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METRO HOLDINGS LTD

Securities

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Please refer to the attached files for:

1. Annual Report; and
2. Letter To Shareholders

Additional Details**Period Ended**

31/03/2022

Attachments[MHL - Annual Report.pdf](#)[MHL - Letter To Shareholders.pdf](#)

Total size =15496K MB



STRONGER, FURTHER, HIGHER

OUR VISION

Metro aims to be a leading property investment and development group in the region, building on the synergies of our rich retail experience, strong foothold in our core markets, and our strategic partnerships.

ABOUT US

Listed on the Mainboard of the SGX-ST in 1973, Metro Holdings was founded in 1957 by the late Mr Ong Tjoe Kim. Starting out as a textile store on 72 High Street, Singapore, Metro has grown over the years to become a property investment and development group with a broadened and diversified asset portfolio, backed by an established retail track record, with a turnover of S\$100.5 million for the financial year ended 31 March 2022 and net assets of S\$1.6 billion as at 31 March 2022.

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A large, stylized red '65' is the central focus. The '6' and '5' are thick and blocky. To the left of the '6' is the word 'Celebrating' in a red script font, and to the right of the '5' is the word 'Years' in the same script font. Below the '65' is the phrase 'OF EXCELLENCE' in a red, all-caps, sans-serif font.

Celebrating 65 *Years* OF EXCELLENCE

STRONGER, FURTHER, HIGHER

Metro celebrates its 65th birthday this year, a significant milestone that many other Singaporean companies aspire towards. Through the years, Metro has grown stronger, expanded further and reached higher. This was done in a sustainable manner, allowing us to stay resilient amidst the geopolitical and macro-economic headwinds.

Together with our trusted partners, Metro continues to leverage our strong foothold in our key markets of Singapore, China, Indonesia, the United Kingdom and Australia, and our rich retail heritage, to pursue opportunities globally.

CELEBRATING 65 YEARS OF EXCELLENCE

KEY MILESTONES

- First Metro store opened on 72 High Street, Singapore



- Transmarco Group was created and listed to handle the wholesale and brand retail operations



- Official launch and ground-breaking ceremony of Ngee Ann City, Singapore



1957

1973

1982

1988

1989

- Metro Holdings Ltd was listed on SGX



First Annual Report

Ong Tjoe Kim
ChairmanJopie Ong Hie Koan
MD

- Metrobilt ventured into China



- Launch of **Shanghai Roway** residential project in Shanghai, China
- **GIE Tower**, a Grade-A office in Guangzhou, China, was launched



- Launch of **The Oasis Resort** in Cairns, Australia, a 314-room hotel managed by Accor Group



1991

1992

1993

1995

Metro opened first retail store in Jakarta, Indonesia



- **Ngee Ann City**, Singapore officially opened
- **Metro Tower & Metro City**, a Grade-A office & entertainment complex in Shanghai, China, was launched



CELEBRATING 65 YEARS OF EXCELLENCE

KEY MILESTONES

- Invested in **ICT Plaza**, a retail mall in Xinjiang, China



- Opened **EC Mall** in Beijing, China



2001

2004

2007

2009



- Completion and opening of **Gurney Plaza**, a mixed-use development in Penang, Malaysia



- Partnership with InfraRed NF to invest in **1 Financial Street** and **Metropolis Tower** in Beijing, China
- Metro City Beijing** opened

Invested in
**Top Spring
International**



Acquired a serviced
apartment **Shama
Century Park**,
Shanghai, China



2010

2011

2012

2013



Acquired **Frontier
Koishikawa** in Tokyo, Japan



- Acquired a site to develop a residential project, **The Crest** in Singapore
- Invested in the mixed-use development **Nanchang Fashion Mark**, China



CELEBRATING 65 YEARS OF EXCELLENCE

KEY MILESTONES

Group invested in
**BentallGreenOak China
Real Estate Fund II**

BentallGreenOak 

- Acquired three office buildings in **Bay Valley**, Shanghai, China
- Invested in **Trans Park Juanda, Bekasi** in Jakarta, Indonesia



2014

2015

2016

2017

2018



- Expanded our geographical boundaries to the UK, invested in **Fairbriar Real Estate Limited**
- Development of **HatBox** and **Middlewood Locks** in Manchester, UK



Development of
**Sheffield Digital
Campus** in Sheffield, UK

- Entered London with acquisition of **5 Chancery Lane**, UK
- Invested in **Trans Park Bintaro**, Jakarta, Indonesia
- Invested in **Shanghai Plaza**, Shanghai, China
- Established maiden **S\$1 billion Multicurrency Debt Issuance Programme**
- Issued **S\$150 million 4.00% Notes** due 2021

- Issued **S\$200 million 4.30% Notes** due 2024
- Acquired 50% of **Asia Green** in Singapore
- Expanded to Chengdu, China, with investment into **The Atrium Mall**
- Acquired 20% stake in **portfolio of 14 freehold office and retail properties** in Australia and established asset and investment management company **Sim Lian – Metro Capital Pte. Ltd. ("SLMC")**



2019

2020

2021

2022

- Acquired **second UK PBSA property** in Bristol
- Invested and exited **European Logistics Fund**
- Acquired **351 Braddell Road** via Boustead Industrial Fund
- Acquired **Cherrybrook Village Shopping Centre** in NSW, Australia
- **Stepped-up equity stake of Australian portfolio** of 16 properties and **SLMC** from 20% to 30%
- Invested into **Daiwa House Logistic Trust** as a cornerstone investor
- Fully redeemed **S\$150 million 4.00% Notes** due 2021



- Acquired **Ropes Crossing Village Shopping Centre** in NSW, Australia
- Established **UK Purpose-Built Student Accommodation ("PBSA") Fund** with seed acquisition in Warwick and set up asset and investment management company **Paideia Partners Pte. Ltd.**
- Deepened presence in Singapore by investing into **Boustead Industrial Fund**, a portfolio of **14 Industrial, Business Park, High-Spec Industrial and Logistics Properties**



Daiwa House

- **Signed MOU** with sponsor of Daiwa House Logistics Trust for further collaboration
- Invested into 10% stake in **DocMed Technology Pte. Ltd.** in Series A fund raising
- Acquired **four UK PBSA properties** in Exeter, Durham, Glasgow and Kingston

METRO HOLDINGS AT A GLANCE

OUR INTERNATIONAL PRESENCE

Today, the Group operates two core business segments – property investment and development, and retail. It is focused on key markets in the region such as Singapore, the People's Republic of China ("PRC"), Indonesia, the United Kingdom ("UK") and Australia.

UNITED KINGDOM

London

- 5 Chancery Lane

Manchester

- Middlewood Locks
- Milliners Wharf The Hat Box

Sheffield

- Sheffield Digital Campus

Warwick

- Red Queen

Bristol

- Dean Street Works

Legend

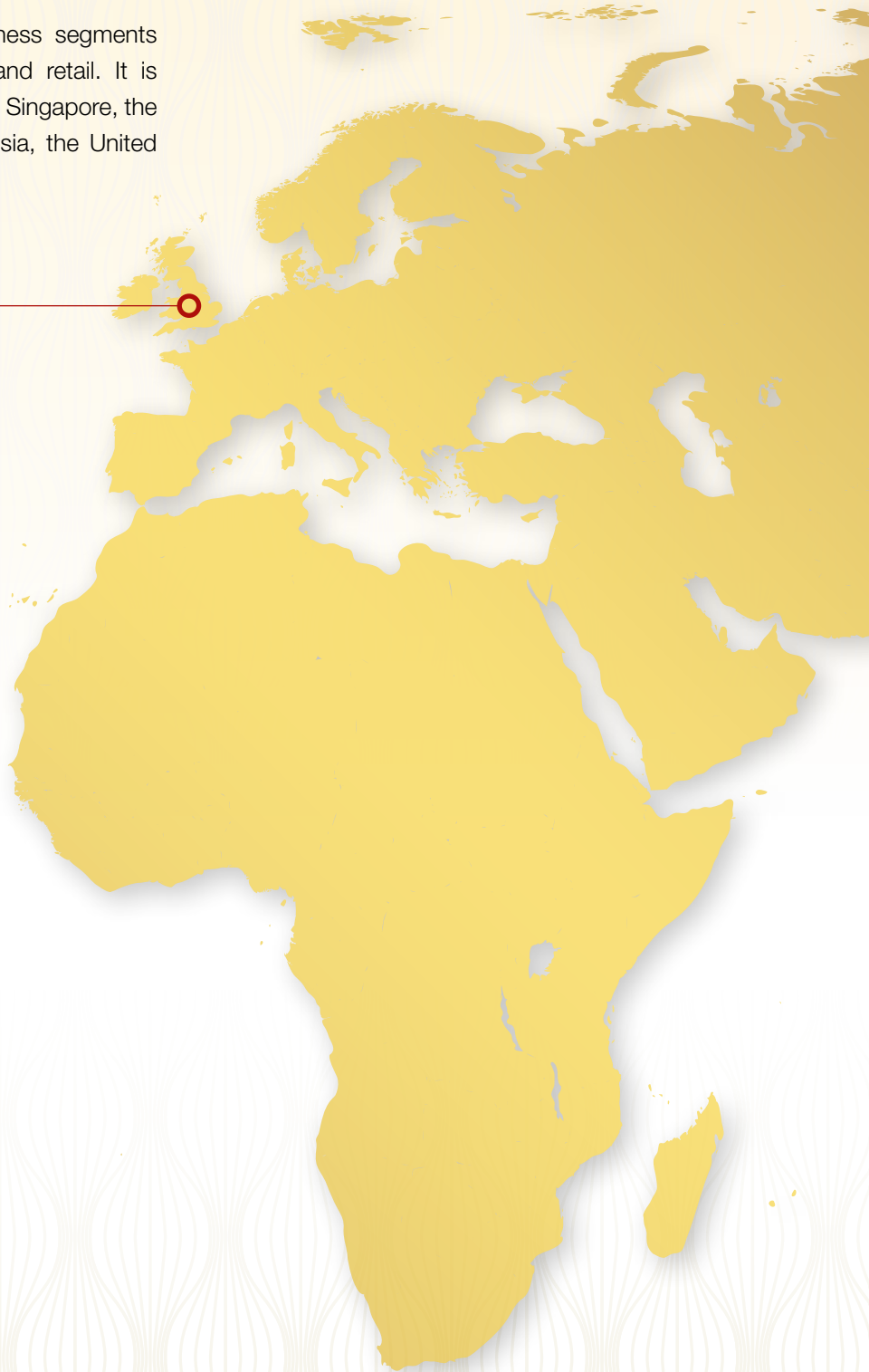
Properties

- Commercial
- Malls/Retail Centres
- Residential
- Mixed-use Development
- Student Accommodation
- Logistics & Industrial

Retail

- Retail Stores

□ **New Investment**



CHINA**Shanghai**

- Metro City
- Metro Tower
- Bay Valley
- Shanghai Plaza

Guangzhou

- GIE Tower

Chengdu

- The Atrium Mall

AUSTRALIA**New South Wales**

- 50 Margaret Street, Sydney
- Jordan Springs
- Lake Munmorah
- Ropes Crossing Village
- Cherrybrook Village

Victoria

- 390 St Kilda Road, Melbourne
- Tarneit Gardens
- Coltman Plaza
- Lara Village

Queensland

- 100 Edward Street, Brisbane
- Town Square Redbank Plains
- Everton Park Woolworths
- Everton Park Home Centre
- Woolworths Rothwell

Western Australia

- 59 Albany Highway, Victoria Park
- Dalyellup

INDONESIA

- Trans Park Juanda, Bekasi, Jakarta
- Trans Park Bintaro, Jakarta

SINGAPORE

- The Crest at Prince Charles Crescent
- Asia Green
- Portfolio of 15 Industrial, Business Park, High-Spec Industrial & Logistics Properties
- 351 Braddell Road
- 2 Metro Stores

METRO HOLDINGS AT A GLANCE

PROPERTY INVESTMENT AND DEVELOPMENT

The Group's property arm has significant interests in almost 633,000 square metres of prime retail and office investment properties in gateway cities in the PRC, such as Shanghai, Guangzhou and Chengdu, as well as Singapore, London and Australia; two PBSA properties in Warwick and Bristol, the UK, with 391 en-suite beds and 44 studios; and over 254,000 square metres of residential and mixed-use development properties predominantly held for sale. The Group also owns 14.9% of Top Spring International Holdings Limited ("Top Spring"), a Hong Kong-listed PRC property developer and invests 23.7% and 4.9% in BentallGreenOak China Real Estate Fund II (A), L.P. ("BentallGreenOak Fund II") and BentallGreenOak Fund III respectively, both private equity real estate opportunity funds, 7.2% in Mapletree Global Student Accommodation ("MGSA") Private Trust, a private trust in Singapore and approximately 7.65% in Daiwa House Logistics Trust, a Singapore real estate investment trust ("REIT") listed on SGX-ST.



Asia Green, Singapore



Middlewood Locks, Manchester, UK



Shanghai Plaza, Shanghai, PRC



The Atrium Mall, Chengdu, PRC



Ropes Crossing Village Shopping Centre, NSW, Australia



Trans Park Bintaro, Jakarta, Indonesia

METRO HOLDINGS AT A GLANCE

SINGAPORE

The Crest at Prince Charles Crescent, Asia Green, Boustead Industrial Fund

- Bombardier Aerospace
- 11 Seletar Aerospace Link
- 26 Changi North Rise
- 16 Tampines Industrial Crescent
- 85 Tuas South Avenue 1
- 10 Tukang Innovation Drive
- GSK Asia House
- Edward Boustead Centre
- Continental Building – Phase 1
- Continental Building – Phase 2
- Continental Building – Phase 3
- 10 Changi North Way
- 12 Changi North Way
- 16 Changi North Way
- 351 Braddell Road

CHINA

Shanghai

Metro City, Metro Tower, Shanghai Plaza, Bay Valley

Guangzhou

GIE Tower

Chengdu

The Atrium Mall

INDONESIA

Jakarta

Trans Park Juanda, Bekasi, Trans Park Bintaro

UNITED KINGDOM

Manchester

Middlewood Locks, Milliners Wharf The Hat Box

Sheffield

Sheffield Digital Campus

London

5 Chancery Lane

Warwick

Red Queen

Bristol

Dean Street Works

AUSTRALIA

New South Wales

50 Margaret Street, Jordan Springs, Lake Munmorah, Ropes Crossing Village, Cherrybrook Village

Victoria

390 St Kilda Road, Tarneit Gardens, Coltman Plaza, Lara Village

Queensland

100 Edward Street, Town Square Redbank Plains, Everton Park Woolworths, Everton Park Home Centre, Woolworths Rothwell

Western Australia

59 Albany Highway, Dalyellup

CHINA INVESTMENT

Top Spring

BentallGreenOak Fund II

BentallGreenOak Fund III

SINGAPORE INVESTMENT

MGSA Private Trust

Daiwa House Logistics Trust

RETAIL

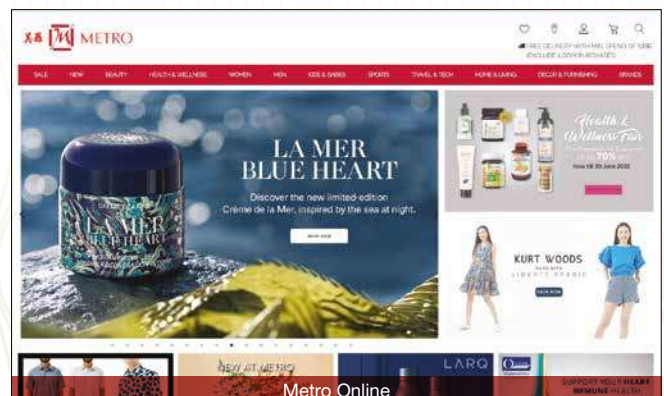
Metro's retail arm serves customers through two Metro department stores in Singapore, as well as via Metro Online, LazMall and Shopee Mall. The Metro shopping brand is an established household name in the retail industry, and offers a wide range of quality merchandise.

SINGAPORE

Causeway Point and Paragon

INDONESIA

Metro Trademarks



KEY FACTS



Earnings
Per Share

2.9
cents

FY2021:
4.4 cents



Dividend
Per Share

3.0
cents

FY2021:
2.25 cents



Profit Attributable
to Shareholders

s\$23.7
million

FY2021:
S\$36.8 million



Net Asset Value
Attributable to Shareholders

s\$1,580
million

FY2021:
S\$1,537 million



Revenue

s\$100.5
million

FY2021:
S\$97.3 million



Return on
Shareholders' Funds

1.52%

FY2021:
2.42%



Net Assets
Per Share

s\$1.91

FY2021:
S\$1.86



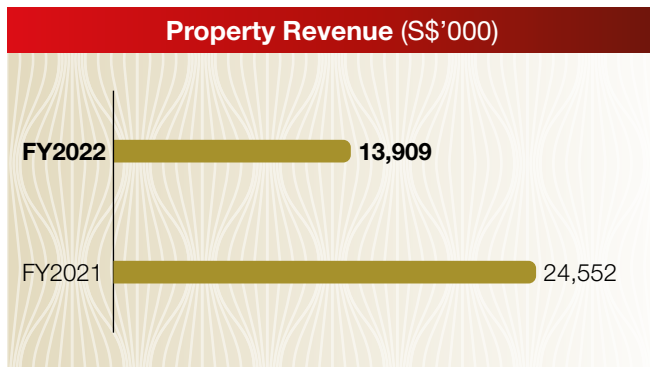
Dividend
Payout Ratio

104.8%

FY2021:
50.7%

KEY FACTS

PROPERTY DIVISION



The Property Division's revenue decreased by S\$10.7 million to S\$13.9 million in FY2022 from S\$24.6 million in FY2021, mainly from the lower sale of property rights of residential development properties in Bekasi and Bintaro, Jakarta, largely impacted by the ongoing COVID-19 pandemic. Revenue from GIE Tower, Guangzhou, decreased by S\$0.3 million to S\$6.3 million in FY2022.

The average occupancy rate for Metro's five investment properties – GIE Tower in Guangzhou, China; Metro City and Metro Tower in Shanghai, China; the fully-leased freehold office property at 5 Chancery Lane in Central London, the UK; and Asia Green, Singapore – remain high at 93.9% as at 31 March 2022.

Recent Developments

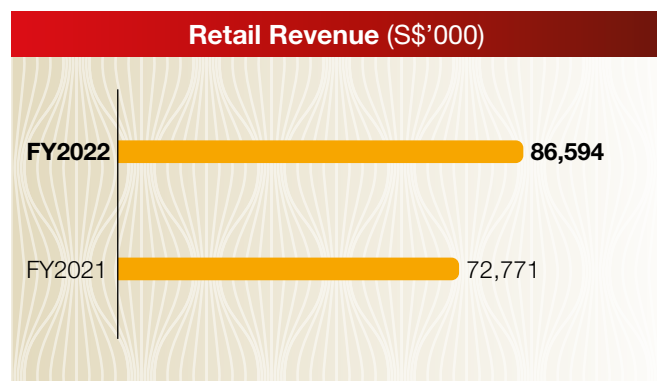
- **Singapore** – Acquired a 26% stake in 351 Braddell Road, a high-spec industrial property, via Boustead Industrial Fund in October 2021. Acquired 51,625,000 units in Daiwa House Logistics Trust ("DHLT") representing 7.65% as a cornerstone investor to the IPO of DHLT in Singapore and signed Memorandum Of Understanding with Daiwa House Industry Co., Ltd. Subsequent to FY2022, the Group invested S\$6.0 million for a 10% stake in DocMed Technology Pte. Ltd.
- **United Kingdom** – Subsequent to FY2022, the Group's 30%-owned Purpose-Built Student Accommodation ("PBSA") fund, Paideia Capital UK Trust, acquired four PBSA properties in Exeter, Durham, Glasgow and Kingston with legal completion on 31 May 2022.
- **Australia** – Further expanded in Australia in 2021 by acquiring Cherrybrook Village Shopping Centre in New South Wales. Subsequent to this acquisition, the Group stepped-up its equity stake from 20% to 30% for both its Australian portfolio of 16 quality freehold office buildings and retail centres, as well as the asset and investment management company Sim Lian – Metro Capital Pte. Ltd.
- **Indonesia** – Engaged The Ascott Limited to manage M+ serviced residences in Trans Park Juanda, Bekasi, Jakarta.
- **Europe** – Registered a divestment gain of S\$7.6 million from its investment in an European Logistics Fund where it divested all 12 real estate assets located across Poland, the UK and Spain.

Outlook

- **Singapore** – The Group's premium Grade-A office towers at Tampines Regional Centre enjoys an occupancy of 92.2% as at 31 March 2022 and leasing is underway. The Group's investment in Boustead Industrial Fund's quality portfolio of 15 industrial, business park, high-spec industrial and logistics properties in Singapore will generate stable and recurring income to the Group.
- **China** – Metro City and Metro Tower in Shanghai and GIE Tower in Guangzhou continue to contribute stable recurring income. The Atrium Mall in Chengdu, and Shanghai Plaza in Shanghai have achieved occupancy of more than 85%. The three office buildings in Bay Valley are approximately 70% occupied. Our associate, Top Spring International Holdings Limited continues to be subject to market headwinds in China and Hong Kong, whilst the ongoing China property sector headwinds has adversely impacted our co-investments with BentallGreenOak.
- **Indonesia** – It will take time for buyers to return after the loosening of social measures in December 2021, and where the sales and collections of the Group's residential projects in Bekasi and Bintaro, Jakarta, continue to be impacted by the ongoing COVID-19 pandemic. Sales for both projects are underway at our sales galleries/marketing suites and online.
- **United Kingdom** – Our office property at 5 Chancery Lane continues to be fully leased through 2023. For the Middlewood Locks development project in Manchester, Phase 3 has commenced construction in 2Q2022 with completion expected in late 2024. Marketing efforts continued via marketing suite and online channels. Development efforts on Endeavour, Sheffield, is in progress. The Group's two PBSA properties at Warwick and Bristol and the four newly acquired PBSA properties are well-positioned and together enjoy high committed average occupancy rate of 99.2%.
- **Australia** – The 30% equity stake in a portfolio of 16 quality freehold properties comprising four office buildings and 12 retail centres, will continue to generate a stable and recurring income stream.

KEY FACTS

RETAIL DIVISION

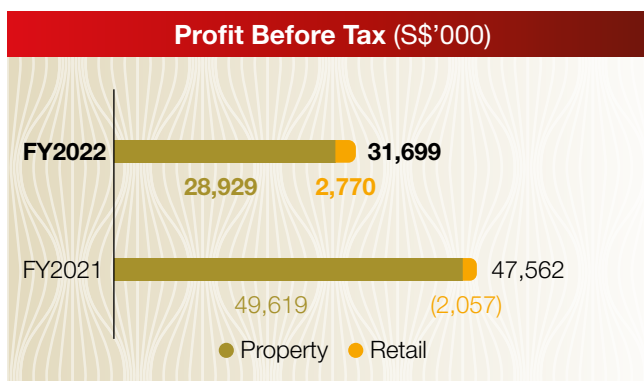


Metro's retail revenue increased to S\$86.6 million in FY2022 from S\$72.8 million in FY2021 mainly due to lower sales in the departmental stores in Singapore from the closures of retail stores during circuit breaker from 7 April 2020 to 18 June 2020, arising from the COVID-19 pandemic.

Outlook

- Retail division continues to operate amidst difficult trading conditions.
- Online retail continues via Metro Online, LazMall and Shopee Mall.
- Capitalise on retail brand name in Singapore and continue to focus on multi-media strategy and deployment of technology to enhance customers shopping experience.
- Consolidate operational efforts to achieve higher efficiency and productivity.

PROFIT BEFORE TAX



The Group's profit before tax ("PBT") for the year decreased to S\$31.7 million in FY2022 from S\$47.6 million in FY2021. This was mainly due to provision of impairment loss of S\$36.3 million on the amounts due from associates on the co-investments with BentallGreenOak due to the ongoing China property sector headwinds. In addition, rental rebates and waivers granted to tenants arising from China's recent COVID-19 lockdowns and lower contributions from The Crest contributed to lower earnings registered in FY2022. These were mitigated by a share of associates' profit in FY2022 as compared to a share of associates' losses in FY2021, a divestment gain from European Logistics Fund of S\$7.6 million (EUR5.0 million) and the absence of impairment loss on the right-of-use assets by the retail segment in FY2021.

CHAIRMAN'S MESSAGE



“We have continued to actively manage our investment portfolio across our key markets despite the operating challenges of geopolitical uncertainties, rising inflation, tightening monetary policies, and ongoing disruptions from COVID-19, particularly in China. With an established track record of over 65 years of operations, we remain committed to growing stronger, reaching further and scaling higher.”

Lt-Gen (Retd) Winston Choo
Chairman

Dear Shareholders,

On behalf of the Board of Metro Holdings Limited (“Metro” or the “Group”), it is my pleasure to present our Annual Report for the financial year ended 31 March 2022 (“FY2022”).

Metro celebrated our 65th Anniversary in March 2022. Our long journey is built on the foundations of diversity, both geographically and by asset type. Metro will continue to evolve and work alongside experienced partners in the execution of our business strategies. The proposed ordinary final dividend of 2.0 Singapore cents per share and special dividend of 1.0 Singapore cent per share on this special 65th year anniversary, representing a payout ratio of 104.8%, demonstrates our commitment to our loyal shareholders despite the challenging environment that has impacted our financials, and appreciation for their unwavering support through the past 65 years.

While the geopolitical tensions and associated sanction risks brought about by the Russia-Ukraine war, and the persistence of the COVID-19 pandemic present uncertainties, the opening of borders, resumption of travel and an overall move to open economies provide a positive outlook.

During the year, we continued to invest for resilience across our key markets. Singapore continues to be our base for investments and development (since 1957) as we continue to build a geographically diversified portfolio to weather cyclical changes and structural shifts to remain relevant. We expanded to China (since 1988), Indonesia (since 1991), the United Kingdom (“UK”) (since 2014) and Australia (re-entered 2019). We have a global portfolio with total assets amounting to S\$2.5 billion and we are

evaluating each market closely and seizing opportunities as they arise. For FY2022, I am pleased to report that our strategy of diversification for resilience has allowed us to grow stronger, reach further and scale higher.

FINANCIAL REVIEW

Metro registered net profit after tax of S\$23.7 million for FY2022, as compared to S\$37.0 million a year ago (“FY2021”). This was mainly due to providing an impairment loss of S\$36.3 million on the amounts due from associates on the co-investments with BentallGreenOak (“BGO”) arising from the ongoing China property sector headwinds. In addition, rental rebates and waivers granted to tenants during China’s recent COVID-19 lockdowns and lower contributions from The Crest contributed to lower earnings registered in FY2022. These were mitigated by a share of associates’ profit in FY2022 as compared to a share of associates’ losses in FY2021, a divestment gain from European Logistics Fund of S\$7.6 million (EUR5.0 million) and the absence of impairment loss on the right-of-use assets by the retail segment in FY2021.

The Group posted a 3.3% increase in revenue to S\$100.5 million in FY2022, largely due to the retail division reporting higher revenue as compared to S\$97.3 million in FY2021, which saw the closure of the two department stores in Singapore from 7 April 2020 to 18 June 2020 during the COVID-19 lockdown. This was partially offset by lower contributions from the sale of property rights of the residential development projects in Bekasi and Bintaro, Jakarta, largely impacted by the ongoing COVID-19 pandemic. Metro’s balance sheet remained strong with net assets of S\$1.6 billion and total assets of S\$2.5 billion as of 31 March 2022.

CHAIRMAN'S MESSAGE

PROPERTY INVESTMENT AND DEVELOPMENT

Stronger, Further, Higher – Key Investments and Strategic Moves in FY2022

During the year, we continued to invest for resilience across our key markets. In Australia, we acquired 30% of Cherrybrook Village Shopping Centre in New South Wales, and stepped-up our equity stake from 20% to 30% for both our Australian portfolio of 16 quality freehold office and retail centres with a total asset size of A\$1.1 billion (approximately S\$1.1 billion) as at 31 March 2022, as well as asset and investment management company, Sim Lian – Metro Capital Pte. Ltd. In Singapore, we acquired 26% of high-spec industrial property at 351 Braddell Road via the Boustead Industrial Fund (“BIF”), which brought our portfolio to a total of 15 industrial, business park, high-spec industrial and logistics properties in Singapore with a total asset size of S\$689 million as at 31 March 2022. In November 2021, Metro made a 7.65% cornerstone investment in Daiwa House Logistics Trust (“DHLT”) initial public offering (“IPO”) in Singapore and in January 2022 signed a Memorandum Of Understanding with Tokyo Stock Exchange listed Daiwa House Industry Co., Ltd. (“Daiwa House”). In Indonesia, Metro engaged The Ascott Limited (“Ascott”) to manage more than 200 units across two floors of student accommodation and three floors of corporate leases under the M+ serviced residences in Trans Park Bekasi, Jakarta. Subsequent to FY2022, Metro invested S\$6.0 million for a 10% stake in DocMed Technology Pte. Ltd (“DocMed”) in May 2022. Metro’s 30%-owned UK Purpose-Built Student Accommodation (“PBSA”) Trust legally completed its acquisition of four PBSA properties in May 2022 for a total consideration of £75.1 million (approximately S\$129.8 million) in the UK, bringing the total portfolio size to six properties valued at £130 million (approximately S\$225 million).

The average occupancy of the Group’s five investment properties in Guangzhou, Shanghai, London and Singapore remained high at 93.9% as at 31 March 2022.

Singapore

According to CBRE, logistics space demand will continue to be driven by growth in e-commerce and omni-channel distribution, as consumption patterns evolve with the rise in remote-working. On the back of positive leasing demand and shrinking availability, prime logistics rents will remain on the upward trend in 2022¹. In October 2021, Metro acquired 26% stake via BIF in 351 Braddell

Road, Singapore, a high-spec industrial property. With this acquisition, the BIF portfolio now holds 15 quality properties valued at S\$689 million with a high average occupancy of 97.1% and a WALE of approximately 6.2 years as at 31 March 2022.

Asia Green, our two blocks of premium Grade-A office towers at the Tampines Regional Centre continues to benefit from the continued demand for decentralised office space in Singapore, and the property enjoys a high occupancy of 92.2% as at 31 March 2022.

In addition, Metro acquired 51,625,000 units of DHLT amounting to approximately 7.65% of the total issued units during its IPO on the Singapore Stock Exchange on 26 November 2021 for a total consideration of approximately S\$41.3 million. As at 31 March 2022, DHLT holds a high-quality income-producing portfolio of 14 logistics and industrial properties in Japan with an aggregate net lettable area of approximately 423,920 square metres and appraised value of approximately ¥81,070 million (S\$900 million). The portfolio with an overall aggregate WALE of 6.8 years is supported by a diversified blue-chip tenant base with favourable and well-staggered lease expiry profile.

Following Metro’s cornerstone investment in DHLT, Metro formed a strategic collaboration with Daiwa House, listed on the Tokyo Stock Exchange, by executing a Memorandum Of Understanding in January 2022, for further investment collaboration. The investment collaboration spans various asset classes with its initial focus in logistic facilities, commercial facilities, housing, or any other asset class, in Japan, Singapore and the Asia Pacific region, and may include any other regions.

Subsequent to FY2022, Metro continued to diversify for resilience by investing S\$6.0 million for a 10% stake in DocMed in its Series A fund raising. DocMed is involved in the development of integrated healthcare platform solutions for the healthcare industry, and directly holds Pan-Malayan Pharmaceuticals Pte Ltd, which is in the business of wholesale pharmaceuticals, medical supplies and medical disposables in Singapore. DocMed’s growth plans include developing more digital capabilities in healthcare in the areas of supply chain management and creating new digital tools for end patient disease management, as well as expanding its B2B platform in the region.

¹ CBRE, Singapore Market Outlook 2022, 27 January 2022

CHAIRMAN'S MESSAGE

China

During the year, the strategically located Shanghai Plaza (“上海广场”) continued to be a preferred venue for art and sculpture exhibitions as well as talk shows and movie premiere. In June 2021, the international Parkour championship World Chase Tag® for China hosted its first stop in Shanghai Plaza. The lifestyle destination with premium food and beverage operators and top specialty retailers also draws footfall from patrons at its night scene with offerings like Akoma. As for the office space, it is anchored by WeWork, a leading co-working space operator. Metro's stake in Shanghai Plaza increased by 3.5% from 35.0% to 38.5% in FY2022.

In view of the resurgence of the COVID-19 pandemic in Shanghai since March 2022 which lasted till 1 June 2022 when the city emerged from the lockdown in staggered phases, the months from March to May 2022 were challenging for the Group's portfolio with rental rebates and waivers extended to tenants. Should China press on with its zero COVID-19 policy it remains to be seen when the country can finally emerge from the situation completely.

Indonesia

In Jakarta, Indonesia, construction of our two residential projects Trans Park Juanda, Bekasi and Trans Park Bintaro are progressing despite COVID-19 pandemic restrictions. All five 32-storey residential towers at Bekasi have topped off and fully paid units of two towers are being handed over progressively. Both residential towers at Bintaro have topped off and fully paid units of one tower is being handed over progressively. Sales for both projects are underway at our sales galleries/marketing suites as well as online.

In October 2021, Metro engaged CapitaLand Investment's wholly owned lodging business unit, The Ascott Limited, to manage the M+ serviced residences in Trans Park Bekasi, Jakarta. Ascott will exclusively manage more than 200 units across two floors of student accommodation and three floors of corporate leases.

United Kingdom

For the Middlewood Locks development project in Manchester, Phase 1 and Phase 2 development has been fully sold and handed over. Phase 3 has commenced construction in 2Q2022 with completion expected in late 2024. Marketing efforts continued via marketing suite and online channels. The entire mixed-use development will

eventually provide 2,215 new homes and 900,000 sq ft of commercial space, including offices, hotel, shops and restaurants.

Subsequent to FY2022, Paideia Capital UK Trust established by Metro together with its joint venture partners, Lee Kim Tah Holdings Limited and Woh Hup Holdings Pte Ltd, acquired another four properties in Exeter, Durham, Glasgow and Kingston for a total consideration of £75.1 million (approximately S\$129.8 million). Together with the original properties in Warwick and Bristol, the total portfolio of six PBSAs is valued at £130 million (approximately S\$225 million) and achieved a high committed average occupancy rate of 99.2%.

Australia

In FY2022, Metro, together with joint venture partner, the Sim Lian Group of Companies (“Sim Lian”) acquired Cherrybrook Village Shopping Centre in New South Wales for a purchase consideration of approximately A\$132.8 million (approximately S\$133.9 million). With this acquisition, Metro and Sim Lian holds 16 quality freehold properties comprising 4 office buildings and 12 retail centres spanning across Australia with a total asset size of A\$1.1 billion (approximately S\$1.1 billion). Subsequent to the Cherrybrook Village Shopping Centre acquisition, Metro also stepped-up its equity stake by acquiring an additional 10% stake in the Australian portfolio and the asset and investment management company Sim Lian – Metro Capital Pte. Ltd., bringing its total equity stake from 20% to 30%, with Sim Lian owning the remaining 70%. The Australian portfolio of 16 freehold quality properties reported a high committed average occupancy of 95.5% and a WALE of approximately 6.4 years².

RETAIL

Metro's retail revenue increased to S\$86.6 million in FY2022 from S\$72.8 million in FY2021 mainly due to the closure of our two department stores in Singapore from 7 April 2020 to 18 June 2020 during the COVID-19 lockdown.

Segment results reported a profit of S\$4.2 million in FY2022 as compared to a loss of S\$0.4 million in FY2021, after including rental rebates granted by landlords and/or property tax rebates and jobs support scheme, totalling S\$3.7 million and S\$9.3 million in FY2022 and FY2021 respectively. FY2021 included an impairment loss on the right-of-use assets and plant and equipment of S\$4.7 million in view of the continuing challenges faced by the retail segment.

² As at 31 March 2022

CHAIRMAN'S MESSAGE

OUTLOOK

The rapidly changing geopolitical situation in many parts of the world, in particular the Russia-Ukraine war and associated sanctions, is causing disruption to global supply chains, driving inflation and an overall increase in commodity prices³. On 15 June 2022, the US Federal Reserve ("FED") raised interest rates by 75 basis points, its most aggressive hike since 1994, following a 50 basis points hike in May to contain inflation⁴. FED Chairman Jerome Powell said that an increase of 50 or 75 basis points is likely at the next meeting⁵. Globally, we are still subject to the COVID-19 pandemic as 2021 registered global growth of 6.1%, and is expected to moderate to 3.6% in 2022⁶.

Property investment and development

According to the International Monetary Fund ("IMF"), China pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and China property sector headwinds have induced a 0.8% downgrade in 2022 gross domestic product ("GDP"). China's economy grew 8.1% in 2021, and is forecasted to grow 4.4% in 2022 and 5.1% in 2023⁷. China's COVID-19 lockdowns in March/April 2022 are likely costing the country at least US\$46 billion a month, or 3.1% of GDP, in lost economic output⁸ and Shanghai emerged from its COVID-19 lockdown on 1 June 2022 after two months of restrictions⁹. As at 31 March 2022, average occupancy at our China investment properties, mainly Metro City and Metro Tower in Shanghai, and GIE Tower in Guangzhou continue to remain high at 92.4%. The Atrium Mall in Chengdu and Shanghai Plaza in Shanghai has achieved occupancy of more than 85%. The three office buildings in Bay Valley are approximately 70% occupied. Our associate, Top Spring International Holdings Limited continues to be subject to market headwinds in China and Hong Kong, whilst the ongoing China property sector headwinds has

adversely impacted our co-investments with BGO where the Group provided an impairment loss of S\$36.3 million on amounts due from associates in FY2022.

Singapore's GDP grew by 7.6% in 2021, rebounding from the 4.1% contraction in 2020¹⁰. For 2022, the Ministry of Trade and Industry maintains a GDP growth forecast of 3.0-5.0% with a 3.7% growth in 1Q22¹¹. Technology and finance occupiers continue to be the dominant drivers of demand for office space¹². These developments will continue to benefit our two blocks of premium Grade-A office towers, Asia Green at the Tampines Regional Centre, which has achieved an occupancy rate of 92.2%. Demand for high-tech, prime logistics and warehouse spaces are likely to stay healthy given continued expansion from companies in pharmaceuticals, life science, technological and logistics sectors, fuelled by the exponential growth in e-commerce and business digitalisation¹³. Metro is well positioned given its 26% stake in both the Units and 7.0 per cent notes due 2031 in the BIF first invested in December 2020. With the latest addition of 351 Braddell Road in October 2021, the total portfolio of 15 industrial, business park, high-spec industrial and logistics properties in Singapore has an asset size of S\$689 million.

Indonesia recorded annual GDP growth of -2.1% in 2020 and 3.7% in 2021, based on moderate tax policy and administration reforms, some expenditure realisation, and a gradual increase in capital spending over the medium term in line with government fiscal space¹⁴. Indonesian condominium projects located within mixed-use developments with proximity to public transportation are likely to receive a better response from the market¹⁵. This should benefit our residential projects in Bekasi and Bintaro, Jakarta, though it will take time for buyers to return after the loosening of social measures in December 2021, as the sales and collections continue to be impacted.

³ IMFBlog, How War in Ukraine Is Reverberating Across World's Regions, 15 March 2022

⁴ CNBC, Fed hikes its benchmark interest rate by 0.75 percentage point, the biggest increase since 1994, 15 June 2022

⁵ Bloomberg, Fed hikes 75 basis points; Powell says 75 or 50 likely in July, 16 June 2022

⁶ IMF, World Economic Outlook Update – April 2022

⁷ IMF, World Economic Outlook Update – April 2022

⁸ Bloomberg, China Lockdowns Cost at Least \$46 Billion a Month, Academic Says, 29 March 2022

⁹ South China Morning Post, Shanghai Is Emerging From A Tough Covid Lockdown, But Will There Be More?, 1 June 2022

¹⁰ MTI Singapore, MTI Maintains 2022 GDP Growth Forecast at "3.0 to 5.0 Per Cent", 17 February 2022

¹¹ MTI Singapore, MTI Maintains 2022 GDP Growth Forecast at "3.0 to 5.0 Per Cent", 25 May 2022

¹² Cushman & Wakefield, Marketbeat Singapore Office Q4 2021, 10 January 2022

¹³ Cushman & Wakefield, Marketbeat Singapore Industrial Q4 2021, 7 January 2022

¹⁴ IMF, World Economic Outlook Update – April 2022

¹⁵ JLL, Indonesia Real Estate Market Outlook 2022, 21 January 2022

CHAIRMAN'S MESSAGE

UK GDP grew 7.4% in 2021 and is forecast to grow 3.7% in 2022¹⁶. As the student accommodation sector continues to attract investment¹⁷, Metro's two PBSA properties at Warwick and Bristol and the four newly acquired PBSA properties are well-positioned in this environment and enjoy high committed average occupancy rate of 99.2% occupancy. Manchester is set to see the highest rate of economic growth of all the major UK cities over the next five years with gross value added growth of 16.4%¹⁸. Phase 3 of our Middlewood Locks mixed-use development has commenced construction in 2Q2022 with completion expected in late 2024. Our office property at 5 Chancery Lane continues to be fully leased through 2023, despite London City vacancy rates still being above trend but stabilising¹⁹.

On 3 May 2022, the Reserve Bank of Australia raised the cash rate 0.25% to 0.35%, the first hike in over a decade. The outlook for economic growth in Australia remains positive, and the RBA central forecast is for Australian GDP to grow by 4.25% over 2022 and 2% over 2023²⁰. In the case of Metro's Australian portfolio, more than 90% of the retail space in the portfolio of 12 retail centres are anchored by defensive non-discretionary retailers such as supermarkets that cater to day-to-day necessities. Metro deepens its presence in Australia by stepping-up its stake from 20 to 30% in both its Australian portfolio of 16 quality freehold properties, and asset and investment management company Sim Lian – Metro Capital Pte. Ltd.

Retail

Overall Singapore retail environment will continue to be challenging as retail sales remains about 5.1% below pre-pandemic (2019) levels. We expect current macro trends and uncertainties to continue to weigh on our two department stores at Paragon and Causeway Point. The Group's online retail business continues to remain operational. Nonetheless, Cushman & Wakefield is sanguine that retail sales could possibly normalise to pre-pandemic levels in 2022, with the significant easing

of border measures and workspace restrictions, as well as the return of events such as Singapore Grand Prix²¹. However, the key downside risks are inflation concerns and economic uncertainties due to the Russia-Ukraine conflict and associated sanctions, and slowdown in China, that could impact consumer confidence.

In Conclusion

Through strategic partnerships, we have expanded our geographical presence over the years in Singapore, China, Indonesia, the UK, and Australia.

We will continue to actively manage our investment portfolio across our key markets despite the operating challenges of geopolitical uncertainties, rising inflation, tightening monetary policies, and ongoing disruptions from COVID-19.

At the same time, Metro will continue to take proactive measures to strengthen our financial position, including preserving cash, optimising cash flows and liquidity, and actively managing our existing investment portfolio, for optimal returns. With regards to our asset management strategy, our focus remains on prioritising critical asset enhancement, while deferring uncommitted capital expenditure and implementing cost savings, where possible.

Moving forward, we continue to capitalise on opportunities with prudent capital structure and are confident that we will be able to continue with our strategic diversification expansion plans to achieve resilient growth, so as to grow stronger, reach further and scale higher.

PROPOSED DIVIDEND

To reward loyal shareholders, the Board has recommended a final dividend of 2.0 Singapore cents per ordinary share and a special dividend of 1.0 Singapore cent per ordinary share, totalling 3.0 Singapore cents on this special 65th

¹⁶ IMF, World Economic Outlook Update – April 2022

¹⁷ Colliers, United Kingdom Property Snapshot, 17 February 2022

¹⁸ JLL, UK Residential Forecasts, 10 December 2021

¹⁹ Colliers, London Offices Snapshot, 26 January 2022

²⁰ Reserve Bank of Australia, Statement By Philip Lowe, Governor: Monetary Policy Decision, 3 May 2022

²¹ Cushman & Wakefield, Marketbeat Singapore, Retail Q1 2022, 10 January 2022

CHAIRMAN'S MESSAGE

year anniversary. This translates to a dividend yield of 4.0%²² and a payout ratio of 104.8% of the Group's net profit attributable to shareholders for FY2022, demonstrating our commitment to our loyal shareholders despite the challenging environment that has impacted our financials, and appreciation for their unwavering support through the past 65 years.

APPRECIATION

On behalf of the Board, I wish to thank our loyal shareholders, staff, valued customers, business partners, associates and stakeholders for their support and understanding throughout Metro's 65-year journey. Specifically, I would like to thank our loyal shareholders for your unwavering support.

The Board would like to express its sincere gratitude to Mr Phua Bah Lee, Metro's Senior Advisor, who passed away on 26 December 2021, for his dedications and

contributions to the Group for the past 28 years. We have extended our condolences to his family.

I would also like to take this opportunity to extend appreciation to my fellow Board members for their guidance, counsel and advice.

We look forward to your continued support in the next 65 years as we continue to write the Metro story and diversify for resilience, so as to grow stronger, reach further and scale higher.

Lt-Gen (Retd) Winston Choo
Chairman

5 July 2022

²² Share price of S\$0.750 as at 31 March 2022

主席致辞



“尽管面临地缘政治不确定性、通货膨胀上升、货币政策收紧以及新型冠状病毒肺炎 (COVID-19) 疫情持续干扰, 尤其是在中国, 带来的运营挑战, 我们仍继续积极管理我们在主要市场的投资组合。凭借超过 65 年的运营经历及经验, 我们将继续致力于变得更强, 走得更远, 飞跃更高。”

朱伟良中将
集团主席

尊敬的各位股东:

我谨代表美罗控股有限公司 (简称“美罗”或“集团”) 董事会, 很荣幸地向各位公布截至2022年3月31日财政年度 (“2022财政年度”) 的年度报告。

美罗在2022年3月庆祝了我们的65周年纪念日。我们的漫长旅程建立在地域和资产类型多样性的基础之上。美罗将继续发展与经验丰富的合作伙伴一起执行我们的业务战略。在这个特殊的65周年纪念日, 提议派发每股2.0分新元的末期普通股股息和1.0分新元的特别股息, 派息率为集团股东应占净利润的104.8%, 尽管在充满挑战的环境影响到我们的财务状况, 但我们仍向忠实的股东表明了我们的承诺, 并感谢股东在过去65年中坚定不移的支持。

虽然俄罗斯-乌克兰战争带来的地缘政治紧张局势和相关的制裁风险, 以及新型冠状病毒肺炎疫情持续带来的不确定性, 但边境的开放、旅行的恢复和渐进的经济开放提供了积极的前景。

在这一年里, 我们继续在我们的主力市场投资以保持韧性。新加坡仍然是我们的投资和开发的基地 (自1957年), 同时我们将继续建立一个地域多元化的投资组合, 以应对周期性变化和结构变化, 保持与时俱进。我们已将业务扩展至中国 (自1988年)、印度尼西亚 (自1991年)、英国 (自2014年) 和澳大利亚 (2019年重新进入)。我们拥有总资产达25亿新元的全球投资组合, 并继续密切考察每个市

场以便抓住商机。对于2022财政年度, 我很高兴地报告, 我们的多元化布局、保持韧性战略使我们变得更强, 走得更远, 飞跃更高。

财务回顾

美罗在2022财政年度的税后净利润为2,370万新元, 而去年同期 (“2021财政年度”) 为3,700万新元。这主要是由于中国房地产行业的持续低迷, 从美罗与绿橡投资管理有限公司 (BentallGreenOak, 简称“BGO”) 共同投资的联营公司应收的金额出现了3,630万新元的减值损失。此外, 由于中国近期的新型冠状病毒肺炎疫情封锁而向租户提供的租金返还和减免, 以及嘉御苑 (The Crest) 的贡献减少也导致了2022财政年度的收入下降。与2021财政年度联营公司的亏损份额相比, 2022财政年度联营公司的利润份额, 欧洲物流基金760万新元 (500万欧元) 的撤资收益, 以及零售业务在2022财政年度没有产生如2021财政年度资产的使用权减值损失, 则减轻了上述的影响。

与2021财政年度的9,730万新元相比, 集团2022财政年度的收入增长了3.3%至1.005亿新元, 这主要是由于零售业务的收入增加, 而新加坡的两家百货商店曾在新型冠状病毒肺炎疫情阻断措施期间, 于2020年4月7日至2020年6月18日关闭。该收入增长被雅加达勿加泗和宾塔罗住宅开发项目产权销售较低的贡献额部分抵消, 而这主要受到了持续的新型冠状病毒肺炎疫情的影响。美罗的资产负债表保持强劲, 截至2022年3月31日, 净资产为16亿新元, 总资产为25亿新元。

主席致辞

房地产投资和发展

更强、更远、更高—2022财政年度的主要投资和战略举措

在这一年里，我们继续在我们的主力市场投资以保持韧性。在澳大利亚，我们收购了新南威尔士州Cherrybrook Village购物中心30%的股权，并将我们在澳大利亚的16个优质永久业权办公楼和零售中心的投资组合以及资产与投资管理公司Sim Lian – Metro Capital Pte. Ltd.的股权从20%增加到30%。截至2022年3月31日，前述澳大利亚投资组合的总资产规模为11亿澳元（约11亿新元）。在新加坡，我们通过宝德工业基金（Boustead Industrial Fund, 简称“BIF”）收购了位于351 Braddell Road的高规格工业物业26%的权益，这使得我们的投资组合包括共计15个工业物业、商业园区、高规格的工业及物流物业。截至2022年3月31日，该新加坡投资组合的总资产规模达到了6.89亿新元。2021年11月，美罗对大和房屋物流信托（Daiwa House Logistics Trust, 简称“DHLT”）在新加坡的首次公开募股（IPO）进行了7.65%的基石投资，并与在东京证券交易所上市的大和房屋工业株式会社（Daiwa House Industry Co., Ltd., 简称“Daiwa House”）在2022年1月签署了谅解备忘录。在印度尼西亚，美罗聘请雅诗阁有限公司（The Ascott Limited, 简称“雅诗阁”）管理位于雅加达勿加泗的M+服务式公寓的两层学生宿舍和三层企业租赁的共计200多个单位。在2022财政年度后，美罗投资600万新元购买DocMed Technology Pte. Ltd. (“DocMed”) 10%的股份。美罗拥有30%股权的英国专建学生公寓（Purpose Built Student Accommodation, 简称“PBSA”）基金也于2022年5月完成了对英国4个专建学生公寓物业的收购，总对价为7,510万英镑（约1.298亿新元），使该投资组合总规模达到6个物业，总资产值达1.3亿英镑（约2.25亿新元）。

截至2022年3月31日，集团位于广州、上海、伦敦和新加坡的五项投资性房地产的平均出租率维持在93.9%的高位。

新加坡

世邦魏理仕（CBRE）表示，随着远程办公的兴起，消费模式也在演变，电子商务和全渠道分销的增长将继续推动物流空间需求。在积极的租赁需求和供应量减少的背景下，优质物流租金将在2022年保持上升趋势¹。2021年10月，美罗通过宝德工业基金（BIF）收购了位于新加坡351 Braddell Road的高规格工业物业26%的权益。通过此次收购，宝德工业基金（BIF）投资组合现在拥有15个优质物业，截至2022年3月31日，该投资组合总资产值达6.89亿新元，平均出租率高达97.1%，加权平均租赁期约为6.2年。

绿融大厦（Asia Green），我们位于淡滨尼区域中心的两座优质甲级写字楼继续受益于新加坡对分散式办公空间的持续需求，截至2022年3月31日，该物业的出租率高达92.2%。

此外，美罗在大和房屋物流信托（DHLT）于2021年11月26日在新加坡证券交易所首次公开募股（IPO）期间，认购了其51,625,000份额，约占已发行份额总数的7.65%，总对价约为4,130万新元。截至2022年3月31日，大和房屋物流信托（DHLT）在日本拥有14个物流和工业物业的优质创收投资组合，可出租总面积约为423,920平方米，评估值约为810.7亿日元（9亿新元）。该投资组合的整体加权平均租赁期为6.8年，得到多元化蓝筹股租户基础的支持，租约到期时间错落有致，十分有利。

在美罗对大和房屋物流信托（DHLT）进行基石投资之后，美罗与在东京证券交易所上市的大和房屋工业株式会社（Daiwa House）形成了战略合作，并于2022年1月签署了谅解备忘录，以进一步进行投资合作。此次投资合作涵盖各种资产类别，最初的重点是日本、新加坡和亚太等地区的物流设施、商业设施、住宅或任何其他资产类别。

¹ CBRE, Singapore Market Outlook 2022, 27 January 2022

主席致辞

2022财政年度之后，美罗通过在A轮融资中投资600万新元购买DocMed 10%的股份，继续进行多元化投资以增强韧性。DocMed参与医疗保健行业综合医疗保健平台解决方案的开发，并且直接持有在新加坡从事药品、医疗用品和医疗一次性用品批发业务的Pan-Malayan Pharmaceuticals Pte Ltd的股份。DocMed的增长计划包括在供应链管理领域开发更多的医疗保健数字能力，为终端病人疾病管理开发新的数字工具，以及在该地区扩大其B2B平台。

中国

在这一年里，地理位置优越的上海广场继续成为艺术和雕塑展览以及脱口秀和电影首映的首选场所。2021年6月，国际跑酷锦标赛World Chase Tag®中国赛区在上海广场举办了首站比赛。这个拥有优质的餐饮运营商和顶级的专业零售商的生活方式之目的地，也有Akoma酒吧等吸引夜间的客流。对于办公空间，则是由领先的联合办公空间运营商WeWork主导。于2022财政年度，美罗在上海广场的股份从35.0%增加了3.5%，达到38.5%。

鉴于自2022年3月以来，上海再次出现新型冠状病毒肺炎疫情，并持续到2022年6月1日上海分阶段解除封锁。由于向租户提供租金返还和减免，2022年3月至5月对集团的投资组合来说是一个挑战。如果中国继续推行疫情“清零”政策，那么中国何时能最终完全摆脱这种局面还有待观察。

印度尼西亚

在印度尼西亚雅加达，尽管有新型冠状病毒肺炎疫情的限制，我们的两个住宅项目勿加泗(Trans Park Juanda, Bekasi)和宾塔罗(Trans Park Bintaro)的建设仍在进行中。勿加泗项目的5栋32层的住宅楼已全部封顶，2栋住宅楼的已全额付款单元正在逐步交房。宾塔罗项目的2栋住宅楼已经封顶，1栋住宅楼的已全额付款单元正在逐步交房。这两个项目的销售活动仍在我们的销售展厅/营销中心和网上进行。

2021年10月，美罗聘请凯德投资公司旗下的雅诗阁管理我们位于雅加达勿加泗的M+服务公寓。雅诗阁将独家管理两层学生宿舍和三层企业租赁的200多个单位。

英国

对于曼彻斯特的Middlewood Locks开发项目，第一期和第二期开发项目已经全部售出并交付使用。第三期已于2022年第二季度开始施工，预计在2024年底竣工。营销工作继续通过营销中心和在线渠道进行。整个综合用途开发项目最终将提供2,215套新住宅和90万平方英尺的商业空间，包括办公室、酒店、商店和餐馆。

2022财政年度之后，美罗与合资伙伴李金塔控股有限公司(Lee Kim Tah Holdings Limited)以及和合控股私人有限公司(Woh Hup Holdings Pte Ltd)共同设立的专建学生公寓基金Paideia Capital UK Trust又收购了位于埃克塞特(Exeter)、杜伦(Durham)、格拉斯哥(Glasgow)和金斯顿(Kingston)的4个物业，总对价为7,510万英镑(约1.298亿新元)。加上在沃里克(Warwick)和布里斯托(Bristol)原有的物业，6个专建学生公寓的投资组合的总资产值为1.3亿英镑(约2.25亿新元)，承诺平均出租率高达99.2%。

澳大利亚

2022财政年度，美罗与合资伙伴森联集团公司(Sim Lian Group of Companies, 简称“森联”)一起收购了位于新南威尔士州的Cherrybrook Village购物中心，收购对价约为1.328亿澳元(约1.339亿新元)。通过这次收购，美罗和森联持有横跨澳大利亚的16处优质永久产权物业，包括4栋办公楼和12处零售中心，总资产规模为11亿澳元(约11亿新元)。在收购Cherrybrook Village购物中心之后，美罗还进一步收购了澳大利亚投资组合和资产与投资管理公司Sim Lian – Metro Capital Pte. Ltd.额外的10%股权，使美罗持有的股权从20%增至30%，森联拥有剩余的70%股权。由16栋优质永久产权物业组成的澳大利亚投资组合，拥有高达95.5%的承诺平均出租率和约6.4年的加权平均租赁期²。

² 截至2022年3月31日

主席致辞

零售业务

美罗的零售收入从2021财政年度的7,280万新元增加到2022财政年度的8,660万新元,主要是由于在新型冠状病毒肺炎疫情阻断措施期间,新加坡的两家百货商店从2020年4月7日至2020年6月18日关闭。

据分部业绩报告,零售业务在2022财政年度的利润为420万新元,而在2021财政年度则为亏损40万新元,其中包括业主给予的租金回扣和/或产业税回扣以及政府雇佣补贴计划,其总额在2022财政年度和2021财政年度分别为370万新元和930万新元。由于零售业务持续面临的挑战,2021财政年度包括资产的使用权、厂房和设备的减值损失470万新元。

展望未来

世界许多地区迅速变化的地缘政治局势,特别是俄乌战争和相关制裁,正在对全球供应链造成破坏,推动通货膨胀和大宗商品价格的整体上涨³。2022年6月15日,美国联邦储备委员会(“美联储”)加息75个基点,这是自1994年以来最激进的一次加息,此前其在5月加息50个基点以遏制通货膨胀⁴。美联储主席杰罗姆鲍威尔表示,下次会议可能会增加50或75个基点⁵。在全球范围内,我们仍然受到新型冠状病毒肺炎疫情的影响,2021年全球增长率为6.1%,预计2022年将放缓至3.6%⁶。

房地产投资和发展

根据国际货币基金组织(IMF)的数据,与中国疫情“清零”政策引起的中断和中国房地产行业的低迷已经诱发2022年国内生产总值(GDP)下调0.8%。2021年中国经济增长

8.1%,预计2022年增长4.4%,2023年增长5.1%⁷。中国在2022年3月和4月实施的疫情封锁可能使该国每月经济产出损失至少460亿美元,或GDP的3.1%⁸,而上海在经过两个月的封锁后于2022年6月1日解除了疫情封锁限制⁹。截至2022年3月31日,我们在中国的投资性房地产,主要是上海的美罗城(Metro City)和美罗大厦(Metro Tower),以及广州国际电子大厦(GIE Tower)的平均出租率继续保持在92.4%的高位。成都晶融汇(The Atrium Mall)和上海广场(Shanghai Plaza)已实现85%以上的出租率。湾谷(Bay Valley)的三座写字楼出租率约为70%。我们的联营公司莱蒙国际集团(Top Spring International Holdings Limited)继续受到中国和香港市场低迷的影响,而中国房地产行业的持续低迷对我们与BGO的共同投资产生不利影响,集团在2022财政年度从联营公司应收的款项产生了3,630万新元的减值损失。

新加坡的GDP在2021年增长了7.6%,从2020年4.1%的收缩中反弹¹⁰。对于2022年,贸工部维持3.0-5.0%的GDP增长预测,2022年第一季度的增长为3.7%¹¹。科技和金融业租户仍然是办公空间需求的主要驱动力¹²。这些发展将继续有利于我们位于淡滨尼区域中心的两座优质甲级写字楼绿融大厦(Asia Green),其出租率已达到92.2%。由于医药、生命科学、科技和物流领域的公司持续扩张,以及电子商务和商业数字化的指数式增长,对高科技、优质物流和仓储空间的需求可能会保持健康势头¹³。基于美罗在宝德工业基金(BIF)于2020年12月首次投资的份额和将于2031年到期的7.0%利率的票据中拥有26%的权益,美罗在该领域处于有利地位。随着2021年10月351 Braddell Road的加入,新加坡的15个工业物业、商业园区、高规格的工业及物流物业总投资组合的资产规模达到6.89亿新元。

³ IMFBlog, How War in Ukraine Is Reverberating Across World's Regions, 15 March 2022

⁴ CNBC, Fed hikes its benchmark interest rate by 0.75 percentage point, the biggest increase since 1994, 15 June 2022

⁵ Bloomberg, Fed hikes 75 basis points; Powell says 75 or 50 likely in July, 16 June 2022

⁶ IMF, World Economic Outlook Update – April 2022

⁷ IMF, World Economic Outlook Update – April 2022

⁸ Bloomberg, China Lockdowns Cost at Least \$46 Billion a Month, Academic Says, 29 March 2022

⁹ South China Morning Post, Shanghai Is Emerging From A Tough Covid Lockdown, But Will There Be More?, 1 June 2022

¹⁰ MTI Singapore, MTI Maintains 2022 GDP Growth Forecast at “3.0 to 5.0 Per Cent”, 17 February 2022

¹¹ MTI Singapore, MTI Maintains 2022 GDP Growth Forecast at “3.0 to 5.0 Per Cent”, 25 May 2022

¹² Cushman & Wakefield, Marketbeat Singapore Office Q4 2021, 10 January 2022

¹³ Cushman & Wakefield, Marketbeat Singapore Industrial Q4 2021, 7 January 2022

主席致辞

印度尼西亚在2020年和2021年的GDP年增长率分别为-2.1%和3.7%，这是基于温和的税收政策和行政改革，一些支出的实现以及中期内根据财政空间逐步增加资本支出¹⁴。印度尼西亚的公寓项目位于靠近公共交通的综合用途开发项目中，可能会得到更好的市场反应¹⁵。这应该有利于我们在雅加达勿加泗和宾塔罗的住宅项目，尽管在2021年12月放松社会防疫限制措施后，买家需要一段时间才能回归，销售和收款继续受到影响。

英国的GDP在2021年增长了7.4%，预计在2022年将增长3.7%¹⁶。随着学生住宿行业继续吸引投资¹⁷，美罗在沃里克和布里斯托的两个专建学生公寓物业以及新收购的四个专建学生公寓物业在这种环境下处于有利地位，并享有99.2%的高承诺平均出租率。曼彻斯特在未来五年内将成为英国所有主要城市中经济增长率最高的城市，其总附加值增长率为16.4%¹⁸。我们的Middlewood Locks综合用途开发项目的第三期已于2022年第二季度开始施工，预计将于2024年底竣工。尽管伦敦市的空置率仍高于趋势，但已趋于稳定¹⁹，我们位于5 Chancery Lane的办公物业将在2023年前继续全部租出。

2022年5月3日，澳大利亚储备银行将现金利率提高了0.25%至0.35%，这是十多年来的首次加息。澳大利亚的经济增长前景仍然乐观，澳大利亚储备银行中心预测，澳大利亚的GDP在2022年将增长4.25%，2023年将增长2%²⁰。就美罗在澳大利亚的投资组合而言，在12个零售中心的投资组合中，超过90%的零售空间是由必需品零售商，如满足日常生活必需品的超市来支撑。美罗将其在澳大利亚16个优质永久产权物业投资组合和资产管理公司Sim Lian – Metro Capital Pte. Ltd.的股权从20%增加到30%，深化其在澳大利亚的业务。

零售业务

新加坡的整体零售环境将继续面临挑战，因为零售额仍然比疫情前（2019年）的水平低约5.1%。我们预计目前的宏观趋势和不确定因素将继续对我们在百利宫和长堤坊的两家百货商场造成压力。集团的线上零售业务继续保持运营。尽管如此，戴德梁行(Cushman & Wakefield)认为，随着边境措施和工作场所限制的大幅放宽，以及新加坡一级方程式大奖赛等活动的回归，零售额有可能在2022年恢复到疫情前的水平²¹。然而，需要关注的主要下行风险是通胀担忧和俄乌冲突及相关制裁导致的经济不确定性，以及中国经济放缓，这可能会影响消费者的信心。

总结

通过战略合作伙伴关系，我们多年来在新加坡、中国、印度尼西亚、英国和澳大利亚扩大了我们的地域影响力。

尽管面临地缘政治不确定性、通货膨胀上升、货币政策收紧以及新型冠状病毒肺炎疫情持续干扰带来的运营挑战，我们仍将继续积极管理我们在主要市场的投资组合。

同时，美罗将继续采取积极主动的措施来加强我们的财务状况，包括保存现金、优化现金流和流动性，并积极管理我们现有的投资组合，以获得最佳回报。关于我们的资产管理策略，我们的重点仍然是优先增强关键资产，同时推迟未承诺的资本支出，并尽可能地节省成本。

展望未来，我们将继续利用审慎的资本结构，把握商机，并坚信我们将能够继续进行多元化战略扩张计划，以实现韧性增长，从而变得更强，走得更远，飞跃更高。

¹⁴ IMF, World Economic Outlook Update – April 2022

¹⁵ JLL, Indonesia Real Estate Market Outlook 2022, 21 January 2022

¹⁶ IMF, World Economic Outlook Update – April 2022

¹⁷ Colliers, United Kingdom Property Snapshot, 17 February 2022

¹⁸ JLL, UK Residential Forecasts, 10 December 2021

¹⁹ Colliers, London Offices Snapshot, 26 January 2022

²⁰ Reserve Bank of Australia, Statement By Philip Lowe, Governor: Monetary Policy Decision, 3 May 2022

²¹ Cushman & Wakefield, Marketbeat Singapore, Retail Q1 2022, 10 January 2022

主席致辞

股息提议

为了回报忠诚的股东，董事会建议在这个特殊的65周年纪念日，派发每股2.0分新元的末期普通股息和1.0分新元的特别股息，合计3.0分新元。这意味着美罗在2022财政年度的股息收益率为4.0%²²，派息率为集团股东应占净利润的104.8%。尽管充满挑战的环境影响到我们的财务状况，但我们仍向忠实的股东表明了我们的承诺，并感谢股东在过去65年中坚定不移的支持。

致谢

我谨代表董事会感谢我们忠实的股东、员工、尊贵的客户、商业伙伴、合伙人和利益相关者在美罗65年的历程中给予的支持和理解。我想特别感谢我们忠实的股东，感谢你们坚定不移的支持。

董事会谨向美罗高级顾问潘峇厘先生表示衷心的感谢，感谢他在过去28年里对集团的奉献和贡献。潘峇厘先生于2021年12月26日与世长辞。我们已向他的家人表示哀悼。

我也想借此机会向我的董事会成员表示感谢，感谢他们的指导、咨询和建议。

我们期待着各位在未来的65年里继续支持我们，因为我们将继续书写美罗的故事，并通过多元化布局来保持韧性，从而变得更强，走得更远，飞跃更高。

朱维良中将

集团主席

2022年7月5日

²² 截至2022年3月31日的股价为0.750新元

BOARD OF DIRECTORS



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



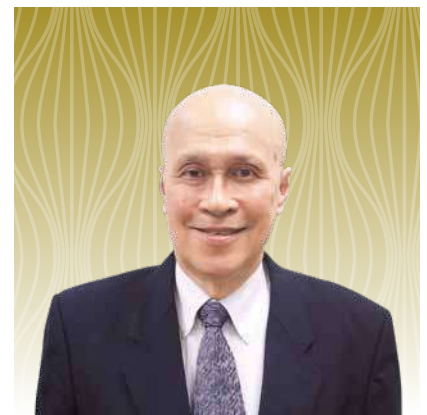
YIP HOONG MUN
*Group Chief Executive Officer,
Executive Director*



GERALD ONG CHONG KENG
*Director,
Non-Executive*



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



TAN SOO KHOON
*Director,
Non-Executive and Independent*



DEBORAH LEE SIEW YIN
*Director,
Non-Executive and Independent*



NG EE PENG
*Director,
Non-Executive and Independent*

BOARD OF DIRECTORS

LT-GEN (RETD) WINSTON CHOO WEE LEONG

朱维良中将

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

Lt-Gen (Retd) Winston Choo Wee Leong was appointed a 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, Remuneration and Investment Committees.

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 and Singapore's Non-Resident Ambassador to the State of Israel from 2006 to 2020.

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 Advanced 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、薪酬和投资委员会的主席。

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。从2006年至2020年，他担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。

YIP HOONG MUN

叶康文

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

Mr Yip Hoong Mun was appointed Group Chief Executive Officer and Executive Director with effect from 1 June 2019. He is a member of the Investment Committee.

As Group Chief Executive Officer, he plays a key role in the Group's investment strategies and holds executive responsibility over the business performance of the Metro Group of companies. He oversees the Group's property investment and development projects and joint ventures in Singapore, China, Indonesia, the United Kingdom and Australia. Prior to this, he was Metro's Deputy Group Chief Executive Officer, a position he assumed since May 2018. Before this, Mr Yip served as Group Chief Operating Officer and Chief Executive Officer of Metro China.

Mr Yip has over 30 years of experience in executive and senior management roles in strategic planning, operations, hospitality, real estate investment and development. Mr Yip started his career with Indeco Engineers and later joined BP South East Asia. Prior to joining Metro, he spent over 20 years with the CapitaLand Group, and served different roles in various strategic business units. He was Managing Director of Ascott China in 2003 and then Chief Executive Officer, Asia Pacific and the Gulf Region of The Ascott Group in 2006. Subsequent to that, Mr Yip has been involved in property developments in the Gulf Region, Vietnam and Indonesia of the CapitaLand Group.

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

叶康文先生于2019年6月1日起受委为美罗集团首席执行官和执行董事。他也是投资委员会的成员。

作为美罗集团的首席执行官，叶先生对集团的投资策略发挥着关键作用，对集团各公司的经营业绩担负着执行责任。叶先生管理着集团的房地产投资和发展项目，以及在新加坡、中国、印尼、英国和澳洲的美罗合资企业。在担任此重任之前，叶先生自2018年5月起，为集团副首席执行官，在此之前担任美罗的首席运营官及美罗中国控股私人有限公司首席执行官。

BOARD OF DIRECTORS

叶先生担任执行级和高层管理职位超过30年，在企业的策略制定、营运、管理服务、房地产投资和开发各方面拥有丰富的管理经验。叶先生的职业生涯始于Indeco Engineers，随后他加入英国石油东南亚公司。在加入美罗之前，他在凯德集团任职20多年，曾在多个商务部门担任不同的职务。2003年，他在雅诗阁 — 中国公司出任常务董事。2006年，叶先生受委为雅诗阁集团在亚太和中东湾区的首席执行官，随后他从事凯德集团在中东湾区、越南及印尼的房地产开发工作。

叶康文先生早年在新加坡国立大学获得土木工程系一级荣誉学位，并在美国史坦福大学获得工商管理硕士学位。他也在上海上海的复旦大学完成了管理课程。

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 and Investment Committees.

He is currently the Deputy Chairman of the PrimePartners Corporate Finance Group and is The Honorary Consul for Liechtenstein. Mr Ong has more than 25 years of corporate finance related experience. He has held senior positions at various financial institutions including NM Rothschilds & Sons (Singapore) Ltd, the DBS Bank Group, Tokyo-Mitsubishi International (Singapore) Pte Ltd and Hong Leong (Malaysia) Group. During his time with these institutions, Mr Ong's duties encompassed the provision of a wide variety of corporate finance services from advisory, mergers and acquisitions activities and fund raising exercises incorporating various structures such as equity, debt, equity-linked and derivative-enhanced issues.

Mr Ong has been recognised as an IBF Distinguished Fellow and is a Council Member of the Singapore Institute of International Affairs. 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。他也是审计和投资委员会的成员。

他现在是建力企业财务策划有限公司的副主席，同时也是列支敦士登名誉领事。王先生在金融领域拥有超过25年的丰富经验。他曾经在多家金融机构，包括洛希尔父子（新加坡）有限公司、新加坡星展银行集团、东京三菱国际（新加坡）有限公司以及马来西亚丰隆集团担任资深职务。王先生在以上机构任职期间的责任覆盖广泛，包括金

融顾问，企业并购，以及通过资本、债务、资本关联和强化衍生债权的企业融资服务。

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

FANG AI LIAN (MRS)

方爱莲夫人

Director, Non-Executive and Independent

非执行独立董事

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

She is an Independent Director of Singapore Post Limited, Jubilant Pharma Limited and Cromwell EREIT Management Pte Ltd. She is the Chairman of the Board of Trustees of the Singapore Business Federation and Medishield Life Council. She is also a member of the SGX Listings Advisory Committee and SingHealth Fund Limited.

Mrs Fang was a member of Tote Board (Singapore Totalisator Board) until May 2022 and Board of Trustees of Singapore University of Technology and Design until August 2019. She was the Chairman of Great Eastern Holdings Limited and its insurance subsidiaries as well as a Director of OCBC Bank until her retirement in April 2014. Prior to that, she was with Ernst & Young ("EY") for 37 years where she last held the position of Chairman of EY Singapore until her retirement on 31 March 2008. She previously served as Chairman of the Charity Council. She was also a Justice of the Peace and was conferred the Public Service Star (Bar) in 2021. Her past directorships include Banyan Tree Holdings Limited, Singapore Telecommunications Limited and MediaCorp Pte Ltd. She was an Advisor to the Far East Organization Group.

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

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

她是新加坡邮政有限公司、Jubilant Pharma有限公司以及Cromwell EREIT管理私人有限公司的独立董事。她是新加坡工商联合总会受托人董事会和终身健保委员会的主席。她也是新交所上市咨询委员会和SingHealth Fund Limited的成员。

BOARD OF DIRECTORS

她曾是新加坡赛马博彩管理局的董事会成员直到2022年5月以及新加坡科技设计大学受托人董事会的成员直到2019年8月。在2014年4月她退休之前，方夫人曾担任大东方控股公司及其保险子公司的主席，以及华侨银行的董事，在此之前，方夫人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2021年被授予公共服务星章(勋条)。她曾经在悦榕控股有限公司、新加坡电信有限公司以及新传媒有限公司担任董事一职。她曾是远东机构的顾问。

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

TAN SOO KHOON

陈树群

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

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

Mr Tan, a businessman, is also a director of several private companies. Since 1978, he has been the Chairman of watch distribution companies, Crystal Time (Singapore) Pte Ltd and Crystal Time (M) Sdn Bhd. His past directorship includes Parkson Retail Asia Limited.

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

陈树群先生于2011年12月加入美罗董事会担任董事。他也是审计、提名和投资委员会的成员。

陈先生是一位商人，现任多家私人公司的董事。自1978年以来，他一直担任手表分销公司Crystal Time (Singapore) Pte Ltd和Crystal Time (M) Sdn Bhd的主席。他曾担任的董事包括百盛零售亚洲有限公司。

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。他还担任唐氏综合症协会(新加坡)的名誉赞助人。

DEBORAH LEE SIEW YIN

李秀纓女士

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

Ms Deborah Lee Siew Yin was appointed a Director of Metro in June 2018. She is a member of the Remuneration and Investment Committees.

Ms Lee is presently an Independent Director of Ascott Residence Trust Management Limited, Ascott Business Trust Management Pte Ltd and Assurity Trusted Solutions Pte Ltd. She is also a board member of WTL Capital Pte Ltd and Board of Trustees of Singapore University of Technology and Design.

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

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

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

李秀纓女士于2018年6月受委为美罗的董事。她也是薪酬和投资委员会的成员。

李女士现为Ascott Residence Trust Management Limited, Ascott Business Trust Management Pte Ltd以及Assurity Trusted Solutions Pte Ltd的独立董事。她也是WTL Capital Pte Ltd和新加坡科技设计大学受托人的董事会成员。

她曾是Integrated Health Information Systems Pte Ltd的董事会成员。从2007年至2015年，李女士曾担任新加坡报业控股 (SPH) 企业发展的执行副总裁。加入新加坡报业控股之前，李女士担任顾问职务，专长于企业发展、收购及合并项目。

BOARD OF DIRECTORS

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

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

NG EE PENG

吴一平

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

Mr Ng Ee Peng was appointed a Director of Metro in April 2021. He is a member of the Audit and Remuneration Committees.

Mr Ng is presently an Independent Director of Sinarmas Land Limited. Mr Ng is also the Founder and Chairman of Lunas Analytics.ai Pte. Ltd. From 2019 to February 2020, he was Executive Vice President and later, Senior Advisor, Chairman's Office, of PT Smartfren Tbk, Indonesia. Before that, from 2010 to 2019, he was President Director and Group Chief Executive Officer, PT Gunung Sewu Kencana, Indonesia. Since 1974 to the latter position, Mr Ng held various posts, including, President and Chief Executive Officer, GE Capital ASEAN (1993 to 2000, and 2007 to 2010); President, Asian Aerospace Pte. Ltd. and Reed Exhibitions Pte. Ltd. (2003 to 2006); Group Chief Executive Officer, DBS Land/Executive Vice President Corporate, CapitaLand Group/Chief Executive Officer, CapitaLand Commercial & Fund Management (2000 to 2002); and Brigade Commander being his last position at Singapore Armed Forces (1974 to 1989).

Mr Ng holds a Bachelor of Science (First Class Honors) from University of Manchester Institute of Science & Technology and a Master of Business Administration from Harvard University, USA. He also completed a Diploma (with Honors) from US Army Command & General Staff College.

吴一平先生于2021年4月受委为美罗的董事。他也是审计和薪酬委员会的成员。

吴先生现为Sinarmas Land Limited的独立董事。吴先生是Lunas Analytics.ai Pte. Ltd.的创始人兼董事长。从2019年到2020年2月，他担任印度尼西亚PT Smartfren Tbk的执行副总裁，后来担任董事长办公室的高级顾问。在此之前，他于2010年至2019年担任印度尼西亚PT Gunung Sewu Kencana的总裁兼集团首席执行官。从1974年开始至担任后者一职，吴先生担任过多个职位，包括GE Capital ASEAN总裁兼首席执行官 (1993年至2000年以及2007年至2010年)；Asian Aerospace Pte. Ltd.总裁和Reed Exhibitions Pte. Ltd. (2003年至2006年)；DBS Land行政总裁/嘉德置地集团企业执行副总裁/嘉德置地商业与基金管理集团首席行政总裁 (2000年至2002年)；Brigade Commander是他在新加坡武装部队的最后一个职位 (1974年至1989年)。

吴先生拥有曼彻斯特大学的理学学士学位 (一等荣誉) 和美国哈佛大学的工商管理硕士学位。他还获得了美国陆军指挥参谋学院的文凭 (荣誉)。

KEY MANAGEMENT



PHUA BAH LEE

Senior Advisor

(Demised on 26 December 2021)

PHUA BAH LEE

Senior Advisor

(Demised on 26 December 2021)

The late Mr Phua Bah Lee had served as a Non-Executive and Independent Director of Metro since October 1993 until his retirement from the Board on 29 July 2021. He assumed the role of Senior Advisor with effect from 30 July 2021. He passed away peacefully on 26 December 2021.

The late Mr Phua had served as the Chairman of the Remuneration Committee and a member of the Nominating Committee until his retirement on 29 July 2021.

The late Mr Phua was a Director of Singapura Finance Ltd and also held directorships in a number of private companies. He 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.



YIP HOONG MUN

Group Chief Executive Officer

YIP HOONG MUN

Group Chief Executive Officer

Mr Yip Hoong Mun was appointed as the Group Chief Executive Officer and Executive Director with effect from 1 June 2019.

As Group Chief Executive Officer, he plays a key role in the Group's investment strategies and holds executive responsibility over the business performance of the Metro Group of companies. He oversees the Group's property investment and development projects and joint ventures in Singapore, China, Indonesia, the United Kingdom and Australia. Prior to this, he was Metro's Deputy Group Chief Executive Officer, a position he assumed since May 2018. Before this, Mr Yip served as Group Chief Operating Officer and Chief Executive Officer of Metro China.

Mr Yip has over 30 years of experience in executive and senior management roles in strategic planning, operations, hospitality, real estate investment and development. Mr Yip started his career with Indeco Engineers and later joined BP South East Asia. Prior to joining Metro, he spent over 20 years with the CapitaLand Group, and served different roles in various strategic business units. He was Managing Director of Ascott China in 2003 and then Chief Executive Officer, Asia Pacific and the Gulf Region of The Ascott Group in 2006. Subsequent to that, Mr Yip has been involved in property developments in the Gulf Region, Vietnam and Indonesia of the CapitaLand Group.

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

He has accumulated extensive experience and network in numerous overseas markets and is trilingual in English, Mandarin and Malay.

KEY MANAGEMENT



WONG SIOE HONG
*Executive Chairman,
Metro (Private) Limited*



EVE CHAN BEE LENG
*Group Chief Financial Officer
& Joint Company Secretary*



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

WONG SIOE HONG

*Executive Chairman,
Metro (Private) Limited*

Mrs Wong was appointed as the 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 Chairman of the Orchard Road Business Association and council member of the Singapore Retailers Association.

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

EVE CHAN BEE LENG

*Group Chief Financial Officer
& Joint Company Secretary*

Ms Eve Chan Bee Leng joined Metro in August 2017 as the Director of Finance of the Group and was redesignated to the Group Chief Financial Officer in August 2018.

Ms Chan has more than 28 years of experience in group finance, audit, tax, accounting, corporate finance and treasury with public listed firms, engineering/power plant, real estate/property developer/private equity funds/REITs, hospitality and international auditing firm. She has also been involved in numerous corporate exercises such as mergers, acquisition and divestment exercises, Public Offering launches as well as the organisation

and structuring of private equity real estate funds and real estate investment trusts with portfolios that span across Asia Pacific and Middle East regions. Prior to joining Metro, she was the Group Financial Controller for PacificLight Power Group. Ms Chan also previously held various finance positions at ST Engineering, Keppel REIT, Kingdom Hotel Investment, CapitaLand/Ascott Group with portfolios that span across Asia Pacific and Middle East regions.

Ms Chan holds a Bachelor of Accountancy Degree from the Nanyang Technological University of Singapore and an Executive Master's of Business Administration from the University of Hull (UK). She is a Fellow Chartered Accountant of Singapore and a member of the Institute of Certified Public Accountants of Australia (CPA Australia).

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 the University of Stirling, Scotland, and a Bachelor of Science (Highest Distinction) in Finance from Indiana University, USA.

PARTNERSHIPS



TRANS CORP (Since 2001)

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

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

Today, Metro Indonesia is one of the leading retailers in the country, housing a wide range of well-known international and local brands. Metro Indonesia currently has 11 stores spread across Jakarta, Bandung, Surabaya, Makassar, Solo and Manado.

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

In December 2019, Metro entered into a Deed of Sale and Purchase and sold its entire 50% equity stake in Metro Indonesia to Trans Corp. At the same time, Metro entered into a revised license agreement and granted to PT Metropolitan Retailmart permission to use its "Metro" trademarks in return for a fee payable to Metro.



BENTALLGREENOAK CHINA REAL ESTATE FUND (Since 2007)

BentallGreenOak is a leading global real estate investment manager with US\$78 billion in assets under management as at 31 March 2022, and a global presence of 28 offices across 13 countries.

InfraRed NF Investment Advisers Limited ("InfraRed NF") was a joint venture between InfraRed Capital Partners, a London-headquartered manager of specialist infrastructure and real estate funds, and Hong Kong's Vervain Group (which includes entities operating under the former name of "Nan Fung China"). InfraRed NF was wholly acquired by BentallGreenOak in April 2021. Post acquisition, InfraRed NF was renamed BentallGreenOak Investment Advisers Limited ("BGO China").

Metro's partnership with BGO China started in 2007 with co-investments alongside InfraRed NF China Real Estate Fund, L.P. ("the Fund"), a fund managed by BGO China, with investments in EC Mall, No. 1 Financial Street and Metropolis Tower – in Beijing. In 2009 and 2011, Metro entered into joint ventures with the Fund and Tesco plc in six Tesco Lifespace malls in mainland China. Metro and the Fund have since divested their interest in all these developments.

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

In 2018 and 2019, Metro invested in BentallGreenOak China Real Estate Fund III L.P. ("Fund III") as well as co-invested with Fund III in real estate debt instruments.

PARTNERSHIPS



TOP SPRING INTERNATIONAL HOLDINGS LIMITED (Since 2011)

Top Spring International Holdings Limited ("Top Spring") is a real estate property developer in the PRC specialising in the development and operation of urban mixed-use communities and the development and sale of residential properties in the Greater Bay Area, the centres of which are Hong Kong, Shenzhen and Guangzhou, as well as the economically dynamic regions including Shanghai and Sydney, Australia. Metro acquired an initial stake of 5% in Top Spring when it was listed on the Main Board of The Stock Exchange of Hong Kong Limited in March 2011. Top Spring's revenue stood at HK\$0.6 billion for the year ended 31 December 2021.

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

In December 2013, Metro acquired a 30% stake in Shanghai Shama Century Park from Top Spring for RMB524 million. The property operated as serviced apartments with a total of 284 residential units across a total GFA of approximately 49,357 sqm. All 284 residential units have been sold and handed over.

On 1 July 2014, Top Spring became an associated company of the Metro Group when Metro's nominated representative was appointed to the board of directors of Top Spring as non-executive director. As at 31 March 2022, Metro has an equity stake of approximately 16.2% voting rights and 14.9% ownership interest in Top Spring.

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



WING TAI HOLDINGS LIMITED (Since 2012)

Wing Tai Holdings Limited is a public listed company in Singapore with a market capitalisation of approximately S\$1.4 billion and total asset value exceeding S\$4 billion as at 31 December 2021. Its principal activity is that of an investment holding company focused on key markets in the Asia Pacific, with core businesses in property investment and development, hospitality management and lifestyle retail. The Wing Tai Asia network of companies include Wing Tai Holdings Limited, Wing Tai Malaysia Sdn. Bhd., Wing Tai Properties Limited and their subsidiaries in Singapore, Australia and China, as well as in Malaysia and Hong Kong. In late 2012, Metro invested 40% in a joint venture with Wing Tai Holdings Limited to jointly develop The Crest at Prince Charles Crescent in Singapore.



SCARBOROUGH GROUP INTERNATIONAL (Since 2014)

Founded by Kevin McCabe in 1980, Scarborough Group International ("Scarborough") is one of the United Kingdom's largest privately owned, mixed-use property developers. Over the last six decades, Scarborough has grown from a UK based real estate developer and investor into a global organisation with an award-winning portfolio of projects.

In the UK alone, Scarborough has delivered 6.3 million square feet of commercial space and 1,400+ residential units, with a gross development value totalling more than GBP4.5 billion and a further GBP4.0 billion in the pipeline.

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-unit new build residential development). The collaboration was further strengthened in February 2016, when Metro participated in another joint venture with the Scarborough Group to develop two office buildings on a site in Sheffield, United Kingdom.

PARTNERSHIPS



LEE KIM TAH HOLDINGS LIMITED

(Since 2017)

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

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

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

In December 2020, Metro, through a newly formed strategic partnership with LKT Group and Woh Hup Holdings Pte Ltd, established a Purpose-Built Student Accommodation fund, Paideia Capital UK Trust, to expand further in the United Kingdom.



SIM LIAN GROUP OF COMPANIES

(Since 2019)

Sim Lian is a group of companies with established businesses in property development, investment, construction, real estate professional services and asset management.

Sim Lian Holdings Pte Ltd is an investment holding and development company, invested in a wide range of assets types across various markets in Asia. The company also has asset management business with deep expertise and a strong track record in the key real estate markets in Asia, in particular Singapore and Australia.

Sim Lian Group Ltd is an established property development, construction and investment company with a strong track record spanning more than 40 years. The Group was listed on the Mainboard of the Singapore Exchange for 16 years from 2000 to 2016, and has a broad portfolio of residential, commercial, industrial, retail and mixed-use developments, built on the core foundations of prime location, quality workmanship and efficient space planning.

In November 2019, Metro expanded its regional footprint by investing 20% in a joint venture with Sim Lian that owns a portfolio of 14 quality freehold properties comprising 4 office buildings and 10 retail centres that span across 4 key states in Australia, namely New South Wales, Victoria, Queensland and Western Australia.

In November 2020, Metro, together with Sim Lian further expanded in New South Wales with the acquisition of Ropes Crossing Village Shopping Centre.

In 2021, Metro, together with Sim Lian acquired Cherrybrook Village Shopping Centre in New South Wales. Subsequent to this acquisition, Metro stepped-up its equity stake from 20% to 30% for the Australian portfolio of 16 quality freehold properties.



(Since 2019)

To align the interest with Metro’s strategic partner, Sim Lian and to grow Metro’s asset management arm, Metro invested a 20% equity stake in an asset and investment management company, namely Sim Lian – Metro Capital Pte. Ltd., in November 2019 to manage the portfolio in Australia.

In October 2021, Metro stepped-up its equity stake to 30% in Sim Lian – Metro Capital Pte. Ltd.

PARTNERSHIPS



EVIA REAL ESTATE (Since 2019)

Founded in 2010, Evia Real Estate (“EVIA”) is an owner, developer, and fund manager of diversified real estate classes across residential, industrial and logistics, commercial and retail in Singapore, South Korea and Japan. EVIA has made its mark by solidifying itself as one of the most recognised providers of investment opportunities across all sectors of the real estate market. In April 2019, Metro entered into a 50% joint-venture with an affiliate of EVIA to jointly acquire Asia Green, two blocks of premium Grade-A office towers in Singapore.



WOH HUP GROUP OF COMPANIES (Since 2020)

Woh Hup started out as a one-man construction company by the late Mr Yong Yit Lin in 1927 with \$200. 95 years on, Woh Hup is one of Singapore’s largest privately owned construction and civil engineering specialists with a 2,500 strong workforce and professionals. Woh Hup is a principal player in the building of private residential and commercial developments. The company has a portfolio of notable and iconic projects including Clifford Pier, Gardens by the Bay and Jewel Changi Airport marking its progression alongside Singapore. Woh Hup also specialises in civil engineering projects where they build roads, flyovers, Mass Rapid Transport stations and tunnels. Woh Hup continually seeks to spearhead cutting-edge, innovative building solutions in the Singapore market and forges strategic joint-venture partnerships with overseas counterparts, facilitating its expansion and cementing its position at the forefront of the construction sector locally and regionally.

In December 2020, Metro formed a strategic partnership with an affiliate of Woh Hup and Lee Kim Tah Holdings Limited to establish a Purpose-Built Student Accommodation fund, Paideia Capital UK Trust, to acquire properties in the United Kingdom.



BOUSTEAD GROUP OF COMPANIES (Since 2020)

Established in 1996 and listed on the SGX Mainboard, Boustead Projects Limited (“BPL”) is a leading provider of innovative real estate solutions with an international presence across Singapore, China, Malaysia and Vietnam. To date, BPL has constructed and/or developed more than 3 million square metres of real estate internationally for clients including Fortune 500, S&P 500 and Euronext 100 corporations.

BPL is a 54%-owned subsidiary of Boustead Singapore Limited (SGX:F9D), a progressive global infrastructure-related engineering and technology group which is separately listed on the SGX Mainboard.

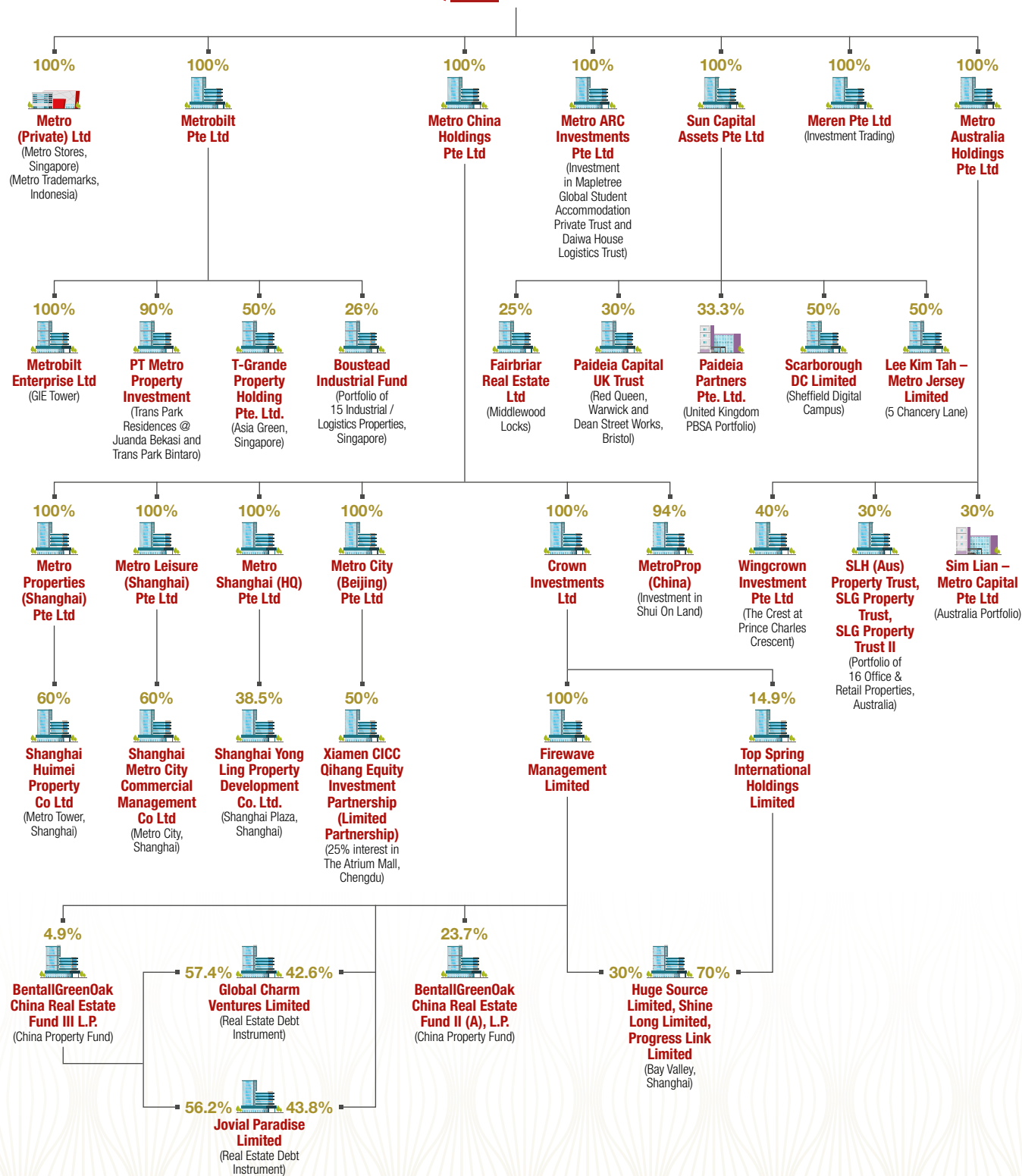
In December 2020, Metro deepened its presence in Singapore by acquiring a 26% stake in a portfolio of 14 quality properties, comprising six industrial properties, one business park, four high-spec industrial properties and three logistics properties, for an investment amount of up to S\$76.6 million, via the subscription of 26% of the units and 7.0 per cent. notes due 2031 in Boustead Industrial Fund (“BIF”).

In October 2021, Metro acquired 351 Braddell Road, another high-spec industrial property, via a further subscription of 26% of the units and 7.0 per cent. notes due 2031 in BIF, for an investment amount of S\$17.6 million. This acquisition brings Metro’s total portfolio under BIF to 15 properties.



To align the interest with Metro’s strategic partners, LKT Group and Woh Hup, and to grow Metro’s asset management arm, Metro invested a 33.3% equity stake in an asset and investment management company, namely Paideia Partners Pte. Ltd. (“Paideia Partners”), in December 2020 to manage the purpose-built student accommodation portfolio in the United Kingdom. Paideia Partners is the fund manager to Paideia Capital UK Trust.

CORPORATE STRUCTURE



Retail



Property



Asset and Investment Management

PORTFOLIO REVIEW

PROPERTY INVESTMENT AND DEVELOPMENT

INVESTMENT PROPERTIES

As at 31 March 2022, average occupancy for the Group's five investment properties, including those held by joint ventures, remained high at 93.9% (31 March 2021: 91.7%).

OCCUPANCY RATES

	As at 31.3.2022 (%)	As at 31.3.2021 (%)
GIE Tower, Guangzhou	92.8	92.8
Metro City, Shanghai	88.0	98.3
Metro Tower, Shanghai	96.5	89.4
5 Chancery Lane, London	100.0	100.0
Asia Green, Singapore	92.2	78.1

PROPERTY VALUATIONS

As at 31 March 2022, GIE Tower, Guangzhou and Metro City, Shanghai, registered a decline in valuation.

	FY2022 (RMB'm)	FY2021 (RMB'm)	Change (%)	FY2022 (S\$m)	FY2021 (S\$m)	Change (%)
GIE Tower, Guangzhou ⁽¹⁾	543	545	-0.4	116	112	3.6
Metro City, Shanghai ⁽¹⁾	842	914	-7.9	179	187	-4.3
Metro Tower, Shanghai ⁽¹⁾	1,120	1,120	–	239	230	3.9
	FY2022 (GBP'm)	FY2021 (GBP'm)	Change (%)	FY2022 (S\$m)	FY2021 (S\$m)	Change (%)
5 Chancery Lane, London ⁽¹⁾	81	80	1.3	143	148	-3.4
	FY2022 (S\$m)	FY2021 (S\$m)	Change (%)			
Asia Green, Singapore ⁽¹⁾	424	405	4.7			

⁽¹⁾ As at 31 March

⁽²⁾ Above figures represent 100% of the property valuations and are appraised by independent valuers Cushman & Wakefield Limited (Shanghai and Guangzhou), Colliers International Property Consultants Limited (London) and Knight Frank Pte Ltd (Singapore)

Exchange rates:

FY2022: S\$1: RMB4.695: GBP0.5624

FY2021: S\$1: RMB4.878: GBP0.5405

While the geopolitical tensions brought about by the Russia-Ukraine war and the persistence of the COVID-19 pandemic present uncertainties, the opening of borders, resumption of travel and an overall move to open economies provide a positive outlook.

Singapore's gross domestic product ("GDP") grew by 7.6% in 2021, rebounding from the 4.1% contraction in 2020. For 2022, the Ministry of Trade and Industry maintains a GDP growth forecast of 3.0-5.0% with a 3.7% growth in 1Q22.

In China, according to the International Monetary Fund ("IMF"), pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and China property sector headwinds have induced a 0.8% downgrade in 2022 GDP. China's economy grew 8.1% in 2021, and is forecasted to grow 4.4% in 2022 and 5.1% in 2023.

In the UK, our office property at 5 Chancery Lane continues to be fully leased through 2023, despite London City vacancy rates remaining above trend with signs of stabilisation.

EXPIRY PROFILE BY GROSS RENTAL INCOME

	1HFY2023 (%)	2HFY2023 (%)
GIE Tower, Guangzhou	16.5	20.6
Metro City, Shanghai	15.4	14.4
Metro Tower, Shanghai	24.4	1.1
5 Chancery Lane, London	–	100.0
Asia Green, Singapore	14.9	8.1

PORTFOLIO REVIEW

METRO CITY Shanghai

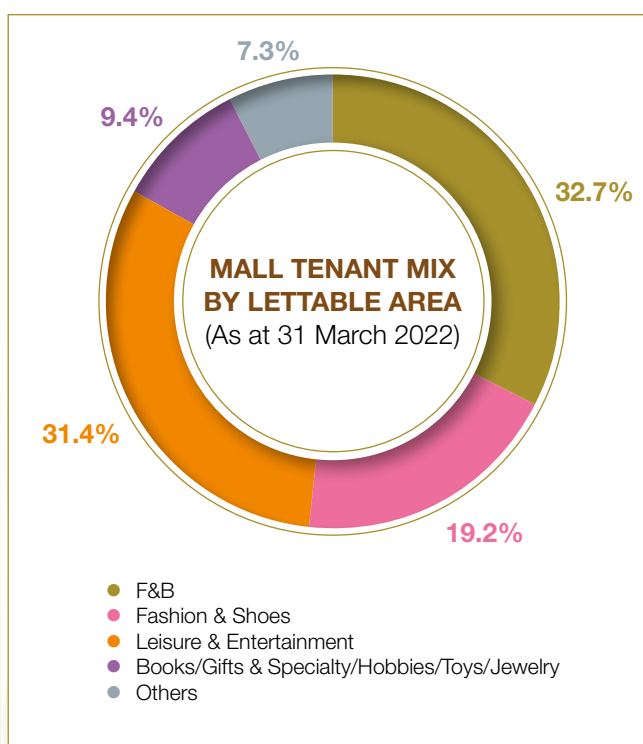


Strategically located at Xujiahui, Metro City, Shanghai, is a lifestyle entertainment centre with nine levels of space, spanning nearly 40,000 square metres. Directly linked to an underground MRT, the mall attracts high shopper traffic due to its prime location and accessibility.

Its occupancy rate as at 31 March 2022 was 88.0% (2021: 98.3%).

KEY STATISTICS

% owned by Group	60
Site area (sqm)	15,434
Lettable Area (sqm)	38,394
Tenure	36-year term from 1993 (7 years remaining)
No. of Tenants	168
Occupancy Rate (%)	88.0
Valuation (100%)	S\$179 million (RMB842 million)
Partner	Shanghai Xujiahui Centre (Group) Co., Ltd. 上海徐家匯商城(集團)有限公司



PORTFOLIO REVIEW

METRO TOWER *Shanghai*

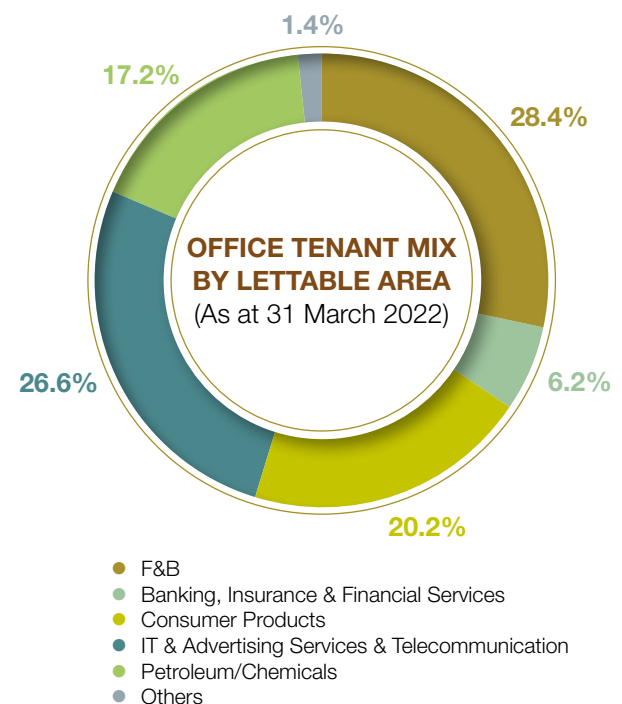


Located next to Metro City, Shanghai, Metro Tower offers nearly 40,000 square metres of Grade-A office space, spread across 26 floors.

Metro Tower, Shanghai, is supported by a strong multinational tenant base and its occupancy remains high at 96.5% as at 31 March 2022 (2021: 89.4%).

KEY STATISTICS

% owned by Group	60
Site area (sqm)	4,993
Lettable Area (sqm)	39,295
Tenure	50-year term from 1993 (21 years remaining)
No. of Tenants	35
Occupancy Rate (%)	96.5
Valuation (100%)	S\$239 million (RMB1,120 million)
Partner	Shanghai Xujiashui Centre (Group) Co., Ltd. 上海徐家匯商城(集團)有限公司



PORTFOLIO REVIEW

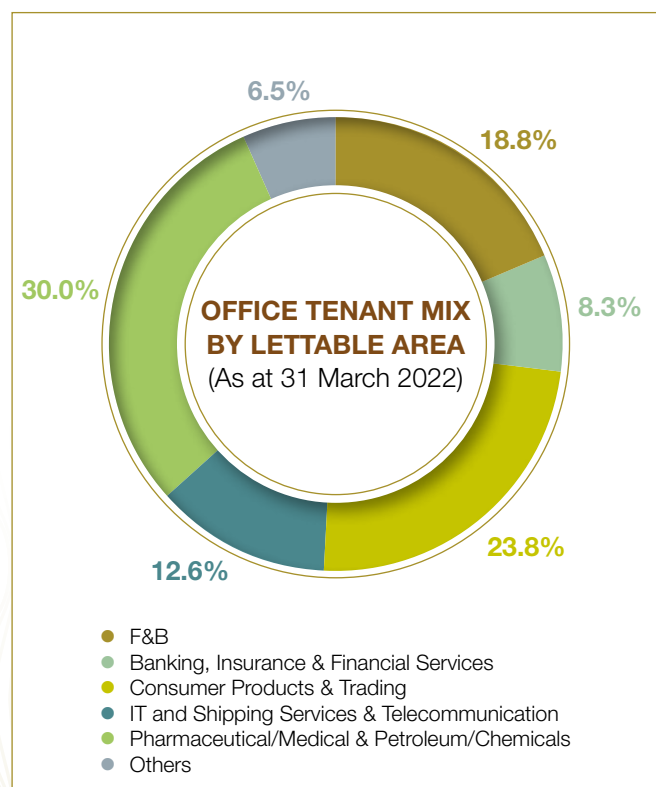
GIE TOWER Guangzhou

Part of a 7-storey shopping podium and 35-storey Grade-A 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 office and retail space in the building. GIE Tower's occupancy rate was 92.8% as at 31 March 2022 (2021: 92.8%).

KEY STATISTICS

% owned by Group	100
Site area (sqm)	Strata-titled
Lettable Area (sqm)	28,390
Tenure	50-year term from 1994 (22 years remaining)
No. of Tenants	34
Occupancy Rate (%)	92.8
Valuation (100%)	S\$116 million (RMB543 million)



PORTFOLIO REVIEW

ASIA GREEN Singapore

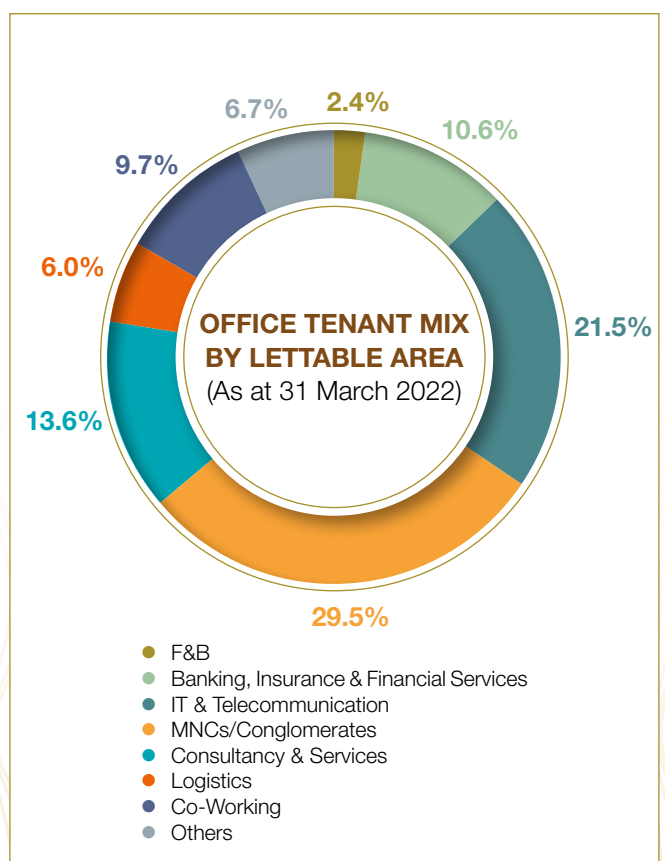


In April 2019, the Group grew its presence in Singapore by acquiring a 50% stake in Asia Green, two blocks of premium Grade-A BCA Green Mark Platinum and LEED® Gold Certified office buildings.

Strategically located at Tampines Regional Centre, Asia Green is only a 25-minutes drive from CBD, 10-minutes drive from Changi Airport and 5-minutes walk from Tampines MRT interchange that is part of both East-West and Downtown lines.

Asia Green's occupancy rate was 92.2% as at 31 March 2022 (2021: 78.1%).

KEY STATISTICS	
% owned by Group	50
Site area (sqm)	8,000
Lettable Area (sqm)	26,562
Tenure	99-year term from 2007 (84 years remaining)
No. of Tenants	20
Occupancy Rate (%)	92.2
Valuation (100%)	S\$424 million
Partner	Evia Real Estate



PORTFOLIO REVIEW

PORTFOLIO OF 15 INDUSTRIAL, BUSINESS PARK, HIGH-SPEC INDUSTRIAL & LOGISTICS PROPERTIES Singapore

In December 2020, the Group deepened its presence in Singapore by investing in a 26% stake in a portfolio of 14 quality industrial, business park, high-spec industrial and logistics properties in Singapore, for an investment amount of up to S\$76.6 million, via the subscription of 26% of the units and 7.0 per cent. notes due 2031 in Boustead Industrial Fund (“BIF”).

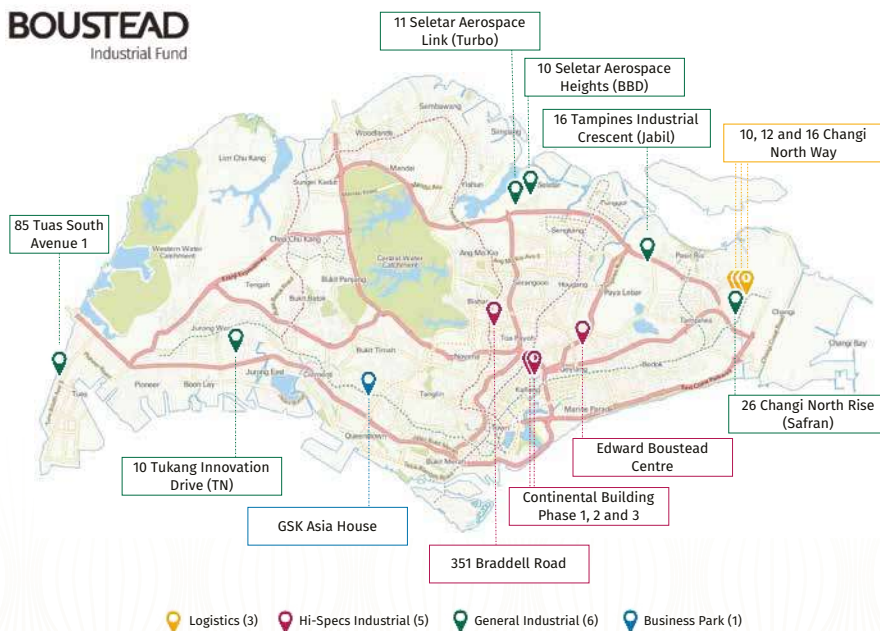
In October 2021, Metro acquired 351 Braddell Road, another high-spec industrial property, via a further subscription of 26% of the units and 7.0 per cent. notes due 2031 in BIF, for an investment amount of S\$17.6 million. This acquisition brings Metro’s total portfolio under BIF to 15 properties with a total asset size of S\$689 million as at 31 March 2022.

KEY STATISTICS

% owned by Group	26
Lettable Area (sqft)	1,982,429
Tenure	Average lease tenure 31 years
Average Occupancy Rate (%)	97.1
Weighted Average Lease Expiry¹	~6.2 years
Partner	Boustead Projects Limited
Fund Manager	Boustead Industrial Fund Management Pte. Ltd.

¹ As at 31 March 2022

Total of 15 assets in Singapore



PORTFOLIO REVIEW

SHANGHAI PLAZA *Shanghai*

Shanghai Plaza (“上海广场”), a landmark mixed-use commercial building with a gross floor area of 41,998 square metres across seven floors, was acquired in May 2018. It is located at the prime Huai Hai Zhong Road (“淮海中路”), Huang Pu district, Shanghai, which is one of the most densely populated urban districts in China. The property is also close to Xintiandi (“新天地”), People’s Square and Lujiazui (“陆家嘴”) CBD, with connectivity to major train lines and expressways.

Asset enhancement was completed and the mall opened in September 2020. Leasing activities are underway.

KEY STATISTICS

% owned by Group	38.5
Lettable Area (sqm)	38,411
Tenure	50-year term from 1992 (20 years remaining)
Occupancy Rate (%)	91.1
Valuation (100%)	S\$664 million (RMB3,119 million)
Partners	Hualing Group / Sunac China Holdings Limited



BAY VALLEY *Shanghai*



Acquired in September 2017, the three office buildings A4, C7 and 99.1% of C4 comprise gross floor area of approximately 97,526 square metres. Located at No. 78 and 79, No. 33 and 36, and No. 25, 1688 Guoquan North Road, the properties are well-located within the integrated business community development known as the Bay Valley (“湾谷”). Bay Valley is situated in New Jiangwan City (“新江湾城”), which is in the Yangpu (“杨浦”) District of Shanghai, one of China’s most established industrial centres.

Leasing activities are underway.

KEY STATISTICS

% owned by Group	30
Leaseable GFA (sqm)	97,526
Land use rights tenure ending on	2 November 2058
Occupancy Rate (%)	69.2
Valuation (100%)	S\$557 million (RMB2,615 million)
Partner	Top Spring International Holdings Limited

PORTFOLIO REVIEW

THE ATRIUM MALL *Chengdu*



In May 2019, Metro expanded its footprint to Chengdu, China, with the acquisition of a 25% stake in a prime LEED® Gold certified commercial mall (“The Atrium Mall”), that is part of a landmark mixed-use development, The Atrium (“晶融汇”).

It is located in the heart of Chengdu’s CBD and the Dacisi business corridor, close to the Chunxi (“春熙路”) and

the Hong Xing Road pedestrian malls such as Taikoo Li (“太古里”) Chengdu. The Atrium Mall is well connected by 2 train stations and over 20 bus lines.

Asset enhancement was completed and the mall officially opened in December 2020. Leasing activities are underway.

KEY STATISTICS

% owned by Group	25
Lettable Area (sqm)	24,710
Occupancy Rate (%)	86.9
Tenure	40-year term from 2007 (25 years remaining)
Valuation (100%)	S\$380 million (RMB1,784 million)
Partners	China International Capital Corporation Limited / ARA Asset Management Limited

5 CHANCERY LANE *London*



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

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

The property is currently fully leased until 2023.

KEY STATISTICS

% owned by Group	50
Site Area (acres)	0.487
Lettable Area (sqm)	7,882
Tenure	Freehold
No. of Tenant	1
Occupancy Rate (%)	100
Valuation (100%)	S\$143 million (£81 million)
Partner	Lee Kim Tah Holdings Limited

PORTFOLIO REVIEW

PURPOSE-BUILT STUDENT ACCOMMODATION *United Kingdom*

In December 2020, Metro established a purpose-built student accommodation ("PBSA") fund, Paideia Capital UK Trust ("Trust") through a newly formed strategic partnership with Lee Kim Tah Holdings Limited and Woh Hup Holdings Pte Ltd, to expand and diversify further in the United Kingdom. Metro and its joint venture partners incorporated Paideia Partners Pte. Ltd. to act as fund manager to grow its fund management arm.

Upon the First Closing of the fund, the Trust acquired its first PBSA seed property in Warwick for a total consideration of £21.5 million (approximately S\$38.7 million). The property is newly constructed and situated one mile north of the main campus of the University of Warwick, with approximately 22,000 full-time students and a committed occupancy of 99.5%. In January 2021, the Trust acquired its second asset in Bristol – Dean Street Works, for a total purchase



Dean Street Works, Bristol



Lounge area at Dean Street Works, Bristol



Red Queen, Warwick



Lounge area at Red Queen, Warwick

consideration of £30.1 million (approximately S\$54.8 million). This asset was completed in August 2020 with 100% committed occupancy. It is located 1.4 km from the main campus of the University of Bristol with approximately 27,000 students, and is a five minute drive from Bristol's city centre and main shopping district Broadmead.

In May 2022, the Trust legally completed its acquisition of four PBSA properties in Exeter, Durham, Glasgow and Kingston for a total consideration of £75.1 million (approximately S\$129.8 million). The total portfolio of six PBSA properties is valued at £130 million (approximately S\$225 million) and achieved a high committed average occupancy rate of 99.2% as at 31 May 2022.

KEY STATISTICS

Trust	Paideia Capital UK Trust	
% owned by Group	30	
Fund Manager	Paideia Partners Pte. Ltd.	
% owned by Group	33.3	
Initial Aggregate Committed Capital	£60.0m	
Asset Name, Location	Red Queen, Warwick	Dean Street Works, Bristol
No. of Beds	210 en-suite beds	44 studios, 181 en-suite beds
Occupancy Rate (%)	99.5	100
Partners	Lee Kim Tah Holdings Limited / Woh Hup Holdings Pte Ltd	

PORTFOLIO REVIEW

PORTFOLIO OF 16 OFFICE & RETAIL PROPERTIES¹ Australia



Cherrybrook Village Shopping Centre, NSW

In November 2019, Metro expanded its regional footprint by investing 20% in a joint venture with Sim Lian that owns a portfolio of 14 quality freehold properties comprising 4 office buildings and 10 retail centres that span across 4 key states in Australia, namely New South Wales, Victoria, Queensland and Western Australia. The four office buildings are strategically located in the core CBD of Sydney and Brisbane, and the fringe CBD of Melbourne and Perth. The other 10 retail centres are located regionally with over 90% of the retail space being anchored by defensive non-discretionary retailers such as supermarkets that cater to day-to-day necessities of the community within the primary residential catchment area. Metro deepened its footprint in Australia in November 2020 by acquiring Ropes Crossing Village Shopping Centre in

New South Wales. In 2021, Metro acquired Cherrybrook Village Shopping Centre in New South Wales. Subsequent to this acquisition, Metro stepped-up its equity stake from 20% to 30% for the Australian portfolio, which has a total asset size of A\$1.1 billion (approximately S\$1.1 billion) as at 31 March 2022.

To align the interest with its strategic partner, Sim Lian, and to grow its asset management arm, the Group invested a 20% equity stake in an asset and investment management company namely, Sim Lian – Metro Capital Pte. Ltd., in November 2019 to manage the portfolio in Australia. In October 2021, Metro stepped-up its equity stake to 30%.

KEY STATISTICS

% owned by Group	30
Lettable Area (sqm)	147,453
Tenure	Freehold
Average Occupancy Rate (%)	95.5
Valuation (100%)	S\$1,126 million (A\$1,112 million)
Partner	Sim Lian Holdings Pte Ltd
Asset & Investment Manager	Sim Lian – Metro Capital Pte. Ltd.

¹ See map on page 9 for complete list of 16 properties



Tarnett Gardens, VIC



59 Albany Highway, WA



Office Building at 50 Margaret Street, Sydney, NSW

PORTFOLIO REVIEW

DEVELOPMENT PROPERTIES

China's COVID-19 lockdowns in March/April 2022 are likely costing the country at least US\$46 billion a month, or 3.1% of GDP, in lost economic output¹ and Shanghai emerged from its COVID-19 lockdown on 1 June 2022 after two months of restrictions².

Indonesia recorded annual GDP growth of -2.1% in 2020 and 3.7% in 2021, based on moderate tax policy and administration reforms, some expenditure realisation, and a gradual increase in capital spending over the medium term in line with fiscal space³. Indonesian condominium projects located within mixed-use developments with

proximity to public transportation are likely to receive a better response from the market⁴. This should benefit our residential projects in Bekasi and Bintaro, Jakarta, though it will take time for buyers to return after the loosening of social measures in December 2021, and where the sales and collections continue to be impacted.

UK GDP grew 7.4% in 2021 and is forecasted to grow 3.7% in 2022⁵. Manchester is set to see the highest rate of economic growth of all the major UK cities over the next five years with gross value added growth of 16.4%⁶. Middlewood Locks, continues to market via marketing suite and online channels.

¹ Bloomberg, China Lockdowns Cost at Least \$46 Billion a Month, Academic Says, 29 March 2022

² South China Morning Post, Shanghai Is Emerging From A Tough Covid Lockdown, But Will There Be More?, 1 June 2022

³ IMF, World Economic Outlook Update – April 2022

⁴ JLL, Indonesia Real Estate Market Outlook 2022, 21 January 2022

⁵ IMF, World Economic Outlook Update – April 2022

⁶ JLL, UK Residential Forecasts, 10 December 2021

THE CREST AT PRINCE CHARLES CRESCENT *Singapore*



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

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

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

The development was completed in February 2017 and was fully sold as at 31 May 2022.

KEY STATISTICS

% owned by Group	40
Site Area (sqm)	23,785
Construction start date	June 2013
TOP	February 2017
Total GFA (sqm)	50,854
Land cost	S\$516.3 million
Partner	Wing Tai Holdings Limited

PORTFOLIO REVIEW

TRANS PARK BEKASI *Jakarta*



Trans Park Juanda, Bekasi consists of five 32-storey residential towers with 5,660 units and is part of the larger Trans Park @ Juanda Bekasi, a quality landmark mixed-development consisting of a hotel, a school, Small office Home office (“SoHo”) apartments, shophouses, an office building and a Transmart mall over a total site area of 4.5 hectares. The Transmart mall, with a gross floor area of approximately 30,485 square metres, opened in April 2019 with department stores, supermarket, food and beverage and cinemas, as well as a theme park with Snow World and Kidcity.

All five residential towers have topped-off and apartment sales are underway. Fully paid units of two towers are being handed over progressively.

The Group engaged The Ascott Limited to manage more than 200 units across two floors of student accommodation and three floors of corporate leases under the M+ serviced residences in Trans Park Bekasi, Jakarta.

KEY STATISTICS

% owned by Group	90
Construction start date	November 2017
Topped-off date	March 2021
Total saleable GFA (sqm)	162,754
Purchase consideration (100%)	IDR1.99 trillion
Partners	CT Corp / Lee Kim Tah Holdings Limited

TRANS PARK BINTARO *Jakarta*

Trans Park Bintaro consists of two residential towers with approximately 1,260 apartment units and 170 SoHo units and is part of the larger Trans Park Bintaro, a quality landmark mixed-development that includes a Transmart mall over a total site area of 1.6 hectares. The Transmart mall, with a gross floor area of approximately 22,361 square metres, opened in December 2019 with department stores, supermarket, F&B and cinemas, as well as a theme park with Snow World and Kidcity.

Both residential towers have topped-off and apartment sales are underway. Fully paid units of one tower are being handed over progressively.

KEY STATISTICS

% owned by Group	90
Construction start date	March 2018
Topped-off date	July 2021
Total saleable GFA (sqm)	61,619
Purchase consideration (100%)	IDR1.33 trillion
Partners	CT Corp / Lee Kim Tah Holdings Limited



PORTFOLIO REVIEW

MIDDLEWOOD LOCKS *Manchester*



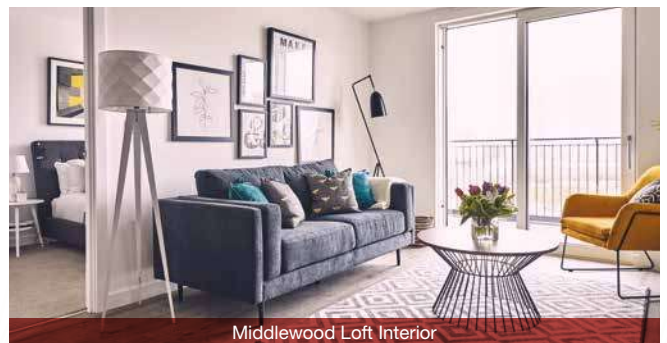
Middlewood Locks Exterior

Middlewood Locks is situated at the Western boundary of the Manchester City Centre, next to the River Irwell and the Trinity Way Inner Ring Road. The development is a short distance away from major roads and is set to be a vibrant neighbourhood which will eventually provide 2,215 new homes and 900,000 square feet of commercial space, including offices, hotel, shops and restaurants.

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

Phase 1 and Phase 2 development have been fully sold and handed over.

Phase 3 has commenced construction in 2Q2022 with completion expected in late 2024. Sales and marketing activities are in progress.



Middlewood Loft Interior

KEY STATISTICS

% owned by Group	25
Site Area (acres)	25
Tenure	Freehold
Estimated total GFA (sqft)	2.4 million
Gross Development Value	£1 billion
Partner	Scarborough Group International Limited

PORTFOLIO REVIEW

SHEFFIELD DIGITAL CAMPUS *Sheffield*

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

Acero Works, a Grade-A office building with six floors, spanning 7,460 square metres and with a secure car park facility, was completed in 3Q2017 and sold in May 2018.

Endeavour, another Grade-A office building, will be built with seven floors, spanning 5,792 square metres and will have a secure car park facility.

Development works are now focused on Endeavour with completion in 2023.

KEY STATISTICS

% owned by Group	50
Site Area (acres)	1.03
Tenure	Freehold
Expected completion date	2023
Estimated total GFA (sqm)	13,252
Partner	Scarborough Group International Limited



BAY VALLEY *Shanghai*



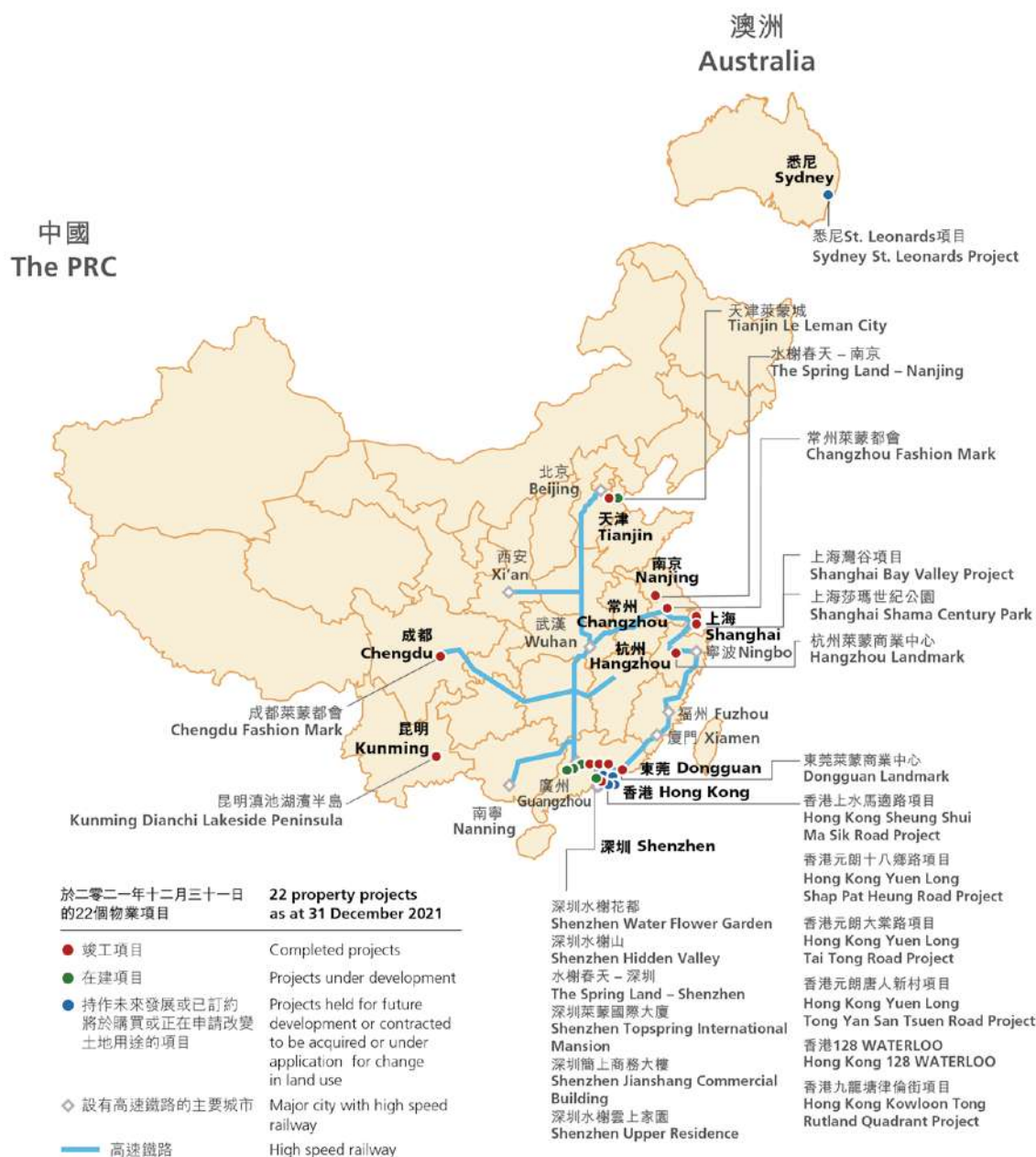
Acquired in September 2017, the office building, 0.9% of C4, comprises a total gross floor area of approximately 328 square metres. Located at No. 25, 1688 Guoquan North Road, the property is well-located within the integrated business community development known as the Bay Valley (“湾谷”). Bay Valley is situated in New Jiangwan City (“新江湾城”), which is in the Yangpu (“杨浦”) District of Shanghai, one of China’s most established industrial centres.

KEY STATISTICS

% owned by Group	30
Land use rights tenure ending on	2 November 2058
Saleable/Leaseable GFA (sqm)	328
Gross Development Value (100%)	S\$2 million (RMB9 million)
Partner	Top Spring International Holdings Limited

PORTFOLIO REVIEW

TOP SPRING INTERNATIONAL HOLDINGS LIMITED



The Group owns about 14.9% of Top Spring as at 31 March 2022.

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

As at 31 December 2021, the Top Spring Group had a total of 22 projects over 11 cities in various stages

of development, including an estimated net saleable/leasable gross floor area ("GFA") of completed projects of approximately 335,519 square metres ("sqm"), an estimated net saleable/leasable GFA of projects under development of approximately 137,733 sqm, an estimated net saleable/leasable GFA of projects held for future development of approximately 30,494 sqm and an estimated net saleable/leasable GFA of projects contracted to be acquired or under application for change in land use of approximately 6,497 sqm, totalling an estimated net saleable/leasable GFA of approximately 510,243 sqm.

PORTFOLIO REVIEW



RETAIL

RETAIL OPERATIONS

Since the late Mr Ong Tjoe Kim (“王梓琴”) launched his flagship store at 72 High Street in 1957, Metro has grown into a retailer with an established brand name in the region.

Metro continually enhances its merchandise mix to bring refreshing shopping experiences to its customers, through its close collaboration with local and international business partners, the expansion of its product categories, and via optimisation of its product assortments. Its products range from fashion to home furnishings.

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



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

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

To grow its brand presence amidst the ongoing digital transformation, the Group continues to focus on its multi-media strategy of engaging its customers through various digital platforms such as Metro Online, Metro LazMall, Shopee Mall, Facebook, Twitter, Instagram, mobile web and electronic direct mail. With the rising popularity of messaging applications, the Group has embarked on multi-media platforms to further engage customers via instant marketing promotions and its “Metro App”.

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

SINGAPORE

Metro Stores

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

- Metro Paragon
- Metro Causeway Point, Woodlands

Metro Paragon continues to evolve as a fashion store having an array of in-house, local and international brand names while Metro Woodlands continues to serve the neighbourhood community in Singapore’s North West District.

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

INDONESIA

Metro Trademarks

Metro granted PT Metropolitan Retailmart, which was divested in December 2019 to the Group’s existing partner, permission to use its “Metro” trademarks in Indonesia.

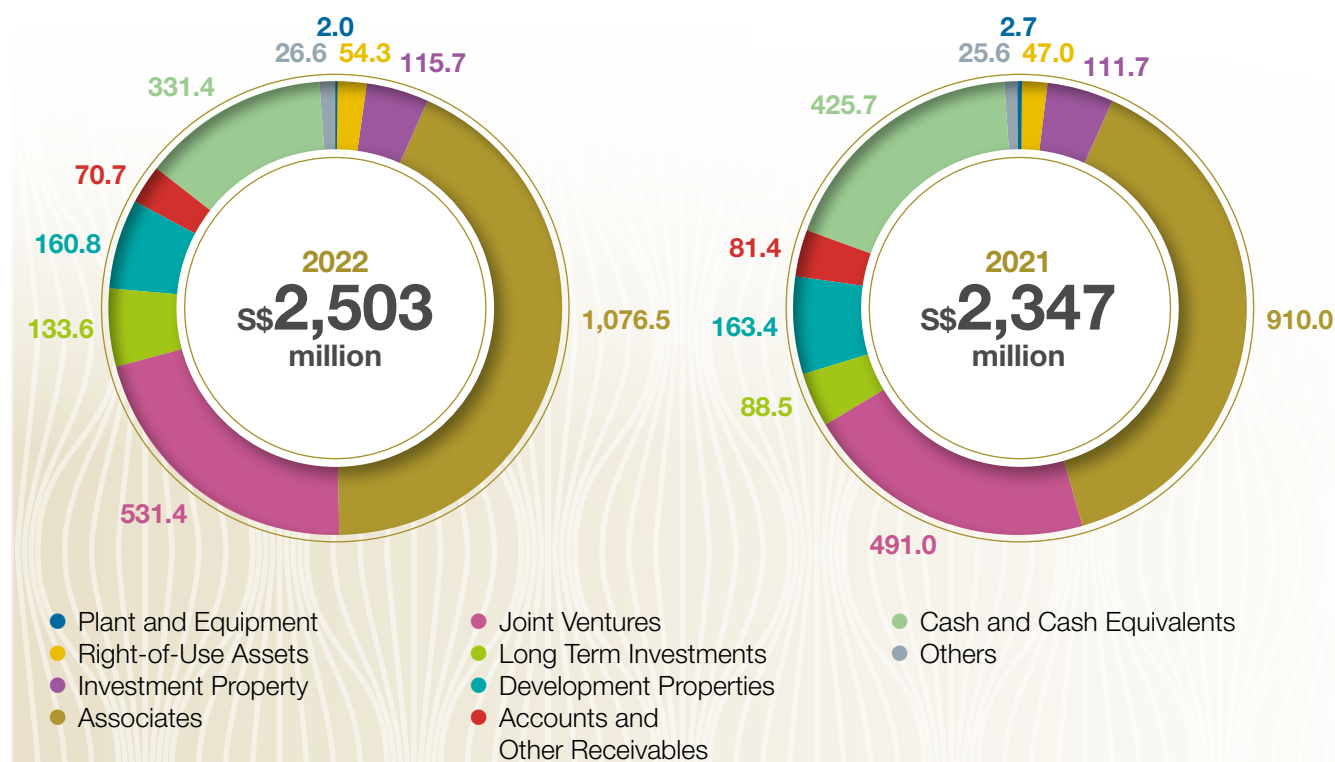
OUTLOOK

Overall Singapore retail environment will continue to be challenging as retail sales remains about 5.1% below pre-pandemic (2019) levels¹. We expect current macro trends and uncertainties to continue to weigh on our two department stores at Paragon and Causeway Point. The Group’s online retail business continues to remain operational.

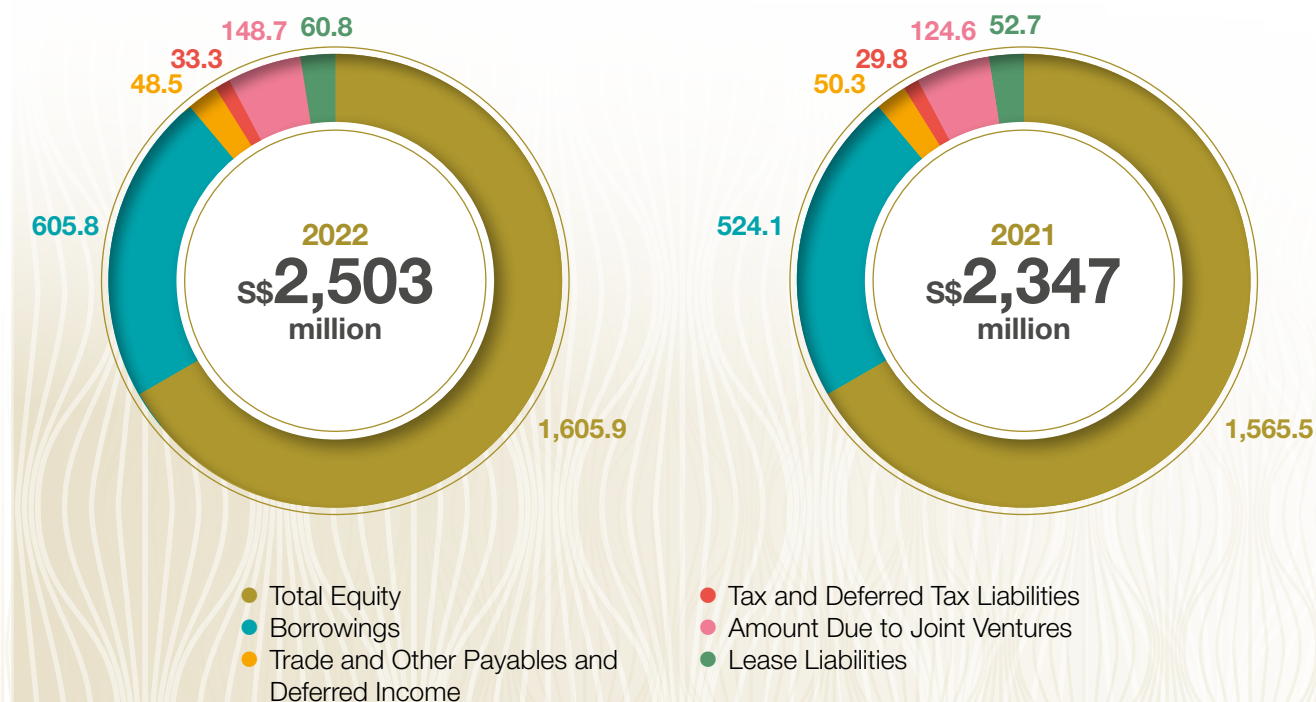
¹ Cushman & Wakefield, Marketbeat Singapore, Retail Q1 2022, 10 January 2022

FINANCIAL HIGHLIGHTS

TOTAL ASSETS OWNED (S\$' million)

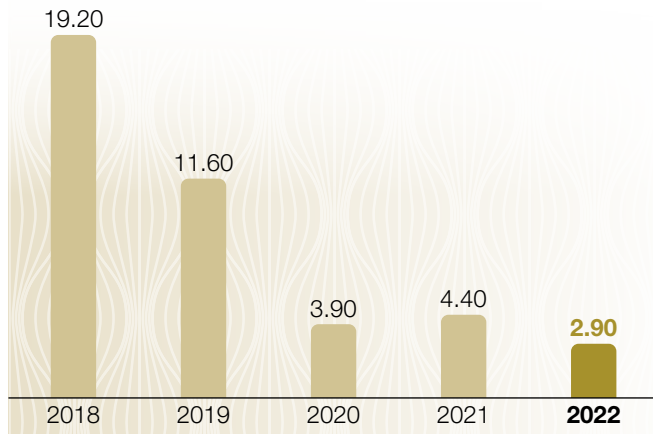


TOTAL LIABILITIES AND CAPITAL (S\$' million)

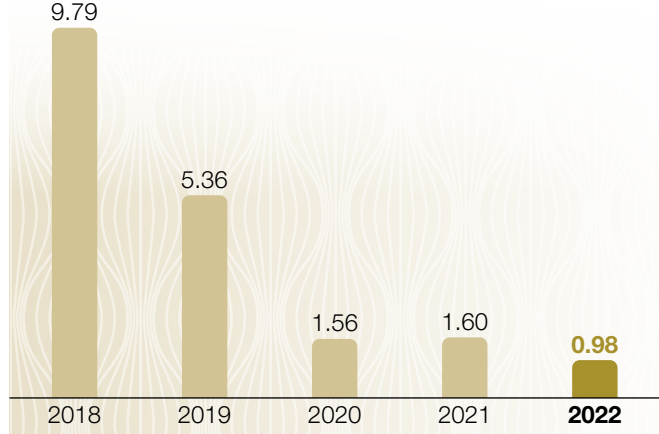


FINANCIAL HIGHLIGHTS

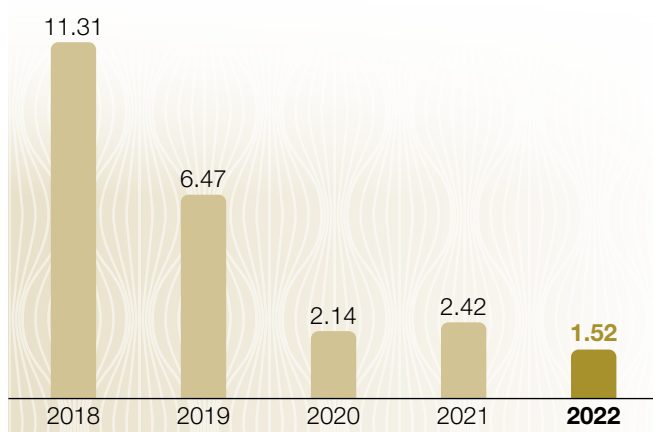
EARNINGS PER SHARE (cents)



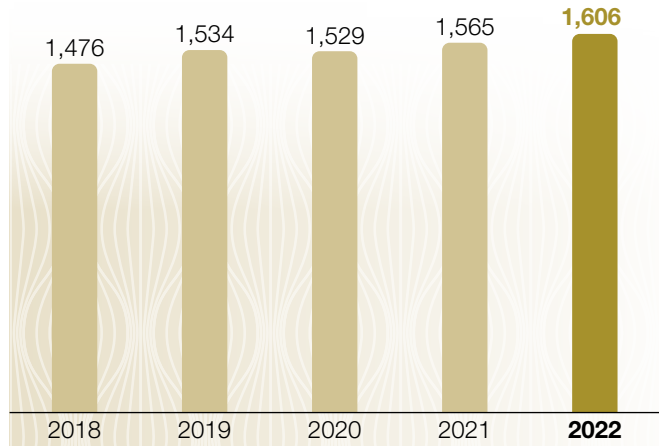
RETURN ON TOTAL ASSETS (%)



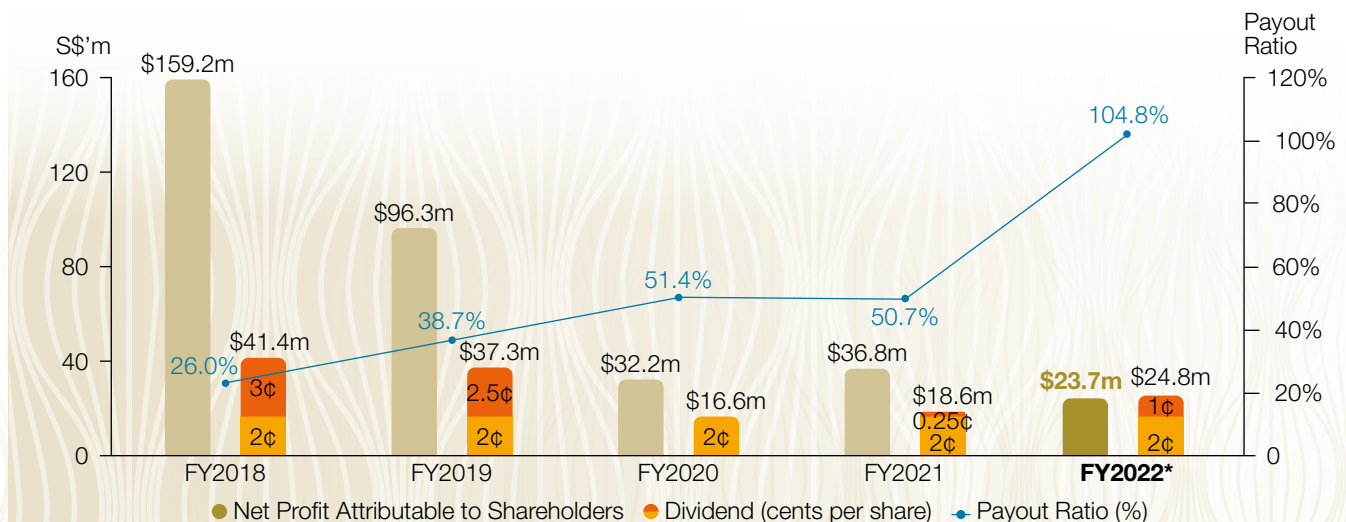
RETURN ON SHAREHOLDERS' FUNDS (%)



TOTAL NET ASSETS (S\$'million)



DIVIDEND PAYOUT



* FY2022's proposed dividend subject to shareholders' approval at the AGM in July 2022

FINANCIAL SUMMARY

	2022	2021	2020	2019	2018
Financial Results (S\$'000)					
Revenue	100,503	97,323	210,254	171,964	136,326
Profit from operations before taxation	31,699	47,562	39,731	108,033	170,702
Taxation	(8,048)	(10,567)	(6,651)	(11,338)	(11,007)
Profit net of taxation	23,651	36,995	33,080	96,695	159,695
Non-controlling interests	49	(243)	(832)	(413)	(500)
Net profit attributable to shareholders	23,700	36,752	32,248	96,282	159,195
Net final dividend proposed/paid	16,561	16,561	16,561	16,561	16,561
Net final special dividend proposed/paid	8,280	2,070	–	20,701	24,841
Balance Sheets (S\$'000)					
Plant and equipment	1,988	2,710	1,465	2,128	4,466
Investment property	115,744	111,725	109,022	112,029	100,214
Other non-current assets	1,568,243	1,276,713	1,296,495	1,092,036	1,038,513
Current assets	817,307	956,225	829,357	693,492	552,813
Total assets	2,503,282	2,347,373	2,236,339	1,899,685	1,696,006
Current liabilities	(200,883)	(390,366)	(208,619)	(166,376)	(192,076)
Long-term and deferred liabilities	(696,541)	(391,511)	(499,023)	(199,154)	(27,702)
Net assets	1,605,858	1,565,496	1,528,697	1,534,155	1,476,228
Financed by:					
Share capital	169,717	169,717	169,717	169,717	169,717
Treasury shares	(1,768)	(1,768)	(1,768)	(1,768)	(1,768)
Reserves	1,411,897	1,368,700	1,332,130	1,342,350	1,299,694
Shareholders' funds	1,579,846	1,536,649	1,500,079	1,510,299	1,467,643
Non-controlling Interests	26,012	28,847	28,618	23,856	8,585
	1,605,858	1,565,496	1,528,697	1,534,155	1,476,228

FINANCIAL SUMMARY

	2022	2021	2020	2019	2018
Financial Ratios					
Earnings per share after tax and non-controlling interests (cents) [#]	2.90	4.40	3.90	11.60	19.20
Return on shareholders' funds (%) ^{^#}	1.52	2.42	2.14	6.47	11.31
Return on total assets (%) ^{^#}	0.98	1.60	1.56	5.36	9.79
Dividend proposed					
Special final & interim net dividend per share (cents)	1.00	0.25	–	2.50	3.00
Final/Interim net dividend per share (cents)	2.00	2.00	2.00	2.00	2.00
Dividend cover (times) [#]	0.95	1.97	1.95	2.58	3.85
Net assets per share (S\$) [#]	1.91	1.86	1.81	1.82	1.77
Debt equity ratio	0.17	0.06	0.10	Net Cash	Net Cash
Total liabilities to shareholders' funds (times)	0.57	0.51	0.47	0.24	0.15
Interest cover (times) [#]	2.65	3.46	3.09	19.62	85.13

Notes:

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

[#] The financial ratios are based on continuing operations.

CORPORATE SOCIAL RESPONSIBILITY

With an established track record of over 65 years of operations, Metro continues to grow stronger, reach further, and scale higher, while remaining committed to giving back to society. Specifically, we continue to focus on enabling the young through education, as well as taking care of the elderly.

EMPOWERING THROUGH EDUCATION

Shanghai, China

Metro Scholarship

Metro believes that regardless of socio-economic background, every child deserves access to education, and this is key to a better future. As such, the Group has enabled many students of the Shanghai Xuhui district to attain an education that would have otherwise been impossible given financial difficulties.

Established by the late Mr Jopie Ong (former Managing Director of Metro) in 2005, our flagship Metro scholarship has been running for 18 years and has benefitted more

than 3,000 deserving primary and secondary school students through a grant of RMB100,000 each year. In 2022, Shanghai Metro will donate another RMB100,000 to assist students in need of financial aid.

Supporting Minority Students

For the past 13 years, Shanghai Metro has pledged its support to minority students of the Xuhui district. During the year, Shanghai Metro donated RMB10,000 to universities, benefitting 90 students of minority races. This includes books that serve to inspire and encourage.

Happy Summer in Metro

FY2022 marks the 22nd year of our “Happy Summer in Metro” event and this has become a popular community activity central to the Shanghai Metro brand. This year is particularly meaningful, as it marks the 100th anniversary of the Chinese Communist Party, hence the theme “Serve the Party with the Heart of a Child, Serve the Country with Youth (童心向党, 青春报国).”



CORPORATE SOCIAL RESPONSIBILITY

This year, Shanghai Metro donated RMB100,000 to the Shanghai Xuhui District Education Development Fund to further the development of education and reward outstanding teachers.

Anhui, China

Shanghai Metro Hope School

In October 2021, the Metro Shanghai team once again visited the Shanghai Metro Hope School in Feng Yang County, Anhui Province, China. We also donated four air conditioners and teaching materials to aid the school.



CARING FOR THE ELDERLY

Since 2006, Shanghai Metro has contributed to Shanghai Xujiahui Street Home for the elderly annually. In FY2022, Shanghai Metro donated bedding totalling RMB10,000 to the home to provide a more conducive and hygienic environment for the elderly to live in. In addition, since early 2022, Metro Shanghai staff have volunteered their services in the Shanghai community, providing guidance and assistance to the elderly in navigating COVID-19 procedures.



METRO FOR A BETTER FUTURE

SAY YES TO CLEAN REUSABLE CARRIER BAGS

Metro stores will charge

10 CENTS

per transaction if you require plastic or paper shopping bags.

All proceeds will be donated to WWF Singapore's Plastic ACTION (PACT) initiative.

You are encouraged to BRING YOUR OWN BAG or purchase them from our stores.

METRO

Singapore

WWF-Singapore's Plastic ACTION (PACT) Initiative

Since 2019, WWF-Singapore has brought together 35 companies from the food & beverage, retail, food delivery service, supermarket and other sectors to reduce the use of plastic disposables. Collectively, PACT companies have avoided the potential use of 85 million pieces of single-use plastics in the past year. In Singapore, Metro signed the Retail Bag charge pledge with WWF in May 2021 to encourage our customers to bring their own bags and thereby reduce disposable bag wastage in an effort to be more sustainable. Metro further reminded shoppers of this initiative through press-ads, social media and in-store reminders.

FULLY INVESTED IN OUR SOCIAL RESPONSIBILITIES

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

CORPORATE GOVERNANCE

Metro Holdings Limited (“**Metro**” or the “**Company**”) is committed to high standards of corporate governance. This Report describes the Company’s corporate governance practices with specific reference made to the principles and provisions of the revised Code of Corporate Governance 2018 (the “**2018 Code**”).

Pursuant to Rule 710 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board of Directors of the Company (the “**Board**”) confirms that the Company and the Group, have for FY2022 complied with the Principles as set out in the 2018 Code. The Board also confirms that where there are deviations from the Provisions of the 2018 Code, explanations for the deviation and how the Group’s practices are consistent with the intent of the relevant principle are provided in the sections below.

THE BOARD’S CONDUCT OF AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provisions 1.1 and 1.2

Board roles and directors’ duties

Board’s role

The Board oversees the business affairs and sets overall corporate strategy and direction of the Group. The Board is collectively responsible for the long-term success of the Group. Management plays an important role in providing Board members with complete, adequate and timely information to assist the directors in the fulfilment of their responsibilities.

Scope of directors’ duties

Apart from its statutory duties, the Board’s principal functions include:

- (i) reviewing the adequacy and effectiveness of the Group’s risk management and ensuring that management maintains a sound system of internal controls framework (including financial, operational and management systems) to safeguard the shareholders’ investments and the Group’s assets;
- (ii) monitoring and managing risks to achieve appropriate balance between risks and Group performance;
- (iii) reviewing Management’s performance; and
- (iv) ensuring that standards of code of conduct applied to Management are observed.

The Board exercises due diligence and independent judgment in dealing with the business affairs of the Group. It works closely with Management, its external and internal auditors to make objective decisions in the interest of the Group. The Board is supported by the Nominating Committee (“**NC**”), Audit Committee (“**AC**”), Remuneration Committee (“**RC**”) and Investment Committee (“**IC**”) (collectively, the “**Board Committees**”) to facilitate the discharge of its functions to which it has delegated specific areas of responsibilities.

Conflicts of interest

All Board members who have a potential conflict of interest in any matter being considered are required to abstain from participating in the relevant Board discussion and decision making. This policy also applies to all the Board Committees.

Continuous Training for Directors and Orientation for incoming Directors

Directors are regularly updated on the business activities of the Group during the Board meetings. Changes to regulations and accounting standards are monitored closely by Management. Directors are updated on regulatory changes, such as changes in laws and regulations, code of corporate governance, financial reporting standards to enable them to effectively discharge their duties. News releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority (“**ACRA**”) which are relevant to the Directors are circulated to the Board by the Company Secretary so that the Board as a whole is kept up-to-date on pertinent matters relating to the relevant regulatory requirements and their key changes such as listing rules, corporate governance, risk management, financial reporting standards and the Companies Act 1967.

CORPORATE GOVERNANCE

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. If a newly-appointed Director has no prior experience as a director of SGX-ST listed company, he is required to attend courses and training organised by institutions such as Singapore Institute of Directors (“**SID**”), the ACRA and the SGX at the Company’s expense.

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

In FY2022, SID course attended by some Directors in 2021 included Launch of the Singapore Directorship Report 2021. Sharing and information sessions were also organised as part of Board meetings, where Management team members presented key topics to the Boards. The Directors also regularly receive reading materials on topical matters or subjects as well as updates on regulatory changes and their implications.

Provision 1.3 – Internal guidelines on matters requiring Board’s approval

The Board oversees the business affairs of the Group and sets overall corporate strategy and direction. It approves the Group’s annual budget and 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 is also responsible for the succession planning, appointment and replacement of directors, as well as appointment of key management personnel and the determination of their remuneration.

Board organisation and support

Provision 1.4 – Delegation to Board Committees

The Board is supported by the Board Committees to assist it in the discharge of its responsibilities and to enhance the Company’s corporate governance framework. Each Committee has its own terms of reference which sets out the scope of its duties and responsibilities. Any change to the terms of reference for any Board Committee requires the Board’s approval. Each Board Committee examines issues pursuant to their written terms of references and makes recommendations to the Board, who shall then decide after taking into consideration such recommendations. Minutes of all Board Committees meetings are circulated to the Board so that Directors are aware of and kept updated as to the proceedings and matters discussed during such Board Committee meetings.

While the Board Committees have the authority to examine particular issues and report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters still lies with the entire Board.

Provision 1.5 – Board and Board Committee meetings and attendance records

The Board and the Board Committees meet regularly based on meeting schedule planned in advance of each financial year so as to ensure maximum attendance by all participants. Ad hoc meetings can be convened as warranted by circumstances. If a director is unable to attend meetings in person, telephonic or video conference participation at meetings is allowed under the Constitution of the Company.

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.

The Board conducts regular scheduled meetings on a quarterly basis. Management has access to the directors for guidance or exchange of views outside of the formal environment of the Board meetings.

CORPORATE GOVERNANCE

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.

The Company's Constitution permits directors to attend meetings through the use of audio-visual communication equipment. The attendance of directors at Board and Committees' meetings, whilst they were members in FY2022, as well as at the Annual General Meeting held in 2021 are set out below:

Name of Director	Board		Audit Committee		Nominating Committee		Remuneration Committee		Investment Committee		Annual General Meeting 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	No. of Meetings Held	No. of Meetings Attended	
Lt-Gen (Retd) Winston Choo Wee Leong ¹	4	4	4	4*	1	1	1	1	7	7	1
Phua Bah Lee ²	4	–	4	–	1	1	1	1	7	–	–
Gerald Ong Chong Keng ³	4	4	4	4	1	1	1	–	7	7	1
Mrs Fang Ai Lian	4	4	4	4	1	1	1	–	7	–	1
Tan Soo Khoon ⁴	4	4	4	4	1	–	1	–	7	7	1
Deborah Lee Siew Yin ⁵	4	4	4	4 ⁷	1	–	1	1	7	4	1
Yip Hoong Mun	4	4	4	4*	1	1*	1	1*	7	7	1
Ng Ee Peng ⁶	4	4	4	3	1	–	1	–	7	–	1

¹ Appointed as Chairman of the Remuneration Committee on 30 July 2021

² Stepped down as a Director, Chairman of the Remuneration Committee and a member of the Nominating Committee on 29 July 2021

³ Stepped down as a member of the Nominating Committee on 30 July 2021

⁴ Appointed as a member of the Nominating Committee on 30 July 2021

⁵ Stepped down as a member of the Audit Committee and appointed as a member of the Investment Committee on 30 July 2021

⁶ Appointed as a member of the Audit and Remuneration Committees on 30 July 2021

⁷ Attended three meetings by invitation

* Attendance by invitation

During FY2022, the independent directors and non-executive director also met amongst themselves and/or with the Executive Director and Group CEO and management team on an ad hoc basis to approve and/or discuss specific issues or matters relating to the Group. Such informal discussion and meetings are not included in the above table.

Provision 1.6 – Access to Information

Directors are given full access to the management team and Company Secretary, all Board and Board Committees' minutes and all approval and information papers.

All scheduled Board and Board Committees' meetings are planned in advance of each financial year and meeting papers are distributed to the directors at least one week before the meetings.

In addition to the annual budget submitted to the Board for approval, Management also provides the Board with quarterly operational reports and related materials on the Group's performance position and prospects and any material variances between the actual results with previous corresponding period against the budget with appropriate explanation.

CORPORATE GOVERNANCE

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 memorandum to enable the Directors to make informed decisions.

Provision 1.7 – Independent professional advice/company secretary

The Company provides for the directors, individually or as a group to have separate and independent access to management and the company secretary, and to seek external independent professional advice, where necessary, at the expense of the Company in furtherance of their duties and after consultation with the Chairman of the Board.

The role of the company secretary has been clearly defined which includes, inter alia, advising the Board on all matters regarding proper functioning of the Board, compliance with the Company's constitution, the Companies Act 1967, relevant provisions of the Securities and Futures Act and the Listing Manual of the Singapore Exchange Securities Trading Limited. The company secretary assists the Board in implementing and strengthening corporate governance policies and procedures.

Under the direction of the Chairman, the company secretary ensures good information flow to and within the Board and the Board Committees and between management and the non-executive directors.

During FY2022, the company secretary attended meetings of the Board and its committees and the minutes of such meetings were circulated to all members of the Board and Board Committees.

The appointment and removal of the company secretary are subject to the approval of the Board.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

The Board comprises the following directors as at the date of the Annual Report:

Name of Director	Board	Audit Committee	Nominating Committee	Remuneration Committee	Investment Committee
Lt-Gen (Retd) Winston Choo Wee Leong ¹	Chairman	–	Chairman	Chairman	Chairman
Gerald Ong Chong Keng ²	Member	Member	–	–	Member
Mrs Fang Ai Lian	Member	Chairman	Member	–	–
Tan Soo Khoo ³	Member	Member	Member	–	Member
Deborah Lee Siew Yin ⁴	Member	–	–	Member	Member
Yip Hoong Mun	Member	–	–	–	Member
Ng Ee Peng ⁵	Member	Member	–	Member	–

¹ Appointed as Chairman of the Remuneration Committee on 30 July 2021

² Stepped down as member of the Nominating Committee on 30 July 2021

³ Appointed as a member of the Nominating Committee on 30 July 2021

⁴ Stepped down as a member of the Audit Committee and appointed as a member of the Investment Committee on 30 July 2021

⁵ Appointed as a member of the Audit and Remuneration Committees on 30 July 2021

Lt-Gen (Retd) Winston Choo Wee Leong is the non-executive and independent Chairman. Mr Gerald Ong Chong Keng is a non-executive director, and a representative of Eng Kuan Company Private Limited with effect from 5 June 2018. Mrs Fang Ai Lian, Mr Tan Soo Khoo, Ms Deborah Lee Siew Yin and Mr Ng Ee Peng are non-executive and independent directors. Mr Yip Hoong Mun is the Executive Director and Group CEO of the Company.

CORPORATE GOVERNANCE

Provision 2.1 – Director Independence

There is strong and independent element on the Board. As at 31 March 2022, the Board consisted of seven board members, out of which five are non-executive and independent directors, one non-executive director and one executive director.

The NC determines the independence of each director annually. An independent director is one who is independent in conduct, character and judgment and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that can interfere, or be reasonably perceived to interfere with the exercise of the director's independent business judgment to the best interests of the Company.

The NC conducted its annual review of the directors' independence and is satisfied that the Company had complied with Guideline 2.1 of the Code of Corporate Governance 2012 ("**2012 Code**") which provides that at least one-third of the Board is made up of independent directors. The Company also complies with the Rule 210(5)(c) of the Listing Manual of SGX-ST (which took effect from 1 January 2022) which requires independent directors to consist of at least one-third of the Board.

The NC and the Board take into account the existence of relationships or circumstances, including those identified by the SGX-ST Listing Rule 210(5)(d) and the 2018 Code's Practice Guidance ("**Practice Guidance**"), that are relevant in determining a director's independence.

The Company's process of determining whether a director is independent includes the use of a declaration form on independence which each independent director is required to complete and submit to the NC for its annual review. The results of the self-assessment are then collated by the company secretary and reported to the Board.

For FY2022, the NC had assessed the independence of Lt-Gen (Retd) Winston Choo Wee Leong, Mrs Fang Ai Lian, Mr Tan Soo Khoo, Ms Deborah Lee Siew Yin and Mr Ng Ee Peng, and was satisfied that there was no relationship or other factors such as financial assistance, past association, business dealings, being a representative of a shareholder, financial dependence, relationship with the Group or the Group's management, which would impair or compromise their independent judgment or which would deem them not to be independent.

Each independent director had recused himself or herself in the determination of his or her own independence.

Independence of Directors Who Have Served on the Board beyond Nine (9) Years

As at 31 March 2022, three independent directors, namely Lt-Gen (Retd) Winston Choo Wee Leong, Mrs Fang Ai Lian and Mr Tan Soo Khoo have served on the Board for more than nine years from the date of their respective first appointment.

In compliance with the Rule 210(5)(d)(iii)(A) and (B) of the Listing Manual of SGX-ST which took effect on 1 January 2022, requisite approvals had been obtained from the shareholders through a two-tier voting process at the Annual General Meeting ("**AGM**") held on 29 July 2021 for the continuation of office of Lt-Gen (Retd) Winston Choo Wee Leong, Mrs Fang Ai Lian and Mr Tan Soo Khoo as Independent Directors and who have each served as Independent Directors of the Company for an aggregate term of more than nine years. The continued appointment of Lt-Gen (Retd) Winston Choo Wee Leong, Mrs Fang Ai Lian and Mr Tan Soo Khoo as Independent Directors of the Company remain in force until the earlier of the following: (i) the retirement or resignation of the relevant Director; or (ii) the conclusion of the third AGM of the Company following the passing of the relevant ordinary resolutions at the AGM held on 29 July 2021.

The NC and the Board have determined that Lt-Gen (Retd) Winston Choo Wee Leong, Mrs Fang Ai Lian and Mr Tan Soo Khoo continue to remain objective and independent-minded in Board deliberations. Their respective vast experience enable them to provide the Board and the various Board Committees on which they have been serving, with pertinent experience and competence to facilitate sound decision-making. The NC and the Board noted that each of Lt-Gen (Retd) Winston Choo Wee Leong, Mrs Fang Ai Lian and Mr Tan Soo Khoo has not hesitated to express his or her own viewpoints as well as seeking clarifications from Management on issues they deem necessary and each of them is able to exercise objective judgment on corporate matters independently, in particular from Management.

Lt-Gen (Retd) Winston Choo Wee Leong, Mrs Fang Ai Lian and Mr Tan Soo Khoo's length of service do not in any way interfere with their exercise of independent judgment nor hinder their ability to act in the best interest of the Company.

CORPORATE GOVERNANCE

After due consideration and careful assessment, the NC and the Board are of the view that each of Lt-Gen (Retd) Winston Choo Wee Leong, Mrs Fang Ai Lian and Mr Tan Soo Khoon is able to continue to discharge his or her duties independently with integrity and competence.

Lt-Gen (Retd) Winston Choo Wee Leong, Mrs Fang Ai Lian and Mr Tan Soo Khoon has each abstained himself and herself from all NC and Board deliberations and decisions relating to his or her continued independence.

Therefore, the NC and the Board are of the view that Lt-Gen (Retd) Winston Choo Wee Leong, Mrs Fang Ai Lian and Mr Tan Soo Khoon remain independent. The NC and the Board noted that, no individual or small group of individuals dominates the Board's decision making process.

Provision 2.2 – Composition of independent directors on the Board

Provision 2.2 of the 2018 Code requires independent directors to make up a majority of Board where the Chairman is not independent. Currently, Lt-Gen (Retd) Winston Choo Wee Leong, Chairman of the Board, is considered an independent director.

In FY2022, more than half of the Board members were made up of independent and non-executive directors. Therefore, the NC is of the view that the Board has sufficient independent element and its composition is appropriate to facilitate effective decision-making.

Provision 2.3 – Proportion of non-executive directors

In FY2022, independent and non-executive directors constitute more than half of the Board. There is one non-executive director on the Board. The independent and non-executive directors had constructively challenged and contributed to the development of both the Group's short-term and long-term business strategies. Their views and opinions also provide different perspectives to the Group's businesses. The management's progress in implementing such agreed business strategies is being monitored by the independent and non-executive directors who ensured objectivity in such deliberations.

Provision 2.4 – Board composition and size

The NC and the Board review the size and composition of the Board which comprises members from different backgrounds and whose core competencies, qualifications, skills and experiences are extensive.

Taking into account the scope and nature of the Group's operations, the NC considered the Board composition and size to be appropriate. The Board collectively provided relevant competencies to facilitate effective decision making for the existing needs and demands of the Group's businesses. The Board's decision-making process is not dominated by any individual or group of individuals.

The Company recognises and embraces the benefits of diversity of experience, age, skill sets, gender and ethnics on the Board ("**Board Diversity**") and views Board Diversity as an essential element to support the attainment of its strategic objectives and sustainable development.

Although the Company does not have a written policy on Board Diversity, it has maintained a culture of diversity to benefit from a wide talent pool. This is to ensure that there is a balance of skills, knowledge, experiences and diversity of perspectives appropriate to the Group's business so as to mitigate against group thinking.

The NC and the Board conduct their review of the composition of the Board annually which consists of members of both genders and from different backgrounds whose core competences, qualifications, skills and experiences meet the requirements of the Group. The current Board composition provides diversity in terms of skills, experience and knowledge.

In identifying suitable candidates for new appointment to the Board, the NC will ensure that female candidates are included for consideration. Nevertheless, gender is but one aspect of diversity and new directors will continue to be selected based on their merits and the potential contributions which they can bring to the Board. Currently, the Board has two female directors.

CORPORATE GOVERNANCE

Details of the directors' qualifications, background and working experience are set out under the "Board of Directors" section of this annual report.

Provision 2.5 – Regular meetings of non-executive directors

Where appropriate and necessary, the non-executive directors (which include the independent directors) would also meet without the presence of Management.

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

CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and Management, and no individual has unfettered powers of decision-making.

Provisions 3.1 and 3.2 – Separation of role of Chairman and CEO

Rule 1207(10A) of the Listing Manual of SGX-ST

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

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

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

At the general meetings of shareholders, the Chairman plays a pivotal role in fostering constructive dialogue between the shareholders, the Board and the management.

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

Provision 3.3 – Lead Independent Director

The 2018 Code encourages the appointment of a lead independent director to provide leadership in situations where the chairman is conflicted, especially the chairman is not independent.

As Lt-Gen (Retd) Winston Choo Wee Leong, Chairman of the Board, is an independent director, the Board is of the view that the appointment of a lead independent director is not necessary.

BOARD MEMBERSHIP

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provisions 4.1 and 4.2 – NC membership and key terms of reference

The NC comprises three directors, all of whom, including the Chairman, are independent directors. The Committee Chairman is Lt-Gen (Retd) Winston Choo Wee Leong and the other members are Mrs Fang Ai Lian and Mr Tan Soo Khoon.

The NC'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;

CORPORATE GOVERNANCE

- (ii) reviewing and recommending to the Board of Directors the re-election of any Director under the retirement provisions and appointment of Director, if required, in accordance with the Company's Constitution at each annual general meeting;
- (iii) reviewing the composition of the Board of Directors annually to ensure that the Board of Directors has an appropriate balance of independent directors and ensuring an appropriate balance of expertise, skills, attributes and abilities among our directors;
- (iv) reviewing and determining annually if a director is independent, in accordance with the 2018 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.

Provision 4.3 – Selection, appointment and re-appointment process for directors

The NC is responsible for recommending identified candidates to the Board to fill vacancies arising from resignation, retirement or any other reasons or if there is a need to appoint additional directors with the required skill or knowledge to the Board in order to fill any identified competency gap in the Board. The potential candidate may be proposed by existing directors, substantial shareholders, management or through third party referrals.

The Company has the following process for the selection and appointment of new directors:

- (i) the NC recommends to the Board a suitable size of the Board; and evaluates the balance of skills, knowledge and experience of Board members required to add value and facilitate effective decision-making, taking into consideration the scope and nature of the Group's operations;
- (ii) the NC considers the channels for seeking suitable candidates and draw up a list of potential candidates. Such sources include internal promotion, recommendations from directors/substantial shareholders/management or external search consultants;
- (iii) short-listed candidates will be required to furnish their curriculum vitae stating in detail their qualification, working experience, employment history, and to complete certain prescribed forms to enable the NC to assess the candidate's independence status;
- (iv) the NC evaluates the candidates' capabilities by taking into consideration certain criteria such as diversity of skills, experience, background, gender, age, ethnicity and other relevant factors and how the candidates fit into the overall desired competency matrix of the Board; and
- (v) the NC makes recommendation to the Board for approval. The Board is to ensure that the selected candidate is aware of the expectations and the level of commitment required.

The NC also ensures compliance with Article 94 of the Company's constitution which states one-third of the Directors (or if their number is not three or a multiple of three, the number nearest to but not less than one-third) shall require to retire from office by rotation and subject themselves to re-election by shareholders at every annual general meeting of the Company. Rule 720(5) of the Listing Manual of the SGX-ST also requires that all directors must submit themselves for re-nomination and re-appointment at least once every three years.

The Company's constitution also stipulates that a new director appointed by the Board must subject himself or herself for retirement and re-election at the AGM immediately following his or her appointment. The NC, in considering the nominating of any director for re-election, will evaluate the performance of the director involved.

CORPORATE GOVERNANCE

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

Name of Director	Appointment	Date of Initial Appointment	Date of Last re-election
Lt-Gen (Retd) Winston Choo Wee Leong	Non-Executive/ Independent Director	18 June 2007	11 September 2020
Gerald Ong Chong Keng	Non-Executive Director	18 June 2007	29 July 2021
Mrs Fang Ai Lian	Non-Executive/ Independent Director	16 July 2008	11 September 2020
Tan Soo Khoo	Non-Executive/ Independent Director	9 December 2011	11 September 2020
Deborah Lee Siew Yin	Non-Executive/ Independent Director	12 June 2018	29 July 2021
Yip Hoong Mun	Executive Director and Group Chief Executive Officer	1 June 2019	29 July 2019
Ng Ee Peng	Non-Executive/ Independent Director	13 April 2021	29 July 2021

The following directors are due to retire by rotation at the forthcoming 2022 AGM under Article 94 of the Company's Constitution:

- (a) Lt-Gen (Retd) Winston Choo Wee Leong;
- (b) Mr Tan Soo Khoo; and
- (c) Mr Yip Hoong Mun.

Lt-Gen (Retd) Winston Choo Wee Leong, Mr Tan Soo Khoo and Mr Yip Hoong Mun have offered themselves for re-election.

After assessing the contribution and performance of the retiring directors, the NC has recommended that Lt-Gen (Retd) Winston Choo Wee Leong, Mr Tan Soo Khoo and Mr Yip Hoong Mun be re-elected at the forthcoming 2022 AGM. The Board has accepted the recommendations of the NC.

Each director had recused himself relating to the recommendation on his re-election as director of the Company.

Subject to their re-election:

- (a) Lt-Gen (Retd) Winston Choo Wee Leong shall continue to serve as a non-executive and independent director and Chairman of the Board, Remuneration and Nominating Committees;
- (b) Mr Tan Soo Khoo shall continue to serve as a non-executive and independent director and a member of the Audit and Nominating Committees; and
- (c) Mr Yip Hoong Mun shall continue to serve as the Executive Director and Group CEO.

The requisite information required under Appendix 7.4.1 of the SGX-ST Listing Manual pertaining to Lt-Gen (Retd) Winston Choo Wee Leong, Mr Tan Soo Khoo and Mr Yip Hoong Mun can be found on pages 177 to 181 of this Annual Report.

Provision 4.4 – Continuous review of the directors' independence

Each independent director of the Company will confirm his independence (or otherwise) based on a checklist annually. The checklist is drawn up based on the guidelines provided under the 2018 Code. In FY2022, the NC had reviewed the independence of the independent directors, having regard to the circumstances set forth in Provision 2.1 of the 2018 Code, its Practice Guidance and the SGX-ST Listing Manual. Details of the review process are set out under Provision 2.1 of this report.

CORPORATE GOVERNANCE

Provision 4.5 – Multiple directorships

Information of each director including his/her directorship(s) or chairmanship(s) in other listed company(ies) and other principal commitment(s) are furnished under the “Board of Directors” section of this Annual Report.

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 NC is satisfied that the director is able to and has been adequately carrying out his duties as a director of the Company. The NC 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 NC and the Board have decided not to set any maximum number of listed company board representations that any director may hold.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions 5.1 and 5.2 – Board evaluation process, Board performance criteria and individual director evaluation

The NC evaluates and assesses the effectiveness of the Board taking into consideration appropriate performance criteria.

The Company has implemented a formal process to evaluate the performance and effectiveness of the Board as a whole and of each of its Board Committees as well as each individual director annually. The evaluation of each individual director is done through self-evaluation.

The performance criteria were recommended by the NC and approved by the Board.

The evaluation of the Board and the Board Committees focus on a set of performance criteria approved by the Board which includes the size and composition of the Board, Board independence, the Board’s access to information and Board’s accountability, Board Committee performance in relation to discharging their responsibilities as set out in their respective terms of reference.

The self-evaluation questionnaire of individual directors’ focus on their competency, attendance and contributions at meetings, preparedness for meetings and their interactive and interpersonal skills.

All Directors are given a board evaluation questionnaire and self-evaluation questionnaire to express their view of various aspects of the performance of the Board, the Board Committees and their individual performance so as to assess the overall effectiveness of the Board. The completed questionnaires are submitted to the Company Secretaries for collation. The findings of such evaluations are presented to the NC for review before submitting to the Board for discussion and identifying areas for improvement and implementing certain recommendations to further enhance the effectiveness of the Board.

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

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: Formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel.

Provisions 6.1 and 6.2 – Remuneration Committee composition and terms of reference

The RC is chaired by Lt-Gen (Retd) Winston Choo Wee Leong with Ms Deborah Lee Siew Yin and Mr Ng Ee Peng, who are all non-executive and independent directors as members.

The RC’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;

CORPORATE GOVERNANCE

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

Provision 6.3 – Developing remuneration framework

The RC 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 or her own remuneration.

In setting the remuneration framework, the RC has considered all aspects of remuneration. The RC aims to be fair and avoids rewarding poor performance.

Provision 6.4 – RC access to advice on remuneration matters

The RC has explicit authority to seek appropriate expert advice in the field of executive compensation outside the Company on remuneration matters when necessary. During FY2022, the RC did not engage the service of an external remuneration consultant.

LEVEL AND MIX OF REMUNERATION

Principle 7: Level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provisions 7.1, 7.2 and 7.3 – Remuneration of directors and key executives

The executive director who is also the CEO has a service contract which includes terms of termination under appropriate notice.

The RC also reviews all matters concerning the remuneration of the independent directors and non-executive directors to ensure that the remuneration commensurate with the effort, time spent and responsibilities of the directors and not to be over-compensated to the extent that their independence may be compromised.

The independent directors and 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 AGM.

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 RC 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.

The Company does not have a share option scheme or long-term incentive plan for the executive or key executives after considering the size of the current business operations of the Group as well as its existing workforce.

CORPORATE GOVERNANCE

DISCLOSURE ON REMUNERATION

Principle 8: Transparency on remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationship between remuneration, performance and value creation.

Provisions 8.1 and 8.3 – Breakdown of remuneration of Directors and CEO, and key executives

The breakdown of directors' remuneration for FY2022 is as follows:

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	247	100%	–	–
Phua Bah Lee ¹	27	100%	–	–
Gerald Ong Chong Keng	155	100%	–	–
Mrs Fang Ai Lian	132	100%	–	–
Tan Soo Khoon	158	100%	–	–
Deborah Lee Siew Yin	123	100%	–	–
Yip Hoong Mun	2,417	50%	45%	5%
Ng Ee Peng ²	87	100%	–	–

¹ Stepped down as director on 29 July 2021

² Appointed as director on 13 April 2021

For FY2022 the top four key executives (who are not directors) have been identified as follows:

1. Phua Bah Lee;
2. Wong Sioe Hong;
3. Eve Chan Bee Leng; and
4. David Tang Kai Kong.

On the disclosure of remuneration of the Group's top key executives, the Company is of the view that it would not be in its best interest to make such disclosure on a named basis in bands of S\$250,000 with breakdowns of each key executive's remuneration earned through base salary, performance-related bonuses and benefits in kind. Accordingly, such details are not disclosed as the Company believes that in view of the competitive nature of the human resource environment, tight labour market and to support the Company's efforts in attracting and retaining executive talents, it should maintain confidentiality on all employees' remuneration matters. Their profiles are found on pages 32 and 33.

The aggregate total remuneration of the top four key executives (who are not directors or the Group CEO) for FY2022 was S\$2,256,000.

Provision 8.2 – Employee related to substantial shareholder, directors or Group CEO

Mr Ong Jenn, who is the Director of Business Development, is the only employee of the Group who is a substantial shareholder and who is also an immediate family member of substantial shareholders. Mr Ong Jenn's total remuneration for FY2022 was below S\$250,000.

CORPORATE GOVERNANCE

ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT & INTERNAL CONTROLS

Principle 9: Board's governance of risk management system and internal controls

Provision 9.1 – Nature and Extent of Risks

The Board is responsible for the governance of risks and sets the tone and direction for the Group in the way risks are being managed. The Board has the responsibility to approve the strategy of the Group in a manner which addresses stakeholders' expectations without subjecting to an unacceptable level of risks.

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

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

The Board 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 AC.

The AC examines the effectiveness of the Group's internal control systems. The many assurance mechanisms 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 AC. The AC reviews the effectiveness of the actions taken by Management on the recommendations made by the Internal Auditors in this respect.

The system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

Provision 9.2 – Assurance from Group CEO, Group Chief Financial Officer ("Group CFO") and Key Management Personnel

The Company has established a practice whereby business and finance heads of the subsidiaries and strategic business units are required to provide yearly written representation in specific template confirming, inter alia, that the financial processes and internal controls are in place and to confirm the integrity of the Group's financial statements. The report will also highlight material financial risk and impact, as well as providing updates on significant financial issues of the Group. This report is presented to the AC and Board for information.

In FY2022, based on the Group CEO and the Group CFO's representation, the Board issued negative assurance statements in its half year financial results announcements, confirming to the best of its knowledge that nothing had come to the attention of the Board which might render the financial statements false or misleading in any material aspect.

CORPORATE GOVERNANCE

The Board has obtained a written confirmation from:

- (a) the Group CEO, who is also the Executive Director, and the Group Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) the Group CEO and other key management personnel who are responsible regarding the adequacy and effectiveness of the Group's risk management and internal control systems.

Rule 1207(10) of the Listing Manual of SGX-ST

Based on the internal controls established and maintained by the Group, work performed by the Internal Auditors, and the statutory audit conducted by the External Auditor, and reviews performed by Management and various Board committees including the AC and IC, the Board, with the concurrence of the AC, is of the opinion that the system of internal controls, including financial, operational, compliance and information technology controls and risk management, were adequate and effective as at 31 March 2022 to meet the needs of the Group's existing business objectives, having addressed the risks which the Group considers relevant and material to its operations. While acknowledging their responsibility for the system of internal controls, the Directors are aware that such a system is designed to manage, rather than eliminate risks, and therefore cannot provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors or misstatements, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

There was no material weakness in risk management and internal controls noted as at 31 March 2022.

Principle 10: Audit Committee

Provisions 10.1, 10.2 and 10.3

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

The Board is satisfied that the AC members, collectively, have relevant accounting and related financial management expertise and experience to discharge their duties and responsibilities.

None of the AC members are former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The AC'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 Auditor and Internal Auditors, the adequacy of disclosure of information, and the appropriateness and quality of the system of management and internal controls;

CORPORATE GOVERNANCE

- (vii) making recommendations to the Board of Directors on the appointment, re-appointment and removal of the External Auditor and Internal Auditors, and approving the remuneration and terms of engagement of the External Auditor and Internal Auditors; and
- (viii) reviewing whistle blowing and fraud investigations within the Group and ensuring appropriate follow up action, if required.

Updates on changes in accounting standards and treatment are prepared by the External Auditor and circulated to members of the AC periodically for information.

The AC has been given full access and obtained the co-operation from the Management of the Company. The AC has the explicit authority to investigate any matter within its terms of reference. It also has full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

The AC has discussed with Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements. The following significant issues were discussed with management and the External Auditor and reviewed by the AC in respect of FY2022:

Significant matters	How the Audit Committee addressed these issues
Valuation of investment property	The AC considered the appropriateness of the approach and methodology applied to the valuation model in assessing the valuation of the investment property, as well as the independence, objectivity and competence of the external appraiser appointed to perform the valuation. The AC also considered the reasonableness of the basis and the inputs used in the valuation model, in light of a heightened level of estimation uncertainty arising from uncertain market and economic conditions as a result of the ongoing COVID-19 pandemic. The valuation of investment property was also an area of focus for the External Auditor. The External Auditor has included this item as a key audit matter in its audit report for FY2022 on page 85 of the Annual Report.
Accounting of interests in associates and joint ventures	The AC considered the appropriateness of the approach and methodology used in the accounting of interests in associates and joint ventures, which are mainly involved in the business of property investment and development. The recoverability of the interests in and results from these associates and joint ventures are dependent on the fair valuation of the investment properties and the success of the relevant development projects. The AC was periodically briefed on the factors affecting the valuation of the investment properties and development of key projects, including the economy, government policies, and demand and supply for properties in their respective markets. The AC also considered the risk of changes in carrying value of the investment properties and development projects in light of the prevailing conditions. The accounting of interests in associates and joint ventures was also an area of focus for the External Auditor. The External Auditor has included this item as a key audit matter in its audit report for FY2022 on pages 85 and 86 of the Annual Report.

CORPORATE GOVERNANCE

Provision 10.4 – Internal Audit Function

As mentioned in Provision 9.1, the Group outsources its internal audit function to KPMG who reports directly to the AC. The Internal Auditors plans its internal audit schedules in consultation with Management and its plans are submitted to the AC for approval. The AC reviews and approves the internal audit plans and resources and also ensures that KPMG has the necessary resources to adequately perform its functions and is adequately staffed with persons with the relevant qualifications and experience.

The Internal Auditors has unfettered access to all the Company's documents, records, properties and personnel including the AC.

Rule 1207(10C) of the Listing Manual of SGX-ST

The AC has also reviewed and believed that the Internal Auditors is independent and has the appropriate standing and adequately resourced to perform its functions effectively.

The AC assesses the adequacy and effectiveness of the internal audit function annually. The function of internal audit is guided by the Standards for the Professional Practice of Internal Auditing.

Provision 10.5 – Meeting with External Auditor and Internal Auditors without presence of Management

The AC has met with the External Auditor and Internal Auditors separately without the presence of Management for the year in review.

Rule 1207(6)(b) of the Listing Manual of SGX-ST

The AC 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 2022, is of the view that the independence of the External Auditor of the Company has not been compromised.

Rule 712 of the Listing Manual of SGX-ST

The AC has also reviewed and confirmed that EY is a suitable audit firm to meet the Company's audit obligations, after taking into consideration the Audit Quality Indicators Disclosure Framework published by ACRA and 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 AC recommended to the Board the re-appointment of EY as External Auditor of the Group for the year ending 31 March 2023. Therefore, the Company complies with Rule 712 of the Listing Manual.

Rule 715 of the Listing Manual of SGX-ST

The Group has complied with Rule 715 of the Listing Manual in relation to its auditing firms. EY has been engaged to audit the financial statements of the Company and all its Singapore-incorporated subsidiaries. Rule 716 does not apply to the Group as all its Singapore-incorporated subsidiaries are audited by EY and its Singapore-incorporated joint venture and associated companies, which are not considered significant*, are audited by two of the big four audit firms and a local audit firm.

The financial statements of the significant* foreign-incorporated associated company is audited by KPMG, one of the big four audit firms.

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

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

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

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

The AC meets quarterly to review the quarter and full year results, including any interested person transactions prior to their submission to the Board.

Rule 1207(18A) and (18B) of the Listing Manual of SGX-ST

The AC 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.

The Company has created a whistleblowing group email address “ac.whistleblowing@metroholdings.com.sg” and posted it on the Company’s Corporate Governance’s website so that any whistle-blowing complaints will be made directly to the AC Chairman, AC Members and Human Resources Department for investigation. When whistle-blower complaints are received, the AC will ensure independent and thorough investigation and adequate follow up.

Safeguards are in place so that harassment, victimization of or retaliatory action against the complainant will not be tolerated and appropriate steps will be taken to ensure the complainant suffers no detriment or retaliation as a result of raising concerns in accordance with this policy. Any person who raises a genuine concern will not be at risk of losing his or her job or suffering from retribution or harassment as a result. This is provided that the person who whistle-blows is acting in good faith and it does not matter if he or she is mistaken.

The Metro Group encourages the whistle-blower to identify himself/herself when raising a concern or providing information. All concerns will be treated with strict confidentiality.

Exceptional circumstances under which information provided by the whistle-blower could or would not be treated with strictest confidentiality include:

- (i) Where the Group is under a legal obligation to disclose information provided;
- (ii) Where the information is given on a strictly confidential basis to legal or auditing professionals for the purpose of obtaining professional advice; or
- (iii) Where the information is given to the Police or other authorities for criminal investigation.

In the event the Metro Group is faced with a circumstance not covered by the above, and where the whistle-blower’s identity has to be revealed, it will endeavour to discuss this with the whistle-blower first.

The Company has maintained a whistle-blowing register to record all the whistle-blowing incidents. The contents including “nil” returns in the register are reviewed by the AC at its quarterly meetings.

There was no whistle-blower complaint received by the Group in respect of FY2022.

CORPORATE GOVERNANCE

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

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

Provision 11.1 – Providing opportunity for shareholders to participate and vote at general meetings

Shareholders are encouraged to attend the Annual General Meeting to ensure a greater level of shareholders' participation and for them to be kept up to date as to the strategies and goals of the Group. All shareholders of the Company receive a copy of the Annual Report, the Notice of Annual General Meeting and circulars and notices pertaining to any Extraordinary General Meetings of the Company. To facilitate participation by the shareholders, the Constitution of the Company allows the shareholders to attend and vote at general meetings of the Company by proxies. A shareholder who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the general meetings while a member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the general meetings through proxy forms deposited 72 hours before the meeting. Notices of general meetings are available on the SGX-ST's website.

In FY2021, due to the COVID-19 pandemic crisis and in line with the initiatives implemented by the regulatory bodies (i.e. the Joint Guidance issued by the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and the SGX-ST), the Company conducted a virtual annual general meeting ("**2021 AGM**"). The virtual 2021 AGM was conducted on 29 July 2021 in accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debentures Holders) Order 2020 issued by the Ministry of Law (the "**Meeting Order**"). A "live" webcast of the virtual 2021 AGM was made available to participating shareholders who had registered and were assigned a unique link to access the live audio-visual webcast or live audio-only stream. The 2021 AGM results of the poll votes on each resolution tabled at the AGM (including the total number of votes cast for or against each resolution) were announced at the virtual AGM and via SGXNet thereafter.

Provisions 11.2 and 11.4 – Separate resolutions at general meeting and absentia voting at general meetings

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

Provision 11.3 – Attendees at general meetings

The Directors, Management and the External Auditor are present and available at the general meetings to address any queries or concerns on matters relating to the Group and its operations.

The entire Board was present at the virtual 2021 AGM with some of the Board members who attended the AGM remotely. All key executives (or executives of equivalent rank) and the External Auditor attended the AGM remotely as well.

Provision 11.5 – Minutes of general meetings

The Company does not publish minutes of general meetings or shareholders on its corporate website. There are potential adverse implications for the Company if the minutes of general meetings are published to the public at large (outside the confines of a shareholders' meeting) including disclosure of sensitive information to the Group's competitors. Further, shareholders, including those who did not attend the relevant general meeting, have a right to be

CORPORATE GOVERNANCE

furnished copies of minutes of general meeting pursuant to Section 189 of the Companies Act 1967. Accordingly, the Company is of the view that its position is consistent with the intent of Principle 11 of the 2018 Code as shareholders are treated fairly and equitably by the Company.

However, in line with the Meeting Order, the minutes of the 2021 AGM were announced via SGXNet and posted on the Company's corporate website within the prescribed timeframe, i.e. within one month from the date of AGM.

Provision 11.6 – 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.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provision 12.1 – Avenue of communication between the Board and shareholders

In line with the continuous disclosure obligations under the requirements of the SGX-ST Listing Manual and requirements of the Companies Act 1967, the Board informs the shareholders promptly of all major developments that may have a material impact on the Group.

In addition, the Company communicates (at least once annually at the AGM) with its shareholders and facilitates the participation of shareholders during general meetings and (where applicable) other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

Provisions 12.2 and 12.3 – Investor relations policy

The Company has engaged an external professional investor relation ("IR") firm, Citigate Dewe Rogerson Singapore Pte Ltd as its IR with the aim to better communicate with its shareholders and analyst on a regular basis and to gather views or inputs and take any of their queries or concerns. The IR firm also manages the dissemination of information to the media, public, institutional investors and public shareholders, and act as liaison with these parties. Shareholders can contact or provide their views directly to the IR firm.

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provisions 13.1, 13.2 and 13.3 – Engagement with material stakeholder groups

The Company values input from all of its stakeholder groups and uses a variety of channels and platforms to engage with them as well as receive their feedback. The Company identifies stakeholders as groups that have an impact or have the potential to be impacted by its business, as well as those external organisations that have expertise in aspects that the Company consider material.

CORPORATE GOVERNANCE

More details on the Company's strategy and key areas of focus in relation to the management of stakeholders' relationships will be disclosed in the standalone Sustainability Report for FY2022 which will be issued not later than 5 months after the end of the financial year.

The Company has a corporate website to communicate and engage with all stakeholders. The Company's corporate website is <https://www.metroholdings.com.sg>.

OTHER CORPORATE GOVERNANCE MATTERS

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 periods beginning one month until the date of announcement of the Company's first half financial results (both dates inclusive) and the Company's full year financial results (both dates inclusive).

In addition, Directors and officers are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

Directors and employees are also discouraged from dealing in the Company's securities on short-term consideration.

Directors and employees are required to report securities dealings to the Company Secretaries who will assist to make the necessary announcements.

The guidelines on share buyback under the Share Buyback Mandate, to be renewed at the Company's forthcoming AGM also provides that the Company will not effect any purchases of shares on the SGX-ST during the period of one month immediately preceding the announcement of the Company's half year and full year financial statements.

DIRECTORS' INTERESTS IN CONTRACTS ENTERED WITH THE GROUP

There was no transaction by the directors or with firms/companies in which they are members and/or have a substantial financial interest during FY2022.

INTERESTED PERSON TRANSACTIONS

There was no interested person transaction in respect of FY2022.

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

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DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Metro Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2022.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2022 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date, and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

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

Winston Choo Wee Leong (Chairman)
Gerald Ong Chong Keng
Fang Ai Lian (Mrs)
Tan Soo Khoon
Deborah Lee Siew Yin
Yip Hoong Mun (Group Chief Executive Officer)
Ng Ee Peng

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967 (the "Act"), no director who held office at the end of the financial year had interests in shares or debentures of the Company, and its related corporations, either at the beginning of the financial year, or at the end of the financial year.

5. OPTIONS

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

DIRECTORS' STATEMENT

6. AUDIT COMMITTEE

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

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

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

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

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

7. AUDITOR

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

On behalf of the board of directors:

Winston Choo Wee Leong

Chairman

Yip Hoong Mun

Executive Director

5 July 2022

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

For the financial year ended 31 March 2022

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Metro Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”), which comprise the balance sheets of the Group and the Company as at 31 March 2022, the consolidated income statement, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group and the statements of changes in equity of the Group and the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year then ended.

Basis for opinion

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

Key audit matters

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

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

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

For the financial year ended 31 March 2022

Key audit matters (cont'd)

1. Valuation of investment property

As at 31 March 2022, the carrying value of the Group's investment property amounted to \$115.7 million. The Group measures its investment property at fair value based on valuation performed by the independent professional valuer ("External Appraiser") that was engaged by management. Management reviews the valuation carried out by the External Appraiser and adopts the valuation as fair value.

The valuation of the investment property is considered a key audit matter because it involves the use of a range of estimates (amongst others, capitalisation rates and rental rates) made by management and the External Appraiser. As disclosed and explained in more detail in Note 3.2(i) – *Key sources of estimation uncertainty*, there was also a heightened level of estimation uncertainty arising from uncertain market and economic conditions as a result of the ongoing COVID-19 pandemic.

As part of our audit procedures, we evaluated the professional competency, independence and objectivity of the External Appraiser. We also read the terms of engagement of the External Appraiser to determine whether there were any limitation in the scope of work or matters that might affect the objectivity of the External Appraiser. We read the external valuation report, inquired with the External Appraiser and obtained explanations to support the selection of valuation method and the key assumptions adopted such as rental income and capitalisation rate, including how the impact of COVID-19 has been considered. We also reviewed the reasonableness of the key assumptions used in the projected cash flows by comparing to supporting leases and available industry data.

We also reviewed the adequacy of the Group's disclosures in Note 12, 32(d) and 3.2(i) of the financial statements relating to investment property, fair value of assets or liabilities, level 3 fair value measurements and key sources of estimation uncertainty which are fundamental to users understanding of this matter. They comprise key assumptions, estimation uncertainty and sensitivity of the fair value, including information that the fair value of the investment property recorded in the Group's balance sheet as at 31 March 2022 was estimated based on conditions prevailing on that date.

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

2. Accounting of interests in associates and joint ventures

The Group has significant interests in associates and joint ventures which comprise the investments in and amounts due from associates and joint ventures. The associates and joint ventures of the Group are mainly involved in the business of property investment and development. As at 31 March 2022, the carrying value of the interests in associates and joint ventures amounted to \$1,380.4 million, representing 81.9% of non-current assets and 55.1% of total assets of the Group. For the financial year ended 31 March 2022, the Group's share of associates and joint ventures results was \$59.1 million, representing 186.6% of the Group's profit before taxation.

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

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

For the financial year ended 31 March 2022

Key audit matters (cont'd)

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

We identified this as a key audit matter because the interests in associates and joint ventures and the share of the results are material to the Group's balance sheet and profit and loss, and the valuation and impairment assessment involve significant management judgement. In addition, as disclosed and explained in more detail in Note 3.2(ii) – *Key sources of estimation uncertainty*, there was also a heightened level of estimation uncertainty in determining the valuation of investment properties and the success of development projects as at 31 March 2022 arising from uncertain market and economic conditions as a result of the ongoing COVID-19 pandemic.

In assessing the recoverability of the Group's interest in associates and joint ventures, we discussed with management and auditors of the associates and joint ventures about the future market conditions, the status and the impact of COVID-19 pandemic on the development projects and properties. We assessed the reasonableness of revenue recognised during the financial year and performance of the projects. In addition, we assessed the reasonableness of the estimated selling prices of the development properties and properties under construction by comparing to recently transacted prices and prices of comparable projects located in the vicinity as the development projects. For those associates and joint ventures with significant investment properties, we read the valuation reports, inquired with the external valuers and/or management and obtained explanations to support the selection of valuation methods and the key assumptions adopted such as rental income and capitalisation rates, including how the impact of COVID-19 has been considered. For certain investment properties, we obtained the support of our valuation specialists, we reviewed the reasonableness of the key assumptions including the rental income and capitalisation rates used in the projected cash flows by comparing to supporting leases and available industry data.

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

We also reviewed the adequacy of the Group's disclosures in Note 15, 16 and 3.2(ii) to the financial statements relating to associates, joint ventures and key sources of estimation uncertainty which are fundamental to users understanding of this matter.

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

Other Information

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

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

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

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

For the financial year ended 31 March 2022

Responsibilities of management and directors for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

For the financial year ended 31 March 2022

Auditor's responsibilities for the audit of the financial statements (cont'd)

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

Ernst & Young LLP

Public Accountants and
Chartered Accountants

Singapore
5 July 2022

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 March 2022

(In Singapore dollars)

	Note	2022 \$'000	2021 \$'000
Revenue	4	100,503	97,323
Cost of revenue	5	(85,199)	(81,833)
Gross profit		15,304	15,490
Other net income	6	34,114	31,537
Fair value (loss)/gain on an investment property	12	(341)	533
Impairment on right-of-use assets	27	–	(4,578)
General and administrative expenses		(21,019)	(19,642)
Finance costs	7	(19,168)	(19,373)
Associates			
– Share of results, net of tax	15	11,821	(20,559)
– Impairment of amounts due from associates	15	(36,327)	–
		(24,506)	(20,559)
Joint ventures			
– Share of results, net of tax	16	47,315	64,154
Profit from operations before taxation	8	31,699	47,562
Taxation	9	(8,048)	(10,567)
Profit net of taxation		23,651	36,995
Attributable to:			
Owners of the Company		23,700	36,752
Non-controlling interests		(49)	243
		23,651	36,995
Earnings per share		Cents	Cents
Basic	10	2.9	4.4
Diluted	10	2.9	4.4

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 2022

(In Singapore dollars)

	2022 \$'000	2021 \$'000
Profit net of taxation	23,651	36,995
Other comprehensive income, net of tax:		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
– Net change in fair value of equity investments at fair value through other comprehensive income ("FVOCI")	2,421	–
<i>Items that may be reclassified subsequently to profit or loss:</i>		
– Currency translation adjustments on foreign subsidiaries, associates and joint ventures	28,377	(909)
– Share of other comprehensive income of associates and joint ventures	7,923	18,680
Other comprehensive income for the financial year	38,721	17,771
Total comprehensive income for the financial year	62,372	54,766
Total comprehensive income attributable to:		
Owners of the Company	61,828	53,041
Non-controlling interests	544	1,725
	62,372	54,766

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

BALANCE SHEETS

As at 31 March 2022

(In Singapore dollars)

		Group		Company	
	Note	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
ASSETS					
Non-current assets					
Plant and equipment	11	1,988	2,710	260	334
Right-of-use assets	27	54,262	46,960	6,421	3,292
Investment property	12	115,744	111,725	–	–
Subsidiaries	13	–	–	21,828	17,790
Amounts due from subsidiaries	14	–	–	676,190	502,030
Associates	15	985,671	773,271	500	500
Joint ventures	16	394,689	367,948	–	–
Long term investments	17	133,621	88,534	–	–
		<u>1,685,975</u>	<u>1,391,148</u>	<u>705,199</u>	<u>523,946</u>
Current assets					
Development properties	18	160,843	163,405	–	–
Inventories	19	9,081	9,022	–	–
Prepayments		1,201	616	–	–
Accounts and other receivables	20	70,722	81,434	666	181
Tax recoverable		–	379	–	–
Amounts due from subsidiaries	14	–	–	317,080	430,138
Amounts due from associates	15	90,847	136,696	–	–
Amounts due from joint ventures	16	136,760	123,072	4,044	4,021
Short term investments	17	16,493	15,932	–	–
Cash and cash equivalents	21	331,360	425,669	67,349	2,490
		<u>817,307</u>	<u>956,225</u>	<u>389,139</u>	<u>436,830</u>
Total assets		<u>2,503,282</u>	<u>2,347,373</u>	<u>1,094,338</u>	<u>960,776</u>
EQUITY AND LIABILITIES					
Current liabilities					
Borrowings	22	135,524	324,957	44,152	218,349
Accounts and other payables	23	46,788	48,679	7,108	7,928
Amounts due to subsidiaries	23	–	–	193,696	176,339
Lease liabilities	27	10,996	9,651	578	539
Provision for taxation		7,575	7,079	94	–
		<u>200,883</u>	<u>390,366</u>	<u>245,628</u>	<u>403,155</u>
Net current assets		<u>616,424</u>	<u>565,859</u>	<u>143,511</u>	<u>33,675</u>
Non-current liabilities					
Borrowings	22	470,277	199,128	470,277	199,128
Amounts due to joint ventures	16	148,653	124,639	–	–
Lease liabilities	27	49,757	43,058	6,044	2,944
Deferred income	23	2,087	1,912	–	–
Deferred tax liabilities	9	25,767	22,774	70	3
		<u>696,541</u>	<u>391,511</u>	<u>476,391</u>	<u>202,075</u>
Total liabilities		<u>897,424</u>	<u>781,877</u>	<u>722,019</u>	<u>605,230</u>
Net assets		<u>1,605,858</u>	<u>1,565,496</u>	<u>372,319</u>	<u>355,546</u>
Equity attributable to owners of the Company					
Share capital	24	169,717	169,717	169,717	169,717
Treasury shares	24	(1,768)	(1,768)	(1,768)	(1,768)
Reserves	25	1,411,897	1,368,700	204,370	187,597
		<u>1,579,846</u>	<u>1,536,649</u>	<u>372,319</u>	<u>355,546</u>
Non-controlling interests		<u>26,012</u>	<u>28,847</u>	<u>–</u>	<u>–</u>
Total equity		<u>1,605,858</u>	<u>1,565,496</u>	<u>372,319</u>	<u>355,546</u>
Total equity and liabilities		<u>2,503,282</u>	<u>2,347,373</u>	<u>1,094,338</u>	<u>960,776</u>

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 2022

(In Singapore dollars)

Group	Note	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Statutory reserve \$'000	Other reserve \$'000	Revenue reserve \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 April 2021		169,717	(1,768)	–	5,580	5,184	847	1,357,089	1,536,649	28,847	1,565,496
Profit/(loss) for the year		–	–	–	–	–	–	23,700	23,700	(49)	23,651
Other comprehensive income/(expense)		–	–	2,421	–	–	–	–	2,421	–	2,421
Net change in fair value of equity investment at FVOCI		–	–	–	–	–	–	–	–	–	–
Currency translation adjustments on foreign subsidiaries, associates and joint ventures		–	–	–	27,784	–	–	–	27,784	593	28,377
Share of other comprehensive income/(expense) of associates and joint ventures		–	–	–	8,226	–	(303)	–	7,923	–	7,923
Other comprehensive income/(expense) for the financial year, net of tax		–	–	2,421	36,010	–	(303)	–	38,128	593	38,721
Total comprehensive income/(expense) for the financial year		–	–	2,421	36,010	–	(303)	23,700	61,828	544	62,372
Contributions by and distributions to owners	26	–	–	–	–	–	–	(18,631)	(18,631)	–	(18,631)
Dividends paid		–	–	–	–	–	–	(18,631)	(18,631)	–	(18,631)
Total contributions by and distributions to owners		–	–	–	–	–	–	(18,631)	(18,631)	–	(18,631)
Changes in ownership interests in a subsidiary		–	–	–	–	–	–	–	–	(3,379)	(3,379)
Interest in a subsidiary		–	–	–	–	–	–	–	–	(3,379)	(3,379)
Total changes in ownership interests in a subsidiary		–	–	–	–	–	–	–	–	(3,379)	(3,379)
Others		–	–	–	–	768	–	(768)	–	–	–
Transfer to statutory reserve fund		–	–	–	–	768	–	(768)	–	–	–
Total others		–	–	–	–	768	–	(768)	–	–	–
At 31 March 2022		169,717	(1,768)	2,421	41,590	5,952	544	1,361,390	1,579,846	26,012	1,605,858

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2022

(In Singapore dollars)

Group	Note	Share capital \$'000	Treasury shares \$'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 2020		169,717	(1,768)	(10,296)	4,734	434	1,337,258	1,500,079	28,618	1,528,697
Profit for the year		-	-	-	-	-	36,752	36,752	243	36,995
Other comprehensive income										
Currency translation adjustments on foreign subsidiaries, associates and joint ventures		-	-	(2,391)	-	-	-	(2,391)	1,482	(909)
Share of other comprehensive income of associates and joint ventures		-	-	18,267	-	413	-	18,680	-	18,680
Other comprehensive income for the financial year, net of tax		-	-	15,876	-	413	-	16,289	1,482	17,771
Total comprehensive income for the financial year		-	-	15,876	-	413	36,752	53,041	1,725	54,766
Contributions by and distributions to owners	26									
Dividends paid		-	-	-	-	-	(16,561)	(16,561)	-	(16,561)
Dividends unclaimed		-	-	-	-	-	90	90	-	90
Total contributions by and distributions to owners		-	-	-	-	-	(16,471)	(16,471)	-	(16,471)
Changes in ownership interests in a subsidiary										
Interest in a subsidiary		-	-	-	-	-	-	-	(1,496)	(1,496)
Total changes in ownership interests in a subsidiary		-	-	-	-	-	-	-	(1,496)	(1,496)
Others										
Transfer to statutory reserve fund		-	-	-	450	-	(450)	-	-	-
Total others		-	-	-	450	-	(450)	-	-	-
At 31 March 2021		169,717	(1,768)	5,580	5,184	847	1,357,089	1,536,649	28,847	1,565,496

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 2022

(In Singapore dollars)

Company	Note	Share capital \$'000	Treasury shares \$'000	Revenue reserve \$'000	Total equity \$'000
At 1 April 2021		169,717	(1,768)	187,597	355,546
Profit for the year, representing total comprehensive income for the financial year		–	–	35,404	35,404
<u>Contributions by and distributions to owners</u>					
Dividends paid	26	–	–	(18,631)	(18,631)
At 31 March 2022		169,717	(1,768)	204,370	372,319
At 1 April 2020		169,717	(1,768)	185,215	353,164
Profit for the year, representing total comprehensive income for the financial year		–	–	18,853	18,853
<u>Contributions by and distributions to owners</u>					
Dividends paid	26	–	–	(16,561)	(16,561)
Dividends unclaimed		–	–	90	90
At 31 March 2021		169,717	(1,768)	187,597	355,546

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 2022

(In Singapore dollars)

	Note	2022 \$'000	2021 \$'000
Cash flows from operating activities:			
Operating cash flows before changes in working capital			
Operating profit before reinvestment in working capital	(a)	5,010	7,250
Decrease in development properties		5,931	14,027
(Increase)/decrease in inventories		(3)	1,522
Decrease in accounts and other receivables		13,274	19,048
Increase in accounts and other payables		961	783
Cash flows from operations		25,173	42,630
Interest expense paid		(20,634)	(17,770)
Interest income received		46,962	25,742
Income taxes paid		(5,128)	(5,665)
Net cash flows from operating activities		46,373	44,937
Cash flows from investing activities:			
Purchase of plant and equipment	11	(488)	(2,555)
(Increase)/decrease in long term investments		(46,229)	3,113
Proceeds from disposal of plant and equipment		–	1
Investment in associates		(71,639)	(23,781)
Increase in amounts due to joint ventures		18,720	48,713
Increase in amounts due from associates		(125,844)	(103,840)
Decrease in amounts due from joint ventures		3,881	102,864
Dividends received from associates		9,979	8,275
Dividends received from joint ventures		2,280	2,108
Dividends received from long term investments	6	13,039	6,296
Dividends received from short term investments	6	651	673
Net cash flows (used in)/from investing activities		(195,650)	41,867
Cash flows from financing activities:			
Drawdown of long term borrowings	22	267,015	–
(Repayment)/drawdown of short term borrowings (net)	22	(33,309)	12,274
Redemption of \$150 million 4% Notes due 2021	22	(150,000)	–
Payment of lease liabilities	27(b)	(8,628)	(8,185)
Dividends paid	26	(18,631)	(16,561)
Capital reduction by non-controlling interests		(3,379)	(1,496)
Net cash flows from/(used in) financing activities		53,068	(13,968)
Net (decrease)/increase in cash and cash equivalents		(96,209)	72,836
Effect of exchange rate changes in cash and cash equivalents		1,900	3,466
Cash and cash equivalents at 1 April		425,669	349,367
Cash and cash equivalents at 31 March	21	331,360	425,669

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2022

(In Singapore dollars)

Notes to the consolidated statement of cash flows

(a) Operating cash flows before changes in working capital

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

	Note	2022 \$'000	2021 \$'000
Profit from operations before taxation		31,699	47,562
Adjustments for:			
Fair value loss/(gain) on an investment property	12	341	(533)
Finance costs	7	19,168	19,373
Depreciation of plant and equipment	11	1,209	1,171
Depreciation of right-of-use assets	27	7,831	5,751
Share of results of associates, net of tax	15	(11,821)	20,559
Impairment of amounts due from associates	15	36,327	–
Share of results of joint ventures, net of tax	16	(47,315)	(64,154)
Interest income	6	(20,825)	(19,946)
Dividends from long term investments	6	(13,039)	(6,296)
Dividends from short term investments	6	(651)	(673)
Inventories written down	8	225	160
Allowance for doubtful debts	8	1	18
Impairment on plant and equipment	8	–	138
Impairment on right-of-use assets	27	–	4,578
Plant and equipment written off	8	1	2
Write-back of allowance for obsolete inventories	8	(281)	(545)
Net change in fair value of investments at fair value through profit or loss	6	2,154	2,514
Gain on disposal of plant and equipment	8	–	(1)
Unrealised foreign exchange adjustments		(14)	(2,428)
Operating profit before reinvestment in working capital		5,010	7,250

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 2022

1. CORPORATE INFORMATION

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

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 *Basis of preparation*

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

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 *Adoption of new and amended standards and interpretations*

On 1 April 2021, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.3 Standards issued but not yet effective

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

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to SFRS(I) 3: <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to SFRS(I) 1-16: <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Amendments to SFRS(I) 1-37: <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
Amendments to SFRS(I) 1-1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to SFRS(I) 1-8: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to SFRS(I) 1-12: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the year of initial application.

2.4 Basis of consolidation and business combinations

(a) Basis of consolidation

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

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

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

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

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

- derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest;
- derecognises 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;
- reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or revenue reserve, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

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

(b) Business combinations and goodwill

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

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

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

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

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

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

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

2.5 Transactions with non-controlling interests

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

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

2.6 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.6 Foreign currency (cont'd)

(a) Transactions and balances

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

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

Net investment in foreign operations

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

(b) Consolidated financial statements

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

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

2.7 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to initial 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:

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

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

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 derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.8 *Investment property*

Investment property is property that is either owned by the Group or leased under a finance lease that is 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 property comprises completed investment property and property that is being constructed or developed for future use as investment property. Property held under operating leases is classified as an investment property when the definition of an investment property is met.

Investment property is initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair values of investment property is included in the profit or loss in the year in which it arises.

Investment property is derecognised when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the profit or loss in the year of retirement or disposal.

2.9 *Development properties*

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

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

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

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

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 represents 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.

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 coterminous 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 or joint venture 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.13 *Financial instruments* (cont'd)

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

Initial recognition and measurement (cont'd)

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset.

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derivatives

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.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.13 *Financial instruments* (cont'd)

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

Subsequent measurement

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 profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised 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 derecognition 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.

(c) *Hedges of a net investment*

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the statement of profit or loss.

The Group uses loans as a hedge of its exposure to foreign exchange risk on its investments in foreign associates. Refer to Note 31(b) for more details.

2.14 *Impairment of financial assets*

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default ("a lifetime ECL").

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when the counterparty fails to make contractual payments and when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.15 *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.

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.

2.16 *Cash and cash equivalents*

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

2.17 *Inventories*

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

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

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

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

2.18 *Borrowings*

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in income statement over the period of the borrowings using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.19 Provisions

General

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

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

2.20 Government grants

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

2.21 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.

2.22 Borrowing costs

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

2.23 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.23 *Employee benefits* (cont'd)

(a) *Defined contribution plans* (cont'd)

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

(b) *Employee leave entitlements*

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

(c) *Long-service benefits*

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

(d) *Profit-sharing bonuses*

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

2.24 *Leases*

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) *As lessee*

The Group applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold building	–	2 to 10 years
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If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.24 Leases (cont'd)

(a) As lessee (cont'd)

Lease liabilities (cont'd)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term leases and leases of low-value assets

The Group applies the short term lease recognition exemption to its short term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

COVID-19 Rent concessions

The Group has adopted the practical expedients under Amendments to SFRS(I) 16: *Covid-19 Related Rent Concessions*. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from COVID-19 related rent concession the same way it would account for the change under SFRS(I) 16, as if the change were not a lease modification.

The Group has applied this practical expedient to all rent concessions occurring as a direct consequence of the COVID-19 pandemic. As a result of applying the practical expedient, rent concessions of \$ 2,496,000 (2021: \$ 5,301,000) (Note 8) was recognised in the profit or loss during the year.

(b) As lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Group's investment property is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.25 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.25 Revenue (cont'd)

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) *Sale of goods – retail*

Revenue from the sale of goods is recognised upon the satisfaction of each performance obligations which is usually on the delivery of goods to customers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

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

Revenue from sale of property rights for properties under development that were purchased from the property developer, completed development properties and development properties under construction is recognised upon the satisfaction of performance obligations which is when the control of the asset have been transferred to the buyer.

(c) *Rental income*

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

(d) *Commissions from concessionaire sales*

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

(e) *Fee and service income*

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

(f) *Dividend income*

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

(g) *Interest income*

Interest income is recognised using the effective interest method.

2.26 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

2.26 Taxes (cont'd)

(b) *Deferred tax*

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

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

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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 2022

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

2.27 Segment reporting

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

2.28 Share capital and share issuance 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.

2.29 Treasury shares

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

2.30 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 balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

3.1 Judgements made in applying accounting policies

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

(i) *Investments in associates and joint ventures*

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

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

(ii) *Taxation*

The Group has exposure to income and other taxes in various jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of the Group's income tax payables and net deferred tax liabilities at 31 March 2022 are \$7,575,000 (2021: \$7,079,000) and \$25,767,000 (2021: \$22,774,000) respectively.

(iii) *Impairment of investment in subsidiaries (Company-level)*

The Company assesses, at each reporting date, whether there are indicators that its investment in subsidiaries are impaired. Factors such as deteriorating financial conditions of the subsidiaries are objective evidence of impairment. The Company also considers whether there is observable data indicating that there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the subsidiaries operate in.

The carrying amount of the Company's investment in subsidiaries recognised at the end of the reporting period is disclosed in Note 13 to the financial statements.

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 and the Company 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 and the Company. Such changes are reflected in the assumptions when they occur.

(i) *Valuation of investment property*

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

Management engages an independent professional valuer ("External Appraiser") in the country in which the investment property is located to determine the fair value of the property. Management reviews the valuation carried out by the External Appraiser and adopts the valuation as fair value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

3.2 Key sources of estimation uncertainty (cont'd)

(i) Valuation of investment property (cont'd)

The determination of the fair value of the investment property involves the use of a range of estimates (amongst others, capitalisation rates and rental rates) made by management and the External Appraiser. Arising from the uncertain market and economic conditions brought on by the ongoing COVID-19 pandemic, there was estimation uncertainty in determining the valuation of the investment property as at 31 March 2022.

Accordingly, values and incomes may change more rapidly than during standard market conditions and it is recommended that the valuation of the property is kept under frequent review. This being the case, the independent valuer has drawn the users' attention that the value of investment property determined by reference to fair value at 31 March 2022 is estimated based upon conditions prevailing on that date.

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

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

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

The recoverability of the interests in and results from these associates and joint ventures are dependent on the fair valuation of their investment properties and the success of the relevant development projects. The valuation of the investment properties and contributions from development projects are dependent on a number of factors including the economy, government policies, and demand and supply for properties in their respective markets. Consequently, there is a risk of changes in carrying value of the investment properties and development projects. Annually, management conducts an assessment to determine whether any indicator of impairment exists. There was estimation uncertainty in determining the valuation of investment properties and the success of development projects as at 31 March 2022 arising from the uncertain market and economic conditions brought on by the ongoing COVID-19 pandemic.

Accordingly, values and incomes may change more rapidly than during standard market conditions and it is recommended that the valuation of the investment properties and development projects are kept under frequent review. This being the case, the independent valuers of the underlying investment properties has drawn the users' attention that the value of investment property determined by reference to fair value at 31 March 2022 is estimated based upon conditions prevailing on that date.

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

(iii) Impairment assessment of plant and equipment and right-of-use assets (Retail)

The Group assesses, at each reporting date, whether there are any indicators of impairment or that an impairment loss may no longer exist or may have decreased, for its plant and equipment and right-of-use assets. In assessing whether there are any indications that an asset may be impaired or that an impairment may no longer exist or may have decreased, the Group considers both external and internal sources of information. Significant judgement is involved in determining whether indicators exists.

Operating losses in the Group's retail segment is an indicator of impairment of plant and equipment and right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

3.2 Key sources of estimation uncertainty (cont'd)

(iii) Impairment assessment of plant and equipment and right-of-use assets (Retail) (cont'd)

For the purpose of impairment testing, recoverable amount of plant and equipment and right-of-use assets have been determined based on the Value-in-Use ("VIU"). The VIU calculation requires an estimation of the cash flow projections, suitable discount rate and other assumptions.

In the previous financial year, impairment loss of \$138,000 and \$4,578,000 was recorded to reduce the carrying values of plant and equipment and right-of-use assets to the respective estimated recoverable amounts, obtained based on the VIU method.

The carrying amounts of the Group's plant and equipment and right-of-use assets at the end of the reporting period are disclosed in Notes 11 and 27 to the financial statements.

4. REVENUE

	Note	Group 2022 \$'000	2021 \$'000
Revenue from contracts with customers	(a)	94,249	90,695
Rental income from an investment property	12	6,254	6,628
		<u>100,503</u>	<u>97,323</u>

(a) Disaggregation of revenue:

Segments	Retail		Property		Total revenue	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Primary geographical markets						
Singapore	86,594	72,771	–	–	86,594	72,771
Indonesia	–	–	7,655	17,924	7,655	17,924
Total revenue from contracts with customers	<u>86,594</u>	<u>72,771</u>	<u>7,655</u>	<u>17,924</u>	<u>94,249</u>	<u>90,695</u>
Major revenue streams						
Sales of goods	65,091	54,615	–	–	65,091	54,615
Net commission from concessionaires	21,503	18,156	–	–	21,503	18,156
Sales of property rights	–	–	7,655	17,924	7,655	17,924
Total revenue from contracts with customers	<u>86,594</u>	<u>72,771</u>	<u>7,655</u>	<u>17,924</u>	<u>94,249</u>	<u>90,695</u>

Revenue from contracts with customers are recognised at a point in time.

The gross revenue from concessionaire sales is analysed as follows:

	Group 2022 \$'000	2021 \$'000
Gross revenue from concessionaire sales	<u>81,208</u>	<u>66,814</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

5. COST OF REVENUE

	Group	
	2022	2021
	\$'000	\$'000
Retail	77,265	64,281
Property		
– Cost of property rights sold	6,629	16,292
– Rental	1,305	1,260
	85,199	81,833

6. OTHER NET INCOME

	Group	
	2022	2021
	\$'000	\$'000
Interest income from:		
– Financial instruments at amortised cost	20,825	19,946
Dividends, gross from:		
– Long term investments	13,039	6,296
– Short term investments	651	673
	13,690	6,969
Net change in fair value of investments at fair value through profit or loss:		
– Long term investments	(2,715)	(7,458)
– Short term investments	561	4,944
	(2,154)	(2,514)
Foreign exchange gain	216	2,925
Sundry income	1,537	4,211
	34,114	31,537

7. FINANCE COSTS

	Group	
Note	2022	2021
	\$'000	\$'000
Interest on borrowings carried at amortised cost	4,047	1,894
Interest on notes carried at amortised cost	12,486	15,223
Interest on lease liabilities	27 1,539	1,751
Others	1,096	505
	19,168	19,373

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

8. PROFIT FROM OPERATIONS BEFORE TAXATION

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

	Group	
	2022	2021
	\$'000	\$'000
Staff costs, including Directors' emoluments, are as follows:		
Salaries, bonuses and other related costs ⁽¹⁾	16,618	14,954
Contributions to CPF	1,620	1,501
Provision for long-service benefits	369	153
	<u>18,607</u>	<u>16,608</u>

Directors' emoluments included in staff costs are as follows:

Directors of the Company		
– Other emoluments	2,330	2,217
– Fees payable	1,016	936
	<u>3,346</u>	<u>3,153</u>

		Group	
	Note	2022	2021
		\$'000	\$'000
Rental expense ⁽²⁾		4,720	3,550
Depreciation of plant and equipment	11	1,209	1,171
Depreciation of right-of-use assets ⁽³⁾	27	7,831	5,751
Inventories written down	19	225	160
Write-back of allowance for obsolete inventories	19	(281)	(545)
Audit fees:			
– Auditor of the Company		403	377
– Other auditors		187	167
Non-audit fees:			
– Auditor of the Company		70	72
– Other auditors		534	142
Allowance for doubtful debts	20	1	18
Impairment on plant and equipment	11	–	138
Plant and equipment written off		1	2
Gain on disposal of plant and equipment		<u>–</u>	<u>(1)</u>

⁽¹⁾ These are presented net of government grants of \$1,243,000 (2021: \$3,884,000) comprising mainly those from the Jobs Support Scheme during the financial year.

⁽²⁾ Rental expense includes total contingent rents recognised as an expense for the financial year ended 31 March 2022 amounting to \$620,000 (2021: \$433,000).

⁽³⁾ These are presented net of rental rebate of \$2,496,000 (2021: net of rental and property tax rebate of \$5,301,000) during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

9. TAXATION

(a) Major components of income tax expense

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

Consolidated income statement

	Group	
	2022	2021
	\$'000	\$'000
Current taxation		
– Current income taxation	5,247	4,430
– Under provision in respect of prior financial years	610	3,427
	5,857	7,857
Deferred taxation		
– Origination and reversal of temporary differences	2,192	2,646
– (Over)/under provision in respect of prior financial years	(1)	1
	2,191	2,647
Withholding tax	–	63
Income tax expense recognised in the consolidated income statement	8,048	10,567

(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	
	2022	2021
	\$'000	\$'000
Profit from operations before taxation	31,699	47,562
Less: Share of results of equity-accounted associates*	(11,821)	20,559
Less: Share of results of equity-accounted joint ventures*	(47,315)	(64,154)
	(27,437)	3,967
Taxation calculated at Singapore statutory income tax rate of 17% (2021: 17%)	(4,664)	674
Expenses not deductible for tax purposes	13,303	6,041
Difference arising from tax rates applicable to foreign entities	1,863	1,679
Income not subject to tax	(3,752)	(2,703)
Unremitted foreign sourced income	2,493	2,212
Under provision in respect of prior financial years	609	3,428
Withholding tax	–	63
Utilisation of previously unrecognised tax losses	(1,049)	(130)
Others	(755)	(697)
Taxation expense recognised in the consolidated income statement	8,048	10,567

* These are presented net of tax in the income statement.

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

	Group	
	2022	2021
China	25%	25%
Hong Kong	16.5%	16.5%
Indonesia	22%	22%
Mauritius	15%	15%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

9. TAXATION (cont'd)

(c) *Deferred taxation*

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of financial year	22,774	19,770	3	7
Charged/(credited) to income statement	2,191	2,647	67	(4)
Foreign exchange adjustments	802	357	–	–
Balance at end of financial year	25,767	22,774	70	3

Deferred taxation (prior to offsetting of balances within the same tax jurisdiction) as at 31 March relates to the following:

	Consolidated balance sheet		Consolidated income statement		Company balance sheet	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Deferred tax liabilities						
Differences in depreciation	17,194	15,969	618	601	–	–
Undistributed profits of subsidiaries, associates and joint ventures	4,741	6,240	681	416	–	–
Unremitted foreign sourced interest income	4,217	1,187	653	(47)	70	3
Others	1,133	848	245	480	–	–
	27,285	24,244			70	3
Deferred tax assets						
Fair value (loss)/gain on an investment property	(1,122)	(998)	(85)	133	–	–
Fair value changes	–	–	–	1,121	–	–
Deferred income and other deferred tax assets	(396)	(472)	79	(57)	–	–
	(1,518)	(1,470)			–	–
Total	25,767	22,774			70	3
Deferred tax expense			2,191	2,647		

Unrecognised tax losses

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

There are estimated tax losses and unabsorbed capital allowances amounting to \$9,038,000 and \$27,000 (2021: \$14,365,000 and \$27,000) respectively, available for offset against future taxable profits of certain subsidiaries of which \$8,833,000 (2021: \$15,003,000) 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

9. TAXATION (cont'd)

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

Tax consequences of proposed dividends

There are no further Singapore income tax consequences (2021: 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 is calculated by dividing the profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

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

	Group	
	2022 Cents	2021 Cents
Basic	2.9	4.4
Diluted	2.9	4.4

	Group	
	2022 \$'000	2021 \$'000
Profit net of taxation attributable to owners of the Company, used in the computation of basic and diluted earnings per share	23,700	36,752

	No. of shares '000	
Weighted average number of ordinary shares for basic and diluted earnings per share computation	828,036	828,036

As at 31 March 2022, there are no dilutive potential ordinary shares (2021: Nil).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

11. PLANT AND EQUIPMENT

**Plant,
equipment,
furniture and
fittings
\$'000**

Group

Cost

At 1 April 2020	22,235
Additions	2,555
Disposals	(95)
Write-offs	(3,662)
Foreign exchange adjustments	1
At 31 March 2021	21,034
Additions	488
Disposals	(7)
Write-offs	(567)
Foreign exchange adjustments	1
At 31 March 2022	20,949

Accumulated depreciation and impairment loss

At 1 April 2020	20,770
Charge for 2021	1,171
Impairment loss	138
Disposals	(95)
Write-offs	(3,660)
At 31 March 2021	18,324
Charge for 2022	1,209
Disposals	(7)
Write-offs	(566)
Foreign exchange adjustments	1
At 31 March 2022	18,961

Net book value

At 31 March 2021	2,710
At 31 March 2022	1,988

Impairment of plant and equipment

In the previous financial year, in view of the adverse impact on retail outlet's performance arising from COVID-19 pandemic, the Group carried out a review of the recoverable amount of the plant and equipment in the retail segment. As a result of the assessment, impairment loss of \$138,000 was recognised in "General and administrative expenses" line item of profit or loss for the financial year ended 31 March 2021.

The recoverable amount was assessed based on Value-in-Use ("VIU") determined by discounted cash flow model and the discount rate used as at 31 March 2021 was 7.8% per annum. The growth rates and other significant assumptions applied in the VIU computations are based on management's cash flow projections.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

11. PLANT AND EQUIPMENT (cont'd)

Impairment of plant and equipment (cont'd)

For the current financial year ended 31 March 2022, in view of the relaxation of border measures and improved financial performance of the retail segment, the Group assessed that there were no indications of further impairment of the plant and equipment. In addition, there were no significant changes with favourable effect on the retail segment which has taken place during the period, or are expected to take place in near future in the economic environment in which the retail segment operates and as such, there has been no reversal of impairment losses made in prior year.

	Plant, equipment, furniture and fittings \$'000
Company	
Cost	
At 1 April 2020	1,818
Additions	368
Disposals	(71)
At 31 March 2021	2,115
Additions	55
Disposals	(7)
At 31 March 2022	2,163
Accumulated depreciation	
At 1 April 2020	1,796
Charge for 2021	56
Disposals	(71)
At 31 March 2021	1,781
Charge for 2022	129
Disposals	(7)
At 31 March 2022	1,903
Net book value	
At 31 March 2021	334
At 31 March 2022	260

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

12. INVESTMENT PROPERTY

	Note	Group 2022 \$'000	2021 \$'000
Balance sheet:			
Balance at 1 April		111,725	109,022
Adjustments to fair value		(341)	533
Foreign exchange adjustments		4,360	2,170
Balance at 31 March		115,744	111,725
Consolidated income statement:			
Rental income from an investment property	4	6,254	6,628
Direct operating expenses (including repairs, maintenance and refurbishment) arising from a rental generating property		(1,305)	(1,260)

The Group's investment property as at 31 March is as follows:

Name of building	Description	Tenure of land	Name of valuer	Valuation method	Fair value	
					2022 \$'000	2021 \$'000
GIE Tower, Guangzhou	Part of a 7-storey shopping podium & 35-storey office tower along Huan Shi Dong Road, Guangzhou, People's Republic of China	50 years' lease from 18 October 1994 (22 years remaining)	Cushman & Wakefield Limited	Average of direct capitalisation and direct comparison method	115,744	111,725

Valuation of investment property

Investment property is stated at fair value, which has been determined based on valuation at the end of the reporting period. Valuation is performed by accredited independent valuer with recent experience in the location and category of the property being valued.

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

Impact of the Coronavirus (COVID-19) outbreak

Further as disclosed in Note 3.2(i), the accounting for the investment property was based on market conditions prevailing as at 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

13. SUBSIDIARIES

	Company	
	2022	2021
	\$'000	\$'000
Unquoted equity shares, at cost	21,828	21,828
Impairment losses	–	(4,038)
Carrying amount of investments	21,828	17,790

Movement in impairment loss is as follows:

	Company	
	2022	2021
	\$'000	\$'000
Balance at beginning of financial year	4,038	4,038
Write-back of impairment loss	(4,038)	–
Balance at end of financial year	–	4,038

Details of subsidiaries are shown in Note 34.

14. AMOUNTS DUE FROM SUBSIDIARIES

	Note	Company	
		2022	2021
		\$'000	\$'000
<u>Non-current</u>			
Amounts due from subsidiaries	(a)	676,190	504,957
Impairment losses		–	(2,927)
		676,190	502,030
<u>Current</u>			
Amounts due from subsidiaries	(b)	317,080	430,138

Movement in impairment losses is as follows:

	Company	
	2022	2021
	\$'000	\$'000
Balance at beginning of financial year	2,927	2,927
Write-back of impairment loss	(2,927)	–
Balance at end of financial year	–	2,927

Write-back of impairment losses on investment in a subsidiary and amount due from a subsidiary during the financial year mainly relates to the excess of recoverable amount of a subsidiary over the carrying amount of investment.

Impairment loss made in prior financial years mainly relates to the shortfall between the carrying amount of the cost of investment, amount due from a subsidiary and the recoverable amount of a subsidiary company.

(a) Amounts due from subsidiaries – Non-current

The non-current amounts due from subsidiaries are unsecured, have no fixed terms of repayment and are interest-free, except for \$251,955,000 (2021: \$153,627,000), which bear interest of 1.7% to 4.2% (2021: 4.2% to 5.1%) per annum. The total amounts are not expected to be repaid within the next financial year, of which \$545,675,000 (2021: \$348,403,000) forms part of the Company's net investment in the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

14. AMOUNTS DUE FROM SUBSIDIARIES (cont'd)

(b) Amounts due from subsidiaries – Current

The current amounts due from subsidiaries are unsecured, repayable on demand and interest-free, except for \$61,127,000 (2021: \$68,534,000) which bear interest ranging from 1.1% to 5.1% (2021: 1.1% to 2.7%) per annum.

15. ASSOCIATES

	Note	Group		Company	
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>					
Investment in associates	(a)	438,937	373,658	500	500
Add:					
Amounts due from associates	(b)	546,734	399,613	–	–
		<u>985,671</u>	<u>773,271</u>	<u>500</u>	<u>500</u>
<u>Current</u>					
Amounts due from associates	(c)	127,174	136,696	–	–
Impairment losses	(d)	(36,327)	–	–	–
		<u>90,847</u>	<u>136,696</u>	<u>–</u>	<u>–</u>

Movement in impairment loss is as follows:

		Group	
		2022	2021
		\$'000	\$'000
Balance at beginning of financial year		–	–
Impairment losses	(d)	36,327	–
Balance at end of financial year		<u>36,327</u>	<u>–</u>

(a) Investment in associates

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Quoted equity shares, at cost	117,700	117,700	–	–
Share of post-acquisition reserves	125,095	126,973	–	–
Foreign currency translation reserve	18,023	8,804	–	–
Other reserves	392	1,843	–	–
	<u>261,210</u>	<u>255,320</u>	<u>–</u>	<u>–</u>
Unquoted equity shares, at cost	245,070	176,845	500	500
Share of post-acquisition reserves	(75,427)	(69,126)	–	–
Foreign currency translation reserve	7,987	10,619	–	–
Other reserve	97	–	–	–
	<u>177,727</u>	<u>118,338</u>	<u>500</u>	<u>500</u>
	<u>438,937</u>	<u>373,658</u>	<u>500</u>	<u>500</u>
Market value of quoted shares	<u>33,980</u>	<u>48,204</u>	<u>–</u>	<u>–</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

15. ASSOCIATES (cont'd)

(b) Amounts due from associates – Non-current

Included in the non-current amounts due from associates of \$546,734,000 (2021: \$399,613,000), \$324,567,000 (2021: \$105,667,000) are interest-free and \$222,167,000 (2021: \$293,946,000) are interest-bearing with interest rates ranging from 2.1% to 11.0% (2021: 2.8% to 15.0%) per annum. Out of the interest-bearing amounts of \$222,167,000 (2021: \$293,946,000), comprised an amount of \$75,660,000 (2021: \$61,360,000) of 7.0 per cent notes issued by an associate, Boustead Industrial Fund.

The total amounts are not expected to be repaid within the next financial year, of which \$335,614,000 (2021: \$116,934,000) forms part of the Company's net investment in the associates.

The amounts are unsecured except for \$135,460,000 (2021: \$135,460,000), whereby the loans to associates and loans extended by our associates to third parties are secured by way of share charge over the issued share capital of certain companies, assignment of shareholders' loans, legal mortgage over the underlying land and properties, personal guarantees and/or corporate guarantees.

(c) Amounts due from associates – Current

The current amounts due from associates are interest-free, unsecured and repayable on demand, except for \$57,799,000 (2021: \$116,429,000), whereby the loans extended by our associates to third parties are secured by way of share charge over the issued share capital of certain companies, assignment of shareholders' loans, legal mortgage over the underlying land and properties, personal guarantees and/or corporate guarantees and bear interest ranging from 11.1% to 16.8% (2021: 11.1% to 16.8%) per annum.

(d) Impairment losses

Due to the ongoing China property sector credit situation, impairment losses of \$36,327,000 (2021: Nil) on the amounts due from associates (current) was recognised in the Group's consolidated income statement during the financial year. The impairment assessment was performed based on the associates' exposure on underlying debt instruments which was tied to the associated development projects of the borrowers.

Amounts due from associates denominated in foreign currencies are as follows:

	Group	
	2022	2021
	\$'000	\$'000
Amounts due from associates:		
– Sterling Pound	11,048	11,267
– Chinese Renminbi	346,441	207,449
– United States Dollar	57,799	116,429
– Australian Dollar	10,016	4,151

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

15. ASSOCIATES (cont'd)

Details of the associates are shown in Note 34.

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

	Group	
	2022	2021
	\$'000	\$'000
Operating results	2,452	(22,036)
Fair value adjustments on investment properties	19,019	4,130
Non-operating results ⁽¹⁾	5,127	–
Taxation	(14,434)	(3,901)
Others	(343)	1,248
	<u>11,821</u>	<u>(20,559)</u>

⁽¹⁾ During the financial year, the non-operating results of associates of \$5,127,000 included the Group's share of non-operating results from Top Spring International Holdings Limited ("TSI") which included (a) gains on disposal of property development projects and (b) recovery of certain impaired receivables with the related compensation income, which were partially offset by (c) impairment provision due to resumption of a land parcel by the HKSAR Government.

As at 31 March 2022, the Group's share of the carrying value of the sales consideration to be received by TSI amounted to \$27,900,000 (2021: \$25,600,000). These receivables from third parties will be settled upon the obtaining of certain specific approval from the local authorities for the underlying disposed projects.

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

	Group	
	2022	2021
	\$'000	\$'000
Profit/(loss) net of taxation	8,790	(13,811)
Other comprehensive (loss)/income	(928)	642
Total comprehensive income/(loss)	<u>7,862</u>	<u>(13,169)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

15. ASSOCIATES (cont'd)

The summarised financial information in respect of material investment in an associate, based on its HKFRS financial statements for the financial year ended 31 December 2021 (2021: 31 December 2020) (not adjusted for the percentage of ownership held by the Group), and reconciliation with the carrying amount of the investment in the consolidated statements are as follows:

	Top Spring International Holdings Limited	
	2022	2021
	\$'000	\$'000
Summarised balance sheet		
Current assets	2,818,651	3,021,209
Non-current assets	2,090,018	1,681,256
Total assets	4,908,669	4,702,465
Current bank and other borrowings (excluding bonds)	(1,072,041)	(1,032,240)
Other current liabilities	(1,151,188)	(894,252)
Non-current bank and other borrowings (excluding bonds)	(631,308)	(777,748)
Other non-current liabilities	(260,151)	(241,541)
Total liabilities	(3,114,688)	(2,945,781)
Net assets	1,793,981	1,756,684
Non-controlling interests	(11,592)	(13,721)
Net assets excluding non-controlling interests	1,782,389	1,742,963
Net assets excluding non-controlling interests	1,782,389	1,742,963
Proportion of the Group's ownership	14.9%	14.9%
Group's share of net assets	266,111	260,224
Other adjustments ⁽¹⁾	(4,901)	(4,904)
Carrying amount of the investment	261,210	255,320

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

Summarised statement of comprehensive income

Revenue	110,540	99,484
Profit/(loss) net of taxation	8,082	(63,584)
Other comprehensive income	63,219	124,426
Total comprehensive income	71,301	60,842

Notes to the consolidated financial statements

Contingent liabilities		
Guarantees given to the financial institutions for mortgage loan facilities granted to purchasers of the TSI Group's properties	149,120	96,522

The directors of TSI Group consider that it is not probable that the TSI Group will sustain a loss under these guarantees as the TSI Group can take over the ownerships of the related properties and sell the properties to recover any amounts paid by the TSI Group to the banks. The directors of TSI Group also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the TSI Group in the event the purchasers default payments to the banks.

In view of the above, there is no substantive exposure to the Metro Group.

Other summarised information

Dividends received/receivable	2,765	819
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

15. ASSOCIATES (cont'd)

Top Spring International Holdings Limited ("TSI")

TSI is a public company listed on the Main Board of The Stock Exchange of Hong Kong Limited. The Group has a nominated representative on TSI's board. The Group has assessed that it has the ability to exercise significant influence in TSI and accordingly, equity accounted TSI's results. As at 31 March 2022, the Group has an effective indirect equity stake of approximately 16.2% voting rights and 14.9% ownership interest in TSI.

The financial year-end of TSI is 31 December. Due to the timing of availability of the financial information of TSI and as TSI is unable to provide financial information to the Group without providing equivalent information to all its other investors, the Group equity accounts for TSI for the period from 1 January 2021 to 31 December 2021 (2021: 1 January 2020 to 31 December 2020) and adjusts for any significant transactions and events that occur between 1 January 2022 and 31 March 2022. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The Group's share of results from its associates and the recoverability of these interests are dependent on the performance of their underlying investment properties and property development projects.

Impact of the Coronavirus (COVID-19) outbreak

Further as disclosed in Note 3.2(ii), the accounting for the interests in associates was based on market conditions prevailing as at 31 March 2022.

16. JOINT VENTURES

	Note	Group		Company	
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>					
Investment in joint ventures	(a)	320,234	301,614	–	–
Add:					
Amounts due from joint ventures	(b)	74,455	66,334	–	–
		<u>394,689</u>	<u>367,948</u>	<u>–</u>	<u>–</u>
Amounts due to joint ventures	(c)	<u>148,653</u>	<u>124,639</u>	<u>–</u>	<u>–</u>
<u>Current</u>					
Amounts due from joint ventures	(d)	<u>136,760</u>	<u>123,072</u>	<u>4,044</u>	<u>4,021</u>

(a) **Investment in joint ventures**

	Group	
	2022	2021
	\$'000	\$'000
Unquoted equity shares, at cost	96,312	96,312
Share of post-acquisition reserves	211,406	203,860
Foreign currency translation reserve	12,462	2,438
Other reserve	54	(996)
	<u>320,234</u>	<u>301,614</u>

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

The non-current amounts due from joint ventures are unsecured and interest-free, except for \$23,505,000 (2021: \$15,384,000) which bear interest ranging from 6.0% to 10.0% (2021: 6.0% to 6.2%) per annum. The total amounts are not expected to be repaid within the next financial year, of which \$50,950,000 (2021: \$50,950,000) form part of the Company's net investment in the joint ventures.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

16. JOINT VENTURES (cont'd)

(c) Amounts due to joint ventures – Non-current

The non-current amounts due to joint ventures bear interest ranging from 1.3% to 1.4% (2021: 1.2% to 2.0%), are unsecured and not expected to be repaid within the next financial year.

(d) Amounts due from joint ventures – Current

Group

The current amounts due from joint ventures are interest-free, except for \$6,930,000 (2021: \$32,519,000) which bear interest ranging from 1.6% to 3.0% (2021: 1.7% to 3.0%) per annum, unsecured and expected to be repaid within the next financial year.

Company

The current amount due from joint venture of \$4,044,000 (2021: \$4,021,000) bear interest ranging from 1.6% to 1.7% (2021: 1.7% to 2.9%) per annum, is unsecured and expected to be repaid within the next financial year.

Amounts due from/(to) joint ventures denominated in foreign currencies are as follows:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Amounts due from joint ventures				
Sterling Pound	23,505	15,385	–	–
United States Dollar	4,044	4,021	4,044	4,021
Chinese Renminbi	129,831	90,552	–	–
Amounts due to joint ventures				
Chinese Renminbi	148,653	124,639	–	–

Details of the joint ventures are shown in Note 34.

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

	Group	
	2022	2021
	\$'000	\$'000
Operating results	59,691	71,851
Fair value adjustments on investment properties	1,705	6,572
Taxation	(14,081)	(14,269)
	47,315	64,154

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

	Group	
	2022	2021
	\$'000	\$'000
Profit net of taxation	17,562	34,606
Other comprehensive income	1,050	413
Total comprehensive income	18,612	35,019

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

16. JOINT VENTURES (cont'd)

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

	Shanghai Metro City Commercial Management Co. Ltd		Shanghai Huimei Property Co Ltd	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Summarised balance sheet				
Cash and cash equivalents	96,823	73,582	31,201	24,347
Current assets (other than cash and cash equivalents)	17,113	23,228	2,495	3,471
Non-current assets	191,313	212,820	241,240	235,261
Total assets	305,249	309,630	274,936	263,079
Current liabilities	(80,079)	(82,795)	(24,955)	(21,879)
Non-current liabilities	(28,751)	(31,235)	(53,992)	(52,089)
Total liabilities	(108,830)	(114,030)	(78,947)	(73,968)
Net assets	196,419	195,600	195,989	189,111
Net assets	196,419	195,600	195,989	189,111
Proportion of the Group's ownership	60.0%	60.0%	60.0%	60.0%
Carrying amount of the investment	117,851	117,360	117,593	113,467
Summarised statement of comprehensive income				
Revenue	85,309	76,090	23,517	22,073
Interest income	3,422	2,899	915	836
Interest expenses	–	–	(68)	(84)
Depreciation expenses	(55)	(52)	(81)	(69)
Profit before tax	56,394	54,166	16,475	10,834
Taxation	(14,100)	(13,546)	(4,157)	(2,790)
Profit after tax	42,294	40,620	12,318	8,044
Other comprehensive income	–	–	–	–
Total comprehensive income	42,294	40,620	12,318	8,044
Profit after tax				
– Lease income	54,138	46,275	12,428	11,984
– Fair value adjustments	(11,844)	(5,655)	(110)	(3,940)
	42,294	40,620	12,318	8,044
Other summarised information				
Dividends receivable	27,758	27,543	7,316	6,069

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

16. JOINT VENTURES (cont'd)

The Group's share of results from its joint ventures and the recoverability of these interests are dependent on the performance of their underlying investment properties and property development projects.

Impact of the Coronavirus (COVID-19) outbreak

Further as disclosed in Note 3.2(ii), the accounting for the interests in joint ventures was based on market conditions prevailing as at 31 March 2022.

17. INVESTMENTS

	Group	
	2022	2021
	\$'000	\$'000
Current:		
<i>Financial assets at fair value through profit or loss</i>		
Equity securities (quoted)	16,493	15,932
Non-current:		
<i>Financial assets at fair value through other comprehensive income</i>		
Equity securities (quoted)	49,858	–
<i>Financial assets at fair value through profit or loss</i>		
Equity securities (unquoted), at fair value	78,062	82,880
Equity securities (quoted)	5,701	5,654
	83,763	88,534
	133,621	88,534

Equity investments designated at FVOCI

The Group has elected to designate the investments in quoted equity instruments as FVOCI because these quoted equity investments represent investments that the Group intends to hold for the long term strategic purposes.

	Fair value at 31 March 2022 \$'000	Dividend income recognised in the year \$'000
<i>Quoted investment:</i>		
Daiwa House Logistic Trust	43,623	–

Other quoted equity investment designated at FVOCI not included in the table above are insignificant to the Group. No strategic investments were disposed of during the financial year ended 31 March 2022 and 31 March 2021, and there were no transfers of any cumulative gain or loss within equity relating to these investments during the current reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

18. DEVELOPMENT PROPERTIES

	Group	
	2022	2021
	\$'000	\$'000
Development properties (at cost or net realisable value)	160,843	163,405

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

19. INVENTORIES

	Note	Group	
		2022	2021
		\$'000	\$'000
Balance sheet:			
Inventories held for resale (at cost or net realisable value)		8,990	8,859
Raw materials (at cost)		91	163
Total inventories at lower of cost or net realisable value		9,081	9,022
Movement in allowance for obsolete inventories as follows:			
Balance at 1 April		946	1,491
Write-back to the consolidated income statement	8	(281)	(545)
Balance at 31 March		665	946
Consolidated income statement:			
Inventories recognised as an expense in cost of sales		52,219	43,608
Inventories recognised as an expense in cost of sales is inclusive of the following charge/(credit):			
– Inventories written down	8	225	160
– Write-back of allowance for obsolete inventories	8	(281)	(545)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

20. ACCOUNTS AND OTHER RECEIVABLES

	Note	Group		Company	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Accounts and other receivables					
Trade receivables		52,008	63,873	–	–
Deposits		2,158	1,516	214	181
VAT receivables		12,648	13,288	–	–
Other receivables		3,908	2,757	452	–
		<u>70,722</u>	<u>81,434</u>	<u>666</u>	<u>181</u>
Financial assets					
<i>Current</i>					
Accounts and other receivables		58,074	68,146	666	181
Amounts due from subsidiaries	14	–	–	317,080	430,138
Amounts due from associates	15	90,847	136,696	–	–
Amounts due from joint ventures	16	136,760	123,072	4,044	4,021
<i>Non-current</i>					
Amounts due from subsidiaries	14	–	–	130,515	153,627
Amounts due from associates	15	211,120	282,679	–	–
Amounts due from joint ventures	16	23,505	15,384	–	–
Total receivables (current and non-current)		<u>520,306</u>	<u>625,977</u>	<u>452,305</u>	<u>587,967</u>
Add:					
Cash and cash equivalents	21	<u>331,360</u>	<u>425,669</u>	<u>67,349</u>	<u>2,490</u>
Total financial assets carried at amortised cost		<u>851,666</u>	<u>1,051,646</u>	<u>519,654</u>	<u>590,457</u>

Trade receivables are non-interest bearing and are recognised at their original invoiced amounts which represent their fair values on initial recognition.

(a) *Expected credit losses*

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	Note	Group	
		2022 \$'000	2021 \$'000
Trade receivables – nominal amounts		56	55
Less: Allowance for impairment		<u>(56)</u>	<u>(55)</u>
Balance at 31 March		<u>–</u>	<u>–</u>
Movement in allowance account:			
Balance at 1 April		55	37
Charge for the year	8	<u>1</u>	<u>18</u>
Balance at 31 March		<u>56</u>	<u>55</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

20. ACCOUNTS AND OTHER RECEIVABLES (cont'd)

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

	Group	
	2022	2021
	\$'000	\$'000
Chinese Renminbi	1,191	298
Indonesian Rupiah	64,303	75,956

21. CASH AND CASH EQUIVALENTS

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

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Fixed deposits	224,194	362,290	50,482	–
Cash on hand and at bank	107,166	63,379	16,867	2,490
Cash and cash equivalents	331,360	425,669	67,349	2,490

Fixed deposits are placed for varying periods of not more than six months depending on the immediate cash requirements of the Group and the Company and bear interest ranging from 0.1% to 4.3% (2021: 0.1% to 6.5%) per annum. Cash on hand and at bank earn interest at floating rates based on daily bank deposit rates at 0.1% to 3.0% (2021: 0.2% to 3.0%) per annum.

Cash and cash equivalents denominated in foreign currencies are as follows:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
United States Dollar	21,404	19,403	412	189
Chinese Renminbi	36,289	19,039	–	1
Indonesian Rupiah	19,284	32,282	–	–
Sterling Pound	10,000	4,331	4	4

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

22. BORROWINGS

		Group		Company	
	Note	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current					
Bank borrowings					
– Unsecured	(a)	135,524	175,142	44,152	68,534
Unsecured borrowings under the multicurrency debt issuance programme					
– 4.00% p.a. fixed rate SGD notes (repaid in October 2021)	(b)	–	149,815	–	149,815
		135,524	324,957	44,152	218,349
Non-current					
Bank borrowings					
– Unsecured	(c)	270,862	–	270,862	–
Unsecured borrowings under the multicurrency debt issuance programme					
– 4.30% p.a. fixed rate SGD notes (repayable in April 2024)	(d)	199,415	199,128	199,415	199,128
		470,277	199,128	470,277	199,128
Maturity of borrowings					
Repayable:					
Within 1 year		135,524	324,957	44,152	218,349
Within 2 to 5 years		470,277	199,128	470,277	199,128
		605,801	524,085	514,429	417,477

- (a) The Group's current bank borrowings are denominated in Sterling pound, Australian dollars and United States dollars. The revolving credit facilities bear interest at rates ranging from 0.9% to 1.7% (2021: 0.9% to 2.2%) per annum.
- (b) On 25 October 2018, the Company issued \$150 million of unsecured fixed rate notes under its \$1 billion multicurrency debt issuance programme which was established on 4 October 2018. The notes, matured in October 2021 and bore an interest of 4.00% per annum payable semi-annually in arrears, was fully redeemed during the financial year.
- (c) The Group's non-current bank borrowings are denominated in Singapore dollars and Australian dollars. The term loan facilities bear interest at rates ranging from 1.7% to 2.1% (2021: Nil) per annum.
- (d) On 2 April 2019, the Company issued \$200 million of unsecured fixed rate notes under its \$1 billion multicurrency debt issuance programme which was established on 4 October 2018. The notes will mature in April 2024 and bear an interest of 4.30% per annum payable semi-annually in arrears.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

22. BORROWINGS (cont'd)

A reconciliation of liabilities arising from financing activities is as follows:

	Cash flows			Non-cash changes		
				Foreign exchange movement	Others	
	1.4.2021 \$'000	Drawdown \$'000	Repayment \$'000	\$'000	\$'000	31.3.2022 \$'000
Borrowings						
– Current	324,957	99,921	(283,230)	(6,309)	185	135,524
– Non-current	199,128	267,015	–	3,720	414	470,277
	524,085	366,936	(283,230)	(2,589)	599	605,801

		Cash flows		Non-cash changes			
				Foreign exchange movement		Others	
	1.4.2020 \$'000	Drawdown \$'000	Repayment \$'000	\$'000	Reclass \$'000	\$'000	31.3.2021 \$'000
Borrowings							
– Current	145,165	12,276	(2)	17,675	149,815	28	324,957
– Non-current	348,348	–	–	–	(149,815)	595	199,128
	493,513	12,276	(2)	17,675	–	623	524,085

23. ACCOUNTS AND OTHER PAYABLES

	Note	Group		Company	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial liabilities					
<u>Current</u>					
Trade payables		14,936	15,735	–	–
Other payables					
– Sundry creditors		5,265	5,476	827	749
– Accruals		15,330	16,197	6,281	7,179
– Refundable deposits		2,124	2,298	–	–
		37,655	39,706	7,108	7,928
Amounts due to subsidiaries		–	–	193,696	176,339
<u>Non-current</u>					
Amounts due to joint ventures	16	148,653	124,639	–	–
Total accounts and other payables (current and non-current)		186,308	164,345	200,804	184,267
Add: Total borrowings	22	605,801	524,085	514,429	417,477
Add: Total lease liabilities	27	60,753	52,709	6,622	3,483
Total financial liabilities carried at amortised cost		852,862	741,139	721,855	605,227
Non-financial liabilities					
<u>Current</u>					
Deferred income		9,133	8,973	–	–
<u>Non-current</u>					
Deferred income		2,087	1,912	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

23. ACCOUNTS AND OTHER PAYABLES (cont'd)

Trade payables

Trade payables are non-interest bearing and are normally settled within 7 to 90 days (2021: 7 to 90 days).

Current payables denominated in foreign currencies are as follows:

	Group	
	2022	2021
	\$'000	\$'000
Indonesian Rupiah	10,547	11,842
Chinese Renminbi	3,251	3,317
Sterling Pound	51	160
Hong Kong Dollar	91	38
United States Dollar	517	352

24. SHARE CAPITAL AND TREASURY SHARES

(a) Share capital

	Group and Company			
	2022		2021	
	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			
	2022		2021	
	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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. RESERVES

	Note	Group		Company	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Revenue reserve		1,361,390	1,357,089	204,370	187,597
Foreign currency translation reserve	(a)	41,590	5,580	–	–
Fair value reserve	(b)	2,421	–	–	–
Statutory reserve	(c)	5,952	5,184	–	–
Other reserve	(d)	544	847	–	–
		<u>1,411,897</u>	<u>1,368,700</u>	<u>204,370</u>	<u>187,597</u>

(a) **Foreign currency translation reserve**

The foreign currency translation reserve is used to record exchange differences arising from translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as from the translation of foreign currency loans used to hedge the Group's net investment in foreign entities.

(b) **Fair value reserve**

Fair value reserve comprises the cumulative net change in fair value of equity investments designated to be measured at fair value through other comprehensive income (Note 17). The surplus will be transferred to retained earnings upon disposal of the respective investments.

(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) **Other reserve**

Other reserve comprises the share of other reserves of certain associates and a joint venture.

26. DIVIDENDS

	Group and Company	
	2022 \$'000	2021 \$'000
Dividends paid during the financial year:		
Final exempt (one-tier) dividend for 2021 of 2.0 cents (2020: 2.0 cents) per ordinary share	16,561	16,561
Final special exempt (one-tier) dividend for 2021 of 0.25 cents (2020: Nil) per ordinary share	2,070	–
	<u>18,631</u>	<u>16,561</u>

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 for 2022 of 2.0 cents (2021: 2.0 cents) per ordinary share	16,561	16,561
Final special exempt (one-tier) dividend for 2022 of 1.0 cent (2021: 0.25 cents) per ordinary share	8,280	2,070
	<u>24,841</u>	<u>18,631</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

27. LEASES

As lessee

The Group has commercial lease contracts for department stores and office spaces. The Group's obligations under these leases are secured by the lessor's title to the leased assets or leased assets pledged as security. The leases generally have lease terms between 2 and 5 years with renewal option of 2 to 5 years. The Group is restricted from assigning and subleasing the leased properties to third parties.

The Group also has leases with lease terms of 12 months or less and leases of certain office equipment that are considered low value. The Group applies the 'short term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(a) Carrying amounts of right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the financial year:

	Leasehold buildings	
	Group	Company
	\$'000	\$'000
Cost		
At 1 April 2020 and 31 March 2021	92,130	5,486
Additions	17,629	3,678
At 31 March 2022	109,759	9,164
Accumulated depreciation and impairment		
At 1 April 2020	29,540	1,646
Depreciation charge	11,052	548
Impairment	4,578	–
At 31 March 2021	45,170	2,194
Depreciation charge	10,327	549
At 31 March 2022	55,497	2,743
Net carrying amount		
At 31 March 2021	46,960	3,292
At 31 March 2022	54,262	6,421

Impairment of right-of-use assets

In the previous financial year, in view of the adverse impact on retail outlet's performance arising from COVID-19 pandemic, the Group carried out a review of the recoverable amount of the right-of-use assets in the retail segment. As a result of the assessment, impairment loss of \$4,578,000 was recognised in profit or loss for the financial year ended 31 March 2021.

The recoverable amount was assessed based on Value-in-Use ("VIU") determined by discounted cash flow model and the discount rate used as at 31 March 2021 was 7.8% per annum. The growth rates and other significant assumptions applied in the VIU computations are based on management's cash flow projections.

For the current financial year ended 31 March 2022, in view of the relaxation of border measures and improved financial performance of the retail segment, the Group assessed that there were no indications of further impairment of right-of-use assets. In addition, there were no significant changes with favourable effect on the retail segment which has taken place during the period, or are expected to take place in near future in the economic environment in which the retail segment operates and as such, there has been no reversal of impairment losses made in prior year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

27. LEASES (cont'd)

As lessee (cont'd)

(b) Lease liabilities

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current	10,996	9,651	578	539
Non-current	49,757	43,058	6,044	2,944
	60,753	52,709	6,622	3,483

Reconciliation of liabilities arising from financing activities

A reconciliation of liabilities arising from financing activities is as follows:

	1.4.2021	Cash flows	Non-cash items			31.3.2022
	\$'000	\$'000	Addition	Accretion of interest	Rental rebate	\$'000
			\$'000	\$'000	\$'000	
Lease liabilities	52,709	(8,628)	17,629	1,539	(2,496)	60,753

	1.4.2020	Cash flows	Non-cash items			31.3.2021
	\$'000	\$'000	Addition	Accretion of interest	Rental and property tax rebate	\$'000
			\$'000	\$'000	\$'000	
Lease liabilities	64,444	(8,185)	1,751	(5,301)		52,709

(c) Amounts recognised in consolidated income statement

	2022	2021
	\$'000	\$'000
Impairment on right-of-use assets (Note 27(a))	–	4,578
Depreciation of right-of-use assets (Note 8)	7,831	5,751
Interest expense on lease liabilities (Note 7)	1,539	1,751
Lease expense not capitalised in lease liabilities:		
Expenses relating to short term leases	25	19
Expenses relating to leases of low value assets	22	32
Expenses relating to variable lease payments not included in the measurement of lease liabilities	620	433
Advertising, promotion and service charges	4,053	3,066

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

27. LEASES (cont'd)

As lessee (cont'd)

(d) *Extension options*

The Group has several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extension options are reasonably certain to be exercised.

As lessor

The Group has entered into commercial property leases on its property portfolio. These non-cancellable leases have remaining lease terms of between 2 months and 5 years (2021: 1 and 5 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	
	2022	2021
	\$'000	\$'000
Not later than one year	5,708	6,062
Later than one year but not later than five years	7,605	8,505
	<u>13,313</u>	<u>14,567</u>

28. CONTINGENT LIABILITIES

	Company	
	2022	2021
	\$'000	\$'000
Financial support given to certain subsidiaries having:		
– deficiencies in shareholders' funds	13,770	12,476
– current liabilities in excess of current assets	<u>25,414</u>	<u>13,005</u>

29. RELATED PARTY DISCLOSURES

In addition to the related party information disclosed elsewhere in the financial statements, the significant transactions between the Group and related parties on terms agreed between the parties are as follows:

(a) *Services and other fees*

	Group	
	2022	2021
	\$'000	\$'000
Interest income from associates	(14,601)	(16,481)
Interest income from joint ventures	(272)	(33)
Service fee received from associates	(74)	–
Service fee received from joint ventures	(273)	(198)
Interest expense paid to joint ventures	<u>847</u>	<u>505</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

29. RELATED PARTY DISCLOSURES (cont'd)

(b) *Compensation of key management personnel*

	Group	
	2022	2021
	\$'000	\$'000
Salary, bonus and other benefits	4,591	5,710
Contributions to CPF	82	79
Total compensation paid to key management personnel	4,673	5,789
Comprise amounts paid to:		
Directors of the Company	2,417	2,301
Other key management personnel	2,256	3,488
	4,673	5,789

30. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has two reportable operating segments as follows:

- (i) The property sector is involved in the leasing of shopping and office spaces owned by the Group and investing in property-related investments.
- (ii) The retail segment is involved in the business of retailing and operating of departmental stores.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. SEGMENT INFORMATION (cont'd)

Business segments

	Property \$'000	Retail \$'000	Total \$'000
2022			
Segment revenue			
– Sales of goods and net commission from concessionaires	–	86,594	86,594
– Sales of property rights	7,655	–	7,655
– Rental income	6,254	–	6,254
	13,909	86,594	100,503
Segment results	24,185	4,214	28,399
Fair value loss on an investment property	(341)	–	(341)
Finance costs	(17,724)	(1,444)	(19,168)
Associates			
– Share of results, net of tax	11,821	–	11,821
– Impairment of amounts due from associates	(36,327)	–	(36,327)
	(24,506)	–	(24,506)
Joint ventures			
– Share of results, net of tax	47,315	–	47,315
Segment profit from operations before taxation	28,929	2,770	31,699
Taxation	(9,116)	1,068	(8,048)
Profit net of taxation	19,813	3,838	23,651
2021			
Segment revenue			
– Sales of goods and net commission from concessionaires	–	72,771	72,771
– Sales of property rights	17,924	–	17,924
– Rental income	6,628	–	6,628
	24,552	72,771	97,323
Segment results*	23,224	(417)	22,807
Fair value gain on an investment property	533	–	533
Finance costs	(17,733)	(1,640)	(19,373)
Associates			
– Share of results, net of tax	(20,559)	–	(20,559)
Joint ventures			
– Share of results, net of tax	64,154	–	64,154
Segment profit/(loss) from operations before taxation	49,619	(2,057)	47,562
Taxation	(11,356)	789	(10,567)
Profit/(loss) net of taxation	38,263	(1,268)	36,995

* Included impairment on right-of-use assets from the retail segment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. SEGMENT INFORMATION (cont'd)

Business segments (cont'd)

	Property \$'000	Retail \$'000	Total \$'000
2022			
Assets and liabilities			
Segment assets	808,059	87,256	895,315
Associates	1,076,518	–	1,076,518
Joint ventures	531,449	–	531,449
Total assets	2,416,026	87,256	2,503,282
Segment liabilities	785,235	78,847	864,082
Provision for taxation	7,575	–	7,575
Deferred tax liabilities	25,767	–	25,767
Total liabilities	818,577	78,847	897,424
Other segment information			
Additions to non-current assets			
– Plant and equipment	55	433	488
Finance costs	17,724	1,444	19,168
Interest income	(20,809)	(16)	(20,825)
Depreciation of plant and equipment	130	1,079	1,209
Depreciation of right-of-use assets	549	7,282	7,831
Other material non-cash items			
Inventories written down	–	225	225
Net loss in fair value of investments at fair value through profit or loss (unrealised)	2,154	–	2,154
Net gain in fair value of investments at fair value through other comprehensive income (unrealised)	(2,421)	–	(2,421)
Fair value loss on an investment property	341	–	341
Write-back of allowance for obsolete inventories	–	(281)	(281)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. SEGMENT INFORMATION (cont'd)

Business segments (cont'd)

	Property \$'000	Retail \$'000	Total \$'000
2021			
Assets and liabilities			
Segment assets	866,799	79,208	946,007
Associates	909,967	–	909,967
Joint ventures	491,020	–	491,020
Tax recoverable	379	–	379
Total assets	2,268,165	79,208	2,347,373
Segment liabilities	678,248	73,776	752,024
Provision for taxation	6,789	290	7,079
Deferred tax liabilities	22,774	–	22,774
Total liabilities	707,811	74,066	781,877
Other segment information			
Additions to non-current assets			
– Plant and equipment	377	2,178	2,555
Finance costs	17,733	1,640	19,373
Interest income	(19,930)	(16)	(19,946)
Depreciation of plant and equipment	57	1,114	1,171
Depreciation of right-of-use assets	496	5,255	5,751
Other material non-cash items			
Inventories written down	–	160	160
Net loss in fair value of investments at fair value through profit or loss (unrealised)	2,514	–	2,514
Fair value gain on an investment property	(533)	–	(533)
Write-back of allowance for obsolete inventories	–	(545)	(545)
Impairment on plant and equipment	–	138	138
Impairment on right-of-use assets	–	4,578	4,578

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. SEGMENT INFORMATION (cont'd)

Geographical information

Revenue, profit/(loss) from operations before taxation and non-current assets information based on the geographical location of the customers and assets respectively, are as follows:

	Asean ⁽¹⁾ \$'000	People's Republic of China \$'000	Australia \$'000	Others ⁽²⁾ \$'000	Group \$'000
2022					
Segment revenue from external customers	94,249	6,254	–	–	100,503
Profit/(loss) from operations before taxation	12,206	(5,784)	9,490	15,787	31,699
Non-current assets					
– Plant and equipment	1,980	8	–	–	1,988
– Right-of-use assets	54,262	–	–	–	54,262
– Investment property	–	115,744	–	–	115,744
– Associates	97,099	677,765	172,317	38,490	985,671
– Joint ventures	72,473	280,945	–	41,271	394,689
– Long term investments	–	12,786	–	120,835	133,621
	225,814	1,087,248	172,317	200,596	1,685,975
2021					
Segment revenue from external customers	90,695	6,628	–	–	97,323
Profit from operations before taxation	13,235	27,888	4,999	1,440	47,562
Non-current assets					
– Plant and equipment	2,700	10	–	–	2,710
– Right-of-use assets	46,960	–	–	–	46,960
– Investment property	–	111,725	–	–	111,725
– Associates	76,837	563,629	96,253	36,552	773,271
– Joint ventures	57,390	276,393	–	34,165	367,948
– Long term investments	–	15,237	–	73,297	88,534
	183,887	966,994	96,253	144,014	1,391,148

⁽¹⁾ Asean includes investment holding companies and costs of provision of corporate and management services.

⁽²⁾ Others include investment properties and projects mainly in the United Kingdom and Europe.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to interest rate, foreign currency, credit, liquidity and market price risks. The Group's risk management approach seeks to minimise the potential material adverse impact of these exposures.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk on interest bearing assets and liabilities 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 (2021: 1 to 3 months) from the end of the reporting period.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the Group's floating rate loans and borrowings, with all other variables held constant and the impact on the Group's profit before tax.

	Increase/ decrease in basis points	2022 \$'000	2021 \$'000
Group			
– Sterling pound	+100	(780)	(721)
– Sterling pound	-100	780	721
– Australian dollar	+100	(1,728)	(1,031)
– Australian dollar	-100	1,728	1,031
– United States dollar	+100	(61)	–
– United States dollar	-100	61	–
– Singapore dollar	+100	(1,500)	–
– Singapore dollar	-100	1,500	–

(b) Foreign currency risk

The Group is exposed to the effects of foreign currency exchange rate fluctuations, primarily in relation to Chinese renminbi (RMB), United States dollar (USD), Hong Kong dollar (HKD), Sterling pound (GBP), Australian dollar (AUD) and Indonesian rupiah (IDR). Whenever possible, the Group seeks to maintain a natural hedge through the matching of liabilities, including borrowings, against assets in the same currency or against the entity's functional currency, in particular its future revenue stream. Transactional exposures in currencies other than the entity's functional currency are kept to a minimal level.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(b) *Foreign currency risk (cont'd)*

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including United Kingdom and Australia. The Group's investment in certain United Kingdom and Australia associates and a joint venture are hedged by GBP and AUD denominated bank loans, which mitigates structural currency exposure arising from the associates' and joint venture's net assets. Gains or losses on the translation of the borrowings are transferred to other comprehensive income to offset any gains or losses on translation of the net investments in the foreign operations.

Impact of hedging on equity

Set out below is the reconciliation of foreign currency translation reserve and the analysis of other comprehensive income:

	Group	
	2022	2021
	\$'000	\$'000
As at 1 April	5,580	(10,296)
Foreign currency revaluation of the foreign currency denominated borrowings	682	(15,118)
Foreign currency revaluation of the net foreign operations	27,102	12,727
Share of other comprehensive income	8,226	18,267
As at 31 March	41,590	5,580

Sensitivity analysis for foreign currency risk

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

		2022		2021	
		Profit	Equity	Profit	Equity
		before tax	\$'000	before tax	\$'000
		\$'000	\$'000	\$'000	\$'000
RMB	– strengthened 5% (2021: 5%)	1,729	16,364	5,081	4,388
	– weakened 5% (2021: 5%)	(1,729)	(16,364)	(5,081)	(4,388)
USD	– strengthened 5% (2021: 5%)	3,445	2,890	3,490	6,022
	– weakened 5% (2021: 5%)	(3,445)	(2,890)	(3,490)	(6,022)
HKD	– strengthened 5% (2021: 5%)	285	13	282	13
	– weakened 5% (2021: 5%)	(285)	(13)	(282)	(13)
GBP	– strengthened 5% (2021: 5%)	943	584	497	630
	– weakened 5% (2021: 5%)	(943)	(584)	(497)	(630)
IDR	– strengthened 5% (2021: 5%)	3,667	–	4,820	–
	– weakened 5% (2021: 5%)	(3,667)	–	(4,820)	–
AUD	– strengthened 5% (2021: 5%)	128	–	54	–
	– weakened 5% (2021: 5%)	(128)	–	(54)	–

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For the financial year ended 31 March 2022

31. 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 Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments and when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Group categorises a loan or receivable for potential write-off where the receivable remains uncollectible after all reasonable collection efforts have been exhausted. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

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

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its financial assets on an on-going basis. The credit risk concentration profile of the Group's financial assets at the end of the reporting period by country is as follows:

By country:	Note	Singapore \$'000	People's Republic of China \$'000	Australia \$'000	Others \$'000	Total \$'000
2022						
Amounts due from associates						
– Non-current	15	75,660	135,460	–	–	211,120
– Current	15	1,306	79,525	10,016	–	90,847
Amounts due from joint ventures						
– Non-current	16	–	–	–	23,505	23,505
– Current	16	2,884	133,876	–	–	136,760
Accounts and other receivables	20	67,922	2,800	–	–	70,722
Total		147,772	351,661	10,016	23,505	532,954
2021						
Amounts due from associates						
– Non-current	15	61,360	221,319	–	–	282,679
– Current	15	341	132,204	4,151	–	136,696
Amounts due from joint ventures						
– Non-current	16	–	–	–	15,384	15,384
– Current	16	28,498	94,574	–	–	123,072
Accounts and other receivables	20	79,319	2,115	–	–	81,434
Total		169,518	450,212	4,151	15,384	639,265

Of the total financial assets of \$532,954,000 (2021: \$639,265,000) disclosed above, 99.5% (2021: 99.5%) is invested in the property sector.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and cash equivalents and investments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 20.

(d) **Liquidity risk**

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's cash and short term deposits, operating cash flows, availability of banking facilities and debt maturity profile are actively managed to ensure adequate working capital requirements and that repayment and funding needs are met.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(d) *Liquidity risk* (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Group	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
2022				
Financial assets:				
Accounts and other receivables	58,074	–	–	58,074
Amounts due from associates	94,837	166,056	97,730	358,623
Amounts due from joint ventures	137,763	25,470	–	163,233
Short term investments	16,493	–	–	16,493
Cash and cash equivalents	331,587	–	–	331,587
Total undiscounted financial assets	638,754	191,526	97,730	928,010
Financial liabilities:				
Borrowings	149,278	487,628	–	636,906
Accounts and other payables	37,655	–	–	37,655
Amounts due to joint ventures	–	154,449	–	154,449
Lease liabilities	12,633	49,087	4,110	65,830
Total undiscounted financial liabilities	199,566	691,164	4,110	894,840
Total net undiscounted financial assets/(liabilities)	439,188	(499,638)	93,620	33,170
2021				
Financial assets:				
Accounts and other receivables	68,146	–	–	68,146
Amounts due from associates	169,892	251,275	82,495	503,662
Amounts due from joint ventures	123,152	17,098	–	140,250
Short term investments	15,932	–	–	15,932
Cash and cash equivalents	425,946	–	–	425,946
Total undiscounted financial assets	803,068	268,373	82,495	1,153,936
Financial liabilities:				
Borrowings	332,772	220,640	–	553,412
Accounts and other payables	43,203	–	–	43,203
Amounts due to joint ventures	–	132,388	–	132,388
Lease liabilities	12,251	38,144	7,838	58,233
Total undiscounted financial liabilities	388,226	391,172	7,838	787,236
Total net undiscounted financial assets/(liabilities)	414,842	(122,799)	74,657	366,700

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(d) *Liquidity risk (cont'd)*

Company	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
2022				
Financial assets:				
Accounts and other receivables	666	–	–	666
Amounts due from subsidiaries	317,080	135,813	–	452,893
Amount due from a joint venture	4,111	–	–	4,111
Cash and cash equivalents	67,382	–	–	67,382
Total undiscounted financial assets	389,239	135,813	–	525,052
Financial liabilities:				
Borrowings	57,841	487,628	–	545,469
Trade and other payables	7,108	–	–	7,108
Amounts due to subsidiaries	193,696	–	–	193,696
Lease liabilities	765	3,060	3,825	7,650
Total undiscounted financial liabilities	259,410	490,688	3,825	753,923
Total net undiscounted financial assets/(liabilities)	129,829	(354,875)	(3,825)	(228,871)
2021				
Financial assets:				
Accounts and other receivables	181	–	–	181
Amounts due from subsidiaries	436,737	159,288	–	596,025
Amount due from a joint venture	4,101	–	–	4,101
Cash and cash equivalents	2,490	–	–	2,490
Total undiscounted financial assets	443,509	159,288	–	602,797
Financial liabilities:				
Borrowings	226,126	220,640	–	446,766
Trade and other payables	7,928	–	–	7,928
Amounts due to subsidiaries	176,339	–	–	176,339
Lease liabilities	634	2,535	634	3,803
Total undiscounted financial liabilities	411,027	223,175	634	634,836
Total net undiscounted financial assets/(liabilities)	32,482	(63,887)	(634)	(32,039)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(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 financial assets at fair value through profit or loss and fair value through other comprehensive income. 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.

	2022		2021	
	Profit before tax \$'000	Equity \$'000	Profit before tax \$'000	Equity \$'000
HSI				
- 10% higher	570	—	565	—
- 10% lower	(570)	—	(565)	—
STI				
- 10% higher	1,649	4,986	1,593	—
- 10% lower	(1,649)	(4,986)	(1,593)	—

32. FAIR VALUE OF ASSETS AND LIABILITIES

(a) *Fair value hierarchies*

The Group categorises 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(b) *Assets measured at fair value*

The following table shows an analysis of each class of assets measured at fair value at the end of the reporting period:

	2022			
	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:				
Current				
Financial assets at fair value through profit or loss (Note 17)				
– Quoted equity instruments	16,493	–	–	16,493
Non-current				
Financial assets at fair value through other comprehensive income (Note 17)				
– Quoted equity instruments	49,858	–	–	49,858
Financial assets at fair value through profit or loss (Note 17)				
– Quoted equity instruments	5,701	–	–	5,701
– Unquoted equity instruments	–	–	78,062	78,062
Total long term financial assets	55,559	–	78,062	133,621
Financial assets as at 31 March 2022	72,052	–	78,062	150,114
Non-financial asset:				
Investment property (Note 12)	–	–	115,744	115,744
Non-financial asset as at 31 March 2022	–	–	115,744	115,744

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

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

	2021			
	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:				
Current				
Financial assets at fair value through profit or loss (Note 17)				
– Quoted equity instruments	15,932	–	–	15,932
Non-current				
Financial assets at fair value through profit or loss (Note 17)				
– Quoted equity instruments	5,654	–	–	5,654
– Unquoted equity instruments	–	–	82,880	82,880
Total long term financial assets	5,654	–	82,880	88,534
Financial assets as at 31 March 2021	21,586	–	82,880	104,466
Non-financial asset:				
Investment property (Note 12)	–	–	111,725	111,725
Non-financial asset as at 31 March 2021	–	–	111,725	111,725

There have been no transfers between Level 1, Level 2 and Level 3 during 2022 and 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

(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.

(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 2022 \$'000	Valuation techniques	Key unobservable inputs	Range
Recurring fair value measurements				
Financial assets at fair value through profit or loss:				
– Unquoted equity instruments	78,062	Net asset value ⁽¹⁾	Not applicable	Not applicable
Investment property	115,744	Average of direct capitalisation method and direct comparison method ⁽²⁾	– Capitalisation rate ⁽³⁾ – Rental rate ⁽⁴⁾ – Comparable price ⁽⁵⁾	6.00% per annum RMB 117 to RMB 143 per square meter per month Retail and office: RMB 18,848 to RMB 22,447 per square meter Carpark space: RMB 300,000 per carpark lot

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

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

(i) Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

Description	Fair Value at 31 March 2021 \$'000	Valuation techniques	Key unobservable inputs	Range
Recurring fair value measurements				
Financial assets at fair value through profit or loss:				
– Unquoted equity instruments	82,880	Net asset value ⁽¹⁾	Not applicable	Not applicable
Investment property	111,725	Average of direct capitalisation method and direct comparison method ⁽²⁾	– Capitalisation rate ⁽³⁾ – Rental rate ⁽⁴⁾ – Comparable price ⁽⁵⁾	6.00% per annum RMB 116 to RMB 143 per square meter per month Retail and office: RMB 18,788 to RMB 22,404 per square meter Carpark space: RMB 300,000 per carpark lot

⁽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 property.

⁽⁴⁾ An increase/(decrease) in the rental rate would result in an increase/(decrease) in the fair value of the investment property.

⁽⁵⁾ An increase/(decrease) in the comparable price would result in an increase/(decrease) in the fair value of the investment property.

The valuation of the investment property is 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 2022

32. FAIR VALUE OF ASSETS AND LIABILITIES (cont'd)

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

(ii) *Movements in Level 3 assets measured at fair value*

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

	2022		
	Financial assets at fair value through profit or loss (Unquoted equity instruments) \$'000	Investment property \$'000	Total \$'000
Group			
Opening balance	82,880	111,725	194,605
Total gains or losses for the financial year			
– Fair value loss recognised in profit or loss	(3,766)	(341)	(4,107)
Additions	16,601	–	16,601
Redemptions	(17,767)	–	(17,767)
Foreign exchange differences	114	4,360	4,474
Closing balance	78,062	115,744	193,806
	2021		
	Financial assets at fair value through profit or loss (Unquoted equity instruments) \$'000	Investment property \$'000	Total \$'000
Group			
Opening balance	93,248	109,022	202,270
Total gains or losses for the financial year			
– Fair value (loss)/gain recognised in profit or loss	(5,424)	533	(4,891)
Additions	556	–	556
Redemptions	(3,669)	–	(3,669)
Foreign exchange differences	(1,831)	2,170	339
Closing balance	82,880	111,725	194,605

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32. 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 SFRS(I) 13 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 in light of the prevailing conditions at 31 March 2022. Please refer to Note 12 for more details.

(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			
	Carrying amount		Fair value	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Financial assets:				
Amounts due from associates (non-current)				
– Fixed rate ⁽¹⁾	211,120	282,679	231,858	313,117
Amounts due from a joint venture (non-current) ⁽²⁾				
– Fixed rate ⁽¹⁾	9,368	–	10,891	–
	220,488	282,679	242,749	313,117
	Company			
	Carrying amount		Fair value	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Financial assets:				
Amounts due from subsidiaries (non-current) ⁽²⁾				
– Fixed rate ⁽¹⁾	130,515	153,627	135,812	156,321

⁽¹⁾ The fair value of fixed rate amounts due from associates, joint venture and subsidiaries are estimated using discounted cash flow analysis based on current rates for similar types of borrowing arrangements.

⁽²⁾ The interest-bearing amounts due from a joint venture and subsidiaries have been excluded as they are charged at floating interest rates and their carrying amounts approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

33. CAPITAL MANAGEMENT POLICY

The primary objective of the Group's capital management is to ensure that it maintains a strong credit standing and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2021 and 31 March 2022.

As disclosed in Note 25(c), a subsidiary and joint ventures of the Group are required by the Foreign Enterprise Law of the PRC to contribute to and maintain non-distributable statutory reserve fund whose utilisation is subject to approval by the relevant PRC authorities. This externally imposed capital requirement has been complied with by the above-mentioned subsidiary and joint ventures for the financial years ended 31 March 2021 and 31 March 2022.

The Group monitors capital using a debt-equity ratio, which is net debt divided by shareholders' funds. 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.

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

	Group	
	2022 \$'000	2021 \$'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 ARC Investments Pte Ltd	*	*
(formerly known as Metro Holdings (Japan) Pte Ltd)		
Metro Investments Holdings Pte Ltd	*	*
	<u>21,828</u>	<u>21,828</u>

* Cost is less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

Details of subsidiaries, associates and joint ventures at 31 March are:

Subsidiaries (Country of incorporation)	Place of business	Percentage of equity held by the Group	
		2022 %	2021 %
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 ARC Investments Pte Ltd (formerly known as Metro Holdings (Japan) Pte Ltd) (Singapore)	Singapore	100.0	100.0
Metro Investments Holdings Pte Ltd (Singapore)	Singapore	100.0	100.0
Investment trading			
Meren Pte Ltd (Singapore)	Singapore	100.0	100.0
Held by subsidiaries			
Property			
Guangzhou International Electronics Building Co Ltd (People's Republic of China)	People's Republic of China	100.0	100.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

	Subsidiaries (cont'd) (Country of incorporation)	Place of business	Percentage of equity held by the Group	
			2022 %	2021 %
Held by subsidiaries (cont'd)				
Investment holding				
	Metro Xinjiang Investments Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
	Metro Properties (Shanghai) Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
	Metro Leisure (Shanghai) Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
	Metro Shanghai HQ Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
+	Metrobilt South China Ltd (Hong Kong)	Hong Kong	100.0	100.0
+	Metrobilt Enterprise Ltd (Hong Kong)	People's Republic of China	100.0	100.0
+	MetroProp (China) (Mauritius)	People's Republic of China	94.0	94.0
	Metro City (Beijing) Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
+	Crown Investments Ltd (Mauritius)	People's Republic of China	100.0	100.0
Ω	Firewave Management Limited (British Virgin Islands)	People's Republic of China	100.0	100.0
	Metro Prop Singapore Pte Ltd (Singapore)	Singapore	100.0	100.0
	Metro (Shanghai) Enterprise Management Pte Ltd (Singapore)	People's Republic of China	100.0	100.0
Ω	Xing Metro Enterprise Management (Shanghai) Co. Ltd (People's Republic of China)	People's Republic of China	100.0	100.0
Ω	Shanghai Xing Luo Business Consulting Co. Ltd (People's Republic of China)	People's Republic of China	100.0	100.0
+	PT. Metro Property Investment (Indonesia)	Indonesia	90.0	90.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

Subsidiaries (cont'd) (Country of incorporation)		Place of business	Percentage of equity held by the Group	
			2022 %	2021 %
Held by subsidiaries (cont'd)				
Investment holding (cont'd)				
Ω	Shanghai Xing Chu Business Consulting Co. Ltd (People's Republic of China)	People's Republic of China	100.0	100.0
Ω	Sunshine (BVI) Ltd (British Virgin Islands)	People's Republic of China	100.0	100.0
(1)	Metro Prop Investments Ltd (Mauritius)	People's Republic of China	100.0	100.0
Ω	Metro Property (BVI) Limited (British Virgin Islands)	People's Republic of China	100.0	100.0
Ω	Metro-LKT (BVI) Limited (British Virgin Islands)	People's Republic of China	79.2	79.2
Ω	Shanghai Xing Guang Business Consulting Co. Ltd (People's Republic of China)	People's Republic of China	100.0	100.0
Ω	Shanghai Xing Shu Business Consulting Co. Ltd (People's Republic of China)	People's Republic of China	100.0	100.0
	Metro SL Australia Investment Pte. Ltd. (Singapore)	Singapore	100.0	100.0
	Metro (Aus) Property Trust Pte. Ltd. (Singapore)	Singapore	100.0	100.0
	Metro Property Trust (A) Pte. Ltd. (Singapore)	Singapore	100.0	100.0
	Metro Property Trust II (A) Pte. Ltd. (Singapore)	Singapore	100.0	100.0
Management service consultants				
	Metrobilt Construction Pte Ltd (Singapore)	Singapore	100.0	100.0
Dormant companies				
	Idea Shoppe Pte Ltd (Singapore)	Singapore	100.0	100.0
	The Marketing Co Pte Ltd (Singapore)	Singapore	100.0	100.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

	Associates (Country of incorporation)	Place of business	Percentage of equity held by the Group	
			2022 %	2021 %
	Property			
&	Etika Cekap Sdn Bhd (Malaysia)	Malaysia	49.0	49.0
&	Gurney Plaza Sdn Bhd (Malaysia)	Malaysia	49.0	49.0
*	Shanghai Yong Ling Property Development Co. Ltd (People's Republic of China)	People's Republic of China	38.5	35.0
+	Aristotle (RQ) Limited (United Kingdom)	United Kingdom	30.0	30.0
+	Basilides (DSW) Limited (United Kingdom)	United Kingdom	30.0	30.0
&	Boustead Industrial Fund (Singapore)	Singapore	26.0	26.0
	Investment holding			
& ^	Gurney Investments Pte Ltd (Singapore)	Singapore	50.0	50.0
&	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	14.9	14.9
&	Fairbriar Real Estate Limited (England and Wales)	United Kingdom	25.0	25.0
&	BentallGreenOak China Real Estate Fund II (A), L.P. (Guernsey)	People's Republic of China	23.7	23.7
Ω	South Bright Investment Limited (British Virgin Islands)	People's Republic of China	48.0	48.0
(2)	Shanghai Lai Peng Business Consulting Co. Ltd (People's Republic of China)	People's Republic of China	–	30.0
&	Shine Long Limited (British Virgin Islands)	People's Republic of China	30.0	30.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

Associates (cont'd) (Country of incorporation)		Place of business	Percentage of equity held by the Group	
			2022 %	2021 %
Investment holding (cont'd)				
&	Huge Source Limited (Hong Kong)	People's Republic of China	30.0	30.0
&	Progress Link Limited (British Virgin Islands)	People's Republic of China	30.0	30.0
*	Shanghai Yi Zhou Property Management Co., Ltd (People's Republic of China)	People's Republic of China	38.5	35.0
*	Shanghai Shang Min Business Consulting Co. Ltd (People's Republic of China)	People's Republic of China	38.5	35.0
(3) Ω	Shanghai Shang Qi Management Consulting Co. Ltd (People's Republic of China)	People's Republic of China	38.5	—
&	Jovial Paradise Limited (British Virgin Islands)	People's Republic of China	43.8	43.8
&	Global Charm Ventures Limited (British Virgin Islands)	People's Republic of China	42.6	42.6
&	Joyful Star Enterprise Limited (British Virgin Islands)	People's Republic of China	40.5	40.5
&	Most Success Enterprise Limited (British Virgin Islands)	People's Republic of China	27.7	27.7
&	Profound Success Investment Limited (British Virgin Islands)	People's Republic of China	27.7	27.7
Ω	Starry New Limited (British Virgin Islands)	People's Republic of China	47.3	47.3
&	SLH Property Trust (Singapore)	Singapore	30.0	20.0
&	Sim Lian Property Trust (Singapore)	Singapore	30.0	20.0
&	Sim Lian Property Trust II (Singapore)	Singapore	30.0	20.0
&	SLH (Aus) Property Trust (Australia)	Australia	30.0	20.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

Associates (cont'd) (Country of incorporation)		Place of business	Percentage of equity held by the Group	
			2022 %	2021 %
Investment holding (cont'd)				
&	SLG Property Trust (Australia)	Australia	30.0	20.0
&	SLG Property Trust II (Australia)	Australia	30.0	20.0
	Paideia Trustee Pte. Ltd. (Singapore)	Singapore	33.3	33.3
	Paideia Capital UK Trust (Singapore)	Singapore	30.0	30.0
	Paideia Capital Pte. Ltd. (Singapore)	Singapore	30.0	30.0
Asset and investment management				
&	Sim Lian – Metro Capital Pte. Ltd. (Singapore)	Singapore	30.0	20.0
&	SLMC (Australia) Pty Ltd (Australia)	Australia	30.0	20.0
&	SLMC Property Australia Pty Ltd (Australia)	Australia	30.0	20.0
	Paideia Partners Pte. Ltd. (Singapore)	Singapore	33.3	33.3
Joint Ventures (Country of incorporation)		Place of business	Percentage of equity held by the Group	
			2022 %	2021 %
Property				
&	Wingcrown Investment Pte. Ltd. (Singapore)	Singapore	40.0	40.0
* @	Shanghai Metro City Commercial Management Co. Ltd (People's Republic of China)	People's Republic of China	60.0	60.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

Joint Ventures (cont'd) (Country of incorporation)		Place of business	Percentage of equity held by the Group	
			2022 %	2021 %
Property (cont'd)				
* @	Shanghai Huimei Property Co Ltd (People's Republic of China)	People's Republic of China	60.0	60.0
&	Scarborough DC Limited (England and Wales)	United Kingdom	50.0	50.0
&	Lee Kim Tah - Metro Jersey Limited (Jersey)	United Kingdom	50.0	50.0
	T-Grande Property Holding Pte. Ltd. (Singapore)	Singapore	50.0	50.0
Investment holding				
	Ascend TGrande Pte. Ltd. (Singapore)	Singapore	50.0	50.0
	T-Grande Investment Holding Pte. Ltd. (Singapore)	Singapore	50.0	50.0
&	Xiamen CICC Qihang Equity Investment Partnership (Limited Partnership) (People's Republic of China)	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.

^ The Group has equity accounted for its interest in Gurney Investments Pte Ltd as an associate in view of the fact that the Group does not have control of the entity but only significant influence over the entity.

(1) Commenced liquidation after the financial year.

(2) Deregistered during the financial year.

(3) Incorporated 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

34. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (cont'd)

All companies are audited by Ernst & Young LLP, Singapore except for the following:

- + Audited by member firms of Ernst & Young Global in the respective countries.
- * Audited for purpose of Group consolidation by member firms of Ernst & Young Global.
- & Audited by other firms. These subsidiaries, joint ventures and associates are not considered significant as defined under Clause 718 of the Listing Manual of the Singapore Exchange Securities Trading Limited.
- # This significant foreign incorporated associate is audited by other firm which is considered a suitable auditing firm as it is one of the big four audit firms.

35. COMMITMENTS

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	
	2022	2021
	\$'000	\$'000
Capital commitments in respect of investment in:		
– Long term investments	5,227	7,848
– Associates	21,257	27,213

36. SUBSEQUENT EVENTS

Subsequent to the financial year end:

- (a) The Group has entered into a subscription agreement pursuant to which the Group will invest \$6.0 million for a 10% stake in DocMed Technology Pte. Ltd. ("DocMed") through the subscription of new preference shares in DocMed, which is intended for pharmaceutical distribution business.
- (b) The Group has entered into a sale and purchase agreement to acquire four purpose-built student accommodation ("PBSA") properties in the United Kingdom through its 30% wholly-owned PBSA fund, Paideia Capital UK Trust. The Group's 30% equity commitment for the acquisition is approximately GBP10.6 million (approximately \$18.8 million). The legal completion was on 31 May 2022.

37. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 March 2022 were authorised for issue in accordance with a resolution of the directors on 5 July 2022.

STATISTICS OF SHAREHOLDINGS

As at 8 June 2022

Number of issued and paid up shares (excluding treasury shares)	:	828,035,874
Amount of issued and paid up shares	:	S\$165,464,900
Class of shares	:	Ordinary shares
Voting rights	:	1 vote per share
Treasury shares	:	3,512,800
Subsidiary holdings*	:	Nil

* “**Subsidiary holdings**” is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967.

TWENTY LARGEST SHAREHOLDERS

No.	Shareholder's Name	No. of Shares	%
1	Eng Kuan Company Private Limited	188,995,635	22.82
2	Ngee Ann Development Pte Ltd	85,515,056	10.33
3	Citibank Nominees Singapore Pte Ltd	82,686,835	9.99
4	Raffles Nominees (Pte.) Limited	77,100,384	9.31
5	Dynamic Holdings Pte Ltd	48,293,203	5.83
6	Maybank Securities Pte. Ltd.	35,005,482	4.23
7	DBS Nominees (Private) Limited	19,856,250	2.40
8	BPSS Nominees Singapore (Pte.) Ltd.	15,881,600	1.92
9	Lee Yuen Shih	10,678,200	1.29
10	UOB Kay Hian Private Limited	8,662,016	1.05
11	Morph Investments Ltd	8,045,600	0.97
12	United Overseas Bank Nominees (Private) Limited	7,875,153	0.95
13	Monconcept Investments Pte Ltd	7,576,512	0.91
14	Phillip Securities Pte Ltd	7,305,410	0.88
15	OCBC Securities Private Limited	6,472,860	0.78
16	Teo Cheng Tuan Donald	5,000,000	0.60
17	Como Holdings Inc	4,804,800	0.58
18	City Developments Realty Limited	4,608,000	0.56
19	Ong Sioe Hong	4,211,182	0.51
20	United Caoutchouc Trading Co. Pte. Ltd.	3,560,000	0.43
Total		632,134,178	76.34

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	111	2.13	4,056	0.00
100 – 1,000	361	6.95	198,040	0.02
1,001 – 10,000	2,030	39.06	12,192,082	1.47
10,001 – 1,000,000	2,652	51.03	144,647,033	17.47
1,000,001 and above	43	0.83	670,994,663	81.04
Total	5,197	100.00	828,035,874	100.00

Note:

Percentage is computed based on 828,035,874 issued shares (excluding 3,512,800 shares held as treasury shares) as at 8 June 2022.

SUBSTANTIAL SHAREHOLDERS

As at 8 June 2022

	No. of Shares		No. of Shares	
	Direct Interest	% ⁽¹⁾	Deemed Interest	% ⁽¹⁾
Eng Kuan Company Private Limited	188,995,635	22.824	—	—
Dynamic Holdings Pte Ltd	48,293,203	5.832	—	—
Leroy Singapore Pte Ltd	—	—	55,758,905 ⁽²⁾	6.734
Ong Jen Yaw	70,540	0.009	215,503,049 ⁽³⁾	26.026
Ong Ling Ling	75,360	0.009	237,288,838 ⁽⁴⁾	28.657
Ong Ching Ping	63,360	0.008	237,288,838 ⁽⁴⁾	28.657
Ong Jenn (Wang Zhen)	63,360	0.008	293,047,743 ⁽⁵⁾	35.391
Ong Sek Hian (Wang ShiXian)	—	—	293,111,103 ⁽⁶⁾	35.398
Ngee Ann Development Pte Ltd	85,515,056	10.327	—	—
Ngee Ann Kongsi	—	—	85,515,056 ⁽⁷⁾	10.327
Takashimaya Company Limited	—	—	85,515,056 ⁽⁸⁾	10.327

Notes:

- ⁽¹⁾ “%” is based on 828,035,874 issued shares (excluding treasury shares).
- ⁽²⁾ Leroy Singapore Pte Ltd (“**Leroy**”)’s deemed interest is held through Raffles Nominees (Pte.) Limited.
- ⁽³⁾ Mr Ong Jen Yaw’s deemed interest is held through Eng Kuan Company Private Limited (“**Eng Kuan**”) (188,995,635 shares) and Citibank Nominees Singapore Pte Ltd (26,507,414 shares). Mr Ong Jen Yaw is deemed to be interested in the shares through his interest in Eng Kuan.
- ⁽⁴⁾ Ms Ong Ling Ling’s and Ms Ong Ching Ping’s deemed interests are each held through their respective interests in Dynamic Holdings Pte Ltd (“**Dynamic**”) and Eng Kuan.
- ⁽⁵⁾ Mr Ong Jenn (Wang Zhen)’s deemed interest is held through his interests in Dynamic, Eng Kuan and Leroy.
- ⁽⁶⁾ Mr Ong Sek Hian (Wang ShiXian)’s deemed interest is held through Raffles Nominees (Pte.) Limited (63,360 shares) and his interests in Dynamic, Eng Kuan and Leroy.
- ⁽⁷⁾ Ngee Ann Kongsi is deemed to be interested in the shares through its interest in Ngee Ann Development Pte Ltd.
- ⁽⁸⁾ Takashimaya Company Limited is deemed to be interested in the shares through its interest in Ngee Ann Development Pte Ltd.

PERCENTAGE OF SHAREHOLDINGS IN PUBLIC HANDS

To the best knowledge of the Company, the percentage of shareholding held in the hands of the public as at 8 June 2022 is approximately 47.57% of the total issued shares, excluding treasury shares. Therefore, the Company complies with Rule 723 of the Listing Manual.

TREASURY SHARES AND SUBSIDIARY HOLDINGS

As at 8 June 2022, the number of treasury shares held is 3,512,800 representing 0.42% of the total number of issued shares. The Company does not have any subsidiary holdings.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Ninth Annual General Meeting of the Company will be convened and held by way of electronic means on Friday, 22 July 2022 at 11.00 a.m. (Singapore time) for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement, Auditor's Report and Audited Financial Statements for the year ended 31 March 2022. **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 2022. **Resolution 2**
3. To declare the payment of a special tax exempt (one-tier) dividend of 1.0 cent per ordinary share for the year ended 31 March 2022. **Resolution 3**
4. To re-elect Lt-Gen (Retd) Winston Choo Wee Leong, a Director retiring pursuant to Article 94 of the Company's Constitution. [refer to explanatory note (a)] **Resolution 4**
5. To re-elect Mr Tan Soo Khoo, a Director retiring pursuant to Article 94 of the Company's Constitution. [refer to explanatory note (b)] **Resolution 5**
6. To re-elect Mr Yip Hoong Mun, a Director retiring pursuant to Article 94 of the Company's Constitution. [refer to explanatory note (c)] **Resolution 6**
7. To approve the Directors' Fees of \$996,371 (2021: \$915,500) for the year ended 31 March 2022. **Resolution 7**
8. To re-appoint Ernst & Young LLP as the Company's Auditor and to authorise the Directors to fix its remuneration. **Resolution 8**

SPECIAL BUSINESS

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

9. Share Issue Mandate

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

- (a) (i) issue shares of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,
- at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

NOTICE OF ANNUAL GENERAL MEETING

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
 - (b) any subsequent bonus issue, consolidation or subdivision of shares,

and, in sub-paragraph (1) above and this sub-paragraph (2), “**subsidiary holdings**” has the meaning given to it in the Listing Manual of the Singapore Exchange Securities Trading Limited;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. [refer to explanatory note (d)]

Resolution 9

10. Renewal of the Share Purchase Mandate

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the “**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares of the Company (“**Shares**”) not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (i) market purchase(s) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and/or any other stock exchange on which the Shares may for the time being be listed and quoted (“**Other Exchange**”); and/or
 - (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

NOTICE OF ANNUAL GENERAL MEETING

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the **"Share Purchase Mandate"**);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
 - (i) the date on which the next Annual General Meeting of the Company is held;
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held; and
 - (iii) the date on which purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

- (c) in this Resolution:

"Average Closing Price" means the average of the closing market prices of the Shares over the last five market days on which the Shares were transacted on the SGX-ST or, as the case may be, Other Exchange, before the date of the market purchase by the Company, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs during the relevant five-day period and the date of the market purchase by the Company;

"date of the making of the offer" means the date on which the Company makes an offer for the purchase or acquisition of Shares from shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

"Maximum Limit" means that number of Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST));

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a market purchase of a Share, 5% above the Average Closing Price; and
- (ii) in the case of an off-market purchase of a Share pursuant to an equal access scheme, the NTAV of a Share; and

"NTAV of a Share" means the net tangible asset value of a Share taken from the latest announced consolidated financial statements of the Company preceding the date of the making of the offer pursuant to the off-market purchase; and

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution. [refer to explanatory note (e)]

Resolution 10

NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF RECORD DATE

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 28 July 2022 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 special tax exempt (one-tier) dividend of 1.0 cent per ordinary share for the financial year ended 31 March 2022 (the "**Proposed Dividends**").

Duly completed transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #11-02, Singapore 068898 up to 5.00 p.m. on 27 July 2022 (the "**Record Date**") 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 the Record Date will rank for the Proposed Dividends.

The Proposed Dividends, if approved at the Forty-Ninth Annual General Meeting of the Company to be held on 22 July 2022, will be paid on 8 August 2022.

By Order of the Board
Tan Ching Chek and Eve Chan Bee Leng
Joint Company Secretaries

7 July 2022
Singapore

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (a) Lt-Gen (Retd) Winston Choo Wee Leong, if re-elected, will continue to serve as the Chairman of the Board, Remuneration, Nominating and Investment Committees. Information pursuant to Rule 720(6) of the Listing Manual of the SGX-ST on Lt-Gen (Retd) Winston Choo Wee Leong can be found in the “Information on Directors Seeking Re-election” section of the Company’s Annual Report 2022.
- (b) Mr Tan Soo Khoon, if re-elected, will continue to serve as a member of the Audit, Nominating and Investment Committees. Information pursuant to Rule 720(6) of the Listing Manual of the SGX-ST on Mr Tan Soo Khoon can be found in the “Information on Directors Seeking Re-election” section of the Company’s Annual Report 2022.
- (c) Mr Yip Hoong Mun, if re-elected, will continue to serve as an Executive Director and a member of the Investment Committee. Mr Yip Hoong Mun is the Group Chief Executive Officer. Information pursuant to Rule 720(6) of the Listing Manual of the SGX-ST on Mr Yip Hoong Mun can be found in the “Information on Directors Seeking Re-election” section of the Company’s Annual Report 2022.
- (d) The proposed ordinary resolution 9 above, if passed, will empower the Directors of the Company from the date of the Annual General Meeting to issue shares of the Company up to the limits as specified in the resolution for such purposes as they consider would be in the interests of the Company. This authority will continue in force until the next Annual General Meeting of the Company, unless previously revoked or varied at a general meeting. As at 8 June 2022, the Company had 3,512,800 treasury shares and no subsidiary holdings.
- (e) The proposed ordinary resolution 10 above, if passed, will empower the Directors of the Company, effective until the date of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or the date on which such authority is carried out to the full extent mandated or is varied or revoked by the Company in a general meeting, whichever is the earliest, to exercise the power of the Company to purchase or acquire its Shares. The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its Shares. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company’s financial position, cannot be ascertained as at the date of this Notice as these will depend on, *inter alia*, whether the Shares are purchased or acquired out of capital and/or profits of the Company, the aggregate number of Shares purchased or acquired, and the consideration paid at the relevant time. For illustrative purposes only, the financial effects of an assumed purchase or acquisition by the Company of 10% of its issued Shares (excluding treasury shares and subsidiary holdings) as at 8 June 2022, at a purchase price equivalent to the Maximum Price per Share, in the case of a market purchase and an off-market purchase respectively, based on the audited financial statements of the Group and the Company for the financial year ended 31 March 2022 and certain assumptions, are set out in Paragraph 2.7 of the Company’s Letter to Shareholders dated 7 July 2022.

Notes:

1. The Annual General Meeting is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company’s corporate website at the URL https://www.metroholdings.com.sg/investor_shareholder-meetings, and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Alternative arrangements relating to attendance at the Annual General Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Annual General Meeting, addressing of substantial and relevant questions prior to or at the Annual General Meeting and voting by appointing the Chairman of the Meeting as proxy at the Annual General Meeting, are set out in the accompanying Company’s announcement dated 7 July 2022. This announcement may be accessed at the Company’s corporate website at the URL https://www.metroholdings.com.sg/investor_shareholder-meetings, and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

NOTICE OF ANNUAL GENERAL MEETING

3. **The Company is not providing for physical attendance by members at the Annual General Meeting** as the COVID-19 situation in Singapore continues to evolve. **A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.** The accompanying Proxy Form for the Annual General Meeting may be accessed at the Company's corporate website at the URL <https://www.metroholdings.com.sg/investor-shareholder-meetings>, and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 12 July 2022**.

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.
5. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:
- (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #11-02, Singapore 068898; or
 - (b) if submitted electronically, be submitted via email to the Company's Share Registrar at sg.is.metroproxy@sg.tricorglobal.com,

in either case by 11.00 a.m. on 19 July 2022, being 72 hours before the time appointed for holding the Annual General Meeting.

A member who wishes to submit an instrument of proxy must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. **Members are strongly encouraged to submit completed Proxy Forms electronically via email.**

6. The Company's Annual Report 2022 and the Letter to Shareholders dated 7 July 2022 (in relation to the proposed renewal of share purchase mandate) have been published on the Company's corporate website and may be accessed as follows:
- (a) the Company's Annual Report 2022 may be accessed at the URL <https://www.metroholdings.com.sg/investor-annual-report> by clicking on the hyperlink for "Annual Report 2022"; and
 - (b) the Letter to Shareholders dated 7 July 2022 may be accessed at the URL <https://www.metroholdings.com.sg/investor-letter-to-shareholders> by clicking on the hyperlink for "Letter to Shareholders in Relation to the Renewal of the Share Purchase Mandate".

The above documents will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

7. Any reference to a time of day is made by reference to Singapore time.

Personal data privacy:

By submitting an instrument appointing the Chairman of the Meeting as proxy to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Lt-Gen (Retd) Winston Choo Wee Leong, Mr Tan Soo Khoon and Mr Yip Hoong Mun are the Directors seeking re-election at the Annual General Meeting of Metro Holdings Limited ("**Company**") on 22 July 2022.

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to Lt-Gen (Retd) Winston Choo Wee Leong, Mr Tan Soo Khoon and Mr Yip Hoong Mun, as set out in Appendix 7.4.1 of the Listing Manual of the SGX-ST is as follows:

Name of Director	Lt-Gen (Retd) Winston Choo Wee Leong	Tan Soo Khoon	Yip Hoong Mun
Date of Appointment	18 June 2007	9 December 2011	1 June 2019
Date of last re-election (if applicable)	11 September 2020	11 September 2020	29 July 2019
Age	81	72	60
Country of Principal Residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	Lt-Gen (Retd) Winston Choo Wee Leong (" Lt-Gen (Retd) Winston Choo ") possesses the experience, expertise, knowledge and skills to contribute towards the core competency of the Board. He will continue to contribute his valuable experience and knowledge to the Board and to the diversity of expertise and business experience required to lead, govern and manage the Group's affairs effectively.	Mr Tan Soo Khoon (" Mr Tan ") possesses the experience, expertise, knowledge and skills to contribute towards the core competency of the Board. He will continue to contribute his valuable experience and knowledge to the Board and to the diversity of expertise and business experience required to lead, govern and manage the Group's affairs effectively.	Mr Yip Hoong Mun (" Mr Yip ") possesses the experience, expertise, knowledge and skills to contribute towards the core competency of the Board. He will continue to contribute his valuable experience and knowledge to the Board and to the diversity of expertise and business experience required to lead, govern and manage the Group's affairs effectively.
Whether appointment is executive, and if so, the area of responsibility	The appointment is Non-Executive.	The appointment is Non-Executive.	The appointment is Executive. Mr Yip will be overall in charge of the operations of the Metro Group of companies.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chairman of the Board, Nominating, Remuneration and Investment Committees.	Non-Executive and Independent Director. Member of the Audit, Nominating and Investment Committees.	Executive Director and Group Chief Executive Officer. He is a member of the Investment Committee.
Professional qualifications	Lt-Gen (Retd) Winston Choo holds a Master of Arts in History from Duke University, USA and has completed the Advanced Management Programme at Harvard University, USA.	Mr Tan holds a bachelor's degree in Business Administration with Honours from the National University of Singapore.	Mr Yip has a Bachelor of Civil Engineering degree with first class honours from the National University of Singapore and a Master's degree in Business Administration from Stanford University, USA. He also completed a management course at Fudan University, Shanghai, China.

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Lt-Gen (Retd) Winston Choo Wee Leong	Tan Soo Khoon	Yip Hoong Mun
Working experience and occupation(s) during the past 10 years	Lt-Gen (Retd) Winston 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 (Retd) Winston Choo 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 and Singapore's Non-Resident Ambassador to the State of Israel from 2006 to 2020.	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. He also serves as the Honorary Patron of the Down Syndrome Association (Singapore). Mr Tan, a businessman, is also director of several private companies. Since 1978, he has been the Chairman of watch distribution companies, Crystal Time (Singapore) Pte Ltd and Crystal Time (M) Sdn Bhd. His past directorship includes Parkson Retail Asia Limited.	Mr Yip was appointed as the Group Chief Executive Officer and Executive Director with effect from 1 June 2019. He is a member of the Investment Committee. As Group Chief Executive Officer, he plays a key role in the Group's investment strategies and holds executive responsibility over the business performance of the Metro Group of companies. He oversees the Group's property investment and development projects and joint ventures in Singapore, China, Indonesia, the United Kingdom and Australia. Prior to this, he was Metro's Deputy Group Chief Executive Officer, a position he assumed since May 2018. Before this, Mr Yip served as Group Chief Operating Officer and Chief Executive Officer of Metro China. Mr Yip has over 30 years of experience in executive and senior management roles in strategic planning, operations, hospitality, real estate investment and development. Mr Yip started his career with Indeco Engineers and later joined BP South East Asia. Prior to joining Metro, he spent over 20 years with the CapitaLand Group, and served different roles in various strategic business units. He was Managing Director of Ascott China in 2003 and then Chief Executive Officer, Asia Pacific and the Gulf Region of The Ascott Group in 2006. Subsequent to that, Mr Yip has been involved in property developments in the Gulf Region, Vietnam and Indonesia of the CapitaLand Group. He has accumulated extensive experience and network in numerous overseas markets and is trilingual in English, Mandarin and Malay.

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Lt-Gen (Retd) Winston Choo Wee Leong	Tan Soo Khoon	Yip Hoong Mun
Shareholding interest in the Company and its subsidiaries	No	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the Company and/ or substantial shareholder of the Company or of any of its principal subsidiaries	No	No	No
Conflict of interests (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the Company	Yes	Yes	Yes

Other principal commitments including directorships:			
Past (for the last 5 years)	Please see page 180 of this Annual Report	Please see page 180 of this Annual Report	Please see page 181 of this Annual Report
Present	Please see page 180 of this Annual Report	Please see page 180 of this Annual Report	Please see page 181 of this Annual Report

Lt-Gen (Retd) Winston Choo Wee Leong, Mr Tan Soo Khoon and Mr Yip Hoong Mun have individually confirmed that on each of the questions as set out in paragraph (a) to (k) of Appendix 7.4.1 of the Listing Manual, the answer is “no”.

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

OTHER PRINCIPAL COMMITMENTS INCLUDING DIRECTORSHIPS:

Lt-Gen (Retd) Winston Choo Wee Leong

Chairman, Non-Executive and Independent

Past (for the last 5 years)

Singapore's Non-Resident Ambassador to the State of Israel from 2006 until 25 June 2020.

Present

Director of

- Foodfare Catering Pte Ltd
- Newstar Investments Holding Pte Ltd
- Tridex Pte Ltd

Tan Soo Khoon

Director, Non-Executive and Independent

Past (for the last 5 years)

Director of

- Parkson Retail Asia Limited
- Crystime (HK) Ltd

Present

Director of

- Crystal Time (Singapore) Pte Ltd
- Crystal Time (M) Sdn Bhd
- Crystal Time International Ltd
- Dragonchine (M) Sdn Bhd
- Grandscope Investments Pte. Ltd.
- Swee Heng Holdings Pte Ltd
- Swee Heng Mfg Co Pte Ltd
- Tabs Creatives (S) Pte Ltd
- Tremont Marketing Pte Ltd
- WatchMart (M) Sdn Bhd

Singapore's Non-Resident Ambassador to Czech Republic since 2007

Honorary Patron of the Down Syndrome Association (Singapore)

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

OTHER PRINCIPAL COMMITMENTS INCLUDING DIRECTORSHIPS:

Yip Hoong Mun

Group Chief Executive Officer, Executive Director

Past (for the last 5 years)

Not Applicable

Present

Director of

- Metrobilt Pte Ltd
- Metrobilt Construction Pte Ltd
- Metro Leisure (Shanghai) Pte Ltd
- Metro China Holdings Pte Ltd
- Metro Properties (Shanghai) Pte Ltd
- Metro Xinjiang Investments Pte Ltd
- Metro City (Beijing) Pte Ltd
- Metro Shanghai HQ Pte Ltd
- Shanghai Metro City Commercial Management Co. Ltd
- Shanghai Huimei Property Co. Ltd
- Guangzhou International Electronics Building Co. Ltd
- Metro (Shanghai) Enterprise Management Pte Ltd
- Xing Metro Enterprise Management (Shanghai) Co. Ltd
- Huge Source Limited
- Shine Long Limited
- Progress Link Limited
- Access Harvest Limited
- Talent Hope Limited
- Top Spring International Holdings Limited
- Shanghai Xing Luo Business Consulting Co. Ltd
- Metro ARC Investments Pte Ltd
(f.k.a. Metro Holdings (Japan) Pte Ltd)
- Metro Australia Holdings Pte Ltd
- Orchard Square Development Corporation Private Limited
- Metro Investments Holdings Pte Ltd
(f.k.a. Metro Development Holdings (S) Pte Ltd)
- Metro Prop Singapore Pte Ltd
- Meren Pte Ltd
- Sun Capital Assets Pte Ltd
- South Bright Investment Limited
- Metrobilt Enterprise Limited
- Metrobilt South China Limited
- Firewave Management Limited
- Lee Kim Tah - Metro Jersey Limited
- Shanghai Xing Chu Business Consulting Co. Ltd
- WingCrown Investment Pte Ltd
- Sunshine (BVI) Ltd
- Metro Prop Investments Ltd
- Gurney Investments Pte Ltd
- Gurney Plaza Sdn. Bhd.
- Etika Cekap Sdn. Bhd.
- Crown Investments Ltd
- MetroProp (China)
- Shanghai Yi Zhou Property Management Co., Ltd.
- Shanghai Shang Min Business Consulting Co. Ltd.
- Shanghai Yong Ling Property Development Co. Ltd.
- Shanghai Xing Guang Business Consulting Co. Ltd.
- Ascend TGrande Pte Ltd
- T-Grande Investment Holding Pte. Ltd.
- T-Grande Property Holding Pte. Ltd.
- Global Charm Ventures Limited
- Joyful Star Enterprise Limited
- Most Success Enterprise Limited
- Profound Success Investment Limited
- SSCP Limited
- Shine Rise International Limited
- MSREF Century Palace (Residential) Limited
- Jovial Paradise Limited
- Shanghai Xing Shu Business Consulting Co. Ltd.
- Metro SL Australia Investment Pte. Ltd.
- Metro (Aus) Property Trust Pte. Ltd.
- Metro Property Trust (A) Pte. Ltd.
- Metro Property Trust II (A) Pte. Ltd.
- Metro (Private) Limited
- Sim Lian - Metro Capital Pte Ltd
- Starry New Limited
- Fairbriar Real Estate Limited
- Scarborough DC Limited
- Idea Shoppe Pte Ltd
- The Marketing Co Pte Ltd
- Paideia Trustee Pte. Ltd.
- Paideia Capital Pte. Ltd.
- Paideia Partners Pte. Ltd.
- Aristotle (RQ) Limited
- Basilides (DSW) Limited
- Docmed Technology Pte Ltd

Commissioner of PT Metro Property Investment
Committee Member to Investment Advisory Committee
of Boustead Industrial Fund

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ANNUAL GENERAL MEETING PROXY FORM

IMPORTANT

1. The Annual General Meeting is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of Annual General Meeting will not be sent to members. Instead, the Notice of Annual General Meeting will be sent to members by electronic means via publication on the Company's website at the URL https://www.metroholdings.com.sg/investor_shareholder-meetings, and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Alternative arrangements relating to attendance at the Annual General Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Annual General Meeting, addressing of substantial and relevant questions prior to or at the Annual General Meeting and voting by appointing the Chairman of the Meeting as proxy at the Annual General Meeting, are set out in the accompanying Company's announcement dated 7 July 2022. This announcement may be accessed on the Company's website at the URL https://www.metroholdings.com.sg/investor_shareholder-meetings, and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. **The Company is not providing for physical attendance by members at the Annual General Meeting** as the COVID-19 situation in Singapore continues to evolve. **A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.**
4. CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 12 July 2022**.
5. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the Meeting as a member's proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting.**

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 7 July 2022.

I/We _____ (Name), _____ (NRIC/Passport No./Co. Regn. No.)
of _____ (Address)

being a member/members of Metro Holdings Limited (the "**Company**") hereby appoint the Chairman of the Meeting as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the Forty-Ninth Annual General Meeting of the Company to be convened and held by way of electronic means on Friday, 22 July 2022 at 11.00 a.m. (Singapore time) and at any adjournment thereof, in the following manner:

No.	Resolutions	For	Against	Abstain
ORDINARY BUSINESS				
1.	To receive and adopt the Directors' Statement, Auditor's Report and Audited Financial Statements			
2.	To declare First and Final Dividend			
3.	To declare Special Dividend			
4.	To re-elect Lt Gen (Retd) Winston Choo Wee Leong, a Director retiring under Article 94 of the Company's Constitution			
5.	To re-elect Mr Tan Soo Khoon, a Director retiring under Article 94 of the Company's Constitution			
6.	To re-elect Mr Yip Hoong Mun, a Director retiring under Article 94 of the Company's Constitution			
7.	To approve Directors' Fees			
8.	To re-appoint Ernst & Young LLP as Auditor and authorise the Directors to fix its remuneration			
SPECIAL BUSINESS				
9.	To approve the Share Issue Mandate			
10.	To approve the Renewal of the Share Purchase Mandate			

Voting will be conducted by poll. If you wish the Chairman of the Meeting as your proxy to cast all your votes For or Against a resolution, please indicate with a "✓" in the For or Against box provided in respect of that resolution. Alternatively, please indicate the number of votes For or Against in the For or Against box provided in respect of that resolution. If you wish the Chairman of the Meeting as your proxy to abstain from voting on a resolution, please indicate with a "✓" in the Abstain box provided in respect of that resolution. Alternatively, please indicate the number of shares that the Chairman of the Meeting as your proxy is directed to abstain from voting in the Abstain box provided in respect of that resolution. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as your proxy for that resolution will be treated as invalid.**

Dated this _____ day of _____ 2022

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

Total Number of
Shares Held

NOTES:

1. A member should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, this Proxy Form will be deemed to relate to all the shares held by the member.
2. **The Company is not providing for physical attendance by members at the Annual General Meeting** as the COVID-19 situation in Singapore continues to evolve. **A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.** This Proxy Form may be accessed on the Company's website at the URL https://www.metroholdings.com.sg/investor_shareholder-meetings, and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 12 July 2022.

3. The Chairman of the Meeting, as proxy, need not be a member of the Company.
4. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #11-02, Singapore 068898; or
 - (b) if submitted electronically, be submitted via email to the Company's Share Registrar at sg.is.metroproxy@sg.tricorglobal.com,

in either case by 11.00 a.m. on 19 July 2022, being 72 hours before the time appointed for holding the Annual General Meeting.

A member who wishes to submit an instrument of proxy must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. **Members are strongly encouraged to submit completed Proxy Forms electronically via email.**

5. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy 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. Where an instrument appointing the Chairman of the Meeting as proxy 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 or, if the instrument appointing the Chairman of the Meeting as proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.
6. Any reference to a time of a day is made by reference to Singapore time.
7. The Company shall be entitled to reject an instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument of proxy appointing the Chairman of the Meeting as proxy (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Annual General 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

Gerald Ong Chong Keng
Director, Non-Executive

Fang Ai Lian (Mrs)
Director, Non-Executive and Independent

Tan Soo Khoon
Director, Non-Executive and Independent

Deborah Lee Siew Yin
Director, Non-Executive and Independent

Yip Hoong Mun
Group Chief Executive Officer, Executive Director

Ng Ee Peng
Director, Non-Executive and Independent

AUDIT COMMITTEE

Fang Ai Lian (Mrs)
Chairman

Gerald Ong Chong Keng

Tan Soo Khoon

Ng Ee Peng

NOMINATING COMMITTEE

Lt-Gen (Retd) Winston Choo Wee Leong
Chairman

Fang Ai Lian (Mrs)

Tan Soo Khoon

REMUNERATION COMMITTEE

Lt-Gen (Retd) Winston Choo Wee Leong
Chairman

Deborah Lee Siew Yin

Ng Ee Peng

INVESTMENT COMMITTEE

Lt-Gen (Retd) Winston Choo Wee Leong
Chairman

Gerald Ong Chong Keng

Tan Soo Khoon

Deborah Lee Siew Yin

Yip Hoong Mun

SECRETARIES

Tan Ching Chek

Eve Chan Bee Leng

AUDITORS

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

PRINCIPAL BANKERS

DBS Bank Ltd

United Overseas Bank Ltd

The Hongkong and Shanghai Banking Corporation Ltd

Oversea-Chinese Banking Corporation Limited

Malayan Banking Berhad

Credit Suisse AG

REGISTRARS

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

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 Singapore Pte Ltd
Ms Dolores Phua
158 Cecil Street
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Singapore 069545
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METRO HOLDINGS LIMITED

391A Orchard Road #19-00 Tower A Ngee Ann City
Singapore 238873

Tel: (65) 6733 3000 | Fax: (65) 6735 3515

LETTER TO SHAREHOLDERS



METRO HOLDINGS LIMITED

Company Registration No.: 197301792W
(Incorporated in the Republic of Singapore)

Registered office: 391A Orchard Road #19-00 Tower A, Ngee Ann City, Singapore 238873

7 July 2022

To the shareholders of
METRO HOLDINGS LIMITED

Dear Sir/Madam

1. INTRODUCTION

- 1.1 Summary.** We refer to Resolution 10 in the Notice convening the Forty-Ninth Annual General Meeting of Metro Holdings Limited (the “**Company**”) to be held on 22 July 2022 (“**AGM**”). Resolution 10 relates to the renewal of the Company's share purchase mandate (the “**Share Purchase Mandate**”) and will be proposed as an ordinary resolution at the AGM.

Allen & Gledhill LLP is the legal adviser to the Company in relation to the proposed renewal of the Share Purchase Mandate.

- 1.2 This Letter.** The purpose of this Letter is to provide shareholders of the Company (“**Shareholders**”) with information relating to the proposal for the renewal of the Share Purchase Mandate, to be tabled at the AGM.

2. THE RENEWAL OF THE SHARE PURCHASE MANDATE

- 2.1 Background.** Shareholders had approved the renewal of the Share Purchase Mandate at the Forty-Eighth Annual General Meeting of the Company held on 29 July 2021 (“**2021 AGM**”). The authority and limitations of the Share Purchase Mandate were set out in the Company's Letter to Shareholders dated 14 July 2021 and the ordinary resolution relating to the Share Purchase Mandate in the notice of the 2021 AGM. The Share Purchase Mandate approved at the 2021 AGM was expressed to continue in force until the next Annual General Meeting of the Company and, as such, will be expiring on 22 July 2022, being the date of the forthcoming AGM. It is proposed that the Share Purchase Mandate be renewed at the AGM. Accordingly, Resolution 10 will be tabled as an ordinary resolution for Shareholders' approval at the AGM.

- 2.2 Rationale for the renewal for the Share Purchase Mandate.** The Share Purchase Mandate will give the Company the flexibility to undertake purchases or acquisitions of its ordinary shares (“**Shares**”) at any time, subject to market conditions, during the period that the Share Purchase Mandate is in force. Share purchases or acquisitions allow the Company greater flexibility over its share capital structure with a view to improving, *inter alia*, its return on equity. The Shares which are purchased or acquired may be held as treasury shares which may be used for prescribed purposes pursuant to the Companies Act 1967 (“**Companies Act**”) such as selling treasury shares for cash, transferring them as consideration for the acquisition of assets or transferring them pursuant to a share scheme. The use of treasury shares in lieu of issuing new Shares would also mitigate the dilution impact on existing Shareholders.

It should be noted that the purchase or acquisition of Shares pursuant to the Share Purchase Mandate will only be undertaken if it can benefit the Company and Shareholders. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the financial position of the Company and its subsidiaries (collectively, the “Group”) and/or affect the listing status of the Company on the Singapore Exchange Securities Trading Limited (the “SGX-ST”). In addition, any purchase or acquisition of its Shares has to be made in accordance with, and in the manner prescribed by, the Companies Act, the listing rules of the SGX-ST and such other laws and regulations as may for the time being be applicable.

2.3 Authority and limitations. The authority and limitations on the purchase or acquisition of Shares by the Company under the Share Purchase Mandate for which renewal is sought are summarised below.

(a) Maximum number of Shares

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares (excluding any Shares held by the Company as treasury shares and any Shares held by subsidiaries of the Company in the circumstances referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act (“**subsidiary holdings**”)) as at the date of the AGM. Under the Companies Act and the Listing Manual of the SGX-ST (“**Listing Manual**”), treasury shares and subsidiary holdings are to be disregarded for the purposes of computing the 10% limit. As at 8 June 2022 (the “**Latest Practicable Date**”), the Company had 3,512,800 treasury shares and no subsidiary holdings.

Purely for illustrative purposes, on the basis of 828,035,874 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date and assuming that between the Latest Practicable Date and the date of the AGM (i) no new Shares are issued, (ii) no further Shares are repurchased by the Company and cancelled or held as treasury shares, (iii) no treasury shares are cancelled or used by the Company for any of the prescribed purposes, and (iv) no Shares are subsidiary holdings, then not more than 82,803,587 Shares (representing 10% of the total number of issued Shares as at that date, excluding treasury shares and subsidiary holdings) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

(b) Duration of authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the AGM, at which the Share Purchase Mandate is approved, up to:

- (i) the date on which the next Annual General Meeting of the Company is held or required by law to be held;
- (ii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in general meeting; or
- (iii) the date on which purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest.

(c) Manner of purchase or acquisition of Shares

Purchases or acquisitions of Shares may be made by way of:

- (i) market purchases ("**Market Purchases**"); and/or
- (ii) off-market purchases ("**Off-Market Purchases**").

Market Purchases refer to purchases or acquisitions of Shares by the Company effected on the SGX-ST or, as the case may be, other stock exchange for the time being on which the Shares may be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose.

Off-Market Purchases refer to purchases or acquisitions of Shares by the Company made under an equal access scheme or schemes for the purchase or acquisition of Shares from Shareholders. The Directors of the Company ("**Directors**") may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. Under the Companies Act, an Off-Market Purchase must, however, satisfy all the following conditions:

- (1) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (2) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (3) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (aa) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; and
 - (bb) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Additionally, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain, *inter alia*, the following information:

- (A) the terms and conditions of the offer;
- (B) the period and procedures for acceptances;
- (C) the reasons for the proposed Share purchases;
- (D) the consequences, if any, of Share purchases by the Company that will arise under the Singapore Code on Take-overs and Mergers ("**Take-over Code**") or other applicable take-over rules;
- (E) whether the Share purchases, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (F) details of any Share purchases made by the Company in the previous

12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and

- (G) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

(d) Purchase price

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the maximum purchase price (the “**Maximum Price**”) to be paid for a Share as determined by the Directors must not exceed:

- (i) in the case of a Market Purchase, 5% above the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase, the NTAV of a Share,

in either case, excluding related expenses of the purchase or acquisition. For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five market days on which the Shares were transacted on the SGX-ST or, as the case may be, such other stock exchange on which the Shares are listed or quoted, before the date of the Market Purchase by the Company, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs during the relevant five-day period and the date of the Market Purchase by the Company;

“**NTAV of a Share**” means the net tangible asset value of a Share taken from the latest announced consolidated financial statements of the Company preceding the date of the making of the offer pursuant to the Off-Market Purchase; and

“**date of the making of the offer**” means the date on which the Company makes an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 Status of purchased or acquired Shares. Under the Companies Act, the Shares purchased or acquired by the Company shall be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to those Shares will expire on cancellation, unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company which are cancelled and are not held as treasury shares.

2.5 Treasury shares. Under the Companies Act, the Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below.

(a) Maximum holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares. For this purpose, any Shares that are held by

subsidiaries in the circumstances referred to in Sections 21(4B) and 21(6C) of the Companies Act shall be included in computing the 10% limit.

(b) Voting and other rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights. In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(c) Disposal and cancellation

Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under the Listing Manual, immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the "**usage**"). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares of the usage, the number of treasury shares before and after the usage, the percentage of the number of treasury shares of the usage against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage, and the value of the treasury shares of the usage.

2.6 Source of funds. In purchasing or acquiring Shares pursuant to the Share Purchase Mandate, the Company may only apply funds legally available for such purchase or acquisition in accordance with the Constitution of the Company and applicable laws. Under the Companies Act, any payment made by the Company in consideration of the purchase or acquisition of its Shares may be made out of the Company's capital and/or profits so long as the Company is solvent. The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its Shares. The Directors do not propose to exercise the Share Purchase Mandate to such extent that it would materially affect the working capital requirements, financial flexibility or investment ability of the Group.

2.7 Financial effects. The financial effects on the Group and the Company arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of capital and/or profits

of the Company, the aggregate number of Shares purchased or acquired, and the consideration paid at the relevant time. The financial effects on the Group and the Company based on the audited financial statements of the Group and the Company for the financial year ended 31 March 2022 are based on the assumptions set out below.

(a) Purchase or acquisition out of capital and/or profits

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital and/or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

(b) Maximum Price paid for Shares purchased or acquired

Based on 828,035,874 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, the purchase by the Company of 10% of such issued Shares will result in the purchase or acquisition of 82,803,587 Shares.

Assuming that the Company purchases or acquires the 82,803,587 Shares at the Maximum Price on the Latest Practicable Date, the maximum amount of funds required is approximately:

- (i) in the case of Market Purchases of Shares, \$65,414,834 based on \$0.79 for each Share (being the price equivalent to 5% above the Average Closing Price of the Shares traded on the SGX-ST over the last five market days preceding the Latest Practicable Date); and
- (ii) in the case of Off-Market Purchases of Shares, \$158,154,851 based on \$1.91 for each Share (being the price equivalent to the NTAV of a Share taken from the unaudited financial results of the Company and Group for the financial year ended 31 March 2022 released by the Company on 27 May 2022).

For illustrative purposes only, on the basis of the assumptions set out above as well as the following:

- (1) the Share Purchase Mandate had been effective on 1 April 2021;
- (2) the purchase of Shares took place at the beginning of the financial year on 1 April 2021;
- (3) there was no issuance of Shares after the Latest Practicable Date; and
- (4) the Share purchases were funded entirely by internal resources,

the financial effects on the audited financial statements of the Group and the Company for the financial year ended 31 March 2022 would have been as follows:

MARKET PURCHASE ⁽¹⁾

	GROUP		COMPANY	
	Before Share Purchase \$'000	After Share Purchase \$'000	Before Share Purchase \$'000	After Share Purchase \$'000
As at 31 March 2022				
Share Capital	169,717	169,717	169,717	169,717
Treasury Shares	(1,768)	(67,183)	(1,768)	(67,183)
Fair Value Reserve	2,421	2,421	-	-
Foreign Currency Translation Reserve	41,590	41,590	-	-
Statutory Reserve	5,952	5,952	-	-
Revenue Reserve	1,361,390	1,361,390	204,370	204,370
Other Reserves	544	544	-	-
Equity Attributable to Owners of the Company	1,579,846	1,514,431	372,319	306,904
Non-Controlling Interests	26,012	26,012	-	-
Total Equity	1,605,858	1,540,443	372,319	306,904
Current Assets	817,307	751,892	389,139	323,724
Current Liabilities	200,883	200,883	245,628	245,628
Borrowings	605,801	605,801	514,429	514,429
Cash and Cash Equivalents	331,360	265,945	67,349	1,934
Net Tangible Assets (NTA) ⁽²⁾	1,579,846	1,514,431	372,319	306,904
Net Profit After Tax	23,651	23,651	35,404	35,404
Profit Attributable to Owners of the Company	23,700	23,700	35,404	35,404
Number of Shares ('000)	828,036	745,232 ⁽³⁾	828,036	745,232 ⁽³⁾
Financial Ratios				
NTA per Share (\$)	1.91	2.03	0.45	0.41
Gearing (times) ⁽⁴⁾ (Net D/E)	0.17	0.22	1.20	1.67
Current Ratio (times) ⁽⁵⁾	4.07	3.74	1.58	1.32
Earnings per Share (cents) ⁽⁶⁾	2.86	3.18	4.28	4.75

OFF-MARKET PURCHASE ⁽¹⁾

	GROUP		COMPANY	
	Before Share Purchase \$'000	After Share Purchase \$'000	Before Share Purchase \$'000	After Share Purchase \$'000
As at 31 March 2022				
Share Capital	169,717	169,717	169,717	169,717
Treasury Shares	(1,768)	(159,923)	(1,768)	(159,923)
Fair Value Reserve	2,421	2,421	-	-
Foreign Currency Translation Reserve	41,590	41,590	-	-
Statutory Reserve	5,952	5,952	-	-

Revenue Reserve	1,361,390	1,361,390	204,370	204,370
Other Reserves	544	544	-	-
Equity Attributable to Owners of the Company	1,579,846	1,421,691	372,319	214,164
Non-Controlling Interests	26,012	26,012	-	-
Total Equity	1,605,858	1,447,703	372,319	214,164
Current Assets	817,307	659,152	389,139	321,790
Current Liabilities	200,883	200,883	245,628	336,434
Borrowings	605,801	605,801	514,429	514,429
Cash and Cash Equivalents	331,360	173,205	67,349	-
Net Tangible Assets (NTA) ⁽²⁾	1,579,846	1,421,691	372,319	214,164
Net Profit After Tax	23,651	23,651	35,404	35,404
Profit Attributable to Owners of the Company	23,700	23,700	35,404	35,404
Number of Shares ('000)	828,036	745,232 ⁽³⁾	828,036	745,232 ⁽³⁾
Financial Ratios				
NTA per Share (\$)	1.91	1.91	0.45	0.29
Gearing (times) ⁽⁴⁾ (Net D/E)	0.17	0.30	1.20	2.40
Current Ratio (times) ⁽⁵⁾	4.07	3.28	1.58	0.96
Earnings per Share (cents) ⁽⁶⁾	2.86	3.18	4.28	4.75

Notes to the foregoing tables:

- (1) The disclosed financial effects remain the same irrespective of whether:
 - (a) the purchase of the Shares is effected out of capital or profits; or
 - (b) the purchased Shares are held in treasury or are cancelled.
- (2) NTA equals to Total Equity less Non-Controlling Interests.
- (3) Exclude 3,512,800 Shares that are held as treasury shares.
- (4) Gearing is defined as Borrowings (net of Cash and Cash Equivalents) divided by Equity Attributable to Owners of the Company.
- (5) Current Ratio equals Current Assets divided by Current Liabilities.
- (6) Earnings per Share is based on 828,035,874 Shares and 745,232,287 Shares respectively.

SHAREHOLDERS SHOULD NOTE THAT THE FOREGOING FINANCIAL EFFECTS ARE BASED ON THE AUDITED FINANCIAL STATEMENTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 AND ARE FOR ILLUSTRATION ONLY. THE RESULTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 MAY NOT BE REPRESENTATIVE OF FUTURE PERFORMANCE.

It should be noted that although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10%. In addition, the Company may cancel or hold in treasury all or part of the Shares purchased or acquired. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

- 2.8 Taxation.** Shareholders who are in doubt as to their respective tax positions or any tax implications, or who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

- 2.9 Listing status of the Shares.** The Listing Manual requires a listed company to ensure that at least 10% of the total number of its issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is held by public shareholders at all times.

As at the Latest Practicable Date, approximately 47.57% of the total number of issued Shares (excluding treasury shares) are held by public shareholders. Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate without adversely affecting the listing status of the Shares on the SGX-ST. The Company will consider investor interests when maintaining a liquid market in its securities, and will ensure that there is a sufficient float for an orderly market in its securities when purchasing its Shares.

- 2.10 Listing rules.** The Listing Manual restricts a listed company from purchasing shares by way of market purchases at a price per share which is more than 5% above the “average closing price”, being the average of the closing market prices of the shares over the last five market days on which transactions in the shares were recorded, before the day on which the purchases were made, and deemed to be adjusted for any corporate action that occurs during the relevant five-day period and the day on which the purchases are made. The Maximum Price for a Share in relation to Market Purchases referred to in Paragraph 2.3 above complies with this requirement. Although the Listing Manual does not prescribe a maximum price in relation to purchases of shares by way of off-market purchases, the Company has set a cap of the consolidated net tangible asset value of a Share as the Maximum Price for a Share to be purchased or acquired by way of an Off-Market Purchase.

While the Listing Manual does not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after any matter or development of a price or trade sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board of Directors of the Company until such price or trade sensitive information has been publicly announced. In addition, the Company will not purchase or acquire any Shares through Market Purchases during the period of one month immediately preceding the announcement of the Company’s half year and full year financial statements.

- 2.11 Reporting requirements.** The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a market purchase, on the market day following the day of purchase or acquisition of any of its shares, and (b) in the case of an off-market purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form prescribed by the Listing Manual) must include details of the date of the purchase, the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, and the total consideration (including stamp duties and clearing charges) paid or payable for the shares.

- 2.12 Take-over implications.** The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code. Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

(a) Obligation to make a take-over offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

(b) Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (i) the following companies:
 - (a) a company;
 - (b) the parent company of (a);
 - (c) the subsidiaries of (a);
 - (d) the fellow subsidiaries of (a);
 - (e) the associated companies of any of (a), (b), (c) or (d);
 - (f) companies whose associated companies include any of (a), (b), (c), (d) or (e); and
 - (g) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights; and
- (ii) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts). Close relatives include immediate family (i.e. parents, siblings, spouse and children), siblings of parents (i.e. uncles and aunts) as well as their children (i.e. cousins) and children of siblings (i.e. nephews and nieces).

(c) Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months. In calculating the percentages of voting rights of such Directors

and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

SHAREHOLDERS WHO ARE IN DOUBT AS TO THEIR OBLIGATIONS, IF ANY, TO MAKE A MANDATORY TAKE-OVER OFFER UNDER THE TAKE-OVER CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY SHOULD CONSULT THE SECURITIES INDUSTRY COUNCIL ("SIC") AND/OR THEIR PROFESSIONAL ADVISERS AT THE EARLIEST OPPORTUNITY.

(d) The Relevant Director and his concert parties

As at the Latest Practicable Date, in respect of Mr Gerald Ong Chong Keng, a Non-Executive Director of the Company (the "**Relevant Director**") who represents Eng Kuan Company Private Limited (a substantial shareholder of the Company) on the Board of Directors of the Company, the following persons are presumed to be acting in concert with the Relevant Director under the Take-over Code:

- (i) Eng Kuan Company Private Limited, and its directors, namely, Mr Ong Jen Yaw and Ms Ong Ling Ling;
- (ii) immediate family members and other close relatives of each of Mr Ong Jen Yaw and/or Ms Ong Ling Ling (collectively with Mr Ong Jen Yaw and Ms Ong Ling Ling, the "**Ong Family**"); and
- (iii) Dynamic Holdings Pte Ltd and Leroy Singapore Pte Ltd (collectively with Eng Kuan Company Private Limited, the "**Ong Companies**"),

who, collectively with the Relevant Director, are hereafter referred to as the "**Relevant Parties**".

As at the Latest Practicable Date, the Relevant Parties have an aggregate interest (direct and deemed) in 348,607,661 Shares, representing approximately 42.11% of the total number of issued Shares (excluding treasury shares). The interests of the Relevant Parties in the issued Shares as at the Latest Practicable Date are set out in the Appendix to this Letter.

In the event that the Company should, pursuant to the Share Purchase Mandate, purchase or acquire up to 10% of its issued Shares (excluding treasury shares and subsidiary holdings) ("**Full Buy-back**"), the aggregate shareholding interest of approximately 42.11% held by the Relevant Parties may increase by more than 1% in any 6-month period. As a consequence, the Relevant Director and other members of the Relevant Parties could incur a mandatory take-over obligation for the issued Shares under the Take-over Code.

(e) Conditions for exemption from having to make a take-over offer

The Relevant Director and persons acting in concert with him will be exempted from the requirement to make a general offer for the Company under Rule 14,

when read with Appendix 2 of the Take-over Code, following an increase in the aggregate percentage of total voting rights in the Company held by the Relevant Director and persons acting in concert with him by more than 1% in any 6-month period as a result of the Company purchasing its Shares under the Share Purchase Mandate, **subject to the following conditions:**

- (i) the Letter to Shareholders seeking their approval for the Share Purchase Mandate will contain advice to the effect that by voting in favour of the resolution to approve the renewal of the Share Purchase Mandate (the **"Buy-back Resolution"**), Shareholders are waiving their right to a general offer at the required price from any of the Relevant Director and persons acting in concert with him;
- (ii) the aforesaid Letter discloses the names and voting rights of the Relevant Director and persons acting in concert with him (a) as of the time of the Buy-back Resolution, and (b) after a Full Buy-back;
- (iii) the Buy-back Resolution is approved by a majority of the Shareholders who are present and voting at the meeting on a poll who could not become obliged to make a general offer for the Company as a result of the buy-back of Shares by the Company pursuant to the Share Purchase Mandate;
- (iv) within 7 days after the passing of the Buy-back Resolution, the Relevant Director is to submit to the SIC a duly signed form as prescribed by the SIC;
- (v) the Relevant Director and persons acting in concert with him abstain from (a) voting on the Buy-back Resolution, and (b) recommending Shareholders to vote in favour of the Buy-back Resolution; and
- (vi) the Relevant Director and persons acting in concert with him have not acquired and will not acquire any Shares between the date on which they know that the announcement of the proposal for the renewal of the Share Purchase Mandate is imminent and the earlier of:
 - (a) the date on which the authority for the renewed Share Purchase Mandate expires; and
 - (b) the date on which the Company announces that it has (aa) bought back such number of Shares as authorised by the renewed Share Purchase Mandate, or (bb) decided to cease buying back the Shares, as the case may be,

if any such acquisitions, taken together with the Share buy-back, would cause the aggregate voting rights in the Company of the Relevant Director and persons acting in concert with him to increase by more than 1% in the preceding 6 months.

It follows that where the aggregate voting rights held by the Relevant Director and persons acting in concert with him increase by more than 1% solely as a result of the buy-back of Shares and none of them has acquired any Shares during the relevant period defined above, then the Relevant Director and/or persons acting in concert with him would be eligible for the SIC's exemption from the requirement to make a general offer under Rule 14 of the Take-over Code, or where such exemption had been granted, would continue to enjoy the exemption.

If the Company ceases to buy-back Shares pursuant to the Share Purchase Mandate and the increase in the aggregate voting rights held by the Relevant Director and the persons acting in concert with him is less than 1%, the Relevant Director and persons acting in concert with him may acquire further voting rights in the Company. However, any increase in their percentage voting rights as a result of the buy-back of Shares pursuant to the Share Purchase Mandate will be taken into account together with any voting rights acquired by the Relevant Director and persons acting in concert with him (by whatever means) in determining whether they have increased their voting rights by more than 1% in any 6-month period.

(f) Advice to Shareholders

Shareholders are advised that by voting in favour of the ordinary resolution relating to the renewal of the Share Purchase Mandate, they will be waiving their rights to a take-over offer at the required price from the Relevant Director and persons acting in concert with him who, as a result of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, would increase their collective interest in the Shares by more than 1% in any period of 6 months.

(g) Form 2 submission to the SIC

Form 2 (Submission by directors and their concert parties pursuant to Appendix 2) is the prescribed form to be submitted to the SIC by a director and persons acting in concert with him pursuant to the conditions for exemption (see condition (iv) of sub-paragraph (e) above headed "*Conditions for exemption from having to make a take-over offer*") from the requirement to make a take-over offer under Rule 14 of the Take-over Code as a result of the buy-back of shares by a listed company under its share purchase mandate.

As at the Latest Practicable Date, the Relevant Director has informed the Company that he will be submitting a Form 2 to the SIC within 7 days after the passing of the ordinary resolution relating to the renewal of the Share Purchase Mandate at the AGM.

(h) Voting rights of the Relevant Parties before and after share purchase

Based on the direct holdings of Shares of the Relevant Parties as at the Latest Practicable Date, and assuming that:

- (i) there is no change in their direct holdings of Shares between the Latest Practicable Date and the date of the AGM;
- (ii) no new Shares are issued to the Relevant Director and/or the Relevant Parties by the Company following the approval being received from Shareholders at the AGM for the renewal of the Share Purchase Mandate; and
- (iii) the Relevant Parties do not sell or otherwise dispose of their holding of Shares,

the aggregate interest (direct and deemed) of the Relevant Parties in the issued Shares as at the date of the AGM and after the purchase by the Company of 10% of the issued Shares (excluding treasury shares and subsidiary holdings) pursuant to the Share Purchase Mandate are as follows:

Relevant Parties	Before Share Purchase (as at date of AGM)		After Share Purchase	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Relevant Director				
Gerald Ong Chong Keng ⁽²⁾	-	-	-	-
Ong Family ⁽³⁾				
Yoong Sek Har	2,594,126	0.313	2,594,126	0.348
Ong Sioe Hong	21,211,182	2.562	21,211,182	2.846
Ong Jen Yaw	215,573,589	26.034	215,573,589	28.927
Ong Hiang Gin	2,494,944	0.301	2,494,944	0.335
Ong Huan Gie	297,392	0.036	297,392	0.040
Ong Ling Ling	237,364,198	28.666	237,364,198	31.851
Ong Jenn (Wang Zhen)	293,111,103	35.398	293,111,103	39.332
Ong Ching Ping	237,352,198	28.664	237,352,198	31.849
Ong Sek Hian (Wang ShiXian)	293,111,103	35.398	293,111,103	39.332
Ong Xiang Ming Alexander	63,360	0.008	63,360	0.009
Dana-Li Wong Han Loong	327,360	0.040	327,360	0.044
Sean Wong Kalani Sien Loong	327,360	0.040	327,360	0.044
Tan Zhong-Hao	57,600	0.007	57,600	0.008
Lau Guan Wen	57,600	0.007	57,600	0.008
Tan Kai Er	57,600	0.007	57,600	0.008
Lau Yi-Xuan	57,600	0.007	57,600	0.008
Ong Li Qi Valerie	57,600	0.007	57,600	0.008
Chan Mei Lin	1,112,800	0.134	1,112,800	0.149
Ong Companies ⁽³⁾				
Eng Kuan Company Private Limited	188,995,635	22.825	188,995,635	25.361
Dynamic Holdings Pte Ltd	48,293,203	5.832	48,293,203	6.480
Leroy Singapore Pte Ltd	55,758,905	6.734	55,758,905	7.482

Notes:

- (1) “%” Before Share Purchase is rounded to three decimal places and is based on 828,035,874 issued Shares (excluding treasury shares) as at the Latest Practicable Date, and “%” After Share Purchase is rounded to three decimal places and is based on 745,232,287 issued Shares (excluding treasury shares). There were no subsidiary holdings as at the Latest Practicable Date.
- (2) As at the Latest Practicable Date, the Relevant Director did not have any interest in Shares.
- (3) The individuals comprising the Ong Family and the companies comprising the Ong Companies and their respective direct and deemed interests in issued Shares as at the Latest Practicable Date are set out in the Appendix to this Letter.

2.13 Particulars of Shares purchased in the past year. As at the Latest Practicable Date, the Company has not purchased any Shares pursuant to the Share Purchase Mandate approved at the 2021 AGM.

3. DIRECTORS’ RECOMMENDATION

The Directors (other than the Relevant Director, Mr Gerald Ong Chong Keng) are of the opinion, for the reasons set out in Paragraph 2.2 above, that the Share Purchase Mandate is in the interests of the Company. They accordingly recommend that Shareholders vote in favour of Resolution 10, being the ordinary resolution relating to the renewal of the Share Purchase Mandate at the AGM. Mr Gerald Ong Chong Keng (in accordance with the conditions referred to in Paragraph 2.12(e) above) has abstained from making any recommendation to Shareholders on Resolution 10 relating to the renewal of the Share Purchase Mandate.

4. VOTING RESTRICTIONS

In accordance with the conditions referred to in Paragraph 2.12(e) above, the Relevant Parties will abstain from voting on Resolution 10, being the ordinary resolution relating to the renewal of the Share Purchase Mandate at the AGM. The renewal of the Share Purchase Mandate must be approved by a majority of those Shareholders present and voting at the AGM on a poll, who could not become obliged to make a take-over offer as a result of the buy-back of Shares under the Share Purchase Mandate. The Chairman of the AGM will accept appointment as proxy for any other Shareholder to vote in respect of Resolution 10, where such Shareholder has given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstention from voting, in respect of Resolution 10.

5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

5.1 Interests of Directors. Based on the Company's Register of Directors' Shareholdings, none of the Directors has an interest in the issued Shares as at the Latest Practicable Date.

5.2 Interests of substantial Shareholders. The interests of substantial Shareholders in the issued Shares, based on the Company's Register of Substantial Shareholders, as at the Latest Practicable Date, are as follows:

Substantial Shareholders	No. of Shares		No. of Shares	
	Direct Interest	% ⁽¹⁾	Deemed Interest	% ⁽¹⁾
Eng Kuan Company Private Limited	188,995,635	22.824	-	-
Dynamic Holdings Pte Ltd	48,293,203	5.832	-	-
Leroy Singapore Pte Ltd	-	-	55,758,905 ⁽²⁾	6.734
Ong Jen Yaw	70,540	0.009	215,503,049 ⁽³⁾	26.026
Ong Ling Ling	75,360	0.009	237,288,838 ⁽⁴⁾	28.657
Ong Ching Ping	63,360	0.008	237,288,838 ⁽⁴⁾	28.657
Ong Jenn (Wang Zhen)	63,360	0.008	293,047,743 ⁽⁵⁾	35.391
Ong Sek Hian (Wang ShiXian)	-	-	293,111,103 ⁽⁶⁾	35.398
Ngee Ann Development Pte Ltd	85,515,056	10.327	-	-
Ngee Ann Kongs	-	-	85,515,056 ⁽⁷⁾	10.327
Takashimaya Company Limited	-	-	85,515,056 ⁽⁸⁾	10.327

Notes:

- (1) "%" is based on 828,035,874 issued Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Leroy Singapore Pte Ltd ("Leroy")'s deemed interest is held through Raffles Nominees (Pte.) Limited.
- (3) Mr Ong Jen Yaw's deemed interest is held through Eng Kuan Company Private Limited ("Eng Kuan") (188,995,635 Shares) and Citibank Nominees Singapore Pte Ltd (26,507,414 Shares). Mr Ong Jen Yaw is deemed to be interested in the Shares through his interest in Eng Kuan.
- (4) Ms Ong Ling Ling's and Ms Ong Ching Ping's deemed interests are each held through their respective interests in Dynamic Holdings Pte Ltd ("Dynamic") and Eng Kuan.
- (5) Mr Ong Jenn (Wang Zhen)'s deemed interest is held through his interests in Dynamic, Eng Kuan and Leroy.
- (6) Mr Ong Sek Hian (Wang ShiXian)'s deemed interest is held through Raffles Nominees (Pte.) Limited (63,360 Shares) and his interests in Dynamic, Eng Kuan and Leroy.
- (7) Ngee Ann Kongs is deemed to be interested in the Shares through its interest in Ngee Ann Development Pte Ltd.
- (8) Takashimaya Company Limited is deemed to be interested in the Shares through its interest in Ngee Ann Development Pte Ltd.

6. RESPONSIBILITY STATEMENT

- 6.1 Directors' responsibility.** The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm, after having made all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, and the Company and its subsidiaries which are relevant to the proposed renewal of the Share Purchase Mandate, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.
- 6.2 Disclaimer.** The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this Letter. Shareholders who are in any doubt as to the action they should take should consult their stockbrokers or other professional advisers immediately.

Yours faithfully

METRO HOLDINGS LIMITED

Lt Gen (Retd) Winston Choo Wee Leong
Chairman

APPENDIX

FURTHER INFORMATION ON INTERESTS IN SHARES OF THE RELEVANT PARTIES

1. ONG FAMILY

The interests of members of the Ong Family in the issued Shares as at the Latest Practicable Date are set out below.

Name	No. of Shares Direct Interest	% ⁽¹⁾	No. of Shares Deemed Interest	% ⁽¹⁾
Yoong Sek Har	2,594,126	0.313	-	-
Ong Sioe Hong	4,211,182	0.509	17,000,000 ⁽²⁾	2.053
Ong Jen Yaw	70,540	0.009	215,503,049 ⁽³⁾	26.026
Ong Hiang Gin	2,494,944	0.301	-	-
Ong Huan Gie	297,392	0.036	-	-
Ong Ling Ling	75,360	0.009	237,288,838 ⁽⁴⁾	28.657
Ong Jenn (Wang Zhen)	63,360	0.008	293,047,743 ⁽⁵⁾	35.391
Ong Ching Ping	63,360	0.008	237,288,838 ⁽⁴⁾	28.657
Ong Sek Hian (Wang ShiXian)	-	-	293,111,103 ⁽⁶⁾	35.398
Ong Xiang Ming Alexander	63,360	0.008	-	-
Dana-Li Wong Han Loong	327,360	0.040	-	-
Sean Wong Kalani Sien Loong	327,360	0.040	-	-
Tan Zhong-Hao	57,600	0.007	-	-
Lau Guan Wen	57,600	0.007	-	-
Tan Kai Er	57,600	0.007	-	-
Lau Yi-Xuan	57,600	0.007	-	-
Ong Li Qi Valerie	57,600	0.007	-	-
Chan Mei Lin	142,000	0.017	970,800 ⁽⁷⁾	0.117

Notes:

- (1) “%” is rounded to three decimal places and is based on 828,035,874 issued Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Ms Ong Sioe Hong's deemed interest is held through Raffles Nominees (Pte.) Limited (17,000,000 Shares).
- (3) Mr Ong Jen Yaw's deemed interest is held through Eng Kuan Company Private Limited (188,995,635 Shares) and Citibank Nominees Singapore Pte Ltd (26,507,414 Shares). Mr Ong Jen Yaw is deemed to be interested in the Shares through his interest in Eng Kuan Company Private Limited.
- (4) Ms Ong Ling Ling's and Ms Ong Ching Ping's deemed interests are each held through their respective interests in Dynamic Holdings Pte Ltd and Eng Kuan Company Private Limited.
- (5) Mr Ong Jenn (Wang Zhen)'s deemed interest is held through his interests in Dynamic Holdings Pte Ltd, Eng Kuan Company Private Limited and Leroy Singapore Pte Ltd.
- (6) Mr Ong Sek Hian (Wang ShiXian)'s deemed interest is held through Raffles Nominees (Pte.) Limited (63,360 Shares) and his interests in Dynamic Holdings Pte Ltd, Eng Kuan Company Private Limited and Leroy Singapore Pte Ltd.
- (7) Ms Chan Mei Lin's deemed interest is held through United Overseas Bank Nominees (Private) Limited (970,800 Shares).

APPENDIX

2. ONG COMPANIES

The interests of the Ong Companies in the issued Shares as at the Latest Practicable Date are set out below.

Name	No. of Shares		No. of Shares	
	Direct Interest	% ⁽¹⁾	Deemed Interest	% ⁽¹⁾
Eng Kuan Company Private Limited	188,995,635	22.825	-	-
Dynamic Holdings Pte Ltd	48,293,203	5.832	-	-
Leroy Singapore Pte Ltd	-	-	55,758,905 ⁽²⁾	6.734

Notes:

- (1) “%” is rounded to three decimal places and is based on 828,035,874 issued Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Leroy Singapore Pte Ltd's deemed interest is held through Raffles Nominees (Pte.) Limited.