

RESPONSES TO SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

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 5 June 2018 and would like to provide further information in relation to the Company's annual report for the financial year ended 31 December 2017 (the "**Annual Report 2017**").

SGX Query 1:

On page 32 of the Annual Report 2017, the Company disclosed the amount utilized for "Funding growth and expansion (as and when opportunities arise)" and "Working capital purposes" as S\$2.32million and S\$0.58 million respectively. Please provide a breakdown for the amount utilized for each individual category.

Company's response to Query 1:

Utilised by our Indonesian subsidiary, PT Indah Perkasa Abadi ("IPA") deposits for purchase of sand and raw materials for the work construction projects in Kendal/Palembang and potential resale at profits:

Breakdown	SGD	Nature of expense
Deposit for sand trading (incurred from Dec 2017 to Jan 2018)	321,946	To diversify into sand trading to increase revenue and earnings
Purchase of raw materials (incurred in Jan 2018)	858,710	To secure, operate and complete new projects
Deposit for sand trading (incurred in Mar 2018)	431,180	To diversify into sand trading to increase revenue and earnings
Purchase of raw materials (incurred from Feb 2018 to Mar 2018)	774,754	To secure, operate and complete new projects
	2,386,590	**

** Total amount reported is capped at SGD 2.32 million

Utilised for working capital purposes:

Breakdown	SGD
Employees' salaries and related costs (incurred from Jul 2017 to Oct 2017)	469,017
Professional fees in relation to PTMII case (incurred in Jul 2017)	67,559
Fees for Annual Report production and printing services (incurred in Jul 2017)	42,132
	578,708

SGX Query 2:

On page 33 of the Annual Report 2017, the Company disclosed that the balance for "Funding growth and expansion (as and when opportunities arise)" amounted to S\$2.46 million. Please provide a breakdown of the amount.

Company's response to Query 2:

The 31 December 2017 year-end balance of S\$2.46 million was as utilised:

Breakdown	SGD	Nature of expense
Purchase of raw materials (incurred from Mar 2018 to May 2018)	735,310	To secure, operate and complete new projects
	735,310	

The balance as announced in our Q1'2018 Results Announcement on 15 May 2018 amounted to S\$1.72 million (S\$2.46 million less S\$0.74 million).

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

**Tan Cheang Shiong
Chief Executive Officer
6 June 2018**