
RESPONSES TO SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES ON THE COMPANY'S RESPONSES TO SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES ON SUBSCRIPTION OF 11,000,000 NEW ORDINARY SHARES ANNOUNCEMENT RELEASED ON 29 NOVEMBER 2018

The Board of Directors of PSL Holdings Limited (the "**Company**" or "**PSL**") refers to the following queries raised by the Singapore Exchange Securities Trading Limited ("**SGX**") in its email dated 14 December 2018 and would like to provide further information in relation to the Company's announcement titled "Responses To Singapore Exchange Securities Trading Limited's Queries On The Company's Subscription Of 11,000,000 New Ordinary Shares Announcement Released On 23 November 2018" dated 29 November 2018.

Unless otherwise defined, all terms and references used in this announcement shall bear the same meaning ascribed to them in the Company's announcements dated 23 November 2018 and 29 November 2018.

SGX Query 1:

On 29 November 2018, in the Company's response to SGX query 2c on why Mr Awi Gunawan is keen to invest in the Company as a strategic investor, the Company disclosed that Mr Awi Gunawan is keen to take up new shares in the Company in view of its business in construction and marine logistics as well as its potential diversification into the property sector and Mr Awi Gunawan is familiar with the rules and regulations in respect of property development of Indonesia. However there is no relevance to the marine logistics business. Please reconcile the statements.

While Mr Awi Gunawan does not have direct experience in the marine logistics business, as an investor, he was aware and is optimistic on the prospect of the Company's marine logistic business in Indonesia following the endorsement of the five-year plan worth 700 trillion rupiah (USD 50.6 billion)¹ by the Indonesian President Joko Widodo. He takes the view that maritime transportation and logistics in Indonesia will benefit from the aforementioned government's commitment to invest in the maritime infrastructure development.

¹ <https://port.today/indonesia-plans-transshipment-hub-seeks-investors/>

SGX Query 2:

The Company disclosed that Mr Koh Yew Ghee was to be paid a sum of S\$370,000 as part of the conditions of the Settlement Agreement. The Company also disclosed that after the completion of the Settlement, TSL's operations have since been terminated with a view for it to be liquidated eventually. Please disclose:

a. How much the Company will be selling TSL for; and

The net asset value of TSL amounts to S\$741,000 as of 30 November 2018, comprising mainly cash and cash equivalents of \$180,000, amounts due from holding company amounting to S\$571,000 as well as other payables and accruals amounting to S\$13,000. The management of TSL is currently actively recovering trade receivables amounting of about S\$54,000 even though the amounts have been fully provided for as of 30 November 2018.

All the trucks and equipment in TSL have also been sold for a total of S\$919,000 as of 30 September 2018, resulting in a net gain of S\$50,000 on disposal. Following the collection of outstanding receivables and realization of all assets, the accounts for TSL will be zeroised for application to be struck off by ACRA once tax clearance is obtained.

b. If TSL is the only remaining business. If so, please note that the Company is required to obtain shareholders' approval.

TSL is not the only remaining business of PSL Group. The other core businesses will include construction logistics from PT Indah Perkasa Abadi ("PT IPA") as well as marine logistics from the recovery of 6.5 sets of vessels from the resolution of the global settlement issues with PTMII, which the Company is actively in the midst of pursuing.

The Company is actively restructuring and looking at opportunities to expand its maritime business.

SGX Query 3:

On page 5 of the Company's response, the Company disclosed that of the net proceeds of approximately S\$2.90 million of the 2016 Subscription, the Company has utilised "S\$1.18 million of the net proceeds for funding growth and expansion, as announced by the Company on 1 March 2018" and "S\$1.14 million of the net proceeds for funding growth and expansion, as announced by the Company on 25 April 2018". Please disclose which part of the Company's business were the amounts applied. Please provide details of the resultant growth of these entities pursuant to the utilization of proceeds.

The breakdown for the utilisation of the net proceeds of approximately S\$2.90 million of the 2016 Subscription is as follows:

Date of Announcement	Amount Utilised For Funding Growth & Expansion	Use of Proceeds
1 March 2018	S\$1.18 million	1. Deposit for purchase of construction materials, ie supply of sand to increase revenue and earnings. 2. Purchase of raw materials to secure, operate and complete new construction projects.
25 April 2018	S\$1.14 million	1. Deposit for purchase of construction materials, ie supply of sand to increase revenue and earnings. 2. Purchase of raw materials to secure, operate and complete new construction projects.

The net proceeds were utilised for our Indonesian subsidiary, PT IPA. The total gross revenue generated from supply of construction materials and construction activities amounted to IDR 13.9 billion (S\$1.3 million) and IDR 57.9 billion (S\$5.4 million) respectively for the period from 1 January 2018 to 30 November 2018.

The auditors of the Company have conducted an independent verification on the 2016 Use of Proceeds and have verified that the 2016 Use of Proceeds is as stated in the table above.

SGX Query 4:

On page 6 of the Company's response, the Company disclosed that of the net proceeds of approximately S\$3.20 million of the 2017 Subscription, the Company has utilised "S\$0.74 million of the net proceeds for funding growth and expansion, as announced by the Company on 1 March 2018" and "S\$0.61 million of the net proceeds for funding growth and expansion, as announced by the Company on 25 April 2018". Please disclose which part of the

Company's business were the amounts applied. Please provide details of the resultant growth of these entities pursuant to the utilization of proceeds.

The breakdown for the utilisation of the net proceeds of approximately S\$3.20 million of the 2017 Subscription is as follows:

Date of Announcement	Amount Utilised For Funding Growth & Expansion	Use of Proceeds
15 May 2018	S\$0.74 million	Purchase of raw materials to secure, operate and complete new construction projects.
7 August 2018	S\$0.61 million	Purchase of raw materials to secure, operate and complete new construction projects.

The net proceeds were utilised for our Indonesian subsidiary, PT IPA. The total gross revenue generated from construction activities amounted to IDR 57.9 billion (S\$5.4 million) for the period from 1 January 2018 to 30 November 2018.

The auditors of the Company have conducted an independent verification on the 2017 Use of Proceeds and have verified that the 2017 Use of Proceeds is as stated in the table above.

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

**Tan Cheang Shiong
Chief Executive Officer
18 December 2018**