

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

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

	Note	Group		Incr/ (decr) %
		6 Months Ended		
		30/09/2022 S\$'000	30/09/2021 S\$'000	
Revenue	4	48,526	49,368	(1.7)
Cost of sales		(38,822)	(38,351)	1.2
Gross profit		9,704	11,017	(11.9)
Distribution costs		(5,106)	(4,660)	9.6
Administrative expenses		(10,665)	(11,151)	(4.4)
Other operating income		401	1,302	(69.2)
Other operating expenses		(655)	(1,311)	(50.0)
Finance cost		(618)	(714)	(13.4)
Loss before income tax	6	(6,939)	(5,517)	25.8
Income tax credit	7	48	46	4.3
Loss for the period		(6,891)	(5,471)	26.0
<u>Other comprehensive income</u>				
<u>Items that will not be reclassified to profit or loss:</u>				
Revaluation of Property, plant and equipment		-	6,212	(100.0)
<u>Items that are or may be reclassified subsequently to profit or loss:</u>				
Translation (loss) / gain arising on consolidation		(325)	38	NM
Other comprehensive income for the period, net of tax		(325)	6,250	NM
Total comprehensive (loss) / income for the period		(7,216)	779	NM
Loss attributable to:				
Owners of the Company		(6,891)	(5,402)	27.6
Non-controlling interests		-	(69)	(100.0)
		(6,891)	(5,471)	26.0
Total comprehensive income attributable to:				
Owners of the Company		(7,216)	849	NM
Non-controlling interests		-	(70)	(100.0)
		(7,216)	779	NM
Gross profit margin		20.0%	22.3%	(10.4)
Net loss margin		-14.2%	-11.1%	28.1
EBITDA ⁽¹⁾ (S\$'000)		(1,912)	(396)	382.8
EBITDA margin		-3.9%	-0.8%	391.2

⁽¹⁾ : Denotes earnings before finance cost, taxes, other operating (expenses) income, provision for inventory adjustment to market price, depreciation and amortisation

NM: Not meaningful

B CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30/09/2022	31/03/2022	30/09/2022	31/03/2022
		S\$'000	S\$'000	S\$'000	S\$'000
<u>ASSETS</u>					
Current assets					
Cash and bank balances		6,122	7,278	63	1,246
Trade receivables		25,047	25,002	3,922	2,830
Contract assets		1,234	2,627	1,612	1,628
Other receivables		4,260	3,545	220	336
Income tax receivables		56	-	-	-
Inventories		35,664	35,462	-	-
Total current assets		<u>72,383</u>	<u>73,914</u>	<u>5,817</u>	<u>6,040</u>
Non-current assets					
Property, plant and equipment ("PPE")	11	64,041	67,409	20	30
Right of use assets		6,182	6,584	73	94
Intangible assets	10	2,636	2,961	2,636	2,961
Deferred tax assets		43	19	-	-
Subsidiary		-	-	171,112	170,311
Associates		42	42	-	-
Total non-current assets		<u>72,944</u>	<u>77,015</u>	<u>173,841</u>	<u>173,396</u>
Total assets		<u>145,327</u>	<u>150,929</u>	<u>179,658</u>	<u>179,436</u>
<u>LIABILITIES AND EQUITY</u>					
Current liabilities					
Trade payables		16,984	13,166	-	-
Contract liabilities		2,112	1,447	-	-
Other payables		7,327	6,973	2,290	2,017
Current portion of bank borrowings	12	8,276	8,523	-	-
Current portion of lease liabilities	12	2,224	2,899	727	1,169
Income tax payable		-	13	-	-
Total current liabilities		<u>36,923</u>	<u>33,021</u>	<u>3,017</u>	<u>3,186</u>
Non-current liabilities					
Bank borrowings	12	13,129	15,076	-	-
Lease liabilities	12	5,191	5,532	144	381
Total non-current liabilities		<u>18,320</u>	<u>20,608</u>	<u>144</u>	<u>381</u>
Total liabilities		<u>55,243</u>	<u>53,629</u>	<u>3,161</u>	<u>3,567</u>
Net assets		<u>90,084</u>	<u>97,300</u>	<u>176,497</u>	<u>175,869</u>

B CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (continued)

	Note	Group		Company	
		30/09/2022	31/03/2022	30/09/2022	31/03/2022
		S\$'000	S\$'000	S\$'000	S\$'000
Capital, reserves and non-controlling interests					
Share capital	13	179,230	179,230	179,230	179,230
Accumulated losses		(97,382)	(90,491)	(2,733)	(3,361)
Translation reserve		794	1,119	-	-
Other reserve		7,442	7,442	-	-
Equity attributable to owners of the Company		<u>90,084</u>	<u>97,300</u>	<u>176,497</u>	<u>175,869</u>
Non-controlling interests		-	-	-	-
Total equity		<u>90,084</u>	<u>97,300</u>	<u>176,497</u>	<u>175,869</u>
Total liabilities and equity		<u>145,327</u>	<u>150,929</u>	<u>179,658</u>	<u>179,436</u>

C CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	6 Months Ended	
	30/09/2022	30/09/2021
	S\$'000	S\$'000
Operating activities		
Loss before income tax	(6,939)	(5,517)
Adjustments for :		
Interest expense	617	714
Interest income	(1)	(2)
Depreciation of property, plant and equipment	2,972	3,174
Depreciation - right of use assets	775	816
Amortization of intangible assets	408	408
(Reversal) / impairment loss on trade receivables	(13)	108
Doubtful trade receivables recovered	(84)	(209)
Trade receivables written off	16	23
Other receivables written off	-	22
(Gain) Loss on disposal of plant and equipment	(117)	(196)
Loss on modification of ROU	-	9
Loss on disposal of club membership	-	27
Trade payables written off	(3)	(579)
Net foreign exchange gain- unrealized	(78)	(69)
Operating cash flows before movements in working capital	<u>(2,447)</u>	<u>(1,271)</u>
Trade receivables	216	2,809
Other receivables and prepayments	(840)	171
Contract assets	1,395	(1,030)
Inventories	(15)	2,091
Trade payables	4,467	(3,985)
Other payables	283	(2,128)
Contract liabilities	684	(1,639)
Bank bills payable	(862)	-
Cash from / (used in) operations	<u>2,881</u>	<u>(4,982)</u>
Interest paid for bank bills	(5)	-
Interest received	1	2
Income tax paid	(61)	56
Net cash generated from / (used) in operating activities	<u>2,816</u>	<u>(4,924)</u>

C CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	Group	
	6 Months Ended	
	30/09/2022	30/09/2021
	S\$'000	S\$'000
Investing activities		
Proceeds from disposal of plant and equipment	240	551
Purchase of plant and equipment	(259)	(319)
Additions to intangible asset	(83)	(1)
Fixed deposits placement	-	48
Net cash (used in) / generated from investing activities	<u>(102)</u>	<u>279</u>
Financing activities		
Interest paid for other borrowings	(577)	(626)
Repayment of obligations under lease liabilities	(1,355)	(1,426)
New bank loans obtained	-	1,178
Repayment of bank loans	(1,911)	(473)
Proceeds from issue of shares of the Company	-	13,149
Payment of share issue expenses	-	(175)
Restricted cash at bank	628	11
Net cash (used in) / generated from financing activities	<u>(3,215)</u>	<u>11,638</u>
Net decrease in cash and cash equivalents	(501)	6,993
Effect of exchange rate changes on cash and cash equivalents	(26)	29
Cash and cash equivalents at beginning of the period	5,505	6,278
Cash and cash equivalents at end of the period	<u>4,978</u>	<u>13,300</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances	6,122	14,303
Fixed deposit	(9)	(10)
Restricted cash at bank	(1,135)	(993)
	<u>4,978</u>	<u>13,300</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 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
At 1 April 2021	166,256	(76,398)	914	598	91,370	(157)	91,213
Total comprehensive income for the period							
Loss for the period	-	(5,402)	-	-	(5,402)	(69)	(5,471)
Revaluation of PPE	-	-	-	6,212	6,212	-	6,212
Other comprehensive income for the period	-	-	39	-	39	(1)	38
Total	-	(5,402)	39	6,212	849	(70)	779
Transactions with owners, recognized directly in equity							
Issuance of shares	13,149	-	-	-	13,149	-	13,149
Share issuance expenses	(175)	-	-	-	(175)	-	(175)
Total	12,974	-	-	-	12,974	-	12,974
At 30 September 2021	179,230	(81,800)	953	6,810	105,193	(227)	104,966
<u>Company</u>							
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
At 1 April 2021	166,256	(2,612)	-	-	163,644	-	163,644
Loss for the period, representing total comprehensive income for the period	-	(860)	-	-	(860)	-	(860)
Transactions with owners, recognised directly in equity							
Issuance of shares	13,149	-	-	-	13,149	-	13,149
Share issuance expenses	(175)	-	-	-	(175)	-	(175)
Total	12,974	-	-	-	12,974	-	12,974
At 30 September 2021	179,230	(3,472)	-	-	175,758	-	175,758

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. As at financial period ended 30 September 2022, ShawKwei Asia Value Fund 2017 ("ShawKwei"), a Cayman Islands established private equity fund, is the largest shareholder of the Company. Shawkwei together with related parties hold 81.18 % of shares in the Company.

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 2022 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 2022.

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, 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 2022 was determined similarly to the 31 March 2022 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 19.8% and 10.3% 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 which includes rental services and products for the global energy industry; and

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

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

4.1 Reportable segments**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
Profit/(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				<u>(6,891)</u>
Assets				
Segment assets	63,227	81,724	376	145,327
Liabilities				
Segment liabilities	17,379	37,292	572	55,243
Other information				
Gain on disposal of PPE	118	(1)	-	117
Trade receivables written off	-	(16)	-	(16)
Reversal of impairment loss on trade receivables	13	-	-	13
Foreign exchange gain (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)

4.1 Reportable segments (continued)

6 Months Ended 30 September 2021

	Energy S\$'000	Marine S\$'000	Others S\$'000	Total S\$'000
Revenue				
Sales	26,112	23,461	-	49,573
Inter-segment sales	(155)	(50)	-	(205)
Sales to external customers	25,957	23,411	-	49,368
Loss from operations				
Segment results	1,872	(5,950)	(721)	(4,799)
Restructuring cost	(2)	(2)	-	(4)
Interest expense	(401)	(312)	(1)	(714)
Income tax credit (expense)	58	(12)	-	46
Loss for the period				<u>(5,471)</u>
Assets				
Segment assets	68,106	89,234	7,576	164,916
Liabilities				
Segment liabilities	25,577	33,947	426	59,950
Other information				
Gain/(Loss) on disposal of PPE	196	-	-	196
Trade receivables written off	3	20	-	23
Impairment of trade receivables	(36)	(72)	-	(108)
Foreign exchange loss	77	(247)	(4)	(174)
Allocable depreciation and amortization	(1,746)	(2,619)	(33)	(4,398)
Allocable additions to non-current assets	238	81	127	446

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

4.2 Disaggregation of Revenue

	The Group		
	6 Months Ended 30 September 2022		
	Energy S\$'000	Marine S\$'000	Total 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			
Singapore	13,298	18,677	31,975
United Kingdom	4,512	-	4,512
China	1,343	2,835	4,178
Middle East ⁽¹⁾	3,299	-	3,299
Asia ⁽²⁾	2,734	1,828	4,562
	25,186	23,340	48,526

	The Group		
	6 Months Ended 30 September 2021		
	Energy S\$'000	Marine S\$'000	Total S\$'000
Revenue			
Sales of goods revenue recognized at a point in time	22,182	23,411	45,593
Service revenue recognized at a point in time	2,070	-	2,070
Rental revenue recognized over time	1,705	-	1,705
	25,957	23,411	49,368
Geographical Information			
Singapore	9,568	17,493	27,061
United Kingdom	5,523	-	5,523
China	1,981	3,246	5,227
Middle East ⁽¹⁾	5,303	-	5,303
Asia ⁽²⁾	3,582	2,672	6,254
	25,957	23,411	49,368

⁽¹⁾ Revenue from countries in “Middle East” includes revenue generated from United Arab Emirates and Azerbaijan that individually account for less than 10% of the Group’s revenue.

⁽²⁾ Revenue from countries in “Asia” includes revenue generated from South Korea, Vietnam and Malaysia 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 2022 and 31 March 2022:

	The Group		The Company	
	30-Sep-22	31-Mar-22	30-Sep-22	31-Mar-22
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Trade receivables	25,047	25,002	3,922	2,830
Other receivables (excludes prepayments and GST recoverable)	2,082	1,613	32	472
Cash and cash equivalents	6,122	7,278	63	1,246
	<u>33,251</u>	<u>33,893</u>	<u>4,017</u>	<u>4,548</u>
Financial liabilities				
Secured bank loans	21,405	23,599	-	-
Lease liabilities	7,415	8,431	871	1,550
Trade payables	16,984	13,166	-	-
Other payables	6,303	5,827	2,227	1,878
	<u>52,107</u>	<u>51,023</u>	<u>3,098</u>	<u>3,428</u>

6. Loss before taxation

6.1 Significant items

	Group	
	30-Sep-22	30-Sep-21
	S\$'000	S\$'000
Amortization of intangible assets	408	408
Depreciation of PPE	2,972	3,174
Depreciation - Right of use assets	775	816
Foreign exchange loss	288	174
(Reversal) / impairment loss on trade receivables	(13)	108
Interest expense	617	714

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-22	30-Sep-21
	S\$'000	S\$'000
Current income tax credit / (expense)	19	(15)
Deferred income tax expense relating to origination and reversal of temporary differences	29	61
	<u>48</u>	<u>46</u>

8. Dividends

No dividend has been declared as the Group has incurred a loss for the 1H FY2023 ended 30 September 2022.

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

9. Net Asset Value

	The Group		The Company	
	30-Sep-22	31-Mar-22	30-Sep-22	31-Mar-22
	S\$'000	S\$'000	S\$'000	S\$'000
Net asset value attributable to shareholders of the Company (S\$'000)	90,084	97,300	176,497	175,869
Number of ordinary shares ('000) *	178,569	178,569	178,569	178,569
Net asset value per ordinary share (cents)	50.45	54.49	98.84	98.49

*On 1 June 2021, the Company issued and allotted 974,015,343 Rights Shares at an issue price of S\$0.0135, on the basis of three (3) Rights Shares for every eight (8) existing ordinary shares in the capital of the Company. On 11 August 2021, the Company then consolidated every twenty (20) existing ordinary shares into one (1) consolidated ordinary share. For details of share capital change, please refer Note 13.

10. Intangible assets

	The Group			Total
	<u>Customer relationship</u>	<u>Trademark</u>	<u>Software Implementation</u>	
At 31 March 2022				
Cost	5,635	485	4,076	10,196
Accumulated amortization	(2,282)	-	(1,600)	(3,882)
Impairment	(3,353)	-	-	(3,353)
Net Book Value	-	485	2,476	2,961

6 months ended 30 September 2022

Opening net book amount	-	485	2,476	2,961
Additions	-	-	83	83
Disposed	-	-	-	-
Amortisation Charges	-	-	(408)	(408)
Closing net book amount	-	485	2,151	2,636

	The Company		
	<u>Trademark</u>	<u>Software Implementation</u>	<u>Total</u>
At 31 March 2022			
Cost	485	4,076	4,561
Accumulated amortization	-	(1,600)	(1,600)
Impairment	-	-	-
Net Book Value	485	2,476	2,961

6 months ended 30 September 2022

Opening net book amount	485	2,476	2,961
Additions	-	83	83
Amortisation Charges	-	(408)	(408)
Closing net book amount	485	2,151	2,636

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

10.1 Trademarks

The Company owns the "AMOS" and "ALCONA" trademark. 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 2022, the Group acquired assets amounting to S\$258,712 (30 September 2021: S\$318,774) and disposed of assets amounting to S\$123,159 (30 September 2021: S\$355,433)

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

	30/09/2022		31/03/2022	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Term loans	1,393	-	1,467	-
Short term loans	6,883	-	7,056	-
Lease liabilities	707	1,517	1,138	1,761
	<u>8,983</u>	<u>1,517</u>	<u>9,661</u>	<u>1,761</u>

Amount repayable after one year

	30/09/2022		31/03/2022	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Term loans	10,351	-	10,995	-
Short term loans	2,778	-	4,081	-
Lease liabilities	89	5,102	327	5,205
	<u>13,218</u>	<u>5,102</u>	<u>15,403</u>	<u>5,205</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.

Some bank facilities are expected to meet specified covenant requirements, which are monitored on a regular basis and regularly reported to management to ensure compliance with the agreement. The Group discovered that it had technically breached a specific bank loan covenant as at 31 March 2022.

On 31 March 2022, the Group has obtained a waiver of loan covenant compliance from the bank on S\$12.3 million loan facilities. These loan facilities have a 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-22		31-Mar-22	
	Number of shares	Amount	Number of shares	Amount
	'000	S\$'000	'000	S\$'000
Issued and paid up shares at the beginning of period	178,569	179,230	2,597,374	166,256
Issue of ordinary shares by virtue of rights issue *	-	-	974,015	12,974
	<u>178,569</u>	<u>179,230</u>	<u>3,571,389</u>	<u>179,230</u>
Share consolidation **	-	-	(3,392,820)	-
Issued and paid up shares at the end of period	<u>178,569</u>	<u>179,230</u>	<u>178,569</u>	<u>179,230</u>

The Company did not hold any treasury shares as at 30 September 2022.

The Company's subsidiaries do not hold any shares in the Company as at 30 September 2022 and 31 March 2022.

* 974,015,343 Rights shares have been allotted and issue on 1 June 2021 at an issue price of S\$0.0135 for each Rights Share, on the basis of three (3) Rights Shares for every eight (8) existing ordinary shares in the capital of the Company.

** On 11 August 2021, the Company consolidate every twenty (20) existing ordinary shares into one (1) consolidated ordinary share.

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

	30/09/2022	31/03/2022
The total number of issued shares excluding treasury shares.	178,569,456	178,569,456

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 2022, 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 2022 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/
	30/09/2022	30/09/2021	(decr)
	1H-FY2023	1H-FY2022	%
Energy	25,186	25,957	(3.0)
Marine	23,340	23,411	(0.3)
Total	<u>48,526</u>	<u>49,368</u>	(1.7)

1H FY2023 vs 1H FY2022

For 6 months ended 30 September 2022 ("1H FY2023"), the Group's revenue was S\$48.5 million, representing a decrease of S\$0.9 million or 1.7% compared to S\$49.4 million for the corresponding period ended 30 September 2021 ("1H FY2022"). The revenues segmented by business shows the Energy business contributed revenue of S\$25.2 million decreasing 3.0% compared to 1H FY2022. The Marine business contributed revenue of S\$23.3 million which was 0.3% lower compared to 1H FY2022. In 1H FY2023, the Energy and Marine business segments contributed 51.9% and 48.1% to the Group's total revenue respectively.

Gross Profit

1H FY2023 vs 1H FY2022

The Group reported gross profit of S\$9.7 million in 1H FY2023, representing a 11.9% or S\$1.3 million decrease compared to a gross profit of S\$11.0 million in 1H FY2022.

Distribution costs

1H FY2023 vs 1H FY2022

Distribution costs increase by 9.6% to S\$5.1 million in 1H FY2023 compared to S\$4.7 million in 1H FY2022 largely due to higher transportation and handling expenses.

Administrative expenses

1H FY2023 vs 1H FY2022

Administrative expenses in 1H FY2023 did not vary significantly from that of 1H FY2022. The decrease was due to better cost management in 1H FY2023 and increase efforts to control cost.

Other operating income

1H FY2023 vs 1H FY2022

Other operating income decreased significantly by 69.2% to S\$0.4 million in 1H FY2023 compared to the S\$1.3 million in 1H FY2022.

In 1H FY2023 other operating income of S\$0.4 million represents gain on disposal of PPE of S\$0.1 million, sundry income of S\$0.2 million and recovery of doubtful debts of S\$0.1 million.

In 1H FY2022 other operating income of S\$1.3 million represents trade payable written back of S\$0.7 million, gain on disposal of PPE of S\$0.2 million, sundry income of S\$0.2 million and recovery of doubtful debts of S\$0.2 million.

F OTHER INFORMATION (continued)

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

Other operating expenses

1H FY2023 vs 1H FY2022

Other operating expenses decreased significantly by 50.0% to S\$0.7 million in 1H FY2023 compared to the S\$1.3 million in 1H FY2022.

The 1H FY2023 operating expenses represents a non-recurring expenses of S\$0.4 million and S\$0.3 million foreign exchange loss.

The 1H FY2022 operating expenses represents a non-recurring expenses of S\$1.0 million, S\$0.2 million foreign exchange loss, and allowance for doubtful debts of S\$0.1 million.

Finance cost

1H FY2023 vs 1H FY2022

The finance cost in 1H FY2023 decreased by 13.4% as compared to 1H FY2022 due to repayment of bank borrowings.

Loss for the period

In 1H FY2023, the Group reported a loss before income tax of S\$6.9 million, 25.8% higher than the S\$5.5 million in 1H FY2022.

Total Comprehensive Income for the period

The total comprehensive loss for 1H FY2023 was S\$7.2 million, an increase of S\$8.0 million compared to 1H FY2022. In 1H FY2022, the Group recorded a comprehensive income of S\$0.8 million mainly due to a revaluation gain of S\$6.2 million from increase in the building at 156 Gul Circle, Singapore 629613 following a valuation of the market value of the building.

15.2 Review of condensed interim statements of financial position

Current assets

Current assets decreased 2.1% (or S\$1.5 million) from S\$73.9 million as at 31 March 2022 to S\$72.4 million as at 30 September 2022. The changes was mainly due to: (i.) a decrease in cash and cash equivalents of S\$1.1 million, (ii.) a decrease in contract assets of S\$1.4 million, offset by (i.) increase in other receivables of S\$0.7 million and (ii.) increase in inventories by S\$0.2 million.

Non-current assets

Non-current assets decreased 5.3% (or by S\$4.1 million) from S\$77.0 million as at 31 March 2022 to S\$72.9 million as at 30 September 2022. The increase was mainly due to: (i.) decrease in Property, plant and equipment of S\$3.4 million, (ii.) a decrease in Right of use assets of S\$0.4 million, and (iii.) a decrease in Intangible assets of S\$0.3 million. The decrease in Property, plant and equipment was mainly due to: (i.) depreciation of S\$3.0 million, and (ii.) disposal of S\$0.1 million, offset by additional purchases of Property, Plant & Equipment of S\$0.3 million.

Current liabilities

Current liabilities increased 11.8% (or by S\$3.9 million) from S\$33.0 million as at 31 March 2022 to S\$36.9 million as at 30 September 2022. The increase was mainly due to: (i.) an increase in trade payables of S\$3.8 million, (ii.) an increase in other payables of S\$0.4 million, (iii.) an increase in contract liabilities of S\$0.7 million, offset by (i.) a decrease in current portion of bank borrowings of S\$0.2 million, (ii.) a decrease in current portion of lease liabilities of S\$0.7 million.

Non-current liabilities

Non-current liabilities decreased 11.1% (or by S\$2.3 million) from S\$20.6 million as at 31 March 2022 to S\$18.3 million as at 30 September 2022. The decrease was mainly due to (i.) a decrease in bank borrowings of S\$1.9 million due to repayment, and (ii.) a decrease in lease liabilities of S\$0.3 million.

Capital, reserves and non-controlling interests

Shareholders' equity decreased 7.4% to S\$90.1 million in FY2023 from S\$97.3 million in FY2022, mainly due to loss of S\$6.9 million incurred in 1H FY2023 and a decrease of translation reserve of S\$0.3 million.

F OTHER INFORMATION (continued)

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

15.3 Review of condensed interim consolidated statement of cash flows

1H FY2023 ended 30 September 2022

The Cash balance of S\$6.1 million as at 30 September 2022 decreased 16.4% (S\$1.2 million) compared to S\$7.3 million as at 31 March 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 (used in) / generated from 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\$0.2 million.

Net cash (used in) / generated from 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.

1H FY2022 ended 30 September 2021

Net cash generated from / (used) in operating activities

Net cash used in operating activities was S\$4.9 million in 1H FY2022, which was S\$3.6 million higher compared to S\$1.3 million net cash used in operating activities for 1H FY2021.

Operating cash outflow was S\$1.3 million to support operating activities in 1H FY2022 before changes in working capital.

Net working capital outflow was S\$3.7 million in 1H FY2022. This was mainly due to a net decrease in trade payables, other payables and contract liabilities of S\$7.7 million, offset by, (i.) a total decrease in trade receivables, other receivables and contract assets of S\$1.9 million due to aggressive collection efforts, (ii.) a decrease in inventories by S\$2.1 million resulting from sales during the normal course of business and efforts to reduce inventory.

Net cash (used in) / generated from investing activities

Net cash inflow generated from investing activities amounted to S\$0.3 million in 1H FY2022 mainly due to disposal of plant and equipment of S\$0.6 million, offset by the payment for purchase of plant and equipment of S\$0.3 million.

Net cash (used in) / generated from financing activities

Net cash generated from financing activities was S\$11.6 million in 1H FY2022 mainly due to the net proceeds from the issuance of rights issue shares of S\$13.1 million plus the new bank loan obtain of S\$1.2 million, offset by repayment of bank borrowings and related interest of S\$1.1 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 company supplying products and services to the Energy and Marine industries. The Energy and Marine markets have been in good health during the past year, and these industries will be affected by the economic conditions next year. AMOS is well positioned to serve these markets from its strategically positioned network of facilities spanning four of the world's busiest ports, linking ten key locations across Asia, the Middle East, and Europe.

As with most businesses, AMOS has faced challenges from Covid the past two years. Covid has recently shifted from being a major disruption to everyday-life to a new-normal of learning to live with Covid, particularly in AMOS's home market of Singapore. Nonetheless, the lingering Covid lockdowns in China as well as the post-Covid adjustments in other countries have aggravated supply-chain constraints across the world.

Another significant recent event has been increased hostilities in both action and words around the world. The Russian-Ukraine war has created real hardships and caused energy costs to spike, igniting inflation rates globally. The hardening rhetoric between China and the western countries has sapped away confidence in global commerce and caused a decoupling of supply chains, which further pushes up costs.

The net effect of these market conditions from Covid to the Russian-Ukraine to decoupling has been an upsurge in prices for goods, energy, and labour. AMOS has been negatively affected by rising costs in the goods and services it purchases. The increased prices have been slowly pushed through by AMOS to customers and it is expected inflation will continue rising in 2023 before some combination of economic slowdown and normalization smooths out these cost pressures. The macro-economic environment will continue to be complicated for AMOS in the next year.

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 as the Group has incurred a loss in 6 months ended 30 September 2022.

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 undertaking 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.

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 2022 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD**KYLE ARNOLD SHAW, JR**

Executive Chairman

Singapore

11 November 2022