



PS GROUP HOLDINGS LTD.

Company Registration No. 201311530Z

**Financial Statements and Dividend Announcement For The Financial Year Ended 31 December 2013**

PS Group Holdings Ltd. (the "Company") was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 11 July 2013. The initial public offering ("IPO") of the Company was sponsored by United Overseas Bank Limited (the "Sponsor").

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of SGX-ST. The Sponsor has not independently verified the contents of this announcement.

The announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact persons for the Sponsor are Mr Khong Choun Mun, Managing Director, Corporate Finance and Mr David Tham, Senior Director, Corporate Finance, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6539 1177.

**Part I Information Required for the Announcement of Full Year Results**

**1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

The Company was incorporated in the Republic of Singapore on 30 April 2013 under the Companies Act (Chapter 50) of Singapore as a private limited company. The group comprising the Company and its subsidiary (the "Group") was formed pursuant to a restructuring exercise (the "Restructuring Exercise") undertaken to streamline and rationalise the Group's structure prior to the Company's listing on Catalist. Please refer to the Company's offer document dated 3 July 2013 (the "Offer Document") for further details on the Restructuring Exercise.

For the purpose of this announcement, the results of the Group for the financial year ended 31 December 2013 ("FY2013") and the comparative results of the Group for the financial year ended 31 December 2012 ("FY2012") have been prepared on the assumption that the Group structure following the completion of the Restructuring Exercise had been in existence during the periods of presentation because the entities are under common control.

	FY2013 Unaudited S\$	Group FY2012 Audited S\$	Increase/ (Decrease) %
<b>Revenue</b>	11,770,608	12,293,262	(4.3)
Cost of sales	(8,503,215)	(8,318,432)	2.2
<b>Gross profit</b>	3,267,393	3,974,830	(17.8)
Other income	66,853	7,699	768.3
<b>Expenses</b>			
Selling and distribution expenses	(657,062)	(720,355)	(8.8)
Administration expenses	(2,379,813)	(1,886,800)	26.1
Finance expenses	(84,910)	(45,709)	85.8
<b>Profit before taxation</b>	212,461	1,329,665	(84.0)
Income tax expense	(80,584)	(237,428)	(66.1)
<b>Profit for the year</b>	131,877	1,092,237	(87.9)
<b>Other comprehensive income for the year</b>	-	-	
<b>Total comprehensive income for the year</b>	131,877	1,092,237	(87.9)
<b>Profit for the year attributable to:</b>			
Owners of the Company	131,877	1,092,237	(87.9)

**1(a)(ii) The net profit attributable to owners of the Company includes the following charges/ (credits):**

Depreciation of property, plant and equipment	148,546	143,405	3.6
Net exchange loss	12,031	38,231	(68.5)
IPO expenses charged, net <sup>1</sup>	651,393	173,425	275.6
Over provision of income tax expenses in respect of prior year	(39,629)	-	Nm

<sup>1</sup> Net IPO expenses is derived after deducting amount to be capitalised of S\$506,493 in FY2013.  
NM denotes not meaningful



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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company <sup>1</sup>
	Unaudited As at 31 December 2013 S\$	Audited 2012 S\$	Unaudited As at 31 December 2013 S\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment in subsidiary	-	-	6,803,522
Property, plant and equipment	3,085,762	3,169,582	-
	<u>3,085,762</u>	<u>3,169,582</u>	<u>6,803,522</u>
<b>Current assets</b>			
Inventories	7,741,130	7,635,370	-
Trade and other receivables	1,965,576	2,025,913	5,078,851
Prepayments	147,097	74,788	34,600
Cash and cash equivalents	3,109,026	334,817	10,906
	<u>12,962,829</u>	<u>10,070,888</u>	<u>5,124,357</u>
<b>Total assets</b>	<u>16,048,591</u>	<u>13,240,470</u>	<u>11,927,879</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	2,030,047	2,750,646	103,000
Loans and borrowings	1,133,333	2,933,333	-
Income tax payable	116,925	233,545	-
	<u>3,280,305</u>	<u>5,917,524</u>	<u>103,000</u>
<b>Net current assets</b>	<u>9,682,524</u>	<u>4,153,364</u>	<u>5,021,357</u>
<b>Non-current liabilities</b>			
Loans and borrowings	1,216,667	500,000	-
Deferred tax liabilities	22,712	19,424	-
	<u>1,239,379</u>	<u>519,424</u>	<u>-</u>
<b>Total liabilities</b>	<u>4,519,684</u>	<u>6,436,948</u>	<u>103,000</u>
<b>Net assets</b>	<u>11,528,907</u>	<u>6,803,522</u>	<u>11,824,879</u>
<b>Equity attributable to owners of the Company</b>			
Share capital	11,397,030	400,016	11,397,030
Retained earnings	6,535,383	6,403,506	427,849
Merger reserves	(6,403,506)	-	-
<b>Total equity</b>	<u>11,528,907</u>	<u>6,803,522</u>	<u>11,824,879</u>
<b>Total equity and liabilities</b>	<u>16,048,591</u>	<u>13,240,470</u>	<u>11,927,879</u>

<sup>1</sup>There are no comparative figures for the immediately preceding financial year for the Company as it was incorporated on 30 April 2013.

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

Group	As at 31 December 2013		As at 31 December 2012	
	Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
Amount repayable in one year or less, or on demand <sup>1</sup>	2,471,656	-	1,743,304	2,600,000
Amount repayable after one year	1,216,667	-	500,000	-
	<u>3,688,323</u>	<u>-</u>	<u>2,243,304</u>	<u>2,600,000</u>

<sup>1</sup>Included in the amount repayable in one year or less, or on demand is trust receipts which was classified under trade and other payables on the statements of financial position.

Details of collaterals

The Group's bank borrowings and trust receipts are secured by one or several of (i) joint and several personal guarantees by the Company's Executive Chairman, Mr Teo Choon Hock, and Managing Director, Mr Kwek Keng Seng; (ii) a first legal mortgage over the leasehold properties of the Group; and (iii) corporate guarantee issued by the Company.



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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	FY2013 Unaudited S\$	FY2012 Audited S\$
<b>Operating activities:</b>		
Profit before taxation	212,461	1,329,665
Adjustments for:		
Interest income	(3,609)	(547)
Finance expenses	84,910	45,709
IPO expenses charged, net	651,393	173,425
Depreciation of property, plant and equipment	148,546	143,405
Loss on disposal of property, plant and equipment	-	1,824
Total adjustments	881,240	363,816
<b>Operating cash flows before changes in working capital</b>	1,093,701	1,693,481
<b>Changes in working capital:</b>		
Increase in inventories	(105,760)	(1,359,388)
(Increase)/decrease in trade and other receivables, and prepayments	(9,704)	118,098
(Decrease)/increase in trade and other payables	(655,017)	437,710
Total changes in working capital	(770,481)	(803,580)
<b>Cash generated from operations</b>	323,220	889,901
Income tax paid	(193,916)	(173,606)
Interest received	1,341	547
<b>Net cash flows from operating activities</b>	130,645	716,842
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(64,726)	(100,562)
<b>Net cash flows used in investing activities</b>	(64,726)	(100,562)
<b>Financing activities:</b>		
Net change in trust receipts	(71,648)	(287,355)
Finance expenses paid	(78,844)	(45,709)
Proceeds from bank loans	2,500,000	1,000,000
Proceeds from issuance of shares	5,100,001	-
IPO share issue expenses paid	(1,157,886)	(173,425)
Repayment of bank loan	(983,333)	(166,667)
Repayment of loans from directors	(2,600,000)	-
Dividend paid	-	(800,032)
<b>Net cash flows from/(used in) financing activities</b>	2,708,290	(473,188)
<b>Net increase in cash and cash equivalents</b>	2,774,209	143,092
Cash and cash equivalents at beginning	334,817	191,725
<b>Cash and cash equivalents at end</b>	3,109,026	334,817



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**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Statement of changes in equity The Group	Share capital	Retained earnings	Merger reserves	Equity attributable to owners of the Company
	S\$	S\$	S\$	S\$
As at 1 January 2013	400,016	6,403,506	-	6,803,522
Share swap pursuant to the Restructuring Exercise	(400,016)	-	(6,403,506)	(6,803,522)
Issuance of shares pursuant to the Restructuring Exercise	6,803,523	-	-	6,803,523
Proceeds from issuance of shares at IPO	5,100,000	-	-	5,100,000
IPO expenses capitalised	(506,493)	-	-	(506,493)
Total comprehensive income for the year	-	131,877	-	131,877
<b>As at 31 December 2013</b>	<b>11,397,030</b>	<b>6,535,383</b>	<b>(6,403,506)</b>	<b>11,528,907</b>
As at 1 January 2012 <sup>1</sup>	400,016	6,111,301	-	6,511,317
Total comprehensive income for the year <sup>1</sup>	-	1,092,237	-	1,092,237
Dividend paid in 2012	-	(800,032)	-	(800,032)
<b>As at 31 December 2012<sup>1</sup></b>	<b>400,016</b>	<b>6,403,506</b>	<b>-</b>	<b>6,803,522</b>
<b>The Company<sup>2</sup></b>				
Date of incorporation	1	-	-	1
Share swap pursuant to the Restructuring Exercise	6,803,522	-	-	6,803,522
Proceeds from issuance of shares at IPO	5,100,000	-	-	5,100,000
IPO expenses capitalised	(506,493)	-	-	(506,493)
Total comprehensive income for the year	-	427,849	-	427,849
<b>As at 31 December 2013</b>	<b>11,397,030</b>	<b>427,849</b>	<b>-</b>	<b>11,824,879</b>

<sup>1</sup>For illustrative and comparative purposes, the figures for FY2012 have been prepared on the assumption that the Group structure following the Restructuring Exercise had been in existence since 1 January 2012. For the purpose of presentation of the Group's comparative share capital, the share capital represents the aggregate of the paid-up capital of its subsidiary.

<sup>2</sup>There were no comparative figures for the immediately preceding financial year for the Company as it was incorporated on 30 April 2013.

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options and warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the numbers of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	Number of ordinary shares	Issued and paid-up share capital S\$
Issue of shares at date of incorporation on 30 April 2013	1	1
Share issue pursuant to the Restructuring Exercise	6,803,522	6,803,522
	<u>6,803,523</u>	<u>6,803,523</u>
Subdivision of shares pursuant to the Restructuring Exercise	47,600,000	6,803,523
Issuance of new shares pursuant to the listing of the Company on the Catalist of SGX-ST, net of IPO expenses capitalised	20,400,000	4,593,507
<b>Balance as at 31 December 2013</b>	<b><u>68,000,000</u></b>	<b><u>11,397,030</u></b>

There were no outstanding convertibles or shares held as treasury shares from the date of the Company's incorporation on 30 April 2013 until 31 December 2013.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	Number of ordinary shares as at 31 December	
	2013	2012 <sup>1</sup>
Total number of issued shares excluding treasury shares	<u>68,000,000</u>	<u>-</u>

<sup>1</sup>There were no comparative figures for the immediately preceding financial year for the Company as it was incorporated on 30 April 2013.



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**1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors of the Company.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the Group's financial statements for the financial year ended 31 December 2013 as its most recently audited financial statements for the financial ended 31 December 2012, as set out in the Offer Document dated 3 July 2013.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all the new and revised Financial Reporting Standards ("FRS") and interpretations of FRS ("INT FRS") that are relevant to the Group and effective for the financial year beginning on 1 January 2013. The adoption of these new and revised FRS and INT FRS does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the financial year ended 31 December 2013 or prior years.

**6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

**Earnings per ordinary share:-**

	<b>Group</b>	
	<b>FY2013</b>	<b>FY2012</b>
Profit attributable to owners of the Company (S\$)	131,877	1,092,237
Weighted average number of ordinary shares:		
(a) Basic earnings per share	57,324,932 <sup>1</sup>	47,600,000 <sup>2</sup>
(b) Diluted earnings per share	57,324,932	47,600,000
Earnings per ordinary shares (cents):-		
(a) Based on the weighted average number of ordinary shares on issue	0.23	2.29
(b) On a fully diluted basis	0.23	2.29

The basic and diluted earnings per share are the same for FY2013 and FY2012 as there were no potentially dilutive instruments as at 31 December 2013 and 31 December 2012.

<sup>1</sup>The basic and diluted earnings per share for FY2013 were computed based on the profit attributable to owners of the Company, and the weighted average number of shares of the Company using the pre-IPO share capital of 47,600,000 shares and post-IPO share capital of 68,000,000 shares.

<sup>2</sup>The issued and paid up share capital of the Company as at 31 December 2012 (adjusted for the share split of each share in the issued and paid up share capital of the Company prior to the IPO) of 47,000,000 shares has been assumed to be issued throughout the entire year ended 31 December 2012.

**7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

**(a) current financial period reported on; and**

**(b) immediately preceding financial year.**

	<b>Group</b>		<b>Company<sup>2</sup></b>
	<b>As at 31 December</b>	<b>2012</b>	<b>As at 31 December</b>
	<b>2013</b>		<b>2013</b>
Net asset value per share based on issued share capital <sup>1</sup> (cents)	16.95	14.29	17.39

<sup>1</sup>The net asset value per share of the Group and Company as at 31 December 2013 was computed based on the post-IPO share capital of the Company of 68,000,000 shares and the net asset value per share of the Group as at 31 December 2012 was computed based on the pre-IPO share capital of the Company of 47,600,000 shares.

<sup>2</sup>There were no comparative figures for the immediately preceding financial year for the Company as it was incorporated on 30 April 2013.



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- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**Review of the Group's performance**

**Revenue**

The Group's revenue decreased by approximately S\$523,000 or 4.3% from S\$12.3 million in FY2012 to S\$11.8 million in FY2013 notwithstanding that the Group sold a greater quantity of fasteners in FY2013 compared to FY2012. The decrease in revenue was mainly due to (i) the absence of sales to a regular customer in South America who had committed to an order of S\$228,000 scheduled for delivery in the second half of FY2013 but as at 31 December 2013 has yet to take delivery of the items; and (ii) the decline in the price of fasteners in line with the general decline in global steel prices.

**Gross profit**

Gross profit decreased by about S\$707,000 or 17.8% from S\$4.0 million in FY2012 to S\$3.3 million in FY2013 as a result of the decline in gross profit margin of 32.3% in FY2012 to 27.8% in FY2013. This 27.8% margin for FY2013 was higher than 27.2% as disclosed in the results announcement for the period ended 30 June 2013.

The decline in gross profit margin in FY2013 compared to FY2012 was mainly attributable to (i) the lower selling prices of fasteners; and (ii) the less than proportionate decrease in the cost of sales. The lower selling prices of fasteners was due to the softer steel prices and competitive and pricing pressures. However, the softening of steel prices in United States Dollars ("USD") as well as the strengthening of the USD against the Group's functional currency, Singapore Dollars ("SGD"), during the financial year had translated into a less than proportionate decrease in the cost of sales for the Group in the Group's functional currency in SGD.

**Other income**

Other income increased by about S\$59,000 from approximately S\$8,000 in FY2012 to S\$67,000 in FY2013. The increase was mainly due to (i) business referral commission received from a supplier of about S\$37,000; and (ii) various government grants amounting to approximately S\$21,000.

**Selling and distribution expenses**

Selling and distribution expenses decreased by approximately S\$63,000 or 8.8% from S\$720,000 in FY2012 to S\$657,000 in FY2013. The decrease was mainly due to the resignation of two senior sales personnel in December 2012 and March 2013 respectively. Accordingly, the compensation expenses and related provisions for sales personnel were reduced.

**Administration expenses**

Administration expenses increased by approximately S\$493,000 or 26.1% from S\$1.9 million in FY2012 to S\$2.4 million in FY2013. The increase was mainly due to (i) the increase in IPO expenses charged of S\$478,000; (ii) ongoing compliance fees as a listed company of S\$67,000 that were not present in FY2012; and (iii) increase in salary expenses of S\$148,000 for finance and administration staff as a result of an increase in headcount. The increase was offset by the decrease in compensation to directors of about S\$180,000 mainly arising from the executive directors waiving in part the fixed bonuses that they are entitled to under their service contracts.

**Finance expenses**

Finance expenses increased by approximately S\$39,000 or 85.8% from S\$46,000 in FY2012 to S\$85,000 in FY2013. The increase was mainly due to (i) the higher utilisation of trust receipts to finance the Group's purchases of inventory during FY2013; and (ii) the draw down of commercial bank loans to refinance the interest-free Directors' loan of S\$2.6 million.

**Income tax expense**

Income tax decreased by about S\$157,000 or 66.1% from approximately S\$237,000 in FY2012 to S\$81,000 in FY2013 due to (i) the write back of tax provision of approximately S\$40,000; and (ii) the lower profit before tax for FY2013.

**Profit for the period**

As a result of the above, profit for the year decreased by approximately S\$960,000 from S\$1.1 million in FY2012 to S\$132,000 in FY2013.



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#### Review of the Group's financial position

##### **Non-current assets**

Non-current assets remained fairly stable at S\$3.1 million as at 31 December 2013 in comparison with S\$3.2 million as at 31 December 2012.

##### **Current assets**

Current assets increased by approximately S\$2.9 million from S\$10.1 million as at 31 December 2012 to S\$13.0 million as at 31 December 2013. The increase in current assets was mainly due to the increase in:

- (i) inventories of S\$106,000 in line with the Group's strategy of ensuring a comprehensive and well-stocked inventory of products;
- (ii) prepayments of S\$72,000 mainly due to (a) the progress billings for the upgrade of the Group's inventory management system of S\$107,000; and (b) ongoing compliance fees paid in advance of S\$35,000. This was offset by the decrease in prepayments attributable to IPO expenses of approximately S\$74,000 when this amount was capitalised during FY2013 upon the completion of the IPO; and
- (iii) cash and cash equivalents of S\$2.8 million mainly due to unutilised proceeds raised from the IPO.

##### **Current liabilities**

Current liabilities decreased by approximately S\$2.6 million from S\$5.9 million as at 31 December 2012 to S\$3.3 million as at 31 December 2013. The decrease in current liabilities was mainly due:

- (i) repayment of the interest-free Directors' loans of S\$2.6 million, partially offset by an increase in commercial bank loans of S\$800,000;
- (ii) decrease in trade and other payables of S\$721,000 mainly due to the (a) decrease in trade payables of S\$168,000 due to repayment of trade payables to suppliers; (b) decrease in directors' fees of S\$330,000; (c) lower accrual for salary and related expenses of S\$115,000 due to the payment of annual wage supplement in December 2013; (d) decrease in trust receipts of S\$71,000; and (e) absence of accrued professional fees in relation to the IPO of S\$50,000 that was recorded in FY2012; and
- (iii) decrease in income tax payable of S\$117,000 in line with the lower profit for FY2013.

##### **Non-current liabilities**

Non-current liabilities increased by approximately S\$720,000 from S\$520,000 as at 31 December 2012 to S\$1.2 million as at 31 December 2013 mainly due to the refinancing of interest-free Directors' loans with bank borrowings.

##### **Equity attributable to owners of the Company**

The increase was mainly attributable to the profits earned during the year.

#### Review of the Group's cash flows

##### **Net cash flows from operating activities**

In FY2013, the net cash flows from operating activities was approximately S\$131,000 which consisted mainly of net cash generated from operating activities before changes in working capital of S\$1.1 million, offset by net working capital outflow of S\$770,000 and income tax paid of S\$194,000. The net working capital outflow arose mainly due to (i) the increase in inventories of S\$106,000 and (ii) increase in trade and other receivables and prepayments of S\$10,000; and (iii) decrease in trade and other payables of S\$655,000.

##### **Net cash flows used in investing activities**

The net cash used in investing activities of S\$65,000 was mainly due to the (i) enhancement of existing warehouse facilities of approximately S\$48,000; (ii) purchase of new furniture of S\$6,000, (iii) renewal of computer equipment of S\$6,000; and iv) renovation to create additional office space of approximately S\$5,000.

##### **Net cash flows from financing activities**

Net cash from financing activities amounted to approximately S\$2.7 million mainly due to (i) the drawing down of commercial bank loans of S\$2.5 million (ii) net proceeds from issuance of shares of approximately S\$3.9 million. This was partially offset by the payment of finance expenses of S\$79,000 and repayment of bank loans and interest-free Directors' loans of S\$983,000 and S\$2.6 million respectively.



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- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**  
The financial performance of the Group for FY2013 is generally in line with the information disclosed in the section "General Information on our Group - Prospects and Trends" of the Offer Document.
- 10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**  
The factors that may affect the Group include the following:  
(i) competitive and pricing pressures;  
(ii) change in raw material prices could affect the cost of the purchases of fasteners which could in turn impact the Group's gross margins; and  
(iii) fluctuations in the currency exchange rates between USD and SGD especially since a significant proportion of the Group's purchases are denominated in USD as disclosed in the section "Risk Factors" of the Offer Document.  
  
The general uncertainty of the world economies and in particular the economies of the emerging markets in which the Group operates will have an impact on the Group's performance. The cost of fasteners will continue to track that of global steel prices. While steel prices had somewhat stabilised in the second half of FY2013, should the price of fasteners continue to decline, our margins may be adversely affected.  
  
The Group will continue to focus its efforts in strengthening its position as a quality fasteners supplier in the emerging markets by ensuring that it maintains a comprehensive and well-stocked inventory of products.
- 11 If a decision regarding dividend has been made, the required information has been disclosed.**
- 11(a) Whether any interim (final) ordinary dividend has been declared (recommended)**  
No.
- 11(b) Previous corresponding period**  
Not applicable as the Company was incorporated on 30 April 2013.
- 11(c) Date of payment.**  
Not applicable.
- 11(d) The date on which Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend are determined.**  
Not applicable.
- 12 If no dividend has been declared (recommended), a statement to that effect.**  
No dividend has been declared or recommended for FY2013.
- 13 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**  
Save as disclosed in pages 101 to 102 of the Offer Document, there were no IPT of S\$100,000 and above for the financial year ended 31 December 2013.  
The Company has not obtained an IPT mandate.
- 14 Use of IPO proceeds**  
Pursuant to the IPO, the Company received net proceeds from the placement of the new shares of approximately S\$3.8 million as set out below. The IPO proceeds have been utilised in the manner set out below:

	Allocation of net proceeds (as disclosed in the Offer Document) S\$	Net proceeds utilised as at date of this announcement S\$	Balance of net proceeds as at date of this announcement S\$
To enhance existing warehouse facilities and upgrade the inventory management system	1,000,000	(132,000)	868,000
General working capital	2,831,000	(2,052,000)	779,000
	<u>3,831,000</u>	<u>(2,184,000)</u>	<u>1,647,000</u>

The Company will make periodic announcements on the use of proceeds as and when the funds are materially disbursed. Pending the deployment of the net proceeds from the Placement, the funds will be placed in deposits with banks and financial institutions or invested in money market instruments or used for the Group's working capital.





PS GROUP HOLDINGS LTD.

Company Registration No. 201311530Z

**Part II Additional Information Required for Full Year Announcement**

**15 Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year.**

The Group operates in a single business segment of the import and export of bolts, nuts, rivets, fasteners and machine screw products. As such, no operating segmental results have been prepared.

**16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Not applicable as the Group does not prepare operating segmental revenue and results as mentioned in section 15 above. Please refer to section 8 for the review of the performance of the Group.

**17 A breakdown of sales as follow:**

	Group		
	2013 S\$	2012 S\$	Increase/ (Decrease) %
(a) Sales reported for first half year ended 30 June	6,101,414	6,423,955	(5.0%)
(b) Operating profit after tax before deducting minority interests reported for first half year ended 30 June	164,014	942,600	(82.6%)
(c) Sales reported for second half year ended 31 December	5,669,194	5,869,307	(3.4%)
(d) Operating (loss)/profit after tax before deducting minority interests reported for second half year ended 31 December	(32,137)	149,637	(121.5%)

**18 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

	Company	
	FY2013 S\$	FY2012 S\$
Ordinary	-	-
Preference	-	-
Total	-	-

**19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there is no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Teo Yong Tat	23	Son of Teo Choon Hock, the Executive Chairman of the Company	Business Development Manager since 2012. Establishing and/or maintaining relationships with our customers and suppliers, developing business opportunities in existing and potential markets as well as reviewing quotations for and confirming orders with customers.	Nil

**BY ORDER OF THE BOARD**

**Teo Choon Hock**  
Executive Chairman  
29 January 2014