



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

DIFFERENCE BETWEEN UNAUDITED AND AUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

The Board of Directors (the "Board") of PSL Holdings Limited (the "Company") and together with its subsidiaries (the "Group") refers to the unaudited full year financial results announcements for the financial year ended 31 December 2017 ("FY2017") released via the SGXNet on 1 March 2018 (the "Unaudited Financial Statements").

Pursuant to Rule 704(6) of the Listing Manual, the Board wishes to highlight that there are certain material adjustments made by the Company to the Consolidated Statement of Comprehensive Income, Statements of Financial Position (Group and Company) and Consolidated Statement of Cash Flows in the audited full year financial statements of the Company for FY2017 compared to those that were disclosed in the Unaudited Financial Statements. The material adjustments were made following the finalisation of the audit and a summary of the material adjustments is disclosed in the Appendices to this announcement.

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

**Tan Cheang Shiong
Chief Executive Officer
14 May 2018**

Appendix A

Consolidated statement of comprehensive income

	Unaudited Financial Statements S\$'000	Audited Financial Statements S\$'000	Variance S\$'000	Note
Revenue	11,724	10,246	(1,478)	1
Cost of sales	(10,313)	(9,271)	1,042	2
Gross profit	1,411	975	(436)	
Other operating income	413	490	77	3
Other gains - net	782	1,230	448	4
Selling and distribution expenses	(6)	(9)	(3)	n.m.
General and administrative expenses	(7,743)	(7,756)	(13)	5
Finance costs	(180)	(24)	156	6
Loss before income tax	(5,323)	(5,094)	229	
Income tax credit/(expense)	46	(200)	(246)	7
Loss for the year, net of tax	(5,277)	(5,294)	(17)	
Other comprehensive loss, net of tax				
Currency translation differences	(8)	19	27	8
Total comprehensive loss for the year	(5,285)	(5,275)	10	
Loss attributable to:				
Equity holders of the Company	(5,369)	(5,251)	118	
Non-controlling interests	92	(43)	(135)	
	(5,277)	(5,294)	(17)	
Total comprehensive loss attributable to:				
Equity holders of the Company	(5,377)	(5,236)	141	
Non-controlling interests	92	(39)	(131)	
	(5,285)	(5,275)	10	

n.m. - not material

Appendix A

Note:

1. The decrease in revenue was due to reversal of over-accrued revenue for PT Indah Perkasa ("PT IPA").
2. The decrease in cost of sales was due to a corresponding reversal of costs incurred in relation to the over-accrued revenue into work-in-progress for PT IPA.
3. The increase in other operating income was due to fair value adjustment on remeasurement of profit guarantee subsequent to signing the binding Term Sheet on 18 April 2018 with the Indonesian shareholders of PT Momentum Indonesia Investama ("PTMII"), where one of the terms of the Term Sheet includes the payment of US\$4,500,000 (S\$6,012,000) from the vendors of PTMII. Consequent to the settlement of the contingent consideration, the fair value of the profit guarantee approximated to S\$6,012,000 and an additional amount of S\$122,000 was recognised in the Consolidated Statement of Comprehensive Income for the financial year ended 31 December 2017.

The increase noted above was partially offset by the elimination of loan interest for loans extended by the Company to PT IPA in FY2017.

4. The increase in other gains was due to the reclassification of foreign exchange losses to "other operating income" since the exchange differences are part of the remeasurement of profit guarantee as mentioned in Note 3.
5. The increase in general and administrative expenses was mainly due to the reclassification of supply chain charges incurred by PT IPA from "finance costs" as mentioned in Note 6 and additional accrual of the aforementioned charges in PT IPA's books subsequent to finalisation of the audit. This is partially offset by reclassification of PT IPA 's income tax expense to "income tax expense" as mentioned in Note 7.
6. The decrease in finance costs was due to reclassification of supply chain charges incurred by PT IPA to "general and administrative expenses".
7. The difference was due to reclassification of PT IPA's income tax from "general and administrative expenses" as well as additional tax expense taken up in PT IPA's books subsequent to finalisation of the audit.
8. The increase in currency translation differences was due to adjustments made to inventories, trade and other receivables, trade and other payables and finance lease liabilities arising from adjustments taken up in PT IPA's books subsequent to finalisation of the audit.

Statements of Financial Position (Group and Company)

	Group				Company			
	Unaudited Financial Statements S\$'000	Audited Financial Statements S\$'000	Variance S\$'000	Note	Unaudited Financial Statements S\$'000	Audited Financial Statements S\$'000	Variance S\$'000	Note
ASSETS								
Current assets								
Inventories	55	1,158	1,103	9	-	-	-	
Trade and other receivables	13,284	12,228	(1,056)	10	5,504	6,077	573	16
Amounts due from subsidiaries	-	-	-		5,639	5,635	(4)	n.m.
Cash and cash equivalents	10,978	10,978	-		7,659	7,659	-	
Loans due from an investee	4,380	13,187	8,807	11	4,376	13,187	8,811	11
	28,697	37,551	8,854		23,178	32,558	9,380	
Non-current assets								
Property, plant and equipment	1,785	1,785	-		395	395	-	
Intangible assets	101	101	-		-	-	-	
Investments in subsidiaries	-	-	-		4,769	4,869	100	17
Available-for-sale financial assets	5	5	-		-	-	-	
Loans due from an investee	8,807	-	(8,807)	11	8,807	-	(8,807)	11
Deferred tax asset	13	13	-		-	-	-	
Club membership	6	6	-		6	6	-	
	10,717	1,910	(8,807)		13,977	5,270	(8,707)	
Total assets	39,414	39,461	47		37,155	37,828	673	
LIABILITIES								
Current liabilities								
Trade and other payables	6,296	6,349	53	12	1,083	1,083	-	
Amounts due to subsidiaries	-	-	-		5,716	5,816	100	17
Finance lease liabilities	123	158	35	13	-	-	-	
Current income tax liabilities	11	13	2	n.m.	-	-	-	
	6,430	6,520	90		6,799	6,899	100	
Non-current liabilities								
Finance lease liabilities	133	88	(45)	13	-	-	-	
Deferred tax liabilities	-	-	-		-	-	-	
	133	88	(45)		-	-	-	
Total liabilities	6,563	6,608	45		6,799	6,899	100	
NET ASSETS	32,851	32,853	2		30,356	30,929	573	
EQUITY								
Capital and reserves								
Share capital	35,763	35,763	-		35,763	35,763	-	
Currency translation reserves	(138)	(125)	13	14	-	-	-	
Accumulated losses	(3,582)	(3,462)	120	15	(5,407)	(4,834)	573	18
Capital reserve	507	507	-		-	-	-	
Attributable to equity holders of the Company	32,550	32,683	133		30,356	30,929	573	
Non-controlling interests	301	170	(131)	15	-	-	-	
TOTAL EQUITY	32,851	32,853	2		30,356	30,929	573	

n.m. - not material



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

Appendix B

Note:

9. The increase was due to capitalisation of costs incurred in relation to the over-accrued revenue under work-in-progress for PT IPA.
10. The decrease was due to reversal of over-accrued revenue for PT IPA, partially offset by fair value adjustment on remeasurement of profit guarantee as mentioned in Note 3.
11. The difference was due to reclassification of the loans due from PTMII from non-current to current subsequent to the signing of the Term Sheet on 18 April 2018.
12. The increase was due to foreign currency revaluation adjustment for balances denominated in IDR.
13. The decrease was due to reclassification of finance lease liabilities from non-current to current and foreign currency revaluation adjustment for balances denominated in IDR.
14. The difference in currency translation reserves was due to the adjustments as mentioned in Note 8.
15. As a result of adjustments made to Notes 1 to 7 in Appendix A resulting in changes to accumulated losses attributable to equity holders of the Company and non-controlling interests.
16. The increase was due to fair value adjustment on remeasurement of profit guarantee as mentioned in Note 3.
17. The increase was due to recognition of paid up capital payable to PSL Properties Pte Ltd, which was incorporated on 8 December 2017.
18. As a result of the adjustment made in Note 16.



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

Appendix C

Consolidated statement of cash flows

	Unaudited Financial Statements S\$'000	Audited Financial Statements S\$'000	Variance S\$'000	Note
Net cash used in operating activities	(3,158)	(3,009)	149	19
Net cash used in investing activities	(1,727)	(1,464)	263	20
Net cash generated from financing activities	1,125	4,062	2,937	21
Cash and cash equivalents at end of financial year	<u>6,988</u>	<u>9,959</u>	<u>2,971</u>	22

Note:

19. The differences were due to adjustments arising from income tax, depreciation, currency translation, profit guarantee as well as changes in trade and other receivables, inventories and trade payables, other payables and accruals.
20. The difference was mainly due to the reclassification of interest received from net cash generated from operating activities to net cash generated from investing activities.
21. The increase was mainly due to changes in short-term deposits pledged with financial institutions, partially offset by the reclassification of interest paid from net cash used in operating activities to net cash used in financing activities.
22. The increase was mainly due to changes in short-term deposits pledged with financial institutions.