Expanding Horizon

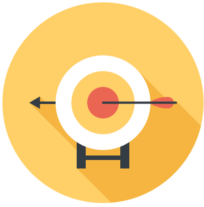
Vibrant Group Limited

ANNUAL REPORT 2021

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

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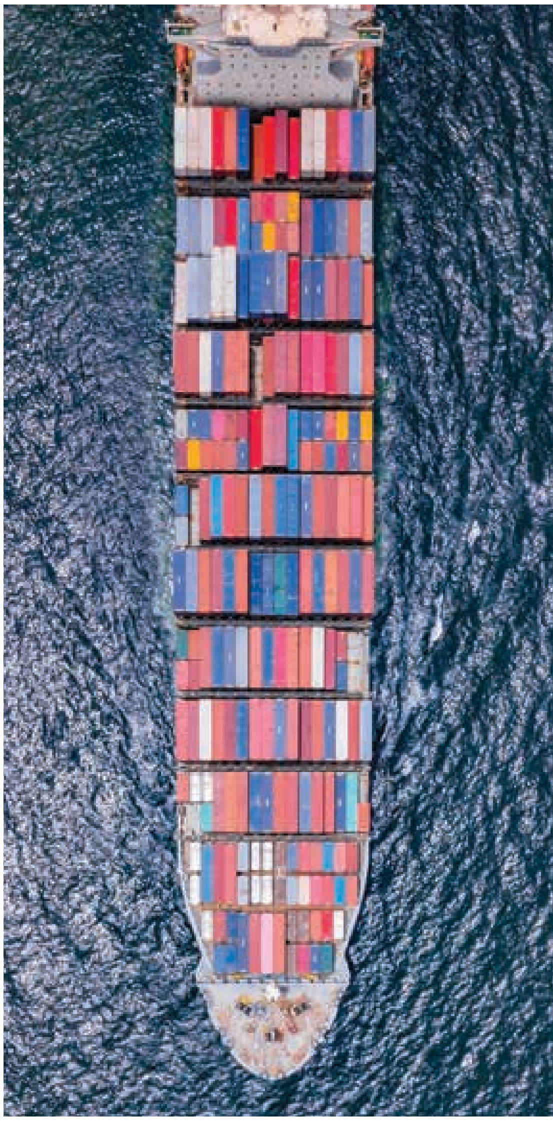


ABOUT VIBRANT GROUP LIMITED

REVENUE
$162.9
MILLION

NET PROFIT
$3.1
MILLION

EBITDA
$40.6
MILLION

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. 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.

Vibrant Group Limited

(formerly known as Freight Links Express Holdings Limited) was incorporated in 1986 and listed on the SGX-ST in 1995 on what was then known as SGX-SESDAQ. The listing was transferred to the SGX Main Board in 1997.

The Group is a leading logistics service provider offering comprehensive range of integrated logistics solutions. The Group's cores business activities also include financial services business and real estate business.

OUR BUSINESS LINES

The Group offers a comprehensive range of integrated logistics services including international freight forwarding, chemical storage and logistics, warehousing and distribution, and record management. The Group is also engaged in real estate business in property management, development and investment. Its financial services include fund management and financial leasing services.

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 China, Malaysia, Thailand, Hong Kong, Korea and Myanmar and strong strategic partnerships with over 120 freight forwarding agents worldwide.

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

OUR BUSINESS LINES

INTEGRATED LOGISTICS SERVICES

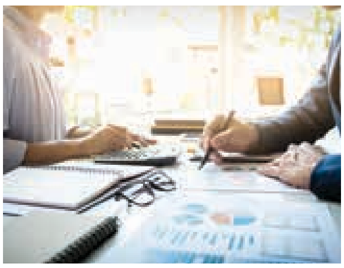
For many years, we have carved a strong reputation as a reliable global provider of integrated logistics solutions.

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.

REAL ESTATE BUSINESS

Complementary to our full suite of integrated logistics solutions, the Group also provides build-to-suit lease solutions for our customers. Additionally, the Group also provides property management services to high-tech industrial park and general warehouses. The Group also invested in various types of properties, such as residential, commercial and industrial building.

FINANCIAL SERVICES



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.

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.

A MESSAGE TO SHAREHOLDERS

The Group's management is mindful of the importance of both resilience and adaptability in what are essentially fluid circumstances, and that a challenging environment can nonetheless throw up opportunities.

Dear Shareholders,

Another year has elapsed and it is time again for me to present to you the Annual Report of Vibrant Group Limited (the "Company" and together with its subsidiaries, the "Group"), this time for the financial year ended 30 April 2021 ("FY2021").

Notwithstanding the passing of another year, the Covid-19 pandemic remains with all of us. As our Prime Minister has rightly pointed out, the Covid-19 virus is now endemic and we must be prepared to deal with it as a permanent feature in our lives. Despite the challenges posed, the Group has managed to close FY2021 with a net profit of $3.1 million attributable to shareholders of the company. The Group's FY2021 commenced during Singapore's Circuit Breaker and the intervening period witnessed significant worldwide shipping delays due to congestions in major seaports across the world, including Singapore as well as the closure of the Suez Canal. All these events coupled with an increase in international shipping volume from e-commerce shipments saw container shipping surcharges and premiums surge and reach record freight prices.

FINANCIAL REVIEW

The Group registered revenue of $162.9 million for the year ended 30 April 2021, 11.2% higher than that in the corresponding year. This increase is largely attributable to higher revenue generated from our freight and logistics businesses following the rise in freight rates mentioned above. In this financial year, freight and logistics segment was the main contributor to revenue at 96.3%, $156.8 million.

A MESSAGE TO SHAREHOLDERS

Other income decreased significantly by 84.5% or $56.0 million from $66.2 million in FY2020 to $10.2 million in FY2021. In FY2020, the Group sold its property at 121 Banyan Drive as well as other investments giving rise to a significant gain on disposal. Correspondingly, the Group's net profit after tax and non-controlling interest decreased significantly by 42.4% to $3.1 million from $5.5 million in FY2020 primarily due to the decrease in other income.

Overall, the Group is in a stable financial position. As of 30 April 2021, the Group's total asset stood at $573.0 million, with cash and cash equivalents of $54.8 million and a net gearing of 0.76 times. Net asset value per share is 32.88 cents as of 30 April 2021 compared to 32.14 cents as of 30 April 2020. The Group will continue to exercise financial prudence while negotiating what continues to be a volatile economy and unpredictable business environment in an unprecedented pandemic.

KEY EVENTS AND MATTERS OF NOTE

During the year, the Group redeemed in full all the outstanding of approximately $43.8 million of the Series 003 7.50 percent Notes due in 2020. Following the redemption there are no longer outstanding Notes issued under the Company's S$500,000,000 Multicurrency Medium Term Note Programme.

The Group is looking to sell its property located at 47 Changi South as part of an overall strategy to rebalance its portfolio of properties. Accordingly, the Group has reclassified the property in its Balance Sheet to assets held-for-sale in FY2021. As at 30 April 2021, this change in classification and presentation has no effect on the net asset value of the Group.

The Group has also taken steps against the relevant personnel of the Blackgold Group including lodgement of police reports in Singapore and the People's Republic of China as well as commencement of proceedings in the High Court of Singapore.

REWARDING OUR SHAREHOLDERS

Based on our financial performance, the Board has recommended a first and final tax-exempt one-tier dividend of 0.1 cent per ordinary share, subject to the shareholders' approval in the forthcoming Annual General Meeting. The Group will pay the dividend fully in cash.

OUTLOOK

With no real end to the Covid-19 pandemic in sight and given the evolution of newer more infectious variants, we expect the volatility and uncertainty to continue. The Group is therefore adopting a cautious stance for the financial year 2022. The Group's management is mindful of the importance of both resilience and adaptability in what are essentially fluid circumstances, and that a challenging environment can nonetheless throw up opportunities. While the rise of freight rates is generally positive for the Group's freight and logistics business, this escalation does carry risks, in particular that of payment. Over reliance on high freight rates may also be unrealistic in the medium term as freight rates will drop once supply disruptions related to the pandemic are addressed. The Group needs to look at other sources of income including increasing its Real Estate as well as Financial Services portfolios when the opportunities present themselves.

THANKS

FY2021 has been one of the most challenging years the Group has ever faced, and we have managed to remain profitable through the hard work and support of many parties. On behalf of the Board, I would like to extend my deepest gratitude to our valued customers, shareholders, business associates and partners for their efforts, support, confidence and trust over these past years. I would also like to thank my fellow Board members, management team and staff for their drive and determination to contribute to the Group's performance.

Lastly, I wish each and all of you good health and peace of mind in these times.

Thank You.

Sebastian Tan Cher Liang
Group Chairman

A MESSAGE TO SHAREHOLDERS

主席致辞

尊敬的股东们，

转眼一年过去了，我在此致呈辉联集团有限公司（集团本身及附属子公司）年度报告，本年度报告截止日期为2021年4月30日（“2021财年”）。

过去的一年中，新型冠状病毒一直存在我们身边。我国总理也指出新型冠状病毒现在已成为地方性流行疾病，我们必须适应病毒长期与我们共存。尽管面临重重挑战，经过不懈努力，集团在2021财年实现了310万新元归属于股东的净利润。我们的2021财年开始于新加坡阻断措施期，包括新加坡在内的世界各地主要港口的堵塞，苏伊士运河的临时关闭以及国际电子商务运输的增长导致集装箱运输附加费和保险费的增加，使得国际物流价格达到了历史新高。

财务回顾

集团2021财年的总收入为1.629亿新元，较上一财年增长11.2%。上述快速增长的国际货物运输和物流费带来货运物流业务板块的收入显著增加。在当前的财政年度，货运与物流板块仍然是集团的主要收入来源，占比为96.3%，收入为1.568亿新元。

其他收入显著下降，从2020财年的6,620万新元降至本财年的1,020万新元，降幅为84.5%，或5,600万新元。2020财年，集团出售了位于裕廊岛的化工仓库以及其他投资资产，使得集团在2020财年产生重大收益。集团的税后归属于股东的净利润从2020财年的550万新元降至2021财年的310万新元，降幅为42.4%，主要是缺乏去年的资产出售收益，导致其他收入的减少。

总体而言，集团的财务状况稳定。截至2021年4月30日，集团总资产为5.730亿新元，现金及现金等价物为5,480万新元，净负债率为0.76。截至2021年4月30日，每股净资产价值为32.88分新元，同比去年的32.14分新元，增加0.74分新元。鉴于新型冠状病毒带来的不确定性，集团将会继续保持严谨的态度管理财务。

其他事项

2021财年，集团全额如期偿付003系列，7.5%债券约4,380万新元，加上提前回购的债券，集团已经赎回和注销发行的全部债券。

集团目前正在考虑出售位于47号樟宜南的仓库，这会进一步重组和优化集团的固定资产战略。因此，集团已在2021财年的资产负债表中将47号樟宜南的仓库划分为待出售固定资产。这对集团截至2021年4月30日财年的资产净值不产生任何影响。

最后，我们也对宝金煤炭集团的相关人员采取了行动，如向新加坡及中华人民共和国警方报案，以及向新加坡高等法院提起民事诉讼。

主席致辞

回报股东

基于我们的财务表现，董事会已建议每普通股颁发免税股息0.1分新元，此建议会在即将召开的年度股东大会上提呈予股东批准。集团将以现金方式全额支付股息。

展望未来

鉴于新冠疫情并未好转以及病毒变异的可能性，我们预测外部环境的不确定性会持续存在，集团对2022财年的财政继续持谨慎的立场。集团继续积极地灵活应对和适应不断变化的环境，以此寻找新的投资机会。尽管国际物流费的上涨总体上对集团的货运与物流业务有利，但这种上涨波动也带来了很多风险，尤其是应收账款回收的风险。站在中长期的立场，过度依赖国际物流费的上涨是非可持续的。在新型冠状病毒得以控制后，涨幅所带来的收入或将受到影响。集团会继续寻找其他的收入来源，包括房地产和金融服务领域，利用多元化投资组合以便更适应多变的经济环境。

致谢

2021财年是集团面临严峻挑战的一年，我们在各方共同努力和支持下渡过了难关并实现盈余。在此，我谨代表董事会向我们所有尊贵的客户、股东和商业合作伙伴表示最深切的感谢，感谢你们多年来的支持和信任。我还要感谢我们的董事会成员、管理团队和全体员工，感谢你们为集团的发展和成绩作出的努力和贡献。

我谨代表董事会祝大家健康、平安和吉祥。

谢谢!

陈之亮
集团主席

GROUP CORPORATE STRUCTURE

Vibrant Group Limited

FREIGHT & LOGISTICS

INTERNATIONAL FREIGHT FORWARDING

100%	Freight Links Express Pte Ltd
100%	Crystal Freight Services Pte Ltd
49%	Freight Links Express (Thailand) Co., Ltd
49%	Freight Links Express International Co., Ltd
39.2%	Hub & Port Service (Thailand) Co., Ltd
100%	Freight Links Express (M) Sdn Bhd
100%	Freight Links Express (Pg) Sdn Bhd
20.05%	Freight Management Holdings Bhd
40%	Wagon Links Pte Ltd
27.6%	Wagon Links Co., Ltd (Myanmar)

WAREHOUSING PROPERTY & LOGISTICS

100%	Freight Links Logistics Pte Ltd
100%	Hub & Port Services Pte Ltd
100%	Freight Links Express Logisticentre Pte Ltd
100%	Freight Links Express Logisticpark Pte Ltd
100%	Freight Links Properties Pte Ltd
100%	Crystal Freight Services Distripark Pte Ltd
100%	Freight Links Express Archivers Pte Ltd
100%	Freight Links E-Logistics Technopark Pte Ltd
100%	New Vibrant (Jiangsu) Supply Chain Management Co., Ltd
20%	Busan Cross Dock Co., Ltd
31%	Vibrant Pucheng Logistics (Chongqing) Co., Ltd
36.48%	Vibrant Pucheng Holdings Pte. Ltd.
31%	Vibrant Pucheng Property Management (Chongqing) Co., Ltd
44.81%	Vibrant International Freight Forwarding (Chongqing) Co., Ltd

CHEMICAL STORAGE & LOGISTICS

100%	LTH Logistics (S) Pte Ltd
100%	Lee Thong Hung Trading & Transport Sdn Bhd

COMMODITY LOGISTICS

25.52%	China Southwest Energy Corporation Limited

OTHERS

	China GSD Logistics Pte Ltd (Convertible Preference Shares)

REAL ESTATE BUSINESS

PROPERTY DEVELOPMENT & INVESTMENT

60%	Vibrant Properties Pte Ltd
60%	Vibrant Land Pte Ltd
48%	Fervent Industrial Development (Suzhou) Co., Ltd
60%	Vibrant Investment & Management (Shanghai) Co., Ltd
51%	Vibrant DB2 Pte Ltd
50%	Saujana Tiasa Sdn Bhd
100%	Shentoncil Pte Ltd
40%	Ececil Pte Ltd
22.71%	Figtree Holdings Ltd

FINANCIAL SERVICES

FINANCIAL LEASING

51%	Sinolink Financial Leasing Co., Ltd

FUND MANAGEMENT

30%	Sentosa Capital Pte Ltd

OTHERS

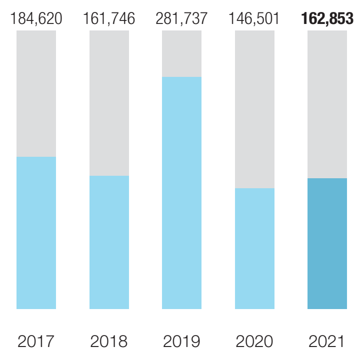
100%	Singapore Enterprises Private Limited

GROUP FINANCIAL HIGHLIGHTS

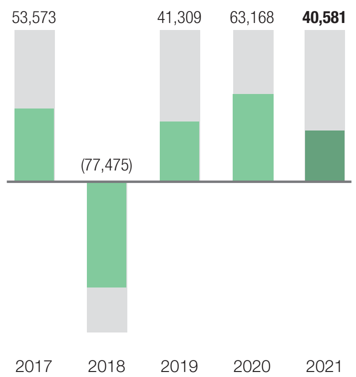
5-YEAR FINANCIAL SUMMARY

	FY2017	FY2018 (Restated)	FY2019 (Restated)	FY2020	FY2021
OPERATING RESULTS					
Revenue ($'000)	184,620	161,746	281,737	146,501	162,853
EBITDA ($'000)	53,573	(77,475)	41,309	63,168	40,581
Pretax profit/(loss) ($'000)	25,368	(104,305)	25,955	13,004	5,873
Net Profit ($'000)	3,422	(94,578)	7,758	5,466	3,149
EBITDA margin (%)	29.02	-47.90	14.66	43.12	24.92
Pretax margin (%)	13.74	-64.49	9.21	8.88	3.61
Net margin (%)	1.85	-58.47	2.75	3.73	1.93
FINANCIAL POSITION					
Cash and Cash equivalents	63,039	70,549	44,195	61,907	54,812
Total assets ($'000)	1,051,025	933,514	721,761	621,170	573,038
Total debt ($'000)	344,296	344,086	330,233	268,423	227,028
Debt/Assets (%)	32.76	36.86	45.75	43.21	39.62
Current assets	491,303	373,872	348,304	193,233	163,516
Current liabilities	397,835	584,347	298,217	179,116	139,420
Net current assets/liabilities ($'000)	93,468	(210,475)	50,087	14,117	24,096
Shareholders' equity ($'000)	370,358	202,767	206,383	222,564	227,695
Return on Assets (%)	0.33	-10.13	1.07	0.88	0.55
Return on Equity (%)	0.92	-46.64	3.76	2.46	1.38
Net debt: Equity (times)	0.76	1.35	1.39	0.93	0.76
PER SHARE DATA					
Earnings (cents) – Basic	0.59	(13.96)	1.12	0.79	0.45
Earnings (cents) – Diluted	0.59	(13.96)	1.12	0.79	0.45
Dividend (cents)	1.50	–	0.40	–	0.10
Net tangible assets (cents)	61.58	29.20	29.73	32.14	32.85

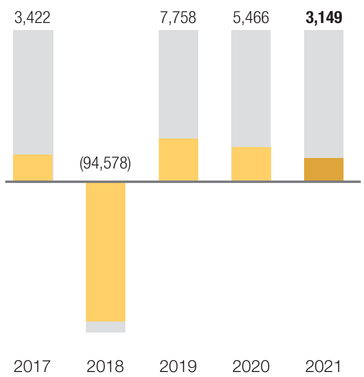
REVENUE ($'000)



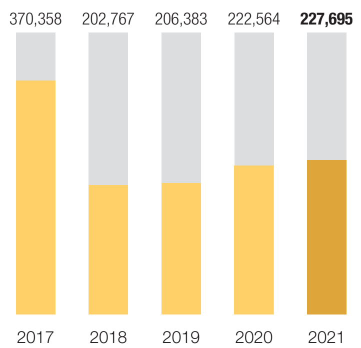
EBITDA ($'000)



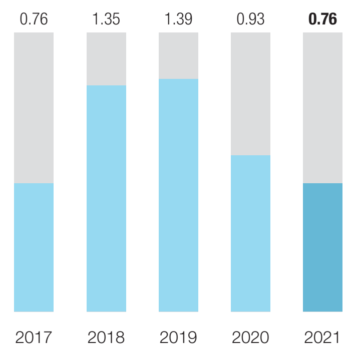
NET PROFIT ($'000)



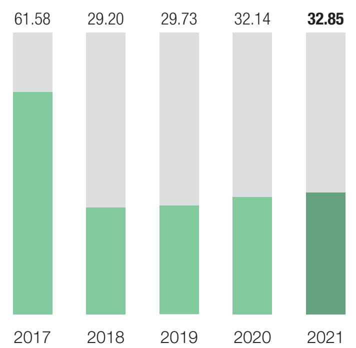
SHAREHOLDERS' EQUITY ($'000)



NET DEBT : EQUITY (times)



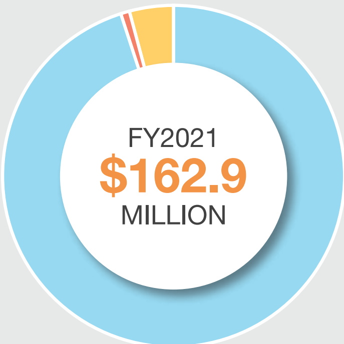
NET TANGIBLE ASSETS (cents)



GROUP FINANCIAL HIGHLIGHTS

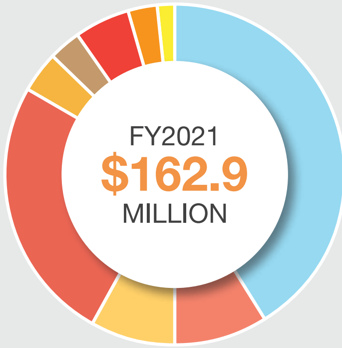
SEGMENTAL RESULTS

REVENUE BY OPERATING SEGMENTS



- **96.25%** Freight & Logistics
- **0.02%** Financial Services
- **3.73%** Real Estate

REVENUE BY GEOGRAPHICAL SEGMENTS



- **41.23%** Singapore
- **8.85%** Malaysia
- **8.24%** China
- **25.19%** Rest of Asia
- **3.83%** United States of America
- **3.01%** Oceania
- **5.21%** Europe
- **2.97%** Middle East
- **1.47%** Others

FREIGHT & LOGISTICS

	FY2020 $'000	**FY2021 $'000**
Revenue	140,061	156,752
Profit for the year	40,939	9,986

FINANCIAL SERVICES

	FY2020 $'000	**FY2021 $'000**
Revenue	636	33
Profit for the year	3,140	(2,470)

REAL ESTATE

	FY2020 $'000	**FY2021 $'000**
Revenue	5,804	6,068
Profit for the year	(8,024)	86

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

REVIEW OF OPERATIONS

The pandemic caused continuing uncertainty in the business environment and the Group has placed emphasis on measures to ensure sustainability and resilience of the business.

The global outbreak of Covid-19 resulted in significant disruptions and challenges to businesses over the past year. Against all adversaries, the Group demonstrated resilience through the financial year ended 30 April 2021 and reported net profit attributable to shareholders of $3.1 million. The pandemic caused continuing uncertainty in the business environment and the Group has placed emphasis on measures to ensure sustainability and resilience of the business.

In the financial year under review, the Group recorded total revenue of $162.9 million, an increase of 11.2% from $146.5 million a year earlier. This was largely led by the higher revenue contributed by Freight and Logistics segment. Notwithstanding the higher Group revenue, the net profit attributable to shareholders declined 42.4% to $3.1 million, from $5.5 million in the previous year.

FREIGHT AND LOGISTICS SERVICES

In the current financial year, Freight and Logistics segment remained the main contributor for the Group total revenue, contributing $156.8 million or approximately 96.3% of the total Group revenue. The segment recorded an increase of $16.7 million or 11.9% from $140.1 million for the same period in the previous year. The increase was mainly driven by rising freight rates due to global shortage of ocean carrier capacity. Net profit however decreased from $40.9 million to $10.0 million mainly as a result of the absence of one-off gain from the sale and leaseback transaction of 121 Banyan Drive in FY2020.

INTERNATIONAL FREIGHT FORWARDING

The prolonged Covid-19 pandemic has brought upon a year marred in undesirable economic uncertainties and risks. Overall shipping rates have risen drastically while shipping agents compete for ocean freight capacity. Freight rates are expected to escalate and will remain higher than pre-pandemic levels in the foreseeable future. The ongoing Covid-driven shortage of ocean containers will put pressure on shipping agents to bid for higher prices to secure shipment space for customers.

Amid the unprecedented disruption, the Group managed to overcome the adversities by refining the way we work and acclimating quickly to market demand for alternative routes. The Group managed to meet the changes with our expanded agencies coverage. With tighter space and frequent disruption globally for both air and sea freight services, cargo movement were directed mainly to major hubs like Singapore.

Capitalising on the Group's strong presence in the industry as a competitive hub, the Group emerged as the preferred choice for shipping agents to tranship "less than container load cargo". This was achieved by our continuous effort to develop overseas network and enhance overseas trade lane management and pricing. Our marketing and customer service team has put in great effort in providing efficient services to ensure clients' satisfaction in terms of timeline and requirements.

Locally, the group has also facilitated multiple projects for essential cargo storage and urgent shipping arrangements. Amidst the many challenges ahead, the Group has to embrace supply chain disruptions and adapt swiftly to changes. The Group has established new marketing policies to incentivize the team to continue exploring new avenues of business growth. Cross-functional job enhancements have also been introduced for development of skills of staff to achieve higher operational efficiency.

REVIEW OF OPERATIONS

As part of cost cutting measures to reduce operational costs, overall staff costs were reduced during the year.

WAREHOUSING AND LOGISTICS

The Warehousing and Logistics division has secured several new customers and consequently leased additional warehouse space to cater to the increased demand. Overall supply of warehousing space in Singapore has been rapidly shrinking throughout the year. This was driven by regional trade growth in e-commerce and third-party logistics (3PL) companies aggressively increasing warehouse space to cater for increased demand in outsourced logistics services. The management team for Warehousing and Logistics business has been selective and cautious in growing customer base as rental rates steadily increased. The focal points for the year gravitate towards tightening operational costs and efficiency improvements on top of revenue growth.

The Group continuously explores better warehouse space utilization and adopts better technology to manage cargo movements and storage. Staff are regularly re-deployed to learn new equipment and new skills to enhance their knowledge and acquire new skills. Better utilization of manpower is achieved by re-deploying and sharing staff amongst different warehouses. Apart from acquiring new certifications for the additional warehouse to cater to a more diversed clientele, the management has invested into new warehouse management system to further enhance operational efficiency and service levels for customers.

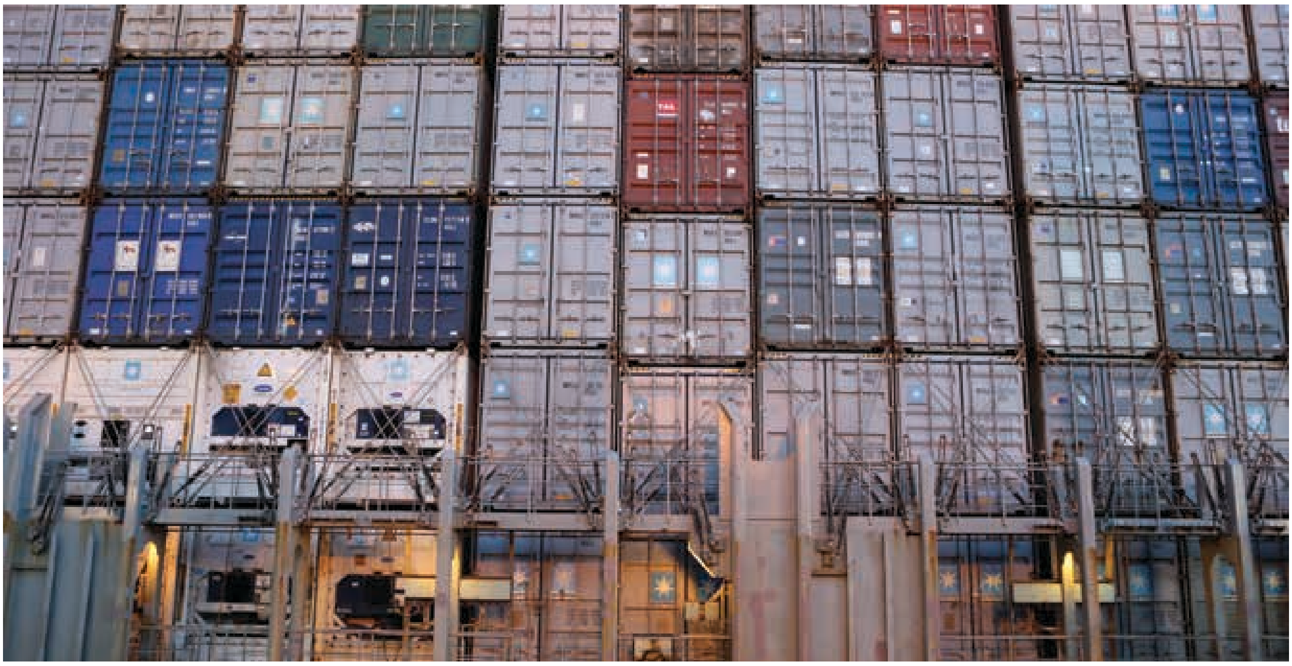
As for our associate investment, Vibrant Pucheng Logistics (Chongqing) Co., Ltd ("Vibrant Pucheng"), which is involved in the development of a multi-modal logistics warehouse distribution centre, has suspended its construction works. The financing bank, which has provided loans approximately RMB30 million to Vibrant Pucheng has halted further financing of the development in connection with a perceived change in risk profile following a change in management staff. The shareholders of Vibrant Pucheng are presently looking at alternative financing options for the development, including borrowing from other banks, financial institutions and investors.

CHEMICAL LOGISTICS

Covid-19 and its disruptions to maritime schedules have resulted in severe impacts to global supply chains. Due to the pandemic and its ease of transmission, lockdowns and movement control orders instituted in both Singapore and Malaysia have affected the businesses of various customers, particularly those from Malaysia. The mandatory introduction of safe management measures by regulatory agencies both in Singapore and Malaysia resulted in many improvisations and procedures to be adopted to ensure safe and continued operations. Coupled with the control of cross border labour movement from Malaysia and revised foreign manpower restrictions in Singapore, manpower shortages and disruptions prevailed throughout the year.

Despite these challenges, Chemical Logistics division saw a marginal increase

REVIEW OF OPERATIONS



in revenue compared to the previous corresponding year. Sales from several major customers were bolstered with value add services and a reallocation of priorities to Asia. This was largely driven by the gradual recovery of China market at the beginning of the financial year. However, many other customers have also seen negative impacts to their businesses due to volatility in many of their end markets. Measures to tighten costs and redistribution of manpower, coupled with the increase in revenue, allowed the division to turn in stronger operating margins for the year. Support schemes from the Singapore government to cushion impact from the pandemic also helped to improve the financial performance of the Group.

The coming year is expected to see greater stabilisation of businesses as we get accustomed to a business environment coexisting with the pandemic. The Group will continue to review operating standards and practices to drive work efficiency and financial performance.

REAL ESTATE BUSINESSES

In the Real Estate segment, revenue increased marginally by 4.5% from $5.8 million to $6.1 million. The segment reported net profit of $0.09 million as compared to a net loss of $8 million a year ago.

During the year, based on assessment done by independent external valuers, the Group recognized fair value loss of $1.0 million as compared to $7.9 million in FY2020. The FY2021 fair value loss was mainly due to fair value adjustments of Palas Condominium located in Malaysia, affected by the Covid-19 pandemic.

Revenue generated from this segment was mainly contributed by the industrial properties located in Changshu High Tech Industrial Park, Jiangsu. In spite of the Covid-19 pandemic, revenue generated from the property remained stable where the occupancy stood at an average of 85% as the clients are mainly committed in long term tenancies.

FINANCIAL SERVICES

The Group has temporary halted its leasing activities in China during the year due to significant business risks posed by the uncertainties amidst the Covid-19 pandemic. As a result, the revenue of $0.03 million was mainly generated from dividend income from other investment. The segment reported a net loss of $2.5 million as compared to net profit of $3.1 million mainly due to the tax credit and the exceptional one-time gain from the disposal of subsidiaries in the previous financial year. The Group is constantly exploring new leasing business and evaluating their potential and risk involved.

In October 2020, the Group has fully redeemed the Series 003 $66 million 7.50 percent. Notes and the Notes have been cancelled in accordance with the terms and conditions of the Notes. With the redemption, it has further reduced the Group borrowing cost on top of lower interest rate from bank borrowings.

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 and Nominating Committee. He has more than 40 years of experience in corporate advisory and general management.

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

He is a qualified financial professional from the Association of Chartered and Certified Accountants of the United Kingdom. He is currently serving on the Boards of various public and private companies, and charitable organisations in Singapore. He was conferred the Public Medal (PBM) in 1996.

PRESENT DIRECTORSHIP IN OTHER LISTED COMPANIES:

Jumbo Group Limited
Kingsmen Creatives Ltd
Ezra Holdings Limited
Wilton Resources Corporation Ltd
Food Empire Holdings Limited
IPC Corporation Ltd

PAST DIRECTORSHIP IN LISTED COMPANIES (2017 – 2021):

Nil

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 a 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 council member of the Singapore Chinese Chamber of Commerce and Industry, committee member at Singapore Ann Kway Association; a board member of Tan Kah Kee Foundation. He is chairman of Nanyang Kuah Si Association, chairman of Pei Tong Primary School advisory committee and member of school management committee of Catholic High School. He serves as a patron at Telok Blangah Citizens' Consultative Committee.

Former positions he held include president of the Singapore Metal and Machinery Association, vice-chairman of the Singapore-China Business Association, board member of Singapore Thong Chai Medical Institute, and vice-president of World Quanzhou Youth Friendship Association.

In China, Mr Khua is board chairman of Fujian Anxi No. 8 Middle School, 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.

柯建强是新加坡中华总商会董事，新加坡安溪会馆执行委员， 陈嘉庚基金会理事。柯先生是新加坡南洋柯氏公会会长，新加坡培童小学咨询委会主席及公教中学管理会委员。柯先生也是直落布兰雅公民咨询委员会委员。

柯先生曾经担任职位，包括新加坡五金机械公会会长，新加坡中国商会副会长，新加坡同济医院董事及世界泉州青年联谊会副会长。

在中国福建省，柯先生是福建省安溪第八中学校董会会长，安溪县慈善总会副会长，安溪县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》。

PRESENT DIRECTORSHIP IN OTHER LISTED COMPANIES:

Freight Management Holdings Berhad

PAST DIRECTORSHIP IN LISTED COMPANIES (2017 – 2021)

Nil

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 Adventus Holdings Ltd, Kingsmen Creatives Ltd, Federal International (2000) Ltd and Memiontec Holdings Limited. He is a member of the Board of Governors of SJI International and also a trustee and a member of the Management Committee of the SJI Philanthropic Fund a registered charity and IPC in Singapore.

PRESENT DIRECTORSHIP IN OTHER LISTED COMPANIES:

Adventus Holdings Limited
Kingsmen Creatives Ltd
Memiontec Holdings Limited
Federal International (2000) Limited

PAST DIRECTORSHIP IN LISTED COMPANIES (2017 – 2021):

Vietnam Enterprise Investments Limited
Metech International Limited
DISA Limited
Kitchen Culture Holdings Ltd
K2 F&B Holdings Limited

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 as honorary president of Nanyang Kuah Si Association. He also serves as an honorary committee member of Singapore Metal and Machinery Association.

柯福赐先生于2017年荣退集团主席职位，继而接任为集团顾问。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。

PRESENT DIRECTORSHIP IN OTHER LISTED COMPANIES:

Nil

PAST DIRECTORSHIP IN LISTED COMPANIES (2017 – 2021):

Nil

BOARD OF DIRECTORS

FRANCIS LEE FOOK WAH | Executive Director and Chief Financial Officer

Mr Francis Lee Fook Wah was appointed as the Chief Financial Officer for the Group on 1 April 2019 and appointed as the Executive Director on 1 September 2020.

He is responsible for the overall management of finance functions of the Group, matters relating to the regulatory compliance and reporting, and oversee Group's human resource matters.

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 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, Joyas International Holdings Ltd and Asiaphos Ltd.

PRESENT DIRECTORSHIP IN OTHER LISTED COMPANIES:

Sheng Siong Group Limited
Net Pacific Financial Holdings Limited
Asiaphos Limited
Figtree Holdings Limited
Joyas International Holdings Limited

PAST DIRECTORSHIP IN LISTED COMPANIES (2017 – 2021):

Metech International Limited

SENIOR EXECUTIVES

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, and oversees the leasing and management of a portfolio of property. 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.

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 37 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.

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.

ADRIAN CHIA SENG CHYE | Vice President – Crystal Freight Services Pte Ltd

Mr Chia joined Freight Links Express in September 1988 and has more than 32 years of experience in sales and marketing. He was the Vice President (Consolidation & Marketing) of Freight Links Express before transferred to head Crystal Freight Services Pte Ltd ("Crystal Freight Services") in May 2021. He is responsible for sales and marketing, business development, total logistics services, overall growth, and expansion of Crystal Freight Services.

SUSTAINABILITY REPORT SUMMARY

Sustainable development has always been one of the most important considerations for the Group. As an environmentally responsible company, the Group strives to create value for all stakeholders and partners while minimising the impact on the environment. Facing the unprecedented challenges caused by climate change, the Group will continue to connect with all stakeholders and drive its business in a sustainable manner.

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.

The sustainability report will provide and summarise 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 2021 ("FY2021"). We conducted a detailed materiality assessment and identified the Group's material topics. Related disclosures will be detailed in the FY2021 sustainability report.

In FY2021, the following material issues were identified:

GOVERNANCE

Compliance with Laws and Regulations

ECONOMIC

Economic Performance

ENVIRONMENT

Emission Control
Waste Management
Energy Management
Water Management

SOCIAL

Employment
Health and Safety
Customer Privacy

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 strive for a more sustainable growth for the Group.

CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN
Sebastian Tan Cher Liang, PBM

EXECUTIVE
Eric Khua Kian Keong
Francis Lee Fook Wah

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 SECRETARIES
Noraini Binte Noor Mohamed Abdul Latiff

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 Logisticentre
Singapore 609143
Tel: 6262 6988 Fax: 6261 3316

AUDITORS
FOO KON TAN LLP
Public Accountants and
Chartered Accountants
24 Raffles Place #07-03
Clifford Centre
Singapore 048621

Raymond Kong, Partner-in-charge
(appointed since FY2020)

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 2021

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 Singapore Code of Corporate Governance 2018 (the "2018 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 2021 ("FY2021"). The Company will continually review its corporate governance practices in compliance with the 2018 Code. The Board confirms that the Group has generally adhered to the principles and guidelines set out in the 2018 Code for FY2021. Where there are deviations from the 2018 Code, appropriate explanations are provided.

Guide	Compliance with the 2018 Code
	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 2018 Code. We show details of our compliance in this report.
I. BOARD MATTERS 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.	
Principle 1: The Board's Conduct of Affairs	
1.1	The Board has five directors which comprises of two Executive Directors, a Non-Executive Director and two Non-Executive Independent Directors ("Independent Directors") for FY2021. The principal functions of the Board are as follows: • Oversee the Group's overall strategic and business direction and is collectively responsible for the Group's long-term success. • Provide entrepreneurial leadership, setting strategic objectives as well as constructively challenge Management and review its performance. • Ensure necessary financial and human resources are in place for the Group to meet its objectives. • Establishing a framework of prudent and effective controls for risk management and internal controls, safeguarding shareholder's interests and the Group's assets as well as setting values and standards (including ethical standards) for the Group and is mindful of the Group's social responsibilities. The Board exercises due diligence and independent judgment in dealing with the business affairs of the Group and work with the Management to make objective decisions in the interest of the Group. The Board has clear guidelines for dealing with conflicts of interest. Where a director faces a conflict of interest, the director shall disclose this and recuse himself from meetings and decisions involving the issue. All interested persons transactions are reviewed and approved by the Audit Committee to ensure these transactions are conducted on an arm's length basis. On an annual basis, each director submits a director's interest declaration for the purpose of monitoring interested persons transactions. The Group's business is effectively managed by the Board and properly conducted by Management and the Board ensures that proper observance of corporate governance practices, which includes setting of code of conduct and ethics, appropriate tone-from-the-top and desired organizational culture, and ensures proper accountability within the Group.

CORPORATE GOVERNANCE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

Guide	Compliance with the 2018 Code
1.2	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 or existing Directors are provided with opportunities to undergo training which are relevant, to effectively discharge their duties, and to enhance their skills and knowledge and to continually improve the performance of the Board. The Company will fund Directors' participation at industry conferences, seminars or any training programmes in connection with their duties as Directors. During the year, the Board appointed Mr Francis Lee Fook Wah as an Executive Director of the Company, on top of his role as Chief Financial Officer ("CFO"). The management will keep the Directors up-to-date on pertinent developments in the business including changes in relevant laws and regulations, 2018 Code, financial reporting standards and industry related matters. News release issued by the Singapore Exchange Securities Trading Limited ("SGX-ST") and Accounting and Corporate Regulatory Authority ("ACRA") which are relevant to the Directors are also circulated to the Board. During FY2021, the Directors were briefed by professionals at Audit Committee meetings on regulatory changes and changes in financial reporting standards as well as issues which may have an impact on financial statements. The Directors had been briefed on the key audit matters in the auditors' report and quarterly updates on the strategic development of the Group. On an ongoing basis, the Directors are updated on amendments and requirements of the SGX-ST and other statutory and regulatory changes which have an important bearing on the Company and the Directors' obligations to the Company, from time to time.
1.3	The Board of Directors objectively takes decisions in the interests of the Group. Other than the compliance with the Companies Act, Cap 50 and the rules and regulations applicable to a public company, matters requiring the Board's specific approval are those involving material acquisition and disposal of assets/investments, corporate or financial restructuring, material financial/funding arrangements and provision of all corporate guarantees, corporate exercises and budgets.
1.4	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"). These Board Committees are given specific responsibilities and are empowered to deal with matters within the limits of the authority set out in the terms of reference of their appointments. 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.

CORPORATE GOVERNANCE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

<table>
<tr><th>Guide</th><th>Compliance with the 2018 Code</th></tr>
<tr><td>1.5</td><td>
The Board and its Committees conduct regular scheduled meetings that are planned in advance during the year to review and approve the release of the Group's 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.
During the year, the Company released the financial results of the Group for the first quarter ended 31 July 2020 and the half year ended 31 October 2020. On 6 November 2020 the SGX-ST notified the Company that it is no longer subject to mandatory quarterly reporting under Listing Rule 705(2). The Company decided not to continue with quarterly reporting of the unaudited financial statements of the Group and did not announce the unaudited financial statements for the third quarter ending 31 January 2021.
Going forward the Board and the Audit Committee will conduct planned half-yearly meetings to review and approve the release of the Group's half year and full year results and the NC and RC will conduct planned annual meetings. However the Board and its Committees will continue to convene ad-hoc meetings to address significant issues and transactions.
In line with our commitment to sustainability, the Company issued each Director with an electronic tablet device during the meetings to enable them to access and read meeting papers electronically in place of hard-copy printouts.
The attendance of the Directors at Board and Committee meetings for FY2021, as well as the frequency of such meetings are set out below.
<table>
<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><th colspan="2">General Meeting</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><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><th>Held</th><th>Attended</th></tr>
<tr><td>Eric Khua Kian Keong</td><td>4</td><td>4</td><td>3</td><td>3</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
<tr><td>Sebastian Tan Cher Liang</td><td>4</td><td>4</td><td>3</td><td>3</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
<tr><td>Khua Hock Su</td><td>4</td><td>3</td><td>3</td><td>2</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
<tr><td>Derek Loh Eu Tse</td><td>4</td><td>4</td><td>3</td><td>3</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
<tr><td>Francis Lee Fook Wah*</td><td>4</td><td>3</td><td>3</td><td>2</td><td>–</td><td>–</td><td>–</td><td>–</td><td>1</td><td>1</td></tr>
</table>
* Mr Francis Lee Fook Wah was appointed as an Executive Director on 1 September 2020. Before 1 September 2020, he attended the meetings on 27 August 2020 as CFO of the Company.
</td></tr>
<tr><td>1.6</td><td>
Directors are regularly updated by Management on developments within the Group. The Board is provided with timely and adequate information, prior to Board meetings and whenever necessary. Detailed papers are circulated as necessary for items requiring the Board's approval.
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.
</td></tr>
</table>

CORPORATE GOVERNANCE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

Guide	Compliance with the 2018 Code
1.7	Directors have separate and independent access to the Company Management and Company Secretary at all times. The appointment and removal of the Company Secretary is a decision of the Board as a whole. 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. The Board may seek and obtain independent professional advice at the Company's expense, when necessary, to fulfill and discharge their duties and responsibilities as Directors.
Principle 2: Board Composition and Guidance	
2.1	The Board, taking into account the views of the NC, assesses the independence of each Director annually in accordance with the guidance in the 2018 Code. A Director is considered independent if he is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of the Group. Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse are long serving members of the Board. 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 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. The independence of each Director is reviewed annually by the NC. Each independent Director is required annually to complete a checklist to confirm his independence. The checklist is drawn up based on the guidelines provided in the 2018 Code and the Listing Manual. Thereafter, the NC reviews the checklist completed by each Independent Director, assess the independence of the Independent Directors and recommends its assessment to the Board.
2.2	The Group's chairman Mr Sebastian Tan Cher Liang is a Non-Executive, Independent Director and is not related to the Chief Executive Officer ("CEO").
2.3	In FY2021 the Board is made up of two Executive Directors and three 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 an independent element on the Board capable of exercising objective judgment on corporate affairs of the Group. 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.
2.4	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. Taking into account the scope and nature of the operations of the Group, it is the NC's considered opinion that the current Board and Board committees 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.

CORPORATE GOVERNANCE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

<table>
<tr><th>Guide</th><th>Compliance with the 2018 Code</th></tr>
<tr><td></td><td>The Board members for the financial year ended on 30 April 2021 are as follows:

Name of Director — Nature of Appointment
Sebastian Tan Cher Liang — Non-Executive, Independent
Eric Khua Kian Keong — Executive, Non-independent
Francis Lee Fook Wah (appointed on 1 September 2020) — Executive, Non-independent
Khua Hock Su — Non-Executive, Non-independent
Derek Loh Eu Tse — Non-Executive, Independent

The Group recognizes and embraces the benefits of diversity of experience, age, skill sets, gender and ethnicity on the Board (“Board Diversity”) and views Board Diversity as an essential element to attain its strategic objectives and sustainable development. The NC is searching for a suitable candidate to be appointed as Independent Director onto the Board. The existing Board comprises only male Directors which diverges from the recommended practice. Nonetheless, the Board is committed to pursue gender diversity on the Board. The NC is constantly on the lookout for appropriate female candidates, and in this connection, the NC will ensure that female candidates are included for consideration whenever it seeks appointment of a member to the Board. The core criteria for all new or potential member of the Board remains as skills, experience, knowledge, insights, gender and relevance to the Board.

The Board is made up of two Executive Directors and three Non-Executive Directors. Of the three Non-Executive Directors, two of them, making up at least one-third of the Board, are independent. The Board has an independent element that sufficiently enables it to exercise objective judgement and no individual or group of individuals dominate the Board’s decision-making process. The Board believes that its current composition and size provide an appropriate balance and mix of skills, experience and knowledge of the Group. The Directors provide core competencies such as accounting, finance, legal and human resource expertise, business and management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge required for the Board to be effective. While the Group does not have a written policy on Board Diversity, the Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interest of the Group. The NC will continue to assess on an annual basis the diversity of the Board and ensure that the diversity would be relevant to the business of the Group.</td></tr>
<tr><td>2.5</td><td>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.

During the year, Independent Directors, led by the Independent Chairman met regularly and on an ad-hoc basis with the CEO and the senior management team as well as other Non-Executive Directors to discuss challenges faced by the Group and provides feedback to the Board. 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.</td></tr>
<tr><td colspan="2">Principle 3: Chairman and Chief Executive Officer</td></tr>
<tr><td>3.1</td><td>The Chairman of the Board is a Non-Executive 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.</td></tr>
</table>

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Guide	Compliance with the 2018 Code
3.2	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. 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. The CEO leads the development of the Group's business and operational strategies, oversees the implementation of the Group's long and short term plans in accordance with its strategies, ensures the Group is properly organized and staffed, assesses and monitors the principal risks of the Group and ensures effective internal controls and risk management systems are in place. 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.
3.3	The Group currently has 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. 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. Given that the Chairman is independent, no Lead Independent Director was appointed as the Chairman is available to address concerns, if any, of the Company's shareholders. Shareholders with concerns may contact him directly, when contact through the normal channels via the CEO or CFO have failed to provide appropriate and satisfactory resolution. The Board is of the view that there are sufficient safeguards and checks to ensure that the decision making process of the Board is independent and based on collective decision of the Board without any individual exercising any considerable concentration of power or influence.
Principle 4: Board Membership	
4.1	The Group believes Board renewal to be an on-going process and is required to ensure good corporate governance as well as maintain relevance to the changing needs of the Group's business. The NC is responsible for the identification and selection of new Directors. The NC is guided by key terms of reference as follows: • Make recommendation on all Board and Board committee appointments and re-appointments; • Review succession plans for Directors, including the Chairman, the CEO and key management personnel; • 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.

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Guide	Compliance with the 2018 Code
4.2	The NC comprises three Directors two of whom, including the Chairman, are Non-Executive and Independent. The members of the NC as at the date of this Report are as follows: 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)
4.3	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. 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. The NC considered that there was a need to appoint another Executive Director to assist the CEO in the operations and management of the Group, particularly given the need of the Group to restructure against the challenging economic environment presented by the Covid-19 pandemic. The Board of Directors has considered the recommendation of the NC, and having assessed Mr Francis Lee Fook Wah's prior working experience and qualifications, is of the view that he has requisite experiences and capabilities to assume the responsibility as Executive Director of the Group, on top of his role as the Group CFO. Mr Francis Lee Fook Wah is appointed as an Executive Director on 1 September 2020.
4.4	The NC conducted an annual review of the independence of the Directors as mentioned under Guidelines 2.1 above based on their declarations of independence (or otherwise), which were drawn up based on the guidelines provided under the 2018 Code. In addition, as and when circumstances require, the NC will also assess and determine a Director's independence. The NC has reviewed and confirmed the independence of the Independent Directors in accordance with the 2018 Code having regard to their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence. The Independent Directors have also confirmed their independence in accordance with the 2018 Code. 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 judgement.

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Guide	Compliance with the 2018 Code
	As Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse have served the Board as Independent Non-Executive Directors for more than nine years, the NC had performed a rigorous review of their continuing independence. During its review, the NC noted that, notwithstanding that they have served the Board beyond nine years, they continue to demonstrate strong independence in character and judgement in engaging and challenging Management in the interests of the Group at the Board and Board Committee meetings. Neither they nor their immediate family members have any relationship or business dealings with the Group and the Company's substantial shareholders in the current or immediate past financial year. Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse have, over the years, participated in the proceedings and decision-making process of Board meetings. They have constructively challenged and reviewed the performance of Management in achieving agreed goals. The NC also recognises that Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse developed substantial insight of the Group's business and operations and will continue to value add to the Board. In considering the above factors and taking into account of their contribution in terms of experience, expertise, professionalism and integrity, the NC is of the view that Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse continue to be independent. Accordingly, Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse duly abstained from the NC/Board's determination of their independence. The Board, having taken into account the views of the NC, determines that Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse are independent.
4.5	The NC ensures that new Directors are aware of their duties and obligations. The Board has determined the maximum number of board appointments in listed companies that a Director can hold shall not be more than seven, 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 seven listed company board representations. 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. Key information of each member of the Board including directorships and chairmanships both present and those held over the preceding 5 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. 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. The Company also ensures all Directors must submit themselves for re-appointment at least once every three years pursuant to Rule 720(5) of the Listing Manual. The retiring directors may offer themselves for re-election. Profile of the Directors seeking election or re-election is provided on pages 165 to 174. Re-election of Directors at the forthcoming Annual General Meeting ("AGM") The NC oversees the re-appointment of Directors. In recommending a Director for re-election to the Board, the NC considers, amongst other things, his performance and contributions to the Board (including attendance and participation at meetings, and time and effort accorded to the Group's business and affairs). In accordance with Regulation 94 of the Company's constitution, one-third of the Directors for the time being shall retire from office by rotation at each AGM; and each Director is required to retire at least once every three years and, shall be eligible for re-election.

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<table>
<tr><th>Guide</th><th>Compliance with the 2018 Code</th></tr>
<tr><td></td><td>The NC is satisfied that Mr Eric Khua Kian Keong and Mr Khua Hock Su who are retiring at the forthcoming AGM, are qualified for re-appointment by virtue of their skills, experience and contribution and after consideration, has recommended the nomination of Mr Eric Khua Kian Keong for re-election pursuant to Regulation 94 at the forthcoming AGM.

The Board has accepted this recommendation and being eligible, Mr Eric Khua Kian Keong will be offering himself for re-election at the forthcoming AGM. Mr Khua Hock Su has indicated his intention not to seek re-election at the forthcoming AGM. As such, the Company will immediately look into the appointment of the new Independent Director.

In accordance to Listing Rule 210(5)(d)(iii) that will come into effect on 1 January 2022, both Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse will seek for shareholders' approval in the coming AGM for their continued appointment as Independent Directors of the Company in separate resolutions by (A) all shareholders; and (B) shareholders, excluding the Directors and the CEO of the issuer, and associates of such Directors and CEO (the "Two-Tier Voting Process"). Such resolutions approved by a Two-Tier Voting Process shall remain in force for three years from the conclusion of the AGM, following the passing of the resolutions of the retirement or resignation of the Director, whichever is the earlier.

Both Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse have first been appointed as Independent Directors on 5 November 2003. The NC reviewed the independency of the two Directors to determine whether they continue to exercise independent judgement in the best interest of the Company and the Group. Based on the Board's and NC's observations during the tenure of office occupied by Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse for FY2021, both Directors have distinctively demonstrated independent mindedness and conduct at Board and Board Committee meetings. Together with the NC, the Board is of the firm view and opinion that both Mr Sebastian Tan Cher Liang and Mr Derek Loh Eu Tse continue to exercise independent judgement in the best interest of the Company in the discharge of their duties as a Director, despite their extended tenure of office.

The NC, with the respective member who is interested in the discussion having abstained from the deliberations, recommends the above respective Directors for re-election at the forthcoming AGM.

The Board recommends and both Directors have agreed to seek the approval of the shareholders on their continued appointment as Independent Directors under the Two-Tier Voting Process.</td></tr>
<tr><td colspan="2">Principle 5: Board Performance</td></tr>
<tr><td>5.1</td><td>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.

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.</td></tr>
<tr><td>5.2</td><td>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.</td></tr>
</table>

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FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

Guide	Compliance with the 2018 Code
	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. No external facilitator has been engaged for this purpose. Evaluation of individual Director's performance is a continuous process. The assessment of a 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.
II. REMUNERATION MATTERS Matters concerning remuneration of the Board, key management 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. 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.	
Principle 6: Procedures for Developing Remuneration Policies	
6.1	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. 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. 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. The RC reviewed and approved the remuneration package (which includes salaries, allowances, bonuses and benefits-in-kind) of the Executive Directors after considering inter alia the achievement of their KPIs. In addition, the RC reviewed the performance of the Group's key management personnel (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. No member of the RC was involved in deciding his own remuneration.
6.2	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: 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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Guide	Compliance with the 2018 Code
6.3	The RC is guided by key terms of reference as follows: • 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. 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.
6.4	If necessary, further expertise from outside sources will be made available. The Committee is aware of the need to minimize the risk of any potential conflict of interest and will ensure that no director should be involved in deciding his own remuneration. No remuneration consultant was engaged by the Company in FY2021.
Principle 7: Level and Mix of Remuneration	
7.1	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 would 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. For the purpose of assessing the performance of the Executive Directors 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. In addition, the Company's remuneration structure takes into consideration benchmarks in comparable size of entities in similar industries.
7.2	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. These fees are subject to approval by shareholders as a lump sum payment at the AGM of the Company. No Director is involved in deciding his own remuneration.
7.3	The Executive Directors 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.

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Guide	Compliance with the 2018 Code
Principle 8: Disclosure on Remuneration	
8.1	The breakdown of the level and mix of remuneration of each Director and the top senior executives for FY2021 are set out below. A significant portion of senior executives' remuneration is linked to corporate and individual performance. A summary of the remuneration of each Director which is paid or payable by the Company for FY2021 is set out below:

		Mix of Remuneration by %				
	Remuneration ($'000)	**Directors' fees**	**Salary**	**Bonus**	**Benefits-in-kind**	**Total**
Directors						
Eric Khua Kian Keong	569.3	0.7	76.2	20.0	3.1	100
Francis Lee Fook Wah	342.0	1.2	71.3	18.9	8.6	100
Below $250,000						
Khua Hock Su	47.5	100	–	–	–	100
Sebastian Tan Cher Liang	75.0	100	–	–	–	100
Derek Loh Eu Tse	60.0	100	–	–	–	100

**Mr Francis Lee Fook Wah was appointed as an Executive Director on 1 September 2020.*

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.

	Mix of Remuneration by %			
	Salary	**Bonus**	**Benefits-in-kind**	**Total**
Senior Executives				
Below $300,000				
Alex Ng Boon Chuan	75.2	11.0	13.8	100
Below $250,000				
Lim Meng Jiow Lawrence	46.3	1.9	51.8	100
Don Tang Fook Yuen	73.5	10.7	15.8	100
Lim Sui Sen John	72.9	10.6	16.4	100
Seng Joo Meng	73.1	13.2	13.7	100
Total Remuneration of top 5 Senior Executive	$700,980 68.0%	$96,133 9.4%	$233,009 22.6%	$1,030,122

Note: Salary and bonuses are inclusive of employer's Central Provident Fund contributions.

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Guide	Compliance with the 2018 Code
8.2	**Employee Related to Directors/CEO** Immediate family members of Directors

	Mix of Remuneration by %			
	Salary	Bonus	Benefits-in-kind	Total
$150,000 to $200,000				
Don Tang Fook Yuen	73.5	10.7	15.8	100

Don Tang Fook Yuen is the brother-in-law of CEO and son-in-law of Mr Khua Hock Su, Non-Executive Director.

Guide	Compliance with the 2018 Code
8.3	The Company does not have any employee share/stock options scheme or any other long-term incentive scheme during FY2021.

III. ACCOUNTABILITY AND AUDIT

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.

Principle 9: Risk Management and Internal Controls

Guide	Compliance with the 2018 Code
9.1	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. 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. 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 judgement in decision-making, human error, losses, fraud or other irregularities. 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. 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.

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	In addition, the external auditors also conduct an annual review of the effectiveness of the Company's internal controls and recommendations for improvements are reported to the AC. 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 and 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.
9.2	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. The AC concurs with the Board's comments. For the financial year under review, the Board has received assurance from (a) the CEO and CFO 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 (b) the CEO and other key management personnel who are responsible, that the Company's risk management and internal control systems are adequate and effective. The Management is responsible for the implementation of the various recommendations and will report the progress of implementation of these recommendations to the AC. No material high risk findings were identified or noted in the Internal Audit report for FY2021 and all other findings have been addressed or implemented by Management.
Principle 10: Audit Committee	
10.1	The AC is guided by the following key terms of reference: • 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 judgements so as to ensure the integrity of the financial statements and any formal announcements relating to the Company's or Group's financial performance; • keep under review the assurance provided by the CEO and the CFO that the financial records have been properly maintained and that the financial statements give a true and fair view of the Group's operations and finances; • review related party transactions and interested person transactions to ensure compliance with the regulations set out in the SGX Listing Manual; • review the adequacy, scope and results of the external audits, their cost effectiveness, and the independence and objectivity of the external auditors; • nominate external auditors for appointment, re-appointment or removal, 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 recommended actions;

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	• 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. The AC has full access to and cooperation by the Management and auditors, and has full discretion to invite any Director or management executives 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. 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. 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. 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. The Group also provide well-defined and accessible channel to public. The public/other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle blowing report to the Non-Executive and Independent Chairman of the Company or a member of AC. Upon the completion of any investigation by the AC or Board (as the case may be), the Board or the AC (as the case may be) will, where possible, communicate the outcome of the investigation to the whistleblower.
10.2	The AC comprises three members, all of whom 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: 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) The members of the AC are suitably qualified and possess relevant accounting and/or related financial management expertise or experience for the effective discharge of their responsibilities as members of the AC.
10.3	No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the AC.

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10.4	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, and has appropriate standing within the Group. The Group has outsourced its internal audit function to an independent professional firm, Nexia International, who reports directly to the Chairman of the AC. The AC reviews the independence, adequacy, and effectiveness of the internal audit function yearly and is satisfied that the internal auditor is independent, effective and adequately resourced. The external auditors will also perform operational and financial audit as required from time to time.
10.5	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.
IV. SHAREHOLDER RIGHTS AND ENGAGEMENT 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).	
Principle 11: Shareholder Rights and Conduct of General Meetings	
11.1	The Company ensures that shareholders have the opportunity to participate effectively in and vote at the general meetings. Shareholders are informed of the rules that govern general meeting of shareholders. 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. Shareholders are informed of shareholders' meetings through notices contained in annual reports or circulars sent to all shareholders within the time notice period as prescribed by the regulations. These notices are also published in the newspapers and posted onto the SGXNET. Shareholders are encouraged to attend the general meetings to ensure high level of accountability, to put forth any questions they may have on the motions to be debated and decided upon and to stay informed of the Group's strategic goals and business update. In view of the current COVID-19 situation in Singapore, the general meetings are convened and held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 ("Alternative Arrangement"). In a joint statement issued by the Monetary Authority of Singapore, ACRA and the Singapore Exchange Regulation on 13 April 2020 a checklist ("Checklist") was prescribed to provide guidance on the conduct of general meetings during the period when elevated safe distancing measures are in place. The Checklist was updated on 27 April 2020, 22 June 2020 and 1 October 2020. Alternative arrangements have been put in place in accordance with the Alternative Arrangements to allow shareholders to participate in the general meetings by: (a) observing and listening to the general meeting proceedings via a live streaming; (b) voting by proxy at the general meetings; and (c) submitting questions prior to the date of the AGM.

CORPORATE GOVERNANCE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

Guide	Compliance with the 2018 Code
11.2	Resolutions at general meetings are on each separate and distinct in terms of issue. All resolutions at the general meetings are single item resolutions. All resolutions at general meetings of the Company will be put to vote by poll so as to better reflect shareholders' shareholding interest and ensure greater transparency. The results of the poll voting on each resolution tabled will be announced after the general meetings via SGXNET and the Company's website. Shareholders of the Company were given the opportunity to pose questions in relation to any resolutions prior to the date of the general meetings. Votes cast for and against each resolution were tallied and displayed live-on-screen to shareholders at the AGM.
11.3	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. The attendance of the Directors attending the general meetings is set out under Provision 1.5 of this Report. In order to limit the number of attendees and pursuant to the Alternative Arrangements in the Checklist, all shareholders or their corporate representatives (in the case of corporate shareholders) were able to observe and listen to the meeting proceedings through a live streaming via their mobile phones, tablets or computers upon pre-registration.
11.4	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. In order to limit the number of attendees and pursuant to the Alternative Arrangements, shareholders of the Company can vote at general meetings by appointing the chairman of the general meetings as proxy, with specific instructions as to his/her manner of voting, or abstentions from voting.
11.5	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. The Company does not publish minutes of general meetings of Shareholders on its corporate website as anticipated by Provision 11.5 as there might be potential adverse implications for the Company if the minutes of general meetings are published to the public at large. The Company is of the view that its position is consistent with intent of Principle 11 as Shareholders have a right to attend general meetings either in person or by proxy, including those who did not attend the relevant general meeting, have a statutory right to be furnished copies of minutes of general meetings in accordance with the Companies Act. The Company is therefore of the view that, consistent with the intent of Principle 11, as between themselves, Shareholders are treated fairly and equitably by the Company. The Company has published the minutes of the AGM held on 25 September 2020 to SGXNET within one month after the date of AGM.
11.6	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. And dividend payments are clearly communicated to shareholders via announcements on SGXNET. Pursuant to Rule 704(24) of the Listing Manual of the SGX-ST, in the event that the Board decides not to declare or recommend a dividend, the Company will expressly disclose the reason(s) for the decision together with the announcement of the financial statements.

CORPORATE GOVERNANCE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

Guide	Compliance with the 2018 Code
Principle 12: Engagement with Shareholders	
12.1	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. 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.
12.2	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.
12.3	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.
Principle 13: Engagement with Stakeholders	
13.1	Stakeholder relations are important for the sustainable growth of the Group's business and therefore the Group seeks to maintain an open and transparent dialogue with its material stakeholders.
13.2	The Group undertakes a formal stakeholder engagement exercise, which is facilitated by a third party at least once every three years to determine the environmental, social and governance issues that are important to the stakeholders. These issues form the materiality matrix upon which targets, metrics, programmes and progress are reviewed and approved by the Board, before they are published annually in the sustainability report. Further details can be found in our sustainability report for the year ended 30 April 2021.
13.3	The Group regularly updates its corporate website at www.vibrant.com.sg for disseminating information to and improving communication with stakeholders.

CORPORATE GOVERNANCE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

Guide	Compliance with the 2018 Code
COMPLIANCE WITH APPLICABLE MAINBOARD RULES	
Mainboard Rule	**Rule Description and Company's Compliance or Explanation**
907	**INTERESTED PERSON TRANSACTIONS ("IPT")** 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. The details of the IPT during the financial year are as follows:

Name of Interested Person(s)	Description of Interested Person Transactions	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) ($'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) ($'000)
Cargo Distribution Pte Ltd[1] Eric Khua Kian Keong Khua Hock Su	Rental paid by Cargo Distribution Pte Ltd to the Group	40	–
	Interest charged by Cargo Distribution Pte Ltd to the Group for onward loan extended to an associate	1,239	–

Note:

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

1207(19)	**DEALINGS IN SECURITIES** 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.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

We are pleased to submit this statement to the members together with the audited consolidated financial statements of Vibrant Group Limited (the "Company") and its subsidiaries (collectively the "Group") for the financial year ended 30 April 2021 and statement of financial position of the Company as at 30 April 2021.

In our opinion:

(a) the accompanying financial statements of the Group and the Company 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 2021 and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, 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.

Name of directors

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

Sebastian Tan Cher Liang	Independent, Non-Executive Chairman
Eric Khua Kian Keong	Executive Director and Chief Executive Officer
Francis Lee Fook Wah	Executive Director and Chief Financial Officer (appointed on 1 September 2020)
Derek Loh Eu Tse	Independent, Non-Executive Director
Khua Hock Su	Non-Executive Director

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company nor any of its subsidiaries a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits through the acquisition of shares in or debentures of the Company or of any other body corporate other than as disclosed in this statement.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

Directors' interest in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, none of the directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

Name of director and companies 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	**6,999**
Vibrant Capital Pte. Ltd.		
– ordinary shares (deemed interests)	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**
Eric Khua Kian Keong		
The Company		
– ordinary shares		
– interests held	93,685,656	**36,196,456**
– deemed interests	335,464,786	**335,464,786**
Vibrant Capital Pte. Ltd.		
– ordinary shares		
– interests held	51,000	**100,000**
– deemed interests	49,000	**–**
Lian Hup Holdings Pte Ltd*		
– ordinary shares		
– interests held	5,600,000	**5,600,000**

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. There were no changes in any of the above-mentioned interests in the Company between the end of the financial year and 21 May 2021.

*Note: Lian Hup Holdings Pte Ltd ("Lian Hup") was deemed to be interested in 335,464,786 shares held by Vibrant Capital Pte. Ltd. ("Vibrant Capital") by virtue of its shareholding interest in Vibrant Capital. Further to the transfer of its shareholding interest in Vibrant Capital to Eric Khua Kian Keong, Lian Hup ceases to be a substantial shareholder of Vibrant Group Limited on 1 December 2020.

Share options

No share options were granted during the financial year to take up unissued shares of the Company or of its subsidiaries.

No shares were issued during the financial year to which this report relates by virtue of the exercise of options to take up unissued shares of the Company or of its subsidiaries. There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

Audit Committee

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

Sebastian Tan Cher Liang (Chairman)	Independent, Non-Executive Chairman
Khua Hock Su	Non-Executive Director
Derek Loh Eu Tse	Independent, 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 three 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, Foo Kon Tan 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.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

Independent auditor

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

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ERIC KHUA KIAN KEONG

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FRANCIS LEE FOOK WAH

Dated: 5 August 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIBRANT GROUP LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited 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 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 April 2021, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Impairment assessment on investments in associates and loans extended to an associate

   As at 30 April 2021, the carrying amount of the Group's and the Company's investments in associates amounted to $61.7 million and $3.6 million, respectively, which represented approximately 11% and 1%, respectively, of the Group's and the Company's total assets.

   The principal activities of the Group's and the Company's significant associates are involved in various business activities such as (i) provision of integrated freight and logistics services, (ii) design and building of commercial and industrial facilities, and (iii) property development respectively.

   As disclosed in the Group's accounting policies, interests in associates are carried in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associates, less impairment in the values of the individual investments. At the Company's level, it is stated at cost less impairment losses.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIBRANT GROUP LIMITED

Key Audit Matters (Continued)

1. Impairment assessment on investments in associates and loans extended to an associate (Continued)

Accordingly, management is required to assess at each reporting date whether there are any indications that the carrying amounts of interests in associates may be impaired. For those associates in which such indicators exist, management determines the recoverable amounts of the associates. During the current financial year, the Group and the Company recorded impairment losses on the investments in associates amounting to $2.6 million and $5.8 million in the statements of comprehensive income of the Group and the Company, respectively. We identified the impairment assessment of interests in associates as a key audit matter due to the significance of the amount in the context of the Group's and the Company's financial statements, combined with the judgements involved in management's impairment assessment of the interests in associates, in particular, the future prospects of each associate.

In addition, at the reporting date, loans and related interest receivable amounting to $19.1 million (equivalent to RMB93.3 million); and $6.1 million (equivalent to RMB29.2 million), respectively, were owing to the Group by the associate. The Group's loans to the associate were used to fund the development of a multi-modal logistics distribution centre and an industrial property in the People's Republic of China. The Group assessed the recoverability of the loans and related interest receivable using the general approach and concluded that no impairment loss is required to be recognised. The determination of the expected credit losses requires management to exercise significant judgement and the use of estimates. As such, we have determined this to be a key audit matter.

Our response and work performed:

In respect of the impairment assessment on the Group's and the Company's interests in the associates, we gained an understanding of the management's process for identifying the existence of impairment indicators in respect of the interests in associates and evaluating the effectiveness of such process. Where indicators of impairment have been identified, we assessed the reasonableness of the recoverable amount of each of the relevant associates and obtained an understanding from management of their financial positions and future prospects. We assessed the reasonableness of the key inputs and assumptions used by management in their estimation of recoverable amounts and performed re-computation to ascertain the accuracy of the impairment losses recorded during the current financial year. In addition, we have reviewed the appropriateness of the necessary disclosures in the financial statements.

In respect of the impairment assessment on the Group's loans extended to the associate, we obtained an understanding of management's impairment process relating to the loans to the associate, including the process in determining whether the loan is credit impaired and assessed the reasonableness of the Group's determination on whether there is a significant increase in credit risk of the associate based on the Group's policy and the resultant classification of the loan exposure into the various stages under the expected credit loss ("ECL") general approach. We have also assessed the reasonableness of key data sources, assumptions and forward-looking information used in the ECL computation such as the default rate by comparing to companies with comparable credit-rating and forward-looking information based on available economic data and performed re-computation to determine the recoverable amount and evaluated management's conclusion. The Group's disclosures on investments in associates and loans to an associate are included in Notes 9 and 12, respectively, to the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIBRANT GROUP LIMITED

Key Audit Matters (Continued)

2. Valuation of investment properties

As at 30 April 2021, the Group's investment properties comprised an investment property each in Malaysia and the People's Republic of China with an aggregated carrying amount of $143.9 million, representing 25% of the Group's total assets as at 30 April 2021. Investment properties represent the most significant asset item on the consolidated statement of financial position.

The Group's accounting policy is to state investment properties at fair value based on independent external valuations. The valuation process involves significant judgment in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The 2019 Novel Coronavirus ("COVID-19") pandemic has resulted in significant economic uncertainties in the current and future economic environment. A small change in the key assumptions applied by the valuers such as the discount rate, terminal yield rate, capitalisation rate and price per square metre can have a significant impact to the valuation. During the current financial year, the Group recorded a fair value loss of $1 million on investment properties in the consolidated statement of comprehensive income.

Our response and work performed:

We have evaluated the professional competence, qualifications and objectivity of the management experts and obtained an understanding of the work of the management experts and evaluated the appropriateness of the experts' work as audit evidence for the relevant assertion. Through our appointed auditor's expert and our review of the audit working papers of the component auditors, we understood the valuation methodologies used against those applied by the external valuers for similar property types. We tested the integrity of inputs of the projected cashflows used in the valuations to lease contracts and other documents. We evaluated whether the auditor's expert has the necessary competence, capability and objectivity for our group audit purposes. We also discussed with the external valuers to understand how they have considered the implications of COVID-19 and market uncertainties in the valuations. We challenged the key assumptions used in the valuation, which included capitalisation, discount and terminal yield rates by comparing them against historical rates and available industry rate, taking into consideration, comparability and market factors. We have also reviewed the mathematical accuracy of the fundamental calculation steps.

The inherent degree of subjectivity and key assumptions used in the estimated, which included the relationship between the key unobservable inputs and fair values, in conveying the uncertainties are disclosed in Notes 7 and 35, respectively, to the financial statements.

3. Recoverability of trade and other receivables

Trade and other receivables balances were significant to the Group as they represent 16% of the Group's total assets. The collectability of the trade and other receivables are key elements of the Group's working capital management, which is managed on an ongoing basis by management. The Group determines impairment of trade and other receivables by making debtor-specific assessment for credit-impaired debtors.

For the Group's trade receivables, management uses an allowance matrix to measure the expected credit losses ("ECL") 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 based on common credit risk characteristics, i.e. respective ageing categories based on two-years historical data, adjusted for current and forward-looking information.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIBRANT GROUP LIMITED

Key Audit Matters (Continued)

3. Recoverability of trade and other receivables (Continued)

For other receivables, which included loans extended to an associate (as discussed in the 1st key audit matter), non-trade advances to related and third parties and non-controlling interests of its subsidiaries, management carried out assessment of qualitative and quantitative factors that are indicative of the risk of default, and determined the expected credit loss for each outstanding receivable based on probabilities of default and loss given default, using published historical data supplied by credit rating agencies and forward-looking information.

There was no significant reversal or additional impairment loss recorded on the Group's trade and other receivables in the consolidated statement of comprehensive income for the current financial year. This area is a key audit matter due to the amounts involved, as well as the inherent subjectivity that was involved in judgment made by the management in relation to assumptions used in the ECL model such as forward-looking macroeconomic factors.

Our response and work performed:

As part of our audit, we assessed the Group's processes relating to the monitoring of trade and other receivables, including the process in determining whether a debtor is credit-impaired and the Group's processes in collating the key data sources and assumptions for data used in the ECL model. We reviewed the key data sources and assumptions for data used in the determination of default rate and the correlation between the default rate and the current and forward-looking adjustment factor. We considered the age of the debts as well as the trend of collections to identify collection risks. We obtained trade and other receivable confirmations and reviewed for collectability by way of obtaining evidence of receipts from the debtors on a sampling basis, subsequent to the balance sheet date. We also considered the disclosures in the financial statements about the extent of estimation and judgement involved in determining allowance for doubtful debts. Disclosure of the pertinent information has also been set out in Notes 12 and 34, respectively, to the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIBRANT GROUP LIMITED

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 Act and SFRS(I)s, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VIBRANT GROUP LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary companies 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 auditor's report is Kong Chih Hsiang Raymond.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 5 August 2021

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2021

	Note	The Group 30 April 2021 $'000	The Group 30 April 2020 $'000	The Company 30 April 2021 $'000	The Company 30 April 2020 $'000
ASSETS					
Non-Current					
Property, plant and equipment	4	**102,881**	118,898	**184**	228
Right-of-use assets	5	**74,221**	88,181	**–**	–
Intangible assets	6	**195**	–	**195**	–
Investment properties	7	**143,859**	143,101	**–**	–
Subsidiaries	8	**–**	–	**62,112**	30,712
Associates	9	**61,749**	64,409	**3,590**	9,413
Other investments	10	**110**	99	**–**	–
Deferred tax assets	11	**7,111**	6,924	**–**	–
Trade and other receivables	12	**19,396**	6,325	**244,800**	267,360
		409,522	427,937	**310,881**	307,713
Current					
Other investments	10	**26,244**	42,159	**23,327**	28,303
Inventories		**237**	499	**–**	–
Trade and other receivables	12	**70,675**	88,668	**1,615**	8,341
Cash and cash equivalents	13	**54,812**	61,907	**2,548**	642
		151,968	193,233	**27,490**	37,286
Assets held-for-sale	14	**11,548**	–	**–**	–
		163,516	193,233	**27,490**	37,286
Total assets		**573,038**	621,170	**338,371**	344,999
EQUITY					
Capital and Reserves					
Share capital	15	**174,337**	174,337	**174,337**	174,337
Reserves	16	**53,358**	48,227	**38,799**	18,247
Equity attributable to owners of the company		**227,695**	222,564	**213,136**	192,584
Non-controlling interests	37	**9,518**	12,477	**–**	–
Total equity		**237,213**	235,041	**213,136**	192,584
LIABILITIES					
Non-Current					
Loans and borrowings	17	**60,078**	49,946	**–**	–
Lease liabilities	18	**100,459**	116,479	**–**	–
Trade and other payables	19	**23,274**	29,499	**86,878**	68,774
Provisions	20	**1,693**	1,712	**–**	–
Deferred tax liabilities	11	**10,901**	9,377	**–**	–
		196,405	207,013	**86,878**	68,774
Current					
Loans and borrowings	17	**48,930**	84,184	**25,000**	68,885
Lease liabilities	18	**17,561**	17,814	**–**	–
Trade and other payables	19	**59,881**	69,521	**13,334**	14,716
Provisions	20	**141**	141	**–**	–
Current tax payable		**7,160**	7,456	**23**	40
		133,673	179,116	**38,357**	83,641
Liabilities directly associated with the assets held-for-sale	14	**5,747**	–	**–**	–
		139,420	179,116	**38,357**	83,641
Total liabilities		**335,825**	386,129	**125,235**	152,415
Total equity and liabilities		**573,038**	621,170	**338,371**	344,999

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Note	Year ended 30 April 2021 $'000	Year ended 30 April 2020 $'000
Revenue	21	**162,853**	146,501
Cost of sales		**(116,340)**	(105,626)
Gross profit		**46,513**	40,875
Other income	22	**10,249**	66,189
Administrative expenses		**(31,743)**	(35,161)
Reversal of impairment loss/(impairment loss) on trade and other receivables	24	**105**	(17,456)
Other operating expenses		**(7,709)**	(12,362)
Profit from operations		**17,415**	42,085
Finance income	23	**2,115**	2,744
Finance costs	23	**(11,815)**	(15,001)
Net finance costs		**(9,700)**	(12,257)
Impairment loss on investments in associates	9	**(2,619)**	(12,108)
Share of results of associates (net of income tax)	9	**777**	(4,716)
Profit before taxation	24	**5,873**	13,004
Tax (expense)/credit	25	**(2,591)**	2,581
Profit from continuing operations		**3,282**	15,585
Discontinued operation			
Profit from discontinued operation (net of tax)	26	**–**	319
Profit for the year		**3,282**	15,904
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Equity investments at FVOCI – net change in fair value	28	**–**	1,010
Foreign currency translation differences for foreign operations		**1,657**	(1,028)
		1,657	(18)
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		**1,889**	(1,104)
Share of reserves of associates		**93**	88
		1,982	(1,016)
Other comprehensive loss, net of tax		**3,639**	(1,034)
Total comprehensive income for the year		**6,921**	14,870
Profit for the year attributable to:			
– Owners of the Company		**3,149**	5,466
– Non-controlling interests	37	**133**	10,438
		3,282	15,904
Total comprehensive income for the year attributable to:			
– Owners of the Company		**5,131**	5,296
– Non-controlling interests	37	**1,790**	9,574
		6,921	14,870
Earnings per share			
Diluted and basic earnings per share (cents)	27	**0.45**	0.79

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

The Group

	Share capital $'000	Treasury shares $'000	Capital reserve $'000	Fair value reserve $'000	Foreign currency translation reserve $'000	Other reserve $'000	Retained earnings $'000	Total attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 May 2019, as reported	174,337	(1,980)	7,090	(580)	370	51	27,095	206,383	73,510	279,893
Prior year's reclassification (Note 38)	–	–	(7,090)	–	–	–	7,090	–	–	–
Balance at 1 May 2019, as restarted	174,337	(1,980)	–	(580)	370	51	34,185	206,383	73,510	279,893
Total comprehensive income for the year										
Profit for the year	–	–	–	–	–	–	5,466	5,466	10,438	15,904
Other comprehensive income										
Translation differences	–	–	–	–	(1,104)	–	–	(1,104)	(1,028)	(2,132)
Share of reserves of associates	–	–	1	–	77	10	–	88	–	88
Net change in fair value – equity investments at FVOCI	–	–	–	846	–	–	–	846	164	1,010
Net change in fair value – equity investments at FVOCI transferred to retained earnings	–	–	–	(266)	–	–	266	–	–	–
Total other comprehensive income	–	–	1	580	(1,027)	10	266	(170)	(864)	(1,034)
Total comprehensive income for the year	–	–	1	580	(1,027)	10	5,732	5,296	9,574	14,870
Transactions with owners of the Company, recognised directly in equity										
Contributions by and distributions to owners of the Company										
Dividends declared (Note 15)	–	–	–	–	–	–	(2,666)	(2,666)	–	(2,666)
Dividend declared for settlement of balances due from non-controlling interests (Note 12(e))	–	–	–	–	–	–	–	–	(28,603)	(28,603)
Total contributions by and distributions to owners of the Company	–	–	–	–	–	–	(2,666)	(2,666)	(28,603)	(31,269)
Changes in ownership interests in subsidiaries										
Acquisition of non-controlling interests without a change in control (Note 8(E) & (F))	–	–	13,551	–	–	–	–	13,551	(37,774)	(24,223)
Capital contribution from non-controlling interests	–	–	–	–	–	–	–	–	556	556
Disposal of interest in a subsidiary with loss of control	–	–	–	–	–	–	–	–	(4,786)	(4,786)
Total changes in ownership interests in subsidiaries	–	–	13,551	–	–	–	–	13,551	(42,004)	(28,453)
Total transactions with owners of the Company	–	–	13,551	–	–	–	(2,666)	10,885	(70,607)	(59,722)
At 30 April 2020	174,337	(1,980)	13,552	–	(657)	61	37,251	222,564	12,477	235,041

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

The Group

	Share capital $'000	Treasury shares $'000	Capital reserve $'000	Foreign currency translation reserve $'000	Other reserve $'000	Retained earnings $'000	Total attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 May 2020, as reported	**174,337**	**(1,980)**	**20,642**	**(657)**	**61**	**30,161**	**222,564**	**12,477**	**235,041**
Prior year's reclassification (Note 38)	–	–	(7,090)	–	–	7,090	–	–	–
Balance at 1 May 2020, as restated	174,337	(1,980)	13,552	(657)	61	37,251	222,564	12,477	235,041
Total comprehensive income for the year									
Profit for the year	–	–	–	–	–	**3,149**	**3,149**	**133**	**3,282**
Other comprehensive income									
Translation differences	–	–	–	**1,889**	–	–	**1,889**	**1,657**	**3,546**
Share of reserves of associates	–	–	**(27)**	**120**	–	–	**93**	–	**93**
Total other comprehensive income	–	–	**(27)**	**2,009**	–	–	**1,982**	**1,657**	**3,639**
Total comprehensive income for the year	–	–	**(27)**	**2,009**	–	**3,149**	**5,131**	**1,790**	**6,921**
Transactions with owners of the Company, recognised directly in equity									
Changes in ownership interests in subsidiaries									
Capital contribution from non-controlling interests	–	–	–	–	–	–	–	**44**	**44**
Capital reduction from non-controlling interests (Note 12(e))	–	–	–	–	–	–	–	**(4,895)**	**(4,895)**
Disposal of interest in a subsidiary with loss of control	–	–	–	–	–	–	–	**102**	**102**
Total changes in ownership interests in subsidiaries	–	–	–	–	–	–	–	**(4,749)**	**(4,749)**
Total transactions with owners of the Company	–	–	–	–	–	–	–	**(4,749)**	**(4,749)**
At 30 April 2021	**174,337**	**(1,980)**	**13,525**	**1,352**	**61**	**40,400**	**227,695**	**9,518**	**237,213**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Note	Year ended 30 April 2021 $'000	Year ended 30 April 2020 $'000
Cash Flows from Operating Activities			
Profit after taxation		**3,282**	15,904
Adjustments for:			
Depreciation of property, plant and equipment	4	**7,978**	8,495
Depreciation of right-of-use assets	5	**15,188**	12,588
Dividend income		**(4)**	(3)
Fair value gain on foreign exchange forward contracts		**–**	(21)
Fair value loss on investment properties	7	**965**	7,942
Fair value (gain)/loss on financial instruments at FVTPL	22, 24	**(3,726)**	408
Finance costs	23, 29	**11,815**	15,004
Finance income	23, 29	**(2,115)**	(2,750)
Foreign exchange loss/(gain), net		**1,048**	(1,184)
Gain on rights transferred in a sale and leaseback transaction	22	**–**	(41,313)
Gain on disposal of equity investments	22, 29	**(17)**	(3,330)
Gain on disposal/write-off of property, plant and equipment	22, 29	**(701)**	(55)
Gain on disposal of right-of-use assets	22	**(12)**	–
Gain on waiver of amount due to non-controlling shareholder	22	**(137)**	–
Government grants	22	**(5,191)**	(755)
Gain on disposal of subsidiaries	22	**(5)**	(16,750)
Impairment loss on investment in associates	9, 24	**2,619**	12,108
Impairment loss on trade and other receivables, (including RCCPS in an associate), net	24	**(105)**	17,456
Share of associates' results	9	**(777)**	4,716
Tax expense/(credit)	25, 29	**2,591**	(2,538)
Operating profit before working capital changes		**32,696**	25,922
Changes in inventories		**262**	(89)
Changes in trade and other receivables		**4,021**	(38,070)
Changes in trade and other payables		**(12,236)**	38,765
Changes in provisions	20	**52**	–
Cash generated from operations		**24,795**	26,528
Income tax paid, net		**(1,640)**	(1,213)
Government grants received		**3,389**	1,212
Net cash generated from operating activities		**26,544**	26,527

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Note	Year ended 30 April 2021 $'000	Year ended 30 April 2020 $'000
Cash Flows from Investing Activities			
Acquisition of shares in associates	9	**–**	(2,936)
Capital expenditure of investment properties	7	**–**	(4,395)
Cash contribution received from non-controlling interests		**–**	548
Dividends received		**917**	953
Finance income received		**2,369**	947
Loans to associates		**(29,954)**	(17,340)
Loans to non-controlling interests		**–**	(750)
Loans to related parties		**(410)**	(800)
Partial repayment of RCCPS		**406**	1,634
Proceeds from disposal of subsidiaries, net of cash disposed	36	**–**	17,402
Proceeds from sale of other investments		**9,633**	47,074
Proceeds from sale of property, plant and equipment		**950**	291
Proceeds from sale and leaseback transaction	5	**–**	210,368
Purchase of other investments		**(3,821)**	(19,451)
Purchase of property, plant and equipment	4	**(674)**	(1,381)
Purchase of intangible assets	6	**(195)**	–
Repayment of loan by an associate		**27,620**	7,951
Repayment of loan by a related party		**392**	–
Net cash generated from investing activities		**7,233**	240,115
Cash Flows from Financing Activities			
Advances received from a related party	Note A	**2,563**	–
Acquisition of non-controlling interests in subsidiaries	8(E), 8(F)	**(3,000)**	(12,220)
Deposit pledged		**–**	(8,783)
Dividend paid to non-controlling interests of a subsidiary		**–**	(136)
Dividends paid to shareholders of the Company	15	**–**	(2,666)
Finance costs paid	Note A	**(11,229)**	(14,700)
Proceeds from borrowings	Note A	**56,240**	21,070
Proceeds from loan from an associate	Note A	**5,000**	–
Proceeds from loan from non-controlling interest	Note A	**–**	45
Redemption of notes payable	Note A	**(37,533)**	(47,263)
Repayment of borrowings	Note A	**(28,813)**	(167,015)
Repayment of lease liabilities	Note A	**(18,684)**	(16,900)
Repayment of loan to a director	Note A	**–**	(1,721)
Repayment of loan to an associate	Note A	**(5,000)**	–
Repayment of loan to non-controlling interest	Note A	**(247)**	–
Repayment of loan to related parties	Note A	**–**	(11,500)
Repayment of loan to third parties	Note A	**–**	(997)
Net cash used in financing activities		**(40,703)**	(262,786)
Net (decrease)/increase in cash and cash equivalents		**(6,926)**	3,856
Cash and cash equivalents at beginning of year	13	**53,124**	49,323
Effect of exchange fluctuations on cash and cash equivalents		**(169)**	(55)
Cash and cash equivalents at end of year	13	**46,029**	53,124

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

Note A: Reconciliation of liabilities arising from financing activities

	Loans and borrowings $'000	Lease liabilities $'000	Deferred consideration $'000	Accrued interest $'000	Loans from related parties $'000	Loan from associate $'000	Loans from non-controlling interest $'000	Non-trade amounts due[1] $'000	Total $'000
	(Note 17)	(Note 18)	(Note 19)	(Note 19)	(Note 19)	(Note 19)	(Note 19)		
At 1 May 2020	134,130	134,293	12,003	305	25,034	–	20,768	4,239	330,772
Cash flows:									
Acquisition of non-controlling interest in subsidiaries (Notes 8(E), 8(F))	–	–	(3,000)	–	–	–	–	–	(3,000)
Advances received from a related party	–	–	–	–	–	–	–	2,563	2,563
Finance costs paid	(1,328)	(5,945)	–	(3,516)	–	–	–	(440)	(11,229)
Proceeds from borrowings	56,240	–	–	–	–	5,000	–	–	61,240
Redemption of notes payable	(37,533)	–	–	–	–	–	–	–	(37,533)
Repayment of loans	(28,813)	–	–	–	–	(5,000)	(247)	–	(34,060)
Repayment of lease liabilities	–	(18,684)	–	–	–	–	–	–	(18,684)
	(11,434)	(24,629)	(3,000)	(3,516)	–	–	(247)	2,123	(40,703)
Non-cash changes:									
Redemption of notes payable	(13,284)	–	–	–	–	–	–	–	(13,284)
Restructuring of loans to an associate (Note 12(b)(i))	–	–	–	(16)	(3,332)	–	(7,637)	(1,371)	(12,356)
Finance costs[2]	1,045	5,945	–	3,354	–	–	–	1,421	11,765
New/remeasurement of leases, net	–	5,278	–	–	–	–	–	–	5,278
Disposal of leases	–	(51)	–	–	–	–	–	–	(51)
Reclassification to liabilities associated with assets held-for-sale (Note 14)	(2,826)	(2,800)	–	–	–	–	–	–	(5,626)
Foreign exchange differences	1,259	(18)	–	2	(1,247)	–	(392)	(208)	(604)
Others	118	2	–	(3)	–	–	(96)	(225)	(204)
	(13,688)	8,356	–	3,337	(4,579)	–	(8,125)	(383)	(15,082)
At 30 April 2021	**109,008**	**118,020**	**9,003**	**126**	**20,455**	**–**	**12,396**	**5,979**	**274,987**

(1) Non-trade amounts due to an associate, related parties and non-controlling interests (refer to Note 19(h))

(2) Total interest expense on financial liabilities measured at amortised cost (refer to Note 23)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

Note A: Reconciliation of liabilities arising from financing activities (continued)

	Loans and borrowings $'000	Lease liabilities $'000	Deferred consideration $'000	Accrued interest $'000	Loans from related parties $'000	Loan from director $'000	Loans from non-controlling interest $'000	Loan from third parties $'000	Non-trade amounts due[1] $'000	Total $'000
	(Note 17)	(Note 18)	(Note 19)	(Note 19)	(Note 19)	(Note 19)	(Note 19)	(Note 19)		
At 1 May 2019	327,175	23,980	–	1,504	15,082	1,721	20,535	1,006	2,741	393,744
Cash flows:										
Acquisition of non-controlling interest in subsidiaries (Notes 8(E), 8(F))	–	–	(12,220)	–	–	–	–	–	–	(12,220)
Finance costs paid	(3,526)	(6,400)	–	(4,774)	–	–	–	–	–	(14,700)
Proceeds from borrowings	21,070	–	–	–	–	–	45	–	–	21,115
Redemption of notes payable	(47,263)	–	–	–	–	–	–	–	–	(47,263)
Repayment of loans	(167,015)	–	–	–	(11,500)	(1,721)	–	(997)	–	(181,233)
Repayment of lease liabilities	–	(16,900)	–	–	–	–	–	–	–	(16,900)
	(196,734)	(23,300)	(12,220)	(4,774)	(11,500)	(1,721)	45	(997)	–	(251,201)
Non-cash changes:										
Acquisition of non-controlling interest in subsidiaries (Notes 8(E), 8(F))	–	–	24,223	–	–	–	–	–	–	24,223
Finance costs[2]	3,350	6,397	–	3,818	–	–	–	–	1,388	14,953
Novation of loan (Note 12(b)(i))	–	–	–	–	21,452	–	–	–	–	21,452
New leases	–	127,225	–	–	–	–	–	–	–	127,225
Foreign exchange differences	(169)	(6)	–	1	–	–	188	(9)	44	49
Others	508	(3)	–	(244)	–	–	–	–	66	327
	3,689	133,613	24,223	3,575	21,452	–	188	(9)	1,498	188,229
At 30 April 2020	134,130	134,293	12,003	305	25,034	–	20,768	–	4,239	330,772

(1) Non-trade amounts due to an associate, related parties and non-controlling interests (refer to Note 19(h))

(2) Total interest expense on financial liabilities measured at amortised cost (refer to Note 23)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

1 GENERAL INFORMATION

The financial statements of the Group and of the Company for the financial year ended 30 April 2021 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company was incorporated as a limited liability company and domiciled in Singapore. The registered office and place of business is located at 51 Penjuru Road #04-00 Freight Links Express Logisticentre, Singapore 609143.

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, financial leasing services, property development and property investment. The principal activities of the Company are that of an investment holding company.

The immediate holding company during the financial year is Vibrant Capital Pte. Ltd., a company incorporated in Singapore.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements are prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International) ("SFRS(I)") including related interpretations promulgated by the Accounting Standards Council ("ASC").

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars which is the Company's functional currency. All financial information has been presented in Singapore dollars and rounded to the nearest thousand ($'000), unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2 BASIS OF PREPARATION (CONTINUED)

2.4 Use of estimates and judgements (Continued)

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

The critical accounting estimates and assumptions used in applying accounting policies and areas involving a high degree of judgement are described below.

(a) Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Identification of functional currency

The functional currency of each entity in the Group is the currency of the primary economic environment in which it operates. Determination of the functional currency involves significant judgement and other companies may make different judgements based on similar facts. Management reconsiders the functional currency if there is a change in the underlying transactions, events and conditions which determines its primary economic environment.

The determination of functional currency affects the carrying amount of the non-current assets included in the statement of financial position and, as a consequence, the amortisation of those assets included in the statement of comprehensive income. It also impacts the exchange gains and losses included in the statement of comprehensive income.

(ii) Determination of the lease term (Note 5)

The Group leases leasehold land and buildings, a warehouse complex, motor vehicles, trucks and prime movers and other equipment from third parties to operate its business. In determining the lease term of these leases, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or period after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercise) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee.

For leases of leasehold land and buildings and the warehouse complex, the following factors are normally the most relevant:

(a) If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate);

2 BASIS OF PREPARATION (CONTINUED)

2.4 Use of estimates and judgements (Continued)

(a) *Judgements made in applying accounting policies* (Continued)

(ii) Determination of the lease term (Note 5) (Continued)

(b) If the leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not to terminate);

(c) Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

(iii) Accounting for government assistance (Notes 22)

SFRS(I) 1-20 *Accounting for Government Grants and Disclosures of Government Assistance* shall be applied when there is a transfer of resources from the government to an entity in return for meeting the stipulated conditions related to the operating activities of the entity and there is no service or goods provided back to the government by the entity. Government grant is recognised when there is reasonable assurance that it will comply with the conditions attached to them and the grants will be received. Government grant shall be recognised in the statement of comprehensive income on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Significant judgement is required in determining the systematic basis, and timing of recognition of grant receivable and realisation in the statement of comprehensive income.

Included in the government grant income for the current year is $2.9 million, related to the Jobs Support Scheme ("JSS") announced by the Singapore Government to provide wage support to employers during the period of economic uncertainties caused by the COVID-19 pandemic. In determining the timing of recognition of the JSS grant income, management has evaluated and assessed that the adverse impact of this economic uncertainties to the Group commenced in April 2020 on the enforcement of the 2020 Singapore Circuit Breaker Measures by the Singapore Government.

(iv) Classification of assets held-for-sale and liabilities associated with assets held-for-sale (Note 14)

The Board of Directors of the Company has approved a plan to dispose of the Group's property located at No. 47 Changi South Avenue 2, Singapore 486146 and associated liabilities to a third party. Based on the available information and the stage of discussion with the potential buyer, management has classified the leasehold property, its related right-of-use assets and liabilities, comprising borrowings and lease liabilities as assets held-for-sale and liabilities associated with the assets held-for-sale as at the balance sheet date.

(v) Contingent liabilities

Recognition and measurement for contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts. Details of the Group's contingent liabilities are presented in Note 31 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2 BASIS OF PREPARATION (CONTINUED)

2.4 Use of estimates and judgements (Continued)

(a) Judgements made in applying accounting policies (Continued)

(vi) Deferred tax assets (Note 11)

As at 30 April 2021, deferred tax assets amounting to $6.9 million arose from unutilised tax losses from a wholly owned subsidiary in the PRC. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible or in which tax losses can be utilised. The tax effect of unused tax losses is recognised as a deferred tax asset when it becomes probable that the tax losses will be utilised. In making such assessment regarding the recognition of deferred tax assets, management has considered the level of historical taxable income and projections for future taxable income over the periods in which deferred tax assets are deductible and management believes that it is more likely than not that the PRC subsidiary will realise the benefits of these deductible differences. The amount of deferred tax assets considered realisable could however be reduced in subsequent years if estimates of future taxable income during their carry forward periods are reduced, or changes to the future decisions on the business model and operations of the PRC subsidiary. Management is unable to accurately quantify the future adjustments to deferred tax expense that may occur as a result of these uncertainties.

(vii) Income tax (Note 25)

The Group is primarily exposed to income taxes in Singapore, Malaysia and People's Republic of China. Significant judgment is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issue based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's income tax payable as at 30 April 2021 is $7.2 million (2020 – $7.5 million).

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Group based on its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2 BASIS OF PREPARATION (CONTINUED)

2.4 Use of estimates and judgements (Continued)

(b) *Key sources of estimation uncertainty* (Continued)

(i) Useful lives of property, plant and equipment and right-of-use assets (Notes 4 and 5)

The cost of property, plant and equipment and right-of-use assets of the Group are depreciated on a straight-line basis over their estimated useful lives. For property, plant and equipment and right-of-use assets, management estimates the useful lives to be ranging from 2 years to 60 years. The Group reviews annually the estimated useful lives of property, plant and equipment and right-of-use assets based on factors that include asset utilisation, internal technical evaluation, technological changes and anticipated use of the assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of property, plant and equipment and right-of-use assets would increase depreciation expense and decrease non-current assets.

(ii) Impairment of non-financial assets (Notes 4, 5, 8 and 9)

The Group and the Company also assessed whether there are any indicators of impairment for non-financial assets, comprising, property, plant and equipment, right-of-use assets and investments in subsidiaries and associates at the end of each reporting period. These non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use.

(iii) Valuation of investment properties (Note 7)

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers used valuation methods which involves certain estimates. In relying on the valuation report, management has exercised its judgement and is satisfied that the valuation methods are reflective of current market conditions and the estimations used are appropriate.

The carrying amount of the Group's investment properties is disclosed in Note 7 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2 BASIS OF PREPARATION (CONTINUED)

2.4 Use of estimates and judgements (Continued)

(b) *Key sources of estimation uncertainty* (Continued)

(iv) Estimation of the incremental borrowing rate ("IBR") (Notes 5 and 18)

For the purpose of calculating the right-of-use assets and lease liabilities of new leases, management applies the interest rate implicit in the lease ("IRIIL") and, if the IRIIL is not readily determinable, management will use the IBR applicable to the lease asset. The IBR is the rate of interest that the entity would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. For most of the leases where the Group is the lessee, the IRIIL is not readily determinable. Therefore, management estimates the IBR relevant to each lease asset by using observable inputs (such as market interest rate and asset yield) when available, and then making certain lessee specific adjustments. The carrying amounts of the Group's right-of-use assets and lease liabilities are disclosed in Notes 5 and 18, respectively.

A 1% increase/decrease in the estimated IBR from management's estimates will not have a material impact on the Group's profit before tax for the financial year.

(v) Provision of expected credit losses of trade and other receivables (Note 12)

As at 30 April 2021, the Group's and the Company's net trade receivables amounted to $36.7 million and $1.1 million (2020 – $27.6 million and $1.5 million), respectively. Management uses a provision matrix to calculate expected credit losses (ECLs) for 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 historical observed default rates.

Management will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At each reporting date, the historical default rates are updated and changes in the forward-looking estimates are analysed.

The Group's credit risk exposure on finance lease receivables, other receivables comprising loans to and non-trade amounts due from subsidiaries, associates, related and third parties is assessed based on qualitative and quantitative factors that are indicative of risk of default (including but not limited to external ratings, audited financial statements, management accounts, cashflow projections and available press information). Impairment on these balances has been measured on a 12-month expected credit loss basis.

2 BASIS OF PREPARATION (CONTINUED)

2.4 Use of estimates and judgements (Continued)

(b) *Key sources of estimation uncertainty* (Continued)

(v) Provision of expected credit losses of trade and other receivables (Note 12) (Continued)

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of its trade and other receivables' actual default in the future. The information about the ECLs on the Group's and the Company's trade and other receivables is disclosed in Notes 12 and 34 respectively.

2.5 Adoption of new and amended standards and interpretations

On 1 May 2020, the Group and the Company adopted the new and revised SFRS(I), SFRS(I) interpretations ("SFRS(I) INT") and amendments to SFRS(I), effective for the current financial year that are relevant. The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-1 and SFRS(I) 1-8	*Definition of Material*	1 May 2020
Revised *Conceptual Framework for Financial Reporting*		1 May 2020

Amendments to SFRS(I) 1-1 and SFRS(I) 1-8: *Definition of Material*

The amendments include clarifications to the definition of 'material' and the related guidance:

- the threshold of "could influence" has been replaced with "could reasonably be expected to influence";
- the term of 'obscuring information' has been included in the definition of 'material' to incorporate the existing concept in SFRS(I) 1-1 and examples have been provided of circumstances that may result in information being obscured; and
- the scope of 'users' has been clarified to mean the primary users of general purpose financial statements and their characteristics have been defined.

The amendments are to be applied prospectively and are effective for annual periods beginning on or after 1 May 2020.

There is no material impact to the Group's and the Company's financial statements on initial application.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2 BASIS OF PREPARATION (CONTINUED)

2.5 Adoption of new and amended standards and interpretations (Continued)

Revised *Conceptual Framework for Financial Reporting*

The purpose of the Conceptual Framework is to assist in developing financial reporting standards. The Conceptual Framework is not a standard itself and none of the concepts contained therein override the requirements in any standard. The main changes to the Conceptual Framework's principles have implications for how and when assets and liabilities are recognised and derecognised in the financial statements. These revisions affect those entities which had developed their accounting policies based on the Conceptual Framework in the absence of specific FRS requirements. In such cases, the entities shall review those policies and apply the new guidance retrospective for annual periods beginning on or after 1 May 2020.

Some SFRS(I), their accompanying documents and SFRS(I) practice statements contain references to, or quotations from the Conceptual Framework. The Amendments to References to the Conceptual Framework in SFRS(I), issued together with the revised Conceptual Framework, sets out updates to SFRS(I), their accompanying documents and SFRS(I) practice statements to reflect the issue of the revised Conceptual Framework. These amendments are effective for annual periods beginning on or after 1 May 2020.

There is no material impact to the Group's and the Company's financial statements on initial application.

2.6 Standards issued but not yet effective

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I), SFRS(I) INT and amendments to SFRS(I) that have been issued but are not yet effective. Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group's and the Company's financial statements in the period of their initial application, as discussed below.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 16	*COVID-19 Related Rent Concessions*	1 June 2020
Amendments to SFRS(I) 1-16	*Property, Plant and Equipment – Proceeds before Intended Use*	1 May 2022
Amendments to SFRS(I) 1-37	*Onerous Contracts – Cost of Fulfilling a Contract*	1 May 2022
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2	*Disclosure of Accounting Policies*	1 May 2023
Amendments to SFRS(I) 1-8	*Definition of Accounting Estimates*	1 May 2023

2 BASIS OF PREPARATION (CONTINUED)

2.6 Standards issued but not yet effective (Continued)

Amendments to SFRS(I) 16 *COVID-19 Related Rent Concessions*

As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. The amendment provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications.

The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic, and only if all of the following conditions are met:

(a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change,

(b) any reduction in lease payments affects only payments due on or before 30 June 2021; and

(c) there is no substantive change to other terms and conditions of the lease.

Entities applying the practical expedient must disclose this fact, whether the expedient has been applied to all qualifying rent concessions, and the nature of the contracts to which it has been applied, as well as the amount recognised in the statement of comprehensive income arising from the rent concessions.

The amendment is effective for annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted.

There is no material impact expected to the Group’s and the Company’s financial statements on initial application.

Amendments to SFRS(I) 1-16 *Property, Plant and Equipment – Proceeds before Intended Use*

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. An entity shall recognise such sales proceeds and related costs in statement of comprehensive income and measure the cost of those items in accordance with SFRS(I) 1-2 *Inventories*.

The amendments also clarify the meaning of ‘testing whether an asset is functioning properly’ and specify this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

The amendments are effective for annual periods beginning on or after 1 May 2022, with early application permitted. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

There is no material impact expected to the Group’s and the Company’s financial statements on initial application.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

2 BASIS OF PREPARATION (CONTINUED)

2.6 Standards issued but not yet effective (Continued)

Amendments to SFRS(I) 1-37 *Onerous Contracts – Cost of Fulfilling a Contract*

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (e.g. direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (e.g. depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments are effective for annual periods beginning on or after 1 May 2022, with early application permitted.

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application.

There is no material impact expected to the Group’s and the Company’s financial statements on initial application.

Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 *Disclosure of Accounting Policies*

The amendment provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies; and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

There is no material impact expected to the Group’s and the Company’s financial statements on initial application.

Amendments to SFRS(I) 1-8 *Definition of Accounting Estimates*

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

There is no material impact expected to the Group’s and the Company’s financial statements on initial application.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

Business combinations

Business combination is accounted for using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether it includes, at a minimum, an input and substantive process, and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a ‘concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional ‘concentration test’ is met, and the acquired set of activities and assets is not a business, if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

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 the statement of comprehensive income.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the statement of comprehensive income.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

Business combinations (Continued)

Acquisitions from 1 May 2017 (Continued)

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 the statement of comprehensive income.

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.

NCIs 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 NCIs 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.

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.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to transactions and events in similar circumstances.

All intra-group balances, income and expenses, and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Losses and other comprehensive income applicable to the non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

Business combinations (Continued)

Acquisitions before 1 May 2017 (Continued)

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, the Group controls an investee if, and only if, the Group has all of the following:

– power over the investee;

– exposure, or rights to variable returns from its involvement with the investee; and

– the ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

– the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

– potential voting rights held by the Group, other vote holders or other parties;

– rights arising from other contractual arrangements; and

– any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Transaction with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

Business combinations (Continued)

Acquisitions before 1 May 2017 (Continued)

Changes in ownership interests in subsidiaries without loss of control

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control over a subsidiary, a gain or loss is recognised in the statement of comprehensive income and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on the initial recognition for subsequent accounting under SFRS(I) 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3.2 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

Leasehold buildings	: 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

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before the expenditure was made will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Property, plant and equipment and depreciation (Continued)

For acquisitions and disposals during the financial year, depreciation is provided from the date of acquisition and to the date before disposal, respectively. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the assets and is recognised on the statement of comprehensive income.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

3.3 Leases

(i) The Group as a lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

(a) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantee;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Leases (Continued)

(i) The Group as a lessee (Continued)

(a) Lease liability (Continued)

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in the statement of comprehensive income in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the consolidated statement of financial position. The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to the statement of comprehensive income if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(b) Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Leases (Continued)

(i) The Group as a lessee (Continued)

(b) Right-of-use asset (Continued)

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Leasehold land and building	: 2 years to 37 years
Warehouse complex	: Over the lease period of 10 years
Motor vehicles, trucks & prime movers	: 2 years to 5 years
Office equipment & machinery	: 2 years to 5 years
Furniture, fixtures & fittings	: 3 years to 5 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the consolidated statement of financial position. A right-of-use asset which meets the definition of an investment property is presented within "investment properties" in the statement of financial position. The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

(ii) The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract. The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease. The Group regularly reviews the estimated unguaranteed residual values used in calculating the gross investment in the lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Intangible assets

Goodwill

Goodwill arises upon the acquisition of a subsidiary and is included in intangible assets. 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 any impairment losses on such investments are not allocated to any assets, including goodwill, that forms part of the carrying amount of the associates.

Computer software

Computer software are initially recognised at cost. Such costs include the purchase price, net of any discounts and rebates, and other directly attributable cost at preparing the assets for their intended use. Subsequent to initial recognition, computer software are carried at cost less accumulated amortisation and impairment losses. These costs are amortised to the statement of comprehensive income using a straight-line method.

Computer software under implementation are not amortised.

3.5 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 the statement of comprehensive income.

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 the statement of comprehensive income.

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.

3.6 Subsidiaries

In the Company's separate financial statements, investments in subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 Associates

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. In the Company's separate financial statements, investments in associates are stated at cost less allowance for any impairment losses on an individual associate basis.

3.8 Impairment of non-financial assets

As at each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Financial instruments

Financial instruments carried on the statement of financial position include financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These are recognised on the Group's and the Company's statement of financial position when the Group and the Company become a party to the contractual provisions of the instrument. Disclosures of the Group's and the Company's financial risk management objectives and policies are provided in Note 34.

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

3.10 Financial assets

<u>Recognition and initial measurement</u>

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.

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income ("FVOCI"); 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.

(i) <u>Financial assets at amortised cost</u>

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Financial assets (Continued)

(ii) 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.

(iii) 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.

Business model assessment

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.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Financial assets (Continued)

Assessment whether contractual cash flows are solely payments of principal and interest

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 paramount, 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.

Subsequent measurement and gains and losses

(i) 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 the statement of comprehensive income.

(ii) 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 the statement of comprehensive income. Any gain or loss on derecognition is recognised in the statement of comprehensive income.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Financial assets (Continued)

Subsequent measurement and gains and losses (Continued)

(iii) 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 the statement of comprehensive income.

Derecognition

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.

3.11 Inventories

Inventories, comprising mainly consumables used in generating warehousing revenue, are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out basis and includes freight and handling charges.

Provision is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value.

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

3.12 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three 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.

3.13 Assets held-for-sale

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

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.13 Assets held-for-sale (Continued)

Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a 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 the statement of comprehensive income. 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

3.14 Value-added tax

Revenue, expenses and assets are recognised net of the amount of value-added tax ("VAT"), except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authorities, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and except that trade receivables and trade payables are recorded with the amount of VAT included. The net amount of VAT recoverable from or payable to the taxation authorities are included as part of other receivables or other payables in the statement of financial position.

3.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

3.16 Treasury shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the statement of comprehensive income on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them.

3.17 Dividends

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained profit, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because of the articles of constitution of the Company grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.18 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 the statement of comprehensive income. Directly attributable transaction costs are recognised in the statement of comprehensive income 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 the statement of comprehensive income. These financial liabilities comprised loans and borrowings, lease liabilities and trade and other payables.

Derecognition

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 the statement of comprehensive income.

3.19 Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The directors review the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

3.20 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

  (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) The amount of the obligation cannot be measured with sufficient reliability.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.20 Contingencies (Continued)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent liabilities and assets are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3.21 Borrowing costs

Borrowing costs are recognised in statement of comprehensive income as incurred except to the extent that they are capitalised. Borrowing costs are capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset. Foreign exchange differences arising from foreign currency borrowings are capitalised to the extent that they are regarded as an adjustment to interest costs. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are ready for their intended use or sale.

3.22 Financial guarantee contracts

Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

ECLs are probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

3.23 Income taxes

Income tax expense represents the sum of the income tax currently payable and deferred income tax.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting or taxable profit or loss at the time of the transaction.

Deferred income tax is provided in full, using the liability method, on temporary differences at the statement of financial position between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.23 Income taxes (Continued)

Deferred tax assets and liabilities are recognised for all temporary differences, except:

– Where the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss;

– In respect of temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future; and

– In respect of deductible temporary differences and carry-forward of unutilised tax losses, if it is not probable that taxable profits will be available against which those deductible temporary differences and carry-forward of unutilised tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefit embodied in the investment property over time, rather than through sale. The carrying amounts of the Group's investment properties are presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

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 income taxes levied by the same tax authorities on the same taxable entity, or on different tax entities, provided they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.24 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

(i) has control or joint control over the Company;

(ii) has significant influence over the Company; or

(iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

(i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

3.25 Employee benefits

Short-term employee benefits

Short-term benefit obligations, including accumulated compensated absences, are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonuses if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.25 Employee benefits (Continued)

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.

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 the statement of comprehensive income in the periods during which related services are rendered by employees.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors and certain key executive officers are considered key management personnel.

3.26 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

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

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.26 Revenue recognition (Continued)

Freight and logistics segment (Continued)

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. Revenue is recognised upon completion of the service which is expected to approximate revenue to be recognised over time, based on the time elapsed.

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.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.26 Revenue recognition (Continued)

Freight and logistics segment (Continued)

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

Dividend income

Dividend income is recognised in the statement of comprehensive income 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 the statement of comprehensive income, 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 property management services.

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.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.27 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received, and the Group will comply with all the attached conditions.

Government grants received are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

3.28 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.

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 comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

3.29 Functional currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in Singapore dollars, which is also the functional currency of the Company.

3.30 Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from monetary items that are considered to form part of a net investment in foreign operations, are recognised in other comprehensive income and accumulated in the other reserves.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.30 Conversion of foreign currencies (Continued)

Transactions and balances (Continued)

Foreign currency gains and losses are reported as either other income or other operating expense depending on whether foreign currency movements are in a gain or loss position.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates at the date of the transaction.

Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing rates at the end of the reporting date;

(ii) Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) shall be translated at the average exchange rates for the year; and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in translation reserves.

3.31 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, which comprise convertible bonds and warrants.

3.32 Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Executive Officer has been identified as the Chief Operating Decision Maker who makes strategic resources allocation decisions and assesses segment performance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

4 PROPERTY, PLANT AND EQUIPMENT

The Group	Leasehold buildings $'000	Motor vehicles, trucks and prime movers $'000	Office equipment and machinery $'000	Furniture, fixtures and fittings $'000	Total $'000
Cost					
At 1 May 2019	125,498	13,356	43,782	4,959	187,595
Additions	10	593	591	187	1,381
Disposals/write-offs	(7,580)	(1,795)	(1,589)	(502)	(11,466)
Translation differences	68	(21)	953	10	1,010
At 30 April 2020	117,996	12,133	43,737	4,654	178,520
Reclassification[(1)]	**–**	**28,822**	**(26,952)**	**(1,870)**	**–**
Additions	**–**	**357**	**147**	**170**	**674**
Disposals/write-offs	**(307)**	**(2,132)**	**(1,425)**	**(711)**	**(4,575)**
Reclassification from "right-of-use assets" on full repayment of lease liabilities (Note 5)	**–**	**2,030**	**–**	**–**	**2,030**
Reclassification to "assets held-for-sale" (Note 14)	**(11,213)**	**–**	**(98)**	**(351)**	**(11,662)**
Translation differences	**(65)**	**(1,748)**	**(29)**	**(9)**	**(1,851)**
At 30 April 2021	**106,411**	**39,462**	**15,380**	**1,883**	**163,136**
Accumulated depreciation and impairment losses					
At 1 May 2019	23,618	8,580	25,553	4,153	61,904
Depreciation for the year	4,005	1,288	2,879	323	8,495
Disposals/write-offs	(7,580)	(1,780)	(1,414)	(456)	(11,230)
Translation differences	16	(14)	442	9	453
At 30 April 2020	20,059	8,074	27,460	4,029	59,622
Reclassification[(1)]	**–**	**14,255**	**(12,495)**	**(1,760)**	**–**
Depreciation for the year	**3,931**	**2,961**	**847**	**239**	**7,978**
Disposals/write-offs	**(225)**	**(1,993)**	**(1,401)**	**(705)**	**(4,324)**
Reclassification from "right-of-use assets" on full repayment of lease liabilities (Note 5)	**–**	**794**	**–**	**–**	**794**
Reclassification to "assets held-for-sale" (Note 14)	**(2,497)**	**–**	**(20)**	**(334)**	**(2,851)**
Translation differences	**(20)**	**(909)**	**(27)**	**(8)**	**(964)**
At 30 April 2021	**21,248**	**23,182**	**14,364**	**1,461**	**60,255**
Carrying amount					
At 30 April 2021	**85,163**	**16,280**	**1,016**	**422**	**102,881**
At 30 April 2020	97,937	4,059	16,277	625	118,898

(1) Reclassification of forklifts from "office equipment and machinery" to "motor vehicles, trucks and prime movers", following the change in classification in the new accounting system.

The Group's leasehold properties include provision for restoration costs of $1.2 million (2020 – $1.3 million).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Company	Motor vehicles $'000	Office equipment $'000	Furniture, fixtures and fittings $'000	Total $'000
Cost				
At 1 May 2019	430	231	44	705
Additions	–	6	–	6
At 30 April 2020	430	237	44	711
Additions	**–**	**5**	**14**	**19**
Disposal	**(193)**	**(104)**	**–**	**(297)**
At 30 April 2021	**237**	**138**	**58**	**433**
Accumulated depreciation				
At 1 May 2019	167	215	40	422
Depreciation for the year	53	7	1	61
At 30 April 2020	220	222	41	483
Depreciation for the year	**35**	**6**	**3**	**44**
Disposal	**(174)**	**(104)**	**–**	**(278)**
At 30 April 2021	**81**	**124**	**44**	**249**
Carrying amount				
At 30 April 2021	**156**	**14**	**14**	**184**
At 30 April 2020	210	15	3	228

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 17:

The Group	30 April 2021 $'000	30 April 2020 $'000
Net carrying value		
Leasehold properties	**83,230**	94,876
Included in (a) Motor vehicles, trucks and prime movers and (b) Office equipment and machinery	**15,589**	17,255

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

5 RIGHT-OF-USE ASSETS

The Group	Leasehold land and buildings $'000	Warehouse complex $'000	Motor vehicles, trucks and prime movers $'000	Others^ $'000	Total $'000
		(Note A)			
Cost					
At 1 May 2019	17,933	–	6,767	1,649	26,349
Additions	6,743	66,714	1,126	883	75,466
Disposals	–	–	–	(77)	(77)
Net exchange differences	–	–	(16)	–	(16)
At 30 April 2020	24,676	66,714	7,877	2,455	101,722
Reclassification(1)	**–**	**–**	**2,163**	**(2,163)**	**–**
Lease modifications	**446**	**–**	**52**	**–**	**498**
Additions	**3,517**	**–**	**1,108**	**164**	**4,789**
Disposals	**(4,891)**	**–**	**(757)**	**(71)**	**(5,719)**
Reclassification to "property, plant and equipment" on full repayment of lease liabilities (Note 4)	**–**	**–**	**(2,030)**	**–**	**(2,030)**
Reclassification to "asset held-for-sale" (Note 14)	**(2,891)**	**–**	**–**	**–**	**(2,891)**
Net exchange differences	**–**	**–**	**(50)**	**(10)**	**(60)**
At 30 April 2021	**20,857**	**66,714**	**8,363**	**375**	**96,309**
Accumulated depreciation					
At 1 May 2019	–	–	980	11	991
Depreciation for the year	4,088	6,510	1,117	873	12,588
Disposals	–	–	–	(34)	(34)
Net exchange differences	–	–	(4)	–	(4)
At 30 April 2020	4,088	6,510	2,093	850	13,541
Reclassification(1)	**–**	**–**	**753**	**(753)**	**–**
Depreciation for the year	**6,436**	**6,698**	**1,948**	**106**	**15,188**
Disposals	**(4,891)**	**–**	**(735)**	**(53)**	**(5,679)**
Reclassification to "asset held-for-sale" (Note 14)	**(154)**	**–**	**–**	**–**	**(154)**
Reclassification to "property, plant and equipment" on full repayment of lease liabilities (Note 4)	**–**	**–**	**(794)**	**–**	**(794)**
Net exchange differences	**–**	**–**	**(14)**	**–**	**(14)**
At 30 April 2021	**5,479**	**13,208**	**3,251**	**150**	**22,088**
Carrying amount					
At 30 April 2021	**15,378**	**53,506**	**5,112**	**225**	**74,221**
At 30 April 2020	20,588	60,204	5,784	1,605	88,181

^ Others comprise machinery, office equipment, fixtures and fittings.

(1) Reclassification of forklifts from "others" to "motor vehicles, trucks and prime movers", following the change in classification in the new accounting system.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

5 RIGHT-OF-USE ASSETS (CONTINUED)

As at 30 April 2021, the Company leases plant and equipment with a carrying amount of $2.9 million (2020 – $4.5 million) under a number of hire purchase agreements.

The statement of comprehensive income included the following amounts relating to leases:

The Group	30 April 2021 $'000	30 April 2020 $'000
Interest expense on lease liabilities (Note 23)	**5,945**	6,397
Rental of motor vehicles, trucks and prime movers and office equipment on short term leases	**5,538**	5,152
Rental of offices, warehouses and leasehold buildings on short-term leases	**5,618**	7,485
Operating lease expenses (Note 24)	**11,156**	12,637

As at 30 April 2021, the Group's short-term lease commitments at the reporting date are not substantially dissimilar to those giving rise to the Group's short-term lease expense for the year.

Note A: Sale and leaseback of a warehouse complex

On 10 May 2019, the Group completed the sale and leaseback of No. 121 Banyan Drive Singapore 627570 (the "Property") to SGRE Banyan Pte. Ltd. ("SGRE") for a purchase consideration of $227.5 million (the "Transaction"). Pursuant to the sale of the Property, the Group commenced a 10-year lease with SGRE.

Management assessed that the transfer of the Property to SRGE was a sale and purchase of an asset in accordance with SFRS(I) 15 since SGRE had obtained control over the Property. Accordingly, management derecognised the underlying Property and applied lessee accounting and recorded a right-of-use asset with a carrying amount of $66.7 million at the retained portion of the previously carried amount with a corresponding lease liability of $118.5 million. A gain of $41.3 million relating to the rights transferred to SGRE was recognised in 'other income' in the consolidated statement of comprehensive income in the previous financial year. The interest rate implicit in the lease was 4.93% per annum.

In addition, the Group has also placed a security deposit amounting to $8.8 million (2020 – $8.8 million) with an appointed institution as stipulated in the lease agreement. The deposit earns interest and is included in cash and cash equivalents as disclosed in Note 13.

The sale and leaseback arrangement enabled the Group to realise the fair value of its investment in the Property, while enabling the Group, through the leaseback arrangement, to enjoy the long-term use of the Property for its existing operations.

The Group is required to pay monthly rent ranging from $1.3 million to $1.5 million per month over a period of 10 years from May 2019. The Group is also entitled to six months rent-free periods each in the fifth and the tenth year of the rental period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

5 RIGHT-OF-USE ASSETS (CONTINUED)

Note A: Sale and leaseback of a warehouse complex (Continued)

The cash flow effects of the sale and leaseback transaction in the previous financial year was as follows:

The Group	**2020 $'000**
Net proceeds received after deducting the upfront capital expenditure, included in investing activities	210,368
Security deposit pledged with an institution, included in financing activities	(8,783)
Repayment of loan secured over the Property, included in financing activities	(93,718)
Net proceeds used for working capital purposes and repayment of other loans	107,867

Since the inception of the lease, the Group has made lease payments totalling $30.4 million (2020 – $14.9 million to SGRE.

There are no payments not included in the measurement of lease liabilities.

6 INTANGIBLE ASSETS

	Goodwill $'000	**Computer software under installation $'000**	**Total $'000**
The Group			
Cost			
At 1 May 2019	1,599	–	1,599
Disposal	(1,599)	–	(1,599)
At 30 April 2020	–	–	–
Additions	**–**	**195**	**195**
30 April 2021	**–**	**195**	**195**
Accumulated impairment losses and amortisation			
At 1 May 2019	1,127	–	1,127
Disposal	(1,127)	–	(1,127)
At 30 April 2020 and 30 April 2021	**–**	**–**	**–**
Net carrying amount			
At 30 April 2021	**–**	**195**	**195**
At 30 April 2020	–	–	–

6 INTANGIBLE ASSETS (CONTINUED)

	Goodwill $'000	Computer software under installation $'000	Total $'000
The Company			
Cost			
At 1 May 2020	–	–	–
Additions	**–**	**195**	**195**
At 30 April 2021	**–**	**195**	**195**
Accumulated amortisation			
At 1 May 2020 and 30 April 2021	**–**	**–**	**–**
Net carrying amount			
At 30 April 2021	**–**	**195**	**195**

Computer software under installation

This relates to progress payments to a vendor for an Electronic Resource Planning ("ERP") system implementation in the current financial year.

Goodwill

In FY2020, the residual goodwill was reversed and accounted for as part of the gain on disposal of a subsidiary in the consolidated statement of comprehensive income, following the disposal of the subsidiary (See Note 36(b)).

7 INVESTMENT PROPERTIES

The Group	30 April 2021 $'000	30 April 2020 $'000
At 1 May	**143,101**	147,539
Additions	**–**	4,395
Changes in fair value	**(965)**	(7,942)
Translation differences	**1,723**	(891)
At 30 April	**143,859**	143,101

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

7 INVESTMENT PROPERTIES (CONTINUED)

Details of the Group's investment properties as at 30 April 2021 are as follows:

Property name/Location	Description/ existing name	Approximate land area	Tenure	Group's effective interest
Palas Condominium, Kuala Lumpur, Malaysia	Condominium	6,383 m^2	Freehold	50%
Changshu Fervent Industrial Park – Phase 1, PRC	6 warehouses and 1 office block	101,150 m^2	50 years lease commencing from March 2014	48%
Changshu Fervent Industrial Park – Phase 2, PRC	2 built-to-suit warehouses	76,553 m^2	50 years lease commencing from March 2017	48%

Investment properties comprise residential and industrial properties that are leased to external customers and/or held for capital appreciation. As at 30 April 2021, rental income from the Group's industrial properties which was leased under operating leases amounted to $5.6 million (2020 – $5.3 million) (See Note 21). There is no rental income from the residential property (2020 – Nil).

Direct operating expenses (including repairs and maintenance) arising from investment properties that generated rental income during the financial year, amounted to $1.7 million (2020 – $1.8 million).

Direct operating expenses (including repairs and maintenance) arising from investment properties that did not generate rental income during the financial year, amounted to $0.1 million (2020 – $0.1 million).

As at 30 April 2021 and 30 April 2020, 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 Nil (2020 – $0.1 million) was capitalised in cost of investment properties at the cost of borrowing of Nil (2020 – 6.21%) per annum.

Security

At 30 April 2021, an investment property of the Group with a carrying amount of $95.9 million (2020 – $91.9 million) was pledged as securities to secure bank loans of subsidiaries as set out in Note 17.

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 35).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

8 SUBSIDIARIES

The Company	30 April 2021 $'000	30 April 2020 $'000
Equity investments, at cost:		
– At the beginning of the year	**35,651**	35,651
– Additions (Note A)	**1,500**	–
– Write-offs (Note B)	**(434)**	–
– At end of year	**36,717**	35,651
Loans to a subsidiary (non-trade) (Note C)	**29,900**	–
	66,617	35,651
Accumulated impairment losses:		
– At beginning of the year	**(4,939)**	(4,546)
– Impairment loss recognised during the year (Note D)	**–**	(540)
– Amount utilised (Note B)	**434**	147
– At end of year	**(4,505)**	(4,939)
	62,112	30,712

Note A:

In the current financial year, the Company increased its equity investments in the share capital of the Company's wholly owned subsidiary – Crystal Freight Services Distripark Pte Ltd, through the set-off of non-trade balances due to the subsidiary of $1.5 million pursuant to a directors' resolution.

Note B:

In the current financial year, the Company's wholly owned subsidiary – Blackgold Megatrade Pte. Ltd. was struck-off. Accordingly, the impairment loss previously recognised was set off against the Company's equity investment.

Note C:

Pursuant to a director's resolution dated 30 April 2021, loans extended to a subsidiary of $29.9 million was reclassified from "trade and other receivables" to "subsidiaries" (refer to Note 12). The non-trade loans extended to a subsidiary are unsecured, non-interest bearing with repayment terms at the discretion of the subsidiary. As the amount is, in substance, a part of the Company's net investment in the subsidiary, it is considered to be part of the cost of investment, and is stated at cost, less impairment losses, if any.

Note D:

In the previous financial year, the Company recorded an impairment loss of $0.5 million on its investments in subsidiaries based on the recoverable amount of the cash generating units determined based on fair value less cost to sell using the residual net assets value approach, which is categorised as a Level 3 fair value based on the inputs to the valuation technique used.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

8 SUBSIDIARIES (CONTINUED)

Note D: (Continued)

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.

Details of material subsidiaries of the Group are as follows:

Name of subsidiaries	Country of incorporation/principal place of business	Percentage of equity held by the Group	
		30 April 2021 %	30 April 2020 %
Directly owned subsidiaries of the Company			
Crystal Freight Services Distripark Pte Ltd[1]	Singapore	**100**	100
Crystal Freight Services Pte Ltd[1]	Singapore	**100**	100
Freight Links Express Pte Ltd[1]	Singapore	**100**	100
Freight Links Express Logisticentre Pte Ltd[1]	Singapore	**100**	100
Freight Links Logistics Pte. Ltd.[1]	Singapore	**100**	100
Lee Thong Hung Trading and Transport Sdn Bhd[2]	Malaysia	**100**	100
LTH Logistics (Singapore) Pte Ltd ("LTHS")[1] (See Note E)	Singapore	**100**	100
Singapore Enterprises Private Limited[1]	Singapore	**100**	100
Subsidiaries held by the Company's subsidiaries			
Fervent Industrial Development (Suzhou) Co., Ltd[4][6][7]	People's Republic China	**48**	48
Freight Links E-logistics Technopark Pte Ltd[1]	Singapore	**100**	100
Freight Links Express Logisticpark Pte Ltd[1]	Singapore	**100**	100
New Vibrant (Jiangsu) Supply Chain Management Co., Ltd[3]	People's Republic China	**100**	100
Saujana Tiasa Sdn Bhd[3][5]	Malaysia	**50**	50
Shentoncil Pte. Ltd. ("Shentoncil")[1] (See Note F)	Singapore	**100**	100
Sinolink Financial Leasing Co., Ltd[4][7]	People's Republic China	**51**	51
Vibrant DB2 Pte. Ltd.[1]	Singapore	**51**	51
Vibrant Properties Pte. Ltd.[1]	Singapore	**60**	60

(1) Audited by Foo Kon Tan LLP

(2) Audited by SE Lai CK

(3) Audited by Foo Kon Tan LLP for consolidation purposes

(4) Audited by RSM China, Shanghai

(5) Although the Group owns only half of the voting rights of Saujana Tiasa Sdn Bhd, the Group is exposed to and has the rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity through its control of the composition of the board of directors by virtue of the shareholders' agreements. Consequently, the Group consolidates the investments in this entity as a subsidiary of the Group.

(6) The Group's effective shareholding in Fervent Industrial Development (Suzhou) Co., Ltd of 48% comprises its 60% shareholding in subsidiary Vibrant Properties Pte. Ltd., which in turn holds 80% shareholding in the entity. Consequently, the Group consolidates the investment in this entity as a subsidiary of the Group.

(7) These entities are indirectly held and controlled by non-wholly owned subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

8 SUBSIDIARIES (CONTINUED)

Note D: (Continued)

One of the subsidiaries is considered to be significant as defined under the Singapore Exchange Limited Listing Rules as the Group's share of that subsidiary's net tangible assets represent 20% or more of the Group's consolidated net tangible assets and the Group's share of that subsidiary's pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits.

Note E: Acquisition of non-controlling interests in LTHS

On 20 December 2019, the Company completed the acquisition of an additional 49% equity interest in LTHS, increasing its ownership from 51% to 100%. The carrying amount of LTHS's net assets in the Group's consolidated financial statements on the date of acquisition was $41.1 million.

	30 April 2020 $'000
Carrying amount of former non-controlling interests acquired	20,140
Consideration paid to former non-controlling interests	(5,500)
Consideration payable to former non-controlling interests	(8,000)
Increase in equity attributable to owners of the Company	6,640

As at 30 April 2021, $8.5 million (2020: $5.5 million) had been paid to the former non-controlling interest. The remaining deferred consideration amounting to $5 million (2020: $8 million) will be repaid bi-annually from June 2020 to December 2022, of which $3 million (2020: $3 million) was classified under "current" portion while the remaining $2 million (2020: $5 million) was classified under the "non-current" portion of the deferred consideration included in Note 19(a).

Note F: Acquisition of non-controlling interests in Shentoncil

On 12 December 2019, the Group completed the acquisition of an additional 49% equity interest in Shentoncil, increasing its ownership from 51% to 100%. The carrying amount of Shentoncil in the Group's consolidated financial statements on the date of acquisition was $36 million.

	30 April 2020 $'000
Carrying amount of former non-controlling interests acquired	17,634
Consideration paid to former non-controlling interests	(6,720)
Consideration payable to former non-controlling interests	(4,003)
Increase in equity attributable to owners of the Company	6,911

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

8 SUBSIDIARIES (CONTINUED)

Note F: Acquisition of non-controlling interests in Shentoncil (Continued)

On completion, a sum of $6.7 million in cash has been paid to the former non-controlling interests upon signing the sale and purchase agreement. The remaining deferred consideration amounting to $4 million will only be paid upon completion, either upon the sale of the property owned by Ececil Pte Ltd ("Ececil"), which is an associate company of Shentoncil or the sale of 100% of the issued share capital of Ececil, whichever is earlier.

Management has classified the deferred consideration as a current liability in Note 19(a) as the Group does not have an unconditional right to defer the settlement of the liability at least 12 months from the balance sheet date if the property or Ececil is sold during the year.

9 ASSOCIATES

	The Group		The Company	
	30 April 2021 $'000	30 April 2020 $'000	30 April 2021 $'000	30 April 2020 $'000
Redeemable cumulative convertible preference shares in an associate	**–**	–	**–**	–
Other receivables at amortised cost	**–**	–	**–**	–
Investments in associates (equity-accounted investees)	**61,749**	64,409	**3,590**	9,413
	61,749	64,409	**3,590**	9,413

Redeemable cumulative convertible preference shares (RCCPS) in an associate

(a) Details of the associate are as follows:

Name of associate	Country of incorporation/principal place of business
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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

9 ASSOCIATES (CONTINUED)

Redeemable cumulative convertible preference shares (RCCPS) in an associate (Continued)

(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% (2020 – 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 balance sheet date, the Group has yet to exercise its rights to convert the RCCPS and retains its rights to do so;

(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.

In FY2019, the Company entered into a deed of settlement due to the occurrence of the redemption event and GSD was obliged to redeem the RCCPS in full. GSD acknowledged, agreed and undertook that the redemption amount was due and payable for a principal sum of US$10 million in ten equal instalments over a period of ten years commencing from 30 April 2019. The RCCPS are secured over the shares of GSD.

During the previous financial year, the Group received from GSD $1.6 million (equivalent to US$1.2 million) comprising the first instalment of US$1 million received on 30 June 2020 and partial repayment US$0.2 million of the second instalment. The Group recorded an impairment loss to the consolidated statement of comprehensive income of $8.5 million on the RCCPS, measured at amortised cost after GSD defaulted on its scheduled repayment commitment. The statutory auditor of GSD had also issued a modified audit report on the appropriateness of the going concern assumption in its latest available audited financial statements. An alternative repayment plan has not been entered as at the balance sheet date.

In the current financial year, the Group received from GSD $0.4 million (equivalent to US$0.3 million), being partial repayment on the second instalment. Accordingly, impairment loss of $0.4 million was reversed to the consolidated statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

9 ASSOCIATES (CONTINUED)

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 associates.

Impairment assessment

In 2021, one of the associates suffered further operating losses during the current financial year. Management estimated the recoverable amount based on the Group's share of the associate's residual net asset value and recognised an impairment loss on this associate of $3.4 million and $5.8 million in the Group's and the Company's statements of comprehensive income, respectively. The fair value has been categorised as a Level 3 fair value hierarchy.

In addition, another one of the associates suffered further operating losses during the current financial year. Management estimated the recoverable amount of the associate for which the estimated recoverable amount was based on fair value less cost of disposal determined by reference to the associate's stock exchange quoted bid price as at 30 April 2021 (2020 – 30 April 2020). Accordingly, a reversal of impairment loss of $0.8 million (2020 – impairment loss of $6.9 million) on its investment in this associate in the consolidated statement of comprehensive income.

In the previous financial year, another associate suffered further operating losses and management recognised an impairment loss of $5.2 million on its investment in this associate due to closure of coal mines in PRC, in the consolidated statement of comprehensive income. Management estimated the recoverable amount of its associate based on the realisable net assets value of the associate which has been categorised as a Level 3 fair value hierarchy.

Summarised financial information of associates

The Group has four (2020 – five) 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:

Name	Country of incorporation/ principal place of business	Fair value of ownership Interest (if listed) 30 April 2021 $'000	30 April 2020 $'000	Ownership interest 30 April 2021 %	30 April 2020 %	Principal activities
Freight Management Holdings Bhd (FMHB)(1)	Malaysia	**30,294#**	8,999#	**20.05**	20.05	Provision of integrated freight and logistics services

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

9 ASSOCIATES (CONTINUED)

Investment in associates (Continued)

Summarised financial information of associates (Continued)

Name	Country of incorporation/ principal place of business	Fair value of ownership Interest (if listed) 30 April 2021 $'000	30 April 2020 $'000	Ownership interest 30 April 2021 %	30 April 2020 %	Principal activities
Figtree Holdings Limited (Figtree)(2)	Singapore	**5,415**#	4,370#	**22.71**	22.22	General contractors and providers of general building engineering services and property development
Ececil Pte Ltd (Ececil)(3)	Singapore	**–**	–	**40.0**	40.0	Property development
Vibrant Pucheng Logistics (Chongqing) Co., Ltd (Vibrant Pucheng)(4)	PRC	**–**	–	***35.44**	*35.44	Provision of integrated logistics services

\# Fair value of quoted investments in associates is determined by reference to the stock exchange quoted bid price as at 30 April 2021 (2020 – 30 April 2020) (Level 1 in the fair value hierarchy).

* The Group's effective shareholding interest in Vibrant Pucheng comprises direct interest of 31% (2020 – 31%) and indirect interest through an associate of 4.44% (2020 – 4.44%).

(1) Audited by Crowe Malaysia PLT

(2) Audited by Ernst & Young LLP

(3) Audited by Foo Kon Tan LLP

(4) Audited by RSM Shanghai

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

9 ASSOCIATES (CONTINUED)

Investment in associates (Continued)

Summarised financial information of associates (Continued)

Summarised financial information, adjusted for the Group's share of equity interest in respect of the associates is set out below:

30 April 2021	FMHB $'000	Figtree $'000	Ececil $'000	Vibrant Pucheng $'000	Other immaterial associates $'000	Total $'000
Revenue	216,431	8,570	70	3,327		
Profit/(loss) from continuing operations	6,145	551	1,596	(2,561)		
Other comprehensive income	421	1	–	–		
Total comprehensive income/(loss)	6,566	552	1,596	(2,561)		
Attributable to non-controlling interests	(422)	(115)	–	–		
Attributable to investee's shareholders	6,144	437	1,596	(2,561)		
Non-current assets	92,306	32,104	210,000	50,177		
Current assets	74,442	30,719	623	3,671		
Non-current liabilities	(28,623)	(4,073)	–	(6,150)		
Current liabilities	(38,040)	(9,855)	(124,896)	(40,597)		
Net Assets	100,085	48,895	85,727	7,101		
Attributable to non-controlling interests	(3,781)	127	–	–		
Attributable to investee's shareholders	96,304	49,022	85,727	7,101		
Group's interest in net assets	19,309	11,133	34,291	2,201		
Other adjustments[1]	(2,137)	(5,670)	–	1,236		
Carrying amounts of investments	17,172	5,463	34,291	3,437		

(1) Other adjustments mainly related to group share of post-acquisition results and reserves, dividend income and impairment losses recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

9 ASSOCIATES (CONTINUED)

Investment in associates (Continued)

Summarised financial information of associates (Continued)

30 April 2021	FMHB $'000	Figtree $'000	Ececil $'000	Vibrant Pucheng $'000	Other immaterial associates $'000	Total $'000
Group's interest in net assets of investees at beginning of the year	17,007	4,370	33,652	7,585	1,795	64,409
Group's share of:						
– Profit/(loss) from continuing operations	1,232	125	639	(794)	(425)	777
– Other comprehensive income	–	(26)	–	–	(1)	(27)
Total comprehensive income	1,232	99	639	(794)	(426)	750
Additional investments during the year	–	234	–	–	–	234
Group's share of translation reserve	(156)	198	–	61	17	120
Impairment loss reversed/ (recognised)	–	796	–	(3,415)	–	(2,619)
Dividend received	(911)	(234)	–	–	–	(1,145)
Carrying amount of interest in investee at end of the year	17,172	5,463	34,291	3,437	1,386	61,749

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

9 ASSOCIATES (CONTINUED)

Investment in associates (Continued)

Summarised financial information of associates (Continued)

30 April 2020	FMHB $'000	Figtree $'000	Ececil $'000	Vibrant Pucheng $'000	China SW $'000	Other immaterial associates $'000	Total $'000
Revenue	186,951	11,419	–	3,612	16,360		
Profit/(loss) from continuing operations	3,641	(797)	(4,478)	(1,130)	(12,272)		
Other comprehensive income	(311)	900	–	–	–		
Total comprehensive income/(loss)	3,330	103	(4,478)	(1,130)	(12,272)		
Attributable to non-controlling interests	303	(850)	–	–	–		
Attributable to investee's shareholders	3,633	(747)	(4,478)	(1,130)	(12,272)		
Non-current assets	91,406	15,352	204,455	38,938	9,912		
Current assets	64,973	47,847	5,940	11,418	6,059		
Non-current liabilities	(28,481)	(336)	–	(6,000)	(3,687)		
Current liabilities	(29,854)	(13,810)	(126,265)	(35,255)	(11,963)		
Net Assets	98,044	49,053	84,130	9,101	321		
Attributable to non-controlling interests	(2,313)	109	–	–	–		
Attributable to investee's shareholders	95,731	49,162	84,130	9,101	321		
Group's interest in net assets	19,195	10,924	33,652	2,821	82		
Other adjustments[1]	(2,188)	(6,554)	–	4,764	(82)		
Carrying amounts of investments	17,007	4,370	33,652	7,585	–		

(1) Other adjustments mainly related to group share of post-acquisition results and reserves, dividend income and impairment losses recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

9 **ASSOCIATES** (CONTINUED)

Investment in associates (Continued)

Summarised financial information of associates (Continued)

30 April 2020	FMHB $'000	Figtree $'000	Ececil $'000	Vibrant Pucheng $'000	Other immaterial associates $'000	China SW $'000	Total $'000
Group's interest in net assets of investees at beginning of the year	16,990	11,273	35,444	4,968	1,789	8,387	78,851
Group's share of:							
– Profit/(loss) from continuing operations	730	(177)	(1,792)	(350)	5	(3,132)	(4,716)
– Other comprehensive income	(1)	11	–	–	1	–	11
Total comprehensive income	729	(166)	(1,792)	(350)	6	(3,132)	(4,705)
Additional investments during the year	–	229	–	2,936	–	–	3,165
Group's share of translation reserve	(71)	201	–	31	1	(85)	77
Impairment loss recognised	–	(6,938)	–	–	–	(5,170)	(12,108)
Dividend received	(641)	(229)	–	–	(1)	–	(871)
Carrying amount of interest in investee at end of the year	17,007	4,370	33,652	7,585	1,795	–	64,409

10 OTHER INVESTMENTS

	The Group		The Company	
	30 April 2021 $'000	**30 April 2020 $'000**	**30 April 2021 $'000**	**30 April 2020 $'000**
Non-current investments				
Club membership and others	**110**	99	**–**	–
Current investments				
Quoted equity investments at FVTPL	**2,917**	2,250	**–**	–
Unquoted equity investments at FVTPL	**23,327**	28,303	**23,327**	28,303
	26,244	30,553	**23,327**	28,303
Quoted debt investments designated at FVTPL (Note A)	**–**	11,606	**–**	–
	26,244	42,159	**23,327**	28,303
	26,354	42,258	**23,327**	28,303

Note A: In FY2020, a wholly owned subsidiary of the Company purchased the Notes issued by the Company under the Series 003 S$66 million Notes due in October 2020. Management had elected to designate the quoted debt investments at FVTPL as the debt investments did not meet the Group's business model for holding the financial instrument. In October 2020, the Notes held by the subsidiary were subsequently redeemed (refer to Note 17.1).

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, are included in Notes 34 and 35, respectively.

11 DEFERRED TAXATION

	At the beginning of the year $'000	**Recognised in profit or loss $'000**	**Translation differences $'000**	**At the end of the year $'000**
		(Note 25)		
Deferred tax assets				
30 April 2021				
Deferred income	**1**	**–**	**–**	**1**
Property, plant and equipment	**30**	**(20)**	**–**	**10**
Provisions	**128**	**–**	**(1)**	**127**
Unutilised tax losses	**6,765**	**39**	**169**	**6,973**
Total	**6,924**	**19**	**168**	**7,111**
Deferred tax liabilities				
Investment properties	**(6,715)**	**(150)**	**(145)**	**(7,010)**
Property, plant and equipment	**(2,662)**	**(1,229)**	**–**	**(3,891)**
Total	**(9,377)**	**(1,379)**	**(145)**	**(10,901)**

11 DEFERRED TAXATION (CONTINUED)

	At the beginning of the year $'000	Recognised in profit or loss $'000	Translation differences $'000	At the end of the year $'000
		(Note 25)		
Deferred tax assets				
30 April 2020				
Deferred income	1	–	–	1
Property, plant and equipment	5	25	–	30
Provisions	156	–	(28)	128
Unutilised tax losses	4,868	1,913	(16)	6,765
Total	5,030	1,938	(44)	6,924
Deferred tax liabilities				
Investment properties	(7,503)	735	53	(6,715)
Property, plant and equipment	(3,134)	472	–	(2,662)
Total	(10,637)	1,207	53	(9,377)

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.

As at 30 April 2021, deferred tax liabilities of $1.5 million (2020 – $1.3 million) were not recognised for temporary differences of $15.5 million (2020 – $13.4 million) 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:

The Group	**30 April 2021 $'000**	**30 April 2020 $'000**
Deductible temporary differences	**–**	3,351
Tax losses	**18,420**	17,044
	18,420	20,395

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

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 3.23.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

12 TRADE AND OTHER RECEIVABLES

		The Group		The Company	
	Note	30 April 2021 $'000	30 April 2020 $'000	30 April 2021 $'000	30 April 2020 $'000
Non-current assets					
Loans to subsidiaries	(a)	**–**	–	**172,628**	214,540
Loan to an associate	(b)	**19,135**	6,000	**–**	–
Non-trade amounts due from subsidiaries	(c)	**–**	–	**91,929**	97,771
Deposits		**–**	38	**–**	–
Impairment losses		**–**	–	**(19,757)**	(44,951)
Financial assets at amortised cost		**19,135**	6,038	**244,800**	267,360
Prepayments		**261**	287	**–**	–
		19,396	6,325	**244,800**	267,360
Current assets					
Trade receivables:					
– subsidiaries		**–**	–	**1,229**	1,678
– third parties	(d)	**57,577**	47,816	**–**	–
Impairment losses		**(20,899)**	(20,232)	**(92)**	(226)
Net trade receivables		**36,678**	27,584	**1,137**	1,452
Loans to a subsidiary	(a)	**–**	–	**–**	6,542
Loans to associates	(b)	**5,074**	33,013	**–**	–
Loans to non-controlling interests	(e)	**1,134**	6,211	**–**	–
Loans to third parties	(f)	**10,868**	10,603	**–**	–
Loan to a related party	(g)	**820**	800	**–**	–
Non-trade amounts due from associates	(h)	**11,908**	7,382	**5,295**	5,232
Non-trade amounts due from non-controlling interests	(h)	**12,005**	11,960	**266**	282
Non-trade amounts due from related parties	(h)	**23**	20	**–**	–
Deposits		**886**	767	**1**	1
Interest receivables		**375**	467	**–**	–
Other receivables		**3,285**	2,542	**368**	314
Impairment losses		**(17,875)**	(17,459)	**(5,568)**	(5,535)
Financial assets at amortised cost		**65,181**	83,890	**1,499**	8,288
Prepayments		**1,972**	2,952	**116**	53
Advances		**382**	7	**–**	–
Tax recoverable		**418**	319	**–**	–
GST/VAT receivable		**2,722**	1,500	**–**	–
		70,675	88,668	**1,615**	8,341
Total trade and other receivables		**90,071**	94,993	**246,415**	275,701
Represented by:					
Financial assets at amortised cost		**84,316**	89,928	**246,299**	275,648
Non-financial assets		**5,755**	5,065	**116**	53
Total trade and other receivables		**90,071**	94,993	**246,415**	275,701

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

12 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Loans to subsidiaries

As at 30 April 2021, loans to subsidiaries are unsecured and are summarised as follows:

The Company	2021 $'000	2020 $'000
Loans to subsidiaries:		
Interest-free loans	**23,392**	47,999
Interest-bearing loans	**149,236**	173,083
	172,628	221,082
Presented as:		
Non-current	**172,628**	214,540
Current	**–**	6,542
	172,628	221,082

Interest-free loans

The loans of $23.4 million (2020 – $48.0 million) have no fixed terms of repayment and will not be repaid within the next twelve months from the reporting date.

Interest-bearing loans

The loans comprise:

(i) Loans of $2.1 million (2020 -$15.1 million) bearing fixed interest at 6.10% (2020 – 6.00% to 6.10%) per annum have no fixed terms of repayment and will not be repaid within the next twelve months from the reporting date;

Pursuant to a director's resolution dated 30 April 2021, loans extended to a subsidiary of $29.9 million was reclassified from "trade and other receivables" to "subsidiaries" (refer to Note 8). The non-trade loans extended to a subsidiary are unsecured, non-interest bearing with repayment terms at the discretion of the subsidiary. As the amount is, in substance, a part of the Company's net investment in the subsidiary, it is considered to be part of the cost of investment, and is stated at cost, less impairment losses, if any.

(ii) Loans of $147.1 million (2020 – $151.4 million) bearing interest at 1.00% (2020 – 1.00%) above market swap rate determined at the beginning of each month on the net receivables have no fixed terms of repayment and will not be repaid within the next twelve months from the reporting date. As at the reporting date, the average effective interest rate for the floating rate loans was 1.21% (2020 – 2.60%) per annum.

(iii) As at 30 April 2020, loans of $6.5 million bore interest at 6.00% per annum and were repayable on demand. The loans were repaid in the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

12 TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Loans to associates

As at 30 April 2021, the unsecured loans extended to associate comprise the following:

(i) A loan of $19.1 million equivalent to RMB93.3 million (2020 – $31.1 million equivalent to RMB162.0 million) bearing interest at 6.00% per annum, of which $19.1 million (2020 – $6 million) is repayable at the end of a 10-year tenure. As at 30 April 2020, the remaining loan of $25.1 million was repayable on demand and classified as “current”, of which a loan of $21.5 million that was previously extended to the associate by a related party was novated to the Group (refer to Note 19(c)).

The reduction in the loans extended to the associate arose pursuant to a restructuring agreement dated 1 January 2021 entered between the Group, the associate and a related party. The loan was restructured and an amount of $12.4 million (equivalent to RMB61.2 million) was novated to a related party, through the set-off of loans and non-trade balances due to the related party and its affiliates (refer to Note 19(f), (g) and (h)) as part of its proportionate share of the associate’s shareholders’ loans and related interest receivable.

At the reporting date, the Group’s interest receivable on the loan amounted to $6.1 million, (equivalent to RMB29.2 million) (2020 – $1.7 million, equivalent to RMB8.6 million) are included in “non-trade amounts due from associates”.

(ii) Loans of $5.1 million (2020 – $7.9 million) to another associate are repayable on demand and bear interest at 1.30% (2020 – 1.88%) above market swap rate determined at the beginning of each month on the net receivables. As at the reporting date, the effective interest rate at reporting date was 1.60% (2020 – 2.95%) per annum.

(c) The 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.

(d) As at 1 May 2019, the Group's gross trade receivables related to revenue from contracts with customers amounted to $49.1 million.

(e) As at 30 April 2021, the current loans to a non-controlling interests comprised a loan of $1.1 million (2020 – $1.1 million) bearing interest at 10.00% (2020 – 10.00%) per annum and are unsecured and repayable on demand.

As at 30 April 2020, loans to another non-controlling interests of $5.1 million were interest-free, unsecured and repayable on demand and was offset against a non-trade payable of $0.3 million (refer to Note 19(h)) as a capital reduction from the non-controlling interest in the current financial year of $4.9 million.

(f) As at 30 April 2021, the loans to third parties are repayable on demand, comprising a loan of $4.9 million (2020 – $4.8 million) secured by a third party guarantee and bearing interest at 10.00% (2020 – 10.00%) per annum; an unsecured loan of $1.7 million (2020 – $1.6 million) bearing interest at 9.60% (2020 – 9.60%) per annum; and an unsecured, interest-free loan of $4.3 million (2020 – $4.2 million).

(g) As at 30 April 2021, the loan to a related party of $0.8 million (2020 – $0.8 million) is unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

12 TRADE AND OTHER RECEIVABLES (CONTINUED)

(h) 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 34.

The carrying amounts of the Group's and the Company's non-current trade and other receivables approximate their respective fair values since these receivables are interest-bearing and the interest rates approximate the market interest rates.

The Group and the Company's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in Note 34.

13 CASH AND CASH EQUIVALENTS

	The Group		The Company	
	30 April 2021 $'000	**30 April 2020 $'000**	**30 April 2021 $'000**	**30 April 2020 $'000**
Cash at bank and in hand	**40,692**	40,329	**2,548**	642
Deposits with banks	**14,120**	21,578	**–**	–
Cash and cash equivalents	**54,812**	61,907	**2,548**	642

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

The Group	**30 April 2021 $'000**	**30 April 2020 $'000**
Cash and cash equivalents (as above)	**54,812**	61,907
Deposits pledged	**(8,783)**	(8,783)
Cash and cash equivalents per consolidated statement of cash flows	**46,029**	53,124

Deposits pledged refers to cash collateral for a rental bond issued by an insurance company in lieu of a security deposit for the lease of the warehouse complex (Note 5) that is placed in a fixed deposit account.

Included in cash and cash equivalents are amounts of $14.7 million (2020 – $30.9 million) 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 0.10% to 2.90% (2020 – 0.30% to 3.20%). Interest rates are repriced at intervals of overnight, one, three, six or twelve months.

14 ASSETS HELD-FOR-SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS HELD-FOR-SALE

At the reporting date, the Company's Board of Directors approved a plan to dispose of the property located at No. 47 Changi South Avenue 2, Singapore 486148, which is available for immediate sale in its present condition, and its associated liabilities, and disposal is expected to be completed within a year from the reporting date.

As at 30 April 2021, the carrying amounts of the asset held-for-sale and associated liabilities, stated at their carrying amounts (which are lower than its fair value less costs to sell) are summarised as follows,

The Group	30 April 2021 $'000
Property, plant and equipment (Note 4)	**8,811**
Right-of-use assets (Note 5)	**2,737**
Assets held-for sale	**11,548**
Loans and borrowings (Note 17)	**2,826**
Lease liabilities (Note 18)	**2,800**
Provision (Note 20)	**121**
Liabilities directly associated with assets-held-for-sale	**5,747**

The leasehold property is pledged as security to secure a bank loan.

15 SHARE CAPITAL

The Group and The Company	30 April 2021 No. of ordinary shares '000	30 April 2020 No. of ordinary shares '000	30 April 2021 $'000	30 April 2020 $'000
Ordinary shares issued and fully paid, with no par value:				
Balance at beginning and at end of year	**697,952**	697,952	**174,337**	174,337

The holders of ordinary shares (excluding treasury 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 (excluding treasury shares) rank equally with regard to the Company's residual assets.

Dividends

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

The Group and The Company	30 April 2020 $'000
First and final tax exempted (one-tier) dividend paid in respect of FY2019 of 0.4 cent per share	2,666

16 RESERVES

	The Group		The Company	
	30 April 2021 $'000	**30 April 2020 $'000**	**30 April 2021 $'000**	**30 April 2020 $'000**
		(Restated)		**(Restated)**
Treasury shares	**(1,980)**	(1,980)	**(1,980)**	(1,980)
Capital reserve	**13,525**	13,552	**–**	–
Foreign currency translation reserve	**1,352**	(657)	**–**	–
Other reserves	**61**	61	**–**	–
Retained earnings	**40,400**	37,251	**40,779**	20,227
	53,358	48,227	**38,799**	18,247

The treasury shares reserve comprises the cost of the Company's shares held by the Group. On 30 April 2021, the Group held 5,460,560 (2020 – 5,460,560) of the Company's shares.

Capital reserve arises from the effects on the acquisition of non-controlling interests without a change in control, which represented 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 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.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

16 RESERVES (CONTINUED)

Capital management (Continued)

The Group	30 April 2021 $'000	30 April 2020 $'000
Liabilities directly associated with assets held-for-sale:		
– Loans and borrowings (Note 14)	**2,826**	–
– Lease liabilities (Note 14)	**2,800**	–
Loans and borrowings (Note 17)	**109,008**	134,130
Lease liabilities (Note 18)	**118,020**	134,293
Less: Cash and cash equivalents (Note 13)	**(54,812)**	(61,907)
Net debt (A)	**177,842**	206,516
Equity attributable to owners of the Company (B)	**227,695**	222,564
Net debt-to-equity ratio (times) (A)/(B)	**0.78**	0.93

17 LOANS AND BORROWINGS

	The Group		The Company	
	30 April 2021 $'000	30 April 2020 $'000	30 April 2021 $'000	30 April 2020 $'000
Non-current liabilities				
Floating rate bank loans, secured	**36,658**	23,326	**–**	–
Fixed rate bank loans, secured	**23,420**	26,620	**–**	–
	60,078	49,946	**–**	–
Current liabilities				
Floating rate bank loans, secured	**5,730**	5,003	**–**	–
Fixed rate bank loans:				
– secured	**28,200**	28,200	**25,000**	25,000
– unsecured	**15,000**	–	**–**	–
	48,930	33,203	**25,000**	25,000
Notes payable	**–**	50,981	**–**	43,885
	48,930	84,184	**25,000**	68,885
	109,008	134,130	**25,000**	68,885

17 LOANS AND BORROWINGS (CONTINUED)

The bank loans of the Company and certain subsidiaries amounting $94.0 million (2020 – $83.1 million) are secured by legal mortgages over property, plant and equipment and investment properties of the Group as disclosed in Notes 4 and 7, respectively.

At the balance sheet date, a bank loan of $2.8 million was reclassified to liabilities associated with the assets held-for-sale (Note 14). The loan is secured by a legal mortgage over the property, bears interest at 1.00% above the bank's cost of funds and matures in 2022.

17.1 Notes payable

Notes payables at 30 April 2020 comprised (i) Series 003 $66 million notes issued by the Company which bore interest at 7.50% interest per annum amounting to $43.9 million (2020 – $43.9 million) have been fully redeemed on 5 October 2020 and the notes were subsequently cancelled in accordance with the terms and conditions of the Notes; and (ii) other Note of $7.1 million due in July 2020 which bore interest at 3.20% per annum (2020 – $7.1 million due in July 2020 which bore interest at 3.20% per annum) and was redeemed in July 2020.

17.2 Terms and debt repayment schedule

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

The Group	Nominal interest rate	Financial year of maturity	Fair value $'000	Carrying amount $'000
30 April 2021				
Floating rate bank loans	1.50% above 1-3 months cost of funds	2022	**3,680**	**3,680**
	Above 5 years Loan Prime Rate ("LPR")	2035	**38,708**	**38,708**
			42,388	**42,388**
Fixed rate bank loans	2.00% – 2.66%	2022 – 2025	**66,620**	**66,620**
			109,008	**109,008**
30 April 2020				
Floating rate bank loans	1.75% above 1-month swap offer rate	2021	692	692
	1.00% – 1.55% above bank's 1-3 months cost of funds	2021 – 2022	6,137	6,137
	0.60% above LPR	2033	21,500	21,500
			28,329	28,329
Fixed rate bank loans	2.66% – 3.62%	2021 – 2025	54,820	54,820
Notes payable	3.20% – 7.50%	2021	50,981	50,981
			134,130	134,130

17 LOANS AND BORROWINGS (CONTINUED)

17.2 Terms and debt repayment schedule (Continued)

The Company	Nominal interest rate	Financial year of maturity	Fair value $'000	Carrying amount $'000
30 April 2021				
Fixed rate bank loans (secured)	2.22% – 2.36%	2022	**25,000**	**25,000**
			25,000	**25,000**
30 April 2020				
Fixed rate bank loans (secured)	3.00% – 3.63%	2021	25,000	25,000
Notes payable	7.5%	2021	43,885	43,885
			68,885	68,885

Of the Group's and Company's bank loans, $43.7 million (2020 – $28.1 million) and $25 million (2020 – $25 million) are callable on demand by financial institutions and have been presented as current liabilities in the Group and Company's statements of financial position, respectively.

At the balance sheet date, term loan amounting to $2.8 million relating to the leasehold property located at No. 47 Changi South Avenue 2, Singapore 486148 was reclassified to "liability associated with assets held-for-sale" (Note 14).

18 LEASE LIABILITIES

The Group	30 April 2021 $'000	30 April 2020 $'000
Undiscounted lease payments due:		
– No later than one year	**22,692**	23,666
– Later than one year and not later than five years	**64,096**	65,380
– Later than five years	**58,090**	79,308
	144,878	168,354
Less: Future interest costs	**(26,858)**	(34,061)
	118,020	134,293
Presented as:		
– Non-current	**100,459**	116,479
– Current	**17,561**	17,814
	118,020	134,293

The Group's lease liabilities are secured by the lessors' title to the leased assets.

Total cashflows for all leases in the current financial year amounted to $18.7 million (2020 – $16.9 million). Information about the Group's leasing activities are further disclosed in Note 30. Interest expense on lease liabilities of $5.9 million (2020 – $6.4 million) is recognised within "finance costs" in the consolidated statement of comprehensive income.

At the balance sheet date, lease liabilities of $2.8 million relating to the right-of-use assets for No. 47 Changi South Avenue 2, Singapore 486148 was reclassified to "liability associated with assets held-for-sale" (Note 14).

NOTES TO THE FINANCIAL STATEMENTS

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19 TRADE AND OTHER PAYABLES

	Note	The Group 30 April 2021 $'000	The Group 30 April 2020 $'000	The Company 30 April 2021 $'000	The Company 30 April 2020 $'000
Non-current liabilities					
Deferred consideration payable	(a)	**2,000**	5,000	**2,000**	5,000
Deposits		**–**	2,045	**–**	–
Loans from subsidiaries	(b)	**–**	–	**71,508**	54,327
Loan from related party	(c)	**20,205**	21,452	**–**	–
Non-trade amounts due to subsidiaries	(d)	**–**	–	**12,658**	8,810
Other payables		**–**	–	**–**	3
Financial liabilities at amortised cost		**22,205**	28,497	**86,166**	68,140
Long-term employee benefits	(e)	**1,069**	1,002	**712**	634
Total non-current liabilities		**23,274**	29,499	**86,878**	68,774
Current liabilities					
Trade payables		**12,170**	13,822	**475**	–
Trade accruals		**4,537**	2,951	**–**	–
Accrued interest expense		**126**	305	**67**	116
Accrued operating expenses		**6,250**	5,492	**572**	563
Deferred consideration payable	(a)	**7,003**	7,003	**3,000**	3,000
Refundable deposits		**4,040**	4,018	**–**	–
Loans from subsidiaries	(b)	**–**	–	**8,680**	9,998
Loans from non-controlling interests	(f)	**12,396**	20,768	**–**	–
Loan from related parties	(g)	**250**	3,582	**250**	250
Non-trade amounts due to:					
– an associate	(h)	**26**	4	**26**	4
– related parties	(h)	**4,989**	3,073	**–**	–
– non-controlling interests	(h)	**964**	1,162	**–**	–
Other payables		**1,810**	2,877	**234**	715
Financial liabilities at amortised cost		**54,561**	65,057	**13,304**	14,646
Contract liabilities		**994**	1,357	**–**	48
GST/VAT payable		**3,348**	2,155	**30**	22
Withholding tax payable		**978**	952	**–**	–
Total current liabilities		**59,881**	69,521	**13,334**	14,716
Total trade and other payables		**83,155**	99,020	**100,212**	83,490
Represented by:					
Financial liabilities at amortised cost		**76,766**	93,554	**99,470**	82,786
Non-financial liabilities		**6,389**	5,466	**742**	704
Total trade and other payables		**83,155**	99,020	**100,212**	83,490

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FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

19 TRADE AND OTHER PAYABLES (CONTINUED)

(a) As at 30 April 2021, the deferred consideration payables arose from the Group's FY2020 acquisitions of the remaining 49% equity interests in (i) LTHS amounting to $5 million (2020 – $8 million), of which $2 million (2020 – $5 million) was classified as "non-current", and $3 million (2020 – $3 million) was classified as "current" (refer to Note 8(E)); and (ii) Shentoncil amounting to $4 million (2020 – $4 million), classified as "current" (refer to Note 8(F)), respectively.

(b) Loans from subsidiaries

As at 30 April 2021, the loans from subsidiaries are unsecured and summarised as follows,

The Company	2021 $'000	2020 $'000
Loans from subsidiaries:		
Interest-free loans	**524**	714
Interest-bearing loans	**79,664**	63,611
	80,188	64,325
Presented as:		
Non-current	**71,508**	54,327
Current	**8,680**	9,998
	80,188	64,325

Interest-free loans

The loans of $0.5 million (2020 – $0.7 million) have no fixed terms of repayment and will not be repaid within the next twelve months from the reporting date.

Interest-bearing loans

The loans comprise,

(i) Loans of $70.6 million (2020 – $51.8 million) bearing fixed interest at 2.00% to 6.00% (2020 – 3.20% to 6.00%), of which $65.6 million (2020 – $44.8 million) have no fixed terms of repayment and will not be repaid within the next twelve months from the reporting date, and the remaining loan of $5.0 million (2020 – $7.0 million) is repayable on demand;

(ii) Loans of $5.4 million (2020 – $8.8 million) bearing interest at 1.00% (2020 – 1.00%) above market swap rate determined at the beginning of each month on the net payables have no fixed terms of repayment and will not be repaid within the next twelve months from the reporting date; and

(iii) Loans of $3.7 million (2020 – $3.0 million) bear interest at 1.50% (2020 – 1.50% to 1.75%) over bank's cost of funds, which are repayable on demand.

19 TRADE AND OTHER PAYABLES (CONTINUED)

(c) As at 30 April 2021, the non-current loan from a related party of $20.2 million (2020 – $21.5 million) was unsecured and bore interest at 6.00% per annum and is repayable by June 2029.

(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) Long-term employee benefits are payable to certain directors or employees upon their retirement.

(f) As at 30 April 2021, the loans from non-controlling interests of $12.4 million (2020 – $20.5 million) are unsecured, interest-free and expected to be repaid within the next twelve months. Pursuant to a restructuring agreement dated 1 January 2021 entered with an associate and the Group, the loan from a non-controlling interest, who is an affiliate of the related party, of $7.6 million was novated as part of the related party's proportionate share of the associate's shareholders' loans and related interest receivables (refer to note 12(b)(i)).

As at 30 April 2020, loan of $0.3 million bore interest at 12.00% per annum and was set-off as a capital reduction from the non-controlling interest in the current financial year.

(g) As at 30 April 2021, the loan from a related party of $0.3 million (2020 – $0.3 million) is unsecured, repayable on demand and interest-free.

As at 30 April 2020, the loan from a related party of $3.3 million was unsecured, repayable on demand and bear interest at 6.00% per annum. Pursuant to a restructuring agreement dated 1 January 2021 entered with an associate and the Group, the loan was novated as part of the related party’s proportionate share of the associate’s shareholders’ loans and related interest receivables (refer to Note 12(b)(i)).

(h) Non-trade amounts due to related parties, an associate and non-controlling interest are unsecured, interest-free and repayable on demand.

In the current financial year, an amount of $0.3 million due to a non-controlling interest was offset against a loan to the non-controlling interest of $5.1 million as a capital reduction (refer to Note 12(e)).

Pursuant to a restructuring agreement dated 1 January 2021 entered with an associate and the Group, an amount of $1.4 million due to a related party was novated as part of the related party’s proportionate share of the associate’s shareholders’ loans and related interest receivables (refer to Note 12(b)(i)).

The carrying amounts of the Group’s and the Company’s non-current trade and other payables approximate their respective fair values since these payables are interest-bearing and the interest rates approximate the market interest rates.

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20 PROVISIONS

The Group	30 April 2021 $'000	30 April 2020 $'000
Site restoration		
At beginning of year	**1,853**	1,857
Provision made during the year	**52**	–
Unwinding of discount for site restoration	**50**	48
Provision utilised	**–**	(52)
Provision reclassified to "liabilities associated with assets held-for-sale" (Note 14)	**(121)**	–
At end of the year	**1,834**	1,853
Provisions due:		
– within 1 year	**141**	141
– after 5 years	**1,693**	1,712
	1,834	1,853

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.

21 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	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Primary geographical markets										
Singapore	**129,002**	115,480	**33**	1	**–**	–	**–**	–	**129,035**	115,481
Malaysia	**14,281**	14,428	**–**	–	**–**	–	**–**	–	**14,281**	14,428
China	**2,406**	1,845	**–**	635	**6,068**	5,804	**–**	–	**8,474**	8,284
Thailand	**10,849**	6,954	**–**	–	**–**	–	**–**	–	**10,849**	6,954
Hong Kong	**214**	1,354	**–**	–	**–**	–	**–**	–	**214**	1,354
	156,752	140,061	**33**	636	**6,068**	5,804	**–**	–	**162,853**	146,501
Inter-segment revenue	**301**	354	**–**	–	**–**	–	**(301)**	(354)	**–**	–
	157,053	140,415	**33**	636	**6,068**	5,804	**(301)**	(354)	**162,853**	146,501
Major products and service lines										
Freight services	**77,375**	64,039	**–**	–	**–**	–	**–**	–	**77,375**	64,039
Logistics services	**79,377**	76,022	**–**	–	**–**	–	**–**	–	**79,377**	76,022
Management services	**–**	–	**–**	–	**–**	85	**–**	–	**–**	85
Fee income	**–**	–	**–**	635	**–**	–	**–**	–	**–**	635
Dividend income	**–**	–	**33**	1	**–**	–	**–**	–	**33**	1
Property management services	**–**	–	**–**	–	**429**	450	**–**	–	**429**	450
Rental income	**–**	–	**–**	–	**5,639**	5,269	**–**	–	**5,639**	5,269
	156,752	140,061	**33**	636	**6,068**	5,804	**–**	–	**162,853**	146,501
Inter-segment revenue	**301**	354	**–**	–	**–**	–	**(301)**	(354)	**–**	–
	157,053	140,415	**33**	636	**6,068**	5,804	**(301)**	(354)	**162,853**	146,501

21 REVENUE (CONTINUED)

	Freight and logistics		Financial services		Real estate		Eliminations		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Timing of revenue recognition										
Products and services transferred at a point in time	**–**	–	**–**	635	**–**	–	**–**	–	**–**	635
Products and services transferred over time	**156,752**	140,061	**–**	–	**429**	535	**–**	–	**157,181**	140,596
Revenue from contracts with customers	**156,752**	140,061	**–**	635	**429**	535	**–**	–	**157,181**	141,231
Others*	**–**	–	**33**	1	**5,639**	5,269	**–**	–	**5,672**	5,270
	156,752	140,061	**33**	636	**6,068**	5,804	**–**	–	**162,853**	146,501
Inter-segment revenue	**301**	354	**–**	–	**–**	–	**(301)**	(354)	**–**	–
	157,053	140,415	**33**	636	**6,068**	5,804	**(301)**	(354)	**162,853**	146,501

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

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.

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22 OTHER INCOME

The Group	2021 $'000	2020 $'000
Fair value gain on securities designated at fair value through profit or loss	**3,726**	–
Foreign exchange gain, net	**–**	2,842
Gain on disposal of other investments	**17**	3,330
Gain on disposal of property, plant and equipment	**701**	65
Gain on disposal of right-to-use assets	**12**	–
Gain on rights transferred in a sale and leaseback transaction	**–**	41,313
Gain on disposal of subsidiaries	**5**	16,750
Gain on waiver of amount due to non-controlling shareholder	**137**	–
Government grants (Note A)	**5,191**	755
Others	**460**	1,134
	10,249	66,189

Note A – Government grants

Included in government grant income are mainly comprised (a) an amount of JSS amounting to $2.9 million (2020 – ($0.8 million) received from the Singapore Government to help employers to retain their local employees during the period of economic uncertainty as a result of COVID-19; (b) other grants of $0.7 million; and (c) property tax rebates and rental reliefs of $1.6 million, respectively. The JSS grant income is allocated over the period of uncertainty to match the related staff costs for which the grant is intended to compensate.

23 FINANCE INCOME AND COSTS

The Group	2021 $'000	2020 $'000
Interest income:		
– other receivables	**90**	163
– bank deposits	**366**	650
– loans to an associate	**1,659**	1,931
Finance income	**2,115**	2,744
Interest expense:		
– term loans	**(3,354)**	(3,818)
– notes payable	**(1,045)**	(3,350)
– loans from non-controlling interests	**(27)**	(36)
– loans from related companies	**(1,372)**	(1,350)
– loans from a third party	**–**	(2)
– loans from an associate	**(22)**	–
– lease liabilities (Note 18)	**(5,945)**	(6,397)
Total interest expense on financial liabilities measured at amortised cost	**(11,765)**	(14,953)
– unwinding of interest on site restoration provision	**(50)**	(48)
Finance costs	**(11,815)**	(15,001)
Net finance costs	**(9,700)**	(12,257)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

23 FINANCE INCOME AND COSTS (CONTINUED)

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:

The Group	2021 $'000	2020 $'000
Total interest income on financial assets at amortised cost	**2,115**	2,744
Total interest expense on financial liabilities measured at amortised cost	**(11,765)**	(14,804)

24 PROFIT BEFORE TAXATION

The following items have been included in arriving at profit for the year:

The Group	Note	2021 $'000	2020 $'000
Audit fees paid to:			
– auditors of the Company		**325**	298
– predecessor auditors of the Company		**–**	106
– other auditors		**83**	65
Non-audit fees paid to:			
– auditors of the Company		**–**	1
– predecessor auditors of the Company		**–**	22
– other auditors		**27**	38
Depreciation of property, plant and equipment	4	**7,978**	8,495
Depreciation of right-of-use assets	5	**15,188**	12,588
Fair value (gain)/loss on financial instruments at FVTPL		**(3,726)**	408
Fair value loss on investment properties	7	**965**	7,942
Foreign exchange loss/(gain), net		**2,908**	(2,842)
Impairment loss recognised/(reversal of impairment loss), net:			
– investment in associates	9	**2,619**	12,108
– trade and other receivables	34	**(105)**	17,456
Property, plant and equipment written off		**2**	36
Operating lease expenses	5	**11,156**	12,637
Employee benefits:			
– Staff costs, including salaries, bonuses and other costs*		**24,025**	25,571
– Contributions to defined contribution plans*		**2,970**	2,750
		26,995	28,321

* Included in the above are key management personnel compensation and excluding directors' fees paid to non-executive directors, which is disclosed in Note 33.

25 TAXATION

The Group	2021 $'000	2020 $'000
Current tax expense		
– Current year	**2,648**	1,605
– Overprovision in respect of prior years	**(1,417)**	(1,041)
	1,231	564
Deferred tax expense		
– Origination and reversal of temporary differences	**135**	(415)
– Underprovision/(overprovision) in respect of prior years	**1,225**	(2,730)
	1,360	(3,145)
	2,591	(2,581)

Singapore income tax is calculated at 17% (2020 – 17%) of the estimated assessable profit or loss for the year. Taxation for other jurisdictions is calculated at the prevailing corporate tax rates in the relevant jurisdictions.

The applicable tax rate used in the reconciliation between the Group's tax expense and accounting profit is the Singapore statutory tax rate based on the jurisdiction where the Company and most group entities are established. The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on the accounting profit as a result of the following:

The Group	2021 $'000	2020 $'000
Profit before taxation	**5,873**	13,004
Impairment loss on investment in associates	**2,619**	12,108
Share of profits of associates, net of tax	**(777)**	4,716
Profit before share of profits of associates and impairment loss on investments in associates	**7,715**	29,828
Tax calculated using Singapore tax rate of 17% (2020 – 17%)	**1,312**	5,071
Effect of tax rates in foreign jurisdictions	**69**	(1,177)
Non-deductible expenses	**2,697**	9,829
Tax exempt income	**(912)**	(12,422)
Deferred tax not recognised	**(336)**	(132)
Overprovision in respect of prior years	**(192)**	(3,771)
Others	**(47)**	21
	2,591	(2,581)

Non-deductible expenses comprise mainly foreign exchange loss on loans, impairment loss on investment in associates, fair value loss on investment properties (net) and depreciation expense on right-of-use assets.

Tax exempted income relates mainly to government grants, fair value gain on financial instruments at FVTPL, dividend income from associates, and gain on the sale and leaseback arrangement in FY2020.

26 DISCONTINUED OPERATIONS

In year 2020, the discontinued operations referred to Sabana Investment Partners Pte Ltd ("SIPPL") and its subsidiaries, Freight Links (Jiangsu) Co., Ltd and Jiangyin Huan Lian International Trade Co., Ltd.

The Group announced the completion of the disposal of its entire interest in SIPPL and its subsidiaries to an unrelated third party on 28 June 2019.

The Group	2020 $'000
Results of discontinued operation	
External revenue	1,156
Other income	19
External expenses	(816)
Results from operating activities	359
Finance income	6
Finance costs	(3)
Net finance income	3
Tax expense	(43)
Profit from discontinued operation, net of tax	319
Diluted and basic earnings per share (cents)	0.05

The Group	2020 $'000
Cash flows from/(used in) discontinued operation	
Net cash from operating activities	1,725
Net cash from investing activities	1,004
Net cash used in financing activities	(38)
Net cash flows for the year	2,691

In year 2020, the profit from discontinued operations of $0.3 million was attributable entirely to the owners of the Company. Of the profit from continuing operations of $15.6 million, an amount of $5.1 million was attributable to the owners of the Company.

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27 EARNINGS PER SHARE

The Group	2021	2020
Profit for the year attributable to owners of the Company ($'000)	**3,149**	5,466
Number of ordinary shares in issue at 1 May ('000)	**697,952**	697,952
Effect of own shares held ('000)	**(5,461)**	(5,461)
Number of ordinary shares in issue* at 30 April ('000)	**692,491**	692,491
Diluted earnings per share is based on:		
Net profit attributable to ordinary shareholders ($'000)	**3,149**	5,466

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.

28 OTHER COMPREHENSIVE INCOME AFTER TAX

		2020	
The Group	**Before tax $**	**Tax expense $**	**Net of tax $**
Tax effects relating to each component of other comprehensive expense			
Equity investments at FVOCI			
– net change in fair value	1,101	(91)	1,010

29 OPERATING SEGMENTS

The 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: financial leasing services and investment holdings.

- Real estate business: property development, construction services and property investment.

29 OPERATING SEGMENTS (CONTINUED)

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 operate 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, new leases, 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 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.

29 OPERATING SEGMENTS (CONTINUED)

The Group	Freight and Logistics 30 April 2021 $'000	Freight and Logistics 30 April 2020 $'000	Financial Services 30 April 2021 $'000	Financial Services 30 April 2020 $'000	Real Estate 30 April 2021 $'000	Real Estate 30 April 2020 $'000	Eliminations 30 April 2021 $'000	Eliminations 30 April 2020 $'000	Continuing Operations 30 April 2021 $'000	Continuing Operations 30 April 2020 $'000	Discontinued Operations 30 April 2021 $'000	Discontinued Operations 30 April 2020 $'000	Total Operations 30 April 2021 $'000	Total Operations 30 April 2020 $'000
Revenue														
External revenue	156,752	140,061	33	636	6,068	5,804	–	–	162,853	146,501	–	1,156	162,853	147,657
Inter-segment revenue	301	354	–	–	–	–	(301)	(354)	–	–	–	–	–	–
Total revenue	157,053	140,415	33	636	6,068	5,804	(301)	(354)	162,853	146,501	–	1,156	162,853	147,657
Results														
Segment results	15,634	45,692	1,096	5,925	3,163	(5,881)	–	–	19,893	45,736	–	359	19,893	46,095
Unallocated corporate costs														
– Other corporate costs									(2,478)	(3,651)	–	–	(2,478)	(3,651)
Results from operating activities									17,415	42,085	–	359	17,415	42,444
Finance income	4,919	6,224	4,862	8,592	2,175	3,136	(9,841)	(15,208)	2,115	2,744	–	6	2,115	2,750
Finance costs	(8,838)	(10,912)	(7,816)	(13,384)	(5,002)	(5,918)	9,841	15,213	(11,815)	(15,001)	–	(3)	(11,815)	(15,004)
Impairment loss on investments in associates									(2,619)	(12,108)	–	–	(2,619)	(12,108)
Share of results of associates, net of tax									777	(4,716)	–	–	777	(4,716)
Profit before income tax									5,873	13,004	–	362	5,873	13,366
Income tax expense	(1,729)	(65)	(612)	2,007	(250)	639	–	–	(2,591)	2,581	–	(43)	(2,591)	2,538
Profit/(loss) for the year	9,986	40,939	(2,470)	3,140	86	(8,024)	–	5	3,282	15,585	–	319	3,282	15,904
Other segmental information														
Fair value gain on foreign currency forward contract	–	–	–	21	–	–	–	–	–	21	–	–	–	21
Fair value (loss)/gain on investment properties	–	–	–	–	(965)	(7,942)	–	–	(965)	(7,942)	–	–	(965)	(7,942)
Fair value gain/(loss) on securities designated at FVTPL	–	–	3,726	(408)	–	–	–	–	3,726	(408)	–	–	3,726	(408)
Gain on disposal of right-of-use assets	12	–	–	–	–	–	–	–	12	–	–	–	12	–
Gain on disposal of subsidiaries	–	–	–	16,750	5	–	–	–	5	16,750	–	–	5	16,750
Gain on disposal of other investments	–	–	17	3,330	–	–	–	–	17	3,330	–	–	17	3,330
Gain on waiver of amount due to non-controlling interest	137	–	–	–	–	–	–	–	137	–	–	–	137	–
Government grants	5,686	692	305	63	1	–	(801)	–	5,191	755	–	–	5,191	755
Reversal of impairment loss/(impairment loss) on trade and other receivables (including RCCPS in an associate), net	141	(986)	(71)	(16,480)	35	10	–	–	105	(17,456)	–	–	105	(17,456)
Gain on rights transferred under a sale and leaseback arrangement	–	41,313	–	–	–	–	–	–	–	41,313	–	–	–	41,313
Gain/(loss) on disposal of property, plant and equipment	681	68	(1)	–	21	(3)	–	–	701	65	–	28	701	93

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FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

29 OPERATING SEGMENTS (CONTINUED)

The Group	Freight and Logistics		Financial Services		Real Estate		Eliminations		Continuing Operations		Discontinued Operations		Total Operations	
	30 April 2021 $'000	30 April 2020 $'000	30 April 2021 $'000	30 April 2020 $'000	30 April 2021 $'000	30 April 2020 $'000	30 April 2021 $'000	30 April 2020 $'000	30 April 2021 $'000	30 April 2020 $'000	30 April 2021 $'000	30 April 2020 $'000	30 April 2021 $'000	30 April 2020 $'000
Assets and liabilities														
Segment assets	**295,071**	295,012	**45,115**	60,536	**160,168**	190,471	**–**	–	**500,354**	546,019	**–**	2,248	**500,354**	548,267
Tax recoverable (Note 12)									**418**	319	**–**	–	**418**	319
Associates (Note 9)									**61,749**	64,409	**–**	–	**61,749**	64,409
Deferred tax assets (Note 11)									**7,111**	6,884	**–**	40	**7,111**	6,924
Cash and cash equivalents (Note 13)									**2,548**	642	**–**	–	**2,548**	642
Other unallocated assets									**858**	609	**–**	–	**858**	609
Total assets									**573,038**	618,882	**–**	2,288	**573,038**	621,170
Segment liabilities	**196,518**	196,732	**32,243**	32,123	**81,637**	79,109	**–**	–	**310,398**	307,964	**–**	3	**310,398**	307,967
Notes payable (Note 17)									**–**	50,981	**–**	–	**–**	50,981
Deferred tax liabilities (Note 11)									**10,901**	9,377	**–**	–	**10,901**	9,377
Current tax payable									**7,160**	7,378	**–**	78	**7,160**	7,456
Other unallocated liabilities									**7,366**	10,348	**–**	–	**7,366**	10,348
Total liabilities									**335,825**	386,048	**–**	81	**335,825**	386,129
Capital expenditure	**5,349**	76,840	**19**	7	**95**	4,395	**–**	–	**5,463**	81,242	**–**	–	**5,463**	81,242
Depreciation of property, plant and equipment and right-of-use assets	**23,111**	21,002	**41**	65	**14**	16	**–**	–	**23,166**	21,083	**–**	–	**23,166**	21,083

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

29 OPERATING SEGMENTS (CONTINUED)

Geographical segments

	Revenue		Non-current assets*		Capital expenditure	
	2021	2020	2021	2020	2021	2020
The Group	$'000	$'000	$'000	$'000	$'000	$'000
Continuing operations						
Singapore	**67,143**	59,515	**231,707**	262,913	**5,229**	76,430
Malaysia	**14,421**	15,322	**53,189**	57,458	**127**	291
China	**13,416**	18,081	**96,284**	92,232	**95**	4,395
Rest of Asia	**41,018**	31,947	**2,029**	2,275	**12**	126
United States of America	**6,236**	5,193	**–**	–	**–**	–
Oceania	**4,911**	3,711	**–**	–	**–**	–
Europe	**8,479**	7,590	**–**	–	**–**	–
Middle East	**4,835**	3,046	**–**	–	**–**	–
Others	**2,394**	2,096	**–**	–	**–**	–
	162,853	146,501	**383,209**	414,878	**5,463**	81,242
Discontinued operations						
Singapore	**–**	1,089	**–**	–	**–**	–
China	**–**	67	**–**	28	**–**	–
	162,853	147,657	**383,209**	414,906	**5,463**	81,242

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

Major customers

In FY2021 and FY2020, no major customer accounted for more than 10% of the consolidated revenue.

30 COMMITMENTS

Capital commitments

	2021	2020
The Group	$'000	$'000
Expenditure contracted for property, plant and equipment	**1,158**	3,143

Capital commitments relate to outstanding contracts in respect of the purchase consideration payable for the 13 (2020 – 15) units of trailers, 14 (2020 – 23) units of prime movers.

30 COMMITMENTS (CONTINUED)

Operating lease commitments

Where the Group is a lessee

The Group leases a number of leasehold properties from the Jurong Town Corporation, a warehouse premise and motor vehicles, trucks and prime movers 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. There are no externally imposed covenants in these properties and assets lease arrangements.

The Group had adopted SFRS(I) 16 on 1 May 2019. These operating lease commitments had been recognised as right-of-use assets and lease liabilities on the statement of financial position as at 1 May 2019, except for short-term and low value assets. Certain of the lease arrangements provide for optional extension periods, for which the related lease payments have not been included in the lease liabilities because the Group is not reasonably certain to exercise these lease extension options. The resultant lease payments that have not been included are not material. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations.

Where the Group is the lessor

The Group leases out its investment properties and motor vehicles, trucks and prime movers. The leases run for a period of 1 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 2021, the future minimum lease receivable under non-cancellable operating leases contracted at the reporting date are as follows:

The Group	2021 $'000	2020 $'000
Undiscounted lease payment to be received		
– year 1	**13,040**	11,622
– year 2	**9,106**	7,670
– year 3	**8,219**	4,730
– year 4	**6,870**	4,031
– year 5	**5,017**	4,042
– year 6 and onwards	**2,788**	7,463
	45,040	39,558

31 CONTINGENT LIABILITIES (UNSECURED)

Intra-group financial guarantees comprise corporate guarantees amounting to $40.3 million (2020 – $38.9 million) 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 under SFRS(I) 9.

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

The Company	**2021 $'000**	**2020 $'000**
Not later than one year	**16,880**	8,252
Later than one year but not later than five years	**23,420**	30,689
	40,300	38,941

As at 30 April 2021, the Company has extended $43.1 million (2020: $40.6 million) and RMB30.0 million equivalent to $6.2 million (2020: RMB30.0 million equivalent to $6.0 million) of corporate guarantee to its associate Ececil Pte. Ltd. and Vibrant Pucheng Logistics (Chongqing) Co., Ltd respectively.

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 FY2021, the Company has undertaken to provide financial support to certain of its subsidiaries and an associate for the next twelve months. The net current liabilities or net liabilities of these entities as at 30 April 2021 amounted to $300.4 million and $30.5 million (2020 – $318.0 million and $54.4 million), respectively.

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32 CONTINGENCIES

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

(a) 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 Desa Tiasa Sdn. Bhd. ("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 have 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 involved DTSB, and that DTSB has presented the Winding-up Petition in bad faith in an attempt to avoid its obligations.

On 3 June 2019, DTSB filed an application to amend the Winding-Up Petition to allege an additional basis to wind-up STSB, that is, that STSB was also used for purposes of siphoning of monies and illegal money laundering activities ("Amendment Application"). The High Court allowed the Amendment Application on 26 February 2020.

Dissatisfied with the decision, SEPL filed an appeal to the Court of Appeal (Civil Appeal No.: W-02(IM)(NCC)-554- 03/2020) against the High Court's decision ("Amendment Appeal"). The Amendment Appeal is fixed for hearing before the Court of Appeal on 5 October 2021.

On 25 September 2020, SEPL filed an application to stay the Winding-Up Petition ("Stay Application") pending the outcome of, among other things, the Amendment Appeal.

On 21 July 2021, the hearing for the Winding-Up Petition and the Stay Application in the High Court has proceeded and the Judicial Commissioner allowed the Stay Application to the extent of a stay pending the disposal of the Amendment Appeal and dismissed SEPL's application for a stay until the final determination of the writ action. The next hearing was fixed by the High Court for the Petition on 14 October 2021.

(b) Kuala Lumpur High Court Civil Suit No.: WA-22NCC-251-05/2020 ("Writ Action")

On 16 May 2019, SEPL instituted the Writ Action against DTSB and Tan Sri Lim Cheng Pow (who had at all times represented himself as the person in control of DTSB), for the recovery of the following amounts pursuant to the joint venture entered between SEPL and DTSB incorporated in August 2013:

(a) RM16,989,291.00 being annual returns guaranteed by DTSB pursuant to a Joint Venture cum Shareholders' Agreement dated 2 August 2013;

(b) RM3,500,000.00 being an advance made by SEPL on or around 18 December 2013 ("1st Advance") which DTSB agreed to repay;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

32 **CONTINGENCIES** (CONTINUED)

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

(b) Kuala Lumpur High Court Civil Suit No.: WA-22NCC-251-05/2020 ("Writ Action") (Continued)

(c) RM1,575,000.00 being the annual return guaranteed by DTSB pursuant to the terms of the 1st Advance;

(d) SGD20,000,000.00 being an advance made by SEPL to STSB on or around 27 May 2014 ("2nd Advance"), which DTSB agreed to repay. Tan Sri Lim Cheng Pow had guaranteed the repayment of this sum.

(e) SGD10,000,000.00 being the facility fees payable by DTSB pursuant to the terms of the 2nd Advance. Tan Sri Lim Cheng Pow also guaranteed the repayment of this sum.

(f) Default Interest of 10% per annum on the facilities payable by Tan Sri Lim Cheng Pow pursuant to the terms of a Letter of Undertaking executed by Tan Sri Lim Cheng Pow.

(g) DTSB has counterclaimed against SEPL for, among other things, the refund of RM525,000 which was paid by DTSB to SEPL as guaranteed annual return under the terms of the 1st Advance.

On 14 July 2021 and 15 July 2021, the trial has proceeded and the examination of the witnesses from SEPL have been completed as scheduled. The next trial date for the Writ Action is fixed for trial from 22 November 2021 to 23 November 2021 before the High Court for the examination of the Defendants (being DTSB and Tan Sri Lim Cheng Pow) witnesses.

(ii) Blackgold International Holdings Pty Ltd & its subsidiaries ("Blackgold Group")

On 30 October 2020, the Company announced that pursuant to the findings made by the special auditors of the Company of various irregularities within the accounts of certain subsidiaries of Blackgold Group and after consultation with the legal advisors in Singapore and in the PRC, management has lodged police reports in Singapore and in the PRC and commenced civil suits again the relevant personnel of the Blackgold Group in the High Court of Singapore.

33 SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following are transactions with related parties made at terms agreed between the parties:

The Group	2021 $'000	2020 $'000
Rental income charged to related party	**40**	49
Interest expenses charged by related parties	**(1,390)**	(1,492)

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:

The Group	2021 $'000	2020 $'000
Directors' fee	**192**	191
Short-term employee benefits	**1,826**	2,696
Defined contribution plans	**107**	122
	1,933	2,818

34 FINANCIAL RISK MANAGEMENT

The Group's and the Company's financial risk management policies set out the overall business strategies and risk management philosophy. The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk. The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's and the Company's financial performance. The Group uses financial instruments such as interest rate swaps to hedge certain risk exposures from time to time.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

The carrying amounts of financial assets and financial liabilities at the reporting date by categories are as follows:

The Group	Note	Financial assets at amortised cost $'000	Mandatorily at FVTPL $'000	Designated at FVTPL $'000	Other financial liabilities at amortised cost $'000	Total $'000
30 April 2021						
Financial assets measured at fair value						
Equity investments	10	**–**	**26,244**	**–**	**–**	**26,244**
Financial assets not measured at fair value						
Trade and other receivables	12	**84,316**	**–**	**–**	**–**	**84,316**
Financial liabilities not measured at fair value						
Loans and borrowings	17	**–**	**–**	**–**	**109,008**	**109,008**
Lease liabilities	18	**–**	**–**	**–**	**118,020**	**118,020**
Trade and other payables	19	**–**	**–**	**–**	**76,766**	**76,766**
		–	**–**	**–**	**303,794**	**303,794**
30 April 2020						
Financial assets measured at fair value						
Equity investments	10	–	30,553	–	–	30,553
Debt investments	10	–	–	11,606	–	11,606
		–	30,553	11,606	–	42,159
Financial assets not measured at fair value						
Trade and other receivables	12	89,928	–	–	–	89,928
Financial liabilities not measured at fair value						
Loans and borrowings	17	–	–	–	134,130	134,130
Lease liabilities	18	–	–	–	134,293	134,293
Trade and other payables	19	–	–	–	93,554	93,554
		–	–	–	361,977	361,977

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34 FINANCIAL RISK MANAGEMENT (CONTINUED)

The Company	Note	Financial assets at amortised cost $'000	FVOCI – equity instruments $'000	Mandatorily at FVTPL $'000	Other financial liabilities at amortised cost $'000	Total $'000
30 April 2021						
Financial assets measured at fair value						
Equity investments	10	**–**	**–**	**23,327**	**–**	**23,327**
Financial assets not measured at fair value						
Trade and other receivables	12	**246,299**	**–**	**–**	**–**	**246,299**
Financial liabilities not measured at fair value						
Loans and borrowings	17	**–**	**–**	**–**	**25,000**	**25,000**
Trade and other payables	19	**–**	**–**	**–**	**99,470**	**99,470**
		–	**–**	**–**	**124,470**	**124,470**
30 April 2020						
Financial assets measured at fair value						
Equity investments	10	–	–	28,303	–	28,303
Financial assets not measured at fair value						
Trade and other receivables	12	275,648	–	–	–	275,648
Financial liabilities not measured at fair value						
Loans and borrowings	17	–	–	–	68,885	68,885
Trade and other payables	19	–	–	–	82,786	82,786
		–	–	–	151,671	151,671

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group or the Company to incur a financial loss. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

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 the statement of comprehensive income were as follows:

The Group	2021 $'000	2020 $'000
At 1 May	**48,400**	31,193
Impairment loss recognised	**477**	18,037
Reversal of impairment loss	**(582)**	(581)
Impairment loss, net	**(105)**	17,456
Impairment loss utilised	**(25)**	(192)
Translation differences	**807**	(57)
At 30 April	**49,077**	48,400

The cumulative amount of impairment loss as at each balance sheet date included the impairment loss of RCCPS of $10.3 million (2020 – $10.7 million) (See Note 9).

Please refer to Table A and Table B for the breakdown of impairment losses for other receivables and trade receivables.

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:

	The Group		The Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Freight and logistics	**58,488**	32,839	**60,781**	64,931
Financial services	**13,724**	14,872	**185,501**	203,706
Real estate	**10,793**	40,938	**17**	7,011
	83,005	88,649	**246,299**	275,648

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

Expected credit loss assessment for receivables with credit ratings (or equivalent) as at 30 April 2021

The Group allocates exposure from 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.

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

Table A

The Group	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
At 30 April 2021						
AA	**0.02**	**29,796**	**–**	**29,796**	**(5)**	**29,791**
BB	**0.48**	**6,514**	**–**	**6,514**	**(31)**	**6,483**
CCC	**19.56**	**15,746**	**–**	**15,746**	**(3,080)**	**12,666**
D	**94.69**	**4,928**	**43,094**	**48,022**	**(45,472)**	**2,550**
Total gross carrying amount		**56,984**	**43,094**	**100,078**	**(48,588)**	**51,490**
Loss allowance		**(5,494)**	**(43,094)**			
		51,490	**–**			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

Expected credit loss assessment for receivables with credit ratings (or equivalent) as at 30 April 2021 (Continued)

The Group	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
At 30 April 2020						
AA	0.01	33,891	–	33,891	(3)	33,888
BB	0.53	14,277	–	14,277	(76)	14,201
CCC	25.28	18,446	–	18,446	(4,664)	13,782
D	94.62	3,200	42,244	45,444	(43,000)	2,444
Total gross carrying amount		69,814	42,244	112,058	(47,743)	64,315
Loss allowance		(5,499)	(42,244)			
		64,315	–			

Table A

The Company	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
At 30 April 2021						
AA	**0.00**	**147**	**–**	**147**	**–**	**147**
BB	**0.53**	**241,922**	**–**	**241,922**	**(1,275)**	**240,647**
CCC	**32.33**	**8,135**	**–**	**8,135**	**(2,630)**	**5,505**
D	**100.00**	**–**	**31,815**	**31,815**	**(31,815)**	**–**
Total gross carrying amount		**250,204**	**31,815**	**282,019**	**(35,720)**	**246,299**
Loss allowance		**(3,905)**	**(31,815)**			
		246,299	**–**			

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FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

Expected credit loss assessment for receivables with credit ratings (or equivalent) as at 30 April 2021 (Continued)

Table A

The Company	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
At 30 April 2020						
AA	0.00	90	–	90	–	90
BB	0.52	150,091	–	150,091	(787)	149,304
CCC	18.25	154,440	–	154,440	(28,186)	126,254
D	100.00	–	32,439	32,439	(32,439)	–
Total gross carrying amount		304,621	32,439	337,060	(61,412)	275,648
Loss allowance		(28,973)	(32,439)			
		275,648	–			

Expected credit loss assessment for trade receivables

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

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

Expected credit loss assessment for receivables with credit ratings (or equivalent) as at 30 April 2021 (Continued)

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

Exposure to credit risk

The tables below detail the credit quality of the Group's financial assets and contract assets, as well as maximum exposure to credit risk by credit risk rating grades:

Table B

The Group	**Weighted average loss rate %**	**Gross carrying amount $'000**	**Loss allowance $'000**	**Credit impaired**
At 30 April 2021				
Current (not past due)	**0.01**	**20,045**	**(3)**	**No**
1 – 30 days past due	**0.05**	**6,584**	**(3)**	**No**
31 – 60 days past due	**0.09**	**3,448**	**(3)**	**No**
61 – 90 days past due	**0.60**	**840**	**(5)**	**No**
91 – 180 days past due	**1.27**	**945**	**(12)**	**No**
181 – 270 days past due	**12.71**	**118**	**(15)**	**No**
More than 270 days past due	**99.56**	**449**	**(448)**	**Yes**
		32,429	**(489)**	

The Group	**Weighted average loss rate %**	**Gross carrying amount $'000**	**Loss allowance $'000**	**Credit impaired**
At 30 April 2020				
No credit terms	0.00	1,388	–	No
Current (not past due)	0.03	11,495	(3)	No
1 – 30 days past due	0.25	6,929	(17)	No
31 – 60 days past due	0.54	2,795	(15)	No
61 – 90 days past due	0.69	1,304	(9)	No
91 – 180 days past due	5.95	924	(55)	No
181 – 270 days past due	37.65	85	(32)	No
More than 270 days past due	96.51	545	(526)	Yes
		25,465	(657)	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

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

For loans to and non-trade amounts due from non-controlling interests of $13.1 million (2020 – $18.2 million), 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. Accordingly, impairment on the remaining 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, including interest receivable, loans to associates and non-trade amounts due from related parties and associates

For other receivables, impairment assessment on the loan extended to an associate and non-trade amounts due from related parties, third parties and associates of $47.8 million (2020 – $57.8 million) were 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).

During the previous financial year, management had recorded an impairment loss of $6.2 million on the remaining loan due from third parties as the amounts were considered to be credit impaired as at the balance sheet date. Accordingly, impairment on the remaining balances had been measured on the 12-month expected credit loss basis and the amount of the allowance on these balances, after considering forward-looking information.

Guarantees

The Group's policy is to provide financial guarantees to all its subsidiaries' liabilities. At 30 April 2021, the Company has issued a guarantee to certain banks in respect of credit facilities granted to its subsidiaries (see Note 31).

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 $54.8 million and $2.5 million, respectively, at 30 April 2021 (2020 – $61.9 million and $0.6 million). 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

Fair value of collaterals

At 30 April 2021, 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 $21.0 million (2020 – $22.5 million). 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.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

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:

		The Group		The Company	
		2021	2020	2021	2020
	Note	$'000	$'000	$'000	$'000
Fixed rate instruments					
Debt investments at FVTPL	10	**–**	11,606	**–**	–
Restricted fixed deposits		**68**	69	**–**	–
Finance lease receivables	12	**11,686**	11,998	**–**	–
Loans to subsidiaries	12(a)(i)(iii)	**–**	–	**2,096**	21,662
Loan to an associate	12(b)(i)	**19,135**	31,139	**–**	–
Loans to non-controlling interests	12(e)	**1,134**	1,148	**–**	–
Loans to third parties	12(f)	**6,560**	6,400	**–**	–
Deposits with banks		**5,337**	12,795	**–**	–
Bank loans	17.2	**(66,620)**	(54,820)	**(25,000)**	(25,000)
Notes payable	17.2	**–**	(50,981)	**–**	(43,885)
Lease liabilities	18	**(118,020)**	(134,293)	**–**	–
Loan from subsidiaries	19(b)(i)	**–**	–	**(70,594)**	(51,845)
Loans from a related party	19(c)	**(20,205)**	(24,784)	**–**	–
Loans from non-controlling interests	19(f)	**–**	(300)	**–**	–
		(160,925)	(190,023)	**(93,498)**	(99,068)

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Interest rate risk (Continued)

Profile (Continued)

		The Group		The Company	
		2021	2020	2021	2020
	Note	$'000	$'000	$'000	$'000
Variable rate instruments					
Loans to subsidiaries	12(a)(ii)	**–**	–	**147,140**	151,422
Loan to an associate	12(b)(ii)	**5,074**	7,874	**–**	–
Bank loans	17.2	**(42,388)**	(28,329)	**–**	–
Loans from subsidiaries	19(b)(ii)(iii)	**–**	–	**(9,069)**	(11,767)
		(37,314)	(20,455)	**138,071**	139,655

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.

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Profit after tax				
Variable rate instruments	**(310)**	(170)	**1,146**	1,159

There is no impact on equity.

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies. 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:

The Group	USD $'000	RMB $'000	HKD $'000	RM $'000
30 April 2021				
Other investments	**23,327**	**–**	**431**	**7**
Trade and other receivables	**7,638**	**378**	**–**	**3,102**
Cash and cash equivalents	**11,484**	**31**	**263**	**555**
Trade and other payables	**(34,589)**	**–**	**–**	**(13)**
Net exposure	**7,860**	**409**	**694**	**3,651**
30 April 2020				
Other investments	28,303	–	578	4
Trade and other receivables	30,942	301	106	2,571
Cash and cash equivalents	7,845	10	266	100
Trade and other payables	(32,310)	(173)	(13)	(13)
Term loans	(750)	–	–	–
Finance lease liabilities	(1,282)	–	–	–
Net exposure	32,748	138	937	2,662

The Company	USD $'000	RMB $'000	HKD $'000	RM $'000
30 April 2021				
Other investments	**23,327**	**–**	**–**	**–**
Trade and other receivables	**297**	**2,161**	**6**	**–**
Cash and cash equivalents	**1,733**	**22**	**–**	**–**
Trade and other payables	**(22,500)**	**(1,128)**	**–**	**–**
Net exposure	**2,857**	**1,055**	**6**	**–**
30 April 2020				
Other investments	28,303	–	–	–
Trade and other receivables	231	2,120	3	–
Trade and other payables	–	(422)	(5)	–
Net exposure	28,534	1,698	(2)	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

34 **FINANCIAL RISK MANAGEMENT** (CONTINUED)

Currency risk (Continued)

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.

	The Group		The Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Profit after tax				
USD	**(652)**	(2,718)	**(237)**	(2,368)
RMB	**(34)**	(11)	**(88)**	(141)
HKD	**(58)**	(78)	**–**	–
RM	**(303)**	(221)	**–**	–

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.

Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices.

Market price risk arises from financial assets at fair value through profit or loss.

Equity securities price risk

The Group is exposed to equity securities price risk because of investments held by the Group which are classified as financial assets at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Market price risk (Continued)

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 before tax by the following amounts:

	The Group		The Company	
	10% increase	10% decrease	10% increase	10% decrease
	$'000	$'000	$'000	$'000
30 April 2021				
Profit before tax	**2,624**	**(2,624)**	**2,333**	**(2,333)**
30 April 2020				
Profit before tax	3,055	(3,055)	2,830	(2,830)

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (Continued)

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows.

	Carrying amount $'000	Contractual undiscounted cash flows Total $'000	Less than 1 year $'000	Between 2 and 5 years $'000	Over 5 years $'000
The Group					
As at 30 April 2021					
Non-derivative financial liabilities					
Lease liabilities (Note 18)	**(118,020)**	**(144,878)**	**(22,692)**	**(64,096)**	**(58,090)**
Term loans (Note 17)	**(109,008)**	**(125,236)**	**(38,871)**	**(51,714)**	**(34,651)**
Trade and other payables (Note 19)	**(76,766)**	**(87,007)**	**(55,775)**	**(6,849)**	**(24,383)**
	(303,794)	**(357,121)**	**(117,338)**	**(122,659)**	**(117,124)**
As at 30 April 2020					
Non-derivative financial liabilities					
Lease liabilities (Note 18)	(134,293)	(168,354)	(23,666)	(65,380)	(79,308)
Term loans (Note 17)	(83,149)	(94,416)	(34,648)	(41,898)	(17,870)
Notes payable (Note 17)	(50,981)	(52,576)	(52,576)	–	–
Trade and other payables (Note 19)	(93,554)	(105,884)	(66,515)	(12,193)	(27,176)
	(361,977)	(421,230)	(177,405)	(119,471)	(124,354)

34 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (Continued)

	Carrying amount $'000	Contractual undiscounted cash flows Total $'000	Less than 1 year $'000	Between 2 and 5 years $'000	Over 5 years $'000
The Company					
As at 30 April 2021					
Non-derivative financial liabilities					
Term loans (Note 17)	**(25,000)**	**(25,112)**	**(25,112)**	**–**	**–**
Trade and other payables (Note 19)	**(99,470)**	**(103,495)**	**(103,495)**	**–**	**–**
	(124,470)	**(128,607)**	**(128,607)**	**–**	**–**
As at 30 April 2020					
Non-derivative financial liabilities					
Term loans (Note 17)	(25,000)	(25,212)	(25,212)	–	–
Notes payable (Note 17)	(43,885)	(45,465)	(45,465)	–	–
Trade and other payables (Note 19)	(82,786)	(86,713)	(86,713)	–	–
	(151,671)	(157,390)	(157,390)	–	–

The Company is exposed to liquidity risk as the Company's current liabilities exceeded its current assets. Funding requirements, where required, will be met by the settlement of balance with 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.

35 FAIR VALUE MEASUREMENT

Definition of fair value

SFRS(I)s define fair value as 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.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined 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 (as is prices) or indirectly (i.e. derived from prices); and
Level 3 : inputs for the asset or liability that are not based on observable market date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

35 FAIR VALUE MEASUREMENT (CONTINUED)

Definition of fair value (Continued)

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
The Group				
30 April 2021				
Financial assets				
Financial assets at fair value through profit or loss (Note 10)	**2,917**	**23,327**	**–**	**26,244**
30 April 2020				
Financial assets				
Financial assets at fair value through profit or loss (Note 10)	13,856	28,303	–	42,159
The Company				
30 April 2021				
Financial assets				
Financial assets at fair value through profit or loss (Note 10)	**–**	**23,327**	**–**	**23,327**
30 April 2020				
Financial assets				
Financial assets at fair value through profit or loss (Note 10)	–	28,303	–	28,303

At the reporting date, the fair value of the unquoted equity investment is represented by the Group's share in the net assets value of a fund, determined based on the quoted market prices of the underlying quoted investments and other liquid financial assets held in the portfolio of the fund at the end of the reporting period and they are included in Level 2 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

35 FAIR VALUE MEASUREMENT (CONTINUED)

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.

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, lease liabilities 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.

The Group and The Company	2021 %	2020 %
Loans and borrowings	**1.79 – 4.65**	1.83 – 7.50
Lease liabilities	**1.70 – 4.93**	1.58 – 4.93

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

35 FAIR VALUE MEASUREMENT (CONTINUED)

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
The Group			
Investment properties			
– 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.	• Discount rate: 6.16% (2020 – 6.20%) • Rental rates: $38 to $125 (2020 – $37 to $121) per square metre per annum	The estimated fair value would increase/(decrease) if: • 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.	• In-house adjustments made by valuer on comparable prices of $2,782 to $4,620 (2020 – $2,057 to $3,482) per square metre • Estimated cost to complete the construction	The estimated fair value would increase/(decrease) if: • the adjustments and comparable prices were higher/(lower); and • the estimated cost to complete the construction was lower/(higher).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

35 FAIR VALUE MEASUREMENT (CONTINUED)

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.

The Group	Profit before tax $'000	Profit before tax $'000
30 April 2021		
Investment properties		
– Discount rate (1% increase)/1% decrease	**(11,952)**	**11,952**
– Rental rates 5% increase/(5% decrease)	**5,283**	**(5,283)**
– Comparable prices 5% increase/(5% decrease)	**2,398**	**(2,398)**
30 April 2020		
Investment properties		
– Discount rate (1% increase)/1% decrease	(11,365)	11,365
– Rental rates 5% increase/(5% decrease)	4,984	(4,984)
– Comparable prices 5% increase/(5% decrease)	2,527	(2,527)

Level 3: Fair value measurements

The reconciliation of the carrying amounts of non-financial assets related to investment properties classified within Level 3 is disclosed in Note 7.

36 DISPOSAL OF SUBSIDIARIES

Disposal in FY2020

(a) Chemode Global Pte Ltd

In April 2020, the Group struck-off its 80.0% owned subsidiary, Chemode Global Pte. Ltd.

Details are as follows:

Effect of disposal on the financial position of the Group:

	2020 $'000
Cash and cash equivalents	(100)
Net assets and liabilities	(100)
Less: Group's share of cash and cash equivalent retained	80
Net cash outflow	(20)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

36 DISPOSAL OF SUBSIDIARIES (CONTINUED)

Disposal in FY2020 (Continued)

(b) Sabana Investment Partners Pte Ltd ("SIPPL")

On 22 May 2019, the Group announced the proposed disposal of 51% of the entire issued and paid-up capital in SIPPL and its subsidiaries, Sabana Real Estate Investment Management Pte. Ltd. and Sabana Property Management Pte. Ltd. ("SIPPL Group"), within the Financial Services segment to an unrelated party for an aggregated consideration of $20.5 million for the sale of the shares in SIPPL and an adjustment sum of approximately $1.7 million based on 51% of the net cash of SIPPL Group.

As at 30 April 2019, the assets and liabilities of SIPPL Group had been classified as "assets held-for-sale" and "liabilities directly associated with the assets held-for-sale" as SIPPL Group was available for immediate sale in their present condition and its sale was highly probable. The sale was subsequently completed on 28 June 2019 and the Group recorded a gain on disposal of approximately $16.75 million in the consolidated statement of comprehensive income.

Details of the disposal are as follows:

Effect of disposal on the financial position of the SIPPL Group:

	2020 $'000
Property, plant and equipment	19
Right-of-use assets	383
Trade and other receivables	1,940
Financial assets at FVOCI	4,842
Assets held for distribution	13,923
Cash and cash equivalents	4,761
Trade and other payables	(15,096)
Lease liability	(385)
Deferred tax	(4)
Current tax payable	(656)
Net assets and liabilities	9,727

	2020 $'000
Share of the Group's net assets in SIPPL Group disposed of, at 51%	(4,961)
Goodwill on acquisition (Note 6)	(472)
	(5,433)
Consideration received	22,183
Gain on disposal recognised in the consolidated statement of comprehensive income	16,750
Consideration received, satisfied in cash	22,183
Cash and cash equivalents disposed of	(4,761)
Cash consideration received	17,422

37 NON-CONTROLLING INTERESTS

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

Name of subsidiaries	Country of incorporation/principal place of business	Operating segment	Ownership interests held by non-controlling interests 2021 %	2020 %
Fervent Industrial Development (Suzhou) Co., Ltd ("FIDSC")	People's Republic of China	Real estate	**52**	52
Saujana Tiasa Sdn Bhd ("STSB")	Malaysia	Real estate	**50**	50

The following summarised financial information of each of the Group's subsidiaries with material NCI, based on their respective financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

The Group 30 April 2021	**FIDSC $'000**	**STSB $'000**	**Other individually immaterial subsidiaries $'000**	**Intra-group eliminations $'000**	**Total $'000**
Revenue	**6,068**	**–**			
Profit/(loss) after tax	**2,841**	**(2,690)**			
Other comprehensive income	**1,248**	**(21)**			
Total comprehensive income	**4,089**	**(2,711)**			
Attributable to non-controlling interests:					
– Profit/(loss) after tax	**1,477**	**(1,345)**	**85**	**(84)**	**133**
– Other comprehensive income	**649**	**(10)**	**231**	**787**	**1,657**
Total comprehensive income	**2,126**	**(1,355)**	**316**	**703**	**1,790**
Non-current assets	**96,158**	**47,952**			
Current assets	**4,656**	**48**			
Non-current liabilities	**(43,058)**	**(610)**			
Current liabilities	**(5,566)**	**(46,498)**			
Net assets	**52,190**	**892**			
Net assets attributable to non-controlling interests	**27,139**	**446**	**8,742**	**(26,809)**[1]	**9,518**
Cash flows from operating activities	**(1,103)**	**–**			
Cash flows from investing activities	**44**	**–**			
Cash flows from financing activities (dividends to non-controlling interests: $nil)	**1,911**	**–**			
Net increase in cash and cash equivalents	**852**	**–**			

(1) Intra-group eliminations mainly related to the pre-acquisition.

37 NON-CONTROLLING INTERESTS (CONTINUED)

The Group 30 April 2020	FIDSC $'000	STSB $'000	Other individually immaterial subsidiaries $'000	Intra-group eliminations $'000	Total $'000
Revenue	5,718	–			
Profit/(loss) after tax	2,682	(9,078)			
Other comprehensive income	(395)	–			
Total comprehensive income	2,287	(9,078)			
Attributable to non-controlling interests:					
– Profit/(loss) after tax	1,395	(4,539)	(3,697)	17,279	10,438
– Other comprehensive income	(205)	–	(208)	(451)	(864)
Total comprehensive income	1,190	(4,539)	(3,905)	16,828	9,574
Non-current assets	92,230	51,168			
Current assets	3,325	47			
Non-current liabilities	(26,335)	(880)			
Current liabilities	(21,119)	(46,732)			
Net assets	48,101	3,603			
Net assets attributable to non-controlling interests	25,012	1,801	17,258	(31,594)[1]	12,477
Cash flows from operating activities	4,094	(102)			
Cash flows from investing activities	(3,405)	–			
Cash flows from financing activities (dividends to non-controlling interests: $nil)	(857)	–			
Net decrease in cash and cash equivalents	(168)	(102)			

(1) Intra-group eliminations mainly related to the pre-acquisition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

38 PRIOR YEAR RECLASSIFICATIONS

The following reclassifications to the financial statement captions in the consolidated statement of comprehensive income and consolidated statement of cash flows for the financial year ended 30 April 2020 were made (i) conform to the current year's presentation, and to (ii) correct a classification error as required under SFRS(I) 1-7 — *Cash Flow Statement* as summarised below:

Consolidated statement of comprehensive income for the financial year ended 30 April 2020

	As reported $'000	Prior year reclassification $'000	As restated $'000
Other comprehensive income			
Items that will not be classified to profit or loss	1,010	(1,028)	(18)
Items that are or may be classified subsequently to profit or loss	(2,044)	1,028	(1,016)

Consolidated statement of cash flows for the financial year ended 30 April 2020

	Net cash generated from operating activities $'000	Net cash generated from investing activities $'000	Net cash used in financing activities $'000	Net increase in cash and cash equivalents $'000
As reported	25,315	227,895	(249,354)	3,856
Reclassifications:				
Acquisition of non-controlling interests in subsidiaries	–	12,220	(12,220)	–
Government grant received	1,212	–	(1,212)	–
As restated	26,527	240,115	(262,786)	3,856

In addition, capital reserve amounting to $7.1 million which arose from warrants issued in 2006 and had expired in 2009 has been reclassified from capital reserve to retained earnings as at 1 April 2019.

39 SUBSEQUENT EVENT

Subsequent to the balance sheet date, exempt (one-tier) dividends of 0.1 cents per share amounting to $0.7 million were proposed by the Company in respect of the financial year ended 30 April 2021.

SHAREHOLDERS' INFORMATION

AS AT 21 JULY 2021

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	581	5.52	22,212	0.00
100 – 1,000	2,879	27.36	1,850,809	0.27
1,001 – 10,000	4,995	47.46	18,733,486	2.70
10,001 – 1,000,000	2,039	19.37	117,292,209	16.94
1,000,001 – above	30	0.29	554,592,601	80.09
Grand Total	**10,524**	**100.00**	**692,491,317**	**100.00**

PERCENTAGE OF SHAREHOLDING HELD BY THE PUBLIC

The percentage of shareholding held by the public is approximately **46.33**%. 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	DBS NOMINEES PTE LTD	211,862,584	30.59
2	VIBRANT CAPITAL PTE LTD	160,244,529	23.14
3	HONG LEONG FINANCE NOMINEES PTE LTD	55,115,909	7.96
4	WANG YIXIN	26,000,000	3.75
5	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	17,602,676	2.54
6	CITIBANK NOMINEES SINGAPORE PTE LTD	14,940,788	2.16
7	TEO KEE BOCK	10,000,000	1.44
8	RAFFLES NOMINEES (PTE) LIMITED	7,560,990	1.09
9	MAYBANK KIM ENG SECURITIES PTE. LTD	5,958,515	0.86
10	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	5,056,349	0.73
11	OCBC NOMINEES SINGAPORE PTE LTD	4,570,478	0.66
12	PHILLIP SECURITIES PTE LTD	3,809,693	0.55
13	LEE KIM HEOK	3,068,419	0.44
14	IFAST FINANCIAL PTE LTD	2,852,065	0.41
15	TAN SOON HOE	2,799,892	0.40
16	TAN SU LAN @ TAN SOO LUNG	2,454,486	0.35
17	GOH AH TEE @ GOH HUI CHUA	2,363,538	0.34
18	TAN CHONG MENG	2,148,857	0.31
19	UOB KAY HIAN PTE LTD	2,088,727	0.30
20	CHIA CHIAH HAK	1,780,000	0.26
	TOTAL:	**542,278,495**	**78.28**

SHAREHOLDERS' INFORMATION

AS AT 21 JULY 2021

SUBSTANTIAL SHAREHOLDERS

As shown in the Company's Register of Substantial Shareholders

		Number of Shares	
Name of Substantial Shareholders	**Notes**	**Direct Interest**	**Deemed Interest**
Vibrant Capital Pte. Ltd.		335,464,786	Nil
Eric Khua Kian Keong	1	36,196,456	335,464,786

Note:

(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.

ADDITIONAL INFORMATION

Additional Information on Directors Seeking Re-election

Name of Director	Eric Khua Kian Keong	Sebastian Tan Cher Liang	Derek Loh Eu Tse
Date of appointment	5 November 2003	5 November 2003	5 November 2003
Date of last re-appointment	28 December 2018	30 August 2019	25 September 2020
Age	53	69	54
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	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 Eric Khua Kian Keong for re-appointment as Executive Director of the Company. The Board has reviewed and concluded that Mr Eric Khua Kian Keong possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	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. The Board has reviewed and concluded that Mr Sebastian Tan Cher Liang possess the experience, expertise, knowledge and skills to contribute towards the needs and core competencies of the Board and that he has demonstrated independence throughout his tenure on the Board.	The Board has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, contribution and performance, attendance, preparedness and suitability of Mr Derek Loh Eu Tse for re-appointment as an Independent Non-Executive Director of the Company. The Board has reviewed and concluded that Mr Derek Loh Eu Tse possess the experience, expertise, knowledge and skills to contribute towards the needs and core competencies of the Board and that he has demonstrated independence throughout his tenure on the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive (Group CEO)	Non-executive	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	1. Executive Director 2. Group CEO	Independent Non-executive Chairman, Chairman of the Audit Committee, member of the Nominating Committee and Remuneration Committee	Chairman of the Nominating Committee and Remuneration Committee, member of Audit Committee
Professional qualifications	Bachelor of Science in Electrical Engineering and graduated cum laude from University of the Pacific, United States	Fellow of The Association of Chartered Certified Accountants (UK)	Bachelor of Arts Degree (Law) (Honours) from the University of Cambridge
Working experience and occupation(s) during the past 10 years	November 2003 to Present – CEO, Vibrant Group Limited	Managing Director & Finance Director of Boardroom Limited up to 31 March 2013. Retired and remained an Advisor to Boardroom Limited. Held Directorship in various public listed companies, private and non-profit making companies.	Practising lawyer for the last 27+ years, Advocate and Solicitor of the Supreme Court of Singapore. Independent Director for companies listed in Singapore, London and Hong Kong.

ADDITIONAL INFORMATION

Name of Director	Eric Khua Kian Keong	Sebastian Tan Cher Liang	Derek Loh Eu Tse
Shareholding interest in the listed issuer and its subsidiaries	Yes. Please refer to Directors' statement, Directors' interests in shares or debentures of this Annual Report.	Nil	Nil
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	Yes. – Son of Non-Executive Director, Mr Khua Hock Su – Brother-in-law of General Manager of LTH Logistics (Singapore) Pte Ltd and its subsidiaries, Mr Don Tang Fook Yuen	No	No
Conflict of interest (including any competing business)	No	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	Yes
Other Principal Commitments (including Directorships)			
Past (for the last 5 years)	Director of: 1. Singapore Thong Chai Medical Institution 2. Fudao Petrochemicals Group Pte Ltd 3. LTH Distripark Pte Ltd 4. Resort Venture Pte Ltd 5. Sabana Investment Partners Pte Ltd 6. Blackgold Megatrade Pte Ltd 7. Plaza Ventures Pte Ltd 8. Lion Global Pte Ltd 9. Casaurina Pte Ltd 10. Paldermis Pte Ltd 11. Fervent III Developments Pte Ltd 12. Freight Links Co., Ltd 13. Fervent Industrial Development (Ningbo) Co., Ltd 14. Legend Capital Gain Inc	Director of: None	Director of: Listed companies: 1. Metech International Limited 2. DISA Limited 3. Kitchen Culture Holdings Ltd

ADDITIONAL INFORMATION

Name of Director	Eric Khua Kian Keong	Sebastian Tan Cher Liang	Derek Loh Eu Tse
Present	Director of: Public Listed companies: 1. Freight Management Holdings Berhad Other principal directorships: 1. Vibrant Capital Pte Ltd 2. FLE Shipping Line Pte Ltd 3. Freight Links Express Archivers Pte Ltd 4. Freight Links Express Pte Ltd 5. Crystal Freight Services Pte Ltd 6. Freight Links Express Airfreight Pte Ltd 7. Vibrant Megatrade Pte Ltd 8. Freight Links Logistics Pte Ltd 9. Freight Links Express Logisticentre Pte Ltd 10. Freight Links Express Logisticpark Pte Ltd 11. Crystal Freight Services Distripark Pte Ltd 12. Freight Links Properties Pte Ltd 13. Freight Links E-Logistics Technopark Pte Ltd 14. LTH Logistics (Singapore) Pte Ltd 15. Celestine Management Private Limited 16. Singapore Enterprises Private Limited 17. Piow Hong Pte Ltd 18. Freight Links Express Air Systems Pte Ltd 19. Freight Links Express Distripark Pte Ltd 20. Freight Links Fabpark Pte Ltd 21. Hub & Port Services Pte Ltd 22. Freight Links Express Distrihub Pte Ltd 23. Flex Integrated Marketing Pte Ltd 24. Glory Capital Pte Ltd 25. Vibrant Properties Pte Ltd 26. Shentoncil Pte Ltd	Director of: Public Listed companies: 1. Jumbo Group Limited 2. Kingsmen Creatives Ltd 3. Ezra Holdings Limited 4. Wilton Resources Corporation Ltd 5. Food Empire Holdings Limited 6. IPC Corporation Ltd Other principal directorships: 1. D. S. Lee Foundation 2. D S Lee Specialists Group Pte Ltd 3. D S Lee General Pte Ltd 4. DSLSG Investment Company Pte Ltd 5. Deli Sumatra Legacy Co Pte Ltd 6. Nyalas Rubber Estates Limited 7. EtonHouse Community Fund 8. Children's Charities Association 9. E-Bridge Pre-School Pte Ltd Trustee of: Kwan Im Thong Hood Cho Temple Advisor: Boardroom Limited	Director of: Public Listed companies: 1. Adventus Holdings Limited 2. Federal International (2000) Limited 3. Kingsmen Creatives Ltd 4. Memiontec Holdings Limited Other principal directorships: 1. St Joseph's Institution International Ltd 2. St Joseph's Institution International Elementary School Ltd 3. TSMP Law Corporation Trustee of: St Joseph's Institution Philantropic Fund For The Lasallian Mission Ltd

ADDITIONAL INFORMATION

Name of Director	Eric Khua Kian Keong	Sebastian Tan Cher Liang	Derek Loh Eu Tse
	27. Vibrant DB2 Pte Ltd 28. Sinolink Financial Leasing Co., Ltd 29. Sinolink Finance International Limited 30. Fervent Industrial Development (Suzhou) Co., Ltd 31. Tengda Industrial Property (Suzhou) Co., Ltd 32. Vibrant Land Pte Ltd 33. Fervent IV Development Pte Ltd 34. Fervent V Development Pte Ltd 35. Vibrant Investment & Management (Shanghai) Co., Ltd 36. Fervent Logistics Infrastructure (Changzhou) Co., Ltd 37. Saujana Tiasa Sdn Bhd 38. Vibrant Pucheng Holdings Pte Ltd 39. Vibrant Pucheng Logistics (Chongqing) Co., Ltd 40. Vibrant Pucheng Property Management (Chongqing) Co., Ltd 41. Vibrant Pucheng Enterprise Management (Chongqing) Co., Ltd 42. Vibrant International Freight Forwarding (Chongqing) Co., Ltd 43. Vibrant Pucheng Pte Ltd 44. Freight Links M&S (H.K.) Ltd 45. Freight Links Express (Malaysia) Sdn Bhd 46. Freight Links Express (Penang) Sdn Bhd 47. Vibrant Development (Changshu) Co., Ltd 48. Advance Resources Capital Holding Limited 49. New Vibrant (Jiangsu) Supply Chain Management Co., Ltd		

ADDITIONAL INFORMATION

Name of Director	Eric Khua Kian Keong	Sebastian Tan Cher Liang	Derek Loh Eu Tse
	50. Freight Links (Jiangsu) Co., Ltd 51. GLE Integrated Pte Ltd 52. Vibrant Pucheng Investment Pte Ltd 53. Freight Links Express (Thailand) Co., Ltd 54. Freight Links Express International Co., Ltd 55. Hub & Port Service (Thailand) Co., Ltd 56. Ececil Pte Ltd 57. Nice Rent-A-Car Private Limited 58. Cargo Distribution Pte Ltd 59. Lian Hup Metalimpex Pte Ltd 60. Xiong Shi Investment Pte Ltd 61. Vibrant Development Private Limited 62. Vibrant Equities Pte Ltd 63. Vibrant Corporation Pte Ltd 64. China GSD Logistics Pte Ltd 65. DB2 Development Pte Ltd 66. Crimson Star Development Pte Ltd 67. LTH Logistics (Malaysia) Sdn Bhd 68. Busan Cross Dock Co., Ltd 69. Blackgold International Holdings Pty Ltd 70. Asiapeer Private Limited 71. Del Capital Pte Ltd 72. Nature Tree Pte Ltd 73. China Southwest Energy Corporation Limited 74. Tan Kah Kee Foundation		

ADDITIONAL INFORMATION

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	**Eric Khua Kian Keong**	**Sebastian Tan Cher Liang**	**Derek Loh Eu Tse**
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	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	No
c. Whether there is any unsatisfied judgment against him?	No	No	No

ADDITIONAL INFORMATION

Name of Director	Eric Khua Kian Keong	Sebastian Tan Cher Liang	Derek Loh Eu Tse
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?	Yes Mr Khua is under criminal proceeding, pending investigation and it is not involving fraud, dishonesty nor the Company.	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	No
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	No

ADDITIONAL INFORMATION

Name of Director	Eric Khua Kian Keong	Sebastian Tan Cher Liang	Derek Loh Eu Tse
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	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	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	No
j. Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: 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	Yes Mr Loh was a director of Flextech Holdings Ltd (now known as Dragon Group International Limited (“DGIL”)) from 2003 until 2010 when he resigned. A few years following Mr Loh’s resignation, DGIL and its board of directors both present and past (including Mr Loh) were called for questioning by CAD in respect of a technical non-compliance of the Companies Act for a transaction during the period when Mr Loh served on DGIL’s board. As it involved no dishonesty or fraud on the part of the Board and there was full disclosures made and external independent professionals appointed for the transaction in question, no charges were proceeded with and the relevant Board members (including Mr Loh) who instead received warning from CAD in relation to the incident.

ADDITIONAL INFORMATION

Name of Director	Eric Khua Kian Keong	Sebastian Tan Cher Liang	Derek Loh Eu Tse
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	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	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	No

ADDITIONAL INFORMATION

Name of Director	Eric Khua Kian Keong	Sebastian Tan Cher Liang	Derek Loh Eu Tse
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	Yes Mr Loh was a director of Flextech Holdings Ltd (now known as Dragon Group International Limited ("DGIL")) from 2003 until 2010 when he resigned. A few years following Mr Loh's resignation, DGIL and its board of directors both present and past (including Mr Loh) were called for questioning by CAD in respect of a technical non-compliance of the Companies Act for a transaction during the period when Mr Loh served on DGIL's board. As it involved no dishonesty or fraud on the part of the Board and there was full disclosures made and external independent professionals appointed for the transaction in question, no charges were proceeded with and the relevant Board members (including Mr Loh) who instead received warning from CAD in relation to the incident.
Disclosure applicable to appointment of Director Only			
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. 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. 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).	Not applicable	Not applicable	Not applicable

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Vibrant Group Limited (the "**Company**") will be convened and held by electronic means on Friday, 27 August 2021 at 10.00 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 2021 ("**FY2021**") together with the Auditors' Report thereon. **(Resolution 1)**

2. To approve the Directors' Fees amounting to S$165,000 for the year ending 30 April 2022, such fees to be paid quarterly in arrears. **(Resolution 2)**

3. To declare a first and final tax exempt (one-tier) dividend of 0.1 Singapore cent per ordinary share for FY2021 (2020: Nil). **(Resolution 3)**

4. To re-elect Mr Eric Khua Kian Keong retiring under Regulation 94 of the Company's Constitution. **(Resolution 4)**

5. To note the retirement of Mr Khua Hock Su, a Director of the Company retiring pursuant to Regulation 94 of the Constitution of the Company. Mr Khua Hock Su, has decided not to seek for re-election and will retire at the conclusion of the forthcoming AGM. *[See Explanatory Note (1)]*

6. To re-appoint Foo Kon Tan LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions, with or without amendments, as Ordinary Resolutions:

7. **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,

   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);

NOTICE OF ANNUAL GENERAL MEETING

(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 6)

[See Explanatory Note (2)]

8. **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;

"**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 7)

[See Explanatory Note (3)]

NOTICE OF ANNUAL GENERAL MEETING

9. **Re-appointment of Mr Sebastian Tan Cher Liang as an Independent Non-Executive Director in accordance with Rule 210(5)(d)(iii)(A) of the Listing Manual**

   That, subject and contingent upon the passing of Resolution 9, (a) the continued appointment of Mr Sebastian Tan Cher Liang as an Independent Non-Executive Director, by shareholders in accordance with Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022) be and is hereby approved; and (b) the authority conferred by this Resolution shall continue in force until the earlier of the following: (i) the retirement or resignation of Mr Sebastian Tan Cher Liang as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution. **(Resolution 8)**

   [See Explanatory Note (4)]

10. **Re-appointment of Mr Sebastian Tan Cher Liang as an Independent Non-Executive Director in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual**

    That, subject and contingent upon the passing of Resolution 8, (a) the continued appointment of Mr Sebastian Tan Cher Liang as an Independent Non-Executive Director, by shareholders (excluding directors, the chief executive officer, and their respective associates) in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022) be and is hereby approved; and (b) the authority conferred by this Resolution shall continue in force until the earlier of the following: (i) the retirement or resignation of Mr Sebastian Tan Cher Liang as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution. **(Resolution 9)**

    [See Explanatory Note (4)]

11. **Re-appointment of Mr Derek Loh Eu Tse as an Independent Non-Executive Director in accordance with Rule 210(5)(d)(iii)(A) of the Listing Manual**

    That, subject and contingent upon the passing of Resolution 11, (a) the continued appointment of Mr Derek Loh Eu Tse as an Independent Non-Executive Director, by shareholders in accordance with Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022) be and is hereby approved; and (b) the authority conferred by this Resolution shall continue in force until the earlier of the following: (i) the retirement or resignation of Mr Derek Loh Eu Tse as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution. **(Resolution 10)**

    [See Explanatory Note (5)]

12. **Re-appointment of Mr Derek Loh Eu Tse as an Independent Non-Executive Director in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual**

    That, subject and contingent upon the passing of Resolution 10, (a) the continued appointment of Mr Derek Loh Eu Tse as an Independent Non-Executive Director, by shareholders (excluding directors, the chief executive officer, and their respective associates) in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022) be and is hereby approved; and (b) the authority conferred by this Resolution shall continue in force until the earlier of the following: (i) the retirement or resignation of Mr Derek Loh Eu Tse as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution. **(Resolution 11)**

    [See Explanatory Note (5)]

13. 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

Noraini Binte Noor Mohamed Abdul Latiff
Company Secretary

Singapore, 11 August 2021

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(1) Mr Khua Hock Su who is due to retire pursuant to Regulation 94 of the Constitution has decided not to seek for re-election and will therefore retire as a Director at the conclusion of the AGM. Upon his cessation as Director, Mr Khua Hock Su will also cease to be the Non-Executive Non-Independent Director, the member of the Audit Committee and Remuneration Committee of the Company.

(2) Resolution **6** proposed in item **7** 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.

(3) Resolution **7** proposed in item **8** 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 11 August 2021 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.

(4) In respect of Mainboard Rule 210(5)(d)(iii) of the Listing Manual, to ensure that the independence of a Director who has served for more than 9 years as at and from 1 January 2022 is not affected, the Company is seeking to obtain shareholders' approvals for Mr Sebastian Tan Cher Liang's continued appointment as an Independent Director prior to 1 January 2022, as he has served for more than 9 years on the Board of the Company. Mainboard Rule 210(5)(d)(iii) (which will take effect from 1 January 2022) provides that continued appointment as an Independent Director, after an aggregate period of more than 9 years on the Board, must be sought and approved in separate resolutions by (A) all shareholders and (B) shareholders excluding the Directors, Chief Executive Officer, and their associates.

If Resolution **8** and/or Resolution **9** is/are carried, Mr Sebastian Tan Cher Liang will remain as an Independent Director until the earlier of his retirement or resignation as a Director or until the conclusion of the third AGM of the Company following the passing of this resolution. Mr Sebastian Tan Cher Liang will also remain as Chairman of the Board, Chairman of the Audit Committee, member of the Remuneration Committee and member of the Nominating Committee and will be considered independent for the purposes of Mainboard Rule 704(8) of the Listing Manual.

If Resolution **8** and/or Resolution **9** is/are not carried, Mr Sebastian Tan Cher Liang will remain as an Independent Director, Chairman of the Board, Chairman of the Audit Committee, member of the Remuneration Committee and member of the Nominating Committee up to and including 31 December 2021 and shall thereafter be re-designated as Non-Executive and Non-Independent Director as of and from 1 January 2022. Mainboard Rule 210(5)(c) provides that independent directors must comprise at least one-third of the company's board and will come into effect from 1 January 2022. As such, if Mr Sebastian Tan Cher Liang is to be re-designated as a Non-Executive and Non-Independent Director as of and from 1 January 2022, the Company will take the appropriate steps to appoint new independent director(s) prior to 1 January 2022 in compliance with Mainboard Rule 210(5)(c).

(5) In respect of Mainboard Rule 210(5)(d)(iii) of the Listing Manual, to ensure that the independence of a Director who has served for more than 9 years as at and from 1 January 2022 is not affected, the Company is seeking to obtain shareholders' approvals for Mr Derek Loh Eu Tse's continued appointment as an Independent Director prior to 1 January 2022, as he has served for more than 9 years on the Board of the Company. Mainboard Rule 210(5)(d)(iii) (which will take effect from 1 January 2022) provides that continued appointment as an Independent Director, after an aggregate period of more than 9 years on the Board, must be sought and approved in separate resolutions by (A) all shareholders and (B) shareholders excluding the Directors, Chief Executive Officer, and their associates.

If Resolution **10** and/or Resolution **11** is/are carried, Mr Derek Loh Eu Tse will remain as an Independent Director until the earlier of his retirement or resignation as a Director or until the conclusion of the third AGM of the Company following the passing of this resolution. Mr Derek Loh Eu Tse will also remain as Chairman of the Remuneration Committee, Nominating Committee and member of the Audit Committee and will be considered independent for the purposes of Mainboard Rule 704(8) of the Listing Manual.

If Resolution **10** and/or Resolution **11** is/are not carried, Mr Derek Loh Eu Tse will remain as Chairman of the Remuneration Committee and Nominating Committee and member of the Audit Committee up to and including 31 December 2021 and shall thereafter be re-designated as Non-Executive and Non-Independent Director as of and from 1 January 2022. Mainboard Rule 210(5)(c) provides that independent directors must comprise at least one-third of the company's board and will come into effect from 1 January 2022. As such, if Mr Derek Loh Eu Tse is to be re-designated as a Non-Executive and Non-Independent Director as of and from 1 January 2022, the Company will take the appropriate steps to appoint new independent director(s) prior to 1 January 2022 in compliance with Mainboard Rule 210(5)(c).

NOTICE OF
ANNUAL GENERAL MEETING

MEASURES TO MINIMISE RISK OF COMMUNITY SPREAD OF COVID-19

Alternative arrangements to hold general meetings

1. The AGM of the Company will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and shareholders will NOT be allowed to attend the AGM in person. Printed copies of this Notice will NOT be sent to members. This Notice, Proxy Form and Request Form will be available to members by electronic means via publication on the SGXNet at www.sgx.com and https://online.meetings.vision/vibrant-agm-registration (the "**VGL AGM Website**").

2. Alternative arrangements are instead put in place to allow shareholders to participate in the AGM by: (a) observing and listening to the AGM proceedings via a live streaming (by which the meeting can be electronically accessed via live audio-visual Webcast or live audio-only stream). Shareholders who wish to participate as such will have to pre-register in the manner outlined in paragraphs 3 to 5 below; (b) voting by proxy at the AGM in the manner outlined in paragraphs 8 to 13 below; and (c) submitting questions prior to the date of the AGM in the manner outlined in paragraphs 14 to 16 below.

Participate in the AGM via live streaming

3. All shareholders or their corporate representatives (in the case of corporate shareholders) will be able to observe and listen to the AGM proceedings through a live streaming via their mobile phones, tablets or computers upon pre-registration. All completed pre-registration forms must be submitted to the Company no later than 10.00 a.m. on 24 August 2021 via VGL AGM Website.

4. Upon successful pre-registration and following authentication of a registrant's status as shareholders as at 72 hours before the time appointed for holding AGM (i.e. 10.00 a.m. on 24 August 2021), such Shareholder or its corporate representative will receive an email by 10.00 a.m. on 26 August 2021 which will contain the web link to access the live streaming and the passcode.

5. Shareholders who have pre-registered in accordance with paragraph 3 above but do not receive the aforementioned email by 10.00 a.m. on 26 August 2021 (Shareholders should also check their spam/junk email folder) should email the Company at corporate@vibrant.com.sg.

6. Shareholders are reminded that the AGM proceedings are private. Instructions on access to the live streaming of the AGM proceedings should therefore not be shared with anyone who is not a shareholder of the Company or otherwise not authorised to attend the AGM. Recording of the live streaming in whatever form is also strictly prohibited.

7. Shareholders will not be able to vote through the live streaming and can only vote with their proxy forms which are required to be submitted in advance.

Voting by proxy

8. Shareholders will not be able to vote at the AGM during the live streaming. Shareholders (whether individual or corporate) who wish to vote on the resolutions to be tabled at the AGM must appoint the Chairman of the AGM (the "**AGM Chairman**") as their proxy to vote on their behalf at the AGM, in accordance with the instructions on the instrument appointing a proxy ("**Proxy Form**"). All votes in the AGM will be taken on a poll.

9. Such Shareholders appointing the AGM Chairman as proxy must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in the Proxy Form, failing which the appointment and votes will be treated as invalid.

10. The completed Proxy Form must be submitted to the Company no later than 10.00 a.m. on 24 August 2021 through any one of the following means:

    (a) via VGL AGM Website. Please click on the "**Download Proxy Form**" button to download or print the Proxy Form. The submission can be done using the "**Proxy Form Submission**" button. Shareholders may submit the Proxy Form via the VGL AGM Website without having to pre-register for the AGM;

    (b) by depositing (whether in person or by post) a physical copy at the registered office of the Company at:

    VIBRANT GROUP LIMITED
    51 Penjuru Road #04-00,
    Freight Links Express Logisticentre,
    Singapore 609143

NOTICE OF ANNUAL GENERAL MEETING

11. The instrument appointing the "AGM Chairman" as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the "AGM Chairman" as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised in writing.

12. Where the instrument appointing the "AGM Chairman" as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument appointing the "AGM Chairman" as proxy, failing which, the instrument appointing the "AGM Chairman" as proxy may be treated as invalid.

13. Shareholders who hold their shares through relevant intermediaries and who wish to exercise their votes by appointing the "AGM Chairman" as proxy should approach their respective relevant intermediaries (including their respective CPF Agent Banks or SRS Approved Banks) to submit their voting instructions at least seven (7) working days prior to the date of the AGM. This is so as to allow sufficient time for the respective relevant intermediaries to in turn submit the proxy form to the Company's share registrar by the deadline.

Submission of questions prior to AGM

14. Please note that Shareholders will not be able to ask questions at the AGM during the live streaming and accordingly, it is important for Shareholders to submit their questions in advance of the AGM.

15. Shareholders may submit questions related to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations. Shareholders who wish to submit questions must ensure that their questions are submitted no later than 10.00 a.m. on 24 August 2021 by submitting such questions via the VGL AGM Website.

16. All questions must be received by the Company no later than 10.00 a.m. on 24 August 2021. Shareholders are also reminded to provide their full names and identification numbers when submitting the questions, along with their email addresses and mobile contact numbers.

17. Due to the time limit of the AGM, the Company's Board of Directors shall only address substantial and relevant questions (as may be determined by the Company in its sole discretion) received from shareholders prior to the date of the AGM.

18. The Company will publish the minutes of the AGM on SGXNet and the Company's website within one month after the date of AGM, including responses from the Board and Management in relation to substantial and relevant questions from shareholders relating to the resolutions to be tabled for approval at AGM.

PERSONAL DATA PRIVACY

By (a) submitting the pre-registration form in accordance with paragraph 3 and 4 of section "Measures to Minimise Risk of Community Spread of COVID-19" (the "**COVID-19 Notice**") above, or (b) submitting an instrument appointing the "AGM Chairman" as proxy to vote at the AGM and/or any adjournment thereof in accordance with paragraphs 8 to 13 of the COVID-19 Notice or (c) submitting any question prior to the AGM in accordance with paragraphs 14 to 16 of the COVID-19 Notice above, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purposes of:

(i) the processing and administration by the Company (or its agents or service providers) of proxy forms appointing the "AGM Chairman" as proxy for the AGM (including any adjournment thereof);

(ii) processing the pre-registration forms for purposes of granting access to members (or their corporate representatives in the case of members who are corporate entities) to view the live streaming of the AGM proceedings and providing viewers with any technical assistance where necessary;

(iii) addressing selected questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions;

(iv) the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof); and

(v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines. The Company will continue to comply with precautionary measures recommended and imposed by the authorities and will make further announcement should there be further changes to the AGM arrangements.

NOTICE OF
BOOKS CLOSURE

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of Vibrant Group Limited (the "**Company**") will be closed at 5.00 p.m. on 8 September 2021 for the purpose of determining shareholders' entitlements to a First and Final tax exempt (one-tier) Dividend of 0.1 cent per ordinary share for the financial year ended 30 April 2021 ("**2021 Dividend**").

Shareholders whose securities accounts with The Central Depository (Pte) Limited credited with shares of the Company as at 5.00 p.m. on 8 September 2021 will be entitled to the 2021 Dividend.

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 8 September 2021 will be registered to determine shareholders' entitlements to 2021 Dividend.

The 2021 Dividend, if approved at the Annual General Meeting to be held on 27 August 2021, will be paid on 20 September 2021.

BY ORDER OF THE BOARD

Eric Khua Kian Keong
Executive Director & CEO

Singapore, 11 August 2021

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CORPORATE DIRECTORY

CORPORATE HEAD OFFICE

Vibrant Group Limited
51 Penjuru Road #04-00
Freight Links Express Logisticentre
Singapore 609143
Tel : (65) 6262 6988 (30 Lines)
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E-Mail : corporate@vibrant.com.sg
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SINGAPORE OFFICES

INTERNATIONAL FREIGHT FORWARDING

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51 Penjuru Road #03-00
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WAREHOUSING OPERATIONS AND LOGISTICS

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Fax : (65) 6262 6928

Freight Links Properties Pte Ltd
47 Changi South Avenue 2
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Fax : (65) 6262 6928

DOCUMENTS MANAGEMENT SERVICES

Freight Links Express Archivers Pte Ltd
30 Tuas Avenue 10
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Fax : (65) 6262 6928
E-Mail : flear@freightlinks.net

CHEMICAL STORAGE AND LOGISTICS

LTH Logistics (Singapore) Pte Ltd
33/35 Penjuru Lane
Singapore 609200
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Fax : (65) 6268 2617
E-Mail : enquiry@lthlogistics.com
Web : www.lthlogistics.com

OVERSEAS OFFICES

CHINA

New Vibrant (Jiangsu) Supply Chain Management Co., Ltd
江苏省江阴市红星美凯龙泓家汇生活广场36-37号
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Fervent Industrial Development (Suzhou) Co., Ltd
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Jiangsu Province, 215500, China
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Web : www.fleth.co.th

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Sentosa Capital Pte Ltd
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#03-09 China Square Central
Singapore 048660
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Fax : (65) 6225 8658

China GSD Logistics Pte Ltd
c/o Shenzhen Gongsuda Logistics (Holdings) Co., Ltd
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Web : www.gongsuda.com

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