VIBRANT GROUP LIMITED
Company Registration Number: 198600061G

Unaudited First Quarter Financial Statement Announcement For The Three Months Ended 31 July 2020

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 31/07/2020	3 months ended 31/07/2019	Increase/ (Decrease)
		S$'000	S$'000	%
Continuing operations				
Revenue		35,925	36,971	(2.8)
Cost of sales	(a)	(25,512)	(27,306)	(6.6)
Gross profit		**10,413**	**9,665**	**7.7**
Other income	(b)	3,806	59,018	(93.6)
Administrative expenses	(c)	(8,014)	(9,230)	(13.2)
Impairment loss reversed on trade and other receivables		23	-	N/M
Other operating expenses	(b)	(4,176)	(2,332)	79.1
Profit from operations		**2,052**	**57,121**	**(96.4)**
Finance income	(d)	722	416	73.6
Finance costs		(3,342)	(3,707)	(9.8)
Net finance costs		**(2,620)**	**(3,291)**	**(20.4)**
Impairment loss reversed/(recognised) on investment in an associate		2,601	(2,923)	N/M
Share of losses of associates, net of tax		(825)	(840)	(1.8)
Profit before income tax		**1,208**	**50,067**	**(97.6)**
Income tax expense	(e)	(804)	(446)	80.3
Profit from continuing operations		**404**	**49,621**	**(99.2)**
Discontinued operations				
Profit from discontinued operations, net of tax	(f)	-	308	(100.0)
Profit for the period		404	49,929	(99.2)
Attributable to:				
Owners of the Company		570	33,130	(98.3)
Non-controlling interests		(166)	16,799	N/M
Profit for the period		**404**	**49,929**	**(99.2)**

N/M denotes Not Meaningful

Consolidated Statement of Comprehensive Income

	The Group		
	3 months ended 31/07/2020	3 months ended 31/07/2019	Increase/ (Decrease)
	S$'000	S$'000	%
Profit for the period	404	49,929	(99.2)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations	(768)	(1,031)	(25.5)
Share of reserves of associates	(260)	20	N/M
	(1,028)	**(1,011)**	**1.7**
Items that will not be reclassified subsequently to profit or loss:			
Net change in fair value - equity investments at FVOCI	-	1,010	(100.0)
Other comprehensive income for the period, net of tax	(1,028)	(1)	102,700.0
Total comprehensive income for the period	**(624)**	**49,928**	**N/M**
Total comprehensive income attributable to:			
Owners of the Company	(55)	33,447	N/M
Non-controlling interests	(569)	16,481	N/M
Total comprehensive income for the period	**(624)**	**49,928**	**N/M**

N/M denotes Not Meaningful

Notes to the Consolidated Income Statement

(a) Cost of sales

	The Group		
	3 months ended 31/07/2020	3 months ended 31/07/2019	Increase/ (Decrease)
	S$'000	S$'000	%
Cost of sales	(25,512)	(27,306)	(6.6)
Included in cost of sales:			
Depreciation of property, plant & equipment	(1,976)	(2,152)	(8.2)
Depreciation of right-of-use assets	(3,525)	(2,530)	39.3

(b) Other income/(operating expenses)

	The Group		
	3 months ended 31/07/2020	3 months ended 31/07/2019	Increase/ (Decrease)
	S$'000	S$'000	%
Other income	3,806	59,018	(93.6)
Other operating expenses	(4,176)	(2,332)	79.1
Included in other income/(operating expenses):			
Fair value gain on securities designated at fair value through profit or loss	1,719	1,815	(5.3)
Foreign exchange (loss)/gain	(3,033)	301	N/M
Gain on disposal of subsidiaries	-	16,750	(100.0)
Gain on disposal of property, plant and equipment	20	27	(25.9)
Gain on disposal of other investments	-	3,138	(100.0)
Gain on rights transferred in a sale and leaseback transaction	-	36,929	(100.0)
Government grant	2,011	-	N/M
Impairment loss on right-of-use asset	-	(1,304)	(100.0)

(c) Administrative expenses

	The Group		
	3 months ended 31/07/2020	3 months ended 31/07/2019	Increase/ (Decrease)
	S$'000	S$'000	%
Administrative expenses	(8,014)	(9,230)	(13.2)
Included in administrative expenses:			
Staff costs	(6,720)	(7,426)	(9.5)
Depreciation of property, plant & equipment	(71)	(107)	(33.6)
Depreciation of right-of-use assets	(18)	(11)	63.6

(d) Finance income

	The Group		
	3 months ended 31/07/2020	3 months ended 31/07/2019	Increase/ (Decrease)
	S$'000	S$'000	%
Finance income	722	416	73.6
Included in finance income:			
Interest income on bank deposits	222	253	(12.3)
Interest income on loans to associates	474	127	273.2
Interest income on other receivables	26	35	(25.7)

(e) Income tax expense

	The Group		
	3 months ended 31/07/2020	3 months ended 31/07/2019	Increase/ (Decrease)
	S$'000	S$'000	%
Income tax expense	(804)	(446)	80.3
Included in income tax expense:			
Current year tax provision	(638)	(410)	55.6
Increase in deferred tax liabilities	-	(1)	(100.0)
Under provision for tax in respect of prior years	(166)	(35)	374.3

(f) Profit from discontinued operations, net of tax

	3 months ended 31/07/2020	3 months ended 31/07/2019	Increase/ (Decrease)
	S$'000	S$'000	%
Revenue	-	1,156	(100.0)
Cost of sales	-	-	-
Gross profit	**-**	**1,156**	**(100.0)**
Other income	-	2	(100.0)
Administrative expenses	-	(798)	(100.0)
Other operating expenses	-	(8)	(100.0)
Profit from operations	**-**	**352**	**(100.0)**
Finance income	-	2	(100.0)
Finance costs	-	(3)	(100.0)
Net finance costs	**-**	**(1)**	**(100.0)**
Profit before income tax	**-**	**351**	**(100.0)**
Income tax expense	-	(43)	(100.0)
Profit after income tax	**-**	**308**	**(100.0)**

The income statement of the disposal group classified as discontinued operations refers mainly to Sabana Investment Partners Pte Ltd and its subsidiaries.

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

	Group		Company	
	As at 31/07/2020	As at 30/04/2020	As at 31/07/2020	As at 30/04/2020
	S$'000	S$'000	S$'000	S$'000
Assets				
Property, plant and equipment	116,546	118,898	197	228
Right-of-use assets	84,532	88,181	-	-
Investment properties	140,638	143,101	-	-
Subsidiaries	-	-	30,712	30,712
Associates	65,926	64,409	9,413	9,413
Other investments	113	99	-	-
Deferred tax assets	6,788	6,924	-	-
Trade and other receivables	36,102	6,325	267,399	267,360
Non-current assets	450,645	427,937	307,721	307,713
Other investments	43,448	42,159	29,230	28,303
Inventories	423	499	-	-
Trade and other receivables	58,283	88,668	1,944	8,341
Cash and cash equivalents	66,954	61,907	11,343	642
Current assets	**169,108**	**193,233**	**42,517**	**37,286**
Total assets	**619,753**	**621,170**	**350,238**	**344,999**
Equity				
Share capital	174,337	174,337	174,337	174,337
Other reserves	17,441	18,066	5,706	5,706
Accumulated profits	30,731	30,161	12,146	12,541
Equity attributable to owners of the Company	222,509	222,564	192,189	192,584
Non-controlling interests	7,115	12,477	-	-
Total equity	229,624	235,041	192,189	192,584
Liabilities				
Loans and borrowings	64,548	49,946	-	-
Lease liabilities	114,470	116,479	-	-
Trade and other payables	27,879	29,499	78,524	68,774
Provisions	1,712	1,712	-	-
Deferred tax liabilities	9,250	9,377	-	-
Non-current liabilities	217,859	207,013	78,524	68,774
Loans and borrowings	81,076	84,184	69,824	68,885
Lease liabilities	14,927	17,814	-	-
Trade and other payables	68,234	69,521	9,659	14,716
Provisions	141	141	-	-
Current tax payables	7,892	7,456	42	40
Current liabilities	172,270	179,116	79,525	83,641
Total liabilities	390,129	386,129	158,049	152,415
Total equity and liabilities	**619,753**	**621,170**	**350,238**	**344,999**

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

Amount repayable in one year or less, or on demand

	As at 31/07/2020		As at 30/04/2020	
	Secured S$'000	**Unsecured S$'000**	**Secured S$'000**	**Unsecured S$'000**
Borrowings	34,252	2,000	33,203	-
Notes payable	-	44,824	-	50,981
Total	34,252	46,824	33,203	50,981

Amount repayable after one year

	As at 31/07/2020		As at 30/04/2020	
	Secured S$'000	**Unsecured S$'000**	**Secured S$'000**	**Unsecured S$'000**
Borrowings	64,548	-	49,946	-
Notes payable	-	-	-	-
Total	64,548	-	49,949	-

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.

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 31/07/2020	3 months ended 31/07/2019
	S$'000	S$'000
Cash flows from operating activities		
Profit after income tax	404	49,929
Adjustments for:		
Depreciation of property, plant and equipment	2,047	2,259
Depreciation of right-of-use assets	3,543	2,541
Dividend income from other investments	(2)	-
Fair value gain on foreign exchange forward contract	-	(19)
Fair value gain on financial instruments at FVTPL	(1,719)	(1,815)
Finance costs	3,342	3,710
Finance income	(722)	(418)
Foreign exchange loss/(gain)	772	(161)
Gain on disposal of subsidiaries	-	(16,750)
Gain on disposal of property, plant and equipment	(20)	(27)
Gain on disposal of equity investments	-	(3,138)
Gain on rights transferred in a sale and leaseback transaction	-	(36,929)
Government grant	(2,011)	-
Impairment loss (reversed)/recognised on investment in an associate	(2,601)	2,923
Impairment loss on right-of-use asset	-	1,304
Impairment loss reversed on trade and other receivables	(23)	-
Share of associates' results	825	840
Tax expense	804	489
	4,639	4,738
Changes in working capital:		
Inventories	74	(69)
Trade and other receivables	(121)	(2,357)
Trade and other payables	589	20,974
Cash generated from operations	5,181	23,286
Income taxes refunded	12	-
Income taxes paid	(385)	(979)
Net cash generated from operating activities	4,808	22,307
Cash flows from investing activities		
Acquisition of shares in an associate	-	(2,936)
Acquisition of non-controlling interests in subsidiaries	(1,500)	-
Capital expenditure on investment properties	-	(4,385)
Cash contribution paid by non-controlling interests	-	139
Dividends received	2	495
Finance income received	2,320	492
Loans to associates	(29,954)	(10,560)
Loan to a non-controlling interest	-	(750)
Proceeds from disposal of subsidiaries, net of cash disposed	-	17,422
Proceeds from sale and leaseback transaction	-	210,368
Proceeds from sale of other investments	-	40,472
Proceeds from sale of property, plant and equipment	40	27
Purchase of other investments	(14)	(19,204)
Purchase of property, plant and equipment	(90)	(203)
Partial repayment of RCCPS	-	1,352
Repayment of loan by a related party	392	-
Repayment of loan by an associate	24,533	-
Net cash (used in)/generated from investing activities	(4,271)	232,729

Consolidated Statement of Cash Flows (continued)

	3 months ended 31/07/2020	3 months ended 31/07/2019
	S$'000	S$'000
Cash flows from financing activities		
Deposits pledged	-	(9,033)
Finance costs paid	(2,382)	(3,531)
Government grant received	1,507	-
Proceeds from borrowings	41,040	1,070
Redemption of notes payable	(7,000)	(25,080)
Repayment of borrowings	(22,913)	(157,680)
Repayment of loan to a director	-	(1,721)
Repayment of loan to related parties	-	(11,500)
Repayment of loan to third parties	-	(997)
Repayment of lease liabilities (2019 - finance lease liabilities)	(4,867)	(3,892)
Net cash generated from/(used in) financing activities	5,385	(212,364)
Net increase in cash and cash equivalents	5,922	42,672
Cash and cash equivalents at beginning of period	53,124	49,323
Effect of exchange rate fluctuations on cash and cash equivalents	(875)	(322)
Cash and cash equivalents at end of period	58,171	91,673
Cash and cash equivalents comprise the following:		
Cash at bank and in hand	63,923	61,544
Deposits with banks	3,031	39,162
Cash and cash equivalents	66,954	100,706
Deposits pledged	(8,783)	(9,033)
Cash and cash equivalents in the consolidated statement of cash flows	58,171	91,673

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 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**
Balance at 1 May 2020	174,337	(1,980)	20,642	-	(657)	61	30,161	222,564	12,477	235,041
Profit for the period	-	-	-	-	-	-	570	570	(166)	404
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	(365)	-	-	(365)	(403)	(768)
Share of reserves of associates	-	-	-	-	(262)	2	-	(260)	-	(260)
Total other comprehensive income	-	-	-	-	(627)	2	-	(625)	(403)	(1,028)
Total comprehensive income for the period	-	-	-	-	(627)	2	570	(55)	(569)	(624)
Transactions with owners of the Company, recognised directly in equity										
Changes in ownership interests in subsidiaries										
Capital reduction from a non-controlling shareholder	-	-	-	-	-	-	-	-	(4,895)	(4,895)
Disposal of interest in a subsidiary with loss of control	-	-	-	-	-	-	-	-	102	102
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(4,793)	(4,793)
Total transactions with owners of the Company	-	-	-	-	-	-	-	-	(4,793)	(4,793)
Balance at 31 July 2020	174,337	(1,980)	20,642	-	(1,284)	63	30,731	222,509	7,115	229,624

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
Prior year adjustments	-	-	-	-	27	-	1,275	1,302	1,252	2,554
Balance at 1 May 2019 restated	174,337	(1,980)	7,090	(580)	370	51	27,095	206,383	73,510	279,893
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 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 earning	-	-	-	(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 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	-	-	-	-	-	-	-	-	(4,620)	(4,620)
Balance at 31 July 2019	**174,337**	**(1,980)**	**7,091**	**-**	**(165)**	**56**	**60,491**	**239,830**	**85,371**	**325,201**

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 2020	174,337	(1,980)	7,686	12,541	192,584
Total comprehensive income for the period					
Profit for the period	-	-	-	(395)	(395)
Balance at 31 July 2020	174,337	(1,980)	7,686	12,146	192,189
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

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 May 2020 and 31 July 2020	697,951,877	(5,460,560)	174,337	(1,980)

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

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

	As at 31/07/20	As at 30/04/20
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, cancellation and/or use of treasury shares as at 31 July 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 July 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 qualifications 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

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 2020.

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

Not applicable.

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 31/07/2020	3 months ended 31/07/2019
Earnings per ordinary share		
(a) Based on the weighted average number of ordinary shares on issue	0.08 cent	4.78 cents
(b) On a fully diluted basis	0.08 cent	4.78 cents

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

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

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

	As at 31/07/2020	As at 30/04/2020
Net asset value per ordinary share	**Cents**	**Cents**
The Group	32.13	32.14
The Company	27.75	27.81

Net asset value per share is calculated based on 692,491,317 (30 April 2020: 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

Review of the Consolidated Income Statement

The Group's revenue for 1Q2021 was $35.9 million as compared to $37.0 million in 1Q2020, a marginal decrease of 2.8%. The decrease was due mainly to absence of revenue from financial leasing business and marginal drop in revenue from freight and logistics business, attributable to the current evolving COVID-19 pandemic.

The decrease in cost of sales was in line with the lower revenue reported for 1Q2021. However, gross profit increased by 7.7% in 1Q2021 mainly due to overall reduction in operating cost in the chemical logistics division.

Other income was significantly lower in 1Q2021 due to the absence of (i) gain on disposal of Jurong Island Chemical Hub, (ii) gain on sale of 51.0% of the entire issued and paid-up capital of Sabana Investment Partners Pte Ltd and (iii) disposal of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust units registered in 1Q2020.

Other operating expenses rose by 79.1% mainly due to foreign exchange loss which resulted from the weakening of US Dollars against Singapore Dollars. The finance costs for 1Q2021 decreased mainly due to overall lower borrowings as compared to 1Q2020.

The reversal of impairment loss on investment in associate was attributed to the investment in Figtree Holdings Limited, for which the estimated recoverable amount was based on fair value less cost of disposal and the fair value was determined by reference to the stock exchange quoted share price as at the financial period end.

The losses from associates was mainly due to share of losses from Vibrant Pucheng Logistics (Chongqing) Co., Ltd and Ececil Pte Ltd.

The Group reported higher income tax expenses in 1Q2021 due to profits reported by certain subsidiaries with decrease in the balance of unutilised capital allowance for set-off against tax liability.

Losses attributable to non-controlling interests was mainly due to losses from financial services business.

Explanatory Notes to Statement of Financial Position

Total non-current assets as at 31 July 2020 was $450.6 million as compared to $427.9 million as at 30 April 2020. The increase of $22.7 million was attributable mainly to the restructuring of loan granted to an associate in China by a wholly-owned subsidiary of the Group and reclassification from current assets to non-current assets as the repayment terms is more than one year. Investment in associates also contributed to the increase in non-current assets due to write back of impairment in Figtree Holdings Limited.

The increase in non-current assets was partially offset by the decrease in the carrying amount of property, plant and equipment and ROU assets due to depreciation charged during the period. In addition, the lower carrying amount of investment properties was due to the currency translation loss on investment properties denominated in Malaysian Ringgit and Chinese Renminbi.

Group's total current assets decrease by $24.1 million mainly due to the restructuring of loan mentioned above under non-current assets. However, the cash and cash equivalents increased as a result of the additional drawdown in bank borrowings by a subsidiary in China.

The Group recorded total non-current liabilities of $217.9 million as at end of 1Q2021 as compared to $207.0 million as at 30 April 2020. The increase was due mainly to the additional drawdown in bank borrowings by a subsidiary in China.

Current liabilities was however lower at $172.3 million as compared to $179.1 million due to lower lease liabilities and loans and borrowings.

Notwithstanding the above, the Group reported working capital surplus of $16.6 million after excluding the loans owing to an associate for investments in China. These were in the nature of a loan for ease of repayment but the investments are long term in nature and unless the investments are realised, no repayment is expected. As such, the Directors believe that the Group is able to meet its liabilities as and when they are due.

Non-controlling Interests

Non-controlling interests decreased mainly due to capital reduction by a non-wholly owned subsidiary.

Cash Flow Analysis

As at 31 July 2020, the Group has cash and cash equivalents of $67.0 million, and net gearing of approximately 0.94 times.

For the first quarter ended 31 July 2020, the net cash generated from operating activities was $4.8 million arising from positive changes in working capital.

The net cash used in investing activities amounted to $4.3 million mainly due to additional loan granted to an associate in China and partial payment of the deferred consideration for the acquisition of the remaining 49.0% equity interest in LTH Logistics (Singapore) Pte Ltd.

Net cash from financing activities of $5.4 million due mainly to the additional bank borrowings by a subsidiary in China.

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

The Group has seen a slowdown in our business segments during the first quarter of FY2021 and expects this slowdown to continue for some time. Moving forward, the Group's stance will be one of cautiousness and will continue to evaluate its business options as the overall environment evolves with the current pandemic.

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 dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision

No dividend has been declared or recommended in the current reporting period. The Group would like to conserve its cash resources in view of the unprecedented economic condition amidst the COVID-19 pandemic.

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. The interested person transactions during the period were:

INTERESTED PERSON TRANSACTIONS
From 1 May 2020 to 31 July 2020

Name of Interested Person(s)	Description of Interested Person Transactions	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) ($'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Cargo Distribution Pte Ltd[(1)] Eric Khua Kian Keong Khua Hock Su	Rental paid by Cargo Distribution Pte Ltd to Vibrant Group Limited	9	-
	Interest charged by Cargo Distribution Pte Ltd to Vibrant Group Limited	321	-

Note:

(1) This entity is an associate of Messrs Khua Kian Keong, an executive director and Khua Hock Su, a non-executive director and controlling shareholders of the Group.

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 July 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 Kian Keong
Executive Director & CEO
11 September 2020