



Company Registration Number: 199707022K
(Incorporated on 9 October 1997 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\$0.2 million for the three months ended 30 June 2018 (“2Q2018”) compared with a net loss of S\$2.3 million for the three months ended 30 June 2017 (“2Q2017”). This was a result of an increase in revenue from S\$0.6 million in 2Q2017 to S\$4.3 million in 2Q2018 following the deconsolidation of PT Momentum Indonesia Investama, acquisition of PT Indah Perkasa Abadi in 3Q2017 and unrealised foreign exchange gains. The Group as at 30 June 2018 had net assets of S\$31.4 million compared to S\$32.9 million as at 31 December 2017. The Group has cash and cash equivalents of S\$5.6 million as at 30 June 2018 as compared with S\$11.0 million at the immediate preceding year.

In this respect, please refer to the Company’s results announcement for the financial period ended 30 June 2018 released on 7 August 2018 for more details.

Update on Future Direction and other Material Development(s)

On 19 April 2018, the Group announced entering into a Binding Term Sheet as part of the global settlement to resolve all outstanding disputes with the Vendors of PT Momentum Indonesia Investama (“PTMII”) in consideration for the recovery of profit guarantee payment and vessels, subject to the approval by PSL’s shareholders. It is PSL’s view that the prolonged PTMII dispute is undesirable and the global settlement put an end to the disputes and will obviate the need to expend costly resources and enormous unproductive time on the resolution of the same. This will also augment PSL’s ability to develop its business in its Marine Logistics segment due to the acquisition of vessels and effectively enable management to focus on and develop profitable business strategies to enhance values to the shareholders.

On 4 July 2018, the Group entered into a Settlement Agreement, pursuant to which, amongst others, TSL Transport & Engineering Pte Ltd (“TSL”) has become a wholly-owned subsidiary of the Group following a Share Transfer and Suit 734 has been discontinued and withdrawn. The principal business of TSL consists of excavation and earthmoving works as well as engineering design and consultancy activities in Singapore. Following the completion of the Settlement Agreement and taken into consideration the competitive business environment, the Group considered it expedient to dispose all its trucks and equipment in Singapore to be able to fully focus on similar construction logistics businesses in Indonesia.

On 5 July 2018, the Group announced entering into a MOU to acquire 80% shares in PT. Buana Perkasa Sukses, an Indonesian Company which principally carries on coal trading and related businesses. This is in line with the Group’s business strategy to expand its operations and diversify its business through the acquisition of operating companies, mainly in Indonesia and Malaysia. The

proposed acquisition will foster growth to the Group with increasing demands for coal in Southeast Asia¹ in the ensuing years.

The Group shall continue to explore opportunities in properties acquisition for development, rental, long-term investment and sale in Indonesia and Malaysia where the prospects arise. The Group's venture into the properties sector will support development into additional revenue sources with the desire to result in sustainable values for the shareholders.

¹<https://www.reuters.com/article/us-asia-coal/southeast-asia-india-turn-to-coal-for-power-imports-expected-to-jump-idUSKBN1CV1GP>

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

**Tan Cheang Shiong
Chief Executive Officer**

7 August 2018