美羅 METRO

DRIVING SUSTAINABLE GROWTH AND VALUE

METRO HOLDINGS LIMITED

Annual Report 2018

Our Vision

Building on the synergies of our rich retail experience, strong foothold in the People's Republic of China (the "PRC"), and our strategic partnerships, Metro aims to be a leading property investment and development group in the region.

Contents

DRIVING SUSTAINABLE GROWTH AND VALUE

Consistent with its vision to create long-term sustainble growth and shareholder value, Metro Holdings Limited continues to capitalise on its strong brand name, proven investment track record and sound fundamentals, enabling the Group to grow a portfolio of quality assets across diverse real estate classes and high-growth markets.

Our focused and steadfast execution of the Group's strategies underpins our ability to broaden channels of growth while staying poised and resilient in the face of market uncertainties.

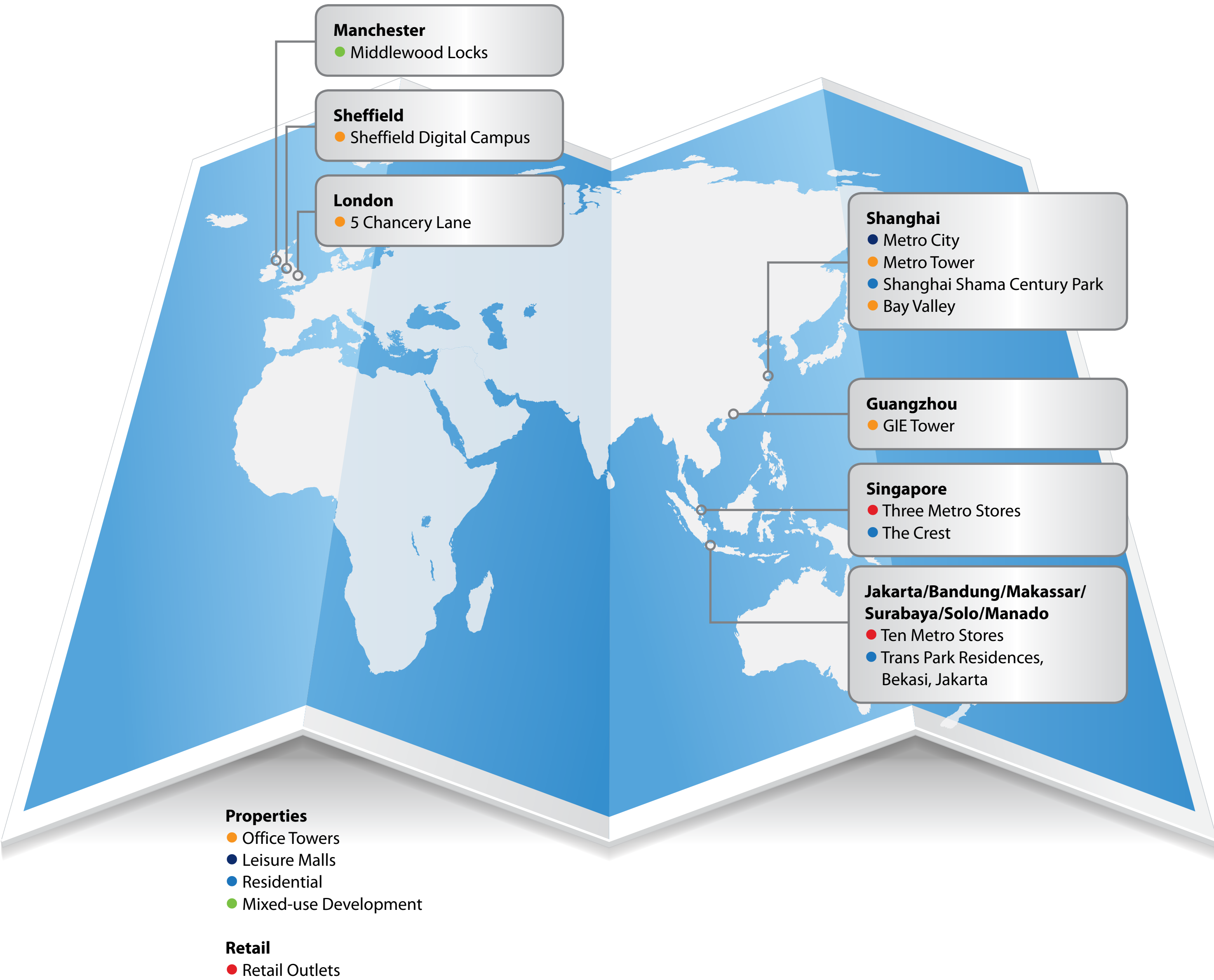
Metro Holdings at a Glance

ABOUT US

Listed on the Mainboard of the SGX-ST in 1973, Metro Holdings was founded in 1957 by the late Mr Ong Tjoe Kim. Starting out as a textile store on 72 High Street, Singapore, Metro has grown over the years to become a property investment and development group with a broadened and diversified asset portfolio, backed by an established retail track record, with a turnover of S$136.3 million and net assets of S$1.5 billion as at 31 March 2018.

OUR PRESENCE

Today, the Group operates two core business segments – property investment and development, and retail. It is focused on key markets in the region such as the PRC, Indonesia and Singapore. The Group has also expanded its geographical presence to the United Kingdom.



Metro Holdings at a Glance

PROPERTY INVESTMENT AND DEVELOPMENT

The Group's property arm has significant interests in almost 115,000 square metres of prime retail and office investment properties in London and first-tier cities in the PRC, such as Shanghai and Guangzhou, and over 480,000 square metres of residential and mixed-use development properties predominantly held for sale. The Group also owns 15.0% of Top Spring International Holdings Limited ("Top Spring"), a Hong Kong-listed PRC property developer and invests 23.7% in InfraRed NF China Real Estate Fund II (A), L.P. ("InfraRed Fund II"), a private equity real estate opportunity fund and 7.5% in Mapletree Global Student Accommodation ("MGSA") Private Trust, a private trust in Singapore.

Middlewood Locks,
Manchester

Bay Valley,
Shanghai

Metro City,
Shanghai

Trans Park Residences,
Jakarta

GIE Tower,
Guangzhou

The Crest,
Singapore

CHINA

Shanghai: Metro City, Metro Tower, Shanghai Shama Century Park, Bay Valley
Guangzhou: GIE Tower

INDONESIA

Jakarta: Trans Park Residences @ Juanda Bekasi

SINGAPORE

The Crest at Prince Charles Crescent

UNITED KINGDOM

Manchester: Middlewood Locks
Sheffield: Sheffield Digital Campus
London: 5 Chancery Lane

CHINA INVESTMENT

Top Spring
InfraRed Fund II

SINGAPORE INVESTMENT

MGSA Private Trust

RETAIL

Metro's retail arm serves customers through a chain of three Metro department stores in Singapore, and another ten department stores in Indonesia. The Metro shopping brand is an established household name in the retail industry, and offers a wide range of quality merchandise in over 1.5 million square feet of downtown and suburban retail space in both Singapore and Indonesia.

Indonesia

Singapore

INDONESIA

Jakarta, Bandung, Makassar, Surabaya, Solo and Manado

SINGAPORE

Causeway Point, Paragon and The Centrepoint

Key Facts

REVENUE
S$136.3 million
S$131.2 million in FY2017

PROFIT ATTRIBUTABLE TO SHAREHOLDERS
S$156.5 million
S$80.7 million in FY2017

RETURN ON SHAREHOLDERS' FUNDS
11.09%
5.92% in FY2017

EARNINGS PER SHARE
18.9 cents
9.7 cents in FY2017

DIVIDEND PER SHARE
5.0 cents
5.0 cents in FY2017

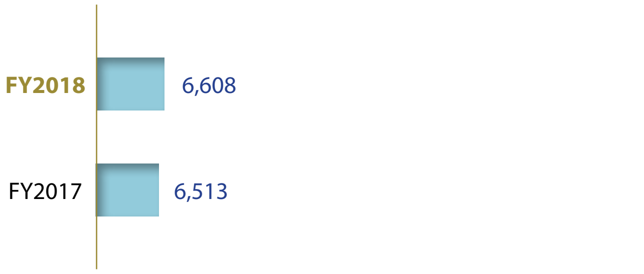
DIVIDEND PAYOUT RATE
26.5%
51.3% in FY2017

NET ASSET VALUE ATTRIBUTABLE TO SHAREHOLDERS
S$1,474 million
S$1,348 million in FY2017

NET ASSETS PER SHARE
S$1.78
S$1.63 in FY2017

Key Facts

PROPERTY REVENUE (S$'000)



Revenue from the Property division increased to S$6.6 million in FY2018 from S$6.5 million reported a year ago mainly on higher contribution from the Group's 100% directly held GIE Tower. Overall, average occupancy rate for Metro's four investment properties, including those held by joint ventures, was 96.1% as at 31 March 2018.

Recent Developments of Property Division

- **Shanghai, China** – Acquired three office buildings in Bay Valley, situated in New Jiangwan City, Yangpu district, China's innovation and technology district; leasing activities are underway
- **Jakarta, Indonesia** – Strengthened partnership with Trans Corp, and together with the Lee Kim Tah Group, entered into a joint venture to develop, market and sell five 32-storey residential towers in Bekasi; launched two of five towers for sale; construction is on track and targeted to complete by end-2020
- **United Kingdom** – Acquisition of a freehold office property, 5 Chancery Lane, in Central London, with the Lee Kim Tah Group, that is fully-leased till 2023, for stable and recurring earnings

Outlook

- **China** – GIE Tower in Guangzhou, as well as Metro City and Metro Tower properties in Shanghai continue to contribute stable rental income
- **United Kingdom** – Completed Phase 1 (571 units of total 2,215 units) of Middlewood Locks development, handover to be carried out in stages over summer 2018 while sales and marketing are in progress; Acero Works, Sheffield, was sold in 2Q2018, with development efforts now focused on Vidrio House
- **Indonesia** – Commenced construction and presale of Trans Park Residences in Bekasi, Jakarta, in November 2017

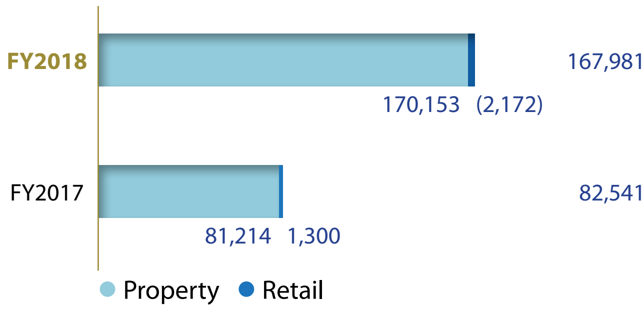
RETAIL REVENUE (S$'000)

Metro's retail topline improved by 4.0% to S$129.7 million in FY2018 from S$124.7 million in FY2017 due to higher sales from Singapore, amidst margin pressures from higher costs within a highly-competitive trading environment.

Outlook

- Focuses on transforming business with a strong emphasis on multi-media strategy and in developing fresh concepts and improving assortment of merchandise to entice consumers
- Continues to operate in a challenging, competitive trading environment, coupled with high operating costs
- To tap on Indonesia's burgeoning middle-class, prudently identify new sites and refresh existing stores, after opening two stores during the year

PROFIT BEFORE TAX (S$'000)



The Group recorded an increase in profit before tax ("PBT") to S$168.0 million in FY2018 from S$82.5 million in FY2017. Overall, net profit was lifted by the Group's S$159.2 million share of a divestment gain (net of tax) from Top Spring's very substantial disposal of eight property projects and a divestment gain of S$15.8 million from the disposal of the Group's 30% equity interest in its China associate in Nanchang. This more than offsets the lower share of results of joint ventures, which took impact from a one-off expense of S$27.7 million from the Additional Buyer's Stamp Duty (ABSD) for The Crest at Prince Charles Crescent in Singapore, partially mitigated by the reversal of a S$9.5 million write down of amount due from this joint venture.

Chairman's Message

> " Leveraging on our strong balance sheet, in-depth knowledge, business network and experience, we will create synergies that will contribute to the value enhancement of our quality properties. "

Lt-Gen (Retd) Winston Choo
Chairman

Dear Shareholders,

On behalf of the Board of Metro Holdings Limited ("Metro" or the "Group"), it is my pleasure to present our Annual Report for the financial year ended 31 March 2018 ("FY2018").

FINANCIAL REVIEW

The Group recorded a 93.8% growth in net profit after tax ("PAT") to S$157.0 million for FY2018, from S$81.0 million for the same corresponding period a year ago ("FY2017").

Net profit was lifted substantially by a sharp rise of our share of associates' results to S$124.9 million arising from the Group's S$159.2 million share of a divestment gain (net of tax) from our Hong Kong associate, Top Spring International Holdings Limited ("Top Spring"), through a very substantial disposal of eight property projects for a total consideration of approximately HK$15.6 billion (approximately S$2.6 billion).

The Group's net profit before tax was also boosted by strong segment results (excluding associates and joint ventures), which saw an increase to S$35.0 million in FY2018 from S$18.2 million in FY2017, mainly driven by a divestment gain of S$15.8 million from the disposal of the Group's 30% equity interest in our China associate in Nanchang.

This more than offsets a lower share of results of joint ventures, which recorded a loss of S$0.3 million in FY2018 from a gain of S$22.3 million in FY2017 due mainly to our S$27.7 million share of a one-off expense of the Additional Buyer's Stamp Duty (ABSD) for The Crest at Prince Charles Crescent in Singapore, partially mitigated by the reversal of a S$9.5 million write down of amount due from this joint venture.

As of 31 March 2018, the Group's net cash position (after deducting bank borrowings) of S$181.0 million, has decreased by S$142.5 million from S$323.5 million as of 31 March 2017, a year ago. This was mainly due to the net cash used for investing activities. Although the Group registered a PAT of S$157.0 million driven by the Group's S$159.2 million share of Top Spring's divestment gain, no corresponding higher dividend was received by Metro for our share of such profits from Top Spring.

The Group maintained a healthy balance sheet, with net assets of S$1.5 billion and net cash of S$181.0 million as of 31 March 2018. This provides headroom for us to pursue value-enhancing growth opportunities, tapping on our established property expertise and strong partnerships with experienced partners in China, Indonesia and the United Kingdom ("UK").

PROPERTY INVESTMENT AND DEVELOPMENT

Driving Sustainable Growth and Value

In line with the Group's overall property strategy to broaden our revenue streams and facilitate sustained profitability through selective positioning, new investments in property development and strategic alliances were made with experienced and local partners during the year and subsequent to year-end. In FY2018, we have grown our presence in our core markets – China, Indonesia and the UK – with three separate property investments in Bay Valley, Shanghai; Bekasi, Jakarta; and 5 Chancery Lane in Central London. Subsequent to the financial year-end, we further expanded our presence in China and Indonesia with another two investments – within the prime Huai Hai Zhong Road, Huang Pu district, Shanghai; and Bintaro, Jakarta.

Chairman's Message

Shanghai, China

China continues to be a core market. Together with our joint venture partners, we made two key acquisitions to grow our presence in Shanghai – a high growth city and the financial and commercial hub of China – where we have established a strong foothold.

In September 2017, we entered into a 30%-owned joint venture with our partner Top Spring to acquire three office buildings in Bay Valley, situated in New Jiangwan City, Yangpu District, Shanghai, at the acquisition price of approximately RMB 2,476.0 million (S$505.1 million). Bay Valley is located close to Fudan University, one of China's top universities. Fudan University and the universities in the area constitute the core of the Shanghai Central Intelligence District. The property is also highly accessible by subway lines and elevated highways, within a 30-minute drive from the city centre.

We have commenced leasing activities and see good rental opportunities for these commercial buildings given that it is part of the China government's plan to develop the Yangpu district into a global innovation and technology hub.

Subsequent to year-end, in May 2018, we invested 35% equity in a joint venture ("JV") to acquire a 90% stake of a mixed-use commercial building, Shanghai Plaza, for a total investment value of RMB 2,907 million (S$613 million). It is the intention of the JV to acquire the remaining 10% by 2020.

Shanghai Plaza is strategically located at the prime Huai Hai Zhong Road, Huang Pu district, the most central district in Shanghai. It is also close to the popular shopping area near Xintiandi District and People's Square, with connectivity to major train lines and expressways.

To capitalise on the strong demand for Grade A offices as well as quality retail properties in Shanghai, Shanghai Plaza will undergo re-development and upgrading for both office and retail usage, presenting an opportunity for lease restructuring, which is expected to generate stable returns upon completion in the coming years. We will leverage our retail expertise and network to enhance the value offerings of this prime property. Such re-development, conversion and upgrading projects in the first-tier cities of China is a property investment arena that has recently grown in popularity.

Indonesia

In Indonesia, we are delighted to have entered into collaboration with the established PT. Trans Corpora ("Trans Corp") and the Lee Kim Tah Group for the Bekasi project, Jakarta, in November 2017. The parties will develop, market and sell the residential component, Trans Park Residences, which comprises five 32-storey residential towers with 5,622 units. Each party will contribute its expertise and complement one another, particularly in the Indonesian real estate sector.

Trans Park @ Juanda Bekasi, a quality landmark mixed-development, consists of Trans Park Residences, a hotel, a school, Small Office Home Office ("SoHo") apartments, shophouses, an office building, a Transmart mall and a theme park with Snow Town and Kidcity. It is located with close accessibility to the bus and railway station and the upcoming light train station. Sales for two of the five residential towers have been launched and construction of the development is on track and targeted to be completed by end-2020.

In April 2018, we entered into a second collaboration with our two existing partners for the Bintaro project in Jakarta, to develop, market and sell two residential towers with approximately 1,400 apartment units and 170 SoHo units. The Bintaro project is another landmark mixed-development where the residential units are positioned for the middle to middle-upper level market. The development is within a mature township with good connectivity to central Jakarta through the railway line and main toll road. The ground-breaking ceremony of Trans Park Bintaro was held in March 2018, with pre-sales commencing on the same day, and construction is targeted to be completed by mid-2021.

We consider Indonesia to be a growth market with vast potential, underpinned by its steady economic growth, a growing affluent middle class, rapid urbanisation with enhanced infrastructure and increasing domestic consumption. With the two projects' strategic location in the fast-growing urban Jakarta city, we expect these projects to be well-received.

United Kingdom

In the UK, we broadened our footprint with the acquisition of a freehold office property located in Midtown Central London at 5 Chancery Lane with the Lee Kim Tah Group in January 2018. Fully leased to 2023, this presents an opportunity to enhance recurring income and potential returns from a quality asset, through multiple active management strategies.

With 84,836 square feet of office space over 8 levels, this freehold office building is located close to a few underground stations, namely Chancery Lane station, Temple station and the new Farringdon station hub of the upcoming Crossrail. It is also strategically located in the heart of the traditional legal area and has benefitted from a significant change in occupational demand with diverse tenant demand also coming from other sectors including technology, media and telecom.

Overall, the average occupancy rate of this newly acquired freehold and fully-leased office property in Central London, the UK and three mature investment properties in Guangzhou and Shanghai, China stood at a healthy 96.1% as at 31 March 2018. Notably, Metro City, Shanghai, continued to report higher rental income with the completion of certain phases of asset enhancement.

RETAIL

Metro's retail topline improved by 4.0% to S$129.7 million in FY2018 due to higher sales from the Singapore operations. However, pressure on margins continues amidst higher operating costs within a highly competitive trading environment, thereby adversely impacting profitability, with this segment reporting a net loss of S$2.2 million mainly from Singapore's retail division.

During the year, Indonesia opened two new stores – Metro Puri Mall and Metro Grand Kawanua Manado – in 1Q and 3QFY2018 respectively and the start-up costs of these new stores impacted profitability.

OUTLOOK

Property investment and development

China's economic growth is expected to stabilise, with GDP growth reaching 6.8% in 1Q2018, driven largely by resilient consumption. Pushed by strong government policy stimulus packages or a strong pick-up in external demand, GDP may rise above 7% year-on-year ("YoY")[1]. As China pushes to open its financial sector, Shanghai should continue to attract foreign and domestic financial institutions, underpinning office demand over the next three to five years[2].

Apart from demand for Grade A offices to be driven by financial, technology firms and co-working space operators, Shanghai's retail sales remain robust, growing 6.7% YoY in the first two months of 2018[3], with retail rents expected to increase another 3-5% in 2018[4], providing good demand support for quality retail properties.

This augurs well for our property investments in Shanghai, with rental stability at the joint venture level expected for Metro City and Metro Tower. We also expect to continue receiving stable rental income streams from our GIE Tower investment property in Guangzhou, China.

As for contributions from our associate, Top Spring, in view of its recent very significant disposal of eight property projects, its land bank has declined significantly. Top Spring has a number of redevelopment projects in the Greater Bay Area, which require some time to develop into saleable resources. It will also require some time to seek new suitable sites for development, using proceeds from the disposal, and bring the projects to fruition.

In Indonesia, the country has seen resilient GDP growth of 5.1% in 2017, marking the highest growth in four years due to stronger investment and net exports[5]. On the residential front, Indonesia is expected to see continued sales growth and moderate price growth in the middle markets where affordability is greater[6].

In the UK, we are pleased that Phase 1 construction work for the 571 apartment units of the Middlewood Locks development project in Manchester has been completed and is being handed over in stages over summer 2018. This mixed development will eventually provide 2,215 new homes and about 750,000 square feet of commercial space including offices, hotel, shops, restaurants, a convenience store and gym. It is poised to benefit from Manchester's standing as UK's most attractive city centre residential investment market and UK's second most important economic hub, with residential prices expected to grow 6.5% in 2018[7].

At the same time, our Sheffield office development project has been progressing well, with one of the two Grade A buildings, Acero Works, completed in 3Q2017 and sold in 2Q2018. Development works are now focused on Vidrio House.

Concurrently, in Singapore, we've seen a recovery in the property market, with prices expected to increase in 2018[8]. Sales of the Group's residential joint venture project, The Crest at Prince Charles Crescent, is showing gradual improvement in line with recent trends in the Singapore property market.

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1 *UBS, Chief Investment Office Monthly Base, May 2018*
2 *Colliers Quarterly Q4 2017, February 9, 2018*
3 *Savills, Shanghai Retail Market Report, Q1 2018*
4 *Knight Frank, Shanghai Retail Market Report, Q4 2017*
5 *The World Bank, Mar 27, 2018 – March 2018 Indonesia Economic Quarterly: Towards inclusive growth*
6 *JLL, Jakarta Property Market Review, Q1 2018*
7 *JLL, Residential Forecasts-Northern England, Q1 2018*
8 *Savills, World Research-Singapore, 1Q2018*

Retail

Prospects of our Singapore retail operations remain challenging and Metro Retail has undertaken to transform itself with a strong focus on multi-media strategy. It is also developing fresh concepts and improving the assortment of merchandise that appeal to customers. This, coupled with better in-store shopping experience, is driven towards meeting the evolving needs of customers and supporting a complete online-to-offline (O2O) user experience. Metro Retail will also consolidate operational efforts to achieve higher efficiency and productivity.

Indonesia continues to hold potential in terms of growing consumption power in view of the country's burgeoning middle-class. As such, the Indonesia operations continue to prudently identify new sites for departmental store expansion and refresh existing stores, after opening two stores during the year.

In Conclusion

Leveraging on our healthy balance sheet, we are constantly evaluating our asset portfolio to optimise shareholders' return, such as asset enhancement of our quality properties through retrofitting initiatives for upside potential. Metro will also continue to remain proactive in prudently seeking out a balanced portfolio of potential investment and development assets with experienced existing and new partners in China, UK and Indonesia. At the same time, we will explore regional countries for diversification. We will also continue to actively reinvest proceeds from our divestments as part of our capital recycling strategy to enhance shareholder value.

PROPOSED DIVIDEND

To reward our supportive shareholders, the Board has recommended on a per share basis, dividends totaling 5.0 Singapore cents, comprising ordinary final dividend of 2.0 Singapore cents and a special dividend of 3.0 Singapore cents. Together, these represent a dividend yield of 4.4%[9] and payout ratio of 26.5% of the net profit attributable to shareholders for FY2018.

APPRECIATION

Our achievements and performance over all these years are reflective of the strong commitment and hard work of our staff and management team across the Metro Group, including associates and joint venture companies. As such, on behalf of the Board, I would like to express my sincere appreciation to our team. I would also like to thank our loyal shareholders who have committed their trust to us, as well as to our business partners, associates, customers and tenants for their steadfast support.

At this juncture, I will like to extend the Board's congratulations to Mr Yip Hoong Mun, who has been re-designated to Deputy Group Chief Executive Officer as of 25 May 2018. Hoong Mun's deep experience in the property industry is invaluable to the Group as we continue to grow in our core markets. Alongside our dedicated management team, we are charting new heights while remaining firmly focused on the strong execution of our property strategy in China, Indonesia, the UK and beyond.

I would also like to take this opportunity to welcome Ms Deborah Lee Siew Yin, who joined us as a Non-Executive and Independent Director on 12 June 2018. With many years of experience and having held senior management roles in corporate finance and development, her expertise will be an asset to Metro Group.

I would also like to thank my fellow Board members for their wise counsel and guidance provided to the Group amidst volatile and challenging times.

With our strong foundation and clear vision, together with the steadfast support of our various stakeholders, we are well-positioned to drive sustainable growth and value for the Group.

Lt-Gen (Retd) Winston Choo
Chairman

18 June 2018

[9] *Share price of S$1.14 as at 29 March 2018*

主席致词

尊敬的各位股东：

我代表美罗控股有限公司（简称“美罗”或“集团”）董事会，很高兴地向各位公布截至2018年3月31日（“2018财政年度”）的财政年度报告。

财务回顾

在2018财政年度，美罗取得了93.8%的税后净利润增长，达到1.57亿新元，同比去年（“2017财政年度”）净利润8,100万新元。

显著的净利润高增长来自美罗从其联营公司取得的1.249亿新元的业绩，主要来自于集团在香港的联营公司莱蒙国际集团有限公司（“莱蒙”）贡献的1.592亿新元（扣除税款）收益 – 莱蒙脱售旗下拥有的八项中国房地产项目，从而获得约156亿港币（约26亿新元）的总代价。

集团税前净利润也来自强劲的分部业绩（不包括联营公司和合资公司），从2017财政年度的1,820万新元增长到2018财政年度的3,500万新元，主要由于集团出售了在中国南昌联营公司中所占30%股份所获得的1,580万新元收益。

以上的大额收益极大地抵销了集团属下数个合资企业在本年度的业绩所呈现的负增长，即从2017财政年度2,230万新元的利润到2018财政年度30万新元的亏损，主要原因是集团位于新加坡查尔斯太子湾的嘉御苑住宅项目支付了2,770万新元的一次性附加买方印花税（ABSD），但由于集团应收该合资企业950万新元的减值亏损款项的拨回，所以部分地缓解了亏损幅度。

截至2018年3月31日，集团的净现金达到1.81亿新元（减去银行贷款后），与截至2017年3月31日集团净现金3.235亿新元相比较，减少了1.425亿新元。主要原因是我们将净现金用于投资活动。虽然集团从莱蒙项目出售后所获得的1.592亿新元收益中录得了1.57亿新元的税后净利润，但美罗并未曾收到因从莱蒙取得利润而有相应更高的股息。

在2018年财政年度，集团保持了稳健的资产负债表并拥有净资产15亿新元及净现金1.81亿新元。稳固的财务状况为我们提供了寻求增值及发展机会的良好空间，并能和中国、印尼以及英国的富有经验的商务伙伴合作，开发和强化已建立的房地产专业知识以及稳固的合作关系。

房地产投资和发展

努力取得可持续性成长和提升价值

符合美罗的整体房地产策略以便扩展其多渠道收入来源，通过有选择的定位以提升可持续的利润，集团和有丰富经验的当地商务伙伴合作，在本财政年度及至今进行了房地产开发和策略联盟的新投资。在2018财政年度，集团在核心房地产区域，即中国、印尼和英国分别投资了三项新的房地产项目：上海的湾谷、雅加达的勿加泗（Bekasi），以及伦敦市中心法院巷5号（5 Chancery Lane）。在2018财政年度结束后，我们在中国和印尼进一步拓展业务，进行了两项新投资：一个位于上海黄浦区淮海中路黄金区域，另一个位于印尼雅加达的宾塔罗（Bintaro）。

主席致词

中国上海

中国仍然是一个核心的市场，美罗与合资伙伴在高速发展的上海进行了两项关键性收购。上海是中国金融和商业中心高增长的城市，我们期待在原有的稳固基础上，进一步发展集团的商业版图。

2017年9月，我们以持有30%股份的投资与合作伙伴莱蒙收购了位于上海杨浦区新江湾城湾谷的三栋写字楼。收购价约为人民币24.76亿元（约为5.051亿新元）。湾谷近邻中国顶尖名校复旦大学，该区的复旦大学和其他高等学府构成了上海中央智力区的核心区域。数条高架道路和地铁线路均可方便地到达该区域，离上海市中心仅有30分钟车程的距离。

鉴于中国政府将杨浦区打造成为国际化创新和科技中心的计划，我们认为这些商业建筑将带来良好的租赁商机并已开始该项目的租赁工作。

本财政年度结束后，在2018年5月，集团在一家合资公司投资35%股权，该公司以总投资额人民币29.07亿元（为6.13亿新元）收购了综合性商务大厦上海广场90%的股份。该公司计划在2020年收购剩余10%的股份。

上海广场位置优越，坐落于上海黄浦区淮海中路繁华地段，地处上海市中心。上海广场也靠近知名购物地标上海新天地以及人民广场并联通主要地铁线和高架道路。

为了充分满足上海对优质零售商场和甲级写字楼的强劲需求并从中获益，上海广场将进行翻新工程并改造为零售和办公楼用途，以提供租约重组的机会，预计可在近年竣工后为集团贡献稳定的租金回报。集团将利用我们在零售业多年丰富的经验和网络作为杠杆，竭力提高该优质房产的价值。在中国一线城市以如此规模重新开发、转变和翻新房产正成为一个新概念的房产投资平台，以及一个逐步发展的流行趋势。

印尼

在印尼，我们非常高兴地与富有经验的PT. Trans Corpora（"Trans Corp"）以及新加坡的李金塔集团合作，于2017年11月联手在雅加达投资了勿加泗项目，对Trans Park住宅进行开发、市场推广和销售。该项目包括五栋32层楼高、拥有5622套单元的住宅楼。项目的所有合作伙伴均能发挥其各自的特长和互补能力，尤其是在印尼房地产市场。

Trans Park @ 朱安达勿加泗（Juanda Bekasi）是项规模庞大的地标性综合体项目。项目包括了Trans Park住宅、一间酒店、一间学校、小型/家庭办公（SOHO）公寓、商店、一栋写字楼和一个Transmart商场，以及由雪城及儿童游乐场组成的一个主题乐园。项目地区的交通方便，附近设有公共汽车站、火车站和即将开通的轻轨站。该五栋住宅楼中的两栋已开始出售。该项目建设正按计划进行，预计在2020年底完成施工建设。

2018年4月，美罗与现有的两个合作伙伴展开第二项合作项目，联手开发、营销和销售位于雅加达宾塔罗（Bintaro）的两栋住宅楼。该项目包括约1400套单元的公寓和170套SOHO单元。宾塔罗项目是又一综合性地标项目，其目标购买群是中产或中产以上阶层。该项目建在成熟区域，有火车线路和主要收费公路便捷地通往雅加达市中心。其动土仪式在2018年3月举行，同日开始预售。项目预计在2021年中旬完成施工建设。

随着印尼稳健的经济增长，逐渐富裕的中产阶层，迅速的都市化，翻新的基础设施和当地消费群体的高增长，鉴于该两个项目均位于高速发展的雅加达市区，地理位置优越，我们预计它们会受欢迎。

英国

为了扩展集团的房产版图，2018年1月，美罗与李金塔集团携手合作在英国伦敦市中心收购了位于法院巷5号（5 Chancery Lane）的永久地契写字楼。目前已全部出租且租赁到期日为2023年。此项投资提供了一大好机会，通过多方面的积极管理措施，该优质房产将获得持续收入并预期获得更佳的潜力回报。

此永久地契写字楼楼高8层，办公面积为84,836平方英尺，近邻数个地铁站的地下站口，包括了法院巷站（Chancery Lane station）、圣殿站（Temple station）及靠近即将运行的伦敦横贯线地铁（Crossrail）的法灵顿转换站（Farringdon station hub）。此项目策略性地位于传统法律区域的中心地段，也由于当地职业需求大幅变化，带动多元领域租户的需求，包括科技、媒体以及电讯业，故该写字楼也从中获益。

总体而言，截至2018年3月31日，美罗新收购的英国伦敦的永久地契写字楼已全部出租，以及位于中国广州和上海的另外三座成熟投资资产保持高达96.1%的平均出租率。尤其是位于上海的美罗城，随着其物业翻新阶段性工程的完成，将持续带来更高的租金收入。

主席致词

零售业务

在2018财政年度，零售部门的业绩表现有所提高，营业收入增长幅度为4%，总销售额达到1.297亿新元，主要来自新加坡零售的业绩贡献。然而由于高度竞争的零售业环境压力和日益增高的营运成本，对利润带来负面影响，分部报告呈现220万新元的净亏损，主要来自新加坡零售部门。

在本财政年度的第一季度和第三季度，美罗在印尼分别开张了两间美罗百货分店 – Metro Puri Mall及Metro Grand Kawanua Manado。由于新店开业营业成本费用之原因，影响了其利润。

展望未来

房地产投资和发展

中国的经济预计呈现稳步增长。2018年第一季的国内生产总值增长率达6.8%，主要基于弹性消费的驱动。由于中国政府出台有关鼓励性政策所带来的强劲推动力，或外部需求的强力反弹，国内生产总值增长率与去年同期相比预计将达7%[1]。鉴于中国正竭力开放其金融市场，而上海将继续吸引国内外的金融机构入驻，从而带动其写字楼需求在未来的三年到五年内稳定增长[2]。

除了金融机构、科技公司和共享空间运营商对甲级写字楼的需求，我们也注意到上海零售业所呈现的活力。在2018年的前2个月，上海零售业销售与去年同期相比增长了6.7%[3]，2018年其零售面积租金预计将有3-5%的增长[4]，也带动了对优质商业房产的较大需求。

这对集团在上海的房地产投资是好兆头，旗下合资公司在上海所投资的美罗城和美罗大厦预计将享有稳健的租金收入。我们也预期集团在中国广州的投资性房产 – 广州国际电子大厦 – 将继续保持稳定的租金收入。

至于集团属下联营公司莱蒙的业绩贡献，该公司最近脱售了旗下的八项房产项目，在完成这项大规模的交易后使得土地储备存量大幅度下跌。莱蒙目前在中国粤港澳大湾区有数个重新发展项目，但需要一定的时间才能开发为可销售资产。同时莱蒙也需一段时间利用其脱售资产后的收益，继续寻求可开发的合适项目并力争取得丰硕成果。

印尼在2017年国内生产总值增长率达到5.1%，由于其投资和净出口额的强劲增长，该年的增长率是4年来最高的[5]。在印尼住宅市场，中产阶级购买力很强，可以预期持续的适合中产的住宅销售量增长和价格的缓慢提升[6]。

有关美罗在英国的项目，我们高兴地看到英国曼彻斯特的Middlewood Locks开发项目第一期共571套单元的住宅已建设完成，自2018年夏天起将分期交付使用。这一综合性开发项目最终将提供2,215套单元以及750,000平方英尺的商业面积，其中包括办公楼、酒店、商场、餐厅、便利店和健身房的均衡配套。由于曼彻斯特是英国最具吸引力的城市住宅投资市场，也是英国第二大经济重镇，该项目因此受惠，其住宅价格有望在2018年增长6.5%[7]。

同时，集团位于英国谢菲尔德市的办公楼项目开发进展顺利。两栋甲级写字楼中的一栋Acero Works在2017年第三季竣工，并在2018年的第二季度售出。该项目开发工作现聚焦于Vidrio House。

我们与此同时也看到了新加坡房地产市场复苏的曙光，预测在2018年房产售价将上升[8]。随着新加坡房地产市场的逐步复苏，集团属下合资公司位于查尔斯太子湾的嘉御苑住宅项目销售状态也将随之逐渐好转。

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1 *UBS, Chief Investment Office Monthly Base, May 2018*
2 *Colliers Quarterly Q4 2017, February 9, 2018*
3 *Savills, Shanghai Retail Market Report, Q1 2018*
4 *Knight Frank, Shanghai Retail Market Report, Q4 2017*
5 *The World Bank, Mar 27, 2018 – March 2018 Indonesia Economic Quarterly: Towards inclusive growth*
6 *JLL, Jakarta Property Market Review, Q1 2018*
7 *JLL, Residential Forecasts-Northern England, Q1 2018*
8 *Savills, World Research-Singapore, 1Q2018*

主席致词

零售业

新加坡零售业前景仍然充满挑战性，有鉴于此，美罗零售部门已聚焦于多媒体策略。美罗零售部门也同时启动转型，设计出更新颖的概念，以丰富且多样化的商品和改进的商场购物体验来吸引并满足消费者的不同需求，为消费者在线上和线下的购物提供完整的支持和服务。美罗零售部门将综合其营运实力以取得更高的效益和生产力。

由于印尼新兴中产阶级的消费能力持续增长，故零售业仍然拥有巨大的潜力。本年度在印尼相继开设了两家新的美罗百货分店后，集团将继续谨慎地寻找新地点以扩充在印尼的美罗百货分店，并持续为现有的百货分店注入新活力。

结论

凭借集团稳健的资产负债表，我们将持续评估集团的资产组合以优化对股东的回报，例如通过房产的翻新改造计划争取更高的回报潜力，同时提升优质房产的价值。美罗将与中国、英国和印尼富有经验的现有和新的合作伙伴携手，继续积极谨慎地寻求有潜力的资产投资与发展的平衡组合。同时，我们会探索区域国家的资源以寻求多元化。作为资本循环战略的一部分，我们也将主动地将资产出售后之收益用于再投资，以便为股东创造最大价值。

股息提议

为了报答一直支持美罗的股东们，董事对股息分配做出提议。建议每股总股息为5分新元，这包括了2分新元的末期普通股息以及3分新元的特别股息。这显示了4.4%[9]的股息收益率。在2018财政年度，美罗年度共派发的股息达到集团股东应占净盈利26.5%的派息率。

致谢

美罗取得多年来如此卓越的业绩和丰硕成果系美罗管理团队持续的奉献和全体同仁兢兢业业全力付出的努力的体现，包括联营公司和合资企业全体同仁的敬业工作。我代表董事会，对美罗团队所有同仁的辛勤工作表示衷心的感谢。我也要感谢忠诚的股东对我们毫不动摇的信任，感谢美罗的商务合作伙伴、联营公司、美罗顾客群和租户们所给予的坚定不移的支持。

在此，我代表董事会祝贺叶康文先生。自2018年5月25日起，叶先生被委任为美罗集团副首席执行官。叶先生在房地产领域拥有丰富的管理经验，对集团核心房地产业务的持续发展起着极其重要的作用。与我们的专业管理团队并肩创造新的高峰并同时致力于在中国、印尼、英国以及其他区域坚持贯彻执行美罗在房地产发展方面的策略。

我也借此机会欢迎李秀缨女士加入美罗。李女士于2018年6月12日受委为美罗的非执行独立董事。她拥有多年的丰富经验，在企业融资和开发方面曾担任高级管理职位。集团将受惠于李女士的专业知识。

在此我也对美罗董事会的董事们表示感谢。感谢他们所提供的明智见解，在当今充满挑战性的时代，董事会率领着集团稳步前进。

依靠美罗坚实的基础、清晰的愿景以及来自各方的大力支持，凭借集团卓越的战略定位，我们将努力使美罗持续成长并提升集团的价值。

朱维良中将
集团主席

2018年6月18日

[9] *截至2018年3月29日，股价为每股1.14新元*

Board of Directors

LT-GEN (RETD) WINSTON CHOO WEE LEONG
Chairman, Non-Executive and Independent

PHUA BAH LEE
Director, Non-Executive and Independent

GERALD ONG CHONG KENG
Director, Non-Executive

FANG AI LIAN (MRS)
Director, Non-Executive and Independent

TAN SOO KHOON
Director, Non-Executive and Independent

LAWRENCE CHIANG KOK SUNG
Group Chief Executive Officer, Director, Executive

DEBORAH LEE SIEW YIN
Director, Non-Executive and Independent

Board of Directors

LT-GEN (RETD) WINSTON CHOO WEE LEONG
朱维良中将

Chairman, Non-Executive and Independent
非执行独立主席

Lt-Gen (Retd) Winston Choo Wee Leong was appointed Director of Metro Holdings Limited ("Metro") in June 2007 and assumed the position of Chairman in July 2007. He is also the Chairman of the Nominating and Investment Committees and a member of the Remuneration Committee.

He had a distinguished military career from 1959 to 1992 and was Singapore's Chief of Defence Force from 1974 to 1992. He served as Singapore's High Commissioner to Australia and concurrently Ambassador to Fiji from 1994 to 1997. He also served as Singapore's Non-Resident High Commissioner to the Republic of South Africa and the Independent State of Papua New Guinea from 2000 to 2006. He is currently Singapore's Non-Resident Ambassador to the State of Israel.

Lt-Gen Choo is an experienced company director, having served on the Boards of several listed companies since 1993. Currently, he is a member of the Board of Directors of Foodfare Catering Pte Ltd, Newstar Investment Holdings Pte Ltd and Tridex Pte Ltd.

Lt-Gen Choo holds a Master of Arts in History from Duke University, USA and has completed the Advance Management Programme at Harvard University, USA.

朱维良中将于2007年6月受委为美罗控股有限公司("美罗")的董事,并在2007年7月开始受委为集团主席一职。他也是提名委员会和投资委员会的主席以及薪酬委员会的成员。

朱维良中将曾于1959年至1992年期间拥有卓越辉煌的军旅生涯,并于1974年至1992年间担任新加坡国防部队三军总长。他曾于1994年至1997年间同时担任新加坡驻澳大利亚最高专员兼任驻斐济的大使。2000年至2006年间,他也曾担任新加坡驻南非和巴布亚新几内亚独立国的非常驻最高专员。他现任新加坡驻以色列的非常驻大使。

朱维良中将是位经验丰富的公司董事,自1993年起便在多家上市公司的董事会担任过职务。他目前是Foodfare Catering Pte Ltd, Newstar Investment Holdings Pte Ltd和Tridex Pte Ltd的董事会成员。

朱维良中将拥有美国杜克大学的历史文学硕士学位,并在美国哈佛大学完成了高级管理培训课程。

PHUA BAH LEE
潘峇厘

Director, Non-Executive and Independent
非执行独立董事

Mr Phua Bah Lee joined the Board of Metro in 1993. He is the Chairman of the Remuneration Committee and a member of the Audit and Nominating Committees. He is also a Director of Singapura Finance Ltd and also holds directorships in a number of private companies.

Mr Phua was the Parliamentary Secretary of the Ministry of Communications from 1968 to 1971 and Senior Parliamentary Secretary of the Ministry of Defence from 1972 to 1988. He was a Member of Parliament for the Tampines Constituency from 1968 to 1988. He graduated from the Nanyang University, Singapore, with a Bachelor of Commerce degree.

潘峇厘先生于1993年加入美罗董事会。他是薪酬委员会的主席及审计和提名委员会的成员。他也是富雅金融有限公司的董事会成员,也在多家私人企业担任董事。

潘先生曾于1968年至1971年间担任通讯部的政务次长,以及在1972年至1988年间担任国防部的高级政务次长。潘先生曾于1968年至1988年间担任淡滨尼选区的国会议员。他毕业于新加坡南洋大学,获商业学士学位。

GERALD ONG CHONG KENG
王宗庆

Director, Non-Executive
非执行董事

Mr Gerald Ong Chong Keng was appointed a Director of Metro in June 2007. He is a member of the Audit, Nominating, Investment and Remuneration Committees.

He is currently the Chief Executive Officer of the PrimePartners Corporate Finance Group and is a Director of Aseana Properties Ltd (listed on the London Stock Exchange Main List). Mr Ong has more than 25 years of corporate finance related experience. He has held senior positions at various financial institutions including NM Rothschilds & Sons (Singapore) Ltd, the DBS Bank Group, Tokyo-Mitsubishi International (Singapore) Pte Ltd and Hong Leong (Malaysia) Group. During his time with these institutions, Mr Ong's duties encompassed the provision of a wide variety of Corporate Finance services from advisory, M&A activities and fund raising exercises incorporating various structures such as equity, debt, equity-linked and derivative-enhanced issues.

Mr Ong has been recognised as an IBF Distinguished Fellow and is a Council Member of the Singapore Institute of International Affairs ('SIIA'). He is an alumnus of the National University of Singapore, University of British Columbia and Harvard Business School.

王宗庆先生于2007年6月受委为美罗的董事。他也是审计、提名、投资委员会和薪酬委员会的成员之一。

他现在是建力企业财务策划有限公司的执行总裁，同时也是Aseana Properties Ltd，一家在伦敦证券交易所主板上市公司的董事。王先生在金融领域拥有超过25年的丰富经验。他曾经在多家金融机构，包括洛希尔父子（新加坡）有限公司、新加坡星展银行集团、东京三菱国际（新加坡）有限公司以及马来西亚丰隆集团担任资深职务。王先生在以上机构任职期间的责任覆盖广泛，包括金融顾问，企业并购，以及通过资本、债务、资本关联和强化衍生债权的企业融资服务。

王先生被授予IBF（新加坡银行和金融研究所）杰出学者的资格，并是新加坡国际事务研究所的理事会成员。王先生是新加坡国立大学、英属哥伦比亚大学及哈佛大学的校友会成员。

FANG AI LIAN (MRS)
方爱莲夫人

Director, Non-Executive and Independent
非执行独立董事

Mrs Fang Ai Lian was appointed a Director of Metro in July 2008. She is also the Chairman of the Audit Committee and a member of the Nominating Committee.

She is an Independent Director of Banyan Tree Holdings Limited, Singapore Post Limited, Jubilant Pharma Limited and Cromwell EREIT Management Pte. Ltd. and Advisor to the Far East Organization Group. She is Chairman of the Board of Trustees of the Singapore Business Federation and Medishield Life Council. She also serves on the Board of Trustees of the Singapore University of Technology and Design, and is a member of Tote Board (Singapore Totalisator Board).

Mrs Fang was previously with Ernst & Young ("E&Y") for 37 years where she last held the position of Chairman of E&Y Singapore until her retirement on 31 March 2008. She previously served as the Chairman of Charity Council. She is also a Justice of the Peace and was awarded the Public Service Star in 2009. Her past directorships include Singapore Telecommunications Limited and MediaCorp Pte Ltd.

Mrs Fang qualified as a Chartered Accountant in England and is a Fellow of the Institute of Chartered Accountants in England and Wales as well as a Fellow of the Institute of Singapore Chartered Accountants.

方爱莲夫人于2008年7月受委为美罗的董事。她也是审计委员会的主席和提名委员会的成员。

她是悦榕控股有限公司、新加坡郵政有限公司、Jubilant Pharma有限公司以及Cromwell EREIT管理私人有限公司的独立董事，同时是远东机构的顾问。她是新加坡工商联合总会理事会和终身健保委员会的主席。她也是新加坡科技设计大学理事会的成员以及新加坡赛马博彩管理局的董事会成员。

方夫人之前在安永会计事务所任职37年。方夫人于2008年3月31日以新加坡安永会计事务所主席的身份退休。方夫人也曾担任慈善理事会的主席。身为太平绅士，方夫人在2009年被授予公共服务星章。她曾经在新加坡电信有限公司以及新传媒有限公司担任董事 一职。

方夫人在英国取得特许会计师的资格，而且是英格兰和威尔士特许会计师协会的资深会员。方夫人也是新加坡特许会计师协会的资深会员。

TAN SOO KHOON
陈树群

Director, Non-Executive and Independent
非执行独立董事

Mr Tan Soo Khoon was appointed a Director of Metro in December 2011. He is a member of the Audit and Investment Committees.

Mr Tan, a businessman, is also a Director of Parkson Retail Asia Limited and several private companies. Since 1978, he has been the Managing Director of watch distribution companies, Crystal Time (S) Pte Ltd and Crystal Time (M) Sdn Bhd.

Mr Tan holds a bachelor's degree in Business Administration with Honours from the National University of Singapore. Mr Tan was a Member of the Singapore Parliament from 1976 to 2006. He also served as Speaker of Parliament from 1989 to 2002. Since 2007, he has been Singapore's non-resident Ambassador to the Czech Republic.

陈树群先生于2011年12月加入美罗董事会担任董事。他是审计和投资委员会的成员之一。

陈先生是一位商人，现任百盛零售亚洲有限公司和多家私人公司的董事。自1978年以来，他一直担任Crystal Time (S) Pte Ltd和Crystal Time (M) Sdn Bhd的董事总经理。

Board of Directors

陈先生毕业于新加坡国立大学，获荣誉工商管理学士学位。1976年至2006年间，他曾担任新加坡国会议员。1989年至2002年间，他则被委任为新加坡国会议长。从2007年至今，陈先生仍担任新加坡驻捷克共和国的非常驻大使。

LAWRENCE CHIANG KOK SUNG
郑国杉

Group Chief Executive Officer, Director, Executive
集团首席执行官，执行董事

Mr Lawrence Chiang was appointed as the Group Chief Executive Officer and Executive Director of Metro in June 2016. He is a member of the Investment Committee.

He holds executive responsibility over the business strategies and operational affairs of the Metro Group of companies. He has initiated and overseen the completion of the Group's property development projects and joint ventures in China, Singapore, the United Kingdom, Japan, Malaysia and Australia, having assumed a key role in the Group's investment strategy and business development.

Mr Chiang joined Metro in 1989 and has held positions as the Group's Head, Corporate Affairs and Special Projects and Financial Controller. He was appointed the Group General Manager in April 2007 before being re-designated as the Group Chief Operating Officer in July 2013. He was appointed as the Acting Group Chief Executive Officer in February 2016. He has 44 years of working experience in industries involved in property development and management, retail and department stores, cruise, hotel, engineering and trading operations.

郑国杉先生于2016年6月受委为美罗集团的首席执行官和执行董事。他也是投资委员会的成员之一。

郑先生对美罗集团的整体经营策略和运营担负着执行责任。他在中国、新加坡、英国、日本、马来西亚及澳大利亚启动并监督完成了集团的房地产开发和合资项目，且在集团的投资战略和业务发展上发挥了关键的作用。

郑先生于1989年加入美罗，曾分别担任过集团的企业事务及特别项目的主管和财务总监。在2007年4月他受委为集团总经理并于2013年7月受委为集团首席运营官。郑先生于2016年2月受委为集团代首席执行官。他在房地产开发及管理、零售及百货商店、游轮、酒店、工程和贸易领域拥有长达44年的丰富管理工作经验。

DEBORAH LEE SIEW YIN
李秀缨女士

Director, Non-Executive and Independent
非执行独立董事

Ms Deborah Lee Siew Yin was appointed a Director of Metro in June 2018.

Ms Lee is presently an Independent Director of Ascendas Hospitality Trust and Assurity Trusted Solutions Pte Ltd. She is also a board member of WTL Capital Pte Ltd.

Ms Lee was previously Executive Vice-President, Corporate Development of Singapore Press Holdings Ltd (SPH) from 2007 to 2015. Prior to joining SPH, she was a consultant, specialising in corporate development work and mergers and acquisitions.

Before her consultancy work, Ms Lee was Senior Vice-President, Business Development at the Wuthelam Group, overseeing the establishment of the industrial electronics business, real estate business development and private equity investment for the Group in the region. Ms Lee started her career as an auditor with Pricewaterhouse and subsequently joined Hewlett Packard, holding various management positions over a period of 11 years.

Ms Lee holds a Bachelor of Accountancy (Honours) and a Master in Applied Finance from the National University of Singapore. She is a Chartered Financial Analyst charterholder.

李秀缨女士于2018年6月受委为美罗的董事。

李女士现为Ascendas Hospitality Trust以及Assurity Trusted Solutions Pte Ltd的独立董事，她也是WTL Capital Pte Ltd的董事会成员。

从2007年至2015年，李女士曾担任新加坡报业控股（SPH）企业发展的执行副总裁。加入新加坡报业控股之前，李女士担任顾问职务，专长于企业发展、收购及合并项目。

李女士在担任顾问之前，曾任职于Wuthelam Group为业务发展高级副总裁，负责该集团在区域开发和建立工业电子业务、房地产发展和私募股权投资业务。李女士早年加入普华永道审计事务所（Pricewaterhouse）作为审计师，开始了她的职业生涯。随后她加入了惠普（Hewlett Packard），在11年中担任多个资深管理职务。

李秀缨女士毕业于新加坡国立大学，拥有会计学士学位（荣誉）和应用金融硕士学位。她也是一位特许金融分析师。

Key Management

LAWRENCE CHIANG KOK SUNG
Group Chief Executive Officer

YIP HOONG MUN
Deputy Group Chief Executive Officer

WONG SIOE HONG
Executive Chairman,
Metro (Private) Limited

DAVID LEE CHIN YIN
Group Financial Controller &
Joint Company Secretary

DAVID TANG KAI KONG
Chief Executive Officer,
Metro (Private) Limited

LAWRENCE CHIANG KOK SUNG
Group Chief Executive Officer

Mr Lawrence Chiang was appointed as the Group Chief Executive Officer of the Metro Group in June 2016. He holds executive responsibility over the business strategies and operational affairs of the Metro Group of companies. He has initiated and overseen the completion of the Group's property development projects and joint ventures in China, Singapore, the United Kingdom, Japan, Malaysia and Australia, having assumed a key role in the Group's investment strategy and business development.

Mr Chiang joined Metro in 1989 and has held positions as the Group's Head, Corporate Affairs and Special Projects and Financial Controller. He was appointed the Group General Manager in April 2007 before being re-designated as the Group Chief Operating Officer in July 2013. He was appointed as the Acting Group Chief Executive Officer in February 2016. He has 44 years of working experience in industries involved in property development and management, retail and department stores, cruise, hotel, engineering and trading operations. Mr Chiang was a member of the Institute of Chartered Accountants of New Zealand, the Institute of Singapore Chartered Accountants, ACCA and the Institute of Chartered Secretaries and Administrators.

Key Management

YIP HOONG MUN
Deputy Group Chief Executive Officer

Mr Yip Hoong Mun joined Metro in February 2017 as the Group Chief Operating Officer of the Metro Group and has been re-designated to Deputy Group Chief Executive Officer in May 2018. He is also the Chief Executive Officer of Metro China.

Mr Yip has close to 30 years of experience in executive and senior management roles in strategic planning, operations, hospitality, real estate investment and development. Prior to joining Metro, he spent over 20 years with the CapitaLand Group. Mr Yip started his career with Indeco Engineers and later joined BP South East Asia.

Between 1994 and 2007, Mr Yip worked in various countries in the investment and operations functions of Liang Court (prior to the forming of CapitaLand in 2000) and The Ascott Group. He rose to become the Managing Director of Ascott China in 2003; and in 2006, was promoted to become CEO, Asia Pacific and Gulf Region of The Ascott Group. Between 2007 and 2013, Mr Yip was involved in property developments of CapitaLand in the Gulf Region, and later, Vietnam. He was CapitaLand Group's Managing Director of Indonesia responsible for building its presence in this market, prior to joining Metro. Throughout his career, Mr Yip has had numerous successes in opening new markets in China, Vietnam and Indonesia.

Mr Yip has a Bachelor of Civil Engineering degree with first class honours from the National University of Singapore and a Master's degree in Business Administration from Stanford University, USA. He also completed a management course at Fudan University, Shanghai, China.

WONG SIOE HONG
Executive Chairman,
Metro (Private) Limited

Mrs Wong was appointed as Executive Chairman of Metro (Private) Limited with effect from 1 October 2012. As Executive Chairman, she serves as the key strategist of the Group's retail operations and is responsible for charting the future direction of this division. With over 40 years of industry expertise, Mrs Wong also holds the positions of Vice President of the Singapore Retailers Association as well as Vice Chairman of the Orchard Road Business Association.

Mrs Wong first joined Metro's retail organisation in 1971 and had served as the Managing Director of Metro (Private) Limited from 1994 to 2012, overseeing the overall retail operations of the Group in both Singapore and Indonesia. She has played an instrumental role in transforming the Metro retail arm into a major retail operator in Singapore and will continue to oversee the Group's retail expansion in the region. Mrs Wong holds a Bachelor of Science (Commerce) from the University of Santa Clara, USA.

DAVID LEE CHIN YIN
Group Financial Controller &
Joint Company Secretary

Mr David Lee has been Group Financial Controller of the Metro Group since 1995. He has overall responsibility for the Group's finance, accounting, treasury and tax functions. Mr Lee joined the Metro Group in 1991 as its Group Internal Audit Manager after 15 years in the public accounting profession. Mr Lee is a member of the Institute of Chartered Accountants in England and Wales and the Institute of Singapore Chartered Accountants.

DAVID TANG KAI KONG
Chief Executive Officer,
Metro (Private) Limited

Mr David Tang was appointed as the Chief Executive Officer of Metro (Private) Limited on 10 September 2012. A well regarded retail professional with extensive experience in retail operations, marketing and financial management, he started his retail career as Merchandising Manager with JC Penny in Indianapolis, Indiana, USA.

Prior to joining Metro, Mr Tang was at the helm of Robinsons as its Regional General Manager, a position he held since 2006. He spent 22 years at Robinsons, where he rose through the ranks, serving in various capacities from Fashion Buyer to Deputy Senior Merchandising Manager, Senior Merchandising Manager, General Manager (Merchandising) to General Manager (Department Stores). Mr Tang has a Master of Business Administration in Retailing and Wholesaling from University of Stirling, Scotland, and a Bachelor of Science (Highest Distinction) in Finance from Indiana University, USA.

Partnerships

TRANS CORP
(Since 2001)

Trans Corp is the Media, Lifestyle, Retail and Entertainment arm of CT Corp, a diversified holding company with businesses across a wide spectrum of industries. Trans Corp's businesses include two free-to-air news and entertainment television broadcast, Pay TV Channel, News Portal, shopping malls and hotels, indoor themepark, franchisee for Coffee Bean and Tea Leaf, Baskin Robbins and Wendy's, as well as international high-end fashion franchises. Trans Corp also owns majority ownership of Trans Retail Indonesia (formerly Carrefour Indonesia) together with GIC.

Metro first collaborated with Trans Corp in 2001 when it opened its third store in Bandung Supermal. By 2008, Trans Corp had acquired a 40% stake in Metro Indonesia, and in recognising the country's growing demand for Metro stores, Trans Corp increased its shareholding to 50% in 2010.

Today, Metro Indonesia is one of the leading retailers in the country, housing a wide range of well-known international and local brands. Metro Indonesia currently has 10 stores spread across Jakarta, Bandung, Surabaya, Makassar, Solo and Manado.

In November 2017, Metro entered into further collaboration with PT. Trans Corpora for the development, marketing and sales of apartment units in Bekasi, Jakarta, Indonesia. In April 2018, Metro strengthened the partnership with PT. Trans Corpora with the development, marketing and sales of apartment and SoHo units in Bintaro, Jakarta, Indonesia.

INFRARED NF CHINA REAL ESTATE FUND
(Since 2007)

Headquartered in London with offices in Hong Kong, Sydney, New York and Seoul, InfraRed Capital Partners ("InfraRed") is a manager of specialist infrastructure and real estate funds.

Metro's partnership with InfraRed NF China Real Estate Fund, L.P. ("the Fund"), a fund managed by InfraRed in joint venture with Hong Kong's Nan Fung Group, started in 2007 with investments in EC Mall, No. 1 Financial Street and Metropolis Tower – in Beijing. In 2009, Metro entered into a joint venture with the Fund and Tesco plc in three Tesco Lifespace malls in Qinhuangdao, Fushun and Anshan. Another joint venture with the Fund and Tesco plc followed in February 2011 in three new Tesco Lifespace malls in Fuzhou, Xiamen and Shenyang. Metro and the Fund have since divested their interest in all these developments.

In 2015, Metro invested in InfraRed NF China Real Estate Fund II (A), L.P. ("Fund II"). Fund II is the follow-on fund to the Fund. In 2016, we extended the Group's partnership with Fund II through a co-investment in a real estate debt instrument.

Partnerships

TOP SPRING INTERNATIONAL HOLDINGS LIMITED
(Since 2011)

Top Spring International Holdings Limited ("Top Spring") is a real estate property developer in the PRC specialising in the development and operation of urban mixed-use communities and the development and sale of residential properties in the Greater Bay Area, the Yangtze River Delta, the Central China, the Beijing-Tianjin and the Chengdu-Chongqing regions in the PRC. Metro acquired an initial stake of 5% in Top Spring when it was listed on the Main Board of The Stock Exchange of Hong Kong Limited in March 2011. Top Spring's revenue stood at HKD 1.8 billion for the year ended 31 December 2017.

In FY2013, Metro invested S$48 million for 30% equity in Nanchang Top Spring Real Estate Co., Ltd ("Nanchang Top Spring"), a partnership with Top Spring. Known as Nanchang Fashion Mark and located at Hong Gu Tan Central Business District in Nanchang, Jiangxi Province in the PRC, the mixed-use development initially had total leasable/saleable gross floor area ("GFA") of approximately 780,000 square metres. Metro and Top Spring divested their interest in Nanchang Top Spring in 2017/2018.

In December 2013, Metro acquired a 30% stake in Shanghai Shama Century Park from Top Spring for RMB 524 million. The property operated as serviced apartments with a total of 284 residential units across a total GFA of approximately 49,357 sqm. 277 residential units have been sold and handed over as at 31 March 2018.

On 1 July 2014, Top Spring became an associated company of the Metro Group when Metro's nominated representative was appointed to the board of directors of Top Spring as non-executive director. As at 31 March 2018, Metro has an equity stake of approximately 16.5% voting rights and 15.0% ownership interest in Top Spring.

In September 2017, Metro, together with Top Spring, acquired three office buildings in Bay Valley in New Jiangwan City, Yangpu District, Shanghai, for RMB 2.5 billion. Metro's stake is 30%.

WING TAI HOLDINGS LIMITED
(Since 2012)

Wing Tai Holdings Limited ("Wing Tai") was incorporated in Singapore on 9 August 1963. Wing Tai is today Singapore's leading property developer and lifestyle company reputed for quality and design. The principal activity of the company, listed on the Singapore Stock Exchange since 1989, is that of an investment holding company with a keen focus on growth markets in Asia. The core businesses of the Wing Tai group of companies, including Wing Tai Malaysia Sdn. Bhd. in Malaysia, Wing Tai Properties Limited in Hong Kong and Wing Tai (China) Investment Pte Ltd in China, comprise property development and investment, hospitality management and lifestyle retail. With more than S$4.3 billion in total assets, Wing Tai has an extensive landbank of choice sites in Asia's prime locations. In late 2012, Metro invested in a 40% held joint venture with Wing Tai to jointly develop The Crest at Prince Charles, a signature residential condominium at Prince Charles Crescent in Singapore.

Partnerships

SCARBOROUGH GROUP INTERNATIONAL
(Since 2014)

Founded by Kevin McCabe in 1980, Scarborough Group International ("Scarborough") has grown from a UK-based real estate developer and investor into a global organisation focusing predominantly on real estate with other past and present business interests in Europe, North America, Australia, Hong Kong, India, China and the United Kingdom.

Scarborough is now in its fourth decade of business, having developed into a global group with a diverse portfolio. It has a comprehensive investment portfolio which encompasses all aspects of real estate, interests in leisure – most notably a 50% stake in Sheffield United Football Club – as well as additional investments in a number of other sectors.

In July 2014, Metro entered into a joint venture with the Scarborough Group acquiring a 25% stake in two land plots for GBP5.7 million in Manchester, United Kingdom – Middlewood Locks (a predominantly residential mixed-use development) and Milliners Wharf The Hat Box (a 144 new build residential development). The collaboration was further strengthened in February 2016, when Metro participated in another joint venture with the Scarborough Group to develop two office buildings on a site in Sheffield, United Kingdom.

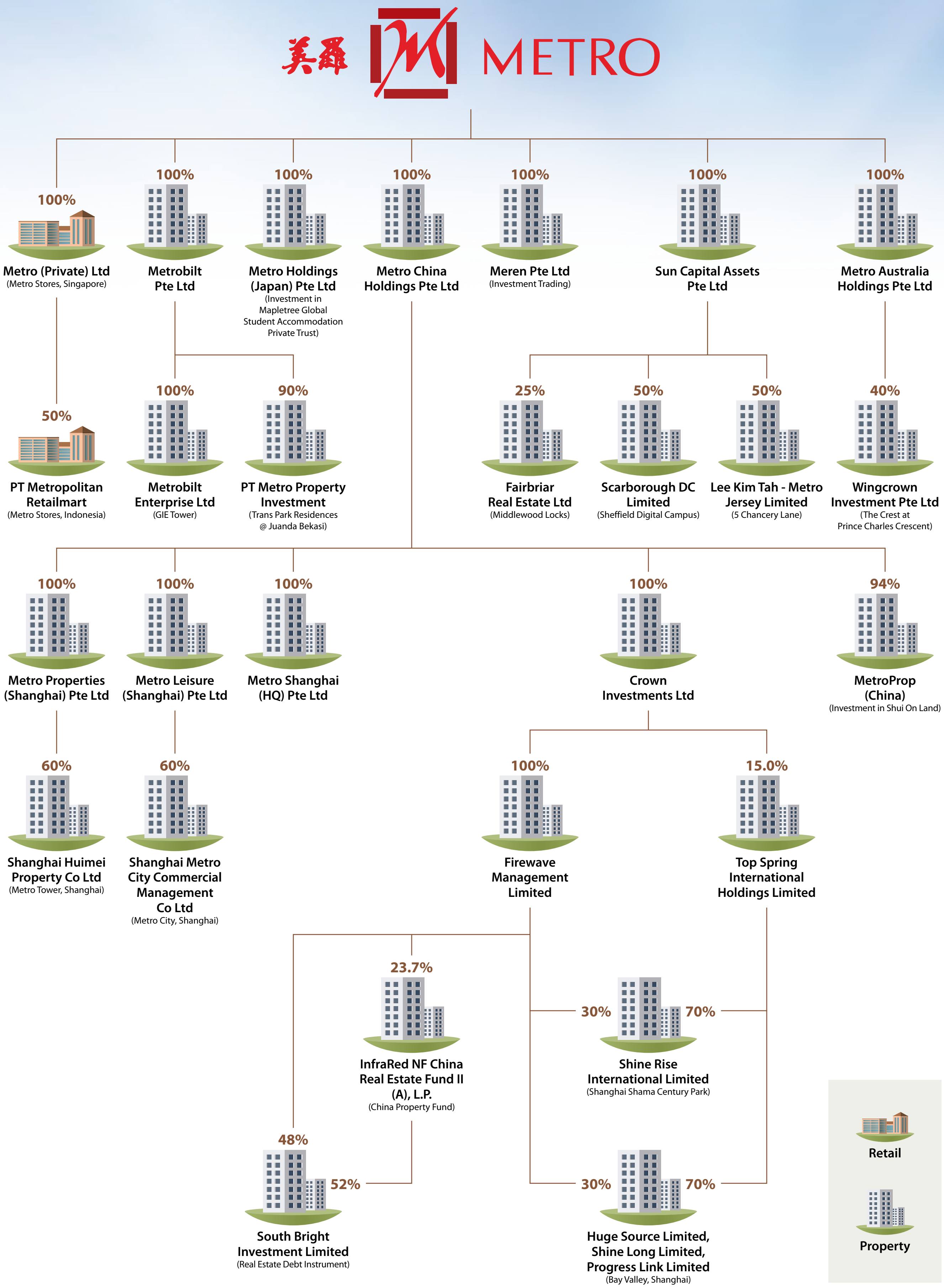
LEE KIM TAH HOLDINGS LIMITED
(Since 2017)

The Lee Kim Tah Group ("LKT Group") built both its business and reputation upon sound foundations that date back to the 1920s. The LKT Group had its nascent beginnings when the late Mr Lee Kim Tah, who went on to become the founding Chairman of the LKT Group, took over the family business of supplying materials and labour to the British army, which was then stationed in Singapore. Steered by Mr Lee's stalwart commitment to quality and innovation, the company grew to become a leader in the construction industry, as it introduced much needed modern construction technology to Singapore in the 1980s. The eventual listing in 1984 marked an important milestone for the local construction industry: the LKT Group was among the first few construction companies to be listed on the Singapore Exchange. The LKT Group was delisted from the Singapore Exchange in 2014.

Having firmly established itself in the construction sector, the LKT Group vigorously diversified into investment and property development. Its diversification saw the LKT Group successfully deliver a wide spectrum of developments, including luxury apartments, landed properties, shopping malls and hotels. The LKT Group's footprint straddles across Australia, China, India, Indonesia and United Kingdom.

In November 2017, Metro, together with Trans Corp and the LKT Group, entered into a joint venture to develop, market and sell five 32-storey residential towers in Bekasi, Jakarta, Indonesia. In January 2018, Metro entered into a 50:50 joint venture with the LKT Group to jointly acquire a freehold office property in London, United Kingdom. Another joint venture with Trans Corp and the LKT Group followed in April 2018 to develop, market and sell two residential towers in Bintaro, Jakarta, Indonesia.

Corporate Structure



Portfolio Review

As at 31 March 2018, average occupancy for the Group's four investment properties, including those held by joint ventures, remained high at 96.1% (31 March 2017 (three investment properties): 91.5%).

Metro Tower, Shanghai

Metro City, Shanghai

GIE Tower, Guangzhou

5 Chancery Lane, London

Portfolio Review

PROPERTY INVESTMENT AND DEVELOPMENT

INVESTMENT PROPERTIES

As at 31 March 2018, average occupancy for the Group's four investment properties, including those held by joint ventures, remained high at 96.1% (31 March 2017 (three investment properties): 91.5%). The Group sold and handed over approximately 47,642 square metres in leaseable GFA or 277 units of its Shanghai Shama Century Park serviced apartments, bringing total disposal to about 97%.

OCCUPANCY RATES

	As at 31.3.2018 (%)	As at 31.3.2017 (%)
GIE Tower, Guangzhou	88.6	86.4
Metro City, Shanghai	97.1	95.5
Metro Tower, Shanghai	98.5	92.7
5 Chancery Lane, London	100.0	–

PROPERTY VALUATIONS

As at 31 March 2018, GIE Tower, Guangzhou, and Metro Tower, Shanghai, recorded slight increases in valuations, while Metro City, Shanghai registered a decline in valuation.

	FY2018 (RMB'm)	FY2017 (RMB'm)	Change (%)	FY2018 (S$'m)	FY2017 (S$'m)	Change (%)
GIE Tower, Guangzhou[1]	482	480	+0.4	100	97	+3.1
Metro City, Shanghai[1]	988	1,024	-3.5	206	208	-1.0
Metro Tower, Shanghai[1]	973	958	+1.6	202	195	+3.6

	FY2018 (GBP'm)	FY2017 (GBP'm)	Change (%)	FY2018 (S$'m)	FY2017 (S$'m)	Change (%)
5 Chancery Lane, London[2]	76	–	n.m.	140	–	n.m.

n.m. not meaningful

[1] As at 31 March

[2] As at 30 January 2018

[3] Above figures represent 100% of the property valuations and are appraised by independent valuers DTZ Debenham Tie Leung Limited (Shanghai and Guangzhou) and CBRE Limited (London)

Exchange rates:
FY2018: S$1: RMB 4.808: GBP 0.5423
FY2017: S$1: RMB 4.926

The Shanghai and Guangzhou markets are underpinned by stable GDP growth in China. Shanghai's office demand is driven by financial and technology companies and co-working space operators while Guangzhou is seeing strong government support of the innovation industry and increasing demand for flexible working spaces. Hence, the commercial property markets where Metro has a core presence in, are anticipated to remain resilient.

As at the first quarter of 2018, Central London's office space has registered above-average occupier take-up for six consecutive quarters, with steady prime rents that had remained unchanged during the quarter. With the weaker sterling against the Euro resulting from uncertainty caused by Brexit, Central London presents investors with attractive yields relative to other top European cities such as Berlin and Paris.

EXPIRY PROFILE BY GROSS RENTAL INCOME

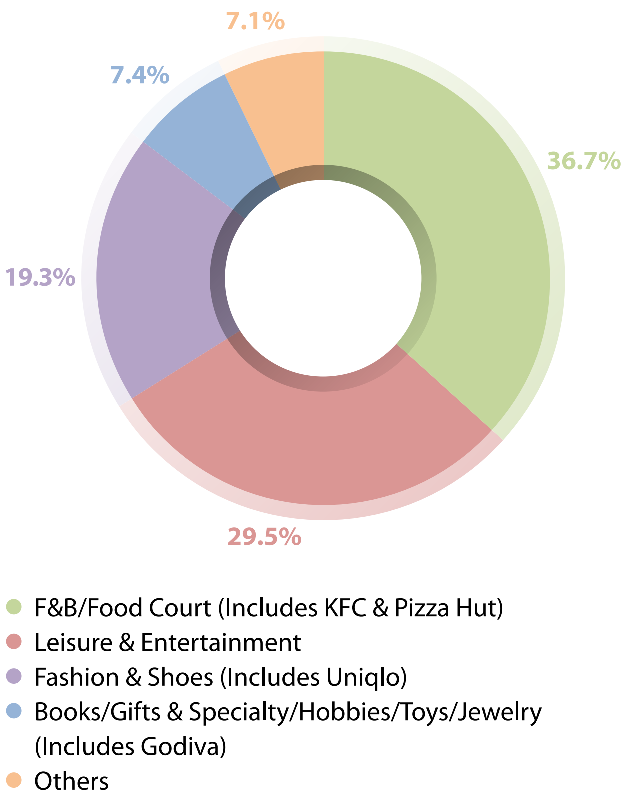
	1HFY2019 (%)	2HFY2019 (%)
GIE Tower, Guangzhou	4.0	15.0
Metro City, Shanghai	7.0	11.7
Metro Tower, Shanghai	7.7	6.5
5 Chancery Lane, London	–	–

METRO CITY
SHANGHAI

Strategically located at Xujiahui, Metro City, Shanghai, is a lifestyle entertainment centre with nine levels of space, spanning nearly 40,000 square metres. Directly linked to an underground MRT, the mall attracts high shopper traffic due to its prime location and accessibility.

Asset enhancement on the last two levels of Metro City, Shanghai, was completed in March 2017. Its occupancy rate as at 31 March 2018 was 97.1% (2017: 95.5%).

MALL TENANT MIX BY LETTABLE AREA
(As at 31 March 2018)



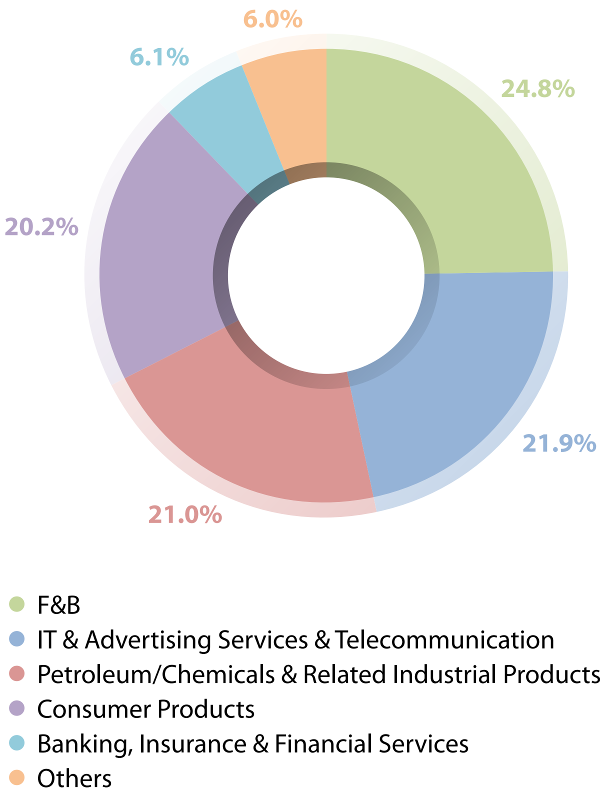
KEY STATISTICS	
% owned by Group	60
Site area (sqm)	15,434
Lettable Area (sqm)	38,444
Tenure	36-year term from 1993 (11 years remaining)
No. of Tenants	173
Occupancy Rate (%)	97.1
Valuation (100%)	S$206 million

METRO TOWER
SHANGHAI

Located next to Metro City, Shanghai, Metro Tower offers over 40,000 square metres of Grade A office space, spread across 26 floors.

Metro Tower, Shanghai, is supported by a strong multinational tenant base and its occupancy remains high at 98.5% as at 31 March 2018 (2017: 92.7%).

OFFICE TENANT MIX BY LETTABLE AREA
(As at 31 March 2018)



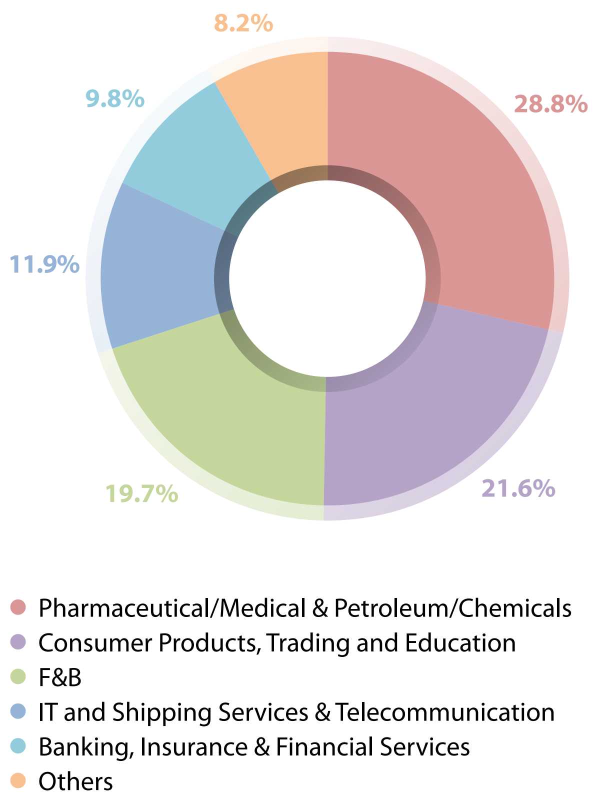
KEY STATISTICS	
% owned by Group	60
Site area (sqm)	4,933
Lettable Area (sqm)	40,349
Tenure	50-year term from 1993 (25 years remaining)
No. of Tenants	31
Occupancy Rate (%)	98.5
Valuation (100%)	S$202 million

GIE TOWER
GUANGZHOU

Part of a 7-storey shopping podium and 35-storey office tower, GIE Tower, Guangzhou, is located at Huanshi Road East, in the central business district of Dongshan, Guangzhou.

The Group owns over 28,000 square metres of Grade A office space in the building. GIE Tower's occupancy rate rose to 88.6% as at 31 March 2018 (2017: 86.4%).

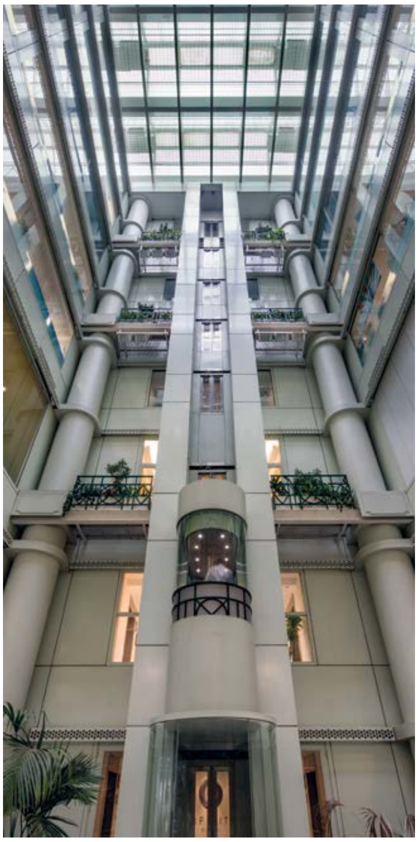
OFFICE TENANT MIX BY LETTABLE AREA
(As at 31 March 2018)



KEY STATISTICS	
% owned by Group	100
Site area (sqm)	Strata-titled
Lettable Area (sqm)	28,390
Tenure	50-year term from 1994 (26 years remaining)
No. of Tenants	33
Occupancy Rate (%)	88.6
Valuation (100%)	S$100 million

5 CHANCERY LANE

LONDON



The freehold office property at 5 Chancery Lane, London, has 84,836 square feet of office and ancillary facilities spread across its basement, lower ground, ground and five upper floors.

It is situated in a central and traditional office location in the heart of Midtown Central London and in close proximity to a few underground stations, namely Chancery Lane station, Temple station and the new Farringdon station hub of the upcoming Crossrail. It is also strategically located in the heart of the traditional legal area that is within a short walking distance from various key legal institutions such as the Law Society Building and the Royal Courts of Justice.

The property is currently fully leased until 2023.

KEY STATISTICS	
% owned by Group	50
Site area (acres)	0.487
Lettable Area (sqm)	7,882
Tenure	Freehold
No. of Tenants	1
Occupancy Rate (%)	100
Valuation (100%)	S$140 million

SHANGHAI SHAMA CENTURY PARK

SHANGHAI

Acquired in October 2013, the property comprises a total of 284 residential units with a total gross floor area of approximately 49,357 square metres and 240 underground car park units, and was operated as serviced apartments.

Located at 99 Dongxiu Road in Pudong New District, Shanghai, the well-situated property is easily accessible from the subway station located just next door and is only approximately 15 minutes' drive from the Central Business District of Pudong, Shanghai.

As at 31 March 2018, leaseable GFA of approximately 47,642 square metres, comprising 277 units, have been sold and handed over.

KEY STATISTICS	
Completion Date	2006
% owned by Group	30
Land use rights tenure ending on	30 December 2072
Saleable/Leaseable GFA (sqm)*	1,715
Valuation (100%)*	S$18 million

*As at 31 March 2018

DEVELOPMENT PROPERTIES

Metro divested its 30% interest in Nanchang Fashion Mark for an approximate S$9.8 million divestment gain (net of tax) and will continue to actively manage the Group's capital recycling strategy for enhancement of shareholder value. On the completion of the divestment of the Group's 30% equity stake in the Nanchang project, contributions from this associate has ceased.

Meanwhile, sales for two of the five 32-storey residential towers for Trans Park Residences have been launched. Trans Park Residences is part of the landmark mixed development project, Trans Park @ Juanda Bekasi in Jakarta. Construction of the development is on track and targeted to complete by end-2020.

In the UK, Phase 1 construction work for the 571 apartment units of the Middlewood Locks development project in Manchester has been completed and is being handed over in stages over summer 2018. This mixed development will eventually provide 2,215 new homes and about 750,000 square feet of commercial space including offices, hotel, shops, restaurants, a convenience store and gym. At the same time, the Sheffield office development project has been progressing well, with one of the two Grade A buildings, Acero Works, completed in 3Q2017 and sold in 2Q2018. Development works are now being focused on Vidrio House.

Sales of the Group's residential joint venture project, The Crest at Prince Charles Crescent, is showing gradual improvement in line with recent trends in the Singapore property market.

BAY VALLEY
SHANGHAI

Acquired in September 2017, the three office buildings comprise a total gross floor area of approximately 97,854 square metres and 210 car park spaces.

Located at No. 25, No. 33 and 36 and No. 78 and 79, 1688 Guoquan North Road, the properties are well-located within the integrated business community development known as the Bay Valley. Bay Valley is situated in New Jiangwan City, which is in the Yangpu District of Shanghai, one of China's most established industrial centres.

Leasing activities are underway.

KEY STATISTICS	
Completion Date	2014
% owned by Group	30
Land use rights tenure ending on	2 November 2058
Saleable/Leaseable GFA (sqm)*	97,854

*As at 31 March 2018

TRANS PARK BEKASI
JAKARTA

KEY STATISTICS	
% owned by Group	90
Construction start date	November 2017
Expected completion date	End 2020
Total saleable GFA (sqm)*	162,754

*As at 31 March 2018

The Group, together with Trans Corp and the Lee Kim Tah Group, will develop, market and sell the residential component, Trans Park Residences.

The residential units are expected to appeal to homeowners looking for quality affordable residential apartments and is part of the larger Trans Park @ Juanda Bekasi, a quality landmark mixed-development consisting of five 32-storey residential towers (5,622 units), a hotel, a school, SoHo apartments, shophouses, an office building and a Transmart mall over a total site area of 4.5 hectares. The Transmart mall, with a gross floor area of approximately 30,485 sqm, will have department stores, supermarkets and cinemas, as well as a theme park with Snow Town and Kidcity.

Construction work and presales of the Trans Park Residences project has commenced.

THE CREST AT PRINCE CHARLES CRESCENT
SINGAPORE

The Crest at Prince Charles Crescent is a 469-unit condominium comprising four blocks of 5-storey and three blocks of 24-storey residential buildings. The development includes a basement carpark, swimming pool, landscape deck and communal facilities.

Located in the tranquil Jervois precinct, the leasehold site at Prince Charles Crescent fronts the Good Class Bungalows of the Chatsworth and Bishopgate estates in Singapore. The Crest, which sits on a land parcel of over 23,000 square metres, will be of superior spatial quality, offering an openness and unblocked views that the site affords.

The architect commissioned for this development is Toyo Ito, a famed Japanese architect and Pritzker Architecture Prize winner who designed the iconic VivoCity shopping mall in Singapore.

The development was completed in Feburary 2017.

KEY STATISTICS	
% owned by Group	40
Site area (sqm)	23,785
Construction start date	June 2013
TOP	February 2017
Total GFA (sqm)	50,854
Land cost (S$'million)	516.3

SHEFFIELD DIGITAL CAMPUS
SHEFFIELD

KEY STATISTICS	
% owned by Group	50
Site area (acres)	1.03
Tenure	Freehold
Expected completion date	2017/2020
Estimated total saleable GFA (sqft)	131,226

The Sheffield Digital Campus is a striking contemporary landmark that is centrally located on Sheaf Street and is adjacent to the Sheffield City Centre's main railway station. It is a prominent feature for those arriving in the City via the primary road and rail routes.

Two Grade A office buildings, Acero Works and Vidrio House, will be built with six floors and eight floors, spanning 80,300 square feet and 50,900 square feet in net internal area respectively. Both buildings will also have a secure car park facility.

Acero Works was completed in 3Q2017. The building was sold in May 2018.

Development works are now focused on Vidrio House.

MIDDLEWOOD LOCKS
MANCHESTER

Middlewood Locks is situated at the Western boundary of the Manchester City Centre, next to the River Irwell and the Trinity Way Inner Ring Road. The development is a short distance away from major roads and is set to be a vibrant neighbourhood which will eventually provide 2,215 new homes. There will also be about 750,000 square feet of commercial space including offices, hotel, shops, restaurants, a convenience store and gym.

With beautifully landscaped open spaces, waterways and promenades, Middlewood Locks' modern apartments will be nestled within a vibrant and exciting environment.

Middlewood Locks' residential properties will be developed in phases.

Phase 1, comprising 571 apartment units, has been completed and is being handed over in stages over summer 2018. Sales and marketing activities of the units are in progress.

KEY STATISTICS	
% owned by Group	25
Site area (acres)	24.0
Tenure	Freehold
Estimated total GFA (sqft)	2.4 million

TOP SPRING INTERNATIONAL HOLDINGS LIMITED

PRC

The Group owns about 15.0% of Top Spring as at 31 March 2018.

The Top Spring Group is specialised in the development and operation of urban mixed-use communities and the development and sale of residential properties in the Greater Bay Area, the Yangtze River Delta, the Central China, the Beijing-Tianjin and the Chengdu-Chongqing regions in the PRC.

As at 31 December 2017, the Group had a total of 19 projects over 11 cities in various stages of development, including an estimated net saleable/leasable gross floor area ("GFA") of completed projects of approximately 229,729 square metres ("sqm"), an estimated net saleable/leasable GFA of projects under development of approximately 203,241 sqm, an estimated net saleable/leasable GFA of projects held for future development of approximately 81,387 sqm and an estimated net saleable/leasable GFA of projects contracted to be acquired or under application for change in land use of approximately 132,278 sqm, totalling an estimated net saleable/leasable GFA of approximately 646,635 sqm.

RETAIL

RETAIL OPERATIONS

Since the late Mr Ong Tjoe Kim（王梓琴）launched his flagship store at 72 High Street in 1957, Metro has flourished into a retailer with a highly recognised brand name, one that travelled beyond the shores of Singapore.

Metro continually enhances its merchandise mix to bring refreshing shopping experiences to its customers. It collaborates closely with local and international business partners, look into the expansion of product categories and optimises its product assortments. To further enhance its merchandise offering, the Group has also expanded its in-house development team to develop exclusive products just for its customers.

Metro currently has four exclusive in-house labels – Kiro, Kurt Woods, M. Maison and M. Essentials – which were developed by its in-house development team. Its products range from fashion to home furnishings.

Metro Retail has undertaken to transform itself with a strong focus on multi-media strategy and in developing fresh concepts and improving assortment of merchandise to entice consumers. This, coupled with better in-store shopping experience, is driven towards meeting the evolving needs of customers and supporting a complete online-to-offline (O2O) user experience. The Group also introduced the cross-store merchandising and selling option, where customers can now buy, collect, exchange and return merchandise from any Metro store.

The Group's business analytics team dedicates time to help understand customers' needs and shopping preferences, which it carefully evaluates in order to continually improve customers' shopping experience.

Metro's Customer Relationship Management (CRM) is one way the Group rewards its loyal customers, while simultaneously leveraging on the platform to innovate, and find even more ways to delight its loyal customers through curated product offerings.

To grow its brand presence, the Group continues to focus on its multi-media strategy of engaging its customers through various platforms such as Facebook, Twitter, Instagram, mobile web and electronic direct mail. The latest, with the rising popularity of messaging apps, the Group embarked on yet another multi-media platform, a mobile messaging app, to further engage customers via instant marketing promotions. The 'Metro App' was launched in October 2017.

Metro continues to adhere to the Personal Data Protection Act 2012 (PDPA), and ensures that there are proper protocols and processes in place to safeguard its customers' data.

SINGAPORE

METRO STORES

The Group currently has three stores in Singapore under its flagship brand, Metro:

- Metro Centrepoint
- Metro Paragon
- Metro Woodlands

Of the two stores, Metro Centrepoint and Metro Paragon, located in Singapore's main shopping belt, Orchard Road, Metro Centrepoint, the larger of the two, continues to offer its customers a one-stop shopping haven and its six floors of retail therapy is dedicated to beauty and wellness, women's and men's fashion, kids and toys, as well as bath and living, all while housing the largest and widest home lifestyle and beds selection in town. Meanwhile, Metro Paragon continues to evolve as a fashion store having an array of in-house, local and international brand names. Metro Woodlands, its only suburban store, continues to serve the neighbourhood community in Singapore's North West District.

On the marketing front, Metro stores are promoted for their best Design, Quality, Value and Services. The Group will continue to build on this principle as the bedrock of its business.

INDONESIA

METRO STORES

Metro started its operations in the Indonesian market in 1991 at Pondok Indah Mall and currently operates ten stores in Indonesia with a total retail space of approximately 1.2 million square feet:

- Metro Pondok Indah, Jakarta
- Metro Plaza Senayan, Jakarta
- Metro Bandung Supermal, Bandung
- Metro Taman Anggrek, Jakarta
- Metro Trans Studio Makassar, Makassar
- Metro Gandaria City, Jakarta
- Metro Ciputra World, Surabaya
- Metro Park Solo, Solo
- Metro Puri Mall, Jakarta (Newly opened in 1QFY2018)
- Metro Grand Kawanua Manado, Manado (Newly opened in 3QFY2018)

Our Jakarta team focuses efforts on enhancing the merchandise offering across all its Indonesian outlets, improving customer service, as well as executing the Group's integrated multi-media strategy.

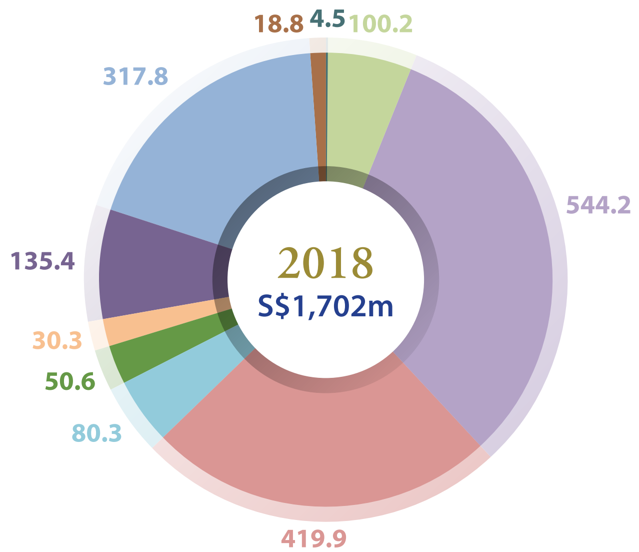
OUTLOOK

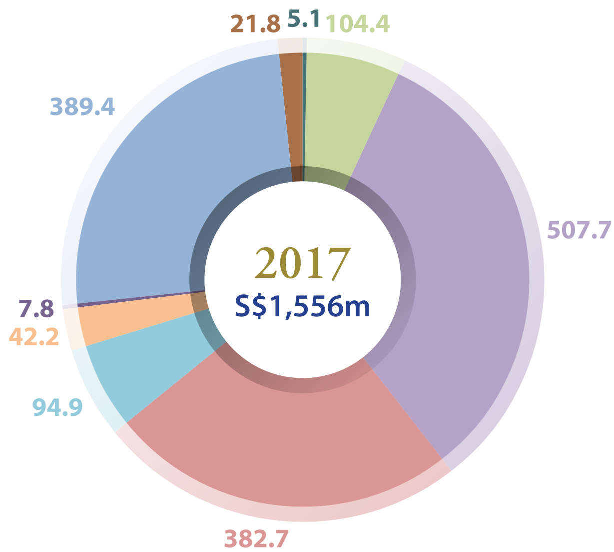
Given the cautious sentiment surrounding the retail market, competitive environment and high operating costs, the Group expects the division to remain under pressure. Notwithstanding the challenges, the division will prudently identify new sites for departmental store expansion and refresh existing stores, after opening two stores during the year. At the same time, it will continue to refresh and reinvent the customer shopping experience via fresh concepts.

Financial Highlights

TOTAL ASSETS OWNED

(S$' million)

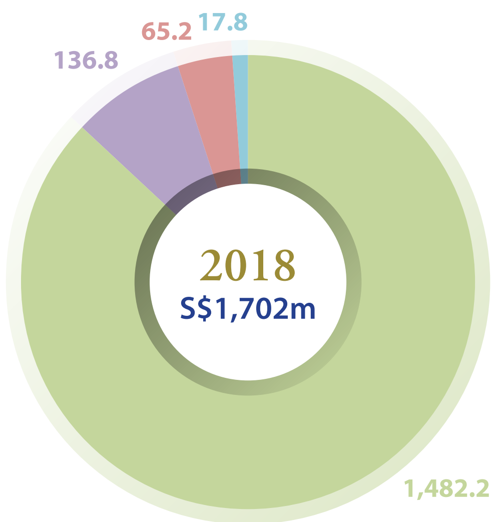


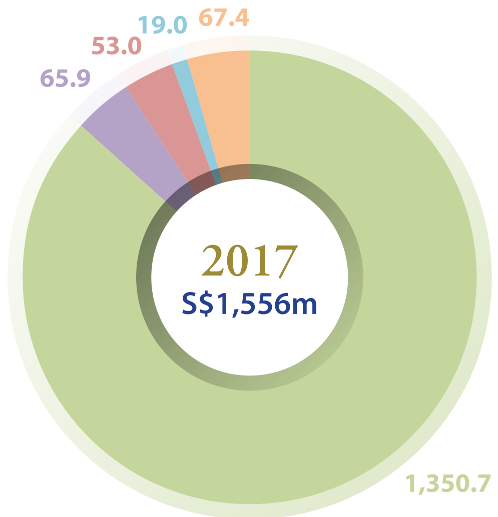


- Plant and Equipment
- Investment Properties
- Associates
- Joint Ventures
- Quoted and Unquoted Investments – Long-term
- Development Properties
- Quoted Investments – Short-term
- Accounts and Other Receivables
- Cash and Cash Equivalents (including pledged deposits)
- Others

TOTAL LIABILITIES AND CAPITAL

(S$' million)

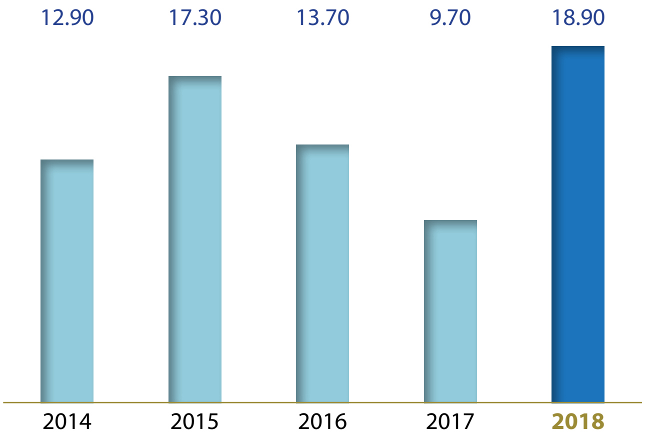




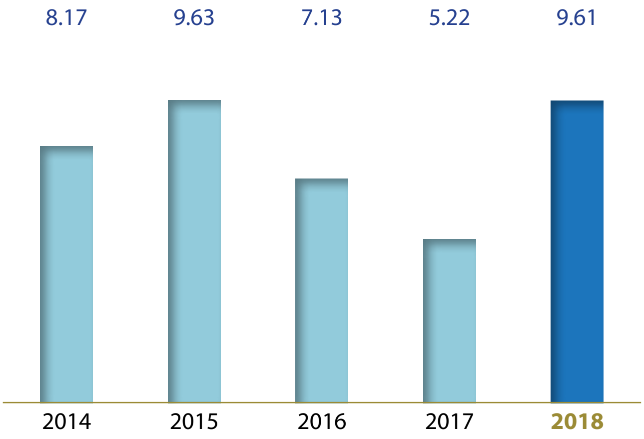
- Total Equity
- Bank Borrowings
- Trade and Other Payables
- Tax and Deferred Tax Liabilities
- Amount due to an Associate

Financial Highlights

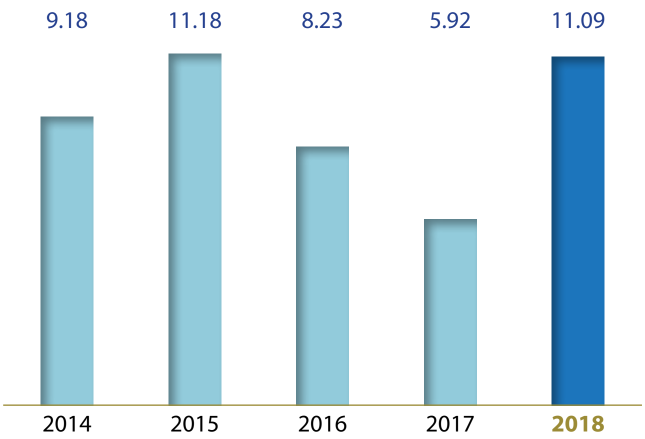
EARNINGS PER SHARE
(cents)



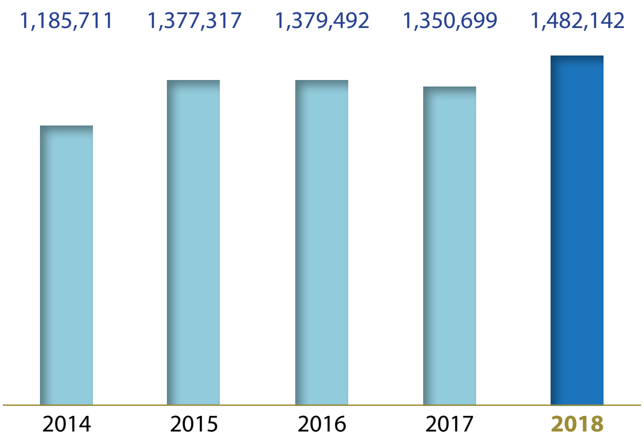
RETURN ON TOTAL ASSETS
(%)



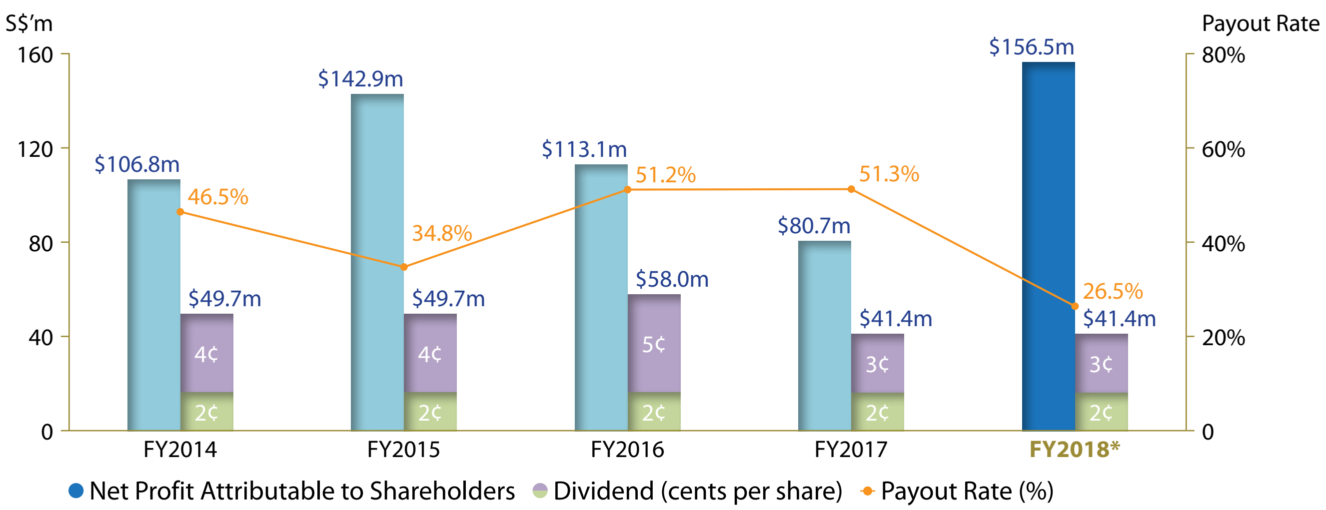
RETURN ON SHAREHOLDERS' FUNDS
(%)



TOTAL NET ASSETS
(S$'000)



DIVIDEND PAYOUT



* FY2018's proposed dividend subject to shareholders' approval at the AGM in July 2018

Financial Summary

	2018	2017	2016	2015	2014 (restated)
Financial Results (S$'000)					
Turnover	136,326	131,224	154,595	145,826	139,179
Net profit from operating activities before tax	167,981	82,541	122,332	145,538	109,923
Taxation	(11,007)	(1,522)	(9,040)	(3,181)	(3,031)
Profit after tax	156,974	81,019	113,292	142,357	106,892
Non-controlling interests	(500)	(337)	(163)	510	(43)
Net profit attributable to shareholders	156,474	80,682	113,129	142,867	106,849
Net final dividend proposed/paid	16,561	16,561	16,561	16,561	16,561
Net final special dividend proposed/paid	24,841	24,841	41,402	33,121	33,121
Balance Sheets (S$'000)					
Plant and equipment	4,466	5,062	4,872	6,083	4,190
Investment properties	100,214	104,423	106,653	168,948	160,797
Other non-current assets	1,044,427	986,347	865,142	910,343	831,569
Current assets	552,813	460,225	558,301	556,149	329,129
Total assets	1,701,920	1,556,057	1,534,968	1,641,523	1,325,685
Current liabilities	(192,076)	(175,247)	(126,546)	(199,401)	(73,633)
Long-term and deferred liabilities	(27,702)	(30,111)	(28,930)	(64,805)	(66,341)
Net assets	1,482,142	1,350,699	1,379,492	1,377,317	1,185,711
Financed by:					
Share capital	169,717	169,717	169,717	169,717	169,717
Treasury shares	(1,768)	(1,768)	(1,768)	(1,768)	(1,768)
Reserves	1,305,608	1,180,277	1,207,698	1,206,018	1,014,679
Shareholders' funds	1,473,557	1,348,226	1,375,647	1,373,967	1,182,628
Non-controlling Interests	8,585	2,473	3,845	3,350	3,083
	1,482,142	1,350,699	1,379,492	1,377,317	1,185,711

Financial Summary

	2018	2017	2016	2015	2014 (restated)
Financial Ratios					
Earnings per share after tax and non-controlling interests (cents)#	18.9	9.7	13.7	17.3	12.90
Return on shareholders' funds (%)*#	11.09	5.92	8.23	11.18	9.18
Return on total assets (%)*#	9.61	5.22	7.13	9.63	8.17
Dividend proposed					
Special final & interim net dividend per share (cents)	3.00	3.00	5.00	4.00	4.00
Final/Interim net dividend per share (cents)	2.00	2.00	2.00	2.00	2.00
Dividend cover (times)#	3.78	1.95	1.95	2.88	2.15
Net assets per share (S$)#	1.78	1.63	1.66	1.66	1.43
Debt equity ratio (net of cash) (times)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash
Total liabilities to shareholders' funds (times)	0.15	0.15	0.11	0.19	0.12
Interest cover (times)#	83.79	298.98	220.63	126.90	82.24

Notes:

* In calculating return on shareholders' funds and return on total assets, the average basis has been used.

\# The financial ratios are based on continuing operations.

Corporate Social Responsibility

At Metro, we strongly believe in contributing back to our communities. Specifically, we have focused on children, the future pillars of our society, enabling them through education; and taking care of the silver generation.

EMPOWERING THROUGH EDUCATION

Shanghai, China

Shanghai Children's Fund

In appreciation of the families where both parents are of professions such as policemen, doctors, nurses and engineers, Shanghai Metro pledged its support to the fund with a RMB330,000 donation in 2017 and will make an additional RMB330,000 contribution in June 2018.

The funds will go towards enriching the lives of the children of these families, creating a holistic learning environment for students through numerous day care classes and extra-curricular activities that also impart crucial values and life skills.

Metro Scholarship

Regardless of socio-economic background, every child deserves access to education that is key to unlocking a better future. Metro is an advocate of this vision and has enabled many students of the Shanghai Xuhui district to attain an education that would not have been possible with their financial challenges.

Established by the late Mr Jopie Ong (former Group Managing Director of Metro), our flagship Metro scholarship has been running for 13 consecutive years since 2005, and has benefitted more than 1,000 primary and secondary school students. With a generous grant of RMB100,000 distributed every year, many students have overcome their unfortunate circumstances to achieve their aspirations. In 2018, Metro will be donating another RMB100,000 to assist students in need of financial aid.

Supporting Minority Students

For the past 9 years, Shanghai Metro has pledged its support to minority students of the Xuhui district. This year was no different – Shanghai Metro donated RMB10,000 to 9 universities, benefitting 90 students of minority races. This includes a set of inspirational books to offer moral support and encouragement. This December, Shanghai Metro will donate a further RMB10,000 to this meaningful cause.

Tongjiang, Sichuan, China

Happy Summer in Metro

The "Happy Summer in Metro" project has been held for 18 consecutive years and has since become a popular community activity that is centric to the Shanghai Metro brand.

The "Happy Summer in Metro" programme motivates and rewards high-achieving students coming from poverty with an experiential excursion to the top modern cities of China. During the year, Shanghai Metro invited over 10 teachers and low-income students from Tong Jiang Secondary School of Sichuan province to participate in the event and visit the world-class city of Shanghai.

This July, Shanghai Metro will also donate RMB40,000 to allow more students and teachers to participate in the 19th year of the "Happy Summer in Metro" initiative.

In 2017, as an extension of the programme, Shanghai Metro donated RMB150,000 to the Shanghai Xuhui District Education Development Fund to further education development and reward outstanding teachers. Shanghai Metro plans to donate a further RMB150,000 in 2018.

Corporate Social Responsibility

Anhui, China

Shanghai Metro Hope School

Each year, we bring with us different themes and objectives to show our love and concern for the students at the Shanghai Metro Hope School in Feng Yang County in Anhui Province, China.

In September 2017, the Shanghai Metro team once again visited the Metro Hope School for a school gathering and interaction session with the students. We also donated computers and printers to better equip the school in the age of digitalisation.

In 2018, Shanghai Metro will contribute RMB20,000 to further enhance the school's teaching facilities and also provide financial aid to the students.

Indonesia

Caring for the underprivileged

Following the groundbreaking of Metro's Trans Park @ Juanda Bekasi project in Jakarta, Indonesia, Metro made a donation of US$10,000 to both the CT ARSA Foundation and the orphans at Pondok Yatim & Dhuafa in December 2017 to better the lives of the underprivileged children. The CT ARSA Foundation was established with a vision to break the chain of poverty through quality education, in line with Metro's focus on education as an enabler.

ENGAGING THE ELDERLY

Dating back to over a decade, Shanghai Metro has been making contributions to Shanghai Xujiahui Street Home for the elderly since 2006. Last year, Shanghai Metro donated bedroom necessities that totalled RMB10,000 to the home to provide a more conducive and hygienic environment for the elderly to live in.

In March 2018, Shanghai Metro advanced its efforts by donating another new batch of bedroom necessities worth RMB10,000 to ensure that the elderly will continue to have a comfortable place to call home.

FULLY INVESTED IN OUR SOCIAL RESPONSIBILITIES

The community is crucial to Metro's progress and Metro shares its fruits of success through the many different community engagement activities. The Group remains fully invested in its charitable efforts and will continue to uphold its social responsibilities of making the world a better place and creating a brighter future for the generations to come.

Corporate Governance

Metro Holdings Limited ("Metro" or "the Company") is committed to high standards of corporate governance. This Report describes the Company's corporate governance practices with specific reference to the Code of Corporate Governance 2012 (the "Code 2012").

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with management to achieve this objective and the management remains accountable to the Board.

The Board oversees the business affairs of the Group and sets overall corporate strategy and direction. It approves the Group's strategic plans, key business initiatives and financial objectives, major investment and divestment and funding proposals. The Board also monitors operating and financial performance and oversees the processes for risk management, financial reporting and compliance and evaluating the adequacy of internal controls. It approves nominations to the Board of Directors. Matters specifically reserved for Board's decisions are those involving material acquisitions and disposal of assets, corporate or financial restructuring, share issuances and dividends. The Board has adopted a set of internal guidelines on these matters. The Board has delegated certain of its functions to the Nominating, Audit, Remuneration and Investment Committees.

The Board conducts regular scheduled meetings on a quarterly basis. Ad-hoc meetings can be convened as warranted by circumstances. Management has access to the directors for guidance or exchange of views outside of the formal environment of the Board meetings.

Directors are briefed on regulatory changes, especially those on the Company's or director's disclosure obligations. In order to ensure that the Board is able to fulfill its responsibilities, prior to the Board meetings, the Management provides the Board with information containing relevant background or explanatory information required to support the decision-making process.

Newly-appointed directors will be given briefings by the Management on the business activities of the Group and its strategic directions as well as its corporate governance practices. Newly appointed Directors will also be recommended by the Nominating Committee to attend training in the roles and responsibilities of a listed company director if they do not have any prior experience.

To keep abreast with developments in corporate, financial, legal and other compliance requirements, Directors are encouraged to attend relevant courses, conferences and seminars funded by the Company.

News releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority which are relevant to the Directors are circulated to the Board by the Company Secretary so that the Board as a whole is kept up-to-date on pertinent matters relating to the relevant regulatory requirements and their key changes such as listing rules, corporate governance, risk management, financial reporting standards and the Companies Act Chapter 50.

The Board has separate and independent access to the Company Secretaries at all times. The Company Secretaries attend Board and Committees' meetings and are responsible for ensuring that Board procedures are followed. The Board also has access to independent professional advice, where necessary, at the Company's expense.

BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board comprises seven directors as follows:

	Board	Audit Committee	Nominating Committee	Remuneration Committee	Investment Committee
Lt-Gen (Retd) Winston Choo Wee Leong	Chairman	–	Chairman	Member	Chairman
Phua Bah Lee	Member	Member	Member	Chairman	–
Gerald Ong Chong Keng	Member	Member	Member	Member	Member
Mrs Fang Ai Lian	Member	Chairman	Member	–	–
Tan Soo Khoon	Member	Member	–	–	Member
Lawrence Chiang Kok Sung	Member	–	–	–	Member
Deborah Lee Siew Yin#	Member	–	–	–	–

Appointed as a Non-Executive and Independent Director of the Company on 12 June 2018

Lt-Gen (Retd) Winston Choo Wee Leong is the non-executive and independent Chairman. Mr Gerald Ong Chong Keng is a non-executive director. Mr Phua Bah Lee, Mrs Fang Ai Lian, Mr Tan Soo Khoon and Ms Deborah Lee Siew Yin are non-executive and independent directors. Mr Lawrence Chiang Kok Sung is the Executive Director and Group Chief Executive Officer.

The Company's Constitution permits directors to attend meetings through the use of audio-visual communication equipment.

The attendance of directors at Board and Committees' meetings, whilst they were members, as well as the Annual General Meeting in FY2018 are set out below:

	MHL Board		Audit Committee		Nominating Committee		Remuneration Committee		Investment Committee		Annual General Meeting
	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	Attended
Lt-Gen (Retd) Winston Choo Wee Leong	4	3	4	1*	1	–	1	–	5	5	–
Phua Bah Lee	4	4	4	4	1	1	1	1	–	–	1
Gerald Ong Chong Keng	4	4	4	4	1	1	1	1	5	5	1
Mrs Fang Ai Lian	4	4	4	4	1	1	1	1*	–	–	1
Tan Soo Khoon	4	4	4	4	1	1*	1	1*	5	5	1
Lawrence Chiang Kok Sung	4	4	4	1*	–	–	–	–	5	5	1

* Attendance by invitation

There is strong and independent element on the Board. The Board is able to exercise objective judgment independently from Management and no individual or small group of individuals dominate the decisions of the Board.

The non-executive and independent directors contribute to the Board by monitoring and reviewing Management's performance against goals and objectives. Their views and opinions provide different perspectives to the Group's businesses. While challenging Management's proposals or decisions, they bring independent judgment to bear on business activities and transactions, involving conflicts of interest and other complexities.

Where appropriate and necessary, the non-executive directors would also meet without the presence of Management.

The Nominating Committee and the Board reviews the size of the Board from time to time. The Nominating Committee and the Board are of the view that the current Board size and composition is appropriate taking into account the nature, scope and size of the Group's operations. The Board and the Board Committees have an appropriate balance and diversity of expertise and business experience and collectively possess the necessary core competence to lead, govern and manage the Group's affairs effectively. Each director has been appointed on the strength of his or her calibre, experience and stature and not based on gender or age. Each director is expected to bring valuable range of experience and expertise to contribute to the development of the Group strategy and the performance of its business.

The Board has no dissenting view on the Chairman's statement for the year in review.

CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

The Company's Chairman and the Group Chief Executive Officer who is also an Executive Director are separate persons who are not related. There is a clear segregation of the roles and responsibilities between the Chairman and the Group Chief Executive Officer.

The Chairman provides overall vision and strategic guidance and bears responsibility for the workings of the Board.

The Group Chief Executive Officer bears full executive responsibility for the Group's operations including making key day- to-day operational decisions.

The Chairman assumes the responsibilities of scheduling and setting agendas for Board meetings and exercises control over the quality, quantity and timeliness of information flow between the Board and Management.

BOARD MEMBERSHIP AND BOARD PERFORMANCE

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

Principle 5: There should be a formal assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

The Nominating Committee comprises four directors, three of whom, including the Chairman, are independent directors. The Committee Chairman is Lt-Gen (Retd) Winston Choo Wee Leong and the other members are Mr Phua Bah Lee, Mr Gerald Ong Chong Keng and Mrs Fang Ai Lian.

The Nominating Committee's written key terms of reference describe its responsibilities and these include:

(i) reviewing and assessing candidates for directorships (including executive directorships) before nominating such candidates for the approval by the Board of Directors;
(ii) reviewing and recommending to the Board of Directors the re-election and appointment of any Director under the retirement provisions in accordance with the Company's Constitution at each annual general meeting;
(iii) reviewing the composition of the Board of Directors annually to ensure that the Board of Directors has an appropriate balance of independent directors and ensuring an appropriate balance of expertise, skills, attributes and abilities among our directors;
(iv) reviewing and determining annually if a director is independent, in accordance with the Code and any other salient factors;
(v) where a director has multiple board representations, deciding whether the director is able to and has been adequately carrying out his duties as director; and
(vi) reviewing the succession plan for directors and key executives of the Group.

The Nominating Committee recommends all appointments and re-nominations of directors to the Board. The Company's Constitution provides for one-third of the directors, to retire by rotation and be subject to re-election at every Annual General Meeting. A newly appointed director must also subject himself for retirement and re-election at the Annual General Meeting immediately following his appointment. The Nominating Committee, in considering the nominating of any director for re-election, will evaluate the performance of the director involved.

The Nominating Committee also determines the independence of directors and evaluates and assesses the effectiveness of the Board taking into consideration appropriate performance criteria.

The Board, through the delegation of its authority to the Nominating Committee, has used its best efforts to ensure that directors appointed to the Board possess the background, experience and knowledge in technology, business, finance and management skills critical to the Group's businesses and that each director, through his unique contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

The search and nomination process for new directors, if any, will be through search companies, contacts and recommendations that go through the normal selection process, to cast its net as wide as possible for the right candidates.

New directors are appointed by the Board after the Nominating Committee has reviewed and recommended their appointment. Such new directors are however required to submit themselves for re-election at the next Annual General Meeting of the Company.

The Nominating Committee has assessed the independence of the directors based on the definition of independence as set out in the Code 2012. The Nominating Committee requires all the independent directors to confirm their independence and their relationships with the directors, management and 10% shareholders of the Company by a declaration in writing annually.

As at 31 March 2018, three independent directors, namely Mr Phua Bah Lee, Lt-Gen (Retd) Winston Choo Wee Leong and Mrs Fang Ai Lian have served on the Board for more than nine years from the date of their respective first appointment. In subjecting the independence of Mr Phua Bah Lee, Lt-Gen (Retd) Winston Choo Wee Leong and Mrs Fang Ai Lian to particularly rigorous review, the Nominating Committee and the Board have (with each of them abstaining from discussion and deliberation on their independence) placed more emphasis on whether each of them has demonstrated independent judgment, integrity, professionalism and objectivity in the discharge of his or her duties rather than imposing a maximum number of years that he or she should serve. The Nominating Committee and the Board have noted that each of them has not hesitated to express his or her own viewpoint as well as seeking clarification from Management on issues he or she deems necessary. It is noted that each of them is able to exercise objective judgment on corporate matters independently, in particular from Management and 10% shareholders, notwithstanding that each of them has served more than 9 years on the Board. The Nominating Committee and the Board also noted that Mr Phua Bah Lee is also able to exercise objective judgment on corporate matters independently notwithstanding his common directorship in Ngee Ann Development Pte Ltd.

After due consideration and careful assessment, the Nominating Committee and the Board are of the view that Mr Phua Bah Lee, Lt-Gen (Retd) Winston Choo Wee Leong and Mrs Fang Ai Lian remain independent.

The Nominating Committee is also of the opinion that the directors, who have been classified as independent under the Board Composition section, are indeed independent and the current size of the Board is adequate for the purposes of the Group.

When a director has multiple board representations, such director has to ensure that sufficient time and attention is given to the affairs of the Company and the Nominating Committee is satisfied that the director is able to and has been adequately carrying out his duties as a director of the Company. The Nominating Committee is of the view that the issue relating to multiple board representations should be left to the judgment and discretion of each director. As such, the Nominating Committee and the Board have decided not to set any maximum number of listed company board representations that any director may hold.

The Nominating Committee has recommended the re-election of Lt Gen (Retd) Choo Wee Leong Winston and Mr Chiang Kok Sung Lawrence who are retiring by rotation pursuant to Article 94 of the Company's Constitution at the forthcoming Annual General Meeting. The Nominating Committee also recommended the re-election of Ms Deborah Lee Siew Yin who is retiring pursuant to Article 99 of the Company's Constitution at the forthcoming Annual General Meeting.

The retiring directors have offered themselves for re-election. The Board has accepted the recommendations of the Nominating Committee.

The dates of initial appointment and last re-appointment/re-election of each director are set out as follows:

Name of Director	Appointment	Date of Initial Appointment	Date of Last reappointment/ re-election
Lt-Gen (Retd) Winston Choo Wee Leong	Non-Executive/ Independent Director	18 June 2007	28 July 2016
Phua Bah Lee	Non-Executive/ Independent Director	5 October 1993	28 July 2016
Gerald Ong Chong Keng	Non-Executive Director	18 June 2007	28 July 2016
Mrs Fang Ai Lian	Non-Executive/ Independent Director	16 July 2008	17 July 2017
Tan Soo Khoon	Non-Executive/ Independent Director	9 December 2011	17 July 2017
Lawrence Chiang Kok Sung	Executive Director	1 June 2016	28 July 2016
Deborah Lee Siew Yin	Non-Executive/ Independent Director	12 June 2018	Not applicable

The Nominating Committee has established a formal appraisal process to assess the performance and effectiveness of the Board as a whole annually. It focuses on a set of performance criteria which includes the evaluation of the size and composition of the Board, the Board's access to information and Board accountability. The findings of such evaluations were analysed and discussed with a view to identifying areas for improvement and implementing certain recommendations to further enhance the effectiveness of the Board. In its evaluation, the Nominating Committee considers the expertise and experience of each Board member, their attendance, participation and contributions to the Board both inside and outside of Board meetings which can be in many forms, including Management's access to him for guidance or exchange of views outside the formal environment of the Board meetings.

No external facilitator had been engaged by the Board for this purpose.

The Nominating Committee had also considered that individual evaluation on each director was not necessary for the time being as the assessment of the Board as a whole was sufficient.

The Nominating Committee also reviews succession plans for the Board of Directors as well as key management staff from time to time.

ACCESS TO INFORMATION

Principle 6: In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

Directors are given full access to the management team and Company Secretary, all Board and Board committees' minutes and all approval and information papers. In between Board meetings, important matters concerning the Company are also put to the Board for its decision by way of circulating resolutions in writing for the Directors' approval together with supporting memoranda to enable the Directors to make informed decisions. The Company supports the directors, either individually or as a group, if they require independent professional advice in discharging their duties to the Company.

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES, LEVEL AND MIX OF REMUNERATION AND DISCLOSURE OF REMUNERATION

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

Principle 9: Each company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

The Remuneration Committee is chaired by Mr Phua Bah Lee with Lt-Gen (Retd) Winston Choo Wee Leong, who are non-executive and independent directors, and Mr Gerald Ong Chong Keng, who is a non-executive director, as members.

The Remuneration Committee's written key terms of reference describe its responsibilities and these include:

(i) recommending to the Board of Directors, in consultation with the Chairman of the Board of Directors, for endorsement, a comprehensive remuneration policy framework and guidelines for remuneration of the directors and key executives of the Group;
(ii) recommending specific remuneration packages for each of the directors and the Group Chief Executive Officer;
(iii) in the case of service agreements, considering what compensation commitments the directors' or key executives' contracts of service, if any, would entail in the event of early termination with a view to be fair and avoid rewarding poor performance and to recognise the duty to mitigate loss;
(iv) approving performance targets for assessing the performance of each of the key executives of the Group and recommending such targets as well as employee specific remuneration packages for each of such key executive for endorsement by the Board of Directors; and
(v) administering the share incentive plans of the Company, if any.

The Remuneration Committee reviews and recommends to the Board the framework of remuneration for key executives and for directors serving on the Board and Board committees. The review of specific remuneration packages includes fees, salaries, bonuses and incentives. Although the recommendations are made in consultation with Management, the remuneration packages are ultimately approved by the Board. No director is involved in deciding his own remuneration.

The Remuneration Committee aims to be fair and avoids rewarding poor performance.

The executive director has a service contract which includes terms of termination under appropriate notice. Non-executive directors are remunerated based on basic fees for serving on the Board and Board committees as is the executive director. Such fees are recommended for approval by shareholders as a lump sum payment at the Annual General Meeting.

The Remuneration Committee has access to expert professional advice on remuneration matters whenever there is a need to obtain such advice. During the financial year, the Remuneration Committee did not require the service of an external remuneration consultant.

The Company does not have a share option scheme.

Remuneration for key executives are based on corporate and individual performance with certain key executives entitled to profit-sharing bonuses calculated as a percentage of profit from operations and based on certain profits arising from disposals of investments and investment properties on a realised basis.

At the moment, the Company does not use any contractual provisions to reclaim incentive components of remuneration from executive directors and key management executives in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Remuneration Committee will consider, if required, whether there is a requirement to institute such contractual provisions to allow the Company to reclaim the incentive components of the remuneration of the executive directors and key management executives paid in prior years in such exceptional circumstances.

Breakdown of directors' remuneration for FY2018:

Name of Director	Total Remuneration S$'000	Base Salary etc/Directors' Fees	Performance-Related/ Bonuses	Long Term Incentive
Lt-Gen (Retd) Winston Choo Wee Leong	233	100%	–	–
Phua Bah Lee	105	100%	–	–
Gerald Ong Chong Keng	160	100%	–	–
Mrs Fang Ai Lian	123	100%	–	–
Tan Soo Khoon	146	100%	–	–
Lawrence Chiang Kok Sung	4,738	24%	72%	4%

Remuneration of top four key executives (who are not directors) for FY2018:

Remuneration Band & Name of Key Executive	Base Salary etc	Performance-Related/Bonuses	Long Term Incentive
S$1,750,000 to S$1,999,999			
Yip Hoong Mun	40%	57%	3%
S$1,000,000 to S$1,249,999			
Lee Chin Yin	69%	27%	4%
S$750,000 to S$999,999			
David Tang Kai Kong	82%	18%	–
S$500,000 to S$749,999			
Wong Sioe Hong	86%	14%	–

Given the highly competitive industry conditions the Group operates in and in the interest of maintaining good morale and a strong spirit of teamwork within the Group, the disclosure relating to the remuneration of the top four key executives (who are not directors or the Group Chief Executive Officer) of the Group is only set out in bands of S$250,000 and above. Their profiles are found on page 14.

The aggregate total remuneration of the top four key executives (who are not directors or the Group Chief Executive Officer) was S$4,490,973.

There are no employees of the Group who are immediate family members of a director or the Group Chief Executive Officer and whose remuneration exceeds S$50,000 for the financial year.

ACCOUNTABILITY

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board is mindful of the obligation to provide shareholders with a balanced and understandable assessment of the Company's performance, position and prospects including information on all major developments that affect the Group and strives to maintain a high standard of transparency.

Management provides all members of the Board with management accounts which present a balanced and understandable assessment of the company's performance, position and prospects on a monthly basis.

RISK MANAGEMENT AND INTERNAL CONTROLS, AUDIT COMMITTEE AND INTERNAL AUDIT

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

Principle 12: The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

Principle 13: The Company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Audit Committee comprises three non-executive independent directors and one non-executive director. It is chaired by Mrs Fang Ai Lian and the members are Mr Phua Bah Lee, Mr Gerald Ong Chong Keng and Mr Tan Soo Khoon. The Audit Committee has full authority to investigate matters relating to the Group and any matters within its terms of reference.

The Audit Committee's written key terms of reference describe its responsibilities and these include:

(i) assisting the Board of Directors in discharging its statutory responsibilities on financing and accounting matters;
(ii) reviewing significant financial reporting issues and judgments to ensure the integrity of the financial statements and any formal announcements relating to financial performance;
(iii) reviewing the scope and results of the audit and its cost effectiveness, and the independence and objectivity of the external auditor;
(iv) reviewing and evaluating with internal auditors, the adequacy and effectiveness of the system of internal controls, including financial, operational, compliance and information technology controls, and risk management policies and framework;
(v) reviewing any interested person transactions as defined in the Listing Manual;
(vi) appraising and reporting to the Board of Directors on the audits undertaken by the external auditors and internal auditors, the adequacy of disclosure of information, and the appropriateness and quality of the system of management and internal controls;
(vii) making recommendations to the Board of Directors on the appointment, re-appointment and removal of the external auditors and internal auditors, and approving the remuneration and terms of engagement of the external auditors and internal auditors; and
(viii) reviewing whistle blowing and fraud investigations within the Group and ensuring appropriate follow up action, if required.

The Audit Committee has discussed with Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements. The following significant issues were discussed with management and the external auditors and reviewed by the Audit Committee in respect of FY2018:

Significant matters	How the Audit Committee addressed these issues
Valuation of investment property	The Audit Committee considered the appropriateness of the approach and methodology applied to the valuation model in assessing the valuation of the investment property. The Audit Committee also considered the reasonableness of the basis and the inputs used in the valuation model, as well as the independence, objectivity and competence of the external appraiser appointed to perform the valuation. The valuation of investment property was also an area of focus for the external auditor. The external auditor has included this item as a key audit matter in its audit report for FY2018 on page 61 of the Annual Report.

Significant matters	How the Audit Committee addressed these issues
Accounting of interests in associates and joint ventures	The Audit Committee considered the appropriateness of the approach and methodology used in the accounting of interests in associates and joint ventures, which are mainly involved in the business of property investment and development. The recoverability of the interests in and results from these associates and joint ventures are dependent on the fair valuation of the investment properties and the success of the relevant development projects. The Audit Committee was periodically briefed on the factors affecting the valuation of the investment properties and development of key projects, including the strength of the economy, government policies, and demand and supply in the respective markets. The Audit Committee also considered the risk of downward valuation of the investment properties and development projects. The accounting of interests in associates and joint ventures was also an area of focus for the external auditor. The external auditor has included this item as a key audit matter in its audit report for FY2018 on page 61 of the Annual Report.

The Audit Committee reviews the scope, the audit plan, the results and effectiveness of the External and Internal Auditors. The internal audit function, which is outsourced to KPMG, reports directly to the Audit Committee.

The Audit Committee has met with the External Auditor and Internal Auditors separately without the presence of management for the year in review. In addition, updates on changes in accounting standards and treatment are prepared by the External Auditor and circulated to members of the Audit Committee periodically for information.

The Audit Committee having reviewed the nature and extent of non-audit services provided by Ernst & Young LLP ("**EY**") and Ernst & Young member firms, including the fees paid for their audit services, non-audit services and the aggregate amount of fees paid in respect of the year ended 31 March 2018, is of the view that the independence of the external auditor of the Company has not been compromised.

The Audit Committee has also reviewed and confirmed that EY is a suitable audit firm to meet the Company's audit obligations, having regard to the adequacy of resources and experience of the firm and the assigned audit engagement partner, EY's other audit engagements, size and complexity of the Metro Group, number and experience of supervisory and professional staff assigned to the audit. Accordingly, the Audit Committee recommended to the Board the re-appointment of EY as External Auditor of the Group for the year ending 31 March 2019. Therefore, the Company complies with Rule 712 of the Listing Manual.

The Group has complied with the Rule 715 of the Listing Manual in relation to its auditing firms. EY has been engaged to audit the financial statements of the Company and all its Singapore-incorporated subsidiaries and its only associated company. This Singapore-incorporated associated company is not considered significant*.

The financial statements of significant* foreign-incorporated subsidiaries and associated companies, with the exception of one associated company, are audited by EY member firms in the respective countries. This significant* foreign-incorporated associated company is audited by KPMG, one of the big four audit firms in Hong Kong. Rule 716 does not apply to the Group as all its Singapore-incorporated subsidiaries and the only Singapore-incorporated associated company, which is not considered significant*, are audited by EY.

All the significant* foreign-incorporated joint ventures are audited by EY member firms in their respective countries. The Group has certain Singapore-incorporated and foreign-incorporated joint ventures and associated companies which are currently not considered significant* to the Group, and the financial statements of these joint ventures and associated companies are audited by the other big four audit firms except for one foreign-incorporated associated company and one foreign-incorporated joint venture which are not considered significant* and are audited by the tenth largest audit firm (in terms of fee income) in the United Kingdom.

The following significant* foreign-incorporated associated company and name of the audit firm is as follows:

Name of significant* foreign-incorporated Associate	Name of Auditor
Top Spring International Holdings Limited	KPMG

* Significant or not considered significant as defined under Clause 718 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The Board is cognizant of its responsibility for maintaining a sound system of internal controls to safeguard the investment of its shareholders and the assets and business of the Group. The Group has outsourced the internal audit function of the Group to KPMG. They conduct regular audit of internal control systems of the Group's companies, recommend necessary improvements and enhancements, and report to the Audit Committee.

The Audit Committee examines the effectiveness of the Group's internal control systems. The many assurance mechanisms operating are supplemented by the Internal Auditors' reviews of the effectiveness of the Group's material internal controls, including financial, operational and compliance and information technology controls. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the Audit Committee. The Audit Committee reviews the effectiveness of the actions taken by Management on the recommendations made by the Internal Auditors in this respect.

In addition, the Group has also put in place appropriate risk management policies and processes to evaluate the operating, investment and financial risks of the Group. The Investment Committee and the Audit Committee assist the Board by providing an oversight of the operating, investment and financial risks. In evaluating a new investment proposal or business opportunity, several factors will be considered by Management and the Board before a decision is being taken. These factors, which are essentially designed to ensure that the rate of returns commensurate with the risk exposure taken, including evaluating (i) return on investment; (ii) the pay-back period; (iii) cash flow generated from the operation; (iv) potential for growth; (v) investment climate; and (vi) political stability.

The main areas of financial risk faced by the Group are foreign currency exchange risk, interest rate risk, credit risk and liquidity risk. Further details of the financial risks and how the Group manages them are set out in note 31 to the financial statements.

The Board has obtained a written confirmation from the Group Chief Executive Officer, who is also the Executive Director, and the Group Financial Controller:

(a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
(b) regarding the effectiveness of the Group's risk management and internal control systems.

Based on the internal controls established and maintained by the Group, work performed by the Internal Auditors, and the statutory audit conducted by the External Auditor, and reviews performed by Management and various Board committees including the Audit Committee and Investment Committee, the Board, with the concurrence of the Audit Committee, is of the opinion that the system of internal controls, including financial, operational, compliance and information technology controls and risk management, were adequate and effective as at 31 March 2018 to meet the needs of the Group's existing business objectives, having addressed the risks which the Group considers relevant and material to its operations. While acknowledging their responsibility for the system of internal controls, the Directors are aware that such a system is designed to manage, rather than eliminate risks, and therefore cannot provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors or misstatements, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

Quarterly and full year results are reviewed by the Audit Committee prior to their submission to the Board as are interested person transactions.

The Audit Committee has put in place "Whistle-Blowing" arrangements by which staff and third parties may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The objective is to ensure that arrangements are in place for independent investigations of such matters and for appropriate follow up action.

SHAREHOLDER RIGHTS, COMMUNICATION WITH SHAREHOLDERS AND CONDUCT OF SHAREHOLDER MEETINGS

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Company does not practise selective disclosure. Price sensitive information is always released via SGX-ST's website after trading hours. Results and annual reports are announced or issued within the mandatory periods.

Shareholders are encouraged to attend the Annual General Meeting to ensure a greater level of shareholders' participation and for them to be kept up to date as to the strategies and goals of the Group. All shareholders of the Company receive a copy of the Annual Report, the Notice of Annual General Meeting and circulars and notices pertaining to any Extraordinary General Meetings of the Company. To facilitate participation by the shareholders, the Constitution of the Company allows the shareholders to attend and vote at general meetings of the Company by proxies. A shareholder who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the general meetings while a member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the general meetings through proxy forms deposited 48 hours before the meeting. Notices of general meetings are also advertised in newspapers and available on the SGX-ST's website.

Every matter requiring shareholders' approval is proposed as a separate resolution. Each item of special business included in the notice of meeting is accompanied, where appropriate, by an explanation for the proposed resolution. As authentication of shareholder identity information and other related security issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, facsimile or email. Participation of shareholders is encouraged at the Annual General Meeting through the open question and answer session. The Directors, Management and the External Auditor are available to address any queries or concerns on matters relating to the Group and its operations.

To promote greater transparency and effective participation, the Company conducts the voting of all its resolutions by poll at all general meetings. The detailed voting results, including the total number of votes cast for or against each resolution tabled, are announced at the general meetings and via SGX-ST's website.

DIVIDEND POLICY

While the Company has not formally instituted a dividend policy, it has a good track record of paying annual dividends to shareholders. In proposing any dividend payout and/or determining the form, frequency and/or the amount of such dividend payout, the Board will take into account, inter alia, the Group's financial position, retained earnings, results of operation and cash flow, the Group's expected working capital requirements, the Group's expected capital expenditure and future expansion and investment plans and other funding requirements, general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group.

The Board endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend payout.

DEALINGS IN SECURITIES

The Group has adopted an internal code which prohibits the Company, directors and employees of the Group from dealings in securities of the Company while in possession of price-sensitive information, and during the period beginning two weeks and one month before the announcement of the quarterly and annual results respectively, and ending on the date of announcement. In addition, directors and employees are expected to observe insider trading laws at all times even when dealing in securities within the permitted period.

It also discourages dealings on short term considerations. Directors and employees are required to report securities dealings to the Company Secretaries who will assist to make the necessary announcements.

DIRECTORS' INTERESTS IN CONTRACTS ENTERED WITH THE GROUP

During FY2018, there were the following transactions with certain directors and/or with firms/companies in which they are members and/or have a substantial financial interest:

	The Group		The Company	
	2018 S$'000	2017 S$'000	2018 S$'000	2017 S$'000
Gerald Ong Chong Keng#	60	120	60	120

Corporate advisory fees paid to OEC Holdings Pte Ltd for the period from April 2017 to 30 September 2017. The contract with OEC Holdings Pte Ltd expired on 30 September 2017.

INTERESTED PERSON TRANSACTIONS

Interested person transactions carried out during the financial year which fall under Chapter 9 of the Listing Manual of the SGX-ST were as follows:

DIRECTORS AND THEIR ASSOCIATES

(i) Transaction with Mr Gerald Ong Chong Keng is for corporate advisory fees paid to OEC Holdings Pte Ltd (please refer to above section on "Directors' Interests in Contracts entered with the Group"). The value of this Interested Person Transaction with Mr Gerald Ong was about 0.0044% of the Group NTA as at 31 March 2017. The Group NTA as at 31 March 2017 was S$1,348,226,000.

(ii) Transactions with Mr Gerald Ong Chong Keng on the purchase of the following residential units of the Middlewood Locks Phase 1 from Middlewood Locks Residential Limited ("MLRL"):

Name of Purchaser	Construction Block	Contract Block	Final Price (£)	Final Price (S$ equivalent)*	25% effective interest in transaction (S$)*@	% of the Group NTA as at 31/3/2017#
Gerald Ong Chong Keng+	F1	A	166,000	301,788	75,447	0.0056
	F1	A	166,000	301,788	75,447	0.0056
Total			**332,000**	**603,576**	**150,894**	**0.0112**

* based on exchange rate of S$1.818 as at 21 September 2017

based on Group NTA of S$1,348,226,000 as at 31 March 2017

@ MLRL is a wholly-owned subsidiary of Fairbriar Development Holdings Limited ("**FDHL**"). FDHL is a wholly-owned subsidiary of Fairbriar Real Estate Developments Ltd ("**FREDL**") which is in turn in a wholly-owned subsidiary of Fairbriar Real Estate Limited ("**FREL**"). Sun Capital Assets Pte. Ltd. ("**Sun Capital**"), a direct wholly-owned subsidiary of the Company, holds 25% equity interest in FREL. MLRL is considered an associated company of the Group.

+ The aggregate value of all interested person transactions with Mr Gerald Ong Chong Keng during the financial year was S$210,894 representing 0.0156% of the Group NTA as at 31 March 2017.

(iii) Concessionaire Agreement entered into by Metro Private Limited with Crystal Time (S) Pte Ltd from 1 April 2017 to 30 November 2017 to sell products at Metro Centrepoint was terminated on 30 November 2017.

Corporate Data

BOARD OF DIRECTORS

Lt-Gen (Retd) Winston Choo Wee Leong
Chairman, Non-Executive and Independent

Phua Bah Lee
Director, Non-Executive and Independent

Gerald Ong Chong Keng
Director, Non-Executive

Fang Ai Lian
Director, Non-Executive and Independent

Tan Soo Khoon
Director, Non-Executive and Independent

Lawrence Chiang Kok Sung
Group Chief Executive Officer, Director, Executive

Deborah Lee Siew Yin
Director, Non-Executive and Independent

AUDIT COMMITTEE

Fang Ai Lian
Chairman

Phua Bah Lee

Gerald Ong Chong Keng

Tan Soo Khoon

NOMINATING COMMITTEE

Lt-Gen (Retd) Winston Choo Wee Leong
Chairman

Phua Bah Lee

Gerald Ong Chong Keng

Fang Ai Lian

REMUNERATION COMMITTEE

Phua Bah Lee
Chairman

Lt-Gen (Retd) Winston Choo Wee Leong

Gerald Ong Chong Keng

INVESTMENT COMMITTEE

Lt-Gen (Retd) Winston Choo Wee Leong
Chairman

Gerald Ong Chong Keng

Tan Soo Khoon

Lawrence Chiang Kok Sung

SECRETARIES

Tan Ching Chek

Lee Chin Yin

AUDITORS

Ernst & Young LLP
Tan Seng Choon
Engagement Partner
(Since financial year ended 31 March 2018)

PRINCIPAL BANKERS

DBS Bank Ltd

United Overseas Bank Ltd

The Hongkong and Shanghai Banking Corporation Ltd

Malayan Banking Berhad

Oversea-Chinese Banking Corporation Limited

Credit Suisse AG

REGISTRARS

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte. Ltd.)
80 Robinson Road, #02-00
Singapore 068898
Tel: (65) 6236 3333

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391A Orchard Road
#19-00 Tower A
Ngee Ann City
Singapore 238873
Tel: (65) 6733 3000
Fax: (65) 6735 3515
Website: www.metroholdings.com.sg

INVESTOR RELATIONS CONTACTS

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Directors' Statement

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Metro Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2018.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2018 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date, and

(ii) 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.

2. DIRECTORS

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

Winston Choo Wee Leong	(Chairman)
Phua Bah Lee	
Gerald Ong Chong Keng	
Fang Ai Lian	
Tan Soo Khoon	
Lawrence Chiang Kok Sung	
Deborah Lee Siew Yin	(appointed on 12 June 2018)

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

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 object 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 as disclosed below.

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following director, who held office at the end of the financial year, had, according to the register of directors' shareholdings, required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, an interest in shares and warrants of the Company as stated below:

	Shareholdings in which the director is deemed to have an interest		
Name of director	**As at 1.4.2017**	**As at 31.3.2018**	**As at 21.4.2018**
Ordinary shares			
Phua Bah Lee	72,576	72,576	72,576

No other director of the Company who held office at the end of the financial year had an interest in any other shares of the Company's subsidiaries.

5. OPTIONS

There is presently no option scheme on unissued shares in respect of the Company.

6. AUDIT COMMITTEE

The Audit Committee comprises non-executive and independent directors, Mrs Fang Ai Lian (who chairs the Audit Committee), Mr Phua Bah Lee and Mr Tan Soo Khoon, and non-executive and non-independent director, Mr Gerald Ong Chong Keng.

The Committee meets at least four times a year and performs its functions in accordance with the Act.

The Committee reviews the overall scope of both internal and external audits and the assistance given by the Company's officers to the auditors. It meets with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Group's system of internal accounting and financial controls. The Committee also reviews the annual financial statements of the Company and of the Group and the auditor's report thereon before submission to the Board, as well as interested person transactions. All major findings and recommendations are brought to the attention of the Board of Directors.

The Committee has also reviewed all non-audit services provided by the external auditor to the Group and is satisfied that the nature and extent of such services would not affect the independence of the external auditor.

The Committee recommends that Ernst & Young LLP be nominated for re-appointment as auditor at the forthcoming Annual General Meeting.

7. AUDITOR

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:

Winston Choo Wee Leong
Chairman

Lawrence Chiang Kok Sung
Executive Director

Singapore
18 June 2018

Independent Auditor's Report to the Members of Metro Holdings Limited

For the financial year ended 31 March 2018

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Metro Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 March 2018, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2018 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters (cont'd)

1. **Valuation of investment property**

As at 31 March 2018, the carrying value of the Group's investment property amounted to S$100.2 million.

The Group records its investment property at its fair value. Management engages an independent professional valuer ("External Appraiser") in the country in which the investment property is located to determine the fair value of the property. The External Appraiser determines the fair value of the investment property based on the average of the direct capitalisation method and the direct comparison method. Management reviews the valuation carried out by the External Appraiser and adopts the fair value.

The valuation of the investment property is considered a key audit matter because it involves the use of a range of estimates (amongst others, capitalisation rates and rental rates) made by management.

As part of our audit procedures, we considered the independence, objectivity and expertise of the External Appraiser. We evaluated the qualifications and competence of the External Appraiser. We also read the terms of engagement of the External Appraiser to determine whether there was any limitation in the scope of work or matters that might affect the objectivity of the External Appraiser.

We considered the appropriateness of the valuation methodologies used. We assessed, through a review of the auditor's working papers of the significant subsidiary of the Group, the key assumptions used in the projected cash flows by comparing to supporting leases and other documents. We assessed the reasonableness of the key assumptions and estimates used based on available industry data and current property market outlook.

Based on the work performed, we considered the valuation methodologies and key assumptions used by management to be appropriate.

We also assessed the adequacy of the disclosures included in Notes 12 and 32(d) to the financial statements.

2. **Accounting of interests in associates and joint ventures**

The Group has significant interests in associates and joint ventures which comprise the investments in and amounts due from associates and joint ventures. The associates and joint ventures of the Group are mainly involved in the business of property investment and development. As at 31 March 2018, the carrying value of the interests in associates and joint ventures amounted to S$964.1 million, representing 83.9% of non-current assets and 56.6% of total assets of the Group. For the financial year ended 31 March 2018, the Group's share of associates and joint ventures results was S$124.6 million representing 74.2% of the Group's profit before taxation.

The recoverability of the interests in and results from these associates and joint ventures are dependent on the fair valuation of the investment properties and the success of the relevant development projects. The valuation of the investment properties and contributions from development projects are dependent on a number of factors including the strength of the economy, government policies, and demand and supply for properties in their respective markets. Consequently, there is a risk of downward valuation of the investment properties and development projects. Annually, management conducts an assessment to determine whether any indicator of impairment exists.

We identified this as a key audit matter because the interests in associates and joint ventures and the share of the results are material to the Group's balance sheet and profit and loss, and the impairment assessment involve significant management judgement and are based on assumptions that are affected by expected future market and economic conditions.

Key audit matters (cont'd)

2. **Accounting of interests in associates and joint ventures** (cont'd)

Amongst other audit procedures, we discussed with management and auditors of the associates and joint ventures future market conditions and the status of projects under construction. We performed a review of the auditors' working papers of the significant associates and joint ventures of the Group and had discussions with them to assess the reasonableness of revenue recognised during the year and profitability of the projects. In addition, we assessed the reasonableness of the estimated selling prices of the development properties and properties under construction by comparing to recently transacted prices and prices of comparable projects located in the vicinity as the development projects. We focused our assessment on development projects with slower-than-expected sales. We also reviewed the valuation of investment properties held by certain associates and joint ventures.

We obtained the latest available audited financial statements of the Group's associates and joint ventures, and checked mathematical accuracy on the computation of the share of results. Where the accounting periods of the associates, joint ventures and the Group are not coterminous, we reviewed management's adjustments made for the effects of significant transactions or events that occurred between the date of those financial statements and the date of the Group's financial statements.

The results of our evaluation shows that management's accounting for interests in associates and joint ventures are reasonable.

We also assessed the adequacy of the disclosure on the accounting for interests in associates and joint ventures in Notes 15 and 16 to the financial statements.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

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

Independent Auditor's Report to the Members of Metro Holdings Limited
For the financial year ended 31 March 2018

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tan Seng Choon.

Ernst & Young LLP
Public Accountants and
Chartered Accountants

Singapore
18 June 2018

Consolidated Income Statement

For the financial year ended 31 March 2018

(In Singapore dollars)	Note	2018 $'000	2017 $'000
Revenue	4	136,326	131,224
Cost of revenue	5	(128,550)	(122,240)
Gross profit		7,776	8,984
Other net income	6	52,476	31,168
Changes in fair value of short term investments		1,883	(771)
Fair value gain on investment properties	12	416	832
General and administrative expenses		(25,290)	(21,967)
Finance costs	7	(2,029)	(277)
Associates			
– Share of results, net of tax	15	124,913	42,514
– Dilution loss		(1,319)	(217)
		123,594	42,297
Joint ventures			
– Share of results, net of tax	16	(317)	22,275
– Reversal of write down of amount due from a joint venture	16	9,472	–
		9,155	22,275
Profit from operations before taxation	8	167,981	82,541
Taxation	9	(11,007)	(1,522)
Profit net of taxation		156,974	81,019
Attributable to:			
Owners of the Company		156,474	80,682
Non-controlling interests		500	337
		156,974	81,019
		Cents	**Cents**
Earnings per share			
Basic	10	18.9	9.7
Diluted	10	18.9	9.7

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2018

(In Singapore dollars)	2018 $'000	2017 $'000
Profit net of taxation	156,974	81,019
Other comprehensive income:		
Item that will not be reclassified to profit or loss		
Share of other comprehensive income of an associate	–	290
Items that may be reclassified subsequently to profit or loss		
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	(12,953)	(11,713)
Net fair value changes on available-for-sale financial assets	7,991	(4,273)
Net fair value changes on available-for-sale financial assets reclassified to profit or loss	(5,782)	(5,482)
Translation of subsidiary, associates and joint venture transferred to profit or loss upon disposal/liquidation	(3,663)	(2,392)
Share of other comprehensive income/(expense) of associates and joint ventures	24,514	(28,279)
Other comprehensive income/(expense) for the financial year	10,107	(51,849)
Total comprehensive income for the financial year	167,081	29,170
Total comprehensive income attributable to:		
Owners of the Company	166,733	30,542
Non-controlling interests	348	(1,372)
	167,081	29,170

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Balance Sheets

As at 31 March 2018

(In Singapore dollars)	Note	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
ASSETS					
Non-current assets					
Plant and equipment	11	4,466	5,062	42	73
Investment properties	12	100,214	104,423	–	–
Subsidiaries	13	–	–	17,790	17,790
Amounts due from subsidiaries	14	–	–	535,448	493,239
Associates	15	544,174	507,650	500	500
Joint ventures	16	419,917	382,674	–	–
Investments	17	80,336	94,921	–	–
Deferred tax assets	9	–	1,102	–	–
		1,149,107	1,095,832	553,780	511,602
Current assets					
Development properties	18	50,556	–	–	–
Inventories	19	16,950	19,433	–	–
Prepayments		1,922	1,073	–	–
Accounts and other receivables	20	135,350	7,819	192	212
Tax recoverable		–	250	–	–
Short term investments	17	30,262	42,208	–	–
Pledged fixed bank deposits	21	158,409	111,278	–	–
Cash and cash equivalents	21	159,364	278,164	9,588	9,192
		552,813	460,225	9,780	9,404
Total assets		1,701,920	1,556,057	563,560	521,006
EQUITY AND LIABILITIES					
Current liabilities					
Bank borrowings	22	136,752	65,915	–	–
Accounts and other payables	23	53,876	39,641	7,954	5,680
Amount due to an associate	15	–	67,457	–	–
Provision for taxation		1,448	2,234	15	69
		192,076	175,247	7,969	5,749
Net current assets		360,737	284,978	1,811	3,655
Non-current liabilities					
Amounts due to subsidiaries	23	–	–	255,192	244,226
Deferred income	23	11,325	13,352	–	–
Deferred tax liabilities	9	16,377	16,759	12	11
		27,702	30,111	255,204	244,237
Total liabilities		219,778	205,358	263,173	249,986
Net assets		1,482,142	1,350,699	300,387	271,020
Equity attributable to owners of the Company					
Share capital	24	169,717	169,717	169,717	169,717
Treasury shares	24	(1,768)	(1,768)	(1,768)	(1,768)
Reserves	25	1,305,608	1,180,277	132,438	103,071
		1,473,557	1,348,226	300,387	271,020
Non-controlling interests		8,585	2,473	–	–
Total equity		1,482,142	1,350,699	300,387	271,020
Total equity and liabilities		1,701,920	1,556,057	563,560	521,006

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity

For the financial year ended 31 March 2018

(In Singapore dollars)

Group	Share capital $'000	Treasury shares $'000	Fair value reserve $'000	Foreign currency translation reserve $'000	Statutory reserve $'000	Other reserve $'000	Revenue reserve $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
At 1 April 2017	169,717	(1,768)	3,366	(50,177)	3,880	1,474	1,221,734	1,348,226	2,473	1,350,699
Profit for the year	–	–	–	–	–	–	156,474	156,474	500	156,974
Other comprehensive income										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	–	–	–	(12,556)	–	–	–	(12,556)	(397)	(12,953)
Net fair value changes on available-for-sale financial assets	–	–	7,399	–	–	–	–	7,399	592	7,991
Net fair value changes on available-for-sale financial assets reclassified to profit or loss	–	–	(5,435)	–	–	–	–	(5,435)	(347)	(5,782)
Translation of associates and joint venture transferred to profit or loss upon disposal/liquidation	–	–	–	(3,663)	–	–	–	(3,663)	–	(3,663)
Share of other comprehensive income of associates and joint ventures	–	–	–	24,177	–	337	–	24,514	–	24,514
Other comprehensive income/(expense) for the financial year, net of tax	–	–	1,964	7,958	–	337	–	10,259	(152)	10,107
Total comprehensive income for the financial year	–	–	1,964	7,958	–	337	156,474	166,733	348	167,081
Contributions by and distributions to owners										
Dividends paid (Note 26)	–	–	–	–	–	–	(41,402)	(41,402)	–	(41,402)
Total contributions by and distributions to owners	–	–	–	–	–	–	(41,402)	(41,402)	–	(41,402)
Changes in ownership interests in a subsidiary										
Interest in a subsidiary	–	–	–	–	–	–	–	–	5,764	5,764
Total changes in ownership interests in a subsidiary	–	–	–	–	–	–	–	–	5,764	5,764
Others										
Transfer to statutory reserve fund	–	–	–	–	201	–	(201)	–	–	–
Total others	–	–	–	–	201	–	(201)	–	–	–
At 31 March 2018	169,717	(1,768)	5,330	(42,219)	4,081	1,811	1,336,605	1,473,557	8,585	1,482,142

Statements of Changes in Equity
For the financial year ended 31 March 2018

(In Singapore dollars)

Group	Share capital $'000	Treasury shares $'000	Fair value reserve $'000	Foreign currency translation reserve $'000	Statutory reserve $'000	Other reserve $'000	Revenue reserve $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
At 1 April 2016	169,717	(1,768)	12,555	(8,144)	10,144	682	1,192,461	1,375,647	3,845	1,379,492
Profit for the year	–	–	–	–	–	–	80,682	80,682	337	81,019
Other comprehensive income										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	–	–	–	(10,570)	–	–	–	(10,570)	(1,143)	(11,713)
Net fair value changes on available-for-sale financial assets	–	–	(4,036)	–	–	–	–	(4,036)	(237)	(4,273)
Net fair value changes on available-for-sale financial assets reclassified to profit or loss	–	–	(5,153)	–	–	–	–	(5,153)	(329)	(5,482)
Translation of associates and a subsidiary transferred to profit or loss upon liquidation	–	–	–	(2,392)	–	–	–	(2,392)	–	(2,392)
Share of other comprehensive (expense)/income of associates and joint ventures	–	–	–	(29,071)	–	792	290	(27,989)	–	(27,989)
Other comprehensive (expense)/income for the financial year, net of tax	–	–	(9,189)	(42,033)	–	792	290	(50,140)	(1,709)	(51,849)
Total comprehensive (expense)/income for the financial year	–	–	(9,189)	(42,033)	–	792	80,972	30,542	(1,372)	29,170
Contributions by and distributions to owners										
Dividends paid (Note 26)	–	–	–	–	–	–	(57,963)	(57,963)	–	(57,963)
Total contributions by and distributions to owners	–	–	–	–	–	–	(57,963)	(57,963)	–	(57,963)
Others										
Transfer from statutory reserve fund	–	–	–	–	(6,264)	–	6,264	–	–	–
Total others	–	–	–	–	(6,264)	–	6,264	–	–	–
At 31 March 2017	169,717	(1,768)	3,366	(50,177)	3,880	1,474	1,221,734	1,348,226	2,473	1,350,699

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity

For the financial year ended 31 March 2018

(In Singapore dollars)

Company	Share capital $'000	Treasury shares $'000	Revenue reserve $'000	Total equity $'000
At 1 April 2017	169,717	(1,768)	103,071	271,020
Profit for the year, representing total comprehensive income for the financial year	–	–	70,769	70,769
Contributions by and distributions to owners				
Dividends paid (Note 26)	–	–	(41,402)	(41,402)
At 31 March 2018	169,717	(1,768)	132,438	300,387
At 1 April 2016	169,717	(1,768)	126,264	294,213
Profit for the year, representing total comprehensive income for the financial year	–	–	34,770	34,770
Contributions by and distributions to owners				
Dividends paid (Note 26)	–	–	(57,963)	(57,963)
At 31 March 2017	169,717	(1,768)	103,071	271,020

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2018

(In Singapore dollars)	Note	2018 $'000	2017 $'000
Cash flows from operating activities:			
Operating cash flows before changes in working capital			
Operating loss before reinvestment in working capital	(a)	(5,223)	(5,100)
Increase in development properties		(50,556)	–
Decrease/(increase) in inventories		756	(1,249)
(Increase)/decrease in accounts and other receivables		(5,363)	2,336
Increase/(decrease) in accounts and other payables		13,962	(13,042)
Cash flows used in operations		(46,424)	(17,055)
Interest expense paid		(2,029)	(277)
Interest income received		9,120	8,949
Income taxes paid		(3,329)	(3,619)
Net cash flows used in operating activities		(42,662)	(12,002)
Cash flows from investing activities:			
Purchase of plant and equipment	11	(1,514)	(1,973)
Decrease/(increase) in investments		2,256	(51,908)
Purchase of short term investments		–	(19,999)
Proceeds from liquidation of associates		–	128
Proceeds from disposal of available-for-sale investments		18,425	–
Distribution from available-for-sale investments		4,230	5,482
Proceeds from disposal of an investment property	12	7,833	–
Proceeds from disposal of plant and equipment		3	44
Proceeds from disposal of short term investments		15,352	12,578
Investment in associates		9,414	(6,746)
Investment in a joint venture		(18,786)	–
(Decrease)/increase in amount due to an associate		(68,043)	389
Increase in amounts due from associates		(84,372)	(35,878)
Increase in amounts due from joint ventures		(27,528)	(49,703)
Dividends received from associates		67,118	14,507
Dividends received from joint ventures		22,360	27,804
Dividends received from quoted investments		3,534	3,123
Changes in pledged fixed bank deposits		(48,133)	(108,902)
Net cash flows used in investing activities		(97,851)	(211,054)
Cash flows from financing activities:			
Drawdown of bank borrowings		66,153	66,554
Dividends paid	26	(41,402)	(57,963)
Net cash flows from financing activities		24,751	8,591
Net decrease in cash and cash equivalents		(115,762)	(214,465)
Effect of exchange rate changes in cash and cash equivalents		(3,038)	(977)
Cash and cash equivalents at 1 April		278,164	493,606
Cash and cash equivalents at 31 March	21	159,364	278,164

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2018

(In Singapore dollars)

Notes to the consolidated statement of cash flows

(a) **Operating cash flows before changes in working capital**

Reconciliation between profit before taxation and operating cash flows before changes in working capital:

	Note	2018 $'000	2017 $'000
Profit from operations before taxation		167,981	82,541
Adjustments for:			
Fair value gain on investment properties	12	(416)	(832)
Finance costs	7	2,029	277
Depreciation of plant and equipment	11	2,111	1,727
Share of associates' results, net of tax		(124,913)	(42,514)
Share of joint ventures' results, net of tax		317	(22,275)
Reversal of write down of amount due from a joint venture	16	(9,472)	–
Interest and investment income	6	(19,497)	(14,252)
Gain on disposal of plant and equipment	8	(3)	(41)
Inventories written down	8	2,178	471
Allowance for doubtful debts	8	3	2
Plant and equipment written off	8	–	53
(Write-back of)/allowance for obsolete inventories	8	(451)	641
Changes in fair value of short term investments		(1,883)	771
Gain on disposal of an associate	6	(15,843)	–
Gain on disposal of an investment property	6	(809)	–
Gain on disposal of short term investments	6	(1,523)	(1,639)
Gain on disposal of available-for-sale investments	6	(4,761)	–
Distribution from available-for-sale investments	6	(4,230)	(5,482)
Foreign exchange adjustments		3,959	(4,548)
Operating cash flows before changes in working capital		(5,223)	(5,100)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. CORPORATE INFORMATION

Metro Holdings Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 391A Orchard Road, #19-00, Tower A, Ngee Ann City, Singapore 238873.

The principal activities of the Company are those of a management, property investment and holding company.

The principal activities of the Group are those of management and holding companies, retailers and department store operators, property investment and developers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $) and all values are rounded to the nearest thousand ($'000) except where otherwise indicated.

<u>Convergence with International Financial Reporting Standards</u>

For annual financial period beginning on or after 1 January 2018, Singapore-incorporated companies listed on the Singapore Exchange will apply Singapore Financial Reporting Framework (International) ("SFRS(I)"), a new financial reporting framework identical to International Financial Reporting Standards. The Group will adopt SFRS(I) on 1 April 2018.

On transition to the new financial reporting framework, the Group has chosen to elect the option to deem cumulative translation differences for foreign operations to be zero on 1 April 2017, and accordingly, the gain or loss that will be recognised on a subsequent disposal of the foreign operations will exclude cumulative translation differences that arose before 1 April 2017. An amount of $50,177,000 of foreign currency translation reserve will be reclassified to the opening retained earnings as at 1 April 2017.

Other than the effects of the matter as described above and in Note 2.3, the Group expects that the adoption of the new financial reporting framework will have no material impact on the financial statements in the year of initial application.

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2017, including the Amendments to FRS 7 Disclosure Initiative. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Improvements to FRSs (December 2016)	
– Amendments to FRS 28: Measuring an Associate or Joint Venture at fair value	1 January 2018
Amendments to FRS 40 Transfers of Investment Property	1 January 2018
FRS 109 Financial Instruments	1 January 2018
FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 116 Leases	1 January 2019
INT FRS 122 Foreign Currency Transactions and Advance Considerations	1 January 2018
INT FRS 123 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to FRS 109 Prepayment Features with Negative Compensation	1 January 2019
Amendments to FRS 28 Long-term Interests in Associates and Joint Ventures	1 January 2019
Improvements to FRSs (March 2018)	
– Amendments to FRS 103 Business Combinations	1 January 2019
– Amendments to FRS 111 Joint Arrangements	1 January 2019
– Amendments to FRS 12 Income Taxes	1 January 2019
– Amendments to FRS 23 Borrowing Costs	1 January 2019
Amendments to FRS 110 & FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

As disclosed in Note 2.1, the Group will adopt SFRS(I) on 1 April 2018. Upon adoption of SFRS(I) on 1 April 2018, the SFRS(I) equivalent of the above standards that are effective for periods beginning on or after 1 January 2018 will be adopted at the same time.

The Directors expect that the adoption of the SFRS(I) equivalent of the above standards will have no material impact on the financial statements in the period of initial application except as discussed below:

<u>FRS 115 *Revenue from Contracts with Customers*</u>

FRS 115 establishes a five-step model to account for revenue arising from contracts with customers. Under FRS 115, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in FRS 115 provide a more structured approach to measuring and recognising revenue when the promised goods and services are transferred to the customer, i.e. when performance obligations are satisfied.

The Group will be applying the changes in accounting policies retrospectively to each reporting year presented, using the full retrospective approach.

The Group has performed a preliminary assessment of the impact of FRS 115.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 *Standards issued but not yet effective* (cont'd)

FRS 115 *Revenue from Contracts with Customers* (cont'd)

In the process of assessment of FRS 115 impact on the revenue recognition, the Group takes into account the contract terms, their business practice and the legal and regulatory environment of their respective countries of operations. Currently the Group's revenue recognition policies are disclosed in Note 2.24, which is taken to be the point in time when the risks and rewards of ownership of the property have been transferred to the customer. Under the transfer-of-control approach in FRS 115, the revenue from property sales will generally be recognised when the customers obtain control of the properties for those property development activities which do not meet the criteria for recognising revenue over time, which may not result in revenue being recognised substantially later than at present.

Based on this preliminary assessment, which is subject to changes arising from a more detailed ongoing analysis, except for the above, the impact upon adoption of FRS 115 is not expected to be material to the Group's financial statements.

FRS 109 *Financial Instruments*

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model.

(a) Classification and measurement

The Group will continue to measure its currently held-for-trading equity securities at fair value though profit or loss ("FVTPL"). The Group is expected to measure its currently available-for-sale quoted and unquoted equity securities of $80,336,000 at FVTPL. The fair value reserve of $5,330,000 previously recognised in other comprehensive income will be adjusted against retained earnings when the Group applies FRS 109.

Amounts due from subsidiaries, associates and joint ventures

The Group's and the Company's debt instruments, which mainly consist of amounts due from subsidiaries, associates and joint ventures, are expected to give rise to cash flows representing solely payments of principal and interest. The Group and the Company intend to hold its debt instruments assets to collect contractual cash flows, and accordingly measured at amortised cost when it applies FRS 109. The Group and the Company are currently assessing the impact and plans to adopt the standard on the required effective date.

(b) Impairment

FRS 109 requires the Group to record expected credit losses ("ECL") on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Group expects to apply the simplified approach and record lifetime expected losses on all trade receivables. Upon application of the ECL model, the Group will assess the impact on its equity due to unsecured nature of its loans and receivables, and it will need to perform a more detailed analysis which considers all reasonable and supportable information, including forward-looking elements to determine the extent of impact.

(c) Transition

The Group plans to adopt the new standard on the required effective date without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 *Standards issued but not yet effective* (cont'd)

FRS 116 *Leases*

FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemption for leases – leases of 'low value' assets and short-term leases. The new standard is effective for annual periods beginning on or after 1 January 2019.

The Group has performed a preliminary assessment of the new standard on its existing operating lease arrangements as a lessee, in particular, on its rented office premises and department stores.

Based on the preliminary assessment, the Group expects these operating leases to be recognised as right of use assets with corresponding lease liabilities under the new standard. The Group expects the adoption of the new standard will result in increase in total assets and total liabilities, earnings before interest, taxes, depreciation and amortisation (EBITDA) and gearing ratio.

2.4 *Basis of consolidation and business combinations*

(a) *Basis of consolidation*

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

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

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a net deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 *Basis of consolidation and business combinations* (cont'd)

(b) *Business combinations and goodwill*

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in the profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in the profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2.5 *Transactions with non-controlling interests*

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6 *Foreign currency*

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the profit or loss.

Net investment in foreign operations

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

(b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in the profit or loss. For partial disposals of associates or joint ventures that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to the profit or loss.

2.7 *Plant and equipment*

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment loss.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Motor vehicles	– 5 years
Plant, equipment, furniture and fittings	– 1 to 5 years or over the lease period

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7 *Plant and equipment* (cont'd)

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in the profit or loss in the year the asset is de-recognised.

2.8 *Investment properties*

Investment properties are properties that are either owned by the Group or leased under a finance lease that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Properties held under operating leases are classified as investment properties when the definition of an investment property is met.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

Investment properties are de-recognised when either they have been disposed of or when the investment property 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 profit or loss in the year of retirement or disposal.

2.9 *Development properties*

Development properties are property rights for properties under development that were purchased from the property developer. These rights will be sold to end buyers.

The rights are measured initially at cost. Following initial acquisition, the property rights are carried at cost less any accumulated impairment losses. Property rights are assessed for impairment whenever there is an indication that the rights may be impaired.

Gains or losses arising from de-recognition of the property rights are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is de-recognised.

2.10 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 *Impairment of non-financial assets* (cont'd)

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.11 *Subsidiaries*

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

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.12 *Joint arrangements*

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

Joint ventures

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint venture is set out in Note 2.13.

2.13 *Joint ventures and associates*

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.13 *Joint ventures and associates* (cont'd)

Under the equity method, the investment in associates or joint ventures are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates or joint ventures. The profit or loss reflects the share of results of the operations of the associates or joint ventures. Distributions received from joint ventures or associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates or joint ventures, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate or joint venture are eliminated to the extent of the interest in the associates or joint ventures.

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate or joint venture. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit or loss.

For financial statements of the associate or joint venture which are prepared as of the same reporting date of the Company, the most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the date of the audited financial statements used is not co-terminus with that of the Group, the share of results is arrived at from the last audited financial statements available and unaudited management financial statements to the end of the financial year.

When the financial statements of an associate or joint venture used in applying the equity method are prepared as of a different reporting date from that of the Company, adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Company. In any case, the difference between the end of the reporting period of the associate and that of the investor shall be no more than three months. The length of the reporting periods and any difference between the ends of the reporting periods shall be the same from period to period.

2.14 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.14 *Financial instruments* (cont'd)

(a) *Financial assets* (cont'd)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group. Derivatives, including separated embedded derivatives are also classified as held for trading.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in the profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

(ii) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in the profit or loss when the loans and receivables are de-recognised or impaired, and through the amortisation process.

(iii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the held-to-maturity investments are de-recognised or impaired, and through the amortisation process.

The Group has not designated any financial assets upon initial recognition as held-to-maturity investments.

(iv) Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.14 *Financial instruments* (cont'd)

(a) *Financial assets* (cont'd)

Subsequent measurement (cont'd)

(iv) Available-for-sale financial assets (cont'd)

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in the profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the profit or loss as a reclassification adjustment when the financial asset is de-recognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the profit or loss.

(b) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of other financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in the profit or loss.

The Group has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.14 *Financial instruments* (cont'd)

(b) *Financial liabilities* (cont'd)

Subsequent measurement (cont'd)

(ii) Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

2.15 *Impairment of financial assets*

The Group assesses at each reporting period whether there is any objective evidence that a financial asset is impaired.

(a) *Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.15 *Impairment of financial assets* (cont'd)

(b) *Financial assets carried at cost*

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(c) *Available-for-sale financial assets*

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in the profit or loss, is transferred from other comprehensive income and recognised in the profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in the profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increases can be objectively related to an event occurring after the impairment loss was recognised in the profit or loss, the impairment loss is reversed in the profit or loss.

2.16 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.17 *Inventories*

Inventories are stated at the lower of cost and net realisable value.

For retail inventories, cost is calculated using the Retail Method where the selling price of the merchandise is reduced by the calculated gross margin.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 *Inventories* (cont'd)

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. Net realisable value is arrived at after due allowance is made for all obsolete and slow-moving inventories.

2.18 *Provisions*

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.19 *Government grants*

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an income item, it is recognised in the profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "Other income".

2.20 *Financial guarantees*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in the profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to the profit or loss.

2.21 *Borrowing costs*

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are ready for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22 *Employee benefits*

(a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme.

Subsidiaries incorporated and operating in The People's Republic of China ("PRC") are required to provide certain staff pension benefits to its employees under existing PRC legislations. Pension contributions are made at rates stipulated by PRC legislations to a pension fund managed by government agencies, who are responsible for administering these amounts for the subsidiaries' employees.

Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Employee leave entitlements*

Employee entitlements to annual leave are recognised as a liability when they are accrued to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

(c) *Long-service benefits*

Employee entitlement to long-service gratuities are recognised as a liability when they are accrued to the employees upon the fulfilment of service conditions. The estimated liability for gratuities is recognised for services rendered by the employees up to the end of the reporting period.

(d) *Profit-sharing bonuses*

Certain key executives are entitled to profit-sharing bonuses on certain profits on a realised basis. The amounts payable are recognised in the profit or loss in the period which these profits are realised.

2.23 *Leases*

(a) *As lessee*

Finance leases which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.23 *Leases* (cont'd)

(b) *As lessor*

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy of rental income is set out in Note 2.24(c). Contingent rents are recognised as revenue in the period in which they are earned.

2.24 *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable excluding taxes.

(a) *Sale of goods – retail*

Revenue from the sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to customers, usually on delivery of goods. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(b) *Sale of property rights, completed development properties and development properties under construction*

Revenue from sale of property rights for properties under development that were purchased from the property developer, completed development properties and development properties under construction is recognised when the significant risks and rewards of ownership of the real estate have been transferred to the buyer.

(c) *Rental income*

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(d) *Commissions from concessionaire sales*

Commissions from concessionaire sales are recognised upon the sale of goods by the relevant stores.

(e) *Fee and service income*

Fee and service income are recognised as revenue on an accrual basis upon services rendered on a straight-line basis over the service period.

(f) *Dividend income*

Dividend income is recognised when the Group's right to receive payment has been established.

(g) *Interest income*

Interest income is recognised using the effective interest method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.25 *Taxes*

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in the profit or loss except to the extent that the tax relates to items recognised outside the profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

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

– In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

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

– In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.25 *Taxes* (cont'd)

(b) *Deferred tax* (cont'd)

Deferred tax relating to items recognised outside the profit or loss is recognised outside the profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

– Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

– Receivables and payables that are stated with the amount of sales tax included.

2.26 *Segment reporting*

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 30, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.27 *Share capital and share issue expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.28 *Treasury shares*

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

2.29 *Contingencies*

A contingent liability is:

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

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.29 *Contingencies* (cont'd)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 *Judgements made in applying accounting policies*

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

(i) *Investments in associates and joint ventures*

The Group is able to exercises significant influence over an associate, as disclosed in Note 15, notwithstanding that the Group holds less than 20% interests in this company. The Group has the ability to exercise significant influence by virtue of its representation on the board.

The Group has not accounted for its interests in certain joint ventures as subsidiaries, as disclosed in Note 34, although its interests is in excess of 50% because under the joint venture agreements, the joint venture parties are entitled to a share of the profits of the joint ventures in proportion to their respective capital contributions but have contractual joint control of the joint ventures and require unanimous consent for all major decisions over the relevant activities.

(ii) *Income tax*

The Group has exposure to income taxes in various jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of the Group's income tax payables and net deferred tax liabilities at 31 March 2018 are $1,448,000 (2017: $2,234,000) and $16,377,000 (2017: $16,759,000) respectively.

3.2 *Key sources of estimation uncertainty*

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

3.2 *Key sources of estimation uncertainty* (cont'd)

(i) *Revaluation of investment property*

The Group records its investment property at fair value, with changes in fair value being recognised in profit or loss.

Management engages an independent professional valuer ("External Appraiser") in the country in which the investment property is located to determine the fair value of the property. The External Appraiser determines the fair value of the investment property based on the average of the direct capitalisation method and the direct comparison method. Management reviews the valuation carried out by the External Appraiser and adopts the fair value.

The determination of the fair value of the investment property involves the use of a range of estimates (amongst others, capitalisation rates and rental rates) made by management.

The carrying amount and key assumptions used to determine the fair value of the investment property are further explained in Note 32(d).

(ii) *Impairment assessment of interests in associates and joint ventures*

The Group has significant interests in associates and joint ventures. The Group's interests in associates and joint ventures comprise the investments and amounts due from associates and joint ventures. The associates and joint ventures of the Group are mainly involved in the business of property investment and development.

The recoverability of the interests in these associates and joint ventures are dependent on the fair valuation of the investment properties and the success of the relevant development projects. The valuation of the investment properties and contributions from development projects are dependent on a number of factors including the strength of the economy, government policies, and demand and supply for properties in their respective markets. Consequently, there is a risk of downward valuation of the investment properties and development projects. Annually, management conducts an assessment to determine whether any indicator of impairment exists.

The carrying amounts of the Group's interests in associates and joint ventures at the end of the reporting period are disclosed in Note 15 and 16 to the financial statements.

4. REVENUE

	Note	Group 2018 $'000	Group 2017 $'000
Retail			
– Sale of goods		98,613	91,951
– Net commission from concessionaires		31,105	32,760
Property – Rental income and related service income	12	6,608	6,513
		136,326	131,224

Retail revenue of the Group comprises sales of goods and services and net commission from concessionaires.

The gross revenue from concessionaire sales is analysed as follows:

	2018	2017
Gross revenue from concessionaire sales	106,647	108,416

5. COST OF REVENUE

	Group 2018 $'000	Group 2017 $'000
Retail	127,392	121,187
Property	1,158	1,053
	128,550	122,240

6. OTHER NET INCOME

	Note	Group 2018 $'000	Group 2017 $'000
Interest income from:			
– Loans and receivables		15,963	11,129
Dividends, gross from:			
– Available-for-sale financial assets		901	505
– Held-for-trading financial assets		2,633	2,618
		3,534	3,123
Net gain on financial instruments:			
– Available-for-sale financial assets		8,991	5,482
– Held-for-trading financial assets		1,523	1,639
		10,514	7,121
Management fee income from associates		772	910
Foreign exchange (loss)/gain		(2,018)	3,328
Gain (mainly foreign exchange differences) on liquidation of subsidiary, associates and joint venture		5,099	2,392
Other rental income		817	955
Gain on disposal of an associate	15	15,843	–
Gain on disposal of an investment property	12	809	–
Sundry income		1,143	2,210
		52,476	31,168

7. FINANCE COSTS

	Group 2018 $'000	Group 2017 $'000
Interest expense on:		
– Bank loans	2,029	277

8. PROFIT FROM OPERATIONS BEFORE TAXATION

Profit from operations before taxation is stated after charging/(crediting):

	Note	Group 2018 $'000	Group 2017 $'000
Staff costs, including Directors' emoluments, are as follows:			
Salaries, bonuses and other related costs		25,867	22,279
Contributions to CPF and other defined contribution schemes		2,434	2,346
Provision for long-service benefits		636	445
		28,937	25,070
Directors' emoluments included in staff costs are as follows:			
Directors of the Company			
– Other emoluments		4,660	2,947
– Fees payable		843	777
– Professional fees paid and payable to a company in which a Director has an interest		60	120
		5,563	3,844
Rental expense	27	23,773	23,375
Depreciation of plant and equipment	11	2,111	1,727
Inventories written down	19	2,178	471
(Write-back of)/allowance for obsolete inventories	19	(451)	641
Audit fees:			
– Auditors of the Company		460	455
– Other auditors		181	193
Non-audit fees:			
– Auditors of the Company		96	95
– Other auditors		78	123
Allowance for doubtful debts	20	3	2
Plant and equipment written off		–	53
Gain on disposal of plant and equipment		(3)	(41)

Rental expense includes total contingent rents recognised as an expense for the financial year ended 31 March 2018 amounting to $3,377,000 (2017: $3,223,000).

Presentation of expenses recognised in consolidated income statement based on function is as follows:

	Note	Group 2018 $'000	Group 2017 $'000
Revenue	4	136,326	131,224
Cost of revenue	5	(128,550)	(122,240)
Gross profit		7,776	8,984
Other net income		62,928	31,012
General and administrative expenses		(25,290)	(21,967)
Finance costs	7	(2,029)	(277)
Share of associates' results, net of tax	15	124,913	42,514
Share of joint ventures' results, net of tax	16	(317)	22,275
Profit before income tax		167,981	82,541
Taxation	9	(11,007)	(1,522)
Profit for the financial year		156,974	81,019

9. TAXATION

(a) *Major components of income tax expense*

The major components of income tax expense for the financial years ended 31 March 2018 and 2017 are:

Consolidated income statement

	Group 2018 $'000	Group 2017 $'000
Current taxation		
– Current income taxation	11,702	3,997
– Over provision in respect of prior financial years	(1,094)	(3,053)
	10,608	944
Deferred taxation		
– Origination and reversal of temporary differences	70	283
– Under provision in respect of prior financial years	325	292
	395	575
Withholding tax	4	3
Income tax expense recognised in the consolidated income statement	11,007	1,522

(b) *Relationship between tax expense and accounting profit*

The reconciliation of taxation determined on the results of the Group by applying the Singapore statutory income tax rate for the financial years ended 31 March are as follows:

	Group 2018 $'000	Group 2017 $'000
Profit from operations before taxation	167,981	82,541
Less: Share of results of equity-accounted associates*	(124,913)	(42,514)
Less: Share of results of equity-accounted joint ventures*	317	(22,275)
	43,385	17,752
Taxation calculated at Singapore statutory income tax rate of 17% (2017: 17%)	7,375	3,018
Expenses not deductible for tax purposes	3,576	3,501
Difference arising from tax rates applicable to foreign entities	1,834	589
Income not subject to tax	(2,774)	(4,021)
Unremitted foreign sourced income	1,753	1,681
Deferred tax not recognised	(82)	(582)
Over provision in respect of prior financial years	(769)	(2,761)
Withholding tax	4	3
Others	90	94
Taxation expense recognised in the consolidated income statement	11,007	1,522

* These are presented net of tax in profit or loss.

9. TAXATION (cont'd)

(b) *Relationship between tax expense and accounting profit* (cont'd)

Taxation for other jurisdictions are calculated at the rates prevailing in the respective jurisdictions. During the current financial year, the income tax rate applicable to foreign subsidiaries are as follows:

	Group	
	2018	2017
China	25%	25%
Hong Kong	16.5%	16.5%
Indonesia	25%	N.A.
Mauritius	15%	15%

(c) *Deferred taxation*

	Group		Company	
	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Balance at beginning of financial year	15,657	15,479	11	9
Foreign exchange adjustments	325	(397)	–	–
Charged to income statement	395	575	1	2
Balance at end of financial year	16,377	15,657	12	11
Deferred tax assets	–	(1,102)	–	–
Deferred tax liabilities	16,377	16,759	12	11
Balance at end of financial year	16,377	15,657	12	11

Deferred taxation as at 31 March relates to the following:

	Consolidated balance sheet		Consolidated income statement		Company balance sheet	
	2018 $'000	2017 $'000	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Deferred tax liabilities						
Differences in depreciation	14,372	13,431	567	603	–	–
Fair value changes	1,320	1,398	25	382	–	–
Undistributed profits of subsidiaries, associates and joint ventures	4,865	6,205	(2,225)	(1,048)	–	–
Unremitted foreign sourced interest income	1,807	611	1,196	513	12	11
	22,364	21,645			12	11
Deferred tax assets						
Differences in depreciation	–	(1,365)	1,365	–	–	–
Fair value loss on investment properties	(4,507)	(3,519)	–	171	–	–
Deferred income and other deferred tax assets	(1,480)	(1,104)	(533)	(46)	–	–
	16,377	15,657			12	11
Deferred income tax expense			395	575		

9. TAXATION (cont'd)

(c) *Deferred taxation* (cont'd)

Unrecognised tax losses

Singapore tax law allows for Group relief where a Singapore company belonging to a group may transfer its current year unabsorbed capital allowances, current year unutilised trade losses and current year unabsorbed donations (loss items) to other Singapore companies belonging to the same group, to be deducted against the assessable income in the year of income.

There are estimated tax losses and unabsorbed capital allowances amounting to $17,220,000 and $27,000 (2017: $16,774,000 and $27,000) respectively, available for offset against future taxable profits of certain subsidiaries of which $15,424,000 (2017: $15,908,000) has not been recognised as deferred tax asset due to the uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Tax consequences of proposed dividends

There are no further Singapore income tax consequences (2017: Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements.

10. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing the profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	Group	
	2018 $'000	**2017 $'000**
Profit for the financial year attributable to owners of the Company, used in the computation of basic and diluted earnings per share	156,474	80,682
	No. of shares '000	**No. of shares '000**
Weighted average number of ordinary shares for basic and diluted earnings per share computation	828,036	828,036

As at 31 March 2018, there are no dilutive potential ordinary shares (2017: Nil).

11. PLANT AND EQUIPMENT

	Plant, equipment, furniture and fittings $'000	Motor vehicles $'000	Total $'000
Group			
Cost			
At 1 April 2016	33,133	96	33,229
Additions	1,973	–	1,973
Disposals	(2,400)	(96)	(2,496)
Write-offs	(539)	–	(539)
At 31 March 2017 and 1 April 2017	32,167	–	32,167
Additions	1,514	–	1,514
Disposals	(83)	–	(83)
Write-offs	(370)	–	(370)
At 31 March 2018	33,228	–	33,228
Accumulated depreciation and impairment loss			
At 1 April 2016	28,261	96	28,357
Charge for 2017	1,727	–	1,727
Disposals	(2,397)	(96)	(2,493)
Write-offs	(486)	–	(486)
At 31 March 2017 and 1 April 2017	27,105	–	27,105
Charge for 2018	2,111	–	2,111
Disposals	(83)	–	(83)
Write-offs	(370)	–	(370)
Exchange adjustment	(1)	–	(1)
At 31 March 2018	28,762	–	28,762
Net book value			
At 31 March 2017	5,062	–	5,062
At 31 March 2018	4,466	–	4,466

11. PLANT AND EQUIPMENT (cont'd)

	Plant, equipment, furniture and fittings $'000
Company	
Cost	
At 1 April 2016	1,836
Additions	49
Disposals	(61)
At 31 March 2017 and 1 April 2017	1,824
Additions	4
Disposals	(23)
At 31 March 2018	1,805
Accumulated depreciation	
At 1 April 2016	1,778
Charge for 2017	34
Disposals	(61)
At 31 March 2017 and 1 April 2017	1,751
Charge for 2018	35
Disposals	(23)
At 31 March 2018	1,763
Net book value	
At 31 March 2017	73
At 31 March 2018	42

12. INVESTMENT PROPERTIES

	Note	Group	
		2018 $'000	2017 $'000
Balance sheet:			
Balance at 1 April		104,423	106,653
Disposal		(7,024)	–
Adjustments to fair value		416	832
Foreign exchange adjustments		2,399	(3,062)
Balance at 31 March		100,214	104,423
Consolidated income statement:			
Rental and related service income from investment properties	4	6,608	6,513
Direct operating expenses (including repairs, maintenance and refurbishment) arising from rental generating properties		(1,158)	(1,062)

12. INVESTMENT PROPERTIES (cont'd)

The Group's investment properties as at 31 March are as follows:

Name of building	Description	Tenure of land	Name of valuer	Valuation method	Fair value 2018 $'000	Fair value 2017 $'000
GIE Tower, Guangzhou	Part of a 7-storey shopping podium & 35-storey office tower along Huan Shi Dong Road, Guangzhou, People's Republic of China	50 years' lease from 18 October 1994 (26 years remaining)	DTZ Debenham Tie Leung Limited	Direct capitalisation and direct comparison method	100,214	97,399
Lakeville Regency, Shanghai	Flat No. 2702, No. 5 The Lakeville Regency, Lane 168, Shun Chang Road, Luwan District, Shanghai, People's Republic of China	64 years' lease from 20 April 2007 (53 years remaining)	DTZ Debenham Tie Leung Limited	Direct capitalisation and direct comparison method	–	7,024
					100,214	104,423

During the year, the Group disposed of the flat at Lakeville Regency for a consideration of $7,833,000 which resulted in a gain of $809,000 (Note 6).

Valuation of investment properties

Investment properties are stated at fair value, which have been determined based on valuations at the end of the reporting period. Valuations are performed by accredited independent valuers with recent experience in the location and category of the properties being valued.

Details of valuation techniques and inputs used are disclosed in Note 32.

13. SUBSIDIARIES

	Company 2018 $'000	Company 2017 $'000
Unquoted equity shares, at cost	21,828	21,828
Impairment losses	(4,038)	(4,038)
Carrying amount of investments	17,790	17,790

Details of subsidiaries are shown in Note 34.

14. AMOUNTS DUE FROM SUBSIDIARIES

	Company 2018 $'000	Company 2017 $'000
Amounts due from subsidiaries	538,375	496,166
Impairment losses	(2,927)	(2,927)
	535,448	493,239

14. AMOUNTS DUE FROM SUBSIDIARIES (cont'd)

Movement in impairment loss is as follows:

	Company 2018 $'000	Company 2017 $'000
Balance at beginning of financial year	2,927	9,220
Write-back for the year	–	(768)
Write-off for the year	–	(5,525)
Balance at end of financial year	2,927	2,927

Amounts due from subsidiaries are unsecured, have no fixed terms of repayment and are interest-free, except for $4,005,000 (2017: $4,140,000) which bears interest ranging from 3.7% to 4.2% (2017: 3.1% to 3.5%) per annum. These amounts due from subsidiaries are considered quasi-equity in nature.

In the previous financial year, a reversal of impairment loss of $768,000 was recognised in the Company's income statement subsequent to a debt recovery assessment performed on amounts due from subsidiaries as at 31 March 2018. There was no such reversal this year.

15. ASSOCIATES

	Note	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Investment in associates	(a)	346,573	373,542	500	500
Add:					
Amounts due from associates					
– Non-current	(b)	197,601	134,108	–	–
		544,174	507,650	500	500
Amount due to an associate	(c)	–	(67,457)	–	–

(a) ***Investment in associates***

	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Quoted equity shares, at cost	117,700	117,700	–	–
Share of post-acquisition reserves	188,590	85,546	–	–
Share of changes recognised directly in associates' equity	(17,806)	(39,371)	–	–
Foreign currency translation reserve	544	16,171	–	–
	289,028	180,046	–	–
Unquoted equity shares, at cost	55,764	114,730	500	500
Share of post-acquisition reserves	18,245	102,061	–	–
Share of changes recognised directly in associates' equity	(7,104)	(10,054)	–	–
Foreign currency translation reserve	(9,360)	(13,241)	–	–
	57,545	193,496	500	500
	346,573	373,542	500	500
Market value of quoted shares	124,722	101,131	–	–

15. ASSOCIATES (cont'd)

(b) *Amounts due from associates – Non-current*

The non-current amounts due from associates are interest-free, except for $117,850,000 (2017: $88,708,000) which bears interest ranging from 2.3% to 16.8% (2017: 2.3% to 16.8%) per annum, unsecured and are not expected to be repaid within the next financial year. Except for the amount of $107,695,000, the amounts due from associates are considered quasi-equity in nature.

(c) *Amount due to an associate*

The amount due to an associate bore interest at 3.0% per annum, was unsecured and repaid during the financial year.

Amounts due from/(to) associates denominated in foreign currencies as at 31 March:

	Group	
	2018 $'000	2017 $'000
Amounts due from associates:		
– Sterling Pound	83,512	47,948
– Chinese Renminbi	79,751	44,764
– United States Dollar	34,338	40,760
Amount due to an associate:		
– Chinese Renminbi	–	(67,457)

Details of the associates are shown in Note 34.

The Group's share of associates' results, adjusted for the proportion of ownership interest by the Group, is as follows:

		Group	
		2018 $'000	2017 $'000
Operating results		(34,768)	22,506
Fair value adjustments on investment properties		5,585	29,657
Non-operating results	(i)	196,607	–
Taxation		(42,797)	(9,564)
Others		286	(85)
		124,913	42,514

(i) The non-operating results of associates of $196,607,000 included the Group's share of a divestment gain of $187,435,000 from Top Spring International Holdings Limited's very substantial disposal of eight property projects. The taxation charge included a tax expense in respect of this divestment gain of $28,228,000.

Aggregate information about the Group's investment in associates that are not individually material are as follows:

	Group	
	2018 $'000	2017 $'000
Profit after tax	10,305	11,346
Other comprehensive income	3,153	(2,811)
Total comprehensive income	13,458	8,535

15. ASSOCIATES (cont'd)

The summarised financial information in respect of material investment in associates, based on their FRS financial statements (not adjusted for the percentage of ownership held by the Group), and reconciliation with the carrying amount of the investments in the consolidated statements are as follows:

	Top Spring International Holdings Limited		Nanchang Top Spring Real Estate Co., Ltd
	2018 $'000	2017 $'000	2017 $'000
Summarised balance sheet			
Current assets	3,034,448	3,364,069	446,559
Non-current assets	1,471,527	1,320,797	215,598
Total assets	4,505,975	4,684,866	662,157
Current bank and other borrowings	(487,945)	(542,471)	–
Other current liabilities	(1,261,085)	(1,647,363)	(188,740)
Non-current bank and other borrowings (excluding bonds/notes)	(444,808)	(387,408)	(60,900)
Other non-current liabilities	(372,781)	(877,298)	(52,017)
Total liabilities	(2,566,619)	(3,454,540)	(301,657)
Net assets	1,939,356	1,230,326	360,500
Non-controlling interests	(27,115)	(168,525)	–
Net assets excluding non-controlling interests	1,912,241	1,061,801	360,500
Net assets excluding non-controlling interests	1,912,241	1,061,801	360,500
Proportion of the Group's ownership	15.0%	16.1%	30.0%
Group's share of net assets	285,881	170,525	108,150
Other adjustments (1)	3,147	9,521	–
Carrying amount of the investment	289,028	180,046	108,150

(1) Other adjustments comprise fair value adjustments to the assets of the associate at date of acquisition by the Group, and the effects of significant transactions or events that occur between that associate's financial statements' date and the reporting date of the Group.

During the year, the Group disposed of its associate, Nanchang Top Spring Real Estate Co., Ltd for a consideration of $130,852,000 which resulted in a gain on disposal of $15,843,000 (Note 6).

15. ASSOCIATES (cont'd)

	Top Spring International Holdings Limited		Nanchang Top Spring Real Estate Co., Ltd	
	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Summarised statement of comprehensive income				
Revenue	306,730	1,000,572	33,748	252,642
Profit after tax	769,796	162,645	8,552	47,245
Other comprehensive income	147,253	(178,058)	–	–
Total comprehensive income	917,049	(15,413)	8,552	47,245
Other summarised information				
Dividends received/receivable	8,938	8,759	–	28,723

Top Spring International Holdings Limited ("TSI")

The Group has a nominated representative on TSI's board. The Group has assessed that it has the ability to exercise significant influence in TSI and accordingly, reclassified TSI from available-for-sale investments to associate, and to equity account TSI's results. As at 31 March 2018, the Group has an effective indirect equity stake of approximately 16.5% voting rights and 15.0% ownership interest in TSI.

The financial statements of TSI are prepared as of 31 December 2017. TSI is a public company listed on the Main Board of The Stock Exchange of Hong Kong Limited. Adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

16. JOINT VENTURES

	Note	Group 2018 $'000	Group 2017 $'000
Investment in joint ventures	(a)	200,996	203,800
Add:			
Amounts due from joint ventures			
– Non-current	(b)	218,921	178,874
		419,917	382,674

(a) *Investment in joint ventures*

	Group 2018 $'000	Group 2017 $'000
Unquoted equity shares, at cost	55,554	36,768
Share of post-acquisition reserves	134,337	155,325
Foreign currency translation reserve	11,105	11,707
	200,996	203,800

16. JOINT VENTURES (cont'd)

(b) ***Amounts due from joint ventures – Non-current***

The non-current amounts due from joint ventures are interest-free, except for $53,627,000 (2017: $25,520,000) which bear interest ranging from 3.7% to 10.5% (2017: 3.1% to 10.5%) per annum, unsecured and are not expected to be repaid within the next financial year. Except for the amount of $35,656,000, the amounts due from joint ventures are considered quasi-equity in nature.

During the financial year, an impairment loss of $9,472,000 was reversed in the consolidated income statement following a re-assessment of the carrying amount of the non-current amount due from a joint venture.

Amounts due from joint ventures denominated in foreign currencies as at 31 March:

	Group	
	2018 $'000	2017 $'000
Sterling Pound	49,622	21,380
United States Dollar	4,005	4,284
Chinese Renminbi	46	65

Details of the joint ventures are shown in Note 34.

The summarised financial information of the joint ventures, adjusted for the proportion of ownership interest by the Group, is as follows:

	Group	
	2018 $'000	2017 $'000
Operating results	44,396	36,263
Additional buyer's stamp duty expenses	(27,747)	–
Fair value adjustments on investment properties	(6,754)	(6,611)
Taxation	(10,212)	(7,377)
	(317)	22,275

Aggregate information about the Group's investment in joint ventures that are not individually material are as follows:

	Group	
	2018 $'000	2017 $'000
Loss after tax	(30,566)	(90)
Other comprehensive income	–	–
Total comprehensive income	(30,566)	(90)

16. JOINT VENTURES (cont'd)

The summarised financial information in respect of material investment in joint ventures, based on their FRS financial statements (not adjusted for the percentage of ownership held by the Group), and reconciliation with the carrying amount of the investments in the consolidated statements are as follows:

	Shanghai Metro City Commercial Management Co. Ltd		Shanghai Huimei Property Co Ltd	
	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Summarised balance sheet				
Current assets	99,795	77,466	31,310	27,351
Non-current assets	207,564	209,860	202,691	194,798
Total assets	307,359	287,326	234,001	222,149
Current liabilities	(82,535)	(75,622)	(24,897)	(22,928)
Non-current liabilities	(33,512)	(34,220)	(45,361)	(43,382)
Total liabilities	(116,047)	(109,842)	(70,258)	(66,310)
Net assets	191,312	177,484	163,743	155,839
Net assets	191,312	177,484	163,743	155,839
Proportion of the Group's ownership	60.0%	60.0%	60.0%	60.0%
Carrying amount of the investment	114,787	106,490	98,246	93,503
Summarised statement of comprehensive income				
Revenue	70,577	61,619	20,814	21,080
Depreciation	(79)	(90)	(53)	(43)
Finance costs	–	–	(158)	(139)
Profit before tax	49,437	34,729	17,707	14,702
Taxation	(12,364)	(8,686)	(4,524)	(3,609)
Profit after tax	37,073	26,043	13,183	11,093
– Lease income	42,469	34,459	10,921	10,941
– Fair value adjustments	(5,396)	(8,416)	2,262	152
Other comprehensive income	–	–	–	–
Total comprehensive income	37,073	26,043	13,183	11,093
Other summarised information				
Dividends received	16,695	18,967	5,665	5,357

17. INVESTMENTS

	Group 2018 $'000	Group 2017 $'000
Current:		
Financial assets at fair value through profit or loss		
Held-for-trading investments		
Shares (quoted)	30,262	42,208
Non-current:		
Available-for-sale investments		
Shares (unquoted), at fair value	70,530	71,526
Shares (quoted)	9,806	23,395
	80,336	94,921

18. DEVELOPMENT PROPERTIES

	Group 2018 $'000	Group 2017 $'000
Development properties (at cost or net realisable value)	50,556	–

Development properties are property rights of certain properties under development purchased from a property developer where such rights will be sold to end-buyers.

19. INVENTORIES

	Note	Group 2018 $'000	Group 2017 $'000
Consolidated Balance Sheet:			
Inventories held for resale (at cost or net realisable value)		16,824	19,298
Raw materials (at cost)		126	135
Total inventories at lower of cost and net realisable value		16,950	19,433
Inventories are stated after deducting allowance for obsolete inventories of		1,267	1,718
Balance at 1 April		1,718	1,077
(Write-back)/charged to the consolidated income statement	8	(451)	641
Balance at 31 March		1,267	1,718
Consolidated Income Statement:			
Inventories recognised as an expense in cost of sales		81,246	74,849
Inventories recognised as an expense in cost of sales is inclusive of the following charge:			
– Inventories written down	8	2,178	471
– (Write-back of)/allowance for obsolete inventories	8	(451)	641

20. ACCOUNTS AND OTHER RECEIVABLES

	Note	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Current					
Trade receivables		2,642	2,467	–	–
Deposits		4,619	4,802	180	180
Other receivables					
– Recoverables and sundry debtors		5,318	550	12	32
– Proceeds from disposal of an associate	(i)	122,771	–	–	–
		135,350	7,819	192	212
Non-current					
Amounts due from subsidiaries	14	–	–	535,448	493,239
Amounts due from associates	15	197,601	134,108	–	–
Amounts due from joint ventures	16	218,921	178,874	–	–
Total receivables (current and non-current)		551,872	320,801	535,640	493,451
Add: Pledged fixed and bank deposits	21	158,409	111,278	–	–
Cash and cash equivalents	21	159,364	278,164	9,588	9,192
Total loans and receivables		869,645	710,243	545,228	502,643

(i) The proceeds from disposal of an associate was received subsequent to the end of the financial year (Note 15).

Trade receivables are non-interest bearing and are generally on 2 to 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(a) *Receivables that are impaired*

As at 31 March 2018, the Group has trade receivables amounting to $341,000 (2017: $231,000) that are past due at the end of the reporting period but not impaired.

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	Note	Group 2018 $'000	Group 2017 $'000
Individually impaired			
Trade receivables – nominal amounts		2,013	1,445
Less: Allowance for impairment		(36)	(33)
		1,977	1,412
Movement in allowance for doubtful debts is as follows:			
Balance at 1 April		33	31
Charged to the consolidated income statement	8	3	2
Balance at 31 March		36	33

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

For assets to be classified as "past due" or "impaired", contractual payments must be in arrears for more than 90 days. No collateral is held as security for any past due or impaired assets.

20. ACCOUNTS AND OTHER RECEIVABLES (cont'd)

(b) *Current receivables denominated in foreign currencies as at 31 March are as follows:*

	Group	
	2018	2017
	$'000	$'000
Chinese Renminbi	123,448	964
Indonesian Rupiah	4,894	–
Sterling Pound	7	37

21. CASH AND CASH EQUIVALENTS

Cash and bank balances and fixed deposits placed with financial institutions are as follows:

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Fixed deposits	279,830	323,110	8,700	5,540
Cash on hand and at bank	37,943	66,332	888	3,652
Total cash and bank balances	317,773	389,442	9,588	9,192
Less: Fixed bank deposits pledged as security	(158,409)	(111,278)	–	–
Cash and cash equivalents	159,364	278,164	9,588	9,192

Fixed deposits are placed for varying periods of not more than six months depending on the immediate cash requirements of the Group and bear interest ranging from 0.3% to 5.0% (2017: 0.3% to 6.4%) per annum. Cash on hand and at bank earn interest at floating rates based on daily bank deposit rates at 0.1% to 2.0% (2017: 0.4%) per annum.

Fixed deposits of $158,409,000 (2017: $111,278,000) had been pledged to financial institutions as security for bank loans (Note 22).

Cash and bank balances denominated in foreign currencies as at 31 March are as follows:

	Group		Company	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
United States Dollar	79,289	92,632	3	7
Chinese Renminbi	33,948	137,159	–	–
Indonesian Rupiah	2,592	–	–	–
Sterling Pound	652	951	–	3

22. BANK BORROWINGS

	Group 2018 $'000	Group 2017 $'000
Current		
Bank revolving credit facilities, denominated in Sterling pound, secured	136,752	65,915
Maturity of bank borrowings		
Repayable:		
Within 1 year	136,752	65,915

The revolving credit loans are denominated in Sterling pound and bear interest at rates ranging from 1.7% to 2.4% (2017: 1.3% to 1.8%) per annum. These bank loans are secured by charges over fixed deposits of $158,409,000 (2017: $111,278,000) (Note 21).

A reconciliation of liabilities arising from financing activities is as follows:

	2017 $'000	Cash flows $'000	Non-cash changes: Foreign exchange movement $'000	2018 $'000
Bank borrowings	65,915	66,153	4,684	136,752

23. ACCOUNTS AND OTHER PAYABLES

	Note	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Financial liabilities					
Current					
Trade payables		19,269	18,654	–	–
Other payables					
– Sundry creditors		18,807	7,538	911	920
– Accruals		13,896	11,623	7,043	4,760
– Refundable deposits		1,904	1,826	–	–
		53,876	39,641	7,954	5,680
Amount due to an associate	15	–	67,457	–	–
Non-current					
Amounts due to subsidiaries		–	–	255,192	244,226
Total accounts and other payables (current and non-current)		53,876	107,098	263,146	249,906
Add: Total bank borrowings	22	136,752	65,915	–	–
Total financial liabilities carried at amortised cost		190,628	173,013	263,146	249,906
Non-financial liability					
Non-current					
Deferred income		11,325	13,352	–	–

23. ACCOUNTS AND OTHER PAYABLES (cont'd)

Trade payables

Trade payables are non-interest bearing and are normally settled on 30-60 day terms.

Other payables

The amounts due to subsidiaries (non-current) are non-trade related, unsecured, interest-free and have no fixed terms of repayment. These are expected to be settled in cash.

Current payables denominated in foreign currencies as at 31 March are as follows:

	Group	
	2018	**2017**
	$'000	**$'000**
Indonesian Rupiah	11,171	–
Chinese Renminbi	2,591	2,400
Sterling Pound	345	87
United States Dollar	76	47

24. SHARE CAPITAL AND TREASURY SHARES

(a) ***Share capital***

	Group and Company			
	2018		**2017**	
	No. of shares '000	**$'000**	**No. of shares '000**	**$'000**
Issued and fully paid:				
Ordinary shares				
Balance at beginning and end of the financial year	831,549	169,717	831,549	169,717

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

(b) ***Treasury shares***

	Group and Company			
	2018		**2017**	
	No. of shares '000	**$'000**	**No. of shares '000**	**$'000**
Balance at beginning and end of the financial year	3,513	1,768	3,513	1,768

Treasury shares relate to ordinary shares of the Company that are held by the Company.

25. RESERVES

	Note	Group 2018 $'000	Group 2017 $'000	Company 2018 $'000	Company 2017 $'000
Revenue reserve		1,336,605	1,221,734	132,438	103,071
Foreign currency translation reserve	(a)	(42,219)	(50,177)	–	–
Statutory reserve	(b)	4,081	3,880	–	–
Fair value reserve	(c)	5,330	3,366	–	–
Other reserve	(d)	1,811	1,474	–	–
		1,305,608	1,180,277	132,438	103,071

(a) ***Foreign currency translation reserve***

The foreign currency translation reserve is used to record exchange differences arising from translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(b) ***Statutory reserve***

Statutory reserve represents the fund set aside on the appropriation of net profit by a subsidiary, joint ventures and an associate, which is restricted in use as required by the relevant laws and regulations of the People's Republic of China.

(c) ***Fair value reserve***

Fair value reserve records the cumulative fair value changes net of tax, of available-for-sale assets until they are de-recognised or impaired.

(d) ***Other reserve***

Other reserve comprises the share of other reserves of associates.

26. DIVIDENDS

	Group and Company 2018 $'000	Group and Company 2017 $'000
Dividends paid during the financial year:		
Final exempt (one-tier) dividend of 2.0 cents per ordinary share for 2017 (2016: 2.0 cents)	16,561	16,561
Final special exempt (one-tier) dividend of 3.0 cents per ordinary share for 2017 (2016: 5.0 cents)	24,841	41,402
	41,402	57,963
Dividends proposed but not recognised as a liability as at 31 March:		
Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:		
Final exempt (one-tier) dividend of 2.0 cents (2017: 2.0 cents) per ordinary share	16,561	16,561
Final special exempt (one-tier) dividend of 3.0 cents (2017: 3.0 cents) per ordinary share	24,841	24,841
	41,402	41,402

27. COMMITMENTS

(i) *Capital commitments*

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2018	**2017**
	$'000	**$'000**
Capital commitments in respect of investment in:		
– Available-for-sale investments	534	435

(ii) *Operating lease commitments*

(a) *As lessee*

Operating lease expenses for the Group during the financial year ended 31 March 2018 amounted to $23,773,000 (2017: $23,375,000).

The Group leases certain properties under non-cancellable lease arrangements which do not have any purchase options and expire at various dates till 2019. All leases include a clause to enable upward revision of the rental charge on a periodic basis, based on prevailing market conditions. The future minimum rentals under these non-cancellable leases are:

	Group	
	2018	**2017**
	$'000	**$'000**
Not later than one year	19,668	18,596
Later than one year but not later than five years	24,249	42,393
	43,917	60,989

(b) *As lessor*

The Group has entered into commercial property leases on its property portfolio. These non-cancellable leases have remaining lease terms of between 1 and 7 years. Certain leases include a clause to enable upward revision of the rental charge on a periodic basis based on prevailing market conditions.

Future minimum lease payments receivable under non-cancellable operating leases as at 31 March are as follows:

	Group	
	2018	**2017**
	$'000	**$'000**
Not later than one year	6,322	6,038
Later than one year but not later than five years	8,447	10,968
Later than five years	1,215	1,917
	15,984	18,923

28. CONTINGENT LIABILITIES

	Company 2018 $'000	Company 2017 $'000
Financial support given to certain subsidiaries having:		
– deficiencies in shareholders' funds	82,886	88,322
– current liabilities in excess of current assets	7,049	39,820

The Company has provided corporate guarantees to a bank for loans of $136,752,000 (2017: $65,915,000) taken by its subsidiaries.

The Group is subject to certain standard warranty clauses in the sale and purchase agreements relating to the disposal of certain investments. At 31 March 2018, the Group has assessed that the probability of these contingent liabilities is remote.

29. RELATED PARTY DISCLOSURES

In addition to the related party information disclosed elsewhere in the financial statements, the significant transactions between the Group and related parties on terms agreed between the parties are as follows:

(a) ***Services and other fees***

	Group 2018 $'000	Group 2017 $'000
Interest income from associates	(9,680)	(3,537)
Interest income from joint venture	(1,555)	(496)
Management fee received from an associate	(772)	(910)
Corporate advisory fee paid to a company that is controlled by a Director	60	120

(b) ***Compensation of key management personnel***

	Group 2018 $'000	Group 2017 $'000
Salary, bonus and other benefits	9,156	6,050
Contributions to CPF	73	63
Total compensation paid to key management personnel	9,229	6,113
Comprise amounts paid to:		
Directors of the Company	4,738	3,011
Other key management personnel	4,491	3,102
	9,229	6,113

30. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has two reportable operating segments as follows:

(i) The property sector is involved in the leasing of shopping and office spaces owned by the Group and investing in property-related investments.

(ii) The retail segment is involved in the business of retailing and operating of departmental stores.

30. SEGMENT INFORMATION (cont'd)

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Business segments

	Property $'000	Retail $'000	Total $'000
2018			
Segment revenue	6,608	129,718	136,326
Segment results	38,878	(3,916)	34,962
Changes in fair value of short term investments	1,883	–	1,883
Fair value gain on investment properties	416	–	416
Finance costs	(2,029)	–	(2,029)
Associates			
– Share of results, net of tax	123,169	1,744	124,913
– Dilution loss	(1,319)	–	(1,319)
	121,850	1,744	123,594
Joint ventures			
– Share of results, net of tax	(317)	–	(317)
– Reversal of write down of amount due from a joint venture	9,472	–	9,472
	9,155	–	9,155
Segment profit/(loss) before taxation	170,153	(2,172)	167,981
Taxation	(10,985)	(22)	(11,007)
Profit/(loss) for the year	159,168	(2,194)	156,974
2017			
Segment revenue	6,513	124,711	131,224
Segment results	20,207	(2,022)	18,185
Changes in fair value of short term investments	(771)	–	(771)
Fair value loss on investment properties	832	–	832
Finance costs	(277)	–	(277)
Associates			
– Share of results, net of tax	39,192	3,322	42,514
– Dilution loss	(217)	–	(217)
	38,975	3,322	42,297
Joint ventures			
– Share of results, net of tax	22,275	–	22,275
Segment profit before taxation	81,241	1,300	82,541
Taxation	(1,522)	–	(1,522)
Profit for the year	79,719	1,300	81,019

30. SEGMENT INFORMATION (cont'd)

Business segments (cont'd)

	Property $'000	Retail $'000	Total $'000
2018			
Assets and liabilities			
Segment assets	687,026	50,803	737,829
Associates	531,035	13,139	544,174
Joint ventures	419,917	–	419,917
Total assets	1,637,978	63,942	1,701,920
Segment liabilities	170,720	31,233	201,953
Provision for taxation	1,171	277	1,448
Deferred tax liabilities	16,377	–	16,377
Total liabilities	188,268	31,510	219,778
Other segment information			
Additions to non-current assets			
– Plant and equipment	7	1,507	1,514
Interest expense	2,029	–	2,029
Interest income	(15,822)	(141)	(15,963)
Depreciation of plant and equipment	39	2,072	2,111
Other material non-cash items			
Inventories written down	–	2,178	2,178
Fair value gain on held-for-trading investments (unrealised)	(1,883)	–	(1,883)
Fair value gain on investment properties	(416)	–	(416)
Write-back of obsolete inventories	–	(451)	(451)

30. SEGMENT INFORMATION (cont'd)

Business segments (cont'd)

	Property $'000	Retail $'000	Total $'000
2017			
Assets and liabilities			
Segment assets	611,403	52,978	664,381
Associates	495,053	12,597	507,650
Joint ventures	382,674	–	382,674
Deferred tax assets	–	1,102	1,102
Tax recoverable	250	–	250
Total assets	1,489,380	66,677	1,556,057
Segment liabilities	155,538	30,827	186,365
Provision for taxation	1,010	1,224	2,234
Deferred tax liabilities	16,759	–	16,759
Total liabilities	173,307	32,051	205,358
Other segment information			
Additions to non-current assets			
– Plant and equipment	51	1,922	1,973
Interest expense	277	–	277
Interest income	(10,999)	(130)	(11,129)
Depreciation of plant and equipment	37	1,690	1,727
Other material non-cash items			
Inventories written down	–	471	471
Fair value loss on held-for-trading investments (unrealised)	771	–	771
Fair value gain on investment properties	(832)	–	(832)
Allowance for obsolete inventories	–	641	641

30. SEGMENT INFORMATION (cont'd)

Geographical information

Revenue, (loss)/profit from operations before taxation and non-current assets information based on the geographical location of the customers and assets respectively, are as follows:

	Asean $'000	People's Republic of China $'000	Others $'000	Group $'000
2018				
Segment revenue from external customers	129,718	6,608	–	136,326
(Loss)/profit from operations before taxation	(28,797)	188,092	8,686	167,981
Non-current assets				
– Plant and equipment	4,457	9	–	4,466
– Investment property	–	100,214	–	100,214
– Associates	13,886	429,756	100,532	544,174
– Joint ventures	135,969	217,084	66,864	419,917
– Available-for-sale investments	–	9,806	70,530	80,336
	154,312	756,869	237,926	1,149,107
2017				
Segment revenue from external customers	124,711	6,513	–	131,224
Profit from operations before taxation	6,460	66,567	9,514	82,541
Non-current assets				
– Plant and equipment	5,053	9	–	5,062
– Investment properties	–	104,423	–	104,423
– Associates	13,822	429,827	64,001	507,650
– Joint ventures	153,164	204,459	25,051	382,674
– Available-for-sale investments	–	23,395	71,526	94,921
	172,039	762,113	160,578	1,094,730

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to interest rate, foreign currency, credit, liquidity and market price risks. The Group's risk management approach seeks to minimise the potential material adverse impact of these exposures.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk on interest bearing assets arises primarily from their bank borrowings and interest-bearing loans given to related parties. The Group's loans at floating rate given to related parties form a natural hedge for its non-current floating rate bank loans.

All of the Group's and Company's financial assets and liabilities at floating rates are contractually repriced at intervals of 1 to 3 months (2017: 1 to 3 months) from the end of the reporting period.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the Group's floating rate loans and borrowings, with all other variables held constant and the impact on the Group's profit before tax.

	Increase/ decrease in basis points	2018 $'000	2017 $'000
Group			
– Sterling pound (GBP)	+100	(1,368)	(659)
– Sterling pound (GBP)	-100	1,368	659

(b) *Foreign currency risk*

The Group is exposed to the effects of foreign currency exchange rate fluctuations, primarily in relation to Chinese renminbi (RMB), United States dollar (USD), Hong Kong dollar (HKD), Sterling pound (GBP) and Indonesian rupiah (IDR). Whenever possible, the Group seeks to maintain a natural hedge through the matching of liabilities, including borrowings, against assets in the same currency or against the entity's functional currency, in particular its future revenue stream. Transactional exposures in currencies other than the entity's functional currency are kept to a minimal level.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(b) *Foreign currency risk* (cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the RMB, USD, HKD, GBP and IDR exchange rates (against SGD), with all other variables held constant, on the Group's profit before tax and equity.

		2018		2017	
		Profit before tax $'000	Equity $'000	Profit before tax $'000	Equity $'000
RMB	– strengthened 5% (2017: 5%)	7,740	4,000	3,413	2,241
	– weakened 5% (2017: 5%)	(7,740)	(4,000)	(3,413)	(2,241)
USD	– strengthened 5% (2017: 5%)	3,972	4,094	4,640	4,552
	– weakened 5% (2017: 5%)	(3,972)	(4,094)	(4,640)	(4,552)
HKD	– strengthened 5% (2017: 5%)	–	490	–	1,170
	– weakened 5% (2017: 5%)	–	(490)	–	(1,170)
GBP	– strengthened 5% (2017: 5%)	1,594	522	1,014	478
	– weakened 5% (2017: 5%)	(1,594)	(522)	(1,014)	(478)
IDR	– strengthened 5% (2017: Nil)	(184)	–	–	–
	– weakened 5% (2017: Nil)	184	–	–	–

(c) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy to ensure that credit customers are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant. Collaterals are obtained when appropriate. The amount and type of collateral depends on an assessment of the credit risk of the counterparty. Sufficient rental deposits are obtained to mitigate against the credit risk from tenants.

The carrying amounts of investments, trade and other receivables represent the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) ***Credit risk*** (cont'd)

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its financial assets on an on-going basis. The credit risk concentration profile of the Group's financial assets at the end of the reporting period by country is as follows:

	Singapore $'000	People's Republic of China $'000	Others $'000	Total $'000
By country:				
At 31 March 2018				
Loans and receivables				
Amounts due from associates (Note 15)	–	114,283	83,318	197,601
Amounts due from joint ventures (Note 16)	165,248	4,051	49,622	218,921
Accounts and other receivables (Note 20)	7,814	127,536	–	135,350
Total	173,062	245,870	132,940	551,872
At 31 March 2017				
Loans and receivables				
Amounts due from associates (Note 15)	–	85,524	48,584	134,108
Amounts due from joint ventures (Note 16)	153,145	4,349	21,380	178,874
Accounts and other receivables (Note 20)	6,784	1,035	–	7,819
Total	159,929	90,908	69,964	320,801

Of the total financial assets of $551,872,000 (2017: $320,801,000) disclosed above, 98.8% (2017: 97.8%) is invested in the property sector.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and cash equivalents and investments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 20.

(d) ***Liquidity risk***

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's cash and short term deposits, operating cash flows, availability of banking facilities and debt maturity profile are actively managed to ensure adequate working capital requirements and that repayment and funding needs are met.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(d) *Liquidity risk* (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	1 year or less $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
Group				
2018				
Financial assets:				
Accounts and other receivables	135,350	–	–	135,350
Amounts due from associates	12,271	228,505	–	240,776
Amounts due from joint ventures	2,323	222,975	–	225,298
Held-for-trading financial assets	30,262	–	–	30,262
Pledged fixed bank deposits	159,073	–	–	159,073
Cash and cash equivalents	159,479	–	–	159,479
Total undiscounted financial assets	498,758	451,480	–	950,238
Financial liabilities:				
Bank borrowings	137,070	–	–	137,070
Accounts and other payables	53,876	–	–	53,876
Total undiscounted financial liabilities	190,946	–	–	190,946
Total net undiscounted financial assets	307,812	451,480	–	759,292
2017				
Financial assets:				
Accounts and other receivables	7,819	–	–	7,819
Amounts due from associates	10,117	135,545	10,422	156,084
Amounts due from joint ventures	1,365	181,860	–	183,225
Held-for-trading financial assets	42,208	–	–	42,208
Pledged fixed bank deposits	111,531	–	–	111,531
Cash and cash equivalents	278,476	–	–	278,476
Total undiscounted financial assets	451,516	317,405	10,422	779,343
Financial liabilities:				
Bank borrowings	65,994	–	–	65,994
Accounts and other payables	39,641	–	–	39,641
Amount due to an associate	67,457	–	–	67,457
Total undiscounted financial liabilities	173,092	–	–	173,092
Total net undiscounted financial assets	278,424	317,405	10,422	606,251

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(d) *Liquidity risk* (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	1 year or less $'000	Over 5 years $'000	Total $'000
Company			
2018			
Financial assets:			
Accounts and other receivables	192	–	192
Amounts due from subsidiaries	–	535,448	535,448
Cash and cash equivalents	9,592	–	9,592
Total undiscounted financial assets	9,784	535,448	545,232
Financial liabilities:			
Trade and other payables	7,954	–	7,954
Amounts due to subsidiaries	–	255,192	255,192
Total undiscounted financial liabilities	7,954	255,192	263,146
Total net undiscounted financial assets	1,830	280,256	282,086
2017			
Financial assets:			
Accounts and other receivables	212	–	212
Amounts due from subsidiaries	–	493,239	493,239
Cash and cash equivalents	9,198	–	9,198
Total undiscounted financial assets	9,410	493,239	502,649
Financial liabilities:			
Trade and other payables	5,680	–	5,680
Amounts due to subsidiaries	–	244,226	244,226
Total undiscounted financial liabilities	5,680	244,226	249,906
Total net undiscounted financial assets	3,730	249,013	252,743

(e) *Market price risk*

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to equity price risk arising from its investment in quoted equity instruments. These instruments are mainly quoted on the Singapore Stock Exchange and on the Hong Kong Stock Exchange and are classified as held-for-trading or available-for-sale financial assets. The Group does not have exposure to commodity price risk. The Group's objective is to manage investment returns and equity price risk using a mix of investment grade shares with steady dividend yield and non-investment grade shares.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(e) *Market price risk* (cont'd)

Sensitivity analysis for equity price risk

The following table demonstrates the sensitivity to a reasonably possible change in the Straits Times Index (STI) and Hang Seng Index (HSI), with all other variables held constant, on the fair value of equity instruments held by the Group. The correlation of variables will have a significant effect in determining the ultimate impact on equity price risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis.

	2018		2017	
	Profit before tax $'000	Equity $'000	Profit before tax $'000	Equity $'000
HSI				
– 10% higher	–	981	–	2,340
– 10% lower	–	(981)	–	(2,340)
STI				
– 10% higher	3,026	–	4,221	–
– 10% lower	(3,026)	–	(4,221)	–

32. FAIR VALUE OF ASSETS AND LIABILITIES

(a) *Fair value hierarchies*

The Group categories fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,

- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(b) ***Assets measured at fair value***

The following table shows an analysis of each class of assets measured at fair value at the end of the reporting period:

	2018 Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1) $'000	**Significant observable inputs other than quoted prices (Level 2) $'000**	**Significant unobservable inputs (Level 3) $'000**	**Total $'000**
Group				
Recurring fair value measurements				
Financial assets:				
Held-for-trading financial assets (Note 17)				
– Quoted equity instruments	30,262	–	–	30,262
Available-for-sale financial assets (Note 17)				
Equity instruments				
– Quoted equity instruments	9,806	–	–	9,806
– Unquoted equity instruments	–	–	70,530	70,530
Total available-for-sale financial assets	9,806	–	70,530	80,336
Financial assets as at 31 March 2018	40,068	–	70,530	110,598
Non-financial asset:				
Investment property (Note 12)	–	–	100,214	100,214
Non-financial asset as at 31 March 2018	–	–	100,214	100,214

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(b) ***Assets measured at fair value*** (cont'd)

	2017 Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1) $'000	Significant observable inputs other than quoted prices (Level 2) $'000	Significant unobservable inputs (Level 3) $'000	Total $'000
Group				
Recurring fair value measurements				
Financial assets:				
Held-for-trading financial assets (Note 17)				
– Quoted equity instruments	42,208	–	–	42,208
Available-for-sale financial assets (Note 17)				
Equity instruments				
– Quoted equity instruments	23,395	–	–	23,395
– Unquoted equity instruments	–	–	71,526	71,526
Total available-for-sale financial assets	23,395	–	71,526	94,921
Financial assets as at 31 March 2017	65,603	–	71,526	137,129
Non-financial asset:				
Investment properties (Note 12)	–	–	104,423	104,423
Non-financial asset as at 31 March 2017	–	–	104,423	104,423

There have been no transfers between Level 1, Level 2 and Level 3 during 2018 and 2017.

(c) ***Level 1 fair value measurements***

The fair value of quoted equity instruments are determined directly by reference to their published market bid price at the end of the reporting date.

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(d) *Level 3 fair value measurements*

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements*

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair Value at 31 March 2018 $'000	Valuation techniques	Key unobservable inputs	Range
Recurring fair value measurements				
Available-for-sale financial assets:				
– Unquoted equity instruments	70,530	Net asset value(1)	Not applicable	Not applicable
Investment property	100,214	Average of direct capitalisation method and direct comparison method(2)	- Capitalisation rate(3)	7.50%
			- Rental rate(4)	RMB 113 to RMB 140 per square meter per month
			- Comparable price(5)	Retail and office: RMB 16,854 to RMB 17,955 per square meter Carpark space: RMB 300,000 per square meter

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(d) ***Level 3 fair value measurements*** (cont'd)

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements* (cont'd)

Description	Fair Value at 31 March 2017 $'000	Valuation techniques	Key unobservable inputs	Range
Recurring fair value measurements				
Available-for-sale financial assets:				
– Unquoted equity instruments	71,526	Net asset value[1]	Not applicable	Not applicable
Investment properties	104,423	Average of direct capitalisation method and direct comparison method[2]	- Capitalisation rate[3]	1.75% to 7.50%
			- Rental rate[4]	RMB 110 to RMB 271 per square meter per month
			- Comparable price[5]	Retail and office: RMB 16,726 to RMB 17,756 per square meter Residential: RMB 123,099 per square meter Carpark space: RMB 300,000 per square meter

[1] The fair value of unquoted equity instruments is determined by reference to the underlying assets value of the investee company.

[2] The yield adjustments are made for any difference in the nature, location or condition of the specific property.

[3] An increase/(decrease) in the capitalisation rate would result in a (decrease)/increase in the fair value of the investment properties.

[4] An increase/(decrease) in the rental rate would result in an increase/(decrease) in the fair value of the investment properties.

[5] An increase/(decrease) in the comparable price would result in an increase/(decrease) in the fair value of the investment properties.

The valuations of the investment properties are generally sensitive to changes in yield and rental rates. A significant increase/decrease in yield and rental adjustments based on management's assumptions would result in a significantly higher/lower fair value measurement.

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(d) *Level 3 fair value measurements* (cont'd)

(ii) *Movements in Level 3 assets measured at fair value*

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

	2018		
	Available-for-sale financial assets (Unquoted equity instruments) $'000	Investment properties $'000	Total $'000
Group			
Opening balance	71,526	104,423	175,949
Total gains or losses for the period			
– Fair value gain recognised in profit or loss	–	416	416
– Fair value gain recognised in other comprehensive income	2,196	–	2,196
Additions	273	–	273
Disposals	–	(7,024)	(7,024)
Redemptions	(2,529)	–	(2,529)
Foreign exchange differences	(936)	2,399	1,463
Closing balance	70,530	100,214	170,744

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(d) *Level 3 fair value measurements* (cont'd)

(ii) *Movements in Level 3 assets measured at fair value* (cont'd)

	2017		
	Available-for-sale financial assets (Unquoted equity instruments) $'000	Investment properties $'000	Total $'000
Group			
Opening balance	24,265	106,653	130,918
Total gains or losses for the period			
– Fair value gain recognised in profit or loss	–	832	832
– Fair value gain recognised in other comprehensive income	(5,170)	–	(5,170)
Additions	56,393	–	56,393
Redemptions	(4,485)	–	(4,485)
Foreign exchange differences	523	(3,062)	(2,539)
Closing balance	71,526	104,423	175,949

(iii) *Valuation policies and procedures*

It is the Group's policy to engage external valuation experts to perform the valuation. The management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and FRS 113 fair value measurement guidance.

Management reviews the appropriateness of the valuation methodologies and assumptions adopted, and the reliability of the inputs used in the valuations.

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(e) ***Fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value***

The fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

		Group				Company			
		Carrying amount		Fair value		Carrying amount		Fair value	
	Note	2018 $'000	2017 $'000	2018 $'000	2017 $'000	2018 $'000	2017 $'000	2018 $'000	2017 $'000
Financial assets:									
Amounts due from subsidiaries (non-current) [1]									
– Non interest-bearing	14	–	–	–	–	531,443	489,099	(i)	(i)
Amounts due from associates (non-current)									
– Fixed rate [2]		107,490	79,147	142,997	110,953	–	–	–	–
– Non interest-bearing	15	79,751	45,400	(i)	(i)	–	–	–	–
Amounts due from joint ventures (non-current)									
– Fixed rate [2]		35,493	21,380	36,568	23,133	–	–	–	–
– Non interest-bearing	16	165,294	153,354	(i)	(i)	–	–	–	–
Financial liability:									
Amounts due to subsidiaries (non-current) [1]									
– Non interest-bearing	23	–	–	–	–	255,192	244,226	(i)	(i)

(1) The interest-bearing amounts due from/(to) subsidiaries have been excluded as they are charged at floating interest rates and their carrying amounts approximate their fair values.

(2) The fixed rate amounts due from associates/a joint venture are estimated using discounted cash flow analysis based on current rates for similar types of borrowing arrangements.

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(e) ***Fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value*** (cont'd)

(i) The amounts due from/(to) subsidiaries, associates and joint ventures have no repayment terms and are repayable only when the cash flows of the borrower permits. Accordingly, the fair values of these balances are not determinable as the timing of the future cash flows arising from the balances cannot be estimated reliably.

33. CAPITAL MANAGEMENT POLICY

The primary objective of the Group's capital management is to ensure that it maintains a strong credit standing and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2017 and 31 March 2018.

As disclosed in Note 25(b), a subsidiary, joint ventures and an associate of the Group are required by the Foreign Enterprise Law of the PRC to contribute to and maintain non-distributable statutory reserve fund whose utilisation is subject to approval by the relevant PRC authorities. This externally imposed capital requirement has been complied with by the above-mentioned subsidiary, joint ventures and the associate for the financial years ended 31 March 2017 and 31 March 2018.

The Group monitors capital using a debt-equity ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and bank balances. Capital includes equity attributable to the owners of the Company less the above-mentioned restricted statutory reserve fund and the fair value reserve.

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investments in the unquoted equity interests in subsidiaries at cost at 31 March are:

	Group	
	2018	**2017**
	$'000	**$'000**
Name of company		
Metro (Private) Limited	8,914	8,914
Orchard Square Development Corporation Pte Ltd	7,576	7,576
Metrobilt Pte Ltd	4,038	4,038
Metro Australia Holdings Pte Ltd	1,000	1,000
Meren Pte Ltd	300	300
Metro China Holdings Pte Ltd	*	*
Sun Capital Assets Pte Ltd	*	*
Metro Holdings (Japan) Pte Ltd	*	*
Metro Development Holdings (S) Pte Ltd	*	*
	21,828	21,828

* Cost is less than $1,000

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

Details of subsidiaries, associates and joint ventures at 31 March are:

Subsidiaries (Country of incorporation)	Place of business	Percentage of equity held by the Group 2018 %	2017 %
Held by the Company			
Retailers and department store operators			
Metro (Private) Limited (Singapore)	Singapore	100.0	100.0
Property			
Orchard Square Development Corporation Pte Ltd (Singapore)	Singapore	100.0	100.0
Investment holding			
Metrobilt Pte Ltd (Singapore)	Singapore	100.0	100.0
Metro China Holdings Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
Metro Australia Holdings Pte Ltd (Singapore)	Singapore	100.0	100.0
Sun Capital Assets Pte Ltd (Singapore)	Singapore	100.0	100.0
Metro Holdings (Japan) Pte Ltd (Singapore)	Singapore	100.0	100.0
Metro Development Holdings (S) Pte Ltd (Singapore)	Singapore	100.0	100.0
Investment trading			
Meren Pte Ltd (Singapore)	Singapore	100.0	100.0
Held by subsidiaries			
Retailers and department store operators			
The Marketing Co Pte Ltd (Singapore)	Singapore	100.0	100.0
Property			
+ Guangzhou International Electronics Building Co Ltd (People's Republic of China)	People's Republic of China	100.0	100.0

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

Subsidiaries (cont'd) (Country of incorporation)	Place of business	Percentage of equity held by the Group 2018 %	2017 %
Held by subsidiaries (cont'd)			
Investment holding			
Metro Xinjiang Investments Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
Metro Properties (Shanghai) Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
Metro Leisure (Shanghai) Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
Metro Shanghai (HQ) Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
+ Metrobilt South China Ltd (Hong Kong)	Hong Kong	100.0	100.0
+ Metrobilt Enterprise Ltd (Hong Kong)	People's Republic of China	100.0	100.0
+ MetroProp (China) (Mauritius)	People's Republic of China	94.0	94.0
Metro City (Beijing) Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
+ Crown Investments Ltd (Mauritius)	People's Republic of China	100.0	100.0
Ω Firewave Management Limited (British Virgin Islands)	People's Republic of China	100.0	100.0
(1) Metro Prop Japan Pte Ltd (Singapore)	Singapore	100.0	100.0
(2) Kowa Property Pte Ltd (Singapore)	Singapore	–	100.0
(1) Bunkyo Property Pte Ltd (Singapore)	Japan	100.0	100.0
Metro Prop Singapore Pte Ltd (Singapore)	Singapore	100.0	100.0
(3) Metro (Shanghai) Enterprise Management Pte Ltd (Singapore)	People's Republic of China	100.0	–

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

Subsidiaries (cont'd) (Country of incorporation)	Place of business	Percentage of equity held by the Group 2018 %	2017 %
Held by subsidiaries (cont'd)			
Investment holding (cont'd)			
(3) Xing Metro Enterprise Management (Shanghai) Co. Ltd (People's Republic of China)	People's Republic of China	100.0	–
(3) Shanghai Xin Luo Business Consulting Co. Ltd (People's Republic of China)	People's Republic of China	100.0	–
(3)+ PT. Metro Property Investment (formerly known as PT. Metro Bekasi Investment) (Indonesia)	Indonesia	90.0	–
Management service consultants			
Metrobilt Construction Pte Ltd (Singapore)	Singapore	100.0	100.0
Dormant companies			
Idea Shoppe Pte Ltd (Singapore)	Singapore	100.0	100.0

Associates (Country of incorporation)	Place of business	Percentage of equity held by the Group 2018 %	2017 %
Retailers and department store operators			
+^ PT Metropolitan Retailmart (Indonesia)	Indonesia	50.0	50.0
Property			
& Etika Cekap Sdn Bhd (Malaysia)	Malaysia	49.0	49.0
& Gurney Plaza Sdn Bhd (Malaysia)	Malaysia	49.0	49.0
(4) Nanchang Top Spring Real Estate Co., Ltd (People's Republic of China)	People's Republic of China	–	30.0

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

Associates (cont'd) (Country of incorporation)	Place of business	Percentage of equity held by the Group 2018 %	2017 %
Investment holding			
^ Gurney Investments Pte Ltd (Singapore)	Singapore	50.0	50.0
(2) Diamond Wind Company Limited (British Virgin Islands)	People's Republic of China	–	21.4
(2) Choice Bright Holdings Limited (British Virgin Islands)	People's Republic of China	–	21.4
& Shine Rise International Limited (British Virgin Islands)	People's Republic of China	30.0	30.0
# Top Spring International Holdings Limited (Cayman Islands)	People's Republic of China	15.0	16.1
& Fairbriar Real Estate Limited (England and Wales)	United Kingdom	25.0	25.0
& InfraRed NF China Real Estate Fund II (A), L.P. (Guernsey)	People's Republic of China	23.7	23.7
& South Bright Investment Limited (British Virgin Islands)	People's Republic of China	48.0	48.0
(3)& Shanghai Lai Peng Business Consulting Co. Ltd (People's Republic of China)	People's Republic of China	30.0	–
(3)& Shine Long Limited (British Virgin Islands)	People's Republic of China	30.0	–
(3)& Huge Source Limited (Hong Kong)	People's Republic of China	30.0	–
(3)& Progress Link Limited (British Virgin Islands)	People's Republic of China	30.0	–

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

	Joint ventures (Country of incorporation)	Place of business	Percentage of equity held by the Group 2018 %	2017 %
	Property			
&	Wingcrown Investment Pte. Ltd. (Singapore)	Singapore	40.0	40.0
* @	Shanghai Metro City Commercial Management Co. Ltd (formerly known as Shanghai Metro City Cultural and Entertainment Co Ltd) (People's Republic of China)	People's Republic of China	60.0	60.0
* @	Shanghai Huimei Property Co Ltd (People's Republic of China)	People's Republic of China	60.0	60.0
(2)	Nordevo Investments Limited (British Virgin Islands)	People's Republic of China	–	50.0
&	Scarborough DC Limited (England and Wales)	United Kingdom	50.0	50.0
(3) &	Lee Kim Tah - Metro Jersey Limited (Jersey)	United Kingdom	50.0	–

@ The Group has not accounted for its interests in Shanghai Metro City Commercial Management Co. Ltd. and Shanghai Huimei Property Co Ltd as subsidiaries although its interests is in excess of 50% because under the joint venture agreements, the joint venture parties are entitled to a share of the profits of the joint ventures in proportion to their respective capital contributions but have contractual joint control of the joint ventures and require unanimous consent for all major decisions over the relevant activities.

^ The Group has equity accounted for its interest in PT Metropolitan Retailmart and Gurney Investments Pte Ltd as associates in view of the fact that the Group does not have control of the entities but only significant influence over the entities.

(1) Commenced/in process of liquidation during the financial year.

(2) Liquidated during the financial year.

(3) Incorporated/acquired during the financial year.

(4) Disposed of during the financial year.

Ω Not required to be audited in the country of incorporation. These foreign subsidiaries are not considered significant as defined under Clause 718 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

All companies are audited by Ernst & Young LLP, Singapore except for the following:

+ Audited by member firms of Ernst & Young Global in the respective countries.

* Audited for purpose of Group consolidation by member firms of Ernst & Young Global.

& Audited by other firms. These subsidiaries, joint ventures and associates are not considered significant as defined under Clause 718 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

This significant foreign incorporated associate is audited by other firm which is considered a suitable auditing firm as it is one of the big four audit firms.

35. SUBSEQUENT EVENTS

Subsequent to the financial year end:

(a) The Group and an independent third party, Shawco Pte Ltd, have entered into a Master Agreement with PT. Trans Corpora in relation to the development, marketing and sales of two residential towers in Bintaro, Jakarta Indonesia. The Group's 90% commitment for the investment is approximately IDR1.2 trillion (including VAT) (approximately $114 million).

(b) The Group has entered into a Shareholders' Agreement with other individual investors being independent third parties, for the acquisition of a 35% stake in Shanghai Yi Zhou Property Management Co., Ltd. which will be utilised for the purpose of acquiring a 90% stake of a mixed-used commercial building, Shanghai Plaza. The Group's 35% equity commitment for the investment is approximately RMB265 million (approximately $56 million).

(c) The Company incorporated the following wholly-owned subsidiaries:

(i) Shanghai Xin Chu Business Consulting Co. Ltd ("Shanghai Xin Chu"); and

(ii) Sunshine (BVI) Ltd ("Sunshine")

Shanghai Xin Chu is wholly-owned by Xing Metro Enterprise Management (Shanghai) Co. Ltd, an indirect wholly-owned subsidiary of Metro China Holdings Pte Ltd ("MCHPL"). Sunshine is wholly-owned by Crown Investments Limited, a wholly-owned subsidiary of MCHPL. MCHPL is a wholly-owned subsidiary of the Company.

The principal activities of Shanghai Xin Chu and Sunshine are those of business consulting and investment holding respectively.

36. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 March 2018 were authorised for issue in accordance with a resolution of the directors on 18 June 2018.

Statistics of Shareholdings

As at 6 June 2018

Number of issued and paid up shares (excluding treasury shares)	:	828,035,874
Amount of issued and paid up shares	:	S$165,464,900
Class of shares	:	Ordinary shares
Voting rights	:	1 vote per share
Treasury shares	:	3,512,800
Subsidiary holdings	:	Nil

TWENTY LARGEST SHAREHOLDERS

No.	Shareholder's Name	No. of Shares Held	%
1	Eng Kuan Company Private Limited	188,995,635	22.82
2	Citibank Nominees Singapore Pte Ltd	136,781,850	16.52
3	Ngee Ann Development Pte Ltd	82,995,056	10.02
4	Raffles Nominees (Pte.) Limited	74,056,270	8.94
5	Maybank Kim Eng Securities Pte Ltd	24,902,205	3.01
6	DBS Nominees Pte Ltd	18,728,362	2.26
7	BPSS Nominees Singapore (Pte.) Ltd.	15,912,800	1.92
8	Lee Yuen Shih	10,578,200	1.28
9	United Overseas Bank Nominees (Private) Limited	8,756,006	1.06
10	HL Bank Nominees (Singapore) Pte Ltd	8,553,184	1.03
11	Morph Investments Ltd	8,040,000	0.97
12	Phillip Securities Pte Ltd	7,749,113	0.94
13	Shaw Vee King	6,581,500	0.79
14	DBS Vickers Securities (Singapore) Pte Ltd	6,532,733	0.79
15	Monconcept Investments Pte Ltd	5,722,512	0.69
16	Como Holdings Inc	4,804,800	0.58
17	City Developments Realty Limited	4,608,000	0.56
18	OCBC Securities Private Ltd	4,380,371	0.53
19	Ong Sioe Hong	4,211,182	0.51
20	OCBC Nominees Singapore Pte Ltd	3,619,854	0.44
	Total	**626,509,633**	**75.66**

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	110	1.99	3,868	0.00
100 – 1,000	394	7.14	221,757	0.03
1,001 – 10,000	2,272	41.15	13,682,144	1.65
10,001 – 1,000,000	2,705	49.00	150,274,815	18.15
1,000,001 and above	40	0.72	663,853,290	80.17
Total	**5,521**	**100.00**	**828,035,874**	**100.00**

Note:

Percentage is computed based on 828,035,874 issued shares (excluding 3,512,800 shares held as treasury shares) as at 6 June 2018.

Substantial Shareholders

As at 6 June 2018

	No. of Shares Direct Interest	% [9]	No. of Shares Deemed Interest	% [9]
Eng Kuan Company Private Limited	188,995,635	22.824	–	–
Dynamic Holdings Pte Ltd	–	–	48,293,203 [1]	5.832
Leroy Singapore Pte Ltd	–	–	47,758,905 [2]	5.768
Ong Jen Yaw	70,540	0.009	215,503,049 [3]	26.026
Ong Ling Ling	75,360	0.009	237,288,838 [4]	28.657
Ong Ching Ping	63,360	0.008	237,288,838 [4]	28.657
Ong Jenn (Wang Zhen)	63,360	0.008	285,047,743 [5]	34.425
Ong Sek Hian (Wang ShiXian)	–	–	285,111,103 [6]	34.433
Ngee Ann Development Pte Ltd	82,995,056	10.023	–	–
Ngee Ann Kongsi	–	–	82,995,056 [7]	10.023
Takashimaya Company Limited	–	–	82,995,056 [8]	10.023

Notes:

(1) Dynamic Holdings Pte Ltd ("Dynamic")'s deemed interest is held through Citibank Nominees Singapore Pte Ltd.

(2) Leroy Singapore Pte Ltd ("Leroy")'s deemed interest is held through Raffles Nominees (Pte.) Limited.

(3) Mr Ong Jen Yaw's deemed interest is held through Eng Kuan Company Private Limited ("Eng Kuan") (188,995,635 shares) and Citibank Nominees Singapore Pte Ltd (26,507,414 shares). Mr Ong Jen Yaw is deemed to be interested in the shares through his interest in Eng Kuan.

(4) Ms Ong Ling Ling's and Ms Ong Ching Ping's deemed interests are each held through their respective interests in Dynamic and Eng Kuan.

(5) Mr Ong Jenn (Wang Zhen)'s deemed interest is held through his interests in Dynamic, Eng Kuan and Leroy.

(6) Mr Ong Sek Hian (Wang ShiXian)'s deemed interest is held through Raffles Nominees (Pte.) Limited (63,360 shares) and his interests in Dynamic, Eng Kuan and Leroy.

(7) Ngee Ann Kongsi is deemed to be interested in the shares through its interest in Ngee Ann Development Pte Ltd.

(8) Takashimaya Company Limited is deemed to be interested in the shares through its interest in Ngee Ann Development Pte Ltd.

(9) "%" is based on 828,035,874 issued shares (excluding treasury shares).

PERCENTAGE OF SHAREHOLDINGS IN PUBLIC HANDS

To the best of the knowledge of the Company, the percentage of shareholding held in the hands of the public as at 6 June 2018 is approximately 49.01% of the total issued shares, excluding treasury shares. Therefore, the Company complies with Rule 723 of the Listing Manual.

TREASURY SHARES AND SUBSIDIARY HOLDINGS

As at 6 June 2018, the number of treasury shares held is 3,512,800 representing 0.42% of the total number of issued shares. The Company does not have any subsidiary holdings.

Notice of Annual General Meeting and Notice of Books Closure Date

NOTICE IS HEREBY GIVEN that the Forty-Fifth Annual General Meeting of the Company will be held at Mandarin Ballroom I & II, Level 6, Main Tower, Mandarin Orchard Singapore by Meritus, 333 Orchard Road, Singapore 238867 on 27 July 2018 at 11.00 a.m. for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement, Auditor's Report and Audited Financial Statements for the year ended 31 March 2018. **(Resolution 1)**

2. To declare the payment of a first and final tax exempt (one-tier) dividend of 2 cents per ordinary share for the year ended 31 March 2018. **(Resolution 2)**

3. To declare the payment of a special tax exempt (one-tier) dividend of 3 cents per ordinary share for the year ended 31 March 2018. **(Resolution 3)**

4. To re-elect Lt-Gen (Retd) Winston Choo Wee Leong, a Director retiring pursuant to Article 94 of the Company's Constitution. [refer to explanatory note (a)] **(Resolution 4)**

5. To re-elect Mr Lawrence Chiang Kok Sung, a Director retiring pursuant to Article 94 of the Company's Constitution. [refer to explanatory note (b)] **(Resolution 5)**

6. To re-elect Ms Deborah Lee Siew Yin, a Director retiring pursuant to Article 99 of the Company's Constitution. [refer to explanation note (c)] **(Resolution 6)**

7. To approve the Directors' Fees of $823,500 (2017: $756,833) for the year ended 31 March 2018. **(Resolution 7)**

8. To re-appoint Ernst & Young LLP as the Company's Auditor and to authorise the Directors to fix its remuneration. **(Resolution 8)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions, of which Resolutions 9 and 10 will be proposed as ordinary resolutions and Resolution 11 will be proposed as a special resolution:

9. **Share Issue Mandate**

   That authority be and is hereby given to the Directors of the Company to:

   (a) (i) issue shares of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

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

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

(1) 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) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding at the time this Resolution is passed; and

(b) any subsequent bonus issue, consolidation or subdivision of shares,

and, in sub-paragraph (1) above and this sub-paragraph (2), "**subsidiary holdings**" has the meaning given to it in the Listing Manual of the Singapore Exchange Securities Trading Limited;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Constitution for the time being of the Company; and

(4) (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. [refer to explanatory note (d)] **(Resolution 9)**

10. **Renewal of the Share Purchase Mandate**

That:

(a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchase(s) on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and/or any other stock exchange on which the Shares may for the time being be listed and quoted ("**Other Exchange**"); and/or

(ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company is held;

(ii) the date by which the next Annual General Meeting of the Company is required by law to be held; and

(iii) the date on which purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

(c) in this Resolution:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last five market days on which the Shares were transacted on the SGX-ST or, as the case may be, Other Exchange, before the date of the market purchase by the Company, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs after the relevant five-day period;

"**date of the making of the offer**" means the date on which the Company makes an offer for the purchase or acquisition of Shares from shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

"**Maximum Limit**" means that number of Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST));

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

(i) in the case of a market purchase of a Share, 5% above the Average Closing Price; and

(ii) in the case of an off-market purchase of a Share pursuant to an equal access scheme, the NTAV of a Share; and

"**NTAV of a Share**" means the net tangible asset value of a Share taken from the latest announced consolidated financial statements of the Company preceding the date of the making of the offer pursuant to the off-market purchase; and

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution. [refer to explanatory note (e)] **(Resolution 10)**

11. **Adoption of the new Constitution**

That the regulations contained in the new Constitution submitted to this Meeting and, for the purpose of identification, subscribed to by the Chairman thereof, be approved and adopted as the Constitution of the Company in substitution for, and to the exclusion of, the existing Constitution. [refer to explanatory note (f)] **(Resolution 11)**

Notice of Annual General Meeting and Notice of Books Closure Date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 8 August 2018 for the purpose of determining shareholders' entitlements to the proposed first and final tax exempt (one-tier) dividend of 2 cents per ordinary share and the special tax exempt (one-tier) dividend of 3 cents per ordinary share for the financial year ended 31 March 2018 (the "**Proposed Dividends**").

Duly completed transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road #11-02, Singapore 068898 up to 5.00 p.m. on 7 August 2018 will be registered before shareholders' entitlements to the Proposed Dividends are determined.

Shareholders (being Depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 7 August 2018 will rank for the Proposed Dividends.

The Proposed Dividends, if approved at the Forty-Fifth Annual General Meeting of the Company to be held on 27 July 2018, will be paid on 17 August 2018.

By Order of the Board
Tan Ching Chek and Lee Chin Yin
Joint Company Secretaries

5 July 2018
Singapore

Explanatory Notes:

(a) Lt-Gen (Retd) Winston Choo Wee Leong, if re-elected, will continue to serve as the Chairman of the Board, Chairman of the Nominating Committee and a member of the Remuneration Committee. Lt-Gen (Retd) Winston Choo Wee Leong is considered by the Board of Directors as an Independent Director. For more information on Lt-Gen (Retd) Winston Choo Wee Leong, please refer to the "Board of Directors" and "Corporate Governance" sections in the Annual Report 2018.

(b) Mr Lawrence Chiang Kok Sung, the Group Chief Executive Officer and Executive Director of the Company, is considered a Non-Independent Director. For more information on Mr Lawrence Chiang Kok Sung, please refer to the "Board of Directors" and "Corporate Governance" sections in the Annual Report 2018.

(c) Ms Deborah Lee Siew Yin, if re-elected, will continue to serve as a Director of the Company. Ms Deborah Lee Siew Yin is considered by the Board of Directors as an Independent Director. For more information on Ms Deborah Lee Siew Yin, please refer to the "Board of Directors" and "Corporate Governance" sections in the Annual Report 2018.

(d) The proposed ordinary resolution 9 above, if passed, will empower the Directors of the Company from the date of the Annual General Meeting to issue shares of the Company up to the limits as specified in the resolution for such purposes as they consider would be in the interests of the Company. This authority will continue in force until the next Annual General Meeting of the Company, unless previously revoked or varied at a general meeting. As at 6 June 2018, the Company had 3,512,800 treasury shares and no subsidiary holdings.

(e) The proposed ordinary resolution 10 above, if passed, will empower the Directors of the Company, effective until the date 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 or the date on which such authority is carried out to the full extent mandated or is varied or revoked by the Company in a general meeting, whichever is the earliest, to exercise the power of the Company to purchase or acquire its Shares. The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its Shares. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on, *inter alia*, whether the Shares are purchased or acquired out of capital and/or profits of the Company, the aggregate number of Shares purchased or acquired, and the consideration paid at the relevant time. For illustrative purposes only, the financial effects of an assumed purchase or acquisition by the Company of 10% of its issued Shares (excluding treasury shares and subsidiary holdings) as at 6 June 2018, at a purchase price equivalent to the Maximum Price per Share, in the case of a market purchase and an off-market purchase respectively, based on the audited financial statements of the Group and the Company for the financial year ended 31 March 2018 and certain assumptions, are set out in Paragraph 2.7 of the Company's Letter to Shareholders dated 5 July 2018.

(f) The proposed special resolution 11 above, if passed, will approve the adoption of a new Constitution in substitution for, and replacement of, the Company's existing Constitution. The new Constitution contains regulations that take into account the wide-ranging changes to the Companies Act introduced by the Companies (Amendment) Act 2014 and the Companies (Amendment) Act 2017, respectively, and other updates to the regulatory framework. Please refer to the Company's Letter to Shareholders dated 5 July 2018 for more details.

Notice of Annual General Meeting and Notice of Books Closure Date

Notes:

(i) (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

(ii) A proxy need not be a member of the Company.

(iii) If a proxy is to be appointed, the instrument of proxy must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road #11-02, Singapore 068898 not less than 48 hours before the time appointed for holding the Annual General Meeting.

(iv) The instrument of proxy must be signed by the appointor or his attorney duly authorised in writing. In the case of joint shareholders, all holders must sign the instrument of proxy.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

METRO HOLDINGS LIMITED
Company Registration No.: 197301792W
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING
PROXY FORM

Important

1. Relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore) may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy Metro Holdings Limited shares, this Proxy Form is not valid for use by them and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 5 July 2018.

I/We (Name) ______________________________________ , (NRIC/Passport No./Co. Regn. No.) ______________

of (Address) ____ , being a member/members of METRO HOLDINGS LIMITED (the "**Company**") hereby appoint:

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

and/or (delete as appropriate)

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

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting, as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Forty-Fifth Annual General Meeting of the Company (the "**Meeting**") to be held at Mandarin Ballroom I & II, Level 6, Main Tower, Mandarin Orchard Singapore by Meritus, 333 Orchard Road, Singapore 238867 on 27 July 2018 at 11.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Meeting (of which **Resolutions Nos. 1 to 10 (inclusive) will be proposed as ordinary resolutions and Resolution No. 11 will be proposed as a special resolution**) as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

No.	Resolutions	For	Against
	ORDINARY BUSINESS		
1.	To adopt the Directors' Statement, Auditor's Report and Audited Financial Statements		
2.	To declare First and Final Dividend		
3.	To declare Special Dividend		
4.	To re-elect Lt-Gen (Retd) Winston Choo Wee Leong, a Director retiring under Article 94 of the Company's Constitution		
5.	To re-elect Mr Lawrence Chiang Kok Sung, a Director retiring under Article 94 of the Company's Constitution		
6.	To re-elect Ms Deborah Lee Siew Yin, a Director retiring under Article 99 of the Company's Constitution		
7.	To approve Directors' Fees		
8.	To re-appoint Ernst & Young LLP as Auditor and authorise the Directors to fix its remuneration		
	SPECIAL BUSINESS		
9.	To approve the Share Issue Mandate		
10.	To approve the Renewal of the Share Purchase Mandate		
11.	To approve the Adoption of the new Constitution		

Voting will be conducted by poll. If you wish to exercise all your votes For or Against, please tick with '✔'. Alternatively, please indicate the number of votes For or Against each resolution.

Dated this ________ day of ________________________ 2018

Total Number of Shares Held	

____
Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

2. A proxy need not be a member of the Company.

3. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending, speaking and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.

5. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road #11-02, Singapore 068898 not less than 48 hours before the time appointed for holding the Meeting.

6. 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 common seal or under the hand of its attorney or a duly authorised officer.

7. Where the instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged together with the instrument, failing which the instrument may be treated as invalid.

8. 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 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

www.metroholdings.com.sg

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