

PSL Holdings Limited

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

UPDATE ON WATCH-LIST STATUS – APPLICATION FOR EXTENSION OF TIME

Unless otherwise defined, all terms and references used in this announcement shall bear the same meanings ascribed to them in the announcements dated 5 June 2017 and 4 June 2020.

1. The Board of Directors of PSL Holdings Limited (the “**Company**”) refers to the Company’s announcement released on 5 June 2017 in relation to the Company being placed on the watch-list with effect from 5 June 2017 due to the financial entry criteria, and the Company’s announcement released on 4 June 2020 in relation for the deadline for the Company to meet the watch-list exit criteria.
2. The Company had on 19 June 2020 received a notification from the SGX-ST (the “**Delisting Notification**”) that the SGX-ST is unable to grant an extension of time for the Company to satisfy the requirements for removal from the Watchlist, for the reasons below:
 - (a) The SGX-ST noted that as at 17 June 2020, the Company recorded pre-tax loss of S\$1.255 million for FY2019 and has an average daily market capitalisation of S\$3.81 million over the last 6 months which does not satisfy either of the requirements under Listing Rule 1314. In addition, the SGX-ST noted that this loss was incurred even prior to the COVID-19 outbreak.
 - (b) In deciding on an application for allowing extensions of time of the cure period, the SGX-ST will have regard to factors set out under paragraph 4.2 of Practice Note 13.2. The SGX-ST noted that the Company is not able to meet any of these conditions. Among others, the SGX-ST noted that the Company generated negative cash flow of S\$2.46 million from its operating activities in FY2019 in its latest consolidated audited financial statement. While the Company has stated that it projects profits in the coming years, there is also no certainty that such projections and associated plans will materialise. The SGX-ST also took into account the concerns it had surrounding a recent placement. The Board did not proceed with the placement.
 - (c) The SGX-ST also noted that the Company’s auditors had expressed its Disclaimer of Opinion due to the recoverability of loans due from PT. Momentum Indonesia Investama and contingent consideration receivable by the Company.
3. Accordingly, the Company will be delisted as the Company is unable to exit the financial watchlist by the end-date of the cure period of 4 June 2020.
4. Pursuant to Listing Rule 1306, the Company or its controlling shareholder(s) must comply with Listing Rule 1309 which requires a fair and reasonable exit offer to be provided to shareholders. The SGX-ST will grant the Company an extension of time for the Company or its controlling shareholder(s) to make a fair and reasonable exit offer to shareholders.
5. The Company is required to inform the SGX-ST of the exit offer proposal as soon as practicable and no later than one month from the date of the Delisting Notification. The SGX-ST has also requested that the Company provide updates via SGXNET on the status of the Company’s exit offer proposal.
6. Trading in the Company’s securities will continue until 5.05pm, 19 July 2020.
7. At the close of trading on 19 July 2020, the Company will make an announcement to request for a trading suspension commencing at 9am, 20 July 2020. Thereafter, trading will be suspended until the completion of the exit offer.

8. In view of the above, the Company is currently considering its options and will continue to update shareholders on any further developments.
9. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bankers, solicitors or other professional advisers if they have any doubt about the actions they should take.

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

**Kee Siang Hui
Executive Director**

22 June 2020