



FOCUS

ANNUAL REPORT 2019



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With resilience and fortitude, we focus our experience and expertise on restructuring our strategy to negotiate unprecedented challenges that have affected the Group's performance the previous year. Our efforts to rebalance our asset portfolio, redeploy our capital for greater financial flexibility and adopt technology to enhance our competitive edge have proven to be effective. The Group has staged a strong recovery in performance, returning to profitability with a stronger capital base, targetting stable and sustainable growth.



OUR VISION

- To be a world-class integrated service provider in logistics, real estate and financial services

OUR MISSION

- We harness the synergistic effects of our capabilities in logistics, real estate and financial services
- We provide reliable and innovative services to our customers
- We deliver credible and sustainable business growth

ABOUT VIBRANT GROUP LIMITED

Listed on SGX-ST in 1995, Vibrant Group Limited (formerly known as Freight Links Express Holdings Limited) is a leading logistics, real estate and financial services group headquartered in Singapore. It offers a comprehensive range of integrated logistics services including international freight forwarding, chemical storage and logistics, warehousing and logistics, and record management. The Group is also engaged in real estate business in property management, development and investment.

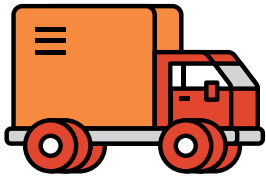
Its financial services include fund management, financial leasing services, and asset and trust management. The Group was the sponsor and manager of Sabana Real Estate Investment Trust (REIT), one of the largest listed Shari'ah Compliant REITs in the world.



OUR BUSINESS LINES



From a trusted global logistics solutions provider, we have grown and evolved into a dynamic company with a suite of complementary business lines.



INTEGRATED LOGISTICS SERVICES

For many years, we have carved a strong reputation as a reliable global provider of integrated logistics solutions.

Our Group designs, engineers and manages total logistics solutions, leveraging on its in-depth domain knowledge, innovative capabilities and global logistics infrastructure, powered by information technology and automation.

OUR INTEGRATED LOGISTICS CAPABILITIES



International Freight Forwarding



Project Logistics



Chemical Logistics



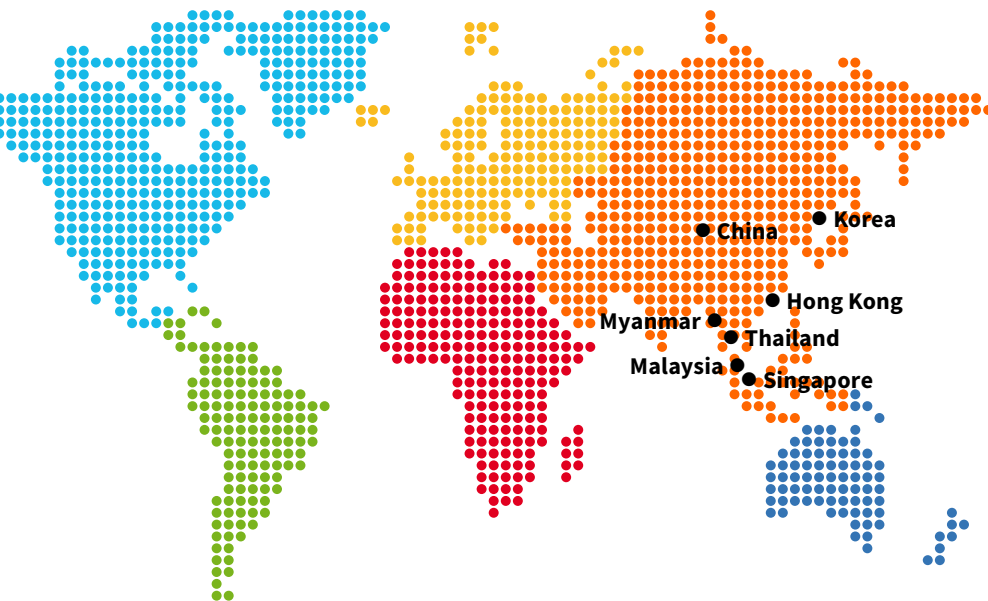
Contract Logistics



Container Freight Station

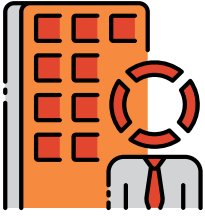


Records Management



OUR NETWORK

Through its global network, the Group is able to connect its customers to over 600 destinations throughout the world. The Group's international freight forwarding business is supported by operations in Malaysia, Thailand, Hong Kong, Korea and China and strong strategic partnerships with over 120 freight forwarding agents worldwide.



REAL ESTATE BUSINESS

OUR PROPERTY DEVELOPMENT, INVESTMENT AND MANAGEMENT CAPABILITIES

Through the Group's Real Estate Business, the Group acquires land for development, sale or lease of industrial, commercial and residential properties in selected markets and holding for long-term investment through collection of rental revenue. The Group also provides property management for portfolio comprising high-tech industrial park, chemical warehouses and general industry facilities, and property management services to its owned and leased warehouses.

OUR CAPABILITIES



BUILD
TO SUIT



SALE AND
LEASEBACK



DISTRIBUTION HUB
OFFICE SPACE



SELF-MANAGED
WAREHOUSING SPACE



PROPERTY
INVESTMENT



PROJECT
MANAGEMENT



FACILITY
DEVELOPMENT AND
RENOVATIONS



FACILITY
MAINTENANCE AND
MANAGEMENT



FINANCIAL SERVICES

SPONSORSHIP OF SABANA REIT

Vibrant Group is the sponsor and largest unit holder of the Sabana Shari'ah Compliant Real Estate Investment Trust, one of the largest listed Shari'ah Compliant REITs in the world, with total assets approximately S\$959 million.

SENTOSA ASIAN CREDIT FUND

Vibrant Group invested in Sentosa Asian Credit Offshore Feeder Fund Limited, a liquid Asian ex-Japan credit fund investing in both hard currency bonds (US\$/G3) and local currency denominated Asian bonds.

SINOLINK FINANCIAL LEASING CO., LTD

Vibrant Group's financial leasing services include hire purchase, equipment financing, shipping loans, working capital loans, letters of credit, project and receivables financing. It also provides funds to potential customers in the equipment manufacturing, petroleum and gas, medical, education and construction industry sectors.

CHAIRMAN'S MESSAGE



Despite headwinds, the Group achieved a 74.2% increase in revenue from \$161.7 million in the previous financial year to a record \$281.7 million.



Dear Shareholders,

On behalf of our Board of Directors, I am pleased to present our annual report for the financial year ended 30 April 2019.

It has been a very challenging year as remaining issues relating to the events surrounding Blackgold International Holdings Pty Ltd and its subsidiaries ("Blackgold") continue to have an impact. Notwithstanding that we have taken the pain of writing off the entire investments related to Blackgold, and have de-consolidated the financials of Blackgold from the Group's consolidated financial statements since FY2018, we are unable to deliver an unqualified audit opinion in FY2019 financial statements until Blackgold is brought to a close, whether by dissolution or disposal. The Board would like to assure shareholders that the management has been tasked to resolve this matter expeditiously in the new financial year.

Notwithstanding the need to address matters resulting from the Blackgold problem, the Group has taken active steps to realign to its other core businesses.

REVIEW OF FY2019

For the year ended 30 April 2019, the Group's revenue hit a record high of \$281.7 million. Despite headwinds, the Group achieved a 74.2% increase in revenue from \$161.7 million in the previous financial year to a record \$281.7 million. This has been largely brought about by the completion of a housing development project in Jiangyin, China. The Group's diversification effort into real estate segment in earlier years has allowed the Group to augment its freight and logistics business, and financial services business has helped the Group to achieve growth in a difficult period. Revenue from the real estate segment increased significantly from \$2.8 million to \$122.5 million for the current year under review. As a result, this segment reported a net profit of approximately \$14.0 million.





The freight and logistics segment of the Group remains the principal revenue contributor, making up 54.2% of the Group's total revenue with a reported net profit of \$3.7 million in the financial year under review, compared to \$1.3 million in the previous financial year. However, intense competition in the freight, logistics and warehousing business and the impact of the macro environment and the US-China trade war will continue to weigh heavily on the performance of the Group in the current financial year.

The financial services segment unfortunately did not do as well as the other segments given the prevailing tough financial operating environment in China. This segment reported a net loss of approximately \$4.1 million. Going forward, the Group will look at how best to rationalise and restructure its leasing business in China in order to bring the segment back to profitability.

OTHER KEY EVENTS

Back in February 2019 the Group announced that its 51% subsidiary LTH Logistics (S) Pte Ltd had entered into a conditional call and put option agreement with SGRE Banyan Pte Ltd for the proposed sale and leaseback of a property at 121 Banyan Drive, Singapore for a sale consideration of \$227.5 million. I am glad to announce here that the sale and leaseback transaction was completed on 10 May 2019.

The Group had also announced on 22 May 2019 that it had entered into a sale and purchase agreement with InfinitySub Pte Ltd for the disposal of its entire 51% equity interest in Sabana Investment Partners Pte Ltd and the sale of units in Sabana Shari'ah Compliant Industrial Real Estate Investment Trust. I am similarly happy to report that as of the date of this message, this disposal essentially has been completed and the Group has received the relevant proceeds arising from the sale.

The above two transactions have enabled the Group to realise the fair value of its investments, which in turn allows the Group to improve its capital position, reduce debt, and to focus on its main businesses of providing integrated logistics solutions and freight and logistics services, along with the Group's other lines of businesses in real estate and financial services. The Group will see how best to redeploy its capital so as to achieve the best effect.



CHAIRMAN'S MESSAGE



Multi-Modal Logistics Distribution Centre (Vibrant Pucheng Logistics (Chongqing))

DIVIDEND

Based on our financial performance for the year, and the realisation of the two investments above, the Board believes that the Group is financially in a much improved state. As such the Board has recommended a first and final tax-exempt one-tier dividend of 0.4 cent per share, subject to shareholders' approval at the forthcoming Annual General Meeting. The Board firmly believes that shareholders should always see and receive value whenever the opportunity presents itself.

SUSTAINABILITY

The Group regularly assesses the economic, environmental, governance and social risks of our operations. Vibrant is committed to deliver value to all our stakeholders and partners in a sustainable and environmentally responsible manner. As a business that strives towards growth and development, we remain vigilant for new developments and emerging trends that might present business opportunities. It is the Group's core belief that success will depend heavily on a combination of enterprise, hard work, integrity, partnership, transparency, prudence, and environmental responsibility. We are committed to bettering ourselves responsibly, always with the least impact to the environment and the climate.

OUR APPRECIATION

On behalf of the Board I thank all our dedicated staff whose hard work, loyalty, dedication and enthusiasm have contributed to our growth. Similarly, I would also like to extend our heartfelt appreciation to all our valued customers, bankers, noteholders, lenders and business partners for their continued support of the Group.

Finally I must thank all our shareholders for the support and patience. I am sure everyone in the Group will strive to improve the Group's business.

Thank You.

Sebastian Tan Cher Liang
Group Chairman

主席致辞

尊敬的股东们：

我谨代表董事会提交截至2019年4月30日止财政年度的年度报告。

2019财政年度是非常具有挑战性的一年，黑金国际控股有限公司及其子公司（“黑金”）的遗留问题对集团依然有影响。尽管我们已经承受了注销全部黑金投资的亏损，并且自2018财年以来已将黑金的财务从集团的合并财务报表中解除合并，但我们仍无法在2019财年的财务报表中提供无保留的审计意见，直至黑金以被解散或被报废处理的形式关闭。我们向股东保证，管理层将在新的财政年度积极努力解决这个问题。

尽管集团需要解决黑金事件的后续事宜，但我们已经采取积极措施重新整合其他的核心业务。

2019财年营运回顾

截至2019年4月30日止财年，集团的营业收入达到创纪录的2.817亿新元。尽管严峻的经营环境，集团的收入从上一财政年度的1.617亿新元增加到了2.817亿新元，增幅达74.2%，其中是因为中国房地产项目的竣工。早年对集团多元化投资的努力，使集团能够扩大物流以外的业务，包括金融服务，以实现稳定性的综合成长。房地产板块的收入在本年度从280万新元大幅增加至1.225亿新元，获取利润1,400万新元。

货运及物流业务一直是集团的主要收益来源，占集团总收入的54.2%，该业务板块于本财年取得净利润370万新元，同比去年130万新元的净利润。然而，货运、物流和仓储业务的竞争激烈以及中美贸易战等宏观环境的不确定性，将继续影响本集团本财政年度的业绩。

由于中国严峻的金融经营环境，金融服务板块的表现并不如其他业务。该业务板块净亏损约410万新元。展望未来，集团将寻找最佳方式妥善管理和重组在中国的租赁业务，确保其恢复盈利。

其他重大事件

集团于2019年2月宣布，其持有51%股份的子公司利通行新加坡私人有限公司已和SGRE Banyan Pte Ltd就新加坡裕廊岛邦岩通道121号的物业出售及回租订立了有条件的认购及认沽期权协议。销售总价为2.275亿新元。我很高兴在此宣布，售后租回交易已于2019年5月10日完成。

此外集团于2019年5月22日宣布与InfinitySub Pte Ltd订立买卖协议，出售Sabana Investment Partners Pte Ltd的51%股权及出售Sabana Shari'ah Compliant Industrial Real Estate投资信托持有权益。截至目前，交易已经基本完成。

上述两项交易使本集团能够实现其投资的公允价值，从而使本集团能够改善资本状况，减少债务，并专注于“提供综合物流解决方案的货运及物流服务”的主要业务，以及集团在房地产和金融服务领域的其他业务。集团将积极寻找最佳方式重新整合资本以达到最佳效益。

股息

本年度的财务表现以及上述两项投资的获益套现，董事会认为集团财务状况已得到很大改善。因此，董事会已经建议每普通股派发免税股息0.4分新元，此建议将提交股东大会批准。

可持续性发展

集团定期评估经营的经济，环境，治理及社会风险。辉联集团致力于在可持续发展的环境中为所有的股东和合作伙伴提供价值。作为一家致力于可持续发展的企业，我们对可能带来商机的新发展和新兴趋势保持警惕。集团坚持认为成功在很大程度上取决于企业，勤奋，诚信，合作，透明，谨慎和环保责任的结合。我们致力于以负责任的方式改善自己，尽力减少对环境和气候造成影响。

致谢

我谨代表董事会感谢我们所有敬业的员工，他们的辛勤工作，忠诚，奉献精神 and 热情对集团的成长做出了重要贡献。同样，我还要衷心感谢尊贵的客户，银行，票据持有人和业务合作伙伴对本集团的一贯支持。

最后，我要感谢所有股东的耐心和支持，我相信集团的每个人都会努力改善集团的业务。

谢谢！

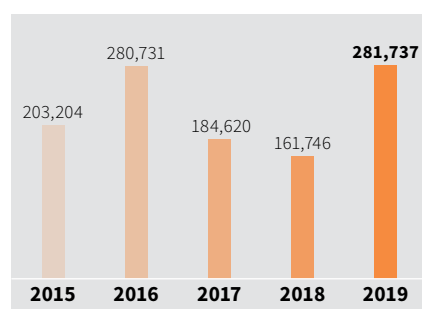
陈之亮
集团主席

GROUP FINANCIAL HIGHLIGHTS

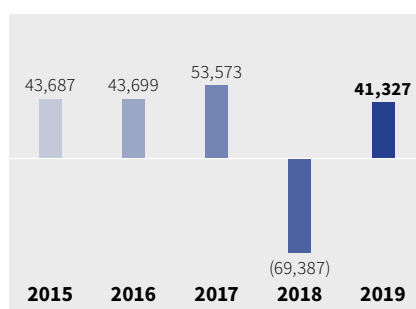
5-YEAR FINANCIAL SUMMARY

	FY2015	FY2016	FY2017	FY2018	FY2019
Operating Results					
Revenue (\$'000)	203,204	280,731	184,620	161,746	281,737
EBITDA (\$'000)	43,687	43,699	53,573	(69,387)	41,327
Pretax profit/(loss) (\$'000)	29,165	32,386	25,368	(96,216)	25,973
Net Profit (\$'000)	30,003	10,023	3,422	(88,688)	7,690
EBITDA margin (%)	21.50	15.57	29.02	(42.90)	14.67
Pretax margin (%)	14.35	11.54	13.74	(59.49)	9.22
Net margin (%)	14.76	3.57	1.85	(54.83)	2.73
Financial Position					
Cash and Cash equivalents	23,260	23,088	63,039	70,549	44,195
Total assets (\$'000)	933,512	1,044,330	1,051,025	957,026	731,558
Total debt (\$'000)	384,543	448,916	344,296	344,086	330,233
Debt/Assets (%)	41.19	42.99	32.76	35.95	45.14
Current assets	372,827	306,070	491,303	395,312	361,448
Current liabilities	195,286	298,366	397,835	584,974	299,428
Net current assets/liabilities (\$'000)	177,541	7,704	93,468	(189,662)	62,020
Shareholders' equity (\$'000)	372,296	371,171	370,358	208,675	205,081
Return on Assets (%)	3.21	0.96	0.33	(9.27)	1.05
Return on Equity (%)	8.06	2.70	0.92	(42.50)	3.75
Net debt: Equity (times)	0.97	1.15	0.76	1.31	1.39
Per Share Data					
Earnings (cents) – Basic	5.84	1.86	0.59	(13.09)	1.11
Earnings (cents) – Diluted	5.84	1.86	0.59	(13.09)	1.11
Dividend (cents)	2.75	1.80	1.50	–	0.40
Net tangible assets (cents)	71.31	66.94	61.58	30.05	29.55

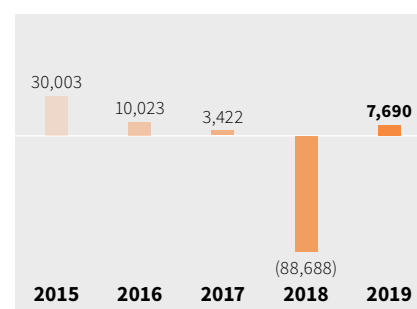
REVENUE
(\$'000)



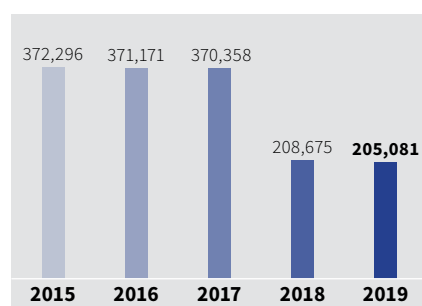
EBITDA
(\$'000)



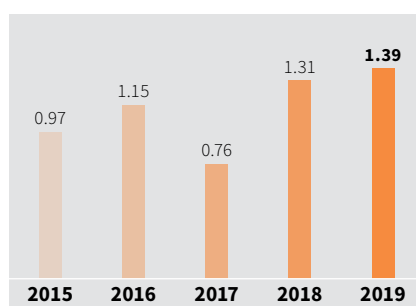
NET PROFIT
(\$'000)



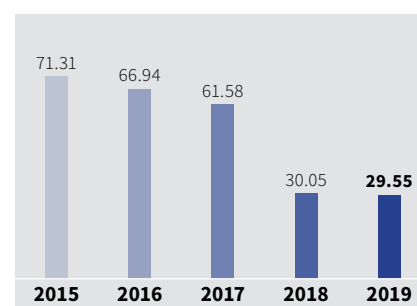
SHAREHOLDERS' EQUITY
(\$'000)



NET DEBT: EQUITY
(times)

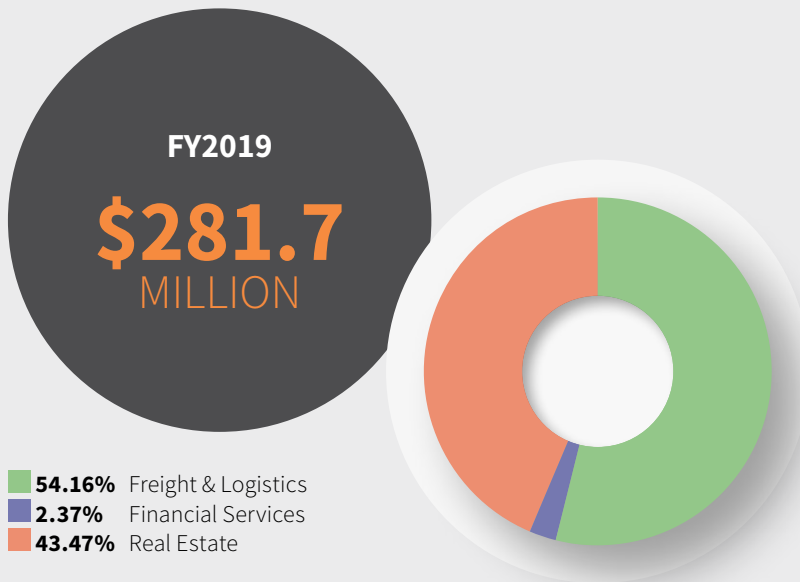


NET TANGIBLE ASSETS
(cents)

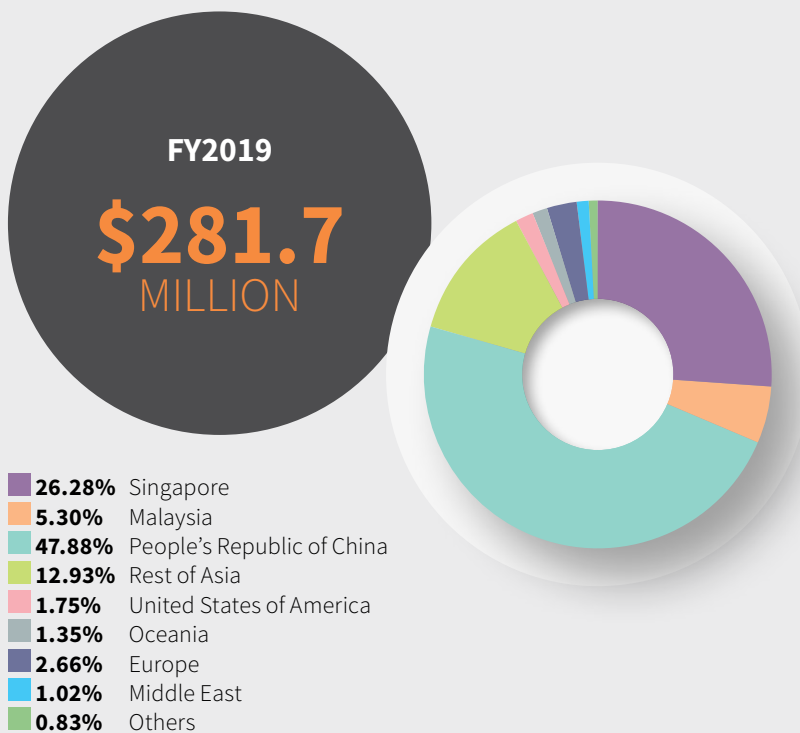


SEGMENTAL RESULTS

REVENUE BY OPERATING SEGMENTS



REVENUE BY GEOGRAPHICAL SEGMENTS



Freight & Logistics

	FY2018 \$'000	FY2019 \$'000
Revenue	151,609	152,592
Profit for the year	1,293	3,729



Financial Services

	FY2018 \$'000	FY2019 \$'000
Revenue	7,342	6,674
Loss for the year	(79,821)	(4,126)



Real Estate Business

	FY2018 \$'000	FY2019 \$'000
Revenue	2,795	122,471
(Loss)/Profit for the year	(5,137)	14,001

Note:

These segmental results exclude unallocated corporate costs, share of profit of associates.

REVIEW OF OPERATIONS



Our strategy to remain competitive and relevant, over the years, is to continuously improve our service levels and offering attractive pricing.

FREIGHT AND LOGISTICS SERVICES

For the past years, revenue from freight and logistics segment remains the main contributor to the Group's total revenue, contributing \$152.6 million or 54.2% of \$281.7 million. The segment reported a net profit of approximately \$3.7 million compared to FY2018 of approximately \$1.3 million.

International Freight Forwarding

Although world trade has started to slow down due to the US and China trade war as well as a shift in shipping routes, we have managed to ride out the wave of changes and uncertainties due to our competitive strength in having a global network. We have over the years, strengthened our global network with the addition of another 15 new agents to give us a wider reach.

Furthermore, faced with increasing competition from other transshipment hubs around the region such as Port Klang, Hong Kong, Busan, Colombo and Dubai, we have developed new transshipment hubs such as Doha Port (Qatar), Istanbul (Turkey) and Tel Aviv (Israel) to capture the Middle East and East European markets. New markets in Ljubljana (Slovenia), Sofia (Bulgaria), Tbilisi (Georgia), Klaipeda (Lithuania) and Limassol (Cyprus) were also established during the year.

During the current year, we have identified and established working relationships with well-suited partners and have expanded our network of agents by joining specialized networks for projects, cargo consolidation and general freight forwarding.

In this way, we have gained valuable partners for the development of new trade lanes and expanded our sectors. We attained more clients and agents, resulting in increased cargo volume to Singapore for our transshipment business, which in turn enable us to offer more competitive pricing to our customers. Capitalizing on Singapore's position as a transshipment hub and working closely with a number of major carriers, we are able to offer direct vessel service from Singapore and keep the shipment transit time short.

Our strategy to remain competitive and relevant, over the years, is to continuously improve our service levels and offering attractive pricing. To that end, we have also upgraded our information technology platform by automating data processing and fasten the flow of information, thus resulting in greater convenience and satisfaction to our customers.

Warehousing and Logistics

Our warehouse in 146 Gul Circle attained its maximum capacity during the year as the manufacturing plant of our key customer in Saudi Arabia started full production. Singapore is being used as a distribution hub for their customers around this region. Besides revenue from providing storage and handling, we also managed their regional distribution for the Middle East customers.

For our warehouse at 51 Penjuru Road, we had upgraded the Automated Storage and Retrieval System (ASRS), Warehousing Management System (WMS) and radio frequency identification (RFID). This has proved to be an enhancement in our strive towards harnessing improved technology in our warehouse.

During the year, the Group has entered into an Asset Transfer Agreement to dispose its warehouse property located in Jiangyin, China for a cash consideration of RMB29.0 million. The disposal was in line with the focus of the Group, basically to realize the fair value of its investments over the years. The transaction was completed in March 2019.

For Vibrant Pucheng Logistics (Chongqing) project, the building plan for Phase 1 was finalized and approved by Chongqing Urban Planning Bureau in 1Q2019. Construction of the Multi-Modal Logistics Distribution Centre is only slated to start in 2H2019. We believe with the project, we are able to benefit from China's planned 'One Belt One Road' initiatives. During the period, we have



also launched the multi-modal international freight forwarding services, Chongqing Yumeng Logistics Collaboration Platform and Chongqing Xietong Supply Chain Platform, covering pan-China trucking and last-mile deliveries for our customers.

Chemical Logistics

Financial year 2019 was a challenging year that saw mixed results for our chemical business. The rise in global interest rates and price erosion caused by increased competition, resulted in an increase in costs and drop in sales revenues for Singapore's operations. The effects of the imposition of tariffs between USA and China on imported goods further drove down business volumes as shipments to China slowed in the second half of FY2019. Stricter controls on operating costs and productivity improvements somewhat helped to offset the slower business volumes.

In Malaysia, revenues grew due to strong demands from some of our customers. Key customers were generally bullish and this had prompted us to invest in newer vehicles and support equipment to improve performance efficiencies and to cater for this predicted growth.

Last year also saw new initiatives from regulatory agencies and customers from both sides of the Causeway. In Singapore, LTH embarked on its preparation for the new Safety Case Regime for facilities classified as Major Hazard Installations. Submissions to regulating agency were done in 1Q2019. In Malaysia, improved transport safety requirements were rolled out by an existing major customer of LTH's to heed the government's call to address the rising trend of serious road accidents. With the company's experience and focus on safety, LTH was able to meet these expectations during the year.

In February 2019, through its subsidiary, LTH Logistics, the Group had entered into a put and call option agreement with a real estate investment fund to acquire its mega chemical hub located at 121 Banyan Drive, Jurong Island, for an aggregate consideration of \$227.5 million on a sale and leaseback arrangement. The sale and leaseback arrangement will enable the Group to realise the fair value of its investments and continue chemical logistics business operation at Jurong Island. The transaction was successfully completed in May 2019.

REVIEW OF OPERATIONS



As a result, the segment reported a net profit of approximately \$14.0 million in FY2019 as compared to a net loss of approximately \$5.1 million in FY2018.

REAL ESTATE BUSINESSES

Revenue from real estate segment increased significantly from approximately \$2.8 million in FY2018 to approximately \$122.5 million in FY2019. The increase was due largely to revenue recognition upon the completion of the Master-Riviera Project. Master-Riviera is a mixed development project located in Jiangyin developed by the Group's subsidiary in conjunction with a strategic Chinese partner. As at FY2019, substantially all of the residential units within the project have been sold. As a result, the segment reported a net profit of approximately \$14.0 million in FY2019 as compared to a net loss of approximately \$5.1 million in FY2018.

Property Management

The Group provides real estate fund and property management services to Sabana Shari'ah Compliant Real Estate Investment Trust (Sabana REIT). In May 2019, the Group entered into a sale and purchase agreement with InfinitySub Pte Ltd for the disposal of its entire 51.0% equity interest in Sabana Investment Partners Pte Ltd and the sale of Units in Sabana Shari'ah Compliant Industrial Real Estate Investment Trust for a total consideration of approximately \$62.0 million. This transaction essentially has been successfully completed.

Property Development and Investment

The development of a built-to-suit industrial factory for a US MNC in the manufacture of specialty chemicals, high performance carbon materials and engineered polymers in our Changshu High Tech Industrial Park, Jiangsu was completed in December 2018. The second built-to-suit factory for a listed European MNC in the manufacture of automotive technology products was constructed during the year and subsequently handed over to the customer in June 2019.

Following the completion of both the built-to-suit factories, the Changshu High Tech Industrial Park Phase 2 has been fully leased out. This will add to the Group's recurring rental income in the real estate investment segment.

During the year, the Group disposed all its 60% equity interest in its subsidiaries, DP-Master-Vibrant (Jiangyin) Real Estate Development Co., Ltd and Master Development (Jiangyin) Co., Ltd, for an aggregate consideration of \$35.2 million. Both the subsidiaries have completed their developments of mixed residential cum commercial project and government resettlement housing projects respectively, in Jiangyin. The disposal presents an avenue for the Group to realise profits from its investments and to reposition itself in future strategic investments.





Multi-Modal Logistics Distribution Centre (Vibrant Pucheng Logistics (Chongqing))

For our associated company, Ececil Pte. Ltd., the proposed addition and alteration to the existing 11-storey offices with F&B on 1st storey; offices from 2nd storey to 14th storey; mechanised car park from basement to 5th storey and communal roof terrace at 16th storey at 139 Cecil Street is near completion. The building TOP is expected to be obtained around 3Q2019.



139 Cecil Street, Cecil'House

FINANCIAL SERVICES

Revenue for the year was lower by 9.10% from \$7.3 million in FY2018 to \$6.7 million in FY2019. The lower revenue was attributed largely to an early redemption of loan and lower income from the leasing activities in China. The segment reported a significantly lower loss of \$4.1 million for FY2019 as compared to a loss of \$79.8 million in FY2018. This was due largely to the absence of both significant impairment on receivables in financial leasing activities in China and write-offs relating to the Blackgold. Nevertheless, the loss for FY2019 arose as a result of lower revenue, higher financing costs principally from higher bank interests and certain write offs in receivables in the financial leasing activities in China.

Going forward, with the redemption of a bank loan for the financing of the property at 121 Banyan Drive, Jurong Island and the bank loan outstanding on the Sabana Investment, bank interest expense is likely to trend downwards. Efforts will also be increased to rationalise the leasing business in China so as to arrest the deteriorating credit situation in its loan portfolios.

BOARD OF DIRECTORS



SEBASTIAN TAN CHER LIANG

Independent Non-Executive Chairman

Mr Tan was appointed as Independent Non-Executive Director on 5 November 2003 and assumed the role of Independent Non-Executive Chairman on 1 July 2016. He chairs the Audit Committee and is a member of the Remuneration Committee and Nominating Committee.

In May 2000, he co-founded Boardroom Limited, a company listed on the SGX-ST Main Board. He was the Managing/Finance Director of Boardroom Limited from May 2000 to March 2013. Having retired from Boardroom Limited, he continues to be an Advisor to the company. Prior to May 2000, he was with Ernst & Young Singapore and its affiliates since September 1973.

Mr Tan is currently an Independent Non-Executive Chairman of Jumbo Group Limited. He is also an Independent Director of Kingsmen Creatives Ltd, Ezra Holdings Limited and Wilton Resources Corporation Ltd. He also holds directorships in charitable organizations such as the D. S. Lee Foundation, EtonHouse Community Fund and Children's Charities Association. In addition, he is a trustee of Kwan Im Thong Hood Cho Temple.

He is a qualified financial professional from the Association of Chartered Certified Accountants of the United Kingdom. He was conferred the Public Service Medal (PBM) in 1996.

ERIC KHUA KIAN KEONG

Executive Director and Chief Executive Officer

Mr Khua was appointed as Chief Executive Officer on 5 November 2003. He is a member of the Nominating Committee. He is also an alternate director of Freight Management Holdings Berhad, an associated company listed on Bursa Malaysia.

He obtained his Bachelor of Science in Electrical Engineering and graduated cum laude from University of the Pacific, United States in 1987.

Mr Khua is a past president of the Singapore Metal and Machinery Association, a council member of the Singapore Chinese Chamber of Commerce and Industry, vice-chairman of the Singapore-China Business Association, a board member and head of Fund-Raising at Singapore Thong Chai Medical Institute. He also serves as a patron at Telok Blangah Citizens' Consultative Committee.

In addition, Mr Khua is the president of Nanyang Kuah Si Association, chairman of Pei Tong Primary School advisory committee, and a board member of Tan Kah Kee Foundation and the school management committee of Catholic High School. He is an executive committee member at Singapore Ann Kway Association.

Mr Khua is board chairman of Fujian Anxi No. 8 Middle School, vice-president of World Quanzhou Youth Friendship Association, vice-president of Anxi Charity Federation and the Anxi Fenglai Guitou Charity Federation. In 2009, He was awarded "Outstanding Charitable Works Contribution" by Fujian Provincial Government, People's Republic of China.

柯建强是新加坡五金机械公会前会长，新加坡中华总商会董事，新加坡中国商会副会长，新加坡同济医院常务董事兼募捐组主任。柯先生也是直落布兰雅公民咨询委员会委员。

同时，柯先生也担任新加坡南洋柯氏公会会长，新加坡培童小学咨询委会主席，新加坡公教中学管理委员会委员及陈嘉庚基金会理事及新加坡安溪会馆执行委员兼文书股主任。

在中国福建省，柯先生是福建省安溪第八中学校董会会长，世界泉州青年联谊会副会长，安溪慈善总会副会长，安溪蓬莱魁头慈善会副会长，2009年荣获福建省人民政府颁发《福建省捐赠公益事业突出贡献奖》。



HENRY CHUA TIONG HOCK

Executive Director and Chief Corporate Development Officer

Mr Chua is an Executive Director since 22 December 1999. He was also appointed as Chief Corporate Development Officer on 5 January 2006. He is concurrently a director of Freight Management Holdings Berhad, Malaysia, as well as a number of other subsidiaries in the Group.

Previously, he represented the Group as a director in Sabana Shari'ah Compliant REIT and other listed subsidiaries, Freight Links Express Holdings (Australia) Limited, Freight Links Express Holdings (Hong Kong) Limited and Cybermast Limited.

He designed and built the Group's first warehouse at Toh Guan Road in 1989 and the 9th project at Gul Circle.

Mr Chua obtained his Bachelor of Arts degree from the University of Singapore. He also holds a Graduate Diploma in Business Administration from the National University of Singapore and a Graduate Diploma in Personnel Management from the Singapore Institute of Personnel Management.

KHUA HOCK SU

Group Advisor and Non-executive Director

Mr Khua was first appointed as Chairman of the Board in 2003. With over 60 years of experience in business, he was appointed as the group advisor in 2017 after stepping down as Chairman. He is also a member of the Audit Committee and Remuneration Committee.

Mr Khua is currently the Group Chairman of Lian Hup Group. He has been instrumental in the strategic direction and development of the Group, which has diverse interests in steel trading, investment, real estate development and logistics services.

Mr Khua is the permanent honorary president of Public Free Clinic Society, and serves as honorary president of Nanyang Kuah Si Association. He also serves as an honorary committee member of Singapore Metal and Machinery Association.

柯福賜先生于2017年荣退集团主席职位，继而委任集团顾问。目前柯先生是新加坡大众医院永远名誉院长，新加坡南洋柯氏公会名誉会长及新加坡五金机械公会名誉董事。

BOARD OF DIRECTORS



DEREK LOH EU TSE

Independent Non-Executive Director

Mr Loh was appointed as Independent Non-Executive Director on 5 November 2003. He chairs the Remuneration and Nominating Committees and is a member of the Audit Committee.

He graduated with honours from the University of Cambridge and practices law in Singapore as an Executive Director of TSMP Law Corporation. He is an Advocate and Solicitor of the Supreme Court.

Mr Loh is also an Independent Director of Vietnam Enterprise Investments Limited, Adventus Holdings Ltd, DISA Limited and Federal International (2000) Ltd. He is a member of the Board of Governors of Saint Joseph's Institution ("SJI"), the Board of Governors of SJI International and also a trustee and a member of the Management Committee of the SJI Foundation a registered charity in Singapore.

SENIOR EXECUTIVES

VIBRANT GROUP LIMITED

1. FRANCIS LEE FOOK WAH

Chief Financial Officer

Mr Francis Lee Fook Wah was appointed as the Chief Financial Officer for the Group on 1 April 2019. He is responsible for the overall management of finance functions of the Group, and matters relating to the regulatory compliance and reporting.

Previously, Mr Lee was the chief financial officer of OKH Global Ltd, a company listed on the SGX-ST from 2015 to 2017. Between 2005 and 2011, Mr Lee also served as an executive director, finance director and chief financial officer of Man Wah Holdings Ltd, a company listed on the Hong Kong Stock Exchange. Mr Lee began his career in 1990 in the Commercial Crime Division of the Criminal Investigation Department, where he served as a senior investigation officer. In 1993, Mr Lee served as an assistant manager in OCBC Bank conducting credit analysis. Between 1994 and 2001, he worked as a dealer's representative for Deutsche Morgan Securities. Mr Lee then served at the Singapore branch of the Bank of China between 2001 and 2004 as a relationship manager. Between 2004 and 2005, he was with AP Oil International Ltd working as an investment and project manager, where he was involved in mergers and acquisitions and was also tasked with overseeing its overall credit policy.

Mr Lee graduated from the National University of Singapore with a Bachelor's degree in Accountancy in 1990 and obtained a Master's degree in Business Administration (Investment and Finance) from the University of Hull, UK in 1993. Mr Lee is a Chartered Accountant and a non-practising member of the Institute of Singapore Chartered Accountants. He is also a member of the Singapore Institute of Directors.

Mr Lee is also currently an independent director of Sheng Siong Group Ltd, Net Pacific Financial Holdings Ltd and Asiaphos Ltd.

2. AU YONG KONG SENG

Senior Vice President (Corporate)

Mr Au Yong was appointed as Senior Vice President (Corporate) on 1 January 2019.

He provides support for the Group's corporate affairs as well as overseeing some subsidiary companies.

Prior to this appointment, he served as Senior Vice President (China Operations) between July 2017 to December 2018, managing the business of Vibrant Pucheng logistics in Chongqing and Master Development (Jingyin) Co., Ltd in Jiangyin.

Mr Au Yong has extensive experience in general management and supply chain positions, for various companies such as Singapore joint ventures in China, GLCs and chemical MNCs.

He holds a diploma in Chemical Process Technology and Graduate Diploma in Industrial Management from the Singapore Polytechnic and a Master Degree in Business Administration (International Business) from the Brunel University, U.K.

3. JOHN LIM SUI SEN

Senior Vice President (Projects)

Mr Lim is the Senior Vice President (Projects) of Vibrant Group Limited. He supports the Group in projects development work. Prior to that, he was responsible for credit management. Mr Lim has been with the Group since January 2004.

Prior to joining the Group, Mr Lim worked with a leading express and logistics company for several years in the area of credit management, operations and projects.

Mr Lim holds a Bachelor of Business (in the field of Accountancy) from the Royal Melbourne Institute of Technology.



SENIOR EXECUTIVES

4. MICHELLE TAN

Vice President (Human Resource)

Ms Tan joined the Group in April 2004 and moved up the ranks to become Vice President (Human Resource) on 1 July 2011. She supports the Group's human resource functions for the Group's local and overseas subsidiaries.

Prior to joining the Group, Ms Tan has over 11 years of human resource and administration exposure in both MNCs and local companies.

Ms Tan holds a Bachelor of Business (Business Administration) specialising in Human Resource from the Royal Melbourne Institute of Technology.

5. KOW JIANN LUEN

Vice President (IT)

Mr Kow joined the Group in June 2013 as a Vice President of IT and is responsible in overseeing the entire IT infrastructure and streamlining the IT operations to align with the business objectives.

He holds a Bachelor of Science (B.Sc.) Computer Science from University of Nebraska-Lincoln and has more than 20 years of experiences in software solution and development. Prior to joining the group, Mr Kow worked with a leading local Singapore based third party logistics provider in areas of product development of logistics software.

FREIGHT & LOGISTICS

6. ALEX NG BOON CHUAN

*Director/Executive Vice President
Freight Links Express Pte Ltd*

Mr Ng is the Executive Vice President of Freight Links Express Pte Ltd ("Freight Links Express") and has more than 35 years of experience in sales and marketing, agency and market development. He is responsible for the overall freight forwarding operations of Freight Links Express. His knowledge and experience are drawn from the long-standing career he has established in Freight Links Express since joining in August 1984.

7. DON TANG FOOK YUEN

*General Manager
LTH Logistics Group of Companies*

Mr Tang joined the LTH Group of Companies as its General Manager in August 2011. Prior to joining the Group, he had over 15 years of senior management experience in the manufacturing sector overseeing corporate strategy, business development, operations, human resource and finance functions. He has also had previous work experience in the finance and publishing industries.

Mr Tang graduated from the National University of Singapore with a Bachelor of Business Administration degree before obtaining his Masters of Science in International Marketing from the University of Strathclyde.

8. LEE SENG HOCK

*Senior Vice President (Operations)
Freight Links Express Pte Ltd*

Mr Lee is the Senior Vice President of Freight Links Express and is overall responsible for the freight and operations of Freight Links Express. He joined Freight Links Express in October 1982 and has more than 36 years of experience in freight operations.



9. ADRIAN CHIA SENG CHYE

*Vice President (Consolidation & Marketing)
Freight Links Express Pte Ltd*

Mr Chia is the Vice President (Consolidation & Marketing) of Freight Links Express and is responsible for the Consolidation and marketing activities of Freight Links Express. Mr Chia joined Freight Links Express in September 1988 and has more than 30 years of experience in sales and marketing.

10. JAMES LEONG WENG YU

*Vice President (Consolidation)
Freight Links Express Pte Ltd*

Mr Leong has more than 44 years of experience in the freight forwarding industry. He is responsible for the freight consolidation activities of Freight Links Express. Mr Leong joined Freight Links Express in November 1986 and has more than 33 years of experience in freight consolidation, operations, marketing and claims administration.

11. LAWRENCE LIM MENG JIOW

*Vice President (Marketing & Projects)
Freight Links Express Pte Ltd*

Mr Lim joined Freight Links Express in July 1999 and has more than 22 years of experience in Marketing & Projects logistics. He is responsible for the sales and marketing activities of Freight Links Express. Prior to joining the Group, Mr Lim worked in a leading Indonesian food and beverage company as Marketing Manager.

12. VINCENT YONG CHEE LEONG

*Vice President
Crystal Freight Services Pte Ltd*

Mr Yong joined Freight Links Express in August 2003 as a Sales and Marketing Executive. Prior to joining the Group, Mr Yong worked in a leading trading firm and was also stationed in a few countries, namely Moscow and Ho Chi Minh City. Mr Yong was promoted to head Crystal Freight Services Pte Ltd ("Crystal Freight Services") in July 2009 and he is responsible for sales and marketing, business development, total logistics services, overall growth, and expansion of Crystal Freight Services.

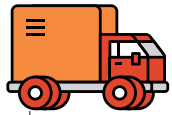
13. SIM EE HUEY

*Assistant Vice President
Freight Links Logistics Pte Ltd*

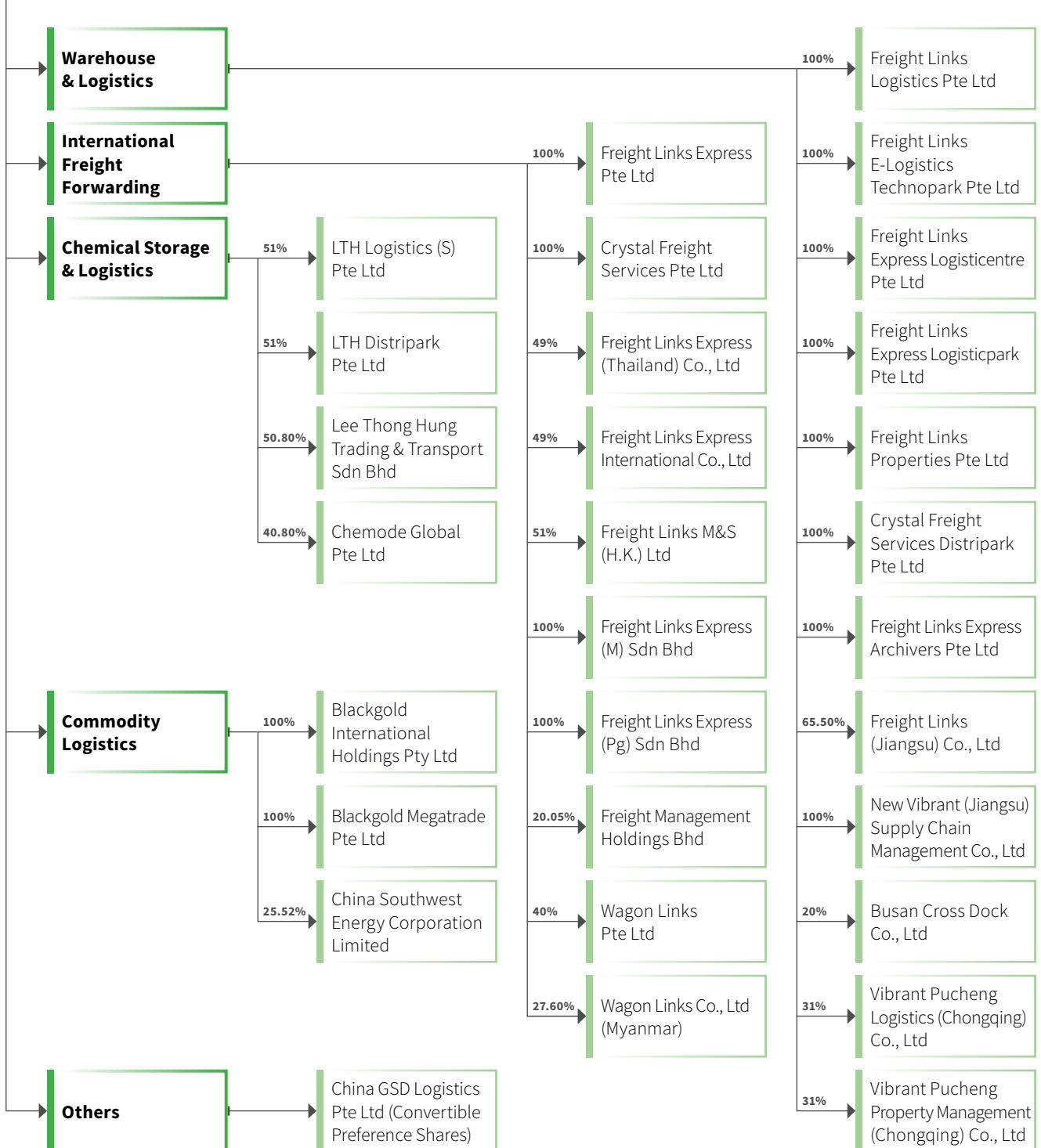
Mr Sim joined the Group in July 2003 and moved up the ranks to become Assistant Vice President. Within the Group, Mr Sim has taken on development portfolios for logistics, warehousing property and documents management services. He is currently assisting in business development and operations for contract logistics services and other upscaling projects. Mr Sim holds a Bachelor of Science (Mechanical Engineering) from the National University of Singapore.



GROUP CORPORATE STRUCTURE

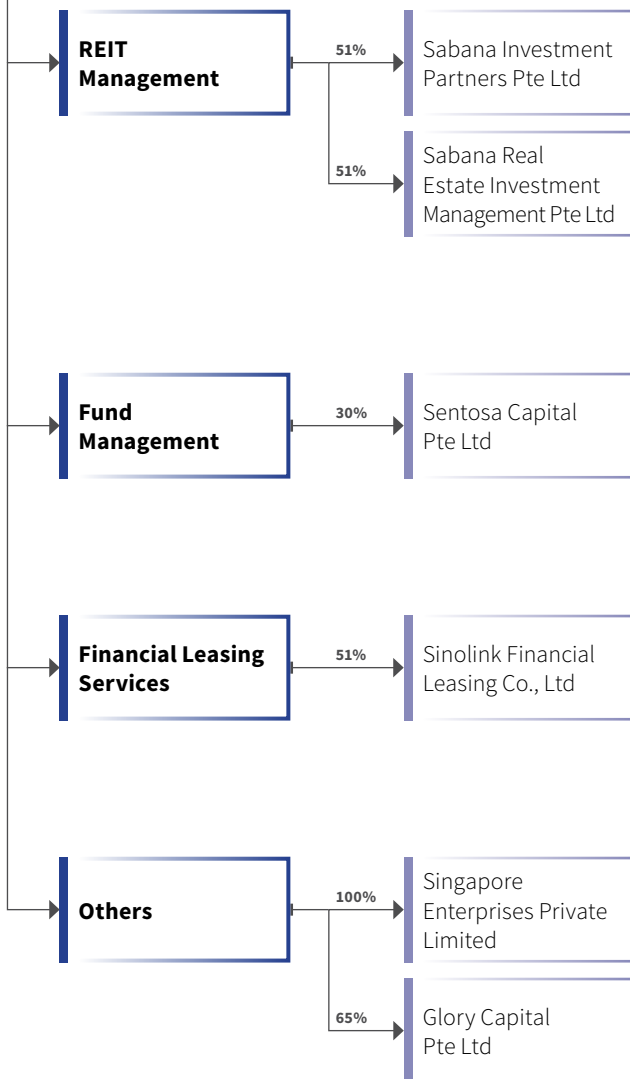


FREIGHT AND LOGISTICS

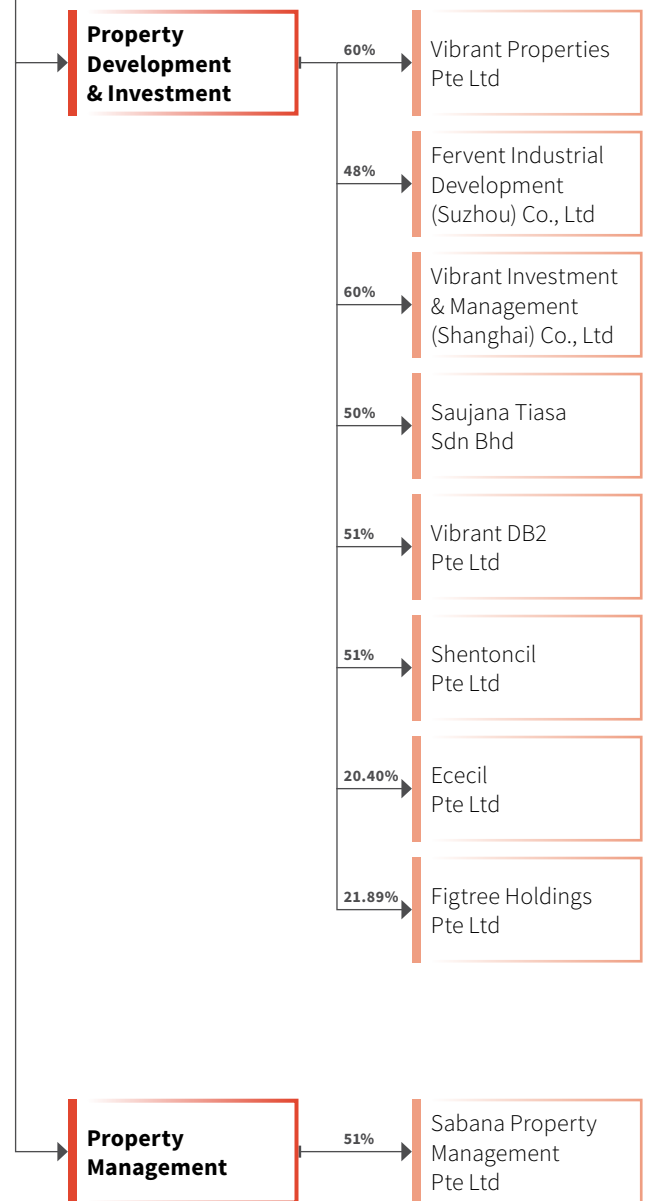




FINANCIAL SERVICES



REAL ESTATE BUSINESS



/ CORPORATE SOCIAL RESPONSIBILITY



At Vibrant Group, we believe in going beyond our core vision of integrated service provider to benefit society at large. During the year, Vibrant Group contributed to the welfare of the society through donations and volunteering works. Vibrant Group will continue to roll out programmes for the development of our employees' wellbeing and contribution back to the general society at large.

The Group has been supporting various causes yearly with the hope that however small the funds might be, it can bring about positive impact in the lives of others particularly those in need. In the year under review, the Group donated to Compassion Fund Ltd under the administration of Ministry of Social and Family Development as well as People's Association (Community Development Council) Project Fund. Compassion Fund is a crisis response fund supporting needy students from low-income families facing sudden loss of income, while donation to People's Association will be used for meaningful community projects that promote communal bonding and strengthening social cohesion.

The Group believes that all employees should be given opportunities to initiate, lead and participate in volunteering works as a form of self-development on top of giving back to the society. During the year, the Group volunteered its time with Kwong Wai Shui Hospital and had a meaningful and heartwarming session with its patients. The hospital is a charitable organisation providing healthcare services to the needy in Singapore. Most of the services are heavily subsidised or offered for a token fee. The wide range of services covers inpatient nursing home, rehabilitation physiotherapy and occupational therapy, Traditional Chinese Medicine consultation, amongst others. During our time there, the Group assisted to engage the patients in the therapy session through the classic game of BINGO. The session brought about joy and laughter, allowing patients to relax, enhance their social interaction, express their feelings as well as strengthening fine motor skills. The Group also contributed game prizes as gifts and encouragement, brightening the day for the patients.

The Group will continue to seek opportunities to contribute back to the society wholesomely as well as to nurture and foster a spirit of volunteerism within all our employees.

/ SUSTAINABILITY REPORT SUMMARY



At Vibrant Group, we believe that driving our business in a sustainable manner will allow us to strive towards sustainable and resilient growth. Information on our sustainable policies, initiatives, performance and targets can be found in our sustainability report, which is prepared in accordance with the Singapore Exchange (“SGX”)’s sustainability reporting requirements and with reference to the Global Reporting Initiative (“GRI”) Standards 2016.

The sustainability report will provide and summarize the sustainability performance of freight and logistics business of the Group, covering international freight forwarding, warehousing property and logistics as well as chemical storage and logistics operations for the financial year ended 30 April 2019 (“FY2019”). We conducted a detailed materiality assessment and expanded the Group’s material topics and related disclosures for FY2019 sustainability report.

In FY2019, the following material issues were identified:

CATEGORY	MATERIAL TOPICS
Economic	Economic Performance
Environment	Emissions
	Waste Management
	Energy
	Water Management
Social	Health and Safety
	Employment
	Customer Privacy
Governance	Compliance with Laws and Regulations

Details on the Group’s sustainability governance structure, stakeholder engagement, as well as materiality assessment process and results will be presented in the sustainability report. We will also monitor our progress in achieving our sustainability targets for each material topics, continuously improve our management in key sustainability risks and opportunities, and striving for a more sustainable growth for the Group.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

Sebastian Tan Cher Liang, PBM

Executive

Eric Khua Kian Keong
Henry Chua Tiong Hock

Non-Executive

Khua Hock Su

Independent Non-Executive

Sebastian Tan Cher Liang, PBM
Derek Loh Eu Tse

AUDIT COMMITTEE

Sebastian Tan Cher Liang, Chairman
Khua Hock Su
Derek Loh Eu Tse

NOMINATING COMMITTEE

Derek Loh Eu Tse, Chairman
Sebastian Tan Cher Liang
Eric Khua Kian Keong

REMUNERATION COMMITTEE

Derek Loh Eu Tse, Chairman
Sebastian Tan Cher Liang
Khua Hock Su

COMPANY SECRETARY

Dorothy Ho

SHARE REGISTRAR

Tricor Barbinder Share Registration Services

(A division of Tricor Singapore Pte. Ltd.)
80 Robinson Road
#02-00, Singapore 068898
Tel: 6236 3333
Fax: 6236 4399

REGISTERED OFFICE

51 Penjuru Road #04-00
Freight Links Express Logisticcentre
Singapore 609143
Tel: 6262 6988
Fax: 6261 3316

AUDITORS

KPMG LLP

Public Accountants and Chartered Accountants
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Ling Su Min, Partner-in-charge
(appointed since FY2015)

PRINCIPAL BANKERS

United Overseas Bank Limited

80 Raffles Place
UOB Plaza
Singapore 048624

Oversea-Chinese Banking Corporation Limited

65 Chulia Street
OCBC Centre
Singapore 049513

DBS Bank Ltd

12 Marina Boulevard
Marina Bay Financial Centre
Singapore 018982

CORPORATE GOVERNANCE REPORT

For the financial year ended 30 April 2019

The Board of Directors and Management are committed to ensuring and maintaining high standards of corporate governance in accordance with the principles and guidelines set out in the Code of Corporate Governance 2012 (“the Code”) to enhance long-term shareholders’ value through enhancing corporate performance and accountability.

This report sets out the Group’s corporate governance practices in place during the financial year ended 30 April 2019 (“FY2019”). The Company will continually review its corporate governance practices in compliance with the Code. The Board confirms that the Group has generally adhered to the principles and guidelines set out in the Code for FY2019. Where there are deviations from the Code, appropriate explanations are provided.

The new Code of Corporate Governance 2018 was issued on 6 August 2018 (the “Revised Code”), and will only take effect for annual reports covering financial years commencing from 1 January 2019. As such, the Revised Code will not affect the Company’s latest financial year ended 30 April 2019, and accordingly, the Group will only make reference to the Code in reviewing and implementing its corporate governance structures and practices.

Guide	Compliance with the Code
	<p>The Board, after making due inquiries, believes that the Company has complied in all material aspects with the principles and guidelines as set out in the Code of Corporate Governance 2012 (the “Code”). We show details of our compliance in this report.</p> <p>As required by the Listing Manual of the Singapore Stock Exchange Securities Trading Limited (“SGX-ST”), this report has been prepared with specific reference to each Guideline of the Code.</p>
<p>I. BOARD MATTERS</p>	
<p>The Board plays a pivotal role in overseeing the Group’s overall strategy and business direction and is collectively responsible for the Group’s long-term success. The Management has been providing Directors with full and timely information to assist the Directors in the fulfillment of their responsibilities.</p>	
<p>Principle 1: Effective Board to Lead and Control the Company</p>	
<p>1.1</p>	<p>Board’s Role</p> <p>The Board is responsible in overseeing the Group’s overall strategic and business direction and is collectively responsible for the Group’s long-term success. The principal duties of the Board include, <i>inter alia</i>, providing entrepreneurial leadership, setting strategic objectives and to ensure necessary financial and human resources are in place, establishing a framework of prudent and effective controls for risk management, safeguarding shareholder’s interests and the Group’s assets as well as setting values and standards (including ethical standards) for the Group. The Board is also providing guidance on sustainability issues, such as environmental and social factors, as part of the Group’s overall business strategy.</p>
<p>1.2</p>	<p>Objective Decision Making</p> <p>The Board exercises due diligence and independent judgment in dealing with the business affairs of the Group and works with the Management to make objective decisions in the interest of the Group. The Board is also responsible to set values and standards (including ethical standards) for the Group and is mindful of the Group’s social responsibilities.</p>
<p>1.3</p>	<p>Delegation of Authority to Board Committees</p> <p>The Board is supported by a number of committees to assist it in the discharge of its responsibilities and to enhance the Company’s corporate governance framework. These committees include the Audit Committee (“AC”), Nominating Committee (“NC”) and the Remuneration Committee (“RC”). Each Board committee has its own specific duties and responsibilities, rules and regulations, and procedures governing the manner in which it is to operate and how decisions are to be taken. While the Board Committees have the authority to examine particular issues and report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters still lies with the entire Board.</p>

CORPORATE GOVERNANCE REPORT

For the financial year ended 30 April 2019

Guide	Compliance with the Code																																																																						
1.4	<p>Meetings of Board and Board Committees and Directors' Record of Attendance</p> <p>The Board and its Committees meets on a quarterly basis based on schedules planned one year ahead to review and approve the release of the Group's quarterly results and additional meetings are convened as and when circumstances warrant. In addition, ad-hoc meetings are held to address significant issues and transactions. On occasions when Directors were unable to attend meetings in person, telephonic or video-conference means were used as allowed under the Company's Constitution.</p> <p>The attendance of the Directors at Board and Committee meetings for the financial year ended 30 April 2019, as well as the frequency of such meetings is disclosed below.</p> <table border="1"> <thead> <tr> <th rowspan="3">Name of Director</th> <th colspan="2">Board</th> <th colspan="2">Audit Committee</th> <th colspan="2">Remuneration Committee</th> <th colspan="2">Nominating Committee</th> </tr> <tr> <th colspan="2">No. of Meetings</th> <th colspan="2">No. of Meetings</th> <th colspan="2">No. of Meetings</th> <th colspan="2">No. of Meetings</th> </tr> <tr> <th>Held</th> <th>Attended</th> <th>Held</th> <th>Attended</th> <th>Held</th> <th>Attended</th> <th>Held</th> <th>Attended</th> </tr> </thead> <tbody> <tr> <td>Eric Khua Kian Keong</td> <td>4</td> <td>4</td> <td>5</td> <td>5</td> <td>-</td> <td>-</td> <td>1</td> <td>1</td> </tr> <tr> <td>Henry Chua Tiong Hock</td> <td>4</td> <td>4</td> <td>5</td> <td>5</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Sebastian Tan Cher Liang</td> <td>4</td> <td>4</td> <td>5</td> <td>5</td> <td>1</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>Khua Hock Su</td> <td>4</td> <td>4</td> <td>5</td> <td>5</td> <td>1</td> <td>1</td> <td>-</td> <td>-</td> </tr> <tr> <td>Derek Loh Eu Tse</td> <td>4</td> <td>4</td> <td>5</td> <td>5</td> <td>1</td> <td>1</td> <td>1</td> <td>1</td> </tr> </tbody> </table>	Name of Director	Board		Audit Committee		Remuneration Committee		Nominating Committee		No. of Meetings		No. of Meetings		No. of Meetings		No. of Meetings		Held	Attended	Held	Attended	Held	Attended	Held	Attended	Eric Khua Kian Keong	4	4	5	5	-	-	1	1	Henry Chua Tiong Hock	4	4	5	5	-	-	-	-	Sebastian Tan Cher Liang	4	4	5	5	1	1	1	1	Khua Hock Su	4	4	5	5	1	1	-	-	Derek Loh Eu Tse	4	4	5	5	1	1	1	1
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Derek Loh Eu Tse	4	4	5	5	1	1	1	1																																																															
1.5	<p>Internal Guidelines on Matters Requiring Board Approval</p> <p>The Board of directors objectively takes decisions in the interests of the Group. Matters requiring the Board's specific approval are those involving material acquisition and disposal of assets/investments, corporate or financial restructuring, corporate exercises and budgets.</p>																																																																						
1.6	<p>Continuous Training and Development of Directors</p> <p>All new Directors appointed to the Board are briefed by the Chairman, as well as the chairmen of the Board Committees, on issues relevant to the Board and Board Committees. They are also briefed by senior management on the Group's business activities, strategic direction and policies, key business risks, the regulatory environment in which the Group operates and governance practices, as well as their statutory and other duties and responsibilities as Directors. All newly appointed Directors who do not have prior experience as a director of a public listed company in Singapore will attend the training at the Singapore Institute of Directors or any other relevant courses.</p> <p>The management will keep the Directors up-to-date on pertinent developments in the business including changes in laws and regulations, code of corporate governance, financial reporting standards and industry related matters. To enable the Directors to equip themselves to effectively discharge their duties and to enhance their skills and knowledge, the Management informed the Directors of relevant training programs, seminars and workshops organized by various professional bodies and organisations.</p>																																																																						
1.7	<p>Letter to Director on Appointment</p> <p>Upon appointment to the Board, all new Directors receive a formal letter setting up his/her duties and responsibilities. Directors are given appropriate orientation and briefings by the Management on the business activities of the Group, its strategic directions, and the Company's corporate governance policies and practices when they are first appointed to the Board.</p> <p>No new Director was appointed during the year under review.</p>																																																																						

CORPORATE GOVERNANCE REPORT

For the financial year ended 30 April 2019

Guide	Compliance with the Code
Principle 2: Independent Element on the Board	
2.1	<p>Independent Element of the Board</p> <p>The Board, taking into account the views of the NC, assesses the independence of each Director annually in accordance with the guidance in the Singapore Code. A Director is considered independent if he has no relationship with the Group or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgment in the best interests of the Company.</p> <p>Currently, more than half of the Board is made up of Non-executive Directors. Of the three Non-executive Directors, two of them, making up at least one-third of the Board, are independent, thus providing for independent element on the Board capable of exercising objective judgment on corporate affairs of the Group.</p>
2.2	<p>Composition of Independent Directors on the Board</p> <p>The Group's chairman Mr Sebastian Tan Cher Liang is a non-executive, independent director and is not related to the CEO. Mr Derek Loh Eu Tse has also been appointed as non-executive, independent director. Both have made themselves available to shareholders at the Company's general meeting.</p>
2.3	<p>Independence of Directors</p> <p>An independent Director is one who has no relationship with the company, its related companies, its 10% shareholders or its officers who can interfere, or be reasonably perceived to interfere with the exercise of the Director's Independent business judgment with a view to the best interests of the Company.</p> <p>The NC has reviewed and confirmed the independence of the Independent Directors in accordance with the Code. The Independent Directors have also confirmed their independence in accordance with the Code.</p> <p>The NC has assessed the independence of Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse, and is satisfied that there is no relationship or other factors such as gifts or financial assistance, past association, business dealings, representative of shareholder, financial dependence, relationship with the Group or the Group's management, etc. which would impair their independent judgment.</p>
2.4	<p>Independence of Directors Who Have Served on the Board Beyond Nine Years</p> <p>Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse have served on the Board beyond the suggested nine year period from the date of their first appointment. The Board has observed their performance at Board Meetings and other occasions and have no reasons to doubt their independence in the course of discharging their duties. The Board felt that the two Independent Directors had continued to exhibit strong independent business judgment on corporate affairs; of which the Board valued their contributions and expertise. In addition, the two Independent Directors are not related to any substantial shareholders or directors and have no shares, no business dealings or any conflict of interest with the Group. The Board is satisfied that the independency of these two board members had not been compromised despite their long service on the Board.</p>

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For the financial year ended 30 April 2019

Guide	Compliance with the Code												
2.5	<p>Composition and Size of the Board</p> <p>The NC conducted its annual review on the composition of the Board which comprises members from different backgrounds whose core competencies, qualifications, skills and experiences are extensive. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately.</p> <p>Taking into account the scope and nature of the operations of the Group, it is the NC's considered opinion that the current Board composition and size are appropriate and as a group, the Directors provide relevant competencies to facilitate effective decision making for the existing needs and demands of the Group's businesses. Details of the Directors' qualifications, background and working experience, principal commitments and shareholdings in related corporations are found under the "Directors' Profile" section of this Financial Report. The Board's decision-making process is not dominated by any individual or small group of individuals.</p> <p>The Board members for the financial year ended on 30 April 2019 are as follows:</p> <table border="1" data-bbox="264 846 906 1037"> <thead> <tr> <th data-bbox="264 846 564 875"><u>Name of Director</u></th> <th data-bbox="564 846 906 875"><u>Nature of Appointment</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="264 887 564 916">Sebastian Tan Cher Liang</td> <td data-bbox="564 887 906 916">Non-executive, Independent</td> </tr> <tr> <td data-bbox="264 916 564 945">Eric Khua Kian Keong</td> <td data-bbox="564 916 906 945">Executive, Non-independent</td> </tr> <tr> <td data-bbox="264 945 564 974">Henry Chua Tiong Hock</td> <td data-bbox="564 945 906 974">Executive, Non-independent</td> </tr> <tr> <td data-bbox="264 974 564 1003">Khua Hock Su</td> <td data-bbox="564 974 906 1003">Non-executive, Non-independent</td> </tr> <tr> <td data-bbox="264 1003 564 1032">Derek Loh Eu Tse</td> <td data-bbox="564 1003 906 1032">Non-executive, Independent</td> </tr> </tbody> </table>	<u>Name of Director</u>	<u>Nature of Appointment</u>	Sebastian Tan Cher Liang	Non-executive, Independent	Eric Khua Kian Keong	Executive, Non-independent	Henry Chua Tiong Hock	Executive, Non-independent	Khua Hock Su	Non-executive, Non-independent	Derek Loh Eu Tse	Non-executive, Independent
<u>Name of Director</u>	<u>Nature of Appointment</u>												
Sebastian Tan Cher Liang	Non-executive, Independent												
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Henry Chua Tiong Hock	Executive, Non-independent												
Khua Hock Su	Non-executive, Non-independent												
Derek Loh Eu Tse	Non-executive, Independent												
2.6	<p>Competency of the Board</p> <p>The Board's policy in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender.</p> <p>The Board comprises directors who as a group, has core competencies and diversity of experience to enable them to lead and control the Company effectively. The NC conducted its annual review of the Directors taking into account their respective areas of specialisation and expertise, and was satisfied that members of the Board as a whole possess the relevant core competencies and experiences in areas such as industry knowledge, strategic planning, business management, finance and accounting, and human resources. Profiles of directors are found on this Annual Report.</p>												
2.7	<p>Role of Non-Executive Directors</p> <p>The role of the non-executive Directors encompasses the following: (i) to constructively challenge and help develop proposals on strategy; and (ii) to review the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.</p>												
2.8	<p>Regular Meetings of Non-Executive Directors</p> <p>To facilitate a more effective check on Management, the Non-executive Directors may be called if necessary to formally meet without the presence of Management or Executive Director to review any matter that must be raised privately.</p> <p>During the year, Independent Directors met regularly and on an ad hoc basis with the CEO and senior management team as well as other Non-Executive Directors to discuss challenges facing by the Group. The Company also benefited from the Management's ready access to its Directors for guidance and exchange of views both within and outside the formal environment of the Board and Board committees meetings.</p>												
Principle 3: Clear Division of Responsibilities and Balance of Power and Authority													
3.1	<p>Separate Role of Chairman and CEO</p> <p>The Chairman of the Board is a non-executive appointment and is separate from the office of the Group CEO. The Chairman leads the Board and is responsible for ensuring the effectiveness of the Board and its governance processes, while the Group CEO is responsible for implementing the Group's strategies and policies, and for conducting the Group's business. The Chairman and the Group CEO are not related.</p>												

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For the financial year ended 30 April 2019

Guide	Compliance with the Code						
3.2	<p>Roles and Responsibilities of Chairman</p> <p>The Chairman, Mr Sebastian Tan Cher Liang bears primary responsibility for the management of the Board. He leads the Board, encourages Board's interaction with Management, facilitates effective contribution of Non-Executive Directors, encourages constructive relations among the Directors, and promotes high standards of corporate governance. He also ensures effective communication with shareholders and encourages constructive relations within the Board and between the Board and Management.</p> <p>Prior to each Board meeting, the Chairman determines the agenda for the meeting and instructs the Company Secretary to disseminate it to all Directors at least 7 days before the meeting. He leads the meetings and ensures full discussion of each agenda item, as appropriate. The Chairman ensures that Board members engage the Management in constructive debate on various matters including strategic issues. He also oversees the quality and timeliness of information flow between the Management and the Board.</p> <p>The Board has established various committees with power and authority to perform key functions beyond the authority of, or without undue influence from, the Chairman and/or the CEO. The Board is of the view that there is an appropriate balance of power and authority at the top of the Company and no single director has considerable concentration of power.</p>						
3.3	<p>Appointment of Lead Independent Director</p> <p>The Group currently have not appointed the lead independent director considering the Group's current business operations and the Board size of only five members with two being Independent Directors. The Chairman is a non-executive, independent director and is not related to the CEO. The Group's Independent Directors conferred between themselves when necessary, without the presence of the other Directors, and the Independent Directors will provide feedback to the Chairman after such meetings as appropriate.</p>						
3.4	<p>Lead Independent Director to Lead in Periodical Meetings Amongst Themselves</p> <p>Although no Lead Independent Director has been appointed, the Company's Independent Directors conferred among themselves when necessary, without the presence of the other Directors. In addition, Independent Directors also met regularly and on ad hoc basis with the CEO and senior management team as well as other Non-Executive Directors to discuss challenges facing the Group.</p>						
<p>Principle 4: Formal and Transparent Process for the Appointment of Directors to the Board</p>							
4.1	<p>NC Membership and Key Terms of Reference</p> <p>The NC comprises three Directors two of whom, including the Chairman, are non-executive and independent.</p> <p>The members of the NC as at the date of this Report are as follows:</p> <table border="0" data-bbox="288 1473 1066 1563"> <tr> <td>Mr Derek Loh Eu Tse</td> <td>Chairman (Non-executive, Independent)</td> </tr> <tr> <td>Mr Sebastian Tan Cher Liang</td> <td>Member (Non-executive, Independent)</td> </tr> <tr> <td>Mr Eric Khua Kian Keong</td> <td>Member (Executive, Non-independent)</td> </tr> </table> <p>The NC is guided by key terms of reference as follows:</p> <ul data-bbox="288 1648 1471 1850" style="list-style-type: none"> • Make recommendation on all Board and Board committee appointments and re-appointments; • Determine the performance criteria and evaluation process for assessing the performance of the Board, the Board committees and individual directors; • Determine on an annual basis whether or not a Director is independent; • Review and recommend training and professional development programs for the Directors; • Set guideline on multiple board representations; and • Assess whether or not a Director is able to and has been adequately carrying out his duties. 	Mr Derek Loh Eu Tse	Chairman (Non-executive, Independent)	Mr Sebastian Tan Cher Liang	Member (Non-executive, Independent)	Mr Eric Khua Kian Keong	Member (Executive, Non-independent)
Mr Derek Loh Eu Tse	Chairman (Non-executive, Independent)						
Mr Sebastian Tan Cher Liang	Member (Non-executive, Independent)						
Mr Eric Khua Kian Keong	Member (Executive, Non-independent)						
4.2	<p>Responsibilities of NC</p> <p>Its principal function is to review the nominations for appointments or re-appointments of members of the Board of Directors and the members of the various Board committees for the purpose of proposing such nominations to the Board for its approval. The Board on the recommendation of the NC appoints new directors.</p> <p>It reviews board succession plans for directors, in particular, the CEO. It also develops the process for evaluation of the performance of the Board, its board committees and directors. The NC has endorsed the provision of training and professional development programs for the Board in the manner as described under Guideline 1.6.</p>						

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For the financial year ended 30 April 2019

Guide	Compliance with the Code
4.3	<p>NC to Determine Directors' Independence</p> <p>The NC conducted an annual review of the independence of the Directors as mentioned under Guidelines 2.3 and 2.4 above based on their declarations of independence (or otherwise), which were drawn up based on the guidelines provided under the Code. As and when circumstances require, the NC will also assess and determine a Director's independence.</p>
4.4	<p>Commitments of Directors Sitting on Multiple Boards</p> <p>The Board has determined the maximum number of board appointments in listed companies that a director can hold shall not be more than six, so as to ensure that the directors are able to commit their time to effectively discharge their responsibilities. All the directors currently do not hold more than six listed company board representations.</p> <p>The NC has reviewed each Director's outside directorships and their principal commitments as well as each Director's attendance and contributions to the Board. Despite the multiple directorships of some Directors, the NC is satisfied that the Directors spent adequate time on the Company's affairs and have carried out their responsibilities.</p>
4.5	<p>Appointment of Alternate Directors</p> <p>Currently, the Company does not have any alternate director.</p>
4.6	<p>Process for the Selection and Appointment of New Directors</p> <p>Regulation 94 of the Company's Constitution requires one third of the Board with the exception of any Director appointed to fill casual vacancy pursuant to Regulation 76, to retire by rotation at every Annual General Meeting ("AGM"). Regulation 76 provides that any director so appointed shall hold the office until the next AGM, but shall be eligible for re-election. The NC has recommended the nomination of the directors retiring by rotation under the Regulation at the forthcoming AGM, for re-election.</p> <p>The Company has in place a process for selecting and appointing new Directors. This process includes an evaluation of the candidate's capabilities and how the candidate fits into the overall desired competency of the Board. The NC may recourse to both internal sources as well as external sources to draw up a list of potential candidates. Short-listed candidates would be required to furnish their curriculum vitae stating in detail their qualification, working experience, employment history, in addition to completing certain prescribed forms to enable the NC to assess the candidate's independence status and compliance with the Company's established internal guidelines.</p> <p>For the year under review, no new Director was appointed to the Board.</p>
4.7	<p>Information on Directors</p> <p>Key information of each member of the Board including directorships and chairmanships both present and those held over the preceding three years in other listed companies, other major appointments, academic/professional qualifications, memberships/chairmanships in the Company's Board committees, date of first appointment, last re-election and other relevant information, can all be found under the "Directors' Profile" section of this Annual Report.</p> <p>All Directors, including the Chairman of the Board and CEO, submit themselves for re-election at regular intervals of about once every three years. One-third of the Directors will retire at the Company's AGM each year. Profile of the Directors seeking election or re-election is provided on pages 162 to 165.</p>
Principle 5: Assessment of the Effectiveness of the Board	
5.1	<p>Board Performance</p> <p>The Company has implemented a formal process to evaluate the performance of the Board as a whole and its ability to discharge its responsibilities in providing stewardship, corporate governance and oversight of Management's performance.</p> <p>The NC evaluates the Board's performance as a whole on an annual basis. For the year under review, all directors have completed Board performance evaluation forms to assess the overall effectiveness of the Board. To ensure confidentiality, the evaluation returns completed by all Directors were submitted to the Company Secretary for collation and the consolidated responses were presented to the NC for review and discussion. The NC has reported to the Board on its review of the Board's performance for the year.</p>

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Guide	Compliance with the Code
5.2	<p>Performance Criteria for Board Evaluation</p> <p>The NC has implemented a process for evaluating the effectiveness of the Board as a whole and its Board Committees, the contribution by each individual Director to the effectiveness of the Board, and the effectiveness of the Chairman of the Board.</p> <p>The NC has established objective criteria to evaluate the Board's performance. The benchmark for the Board performance evaluation include the appropriate size and composition of the Board, access to information, processes and accountability, communication with Management and shareholders.</p>
5.3	<p>Evaluation of Individual Director</p> <p>Evaluation of individual Director's performance is a continuous process. The assessment of director is based on criteria such as relationship with the Company, experience in being a company director and various competencies and knowledge and wealth of experience. The NC together with the Chairman of the Board evaluates the effectiveness of the Board in monitoring management's performance against the goals that have been set by the Board.</p>
Principle 6: Board Members Should Be Provided with Complete, Adequate and Timely Information	
6.1	<p>Board's Access to Information</p> <p>To enable the Board to make informed decisions and to fulfill its responsibilities, the Management provides complete, accurate and adequate information in a timely manner. A system of communication between the Management and the Board and Board committees has been established and improved over time.</p> <p>The Board, its committees and every Director have separate and independent access to the Management and are free to request for additional information as needed to make informed decisions.</p>
6.2	<p>Provision of Information to the Board</p> <p>Directors receive periodic financial and operational reports, budgets, forecasts and other disclosure documents on the Group's businesses prior to Board meetings. Senior Management who have prepared the papers, or who can provide additional insight into the matters to be discussed, are invited to present the paper or attend at the relevant time during Board and Board Committee meetings. In respect of budgets, any material variance between the projections and actual results are disclosed and explained.</p>
6.3	<p>Board's Access to the Company Secretary</p> <p>Directors have separate and independent access to the Company Management and Company Secretary at all times. The Company Secretary attends all Board meetings and advises the Board on all governance matters, as well as facilitating orientation and assisting with professional development.</p>
6.4	<p>Appointment and Removal of Company Secretary</p> <p>The role of the Company Secretary, the appointment and removal of whom is a matter for the Board as a whole, is as follows:</p> <ul style="list-style-type: none"> • Ensuring that Board procedures are observed and that the Company's regulations, relevant rules and regulations, including requirements of the Securities and Futures Act (Chapter 289) of Singapore, the Companies Act (Chapter 50) of Singapore and the SGX-ST Listing Manual, are complied with; • Assisting the Chairman and the Board to implement and strengthen corporate governance practices, with a view to enhancing long-term shareholder value; • Assisting the Chairman to ensure good information flows within the Board and its committees and key management personnel; • Facilitating orientation and assisting with professional development as required; • Attending and preparing minutes for all Board meetings; • As secretary to all the other Board Committees, assisting to ensure coordination and liaison between the Board, the Board Committees and key management personnel; and • Assisting the Chairman, the Chairman of each Board Committee and key management personnel in the development of the agendas for the various Board and Board Committee meetings.
6.5	<p>Board's Access to Independent Professional Advice</p> <p>Where decisions to be taken by the Board require specialised knowledge or expert opinion, the Board has adopted a policy to seek independent professional advice where appropriate, with such expense borne by the Company.</p>

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II. REMUNERATION MATTERS	<p>Matters concerning remuneration of the Board, senior executives and other employees who are related to the controlling shareholders and/or our Directors (if any) are handled by the RC whose primary function is to establish formal and transparent policies on remuneration matters in the Company.</p> <p>Matters which are required to be disclosed in the annual remuneration report have been sufficiently disclosed in this Report and in the Financial Statements of the Company and of the Group.</p>						
Principle 7: Procedures for Developing Remuneration Policies							
7.1	<p>Remuneration Committee</p> <p>The RC comprises three Non-executive Directors, two of whom, including the Chairman of the RC, are independent. The members of the RC as at the date of this Report are as follows:</p> <table border="0" data-bbox="268 824 1082 913"> <tr> <td>Mr Derek Loh Eu Tse</td> <td>Chairman (Non-executive, Independent)</td> </tr> <tr> <td>Mr Sebastian Tan Cher Liang</td> <td>Member (Non-executive, Independent)</td> </tr> <tr> <td>Mr Khua Hock Su</td> <td>Member (Non-executive, Non-independent)</td> </tr> </table> <p>The RC is guided by key terms of reference as follows:</p> <ul data-bbox="268 1003 1457 1205" style="list-style-type: none"> • Review and recommend to the Board a general framework of remuneration and specific remuneration packages for each Director and key management personnel and the implementation of any appropriate performance-related elements to be incorporated in the remuneration framework; • Review annually the remuneration packages of employees who are related to any of the Directors or any substantial shareholder of the Group; and • Establish appropriate remuneration framework to motivate and retain Directors and executives, and ensure that the Company is able to attract appropriate talent from the market in order to maximise value for shareholders. 	Mr Derek Loh Eu Tse	Chairman (Non-executive, Independent)	Mr Sebastian Tan Cher Liang	Member (Non-executive, Independent)	Mr Khua Hock Su	Member (Non-executive, Non-independent)
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7.2	<p>Remuneration Framework</p> <p>To attract, retain and motivate Directors and employees, the RC establishes appropriate remuneration frameworks for the Directors and employees of the Company. Such frameworks are being reviewed periodically to ensure that they remain relevant.</p> <p>The RC will recommend to the Board a framework of remuneration for fixing the remuneration packages of individual directors and key management personnel. Members of this Committee are knowledgeable in the field of executive compensation.</p> <p>Directors' fees are established annually for the Chairman and the other Directors. Additional fees are paid for participation in Board Committees. The level of fees takes into account the size and complexity of the Company's operations, and the responsibilities and workload requirements of Directors. The fees are submitted to shareholders for approval at each AGM.</p> <p>The RC reviewed and approved the remuneration package (which includes salaries, allowances, bonuses and benefits-in-kind) of the Executive Director after considering inter alia the achievement of his KPIs. In addition, the RC reviewed the performance of the Group's senior executives (excluding those employed by the listed subsidiary which has its own remuneration committee), taking into consideration the CEO's assessment of and recommendation for bonus and remuneration.</p> <p>No member of the RC was involved in deciding his own remuneration.</p>						
7.3	<p>RC's Access to Advice on Remuneration Matters</p> <p>If necessary, further expertise from outside sources will be made available. The Committee is aware of the need to minimise the risk of any potential conflict of interest and will ensure that no director should be involved in deciding his own remuneration.</p>						
7.4	<p>Service Contract</p> <p>The Company's obligations in the event of termination of service of Executive Director and key management personnel are contained in their respective employment letters. The RC was satisfied that termination clauses therein are fair and reasonable to the respective employment class and are not overly generous.</p>						

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For the financial year ended 30 April 2019

Guide	Compliance with the Code
Principle 8: Level and Mix of Remuneration	
8.1	<p>Remuneration of Executive Director and Key Management Personnel</p> <p>The RC will also propose in its framework of remuneration, the various levels and mix of components considered to be appropriate to attract, retain and motivate Directors. A significant and appropriate proportion of Executive Directors and key management personnel remuneration is structured so as to link rewards to corporate and individual performance. Such performance-related remuneration should be aligned with the interest of shareholders and promote the long-term success of the Group. It has taken account of risk policies of the company, be symmetric with risk outcomes and be sensitive to the time horizon of risks.</p> <p>For the purpose of assessing the performance of the Executive Director and key management personnel, KPIs in both financial and non-financial targets are clearly set out at the beginning of each financial year. Financial targets include net profit, return on total assets and return on shareholders' equity. Non-financial targets are those related to reputation, customers, employees, environment, community and sustainable future. Such KPIs comprise also both quantitative and qualitative factors as well as short and medium term targets.</p> <p>In addition, the Company's remuneration structure takes into consideration benchmarks in comparable size of entities in similar industries.</p>
8.2	<p>Long-term Incentive Scheme</p> <p>The Executive Director and key management personnel are moderately compensated. The RC is of the view that there is no requirement to have any long-term incentive scheme or schemes involving the offer of shares or grants of options or other forms of deferred remuneration.</p>
8.3	<p>Remuneration of Non-Executive Directors</p> <p>The RC and the Board are of the view that the remuneration of Non-executive Directors is appropriate to the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Non-executive Directors. The Non-executive Directors are compensated reasonably without their independence being compromised. The Group does not have any scheme to encourage Non-executive Directors to hold shares in the Group.</p>
8.4	<p>Contractual Provision to Reclaim Incentive Components of Remuneration</p> <p>Having reviewed and considered the variable components of the Executive Director and key management personnel, which are moderate, the RC is of the view that there is no requirement to institute contractual provisions in the terms of employment to reclaim incentive components of their remuneration paid in prior years.</p>
Principle 9: Disclosure on Remuneration	
9.1	<p>Remuneration Report</p> <p>The breakdown of the level and mix of remuneration of each Director and the top senior executives for the financial year ended 30 April 2019 are set out below. A significant portion of senior executives' remuneration is linked to corporate and individual performance.</p>

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For the financial year ended 30 April 2019

Guide	Compliance with the Code																																																						
9.2	<p>Remuneration of Directors</p> <p>A summary of the remuneration of each Director which is paid or payable by the Company for FY2019 is set out below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="background-color: #444; color: white;">Directors</th> <th colspan="4" style="background-color: #444; color: white;">Mix of Remuneration by %</th> </tr> <tr> <th style="background-color: #444; color: white;">Salary</th> <th style="background-color: #444; color: white;">Bonus</th> <th style="background-color: #444; color: white;">Directors' fees</th> <th style="background-color: #444; color: white;">Total</th> </tr> </thead> <tbody> <tr> <td colspan="5" style="background-color: #eee;">\$500,000 to \$750,000</td> </tr> <tr> <td>Eric Khua Kian Keong</td> <td style="text-align: center;">73.7</td> <td style="text-align: center;">25.6</td> <td style="text-align: center;">0.7</td> <td style="text-align: center;">100</td> </tr> <tr> <td>Thomas Woo Sai Meng*</td> <td style="text-align: center;">95.9</td> <td style="text-align: center;">4.0</td> <td style="text-align: center;">0.1</td> <td style="text-align: center;">100</td> </tr> <tr> <td colspan="5" style="background-color: #eee;">\$250,000 to \$499,999</td> </tr> <tr> <td>Henry Chua Tiong Hock</td> <td style="text-align: center;">81.2</td> <td style="text-align: center;">4.8</td> <td style="text-align: center;">14.0</td> <td style="text-align: center;">100</td> </tr> <tr> <td colspan="5" style="background-color: #eee;">Below \$250,000</td> </tr> <tr> <td>Khua Hock Su</td> <td style="text-align: center;">–</td> <td style="text-align: center;">–</td> <td style="text-align: center;">100</td> <td style="text-align: center;">100</td> </tr> <tr> <td>Sebastian Tan Cher Liang</td> <td style="text-align: center;">–</td> <td style="text-align: center;">–</td> <td style="text-align: center;">100</td> <td style="text-align: center;">100</td> </tr> <tr> <td>Derek Loh Eu Tse</td> <td style="text-align: center;">–</td> <td style="text-align: center;">–</td> <td style="text-align: center;">100</td> <td style="text-align: center;">100</td> </tr> </tbody> </table> <p>* Retired on 30 June 2018 as the Executive Director</p> <p>Note: Salary and bonuses are inclusive of employer's Central Provident Fund contributions. Transport allowance and benefits-in-kind are included in salary.</p> <p>Having considered the sensitivity and confidentiality of remuneration matters, the Board has deviated from complying with the Code on full disclosure of the remuneration of each individual Director and the CEO on named basis and provides herein a breakdown, showing the level and mix of each director's remuneration bands of S\$250,000 for FY2019.</p>	Directors	Mix of Remuneration by %				Salary	Bonus	Directors' fees	Total	\$500,000 to \$750,000					Eric Khua Kian Keong	73.7	25.6	0.7	100	Thomas Woo Sai Meng*	95.9	4.0	0.1	100	\$250,000 to \$499,999					Henry Chua Tiong Hock	81.2	4.8	14.0	100	Below \$250,000					Khua Hock Su	–	–	100	100	Sebastian Tan Cher Liang	–	–	100	100	Derek Loh Eu Tse	–	–	100	100
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9.3	<p>Remuneration of Top 5 Key Management Personnel</p> <p>The table below sets out the ranges of gross remuneration received by the top 5 key management personnel of the Group excluding those in associated companies.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="background-color: #444; color: white;">Senior Executives</th> <th colspan="4" style="background-color: #444; color: white;">Mix of Remuneration by %</th> </tr> <tr> <th style="background-color: #444; color: white;">Salary</th> <th style="background-color: #444; color: white;">Bonus</th> <th style="background-color: #444; color: white;">Directors' fees</th> <th style="background-color: #444; color: white;">Total</th> </tr> </thead> <tbody> <tr> <td colspan="5" style="background-color: #eee;">Below \$300,000</td> </tr> <tr> <td>Alex Ng Boon Chuan</td> <td style="text-align: center;">87.6</td> <td style="text-align: center;">12.4</td> <td style="text-align: center;">–</td> <td style="text-align: center;">100</td> </tr> <tr> <td colspan="5" style="background-color: #eee;">Below \$250,000</td> </tr> <tr> <td>Simon Sim Geok Beng[#]</td> <td style="text-align: center;">95.0</td> <td style="text-align: center;">3.8</td> <td style="text-align: center;">1.2</td> <td style="text-align: center;">100</td> </tr> <tr> <td>Vincent Yong Chee Leong</td> <td style="text-align: center;">90.2</td> <td style="text-align: center;">9.8</td> <td style="text-align: center;">–</td> <td style="text-align: center;">100</td> </tr> <tr> <td>Don Tang Fook Yuen</td> <td style="text-align: center;">92.3</td> <td style="text-align: center;">7.7</td> <td style="text-align: center;">–</td> <td style="text-align: center;">100</td> </tr> <tr> <td>Au Yong Kong Seng</td> <td style="text-align: center;">95.8</td> <td style="text-align: center;">4.2</td> <td style="text-align: center;">–</td> <td style="text-align: center;">100</td> </tr> <tr> <td>Total Remuneration of top 5 Senior Executive</td> <td style="text-align: center;">\$961,833 91.9%</td> <td style="text-align: center;">\$85,040 8.1%</td> <td style="text-align: center;">\$3,000 0.0%</td> <td style="text-align: center;">\$1,046,873</td> </tr> </tbody> </table> <p>[#] Resigned on 31 March 2019</p> <p>Note: Salary and bonuses are inclusive of employer's Central Provident Fund contributions. Transport allowance and benefits-in-kind are included in salary.</p>	Senior Executives	Mix of Remuneration by %				Salary	Bonus	Directors' fees	Total	Below \$300,000					Alex Ng Boon Chuan	87.6	12.4	–	100	Below \$250,000					Simon Sim Geok Beng [#]	95.0	3.8	1.2	100	Vincent Yong Chee Leong	90.2	9.8	–	100	Don Tang Fook Yuen	92.3	7.7	–	100	Au Yong Kong Seng	95.8	4.2	–	100	Total Remuneration of top 5 Senior Executive	\$961,833 91.9%	\$85,040 8.1%	\$3,000 0.0%	\$1,046,873					
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CORPORATE GOVERNANCE REPORT

For the financial year ended 30 April 2019

Guide	Compliance with the Code
9.5 & 9.6	<p>Employee Share Scheme</p> <p>The Company does not have any employee share/stock options scheme or any other long-term incentive scheme during the financial year ended 30 April 2019.</p>
<p>III. ACCOUNTABILITY AND AUDIT</p> <p>The Board recognises the importance of providing accurate and relevant information on a timely basis. In this respect, the AC reviews all financial statements and recommends them to the Board for approval. In addition, the AC ensures that the Company maintains a sound system of internal controls to safeguard the shareholders' investments and the Group's assets as well as to manage potential risks.</p>	
<p>Principle 10: Presentation of a Balanced and Understandable Assessment of the Company's Performance, Position and Prospects</p>	
10.1	<p>Accountability for Accurate Information</p> <p>The Board recognises that it is accountable to shareholders for the Group's performance. At the end of each quarter, a review of the Group's financial performance and commentary on the competitive conditions within the industry in which the Company operates is provided to shareholders with the results announcements. Announcements are also released from time to time in compliance with the Listing Manual to keep shareholders informed of material developments within the Group.</p>
10.2	<p>Compliance with Legislative and Regulatory Requirements</p> <p>During the year, the Board reviewed quarterly reports from the Management regarding compliance by business units with all the Group's policies, operational practices and procedures, and relevant legislative and regulatory requirements.</p> <p>The Company had pursuant to Listing Rule 720(1), received undertakings from all its Directors and executive officers in the form set out at Appendix 7.7 of the Listing Manual, inter alia, that they each shall, in the exercise of their powers and duties as directors and officers (as the case may be) comply to the best of their abilities with the provisions of the Exchange's listing rules, the Securities and Futures Act, the Code on Takeovers & Mergers, and the Companies Act and will also procure the Company to do so.</p>
10.3	<p>Management Accounts</p> <p>Management provides monthly reports on the Group's financial performance to the Executive Directors and other regular reports in matters relating to sales & marketing, operations and finance.</p>
<p>Principle 11: Risk Management and Internal Controls</p>	
11.1	<p>Risk Management and Internal Control Systems</p> <p>The Board recognises the importance of maintaining a sound system of risk management and internal controls to safeguard the shareholders' interests and the Group's assets. The AC oversees and ensures that such system has been appropriately implemented and monitored.</p> <p>The Group has been carrying out its risks management functions using the Enterprise Risk Management ("ERM") framework which is in line with ISO 31000 – Risk Management Principles and Guidelines and the recommended best practices standard. The framework is reviewed regularly taking into account changes in the business and operation environments as well as evolving corporate governance requirements. Risks that affect the achievement of the business objectives and financial performance of the Group over a short-to-medium term are summarised in the Group Risks Register. The Board also reviewed the individual business unit's key risk profiles and their potential impact to the Group.</p> <p>The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.</p>

CORPORATE GOVERNANCE REPORT

For the financial year ended 30 April 2019

Guide	Compliance with the Code						
11.2	<p>Adequacy and Effectiveness of Risk Management and Internal Control Systems</p> <p>The Group carries out periodic assessments of risk and controls to ensure the adequacy and effectiveness of the company's risk management, financial and operational controls and compliance with those policies, procedures and controls.</p> <p>The Group has a system of risk management and internal controls designed to provide reasonable assurance that assets are safeguarded, operational controls are adequate, business risks are suitably protected and maintaining proper accounting records to ensure that financial information used for financial reporting are reliable. The Internal Auditor is familiar with these controls and works closely with management and the Audit Committee to identify any inadequacies and weaknesses in the systems that require attention.</p> <p>In addition, the external auditors, KPMG LLP, also conduct an annual review of the effectiveness of the Company's internal controls and recommendations for improvements are reported to the AC.</p>						
11.3	<p>Board's Comment on Adequacy and Effectiveness of Internal Controls</p> <p>Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management and various Board Committees, the Board is satisfied that adequate internal controls have been maintained on information technology and risk management system, and internal controls, including financial, operational, compliance and information technology controls, and risk management systems are effective.</p> <p>For the financial year under review, the Board has received assurance from the CEO and Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances and its effectiveness of the company's risk management and internal control systems.</p>						
11.4	<p>Risk Committee</p> <p>The responsibility of overseeing the Company's risk management framework and policies is undertaken by the AC with the assistance of the internal auditors. Having considered the Company's business & operations as well as its existing internal control and risk management systems, the Board is of the view that a separate risk committee is not currently required.</p>						
Principle 12: Establishment of Audit Committee with Written Terms of Reference							
12.1	<p>AC Membership</p> <p>The AC comprises three members, all are Non-executive Directors, two of whom, including its Chairman, are independent non-executive directors. The members of the AC at the date of this report are as follows:</p> <table data-bbox="264 1458 1082 1552"> <tr> <td>Mr Sebastian Tan Cher Liang</td> <td>Chairman (Non-executive, Independent)</td> </tr> <tr> <td>Mr Khua Hock Su</td> <td>Member (Non-executive, Non-independent)</td> </tr> <tr> <td>Mr Derek Loh Eu Tse</td> <td>Member (Non-executive, Independent)</td> </tr> </table>	Mr Sebastian Tan Cher Liang	Chairman (Non-executive, Independent)	Mr Khua Hock Su	Member (Non-executive, Non-independent)	Mr Derek Loh Eu Tse	Member (Non-executive, Independent)
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Mr Derek Loh Eu Tse	Member (Non-executive, Independent)						
12.2	<p>Expertise of AC Members</p> <p>The members of the AC have the expertise and experience in the accounting, financial management and legal domains. The Board is satisfied that the AC members are appropriately qualified to discharge their responsibilities.</p>						

CORPORATE GOVERNANCE REPORT

For the financial year ended 30 April 2019

Guide	Compliance with the Code												
12.3 & 12.4	<p>Roles, Responsibilities and Authority of AC</p> <p>The AC is guided by the following key terms of reference:</p> <ul style="list-style-type: none"> • review the Company's quarterly and annual financial statements, and any announcements relating to the Company's financial performance; • review the audit plan of the Company's external auditors and adequacy of the system of internal accounting control; • review significant financial reporting issues and judgments so as to ensure the integrity of the financial statements and any formal announcements relating to the Company's or Group's financial performance; • review related party transactions and interested person transactions to ensure compliance with the regulations set out in the SGX Listing Manual; • review the scope and results of the external audits, their cost effectiveness, and the independence and objectivity of the external auditors; • nominate external auditors for appointment or re-appointment, and review the remuneration and terms of engagement of the external auditors; • review the internal audit programme including the scope and results of the internal audit procedures, and management response to the recommend actions; • review the independence and resource capability of the internal auditors, and the adequacy and effectiveness of internal audits; • approve the appointment or re-appointment, evaluation and remuneration of the internal auditors; • review and report to the Board on the adequacy and effectiveness of the Company's internal controls including financial, operational, compliance and information technology controls, and risk management systems; and • making recommendations to the Board on all the above matters. <p>The AC has full access to and cooperation by the Management and auditors, and has full discretion to invite any Director or management executive to attend its meetings. The auditors have unrestricted access to the AC. The AC has reasonable resources to enable it to discharge its functions properly.</p>												
12.5	<p>External and Internal Auditors</p> <p>During the year, the Company's internal and external auditors were invited to attend the AC meetings and make presentations as appropriate. They also met separately with the AC without the presence of Management.</p>												
12.6	<p>Independence of External Auditors</p> <p>The AC has reviewed the extent of non-audit services provided by the external auditors and is satisfied that their independence has not been compromised.</p> <p>A breakdown of the fees paid to the external auditors for audit and non-audit services can be found in the Notes to the Financial Statements in this Annual Report and as disclosed in the table below:</p> <table border="1"> <thead> <tr> <th>External Auditor Fees for FY2019</th> <th>\$'000</th> <th>% of Total Fees</th> </tr> </thead> <tbody> <tr> <td>Total Audit Fees</td> <td>571</td> <td>95.17</td> </tr> <tr> <td>Total Non-Audit Fees</td> <td>29</td> <td>4.83</td> </tr> <tr> <td>Total Fees Paid</td> <td>600</td> <td>100.0</td> </tr> </tbody> </table>	External Auditor Fees for FY2019	\$'000	% of Total Fees	Total Audit Fees	571	95.17	Total Non-Audit Fees	29	4.83	Total Fees Paid	600	100.0
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12.7	<p>Whistle-blowing Policy</p> <p>The Group has put in place whistle blowing policy into the Company's internal control procedures to provide a channel for staff to report in good faith and in confidence, without fear of reprisals, concerns about suspected fraud, corruption, dishonest practices or other similar matters. The objective of such a policy is to ensure independent investigation of such matters and for appropriate follow-up action. All whistle blowing reports received and findings of the investigations are reported to the AC.</p>												
12.8	<p>AC to Keep Abreast of Changes to Accounting Standards</p> <p>In addition to the activities undertaken to fulfill its responsibility, the AC is kept abreast by the Management, external and internal auditors on changes to accounting standards, stock exchange rules and other codes and regulations which could have an impact on the Group's business and financial statements.</p>												
12.9	<p>Cooling-off Period for Partners or Directors of the Company's Auditing Firm</p> <p>No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the AC.</p>												

CORPORATE GOVERNANCE REPORT

For the financial year ended 30 April 2019

Guide	Compliance with the Code
Principle 13: Internal Audit	
13.1 & 13.2	<p>Internal Auditors</p> <p>The role of the internal auditors is to assist the AC to ensure that the Group maintains a sound system of controls by regular monitoring of key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the AC. The internal auditors have unrestricted access to all the company's documents, records, properties and personnel, including access to the AC. The Group has outsourced its internal audit function to independent professional firms, who will report directly to the Chairman of the AC. The external auditors will also perform operational and financial audit as required from time to time.</p>
13.3 & 13.4	<p>Internal Audit Function</p> <p>The Company's internal audit function is independent of the activities it audits. The internal auditor, Alfred PF Shee & Co is a corporate member of the Institute of Internal Auditors Singapore, and staffed with professionals with relevant qualifications and experience. Our engagement with Alfred PF Shee & Co stipulates that its work shall comply with the International Standards for the Professional Practice of Internal Auditing ("IIA Standards") issued by the Institute of Internal Auditors.</p>
13.5	<p>Adequacy and Effectiveness of Internal Audit Function</p> <p>The AC reviews the adequacy of the internal audit function at least annually to ensure that the internal audits are conducted effectively and that Management provides the necessary co-operation to enable the internal auditors to perform its function.</p>
IV. SHAREHOLDER RIGHTS AND RESPONSIBILITIES	
<p>The Company believes in treating all shareholders fairly and equitably by recognising, protecting and facilitating the exercise of shareholders' rights and continuously reviewing and updating such governance arrangements. In addition, the Company embraces effective as well as fair communication with its shareholders and encourages shareholders to participate at general meeting(s).</p>	
Principle 14: Shareholder Rights	
14.1	<p>Sufficient Information to Shareholders</p> <p>All shareholders of the Company are informed of general meetings through reports/circulars sent to all shareholders in addition to notices published in the newspapers, Company's announcements via SGXNET and the Company's website.</p>
14.2	<p>Providing Opportunity for Shareholders to Participate and Vote at General Meetings</p> <p>The Company ensures that shareholders have the opportunity to participate effectively in and vote at the AGM. Shareholders are informed of the rules that govern general meeting of shareholders.</p>
14.3	<p>Proxies for Nominee Companies</p> <p>The Constitution of the Company allows a shareholder of the Company to vote in person or by proxy at the AGM of the Company. Each Shareholder is allowed to appoint not more than two proxies to vote on his behalf at the Shareholders' Meetings through proxy forms sent in advance. Investors, who hold shares through nominees such as the Central Provident Fund (CPF) and custodian banks are allowed to attend the AGM as observers subject to availability of seats.</p>
Principle 15: Communication with Shareholders	
15.1	<p>Communication with Shareholders</p> <p>The Board embraces openness and transparency in the conduct of the Company's affairs, whilst safeguarding its commercial interests. An investor relations contact was provided via the Company's website which stakeholders can use to voice their concerns or complaints about possible violation of their rights. Material information is communicated to shareholders on a timely and non-selective basis.</p>
15.2	<p>Timely Information to Shareholders</p> <p>The Board recognises the need to keep shareholders informed of material developments in the Company. This is done through appropriate press releases and announcements published on SGXNET and the company's website whenever required by the Listing Manual. When immediate disclosure is not practicable, the relevant announcement is made as soon as possible to ensure that all stakeholders and the public have equal access to the information. Where there is inadvertent disclosure made to a select group, the company will make the same disclosure publicly to all others as promptly as possible on the company's website.</p> <p>In addition, the Company regularly updated the website at www.vibrant.com.sg for disseminating information to and improving communication with shareholders.</p>

CORPORATE GOVERNANCE REPORT

For the financial year ended 30 April 2019

Guide	Compliance with the Code
15.3	<p>Regular Dialogue with Shareholders</p> <p>General meetings have been and are still the principal forum for dialogue with shareholders. At these meetings, shareholders are able to engage the Board and the Management on the Group's business activities, financial performance and other business-related matters. The Company could also gather views or input and address shareholders' concerns at general meetings.</p>
15.4	<p>Soliciting and Understand Views of Shareholders</p> <p>To promote a better understanding of shareholders' views, the Board actively encourages shareholders to participate during the Company's general meetings. These meetings provide excellent opportunities for the Company to obtain shareholders' views on value creation. Further, Management would meet analysts and fund managers as appropriate.</p>
15.5	<p>Dividend Policy</p> <p>The Company does not have a formal dividend policy at present. The form, frequency and amount of dividends declared each year will take into consideration the Group's performance in the relevant financial period, cash position, projected capital requirements, working capital requirements and others factors as the Board may deem appropriate.</p>
Principle 16: Conduct of Shareholder Meetings	
16.1	<p>Effective Shareholders Participation</p> <p>To facilitate shareholders' effective participation at AGMs, shareholders are encouraged to refer to the SGX's investor guides, namely "An Investor's Guide to Reading Annual Reports" and "An Investor's Guide to preparing for Annual General Meetings". The guides, in both English and Chinese, are available at the SGX website.</p> <p>Notice of general meetings are announced via SGXNET and published in the newspapers, the notice of general meetings and annual reports or circulars are despatched to Shareholders within the time notice period as prescribed by the regulations.</p> <p>Shareholders are encouraged to attend the general meeting as this is the principal forum for any dialogue they may have with the directors and management of the Company. The Board welcomes views and questions from shareholders. The Chairman of the Board, members of the AC, NC and RC are present and available to address questions at general meetings. The External Auditors are also present to assist the Board.</p>
16.2	<p>Separate Resolutions at General Meetings</p> <p>Resolutions to be passed at AGMs are always separate and distinct in terms of issue so that shareholders are better able to exercise their right to approve or deny the issue or motion. A balanced assessment of the relevant issues is provided or explained to shareholders, if necessary, to enable them to make informed judgments about the resolutions.</p>
16.3	<p>Attendees at General Meetings</p> <p>All Directors, including the Chairman of the Board and its committees attend all general meetings to address issues raised by shareholders. The Company's external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report.</p>
16.4	<p>Minutes of General Meetings</p> <p>The minutes of general meetings, which include substantial comments or queries from shareholders and responses from the Board are available to shareholders upon written request.</p>
16.5	<p>Voting by Poll at General Meetings</p> <p>The Board is satisfied that shareholders have been given the opportunity to participate effectively and to vote in AGMs. The Company has implemented the system of voting by poll in its AGM. The detailed results of each resolution are announced via SGXNET after the general meetings.</p>

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For the financial year ended 30 April 2019

COMPLIANCE WITH APPLICABLE MAINBOARD RULES	
Mainboard Rule	Rule Description and Company's Compliance or Explanation
907	<p>INTERESTED PERSON TRANSACTIONS</p> <p>The Company has adopted an internal policy of any transactions with interested persons and has set out the procedures for review and approval of the Company's interested person transactions. All interested person transactions are reviewed and approved by the Audit Committee.</p> <p>For the financial year ended 30 April 2019, there are no interested person transactions as defined under Chapter 9 of the SGX-ST Listing Manual.</p> <p>The related party transactions as disclosed in note 39 on page 145 of the Annual Report are not interested person transactions within the ambit of Chapter 9 of the Listing Manual.</p>
1207(19)	<p>DEALINGS IN SECURITIES</p> <p>The Company has adopted a policy on dealing in securities, which prohibit dealings in the Company's securities by its Directors and officers during the period commencing one month prior to the announcement of its full-year results, and two weeks prior to the quarterly results and at any time when in possession of any unpublished material price-sensitive information. The Company's Directors and executives are expected to observe insider trading laws at all times. They are also advised to refrain from dealing in securities for short-term considerations.</p>

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DIRECTORS' STATEMENT

Year ended 30 April 2019

We submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 30 April 2019.

In our opinion:

- (a) having regard to and taking into consideration the matters disclosed in the financial statements, in particular note 2 to the financial statements, the financial statements set out on pages 47 to 157 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2019 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, having regard to the matters set out in note 2 of the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

DIRECTORS

The directors in office at the date of this statement are as follows:

Khua Hock Su
 Eric Khua Kian Keong
 Henry Chua Tiong Hock
 Sebastian Tan Cher Liang
 Derek Loh Eu Tse

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the Act), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Khua Hock Su		
The Company		
- ordinary shares		
- deemed interests	335,471,785	335,471,785
Vibrant Capital Pte. Ltd.		
- ordinary shares		
- deemed interests	49,000	49,000
Lian Hup Holdings Pte Ltd		
- ordinary shares		
- interests held	4,200,000	4,200,000
- deemed interests	4,200,000	4,200,000

DIRECTORS' STATEMENT

Year ended 30 April 2019

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Eric Khua Kian Keong		
The Company		
- ordinary shares		
- interests held	19,350,056	21,571,226
- deemed interests	335,464,786	335,464,786
Vibrant Capital Pte. Ltd.		
- ordinary shares		
- interests held	51,000	51,000
- deemed interests	49,000	49,000
Lian Hup Holdings Pte Ltd		
- ordinary shares		
- interests held	5,600,000	5,600,000
Henry Chua Tiong Hock		
The Company		
- ordinary shares		
- interests held	1,003,797	1,003,797

By virtue of Section 7 of the Act, Eric Khua Kian Keong and Khua Hock Su are deemed to have interests in the other subsidiaries of the Company at the beginning and at the end of the financial year.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning or at the end of the financial year.

There were no changes in any of the above mentioned interests in the Company between the end of the financial year and 21 May 2019.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SHARE OPTIONS

During the financial year, there were:

- (i) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under option.

DIRECTORS' STATEMENT

Year ended 30 April 2019

AUDIT COMMITTEE

The members of the Audit Committee during the year and at the date of this statement are:

- Sebastian Tan Cher Liang (Chairman), non-executive director
- Khua Hock Su, non-executive director
- Derek Loh Eu Tse, non-executive director

The Audit Committee performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The Audit Committee has held five meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

- assistance provided by the Company's officers to the internal and external auditors;
- quarterly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company, subsidiaries and significant associated companies, we have complied with Rules 712 and 715 of the SGX Listing Manual.

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Eric Khua Kian Keong

Director

Henry Chua Tiong Hock

Director

7 August 2019

INDEPENDENT AUDITORS' REPORT

Members of the Company
Vibrant Group Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Disclaimer of opinion

We were engaged to audit the financial statements of Vibrant Group Limited ('the Company') and its subsidiaries ('the Group'), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 April 2019, the consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 47 to 157.

Because of the significance of the matters described in the '*Basis for disclaimer of opinion*' section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. Accordingly, we do not express an opinion on the accompanying financial statements.

Basis for disclaimer of opinion

As described in note 2 to the financial statements, during our audit of Blackgold Group for the financial year ended 30 April 2018, we identified irregularities and discrepancies in relation to certain invoices and receipts. The accounting records of Blackgold Group were destroyed in a fire incident in August 2018. In the Report of Factual Assessment into the (i) Relevant Sales Transactions and (ii) Specific Accounts of Blackgold Group dated 24 January 2019 that was conducted by the Company's investigating auditors, multiple potential material misstatements in the financial position of the Blackgold Group as at the acquisition date of 13 July 2017 and in the financial results of Blackgold Group for the period up to 30 April 2018 were reported. Accordingly, we were not able to complete our audit procedures, as we were not able to obtain sufficient and appropriate audit evidence over the account balances of Blackgold Group as at the acquisition date, 30 April 2018 and 30 April 2019 as well as transactions of Blackgold Group for the period from the acquisition date to 30 April 2019.

Management has not consolidated 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. This is not in compliance with SFRS(I) 10 *Consolidated Financial Statements*.

As a result of the above matters, we are unable to determine the extent of adjustments necessary in respect of the Group's consolidated financial statements for the years ended 30 April 2018 and 30 April 2019.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)"), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the financial statements in accordance with Singapore Standards on Auditing and to issue an auditors' report. However, because of the matters described in the '*Basis for disclaimer of opinion*' section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ('ACRA Code')* together with the ethical requirement that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

INDEPENDENT AUDITORS' REPORT

Members of the Company
Vibrant Group Limited

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, except for the effect of the matters described in the '*Basis for disclaimer of opinion*' section of our report, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Ling Su Min.

KPMG LLP

Public Accountants and
Chartered Accountants

Singapore

7 August 2019

STATEMENTS OF FINANCIAL POSITION

As at 30 April 2019

	Note	2019 \$'000	Group 2018 \$'000	1 May 2017 \$'000	2019 \$'000	Company 2018 \$'000	1 May 2017 \$'000
Assets							
Property, plant and equipment	5	127,730	261,761	270,671	283	295	365
Intangible assets	6	472	472	472	-	-	-
Investment properties	7	147,539	127,147	116,296	-	-	-
Subsidiaries	8	-	-	-	17,752	17,752	18,318
Associates	9	88,625	82,178	79,157	25,033	27,730	22,049
Other investments	10	121	29,256	34,602	-	-	-
Deferred tax assets	11	4,080	4,629	1,495	-	-	-
Trade and other receivables	13	1,543	56,271	57,029	314,116	328,541	400,203
Non-current assets		370,110	561,714	559,722	357,184	374,318	440,935
Other investments	10	59,077	47,244	105,437	33,498	31,532	67,213
Development properties	14	-	120,398	88,475	-	-	-
Inventories	15	410	525	497	-	-	-
Trade and other receivables	13	113,823	156,596	233,855	8,552	2,230	2,320
Cash and cash equivalents	16	44,195	70,549	63,039	271	805	322
		217,505	395,312	491,303	42,321	34,567	69,855
Assets held for sale	12	143,943	-	-	-	-	-
Current assets		361,448	395,312	491,303	42,321	34,567	69,855
Total assets		731,558	957,026	1,051,025	399,505	408,885	510,790
Equity							
Share capital	17	174,337	174,337	139,854	174,337	174,337	139,854
Perpetual securities	18	-	-	97,947	-	-	97,947
Other reserves	19	4,924	9,113	5,342	5,102	5,147	5,323
Accumulated profits/(losses)	19	25,820	25,225	127,215	2,890	(15,306)	33,751
Equity attributable to owners of the Company		205,081	208,675	370,358	182,329	164,178	276,875
Non-controlling interests	35	72,258	92,603	94,013	-	-	-
Total equity		277,339	301,278	464,371	182,329	164,178	276,875
Liabilities							
Loans and borrowings	20	57,632	18,750	112,136	-	-	-
Notes payable	20	65,753	-	-	65,753	-	-
Trade and other payables	21	19,053	39,868	65,138	62,504	80,758	63,603
Provisions	22	1,716	3,742	3,644	-	-	-
Deferred tax liabilities	11	10,637	8,414	7,901	-	-	-
Non-current liabilities		154,791	70,774	188,819	128,257	80,758	63,603
Loans and borrowings	20	181,689	232,898	130,241	72,840	75,844	63,200
Notes payable	20	25,159	92,438	101,919	-	65,311	101,919
Current tax payable		8,299	9,118	9,139	96	890	573
Trade and other payables	21	74,162	250,379	156,396	15,983	21,904	4,620
Provisions	22	141	141	140	-	-	-
		289,450	584,974	397,835	88,919	163,949	170,312
Liabilities directly associated with the assets held for sale	12	9,978	-	-	-	-	-
Current liabilities		299,428	584,974	397,835	88,919	163,949	170,312
Total liabilities		454,219	655,748	586,654	217,176	244,707	233,915
Total equities and liabilities		731,558	957,026	1,051,025	399,505	408,885	510,790

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED INCOME STATEMENT

Year ended 30 April 2019

		Group	
	Note	2019	2018
		\$'000	\$'000
Revenue	23	281,737	161,746
Cost of sales		(214,698)	(113,250)
Gross profit		<u>67,039</u>	<u>48,496</u>
Other income	24	10,647	4,061
Administrative expenses		(37,814)	(41,935)
Impairment loss on trade and other receivables	32	(1,202)	(12,167)
Other operating expenses		(8,236)	(80,433)
Profit/(Loss) from operations		<u>30,434</u>	<u>(81,978)</u>
Finance income		1,947	2,355
Finance costs		(16,306)	(13,836)
Net finance costs	25	<u>(14,359)</u>	<u>(11,481)</u>
Impairment loss on investment in associates		(1,217)	(5,864)
Share of profits of associates, net of tax		11,115	3,107
Profit/(Loss) before income tax		<u>25,973</u>	<u>(96,216)</u>
Tax (expense)/credit	26	(8,324)	1,130
Profit/(Loss) from continuing operations	28	<u>17,649</u>	<u>(95,086)</u>
Discontinued operation			
Profit from discontinued operation (net of tax)	27	3,031	1,994
Profit/(Loss) for the year		<u>20,680</u>	<u>(93,092)</u>
Profit/(Loss) attributable to:			
Owners of the Company		7,690	(88,688)
Non-controlling interests		12,990	(4,404)
Profit/(Loss) for the year		<u>20,680</u>	<u>(93,092)</u>
Earnings per share			
Diluted and basic earnings/(loss) per share (cents)	29	<u>1.11</u>	<u>(13.09)</u>

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 30 April 2019

	Group	
	2019	2018
	\$'000	\$'000
Profit/(Loss) for the year	20,680	(93,092)
Other comprehensive income/(expense)		
Items that will not be reclassified to profit or loss:		
Equity investments at FVOCI – net change in fair value	(748)	–
	<u>19,932</u>	<u>(93,092)</u>
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences for foreign operations	(5,001)	6,825
Share of reserves of associates	(1,079)	550
	<u>(6,080)</u>	<u>7,375</u>
Other comprehensive (expense)/income for the year, net of tax	<u>(6,080)</u>	<u>7,375</u>
Total comprehensive income/(expense) for the year	<u>13,852</u>	<u>(85,717)</u>
Total comprehensive income/(expense) attributable to:		
Owners of the Company	3,546	(84,741)
Non-controlling interests	10,306	(976)
Total comprehensive income/(expense) for the year	<u>13,852</u>	<u>(85,717)</u>

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 30 April 2019

Group	Share capital \$'000	Perpetual securities \$'000	Treasury shares \$'000	Capital reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000			Other reserve \$'000	Accumulated profits \$'000	Company \$'000	Non-controlling interests \$'000	Total equity \$'000
						translation reserve	reserve	reserve					
Opening balance at 1 May 2017 (FRS framework)	139,854	97,947	(1,759)	7,089	-	(7,737)	12	134,952	370,358	94,013	464,371		
Effect of SFRS(I) 1	-	-	-	-	-	7,737	-	(7,737)	-	-	-	-	
Opening balance at 1 May 2017 (SFRS(I) framework)	139,854	97,947	(1,759)	7,089	-	-	12	127,215	370,358	94,013	464,371		
Total comprehensive income for the year	-	-	-	-	-	-	-	(88,688)	(88,688)	(4,404)	(93,092)		
Loss for the year	-	-	-	-	-	-	-	-	-	-	-	-	
Other comprehensive income	-	-	-	-	-	3,397	-	-	3,397	3,428	6,825		
Foreign currency translation differences for foreign operations	-	-	-	-	-	538	12	-	550	-	550		
Share of reserves of associates	-	-	-	-	-	3,935	12	-	3,947	3,428	7,375		
Total other comprehensive income	-	-	-	-	-	3,935	12	-	(88,688)	(84,741)	(85,717)		
Total comprehensive income for the year	-	-	-	-	-	3,935	12	-	(88,688)	(84,741)	(85,717)		
Transactions with owners of the Company, recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	
Contributions by and distributions to owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends paid to owners	-	-	-	-	-	-	-	-	(9,664)	(9,664)	(9,664)		
Distributions on perpetual securities	-	-	-	-	-	-	-	-	(3,638)	(3,638)	(3,638)		
Issue of new shares	34,483	-	-	-	-	-	-	-	34,483	-	34,483		
Purchase of treasury shares	-	-	(176)	-	-	-	-	-	(176)	-	(176)		
Redemption of perpetual securities	-	(97,947)	-	-	-	-	-	-	(97,947)	-	(97,947)		
Total contributions by and distributions to owners of the Company	34,483	(97,947)	(176)	-	-	-	-	-	(13,302)	(76,942)	(76,942)		
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	-	-	-	-	(434)	(434)	
Total changes in ownership interests in subsidiaries	34,483	(97,947)	(176)	-	-	-	-	-	(13,302)	(76,942)	(434)	(77,376)	
Total transactions with owners of the Company	174,337	-	(1,935)	7,089	-	3,935	24	25,225	208,675	92,603	301,278		

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

Year ended 30 April 2019

Group	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000		Other reserve \$'000	Accumulated profits \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'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)	(7,095)	(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 year	-	-	-	-	-	-	7,690	7,690	7,690	12,990	20,680
Other comprehensive income	-	-	-	-	(2,485)	-	-	(2,485)	(2,485)	(2,516)	(5,001)
Foreign currency translation differences for foreign operations	-	-	-	-	(1,107)	27	-	(1,079)	(1,079)	-	(1,079)
Share of reserves of associates	-	-	1	-	-	-	-	-	-	-	-
Net change in fair value – equity investments at FVOCI	-	-	-	(580)	-	-	-	(580)	(580)	(168)	(748)
Total other comprehensive income	-	-	1	(580)	(3,592)	27	-	(4,144)	(4,144)	(2,684)	(6,828)
Total comprehensive income for the year	-	-	1	(580)	(3,592)	27	7,690	3,546	10,306	13,852	
Transactions with owners of the Company, recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-
Contributions by and distributions to owners of the Company	-	(45)	-	-	-	-	-	(45)	(45)	(6,223)	(6,223)
Dividends declared	-	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	(45)	-	-	-	-	-	(45)	(45)	-	(45)
Total contributions by and distributions to owners of the Company	-	(45)	-	-	-	-	-	(45)	(45)	(6,223)	(6,268)
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	952	952
Capital contribution from non-controlling shareholders	-	-	-	-	-	-	-	-	-	(23,160)	(23,160)
Disposal of interest in a subsidiary with loss of control	-	-	-	-	-	-	-	-	-	(22,208)	(22,208)
Total changes in ownership interests in subsidiaries	-	(45)	-	-	-	-	-	(45)	(45)	(28,431)	(28,476)
Total transactions with owners of the Company	174,337	(1,980)	7,090	(580)	343	51	25,820	205,081	72,258	277,339	

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 30 April 2019

	Note	Group	
		2019 \$'000	2018 \$'000
Cash flows from operating activities			
Profit/(Loss) for the year		20,680	(93,092)
Adjustments for:			
Depreciation of property, plant and equipment	5	10,949	12,689
Dividend income from available-for-sale financial assets		-	(1,735)
Dividend income from FVOCI		(1,263)	-
Fair value (gain)/loss on foreign exchange forward contracts		(556)	383
Fair value gain on investment properties	24	(8,300)	(1,068)
Fair value gain on securities designated at fair value through profit or loss	24	(205)	(959)
Finance costs	25	16,306	13,903
Finance income	30	(1,980)	(2,376)
Foreign exchange loss		5,336	982
Gain on disposal of subsidiaries	30	(757)	-
Loss on disposal of an associate		89	-
Loss/(Gain) on disposal of property, plant and equipment	30	195	(79)
Impairment loss on available-for-sale financial assets	30	-	5,353
Impairment loss on investment in associates	28	1,217	5,864
Impairment loss on property, plant and equipment	5	-	703
Impairment loss on trade and other receivables (including RCCPS in an associate), net	30	1,202	12,169
Investment in Blackgold Group written off	28	-	41,352
Loss on disposal of securities designated at fair value through profit or loss		2	111
Property, plant and equipment written off	28	43	240
Receivables from Blackgold Group written off	28	-	21,847
Share of profits of associates		(11,115)	(3,107)
Tax expense/(credit)		8,969	(714)
		40,812	12,466
Changes in:			
Development properties		83,060	(28,373)
Inventories		62	(25)
Trade and other receivables		(28,211)	(21,849)
Trade and other payables		(68,546)	50,598
Cash generated from operations		27,177	12,817
Income taxes refunded		679	154
Income taxes paid		(2,208)	(2,322)
Net cash from operating activities		25,648	10,649

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

Year ended 30 April 2019

	Note	Group 2019 \$'000	2018 \$'000
Cash flows from investing activities			
Acquisition of shares in associates		(203)	(6,492)
Acquisition of subsidiaries, net of cash acquired		–	(39,602)
Capital expenditure on investment properties		(15,676)	(5,728)
Cash contribution paid by non-controlling interests		952	–
Dividends received:			
- associates		613	620
- available-for-sale financial assets		–	1,372
- FVOCI		1,317	–
Finance income received		1,833	1,245
Loans to associates		(4,010)	(1,900)
Loans to non-controlling interests		(2,873)	(30,361)
Loans to third parties		(3,842)	(14,411)
Proceeds from disposal of an associate		5	79,632
Proceeds from disposal of subsidiaries, net of cash disposed	34	25,556	–
Proceeds from sale of other investments		57	38,607
Proceeds from sale of property, plant and equipment		5,851	101
Purchase of other investments		–	(5,000)
Purchase of property, plant and equipment		(1,929)	(3,201)
Repayment of loan by an associate		592	–
Repayment of loan by non-controlling interest		–	836
Repayment of loan by third parties		32,755	56,344
Net cash from investing activities		<u>40,998</u>	<u>72,062</u>
Cash flows from financing activities			
Deposit pledged		11,394	(808)
Distributions on perpetual securities	18	–	(3,638)
Dividend paid to non-controlling interests of a subsidiary		(6,223)	–
Dividends paid to shareholders of the Company		–	(1,781)
Finance costs paid		(16,379)	(14,459)
Government grant received		–	1,079
Net proceeds from issuance of notes payable		–	63,500
Payment of transaction costs related to notes payable		–	(1,322)
Proceeds from borrowings		10,946	193,613
Proceeds from issue of share capital	17	–	26,600
Proceeds from loan from a director		–	13,937
Proceeds from loan from a related party		4,750	7,000
Proceeds from loan from non-controlling interest		2,084	8,620
Proceeds from loan from third parties		1,006	–
Purchase of treasury shares		(45)	(176)
Redemption of notes payable		(1,720)	(100,200)
Redemption of perpetual securities		–	(70,500)
Repayment of borrowings		(22,609)	(184,473)
Repayment of finance lease liabilities		(1,801)	(1,836)
Repayment of loan to a director		(10,000)	–
Repayment of loan to an associate		–	(3,598)
Repayment of loans to non-controlling interests		(6,345)	(9,312)
Repayment of loan to third parties		(35,557)	–
Net cash used in financing activities		<u>(70,499)</u>	<u>(77,754)</u>

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

Year ended 30 April 2019

	Note	Group 2019 \$'000	2018 \$'000
Net (decrease)/increase in cash and cash equivalents		(3,853)	4,957
Cash and cash equivalents at beginning of year		54,335	48,162
Effect of exchange rate fluctuations on cash and cash equivalents		(1,159)	1,216
Cash and cash equivalents at end of year	16	49,323	54,335

Significant non-cash transactions

In 2018, there were the following significant non-cash transactions:

- The Company issued new ordinary shares for \$7,883,000 pursuant to the Company's Scrip Dividend Scheme (note 17);
- Perpetual securities of \$29,500,000 were exchanged for notes due in 2020 under the \$500,000,000 Multicurrency Debt Issuance Programme (note 20);
- Loan to a third party of \$2,216,000 was offset against loan from a Director (note 20); and
- Loans to a non-controlling interest of \$10,504,000 was offset against loans from this non-controlling interest (note 20).

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 7 August 2019.

1 DOMICILE AND ACTIVITIES

Vibrant Group Limited (the Company) is a company incorporated in Singapore. The address of the Company's registered office is 51 Penjuru Road #04-00 Freight Links Express Logisticcentre, Singapore 609143.

The financial statements of the Group as at and for the year ended 30 April 2019 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities) and the Group's interest in associates.

The principal activities of the Group are those relating to freight forwarding, chemical logistics, warehousing and logistics, leasing of industrial buildings, investment holding, real estate fund and property management services, fund management, financial leasing services, property development and property investment.

The immediate and ultimate holding companies during the financial year were Vibrant Capital Pte. Ltd. and Lian Hup Holdings Pte Ltd, respectively. Both companies are incorporated in Singapore.

2 BLACKGOLD INTERNATIONAL HOLDINGS PTY LTD & ITS SUBSIDIARIES (THE BLACKGOLD GROUP)

The Company acquired 94.18% of the shares of Blackgold International Holdings Pty Ltd through a scheme of arrangement approved by the Federal Court of Australia, on 13 July 2017 (the Acquisition). The Company paid a consideration of \$39,602,000 to the shareholders of Blackgold Group for the Acquisition. Subsequent to the Acquisition, Blackgold Group became a wholly owned subsidiary of the Company and the Group is required to consolidate Blackgold Group in accordance with Singapore Financial Reporting Standards (International) 10 – *Consolidated Financial Statements* ("SFRS(I) 10").

During the course of the audit for the financial year ended 30 April 2018, accounting irregularities and discrepancies in respect of the coal mining and coal trading receipts and sales invoices of certain subsidiaries of Blackgold Group were discovered. The Group had attempted to take steps to control and safeguard the cash, other assets, and accounting records of Blackgold Group, but the accounting records of Blackgold Group were destroyed in a fire incident on 9 August 2018.

In the Report of Factual Assessment into the (i) Relevant Sales Transactions and (ii) Specific Accounts of Blackgold Group dated 24 January 2019 that was conducted by the Company's investigating auditors, multiple potential material misstatements in the financial position of the Blackgold Group as at 13 July 2017 (the Acquisition Date) and in the financial results of Blackgold Group for the period from the Acquisition Date to 30 April 2018 were reported. These material misstatements include the potential overstatements of non-current assets, trade receivables and accounts payable at the Acquisition Date, as well as potential misstatement of sales and bank transactions between 1 July 2017 to 30 April 2018.

Due to the fire incident and the irregularities found, the financial information was deemed as incomplete, inaccurate and unreliable. Thus, the Group did not consolidate the financial results of Blackgold Group as required by SFRS(I) 10 for the financial years ended 30 April 2018 and 30 April 2019.

The Group had written off its investment in and receivables from Blackgold Group of \$41,352,000 and \$21,847,000 respectively on the basis that recoverability is remote. The Group's financial statements do not reflect any adjustments that may be necessary arising from the implications of the matters above.

The Blackgold Group is involved in potential claims, litigations and other regulatory matters. Due to the nature of these disputes and matters as well as uncertainty of outcome, the amount of exposure cannot currently be determined.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

3 BASIS OF PREPARATION

3.1 Statement of compliance

Except for the non-consolidation of Blackgold Group as disclosed at note 2, the financial statements are prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)). These are the Group's first financial statements prepared in accordance with SFRS(I) and SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)* has been applied.

In the previous financial years, the financial statements were prepared in accordance with Financial Reporting Standards in Singapore (FRS). An explanation of how the transition to SFRS(I) and application of SFRS(I) 9 have affected the reported financial position, financial performance and cash flows is provided in note 41.

3.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

3.3 Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the Company's functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

3.4 Use of estimates and judgements

The preparation of financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is discussed in note 40.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Management reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes, is used to measure fair values, management assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between different levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 33.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies (set out below) have been applied consistently to all periods presented in these financial statements in preparing the opening SFRS(I) balance sheet as at 1 May 2017 for the purposes of the transition to SFRS(I), unless otherwise indicated.

The accounting policies have been applied consistently by Group entities.

4.1 Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method in accordance with SFRS(I) 3 *Business Combinations* at the date of acquisition, which is the date on which control is transferred to the Group.

Acquisitions from 1 May 2017

For acquisitions from 1 May 2017, the Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
 - the recognised amount of any non-controlling interests (NCI) in the acquiree; plus
 - if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,
- over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Acquisitions before 1 May 2017

As part of transition to SFRS(I), the Group elected not to restate those business combinations that occurred before the date of transition to SFRS(I), i.e. 1 May 2017. Goodwill arising from acquisitions before 1 May 2017 has been carried forward from the previous FRS framework as at the date of transition.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 Basis of consolidation (cont'd)

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investments in associates (equity-accounted investees)

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investments in associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies of the equity-accounted investees with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Acquisition of non-controlling interests

Acquisitions of non-controlling interests (NCI) are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary. Any difference between the adjustment to NCI and the fair value of consideration paid is recognised directly in equity and presented as part of equity attributable to owners of the Company.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Accounting for subsidiaries and associates in the separate financial statements

Investments in subsidiaries and associates are stated in the Company's statement of financial position at cost less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss. However, foreign currency difference arising from the translation of an investment in equity securities designated as at FVOCI (2018: available-for-sale equity instruments (except on impairment in which case foreign currency differences that have recognised in OCI are reclassified to profit or loss)) are recognised in other comprehensive income.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at the average exchange rates for the year.

Foreign currency differences are recognised in OCI. Since 1 May 2017, the Group's date of transition to SFRS(I), such differences have been recognised in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control or significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in other comprehensive income, and are presented in the translation reserve in equity.

4.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement

Non-derivative financial assets – Policy applicable from 1 May 2018

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment – Policy applicable from 1 May 2018

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Financial assets at FVTPL (cont'd)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest – Policy applicable from 1 May 2018

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset, on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable from 1 May 2018

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial assets – Policy applicable before 1 May 2018

The Group classifies non-derivative financial assets into the following categories: financial assets at FVTPL, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable before 1 May 2018

Financial assets at FVTPL

A financial asset was classified at fair value through profit or loss if it was classified as held for trading or was designated as such upon initial recognition. Financial assets were designated at fair value through profit or loss if the Group managed such investments and made purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Directly attributable transaction costs were recognised in profit or loss as incurred. Financial assets at fair value through profit or loss were measured at fair value, and changes therein, which took into account any dividend income, were recognised in profit or loss.

Financial assets designated at fair value through profit or loss comprised equity securities that otherwise would have been classified as available-for-sale.

Loans and receivables

Loans and receivables were financial assets with fixed or determinable payments that were not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables were measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprised cash and cash equivalents, trade and other receivables excluding prepayments and advances.

Held-to-maturity financial assets

If the Group had the positive intent and ability to hold debt securities to maturity, then such financial assets were classified as held-to-maturity. Held-to-maturity financial assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses. Held-to-maturity financial assets comprised debt securities.

Available-for-sale financial assets

Available-for-sale financial assets were non-derivative financial assets that were designated as available for sale or were not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they were measured at fair value and changes therein, other than impairment losses, were recognised in other comprehensive income and presented in the fair value reserve in equity. When these amounts were derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

Equity securities which do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less impairment losses.

Available-for-sale financial assets comprise equity securities.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised loans and borrowings, and trade and other payables.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 Financial instruments (cont'd)

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of twelve months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the statement of cash flows, bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

(vi) Compound financial instruments

The Group has investments in associates in the form of redeemable cumulative convertible preference shares with embedded options to convert them into ordinary equity shares. The redeemable cumulative convertible preference shares are classified as loans and receivables and stated in the Group's statement of financial position at amortised cost using the effective interest method.

The embedded options are separated from the host contract and accounted for separately as derivative financial instruments if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss. Changes in the fair values of the embedded options are taken to profit or loss.

(vii) Derivative financial instruments

The Group holds derivative financial instruments to manage its exposures to foreign currency and interest rate risk exposures arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Subsequent costs

The cost of replacing component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Construction work-in-progress is not depreciated.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Leasehold properties	10 to 60 years, or lease term if shorter
Motor vehicles, trucks and prime movers	5 to 15 years
Office equipment and machinery	5 to 30 years
Furniture, fixtures and fittings	3 to 10 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see note 4.1.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associates.

4.6 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties under development are properties being constructed or developed for future use as investment properties. Investment properties and investment properties under development are initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or development properties, its fair value at the date of reclassification becomes its cost for subsequent accounting. Property that is being constructed for future use as investment property is accounted for at fair value.

4.7 Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and are not recognised in the Group's statement of financial position.

4.8 Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance cost and the reduction of the outstanding liability. The finance cost is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

4.9 Development properties

Development properties are those properties which are held with the intention of development and sale in the ordinary course of business.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 Development properties (cont'd)

Unsold property

Development properties are measured at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure, capitalised borrowing costs and other costs directly attributable to the development activities.

Borrowing costs that are directly attributable to the acquisition and development of the development property are capitalised as part of the development property during the period of development.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The write-downs to net realisable value are presented as allowance for foreseeable losses.

Fulfilment costs

Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered.

Subsequent measurement

Subsequent to initial measurement, fulfilment costs are amortised to profit or loss using the same measure of progress as the related revenue.

The Group recognises an impairment loss in profit or loss to the extent that the carrying amount of the contract costs exceeds:

- the remaining amount of consideration that the Group expects to receive for the sold units; less
- the estimated costs of completion that have not been recognised as expenses.

An impairment loss is reversed if the conditions no longer exist or have improved.

4.10 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in-first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

4.11 Impairment

(i) Non-derivative financial assets

Policy applicable from 1 May 2018

The Group recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

Loss allowances of the Group are measured on either of the following basis:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

Policy applicable from 1 May 2018 (cont'd)

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 270 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt investments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

Policy applicable from 1 May 2018 (cont'd)

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Policy applicable before 1 May 2018

A financial asset not carried at fair value through profit or loss, including an interest in an associate, was assessed at the end of each reporting period to determine whether there was objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event(s) had occurred after the initial recognition of the asset, and that the loss event(s) had an effect on the estimated future cash flows of that asset that could be estimated reliably.

Objective evidence that financial assets (including equity securities) were impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer would enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, or economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost was objective evidence of impairment. The Group considered a decline of 20% to be significant and a period of 12 months to be prolonged.

Loans and receivables and held-to-maturity financial assets

The Group considered evidence of impairment for loans and receivables and held-to-maturity financial assets at both a specific asset and collective level. All individually significant loans and receivables and held-to-maturity financial assets were assessed for specific impairment. All individually significant receivables and held-to-maturity financial assets found not to be specifically impaired were then collectively assessed for any impairment that had been incurred but not yet identified. Loans and receivables and held-to-maturity financial assets that were not individually significant were collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Group used historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost was calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account against loans and receivables or held-to-maturity financial assets. Interest on the impaired asset continues to be recognised. When the Group considered that there are no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss was reversed through profit or loss.

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets were recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss was the difference between the acquisition cost and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in cumulative impairment provisions attributable to application of the effective interest method were reflected as a component of interest income. Any subsequent recovery in the fair value of an impaired available-for-sale equity security was recognised in other comprehensive income.

Impairment losses on unquoted equity securities are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss was not reversed.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 Impairment (cont'd)

(ii) Associates

An impairment loss in respect of an associate is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with impairment of non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

(iii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, inventories, unsold property (with a sales contract) and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

With respect to fulfilment costs, after applying the impairment test in note 4.9, the resulting carrying amount of these fulfilment costs shall be included in the carrying amount of the CGU to which it belongs, for the purpose of assessment of impairment of assets belonging to that CGU.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

4.12 Non-current assets held for sale or distribution

Non-current assets, or disposal groups comprising assets and liabilities, that are highly probable to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, the assets, or disposal group, classified as held for sale (held for distribution) are generally measured at the lower of their carrying amount and fair value less costs to sell (fair value less costs to distribute).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.12 Non-current assets held for sale or distribution (cont'd)

Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on *pro rata* basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets and investment property, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated. In addition, equity accounting of associates and joint ventures ceases once classified as held for sale or distribution.

4.13 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Long-term employee benefits

The Group's net obligation in respect of the other employee benefits other than pension plans is the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. Any gains and losses are recognised in profit or loss in the period in which they arise.

4.14 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

4.15 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer.

The following is a description of principal activities (separated by reportable segments) from which the Group generates its revenue. For more information about reportable segments, see note 30.

Freight and logistics segment

The freight and logistics segment of the Group generates revenue principally by providing freight services and a range of logistics services, including warehousing services, transportation services, inventory management services and record management services.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.15 Revenue recognition (cont'd)

Freight services

Freight services include air and sea custom clearance, documentation, cartage, handling, transfers and delivery of goods. Revenue from outbound freight forwarding is recognised upon departure of goods from port of disembarkation, while revenue from inward freight forwarding is recognised when goods arrive at port of arrival. Management expects that the amount of revenue recognised by these recognition points would approximate the amount of revenue to be recognised over time as services are performed.

Revenue is recognised based on the price specified in the contract, net of discounts and rebates. It is only recognised to the extent that it is highly probable that a significant reversal will not occur. Customers are required to pay for the services rendered within 60 days of receiving the invoice and delivery order or service report.

Logistics services

Logistics services refers to the provision of warehousing services, transportation services, inventory management services and record management services. For bundled packages, the Group accounts for the individual services as separate performance obligations as they are distinct, i.e. the service is separately identifiable from other items in the bundled package and a customer can benefit from it. The consideration receivable under the contract is allocated to the separate services in a bundle based on their relative stand-alone selling prices. The stand-alone selling prices are determined based on the Group's services price list.

Upon receipt and approval of invoices, the customers are required to make payment within 60 days.

Warehousing services

Warehousing services refer to the provision of storage of the customer's products. Revenue is recognised over time as services are being transferred to the customer, based on the time elapsed. Services are billed in advance on a monthly basis.

Transportation services

Transportation services include local delivery of goods. Revenue is recognised upon completion of the service which is expected to approximate revenue to be recognised over time, based on the time elapsed, due to the short service period. Services are billed upon completion, on a monthly basis.

Inventory management services

Inventory management services include rendering of import clearance, documentation and trucking services for inbound shipment and performing inventory stock-take and other related services over a specified time period. Revenue is recognised when services are completed. Management expects this to approximate the amount of revenue to be recognised over time, based on the time elapsed. Services are billed on a monthly basis.

Record management services

Record management services include storage, collection and retrieval and disposal of documents over a specified time period. Revenue generated from providing document storage, collection and retrieval and disposal services is recognised over time as services are being transferred to the customer, based on the time elapsed. Services are billed on a monthly basis.

Financial services segment

The financial services segment of the Group principally generates revenue from management services, fee income, dividend income and interest income.

Management services

Management services relate to base fees and performance fees earned in return for the Group's service in managing a real estate investment trust and its business. Revenue is recognised over time as services are rendered, based on an estimate of the variable consideration (to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.15 Revenue recognition (cont'd)

Base fees

Base fees are determined based on a percentage of the total asset value of real estate investment trusts managed (Deposited Properties) on a quarterly basis. Customers are required to pay within 30 days of receiving the invoice.

Performance fees

Performance fees are determined based on revenue from properties less operating expenses (Net Property Income), upon the achievement of certain performance targets. Where performance fees are contingent on the achievement of performance targets, revenue is recognised only when the performance targets are achieved, i.e. variable consideration. There is no significant estimation uncertainty as management has assessed the probability of achieving these targets to be remote.

Fee income

Fee income relates to divestment fees and acquisition fees in relation to the real estate investment trusts managed. Revenue is recognised upon completion of the divestment/acquisition. Transaction price is determined based on a percentage of the transaction price of the completed transaction. Services are billed and paid upon completion of the transaction.

Dividend income

Dividend income is recognised in profit and loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is usually the ex-dividend date.

Interest income

Interest income is recognised as it accrues in profit or loss, using the effective interest method. Interest on loans is payable on a half-yearly basis.

Real estate segment

The real estate segment of the Group principally generates revenue from the sale of development properties, construction services and property management services.

Sale of development properties and construction services

Revenue in relation to the sale of development properties is recognised when control over the property has been transferred to the customer. The properties generally have no alternative use for the Group due to contractual restrictions. For development properties where the Group has no enforceable right to payment until legal title has passed to the customer, revenue is recognised when the legal title has been transferred to the customer.

For the sale of development properties where the Group's associate has an enforceable right to payment for performance completed to date, revenue is recognised based on the percentage of completion of construction. The percentage of completion is measured by reference to the quantity surveyor's certification of the estimated construction costs incurred to-date to the estimated total construction costs. Profits are recognised only in respect of finalised sales contracts to the extent that such profits relate to the progress of the construction work.

In relation to construction services, the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over time, with reference to the percentage of completion of construction services. The percentage of completion is measured based on the monthly certification and customer's acknowledgement of the value of services transferred to date, relative to the total contract price.

Revenue is recognised at the price agreed under the contract.

Progress billings to the customer are based on a payment schedule in the contract. In cases where the period between the recognition of revenue and payment by the customer exceeds one year, an adjustment is made to the transaction price for the time value of money.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.15 Revenue recognition (cont'd)

Property management services

Property management services include maintenance, repair and upkeep of the facilities of the properties under management over a specified time period. Revenue is recognised over time as the services are transferred to the customer, based on the time elapsed. Property management fees are receivable monthly in advance.

Rental income

Rental income from investment properties is recognised on a straight-line basis, over the period of the lease. Lease incentives granted are recognised as an integral part of total rental income, over the term of the lease.

4.16 Share capital and perpetual securities

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Perpetual securities

The perpetual securities do not have a maturity date and the Company is able to elect to defer making a distribution, subject to the terms and conditions of the securities issue. The perpetual securities are classified and presented as equity. Distributions can be deferred, without limitations. Payment, including cumulative distributions, becomes due in the event of winding-up of the Company. Distributions are treated as dividends which will be directly debited from equity. Incremental costs directly attributable to the issuance of perpetual securities are deducted against the proceeds from the issue.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

4.17 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense; and
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.18 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that it is probable that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

4.19 Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.19 Discontinued operations (cont'd)

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-presented as if the operation had been discontinued from the start of the comparative year.

4.20 Dividends

Dividends on ordinary shares are recognised when they are approved for payments. Dividends on ordinary shares classified as equity are accounted for as movements in accumulated profits.

4.21 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

4.22 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group Chief Executive Officer (Group CEO) (the chief operating decision maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, investment properties and intangible assets other than goodwill.

4.23 Financial guarantee contracts

Financial guarantee contracts are accounted for as insurance contracts and treated as contingent liabilities until such time as they become probable that the Group will be required to make a payment under the guarantee. A provision is recognised based on the Group's estimate of the ultimate cost of settling all claims incurred but unpaid at the balance sheet date. The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.

4.24 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in its absence, the most advantageous market to which the Group has access at that date.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price, that is, the fair value of the consideration given or received. When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.25 New standards and interpretations not adopted

A number of new standards, amendments to standards and interpretations are not yet effective and have not been applied in preparing these financial statements. An explanation of the impact, if any, on adoption of these new requirements is provided in note 42.

5 PROPERTY, PLANT AND EQUIPMENT

	Leasehold properties \$'000	Motor vehicles, trucks and prime movers \$'000	Office equipment and machinery \$'000	Furniture, fixtures and fittings \$'000	Construction work-in- progress \$'000	Total \$'000
Group						
Cost						
At 1 May 2017	254,913	17,063	47,931	4,785	2,829	327,521
Additions	6	2,950	325	295	1,582	5,158
Transfer from construction WIP	4,411	–	–	–	(4,411)	–
Disposals/write-offs	–	(1,270)	(450)	(2)	–	(1,722)
Translation differences	383	543	(1,315)	14	–	(375)
At 30 April 2018	259,713	19,286	46,491	5,092	–	330,582
Additions	8	1,970	846	238	–	3,062
Reclassification to assets held for sale (note 12)	(129,473)	–	(4,045)	(83)	–	(133,601)
Disposals/write-offs	(7,042)	(2,030)	(131)	(273)	–	(9,476)
Disposal of subsidiary	–	(139)	(546)	–	–	(685)
Translation differences	(203)	(328)	688	9	–	166
At 30 April 2019	123,003	18,759	43,303	4,983	–	190,048
Accumulated depreciation and impairment losses						
At 1 May 2017	24,162	8,319	20,835	3,534	–	56,850
Depreciation for the year	6,649	2,124	3,398	518	–	12,689
Disposals/write-offs	–	(1,248)	(210)	(2)	–	(1,460)
Translation differences	78	290	(339)	10	–	39
Impairment	–	–	626	77	–	703
Reclassifications	–	–	(2)	2	–	–
At 30 April 2018	30,889	9,485	24,308	4,139	–	68,821
Depreciation for the year	5,506	2,030	3,041	372	–	10,949
Reclassification to assets held for sale (note 12)	(11,687)	–	(2,106)	(83)	–	(13,876)
Disposals/write-offs	(1,308)	(1,724)	(82)	(273)	–	(3,387)
Disposal of subsidiary	–	(64)	(154)	–	–	(218)
Translation differences	(32)	(167)	219	9	–	29
At 30 April 2019	23,368	9,560	25,226	4,164	–	62,318
Carrying amounts						
At 1 May 2017	230,751	8,744	27,096	1,251	2,829	270,671
At 30 April 2018	228,824	9,801	22,183	953	–	261,761
At 30 April 2019	99,635	9,199	18,077	819	–	127,730

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

5 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Motor vehicles \$'000	Office equipment \$'000	Furniture, fixtures and fittings \$'000	Total \$'000
Company				
Cost				
At 1 May 2017	767	211	42	1,020
Additions	–	15	2	17
At 30 April 2018	767	226	44	1,037
Additions	237	5	–	242
Disposals/write-offs	(574)	–	–	(574)
At 30 April 2019	430	231	44	705
Accumulated depreciation				
At 1 May 2017	419	198	38	655
Depreciation for the year	77	9	1	87
At 30 April 2018	496	207	39	742
Depreciation for the year	62	8	1	71
Disposals/write-offs	(391)	–	–	(391)
At 30 April 2019	167	215	40	422
Carrying amounts				
At 1 May 2017	348	13	4	365
At 30 April 2018	271	19	5	295
At 30 April 2019	263	16	4	283

Construction work-in-progress

Cost of construction work-in-progress comprised:

	2019 \$'000	Group 2018 \$'000	1 May 2017 \$'000
Construction costs	–	–	2,813
Property taxes, interest and other overheads	–	–	16
	–	–	2,829

In 2017, interest expense of \$16,000 was capitalised by the Group as cost of construction work-in-progress at the cost of borrowing of 2.77% per annum.

The Group's leasehold properties include provision for restoration costs of \$1,331,000 (2018: \$2,937,000; 1 May 2017: \$3,013,000).

Impairment assessment of property, plant and equipment

In 2018, due to continued negative margins and losses suffered by two entities in the Freight and Logistics segment, the Group determined that the cash flows arising from the equipment relating to the respective cash-generating units ("CGUs"), discounted at a pre-tax discount rate of 3.27%, were insufficient to support its respective net book values as at 30 April 2018. Accordingly, an impairment loss in relation to the CGUs amounting to \$703,000 was allocated to the equipment and recognised in prior year's "Other operating expenses".

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

5 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Assets under finance leases

The Group leases motor vehicles, trucks, prime movers and machinery under a number of finance lease agreements. As at 30 April 2019, the net carrying amount of leased plant and equipment was \$5,631,000 (2018: \$6,485,000; 1 May 2017: \$6,020,000).

During the year, the Group acquired property, plant and equipment with an aggregate cost of \$3,062,000 (2018: \$5,158,000), of which \$1,171,000 (2018: \$1,956,000) was acquired under finance leases.

Security

The following property, plant and equipment have been pledged as securities to secure bank loans and other credit facilities extended to the Company and certain subsidiaries as set out in note 20:

	2019	Group	1 May 2017
	\$'000	2018	\$'000
		\$'000	\$'000
Net book value			
Leasehold properties	98,754	220,484	222,472
Construction work-in-progress	–	–	2,829
Machinery	18,906	21,722	23,538
	<u>117,660</u>	<u>242,206</u>	<u>248,839</u>

6 INTANGIBLE ASSETS

	Goodwill on
	consolidation
	\$'000
Group	
Cost	
At 1 May 2017, 30 April 2018 and 30 April 2019	<u>1,599</u>
Accumulated impairment losses	
At 1 May 2017, 30 April 2018 and 30 April 2019	<u>1,127</u>
Carrying amounts	
At 1 May 2017, 30 April 2018 and 30 April 2019	<u>472</u>

Impairment assessment for cash-generation units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's cash generating units (CGUs). The net carrying amount of goodwill of \$472,000 (2018: \$472,000; 1 May 2017: \$472,000) is allocated to the financial services segment (CGU).

The recoverable amount of the financial services segment, determined based on its value in use discounted at a pre-tax discount rate of 4.68% (2018: 3.27%; 1 May 2017: 2.69%), exceeded the carrying amount of the goodwill.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

7 INVESTMENT PROPERTIES

	Note	Group	
		2019 \$'000	2018 \$'000
At beginning of the year		127,147	116,296
Additions		15,676	5,728
Government grant received		–	(1,079)
Changes in fair value	24	8,300	1,068
Translation differences		(3,584)	5,134
At end of the year		147,539	127,147

Investment properties comprise residential and industrial properties that are leased to external customers and/or held for capital appreciation. As at 30 April 2019, rental income from the Group's industrial properties which was leased under operating leases amounted to \$2,654,000 (2018: \$1,788,000). There is no rental income from the residential properties (2018: \$nil).

Direct operating expenses (including repairs and maintenance) arising from investment properties that generated rental income during the year, amounted to \$1,308,000 (2018: \$1,539,000).

Direct operating expenses (including repairs and maintenance) arising from investment properties that did not generate rental income during the year, amounted to \$99,000 (2018: \$89,000).

As at 30 April 2019, 30 April 2018 and 1 May 2017, the residential and industrial investment properties were located and held by subsidiaries incorporated in countries with capital restrictions, i.e. repatriation requirements in place.

During the year, interest expense of approximately \$262,000 (2018: \$81,000) was capitalised in cost of investment properties at the cost of borrowing of 6.37% (2018: 6.37%) per annum.

Security

At 30 April 2019, investment properties of the Group with a carrying amount of \$33,970,000 (2018: \$35,100,000; 1 May 2017: \$49,233,000) were pledged as securities to secure bank loans of subsidiaries as set out in note 20.

Fair value hierarchy

The fair value measurement for all investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (see note 33).

8 SUBSIDIARIES

	2019 \$'000	Company	
		2018 \$'000	1 May 2017 \$'000
Equity investments, at cost	22,298	22,298	21,864
Less: Accumulated impairment losses			
At beginning of the year	(4,546)	(3,546)	(1,583)
Impairment losses recognised	–	(1,000)	(1,963)
At end of the year	(4,546)	(4,546)	(3,546)
	17,752	17,752	18,318

All consolidated subsidiaries of the Group are not considered to be significant as defined under the Singapore Exchange Limited Listing Rules as the Group's share of each subsidiary's net tangible assets does not represent 20% or more of the Group's consolidated net tangible assets and the Group's share of each subsidiary's pre-tax profits does not account for 20% or more of the Group's consolidated pre-tax profits.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

8 SUBSIDIARIES (CONT'D)

The Company's investments in subsidiaries are assessed for impairment at each reporting date. The Company evaluates, amongst other factors, the duration and extent to which the fair value of its investment in subsidiaries is less than its cost. Changes in the financial health of and near-term business outlook for the investment, including factors such as industry and sector performance, technology and operational and financial cash flows, will impact the recoverable amount of its investment in subsidiaries.

As at 30 April 2018, arising from events pertaining to the Blackgold Group as stated in note 2 to the financial statements, management has written off its investment in Blackgold International Holding Pty Ltd amounting to \$41,352,000. This write-off has been included in "Other operating expense" by the Company and Group.

As at 30 April 2018, one of the subsidiaries became dormant and the management recognised an impairment loss of \$1,000,000 on its investments in subsidiaries. The impairment was included in "Other operating expense" by the Company. The Company estimated the recoverable amount of its subsidiary based on fair value less cost of disposal and the fair value was categorised as a level 3 fair value. The fair value less cost of disposal was determined to approximate the carrying amount of the subsidiary's net assets.

Details of material subsidiaries of the Group are as follows:

Name of subsidiaries	Principal place of business/country of incorporation	Effective equity held by the Group		
		2019 %	2018 %	1 May 2017 %
<i>Directly-owned subsidiaries of the Company</i>				
Freight Links Express Pte Ltd ⁽¹⁾	Singapore	100	100	100
Freight Links Logistics Pte. Ltd. ⁽¹⁾	Singapore	100	100	100
Crystal Freight Services Pte Ltd ⁽¹⁾	Singapore	100	100	100
Freight Links Express Logisticcentre Pte Ltd ⁽¹⁾	Singapore	100	100	100
Crystal Freight Services Distripark Pte Ltd ⁽¹⁾	Singapore	100	100	100
Singapore Enterprises Private Limited ⁽¹⁾	Singapore	100	100	100
LTH Logistics (Singapore) Pte Ltd ⁽¹⁾	Singapore	51	51	51
Lee Thong Hung Trading and Transport Sdn. Bhd. ⁽²⁾	Malaysia	50.8	50.8	50.8
Freight Links Express (Thailand) Co., Ltd ⁽³⁾⁽⁷⁾	Thailand	49	49	49
Sabana Investment Partners Pte. Ltd. ⁽¹⁾	Singapore	51	51	51
<i>Subsidiaries held by the Company's subsidiaries</i>				
Freight Links E-logistics Technopark Pte Ltd ⁽¹⁾	Singapore	100	100	100
Freight Links Express Logisticpark Pte Ltd ⁽¹⁾	Singapore	100	100	100
Freight Links (Jiangsu) Co., Ltd ⁽⁶⁾	People's Republic of China	65.5	65.5	65.5
New Vibrant (Jiangsu) Supply Chain Management Co., Ltd ⁽⁴⁾	People's Republic of China	100	100	100
Sabana Real Estate Investment Management Pte. Ltd. ⁽¹⁾	Singapore	51	51	51
Sabana Property Management Pte. Ltd. ⁽¹⁾	Singapore	51	51	51
Glory Capital Pte. Ltd. ⁽¹⁾	Singapore	65	65	65
Vibrant Properties Pte. Ltd. ⁽¹⁾	Singapore	60	60	60
Sinolink Financial Leasing Co., Ltd ⁽⁶⁾⁽⁸⁾	People's Republic of China	51	51	51
Fervent Industrial Development (Suzhou) Co., Ltd ⁽⁶⁾⁽⁸⁾	People's Republic of China	48	48	48
DP-Master-Vibrant (Jiangyin) Real Estate Development Co., Ltd ⁽⁶⁾⁽⁸⁾	People's Republic of China	-	36	36
Master Development (Jiangyin) Co., Ltd ⁽³⁾⁽⁸⁾	People's Republic of China	-	36	36
Shentoncil Pte. Ltd. ⁽¹⁾	Singapore	51	51	51
Vibrant DB2 Pte. Ltd. ⁽¹⁾	Singapore	51	51	51
Saujana Tiasa Sdn Bhd ⁽⁵⁾	Malaysia	50	50	50

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

8 SUBSIDIARIES (CONT'D)

- (1) Audited by KPMG LLP Singapore
 (2) Audited by SE Lai CK
 (3) Audited by a member firm of KPMG International
 (4) Not required to be audited under the laws of the country in which it is incorporated
 (5) Audited by BDO, Kuala Lumpur
 (6) Audited by Grant Thornton, Shanghai
 (7) Although the Group owns less than or only half of the voting rights of Freight Links Express (Thailand) Co., Ltd, the Group is exposed to and has the rights to variable returns from its involvement with the entities and has the ability to affect those returns through its power over the entities through its control of the composition of the board of directors by virtue of the shareholders' agreements. Consequently, the Group consolidates its investments in these entities as subsidiaries of the Group.
 (8) These entities are indirectly held and controlled by non-wholly owned subsidiaries.

9 ASSOCIATES

	Group			Company		
	2019 \$'000	2018 \$'000	1 May 2017 \$'000	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Redeemable cumulative convertible preference shares in an associate	9,774	11,632	12,276	9,774	11,632	12,276
Other receivables at amortised cost (2018 and 1 May 2017: Loans and receivables)	9,774	11,632	12,276	9,774	11,632	12,276
Investment in associates (equity-accounted investees)	78,851	70,546	66,881	15,259	16,098	9,773
	88,625	82,178	79,157	25,033	27,730	22,049

Redeemable cumulative convertible preference shares (RCCPS) in an associate

- (a) Details of the associate are as follows:

Name of associate	Principal place of business/country of incorporation
China GSD Logistics Pte. Ltd. (GSD) ⁽¹⁾	Singapore

- (1) Audited by Goh Ngiap Suan & Co

GSD is regarded as an associate of the Group as the Group has representation on the board of directors and has significant influence over the financial and operating policies of GSD.

- (b) Terms and conditions of the RCCPS:

- (i) Each RCCPS shall confer on the holder the right to be paid in priority to any other distributions in respect of any other classes of shares and the right to preference dividends on a cumulative basis, of an amount equal to 7% (2018: 7%; 1 May 2017: 7%) per annum of the issue price payable on each RCCPS for each year the RCCPS are in issue;
- (ii) In the event of liquidation of GSD, the holder has priority in the repayment of capital together with any arrears of any declared but unpaid dividend on a cumulative basis. In addition, the holder is entitled to participate in the distribution of the surplus assets on liquidation of GSD equally with the holders of ordinary shares;
- (iii) Each RCCPS is convertible at the sole discretion of the holder into 1 ordinary share in the capital of GSD. The holder has the right to convert the RCCPS any time after (a) receipt by GSD of Eligibility-to-List letter from an exchange or (b) 3 November 2006, if GSD is not listed on an exchange by 3 November 2006. As at the reporting date, the Group has yet to exercise its rights to convert the RCCPS and retains its rights to do so;

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

9 ASSOCIATES (CONT'D)

Redeemable cumulative convertible preference shares (RCCPS) in an associate (cont'd)

- (b) Terms and conditions of the RCCPS: (cont'd)
 - (iv) The RCCPS are secured over the shares of GSD; and
 - (v) Upon conversion, the Group would hold 39.04% of the issued share capital of GSD.
- (c) The RCCPS is denominated in United States dollar.
- (d) The results of GSD are not equity accounted as the Company does not hold equity interest in the associate as at the reporting date.

During the year, the Company entered into a deed of settlement due to the occurrence of the redemption event and GSD is obliged to redeem the RCCPS in full. GSD acknowledges, agrees and undertakes that the redemption amount is due and payable for a principal sum of US\$10,000,000 in ten equal instalments over a period of ten years commencing from 30 April 2019. The first instalment of US\$1,000,000 was received subsequent to the financial year end. The RCCPS are secured over the shares of GSD and GSD was in a net tangible assets position as at 30 April 2019.

In 2019, impairment loss of \$2,198,000 in relation to the RCCPS in an associate was recorded, of which \$2,136,000 was adjusted against retained earnings as at 1 May 2018, following the adoption of SFRS(I) 9. Impairment is measured under general approach based on 12-month ECL. Using the most relevant information available, impairment was based on the probability of default "PD" of a CCC rated company and loss given default "LGD" of 100%. The Group's and the Company's exposure to credit risks and impairment losses for RCCPS in an associate, are disclosed in note 32.

Investment in associates

The Group's investments in associates are assessed for impairment at each reporting date. The Group evaluates, amongst other factors, the duration and extent to which the fair value of its investment in associates is less than its cost. Changes in the financial health of and near-term business outlook for the investment, including factors such as industry and sector performance, technology and operational and financial cash flows, will impact the recoverable amount of its investment in associate.

In 2019, one of the associates suffered further losses and the management recognised an impairment loss of \$375,000 (2018: \$5,864,000; 1 May 2017: \$nil) on its investments in this associate in the consolidated income statement. The Group estimated the recoverable amount of the associate based on fair value less cost of disposal and the fair value has been categorised as a level 1 fair value based on the associate's stock exchange quoted bid price as at 30 April 2019 (2018: 30 April 2018).

In 2019, one of the associates had suffered further losses and the management recognised an impairment loss of \$842,000 (2018: \$nil; 1 May 2017: \$9,246,000) on its investments in this associate and this impairment has been included in "Other operating expense" of the Group and the Company. The Company estimated the recoverable amount of its associate based on fair value less cost of disposal and the fair value has been categorised as a level 3 fair value. The fair value less cost of disposal is determined to approximate the book values of the associate's net assets.

Acquisition of an associate

On 20 July 2017, the Company acquired 31% of ownership and voting interests in Vibrant Pucheng Logistics (Chongqing) Co., Ltd, via subscription to newly issued shares, amounting to \$6,325,000. At the acquisition date, a goodwill of \$4,650,000 was recognised.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

9 ASSOCIATES (CONT'D)

Investment in associates (equity-accounted investees)

Summarised financial information of associates

The Group has five (2018: five; 1 May 2017: four) associates that are material and a number of associates that are individually immaterial to the Group. All are equity accounted. The following are the material associates:

	China Southwest Energy Corporation Ltd (China SW)	Freight Management Holdings Bhd (FMHB)	Figtree Holdings Limited (Figtree)	Ececil Pte Ltd (Ececil)	Vibrant Pucheng Logistics (Chongqing) Co., Ltd (Vibrant Pucheng)
Principal activities	Mining of coal and trading of coal	Provision of integrated freight and logistics services	General contractors and providers of general building engineering services and property development	Property development	Provision of integrated logistics services
Principal place of business	People's Republic of China	Malaysia	Singapore	Singapore	People's Republic of China
Country of incorporation (if different from principal place of business)	Hong Kong	Not applicable	Not applicable	Not applicable	Not applicable
Ownership interest/voting rights held	25.52% (2018: 25.52%; 1 May 2017: 25.52%)	20.05% (2018: 20.05%; 1 May 2017: 21.01%)	21.89% (2018: 21.63% 1 May 2017: 21.39%)	20.4% (2018: 20.4%; 1 May 2017: 20.4%)	35.38%* (2018: 35.33%* 1 May 2017: Nil)
Fair value of ownership interest (if listed)	Not applicable	\$12,710,000# (2018: \$14,256,000#; 1 May 2017: \$16,259,000#)	\$11,273,000# (2018: \$12,041,000#; 1 May 2017: \$11,647,000#)	Not applicable	Not applicable
Audited by	Grant Thornton, Shanghai	BDO, Kuala Lumpur	Ernst & Young LLP	KPMG LLP	KPMG Huazhen LLP

Fair value of quoted investments in associates is determined by reference to the stock exchange quoted bid price as at 30 April 2019 (2018: 30 April 2018; 1 May 2017: 30 April 2017) (Level 1 in the fair value hierarchy).

* The Group's effective shareholding interest in Vibrant Pucheng comprises direct interest of 31% (2018: 31%) and indirect interest through an associate of 4.38% (2018: 4.33%).

All associates of the Group are not considered to be significant as defined under the Singapore Exchange Limited Listing Manual as the Group's share of each associate's net tangible assets does not represent 20% or more of the Group's consolidated net tangible assets and the Group's share of each associate's pre-tax profits does not account for 20% or more of the Group's consolidated pre-tax profits.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

9 ASSOCIATES (CONT'D)

The following summarises the financial information of each of the Group's material associates based on their respective (consolidated) financial statements prepared in accordance with SFRS (I), modified for fair value adjustments on acquisition. The table also includes summarised financial information for the Group's interest in immaterial associates, based on the amounts reported in the Group's consolidated financial statements.

	China SW \$'000	FMHB \$'000	Figtree \$'000	Ececil \$'000	Vibrant Pucheng \$'000	Immaterial associates \$'000	Total \$'000
30 April 2019							
Revenue	15,328	176,589	3,488	-	4,879		
Profit/(loss) from continuing operations	(6,636)	4,458	(5)	33,254	(4,117)		
Other comprehensive income	-	12,447	(1,902)	-	-		
Total comprehensive income	(6,636)	16,905	(1,907)	33,254	(4,117)		
Attributable to non-controlling interests	-	(12,426)	2,008	-	-		
Attributable to investee's shareholders	(6,636)	4,479	101	33,254	(4,117)		
Non-current assets	9,960	87,786	12,985	203,000	38,171		
Current assets	19,576	63,419	70,474	2,133	2,968		
Non-current liabilities	(4,896)	(26,174)	(424)	-	-		
Current liabilities	(11,712)	(27,316)	(34,249)	(116,524)	(40,114)		
Net assets	12,928	97,715	48,786	88,609	1,025		
Attributable to non-controlling interests	-	(2,007)	26	-	-		
Attributable to investee's shareholders	12,928	95,708	48,812	88,609	1,025		
Group's interest in net assets	3,299	19,190	10,685	35,444	318		
Other adjustments	5,088	(2,200)	588	-	4,650		
Carrying amount of investments	8,387	16,990	11,273	35,444	4,968		
Group's interest in net assets of investee at beginning of the year	11,104	17,089	12,041	22,142	6,305	1,865	70,546
Group's share of:							
- profit/(loss) from continuing operations	(1,695)	894	(1)	13,302	(1,276)	(109)	11,115
- other comprehensive income	-	4	23	-	-	1	28
- total comprehensive income	(1,695)	898	22	13,302	(1,276)	(108)	11,143
Additional investment during the year	-	-	460	-	-	206	666
Group's share of translation reserve	(180)	(384)	(415)	-	(61)	(67)	(1,107)
Impairment during the year	(842)	-	(375)	-	-	-	(1,217)
Dividends received	-	(613)	(460)	-	-	(13)	(1,086)
Disposal	-	-	-	-	-	(94)	(94)
Carrying amount of interest in investee at end of the year	8,387	16,990	11,273	35,444	4,968	1,789	78,851

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

9 ASSOCIATES (CONT'D)

	China SW \$'000	FMHB \$'000	Figtree \$'000	Ececil \$'000	Vibrant Pucheng \$'000	Immaterial associates \$'000	Total \$'000
30 April 2018							
Revenue	25,304	165,791	10,873	-	3,941		
Profit/(loss) from continuing operations	3,370	4,327	1,843	1,441	(245)		
Other comprehensive income	-	(2,825)	550	-	-		
Total comprehensive income	3,370	1,502	2,393	1,441	(245)		
Attributable to non-controlling interests	-	5,563	(487)	-	-		
Attributable to investee's shareholders	3,370	7,065	1,906	1,441	(245)		
Non-current assets	11,145	73,825	30,749	149,739	41,508		
Current assets	27,353	60,966	54,826	224	4,179		
Non-current liabilities	(6,519)	(25,443)	(17,449)	-	-		
Current liabilities	(11,709)	(23,520)	(16,870)	(94,608)	(40,350)		
Net assets	20,270	85,828	51,256	55,355	5,337		
Attributable to non-controlling interests	-	(1,559)	(2)	-	-		
Attributable to investee's shareholders	20,270	84,269	51,254	55,355	5,337		
Group's interest in net assets	5,173	16,896	11,086	22,142	1,655		
Other adjustments	5,931	193	955	-	4,650		
Carrying amount of investments	11,104	17,089	12,041	22,142	6,305		
Group's interest in net assets of investee at beginning of the year	10,085	16,044	17,411	21,566	-	1,775	66,881
Group's share of:							
- profit/(loss) from continuing operations	860	1,418	399	576	(76)	(70)	3,107
- other comprehensive income	-	(1)	13	-	-	-	12
- total comprehensive income	860	1,417	412	576	(76)	(70)	3,119
Additional investment during the year	-	-	844	-	6,325	167	7,336
Group's share of translation reserve	159	248	82	-	56	(7)	538
Impairment during the year	-	-	(5,864)	-	-	-	(5,864)
Dividends received	-	(620)	(844)	-	-	-	(1,464)
Carrying amount of interest in investee at end of the year	11,104	17,089	12,041	22,142	6,305	1,865	70,546

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

9 ASSOCIATES (CONT'D)

	China SW \$'000	FMHB \$'000	Figtree \$'000	Ececil \$'000	Vibrant Pucheng \$'000	Immaterial associates \$'000	Total \$'000
1 May 2017							
Non-current assets	19,167	78,371	32,625	140,000	-	-	
Current assets	15,527	56,276	63,377	733	-	-	
Non-current liabilities	(15,863)	(27,284)	(11,490)	-	-	-	
Current liabilities	(2,552)	(23,011)	(35,432)	(86,659)	-	-	
Net assets	16,279	84,352	49,080	54,074	-	-	
Attributable to non-controlling interests	-	(5,502)	-	-	-	-	
Attributable to investee's shareholders	16,279	78,850	49,080	54,074	-	-	
Group's interest in net assets	4,154	16,566	10,498	21,630	-	-	
Other adjustments	5,931	(522)	6,913	(64)	-	-	
Carrying amount of investments	10,085	16,044	17,411	21,566	-	1,775	66,881

10 OTHER INVESTMENTS

	Note	Group			Company		
		2019 \$'000	2018 \$'000	1 May 2017 \$'000	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Non-current investments							
Available-for-sale financial assets							
- quoted equity securities	(a)	-	29,138	31,051	-	-	-
- unquoted equity securities		-	-	3,452	-	-	-
Restricted fixed deposits	(b)	91	89	84	-	-	-
Club membership and others		30	29	15	-	-	-
		121	29,256	34,602	-	-	-
Current investments							
Financial assets at fair value through profit or loss							
- Equity investments mandatorily at FVTPL (2018 and 1 May 2017: Designated as at FVTPL)	(a)	47,872	47,244	84,463	33,498	31,532	67,213
Equity investments at FVOCI							
- quoted equity securities		11,205	-	-	-	-	-
Debt investments held to maturity	(c)	-	-	20,974	-	-	-
		59,077	47,244	105,437	33,498	31,532	67,213
		59,198	76,500	140,039	33,498	31,532	67,213

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

10 OTHER INVESTMENTS (CONT'D)

- (a) The quoted equity securities of \$56,515,000 (2018: \$55,380,000; 1 May 2017: \$31,212,000) have been pledged as security to secure bank loans and other credit facilities extended to the Company as set out in note 20.
- (b) The restricted fixed deposit represents fixed deposits which are pledged as collateral for utilities charges.
- (c) In December 2014, the Group entered into an agreement with Blackgold International Holdings Limited (Blackgold) in respect of a subscription of convertible bond for an aggregate amount of \$18,750,000 with the terms and conditions of the agreement with the right to nominate a company listed on the Singapore Stock Exchange to acquire Blackgold Holdings HongKong Limited (Blackgold HongKong) from Blackgold (the Reverse Take Over or RTO). The convertible bond bore a contractual interest rate of 7.5% per annum and was agreed to be redeemed in full on 31 August 2017. On 13 July 2017, the Company acquired 94.18% of the shares of Blackgold through a scheme of arrangement approved by the Federal Court of Australia. Following the acquisition, the convertible bond was written off (please see note 2 for further information).

Equity investments designated at FVOCI

At 1 May 2018, the Group designated the investments shown below as equity investments as at FVOCI because these equity investments represent investments that the Group intends to hold for both collecting contractual cash flows and for sale. In 2018, these investments were classified as available-for-sale.

No strategic investments were disposed of during 2019, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

At 30 April 2019 the equity investments was reclassified as a current asset as the group has identified a buyer with agreed consideration and the equity investments is available for immediate sale.

	Fair value at 30 April 2019 \$'000	Dividend income recognised during 2019 \$'000
Equity investments	11,205	1,028
	<u>11,205</u>	<u>1,028</u>

Credit and market risks, and fair value measurement

Information about the Group's and the Company's exposures to credit and market risks, and fair value measurement, is included in note 32 and 33 respectively.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

11. DEFERRED TAX

Movements in deferred tax assets and liabilities of the Group (prior to offsetting of balances) are as follows:

Group	At 1 May 2017	Recognised in profit or loss (note 26)	Translation differences	At 30 April 2018	Recognised in fair value reserve (note 26)	Reclassified to Assets Held for sale	Recognised in profit or loss (note 26)	Disposal of a subsidiary	Translation differences	At 30 April 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Deferred tax assets										
Deferred income	1	-	-	1	-	-	-	-	-	1
Property, plant and equipment	36	(19)	1	18	-	-	(13)	-	-	5
Provisions	407	(272)	10	145	70	(61)	-	-	2	156
Unutilised tax losses	1,056	3,319	93	4,468	-	-	(399)	-	(151)	3,918
Total	1,500	3,028	104	4,632	70	(61)	(412)	-	(149)	4,080
Deferred tax liabilities										
Investment properties	(2,701)	(198)	(116)	(3,015)	-	-	(4,569)	-	81	(7,503)
Property, plant and equipment	(1,358)	169	(1)	(1,190)	-	3	(1,947)	-	-	(3,134)
Trade and other receivables	(3,847)	(228)	(137)	(4,212)	-	-	-	4,072	140	-
Total	(7,906)	(257)	(254)	(8,417)	-	3	(6,516)	4,072	221	(10,637)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

11. DEFERRED TAX (CONT'D)

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts determined after appropriate offsetting are included in the statements of financial position as follows:

	Group			Company		
	2019 \$'000	2018 \$'000	1 May 2017 \$'000	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Deferred tax assets	4,080	4,629	1,495	-	-	-
Deferred tax liabilities	(10,637)	(8,414)	(7,901)	-	-	-
	(6,557)	(3,785)	(6,406)	-	-	-

As at 30 April 2019, deferred tax liabilities of \$1,260,700 (2018: \$855,000; 1 May 2017: \$830,000) were not recognised for temporary differences of \$12,607,000 (2018: \$8,550,000; 1 May 2017: \$8,297,000) related to investments in subsidiaries because the Group can control the timing of reversal of the taxable temporary differences for all subsidiaries and the temporary differences are not expected to reverse in the foreseeable future.

Deferred tax assets have not been recognised in respect of the following items:

	Group		
	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Deductible temporary differences	36	1,121	1,408
Tax losses	19,599	16,772	18,328
	19,635	17,893	19,736

The comparatives have been changed to reflect the revised deductible temporary differences and unutilised tax losses after the tax authorities finalised the tax status of certain years of assessment.

The tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which certain subsidiaries operate. The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items in accordance with the accounting policy stated in note 4.18.

12 DISPOSAL GROUP HELD FOR SALE

On 12 February 2019, the Group's subsidiary LTH Logistics (Singapore) Pte Ltd entered into a conditional put and call option agreement with SGRE Banyan Pte. Ltd. for the sale and leaseback of a property located at 121 Banyan Drive, Singapore 627570 and the mechanical and electrical equipment relating thereto for an aggregate consideration of \$227,500,000. The assets were classified as asset held for sale as the assets are available for immediate sale in their present condition and its sale was highly probable as at 30 April 2019. The sale was completed on 10 May 2019.

On 22 May 2019, the Company entered into a sale and purchase agreement to sell its 51% of the entire issued and paid-up capital of Sabana Investment Partners Pte. Ltd. within the Financial Services segment. The assets were classified as asset held for sale as the assets are available for immediate sale in their present condition and its sale was highly probable as at 30 April 2019. The sale was completed on 28 June 2019.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

12 DISPOSAL GROUP HELD FOR SALE (CONT'D)

Assets and liabilities of disposal group held for sale

At 30 April 2019, the disposal group was stated at its carrying amount (which is lower than its fair value less costs to sell):

	Note	2019 \$'000
Property, plant and equipment*	5	119,725
Deferred tax assets		58
Financial assets at FVOCI		17,116
Trade and other receivables		1,916
Cash and cash equivalents	16	5,128
Assets held for sale		143,943
Trade and other payables		7,158
Current tax payable		697
Provisions	22	2,123
Liabilities held for sale		9,978

* Property, plant and equipment have been pledged as securities to secure bank loans and other credit facilities extended to the Company and certain subsidiaries as set out in note 20.

13 TRADE AND OTHER RECEIVABLES

	Note	2019 \$'000	Group		2019 \$'000	Company	
			2018 \$'000	1 May 2017 \$'000		2018 \$'000	1 May 2017 \$'000
Non-current assets							
Finance lease receivables		3,060	9,910	6,747	-	-	-
Trade receivables – third party		-	24,796	28,015	-	-	-
Non-trade amounts due from subsidiaries	(a)	-	-	-	100,899	96,536	95,946
Loans to subsidiaries	(b)	-	-	-	253,743	269,591	363,995
Impairment losses		(1,536)	(1,590)	-	(40,526)	(37,586)	(59,738)
Net receivables		1,524	33,116	34,762	314,116	328,541	400,203
Loan to an associate	(c)	-	-	2,014	-	-	-
Loan to a non-controlling interest	(d)	-	1,672	-	-	-	-
Loans to third parties	(e)	-	21,167	15,726	-	-	-
Other receivables		-	-	3,297	-	-	-
Deposits		-	224	1,199	-	-	-
Impairment losses		-	-	(16)	-	-	-
Trade and other receivables		1,524	56,179	56,982	314,116	328,541	400,203
Prepayments		19	92	47	-	-	-
		1,543	56,271	57,029	314,116	328,541	400,203

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

13 TRADE AND OTHER RECEIVABLES (CONT'D)

	Note	Group			Company		
		2019 \$'000	2018 \$'000	1 May 2017 \$'000	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Current assets							
Trade receivables:							
- subsidiaries		-	-	-	1,430	1,744	1,106
- third parties		37,075	61,443	49,290	-	-	-
Finance lease receivables		25,277	20,553	3,670	-	-	-
		62,352	81,996	52,960	1,430	1,744	1,106
Impairment losses		(18,142)	(14,129)	(4,530)	(6)	-	-
Net trade receivables		44,210	67,867	48,430	1,424	1,744	1,106
Loans to associates	(f)	7,884	4,373	459	-	-	-
Loans to non-controlling interests	(g)	30,469	37,400	19,990	-	-	-
Loans to third parties	(h)	6,464	13,664	60,211	-	-	279
Non-trade amounts due from a subsidiary	(i)	-	-	-	6,476	-	-
Non-trade amounts due from associates	(i)	823	952	952	809	809	809
Non-trade amounts due from non-controlling interests	(i)	15,059	11,896	12,322	-	-	-
Non-trade amounts due from related parties	(i)	533	407	541	99	-	-
Deposits		923	3,334	1,365	3	2	2
Tax recoverable		255	200	134	-	-	-
Interest receivables		5,352	6,872	7,627	4,332	4,332	4,332
Other receivables		9,948	10,832	83,835	749	746	794
Impairment losses		(10,601)	(6,829)	(5,475)	(5,467)	(5,467)	(5,467)
Trade and other receivables		111,319	150,968	230,391	8,425	2,166	1,855
Prepayments and advances		2,504	5,628	3,464	127	64	465
		113,823	156,596	233,855	8,552	2,230	2,320

- (a) Non-trade amounts due from subsidiaries are unsecured, interest-free with no fixed terms of repayment and are not expected to be repaid within the next twelve months from the reporting date.
- (b) Loans to subsidiaries are unsecured with no fixed terms of repayment and are not expected to be repaid within the next twelve months. Loans of \$43,080,000 (2018: \$47,733,000; 1 May 2017: \$41,224,000) are interest-free and loans of \$27,141,000 (2018: \$56,093,000; 1 May 2017: \$73,162,000) bear fixed interest at 6.10% to 8.00% (2018: 4.56% to 10.00%; 1 May 2017: 6.10% to 10.00%) per annum. The remaining loans bear interest at 1.00% (2018: 1.00%; 1 May 2017: 1.00%) above market swap rate determined at the beginning of each month on the net receivables. As at the reporting date, the average effective interest rate for floating rate loans was 2.61% (2018: 1.92%; 1 May 2017: 1.56%) per annum.
- (c) As at 1 May 2017, non-current loan to an associate of \$2,014,000 was unsecured, bore interest at 1.88% above bank's prescribed rate, and was repayable in 2019. The average effective interest rate at reporting date was 2.65% per annum.
- (d) In 2018, non-current loan to a non-controlling interest was interest-free, unsecured and was not expected to be repaid within the next twelve months from the reporting date.
- (e) In 2018, non-current loans to third parties of \$5,121,000 (1 May 2017: \$nil) were unsecured, not expected to be repaid within the next twelve months from the reporting date and bore interest at 8.00% per annum. Loan of \$16,046,000 (1 May 2017: \$15,726,000) was secured, bore interest at 10.00% per annum and repayable in 2019. The effective interest rate at reporting date was 9.95% (1 May 2017: 13.53%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

13 TRADE AND OTHER RECEIVABLES (CONT'D)

- (f) Loan to an associate of \$2,020,000 (2018: \$459,000; 1 May 2017: \$459,000) is unsecured, repayable on demand and bears interest at 6.00% (2018: 9.75%; 1 May 2017: 9.75%) per annum. Loan of \$5,864,000 (2018: \$3,914,000; 1 May 2017: \$nil) is unsecured, repayable in 2020 and bears interest at 1.88% (2018: 1.88%; 1 May 2017: nil%) above bank's prescribed rate. The effective interest rate at reporting date was 3.83% (2018: 3.26%; 1 May 2017: nil%) per annum.
- (g) Loan to non-controlling interests of \$1,151,000 (2018: \$7,871,000; 1 May 2017: \$7,591,000) are unsecured, repayable on demand and bear interest at 10.00% (2018: 6.00% to 10.00%; 1 May 2017: 6.00% to 10.00%) per annum. The remaining loan of \$29,318,000 (2018: \$29,529,000; 1 May 2017: \$6,579,000) is unsecured, repayable on demand and interest-free (2018: interest-free; 1 May 2017: 8.00% per annum). As at 1 May 2017, loans of \$5,541,000 were unsecured, interest-free and repayable on demand and loan of \$279,000 bore interest at 1.00% above market swap rate determined at the beginning of each month. The average effective interest rate at reporting date was 1.42% per annum.
- (h) Loans of \$4,848,000 (2018: \$10,241,000; 1 May 2017: \$8,958,000) are secured by third party guarantee, repayable on demand and bear interest at 10.00% (2018: 3.00% to 10.00%; 1 May 2017: 3.00% to 15.00%) per annum. The remaining loan of \$1,616,000 (2018: \$3,416,000; 1 May 2017: \$4,949,000) is unsecured, repayable on demand and bears interest at 9.60% (2018: 9.60% to 15.00%; 1 May 2017: 8.00%) per annum. In 2018, loans to third parties of \$7,000 (1 May 2017: \$46,304,000) were unsecured, interest-free and repayable on demand, and at 1 May 2017 includes a loan of \$46,025,000 to a third party that was previously an associate in 2016.
- (i) Non-trade amounts due from a subsidiary, associates, non-controlling interests and related parties are unsecured, interest-free, and are repayable on demand. The Group's and the Company's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in note 32.

Finance lease receivables

The Group entered into non-cancellable finance lease agreements. The Group's legal title to the plant and machinery will be transferred to the lessees by the end of the lease term of five years. Effective interest rates at the reporting date were 2.75% to 16.50% (2018: 2.75% to 16.50%; 1 May 2017: 2.75% to 14.00%) per annum.

At the reporting date, the Group's finance lease receivables are as follows:

	Gross investment \$'000	Unearned finance income \$'000	Net investment \$'000
Group			
30 April 2019			
Within one year	28,073	(2,796)	25,277
Between one and five years	3,193	(133)	3,060
	<u>31,266</u>	<u>(2,929)</u>	<u>28,337</u>
30 April 2018			
Within one year	24,609	(4,056)	20,553
Between one and five years	10,659	(749)	9,910
	<u>35,268</u>	<u>(4,805)</u>	<u>30,463</u>
1 May 2017			
Within one year	5,537	(1,867)	3,670
Between one and five years	7,457	(710)	6,747
	<u>12,994</u>	<u>(2,577)</u>	<u>10,417</u>

The Group and the Company's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in note 32.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

14 DEVELOPMENT PROPERTIES

	Note	2019 \$'000	Group 2018 \$'000	1 May 2017 \$'000
Unsold properties	(i)	–	–	35,290
Unsold properties (with a sales contract)				
- Fulfilment cost	(ii)	–	120,398	53,185
		–	120,398	88,475

In 2019, development properties of \$102,870,000 (2018: \$nil) were recognised as an expense during the year and included in “cost of sales”, for the units transferred to the customers. The revenue and associated fulfilment costs were recorded in profit or loss at the point of transfer of the properties. Subsequently on 19 December 2018, the Group has disposed its entire 60% equity interest in Master Development (Jiangyin) Co. Ltd (“MDJ”), a subsidiary in the property development segment of the Group. The Group’s effective interest in MDJ was 36%.

- (i) As at 1 May 2017, the amount related to cost attributable to the unsold residential apartments and commercial spaces in the mixed residential and commercial development project in Jiangyin, China.
- (ii) In 2018, the amount relates to the costs attributable to the units for the residential apartments in the mixed residential and commercial development project in Jiangyin, China with a sales contract. The Group has no enforceable right to payment prior to the point of transfer of the apartment.

15 INVENTORIES

	2019 \$'000	Group 2018 \$'000	1 May 2017 \$'000
Consumables	410	525	497

16 CASH AND CASH EQUIVALENTS

	Group			Company		
	2019 \$'000	2018 \$'000	1 May 2017 \$'000	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Cash at bank and in hand	14,086	37,136	36,102	271	805	322
Deposits with banks	30,109	33,413	26,937	–	–	–
Cash and cash equivalents	44,195	70,549	63,039	271	805	322
Deposits pledged and restricted cash	–	(16,214)	(14,877)			
Cash and cash equivalents from continuing operations	44,195	54,335	48,162			
Cash and cash equivalents of disposal group held for sale (note 12)	5,128	–	–			
Cash and cash equivalents in the consolidated statement of cash flows	49,323	54,335	48,162			

Deposits pledged represent bank balances of the Company pledged as security to obtain credit facility (see note 20).

Included in cash and cash equivalents are amounts of \$32,939,000 (2018: \$61,999,000; 1 May 2017: \$48,254,000) held in countries with foreign exchange controls, i.e. repatriation requirements in place.

As at the reporting date, the weighted average effective interest rate per annum relating to deposits with banks for the Group ranges from 0.80% to 3.10% (2018: 0.80% to 4.62%; 1 May 2017: 0.90% to 4.25%). Interest rates reprice at intervals of overnight, one or twelve months (2018: overnight, one or twelve months; 1 May 2017: overnight, one or twelve months).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

17 SHARE CAPITAL

	Group and Company	
	2019	2018
	No. of shares ('000)	No. of shares ('000)
Fully paid ordinary shares, with no par value:		
At beginning of the year	697,952	605,430
Issue of new shares	–	92,522
At end of the year	697,952	697,952

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

On 19 October 2017, the Company issued 22,522,000 new ordinary shares for value of \$7,883,000 to eligible shareholders who elected to participate in the Scrip Dividend Scheme in respect of the final dividend declared and paid for the financial year ended 30 April 2017.

On 25 May 2017, the Company issued 70,000,000 new ordinary shares for cash of \$26,600,000.

Capital management

The Board defines capital to include share capital, accumulated profits and other reserves. The Board's policy is to maintain a sound capital base so as to sustain the future development and expansion of the Group's business in order to maintain investor and creditor confidence in the Group. The Board of Directors monitors the level of dividend payment taking into consideration the Group's business expansion requirements.

The Group monitors capital on the basis of the net debt-to-equity ratio. This ratio is calculated as total borrowings, net of cash and cash equivalents, divided by total shareholders' equity excluding non-controlling interests. The Group's strategy is to maintain a net debt-to-equity ratio of under 1.5. The net debt-to-equity ratio was 1.39 as at 30 April 2019 (2018: 1.31; 1 May 2017: 0.76).

There were no changes in the Group's approach to capital management during the year.

Dividends

The following exempt (one-tier) dividends were declared and paid by the Group and Company:

Paid by the Company to owners of the Company

	Group and Company		
	2019	2018	1 May 2017
	\$'000	\$'000	\$'000
First and final dividend paid in respect of the previous financial year of nil cents (2018: 1.50 cents; 1 May 2017: 1.80 cents) per share	–	9,664	9,968

After the reporting date, the following exempt (one-tier) dividends were proposed by the directors. These dividends have not been provided for in the financial statements.

	Group and Company		
	2019	2018	1 May 2017
	\$'000	\$'000	\$'000
First and final dividend payable/paid in respect of the current financial year of 0.40 cents (2018: nil cents; 1 May 2017: 1.50 cents) per share	2,770	–	9,010

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

18 PERPETUAL SECURITIES

On 11 April 2014, the Company issued Fixed Rate Perpetual Securities (the Securities) of \$100,000,000 with no fixed final redemption date and which confer a right to holders to receive distribution. The Securities bear an initial fixed distribution rate of 7.35% per annum payable semi-annually in arrears. On 11 October 2017, all outstanding perpetual securities were redeemed and subsequently cancelled thereafter, except for \$29,500,000 perpetual securities which were offered for exchange to notes due in 2020 under the \$500,000,000 Multicurrency Debt Issuance Programme.

In 2018, distributions amounting to \$3,638,000 were paid to perpetual securities holders.

19 RESERVES

	Group			Company		
	2019 \$'000	2018 \$'000	1 May 2017 \$'000	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Treasury shares	(1,980)	(1,935)	(1,759)	(1,980)	(1,935)	(1,759)
Capital reserve	7,090	7,089	7,089	7,082	7,082	7,082
Fair value reserve	(580)	-	-	-	-	-
Foreign currency translation reserve	343	3,935	-	-	-	-
Other reserves	51	24	12	-	-	-
	4,924	9,113	5,342	5,102	5,147	5,323
Accumulated profits	25,820	25,225	127,215	2,890	(15,306)	33,751
	30,744	34,338	132,557	7,992	(10,159)	39,074

The treasury shares reserve comprises the cost of the Company's shares held by the Group. On 30 April 2019, the Group held 5,460,560 of the Company's shares (2018: 5,188,560; 1 May 2017: 4,738,560).

Capital reserve arises from warrants issued in 2006 which expired in 2009; and the acquisition of non-controlling interests without a change in control, representing the difference between the amounts by which the non-controlling interests are adjusted and the fair value of the consideration paid, attributable to owners of the Company.

The fair value reserve comprises the cumulative net change in fair value of equity investments designated at FVOCI.

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations.

Other reserves mainly comprise share option reserve, which represents the cumulative value of services received from employees of an associate recorded over the vesting period commencing from the grant date of equity-settled share options.

20 LOANS AND BORROWINGS

	Group			Company		
	2019 \$'000	2018 \$'000	1 May 2017 \$'000	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Non-current liabilities						
Floating rate bank loans						
- secured	55,949	16,636	102,483	-	-	-
Fixed rate bank loans						
- secured	-	-	7,642	-	-	-
Finance lease liabilities	1,683	2,114	2,011	-	-	-
	57,632	18,750	112,136	-	-	-
Notes payable	65,753	-	-	65,753	-	-
	123,385	18,750	112,136	65,753	-	-

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

20 LOANS AND BORROWINGS (CONT'D)

	Group			Company		
	2019 \$'000	2018 \$'000	1 May 2017 \$'000	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Current liabilities						
Floating rate bank loans						
- secured	67,474	111,058	17,922	-	-	-
- unsecured	-	-	500	-	-	500
Fixed rate bank loans						
- secured	99,400	102,654	87,778	59,400	63,844	41,700
- unsecured	13,440	17,500	22,500	13,440	12,000	21,000
Finance lease liabilities	1,375	1,686	1,541	-	-	-
	181,689	232,898	130,241	72,840	75,844	63,200
Notes payable	25,159	92,438	101,919	-	65,311	101,919
	206,848	325,336	232,160	72,840	141,155	165,119
	330,233	344,086	344,296	138,593	141,155	165,119

The bank loans of the Company and certain subsidiaries amounting \$222,822,000 (2018: \$230,348,000; 1 May 2017: \$215,825,000) are secured by legal mortgages over property, plant and equipment, investment properties and equity securities of the Group as disclosed in notes 5, 7 and 10 respectively.

Finance lease liabilities

The Group entered into non-cancellable finance leases. The motor vehicles, trucks, prime movers and machinery subject to the finance leases will be transferred to the Group by the end of the lease terms ranging from 2 to 5 years (2018: 2 to 5 years; 1 May 2017: 2 to 5 years). As at the reporting date, the Group has obligations under finance leases that are payable as follows:

	Principal	Interest	Payments	Principal	Interest	Payments	Principal	Interest	Payments
	2019 \$'000	2019 \$'000	2019 \$'000	2018 \$'000	2018 \$'000	2018 \$'000	1 May 2017 \$'000	1 May 2017 \$'000	1 May 2017 \$'000
Group									
Repayable within 1 year	1,375	147	1,522	1,686	176	1,862	1,541	164	1,705
Repayable after 1 year but within 5 years	1,683	102	1,785	2,114	129	2,243	2,011	112	2,123
Total	3,058	249	3,307	3,800	305	4,105	3,552	276	3,828

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

20 LOANS AND BORROWINGS (CONT'D)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate %	Year of maturity	Face value \$'000	Carrying amount \$'000
Group				
30 April 2019				
Floating rate bank loans	1.00% above SIBOR rate	2021	3,502	3,502
	1.50% – 1.55% above bank's 1-3 months cost of funds	2021	8,012	8,012
	1.55% – 2.00% above swap rate	2020 – 2021	90,270	90,270
	0.60% above LPR	2033	21,639	21,639
Fixed rate bank loans	3.73% – 7.00%	2020	112,840	112,840
Finance lease liabilities	1.25% – 4.90%	2020 – 2023	3,058	3,058
Notes payable	3.40% – 7.50%	2020 – 2021	90,912	90,912
			330,233	330,233
30 April 2018				
Floating rate bank loans	1.00% above SIBOR rate	2021	4,009	4,009
	1.50% – 1.55% above bank's 1-3 months cost of funds	2020 – 2021	12,834	12,834
	1.55% – 2.00% above swap rate	2019 – 2022	93,170	93,170
	0.60% above LPR	2033	17,681	17,681
Fixed rate bank loans	2.93% – 7.00%	2019	120,154	120,154
Finance lease liabilities	1.16% – 7.66%	2019 – 2022	3,800	3,800
Notes payable	3.40% – 7.50%	2019 – 2020	92,438	92,438
			344,086	344,086
1 May 2017				
Floating rate bank loans	1.00% – 2.50% above SIBOR rate	2021	4,516	4,516
	1.50% – 2.00% above bank's 3 months cost of funds	2018 – 2021	16,919	16,919
	1.25% – 2.00% above swap rate	2018 – 2022	99,470	99,470
Fixed rate bank loans	2.22% – 6.37%	2018 – 2025	117,920	117,920
Finance lease liabilities	1.16% – 7.66%	2018 – 2021	3,552	3,552
Notes payable	4.60%	2018	101,919	101,919
			344,296	344,296
Company				
30 April 2019				
Fixed rate bank loans	3.05% – 7.00%	2020	72,840	72,840
Notes payable	7.50%	2021	65,753	65,753
			138,593	138,593

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

20 LOANS AND BORROWINGS (CONT'D)

	Nominal interest rate %	Year of maturity	Face value \$'000	Carrying amount \$'000
Company				
30 April 2018				
Fixed rate bank loans	2.75% – 7.00%	2019	75,844	75,844
Notes payable	4.60% – 7.50%	2021	65,311	65,311
			141,155	141,155
1 May 2017				
Floating rate bank loans	2.00% above bank's 3 months cost of funds	2018	500	500
Fixed rate bank loans	2.48% – 3.98%	2018	62,700	62,700
Notes payable	4.60%	2018	101,919	101,919
			165,119	165,119

Of the Group and Company's bank loans, \$116,160,000 (2018: \$124,934,000; 1 May 2017: \$118,561,000) and \$72,840,000 (2018: \$75,844,000; 1 May 2017: \$63,200,000) are callable by financial institutions, and have been presented as current liabilities in the Group and Company's statements of financial position respectively.

In 2018, following the write down of its investment in and receivables from Blackgold Group (note 2), certain loan covenants of the Group's loan facilities which required the consolidated tangible net worth to be in excess of \$250,000,000, consolidated EBITDA ratio over consolidated finance costs to be more than 2.5 times and consolidated total liabilities over consolidated tangible net worth to be less than 3.0 times as well as the requirement for the audit opinion on the Group's consolidated financial statements to be unmodified, were not met. As a result, certain terms of the Group's loan facilities were breached and cross default clauses of loans and borrowings in some of its subsidiaries were in effect. \$160,290,000 of loans and borrowings due between financial years 2020 and 2022 were reclassified as current liabilities as at 30 April 2018.

In 2019, certain financial covenants have been revised during the year and a series of waivers of the breach of loan covenants as a result of the irregularities, the fire incident and any other matters relating to Blackgold Group have been obtained subsequent to 30 April 2018 and before 30 April 2019. Accordingly, loans and borrowings of the Group and Company have been classified in accordance with the contractual terms of the facilities as at 30 April 2019.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

20 LOANS AND BORROWINGS (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities						Total \$'000
	Loans and borrowings \$'000	Notes payable \$'000	Finance lease liabilities \$'000	Accrued interest expenses \$'000	Loans from related parties \$'000	Loan from a director \$'000	
Balance at 1 May 2017	238,825	101,919	3,552	1,472	6,962	-	390,431
Changes from financing cash flows							
Finance cost paid	-	(5,112)	(238)	(9,109)	-	-	(14,459)
Net proceeds from issue of notes payable	-	63,500	-	-	-	-	63,500
Payment of transaction costs related to notes payable	-	(1,322)	-	-	-	-	(1,322)
Proceeds from borrowings	193,613	-	-	-	-	-	193,613
Proceeds from loan from a director	-	-	-	-	-	13,937	13,937
Proceeds from loan from a related party	-	-	-	-	7,000	-	7,000
Proceeds from loans from non-controlling interests	-	-	-	-	-	-	8,620
Redemption of notes payable	-	(100,200)	-	-	-	-	(100,200)
Repayment of borrowings	(184,473)	-	-	-	-	-	(184,473)
Repayment of finance lease liabilities	-	-	(1,836)	-	-	-	(1,836)
Repayment of loan to an associate	-	-	-	-	(3,598)	-	(3,598)
Repayment of loans to non-controlling interests	-	-	-	-	-	(9,312)	(9,312)
Total changes from financing cash flows	9,140	(43,134)	(2,074)	(9,109)	3,402	13,937	(28,530)
The effect of changes in foreign exchange rates	(117)	-	127	7	(32)	-	435
Other changes							
Liability-related							
New finance leases	-	-	1,957	-	-	-	1,957
Non-cash transactions	-	-	-	-	-	(2,216)	(12,720)
Perpetual securities exchanged for notes	-	29,500	-	-	-	-	29,500
Capitalised borrowing costs	-	-	-	341	-	-	341
Interest expense	-	3,890	238	9,676	-	-	13,804
Other changes	-	263	-	(400)	-	-	(137)
Total liability-related other changes	-	33,653	2,195	9,617	-	(2,216)	32,745
Balance at 30 April 2018	247,848	92,438	3,800	1,987	10,332	11,721	395,081

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

20 LOANS AND BORROWINGS (CONT'D)

	Liabilities										
	Loans and borrowings \$'000	Notes payable \$'000	Finance lease liabilities \$'000	Accrued interest expenses \$'000	Loans from related parties \$'000	Loan from a director \$'000	Loans from non-controlling interests \$'000	Loan from third parties \$'000	Non-trade amount due to a related party \$'000	Provisions \$'000	Total \$'000
Balance at 1 May 2018	247,848	92,438	3,800	1,987	10,332	11,721	26,955	-	1,491	3,883	400,455
Changes from financing cash flows											
Finance cost paid	-	(6,365)	(203)	(9,811)	-	-	-	-	-	-	(16,379)
Proceeds from borrowings	10,946	-	-	-	-	-	-	-	-	-	10,946
Proceeds from loan from a related party	-	-	-	-	4,750	-	-	-	-	-	4,750
Proceeds from loans from non-controlling interest	-	-	-	-	-	-	2,084	-	-	-	2,084
Proceeds from loan from third parties	-	-	-	-	-	-	-	1,006	-	-	1,006
Redemption of notes payable	-	(1,720)	-	-	-	-	-	-	-	-	(1,720)
Repayment of borrowings	(22,609)	-	-	-	-	-	-	-	-	-	(22,609)
Repayment of finance lease liabilities	-	-	(1,801)	-	-	-	-	-	-	-	(1,801)
Repayment of loan to director	-	-	-	-	-	(10,000)	-	-	-	-	(10,000)
Repayment of loans to non-controlling interests	-	-	-	-	-	-	(6,345)	-	-	-	(6,345)
Repayment of loan to third parties	-	-	-	-	-	-	-	(35,557)	-	-	(35,557)
Total changes from financing cash flows	(11,663)	(8,085)	(2,004)	(9,811)	4,750	(10,000)	(4,261)	(34,551)	-	-	(75,625)
Changes arising from losing control of subsidiary	-	-	-	(215)	-	-	(2,095)	35,557	-	-	33,247
The effect of changes in foreign exchange rates	78	-	(74)	(21)	-	-	(210)	-	20	-	(207)
Other changes											
Liability-related											
New finance leases	-	-	1,133	-	-	-	-	-	-	-	1,133
Capitalised borrowing costs	-	-	-	407	-	-	-	-	-	-	407
Reclassification to liabilities held for sale	-	-	-	-	-	-	-	-	-	(2,123)	(2,123)
Interest expense	-	6,117	203	9,560	-	-	146	-	183	97	16,306
Other changes	-	442	-	(403)	-	-	-	-	16	-	55
Total liability-related other changes	-	6,559	1,336	9,564	-	-	146	-	199	(2,026)	15,778
Balance at 30 April 2019	236,263	90,912	3,058	1,504	15,082	1,721	20,535	1,006	1,710	1,857	373,648

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

21 TRADE AND OTHER PAYABLES

	Note	2019 \$'000	Group 2018 \$'000	1 May 2017 \$'000	2019 \$'000	Company 2018 \$'000	1 May 2017 \$'000
Non-current liabilities							
Trade payables - third parties		11,140	15,899	22,866	-	-	-
Deposits		2,384	-	283	-	-	-
Loans from subsidiaries	(a)	-	-	-	56,508	72,640	55,037
Loans from non-controlling interests	(b)	3,895	15,357	30,849	-	-	-
Loan from related parties	(c)	-	3,332	3,332	-	-	-
Non-trade amounts due to subsidiaries	(d)	-	-	-	4,916	6,629	7,077
Non-trade amounts due to non-controlling interests	(e)	-	-	707	-	-	-
Other payables		224	3,506	5,329	-	-	-
Accrued operating expenses		-	-	2	-	-	-
Long-term employee benefits	(f)	1,410	1,774	1,770	1,080	1,489	1,489
		19,053	39,868	65,138	62,504	80,758	63,603
Current liabilities							
Trade payables							
- related party		-	-	22	-	-	-
- third parties		18,617	71,587	57,001	-	-	-
Deposits		3,609	4,712	3,946	-	-	-
Advances - development properties	(g)	-	121,870	61,256	-	-	-
Other advances		1,111	990	2,367	-	-	-
Deferred revenue		20	-	-	-	-	-
Loan from related parties	(h)	15,082	7,000	3,630	11,750	7,000	-
Loans from non-controlling interests	(i)	16,640	11,598	6,852	-	-	-
Loan from a director		1,721	11,721	-	1,721	11,721	-
Loan from third parties	(j)	1,006	-	-	-	-	-
Non-trade amount due to a related party	(k)	1,710	1,491	1,278	-	-	-
Non-trade amounts due to non-controlling interests	(k)	1,031	1,027	858	-	-	-
Non-trade amount due to directors	(k)	21	-	-	21	-	-
Other payables		8,556	11,750	12,887	699	819	2,430
Accrued interest expense		1,504	1,987	1,472	745	687	567
Accrued operating expenses		3,513	4,068	4,632	1,026	1,099	1,428
Fair value through profit or loss							
- Foreign exchange contracts		21	578	195	21	578	195
		74,162	250,379	156,396	15,983	21,904	4,620
Total trade and other payables		93,215	290,247	221,534	78,487	102,662	68,223

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

21 TRADE AND OTHER PAYABLES (CONT'D)

- (a) The loans from subsidiaries are unsecured with no fixed terms of repayment and will not be repaid within the next twelve months from the reporting date. Loans of \$8,656,000 (2018: \$2,848,000; 1 May 2017: \$775,000) are interest-free, loans of \$25,500,000 (2018: \$30,439,000; 1 May 2017: \$3,219,000) bear interest at 3.69% to 3.85% (2018: 3.40% to 4.06%; 1 May 2017: 2.86%) and loans of \$8,150,000 (2018: \$7,080,000; 1 May 2017: \$5,440,000) bear interest at 1.50% to 1.75% (2018: 1.50% to 1.55%) over bank's cost of funds. In 2017, a loan of \$1,450,000 bore interest at 1.95% over SIBOR. The remaining loans bear interest at 1.00% (2018: 1.00%; 1 May 2017: 1.00%) above market swap rate determined at the beginning of each month on the net payables. As at the reporting date, the average effective interest rate for interest-bearing loans was 2.61% (2018: 1.92%; 1 May 2017: 1.56%) per annum.
- (b) Non-current loans from non-controlling interests of \$3,895,000 (2018: \$14,637,000; 1 May 2017: \$30,129,000) are unsecured, interest-free, have no fixed terms of repayment and will not be repaid within the next twelve months. In 2018, \$720,000 (1 May 2017: \$720,000) bore interest at 10.00% (1 May 2017: 10.00%) per annum and was repaid in 2019.
- (c) In 2018, non-current loan from a related party of \$3,332,000 (1 May 2017: \$3,332,000) bore interest at 6.00% (1 May 2017: 6.00%) per annum and was reclassified to current liabilities in 2019.
- (d) Non-trade amounts due to subsidiaries are unsecured, interest-free with no fixed terms of repayment and will not be repaid within the next twelve months from the reporting date.
- (e) In 2017, non-trade amounts due to non-controlling interests were unsecured, interest-free with no fixed terms of repayment and was repaid in 2018.
- (f) Long-term employee benefits are payable to certain directors or employees upon their retirement.
- (g) Advances for development properties pertain to advance payments received from customers in relation to a development project in Jiangyin, China (i.e. contract liabilities). The units were handed over in 2019 and the advances were recognised as revenue during the year.
- (h) Loan from related parties of \$3,332,000 is unsecured, repayable on demand and bear interest at 6.00% per annum. The remaining loans of \$11,750,000 are unsecured, repayable on demand and interest-free. In 2018, loan from a related party was unsecured, interest-free and repayable on demand. As at 1 May 2017, loan from a related party bore interest at 8.00%, was unsecured and repaid in 2018.
- (i) Loans from non-controlling interests are unsecured and expected to be repaid within the next twelve months. A loan of \$16,340,000 (2018: \$5,655,000; 1 May 2017: \$252,000) is interest-free and remaining loan of \$300,000 (2018: \$5,943,000; 1 May 2017: \$6,600,000) bears interest at 12.00% (2018: 12.00%; 1 May 2017: 12.00%) per annum.
- (j) In 2019, loans from third parties are unsecured and expected to be repaid within the next twelve months. A loan of \$606,000 is interest-free and remaining loans of \$400,000 bear interest at 12.00% per annum.
- (k) Non-trade amounts due to a related party, non-controlling interests and directors are unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

22 PROVISIONS

	Site restoration	
	2019	2018
	\$'000	\$'000
Group		
At beginning of the year	3,883	3,784
Provision made during the year	97	99
Provision reclassified to disposal group held for sale during the year (note 12)	(2,123)	–
Balance as at end of the year	<u>1,857</u>	<u>3,883</u>

	Site restoration		
	2019	2018	1 May 2017
	\$'000	\$'000	\$'000
Provisions due:			
- within 1 year	141	141	140
- after 5 years	1,716	3,742	3,644
	<u>1,857</u>	<u>3,883</u>	<u>3,784</u>

Site restoration

Site restoration relates to cost of dismantling and removing assets and restoring the premises to its original condition as stipulated in the operating lease agreements. The Group expects to incur the liability upon termination of the leases. The provisions are measured at the best estimate of the expenditure required and timing of outflows, to settle the obligation at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

23 REVENUE

Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major product and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Freight and logistics		Financial services		Real estate		Eliminations		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Primary geographical markets										
Singapore	126,599	125,867	3,343	3,851	-	-	-	-	129,942	129,718
Malaysia	17,514	16,589	-	-	-	-	-	-	17,514	16,589
China	276	473	3,247	3,491	122,471	2,795	-	-	125,994	6,759
Thailand	6,436	6,712	-	-	-	-	-	-	6,436	6,712
Hong Kong	1,767	1,968	84	-	-	-	-	-	1,851	1,968
	152,592	151,609	6,674	7,342	122,471	2,795	-	-	281,737	161,746
Inter-segment revenue	330	329	-	301	-	4	(330)	(634)	-	-
	152,922	151,938	6,674	7,643	122,471	2,799	(330)	(634)	281,737	161,746

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

23 REVENUE (CONT'D)

	Freight and logistics		Financial services		Real estate		Eliminations		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Major products and service lines										
Freight services	68,343	64,674	-	-	-	-	-	-	68,343	64,674
Logistics services	84,249	86,935	-	-	-	-	-	-	84,249	86,935
Sale of development properties	-	-	-	119,309	-	-	-	-	119,309	-
Management services	-	-	-	68	23	-	-	-	68	23
Fee income	-	-	3,331	3,490	-	-	-	-	3,331	3,490
Dividend income	-	-	2,696	2,274	-	-	-	-	2,696	2,274
Interest income	-	-	647	1,578	-	-	-	-	647	1,578
Construction services	-	-	-	-	615	-	-	-	-	615
Property management services	-	-	-	440	365	-	-	-	440	365
Rental income	-	-	-	-	2,654	1,792	-	-	2,654	1,792
	152,592	151,609	6,674	7,342	122,471	2,795	-	-	281,737	161,746
Inter-segment revenue	330	329	-	301	-	4	(330)	(634)	-	-
	152,922	151,938	6,674	7,643	122,471	2,799	(330)	(634)	281,737	161,746
Timing of revenue recognition										
Products and services transferred at a point in time	-	-	3,331	3,490	119,309	-	-	-	122,640	3,490
Products and services transferred over time	152,592	151,609	-	-	508	1,003	-	-	153,100	152,612
Others*	-	-	3,343	3,852	2,654	1,792	-	-	5,997	5,644
	152,592	151,609	6,674	7,342	122,471	2,795	-	-	281,737	161,746
Inter-segment revenue	330	329	-	301	-	4	(330)	(634)	-	-
	152,922	151,938	6,674	7,643	122,471	2,799	(330)	(634)	281,737	161,746

* Out of scope of SFRS(I) 15 (dividend income, interest income and rental income).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

23 REVENUE (CONT'D)

Transaction prices allocated to the remaining performance obligations

The Group has applied the practical expedients in paragraphs 121(a) and 121(b) of SFRS(I) 15 and does not disclose the amount of the transaction price allocated to the remaining performance obligations that have original expected durations of one year or less, and when the Group has the right to consideration from customers in amounts that correspond directly with the value to the customers of the Group's performance completed to date.

24 OTHER INCOME

	Group	
	2019	2018
	\$'000	\$'000
Dividend income from available-for-sale financial assets	–	7
Fair value gain on foreign currency forward contracts	556	–
Fair value gain on investment properties	8,300	1,068
Fair value gain on securities designated at fair value through profit or loss	205	959
Gain on disposal of property, plant and equipment	–	76
Gain on disposal of subsidiaries	758	–
Management fee	24	41
Others	804	1,910
	<u>10,647</u>	<u>4,061</u>

25 FINANCE INCOME AND COSTS

	Group	
	2019	2018
	\$'000	\$'000
Interest income:		
- other receivables	–	168
- bank deposits	990	1,052
- loans to an associate	262	131
- loans to third party	695	1,004
Finance income	<u>1,947</u>	<u>2,355</u>
Interest expense:		
- term loans	(9,469)	(8,682)
- notes payable	(6,117)	(3,890)
- loans from non-controlling interests	(182)	(188)
- loans from related companies	(199)	(732)
- loans from a third party	(3)	–
- finance lease liabilities	(203)	(238)
- unwind of discount on site restoration provision	(97)	(99)
- others	(36)	(7)
Finance costs	<u>(16,306)</u>	<u>(13,836)</u>
Net finance costs	<u>(14,359)</u>	<u>(11,481)</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

25 FINANCE INCOME AND COSTS (CONT'D)

The above finance income and finance costs include the following interest income and expense in respect of financial assets/ (liabilities) not at fair value through profit or loss:

	Group	
	2019	2018
	\$'000	\$'000
Total interest income on financial assets at amortised cost (2018: loans and receivables)	1,947	2,355
Total interest expense on financial liabilities measured at amortised cost	(16,173)	(13,730)

26 TAX (EXPENSE)/CREDIT

	Group	
	2019	2018
	\$'000	\$'000
Current tax expense		
Current year	3,114	2,887
Adjustment for prior years	(1,719)	(1,287)
	1,395	1,600
Deferred tax expense/(credit)		
Origination and reversal of temporary differences	7,475	(2,565)
Adjustment for prior years	(546)	(165)
	6,929	(2,730)
Total tax expense/(credit)	8,324	(1,130)
Reconciliation of effective tax rate		
Profit/(Loss) before tax	25,973	(96,216)
Impairment loss on investment associates	1,217	5,864
Share of profits of associates, net of tax	(11,115)	(3,107)
Profit/(Loss) before share of profits of associates and impairment loss on investment in associates	16,075	(93,459)
Tax calculated using Singapore tax rate of 17% (2018: 17%)	2,733	(15,888)
Effect of tax rates in foreign jurisdictions	2,007	(791)
Non-deductible expenses	4,503	19,350
Tax exempt income	(1,309)	(1,922)
Tax incentives	-	(69)
Recognition of tax effect of previously unrecognised tax losses	(62)	(356)
Current year losses for which no deferred tax asset was recognised	358	23
Adjustment for prior years	(2,265)	(1,452)
Effect of change in tax law in certain jurisdiction	2,347	-
Others	12	(25)
	8,324	(1,130)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

26 TAX (EXPENSE)/CREDIT (CONT'D)

Tax recognised in OCI

For the year ended 30 April

	2019			2018		
	Before tax \$'000	Tax benefit \$'000	Net of tax \$'000	Before tax \$'000	Tax benefit \$'000	Net of tax \$'000
Items that will not be reclassified to profit or loss						
Equity investments at FVOCI						
- net change in fair value	(818)	70	(748)	-	-	-
	(818)	70	(748)	-	-	-

27 DISCONTINUED OPERATION

The discontinued operation refers to Sabana Investment Partners Pte Ltd and its subsidiaries, Freight Links (Jiangsu) Co., Ltd and Jiangyin Huan Lian International Trade Co., Ltd.

In July 2019, the Group sold its entire interest in Sabana Investment Partners Pte Ltd and its subsidiaries.

Freight Links (Jiangsu) Co., Ltd and Jiangyin Huan Lian International Trade Co., Ltd are in the process of voluntary striking off. The deregistration process is expected to be completed within financial year 2020.

These companies were not previously presented as a discontinued operation or classified as held for sale as at 30 April 2018. Thus, the comparative statement of profit or loss has been re-presented to show the discontinued operation separately from continuing operations. Management committed to a plan to sell/deregister these companies in financial year 2020 following a strategic decision to place greater focus on the Group's core business and towards satisfying the Group's debts.

	Group	
	2019 \$'000	2018 \$'000
Results of discontinued operation		
External revenue	12,824	13,729
Other income	1,357	2,003
External expenses	(10,538)	(13,276)
Results from operating activities	3,643	2,456
Finance income	33	21
Finance costs	-	(67)
Net finance income/(costs)	33	(46)
Tax expense	(645)	(416)
Profit from discontinued operation, net of tax	3,031	1,994
Diluted and basic earnings per share (cents)	0.44	0.29

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

27 DISCONTINUED OPERATION (CONT'D)

	Group	
	2019 \$'000	2018 \$'000
Cash flows from/(used in) discontinued operation		
Net cash from operating activities	5,811	3,407
Net cash from investing activities	1,466	501
Net cash used in financing activities	(2,160)	(181)
Net cash flows for the year	<u>5,117</u>	<u>3,727</u>

The profit from discontinued operation of \$3,031,000 (2018: \$1,994,000) is attributable entirely to the owners of the Company. Of the profit from continuing operations of \$17,649,000 (2018: loss of \$95,086,000), an amount of \$4,659,000 is attributable to the owners of the Company (2018: loss of \$90,682,000).

Effect of disposal on the financial position of the Group

	Note	Group 2019 \$'000
Property, plant and equipment		174
Deferred tax assets		58
Financial assets at FVOCI		17,116
Trade and other receivables		1,916
Cash and cash equivalents	16	5,128
Current tax payable		(697)
Trade and other payables		(7,158)
Net assets and liabilities		<u>16,537</u>

28 PROFIT/(LOSS) FOR THE YEAR

The following items have been included in arriving at (profit)/loss for the year:

	Note	Group	
		2019 \$'000	2018 \$'000
Audit fees paid to:			
- auditors of the Company		542	563
- other auditors		26	60
Contributions to defined contribution plans included in staff costs		3,412	3,409
Depreciation of property, plant and equipment	30	10,893	12,591
Foreign exchange loss		310	2,494
Loss on disposal of property, plant and equipment		209	-
Impairment loss on property, plant and equipment		-	703
Impairment loss on investment in associates	9	1,217	5,864
Impairment loss available-for-sale financial asset		-	4,116
Investment in Blackgold Group written off		-	41,352
Non-audit fees paid to:			
- auditors of the Company		24	39
- other auditors		29	19
Property, plant and equipment written off		43	240
Operating lease expense		20,822	20,980
Receivables from Blackgold Group written off		-	21,847
Staff costs		<u>26,093</u>	<u>27,281</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

28 PROFIT/(LOSS) FOR THE YEAR (CONT'D)

The net gain/(losses) recognised in profit or loss in the respective categories of financial assets and financial liabilities are as follows:

	Group	
	2019 \$'000	2018 \$'000
Financial assets at amortised cost (2018: Loans and receivables)	3,506	(28,908)
Financial assets at fair value through profit or loss	2,391	1,838
Financial assets at FVOCI (2018: Available-for-sale)	1,028	(3,215)
Other financial liabilities (2018: Liabilities at amortised cost)	(16,193)	(13,802)
	<u>(9,268)</u>	<u>(44,087)</u>

29 EARNINGS/(LOSS) PER SHARE

	Group	
	2019 \$'000	2018 \$'000
Basic earnings/(loss) per share is computed based on:		
Net profit/(loss) attributable to ordinary shareholders	<u>7,690</u>	<u>(88,688)</u>
	2019 No. of shares ('000)	2018 No. of shares ('000)
Issued ordinary shares at beginning of the year	692,763	600,691
Effect of own shares held	(122)	(359)
Effect of ordinary shares issued	-	77,368
Weighted average number of ordinary shares at end of the year	<u>692,641</u>	<u>677,700</u>
	\$'000	\$'000
Diluted earnings per share is based on:		
Net profit/(loss) attributable to ordinary shareholders	<u>7,690</u>	<u>(88,688)</u>

For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is not adjusted to take into account the dilutive effect arising from the dilutive potential ordinary shares weighted for the period outstanding, as there were no dilutive potential ordinary shares during the year (2018: nil).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

30 SEGMENT REPORTING

The Group (excluding Blackgold Group) has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different services and are managed separately because they require different marketing strategies. For each of the strategic business units, the Group's CEO (the chief operating decision maker) reviews internal management reports regularly.

The following describes the operations in each of the Group's reportable segments:

- Freight and logistics business: provision of international freight forwarding services, distribution, storage and warehousing services, records management, document storage, provision of chemical logistics, transportation and warehousing activities.
- Financial services: provision of fund management, financial leasing services, real estate fund management and investment holdings.
- Real estate business: provision of real estate property management, property development, construction services and property investment.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operates within these industries.

Inter-segment pricing is determined on mutually agreed terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise investments and related revenue, loans and borrowings, notes payables and expenses, current and deferred taxes, corporate assets and head office expenses.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, intangible assets other than goodwill and investment properties.

Geographical segments

The freight and logistics, financial services and real estate business segments are managed on a worldwide basis, but operate in eight (2018: eight) principal geographical areas.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

30 SEGMENT REPORTING (CONT'D)

Operating segments

	Freight and Logistics S\$'000	Financial Services S\$'000	Real Estate S\$'000	Eliminations S\$'000	Continuing Operations S\$'000	Discontinued Operations S\$'000	Total Operations S\$'000
2019							
Revenue							
External revenue	152,592	6,674	122,471	-	281,737	12,824	294,561
Inter-segment revenue	330	-	-	(330)	-	-	-
Total revenue	152,922	6,674	122,471	(330)	281,737	12,824	294,561
Results							
Segment results	10,581	5,005	20,701	-	36,287	3,643	39,930
Unallocated corporate costs					(5,853)	-	(5,853)
- Other corporate costs					30,434	3,643	34,077
Results from operating activities	936	7	1,004	-	1,947	33	1,980
Finance income	(6,551)	(8,430)	(1,325)	-	(16,306)	-	(16,306)
Finance costs					(1,217)	-	(1,217)
Impairment loss on investment in associate					11,115	-	11,115
Share of profits of associates, net of tax					25,973	3,676	29,649
Profit before income tax	(1,237)	(708)	(6,379)	-	(8,324)	(645)	(8,969)
Income tax expense	3,729	(4,126)	14,001	-	17,649	3,031	20,680
Profit/(loss) for the year							
Other segmental information							
Fair value gain on foreign currency forward contract	-	556	-	-	556	-	556
Fair value gain on investment properties	-	-	8,300	-	8,300	-	8,300
Fair value gain on securities designated at fair value through profit or loss	-	205	-	-	205	-	205
Gain/(loss) on disposal of subsidiary	-	-	758	-	758	(1)	757
Impairment loss on trade and other receivables (including RCCPS in an associate), net	(401)	(653)	(148)	-	(1,202)	-	(1,202)
(Loss)/gain on disposal of property, plant and equipment	(133)	(72)	(4)	-	(209)	14	(195)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

30 SEGMENT REPORTING (CONT'D)

Operating segments (cont'd)

	Freight and Logistics S\$'000	Financial Services S\$'000	Real Estate S\$'000	Eliminations S\$'000	Continuing Operations S\$'000	Discontinued Operations S\$'000	Total Operations S\$'000
2018							
Revenue							
External revenue	151,609	7,342	2,795	-	161,746	13,729	175,475
Inter-segment revenue	329	301	4	(634)	-	-	-
Total revenue	151,938	7,643	2,799	(634)	161,746	13,729	175,475
Results							
Segment results	4,953	(75,907)	(2,360)	-	(73,314)	2,456	(70,858)
Unallocated corporate costs							
- Other corporate costs					(8,664)	-	(8,664)
Results from operating activities					(81,978)	2,456	(79,522)
Finance income	733	297	1,325	-	2,355	21	2,376
Finance costs	(5,764)	(6,399)	(1,673)	-	(13,836)	(67)	(13,903)
Impairment loss on investment in associate					(5,864)	-	(5,864)
Share of profits of associates, net of tax					3,107	-	3,107
(Loss)/profit before income tax	1,371	2,188	(2,429)	-	(96,216)	2,410	(93,806)
Income tax credit/(expense)	1,293	(79,821)	(5,137)	-	1,130	(416)	714
Profit/(loss) for the year					(95,086)	1,994	(93,092)
Other segmental information							
Fair value loss on foreign currency forward contract	-	(383)	-	-	(383)	-	(383)
Fair value gain on investment properties	-	-	1,068	-	1,068	-	1,068
Fair value gain on securities designated at fair value through profit or loss	-	959	-	-	959	-	959
Impairment loss on available-for-sale financial assets	-	(4,116)	-	-	(4,116)	(1,237)	(5,353)
Impairment loss on trade and other receivables, net	(45)	(12,122)	-	-	(12,167)	(2)	(12,169)
Gain on disposal of property, plant and equipment	76	-	-	-	76	3	79
Investment in Blackgold written off	-	(41,352)	-	-	(41,352)	-	(41,352)
Receivables from Blackgold Group written off	(267)	(21,580)	-	-	(21,847)	-	(21,847)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

30 SEGMENT REPORTING (CONT'D)

Operating segments (cont'd)

	Freight and Logistics S\$'000	Financial Services S\$'000	Real Estate S\$'000	Eliminations S\$'000	Continuing Operations S\$'000	Discontinued Operations S\$'000	Total Operations S\$'000
2019							
Assets and liabilities							
Segment assets	324,677	100,032	188,291	–	613,000	19,206	632,206
Tax recoverable					255	–	255
Associates					88,625	–	88,625
Deferred tax assets					4,080	58	4,138
Cash and cash equivalents					271	5,128	5,399
Other unallocated assets					935	–	935
Total assets	175,114	88,313	56,015	–	707,166	24,392	731,558
Segment liabilities					319,442	7,158	326,600
Notes payable					90,912	–	90,912
Deferred tax liabilities					10,637	–	10,637
Current tax payables					8,299	697	8,996
Other unallocated liabilities					17,074	–	17,074
Total liabilities					446,364	7,855	454,219
Capital expenditure	2,213	242	16,159	–	18,614	124	18,738
Depreciation	10,714	73	106	–	10,893	56	10,949

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

30 SEGMENT REPORTING (CONT'D)

Operating segments (cont'd)

	Freight and Logistics S\$'000	Financial Services S\$'000	Real Estate S\$'000	Eliminations S\$'000	Continuing Operations S\$'000	Discontinued Operations S\$'000	Total Operations S\$'000
2018							
Assets and liabilities							
Segment assets	351,371	156,625	360,436	-	868,432	-	868,432
Tax recoverable					200	-	200
Associates					82,178	-	82,178
Deferred tax assets					4,629	-	4,629
Cash and cash equivalents					805	-	805
Other unallocated assets					782	-	782
Total assets	192,455	99,848	230,084	-	522,387	-	522,387
Segment liabilities					92,438	-	92,438
Notes payable					8,414	-	8,414
Deferred tax liabilities					9,118	-	9,118
Current tax payables					23,391	-	23,391
Other unallocated liabilities					655,748	-	655,748
Total liabilities	5,068	20	5,773	-	10,861	25	10,886
Capital expenditure	12,411	88	92	-	12,591	98	12,689
Depreciation							

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

30 SEGMENT REPORTING (CONT'D)

Geographical segments

	Revenue		Non-current assets*		Capital Expenditure	
	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Continuing operations						
Singapore	74,032	77,372	198,363	318,277	856	2,952
Malaysia	14,924	13,565	67,642	76,503	1,582	2,091
China	134,899	15,811	86,424	62,989	16,159	5,777
Rest of Asia	36,422	33,497	2,212	2,265	17	41
United States of America	4,940	4,846	-	-	-	-
Oceania	3,800	3,591	-	-	-	-
Europe	7,497	7,245	-	-	-	-
Middle East	2,869	3,181	-	-	-	-
Others	2,354	2,638	-	-	-	-
	281,737	161,746	354,641	460,034	18,614	10,861
Discontinued operations						
Singapore	7,568	7,025	-	-	8	20
China	2,044	3,333	-	-	116	5
Rest of Asia	3,212	2,569	-	-	-	-
Europe	-	659	-	-	-	-
Others	-	143	-	-	-	-
	294,561	175,475	354,641	460,034	18,738	10,886

* Excludes deferred tax assets, RCCPS in an associate, other investments (excluding club membership) and trade and other receivables (excluding prepayments).

Major customers

In 2019 and 2018, no major customer accounted for more than 10% of the consolidated revenue.

31 FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents required information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Group also has exposure to significant risks arising from overseas operations and overseas investments. The Group's risk management framework should also include the governance and due diligence processes over investment decisions and level of oversight over overseas operations.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

31 FINANCIAL RISK MANAGEMENT (CONT'D)

Risk management framework (cont'd)

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows for a period of 60 days.

The Group funds its operations through a mix of internal funds and bank borrowings, and reviews regularly its liquidity reserves comprising free cash flows from its operations and undrawn facilities from banks.

The Group manages its liquidity where excess funds are equalised internally through intercompany accounts. Depending on specifics of each funding requirement, funding for its operating subsidiaries may be sourced directly from the Group's bankers or indirectly through the Company.

Market risk

Market risk is the risk that changes in the market prices, such as interest rates, foreign exchange rates, equity prices which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's debt obligations. The Group's policy is to manage interest cost by using a mix of fixed and variable rate debts.

Foreign currency risk

The Group is exposed to foreign currency risk on sales, purchases, investments and borrowings including inter-company unless, purchases and inter-company balances, that are denominated in currencies other than the respective functional currencies of Group entities. The currencies in which these transactions primarily are denominated are United States dollar (USD), Chinese renminbi (RMB), Australian dollar (AUD) and Malaysian ringgit (RM). The Group operates internationally and is exposed to foreign currency risks arising from various currency exposures. Such risks are hedged either by forward foreign exchange contracts in respect of actual or forecasted currency exposures which are reasonably certain or hedged naturally by a matching sale or purchase of a matching asset or liability of the same currency and amount.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group reviews the net foreign currency balances to ensure that its exposure is kept to an acceptable level.

Equity securities price risk

The Group is exposed to equity securities price risk because of the investments held by the Group which are classified as FVOCI (30 April 2018 and 1 May 2017: available-for-sale) or financial assets at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS

Credit risk

Trade and other receivables

The Group's primary exposure to credit risk arises through its trade and other receivables. Concentration of credit risk relating to trade receivables is limited due to the Group's many varied customers. These customers are internationally dispersed and sell in a variety of end markets. The Group's historical experience in the collection of trade and other receivables falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond the amounts provided for collection losses is inherent in the Group's trade and other receivables.

Impairment losses on financial assets recognised in profit or loss were as follows:

	2019 \$'000	2018 \$'000
Impairment loss on trade and other receivables	1,202	12,167

The Group does not have trade and other receivables for which no loss allowance is recognised because of collateral.

Exposure to credit risk

The Group's and the Company's maximum exposure to credit risk for trade and other receivables* at the reporting date by business activities was as follows:

	Group			Company		
	2019 \$'000	2018 \$'000	1 May 2017 \$'000	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Freight and logistics	34,760	41,131	39,431	97,963	102,406	93,594
Financial services	49,181	77,089	59,498	234,347	228,296	308,461
Real estate	38,677	88,927	188,444	6	5	3
	122,618	207,147	287,373	332,316	330,707	402,058

* Excludes prepayment and advances

Expected credit loss assessment for receivables with credit ratings (or equivalent) as at 30 April 2019

The Group allocates exposure from RCCPS in an associate, finance lease receivables and loans to third parties to a credit risk grade based on data that is determined to be indicative of the risk of loss (including but not limited to external ratings if available, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default and are aligned to external credit rating definitions from agencies such as Standards and Poor's.

An ECL rate is calculated for each receivable based on probabilities of default and loss given default. 12-month and lifetime probabilities of default are based on historical data supplied by Standard and Poor's and Moody's for each credit rating. The Group monitors changes in credit risk by tracking published external credit ratings and taking into consideration forward-looking information based on industry forecast in the countries of operation.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS (CONT'D)

Exposure to credit risk (cont'd)

Expected credit loss assessment for receivables with credit ratings (or equivalent) as at 30 April 2019 (cont'd)

The following table provides information about the exposure to credit risk and ECLs for receivables with credit ratings (or equivalent) as at 30 April 2019:

	Weighted average loss rate %	Not credit impaired – 12-month ECL \$'000	Credit impaired – Lifetime ECL \$'000	Gross carrying amount \$'000	Total loss allowance \$'000	Net \$'000
Group						
CCC	18.65	44,101	11,636	55,737	(10,394)	45,343
D	81.08	3,438	23,011	26,449	(21,445)	5,004
Total gross carrying amount		47,539	34,647	82,186	(31,839)	50,347
Loss allowance		(8,376)	(23,463)			
		39,163	11,184			
Company						
BB	11.18	309,889	52,660	362,549	(40,532)	322,017
CCC	18.36	11,972	–	11,972	(2,198)	9,774
D	91.24	97	5,895	5,992	(5,467)	525
Total gross carrying amount		321,958	58,555	380,513	(48,197)	332,316
Loss allowance		(3,964)	(44,233)			
		317,994	14,322			

Expected credit loss assessment for trade receivables as at 30 April 2019

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – respective ageing categories based on two years historical data. The Group has assessed that the impact of forward looking factors based on industry forecast in the countries of operation are not material.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS (CONT'D)

Exposure to credit risk (cont'd)

Expected credit loss assessment for trade receivables as at 30 April 2019 (cont'd)

The following table provides information about the exposure to credit risk and ECLs for trade receivables with no representative credit rating as at 30 April 2019:

	Weighted average loss rate %	Gross carrying amount \$'000	Impairment loss allowance \$'000	Credit impaired
Group				
No credit terms	0.00	986	–	No
Current (not past due)	0.07	12,227	(9)	No
1 – 30 days past due	0.08	7,079	(6)	No
31 – 60 days past due	0.28	3,223	(9)	No
61 – 90 days past due	0.40	755	(3)	No
91 – 180 days past due	2.30	1,132	(26)	No
181 – 270 days past due	24.67	227	(56)	No
More than 270 days past due	92.32	573	(529)	Yes
		<u>26,202</u>	<u>(638)</u>	

Loss rates are based on actual credit loss experience over the past two years adjusted for current conditions and the Group's view of economic conditions over the expected lives of the receivables only if these factors have a significant impact to the credit loss.

Comparative information under FRS39

	2018 Gross \$'000	2018 Impairment losses \$'000	1 May 2017 Gross \$'000	1 May 2017 Impairment losses \$'000
Group				
No credit terms	22,275	(6,830)	98,264	(5,491)
Current (not past due)	149,035	(1,590)	159,058	–
1 – 30 days past due	9,573	–	9,481	–
31 – 120 days past due	4,089	–	4,264	(73)
More than 120 days past due	44,723	(14,128)	26,327	(4,457)
	<u>229,695</u>	<u>(22,548)</u>	<u>297,394</u>	<u>(10,021)</u>
Company				
No credit terms	5,889	(5,467)	5,937	(5,467)
Current (not past due)	366,265	(37,586)	460,397	(59,738)
1 – 30 days past due	125	–	124	–
31 – 120 days past due	276	–	105	–
More than 120 days past due	1,205	–	700	–
	<u>373,760</u>	<u>(43,053)</u>	<u>467,263</u>	<u>(65,205)</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS (CONT'D)

Movements in allowance for impairment in respect of trade and other receivables*

The movement in the allowance for impairment in respect of trade and other receivables* during the year was as follows:

	Group		Company	
	Individual impairments \$'000	Collective impairments \$'000	Individual impairments \$'000	Collective impairments \$'000
At 1 May 2017 per FRS 39	10,021	–	65,205	–
Impairment loss recognised	12,320	–	–	–
Impairment written back	(151)	–	(22,152)	–
Translation differences	358	–	–	–
At 30 April 2018 per FRS 39	22,548	–	43,053	–
			Group \$'000	Company \$'000
At 1 May 2018 per FRS 39			22,548	43,053
Adjustment on initial application of SFRS(I) 9			9,315	3,719
At 1 May 2018 per SFRS(I) 9			31,863	46,772
Impairment loss recognised			1,917	1,425
Impairment loss utilised			(34)	–
Impairment loss written back			(715)	–
Translation differences			(536)	–
Reclassification to assets held for sale			(18)	–
At 30 April 2019 per SFRS(I) 9			32,477	48,197

* Excludes prepayment and advances

At 30 April 2018, the Group's impairment loss on trade receivables amounting to \$12,121,000 related to 2 customers with financial difficulties from the financial leasing business.

The remainder of the impairment loss of the Group and the Company related to balances due from several customers, which are long outstanding, with no objective evidence of likely repayment in the foreseeable future.

In addition, receivables from Blackgold Group of \$21,847,000 were written off in 2018 as a result of the circumstances stated in note 2.

Based on the Group's monitoring of customer credit risk, the Group believes that, apart from the above, no impairment allowance is necessary in respect of trade receivables.

Loans to and non-trade amounts due from non-controlling interests

For loans to and non-trade amounts due from non-controlling interests of \$33,892,000, the Group has considered qualitative and quantitative factors that are indicative of the risk of default. This includes factors such as dividends to be paid out of the accumulated profits of the subsidiaries. Therefore impairment on these balances has been measured on the 12-month expected credit loss basis and the amount of the allowance on these balances, after considering forward-looking information, is insignificant.

Other receivables, loan to an associate and non-trade amounts due from related parties and associates

For other receivables, loan to an associate and non-trade amounts due from related parties and associates of \$12,815,000, based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections, and available press information, if available, and applying experienced credit judgement), these exposures are considered to have low credit risk. Therefore impairment on these balances has been measured on the 12-month expected credit loss basis and the amount of the allowance on these balances, after considering forward-looking information, is insignificant.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS (CONT'D)

Guarantees

The Group's policy is to provide financial guarantees to all its subsidiaries' liabilities.

At 30 April 2019, the Company has issued a guarantee to certain banks in respect of credit facilities granted to its subsidiaries (see note 37).

Derivatives

The derivatives are entered into with bank and financial institution counterparties, which are rated AA1, based on Moody's ratings.

Cash and cash equivalents

The Group and the Company held cash and cash equivalents of \$44,195,000 and \$271,000 respectively at 30 April 2019 (2018: \$70,549,000 and \$805,000; 1 May 2017: \$63,039,000 and \$322,000). The cash and cash equivalents are held with bank and financial institution counterparties which are rated Ba3 to Aa1, based on Moody's ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Fair value of collaterals

At 30 April 2019, the fair value of shares accepted as collaterals that the Group is permitted to sell or repledge in the event of default by the Group's debtors was \$27,553,000 (2018: \$163,650,000; 1 May 2017: \$156,702,000). The fair values are determined based on the respective net assets in the latest available audited financial information. If the receivables are not paid in full by the debtors 30 days after the receipt of a demand by the Group, the Group may exercise the powers and rights of a mortgagee conferred by statute or otherwise sell or dispose of the collateral.

Liquidity risk

The following are the contractual maturities of financial instruments (including derivative financial instruments) based on contractual undiscounted cash inflows/(outflows), including contractual interest payments and excluding the impact of netting agreements:

	Carrying amount	Cash flows			
		Contractual cash flows	Within 1 year	Within 1 to 5 years	More than 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
30 April 2019					
Derivative financial instruments					
Foreign exchange contracts	(21)				
- Inflow		14,945	14,945	-	-
- Outflow		(14,966)	(14,966)	-	-
	(21)	(21)	(21)	-	-

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (cont'd)

	Carrying amount \$'000	Contractual cash flows \$'000	Cash flows		
			Within 1 year \$'000	Within 1 to 5 years \$'000	More than 5 years \$'000
Group					
30 April 2019					
Non-derivative financial liabilities					
Finance lease liabilities	(3,058)	(3,307)	(1,522)	(1,785)	-
Term loans	(236,263)	(249,677)	(183,120)	(47,549)	(19,008)
Notes payable	(90,912)	(99,013)	(30,531)	(68,482)	-
Trade and other payables*	(90,673)	(90,826)	(73,184)	(17,642)	-
	(420,906)	(442,823)	(288,357)	(135,458)	(19,008)
	(420,927)	(442,844)	(288,378)	(135,458)	(19,008)
30 April 2018					
Derivative financial instruments					
Foreign exchange contracts	(578)				
- Inflow		12,431	12,431	-	-
- Outflow		(13,009)	(13,009)	-	-
	(578)	(578)	(578)	-	-
Non-derivative financial liabilities					
Finance lease liabilities	(3,800)	(4,105)	(1,862)	(2,243)	-
Term loans	(247,848)	(260,919)	(238,283)	(8,762)	(13,874)
Notes payable	(92,438)	(98,215)	(98,215)	-	-
Trade and other payables*	(165,035)	(166,389)	(127,926)	(38,463)	-
	(509,121)	(529,628)	(466,286)	(49,468)	(13,874)
	(509,699)	(530,206)	(466,864)	(49,468)	(13,874)
1 May 2017					
Derivative financial instruments					
Foreign exchange contracts	(195)				
- Inflow		10,420	10,420	-	-
- Outflow		(10,615)	(10,615)	-	-
	(195)	(195)	(195)	-	-
Non-derivative financial liabilities					
Finance lease liabilities	(3,552)	(3,828)	(1,705)	(2,123)	-
Term loans	(238,825)	(296,042)	(134,646)	(144,733)	(16,663)
Notes payable	(101,919)	(102,281)	(102,281)	-	-
Trade and other payables*	(155,946)	(157,287)	(93,679)	(63,608)	-
	(500,242)	(559,438)	(332,311)	(210,464)	(16,663)
	(500,437)	(559,633)	(332,506)	(210,464)	(16,663)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (cont'd)

	Carrying amount \$'000	Cash flows			More than 5 years \$'000
		Contractual cash flows \$'000	Within 1 year \$'000	Within 1 to 5 years \$'000	
Company					
30 April 2019					
Derivative financial instruments					
Foreign exchange contracts	(21)				
- Inflow		14,945	14,945	-	-
- Outflow		(14,966)	(14,966)	-	-
	(21)	(21)	(21)	-	-
Non-derivative financial liabilities					
Term loans	(72,840)	(73,765)	(73,765)	-	-
Notes payable	(65,753)	(73,446)	(4,964)	(68,482)	-
Trade and other payables*	(77,386)	(78,519)	(47,643)	(30,876)	-
Intra-group financial guarantees	-	(144,841)	(107,839)	(37,002)	-
	(215,979)	(370,571)	(234,211)	(136,360)	-
	(216,000)	(370,592)	(234,232)	(136,360)	-
Company					
30 April 2018					
Derivative financial instruments					
Foreign exchange contracts	(578)				
- Inflow		12,431	12,431	-	-
- Outflow		(13,009)	(13,009)	-	-
	(578)	(578)	(578)	-	-
Non-derivative financial liabilities					
Term loans	(75,844)	(77,830)	(77,830)	-	-
Notes payable	(65,311)	(70,950)	(70,950)	-	-
Trade and other payables*	(100,595)	(102,067)	(55,463)	(46,604)	-
Intra-group financial guarantees	-	(158,108)	(155,996)	(2,112)	-
	(241,750)	(408,955)	(360,239)	(48,716)	-
	(242,328)	(409,533)	(360,817)	(48,716)	-
1 May 2017					
Derivative financial instruments					
Foreign exchange contracts	(195)				
- Inflow		10,420	10,420	-	-
- Outflow		(10,615)	(10,615)	-	-
	(195)	(195)	(195)	-	-
Non-derivative financial liabilities					
Term loans	(63,200)	(64,680)	(64,680)	-	-
Notes payable	(101,919)	(102,281)	(102,281)	-	-
Trade and other payables*	(66,539)	(67,569)	(11,332)	(56,237)	-
Intra-group financial guarantees	-	(166,285)	(56,890)	(109,395)	-
	(231,658)	(400,815)	(235,183)	(165,632)	-
	(231,853)	(401,010)	(235,378)	(165,632)	-

* Excludes long-term employee benefits, advances and foreign exchange contracts at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (cont'd)

The Company is exposed to liquidity risk as the Company's current liabilities exceeded its current assets. Funding requirements are met by loans from and proceeds from disposal of subsidiaries. Management has assessed the cash flow forecast of the Company for the next 12 months from the reporting date and ascertained that the Company will be able to meet its liabilities as and when they fall due in the next 12 months.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's debt obligations. The Group's policy is to manage interest cost by using a mix of fixed and variable rate debts.

Profile

At the reporting date, the interest rate profile of the interest-bearing financial instruments, as reported to the management, was as follows:

	Group			Company		
	2019	2018	1 May 2017	2019	2018	1 May 2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Fixed rate instruments						
Held-to-maturity debt security	-	-	20,974	-	-	-
Restricted fixed deposits	91	89	84	-	-	-
Finance lease receivables	24,092	30,463	10,417	-	-	-
Loans to subsidiaries	-	-	-	27,141	56,093	73,162
Loan to an associate	2,020	459	459	-	-	-
Loans to non-controlling interests	1,151	7,871	14,170	-	-	-
Loans to third parties	6,464	34,824	29,633	-	-	-
Deposits with banks	30,109	33,413	26,937	-	-	-
Bank loans	(112,840)	(120,154)	(117,920)	(72,840)	(75,844)	(62,700)
Notes payable	(90,912)	(92,438)	(101,919)	(65,753)	(65,311)	(101,919)
Finance lease liabilities	(3,058)	(3,800)	(3,552)	-	-	-
Loan from a subsidiary	-	-	-	(25,500)	(30,439)	(3,219)
Loans from a related party	(3,332)	(3,332)	(6,962)	-	-	-
Loans from non-controlling interests	(300)	(6,663)	(7,320)	-	-	-
Loan from a third party	(400)	-	-	-	-	-
	(146,915)	(119,268)	(134,999)	(136,952)	(115,501)	(94,676)
Variable rate instruments						
Loans to subsidiaries	-	-	-	183,522	165,765	249,609
Loan to an associate	5,864	3,914	2,014	-	-	-
Loans to non-controlling interests	-	-	279	-	-	-
Bank loans	(123,423)	(127,694)	(120,905)	-	-	(500)
Loans from subsidiaries	-	-	-	(22,352)	(39,353)	(51,043)
	(117,559)	(123,780)	(118,612)	161,170	126,412	198,066

Fair value sensitivity analysis for fixed rate instruments

Fixed rate instruments that are not designated at fair value through profit or loss, are recorded at amortised cost. A change in interest rate would not have any impact on fair value.

Cash flow sensitivity for variable rate instruments

For variable rate financial assets and liabilities, an increase of 100 bp in interest rate at the reporting date would (decrease)/increase profit after tax by the amounts shown. A decrease of 100 bp in interest rate would have an equal but opposite effect. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS (CONT'D)

Interest rate risk (cont'd)

Cash flow sensitivity for variable rate instruments (cont'd)

	Group		Company	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Profit after tax				
Variable rate instruments	(976)	(1,027)	1,337	1,049

There is no impact on equity.

Foreign currency risk

The summary of quantitative data about the Group's and the Company's exposures to foreign currency risk as reported to the management of the Group is as follows:

	USD \$'000	RMB \$'000	AUD \$'000	RM \$'000
Group				
30 April 2019				
RCCPS in an associate	9,774	-	-	-
Other investments	28,047	-	-	6
Trade and other receivables	4,080	660	-	993
Cash and cash equivalents	3,695	10	-	142
Trade and other payables	(9,295)	-	-	(13)
Term loans	(16,881)	-	-	-
Net exposure	19,420	670	-	1,128
30 April 2018				
RCCPS in an associate	11,632	-	-	-
Other investments	25,950	-	-	8
Trade and other receivables	5,782	4,332	-	3,215
Cash and cash equivalents	5,747	10	-	37
Trade and other payables	(10,530)	(173)	(15)	(14)
Term loans	(23,628)	-	-	-
Net exposure	14,953	4,169	(15)	3,246
1 May 2017				
RCCPS in an associate	12,276	-	-	-
Other investments	61,237	-	1,670	120
Trade and other receivables	4,908	4,332	-	3,063
Cash and cash equivalents	4,596	51	-	120
Trade and other payables	(8,671)	(2,253)	-	(13)
Term loans	(12,219)	-	-	-
Net exposure	62,127	2,130	1,670	3,290
Company				
30 April 2019				
RCCPS in an associate	9,774	-	-	-
Other investments	28,047	-	-	-
Trade and other receivables	-	3,066	-	-
Term loans	(13,620)	-	-	-
Net exposure	24,201	3,066	-	-

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS (CONT'D)

Foreign currency risk (cont'd)

	USD \$'000	RMB \$'000	AUD \$'000	RM \$'000
Company				
30 April 2018				
RCCPS in an associate	11,632	-	-	-
Other investments	25,950	-	-	-
Trade and other receivables	4,182	10,080	-	-
Trade and other payables	(670)	(2,388)	(15)	-
Term loans	(14,564)	-	-	-
Net exposure	<u>26,530</u>	<u>7,692</u>	<u>(15)</u>	<u>-</u>
1 May 2017				
RCCPS in an associate	12,276	-	-	-
Other investments	61,237	-	-	-
Trade and other receivables	465	9,884	-	-
Cash and cash equivalents	41	41	-	-
Trade and other payables	(195)	(2,253)	-	-
Net exposure	<u>73,824</u>	<u>7,672</u>	<u>-</u>	<u>-</u>

Sensitivity analysis

A 10% strengthening of Singapore dollar against the following currencies at the reporting date would increase/(decrease) profit after tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Group		Company	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Profit after tax				
USD	(1,612)	(1,241)	(2,009)	(2,202)
RMB	(56)	(346)	(254)	(638)
AUD	-	1	-	1
RM	(94)	(269)	-	-

A 10% weakening of Singapore dollar against the above currencies would have had the equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.

There is no impact on equity.

Equity securities price risk

The Group is exposed to equity securities price risk because of investments held by the Group which are classified as FVOCI (2018, 1 May 2017: available-for-sale) or financial assets at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

32 FINANCIAL INSTRUMENTS (CONT'D)

Sensitivity analysis

A 10% increase/decrease in the underlying equity prices at the reporting date, with all other variables held constant, would increase/(decrease) profit after tax/equity by the following amounts:

	Group		Company	
	10% increase \$'000	10% decrease \$'000	10% increase \$'000	10% decrease \$'000
30 April 2019				
Profit after tax	3,973	(4,543)	2,780	(3,350)
Equity	930	(1,121)	-	-
30 April 2018				
Profit after tax	3,921	(4,457)	2,617	(3,153)
Equity	2,418	(2,914)	-	-

The analysis is performed on the same basis for 2018 and assumes that all other variables remain constant.

33 FAIR VALUES OF ASSETS AND LIABILITIES

Determination of fair value

SFRS(I) 13 establishes a fair value hierarchy that prioritises the inputs used to measure fair value. The three levels of the fair value input hierarchy defined by SFRS(I) 13 are as follows:

- Level 1: Fair values are measured based on quoted prices (unadjusted) from active markets for identical instrument.
- Level 2: Fair values are measured using inputs, other than those used for Level 1, that are observable for the financial instruments either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: Fair values are measured using inputs which are not based on observable market data (unobservable input).

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Investment properties

The Group's investment properties are stated at fair value based on independent professional valuations. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. The valuers have considered valuation techniques including market comparison method and discounted cash flows in arriving at the open market value as at the balance sheet date. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include comparable sales, discount rate and rental rates, as well as estimated costs to complete in relation to investment properties under development.

Fair value through profit or loss – foreign exchange contracts

The fair value of foreign exchange contracts are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

33 FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D)

Equity and debt securities

The fair value of quoted equity and debt securities is determined by reference to their quoted closing bid price at the reporting date. The fair value may be adjusted to reflect illiquidity or transferability for quoted equity and debt securities that are not traded in active market or subject to transfer restrictions.

Non-derivative financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, trade and other payables, loans and borrowings, and notes payable) or those which reprice within six months are assumed to approximate their fair value because of the short period to maturity or repricing. All other financial assets and liabilities are discounted to determine their fair values.

Interest rates used in determining fair values

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

	Group and Company		
	2019	2018	1 May 2017
	%	%	%
RCCPS in an associate	7.00	7.00	7.00
Trade and other receivables	2.75 – 16.50	1.92 – 16.50	1.69 – 15.00
Loans and borrowings	1.25 – 7.50	1.25 – 7.50	1.79 – 6.37
Trade and other payables	2.84 – 12.00	1.92 – 12.00	1.69 – 12.00

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

33 FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D)

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	Note	Carrying amount							Fair value								
		Financial assets at amortised cost	FVOCI – equity instruments	Debt investment at amortised cost	Mandatorily at FVTPL	Designated at fair value	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total					
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000					
30 April 2019																	
Financial assets measured at fair value																	
Equity investments – at FVOCI, excluding unquoted equity securities held at cost	10	-	11,205	-	-	-	-	-	-	-	-	11,205	-	-	-	11,205	-
Equity investments – mandatorily at FVTPL	10	-	-	-	47,872	-	-	-	-	-	47,872	19,825	28,047	-	-	47,872	-
		-	11,205	-	47,872	-	-	-	-	-	59,077						
Financial assets not measured at fair value																	
RCCPS in an associate	9	9,774	-	-	-	-	-	-	-	-	9,774	-	8,845	-	-	8,845	-
Trade and other receivables, excluding prepayments and advances	13	112,843	-	-	-	-	-	-	-	-	112,843	-	111,766	-	-	111,766	-
		122,617	-	-	-	-	-	-	-	-	122,617	-	-	-	-	-	-
Financial liabilities measured at fair value																	
Foreign exchange contracts	21	-	-	-	-	-	21	-	-	-	21	-	-	-	-	-	21
Financial liabilities not measured at fair value																	
Loans and borrowings	20	-	-	-	-	-	-	-	-	-	330,233	-	330,233	-	-	330,233	-
Trade and other payables*	21	-	-	-	-	-	-	-	-	-	90,673	-	89,861	-	-	89,861	-
		-	-	-	-	-	-	-	-	-	420,906	-	420,906	-	-	420,906	-

* Excludes long-term employee benefits, advances and foreign exchange contracts at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

33 FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D) Accounting classifications and fair values (cont'd)

Group	Note	Carrying amount						Fair value							
		Loans and receivables \$'000	Available-for-sale \$'000	Held-to-maturity \$'000	Designated as at FVTPL \$'000	Designated at fair value \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000			
30 April 2018															
Financial assets measured at fair value															
Available-for-sale financial assets, excluding unquoted equity securities held at cost	10	-	29,138	-	-	-	-	-	-	-	29,138	-	-	-	29,138
Financial assets at fair value through profit or loss	10	-	-	-	47,244	-	-	-	-	-	47,244	21,294	25,950	-	47,244
		-	29,138	-	47,244	-	-	-	-	-	76,382	-	-	-	-
Financial assets not measured at fair value															
RCCPS in an associate	9	11,632	-	-	-	-	-	-	-	-	11,632	-	11,632	-	11,632
Trade and other receivables, excluding prepayments and advances	13	207,147	-	-	-	-	-	-	-	-	207,147	-	206,351	-	206,351
		218,779	-	-	-	-	-	-	-	-	218,779	-	-	-	-
Financial liabilities measured at fair value															
Foreign exchange contracts	21	-	-	-	-	-	578	-	-	-	-	-	578	-	578
Financial liabilities not measured at fair value															
Loans and borrowings	20	-	-	-	-	-	-	-	-	-	344,086	-	344,039	-	344,039
Trade and other payables*	21	-	-	-	-	-	-	-	-	-	165,035	-	163,955	-	163,955
		-	-	-	-	-	-	-	-	-	509,121	-	-	-	509,121

* Excludes long-term employee benefits, advances and foreign exchange contracts at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

33 FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D) Accounting classifications and fair values (cont'd)

Group	Note	Loans and receivables \$'000	Available-for-sale \$'000	Held-to-maturity \$'000	Carrying amount			Fair value				
					Designated as at FVTPL \$'000	Designated at fair value \$'000	Other financial liabilities \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	
1 May 2017												
Financial assets measured at fair value												
	10	-	31,051	-	-	-	-	-	31,051	-	-	31,051
	10	-	-	-	84,463	-	-	-	23,226	61,237	-	84,463
		-	31,051	-	84,463	-	-	-	115,514	-	-	115,514
Financial assets not measured at fair value												
	9	12,276	-	-	-	-	-	-	-	12,276	-	12,276
	13	287,373	-	-	-	-	-	-	-	-	-	287,373
		299,649	-	-	-	-	-	-	-	-	-	299,649
Financial liabilities measured at fair value												
	21	-	-	-	-	-	195	-	-	195	-	195
Financial liabilities not measured at fair value												
	20	-	-	-	-	-	-	344,296	-	348,256	-	348,256
	21	-	-	-	-	-	-	155,946	-	154,082	-	154,082
		-	-	-	-	-	-	500,242	-	500,242	-	500,242

* Excludes long-term employee benefits, advances and foreign exchange contracts at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

33 FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D) Accounting classifications and fair values (cont'd)

Company	Note	Carrying amount					Fair value							
		Financial assets at amortised cost \$'000	FVOCI – equity instruments \$'000	Mandatorily at FVTPL \$'000	Designated at fair value \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000			
30 April 2019														
Financial assets measured at fair value														
Equity investments – mandatorily at FVTPL	10	–	–	33,498	–	–	–	–	–	–	5,451	28,047	–	33,498
Financial assets not measured at fair value														
RCCPS in an associate	9	9,774	–	–	–	–	–	–	–	–	–	8,845	–	8,845
Trade and other receivables, excluding prepayments and advances	13	322,541	–	–	–	–	–	–	–	–	–	317,926	–	317,926
		332,315	–	–	–	–	–	–	–	–	–	–	–	332,315
Financial liabilities measured at fair value														
Foreign exchange contracts	21	–	–	–	21	–	–	–	–	–	–	21	–	21
Financial liabilities not measured at fair value														
Loans and borrowings	20	–	–	–	–	–	–	–	–	–	–	138,593	–	138,593
Trade and other payables*	21	–	–	–	–	–	–	–	–	–	–	76,777	–	76,777
		–	–	–	–	–	–	–	–	–	–	215,979	–	215,979

* Excludes long-term employee benefits, advances and foreign exchange contracts at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

33 FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D) Accounting classifications and fair values (cont'd)

Company	Note	Carrying amount					Fair value				
		Loans and receivables \$'000	Available-for-sale \$'000	Designated at FVTPL \$'000	Designated at fair value \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 April 2018											
Financial assets measured at fair value											
Financial assets at fair value through profit or loss	10	-	-	31,532	-	-	-	5,582	25,950	-	31,532
Financial assets not measured at fair value											
RCCPS in an associate	9	11,632	-	-	-	-	-	-	11,632	-	11,632
Trade and other receivables, excluding prepayments and advances	13	330,707	-	-	-	-	-	-	327,914	-	327,914
		342,339	-	-	-	-	-	-		-	342,339
Financial liabilities measured at fair value											
Foreign exchange contracts	21	-	-	-	578	-	-	-	578	-	578
Financial liabilities not measured at fair value											
Loans and borrowings	20	-	-	-	-	141,155	-	-	141,155	-	141,155
Trade and other payables*	21	-	-	-	-	100,595	-	-	100,294	-	100,294
		-	-	-	-	241,750	-	-	241,750	-	241,750

* Excludes long-term employee benefits, advances and foreign exchange contracts at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

33 FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D) Accounting classifications and fair values (cont'd)

	Note	Carrying amount				Fair value							
		Loans and receivables \$'000	Available-for-sale \$'000	Designated at FVTPL \$'000	Designated at fair value \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000		
Company													
1 May 2017													
Financial assets measured at fair value													
Financial assets at fair value through profit or loss	10	-	-	67,213	-	-	67,213	-	-	5,976	61,237	-	67,213
Financial assets not measured at fair value													
Associates	9	12,276	-	-	-	-	-	-	-	-	12,276	-	12,276
Trade and other receivables, excluding prepayments and advances	13	402,058	-	-	-	-	402,058	-	-	-	400,021	-	400,021
		414,334	-	-	-	-	414,334	-	-	-	-	-	-
Financial liabilities measured at fair value													
Foreign exchange contracts	21	-	-	-	195	-	-	-	-	-	195	-	195
Financial liabilities not measured at fair value													
Loans and borrowings	20	-	-	-	-	165,119	-	-	-	-	165,119	-	165,119
Trade and other payables*	21	-	-	-	-	66,539	-	-	-	-	66,332	-	66,332
		-	-	-	-	231,658	-	-	-	-	231,658	-	231,658

* Excludes long-term employee benefits, advances and foreign exchange contracts at fair value through profit or loss.

In 2019 and 2018, there were no transfers between the different levels of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

33 FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D)

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Assets and liabilities measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Group			
<i>Investment properties</i>			
- Industrial factory	Discounted cash flows: The valuation model estimates and projects an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value.	<ul style="list-style-type: none"> Discount rate: 6.13% (2018: 6.27%; 1 May 2017: 5.96%) Rental rates: \$48 to \$108 (2018: \$45 to \$76; 1 May 2017: \$49 to \$87) per square metre per annum 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> the discount rate was lower/(higher); and the rental rate was higher/(lower).
- Residential property	Market comparison approach: The valuation model analyses comparable sales of similar properties and adjusting the sale prices to be reflective of the investment properties.	<ul style="list-style-type: none"> In-house adjustments made by valuer on comparable prices of \$3,047 to \$4,228 (2018: \$3,137 to \$4,202; 1 May 2017: \$2,834 to \$5,242) per square metre Estimated cost to complete the construction 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> the adjustments and comparable prices were higher/(lower); and the estimated cost to complete the construction was lower/(higher).
Group and Company			
Quoted equity securities	Certain quoted equity securities that are traded in markets that are not considered to be active but are valued based on quoted prices are classified within Level 2.	Not applicable	Not applicable
<i>Fair value through profit or loss</i>			
- Foreign exchange contracts	Market comparison technique: The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.	Not applicable	Not applicable

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

33 FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D)

Financial instruments not measured at fair value

Type	Valuation technique	Significant unobservable inputs
Group and Company		
RCCPS in an associate	Discounted cash flows	Not applicable
Trade and other receivables	Discounted cash flows	Not applicable
Loans and borrowings	Discounted cash flows	Not applicable
Trade and other payables	Discounted cash flows	Not applicable

Sensitivity analysis

For the fair values of investment properties, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would increase/(decrease) profit before tax by the amounts shown.

	Group Profit before tax	
	\$'000	\$'000
30 April 2019		
Investment properties		
- Discount rate (1% increase)/1% decrease	(11,789)	11,789
- Rental rates 5% increase/(5% decrease)	5,523	(5,523)
- Comparable prices 5% increase/(5% decrease)	3,060	(3,060)
	<u>3,060</u>	<u>(3,060)</u>
30 April 2018		
Investment properties		
- Discount rate (1% increase)/1% decrease	(11,476)	11,476
- Rental rates 5% increase/(5% decrease)	6,651	(6,651)
- Comparable prices 5% increase/(5% decrease)	3,520	(3,520)
- Estimated cost to complete the construction (5% increase)/5% decrease	(181)	181
	<u>(181)</u>	<u>181</u>

There is no impact on equity.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

34 DISPOSAL OF SUBSIDIARIES

a) Master Development (Jiangyin) Co., Ltd

In December 2018, the Group disposed its 36% owned subsidiary, Master Development (Jiangyin) Co., Ltd. Details of the disposal are as follows:

Effect of disposal on the financial position of the Group:

	2019 \$'000
Property, plant and equipment	(465)
Development properties	(32,194)
Trade and other receivables	(17,083)
Cash and cash equivalents	(7,704)
Trade and other payables	47,094
Current tax payable	653
Net assets and liabilities	<u>(9,699)</u>
Consideration received, satisfied in cash	6,698
Cash and cash equivalents disposed of	<u>(7,704)</u>
Net cash outflow	<u>(1,006)</u>

b) DP-Master-Vibrant (Jiangyin) Real Estate Development Co., Ltd.

In February 2019, the Group disposed its 36% owned subsidiary, DP-Master-Vibrant (Jiangyin) Real Estate Development Co., Ltd. Details of the disposal are as follows:

Effect of disposal on the financial position of the Group:

	2019 \$'000
Property, plant and equipment	(2)
Trade and other receivables	(70,157)
Cash and cash equivalents	(1,920)
Trade and other payables	20,335
Deferred tax	4,072
Net assets and liabilities	<u>(47,672)</u>
Consideration received, satisfied in cash	28,482
Cash and cash equivalents disposed of	<u>(1,920)</u>
Cash consideration received	<u>26,562</u>

The above disposals resulted in a net gain on disposal of \$758,000 recognised in profit or loss (disclosure in note 24).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

35 NON-CONTROLLING INTERESTS

The following subsidiaries have non-controlling interests that are material to the Group:

Name of subsidiaries	Principal place of business/country of incorporation	Operating segment	Ownership interests held by non-controlling interests		
			2019 %	2018 %	1 May 2017 %
LTH Logistics (Singapore) Pte Ltd (LTH)	Singapore	Freight and logistics	49	49	49
Lee Thong Hung Trading & Transport Sdn Bhd (LTHM)	Malaysia	Freight and logistics	49.2	49.2	49.2
Sabana Real Estate Investment Management Pte. Ltd. (SREIM)	Singapore	Financial services	49	49	49
Sabana Investment Partners Pte. Ltd. (SIP)	Singapore	Financial services	49	49	49
Glory Capital Pte Ltd (GCPL)	Singapore	Financial leasing	35	35	35
Sinolink Financial Leasing Co., Ltd (Sinolink)	People's Republic of China	Financial services	49	49	49
Fervent Industrial Development (Suzhou) Co., Ltd (Fervent)	People's Republic of China	Real estate	52	52	52
DP-Master-Vibrant (Jiangyin) Real Estate Development Co., Ltd (DP-Master)	People's Republic of China	Real estate	–	64	64
Saujana Tiasa Sdn Bhd (Saujana)	Malaysia	Real estate	50	50	50
Vibrant DB2 Pte. Ltd. (Vibrant DB2)	Singapore	Real estate	49	49	49
Shentoncil Pte. Ltd. (Shentoncil)	Singapore	Real estate	49	49	49
Master Development (Jiangyin) Co., Ltd (MDJ)	People's Republic of China	Real estate	–	64	64

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

35 NON-CONTROLLING INTERESTS (CONT'D)

The following summarised financial information for the above subsidiaries is prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

30 April 2019

	LTH \$'000	LTHM * \$'000	SIP* \$'000	SREIM \$'000	GCPL \$'000	Sinolink \$'000	Fervent \$'000	Saujana \$'000	Vibrant DB2 \$'000	Shentoncil \$'000	Other individually immaterial subsidiaries \$'000	Intra- group elimination \$'000	Total \$'000
Revenue	48,007	16,224	-	5,252	647	3,580	3,094	-	-	-	-	-	-
Profit/(loss) after tax	(824)	(94)	12,727	3,228	387	1,280	11,377	(8,570)	30,336	(192)	-	-	(192)
Other comprehensive income	-	12	-	(342)	-	(639)	(763)	(508)	-	-	-	-	-
Total comprehensive income	(824)	(82)	12,727	2,886	387	641	10,614	(9,078)	30,336	(192)			
Attributable to non-controlling interests:													
- Profit/(loss) after tax	(404)	(46)	6,236	1,582	136	627	5,916	(4,285)	14,865	(94)	1,756	(13,299)	12,990
- Other comprehensive income	-	6	-	(168)	-	(313)	(397)	(254)	-	-	(161)	(1,397)	(2,684)
Total comprehensive income	(404)	(40)	6,236	1,414	136	314	5,519	(4,539)	14,865	(94)	1,595	(14,696)	10,306
Non-current assets	4,799	6,449	1,000	4,587	-	13,728	86,421	61,194	-	9,151	-	-	152,232
Current assets	152,232	4,383	12,752	17,961	10,827	30,809	5,199	36	59,669	6,178	-	-	(28,743)
Non-current liabilities	(28,743)	(1,499)	-	-	-	(224)	(26,262)	(1,870)	-	-	-	-	(123,491)
Current liabilities	(123,491)	(9,869)	(12,715)	(13,862)	(73)	(29,441)	(20,092)	(46,680)	(6)	(4,362)	-	-	4,797
Net assets	4,797	(536)	1,037	8,686	10,754	14,872	45,266	12,680	59,663	10,967			
Net assets attributable to non-controlling interests	2,350	(264)	508	4,256	3,764	7,287	23,538	6,340	29,235	5,374	8,389	(18,519)	72,258
Cash flows from operating activities	5,198	1,985	(16)	2,674	405	9,431	3,810	-	(5)	(5)	-	-	320
Cash flows from investing activities	320	(454)	50	1,509	6,220	(8,180)	(16,684)	-	-	(1,950)	-	-	(6,187)
Cash flows from financing activities (dividends to non-controlling interests: \$nil)	(6,187)	(1,253)	-	(1,960)	(6,632)	(439)	14,197	-	-	1,950	-	-	(669)
Net increase/(decrease) in cash and cash equivalents	(669)	278	34	2,223	(7)	812	1,323	-	(5)	(5)			

* These entities formed part of "Other individually immaterial subsidiaries" in 2017.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

35 NON-CONTROLLING INTERESTS (CONT'D)

	LTH	LTHM *	SREIM	GCPL	Sinolink	Fervent	DP-Master	Saujana	Vibrant	Shentoncil	MDJ *	Other	Intra-	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	individually	group	\$'000
									DB2			immaterial	elimination	
									\$'000	\$'000		subsidiaries		\$'000
30 April 2018														
Revenue	51,069	15,533	4,518	1,578	3,583	2,157	539	-	-	-	-	-	-	-
Profit/(loss) after tax	(552)	(12)	1,533	807	(8,711)	43	1,831	893	(1,555)	(38)	(1,413)	(1,321)		
Other comprehensive income	-	(19)	-	-	774	875	1,747	1,038	-	-	20	519		
Total comprehensive income	(552)	(31)	1,533	807	(7,937)	918	3,578	1,931	(1,555)	(38)	(1,393)	(802)		
Attributable to non-controlling interests:														
- Profit/(loss) after tax	(270)	(6)	751	282	(4,268)	22	1,172	446	(762)	(19)	(905)	(463)		(4,404)
- Other comprehensive income	-	(9)	-	-	379	455	1,118	519	-	-	13	283		670
Total comprehensive income	(270)	(15)	751	282	(3,889)	477	2,290	965	(762)	(19)	(892)	(180)		286
Non-current assets	127,524	6,148	17,654	12,553	21,363	57,026	31,610	70,395	-	9,151	72			
Current assets	35,311	4,395	3,497	4,807	31,221	2,002	52,974	48	64,243	4,056	171,972			
Non-current liabilities	(30,659)	(1,632)	-	(6,632)	(17,339)	(19,968)	(4,626)	(1,337)	-	-	-			
Current liabilities	(126,525)	(9,317)	(2,601)	(361)	(16,552)	(12,106)	(26,830)	(47,349)	(4,574)	(2,049)	(172,164)			
Net assets	5,651	(406)	18,550	10,367	18,693	26,954	53,128	21,757	59,669	11,158	(120)			
Net assets attributable to non-controlling interests	2,769	(200)	9,090	3,628	9,159	14,016	34,002	10,879	29,238	5,468	(77)	9,593	(34,962)	92,603
Cash flows from operating activities	10,115	1,527	1,357	(415)	7,187	472	(19,865)	-	(554)	(5)	19,962			
Cash flows from investing activities	(482)	(406)	1,749	-	(13,358)	(5,734)	15,954	-	61,487	(1,900)	(17,644)			
Cash flows from financing activities (dividends to non-controlling interests: \$nil)	(9,426)	192	(1,231)	162	6,510	5,395	(1,543)	-	(60,931)	1,800	(23,585)			
Net increase/(decrease) in cash and cash equivalents	207	1,313	1,875	(253)	339	133	(5,454)	-	2	(105)	(21,267)			

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

35 NON-CONTROLLING INTERESTS (CONT'D)

	LTH \$'000	SREIM \$'000	Sinolink \$'000	Fervent \$'000	DP-Master \$'000	Saujana \$'000	Vibrant DB2 \$'000	Shentoncil \$'000	GCPL \$'000	Other individually immaterial subsidiaries \$'000	Intra- group elimination \$'000	Total \$'000
1 May 2017												
Non-current assets	129,051	18,849	9,213	49,345	30,854	67,063	-	16,476	15,726			
Current assets	37,290	2,219	20,419	516	68,888	46	126,077	161	1,509			
Non-current liabilities	(87,115)	-	(863)	(17,316)	(19,418)	(1,274)	-	-	(6,470)			
Current liabilities	(73,023)	(4,050)	(2,140)	(7,867)	(30,775)	(45,985)	(64,853)	(4)	(1,205)			
Net assets	6,203	17,018	26,629	24,678	49,549	19,850	61,224	16,633	9,560			
Net assets attributable to non-controlling interests	3,039	8,339	13,048	12,833	31,712	9,925	30,000	8,150	3,346	4,726	(31,105)	94,013

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

36 COMMITMENTS

Capital commitments

	2019 \$'000	2018 \$'000	1 May 2017 \$'000
Expenditure contracted for property, plant and equipment	1,110	1,907	2,974

Capital commitments relate to outstanding contracts in respect of the purchase consideration payable for the nil units of trucks (2018: 23, 1 May 2017: 18), 3 units of trailers (2018, 1 May 2017: nil), 13 units of prime movers (2018, 1 May 2017: nil) and the development of a bromine warehouse at Banyan Drive, Jurong Island, Singapore (1 May 2017).

Operating lease commitments

The Group leases a number of leasehold properties under operating leases. The leases typically run for an initial period of 1 to 60 years, with an option to renew the lease after that date. Lease payments are usually increased annually to reflect market rentals.

At 30 April 2019, the Group has commitments for future minimum lease payments under non-cancellable operating leases as follows:

	2019 \$'000	Group 2018 \$'000	1 May 2017 \$'000
Within 1 year	12,719	12,948	14,234
After 1 year but within 5 years	14,466	10,865	12,965
After 5 years	99,170	97,149	107,927
	126,355	120,962	135,126

The Group leases out its investment properties. The leases run for a period of 5 to 10 years, with an option to renew the lease after that date. There are also no contingent rental arrangements and fixed rental escalation clauses.

At 30 April 2019, the future minimum lease receivable under non-cancellable operating leases contracted for but not recognised as receivables, are as follows:

	2019 \$'000	Group 2018 \$'000	1 May 2017 \$'000
Within 1 year	5,933	3,297	2,198
After 1 year but within 5 years	24,036	26,598	11,181
After 5 years	7,234	11,944	9,609
	37,203	41,839	22,988

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

37 CONTINGENT LIABILITIES (UNSECURED)

Intra-group financial guarantees comprise corporate guarantees amounting to \$144,841,000 (2018: \$158,108,000) granted by the Company to banks in respect of banking facilities to secure banking facilities provided to certain subsidiaries. The financial guarantees will expire when the loans have been paid and discharged and/or when the banking facilities are no longer available to the subsidiaries. These financial guarantee contracts are accounted for as insurance contracts.

The periods in which the financial guarantees expire are as follows:

	2019	Company	
	2018	1 May 2017	
	\$'000	\$'000	\$'000
Within 1 year	107,839	155,996	56,890
After 1 year but within 5 years	37,002	2,112	109,395
	<u>144,841</u>	<u>158,108</u>	<u>166,285</u>

As at 30 April 2019, the Company has also extended \$19,001,000 (2018: \$16,830,000) of corporate guarantee to its associate Ececil Pte. Ltd. The corporate guarantee will expire within 1 year.

The principal risk to which the Company is exposed is credit risk in connection with the guarantee contracts it has issued. The credit risk represents the loss that would be recognised upon a default by the subsidiaries or associate on behalf of which the guarantees were given.

To mitigate this risk, the Company continually monitors the risks and has established processes including performing evaluation of the subsidiaries and associate's profitability that it is providing guarantee on behalf of.

There are no terms and conditions attached to the guarantee contracts that would have a material effect on the amount, timing and uncertainty of the Company's future cash flows and the Company only issue guarantees to its subsidiaries and related entities.

The intra-group financial guarantees for subsidiaries are eliminated in preparing the consolidated financial statements. Estimates of the Company's obligation arising from financial guarantee contracts may be affected by future events, which cannot be predicted with any certainty. The assumptions made may well vary from actual experience so that the actual liability may vary considerably from the best estimates.

In 2019, the Company has undertaken to provide financial support to certain of its subsidiaries for the next twelve months. The net current liabilities or net liabilities of these entities which are included in the consolidated financial statements as at 30 April 2019 amounted to \$283,182,000 and \$78,705,000 (1 May 2017: \$111,252,000 and \$318,748,000) respectively.

The Blackgold Group is involved in potential claims, litigations and other regulatory matters. Due to the nature of these disputes and matters as well as uncertainty of outcome, the amount of exposure cannot currently be determined.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

38 CONTINGENCIES

Litigation with Desa Tiasa Sdn. Bhd. ("DTSB")

- (i) Kuala Lumpur High Court Companies Winding-up Petition No. WA-28NCC-1162-12/2018

On 18 December 2018, a wholly-owned subsidiary of the Group, Singapore Enterprises Pte. Ltd. ("SEPL") received a petition from DTSB to wind-up Saujana Tiasa Sdn. Bhd. ("STSB"), which is a joint venture between DTSB and SEPL formed in August 2013 for the purpose of acquiring a freehold property known as Palas Condominium located in Kuala Lumpur, Malaysia.

The main ground upon which the Winding-up Petition is presented is that there had been transactions involving STSB which are allegedly illegal moneylending transactions. SEPL is defending the Winding-up Petition on grounds that the transactions complained of are valid transactions, all of which involve DTSB, and that DTSB has presented the Winding-up Petition in bad faith in an attempt to avoid its obligations.

No hearing date has been fixed by the Court to hear the Petition. DTSB has filed an application to amend the Petition, and a hearing date to hear this application will be fixed by the Court.

As the proceedings are still at an early stage and any arising provision cannot be estimated reliably, no provision has been made in the financial statements.

39 RELATED PARTIES

Key management personnel compensation

Key management personnel of the Group and Company is defined as persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly, including directors and officers of the Group and Company.

Key management personnel compensation comprised:

	Group	
	2019	2018
	\$'000	\$'000
Short-term employee benefits	4,059	4,399
Defined contribution plans	203	233
	<u>4,262</u>	<u>4,632</u>

Other related party transactions

During the year, other than those disclosed elsewhere in the financial statements, there were the following significant related party transactions carried out in the normal course of business on terms agreed between the parties:

	Group	
	2019	2018
	\$'000	\$'000
Purchases from a related party	<u>1,038</u>	<u>1,537</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

40 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Measurement of recoverable amounts and useful lives of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account the estimated residual value. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expenses to be recorded for each financial year. Changes in the expected level of use of the assets and the Group's historical experience with similar assets, after taking into account anticipated technological changes, could impact the economic useful lives and the residual values of the assets; therefore future depreciation charges could be revised. Any changes in the economic useful lives could impact the depreciation charge and consequently affect the Group's results. The residual value is reviewed at each reporting date, with any changes in estimate accounted for prospectively.

Impairment of subsidiaries

The Company assesses at the end of each financial year whether there is any indication of impairment on its subsidiaries. This assessment takes into account the market value of the subsidiaries, changes in the technological, market, economic or legal environment in which the subsidiaries operate in and changes to the market interest rates. The recoverable amounts of the subsidiaries were determined based on fair value less costs to sell, i.e. net assets of the subsidiaries was used as a proxy. If the financial conditions of the subsidiaries were to deteriorate, impairment may need to be recognised.

Impairment of associates

The Group evaluates annually whether there is any objective evidence that the investments in associates are impaired, and determines the amount of impairment loss, if any, as a result of the associates' inability to make the repayments. The Group determines the estimates based on historical repayments, financial performance and the quality of the assets of the associates. If the financial conditions of the associates were to deteriorate, more impairment may need to be recognised.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

40 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key sources of estimation uncertainty (cont'd)

Impairment loss allowance on trade and other receivables

Management estimated the impairment loss allowance on trade receivables based on loss rates calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – respective ageing categories based on two years historical data. Loss rates are calculated separately for exposures in the difference segments based on geographic region and adjusted to take into account current conditions with reference to the forward looking information. If the financial conditions of the customers or counterparties were to deteriorate, actual write-offs or impairment losses could be higher than estimated.

The Group allocates exposure from other receivables with credit ratings (or equivalent) to a credit risk grade based on data that is determined to be indicative of the risk of loss (including but not limited to external ratings if available, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default and are aligned to external credit rating definitions from agencies such as Standards and Poor's.

Valuation of investment properties

The Group's investment properties are stated at fair value based on independent professional valuations. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include comparable sales, discount rate and rental rates, as well as estimated costs to complete in relation to investment properties under development. In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made certain judgements, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

Classification of leasehold properties and investment properties

In assessing the classification of properties, management considers its intention with regards to the use of the properties, i.e. held for own use; held to earn rental or for capital appreciation or both. Where there is a change in intended use, a change in classification may be required.

Determination of enforceable right to payment

In relation to revenue recognition for the Group's development properties, management obtained advice from legal and professional advisors and exercised judgement in determining whether the Group has an enforceable right to payment for performance completed to date.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

41 EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) (SFRS(I)). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) at 31 December 2017 that are applicable for annual period beginning on 1 January 2018. Singapore-incorporated companies that have issued, or are in the process of issuing, equity or debt instruments for trading in a public market in Singapore, will apply SFRS(I) with effect from annual periods beginning on or after 1 January 2018.

As stated in note 3.1, these are the first financial statements of the Group and of the Company prepared in accordance with SFRS(I).

The accounting policies set out in note 4 have been applied in preparing the financial statements for the year ended 30 April 2019, the comparative information presented in these financial statements for the year ended 30 April 2018 and in the preparation of the opening SFRS(I) statement of financial position at 1 May 2017 (the Group's date of transition), subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

In preparing the opening SFRS(I) statement of financial position, the Group has adjusted amounts reported previously in the financial statements prepared in accordance with previous FRS.

In addition to the adoption of the new framework, the Group also concurrently applied the following SFRS(I)s, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date.

- SFRS(I) 9 *Financial Instruments* which includes amendments arising from IFRS 4 *Insurance Contracts* issued by the IASB in September 2016;
- requirements in SFRS(I) 2 *Share-based Payment* arising from the amendments to IFRS 2 – *Classification and measurement of share-based payment transactions* issued by the IASB in June 2016;
- requirements in SFRS(I) 1-40 *Investment Property* arising from the amendments to IAS 40 – *Transfers of investment property* issued by the IASB in December 2016;
- requirements in SFRS(I) 1 arising from the amendments to IFRS 1 – *Deletion of short-term exemptions for first-time adopters* issued by the IASB in December 2016;
- requirements in SFRS(I) 1-28 *Investments in Associates and Joint Ventures* arising from the amendments to IAS 28 – *Measuring an associate or joint venture at fair value* issued by the IASB in December 2016; and
- SFRS(I) INT 22 *Foreign Currency Transactions and Advance Consideration*.

The application of the above standards and interpretations do not have a material effect on the financial statements, except for SFRS(I) 9.

An explanation of how the transition from previous FRS to SFRS(I) and the adoption of SFRS(I) 9 have affected the Group's and the Company's financial position is set out under the summary of quantitative impact and the accompanying notes.

Summary of quantitative impact

The following reconciliations summarise the impacts on initial application of SFRS(I) 1 and SFRS(I) 9 on the Group's and the Company's financial position as at 30 April 2018 and 1 May 2018, and the Group's financial position as at 1 May 2017. There was no impact on the Company's financial position as at 1 May 2017. There were also no material adjustments to the Group's profit or loss and other comprehensive income and statement of cash flows for the year ended 30 April 2018 arising on transition to SFRS(I)s.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

41 EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

Reconciliation of the Group's equity Consolidated statement of financial position

	30 April 2018			1 May 2018	
	FRS framework \$'000	SFRS(I) 1 \$'000	SFRS(I) framework \$'000	SFRS(I) 9 \$'000	SFRS(I) framework \$'000
Assets					
Property, plant and equipment	261,761	–	261,761	–	261,761
Intangible assets	472	–	472	–	472
Investment properties	127,147	–	127,147	–	127,147
Associates	82,178	–	82,178	(2,136)	80,042
Other investments	29,256	–	29,256	–	29,256
Deferred tax assets	4,629	–	4,629	–	4,629
Trade and other receivables	56,271	–	56,271	(2,104)	54,167
Non-current assets	561,714	–	561,714	(4,240)	557,474
Other investments	47,244	–	47,244	–	47,244
Development properties	120,398	–	120,398	–	120,398
Inventories	525	–	525	–	525
Trade and other receivables	156,596	–	156,596	(5,075)	151,521
Cash and cash equivalents	70,549	–	70,549	–	70,549
Current assets	395,312	–	395,312	(5,075)	390,237
Total assets	957,026	–	957,026	(9,315)	947,711
Equity					
Share capital	174,337	–	174,337	–	174,337
Other reserves	1,376	7,737	9,113	–	9,113
Accumulated profits	32,962	(7,737)	25,225	(7,095)	18,130
Equity attributable to owners of the Company	208,675	–	208,675	(7,095)	201,580
Non-controlling interests	92,603	–	92,603	(2,220)	90,383
Total equity	301,278	–	301,278	(9,315)	291,963
Liabilities					
Loans and borrowings	18,750	–	18,750	–	18,750
Trade and other payables	39,868	–	39,868	–	39,868
Provisions	3,742	–	3,742	–	3,742
Deferred tax liabilities	8,414	–	8,414	–	8,414
Non-current liabilities	70,774	–	70,774	–	70,774
Loans and borrowings	232,898	–	232,898	–	232,898
Notes payable	92,438	–	92,438	–	92,438
Current tax payable	9,118	–	9,118	–	9,118
Trade and other payables	250,379	–	250,379	–	250,379
Provisions	141	–	141	–	141
Current liabilities	584,974	–	584,974	–	584,974
Total liabilities	655,748	–	655,748	–	655,748
Total equities and liabilities	957,026	–	957,026	(9,315)	947,711

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

41 EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

Reconciliation of the Group's equity Consolidated statement of financial position

	1 May 2017		
	FRS framework \$'000	SFRS(I) 1 \$'000	SFRS(I) framework \$'000
Assets			
Property, plant and equipment	270,671	–	270,671
Intangible assets	472	–	472
Investment properties	116,296	–	116,296
Subsidiaries	–	–	–
Associates	79,157	–	79,157
Other investments	34,602	–	34,602
Deferred tax assets	1,495	–	1,495
Trade and other receivables	57,029	–	57,029
Non-current assets	559,722	–	559,722
Other investments	105,437	–	105,437
Development properties	88,475	–	88,475
Inventories	497	–	497
Trade and other receivables	233,855	–	233,855
Cash and cash equivalents	63,039	–	63,039
Current assets	491,303	–	491,303
Total assets	1,051,025	–	1,051,025
Equity			
Share capital	139,854	–	139,854
Perpetual securities	97,947	–	97,947
Other reserves	(2,395)	7,737	5,342
Accumulated profits/ (losses)	134,952	(7,737)	127,215
Equity attributable to owners of the Company	370,358	–	370,358
Non-controlling interests	94,013	–	94,013
Total equity	464,371	–	464,371
Liabilities			
Loans and borrowings	112,136	–	112,136
Trade and other payables	65,138	–	65,138
Provisions	3,644	–	3,644
Deferred tax liabilities	7,901	–	7,901
Non-current liabilities	188,819	–	188,819
Loans and borrowings	130,241	–	130,241
Notes payable	101,919	–	101,919
Current tax payable	9,139	–	9,139
Trade and other payables	156,396	–	156,396
Provisions	140	–	140
Current liabilities	397,835	–	397,835
Total liabilities	586,654	–	586,654
Total equities and liabilities	1,051,025	–	1,051,025

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

41 EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

Reconciliation of the Company's equity Statement of financial position for the Company

	30 April 2018			1 May 2018	
	FRS framework \$'000	SFRS(I) 1 \$'000	SFRS(I) framework \$'000	SFRS(I) 9 \$'000	SFRS(I) framework \$'000
Assets					
Property, plant and equipment	295	–	295	–	295
Subsidiaries	17,752	–	17,752	–	17,752
Associates	27,730	–	27,730	(2,136)	25,594
Trade and other receivables	328,541	–	328,541	(1,572)	326,969
Non-current assets	374,318	–	374,318	(3,708)	370,610
Other investments	31,532	–	31,532	–	31,532
Trade and other receivables	2,230	–	2,230	(11)	2,219
Cash and cash equivalents	805	–	805	–	805
Current assets	34,567	–	34,567	(11)	34,556
Total assets	408,885	–	408,885	(3,719)	405,166
Equity					
Share capital	174,337	–	174,337	–	174,337
Other reserves	5,147	–	5,147	–	5,147
Accumulated losses	(15,306)	–	(15,306)	(3,719)	(19,025)
Total equity	164,178	–	164,178	(3,719)	160,459
Liabilities					
Trade and other payables	80,758	–	80,758	–	80,758
Non-current liabilities	80,758	–	80,758	–	80,758
Loans and borrowings	75,844	–	75,844	–	75,844
Notes payable	65,311	–	65,311	–	65,311
Current tax payable	890	–	890	–	890
Trade and other payables	21,904	–	21,904	–	21,904
Current liabilities	163,949	–	163,949	–	163,949
Total liabilities	244,707	–	244,707	–	244,707
Total equities and liabilities	408,885	–	408,885	(3,719)	405,166

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

41 EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

Notes to the reconciliation

SFRS(I) 1

In adopting SFRS(I) in 2019, the Group has applied SFRS(I) the transition requirements in SFRS(I) 1 with 1 May 2017 as the date of transition. SFRS(I) 1 generally requires that the Group applies SFRS(I) that are effective as at 30 April 2019 on a retrospective basis, as if such accounting policy had always been applied, subject to the mandatory exception and option exceptions in SFRS(I) 1. Except as described below, the application of the mandatory exceptions and the optional exemptions in SFRS(I) 1 did not have any significant impact on the financial statements.

(i) Foreign currency translation reserve (FCTR)

The Group considers that restating FCTR to comply with current SFRS(I) 1-21 *The Effects of Changes in Foreign Exchange Rates* may not be practicable and disposals were transacted at dates that preceded the statutory record keeping periods.

The Group elected the optional exemption in SFRS(I) 1 to reset its cumulative FCTR for all foreign operations to nil at the date of transition, and reclassify the cumulative FCTR of (\$7,737,000) as at 1 May 2017 determined in accordance with FRS at that date to retained earnings. After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition.

The Group's cumulative FCTR increased by \$7,737,000 and retained earnings decreased by the same amount as at 1 May 2017.

SFRS(I) 9

SFRS(I) 9 *Financial Instruments* sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. It also introduces a new 'expected credit loss' (ECL) model. The Group adopted SFRS(I) 9 from 1 May 2018.

In accordance with the exemption in SFRS(I) 1, the Group elected not to restate information for 2018. Accordingly, the information presented for 2018 is presented, as previously reported, under FRS 39 *Financial Instruments: Recognition and Measurement*. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised in retained earnings and reserves as at 1 May 2018.

Arising from this election, the Group is exempted from providing disclosures required by SFRS(I) 7 *Financial Instruments: Disclosures* for the comparative period to the extent that these disclosures relate to items within the scope of SFRS(I) 9. Instead, disclosures under FRS 107 *Financial Instruments: Disclosures* relating to items within the scope of FRS 39 are provided for the comparative period.

Changes in accounting policies resulting from the adoption of SFRS(I) 9 have been generally applied by the Group retrospectively, except for the following assessments were made on the basis of facts and circumstances that existed at 1 May 2018:

- The determination of the business model within which a financial asset is held;
- The determination of whether the contractual terms of a financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding;
- The designation of an equity investment that is not held-for-trading as at FVOCI; and
- The designation and revocation of previous designations of certain financial assets and financial liabilities measured at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

41 EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

Notes to the reconciliation (cont'd)

SFRS(I) 9 (cont'd)

The impact upon adoption of SFRS(I) 9, are described below.

(i) Classification of financial assets and financial liabilities

Under SFRS(I) 9, financial assets are classified in the following categories: measured at amortised cost, FVOCI – equity instrument; or FVTPL. The classification of financial assets under SFRS(I) 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. SFRS(I) 9 eliminates the previous FRS 39 categories of held-to-maturity, loans and receivables and available-for-sale.

For an explanation of how the Group classifies and measures financial assets and related gains and losses under SFRS(I) 9, see note 4.3.

The adoption of SFRS(I) 9 has not had a significant effect on the Group's accounting policies for financial liabilities.

The following table and the accompanying notes below explain the original measurement categories under FRS 39 and the new measurement categories under SFRS(I) 9 for each class of the Group's financial assets as at 1 May 2018.

Group	Note	Original classification under FRS 39	New classification under SFRS(I) 9	1 May 2018	
				Original carrying amount under FRS 39 \$'000	New carrying amount under SFRS(I) 9 \$'000
Financial assets					
<i>Other investments</i>					
Equity investments	(a)	Available-for-sale	FVOCI – equity instrument	29,138	29,138
Equity investments	(b)	Designated as at FVTPL	Mandatorily at FVTPL	47,244	47,244
				<u>76,382</u>	<u>76,382</u>
RCCPS in an associate	(c)	Loans and receivables	Amortised cost	11,632	9,496
Trade and other receivables*	(c)	Loans and receivables	Amortised cost	207,147	199,968
Restricted fixed deposits		Loans and receivables	Amortised cost	89	89
Cash and cash equivalents		Loans and receivables	Amortised cost	70,549	70,549
Total financial assets				<u>365,799</u>	<u>356,484</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

41 EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

Notes to the reconciliation (cont'd)

SFRS(I) 9 (cont'd)

(i) Classification of financial assets and financial liabilities (cont'd)

Company	Note	Original classification under FRS 39	New classification under SFRS(I) 9	1 May 2018	
				Original carrying amount under FRS 39 \$'000	New carrying amount under SFRS(I) 9 \$'000
Financial assets					
<i>Other investments</i>					
Equity investments	(b)	Designated as at FVTPL	Mandatorily at FVTPL	31,532	31,532
RCCPS in an associate	(c)	Loans and receivables	Amortised cost	11,632	9,496
Trade and other receivables*	(c)	Loans and receivables	Amortised cost	330,707	329,124
Cash and cash equivalents		Loans and receivables	Amortised cost	805	805
Total financial assets				374,676	370,957

* Excludes prepayment and advances

- (a) These equity investments represent investments that the Group intends to hold for the long term for strategic purposes. The Group has designated these investments at 1 May 2018 as measured at FVOCI. Unlike FRS 39, the accumulated fair value reserve related to these investments will never be reclassified to profit or loss.
- (b) Under FRS 39, these equity investments were designated as at FVTPL because they were managed on a fair value basis and their performance was monitored on this basis. These assets have been classified as mandatorily measured under FVTPL under SFRS(I) 9.
- (c) RCCPS in an associate and trade and other receivables that were classified as loans and receivables under FRS 39 are now classified at amortised cost following the transition to SFRS(I) 9. RCCPS in an associate suffered impairment loss of \$2,198,000, of which \$2,136,000 was adjusted against retained earnings of the Group and the Company as at 1 May 2018. Impairment is measured under general approach based on 12-month ECL. Using the most relevant information available, impairment was based on the probability of default ("PD") of a CCC rated company and loss given default ("LGD") of 100%. An increase of \$9,315,000 and \$3,719,000 in the allowance for impairment in respect of trade and other receivables was recognised in opening retained earnings of the Group and the Company at 1 May 2018 respectively.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

41 EXPLANATION OF TRANSITION TO SFRS(I) AND ADOPTION OF NEW STANDARDS (CONT'D)

Notes to the reconciliation (cont'd)

SFRS(I) 9 (cont'd)

(ii) Impairment of financial assets

SFRS(I) 9 replaces the 'incurred loss' model in FRS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost and intra-group financial guarantee contracts, but not to equity investments. The adoption of the new impairment model under SFRS(I) does not affect the carrying amount of intra-group financial guarantee contracts at 1 May 2018, as the amount initially recognised less the cumulative amount of income recognised in accordance with SFRS(I) 15 is higher than the estimated ECL amount.

As a result of the adoption of SFRS(I) 9, the Group presented impairment loss related to trade and other receivables, separately in the statement of profit or loss. As a result, the Group reclassified impairment loss amounting to \$12,167,000, recognised under FRS39, from 'other operating expenses' to 'impairment loss on trade and other receivables' in the consolidated statement of profit or loss for the year ended 30 April 2018.

The application of SFRS(I) 9 impairment requirements at 1 May 2018 results in additional allowances for impairment as follows:

	Group \$'000	Company \$'000
Loss allowance at 30 April 2018 under FRS 39	22,548	43,053
Additional impairment recognised at 1 May 2018 on:		
Trade and other receivables (including RCCPS in an associate) as at 30 April 2018	9,315	3,719
Loss allowance at 1 May 2018 under SFRS(I) 9	<u>31,863</u>	<u>46,772</u>

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Additional information about how the Company measure the allowance for impairment is described in note 32.

(iii) Transition impact on equity

The following table summarises the impact, of transition to SFRS(I) 9 on reserves, retained earnings and NCI at 1 May 2018.

	Impact of adopting SFRS(I) 9 at 1 May 2018	
	Group \$'000	Company \$'000
Retained earnings		
Closing balance under FRS 39 (30 April 2018)	25,225	(15,306)
Recognition of expected credit losses under SFRS(I) 9	(7,095)	(3,719)
Opening balance under SFRS(I) 9 (1 May 2018)	<u>18,130</u>	<u>(19,025)</u>
Non-controlling interests		
Closing balance under FRS 39 (30 April 2018)	92,603	-
Recognition of expected credit losses under SFRS(I) 9	(2,220)	-
Opening balance under SFRS(I) 9 (1 May 2018)	<u>90,383</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

42 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 May 2018 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new SFRS(I)s, interpretations and amendments to SFRS(I)s are effective for annual periods beginning after 1 May 2018:

Applicable to 2020 financial statements

- SFRS(I) 16 *Leases*
- SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*
- *Long-term Interests in Associates and Joint Ventures* (Amendments to SFRS(I) 1-28)
- *Prepayment Features with Negative Compensation* (Amendments to SFRS(I) 9)
- *Previously Held Interest in a Joint Operation* (Amendments to SFRS(I) 3 and 11)
- *Income Tax Consequences of Payments on Financial Instruments Classified as Equity* (Amendments to SFRS(I) 1-12)
- *Borrowing Costs Eligible for Capitalisation* (Amendments to SFRS(I) 1-23)
- *Plan Amendment, Curtailment or Settlement* (Amendments to SFRS(I) 1-19)

Applicable to 2021 financial statements

- *Amendments to References to the Conceptual Framework*
- *Definition of Material* (Amendments to SFRS(I) 1-1 and 1-8)
- *Definition of a Business* (Amendments to SFRS(I) 3)

Applicable to 2022 financial statements

- SFRS(I) 17 *Insurance Contracts*

Mandatory effective date deferred

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to SFRS(I) 10 and SFRS(I) 1-28).

The Group has assessed the estimated impact that initial application of SFRS(I) 16 will have on the financial statements. The Group's assessment of SFRS(I) 16, which is expected to have a more significant impact on the Group, is as described below.

SFRS(I) 16

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. SFRS(I) 16 replaces existing lease accounting guidance, including SFRS(I) 1-17 *Leases*, SFRS(I) INT 4 *Determining whether an Arrangement contains a Lease*, SFRS(I) INT 1-15 *Operating Leases – Incentives* and SFRS(I) INT 1-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard is effective for annual periods beginning on or after 1 May 2019, with early adoption permitted.

The Group and the Company plan to apply SFRS(I) 16 initially on 1 May 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting SFRS(I) 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 May 2019, with no restatement of comparative information. The Group and the Company plan to apply the practical expedient to grandfather the definition of a lease on transition. This means that they will apply SFRS(I) 16 to all contracts entered into before 1 May 2019 and identified as leases in accordance with SFRS(I) 1-17 and SFRS(I) INT 4.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

42 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED (CONT'D)

SFRS(I) 16 (cont'd)

(i) *The Group and the Company as lessee*

The Group and the Company expect to measure lease liabilities by applying a single discount rate to their portfolio of warehouse and factory facilities leases and office equipment respectively. Furthermore, the Group and the Company are likely to apply the practical expedient to recognise amounts of ROU assets equal to their lease liabilities at 1 May 2019. For lease contracts that contain the option to renew, the Group and the Company are expected to use hindsight in determining the lease term.

The Group and the Company expect their existing operating lease arrangements to be recognised as ROU assets with corresponding lease liabilities under SFRS(I) 16. Lease payments that are increased every year to reflect market rentals, and those that are based on changes in local price index, are included in the measurement of lease liabilities as at date of initial application.

As at 1 May 2019, the Group has performed a preliminary assessment of the impact on its financial statements based on its existing operating lease commitments. The Group expects an increase in ROU assets of \$55,302,000 and an increase in lease liabilities of \$55,302,000. The Company expects an increase in ROU assets and lease liabilities of \$8,000 as at 1 May 2019. The actual impacts of adopting the standard on 1 May 2019 may change until the Group presents its financial statements that include the date of initial application.

The nature of expenses related to those leases will change as SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge for ROU assets and interest expense on lease liabilities.

No significant impact is expected for the Group's and the Company's finance leases. The Group and the Company do not expect the adoption of SFRS(I) 16 to impact their ability to comply with the revised maximum leverage threshold loan covenant described in note 20.

(ii) *The Group as lessor*

SFRS(I) 16 substantially carries forward the current existing lessor accounting requirements. Accordingly, the Group continues to classify its leases as operating leases or finance leases, and to account for these two types of leases using the existing operating lease and finance lease accounting models respectively.

No significant impact is expected for other leases in which the Group is a lessor.

43 SUBSEQUENT EVENTS

On 10 May 2019, the Board of Directors announced that the Group has, through its subsidiary, LTH Logistics (Singapore) Pte. Ltd., completed the sale and leaseback of property located at 121 Banyan Drive, Singapore 627570 and the mechanical and electrical equipment relating thereto for an aggregate consideration of \$227,500,000. LTH Logistics (Singapore) Pte. Ltd. is 51% owned by the Company. As the fair value less costs to sell is higher than the carrying amount, the property, plant and equipment continues to be carried at carrying amount upon reclassification to disposal group held for sale (note 12).

On 6 June 2019, the Board of Directors announced that the Group has completed the disposal of 68,596,763 units in Sabana Shari'ah Compliant Industrial Real Estate Investment Trust ("Sabana REIT"), an other investment of the Group, by the Company and its wholly-owned subsidiary, Singapore Enterprises Pte. Ltd. for a consideration of \$32,926,446. On 15 July 2019, the Board of Directors announced that the Group has completed the disposal of additional 15,606,000 units in Sabana REIT by the Company for a consideration of \$7,490,880. The gain arising from the above disposals is expected to approximate \$5,350,000.

On 28 June 2019, the Board of Directors announced that the Group has completed the disposal of 51% of the entire issued and paid-up capital in Sabana Investment Partners Pte. Ltd. for a total consideration of \$20,455,339. The investment was reclassified as disposal group held for sale as at 30 April 2019 (note 12). The gain on disposal is expected to approximate \$17,470,000.

SUPPLEMENTARY INFORMATION

(SGX Listing Manual disclosure requirements)

1 DIRECTORS' REMUNERATION

Company's directors receiving remuneration from the Group

	Number of directors	
	2019	2018
Remuneration of:		
\$500,000 to below \$750,000	1	1
\$250,000 to below \$500,000	1	2
Below \$250,000	3	3
	<u>5</u>	<u>6</u>

PROPERTIES HELD FOR INVESTMENT

PROPERTIES HELD FOR INVESTMENT

Location	Approximate Land Area	Tenure	Usage
Lorong Palas, Off Jalan Ampang, Malaysia	6,382.8m ²	Freehold	Residential property
Changshu Fervent Industrial Park, Jiangsu – Phase 1	101,150m ²	50 years lease commencing March 2014	Industrial property
Changshu Fervent Industrial Park, Jiangsu – Phase 2	76,553m ²	50 years lease commencing March 2017	Industrial property

SHAREHOLDERS' INFORMATION

As at 17 July 2019

Issued and fully paid	697,951,877 ordinary shares
Issued and fully paid (excluding treasury shares)	692,491,317 ordinary shares
Class of Shares	Ordinary shares
Voting Right	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

Size Of Shareholdings	No. of Holders	% of Holders	No. of Shares	% of Shares
1 – 99	544	5.11	20,888	0.00
100 – 1,000	2,914	26.89	1,878,142	0.27
1,001 – 10,000	5,213	48.10	19,565,563	2.83
10,001 – 1,000,000	2,127	19.63	118,360,161	17.09
1,000,001 – above	29	0.27	552,666,563	79.81
Grand Total	10,837	100.00	692,491,317	100.00

PERCENTAGE OF SHAREHOLDING HELD BY THE PUBLIC

The percentage of shareholding held by the public is approximately **41.50%**. Accordingly, Rule 723 of the Listing Manual has been complied with.

TWENTY LARGEST SHAREHOLDERS

S/N	Name of Shareholders	No. of Shares	% of Holdings
1	Vibrant Capital Pte Ltd	160,244,529	23.14
2	DBS Nominees Pte Ltd	64,773,297	9.35
3	Maybank Nominees (Singapore) Pte Ltd	63,256,411	9.13
4	CGS-CIMB Securities (Singapore) Pte Ltd	61,753,504	8.92
5	Hong Leong Finance Nominees Pte Ltd	55,127,221	7.96
6	Teo Kee Bock	28,000,000	4.04
7	Wang Yixin	26,000,000	3.75
8	United Overseas Bank Nominees Pte Ltd	22,503,457	3.25
9	Citibank Nominees Singapore Pte Ltd	15,382,023	2.22
10	Raffles Nominees (Pte) Limited	8,536,123	1.23
11	Phillip Securities Pte Ltd	6,751,816	0.98
12	Maybank Kim Eng Securities Pte Ltd	6,731,714	0.97
13	OCBC Nominees Singapore Pte Ltd	4,752,052	0.69
14	UOB Kay Hian Pte Ltd	3,978,317	0.57
15	Lee Kim Heok	3,068,419	0.44
16	Tan Soon Hoe	2,614,192	0.38
17	Goh Ah Tee @ Goh Hui Chua	2,363,538	0.34
18	Tan Su Lan @ Tan Soo Lung	2,000,000	0.29
19	Chia Chiah Hak	1,780,000	0.26
20	Tan Hock Seng	1,734,527	0.25
	Total	541,351,140	78.16

SHAREHOLDERS' INFORMATION

As at 17 July 2019

SUBSTANTIAL SHAREHOLDERS

As shown in the Company's Register of Substantial Shareholders

Name of Substantial Shareholders	Notes	Number of Shares	
		Direct Interest	Deemed Interest
Vibrant Capital Pte. Ltd.		335,464,786	Nil
Eric Khua Kian Keong	1	68,620,356	335,464,786
Lian Hup Holdings Pte. Ltd.	2	Nil	335,464,786
Khua Hock Su	3	Nil	335,471,785
Vincent Khua Kian Ann	4	Nil	335,464,786
Khua Kian Hua	4	Nil	335,464,786

Notes:

- (1) Mr Eric Khua Kian Keong is deemed to be interested in 335,464,786 shares held by Vibrant Capital Pte. Ltd. ("Vibrant") by virtue of his controlling interest in Vibrant.
- (2) Lian Hup Holdings Pte. Ltd. ("Lian Hup") is deemed to be interested in 335,464,786 shares held by Vibrant by virtue of its shareholding interest in Vibrant.
- (3) Mr Khua Hock Su is deemed to be interested in a total of 335,471,785 shares, of which 335,464,786 shares are held by Vibrant by virtue of his shareholding interests in Lian Hup and 6,999 shares are held directly by his wife, Madam Lee Siew Geok.
- (4) Messrs Vincent Khua Kian Ann and Khua Kian Hua are deemed to be interested in 335,464,786 shares held by Vibrant by virtue of their respective shareholding interests in Lian Hup.

ADDITIONAL INFORMATION

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Sebastian Tan Cher Liang and Mr Henry Chua Tiong Hock are the Directors seeking re-election at the annual general meeting of the Company on 30 August 2019.

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is as follows:

Name of Director	Sebastian Tan Cher Liang	Henry Chua Tiong Hock
Date of appointment	5 November 2003	22 December 1999
Date of last re-appointment	30 August 2016	30 August 2016
Age	67	65
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	<p>The Board has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, contribution and performance, preparedness and suitability of Mr Sebastian Tan Cher Liang for re-appointment as Independent Non-Executive Director of the Company.</p> <p>The Board has reviewed and concluded that Mr Sebastian Tan Cher Liang possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>	<p>The Board has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Henry Chua Tiong Hock for re-appointment as Executive Director of the Company.</p> <p>The Board has reviewed and concluded that Mr Henry Chua Tiong Hock possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.</p>
Whether appointment is executive, and if so, the area of responsibility	Non-executive	Executive Responsible for corporate development, real estate and management of the Vibrant Group.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-executive Chairman, Chairman of the Audit Committee, member of the Nominating Committee and Remuneration Committee	Chief Corporate Development Officer
Professional qualifications	Fellow of The Association of Certified and Chartered Accountants (UK)	<ol style="list-style-type: none"> Bachelor of Arts degree from the University of Singapore; Graduate Diploma in Business Administration from the National University of Singapore; and Graduate Diploma in Personnel Management from the Singapore Institute of Personnel Management
Working experience and occupation(s) during the past 10 years	Managing Director & Finance Director of Boardroom Limited up to 31 March 2013. Retired and remained an Advisor to Boardroom Limited. Held Directorship in various listed companies, private and non-profit making companies.	Executive Director and Chief Corporate Development Officer of Vibrant Group Limited
Shareholding interest in the listed issuer and its subsidiaries	No	Yes

ADDITIONAL INFORMATION

Name of Director	Sebastian Tan Cher Liang	Henry Chua Tiong Hock
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships		
Past (for the last 5 years)	Director of: –	Director of: 1. Sabana Investment Partners Pte Ltd; 2. Sabana Real Estate Investment Management Pte Ltd; and 3. Sabana Property Management Pte Ltd
Present	Director of: 1. Jumbo Group Limited; 2. Kingsmen Creatives Ltd; 3. Ezra Holdings Limited; 4. Wilton resources Corporation Ltd; 5. D. S. Lee Foundation; 6. D S Lee Specialists Group Pte Ltd 7. D S Lee General Pte Ltd 8. DSLSG Investment Pte Ltd 9. Deli Sumatra Legacy Co Pte Ltd 10. Nyalas Rubber Estates Limited 11. EtonHouse Community Fund; 12. Children's Charities Association; Trustee of: Kwan Im Thong Hood Cho Temple	Director of: 1. Freight Links Express Pte Ltd; 2. FLE Shipping Line Pte Ltd; 3. Crystal Freight Services Pte Ltd; 4. Freight Links Express Airfreight Pte Ltd; 5. GLE Integrated Pte Ltd; 6. Piow Hong Pte Ltd; 7. Flex Integrated Marketing Pte Ltd; 8. Vibrant Energy Pte Ltd; 9. Freight Links Logistics Pte Ltd; 10. Freight Links Express Archivers Pte Ltd; 11. Freight Links Express Distripark Pte Ltd; 12. Freight Links Express Logisticcentre Pte Ltd; 13. Freight Links Express Distrihub Pte Ltd; 14. Freight Links Express Logisticpark Pte Ltd; 15. Freight Links Express Districentre Pte Ltd; 16. Freight Links Express Air Systems Pte Ltd; 17. Freight Links Fabpark Pte Ltd; 18. Crystal Freight Services Distripark Pte Ltd; 19. Freight Links Properties Pte Ltd; 20. Freight Links E-Logistics Technopark Pte Ltd; 21. LTH Logistics (Singapore) Pte Ltd; 22. LTH Distripark Pte Ltd; 23. Chemode Global Pte Ltd; 24. Blackgold Megatrade Pte Ltd; 25. Celestine Management Private Limited; 26. Singapore Enterprises Private Limited; 27. Glory Capital Pte Ltd; 28. Vibrant Properties Pte Ltd; 29. Fervent III Developments Pte Ltd; 30. Shentoncil Pte Ltd; 31. Vibrant DB2 Pte Ltd; 32. Vibrant Pucheng Investment Pte Ltd; 33. Crystal Shipping Line (H.K.) Ltd; 34. Freight Links Express (Thailand) Co., Ltd; 35. Freight Links Express International Co., Ltd;

ADDITIONAL INFORMATION

Name of Director	Sebastian Tan Cher Liang	Henry Chua Tiong Hock
Other Principal Commitments Including Directorships (cont'd)		
Present		Director of: (cont'd) 36. Freight Links Express (Malaysia) Sdn Bhd; 37. Freight Links Express (Penang) Sdn Bhd; 38. Freight Links M&S (H.K.) Ltd; 39. Far East Continental Shipping Line Ltd; 40. Lee Thong Hung Trading & Transport Sdn Bhd; 41. Sinmachem Sdn Bhd; 42. Blackgold International Holdings Pty Ltd 43. Freight Management Holdings Berhad; 44. Harbour Investor, Inc; 45. Busan Cross Dock Co., Ltd; 46. Vibrant Pucheng Logistics (Chongqing) Co., Ltd; 47. Vibrant Pucheng Enterprise Management (Chongqing) Co., Ltd; 48. Vibrant Pucheng Property Management (Chongqing) Co., Ltd; and 49. Vibrant International Freight Forwarding (Chongqing) Co., Ltd

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

Name of Director	Sebastian Tan Cher Liang	Henry Chua Tiong Hock
a. Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b. Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c. Whether there is any unsatisfied judgment against him?	No	No
d. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

ADDITIONAL INFORMATION

Name of Director	Sebastian Tan Cher Liang	Henry Chua Tiong Hock
f. Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g. Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h. Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i. Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j. Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: <ul style="list-style-type: none"> <li data-bbox="185 1124 820 1214">i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or 	No	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k. Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to appointment of Director Only		
<p>Any prior experience as a director of an issuer listed on the Exchange?</p> <p>If yes, please provide details of prior experience.</p> <p>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.</p> <p>Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</p>	N.A.	N.A.

NOTICE OF ANNUAL GENERAL MEETING

VIBRANT GROUP LIMITED

Company Registration No. 198600061G
(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Vibrant Group Limited (the “Company”) will be held at 51 Penjuru Road #04-00, Freight Links Express Logisticcentre, Singapore 609143, on **Friday, 30 August 2019** at **9:30 a.m.** for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements for the year ended 30 April 2019 together with the Auditors’ Report thereon. **(Resolution 1)**
2. To declare a First and Final Dividend of 0.4 cent per ordinary share for the year ended 30 April 2019 (2018: Nil). **(Resolution 2)**
3. To approve the Directors’ Fees of S\$152,500 for the year ended 30 April 2019 (2018: S\$152,500). **(Resolution 3)**
4. To approve the Directors’ Fees of up to S\$182,500 for the financial year ending 30 April 2020, such fees to be paid quarterly in arrears. **(Resolution 4)**
5. To re-elect Mr Sebastian Tan Cher Liang retiring under Regulation 94 of the Company’s Constitution. **(Resolution 5)**

(Note: Subject to his re-election, Mr Sebastian Tan Cher Liang shall remain as a non-Executive Chairman and a member of the Remuneration and Nominating Committees)
6. To re-elect Mr Henry Chua Tiong Hock as a Director retiring under Regulation 94 of the Company’s Constitution. **(Resolution 6)**

(Note: Subject to his re-election, Mr Henry Chua Tiong Hock shall remain as an Executive Director of the Company)
7. To re-appoint KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions, with or without amendments, as Ordinary Resolutions:

8. **Authority to issue Shares up to 50 per centum (50%) of the issued shares in the Capital of the Company**
 - (a) THAT pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the SGX-ST, the Directors of the Company be authorised and empowered to:
 - (i) issue shares and convertible securities in the Company (“shares”) whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and
 - (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force,

NOTICE OF ANNUAL GENERAL MEETING

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued shares and Instruments shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (i) new shares arising from the conversion or exercise of the Instruments or any convertible securities that have been issued pursuant to any previous shareholders' approval and which are outstanding as at the date of the passing of this Resolution;
 - (ii) new shares arising from exercising share options or vesting of share awards outstanding and subsisting at the time of the passing of this Resolution; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Company's Constitution; and
- (4) unless revoked or varied by the Company in general meeting, such authority conferred by this Resolution shall continue in force (i) until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.

(Resolution 8)

9. Renewal of the Share Buyback Mandate

That:-

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Cap 50 of Singapore (the "**Companies Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the "**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (i) an on-market purchase ("**On-Market Purchase**") transacted through the SGX-ST's Central Limit Order Book trading system, through one or more duly licensed stockbrokers appointed by the Company for such purpose; and/or
 - (ii) an off-market purchase ("**Off-Market Purchase**") pursuant to an equal access scheme(s) (as defined in Section 76C of the Companies Act) as may be determined or formulated by the Directors as they consider fit, of which such scheme(s) shall satisfy all the conditions pursuant to the Share Buyback Mandate,

and otherwise in accordance with all other laws and regulations and rules of SGX-ST as may for the time being applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

NOTICE OF ANNUAL GENERAL MEETING

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next Annual General Meeting of the Company is held;
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held;
 - (iii) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Company in general meeting; or
 - (iv) the date on which the share purchases pursuant to the Share Buyback Mandate are carried out to the full extent mandated;
- (c) in this Resolution:

“**Maximum Limit**” means that number of Shares representing 10% of the issued ordinary share capital of the Company as at the date of the passing of this Resolution; and

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage fees, stamp duties payable, applicable goods and services tax and other related expenses) to be paid per Share for any Share buybacks shall be determined by the Directors, subject always to a maximum price (“**Maximum Price**”) which:-

- (i) in the case of an On-Market Purchase, shall mean the price per Share based on not more than 5% above the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, shall mean the price per Share based on not more than 10% above the Average Closing Price.

Where:

“**Average Closing Price**” means the average of the closing market prices of a Share over the 5 consecutive trading days on which the Shares are transacted on the SGX-ST immediately preceding the date of the on-market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST, for any corporate action which occurs after the relevant 5 day period; and

“**date of the making of the offer**” means the date on which the Company makes an offer for an off-market purchase, stating therein the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase; and

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

(Resolution 9)

10. To transact any other business that can be transacted at an Annual General Meeting of which due notice shall have been given.

BY ORDER OF THE BOARD

DOROTHY HO
Company Secretary

Singapore, 15 August 2019

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member of the Company (other than a member who is a relevant intermediary as defined in Note 2 below) shall not be entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting on his behalf. A member of the Company which is a corporation is entitled to appoint its authorized representative or proxy to vote on its behalf. A proxy need not be a member of the Company.
2. Pursuant to Section 181 of the Act, any member who is a relevant intermediary is entitled to appoint one or more proxies to attend, speak and vote at the Annual General Meeting. Relevant intermediary is either:
 - (a) a banking corporation licensed under the Banking Act (Cap.19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;
 - (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or
 - (c) the Central Provident Fund (“CPF”) Board established by the Central Provident Fund Act (Cap 36) in respect of shares purchased on behalf of CPF investors.

A proxy need not be a member of the Company.

3. The instrument appointing a proxy or proxies shall, in the case of an individual, be signed by the appointor or his attorney; and in case of a corporation, shall be either under the common seal or signed by its attorney or an authorized officer on behalf of the corporation.
4. The instrument appointing a proxy or proxies must be deposited at the Company’s Registered Office at 51 Penjuru Road #04-00, Freight Links Express Logisticcentre, Singapore 609143 not less than 48 hours before the time set for the Meeting.

Explanatory Notes:

- (1) Resolution **8** proposed in item **8** above, if passed, will empower the Directors from the date of this Meeting until the date of the next Annual General Meeting to issue shares and convertible securities in the Company, without seeking any further approval from the shareholders at a general meeting but within the limitation imposed by this Resolution, for such purposes as the Directors may consider in the interests of the Company. This proposed Resolution, if passed, will authorise and empower the Directors of the Company to issue up to a number not exceeding, in total 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to existing shareholders of the Company.
- (2) Resolution **9** proposed in item **9** above, is to renew the mandate to empower Directors of the Company to make purchases or otherwise acquire the Company’s issued ordinary shares from time to time subject to and in accordance with the guidelines set out in Appendix A of the Company’s Letter to the Shareholders dated 15 August 2019 accompanying this Notice of Annual General Meeting. This authority will expire at the conclusion of the next Annual General Meeting of the Company, unless previously revoked or varied.

PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

NOTICE OF BOOKS CLOSURE

VIBRANT GROUP LIMITED

Company Registration No. 198600061G
(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 5:00 p.m. 12 September 2019 for the purpose of determining shareholders' entitlements to a First and Final tax exempt (one-tier) Dividend of 0.4 cent per ordinary share for the financial year ended 30 April 2019 ("Dividend 2019").

Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares of the Company as at 5:00 p.m. on 11 September 2019 will be entitled to the Dividend 2019.

Duly completed registrable transfer of shares received by the Company's Registrar, Tricor Barbinder Share Registration Service at 80 Robinson Road, #02-00, Singapore 068898 up to 5:00 p.m. on 11 September 2019 will be registered to determine shareholders' entitlements to Dividend 2019.

The Dividend 2019, if approved at the Annual General Meeting to be held on 30 August 2019, will be paid on 20 September 2019.

BY ORDER OF THE BOARD

DOROTHY HO

Company Secretary

Singapore, 15 August 2019

VIBRANT GROUP LIMITEDCompany Registration No. 198600061G
(Incorporated in the Republic of Singapore)**IMPORTANT**

- For investors who have used their CPF/SRS monies to buy the Company's shares, this Annual Report is sent to them at the request of their CPF Agent Banks/SRS Operators and is strictly FOR INFORMATION ONLY.
- A CPF/SRS investor who wishes to attend the Annual General Meeting as proxy has to submit his request to his CPF Agent Bank/SRS Operator so that his CPF Agent Bank/SRS Operator may appoint him as its proxy within the specified time frame.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 15 August 2019.

PROXY FORM**Annual General Meeting to be held on 30 August 2019**

I/We _____

of (full address) _____

being member/members of the abovenamed Company hereby appoint the Chairman of the Meeting or

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at 51 Penjurong Road #04-00, Freight Links Express Logistic Centre, Singapore 609143 on **Friday, 30 August 2019 at 9:30 a.m.** and at any adjournment thereof in the manner indicated below. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	Resolutions	No. of Votes*	
		For	Against
ORDINARY BUSINESS:			
1.	Adoption of Directors' Statement and Audited Financial Statements		
2.	Approval of a First and Final Dividend		
3.	Approval of Directors' Fees for financial year ended 30 April 2019		
4.	Approval of Directors' Fees for the financial year ending 30 April 2020		
5.	Re-election of Mr Sebastian Tan Cher Liang		
6.	Re-election of Mr Henry Chua Tiong Hock		
7.	Re-appointment of Auditors		
SPECIAL BUSINESS:			
8.	Authority to issue shares		
9.	Renewal of Share Buyback Mandate		

* If you wish to exercise all your votes "For" or "Against", please indicate with a "✓" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2019

 Signature(s) of individual member(s)/
 Common Seal of Corporate Shareholder
Total Number of Shares Held**IMPORTANT: PLEASE READ NOTES OVERLEAF**

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Part IIIAA of the Securities and Futures Act, Chapter 289 of Singapore) you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. (a) A member of the Company (other than a member who is a relevant intermediary as defined in Section 181(6) of the Companies Act, Chapter 50) shall not be entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting on his behalf.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50.
3. The instrument appointing a proxy or proxies must be deposited at the Company's Registered Office at 51 Penjuru Road #04-00, Freight Links Express Logisticentre, Singapore 609143 not less than 48 hours before the time set for the Meeting.
4. Where a Member appoints two proxies, the appointments shall be invalid unless he specifies the proportion (expressed as a percentage of the whole) of his holding to be represented by each proxy.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of any officer or attorney duly authorised.
6. A corporation which is a Member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Chapter 50.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instruments appointing a proxy or proxies. In addition, in the case of members whose Shares are deposited with The Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have Shares entered against their names in the Depository Register 72 hours before the time appointed for holding the Meeting as certified by CDP to the Company.

CORPORATE DIRECTORY

CORPORATE HEAD OFFICE

Vibrant Group Limited
51 Penjuru Road #04-00
Freight Links Express Logisticcentre
Singapore 609143
Tel : (65) 6262 6988 (30 Lines)
Fax : (65) 6261 3316
E-Mail : corporate@vibrant.com.sg
Web : www.vibrant.com.sg

SINGAPORE OFFICES

INTERNATIONAL FREIGHT FORWARDING

Freight Links Express Pte Ltd
51 Penjuru Road #03-00
Freight Links Express Logisticcentre
Singapore 609143
Tel : (65) 6267 5511 (20 Lines)
Fax : (65) 6267 5577
E-Mail : flesin@freightlinks.net
TOLL FREE LINE (65) 6566 2866

Crystal Freight Services Pte Ltd
51 Penjuru Road Mezzanine Floor
Freight Links Express Logisticcentre
Singapore 609143
Tel : (65) 6267 5622
Fax : (65) 6267 5623
E-Mail : crysfrt@crystalfrt.com.sg

WAREHOUSING OPERATIONS AND LOGISTICS

Freight Links Logistics Pte Ltd
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Fax : (65) 6262 6928
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Freight Links Express Logisticcentre
Singapore 609143
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Fax : (65) 6262 6928

Freight Links Express Logisticpark Pte Ltd
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Singapore 609200
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Fax : (65) 6262 6928

Crystal Freight Services Distripark Pte Ltd
146 Gul Circle
Singapore 629604
Tel : (65) 6262 6988
Fax : (65) 6262 6928

Freight Links E-Logistics Technopark Pte Ltd
30 Tuas Avenue 10
Singapore 639150
Tel : (65) 6262 6988
Fax : (65) 6262 6928

Freight Links Properties Pte Ltd
47 Changi South Avenue 2
Singapore 486148
Tel : (65) 6262 6988
Fax : (65) 6262 6928

DOCUMENTS MANAGEMENT SERVICES

Freight Links Express Archivers Pte Ltd
30 Tuas Avenue 10
Singapore 639150
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Fax : (65) 6262 6928
E-Mail : flear@freightlinks.net

CHEMICAL STORAGE AND LOGISTICS

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33/35 Penjuru Lane
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E-Mail : enquiry@lthlogistics.com
Web : www.lthlogistics.com

OVERSEAS OFFICES

CHINA

New Vibrant (Jiangsu) Supply Chain Management Co., Ltd
江苏省江阴市夏港江南路128号
Tel : (86) 510 81662101/2/3
Fax : (86) 510 81662100

Fervent Industrial Development (Suzhou) Co., Ltd
55 Sunshine Avenue, Changshu
Jiangsu Province, 215500, China
Tel : (86) 139 0616 6119

Sinolink Financial Leasing Co., Ltd
Rm 217, No. 568 Hong Xu Road,
Minhang District, Shanghai, 201130, China
Tel/Fax : (86) 21 58303077

MALAYSIA

Freight Links Express (M) Sdn Bhd
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Lee Thong Hung Trading & Transport Sdn Bhd
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HONG KONG

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THAILAND

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ASSOCIATES

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3 Pickering Street, Nankin Row
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Tel : (852) 2850 6336
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云南省丽江市华坪县中心镇河东桥北小区18号
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