

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

A CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Group		Incr/ (decr) %
		6 Months Ended 30/09/2023 S\$'000	30/09/2022 S\$'000	
Revenue	4	40,819	48,526	(15.9)
Cost of sales		(32,110)	(38,822)	(17.3)
Gross profit		8,709	9,704	(10.3)
Distribution costs		(4,122)	(5,106)	(19.3)
Administrative expenses		(9,879)	(10,665)	(7.4)
Other operating income		125	401	(68.8)
Other operating expenses		(46)	(655)	(93.0)
Finance cost		(748)	(618)	21.0
Loss before income tax	6	(5,961)	(6,939)	(14.1)
Income tax (expense) / credit	7	(161)	48	NM
Loss for the period		(6,122)	(6,891)	(11.2)
Other comprehensive income				
Items that will not be reclassified to profit or loss:		-	-	NM
<u>Items that are or may be reclassified subsequently to profit or loss:</u>				
Translation (loss) / gain arising on consolidation		(26)	(325)	(92.0)
Other comprehensive (loss) / income for the period, net of tax		(26)	(325)	(92.0)
Total comprehensive (loss) / income for the period		(6,148)	(7,216)	(14.8)
Loss attributable to:				
Owners of the Company		(6,122)	(6,891)	(11.2)
		(6,122)	(6,891)	(11.2)
Total comprehensive income attributable to:				
Owners of the Company		(6,148)	(7,216)	(14.8)
		(6,148)	(7,216)	(14.8)
Gross profit margin		21.3%	20.0%	6.7
Net loss margin		-15.0%	-14.2%	5.6
EBITDA ⁽¹⁾ (S\$'000)		(2,127)	(1,912)	11.2
EBITDA margin		-5.2%	-3.9%	32.2

⁽¹⁾ : Denotes earnings before finance cost, taxes, other operating (expenses) income, depreciation and amortisation.

NM: Not meaningful

B CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30/09/2023 S\$'000	31/03/2023 S\$'000	30/09/2023 S\$'000	31/03/2023 S\$'000
ASSETS					
Current assets					
Cash and bank balances		8,606	6,847	103	67
Trade receivables		17,363	23,496	5,158	5,373
Contract assets		2,116	2,599	1,189	1,394
Other receivables		4,170	3,706	180	322
Inventories		29,171	32,156	-	-
Total current assets		<u>61,426</u>	<u>68,804</u>	<u>6,630</u>	<u>7,156</u>
Non-current assets					
Property, plant and equipment ("PPE")	11	64,332	65,393	6	8
Right of use assets		4,799	5,504	32	53
Intangible assets	10	1,918	2,240	1,892	2,240
Deferred tax assets		89	90	-	-
Subsidiary		-	-	177,518	175,040
Associates		42	42	-	-
Total non-current assets		<u>71,180</u>	<u>73,269</u>	<u>179,448</u>	<u>177,341</u>
Total assets		<u>132,606</u>	<u>142,073</u>	<u>186,078</u>	<u>184,497</u>
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables		11,104	14,078	-	-
Contract liabilities		1,191	801	-	-
Other payables		8,668	7,456	5,082	3,410
Current portion of bank borrowings	12	17,445	19,005	-	-
Current portion of lease liabilities	12	1,204	1,280	111	370
Income tax payable		310	172	-	-
Total current liabilities		<u>39,922</u>	<u>42,792</u>	<u>5,193</u>	<u>3,780</u>
Non-current liabilities					
Bank borrowings	12	-	596	-	-
Lease liabilities	12	4,992	4,845	11	11
Deferred tax liabilities		4,771	4,771	-	-
Total non-current liabilities		<u>9,763</u>	<u>10,212</u>	<u>11</u>	<u>11</u>
Total liabilities		<u>49,685</u>	<u>53,004</u>	<u>5,204</u>	<u>3,791</u>
Net assets		<u>82,921</u>	<u>89,069</u>	<u>180,874</u>	<u>180,705</u>

B CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (continued)

	Note	Group		Company	
		30/09/2023	31/03/2023	30/09/2023	31/03/2023
		S\$'000	S\$'000	S\$'000	S\$'000
Capital, reserves and non-controlling interests					
Share capital	13	183,253	183,253	183,253	183,253
Accumulated losses		(107,894)	(101,772)	(2,379)	(2,548)
Translation reserve		1,130	1,156	-	-
Other reserve		6,432	6,432	-	-
Equity attributable to owners of the Company		<u>82,921</u>	<u>89,069</u>	<u>180,874</u>	<u>180,705</u>
Total equity		<u>82,921</u>	<u>89,069</u>	<u>180,874</u>	<u>180,705</u>
Total liabilities and equity		<u>132,606</u>	<u>142,073</u>	<u>186,078</u>	<u>184,497</u>

C CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	6 Months Ended	
	30/09/2023	30/09/2022
	S\$'000	S\$'000
Operating activities		
Loss before income tax	(5,961)	(6,939)
Adjustments for :		
Interest expense	748	617
Interest income	(5)	(1)
Depreciation of property, plant and equipment	2,313	2,972
Depreciation - right of use assets	425	775
Amortization of intangible assets	427	408
Impairment loss / (Reversal) on trade receivables	31	(13)
Doubtful trade receivables recovered	(20)	(84)
Trade receivables written off	-	16
Gain / (Loss) on disposal of plant and equipment	(7)	(117)
Trade payables written off	-	(3)
Net foreign exchange gain- unrealized	(541)	(78)
Operating cash flows before movements in working capital	<u>(2,590)</u>	<u>(2,447)</u>
Trade receivables	6,328	216
Other receivables and prepayments	(335)	(840)
Contract assets	488	1,395
Inventories	3,063	(15)
Trade payables	(3,074)	4,467
Other payables	815	283
Contract liabilities	398	684
Bank bills payable	-	(862)
Cash from / (used in) operations	<u>5,093</u>	<u>2,881</u>
Interest paid for bank bills	-	(5)
Interest received	5	1
Income tax paid	(19)	(61)
Net cash generated from / (used in) operating activities	<u>5,079</u>	<u>2,816</u>

C CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	Group	
	6 Months Ended	
	30/09/2023	30/09/2022
	S\$'000	S\$'000
Investing activities		
Proceeds from disposal of plant and equipment	48	240
Purchase of plant and equipment	(736)	(259)
Additions to intangible asset	(105)	(83)
Net cash generated from / (used in) investing activities	<u>(793)</u>	<u>(102)</u>
Financing activities		
Interest paid for borrowings	(748)	(577)
Repayment of lease liabilities	328	(1,355)
New bank loans obtained	1,800	-
Repayment of bank loans	(3,930)	(1,911)
Restricted cash at bank	114	628
Net cash generated from / (used in) financing activities	<u>(2,436)</u>	<u>(3,215)</u>
Net increase / (decrease) in cash and cash equivalents	1,850	(501)
Effect of exchange rate changes on cash and cash equivalents	22	(26)
Cash and cash equivalents at beginning of the period	<u>5,242</u>	<u>5,505</u>
Cash and cash equivalents at end of the period	<u><u>7,114</u></u>	<u><u>4,978</u></u>
Cash and cash equivalents comprise the following:		
Cash and bank balances	8,606	6,122
Fixed deposit	(10)	(9)
Restricted cash at bank	<u>(1,482)</u>	<u>(1,135)</u>
	<u><u>7,114</u></u>	<u><u>4,978</u></u>

D CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Share capital	Accumulated losses	Translation reserve	Other reserves	Attributable to owners of the Company	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Group</u>							
At 1 April 2023	183,253	(101,772)	1,156	6,432	89,069	-	89,069
Total comprehensive income for the period							
Loss for the period	-	(6,122)	-	-	(6,122)	-	(6,122)
Other comprehensive income for the period	-	-	(26)	(0)	(26)	-	(26)
Total	-	(6,122)	(26)	(0)	(6,148)	-	(6,148)
At 30 September 2023	183,253	(107,894)	1,130	6,432	82,921	-	82,921
At 1 April 2022	179,230	(90,491)	1,119	7,442	97,300	-	97,300
Total comprehensive income for the period							
Loss for the period	-	(6,891)	-	-	(6,891)	-	(6,891)
Other comprehensive income for the period	-	-	(325)	-	(325)	-	(325)
Total	-	(6,891)	(325)	-	(7,216)	-	(7,216)
At 30 September 2022	179,230	(97,382)	794	7,442	90,084	-	90,084
<u>Company</u>							
At 1 April 2023	183,253	(2,548)	-	-	180,705	-	180,705
Loss for the period, representing total comprehensive income for the period	-	169	-	-	169	-	169
At 30 September 2023	183,253	(2,379)	-	-	180,874	-	180,874
At 1 April 2022	179,230	(3,361)	-	-	175,869	-	175,869
Loss for the period, representing total comprehensive income for the period	-	628	-	-	628	-	628
At 30 September 2022	179,230	(2,733)	-	-	176,497	-	176,497

E NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate information

AMOS Group Limited ('the Company') is incorporated in Singapore. The address of the Company's registered office is 156 Gul Circle, Singapore 629613. The Company is listed on the Singapore Exchange.

The principal activity of the Company and its subsidiaries (collectively, the Group) is supply of products, services, and solutions to marine and energy customers from its 10 fulfilment centers spanning Asia, the Middle East, and Europe.

2 Basis of Preparation

The condensed interim financial statements for the six months ended 30 September 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are:

a) Impairment assessment of non-financial assets

The carrying amounts of the Group's non-financial assets (including PPE, ROU assets, and intangible assets), other than inventories, contract assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amounts of the cash generating units used in assessing for impairment are determined from value in use calculations. The key assumptions used for the value in use calculations are those regarding the discount rates and growth rates. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the cash generating units. The growth rates are based on industry growth forecasts.

The Company prepared cash flow forecasts for the subsidiaries derived from the most recent financial budgets approved by management for the next five years and estimated cash flows for the following five years. Value in use as at 30 September 2023 was determined similarly to the 31 March 2023 impairment assessment using the same key assumptions as follows, which the management has deemed still relevant: The pre-tax rate used to discount the cash flows are 12.5% and 9.6% for Energy and Marine Supply CGU respectively.

The estimated recoverable amount of Energy and Marine Supply CGU exceeded its carrying amount.

E NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.2 Use of judgements and estimates (continued)

b) Measurement of expected credit loss (ECL) allowance for trade receivables and contract assets

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

The Group segments its trade receivables based on the risk profile of their clients which include the industries and/ or country that their customers operate. The Group used data that is determined to be predictive of the risk of loss (including but not limited to industry-specific probability risk of default, financial information and available public information of their customers and past experience of the customers' repayment patterns) to determine the applicable credit loss rates to trade receivables.

In determining the expected credit losses for their trade receivables, the Group used the following bases:

- Trade receivables that have been outstanding beyond the expected range of past due days and for which there is no reasonable expectation of recovery are deemed to be credit-impaired. These trade receivables are fully provided.
- The expected credit losses for non-credit impaired trade receivables are estimated using either (i) a probability of default rate (derived from a credit ratings agency), which takes into consideration the industry and country where the customer operates in, or (ii) the past historical experience of collections from the customers.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

E NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Segment and revenue information

The Group is organised into the following main business segments:

Energy Segment : Supply and manufacture rigging, lifting equipment and provision of related services and products for the global energy industry; and

Marine Segment : Provides supplies and services and general merchandise for the marine industry.

All operating segments' operating results are reviewed regularly by the Group's senior management (the chief operating decision maker) to assess their performance and to make decisions about resources to be allocated to the segments for which discrete financial information is available.

4.1 Reportable segments

6 Months Ended 30 September 2023

	Energy S\$'000	Marine S\$'000	Others S\$'000	Total S\$'000
Revenue				
Sales	22,125	18,714	-	40,839
Inter-segment sales	(7)	(13)	-	(20)
Sales to external customers	22,118	18,701	-	40,819
Profit/(Loss) from operations				
Segment results	(774)	(4,692)	255	(5,211)
Restructuring cost	15	(17)	-	(2)
Interest expense	(455)	(281)	(12)	(748)
Income tax credit (expense)	(161)	0	-	(161)
Loss for the period	(1,375)	(4,990)	243	(6,122)
Assets				
Segment assets	52,034	75,728	4,844	132,606
Liabilities				
Segment liabilities	12,286	31,567	5,832	49,685
Other information				
Gain / (Loss) on disposal of PPE	(4)	(3)	-	(7)
Impairment loss / (Reversal) on trade receivables	31	(0)	-	31
Foreign exchange gain / (Loss)	(34)	1	54	21
Allocable depreciation and amortization	(776)	(1,946)	(443)	(3,165)
Allocable additions to non-current assets	736	-	-	736

E NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

4.1 Reportable segments (continued)

6 Months Ended 30 September 2022

	Energy S\$'000	Marine S\$'000	Others S\$'000	Total S\$'000
Revenue				
Sales	25,208	23,421	-	48,629
Inter-segment sales	(22)	(81)	-	(103)
Sales to external customers	25,186	23,340	-	48,526
Loss from operations				
Segment results	724	(6,984)	(55)	(6,315)
Restructuring cost	(7)	-	-	(7)
Interest expense	(204)	(412)	(1)	(617)
Income tax credit / (expense)	-	48	-	48
Loss for the period	513	(7,348)	(56)	(6,891)
Assets				
Segment assets	63,227	81,724	376	145,327
Liabilities				
Segment liabilities	17,379	37,292	572	55,243
Other information				
Gain / (Loss) on disposal of PPE	118	(1)	-	117
Trade receivables written off	-	(16)	-	(16)
Impairment of trade receivables	13	-	-	13
Foreign exchange loss	(251)	(89)	51	(289)
Allocable depreciation and amortization	(1,844)	(2,278)	(33)	(4,155)
Allocable additions to non-current assets	322	227	2	551

E NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

4.2 Disaggregation of Revenue

	The Group		
	6 Months Ended 30 September 2023		
	Energy	Marine	Total
	S\$'000	S\$'000	S\$'000
Revenue			
Sales of goods revenue recognized at a point in time	18,193	18,701	36,894
Service revenue recognized at a point in time	1,555	-	1,555
Rental revenue recognized over time	2,370	-	2,370
	22,118	18,701	40,819
Geographical Information			
Europe & Middle East	7,151	-	7,151
South East Asia	13,620	13,201	26,821
North Asia	1,347	5,500	6,847
	22,118	18,701	40,819
	-	-	
	The Group		
	6 Months Ended 30 September 2022		
	Energy	Marine	Total
	S\$'000	S\$'000	S\$'000
Revenue			
Sales of goods revenue recognized at a point in time	21,193	23,340	44,533
Service revenue recognized at a point in time	1,970	-	1,970
Rental revenue recognized over time	2,023	-	2,023
	25,186	23,340	48,526
Geographical Information			
Europe & Middle East	7,811	-	7,811
South East Asia	14,050	18,677	32,727
North Asia	3,325	4,663	7,988
	25,186	23,340	48,526

⁽¹⁾ Revenue from countries in "Asia" includes revenue generated from countries that individually account for less than 10% of the Group's revenue.

E NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)**5. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2023 and 31 March 2023:

	The Group		The Company	
	30-Sep-23	31-Mar-23	30-Sep-23	31-Mar-23
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Trade receivables	17,363	23,496	5,158	5,373
Other receivables (excludes prepayments and GST recoverable)	1,885	1,383	54	39
Cash and cash equivalents	8,606	6,847	103	67
	<u>27,854</u>	<u>31,726</u>	<u>5,315</u>	<u>5,479</u>
Financial liabilities				
Secured bank loans	17,445	19,600	-	-
Lease liabilities	6,196	6,125	122	381
Trade payables	11,104	14,078	-	-
Other payables	8,668	7,456	5,082	3,410
	<u>43,413</u>	<u>47,259</u>	<u>5,204</u>	<u>3,791</u>

6. Loss before taxation**6.1 Significant items**

	Group	
	30-Sep-23	30-Sep-22
	S\$'000	S\$'000
Amortization of intangible assets	427	408
Depreciation of PPE	2,313	2,972
Depreciation - Right of use assets	425	775
Foreign exchange loss	(21)	288
Impairment loss / (Reversal) on trade receivables	31	(13)
Interest expense	748	617

6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Taxation

The Group calculates the period income tax credit (expense) using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax credit (expense) in the condensed interim consolidated statement of profit or loss are:

	Group	
	30-Sep-23	30-Sep-22
	S\$'000	S\$'000
Current income tax credit / (expense)	(161)	19
Deferred income tax expense relating to origination and reversal of temporary differences	-	29
	<u>(161)</u>	<u>48</u>

8. Dividends

No dividend has been declared for 1H FY2024 ended 30 September 2023.

E NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Net Asset Value

	The Group		The Company	
	30-Sep-23	31-Mar-23	30-Sep-23	31-Mar-23
	S\$'000	S\$'000	S\$'000	S\$'000
Net asset value attributable to shareholders of the Company (S\$'000)	82,921	89,069	180,874	180,705
Number of ordinary shares ('000) *	208,331	208,331	208,331	208,331
Net asset value per ordinary share (cents)	39.80	42.75	86.82	86.74

10. Intangible assets

	The Group		
	<u>Trademark</u>	<u>Software Implementation</u>	<u>Total</u>
At 31 March 2023			
Cost	486	2,580	3,066
Accumulated amortization	-	(826)	(826)
Net Book Value	486	1,754	2,240
6 months ended 30 September 2023			
Opening net book amount	486	1,754	2,240
Additions	-	2,278	2,278
Disposed	-	-	-
Amortisation Charges	-	(2,600)	(2,600)
Closing net book amount	486	1,432	1,918
	The Company		
	<u>Trademark</u>	<u>Software Implementation</u>	<u>Total</u>
At 31 March 2023			
Cost	486	2,580	3,066
Accumulated amortization	-	(826)	(826)
Impairment	-	-	-
Net Book Value	486	1,754	2,240
6 months ended 30 September 2023			
Opening net book amount	486	1,754	2,240
Additions	-	80	80
Amortisation Charges	-	(428)	(428)
Closing net book amount	486	1,406	1,892

E NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

10.1 Trademarks

The Company owns the "AMOS" and "ALCONA" trademarks. The Company has the exclusive right to use the trademark worldwide. This right can be renewed for a further period of 10 years upon expiry.

11 Property, plant and equipment

During the six months ended 30 September 2023, the Group acquired assets amounting to S\$735,533 (30 September 2022: S\$258,712) and disposed of assets amounting to S\$42,387 (30 September 2022: S\$123,159)

11.1 Revaluation of property, plant and equipment – Leasehold/Freehold land and buildings

Leasehold/Freehold land and buildings are measured at their revalued amounts, less accumulated depreciation and impairment losses recognized after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the building at the end of the reporting period.

Any revaluation surplus is recognized in other comprehensive income and accumulated in equity under the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss, in which case the increase is recognized in profit or loss. A revaluation deficit is recognized in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

12. Borrowings

Amount repayable in one year or less, or on demand

	30/09/2023		31/03/2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Term loans	17,445	-	19,005	-
Lease liabilities	111	1,093	656	624
	<u>17,556</u>	<u>1,093</u>	<u>19,661</u>	<u>624</u>

Amount repayable after one year

	30/09/2023		31/03/2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Term loans	-	-	596	-
Short term loans	-	-	-	-
Lease liabilities	3,058	1,934	3,454	1,391
	<u>3,058</u>	<u>1,934</u>	<u>4,050</u>	<u>1,391</u>

Details of any collaterals

Certain bank borrowings are secured by a legal mortgage over the Group's freehold & leasehold land and buildings, a floating charge over certain inventories of the Group.

Certain lease liabilities are secured by charges over the leased assets.

Bank facilities are monitored on a regular basis by management to ensure compliance with the agreement. In keeping with practices for commercial bank loans, a portion of the Group's banking facilities are expected to meet specified financial ratios and minimum net worth covenants for the Group and its subsidiaries. In the event where there is a breach of these covenants without written waiver, the loan facilities are technically deemed to be repayable at any time demanded by the commercial bank. As the Group does not have a written waiver from certain providers of bank facilities as at 30 September 2023 for the next 12 months to the satisfaction of the Group's auditors, S\$11.4 million of loan facilities have been classified as current in the financial statements as at 30 September 2023 in accordance with accounting requirements even though management does not believe that the Group's providers of bank facilities would seek to recall these facilities before their final maturity date in November 2029.

E NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. Share Capital

	The Group and the Company			
	30-Sep-23		31-Mar-23	
	Number of shares	Amount	Number of shares	Amount
	'000	S\$'000	'000	S\$'000
Issued and paid up shares at the beginning of period	208,331	183,253	178,569	179,230
Issue of ordinary shares by virtue of rights issue *	-	-	29,762	4,023
	<u>208,331</u>	<u>183,253</u>	<u>208,331</u>	<u>183,253</u>
Issued and paid up shares at the end of period	<u>208,331</u>	<u>183,253</u>	<u>208,331</u>	<u>183,253</u>

The Company did not hold any treasury shares as at 30 September 2023.

The Company's subsidiaries do not hold any shares in the Company as at 30 September 2023 and 31 March 2023.

13.1 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

	30/09/2023	31/03/2023
The total number of issued shares excluding treasury shares. ('000)	208,331	208,331

13.2 A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

13.3 A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

As at 30 September 2023, there were no sales, transfers, cancellation and / or use of subsidiary holdings.

F OTHER INFORMATION

14. Review

The condensed interim consolidated statements of financial position of AMOS Group Limited and its subsidiaries as at 30 September 2023 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

15. Review of the Group's performance

15.1 Review of condensed interim consolidated statement of profit or loss and other comprehensive income

Revenue (S\$'000)

	6 months Ended		Incr/
	30/09/2023	30/09/2022	(decr)
	1H-FY2024	1H-FY2022	%
Energy	22,118	25,186	(12.2)
Marine	18,701	23,340	(19.9)
Total	<u>40,819</u>	<u>48,526</u>	(15.9)

1H FY2024 vs 1H FY2023

For 6 months ended 30 September 2023 ("1H FY2024"), the Group's revenue was S\$40.8 million, representing a decrease of S\$7.7million or 15.9% compared to S\$48.5 million for the corresponding period ended 30 September 2022 ("1H FY2023"). The revenues segmented by business shows the Energy business contributed revenue of S\$22.1 million decreasing 12.2% compared to 1H FY2023. The Marine business contributed revenue of S\$18.7 million decreasing 19.9% compared to 1H FY2023. In 1H FY2024, the Energy and Marine business segments contributed 54.2% and 45.8% to the Group's total revenue respectively.

Gross Profit

1H FY2024 vs 1H FY2023

The Group reported gross profit of S\$8.7 million in 1H FY2024, representing a 10.3% or S\$1.0 million decrease compared to a gross profit of S\$9.7 million in 1H FY2023 due to lower revenue.

Gross profit margin has improved to 21.3% in 1H FY2024 vs 20% in 1H FY2023 contributed by efficiencies in sourcing better priced products and improvements in direct labour utilization.

Distribution costs

1H FY2024 vs 1H FY2023

Distribution costs decreased to S\$4.1 million in 1H FY2024 , representating a decrease of 19.3% or S\$1.0 million compared to 1H FY2023 due to reduction in staff costs.

Administrative expenses

1H FY2024 vs 1H FY2023

Administrative expenses of S\$9.8 million in 1H FY2024 decreased 7.4% or S\$0.8 million compared to 1H FY2023 due to reductions in manpower costs.

Other operating income

1H FY2024 vs 1H FY2023

Other operating income decreased 69.0% to S\$0.1 million in 1H FY2024 compared to the S\$0.4 million in 1H FY2023. This was mainly due to a recovery of unpaid VAT from customers in the UK.

F OTHER INFORMATION (continued)

15. Review of the Group's performance (continued)

Other operating expenses

1H FY2024 vs 1H FY2023

Other operating expenses decreased significantly by 93.0% in 1H FY2024 compared to the S\$0.7 million in 1H FY2023 due to foreign exchange gains and S\$0.3 million in non-recurring consultancy expenses.

Finance cost

1H FY2024 vs 1H FY2023

Finance costs in 1H FY2024 increased by 21.0% compared to 1H FY2023 due to substantially higher interest rates.

Loss for the period

Operating loss before tax for 1H FY2024 stands at S\$6.0 million, 14.0% lower than the S\$6.9 million reported in 1H FY2023.

Total Comprehensive Income for the period

The total comprehensive loss for 1H FY2024 was S\$6.1 million, a decrease of 15.0% or S\$1.1m compared to 1H FY2023. The loss in 1H FY2024 is attributed to lower revenues, mitigated by improvements in gross profit margins and lower operating expenses compared to 1H FY2023.

15.2 Review of condensed interim statements of financial position

Current assets

Current assets decreased 10.7% (or S\$7.4 million) from S\$68.8 million as at 31 March 2023 to S\$61.4 million as at 30 September 2023. The changes was mainly due to: (i.) a decrease in trade receivables of S\$6.1 million, and (ii.) a decrease in inventories by S\$3.0 million, (iii) an increase in cash and bank equivalents by S\$1.8 million.

Non-current assets

Non-current assets decreased 2.8% (or by S\$2.0 million) from S\$73.0 million as at 31 March 2023 to S\$71.1 million as at 30 September 2023. The decrease was mainly due to: (i.) decrease in Property, plant and equipment of S\$1.1 million, (ii.) a decrease in Right-of-Use assets of S\$0.7 million, and (iii.) a decrease in Intangible assets of S\$0.3 million.

Current liabilities

Current liabilities decreased 6.7% (or by S\$2.9 million) from S\$42.8 million as at 31 March 2023 to S\$39.9 million as at 30 September 2023 due to reductions in trade payables and repayments of bank borrowings.

Non-current liabilities

There were no significant movements in Non-current liabilities as at 31 March 2023 compared to 30 September 2023.

Capital, reserves and non-controlling interests

Shareholders' equity decreased 6.9% to S\$82.9 million in FY2024 from S\$89.0 million in FY2023, attributed to the total comprehensive loss incurred in 1H FY2024.

F OTHER INFORMATION (continued)

15. Review of the Group's performance (continued)

15.3 Review of condensed interim consolidated statement of cash flows

1H FY2024 ended 30 September 2023

The Cash balance of S\$8.6 million as at 30 September 2023 increased 25.7% (S\$1.8 million) compared to S\$6.8 million as at 31 March 2023.

Net cash generated from / (used in) operating activities

Net cash generated from operating activities was S\$5.1 million in 1H FY2024, an increase of S\$2.3 million compared to S\$2.8 million in 1H FY2023 due to significant improvements in customer collections and working capital management.

Net cash generated from / (used in) investing activities

Net cash outflow used in investing activities of S\$0.8 million in 1H FY2023 was due mainly to S\$0.7m of payments for plant and equipment.

Net cash generated from / (used in) financing activities

Net cash used in financing activities was S\$2.4 million in 1H FY2024 due mainly to loan, interest repayments and lease liabilities.

1H FY2023 ended 30 September 2022

Net cash generated from / (used in) operating activities

Net cash generated from operating activities was S\$2.8 million in 1H FY2023, compared to S\$4.9 million net cash used in operating activities for 1H FY2022 for an overall net improvement of S\$7.7 million.

Operating cash outflow was S\$2.4 million to support operating activities in 1H FY2023 before changes in working capital.

Net working capital inflow was S\$5.3 million in 1H FY2023. This was mainly due to (i.) a net increased in trade payables, other payables and contract liabilities of S\$5.4 million, (ii.) a total decrease in trade receivables, other receivables and contract assets of S\$0.8 million due to aggressive collection efforts, offset by the repayment of bank bills amounting to S\$0.9 million.

Net cash generated from / (used in) investing activities

Net cash inflow used in investing activities amounted to S\$0.1 million in 1H FY2023 mainly due to: (i.) payment for purchase of plant and equipment of S\$0.2 million, and (ii) payment for purchase of intangible assets of S\$0.1 million, offset by the proceeds from the disposal of plant and equipment of S\$0.3 million.

Net cash generated from / (used in) financing activities

Net cash used in financing activities was S\$3.2 million in 1H FY2023 mainly due to repayment of bank borrowings and related interest of S\$2.5 million plus leased liabilities and related interest of S\$1.4 million.

F OTHER INFORMATION (continued)

16. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

17. 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

AMOS Group Limited ("AMOS") is a long-established supplier of products and service to marine and offshore customers from facilities operating in Asia, the Middle East, and Europe. The business prospects for AMOS are impacted by shifts in the global trade of goods as well as the development of current and existing energy resources. As a result, the most important metric for AMOS is activity in the marine and offshore industries.

During 2023 there continued to be war in the Ukraine, which unsettled the energy markets and undermined economic prospects in Europe. In addition, the global economy underperformed expectations from most economic experts resulting in less economic activity and less trading of goods than projected last year. The recent outbreak of war in Gaza is creating additional disruptions to the global supply of energy as well as negatively impacting demand of goods from consumers. The overall outlook amongst the core clients of AMOS is for subdued activity which could negatively affect the sales and profit outlook for AMOS in 2H-FY2024.

In preparation for this subdued 2H-FY2024 outlook AMOS is tightening its costs controls and seeking efficiencies in its working capital accounts. AMOS continues to reduce trade receivables and inventory, pay down debt, and drive efficiencies in its supply chain of goods and services to better serve customers. AMOS is also developing new products and services to better serve our traditional customers while striving to onboard new customers.

F OTHER INFORMATION (continued)

18. Dividend

18(a) Any dividend declared for the current financial period reported on?

Nil

18(b) Any dividend declared for the corresponding period of the immediately preceding financial year?

No

18(c) Date payable

Not applicable.

18(d) Books closure date

Not applicable.

19. If no dividend has been declared/ recommended, a statement to that effect

No dividend has been declared for 1H FY2024 ended 30 September 2023.

20. 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

Not applicable as no IPT mandate has been obtained.

21. Confirmation that the issuer has procured undertakings from all its directors and executive officers

The Company has received undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

F OTHER INFORMATION (continued)

22. Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed.

The Company would like to update that for the period as of 30 September 2023, further funds from the Net Proceeds have been utilized and the details are as depicted in table below:

Table showing utilization of Net Proceeds

Use of Net Proceeds	Allocation of the Net Proceeds as set out in the Company's Offer Information Statement on 30 December 2022		Net Proceeds utilized up to 30 Sep 2023	Balance of Net Proceeds as at 30 Sep 2023
	S\$'000	%		
(a) Repayment of a portion of the Bank Loan	1,400	34%	1,400	-
(b) Technology initiatives	1,400	34%	471	929
(c) Development and expansion of the Alcona Product Line	600	15%	600	-
(d) General working capital requirements of the Group	700	17%	709	-9
	4,100	100.0%	3,181	919

Notes (as set out in the OIS on 30 December 2022)

The Company intends to utilise the Net Proceeds for the following purposes:

- (a) repayment of a portion of the Bank Loan;
- (b) funding the Group's technology initiatives;
- (c) developing and expanding the Group's "Alcona" proprietary product line for the marine and energy sectors ("Alcona Product Line"); and
- (d) general working capital requirements of the Group, which includes funding the Group's procurement initiatives.

Confirmation by the Board

On behalf of the Board of Directors of the Company, I hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 September 2023 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

KYLE ARNOLD SHAW, JR

Executive Chairman

Singapore

10 November 2023