

FREIGHT LINKS EXPRESS HOLDINGS LIMITED

Full Year Financial Statement And Dividend Announcement For The Year Ended 30 April 2006

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

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

	The Group		
	S\$'000	S\$'000	%
	Latest year to 30/04/2006	Previous Corresponding year	Increase/ (Decrease)
Continuing Operations			
Revenue	106,270	84,320	26.0
Other operating income including finance income (note 1)	9,918	196	4,960.2
Freight and related costs	(59,362)	(51,359)	15.6
Rental expenses	(11,445)	(5,973)	91.6
Warehouse upkeep and related costs	(3,642)	(3,002)	21.3
Exhibition design and build costs	(2,850)	(2,674)	6.6
Depreciation	(3,982)	(3,389)	17.5
Staff costs	(16,657)	(11,400)	46.1
Finance costs	(2,642)	(1,401)	88.6
Other operating expenses (note 2)	(7,297)	(5,481)	33.1
Amortisation of deferred revenue (note 3)	2,989	997	199.8
Exceptional items (note 4)	1,711	3,153	(45.7)
Profit before income tax	13,011	3,987	226.3
Income tax (expense)/credit (note 5)	(2,290)	1,854	N/M
Profit after income tax from continuing operations	10,721	5,841	83.5
Discontinued Operations			
Profit after income tax from discontinued operations	175	5,018	(96.5)
Total profit after income tax	10,896	10,859	0.3
Attributable to :			
Equity holders of the company	10,729	9,499	12.9
Minority interests	167	1,360	(87.7)
	10,896	10,859	0.3

N/M denotes not meaningful

	<u>FY 2006</u> S\$'000	<u>FY 2005</u> S\$'000
Note 1		
Other operating income include : -		
Dividend income	-	17
Interest income on fixed deposits	94	59
Interest income on other receivables	245	-
Interest income on convertible loans to associated companies	2,711	-
Interest income on redeemable cumulative convertible preference shares in an associated company	1,014	-
Loss on fair value of option of redeemable cumulative convertible preference shares in an associated company	(508)	-
Gain on fair value of option of convertible loan	4,830	-
Gain on fair value of interest rate swap contracts	1,375	-
Sundry income	157	120
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Note 2		
Other operating expenses include : -		
Provision for impairment of doubtful receivables	81	197
Write back of provision for impairment of doubtful receivables	(68)	(845)
Bad debts recovered	(96)	-
Foreign exchange (gain)/loss, net	(159)	143
Goodwill impairment charge	145	-
Foreign exchange loss on convertible loans	1,710	-
Gain on disposal of property, plant & equipment	(54)	(59)
Loss on sale of investment properties	394	-
Loss on financial assets at fair value through profit or loss - net (Quoted equity investments)	949	1,266
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Note 3		
Amortisation of deferred revenue	2,989	997
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Deferred revenue relates to the excess of sales proceeds over the fair values of the warehouse properties sold last year. The deferred revenue is amortised on a straight-line basis over the respective lease periods of the warehouse properties.

Note 4		
Exceptional items include : -		
Gain on liquidation of subsidiaries	-	26
Write back of impairment charge on warehouse properties	1,711	-
Gain on disposal of warehouse properties	-	3,538
Impairment charge on construction work-in-progress	-	(411)
Total	1,711	3,153
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Note 5		
Tax includes : -		
Current year tax provision	2,329	685
Provision of deferred tax liabilities	218	-
Under/(over) provision for tax in respect of prior years	153	(554)
Tax credit on dividend	(410)	(1,985)
Total	2,290	(1,854)
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1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group As at 30/04/06 S\$'000	Group As at 30/04/05 S\$'000	Company As at 30/04/06 S\$'000	Company As at 30/04/05 S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	37,816	10,050	19,423	3,714
Trade and other receivables	18,597	15,677	2,634	966
Derivative financial instruments	98	-	-	-
Financial assets at fair value through profit or loss	993	2,477	-	-
Other current assets	5,580	2,686	3,030	21
Tax recoverable	2,405	2,014	2,393	1,983
Investment properties	-	38,499	-	-
	65,489	71,403	27,480	6,684
Non-current assets				
Other receivables	12,913	13,679	-	-
Other assets	5,820	-	5,820	-
Available-for-sale financial assets	14	14	45	45
Advances to subsidiaries	-	-	45,522	49,644
Redeemable cumulative convertible preference shares in an associated company	10,291	6,783	10,291	6,783
Convertible loans to associated companies	30,844	-	30,844	-
Derivative financial instruments	6,259	-	6,116	-
Investment in club membership	22	-	22	-
Investment in subsidiaries	-	-	19,843	17,637
Property, plant and equipment	50,515	49,991	375	416
Investment properties	19,747	-	-	-
Goodwill on consolidation	982	1,125	-	-
Deferred income tax assets	1,508	1,709	-	-
	138,915	73,301	118,878	74,525
Total assets	204,404	144,704	146,358	81,209
LIABILITIES				
Current liabilities				
Trade and other payables	22,543	22,551	1,447	615
Derivative financial instruments	-	357	-	-
Deferred revenue	2,990	2,990	-	-
Borrowings	7,709	10,364	1,049	49
Current income tax liabilities	3,224	4,080	1,329	343
	36,466	40,342	3,825	1,007
Non-current liabilities				
Deferred revenue	15,625	18,614	-	-
Borrowings	68,326	16,495	47,973	257
Advances from subsidiaries	-	-	19,496	21,316
Deferred income tax liabilities	-	-	4	4
	83,951	35,109	67,473	21,577
Total liabilities	120,417	75,451	71,298	22,584
NET ASSETS	83,987	69,253	75,060	58,625
EQUITY				
Share capital	47,943	17,936	47,943	17,936
Share premium	-	30,015	-	30,015
Foreign currency translation reserve	1,620	2,251	-	-
Capital reserve	8,464	-	8,464	-
Retained profits	21,072	13,908	18,653	10,674
Shareholders' equity	79,099	64,110	75,060	58,625
Minority interests	4,888	5,143	-	-
TOTAL EQUITY	83,987	69,253	75,060	58,625

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

Amount repayable in one year or less, or on demand

	As at 30/04/2006		As at 30/04/2005	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Bank Borrowings	6,669	-	9,560	-
Finance lease liabilities	1,040	-	804	-
Total	7,709	-	10,364	-

Amount repayable after one year

	As at 30/04/2006		As at 30/04/2005	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Bank Borrowings	66,679	-	14,976	-
Finance lease liabilities	1,647	-	1,519	-
Total	68,326	-	16,495	-

Details of any collateral

The bank loans of the Group are guaranteed by the Company and are secured by legal mortgages over the freehold and leasehold properties.

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

Consolidated Cash Flow Statement

	<u>30/04/2006</u>	<u>30/04/2005</u>
	S\$'000	S\$'000
Cash flows from operating activities		
Profit after tax	10,896	10,859
Adjustments for:		
Tax	2,400	(1,634)
Depreciation	3,982	3,338
Amortisation of goodwill	-	54
(Gain)/loss on financial assets at fair value through profit or loss		
- Quoted equity investments	949	1,266
- Interest rate swap contracts	(1,375)	357
Goodwill impairment	145	-
Gain on sale of warehouse complexes	-	(3,538)
Amortisation of deferred revenue	(2,989)	(997)
Gain on disposal of property, plant and equipment	(54)	(59)
Write back of impairment charge on investment property	-	(4,055)
Gain on disposal of subsidiary	-	(26)
Dividend income	(179)	(17)
Loss on fair value of option of redeemable cumulative convertible preference shares in an associated company	508	-
Gain on fair value of option of convertible loan	(4,830)	-
Impairment charge on construction work in progress	-	411
Write back of impairment charge for certain leasehold properties	(1,711)	-
Loss on sale of investment properties	478	-
Interest expense	2,642	1,728
Interest income	(4,064)	(84)
Foreign exchange loss	1,551	143
	<u>(2,547)</u>	<u>(3,113)</u>
Operating cash flow before working capital changes	8,349	7,746
Changes in operating assets and liabilities:		
Receivables	(3,051)	(1,313)
Payables	(11)	(8,054)
Current assets	52	(1,033)
Foreign currency translation	(870)	(279)
	<u>(3,880)</u>	<u>(10,679)</u>
Cash generated from/(used in) operations	4,469	(2,933)
Income taxes refund	166	539
Income taxes paid	(3,612)	(445)
Net cash generated from/(used in) operating activities	<u>1,023</u>	<u>(2,839)</u>
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	68	54,411
Purchase of property, plant and equipment	(2,768)	(15,520)
Purchase of investment properties	(19,747)	-
Net cash outflow from acquisition of a subsidiary	-	(2,859)
Additional subscription in redeemable cumulative convertible preference shares in an associated company	(3,393)	(6,783)
Convertible loans to associated companies	(31,298)	-
Purchase of club membership	(22)	-
Purchase of financial assets at fair value through profit or loss	-	(3,741)
Proceeds from sale of financial assets at fair value through profit or loss	535	-
Proceeds from disposal of investment properties	38,021	-
Dividend income	179	17
Interest income	1,912	84
Net cash (used in)/generated from investing activities	<u>(16,513)</u>	<u>25,609</u>

Cash flows from financing activities

Proceeds from issuance of ordinary shares	3	7,311
Proceeds from issuance of warrants	8,454	-
Proceeds from/(repayment of) borrowings	47,983	(30,648)
Prepayment of interest rate swap	(8,766)	-
Increase in finance lease liabilities	366	740
Dividends paid to shareholders	(2,870)	(869)
Dividends paid to minority interest	(100)	-
Interest expense	(2,642)	(1,728)
Net cash generated from/(used in) financing activities	42,428	(25,194)

Net increase/(decrease) in cash and cash equivalents 26,938 (2,424)

Cash and cash equivalents at beginning of the financial year 9,393 11,817

Cash and cash equivalents at end of the financial year 36,331 9,393

Cash and cash equivalents comprise the following: -

Cash at bank and on hand	7,992	7,001
Fixed deposits with financial institutions	29,824	3,049
Bank overdrafts	(1,485)	(657)
	36,331	9,393

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Changes in Equity

	<u>Share capital</u> S\$'000	<u>Share premium</u> S\$'000	<u>Capital reserve</u> S\$'000	<u>Foreign currency translation reserve</u> S\$'000	<u>Retained profit</u> S\$'000	<u>Minority interest</u> S\$'000	<u>Total</u> S\$'000
Balance at 01/05/05	17,936	30,015	-	2,251	13,908	5,143	69,253
Effect of adopting FRS 39 (Revised 2004) adjusted prospectively	-	-	-	-	(695)	(79)	(774)
Restated	17,936	30,015	-	2,251	13,213	5,064	68,479
Net loss recognised directly in equity - Currency translation differences	-	-	-	(631)	-	(241)	(872)
Net profit for the financial year	-	-	-	-	10,729	167	10,896
Total recognised gains/(losses)	-	-	-	(631)	10,729	(74)	10,024
Share issue expenses	-	(11)	-	-	-	-	(11)
Effect of Companies (Amendment) Act 2005 (Note a)	30,004	(30,004)	-	-	-	-	-
Issue of warrants	-	-	8,465	-	-	-	8,465
Exercise of warrants during the year	1	-	(1)	-	-	-	-
Issue of new shares	2	-	-	-	-	-	2
Dividends paid during the year	-	-	-	-	(2,870)	(100)	(2,970)
Acquisition of subsidiaries	-	-	-	-	-	(2)	(2)
Balance at 30/04/06	47,943	-	8,464	1,620	21,072	4,888	83,987
Balance at 01/05/04	8,359	9,912	-	1,885	5,278	2,325	27,759
Net gain recognised directly in equity - Currency translation differences	-	-	-	366	-	129	495
Net profit for the financial year	-	-	-	-	9,499	1,360	10,859
Total recognised gains	-	-	-	366	9,499	1,489	11,354
Issue of new ordinary shares	9,577	20,103	-	-	-	-	29,680
Dividends paid during the year	-	-	-	-	(869)	-	(869)
Acquisition of subsidiaries	-	-	-	-	-	1,329	1,329
Balance at 30/04/05	17,936	30,015	-	2,251	13,908	5,143	69,253

Statement of Changes in Equity-Company

	<u>Share capital</u> S\$'000	<u>Share premium</u> S\$'000	<u>Capital reserve</u> S\$'000	<u>Retained profit</u> S\$'000	<u>Total</u> S\$'000
Balance at 01/05/05	17,936	30,015	-	10,674	58,625
Effect of adopting FRS 39 (Revised 2004) adjusted prospectively	-	-	-	582	582
	<u>17,936</u>	<u>30,015</u>	<u>-</u>	<u>11,256</u>	<u>59,207</u>
Net profit for the financial year	-	-	-	10,267	10,267
Share issue expenses	-	(11)	-	-	(11)
Effect of Companies (Amendment) Act 2005 (Note a)	30,004	(30,004)	-	-	-
Issue of warrants	-	-	8,465	-	8,465
Exercise of warrants during the year	1	-	(1)	-	-
Issue of new shares	2	-	-	-	2
Dividends paid during the year	-	-	-	(2,870)	(2,870)
Balance at 30/04/06	<u><u>47,943</u></u>	<u><u>-</u></u>	<u><u>8,464</u></u>	<u><u>18,653</u></u>	<u><u>75,060</u></u>
Balance at 01/05/04	8,359	9,912	-	7,995	26,266
Net profit for the financial year	-	-	-	3,548	3,548
Issue of new shares	9,577	20,103	-	-	29,680
Dividends paid during the year	-	-	-	(869)	(869)
Balance at 30/04/05	<u>17,936</u>	<u>30,015</u>	<u>-</u>	<u>10,674</u>	<u>58,625</u>

Note a: Under the Companies (Amendment) Act 2005 that came into effect on 30 January 2006, the concepts of par value and authorised share capital are abolished and the amount in the share premium account as of 30 January 2006 becomes part of the company's share capital.

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

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

	<u>Number of Ordinary shares</u>	<u>Paid-up Capital S\$'000</u>
As at 01/05/05	1,793,569,784	17,936
Movement during the period	50,000	3
Result of the Companies (Amendment) Act 2005	-	30,004
As at 30/04/06	1,793,619,784	47,943

The number of outstanding options and warrants is as follows: -

	<u>As at 30/04/06</u>	<u>As at 30/04/05</u>
Executives' Share Options	3,340,194	3,458,409
Warrants	896,734,892	-

On 5 April 2006, the Company announced that 896,784,892 warrants have been allotted and issued by the Company pursuant to the Warrants Issue. These warrants were listed and quoted on the Exchange on 6 April 2006. For the financial year ended 30 April 2006, 50,000 warrants have been exercised and converted into 50,000 ordinary shares of \$0.06 each.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computations in the financial statement for the current reporting year compared with the audited financial statements for the financial year ended 30 April 2005 except for the adoption of the new Financial Reporting Standards (FRS) as disclosed in Note 5.

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

With effect 1 May 2005, the Group and the Company adopted the Financial Reporting Standards (FRS) below.

The following are the FRS that are relevant to the Group :

FRS 1 (revised 2004) Presentation of Financial Statements
 FRS 8 (revised 2004) Accounting Policies, Changes in Accounting Estimates and Errors
 FRS 10 (revised 2004) Events after the Balance Sheet Date
 FRS 16 (revised 2004) Property, Plant & Equipment
 FRS 17 (revised 2004) Leases
 FRS 21 (revised 2004) The effects of Changes in Foreign Exchange Rates
 FRS 24 (revised 2004) Related Party Disclosures
 FRS 27 (revised 2004) Consolidated and Separate Financial Statements
 FRS 28 (revised 2004) Investments in Associates
 FRS 32 (revised 2004) Financial Instruments : Disclosure and Presentation
 FRS 33 (revised 2004) Earnings per Share
 FRS 36 (revised 2004) Impairment of Assets
 FRS 38 (revised 2004) Intangible Assets
 FRS 39 (revised 2004) Financial Instruments : Recognition and Measurement
 FRS 103 Business Combinations
 FRS 105 Non-current Assets Held for Sale and Discontinued Operations
 INT FRS 101 Changes in Existing Decommissioning, Restoration and Similar Liabilities

The adoption of the above FRS did not result in changes to the Group's and the Company's accounting policies except as discussed below.

Effect of changes to the financial statements

	<u>Group</u>	<u>Company</u>
	<u>Increase/(Decrease)</u>	<u>Increase/(Decrease)</u>
	<u>\$'000</u>	<u>\$'000</u>
	<u>FRS39 (revised 2004)</u>	<u>FRS39 (revised 2004)</u>

At 1-May-05

Balance Sheet Items

Minority Interest	(79)	-
Other receivables (Non-Current)	(1,012)	-
Derivative financial instruments (Liabilities)	345	-
Redeemable cumulative convertible preference shares in an associated company	(63)	(63)
Derivative financial instruments (Assets)	645	645
Retained earnings	(695)	582

	<u>Group</u> <u>Increase/(Decrease)</u> <u>\$'000</u> <u>FRS39 (revised 2004)</u>	<u>Group</u> <u>Increase/(Decrease)</u> <u>\$'000</u> <u>FRS103</u>	<u>Company</u> <u>Increase/(Decrease)</u> <u>\$'000</u> <u>FRS39 (revised 2004)</u>
<u>At 30-Apr-06</u>			
<u>Balance Sheet Items</u>			
Other receivables (Non-Current)	245	-	-
Redeemable cumulative convertible preference shares in an associated company	798	-	798
Derivative financial instruments (Assets)	6,357	-	6,116
Convertible loans to associated companies	574	-	574
Goodwill	-	(118)	-
Retained profit	7,975	118	7,489
<u>Income Statement Items</u>			
Gain on fair value of interest rate swap contracts	673	-	432
Gain on fair value of options of convertible loans	5,685	-	5,685
Finance cost	220	-	220
Finance income	1,837	-	1,592
Goodwill impairment charge	-	118	-

FRS 39 (revised 2004) and FRS 32 (revised 2004) have affected :

Classification and consequential accounting of financial assets and financial liabilities

FRS 39 requires all financial assets and liabilities to be classified into appropriate categories at initial recognition and re-evaluates this designation at every reporting date. The classification depends on the purpose for which the financial asset or liabilities were acquired or incurred. The categories and the respective subsequent measurement rules are as follows :

- Financial assets or financial liabilities at fair value through profit or loss.

The Group's investment in quoted equity investments and derivative contracts that are not hedges are classified in this category. They are initially recognised at fair value and subsequently re-measured to fair value at the balance sheet date with all gains and losses recognized in profit or loss in the period in which the change in fair value arise.

Previously, the Group's equity investments in which the Group intend to sell in the short term were stated at the lower of cost and market value on an aggregated portfolio basis, with changes in market value included in the income statement.

- Loans and receivables

These include the Group's trade and other receivables. They are initially recognized at its fair value plus transaction costs and subsequently accounted for at amortised cost using the effective interest method, less impairment.

Previously, the Group's trade and other receivables were stated at the gross proceeds receivable less an allowance for doubtful receivable.

- Other financial liabilities

These are financial liabilities that are not held for trading nor designated as fair value through profit or loss. These include the Group's trade and other payables. They are initially recognized at its fair value less transaction costs and subsequently accounted for at amortised cost using the effective interest method.

Previously, trade and other payables were stated at cost.

FRS 103 has affected :

- Goodwill

Goodwill is tested annually for impairment, as well as when there is any indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units (CGU) expected to benefit from synergies of the business combination.

An impairment loss is recognised in the income statement when the carrying amount of CGU, including the goodwill, exceeds the recoverable amount of the CGU. Recoverable amount of the CGU is the higher of the CGU's fair value less cost to sell and value in use.

The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

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

	Latest year	Previous Corresponding year
Earnings per ordinary share – Continuing Operations		
(a) Based on the weighted average number of ordinary shares in issue	0.59 Cent	0.45 Cent
(b) On a fully diluted basis	0.59 Cent	0.45 Cent
Earnings per ordinary share – Discontinued Operations		
(a) Based on the weighted average number of ordinary shares in issue	0.01 Cent	0.28 Cent
(b) On a fully diluted basis	0.01 Cent	0.28 Cent

The basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 1,793,570,469 (2005: 1,304,996,953). The fully diluted earnings per share is calculated based on the weighted average number of ordinary shares of 1,809,762,244 (2005: 1,304,996,953).

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	As at 30/04/06	As at 30/04/05
Net assets value per ordinary share	Cents	Cents
The Group	4.41	3.57
The Company	4.18	3.27

Net asset value per share is calculated based on 1,793,619,784 (2005: 1,793,569,784) ordinary shares in issue at the end of the financial year under review and of the immediately preceding financial year.

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

For the financial year ended 30 April 2006, Group turnover amounted to \$106.3 million. This was an increase of \$22.0 million or 26% over the previous financial year. The revenue growth came from all key business segments, including the first full year contribution by the chemical storage and logistics business.

In line with the growth in business volume, Group profit after tax and minority interest improved by 12.9% to \$10.7 million compared with \$9.5 million in the last financial year.

There was a significant increase in operating income largely due to interest income and gain on fair values of options of convertible loans for the investments in PRC, China and the fair values gains on interest rate swap contracts.

Warehouse property values have improved in line with the general market conditions and are marked to current recoverable values, reversing previous impairment charges of \$1.7 million. These have been treated as exceptional items.

Rental expenses were higher due to leaseback arrangements in respect of the two warehouse properties sold but this was partly offset by the amortisation of deferred revenue and saving of depreciation charges arising from the sale.

Expenses and running costs were generally higher than the previous year largely as a result of full year accounting of the chemical storage and logistics segment.

The increase in finance cost was mainly due to increase in borrowings and increase in interest rates.

The decrease in profit from discontinued operations was due to the cessation of the warehousing business in Australia as the Group sold the investment property in Australia in August 2005. Prior year profit included a gain on revaluation of the investment property of \$4.06 million.

On 30 April 2006, the Group has cash and cash equivalent of \$37.8 million, up from \$10 million a year earlier mainly due to the completion of the rights issue of warrants in conjunction with the bond issue of US\$30 million in April 2006. As a result, the Group's gearing has gone up from 0.42 to 0.96 times. Taking into consideration the Group's cash and cash equivalents, the net gearing stands at 0.48 times as at 30 April 2006.

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

The actual results announced had turned out better than when the prospect statement was made in the Offer Information Statement dated 10 March 2006. This was due largely to the favourable gains on the fair values of options of convertible loans as well as the write back of impairment charges on properties based on valuation performed by professional valuers at financial year end.

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

The Group expects market conditions to remain competitive for the next 12 months. The Group will continue to explore and pursue business opportunities to capitalize on its core competencies. Since the sale of its investment property, Melbourne International Airfreight Centre, in August 2005, the Group has been actively looking for acquisition opportunities in Australia.

China is an increasingly important market and the Group will leverage on its existing logistics China investments. The Group will continue to explore acquisition opportunities to improve the Group's earnings and enhance returns to shareholders.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name Of Dividend	Proposed first and final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.2 cent per ordinary share (less tax)
Tax Rate	20%

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name Of Dividend	Proposed First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.15 cent per ordinary share (less tax)
Tax Rate	20%

Name Of Dividend	Proposed Special
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.05 cent per ordinary share (less tax)
Tax Rate	20%

(c) Date payable

Will be announced at a later date, subject to shareholders' approval at the forthcoming Annual General Meeting.

(d) Books closure date

Notice of books closure for determining shareholders' entitlement of the proposed dividend will be announced at a later date.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

	<u>Freight forwarding</u>	<u>Warehousing and distribution</u>	<u>Chemical Storage and Logistics</u>	<u>Others (note a)</u>	<u>Eliminations</u>	<u>Continuing Operations</u>	<u>Discontinued Operations</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 April 2006							
Revenues							
External sales	60,865	14,755	24,714	5,936	-	106,270	774
Inter-segment sales	956	2,436	2	13	(3,407)	-	-
Total revenues	<u>61,821</u>	<u>17,191</u>	<u>24,716</u>	<u>5,949</u>	<u>(3,407)</u>	<u>106,270</u>	<u>774</u>
Results							
Segment result	4,239	198	1,419	6,285	-	12,141	373
Unallocated corporate costs						(1,043)	-
Exceptional items	-	2,137	(426)	-	-	1,711	-
Amortisation of deferred revenue	-	2,989	-	-	-	2,989	-
Goodwill impairment						(145)	
Finance costs	-	(918)	(629)	(1,095)	-	(2,642)	(88)
Profit before income tax						13,011	285
Income tax expense	(611)	(660)	(257)	(762)	-	(2,290)	(110)
Profit from ordinary activities						<u>10,721</u>	<u>175</u>
Other information							
Segment assets	12,470	83,721	22,162	3,068	828	122,249	
Tax recoverable						2,405	
Available for sale financial assets						14	
Investment in club membership						22	
Redeemable cumulative convertible preference shares in an associated company						10,291	
Convertible loans to associated companies						30,844	
Derivative financial instruments						6,357	
Deferred income tax assets						1,508	
Unallocated assets						30,714	
Consolidated total assets						<u>204,404</u>	
Segment liabilities	7,956	25,239	4,457	1,967	91	39,710	
Unallocated liabilities						1,448	
Borrowings						76,035	
Current income tax liabilities						3,224	
Consolidated total liabilities						<u>120,417</u>	
Capital expenditure	179	392	2,118	79	-	2,768	
Depreciation	101	1,443	2,318	120	-	3,982	
(Write back)/impairment charge on warehouse properties	-	(2,137)	426	-	-	(1,711)	
Goodwill impairment charge	-	-	-	145	-	145	

	<u>Freight forwarding</u>	<u>Warehousing and distribution</u>	<u>Chemical Storage and Logistics</u>	<u>Others (note a)</u>	<u>Eliminations</u>	<u>Continuing Operations</u>	<u>Discontinued Operations</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 30 April 2005							
Revenues							
External sales	55,814	12,027	10,624	5,855	-	84,320	2,482
Inter-segment sales	160	1,778	-	-	(1,938)	-	-
Total revenues	<u>55,974</u>	<u>13,805</u>	<u>10,624</u>	<u>5,855</u>	<u>(1,938)</u>	<u>84,320</u>	<u>2,482</u>
Results							
Segment result	2,561	(317)	382	(443)	-	2,183	1,510
Unallocated corporate costs						(891)	-
Exceptional items	-	3,127	-	26	-	3,153	4,055
Amortisation of deferred revenue	-	997	-	-	-	997	-
Amortisation of goodwill	-	-	(54)	-	-	(54)	-
Finance costs	(2)	(1,176)	(191)	(32)	-	(1,401)	(327)
Profit before income tax						<u>3,987</u>	<u>5,238</u>
Income tax credit	159	270	(142)	1,567	-	<u>1,854</u>	<u>(220)</u>
Profit from ordinary activities						<u>5,841</u>	<u>5,018</u>
Other information							
Segment assets	10,715	92,458	21,177	4,092	971	129,413	
Tax recoverable						2,014	
Redeemable cumulative convertible preference shares in an associated company						6,783	
Available for sale financial assets						14	
Deferred income tax assets						1,709	
Unallocated assets						4,771	
Consolidated total assets						<u>144,704</u>	
Segment liabilities	7,972	30,169	3,965	1,794	(3)	43,897	
Unallocated liabilities						615	
Borrowings		15,004	11,548	307		26,859	
Income tax liabilities						4,080	
Consolidated total liabilities						<u>75,451</u>	
Capital expenditure	91	13,778	15,768	498	-	30,135	
Depreciation	133	2,148	950	107	-	3,338	
Write back of impairment charge on investment property	-	4,055	-	-	-	4,055	
Impairment charge on construction work-in-progress	-	(411)	-	-	-	(411)	

Note a : Other activities of the Group comprise mainly investment holding, international and local moving services, record management and document storage, and international project management in exhibitions and events.

Group Segmental information

Geographical segment

<u>2006</u>	<u>Singapore</u> \$'000	<u>ASEAN</u> <u>(excluding</u> <u>Singapore)</u> \$'000	<u>North</u> <u>Asia</u> \$'000	<u>North</u> <u>America</u> \$'000	<u>Australia</u> \$'000	<u>Europe</u> \$'000	<u>Others</u> \$'000	<u>Group</u> \$'000
Sales to customers outside the Group- continuing operations	57,813	13,321	13,347	1,836	5,138	10,321	4,494	106,270
Sales to customers outside the Group- discontinued operations	-	-	-	-	774	-	-	774
Segment assets	189,588	5,715	1,101	-	8,000	-	-	204,404
Capital expenditure	2,766	2	-	-	-	-	-	2,768
<u>2005</u>								
Sales to customers outside the Group- continuing operations	34,581	13,136	13,331	2,197	4,807	9,669	6,599	84,320
Sales to customers outside the Group- discontinued operations	-	-	-	-	2,482	-	-	2,482
Segment assets	120,733	4,724	938	-	18,309	-	-	144,704
Capital expenditure	29,662	44	3	-	426	-	-	30,135

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

See Para 8.

15. A breakdown of sales

Continuing and Discontinued Operations

Sales reported for the first half year
 Profit after tax and before minority interest for the first half year
 Sales reported for the second half year
 Profit after tax and before minority interest for the second half year

	Group	
Latest Financial Year S\$'000	Previous Financial Year S\$'000	% Increase/ (Decrease)
53,435	39,633	34.8
1,992	1,646	21.0
53,609	47,169	13.7
8,904	9,213	(3.4)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	<u>FY2006</u> S\$'000	<u>FY2005</u> S\$'000
Ordinary - First and Final	2,870	2,153
Special	-	717

17. Summary of Interested Person Transactions

	<u>Aggregate value of all interested person transactions during the financial year ended review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</u>	<u>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)</u>
	S\$'000	S\$'000
TSMP Law Corporation - Professional services	257	-

Mr Derek Loh Eu Tse is a director of Freight Links Express Holdings Limited and is a shareholder and director of TSMP Law Corporation.

BY ORDER OF THE BOARD

Thomas Woo
Executive Director & CFO
29 June 2006