

AMOS GROUP LIMITED (FORMERLY KNOW AS GAYLIN HOLDINGS LIMITED)

(Company Registration Number: 201004068M)

UNAUDITED FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2019

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND 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

CONSOLIDATED INCOME STATEMENT

(The results for 4Q FY 2019 and 12M FY 2019 include the acquisition of AMOS International Holdings Pte Ltd, which were consolidated based on common control approach with effect from 13 March 2018)

	Group			Group		
	4th Qtr Ended 31/03/2019	31/03/2018	Incr/ (decr) %	Financial Year Ended 31/03/2019	31/03/2018	Incr/ (decr) %
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	31,173	19,333	61.2	129,391	71,397	81.2
Cost of sales	(36,863)	(51,469)	(28.4)	(117,447)	(94,845)	23.8
Gross profit (loss)	(5,690)	(32,136)	(82.3)	11,944	(23,448)	NM
Distribution costs	(2,787)	(1,587)	75.6	(11,051)	(5,075)	117.8
Administrative expenses	(8,589)	(3,970)	116.3	(26,630)	(13,832)	92.5
Other operating expenses	(3,217)	(6,085)	(47.1)	(6,043)	(6,406)	(5.7)
Finance cost	(531)	(1,034)	(48.6)	(2,595)	(2,966)	(12.5)
Loss before income tax	(20,814)	(44,812)	(53.6)	(34,375)	(51,727)	(33.5)
Income tax expense	(97)	(92)	5.4	(97)	(312)	(68.9)
Loss for the year	(20,911)	(44,904)	(53.4)	(34,472)	(52,039)	(33.8)
Loss attributable to:						
Owners of the Company	(20,889)	(44,880)	(53.5)	(34,366)	(52,019)	(33.9)
Non-controlling interests	(22)	(24)	(8.3)	(106)	(20)	430.0
	(20,911)	(44,904)	(53.4)	(34,472)	(52,039)	(33.8)
Gross profit margin	-18.3%	-166.2%	(89.0)	9.2%	-32.8%	NM
Net loss margin	-67.1%	-232.3%	(71.1)	-26.6%	-72.9%	(63.4)
EBITDA ⁽¹⁾ (S\$'000)	(4,885)	(180)	NM	(9,265)	(1,370)	576.3
EBITDA margin	-15.7%	-0.9%	NM	-7.2%	-1.9%	273.2

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

NM: Not meaningful

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group			Group		
	4th Qtr Ended		Incr/	Financial Year Ended		Incr/
	31/03/2019	31/03/2018	(decr)	31/03/2019	31/03/2018	(decr)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Loss for the year	(20,911)	(44,904)	(53.4)	(34,472)	(52,039)	(33.8)
Other comprehensive income						
<u>Items that will not be reclassified to profit or loss:</u>						
Revaluation of Property, plant and equipment	20,460	-		20,460	-	
<u>Items that are or may be reclassified subsequently to profit or loss:</u>						
Translation (loss) gain arising on consolidation	(224)	(167)	34.1	375	(788)	NM
Other comprehensive income for the year, net of tax	20,236	(167)	NM	20,835	(788)	NM
Total comprehensive income for the period	(675)	(45,071)	(98.5)	(13,637)	(52,827)	(74.2)
Total comprehensive income attributable to:						
Owners of the Company	(745)	(45,046)	(98.3)	(13,623)	(52,807)	(74.2)
Non-controlling interests	70	(25)	NM	(14)	(20)	NM
	(675)	(45,071)	(98.5)	(13,637)	(52,827)	(74.2)

1(a)(ii) Loss before income tax is arrived at after charging/(crediting) the following:

	Group			Group		
	4th Qtr Ended		Incr/ (decr)	Financial Year Ended		Incr/ (decr)
	31/03/2019	31/03/2018		31/03/2019	31/03/2018	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Acquisition and restructuring cost	953	1,545	(38.3)	4,258	1,565	172.1
Amortisation of intangible assets	-	116	(100.0)	-	476	(100.0)
Depreciation	1,599	1,900	(15.8)	5,890	5,019	17.4
Intangible asset written off	-	1,972	(100.0)	-	1,972	(100)
Interest expense	531	1,034	(48.6)	2,595	2,966	(12.5)
Loss on disposal of property, plant and equipment ("PPE")	1,393	1,225	13.7	768	1,311	(41.4)
Provision for inventory adjustment to market price	6,760	35,497	(81.0)	6,760	35,490	(81.0)

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

STATEMENTS OF FINANCIAL POSITION

(The balance sheet as at 31/3/2019 and 31/3/2018 include the results from the acquisition of AMOS International Holdings Pte Ltd, which were consolidated based on common control approach with effect from 13 March 2018)

	Group		Company	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	S\$'000	S\$'000	S\$'000	S\$'000
<u>ASSETS</u>				
Current assets				
Cash and bank balances	28,607	71,276	11,192	52,117
Trade receivables	32,512	26,168	1,745	2,709
Contract assets	3,465	1,888	334	403
Other receivables	4,540	5,782	769	164
Income tax receivables	34	120	-	-
Inventories	57,867	83,527	-	-
	<u>127,025</u>	<u>188,761</u>	<u>14,040</u>	<u>55,393</u>
Assets held for sale	8,556	-	-	-
Total current assets	<u>135,581</u>	<u>188,761</u>	<u>14,040</u>	<u>55,393</u>
Non-current assets				
Property, plant and equipment	75,816	57,700	227	408
Club membership	27	27	-	-
Goodwill	125	425	-	-
Other receivables	-	73	-	-
Deferred tax assets	101	85	-	-
Subsidiary	-	-	153,461	67,526
Associates	42	30	-	-
Total non-current assets	<u>76,111</u>	<u>58,340</u>	<u>153,688</u>	<u>67,934</u>
Total assets	<u>211,692</u>	<u>247,101</u>	<u>167,728</u>	<u>123,327</u>
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Trade payables	26,092	20,488	-	-
Contract liabilities	394	61	-	-
Other payables	10,554	23,264	911	1,439
Provision	408	902	-	494
Current portion of bank borrowings	11,363	13,596	-	-
Current portion of finance leases	144	782	-	4
Income tax payable	-	75	-	-
Total current liabilities	<u>48,955</u>	<u>59,168</u>	<u>911</u>	<u>1,937</u>
Non-current liabilities				
Bank borrowings	39,326	50,015	-	-
Finance leases	89	590	-	-
Deferred tax liabilities	62	210	9	9
Total non-current liabilities	<u>39,477</u>	<u>50,815</u>	<u>9</u>	<u>9</u>
Total liabilities	<u>88,432</u>	<u>109,983</u>	<u>920</u>	<u>1,946</u>
Net assets	<u>123,260</u>	<u>137,118</u>	<u>166,808</u>	<u>121,381</u>

STATEMENTS OF FINANCIAL POSITION - continued

(The balance sheet as at 31/3/2019 and 31/3/2018 include the results from the acquisition of AMOS International Holdings Pte Ltd, which were consolidated based on common control approach with effect from 13 March 2018)

	Group		Company	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	S\$'000	S\$'000	S\$'000	S\$'000
Capital, reserves and non-controlling interests				
Share capital	166,256	166,302	166,256	118,340
(Accumulated losses) Retained earnings	(44,730)	(10,189)	552	3,041
Translation reserve	1,067	691	-	-
Other reserve	598	(19,769)	-	-
Equity attributable to owners of the Company	123,191	137,035	166,808	121,381
Non-controlling interests	69	83	-	-
Total equity	123,260	137,118	166,808	121,381
Total liabilities and equity	211,692	247,101	167,728	123,327

1(b)(ii) In relation to the aggregate amount of 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

Amount repayable in one year or less, or on demand

	31/03/2019		31/03/2018	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Term loans	4,516	-	1,296	13
Short term loans	6,500	-	3,000	2,600
Bank bills payable	-	-	496	6,125
Finance leases	144	-	782	-
Overdrafts	-	347	66	-
	<u>11,160</u>	<u>347</u>	<u>5,640</u>	<u>8,738</u>

Amount repayable after one year

	31/03/2019		31/03/2018	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Term loans	39,326	-	48,515	1,500
Finance leases	89	-	590	-
	<u>39,415</u>	<u>-</u>	<u>49,105</u>	<u>1,500</u>

Details of any collaterals

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

The expected proceeds from the sale of assets classified as held for sale as at 31 March 2019 in FY2020 will be contractually required to be utilized to repay SG\$20.5 million term loans.

Finance leases are secured by charges over the leased assets. Certain leases are guaranteed by a corporate guarantee by the Company.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

(The results for 4Q FY2019 and 12M FY 2019 include the acquisition of AMOS International Holdings Pte Ltd, which were consolidated based on common control approach with effect from 13 March 2018)

	Group		Group	
	4th Qtr Ended		12 Months Ended	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Loss before income tax	(20,814)	(44,812)	(34,375)	(51,727)
Adjustments for :				
Interest expense	531	1,034	2,595	2,966
Interest income	-	(1)	(5)	(4)
Depreciation	1,599	1,900	5,890	5,019
Amortisation of intangible assets	-	116	-	476
Allowance for doubtful trade receivables	431	142	766	142
Doubtful trade receivables recovered	-	-	(57)	(98)
Trade receivables written off	41	255	98	300
Other receivables written off	21	-	21	-
(Gain) loss on disposal of PPE	1,393	1,225	768	1,311
PPE written off	-	238	-	238
Provision for cancellation of contracts	-	442	-	442
Share of profit from Associates Company	(12)	-	(12)	-
Impairment of PPE	-	-	270	-
Intangible asset written off	-	1,972	-	1,972
Impairment of goodwill	286	-	286	-
Net foreign exchange gain - unrealised	477	(6)	168	(19)
Provision for inventory adjustment to market price	6,760	35,497	6,760	35,490
Trade payables written back	4	-	28	-
Operating cash flows before movements in working capital	(9,283)	(1,998)	(16,799)	(3,492)
Trade receivables	(3,305)	979	(7,222)	10,849
Contract assets	(1,564)	(344)	(1,564)	(344)
Other receivables and prepayments	4,553	(3,082)	1,466	(2,297)
Inventories	7,754	2,830	18,940	10,231
Trade payables	1,358	93	1,040	(3,206)
Contract liabilities	332	61	332	61
Other payables	(2,134)	4,311	(8,899)	3,756
Provision	-	902	(494)	902
Bank bills payable	-	(2,099)	(6,216)	(2,953)
Cash (used in) generated from operations	(2,289)	1,653	(19,416)	13,507
Interest paid for bank bills	-	(100)	(58)	(365)
Interest received	-	1	5	4
Income tax refund (paid)	81	(19)	(246)	(437)
Net cash (used in) from operating activities	(2,208)	1,535	(19,715)	12,709

CONSOLIDATED STATEMENT OF CASH FLOWS - continued

(The results for 4Q FY2019 and 12M FY 2019 include the acquisition of AMOS International Holdings Pte Ltd, which were consolidated based on common control approach with effect from 13 March 2018)

	Group		Group	
	4th Qtr Ended		12 Months Ended	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	S\$'000	S\$'000	S\$'000	S\$'000
Investing activities				
Proceeds on disposal of PPE	239	9,690	1,072	9,979
Purchases of PPE	(2,659)	(393)	(9,911)	(2,218)
Fixed deposit placement	(790)	-	(790)	-
Acquisition of subsidiaries	-	2,273	-	2,273
Net cash (used in) generated from investing activities	(3,210)	11,570	(9,629)	10,034
Financing activities				
Repayments of loan from third party	-	-	(2,000)	-
(Repayments of) loan from other payables	-	-	(1,400)	500
Interest paid for other borrowings	(1,385)	(902)	(2,683)	(2,570)
Repayment of obligations under finance leases	(125)	(1,487)	(1,140)	(2,011)
New bank loans obtained	-	-	48,150	-
Repayment of bank loans	(3,091)	(9,595)	(54,981)	(20,523)
Proceeds from issue of shares of the Company	-	68,000	-	68,000
Payment of share issue expenses	-	(119)	(46)	(119)
Transaction costs for loans	-	(150)	(156)	(185)
Contribution from a non-controlling interest	-	-	-	69
Restricted cash at bank	(627)	(190)	(818)	(190)
Net cash (used in) from financing activities	(5,228)	55,557	(15,074)	42,971
Net (decrease) increase in cash and cash equivalents	(10,646)	68,662	(44,418)	65,714
Effect of exchange rate changes on cash and cash equivalents	13	(32)	49	(125)
Cash and cash equivalents at beginning of the year	37,475	2,390	71,020	5,431
Cash and cash equivalents at end of the year	26,842	71,020	26,651	71,020
Cash and cash equivalents comprise the following:				
Cash and bank balances	28,607	71,276	28,607	71,276
Fixed deposit	(790)	-	(790)	-
Restricted cash at bank	(627)	(190)	(818)	(190)
Bank overdraft	(348)	(66)	(348)	(66)
	26,842	71,020	26,651	71,020

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 Statement of Changes in Equity include the results from the acquisition of AMOS International Holdings Pte Ltd, which were consolidated based on common control approach with effect from 13 March 2018)

	Share capital	(Accumulated losses) Retained earnings	Translation reserve	Merger reserves	Revaluation 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	S\$'000
Group								
At 1 April 2018	166,302	(10,189)	691	(19,769)	-	137,035	83	137,118
Effect of adoption of IFRS 9	-	(175)	-	-	-	(175)	-	(175)
Total comprehensive income for the period								
Loss for the period	-	(34,366)	-	-	-	(34,366)	(106)	(34,472)
Revaluation of PPE	-	-	-	-	20,367	20,367	93	20,460
Other comprehensive income for the period	-	-	376	-	-	376	(1)	375
Total	-	(34,366)	376	-	20,367	(13,623)	(14)	(13,637)
Transactions with owners, recognised directly in equity								
Payment of share issue expenses	(46)	-	-	-	-	(46)	-	(46)
At 31 March 2019	166,256	(44,730)	1,067	(19,769)	20,367	123,191	69	123,260
At 1 April 2017	50,587	41,830	1,479	-	-	93,896	34	93,930
Total comprehensive income for the period								
Loss for the period	-	(52,019)	-	-	-	(52,019)	(20)	(52,039)
Other comprehensive income for the period	-	-	(788)	-	-	(788)	-	(788)
Total	-	(52,019)	(788)	-	-	(52,807)	(20)	(52,827)
Transactions with owners, recognised directly in equity								
Issuance of shares	115,715	-	-	-	-	115,715	-	115,715
Merger reserves	-	-	-	(19,769)	-	(19,769)	-	(19,769)
Contribution from a non-controlling interest	-	-	-	-	-	-	69	69
Total	115,715	-	-	(19,769)	-	95,946	69	96,015
At 31 March 2018	166,302	(10,189)	691	(19,769)	-	137,035	83	137,118
Company								
At 1 April 2018	166,256	3,041	-	-	-	169,297	-	169,297
Loss for the period, representing total comprehensive income for the period	-	(2,489)	-	-	-	(2,489)	-	(2,489)
At 31 March 2019	166,256	552	-	-	-	166,808	-	166,808
At 1 April 2017	50,587	3,423	-	-	-	54,010	-	54,010
Profit for the period, representing total comprehensive income for the period	-	(382)	-	-	-	(382)	-	(382)
Transactions with owners, recognised directly in equity								
Issuance of shares	67,753	-	-	-	-	67,753	-	67,753
At 31 March 2018	118,340	3,041	-	-	-	121,381	-	121,381

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 or 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 shares ('000)	Issued and paid- up share capital (S\$'000)
Issued and paid-up shares as at 1 April 2018	1,798,000	118,340
Issue of new shares on 18 October 2018	799,374	47,916
Total as at 31 March 2019	2,597,374	166,256

There were no outstanding convertibles which may be converted to shares. There were no treasury shares and subsidiary holdings held.

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

	31/03/2019	31/03/2018
The total number of issued shares excluding treasury shares.	2,597,374,250	2,597,374,250

As a result of the common control transaction with effect 13 March 2018, the number of ordinary shares as at 31 March 2018 is deemed to include the 799,374,250 new shares issued for the acquisition of AIH.

1(d)(iv) 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.

1(d)(v) 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 31 March 2019, there were no sales, transfers, cancellation and / or use of subsidiary holdings.

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

The figures have not been audited and/or reviewed by the auditors.

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

Except as disclosed in paragraph 5, the Group has adopted the same accounting policies and methods of computation in the announcement for the current financial period as those applied in the Group's most recently audited financial statements for the financial year ended 31 March 2018 as well as all the applicable Singapore Financial Reporting Standards ("FRSs") which became effective for the financial year beginning on or after 1 April 2018.

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 effect, of the change

The Group adopted a number of new standards, amendments to standards and interpretations that are effective for annual periods beginning on or after 1 April 2018. The adoption of new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Group.

The Group has adopted a new accounting policy as follows;

a) Acquisitions from entities under common control

On October 18, 2018 AMOS Group Limited, a company controlled by Mr Kyle Arnold Shaw, Jr (76%) completed its acquisition of AMOS International Holdings Pte. Ltd. and its group of subsidiaries. The transaction was approved by the AMOS Group Limited shareholders at an EGM dated 18 October 2018 via an issuance of S\$ S\$47.9 million of shares, (799,374,250 shares at an issue price of S\$0.06 per share).

AMOS International Holdings Pte. Ltd. was previously owned by Lighthouse Logistics Limited. (69%). Lighthouse Logistics Limited is also controlled by Mr Kyle Arnold Shaw, Jr.

AMOS Group Limited was acquired by PeakBayou Ltd, a company controlled by Mr Kyle Arnold Shaw, Jr on 13 March 2018 via an issuance of SG\$68.0 million of shares, (1,360,000,000 shares at an issue price of S\$0.05 per share).

AMOS Group Limited has deemed the above acquisition of AMOS International Holdings Pte. Ltd. as a common control transaction on 13 March 2018 at the date that common control was established. The Group has elected an accounting policy that business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognized at the carrying amounts recognized previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognized directly in equity in merger reserve.

b) Recognition and measurement of Property, plant and equipment

Property, plant and equipment has been historically been measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses. The Group, in Q4 FY2019 has elected to measure its entire class of land and buildings using the revaluation model, with the effect of the change in accounting policy recognized as a revaluation during the year. The opening balance of equity is not adjusted and comparatives are not restated. The 2 properties that make up the entire class of land and buildings are revaluated to fair value at 31 March 2019 by independent 3rd party valuers resulting in a revaluation reserve of SG\$20.5 million in equity. The Group has determined a revaluation policy of every 3 years.

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

	Group		Group	
	4th Qtr Ended		12 Months Ended	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
Net loss after tax attributable to owners of the Company (S\$'000)	(20,889)	(44,880)	(34,366)	(52,019)
Weighted average number of ordinary shares for calculation of ('000):				
- Basic earnings per share *	2,597,374	893,868	2,597,374	550,406
- Diluted earnings per share *	2,597,374	893,868	2,597,374	550,406
Earnings per share ("EPS") (cents/share)				
(a) Based on weighted average number of ordinary shares	-0.80	-5.02	-1.32	-9.45
(b) On a fully diluted basis	-0.80	-5.02	-1.32	-9.45

The Company has no dilutive equity instruments as at 31 March 2019.

*The weighted average number of ordinary shares are calculated based on the common control approach.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year

	Group		Company	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
Net asset value attributable to shareholders of the Company (S\$'000)	123,191	137,035	166,808	121,381
Number of ordinary shares ('000)	2,597,374	2,597,374	2,597,374	2,597,374
Net asset value per ordinary share (cents)	4.74	5.28	6.42	4.67

As a result of the common control transaction with effect 13 March 2018, the number of ordinary shares as at 31 March 2018 is deemed to include the 799,374,250 new shares issued for the acquisition of AIH.

8. Review of the Group's performance

Revenue

	4th Qtr Ended		Incr/ (decr)	12 months Ended		Incr/ (decr)
	31/03/2019	31/03/2018		31/03/2019	31/03/2018	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Marine	18,599	7,466	149.1	76,278	19,265	295.9
Offshore	12,574	11,867	6.0	53,113	52,132	1.9
Total	<u>31,173</u>	<u>19,333</u>	61.2	<u>129,391</u>	<u>71,397</u>	81.2

12M FY2019 vs 12M FY2018

For the twelve months ended 31 March 2019 ("12M FY2019"), the Group's revenue was S\$129.4 million, representing an increase of S\$58.0 million or 81.2% compared to S\$71.4 million for the corresponding period ended 31 March 2018 ("12M FY2018"). The increase was due to consolidating the FY2019 acquisition of Amos International Holdings Pte Ltd ("AIH").

4Q FY2019 vs 4Q FY2018

For fourth quarter ended 31 March 2019 ("4Q FY2019"), the Group's revenue was S\$31.2 million with an increase of S\$11.9 million or 61.2% compared to S\$19.3 million for the corresponding period ended 31 March 2018 ("4Q FY2018"). The increase was due to consolidating the FY2019 acquisition of AIH.

Gross profit

12M FY2019 vs 12M FY2018

Gross profit of S\$11.9 million for 12M FY2019 increased by S\$35.4 million from a gross loss of S\$23.4 million in 12M FY2018. The corresponding gross profit margin was positive 9.2% in 12M FY2019 compared to a gross profit margin negative of -32.8% in 12M FY2018. The increase in gross margin was primarily due to higher margin in the Marine business. The Cost of Sales included provision for inventory adjustment to market price of S\$6.8 million in 12M FY2019 compared to S\$35.5 million in 12M FY2018.

4Q FY2019 vs 4Q FY2018

Gross profit showed a loss of S\$5.7 million in 4Q FY2019, an improvement of S\$26.4 million compared to a loss of S\$32.1 million in 4Q FY2018. The corresponding gross profit margin increased from -166.2% to -18.3%. The Cost of Sales included provision for inventory adjustment to market price of S\$6.8 million in 4Q FY2019 compared to S\$35.5 million in 4Q FY2018.

Distribution costs

12M FY2019 vs 12M FY2018

Distribution costs in 12M FY2019 increased by 117.8% to S\$11.0 million compared to S\$5.1 million in 12M FY2018 to support the higher revenue base and value in 12M FY2019.

4Q FY2019 vs 4Q FY2018

Distribution costs in 4Q FY2019 increased by 75.6% to S\$2.8 million compared to S\$1.6 million in 4Q FY2018 to support the higher revenue base and value in 4Q FY2019.

Administrative expenses

12M FY2019 vs 12M FY2018

Administrative expenses in 12M FY2019 increased by 92.5% to S\$26.6 million compared to S\$13.8 million in 12M FY2018 to support the higher revenue base and value in 12M FY2019 as well as upgrading management systems and processes for future benefit.

4Q FY2019 vs 4Q FY2018

Administrative expenses in 4Q FY2019 increased by 116.3% to S\$8.6 million compared to S\$4.0 million in 4Q FY2018 to support the higher revenue base and value in 4Q FY2019 as well as upgrading management systems and processes for future benefit.

Other operating expenses

12M FY2019 vs 12M FY2018

Other operating expenses decreased by 5.7% to S\$6.0 million in 12M FY2019 compared to 12M FY2018. The 12M FY2019 operating expenses included a non-recurring acquisition and restructuring costs of S\$4.3 million related to the acquisition of AIH. The 12M FY2018 operating expenses included the non-recurring write-off of intangible assets totalling S\$2.0 million.

4Q FY2019 vs 4Q FY2018

Other operating expenses in 4Q FY2019 decreased by 47.1% to S\$3.2 million mainly due to the 4Q FY2018 operating expenses included the non-recurring write-off of intangible assets totalling S\$2.0 million.

Finance cost

12M FY2019 vs 12M FY2018

The Finance cost in 12M FY2019 decreased by 12.5% to S\$2.6 million compared to S\$3.0 million in 12M FY2018. The decrease was mainly due to lower interest expense resulting from the repayment of bank borrowings and the restructuring of the debt facilities.

4Q FY2019 vs 4Q FY2018

The Finance cost in 4Q FY2019 decreased by 48.6% to S\$0.5 million compared to S\$1.0 million in 4Q FY2018. The decrease was mainly due to lower interest expense resulting from the repayment of bank borrowings and the restructuring of the debt facilities.

Loss before income tax

As a result of the above reasons, the loss before income tax was S\$34.4 million for 12M FY2019, which included non-recurring acquisition and restructuring cost of S\$4.3 million plus S\$6.8 million of provision for inventory adjustment to market price during 12M FY2019.

The loss before income tax was S\$20.8 million for 4Q FY2019 which includes non-recurring acquisition and restructuring cost incurred during the quarter of S\$1.0 million plus S\$6.8 million of provision for inventory adjustment to market price during 4Q FY2019.

Review of statement of financial position

Current assets

The current assets decreased by S\$53.2 million from S\$188.8 million as at 31 March 2018 to S\$135.6 million as at 31 March 2019. The decrease was mainly due to: (i) a decrease in cash and cash equivalents of S\$42.6 million for loan repayment and capital expenditure, and (ii) a decrease in inventories by S\$25.6 million due to inventories sales during the normal course of business and provision for inventory adjustment to market price, (iii) an increase in the assets held for sale of S\$8.5 million due to a reclassification from PPE.

Non-current assets

The non-current assets increased by S\$17.8 million from S\$58.3 million as at 31 March 2018 to S\$76.1 million as at 31 March 2019. The increase was mainly due to an increase in PPE attributable to the fair value revaluation of the logistics and solutions center at 156 Gul Circle included in the AIH acquisition.

Current liabilities

The current liabilities decreased by S\$10.2 million from S\$59.2 million as at 31 March 2018 to S\$49.0 million as at 31 March 2019. The decrease was mainly due to: (i) repayment of bank borrowings and finance leases of S\$2.8 million, (ii) reduction in other payables of S\$12.7 million (mainly due to payable arising from the disposal of a property of S\$6.0 million by AIH in March 2018 and repayment of loan to third party of S\$3.4 million), and (iii) payment of provision of restructuring cost of S\$0.5 million.

Non-current liabilities

Non-current liabilities decreased by S\$11.3 million from S\$50.8 million as at 31 March 2018 to S\$39.5 million as at 31 March 2019. The decrease was mainly due to repayment of bank borrowings amounting to S\$10.7 million and repayment of finance lease of S\$0.5 million.

Capital, reserves and non-controlling interests

The decrease in shareholder's equity of S\$13.8 million was mainly due to a loss of S\$34.4 million during the year, which was offset by a revaluation of PPE by S\$20.5 million.

Review of statement of Cash Flows12M FY2019 ended 31 March 2019**Net cash used in operating activities**

In 12M FY2019, we had operating cash outflows of S\$16.8 million from operating activities before changes in working capital.

Our net working capital outflow amounted to S\$2.6 million. This was mainly due to: (i) a decrease in trade and other payables of S\$7.9 million, (ii) bank bills paid off of S\$6.2 million, and (iii) an increase in trade receivables by S\$7.4 million. These were offset by a decrease in inventories of S\$18.8 million resulting from sales during the normal course of business.

We paid interest for bank bills and income tax of S\$0.3 million in total.

Overall, our net cash used in operating activities amounted to S\$19.7 million.

Net cash used in investing activities

Net cash used in investing activities amounted to S\$9.6 million in 12M FY2019 mainly due to the payment of S\$9.9 million for the purchase and construction of PPE, which was offset by the proceeds from net disposal of PPE of S\$1.1 million.

Net cash used in financing activities

Net cash used in financing activities amounted to S\$15.1 million in 12M FY2019. This was mainly due to: (i) the repayment of bank borrowings and related interest of S\$55.0 million, (ii) interest paid for other borrowings of S\$2.6 million, and (iii) the repayment of loan from third party of S\$3.4 million.

4Q FY2019 ended 31 March 2019**Net cash used in operating activities**

In 4Q FY2019, we had operating cash outflows of S\$9.3 million from operating activities before movements in working capital.

Our net working capital inflow amounted to S\$7.0 million. This was mainly due to: (i) an increase in other receivables by S\$4.6 million, (ii) a decrease in inventories by S\$7.7 million resulting from sales during the normal course of business, and (iii) an increase in trade payables of S\$1.4 million. These were offset by (i) an increase in trade receivables of S\$3.3 million, (ii) an increase in other payables of S\$2.1 million and (iii) an increase in contract assets of S\$1.6 million to recognize revenue not billed but goods which were already delivered at period end closing.

Overall, our net cash generated from operating activities amounted to S\$2.2 million.

Net cash used in investing activities

Net cash used in investing activities amounted to S\$3.2 million in 4Q FY2019 mainly due to the payment for purchase and construction of PPE of S\$2.6 million, which was offset by the proceeds from net disposal of PPE of S\$0.2 million.

Net cash from financing activities

Net cash used in financing activities amounted to S\$5.2 million in 4Q FY2019. The cash were used for: (i) the repayment of bank borrowings and related interest of S\$4.5 million, and (ii) restricted cash of S\$0.6 million pledged to covenant agreement with Bank.

9. 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.

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

For both the 4Q and the 12M ended 31 March 2019, the results of Amos International Holdings Pte Ltd (“AIH”) are consolidated with AMOS Group Limited (formerly known as Gaylin Holdings Limited) based on the common control approach with effect 13 March 2018.

Both the marine and offshore industries faced challenging market conditions in the past FY2019 due to volatile global macroeconomic conditions and a competitive trading environment. The past fiscal year FY2019 resulted in a disappointing financial loss for the consolidated group of AMOS companies. A significant portion of the loss was due to provisions for inventory adjustment to market price (S\$6.8 million), acquisition and restructuring charges (S\$4.3 million), and loss on sale of property, plant, and equipment (S\$1.4 million).

As a result of the challenges both expected and observed in FY2019, AMOS embraced change in positioning itself as a global leader in supplying products, services, and solutions to marine and offshore customers in Singapore and across Asia, the Middle East and Europe. These changes, described in more detail below, were disruptive to the business operations in the near-term but position AMOS for a sustainable and successful future.

In FY2019 AMOS expanded its management team in Singapore and across its existing locations and took meaningful steps forward in its technology capabilities in response to market challenges and to better position AMOS for future opportunities. AMOS has initiated the investment in modern enterprise resource planning (ERP) software developed by the German company SAP, integrating the key business functions of the AMOS organization.

AMOS also expanded and upgraded its facilities. In Singapore, AMOS expanded by 40% (to 250,000 sq. ft.) its headquarters and logistics center at 156 Gul Circle which also resulted in a S\$19.5 million increase in property valuation. This modern Singapore fulfillment center provides expanded logistics with advanced automation, cold-chain provisioning, and integrated services. In Hong Kong, Shanghai, and Busan, AMOS expanded its facilities and added further certifications and staff to serve its broadening customer base. As a result, AMOS today offers complete services in four of the busiest ports in the world.

Starting in FY2019 and going forward into FY2020, AMOS is opening a new production facility in Singapore and developing its existing Malaysia facility to better serve offshore customers. In tandem with this new Singapore facility and expansion in Malaysia, AMOS is divesting unneeded properties in Singapore and is expecting to receive gross proceeds of S\$20.5 million in FY2020. Furthermore, AMOS has already terminated 3 leased older properties in Singapore to reduce rental costs.

AMOS management is planning for a continued challenging market in the next 12 months and is making plans to better compete in the marine and offshore industries to supply our customers with competitively priced products and services globally. AMOS will continue an orderly liquidation of surplus inventory to an optimal level that is able to support higher sales volumes. AMOS is also rapidly developing its inhouse “Alcona” brand product line of personal protection equipment and crewgear, daily consumables, and tools for its customers. The AlconaSupply.com ecommerce business is being expanded to capitalize on a broader customer base and more fully exploit the Alcona brand in global markets.

11. Dividend

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

Nil

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

No

11(c) Date payable

Not applicable.

11(d) Books closure date

Not applicable.

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

No dividend has been declared as the Group has incurred a loss for the 4Q FY2019 and full year ended 31 March 2019.

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

Not applicable as no IPT mandate has been obtained.

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

The Company hereby confirms that it has procured undertakings from all the directors and executive officers under Rule 720(1) of the Listing Manual.

15. 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 12M ended 31 March 2019, 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	Revised Allocation of the Net Proceeds set out in the 23 May 2019 Announcement		Net Proceeds utilised as at 31 March 2019	Balance of Net Proceeds as at 31 March 2019
	S\$'000	%	S\$'000	S\$'000
Repayment of loan	8,100	11.95	8,100	-
Strengthening the financial position of the Group by enlarging the Company's working capital and capital base (1)	54,700	80.68	28,733	25,967
Growing the existing business of the Group (2)	5,000	7.37	2,360	2,640
	67,800		39,193	28,607

Breakdown for working capital:

	S\$'000
Upgrade of Group's existing facilities and purchase of equipment	9,911
Trade and other payables	16,056
Total	25,967

Notes (as set out in the 13 March 2018 Announcement):

- (1) For the purposes of financing (i) the purchase of new equipment, (ii) the recruitment and retention of new sales and engineering staff, to bring in new sales and to provide technical know-how and services and/or create value-added products needed for the new sales respectively, in order to reduce inventory, (iii) upgrades and resizing of the Group's existing facilities and/or offices in order to tailor to future business needs, and (iv) the procurement of additional SAP modules to enhance corporate management and accounting controls.
- (2) Including to (i) invest in marketing programs to enhance the Group's brand image in the marketplace and better position the Group for future business opportunities, (ii) pursue potential strategic growth opportunities (including alliances, mergers and acquisitions, joint ventures and investments as and when they may arise) and (iii) participate in tender bids with customers in the O&G and marine sectors.

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

Segmental information

Year ended 31 March 2019

	Offshore S\$'000	Marine S\$'000	Group S\$'000
Revenue			
Sales	53,514	76,395	129,909
Inter-segment sales	(401)	(117)	(518)
Sales to external customers	53,113	76,278	129,391
Loss from operations			
Restructuring cost	(16,450)	(5,180)	(21,630)
Interest expense	(2,556)	(1,702)	(4,258)
Income tax expense	(2,189)	(406)	(2,595)
Unallocated loss from operations			(97)
Loss for the year			<u>(5,892)</u>
			<u>(34,472)</u>
Assets			
Segment assets	101,746	98,345	200,091
Unallocated assets			11,601
Total assets			<u>211,692</u>
Liabilities			
Segment liabilities	49,586	37,926	87,512
Unallocated liabilities			920
Total liabilities			<u>88,432</u>
Other information			
Loss on disposal of PPE	(1,011)	243	(768)
Trade receivables written off	(98)	-	(98)
Allowance for doubtful trade receivables	(417)	(349)	(766)
Impairment of PPE	(270)	-	(270)
Impairment of goodwill	-	(286)	(286)
Foreign exchange loss	(315)	(97)	(412)
<u>Allowance under cost of sales:</u>			
Provision for inventory adjustment to market price	(6,629)	(131)	(6,760)
Depreciation and amortisation	(2,847)	(2,854)	(5,701)
Unallocated depreciation			(189)
			<u>(5,890)</u>
Addition to non-current assets	1,188	13,055	14,243
Unallocated non-current assets			18
			<u>14,261</u>

Year ended 31 March 2018

	Offshore S\$'000	Marine S\$'000	Group S\$'000
Revenue			
Sales	52,432	19,487	71,919
Inter-segment sales	(300)	(222)	(522)
Sales to external customers	52,132	19,265	71,397
Loss from operations			
Restructuring cost	(45,309)	(160)	(45,469)
Interest expense	(1,545)	(20)	(1,565)
Income tax benefit	(2,652)	(23)	(2,675)
Unallocated profit from operations	(312)	-	(312)
Loss for the year			<u>(2,018)</u>
			<u>(52,039)</u>
Assets			
Segment assets	117,613	76,846	194,459
Unallocated assets			52,642
Total assets			<u>247,101</u>
Liabilities			
Segment liabilities	65,197	42,840	108,037
Unallocated liabilities			1,946
Total liabilities			<u>109,983</u>
Other information			
Loss on disposal of PPE	(1,307)	(4)	(1,311)
Trade receivables written off	(300)	-	(300)
PPE written off	(238)	-	(238)
Provision for cancellation of contract	(442)	-	(442)
<u>Allowance under cost of sales:</u>			
Provision for inventory adjustment to market price	(35,490)	-	(35,490)
Depreciation and amortization	(4,592)	(700)	(5,292)
Unallocated depreciation			(203)
Total depreciation and amortization			<u>(5,495)</u>
Addition to non-current assets	1,999	9	2,008
Unallocated non-current assets			7
			<u>2,015</u>

Geographical information

Revenue from external customers
(based on location of revenue by country)

	Group		Incr/ (decr) %
	FY2019 S\$'000	FY2018 S\$'000	
Singapore	97,796	40,367	142.3
Azerbaijan	5,113	9,829	(48.0)
South Korea	6,465	4,830	33.9
United Kingdom	3,752	4,875	(23.0)
United Arab Emirates	3,734	4,018	(7.1)
Asia ⁽¹⁾	12,531	7,478	67.6
	<u>129,391</u>	<u>71,397</u>	<u>81.2</u>

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

Non-current assets
(based on location of assets)

	Group		Incr/ (decr) %
	FY2019 S\$'000	FY2018 S\$'000	
Singapore	57,375	36,397	57.6
Malaysia	2,873	6,552	(56.2)
Azerbaijan	527	733	(28.1)
South Korea	8,172	7,417	10.2
Middle East	3,793	3,589	5.7
Others	3,359	3,652	(8.0)
	<u>76,099</u>	<u>58,340</u>	<u>30.4</u>

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by business or geographical segments.

Asia, and in particular Singapore, continued to be our main area of growth in FY2019, contributing 90.3% of our Group revenue. The inclusion of Hong Kong and Shanghai to our network from the acquisition of AIH further enhanced our offerings to our customers and helped boost revenue contribution from Asia.

18. A breakdown of sales

	Group		Incr/ (decr) %
	FY2019 S\$'000	FY2018 S\$'000	
(a) Sales reported for the first half year	64,590	37,461	72.4
(b) Operating (loss) profit after tax reported for the first half year	(7,228)	(4,556)	58.6
(c) Sales reported for the second half year	64,801	33,936	91.0
(d) Operating (loss) profit after tax reported for the second half year	(27,244)	(47,483)	(42.6)

19. A breakdown of the annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	FY2019	FY2018
Type of Dividend	-	-
Dividend per share	-	-
Annual Dividend (S\$'000)	-	-

20. Disclosure of person occupying a managerial position in the issuer of 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 (13).

NA

BY ORDER OF THE BOARD

KYLE ARNOLD SHAW, JR

Executive Chairman

24 May 2019