
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): February 13, 2019

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 February 13, 2019, Sino-Global Shipping America, Ltd. (the “Company”) issued a press release announcing certain financial results for the quarter ended December 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 under Item 2.02 and 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: February 13, 2019

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

Exhibit 99.1

Sino-Global Announces Fiscal 2019 Second Quarter Financial Results Highlighted by 101.4% Increase to \$10.5 Million in Total Revenues

Roslyn, New York, February 13, 2019 – Sino-Global Shipping America, Ltd. (NASDAQ: SINO) (“Sino-Global”, the “Company”, “our”, “we” or “us”), a logistics integrated solutions provider engaged in non-asset based global shipping, freight logistics, and inland transportation management and related services, today announced its financial and operating results for the second quarter and six months ended December 31, 2018 (“Fiscal 2019”).

The Company has also provided an update on its Quarterly report on Form 10-Q filed with the U.S. Securities and Exchange Commission the same day. Management encourages investors to review this filing for more details of the Company’s financial results for the period.

Management Comments – Highlights in Second Quarter of Fiscal 2019

Mr. Lei Cao, Chairman and Chief Executive Officer of Sino-Global commented, “We delivered multiple shipments totaling approximately \$0.89 million in revenue for the Company for November and December 2018 as part of our expanded shipping agency business and our freight logistics business generated revenue of approximately \$8.98 million during the second quarter of 2019. The second quarter reflected the full impact of our costs associated with the transition to a shipping agency and logistics focus without the corresponding revenue, which we believe will be expressed in the second half of Fiscal 2019. The Company has signed multiple contracts over the past year with large import / export agencies throughout China and anticipates an increase in revenues in this business segment.”

Mr. Cao continued, “Our plan is to develop a shipping agency network in China and South East Asia for the next three years and to expand our shipping agency network worldwide. We plan to build the network through acquisitions or strategic partnership with other shipping agencies. Our shipping agency business will be mostly conducted through our subsidiaries in China, Hong Kong and Australia, where we have over 20 years of experience. Our initial strategy was to expand our partnerships gradually during 2018 with agencies that have a strong track-record throughout 2018 and then to increase sales and cash generation throughout 2019. We began seeing a considerable shift in sales in the fiscal 2019 second quarter and expect this to continue throughout the remainder of 2019.”

Fiscal 2019 Second Quarter and Subsequent Operating Highlights

- On November 1, 2018, the Company signed a five-year strategic cooperation agreement with a Hong Kong listed Company, Sinco Pharmaceuticals Holdings Ltd (“Sinco”), pursuant to which both companies will contribute resources and expertise to develop cold chain logistics in China.
- On January 1, 2019, the Company signed a shipment service agreement with Chongqing Iron and Steel Company (“Chongqing Iron and Steel”) which appointed the Company to ship 1 million tons of iron ore and coal to their designated port with service period from January 1, 2019 to December 31, 2019. The business relationship Sino-Global has with Chongqing Iron and Steel will further enhance and develop its freight logistics business.
- During the three months ended December 31, 2018, the Company signed a shipping agency agreement with Y&D Marine Limited Co.. On January 30, 2019, Sino-Global signed an agency agreement with Zhejiang Baoming International Shipping Agency Co., Ltd. and assigned them as the port agent, due to the aforementioned shipping agency agreement with Y&D Marine Limited Co. We will cooperate with more port agents in the near future to further expand our shipping agency business.

Fiscal Year 2019 Second Quarter Financial Review

- Total revenues increased by 101.4% to approximately \$10.5 million for the three month period ended December 31, 2018, compared to approximately \$5.2 million in the period ended December 31, 2017. This increase was due to the Company's business development efforts in freight logistics. In addition, as the Company decided to transit back to the shipping agency business, we had generated approximately \$0.9 million of revenue from providing shipping agency services in the second quarter of fiscal year 2019.
- The Company's gross profit for the three month period ended December 31, 2018 was approximately \$1.96 million, compared to approximately \$1.84 million for the same period in the prior year. Gross profit margin during the period was 18.6% compared to 35.3% for the same period last year.
- Sino-Global's selling, general and administrative expenses (SG&A expenses) were approximately \$2.1 million for the three month period ended December 31, 2018, compared to approximately \$1.9 million in the same period of the prior year. As a percentage of revenue, SG&A expenses decreased to 19.8% from 36.0% in the prior year period, largely due to greater efficiency on higher revenues.
- The Company's provision for doubtful accounts was \$416,706 for the three months ended December 31, 2018, compared with a provision for doubtful accounts of \$861,967 for the same period in 2017. The decrease was due to faster collections from customers. As the Company continues its business relationship with several large customers, it will continue to monitor the collection closely with respect to trade accounts receivable.
- For the three months ended December 31, 2018, the Company reported a net loss attributable to the Company of approximately \$1.5 million, or \$(0.11) per diluted share based on weighted average diluted shares outstanding of 13,769,918, compared to a net income attributable to the Company of approximately \$0.3 million, or \$0.03 per diluted share based on weighted average diluted shares outstanding of 10,415,503, for the same period in the prior year.

The following tables present summary information by segments for the three months ended December 31, 2018 and 2017:

	For the three months ended December 31, 2018				
	Shipping Agency Services	Inland Transportation Management Services	Freight Logistics Services	Container Trucking Services	Total
Revenues					
- Related party	\$ -	\$ 75,000	\$ -	\$ -	\$ 75,000
- Third parties	\$ 889,070	\$ 345,000	\$ 8,978,923	\$ 227,294	\$ 10,440,287
Total revenues	\$ 889,070	\$ 420,000	\$ 8,978,923	\$ 227,294	\$ 10,515,287
Cost of revenues	\$ 809,040	\$ 20,000	\$ 7,497,666	\$ 229,891	\$ 8,556,597
Gross profit	\$ 80,030	\$ 400,000	\$ 1,481,256	\$ (2,596)	\$ 1,958,690
Depreciation and amortization	\$ -	\$ 20,339	\$ 475	\$ 4,751	\$ 25,565
Total capital expenditures	\$ -	\$ -	\$ -	\$ 8,534	\$ 8,534
Gross margin%	9.0%	95.2%	16.5%	(1.1%)	18.6%

	For the three months ended December 31, 2017				
	Shipping Agency Services	Inland Transportation Management Services	Freight Logistics Services	Container Trucking Services	Total
Revenues					
- Related party	\$ -	\$ 555,246	\$ -	\$ -	\$ 555,246
- Third parties	\$ -	\$ 838,595	\$ 3,699,775	\$ 126,865	\$ 4,665,235
Total revenues	\$ -	\$ 1,393,841	\$ 3,699,775	\$ 126,865	\$ 5,220,481
Cost of revenues	\$ -	\$ 174,025	\$ 3,152,005	\$ 49,848	\$ 3,375,878
Gross profit	\$ -	\$ 1,219,816	\$ 547,770	\$ 77,017	\$ 1,844,603
Depreciation and amortization	\$ -	\$ 12,736	\$ 476	\$ 5,327	\$ 18,539
Total capital expenditures	\$ -	\$ -	\$ 2,721	\$ 42,480	\$ 45,201
Gross margin%	-	87.5%	14.8%	60.7%	35.3%

Balance Sheet Information

- As of December 31, 2018, the Company had approximately \$2.5 million in cash, working capital of approximately \$12.5 million and stockholders' equity of approximately \$18.6 million.
- The Company had no long-term debt as of December 31, 2018.

About Sino-Global Shipping America, Ltd.

Founded in the United States in 2001, Sino-Global Shipping America, Ltd. is a company engaged originally 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 shipping agency, 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		For the Six Months Ended	
	December 31,		December 31,	
	2018	2017	2018	2017
Net revenues - third parties	\$ 10,440,287	\$ 4,665,235	\$ 16,617,820	\$ 9,480,086
Net revenues - related party	75,000	555,246	397,000	1,120,406
Total revenues	10,515,287	5,220,481	17,014,820	10,600,492
Cost of revenues	(8,556,597)	(3,375,878)	(13,640,429)	(7,041,796)
Gross profit	1,958,690	1,844,603	3,374,391	3,558,696
Selling expenses	(258,229)	(335,261)	(366,598)	(357,727)
General and administrative expenses	(1,831,746)	(1,546,305)	(3,676,579)	(2,247,289)
Stock-based compensation	(1,047,376)	(280,709)	(1,864,584)	(343,082)
Total operating expenses	(3,137,351)	(2,162,275)	(5,907,761)	(2,948,098)
Operating income (loss)	(1,178,661)	(317,672)	(2,533,370)	610,598
Financial income, net	782	137,799	1,494	222,595
Net income (loss) before provision for income taxes	(1,177,879)	(179,873)	(2,531,876)	833,193
Income tax benefit (expense)	(244,979)	571,121	(178,513)	274,692
Net income (loss)	(1,422,858)	391,248	(2,710,389)	1,107,885
Net income attributable to non-controlling interest	51,114	93,545	80,345	192,993
Net income (loss) attributable to Sino-Global Shipping America, Ltd.	\$ (1,473,972)	\$ 297,703	\$ (2,790,734)	\$ 914,892
Comprehensive income (loss)				
Net income (loss)	\$ (1,422,858)	\$ 391,248	\$ (2,710,389)	\$ 1,107,885
Other comprehensive income (loss) - foreign currency	(106,762)	97,600	(568,924)	145,317
Comprehensive income (loss)	(1,529,620)	488,848	(3,279,313)	1,253,202
Less: Comprehensive income attributable to non-controlling interest	26,930	20,618	133,655	61,365
Comprehensive income (loss) attributable to Sino-Global Shipping America Ltd.	\$ (1,556,550)	\$ 468,230	\$ (3,412,968)	\$ 1,191,837
Earnings (loss) per share				
Basic	\$ (0.11)	\$ 0.03	\$ (0.21)	\$ 0.09
Diluted	\$ (0.11)	\$ 0.03	\$ (0.21)	\$ 0.09
Weighted average number of common shares used in computation				
Basic	13,769,918	10,367,492	13,457,726	10,236,513
Diluted	13,769,918	10,415,503	13,457,726	10,286,683

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

	December 31, 2018	June 30, 2018
Assets		
Current assets		
Cash	\$ 2,454,226	\$ 7,098,259
Accounts receivable, less allowance for doubtful accounts of \$3,080,328 and \$1,682,228 as of December 31, 2018 and June 30, 2018, respectively	12,148,934	8,428,853
Other receivables, less allowance for doubtful accounts of \$145,186 and \$145,176 as of December 31, 2018 and June 30, 2018, respectively	35,040	69,239
Advances to suppliers-third parties	934,824	704,878
Advances to suppliers-related party	-	3,414,619
Prepaid expense and other current assets	354,969	588,439
Due from related party	1,105,775	2,087,994
Total Current Assets	17,033,768	22,392,281
Property and equipment, net	900,455	956,429
Intangible assets, net	121,389	153,056
Prepaid expenses	1,267,005	1,878,258
Other long-term assets - deposits	3,048,586	143,303
Deferred tax assets, net	755,000	634,500
Total Assets	\$ 23,126,203	\$ 26,157,827
Liabilities and Equity		
Current Liabilities		
Advances from customers	\$ 126,395	\$ 415,385
Accounts payable	770,077	3,225,661
Taxes payable	3,015,104	2,700,619
Accrued expenses and other current liabilities	594,082	280,888
Total current liabilities	4,505,658	6,622,553
Total liabilities	4,505,658	6,622,553
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; 15,421,200 and 13,271,032 shares issued as of December 31, 2018 and June 30, 2018, respectively; 15,245,703 and 13,095,535 outstanding as of December 31, 2018 and June 30, 2018, respectively	25,791,830	23,717,330
Additional paid-in capital	2,045,657	1,755,573
Treasury stock, at cost, 175,497 shares as of December 31, 2018 and June 30, 2018	(417,538)	(417,538)
Accumulated deficit	(3,225,590)	(434,856)
Accumulated other comprehensive loss	(894,641)	(272,407)
Total Sino-Global Shipping America Ltd. Stockholders' Equity	23,299,718	24,348,102
Non-controlling Interest	(4,679,173)	(4,812,828)
Total Equity	18,620,545	19,535,274
Total Liabilities and Equity	\$ 23,126,203	\$ 26,157,827

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

	For the Six Months Ended	
	December 31,	
	2018	2017
Operating Activities		
Net income (loss)	\$ (2,710,389)	\$ 1,107,885
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Stock-based compensation	1,864,584	343,082
Depreciation and amortization	51,280	31,742
Provision for doubtful accounts	1,287,787	837,431
Deferred tax benefit	(120,500)	(1,073,700)
Changes in assets and liabilities		
Accounts receivable	(5,044,123)	(2,210,485)
Other receivables	79,773	(234,751)
Advances to suppliers-third parties	(220,166)	50,465
Advances to suppliers-related party	3,294,701	-
Prepaid expenses and other current assets	408,642	80,952
Other long-term assets - deposits	(2,489,067)	-
Due from related parties	1,091,355	(921,532)
Advances from customers	(295,619)	(23,001)
Accounts payable	(2,508,225)	288,283
Taxes payable	305,603	731,456
Due to related parties	-	(206,323)
Accrued expenses and other current liabilities	286,613	(61,218)
Net cash used in operating activities	(4,717,751)	(1,259,714)
Investing Activities		
Acquisition of property and equipment	(9,357)	(50,278)
Acquisition of intangible assets	-	(190,000)
Prepayment for acquisition of intangible assets	-	(10,000)
Net cash used in investing activities	(9,357)	(250,278)
Financing Activities		
Proceeds from issuance of common stock	500,000	-
Net cash provided financing activities	500,000	-
Effect of exchange rate fluctuations on cash	(416,925)	(3,902)
Net decrease in cash	(4,644,033)	(1,513,894)
Cash at beginning of period	7,098,259	8,733,742
Cash at end of period	<u>\$ 2,454,226</u>	<u>\$ 7,219,848</u>
Supplemental information		
Income taxes paid	<u>\$ 16,536</u>	<u>\$ 60,162</u>