

RESPONSES TO SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES ON THE COMPANY'S UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 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 11 June 2018 and would like to provide further information in relation to the Company's announcement titled "Unaudited Financial Statements and Related Announcement for the First Quarter Ended 31 March 2018" dated 15 May 2018 (the "**Announcement**").

SGX Query 1:

On page 9 of the 1Q2018 Results, the Company explained that "Revenue decreased by S\$3.6 million or 73% from S\$5.0 million in 1Q2017 to S\$1.4 million in 1Q2018, mainly due to lower revenue from the Marine Logistics segment following the deconsolidation of PT MII." PT MII has been deconsolidated since 1 January 2017, 1Q2017 results would not have included PT MII. Therefore please elaborate why the Revenue decreased by S\$3.6 million in 1Q2018 to S\$1.4 million.

Company's response to Query 1:

As mentioned in Paragraph 8 of the Company's 1Q2018 Results Announcement released on 15 May 2018, the Company has deconsolidated PT Momentum Indonesia Investama ("PT MII") from its marine logistics segment and reclassified its 49% investment in PT MII as an "available-for-sale" asset with effect from 1 January 2017, a development adopted only in 4Q2017.

As such, when the 1Q2017 Results Announcement was released on 2 June 2017, the revenue for that period included the revenue from PT MII, since the reclassification had not occurred then. To be consistent with the revenue figures reported in the said 1Q2017 Results Announcement, no amendments were made to the comparatives for 1Q2017 in the 1Q2018 Results Announcement.

The breakdown of revenue is as follows:

	3 Months Ended 31 March 2018 S\$'000	3 Months Ended 31 March 2017 S\$'000
PT MII	-	4,528
TSL Transport & Engineering Pte Ltd ("TSL")	462	465
PT Indah Perkasa Abadi ("PT IPA")	888	-
Total Revenue	1,350	4,993

Had the results for PT MII been deconsolidated at the time of our 1Q2017 Results Announcement, revenue would have increased by S\$885,000 (S\$1.35 million less S\$465,000) in 1Q2018 mainly due to revenue from PT IPA, a 75% owned subsidiary acquired on 18 August 2017.

BY ORDER OF THE BOARD
PSL HOLDINGS LIMITED

Tan Cheang Shiong
Chief Executive Officer
12 June 2018