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

RESPONSE TO THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES IN RELATION TO THE ANNOUNCEMENT ON 10TH NOVEMBER 2014 FOR THE 2014 THIRD QUARTER RESULTS

The Board of Directors of PSL Holdings Limited, the ("Company"), together with its subsidiaries, the ("Group") wishes to provide the following response to the queries raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") in their email dated 19 December 2014 in respect of the Company's third quarter results announcement on 10 November 2014.

SGX Query 1:

In the Balance Sheet, "Deposit placed for proposed investment in Longmen Group Limited" amounted to $6.26 million. On 13 October 2014, the Company announced that the proposed investment will not proceed. Please provide details on the status of this deposit.

Company's Response:

As announced on 2 December 2014, the Company and Longmen Group Limited have agreed that (a) Longmen Group Limited shall refund the deposit in full by 31 December 2014, together with interest at the rate of 5.33% per annum on the outstanding deposit from 14 October 2014 until full payment of the deposit is received by the Company and (b) at least US$1 million shall be paid by the Longmen Group Limited to the Company towards refund of the Deposit by 1 December 2014 which has been received.

The balance of US$4 million together with accrued interest is expected to be received by 31 December 2014.

SGX Query 2:

In the Balance Sheet, "Receivables of the divestment of subsidiaries" amounted to $4.6 million. Please provide details on:

(i) these receivables; and
(ii) when these receivables will be payable.

Company's Response:

(i) The receivables of $4.6 million is the remaining balance of consideration of the divestment of subsidiaries pursuant to the Sale & Purchase Agreement.

(ii) Some dispute between the Company and the purchaser on the final instalment payable had arisen subsequently. Attempts at reaching settlement are on-going. Simultaneously, the Company is taking steps including seeking legal advice on recovery.

BY ORDER OF THE BOARD

Yip Kean Mun
Director

23 December 2014