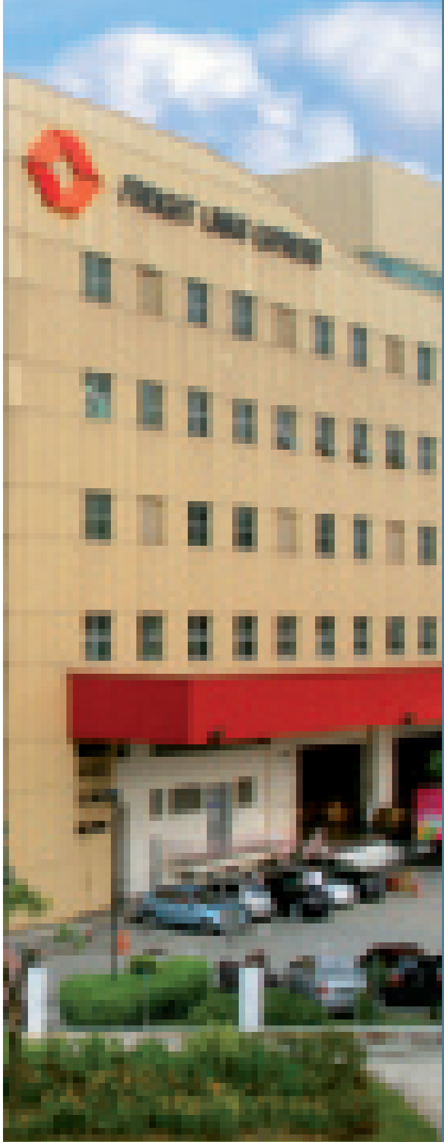
generating growth

Freight Links Express Holdings Limited
ANNUAL REPORT 2008



Corporate Head Office at 51 Penjuru Road

corporate profile

Freight Links Group is one of the leading international total logistics solution providers in Singapore. Since our establishment in 1981, our international freight forwarding business has reached over 600 destinations throughout the world. Apart from strong strategic partnerships with over 120 freight forwarding agents worldwide, we have overseas offices located in Malaysia, Thailand, Hong Kong, China and Dubai.

In Singapore, our warehousing facilities occupy a total gross floor area of over 1.8 million square feet. We have extensive experience in storing and forwarding all types of cargo (dangerous and non dangerous goods), from small parcels to massive plant machinery, exhibition displays and archival documents. Our comprehensive array of logistics services includes inventory control management, warehousing and distribution, container haulage, chemical transportation, drumming, freight forwarding and container freight station operations.

As a total logistics solutions provider, Freight Links Group has the answers to your total logistics needs. The solutions that we provide include:

- International Freight Forwarding
- Chemical Logistics
- Warehousing Property Management
- Total Logistics Solutions
- Integrated Marketing Services
- Record Management Solutions
- International Relocation Services
- Events and Exhibitions Management

To enhance the efficiency of storage management, we are equipped with the technologically advanced Automated Storage and Retrieval System (ASRS) with a capacity of over 31,000 pallet positions. The Group has also completed a dedicated Chemical Hub with 16,000 pallet positions using the Very Narrow Aisle (VNA) storage technology. We also utilize a web-based Warehouse Management System (WMS) that enables all our customers with Internet access to view their inventory online and information on their cargo movement anywhere and anytime.

Freight Links Group is able to provide effective, productive and well-coordinated total logistics solutions to local and foreign MNCs by harnessing information technology and automation. In the age of globalisation, we will strive to meet the challenges and demand of our customers.

contents

group corporate structure

Freight Links Express Holdings Limited

International Freight Forwarding

100%
Freight Links Express Pte Ltd

100%
Crystal Freight Services Pte Ltd

49%
Freight Links Express (Thailand) Co. Ltd.

- **100%**
  Freight Links Express International Limited

51%
Freight Links M&S (H.K.) Limited

100%
Freight Links Express (M) Sdn Bhd

100%
Freight Links Express (Penang) Sdn Bhd

Warehousing Property & Logistics

100%
Freight Links Logistics Pte Ltd

100%
Freight Links Express Logisticpark Pte Ltd

100%
Crystal Freight Services Distripark Pte Ltd

100%
Freight Links Express Logisticentre Pte Ltd

100%
Freight Links Express Districentre Pte Ltd

100%
Freight Links Express Distripark Pte Ltd

100%
Freight Links Fabpark Pte Ltd

100%
Freight Links Express Air Systems Pte Ltd

100%
Freight Links E-Logistics Technopark Pte Ltd

75.02%
Freight Links Express Holdings (Australia) Limited

49%
Freight Links (Jiangsu) Co., Ltd

Chemical Storage & Logistics

51%
LTH Logistics (Singapore) Pte Ltd

- **100%**
  LTH Distripark Pte Ltd
- **29%**

36%
Lee Thong Hung Trading & Transport Sdn Bhd

- **51%**
  LTH Peninsular Logistics Sdn Bhd

100%
Freight Links Capital Pte Ltd

- **60%**
  Citic Logistics Co., Ltd (wef July 2008)

Other Services

100%
Freight Links Express Archivers Pte Ltd

93.7%
FLEx Integrated Marketing Pte Ltd

- **49%**
  FLEx Integrated Group LLC

80%
United Relocations (S) Pte Ltd

- **49%**
  United Relocations (Thailand) Co., Ltd

100%
Singapore Enterprises Pte Ltd

- **50%**
  Kaplinks Asia Logistics Pte Ltd

Associates

25% Equity
MFL Logistics LLC

25% Equity
O&G Eng Kong Container (Xiamen) Co., Ltd

20% Equity
Freight Management Holdings Bhd

Convertible preference shares
China GSD Logistics Pte Ltd

Convertible loans
Fudao Petrochemicals Group Pte Ltd

chairman's message

"During the last one year, we have demonstrated our strengths in expanding our core businesses geographically and extending our supply chain management and logistics capabilities."

REVIEW OF THE GROUP'S PERFORMANCE

It is with pleasure that I report another bumper year notwithstanding the challenging and unfavorable global macro-environment. We have achieved our highest turnover since 2003 when we took the commitment to strengthen, develop and grow the Group's businesses. Net profit has increased a hefty 39.9% after tax and minority interests. Turnover rose 10.4%, or approximately $13.1 million to $139.4 million.

During the last one year, we have demonstrated our strengths in expanding our core businesses geographically and extending our supply chain management and logistics capabilities.

Our acquisition of Citic Logistics underlines our resolve to create a name for ourselves in the management and transportation of Hazardous Chemicals. Citic is the top 3 chemical logistics player in the PRC with market-leading position in dangerous goods (DG) warehousing and chemical logistics transportation. It is also a top PRC player in moving oversized cargo transportation tasks for state and local key projects in the fields of petroleum, chemical, metallurgy, highway, railway, water conservation, electricity and municipal works. This acquisition is also in line with our strategy and plans to strengthen and expand the reach of the Company's overseas capabilities and to make headway into the growing PRC market.

We have also formed joint ventures in Dubai and Xiamen to expand our freight forwarding operations, integrated marketing services and container freight station services.

We have achieved a strong balance sheet and healthy cashflow at the close of the year. Shareholders' equity stands at $137.9 million while our cash and cash equivalents has increased by 78% to $43.3 million. The improved cash position and low gearing of 0.37 times (net of cash) will facilitate our expansionary growth plans.

The Group has also divested from China Baisui Logistics Pte Ltd with a gain of $1.66 million.

PROPOSED DIVIDEND

The Board has recommended a first and final dividend of 0.25 cents per share (one-tier) for shareholders' approval at the forthcomng Annual General Meeting (AGM). This proposed dividend payout is the same as the previous financial year despite a more severe global economic crisis.

MOVING FORWARD

Freight Links has been evolving into a multi-sector business by developing into several niche businesses with specialist know-how. It has created cross-synergies between its divisions to derive maximum returns. Freight Links is positioning itself as cross-industry service solution provider with complementary strengths in warehousing, freight forwarding, container freight operations and chemical logistics.

We are cautiously optimistic that our investments will drive growth in the foreseeable future. This will include our chemical hub, CITIC Logistics, and even the JVs in Dubai. Our investments in Middle-east and China have created a strong foothold for us to expand our geographical presence in these growing markets.

We will continue our relentless effort to seek and develop new engines of growth as well as the development of the supply chain management and logistic capabilities in niche areas.

GRATITUDE

I would like to extend my thanks and gratitude to all our customers, business partners, and stakeholders for having the trust and confidence in us as well as sharing our aspirations. This past year has not been without its difficulties but we believe that with your continuing support, we will be able to see our investments bear fruits in the years to come.

On behalf of the board, I would also like to thank the management and staff for their hard work and dedication.

KHUA HOCK SU
Chairman

集团主席致词

> “在过去的一年中，我们扩展核心业务的区域化以及延伸了供应链管理和物流的能力。”

集团业绩回顾

我非常高兴地向大家报告在充满挑战及全球经济环境不明朗的环境下，辉联配运集团取得丰收的一年。净利润在扣除税收和少数权利以后增长39.9%。营业额上升了一千三百十万，约10.4%至一亿三千九百四十万新元。这是我们2003年承诺加强发展并增长集团业务后，取得最大的营业额。

在过去的一年中，我们扩展核心业务的区域化以及延伸了供应链管理和物流的能力。

集团收购中信物流体现了我们在危险化工品运输和管理领域创造一个属于自己品牌的决心。中信物流是中国排名前三位的化工物流企业，在危险品仓库和化工品物流运输的市场上处于领导者的地位。同时是为国家和

地方主要工程在石油、化学制品、冶金学、高速公路、铁路、节水、电和市政工作领域大宗货物运输的佼佼者。这次收购也符合我们加强和扩展公司在海外的能力以及在发展中国市场的战略和计划。

同时我们也在中东迪拜和福建厦门成立了合资公司来扩展货运代理服务，综合市场销售服务以及集装箱堆场服务的业务。

在这财政年度，我们保持强劲的资产负债表和健全的现金流转。股东权益达到一亿三千七百九十万新元，与此同时现金与类似也增加了78%达到四千三百三十万新元。充裕现金状况和0.37倍的低负债率（扣除现金），将有利于我们的未来发展计划。

集团退出中国百岁物流有限公司，并获利一百六十六万新元。

红利的提议

董事会提议在即将到来的年度股东大会上每股分红0.25分（单一税制免税）。虽然全球经济环境不明朗，我们保持配发与上一财政年相同的股息。

前进

辉联配运发展领域内专家技术，已经发展成一个多行业业务，建立跨部门之间紧密合作的基础平台。集团定位为通过加强仓库，货运，集装箱操作和化工物流而成为跨行业，综合物流服务的提供者。

我们慎重且乐观地认为集团业务将在可预见的未来推动集团的成长，这包括化工品仓储中心，中信物流，以及迪拜合资公司业务。在中国和中东的投资已为我们在发展中国家市场建立了强而有力的立足处。

感谢

我要感谢我们所有的客户，业务伙伴，和股东们对我们的信任及分享我们的愿望。过去一年，集团面对严峻的考验，但我深信有了您的鼎力支持，我们对未来会更充满信心。

我谨代表董事会，感谢我们管理层和员工的辛勤工作和奉献。

柯福赐
集团主席

review of operations

INTERNATIONAL FREIGHT FORWARDING

Freight Links Express upheld its market position as the leading NVOCC in Singapore in FY2008. Freight forwarding business grew by 8.2% or $6.5 million to $84.9 million compared to FY2007 due to the increase in container traffic and project cargoes. Profit after tax increased 18.9% or $0.7 million to $4.0 million compared to $3.3 million in FY2007. The overall business has improved as we achieved higher productivity and secured more businesses with higher margins such as project cargoes.

Our emphasis in using Information Technology as a strategic competitive tool has helped to enhance our operational capabilities and productivity. Our IT system, one of the most advanced in the industry, has helped our customers better manage their supply chain. Our newly implemented automated message alerts system has received raving reviews from our key customers.

With a strong foundation, continuous innovations in our services and product offerings, and aggressive sales & marketing, we expect the freight forwarding business to continue to grow and perform well in FY2009.

Going forward, we plan to integrate CITIC Logistics in China that has a strong infrastructure in Project/ Engineering Logistics with our Singapore and Dubai Project Logistics team to offer end-to-end service to oil exploration and power generation customers in the region.

CHEMICAL STORAGE & LOGISTICS

Chemical storage and logistics business grew by 17.1% or $4.6 million to $31.4 million compared to FY2007. The Chemical Logistics division has suffered a loss of $0.2 million after tax due to the high cost of transition to the new warehouse and the lag in customers' acceptance of higher fuel adjustments. As a result, we are in the process of implementing a fuel adjustment formula (FAF) into all our existing and new contracts. The FAF will automatically kick-in the necessary price increase when oil price exceeds a certain range.

The commissioning of the new chemical logistics hub in March 2008 has strengthened LTH's market position as the leading chemical logistics service provider to capture a bigger share of the growing chemical logistics pie in Singapore. The new LTH chemical hub is the only warehouse in Singapore that met the latest revised standard for storage of flammable liquids (SS532) formerly known as CP 40. The new drumming lines are also fully functional and quadrupled LTH's drumming capacity. LTH is also the only logistics operator with "Scrubble System" in its drumming facilities in compliance with the Environmental Protection & Management Act (Air impurities) regulation by the National Environment Agency.

Once again, LTH maintained their high Health, Safety and Environment (HSE) standards by winning the Responsible Care Awards in FY2008. It has won the awards in three categories namely Community Awareness and Emergency Response Code, Distribution Code and Employee Health and Safety Code.

WAREHOUSE PROPERTY & LOGISTICS

Warehousing and Logistics business improved by 11.5% or $1.7 million to $16.5 million. Profit after tax increased by 44.8% or $4.8 million to $15.6 million compared to $10.8 million in FY2007.

Warehouse properties have appreciated in value which is in tandem with the general market conditions.

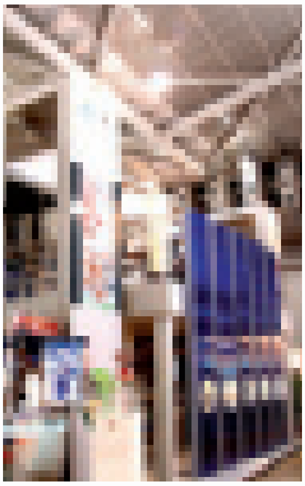
The Logistics division in Singapore has also streamlined its off-site CFS operations in FY2008 in order to free up valuable warehouse space to cater for the strong demand in warehouse storage.

The improved workflow has resulted in a higher throughput in our priced warehouses in the Jurong area. The implementation of the upgraded WMS and Order Management systems are making good progress. In addition, we have also enhanced our value-chain by leveraging our real-time tracking system, warehouse assets (with Type III Zero-GST bonded license), and competitive freight, to attract MNC customers to operate their regional distribution hub in Singapore. As a result, the Logistics team has also been able to make major breakthrough in FY2008 by winning integrated logistics services contracts from Fortune 500 companies utilising our Type III Zero-GST bonded license warehouses.

The joint venture in Jiangyin between Freight Links Logistics and Jiangyin Haigang International Logistics (a subsidiary of Jiangyin Port Authority) has also begun to meet with good success. Currently, the utilisation rate of the 7 modular bonded warehouses with a total area of 28,000 square metres is almost at full capacity. The business has also progressed from the storage of basic commodity such as wool, cotton, PTA and PVC to finish products such as packaging materials and non-hazardous chemicals, for a Holland based MNC.

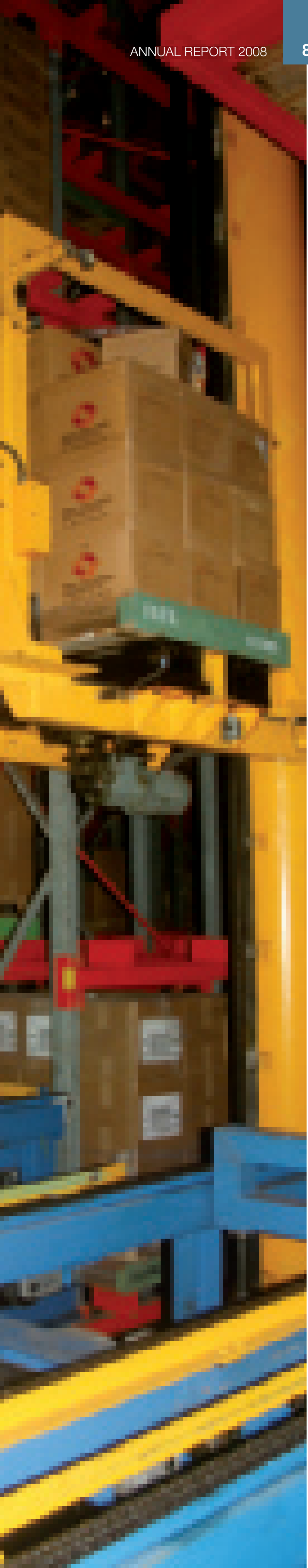
The Logistics team in Singapore is currently in the final stage of negotiations with a few major MNC clients that require integrated logistics services, regional distribution hub and buyer consolidation services. If successful, these potential business will be able to generate higher margins for the group in FY2009.

OTHER SERVICES



Other businesses such as exhibition design and build, relocation and document storage services saw the turnover increased slightly by 5.9% or $373,000.

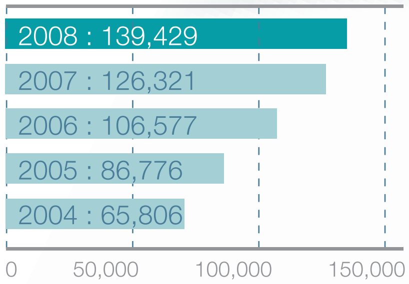
In December 2007, FLEx Integrated Marketing formed a joint-venture wiith Al Rais Group (the leading travel company and General Sales Agent for Airlines in Dubai) to fuel the expansionary path into the Middle East market. FLEx Integrated Group in Dubai kicked-off with a great start by securing a project with Bridgestone Middle East at the Bahrain Formula One Grand Prix and won 5 contracts with notable organisations such as Tourism Malaysia and Singapore Tourism Board at the Arabian Travel Market 2008. Some of the major accomplishments of FLEx Integrated Marketing had in FY2008 included the highly successful integrated campaign for Lamborghini's 100th Car & Charity Gala Dinner, the Cannonball 8000, the IT Show, COMEX, Asia Pacific Food Expo, Invest Fair 2008 and numerous contracts at Food & Hotel Asia 2008.



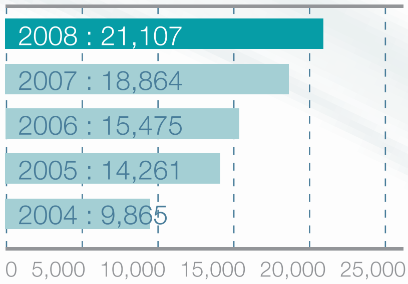
5-year financial highlights

	FY2004	FY2005	FY2006	FY2007	FY2008
Operating Results					
Revenue ($'000)	65,806	86,776	106,577	126,321	139,429
EBITDA ($'000)	9,865	14,261	15,475	18,864	21,107
Pretax profit/(loss) ($'000)	5,432	9,225	13,296	16,900	18,632
Net profit ($'000)	4,664	9,499	10,729	12,537	17,538
EBITDA margin (%)	14.99	16.43	14.52	14.93	15.14
Pretax margin (%)	8.25	10.63	12.48	13.38	13.36
Net margin (%)	7.09	10.95	10.07	9.92	12.58
Cash and cash equivalents	11,817	10,050	37,816	24,348	43,266
Financial Position					
Total assets ($'000)	121,004	144,704	204,404	218,414	276,460
Total debt ($'000)	68,003	27,439	76,615	79,104	90,219
Shareholders' equity ($'000)	25,434	64,110	79,099	89,374	126,649
Return on Assets (%)	3.85	6.56	5.25	5.74	6.34
Return on Equity (%)	18.34	14.82	13.56	14.03	13.85
Net debt : equity (times)	2.21	0.27	0.49	0.61	0.37
Per Share Data					
Earnings (cents) - Basic	0.67	0.73	0.60	0.70	0.88
Earnings (cents) - Diluted	0.32	0.73	0.60	0.59	0.74
Dividend (cents)	0.10	0.20	0.20	0.25	0.25
Net tangible assets (cents)	3.04	3.51	4.36	4.93	5.98

Revenue ($'000)



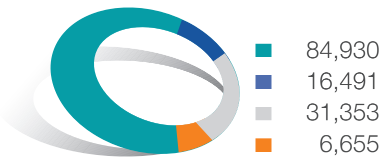
EBITDA ($'000)



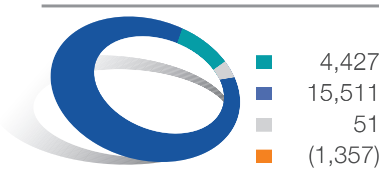
5-year segmental Results

	FY2004 $'000	FY2005 $'000	FY2006 $'000	FY2007 $'000	FY2008 $'000
Revenue					
Freight forwarding	46,718	55,814	60,865	78,476	84,930
Warehousing and logistics	13,908	14,483	15,062	14,786	16,491
Chemical storage and logistics	-	10,624	24,714	26,777	31,353
Others	5,180	5,855	5,936	6,282	6,655
	65,806	86,776	106,577	126,321	139,429
Pre-tax Profit/(loss)					
Freight forwarding	2,198	2,559	4,239	3,682	4,427
Warehousing and logistics	1,431	7,869	4,691	11,313	15,511
Chemical storage and logistics	-	137	220	1,050	51
Others	1,803	(1,340)	4,146	855	(1,357)
	5,432	9,225	13,296	16,900	18,632
Assets Employed					
Freight forwarding	9,031	10,742	12,478	18,627	18,992
Warehousing and logistics	94,731	93,874	85,074	101,309	147,157
Chemical storage and logistics	-	21,465	22,575	23,135	25,207
Others	17,242	18,623	84,277	75,343	85,104
	121,004	144,704	204,404	218,414	276,460

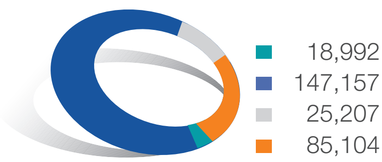
Revenue 2008 ($'000)



Pre-tax Profit/(loss) 2008 ($'000)



Assets Employed 2008 ($'000)



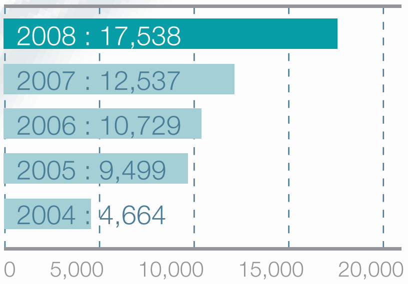
Freight Forwarding

Warehousing and Logistics

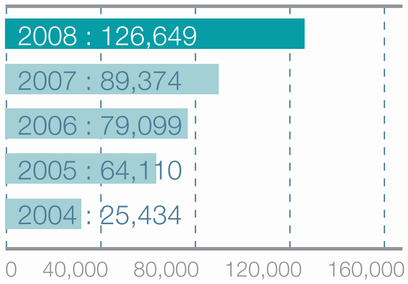
Chemical Storage and Logistics

Others

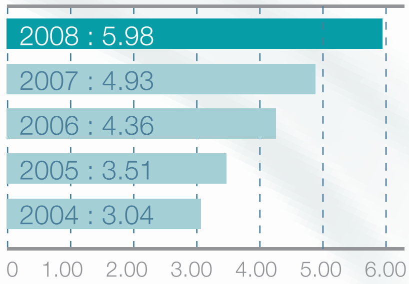
Net Profit ($'000)



Shareholders' Equity ($'000)



Net Tangible Assets Per Share (cents)



Board of directors

(Seated, left to right)
Khua Hock Su,
Eric Khua Kian Keong

(Standing, left to right)
Henry Chua Tiong Hock,
Thomas Woo Sai Meng,
Sebastian Tan Cher Liang,
Derek Loh Eu Tse

KHUA HOCK SU
Non-Executive Chairman

Mr Khua was appointed as Chairman of the Board on 5 November 2003. He is also a member of the Audit Committee and Remuneration Committee.

Mr Khua is currently the Group Chairman of Lian Hup Group, which was founded in 1952. With over 50 years of experience in business, 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, an Honorary Chairman of Nanyang Kuah Si Association, and a Vice-President of the Singapore Buddhist Lodge.

ERIC KHUA KIAN KEONG
Executive Director & CEO

Mr Khua was appointed as Chief Executive Officer on 5 November 2003. He is a member of the Nominating Committee. Mr Khua is also the Chairman of Freight Links Express Holdings (Australia) Limited, a subsidiary listed on Australian Stock Exchange. He is an alternate director of Freight Management Holdings Berhad, an associated company listed on Bursa Malaysia.

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

He is the Vice-President of Singapore Metal and Machinery Association, and a Vice-President of Nanyang Kuah Si Association. He is a member of youth sub-committee of Singapore Ann Kway Association. He also serves as Vice-President of Pei Tong Primary School advisory committee.

HENRY CHUA TIONG HOCK
Executive Director & CCDO

Mr Chua was appointed as Chief Corporate Development Officer on 5 January 2006 and is concurrently an Executive Director since 22 December 1999. He is also a director of Australian-listed subsidiary Freight Links Express Holdings (Australia) Limited and Freight Management Holdings Berhad, an associated company listed on Bursa Malaysia as well as a number of other subsidiaries of the Freight Links Group.

He has wide-ranging experience in logistics, operations management and corporate development with various MNCs and local companies.

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

THOMAS WOO SAI MENG
Executive Director & CFO

Mr Woo was appointed as Executive Director on 28 September 2001 having served as CFO since 22 May 1997. He is also a director of Australian-listed subsidiary Freight Links Express Holdings (Australia) Limited and a number of other subsidiaries of the Freight Links Group.

He has held various senior appointments with a number of private sector organisations across a wide spectrum of industries such as banking & finance, management consulting, manufacturing and international trading.

Mr Woo graduated with a Bachelor of Economics degree from the University of New England, Australia, and also obtained a Master of Business Administration from the University of Queensland, Australia. He is a Fellow member of CPA Australia and the Institute of Certified Public Accountants of Singapore.

SEBASTIAN TAN CHER LIANG
Independent Non-Executive Director

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

Mr Tan is the Managing Director and Finance Director of Boardroom Limited. He has served on the Boards of Boardroom Corporate & Advisory Services Pte Ltd and Boardroom Business Solutions Pte Ltd since 1992 and 1994 respectively. Prior to 1992, he was with Ernst & Young.

He is also a Director of D.S. Lee Foundation and Children's Charities Association, and a Trustee of the Kwan Im Thong Hood Cho Temple.

Mr Tan is a member of the Institute of Certified Public Accountants of Singapore and a Fellow of the Association of Chartered Certified Accountants, U.K. He was conferred the Public Service Medal (PBM) in 1996.

DEREK LOH EU TSE
Independent Non-Executive Director

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

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

He is also an Independent Director of Flextech Holdings Limited, Friven & Co. Ltd and Equation Corp Limited and an Alternate Director of Centillion Environment & Recycling Ltd.

senior executives

(1) Lim Song Wang
(2) Philip Lim Kok Tong
(3) Alex Ng Boon Chuan
(4) Yap Soo San
(5) Simon Sim Geok Beng
(6) Low Chia Wing
(7) Doris Soh Lay Keow
(8) Edward Yeo Lock Guan

(Not in picture)
Lim Boon Kwong
Lawrence Sim Kay Sin
Yoong Weng Cheong
John Tan Soon Hoe

CORPORATE

LIM BOON KWONG
Chief Operating Officer
Freight Links Express Holdings Limited

Mr Lim Boon Kwong joined Freight Links Express Holdings as Chief Operating Officer in January 2006 with more than 15 years experience in the logistics and shipping industries. Boon Kwong held various senior positions during his stint with his previous companies, including Regional CFO, Asia Pacific & Middle East while concurrently holding the positions of General Manager of the Singapore and Malaysia operations.

Mr Lim graduated with a Bachelor of Accountancy degree from National University of Singapore.

SIMON SIM GEOK BENG
Senior Vice President (Finance)
Freight Links Express Holdings Limited

Mr Simon Sim is the Senior Vice President (Finance) of Freight Links Express Holdings Limited and is responsible for accounting, taxation and financial management of the Group. He has more than 20 years of experience in finance, taxation and accounting. Prior to joining the Group in June 2000, Simon had related experience in various industries ranging from audit, insurance, airfreight, logistics, manufacturing and trading.

Mr Sim is a member of the Institute of Certified Public Accountants of Singapore and a Fellow of the Association of Chartered Certified Accountants, U.K. He holds a Bachelor of Science (Economics) in Management Studies from the University of London.

YAP SOO SAN
Senior Vice President (Corporate)
Freight Links Express Holdings Limited

Mr Yap Soo San is the Senior Vice President (Corporate) of Freight Links Express Holdings. He is responsible for corporate developments, investor relations and risks management for the Group. He has more than 18 years of experience in the areas of supply chain management, education, information technology and exhibition design & construction.

Mr Yap holds a Bachelor of Business Administration from National University of Singapore as well as Master of Business Administration (Banking & Finance) from Nanyang Technological University.

LAWRENCE SIM KAY SIN
Senior Vice President (Greater China)
Freight Links Express Holdings Limited

Mr Lawrence Sim was initially engaged as the General Manager for the LTH Group of Companies effectively from December 2006. In July this year, Lawrence has subsequently being designated as Senior Vice President (for Greater China) with Freight Links Express Holdings Limited and concurrently, assigned with an appointment as COO, CITIC Logistics Co., Ltd in China. Lawrence brought along with him more than 25 years of experience in operations, sales, marketing and business development from various industries. He also held senior management appointments with various corporations prior to joining LTH. While employed under a MNC corporation from 2004 to 2006, Lawrence spearheaded and successfully established multiple key strategic logistics centers in Vietnam where essential services include freight management, warehousing, transportation, distributions and customisation.

YOONG WENG CHEONG
Vice President (Finance - China)
Freight Links Express Holdings Limited

Mr Yoong Weng Cheong joined Freight Links Express Holdings in May 2008 as the Vice President of Finance (China), responsible for finance, banking and accounting functions of CITIC Logistics Co., Ltd in China. He is a qualified chartered accountant with the Institute of Chartered Accountants in England and Wales. He was Chief Financial Officer of Chuan Soon Huat Industrial Group Ltd and China GSD Logistics Pte Ltd prior to joining the Company.

INTERNATIONAL FREIGHT FORWARDING

ALEX NG BOON CHUAN
Executive Vice President
Freight Links Express Pte Ltd

Mr Alex Ng is the Executive Vice President of Freight Links Express Pte Ltd and is responsible for the overall freight forwarding operations of the company. His knowledge and experience is drawn from the long-standing career he has established in Freight Links Express since joining in August 1984. He has more than 24 years of experience in sales and marketing, agency and market development.

LEE SENG HOCK
Vice President (Operations)
Freight Links Express Pte Ltd

Mr Lee Seng Hock is the Vice President (Operations) of Freight Links Express Pte Ltd and is overall responsible for freight and operations of the company. He joined the Company in October 1982 and holds his current appointment since August 2002. To date, he has more than 26 years of experience in freight operations.

ADRIAN CHIA SENG CHYE
Vice President (Sales & Marketing)
Freight Links Express Pte Ltd

Mr Adrian Chia is the Vice President (Sales & Marketing) of Freight Links Express Pte Ltd and is responsible for the sales and marketing activities of the company. Adrian joined the company in September 1988 and has more than 18 years of experience in sales and marketing.

JAMES LEONG WENG YU
Vice President (Consolidation)
Freight Links Express Pte Ltd

Mr James Leong is the Vice President (Consolidation) of Freight Links Express Pte Ltd and is responsible for the freight consolidation activities of the company. James joined Freight Links Express in November 1986 and has more than 22 years of experience in freight consolidation and claims administration. He has a total of more than 32 years of experience in the freight forwarding industry.

DORIS SOH LAY KEOW
Country Manager
Crystal Freight Services Pte Ltd

Ms Doris Soh joined Crystal Freight Services in May 2005. In the early years of her career, she worked in shipping companies. She has more than 20 years of experience in both shipping and freight cum logistics.

Bringing along her rich experience in shipping, she also had operation experience in an international freight forwarding company managing a MNC 3PL (Chemical Specialty) and ISO tank operations for about 7 years.

Ms Doris graduated in Transport & Logistics Management from RMIT. She is a Chartered Member of CILT. She received a public service award from President Nathan in year 2005 and was conferred PBM.

PROPERTY DIVISION

EDWARD YEO LOCK GUAN
Senior Vice President
Warehousing Property
Freight Links Express Archivers Pte Ltd

Mr Edward Yeo is the Senior Vice President of Property Division and Freight Links Express Archivers Pte Ltd. He is responsible for the overall Property and Archivers business development and Group's facilities management. Edward joined the Group in October 1994 and has more than 28 years of experience in logistics, distribution, store and warehouse management in other previous appointments held in MNCs in various related industries.

LOGISTICS DIVISION

PHILIP LIM KOK TONG

Executive Vice President

Freight Links Logistics Pte Ltd

Mr Philip Lim is the Executive Vice President of Logistics Division and is responsible for business development, operations and logistics services of the Group. He joined the Group in August 1994 and was promoted to his current position in January 2000. Philip has more than 34 years of experience in liner shipping, freight forwarding, corporate marketing, logistics and supply chain management. Prior to joining the Group, he was the Deputy Managing Director of a leading shipping and logistics company.

VINCENT SEE CHIN HOK

Vice President

Freight Links Logistics Pte Ltd

Mr Vincent See is the Vice President of Freight Links Logistics Pte Ltd and is responsible for marketing, business account development, operations and logistics services. Vincent joined the Group in January 1997 and has more than 28 years of experience in shipping, transportation, customer service, marketing, warehousing and distribution management.

Mr See holds a Master of Business Administration from the Macquarie University, Australia and a Bachelor of Business from the former Royal Melbourne Institute of Technology.

CHEMICAL LOGISTICS DIVISION

LIM SONG WANG

Managing Director

LTH Logistics Group of Companies

Mr Lim Song Wang is the Managing Director for LTH Group of Companies, which includes LTH Logistics (S) Pte Ltd, LTH Distripark Pte Ltd and Lee Thong Hung Trading & Transport Sdn Bhd. He is the founder of LTH Logistics since its inception in 1979. He has more than 28 years of experience in logistics, road transportation and warehousing. His leadership and vision had propelled LTH logistics to become one of the lead logistics players in the chemical industry.

MARKETING SERVICES IN EXHIBITIONS, EVENTS, INTERIORS, ADVERTISING & PUBLIC RELATIONS

LOW CHIA WING

Senior Vice President

Flex Integrated Marketing Pte Ltd

Mr Low Chia Wing is the Senior Vice President of Flex Integrated Marketing and is responsible for the daily operations of the company which provides marketing services in areas of exhibitions, events, interiors, advertising and public relations.

Mr Low has more than 14 years of experience in the exhibitions industry which includes events, marketing and project management. Prior to joining the Group in June 1997, Mr Low was the Senior Manager in support services and purchasing with an international exhibition services and facility rental group.

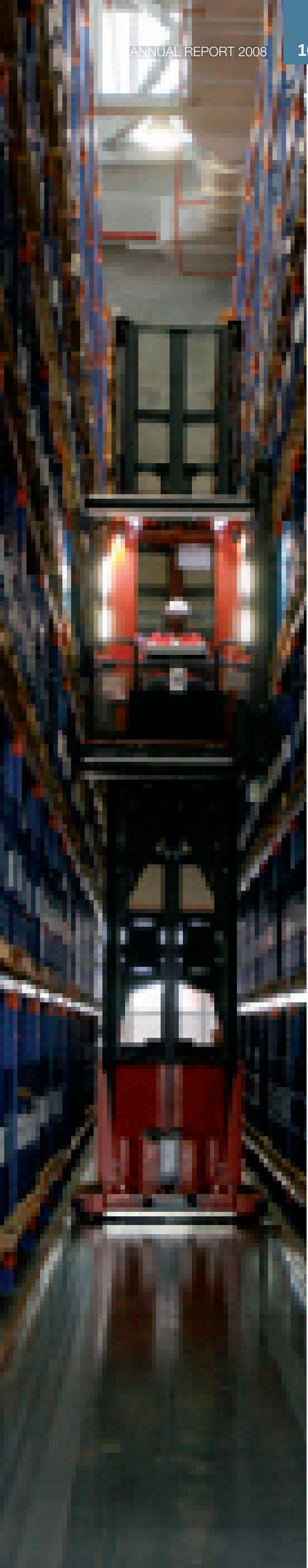
INTERNATIONAL MOVING SERVICES

JOHN TAN SOON HOE

General Manager

United Relocations (S) Pte Ltd

Mr John Tan is the General Manager of United Relocations (S) Pte Ltd and is responsible for the daily operations of the company which provides relocation services to the expatriate community. He has more than 22 years of experience in sales and marketing, and in management within the relocation industry. Prior to joining the Group in March 1998, John was Director of sales in a company providing relocation services, where he was responsible for the overall sales and marketing performance.



corporate information

BOARD OF DIRECTORS

Chairman
Khua Hock Su

Executive
Eric Khua Kian Keong
Henry Chua Tiong Hock
Thomas Woo Sai Meng

Independent Non-Executive
Sebastian Tan Cher Liang, PBM
Derek Loh Eu Tse

AUDIT COMMITTEE

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

NOMINATING COMMITTEE

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

REMUNERATION COMMITTEE

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

COMPANY SECRETARY

Dorothy Ho

SHARE REGISTRAR

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte. Ltd.)
8 Cross Street #11-00
PWC Building
Singapore 048424
Tel : 6236 3333
Fax : 6236 4399

REGISTERED OFFICE

51 Penjuru Road #04-00
Freight Links Express Logisticentre
Singapore 609143
Tel : 6262 6988
Fax : 6262 6928

AUDITORS

KPMG
Certified Public Accountants
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Phuoc Tran, Partner-in-charge
(appointed since FY2007)

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

Standard Chartered Bank
6 Battery Road #05-00
Singapore 049909

financial report 2008

corporate governance report

for the financial year ended 30 April 2008

The Directors and management are committed to ensuring and maintaining high standards of corporate governance in line with the Code of Corporate Governance (the Code) issued by the Committee on Corporate Governance.

Where applicable, the Board has established various self-regulatory and monitoring mechanisms to ensure that effective corporate governance is practised. This statement describes the corporate governance policies and practices of the Company that were in place for the financial year ended 30 April 2008.

BOARD MATTERS

Board's Conduct of its Affairs

Presently, the Board comprises six members, one non-executive Chairman, two independent non-executive directors and three executive directors. The Board holds at least two regular meetings in a financial year and additional meetings are convened as and when circumstances warrant. The Board members for the financial year ended on 30 April 2008 are as follows:

Name of Director	Nature of Appointment
Khua Hock Su	Non-executive, Non-independent
Eric Khua Kian Keong	Executive, Non-independent
Henry Chua Tiong Hock	Executive, Non-independent
Thomas Woo Sai Meng	Executive, Non-independent
Sebastian Tan Cher Liang	Non-executive, Independent
Derek Loh Eu Tse	Non-executive, Independent

The Board comprises directors who as a group, has core competencies and diversity of experience to enable them to lead and control the Company effectively. Such competencies and experiences include industry knowledge, strategic planning, business management, finance and accounting, and human resources. Profiles of directors are found on page 10 of this Annual Report.

The Board directs and supervises the management of the business and corporate affairs of the Group with a view to enhancing long-term shareholder value. Apart from its statutory responsibilities, the key roles of the Board are to:

- review and approve the Group's strategic plans, key operational initiatives, major investments and funding decisions;
- ensure the implementation of appropriate control systems to manage the Group's business and financial risks;
- review the Group's financial performance and approve the interim and full-year financial results for release; and
- evaluate the performance and compensation of key office holders.

For maximum effectiveness, the Board has delegated some of its functions to the Audit Committee, the Nominating Committee and the Remuneration Committee.

To enhance effectiveness of the Board, a newly appointed director receives a thorough briefing by existing directors of the Group's businesses and recent financial performance.

The Directors keep themselves current on the latest regulations and practices of corporate governance.

Board Composition and Balance

As shown above, half the Board is made up of non-executive directors. Of the three non-executive directors, two of them, being one third of the Board, are independent, thus providing for independent element on the Board capable of exercising objective judgment on corporate affairs of the Group.

The composition of the Board and independence of each director is reviewed annually by the Nominating Committee.

corporate governance report

for the financial year ended 30 April 2008

Role of Chairman and Chief Executive Officer

Mr Khua Hock Su is the Non-Executive Chairman of the Company. He bears primary responsibility for the workings of the Board while his son, Mr Eric Khua Kian Keong, the Chief Executive Officer, is the most senior executive in the Company who has executive responsibility for the management of the Company and the Group.

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 Chief Executive Officer. 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.

Board Membership

The Nominating Committee (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)	(Appointed as Chairman on 26 June 2007)
Mr Sebastian Tan Cher Liang	Member (Non-executive, Independent)	(Appointed on 26 June 2007)
Mr Eric Khua Kian Keong	Member (Executive, Non-independent)	

Its principal function is to review the nominations for appointments or re-appointments of members of the Board of Directors and the members of the various Board committees for the purpose of proposing such nominations to the Board for its approval. The Board on the recommendation of the NC appoints new directors. Such new directors must submit themselves for re-election at the next Annual General Meeting (AGM) of the Company. Article 94 of the Company's Articles of Association requires one third of the Board with the exception of any Director appointed to fill casual vacancy pursuant to Article 76, to retire by rotation at every AGM. Article 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 Articles at the forthcoming AGM, for re-election.

The NC is also tasked with the responsibility of evaluating the effectiveness of the Board and performance of each individual director. The NC is also charged with determining annually whether or not a director is independent.

Board Performance

The Board recognises that, as a principle of good corporate governance, there should be regular reviews and evaluations of the Board and the individual directors in order to have continual improvements.

The NC evaluates the Board's performance as a whole. The assessment is based on criteria such as relationship with the Company, experience in being a 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.

Access to Information

Management is aware that it has an obligation to supply the Board with complete, adequate and timely information, not just before a meeting but on an ongoing basis. Access to the Company's management, including the Company Secretary, is therefore freely available to the Board members who can make further independent enquiries or clarifications as they see fit.

corporate governance report

for the financial year ended 30 April 2008

Procedures for Developing Remuneration Policies

The Remuneration Committee (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)	(Appointed on 1 August 2007)

The RC will recommend to the Board a framework of remuneration for fixing the remuneration packages of individual directors. Members of this Committee are knowledgeable in the field of executive compensation. If necessary, further expertise from outside sources will be made available. The Committee is aware of the need to minimise the risk of any potential conflict of interest and will ensure that no director should be involved in deciding his own remuneration.

Level and Mix of Remuneration

The Remuneration Committee 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.

Disclosure on Remuneration

	Mix of Remuneration by %			
	Salary	**Bonus**	**Directors' fees**	**Total**
Directors				
$250,000 to $500,000				
Eric Khua Kian Keong	68.6	16.2	15.2	100
Henry Chua Tiong Hock	60.2	14.3	25.5	100
Thomas Woo Sai Meng	56.7	13.0	30.3	100
Below $250,000				
Khua Hock Su	-	-	100	100
Sebastian Tan Cher Liang	-	-	100	100
Derek Loh Eu Tse	-	-	100	100
Senior Executives				
Below $250,000				
Lim Boon Kwong	91.7	8.3	-	100
Philip Lim Kok Tong	92.0	6.7	1.3	100
Alex Ng Boon Chuan	86.5	13.5	-	100
Lim Song Wang	90.4	8.0	1.6	100
Lawrence Sim Kay Sin	91.9	8.1	-	100
Simon Sim Geok Beng	90.4	9.6	-	100
Yap Soo San	92.3	7.7	-	100
Edward Yeo Lock Guan	92.6	7.4	-	100
Low Chia Wing	92.9	7.1	-	100
John Tan Soon Hoe	92.7	7.3	-	100
Vice Presidents (4 Executives)	92.2	7.8	-	100

Note: Salary and bonuses are inclusive of employer's Central Provident Fund contributions. Transport allowance and benefits-in-kind are included in salary.

corporate governance report

for the financial year ended 30 April 2008

No stock options were granted to any employee during the financial year ended 30 April 2008. Details of the Company's FLEH Share Option Scheme can be found on page 25 of the Directors' Report. None of the senior employees of the Company or its subsidiaries was an immediate family member of any Director.

Accountability

The Board recognises that it is accountable to shareholders for the Group's performance. Every half year, a review of the Group's financial performance and commentary on the competitive conditions within the industry in which the Company operates is provided to shareholders with the interim and full year results announcements. Announcements are also released from time to time in compliance with the Listing Manual to keep shareholders informed of material developments within the Group.

Management provides monthly reports on the Group's financial performance to the Executive Directors and other regular reports in matters relating to sales & marketing, operations and finance.

Audit Committee (AC)

The AC comprises three members, all are Non-executive Directors, two of whom, including its Chairman, are independent non-executive directors. The members of the AC at the date of this report are as follows:

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)	(Appointed on 26 June 2007)

The AC is charged with the task of assisting the Board in the execution of its corporate governance responsibilities; ensuring that internal control systems have been maintained by management; reviewing interested party transactions; reviewing and approving the half year and full year financial statements; reviewing the assistance given to auditors; reviewing with internal and external auditors on any significant findings; and making recommendations to the Board on all the above matters.

The AC has incorporated an informal "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.

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.

Internal Controls

The Company has in place a system of controls to provide reasonable assurance that assets are safeguarded, operational controls are adequate, business risks are suitably protected and financial controls are properly maintained. 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.

In addition, the external auditors also provide feedback to the Audit Committee in highlighting matters that require management attention. The Company carries out regular internal review of financial, operational and compliance controls and the Board is generally satisfied with the internal controls currently in place.

Internal Audit

The Company has appointed an independent professional firm, Alfred PF Shee & Co. to be the internal auditors. The internal auditors report directly to the Chairman of the AC. The scope of work covers ascertaining the risk profile of the Group and reviewing the adequacy and effectiveness of the existing internal control system in respect of major risk areas.

corporate governance report

for the financial year ended 30 April 2008

Communication with Shareholders

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.

In addition, the Company has revamped its website for disseminating information to and improving communication with shareholders.

Greater Shareholder Participation

At AGMs, shareholders are given opportunities to air their views and to ask the Board and management questions relating to the business affairs of the Group.

Resolutions to be passed at AGMs are always separate and distinct in terms of issue so that shareholders are better able to exercise their right to approve or deny the issue or motion. A balanced assessment of the relevant issues is provided or explained to shareholders, if necessary, to enable them to make informed judgments about the resolutions. Shareholders can also exercise their right to vote in absentia by the use of proxies.

The Board is satisfied that shareholders have been given the opportunity to participate effectively and to vote in AGMs.

Directors Attendance at Board and Committee Meetings

The attendance of the Directors at Board and Committee meetings for the financial year ended 30 April 2008, as well as the frequency of such meetings is disclosed below.

	Board No. of meetings		Audit Committee No. of meetings		Remuneration Committee No. of meetings		Nominating Committee No. of meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
* Khua Hock Su	2	2	2	2	1	NA	-	-
* Eric Khua Kian Keong	2	2	-	-	1	1	1	1
Henry Chua Tiong Hock	2	2	-	-	-	-	-	-
Thomas Woo Sai Meng	2	2	-	-	-	-	-	-
Sebastian Tan Cher Liang	2	2	2	2	1	1	1	1
Derek Loh Eu Tse	2	2	2	2	1	1	1	1

* Mr Khua Hock Su was appointed as RC member on 1 August 2007 while Mr Eric Khua Kian Keong ceased as RC member on 1 August 2007.

directors' report

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 30 April 2008.

Directors

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

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

Directors' interests

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

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Khua Hock Su		
The Company		
- ordinary shares		
- deemed interests	980,891,591	1,040,891,591
- warrants to subscribe for ordinary shares at $0.05 each between 3/3/2006 and 3/3/2009		
- deemed interests	540,446,025	390,446,025
Vibrant Capital Pte Ltd		
- ordinary shares		
- deemed interests	49,000	49,000
Eric Khua Kian Keong		
The Company		
- ordinary shares		
- interests held	2,612,000	2,612,000
- deemed interests	980,891,591	1,040,891,591
- warrants to subscribe for ordinary shares at $0.05 each between 3/3/2006 and 3/3/2009		
- interests held	1,306,000	1,306,000
- deemed interests	540,446,025	390,446,025
Vibrant Capital Pte Ltd		
- ordinary shares		
- interests held	51,000	51,000
- deemed interests	49,000	49,000

directors' report

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Henry Chua Tiong Hock		
The Company		
- ordinary shares		
- interests held	3,106,500	3,106,500
- warrants to subscribe for ordinary shares at $0.05 each between 3/3/2006 and 3/3/2009		
- interests held	250	250
Thomas Woo Sai Meng		
The Company		
- ordinary shares		
- interests held	160,698	160,698
- warrants to subscribe for ordinary shares at $0.05 each between 3/3/2006 and 3/3/2009		
- interests held	80,349	80,349
Freight Links Express Holdings (Australia) Limited		
- ordinary shares of A$0.50 each		
- interests held	4,000	4,000

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.

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

There were no changes in any of the above mentioned interests in the Company between the end of the financial year and 21 May 2008.

Except as disclosed under the “Share Options” section of this report, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except for salaries, bonuses, fees and those benefits that are disclosed in this report and in note 27 to the financial statements, since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

directors' report

Share options and warrants

(a) FLEH Share Option Scheme

The FLEH Share Option Scheme (the Scheme) of the Company was approved and adopted by its members at the Extraordinary General Meeting held on 28 June 2004. The Scheme is administered by the Company's Remuneration Committee.

The Committee comprises the following members, all of whom are non-executive directors:

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

The following persons shall be eligible to participate in the Scheme at the absolute discretion of the Committee:

(i) in relation to the Group:

(1) all the directors of the Company and its subsidiaries; and

(2) all confirmed full-time employees of the Group who are not less than 21 years old;

(ii) in relation to the immediate holding company:

(1) all the directors of the immediate holding company and its subsidiaries; and

(2) all confirmed full-time employees of the immediate holding company and its subsidiaries who are not less than 21 years old;

(iii) in relation to the associated companies:

(1) all the directors of the associated companies; and

(2) all confirmed full-time employees of associated companies who are not less than 21 years old;

who, in the opinion of the Committee, have contributed to the success and the development of the Group.

Persons who are Controlling Shareholder or his associates shall not participate in the Scheme unless:

(i) clear justification has been provided to shareholders for their participation;

(ii) their participation and the actual number and terms of any option to be granted to them have been specifically approved by independent shareholders of the Company in a general meeting in separate resolutions for each such Controlling Shareholder; and

(iii) all conditions for their participation in the Scheme as may be required by the regulations of the SGX-ST from time to time are satisfied.

Controlling Shareholder and his associate refer to Eric Khua Kian Keong, the Chief Executive Officer of the Company and Khua Hock Su, the non-Executive Chairman.

The Committee shall have absolute discretion to decide whether a person who is participating in this Scheme shall be eligible to participate in any other share option scheme implemented by the Company or any other Company within the Group.

directors' report

Share options and warrants (continued)

(a) FLEH Share Option Scheme (continued)

Other information regarding the Scheme is set out below:

(i) The options are exercisable to subscribe for new ordinary shares in the capital of the Company;

(ii) The options may be exercised, in whole or in part in respect of 1,000 shares or any multiple thereof, by an option holder giving notice in writing to the Company and accompanied by the remittance for the aggregate subscription cost; and

(iii) The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of any other company.

During the financial year, there were:

(i) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

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

(b) Warrants

On 5 April 2006, the Company announced a proposed renounceable non-underwritten rights issue of Warrants at an issue price of $0.01 for each Warrant on the basis of one warrant for every two existing ordinary shares in the share capital of the Company. 896,784,892 Warrants were allotted and issued by the Company. These Warrants were listed and quoted on the SGX-ST on 6 April 2006.

The Warrants were constituted under a Deed Poll dated 3 March 2006. Each warrant entitles the holder to subscribe for, at any time on or before 3 March 2009, one new ordinary share in the share capital of the Company at a subscription price of $0.05. The subscription price is subject to adjustments in accordance with the basis set out in the Deed Poll.

At the end of the financial year, details of the Warrants on the unissued ordinary shares of the Company are as follows:

	Exercise price per share	No. of warrants outstanding at 1 May 2007	Granted	Exercised	Lapsed	No. of warrants outstanding at 30 April 2008	Exercise period
Warrants	$0.05	896,308,892	-	128,940,000	-	767,368,892	3/3/2006 to 3/3/2009

Except for the above mentioned outstanding warrants, there were no other options to take up unissued shares of the Company or its subsidiaries that were outstanding as at the end of the financial year.

directors' report

Audit Committee

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

- Sebastian Tan Cher Liang (Chairman), non-executive director
- Khua Hock Su, non-executive director
- Derek Loh Eu Tse, non-executive director (Appointed on 26 June 2007)

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 two meetings since the last directors' report. 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;
- interim financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

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

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

Auditors

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

On behalf of the Board of Directors

Eric Khua Kian Keong
Director

Thomas Woo Sai Meng
Director

1 August 2008

statement by directors

In our opinion:

(a) the financial statements set out on pages 30 to 81 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 April 2008 and the results, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; 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.

On behalf of the Board of Directors

Eric Khua Kian Keong
Director

Thomas Woo Sai Meng
Director

1 August 2008

independent auditors' report

(to Members of the Company Freight Links Express Holdings Limited)

We have audited the accompanying financial statements of Freight Links Express Holdings Limited (the Company) and its subsidiaries (the Group), which comprise the balance sheets of the Group and of the Company as at 30 April 2008, the income statement, statement of changes in equity and cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 30 to 81.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards. This responsibility includes:

(a) 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 profit and loss accounts and balance sheets and to maintain accountability of assets;

(b) selecting and applying appropriate accounting policies; and

(c) making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion:

(a) the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Group and of the Company as at 30 April 2008 and of the results, changes in equity and cash flows of the Group for the year ended on that date; and

(b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG
Public Accountants and
Certified Public Accountants

Singapore
1 August 2008

Balance sheets

As at 30 April 2008

	Note	Group 2008 $'000	Group 2007 $'000	Company 2008 $'000	Company 2007 $'000
Non-current assets					
Property, plant and equipment	3	97,326	62,766	606	707
Intangible assets	4	982	982	–	–
Investment properties	5	9,000	21,000	–	–
Subsidiaries	6	–	–	17,775	20,660
Associates	7	48,525	48,496	38,738	41,817
Club membership		53	53	22	22
Other investments	8	4,183	4,866	4,183	4,908
Other receivables	9	7,009	9,035	83,777	61,819
Deferred tax assets	10	896	1,237	–	–
		167,974	148,435	145,101	129,933
Current assets					
Trade and other receivables	9	45,301	44,416	10,524	12,552
Other investments	8	1,698	1,215	–	–
Cash and cash equivalents	12	43,266	24,348	12,521	2,579
		90,265	69,979	23,045	15,131
Non-current assets held for sale	11	18,221	–	–	–
		108,486	69,979	23,045	15,131
Total assets		276,460	218,414	168,146	145,064
Equity attributable to equity holders of the Company					
Share capital	13	73,705	47,969	73,705	47,969
Other reserves	14	9,324	10,667	7,167	8,456
Accumulated profits	14	43,620	30,738	20,757	22,357
		126,649	89,374	101,629	78,782
Minority interests		11,204	6,179	–	–
Total equity		137,853	95,553	101,629	78,782
Non-current liabilities					
Financial liabilities	16	33,488	65,946	109	45,557
Other payables	17	9,647	12,636	20,564	16,271
Deferred tax liabilities	10	–	–	4	4
		43,135	78,582	20,677	61,832
Current liabilities					
Trade and other payables	17	34,026	27,257	994	880
Financial liabilities	16	58,934	13,158	43,037	1,049
Current tax payable		2,512	3,864	1,809	2,521
		95,472	44,279	45,840	4,450
Total liabilities		138,607	122,861	66,517	66,282
Total equity and liabilities		276,460	218,414	168,146	145,064

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

consolidated income statement

Year ended 30 April 2008

	Note	2008 $'000	2007 $'000
Revenue	18	139,429	126,321
Other income	21	15,991	15,012
Accretion of deferred revenue		2,989	2,989
Freight and related costs		(83,388)	(75,859)
Rental expenses on operating leases		(13,143)	(11,399)
Warehouse upkeep and related costs		(4,309)	(4,014)
Exhibition design and build costs		(4,165)	(3,760)
Staff costs		(21,764)	(19,839)
Depreciation of property, plant and equipment	3	(5,097)	(3,748)
Other expenses		(5,842)	(5,901)
		20,701	19,802
Finance income		1,371	1,583
Finance expense		(4,608)	(4,797)
Net finance costs	19	(3,237)	(3,214)
Share of profit of associates, net of tax		1,168	312
Profit before income tax		18,632	16,900
Income tax expense	20	(855)	(3,506)
Profit for the year	21	17,777	13,394
Attributable to:			
Equity holders of the Company		17,538	12,537
Minority interests		239	857
Profit for the year		17,777	13,394
Earnings per share			
Basic earnings per share (cents)	22	0.88	0.70
Diluted earnings per share (cents)	22	0.74	0.59

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

consolidated statement of changes in equity

Year ended 30 April 2008

	Share capital $'000	Capital reserve $'000	Foreign currency translation reserve $'000	Accumulated profits $'000	Total attributable to equity holders of the Company $'000	Minority interests $'000	Total equity $'000
Group							
At 1 May 2007	47,969	8,456	2,211	30,738	89,374	6,179	95,553
Translation differences relating to financial statements of foreign subsidiaries	–	–	(54)	–	(54)	(105)	(159)
Net gains recognised directly in equity	–	–	(54)	–	(54)	(105)	(159)
Net profit for the year	–	–	–	17,538	17,538	239	17,777
Total recognised income and expense for the year	–	–	(54)	17,538	17,484	134	17,618
Exercise of warrants	1,289	(1,289)	–	–	–	–	–
Issue of new shares	24,447	–	–	–	24,447	–	24,447
2007 final one-tier dividend paid of 0.25 cent per share	–	–	–	(4,656)	(4,656)	(96)	(4,752)
Issue of shares to minority interests of subsidiaries	–	–	–	–	–	4,987	4,987
At 30 April 2008	73,705	7,167	2,157	43,620	126,649	11,204	137,853
At 1 May 2006	47,943	8,464	1,621	21,071	79,099	4,888	83,987
Translation differences relating to financial statements of foreign subsidiaries	–	–	590	–	590	185	775
Net gains recognised directly in equity	–	–	590	–	590	185	775
Net profit for the year	–	–	–	12,537	12,537	857	13,394
Total recognised income and expense for the year	–	–	590	12,537	13,127	1,042	14,169
Share issue expenses	–	(4)	–	–	(4)	–	(4)
Exercise of warrants	4	(4)	–	–	–	–	–
Issue of new shares	22	–	–	–	22	–	22
2006 final dividend paid of 0.20 cent per share less tax of 20%	–	–	–	(2,870)	(2,870)	(122)	(2,992)
Acquisition of minority interests	–	–	–	–	–	371	371
At 30 April 2007	47,969	8,456	2,211	30,738	89,374	6,179	95,553

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

consolidated cash flow statement

Year ended 30 April 2008

	2008 $'000	2007 $'000
Operating activities		
Profit before income tax	18,632	16,900
Adjustments for:		
Depreciation	5,097	3,748
Loss/(gain) on financial assets at fair value through profit or loss (net)		
- marketable securities	1,203	(263)
- derivative contracts	2,569	1,393
Negative goodwill arising from acquisition of subsidiaries	–	(123)
Share of profit of associates	(1,168)	(312)
Accretion of deferred revenue	(2,989)	(2,989)
Gain on disposal of property, plant and equipment	(45)	(162)
Write-back of impairment loss on warehouse properties	(8,731)	(7,192)
Gain on fair value of investment properties	(5,000)	(1,253)
Finance costs	4,608	4,797
Finance income	(1,371)	(1,583)
Interest income on:		
- convertible loans to associates	(3,898)	(3,932)
- redeemable cumulative convertible preference shares in an associate	(793)	(754)
Foreign exchange gain	(959)	(1,108)
	7,155	7,167
Changes in working capital:		
Trade and other receivables	(3,124)	(8,306)
Trade and other payables	6,771	(99)
Foreign currency translation	181	94
Cash generated from/(used in) operations	10,983	(1,144)
Income taxes refunded	1,063	35
Income taxes paid	(1,058)	(3,522)
Cash flows from operating activities	10,988	(4,631)
Investing activities		
Proceeds from sale of property, plant and equipment	112	296
Purchase of property, plant and equipment	(30,087)	(6,734)
Net proceeds from issue of shares to minority interests of subsidiaries	4,496	265
Additional subscription of redeemable cumulative preference shares in an associate	(3,560)	–
Acquisition of shares in associates	(566)	(6,367)
Redemption of convertible loan to an associate	3,946	(12)
Dividends received	282	–
Purchase of other investments	(3,072)	–
Proceeds from sale of other investments	1,386	40
Finance income	1,055	1,583
Interest income on convertible loans to associates	3,372	3,546
Cash flows from investing activities	(22,636)	(7,383)

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

consolidated cash flow statement

Year ended 30 April 2008

	Note	2008 $'000	2007 $'000
Financing activities			
Proceeds from issue of new shares		18,000	22
Share issue expenses		–	(4)
Proceeds from exercise of warrants		6,447	–
Proceeds from borrowings		28,364	9,500
Repayment of borrowings		(13,637)	(6,021)
Payment of finance lease liabilities		(1,319)	(1,279)
Dividend paid to shareholders		(4,656)	(2,870)
Dividend paid to minority interests		(96)	(122)
Finance costs		(1,530)	(1,455)
Cash flows from financing activities		31,573	(2,229)
Net increase/(decrease) in cash and cash equivalents		19,925	(14,243)
Cash and cash equivalents at beginning of year		22,641	36,331
Effect of exchange rate fluctuations on cash held		(460)	553
Cash and cash equivalents at end of year	12	42,106	22,641

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

notes to the financial statements

Year ended 30 April 2008

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 1 August 2008.

1 Domicile and activities

Freight Links Express Holdings Limited (the Company) is incorporated in the Republic of Singapore and has its registered office at 51 Penjuru Road #04-00 Freight Links Express Logisticentre, Singapore 609143.

The principal activities of the Group and Company are those relating to freight forwarding, logistics, warehousing, leasing of industrial buildings, heavy vehicles parking lot operator, exhibition and event project management and investment holding.

The immediate and ultimate holding company during the financial year was Vibrant Capital Pte Ltd, a company incorporated in the Republic of Singapore.

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the Group) and the Group's interests in associates.

2 Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on the historical cost basis except for investment properties and certain financial assets and liabilities which are measured at fair value. Non-current assets and disposal groups held for sale are measured at the lower of carrying amount and fair value less costs to sell.

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

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

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

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 3 – measurement of recoverable amounts of property, plant and equipment
- Note 4 – assumptions of recoverable amounts relating to impairment of goodwill
- Note 8 – valuation of financial derivatives
- Note 9 – allowance for doubtful receivables

The accounting policies set out below have been applied consistently by the Group to all periods presented in these financial statements.

notes to the financial statements

Year ended 30 April 2008

2 Summary of significant accounting policies (continued)

2.2 Consolidation

Business combinations

Business combinations are accounted for under the purchase method. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

The excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is credited to the income statement in the period of the acquisition.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Associates

Associates are those entities in which the Group has significant influence, but not control, over their financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Associates are accounted for using the equity method. The consolidated financial statements include the Group's share of the income, expenses and equity movements of associates, after adjustments to align the accounting policies 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 associate, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

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

Accounting for subsidiaries and associates by the Company

Investments in subsidiaries and associates are stated in the Company's balance sheet at cost less accumulated impairment losses.

2.3 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated at the respective functional currencies of Group entities at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date on which the fair value was determined.

notes to the financial statements

Year ended 30 April 2008

2 Summary of significant accounting policies (continued)

2.3 Foreign currencies (continued)

Foreign currency transactions (continued)

Foreign currency differences arising on retranslation are recognised in the income statement, except for differences arising on the retranslation of monetary items that in substance form part of the Group's net investment in a foreign operation (see below) and available-for-sale equity instruments (note 2.7).

Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates prevailing at the dates of the transactions. Goodwill and fair value adjustments arising on the acquisition of a foreign operation on or after 1 May 2005 are treated as assets and liabilities of the foreign operation and translated at the closing rate. For acquisitions prior to 1 May 2005, the exchange rates at the date of acquisition were used.

Foreign currency differences are recognised in the foreign currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the foreign exchange translation reserve is transferred to the income statement.

2.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

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

Freehold land and construction work-in-progress are not depreciated. Depreciation of construction work-in-progress will commence when it is ready for its intended use. Depreciation on other property, plant and equipment is recognised in the income statement on a straight-line basis over their estimated useful lives (or lease term, if shorter) of each part of an item of property, plant and equipment.

The estimated useful lives are as follows:

Freehold properties	50 years
Leasehold properties	20 to 60 years
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
Vessels	20 years

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

notes to the financial statements

Year ended 30 April 2008

2 Summary of significant accounting policies (continued)

2.5 Intangible assets

Goodwill

Goodwill and negative goodwill arise on the acquisition of subsidiaries and associates.

Acquisitions occurring between 1 May 2001 and 1 May 2005

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets and liabilities of the acquiree.

Goodwill arising on the acquisition of subsidiaries is presented in intangible assets. Goodwill arising on the acquisition of associates is presented together with investments in associates.

Goodwill was stated at cost from the date of initial recognition and amortised over its estimated useful life of 10 years. On 1 May 2005, the Group discontinued amortisation of this goodwill. This remaining goodwill balance is subject to testing for impairment, as described in note 2.9.

Negative goodwill was derecognised by crediting accumulated profit on 1 May 2005.

Acquisitions on or after 1 May 2005

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

Goodwill arising on the acquisition of subsidiaries is presented in intangible assets. Goodwill arising on the acquisition of associates is presented together with investments in associates.

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment as described in note 2.9. Negative goodwill is recognised immediately in the income statement.

Acquisition of minority interest

Goodwill arising on the acquisition of a minority interest in a subsidiary represents the excess of the cost of the additional investment over the carrying amount of the net assets acquired at the date of exchange.

2.6 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or both. Investment properties are measured initially at costs, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition critieria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

notes to the financial statements

Year ended 30 April 2008

2 Summary of significant accounting policies (continued)

2.7 Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents, financial liabilities, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and bank deposits. Bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

Available-for-sale financial assets

The Group's investments in equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than for impairment losses, and foreign exchange gains and losses on available-for-sale monetary items (see note 2.3), are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to the income statement.

Financial assets at fair value through profit or loss

An instrument is classified as at fair value through profit or loss if it is acquired principally for the purpose of selling in the short-term or is designated as such upon initial recognition. Financial instruments are designated as fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management and investment strategies. Upon initial recognition, attributable transaction costs are recognised in the income statement when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in the income statement.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

Derivative financial instruments and hedging activities

The Group holds derivative financial instruments to hedge its interest rate and foreign currency risk exposures. Derivatives are recognised initially at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised immediately in the income statement.

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

notes to the financial statements

Year ended 30 April 2008

2 Summary of significant accounting policies (continued)

2.7 Financial instruments (continued)

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired.

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the income statement. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to the income statement.

Impairment losses in respect of financial assets measured at amortised cost and available-for-sale debt securities are reversed if the subsequent increase in fair value can be related objectively to an event occurring after the impairment loss was recognised.

Impairment losses once recognised in the income statement in respect of available-for-sale equity securities are not reversed through the income statement. Any subsequent increase in fair value of such assets is recognised directly in equity.

Intra-group financial guarantees

Financial guarantee contracts are accounted for as insurance contracts. A provision is recognised based on the Group's estimate of the ultimate cost of settling all claims incurred but unpaid at the balance sheet date. The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.

Share capital

Ordinary shares are classified as equity.

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

notes to the financial statements

Year ended 30 April 2008

2 Summary of significant accounting policies (continued)

2.8 Leases

When entities within the Group are lessees of a finance lease

Leased assets in which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, property, plant and equipment acquired through finance leases are capitalised at the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Leased assets are depreciated over the shorter of the lease term and their useful lives. Lease payments are apportioned between finance expense and reduction of the lease liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

When entities within the Group are lessees of an operating lease

Where the Group has the use of assets under operating leases, payments made under the leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease payments made.

When entities within the Group are lessors of an operating lease

Assets leased out under operating leases are included in investment properties and are stated at fair value and not depreciated. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.9 Impairment – non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement unless it reverses a previous revaluation, credited to equity, in which case it is charged to equity. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

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

notes to the financial statements

Year ended 30 April 2008

2 Summary of significant accounting policies (continued)

2.10 Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an expense in the income statement as incurred.

Short-term benefits

Short-term employee benefit obligations 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 bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.11 Revenue recognition

Rendering of services

Revenue from outward freight forwarding is recognised upon shipment. Revenue from inward freight forwarding is recognised when goods are delivered. Revenue from logistic services is recognised over the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

Rental income

Rental income receivable under operating leases is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received.

Dividend income

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

2.12 Finance income and expenses

Finance income comprises interest income on bank deposits, loans to associates and other receivables that are recognised in the income statement. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprises interest expense on borrowings that is recognised in the income statement. All borrowing costs are recognised in the income statement using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

notes to the financial statements

Year ended 30 April 2008

2 Summary of significant accounting policies (continued)

2.13 Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.14 Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets (or disposal group) are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in the income statement. Gains are not recognised in excess of any cumulative impairment loss.

notes to the financial statements

Year ended 30 April 2008

3 Property, plant and equipment

	Note	Freehold properties $'000	Leasehold properties $'000	Motor vehicles, trucks and prime movers $'000	Office equipment and machinery $'000	Furniture, fixtures and fittings $'000	Construction work-in-progress $'000	Vessel $'000	Total $'000
Group									
Cost									
At 1 May 2006		234	69,254	5,598	15,916	3,625	28,439	–	123,066
Additions		–	–	2,324	491	383	4,892	–	8,090
Assets acquired in business combinations		506	–	125	84	23	–	–	738
Disposals		–	–	(500)	(53)	(68)	–	–	(621)
Translation differences		65	29	98	35	4	–	–	231
Reclassifications		–	3,089	–	(4)	4	–	–	3,089
At 30 April 2007		805	72,372	7,645	16,469	3,971	33,331	–	134,593
Additions		25	35	2,529	1,151	2,132	19,868	6,630	32,370
Disposals		–	–	(158)	(57)	(32)	–	–	(247)
Reclassified to non-current assets held for sale	11	(143)	(1,576)	–	(265)	(69)	–	–	(2,053)
Translation differences		(53)	(48)	(167)	(55)	(23)	–	–	(346)
Reclassifications		–	14,208	–	–	–	(14,208)	–	–
At 30 April 2008		634	84,991	9,849	17,243	5,979	38,991	6,630	164,317

notes to the financial statements

Year ended 30 April 2008

3 Property, plant and equipment (continued)

	Freehold properties $'000	Leasehold properties $'000	Motor vehicles, truck and prime movers $'000	Office equipment and machinery $'000	Furniture, fixtures and fittings $'000	Construction work-in-progress $'000	Vessel $'000	Total $'000
Group								
Accumulated depreciation and impairment losses								
At 1 May 2006	16	33,281	1,515	12,283	2,723	22,733	–	72,551
Depreciation charge for the year	31	1,873	883	635	326	–	–	3,748
Impairment losses written back	–	(4,403)	–	–	–	(2,789)	–	(7,192)
Disposals	–	–	(422)	(42)	(23)	–	–	(487)
Translation differences	15	12	66	22	3	–	–	118
Reclassifications	–	3,089	–	–	–	–	–	3,089
At 30 April 2007	62	33,852	2,042	12,898	3,029	19,944	–	71,827
Depreciation charge for the year	38	2,718	1,109	705	470	–	57	5,097
Impairment losses written back	–	(7,347)	–	–	–	(1,384)	–	(8,731)
Disposals	–	–	(127)	(53)	–	–	–	(180)
Translation differences	(13)	(18)	(103)	(40)	(16)	–	(1)	(191)
Reclassified to non-current assets held for sale	(29)	(573)	–	(181)	(48)	–	–	(831)
At 30 April 2008	58	28,632	2,921	13,329	3,435	18,560	56	66,991
Carrying amount								
At 1 May 2006	218	35,973	4,083	3,633	902	5,706	–	50,515
At 30 April 2007	743	38,520	5,603	3,571	942	13,387	–	62,766
At 30 April 2008	576	56,359	6,928	3,914	2,544	20,431	6,574	97,326

notes to the financial statements

Year ended 30 April 2008

3 Property, plant and equipment (continued)

	Motor vehicles $'000	Office equipment $'000	Furniture, fixtures and fittings $'000	Total $'000
Company				
Cost				
At 1 May 2006	375	157	35	567
Additions	382	54	–	436
At 30 April 2007	757	211	35	1,003
Additions	–	6	2	8
Disposals	–	(5)	–	(5)
At 30 April 2008	757	212	37	1,006
Accumulated depreciation				
At 1 May 2006	68	93	31	192
Depreciation for the year	70	33	1	104
At 30 April 2007	138	126	32	296
Depreciation for the year	75	30	1	106
Disposals	–	(2)	–	(2)
At 30 April 2008	213	154	33	400
Carrying amount				
At 1 May 2006	307	64	4	375
At 30 April 2007	619	85	3	707
At 30 April 2008	544	58	4	606

Cost of construction work-in-progress comprise:

	Group	
	2008 $'000	2007 $'000
Development costs	33,319	27,985
Leasehold land rental	1,261	1,169
Property taxes, interest and other overheads	4,411	4,177
	38,991	33,331

During the year, interest expense of approximately $217,000 (2007: $20,000) was capitalised by the Group as cost of construction work-in-progress. The capitalisation rate was based on the cost of borrowings of 3.04% (2007: 4.49%).

Impairment

The Group's freehold and leasehold properties (including property under construction) were impaired in prior years on the basis that individual warehouse property represents a cash-generating unit (CGU). As property market conditions improved during the year, the Group performed a review of the recoverable amount of the assets in these CGUs. Based on these assessments, the Group wrote-back impairment losses amounting to $8,731,000 (2007: $7,192,000) and the write-back was credited to other income in the income statement.

The recoverable amounts of these CGUs were estimated based on their estimated fair values in accordance with the Group's accounting policy. The fair values of the CGUs were estimated based on independent professional valuation by Colliers International Consultancy Valuation (Singapore) Pte Ltd and Chesterton International Property Consultants Pte Ltd as at 30 April 2008.

notes to the financial statements

Year ended 30 April 2008

3 Property, plant and equipment (continued)

Assets under finance leases

The Group leases motor vehicles, trucks and prime movers under a number of finance lease agreements. At 30 April 2008, the net carrying amount of leased plant and equipment was $5,542,000 (2007: $4,003,000).

During the year, the Group acquired property, plant and equipment with an aggregate cost of $32,370,000 (2007: $8,090,000), of which $2,283,000 (2007: $1,356,000) was acquired under finance leases.

The following property, plant and equipment have been pledged as security to secure bank loans and other credit facilities extended to certain subsidiaries as set out in note 16:

	Group	
	2008	2007
	$'000	$'000
Leasehold properties	53,667	29,686
Office equipment and machinery	1,759	1,732
Furniture, fixtures and fittings	–	440
Construction work-in-progress	18,500	8,400
	73,926	40,258

4 Intangible assets

	Goodwill on consolidation
	$'000
Group	
Cost	
At 1 May 2006, 30 April 2007 and 30 April 2008	1,127
Accumulated amortisation and impairment losses	
At 1 May 2006, 30 April 2007 and 30 April 2008	145
Carrying amount	
At 1 May 2006, 30 April 2007 and 30 April 2008	982

Impairment tests for goodwill

The goodwill relates to the Group's chemical and logistics business in Singapore and Malaysia (cash-generating unit).

The recoverable amount of the cash-generating unit (CGU) was determined based on its value in use and the following key assumptions:

- Cash flows were projected based on actual operating results and the five-year business plan approved by the management. Cash flows for the five-year period were extrapolated using a constant growth rate of 2.7%.
- A pre-tax discount rate of 20% was applied in determining the recoverable amount of the CGU.
- The terminal value was estimated using a price-earning multiple model, with a price-earning multiple of 5 applied to the projected earnings at the end of the projection period.

The values assigned to the key assumptions represent management's assessment of future trends in the chemicals and logistics industry and are based on both external sources and internal sources (historical data). The recoverable amount was computed to be higher than the carrying amount and accordingly, no impairment loss was recognised.

notes to the financial statements

Year ended 30 April 2008

5 Investment properties

	Note	Group 2008 $'000	Group 2007 $'000
At 1 May		21,000	19,747
Gain on fair value recognised in income statement		5,000	1,253
Reclassified to non-current assets held for sale	11	(17,000)	–
At 30 April		9,000	21,000

Investment properties were revalued as at 30 April 2008 by Colliers International Consultancy Valuation (Singapore) Pte Ltd, a firm of independent professional valuers, at open market values on an existing use basis.

At the balance sheet date, investment property comprises an industrial property that is leased to external customers. The lease contains an initial non-cancellable period of 3 years. Subsequent renewal is negotiated with the lessees.

The carrying amount of investment property of the Group under operating leases at 30 April 2008 is $9,000,000 (2007: $21,000,000). Property rental income earned by the Group from its investment properties during the year, all of which are leased out under operating leases, amounted to $2,472,000 (2007: $2,320,000).

The investment properties are pledged to secure bank loans and other credit facilities extended to certain subsidiaries.

6 Subsidiaries

	Company 2008 $'000	Company 2007 $'000
Equity investments at cost		
- quoted	10,790	10,790
- unquoted	16,848	16,847
	27,638	27,637
Impairment losses	(9,863)	(6,977)
	17,775	20,660

notes to the financial statements

Year ended 30 April 2008

6 Subsidiaries (continued)

Details of significant subsidiaries of the Group are as follows:

Name of subsidiary	Country of incorporation	Effective equity held by the Group 2008 %	2007 %
Freight Links Express Pte Ltd	Singapore	100	100
Freight Links Logistics Pte Ltd	Singapore	100	100
Freight Links Express Distripark Pte Ltd	Singapore	100	100
Crystal Freight Services Pte Ltd	Singapore	100	100
Freight Links Express Logisticentre Pte Ltd	Singapore	100	100
Freight Links Express Districentre Pte Ltd	Singapore	100	100
Crystal Freight Services Distripark Pte Ltd	Singapore	100	100
Freight Links E-logistics Technopark Pte Ltd	Singapore	100	100
Freight Links Fabpark Pte Ltd	Singapore	100	100
Freight Links Express Holdings (Australia) Limited	Australia	75.53	75.53
Freight Links Express Air Systems Pte Ltd	Singapore	100	100
Freight Links Express Logisticpark Pte Ltd	Singapore	100	100
LTH Logistics (Singapore) Pte Ltd	Singapore	51	51
Freight Links Express (Thailand) Co., Ltd	Thailand	49	49
Freight Links (Jiangsu) Co., Ltd	People's Republic of China	49	–

KPMG Singapore is the auditor of all significant Singapore-incorporated subsidiaries. Other member firms of KPMG International are auditors of significant foreign-incorporated subsidiaries except for Freight Links Express Holdings (Australia) Limited which is audited by PricewaterhouseCoopers, Australia.

Although the Group owns less than half of the voting power of Freight Links Express (Thailand) Co., Ltd and Freight Links (Jiangsu) Co., Ltd, it is able to govern the financial and operating policies of these companies and control the composition of its board of directors. Consequently, the Group consolidates its investments in these companies as subsidiaries of the Group.

The recoverable amounts of the investments in these subsidiaries were determined based on the estimated net selling price of the subsidiaries.

7 Associates

	Group 2008 $'000	Group 2007 $'000	Company 2008 $'000	Company 2007 $'000
Convertible loans to associates	27,488	31,288	27,488	31,288
Redeemable cumulative convertible preference shares	12,906	10,529	10,800	10,529
Investment in associates	8,131	6,679	450	–
	48,525	48,496	38,738	41,817

notes to the financial statements

Year ended 30 April 2008

7 Associates (continued)

Convertible loans to associates

	Group and Company 2008 $'000	Group and Company 2007 $'000
At 1 May	31,288	30,844
(Redemption)/additions	(3,946)	36
Interest income	388	385
Unrealised exchange (gain)/loss taken to income statement	(242)	23
At 30 April	27,488	31,288

(a) Convertible loans to associates were extended to the following entities:

Name of associates	Country of incorporation
China Baisui Logistics Pte Ltd (Baisui)*	Singapore
Fudao Petrochemicals Group Pte Ltd (Fudao)*	Singapore

* Companies not audited by KPMG Singapore or member firms of KPMG International

The above companies are regarded as associated companies as the Company has representation on the board of directors and significant influence over the financial and operating policies of these companies.

During the year, the Company redeemed the convertible loan to Baisui for an amount of $5,610,000 comprising the following:

	Group and Company 2008 $'000
Principal amount	3,946
Interest income	1,664
	5,610

(b) The convertible loans to associated companies are secured over the shares and assets of the associated companies.

(c) The convertible loans bear a contractual interest rate of 10% to 15% (2007: 10% to 15%) per annum. The effective interest rates vary from 5% to 11% (2007: 10% to 12%) per annum.

(d) In respect of the convertible loan to Fudao, unless converted into new fully paid-up ordinary shares in the capital of Fudao, the convertible loan shall be repaid in cash, with all accrued and unpaid interest to the Company. The loan is convertible into equity shares in Fudao if specific performance criteria are met and upon conversion, the Company shall hold between 27% to 50% of the issued share capital of Fudao.

During the year, Fudao had a major restructuring and pursuant to a debt reassignment arrangement between Fudao and a major shareholder of a subsidiary of Fudao, the relevant parties have undertaken to repay the convertible loan. On this basis, the directors are of the opinion that the loan is fully recoverable and no provision for impairment loss is required.

notes to the financial statements

Year ended 30 April 2008

7 Associates (continued)

Convertible loans to associates (continued)

(e) The convertible loans are denominated in the following currencies:

	Group and Company	
	2008	2007
	$'000	$'000
Chinese renminbi	27,488	27,342
Singapore dollar	–	3,946
	27,488	31,288

(f) The fair value of the convertible loans as at balance sheet date is $27,488,000 (2007: $33,000,000).

Redeemable cumulative convertible preference shares

	Group		Company	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
At 1 May	10,529	10,291	10,529	10,291
Additions	2,972	(24)	866	(24)
Interest income	793	755	793	755
Unrealised exchange loss taken to income statement	(1,388)	(493)	(1,388)	(493)
At 30 April	12,906	10,529	10,800	10,529

(a) The associated company is:

Name of associate	Country of incorporation
China GSD Logistics Pte Ltd (GSD)*	Singapore

* Company not audited by KPMG Singapore or member firms of KPMG International

The above company is regarded as an associated company as the Company has representation on the board of directors and significant influence over the financial and operating policies of this company.

(b) Terms and conditions of the redeemable cumulative convertible preference shares (RCCPS):

(i) Each RCCPS shall confer on the Company the right to be paid in priority to any other distributions in respect of any other classes of shares, preference dividends on a cumulative basis, of an amount equal to 7% (2007: 7%) per annum of the issue price payable on each RCCPS in each year the RCCPS are in issue;

(ii) In the event of liquidation of GSD, the Company has priority in the repayment of capital together with any arrears of any declared but unpaid dividend on a cumulative basis. In addition, the Company 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 Company into 1 ordinary share in the capital of GSD. The Company has the right to convert the RCCPS any time after (a) receipt by the company 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 Company 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 Company shall hold 39.04% of the issued share capital of GSD.

notes to the financial statements

Year ended 30 April 2008

7 Associates (continued)

Redeemable cumulative convertible preference shares (continued)

(c) The effective interest rate of the RCCPS as at balance sheet date is 7% to 43% (2007: 8% to 9%) per annum.

(d) The RCCPS is denominated in United States dollar.

(e) The fair value of the RCCPS as at the balance sheet date is $13,326,000 (2007: $11,653,000).

Details of significant associates are as follows:

Name of associate	Country of incorporation	Effective equity held by the Group 2008 %	2007 %
Associate			
Freight Management Holdings Bhd (FMHB)*	Malaysia	20	20

* Company not audited by KPMG Singapore or member firms of KPMG International

Summarised financial information of associates

The summarised financial statements of Fudao and GSD are included in the aggregate financial information set out below. The results of these associates are not equity accounted as the Company does not hold equity interest in them.

The summarised financial information relating to associates is not adjusted for the percentage of ownership held by the Group. The financial information of the associates based on unadjusted financial statements for 12 months period not more than 3 months from the Company's financial year end are as follows:

	Group	
	2008 $'000	2007 $'000
Assets and liabilities		
Total assets	191,633	251,117
Total liabilities	112,490	145,045
Results		
Revenue	118,395	208,447
(Loss)/profit after tax	(1,168)	7,677

notes to the financial statements

Year ended 30 April 2008

8 Other investments

	Group		Company	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Non-current investments				
Financial derivatives	4,183	4,866	4,183	4,908
Current investments				
Financial assets at fair value through profit or loss	1,698	1,215	–	–

As at 30 April, financial derivatives comprised the following:

	Group		Company	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Fair value of interest rate swaps	(1,298)	246	(991)	288
Fair value of forward foreign exchange contract	(905)	–	(905)	–
Fair value of embedded options	4,183	4,620	4,183	4,620
	1,980	4,866	2,287	4,908
Analysed as:				
Current	(1,896)	–	(1,896)	–
Non-current	3,876	4,866	4,183	4,908
	1,980	4,866	2,287	4,908

Interest rate swaps

	Group		Company	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
At 1 May	246	673	288	432
Fair value loss included in income statement	(1,544)	(329)	(1,279)	(144)
Loss on termination of interest rate swap	–	(98)	–	–
At 30 April	(1,298)	246	(991)	288

Forward foreign exchange contract

	Group		Company	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
At 1 May	–	–	–	–
Fair value loss included in income statement	(905)	–	(905)	–
At 30 April	(905)	–	(905)	–

The Group has entered into interest rate swaps and forward foreign exchange contract to hedge the Group's exposure to interest rate and foreign currency risks on its borrowings. The interest rate swaps entitle the Group to receive interest at floating/fixed rates on notional principal amounts and oblige the Group to pay interest at fixed/floating rates on the same notional principal amounts. The forward foreign exchange contract is used to hedge the Group's US$ borrowings. The interest rate swaps and forward foreign exchange contract do not qualify for hedge accounting.

notes to the financial statements

Year ended 30 April 2008

8 Other investments (continued)

Embedded options

	Group and Company	
	2008	2007
	$'000	$'000
At 1 May	4,620	5,684
Fair value upon initial recognition	589	–
Fair value loss included in income statement	(1,026)	(1,064)
At 30 April	4,183	4,620

The Group carries financial derivatives at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these derivatives financial instruments would affect profit.

9 Trade and other receivables

	Group		Company	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Non-current assets				
Advances to subsidiaries	–	–	201,127	181,829
Allowance for doubtful receivables	–	–	(117,350)	(122,726)
Net receivables	–	–	83,777	59,103
Receivables from sale of warehouse	6,522	6,319	–	–
Prepayments	487	2,716	–	2,716
	7,009	9,035	83,777	61,819
Current assets				
Trade receivables				
- subsidiaries	–	–	856	898
- third parties	24,374	24,277	–	–
	24,374	24,277	856	898
Allowance for doubtful trade receivables	(1,818)	(2,128)	–	–
Net trade receivables	22,556	22,149	856	898
Interest receivables	3,846	3,560	3,846	3,560
Receivables from sale of warehouse	–	6,840	–	–
Loan to an associate	1,360	1,520	1,360	1,520
Amounts due from related parties	2,221	–	–	–
Deposits	8,268	639	329	1
Prepayments	4,422	5,463	2,490	2,936
Tax recoverable	1,202	3,256	1,169	3,069
Other receivables	1,426	989	474	568
	45,301	44,416	10,524	12,552

notes to the financial statements

Year ended 30 April 2008

9 Trade and other receivables (continued)

Outstanding balances with subsidiaries are unsecured with no fixed terms of repayment. Interest is charged at 1% above market swap rate determined at the beginning of each month on the net receivables. The average effective interest rate at balance sheet date was 3.04% (2007: 4.49%) per annum. Allowance for doubtful debts arising from the outstanding balances amount to $1,818,000 (2007: $2,128,000).

Receivables from the sale of warehouse relate to amounts due from a third party for the sale of warehouse complexes in prior years. In accordance with the sale and purchase agreement signed between the Group and the third party, the final payment of $6,840,000 is due in December 2010.

Loan to an associate is unsecured and bears interest at 2.5% (2007: 2.5%) per annum above the prevailing SIBOR rate determined on a half yearly basis and repayable within the next twelve months.

Amounts due from related parties are unsecured, interest free and have no fixed terms of repayment.

The Group's primary exposure to credit risk arises through its trade 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 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 receivables.

The Group evaluates whether there is any objective evidence that trade receivables are impaired, and determines the amount of impairment loss as a result of the inability of the customers to make required payments. The Group determines the estimates based on the ageing of trade receivables, credit-worthiness, and historical write-off experience. If the financial condition of the customers were to deteriorate, actual write-offs would be higher than estimated.

The maximum exposure to credit risk for current loans and trade receivables at the balance sheet date (by business activities) is as follows:

	Group		Company	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Freight forwarding	10,563	11,323	153	169
Warehousing and logistics	3,517	2,583	436	412
Chemical storage and logistics	7,464	7,448	198	147
Others	2,372	2,315	1,429	1,690
	23,916	23,669	2,216	2,418

notes to the financial statements

Year ended 30 April 2008

9 Trade and other receivables (continued)

Impairment losses

The aging of current loans and trade receivables at the reporting date is:

	Gross 2008 $'000	Impairment Losses 2008 $'000	Gross 2007 $'000	Impairment Losses 2007 $'000
Group				
Not past due	12,524	–	11,319	(29)
Past due 0 – 30 days	6,104	(18)	7,281	(95)
Past due 31 – 120 days	4,187	(202)	3,944	(360)
More than 120 days	2,919	(1,598)	3,253	(1,644)
	25,734	(1,818)	25,797	(2,128)
Company				
Not past due	127	–	128	–
Past due 0 – 30 days	52	–	56	–
Past due 31 – 120 days	122	–	174	–
More than 120 days	1,915	–	2,060	–
	2,216	–	2,418	–

The change in allowance for impairment in respect of current and non-current trade and other receivables during the year is as follows:

	Group		Company	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
At 1 May	2,128	2,417	122,726	127,174
Allowance made	1,666	374	–	–
Allowance utilised	(1,857)	–	–	–
Allowance written back	(119)	(663)	(5,376)	(4,448)
At 30 April	1,818	2,128	117,350	122,726

notes to the financial statements

Year ended 30 April 2008

10 Deferred tax

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

	At 1 May 2006 $'000	Recognised in income statement $'000	Exchange differences $'000	At 30 April 2007 $'000	Recognised in income statement $'000	Exchange differences $'000	At 30 April 2008 $'000
Group							
Deferred tax liabilities							
Other items	52	–	–	52	–	–	52
Tax value of losses carried forward	(2)	28	–	26	4	(7)	23
Total	50	28	–	78	4	(7)	75
Deferred tax assets							
Property, plant and equipment	(232)	39	5	(188)	129	1	(58)
Provisions	(14)	–	–	(14)	15	–	1
Deferred revenue	(1,312)	199	–	(1,113)	199	–	(914)
Total	(1,558)	238	5	(1,315)	343	1	(971)

Deferred tax liabilities of the Company are attributable to the following:

	Company 2008 $'000	Company 2007 $'000
Deferred tax liabilities		
Other items	4	4

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

	Group 2008 $'000	Group 2007 $'000	Company 2008 $'000	Company 2007 $'000
Deferred tax liabilities	–	–	(4)	4
Deferred tax assets	896	1,237	–	–

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

	Group 2008 $'000	Group 2007 $'000
Investment allowances	2,805	2,800
Capital allowances	33,768	31,788
Tax losses	9,983	6,378
	46,556	40,966

notes to the financial statements

Year ended 30 April 2008

10 Deferred tax (continued)

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 investment allowances, capital allowances 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 2.13.

11 Non-current assets held for sale

	Group	
	2008	2007
	$'000	$'000
Investment property	17,000	–
Property, plant and equipment	1,221	–
	18,221	–

The investment property at 30/32 Tuas Avenue 8 Singapore is presented as held for sale in conjunction with a put and call option agreement entered into by a wholly-owned subsidiary, Freight Links Fabpark Pte Ltd, with the trustee of a private estate investment trust for the sale of its leasehold interest together with the building in the property. The sale is expected to be completed by December 2008 upon obtaining relevant approval from the JTC Corporation for the sale of the property and satisfying other conditions in relation to the sale.

On 20 February 2008, a sales and purchase agreement was entered into with a third party for the sale of a warehouse property in Pasir Gudang, Malaysia and is expected to be completed in August 2008. Accordingly, the property is presented as held for sale.

The investment property and property, plant and equipment are classified under the assets of the warehousing and logistics and chemical storage and logistics segments respectively in note 23.

12 Cash and cash equivalents

	Group		Company	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Cash at bank and in hand	17,864	7,884	9,221	579
Deposits with banks	25,402	16,464	3,300	2,000
Cash and cash equivalents	43,266	24,348	12,521	2,579
Bank overdrafts (note 16)	(1,160)	(1,707)		
Cash and cash equivalents in the cash flow statement	42,106	22,641		

Included in cash and cash equivalents are amounts of $5,731,000 (2007: $330,000) held in countries under foreign exchange controls.

The weighted average effective interest rate per annum relating to cash and cash equivalents, excluding bank overdrafts, at the balance sheet date for the Group ranges from 0.92% to 6.89% (2007: 1.60% to 6.31%). Interest rates reprice at intervals of three months.

notes to the financial statements

Year ended 30 April 2008

13 Share capital

	Group and Company	
	2008	2007
	No. of shares ('000)	No. of shares ('000)
Fully paid ordinary shares, with no par value:		
At 1 May	1,794,046	1,793,620
Exercise of warrants	128,940	426
Placement of new shares	180,000	–
At 30 April	2,102,986	1,794,046

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

On 25 September 2007, the Company issued 180 million new ordinary shares at an issue price of $0.10 for each placement share pursuant to a share subscription agreement with Permanent Investment Management Limited. The placement proceeds were used for the Company's investments, repayment of bank borrowings and working capital purposes.

Capital management

The Board's policy is to maintain a strong 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 Board of Directors also seeks to maintain a balance healthy level of borrowings with a view to optimise financial return to shareholders. The Group targets to achieve a return on shareholders' equity (ROE) of between 15% and 20%. In 2008, the Group achieved a ROE of 13.8% (2007: 14.0%).

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 minority interest. The Group's strategy is to maintain a net debt to equity ratio of under 1.0. The net debt to equity ratio was 0.37 for the year ended 30 April 2008 (2007: 0.61).

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

The Company and its subsidiaries are not subject to externally imposed capital requirements.

14 Reserves

	Group		Company	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Foreign currency translation reserve	2,157	2,211	–	–
Capital reserve	7,167	8,456	7,167	8,456
Accumulated profits	43,620	30,738	20,757	22,357
	52,944	41,405	27,924	30,813

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company.

notes to the financial statements

Year ended 30 April 2008

14 Reserves (continued)

Capital reserve arises from the issue and exercise of warrants.

The accumulated profits of the Group include an amount of $1,480,000 (2007: $312,000) attributable to associates.

After the balance sheet date, the directors proposed a one-tier first and final dividend of 0.25 cents (2007: 0.25 cents) per share, amounting to a net dividend of $5,257,000 (2007: $4,485,000). The dividend has not been provided for.

15 Share options and warrants

FLEH Share Option Scheme

The FLEH Share Option Scheme (the Scheme) was approved by members of the Company at an Extraordinary General Meeting held on 28 June 2004.

The following persons shall be eligible to participate in the Scheme at the absolute discretion of the Remuneration Committee:

(i) in relation to the Group:

- (a) all the directors of the Company and its subsidiaries; and
- (b) all confirmed full-time employees of the Group who are not less than 21 years old;

(ii) in relation to the immediate holding company:

- (a) all directors of the immediate holding company and its subsidiaries; and
- (b) all confirmed full-time employees of the immediate holding company and its subsidiaries who are not less than 21 years old;

(iii) in relation to the associated companies:

- (a) all directors of associated companies; and
- (b) all confirmed full-time employees of associated companies who are not less than 21 years old;

who, in the opinion of the Committee, have contributed to the success and the development of the Group.

Persons who are Controlling Shareholder or his associates shall not participate in the Scheme unless:

(i) clear justification have been provided to shareholders for their participation;

(ii) their participation and the actual number and terms of any option to be granted to them have been specifically approved by independent shareholders of the Company in a general meeting in separate resolutions for each such Controlling Shareholder; and

(iii) all conditions for their participation in the Scheme as may be required by the regulations of the SGX-ST from time to time are satisfied.

notes to the financial statements

Year ended 30 April 2008

15 Share options and warrants (continued)

FLEH Share Option Scheme (continued)

Controlling Shareholder and his associate refer to Eric Khua Kian Keong, the Chief Executive Officer of the Company and Khua Hock Su, the Non-Executive Chairman.

The Committee shall have absolute discretion to decide whether a person who is participating in this Scheme shall be eligible to participate in any other share option scheme implemented by the Company or any other company within the Group.

Other information regarding the Scheme is set out below:

(i) The options are exercisable for new ordinary shares in the capital of the Company;

(ii) The options may be exercised, in whole or in part in respect of 1,000 shares or any multiple thereof, by an option holder giving notice in writing to the Company and accompanied by the remittance for the aggregate subscription cost; and

(iii) The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of any other company.

No share option has been issued under the Scheme.

Warrants

On 5 April 2006, the Company announced, in conjunction with its Floating Rate Notes and Transferable Loan Facility (note 16), a proposed renounceable non-underwritten rights issue of Warrants at an issue price of $0.01 for each Warrant on the basis of one warrant for every two existing ordinary shares in the share capital of the Company. 896,784,892 Warrants were allotted and issued by the Company pursuant to the Warrant Issue. These Warrants were listed and quoted on the SGX-ST on 6 April 2006.

The Warrants were constituted under a Deed Poll dated 3 March 2006. Each Warrant entitles the holder to subscribe for, at any time on or before 3 March 2009, one new ordinary share in the share capital of the Company at a subscription price of $0.05. The subscription price is subject to adjustments in accordance with the basis set out in the Deed Poll.

Warrants outstanding

	At 1 May 2007	Granted	Exercised	Lapsed	At 30 April 2008	Exercise price	Option period
Warrants	896,308,892	-	128,940,000	-	767,368,892	$0.05	3/3/2006 to 3/3/2009

notes to the financial statements

Year ended 30 April 2008

16 Financial liabilities

	Note	Group 2008 $'000	Group 2007 $'000	Company 2008 $'000	Company 2007 $'000
Non-current liabilities					
Term loans		30,828	22,407	–	750
Floating rate notes		–	30,082	–	32,724
Finance lease liabilities		2,353	1,533	109	159
Financial derivatives	8	307	–	–	–
Transferable loan facility		–	11,924	–	11,924
		33,488	65,946	109	45,557
Current liabilities					
Bank overdrafts	12	1,160	1,707	–	–
Short-term loan		1,800	1,800	–	–
Term loans		14,643	8,337	750	1,000
Floating rate notes		27,211	–	29,576	–
Finance lease liabilities		1,458	1,314	49	49
Financial derivatives	8	1,896	–	1,896	–
Transferable loan facility		10,766	–	10,766	–
		58,934	13,158	43,037	1,049
		92,422	79,104	43,146	46,606
Total loans and borrowings		90,219	79,104	41,250	46,606
Total derivatives	8	2,203	–	1,896	–
Total financial liabilities		92,422	79,104	43,146	46,606

The bank overdrafts and term loans of the subsidiaries of $48,226,000 (2007: $30,624,000) are guaranteed by the Company and are secured by legal mortgages over the leasehold properties and investment properties of the Group as disclosed in notes 3 and 5 respectively. In addition, fixed and floating charges are secured over the assets of those subsidiaries with significant overdraft facilities.

Floating rate notes and transferable loan facility

The Company entered into the following transactions:

(i) Subscription Agreement dated 3 March 2006 between the Company and Standard Chartered Bank (SCB), whereby SCB has agreed to subscribe or procure subscription for the Floating Rate Notes (FRN);

(ii) Facility Agreement dated 3 March 2006 between the Company (as borrower), SCB (as arranger), Taiwan Business Bank, Sydney Branch and Entie Commercial Bank, Offshore Banking Branch (as original lenders), Standard Chartered Bank (Hong Kong) Limited (as agent) and British Malayan Trustees Limited (as security trustee), whereby the Transferable Loan Facility (TLF) is granted to the Company; and

(iii) Interest Rate Swap Agreement to convert the floating interest rates on the FRN and TLF to fixed interest rates. The fixed interest expense of the Interest Rate Swap was paid upfront.

In addition to the FRN and TLF, a security interest is created over the proceeds from the exercise of the Warrants and the bank account where such proceeds are held.

The FRN and TLF are due in March 2009.

In conjunction with the FRN and TLF issued, the Company allocated and issued 896,784,892 Warrants to the shareholders of the Company.

notes to the financial statements

Year ended 30 April 2008

16 Financial liabilities (continued)

Finance lease liabilities

At 30 April 2008, the Group and the Company have obligations under finance leases that are payable as follows:

	Principal 2008 $'000	Interest 2008 $'000	Payments 2008 $'000	Principal 2007 $'000	Interest 2007 $'000	Payments 2007 $'000
Group						
Repayable within 1 year	1,458	166	1,624	1,314	203	1,517
Repayable after 1 year but within 5 years	2,353	191	2,544	1,533	233	1,766
Total	3,811	357	4,168	2,847	436	3,283
Company						
Repayable within 1 year	49	6	55	49	6	55
Repayable after 1 year but within 5 years	109	14	123	159	20	179
Total	158	20	178	208	26	234

Terms and debt repayment schedule

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

	Nominal interest rate %	Year of maturity	2008 Face value $'000	2008 Carrying amount $'000	2007 Face value $'000	2007 Carrying amount $'000
Group						
US$ floating rate notes and transferable loan facility	6.59	2009	37,977	37,977	42,006	42,006
Short-term loan	5.05	2008	1,800	1,800	1,800	1,800
Term loans	3.75 – 5.10	2009 – 2018	45,471	45,471	30,744	30,744
Finance lease liabilities	2.30 – 5.00	2009 – 2013	3,811	3,811	2,847	2,847
Bank overdrafts	5.00 – 8.75	–	1,160	1,160	1,707	1,707
			90,219	90,219	79,104	79,104
Company						
US$ floating rate notes and transferable loan facility	6.59	2009	40,342	40,342	44,648	44,648
Term loans	3.12	2008	750	750	1,750	1,750
Finance lease liabilities	2.30	2011	158	158	208	208
			41,250	41,250	46,606	46,606

notes to the financial statements

Year ended 30 April 2008

16 Financial liabilities (continued)

The following are the expected contractual undiscounted cash inflows (outflows) of financial liabilities, including interest payments and excluding the impact of netting agreements:

	Carrying amount	Cash flows			
		Contractual cash flows	Within 1 year	Within 1 to 5 years	More than 5 years
	$'000	$'000	$'000	$'000	$'000
Group					
2008					
Non-derivative financial liabilities					
US$ floating rate notes and transferable loan facility	37,977	(37,977)	(37,977)	–	–
Short-term loan	1,800	(1,814)	(1,814)	–	–
Finance lease liabilities	3,811	(4,168)	(1,624)	(2,544)	–
Term loans	45,471	(47,560)	(15,598)	(14,685)	(17,277)
Bank overdrafts	1,160	(1,160)	(1,160)	–	–
Trade and other payables*	30,936	(30,936)	(30,936)	–	–
	121,155	(123,615)	(89,109)	(17,229)	(17,277)
Derivative financial liabilities					
Interest rate swap contracts					
- inflow	–	1,616	1,496	120	–
- outflow	1,298	(1,802)	(1,545)	(257)	–
Forward foreign exchange contracts					
- inflow	–	20,400	20,400	–	–
- outflow	905	(21,075)	(21,075)	–	–
	2,203	(861)	(724)	(137)	–
2007					
Non-derivative financial liabilities					
US$ floating rate notes and transferable loan facility	42,006	(42,006)	–	(42,006)	–
Short-term loan	1,800	(1,872)	(1,872)	–	–
Finance lease liabilities	2,847	(3,283)	(1,517)	(1,766)	–
Term loans	30,744	(33,007)	(10,915)	(12,704)	(9,388)
Bank overdrafts	1,707	(1,707)	(1,707)	–	–
Trade and other payables*	24,267	(24,267)	(24,267)	–	–
	103,371	(106,142)	(40,278)	(56,476)	(9,388)
Derivative financial liabilities					
Interest rate swap contracts					
- inflow	–	301	189	112	–
- outflow	(246)	(547)	(205)	(342)	–
	(246)	(246)	(16)	(230)	–

** Excludes deferred revenue*

notes to the financial statements

Year ended 30 April 2008

16 Financial liabilities (continued)

	Carrying amount	Cash flows			
		Contractual cash flows	Within 1 year	Within 1 to 5 years	More than 5 years
	$'000	$'000	$'000	$'000	$'000
Company					
2008					
US$ floating rate notes and transferable loan facility	40,342	(40,342)	(40,342)	–	–
Term loans	750	(763)	(763)	–	–
Finance lease liabilities	158	(178)	(55)	(123)	–
Trade and other payables*	21,558	(21,558)	(994)	(20,564)	–
	62,808	(62,841)	(42,154)	(20,687)	–
Derivative financial liabilities					
Interest rate swap contracts					
- inflow	–	1,211	1,211	–	–
- outflow	991	(1,032)	(1,032)	–	–
Forward foreign exchange contracts					
- inflow	–	20,400	20,400	–	–
- outflow	905	(21,075)	(21,075)	–	–
	1,896	(496)	(496)	–	–
2007					
US$ floating rate notes and transferable loan facility	44,648	(44,648)	–	(44,648)	–
Term loans	1,750	(1,795)	(1,795)	–	–
Finance lease liabilities	208	(234)	(55)	(179)	–
Trade and other payables*	17,151	(17,151)	(880)	(16,271)	–
	63,757	(63,828)	(2,730)	(61,098)	–

** Excludes deferred revenue*

notes to the financial statements

Year ended 30 April 2008

17 Trade and other payables

	Group 2008 $'000	Group 2007 $'000	Company 2008 $'000	Company 2007 $'000
Non-current liabilities				
Non-trade amounts due to subsidiaries	–	–	20,564	16,271
Deferred revenue	9,647	12,636	–	–
	9,647	12,636	20,564	16,271
Current liabilities				
Trade payables	16,770	14,667	–	–
Deposits and advances	2,315	1,382	–	–
Deferred revenue	3,090	2,990	–	–
Construction cost payable	2,779	–	–	–
Other payables	734	930	–	–
Accrued operating expenses	8,338	7,288	994	880
	34,026	27,257	994	880
Total trade and other payables	43,673	39,893	21,558	17,151

The non-trade amounts due to subsidiaries are unsecured, repayable on demand but are not expected to be repaid within the next twelve months from balance sheet date. Interest is charged at 1% above market swap rate determined at the beginning of each month on the net receivables or payables. The average effective interest rate at balance sheet date was 3.04% (2007: 4.49%) per annum.

Deferred revenue relates to the excess of sales proceeds over the fair values of the warehouse complexes disposed through sale and leaseback transactions. As the sale and leaseback transactions resulted in operating leases, the excess of the selling prices over fair values was deferred and accreted over the period for which the warehouse complexes are expected to be used. The deferred revenue is accreted on a straight-line basis over the respective lease periods of the warehouse complexes. Accretion of deferred revenue of $2,989,000 (2007: $2,989,000) has been recognised in the current financial year.

18 Revenue

	Group 2008 $'000	Group 2007 $'000
Freight forwarding	84,930	78,476
Warehouse and logistics	16,491	14,786
Chemical storage and logistics	31,353	26,777
Other services rendered	6,655	6,282
Total revenue	139,429	126,321

notes to the financial statements

Year ended 30 April 2008

19 Finance income and expense

	Group	
	2008	2007
	$'000	$'000
Interest income:		
- other receivables	273	115
- bank deposits	988	1,347
- loan to an associate	110	121
Finance income	1,371	1,583
Interest expense:		
- term loans	(1,203)	(1,178)
- bank overdrafts	(74)	(84)
- finance lease liabilities	(239)	(167)
- floating rate notes and transferable loan facility	(2,584)	(2,855)
- others	(508)	(513)
Finance expense	(4,608)	(4,797)
Net finance costs	(3,237)	(3,214)

20 Income tax expense

	Group	
	2008	2007
	$'000	$'000
Current tax expense		
Current year	1,389	686
Adjustment for prior periods	(881)	2,554
	508	3,240
Deferred tax expense		
Origination and reversal of temporary differences	230	281
Utilisation of previously unrecognised tax losses	–	(15)
Adjustment for prior periods	117	–
	347	266
Income tax expense	855	3,506

Reconciliation of effective tax rate

Profit before income tax	18,632	16,900
Tax calculated using Singapore tax rate of 18% (2007: 18%)	3,354	3,042
Effect of different tax rates in other countries	160	106
Income not subject to tax	(3,721)	(2,420)
Expenses not deductible for tax purposes	969	263
Utilisation of previously unrecognised tax losses	(30)	(15)
Deferred income tax assets not recognised	1,044	–
(Over)/underprovided in prior years	(764)	2,554
Others	(157)	(24)
	855	3,506

notes to the financial statements

Year ended 30 April 2008

21 Profit for the year

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

	Group	
	2008	2007
	$'000	$'000
(Loss)/Gain on fair value of:		
- embedded option of investment in an associate	(1,026)	(1,064)
- interest rate swaps	(1,544)	(329)
- investment properties	5,000	1,253
- marketable securities	(1,203)	263
Interest income on:		
- convertible loans to associates	3,898	3,932
- redeemable cumulative convertible preference shares in an associate	793	754
Gain on disposal of property, plant and equipment	45	162
Write-back of impairment loss on warehouse properties	8,731	7,192
Foreign exchange gain	959	1,086
Allowance for doubtful receivables written back	119	663
Negative goodwill arising from acquisition of subsidiaries	–	123
Write-back of accruals no longer required	108	686
Others	111	291
	15,991	15,012
Non-audit fees paid to:		
- auditors of the Company	–	–
- other auditors	(10)	(12)
Contributions to defined contribution plans included in staff costs	(1,796)	(1,507)

notes to the financial statements

Year ended 30 April 2008

22 Earnings per share

	Group	
	2008	2007
	$'000	$'000
Basic earnings per share is computed based on:		
Net profit attributable to ordinary shareholders	17,538	12,537
	No. of shares ('000)	No. of shares ('000)
Issued ordinary shares at beginning of the year	1,793,791	1,793,620
Effect of ordinary shares issued	93,699	–
Effect of warrants exercised	108,351	171
Weighted average number of ordinary shares at end of the year	1,995,841	1,793,791
	$'000	$'000
Diluted earnings per share is based on:		
Net profit attributable to ordinary shareholders	17,538	12,537

For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the dilutive warrants and contingently issuable shares, with the potential ordinary shares weighted for the period outstanding.

The effect of the exercise of warrants and issue of contingently issuable shares on the weighted average number of ordinary shares in issue is as follows:

	Group	
	2008	2007
	No. of shares ('000)	No. of shares ('000)
Weighted average number of:		
Ordinary shares used in the calculation of basic earnings per share	1,995,841	1,793,791
Potential ordinary shares issuable under warrants	380,460	330,219
Weighted average number of ordinary issued and potential shares assuming full conversion	2,376,301	2,124,010

23 Segment reporting

Segment information is presented in respect of the Group's business and geographical segments. The primary format - business segments - is based on the Group's management and internal reporting structure.

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 (other than investment properties) and related revenue, loans and expenses, corporate assets and head office expenses, and income tax assets and liabilities.

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

notes to the financial statements

Year ended 30 April 2008

23 Segment reporting (continued)

Business segments

The Group comprises the following main business segments:

- Freight forwarding
- Warehousing and logistics
- Chemical storage and logistics

Other activities of the Group comprise mainly investment holding, international and local moving services, record management and document storage, international project management in exhibition and event, all of which do not constitute a separately reportable segment.

Geographical segments

The freight forwarding, warehousing and logistics, and chemical storage and logistics segments are managed on a worldwide basis, but operate in seven 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.

Business segments

	Freight forwarding $'000	Ware-housing and logistics $'000	Chemical storage and logistics $'000	Other operations $'000	Eliminations $'000	Total operations $'000
Revenue						
2008						
External revenue	84,930	16,491	31,353	6,655	–	139,429
Inter-segment revenue	471	3,458	–	1	(3,930)	–
Total revenue	85,401	19,949	31,353	6,656	(3,930)	139,429
Results						
Segment results	4,357	12,410	631	(1,210)		16,188
Unallocated corporate costs						(3,167)
Accretion of deferred revenue	–	2,989	–	–	–	2,989
Results from operating activities						16,010
Interest income from associates	–	–	–	4,691	–	4,691
Net finance income/ (costs)	70	112	(580)	(2,839)	–	(3,237)
Share of profit of associates						1,168
Profit before income tax						18,632
Income tax expense	(454)	129	(280)	(250)	–	(855)
Profit for the year						17,777

notes to the financial statements

Year ended 30 April 2008

23 Segment reporting (continued)

Business segments (continued)

	Freight forwarding $'000	Warehousing and logistics $'000	Chemical storage and logistics $'000	Other operations $'000	Eliminations $'000	Total operations $'000
Revenue						
2007						
External revenue	78,476	14,786	26,777	6,282	–	126,321
Inter-segment revenue	491	2,784	49	5	(3,329)	–
Total revenue	78,967	17,570	26,826	6,287	(3,329)	126,321
Results						
Segment results	3,621	8,118	1,657	201		13,597
Unallocated corporate costs						(1,470)
Accretion of deferred revenue	–	2,989	–	–	–	2,989
Results from operating activities						15,116
Interest income from associates	–	–	–	4,686	–	4,686
Net finance income/ (costs)	61	206	(607)	(2,874)	–	(3,214)
Share of profit of an associate						312
Profit before income tax						16,900
Income tax expense	(340)	(510)	(99)	(2,557)	–	(3,506)
Profit for the year						13,394

notes to the financial statements

Year ended 30 April 2008

23 Segment reporting (continued)

Business segments (continued)

	Freight forwarding $'000	Ware-housing and logistics $'000	Chemical storage and logistics $'000	Other operations $'000	Eliminations $'000	Total operations $'000
Assets and liabilities						
2008						
Segment assets	18,889	144,224	24,124	10,212	828	198,277
Tax recoverable						1,202
Investment in club membership						53
Associates						48,525
Other investments						5,881
Deferred income tax assets						896
Unallocated assets						21,626
Total assets						276,460
Segment liabilities	9,888	24,516	6,702	1,573	–	42,679
Unallocated liabilities						994
Financial liabilities						92,422
Income tax liabilities						2,512
Total liabilities						138,607
2007						
Segment assets	18,603	100,095	22,962	2,063	828	144,551
Tax recoverable						3,256
Investment in club membership						53
Associates						48,496
Other investments						6,081
Deferred income tax assets						1,237
Unallocated assets						14,740
Total assets						218,414
Segment liabilities	10,457	22,133	4,702	1,721	–	39,013
Unallocated liabilities						880
Financial liabilities						79,104
Income tax liabilities						3,864
Total liabilities						122,861

notes to the financial statements

Year ended 30 April 2008

23 Segment reporting (continued)

Business segments (continued)

	Freight forwarding $'000	Ware-housing and logistics $'000	Chemical storage and logistics $'000	Other operations $'000	Eliminations $'000	Total operations $'000
Other segment information						
2008						
Capital expenditure	180	30,177	1,897	116	–	32,370
Depreciation	227	2,696	2,008	166	–	5,097
Write-back of impairment loss on warehouse properties	–	(8,078)	(653)	–	–	(8,731)
2007						
Capital expenditure	237	5,776	1,526	551	–	8,090
Depreciation	205	1,490	1,901	152	–	3,748
Write-back of impairment loss on warehouse properties	–	(6,867)	(325)	–	–	(7,192)

Geographical segments

	Singapore $'000	ASEAN (excluding Singapore) $'000	Asia $'000	America $'000	Oceania $'000	Europe $'000	Middle East $'000	Others $'000	Group $'000
2008									
Revenue from external customers	46,473	23,435	26,875	3,954	8,074	12,670	7,036	10,912	139,429
Segment assets	235,455	11,588	17,478	–	11,756	–	183	–	276,460
Capital expenditure	24,730	772	6,866	–	–	–	2	–	32,370
2007									
Revenue from external customers	48,637	19,887	22,005	2,650	6,842	15,358	410	10,532	126,321
Segment assets	197,904	10,933	1,090	–	8,265	–	222	–	218,414
Capital expenditure	7,953	132	5	–	–	–	–	–	8,090

notes to the financial statements

Year ended 30 April 2008

24 Financial risk management

Overview

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

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

Credit risk

The Group has a credit policy in place whereby new customers are subject to credit evaluations based on available financial information and past experiences. The Group established credit limits for customers and monitors their balances on an ongoing basis.

At the balance sheet date, there is no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet.

Liquidity risk

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 has been maintaining a cash pooling system where excess liquidity is equalised internally through intercompany accounts. Depending on specifics of each funding requirement, funding for its operating subsidiaries may be sourced directly from the Group's bankers or indirectly through the Company.

Market risk

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

Interest rate risk

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

Certain subsidiaries of the Group use floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates.

Interest rate swaps, which are denominated in United States (US) dollar, have been entered into to achieve an appropriate mix of fixed and floating rate exposures within the Group's policy. The swaps mature over the next 2 years following the maturity of the related loans. At 30 April 2008, the Group had interest rate swaps with a notional contract amount of $60,173,000 (2007: $52,860,000). The fixed interest rates on interest rate swaps vary from 2.99% to 6.30% (2007: 2.99% to 6.30%) and the main floating rate is LIBOR.

Changes in the fair value of interest rate swaps are recognised in the income statement as part of other income.

notes to the financial statements

Year ended 30 April 2008

24 Financial risk management (continued)

Sensitivity analysis

For variable rate financial assets and liabilities, a change of 100bp in interest rate at the reporting date would increase/(decrease) profit by the amounts shown. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit	
	100 bp increase $'000	**100 bp decrease $'000**
Group		
30 April 2008		
Variable rate instruments	(7)	7
30 April 2007		
Variable rate instruments	269	(269)

Foreign currency risk

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in currencies other than the respective functional currencies of Group entities. The Group operates internationally and is exposed to foreign currency risks arising from various currency exposures. The Group's exposure to foreign currency receivables is significantly matched by its exposure to foreign currency payables, both predominantly denominated in US dollar.

In respect of other monetary assets and liabilities held in currencies other than the functional currencies of Group entities, the Group uses forward foreign exchange contracts and reviews the balances periodically to ensure the net exposure is kept to an acceptable level. As at 30 April 2008, the Group has outstanding forward foreign exchange contracts with notional amounts of approximately $20,400,000 (2007: $Nil).

The Group's and Company's exposure to US dollar are as follows:

	30 April 2008 $'000	30 April 2007 $'000
Group		
Trade and other receivables	4,529	6,594
Cash and cash equivalents	1,147	1,169
Financial liabilities	(37,977)	(42,006)
Trade and other payables	(5,331)	(4,376)
	(37,632)	(38,619)
Company		
Trade and other receivables	1,360	1,520
Cash and cash equivalents	75	17
Financial liabilities	(40,342)	(44,648)
Trade and other payables	–	–
	(38,907)	(43,111)

notes to the financial statements

Year ended 30 April 2008

24 Financial risk management (continued)

Sensitivity analysis

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

	Group Profit $'000	Company Profit $'000
30 April 2008		
US dollar	3,086	3,190
30 April 2007		
US dollar	3,167	3,535

A 10% weakening of Singapore dollar against the above currency 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.

Equity price risk

The Group is exposed to equity securities price risk because of the investments held by the Group which are classified on the consolidated balance sheet as fair value through profit or loss.

Sensitivity analysis

A 10% increase in the underlying equity prices at the reporting date, with all other variables held constant, would increase profit by the following amount:

	Group	
	2008 $'000	2007 $'000
Profit	158	128

A 10% decrease in the underlying equity prices would have had the equal but opposite effect to the amounts shown above. The analysis is performed on the same basis for 2007 and assumes that all other variables remain constant.

Estimation of fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and Company.

Investments in equity securities

The fair value of financial assets at fair value through profit or loss and available-for-sale financial assets is determined by reference to their quoted bid prices at the reporting date.

Derivatives

The fair value of interest rate swaps is based on broker quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

notes to the financial statements

Year ended 30 April 2008

24 Financial risk management (continued)

Non-derivative financial liabilities

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. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

Other 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, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

The aggregate net fair values of recognised financial assets and liabilities which are not carried at fair value in the balance sheet at 30 April are represented in the following table:

	Note	Carrying amount 2008 $'000	Fair value 2008 $'000	Carrying amount 2007 $'000	Fair value 2007 $'000
Group					
Financial assets					
Other receivables	9	6,522	6,329	6,319	6,012
Financial liabilities					
Term loans	16	(45,471)	(45,471)	(30,744)	(30,744)
Floating rate notes	16	(27,211)	(27,211)	(30,082)	(30,082)
Transferable loan facility	16	(10,766)	(10,766)	(11,924)	(11,924)
		(83,448)	(83,448)	(72,750)	(72,750)
Total		(76,926)	(77,119)	(66,431)	(66,738)
Unrecognised loss			193		307
Company					
Financial liabilities					
Term loans	16	(750)	(750)	(1,750)	(1,750)
Floating rate notes	16	(29,576)	(29,576)	(32,724)	(32,724)
Transferable loan facility	16	(10,766)	(10,766)	(11,924)	(11,924)
Total		(41,092)	(41,092)	(46,398)	(46,398)
Unrecognised loss			–		–

notes to the financial statements

Year ended 30 April 2008

25 Commitments

Capital commitments

	Group	
	2008	**2007**
	$'000	**$'000**
Expenditure contracted for	3,108	17,362

The capital commitments relate to outstanding contracts in respect of the uncompleted warehouses at Tuas Avenue and Penjuru Lane.

Operating lease commitments

The Group leases a number of leasehold properties under operating leases. The leases typically run for an initial period of 1 to 10 years, with an option to renew the lease after that date. Lease payments are usually increased annually to reflect market rentals.

At 30 April 2008, the Group has commitments for future minimum lease payments under non-cancellable operating leases as follows:

	Group	
	2008	**2007**
	$'000	**$'000**
Within 1 year	12,208	12,001
After 1 year but within 5 years	33,104	36,308
After 5 years	26,846	21,842
	72,158	70,151

The Group leases out its properties. Non-cancellable operating lease rentals are receivable as follows:

	Group	
	2008	**2007**
	$'000	**$'000**
Within 1 year	9,069	6,428
After 1 year but within 5 years	14,858	12,670
After 5 years	4,023	10,511
	27,950	29,609

The Group has non-cancellable service agreements signed with customers for the provision of logistics services. Non-cancellable service fees are receivable as follows:

	Group	
	2008	**2007**
	$'000	**$'000**
Within 1 year	291	267
After 1 year but within 5 years	33	248
	324	515

notes to the financial statements

Year ended 30 April 2008

26 Contingent liabilities (unsecured)

Intra-group financial guarantees comprise corporate guarantees granted by the Company to banks in respect of banking facilities amounting to $48,231,000 (2007: $30,624,000) to secure banking facilities provided to certain subsidiaries. The financial guarantees will expire when the loans have been paid and discharged and/or when the banking facilities are no longer available to the subsidiaries. These financial guarantee contracts are accounted for as insurance contracts.

The 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, the guarantees were given 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.

The intra-group financial guarantees are eliminated in preparing the consolidated financial statements.

In addition, the Company has undertaken to provide financial support to certain of its subsidiaries for the next twelve months. The net current liabilities of these entities which are included in the consolidated financial statements as at 30 April 2008 amounted to $124,834,000 (2007: $126,638,000).

27 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel compensation

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

Key management personnel compensation comprised:

	Group	
	2008	2007
	$'000	$'000
Short-term employee benefits	3,007	2,917
Defined contribution plans	138	128
	3,145	3,045

notes to the financial statements

Year ended 30 April 2008

27 Related parties (continued)

Other related party transactions

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

	Group	
	2008	**2007**
	$'000	**$'000**
Professional fees paid to TSMP Law Corporation	206	22

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

28 Comparative information

Comparative amounts were reclassified for consistency as follows:

	Group	
	As restated	**As previously reported**
	$'000	**$'000**
Income Statement		
Other income	15,012	15,482
Other expenses	(5,901)	(6,371)

29 Subsequent events

(a) On 17 July 2008, the Company's subsidiary, Singapore Enterprises Private Limited, entered into a share transfer agreement with Locher Evers International to acquire a 20% stake in the shares of Busan Cross Dock Co. Ltd (BCD) for a consideration of KRW 38 million (approximately $52,000). BCD is a newly incorporated company in the Republic of Korea and has recently been allocated a parcel of land by Busan New Port on which it intends to build and operate a container freight station. Construction is expected to commence in early 2009;

(b) On 14 March 2008, the Company's subsidiary, Freight Links Capital Pte. Ltd., entered into share purchase agreements with CITIC Auto Co., Ltd, Hainan Wantaide Industrial Co., Ltd, CITIC Guoan Company and CITIC Zhongyuan Industrial Co., Ltd, for the acquisition of a 60% equity interest in the registered capital of CITIC Logistics Co., Ltd (CITIC Logistics) for a cash consideration of RMB 86.4 million (approximately $17.3 million). The acquisition has been completed on 18 July 2008 following the fulfilment of the key terms and conditions under the share purchase agreements. The core services provided by CITIC Logistics are chemical warehousing (warehouse and transportation of dangerous goods and chemicals) and engineering (transportation of heavy cargoes for projects). The Group is currently assessing the financial impact of the acquisition; and

(c) For the financial year ended 30 April 2008, the directors proposed a final one-tier dividend of 0.25 cents per share amounting to approximately $5,257,000. These financial statements do not reflect this dividend payable, which will be accounted for in the shareholders' equity as an appropriation of the retained earnings in the financial year ending 30 April 2009.

notes to the financial statements

Year ended 30 April 2008

30 New accounting standards and interpretations not yet adopted

The Group has not applied the following accounting standards (including its consequential amendments) and interpretations that have been issued as of the balance sheet date but are not yet effective:

FRS 1 (revised 2008)	*Presentation of Financial Statements*
FRS 23	*Borrowing Costs*
FRS 108	*Operating Segments*
INT FRS 112	*Service Concession Arrangements*
INT FRS 113	*Customer Loyalty Programmes*
INT FRS 114	*The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

FRS 1 (revised 2008) will become effective for the Group's financial statements for the year ending 30 April 2010. The revised standard requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (i.e. comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. FRS 1 (revised 2008) does not have any impact on the Group's financial position or results.

FRS 23 will become effective for financial statements for the year ending 30 April 2010. FRS 23 removes the option to expense borrowing costs and requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Group's current policy to capitalise borrowing costs is consistent with the requirement in FRS 23.

FRS 108 will become effective for financial statements for the year ending 30 April 2010. FRS 108, which replaces FRS 14 *Segment Reporting*, requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Currently, the Group presents segment information in respect of its business and geographical segments (note 23). Under FRS 108, the Group will present segment information in respect of its operating segments.

Other than FRS 1 (revised 2008) and FRS 108, the initial application of these standards (and its consequential amendments) and interpretations is not expected to have any material impact on the Group's financial statements. The Group has not considered the impact of accounting standards issued after the balance sheet date.

supplementary information

(SGX Listing Manual disclosure requirements)

1 Directors' remuneration

Company's directors receiving remuneration from the Group

	Number of directors	
	2008	2007
Remuneration of:		
$250,000 to below $500,000	3	3
Below $250,000	3	4
	6	7

2 Group properties

Major properties held for development

Location	Description	Intended use	Stage of completion	Expected date of completion	Site area (sq m)	Approximate lettable/ strata area (sq m)	Group's effective interest (%)
Tuas Avenue 1/10, Lot A15416 & A15416a	Warehouse complex	Commercial	Approximately 90%	July 2008	13,757	33,934	100

Major properties held for investment

Location	Description	Existing use	Tenure of land	Term of lease
218 Pandan Loop	Warehouse cum office complex	Commercial	Leasehold	30 years with effect from 16 September 1989 with extension of lease for a further 30 years

shareholders' information

As At 23 July 2008

Issued and fully paid	2,103,206,753 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 – 999	404	2.77	103,064	0.00
1,000 – 10,000	7,309	50.06	45,550,359	2.17
10,001 – 1,000,000	6,821	46.71	475,130,383	22.59
1,000,001 – and above	67	0.46	1,582,422,947	75.24
Grand Total	**14,601**	**100.00**	**2,103,206,753**	**100.00**

The percentage of shareholding held by the public is approximately 50.39%. 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	UOB Kay Hian Pte Ltd	435,646,548	20.71
2	Mayban Nominees (S) Pte Ltd	192,120,010	9.13
3	CIMB Bank Nominees (S) Sdn Bhd	176,500,000	8.39
4	Hong Leong Finance Nominees Pte Ltd	176,265,000	8.38
5	DBS Nominees Pte Ltd	142,630,330	6.78
6	Vibrant Capital Pte Ltd	104,391,591	4.96
7	Citibank Nominees Singapore Pte Ltd	93,347,500	4.44
8	United Overseas Bank Nominees Pte Ltd	71,862,020	3.42
9	OCBC Nominees Singapore Private Ltd	30,164,020	1.43
10	OCBC Securities Private Ltd	18,726,000	0.89
11	Tan Seng @ Tan Hun Seng	11,000,000	0.52
12	Kim Eng Securities Pte. Ltd.	8,686,080	0.41
13	Phillip Securities Pte Ltd	7,177,890	0.34
14	YHI Holdings Pte Ltd	6,750,766	0.32
15	Boo Song Heng Peter	5,700,000	0.27
16	Tay Choon Mong	5,000,000	0.24
17	DBS Vickers Securities (Singapore) Pte Ltd	4,981,000	0.24
18	Teo Ghim Whatt	4,540,000	0.22
19	Foo Chik Kin	4,200,000	0.20
20	Lim Peng Boon	4,200,000	0.20
	Total:	**1,503,888,755**	**71.49**

Substantial Shareholders

As shown in the Company's Register of Substantial Shareholders

Name of Substantial Shareholders	Note	Number of Shares Direct Interest	Number of Shares Deemed Interest
Vibrant Capital Pte. Ltd.	-	1,040,891,591	Nil
Eric Khua Kian Keong	1	2,612,000	1,040,891,591
Lian Hup Holdings Pte. Ltd.	2	Nil	1,040,891,591
Khua Hock Su	3	Nil	1,040,891,591
Vincent Khua Kian Ann	3	Nil	1,040,891,591
Khua Kian Hua	3	Nil	1,040,891,591
Kaplan Funds Management Pty Limited	-	Nil	180,000,000
Kaplan Partners Pty Limited	-	Nil	180,000,000

shareholders' information

As At 23 July 2008

Notes :

1) Eric Khua Kian Keong is deemed to be interested in 1,040,891,591 shares held by Vibrant Capital Pte. Ltd. ("Vibrant") by virtue of his controlling interest in Vibrant.

2) Lian Hup Holdings Pte. Ltd. ("Lian Hup") is deemed to be interested in 1,040,891,591 shares held by Vibrant by virtue of its shareholding interest in Vibrant.

3) Messrs Khua Hock Su, Vincent Khua Kian Ann and Khua Kian Hua are deemed to be interested in 1,040,891,591 shares held by Vibrant by virtue of their respective shareholding interests in Lian Hup.

Distribution of Warrantholdings – Warrants W090303

Size of Warrantholdings	No. of Holders	% of Holders	No. of Warrants	% of Warrants
1 – 999	40	2.28	17,742	0.00
1,000 – 10,000	649	37.02	3,966,749	0.52
10,001 – 1,000,000	1,022	58.30	123,334,724	16.08
1,000,001 – and above	42	2.40	639,828,708	83.40
Grand Total	**1,753**	**100.00**	**767,147,923**	**100.00**

Twenty Largest Warrantholders

S/N	Name of Warrantholders	No. of Warrants	% of Holdings
1	UOB Kay Hian Pte Ltd	391,501,025	51.03
2	Citibank Nominees Singapore Pte Ltd	90,070,000	11.74
3	Kim Eng Securities Pte. Ltd.	21,180,000	2.76
4	Phillip Securities Pte Ltd	14,952,400	1.95
5	Ang Chai Cheng	11,550,000	1.51
6	Boo Song Heng Peter	9,510,000	1.24
7	Ang Cheng Hee	9,263,000	1.21
8	CIMB Bank Nominees (S) Sdn Bhd	7,500,000	0.98
9	OCBC Securities Private Ltd	6,310,000	0.82
10	United Overseas Bank Nominees Pte Ltd	4,962,283	0.65
11	Merrill Lynch (Singapore) Pte Ltd	4,808,000	0.63
12	Lee Seak Sung @ Lee Seak Song	4,671,000	0.61
13	Raffles Investments (1993) Pte Ltd	4,504,000	0.59
14	Mellford Pte Ltd	4,500,000	0.59
15	Zhao Wei	4,000,000	0.52
16	Hong Leong Finance Nominees Pte Ltd	3,615,000	0.47
17	Lim Tow Boon	3,500,000	0.46
18	Leong Kah Hoong	3,100,000	0.40
19	DBS Vickers Securities (Singapore) Pte Ltd	3,060,000	0.40
20	Ong Bee Dee	2,628,000	0.34
	Total:	**605,184,708**	**78.90**

notice of annual general meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Freight Links Express Holdings Limited will be held at 51 Penjuru Road #04-00, Freight Links Express Logisticentre, Singapore 609143, on Friday 29 August 2008 at 9:30 a.m. for the following purposes:

As Ordinary Business

1. To receive and adopt the Directors' Report and the Audited Accounts for the financial year ended 30 April 2008 together with the Auditors' Report thereon. **(Resolution 1)**

2. To declare a First and Final Dividend of 0.25 cents (net) per ordinary share for the financial year ended 30 April 2008. **(Resolution 2)**

3. To approve the payment of Directors' Fees of S$200,000 (2007: S$234,329). **(Resolution 3)**

4. To re-elect Mr Khua Hock Su as a Director retiring under Article 94 of the Articles of Association of the Company. **(Resolution 4)**

5. To re-elect Mr Henry Chua Tiong Hock as a Director retiring under Article 94 of the Articles of Association of the Company. **(Resolution 5)**

6. To re-appoint KPMG as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**

As Special Business

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

7.1 **ORDINARY RESOLUTION: Authority to allot and issue shares up to 50% of the total number of issued shares in the capital of the Company**

"That authority be and is hereby given to the Directors to:

(a) (i) issue shares in the capital of the Company ("Shares") (whether by way of rights, bonus or otherwise), and including any capitalisation pursuant to Article 115 of the Company's Articles of Association of any sum for the time being standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution; 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:

(aa) the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares; and

(bb) adjustments to the Instruments and any Shares to be issued pursuant to such adjustments to the Instruments,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

notice of annual general meeting

(b) (notwithstanding that the authority conferred by this resolution ("Resolution") may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while the authority was in force,

provided that:

(i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument), must be not more than 50% of the total number of issued Shares excluding treasury shares (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution but excluding Shares which may be issued pursuant to any adjustments effected under any relevant Instrument) must be not more than 20% of the total number of issued Shares excluding treasury shares (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such manner of calculation and adjustments as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST") for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of the issued Shares shall be based on the maximum potential issued Shares excluding treasury shares at the time this Resolution is passed after adjusting for:

(aa) new Shares arising from the conversion or exercise of convertible securities or share options at the time this Resolution is passed; and

(bb) any subsequent bonus issue or consolidation or sub-division of Shares;

(iii) 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 Articles of Association for the time being of the Company; and

(iv) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force 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." **(Resolution 7)**

7.2 **ORDINARY RESOLUTION: Authority to allot and issue shares under the FLEH Share Option Scheme**

"That authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of ordinary shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the FLEH Share Option Scheme ("the Scheme"), in accordance with the terms and conditions and subject to the limit set out in the Scheme." **(Resolution 8)**

8. To transact any other business which can be transacted at an Annual General Meeting and due notice of which has been given.

By Order of the Board

Dorothy Ho
Company Secretary

Singapore, 14 August 2008

notice of annual general meeting

Notes:

1. A member of the Company entitled to attend and vote is entitled to appoint one or two proxies to attend and vote instead of him and such proxies need not be a member of the Company.

2. The instrument appointing a Proxy must be deposited at the Company's Registered Office at 51 Penjuru Road #04-00, Freight Links Express Logisticentre, Singapore 609143, not less than 48 hours before the time appointed for the Meeting.

Explanatory Notes:

Ordinary Resolution 7 proposed in item 7.1 above, if passed, will empower the Directors of the Company from the date of the above meeting until the next Annual General Meeting, to issue shares and convertible securities in the capital of the Company, without seeking any further approval from shareholders in general meeting but within the limitation imposed by the Resolution, for such purposes as the Directors may consider to be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company or at the expiration of the period within which the next Annual General Meeting is required by the law to be held, whichever is the earlier.

Ordinary Resolution 8 proposed in item 7.2 above, if passed, will empower the Directors of the Company to allot and issue from time to time such number of shares in the capital of the Company pursuant to the exercise of the options under the Scheme.

The aggregate number of shares to be allotted and issued pursuant to the exercise of options under the Scheme shall not exceed 15% of the total number of issued shares excluding treasury shares in the capital of the Company for the time being.

notice of books closure

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 6 September 2008 for the preparation of dividend warrants. Duly completed transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services, 8 Cross Street #11-00 PWC Building, Singapore 048424, up to 5.00 p.m. on 5 September 2008 will be registered before entitlements to the dividend are determined.

The dividend, if approved at the Annual General Meeting to be held on 29 August 2008, will be payable on 19 September 2008.

BY ORDER OF THE BOARD

Dorothy Ho
Company Secretary

Dated: 14 August 2008

This page has been intentionally left blank

This page has been intentionally left blank

Freight Links Express Holdings Limited

(Company Registration No. 198600061G)

Proxy Form

Annual General Meeting to be held on 29 August 2008

I/We ____

of (full address) ____

being member/members of the abovenamed Company hereby appoint the Chairman of the Meeting or

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

And/or (delete as appropriate)

as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 29 August 2008 at 9:30 a.m. and at any adjournment thereof in the manner indicated below :

		To be used on a show of hands		To be used in the event of a Poll	
No.	Resolutions	For*	Against*	No. of Votes For **	No. of Votes Against **
	ORDINARY BUSINESS :				
1.	Adoption of Directors' Report and Audited Accounts				
2.	Declaration of First and Final Dividend				
3.	Approval of Directors' Fees				
4.	Re-election of Mr Khua Hock Su				
5.	Re-election of Mr Henry Chua Tiong Hock				
6.	Re-appointment of Auditors				
	SPECIAL BUSINESS :				
7.	Authority for Directors to allot and issue shares pursuant to Section 161 of the Companies Act, Chapter 50				
8.	Authority for Directors to allot and issue shares pursuant to FLEH Share Option Scheme				

* Please indicate your vote "For" or "Against" with a "✓" within the box provided.

** If you wish to exercise all your votes "For" or "Against", please indicate with a "✓" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _______ day of ____________________ 2008

Total Number of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

____

Signature(s) of member(s)/Common Seal

Important: Please Read Notes Overleaf

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50) you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.

2. A member entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him.

3. The instrument appointing a proxy or proxies must be deposited at the Company's Registered Office at 51 Penjuru Road #04-00, Freight Links Express Logisticentre, Singapore 609143 not less than 48 hours before the time set for the Meeting.

4. Where a Member appoints two proxies, the appointments shall be invalid unless he specifies the proportion (expressed as a percentage of the whole) of his holding to be represented by each proxy.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of any officer or attorney duly authorised.

6. A corporation which is a Member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Chapter 50.

7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instruments appointing a proxy or proxies. In addition, in the case of members whose Shares are deposited with The Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have Shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Meeting as certified by CDP to the Company.

CORPORATE HEAD OFFICE

Freight Links Express Holdings Limited
51 Penjuru Road #04-00 Freight Links Express Logisticentre Singapore 609143
Tel (65) 6262 6988 (30 Lines) Fax (65) 6267 5593 URL www.freightlinks.net
Email: flesin@freightlinks.net

SINGAPORE OFFICES

INTERNATIONAL FREIGHT FORWARDING

Freight Links Express Pte Ltd
51 Penjuru Road #03-00
Freight Links Express Logisticentre
Singapore 609143
Tel (65) 6267 5511 (20 Lines)
Fax (65) 6267 5577
E-Mail flesin@freightlinks.net
TOLL FREE LINE (65) 6566 2866

Crystal Freight Services Pte Ltd
51 Penjuru Road Mezzanine Floor
Freight Links Express Logisticentre
Singapore 609143
Tel (65) 6267 5622
Fax (65) 6267 5623
E-Mail crysfrt@crystalfrt.com.sg

WAREHOUSING PROPERTY AND LOGISTICS

Freight Links Logistics Pte Ltd
51 Penjuru Road #03-00
Freight Links Express Logisticentre
Singapore 609143
Tel (65) 6262 6988
Fax (65) 6262 6928

Freight Links Express Logisticentre Pte Ltd
51 Penjuru Road #04-00
Freight Links Express Logisticentre
Singapore 609143
Tel (65) 6262 6988
Fax (65) 6262 6928

Freight Links Express Districentre Pte Ltd
9 Changi South Street 3 #01-00
Freight Links Express Districentre
Singapore 486361
Tel (65) 6546 7118
Fax (65) 6546 7108

Freight Links Express Distripark Pte Ltd
5 Toh Guan Road East #04-00
Freight Links Express Distripark
Singapore 608831
Tel (65) 6566 9988 (10 lines)
Fax (65) 6566 8813

Freight Links Express Logisticpark Pte Ltd
33-35 Penjuru Lane
Singapore 609200
Tel (65) 6267 2688
Fax (65) 6266 2833

Crystal Freight Services Distripark Pte Ltd
146 Gul Circle
Singapore 629604
Tel (65) 6863 4438
Fax (65) 6863 4437

INVESTMENT PROPERTIES

Freight Links Fabpark Pte Ltd
31/32 Tuas Avenue 8
Singapore 639246/7
Tel (65) 6262 6988
Fax (65) 6262 6928

Freight Link Express Air Systems Pte Ltd
218 Pandan Loop
Singapore 128408
Tel (65) 6262 6988
Fax (65) 6262 6928

INTERNATIONAL PROJECT MANAGEMENT IN EXHIBITION, EVENT AND INTERIOR

Flex Integrated Marketing Pte Ltd
9 Changi South Street 3 #08-00
Freight Links Express Districentre
Singapore 486361
Tel (65) 6546 7122
Fax (65) 6546 7138
E-Mail marketing@flexim.biz

INTERNATIONAL MOVING SERVICES

United Relocations (S) Pte Ltd
5 Toh Guan Road East #04-04
Freight Links Express Distripark
Singapore 608831
Tel (65) 6665 3722
Fax (65) 6665 3022
E-Mail sales.sg@united-relo.com

DOCUMENTS MANAGEMENT SERVICES

Freight Links Express Archivers Pte Ltd
51 Penjuru Road #03-00
Freight Links Express Logisticentre
Singapore 609143
Tel (65) 6665 3773
Fax (65) 6665 7557

CHEMICAL STORAGE AND LOGISTICS

LTH Logistics (Singapore) Pte Ltd
29 Tanjong Penjuru
Singapore 609026
Tel (65) 6268 9595
Fax (65) 6268 2617
E-Mail enquiry@lthlogistics.com

LTH Distripark Pte Ltd
29 Tanjong Penjuru
Singapore 609026
Tel (65) 6268 9595
Fax (65) 6268 2617
E-Mail sops2@lthlogistics.com

OVERSEAS OFFICES

CHINA

Freight Links (Jiangsu) Co., Ltd
Lingang Distripark,No.328,
Xingang Rd., Jiangyin,
Jiangsu Province
214442,P.R.C.
Tel 0086 510 81662101/2/3
Fax 0086 510 81662100

Citic Logistics Co., Ltd
Room 1705, Hyundai Motor Tower
No. 38 Xiaoyun Road,
Chaoyang District,
Beijing 100027, P.R. China
Tel 86(10) 84539150
Fax 86(10)84539151
Web www.citic-logistics.com

MALAYSIA

Freight Links Express (M) Sdn Bhd
No. 105C (3rd Floor) Persiaran
Pegaga, Taman Bayu Perdana,
41200 Klang
Selangor Darul Ehsan
West Malaysia
Tel (60) 3 3324 4040
Fax (60) 3 3324 2008
E-Mail sales@freightlinks.net

Freight Links Express (Penang) Sdn Bhd
Suite 707, 7th Floor
Bangunan Mayban Trust
No. 3 Lebuh Penang
10200 Penang, West Malaysia
Tel (60) 4 263 4390
Fax (60) 4 263 4392
E-Mail flepng@freightlinks.net

Lee Thong Hung Trading & Transport Sdn Bhd
Pasir Gudang Office
Lot Plo 470 Jln Keluli 1
Pasir Gudang Ind East
81700 Pasir Gudang
Johor, West Malaysia
Tel (60) 7 252 4934/4529
Fax (60) 7 252 4932

Kuantan Tank Containers & Logistics Sdn Bhd
East Coast Technology Park,
Lot 109A, Jalan Gebeng 1/6,
Kawasan Perindustrian Gebeng,
26080 Kuantan, Pahang, Malaysia
Tel (60) 9 583 6987
Fax (60) 9 583 7063

LTH Peninsular Logistics Sdn Bhd
Lot 6465, Persiaran Sungai Puloh,
Batu 6, Off Jalan Kapar,
42100 Klang,
Selangor, Malaysia
Tel (60) 3 3290 1011
Fax (60) 3 3290 1044

HONG KONG

Freight Links M&S (H.K.) Limited
Suite 3302, 33/F, Tower 6
The Gateway II
9 Canton Road, Tsimshatsui
Kowloon, Hong Kong
Tel (852) 2 826 9113
Fax (852) 2 868 9319
E-Mail flms@flms.com.hk

THAILAND

Freight Links Express (Thailand) Co., Ltd
360/21-22 Moo-Ban Sri Krung,
Rama III Road, Yannawa,
Bangkok 10120, Thailand
Tel (662) 285 3542 (20 lines)
Fax (662) 285 3651
E-mail flebkk@fleth.co.th
Web www.fleth.co.th

United Relocations (Thailand) Co., Ltd
360/21-22 Moo-Ban Sri Krung,
Rama III Road, Yannawa,
Bangkok 10120, Thailand
Tel (662) 285 3974
Fax (662) 285 3976

AUSTRALIA

Freight Links Express Holdings (Australia) Limited
Level 14, 140 William Street
Melbourne Victoria 3000, Australia
Tel (61) 3 9603 1700
Fax (61) 3 9602 3870

Freight Links Express Logistics (Australia) Pty Ltd
Level 14, 140 William Street
Melbourne Victoria 3000, Australia
Tel (61) 3 9603 1700
Fax (61) 3 9602 3870

DUBAI

FLEx Integrated Group LLC
Mezzanine Floor
AL Rais Shopping Centre
Al Mankool Road,
P.O. Box 214011
Dubai, UAE
Tel (971) 4 355 2220
Fax (971) 4 355 2221
Web www.flexim.biz

ASSOCIATES

Freight Management Holdings Bhd
Lot 37, Lebuh Sultan Mohamad 1,
Kawasan Perindustrian Bandar
Sultan Suleiman,
42000 Port Klang,
Selangor Darul Ehsan.
Tel (60) 3 3176 1111
Fax (60) 3 3176 8634
E-mail gen@fmmalaysia.com.my
Web www.fmmalaysia.com.my

China GSD Logistics Pte Ltd c/o Shenzhen Gongsuda Logistics (Holdings) Co., Ltd
Block 139, 6th Floor, Liantang
Industrial Park Luohu District,
Shenzhen China, 518004
Tel 0086 75 525821860
Fax 0086 75 525821973
Web www.gongsuda.com

Fudao Petrochemicals Group Pte Ltd c/o Rizhao Yuanfeng Asphalt Chemical Co., Ltd
North Industrial Zone, Lanshan
Harbour, Rizhao City, Shangdong
Province, China
Tel 0086 63 32653158
Fax 0086 63 32654488

O&G Eng Kong Container (Xiamen) Co., Ltd
c/o 3/F Yin Long Building
No. 258 Dong Du Road
Xiamen, China
Tel 0086 592 5617878
Fax 0086 592 5617788

MFL Logistics LLC
Al Kendy, Ground Floor,
Bur Dubai, P.O. Box 119343
Dubai, UAE
Tel (971) 4 355 9005
Fax (971) 4 355 5072
Web www.mfldubai.com

Freight Links Express Holdings Limited

ANNUAL REPORT 2008

Freight Links Express Holdings Limited

51 Penjuru Road, Freight Links Express Logisticentre, Singapore 609143

Tel 6262 6988 Fax 6267 5593 URL www.freightlinks.net

Co. Registration Number: 198600061G