
Section 1: 8-K (CURRENT REPORT)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 14, 2018

SINO-GLOBAL SHIPPING AMERICA, LTD.
(Exact name of Registrant as specified in charter)

Virginia
(State or other jurisdiction
of Incorporation)

001- 34024
(Commission File No.)

11-3588546
(IRS Employer
Identification No.)

1044 Northern Boulevard, Suite 305
Roslyn, New York 11576-1514
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (718) 888-1814

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17CFR230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17CFR240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17CFR240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17CFR240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On May 14, 2018, Sino-Global Shipping America, Ltd. (the “Company”) issued a press release announcing certain financial results for the quarter ended March 31, 2018. A copy of the press release is attached hereto as Exhibit 99.1.

The information provided in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Description

99.1 [Press release of Sino-Global Shipping America, Ltd.](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 14, 2018

SINO-GLOBAL SHIPPING AMERICA, LTD.

By: /s/ Lei Cao

Name: Lei Cao

Title: Chief Executive Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
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99.1	Press release of Sino-Global Shipping America, Ltd.
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3

[\(Back To Top\)](#)

Section 2: EX-99.1 (PRESS RELEASE OF SINO-GLOBAL SHIPPING AMERICA, LTD)

Exhibit 99.1



Sino-Global Announces Fiscal Year 2018 Third Quarter Financial Results

Roslyn, New York, May 14, 2018 – Sino-Global Shipping America, Ltd. (NASDAQ: SINO) (“Sino-Global,” the “Company” or “we”), a logistics integrated solution provider engaged in non-asset based global shipping, freight logistics, and inland transportation management and related services, today announced its financial results for the third quarter of the fiscal year 2018 ended March 31, 2018. The Company has also provided extensive information on its quarterly report on Form 10-Q filed this morning with the U.S. Securities and Exchange Commission. Management encourages investors to review this filing for more details of the Company’s financial results for the third quarter of fiscal year 2018, background on Sino-Global’s business and history, as well as Company strategy for the coming fiscal year.

Fiscal Year 2018 Third Quarter Operating and Financial Highlights **(as compared to the same period of the prior year)**

- Total revenues of this quarter increased 89.3% or \$2.5 million to \$5.2 million, compared to \$2.7 million. The increase was primarily due to the Company’s efforts to diversify its business in freight logistics services.
- Gross margin decreased from 58.8% to 34.5% as a result of lower margin fragmented freight logistics services have been provided to customers in the current period in comparison with the corresponding period in 2017. The Company strategically allocated its resources to develop new businesses and markets in the U.S. as the focus for its growth.
- Net income for the third quarter of fiscal year 2018 was \$0.24 million, as compared to a net income of \$1.3 million for the same period of the prior year. The decrease was due to higher cost of revenues associated with our fragmented freight logistics services which reduced the gross margin. In addition, our general and administrative expenses increased as a result of increased bad debt reserve and increased professional fee, and increased income tax expense of \$0.26 million as compared to a tax benefit of \$0.30 million recognized during the prior year period.
- On March 14, 2018, the Company closed a \$3 million registered direct offering of its common stock and concurrent private placement of its Series A Warrants and Series B Warrants.
- At March 31, 2018, the Company had cash and cash equivalents of \$9.5 million, and holds no long-term debt.

Management Commentary

Mr. Lei Cao, Chairman and Chief Executive Officer of Sino-Global commented, “We continue to ramp up and expand our business with our focus on our inland transportation, freight logistics and container trucking services. We were pleased with our growth for the quarter. However, there were several factors that adversely affected our bottom line. These factors included a change in our product mix towards freight logistics services which generates higher revenues but has lower profit margins than our other services. We also recognized an income tax expense for the quarter of \$0.26 million due to changes in deferred tax assets for the three-month period.”

Mr. Cao continued. “Also during the quarter, we completed a capital raise that resulted in net proceeds of \$2.6 million, after related costs. We intend to use the money raised towards the further development of our business. In the remaining period of fiscal year 2018, we will continue to focus on increasing revenue and cash flow in the U.S. We will continue to use our bulk cargo container business in partnership with COSCO to seek solutions for empty containers between container shipping lines from the U.S. to China and view this aspect of our operations as a major part of our growth.”

In addition to the growth of Sino-Global’s bulk cargo container business segment, management continues to focus on growth of the Company’s container truck business in the United States and anticipates further positive developments of this segment of the Company’s operations in the coming months.



Fiscal Year 2018, Third Quarter Financial Review

- Revenues increased by \$2.5 million, or 89.3%, to \$5.2 million from \$2.7 million for the three months ended March 31, 2017. This increase was primarily attributable to the Company diversifying its business in freight logistics services. Revenues generated from freight logistics services increased by \$2.7 million, or 332.1%, from the three months ended March 31, 2017.
- The Company's gross profit during the period was \$1.8 million as compared to the prior year period at \$1.6 million.
- Total operating costs and expenses increased to \$4.9 million for the three months ended March 31, 2018 from \$1.8 million for the prior year period. The increase was attributable to several factors primarily focused on the diversification of the business which included a rise in the cost of revenue attributable to different segments, general and administrative expenses.
- Operating income for the three months ended March 31, 2018 was approximately \$0.28 million, compared to an operating income of approximately \$0.96 million for the comparable period ended March 31, 2017. The decrease was due to the above-mentioned rise in operating expenses relating to the ramp up of the Company's business.
- Income tax expense for the three months ended March 31, 2018 was \$0.22 million, compared to an income tax benefit of approximately \$0.30 million for the same period of the prior year. Current income tax incurred from operations in China and Hong Kong remained approximately the same compared to the same period last year, while income tax benefit decreased due to changes in allowance for bad debts, net operating loss carryover and the increase in the valuation allowance against the deferred tax assets, based on the Company's latest projected taxable income.
- As a result of the factors discussed above, for the three months ended March 31, 2018, the Company reported a net income of \$0.24 million, compared to net income of \$1.3 million for the three months ended March 31, 2017.

Balance Sheet Information

- As of March 31, 2018, the Company had \$9.5 million in cash and cash equivalents, working capital of \$17.5 million and shareholder equity of \$24.3 million; compared to \$8.7 million, \$13.7 million, and \$19.5 million, respectively, as of June 30, 2017.
- The Company holds no long-term debt.

About Sino-Global Shipping America, Ltd.

Founded in the United States in 2001, Sino-Global Shipping America, Ltd. is a company engaged in shipping, chartering, logistics and related business services. Headquartered in New York, Sino-Global has offices in mainland China, Australia, Canada and Hong Kong. The Company's current service offerings consist of inland transportation management, freight logistics and container trucking services. Additional information about Sino-Global can be found on the Company's corporate website at www.sino-global.com. The Company routinely posts important information on its website.

Forward Looking Statements

No statement made in this press release should be interpreted as an offer to sell or a solicitation of an offer to purchase any security. Such an offer can only be made in accordance with the Securities Act of 1933, as amended, and applicable state securities laws. Any statements contained in this release that relate to future plans, events or performance are forward-looking statements that involve risks and uncertainties as identified in Sino-Global's filings with the U.S. Securities and Exchange Commission. Actual results, events or performance may differ materially. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Sino-Global undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect the events or circumstances after the date hereof or to reflect the occurrence of unanticipated events unless required by applicable law or regulations.

Contact Information

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SINO-GLOBAL SHIPPING AMERICA, LTD. AND AFFILIATES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)

	For the Three Months Ended March 31,		For the Nine Months Ended March 31,	
	2018	2017	2018	2017
Net revenues - third parties	\$ 4,699,170	\$ 1,984,834	\$ 14,179,256	\$ 4,591,381
Net revenues - related party	501,000	762,777	1,621,406	2,229,180
Total revenues	5,200,170	2,747,611	15,800,662	6,820,561
Cost of revenues	(3,405,435)	(1,132,213)	(10,447,231)	(1,789,348)
Gross profit	1,794,735	1,615,398	5,353,431	5,031,213
General and administrative expenses	(1,477,514)	(612,441)	(4,067,885)	(2,248,639)
Selling expenses	(35,363)	(41,245)	(393,090)	(153,429)
Total operating expenses	(1,512,877)	(653,686)	(4,460,975)	(2,402,068)
Operating income	281,858	961,712	892,456	2,629,145
Other income (expense)				
Financial income (expense), net	170,134	34,167	392,729	(57,737)
Total other income (expense)	170,134	34,167	392,729	(57,737)
Net income before provision for income taxes	451,992	995,879	1,285,185	2,571,408
Income tax benefit (expense)	(216,095)	303,196	58,597	158,184
Net income	235,897	1,299,075	1,343,782	2,729,592
Net income (loss) attributable to non-controlling interest	150,943	4,021	343,936	(104,083)
Net income attributable to Sino-Global Shipping America, Ltd.	\$ 84,954	\$ 1,295,054	\$ 999,846	\$ 2,833,675
Comprehensive income (loss)				
Net income	\$ 235,897	\$ 1,299,075	\$ 1,343,782	\$ 2,729,592
Foreign currency translation income (loss)	164,446	4,871	309,763	(114,011)
Comprehensive income	400,343	1,303,946	1,653,545	2,615,581
Less: Comprehensive income (loss) attributable to non-controlling interest	30,785	(19,419)	92,150	4,702
Comprehensive income attributable to Sino-Global Shipping America Ltd.	\$ 369,558	\$ 1,323,365	\$ 1,561,395	\$ 2,610,879
Earnings per share				
-Basic	\$ 0.01	\$ 0.14	\$ 0.10	\$ 0.33
-Diluted	\$ 0.01	\$ 0.14	\$ 0.10	\$ 0.33
Weighted average number of common shares used in computation				
-Basic	10,835,535	8,994,146	10,433,272	8,514,080
-Diluted	10,870,221	9,028,928	10,479,555	8,534,701

SINO-GLOBAL SHIPPING AMERICA, LTD. AND AFFILIATES
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2018	June 30, 2017
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	\$ 9,549,942	\$ 8,733,742
Accounts receivable, less allowance for doubtful accounts of \$1,350,531 and \$185,821 as of March 31, 2018 and June 30, 2017, respectively	4,757,547	2,569,141
Other receivables, less allowance for doubtful accounts of \$145,244 and \$145,244 as of March 31, 2018 and June 30, 2017, respectively	167,018	37,811
Advances to suppliers-third parties	442,137	54,890
Advances to suppliers-related party	3,601,421	3,333,038
Prepaid expenses and other current assets	397,368	311,136
Due from related parties, net	<u>2,249,544</u>	<u>1,715,130</u>
Total Current Assets	<u>21,164,977</u>	<u>16,754,888</u>
Property and equipment, net	536,282	187,373
Intangible assets, net	168,889	-
Prepaid expenses	-	6,882
Other long-term assets	137,850	117,478
Deferred tax assets	<u>1,670,100</u>	<u>749,400</u>
Total Assets	<u>\$ 23,678,098</u>	<u>\$ 17,816,021</u>
Liabilities and Equity		
Current Liabilities		
Advances from customers	\$ 373,172	\$ 369,717
Accounts payable	472,085	206,211
Taxes payable	2,401,934	1,886,216
Due to related parties	-	206,323
Accrued expenses and other current liabilities	<u>423,877</u>	<u>418,029</u>
Total Current Liabilities	<u>3,671,068</u>	<u>3,086,496</u>
Income tax payable - noncurrent portion	<u>440,219</u>	-
Total Liabilities	<u>4,111,287</u>	<u>3,086,496</u>
Commitments and Contingencies		
Equity		
Preferred stock, 2,000,000 shares authorized, no par value, none issued.	-	-
Common stock, 50,000,000 shares authorized, no par value; 12,611,032 and 10,281,032 shares issued as of March 31, 2018 and June 30, 2017, respectively; 12,435,535 and 10,105,535 outstanding as of March 31, 2018 and June 30, 2017, respectively	22,046,330	20,535,379
Additional paid-in capital	2,386,864	688,934
Treasury stock, at cost, 175,497 shares as of March 31, 2018 and June 30, 2017	(417,538)	(417,538)
Retained earnings (accumulated deficit)	105,939	(893,907)
Accumulated other comprehensive income (loss)	<u>153,775</u>	<u>(414,564)</u>
Total Sino-Global Shipping America Ltd. Stockholders' Equity	<u>24,275,370</u>	<u>19,498,304</u>
Non-controlling Interest	<u>(4,708,559)</u>	<u>(4,768,779)</u>
Total Equity	<u>19,566,811</u>	<u>14,729,525</u>

Total Liabilities and Equity

\$ 23,678,098 \$ 17,816,021

SINO-GLOBAL SHIPPING AMERICA LTD. AND AFFILIATES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Nine Months Ended	
	March 31,	
	2018	2017
Operating Activities		
Net income	\$ 1,343,782	\$ 2,729,592
Adjustment to reconcile net income to net cash provided by (used in) operating activities:		
Amortization of stock options	9,665	77,320
Amortization of stock - based compensation to consultants	432,125	547,138
Amortization of stock - based compensation to employees	182,000	-
Depreciation and amortization	63,402	36,432
Provision for (recovery of) doubtful accounts - accounts receivable	1,164,710	(107,608)
Provision for doubtful accounts - due from related parties	243,433	-
Deferred tax benefit	(920,700)	(387,900)
Changes in assets and liabilities		
Accounts receivable	(3,246,911)	517,463
Other receivables	(80,145)	184,753
Advances to suppliers - third parties	50,465	816,715
Prepaid expense and other current assets	(84,147)	65,279
Due from related parties	(784,363)	(2,843,131)
Other long-term assets	-	(14,185)
Advances from customers	(23,218)	324,476
Accounts payable	243,380	312,883
Taxes payable	798,012	201,259
Due to related parties	(206,323)	156,841
Accrued expenses and other current liabilities	889	514,445
Net cash provided by (used in) operating activities	(813,944)	3,131,772
Investing Activities		
Acquisition of property and equipment	(379,917)	(55,474)
Acquisition of intangible assets	(190,000)	-
Prepayment for intangible assets	(437,357)	-
Net cash used in investing activities	(1,007,274)	(55,474)
Financing Activities		
Proceeds from issuance of common stock, net	2,585,091	4,319,988
Proceeds from exercise of stock options	-	82,500
Net cash provided by financing activities	2,585,091	4,402,488
Effect of exchange rate fluctuations on cash and cash equivalents	52,327	(24,591)
Net increase in cash and cash equivalents	816,200	7,454,195
Cash and cash equivalents at beginning of period	8,733,742	1,385,994
Cash and cash equivalents at end of period	\$ 9,549,942	\$ 8,840,189
Supplemental information		
Income taxes paid	\$ 60,162	\$ 89,324