



ABUNDANCE INTERNATIONAL LIMITED

洋裕国际有限公司

(Singapore Co. Reg. No: 197501572K)

NEWS RELEASE - FOR IMMEDIATE RELEASE

Results for full year ended 31 December 2018

	FY2018	FY2017 (Restated)	FY2016
Revenue	US\$413.4 million	US\$524.0 million	US\$109.9 million
Total profit/(loss) attributable to the Shareholders	US\$(0.7 million)	US\$(0.5 million)	US\$(0.8 million)
Earnings before interest, taxes, depreciation	US\$0.9 million	US\$1.5 million	US\$0.08 million

Note: Certain financial information in FY2017 has been restated by using the correct methodology in ascribing the fair value of the liability and equity portion for the zero coupon bonds due 2021 and detachable European warrant allotted and issued on 31 January 2017. Please refer to Note 4 of our result announcement for more details.

- **FIRST FULL FINANCIAL YEAR OPERATIONS FOR THE CHEMICAL BUSINESS**

Singapore, 26 February 2019 – SGX Catalist-listed Abundance International Limited (the “Company” and together with its subsidiaries, the “Group”) today announced its results for the full year ended 31 December 2018 (“**FY2018**”).

- For FY2018, the Group recorded US\$413.4 million of revenue, mainly arising from the chemical trading business undertaken by our wholly-owned subsidiary Orient-Salt Chemicals Pte. Ltd. and its subsidiaries (the “**OSC Group**”).
- The OSC Group itself achieved a profit after tax of US\$1.4 million.
- The Group recorded earnings before interest, taxes, depreciation and amortisation for FY2018 of US\$0.9 million. There was a loss attributable to the Shareholders of US\$0.7 million after deducting costs incurred at the Company level comprising mainly
 - a **non-cash interest expense** of US\$0.93 million recorded in FY2018 as a result of the S\$12,855,000 in principal amount of zero coupon bonds issued by the Company on 31 January 2017
 - the cost of maintaining the factory at 9 Joon Koon Circle (the “**Joo Koon Property**”);

- a **non-cash depreciation charge** of US\$0.45 million recorded in FY2018 in respect of the Joo Koon Property; and
- other corporate and administrative expenses.

Managing Director, Mr Sam Kok Yin said, “The OSC Group continues to be profitable. We will work towards increasing our profit margins. Tapping on our strong supply and distribution network, we intend to gradually increase the types of chemicals that we trade in.

We are also constantly exploring and evaluating other chemical related investment opportunities. On 14 March 2018, we announced a joint venture agreement with a Japanese incorporated company in relation to a new joint venture company, Zhangjiagang Orient-Hill Microorganisms Technology Co., Ltd (“**JV Company**”). The JV Company has been established on 5 June 2018 and has commenced marketing to potential clients.

On 27 November 2018, we announced a non-binding term sheet with 上海三瑞高分子材料股份有限公司 (Shanghai Sunrise Polymer Material Co., Ltd.) (the “**Target Company**”) pursuant to which we will subscribe for new shares representing 18.18% of the enlarged share capital of the Target Company after completion. The Target Company specialises in the production of specialty chemicals used mainly for the construction industry, such as concrete admixtures, mortar admixtures, gypsum water reducing agents, floor care products and geotechnical engineering additives. As at the date hereof, due diligence and preparation of documentation is ongoing.”

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About Abundance International Limited

Incorporated in Singapore in 1975 and listed on SGX Sesdaq in 2000, the Company was engaged primarily in the business of commercial printing of books, calendars and other publications. In 2015, it diversified its business scope to include Chemicals and Investments. As of today, chemical trading makes up the bulk of the Group’s business activities.

For further information, please email to: contact@abundance.com.sg or call +65 6861 4040.

Note:

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Exchange. The Company’s Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the Exchange and the Exchange assumes 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 person for the Sponsor is Mr Ng Joo Khin Tel: 6389 3000 Email: jookhin.ng@morganlewis.com