



**Metro Holdings Limited
and its Subsidiaries**
(Company Registration No. 197301792W)

Unaudited Condensed Interim Financial Statements
For the six months and full year ended 31 March 2023

Metro Holdings Limited and its Subsidiaries

Condensed Interim Financial Statements for the six months and full year ended 31 March 2023

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Metro Holdings Limited and its Subsidiaries

**Condensed Interim Consolidated Income Statement
For the six months and full year ended 31 March 2023**

	Group			Group		
	6 months ended 31-Mar-2023 \$'000	6 months ended 31-Mar-2022 \$'000	% Change	12 months ended 31-Mar-2023 \$'000	12 months ended 31-Mar-2022 \$'000	% Change
Revenue						
- Retail	56,672	51,276	10.5	103,980	86,594	20.1
- Sale of property rights	3,367	5,506	(38.8)	6,834	7,655	(10.7)
- Rental income	3,311	2,936	12.8	6,423	6,254	2.7
	<u>63,350</u>	<u>59,718</u>	6.1	<u>117,237</u>	<u>100,503</u>	16.7
Cost of revenue	5 (52,183)	(49,409)	5.6	(96,865)	(85,199)	13.7
Gross profit	<u>11,167</u>	<u>10,309</u>	8.3	<u>20,372</u>	<u>15,304</u>	33.1
Other net income	6 9,701	22,450	(56.8)	19,360	34,114	(43.2)
Fair value gain/(loss) on an investment property	776	(341)	n.m.	776	(341)	n.m.
General and administrative expenses	(10,776)	(9,984)	7.9	(21,375)	(21,019)	1.7
Finance costs	7 (15,813)	(9,367)	68.8	(26,856)	(19,168)	40.1
Associates						
- Share of results, net of tax	12 (4,418)	9,284	n.m.	4,137	11,821	(65.0)
- Impairment of amounts due from associates	12 -	(36,327)	n.m.	-	(36,327)	n.m.
	(4,418)	(27,043)	(83.7)	4,137	(24,506)	n.m.
Joint ventures						
- Share of results, net of tax	13 20,366	23,320	(12.7)	35,309	47,315	(25.4)
Profit from operations before taxation	<u>11,003</u>	<u>9,344</u>	17.8	<u>31,723</u>	<u>31,699</u>	0.1
Taxation	9 (2,464)	(4,077)	(39.6)	(6,379)	(8,048)	(20.7)
Profit net of taxation	<u>8,539</u>	<u>5,267</u>	62.1	<u>25,344</u>	<u>23,651</u>	7.2
Attributable to:						
Owners of the Company	8,264	5,365	54.0	25,151	23,700	6.1
Non-controlling interests	275	(98)	n.m.	193	(49)	n.m.
	<u>8,539</u>	<u>5,267</u>	62.1	<u>25,344</u>	<u>23,651</u>	7.2
	Cents	Cents		Cents	Cents	
Earnings per share						
Basic	10 1.0	0.6		3.0	2.9	
Diluted	10 1.0	0.6		3.0	2.9	

n.m. - not meaningful

Metro Holdings Limited and its Subsidiaries

**Condensed Interim Consolidated Statement of Comprehensive Income
For the six months and full year ended 31 March 2023**

	Group			Group		
	6 months ended 31-Mar-2023 \$'000	6 months ended 31-Mar-2022 \$'000	% Change	12 months ended 31-Mar-2023 \$'000	12 months ended 31-Mar-2022 \$'000	% Change
Profit net of taxation	8,539	5,267	62.1	25,344	23,651	7.2
Other comprehensive income/ (expense), 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 FVOCI (Note 1)	(2,686)	2,421	n.m.	(16,484)	2,421	n.m.
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Currency translation adjustments on foreign subsidiaries, associates and joint ventures (Note 2)	(66,614)	1,103	n.m.	(85,226)	28,377	n.m.
Share of other comprehensive (expense)/income of associates and joint ventures (Note 3)	(10,931)	6,676	n.m.	(23,335)	7,923	n.m.
Other comprehensive (expense)/ income for the period	(80,231)	10,200	n.m.	(125,045)	38,721	n.m.
Total comprehensive (expense)/ income for the period	<u>(71,692)</u>	<u>15,467</u>	n.m.	<u>(99,701)</u>	<u>62,372</u>	n.m.
Total comprehensive (expense)/ income attributable to:						
Owners of the Company	(70,146)	15,700	n.m.	(98,315)	61,828	n.m.
Non-controlling interests	(1,546)	(233)	563.5	(1,386)	544	n.m.
	<u>(71,692)</u>	<u>15,467</u>	n.m.	<u>(99,701)</u>	<u>62,372</u>	n.m.

n.m. - not meaningful

Metro Holdings Limited and its Subsidiaries

Condensed Interim Consolidated Statement of Comprehensive Income (cont'd) For the six months and full year ended 31 March 2023

Note:

(1) In FY2023, the net change in fair value of equity investments at fair value through other comprehensive income (FVOCI) of \$16.5 million mainly relates to fair value loss of \$14.7 million in the Group's long term investment in Daiwa House Logistics Trust.

(2) In 2HFY2023, currency translation adjustments of \$66.6 million mainly relates to the exchange translation loss of foreign operations' net assets due to the depreciation of RMB (\$24.6 million), IDR (\$16.2 million), HKD (\$15.7 million), and USD (\$11.0 million) against SGD.

In 2HFY2022, currency translation adjustments of \$1.1 million mainly relates to the exchange translation gain of foreign operations' net assets due to the appreciation of RMB (\$6.2 million), partially offset by depreciation of HKD (\$2.6 million), IDR (\$1.2 million), and USD (\$1.1 million) against SGD.

In FY2023, currency translation adjustments of \$85.2 million mainly relates to the exchange translation loss of foreign operations' net assets due to the depreciation of RMB (\$59.2 million), IDR (\$15.3 million), HKD (\$4.2 million) and USD (\$3.8 million) against SGD.

In FY2022, currency translation adjustments of \$28.4 million mainly relates to the exchange translation gain of foreign operations' net assets due to the appreciation of RMB (\$22.1 million), IDR (\$5.7 million), USD (\$1.1 million) and HKD (\$0.2 million) against SGD.

(3) In 2HFY2023 and FY2023, share of other comprehensive expense of \$10.9 million and \$23.3 million respectively was largely attributable to our associate i.e. Top Spring International Holdings Limited ("Top Spring"), as a result of depreciating RMB against HKD.

In 2HFY2022 and FY2022, share of other comprehensive income of \$6.7 million and \$7.9 million respectively was largely attributable to our associate i.e. Top Spring, as a result of appreciating RMB against HKD.

Metro Holdings Limited and its Subsidiaries

**Condensed Interim Balance Sheets
As at 31 March 2023**

Balance Sheets as at	Note	Group		Company	
		31-Mar-2023 \$'000	31-Mar-2022 \$'000	31-Mar-2023 \$'000	31-Mar-2022 \$'000
Non-current assets					
Plant and equipment		1,844	1,988	131	260
Right-of-use assets		43,733	54,262	5,779	6,421
Investment property	11	106,196	115,744	-	-
Subsidiaries		-	-	46,828	21,828
Amounts due from subsidiaries		-	-	685,690	676,190
Associates	12	955,908	985,671	500	500
Joint ventures	13	340,737	394,689	-	-
Long term investments	14	109,065	133,621	-	-
		<u>1,557,483</u>	<u>1,685,975</u>	<u>738,928</u>	<u>705,199</u>
Current assets					
Development properties		145,555	160,843	-	-
Inventories		11,283	9,081	-	-
Prepayments		714	1,201	-	-
Accounts and other receivables	15	62,491	70,722	1,586	666
Amounts due from subsidiaries		-	-	261,778	317,080
Amounts due from associates	12	65,610	90,847	-	-
Amounts due from joint ventures	13	158,836	136,760	4,055	4,044
Short term investments	14	14,580	16,493	-	-
Cash and cash equivalents		329,305	331,360	118,431	67,349
		<u>788,374</u>	<u>817,307</u>	<u>385,850</u>	<u>389,139</u>
Current liabilities					
Borrowings	16	139,201	135,524	29,832	44,152
Accounts and other payables		49,234	46,788	7,847	7,108
Amounts due to subsidiaries		-	-	242,503	193,696
Lease liabilities		11,454	10,996	595	578
Provision for taxation		8,046	7,575	350	94
		<u>207,935</u>	<u>200,883</u>	<u>281,127</u>	<u>245,628</u>
Net current assets		580,439	616,424	104,723	143,511
Non-current liabilities					
Borrowings	16	455,802	470,277	455,802	470,277
Amounts due to joint ventures	13	135,584	148,653	-	-
Lease liabilities		38,303	49,757	5,448	6,044
Deferred income		3,154	2,087	-	-
Deferred taxation		23,763	25,767	37	70
		<u>656,606</u>	<u>696,541</u>	<u>461,287</u>	<u>476,391</u>
Net assets		<u>1,481,316</u>	<u>1,605,858</u>	<u>382,364</u>	<u>372,319</u>
Equity attributable to owners of the Company					
Share capital	17	169,717	169,717	169,717	169,717
Treasury shares	17	(1,768)	(1,768)	(1,768)	(1,768)
Reserves		1,288,741	1,411,897	214,415	204,370
		<u>1,456,690</u>	<u>1,579,846</u>	<u>382,364</u>	<u>372,319</u>
Non-controlling interests		24,626	26,012	-	-
Total equity		<u>1,481,316</u>	<u>1,605,858</u>	<u>382,364</u>	<u>372,319</u>

Metro Holdings Limited and its Subsidiaries

**Condensed Interim Statements of Changes in Equity
For the full year ended 31 March 2023**

<u>Group</u>	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 2022	169,717	(1,768)	2,421	41,590	5,952	544	1,361,390	1,579,846	26,012	1,605,858
Profit for the year	-	-	-	-	-	-	25,151	25,151	193	25,344
<u>Other comprehensive income/(expense)</u>										
Net change in fair value of equity investments at FVOCI	-	-	(16,484)	-	-	-	-	(16,484)	-	(16,484)
Currency translation adjustments on foreign subsidiaries, associates and joint ventures	-	-	-	(83,647)	-	-	-	(83,647)	(1,579)	(85,226)
Share of other comprehensive (expense)/income of associates and joint ventures	-	-	-	(25,622)	-	2,287	-	(23,335)	-	(23,335)
Other comprehensive (expense)/income for the financial year, net of tax	-	-	(16,484)	(109,269)	-	2,287	-	(123,466)	(1,579)	(125,045)
Total comprehensive (expense)/income for the financial year	-	-	(16,484)	(109,269)	-	2,287	25,151	(98,315)	(1,386)	(99,701)
<u>Contributions by and distributions to owners</u>										
Dividends paid (Note 18)	-	-	-	-	-	-	(24,841)	(24,841)	-	(24,841)
Total contributions by and distributions to owners	-	-	-	-	-	-	(24,841)	(24,841)	-	(24,841)
<u>Others</u>										
Transfer to statutory reserve fund	-	-	-	-	378	-	(378)	-	-	-
At 31 March 2023	169,717	(1,768)	(14,063)	(67,679)	6,330	2,831	1,361,322	1,456,690	24,626	1,481,316

Metro Holdings Limited and its Subsidiaries

**Condensed Interim Statements of Changes in Equity (cont'd)
For the full year ended 31 March 2023**

<u>Group</u>	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
<u>Other comprehensive income/(expense)</u>										
Net change in fair value of equity investments at FVOCI	-	-	2,421	-	-	-	-	2,421	-	2,421
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
<u>Changes in ownership interests in a subsidiary</u>										
Interest in a subsidiary	-	-	-	-	-	-	-	-	(3,379)	(3,379)
Total changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	-	(3,379)	(3,379)
<u>Contributions by and distributions to owners</u>										
Dividends paid (Note 18)	-	-	-	-	-	-	(18,631)	(18,631)	-	(18,631)
Total contributions by and distributions to owners	-	-	-	-	-	-	(18,631)	(18,631)	-	(18,631)
<u>Others</u>										
Transfer to statutory reserve fund	-	-	-	-	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

Metro Holdings Limited and its Subsidiaries

**Condensed Interim Statements of Changes in Equity (cont'd)
For the full year ended 31 March 2023**

<u>Company</u>	Share Capital \$'000	Treasury Shares \$'000	Revenue Reserve \$'000	Total Equity \$'000
At 1 April 2022	169,717	(1,768)	204,370	372,319
Profit for the year, representing total comprehensive income for the financial year	-	-	34,886	34,886
<u>Contributions by and distribution to owners</u>				
Dividends paid (Note 18)	-	-	(24,841)	(24,841)
At 31 March 2023	<u>169,717</u>	<u>(1,768)</u>	<u>214,415</u>	<u>382,364</u>
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 distribution to owners</u>				
Dividends paid (Note 18)	-	-	(18,631)	(18,631)
At 31 March 2022	<u>169,717</u>	<u>(1,768)</u>	<u>204,370</u>	<u>372,319</u>

Metro Holdings Limited and its Subsidiaries

Condensed Interim Consolidated Cash Flow Statement For the six months and full year ended 31 March 2023

	Group		Group	
	6 months ended 31-Mar-2023 \$'000	6 months ended 31-Mar-2022 \$'000	12 months ended 31-Mar-2023 \$'000	12 months ended 31-Mar-2022 \$'000
Cash flows from operating activities				
Operating profit before reinvestment in working capital	7,623	5,838	12,362	5,010
Decrease in development properties	2,532	4,256	4,983	5,931
Increase in inventories	(642)	(771)	(2,002)	(3)
Decrease in accounts and other receivables	4,956	9,085	5,645	13,274
(Decrease)/increase in accounts and other payables	(2,784)	(5,984)	3,152	961
Cash from operations	11,685	12,424	24,140	25,173
Interest expense paid	(15,745)	(11,531)	(26,426)	(20,634)
Interest income received	17,717	22,062	33,944	46,962
Income taxes paid	(121)	(844)	(3,119)	(5,128)
Net cash flows from operating activities	13,536	22,111	28,539	46,373
Cash flows from investing activities				
Purchase of plant & equipment	(512)	(380)	(1,051)	(488)
Decrease/(increase) in long term investments	732	(31,005)	(5,299)	(46,229)
Investment in associates	(5,581)	(69,601)	(17,124)	(71,639)
(Increase)/decrease in amounts due from associates	(16,101)	50,717	(19,683)	(125,844)
(Increase)/decrease in amounts due from joint ventures	(1,958)	(4,550)	(5,366)	3,881
Increase in amounts due to joint ventures	-	-	-	18,720
Dividends received from:				
- long term investments	3,236	8,882	7,571	13,039
- short term investments	388	336	747	651
- associates	1,808	5,277	5,511	9,979
- joint ventures	14,611	2,280	29,792	2,280
Net cash flows used in investing activities	(3,377)	(38,044)	(4,902)	(195,650)
Cash flows from financing activities				
Drawdown of long term borrowings	-	150,000	-	267,015
(Repayment)/drawdown of short term borrowings (net)	(3,305)	(1,589)	16,833	(33,309)
Redemption of \$150 million 4% Notes due 2021	-	(150,000)	-	(150,000)
Payment of lease liabilities	(6,351)	(5,351)	(11,649)	(8,628)
Dividends paid	-	-	(24,841)	(18,631)
Capital reduction by non-controlling interest	-	(3,379)	-	(3,379)
Net cash flows (used in)/from financing activities	(9,656)	(10,319)	(19,657)	53,068
Net increase/(decrease) in cash and cash equivalents	503	(26,252)	3,980	(96,209)
Effect of exchange rate changes in cash and cash equivalents	(4,490)	142	(6,035)	1,900
Cash & cash equivalents at beginning of period	333,292	357,470	331,360	425,669
Cash & cash equivalents at end of period	329,305	331,360	329,305	331,360

Metro Holdings Limited and its Subsidiaries

Condensed Interim Consolidated Cash Flow Statement (cont'd) For the six months and full year ended 31 March 2023

	Group		Group	
	6 months ended 31-Mar-2023 \$'000	6 months ended 31-Mar-2022 \$'000	12 months ended 31-Mar-2023 \$'000	12 months ended 31-Mar-2022 \$'000
Reconciliation between profit from operations before taxation and operating cash flows before changes in working capital:				
Profit from operations before taxation	11,003	9,344	31,723	31,699
Adjustments for:				
Fair value (gain)/loss on investment property	(776)	341	(776)	341
Finance costs	15,813	9,367	26,856	19,168
Depreciation of plant and equipment	590	581	1,194	1,209
Depreciation of right-of-use assets	5,263	4,365	9,544	7,831
Share of results of associates, net of tax	4,418	(9,284)	(4,137)	(11,821)
Impairment of amounts due from associates	-	36,327	-	36,327
Share of results of joint ventures, net of tax	(20,366)	(23,320)	(35,309)	(47,315)
Interest income	(14,254)	(10,821)	(24,205)	(20,825)
Dividends from				
- long term investments	(3,536)	(8,882)	(8,162)	(13,039)
- short term investments	(388)	(336)	(747)	(651)
Inventories written down	37	182	84	225
Write-back of allowance for obsolete inventories	(93)	(86)	(284)	(281)
(Write-back of)/allowance for doubtful debts	-	(2)	23	1
Plant and equipment written off	-	-	-	1
Net change in fair value of investments at fair value through profit and loss	10,022	(2,164)	13,741	2,154
Unrealised foreign exchange adjustments	(110)	226	2,817	(14)
Operating profit before reinvestment in working capital	<u>7,623</u>	<u>5,838</u>	<u>12,362</u>	<u>5,010</u>

Metro Holdings Limited and its Subsidiaries

Notes to the Condensed Interim Consolidated Financial Statements For the six months and full year ended 31 March 2023

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.

The condensed interim consolidated financial statements as at and for the six months and full year ended 31 March 2023 comprise the Company and its subsidiaries (referred to as the "Group") and the Group's interests in associates and joint ventures.

2. Summary of significant accounting policies

2.1 Basis of preparation

The condensed interim financial statements for the six months and full year ended 31 March 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 March 2022. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"), except for the adoption of new and amended standards as set out in Note 2.2.

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

2.2 New and amended standards adopted by the Group

The Group has applied various new accounting standards and interpretations of accounting standards for the first time for the annual period beginning on 1 April 2022. The application of these standards and interpretations did not have a material effect on the condensed interim financial statements.

2.3 Use of judgement and estimates

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

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the Group's financial statements as at and for the year ended 31 March 2022.

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Notes to the Condensed Interim Consolidated Financial Statements For the six months and full year ended 31 March 2023

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Revenue

	Note	Group 6 months ended 31 March		Group 12 months ended 31 March	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Revenue from contracts with customers	(a)	60,039	56,782	110,814	94,249
Rental income from an investment property		3,311	2,936	6,423	6,254
		<u>63,350</u>	<u>59,718</u>	<u>117,237</u>	<u>100,503</u>

(a) Disaggregation of revenue:

Segments	Retail 6 months ended 31 March		Property 6 months ended 31 March		Total revenue 6 months ended 31 March	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Primary geographical markets						
Singapore	56,672	51,276	–	–	56,672	51,276
Indonesia	–	–	3,367	5,506	3,367	5,506
Total revenue from contracts with customers	<u>56,672</u>	<u>51,276</u>	<u>3,367</u>	<u>5,506</u>	<u>60,039</u>	<u>56,782</u>
Major revenue streams						
Sales of goods	41,036	37,604	–	–	41,036	37,604
Net commission from concessionaires	15,636	13,672	–	–	15,636	13,672
Sales of property rights	–	–	3,367	5,506	3,367	5,506
Total revenue from contracts with customers	<u>56,672</u>	<u>51,276</u>	<u>3,367</u>	<u>5,506</u>	<u>60,039</u>	<u>56,782</u>

Metro Holdings Limited and its Subsidiaries

**Notes to the Condensed Interim Consolidated Financial Statements
For the six months and full year ended 31 March 2023**

4. Revenue (cont'd)

(a) Disaggregation of revenue (cont'd):

Segments	Retail		Property		Total revenue	
	12 months ended 31 March		12 months ended 31 March		12 months ended 31 March	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Primary geographical markets						
Singapore	103,980	86,594	–	–	103,980	86,594
Indonesia	–	–	6,834	7,655	6,834	7,655
Total revenue from contracts with customers	<u>103,980</u>	<u>86,594</u>	<u>6,834</u>	<u>7,655</u>	<u>110,814</u>	<u>94,249</u>
Major revenue streams						
Sales of goods	76,192	65,091	–	–	76,192	65,091
Net commission from concessionaires	27,788	21,503	–	–	27,788	21,503
Sales of property rights	–	–	6,834	7,655	6,834	7,655
Total revenue from contracts with customers	<u>103,980</u>	<u>86,594</u>	<u>6,834</u>	<u>7,655</u>	<u>110,814</u>	<u>94,249</u>

Revenue from contracts with customers are recognised at a point in time.

The gross revenue from concessionaire sales is analysed as follows:

	Group		Group	
	6 months ended 31 March		12 months ended 31 March	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Gross revenue from concessionaire sales	<u>55,826</u>	<u>51,612</u>	<u>98,578</u>	<u>81,208</u>

Metro Holdings Limited and its Subsidiaries

Notes to the Condensed Interim Consolidated Financial Statements For the six months and full year ended 31 March 2023

5. Cost of revenue

	Group 6 months ended 31 March		Group 12 months ended 31 March	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Retail	48,801	43,938	90,250	77,265
Property				
- Cost of property rights sold	2,812	4,719	5,527	6,629
- Rental	570	752	1,088	1,305
	<u>52,183</u>	<u>49,409</u>	<u>96,865</u>	<u>85,199</u>

6. Other net income

	Group 6 months ended 31 March		Group 12 months ended 31 March	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interest income from:				
- Financial instruments at amortised cost	14,254	10,821	24,205	20,825
Dividends, gross from:				
- Long term investments	3,536	8,882	8,162	13,039
- Short term investments	388	336	747	651
	<u>3,924</u>	<u>9,218</u>	<u>8,909</u>	<u>13,690</u>
Net change in fair value of investments at fair value through profit or loss:				
- Long term investments	(9,950)	840	(11,828)	(2,715)
- Short term investments	(72)	1,324	(1,913)	561
	<u>(10,022)</u>	<u>2,164</u>	<u>(13,741)</u>	<u>(2,154)</u>
Foreign exchange (loss)/gain	(15)	(480)	(2,614)	216
Other rental income	577	–	939	–
Sundry income	983	727	1,662	1,537
	<u>9,701</u>	<u>22,450</u>	<u>19,360</u>	<u>34,114</u>

7. Finance costs

	Group 6 months ended 31 March		Group 12 months ended 31 March	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interest on borrowings carried at amortised cost	9,518	2,977	14,541	4,047
Interest on notes carried at amortised cost	4,437	4,854	8,896	12,486
Lease liabilities	779	781	1,638	1,539
Others	1,079	755	1,781	1,096
	<u>15,813</u>	<u>9,367</u>	<u>26,856</u>	<u>19,168</u>

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Notes to the Condensed Interim Consolidated Financial Statements For the six months and full year ended 31 March 2023

8. Profit from operations before taxation

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

	Group 6 months ended 31 March		Group 12 months ended 31 March	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Rental expense ⁽¹⁾	2,452	2,399	5,117	4,720
Depreciation of plant and equipment	590	581	1,194	1,209
Depreciation of right-of-use assets ⁽²⁾	5,263	4,365	9,544	7,831
Inventories written down	37	182	84	225
Write-back of allowance for obsolete inventories	(93)	(86)	(284)	(281)
(Write-back of)/allowance for doubtful debts	–	(2)	23	1
Plant and equipment written off	–	–	–	1

⁽¹⁾ Rental expense includes total contingent rents recognised as an expense of \$363,000 (2022: \$305,000) and \$635,000 (2022: \$620,000) for the six months and full year ended respectively.

⁽²⁾ These are presented net of rental rebate of \$Nil (2022: \$816,000) and \$985,000 (2022: \$2,496,000) for the six months and full year ended respectively.

9. Taxation

Tax expense for the period was derived at by applying the varying statutory tax rates on the taxable profit/(loss) and taxable/deductible temporary differences of the different countries in which the Group operates.

	Group 6 months ended 31 March		Group 12 months ended 31 March	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Current taxation				
- Current income taxation	3,986	856	7,361	5,247
- (Over)/under provision in respect of prior financial years	(1,561)	489	(1,649)	610
	2,425	1,345	5,712	5,857
Deferred taxation				
- Origination and reversal of temporary differences	(117)	2,733	(109)	2,192
- Under/(over) provision in respect of prior financial years	156	(1)	156	(1)
	39	2,732	47	2,191
Withholding tax	–	–	620	–
Income tax expense recognised in the consolidated income statement	2,464	4,077	6,379	8,048

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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.

	Group 6 months ended 31 March		Group 12 months ended 31 March	
	2023 Cents	2022 Cents	2023 Cents	2022 Cents
Basic	1.0	0.6	3.0	2.9
Diluted	1.0	0.6	3.0	2.9
	\$'000	\$'000	\$'000	\$'000
Profit net of taxation attributable to owners of the Company, used in the computation of basic and diluted earnings per share	8,264	5,365	25,151	23,700
	Group 6 months ended 31 March		Group 12 months ended 31 March	
	2023 No. of shares '000	2022 No. of shares '000	2023 No. of shares '000	2022 No. of shares '000
Weighted average number of ordinary shares for basic and diluted earnings per share computation	828,036	828,036	828,036	828,036

As at 31 March 2023, there are no dilutive potential ordinary shares (31 March 2022: Nil).

11. Investment property

	Note	Group	
		31 March 2023 \$'000	31 March 2022 \$'000
Balance sheet:			
Balance at 1 April		115,744	111,725
Adjustments to fair value		776	(341)
Foreign exchange adjustments		(10,324)	4,360
Balance at 31 March		106,196	115,744

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.

The accounting for the investment property was based on market conditions prevailing as at 31 March 2023.

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Notes to the Condensed Interim Consolidated Financial Statements For the six months and full year ended 31 March 2023

12. Associates

	Group		Company	
	31 March 2023 \$'000	31 March 2022 \$'000	31 March 2023 \$'000	31 March 2022 \$'000
<u>Non-current</u>				
Investment in associates	399,284	438,937	500	500
Add:				
Amounts due from associates	556,624	546,734	–	–
	<u>955,908</u>	<u>985,671</u>	<u>500</u>	<u>500</u>
<u>Current</u>				
Amounts due from associates	65,610	90,847	–	–

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

	Group 6 months ended 31 March		Group 12 months ended 31 March	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Operating results	517	2,768	12,377	2,452
Fair value adjustments on investment properties	(3,596)	16,174	(981)	19,019
Non-operating results (Note 1)	–	8	–	5,127
Taxation	(1,285)	(9,549)	(7,058)	(14,434)
Others	(54)	(117)	(201)	(343)
	<u>(4,418)</u>	<u>9,284</u>	<u>4,137</u>	<u>11,821</u>
Impairment of amounts due from associates (Note 2)	–	(36,327)	–	(36,327)

Note:

- In the previous financial year ended 31 March 2022, the non-operating results of associates of \$5.1 million included the Group's share of non-operating results from Top Spring International Holdings Limited ("Top Spring") 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.
- In the previous financial year ended 31 March 2022, an impairment loss of \$36,327,000 on the amounts due from associates was recognised in the Group's income statement due to the ongoing China property sector credit situation. 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.

In 2HFY2023, the Group has applied the equity method for the operating results of Top Spring using financial statements that are prepared as of a different reporting date from that of the Company, after adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Company. As Top Spring releases its results on a half-year basis, with the last financial statements as at 31 December 2022, in accordance with the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited, the Group has equity accounted for Top Spring using its announced results for the 6 months to 31 December 2022 and adjusted for the effects of significant transactions or events that occurred between 1 January 2023 and 31 March 2023.

Metro Holdings Limited and its Subsidiaries

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13. Joint ventures

	Group		Company	
	31 March 2023 \$'000	31 March 2022 \$'000	31 March 2023 \$'000	31 March 2022 \$'000
<u>Non-current</u>				
Investment in joint ventures	260,756	320,234	–	–
Add:				
Amounts due from joint ventures	79,981	74,455	–	–
	<u>340,737</u>	<u>394,689</u>	<u>–</u>	<u>–</u>
Amounts due to joint ventures	<u>135,584</u>	<u>148,653</u>	<u>–</u>	<u>–</u>
<u>Current</u>				
Amounts due from joint ventures	<u>158,836</u>	<u>136,760</u>	<u>4,055</u>	<u>4,044</u>

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

	Group 6 months ended 31 March		Group 12 months ended 31 March	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Operating results	24,882	26,706	49,362	59,691
Fair value adjustments on investment properties	(1,642)	4,135	(6,994)	1,705
Taxation	(2,874)	(7,521)	(7,059)	(14,081)
	<u>20,366</u>	<u>23,320</u>	<u>35,309</u>	<u>47,315</u>

14. Investments

	Group	
	2023 \$'000	2022 \$'000
Current:		
<i>Financial assets at fair value through profit or loss</i>		
Equity securities (quoted)	<u>14,580</u>	<u>16,493</u>
Non-current:		
<i>Financial assets at fair value through other comprehensive income</i>		
Equity securities (quoted)	33,919	49,858
<i>Financial assets at fair value through profit or loss</i>		
Equity securities (unquoted), at fair value	70,699	78,062
Equity securities (quoted)	4,447	5,701
	<u>75,146</u>	<u>83,763</u>
	<u>109,065</u>	<u>133,621</u>

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15. Accounts and other receivables

	Note	Group		Company	
		31 March 2023 \$'000	31 March 2022 \$'000	31 March 2023 \$'000	31 March 2022 \$'000
Accounts and other receivables					
<i>Current</i>					
Trade receivables		46,148	52,008	–	–
Deposits		2,151	2,158	214	214
VAT receivables		10,540	12,648	–	–
Other receivables		3,652	3,908	1,372	452
		<u>62,491</u>	<u>70,722</u>	<u>1,586</u>	<u>666</u>
Financial assets					
<i>Current</i>					
Accounts and other receivables		51,951	58,074	1,586	666
Amounts due from subsidiaries		–	–	261,778	317,080
Amounts due from associates	12	65,610	90,847	–	–
Amounts due from joint ventures	13	158,836	136,760	4,055	4,044
<i>Non-current</i>					
Amounts due from subsidiaries		–	–	236,955	130,515
Amounts due from associates		224,120	211,120	–	–
Amounts due from joint ventures		28,281	23,505	–	–
Total receivables (current and non-current)		<u>528,798</u>	<u>520,306</u>	<u>504,374</u>	<u>452,305</u>
Add:					
Cash and cash equivalents		<u>329,305</u>	<u>331,360</u>	<u>118,431</u>	<u>67,349</u>
Total financial assets carried at amortised cost		<u>858,103</u>	<u>851,666</u>	<u>622,805</u>	<u>519,654</u>

Metro Holdings Limited and its Subsidiaries

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16. Borrowings

	Note	Group		Company	
		31 March	31 March	31 March	31 March
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Current					
Bank borrowings					
- Unsecured		139,201	135,524	29,832	44,152
Unsecured borrowings under the multicurrency debt issuance programme - 4.00% p.a. fixed rate SGD notes (redeemed in October 2021)	(a)	–	–	–	–
		<u>139,201</u>	<u>135,524</u>	<u>29,832</u>	<u>44,152</u>
Non-current					
Bank borrowings					
- Unsecured		256,097	270,862	256,097	270,862
Unsecured borrowings under the multicurrency debt issuance programme - 4.30% p.a. fixed rate SGD notes (repayable in April 2024)	(b)	199,705	199,415	199,705	199,415
		<u>455,802</u>	<u>470,277</u>	<u>455,802</u>	<u>470,277</u>
Maturity of borrowings					
Repayable:					
Within 1 year		139,201	135,524	29,832	44,152
Within 2 to 5 years		455,802	470,277	455,802	470,277
		<u>595,003</u>	<u>605,801</u>	<u>485,634</u>	<u>514,429</u>

(a) 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. The Group has redeemed the \$150 million notes on 25 October 2021.

(b) 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.

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17. Share capital and treasury shares

(a) *Share capital*

	Group and Company			
	31 March 2023		31 March 2022	
	No. of shares '000	\$'000	No. of shares '000	\$'000
Issued and fully paid:				
<i>Ordinary shares</i>				
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.

The total number of issued ordinary shares, excluding treasury shares as at 31 March 2023 and 31 March 2022 was 828,035,874.

There were no convertible instruments outstanding as at 31 March 2023 (31 March 2022: Nil).

The Company did not have any subsidiary holdings in the year ended 31 March 2023.

(b) *Treasury shares*

	Group and Company			
	31 March 2023		31 March 2022	
	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.

The Company did not sell, transfer, cancel or use any treasury shares in the year ended 31 March 2023.

18. Dividends

	Group and Company	
	31 March	
	2023	2022
	\$'000	\$'000
Dividends paid during the financial year:		
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 cent) per ordinary share	8,280	2,070
	<u>24,841</u>	<u>18,631</u>

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19. Related party disclosures

In addition to the related party information disclosed elsewhere in the interim 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		Group	
	6 months ended		12 months ended	
	31 March		31 March	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interest income from associates	(6,107)	(6,115)	(12,214)	(14,601)
Interest income from joint ventures	(377)	(182)	(698)	(272)
Service fee received from associates	(30)	(74)	(59)	(74)
Service fee received from joint ventures	(99)	(174)	(198)	(273)
Interest expense paid to joint ventures	745	507	1,355	847

20. 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 department stores.

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.

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20. Segment information (cont'd)

Business segments

	Property	Retail	Total
	\$'000	\$'000	\$'000
6 months ended 31 March 2023			
Segment revenue			
- Sales of goods and net commission from concessionaires	–	56,672	56,672
- Sales of property rights	3,367	–	3,367
- Rental income	3,311	–	3,311
	<u>6,678</u>	<u>56,672</u>	<u>63,350</u>
Segment results ⁽¹⁾	4,569	5,523	10,092
Fair value gain on investment property	776	–	776
Finance costs	(15,125)	(688)	(15,813)
Associates			
- Share of results, net of tax	(4,418)	–	(4,418)
Joint ventures			
- Share of results, net of tax	20,366	–	20,366
	<u>6,168</u>	<u>4,835</u>	<u>11,003</u>
Segment profit from operations before taxation	(1,491)	(973)	(2,464)
Taxation			
Profit net of taxation	<u>4,677</u>	<u>3,862</u>	<u>8,539</u>
6 months ended 31 March 2022			
Segment revenue			
- Sales of goods and net commission from concessionaires	–	51,276	51,276
- Sales of property rights	5,506	–	5,506
- Rental income	2,936	–	2,936
	<u>8,442</u>	<u>51,276</u>	<u>59,718</u>
Segment results ⁽¹⁾	17,838	4,937	22,775
Fair value loss on an investment property	(341)	–	(341)
Finance costs	(8,632)	(735)	(9,367)
Associates			
- Share of results, net of tax	9,284	–	9,284
- Impairment of amounts due from associates	(36,327)	–	(36,327)
	<u>(27,043)</u>	<u>–</u>	<u>(27,043)</u>
Joint ventures			
- Share of results, net of tax	23,320	–	23,320
	<u>5,142</u>	<u>4,202</u>	<u>9,344</u>
Segment profit from operations before taxation	(5,145)	1,068	(4,077)
Taxation			
(Loss)/profit net of taxation	<u>(3)</u>	<u>5,270</u>	<u>5,267</u>

⁽¹⁾ Segment results include gross profit, other net income and general and administrative expenses. (refer to Condensed Interim Consolidated Income Statement on page 1)

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**Notes to the Condensed Interim Consolidated Financial Statements
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20. Segment information (cont'd)

Business segments (cont'd)

	Property \$'000	Retail \$'000	Total \$'000
Full year ended 31 March 2023			
Segment revenue			
- Sales of goods and net commission from concessionaires	–	103,980	103,980
- Sales of property rights	6,834	–	6,834
- Rental income	6,423	–	6,423
	<u>13,257</u>	<u>103,980</u>	<u>117,237</u>
Segment results ⁽¹⁾	9,539	8,818	18,357
Fair value gain on an investment property	776	–	776
Finance costs	(25,405)	(1,451)	(26,856)
Associates			
- Share of results, net of tax	4,137	–	4,137
Joint ventures			
- Share of results, net of tax	35,309	–	35,309
Segment profit from operations before taxation	24,356	7,367	31,723
Taxation	(4,942)	(1,437)	(6,379)
Profit net of taxation	<u>19,414</u>	<u>5,930</u>	<u>25,344</u>
Full year ended 31 March 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
	<u>13,909</u>	<u>86,594</u>	<u>100,503</u>
Segment results ⁽¹⁾	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)
	<u>(24,506)</u>	<u>–</u>	<u>(24,506)</u>
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	<u>19,813</u>	<u>3,838</u>	<u>23,651</u>

⁽¹⁾ Segment results include gross profit, other net income and general and administrative expenses. (refer to Condensed Interim Consolidated Income Statement on page 1)

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**Notes to the Condensed Interim Consolidated Financial Statements
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20. Segment information (cont'd)

Business segments (cont'd)

	Property \$'000	Retail \$'000	Total \$'000
31 March 2023			
<i>Assets and liabilities</i>			
Segment assets	737,862	86,904	824,766
Associates	1,021,518	–	1,021,518
Joint ventures	499,573	–	499,573
Total assets	<u>2,258,953</u>	<u>86,904</u>	<u>2,345,857</u>
Segment liabilities	762,684	70,048	832,732
Provision for taxation	6,647	1,399	8,046
Deferred tax liabilities	23,763	–	23,763
Total liabilities	<u>793,094</u>	<u>71,447</u>	<u>864,541</u>
31 March 2022			
<i>Assets and liabilities</i>			
Segment assets	808,059	87,256	895,315
Associates	1,076,518	–	1,076,518
Joint ventures	531,449	–	531,449
Total assets	<u>2,416,026</u>	<u>87,256</u>	<u>2,503,282</u>
Segment liabilities	785,235	78,847	864,082
Provision for taxation	7,575	–	7,575
Deferred tax liabilities	25,767	–	25,767
Total liabilities	<u>818,577</u>	<u>78,847</u>	<u>897,424</u>

Metro Holdings Limited and its Subsidiaries

Notes to the Condensed Interim Consolidated Financial Statements For the six months and full year ended 31 March 2023

20. Segment information (cont'd)

Geographical information

Revenue and profit from operations before taxation information based on the geographical location of the customers and assets respectively, are as follows:

	Asean ⁽¹⁾	People's Republic of China	Australia	Others ⁽²⁾	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
6 months ended 31 March 2023					
Segment revenue from external customers	60,039	3,311	–	–	63,350
Profit/(loss) from operations before taxation	7,318	15,310	(2,383)	(9,242)	11,003
6 months ended 31 March 2022					
Segment revenue from external customers	56,782	2,936	–	–	59,718
Profit/(loss) from operations before taxation	15,773	(27,354)	7,676	13,249	9,344
Full year ended 31 March 2023					
Segment revenue from external customers	110,814	6,423	–	–	117,237
Profit/(loss) from operations before taxation	6,499	28,037	177	(2,990)	31,723
Full year ended 31 March 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

⁽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.

21. 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.

Metro Holdings Limited and its Subsidiaries

**Notes to the Condensed Interim Consolidated Financial Statements
For the six months and full year ended 31 March 2023**

21. Fair value of assets and liabilities (cont'd)

(a) ***Fair value hierarchies (cont'd)***

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) ***Assets measured at fair value***

The following table shows an analysis of each class of assets measured at fair value at the end of the reporting period:

	2023			Total
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant un-observable inputs (Level 3)	Total
	\$'000	\$'000	\$'000	\$'000
Group				
Recurring fair value measurements				
<i>Financial assets:</i>				
<u>Current</u>				
<i>Financial assets at fair value through profit or loss</i>				
- Quoted equity instruments	14,580	–	–	14,580
<u>Non-current</u>				
<i>Financial assets at fair value through other comprehensive income</i>				
- Quoted equity instruments	33,919	–	–	33,919
<i>Financial assets at fair value through profit or loss</i>				
- Quoted equity instruments	4,447	–	–	4,447
- Unquoted equity instruments	–	–	70,699	70,699
Total long term financial assets	38,366	–	70,699	109,065
Financial assets as at 31 March 2023	52,946	–	70,699	123,645
<i>Non-financial asset:</i>				
Investment property (Note 11)	–	–	106,196	106,196
Non-financial asset as at 31 March 2023	–	–	106,196	106,196

Metro Holdings Limited and its Subsidiaries

**Notes to the Condensed Interim Consolidated Financial Statements
For the six months and full year ended 31 March 2023**

21. Fair value of assets and liabilities (cont'd)

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

The following table shows an analysis of each class of assets measured at fair value at the end of the reporting period:

	2022			Total \$'000
	Fair value measurements at the end of the reporting period using			
Group	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant un-observable inputs (Level 3) \$'000	
Recurring fair value measurements				
<i>Financial assets:</i>				
<u>Current</u>				
<i>Financial assets at fair value through profit or loss</i>				
- Quoted equity instruments	16,493	–	–	16,493
<u>Non-current</u>				
<i>Financial assets at fair value through other comprehensive income</i>				
- Quoted equity instruments	49,858	–	–	49,858
<i>Financial assets at fair value through profit or loss</i>				
- 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
<i>Non-financial asset:</i>				
Investment property (Note 11)	–	–	115,744	115,744
Non-financial asset as at 31 March 2022	–	–	115,744	115,744

Metro Holdings Limited and its Subsidiaries

**Notes to the Condensed Interim Consolidated Financial Statements
For the six months and full year ended 31 March 2023**

21. 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 2023 \$'000	Valuation techniques	Key unobservable inputs	Range
Recurring fair value measurements				
Financial assets at fair value through profit or loss:				
- Unquoted equity instruments	70,699	Net asset value ⁽¹⁾	Not applicable	Not applicable
Investment property	106,196	Average of direct capitalisation method and direct comparison method ⁽²⁾	- Capitalisation rate ⁽³⁾ - Rental rate ⁽⁴⁾ - Comparable price ⁽⁵⁾	5.5% per annum RMB 107 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

Metro Holdings Limited and its Subsidiaries

**Notes to the Condensed Interim Consolidated Financial Statements
For the six months and full year ended 31 March 2023**

21. 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 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

Metro Holdings Limited and its Subsidiaries

**Notes to the Condensed Interim Consolidated Financial Statements
For the six months and full year ended 31 March 2023**

21. 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)

- (1) The fair value of unquoted equity instruments is determined by reference to the underlying net assets value of the investee company.
- (2) The 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.

(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):

	31 March 2023		
	Financial assets at fair value through profit or loss (Unquoted equity instruments) \$'000	Investment property \$'000	Total \$'000
Group			
Opening balance	78,062	115,744	193,806
Total gains or losses for the financial year			
- Fair value (loss)/gain recognised in profit or loss	(12,530)	776	(11,754)
Additions	6,492	-	6,492
Redemptions	(1,194)	-	(1,194)
Foreign exchange differences	(131)	(10,324)	(10,455)
Closing balance	70,699	106,196	176,895

Metro Holdings Limited and its Subsidiaries

**Notes to the Condensed Interim Consolidated Financial Statements
For the six months and full year ended 31 March 2023**

21. Fair value of assets and liabilities (cont'd)

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

(ii) Movements in Level 3 assets measured at fair value (cont'd)

	31 March 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

(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 2023.

22. Net asset value

	Group		Company	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	\$	\$	\$	\$
Net asset value per ordinary share	1.76	1.91	0.46	0.45

Net asset value per ordinary share for the Group is calculated on the equity attributable to owners of the Company as at 31 March 2023 of \$1,456,690,000 (31 March 2022: \$1,579,846,000) divided by the total number of issued shares excluding treasury shares as at 31 March 2023 of 828,035,874 (31 March 2022: 828,035,874).

**Other Information Required by Listing Rule
Appendix 7.2**

OTHER INFORMATION

1. Review

The condensed balance sheets of Metro Holdings Limited and its subsidiaries as at 31 March 2023 and the related condensed consolidated income statement and statement of comprehensive income, condensed statements of changes in equity and condensed consolidated cash flow statement for the six-month period and year then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

2(a) Review of Group Results

Half Year ended 31 March 2023 (2HFY2023) against Half Year ended 31 March 2022 (2HFY2022)

The Group's revenue of \$63.4 million for the second half financial year ended 31 March 2023 increased by 6.1% over 2HFY2022's \$59.7 million. Revenue from the property division for 2HFY2023 decreased to \$6.7 million from 2HFY2022's \$8.4 million mainly due to lower contributions from sale of property rights of the residential development properties in Bekasi and Bintaro, Jakarta, by \$2.1 million from \$5.5 million in 2HFY2022 to \$3.4 million in 2HFY2023. Revenue from GIE Tower, Guangzhou, increased by \$0.4 million from \$2.9 million in 2HFY2022 to \$3.3 million in 2HFY2023. The retail division reported higher sales by \$5.4 million from \$51.3 million in 2HFY2022 to \$56.7 million in 2HFY2023 mainly due to higher sales from Metro Paragon and Metro Causeway Point, the two department stores in Singapore.

Correspondingly, overall gross profit increased to \$11.2 million in 2HFY2023 from \$10.3 million in 2HFY2022, in line with higher revenue.

Other net income was lower by \$12.7 million from \$22.4 million in 2HFY2022 to \$9.7 million in 2HFY2023 mainly due to higher net fair value loss by \$12.2 million from the long term and short term investments and lower dividend income by \$5.3 million from the long term investments. These were partially mitigated by higher interest income by \$3.4 million and other rental income of \$0.6 million in 2HFY2023. In 2HFY2022, dividend income was received from the Group's investment in an European Logistics Fund which registered a divestment gain of \$7.6 million (EUR5.0 million) where it divested all the real estate assets.

The Group recorded a fair value gain on investment property of \$0.8 million in 2HFY2023 as compared to a fair value loss of \$0.3 million in 2HFY2022 from GIE Tower, Guangzhou.

Share of results of associates registered a loss of \$4.4 million in 2HFY2023, as compared to a share of associate's profit of \$9.3 million in 2HFY2022 mainly due to (1) its share of fair value loss (net of tax) on investment properties of \$3.3 million in 2HFY2023 as compared to a fair value gain (net of tax) on investment properties of \$11.0 million in 2HFY2022, resulting in a fair value loss adjustment by \$14.3 million mainly attributed to China properties held under Top Spring and the three office buildings in Bay Valley by \$6.3 million, the 30% stake in the portfolio of properties in Australia by \$5.1 million and the 30% stake in six purpose-built student accommodation ("PBSA") properties in the United Kingdom ("UK") by \$2.8 million; and (2) share of lower operating profit by \$4.8 million from its 30% stake in Australia properties and Boustead Industrial Fund due to rising interest costs. These were partially mitigated by lower share of operating loss from Shanghai Plaza by \$3.6 million where the mall was opened in September 2020 and started to ramp up its operations.

In the prior 2HFY2022, the Group made an impairment loss of \$36.3 million on the amounts due from associates from the co-investments with BentallGreenOak due to the ongoing China property sector headwinds.

Share of profit of joint ventures decreased by \$2.9 million to \$20.4 million in 2HFY2023 from \$23.3 million in 2HFY2022 mainly due to its share of fair value loss (net of tax) on investment properties of \$0.4 million in 2HFY2023 as compared to a fair value gain (net of tax) on investment properties of \$5.3 million in 2HFY2022, resulting in a fair value loss adjustment by \$5.7 million attributed to its lower fair value gain adjustment by \$4.2 million from Asia Green, Singapore and higher fair value loss adjustment from The Atrium Mall, Chengdu by \$1.3 million and 5 Chancery Lane in UK by \$1.9 million in 2HFY2023, partially mitigated by lower fair value loss by \$1.7 million from Metro City, Shanghai. These were partially mitigated by higher share of joint ventures' operating profits (net of tax) by \$2.7 million mainly attributed from the China investment properties by \$7.3 million in 2HFY2023 due to lower rental rebates and waivers granted to tenants during China's COVID-19 lockdowns, netted off with lower share of operating profit from Asia Green by \$2.0 million due to the rising interest costs and The Crest by \$3.3 million where all the residential units were fully sold and recognised in 1HFY2023.

Finance costs increased by \$6.4 million to \$15.8 million in 2HFY2023 from \$9.4 million in 2HFY2022 mainly due to higher interest rates.

As a result of the foregoing, profit before taxation increased to \$11.0 million in 2HFY2023 from \$9.3 million in 2HFY2022.

Segmental Results for Half Year ended 31 March (Refer to Segment information on page 22)

Segmental Results - Property Division

Revenue from the property division for 2HFY2023 decreased to \$6.7 million from 2HFY2022's \$8.4 million mainly due to lower sales of property rights of the residential development properties in Bekasi and Bintaro, Jakarta, by \$2.1 million from \$5.5 million in 2HFY2022 to \$3.4 million in 2HFY2023. Revenue from GIE Tower, Guangzhou, increased by \$0.4 million from \$2.9 million in 2HFY2022 to \$3.3 million in 2HFY2023. The Group recorded higher gross profit contribution by \$0.3 million in 2HFY2023.

Segment results of the property division, excluding finance costs and associates and joint ventures, reported a lower profit of \$4.6 million in 2HFY2023 as compared to \$17.8 million in 2HFY2022. Other net income was lower by \$13.7 million from \$22.0 million in 2HFY2022 to \$8.3 million in 2HFY2023 mainly due to higher net fair value loss by \$12.2 million from the long term and short term investments and lower dividend income by \$5.3 million from the long term investments. These were partially mitigated by higher interest income by \$3.4 million in 2HFY2023. In 2HFY2022, dividend income was received from the Group's investment in an European Logistics Fund which registered a divestment gain of \$7.6 million (EUR5.0 million) where it divested all the real estate assets.

The Group recorded a fair value gain on investment property of \$0.8 million in 2HFY2023 as compared to a fair value loss of \$0.3 million in 2HFY2022 from GIE Tower, Guangzhou.

Share of results of associates registered a loss of \$4.4 million in 2HFY2023, as compared to a share of associate's profit of \$9.3 million in 2HFY2022 mainly due to (1) its share of fair value loss (net of tax) on investment properties of \$3.3 million in 2HFY2023 as compared to a fair value gain (net of tax) on investment properties of \$11.0 million in 2HFY2022, resulting in a fair value loss adjustment by \$14.3 million mainly attributed to China properties held under Top Spring and the three office buildings in Bay Valley by \$6.3 million, the 30% stake in the portfolio of properties in Australia by \$5.1 million and the 30% stake in six purpose-built student accommodation ("PBSA") properties in the United Kingdom ("UK") by \$2.8 million; and (2) share of lower operating profit by \$4.8 million from its 30% stake in Australia properties and Boustead Industrial Fund due to rising interest costs. These were partially mitigated by lower share of operating loss from Shanghai Plaza by \$3.6 million where the mall was opened in September 2020 and started to ramp up its operations.

In the prior 2HFY2022, the Group made an impairment loss of \$36.3 million on the amounts due from associates from the co-investments with BentallGreenOak due to the ongoing China property sector headwinds.

Share of profit of joint ventures decreased by \$2.9 million to \$20.4 million in 2HFY2023 from \$23.3 million in 2HFY2022 mainly due to its share of fair value loss (net of tax) on investment properties of \$0.4 million in 2HFY2023 as compared to a fair value gain (net of tax) on investment properties of \$5.3 million in 2HFY2022, resulting in a fair value loss adjustment by \$5.7 million attributed to its lower fair value gain adjustment by \$4.2 million from Asia Green, Singapore and higher fair value loss adjustment from The Atrium Mall, Chengdu by \$1.3 million and 5 Chancery Lane in UK by \$1.9 million in 2HFY2023, partially mitigated by lower fair value loss by \$1.7 million from Metro City, Shanghai. These were partially mitigated by higher share of joint ventures' operating profits (net of tax) by \$2.7 million mainly attributed from the China investment properties by \$7.3 million in 2HFY2023 due to lower rental rebates and waivers granted to tenants during China's COVID-19 lockdowns, netted off with lower share of operating profit from Asia Green by \$2.0 million due to the rising interest costs and The Crest by \$3.3 million where all the residential units were fully sold and recognised in 1HFY2023.

Finance costs increased by \$6.5 million to \$15.1 million in 2HFY2023 from \$8.6 million in 2HFY2022 mainly due to higher interest rates.

The average occupancy of the Group's five investment properties held by a subsidiary and joint ventures as at 31 March 2023 was 89.8%.

The portfolio summary of the Group's Investment Properties as at 31 March 2023 was as follows:

	<i>Percentage Owned</i>	<i>Tenure</i>	<i>No. of Tenants</i>	<i>Occupancy Rate (%)</i>
<i><u>Owned by a Subsidiary</u></i>				
GIE Tower, Guangzhou	100%	50 year term from 1994	32	83.1%
<i><u>Owned by Joint Ventures</u></i>				
Metro City, Shanghai	60%	36 year term from 1993	155	83.0%
Metro Tower, Shanghai	60%	50 year term from 1993	29	88.8%
5 Chancery Lane, London	50%	Freehold	1	100.0% ⁽¹⁾
Asia Green, Singapore	50%	99 year term from 2007	25	94.0%

⁽¹⁾ 5 Chancery Lane, London, is fully leased until 31 May 2023. Thereafter, it will undergo asset enhancement works which is expected to be completed by end 2025.

Segmental Results - Retail Division

Revenue from the Singapore operations of the retail division for 2HFY2023 increased to \$56.7 million from 2HFY2022's \$51.3 million. In line with higher retail revenue, the retail division reported a higher gross profit by \$0.5 million from \$7.3 million in 2HFY2022 to \$7.8 million in 2HFY2023.

Segment results, excluding finance costs, of the retail division reported a profit of \$5.5 million in 2HFY2023, an increase of \$0.6 million from \$4.9 million in 2HFY2022 in line with higher retail revenue and higher gross profit margin due to better merchandise mix and tighter discount given to customers as well as cost rationalising measures such as better inventory management.

Pressure on margins amidst a highly competitive trading environment will continue to have an impact on the results.

Full Year ended 31 March 2023 (FY2023) against Full Year ended 31 March 2022 (FY2022)

Turnover

Group turnover for the financial year ended 31 March 2023 increased to \$117.2 million from \$100.5 million in FY2022 as the retail division reported higher sales from \$86.6 million in FY2022 to \$104.0 million in FY2023 mainly due to higher sales from Metro Paragon and Metro Causeway Point, the two department stores in Singapore.

The property division recognised lower revenue by \$0.7 million to \$13.2 million in FY2023 from \$13.9 million in FY2022 mainly due to lower sale of property rights of the residential development properties in Bekasi and Bintaro, Jakarta. Revenue from GIE Tower, Guangzhou, increased marginally from \$6.3 million in FY2022 to \$6.4 million in FY2023.

In line with lower property revenue, the property division's gross profit was lower by \$0.7 million. In line with higher retail revenue, the retail division reported a higher gross profit by \$4.4 million from \$9.3 million in FY2022 to \$13.7 million in FY2023 due to better merchandise mix and tighter discount given to customers as well as cost rationalising measures such as better inventory management.

Resulting from the above, the Group's gross profit increased by \$5.1 million from \$15.3 million in FY2022 to \$20.4 million in FY2023.

Profit Before Tax

The Group's profit before tax for the year was \$31.7 million in FY2023, similar to FY2022.

Segment results, excluding finance costs and associates and joint ventures, decreased to \$18.4 million in FY2023 from \$28.4 million in FY2022 (refer to page 23) mainly due to lower other net income by \$14.7 million from \$34.1 million in FY2022 to \$19.4 million in FY2023. This was mainly due to higher net fair value loss by \$11.6 million from the long term and short term investments and lower dividend income by \$4.9 million from the long term investments. These were partially mitigated by higher interest income by \$3.4 million and other rental income of \$0.9 million in FY2023. In FY2022, dividend income was received from the Group's investment in an European Logistics Fund which registered a divestment gain of \$7.6 million (EUR5.0 million) where it divested all the real estate assets.

The Group recorded a fair value gain on investment property of \$0.8 million in FY2023 as compared to a fair value loss of \$0.3 million in FY2022 from GIE Tower, Guangzhou.

Share of profit of associates decreased by \$7.7 million to \$4.1 million in FY2023 from \$11.8 million in FY2022 mainly due to (1) its share of fair value loss (net of tax) on investment properties of \$1.4 million in FY2023 as compared to a fair value gain (net of tax) on investment properties of \$12.4 million in FY2022, resulting in a fair value loss adjustment by \$13.8 million mainly attributed to China properties held under Top Spring and the three office buildings in Bay Valley by \$8.2 million and the 30% stake in the portfolio of properties in Australia by \$4.8 million; and (2) lower share of associate's operating profit by \$3.8 million from Top Spring, its 30% stake in Australia properties and Boustead Industrial Fund due to rising interest costs. These were partially mitigated by lower share of operating loss from Shanghai Plaza by \$9.4 million where the mall was opened in September 2020 and started to ramp up its operations.

In the prior FY2022, the Group made an impairment loss of \$36.3 million on the amounts due from associates from the co-investments with BentallGreenOak due to the ongoing China property sector headwinds.

Share of profit of joint ventures decreased by \$12.0 million from \$47.3 million in FY2022 to \$35.3 million in FY2023 mainly due to (1) its share of fair value loss (net of tax) on investment properties of \$4.4 million in FY2023 as compared to a fair value gain (net of tax) on investment properties of \$3.5 million in FY2022, resulting in a fair value loss adjustment by \$7.9 million attributed to its lower fair value gain adjustment by \$4.4 million from Asia Green, Singapore and higher fair value loss adjustment from The Atrium Mall, Chengdu by \$1.7 million and 5 Chancery Lane in the UK by \$1.9 million in FY2023; (2) lower share of joint ventures' operating profits (net of tax) by \$4.1 million mainly attributed to lower share of operating profit from Asia Green by \$2.4 million due to the rising interest costs and The Crest by \$4.0 million where all the residential units were fully sold and recognised in 1HFY2023, netted off with higher share of operating profit from the China investment properties by \$2.6 million in FY2023 due to lower rental rebates and waivers granted to tenants during China's COVID-19 lockdowns.

Finance costs increased by \$7.7 million to \$26.9 million in FY2023 from \$19.2 million in FY2022 mainly due to higher bank borrowings and interest rates.

2(b) Cash Flow, Working Capital, Assets and Liabilities of the group during the current financial period reported on.

Associates (Non-current assets) (\$955.9 million) and Amounts due from associates (Current assets) (\$65.6 million) totalling \$1,021.5 million as at 31 March 2023 decreased from \$1,076.5 million as at 31 March 2022 to mainly due to dividend distribution received from associates of \$5.5 million in FY2023 and currency translation loss of foreign associates. These were partially offset by funding of (1) \$16.7 million for the acquisition of a 30% stake in four purpose-built student accommodation properties in the United Kingdom; (2) investment in a 26% stake in the property located at 26 Tai Seng Street, Singapore 534057, also known as J'Forte Building, a high-spec industrial property via Boustead Industrial Fund ("BIF") by subscribing into 26% of the Units and 7.0 per cent. notes due 2031 of BIF for \$15.8 million and (3) share of profit of associates of \$4.1 million. In FY2023, the Group's funding of \$10.4 million for the acquisition of a 30% stake in Shepparton Marketplace in Australia was primarily from capital and dividend distribution from the associates.

Joint Ventures (Non-current assets) (\$340.7 million) and Amounts due from joint ventures (Current assets) (\$158.8 million) totalling \$499.5 million as at 31 March 2023 decreased from \$531.4 million as at 31 March 2022 mainly due to dividend distribution from joint ventures of \$29.8 million in FY2023 and currency translation loss of foreign joint ventures, mainly in China. These were partially offset by share of profit of joint ventures of \$35.3 million and shareholder loan of \$3.4 million to a joint venture in the United Kingdom.

Long term investments (Non-current assets) decreased from \$133.6 million as at 31 March 2022 to \$109.1 million as at 31 March 2023 mainly due to net change in fair value of equity investments at FVOCI and FVTPL of \$16.5 million and \$11.8 million respectively, which was partially offset by investment of \$6.0 million for a 10% stake in DocMed Technology Pte. Ltd.

Development properties (Current assets) decreased to \$145.6 million as at 31 March 2023 from \$160.8 million as at 31 March 2022. This relates to the residential development properties in Jakarta, Indonesia, held for sales. During the financial period, the progressive sale recognition of property rights of residential units was \$5.0 million.

Accounts and other receivables (Current assets) decreased from \$70.7 million as at 31 March 2022 to \$62.5 million as at 31 March 2023 mainly due to receipts for the sale of property rights of \$10.3 million, which was partially offset by sale recognition of property rights of \$6.8 million, relating to the residential development properties in Jakarta, Indonesia, held for sales in FY2023.

Bank borrowings (Current liabilities) increased to \$139.2 million as at 31 March 2023 from \$135.5 million as at 31 March 2022 mainly due to loan drawn on banking facilities for the acquisition of a 30% stake in four purpose-built student accommodation properties in the United Kingdom. This was partially offset by lower revalued bank borrowings denominated in Australian dollar and Sterling pound.

Bank borrowings (Non-current liabilities) decreased to \$455.8 million as at 31 March 2023 from \$470.3 million as at 31 March 2022 mainly due lower revalued bank borrowings denominated in Australian dollar.

Amounts due to joint ventures (Non-current liabilities) decreased to \$135.6 million as at 31 March 2023 from \$148.7 million as at 31 March 2022 mainly due to lower revalued loans denominated in Renminbi from joint ventures in the PRC.

As a result of the above and after taking into account a dividend of \$24.8 million paid to shareholders, Cash and cash equivalents decreased marginally from \$331.4 million as at 31 March 2022 to \$329.3 million as at 31 March 2023.

There were no other material factors that affected the cash flow, working capital, assets and liabilities of the Group during the current financial year reported on.

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

There have been no material variances with prospect statements issued for the period being reported.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

Overall

Post pandemic, the world is facing many challenges characterised by geopolitical tensions, changing macro-economic fundamentals and an inflationary environment. On the geopolitical front, challenges include the Russia-Ukraine war and United States of America (“U.S.”)-China tensions, the erosion of multilateral trading systems, including disputes, imposition of tariffs and sanctions and other potential flashpoints. Macroeconomic challenges include uncoordinated global monetary and fiscal policies, high levels and rising government debt, banking turmoil, rapid technological changes and political changes (elections). Finally, an inflationary environment with rising interest rates to curb inflation may dampen investment appetite and increase operating/energy/food costs. The past few months have seen the collapse of giant banks globally and general weakened fundamentals across major economies. The International Monetary Fund (“IMF”) projects global growth will bottom out at 2.8% in 2023 before rising modestly to 3.0% in 2024. Global inflation will decrease, although more slowly than anticipated, from 8.7% in 2022 to 7.0% in 2023 and 4.9% in 2024¹. The Group operates in 5 countries mainly Singapore, China, Indonesia, the United Kingdom (“UK”) and Australia are subject to the heightened volatile economy and their underlying currencies movement against the Singapore dollar.

Property Division

China

The sporadic COVID-19 related lockdowns in Shanghai, Guangzhou and Chengdu during the Year 2022 has affected Metro’s properties in these cities, which eased in December 2022 with the relaxation of its stringent zero-COVID-19 policy², and concluded with the March 2023 opening of China’s borders³. China’s economy grew 3.0% in Year 2022, and is forecasted to grow 5.2% in Year 2023 and 4.5% in Year 2024⁴. The Group’s China investment properties, mainly Metro City and Metro Tower in Shanghai, and GIE Tower in Guangzhou reported an average occupancy of 85.0%⁵ (92.4%⁶). The Atrium Mall in Chengdu, and Shanghai Plaza in Shanghai has achieved occupancy of 90.6%⁵ (86.9%⁶) and 97.9%⁵ (91.1%⁶) respectively. Leasing continues to be challenging for the three office buildings in Bay Valley which are 65.7%⁵ (69.0%⁶) occupied. Current difficulties in the office leasing market, particularly in Shanghai, will affect the occupancy of our China investment properties. The Group’s associate, Top Spring International Holdings Limited, co-investments with BentallGreenOak and our other China investment properties continue to be subject to increasing market headwinds in China and Hong Kong.

Singapore

Singapore’s GDP grew by 3.6% in 2022, less than the 8.9% growth registered in 2021. For the Year 2023, the Ministry of Trade and Industry maintained the GDP growth forecast at “0.5%-2.5%”, with a 2.1% growth in 4Q2022⁷. Notwithstanding recent turmoil in the global banking sector, demand from finance and professional services, a key driver of office demand, is still expected to grow, amidst China’s re-opening and continued setting up of regional headquarters in Singapore⁸. These developments will continue to benefit our premium Grade-A office towers at the Tampines Regional Centre which has achieved an occupancy rate of 94.0%⁵ (92.2%⁶).

In the logistics sector, prime logistics properties and conventional warehouses outperformed in 1Q2023, with rents rising by 7.5% and 3.1% respectively QoQ, driven by sustained demand from third-party logistics (“3PL”) players amidst very tight supply⁹. Metro is well positioned given our investment in 26% of both the Units and 7.0 per cent notes due 2031 in the Boustead Industrial Fund (“BIF”) in December 2020, with a quality portfolio of 16 industrial, business park, high-spec industrial and logistics properties in Singapore that includes the recent acquisition of eight-storey high-spec industrial property J’Forte Building, with completion in April 2023. The entire BIF portfolio of 16 properties enjoys a high committed average occupancy of 98.4% and a long weighted average lease expiry (“WALE”) by income of approximately 5.9 years.

¹ IMF, *World Economic Outlook – A Rocky Recovery*, 11 April 2023

² CNBC, *China Eases COVID Restrictions On Travel And Production*, 7 December 2022

³ NBC News, *China To Fully Reopen Borders To Foreigners, But Near-Term Hurdles Remain*, 14 March 2023

⁴ IMF, *World Economic Outlook – A Rocky Recovery*, 11 April 2023

⁵ As at 31 March 2023

⁶ As at 31 March 2022

⁷ MTI Singapore, *MTI Maintains 2023 GDP Growth Forecast at “0.5 to 2.5 Per Cent”*, 13 February 2023

⁸ Cushman & Wakefield, *Marketbeat Singapore Office Q1 2023*, 11 April 2023

⁹ Cushman & Wakefield, *Marketbeat Singapore Industrial Q1 2023*, 11 April 2023

Indonesia

According to the IMF, Indonesia recorded annual GDP growth of 5.3% in Year 2022, and is forecast to grow 5.0% in Year 2023 and 5.1% in Year 2024, based on maintaining a neutral fiscal stance, accompanied by moderate tax policy and administration reforms, some expenditure realisation, and a gradual increase in capital spending over the medium term¹⁰. Currently, some significant industry players, namely developers, have expressed a prudent outlook by providing guidance for flat-to-slight sales growth targets. The prudent stance is indicative of the potential headwinds that lie ahead, as the apartment market prepares to withstand the impact of rising interest rates. Additionally, the market is expected to feel the impact of the February 2024 presidential election. Historically, developers have slowed the pace of new launches ahead of elections, in anticipation of decreased demand for property purchases¹¹ and this would affect our residential projects in Bekasi and Bintaro, Jakarta. All five Bekasi towers and both Bintaro towers have topped off, fully-paid units are gradually being handed over and sales continue to be underway.

United Kingdom (“UK”)

According to the IMF, UK GDP grew 4.0% in Year 2022 and is forecast to shrink 0.3% in Year 2023 and grow 1.0% in Year 2024¹². On 11 May 2023, the Bank of England raised interest rates to 4.5% from 4.25% and Governor Andrew Bailey said the British central bank would “stay the course” as it seeks to curb the highest inflation of any major economy¹³.

Investment volumes in the UK Purpose-Built Student Accommodation (“PBSA”) sector reached a record-high of £6.2 billion in 2022¹⁴. In May 2022, Metro together with its partners, also grew its 30% owned PBSA fund, Paideia Capital UK Trust (“Paideia”), by acquiring four freehold quality PBSA properties in Exeter, Durham, Glasgow and Kingston for a total purchase consideration of approximately £74.4 million (approximately S\$119.0 million). Together with the two existing properties of Red Queen, Warwick, and Dean Street Works, Bristol, Paideia owned a total portfolio of six freehold quality PBSA properties valued at £135.5 million and it has achieved a committed average occupancy rate of 83.7% as at 31 March 2023.

In Manchester, Jones Lang LaSalle forecasts that Manchester home prices will grow by 16.4% from 2022-2026, which is the fastest growth registered among all of the major UK cities¹⁵. This benefits Metro’s 2,215 unit development at Middlewood Locks, where 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.

As for Central London office, leasing activity slowed down for the second consecutive quarter in 4Q2022 as the challenging economy started to impact on the office business sentiment. Quarterly take up for office spaces reached just over 2.1 million sqft, which is 20% below the previous quarter and half a million sqft below the ten-year average of 2.6 million sqft¹⁶. Metro’s tenant at our office property at 5 Chancery Lane will move out upon lease expiry in May 2023, and immediately after that, Metro, together with our joint venture partner, will carry out the planned asset enhancement works which is expected to be completed by end 2025.

Australia

On 4 April 2023, the Reserve Bank of Australia (“RBA”) left the cash rate unchanged at 3.60%, following a cumulative increase in interest rates of 3.50% since May 2022. The RBA recognises that monetary policy operates with a lag and that the full effect of the substantial increase in interest rates is yet to be felt¹⁷. Nonetheless, the rising interest rates have increased property operating costs as well as the cap rate, leading to a general decrease in most of the property valuations. Australia registered GDP growth of 3.7% in Year 2022 and the IMF outlook for economic growth in Australia is for growth of 1.6% in Year 2023 and 1.7% in Year 2024¹⁸. In September 2022, Metro, together with its joint venture partner, the Sim Lian Group of Companies (“Sim Lian”) acquired Shepparton Marketplace in Victoria for approximately A\$92.0 million (approximately S\$85.7 million). This brings the Australian portfolio to 17 quality freehold properties comprising 4 office buildings and 13 retail centres spanning across 4 key states, namely New South Wales, Victoria, Queensland, and Western Australia, with a total appraised value of approximately A\$1.2 billion (approximately S\$1.1 billion). The Australian portfolio achieved a high average occupancy of 96.5%⁵ (95.5%⁶) and a WALE of approximately 5.7 years by income⁵ (6.4 years⁶). Metro further expands its existing Australian portfolio with this acquisition, allowing more synergies in asset and leasing management in Victoria, with a more balanced retail exposure across New South Wales and Queensland.

¹⁰ IMF, *World Economic Outlook – A Rocky Recovery*, 11 April 2023

¹¹ Colliers, *Colliers Quarterly Jakarta Apartment Report*, 5 April 2023

¹² IMF, *World Economic Outlook – A Rocky Recovery*, 11 April 2023

¹³ Reuters, *Bank Of England Raises Rates And Bailey Promises To ‘Stay The Course’*, 11 May 2023

¹⁴ Colliers, *United Kingdom Property Snapshot*, 23 April 2023

¹⁵ JLL, *UK Residential Forecasts*, 2 November 2021

¹⁶ JLL, *Q4 2022 Central London Office Market Report*, 19 January 2023

¹⁷ Reserve Bank of Australia, *Statement By Philip Lowe, Governor: Monetary Policy Decision*, 4 April 2023

¹⁸ IMF, *World Economic Outlook – A Rocky Recovery*, 11 April 2023

Others

The Group's portfolio of long-term and short-term investments, held at fair value through profit or loss and other comprehensive income, will continue to be subject to fluctuations in their fair value. The Group is exposed to the effects of foreign currency exchange rate fluctuations, primarily in relation to Chinese Renminbi, Hong Kong dollar, U.S. dollar, Sterling pound, Indonesian rupiah and Australian dollar. 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.

Retail Division

According to the Ministry of Trade and Industry, Singapore retail trade sector grew by 8.4% YoY in Year 2022, a decrease from the 12.0% growth in Year 2021¹⁹. Overall Singapore total retail sales dropped by 8.2% MoM in January 2023, as consumer spending slows post-holiday season and the "front-loading" of purchases due to GST hike eases. Essential trades such as supermarkets and food & beverage services would see firmer sales performance given the muted economic climate and potential cost-of-living impact. While China's reopening could offer a boost to retail sales through the influx of Chinese tourists, this may be more apparent in 2Q2023 onwards when more international flights resume²⁰. This will continue to weigh on our two department stores at Paragon and Causeway Point, and online. The Group's retail business continues to be impacted by the higher inflation-driven costs in raw material, labour and energy amidst a highly competitive trading environment.

The Group

Metro continues to operate across its key markets of Singapore, China, Indonesia, the UK and Australia. Amidst the elevated levels of global geopolitical and economic uncertainties, Metro will exercise caution and prudence while taking proactive measures to maintain strong capital management discipline, including preserving cash, optimising cash flows and liquidity, and to actively manage our existing investment portfolio to optimise returns and capitalise on new opportunities to enhance shareholder value. With regards to our asset management strategy, we will prioritise critical asset enhancement, while deferring uncommitted capital expenditure, implementing cost saving measures and deploying derivative instruments to hedge the underlying interest rate exposures, where possible. The Group will continue to maintain a strong liquidity position comprising cash and available undrawn banking facilities.

5. Dividend information

(a) Current Financial Period Reported on

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

Name of Dividend	Tax exempt (one tier) Final
Dividend Type	Cash
Dividend Amount per share (in cent)	2.0 cents per ordinary share

Name of Dividend	Special Tax exempt (one-tier) Final
Dividend Type	Cash
Dividend Amount per share (in cent)	0.25 cent per ordinary share

(b) Corresponding Period of the Immediate Preceding Financial Year

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

Name of Dividend	Tax exempt (one tier) Final
Dividend Type	Cash
Dividend Amount per share (in cent)	2.0 cents per ordinary share

Name of Dividend	Special Tax exempt (one-tier) Final
Dividend Type	Cash
Dividend Amount per share (in cent)	1.0 cent per ordinary share

(c) Date Payable

To be announced at a later date.

(d) Books Closure Date

To be announced at a later date.

¹⁹ MTI Singapore, MTI Maintains 2023 GDP Growth Forecast at "0.5 to 2.5 Per Cent", 13 February 2023

²⁰ Cushman & Wakefield, Marketbeat Singapore, Retail Q1 2023, 11 April 2023

6. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

Not applicable.

7. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

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

Please refer to item 2(a).

10. A breakdown of sales as follows:-

	31-Mar-2023 Group \$'000	31-Mar-2022 Group \$'000	Increase/ (Decrease) %
Sales reported for the first half year	53,887	40,785	32.1
Operating profit after tax before deducting non-controlling interests reported for the first half year	16,805	18,384	(8.6)
Sales reported for the second half year	63,350	59,718	6.1
Operating profit after tax before deducting non-controlling interests reported for the second half year	8,539	5,267	62.1

11. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Total Annual Dividend

	Year Ended	
	31-Mar-2023	31-Mar-2022
	\$'000	\$'000
Ordinary final dividend	16,561	16,561
Special dividend (Final)	2,070	8,280
Total	18,631	24,841

12. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mdm Ong Sioe Hong	73	Aunt of substantial shareholders, Ong Ling Ling, Ong Jenn, Ong Ching Ping and Ong Sek Hian (Wang ShiXian)*	Managing Director of Metro (Pte) Ltd since March 1994 and appointed Executive Chairman in 2012. Responsible for overall corporate strategies of Metro (Pte) Ltd and its subsidiaries, the retail division of the Group.	N.A.
Ong Jenn	48	Substantial shareholder Nephew of (i) Mdm Ong Sioe Hong and (ii) Mr Ong Jen Yaw who is a substantial shareholder Sibling of substantial shareholders, Ong Ling Ling, Ong Ching Ping and Ong Sek Hian (Wang ShiXian)*	Director of Business Development of the Company since 2 November 2020. To assist management to implement business development strategies.	N.A.

* Mr Ong Sek Hian (Wang ShiXian) is also a non-executive and non-independent director of the Company.

BY ORDER OF THE BOARD

Tan Ching Chek and Eve Chan Bee Leng
Joint Company Secretaries
Date: 26 May 2023