



VIBRANT GROUP LIMITED

Company Registration Number: 198600061G

Unaudited Third Quarter Financial Statements Announcement Ended 31 January 2020

Requirement to perform quarterly reporting

Singapore Exchange Regulation (“SGX RegCo”) has on 9 January 2020 announced the removal of the market capitalisation threshold for quarterly reporting (“QR”) of financial statements, and instead take a risk-based approach. SGX Regco will require QR for Companies whose auditors have issued a qualified opinion, disclaimer of opinion or adverse opinion and companies that have a material uncertainty relating to going concern as highlighted by their auditors, both based on their latest financial statements.

Under the amendments to the SGX-ST Listing Rules, Vibrant Group Limited was notified by the Singapore Exchange Securities Trading Limited that the Company will be required to continue to do QR with effect from 7 February 2020 in view of the modified opinion issued by the statutory auditor of the Company in the latest annual report.

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

1(a) An income statement and 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

	Note	The Group			The Group		
		3 months ended 31/01/20	3 months ended 31/01/19	Increase/ (Decrease)	9 months ended 31/01/20	9 months ended 31/01/19	Increase/ (Decrease)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Continuing operations							
Revenue		37,892	47,862	(20.8)	113,185	252,336	(55.1)
Cost of sales	(a)	(27,591)	(34,212)	(19.4)	(82,125)	(196,279)	(58.2)
Gross profit		10,301	13,650	(24.5)	31,060	56,057	(44.6)
Other income	(b)	2,863	17,412	(83.6)	60,375	18,074	234.0
Administrative expenses	(c)	(8,925)	(9,480)	(5.9)	(27,313)	(28,854)	(5.3)
Other operating expenses	(b)	(1,019)	(3,513)	(71.0)	(4,801)	(7,567)	(36.6)
Impairment loss on trade and other receivables		(44)	4	N/M	44	(1,040)	N/M
Profit from operations		3,176	18,073	(82.4)	59,365	36,670	61.9
Finance income	(d)	406	7	5,700.0	1,215	1,374	(11.6)
Finance costs	(e)	(3,000)	(4,076)	(26.4)	(9,869)	(12,297)	(19.7)
Net finance costs		(2,594)	(4,069)	(36.2)	(8,654)	(10,923)	(20.8)
Impairment loss on investment in associate	(f)	(999)	(3,729)	(73.2)	(4,080)	(3,729)	9.4
Share of (losses)/profits of associates, net of tax	(g)	(739)	1,436	N/M	(2,121)	2,033	N/M
(Loss)/Profit before income tax		(1,156)	11,711	N/M	44,510	24,051	85.1
Income tax credit/(expense)	(h)	455	(4,006)	N/M	(647)	(7,930)	(91.8)
(Loss)/Profit from continuing operations		(701)	7,705	N/M	43,863	16,121	172.1
Discontinued operations							
Profit from discontinued operation (net of tax)	(i)	28	1,187	(97.6)	336	2,574	(86.9)
(Loss)/Profit for the period		(673)	8,892	N/M	44,199	18,695	136.4
Attributable to:							
Owners of the Company		(764)	3,887	N/M	28,163	5,807	385.0
Non-controlling interests	(j)	91	5,005	(98.2)	16,036	12,888	24.4
(Loss)/Profit for the period		(673)	8,892	N/M	44,199	18,695	136.4

N/M denotes Not Meaningful

Consolidated Statement of Comprehensive Income

	The Group			The Group		
	3 months ended 31/01/20	3 months ended 31/01/19	Increase/ (Decrease)	9 months ended 31/01/20	9 months ended 31/01/19	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(Loss)/Profit for the period	(673)	8,892	N/M	44,199	18,695	136.4
Other comprehensive income/(expense) Items that are or may be reclassified subsequently to profit or loss:						
Foreign currency translation differences for foreign operations	1,063	2,092	(49.2)	(2,131)	(5,256)	(59.5)
Share of reserves of associates	298	(400)	N/M	40	(951)	N/M
	1,361	1,692	(19.6)	(2,091)	(6,207)	(66.3)
Items that will not be reclassified subsequently to profit or loss:						
Equity investments at FVOCI – net change in fair value	-	1,023	(100.0)	1,010	(1,024)	N/M
Other comprehensive income/(expense) for the period, net of tax	1,361	2,715	(49.9)	(1,081)	(7,231)	(85.1)
Total comprehensive income for the period	688	11,607	(94.1)	43,118	11,464	276.1
Total comprehensive income attributable to:						
Owners of the Company	99	5,160	(98.1)	27,914	1,591	1,654.5
Non-controlling interests	589	6,447	(90.9)	15,204	9,873	54.0
Total comprehensive income for the period	688	11,607	(94.1)	43,118	11,464	276.1

N/M denotes Not Meaningful

Notes to Income Statement

(a) Cost of sales

	The Group			The Group		
	3 months ended 31/01/20	3 months ended 31/01/19	Increase/ (Decrease)	9 months ended 31/01/20	9 months ended 31/01/19	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Cost of sales	(27,591)	(34,212)	(19.4)	(82,125)	(196,279)	(58.2)
Included in cost of sales:						
Development cost	-	(5,328)	(100.0)	-	(109,662)	(100.0)
Depreciation	(5,549)	(2,898)	91.5	(15,275)	(8,739)	74.8

Cost of sales for 3Q2020 and 9M2020 decreased significantly as a result of the absence of the development cost for the mixed residential and commercial development project ("Master-Riviera Project") in Jiangyin, China. In addition, the decline in cost of sales for 3Q2020 and 9M2020 also corresponded to lower sales for the period.

The higher depreciation in 3Q2020 and 9M2020 as compared to 3Q2019 and 9M2019 respectively were mainly attributable to depreciation of Right-of-Use ("ROU") assets arising from adoption of SFRS(I) 16 Leases which became effective on 1 May 2019.

(b) Other income/(operating expenses)

	The Group			The Group		
	3 months ended 31/01/20	3 months ended 31/01/19	Increase/ (Decrease)	9 months ended 31/01/20	9 months ended 31/01/19	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Other income	2,863	17,412	(83.6)	60,375	18,074	234.0
Other operating expenses	(1,019)	(3,513)	(71.0)	(4,801)	(7,567)	(36.6)
Included in other income/(operating expenses):						
Fair value gain on foreign currency forward contracts	-	15	(100.0)	21	475	(95.6)
Fair value gain on investment properties	-	16,311	(100.0)	-	16,311	(100.0)
Fair value gain/(loss) on securities designated at fair value through profit or loss	677	243	178.6	2,490	(572)	N/M
Foreign exchange gain/(loss)	1,887	(2,022)	N/M	(285)	(945)	(69.8)
Gain on disposal of subsidiaries	-	709	(100.0)	16,750	709	2,262.5
Gain/(loss) on disposal of other investments	-	-	-	3,335	(2)	N/M
Gain/(loss) on disposal of property, plant and equipment	25	(72)	N/M	36,995	(110)	N/M
Impairment loss on right-of-use asset	-	-	-	(1,304)	-	N/M
Loss on disposal of an associate	-	(89)	(100.0)	-	(89)	(100.0)
Write-off of receivables	(3)	-	N/M	(192)	-	N/M

Other income decreased significantly in 3Q2020 compared to 3Q2019 mainly due to absence of the fair value gain on investment property on the high-tech industrial park development in Changshu, China. For 9M2020, the increase in other income was mainly due to the gain on disposal of Jurong Island Chemical Hub, gain on sale of 51.0% of the entire issued and paid-up capital of Sabana Investment Partners Pte Ltd and disposal of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust units ("Sabana REIT units").

(c) Administrative expenses

	The Group			The Group		
	3 months ended 31/01/20	3 months ended 31/01/19	Increase/ (Decrease)	9 months ended 31/01/20	9 months ended 31/01/19	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Administrative expenses	(8,925)	(9,480)	(5.9)	(27,313)	(28,854)	(5.3)
Included in administrative expenses:						
Staff costs	(7,165)	(6,894)	3.9	(21,710)	(22,031)	(1.5)
Depreciation	(131)	(121)	8.3	(353)	(418)	(15.6)

Administrative expenses comprise mainly salaries, depreciation charges and other expenses. Lower administrative expenses in 3Q2020 was mainly due to lower professional fees. However, the decrease was partially offset by the higher staff costs as compared to 3Q2019 due to low bonus payout in FY2019.

(d) Finance income

	The Group			The Group		
	3 months ended 31/01/20	3 months ended 31/01/19	Increase/ (Decrease)	9 months ended 31/01/20	9 months ended 31/01/19	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Finance income	406	7	5,700.0	1,215	1,374	(11.6)
Included in finance income:						
Interest income on bank deposits	166	212	(21.7)	570	777	(26.6)
Interest income on loans to associates	199	109	82.6	524	213	146.0
Interest income on loans to third parties	-	(314)	(100.0)	-	384	(100.0)
Interest income on other receivables	41	-	N/M	121	-	N/M

The finance income in 3Q2020 was higher mainly due to the higher interest income from the loans by associates and other receivables.

(e) Finance costs

Lower finance costs were reported mainly due to lower interest expense arising from the repayment of bank borrowings. However, it was partially offset by interest costs on lease liabilities from the adoption of SFRS(I) 16 Leases.

(f) Impairment loss on investment in associate

The impairment loss of \$1.0 million and \$4.1 million in 3Q2020 and 9M2020 respectively arose from the investment in Figtree Holdings Limited.

(g) Share of (losses)/profits of associates

Share of results of associates was a loss of \$0.7 million in 3Q2020, mainly contributed to losses from Figtree Holdings Limited and Ececil Pte Ltd.

(h) Income tax credit/(expense)

	The Group			The Group		
	3 months ended 31/01/20	3 months ended 31/01/19	Increase/ (Decrease)	9 months ended 31/01/20	9 months ended 31/01/19	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Income tax expense	455	(4,006)	N/M	(647)	(7,930)	(91.8)
Included in income tax expense:						
Current year tax provision	(605)	(1,059)	(42.9)	(1,461)	(5,090)	(71.3)
Increase in deferred tax liabilities	(1)	(4,086)	(100.0)	(213)	(4,093)	(94.8)
Over provision of tax in respect of prior years	1,061	1,139	(6.8)	1,027	1,253	(18.0)

The decrease in income tax expense in 3Q2020 was mainly due to the absence of deferred tax liabilities arising from the fair value gain on investment property on the high-tech industrial park development in Changshu, China. The higher income tax expense in 9M2019 was mainly due to profit recognition upon completion of the Master-Riviera Project.

(i) Profit from discontinued operation (net of tax)

	The Group			The Group		
	3 months ended 31/01/20	3 months ended 31/01/19	Increase/ (Decrease)	9 months ended 31/01/20	9 months ended 31/01/19	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	-	3,822	(100.0)	1,156	11,350	(89.8)
Cost of sales	-	(1,174)	(100.0)	-	(4,560)	(100.0)
Gross profit	-	2,648	(100.0)	1,156	6,790	(83.0)
Other income	27	331	(91.8)	30	1,053	(97.2)
Administrative expenses	(1)	(1,526)	(99.9)	(801)	(4,642)	(82.7)
Other operating expenses	-	(37)	(100.0)	(8)	(114)	(93.0)
Profit from operations	26	1,416	(98.2)	377	3,087	(87.8)
Finance income	2	24	(91.7)	5	30	(83.3)
Finance costs	-	-	-	(3)	-	N/M
Net finance income	2	24	(91.7)	2	30	(93.3)
Profit before income tax	28	1,440	(98.1)	379	3,117	(87.8)
Income tax expense	-	(253)	(100.0)	(43)	(543)	(92.1)
Profit after income tax	28	1,187	(97.6)	336	2,574	(86.9)

N/M denotes Not Meaningful

The income statement of the disposal group classified as discontinued operations refer to Sabana Investment Partners Pte Ltd and its subsidiaries, Freight Links (Jiangsu) Co., Ltd and Jiangyin Huan Lian International Trade Co., Ltd.

(j) Non-controlling interests

The lower profits attributable to non-controlling interests in 3Q2020 was mainly due to the absence of fair value gain on investment property from a non-wholly owned subsidiary.

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

	Note	Group		Company	
		As at 31/01/2020	As at 30/04/2019	As at 31/01/2020	As at 30/04/2019
		S\$'000	S\$'000	S\$'000	S\$'000
Assets					
Property, plant and equipment	(a)	118,081	127,730	242	283
Right-of-use assets	(b)	92,134	-	6	-
Intangible assets	(c)	-	472	-	-
Investment properties	(d)	150,098	147,539	-	-
Subsidiaries	(e)	-	-	31,251	17,752
Associates	(f)	83,403	88,625	26,614	25,033
Other investments		124	121	-	-
Deferred tax assets		3,931	4,080	-	-
Trade and other receivables	(g)	299	1,543	287,753	314,116
Non-current assets		448,070	370,110	345,866	357,184
Other investments	(h)	44,832	59,077	29,987	33,498
Inventories		491	410	-	-
Trade and other receivables	(i)	115,426	113,823	1,993	8,552
Cash and cash equivalents	(j)	60,866	44,195	386	271
		221,615	217,505	32,366	42,321
Assets held for sale	(k)	-	143,943	-	-
Current assets		221,615	361,448	32,366	42,321
Total assets		669,685	731,558	378,232	399,505
Equity					
Share capital		174,337	174,337	174,337	174,337
Other reserves	(l)	17,057	4,924	5,102	5,102
Accumulated profits		51,583	25,820	20,110	2,890
Equity attributable to owners of the Company		242,977	205,081	199,549	182,329
Non-controlling interests	(m)	46,203	72,258	-	-
Total equity		289,180	277,339	199,549	182,329
Liabilities					
Loans and borrowings	(n)	22,705	57,632	-	-
Notes payable	(o)	-	65,753	-	65,753
Lease liabilities	(p)	128,078	-	4	-
Trade and other payables	(q)	9,696	19,053	101,005	62,504
Provisions		1,664	1,716	-	-
Deferred tax liabilities		10,702	10,637	-	-
Non-current liabilities		172,845	154,791	101,009	128,257
Loans and borrowings	(n)	61,063	181,689	23,000	72,840
Notes payable	(o)	51,653	25,159	44,611	-
Lease liabilities	(p)	14,310	-	3	-
Current tax payable		7,640	8,299	44	96
Trade and other payables	(q)	72,853	74,162	10,016	15,983
Provisions		141	141	-	-
		207,660	289,450	77,674	88,919
Liabilities directly associated with the assets held for sale		-	9,978	-	-
Current liabilities		207,660	299,428	77,674	88,919
Total liabilities		380,505	454,219	178,683	217,176
Total equity and liabilities		669,685	731,558	378,232	399,505

Notes to Statement of Financial Position

- (a) Decrease in property, plant and equipment was mainly attributable to the depreciation charged and reclassification of assets purchased under hire purchase to right-of-use assets arising from the adoption of SFRS(I) 16 *Leases*.
- (b) The Group recorded \$92.1 million in right-of-use assets due to reclassification of assets purchased under hire purchase from property, plant and equipment and the recognition of future lease payments arising from the adoption of SFRS(I) 16 *Leases*, effective from 1 May 2019.
- (c) The decrease in intangible assets was due to disposal of 51.0% of the entire issued and paid-up capital of Sabana Investment Partners Pte Ltd.
- (d) The increase in investment properties was due to the capital expenditure on the high-tech industrial park development in Changshu, China.
- (e) At Company level, the increase in investment in subsidiaries was due to step acquisition of 49% interest in LTH Logistics (Singapore) Pte Ltd.
- (f) Investment in associates decreased mainly due to impairment loss on investment in Figtree Holdings Limited and share of losses from China Southwest Energy Corporation Ltd and Ececil Pte Ltd.
- (g) At Group level, non-current trade and other receivables decreased mainly due to reclassification of financial leasing receivables from non-current to current. At Company level, non-current trade and other receivables decreased mainly due to repayment of loan by subsidiaries.
- (h) Decrease in current other investments was mainly due to disposal of Sabana REIT units. The decrease was partially offset by a subsidiary's purchase of the Notes issued by the Company under the series 003 S\$66,000,000 Notes due 2020.
- (i) At Group level, trade and other receivables increased mainly due to the loans to associates, Vibrant Pucheng Logistics (Chongqing) Co., Ltd and Ececil Pte Ltd. The increase was partially offset by the reduction in financial leasing receivables.
- (j) Cash and cash equivalents increased mainly due to the completion of the sale of Jurong Island Chemical Hub, sale of 51.0% of the entire issued and paid-up capital of Sabana Investment Partners Pte Ltd and disposal of Sabana REIT units (the "Sale Transactions"). The increase was partially offset by the repayment of bank borrowings and partial redemption of the series 003 S\$66,000,000 notes due 2020.
- (k) The Group had no assets classified as held for sale as at 31 Jan 2020. The assets classified as held for sale of \$143.9 million as at 30 April 2019 were in relation to the planned Sale Transactions. The Sale Transactions were completed in 1Q2020.
- (l) Other reserves increased due to step acquisitions of 49% interest each in LTH Logistics (Singapore) Pte Ltd and Shentoncil Pte Ltd respectively.
- (m) Non-controlling interests decreased significantly due to step acquisitions of 49% interest each in LTH Logistics (Singapore) Pte Ltd and Shentoncil Pte Ltd by the Group.
- (n) Loans and borrowings reduced substantially as a result of the loans repayment following the completion of the Sale Transactions. For non-current loans and borrowings, the decrease was due to reclassification of loans to current while pending refinancing from bank.
- (o) Notes payable refers to series 003 S\$66,000,000 notes due 2020. The notes payable was reclassified from non-current to current as it is due within the next 12 months. The reduction was due to partial redemption of the series 003 S\$66,000,000 notes on 3 October 2019 and redemption of notes from OCBC Bank.
- (p) Lease liabilities relates to the lease payments recognised in accordance with SFRS(I) 16 *Leases* effective from 1 May 2019.
- (q) At Group level, non-current trade and other payables was reclassified to current as it is due within the next 12 months and the decrease in current trade and other payables were mainly due to reduction in trade payables from financial leasing business, loan repayment to director and related parties.

1(b)(ii) Aggregate amount of Group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

	As at 31/01/2020		As at 30/04/2019	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	61,063	-	166,874	13,440
Notes payable	-	51,653	-	25,159
Finance lease liabilities	-	-	1,375	-
Total	61,063	51,653	168,249	38,599

Amount repayable after one year

	As at 31/01/2020		As at 30/04/2019	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	22,705	-	55,949	-
Notes payable	-	-	-	65,753
Finance lease liabilities	-	-	1,683	-
Total	22,705	-	57,632	65,753

Details of any collateral

The borrowings are secured by legal mortgages over the leasehold properties and equipment. The bank borrowings of the subsidiaries are guaranteed by the Company. The finance lease liabilities are secured by the assets under finance leases.

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

	3 months ended 31/01/20	3 months ended 31/01/19	9 months ended 31/01/20	9 months ended 31/01/19
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
(Loss)/Profit after income tax	(673)	8,892	44,199	18,695
Adjustments for:				
Depreciation	5,680	3,033	15,670	9,207
Dividend income from FVOCI	-	(294)	-	(952)
Dividend income from other investment	(2)	-	(3)	-
Fair value (gain)/loss on securities designated at fair value through profit or loss	(677)	(243)	(2,490)	572
Fair value gain on foreign currency forward contracts	-	(15)	(21)	(475)
Fair value gain on investment property	-	(16,311)	-	(16,311)
Finance costs	3,000	4,076	9,872	12,297
Finance income	(408)	(31)	(1,220)	(1,404)
Foreign exchange (gain)/loss	(76)	281	(5)	(96)
(Gain)/Loss on disposal of other investments	-	-	(3,335)	2
(Gain)/Loss on disposal of property, plant and equipment	(53)	36	(37,023)	74
Gain on disposal of subsidiaries	-	(710)	(16,750)	(708)
Impairment loss on investment in an associate	999	3,729	4,080	3,729
Impairment loss on right-of-use asset	-	-	1,304	-
Impairment loss recognised/(reversed) on trade and other receivables, net	44	(4)	(44)	1,040
Loss on disposal of an associate	-	89	-	89
Property, plant and equipment written off	9	-	11	-
Share of losses/(profits) of associates	739	(1,436)	2,121	(2,033)
Tax (credit)/expense	(455)	4,259	690	8,473
	8,127	5,351	17,056	32,199
Changes in working capital:				
Development properties	-	(2,545)	-	89,836
Inventories	2	23	(82)	(16)
Trade and other receivables	7,264	(18,661)	4,192	(9,420)
Trade and other payables	(3,711)	27,819	(3,745)	(96,132)
Cash generated from operations	11,682	11,987	17,421	16,467
Income taxes refunded	-	650	-	679
Income taxes paid	(116)	(677)	(1,210)	(2,100)
Net cash from operating activities	11,566	11,960	16,211	15,046
Cash flows from investing activities				
Acquisition of shares in an associate	-	(203)	(2,936)	(203)
Acquisition of shares in subsidiaries, net of cash acquired	(12,220)	-	(12,220)	-
Capital expenditure on investment property	(34)	(3,977)	(4,367)	(9,689)
Cash contribution paid by non-controlling interest	409	952	548	952
Dividends received:				
- an associate	455	427	641	613
- FVOCI	-	319	309	1,022
- other investment	2	-	3	-
Finance income received	118	621	1,165	1,812
Loan to a third party	-	-	-	(14)
Loans to associates	(450)	(150)	(11,110)	(3,410)
Loan to non-controlling interest	-	(2,873)	(750)	(2,873)
Proceeds from disposal of an associate	-	5	-	5
Proceeds from disposal of subsidiaries, net of cash disposed	-	(4,573)	17,422	(4,573)
Proceeds from redemption of notes	-	-	5,966	-
Proceeds from sale of other investments	-	-	40,472	56
Proceeds from sale of property, plant and equipment	211	147	210,653	423
Purchase of other investments	-	-	(19,204)	-
Purchase of property, plant and equipment	(155)	(483)	(1,152)	(1,053)
Redemption of RCCPS by an associate	-	-	1,352	-
Repayment of loan by an associate	1,940	459	1,940	459
Repayment of loans by third parties	-	3,677	-	26,419
Net cash (used in)/from investing activities	(9,724)	(5,652)	228,732	9,946

Consolidated Statement of Cash Flows (continued)

	3 months ended 31/01/20	3 months ended 31/01/19	9 months ended 31/01/20	9 months ended 31/01/19
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from financing activities				
Deposits pledged	250	(302)	(8,783)	11,627
Dividends paid to non-controlling interest of a subsidiary	(116)	-	(136)	-
Dividends paid to shareholders of the Company	-	-	(2,666)	-
Finance costs paid	(2,276)	(3,075)	(10,564)	(11,353)
Net proceeds from issue of notes payable	7,000	-	7,000	-
Proceeds from borrowings	4,000	2,010	12,070	5,526
Proceeds from loan from a related party	-	4,500	-	4,500
Proceeds from loan from a third party	-	2,084	-	2,084
Purchase of treasury shares	-	(45)	-	(45)
Redemption of notes payable	-	-	(47,263)	(1,720)
Repayment of borrowings	(3,058)	(4,553)	(163,923)	(15,303)
Repayment of loan to a director	-	-	(1,721)	-
Repayment of loans to non-controlling interests	-	-	-	(6,345)
Repayment of loans to related parties	-	-	(11,500)	(7,000)
Repayment of loans to third parties	-	-	(997)	-
Repayment of principal portion of lease liabilities	(4,657)	(427)	(12,812)	(1,361)
Net cash from/(used in) financing activities	1,143	192	(241,295)	(19,390)
Net increase in cash and cash equivalents	2,985	6,500	3,648	5,602
Cash and cash equivalents at beginning of period	48,603	51,928	49,323	54,335
Effect of exchange rate fluctuations on cash and cash equivalents	495	163	(888)	(1,346)
Cash and cash equivalents at end of period	52,083	58,591	52,083	58,591
Cash and cash equivalents comprise the following:				
Cash at bank and in hand	31,454	25,691	31,454	25,691
Short-term deposits	29,412	34,186	29,412	34,186
Cash and cash equivalents	60,866	59,877	60,866	59,877
Deposits pledged	(8,783)	(1,286)	(8,783)	(1,286)
Cash and cash equivalents in the statement of cash flows	52,083	58,591	52,083	58,591

Notes to Consolidated Statement of Cash Flows

Net cash from operating activities in 3Q2020 was largely due to decrease in trade and other receivables from financial leasing receivables.

In 3Q2020, net cash used in investing activities was mainly due to the acquisitions of 49% interest in LTH Logistics (Singapore) Pte Ltd and Shentoncil Pte Ltd.

Net cash from financing activities in 3Q2020 was due mainly to the issuance of notes payable to OCBC. The net cash used in financing activities in 9M2020 was mainly attributable to the partial redemption of the Company's series 003 S\$66,000,000 notes due 2020 and repayment of bank borrowings.

As a result of the above, cash and cash equivalents were \$60.9 million as at 31 January 2020.

1(d)(i) Statement of Changes in Equity
For the period ended 31 January 2020

The Group	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Other reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Opening balance at 1 May 2019	174,337	(1,980)	7,090	(580)	343	51	25,820	205,081	72,258	277,339
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	28,927	28,927	15,945	44,872
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	(1,700)	-	-	(1,700)	(1,494)	(3,194)
Net change in fair value – equity investments at FVOCI	-	-	-	846	-	-	-	846	164	1,010
Net change in fair value – equity investments at FVOCI transferred to retained earnings	-	-	-	(266)	-	-	266	-	-	-
Share of reserves of associates	-	-	1	-	(266)	7	-	(258)	-	(258)
Total other comprehensive income	-	-	1	580	(1,966)	7	266	(1,112)	(1,330)	(2,442)
Total comprehensive income for the period	-	-	1	580	(1,966)	7	29,193	27,815	14,615	42,430
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Dividends paid to owners	-	-	-	-	-	-	(2,666)	(2,666)	(20)	(2,686)
Total contributions by and distributions to owners of the Company	-	-	-	-	-	-	(2,666)	(2,666)	(20)	(2,686)
Changes in ownership interests in subsidiaries										
Capital contributions from non-controlling shareholders	-	-	-	-	-	-	-	-	147	147
Disposal of interests in subsidiaries with loss of control	-	-	-	-	-	-	-	-	(4,767)	(4,767)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(4,620)	(4,620)
Total transactions with owners of the Company	-	-	-	-	-	-	(2,666)	(2,666)	(4,640)	(7,306)
Balance at 31 October 2019	174,337	(1,980)	7,091	-	(1,623)	58	52,347	230,230	82,233	312,463

The Group	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Other reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Total comprehensive income for the period										
Loss for the period	-	-	-	-	-	-	(764)	(764)	91	(673)
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	565	-	-	565	498	1,063
Share of reserves of associates	-	-	-	-	296	2	-	298	-	298
Total other comprehensive income	-	-	-	-	861	2	-	863	498	1,361
Total comprehensive income for the period	-	-	-	-	861	2	(764)	99	589	688
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Dividends paid to owners	-	-	-	-	-	-	-	-	(116)	(116)
Total contributions by and distributions to owners of the Company	-	-	-	-	-	-	-	-	(116)	(116)
Changes in ownership interests in subsidiaries										
Capital contributions from non-controlling shareholders	-	-	-	-	-	-	-	-	409	409
Acquisitions of non-controlling interests without a change in control	-	-	12,648	-	-	-	-	12,648	(36,912)	(24,264)
Total changes in ownership interests in subsidiaries	-	-	12,648	-	-	-	-	12,648	(36,503)	(23,855)
Total transactions with owners of the Company	-	-	12,648	-	-	-	-	12,648	(36,619)	(23,971)
Balance at 31 January 2020	174,337	(1,980)	19,739	-	(762)	60	51,583	242,977	46,203	289,180

<u>The Group</u>	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Other reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Opening balance at 1 May 2018 (FRS)	174,337	(1,935)	7,089	-	(3,802)	24	32,962	208,675	92,603	301,278
Effect of SFRS(I) 1	-	-	-	-	7,737	-	(7,737)	-	-	-
Effect of SFRS(I) 9	-	-	-	-	-	-	(7,095)	(7,095)	(2,220)	(9,315)
Opening balance at 1 May 2018 (SFRS(I) framework)	174,337	(1,935)	7,089	-	3,935	24	18,130	201,580	90,383	291,963
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	1,920	1,920	7,883	9,803
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	(3,497)	-	-	(3,497)	(3,851)	(7,348)
Net change in fair value – equity investments at FVOCI	-	-	-	(1,441)	-	-	-	(1,441)	(606)	(2,047)
Share of reserves of associates	-	-	-	-	(566)	15	-	(551)	-	(551)
Total other comprehensive income	-	-	-	(1,441)	(4,063)	15	-	(5,489)	(4,457)	(9,946)
Total comprehensive income for the period	-	-	-	(1,441)	(4,063)	15	1,920	(3,569)	3,426	(143)
Balance at 31 October 2018	174,337	(1,935)	7,089	(1,441)	(128)	39	20,050	198,011	93,809	291,820
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	3,887	3,887	5,005	8,892
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	953	-	-	953	1,139	2,092
Net change in fair value – equity investments at FVOCI	-	-	-	720	-	-	-	720	303	1,023
Share of reserves of associates	-	-	-	-	(406)	6	-	(400)	-	(400)
Total other comprehensive income	-	-	-	720	547	6	-	1,273	1,442	2,715
Total comprehensive income for the period	-	-	-	720	547	6	3,887	5,160	6,447	11,607

<u>The Group</u>	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Other reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Purchase of treasure shares	-	(45)	-	-	-	-	-	(45)	-	(45)
Total contributions by and distributions to owners of the Company	-	(45)	-	-	-	-	-	(45)	-	(45)
Changes in ownership interests in subsidiaries										
Capital contribution from non-controlling shareholders	-	-	-	-	-	-	-	-	952	952
Disposal of interest in a subsidiary with loss of control	-	-	-	-	-	-	-	-	(4,098)	(4,098)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(3,146)	(3,146)
Total transactions with owners of the Company	-	(45)	-	-	-	-	-	(45)	(3,146)	(3,191)
Balance at 31 January 2019	174,337	(1,980)	7,089	(721)	419	45	23,937	203,126	97,110	300,736

<u>The Company</u>	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Accumulated profits S\$'000	Total equity S\$'000
Opening balance at 1 May 2019	174,337	(1,980)	7,082	2,890	182,329
Total comprehensive income for the period					
Profit for the period	-	-	-	20,802	20,802
Transactions with owners of the Company, recognised directly in equity					
Contributions by and distributions to owners of the Company					
Dividends paid to owners	-	-	-	(2,666)	(2,666)
Total contributions by and distributions to owners of the Company	-	-	-	(2,666)	(2,666)
Total transactions with owners of the Company	-	-	-	(2,666)	(2,666)
Balance at 31 October 2019	174,337	(1,980)	7,082	21,026	200,465
Total comprehensive income for the period					
Loss for the period	-	-	-	(916)	(916)
Balance at 31 January 2020	174,337	(1,980)	7,082	20,110	199,549
Opening balance at 1 May 2018 (FRS framework)	174,337	(1,935)	7,082	(15,306)	164,178
Effect of SFRS(I) 9	-	-	-	(3,719)	(3,719)
Opening balance at 1 May 2018 (SFRS(I) framework)	174,337	(1,935)	7,082	(19,025)	160,459
Total comprehensive income for the period					
Loss for the period	-	-	-	(4,064)	(4,064)
Balance at 31 October 2018	174,337	(1,935)	7,082	(23,089)	156,395
Total comprehensive income for the period					
Loss for the period	-	-	-	(3,092)	(3,092)
Transactions with owners of the Company, recognised directly in equity					
Contributions by and distributions to owners of the Company					
Purchase of treasury shares	-	(45)	-	-	(45)
Total contributions by and distributions to owners of the Company	-	(45)	-	-	(45)
Total transactions with owners of the Company	-	(45)	-	-	(45)
Balance at 31 January 2019	174,337	(1,980)	7,082	(26,181)	153,258

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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

Details of any changes in the Company's issued share capital

	No of ordinary shares		Amount	
	Share capital	Treasury shares	Share capital S\$'000	Treasury shares S\$'000
As at 1 November 2019 and 31 January 2020	697,951,877	(5,460,560)	174,337	(1,980)

There were no outstanding convertibles and/or subsidiary holdings as at 31 January 2020 and 31 January 2019.

As at 31 January 2020, there are 5,460,560 (31 January 2019: 5,460,560) shares held as treasury shares against the total number of issued shares excluding treasury shares of 692,491,317 (31 January 2019: 692,491,317).

- 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

	<u>As at 31/01/20</u>	<u>As at 30/4/19</u>
Total number of issued shares	697,951,877	697,951,877
Less: Treasury shares	(5,460,560)	(5,460,560)
Total number of issued shares excluding treasury shares	<u>692,491,317</u>	<u>692,491,317</u>

- 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

There were no sale, transfer, cancellation and/or use of treasury shares as at 31 January 2020.

- 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

There were no subsidiary holdings during and as at the end of the financial period ended 31 January 2020.

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

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

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter)

Not applicable.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

The latest audited financial statements, for the financial year ended 30 April 2019, were subjected to a disclaimer opinion by the independent auditor of the Company (the "Auditor"). The following matter were included in the said audit opinion:

Not in compliance with SFRS(I) 10 *Consolidated Financial Statements* due to non consolidation of the balances and transactions relating to Blackgold Group in the Group's consolidated financial statements for the years ended 30 April 2018 and 30 April 2019.

The Group is evaluating various possible avenues towards the eventual disposal of the Blackgold Group, and consider the potential risks and implications associated with each of the alternative while taking into account the best interests of the Group and the shareholders.

The Board confirms that the impact of the abovementioned audit issues on the financial statements have been adequately disclosed.

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 under paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 30 April 2019.

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 the effect of, the change

In the current financial period, the Group and the Company have adopted SFRS(I) 16 *Leases* which took effect in the current financial year, using the modified retrospective approach, where comparative amounts for the year prior to first adoption will not be restated. Under SFRS(I) 16, the Group is required to recognise on the balance sheet a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). The Group is also required to separately recognise the interest expense on the lease liability and depreciation expense on the right-of-use asset. The adoption has resulted in increases in total assets, total liabilities, depreciation expense and finance cost.

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

Earnings per ordinary share

- (a) Based on the weighted average number of ordinary shares on issue
- (b) On a fully diluted basis

	3 months ended 31/01/20	3 months ended 31/01/19
(a) Based on the weighted average number of ordinary shares on issue	(0.11) cent	0.56 cent
(b) On a fully diluted basis	(0.11) cent	0.56 cent

The basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 692,491,317 (31 January 2019: 692,543,447).

The fully diluted earnings per share is calculated based on the weighted average number of ordinary shares of 692,491,317 (31 January 2019: 692,543,447).

Earnings per ordinary share

- (a) Based on the weighted average number of ordinary shares
- (b) On a fully diluted basis

	9 months ended 31/01/20	9 months ended 31/01/19
(a) Based on the weighted average number of ordinary shares	4.07 cents	0.84 cent
(b) On a fully diluted basis	4.07 cents	0.84 cent

The basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 692,491,317 (31 January 2019: 692,690,027).

The fully diluted earnings per share is calculated based on the weighted average number of ordinary shares of 692,491,317 (31 January 2019: 692,690,027).

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year

	<u>As at</u> <u>31/01/2020</u>	<u>As at</u> <u>30/04/2019</u>
	Cents	Cents
Net assets value per ordinary share		
The Group	35.09	29.61
The Company	28.82	26.33

Net asset value per share is calculated based on 692,491,317 (30 April 2019: 692,491,317) ordinary shares (excluding treasury shares) in issue at the end of the financial period under review and of the immediately preceding financial year.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

The Group reported revenue of \$37.9 million and \$113.2 million for 3Q2020 and 9M2020 respectively, representing a significant decrease of 20.8% and 55.1% over the previous corresponding period. The Group also reported lower cost of sales of \$27.6 million and \$82.1 million for 3Q2020 and 9M2020 respectively. The decrease in both revenue and cost of sales were due mainly to the absence of the real estate project in China recognised in FY2019. In addition, the lower revenue was attributed to the decline in contribution from freight and logistics segment as a result of the overall global economic slowdown.

The Group reported profits from operations of \$3.2 million in 3Q2020 boosted in part by other income of \$2.9 million which largely due to foreign exchange gain and fair value gain on securities. The profit from operations of \$59.4 million in 9M2020 was mainly due to gain on disposal of Jurong Island Chemical Hub, gain on sale of 51.0% of the entire issued and paid-up capital of Sabana Investment Partners Pte Ltd and disposal of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust units.

Share of results of associates turned in a loss of \$0.7 million in 3Q2020, compared to a profit of \$1.4 million in 3Q2019 largely due to losses from Figtree Holdings Limited and Ececil Pte Ltd. The Group recognised an impairment loss of \$1.0 million and \$4.1 million in 3Q2020 and 9M2020 respectively based on the stock exchange quoted bid price on its investment in Figtree Holdings Limited.

As a result of the foregoing, the Group reported a loss after tax and non-controlling interest of \$0.8 million for 3Q2020 as compared to a profit of \$3.9 million in 3Q2019.

As at 31 January 2020, the Group has cash and cash equivalents of \$60.9 million, and net gearing of 0.89 times.

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

Not applicable as there are no forecast or prospect statement previously disclosed.

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**

Against the backdrop of slowing global economic growth, the Covid-19 pandemic coupled with the latest development of a possible oil price war, the Group's operations going forward is expected to be challenging. Notwithstanding, the Group will strive to continue to implement its cost management plans and endeavor to improve its businesses and sales in its core principle areas of logistics, freight forwarding, and Singapore real estate.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividends has been declared/recommended, a statement to that effect and the reason(s) for the decision

No dividend had been declared or recommended in the current reporting period as the declaration of dividends will be determined at year end.

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

The Company does not have a general mandate from shareholders pursuant to Rule 920(1)(a)(ii) of the SGX-ST Listing Manual.

14. Negative confirmation pursuant to Rule 705(5)

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results for the period ended 31 January 2020 to be false or misleading in any material respect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD
VIBRANT GROUP LIMITED**

**Eric Khua
Executive Director & CEO
13 March 2020**