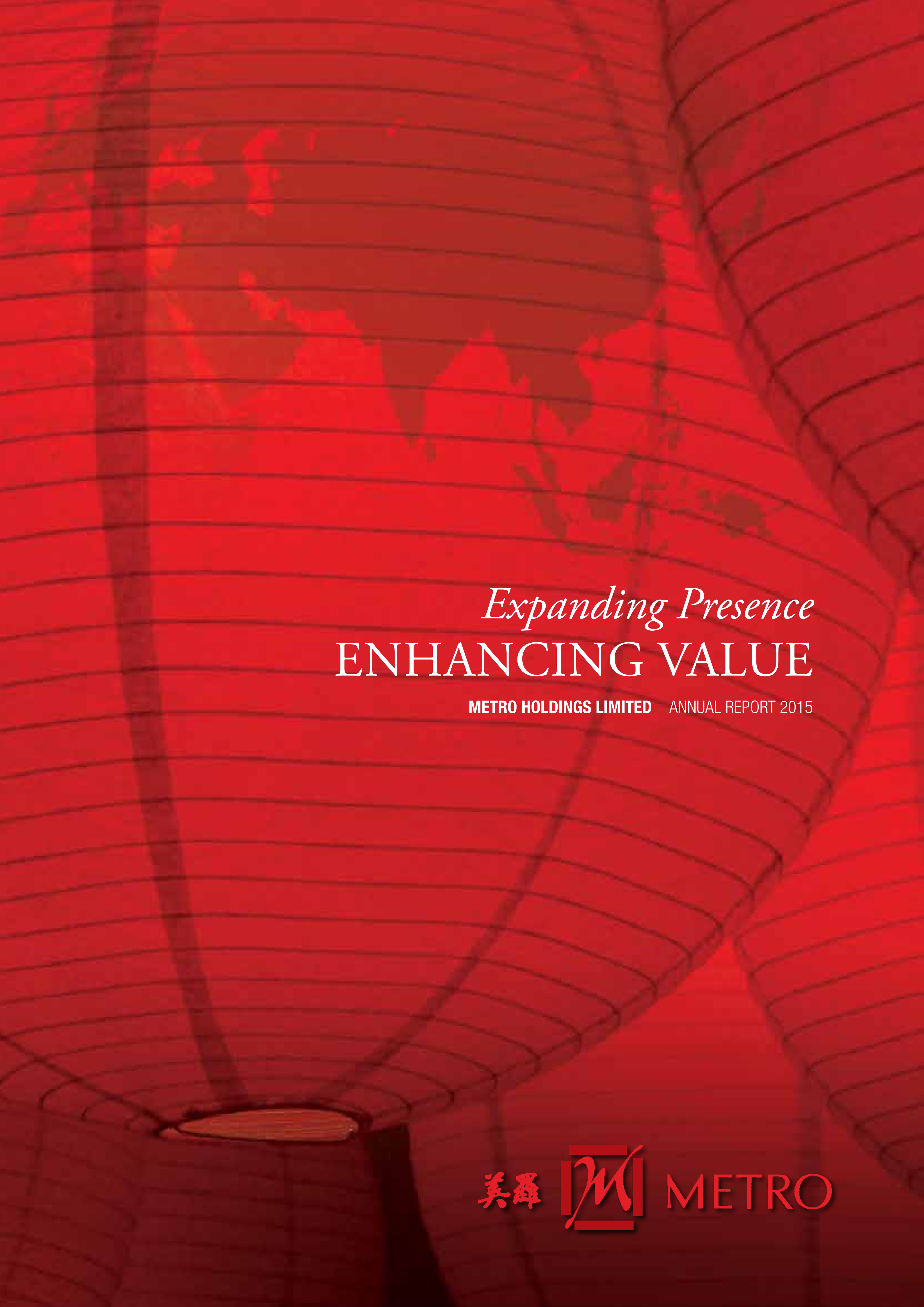

Expanding Presence

ENHANCING VALUE

METRO HOLDINGS LIMITED ANNUAL REPORT 2015

美羅 METRO

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 development and investment group in the region.

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Expanding Presence

ENHANCING VALUE

FY2015 marked the expansion of our geographical boundaries in property development and investment beyond the region, to the United Kingdom. By tapping on the expertise and experience of our partners, the exploration of new opportunities broadens our property portfolio while mitigating overall risks. Concurrently, we continue to focus on enhancing Metro's long-term performance by deploying strategies to opportunistically unlock value in our existing diversified portfolio when attractive situations arise.

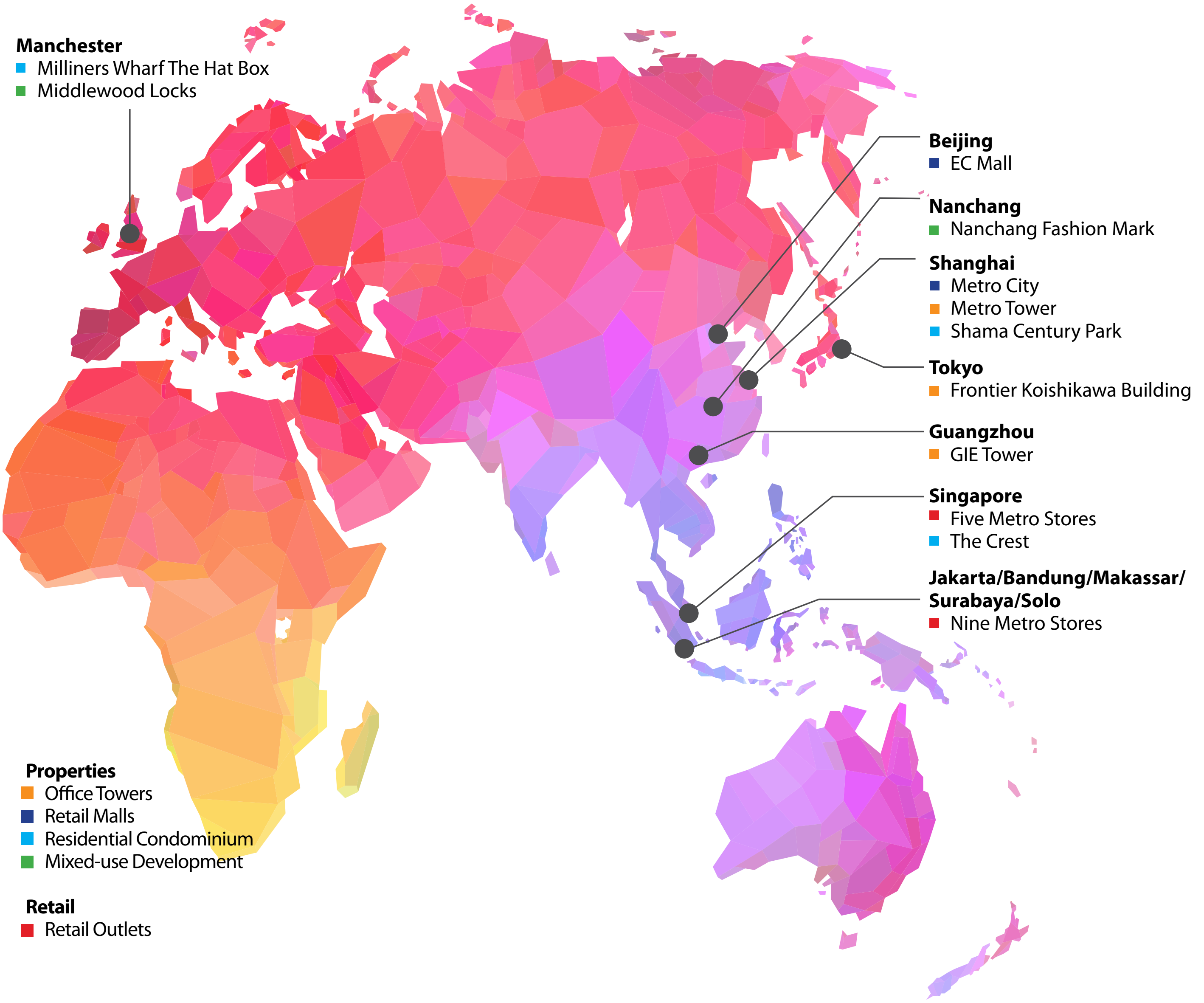
METRO HOLDINGS AT A GLANCE

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 development and investment group with a broadened and diversified asset portfolio, backed by an established retail track record, with a turnover of S$145.8 million and net assets of S$1.4 billion as at 31 March 2015.

OUR PRESENCE

Today, the Group operates two core business segments – property development and investment, 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.



PROPERTY DEVELOPMENT AND INVESTMENT

The Group's property arm has significant interests in almost 142,000 square metres of prime retail and office investment properties in first-tier cities in the PRC, such as Beijing, Shanghai and Guangzhou, and almost 1,001,000 square metres of residential and mixed-use development properties held predominantly for sale. The Group also owns 16.2% of Top Spring International Holdings Limited ("Top Spring"), a Hong Kong-listed PRC property developer.

CHINA

Shanghai: Metro City, Metro Tower, Shanghai Shama Century Park
Beijing: EC Mall **Guangzhou:** GIE Tower
Jiangxi Province: Nanchang Fashion Mark

JAPAN

Tokyo: Frontier Koishikawa

SINGAPORE

The Crest

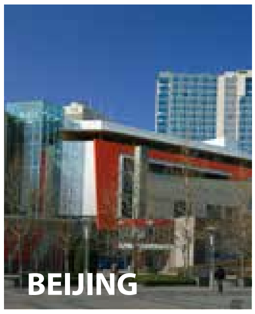
UNITED KINGDOM

Manchester: Milliners Wharf The Hat Box, Middlewood Locks

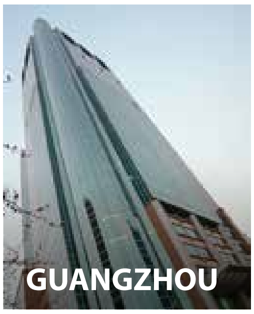
CHINA INVESTMENT

Top Spring


SHANGHAI


BEIJING


NANCHANG


GUANGZHOU


JAPAN


SINGAPORE


UNITED KINGDOM

RETAIL

Metro's retail arm serves customers through a chain of five Metro department stores and eleven Monsoon/Accessorize/M.2 specialty shops in Singapore, and another nine 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 over 1.5 million square feet of downtown and suburban retail space in both Singapore and Indonesia.

INDONESIA

Jakarta, Bandung, Makassar, Surabaya and Solo

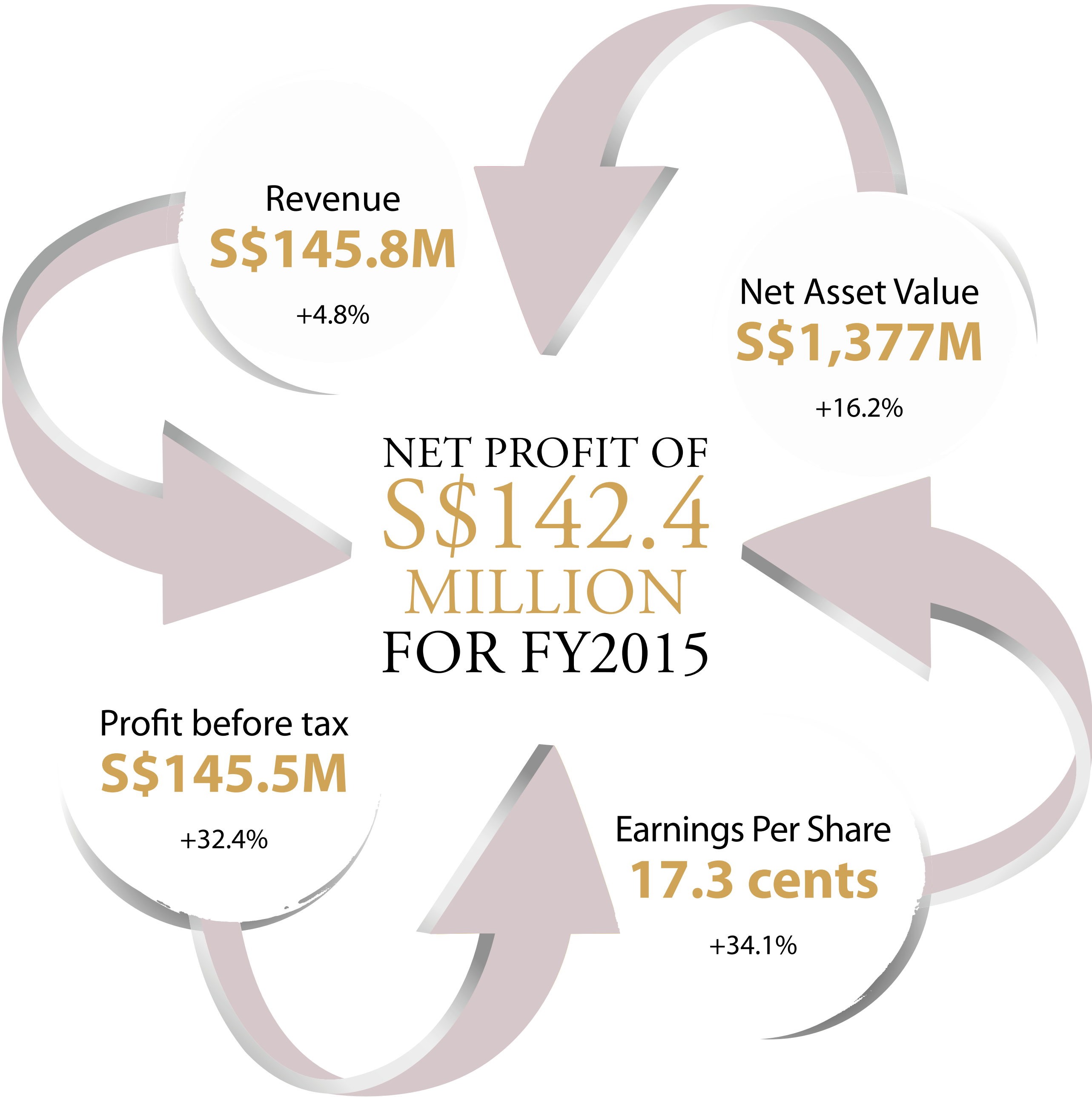
SINGAPORE

Centrepoint, Paragon, Woodlands, Sengkang and City Square


INDONESIA

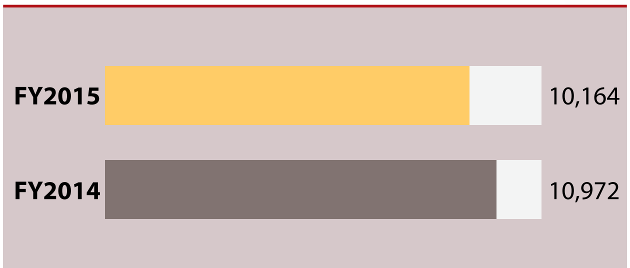
SINGAPORE

KEY FACTS



Financial performance was boosted by the recognition of Top Spring as Metro's associate, which resulted in negative goodwill recognised as well as Top Spring's results being equity accounted for. Metro also recognised the divestment of its indirect stakes in the six Tesco Lifespace developments.

PROPERTY REVENUE (S$'000)



Property revenue decreased 7.4% in FY2015 mainly as a result of the lower occupancy at GIE Tower, Guangzhou, which was partly offset by the appreciation of the Renminbi by an average of 1.5%. The average occupancy of all five investment properties, including those held by joint ventures, remained high at 92.2% as at 31 March 2015.

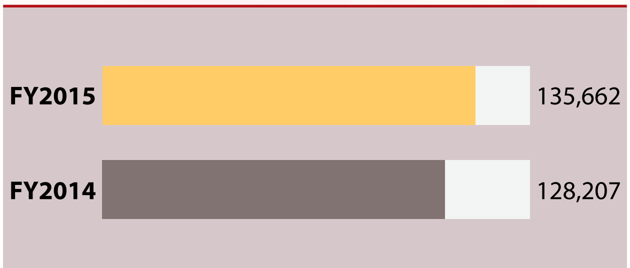
Recent Developments

- Recognised Top Spring as an associate following Metro's accorded board seat in Top Spring
- Divested indirect stakes in the six Tesco Lifespace developments in China for a gain of S$21.7 million
- Acquired a 25% interest in Fairbriar Real Estate Limited which owns two land sites in Manchester, UK, for approximately S$12.0 million
- Completed divestment of 50% indirect stake in EC Mall, Beijing, on 1 April 2015

Outlook

- Approximately S$36.8 million in gains to be recognised in first quarter of financial year 2016 from divestment of indirect interest in EC Mall, Beijing
- Next major phases of Nanchang project scheduled for completion in autumn 2015

RETAIL REVENUE (S$'000)



The Group's retail revenue increased to S$135.7 million in FY2015 from S$128.2 million due to the launch of the new Metro Centrepoint store.

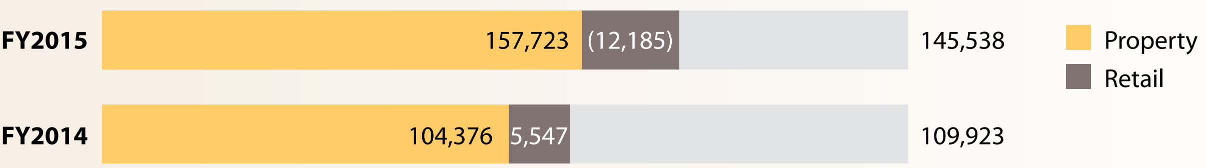
Recent Developments

- Opened Metro Centrepoint in Singapore
- Opened 1 new Monsoon/Accessorize shop at The Centrepoint, Singapore
- Lease expiry of Monsoon/Accessorize shop at Changi Airport Terminal 3, Singapore
- Opened 1 M.2 shop at The Seletar Mall

Outlook

- Metro Centrepoint to be affected by The Centrepoint's makeover from May 2015
- Metro Sengkang to cease operations in second quarter of financial year 2016 upon lease expiry which has no further renewal option
- Challenging conditions from competitive retail environment

PROFIT BEFORE TAX



Profit before tax rose 32.4% to S$145.5 million mainly as a result of S$57.4 million in negative goodwill recognised and S$17.7 million of Top Spring's results being equity accounted for, both of which were due to Top Spring being recognised as an associate. It was also largely attributable to the S$21.7 million gain on disposal of Metro's interest in associated companies owning the six Tesco Lifespace developments in China.

CHAIRMAN'S MESSAGE

The recycling of capital and allocation of funds to investments around the region that garner potentially higher returns remains a key thrust of our strategy and business model to drive shareholders' value.

Lt-Gen (Retd) Winston Choo
Chairman

Dear Shareholders,

On behalf of the Board of Metro Holdings Limited ("Metro" or the "Group"), I am pleased to present our Annual Report for the financial year ended 31 March 2015 ("FY2015") and to report that we achieved a good set of performance.

Metro's net profit growth of 33.2% to S$142.4 million in FY2015 was driven by the negative goodwill of S$57.4 million on recognition of Top Spring as an associated company, coupled with Top Spring's results of S$17.7 million, which was equity accounted for in FY2015. In addition, the S$21.7 million gain from the sale of our indirect stakes in the six Tesco Lifespace developments in China boosted our financial performance. Net profit was further boosted by the share of profit of associates, which rose with a maiden contribution of S$12.9 million from the completion of the initial phases of the residential component of the Nanchang project. Our bottom-line's increase was also contributed by the gain in short-term investments of S$4.5 million in FY2015 that included unrealised fair value gains.

We achieved a 4.8% climb in overall revenue to S$145.8 million in FY2015 which was contributed by the higher turnover recorded by the Retail Division.

As a property developer and investor backed by an established retail track record, Metro prides itself on its secure balance sheet to withstand unexpected risks. Bolstered by shareholders' equity of S$1.4 billion and a good cash position of S$378.8 million, we are also in a strong position to tap on attractive opportunities in our core property and retail businesses when they arise.

In light of the good performance achieved, the Board has recommended total dividends amounting to 6.0 Singapore cents to share the fruits of our labour with Metro's shareholders. The dividends comprise an ordinary final dividend of 2.0 Singapore cents and a special dividend of 4.0 Singapore cents respectively per share. Collectively, the dividends represent a payout ratio of 34.8% of Metro's net profit attributable to shareholders for FY2015.

PROPERTY DEVELOPMENT AND INVESTMENTS

Overall, the average occupancy rate of our five investment properties remained high at 92.2% in FY2015. Although the average occupancy rate of GIE Tower, Guangzhou, was at 76.7% in FY2015, largely due to the recent lease expiry of a major tenant, the Group is on track to secure new tenants for the property. For Metro City, Shanghai, despite space optimisation works carried out in FY2015, the property's revenue contribution improved as a result of asset enhancement exercises conducted earlier.

Mitigating Risks and Leveraging on Strengths Through Partnerships

We are delighted that Top Spring has become an associated company of the Group in FY2015, cementing our strong relationship cultivated through ongoing real estate development and investment partnerships. Further, with Metro's Group Chief Operating Officer as a board member of Top Spring, it enhances the potential of future collaborations that deepens our penetration in China's property market.

We have also reached a milestone by expanding our geographical boundaries beyond the region and China, to the United Kingdom ("UK"), through the acquisition of a 25% interest in Fairbriar Real Estate Limited ("Fairbriar") for approximately S$12.0 million. The two land sites in Manchester, UK, owned by Fairbriar will undergo transformation into two residential developments with a vibrant commercial element to be developed in Middlewood Locks. In line with our time-tested approach of partnership with strong co-investors to mitigate our overall risk exposure, this investment leverages on the strengths of our local strategic partner - Scarborough Group International Limited ("Scarborough"), a highly experienced UK real estate player. With the breadth and depth of Scarborough's knowledge of the local property market, coupled with our excellent working relationship with Top Spring which similarly acquired a 25% stake in Fairbriar, we are confident that the development process will be enhanced.

Our partnership with Top Spring on the Nanchang Fashion Mark project continues to be robust and the project's progress remains well on track. As at 31 March 2015, the project has achieved total presales of over 283,000 square metres of gross floor area worth HK$4.9 billion (approximately S$844.9 million).

Unlocking Shareholders' Value

The recycling of capital and allocation of funds to investments around the region that garner potentially higher returns remains a key thrust of our strategy and business model to drive shareholders' value. In that regard, we unlocked a gain of S$21.7 million by divesting our 10.7% indirect interest in six Tesco Lifespace developments situated in China. With Tesco's announcement in October 2013 to form the leading multi-format retailer on the mainland by combining their local retail operations with their joint venture partner - China Resources Enterprise Limited, this provided an opportune and appropriate exit timing for our stakes.

Our 50% indirect interest in EC Mall, Beijing, was also divested in April 2015 which will reap a gain of approximately S$36.8 million to be recognised in the first quarter of the 2016 financial year. By rebalancing our asset portfolio through the sale of the matured property which has attained full capacity and generated a stable stream of rental income, the strategy will enable us to redeploy the sale proceeds from EC Mall, Beijing, towards other value accretive areas that further broadens our revenue streams.

RETAIL

The commencement of operations of our fifth local department store - Metro Centrepoint, drove the Retail Division's 5.8% rise in revenue to S$135.7 million. However, higher expenses incurred impacted the division's overall performance, particularly against a backdrop of rising manpower and rental cost pressures.

With the availability of a large retail floor plate at The Centrepoint shopping mall which is along Singapore's busy Orchard Road shopping belt, we took advantage of the unique opportunity and launched Metro Centrepoint in the third quarter of FY2015. While the short-run retail environment remains challenging, the new store will allow us to entrench our retail presence in the heart of Singapore's shopping district, along with our existing Metro Paragon store in the vicinity which retails complementary merchandise.

For retail operations in Indonesia, we maintained the Metro department store count of nine in FY2015 and are glad to have achieved improved sales and profitability buoyed by the stronger sales performance of our stores outside of Jakarta.

On the specialty retail front, a new "M.2" store was opened at The Seletar Mall, a busy suburban mall situated in the northeast of Singapore. This brought the total number of "M.2" stores to two while the "Monsoon/Accessorize" store count remained at nine as at 31 March 2015.

CHAIRMAN'S MESSAGE

OUTLOOK

Although China's economic growth is expected to taper to a more sustainable rate of 7.0%[1], with a consumer class population expected to rise 70% to 220 million by 2020[2], the long-term prospects remain bright and bodes well for us with our significant property presence in China. Excluding revenue contribution from EC Mall, Beijing, which has been disposed, we anticipate the overall rental income from our Property Division to remain stable. The next major residential phases of the Nanchang project are scheduled for completion in autumn 2015 and we will continue to recognise sales of the properties progressively as the phases are completed and handed over.

The outlook for housing price growth in Manchester, UK, appears favourable. Widely recognised as the UK's second city, housing prices are forecasted to grow cumulatively by 26.9% between 2015 and 2019[3]. Having gained a foothold in the UK property segment through our stake in the two land plots in the city, we look forward to the development of Milliners Wharf The Hat Box's 144 apartment units as well as Middlewood Locks' 2,000 apartments and its 750,000 square feet of office and commercial space. For Milliners Wharf The Hat Box, good progress has been made with the anticipated sales launch to be in mid-2015 and the expected completion date by the first quarter of 2016.

The sentiment of the Singapore property market remains subdued particularly driven by the property cooling measures in place. As such, the sales of our joint venture residential condominium project – The Crest at Prince Charles Crescent – have accordingly been registering a slower progress than expected which we will continue to closely monitor.

Our Retail Division's sales performance is likely to be challenging amidst a competitive trading environment in both Singapore and Indonesia. However, we will focus on seeking fresh retail concepts to entice shoppers to Metro and identify suitable retail sites in Indonesia to expand our department stores.

The Centrepoint shopping mall – where Metro Centrepoint is located, is scheduled for a S$50 million makeover from May 2015. As such, Metro Centrepoint's sales will invariably be impacted by the lower foot traffic in the mall. In addition, we plan to cease operations of Metro Sengkang in the second quarter of the 2016 financial year, upon the expiry of our lease agreement which has no further renewal option. As such, the closure will also inadvertently lead to a decrease in revenue contribution to our Retail Division.

Going forward, beyond maintaining a good underlying portfolio of assets, we will continue to build Metro's growth by making prudent and strategic investment decisions.

APPRECIATION

FY2015 has been a year of milestones on several fronts. Without the dedication of our staff, management as well as the faith of our loyal shareholders in Metro, we would not have achieved a string of value accretive transactions and grown our niche in property development, property investment and our retail business.

I would also like to express my heartfelt appreciation to all our shareholders and various stakeholders including business partners, associates, customers and tenants who have collectively contributed to our accomplishments.

Finally, I would like to thank my fellow Board members for their wise counsel, commitment and the invaluable efforts in crystalising Metro's long-term strategy for success.

Lt-Gen (Retd) Winston Choo
Chairman

19 June 2015

1 "Asia Pacific Real Estate Markets Outlook 2015" – CBRE, 2015
2 "China60: From Fast Growth to Smart Growth, 2015" - Jones Lang LaSalle, 2015
3 "New Beginnings – Are residential markets in Northern England ready for lift-off?" – Jones Lang LaSalle, January 2015

主席致词

在本区域的投资中，尽力开启股东权益的价值以促使集团从资本的循环使用和资金配置中获得高潜力的收益，始终是我们战略的主要推动力和营运模式。

朱维良中将
集团主席

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，欣然向各位公布截至2015年3月31日（简称“2015财政年度”）的财政年度报告，并且向各位汇报美罗在本年度所取得的丰硕业绩。

在2015财政年度，美罗的净利润增长了33.2%，达到1.424亿新元。这主要是因为莱蒙国际集团有限公司（简称“莱蒙”）在2015财政年度成为美罗的联营公司后所产生的5740万新元议价收购收益，再加上莱蒙在2015财政年度的业绩所带来的1770万新元权益。另外，集团从出售在中国的六个乐都汇购物广场发展项目中的间接股权，获得了2170万新元的收益。以上均使得集团取得优异的财务表现。净利润因联营公司的利润增长而硕果显著，尤其是南昌项目在首期建设的住宅部分已经完成，而获得了1290万新元的相关权益的收益。集团净利润的提高也来自于在2015财政年度中短期投资所获得的450万新元收益，其中包括还未兑现的公允价值收益。

在2015财政年度，美罗取得了1.458亿新元的整体营业收入，增长幅度达4.8%，这主要是由于美罗零售部门较高的营业额增长。

美罗作为一家房地产开发商和投资商，有其非常成熟的零售业务提供支持，且持有稳健的资产负债表以抵御不可预知的风险，为此我们感到自豪。集团凭借拥有14亿新元的股东权益以及高达3.788亿新元的现金结存如此雄厚的财务实力，在遇到极具吸引力的投资机会时，能够进一步开发和扩展我们核心的房地产和零售业两方面的业务。

鉴于美罗优异的财务表现，为了与所有股东分享我们丰硕的业绩成果，集团董事会提议向股东派发每股0.06新元的股息。此股息包括了每股0.02新元的末期普通股息和每股0.04新元的特别股息。总体上，在2015财政年度，集团向股东共派发的股息达到集团股东应占净盈利 34.8%的派息率。

房地产开发和投资

集团所持有的五个投资性房地产项目表现良好，在2015财政年度的总体平均出租率高达92.2%。虽然广州国际电子大厦在2015财政年度的平均出租率仅为76.7%，而这主要是由于最近一家主要租户的租赁合同到期所致，但是集团已经在为该物业寻找新的租户。尽管上海美罗城在2015财政年度进行了增加空间使用率的相关翻新工程，其前期进行的提升改造取得了良好效益，使得相关物业营收得以提高。

主席致词

强化商务伙伴关系的优势以减低风险

我们感到非常荣幸，莱蒙在2015财政年度已成为美罗的联营公司，通过现有的房地产开发和投资的伙伴关系，两家公司得以强强联手，共创双赢。另外，美罗的首席营运官目前已被委任为莱蒙董事会成员，这更增强了我们未来合作发展的潜力以及集团在中国房地产市场的渗透力。

集团的业务也扩大到除本地区及中国以外的区域 - 英国，这是美罗进军国际市场的一个重要里程碑。集团以约1200万新元收购了Fairbriar房地产有限公司（简称“Fairbriar”）25%的股权。由Fairbriar持有的两幅地块均位于英国的曼切斯特市，并将被开发成两个住宅项目，其中的Middlewood Locks地块还会包含充满活力的商业开发元素。经过时间考验的经验证明，集团与实力雄厚的商务伙伴合作能够从整体上减轻我们的风险，而该投资项目充分利用了我们在当地的战略性伙伴 - 思嘉伯国际集团有限公司的强项及优势。该公司是英国具有丰富经验的开发商，且拥有深入而广泛的当地房地产市场知识和经验，加上与美罗有着密切合作关系的莱蒙也与美罗同步收购了Fairbriar 25%的股权，因此，我们对此项目的开发进展充满信心。

美罗与莱蒙正在南昌合资兴建名为南昌莱蒙都会的项目进展顺利。截至2015年3月31日，该项目已经成功地预售出超过283,000平米建筑面积的物业，销售额达49 亿港币（约为8.449 亿新元）。

开启股东权益的价值

在本区域的投资中，尽力开启股东权益的价值以促使集团从资本的循环使用和资金配置中获得高潜力的收益，始终是我们战略的主要推动力和营运模式。在这方面，集团出售了在中国的六个乐都汇购物广场项目中占10.7%的间接股权，并获得了2170万新元的收益。2013年10月，乐都汇对外宣布，将汇集他们当地的零售商与其合资伙伴 - 华润创业有限公司，联手在中国成立一家领先的多元化零售合资企业，该公司的重组为集团出售乐都汇的股份提供了适当的时间和机会。

集团在北京欧美汇购物中心物业中，间接持有的50%的股份也在2015年4月售出，其出售所得约3680万新元的收益将在2016财政年度的第一季度兑现。通过出售这类成熟型资产，即已达到高峰值运作并且持续获得稳定租金收入的物业，再次调整了集团的投资资产组合。借此策略使集团能够将出售北京欧美汇购物中心的股权收益重新部署到其他高增值区域，以便进一步扩展美罗的收入渠道。

零售业务

美罗在新加坡的第五家零售百货商店 - 美罗先得坊的正式开业使得美罗零售业务的年营业额提高了5.8% 至1.357亿新元。但是因此所产生的较高营运费用使零售部门的整体表现受到影响，尤其是来自高涨的人力成本和租金成本的压力。

先得坊购物商场位于新加坡最繁华的乌节路购物圈，拥有极为宽敞的零售楼面，凭借这特别的机会，美罗先得坊百货商店于2015财政年度第三季度入驻并开业，鉴于零售环境仍充满挑战，新开张的美罗先得坊百货商店与现有的美罗百丽宫百货商店相辅相成，从而巩固了集团在新加坡享有盛名的乌节路购物商圈的零售地位，同时也使美罗在这两家商店所呈现的零售商品得以互补。

在2015财政年度，集团在印尼的美罗百货商店保持在九家，除雅加达以外的印尼美罗百货商店零售业绩均表现良好，我们为印尼零售的销售及利润增长而感到高兴。

在零售专卖店方面，集团在新加坡的利达广场开设了一间新的“ M.2 ”专卖店。利达广场是位于新加坡东北部的一家人潮集中的郊区商场。由此，集团在新加坡共开设了两间“ M.2 ”专卖店。截至2015年3月31日，集团在新加坡仍有九间“Monsoon/Accessorize”专卖店。

未来展望

根据预测，虽然中国的经济增长率将稳定在7%左右。但是预计在2020年，消费群人口将增长70%，达到2.2亿人，故长期的前景仍非常令人鼓舞，这一利好因素将为集团在中国的一系列房地产投资带来好的势头。集团预计，不包括已售出的北京欧美汇购物中心的收益，房地产部门的整体租金收入将保持平稳。集团在南昌综合体项目中的几期主要住宅开发预计将在2015年秋季完成，随着住宅项目陆续完成并交付入伙，集团将逐渐地从该项目的销售中获得收益。

我们对英国曼切斯特的房产价格增长前景保持乐观。曼切斯特被广泛公认为英国的第二大城市，其房地产价格预测将持续走高，从2015年到2019年其房价根据预测将累计增长26.9%。随着集团通过在该市拥有的两幅地块，在英国的地产投资立足后，我们期待陆续发展位于Milliners Wharf The Hat Box设有144套单位的住宅项目和位于 Middlewood Locks 设有2,000套单位的住宅，以及占地750,000平方英尺的写字楼和商业楼的项目。Milliners Wharf The Hat Box的工程现在进展顺利，预计在2015年中旬可开始销售。本项目的完成日期计划在2016年的第一季度。

新加坡的房地产市场仍然处在需求放缓的阶段，尤其是受到当地房地产降温条例和措施的影响。因此，我们与合作伙伴联手开发建设的公寓住宅项目 - 位于查理士太子湾的豪华公寓“嘉御苑”（The Crest），销售进展比预期来得缓慢，我们将继续密切监控有关的进展。

鉴于新加坡和印尼的零售市场竞争日益激烈，美罗零售部门的销售任务十分艰巨。然而，我们将聚焦于寻求更新颖的零售概念，以便吸引更多消费者前来美罗百货购物，同时也在印尼寻找合适的零售地点以便进一步扩展我们在印尼的百货商店业务。

美罗先得坊百货商店所入驻的先得坊购物商场计划从2015年5月起，斥资5000万新元进行翻新工程。因此，美罗先得坊百货商店的生意必然会受到商场消费者人潮减少的影响。另外，集团也计划在2016财政年度的第二季度终止美罗盛港百货商店的营运，这是因为我们在盛港的购物商场勘宝坊的租约到期，且没有继续续约的选择权。而美罗盛港百货商店的关闭将不可避免地造成零售部门年销售额的减少。

展望未来，在保持集团优质的基本投资资产组合的同时，我们将继续采取谨慎且战略性的投资决策，以便持续地扩大美罗的发展蓝图。

致谢

2015财政年度对于集团来说是在多方面具有里程碑意义的一年。如果没有美罗的全体职员和美罗管理层兢兢业业的努力和付出，以及我们忠诚的股东对美罗的信心，我们是无法达成这一系列具有高增值效益的房地产交易，也无法在集团的核心业务如房地产开发、房地产投资以及零售业营运方面取得如此优异的增长。

我也要衷心地感谢美罗所有的股东和集团各个利益相关方，包括我们的战略合作伙伴、联营公司、美罗的顾客们和租户们，集团的成就来自你们各位共同的支持和贡献。

最后，我对美罗董事会的各位董事所提出的明智建议，不懈的付出和宝贵的指导深表谢意，你们的领导力使美罗的长期成功策略更为明确和坚定。

朱维良中将
集团主席

2015年6月19日

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。

JOPIE ONG HIE KOAN 王晞权
Group Managing Director, Executive 集团执行董事经理

Mr Jopie Ong is the Group Managing Director of Metro, a position he has held since 1973. Mr Ong is also a member of the Nominating and Investment Committees.

He was previously the Chairman of Transmarco Limited as well as a Director of Metrojaya Berhad, a company listed on the Kuala Lumpur Stock Exchange. Mr Ong joined Metro in 1964 and is responsible for growing the retail division, introducing into Singapore key luxury brands such as Cartier and Piaget, and guiding Metro to its listing in 1973. His experience at board level covers the retail, property development, construction, hotel and leisure industries.

王晞权先生自1973年便担任美罗集团执行董事经理。王先生也是提名委员会和投资委员会的成员之一。

他曾经担任过淡锡马可有限公司的主席，以及在吉隆坡证券交易所上市的美罗百货的董事。王先生于1964年加入美罗负责零售部门的发展，并成功地将世界知名品牌，例如卡地亚和伯爵引进新加坡。同时，他也带领美罗集团在1973年成功上市。他丰富的董事会经验涉及零售、房地产开发、建筑、酒店以及时尚休闲等行业。

BOARD OF DIRECTORS

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 Pan United Corporation Ltd and Singapura Finance Ltd. He 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。他也是泛联集团（新）有限公司以及富雅金融有限公司的董事会成员。他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 20 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 the Treasurer 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20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财务主管。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.

Mrs Fang is a Director of several companies, including Banyan Tree Holdings Limited, Singapore Telecommunications Limited and MediaCorp Pte Ltd and since 1 May 2014 has been an advisor to Far East Organization Group. She is the chairman of the Board of Trustees of the Singapore Business Federation and a member of the Singapore University of Technology and Design's Board of Trustees.

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.

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 and a Member of the Malaysian Association of Certified Public 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。

方夫人在多家公司担任董事一职，譬如悦榕控股有限公司，新加坡电信有限公司以及新传媒有限公司，并且自2014年5月1日起，受委为远东机构的顾问。她是新加坡工商联合总会理事会的主席，也是新加坡科技设计大学理事会的成员。

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。

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成员。方夫人也是新加坡特许会计师协会及马来西亚会计师协会的成员。

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. 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 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。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。

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。

KEY MANAGEMENT

JOPIE ONG HIE KOAN
Group Managing Director

Mr Jopie Ong has been the Group Managing Director of Metro since 1973. In this position, he has full executive responsibility over the business directions and operational affairs of the Metro Group.

Mr Ong joined Metro in 1964 and was responsible for growing the retail division, introducing into Singapore key luxury brands such as Cartier and Piaget. Under his guidance, Metro obtained its listed status in 1973. He was also instrumental in the setting up and listing of Transmarco Limited, a group that dealt in luxury brands, watches and computers and of which he assumed chairmanship. He also acted as Director of the listed Metrojaya Berhad, which operated the Metro retail arm in Malaysia, prior to its divestment. Mr Ong's experience at board level covers the retail, property development, construction, hotel and leisure industries.

LAWRENCE CHIANG KOK SUNG
Group Chief Operating Officer

Mr Lawrence Chiang was re-designated in July 2013 as Group Chief Operating Officer of the Metro Group. He holds a key role in the Group's investment strategy and business development and in this role, he has initiated and overseen the completion of the Group's property development projects and joint ventures in Singapore, Malaysia and China. Whilst assuming overall responsibility for the Group's property and retail divisions, he is also directly involved in the management of the Group's property division.

Prior to his current position, Mr Chiang was the Group's Head, Corporate Affairs and Special Projects and Financial Controller, positions he held after joining Metro in 1989. He has 41 years of working experience in industries involved in engineering, property development and management, retail and department stores, cruise, hotel 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.

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.

She 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. Mrs Wong 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

The Group's successes in its cross-border investments are a consequence of employing prudent strategies and establishing strong partnerships with reputable real estate players.

TRANSCORP

InfraRed Capital Partners

萊蒙國際 TOPSPRING

WINGTAI ASIA

CTCORP

南豐中國 NAN FUNG CHINA

Scarborough Group International

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 Trans TV, Trans 7, Detik.com, Coffee Bean, Baskin Robbins, Trans Studio, as well as over 25 international high-end fashion franchises with nearly 100 branded boutiques. Trans Corp also owns PT Carrefour Indonesia. Carrefour is the second largest retail brand in the world.

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 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 nation, housing a wide range of well-known international labels and local brands. Metro Indonesia currently has 9 stores spread across Jakarta, Bandung, Surabaya, Makassar and Solo.

INFRARED NF CHINA REAL ESTATE FUND (SINCE 2007)

Headquartered in London with offices in Hong Kong and New York, 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. The collaboration was further strengthened in February 2011, when Metro participated in another joint venture with the Fund and Tesco plc in three new Tesco Lifespace malls in Fuzhou, Xiamen and Shenyang.

Metro and the Fund has since divested their interest in all these developments with the most recent divestments being the six Tesco Lifespace developments and EC Mall in Beijing in December 2014 and April 2015 respectively.

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 Berhad 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$4.8 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

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 Yangtze River Delta, Pearl River Delta, Central China, Beijing-Tianjin and Chengdu-Chongqing regions in the PRC.

Listed on the Stock Exchange of Hong Kong Limited in March 2011, Top Spring's revenue stood at HKD 6.97 billion for the year ended 31 December 2014. Metro increased its strategic voting stake in Top Spring to 19.76% in FY2014 for S$85.7 million. Prior to raising its stake, in FY2013, Metro invested equity of S$48.0 million in Nanchang Top Spring Real Estate Co., Ltd for its 30% held joint venture project with Top Spring, known as the Nanchang Fashion Mark. Located at Hong Gu Tan Central Business District in Nanchang, Jiangxi Province in the PRC, the mixed-use development with total leasable/ saleable GFA of approximately 789,000 square metres (as at 31 December 2014), is expected to deepen Metro's foothold in the China property market.

In December 2013, Metro acquired a 30% stake in Shanghai Shama Century Park from Top Spring for RMB 524 million. The property operates as serviced apartments with a total of 284 residential units across a total gross floor area of approximately 49,357 sqm and has 240 underground car park units.

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.

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 focussing predominantly on real estate with other past and present business interests in Europe, North America, Myanmar, 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).

PRESENCE

Singapore • China • Indonesia • Japan • United Kingdom

Metro's foray into the UK real estate market is a reflection of the Group's commitment to enhance shareholder value by extending its geographical footprint and investing for the long term.

PORTFOLIO REVIEW

PROPERTY DEVELOPMENT AND INVESTMENT

COMPLETED PROPERTIES

As at 31 March 2015, average occupancy for the Group's five investment properties, including those held by joint ventures, remained high at 92.2% (31 March 2014: 92.3%). As a result of earlier asset enhancement exercises to Metro City, Shanghai, revenue for the property rose although the occupancy rate declined to 88.6%. The improvement was in spite of disruptions from space optimisation works during the year.

The lower occupancy rate of GIE Tower, Guangzhou, for FY2015 was due to the recent lease expiry of a major tenant. Metro is however, on track to secure new tenants. Frontier Koishikawa in Japan continued to enjoy full occupancy as at 31 March 2015.

On 1 April 2015, the Group divested its indirect stakes in EC Mall, Beijing.

OCCUPANCY RATES

	FY2015 (%)	FY2014 (%)
GIE Tower, Guangzhou	76.7	79.1
Metro City, Shanghai	88.6	90.1
Metro Tower, Shanghai	97.0	96.0
EC Mall, Beijing	98.5	96.3
Frontier Koishikawa Building, Tokyo	100.0	100.0

PROPERTY VALUATIONS

As at 31 March 2015, Metro Tower, Shanghai, EC Mall, Beijing and Frontier Koishikawa Building, Tokyo, recorded an increase in valuation in accordance to each of their respective currencies. However, GIE Tower, Guangzhou, and Metro City, Shanghai, registered a lower valuation due to their shortened lease period. On a Singapore Dollar (S$) basis, valuations of all the properties rose along with the strengthening of the Renminbi (RMB) except the Group's property in Japan which saw a decline in valuation due to the weakened Japanese Yen (JPY).

	FY2015 (RMB'm)	FY2014 (RMB'm)	(%)	FY2015 (S$'m)	FY2014 (S$'m)	(%)
GIE Tower, Guangzhou(1)	486	487	-0.2	108	99	+9.1
Metro City, Shanghai(1)	1,044	1,129	-7.5	232	229	+1.3
Metro Tower, Shanghai(1)	935	930	+0.5	207	189	+9.5
EC Mall, Beijing(2)	2,478	2,360	+5.0	555	484	+14.7

	FY2015 (JPY'm)	FY2014 (JPY'm)	(%)	FY2015 (S$'m)	FY2014 (S$'m)	(%)
Frontier Koishikawa Building, Tokyo(1)	4,790	4,600	+4.1	55	56	-1.8

(1) As at 31 March 2015
(2) As at 31 December 2014. Divested on 1 April 2015
(3) Above figures represent 100% of the property valuations and are appraised by independent valuers DTZ Debenham Tie Leung Limited (Beijing, Shanghai and Guangzhou) and Daiwa Real Estate Appraisal Co., Ltd. (Tokyo)

Exchange rates:
FY14: S$1: RMB 4.926 : JPY 0.01224
FY15: S$1: RMB 4.505 : JPY 0.01144

Although China's overall growth is widely expected to slow down to a more sustainable 7%, Metro anticipates the consumer demographic trends and continued demand for quality office space to bode well for the Group's commercial properties in China in the long run. The near-term outlook of the Group's properties in China is largely cautious, with the supply of office properties expected to rise in regions such as Shanghai.

The housing price growth within Manchester, UK, remains bright and is forecasted to be on an uptrend through 2019.

EXPIRY PROFILE BY GROSS RENTAL INCOME:

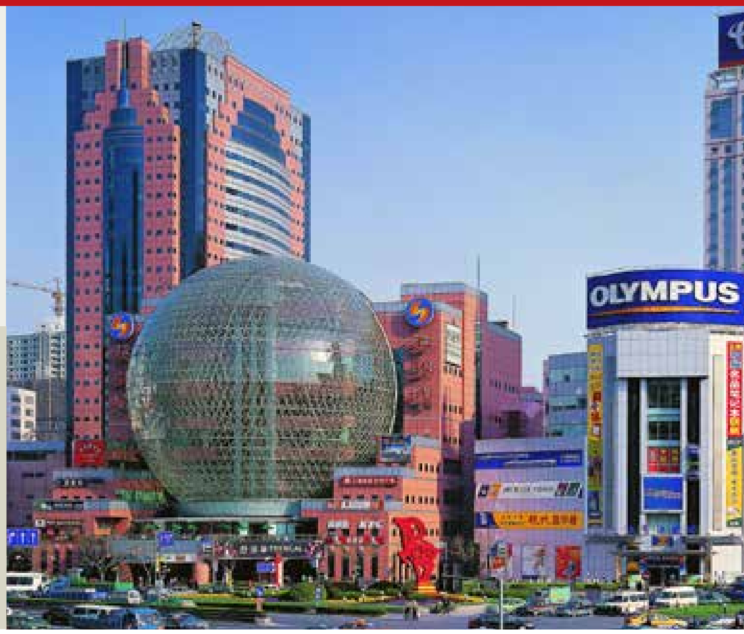
	1HFY2016 (%)	2HFY2016 (%)
GIE Tower, Guangzhou	6.4	22.6
Metro City, Shanghai	6.6	12.2
Metro Tower, Shanghai	10.7	7.2
Frontier Koishikawa Building, Tokyo	6.7	72.2

PORTFOLIO REVIEW

METRO CITY, **SHANGHAI**

Strategically located at Xujiahui, Metro City, Shanghai, is a lifestyle entertainment centre with nine levels of retail 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.

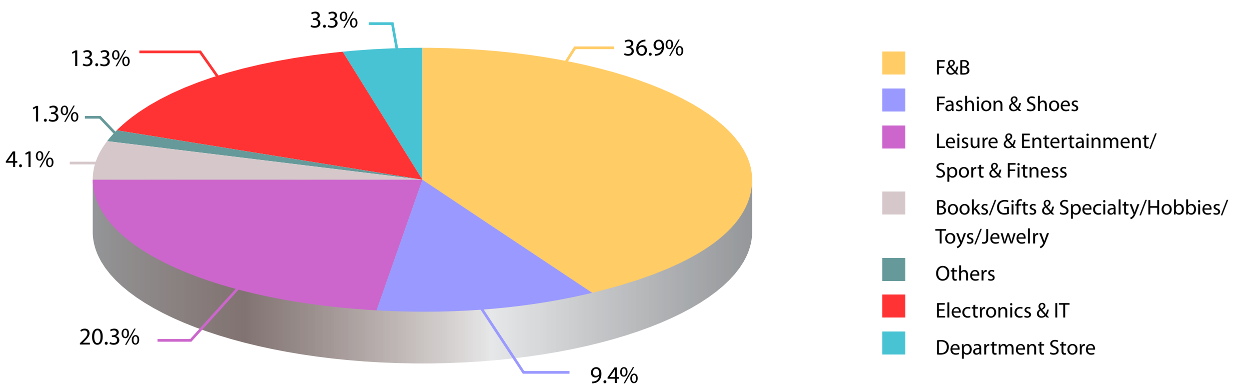
Metro City, Shanghai, commenced on reconfiguration works during FY2015. Its occupancy rate as at 31 March 2015 was 88.6% (2014: 90.1%).



KEY STATISTICS

% owned by Group:	**60**
Site area (sqm):	**15,434**
Lettable Area (sqm):	**39,015**
Tenure:	**36-year term from 1993 (14 years remaining)**
No. of Tenants:	**135**
Occupancy Rate (%):	**88.6**
Valuation (100%):	**S$232 million**

RETAIL TENANT MIX BY LETTABLE AREA (AS AT 31 MARCH 2015)



TOP 10 TENANTS (AS AT 31 MARCH 2015)

Name of Tenant	Trade Sector	% of Total Lettable Area
Buynow Computer World	Electronics & IT	12.5%
Physical Fitness & Beauty Centre	Leisure & Entertainment/Sport & Fitness	7.4%
Food Republic	F&B	6.4%
Kodak Cinema World	Leisure & Entertainment/Sport & Fitness	6.1%
HAOLEDI KTV	Leisure & Entertainment/Sport & Fitness	5.5%
Shanghai Xi Ti	F&B	4.4%
Popular Bookmall	Books/Gifts & Specialty/Hobbies/Toys/Jewelry	2.2%
Hershey's	F&B	1.9%
MUJI	Department Store	1.9%
Starbucks	F&B	1.8%

METRO TOWER, **SHANGHAI**

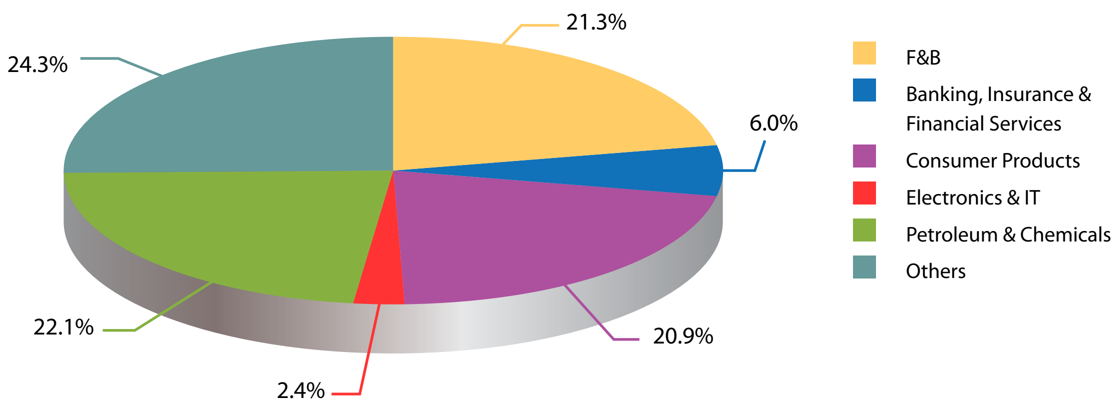
Located next to Metro City, Shanghai, Metro Tower offers over 40,000 square metres of Grade A office space, spread across 26 floors.

Metro Tower, Shanghai, is supported by a strong multinational tenant base and its occupancy remains high at 97.0% as at 31 March 2015 (2014: 96.0%).

KEY STATISTICS

% owned by Group:	**60**
Site area (sqm):	**4,933**
Lettable Area (sqm):	**40,388**
Tenure:	**50-year term from 1993 (28 years remaining)**
No. of Tenants:	**25**
Occupancy Rate (%):	**97.0**
Valuation (100%):	**S$207 million**

OFFICE TENANT MIX BY LETTABLE AREA (AS AT 31 MARCH 2015)



TOP 10 TENANTS (AS AT 31 MARCH 2015)

Name of Tenant	Trade Sector	% of Total Lettable Area
Exxon Mobil	Petroleum & Chemicals	18.6%
Swatch Group	Consumer Products	16.4%
Energy Source	Others	13.3%
KFC	F&B	8.4%
Pizza Hut	F&B	6.7%
Agricultural Bank of China	Banking, Insurance & Financial Services	6.0%
Cummins	Others	5.3%
Shanghai Xi Ti	F&B	4.2%
Tutuanna	Consumer Products	2.5%
Ann Taylor	Consumer Products	2.0%

PORTFOLIO REVIEW

GIE TOWER, **GUANGZHOU**

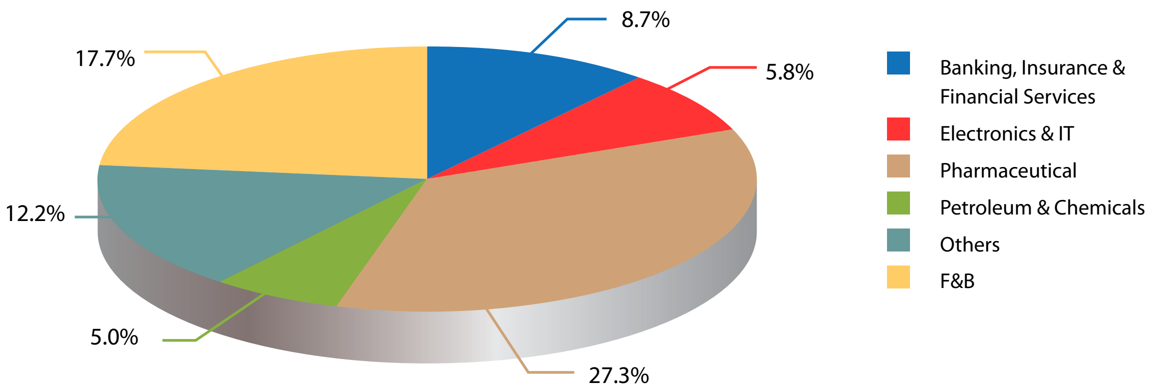
Part of a 7-storey shopping podium and 35-storey office tower, GIE Tower, Guangzhou, is located at Huanshi Road East, in the central business district of Dongshan, Guangzhou.

The Group owns over 28,000 square metres of Grade A office space in the building. GIE Tower's occupancy rate declined to 76.7% as at 31 March 2015 (2014: 79.1%) with the expiry of the lease of a major tenant.

KEY STATISTICS

% owned by Group:	**100**
Site area (sqm):	**Strata titled**
Lettable Area (sqm):	**28,390**
Tenure:	**50-year term from 1994 (29 years remaining)**
No. of Tenants:	**33**
Occupancy Rate (%):	**76.7**
Valuation (100%):	**S$108 million**

OFFICE TENANT MIX BY LETTABLE AREA (AS AT 31 MARCH 2015)



TOP 10 TENANTS (AS AT 31 MARCH 2015)

Name of Tenant	Trade Sector	% of Total Lettable Area
Yu Cai Restaurant	F&B	14.2%
Abbott Laboratories	Pharmaceutical	11.7%
Sino-US United MetLife Insurance	Banking, Insurance & Financial Services	7.7%
Roche	Pharmaceutical	6.8%
Novo Nordisk	Pharmaceutical	4.2%
Toshiba	Electronics & IT	4.1%
Evergreen	Others	3.5%
Guangdong Carat Media Services	Others	2.9%
Koyama	F&B	2.5%
Total Petrochemicals Trading	Petroleum & Chemicals	1.8%

EC MALL, **BEIJING**

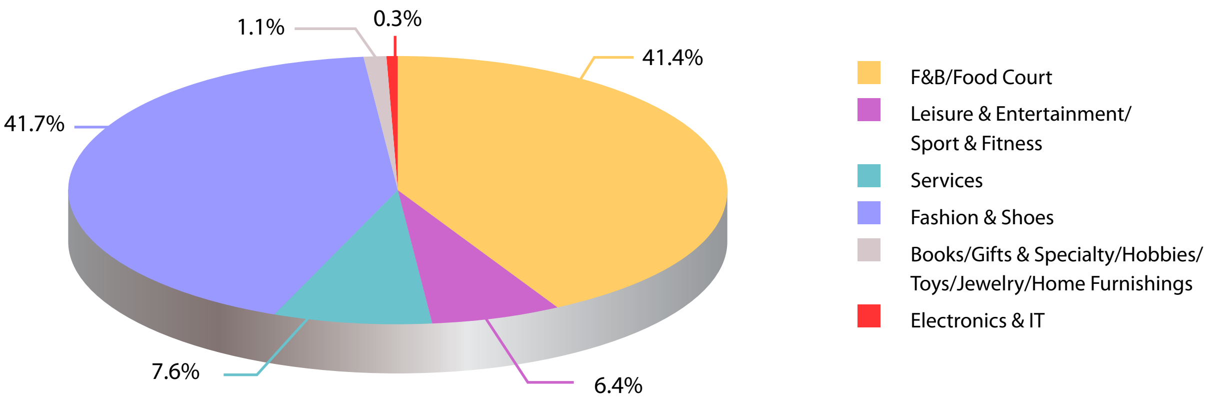
Located at ZhongGuanCun, Haidian District, EC Mall, Beijing, is a 6-storey, 4-basement retail mall, offering 29,000 square metres of leaseable retail space. ZhongGuanCun, also known as Beijing's "Silicon Valley", is an IT-oriented zone with many universities, science academies and research institutions. EC Mall, Beijing, maintained a high occupancy rate of 98.5% as at 31 March 2015 (2014: 96.3%).

EC Mall, Beijing, was disposed of on 1 April 2015.

KEY STATISTICS

% owned by Group:	**50**
Site area (sqm):	**14,181**
Lettable Area (sqm):	**29,027**
Tenure:	**50-year term from 2001 (36 years remaining)**
No. of Tenants:	**90**
Occupancy Rate (%):	**98.5**
Valuation (100%):	**S$555 million**

RETAIL TENANT MIX BY LETTABLE AREA (AS AT 31 MARCH 2015)



TOP 10 TENANTS (AS AT 31 MARCH 2015)

Name of Tenant	Trade Sector	% of Total Lettable Area
Golden Jaguar	F&B/Food Court	17.9%
C&A	Fashion & Shoes	5.3%
Only/Vero/Moda/Jack&Jones/ Selected	Fashion & Shoes	4.4%
H&M	Fashion & Shoes	4.4%
Shi Mei Hui Food Court	F&B/Food Court	4.2%
ZMN Education	Services	3.6%
MJ Style	Fashion & Shoes	3.3%
Hola	Leisure & Entertainment/Sport & Fitness	2.9%
UNIQLO	Fashion & Shoes	2.6%
Xibei Restaurant	F&B/Food Court	2.1%

PORTFOLIO REVIEW

FRONTIER KOISHIKAWA BUILDING, **TOKYO**

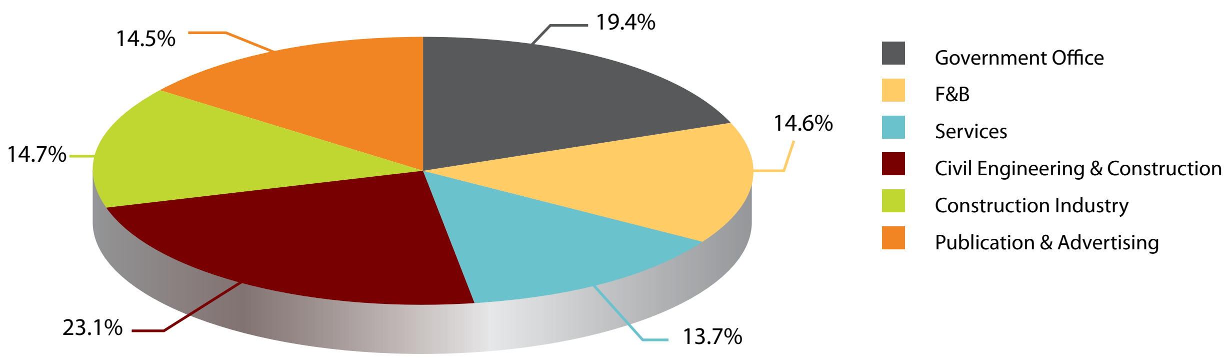
The Group's only property in Japan, Frontier Koishikawa is a 9-storey office building located along the main street Hakusan Dori Street, in the Bunkyo District of Tokyo.

The property maintained full occupancy as at 31 March 2015 (2014: 100.0%).

KEY STATISTICS

% owned by Group:	**100**
Site area (sqm):	**1,319**
Lettable Area (sqm):	**5,082**
Tenure:	**Freehold**
No. of Tenants:	**7**
Occupancy Rate (%):	**100.0**
Valuation (100%):	**S$55 million**

OFFICE TENANT MIX BY LETTABLE AREA (AS AT 31 MARCH 2015)



TOP 10 TENANTS (AS AT 31 MARCH 2015)

Name of Tenant	Trade Sector	% of Total Lettable Area
Geostar Corporation	Civil Engineering & Construction	23.1%
NIPPO	Construction Industry	14.7%
Lion	F&B	14.6%
Qbist Inc	Publication & Advertising	14.5%
Wiley.japan	Services	13.7%
Ministry of Labour, Health and Welfare	Government Office	12.1%
Shisyutsuhutan-koi Tanto-kan Somu-sho Daijin-kanbo Kaikei-ka Kikaku-kan	Government Office	7.3%

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 is currently operated as serviced apartments.

Located at 99 Dongxiu Road in Pudong New District, Shanghai, the well-situated property enjoys a good average occupancy of 89.6%, given its easy access to the subway station located just next door and is only approximately 15 minutes' drive from the Central Business District of Pudong, Shanghai.

KEY STATISTICS

Completion Date:	**2006**
% owned by Group:	**30**
Land use rights tenure ending on:	**30 December 2072**
Saleable/ Leaseable GFA (sqm):	**49,357**
Average Occupancy Rate (%):	**89.6**
Valuation (100%) as at 31 March 2015:	**S$541 million**

PORTFOLIO REVIEW

PROPERTY UNDER DEVELOPMENT

Sales of the first phase of the 30% held Nanchang Fashion Mark was launched in late 2013 and 266,517 square metres and 16,810 square metres of residential and retail area respectively has since been presold. This brings the total sales of the project to HK$4.9 billion (S$844.9 million) as at 31 March 2015. The initial phases were completed in late 2014 and the next major residential phases are targeted for completion in autumn 2015.

The Crest at Prince Charles Crescent which is 40% held by the Group, was soft launched in mid-2014 and had 66 options issued as at 31 March 2015.

Good progress has been made on the two land plots in Manchester, UK – Milliners Wharf The Hat Box and Middlewood Locks, which Metro has a 25% stake. Milliners Wharf The Hat Box is expected to fully launch its sales in mid-2015 with anticipated completion by the first quarter of 2016 while Middlewood Locks' residential properties will be developed in phases.

NANCHANG FASHION MARK, **JIANG XI**

Nanchang Fashion Mark is a joint venture project with Hong Kong-listed Top Spring International Holdings Limited. It is a mixed-use development comprising residential, office and retail components that is located at Hong Gu Tan Central Business District ("CBD") in Nanchang City, Jiangxi Province in the PRC.

Established 10 years ago, the Hong Gu Tan CBD has a vast catchment area for businesses in the Central China region, and continues to see many domestic financial institutions setting up offices in the area.

The project's residential and commercial properties are being sold and completed in phases. As each completed phase is handed over, property sales will progressively be recognised.

KEY STATISTICS

% owned by Group:	**30.0**
Site area (sqm):	**269,455**
Construction start date:	**May 2013**
Expected completion date:	**August 2018**
Land cost (RMB million):	**1,978**
Total GFA (sqm):	**1,030,475**
Total saleable/lettable GFA (sqm):	**788,648**
Residential:	**292,684**
Retail:	**308,387**
Service Apartments:	**20,000**
Office:	**167,577**

THE CREST AT PRINCE CHARLES CRESCENT, **SINGAPORE**

The Crest at Prince Charles Crescent is a proposed 469 units condominium comprising 4 blocks of 5-storey and 3 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 is expected to be completed by late 2016.

KEY STATISTICS

% owned by Group:	**40.0**
Site area (sqm):	**23,785**
Construction start date:	**June 2013**
Expected completion date:	**Late 2016**
Total GFA (sqm):	**49,950**
Estimated total saleable GFA (sqm):	**50,854**
Land cost (S$'million):	**516.3**

PORTFOLIO REVIEW

MILLINERS WHARF THE HAT BOX, **MANCHESTER**

The second phase of Milliners Wharf is located at the New Islington area of Manchester, UK. Neighbouring the site of the successful first phase of Milliners Wharf, the development is a short five minutes' walk from the Manchester City Centre and the Piccadilly train station.

The development will consist of 144 apartments while featuring one, two, duplex and three bedroom apartments with a mix of 14 different types of configurations across two buildings. In addition, the development also includes 135 secure surface parking spaces within the premises.

KEY STATISTICS

% owned by Group:	**25.0**
Site area (acres):	**1.06**
Tenure:	**Freehold**
Expected sales launch:	**Mid 2015**
Expected completion date:	**1Q 2016**
Estimated total saleable GFA (sqft):	**112,400**

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 comprising of approximately 2,000 new homes. There will also be 750,000 square feet of office and commercial space for amenities and facilities such as delis, restaurants, hotel, gym and nursery.

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

Middlewood Locks' residential properties will be developed in phases.

KEY STATISTICS

% owned by Group:	**25.0**
Site area (acres):	**24.0**
Tenure:	**Freehold**

TOP SPRING INTERNATIONAL HOLDINGS LIMITED, **PRC**

The Group owns about 16.2% of Top Spring as at 31 March 2015.

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 Pearl River Delta, the Yangtze River Delta, the Central China, the Beijing-Tianjin and the Chengdu-Chongqing regions in the PRC. As at 31 December 2014, Top Spring had a total of 25 property projects over 12 cities at various stages of development in Shenzhen, Shanghai, Nanjing, Nanchang, Sanhe, Chengdu, Huizhou, Hangzhou, Dongguan, Tianjin and Changzhou of the PRC and Manchester City of the United Kingdom with a net saleable and leasable gross floor area of approximately 5,636,488 square metres.

PORTFOLIO REVIEW

RETAIL

RETAIL OPERATIONS

The genesis of Metro's present achievements and success lies in retail. 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 that travelled beyond the shores of Singapore.

In staying true to its retail roots and bringing refreshing shopping experiences to its customers, Metro works closely with local and international business partners to curate an assortment of quality product offerings and updates to its retail concepts.

To further increase interaction with customers, Metro launched several social media and online initiatives over the years. To date, Metro's Facebook following numbers over 73,700 fans and its Twitter account – which provides instant updates on its stores and current promotions – has over 1,700 followers. In addition, Metro has also accumulated over 1,600 followers on Instagram. A Consumer App was launched in 2013 for iPhone users.

To further enhance its customers' shopping experience, Metro launched a mobile point-of-sales system in January 2013. Using the iPhone for check-out enabled its customers to pay for their purchases (by credit card) regardless of their in-store location, and helped to reduce queues at the physical counters.

For FY2015, Metro registered over 417,000 unique visitors and over 666,000 visits to its website while its online shopping store – Metro Online, was launched in January 2015 to allow shoppers who prefer the convenience of shopping online to make their purchases over the web. Metro Online has over 1,200 products available.

SINGAPORE

Metro Stores

The Group currently has five stores under its flagship brand Metro. This translates to over 372,000 square feet of retail space:

- Metro Centrepoint
- Metro Paragon
- Metro Woodlands
- Metro Sengkang
- Metro City Square

Monsoon/Accessorize Specialty Shops

UK brands Monsoon/Accessorize were brought in by Metro to better cater to the needs of discerning consumers in Singapore. Monsoon focuses on casual women's wear with ethnic origin, while Accessorize holds a unique position on the high street with its inspirational, globally sourced, well-priced and good quality collection of fashion accessories. To date, the Group operates nine Monsoon/Accessorize specialty shops in Bugis Junction, Raffles City, Parkway Parade, Paragon, Ion Orchard, Tampines, Jem, Bedok Mall and The Centrepoint.

M.2 Specialty Shops

M.2 offers an extensive range of casual footwear and accessories under brands which include Colors of California from Italy, FitFlop, Butterfly Twist and Via Roma. The curation of the store's merchandise mix caters to consumers' appetite for trendy and comfortable shoes that retails at reasonable prices. The aspiration for M.2 revolves around the notion of "good quality, good value". Metro operates two M.2 stores at Ngee Ann City and The Seletar Mall.

INDONESIA

Metro Stores

Metro started its operations in the Indonesian market in 1991 at Pondok Indah Mall and currently operates nine stores in Indonesia with a total retail space of approximately 1.15 million square feet:

- Metro Pondok Indah, Jakarta
- Metro Plaza Senayan, Jakarta
- Metro Bandung Supermal, Bandung
- Metro Taman Anggrek, Jakarta
- Metro Pacific Place, Jakarta
- Metro Trans Studio Makassar, Makassar
- Metro Gandaria City, Jakarta
- Metro Ciputra World, Surabaya
- Metro Park Solo, Solo

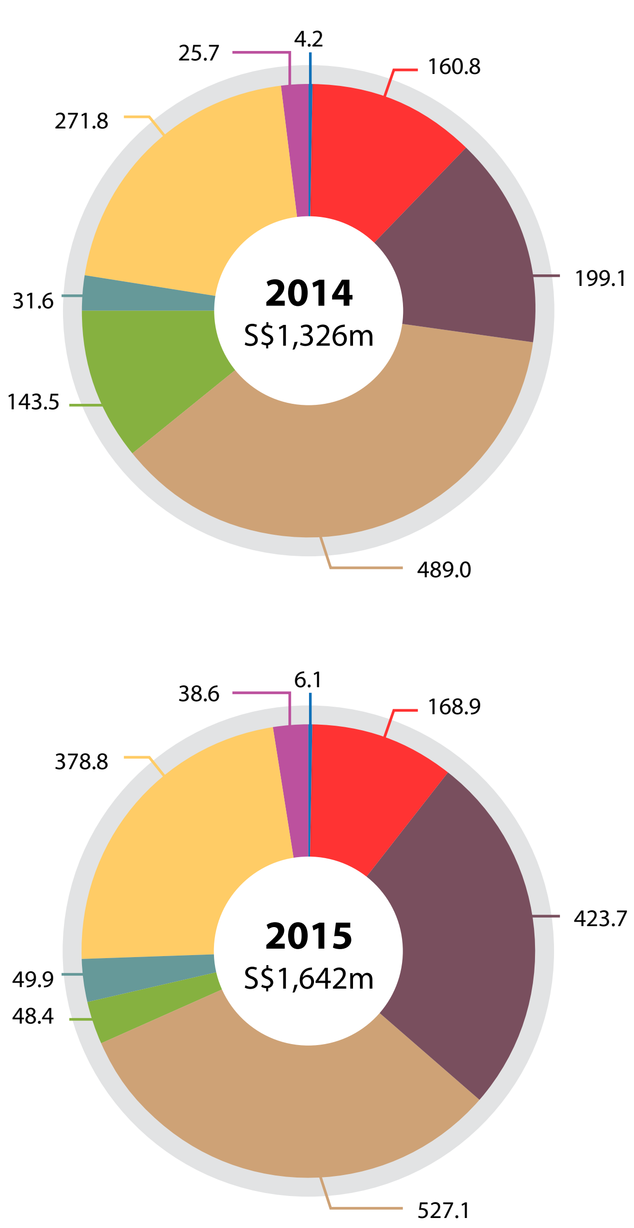
Sales and profitability improved in FY2015 as a result of better sales performance of stores outside Jakarta.

OUTLOOK

Although the Retail Division's performance in Indonesia and Singapore is likely to be challenging from the competitive trading environment, the Group is focused on seeking fresh retail concepts and to identify suitable sites for expansion in Indonesia.

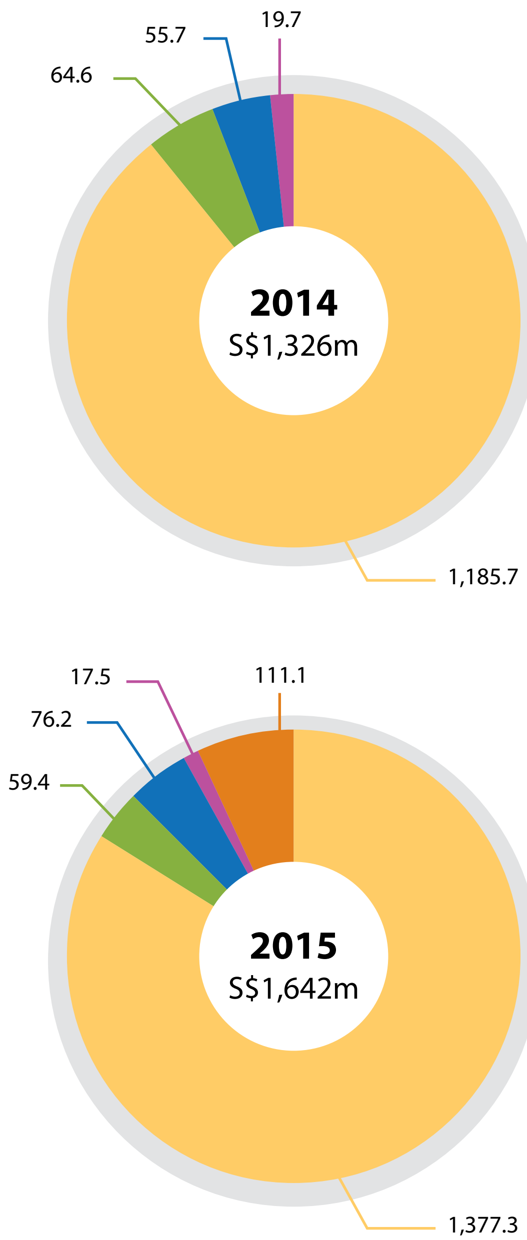
FINANCIAL HIGHLIGHTS

TOTAL ASSETS OWNED (S$' MILLION)



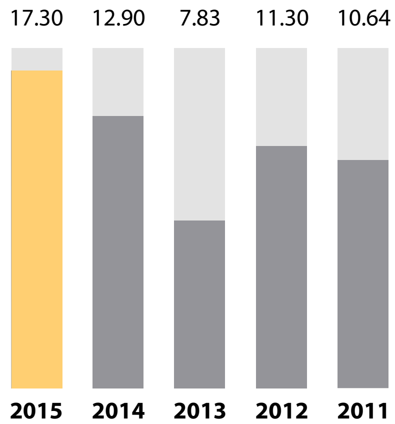
- Plant and Equipment
- Investment Properties
- Investments in Associates
- Investments in Joint Ventures
- Quoted and Unquoted Investments - Long-term
- Quoted Investments - Short-term
- Cash and Cash Equivalents (including pledged deposits)
- Others

TOTAL LIABILITIES AND CAPITAL (S$' MILLION)

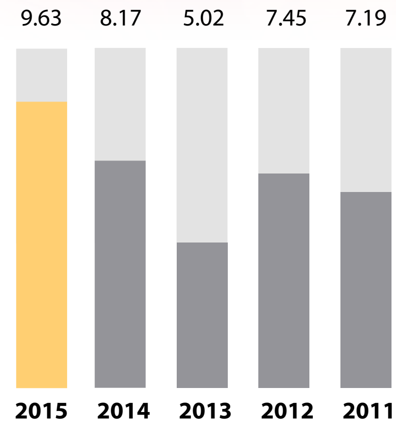


- Total Equity
- Bank Borrowings
- Trade and Other Payables
- Tax and Deferred Tax Liabilities
- Amount due to an Associate

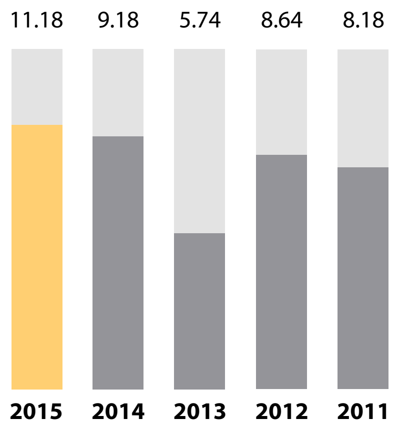
EARNINGS PER SHARE (CENTS)



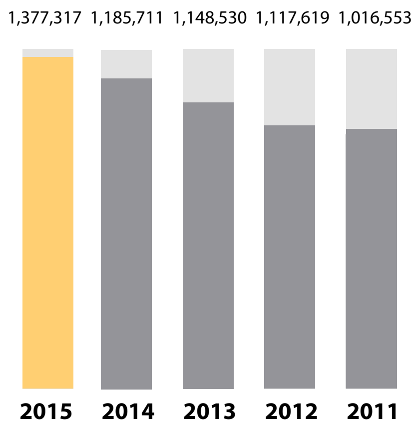
RETURN ON TOTAL ASSETS (%)



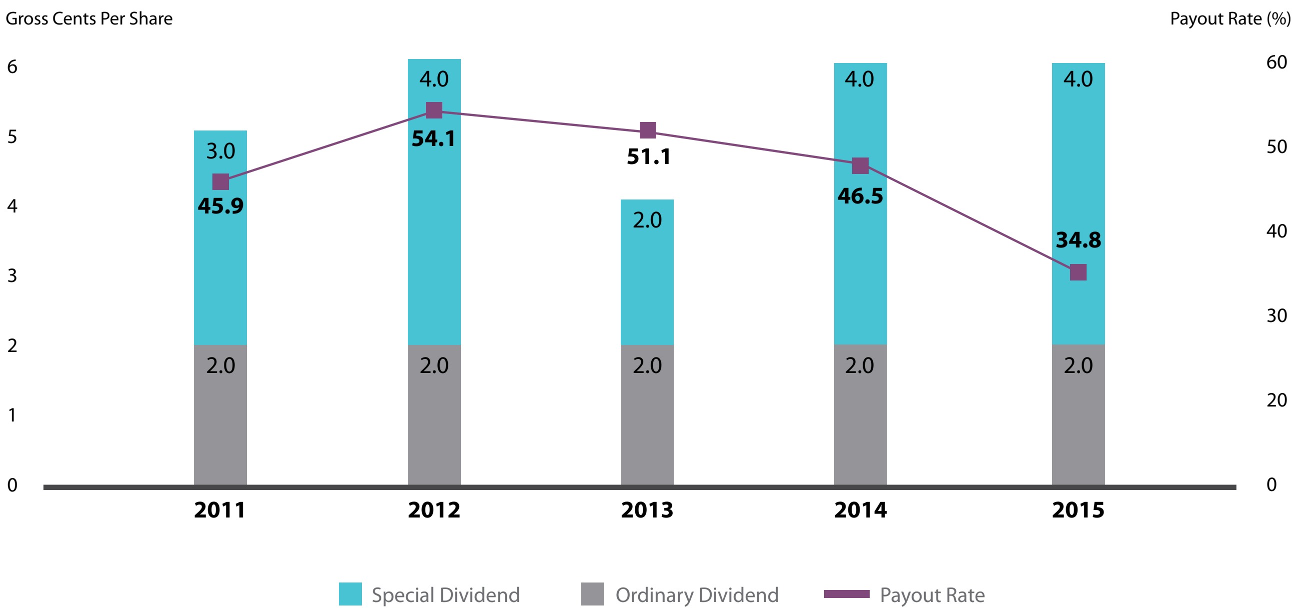
RETURN ON SHAREHOLDERS' FUNDS (%)



TOTAL NET ASSETS (S$'000)



DIVIDEND PAYOUT



FINANCIAL SUMMARY

	2015	2014 (Restated)	2013 (Restated)	2012 (Restated)	2011 (Restated)
FINANCIAL RESULTS (S$'000)					
Turnover	145,826	139,179	139,410	132,279	124,294
Net profit from operating activities before tax	145,538	109,923	72,493	106,099	87,084
Taxation	(3,181)	(3,031)	(7,532)	(14,184)	(4,927)
Profit after tax	142,357	106,892	64,961	91,915	82,157
Non-controlling Interests	510	(43)	(148)	(23)	(261)
Net profit attributable to shareholders	142,867	106,849	64,813	91,892	81,896
Net final dividend proposed/paid	16,561	16,561	16,561	16,561	16,439
Net special interim dividend paid	–	–	–	–	12,898
Net final special dividend proposed/paid	33,121	33,121	16,561	33,121	8,220
BALANCE SHEETS (S$'000)					
Property, plant and equipment	6,083	4,190	6,007	15,872	15,522
Investment Properties	168,948	160,797	168,875	184,111	182,678
Other non-current assets	910,343	831,569	650,861	439,187	493,463
Current assets	556,149	329,129	465,214	649,883	487,262
Total Assets	1,641,523	1,325,685	1,290,957	1,289,053	1,178,925
Current Liabilities	(199,401)	(73,633)	(79,436)	(109,083)	(95,883)
Long-term and deferred liabilities	(64,805)	(66,341)	(62,991)	(62,351)	(66,489)
Net assets	1,377,317	1,185,711	1,148,530	1,117,619	1,016,553
Financed by:					
Share capital	169,717	169,717	169,717	169,717	142,432
Treasury shares	(1,768)	(1,768)	(1,768)	(1,768)	(1,397)
Reserves	1,206,018	1,014,679	976,969	946,332	871,455
Shareholders' funds	1,373,967	1,182,628	1,144,918	1,114,281	1,012,490
Non-controlling Interests	3,350	3,083	3,612	3,338	4,063
	1,377,317	1,185,711	1,148,530	1,117,619	1,016,553

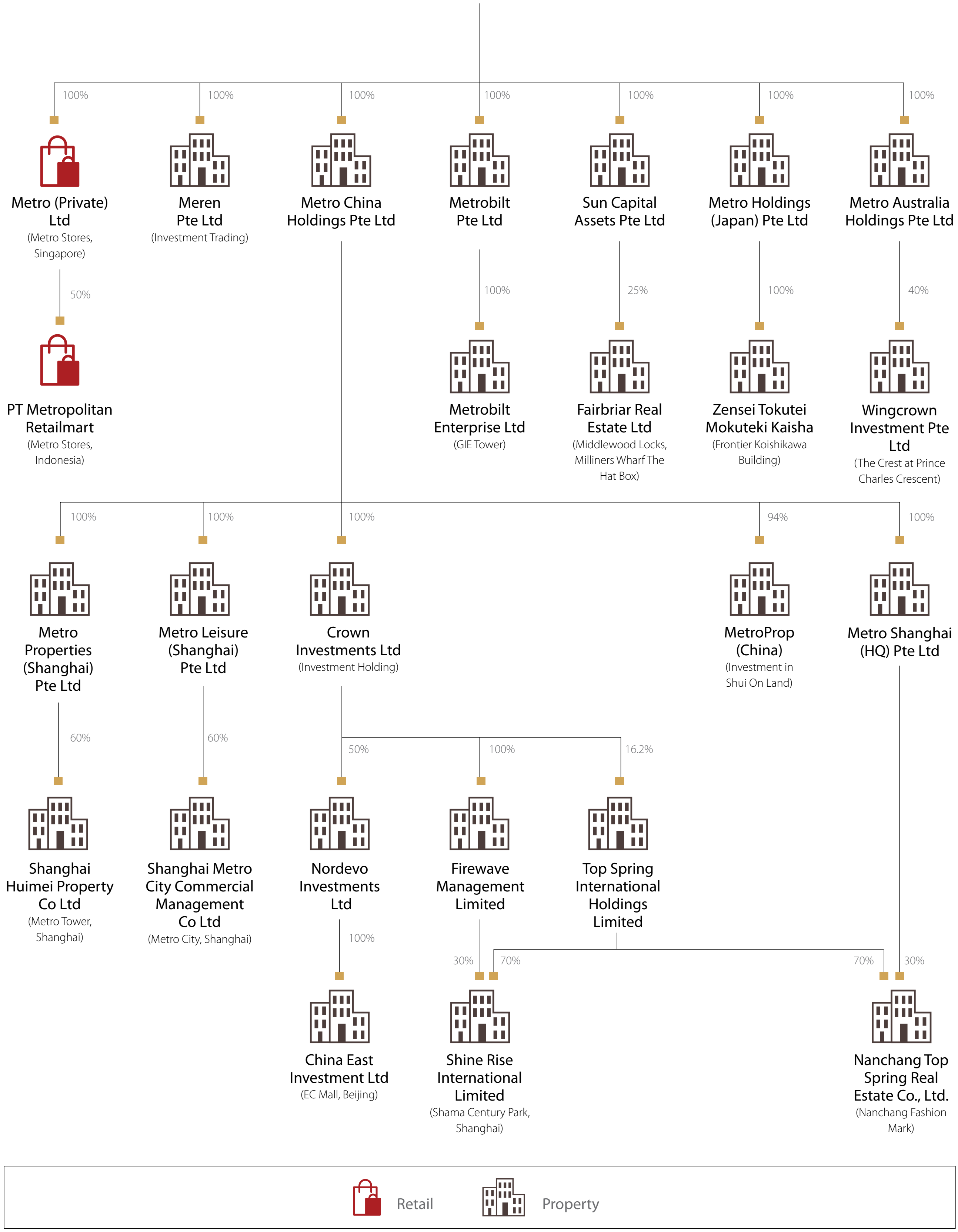
	2015	2014 (Restated)	2013 (Restated)	2012 (Restated)	2011 (Restated)
FINANCIAL RATIOS					
Earnings per share after tax and non-controlling interests (cents)#	17.3	12.90	7.83	11.30	10.64
Return on shareholders funds (%)*#	11.18	9.18	5.74	8.64	8.18
Return on Total Assets (%)*#	9.63	8.17	5.02	7.45	7.19
Dividend proposed					
Special final & interim net dividend per share (cents)	4.00	4.00	2.00	4.00	3.00
Final/Interim net dividend per share (cents)	2.00	2.00	2.00	2.00	2.00
Dividend cover (times)#	2.88	2.15	1.96	1.85	2.18
Net Assets per share (S$)#	1.66	1.43	1.38	1.35	1.30
Debt equity ratio (net of cash) (times)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash
Total Liabilities to shareholders funds (times)	0.19	0.12	0.12	0.15	0.16
Interest cover (times)#	126.90	82.24	40.00	52.93	40.55

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 STRUCTURE



CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY REPORT

EMBARKING ON THE LAST YEAR OF THE "WATER FOR LIFE" PROJECT

Corporate social responsibility and sustainability remains close to the heart of Metro's business. Building on past efforts to improve the lives of communities, Metro continued on the "Water for Life" project which aims to address the critical need of access of clean water by rural communities. In particular, the project seeks to provide clean drinking water to more than 100 schools and communities in Lamongan Regency, East Java, as well as to improve the general health conditions and well-being of the communities' 50,000 residents.

The project, which Metro undertook with the Singapore International Foundation ("SIF") and Pioneer Junior College ("PJC") since December 2012, hopes to achieve its aspirations by targeting to install a total of 150 membrane water filters by 2015.

To fund the project which includes the purchase and installation of additional membrane filters with the ability to remove suspended particles; water-borne bacteria; cysts; and viruses, the annual "Metro For Children" fund raising programme, along with PJC's fundraising efforts, were instrumental in raising the necessary proceeds. With 2015 representing the last year of the "Water for Life" project, the team managed to achieve yet another milestone by raising a total of S$124,000 through sheer collective efforts. The amount similarly exceeded last year's breakthrough of crossing over the S$100,000 per annum target.

The project also recognises the importance of imparting good hygiene practices. By channeling a portion of the funds to facilitate PJC student volunteers being there to support the project and conduct hygiene educational activities, it empowers the communities with knowledge to take charge of their health. The funds will also be directed toward the SIF's initiative to dispatch specialist volunteers to conduct water management workshops for the staff and management of Lamongan Regency's Agency of Public Works.

The Group would like to thank Metro's shoppers, corporate partners and staff for their strong support, without whom Metro would not have successfully accomplished the "Metro For Children" fundraising efforts to do good for the community.

COMMITTING TO EDUCATION SCHOLARSHIP SUPPORT

A meaningful programme that the Group has continued to support is an education scholarship – the "Metro Scholarship", in Shanghai, China. Metro believes that education is a key equaliser in life for students, regardless of background, and helps to advance social progress. The project has been on-going for over 10 years, between 2005 and 2014, and is in collaboration with several parties which include the Shanghai Xuhui District Education Fund Committee.

In 2015, the Group renewed its commitment and pledged to donate RMB100,000 annually for a period of five years starting from this year, with donations to reach a total of RMB500,000 by 2019.

The scholarship seeks to extend educational opportunities to deserving primary and secondary public school students in the Xuhui district of Shanghai, China, specifically, students from low income backgrounds who have excelled academically.

By establishing the scholarship, the Group also hopes to provide a strong foundation to support the community in Shanghai, China, where Metro operates Metro City and Metro Tower.

DOING METRO'S PART TO REDUCE GREENHOUSE GAS EMISSIONS

As a business operating in the urban landscape around and beyond the region, Metro is conscious of the need to reduce the share of the Group's carbon footprint. While the Group made good progress last year in areas such as the overhaul of the central air-conditioning systems in Metro Tower, Shanghai, to modern and energy efficient facilities, opportunities remain to be tapped in further reducing the overall energy consumption.

During the year, Metro City, Shanghai, embarked on a project in replacing four sets of its cooling pumps to energy saving ones, for RMB770,000. With the investment, the projected savings of RMB302,400 per year would translate to a payback period of 2.5 years.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY REPORT

An initiative to be undertaken is the replacement of fire exit lights at Metro Tower, Shanghai, with motion sensor Light-Emitting Diodes ("LED") which have higher energy efficiencies. Given that human traffic at fire exits' are lower compared to the rest of the premises, the RMB70,000 investment in the replacement exercise would amount to annual savings in electricity usage by 67% or about RMB17,000. This further builds on efforts in the previous year which saw florescent lightings being replaced with LEDs in the common areas of the building.

Not only will these programmes save costs for Metro in the long run which can be channelled to other fruitful causes; increase investments for the Group's business; and ultimately drive returns to shareholders, it contributes to Metro's efforts in reducing adverse impacts on the environment.

MAKING A DIFFERENCE

The Group's corporate social responsibility and sustainability strategy was founded on the premise of contributing positively to society and the environment. Although the "Water for Life" initiative is drawing to a close with 2015 being in its last year, Metro remains committed to seeking new opportunities where a difference can be made in improving the lives of others in a sustainable way.

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.

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 six directors as follows:

	Board	Audit Committee	Nominating Committee	Remuneration Committee	Investment Committee
Lt-Gen (Retd) Winston Choo Wee Leong	Chairman	–	Chairman	Member	Chairman
Jopie Ong Hie Koan	Member	–	Member	–	Member
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	–	–	–	–

CORPORATE GOVERNANCE

Lt-Gen (Retd) Winston Choo Wee Leong is the non-executive and independent Chairman. The Group Managing Director, Mr Jopie Ong Hie Koan is the executive director. Mr Gerald Ong Chong Keng is the non-executive director. Mr Phua Bah Lee, Mrs Fang Ai Lian and Mr Tan Soo Khoon are the non-executive and independent directors.

The Company's Articles of Association permit directors to attend meetings through the use of audio-visual communication equipment.

The attendance of directors at Board and Board Committees' meetings as well as the Annual General Meeting in FY2015 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	4	–	–	1	1	1	1	10	9	1
Jopie Ong Hie Koan	4	4	–	–	1	1	–	–	10	10	1
Phua Bah Lee	4	4	4	4	1	1	1	1	–	–	1
Gerald Ong Chong Keng	4	4	4	4	1	1	1	1	10	10	1
Mrs Fang Ai Lian	4	4	4	4	1	1	–	–	–	–	1
Tan Soo Khoon	4	4	–	–	–	–	–	–	–	–	1

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 Nominating Committee considers the Board's present size and composition appropriate taking into account the nature and scope of the Group's operations, the depth and breadth of knowledge, expertise and business experiences of the directors to govern and manage the Group's affairs and that a majority of the Board size is independent.

Each director has been appointed on the strength of his calibre, experience and stature. 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 Nominating Committee reviews the size of the Board from time to time.

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

CHAIRMAN AND GROUP MANAGING DIRECTOR

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 Group Managing Director are separate persons who are not related. There is a clear segregation of the roles and responsibilities between the Chairman and the Group Managing Director.

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

CORPORATE GOVERNANCE

The Group Managing Director 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 five 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 Jopie Ong Hie Koan, 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 re-appointment of any Directors under the retirement provisions in accordance with the Company's Articles of Association at each annual general meeting and under S153(6) of the Companies Act, Chapter 50;

(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 and Board committees. The Company's Articles of Association provide 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.

CORPORATE GOVERNANCE

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 AGM 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% shareholder of the Company by a declaration in writing annually.

As at 31 March 2015, one of the independent directors, Mr Phua Bah Lee, has served on the Board for more than nine years. In subjecting the independence of Mr Phua to particularly rigorous review, the Nominating Committee and the Board have (with Mr Phua abstaining from discussion and deliberation) placed more emphasis on whether he has demonstrated independent judgment, integrity, professionalism and objectivity in the discharge of his duties rather than imposing a maximum number of years that he should serve. The Nominating Committee and the Board have noted that Mr Phua has not hesitated to express his own viewpoint as well as seeking clarification from Management on issues he deems necessary. It is noted that Mr Phua is able to exercise objective judgment on corporate matters independently, in particular from Management and 10% shareholders, notwithstanding his 21 years of office and 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 remains 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 Mrs Fang Ai Lian who is retiring by rotation pursuant to Article 94 of the Company's Articles of Association at the forthcoming AGM.

The Nominating Committee has also recommended the re-appointment of Lt-Gen (Retd) Winston Choo Wee Leong, Mr Jopie Ong Hie Koan and Mr Phua Bah Lee who are retiring under Section 153(6) of the Companies Act, Chapter 50 at the forthcoming AGM.

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

CORPORATE GOVERNANCE

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 re-appointment/ re-election
Lt-Gen (Retd) Winston Choo Wee Leong	Non-Executive/ Independent Director	18 June 2007	24 July 2014
Jopie Ong Hie Koan	Executive Director	21 September 1973	24 July 2014
Phua Bah Lee	Non-Executive/ Independent Director	5 October 1993	24 July 2014
Gerald Ong Chong Keng	Non-Executive Director	18 June 2007	17 July 2013
Mrs Fang Ai Lian	Non-Executive/ Independent Director	16 July 2008	25 July 2012
Tan Soo Khoon	Non-Executive/ Independent Director	9 December 2011	24 July 2014

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.

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 furthering 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.

CORPORATE GOVERNANCE

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 Managing Director;

(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 executive 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 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.

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.

CORPORATE GOVERNANCE

Breakdown of directors' remuneration for current financial year:

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	202	100%	–	–
Jopie Ong Hie Koan	8,146	14%	86%	–
Phua Bah Lee	77	100%	–	–
Gerald Ong Chong Keng	134	100%	–	–
Mrs Fang Ai Lian	87	100%	–	–
Tan Soo Khoon	40	100%	–	–

Remuneration of top five executives (who are not also directors) for current financial year:

Remuneration Band & Name of Key Executive	Base Salary etc	Performance-Related/ Bonuses	Long Term Incentive
S$1,500,000 to S$1,749,999			
Lawrence Chiang Kok Sung	53%	44%	3%
S$1,000,000 to S$1,249,999			
Lee Chin Yin	66%	31%	3%
S$500,000 to S$749,999			
Wong Sioe Hong	82%	18%	–
David Tang Kai Kong	81%	19%	–
S$250,000 to S$499,999			
Goh Leng Seng	77%	23%	–

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 5 key executives (who are not also directors) of the Group is only set out in bands of S$250,000 above. Their profiles are found on page 15.

The aggregate total remuneration paid to the top five key management personnel (who are not directors or the Group Managing Director) was S$4,454,017.

Number of employees who are immediate family members of the Group Managing Director in remuneration bands:

Remuneration Band & Name of Immediate Family Member	Base Salary etc	Performance-Related/ Bonuses	Long Term Incentive
S$650,000 to S$699,999			
Wong Sioe Hong	82%	18%	–
S$100,000 to S$149,999			
Ong Jenn	79%	21%	–
S$50,000 to S$99,999			
Nil	–	–	–

Wong Sioe Hong and Ong Jenn are the sister and son of the Group Managing Director respectively.

CORPORATE GOVERNANCE

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 two non-executive independent directors and a non-executive director. It is chaired by Mrs Fang Ai Lian and the members are Mr Phua Bah Lee and Mr Gerald Ong Chong Keng. 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 investigations within the Group and ensuring appropriate follow-up action, if required.

CORPORATE GOVERNANCE

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 2015, 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 2016. 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 accounts of the Company and all its Singapore-incorporated subsidiaries and its only associated company. This Singapore-incorporated associated company is insignificant. The accounts of the 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 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 insignificant, are audited by EY.

All the significant foreign-incorporated joint ventures, with the exception of one joint venture, are audited by EY member firms in their respective countries. This significant foreign-incorporated joint venture is audited by one of the big four audit firms in Hong Kong. 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 accounts of these joint ventures and associated companies are audited by the other big four audit firms except for one insignificant foreign-incorporated associated company which is audited by the ninth largest audit firm (in terms of fee income) in the United Kingdom.

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. 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.

CORPORATE GOVERNANCE

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 33 to the financial statements.

The Board has obtained a written confirmation from the Group Managing Director and Group Financial Controller:

(a) that the financial records have been properly maintained and the financial statements give 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, 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 as at 31 March 2015 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 mis-statements, 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 on SGXNET after trading hours. Results and annual reports are announced or issued within the mandatory periods.

Shareholders are encouraged to attend the AGM to ensure a greater level of shareholder 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 AGM and circulars and notices pertaining to any Extraordinary General Meetings of the Company. To facilitate participation by the shareholders, the Articles of the Company allow the shareholders to attend and vote at general meetings of the Company by proxies. A shareholder may appoint up to two proxies to attend and vote on his behalf at the general meeting through a proxy form deposited 48 hours before the meeting. Notices of general meetings are also advertised in newspapers and available on the SGX-ST's website.

CORPORATE GOVERNANCE

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 AGM 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 will start to conduct the voting of all its resolutions by poll at all AGMs and EGMs beginning this year. The detailed voting results, including the total number of votes cast for or against each resolution tabled, will be announced immediately at the AGMs and EGMs and via SGXNET.

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 Secretary who will assist to make the necessary announcements.

DIRECTORS' INTERESTS IN CONTRACTS ENTERED WITH THE GROUP

During the year, 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	
	2015 S$'000	**2014** S$'000	**2015** S$'000	**2014** S$'000
Jopie Ong Hie Koan Rental and property management income received from Eng Kuan Company Pte Ltd	149	179	–	–
Gerald Ong Chong Keng# Corporate advisory fees paid or payable to OEC Holdings Pte Ltd	120	120	120	120

CORPORATE GOVERNANCE

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) Transactions with Jopie Ong Hie Koan and Gerald Ong Chong Keng as above. The value of the Interested Person Transactions with these two directors as above was about 0.01% each of the Group NTA as at 31 March 2014. The Group NTA as at 31 March 2014 was S$1,182,628,000.

(ii) Transactions with the following directors on the purchase of the following apartments and car parks in respect of Milliners Wharf The Hat Box, Manchester, United Kingdom from Fairbriar Hatbox Ltd*:

Name	Unit	Apartment Price (£)	Car Park Price (£)	Total Price (S$ equivalent @ 2.049 exchange rate)	25% of transaction (S$ equivalent @ 2.049 exchange rate)	% of the Group NTA as at 31/3/2014+
Lt Gen (Retd) Winston Choo Wee Leong	505 Blk A 5-01	232,000	7,500	490,735	122,684	0.01
Gerald Ong Chong Keng#	506 Blk A 5-09	227,000	7,500	480,490	120,123	0.01
Mrs Fang Ai Lian	507 Blk A 5-08	219,000	7,500	464,098	116,025	0.01

* Sun Capital Assets Pte Ltd, holds a 25% equity interest in Fairbriar Real Estate Ltd which through its intermediate subsidiary, Fairbriar Real Estate Developments Ltd, owns Fairbriar Hatbox Ltd which is developing Milliners Wharf The Hat Box, Manchester, United Kingdom.

\# The aggregate value of all interested person transactions with Mr Gerald Ong Chong Keng during the financial year was S$240,123 representing 0.02% of the Group NTA as at 31 March 2014.

(iii) Concessionaire Agreement entered into by Metro Private Limited with Crystal Time (S) Pte Ltd from 10 November 2014 to 31 March 2015 to sell products in Metro Centrepoint:

Name	Amount	% of the Group NTA as at 31/3/2014+
Tan Soo Khoon	S$28,573	0.002

\+ Based on the Group NTA of S$1,182,628,000 as at 31 March 2014.

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DIRECTORS' REPORT

The directors are pleased to present their report to the members together with the audited consolidated financial statements of Metro Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2015.

DIRECTORS

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

Winston Choo Wee Leong (Chairman)
Jopie Ong Hie Koan (Group Managing Director)
Phua Bah Lee
Gerald Ong Chong Keng
Fang Ai Lian
Tan Soo Khoon

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.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following directors, 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 registered in the name of the directors			**Shareholdings in which the directors are deemed to have an interest**		
Name of director	**As at 1.4.2014**	**As at 31.3.2015**	**As at 21.4.2015**	**As at 1.4.2014**	**As at 31.3.2015**	**As at 21.4.2015**
Ordinary shares						
Jopie Ong Hie Koan	–	–	–	285,047,743	285,047,743	285,047,743
Phua Bah Lee	–	–	–	72,576	72,576	72,576

By virtue of Section 7 of the Act, Mr Jopie Ong Hie Koan with the above shareholdings is deemed to have interests in all the subsidiaries of the Group.

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.

DIRECTORS' CONTRACTUAL BENEFITS

Except as disclosed in Note 7 to the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' REPORT

AUDIT COMMITTEE

The Audit Committee comprises non-executive and independent directors, Mrs Fang Ai Lian (who chairs the Audit Committee) and Mr Phua Bah Lee, 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 the fees paid to the external auditors and are of the opinion that their independence has not been impaired.

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

AUDITOR

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

On behalf of the Board,

Winston Choo Wee Leong
Chairman

Jopie Ong Hie Koan
Group Managing Director

Singapore
19 June 2015

STATEMENT BY DIRECTORS PURSUANT TO SECTION 201(15) OF THE SINGAPORE COMPANIES ACT, CHAPTER 50

We, Winston Choo Wee Leong and Jopie Ong Hie Koan, being two of the directors of Metro Holdings Limited, do hereby state that, in the opinion of the directors:

(i) the accompanying statements of financial position, consolidated income statement, consolidated statement of comprehensive income, statements of changes in equity, and consolidated statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015 and of the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the 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.

On behalf of the Board,

Winston Choo Wee Leong
Chairman

Jopie Ong Hie Koan
Group Managing Director

Singapore
19 June 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METRO HOLDINGS LIMITED

For the financial year ended 31 March 2015

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Metro Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 59 to 140, which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2015, the consolidated income statement, consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility 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 Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, 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 profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METRO HOLDINGS LIMITED

For the financial year ended 31 March 2015

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 subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Chartered Accountants

Singapore
19 June 2015

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 March 2015

(In Singapore dollars)	Note	2015	2014 (Restated)
		$'000	$'000
Revenue	4	145,826	139,179
Cost of revenue	5	(137,474)	(120,991)
Gross profit		8,352	18,188
Other income, including interest income	6	22,473	16,647
Gain on disposal of asset held-for-sale	23	–	29,559
Changes in fair value of short term investments		2,577	(5,302)
Impairment of plant and equipment	11	(8,789)	–
Impairment of available-for-sale investments		(10,286)	–
Gain/(deficit) from fair value adjustments on investment properties	12	2,576	(4,808)
General and administrative expenses		(29,873)	(27,666)
(Loss)/profit from operating activities	7	(12,970)	26,618
Finance costs	8	(1,156)	(1,353)
Share of associates' results, net of tax	15	131,109	21,641
Share of joint ventures' results, net of tax	17	28,555	63,017
Profit from operations before taxation		145,538	109,923
Taxation	9	(3,181)	(3,031)
Profit net of taxation		142,357	106,892
Attributable to:			
Owners of the Company		142,867	106,849
Non-controlling interests		(510)	43
		142,357	106,892
		Cents	**Cents**
Earnings per share			
Basic	10	17.3	12.9
Diluted	10	17.3	12.9

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 2015

(In Singapore dollars)	2015 $'000	2014 (Restated) $'000
Profit net of taxation	142,357	106,892
Other comprehensive income:		
Items that will not be reclassified to profit or loss		
Reversal of fair value changes on available-for-sale financial assets which became an associate	30,926	–
Items that may be reclassified subsequently to profit or loss		
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	78,654	5,015
Impairment of available-for-sale financial assets taken to income statement	10,286	–
Changes in fair value of available-for-sale financial assets	(12,349)	(44,667)
Translation and other reserve of associates transferred to profit or loss upon disposal	(9,183)	–
Share of other comprehensive income of associates and joint ventures	597	3,062
Other comprehensive income for the financial year	98,931	(36,590)
Total comprehensive income for the financial year	241,288	70,302
Total comprehensive income attributable to:		
Owners of the Company	241,021	70,831
Non-controlling interests	267	(529)
	241,288	70,302

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

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2015

(In Singapore dollars)	Note	Group 31.3.2015	Group 31.3.2014 (Restated)	Group 1.4.2013 (Restated)	Company 31.3.2015	Company 31.3.2014
		$'000	$'000	$'000	$'000	$'000
ASSETS						
Non-current assets						
Plant and equipment	11	6,083	4,190	6,007	105	163
Investment properties	12	168,948	160,797	168,875	–	–
Subsidiaries	13	–	–	–	17,790	17,790
Amounts due from subsidiaries	14	–	–	–	570,705	646,234
Associates	15	347,089	85,034	57,338	500	500
Amounts due from associates	16	64,325	114,050	72,448	–	–
Joint ventures	17	286,886	259,519	220,051	–	–
Amounts due from joint ventures	18	163,640	229,472	181,095	–	–
Investments	19	48,403	143,494	89,948	–	–
Other receivables		–	–	29,981	–	–
		1,085,374	996,556	825,743	589,100	664,687
Current assets						
Inventories	20	26,978	15,103	14,977	–	–
Prepayments		1,225	1,276	721	8	8
Amounts due from an associate	16	12,290	–	–	–	–
Amounts due from a joint venture	18	76,539	–	–	–	–
Accounts and other receivables	21	10,221	9,152	7,138	178	2,727
Tax recoverable		197	190	269	–	–
Short term investments	19	49,863	31,583	99,291	–	–
Pledged fixed and bank deposits	22	28,849	33,774	33,687	–	–
Cash and cash equivalents	22	349,987	238,051	299,230	17,434	6,112
Asset held-for-sale	23	–	–	9,901	–	–
		556,149	329,129	465,214	17,620	8,847
Total assets		1,641,523	1,325,685	1,290,957	606,720	673,534
EQUITY AND LIABILITIES						
Current liabilities						
Bank borrowings	24	23,860	25,529	38,605	–	–
Accounts and other payables	25	60,739	41,662	37,960	10,694	7,869
Amounts due to an associate	16	111,110	–	–	–	–
Provision for taxation		3,692	6,442	2,871	242	822
		199,401	73,633	79,436	10,936	8,691
Net current assets		356,748	255,496	385,778	6,684	156
Non-current liabilities						
Bank borrowings	24	35,578	39,046	43,098	–	–
Amounts due to subsidiaries	25	–	–	–	323,790	372,049
Other payables	25	15,407	14,014	2,938	–	–
Deferred taxation	9	13,820	13,281	16,955	325	328
		64,805	66,341	62,991	324,115	372,377
Total liabilities		264,206	139,974	142,427	335,051	381,068

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

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2015

(In Singapore dollars)	Note	Group			Company	
		31.3.2015	31.3.2014 (Restated)	1.4.2013 (Restated)	31.3.2015	31.3.2014
		$'000	$'000	$'000	$'000	$'000
Net assets		1,377,317	1,185,711	1,148,530	271,669	292,466
Equity attributable to owners of the Company						
Share capital	26	169,717	169,717	169,717	169,717	169,717
Treasury shares	26	(1,768)	(1,768)	(1,768)	(1,768)	(1,768)
Reserves	27	1,206,018	1,014,679	967,850	103,720	124,517
Reserve of asset held-for-sale	23	–	–	9,119	–	–
		1,373,967	1,182,628	1,144,918	271,669	292,466
Non-controlling interests		3,350	3,083	3,612	–	–
Total equity		1,377,317	1,185,711	1,148,530	271,669	292,466
Total equity and liabilities		1,641,523	1,325,685	1,290,957	606,720	673,534

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 2015

(In Singapore dollars)

Group	Share capital $'000	Treasury shares $'000	Capital reserve $'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 2014	169,717	(1,768)	9,954	(22,052)	(22,048)	3,020	2,894	1,042,911	1,182,628	3,083	1,185,711
Profit for the year	–	–	–	–	–	–	–	142,867	142,867	(510)	142,357
Other comprehensive income											
Reversal of fair value changes on available-for-sale financial assets which became an associate	–	–	–	30,926	–	–	–	–	30,926	–	30,926
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	–	–	–	–	78,369	–	–	–	78,369	285	78,654
Impairment of available-for-sale financial assets taken to income statement	–	–	–	9,669	–	–	–	–	9,669	617	10,286
Changes in fair value of available-for-sale financial assets	–	–	–	(12,224)	–	–	–	–	(12,224)	(125)	(12,349)
Translation and other reserve of associates transferred to profit or loss upon disposal	–	–	–	–	(6,289)	–	(2,894)	–	(9,183)	–	(9,183)
Share of other comprehensive income of associates and joint ventures	–	–	–	–	282	–	315	–	597	–	597
Other comprehensive income for the financial year	–	–	–	28,371	72,362	–	(2,579)	–	98,154	777	98,931

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 2015

(In Singapore dollars)

Group (cont'd)	Share capital $'000	Treasury shares $'000	Capital reserve $'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
Total comprehensive income for the financial year	–	–	–	28,371	72,362	–	(2,579)	142,867	241,021	267	241,288
Contributions by and distributions to owners											
Dividends paid (Note 28)	–	–	–	–	–	–	–	(49,682)	(49,682)	–	(49,682)
Total contributions by and distributions to owners	–	–	–	–	–	–	–	(49,682)	(49,682)	–	(49,682)
Others											
Transfer to statutory reserve fund	–	–	–	–	–	375	–	(375)	–	–	–
Total others	–	–	–	–	–	375	–	(375)	–	–	–
At 31 March 2015	169,717	(1,768)	9,954	6,319	50,314	3,395	315	1,135,721	1,373,967	3,350	1,377,317

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 2015

(In Singapore dollars)

Group	Share capital $'000	Treasury shares $'000	Capital reserve $'000	Fair value reserve $'000	Foreign currency translation reserve $'000	Statutory reserve $'000	Other reserve $'000	Revenue reserve $'000	Reserve of asset classified as held-for-sale $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
At 1 April 2013	169,717	(1,768)	9,954	21,988	(27,176)	2,552	–	960,532	9,119	1,144,918	3,612	1,148,530
Profit for the year	–	–	–	–	–	–	–	106,849	–	106,849	43	106,892
Other comprehensive income												
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	–	–	–	–	4,960	–	–	–	–	4,960	55	5,015
Changes in fair value of available-for-sale financial assets	–	–	–	(44,040)	–	–	–	–	–	(44,040)	(627)	(44,667)
Share of other comprehensive income of associates and joint ventures	–	–	–	–	168	–	2,894	–	–	3,062	–	3,062
Other comprehensive income for the financial year	–	–	–	(44,040)	5,128	–	2,894	–	–	(36,018)	(572)	(36,590)
Total comprehensive income for the financial year	–	–	–	(44,040)	5,128	–	2,894	106,849	–	70,831	(529)	70,302
Contributions by and distributions to owners												
Dividends paid (Note 28)	–	–	–	–	–	–	–	(33,121)	–	(33,121)	–	(33,121)

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 2015

(In Singapore dollars)

Group (cont'd)	Share capital $'000	Treasury shares $'000	Capital reserve $'000	Fair value reserve $'000	Foreign currency translation reserve $'000	Statutory reserve $'000	Other reserve $'000	Revenue reserve $'000	Reserve of asset classified as held-for-sale $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Total contributions by and distributions to owners	–	–	–	–	–	–	–	(33,121)	–	(33,121)	–	(33,121)
Others												
Realised on disposal of asset held-for-sale (Note 23)	–	–	–	–	–	–	–	9,119	(9,119)	–	–	–
Transfer to statutory reserve fund	–	–	–	–	–	468	–	(468)	–	–	–	–
Total others	–	–	–	–	–	468	–	8,651	(9,119)	–	–	–
At 31 March 2014	169,717	(1,768)	9,954	(22,052)	(22,048)	3,020	2,894	1,042,911	–	1,182,628	3,083	1,185,711

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 2015

(In Singapore dollars)	Share capital $'000	Treasury shares $'000	Revenue reserve $'000	Reserve of asset classified as held-for-sale $'000	Total equity $'000
Company					
At 1 April 2014	169,717	(1,768)	124,517	–	292,466
Profit for the year, representing total comprehensive income for the financial year	–	–	28,885	–	28,885
Contributions by and distributions to owners					
Dividends paid (Note 28)	–	–	(49,682)	–	(49,682)
At 31 March 2015	169,717	(1,768)	103,720	–	271,669
At 1 April 2013	169,717	(1,768)	120,173	9,119	297,241
Profit for the year, representing total comprehensive income for the financial year	–	–	28,346	–	28,346
Contributions by and distributions to owners					
Dividends paid (Note 28)	–	–	(33,121)	–	(33,121)
Others					
Realised on disposal of asset held-for-sale (Note 23)	–	–	9,119	(9,119)	–
At 31 March 2014	169,717	(1,768)	124,517	–	292,466

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 2015

(In Singapore dollars)	Note	2015 $'000	2014 (Restated) $'000
Cash flows from operating activities:			
Operating cash flows before changes in working capital			
Operating loss before reinvestment in working capital	(a)	(4,623)	(3,751)
Increase in inventories		(13,032)	(1,110)
Increase in accounts and other receivables		(1,095)	(2,490)
Increase in accounts and other payables		20,470	14,778
Cash flows from operations		1,720	7,427
Interest expense paid		(1,156)	(1,353)
Interest income received		3,968	3,836
Income taxes paid		(6,689)	(3,249)
Net cash flows (used in)/from operating activities		(2,157)	6,661
Cash flows from investing activities:			
Purchase of plant and equipment	11	(14,446)	(1,380)
Increase in investments		(992)	(96,226)
Repayment by a joint venture partner		–	31,392
Purchase of short term investments		(23,520)	(64)
Proceeds from liquidation of an associate		–	673
Proceeds from disposal of asset held-for-sale, net		–	39,460
Proceeds from disposal of plant and equipment		1	158
Proceeds from disposal of short term investments		9,618	59,410
Investment in an associate		(12,004)	(2,185)
Increase in amount due to an associate		108,410	–
Decrease/(increase) in amounts due from associates		42,451	(46,195)
Additional loans to joint ventures		(600)	(38,142)
Dividends received from associates		15,456	–
Dividends received from joint ventures	17	20,830	23,280
Dividends received from quoted and unquoted investments		7,219	6,989
Changes in pledged fixed and bank deposits		4,925	(87)
Net cash flows generated from/(used in) investing activities		157,348	(22,917)
Cash flows from financing activities:			
Repayment of bank borrowings		(948)	(12,388)
Dividends paid	28	(49,682)	(33,121)
Net cash flows used in financing activities		(50,630)	(45,509)
Net increase/(decrease) in cash and cash equivalents		104,561	(61,765)
Effect of exchange rate changes in cash and cash equivalents		7,375	586
Cash and cash equivalents at beginning of financial year	22	238,051	299,230
Cash and cash equivalents at end of financial year	22	349,987	238,051

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 2015

(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	2015	2014 (Restated)
		$'000	$'000
Profit before taxation		145,538	109,923
Adjustments for:			
(Gain)/deficit from fair value adjustments on investment properties	12	(2,576)	4,808
Interest expense	8	1,156	1,353
Depreciation of plant and equipment	11	3,753	3,188
Share of associates' results, net of tax		(131,109)	(21,641)
Share of joint ventures' results, net of tax		(28,555)	(63,017)
Interest and investment income		(11,187)	(10,825)
Gain on disposal of plant and equipment	7	(1)	(158)
Inventories written down	7	640	1,079
Allowance for doubtful debts	7	70	–
Plant and equipment written off	7	11	9
Allowance for/(write-back) of obsolete inventories	7	517	(95)
Changes in fair value of short term investments		(2,577)	5,302
Foreign exchange adjustments		2,582	(7,178)
Gain on disposal of asset held-for-sale		–	(29,559)
(Gain)/loss on disposal of short term investments	6	(1,960)	3,060
Impairment of plant and equipment	11	8,789	–
Impairment of available-for-sale investments		10,286	–
Operating cash flows before changes in working capital		(4,623)	(3,751)

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

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2015

1. CORPORATE INFORMATION

Metro Holdings Limited (the "Company") is a limited liability company, which is 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 statement of financial position 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.

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 2014. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company except as discussed below.

<u>FRS 111 Joint Arrangements and Revised FRS 28 Investments in Associates and Joint Ventures</u>

The adoption of FRS 111 has resulted in the Group having to revise its method of accounting for its joint arrangement. Investment in jointly controlled entity had been previously consolidated proportionately. Under FRS 111, this arrangement is classified as joint venture and is to be equity accounted.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (cont'd)

The change in accounting policy has been applied in accordance with the transitional provision in FRS 111. The initial investment was measured as the aggregate of the carrying amounts of the assets and liabilities that the Group previously proportionately consolidated. The effects of adoption of FRS 111 and FRS 28 are as follows:

Impact on statement of profit or loss [increase/(decrease)] in profit:

	Group **As at** **31 March 2014** $'000
Revenue	(55,087)
Cost of revenue	16,969
Gross profit	(38,118)
Other income, including interest income	(22,514)
Gain from fair value adjustments on investment properties	(24,834)
General and administrative expenses	3,804
Profit from operating activities	(81,662)
Finance costs	3,748
Share of joint ventures' results, net of tax	63,017
Profit from operations before taxation	(14,897)
Taxation	14,897
Net impact on profit after tax	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (cont'd)

Impact on balance sheet items [increase/(decrease)] and net equity:

	Group	
	As at 31 March 2014 $'000	**As at 1 April 2013** $'000
ASSETS		
Non-current assets		
Plant and equipment	(628)	(596)
Investment properties	(493,121)	(364,996)
Joint ventures	259,519	220,051
Amounts due from joint ventures	229,012	178,540
Investments	–	(54)
	(5,218)	32,945
Current assets		
Development property	(241,380)	(226,077)
Prepayments	(40)	–
Accounts and other receivables	(6,850)	(9,216)
Pledged fixed and bank deposits	(5,497)	(1,295)
Cash and cash equivalents	(59,920)	(52,375)
	(313,687)	(288,963)
Total assets	(318,905)	(256,018)
LIABILITIES		
Current liabilities		
Bank borrowings	(6,969)	(3,260)
Accounts and other payables	(50,309)	(38,019)
Provision for taxation	(2,726)	(2,877)
	(60,004)	(44,156)
Net current assets	(253,683)	(244,807)
Non-current liabilities		
Bank borrowings	(183,331)	(151,885)
Other payables	7,688	2,159
Deferred taxation	(83,258)	(62,136)
	(258,901)	(211,862)
Total liabilities	(318,905)	(256,018)
Net impact on equity	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (cont'd)

Impact on cash flows statements [increase/(decrease)] in cash flows:

	Group As at 31 March 2014 $'000
Operating	(23,696)
Investing	23,454
Financing	(6,509)
Net decrease in cash and cash equivalents	(6,751)

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
Amendments to FRS 19 *Defined Benefit Plans: Employee Contributions*	1 July 2014
Improvements to FRSs (January 2014)	
(a) Amendments to FRS 102 *Share Based Payment*	1 July 2014
(b) Amendments to FRS 103 *Business Combinations*	1 July 2014
(c) Amendments to FRS 108 *Operating Segments*	1 July 2014
(d) Amendments to FRS 16 *Property, Plant and Equipment* and FRS 38 *Intangible Assets*	1 July 2014
(e) Amendments to FRS 24 *Related Party Disclosures*	1 July 2014
Improvements to FRSs (February 2014)	
(a) Amendments to FRS 103 *Business Combinations*	1 July 2014
(b) Amendments to FRS 113 *Fair Value Measurement*	1 July 2014
(c) Amendments to FRS 40 *Investment Property*	1 July 2014
Amendments to FRS 16 and FRS 41: *Agriculture: Bearer Plants*	1 January 2016
Amendments to FRS 27: *Equity Method in Separate Financial Statements*	1 January 2016
Amendments to FRS 16 and FRS 38: *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Amendments to FRS 111: *Accounting for Acquisitions of Interests in Joint Operations*	1 January 2016
Improvements to FRSs (November 2014)	
(a) Amendments to FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*	1 January 2016
(b) Amendments to FRS 107 *Financial Instruments: Disclosures*	1 January 2016
(c) Amendments to FRS 19 *Employee Benefits*	1 January 2016
Amendments to FRS 110 & FRS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2016
Amendments to FRS 1 Disclosure Initiative	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28: *Investment Entities: Applying the Consolidation Exception*	1 January 2016
FRS 114 *Regulatory Deferral Accounts*	1 January 2016
FRS 115 *Revenue from Contracts with Customers*	1 January 2017
FRS 109 *Financial Instruments*	1 January 2018

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Except for FRS 115 and FRS 109, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115 and FRS 109 are described below.

FRS 115 Revenue from Contracts with Customers

FRS 115 establishes a new five-step models that will apply to revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 18 Revenue, FRS 11 Construction Contracts and the related interpretations when it becomes effective.

The core principle of FRS 115 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017. The Group is in the process of reviewing the implications of this standard.

FRS 109 Financial Instruments

The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. FRS 109 is effective for annual periods beginning on or after 1 January 2018. Retrospective application is required, but comparative information is not compulsory in the year of adoption. The Group is in the process of reviewing the implications of this standard.

2.4 Basis of consolidation and business combinations

(a) Basis of consolidation

Basis of consolidation from 1 April 2010

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

(a) Basis of consolidation (cont'd)

Basis of consolidation from 1 April 2010 (cont'd)

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.

Basis of consolidation prior to 1 April 2010

Certain of the above-mentioned requirements were applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

- Acquisition of non-controlling interests, prior to 1 April 2010, were accounted for using the parent entity extension method, whereby, the difference between the consideration and the book value of the share of the net assets acquired were recognised in goodwill.
- Losses incurred by the Group were attributed to the non-controlling interest until the balance was reduced to nil. Any further losses were attributed to the Group, unless the non-controlling interest had a binding obligation to cover these. Losses prior to 1 April 2010 were not reallocated between non-controlling interest and the owners of the Company.
- Upon loss of control, the Group accounted for the investment retained at its proportionate share of net asset value at the date control was lost. The carrying value of such investments as at 1 April 2010 have not been restated.

(b) Business combinations and goodwill

Business combinations from 1 April 2010

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

(b) Business combinations and goodwill (cont'd)

Business combinations from 1 April 2010 (cont'd)

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.

Business combinations prior to 1 April 2010

In comparison to the above mentioned requirements, the following differences applied:

Business combinations are accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in equity. Any additional acquired share of interest did not affect the previously recognised goodwill.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that would otherwise be required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 owners' 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.

2.6 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.

(b) *Consolidated financial statements*

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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	–	3 to 10 years

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.

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.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

2.9 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 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.

2.10 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.

2.11 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 2.12.

2.12 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 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.

2.13 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 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 that are not designated as hedging instruments in hedge relationships as defined by FRS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Financial instruments (cont'd)

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

Subsequent measurement (cont'd)

(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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Financial instruments (cont'd)

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

Subsequent measurement (cont'd)

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

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.

(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.

2.14 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Impairment of financial assets (cont'd)

(a) *Financial assets carried at amortised cost (cont'd)*

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 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.

2.16 Inventories

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

For retail inventories, cost comprises the weighted average cost (which includes the related charges incurred in importing such merchandise) of merchandise derived at using the Retail Inventory Method or is ascertained on a first-in-first-out basis.

For all other inventories, cost comprises the invoiced value of goods on a specific identification basis, the first-in-first-out basis or the weighted average basis as appropriate plus related charges incurred in importing such goods.

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.

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

2.17 Provisions

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.

2.18 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 to 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".

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 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.

2.20 Borrowing costs

Borrowing costs are recognised in the profit or loss as incurred except to the extent that they are capitalised. 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.

2.21 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 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.

(b) *As lessor*

Leases where 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(b). Contingent rents are recognised as revenue in the period in which they are earned.

2.23 Non-current assets held-for-sale

Non-current assets classified as held-for-sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are classified as held-for-sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held-for-sale are not depreciated or amortised.

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.

(a) *Sale of goods*

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.24 Revenue (cont'd)

(b) *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.

(c) *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.

(d) *Dividend income*

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

(e) *Interest income*

Interest income is recognised using the effective interest method.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.25 Taxes (cont'd)

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

Deferred tax assets are recognised for all deductible temporary differences, 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 32, 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

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the 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 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.

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

3.1 Judgments made in applying accounting policies

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

(a) *Impairment of available-for-sale equity investments*

The Group records impairment charges on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires judgment. In making this judgment, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost. An impairment loss was recognised for available-for-sale financial assets during the financial year of $10,286,000 (2014: $Nil). The carrying amount of available-for-sale equity investments as at 31 March 2015 was $48,403,000 (2014: $143,494,000). If a decline in fair value below cost was considered significant or prolonged, the Group would have recognised an additional loss of $Nil (2014: $25,165,000).

(b) *Operating lease commitments – As lessor*

The Group has entered into commercial property leases on its investment properties. The Group has determined, based on evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

(c) *Income taxes*

The Group has exposure to income taxes in numerous jurisdictions. Significant judgment is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax 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. As at 31 March 2015, the carrying amount of the Group's current and deferred tax provisions amounted to $3,692,000 and $13,820,000 (2014: $6,442,000 and $13,281,000) respectively and the carrying amount of the Group's tax recoverable was $197,000 (2014: $190,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONT'D)

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.

(a) *Fair value of financial instruments*

Where the fair values of financial instruments recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. The judgments include considerations of liquidity and model inputs regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates. The valuation of financial instruments is described in more detail in Note 34.

(b) *Impairment of loans and receivables*

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the end of the reporting period is disclosed in Note 21 to the financial statements.

(c) *Revaluation of investment property*

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss.

The fair values of investment properties are determined by independent real estate valuation experts using recognised valuation techniques. These techniques comprise the Direct Capitalisation Method, the Direct Comparison Method and the Discounted Cash Flow Method.

The determination of the fair values of the investment properties require the use of estimates such as future cash flows from assets (such as lettings, tenants' profiles, future revenue streams, capital values of fixtures and fittings, plant and machinery, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. These estimates are based on local market conditions existing at the end of each reporting date.

The carrying amount and key assumptions used to determine the fair value of the investment properties are further explained in Note 34.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

4. REVENUE

Revenue generated by the Group's operations is as follows:

	Note	Group 2015 $'000	Group 2014 (Restated) $'000
Retail - Sale of goods		135,662	128,207
Property - Rental income and related service income	12	10,164	10,972
		145,826	139,179

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

Revenue of the Group reported on a gross transaction basis, which represents the value of the overall activity based on the gross value of sales achieved by the concessionaire, is presented as follows:

	2015	2014
Retail	228,183	208,541
Property	10,164	10,972
	238,347	219,513

5. COST OF REVENUE

	Group 2015 $'000	Group 2014 (Restated) $'000
Retail	135,031	118,476
Property	2,443	2,515
	137,474	120,991

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

6. OTHER INCOME, INCLUDING INTEREST INCOME

	Group	
	2015	2014 (Restated)
	$'000	$'000
Interest income from:		
- Loans and receivables	3,968	3,836
Dividends, gross from:		
- Available-for-sale financial assets	5,179	3,548
- Held-for-trading financial assets	2,040	3,441
	7,219	6,989
Net gain/(loss) on financial instruments:		
- Held-for-trading financial assets	1,960	(3,060)
Management fee income from associates	1,009	857
Foreign exchange gain	4,066	3,553
Other rental income	2,590	2,544
Sundry income	1,661	1,928
	22,473	16,647

7. (LOSS)/PROFIT FROM OPERATING ACTIVITIES

(Loss)/profit from operating activities is stated after charging/(crediting):

	Group	
	2015	2014 (Restated)
	$'000	$'000
Staff costs, including Directors' emoluments, are as follows:		
Salaries, bonuses and other related costs	31,289	28,796
Contributions to CPF and other defined contribution schemes	2,928	2,599
Provision for long-service benefits	256	302
	34,473	31,697
Directors' emoluments included in staff costs are as follows:		
Directors of the Company		
- Other emoluments	8,081	5,535
- Fees payable	607	577
- Professional fees paid and payable to a company in which a Director has an interest	120	120
Directors of subsidiaries	1,224	1,224
	10,032	7,456

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

7. (LOSS)/PROFIT FROM OPERATING ACTIVITIES (CONT'D)

(Loss)/profit from operating activities is stated after charging/(crediting): (cont'd)

	Note	Group 2015 $'000	Group 2014 (Restated) $'000
Rental expense	29	31,612	25,388
Foreign exchange (gain)/loss:			
Included in other income		(4,066)	(3,553)
Included in general and administrative expenses		–	86
Foreign exchange gain, net		(4,066)	(3,467)
Depreciation of plant and equipment	11	3,753	3,188
Inventories written down	20	640	1,079
Allowance for/(write-back of) obsolete inventories	20	517	(95)
Audit fees:			
- Auditors of the Company		483	474
- Other auditors		226	248
Non-audit fees:			
- Auditors of the Company		157	140
- Other auditors		118	131
Allowance for doubtful debts	21	70	–
Plant and equipment written off		11	9
Gain on disposal of plant and equipment		(1)	(158)

Rental expense includes total contingent rents recognised as an expense for the financial year ended 31 March 2015 amounting to $1,195,000 (2014: $1,333,000).

Presentation of expenses recognised in Consolidated Income Statement based on function is as follows:

	Note	Group 2015 $'000	Group 2014 (Restated) $'000
Revenue	4	145,826	139,179
Cost of revenue	5	(137,474)	(120,991)
Gross profit		8,352	18,188
Other income		27,626	46,206
General and administrative expenses		(48,948)	(37,776)
Finance costs	8	(1,156)	(1,353)
Share of associates' results, net of tax	15	131,109	21,641
Share of joint ventures' results, net of tax	17	28,555	63,017
Profit before income tax		145,538	109,923
Taxation	9	(3,181)	(3,031)
Profit for the year		142,357	106,892

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

8. FINANCE COSTS

	Group 2015 $'000	Group 2014 (Restated) $'000
Interest expense on:		
- Bank loans	1,156	1,353

9. TAXATION

(a) ***Major components of income tax expense***

The major components of income tax expense for the financial years ended 31 March 2015 and 2014 are:

Consolidated income statement

	Group 2015 $'000	Group 2014 (Restated) $'000
Current taxation		
- Current income taxation	3,176	6,752
- Under/(over) provision in respect of prior financial years	536	(287)
	3,712	6,465
Deferred taxation		
- Origination and reversal of temporary differences	(11)	(3,404)
- Over provision in respect of prior financial years	(563)	(169)
	(574)	(3,573)
Withholding tax	43	139
Income tax expense recognised in the consolidated income statement	3,181	3,031

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

9. TAXATION (CONT'D)

(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	
	2015	**2014 (Restated)**
	$'000	$'000
Profit before taxation	145,538	109,923
Less: Share of results of equity-accounted associates*	(131,109)	(21,641)
Less: Share of results of equity-accounted joint ventures*	(28,555)	(63,017)
	(14,126)	25,265
Taxation calculated at Singapore statutory income tax rate of 17% (2014: 17%)	(2,401)	4,295
Expenses not deductible for tax purposes	5,360	2,613
Difference arising from tax rates applicable to foreign entities	172	118
Income not subject to tax	(1,751)	(5,010)
Unremitted foreign sourced income	1,778	1,394
Utilisation of previously unrecognised tax assets	–	(211)
Deferred tax not recognised	11	–
Over provision in respect of prior financial years	(27)	(456)
Withholding tax	43	139
Others	(4)	149
Taxation expense recognised in the consolidated income statement	3,181	3,031

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

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	
	2015	**2014**
Mauritius	15%	15%
Hong Kong	16.5%	16.5%
China	25%	25%
Malaysia	25%	25%
Japan	35.64%	38.01%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

9. TAXATION (CONT'D)

(c) ***Deferred taxation***

	Group		Company	
	2015	2014 (Restated)	2015	2014
	$'000	$'000	$'000	$'000
Balance at beginning of financial year	13,281	16,955	328	319
Exchange adjustments	1,113	(101)	–	–
(Credited)/charged to income statement	(574)	(3,573)	(3)	9
Balance at end of financial year	13,820	13,281	325	328

Deferred taxation as at 31 March relates to the following:

	Consolidated statement of financial position		Consolidated income statement		Company statement of financial position	
	2015	2014 (Restated)	2015	2014 (Restated)	2015	2014
	$'000	$'000	$'000	$'000	$'000	$'000
Deferred tax liabilities						
Differences in depreciation	13,313	12,056	612	605	–	–
Fair value changes	1,995	2,226	(231)	(4,288)	–	–
Undistributed profits of subsidiaries, associates and joint ventures	4,513	3,478	682	312	–	–
Unremitted foreign sourced income	336	328	8	9	325	328
	20,157	18,088			325	328
Deferred tax assets						
Differences in depreciation	(1,292)	–	(1,292)	–	–	–
Deficit on investment properties	(3,834)	(3,539)	73	108	–	–
Deferred income and other deferred tax assets	(1,211)	(1,268)	(426)	(319)	–	–
	13,820	13,281			325	328
Deferred income tax expense			(574)	(3,573)		

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

9. TAXATION (CONT'D)

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

Unrecognised tax losses

A loss-transfer system of Group relief ("Group relief system") for companies was introduced in Singapore with effect from Year of Assessment 2003. Under the Group relief system, a 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 another company belonging to the same group, to be deducted against the assessable income.

There are estimated tax losses and unabsorbed capital allowances amounting to $19,906,000 and $27,000 (2014: $20,112,000 and $27,000) respectively, available for offset against future taxable profits of certain subsidiaries of which $ 19,485,000 (2014: $19,420,000) 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 (2014: 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 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	
	2015	**2014**
	$'000	$'000
Profit for the financial year attributable to owners of the Company, used in the computation of basic and diluted earnings per share	142,867	106,849
	No. of shares	**No. of shares**
	'000	'000
Weighted average number of ordinary shares for basic and diluted earnings per share computation	828,036	828,036

As at 31 March 2015, there are no dilutive potential ordinary shares (2014: Nil).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

11. PLANT AND EQUIPMENT

	Plant, equipment, furniture and fittings $'000	Motor vehicles $'000	Total $'000
Group			
Cost			
At 1 April 2013 (Restated)	28,692	1,371	30,063
Additions	1,380	–	1,380
Disposals/write-offs	(3,806)	(417)	(4,223)
At 31 March 2014 and 1 April 2014 (Restated)	26,266	954	27,220
Additions	14,446	–	14,446
Disposals/write-offs	(314)	–	(314)
At 31 March 2015	40,398	954	41,352
Accumulated depreciation			
At 1 April 2013 (Restated)	23,083	973	24,056
Charge for 2014	3,021	167	3,188
Disposals/write-offs	(3,797)	(417)	(4,214)
At 31 March 2014 and 1 April 2014 (Restated)	22,307	723	23,030
Impairment for 2015	8,789	–	8,789
Charge for 2015	3,588	165	3,753
Disposals/write-offs	(303)	–	(303)
At 31 March 2015	34,381	888	35,269
Net book value			
At 31 March 2014 (Restated)	3,959	231	4,190
At 31 March 2015	6,017	66	6,083

Impairment of assets

During the financial year, a subsidiary of the Group within the retail segment, Metro (Private) Limited carried out a review of the recoverable amount of its plant and equipment due to lower than expected sales of the Metro Centrepoint outlet. Based on the review, Metro Centrepoint outlet's store fittings were impaired to its recoverable value and an impairment loss of $8,789,000 (2014: $Nil) was recognised in the profit and loss under "General and administrative expenses" for the financial year ended 31 March 2015. The recoverable amount of the Metro Centrepoint outlet's store fittings was based on its value in use and the weighted average cost of capital rate used was 10.0% (2014: Nil%).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

11. PLANT AND EQUIPMENT (CONT'D)

	Plant, equipment, furniture and fittings $'000	Motor vehicles $'000	Total $'000
Company			
Cost			
At 1 April 2013	1,785	915	2,700
Additions	8	–	8
Disposals	(17)	(415)	(432)
At 31 March 2014 and 1 April 2014	1,776	500	2,276
Additions	65	–	65
At 31 March 2015	1,841	500	2,341
Accumulated depreciation			
At 1 April 2013	1,752	673	2,425
Charge for 2014	20	100	120
Disposals	(17)	(415)	(432)
At 31 March 2014 and 1 April 2014	1,755	358	2,113
Charge for 2015	23	100	123
At 31 March 2015	1,778	458	2,236
Net book value			
At 31 March 2014	21	142	163
At 31 March 2015	63	42	105

12. INVESTMENT PROPERTIES

	Note	Group 2015 $'000	Group 2014 (Restated) $'000
Statement of Financial Position:			
Balance at 1 April		160,797	168,875
Adjustment to fair value		2,576	(4,808)
Exchange adjustments		5,575	(3,270)
Balance at 31 March		168,948	160,797
Consolidated Income Statement:			
Rental and related service income from investment properties	4	10,164	10,972
Direct operating expenses (including repairs, maintenance and refurbishment) arising from rental generating properties		(2,183)	(2,194)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

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 2015	Fair value 2014 (Restated)
					$'000	$'000
GIE Tower, Guangzhou	Part of a 7-storey shopping podium & 35-storey office tower along Huan Shi Dong Road, Guangzhou	50 years' lease from 18 October 1994 (29 years remaining)	DTZ Debenham Tie Leung Limited	Direct capitalisation and direct comparison method	108,000	98,890
Lakeville Regency, Shanghai	Flat No. 2702, No. 5 The Lakeville Regency, Lane 168, Shun Chang Road, Luwan District, Shanghai	64 years' lease from 20 April 2007 (56 years remaining)	DTZ Debenham Tie Leung Limited	Direct capitalisation and direct comparison method	6,150	5,603
Frontier Koishikawa Building	A 9-storey office building, located in the Bunkyo District, Tokyo	Freehold	Daiwa Real Estate Appraisal Co. Ltd	Direct capitalisation and discounted cash flow method	54,798	56,304
					168,948	160,797

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

12. INVESTMENT PROPERTIES (CONT'D)

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 34.

Property pledged as security

An investment property with a carrying value of $54,798,000 (2014: $56,304,000) has been pledged as security for bank loans (Note 24). Under the terms and conditions of the loans, the Group is restricted from disposing of this investment property or subjecting it to further charges.

13. SUBSIDIARIES

	Company	
	2015	**2014**
	$'000	$'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 36.

14. AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2015	**2014**
	$'000	$'000
Amounts due from subsidiaries	584,571	674,031
Impairment losses	(13,866)	(27,797)
	570,705	646,234

Movement in impairment loss is as follows:

Balance at beginning of financial year	27,797	28,771
Write-back for the year	(13,931)	(974)
Balance at end of financial year	13,866	27,797

Amounts due from subsidiaries are unsecured, have no fixed terms of repayment and are interest free, except for $142,603,000 (2014: $180,564,000) which bear interest ranging from 1.15% to 3.80% (2014: 1.50% to 4.50%) per annum. These are considered quasi-equity in nature.

In the current financial year, a reversal of impairment loss of $13,931,000 (2014: $974,000) was recognised in the Company's income statement subsequent to a debt recovery assessment performed on amounts due from subsidiaries as at 31 March 2015.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

15. ASSOCIATES

	Group		Company	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Unquoted equity shares, at cost	194,152	64,454	500	500
Share of post-acquisition reserves	138,302	20,318	–	–
Share of changes recognised directly in associate's equity	315	2,894	–	–
Foreign currency translation reserve	14,320	(2,632)	–	–
	347,089	85,034	500	500

Details of the associates are shown in Note 36.

	Group	
	2015	2014
	$'000	$'000
Fair value of investment in an associate, for which there is a published price quotation	93,382	–

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

Operating results	56,250	(3,061)
Negative goodwill	62,778	4,965
Fair value adjustments on investment properties	16,057	27,259
Non-operating results	26,956	–
Taxation	(31,734)	(7,522)
Non-controlling interest	802	–
	131,109	21,641

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

Profit after tax	38,428	6,646
Other comprehensive income	(8,320)	3,062
Total comprehensive income	30,108	9,708

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

15. ASSOCIATES (CONT'D)

The summarised financial information in respect of material investments 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:

Summarised statement of financial position

	Top Spring International Holdings Limited		Nanchang Top Spring Real Estate Co., Ltd	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Current assets	5,617,821	–	1,242,941	631,032
Non-current assets	1,970,433	–	193,565	177,028
Total assets	7,588,254	–	1,436,506	808,060
Current liabilities	(4,935,222)	–	(1,035,625)	(203,109)
Non-current liabilities	(1,421,536)	–	(105,574)	(392,948)
Total liabilities	(6,356,758)	–	(1,141,199)	(596,057)
Net assets	1,231,496	–	295,307	212,003
Non-controlling interests	(148,869)	–	–	–
Net assets excluding non-controlling interests	1,082,627	–	295,307	212,003
Net assets excluding non-controlling interests	1,082,627	–	295,307	212,003
Proportion of the Group's ownership	16.2%	–	30.0%	30.0%
Group's share of net assets	175,494	–	88,592	63,601
Other adjustments [(1)]	27,517	–	–	–
Carrying amount of the investment	203,011	–	88,592	63,601

(1) Other adjustments comprise of 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.

Summarised statement of comprehensive income

	Top Spring International Holdings Limited		Nanchang Top Spring Real Estate Co., Ltd	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Revenue	1,058,238	–	147,071	–
Profit after tax from continuing operations	223,382	–	61,899	49,983
Other comprehensive income	4,522	–	–	–
Total comprehensive income	227,904	–	61,899	49,983

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

15. ASSOCIATES (CONT'D)

Other summarised information

	Top Spring International Holdings Limited		Nanchang Top Spring Real Estate Co., Ltd	
	2015	**2014**	**2015**	**2014**
	$'000	$'000	$'000	$'000
Dividends received	4,120	–	–	–

Top Spring International Holdings Limited ("TSI")

On 1 July 2014, the Group's nominated representative was appointed to TSI's board as a non-executive director. With the appointment, the Group 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. An amount of $30,926,000 on the fair value reserve of available-for-sale investments was reversed during the year when TSI was accounted as an associate of the Group.

The financial statements of TSI are prepared as of 31 December 2014. 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.

As at 31 March 2015, the Group has an effective indirect equity stake of approximately 19.7% voting rights and 16.2% ownership interest in TSI.

16. AMOUNTS DUE FROM/(TO) ASSOCIATES

		Group	
	Note	**2015**	**2014**
		$'000	$'000
Amounts due from associates			
- Non-current	(a)	64,325	114,050
- Current	(b)	12,290	–
		76,615	114,050
Amounts due to an associate	(c)	(111,110)	–

(a) The non-current amounts due from associates are interest-free, except for $11,022,000 which bears interest ranging from 2.5% to 8.0% per annum, unsecured and are not expected to be repaid within the next financial year. These amounts due from associates are considered quasi-equity in nature.

(b) The current amounts due from associates are interest-free, unsecured and are expected to be repaid within the next financial year.

(c) The amounts due to an associate bear interest ranging from 2.75% to 3.00% per annum, are unsecured and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

16. AMOUNTS DUE FROM/(TO) ASSOCIATES (CONT'D)

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

	Group	
	2015	**2014**
	$'000	$'000
Amounts due from associates:		
- Sterling pound	11,022	–
- United States dollar	12,290	63,648
- Chinese renminbi	52,611	48,110
Amounts due to an associate:		
- Chinese renminbi	(111,110)	–

17. JOINT VENTURES

	Group	
	2015	**2014**
	$'000	$'000
Unquoted equity shares, at cost	34,756	34,756
Share of post-acquisition reserves	208,444	205,752
Share of changes recognised directly in joint ventures' equity	10,720	10,627
Foreign currency translation reserve	32,966	8,384
	286,886	259,519

Details of the joint ventures are shown in Note 36.

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

	2015	2014
Revenue	77,639	55,087
Direct expenses	(29,555)	(16,969)
Gross profit	48,084	38,118
Other income, including interest income	2,655	22,514
(Deficit)/gain from fair value adjustments on investment properties	(3,345)	24,834
General and administrative expenses	(5,040)	(3,804)
Profit from operating activities	42,354	81,662
Finance costs	(4,434)	(3,748)
Profit from operations before taxation	37,920	77,914
Taxation	(9,365)	(14,897)
Profit net of taxation	28,555	63,017

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

17. JOINT VENTURES (CONT'D)

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

	Group 2015 $'000	Group 2014 $'000
Loss after tax	(645)	(420)
Other comprehensive income	–	–
Total comprehensive income	(645)	(420)

The summarised financial information in respect of material investments 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:

Summarised statement of financial position

	Shanghai Metro City Commercial Management Co. Ltd		Shanghai Huimei Property Co Ltd		Nordevo Investments Limited	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Cash and cash equivalents	73,653	62,322	23,908	23,586	69	13,179
Other current assets	9,947	7,614	1,302	1,099	332,566	3,157
Total current assets	83,600	69,936	25,210	24,685	332,635	16,336
Non-current assets	233,372	230,672	207,638	188,995	–	483,899
Total assets	316,972	300,608	232,848	213,680	332,635	500,235
Current financial liabilities (excluding trade and other payable and provisions)	–	–	–	–	–	(13,938)
Other current liabilities	(66,302)	(55,673)	(25,460)	(27,784)	(203,079)	(12,720)
Non-current financial liabilities (excluding trade and other payable and provisions)	–	–	–	–	–	(127,649)
Other non-current liabilities	(41,831)	(42,699)	(44,936)	(40,192)	–	(244,372)
Total liabilities	(108,133)	(98,372)	(70,396)	(67,976)	(203,079)	(398,679)
Net assets	208,839	202,236	162,452	145,704	129,556	101,556
Net assets	208,839	202,236	162,452	145,704	129,556	101,556
Proportion of the Group's ownership	60.0%	60.0%	60.0%	60.0%	50.0%	50.0%
Carrying amount of the investment	125,303	121,342	97,471	87,422	64,778	50,778

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

17. JOINT VENTURES (CONT'D)

Summarised statement of comprehensive income

	Shanghai Metro City Commercial Management Co. Ltd		Shanghai Huimei Property Co Ltd		Nordevo Investments Limited	
	2015	2014	2015	2014	2015	2014
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	59,776	56,570	20,374	19,483	28,044	18,913
Depreciation	(71)	(72)	(68)	(57)	(63)	(94)
Finance costs	–	–	(264)	(315)	(17,089)	(13,546)
Profit before tax	19,973	15,818	16,959	17,575	25,121	110,285
Taxation	(5,109)	(4,036)	(3,946)	(4,452)	(7,863)	(19,609)
Profit after tax from continuing operations	14,864	11,782	13,013	13,123	17,258	90,676
Other comprehensive income	–	–	–	–	196	783
Total comprehensive income	14,864	11,782	13,013	13,123	17,454	91,459

Other summarised information

	Shanghai Metro City Commercial Management Co. Ltd		Shanghai Huimei Property Co Ltd		Nordevo Investments Limited	
	2015	2014	2015	2014	2015	2014
	$'000	$'000	$'000	$'000	$'000	$'000
Dividends received	15,718	16,887	5,112	4,291	–	2,102

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

18. AMOUNTS DUE FROM JOINT VENTURES

	Note	Group 2015 $'000	Group 2014 (Restated) $'000
Amounts due from joint ventures			
- Non-current	(a)	163,640	229,472
- Current	(b)	76,539	–
		240,179	229,472

(a) The non-current amounts due from joint ventures are interest-free, except for $4,233,000 (2014: $141,198,000) which bear interest at 2.40% (2014: ranging from 2.25% to 8.00%) per annum, unsecured and are not expected to be repaid within the next financial year. These amounts due from joint ventures are considered quasi-equity in nature.

(b) The current amounts due from joint ventures are unsecured and interest free, except for $1,084,000 which bear interest at 8% per annum. These amounts are expected to be repaid within the next financial year.

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

	2015 $'000	2014 $'000
Chinese renminbi	52	–
United States dollar	105,826	96,839

19. INVESTMENTS

	Group 2015 $'000	Group 2014 $'000
Current		
Financial assets at fair value through profit and loss		
Held-for-trading investments		
Shares (quoted)	49,863	31,583
Non-current		
Available-for-sale investments		
Shares (unquoted), at fair value	21,951	16,635
Shares (quoted)	26,452	126,859
	48,403	143,494

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

20. INVENTORIES

	Note	Group 2015 $'000	Group 2014 $'000
Consolidated Statement of Financial Position			
Inventories held for resale (at cost or net realisable value)		26,830	15,047
Raw materials (at cost)		148	56
Total inventories at lower of cost and net realisable value		26,978	15,103
Inventories are stated after deducting allowance for obsolete inventories of		1,170	653
Balance at 1 April		653	748
Charged to the consolidated income statement	7	517	(95)
Balance at 31 March		1,170	653
Consolidated Income Statement			
Inventories recognised as an expense in cost of sales		67,030	62,428
Inventories recognised as an expense in cost of sales is inclusive of the following charge:			
- Inventories written down	7	640	1,079
- Allowance for/(write-back of) obsolete inventories	7	517	(95)

21. ACCOUNTS AND OTHER RECEIVABLES

	Note	Group 2015 $'000	Group 2014 (Restated) $'000	Company 2015 $'000	Company 2014 $'000
Current					
Trade receivables		2,734	2,149	–	–
Deposits		6,634	6,563	149	149
Other receivables					
- Recoverables and sundry debtors		853	440	29	2,578
		10,221	9,152	178	2,727
Amounts due from an associate	16	12,290	–	–	–
Amounts due from a joint venture	18	76,539	–	–	–
		99,050	9,152	178	2,727
Non-current					
Amounts due from subsidiaries	14	–	–	570,705	646,234
Amounts due from associates	16	64,325	114,050	–	–
Amounts due from joint ventures	18	163,640	229,472	–	–
Total receivables (current and non-current)		327,015	352,674	570,883	648,961
Add: Pledged fixed and bank deposits	22	28,849	33,774	–	–
Cash and cash equivalents	22	349,987	238,051	17,434	6,112
Total loans and receivables		705,851	624,499	588,317	655,073

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

21. ACCOUNTS AND OTHER RECEIVABLES (CONT'D)

Trade receivables are non-interest bearing and are generally on 30 to 90 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 2015, the Group has trade receivables amounting to $149,000 (2014: $243,000) 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:

	Group	
	2015	**2014**
	$'000	$'000
Individually impaired		
Trade receivables – nominal amounts	79	9
Less: Allowance for impairment	(79)	(9)
	–	–
Movement in allowance for doubtful debts is as follows:		
Balance at 1 April	9	9
Charged to the income statement	70	–
Balance at 31 March	79	9

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.

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

	Group	
	2015	**2014**
		(Restated)
	$'000	$'000
Chinese renminbi	1,353	774
Japanese yen	301	294

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

22. CASH AND CASH EQUIVALENTS

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

	Group		Company	
	2015	2014 (Restated)	2015	2014
	$'000	$'000	$'000	$'000
Fixed deposits	327,657	178,545	6,319	4,510
Cash on hand and at bank	51,179	93,280	11,115	1,602
Total cash and bank balances	378,836	271,825	17,434	6,112
Less: Fixed and bank deposits pledged as security	(28,849)	(33,774)	–	–
Cash and cash equivalents	349,987	238,051	17,434	6,112

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 0.09% to 4.12% (2014: 0.01% to 3.08%) per annum. Cash on hand and at bank earn interest at floating rates based on daily bank deposit rates ranging from 0.35% to 1.38% (2014: 0.35% to 1.15%) per annum.

Fixed deposits of $28,849,000 (2014: $33,774,000) have been pledged to financial institutions as security for bank loans (Note 24).

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

	Group		Company	
	2015	2014 (Restated)	2015	2014
	$'000	$'000	$'000	$'000
United States dollar	12,825	50,969	8,836	179
Chinese renminbi	167,329	69,561	–	–
Japanese yen	3,081	3,058	–	–
Hong Kong dollar	5,963	2	–	–

23. ASSET HELD-FOR-SALE

In 2014, the disposal of the freehold property at a consideration of $39,800,000 was completed, resulting in a gain on disposal of $29,559,000, net of transactions cost amounting to $340,000, and a direct transfer of $9,119,000 from reserve of asset classified as held-for-sale to the revenue reserve.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

24. BANK BORROWINGS

	Group 2015	Group 2014 (Restated)
	$'000	$'000
Current		
Bank revolving credit facilities, denominated in Japanese yen, secured	23,860	25,529
Non-current		
Bank loans, denominated in Japanese yen	35,578	39,046
Maturity of bank borrowings		
Repayable:		
Within 1 year	23,860	25,529
After 1 year but within 5 years	35,578	39,046
	59,438	64,575

The Japanese yen denominated revolving credit facilities and loans bear interest at rates ranging from 2.35% to 2.39% (2014: 2.39% to 2.42%) per annum. These bank loans are secured by charges over an investment property of $54,798,000 (2014: $56,304,000) (Note 12), fixed deposits of $28,849,000 (2014: $33,774,000) (Note 22) and a pledge over 50.1% of the issued preference share capital of a subsidiary owned by Bunkyo Property Pte Ltd. The loans were refinanced in April 2013 and are due for full repayment by 2016.

25. ACCOUNTS AND OTHER PAYABLES

	Note	Group 2015	Group 2014 (Restated)	Company 2015	Company 2014
		$'000	$'000	$'000	$'000
Financial liabilities					
Current					
Trade payables		27,656	16,791	–	–
Other payables					
- Sundry creditors		8,660	8,212	675	675
- Accruals		21,421	13,842	10,019	7,194
- Refundable deposits		3,002	2,817	–	–
		60,739	41,662	10,694	7,869
Amounts due to an associate	16	111,110	–	–	–
Non-current					
Amounts due to subsidiaries		–	–	323,790	372,049
Total accounts and other payables (current and non-current)		171,849	41,662	334,484	379,918
Add: Total bank borrowings	24	59,438	64,575	–	–
Total financial liabilities carried at amortised cost		231,287	106,237	334,484	379,918
Non-financial liabilities					
Non-current					
Deferred income		15,407	14,014	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

25. 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	
	2015	2014 (Restated)
	$'000	$'000
United States dollar	99	951
Chinese renminbi	2,698	2,417
Sterling pound	566	300
Japanese yen	1,685	1,804

26. SHARE CAPITAL AND TREASURY SHARES

(a) ***Share capital***

	Group and Company			
	2015		2014	
	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			
	2015		2014	
	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.

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For the financial year ended 31 March 2015

27. RESERVES

	Note	Group 2015 $'000	Group 2014 $'000	Company 2015 $'000	Company 2014 $'000
Revenue reserve		1,135,721	1,042,911	103,720	124,517
Capital reserve	(a)	9,954	9,954	–	–
Foreign currency translation reserve	(b)	50,314	(22,048)	–	–
Statutory reserve	(c)	3,395	3,020	–	–
Fair value reserve	(d)	6,319	(22,052)	–	–
Other reserve	(e)	315	2,894	–	–
		1,206,018	1,014,679	103,720	124,517

(a) ***Capital reserve***

The capital reserve as at 31 March 2015 of $9,954,000 (2014: $9,954,000) relates to fair value adjustments on acquisition of joint ventures relating to previously held interest.

(b) ***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.

(c) ***Statutory reserve***

Statutory reserve represents the fund set aside on the appropriation of net profit by a subsidiary and joint ventures, which is restricted in use as required by the relevant laws and regulations of the People's Republic of China.

(d) ***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.

(e) ***Other reserve***

Other reserve comprises the share of other reserves of associates.

28. DIVIDENDS

	Group and Company 2015 $'000	Group and Company 2014 $'000
Dividends paid during the financial year:		
Final exempt (one-tier) dividend of 2.0 cents per ordinary share for 2014 (2013: 2.0 cents)	16,561	16,561
Final special exempt (one-tier) dividend of 4.0 cents per ordinary share for 2014 (2013: 2.0 cents)	33,121	16,560
	49,682	33,121

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

28. DIVIDENDS (CONT'D)

	Group and Company 2015 $'000	Group and Company 2014 $'000
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 (2014: 2.0 cents) per ordinary share	16,561	16,561
Final special exempt (one-tier) dividend of 4.0 cents (2014: 4.0 cents) per ordinary share	33,121	33,121
	49,682	49,682

29. 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 2015 $'000	Group 2014 $'000
Capital commitments in respect of investment in available-for-sale financial assets	1,972	3,101

(ii) ***Operating lease commitments***

(a) *As lessee*

Operating lease expenses for the Group during the financial year ended 31 March 2015 amounted to $31,612,000 (2014: $25,388,000).

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 2015 $'000	Group 2014 $'000
Not later than one year	23,140	27,582
Later than one year but not later than five years	33,289	97,405
Later than five years	–	9,624
	56,429	134,611

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

29. COMMITMENTS (CONT'D)

(ii) ***Operating lease commitments (cont'd)***

(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 10 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	
	2015	**2014 (Restated)**
	$'000	$'000
Not later than one year	8,486	8,307
Later than one year but not later than five years	8,668	9,457
Later than five years	3,880	4,315
	21,034	22,079

30. CONTINGENT LIABILITIES

	Company	
	2015	**2014**
	$'000	$'000
Financial support given to certain subsidiaries having:		
- deficiencies in shareholders' funds	97,393	106,734
- current liabilities in excess of current assets	1,057	2,040

31. 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	
	2015	**2014**
	$'000	$'000
Interest income from an associate	(212)	(2,968)
Interest expense paid to an associate	229	–
Management fee received from an associate	(1,009)	(857)
Rental income from a company in which a Director has an interest *	(149)	(179)
Corporate advisory fee paid to a company that is controlled by a Director	120	120

* The related party above refers to an entity affiliated with the controlling shareholder of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

31. RELATED PARTY DISCLOSURES (CONT'D)

(b) ***Compensation of key management personnel***

	Group	
	2015	**2014**
	$'000	$'000
Salary, bonus and other benefits	12,110	9,463
Contributions to CPF	59	54
Total compensation paid to key management personnel	12,169	9,517
Comprise amounts paid to:		
Directors of the Company	8,146	5,599
Other key management personnel	4,023	3,918
	12,169	9,517

32. 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.

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.

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For the financial year ended 31 March 2015

32. SEGMENT INFORMATION (CONT'D)

Business segments

	Property $'000	Retail $'000	Total $'000
2015			
Segment revenue	10,164	135,662	145,826
Segment results	5,831	(4,879)	952
Changes in fair value of short term investments	2,577	–	2,577
Impairment of plant and equipment	–	(8,789)	(8,789)
Impairment of available-for-sale investments	(10,286)	–	(10,286)
Gain from fair value adjustments on investment properties	2,576	–	2,576
Segment profit/(loss) from operating activities	698	(13,668)	(12,970)
Finance costs	(1,156)	–	(1,156)
Share of associates' results, net of tax	129,626	1,483	131,109
Share of joint ventures' results, net of tax	28,555	–	28,555
Segment profit/(loss) before taxation	157,723	(12,185)	145,538
Taxation	(4,893)	1,712	(3,181)
Profit/(loss) for the year	152,830	(10,473)	142,357

	Property $'000	Retail $'000	Inter-segment eliminations $'000	Total $'000
2014 (Restated)				
Sales to external customers	10,972	128,207	–	139,179
Inter-segment sales	32	–	(32)	–
Segment revenue	11,004	128,207	(32)	139,179
Segment results	32,438	4,290	–	36,728
Changes in fair value of short term investments	(5,302)	–	–	(5,302)
Deficit from fair value adjustments on investment properties	(4,808)	–	–	(4,808)
Segment profit from operating activities	22,328	4,290	–	26,618
Finance costs	(1,353)	–	–	(1,353)
Share of associates' results, net of tax	20,384	1,257	–	21,641
Share of joint ventures' results, net of tax	63,017	–	–	63,017
Segment profit before taxation	104,376	5,547	–	109,923
Taxation	(2,328)	(703)	–	(3,031)
Profit for the year	102,048	4,844	–	106,892

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

32. SEGMENT INFORMATION (CONT'D)

Business segments (cont'd)

	Property $'000	Retail $'000	Total $'000
2015			
Assets and liabilities			
Segment assets	621,416	69,141	690,557
Investment in associates	414,468	9,236	423,704
Investment in joint ventures	527,065	–	527,065
Tax recoverable	197	–	197
Total assets	1,563,146	78,377	1,641,523
Segment liabilities	202,004	44,690	246,694
Provision for taxation	2,485	1,207	3,692
Deferred taxation	15,261	(1,441)	13,820
Total liabilities	219,750	44,456	264,206
Other segment information			
Additions to non-current assets			
- Plant and equipment	72	14,374	14,446
Interest expense	1,156	–	1,156
Interest income	(3,835)	(133)	(3,968)
Depreciation of plant and equipment	172	3,581	3,753
Other material non-cash items			
Inventories written down	–	640	640
Fair value gain on held-for-trading investments (unrealised)	(2,577)	–	(2,577)
Gain from fair value adjustments on investment properties	(2,576)	–	(2,576)
Allowance for obsolete inventories	–	517	517
Impairment of plant and equipment	–	8,789	8,789
Impairment of available-for-sale investments	10,286	–	10,286

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

32. SEGMENT INFORMATION (CONT'D)

Business segments (cont'd)

	Property $'000	Retail $'000	Total $'000
2014 (Restated)			
Assets and liabilities			
Segment assets	562,103	75,317	637,420
Investment in associates	188,737	10,347	199,084
Investment in joint ventures	488,991	–	488,991
Tax recoverable	190	–	190
Total assets	1,240,021	85,664	1,325,685
Segment liabilities	92,794	27,457	120,251
Provision for taxation	4,266	2,176	6,442
Deferred taxation	13,010	271	13,281
Total liabilities	110,070	29,904	139,974
Other segment information			
Additions to non-current assets			
- Plant and equipment	15	1,365	1,380
Interest expense	1,353	–	1,353
Interest income	(3,710)	(126)	(3,836)
Depreciation of plant and equipment	169	3,019	3,188
Other material non-cash items			
Inventories written down	–	1,079	1,079
Fair value loss on held-for-trading investments (unrealised)	5,302	–	5,302
Gain on disposal of asset held-for-sale	(29,559)	–	(29,559)
Deficit from fair value adjustments on investment properties	4,808	–	4,808
Write-back of allowance for obsolete inventories	–	(95)	(95)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

32. SEGMENT INFORMATION (CONT'D)

Geographical information

Revenue and non-current assets information based on the geographical location of the customers and assets respectively, are as follows:

	Singapore $'000	People's Republic of China $'000	Japan $'000	Others $'000	Group $'000
2015					
Segment revenue from external customers	135,662	6,999	3,165	–	145,826
Non-current assets					
- Plant and equipment	6,068	15	–	–	6,083
- Investment properties	–	114,150	54,798	–	168,948
- Investment in associates	–	372,627	–	38,787	411,414
- Investment in joint ventures	133,634	316,892	–	–	450,526
- Investments	–	26,452	–	21,951	48,403
	139,702	830,136	54,798	60,738	1,085,374
2014 (Restated)					
Segment revenue from external customers	128,207	7,646	3,326	–	139,179
Non-current assets					
- Plant and equipment	4,179	11	–	–	4,190
- Investment properties	–	104,493	56,304	–	160,797
- Investment in associates	–	186,880	–	12,204	199,084
- Investment in joint ventures	132,618	356,373	–	–	488,991
- Investments	–	126,859	–	16,635	143,494
	136,797	774,616	56,304	28,839	996,556

33. 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 (2014: 1 to 3 months) from the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) ***Interest rate risk (cont'd)***

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	2015	2014 (Restated)
		$'000	$'000
Group			
- Japanese yen	+100	(594)	(646)
- Japanese yen	-100	594	646

(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) and Sterling pound (GBP). 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.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the RMB, USD, HKD and GBP exchange rates (against SGD), with all other variables held constant, on the Group's profit before tax and equity.

		2015		2014	
		Profit before tax	Equity	Profit before tax (Restated)	Equity (Restated)
		$'000	$'000	$'000	$'000
RMB	- strengthened 5% (2014: 5%)	2,744	2,633	3,396	2,405
	- weakened 5% (2014: 5%)	(2,744)	(2,633)	(3,396)	(2,405)
USD	- strengthened 5% (2014: 5%)	637	7,003	2,502	8,856
	- weakened 5% (2014: 5%)	(637)	(7,003)	(2,502)	(8,856)
HKD	- strengthened 5% (2014: 5%)	696	1,323	472	6,343
	- weakened 5% (2014: 5%)	(696)	(1,323)	(472)	(6,343)
GBP	- strengthened 5%	(28)	551	–	–
	- weakened 5%	28	(551)	–	–

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For the financial year ended 31 March 2015

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(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.

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	**People's Republic of China/ Hong Kong**	**Japan**	**Others**	**Total**
	$'000	$'000	$'000	$'000	$'000
By country:					
At 31 March 2015					
Loans and receivables					
Amounts due from associates (Note 16)	–	64,901	–	11,714	76,615
Amounts due from joint ventures (Note 18)	134,301	105,878	–	–	240,179
Accounts and other receivables (Note 21)	8,356	1,503	362	–	10,221
Total	142,657	172,282	362	11,714	327,015
At 31 March 2014 (Restated)					
Loans and receivables					
Amounts due from associates (Note 16)	–	111,758	–	2,292	114,050
Amounts due from joint ventures (Note 18)	132,641	96,831	–	–	229,472
Accounts and other receivables (Note 21)	8,006	794	352	–	9,152
Total	140,647	209,383	352	2,292	352,674

Of the total financial assets of $327,015,000 (2014: $352,674,000) disclosed above, 97.3% (2014: 97.1%) is invested in the property sector.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) *Credit risk (cont'd)*

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are 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 21.

(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.

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				
2015				
Financial assets:				
Accounts and other receivables	10,221	–	–	10,221
Amounts due from associates	12,290	–	64,325	76,615
Amounts due from joint ventures	76,539	25,064	138,576	240,179
Pledged deposits	28,849	–	–	28,849
Cash and cash equivalents	349,987	–	–	349,987
Total undiscounted financial assets	477,886	25,064	202,901	705,851
Financial liabilities:				
Accounts and other payables	60,739	–	–	60,739
Amounts due to an associate	111,110	–	–	111,110
Bank borrowings	24,738	35,648	–	60,386
Total undiscounted financial liabilities	196,587	35,648	–	232,235
Total net undiscounted financial assets/(liabilities)	281,299	(10,584)	202,901	473,616

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

33. 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	1 to 5 years $'000	Over 5 years $'000	Total $'000
Group				
2014 (Restated)				
Financial assets:				
Accounts and other receivables	9,152	–	–	9,152
Amounts due from associates	–	65,940	48,110	114,050
Amounts due from joint ventures	–	89,122	140,350	229,472
Pledged deposits	33,774	–	–	33,774
Cash and cash equivalents	238,051	–	–	238,051
Total undiscounted financial assets	280,977	155,062	188,460	624,499
Financial liabilities:				
Accounts and other payables	41,662	–	–	41,662
Bank borrowings	26,496	40,044	–	66,540
Total undiscounted financial liabilities	68,158	40,044	–	108,202
Total net undiscounted financial assets	212,819	115,018	188,460	516,297

	1 year or less $'000	1 to 5 years $'000	Total $'000
Company			
2015			
Financial assets:			
Accounts and other receivables	178	–	178
Amounts due from subsidiaries	–	571,997	571,997
Cash and cash equivalents	17,434	–	17,434
Total undiscounted financial assets	17,612	571,997	589,609
Financial liabilities:			
Trade and other payables	10,694	–	10,694
Amounts due to subsidiaries	–	323,790	323,790
Total undiscounted financial liabilities	10,694	323,790	334,484
Total net undiscounted financial assets	6,918	248,207	255,125

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

33. 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	1 to 5 years $'000	Total $'000
Company			
2014			
Financial assets:			
Accounts and other receivables	2,727	–	2,727
Amounts due from subsidiaries	6,215	655,652	661,867
Cash and cash equivalents	6,112	–	6,112
Total undiscounted financial assets	15,054	655,652	670,706
Financial liabilities:			
Trade and other payables	7,869	–	7,869
Amounts due to subsidiaries	–	372,049	372,049
Total undiscounted financial liabilities	7,869	372,049	379,918
Total net undiscounted financial assets	7,185	283,603	290,788

(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.

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.

	2015		2014	
	Profit before tax $'000	Equity $'000	Profit before tax $'000	Equity $'000
HSI				
- 10% higher	653	2,645	693	12,686
- 10% lower	(653)	(2,645)	(693)	(12,686)
STI				
- 10% higher	4,333	–	2,465	–
- 10% lower	(4,333)	–	(2,465)	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

34. 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.

(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:

	2015 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 19)				
- Quoted equity instruments	49,863	–	–	49,863
Available-for-sale financial assets (Note 19)				
Equity instruments				
- Quoted equity instruments	26,452	–	–	26,452
- Unquoted equity instruments	–	–	21,951	21,951
Total available-for-sale financial assets	26,452	–	21,951	48,403
Financial assets as at 31 March 2015	76,315	–	21,951	98,266
Non-financial assets:				
Investment properties	–	–	168,948	168,948
Non-financial assets as at 31 March 2015	–	–	168,948	168,948

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(b) ***Assets measured at fair value (cont'd)***

	2014 (Restated) Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1)	**Significant observable inputs other than quoted prices (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	$'000	$'000	$'000	$'000
Group				
Recurring fair value measurements				
Financial assets:				
Held-for-trading financial assets (Note 19)				
- Quoted equity instruments	31,583	–	–	31,583
Available-for-sale financial assets (Note 19)				
Equity instruments				
- Quoted equity instruments	126,859	–	–	126,859
- Unquoted equity instruments	–	–	16,635	16,635
Total available-for-sale financial assets	126,859	–	16,635	143,494
Financial assets as at 31 March 2015	158,442	–	16,635	175,077
Non-financial assets:				
Investment properties	–	–	160,797	160,797
Non-financial assets as at 31 March 2014	–	–	160,797	160,797

There have been no transfers between Level 1, Level 2 and Level 3 during 2015 and 2014.

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

34. 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 2015 $'000	Valuation techniques	Key unobservable inputs	Range
Recurring fair value measurements				
Available-for-sale financial assets:				
- Unquoted equity instruments	21,951	Net asset value[1]	Not applicable	Not applicable
Investment properties	168,948	Direct capitalisation method, direct comparison method and/or discounted cash flow method[2]	Capitalisation rate[3]	1.75% to 9.00%
			Discount rate[4]	4.60%
			Terminal capitalisation rate[5]	5.00%

(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 discount rate would result in a (decrease)/increase in the fair value of the investment properties.

(5) An increase/(decrease) in the terminal capitalisation rate would result in a (decrease)/increase 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

34. 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):

	2015		
	Available-for-sale financial assets (Unquoted equity instruments) $'000	**Investment properties** $'000	**Total** $'000
Group			
Opening balance	16,635	160,797	177,432
Total gains or losses for the period			
- Fair value gain recognised in profit or loss	–	2,576	2,576
- Fair value gain recognised in other comprehensive income	2,702	–	2,702
Additions			
- Purchases	992	–	992
Exchange differences	1,622	5,575	7,197
Closing balance	21,951	168,948	190,899

	2014 (Restated)		
	Available-for-sale financial assets (Unquoted equity instruments) $'000	**Investment properties** $'000	**Total** $'000
Group			
Opening balance	11,331	168,875	180,206
Total gains or losses for the period			
- Fair value deficit recognised in profit or loss	–	(4,808)	(4,808)
- Fair value deficit recognised in other comprehensive income	703	–	703
Additions			
- Purchases	4,428	–	4,428
Exchange differences	173	(3,270)	(3,097)
Closing balance	16,635	160,797	177,432

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

34. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) ***Level 3 fair value measurements (cont'd)***

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

34. 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	2015	2014	2015	2014	2015	2014	2015	2014
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets:									
Amounts due from subsidiaries (non-current) [(1)]									
- Non interest-bearing	14	–	–	–	–	428,102	465,670	(i)	(i)
Amounts due from associates (non-current)									
- Non interest-bearing	16	64,325	114,050	(i)	(i)	–	–	–	–
Amounts due from joint ventures (non-current)									
- Fixed rate [(2)]	18	–	920	–	933	–	–	–	–
- Non interest-bearing	18	163,640	228,552	(i)	(i)	–	–	–	–
Financial liabilities:									
Amounts due to subsidiaries (non-current) [(1)]									
- Non interest-bearing	25	–	–	–	–	323,790	372,049	(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 joint ventures are estimated using discounted cash flow analysis based on current rates for similar types of borrowing arrangements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

34. 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.

35. CAPITAL MANAGEMENT POLICY

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating 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 2014 and 31 March 2015.

As disclosed in Note 27(c), a subsidiary of the Group is required by the Foreign Enterprise Law of the PRC to contribute to and maintain a 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 for the financial years ended 31 March 2014 and 31 March 2015.

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.

36. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investments in the unquoted equity interests in subsidiaries at cost at 31 March are:

	Group	
	2015	**2014**
	$'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 $2.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

36. 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 2015 %**	**2014 %**
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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

36. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (CONT'D)

	Subsidiaries (cont'd) (Country of incorporation)	Place of business	Percentage of equity held by the Group 2015 %	2014 %
	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
+	Zensei Tokutei Mokuteki Kaisha (Japan)	Japan	100.0	100.0
	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
	Metro Prop Japan Pte Ltd (Singapore)	Singapore	100.0	100.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

36. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (CONT'D)

	Subsidiaries (cont'd) **(Country of incorporation)**	**Place of business**	**Percentage of equity held by the Group** **2015** %	 **2014** %
	Held by subsidiaries (cont'd)			
	Investment holding (cont'd)			
	Kowa Property Pte Ltd (Singapore)	Singapore	100.0	100.0
	Bunkyo Property Pte Ltd (Singapore)	Japan	100.0	100.0
	Metro Prop Singapore Pte Ltd (Singapore)	Singapore	100.0	100.0
	Management service consultants			
	Metrobilt Construction Pte Ltd (Singapore)	Singapore	100.0	100.0
Ω	Zensei Leasing GK (Japan)	Japan	100.0	100.0
	Dormant companies			
	Idea Shoppe Pte Ltd (Singapore)	Singapore	100.0	100.0
+	Metro Factory Outlet (Malaysia) Sdn Bhd (Malaysia)	Malaysia	100.0	100.0

	Associates **(Country of incorporation)**	**Place of business**	**Percentage of equity held by the Group** **2015** %	 **2014** %
	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
+	Nanchang Top Spring Real Estate Co., Ltd (People's Republic of China)	People's Republic of China	30.0	30.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

36. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (CONT'D)

	Associates (cont'd) (Country of incorporation)	Place of business	Percentage of equity held by the Group 2015 %	2014 %
	Investment holding			
^	Gurney Investments Pte Ltd (Singapore)	Singapore	50.0	50.0
(1)	China Infrastructure Group Limited (British Virgin Islands)	People's Republic of China	–	50.0
&	Diamond Wind Company Limited (British Virgin Islands)	People's Republic of China	21.4	21.4
&	Choice Bright Holdings Limited (British Virgin Islands)	People's Republic of China	21.4	21.4
&	Barlo Development Company Limited (British Virgin Islands)	People's Republic of China	33.3	33.3
&	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	16.2	–
&	Fairbriar Real Estate Limited (England and Wales)	United Kingdom	25.0	–

	Joint ventures (Country of incorporation)	Place of business	Percentage of equity held by the Group 2015 %	2014 %
	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
#	Nordevo Investments Limited (British Virgin Islands)	People's Republic of China	50.0	50.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2015

36. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (CONT'D)

Joint ventures (cont'd) (Country of incorporation)	Place of business	Percentage of equity held by the Group 2015 %	2014 %
Held through joint venture			
# China East Investment Limited (Hong Kong)	People's Republic of China	50.0	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.

(1) Liquidated 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.

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.
^ 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.
# These significant foreign incorporated associates and joint ventures are audited by other firm which is considered a suitable auditing firm as it is one of the big four audit firms.

37. SUBSEQUENT EVENTS

Subsequent to the financial year end:

(a) The Group has entered into a sale and purchase agreement to sell its 50% equity interest in the registered capital of a joint venture, China East Investment Limited ("CEI"), for approximately US$89.7 million (approximately S$118.8 million). Completion of the sale and purchase of CEI took place on 1 April 2015.

(b) The Group has entered into an Agreement of Limited Partnership pursuant to which the Group has agreed to invest US$50 million in InfraRed NF China Real Estate Fund II (A), L.P. In addition, the Group has agreed to invest an additional up to US$7 million subject to certain conditions.

38. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 March 2015 were authorised for issue in accordance with a resolution of the directors on 19 June 2015.

STATISTICS OF SHAREHOLDINGS

As at 8 June 2015

Number of fully issued and paid 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

DISTRIBUTION OF SHAREHOLDERS AND SIZE OF SHAREHOLDINGS

No.	Shareholder's Name	No. of Shares Held
1	ENG KUAN COMPANY PRIVATE LIMITED	133,555,636
2	NGEE ANN DEVELOPMENT PTE LTD	82,995,056
3	CITIBANK NOMINEES SINGAPORE PTE LTD	57,573,217
4	MAYBANK NOMINEES (SINGAPORE) PRIVATE LIMITED	55,636,188
5	DYNAMIC HOLDINGS PTE LTD	48,293,203
6	LEROY SINGAPORE PTE LTD	47,758,905
7	DBS NOMINEES PTE LTD	32,171,201
8	GAN TENG SIEW REALTY SDN BHD	20,846,796
9	BNP PARIBAS SECURITIES SERVICES PTE LTD	15,966,000
10	ROYAL BANK OF CANADA	14,000,000
11	UNITED OVERSEAS BANK NOMINEES PTE LTD	12,376,183
12	PHILLIP SECURITIES PTE LTD	9,343,773
13	LEE YUEN SHIH	8,998,200
14	HL BANK NOMINEES (SINGAPORE) PTE LTD	8,543,584
15	RAFFLES NOMINEES (PTE) LTD	8,517,078
16	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	8,114,433
17	MORPH INVESTMENTS LTD	8,110,600
18	ONG SIOE HONG	7,211,182
19	SHAW VEE KING	6,499,000
20	COMO HOLDINGS INC	4,804,800
TOTAL		591,315,035

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	100	1.74	3,231	0.00
100 - 1,000	331	5.76	178,435	0.02
1,001 - 10,000	2,355	40.99	14,285,731	1.73
10,001 - 1,000,000	2,911	50.67	161,468,092	19.50
1,000,001 and above	48	0.84	652,100,385	78.75
TOTAL	5,745	100.00	828,035,874	100.00

NOTE:
Percentage computed is based on 828,035,874 shares in issue (excluding shares held as treasury shares) as at 8 June 2015. Treasury shares as at 8 June 2015 are 3,512,800 shares.

SUBSTANTIAL SHAREHOLDERS

As at 8 June 2015

Name	No of shares Direct Interest	Deemed Interest
Jopie Ong Hie Koan (Note 1)	–	285,047,743
Eng Kuan Company Private Limited (Note 2)	133,555,636	55,439,999
Dynamic Holdings Pte Ltd	48,293,203	–
Leroy Singapore Pte Ltd	47,758,905	–
Ong Jen Yaw (Note 3)	70,540	215,503,049
Ong Ling Ling (Note 4)	75,360	48,293,203
Ong Jenn (Note 4)	63,360	48,293,203
Ong Ching Ping (Note 4)	63,360	48,293,203
Ong Sek Hian (Wang ShiXian) (Note 4)	63,360	48,293,203
Ngee Ann Development Pte Ltd	82,995,056	–
Ngee Ann Kongsi (Note 5)	–	82,995,056
Takashimaya Co Limited (Note 6)	–	82,995,056

Note 1 - Mr Jopie Ong Hie Koan is deemed to be interested in the shares of the Company through his interests in Eng Kuan Company Private Limited, Dynamic Holdings Pte Ltd and Leroy Singapore Pte Ltd.

Note 2 - Eng Kuan Company Private Limited's deemed interest is held through Maybank Nominees (Singapore) Private Limited.

Note 3 - Mr Ong Jen Yaw's deemed interest is held through Eng Kuan Company Private Limited and Citibank Nominees Singapore Pte Ltd. Mr Ong Jen Yaw is deemed to be interested in the shares of the Company through his interests in Eng Kuan Company Private Limited.

Note 4 - Ms Ong Ling Ling, Mr Ong Jenn, Ms Ong Ching Ping and Mr Ong Sek Hian (Wang ShiXian) are deemed to be interested in the shares of the Company through their respective interests in Dynamic Holdings Pte Ltd.

Note 5 - Ngee Ann Kongsi is deemed to be interested in the shares of the Company through its interests in Ngee Ann Development Pte Ltd.

Note 6 - Takashimaya Co Limited is deemed to be interested in the shares of the Company through its interests in Ngee Ann Development Pte Ltd.

PERCENTAGE OF SHAREHOLDINGS IN PUBLIC HANDS

Based on the Register of Shareholders, and to the best knowledge of the Company, the percentage of shareholding held in the hands of public as at 8 June 2015 is approximately 48.97% of the total issued shares, excluding treasury shares. Therefore, the Company complies with Rule 723 of the Listing Manual.

TREASURY SHARES

As at 8 June 2015, the number of treasury shares held is 3,512,800 representing 0.42 % of the total number of issued shares excluding treasury shares.

NOTICE OF ANNUAL GENERAL MEETING AND NOTICE OF BOOKS CLOSURE DATE

NOTICE IS HEREBY GIVEN that the Forty-Second Annual General Meeting of the Company will be held at Grand Hyatt Singapore, Level 1, The Gallery, 10 Scotts Road, Singapore 228211 on 22 July 2015 at 11.00 a.m. for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and Audited Financial Statements for the year ended 31 March 2015 and the Independent Auditor's Report thereon. **(Resolution 1)**

2. To declare the payment of a first and final tax exempt (one-tier) dividend of 2.0 cents per ordinary share for the year ended 31 March 2015. **(Resolution 2)**

3. To declare the payment of a special tax exempt (one-tier) dividend of 4.0 cents per ordinary share for the year ended 31 March 2015. **(Resolution 3)**

4. To re-appoint Mr Phua Bah Lee, who is retiring under Section 153(6) of the Companies Act, Chapter 50 of Singapore, to hold office from the date of this Annual General Meeting until the next Annual General Meeting. [refer to explanatory note (a)] **(Resolution 4)**

5. To re-appoint Lt-Gen (Retd) Winston Choo Wee Leong, who is retiring under Section 153(6) of the Companies Act, Chapter 50 of Singapore, to hold office from the date of this Annual General Meeting until the next Annual General Meeting. [refer to explanatory note (b)] **(Resolution 5)**

6. To re-appoint Mr Jopie Ong Hie Koan, who is retiring under Section 153(6) of the Companies Act, Chapter 50 of Singapore, to hold office from the date of this Annual General Meeting until the next Annual General Meeting. [refer to explanatory note (c)] **(Resolution 6)**

7. To re-elect Mrs Fang Ai Lian, a Director retiring pursuant to Article 94 of the Company's Articles of Association. [refer to explanatory note (d)] **(Resolution 7)**

8. To approve the Directors' Fees of $587,000 for the year ended 31 March 2015. (2014: $557,000). **(Resolution 8)**

9. To re-appoint Ernst & Young LLP as the Company's Auditor and to authorise the Directors to fix their remuneration. **(Resolution 9)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

10. Share Issue Mandate

That authority be and is hereby given to the Directors of the Company to:

(a) (i) issue shares in the capital 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,

NOTICE OF ANNUAL GENERAL MEETING AND NOTICE OF BOOKS CLOSURE DATE

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) in the capital of the Company (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) in the capital of the Company (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) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company 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;

(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 Articles of Association 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 (e)] **(Resolution 10)**

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 31 July 2015 for the purpose of determining shareholders' entitlements to the proposed first and final tax exempt (one-tier) dividend of 2.0 cents per ordinary share and the special tax exempt (one-tier) dividend of 4.0 cents per ordinary share for the financial year ended 31 March 2015 (the "**Proposed Dividends**").

Duly completed transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road, #02-00, Singapore 068898 up to 5:00 p.m. on 30 July 2015 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 30 July 2015 will rank for the Proposed Dividends.

The Proposed Dividends, if approved at the Forty-Second Annual General Meeting of the Company to be held on 22 July 2015, will be paid on 11 August 2015.

By Order of the Board
Tan Ching Chek and Lee Chin Yin
Joint Company Secretaries

Singapore
6 July 2015

NOTICE OF ANNUAL GENERAL MEETING AND NOTICE OF BOOKS CLOSURE DATE

EXPLANATORY NOTES:

(a) Mr Phua Bah Lee, if re-appointed, will continue to serve as the Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee. Mr Phua Bah Lee is considered by the Board of Directors as an Independent Director. For more information on Mr Phua Bah Lee, please refer to the "Board of Directors" and "Corporate Governance" sections in the Annual Report 2015.

(b) Lt-Gen (Retd) Winston Choo Wee Leong, if re-appointed, 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 2015.

(c) Mr Jopie Ong Hie Koan, the Group Managing Director, if re-appointed, will continue to serve as the Group Managing Director and a member of the Nominating Committee. For more information on Mr Jopie Ong Hie Koan, please refer to the "Board of Directors" and "Corporate Governance" sections in the Annual Report 2015.

(d) Mrs Fang Ai Lian, if re-elected, will continue to serve as the Chairman of the Audit Committee and a member of the Nominating Committee. Mrs Fang Ai Lian is considered by the Board of Directors as an Independent Director. For more information on Mrs Fang Ai Lian, please refer to the "Board of Directors" and "Corporate Governance" sections in the Annual Report 2015.

(e) The proposed ordinary resolution 10 above, if passed, will empower the Directors of the Company from the date of the above meeting until the next Annual General Meeting to issue shares in 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.

Notes:

(i) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

(ii) If a proxy is to be appointed, the instrument of proxy must be deposited at the registered office of the Company, 391A Orchard Road #19-00 Tower A, Ngee Ann City Singapore 238873 not less than 48 hours before the time appointed for holding the Annual General Meeting.

(iii) 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) for the purpose of the processing and administration by the Company (or its agents) 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) to comply with any applicable laws, listing 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), 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) 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.

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METRO HOLDINGS LIMITED
Company Registration No: 197301792W
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING

PROXY FORM

IMPORTANT
CPF Investors
1. For investors who have used their CPF monies to buy Metro Holdings Limited shares, this Annual Report is sent to them at the request of their CPF Agent Banks and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is **not valid for use by CPF investors**, and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Annual General Meeting as OBSERVERS must submit their requests through their respective Agent Banks so that their Agent Banks may register, in the required format with the Company Secretary, by the time frame specified. **(Agent Banks: Please see Note 9 on required format) Any voting instructions must also be submitted to their Agent Banks within the time frame specified to enable them to vote on the CPF investor's behalf.**

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 6 July 2015.

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 and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Forty-Second Annual General Meeting of the Company (the "Meeting") to be held at Grand Hyatt Singapore, Level 1, The Gallery, 10 Scotts Road, Singapore 228211 on 22 July 2015 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 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
1.	To adopt the Directors' Reports and Audited Financial Statements		
2.	To declare First and Final Dividend		
3.	To declare Special Dividend		
4.	To re-appoint Mr Phua Bah Lee pursuant to Section 153(6) of Companies Act, Chapter 50 of Singapore		
5.	To re-appoint Lt-Gen (Retd) Winston Choo Wee Leong pursuant to Section 153(6) of Companies Act, Chapter 50 of Singapore		
6.	To re-appoint Mr Jopie Ong Hie Koan pursuant to Section 153(6) of Companies Act, Chapter 50 of Singapore		
7.	To re-elect Mrs Fang Ai Lian, a Director retiring under Article 94 of the Articles of Association		
8.	To approve Directors' Fees		
9.	To re-appoint Ernst & Young LLP as Auditor and authorise the directors to fix their remuneration		
	SPECIAL BUSINESS		
10.	To approve the Share Issue Mandate		

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 _________________ 2015.

____

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

Total Number of Shares Held	

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.

3. Completion and return of this instrument appointing a proxy shall not preclude a member from attending 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 (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members 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 instrument 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 Company's registered office at 391A Orchard Road #19-00 Tower A, Ngee Ann City Singapore 238873 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 an 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 with the instrument of proxy, 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.

9. Agent Banks acting on the request of CPF Investors who wish to attend the Meeting as observers are requested to submit in writing, a list of details of the Investors' names, NRIC/Passport numbers, addresses and numbers of shares held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company Secretary, at the registered office of the Company not later than 48 hours before the time appointed for holding the Meeting.

GENERAL:

The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

CORPORATE DATA

BOARD OF DIRECTORS

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

Jopie Ong Hie Koan
Group Managing Director, Executive

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

AUDIT COMMITTEE

Fang Ai Lian
Chairman

Phua Bah Lee
Gerald Ong Chong Keng

NOMINATING COMMITTEE

Lt-Gen (Retd) Winston Choo Wee Leong
Chairman

Jopie Ong Hie Koan
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

Jopie Ong Hie Koan
Gerald Ong Chong Keng

SECRETARIES

Tan Ching Chek
Lee Chin Yin

AUDITORS

Ernst & Young LLP
Lim Siew Koon
Engagement Partner
(Since financial year ended 31 March 2013)

PRINCIPAL BANKERS

DBS Bank Ltd
United Overseas Bank Ltd
The Hongkong and Shanghai Banking Corporation Ltd
Malayan Banking Berhad

REGISTRARS

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

REGISTERED OFFICE

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

Citigate Dewe Rogerson, i.MAGE Pte Ltd
Dolores Phua/Han Zhongchou
55 Market Street #02-01
Singapore 048941
Tel : (65) 6534 5122
Fax : (65) 6534 4171
dolores.phua@citigatedrimage.com
zhongchou.han@citigatedrimage.com

美羅 METRO

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