VIBRANT GROUP LIMITED
Company Registration Number: 198600061G

Unaudited First Quarter Financial Statement Announcement For The Three Months Ended 31 July 2019

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		
		3 months ended 31/07/19	3 months ended 31/07/18	Increase/ (Decrease)
		S$'000	S$'000	%
Continuing operations				
Revenue		36,971	41,203	(10.3)
Cost of sales	(a)	(27,306)	(27,795)	(1.8)
Gross profit		**9,665**	**13,408**	**(27.9)**
Other income	(b)	59,018	1,878	3,042.6
Administrative expenses	(c)	(9,230)	(9,520)	(3.0)
Other operating expenses	(b)	(2,332)	(1,755)	32.9
Impairment loss on trade and other receivables		-	(2)	(100.0)
Profit from operations		**57,121**	**4,009**	**1,324.8**
Finance income	(d)	416	1,052	(60.5)
Finance costs	(e)	(3,707)	(4,021)	(7.8)
Net finance costs		**(3,291)**	**(2,969)**	**10.8**
Impairment loss on investment in associate		(2,923)	-	N/M
Share of losses of associates, net of tax	(f)	(840)	(287)	192.7
Profit before income tax		**50,067**	**753**	**6,549.0**
Income tax expense	(g)	(446)	(469)	(4.9)
Profit from continuing operations		**49,621**	**284**	**17,372.2**
Discontinued operations				
Profit from discontinued operation (net of tax)		308	671	(54.1)
Profit for the period		49,929	955	5,128.2
Profit attributable to:				
Owners of the Company		33,130	742	4,365.0
Non-controlling interests	(h)	16,799	213	7,786.9
Profit for the period		**49,929**	**955**	**5,128.2**

N/M denotes Not Meaningful

Consolidated Statement of Comprehensive Income

	The Group		
	3 months ended 31/07/19	3 months ended 31/07/18	Increase/ (Decrease)
	S$'000	S$'000	%
Profit for the period	49,929	955	5,128.2
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Equity investment at FVOCI- net change in fair value	1,010	1,025	(1.5)
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations	(1,031)	(6,804)	(84.8)
Share of reserves of associates	20	(294)	N/M
	(1,011)	(7,098)	(85.8)
Other comprehensive expense for the period, net of tax	**(1)**	**(6,073)**	**(100.0)**
Total comprehensive income/(expense) for the period	**49,928**	**(5,118)**	**N/M**
Total comprehensive income/(expense) attributable to:			
Owners of the Company	33,447	(2,232)	N/M
Non-controlling interests	16,481	(2,886)	N/M
Total comprehensive income/(expense) for the period	**49,928**	**(5,118)**	**N/M**

N/M denotes Not Meaningful

Notes to Income Statement

(a) Cost of sales

	The Group		
	3 months ended 31/07/19	3 months ended 31/07/18	Increase/ (Decrease)
	S$'000	S$'000	%
Cost of sales	(27,306)	(27,795)	(1.8)
Included in cost of sales:			
Depreciation	(4,682)	(2,926)	60.0

Cost of sales was marginally down for the period. Depreciation expenses increased by $1.8 million or 60.0% from $2.9 million in 1Q2019 and was 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. The increase was partially offset by lower rental expenses.

(b) Other income/(operating expenses)

	The Group		
	3 months ended 31/07/19	3 months ended 31/07/18	Increase/ (Decrease)
	S$'000	S$'000	%
Other income	59,018	1,878	3,042.6
Other operating expenses	(2,332)	(1,755)	32.9
Included in other income/(operating expenses):			
Fair value gain on securities designated at fair value through profit or loss	1,815	453	300.7
Fair value gain on foreign currency forward contracts	19	294	(93.5)
Foreign exchange gain	301	1,086	(72.3)
Gain on disposal of subsidiaries	16,750	-	N/M
Gain/(loss) on disposal of property, plant and equipment	36,956	(5)	N/M
Gain on disposal of other investments	3,138	-	N/M
Impairment loss on right-of-use assets	(1,304)	-	N/M

Other income increased significantly 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.

(c) Administrative expenses

	The Group		
	3 months ended 31/07/19	3 months ended 31/07/18	Increase/ (Decrease)
	S$'000	S$'000	%
Administrative expenses	(9,230)	(9,520)	(3.0)
Included in administrative expenses:			
Staff costs	(7,426)	(7,725)	(3.9)
Depreciation	(118)	(154)	(23.4)

The administrative expenses decreased mainly due to decrease in payroll related cost in 1Q2020.

(d) Finance income

	The Group		
	3 months ended 31/07/19	3 months ended 31/07/18	Increase/ (Decrease)
	S$'000	S$'000	%
Finance income	416	1,052	(60.5)
Included in finance income:			
Interest income on loans to associates	127	48	164.6
Interest income on loans to third parties	-	682	(100.0)
Interest income on pledged deposit	35	-	N/M
Interest income on bank deposits	253	322	(21.4)

Decrease in finance income was mainly due to the absence of interest income on loans to third parties.

(e) Finance costs

Finance costs was down 7.8% due mainly to lower interest expense arising from the repayment of bank borrowings. However, it was partially offset by interest expense on lease liabilities from the adoption of SFRS(I) 16 Leases.

(f) Share of losses from associates

The share of losses from associates in current quarter were mainly due to losses from China Southwest Energy Corporation Ltd and lower profit contribution from Freight Management Holdings Bhd.

(g) Income tax expense

	The Group		
	3 months ended 31/07/19	3 months ended 31/07/18	Increase/ (Decrease)
	S$'000	S$'000	%
Tax expense	(446)	(469)	(4.9)
Included in tax expense:			
Current year tax provision	(410)	(421)	(2.6)
Increase in deferred tax liabilities	(1)	(3)	(66.7)
Under provision for tax in respect of prior years	(35)	(45)	(22.2)

(h) Non-controlling interests

Profit attributable to non-controlling interests increased significantly in 1Q2020 mainly due to disposal of the Jurong Island Chemical Hub by non-wholly owned subsidiary.

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

	The Group		
	3 months ended 31/07/19	3 months ended 31/07/18	Increase/ (Decrease)
	S$'000	S$'000	%
Revenue	1,156	3,433	(66.3)
Cost of sales	-	(1,373)	(100.0)
Gross profit	**1,156**	**2,060**	**(43.9)**
Other income	2	362	(99.4)
Administrative expenses	(798)	(1,573)	(49.3)
Other operating expenses	(8)	(36)	(77.8)
Profit from operations	**352**	**813**	**(56.7)**
Finance income	2	5	(60.0)
Finance costs	(3)	-	N/M
Net finance (costs)/income	**(1)**	**5**	**N/M**
Profit before income tax	**351**	**818**	**(57.1)**
Income tax expense	(43)	(147)	(70.7)
Profit after income tax	**308**	**671**	**(54.1)**

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.

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

Statement of Financial Position

	Note	Group		Company	
		As at 31/07/2019	As at 30/04/2019	As at 31/07/2019	As at 30/04/2019
		S$'000	S$'000	S$'000	S$'000
Assets					
Property, plant and equipment	(a)	126,073	127,730	267	283
Right-of-use assets	(b)	86,440	-	8	-
Intangible assets	(c)	-	472	-	-
Investment properties	(d)	151,214	147,539	-	-
Subsidiaries		-	-	17,751	17,752
Associates	(e)	86,333	88,625	26,670	25,033
Other investments		127	121	-	-
Deferred tax assets		3,994	4,080	-	-
Trade and other receivables	(f)	1,542	1,543	297,928	314,116
Non-current assets		455,723	370,110	342,624	357,184
Other investments	(g)	50,015	59,077	29,217	33,498
Inventories		479	410	-	-
Trade and other receivables	(h)	121,147	113,823	3,992	8,552
Cash and cash equivalents	(i)	100,706	44,195	29,985	271
		272,347	217,505	63,194	42,321
Assets held for sale	(j)	-	143,943	-	-
Current assets		272,347	361,448	63,194	42,321
Total assets		**728,070**	**731,558**	**405,818**	**399,505**
Equity					
Share capital		174,337	174,337	174,337	174,337
Other reserves		4,975	4,924	5,102	5,102
Accumulated profits		59,216	25,820	25,924	2,890
Equity attributable to owners of the Company		238,528	205,081	205,363	182,329
Non-controlling interests	(k)	84,119	72,258	-	-
Total equity		322,647	277,339	205,363	182,329
Liabilities					
Loans and borrowings	(l)	55,025	57,632	-	-
Notes payable		67,112	65,753	67,112	65,753
Lease liabilities	(m)	124,182	-	5	-
Trade and other payables	(n)	10,515	19,053	118,955	62,504
Provisions		1,716	1,716	-	-
Deferred tax liabilities		10,570	10,637	-	-
Non-current liabilities		269,120	154,791	186,072	128,257
Loans and borrowings	(l)	27,035	181,689	12,000	72,840
Notes payable	(o)	-	25,159	-	-
Lease liabilities	(m)	16,515	-	3	-
Current tax payable		7,847	8,299	98	96
Trade and other payables	(n)	84,765	74,162	2,282	15,983
Provisions		141	141	-	-
		136,303	289,450	14,383	88,919
Liabilities directly associated with the assets held for sale		-	9,978	-	-
Current liabilities		136,303	299,428	14,383	88,919
Total liabilities		405,423	454,219	200,455	217,176
Total equity and liabilities		**728,070**	**731,558**	**405,818**	**399,505**

Notes to Statement of Financial Position

(a) Decrease in property, plant and equipment was mainly attributable to the depreciation charged.

(b) The Group recorded $86.4 million in right-of-use assets due to the recognition of future lease payments in accordance with SFRS(I)16 Leases, adopted 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 mainly due to capital expenditure on the high-tech industrial park development in Changshu, China.

(e) 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.

(f) At Company level, non-current trade and other receivables decreased mainly due to repayment of loan by subsidiaries.

(g) 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 MTN programme.

(h) At Group level, trade and other receivables increased mainly due to the loan to associate, Vibrant Pucheng Logistics (Chongqing) Co., Ltd.

(i) Cash and cash equivalents rose to $100.7 million 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 Shari'ah Compliant Industrial Real Estate Investment Trust units (the "Sale Transactions").

(j) The Group has no assets classified as held for sale as at 31 July 2019. The assets classified as held for sale of $143.9 million as at 30 April 2019 are in relation to the planned Sale Transactions. The Sale Transactions were completed in 1Q2020.

(k) Non-controlling interests increased mainly due to allocation of gain on disposal of Jurong Island Chemical Hub allocated to non-controlling shareholder.

(l) Loans and borrowings reduced substantially as a result of the loans repayment following the completion of the Sale Transactions.

(m) Lease liabilities relates to the lease payments recognised in accordance with SFRS(I) 16 Leases effective from 1 May 2019.

(n) At Group level, current trade and other payables increased mainly due to GST payable on the sale of Jurong Island Chemical Hub and classification of trade payables from non-current to current trade payables. At Company level, the decrease in other payables was due to loan repayment to director and related parties.

(o) Decrease in current notes payable was due to redemption of notes from OCBC Bank.

1(b)(ii) Aggregate amount of Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

	As at 31/07/2019		As at 30/04/2019	
	Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
Borrowings	25,713	-	166,874	13,440
Notes payable	-	-	-	25,159
Finance lease liabilities	1,322	-	1,375	-
Total	27,035	-	168,249	38,599

Amount repayable after one year

	As at 31/07/2019		As at 30/04/2019	
	Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
Borrowings	53,636	-	55,949	-
Notes payable	-	67,112	-	65,753
Finance lease liabilities	1,389	-	1,683	-
Total	55,025	67,112	57,632	65,753

Details of any collateral

The borrowings are secured by legal mortgages over the leasehold properties, equipment and participating shares in Sentosa Asian Credit Offshore Feeder Fund. 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 31/07/19	3 months ended 31/07/18
	S$'000	S$'000
Cash flows from operating activities		
Profit for the year	49,929	955
Adjustments for:		
Depreciation	4,842	3,099
Dividend income from FVOCI	-	(338)
Fair value gain on foreign exchange forward contracts	(19)	(294)
Fair value gain on securities designated at fair value through profit or loss	(1,815)	(453)
Finance costs	3,710	4,021
Finance income	(418)	(1,057)
Foreign exchange gain	(161)	(246)
(Gain)/loss on disposal of property, plant and equipment	(36,956)	5
Gain on disposal of subsidiaries	(16,750)	-
Gain on disposal of other investments	(3,138)	-
Impairment loss on investment in an associate	2,923	-
Impairment loss on right-of-use assets	1,304	-
Impairment loss on trade and other receivables, net	-	2
Share of losses of associates	840	287
Tax expense	489	616
	4,780	6,597
Changes in working capital:		
Development properties	-	(3,683)
Inventories	(69)	(35)
Trade and other receivables	(2,357)	5,224
Trade and other payables	20,974	(14,213)
Cash generated/(used in) from operations	23,328	(6,110)
Income taxes refunded	-	21
Income taxes paid	(979)	(1,157)
Net cash from/(used in) operating activities	22,349	(7,246)
Cash flows from investing activities		
Acquisition of shares in an associate	(2,936)	-
Cash contribution paid by non-controlling interest	139	-
Capital expenditure on investment properties	(4,385)	(2,109)
Dividends received:		
- an associate	186	-
- FVOCI	309	363
Finance income received	492	1,162
Loans to associates	(10,560)	(2,860)
Loan to non-controlling interest	(750)	-
Loan to a third party	-	(14)
Proceeds from disposal of subsidiaries, net of cash disposed	17,422	-
Proceeds from sale of other investments	40,472	-
Proceeds from sale of property, plant and equipment	210,395	16
Purchase of other investments	(19,204)	-
Purchase of property, plant and equipment	(203)	(332)
Redemption of RCCPS by an associate	1,352	-
Repayment of loans by third parties	-	17,992
Net cash from investing activities	232,729	14,218
Cash flows from financing activities		
Deposits pledged	(9,033)	12,595
Finance costs paid	(3,531)	(3,251)
Proceeds from borrowings	1,070	2,521
Redemption of notes payable	(25,080)	(1,720)
Repayment of borrowings	(157,680)	(3,121)
Repayment of finance lease liabilities	(369)	(475)
Repayment of loan to a director	(1,721)	-
Repayment of loans to related parties	(11,500)	(7,000)
Repayment of loan to non-controlling interest	-	(5,373)
Repayment of loans to third parties	(997)	-
Repayment of principal portion of lease liabilities	(3,523)	-
Net cash used in financing activities	(212,364)	(5,824)

Consolidated Statement of Cash Flows (continued)

	3 months ended 31/07/19	3 months ended 31/07/18
	S$'000	S$'000
Net increase in cash and cash equivalents	42,714	1,148
Cash and cash equivalents at beginning of the period	49,323	54,335
Effect of exchange rate fluctuations on cash and cash equivalents	(364)	(1,589)
Cash and cash equivalents at end of the period	**91,673**	**53,894**
Cash and cash equivalents comprise the following:		
Cash at bank and in hand	61,544	28,669
Deposits with banks	39,162	28,417
Cash and cash equivalents	100,706	57,086
Deposits pledged	(9,033)	(3,192)
Cash and cash equivalents in the statement of cash flows	**91,673**	**53,894**

Notes to Consolidated Statement of Cash Flows

Net cash generated from operating activities largely due to increase in trade and other payables.

Net cash from investing activities largely due to 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 Shari'ah Compliant Industrial Real Estate Investment Trust units.

Net cash used in financing activities mainly due to repayment of bank borrowings and loans.

As a result of the above, there is a net increase in cash and cash equivalent of $42.7 million for the period.

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 financial year

Statement of Changes in Equity for the period ended 31 July 2019

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
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	-	-	-	-	-	-	33,130	33,130	16,799	49,929
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	(549)	-	-	(549)	(482)	(1,031)
Net changes in fair value – equity investments at FVOCI	-	-	-	846	-	-	-	846	164	1,010
Net changes in fair value – equity investment at FVOCI transferred to retained earnings	-	-	-	(266)	-	-	266	-	-	-
Share of reserves of associates	-	-	1	-	14	5	-	20	-	20
Total other comprehensive income	-	-	1	580	(535)	5	266	317	(318)	(1)
Total comprehensive income for the period	-	-	1	580	(535)	5	33,396	33,447	16,481	49,928
Transactions with owners of the Company, recognised directly in equity										
Changes in ownership interests in subsidiaries										
Capital contribution from non-controlling shareholders	-	-	-	-	-	-	-	-	147	147
Disposal of interest 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	-	-	-	-	-	-	-	-	(4,620)	(4,620)
Balance at 31 July 2019	174,337	(1,980)	7,091	-	(192)	56	59,216	238,528	84,119	322,647

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 2018 (FRS framework)	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	-	-	-	-	-	-	742	742	213	955
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	(3,401)	-	-	(3,401)	(3,403)	(6,804)
Net changes in fair value of financial assets at fair value through other comprehensive income	-	-	-	721	-	-	-	721	304	1,025
Share of reserves of associates	-	-	-	-	(295)	1	-	(294)	-	(294)
Total other comprehensive income	-	-	-	721	(3,696)	1	-	(2,974)	(3,099)	(6,073)
Total comprehensive income for the period	-	-	-	721	(3,696)	1	742	(2,232)	(2,886)	(5,118)
Balance at 31 July 2018	174,337	(1,935)	7,089	721	239	25	18,872	199,348	87,497	286,845

The Company	**Share capital S$'000**	**Treasury shares S$'000**	**Capital reserve S$'000**	**Accumulated profits S$'000**	**Total equity S$'000**
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	-	-	-	23,034	23,034
Balance at 31 July 2019	174,337	(1,980)	7,082	25,924	205,363
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	-	-	-	(1,305)	(1,305)
Balance at 31 July 2018	174,337	(1,935)	7,082	(20,330)	159,154

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

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

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

There were no outstanding convertibles and/or subsidiary holdings as at 31 July 2019 and 31 July 2018.

As at 31 July 2019, there are 5,460,560 (31 July 2018: 5,188,560) shares held as treasury shares against the total number of issued shares excluding treasury shares of 692,491,317 (31 July 2018: 692,763,317).

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

	As at 31/07/19	As at 30/04/19
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	692,491,317	692,491,317

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, disposal, cancellation and/or use of treasury shares as at 31 July 2019.

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 period ended 31 July 2019.

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 qualifications or emphasis of a 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 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 has 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

	3 months ended 31/07/19	3 months ended 31/07/18
Earnings per ordinary share		
(a) Based on the weighted average number of ordinary shares on issue	4.78 cents	0.11 cent
(b) On a fully diluted basis	4.78 cents	0.11 cent

The basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 692,491,317 (31 July 2018: 692,763,317).
The fully diluted earnings per share is calculated based on the weighted average number of ordinary shares of 692,491,317 (31 July 2018: 692,763,317).

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

Net asset value per ordinary share	As at 31/07/2019 Cents	As at 30/04/2019 Cents
The Group	34.44	29.60
The Company	29.66	26.32

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 recorded a revenue of approximately $37.0 million in 1Q2020, a 10.3% decrease from $41.2 million in corresponding period. The decrease in revenue was mainly attributable to the decreased business activity from chemical logistics and financial leasing business. Cost of sales however was down only 1.8% from the corresponding period. This was due to an almost 60.0% increase in depreciation charge for 1Q2020 arising from the depreciation of right-of-use assets upon the adoption of the SFRS(I) 16 Leases.

As a result of the above, the Group's gross profit decreased 27.9% to approximately $9.7 million for 1Q2020. Gross profit margin also decreased from 32.5% in 1Q2019 to 26.1% in 1Q2020.

The profit from operations increased significantly 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.

The Group reported share of losses from associates of approximately $0.8 million largely due to losses from China Southwest Energy Corporation Ltd and lower profit contribution from Freight Management Holdings Bhd. At reporting date, the Group recognised an impairment loss of $2.9 million based on the stock exchange quoted bid price on its investment in Figtree Holdings Limited.

The Group achieved a profit after tax and non-controlling interest of $33.1 million for 1Q2020 as compared to $0.7 million in 1Q2019.

As at 31 July 2019, the Group has cash and cash equivalents of $100.7 million, and net gearing of 0.79 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

As at 31 July 2019, the Group has completed 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 Shari'ah Compliant Industrial Real Estate Investment Trust units.

Global economic growth has slowed considerably for the year as a result of the continuing trade tensions between the US and China. In addition to that, the uncertainty surrounding the Brexit has further caused economic uncertainty in the EU, providing a knock-on effect on an already weakening global economy. The management is cautious of the evolving environment and in the meanwhile, will continue to focus on its core logistical and freight forwarding businesses to ride the waves of economic uncertainty and volatility.

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. Confirmation pursuant to the SGX Listing Rule 705(5) of the Listing Manual

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 July 2019 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 September 2019