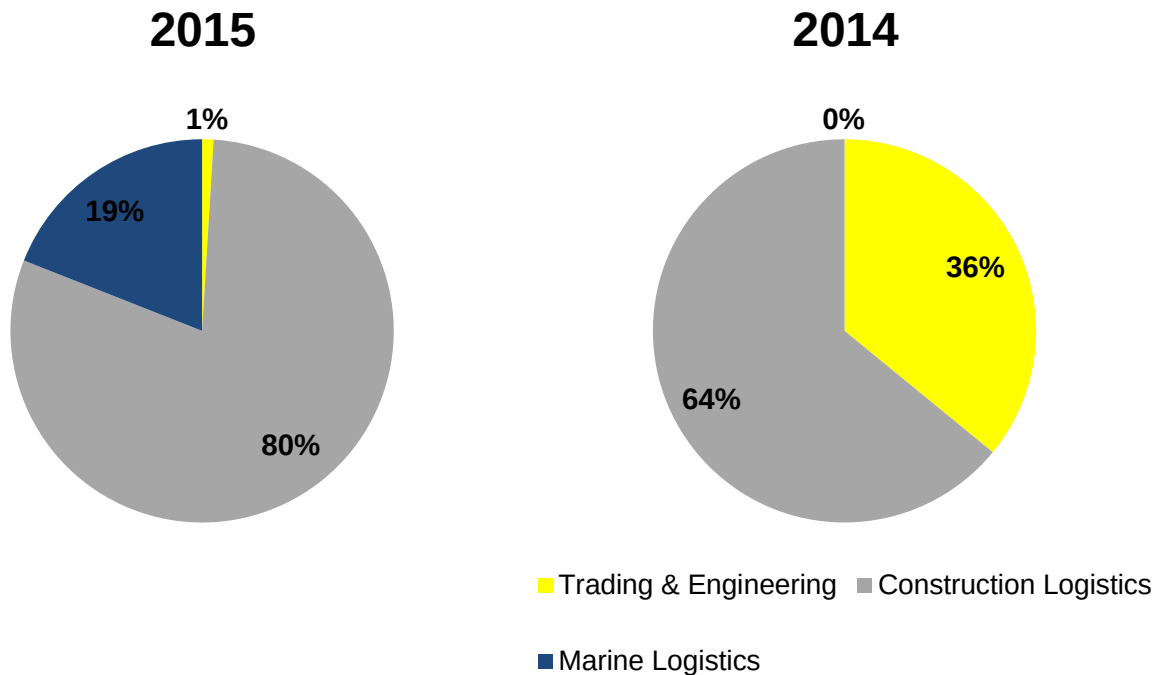
The Group also registered a 43.9% yoy increase in other operating income contributed by (i) foreign exchange gain resulting from appreciation of USD against SGD; (ii) write back of allowance for doubtful debts for trade receivables; and (iii) interest income generated and other items etc.

Operating expenses substantially declined 51.6% yoy to S\$3.4 million largely due to the Group's cost cutting measures including reduction of its manpower headcount and scaling down its Trading & Engineering business operations.

Revenue contribution from the Group's Trading & Engineering business has substantially declined from S\$3.5 million in FY2014 to S\$77,000 in FY2015 due to a scale down of its operations and manpower to reduce operating expenses. However, revenue from its Construction Logistics business marginally improved 3% yoy to S\$6.4 million in FY2015. In addition, the Group had also recognised revenue of S\$1.5 million for the month of December 2015 from its newly acquired Marine Logistics business.

As a result of its cost restructuring exercise and addition of its Marine Logistics business, the Group managed to reduce the loss significantly in FY2015 and loss per share was reduced from 10.8 Singapore cents per share in FY2014 to 3.4 Singapore cents per share in FY2015.

Revenue by Business Segments



The Group's balance sheet remained robust as cash and cash equivalents stood at S\$11.2 million as at 31 December 2015. The Group's non-current assets has increased substantially from S\$2.5 million as at 31 December 2014 to S\$66.3 million as at 31 December 2015 mainly due to an injection of marine assets from the acquisition of MII. The Group's net asset value per share stood at S\$1.17 per share as at 31 December 2015.

Business Outlook

After the successful acquisition of MII, the Group intends to focus on expanding its Marine Logistics and Construction Logistics business going forward. The immediate business of the Group's Marine Logistics arm would be primarily serving the coal industry in Indonesia while its Construction Logistics arm would be serving various infrastructure and property development projects.

Commenting on the financial performance and business outlook of the Group, Mr Mark Zhou, Chief Executive Officer of PSL said, “Our Group seized the opportunity to acquire MII while the marine industry is undergoing a period slower growth and depressed asset prices. The acquisition of MII has effectively allowed the Group to diversify into Marine Logistics business and serve the dry bulk cargo industry going forward. Our Group believes that the acquisition would be earnings accretive and would be a major revenue contributor of the Group once the industry picks up.

Indonesia’s economy is projected to expand along with its power needs³. The government is expected to build more infrastructure and coal-fired power plants over the next couple of years as it targets a 7% GDP growth. Not only does Indonesia have to import bulk of its construction materials but being an archipelago, demand for both land and sea logistics transport remains as a pertinent and essential driver to support its growing power requirements. Specializing in both Construction and Marine Logistics, our Group is well-positioned to serve those needs.

With the acquisition of MII and its profit guarantee of US\$6.0 million over 24 months, our Group expects PSL to turnaround in 2016.”

³ <http://www.ft.com/cms/s/3/a0a1497a-c6a6-11e5-b3b1-7b2481276e45.html#axzz41Be0Tq9S>

About PSL Holdings Limited (Bloomberg Code: PSL SP)

Through its subsidiaries, PSL is principally engaged in the provision of logistics and support services to the construction industry with the provision of construction equipment and supply of dump trucks. In November 2015, PSL has successfully diversified into Marine Logistics business specializing in vessel chartering, logistics and equipment services.

Issued for and on behalf for PSL Holdings Limited

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