



VIBRANT GROUP LIMITED

Company Registration Number: 198600061G

Unaudited Second Quarter and Half Year Financial Statements Announcement Ended 31 October 2019

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

1(a) An income statement and statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Income Statement

Note	The Group			The Group		
	3 months ended 31/10/19	3 months ended 31/10/18	Increase/ (Decrease)	6 months ended 31/10/19	6 months ended 31/10/18	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Continuing operations						
Revenue	38,322	163,271	(76.5)	75,293	204,474	(63.2)
Cost of sales	(27,228)	(134,272)	(79.7)	(54,534)	(162,067)	(66.4)
Gross profit	11,094	28,999	(61.7)	20,759	42,407	(51.0)
Other income	684	609	12.3	59,399	2,025	2,833.3
Administrative expenses	(9,158)	(9,854)	(7.1)	(18,388)	(19,374)	(5.1)
Other operating expenses	(3,638)	(4,081)	(10.9)	(5,669)	(5,374)	5.5
Impairment loss reversed/(recognised) on trade and other receivables	86	(1,042)	N/M	88	(1,044)	N/M
(Loss)/profit from operations	(932)	14,631	N/M	56,189	18,640	201.4
Finance income	393	315	24.8	809	1,367	(40.8)
Finance costs	(3,162)	(4,200)	(24.7)	(6,869)	(8,221)	(16.4)
Net finance costs	(2,769)	(3,885)	(28.7)	(6,060)	(6,854)	(11.6)
Impairment loss on investment in associate	(158)	-	N/M	(3,081)	-	N/M
Share of (losses)/profits of associates, net of tax	(542)	884	N/M	(1,382)	597	N/M
(Loss)/profit before income tax	(4,401)	11,630	N/M	45,666	12,383	268.8
Income tax expense	(656)	(3,455)	(81.0)	(1,102)	(3,924)	(71.9)
(Loss)/profit from continuing operations	(5,057)	8,175	N/M	44,564	8,459	426.8
Discontinued operations						
Profit from discontinued operation (net of tax)	-	673	(100.0)	308	1,344	(77.1)
(Loss)/profit for the period	(5,057)	8,848	N/M	44,872	9,803	357.7
Attributable to:						
Owners of the Company	(4,203)	1,178	N/M	28,927	1,920	1,406.6
Non-controlling interests	(854)	7,670	N/M	15,945	7,883	102.3
(Loss)/profit for the period	(5,057)	8,848	N/M	44,872	9,803	357.7

N/M denotes Not Meaningful

Consolidated Statement of Comprehensive Income

	The Group			The Group		
	3 months ended 31/10/19	3 months ended 31/10/18	Increase/ (Decrease)	6 months ended 31/10/19	6 months ended 31/10/18	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(Loss)/profit for the period	(5,057)	8,848	N/M	44,872	9,803	357.7
Other comprehensive expense						
Items that are or may be reclassified subsequently to profit or loss:						
Foreign currency translation differences for foreign operations	(2,163)	(544)	297.6	(3,194)	(7,348)	(56.5)
Share of reserves of associates	(278)	(257)	8.2	(258)	(551)	(53.2)
	(2,441)	(801)	204.7	(3,452)	(7,899)	(56.3)
Items that will not be reclassified subsequently to profit or loss:						
Equity investments at FVOCI – net change in fair value	-	(3,072)	(100.0)	1,010	(2,047)	N/M
Other comprehensive expense for the period, net of tax	(2,441)	(3,873)	(37.0)	(2,442)	(9,946)	(75.4)
Total comprehensive (expense)/income for the period	(7,498)	4,975	N/M	42,430	(143)	N/M
Total comprehensive (expense)/income attributable to:						
Owners of the Company	(5,632)	(1,337)	321.2	27,815	(3,569)	N/M
Non-controlling interests	(1,866)	6,312	N/M	14,615	3,426	326.6
Total comprehensive (expense)/income for the period	(7,498)	4,975	N/M	42,430	(143)	N/M

N/M denotes Not Meaningful

Notes to Income Statement

(a) Cost of sales

	The Group			The Group		
	3 months ended 31/10/19	3 months ended 31/10/18	Increase/ (Decrease)	6 months ended 31/10/19	6 months ended 31/10/18	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Cost of sales	(27,228)	(134,272)	(79.7)	(54,534)	(162,067)	(66.4)
Included in cost of sales:						
Development cost	-	(104,334)	(100.0)	-	(104,334)	(100.0)
Depreciation	(5,044)	(2,915)	73.0	(9,726)	(5,841)	66.5

Cost of sales for 2Q2020 decreased significantly as a result of the absence of the development cost for the mixed residential and commercial development project ("Master-Riviera Project") in Jiangyin, China recognised in 2Q2019. In addition, the decline in cost of sales for 2Q2020 also corresponded to lower sales for the period.

The higher depreciation in 2Q2020 and 1H2020 as compared to 2Q2019 and 1H2019 respectively was mainly attributable to depreciation of Right-of-Use ("ROU") assets arising from adoption of SFRS(I) 16 Leases which became effective on 1 May 2019.

(b) Other income/(operating expenses)

	The Group			The Group		
	3 months ended 31/10/19	3 months ended 31/10/18	Increase/ (Decrease)	6 months ended 31/10/19	6 months ended 31/10/18	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Other income	684	609	12.3	59,399	2,025	2,833.3
Other operating expenses	(3,638)	(4,081)	(10.9)	(5,669)	(5,374)	5.5
Included in other income/(operating expenses):						
Dividend income from FVOCI	-	2	(100.0)	-	2	(100.0)
Fair value gain on foreign currency forward contracts	2	166	(98.8)	21	460	(95.4)
Fair value (loss)/gain on securities designated at fair value through profit or loss	(2)	(1,268)	(99.8)	1,813	(815)	N/M
Foreign exchange (loss)/gain	(2,473)	(9)	27,377.8	(2,172)	1,077	N/M
Gain on disposal of subsidiaries	-	-	-	16,750	-	N/M
Gain/(loss) on disposal of property, plant and equipment	14	(33)	N/M	36,970	(38)	N/M
Gain/(loss) on disposal of other investments	197	(2)	N/M	3,335	(2)	N/M
Impairment loss on right-of-use asset	-	-	-	(1,304)	-	N/M
Write-off of receivable	(189)	-	N/M	(189)	-	N/M

Other income increased significantly in 1H2020 due mainly from the gain on disposal of Jurong Island Chemical Hub, gain on sale of 51.0% of the entire issued and paid-up capital of Sabana Investment Partners Pte Ltd and disposal of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust units.

For 2Q2020, foreign exchange loss arose mainly from depreciation of Renminbi (RMB) against SGD.

(c) Administrative expenses

	The Group			The Group		
	3 months ended 31/10/19	3 months ended 31/10/18	Increase/ (Decrease)	6 months ended 31/10/19	6 months ended 31/10/18	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Administrative expenses	(9,158)	(9,854)	(7.1)	(18,388)	(19,374)	(5.1)
Included in administrative expenses:						
Staff costs	(7,119)	(7,412)	(4.0)	(14,545)	(15,137)	(3.9)
Depreciation	(104)	(143)	(27.3)	(222)	(297)	(25.3)

Lower administrative expenses in 2Q2020 were mainly due to decrease in payroll related cost and the disposal of subsidiaries.

(d) Finance income

	The Group			The Group		
	3 months ended 31/10/19	3 months ended 31/10/18	Increase/ (Decrease)	6 months ended 31/10/19	6 months ended 31/10/18	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Finance income	393	315	24.8	809	1,367	(40.8)
Included in finance income:						
Interest income on loans to associates	198	56	253.6	325	104	212.5
Interest income on loans to third parties	-	16	(100.0)	-	698	(100.0)
Interest income on other receivables	44	-	N/M	80	-	N/M
Interest income on bank deposits	151	243	(37.9)	404	565	(28.5)

(e) Finance costs

2Q2020 finance costs was lower than 2Q2019. The decrease of 24.7% and 16.4% in 2Q2020 and 1H2020 respectively were due mainly to lower interest expense arising from the repayment of bank borrowings. However, it was partially offset by interest costs on lease liabilities from the adoption of SFRS(I) 16 Leases.

(f) Impairment loss on investment in associate

The impairment loss of \$0.2 million and \$3.1 million in 2Q2020 and 1H2020 respectively arose from the investment in Figtree Holdings Limited.

(g) Share of (loss)/profits from associates

Share of results of associates was a loss of \$0.5 million in 2Q2020, mainly contributed by losses from Figtree Holdings Limited and Ececil Pte Ltd.

(h) Income tax expense

	The Group			The Group		
	3 months ended 31/10/19	3 months ended 31/10/18	Increase/ (Decrease)	6 months ended 31/10/19	6 months ended 31/10/18	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Income tax expense	(656)	(3,455)	(81.0)	(1,102)	(3,924)	(71.9)
Included in income tax expense:						
Current year tax provision	(446)	(3,610)	(87.6)	(856)	(4,031)	(78.8)
Increase in deferred tax liabilities	(211)	(4)	5,175.0	(212)	(7)	2,928.6
Over/(under) provision of tax in respect of prior years	1	159	(99.4)	(34)	114	N/M

Income tax expense in 2Q2020 decreased compared to 2Q2019 mainly due to the profit recognition upon completion of the Master-Riviera Project in 2Q2019.

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

	The Group			The Group		
	3 months ended	3 months ended	Increase/	6 months ended	6 months ended	Increase/
	31/10/19	31/10/18	(Decrease)	31/10/19	31/10/18	(Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	-	4,095	(100.0)	1,156	7,528	(84.6)
Cost of sales	-	(2,013)	(100.0)	-	(3,386)	(100.0)
Gross profit	-	2,082	(100.0)	1,156	4,142	(72.1)
Other income	1	361	(99.7)	3	723	(99.6)
Administrative expenses	(2)	(1,543)	(99.9)	(800)	(3,116)	(74.3)
Other operating expenses	-	(85)	(100.0)	(8)	(121)	(93.4)
(Loss)/profit from operations	(1)	815	N/M	351	1,628	(78.4)
Finance income	1	1	-	3	6	(50.0)
Finance costs	-	-	-	(3)	-	N/M
Net finance income	1	1	-	-	6	(100.0)
Profit before income tax	-	816	(100.0)	351	1,634	(78.5)
Income tax expense	-	(143)	(100.0)	(43)	(290)	(85.2)
Profit after income tax	-	673	(100.0)	308	1,344	(77.1)

N/M denotes Not Meaningful

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

(j) Non-controlling interests

2Q2020 losses attributable to non-controlling interests had resulted from the foreign exchange loss of a non-wholly owned subsidiary.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Statements of Financial Position

	Note	Group		Company	
		As at	As at	As at	As at
		31/10/2019	30/04/2019	31/10/2019	30/04/2019
		S\$'000	S\$'000	S\$'000	S\$'000
Assets					
Property, plant and equipment	(a)	124,397	127,730	256	283
Right-of-use assets	(b)	89,200	-	7	-
Intangible assets	(c)	-	472	-	-
Investment properties		147,401	147,539	-	-
Subsidiaries		-	-	17,751	17,752
Associates	(d)	85,274	88,625	26,591	25,033
Other investments		127	121	-	-
Deferred tax assets		3,875	4,080	-	-
Trade and other receivables	(e)	1,491	1,543	288,242	314,116
Non-current assets		451,765	370,110	332,847	357,184
Other investments	(f)	44,117	59,077	29,281	33,498
Inventories		491	410	-	-
Trade and other receivables	(g)	123,452	113,823	1,789	8,552
Cash and cash equivalents	(h)	57,636	44,195	358	271
		225,696	217,505	31,428	42,321
Assets held for sale	(i)	-	143,943	-	-
Current assets		225,696	361,448	31,428	42,321
Total assets		677,461	731,558	364,275	399,505
Equity					
Share capital		174,337	174,337	174,337	174,337
Other reserves		3,546	4,924	5,102	5,102
Accumulated profits		52,347	25,820	21,026	2,890
Equity attributable to owners of the Company		230,230	205,081	200,465	182,329
Non-controlling interests	(j)	82,233	72,258	-	-
Total equity		312,463	277,339	200,465	182,329
Liabilities					
Loans and borrowings	(k)	52,912	57,632	-	-
Notes payable	(l)	-	65,753	-	65,753
Lease liabilities	(m)	126,711	-	4	-
Trade and other payables	(n)	9,684	19,053	98,966	62,504
Provisions		1,716	1,716	-	-
Deferred tax liabilities		10,578	10,637	-	-
Non-current liabilities		201,601	154,791	98,970	128,257
Loans and borrowings	(k)	31,918	181,689	19,000	72,840
Notes payable	(l)	43,673	25,159	43,673	-
Lease liabilities	(m)	15,755	-	3	-
Current tax payable		8,173	8,299	112	96
Trade and other payables	(n)	63,737	74,162	2,052	15,983
Provisions		141	141	-	-
		163,397	289,450	64,840	88,919
Liabilities directly associated with the assets held for sale		-	9,978	-	-
Current liabilities		163,397	299,428	64,840	88,919
Total liabilities		364,998	454,219	163,810	217,176
Total equity and liabilities		677,461	731,558	364,275	399,505

Notes to Statement of Financial Position

- (a) Decrease in property, plant and equipment was mainly attributable to the depreciation charged.
- (b) The Group recorded \$89.2 million in right-of-use assets due to the recognition of future lease payments in accordance with SFRS(I)16 Leases, effective from 1 May 2019.
- (c) The decrease in intangible assets was due to disposal of 51.0% of the entire issued and paid-up capital of Sabana Investment Partners Pte Ltd.
- (d) Investment in associates decreased mainly due to impairment loss on investment in Figtree Holdings Limited and share of losses from China Southwest Energy Corporation Ltd and Ececil Pte Ltd.
- (e) At Company level, non-current trade and other receivables decreased mainly due to repayment of loan by subsidiaries.
- (f) Decrease in current other investments was mainly due to disposal of Sabana REIT units. The decrease was partially offset by a subsidiary's purchase of the notes issued by the Company under the series 003 S\$66,000,000 notes due 2020.
- (g) At Group level, trade and other receivables increased mainly due to the loan to associate, Vibrant Pucheng Logistics (Chongqing) Co., Ltd and deposit paid in relation to the acquisition of the remaining 49% of Shentoncil Pte. Ltd..
- (h) Cash and cash equivalents increased mainly due to the completion of the sale of Jurong Island Chemical Hub, sale of 51.0% of the entire issued and paid-up capital of Sabana Investment Partners Pte Ltd and disposal of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust units (the "Sale Transactions"). The increase was partially offset by the repayment of bank borrowings and partial redemption of the series 003 S\$66,000,000 notes due 2020.
- (i) The Group had no assets classified as held for sale as at 31 Oct 2019. The assets classified as held for sale of \$143.9 million as at 30 April 2019 were in relation to the planned Sale Transactions. The Sale Transactions were completed in 1Q2020.
- (j) Non-controlling interests increased mainly due to allocation of gain on disposal of Jurong Island Chemical Hub to non-controlling shareholder.
- (k) Loans and borrowings reduced substantially as a result of the loans repayment following the completion of the Sale Transactions.
- (l) Notes payable refers to series 003 S\$66,000,000 notes due 2020. The notes payable was reclassified from non-current to current as it is due within the next 12 months. The reduction was due to partial redemption of the series 003 S\$66,000,000 notes on 3 October 2019 and redemption of notes from OCBC Bank.
- (m) Lease liabilities relates to the lease payments recognised in accordance with SFRS(I) 16 Leases effective from 1 May 2019.
- (n) At Group level, non-current trade and other payables was reclassified to current as it is due within the next 12 months and the decrease in current trade and other payables was mainly due to loan repayment to director and related parties.

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

	As at 31/10/2019		As at 30/04/2019	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	30,727	-	166,874	13,440
Notes payable	-	43,673	-	25,159
Finance lease liabilities	1,191	-	1,375	-
Total	31,918	43,673	168,249	38,599

Amount repayable after one year

	As at 31/10/2019		As at 30/04/2019	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Borrowings	51,764	-	55,949	-
Notes payable	-	-	-	65,753
Finance lease liabilities	1,148	-	1,683	-
Total	52,912	-	57,632	65,753

Details of any collateral

The borrowings are secured by legal mortgages over the leasehold properties, equipment and participating shares in Sentosa Asian Credit Offshore Feeder Fund. The bank borrowings of the subsidiaries are guaranteed by the Company. The finance lease liabilities are secured by the assets under finance leases.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Cash Flows

	3 months ended 31/10/19 S\$'000	3 months ended 31/10/18 S\$'000	6 months ended 31/10/19 S\$'000	6 months ended 31/10/18 S\$'000
Cash flows from operating activities				
(Loss)/Profit before income tax	(5,057)	8,848	44,872	9,803
Adjustments for:				
Depreciation	5,148	3,075	9,990	6,174
Dividend income from FVOCI	-	(320)	-	(658)
Dividend income from other investment	(1)	-	(1)	-
Fair value gain on foreign currency forward contracts	(2)	(166)	(21)	(460)
Fair value loss/(gain) on securities designated at fair value through profit or loss	2	1,268	(1,813)	815
Finance costs	3,162	4,200	6,872	8,221
Finance income	(394)	(316)	(812)	(1,373)
Foreign exchange loss/(gain)	232	(131)	71	(377)
(Gain)/loss on disposal of property, plant and equipment	(14)	33	(36,970)	38
(Gain)/loss on disposal of other investments	(197)	2	(3,335)	2
Impairment loss on investment in an associate	158	-	3,081	-
Impairment loss on right-of-use asset	-	-	1,304	-
Impairment loss (reversed)/recognised on trade and other receivables, net	(88)	1,042	(88)	1,044
Property, plant and equipment written off	2	-	2	-
Loss/(gain) on disposal of subsidiaries	-	2	(16,750)	2
Share of losses/(profits) of associates	542	(884)	1,382	(597)
Tax expense	656	3,598	1,145	4,214
	4,149	20,251	8,929	26,848
Changes in working capital:				
Development properties	-	96,064	-	92,381
Inventories	(15)	(4)	(84)	(39)
Trade and other receivables	(715)	4,017	(3,072)	9,241
Trade and other payables	(21,008)	(109,738)	(34)	(123,951)
Cash (used in)/generated from operations	(17,589)	10,590	5,739	4,480
Income taxes refunded	-	8	-	29
Income taxes paid	(115)	(266)	(1,094)	(1,423)
Net cash (used in)/from operating activities	(17,704)	10,332	4,645	3,086
Cash flows from investing activities				
Acquisition of shares in an associate	-	-	(2,936)	-
Capital expenditure on investment properties	52	(3,603)	(4,333)	(5,712)
Cash contribution paid by non-controlling interest	-	-	139	-
Dividends received:				
- an associate	-	186	186	186
- FVOCI	-	340	309	703
- other investment	1	-	1	-
Finance income received	555	29	1,047	1,191
Loans to associates	(100)	(400)	(10,660)	(3,260)
Loan to non-controlling interest	-	-	(750)	-
Loan to a third party	-	-	-	(14)
Proceeds from disposal of subsidiaries, net of cash disposed	-	-	17,422	-
Proceeds from redemption of notes	5,966	-	5,966	-
Proceeds from sale of other investments	-	56	40,472	56
Proceeds from sale of property, plant and equipment	47	260	210,442	276
Purchase of other investments	-	-	(19,204)	-
Purchase of property, plant and equipment	(794)	(238)	(997)	(570)
Redemption of RCCPS by an associate	-	-	1,352	-
Repayment of loans by third parties	-	4,750	-	22,742
Net cash from investing activities	5,727	1,380	238,456	15,598

Consolidated Statement of Cash Flows (continued)

	3 months ended 31/10/19 S\$'000	3 months ended 31/10/18 S\$'000	6 months ended 31/10/19 S\$'000	6 months ended 31/10/18 S\$'000
Cash flows from financing activities				
Deposits pledged	-	(666)	(9,033)	11,929
Dividend paid to non-controlling interest of a subsidiary	(20)	-	(20)	-
Dividends paid to shareholders of the Company	(2,666)	-	(2,666)	-
Finance costs paid	(4,757)	(5,027)	(8,288)	(8,278)
Proceeds from borrowings	7,000	995	8,070	3,516
Redemption of notes payable	(22,183)	-	(47,263)	(1,720)
Repayment of borrowings	(3,185)	(7,629)	(160,865)	(10,750)
Repayment of finance lease liabilities	(332)	(459)	(701)	(934)
Repayment of loan to a director	-	-	(1,721)	-
Repayment of loan to related parties	-	-	(11,500)	(7,000)
Repayment of loan to non-controlling interests	-	(972)	-	(6,345)
Repayment of loans to third parties	-	-	(997)	-
Repayment of principal portion of lease liabilities	(3,931)	-	(7,454)	-
Net cash used in financing activities	(30,074)	(13,758)	(242,438)	(19,582)
Net (decrease)/increase in cash and cash equivalents	(42,051)	(2,046)	663	(898)
Cash and cash equivalents at beginning of period	91,673	53,894	49,323	54,335
Effect of exchange rate fluctuations on cash and cash equivalents	(1,019)	80	(1,383)	(1,509)
Cash and cash equivalents at end of period	48,603	51,928	48,603	51,928
Cash and cash equivalents comprise the following:				
Cash at bank and in hand	31,294	26,642	31,294	26,642
Deposits with banks	26,342	28,972	26,342	28,972
Cash and cash equivalents	57,636	55,614	57,636	55,614
Deposits pledged	(9,033)	(3,686)	(9,033)	(3,686)
Cash and cash equivalents in the statement of cash flows	48,603	51,928	48,603	51,928

Notes to Consolidated Statement of Cash Flows

Net cash used in operating activities in 2Q2020 was largely due to decrease in trade and other payables as a result of the GST payment from the sale of Jurong Island Chemical Hub.

In 2Q2020, net cash from investing activities was mainly attributable to the partial redemption of the notes. In 1H2020, net cash from investing activities largely due to sale of Jurong Island Chemical Hub, sale of 51.0% of the entire issued and paid-up capital of Sabana Investment Partners Pte Ltd and disposal of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust units.

Net cash used in financing activities was due mainly to the partial redemption of the Company's series 003 S\$66,000,000 notes due 2020 and dividend paid to shareholders of the Company.

As a result of the above, cash and cash equivalents were \$57.6 million as at 31 October 2019.

1(d)(i) Statement of Changes in Equity
For the period ended 31 October 2019

<u>The Group</u>	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Other reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 May 2019	174,337	(1,980)	7,090	(580)	343	51	25,820	205,081	72,258	277,339
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	33,130	33,130	16,799	49,929
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	(549)	-	-	(549)	(482)	(1,031)
Net change in fair value – equity investments at FVOCI	-	-	-	846	-	-	-	846	164	1,010
Net change in fair value – equity investment at FVOCI transferred to retained earnings	-	-	-	(266)	-	-	266	-	-	-
Share of reserves of associates	-	-	1	-	14	5	-	20	-	20
Total other comprehensive income	-	-	1	580	(535)	5	266	317	(318)	(1)
Total comprehensive income for the period	-	-	1	580	(535)	5	33,396	33,447	16,481	49,928
Transactions with owners of the Company, recognised directly in equity										
Changes in ownership interests in subsidiaries										
Capital contributions from non-controlling shareholders	-	-	-	-	-	-	-	-	147	147
Disposal of interests in subsidiaries with loss of control	-	-	-	-	-	-	-	-	(4,767)	(4,767)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	(4,620)	(4,620)
Total transactions with owners of the Company	-	-	-	-	-	-	-	-	(4,620)	(4,620)
Balance at 31 July 2019	174,337	(1,980)	7,091	-	(192)	56	59,216	238,528	84,119	322,647

<u>The Group</u>	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Other reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Total comprehensive income for the period										
Loss for the period	-	-	-	-	-	-	(4,203)	(4,203)	(854)	(5,057)
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	(1,151)	-	-	(1,151)	(1,012)	(2,163)
Share of reserves of associates	-	-	-	-	(280)	2	-	(278)	-	(278)
Total other comprehensive income	-	-	-	-	(1,431)	2	-	(1,429)	(1,012)	(2,441)
Total comprehensive income for the period	-	-	-	-	(1,431)	2	(4,203)	(5,632)	(1,866)	(7,498)
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Dividends paid to owners	-	-	-	-	-	-	(2,666)	(2,666)	(20)	(2,686)
Total contributions by and distributions to owners of the Company	-	-	-	-	-	-	(2,666)	(2,666)	(20)	(2,686)
Total transactions with owners of the Company	-	-	-	-	-	-	(2,666)	(2,666)	(20)	(2,686)
Balance at 31 October 2019	174,337	(1,980)	7,091	-	(1,623)	58	52,347	230,230	82,233	312,463

<u>The Group</u>	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Foreign currency translation reserve S\$'000	Other reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Opening balance at 1 May 2018 (FRS framework)	174,337	(1,935)	7,089	-	(3,802)	24	32,962	208,675	92,603	301,278
Effect of SFRS(I) 1	-	-	-	-	7,737	-	(7,737)	-	-	-
Effect of SFRS(I) 9	-	-	-	-	-	-	(7,095)	(7,095)	(2,220)	(9,315)
Opening balance at 1 May 2018 (SFRS(I) framework)	174,337	(1,935)	7,089	-	3,935	24	18,130	201,580	90,383	291,963
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	742	742	213	955
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	(3,401)	-	-	(3,401)	(3,403)	(6,804)
Net change in fair value – equity investments at FVOCI	-	-	-	721	-	-	-	721	304	1,025
Share of reserves of associates	-	-	-	-	(295)	1	-	(294)	-	(294)
Total other comprehensive income	-	-	-	721	(3,696)	1	-	(2,974)	(3,099)	(6,073)
Total comprehensive income for the period	-	-	-	721	(3,696)	1	742	(2,232)	(2,886)	(5,118)
Balance at 31 July 2018	174,337	(1,935)	7,089	721	239	25	18,872	199,348	87,497	286,845
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	1,178	1,178	7,670	8,848
Other comprehensive income										
Foreign currency translation differences for foreign operations	-	-	-	-	(96)	-	-	(96)	(448)	(544)
Net changes in fair value – equity investments at FVOCI	-	-	-	(2,162)	-	-	-	(2,162)	(910)	(3,072)
Share of reserves of associates	-	-	-	-	(271)	14	-	(257)	-	(257)
Total other comprehensive income	-	-	-	(2,162)	(367)	14	-	(2,515)	(1,358)	(3,873)
Total comprehensive income for the period	-	-	-	(2,162)	(367)	14	1,178	(1,337)	6,312	4,975
Balance at 31 Oct 2018	174,337	(1,935)	7,089	(1,441)	(128)	39	20,050	198,011	93,809	291,820

<u>The Company</u>	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Accumulated profits S\$'000	Total equity S\$'000
Balance at 1 May 2019	174,337	(1,980)	7,082	2,890	182,329
Total comprehensive income for the period					
Profit for the period	-	-	-	23,034	23,034
Balance at 31 July 2019	174,337	(1,980)	7,082	25,924	205,363
Total comprehensive income for the period					
Loss for the period	-	-	-	(2,232)	(2,232)
Transactions with owners of the Company, recognised directly in equity					
Contributions by and distributions to owners of the Company					
Dividends paid to owners	-	-	-	(2,666)	(2,666)
Total contributions by and distributions to owners of the Company	-	-	-	(2,666)	(2,666)
Total transactions with owners of the Company	-	-	-	(2,666)	(2,666)
Balance at 31 October 2019	174,337	(1,980)	7,082	21,026	200,465
Opening balance at 1 May 2018 (FRS framework)	174,337	(1,935)	7,082	(15,306)	164,178
Effect of SFRS (I) 9	-	-	-	(3,719)	(3,719)
Opening balance at 1 May 2018 (SFRS(I) framework)	174,337	(1,935)	7,082	(19,025)	160,459
Total comprehensive income for the period					
Loss for the period	-	-	-	(1,305)	(1,305)
Balance at 31 July 2018	174,337	(1,935)	7,082	(20,330)	159,154
Total comprehensive income for the period					
Loss for the period	-	-	-	(2,759)	(2,759)
Balance at 31 October 2018	174,337	(1,935)	7,082	(23,089)	156,395

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

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

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

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

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

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

	<u>As at 31/10/19</u>	<u>As at 30/4/19</u>
Total number of issued shares	697,951,877	697,951,877
Less: Treasury shares	(5,460,560)	(5,460,560)
Total number of issued shares excluding treasury shares	<u>692,491,317</u>	<u>692,491,317</u>

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

There were no sale, transfer, cancellation and/or use of treasury shares as at 31 October 2019.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on**

There were no subsidiary holdings during and as at the end of the financial period ended 31 October 2019.

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

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

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

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

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

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

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

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

Earnings per ordinary share

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

3 months ended 31/10/19	3 months ended 31/10/18
(0.61) cent	0.17 cent
(0.61) cent	0.17 cent

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

The fully diluted earning per share is calculated based on the weighted average number of ordinary shares of 692,491,317 (31 October 2018: 692,763,317).

Earnings per ordinary share

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

6 months ended 31/10/19	6 months ended 31/10/18
4.18 cents	0.28 cent
4.18 cents	0.28 cent

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

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

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

	As at 31/10/2019 Cents	As at 30/04/2019 Cents
Net assets value per ordinary share		
The Group	33.25	29.61
The Company	28.95	26.33

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

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

The Group reported revenue of \$38.3 million and \$75.3 million for 2Q2020 and 1H2020 respectively, representing a significant decrease of 76.5% and 63.2% over the previous corresponding period. The Group also reported lower cost of sales of \$27.2 million and \$54.5 million for 2Q2020 and 1H2020 respectively. The decrease in both revenue and cost of sales were due mainly to the absence of the real estate project in China recognised in

2Q2019. In addition, the lower revenue was also due to decline in contribution from freight and logistics segment as a result of the overall global economic slowdown.

The Group reported a loss from operations of \$0.9 million in 2Q2020 mainly due to the foreign exchange loss which arose mainly from depreciation of Renminbi (RMB) against SGD. The profit from operations of \$56.2 million in 1H2020 was mainly due to gain on disposal of Jurong Island Chemical Hub, gain on sale of 51.0% of the entire issued and paid-up capital of Sabana Investment Partners Pte Ltd and disposal of Sabana Shari'ah Compliant Industrial Real Estate Investment Trust units.

The Group reported share of losses from associates of approximately \$0.5 million in 2Q2020 largely due to losses from Figtree Holdings Limited and Ececil Pte Ltd. The Group recognised an impairment loss of \$0.2 million and \$3.1 million in 2Q2020 and 1H2020 respectively based on the stock exchange quoted bid price on its investment in Figtree Holdings Limited.

As a result of the foregoing, the Group reported a loss after tax and non-controlling interest of \$4.2 million for 2Q2020 as compared to a profit of \$1.2 million in 2Q2019.

As at 31 Oct 2019, the Group has cash and cash equivalents of \$57.6 million, and net gearing of 0.93 times.

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

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

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

As previously announced on 23 October 2019, the Group has entered into a Sale & Purchase agreement to purchase the remaining 49% stake in Shentoncil Pte Ltd. This acquisition has been completed on 12 December 2019. Similarly, as previously announced on 7 November 2019, the Group has also entered into a Sale & Purchase agreement to purchase the remaining 49% stake in LTH Logistics (Singapore) Pte Ltd. Barring unforeseen circumstances, the Group expects this acquisition should take place before the end of the year.

Against the backdrop of a slowing global economic growth, compounded further by the continued unresolved trade tensions between US and China, the Group is seeing continued weakening in its main logistics and freight forwarding businesses. The Group will continue to implement its cost management plans and endeavor to improve its businesses and sales in its core of logistics, freight forwarding, and Singapore real estate.

11. Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

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

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

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

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

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial results for the period ended 31 October 2019 to be false or misleading in any material respect.

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

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

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

**Eric Khua
Executive Director & CEO
12 December 2019**