

## SUBSCRIPTION OF 9,281,166 NEW ORDINARY SHARES IN THE CAPITAL OF PSL HOLDINGS LIMITED (THE "SUBSCRIPTION SHARES") AT S\$0.348 FOR EACH SUBSCRIPTION SHARE TO RAISE GROSS PROCEEDS OF S\$3,229,845.77

### 1. BACKGROUND

The Board of Directors of PSL Holdings Limited (the "**Company**") wishes to announce that it has entered into a subscription agreement dated 20 June 2017 (the "**Subscription Agreement**") with Edison, Atan and A Guat (collectively, the "**Subscribers**" and individually, a "**Subscriber**") for the issue and allotment by the Company to the Subscribers of an aggregate number of 9,281,166 new ordinary shares in the capital of the Company on the terms and subject to the conditions of the Subscription Agreement.

Pursuant to the terms of the Subscription Agreement, the Company proposes to raise capital by issuing an aggregate of 9,281,166 new ordinary shares in the capital of the Company (the "**Subscription Shares**") to the Subscribers (the "**Subscription**"), at an issue price of S\$0.348 per Subscription Share (the "**Issue Price**"), to raise gross proceeds of S\$3,229,845.77.

The Subscription Shares shall be allotted and issued pursuant to the general share issue mandate to issue new ordinary shares in the capital of the Company passed by the shareholders at the Company's annual general meeting held on 23 May 2017.

### 2. ABOUT THE SUBSCRIBERS

Details of the Subscribers, the number of Subscription Shares to be subscribed by each Subscriber with the respective and aggregate consideration to be paid by each Subscriber are set out below:

| Name of Subscribers   | Number of Subscription Shares Subscribed | Aggregate Consideration (S\$) | % of Existing Issued Share Capital <sup>(1)</sup> | % of Enlarged Issued Share Capital <sup>(2)</sup> |
|-----------------------|------------------------------------------|-------------------------------|---------------------------------------------------|---------------------------------------------------|
| Edison <sup>(3)</sup> | 2,320,292                                | 807,461.62                    | 5.00                                              | 4.17                                              |
| Atan <sup>(4)</sup>   | 2,784,350                                | 968,953.80                    | 6.00                                              | 5.00                                              |
| A Guat <sup>(5)</sup> | 4,176,524                                | 1,453,430.35                  | 9.00                                              | 7.50                                              |
| <b>Total</b>          | <b>9,281,166</b>                         | <b>3,229,845.77</b>           | <b>20.00</b>                                      | <b>16.67</b>                                      |

Notes:

- (1) No. of Subscription Shares divided by existing issued number of shares of 46,405,830
- (2) No. of Subscription Shares divided by enlarged issued number of shares of 55,686,996
- (3) As at the date of this announcement, Edison holds 1,671,900 ordinary shares in the capital of the Company
- (4) As at the date of this announcement, Atan holds 2,225,300 ordinary shares in the capital of the Company
- (5) As at the date of this announcement, A Guat does not hold any shares in the capital of the Company

The Subscribers are private investors and were introduced to the Company by Ms. Ng Yoke Chan, a Non-Executive Director of the Company.

No introducer fees were paid or are payable to Ms. Ng Yoke Chan for introducing the Subscribers to the Company. No placement agent has been appointed in relation to the Subscription.

The Company has decided to place the Subscription Shares to the Subscribers so as to meet the Company's funding needs.

The Subscribers are individual investors and represented to the Company that they are subscribing for the Subscription Shares for their own account for investment. The Subscribers are not persons to whom the Company is prohibited from issuing shares to, as provided for by Rule 812 of Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual. Save as disclosed above, the Subscribers have no connections (including any business relationship) with the Company and its directors and substantial shareholders.

### **3. THE SUBSCRIPTION SHARES**

The Subscription Shares represent 20% of the existing total number of issued and paid-up ordinary shares in the share capital of the Company as of the date of this Announcement and prior to the issue of the Subscription Shares.

The Issue Price represents the volume weighted average price of S\$0.348 for trades done on the shares of the Company ("**Shares**") on the SGX-ST on 14 June 2017 (being the last full market day prior to the date on which the Subscription Agreement was signed where trades were done on the shares of the Company).

Completion of the Subscription is conditional upon, *inter alia*, receipt of approval-in-principle for the listing and quotation of the Subscription Shares on the Official List of the SGX-ST, such approval not being revoked or amended.

The Subscription will be allotted and issued pursuant to the general shareholders' mandate to issue Shares passed at the Company's annual general meeting held on 23 May 2017.

The Subscription Shares, when issued and delivered, shall rank *pari passu* with and shall carry all rights similar to the existing Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Subscription.

The Subscribers propose to subscribe for the Subscription Shares in the proportion set out above in paragraph 2 of this Announcement.

### **4. FINANCIAL EFFECTS OF THE SUBSCRIPTION**

For illustrative purposes only, based on the unaudited accounts of the Company and its subsidiaries (the "**Group**") for the three month period ended 31 March 2017 and the issued and paid-up share capital (excluding treasury shares) of the Company as at the date of this announcement, the Subscription will decrease the net tangible asset per Share of the Group from S\$0.71 to S\$0.65, and the net tangible asset per Share of the Company from S\$0.64 to S\$0.59.

### **5. USE OF PROCEEDS**

The net proceeds from the Subscription (after deducting estimated expenses relating thereto) of approximately S\$3,164,846 will be used by the Company in the following estimated proportions:

| <b>Use of Proceeds</b>                                            | <b>Percentage Allocation (%)</b> |
|-------------------------------------------------------------------|----------------------------------|
| i. Funding growth and expansion (as and when opportunities arise) | 80                               |
| ii. Working capital purposes                                      | 20                               |
| <b>Total</b>                                                      | <b>100</b>                       |

Pending the use of the net proceeds from the Subscription as outlined above, the net proceeds may be deposited in financial institutions or be used for working capital or any other purpose on a short-term basis.

The Directors are of the opinion that, taking into consideration the Group's present financial position, including its banking facilities, its bank and cash balances, the Group will have adequate working capital for its present requirements, with or without the Subscription taking place.

## **6. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Subscribers are under the control or influence of any of the Company's directors or substantial shareholders.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Subscription.

The Company will make the necessary announcements once the approval-in-principle for the listing and quotation of the Subscription Shares has been obtained from the SGX-ST.

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

**Tan Cheang Shiong  
Chief Executive Officer  
20 June 2017**