

SETTLEMENT AGREEMENT FOR THE FRESH GLOBAL SETTLEMENT OF OUTSTANDING DISPUTES IN RELATION TO PT. MOMENTUM INDONESIA INVESTAMA

1. INTRODUCTION

- 1.1. The Board of Directors (the “**Board**” or the “**Directors**”) of PSL Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to:
- (a) the Company’s announcement dated 2 October 2019 in relation to, *inter alia*, the lapse and/or abortion of the previous proposed global settlement of all outstanding disputes in relation to PT. Momentum Indonesia Investama (“**PT MII**”) as set out in the Term Sheet dated 18 April 2018, the Settlement Agreement dated 10 December 2018, the Conditional Agreement for the Transfer of Vessels dated 10 December 2018, and the Sale and Purchase Agreement dated 10 December 2018 (the “**Previous Proposed Settlement**”);
 - (b) the Company’s unaudited financial statements for the second quarter ended 30 June 2017 announced on 10 August 2017, wherein it was disclosed that PT MII had been deconsolidated from the Group with effect from 1 April 2017. As a result of such deconsolidation of PT MII, PT MII is no longer a subsidiary of the Company;
 - (c) the Company’s announcement dated 17 March 2015 in relation to, *inter alia*, the Company’s entry into the Conditional Sale and Purchase Agreement dated 17 March 2015 (as supplemented and amended by the Supplemental Agreement dated 3 August 2015, the “**CSPA**”) with Mr. Sudirman Kurniawan (“**Sudirman**”) and Mr. Angelo Fernandus (“**Angelo**”);
 - (d) the Company’s announcements dated 22 August 2016, 15 September 2016, 7 October 2016, 24 November 2016, 30 November 2016, 18 January 2017, 24 January 2017, 8 June 2017, 1 November 2017, 23 November 2017, 1 March 2018, 23 March 2018, 19 April 2018, 7 August 2018, 10 December 2018, 22 June 2019 and 2 October 2019 in relation to the Previous Proposed Settlement;
 - (e) the Company’s announcement dated 23 January 2020 (the “**New Term Sheet Announcement**”) in relation to, *inter alia*, the entry by Sudirman, Angelo and PT. Triputra Senamustika (“**PT TS**”, and collectively, the “**Sudirman Group**”), the Company and PT MII into a new term sheet dated 20 January 2020 (the “**New Term Sheet**”) for the resolution of all Outstanding Disputes (as defined below) between themselves in relation to PT MII following fresh settlement discussions (the “**New Settlement**”); and
 - (f) the Company’s announcements dated 13 February 2020 and 18 February 2020 which set out its responses to queries from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in relation to the New Term Sheet Announcement,
- (collectively, the “**Previous Announcements**”, and the Company, the Sudirman Group and PT MII shall hereinafter be collectively referred to as the “**Parties**”).
- 1.2. Unless otherwise defined, all terms and references used in this announcement shall bear the same meanings ascribed to them in the Previous Announcements.
- 1.3. As disclosed in the New Term Sheet Announcement, the New Term Sheet supersedes the Parties’ prior discussions on resolving the Outstanding Disputes and is intended to document the Parties’ negotiations and form the basis for the subsequent definitive agreement(s).

- 1.4. In connection with the New Term Sheet and the New Settlement, the Board wishes to announce that the Parties had, on 19 February 2020, entered into a new settlement agreement (the “**New Settlement Agreement**”) to resolve the Outstanding Disputes and to give effect to the settlement contemplated by the New Term Sheet. In this regard, paragraphs 3 to 11 of this announcement (save for paragraph 6) set out the salient terms of the New Settlement Agreement.

2. BACKGROUND TO THE OUTSTANDING DISPUTES

- 2.1. The Company and the Sudirman Group are currently involved in disputes in relation to PT MII (the “**Outstanding Disputes**”), including but not limited to disputes arising out of and/or in connection with the following agreements:

- (a) the CSPA, under which, *inter alia*, Sudirman and Angelo (i) agreed to sell to the Company an aggregate of 49% of the issued share capital of PT MII, and (ii) guaranteed that the aggregate NPAT of PT MII for the period of 24 months (i.e. 730 calendar days) commencing from the completion date shall be at least US\$12,244,898.00 (the “**Profit Guarantee**”);
- (b) the Personal Guarantee dated 17 March 2015 executed by Sudirman and Angelo in favour of the Company (the “**Personal Guarantee**”), under which, in consideration of the Company entering into the CSPA with Sudirman and Angelo, Sudirman and Angelo guaranteed on a several basis and in accordance with their pro-rata proportion of the shares sold to the Company under the CSPA, the payment of the Shortfall to the Company;
- (c) the Joint and Several Personal Guarantee dated 17 March 2015 executed by Sudirman and Angelo in favour of the Company (the “**Joint and Several Personal Guarantee**”), under which, in consideration of the Company entering into the CSPA with Sudirman and Angelo, Sudirman and Angelo guaranteed, on a joint and several basis, the payment of all amounts payable by Sudirman and Angelo to the Company under the CSPA up to a maximum aggregate principal amount of US\$2 million;
- (d) the Shareholders’ Deed of Agreement dated 25 November 2015 between the Company, Sudirman, Angelo, PT Selaras Sukses Selalu (“**PT SSS**”), PT TS and PT MII (the “**Shareholders’ Deed**”);
- (e) the Loan Agreement dated 25 November 2015 between the Company and PT MII (the “**PSL Loan Agreement**”), pursuant to which the Company advanced the sum of US\$11.5 million to PT MII on the terms and conditions set out in the PSL Loan Agreement and the Shareholders’ Deed (the “**PSL Shareholder Loan**”);
- (f) the Loan Agreement dated 25 November 2015 between Sudirman, Angelo and PT MII (the “**Sudirman Group Loan Agreement**”), pursuant to which Sudirman and Angelo advanced a sum of US\$8.5 million to PT MII on the terms and conditions set out in the Sudirman Group Loan Agreement and the Shareholders’ Deed (the “**Sudirman Group Shareholders Loan**”); and
- (g) the Service Agreement between PSL and Sudirman dated 1 December 2015 (the “**PSL Service Agreement**”),

(the agreements referred to in paragraph 2.1(a) to (g) above shall collectively be known as the “**Existing Agreements**”), as well as the following disputes:

- (h) the Singapore High Court proceedings HC/S 1238/2016 and HC/S 573/2017 (collectively, the “**Singapore Proceedings**”); and
- (i) Case No. 201/PDT.G/2016/PN.BTM before the District Court of Batam inclusive of the appeal (the “**Batam Proceedings**”).

3. FULL AND FINAL SETTLEMENT

- 3.1. The Parties agree, without any admission of liability whatsoever, to fully and finally settle all disputes, differences and all claims, debts, and liability of any nature whatsoever specifically arising from, in connection with, or in relation to the Outstanding Disputes (including any matters arising out of or in relation to the Previous Proposed Settlement) on the terms and conditions set out in the New Term Sheet and the New Settlement Agreement.
- 3.2. The Parties (or their respective successors and assigns) irrevocably and unconditionally waive, release and forever discharge each other (and the successors and assigns of each of them), from any and all manner of claims, obligations, debts, demands, actions, suits, causes of action, whether class, individual, or otherwise in nature, damages whenever incurred, liabilities of any nature whatsoever and howsoever arising, including costs, expenses, penalties and legal fees, known or unknown (past, present and future), suspected or unsuspected, in law or equity, that any party (or its successor and assign), whether directly or indirectly, ever had, now has or hereafter can, shall or may have, relating to the Outstanding Disputes (including any matters arising out of or in relation to the Previous Proposed Settlement and the Existing Agreements), save for claims for breaches of the New Term Sheet (preceding the execution of the New Settlement Agreement) and the New Settlement Agreement and subject to the clauses on termination in the New Settlement Agreement.
- 3.3. Within three (3) business days after the date of the New Settlement Agreement (the date of expiry of the said period being the “**Withdrawal Date**”), the Parties irrevocably and unconditionally agree to start taking steps to withdraw and/or discontinue all Outstanding Disputes, including but not limited to the Singapore Proceedings and the Batam Proceedings.
- 3.4. The Outstanding Disputes shall be withdrawn and/or discontinued within thirty (30) calendar days from the Withdrawal Date, failing which the Partial Loan Repayment, the instalments of the Total PG, and all other sums received by the Company under the New Term Sheet and/or the New Settlement Agreement shall become repayable to the respective payors, and the Company shall repay such sums without demand in accordance with the clauses on termination in the New Settlement Agreement.

4. REPAYMENT OF THE PSL SHAREHOLDER LOAN

- 4.1. PT MII shall repay to the Company the PSL Shareholder Loan in the following manner:
 - (a) notwithstanding paragraphs 2.2(a)(i) and 2.2(a)(ii) of the New Term Sheet Announcement, on 5 February 2020, PT MII had paid to the Company an aggregate sum of US\$3 million, being partial repayment of the PSL Shareholder Loan; and
 - (b) the remainder of the PSL Shareholder Loan shall be repaid in accordance with paragraphs 5.8 and 5.9(b) of this announcement.
- 4.2. Upon such repayment in the manner stated in paragraph 4.1 above, the PSL Shareholder Loan shall be deemed to be discharged and satisfied in full.

5. SALE OF VESSELS

- 5.1. PT MII shall sell the Sudirman Group Vessels, the PT MIS Vessels and the Auctioned Vessel (each as defined in the list set out in Schedule 1 to this announcement) respectively in accordance with paragraphs 5.1 to 5.14 of this announcement (the “**Sale of Vessels**”) and the sale and purchase agreements to be separately entered into between the relevant parties (each, a “**Vessel SPA**”, and collectively, the “**Vessels SPAs**”). For the avoidance of doubt, the terms and conditions of the Vessels SPAs shall not conflict with or contravene paragraphs 5.1 to 5.14 of this announcement.
- 5.2. The Parties acknowledge and agree that the original unencumbered title deeds of the Sudirman Group Vessels and the Auctioned Vessel were delivered to ZICO Insights Law LLC (“**ZICO**”) on 6 February 2020 to be held by ZICO in escrow pending completion of the Sale of Vessels and subject to paragraphs 8.5 to 8.10 of this announcement. ZICO shall not release the original

unencumbered title deeds of the Sudirman Group Vessels and the Auctioned Vessel save as provided for in the New Term Sheet and the New Settlement Agreement.

- 5.3. Save for the registration of the transfers of title (*baliknama*) to the vessels under the relevant laws and authorities, the Sale of Vessels shall be completed within thirty (30) calendar days after the date of the New Settlement Agreement.
- 5.4. PT MII and the Sudirman Group agree that they will not be entitled to any dividends, revenue and/or proceeds arising out of or in relation to the charterparties that the PT MIS Vessels have employed from 18 April 2018 to the date of completion of the sale of the PT MIS Vessels, and the Company agrees that it will not be entitled to any dividends, revenue and/or proceeds arising out of or in relation to the charterparties that the Sudirman Group Vessels and the Auctioned Vessel have employed from 18 April 2018 to the date of completion of the sale of Sudirman Group Vessels and the sale of the Auctioned Vessel respectively.

The Sudirman Group Vessels

- 5.5. PT MII shall sell the Sudirman Group Vessels to the Sudirman Group and/or their nominees, for an aggregate consideration of US\$8.5 million and in accordance with the terms and conditions set out in the Vessel SPAs in respect of the Sudirman Group Vessels.
- 5.6. The aggregate consideration of US\$8.5 million to be paid by the Sudirman Group to PT MII shall be set-off against the entire Sudirman Group Shareholders Loan. Upon such set-off, the Sudirman Group Shareholders Loan shall be deemed to be discharged and satisfied in full.
- 5.7. Upon the completion of the sale of the Sudirman Group Vessels within thirty (30) calendar days after the date of the New Settlement Agreement in accordance with paragraph 5.3 above, the Sudirman Group and/or their nominees shall hold the legal and beneficial titles to the Sudirman Group Vessels, free of all encumbrances save for those arising from paragraphs 8.5 to 8.10 of this announcement and the New Term Sheet.

The PT MIS Vessels

- 5.8. PT MII shall sell the PT MIS Vessels to PT. Multi Indo Selaras ("**PT MIS**") and/or its nominees, for an aggregate consideration of US\$8.5 million (the "**PT MIS Consideration**") and in accordance with the terms and conditions of the Vessel SPAs in respect of the PT MIS Vessels.
- 5.9. Within thirty (30) calendar days after the date of the New Settlement Agreement:
 - (a) PT MII shall procure PT MIS to pay the PT MIS Consideration to PT MII; and
 - (b) upon receiving the PT MIS Consideration from PT MIS, PT MII shall pay the Company the balance of the US\$8.5 million PSL Shareholder Loan. Upon such repayment, the PSL Shareholder Loan shall be deemed to be discharged and satisfied in full, and the Company shall thereafter immediately deliver the original unencumbered title deeds of the PT MIS Vessels to PT MIS and/or its nominees.
- 5.10. As stated in paragraph 4.1(a) above, PT MII had, on 5 February 2020, paid to the Company an aggregate sum of US\$3 million, being partial repayment of the PSL Shareholder Loan.
- 5.11. Upon the completion of the sale of the PT MIS Vessels within thirty (30) calendar days after the date of the New Settlement Agreement in accordance with paragraph 5.3 above, PT MIS and/or its nominees shall hold the legal and beneficial titles to the PT MIS Vessels free of all encumbrances.

The Auctioned Vessel

- 5.12. Notwithstanding paragraph 2.2(a)(iii)c of the New Term Sheet Announcement, the Parties have since agreed that PT MII shall sell the Auctioned Vessel to PT. Kwan Samudera Mandiri ("**PT KSM**") and/or its nominees, for an aggregate consideration of Rp 8.5 billion (the "**PT KSM Consideration**") and in accordance with the terms and conditions set out in the Vessel SPA in respect of the Auctioned Vessel.

- 5.13. Within thirty (30) calendar days after the date of the New Settlement Agreement, PT MII shall procure PT KSM to pay the PT KSM Consideration to PT MII, and PT MII shall procure ZICO to immediately deliver the original unencumbered title deed of the Auctioned Vessel to PT KSM and/or its nominees.
- 5.14. Upon the completion of the sale of the Auctioned Vessel within thirty (30) calendar days after the date of the New Settlement Agreement in accordance with paragraph 5.3 above, PT KSM and/or its nominees shall hold the legal and beneficial title to the Auctioned Vessel free of all encumbrances.

Valuation of the vessels

- 5.15. The sale prices of the Sudirman Group Vessels and PT MIS Vessels are based on the market valuation of 13 vessels which the Company obtained from Ritchie & Bisset (Asia) Pte Ltd on 16 December 2019.
- 5.16. With regard to the Auctioned Vessel, the Company assessed that the PT KSM Consideration was consistent with the market value of the Auctioned Vessel and therefore did not object to PT MII's proposal to sell the Auctioned Vessel to PT KSM as (i) the Ritchie & Bisset (Asia) Pte Ltd market valuation of "Pacific 3001", a barge built in 2009 and having dimensions of 7 tons/m2 and L300' x B80' x D18', was SGD 810,000; and (b) since the Auctioned Vessel (i.e. "Pacific 3002") was similarly built in 2009 and had exactly the same specifications as "Pacific 3001", the Company was satisfied that the amount of the PT KSM Consideration was reasonable.

6. INFORMATION ON PT MIS AND PT KSM

The information on PT MIS and PT KSM was extracted from publicly available sources. In respect of such information, the Company and the Directors have not independently verified the accuracy and correctness of the same and the Company's responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.

PT MIS

- 6.1. PT MIS is an Indonesia-incorporated company engaged in the business of shipping and logistics, with an issued and paid-up capital of IDR 18,000,000,000 divided into 18,000 shares, where 490 shares representing 2.72% of the equity interest in PT MIS are legally and beneficially owned by an Indonesian National, Tjin Lam. The remaining 17,510 shares representing 97.28% of the equity interest in PT MIS are held by PT. Usaha Maju Makmur ("**PT UMM**"). PT UMM is legally and beneficially owned by Indonesian Nationals, Tn. M. Suri (80%) and Ny. Lizawati (20%).
- 6.2. The board of PT MIS consists of Indonesian Nationals, Tjin Lam (President Director), Hendra (Director) and Felix Feriadi (Commissioner).

PT KSM

- 6.3. PT KSM is an Indonesia-incorporated company engaged in the business of sea freight services and having an issued and paid-up capital of IDR 25,000,000,000 divided into 25,000 shares. The directors and shareholders of PT KSM are as follows:

Name	Designation	No. of Shares	Shareholding %
Tonny Wijaya (Indonesian)	President Director	16,250	65
Vincent Eka (Indonesian)	Director	2,500	10
Djong Kim Tju (Indonesian)	Commissioner	6,250	25

- 6.4. The Company came to know of PT KSM when PT MII informed the Company that PT KSM was prepared to purchase the Auctioned Vessel from PT MII. Discussions for the sale of the Auctioned Vessel (including the consideration amount of Rp 8.5 billion) were directly conducted

between PT MII and PT KSM. On the Company's part, it assessed that the intended sale price of Rp 8.5 billion was consistent with its market value, and the Company, therefore did not object to PT MII's proposal to sell the Auctioned Vessel to PT KSM.

- 6.5. The Directors confirm that, to the best of their knowledge and belief, none of the substantial shareholders, directors, commissioners and/or key management of PT MIS and PT KSM are related to the Company's Directors, substantial shareholders, or their respective associates.

7. DISTRIBUTION OF REMAINING CASH BALANCE IN PT MII

- 7.1. Within twenty-one (21) calendar days after the completion of the Sale of Vessels pursuant to paragraphs 5.1 to 5.14 of this announcement:

- (a) the sum of Rp 8.5 billion received by PT MII pursuant to the sale of the Auctioned Vessel shall be distributed by PT MII to the Company and the Sudirman Group equally; and
- (b) any cash balance remaining in PT MII shall be distributed by PT MII to the Company and the Sudirman Group equally.

8. REPAYMENT OF THE TOTAL PG

- 8.1. Notwithstanding any provision in the CSPA, the Personal Guarantee and/or the Joint and Several Personal Guarantee, the amounts due and owing by Sudirman and Angelo to the Company in respect of the Profit Guarantee shall be fixed at the sum of US\$5,257,841.00 (the "**PG Amount**") as announced on 13 February 2020.
- 8.2. The Sudirman Group shall repay the PG Amount plus accrued interest on the outstanding PG Amount at a rate of three per cent (3.0%) per annum on an annual rest basis (collectively, the "**Total PG**") to the Company, over a three-year period and in 36 monthly instalments. The Company's decision to accept the repayment of the Total PG in 36 instalment payments along with accrued interest at 3% per annum from the Sudirman Group was a commercial decision, having regard to the terms of the New Settlement as a whole. The agreed repayment schedule in respect of the Total PG is set out in Schedule 2 to this announcement.
- 8.3. The Parties acknowledge and agree that on 13 February 2020 (the "**First Repayment Date**"), the Sudirman Group had caused to be paid to the Company and the Company had received the first (1st) instalment of the Total PG. Each remaining instalment of the Total PG shall be due and payable on the last business day of every calendar month following the month of the First Repayment Date.
- 8.4. Upon the complete repayment of the Total PG, the PG Amount shall be deemed to be discharged and satisfied in full.
- 8.5. Notwithstanding any clause in the New Term Sheet, the Parties have since agreed that the repayment of the Total PG shall be secured by a pledge from the Sudirman Group in favour of the Company over the original unencumbered title deeds of the Sudirman Group Vessels (collectively, the "**Collateral**"). The Parties shall deal with the Collateral under Singapore law and in accordance with paragraphs 8.5 to 8.10 of this announcement and the New Term Sheet. ZICO shall hold the Collateral until such time that the Collateral is released and subject to paragraphs 8.6 to 8.10 below as stated in the Company's response of 18 February 2020 to SGX's Query 2(ii).
- 8.6. For the period of the Collateral's subsistence until it is released pursuant to the terms of the New Term Sheet and the New Settlement Agreement, the Sudirman Group undertakes not to mortgage or transfer the Sudirman Group Vessels to any third party.
- 8.7. Upon payment of fifty per cent (50%) of the PG Amount, there shall be a partial release of the Collateral, by way of lifting of the pledge over the original unencumbered title deeds of the Discharged Vessels (as defined in Schedule 1 to this announcement). Upon such partial release, ZICO shall release, return and/or cause to be returned the respective original unencumbered title deeds of the Discharged Vessels as soon as practicable to the Sudirman

Group, without requiring any instruction, approval or authorisation (whether verbally or in writing) from any Parties to do so, save that ZICO shall inform the Company:

- (a) that fifty per cent (50%) of the PG Amount has been paid; and
 - (b) of the date on which ZICO will be releasing, returning and/or causing to be returned the respective original unencumbered title deeds of the Discharged Vessels.
- 8.8. Notwithstanding any clause in the New Term Sheet and the New Settlement Agreement, ZICO shall, upon request by the Sudirman Group, release the original unencumbered title deeds of the Sudirman Group Vessels solely for the purpose of registering and completing the transfer of said vessels under the relevant laws and authorities pursuant to the Sale of Vessels contemplated in the New Term Sheet and the New Settlement Agreement. Upon the completion of the registration and the issuance of the new title deeds by the relevant authorities to the Sudirman Group in respect of the said vessels, the Sudirman Group undertakes to return the corresponding title deeds immediately into the custody of ZICO, who shall continue to hold such title deeds in escrow and in compliance with the New Term Sheet and the New Settlement Agreement.
- 8.9. In the event of default on timely payment of any of the instalments of the Total PG and such default cannot be remedied by the Sudirman Group within fourteen (14) calendar days after receiving a notice of default in writing from the Company (the date of expiry of said period being the **"Event of Default"**), the outstanding amount of the Total PG as at the Event of Default (including the accrued interest on such outstanding PG Amount) (the **"Outstanding PG Amount"**) shall immediately be due and payable. In such event, subject to the Sudirman Group's Right of Introduction (as defined in paragraph 8.10 below), the Company shall have the authority to sell all such vessels the original unencumbered title deeds of which remain subject to the Collateral and shall be entitled to set off the proceeds received from the sale of such vessels against the Outstanding PG Amount. For the avoidance of doubt, the Sudirman Group remains liable to pay the Company the difference (if any) between the proceeds received from the sale and the Outstanding PG Amount.
- 8.10. The Sudirman Group shall have the right to introduce third party buyers (the **"Introduced Buyers"**) to the Company for the vessels to be sold by the Company pursuant to paragraph 8.9 above, at any time within three (3) calendar months after the Event of Default (the **"Right of Introduction"**). The Company shall be obliged to sell the vessels to the Introduced Buyers if the aggregate consideration payable for the vessels by the Introduced Buyers is at least equivalent to the Outstanding PG Amount. In the event that the Introduced Buyers are not prepared to purchase the vessels for an aggregate consideration that is at least equivalent to the Outstanding PG Amount, or if the Sudirman Group is unable to procure any Introduced Buyers within the three-month period, the Company shall have the right to sell the vessels to a different buyer of its choosing and claim against the Sudirman Group for the difference (if any) between the Outstanding PG Amount and the aggregate sale price of the vessels. For the avoidance of doubt, the Parties agree that such Introduced Buyers may include person(s) and/or entity(ies) known and/or related to any of the Parties.

9. SHARE TRANSFER

- 9.1. The Sudirman Group shall transfer such number of shares comprising 2% of the total issued and paid-up capital of PT MII (the **"PT MII Shares"**) to the Company's nominee in Indonesia, Ms Melda Veronica, an employee of the Company, at a consideration of US\$1 (the **"Share Transfer"**), within ten (10) business days after the fulfilment of the conditions precedent set out below and in accordance with the prevailing laws and regulations in Indonesia:
- (a) proper due diligence shall be conducted on PT MII. In this regard, the Parties acknowledge that PT MII has appointed HLB Hadori Sugiarto Adi & Rekan to conduct an audit of PT MII's financial accounts for the period ended 31 December 2019 and to issue an unqualified auditor's report. The audit shall be completed, and the unqualified auditor's report shall be issued and approved by the board of PT MII, by 31 March 2020;
 - (b) all corporate approvals and consents of each of the parties to the Share Transfer necessary in accordance with its articles of association for the consummation of the

Share Transfer shall be obtained and shall continue to subsist up to the effective date of the Share Transfer; and

- (c) all consents, approvals from and/or notification to any third party as may be necessary for the consummation of the Share Transfer shall be obtained, made or given, by each of the parties to the Share Transfer, shall continue to subsist up to the effective date of the Share Transfer, and shall not be subject to any condition or limitation which may affect the Share Transfer.

9.2. The Share Transfer shall be governed, and the terms above shall be set out, in an Indonesian sale and purchase agreement to be separately entered into between the relevant parties.

10. AUTHORISED SIGNATORIES

10.1. From the date of the execution of the New Term Sheet:

- (a) the Company shall be entitled to nominate two (2) persons to be amongst the authorised signatories for PT MII's bank accounts;
- (b) the Sudirman Group shall be entitled to nominate one (1) person to be amongst the authorised signatories for PT MII's bank accounts; and
- (c) the Sudirman Group has informed the relevant banks on the initial change of authorised signatories pursuant to the New Term Sheet on 23 January 2020.

11. OTHER UNDERTAKINGS

- 11.1. In furtherance of paragraphs 3.1 and 3.2 of this announcement, the Parties acknowledge and agree that the PSL Service Agreement, as well as any obligations arising thereunder, shall cease and be terminated with immediate effect as at the date of the New Settlement Agreement, notwithstanding any provision in the Service Agreement and any correspondence between the Company and Sudirman (and/or their respective solicitors) prior to the date of the New Settlement Agreement in relation to Sudirman's Notice of Termination of Employment dated 11 December 2018.
- 11.2. The Company agrees not to claim any dry-docking expenses relating to any of the PT MIS Vessels from PT MII and the Sudirman Group in exchange for the Parties' agreement that the insurance proceeds received by the Company in connection with the sinking of the barge known as "Momentum 3007" shall be retained by the Company.
- 11.3. PT MII represents that it had on 31 January 2020 obtained the board and shareholders' resolutions required to authorise and confirm the transactions contemplated in the New Term Sheet and the New Settlement Agreement.
- 11.4. Only if required by any applicable laws, authority or regulations, the Company shall obtain approvals from its shareholders, the SGX-ST and/or other relevant regulatory authorities (the "Approvals") for, and to comply with all authority and/or regulatory requirements in respect of, the transactions contemplated in the New Term Sheet and the New Settlement Agreement. The Company shall use its best endeavours and take all reasonable steps to obtain all such Approvals and to comply with all such authority and/or regulatory requirements, and the Parties shall agree to grant the Company all reasonable extensions of time to obtain all such Approvals and to comply with all such authority and/or regulatory requirements, provided always that all Approvals shall be obtained no later than six (6) calendar months from the date of the New Settlement Agreement.
- 11.5. The Parties may at any time agree in writing to an extension of any of the timelines set out in the New Term Sheet and the New Settlement Agreement.

12. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 12.1. Save as disclosed in this announcement, none of the Directors or substantial shareholders of the Company (other than in their capacity as directors or shareholders of the Company) has any interest, direct or indirect, in the New Settlement and the New Settlement Agreement.

13. TRADING CAUTION

- 13.1. Shareholders are advised to exercise caution in trading their shares of the Company. There is no certainty or assurance as at the date of this announcement that the New Settlement or the matters contemplated in the New Settlement Agreement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

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

**Stephen Leong, BBM
Vice Chairman and Executive Director
21 February 2020**

SCHEDULE 1

1. The vessels that will be sold by PT MII to the Sudirman Group and/or their nominees in accordance with the New Settlement Agreement and the relevant Vessels SPAs are (collectively, the **"Sudirman Group Vessels"**):
 - i. Tug Boat known as "Momentum 03";
 - ii. Barge known as "Momentum 3003";
 - iii. Tug Boat known as "Momentum 05";
 - iv. Barge known as "Momentum 3005";
 - v. Tug Boat known as "Momentum 08";
 - vi. Barge known as "Momentum 3008";
 - vii. Tug Boat known as "Momentum 09";
 - viii. Barge known as "Momentum 3009";
 - ix. Tug Boat known as "Momentum 13";
 - x. Barge known as "Momentum 30013"*; and
 - xi. Tug Boat known as "Pacific Two".
2. The vessels that will be sold by PT MII to PT MIS and/or its nominees in accordance with the New Settlement Agreement and the relevant Vessels SPAs are (collectively, the **"PT MIS Vessels"**):
 - i. Tug Boat known as "Pacific One";
 - ii. Barge known as "Pacific 3001";
 - iii. Tug Boat known as "Momentum 06";
 - iv. Barge known as "Momentum 3006";
 - v. Tug Boat known as "Momentum 10";
 - vi. Barge known as "Momentum 30010"*;
 - vii. Tug Boat known as "Momentum 11";
 - viii. Barge known as "Momentum 30011"*;
 - ix. Tug Boat known as "Momentum 12";
 - x. Barge known as "Momentum 30012"*; and
 - xi. Tug Boat known as "Momentum 07".
3. The vessel that will be sold by PT MII to PT KSM and/or its nominees in accordance with the New Settlement Agreement and the relevant Vessels SPA is (the **"Auctioned Vessel"**):
 - i. Barge known as "Pacific 3002".
4. The pledge over the original unencumbered title deeds of the following vessels (the **"Discharged Vessels"**) shall be lifted upon the satisfaction of the conditions set out in the New Settlement Agreement:
 - i. Tug Boat known as "Momentum 09";
 - ii. Barge known as "Momentum 3009";
 - iii. Tug Boat known as "Momentum 13"; and
 - iv. Barge known as "Momentum 30013"*.

*The names of these vessels were reflected erroneously in the Annex of the New Term Sheet Announcement. The errors have been corrected in this Schedule 1.

SCHEDULE 2

REPAYMENT SCHEDULE OF THE TOTAL PG

Instalment No.	Repayment of the PG Amount (US\$)	Repayment of the interest accrued on the PG Amount (US\$)	Total PG instalment payment (US\$)
1	\$146,051.14	\$13,144.60	\$159,195.74
2	\$146,051.14	\$13,144.60	\$159,195.74
3	\$146,051.14	\$13,144.60	\$159,195.74
4	\$146,051.14	\$13,144.60	\$159,195.74
5	\$146,051.14	\$13,144.60	\$159,195.74
6	\$146,051.14	\$13,144.60	\$159,195.74
7	\$146,051.14	\$13,144.60	\$159,195.74
8	\$146,051.14	\$13,144.60	\$159,195.74
9	\$146,051.14	\$13,144.60	\$159,195.74
10	\$146,051.14	\$13,144.60	\$159,195.74
11	\$146,051.14	\$13,144.60	\$159,195.74
12	\$146,051.14	\$13,144.60	\$159,195.74
13	\$146,051.14	\$8,763.07	\$154,814.21
14	\$146,051.14	\$8,763.07	\$154,814.21
15	\$146,051.14	\$8,763.07	\$154,814.21
16	\$146,051.14	\$8,763.07	\$154,814.21
17	\$146,051.14	\$8,763.07	\$154,814.21
18	\$146,051.14	\$8,763.07	\$154,814.21
19	\$146,051.14	\$8,763.07	\$154,814.21
20	\$146,051.14	\$8,763.07	\$154,814.21
21	\$146,051.14	\$8,763.07	\$154,814.21
22	\$146,051.14	\$8,763.07	\$154,814.21
23	\$146,051.14	\$8,763.07	\$154,814.21
24	\$146,051.14	\$8,763.07	\$154,814.21
25	\$146,051.14	\$4,381.53	\$150,432.67
26	\$146,051.14	\$4,381.53	\$150,432.67
27	\$146,051.14	\$4,381.53	\$150,432.67
28	\$146,051.14	\$4,381.53	\$150,432.67
29	\$146,051.14	\$4,381.53	\$150,432.67
30	\$146,051.14	\$4,381.53	\$150,432.67
31	\$146,051.14	\$4,381.53	\$150,432.67
32	\$146,051.14	\$4,381.53	\$150,432.67
33	\$146,051.14	\$4,381.53	\$150,432.67
34	\$146,051.14	\$4,381.53	\$150,432.67
35	\$146,051.14	\$4,381.53	\$150,432.67
36	\$146,051.10	\$4,381.53	\$150,432.63
Total	\$5,257,841.00	\$315,470.40	\$5,573,311.40