

Independent Auditor's Report

To the Sole Member of Mapletree Treasury Services (HKSAR) Limited
(Incorporated in Hong Kong with limited liability)

Opinion

What we have audited

The financial statements of Mapletree Treasury Services (HKSAR) Limited (the "Company") set out on pages 8 to 26, which comprise:

- the statement of financial position as at 31 March 2020;
- the statement of comprehensive income for the financial year then ended;
- the statement of changes in equity for the financial year then ended;
- the statement of cash flows for the financial year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 March 2020, and of its financial performance and its cash flows for the financial year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

Independence

We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Independent Auditor's Report

To the Sole Member of Mapletree Treasury Services (HKSAR) Limited (Continued)
(Incorporated in Hong Kong with limited liability)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Report of the Directors, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report

To the Sole Member of Mapletree Treasury Services (HK SAR) Limited (Continued)
(Incorporated in Hong Kong with limited liability)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HK SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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



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Independent Auditor's Report

To the Sole Member of Mapletree Treasury Services (HK SAR) Limited (Continued)
(Incorporated in Hong Kong with limited liability)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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

A stylized, handwritten signature of 'PricewaterhouseCoopers' in a cursive script.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 29 May 2020

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

	Note	2020 USD	2019 USD
Finance income	5	2,215,463	3,108,955
Currency exchange loss - net		(49,690)	(55,351)
Expenses			
- Auditor's remuneration		(4,748)	(4,768)
- Legal and professional fees		(3,873)	(10,527)
- Finance costs	6	(3,084,298)	(3,382,455)
- Other expenses		(898)	(1,146)
Loss before income tax		(928,044)	(345,292)
Income tax credit	7	-	12,843
Loss and total comprehensive loss for the financial year		(928,044)	(332,449)

The notes on pages 12 to 26 are an integral part of these financial statements.

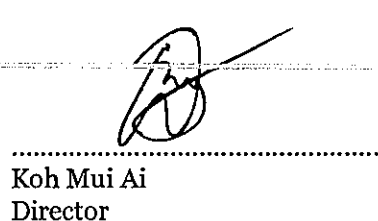
MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Note	2020 USD	2019 USD
ASSETS			
Current assets			
Tax recoverable		134,176	134,176
Other receivables	9	3,418,137	1,782,917
Loans to fellow subsidiaries	10	55,261,526	57,101,145
Cash and cash equivalents	11	91,723	644,815
		<u>58,905,562</u>	<u>59,663,053</u>
Total assets		<u>58,905,562</u>	<u>59,663,053</u>
EQUITY			
Share capital	12	645,000	645,000
(Accumulated losses)/retained earnings		(237,685)	690,359
Total equity		<u>407,315</u>	<u>1,335,359</u>
LIABILITIES			
Current liabilities			
Borrowings	13	41,065,619	5,896,079
Other payables	14	17,432,628	17,630,644
		<u>58,498,247</u>	<u>23,526,723</u>
Non-current liabilities			
Borrowings	13	-	34,800,971
Total liabilities		<u>58,498,247</u>	<u>58,327,694</u>
Total equity and liabilities		<u>58,905,562</u>	<u>59,663,053</u>

The financial statements on pages 8 to 26 were approved by the Board of Directors on 29 May 2020.


Hiew Yoon Khong
Director


Koh Mui Ai
Director

The notes on pages 12 to 26 are an integral part of these financial statements.

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

	Share capital USD	(Accumulated losses)/ retained earnings USD	Total USD
At 1 April 2018	645,000	1,022,808	1,667,808
Loss and total comprehensive loss for the financial year	-	(332,449)	(332,449)
At 31 March 2019	645,000	690,359	1,335,359
Loss and total comprehensive loss for the financial year	-	(928,044)	(928,044)
At 31 March 2020	645,000	(237,685)	407,315

The notes on pages 12 to 26 are an integral part of these financial statements.

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

	Note	2020 USD	2019 USD
Cash flows from operating activities			
Loss before income tax		(928,044)	(345,292)
Adjustments for:			
- Finance income	5	(2,215,463)	(3,108,955)
- Finance costs	6	3,084,298	3,382,455
- Currency exchange loss, net		49,690	55,351
Operating loss before working capital changes		(9,519)	(16,441)
Change in working capital:			
- Increase in other receivables		(2)	(1)
- Increase in other payables		2,161	38,566
- Decrease in loans to fellow subsidiaries		91,579	147,634,597
Cash generated from operations		84,219	147,656,721
Interest received		580,245	2,614,283
Income tax paid		-	(125,162)
Net cash generated from operating activities		664,464	150,145,842
Cash flows from financing activities			
Interest paid		(2,863,310)	(3,410,761)
Proceeds from borrowings	15	1,994,870	67,839,095
Repayment of borrowings	15	(662,179)	(214,939,051)
Increase in deposit placed by an intermediate holding company	15	297,446	229,032
Increase in deposit placed by the immediate holding company	15	31,123	25,535
Net cash used in financing activities		(1,202,050)	(150,256,150)
Net decrease in cash and cash equivalents		(537,586)	(110,308)
Effect of exchange rate changes on cash at banks		(15,506)	(2,110)
Cash and cash equivalents at beginning of financial year		644,815	757,233
Cash and cash equivalents at end of financial year		91,723	644,815
Cash and cash equivalents represent:			
Cash at banks		91,723	644,815

The notes on pages 12 to 26 are an integral part of these financial statements.

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Mapletree Treasury Services (HKSAR) Limited (the “Company”) is a limited liability company incorporated in Hong Kong. The address of the Company’s registered office is Suites 2001-2, 20/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong. The principal activity of the Company is the provision of financial and treasury operations activities for the holding and related companies within the group.

The Directors regard Mapletree Treasury Services Limited, a company incorporated in Singapore, as being the immediate holding company. The Company regards Mapletree Investments Pte Ltd, a company incorporated in Singapore, as an intermediate holding company and Temasek Holdings (Private) Limited, a company incorporated in Singapore, as the ultimate holding company.

These financial statements are presented in United States Dollar (“USD”) which is the functional currency of the Company.

2 Summary of significant accounting policies

The significant accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) and the requirement of the Hong Kong Companies Ordinance (Cap.622). The financial statements have been prepared under the historical cost convention.

The preparation of the financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

(a) New standards and amendments to existing standards adopted by the Company

The Company has adopted the following relevant amendments to standards and interpretations that have been issued and are effective for the financial year commencing on 1 April 2019:

HKFRS 16	Leases
HKFRIC 23	Uncertainty over income tax treatments
Amendments to HKFRS 9	Prepayment features with negative compensation
Amendments to HKAS 19	Plan amendment, curtailment or settlement
Amendments to HKAS 28	Long-term interests in associates and joint ventures
Annual improvements project 2015-2017	Annual improvements 2015-2017 cycle

The adoption of the above new standard, amendments and interpretation to existing standards does not have material impact to the Company’s financial statements.

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

- (b) The Company has not early adopted the following relevant new and revised standards and amendment to standard that have been issued but are not yet effective:

Conceptual Framework for Financial Reporting 2018	Revised conceptual framework for financial reporting ¹
Amendments to HKFRS 3	Definition of a business ¹
Amendments to HKAS 1 and HKAS 8	Definition of material ¹
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture ³
HKFRS 17	Insurance contracts ²
Amendments to HKAS 39, HKFRS 7 and HKFRS 9	Hedge accounting ¹

¹ Effective for annual periods beginning on or after 1 April 2020

² Effective for annual periods beginning on or after 1 April 2021

³ Effective date to be determined

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 April 2020 and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company.

2.2 Financial instruments

(a) Classification

From 1 April 2018, the Company classifies its financial assets in the following measurement category:

- those to be measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of comprehensive income or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on the trade-date- the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

2.2 Financial instruments (Continued)

(c) Measurement

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

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For debt instruments at amortised cost, assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income, except for interest income generated from loans to fellow subsidiaries which is included in revenue, using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of comprehensive income. Impairment losses are presented as separate line item in the statement of comprehensive income.

(d) Impairment

From 1 April 2018, the Company assesses on a forward looking basis the expected credit losses ("ECL") associated with its debt instruments at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For financial assets carried at amortised cost, including other receivables and loans to fellow subsidiaries in the statement of financial position, the expected credit loss is based on the 12-month expected credit loss. It is the portion of lifetime expected credit loss that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit loss. Management has closely monitored the credit qualities and the collectability of financial assets at amortised cost and considers that the ECL is immaterial. As at 1 April 2019 and 31 March 2020, the ECL is immaterial to the financial statements of the Company.

2.3 Cash and cash equivalents

For the purpose of cash flows, cash and cash equivalents include deposit held at call with banks with original maturities of three months or less.

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

2.4 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authority.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”).

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

2.6 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.7 Revenue recognition

Interest income is recognised on a time proportion basis using the effective interest method.

2.8 Borrowings

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

Fee paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

2.9 Borrowings costs

Borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

2 Summary of significant accounting policies (Continued)

2.10 Related parties

Related parties are individuals and companies, including fellow subsidiaries and key management (including close members of their families), where the individual or Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2.11 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options as shown in equity as a deduction, net of tax, from the proceeds.

3 Financial risk management

3.1 Financial risk factors

The Company's major financial instruments include loans to fellow subsidiaries, other receivables, cash and cash equivalents, borrowings and other payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

(a) Market risk

(i) Foreign currency risk

The Company's business is principally conducted in USD. The Company is subject to foreign currency risk arising from future commercial transactions and recognised assets and liabilities which are not denominated in USD. The majority of the Company's foreign currency transactions and balances are denominated in Singapore Dollar ("SGD"), Renminbi ("RMB") and Hong Kong Dollar ("HKD"). The Company currently does not have a foreign currency hedging policy. The Company manages its foreign currency risk by closely monitoring the movement of the foreign exchange rates. Management does not anticipate significant impact resulting from the changes in foreign currency exchange rates.

The carrying amounts of the Company's significant foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

	SGD	RMB	HKD
31 March 2020			
Financial assets			
Cash and cash equivalents	-	14,951	63,131
Other receivables	45,909	3,371,507	-
Loans to fellow subsidiaries	16,341,528	38,919,998	-
	<u>16,387,437</u>	<u>42,306,456</u>	<u>63,131</u>
Financial liabilities			
Borrowings	-	41,065,619	-
Other payables	16,515,131	46,948	69,080
	<u>16,515,131</u>	<u>41,112,567</u>	<u>69,080</u>
Currency exposure on financial (liabilities)/assets	<u>(127,694)</u>	<u>1,193,889</u>	<u>(5,949)</u>

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign currency risk (Continued)

	SGD	RMB	HKD
31 March 2019			
Financial assets			
Cash and cash equivalents	-	62,603	568,520
Other receivables	51,880	1,730,318	-
Loans to fellow subsidiaries	16,356,013	40,745,132	-
	<u>16,407,893</u>	<u>42,538,053</u>	<u>568,520</u>
Financial liabilities			
Borrowings	-	40,697,050	-
Other payables	16,585,084	206,843	67,010
	<u>16,585,084</u>	<u>40,903,893</u>	<u>67,010</u>
Currency exposure on financial (liabilities)/assets	<u>(177,191)</u>	<u>1,634,160</u>	<u>501,510</u>

The following table shows the sensitivity analysis of a 3% (2019: 4%) increase/ (decrease) in USD against the relevant foreign currencies and the effect on the loss for the year.

	Decrease/(increase) in loss after tax	
	2020 USD	2019 USD
SGD against USD		
-strengthened	(3,199)	(5,918)
-weakened	3,199	5,918
RMB against USD		
-strengthened	29,907	54,581
-weakened	(29,907)	(54,581)
HKD against USD		
-strengthened	(149)	16,750
-weakened	<u>149</u>	<u>(16,750)</u>

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Cash flow interest-rate risk

The Company's interest rate risk arises from bank deposits, loans to fellow subsidiaries, deposits placed by an intermediate holding company and the immediate holding company and borrowings. Bank deposits, loans to fellow subsidiaries, deposits placed by an intermediate holding company and the immediate holding company and borrowings at variable rates expose the Company to cash flow interest rate risk. The Company manages its interest rate risk by performing regular review and monitoring its interest rate exposures.

Management does not anticipate significant impact resulting from the changes in interest rates on the net position of these interest-bearing assets and liabilities as at 31 March 2020 (2019: same).

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are other receivables (Note 9), loans to fellow subsidiaries (Note 10) and cash and cash equivalents (Note 11).

The Company has procedures to review credit risk. In addition, management carries out regular reviews on receivable balances to identify balances with high risk. Credit risks on loans to/amounts due from the fellow subsidiaries are minimal they have sound financial position, financial performance and did not have default history.

The credit risk on cash and cash equivalents is limited because they are placed with reputable banks with high credit ratings. Management does not expect any losses from non-performance by the banks.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position. While cash and cash equivalents and other financial assets at amortised cost are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its current obligations when they fall due.

The Company maintains a conservative level of liquid assets to ensure the availability of sufficient cash flows to meet any unexpected and material cash requirements in the course of ordinary business. In addition, funding support from intermediate holding companies are established to provide contingent liquidity support when necessary.

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining periods at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year USD	Between 1 and 5 years USD
As at 31 March 2020		
Other payables	17,432,628	-
Borrowings	41,412,088	-
	<u>58,844,716</u>	<u>-</u>
As at 31 March 2019		
Other payables	17,630,644	-
Borrowings	7,649,503	35,536,868
	<u>25,280,147</u>	<u>35,536,868</u>

3.2 Capital management

The Company's objectives when managing capital risk are to safeguard the Company's ability as a going concern in order to provide returns for shareholder and to support future development of business through optimisation of debt and equity balances. The Company obtains its funding from an intermediate holding company and the immediate holding company when necessary.

The capital structure of the Company consists of debt, which includes bank borrowings, deposit from the immediate holding company, deposit from an intermediate holding company and total equity comprising share capital and reserves.

The directors of the Company review the capital structure periodically. The Company is not subject to any externally imposed capital requirement.

3.3 Fair value estimation

The carrying amount of the Company's financial assets and liabilities including loans to fellow subsidiaries, other receivables, cash and cash equivalents, borrowings and other payables are reasonable approximation of their fair values due to their short-term maturities. The fair values of borrowings approximate their carrying amounts as the interest rates of such loans are adjusted for changes in relevant market interest rate.

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

4 Critical accounting estimates and judgements

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results. The directors, however, are of the opinion that there are no estimates and assumptions that would have a significant risk of causing a material adjustment to the carrying amount of the Company's assets and liabilities.

5 Finance income

	Note	2020 USD	2019 USD
Interest income:			
- deposits placed in bank		1	1
- loans to fellow subsidiaries	10	2,215,462	3,108,954
		<u>2,215,463</u>	<u>3,108,955</u>

6 Finance costs

	2020 USD	2019 USD
Interest expenses:		
- deposit placed by the immediate holding company	29,672	28,581
- deposit placed by an intermediate holding company	291,028	246,169
- borrowings	1,874,101	2,261,129
Other finance costs	889,497	846,576
	<u>3,084,298</u>	<u>3,382,455</u>

7 Income tax credit

	2020 USD	2019 USD
Hong Kong profits tax		
- Over-provision in prior years	-	(12,843)
	<u>-</u>	<u>(12,843)</u>

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

7 Income tax credit (Continued)

The amount of income tax charged to the statement of comprehensive income represents:

	2020 USD	2019 USD
Loss before income tax	(928,044)	(345,292)
Calculated at a taxation rate of 16.5% (2019: 16.5%)	(153,127)	(56,973)
Expenses not deductible for taxation purposes	61,113	54,539
Unrecognised tax losses	92,014	2,434
Over-provision in prior years	-	(12,843)
Income tax credit	-	(12,843)

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through the future taxable profit is probable. As at 31 March 2020, the Company did not recognise deferred income tax assets of approximately USD94,447 (2019: USD2,434) in respect of tax losses approximately USD572,418 (2019: USD14,752) that can be carried forward against future taxable income.

8 Benefits and interests of Directors disclosures required by section 383 of the Hong Kong Companies Ordinance (Cap.622) and Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap.622G)

a) Directors' emoluments (equivalent to key management compensation)

The directors, who represent key management personnel of the Company, having authority and responsibility for planning, directing and controlling the activities of the Company, did not receive or will not receive any fees or emoluments in respect of their services to the Company during the financial year (2019: Nil).

b) Directors' retirement benefits and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits during the financial year (2019: Nil).

c) Consideration provided to third parties for making available Directors' services

During the financial year ended 31 March 2020, the Company does not pay consideration to any third parties for making available Directors' services (2019: Nil).

d) Information about loans, quasi-loans and other dealings in favour of Directors, controlled bodies corporate by and controlled entities with such Directors

As at 31 March 2020, there are no loans, quasi-loans and other dealing arrangements in favour of Directors, controlled bodies corporate by and controlled entities with such Directors (2019: Nil).

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

8 Benefits and interests of Directors disclosures required by section 383 of the Hong Kong Companies Ordinance (Cap.622) and Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap.622G) (Continued)

e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the financial year or at any time during the financial year (2019: Nil).

9 Other receivables

	2020 USD	2019 USD
Interest receivables from fellow subsidiaries	3,417,416	1,782,198
Prepayment	721	719
	<u>3,418,137</u>	<u>1,782,917</u>

Interest receivables from fellow subsidiaries are unsecured and repayable on demand.

10 Loans to fellow subsidiaries

Loans to fellow subsidiaries are unsecured, carry interest ranging from 1.83% to 7.50% (2019: 2.14% to 7.50%) per annum and repayable on demand.

11 Cash and cash equivalents

	2020 USD	2019 USD
Cash at banks	<u>91,723</u>	<u>644,815</u>
Maximum exposure to credit risk	<u>91,723</u>	<u>644,815</u>

12 Share capital

	2020 USD	2019 USD
5,000,000 ordinary shares issued and fully paid as beginning and end of year	<u>645,000</u>	<u>645,000</u>

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

13 Borrowings

As at 31 March 2020, the borrowings are unsecured, with effective interest rates ranging from 2.73% to 4.80% (2019: 3.40% to 4.80%) per annum. The borrowings will mature and repayable as follows:

	2020 USD	2019 USD
Within one year	41,065,619	5,896,079
In the second to fourth year	-	34,800,971
	<u>41,065,619</u>	<u>40,697,050</u>

14 Other payables

	2020 USD	2019 USD
Interest payable on:		
- Borrowings	46,948	206,843
- Deposits placed by an intermediate holding company	38,705	45,123
- Deposits placed by the immediate holding company	9,308	10,760
	<u>94,961</u>	<u>262,726</u>
Accrued commitment fees	69,080	67,010
Accrued operating expenses	7,891	7,800
Deposits placed by an intermediate holding company	16,476,426	16,539,961
Deposits placed by the immediate holding company	784,270	753,147
	<u>17,432,628</u>	<u>17,630,644</u>

The interest payable on deposits placed by an intermediate holding company and the immediate holding company are unsecured and repayable on demand.

The deposit placed by the intermediate holding company will mature in August 2020 (2019: August 2019). The effective interest rate at the reporting date is 1.53% (2019: 1.85%) per annum and the interest rate will be re-priced every six months (2019: six months).

The deposit placed by the immediate holding company will mature in May 2020 (2019: May 2019). The effective interest rate at the reporting date is 3.39% (2019: 4.11%) per annum and the interest rate will be re-priced every six months (2019: six months).

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

15 Notes to the statement of cash flows

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Net debt

	2020 USD	2019 USD
Cash and cash equivalents	91,723	644,815
Borrowings	(41,065,619)	(40,697,050)
Interest payable on borrowings	(46,948)	(206,843)
Interest payable to related parties	(48,013)	(55,883)
Deposit placed by an intermediate holding company	(16,476,426)	(16,539,961)
Deposit placed by the immediate holding company	(784,270)	(753,147)
Net debt	<u>(58,329,553)</u>	<u>(57,608,069)</u>
Cash and cash equivalents	91,723	644,815
Gross debt – variable interest rates	<u>(58,421,276)</u>	<u>(58,252,884)</u>
Net debt	<u>(58,329,553)</u>	<u>(57,608,069)</u>

	Cash and cash equivalents USD	Borrowings USD	Interest payable on borrowings USD	Interest payable to related parties USD	Deposit placed by an intermediate holding company USD	Deposit placed by the immediate holding company USD	Total USD
Net debt as at							
31 March 2018	757,233	(190,043,174)	(627,855)	(35,698)	(16,778,030)	(727,612)	(207,455,136)
Finance costs	-	-	(3,107,704)	(274,751)	-	-	(3,382,455)
Cash flows	(110,308)	147,099,956	3,156,195	254,566	(229,032)	(25,535)	150,145,842
Non-cash movements	(2,110)	2,246,168	372,521	-	467,101	-	3,083,680
Net debt as at							
31 March 2019	644,815	(40,697,050)	(206,843)	(55,883)	(16,539,961)	(753,147)	(57,608,069)
Net debt as at							
31 March 2019	644,815	(40,697,050)	(206,843)	(55,883)	(16,539,961)	(753,147)	(57,608,069)
Finance costs	-	-	(2,763,598)	(320,700)	-	-	(3,084,298)
Cash flows	(537,586)	(1,332,691)	2,534,740	328,570	(297,446)	(31,123)	664,464
Non-cash movements	(15,506)	964,122	388,753	-	360,981	-	1,698,350
Net debt as at							
31 March 2020	91,723	(41,065,619)	(46,948)	(48,013)	(16,476,426)	(784,270)	(58,329,553)

MAPLETREE TREASURY SERVICES (HKSAR) LIMITED
(Incorporated in Hong Kong with limited liability)

NOTES TO THE FINANCIAL STATEMENTS

16 Financial instruments by category

Assets as per statement of financial position

	Notes	<u>Financial assets at amortised cost</u>	
		2020 USD	2019 USD
Other receivables	9	3,417,416	1,782,198
Loans to fellow subsidiaries	10	55,261,526	57,101,145
Cash and cash equivalents	11	91,723	644,815
Total		58,770,665	59,528,158

Liabilities as per statement of financial position

	Notes	<u>Financial liabilities at amortised cost</u>	
		2020 USD	2019 USD
Borrowings	13	41,065,619	40,697,050
Other payables and accruals	14	17,432,628	17,630,644
		58,498,247	58,327,694

17 Related party transactions

Other than those disclosed elsewhere in the financial statements, there were no related party transactions entered into by the Company during the financial year.

**MAPLETREE TREASURY SERVICES (US)
PTE. LTD.**

(Incorporated in Singapore. Registration Number: 201628556N)

ANNUAL REPORT

For the financial year ended 31 March 2020

MAPLETREE TREASURY SERVICES (US) PTE. LTD.
(Incorporated in Singapore)

ANNUAL REPORT
For the financial year ended 31 March 2020

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MAPLETREE TREASURY SERVICES (US) PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2020

The Directors present their statement to the member together with the audited financial statements for the financial year ended 31 March 2020.

In the opinion of the Directors,

- (a) the financial statements as set out on pages 6 to 21 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and the financial performance, changes in equity and cash flows of the Company for the financial year covered by the financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The Directors of the Company in office at the date of this statement are as follows:

Hiew Yoon Khong	
Wong Mun Hoong	(Resigned on 30 November 2019)
Koh Mui Ai	(Appointed on 30 November 2019)

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the Directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**DIRECTORS' STATEMENT***For the financial year ended 31 March 2020*

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 31.03.2020	At 31.03.2019 or date of appointment, if later	At 31.03.2020	At 31.03.2019 or date of appointment, if later
CapitaLand Limited (Ordinary shares)				
Hiew Yoon Khong	105,550	105,550*	-	-*
Singapore Technologies Engineering Ltd (Ordinary shares)				
Hiew Yoon Khong	-	-	30,000	30,000
Koh Mui Ai	-	-	30,000	93,000
Singapore Telecommunications Limited (Ordinary shares)				
Koh Mui Ai	-	-	30,000	30,000

**Interest as at 30 June 2019, date on which CapitaLand Limited becomes a subsidiary of Temasek Holdings (Private) Limited pursuant to Section 5 of the Companies Act, Chapter 50.*

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.


HIEW YOON KHONG
Director


KOH MUI AI
Director

12 June 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF MAPLETREE TREASURY SERVICES (US) PTE. LTD.

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying financial statements of Mapletree Treasury Services (US) Pte. Ltd. ("the Company") are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

What we have audited

The financial statements of the Company comprise:

- the statement of comprehensive income for the financial year ended 31 March 2020;
- the statement of financial position as at 31 March 2020;
- the statement of changes in equity for the financial year then ended;
- the statement of cash flows for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

Independence

We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
MAPLETREE TREASURY SERVICES (US) PTE. LTD. (continued)****Other Information**

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

The Directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
MAPLETREE TREASURY SERVICES (US) PTE. LTD. (continued)**

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 12 June 2020

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**STATEMENT OF COMPREHENSIVE INCOME***For the financial year ended 31 March 2020*

	Note	2020 US\$'000	2019 US\$'000
Revenue	4	11	5,180
Other gain/(loss)			
- Currency exchange gain/(loss) – net	5	4	(9)
Expenses			
- Finance cost	6	-	(3,745)
- Professional fees		(14)	(14)
Profit before income tax		1	1,412
Income tax credit/(expense)	7	10	(228)
Profit and total comprehensive income for the financial year		11	1,184

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

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**STATEMENT OF FINANCIAL POSITION***As at 31 March 2020*

	Note	2020 US\$'000	2019 US\$'000
ASSETS			
Current assets			
Cash and cash equivalents	8	365	1,266
Trade and other receivables	9	1,865	1,175
Total assets		2,230	2,441
LIABILITIES			
Current liabilities			
Trade and other payables		14	9
Current income tax liabilities		-	227
Total liabilities		14	236
NET ASSETS		2,216	2,205
EQUITY			
Share capital	10	100	100
Retained earnings		2,116	2,105
Total equity		2,216	2,205

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

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**STATEMENT OF CHANGES IN EQUITY***For the financial year ended 31 March 2020*

	Share capital US\$'000	Retained earnings US\$'000	Total equity US\$'000
As at 1 April 2019	100	2,105	2,205
Total comprehensive income for the financial year	-	11	11
As at 31 March 2020	100	2,116	2,216
As at 1 April 2018	100	921	1,021
Total comprehensive income for the financial year	-	1,184	1,184
As at 31 March 2019	100	2,105	2,205

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

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**STATEMENT OF CASH FLOWS***For the financial year ended 31 March 2020*

	Note	2020 US\$'000	2019 US\$'000
Cash flows from operating activities			
Profit for the financial year		11	1,184
Adjustments for:			
- Interest income	4	(11)	(5,180)
- Currency exchange (gain)/loss – net	5	(4)	9
- Finance cost	6	-	3,745
- Income tax (credit)/expense	7	(10)	228
Operating cash flow before working capital changes		(14)	(14)
Change in operating assets and liabilities:			
- Trade and other payables		5	9
- Loan to related companies		-	(1,010)
Cash used in operations		(9)	(1,015)
Interest received		14	4,995
Income tax paid		(217)	(157)
Net cash (used in)/generated from operating activities		(212)	3,823
Cash flows from investing activity			
(Placement)/withdrawal from deposit placed with immediate holding company		(687)	73
Net cash (used in)/generated from investing activity		(687)	73
Cash flows from financing activities			
Interest paid		-	(3,745)
Proceeds from bank borrowings		-	1,114,299
Repayment of bank borrowings		-	(1,113,293)
Net cash used in financing activities		-	(2,739)
Net (decrease)/increase in cash and cash equivalents		(899)	1,157
Effect of exchange rate changes on balances held in foreign currency		(2)	9
Cash and cash equivalents at beginning of financial year		1,266	100
Cash and cash equivalents at end of financial year	8	365	1,266

Reconciliation of liabilities arising from financing activities

	Bank borrowings US\$'000
As at 1 April 2018	-
Proceeds	1,114,299
Repayment	(1,113,293)
Non-cash charges:	
- Foreign exchange movement	(1,006)
As 31 March 2019	-

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

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020*

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

The Company is incorporated and domiciled in Singapore. The address of its registered office is 10 Pasir Panjang Road, #13-01, Mapletree Business City, Singapore 117438.

The principal activity of the Company is that relating to the provision of financial and treasury operations services to its intermediate holding company, Mapletree Investments Pte Ltd, and related companies.

2. Significant accounting policies**2.1 Basis of preparation**

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There are no critical accounting estimates and assumptions identified by the management.

2.2 Revenue recognition

Interest income is recognised on a time-proportion basis using the effective interest method.

2.3 Financial assets*(a) Classification and measurement*

The Company classifies its financial assets as amortised cost. The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020*

2. Significant accounting policies (continued)**2.3 Financial assets (continued)****(a) *Classification and measurement* (continued)**

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

At subsequent measurement

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(b) *Impairment*

The Company assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 11(b) details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables and other receivables, the Company applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020*

2. Significant accounting policies (continued)**2.3 Financial assets (continued)***(c) Recognition and derecognition (continued)*

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

2.4 Borrowings

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

Borrowings which are due to be settled within 12 months after the balance sheet date are presented as current borrowings even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the balance sheet date and before the financial statements are authorised for issue. Other borrowings due to be settled more than 12 months after the balance sheet date are presented as non-current borrowings in the statement of financial position.

2.5 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.6 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020*

2. Significant accounting policies (continued)**2.7 Income taxes**

Current income tax for current and prior period is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Company expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

2.8 Currency translation

The financial statements are presented in United States Dollar, which is the functional currency of the Company.

Transactions in a currency other than United States Dollar ("foreign currency") are translated into United States Dollar using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020*

2. Significant accounting policies (continued)**2.9 Cash and cash equivalents**

For the purposes of presentation in the statement of cash flows, cash and cash equivalents include cash at bank.

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new shares are deducted against the share capital account.

3. Employee compensation

The Company does not have any employees on its payroll as its daily operations and administrative functions are provided by its intermediate holding company.

4. Revenue

	2020 US\$'000	2019 US\$'000
Interest income		
- Immediate holding company	11	15
- Related companies	-	5,165
	<u>11</u>	<u>5,180</u>

5. Currency exchange gain/(loss) – net

	2020 US\$'000	2019 US\$'000
Realised currency exchange loss - net	-	(5)
Unrealised currency exchange gain/(loss) - net	4	(4)
	<u>4</u>	<u>(9)</u>

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020***6. Finance cost**

	2020 US\$'000	2019 US\$'000
Interest expense:		
- Bank borrowings	-	3,745

7. Income tax (credit)/expense

	2020 US\$'000	2019 US\$'000
Tax (credit)/expense attributable to profit is made up of:		
- Profit for the financial year		
Current income tax	-	227
- (Over)/Under provision in prior financial years		
Current income tax	(10)	1
	(10)	228

The tax (credit)/expense on profit differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	2020 US\$'000	2019 US\$'000
Profit before income tax	1	1,412
Tax calculated at a tax rate of 17% (2019:17%)	-	240
Effects of:		
- Singapore statutory stepped income exemption	-	(13)
- Under provision in prior financial years	(10)	1
Tax (credit)/charge for the financial year	(10)	228

8. Cash and cash equivalents

	2020 US\$'000	2019 US\$'000
Cash at bank	365	1,266

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020***9. Trade and other receivables**

	2020 US\$'000	2019 US\$'000
Interest receivable:		
- Immediate holding company	3	6
- Related companies	585	579
Deposit placed with immediate holding company	1,277	590
	1,865	1,175

Deposit placed with immediate holding company mature within six months (2019: six months) from the end of the financial year. The effective interest rates on the deposit ranged from 0.97% to 1.93% (2019: 2.91%) per annum and the interest rate is re-priced upon maturity.

10. Share capital

The Company's share capital comprises fully paid-up 100,000 (2019: 100,000) ordinary shares with no par value, amounting to a total of US\$100,000 (2019: US\$100,000).

11. Financial risk management

The financial risk management of the Company is provided by its intermediate holding company as part of the operations of the Group, and these processes and policies are described in the financial statements of its intermediate holding company.

(a) Market risk**(i) *Foreign exchange risk***

The Company is exposed to exchange rate risk on its foreign currency denominated assets.

Foreign exchange exposures in transactional currencies other than the functional currency of the Company are kept to acceptable level.

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020***11. Financial risk management (continued)****(a) Market risk (continued)****(i) *Foreign exchange risk* (continued)**

The Company's currency exposure is as follows:

	USD	GBP	EUR	SGD
	US\$'000	US\$'000	US\$'000	US\$'000
<u>2020</u>				
Financial assets				
Cash and cash equivalents	80	274	-	11
Trade and other receivables	1,311	-	554	-
	1,391	274	554	11
Financial liabilities				
Trade and other payables	(14)	-	-	-
Net financial assets	1,377	274	554	11
Net financial assets denominated in the Company's functional currency	(1,377)	-	-	-
Currency exposure on financial assets	-	274	554	11
<u>2019</u>				
Financial assets				
Cash and cash equivalents	989	277	-	-
Trade and other receivables	627	-	548	-
	1,616	277	548	-
Financial liabilities				
Trade and other payables	(9)	-	-	-
Net financial assets	1,607	277	548	-
Net financial assets denominated in the Company's functional currency	(1,607)	-	-	-
Currency exposure on financial assets	-	277	548	-

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020***11. Financial risk management (continued)****(a) Market risk (continued)****(i) *Foreign exchange risk* (continued)**

If the GBP and EUR change against the USD by 5.0% (2019: 5.0%) with all other variables including tax rate being held constant, the effect arising from the Company's net currency exposure will be as follows:

	Increase/(Decrease) 2020 Profit <u>After Tax</u> <u>US\$'000</u>	2019 Profit <u>After Tax</u> <u>US\$'000</u>
GBP against USD		
- Strengthened	11	12
- Weakened	(11)	(12)
	<hr/>	<hr/>
EUR against USD		
- Strengthened	23	23
- Weakened	(23)	(23)
	<hr/>	<hr/>

(ii) *Cash flow and fair value interest rate risk*

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Company has no significant interest-bearing assets or liabilities except for the deposit placed with immediate holding company (Note 9).

If the USD interest rate increase/decrease by 0.5% (2019: 0.5%) with all other variables including tax rate being held constant, the profit after tax will be higher/lower by US\$783 (2019: US\$1,073) as a result of higher/lower interest on the deposit placed with immediate holding company.

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020*

11. Financial risk management (continued)**(b) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are bank balances which are placed with one financial institution and interest receivables from immediate holding company and related companies and deposit placed with immediate holding company (Note 9).

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

These assets are neither past due nor impaired.

(c) Capital risk

The Company's objective when managing capital follows that of the Group's objective which is to safeguard the ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. The approach of the Group's capital management is described in the financial statements of its intermediate holding company and there were no changes to the approach during the financial year/period.

The Company is not subjected to any externally imposed capital requirements.

(d) Liquidity risk

The Company adopts prudent liquidity risk management by maintaining sufficient cash to fund its working capital, financial obligations and expected committed capital expenditure requirements.

The financial liabilities of the Company are repayable within 1 year from balance sheet date.

(e) Fair value measurement

The financial assets and liabilities are carried at amortised cost which approximate their fair values.

MAPLETREE TREASURY SERVICES (US) PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2020*

11. Financial risk management (continued)**(f) Categories of financial asset and financial liability**

The following table sets out the financial instruments as at the balance sheet date:

	2020 US\$'000	2019 US\$'000
Financial asset, at amortised cost	2,230	2,441
Financial liability, at amortised cost	14	9

12. Immediate, intermediate and ultimate holding companies

The immediate holding company is Mapletree Treasury Services Limited. The intermediate holding company is Mapletree Investments Pte Ltd. The ultimate holding company is Temasek Holdings (Private) Limited. All these companies are incorporated in Singapore.

13. Related party transactions

- (a) Other than the information disclosed elsewhere in the financial statements, no other transactions took place between the Company and related parties.
- (b) There is no key management remuneration as the key management having authority and responsibilities for planning, directing and controlling the activities of the Company, namely the Directors of the Company are employed by the intermediate holding company.

14. New accounting standards and interpretations

The Company has not early adopted any mandatory standards, amendments and interpretations to existing standards that have been published but are only effective for the Company's accounting periods beginning on or after 1 April 2020. However, management anticipates that the adoption of these standards, amendments and interpretations will not have a material impact on the financial statements of the Company in the period of their initial adoption.

MAPLETREE TREASURY SERVICES (US) PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

15. Significant events after the balance sheet date

Based on SFRS(I) 1-10 Events after the Reporting Period, management has assessed that there are no adjusting events after the balance sheet date. The Company is closely monitoring the development of COVID-19 and its impact on the Company's operations. In view of the continuing development and uncertainty of the COVID-19 situation, the full financial impact of the COVID-19 outbreak on the Company cannot be reasonably determined at this juncture.

16. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Mapletree Treasury Services (US) Pte. Ltd. on 12 June 2020.

MAPLETREE INVESTMENTS PTE LTD
(Incorporated in Singapore. Registration Number: 200010560E)
AND ITS SUBSIDIARIES

ANNUAL REPORT
For the financial year ended 31 March 2020

MAPLETREE INVESTMENTS PTE LTD
(Incorporated in Singapore)
AND ITS SUBSIDIARIES

ANNUAL REPORT

For the financial year ended 31 March 2020

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MAPLETREE INVESTMENTS PTE LTD AND ITS SUBSIDIARIES

DIRECTORS' STATEMENT

For the financial year ended 31 March 2020

The directors present their statement to the member together with the audited financial statements of Mapletree Investments Pte Ltd (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Company and of the Group as at 31 March 2020, the statements of profit or loss, statements of comprehensive income and statements of changes in equity of the Company and of the Group and the consolidated statement of cash flows of the Group for the financial year ended 31 March 2020.

In the opinion of the directors,

- (a) The statement of profit or loss, statement of comprehensive income, statement of financial position and statement of changes in equity of the Company and consolidated financial statements of the Group as set out on pages 10 to 114 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2020 and the financial performance and changes in equity of the Company and of the Group and cash flows of the Group for the financial year covered by the consolidated financial statements; and
- (b) As at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Cheng Wai Wing Edmund
Cheah Kim Teck
David Christopher Ryan
Lee Chong Kwee
Lim Hng Kiang
Ma Kah Woh Paul
Marie Elaine Teo
Samuel N. Tsien
Tsang Yam Pui
Wong Meng Meng
Hiew Yoon Khong

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than those disclosed under "Mapletree Performance Share Units Plan", "Mapletree Restricted Share Units Plan" and "Mapletree NED Restricted Share Units Plan" on pages 3 to 5 of this statement.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

DIRECTORS' STATEMENT

For the financial year ended 31 March 2020

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office as at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	As at 31 March 2020	As at 1 April 2019	As at 31 March 2020	As at 1 April 2019
Astrea III Pte. Ltd. (ASTREA III US\$170M 4.65% N260708)				
Lim Hng Kiang	US\$400,000	US\$400,000	-	-
Astrea IV Pte. Ltd. (ASTREA IV US\$210M 5.5% B280614)				
Lim Hng Kiang	US\$250,000	US\$250,000	-	-
(ASTREA IV S\$242M 4.35% B280614)				
Lim Hng Kiang	S\$8,000	S\$8,000	-	-
Astrea V Pte. Ltd. (ASTREA V US\$230M 4.5% B290620)				
Lim Hng Kiang	US\$200,000	-	-	-
CapitaLand Limited (Ordinary shares)				
Lim Hng Kiang	30,000	30,000*	-	-*
Hiew Yoon Khong	105,550	105,550*	-	-*
Ma Kah Woh Paul	7,539	7,539*	-	-*
Lee Chong Kwee	-	-*	-	3,000*
Olam International Limited (OLAM US\$500M 5.35% PERCAPSEC)				
Lim Hng Kiang	US\$200,000	US\$200,000	-	-
Singapore Airlines Ltd (Ordinary shares)				
Lim Hng Kiang	3,000	3,000	-	-
(SIA S\$300M 3.75% N240408)				
Lim Hng Kiang	S\$250,000	S\$250,000	-	-
Singapore Technologies Engineering Ltd (Ordinary shares)				
Lim Hng Kiang	5,000	15,000	-	-
Hiew Yoon Khong	-	-	30,000	30,000

* Interest as at 30 June 2019, date on which CapitaLand Limited becomes a subsidiary of Temasek Holdings (Private) Limited pursuant to Section 5 of the Companies Act, Chapter 50

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

DIRECTORS' STATEMENT

For the financial year ended 31 March 2020

Directors' interests in shares or debentures (continued)

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	As at 31 March 2020	As at 1 April 2019	As at 31 March 2020	As at 1 April 2019
Singapore Telecommunications Limited				
(Ordinary shares)				
Cheah Kim Teck	-	177	-	-
Lim Hng Kiang	66,360	16,360	-	-
Ma Kah Woh Paul	190	190	190	190
Wong Meng Meng	1,550	1,667	1,550	1,550
StarHub Ltd				
(Ordinary shares)				
Lee Chong Kwee	-	20,000	-	-
Ma Kah Woh Paul	145,780	117,680	-	-
Temasek Financial (I) Limited				
(TEMASEKFIN S\$500M 3.785% N250305)				
Lim Hng Kiang	S\$250,000	S\$250,000	-	-

Share-based compensation plans

The Executive Resource and Compensation Committee ("ERCC") of the Company has been designated as the Committee responsible for the administration of the share-based compensation plans.

(a) Mapletree Performance Share Units Plan and Mapletree Restricted Share Units Plan

The Mapletree Performance Share Units Plan ("Mapletree PSU Plan") and the Mapletree Restricted Share Units Plan ("Mapletree RSU Plan") (collectively referred to as the "Plans") for employees (including executive director) were approved and adopted by the Board of Directors and shareholder of the Company on 4 November 2009. The first grant of award under the Plans was made in January 2010. The duration of each share plan is 10 years commencing from 4 November 2009. The Plans were approved to be extended for another 10 years commencing from 4 November 2019 by the Board of Directors and shareholder on 16 May 2019 and 10 September 2019 respectively.

Under the Plans, awards are granted to eligible participants. Eligible participants of the Plans include selected employees of the Company, subsidiaries and associated companies, including executive director.

A Performance Share Unit ("PSU") or Restricted Share Unit ("RSU") granted under the Plans represents a right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, as calculated in accordance with the Plans, provided certain performance conditions and service conditions are met.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

DIRECTORS' STATEMENT

For the financial year ended 31 March 2020

Share-based compensation plans (continued)

(a) Mapletree Performance Share Units Plan and Mapletree Restricted Share Units Plan
(continued)

Under the Mapletree PSU Plan, awards granted to eligible participants vest immediately upon completion of the performance achievement periods. Awards are released once the ERCC is satisfied that the performance conditions have been achieved.

Similarly, under the Mapletree RSU Plan, a portion of the awards granted to eligible participants vest immediately upon completion of the performance achievement periods and the remaining awards will vest only after a further period of service beyond the performance target completion date. Awards are released once the ERCC is satisfied that the performance conditions have been achieved and the extended period of service beyond the performance target completion date have been fulfilled.

Details of the PSU and RSU granted to a director of the Company are as follows:

	Outstanding as at 31 March 2020	Outstanding as at 1 April 2019
Hiew Yoon Khong		
- PSU to be released after 31 March 2019	-	988,372 ⁽¹⁾
- PSU to be released after 31 March 2020	1,503,106 ⁽¹⁾	1,503,106 ⁽¹⁾
- PSU to be released after 31 March 2021	1,603,615 ⁽¹⁾	1,603,615 ⁽¹⁾
- PSU to be released after 31 March 2022	1,424,390 ⁽¹⁾	1,424,390 ⁽¹⁾
- PSU to be released after 31 March 2023	1,556,420 ⁽¹⁾	1,556,420 ⁽¹⁾
- PSU to be released after 31 March 2024	2,038,217 ⁽¹⁾	-
- RSU to be released after 31 March 2017	-	200,937 ⁽³⁾
- RSU to be released after 31 March 2018	144,760 ⁽³⁾	289,519 ⁽⁴⁾
- RSU to be released after 31 March 2019	431,193 ⁽⁴⁾	458,716 ⁽²⁾
- RSU to be released after 31 March 2020	717,489 ⁽²⁾	-

Footnotes:

- (1) *The final number of units to be released will depend on the achievement of pre-determined targets over a five-year performance period. No units will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the initial award could be released up to a maximum of 200% of the initial award.*
- (2) *The final number of units to be released will depend on the achievement of pre-determined targets over a one-year performance period and the release will be over a vesting period of three years. No units will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the initial award could be released up to a maximum of 150% of the initial award.*
- (3) *Being the unvested one-third of the award.*
- (4) *Being the unvested two-thirds of the award.*

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

DIRECTORS' STATEMENT

For the financial year ended 31 March 2020

Share-based compensation plans (continued)

(b) Mapletree NED Restricted Share Units Plan

The Mapletree NED Restricted Share Units Plan ("Mapletree NED RSU Plan") was approved and adopted by the Board of Directors and shareholder of the Company on 4 November 2009 and are restricted to non-executive directors of the Company. The first grant of award was made in June 2010. The duration of the Mapletree NED RSU Plan is 10 years commencing from 4 November 2009. The Plans were approved to be extended for another 10 years commencing 4 November 2019 by the Board of Directors and shareholder on 16 May 2019 and 10 September 2019 respectively.

Under the Mapletree NED RSU Plan, awards are granted to eligible non-executive directors of the Company. A NED Restricted Share Unit ("NED RSU") granted under the Mapletree NED RSU Plan represents a right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, as calculated in accordance with the Mapletree NED RSU Plan. Grants of Mapletree NED RSU made to a non-executive director shall form part of the director's remuneration.

Under the Mapletree NED RSU Plan, awards granted to eligible non-executive directors shall vest at the date of grant. The right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, is exercisable at the discretion of the non-executive directors at the annual pre-determined exercise period, until the date falling on the fifth (5th) anniversary of the date of grant of each award.

Details of the NED RSU granted to the non-executive directors of the Company are as follows:

	Outstanding as at <u>31 March 2020</u>	Outstanding as at <u>1 April 2019</u>
Cheng Wai Wing Edmund	55,796	58,795
Cheah Kim Teck	6,106	3,366
David Christopher Ryan	29,166	24,217
Lee Chong Kwee	33,934	36,311
Ma Kah Woh Paul	33,967	36,579
Marie Elaine Teo	11,981	8,556
Samuel N. Tsien	16,762	14,074
Tsang Yam Pui	23,631	19,230
Wong Meng Meng	27,434	29,112
Lim Hng Kiang	1,656	-

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

DIRECTORS' STATEMENT

For the financial year ended 31 March 2020

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors


CHENG WAI WING EDMUND
Chairman


HIEW YOON KHONG
Group Chief Executive Officer
Director

10 June 2020

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF MAPLETREE INVESTMENTS PTE LTD**

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Mapletree Investments Pte Ltd (the "Company") and its subsidiaries (the "Group") and the statement of profit or loss, statement of comprehensive income, statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2020, and of the consolidated financial performance of the Group and the financial performance of the Company, consolidated changes in equity of the Group and changes in equity of the Company and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the statements of profit or loss for the financial year ended 31 March 2020;
- the statements of comprehensive income for the financial year then ended;
- the statement of financial position – Group as at 31 March 2020;
- the statement of financial position – Company as at 31 March 2020;
- the statement of changes in equity – Group for the financial year then ended;
- the statement of changes in equity – Company for the financial year then ended;
- the consolidated statement of cash flows for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Emphasis of Matter

We draw attention to Notes 3 and 34 to the financial statements, which describe the impact arising from the Coronavirus Disease 2019 outbreak on the valuation of the Group's investment properties. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF MAPLETREE INVESTMENTS PTE LTD (continued)

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report (the "Other Sections"), which are expected to be made available to us after that date.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF MAPLETREE INVESTMENTS PTE LTD (continued)**

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

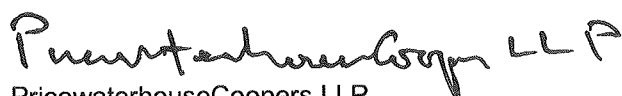
As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

Report on Other Legal and Regulatory Requirements

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



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 10 June 2020

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

STATEMENTS OF PROFIT OR LOSS

For the financial year ended 31 March 2020

		<u>Group</u>		<u>Company</u>	
	Note	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Revenue	4	4,030,011	3,948,148	2,034,095	1,092,532
Other gains – net	5	1,229,379	1,970,292	21,186	1,285
Expenses					
- Depreciation and amortisation		(59,077)	(33,677)	(15,500)	(5,840)
- Employee compensation	6	(514,045)	(511,217)	(248,572)	(170,388)
- Utilities and property maintenance		(309,063)	(298,744)	(772)	(739)
- Property and related taxes		(282,967)	(246,899)	(28)	(193)
- Marketing and promotion expenses		(46,441)	(50,240)	(6,295)	(8,537)
- Professional fees		(112,166)	(117,368)	(5,968)	(5,611)
- Property rental expenses		(331,391)	(494,151)	(39)	(8,746)
- Cost of residential properties sold		(2,423)	(780)	-	-
- Others		(101,225)	(104,745)	(10,322)	(31,264)
		3,500,592	4,060,619	1,767,785	862,499
Finance costs		(715,271)	(620,077)	(367)	-
Finance income		26,204	12,288	111,784	70,298
Finance (costs)/income – net	7	(689,067)	(607,789)	111,417	70,298
Share of profit of associated companies	15	232,761	189,180	-	-
Share of profit of joint ventures	16	74,609	10,352	-	-
Profit before income tax		3,118,895	3,652,362	1,879,202	932,797
Income tax (expense)/credit	8(a)	(322,726)	(194,732)	7,615	10,057
Profit for the financial year		2,796,169	3,457,630	1,886,817	942,854
Profit attributable to:					
Equity holder of the Company		1,705,494	2,088,288	1,886,817	942,854
Perpetual securities holders		72,994	72,795	-	-
Non-controlling interests		1,017,681	1,296,547	-	-
		2,796,169	3,457,630	1,886,817	942,854

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

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2020

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Profit for the financial year	2,796,169	3,457,630	1,886,817	942,854
Other comprehensive income/(loss):				
<u>Items that may be reclassified</u> <u>subsequently to profit or loss</u>				
Cash flow hedges				
- Net fair value loss	(235,710)	(109,688)	-	-
- Realised and transferred to profit or loss	46,576	26,920	-	-
Currency translation differences	113,498	2,324	-	-
Share of other comprehensive income of associated companies and joint ventures				
- Net fair value loss on cash flow hedges	(9,411)	(2,112)	-	-
- Currency translation differences	51,503	(2,650)	-	-
<u>Items that will not be reclassified</u> <u>subsequently to profit or loss</u>				
Revaluation gain on property, plant and equipment, net of deferred tax	4,920	11,170	-	-
Other comprehensive loss for the financial year, net of tax	(28,624)	(74,036)	-	-
Total comprehensive income for the financial year	2,767,545	3,383,594	1,886,817	942,854
Total comprehensive income attributable to:				
Equity holder of the Company	1,651,095	2,029,335	1,886,817	942,854
Perpetual securities holders	72,994	72,795	-	-
Non-controlling interests	1,043,456	1,281,464	-	-
	2,767,545	3,383,594	1,886,817	942,854

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

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

STATEMENT OF FINANCIAL POSITION – GROUP

As at 31 March 2020

	Note	2020 \$'000	2019 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	9	2,440,059	1,896,260
Trade and other receivables	10	860,574	870,208
Properties held for sale		205,944	122,216
Other assets	11	405,939	981,027
Inventories		2,026	7,642
Financial assets, at fair value through profit or loss ("FVPL")	13	-	71,799
Assets of disposal group held for sale	14	-	1,697,616
Derivative financial instruments	25	26,576	22,510
		3,941,118	5,669,278
Non-current assets			
Trade and other receivables	10	33,797	2,213
Other assets	11	5,063	4,478
Financial assets, at fair value through other comprehensive income ("FVOCI")	12	69,973	69,564
Financial assets, at FVPL	13	48,742	21,754
Investments in associated companies	15	2,194,090	865,820
Investments in joint ventures	16	1,412,347	190,526
Investment properties	18	46,371,136	46,975,594
Properties under development	19	1,129,656	804,970
Property, plant and equipment	20	230,248	175,241
Intangible assets	23	139,685	172,874
Derivative financial instruments	25	35,584	36,438
		51,670,321	49,319,472
Total assets		55,611,439	54,988,750
LIABILITIES			
Current liabilities			
Trade and other payables	24	1,375,445	1,249,118
Derivative financial instruments	25	193,513	34,321
Borrowings	26	2,807,414	2,335,700
Finance lease liabilities		-	1,426
Lease liabilities		44,123	-
Current income tax liabilities		230,691	181,493
Liabilities directly associated with disposal group held for sale	14	-	724,471
		4,651,186	4,526,529
Non-current liabilities			
Trade and other payables	24	576,952	521,401
Derivative financial instruments	25	351,882	116,478
Borrowings	26	18,758,385	21,074,454
Finance lease liabilities		-	576
Lease liabilities		267,480	-
Deferred income taxes	27	471,211	400,872
		20,425,910	22,113,781
Total liabilities		25,077,096	26,640,310
NET ASSETS		30,534,343	28,348,440

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

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

STATEMENT OF FINANCIAL POSITION – GROUP (continued)

As at 31 March 2020

	Note	2020 \$'000	2019 \$'000
EQUITY			
Share capital	28	3,094,307	3,094,307
Retained earnings		13,056,610	11,615,191
Foreign currency translation reserve		(53,926)	(126,926)
Revaluation reserve		32,967	28,047
Hedging reserve	30	(168,074)	(35,755)
Capital and other reserves		122,867	17,607
Shareholder's funds		16,084,751	14,592,471
Perpetual securities	29	1,760,200	1,760,018
Non-controlling interests	40	12,689,392	11,995,951
Total equity		30,534,343	28,348,440

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

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

STATEMENT OF FINANCIAL POSITION – COMPANY

As at 31 March 2020

	Note	2020 \$'000	2019 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	9	23,661	15,610
Trade and other receivables	10	7,928,698	6,054,092
Other assets	11	2,166	2,431
		<u>7,954,525</u>	<u>6,072,133</u>
Non-current assets			
Trade and other receivables	10	1,200,568	1,418,251
Investments in subsidiaries	17	1,465,202	1,444,016
Property, plant and equipment	20	17,936	9,408
Intangible assets	23	1,648	3,164
Deferred income taxes	27	49,459	33,197
		<u>2,734,813</u>	<u>2,908,036</u>
Total assets		<u>10,689,338</u>	<u>8,980,169</u>
LIABILITIES			
Current liabilities			
Trade and other payables	24	167,516	148,923
Lease liabilities		7,515	-
Current income tax liabilities		20,771	11,651
		<u>195,802</u>	<u>160,574</u>
Non-current liabilities			
Trade and other payables	24	194,152	136,348
Lease liabilities		1,420	-
		<u>195,572</u>	<u>136,348</u>
Total liabilities		<u>391,374</u>	<u>296,922</u>
NET ASSETS		<u>10,297,964</u>	<u>8,683,247</u>
EQUITY			
Share capital	28	3,094,307	3,094,307
Retained earnings		7,203,657	5,588,940
Total equity		<u>10,297,964</u>	<u>8,683,247</u>

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

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

STATEMENT OF CHANGES IN EQUITY – GROUP

For the financial year ended 31 March 2020

	Note	Share capital \$'000	Retained earnings \$'000	Foreign currency translation reserve \$'000	Revaluation reserve \$'000	Hedging reserve \$'000	Capital and other reserves \$'000	Perpetual securities \$'000	Non-controlling interests \$'000	Total equity \$'000
As at 1 April 2019		3,094,307	11,615,191	(126,926)	28,047	(35,755)	17,607	1,760,018	11,995,951	28,348,440
Profit for the financial year		-	1,705,494	-	-	-	-	72,994	1,017,681	2,796,169
Other comprehensive income/(loss) for the financial year		-	-	73,000	4,920	(132,319)	-	-	25,775	(28,624)
Total comprehensive income/(loss) for the financial year		-	1,705,494	73,000	4,920	(132,319)	-	72,994	1,043,456	2,767,545
Dividend paid to shareholder	37	-	(272,100)	-	-	-	-	-	-	(272,100)
Dividend paid to non-controlling interests		-	-	-	-	-	-	-	(758,530)	(758,530)
Restricted profits		-	(772)	-	-	-	772	-	-	-
Share of associated companies' issuance costs		-	-	-	-	-	(1,958)	-	-	(1,958)
Capital contribution from non-controlling interests, net of transaction costs		-	-	-	-	-	111,488	-	1,483,600	1,595,088
Disposal of subsidiaries		-	-	-	-	-	-	-	(1,078,521)	(1,078,521)
Dilution of interest in subsidiaries to non-controlling interests		-	(706)	-	-	-	(4,982)	-	3,436	(2,252)
Perpetual securities – distribution paid		-	-	-	-	-	-	(72,812)	-	(72,812)
Tax credit arising from perpetual securities distribution	8(c)	-	9,508	-	-	-	-	-	-	9,508
Others		-	(5)	-	-	-	(60)	-	-	(65)
Total transactions with owners, recognised directly in equity		-	(264,075)	-	-	-	105,260	(72,812)	(350,015)	(581,642)
As at 31 March 2020		3,094,307	13,056,610	(53,926)	32,967	(168,074)	122,867	1,760,200	12,689,392	30,534,343

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

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

STATEMENT OF CHANGES IN EQUITY – GROUP (continued)

For the financial year ended 31 March 2020

	Note	Share capital \$'000	Retained earnings \$'000	Foreign currency translation reserve \$'000	Revaluation reserve \$'000	Hedging reserve \$'000	Capital and other reserves \$'000	Perpetual securities \$'000	Non-controlling interests \$'000	Total equity \$'000
As at 1 April 2018		3,094,307	9,735,235	(111,927)	16,877	19,369	32,044	1,760,018	9,371,058	23,916,981
Profit for the financial year		-	2,088,288	-	-	-	-	72,795	1,296,547	3,457,630
Other comprehensive (loss)/income for the financial year		-	-	(14,999)	11,170	(55,124)	-	-	(15,083)	(74,036)
Total comprehensive income/(loss) for the financial year		-	2,088,288	(14,999)	11,170	(55,124)	-	72,795	1,281,464	3,383,594
Dividend paid to shareholder	37	-	(215,900)	-	-	-	-	-	-	(215,900)
Dividend paid to non-controlling interests		-	-	-	-	-	-	-	(704,258)	(704,258)
Restricted profits		-	(1,016)	-	-	-	1,016	-	-	-
Share of associated company's issuance costs		-	-	-	-	-	(14)	-	-	(14)
Capital contribution from non-controlling interests, net of transaction costs		-	-	-	-	-	(1,078)	-	2,032,322	2,031,244
Deconsolidation of a subsidiary		-	-	-	-	-	-	-	7,194	7,194
Dilution of interest in subsidiaries to non-controlling interests		-	(813)	-	-	-	(14,361)	-	8,171	(7,003)
Perpetual securities – distribution paid		-	-	-	-	-	-	(72,795)	-	(72,795)
Tax credit arising from perpetual securities distribution	8(c)	-	9,482	-	-	-	-	-	-	9,482
Others		-	(85)	-	-	-	-	-	-	(85)
Total transactions with owners, recognised directly in equity		-	(208,332)	-	-	-	(14,437)	(72,795)	1,343,429	1,047,865
As at 31 March 2019		3,094,307	11,615,191	(126,926)	28,047	(35,755)	17,607	1,760,018	11,995,951	28,348,440

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

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

STATEMENT OF CHANGES IN EQUITY – COMPANY

For the financial year ended 31 March 2020

	Note	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
As at 1 April 2019		3,094,307	5,588,940	8,683,247
Total comprehensive income for the financial year		-	1,886,817	1,886,817
Dividend paid	37	-	(272,100)	(272,100)
As at 31 March 2020		3,094,307	7,203,657	10,297,964
 As at 1 April 2018		 3,094,307	 4,861,986	 7,956,293
Total comprehensive income for the financial year		-	942,854	942,854
Dividend paid	37	-	(215,900)	(215,900)
As at 31 March 2019		3,094,307	5,588,940	8,683,247

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

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2020

	2020 \$'000	2019 \$'000
Cash flows from operating activities		
Profit for the financial year	2,796,169	3,457,630
Adjustments for:		
- Income tax expense	322,726	194,732
- Amortisation of rent-free incentives	639	(23,049)
- Depreciation and amortisation	59,077	33,677
- Loss/(gain) on disposal of property, plant and equipment	2,889	(238)
- (Gain)/loss on disposal of investment properties	(34,421)	257
- Gain on disposal of property under development	-	(658)
- Impairment loss and adjustment relating to intangibles	13,258	28,777
- Loss allowance on non-trade receivables due from an associated company	-	4,130
- Write-off of shareholder's loan extended to an associated company	1,357	-
- Fair value changes in derivative financial instruments	144,187	62,863
- Gain on disposal of subsidiaries	(15,938)	(21,425)
- Net revaluation gain on investment properties and properties under development	(1,258,441)	(2,060,645)
- Finance costs – net and interest income from loans to non-related parties	675,409	607,789
- Share of profit of associated companies and joint ventures – net	(307,370)	(199,532)
- Unrealised currency translation (gains)/losses	(67,217)	95,871
Operating cash flow before working capital changes	2,332,324	2,180,179
Changes in operating assets and liabilities		
- Trade and other receivables	(157,696)	97,984
- Inventories	2,953	4,741
- Other assets	22,241	(77,985)
- Trade and other payables	343,818	277,047
- Properties held for sale	(80,641)	(34,727)
Cash generated from operations	2,462,999	2,447,239
Income tax paid	(172,214)	(163,839)
Net cash generated from operating activities	2,290,785	2,283,400
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	(605,215)	(1,875,640)
Disposal of subsidiaries, net of cash disposed	1,635,822	15,814
Payments for investments in associated companies and joint ventures	(1,514,554)	(4,862)
Loans to associated companies and joint ventures	(47,728)	(50,117)
Dividends received from associated companies and joint ventures	169,186	267,455
Capital return from associated companies	375,659	359,836
Payments for investment properties	(2,842,539)	(5,856,774)
Deposits for investment properties	6,079	-
Proceeds from disposal of investment properties	208,638	22,507
Payments for properties under development	(751,884)	(409,552)
Prepayments for properties under development	(166,287)	(126,840)
Proceeds from disposal of properties under development	-	9,126
Payments for intangible assets and property, plant and equipment	(23,961)	(20,773)
Proceeds from disposal of property, plant and equipment	1,476	1,507
Payments for financial assets, at FVOCI	(404)	-
Net repayment from/(loan to) a non-related party	44,051	(35,899)
Interest received	32,370	14,366
Net cash used in investing activities	(3,479,291)	(7,689,846)

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

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the financial year ended 31 March 2020

	Note	2020 \$'000	2019 \$'000
Cash flows from financing activities			
Loan proceeds from financial institutions and TMK bonds		17,383,470	22,124,076
Repayment of loans from financial institutions		(16,083,019)	(16,514,245)
Proceeds from issuance of medium term notes		888,490	977,063
Repayment of medium term notes		(148,313)	(575,000)
Loan proceeds from non-controlling interests		1,950	10,803
Repayment of loans from non-controlling interests		(31,092)	(115,882)
Principal payment of lease liabilities		(40,522)	(1,531)
Perpetual securities distribution paid		(72,812)	(72,795)
Net capital contribution from non-controlling interests		1,571,738	1,811,625
Net outflow from dilution of interest in subsidiaries to a non-controlling interest		(2,252)	(1,461)
Cash dividend paid to non-controlling interests		(735,178)	(704,258)
Dividends paid		(272,100)	(215,900)
Interest paid		(681,930)	(618,238)
Financing fees paid		(13,555)	(70,570)
Increase in restricted cash		(26,694)	(25,416)
Net cash generated from financing activities		1,738,181	6,008,271
Net increase in cash and cash equivalents		549,675	601,825
Cash and cash equivalents at beginning of financial year	9	1,874,661	1,267,605
Effects of currency translation on cash and cash equivalents		(39,077)	5,231
Cash and cash equivalents at end of financial year	9	2,385,259	1,874,661

Reconciliation of liabilities arising from financing activities

	Loans from financial institutions and TMK bonds \$'000	Medium term notes \$'000	Loans from non- controlling interests \$'000	Finance lease liabilities \$'000	Lease liabilities \$'000
As at 1 April 2019	19,841,816	3,499,695	68,643	2,002	-
Proceeds	17,383,470	888,490	1,950	-	-
Repayment	(16,083,019)	(148,313)	(31,092)	-	(53,569)
Financing fees paid	(11,949)	(1,606)	-	-	-
Non-cash changes:					
- Adoption of SFRS(I) 16	-	-	-	(2,002)	296,000
- Addition	-	-	-	-	67,543
- Acquisition of subsidiaries (Note 41(a))	76,677	-	-	-	-
- Disposal of subsidiaries (Note 41(b))	(4,346,601)	-	-	-	(11,534)
- Disposal	-	-	-	-	(3,242)
- Financing fees expense	17,769	836	-	-	13,047
- Currency translation differences	365,100	44,698	(765)	-	3,358
As at 31 March 2020	17,243,263	4,283,800	38,736	-	311,603
As at 1 April 2018	13,356,519	3,092,721	174,249	3,405	-
Proceeds	22,124,076	977,063	10,803	-	-
Repayment	(16,514,245)	(575,000)	(115,882)	(1,531)	-
Financing fees paid	(68,706)	(1,864)	-	-	-
Non-cash changes:					
- Acquisition of subsidiaries (Note 41(a))	1,520,056	-	-	-	-
- Disposal of subsidiaries (Note 41(b))	(38,239)	-	-	-	-
- Financing fees expense	12,099	2,844	-	128	-
- Currency translation differences	108,845	3,931	(527)	-	-
Liabilities directly associated with disposal group held for sale	(658,589)	-	-	-	-
As at 31 March 2019	19,841,816	3,499,695	68,643	2,002	-

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

MAPLETREE INVESTMENTS PTE LTD AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Mapletree Investments Pte Ltd (the "Company") is incorporated and domiciled in Singapore. The address of its registered office is 10 Pasir Panjang Road, #13-01 Mapletree Business City, Singapore 117438.

The principal activities of the Company and its subsidiaries (the "Group") are those relating to investment holding, provision of marketing consultancy and asset and fund management, property development and investment, marketing and lease administration and administrative and support services to related companies.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Interpretations and amendments to published standards effective in 2019

On 1 April 2019, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years except for the adoption of SFRS(I) 16 Leases.

Adoption of SFRS(I) 16 Leases

(a) *When the Group is the lessee*

Prior to the adoption of SFRS(I) 16, non-cancellable operating lease payments were not recognised as liabilities in the statement of financial position. These payments were recognised as rental expenses over the lease term on a straight-line basis.

The Group's accounting policy on leases after the adoption of SFRS(I) 16 is as disclosed in Note 2.19.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.2 Interpretations and amendments to published standards effective in 2019 (continued)

(a) *When the Group is the lessee* (continued)

On initial application of SFRS(I) 16, the Group has elected to apply the following practical expedients:

- i) For all contracts entered into before 1 April 2019 and that were previously identified as leases under SFRS(I) 1-17 Leases and SFRS(I) INT 4 Determining whether an Arrangement contains a Lease, the Group has not reassessed if such contracts contain leases under SFRS(I) 16; and
- ii) On a lease-by-lease basis, the Group has:
 - a) applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
 - b) relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review;
 - c) accounted for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases;
 - d) excluded initial direct costs in the measurement of the right-of-use ("ROU") asset at the date of initial application; and
 - e) used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

There were no onerous contracts as at 1 April 2019.

For leases previously classified as operating leases on 1 April 2019, the Group has applied the following transition provisions:

- (i) On a lease-by-lease basis, the Group chose to measure its ROU assets at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of transition.
- (ii) The Group recognised its lease liabilities by discounting the remaining lease payments as at 1 April 2019 using the incremental borrowing rate for each individual lease or, if applicable, the incremental borrowing rate for each portfolio of leases with reasonably similar characteristic.
- (iii) For leases previously classified as finance leases, the carrying amounts of the leased asset and finance lease liability as at 1 April 2019 are determined as the carrying amounts of the ROU assets and lease liabilities.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.2 Interpretations and amendments to published standards effective in 2019 (continued)

(b) When the Group is a lessor

The Group leases its investment properties. The Group has classified these leases as operating leases. There are no material changes to accounting by the Group as a lessor.

The effects of adoption of SFRS(I) 16 on the Group's financial statements as at 1 April 2019 are as follows:

	Increase \$'000
Property, plant and equipment	47,205
Investment properties	248,795
Lease liabilities	296,000

The differences between the operating lease commitments previously disclosed in the Group's financial statements as at 31 March 2019 and the lease liabilities recognised in the balance sheet as at 1 April 2019 were short-term leases, low-value leases and the discounting effect using the applicable incremental borrowing rates as at 1 April 2019.

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 was 4.27%.

2.3 Revenue recognition

(a) Leasing income

Leasing income from operating leases, adjusted for rent-free incentives and service charges from the investment properties, is recognised on a straight-line basis over the lease term.

Leasing income from corporate housing operations is recognised over the term of the leases, which are generally one year or less, net of occupancy and other taxes assessed by various governmental entities.

(b) Income from hotel operations

Revenue from hotel operations is recognised over time as the accommodation and related services are provided.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.3 Revenue recognition (continued)

(c) Rendering of services

Service income from provision of property development, fund and asset management, marketing and lease administration and administrative and support services are recognised over time as the services are rendered under the terms of the contract, except for incentive fees which are recognised at a point in time when the performance targets as defined in each agreement are met and collectability is reasonably assured.

Car parking fees are recognised over time upon utilisation of the Group's car parking facilities by tenants and visitors.

(d) Interest income

Interest income, including income arising from financial instruments, is recognised on a time-proportion basis using the effective interest method.

(e) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be reliably measured.

(f) Sale of residential properties

Revenue from the sale of residential properties is recognised when or as the control of the asset is transferred to the customer, such as when the property is accepted by the customer or deemed as accepted according to the contract or when title has passed to the customer.

2.4 Group accounting

(a) Subsidiaries

(i) *Consolidation*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been aligned where necessary to ensure consistency with the policies adopted by the Group.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.4 Group accounting (continued)

(a) Subsidiaries (continued)

(i) *Consolidation* (continued)

Non-controlling interests and perpetual securities holders comprise the portion of a subsidiary's net results of operations and its net assets, which are attributable to the interests that are not owned directly or indirectly by the equity holder of the Company. They are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of financial position and statement of changes in equity. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) *Acquisitions*

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (b) the fair value of the net identifiable assets acquired is recorded as goodwill. Please refer to Note 2.6(b) "intangible assets – goodwill on acquisitions" for the subsequent accounting policy on goodwill.

For acquisitions of subsidiaries which do not qualify as business combinations, the transactions are accounted for in accordance with the respective accounting policies for the assets acquired and the liabilities assumed.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.4 Group accounting (continued)

(a) Subsidiaries (continued)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings, if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to Note 2.10 "investments in subsidiaries, associated companies and joint ventures" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with the equity owner of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in capital and other reserves within equity attributable to the equity holder of the Company.

(c) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.4 Group accounting (continued)

(c) Associated companies and joint ventures (continued)

(i) *Acquisitions*

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

(ii) *Equity method of accounting*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of its associated companies' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made payments on behalf of the associated company or joint venture. If the associated company or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associated company or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. Gains or losses from transactions of investment properties (including those under redevelopment) or properties under development and measured at fair value (Note 2.8) are deemed as realised and therefore not eliminated.

The accounting policies of associated companies or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

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AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.4 Group accounting (continued)

(c) Associated companies and joint ventures (continued)

(iii) *Disposals*

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to Note 2.10 “investments in subsidiaries, associated companies and joint ventures” for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

2.5 Property, plant and equipment

(a) Measurement

Leasehold land and building

Leasehold land and building relate to a hotel property owned by the Group. It is initially recognised at cost and subsequently carried at the revalued amount less accumulated depreciation and accumulated impairment losses. It is revalued by an independent professional valuer on an annual basis. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income and accumulated in equity, unless they reverse a revaluation decrease of the same asset previously recognised in profit or loss. In this case, the increase is recognised in profit or loss. Decreases in carrying amounts are recognised in other comprehensive income to the extent of any credit balance existing in the equity in respect of that asset and reduces the amount accumulated in equity. All other decreases in carrying amounts are recognised in profit or loss.

Other assets

Other assets comprise mainly furniture, machinery and office equipment. These assets are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. The cost includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.5 Property, plant and equipment (continued)

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold land and building	Remaining lease period of 30 years from June 2016
Other assets	3 to 25 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, as at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance is recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss. For the leasehold land and building carried at fair value, any amount in revaluation reserve is transferred to retained earnings directly.

2.6 Intangible assets

(a) Acquired intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives. The amortisation period and amortisation method are at least reviewed annually as at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.6 Intangible assets (continued)

(a) Acquired intangible assets (continued)

Intangible assets with indefinite useful lives or not yet available for use are not amortised. The useful life is reviewed annually to determine whether the indefinite useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

(i) *Software licences*

Acquired computer software licences are amortised to profit or loss using the straight-line method over their estimated useful lives of three to 10 years.

(ii) *Customer-related intangibles*

The customer-related intangibles acquired in business combinations include customer relationships, franchise agreements and management agreements. These customer-related assets bear definite useful lives of four to 13 years.

(iii) *Concessionary agreement*

A concessionary agreement was acquired in a business combination and relates to the public licences granted by Maritime and Port Authority of Singapore ("MPA") to develop, maintain and operate passenger terminal facilities. The concessionary agreement expires on 30 September 2027 and has a useful life of 9.5 years commencing from March 2018.

(iv) *Trade names*

The trade names were acquired in business combination. The useful lives of the trade names are estimated to be indefinite because based on the current market share of the trade names, management believes there is no foreseeable limit to the period over which the trade names are expected to generate net cash inflows for the Group.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.6 Intangible assets (continued)

(b) Goodwill on acquisitions

Goodwill on acquisitions of subsidiaries or businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of associated companies and joint ventures represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

Gains and losses on disposal of subsidiaries, associated companies and joint ventures include the carrying amount of goodwill relating to the entity sold.

2.7 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. Such costs include costs on borrowings acquired specifically for the construction or development of properties and assets under construction as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

2.8 Investment properties and properties under development

Investment properties (including those under redevelopment) and properties under development are held for long-term lease yields and/or for capital appreciation and are not substantially occupied by the Group.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by management or independent professional valuers on the highest and best use basis. Changes in fair values are recognised in profit or loss.

Properties that are being constructed or developed for future use as investment properties are carried at fair value. Where the fair value of the investment properties under development cannot be reliably measured, the properties are measured at cost until the earlier of the completion date of construction or at the date which the fair value becomes reliably measurable.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.8 Investment properties and properties under development (continued)

If an investment property becomes substantially owner-occupied, it is reclassified to property, plant and equipment and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.9 Properties held for sale

Properties held for sale are those properties which are held with the intention of development and sale in the ordinary course of business. They are stated at the lower of cost or net realisable value. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

The cost of properties held for sale comprises specifically identified costs, including acquisition costs, development expenditure, capitalised borrowing costs and other related expenditures.

The aggregated costs incurred are presented as properties held for sale in the statement of financial position.

2.10 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments is recognised in profit or loss.

2.11 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.11 Impairment of non-financial assets (continued)

(b) Other non-financial assets

The Group's other non-financial assets include other intangible assets, property, plant and equipment, right-of-use assets and investments in subsidiaries, associated companies and joint ventures.

For non-financial assets except for trade names with indefinite useful life, the Group assesses at each balance sheet date whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. Trade names with indefinite useful life are tested for impairment at least annually and whenever there is any objective evidence or indication that the trade names may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount cannot exceed the carrying amount that would have been determined (net of any accumulated depreciation or amortisation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in the profit or loss unless the asset is measured at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.12 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL")

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

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

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables.

There are two subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.12 Financial assets (continued)

(a) Classification and measurement (continued)

At subsequent measurement (continued)

(i) Debt instruments (continued)

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movements in fair values and interest income are recognised in profit or loss in the period in which they arise and presented in “other gains – net” and “interest income” respectively.

(ii) Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in “other gains – net”, except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair values of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as “fair value gains/losses” in other comprehensive income. Dividends from equity investments are recognised in profit or loss as “dividend income”.

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVPL. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables and lease receivables, the Group applies the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.12 Financial assets (continued)

(c) Recognition and derecognition (continued)

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed would be recognised in other comprehensive income and transferred to retained earnings along with the amount previously recognised in other comprehensive income relating to that asset.

2.13 Financial guarantees

The Company has issued corporate guarantees to financial institutions for borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the financial institutions if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings. Such contracts are classified as financial liabilities or insurance contracts. Intra-group transactions are eliminated on consolidation.

(a) Financial guarantees classified as financial liabilities

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's statement of financial position and subsequently measured at the higher of:

- (i) The premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
- (ii) The amount of expected loss computed using the impairment methodology under SFRS(I) 9.

(b) Financial guarantees classified as insurance contracts

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.14 Borrowings

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

Borrowings which are due to be settled within 12 months after the balance sheet date are presented as current borrowings even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the balance sheet date and before the financial statements are authorised for issue. Other borrowings due to be settled more than 12 months after the balance sheet date are presented as non-current borrowings in the statement of financial position.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

2.16 Derivative financial instruments and hedging activities

The Group holds derivative financial instruments such as interest rate swaps, currency forwards and cross currency interest rate swaps to hedge its interest rate and foreign currency risk exposures.

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either: (a) cash flow hedge, (b) fair value hedge, or (c) net investment hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents, at the inception of the transaction, the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.16 Derivative financial instruments and hedging activities (continued)

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 25. The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

The following hedges in place qualified respectively as fair value, cash flow and net investment hedges under SFRS(I) 9. The Group's management strategies and hedge documentation are aligned with the requirements of SFRS(I) 9 and are thus treated as continuing hedges.

(a) Cash flow hedge

(i) *Interest rate swaps*

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

(ii) *Currency forwards*

The Group has entered into currency forwards that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. The fair value changes on the effective portion of the currency forwards designated as cash flow hedges are recognised in other comprehensive income. Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

- The gain or loss relating to the effective portion of the spot component of forward contracts is treated as follows: Where the hedged item subsequently results in the recognition of a non-financial asset, the deferred hedging gains and losses are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.16 Derivative financial instruments and hedging activities (continued)

(a) Cash flow hedge (continued)

(ii) *Currency forwards* (continued)

- The fair value changes on the ineffective portion of currency forwards are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in other comprehensive income are reclassified to profit or loss immediately.

(iii) *Cross currency interest rate swaps*

The Group has entered into cross currency interest rate swaps that are cash flow hedges and they are used to reduce the Group's exposure to interest rate risk and currency risk on its borrowings and interest.

The fair value changes on the effective portion of cross currency interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense and/or exchange differences from the translation of the borrowings are recognised in profit or loss. The fair value changes on the ineffective portion of cross currency interest rate swaps are recognised immediately in profit or loss.

(b) Fair value hedge

The Group has entered into fixed to floating interest rate swaps that are fair value hedges for the fair value exposures to interest rate movements of its borrowings ("hedged item"). The fair value changes on the hedged item resulting from the fair value risk are recognised in profit or loss. The fair value changes on the effective portion of interest rate swaps designated as fair value hedges are recognised in profit or loss within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of interest rate swaps are recognised separately in profit or loss.

(c) Net investment hedge

The Group has derivative financial instruments/borrowings that qualify as net investment hedges of foreign operations. These hedging instruments are accounted for similarly to cash flow hedges. The currency translation differences on the hedging instruments relating to the effective portion of the hedge are recognised in other comprehensive income in the consolidated financial statements, accumulated in the foreign currency translation reserve and reclassified to profit or loss as part of the gain or loss on disposal of the foreign operation. The currency translation differences relating to the ineffective portion of the hedge are recognised immediately in profit or loss.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.17 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.19 Leases

(a) The accounting policy for leases before 1 April 2019 is as follows:

(i) When the Group is the lessee:

Leases where substantially all the risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease.

(ii) When the Group is the lessor:

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Leasing income from operating leases (net of any incentives given to lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the leasing income.

(b) The accounting policy for leases from 1 April 2019 is as follows:

(i) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.19 Leases (continued)

(b) The accounting policy for leases from 1 April 2019 is as follows: (continued)

(i) When the Group is the lessee: (continued)

Right-of-use assets

The Group recognises right-of-use assets and lease liabilities at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "property, plant and equipment".

Right-of-use assets which meet the definition of an investment property is presented within "investment properties" and accounted for in accordance with Note 2.8.

Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease components for property leases and account these as one single lease component.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.19 Leases (continued)

(b) The accounting policy for leases from 1 April 2019 is as follows: (continued)

(i) When the Group is the lessee: (continued)

Lease liabilities (continued)

Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There are modifications in the scope or the consideration of the lease that was not part of the original term.

Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term and low-value leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low-value assets. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(ii) When the Group is the lessor:

The accounting policy applicable to the Group as a lessor in the comparative period was the same under SFRS(I) 16.

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.20 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) At the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) Based on the tax consequence that will follow from the manner in which the Group expects, as at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment properties measured at fair value are presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.21 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Share-based compensation

The Group operates the following share-based compensation plans:

(i) *Company*

The Company operates the Mapletree Performance Share Units Plan ("Mapletree PSU Plan"), Mapletree Restricted Share Units Plan ("Mapletree RSU Plan") and Mapletree NED Restricted Share Units Plan ("Mapletree NED RSU Plan").

(ii) *Subsidiaries*

The Group's wholly-owned subsidiaries, Mapletree Logistics Trust Management Ltd, Mapletree Industrial Trust Management Ltd, Mapletree Commercial Trust Management Ltd and Mapletree North Asia Commercial Trust Management Ltd, each operate a Performance Share Units Plan ("REIT PSU Plan") and a Restricted Share Units Plan ("REIT RSU Plan").

Equity-settled share-based compensation is measured at the fair value at the date of grant, whereas cash-settled share-based compensation is measured at the current fair value as at each balance sheet date. In estimating the fair value of the compensation cost at grant date, market-based performance conditions are taken into account. The compensation cost is recognised as an expense in profit or loss on a basis that fairly reflects the manner in which the benefits will accrue to the employees under the respective plans over the vesting period.

For equity-settled share-based compensation, any change in the fair value of the compensation cost as at the balance sheet date, arising from a change in the estimate of the number of rights/units that are expected to become exercisable on the vesting date, is recognised in profit or loss with a corresponding adjustment to the share compensation reserve or liability over the remaining vesting period.

For cash-settled share-based compensation, any change in the fair value of the compensation cost, arising from the re-measurement of liability as at each balance sheet date, is recognised in profit or loss with a corresponding adjustment to the liability over the remaining vesting period.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.21 Employee compensation (continued)

(b) Share-based compensation (continued)

When an equity-settled share-based compensation award is modified to become a cash-settled award, this is accounted for as a repurchase of an equity interest. Any excess over the fair value at the date of the grant is treated as a deduction from equity, provided the deduction is not greater than the fair value of the equity instruments when measured at the modification date. Until the liability is settled, it is re-measured as at each balance sheet date with changes in fair value recognised in profit or loss.

The compensation cost for the respective PSU Plans and RSU Plans is measured based on the latest estimate of the number of units that will be awarded based on non-market vesting conditions at each balance sheet date. Any increase or decrease in compensation cost over the previous estimate is recognised in profit or loss, with a corresponding adjustment to the share compensation reserve or liability for equity-settled units and cash-settled units respectively. The compensation cost for the Mapletree NED RSU Plan is based on the number of units awarded at the date of grant. Any increase or decrease in compensation cost over the previous estimate is recognised in profit or loss, with a corresponding adjustment to the share compensation reserve or liability for equity-settled units and cash-settled units respectively.

Where the terms of the share-based compensation plans are modified, the expense that is not yet recognised for the award is recognised over the remaining vesting period as if the terms had not been modified. Additional expense is recognised for any increase in the total fair value of the rights/units due to the modification, as measured at the date of the modification.

2.22 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates as at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.22 Currency translation (continued)

(b) Transactions and balances (continued)

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated foreign currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses are presented in profit or loss within "other gains – net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing exchange rates as at the balance sheet date;
- (ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates as at the balance sheet date.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Management Committee ("EMC") whose members are responsible for allocating resources and assessing performance of the operating segments.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

2. Significant accounting policies (continued)

2.24 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash at bank and on hand, deposits with financial institutions and bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.25 Share capital and perpetual securities

Ordinary shares, perpetual securities and redeemable preference shares are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or exchange financial assets or liabilities with another person or entities that are potentially unfavourable to the issuer.

Incremental costs directly attributable to the issue of new ordinary or redeemable preference shares or perpetual securities are shown in equity as a deduction, net of tax, from proceeds. The proceeds received net of any directly attributable transaction costs are credited to share capital or perpetual securities.

2.26 Dividends

Dividends to the Company's shareholder are recognised when the dividends are approved for payment.

2.27 Government grants

Government grants are recognised as receivables at their fair value where there is a reasonable assurance that the grants will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income. Government grants relating to assets are deducted against the carrying amount of the assets.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Fair value of investment properties, properties under development and leasehold land and building classified under property, plant and equipment

Investment properties (Note 18), properties under development (Note 19) and leasehold land and building classified under property, plant and equipment (Note 20) (collectively known as "properties") are stated at fair value based on valuations primarily by independent professional valuers. The fair values are based on the highest and best use basis.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

3. Critical accounting estimates, assumptions and judgements (continued)

(a) Fair value of investment properties, properties under development and leasehold land and building classified under property, plant and equipment (continued)

The valuers have considered valuation techniques including the income capitalisation method, discounted cash flows method, direct comparison method and residual value method, where appropriate (Note 34).

The valuation reports obtained from the valuers for certain properties have highlighted the heightened uncertainty of the Coronavirus Disease 2019 ("COVID-19") outbreak on the valuation of these properties. Given the unprecedented set of circumstances on which to base a judgement, less certainty and a higher degree of caution, should be attached to the valuations than would normally be the case.

The fair values of properties are as disclosed in the respective notes.

(b) Income tax

The Group has exposure to taxes in numerous jurisdictions. In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes may be due. Significant estimates and assumptions are required to determine the amount of current and deferred tax that can be recognised and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

The carrying amounts of current income tax liabilities and deferred income taxes are as disclosed in the statement of financial position.

(c) Acquisition of real estate assets

The Group acquires properties either directly or indirectly through the purchase of entities which own these properties. At the time of acquisition, the Group considers whether the purchase of entities constitutes a business combination. In cases where the property is capable of being operated as a business or an integrated set of activities is acquired in addition to the property, the Group accounts for the acquisition as a business combination. When the acquisition does not represent a business, it is accounted for as a purchase of a group of assets and liabilities. In making this distinction, the Group identifies and considers the assets purchased and processes transferred ("elements"), assesses the capability of those elements to generate economic benefits and assesses the impact of any missing elements on a third party's ability to generate economic benefits.

Based on management's assessment, all properties acquired during the financial year do not represent acquisitions of businesses.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

4. Revenue

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Leasing income				
- Investment properties	2,628,772	2,454,147	-	-
- Corporate housing operations	424,262	640,271	-	-
Income from hotel operations	34,095	38,590	-	-
Sale of residential properties	2,524	944	-	-
Service charge	424,901	366,268	-	-
Fees from management services				
- Subsidiaries	-	-	119,931	92,626
- Others	232,448	212,241	-	-
Car parking fees	63,058	64,002	-	-
Dividend income from subsidiaries	-	-	1,910,564	996,063
Interest income from loans to non-related parties	13,658	7,450	-	-
Other operating income	206,293	164,235	3,600	3,843
	4,030,011	3,948,148	2,034,095	1,092,532

5. Other gains – net

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Amortisation of financial guarantee contracts	-	-	-	1,285
Reversal of impairment loss in subsidiary	-	-	21,186	-
Net revaluation gain on investment properties and properties under development	1,258,441	2,060,645	-	-
Net gain/(loss) on disposal of:				
- Investment properties	34,421	(257)	-	-
- Properties under development	-	658	-	-
- Subsidiaries	15,938	21,425	-	-
	50,359	21,826	-	-
Loss allowance on non-trade receivables due from an associated company	-	(4,130)	-	-
Impairment loss on intangible assets (Note 23)	(13,258)	(34,077)	-	-
Net currency exchange gain/(loss)	105,558	(11,109)	-	-
Net change in fair value of derivative financial instruments	(144,187)	(62,863)	-	-
Restructuring costs	(26,177)	-	-	-
Write-off of shareholder's loan extended to an associated company	(1,357)	-	-	-
	1,229,379	1,970,292	21,186	1,285

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

6. Employee compensation

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Wages and salaries	470,850	438,867	225,761	140,178
Employer's contribution to defined contribution plans including Central Provident Fund ("CPF")	20,980	17,905	10,897	10,349
Share-based compensation expenses	22,215	54,445	11,914	19,861
	514,045	511,217	248,572	170,388

7. Finance (costs)/income – net

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Interest expense				
- Loans from financial institutions	(544,697)	(491,758)	-	-
- Derivative instruments – hedge accounting	(2,276)	(360)	-	-
- Derivative instruments – non-hedge accounting	(14,407)	(6,040)	-	-
- Medium term notes	(119,554)	(101,361)	-	-
- Loans from non-controlling interests	(2,685)	(5,487)	-	-
- Finance lease liabilities	-	(128)	-	-
- Lease liabilities	(13,047)	-	(367)	-
	(696,666)	(605,134)	(367)	-
Interest income for financial assets measured at amortised cost				
- Deposits placed with subsidiaries	-	-	111,695	70,243
- Short-term bank deposits	16,363	9,803	89	55
- Others	9,841	2,485	-	-
	26,204	12,288	111,784	70,298
Financing fees	(18,605)	(14,943)	-	-
	(689,067)	(607,789)	111,417	70,298

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

8. Income tax expense/(credit)

(a) Income tax expense/(credit)

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Tax expense/(credit) attributable to profit is made up of:				
Profit for the financial year:				
- Current income tax	188,694	177,008	10,910	2,638
- Deferred income tax	90,614	81,772	(16,262)	(7,891)
- Withholding tax	45,974	30,882	-	-
	325,282	289,662	(5,352)	(5,253)
(Over)/underprovision in prior financial years:				
- Current income tax	(7,714)	(1,188)	(2,263)	-
- Deferred income tax	5,158	(93,742)	-	(4,804)
	322,726	194,732	(7,615)	(10,057)

The income tax expense/(credit) on the Group's and the Company's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax due to the following:

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Profit before income tax	3,118,895	3,652,362	1,879,202	932,797
Share of results of associated companies and joint ventures, net of tax	(307,370)	(199,532)	-	-
Profit before share of results of associated companies and joint ventures	2,811,525	3,452,830	1,879,202	932,797
Tax calculated at a tax rate of 17% (2019: 17%)	477,959	586,981	319,464	158,575
Effects of:				
- Singapore statutory stepped income exemption and concessionary tax rate	(13,745)	(10,891)	(32)	(27)
- Income not subject to tax	(355,808)	(433,049)	(328,466)	(169,549)
- Expenses not deductible for tax purposes	126,106	82,524	3,682	5,748
- Effects of different tax rates in other countries	60,330	37,593	-	-
- Deferred tax benefits not recognised	25,785	27,292	-	-
- Overprovision in prior financial years	(2,556)	(94,930)	(2,263)	(4,804)
- Others	4,655	(788)	-	-
Tax expense/(credit)	322,726	194,732	(7,615)	(10,057)

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For the financial year ended 31 March 2020

8. Income tax expense/(credit) (continued)

- (b) Tax credit of \$4.7 million (2019: \$5.0 million) relating to fair value changes and reclassification adjustments on cash flow hedges was included in other comprehensive income.
- (c) Tax credit of \$9.5 million (2019: \$9.5 million) relating to perpetual securities distribution was recognised directly in equity.

9. Cash and cash equivalents

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	1,904,573	1,652,317	23,661	9,610
Short-term bank deposits	535,486	243,943	-	6,000
	<u>2,440,059</u>	<u>1,896,260</u>	<u>23,661</u>	<u>15,610</u>

Short-term bank deposits of the Group as at the balance sheet date had an average maturity of 61 days (2019: 60 days). The effective interest rates as at the balance sheet date ranged from 0.25% to 7.00% (2019: 0.01% to 6.60%) per annum and the interest rates are re-priced upon maturity.

Short-term bank deposits of the Company as at 31 March 2019 had an average maturity of 126 days. The effective interest rates as at 31 March 2019 ranged from 1.50% to 1.55% per annum and the interest rates are re-priced upon maturity.

	<u>Group</u>	
	2020	2019
	\$'000	\$'000
Cash and bank balances (as above)	2,440,059	1,896,260
Cash and bank balances classified as "disposal group held for sale"	-	3,817
Less: Restricted cash	<u>(54,800)</u>	<u>(25,416)</u>
Cash and cash equivalents per consolidated statement of cash flows	<u>2,385,259</u>	<u>1,874,661</u>

Restricted cash are cash reserves which are required to be maintained for use in capital expenditure, loan repayment, interest expense and certain property related expenses to ensure these liabilities can be met when incurred.

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10. Trade and other receivables

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<u>Current</u>				
Trade receivables:				
- Subsidiaries	-	-	3,242	4,214
- Associated companies	27,893	7,629	-	-
- Non-related parties	117,362	147,687	-	-
	145,255	155,316	3,242	4,214
Less: Loss allowance on receivables from non-related parties	(9,925)	(7,586)	-	-
Trade receivables – net	135,330	147,730	3,242	4,214
Non-trade receivables:				
- Non-controlling interests	-	203,748	-	-
- Subsidiaries	-	-	398,257	427,740
	-	203,748	398,257	427,740
Interest receivable:				
- Subsidiaries	-	-	33,081	26,664
- Non-related parties	9,961	2,469	-	-
	9,961	2,469	33,081	26,664
Dividend receivable	39,415	-	935,500	536,532
Deposits placed with a subsidiary	-	-	6,557,350	5,056,962
Loans:				
- Associated company	-	12,458	-	-
- Joint venture	24,221	23,709	-	-
- Non-controlling interest	161,227	145,231	-	-
	185,448	181,398	-	-
Value-added tax – net	120,790	19,882	1,268	1,980
Sundry receivables	71,102	84,974	-	-
Accrued revenue	298,528	230,007	-	-
	490,420	334,863	1,268	1,980
	860,574	870,208	7,928,698	6,054,092

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For the financial year ended 31 March 2020

10. Trade and other receivables (continued)

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<u>Non-current</u>				
Non-trade receivables:				
- Associated companies	2,191	10,222	-	-
Less: Loss allowance	-	(8,009)	-	-
Non-trade receivables – net	2,191	2,213	-	-
Loans:				
- Subsidiaries	-	-	1,200,568	1,418,251
- Associated company	31,606	-	-	-
	31,606	-	1,200,568	1,418,251
	33,797	2,213	1,200,568	1,418,251
	894,371	872,421	9,129,266	7,472,343

Current

- (a) Non-trade receivables due from non-controlling interests, comprising equity contributions, were unsecured, interest-free and repaid during the financial year.
- (b) Non-trade receivables due from subsidiaries are unsecured, interest-free and repayable on demand.
- (c) Deposits placed with a subsidiary mature within six months (2019: six months) from the end of the financial year. The effective interest rates of the deposits as at the balance sheet date ranged from 0.98% to 1.97% (2019: 1.00% to 1.89%) per annum. The interest rates are re-priced upon maturity.
- (d) The loan to an associated company was unsecured, interest-free and repaid during the financial year.
- (e) The loan to a joint venture is unsecured, bears interest ranging from 4.24% to 4.26% (2019: 3.23% to 4.26%) per annum and is repayable in July 2020 (2019: April 2019).
- (f) The loan to non-controlling interest is secured and bears interest at 1% (2019: 1%) per annum. The loan forms part of the consideration for the Group's acquisition of a land parcel in Japan from the non-controlling interest. The loan will be reclassified to properties under development upon the transfer of the land title to the Group which is expected to be within the next 12 months.

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10. Trade and other receivables (continued)

Non-current

- (a) Non-trade receivables due from associated companies are unsecured, interest-free and repayment is not expected within the next 12 months. Included in the Group's receivables as at 31 March 2019 was a gross carrying amount of \$8.0 million, fully impaired due to financial difficulties experienced by the associated company. The receivable and the loss allowance were written off during the financial year.
- (b) Loans to subsidiaries are unsecured, interest-free and have no fixed terms of repayment, although repayment is not expected within the next 12 months.
- (c) The loan to an associated company is unsecured, bears interest at 2.04% per annum and repayment is not expected within the next 12 months.

11. Other assets

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<u>Current</u>				
Deposits	45,742	80,831	610	711
Prepayments	360,197	900,196	1,556	1,720
	405,939	981,027	2,166	2,431
<u>Non-current</u>				
Deposits	3,135	3,072	-	-
Prepayments	1,928	1,406	-	-
	5,063	4,478	-	-
	411,002	985,505	2,166	2,431

Included in the above prepayments are transactions pending receipt of their respective land building certificates from the respective authorities. Accordingly, the considerations paid were classified as prepayments as at the balance sheet date.

		<u>Group</u>			
		2020		2019	
		No.	\$'000	No.	\$'000
<u>Nature</u>	<u>Country</u>				
Acquired land parcels	China	7	35,975	9	55,195
Development under construction	China	-	-	1	565,049
Completed development	Japan	1	141,461	1	127,030
			177,436		747,274

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12. Financial assets, at FVOCI

	<u>Group</u>	
	2020	2019
	\$'000	\$'000
As at 1 April	69,564	69,564
Addition	404	-
Currency translation differences	5	-
As at 31 March	<u>69,973</u>	<u>69,564</u>
Unquoted equity securities	<u>69,973</u>	<u>69,564</u>

13. Financial assets, at FVPL

	<u>Group</u>	
	2020	2019
	\$'000	\$'000
As at 1 April	93,553	58,507
Addition	5,766	35,899
Repayments	(49,817)	-
Currency translation differences	(760)	(853)
As at 31 March	<u>48,742</u>	<u>93,553</u>
<u>Debt instruments</u>		
Current	-	71,799
Non-current	<u>48,742</u>	<u>21,754</u>
	<u>48,742</u>	<u>93,553</u>

The debt instruments, comprising loans to non-related parties, are secured, bear interest at 7% (2019: 7% and 14%) per annum and are repayable between September 2021 and January 2023 (2019: May 2019 to September 2021).

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14. Disposal group held for sale

In December 2018, the Group entered into a conditional sales and purchase agreement with a non-related party to divest its entire stake in a wholly-owned subsidiary, Autumn Sunstone Ltd. Accordingly, the assets and liabilities related to Autumn Sunstone Ltd. and its subsidiary ("Autumn Sunstone Ltd. Group") were presented as "assets of disposal group held for sale" and "liabilities directly associated with disposal group held for sale" as at 31 March 2019. The transaction was completed in May 2019.

The major classes of assets and liabilities of Autumn Sunstone Ltd. Group classified as held for sale as at 31 March 2019 were as follows:

	<u>Group</u> 2019 \$'000
Assets	
Cash and cash equivalents	3,817
Trade and other receivables	9,959
Other current assets	422
Investment property	1,683,340
Property, plant and equipment	78
Assets of disposal group held for sale	<u>1,697,616</u>
Liabilities	
Trade and other payables	(65,882)
Borrowings	<u>(658,589)</u>
Liabilities directly associated with disposal group held for sale	<u>(724,471)</u>
Net assets directly associated with disposal group classified as held for sale	<u>973,145</u>
Cumulative currency translation differences recognised in other comprehensive income relating to disposal group held for sale	<u>1,709</u>

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15. Investments in associated companies

	<u>Group</u>	
	2020	2019
	\$'000	\$'000
Unquoted equity and preference shares, at cost	1,997,891	758,633
Share of post-acquisition reserves	196,199	107,187
	<u>2,194,090</u>	<u>865,820</u>

The following represents the aggregate amount of the Group's share in the net profit and total comprehensive income of associated companies:

	<u>Group</u>	
	2020	2019
	\$'000	\$'000
Net profit	232,761	189,180
Other comprehensive income/(loss), net of tax	19,257	(5,005)
Total comprehensive income	<u>252,018</u>	<u>184,175</u>

Set out below is the associated company that is material to the Group.

<u>Name of entity</u>	<u>Nature of relationship with the Group</u>	<u>Principal place of business</u>	<u>% of ownership interest</u>	
			2020	2019
MUSEL Private Trust	Private equity fund which invests in logistics properties in the United States and across Europe	The United States/ Europe	33	64*

* MUSEL Private Trust was accounted for as a subsidiary in the prior financial year. There was no material associated company in the prior financial year.

Summarised financial information for associated companies

Summarised balance sheet

	<u>MUSEL Private Trust</u>	
	2020	2019
	\$'000	\$'000
Current assets	404,064	-
Current liabilities	(122,699)	-
Non-current assets	6,278,704	-
Non-current liabilities	<u>(3,701,725)</u>	<u>-</u>

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15. Investments in associated companies (continued)

Summarised statement of comprehensive income

	<u>MUSEL Private Trust</u>	
	2020	2019
	\$'000	\$'000
Revenue	39,722	-
Profit from continuing operations	276,314	-
Other comprehensive income	29,506	-
Total comprehensive income	305,820	-

The information above reflects the amounts presented in the financial statements of the associated company (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associated companies.

The following table summarises, in aggregate, the Group's share of profit and other comprehensive income of the Group's individually immaterial associated companies accounted for using the equity method:

	2020	2019
	\$'000	\$'000
Profit from continuing operations	140,770	189,180
Other comprehensive income/(loss)	8,478	(5,005)
Total comprehensive income	149,248	184,175

Reconciliation of summarised financial information

Reconciliation of summarised financial information presented, to the carrying amount of the Group's interest in associated company, is as follows:

	<u>MUSEL Private Trust</u>
	2020
	\$'000
Net assets	2,858,344
Group's equity interest	33%
Group's share of net assets	950,370
Carrying value	950,370
Add: Carrying value of individually immaterial associated companies, in aggregate	1,243,720
Carrying value of Group's interest in associated companies	2,194,090

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16. Investments in joint ventures

	<u>Group</u>	
	2020	2019
	\$'000	\$'000
Unquoted equity shares, at cost	1,275,136	151,703
Loan to a joint venture	77,758	50,117
Share of post-acquisition reserves	59,453	(11,294)
	1,412,347	190,526

The Group's investments in joint ventures and share of results individually and cumulatively represent less than 5% of the Group's consolidated net assets and net profit.

As at 31 March 2020, the loan to a joint venture amounting to \$25.3 million (2019: \$Nil) is unsecured, bears interest of 1.93% per annum and is repayable in full in December 2024. The remaining balance of the loan to a joint venture of \$52.5 million (2019: \$50.1 million) is unsecured, interest-free and has no fixed terms of repayment.

The following represents the aggregate amount of the Group's share in the net profit and total comprehensive income of joint ventures:

	<u>Group</u>	
	2020	2019
	\$'000	\$'000
Net profit	74,609	10,352
Other comprehensive income, net of tax	22,835	243
Total comprehensive income	97,444	10,595

17. Investments in subsidiaries

	<u>Company</u>	
	2020	2019
	\$'000	\$'000
Unquoted equity shares, at cost	596,690	596,690
Unquoted redeemable convertible preference shares, at cost	894,200	894,200
	1,490,890	1,490,890
Financial guarantees	115,946	115,946
Less: Accumulated impairment losses	(141,634)	(162,820)
	1,465,202	1,444,016

Details of significant subsidiaries and summarised financial information of subsidiaries with material non-controlling interests are disclosed in Note 39 and Note 40 respectively.

Control without majority equity interest and voting power

Under SFRS(I) 10 Consolidated Financial Statements, control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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17. Investments in subsidiaries (continued)

The Group has assessed that it controls Mapletree Commercial Trust ("MCT"), Mapletree North Asia Commercial Trust ("MNACT"), Mapletree Industrial Trust ("MIT") and Mapletree Logistics Trust ("MLT") (collectively the "REITs") although the Group owns less than half of the equity interest and voting power of the REITs as disclosed in Note 39. The activities of the REITs are managed by the Group's wholly-owned subsidiaries, namely Mapletree Commercial Trust Management Ltd, Mapletree North Asia Commercial Trust Management Ltd, Mapletree Industrial Trust Management Ltd and Mapletree Logistics Trust Management Ltd respectively (collectively the "REIT Managers"). The REIT Managers have decision-making authority over the REITs subject to oversight by the trustees of the respective REITs. The Group's overall exposure to variable returns, both from the REIT Managers' remuneration and their interests in the REITs, is significant and any decisions made by the REIT Managers affect the Group's overall exposure. Accordingly, the Group concluded that it has control over the REITs and consolidated these investees. Summarised financial information of the REITs is disclosed in Note 40.

18. Investment properties

	<u>Group</u>	
	2020	2019
	\$'000	\$'000
<u>Completed investment properties</u>		
As at 1 April	46,762,901	37,296,137
Adoption of SFRS(I) 16 (Note 2.2)	248,795	-
Additions	3,465,042	6,119,035
Acquisition of subsidiaries (Note 41(a))	691,110	2,880,150
Disposals	(182,617)	(22,764)
Disposal of subsidiaries (Note 41(b))	(7,348,944)	(36,639)
Transfer to properties under development (Note 19)	(3,727)	(22,298)
Transfer from properties under development (Note 19)	567,099	162,658
Transfer from investment properties under redevelopment	86,491	118,084
Transfer to investment properties under redevelopment	-	(107,766)
Reclassified as assets of disposal group held for sale (Note 14)	-	(1,683,340)
Net revaluation gain recognised in profit or loss	1,088,545	2,037,685
Currency translation differences	642,328	21,959
As at 31 March	46,017,023	46,762,901
<u>Investment properties under redevelopment</u>		
As at 1 April	212,693	126,193
Additions	52,396	89,739
Transfer from completed investment properties	-	107,766
Transfer to completed investment properties	(86,491)	(118,084)
Net revaluation gain recognised in profit or loss	175,441	8,437
Currency translation differences	74	(1,358)
As at 31 March	354,113	212,693
Total investment properties	46,371,136	46,975,594

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18. Investment properties (continued)

- (a) The following amounts are recognised in profit or loss:

	2020	<u>Group</u>
	\$'000	2019 \$'000
Leasing income	2,628,772	2,454,147
Direct operating expenses arising from investment properties that generated leasing income	(680,861)	(628,728)

- (b) The revaluation gain of investment properties recognised in profit or loss comprises the following:

	2020	<u>Group</u>
	\$'000	2019 \$'000
Fair value change of investment properties	1,263,986	2,046,122
Effect of lease incentive and marketing commission amortisation	(73,281)	-
Revaluation gain recognised in profit or loss	1,190,705	2,046,122

- (c) Certain investment properties of the Group, amounting to \$3,598.8 million (2019: \$7,739.9 million) are mortgaged to secure loans from financial institutions (Note 26).
- (d) The fair value hierarchy, valuation process, techniques and inputs used to determine the fair values of investment properties and properties under development (Note 19) are disclosed in Note 34.
- (e) As at 31 March 2020, the fair values of the investment properties and properties under development (Note 19) have been determined primarily by independent professional valuers. These valuers have appropriate professional qualifications and experience in the location and category of the properties being valued. It is the intention of the Group to hold the investment properties and properties under development (Note 19) on a long-term basis.
- (f) Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 21.

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19. Properties under development

	2020	<u>Group</u> 2019
	\$'000	\$'000
As at 1 April	804,970	409,803
Additions	822,697	592,086
Acquisition of subsidiaries (Note 41(a))	-	3,291
Transfer to completed investment properties (Note 18)	(567,099)	(162,658)
Transfer from completed investment properties (Note 18)	3,727	22,298
Disposal	-	(8,468)
Disposal of subsidiaries (Note 41(b))	(4,409)	-
Deconsolidation of a subsidiary	-	(58,652)
Net revaluation gain recognised in profit or loss	67,736	14,523
Currency translation differences	2,034	(7,253)
As at 31 March	1,129,656	804,970

During the financial year, finance costs capitalised as part of cost of properties under development amounted to \$9.4 million (2019: \$5.3 million).

20. Property, plant and equipment

	<u>Leasehold land and building</u> \$'000	<u>Group</u> <u>Other assets</u> \$'000	<u>Total</u> \$'000
<u>Cost or valuation</u>			
As at 1 April 2018	131,979	72,278	204,257
Additions	637	18,001	18,638
Write-offs/Disposals	-	(27,235)	(27,235)
Reclassified as disposal group classified as held for sale (Note 14)	-	(83)	(83)
Revaluation gain	11,747	-	11,747
Revaluation adjustment	(4,944)	-	(4,944)
Currency translation differences	1,185	782	1,967
As at 31 March 2019	140,604	63,743	204,347
Adoption of SFRS(I) 16 (Note 2.2)	43,074	4,131	47,205
Additions	16,401	28,397	44,798
Acquisition of subsidiaries (Note 41(a))	-	29	29
Write-offs/Disposals	(6,409)	(21,888)	(28,297)
Disposal of subsidiaries (Note 41(b))	-	(1,081)	(1,081)
Revaluation gain	4,890	-	4,890
Revaluation adjustment	(5,613)	-	(5,613)
Currency translation differences	4,007	985	4,992
As at 31 March 2020	196,954	74,316	271,270

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20. Property, plant and equipment (continued)

	Leasehold land and building \$'000	<u>Group</u> Other assets \$'000	Total \$'000
<u>Cost or valuation (continued)</u>			
Comprising:			
31 March 2019			
At cost	-	63,743	63,743
At valuation	140,604	-	140,604
	140,604	63,743	204,347
31 March 2020			
At cost	53,555	74,316	127,871
At valuation	143,399	-	143,399
	196,954	74,316	271,270
<u>Accumulated depreciation</u>			
As at 1 April 2018	-	38,961	38,961
Depreciation	4,883	15,455	20,338
Write-offs/Disposals	-	(25,966)	(25,966)
Reclassified as disposal group held for sale (Note 14)	-	(5)	(5)
Revaluation adjustment	(4,944)	-	(4,944)
Currency translation differences	61	661	722
As at 31 March 2019	-	29,106	29,106
Depreciation	16,767	19,570	36,337
Write-offs/Disposals	(2,733)	(18,827)	(21,560)
Disposal of subsidiaries (Note 41(b))	-	(185)	(185)
Revaluation adjustment	(5,613)	-	(5,613)
Currency translation differences	413	2,524	2,937
As at 31 March 2020	8,834	32,188	41,022
<u>Net book value</u>			
As at 31 March 2019	140,604	34,637	175,241
As at 31 March 2020	188,120	42,128	230,248

The leasehold land and building of the Group with a carrying value of \$143.4 million (2019: \$140.6 million) are carried at the revalued amount in accordance with the Group's accounting policy as described in Note 2.5. If the leasehold land and building were included in the financial statements at cost less accumulated depreciation and impairment losses, the net book value would have been \$103.8 million (2019: \$113.6 million).

Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 21.

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20. Property, plant and equipment (continued)

	<u>Building</u>	<u>Company Other assets</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<u>Cost</u>			
As at 1 April 2018	-	28,068	28,068
Additions	-	5,409	5,409
Write-offs/Disposals	-	(647)	(647)
As at 31 March 2019	-	32,830	32,830
Adoption of SFRS(I) 16	17,372	-	17,372
Additions	-	5,241	5,241
Write-offs/Disposals	-	(2,328)	(2,328)
As at 31 March 2020	17,372	35,743	53,115
<u>Accumulated depreciation</u>			
As at 1 April 2018	-	19,589	19,589
Depreciation	-	4,332	4,332
Write-offs/Disposals	-	(499)	(499)
As at 31 March 2019	-	23,422	23,422
Depreciation	8,584	5,396	13,980
Write-offs/Disposals	-	(2,223)	(2,223)
As at 31 March 2020	8,584	26,595	35,179
<u>Net book value</u>			
As at 31 March 2019	-	9,408	9,408
As at 31 March 2020	8,788	9,148	17,936

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21. Leases – The Group as a lessee

Nature of the Group's leasing activities

The Group leases various leasehold land and buildings. The leasehold land and buildings are recognised within property, plant and equipment (Note 20) when they are used as office facilities or used in the supply of services such as the Group's hotel operations. Leasehold land and buildings that are held for long-term rental yields and/or for capital appreciation are classified within "investment properties" (Note 18).

There are no externally imposed covenants on these lease arrangements.

Right-of-use assets – Fair value/Cost

	Investment properties \$'000	Property, plant and equipment Leasehold and building \$'000	Other assets \$'000	Total \$'000
Adoption of SFRS (I) 16	248,795	43,074	4,131	296,000
Additions	45,599	16,104	5,840	67,543
Disposals	(11,572)	(6,409)	-	(17,981)
Currency translation differences	2,754	786	182	3,722
Carrying amount as at 31 March 2020	285,576	53,555	10,153	349,284

Right-of-use assets – Fair value loss and accumulated depreciation

	Investment properties \$'000	Property, plant and equipment Leasehold and building \$'000	Other assets \$'000	Total \$'000
Depreciation charge during the financial year	-	11,492	1,658	13,150
Revaluation loss recognised in profit or loss	32,352	-	-	32,352
Disposals	(111)	(2,733)	-	(2,844)
Currency translation differences	290	74	18	382
Carrying amount as at 31 March 2020	32,531	8,833	1,676	43,040
Net book value of ROU assets	253,045	44,722	8,477	306,244

Lease expense not capitalised in lease liabilities

	Group 2020 \$'000
Lease expense – Short-term leases	331,102
Lease expense – Low-value leases	289
Total	331,391

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21. Leases – The Group as a lessee (continued)

Total cash outflow for leases

	<u>Group</u> 2020 \$'000
Repayment under lease liabilities – Principal	40,522
Repayment under lease liabilities – Interest	13,047
Lease expense – Short-term leases	331,102
Lease expense – Low-value leases	289
Total cash outflow for leases	<u>384,960</u>

22. Leases – The Group as a lessor

Nature of the Group's leasing activities – the Group as a lessor

The Group leases out its investment properties to third parties. The leases have escalation clauses and renewal rights. Where considered necessary to reduce credit risk, the Group may obtain deposits and bank guarantees for the term of the lease. These leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties is disclosed in Note 18.

Undiscounted lease payments from the operating leases to be received after the balance sheet date are as follows:

	<u>Group</u> 2020 \$'000
Less than one year	2,450,618
One to two years	1,918,687
Two to three years	1,402,523
Three to four years	954,531
Four to five years	659,671
Later than five years	<u>2,449,555</u>
Total undiscounted lease payments	<u>9,835,585</u>

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23. Intangible assets

	← Definite useful life →		← Indefinite useful life →		
	Software licences \$'000	Customer-related intangibles \$'000	Concessionary agreement \$'000	Trade names \$'000	Goodwill arising on consolidation \$'000
Group					Total \$'000
<u>Cost</u>					
As at 1 April 2018	14,658	17,848	76,738	75,191	54,064
Additions	173	-	1,962	-	-
Adjustment	-	5,300	-	-	-
Write-offs/Disposals	(11)	-	-	-	-
Currency translation differences	(1)	465	-	1,630	1,309
As at 31 March 2019	14,819	23,613	78,700	76,821	55,373
Additions	51	-	1,089	-	-
Write-offs/Disposals	(184)	-	-	-	-
Currency translation differences	4	313	-	1,299	291
As at 31 March 2020	14,690	23,926	79,789	78,120	55,664
<u>Accumulated amortisation and impairment</u>					
As at 1 April 2018	9,208	1,586	-	18,237	-
Amortisation charge	1,696	2,325	9,318	-	-
Impairment charged to profit or loss (Note 5)	179	-	-	-	-
Currency translation differences	-	-	-	-	5
As at 31 March 2019	11,083	3,911	9,318	18,237	33,903
Amortisation charge	1,792	11,492	9,453	-	-
Write-offs/Disposals	(149)	-	-	-	-
Impairment charged to profit or loss (Note 5)	-	-	-	-	13,258
Currency translation differences	-	30	-	-	176
As at 31 March 2020	12,726	15,433	18,771	18,237	47,337
<u>Net book value</u>					
As at 31 March 2019	3,736	19,702	69,382	58,584	21,470
As at 31 March 2020	1,964	8,493	61,018	59,883	8,327
					139,685

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23. Intangible assets (continued)

	<u>Definite useful life</u>	
	<u>Software licences</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>
<u>Company</u>		
<u>Cost</u>		
As at 1 April 2018	12,858	12,858
Additions	49	49
As at 31 March 2019	12,907	12,907
Additions	4	4
As at 31 March 2020	12,911	12,911
<u>Accumulated amortisation</u>		
As at 1 April 2018	8,235	8,235
Amortisation charge	1,508	1,508
As at 31 March 2019	9,743	9,743
Amortisation charge	1,520	1,520
As at 31 March 2020	11,263	11,263
<u>Net book value</u>		
As at 31 March 2019	3,164	3,164
As at 31 March 2020	1,648	1,648

For purpose of impairment testing of trade names with indefinite useful life and goodwill arising from consolidation, the amounts are allocated to the Oakwood Worldwide cash generating unit ("CGU") under the "Group Lodging" operating segment.

In 2020, the Group has recorded an impairment charge on goodwill of \$13.3 million, thereby fully impairing its goodwill, in light of future business outlook. In 2019, the Group recorded an impairment charge on goodwill of \$33.9 million in light of future business outlook.

The recoverable amount of the CGU as at the balance sheet date was determined based on value-in-use ("VIU") calculations, using financial projections covering a four-year (2019: five-year) period approved by management. Cash flows beyond the four-year (2019: five-year) period were extrapolated using the estimated growth rate of 2% (2019: 2%) which did not exceed the long-term average growth rate for the corporate housing and hospitality industry in countries which the CGU operates.

Other key assumptions included the budgeted gross profit margin for the period from 2021 to 2024 determined by management based on past performance and management's strategy for the CGU. The pre-tax discount rate applied to the VIU calculations was 18.6% (2019: 20.4%).

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24. Trade and other payables

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Trade payables:				
- Related parties	3,511	4,263	-	-
- Non-related parties	38,833	73,746	708	662
	42,344	78,009	708	662
Non-trade payables:				
- Subsidiaries	-	-	16,933	38,494
- Non-related parties	-	-	-	-
	-	-	16,933	38,494
Interest payable	65,337	66,442	-	-
Property tax payable	21,222	30,245	-	-
Tenancy deposits	492,956	503,278	-	-
Rental received in advance	123,432	128,078	-	-
Other deposits	72,080	45,196	-	-
Other payables	175,921	167,417	-	-
Provision for Corporate and Staff Social Responsibilities ("CSSR")	14,994	12,316	14,994	12,316
Accrued capital expenditure	152,476	87,986	-	-
Accrued operating expenses	667,788	524,476	279,418	167,810
Accrued share-based compensation expenses	71,483	89,853	49,615	65,989
Accrued retention sum	46,902	33,855	-	-
Deferred revenue	5,462	3,368	-	-
	1,910,053	1,692,510	344,027	246,115
Total	1,952,397	1,770,519	361,668	285,271
Less: Non-current portion	(576,952)	(521,401)	(194,152)	(136,348)
Current portion	1,375,445	1,249,118	167,516	148,923

- (a) Non-trade payables due to subsidiaries are unsecured, interest-free and repayable on demand.
- (b) Provision for CSSR relates to the Group's CSSR commitments under its published Mapletree Shaping and Sharing Programme that strives to make social impact by empowering individuals and enriching communities through education, health, environmental and arts related causes. During the financial year, the Group committed \$4.0 million (2019: \$5.0 million) as a provision for the Group's CSSR programme.
- (c) Included in trade and other payables are accruals relating to three employee compensation schemes, one scheme being compensation that is deferred and payable over a period of time and the other two schemes being share-based compensation (Note 28). As at 31 March 2020, the accruals for the Group and the Company amounted to \$387.4 million (2019: \$319.8 million) and \$299.5 million (2019: \$205.7 million); out of which \$249.4 million (2019: \$209.6 million) and \$194.2 million (2019: \$136.3 million) are classified as non-current for the Group and the Company respectively.

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25. Derivative financial instruments

	Contract notional Amount \$'000	Group Fair value of assets \$'000	Fair value of liabilities \$'000
31 March 2020			
<u>Hedge accounting – Cash flow hedges</u>			
- Interest rate swaps	8,539,589	1,204	(260,579)
- Cross currency interest rate swaps	1,394,113	16,644	(45,793)
- Currency forwards	20,575	-	(1,104)
		<u>17,848</u>	<u>(307,476)</u>
<u>Hedge accounting – Net investment hedges</u>			
- Currency forwards	1,085,043	15,152	(7,590)
<u>Hedge accounting – Fair value hedges</u>			
- Interest rate swaps	75,000	2,911	-
<u>Non-hedge accounting</u>			
- Interest rate swaps	150,973	-	(2,564)
- Currency forwards	8,087,572	10,430	(184,575)
- Cross currency interest rate swaps	470,242	15,819	(43,190)
		<u>26,249</u>	<u>(230,329)</u>
Represented by:			
- Current		26,576	(193,513)
- Non-current		35,584	(351,882)
		<u>62,160</u>	<u>(545,395)</u>
31 March 2019			
<u>Hedge accounting – Cash flow hedges</u>			
- Interest rate swaps	8,692,272	10,642	(71,139)
- Cross currency interest rate swaps	1,265,679	20,652	(8,597)
- Currency forwards	18,627	32	(296)
		<u>31,326</u>	<u>(80,032)</u>
<u>Hedge accounting – Net investment hedges</u>			
- Currency forwards	1,618,488	3,466	(2,802)
<u>Hedge accounting – Fair value hedges</u>			
- Interest rate swaps	75,000	921	-
<u>Non-hedge accounting</u>			
- Interest rate swaps	261,431	-	(1,352)
- Currency forwards	4,666,892	16,525	(36,797)
- Cross currency interest rate swaps	439,100	6,710	(29,816)
		<u>23,235</u>	<u>(67,965)</u>
Represented by:			
- Current		22,510	(34,321)
- Non-current		36,438	(116,478)
		<u>58,948</u>	<u>(150,799)</u>

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For the financial year ended 31 March 2020

25. Derivative financial instruments (continued)

Hedging instruments used in the Group's hedging strategy in the financial year ended 31 March 2020

Group	Contractual notional amount \$'000	Carrying amount		Changes in fair value used for calculating hedge ineffectiveness			Weighted average hedged rate	Maturity date
		Assets/ (liabilities) \$'000	Financial statement line item	Hedging instrument \$'000	Hedged item \$'000	Hedge ineffectiveness recognised in profit or loss * \$'000		
Cash flow hedges								
<i>Currency risk</i>								
- Currency forwards to hedge quarterly dividend income receivable in foreign currency	20,575	(1,104)	Derivative financial instruments	(840)	840	-	SGD: 1.35 USD: 1.00	2020 - 2022
<i>Foreign currency risk/interest rate risk</i>								
- Cross currency swaps to hedge floating rate borrowings denominated in foreign currency	1,394,113	(29,149)	Derivative financial instruments	(29,806)	28,901	(905)	SGD1: GBP1.78 SGD1: HKD5.75 USD1: HKD7.79 SGD1: JPY81.23 HKD1: JPY14.28 0.52% - 4.65%	2021 - 2027
<i>Interest rate risk</i>								
- Interest rate swaps to hedge floating rate borrowings	8,539,589	(259,375)	Derivative financial instruments	(208,879)	207,593	(1,286)	0.19% - 2.86%	2020 - 2028
Net investment hedges								
<i>Foreign exchange risk</i>								
- Forward contracts to hedge net investments in foreign operations	1,085,043	7,562	Derivative financial instruments	5,535	(5,535)	-	JPY: 0.01219 USD: 1.3841 CNY: 0.2223 GBP: 1.7277 AUD: 0.9681 INR: 0.01928 EUR: 1.5258	2020
- Borrowings to hedge net investments in foreign operations	-	(1,192,448)	Borrowings	(298,117)	298,117	-	-	-
Fair value hedges								
<i>Interest rate risk</i>								
- Interest rate swaps to hedge fixed rate borrowings	75,000	2,911	Derivative financial instruments	1,990	(1,990)	-	3.02%	2023

* All hedge ineffectiveness and costs of hedging are recognised in profit and loss within "other gains - net".

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25. Derivative financial instruments (continued)

Hedging instruments used in the Group's hedging strategy in the financial year ended 31 March 2019

	Contractual notional amount \$'000	Carrying amount		Changes in fair value used for calculating hedge ineffectiveness			Weighted average hedged rate	Maturity date
		Assets/ (liabilities) \$'000	Financial statement line item	Hedging instrument \$'000	Hedged item \$'000	Hedge ineffectiveness recognised in profit or loss * \$'000		
Group								
Cash flow hedges								
<i>Currency risk</i>								
- Currency forwards to hedge quarterly dividend income receivable in foreign currency	18,627	(264)	Derivative financial instruments	(277)	277	-	SGD: 1.32 USD: 1.00	2019 - 2022
<i>Foreign currency risk/interest rate risk</i>								
- Cross currency swaps to hedge floating rate borrowings denominated in foreign currency	1,265,679	12,055	Derivative financial instruments	(13,225)	15,018	1,793	1.54% - 4.65%	2019 - 2025
<i>Interest rate risk</i>								
- Interest rate swaps to hedge floating rate borrowings	8,692,272	(60,497)	Derivative financial instruments	(65,553)	65,179	(374)	0.13% - 3.89%	2019 - 2028
Net investment hedges								
<i>Foreign exchange risk</i>								
- Forward contracts to hedge net investments in foreign operations	1,618,488	664	Derivative financial instruments	(979)	979	-	JPY: 0.0123 USD: 1.3627 AUD: 1.0352 EUR: 1.5258	2019
- Borrowings to hedge net investments in foreign operations	-	(683,945)	Borrowings	16,054	(16,054)	-	-	-
Fair value hedges								
<i>Interest rate risk</i>								
- Interest rate swaps to hedge fixed rate borrowings	75,000	921	Derivative financial instruments	986	(986)	-	3.02%	2023

* All hedge ineffectiveness and costs of hedging are recognised in profit and loss within "other gains - net".

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25. Derivative financial instruments (continued)

Effects of fair value hedges on hedged items are as follows:

	Carrying amount of assets \$'000	Financial statement line item that includes hedged item	Accumulated amount for fair value adjustments \$'000
31 March 2020			
<u>Group</u>			
Fair value hedges			
<i>Interest rate risk</i>			
- Interest rate swaps to hedge fixed rate borrowings	77,911	Borrowings	2,911
31 March 2019			
<u>Group</u>			
Fair value hedges			
<i>Interest rate risk</i>			
- Interest rate swaps to hedge fixed rate borrowings	75,921	Borrowings	921

26. Borrowings

	<u>Group</u>	
	2020 \$'000	2019 \$'000
<u>Current</u>		
- Loans from financial institutions (secured) (Note (a))	219,355	-
- Loans from financial institutions (unsecured) (Note (b))	2,319,162	2,142,256
- Medium term notes (unsecured) (Note (d))	268,897	144,895
- Loans from non-controlling interests (unsecured) (Note (e))	-	48,549
	2,807,414	2,335,700
<u>Non-current</u>		
- Loans from financial institutions (secured) (Note (a))	1,393,241	4,409,799
- Loans from financial institutions (unsecured) (Note (b))	13,225,200	13,211,974
- Medium term notes (secured) (Note (c))	338,489	-
- Medium term notes (unsecured) (Note (d))	3,676,414	3,354,800
- Loans from non-controlling interests (unsecured) (Note (e))	38,736	20,094
- Tokutei Mokuteki Kaisha ("TMK") bonds (secured) (Note (f))	86,305	77,787
	18,758,385	21,074,454
	21,565,799	23,410,154

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26. Borrowings (continued)

	2020	<u>Group</u>	2019
(a) Loan from financial institutions (secured)			
(\$'000)	1,612,596		4,409,799
Repayable between	2020 to 2027		2020 to 2027
Effective interest rate (per annum)	0.27% to 10.10%		0.32% to 9.05%
Re-pricing	One to three months		One to six months
Secured by	Certain investment properties	Certain investment properties	
(b) Loan from financial institutions (unsecured)			
(\$'000)	15,544,362		15,354,230
Repayable between	2020 to 2028		2019 to 2026
Effective interest rate (per annum)	0.38% to 5.78%		0.15% to 5.39%
Re-pricing	One to six months		One to six months
(c) Medium term notes (secured)			
(\$'000)	338,489		-
Repayable between	2026 and 2027		-
Effective interest rate (per annum)	0.26% to 1.24%		-
Re-pricing	Not applicable		-
Secured by	Certain investment properties		-
(d) Medium term notes (unsecured)			
(\$'000)	3,945,311		3,499,695
Repayable between	2020 to 2031		2019 to 2029
Effective interest rate (per annum)	2.29% to 4.95%		2.51% to 3.96%
Re-pricing	Not applicable		Not applicable
(e) Loans from non-controlling interests (unsecured)			
(\$'000)	38,736		68,643
Repayable between	2021 to 2024		2019 and 2021
Effective interest rate (per annum)	1.93% to 4.87%		3.23% to 7.29%
Re-pricing	Three to six months		Three to six months
(f) TMK bonds (secured)			
(\$'000)	86,305		77,787
Repayable between	2024 and 2025		2024 and 2025
Effective interest rate (per annum)	0.39% to 0.43%		0.39% to 0.43%
Re-pricing	Not applicable		Not applicable
Secured by	Certain investment properties	Certain investment properties	

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27. Deferred income taxes

Movements in deferred income taxes are as follows:

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
As at 1 April	400,872	407,584	(33,197)	(20,502)
Tax charged/(credited) to:				
- Profit or loss	95,772	(11,970)	(16,262)	(12,695)
- Other comprehensive income	(4,763)	(4,382)	-	-
- Equity	(9,508)	(9,482)	-	-
Acquisition of subsidiaries				
(Note 41(a))	-	15,759	-	-
Disposal of subsidiaries				
(Note 41(b))	(16,114)	-	-	-
Utilisation of tax benefits	9,482	9,482	-	-
Currency translation differences	(4,530)	(6,119)	-	-
As at 31 March	471,211	400,872	(49,459)	(33,197)

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of approximately \$259.2 million (2019: \$168.3 million) as at the balance sheet date which can be carried forward and used to offset against future taxable income, subject to meeting certain statutory requirements by those companies with unrecognised tax losses in their respective countries of incorporation. The tax losses have no expiry date except for an amount of \$62.6 million (2019: \$66.0 million) which will expire between 2020 and 2030.

Deferred income tax liabilities have not been recognised for the withholding and other taxes that will be payable on the unremitted earnings of \$109.0 million (2019: \$150.9 million) of overseas subsidiaries as the timing of the reversal of the temporary differences arising from such amounts can be controlled and it is probable that such temporary differences will not reverse in the foreseeable future.

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27. Deferred income taxes (continued)

The movements in the deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the financial year are as follows:

Group

	Accelerated tax depreciation \$'000	Revaluation gains \$'000	Accrued revenue \$'000	Others \$'000	Total \$'000
<u>Deferred income tax liabilities</u>					
As at 1 April 2019	242,822	230,511	4,827	15,311	493,471
Disposal of subsidiaries (Note 41(b))	(12,930)	(838)	24	(5,676)	(19,420)
Charged/(credited) to:					
- Profit or loss	43,175	20,366	3,819	24,998	92,358
- Other comprehensive income	-	(31)	-	(4,732)	(4,763)
Currency translation differences	(2,286)	(2,040)	110	724	(3,492)
As at 31 March 2020	270,781	247,968	8,780	30,625	558,154
As at 1 April 2018	207,025	246,464	975	10,674	465,138
Acquisition of subsidiaries (Note 41(a))	-	12,709	-	6,254	18,963
Charged/(credited) to:					
- Profit or loss	35,637	(20,721)	3,888	(408)	18,396
- Other comprehensive income	-	577	-	(4,959)	(4,382)
Currency translation differences	160	(8,518)	(36)	3,750	(4,644)
As at 31 March 2019	242,822	230,511	4,827	15,311	493,471
	Perpetual securities \$'000	Provisions \$'000	Tax losses \$'000	Total \$'000	
<u>Deferred income tax assets</u>					
As at 1 April 2019		(2,745)	(65,273)	(24,581)	(92,599)
Disposal of subsidiaries (Note 41(b))		-	-	3,306	3,306
(Credited)/charged to:					
- Profit or loss		-	(9,447)	12,861	3,414
- Equity		(9,508)	-	-	(9,508)
Utilisation of tax benefits		9,482	-	-	9,482
Currency translation differences		-	162	(1,200)	(1,038)
As at 31 March 2020		(2,771)	(74,558)	(9,614)	(86,943)
As at 1 April 2018		(2,745)	(42,057)	(12,752)	(57,554)
Acquisition of subsidiaries (Note 41(a))		-	-	(3,204)	(3,204)
Credited to profit or loss:					
- Profit or loss		-	(21,637)	(8,729)	(30,366)
- Equity		(9,482)	-	-	(9,482)
Utilisation of tax benefits		9,482	-	-	9,482
Currency translation differences		-	(1,579)	104	(1,475)
As at 31 March 2019		(2,745)	(65,273)	(24,581)	(92,599)

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27. Deferred income taxes (continued)

Company

	Accelerated tax depreciation \$'000	Notional interest income \$'000	Total \$'000
<u>Deferred income tax liabilities</u>			
As at 1 April 2019	2,087	212	2,299
(Credited)/charged to profit or loss	(273)	68	(205)
As at 31 March 2020	1,814	280	2,094
As at 1 April 2018	2,107	155	2,262
(Credited)/charged to profit or loss	(20)	57	37
As at 31 March 2019	2,087	212	2,299

Provisions
\$'000

Deferred income tax assets

As at 1 April 2019	(35,496)
Credited to profit or loss	(16,057)
As at 31 March 2020	(51,553)
As at 1 April 2018	(22,764)
Credited to profit or loss	(12,732)
As at 31 March 2019	(35,496)

28. Share capital

Issued and fully paid ordinary shares and Series A redeemable preference shares ("RPS")

	<u>Issued share capital</u>	
	<u>No. of shares</u> '000	<u>Amount</u> \$'000
Balance as at 31 March 2020 and 31 March 2019		
- Ordinary share capital, with no par value	1,524,307	1,524,307
- Series A redeemable preference shares, with no par value	16	1,570,000
	1,524,323	3,094,307

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28. Share capital (continued)

Issued and fully paid Series A RPS

The Series A RPS confer upon the holders the following rights:

(a) Dividends

The right to receive out of the distributable profits of the Company a non-cumulative preferential dividend at a rate of 1% per annum on the redemption amount (being the value of the Series A RPS). The preferential dividend shall:

- (i) Be declared by the directors at any time and from time to time and payable at such time as the directors shall determine; and
- (ii) Be paid in priority to any dividend or distribution in favour of holders of any other classes of shares in the Company.

(b) Voting

The right to attend and vote at general meetings of the Company only upon the happening of any of the following events:

- (i) During such year as the preferential dividend or any part thereof remains in arrears and unpaid for more than 12 months;
- (ii) Upon any resolution which varies or abrogates the rights attached to the preference shares; and
- (iii) Upon any resolution for the winding up of the Company.

In addition, written approval of 75% of the RPS holders has to be obtained prior to:

- (i) Variation or abrogation of rights to RPS holders;
- (ii) Altering RPS through e.g. repurchase, cancellation, reduction, subdivision, reclassification or consolidation;
- (iii) Issue of equity or debt convertible into equity ranking pari passu or in priority to RPS; or
- (iv) Declaration or payment of dividends or other distribution of profits or by issuance of ordinary shares through capitalisation of profits or reserves.

(c) Redemption

The Company has the rights to redeem all or any part of the RPS issued and fully paid at any time. Each RPS will be redeemed for the amount paid up thereon plus any arrears and accrual of dividends payable on the RPS to the redemption date.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

28. Share capital (continued)

Share-based compensation plans of the Company

The Company currently operates the following share-based compensation plans: Mapletree PSU Plan, Mapletree RSU Plan and Mapletree NED RSU Plan (collectively referred to as the "Share-based Compensation Plans"). The Executive Resource and Compensation Committee ("ERCC") of the Company has been designated as the Committee responsible for the administration of the share-based compensation plans.

(a) Mapletree Performance Share Units ("PSU") Plan and Mapletree Restricted Share Units ("RSU") Plan

The Mapletree PSU Plan and the Mapletree RSU Plan (collectively referred to as the "Plans") for employees (including executive director) were approved and adopted by the Board of Directors and shareholders of the Company on 4 November 2009. The first grant of award under the Plans was made in January 2010. The duration of each share plan is 10 years commencing from 4 November 2009. The Plans were approved to be extended for another 10 years commencing 4 November 2019 by the Board of Directors and shareholder on 16 May 2019 and 10 September 2019 respectively.

Under the Plans, awards are granted to eligible participants. Eligible participants of the Plans include selected employees of the Company, subsidiaries and associated companies, including executive director.

A Performance Share Unit ("PSU") or Restricted Share Unit ("RSU") granted under the Plans represents a right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, as calculated in accordance with the Plans, provided certain performance conditions and service conditions are met.

Under the Mapletree PSU Plan, awards granted to eligible participants vest immediately upon completion of the performance achievement periods. Awards are released once the ERCC is satisfied that the performance conditions have been achieved.

Similarly under the Mapletree RSU Plan, a portion of the awards granted to eligible participants vest immediately upon completion of the performance achievement periods and the remaining awards will vest only after a further period of service beyond the performance target completion date. Awards are released once the ERCC is satisfied that the performance conditions have been achieved and the extended period of service beyond the performance target completion date have been fulfilled.

The number of PSU outstanding under the Mapletree PSU Plan as at the end of the financial year is summarised below:

	2020 '000	2019 '000
As at 1 April	19,077	16,203
Initial award granted	6,024	4,600
Adjustment for performance targets	2,165	(88)
Forfeited/cancelled	(192)	(261)
Released	(4,970)	(1,377)
As at 31 March	<u>22,104</u>	<u>19,077</u>

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AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

28. Share capital (continued)

Share-based compensation plans of the Company (continued)

(a) Mapletree PSU Plan and Mapletree RSU Plan (continued)

The final number of units to be released will depend on the achievement of pre-determined targets over a five-year performance period. No units will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the initial award could be released up to a maximum of 200% of the initial award.

The PSU released during the financial year of 4,969,881 (2019: 1,377,279) were cash-settled.

The number of PSU awarded and outstanding of 22,103,757 (2019: 19,077,300) is to be cash-settled. The final number of units to be released in respect of 22,103,757 (2019: 19,077,300) of outstanding PSU has not been determined.

The number of RSU outstanding under the Mapletree RSU Plan at the end of the financial year is summarised below:

	2020 '000	2019 '000
As at 1 April	4,887	4,857
Initial award granted	3,739	2,717
Adjustment for performance targets	1,067	103
Forfeited/cancelled	(239)	(273)
Released	(2,739)	(2,517)
As at 31 March	6,715	4,887

The final number of units to be released will depend on the achievement of pre-determined targets over a one-year performance period and the release will be over a vesting period of three years. No units will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more units than the initial award could be released up to a maximum of 150% of the initial award.

The RSU released during the financial year of 2,739,071 (2019: 2,517,209) were cash-settled.

The number of RSU awarded and outstanding of 6,714,609 (2019: 4,886,571) is to be cash-settled. The final number of units to be released in respect of 3,693,407 (2019: 2,595,745) of outstanding RSU has not been determined.

PSU and RSU that are expected to be cash-settled are measured at their current fair values as at the balance sheet date. The fair value is measured based on the independently assessed value ("IAV") of \$3.37 (2019: \$4.69) as at the balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

28. Share capital (continued)

Share-based compensation plans of the Company (continued)

(b) Mapletree NED Restricted Share Units Plan

The Mapletree NED RSU Plan was approved and adopted by the Board of Directors and shareholder of the Company on 4 November 2009 and is restricted to non-executive directors ("NED") of the Company. The first grant of award was made in June 2010. The duration of the Mapletree NED RSU Plan is 10 years commencing from 4 November 2009. The Plans were approved to be extended for another 10 years commencing 4 November 2019 by the Board of Directors and shareholder on 16 May 2019 and 10 September 2019 respectively.

Under the Mapletree NED RSU Plan, awards are granted to eligible non-executive directors of the Company. A NED Restricted Share Unit ("NED RSU") granted under the Mapletree NED RSU Plan represents a right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, as calculated in accordance with the Mapletree NED RSU Plan. Grants of Mapletree NED RSU made to a non-executive director shall form part of the director's remuneration.

Under the Mapletree NED RSU Plan, awards granted to eligible non-executive directors shall vest at the date of grant. The right to receive cash or cash equivalents, fully-paid Company Shares, or combinations thereof, is exercisable at the discretion of the non-executive directors at the annual pre-determined exercise period, until the date falling on the fifth (5th) anniversary of date of grant of each award.

The number of NED RSU outstanding under the Mapletree NED RSU Plan at the balance sheet date is summarised below:

	2020 '000	2019 '000
As at 1 April	230	214
Granted	44	46
Exercised	(34)	(30)
As at 31 March	240	230

The NED RSU exercised during the financial year of 33,896 (2019: 30,130) were cash-settled.

The number of units awarded, vested and outstanding of 240,433 (2019: 230,240) is to be cash-settled. The fair value of the cash-settled award of NED RSU as at the balance sheet date is determined based on the net asset value (excluding perpetual securities) per share of the Group as at the balance sheet date, up to a maximum of 200% of the initial net asset value per share of the Group at the respective grant dates.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

28. Share capital (continued)

Share-based compensation plans of the Company (continued)

(c) Share-based compensation plans of subsidiaries

The respective Nomination and Remuneration Committee of the Group's wholly-owned subsidiaries, Mapletree Logistics Trust Management Ltd, Mapletree Industrial Trust Management Ltd, Mapletree Commercial Trust Management Ltd and Mapletree North Asia Commercial Trust Management Ltd (each the "REIT management company") approved and adopted separate Performance Share Units Plan ("REIT PSU Plan") and Restricted Share Units Plan ("REIT RSU Plan") in the financial year ended 31 March 2017. This is in compliance with the MAS guideline on REIT compensation governance where the plans are linked to performance of the respective REIT. The duration of each share plan is 10 years commencing from July 2016. The first grant of award under the Plans was made in November 2016. The REIT PSU Plan and REIT RSU Plan are available to eligible employees of the subsidiaries and the plans can only be cash-settled.

The total REIT PSU Plan and REIT RSU Plan expense recognised in the profit or loss amounted to \$8,625,925 (2019: \$6,455,423).

29. Perpetual securities

The Group has issued the following perpetual securities:

(a) Mapletree Treasury Services Limited

Mapletree Treasury Services Limited ("MTSL"), a wholly-owned subsidiary of the Group, issued perpetual securities with an aggregate principal amount of \$625 million in January 2017 ("2017 Issuance") and \$700 million in May 2017 ("2018 Issuance"). The perpetual securities are guaranteed by the Company.

The perpetual securities bear distributions at a rate of 4.50% per annum for the 2017 Issuance and 3.95% per annum for the 2018 Issuance, payable semi-annually. Subject to the relevant terms and conditions in the offering circular, MTSL may elect to defer making such cumulative distributions and is not subject to any limits as to the number of times a distribution can be deferred.

These perpetual securities have no fixed redemption date and redemption is at the discretion of MTSL.

As at 31 March 2020, total incremental cost of \$11.1 million (2019: \$11.1 million) was recognised in equity as a deduction from proceeds.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

29. Perpetual securities (continued)

The Group has issued the following perpetual securities: (continued)

(b) Mapletree Logistics Trust

Mapletree Logistics Trust ("MLT"), a subsidiary of the Group, issued perpetual securities with an aggregate principal amount of \$250 million in May 2016 ("2016 Issuance") and \$180 million in September 2017 ("2017 Issuance"). In terms of distribution payments or in the event of winding up of MLT, these perpetual securities rank pari passu with the holders of preferred units (if any) and rank ahead of the unitholders of MLT, but junior to the claims of all other present and future creditors of MLT. MLT shall not declare distribution or pay any distributions to the unitholders, or make redemption, unless MLT declares or pays any distributions to the holders of the perpetual securities.

The perpetual securities bear distributions at a rate of 4.18% per annum for the 2016 Issuance and 3.65% per annum for the 2017 Issuance, payable semi-annually. The distribution will be payable semi-annually at the discretion of MLT and will be non-cumulative.

These perpetual securities have no fixed redemption date and redemption is at the discretion of MLT.

As at 31 March 2020, total incremental cost of \$3.8 million (2019: \$3.8 million) was recognised in equity as a deduction from proceeds.

The Group is considered to have no contractual obligations to call its principal or to pay any distributions and the perpetual securities of MTSL and MLT do not meet the definition for classification as a financial liability under SFRS(I) 1-32 Financial Instruments: Disclosure and Presentation. Both instruments are presented within equity and distributions are treated as dividends.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

30. Hedging reserve

The movements in hedging reserve by risk category are as follows:

	<div style="display: flex; justify-content: space-between; align-items: center;"> ← <div style="text-align: center;"> Group Interest rate risk/ Foreign exchange risk </div> → </div>		
	Interest rate risk \$'000	exchange risk \$'000	Total \$'000
31 March 2020			
Beginning of financial year	(46,246)	10,491	(35,755)
Fair value loss	(210,767)	(29,675)	(240,442)
Tax on fair value loss	722	4,010	4,732
	(256,291)	(15,174)	(271,465)
Reclassification to profit or loss, as hedged item has affected profit or loss			
- Interest expense	13,857	(11,581)	2,276
- Foreign exchange	-	44,300	44,300
Share of hedging reserve from associated companies	(9,411)	-	(9,411)
Less: Non-controlling interests	68,860	(2,634)	66,226
End of financial year	(182,985)	14,911	(168,074)
31 March 2019			
Beginning of financial year	5,645	13,724	19,369
Fair value loss	(75,357)	(39,290)	(114,647)
Tax on fair value loss	1,443	3,516	4,959
	(68,269)	(22,050)	(90,319)
Reclassification to profit or loss, as hedged item has affected profit or loss			
- Interest expense	517	(157)	360
- Foreign exchange	-	26,560	26,560
Share of hedging reserve from associated companies	(2,112)	-	(2,112)
Less: Non-controlling interests	23,618	6,138	29,756
End of financial year	(46,246)	10,491	(35,755)

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

31. Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

	<u>Group</u>		<u>Company</u>	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Unsecured bankers' guarantees given in respect of operations	57,973	42,629	2,073	9,457

32. Commitments

(a) Capital commitments

	<u>Group</u>	
	2020	2019
	\$'000	\$'000
Development expenditure contracted for	906,514	634,430
Capital expenditure contracted for	90,735	144,278
Commitment in respect of equity participation in financial asset, at FVOCI	24,596	-
Commitments in respect of equity participation in associated companies	3,591	14,135

(b) Operating lease commitments – where the Group is a lessor

The Group leases property spaces under non-cancellable operating lease agreements. The leases have escalation clauses and renewal rights.

As at 31 March 2019, the future minimum lease receivables under non-cancellable operating leases contracted but not recognised as receivables are as follows:

	<u>Group</u>
	2019
	\$'000
Not later than one year	2,656,334
Between one and five years	5,562,957
Later than five years	2,884,140
	11,103,431

Certain operating leases are subject to revision based on market rates at periodic intervals. For the purpose of the above disclosure, the prevailing rates are used.

As disclosed in Note 2.2, the Group has adopted SFRS(I) 16 on 1 April 2019. The undiscounted lease payments from the operating leases to be received after 31 March 2019 are disclosed in Note 22.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

32. Commitments (continued)

(c) Operating lease commitments – where the Group is a lessee

The Group leases land and property spaces under non-cancellable operating lease agreements.

As at 31 March 2019, the future minimum lease payables under non-cancellable operating leases contracted for but not recognised as liabilities, are as follows:

	<u>Group</u> 2019 \$'000
Not later than one year	89,916
Between one and five years	105,292
Later than five years	<u>163,049</u>
	<u>358,257</u>

Not included above are certain operating leases in Singapore, China and Malaysia with annual land rent that the Group is committed to pay to the respective country's land authorities. The operating leases are non-cancellable with remaining lease terms of up to 88 years as at the balance sheet date and are subjected to revision of land rent at periodic intervals. Based on the prevailing land rent rates, these operating leases as at 31 March 2019 approximated \$15.0 million.

As disclosed in Note 2.2, the Group has adopted SFRS(I) 16 on 1 April 2019. These lease payments have been recognised as ROU assets and lease liabilities on the statement of financial position as at 31 March 2020, except for short-term and low-value leases.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

33. Financial risk management

The Group's activities expose it to a variety of financial risks. The Group uses different methods to measure and manage various types of risks to which it is exposed. These include monitoring levels of exposure to foreign exchange, price, interest rate, credit and liquidity risks.

Risk management is carried out under policies approved by the Board of Directors. The Board of Directors provides general principles for overall risk management, covering areas such as foreign exchange risk, price risk, interest rate risk, credit risk and liquidity risk. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Audit and Risk Committee, assisted by the risk management department and/or internal auditors, also evaluates the effectiveness of the system associated with the financial risk management programmes.

(a) Market risk

(i) *Foreign exchange risk*

The Group is exposed to foreign exchange risk on its foreign currency denominated assets and liabilities. This currency exposure, where practicable and appropriate, is managed through borrowings in the same currencies in which the assets and/or investments are denominated as well as currency forwards, currency call/put options and cross currency swap contracts.

Foreign exchange risk is measured through a forecast of highly probable foreign currency expenditure. The objective of the hedges is to minimise the volatility of the Group's currency cost of highly probable transactions. In order to achieve this objective, the Group entered into cash flow hedges for the highly probable purchase transactions. The foreign exchange forwards are denominated in the same currency as the highly probable purchase transactions; therefore the hedge ratio is 1:1.

In relation to its investments in foreign subsidiaries, associated companies and joint ventures whose net assets are exposed to currency translation risks and which are held for long-term investment purpose, the differences arising from such translation are recognised in other comprehensive income as foreign currency translation reserve. These translation differences are reviewed and monitored on a regular basis and managed primarily through currency forwards, cross currency interest rate swaps or borrowings denominated in the relevant currencies.

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

There was no hedge ineffectiveness for the financial year ended 31 March 2020 in relation to the cash flow and net investment hedges.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2020

33. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

The Group's currency exposure based on information provided to key management is as follows:

	SGD \$'000	USD \$'000	RMB \$'000	HKD \$'000	JPY \$'000	MYR \$'000	AUD \$'000	GBP \$'000	EUR \$'000	VND \$'000
31 March 2020										
Financial assets										
Cash and cash equivalents	541,292	378,686	457,002	50,307	466,718	51,605	11,148	100,014	144,065	150,928
Trade and other receivables (including intercompany balances)	13,715,353	8,862,601	7,363,857	27,740	1,237,081	228,615	205,299	3,165,444	3,496,295	63,658
Deposits	13,108	3,089	12,251	2,013	599	2,808	9,883	419	178	3,418
	14,269,753	9,244,376	7,833,110	80,060	1,704,398	283,028	226,330	3,265,877	3,640,538	218,004
Financial liabilities										
Borrowings	7,105,459	4,846,394	1,804,552	2,451,877	2,300,384	402,579	448,904	1,476,748	500,638	34,308
Lease liabilities	144,865	94,682	9,568	1,690	749	136	328	6,044	-	52,987
Trade and other payables (including intercompany balances)	15,558,948	8,783,013	7,631,753	159,143	1,101,595	187,754	209,428	3,165,330	3,484,296	141,609
	22,809,272	13,724,089	9,445,873	2,612,710	3,402,728	590,469	658,660	4,648,122	3,984,934	228,904
Net financial (liabilities)/assets	(8,539,519)	(4,479,713)	(1,612,763)	(2,532,650)	(1,698,330)	(307,441)	(432,330)	(1,382,245)	(344,396)	(10,900)
Net financial liabilities/(assets) denominated in the respective entities' functional currencies	7,548,222	6,763,231	3,730,485	2,498,076	1,926,502	635,765	460,588	2,156,777	1,063,603	23,556
Notional amount of currency forwards and cross currency swaps not designated as net investment hedge	904,107	(3,550,734)	(1,791,662)	37,757	(191,710)	(151,291)	-	(838,924)	(1,138,726)	-
Loans designated as net investment hedge	39,262	998,615	-	-	-	-	-	115,219	189,615	-
Currency exposures on financial (liabilities)/assets	(47,928)	(268,601)	326,060	3,183	36,462	177,033	28,258	50,827	(229,904)	12,656

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2020

33. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

31 March 2019

Financial assets

Cash and cash equivalents
Trade and other receivables (including
intercompany balances)
Deposits

	SGD \$'000	USD \$'000	RMB \$'000	HKD \$'000	JPY \$'000	MYR \$'000	AUD \$'000	GBP \$'000	EUR \$'000	VND \$'000
284,339	532,223	438,832	39,686	215,175	25,411	30,113	92,918	119,252	101,342	
11,719,541	11,464,789	5,005,462	653,993	1,107,702	330,878	426,011	2,762,980	3,067,847	51,172	
12,820	20,910	5,364	1,938	24,906	12,256	-	1,756	122	3,272	
11,996,700	12,017,922	5,449,658	695,617	1,347,783	368,545	456,124	2,857,654	3,187,221	155,786	

Financial liabilities

Borrowings
Trade and other payables (including
intercompany balances)

5,943,895	6,877,797	1,611,501	2,995,381	1,869,022	305,483	1,021,279	1,733,495	1,607,290	-	
12,443,177	11,310,012	5,115,033	826,079	1,064,667	247,180	432,947	2,744,914	3,035,633	89,419	
18,387,072	18,187,809	6,726,534	3,821,460	2,933,689	552,663	1,454,226	4,478,409	4,642,923	89,419	

Net financial (liabilities)/assets

Net financial liabilities/(assets)
denominated in the respective entities'
functional currencies

(6,390,372)	(6,169,887)	(1,276,876)	(3,125,843)	(1,585,906)	(184,118)	(998,102)	(1,620,755)	(1,455,702)	66,367	
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Notional amount of currency forwards and
cross currency swaps not designated as
net investment hedge

5,320,350	7,400,987	2,519,192	3,348,154	1,728,557	372,656	952,621	1,907,071	351,971	(60,701)	
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Loans designated as net investment hedge
**Currency exposures on financial
(liabilities)/assets**

889,361	(2,194,127)	(973,673)	(98,473)	(122,605)	(167,555)	-	(385,229)	(2,423)	-	
152,220	675,591	-	-	-	-	65,830	113,930	423,515	-	
(28,441)	(287,436)	268,643	123,838	20,046	20,983	20,349	15,017	(682,639)	5,666	

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

33. Financial risk management (continued)

(a) Market risk (continued)

(i) *Foreign exchange risk* (continued)

The Company's financial assets and liabilities are mainly denominated in SGD.

The Group's exposures to currency risk mainly relate to USD exposure for VND functional currency entities, RMB exposure for SGD functional currency entities and EUR exposure for Polish Złoty ("PLN") functional currency entities (2019: USD exposure for VND functional currency entities, RMB exposure for SGD functional currency entities and EUR exposure for PLN functional currency entities).

If the Group's USD, RMB and EUR exposures change against the respective functional currencies by 3.0% (2019: 4.0%) with all other variables including tax rate being held constant, the effects arising from the Group's net currency exposures will be as follows:

	<u>Group</u> <u>Increase/(decrease)</u>	
	2020	2019
	Profit	Profit
	<u>after tax</u>	<u>after tax</u>
	\$'000	\$'000
USD against VND		
- Strengthened	(10,665)	(14,763)
- Weakened	10,665	14,763
RMB against SGD		
- Strengthened	8,119	8,919
- Weakened	(8,119)	(8,919)
EUR against PLN		
- Strengthened	(7,018)	(25,226)
- Weakened	7,018	25,226

(ii) *Price risk*

The Group is not exposed to significant equity price risk as it does not hold any significant equity securities which are classified as financial assets, at FVOCI.

(iii) *Cash flow and fair value interest rate risk*

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

**MAPLETREE INVESTMENTS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

33. Financial risk management (continued)

(a) Market risk (continued)

(iii) *Cash flow and fair value interest rate risk* (continued)

The Group is exposed to interest rate risk on its borrowings. The Group manages the risk by maintaining an appropriate mix of fixed and floating rate interest-bearing liabilities. This is achieved either through fixed rate borrowings or the use of floating-to-fixed interest rate swaps and/or interest rate caps.

The Group enters into interest rate swaps with the same critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge 100% of its loans; therefore the hedged item is identified as a proportion of the outstanding amount of the borrowings. As all critical terms matched during the financial year, the economic relationship was 100% effective.

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedging relationship and through periodic prospective effective assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item and so, a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

Hedge ineffectiveness has occurred due to changes in the critical terms of either the interest rate swaps or the borrowings.

If the interest rates increase or decrease by 0.50% (2019: 0.50%) per annum with all other variables including tax rate being held constant, the profit after tax would have been lower by \$33.3 million (2019: \$28.5 million) and higher by \$33.3 million (2019: \$28.5 million) as a result of higher and lower interest expense on these borrowings respectively. Other comprehensive income would have been higher by \$66.0 million (2019: \$64.6 million) and lower by \$68.0 million (2019: \$67.6 million) mainly as a result of higher fair value of interest rate swaps designated as cash flow hedges of variable rate borrowings.

**MAPLETREE INVESTMENTS PTE LTD
AND ITS SUBSIDIARIES**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

33. Financial risk management (continued)

(b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade and other receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with acceptable credit quality counterparties.

The Group has no significant concentration of credit risk. The Group has policies in place to ensure that services are made to customers with an appropriate credit history. Security in the form of bankers' guarantees, insurance bonds (issued by bankers or insurers of acceptable credit quality) or cash security deposits are obtained prior to the commencement of the lease.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position, except as follows:

	<u>Company</u>	
	2020	2019
	\$'000	\$'000
Corporate guarantees provided to financial institutions on loans of subsidiaries	9,170,245	13,941,195

Bank deposits, deposits placed with a subsidiary, receivables from subsidiaries, associated companies and joint venture and other receivables are subject to immaterial credit losses.

(i) Trade receivables

In measuring the expected credit losses, trade debtors are grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the debtor to settle the receivables. Based on the above, the Group's credit risk exposure for trade receivables as at 31 March 2020 and 31 March 2019 has been assessed to be immaterial.

Trade receivables are assessed to be in default when one or more events that have a detrimental impact on the estimated future cash flows of that trade debtor have occurred, such as but not limiting to initiation of bankruptcy proceedings or a breach of contract. Trade receivables are impaired (net of security deposits and bankers' guarantees) when the counterparty fails to make payments in accordance with the contractual terms of agreement. Trade receivables are written off when there is no reasonable expectation of recovery. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

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33. Financial risk management (continued)

(b) Credit risk (continued)

(i) *Trade receivables* (continued)

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 March 2020 and 31 March 2019 is set out as follows:

	← Less than 3 months \$'000	Past due More than 3 months \$'000	→ Total \$'000
31 March 2020			
Gross carrying amount:			
- Past due but not impaired	33,126	8,473	41,599
- Past due and impaired	-	10,035	10,035
	<u>33,126</u>	<u>18,508</u>	<u>51,634</u>
Less: Allowance for impairment			(9,925)
Net carrying amount			<u>41,709</u>
31 March 2019			
Gross carrying amount:			
- Past due but not impaired	45,151	5,215	50,366
- Past due and impaired	-	7,939	7,939
	<u>45,151</u>	<u>13,154</u>	<u>58,305</u>
Less: Allowance for impairment			(7,586)
Net carrying amount			<u>50,719</u>

The Group's movements in credit loss allowance for trade receivables are as follows:

	2020 \$'000	2019 \$'000
As at 1 April	7,586	856
Acquisition of subsidiaries	-	661
Allowance made	5,422	6,117
Allowance utilised	(2,038)	(161)
Allowance reversed	(100)	(7)
Disposal	(1,139)	-
Currency translation differences	194	120
As at 31 March	<u>9,925</u>	<u>7,586</u>

The Group and the Company believe that no additional loss allowance is necessary in respect of the remaining trade and other receivables in view of the credit management policy as these receivables arise mainly from tenants with good collection records and there is sufficient security in the form of bankers' guarantees, insurance bonds or cash security deposits as collaterals.

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For the financial year ended 31 March 2020

33. Financial risk management (continued)

(b) Credit risk (continued)

(ii) *Financial guarantees*

The Company has issued financial guarantees to financial institutions for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

(c) Liquidity risk

The Group adopts prudent liquidity risk management by maintaining sufficient cash and committed bank financing to fund its working capital, financial obligations and expected committed capital expenditure requirements.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is insignificant.

	Less than 1 year \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000
<u>Group</u>			
31 March 2020			
Trade and other payables	1,186,676	499,765	71,725
Borrowings and interest payables	3,440,066	14,802,964	5,330,681
Lease liabilities	51,774	156,354	231,163
	4,678,516	15,459,083	5,633,569
31 March 2019			
Trade and other payables	1,053,508	427,666	91,457
Borrowings and interest payables	2,846,394	14,661,710	8,528,089
	3,899,902	15,089,376	8,619,546
<u>Company</u>			
31 March 2020			
Trade and other payables	167,516	161,250	32,902
Lease liabilities	7,515	1,420	-
	175,031	162,670	32,902
31 March 2019			
Trade and other payables	148,923	117,952	18,396

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33. Financial risk management (continued)

(c) Liquidity risk (continued)

The table below analyses the derivative financial instruments of the Group for which contractual maturities are essential for an understanding of the timing of cash flows into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than <u>1 year</u> \$'000	Between 1 and 5 <u>years</u> \$'000	Over 5 <u>years</u> \$'000
<u>Group</u>			
31 March 2020			
Net-settled interest rate swaps and cross currency swaps			
- Net cash outflows	52,255	116,028	21,812
Gross-settled currency forwards and cross currency swaps			
- Receipts	(7,213,704)	(919,088)	(26,613)
- Payments	7,398,413	977,807	25,257
31 March 2019			
Net-settled interest rate swaps and cross currency swaps			
- Net cash outflows	25,121	46,880	5,203
Gross-settled currency forwards and cross currency swaps			
- Receipts	(3,793,162)	(529,492)	(17,036)
- Payments	3,834,270	581,380	14,608

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and maintain an optimal capital structure so as to maximise shareholder value.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

As at 31 March 2020 and 31 March 2019, the Group is required by the financial institutions to maintain a consolidated tangible net worth of not less than \$1.0 billion.

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

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33. Financial risk management (continued)

(e) Financial instruments by category

The following table sets out the financial instruments as at the balance sheet date:

	<u>Group</u> \$'000	<u>Company</u> \$'000
31 March 2020		
Financial assets, at FVPL	110,902	-
Financial assets, at FVOCI	69,973	-
Financial assets, at amortised cost	3,262,517	9,152,269
Financial liabilities, at FVPL	545,395	-
Financial liabilities, at amortised cost	23,700,905	370,603
31 March 2019		
Financial assets, at FVPL	152,501	-
Financial assets, at FVOCI	69,564	-
Financial assets, at amortised cost	2,832,702	7,486,684
Financial liabilities, at FVPL	150,799	-
Financial liabilities, at amortised cost	25,051,229	285,271

34. Fair value measurements

(a) Fair value hierarchy

In addition to the disclosure in Note 14, the following table presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

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For the financial year ended 31 March 2020

34. Fair value measurements (continued)

(a) Fair value hierarchy (continued)

	<u>Level 1</u> \$'000	<u>Level 2</u> \$'000	<u>Level 3</u> \$'000	<u>Total</u> \$'000
<u>Group</u>				
31 March 2020				
<u>Financial assets</u>				
Derivative financial instruments	-	62,160	-	62,160
Financial assets, at FVPL	-	-	48,742	48,742
Financial assets, at FVOCI	-	-	69,973	69,973
	-	62,160	118,715	180,875
<u>Financial liabilities</u>				
Derivative financial instruments	-	(545,395)	-	(545,395)
<u>Non-financial assets</u>				
Completed investment properties	-	-	46,017,023	46,017,023
Investment properties under redevelopment	-	-	354,113	354,113
Properties under development	-	-	1,129,656	1,129,656
Property, plant and equipment	-	-	143,399	143,399
	-	-	47,644,191	47,644,191
31 March 2019				
<u>Financial assets</u>				
Derivative financial instruments	-	58,948	-	58,948
Financial assets, at FVPL	-	-	93,553	93,553
Financial assets, at FVOCI	-	-	69,564	69,564
	-	58,948	163,117	222,065
<u>Financial liabilities</u>				
Derivative financial instruments	-	(150,799)	-	(150,799)
<u>Non-financial assets</u>				
Completed investment properties	-	-	46,762,901	46,762,901
Investment properties under redevelopment	-	-	212,693	212,693
Properties under development	-	-	804,970	804,970
Property, plant and equipment	-	-	140,604	140,604
	-	-	47,921,168	47,921,168

(b) Valuation techniques

(i) Financial assets and financial liabilities at fair value

The fair value of financial instruments traded in active markets is based on quoted market prices as at the balance sheet date. The quoted market price used for the quoted financial instruments held by the Group is the current bid price. These instruments are included in Level 1.

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For the financial year ended 31 March 2020

34. Fair value measurements (continued)

(b) Valuation techniques (continued)

(i) Financial assets and financial liabilities at fair value (continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. The fair value of interest rate swaps and interest rate caps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward currency rates as at the balance sheet date. These investments are classified as Level 2 and comprise derivative financial instruments.

The fair values of financial assets, at FVPL and FVOCI are classified as Level 3 and are determined using the present value of the estimated future cash flows and net asset values of the investee companies respectively.

(ii) Non-financial assets at fair value

Level 3 fair values of the Group's investment properties, properties under development and leasehold land and building classified under property, plant and equipment have been generally derived using the following methods:

- Income capitalisation – Properties are valued by capitalising net leasing income after property tax at a rate which reflects the present and potential income growth over the unexpired lease term.
- Discounted cash flows – Properties are valued by discounting the future net income stream over a period to arrive at a present value.
- Direct comparison – Properties are valued using transacted prices for comparable properties in the vicinity and elsewhere with adjustments made for differences in location, tenure, size, shape, design, layout, age and condition of the buildings, availability of car parking facilities, dates of transactions and prevailing market conditions.
- Residual value – Investment properties under redevelopment or properties under development are valued, as a starting point, using the direct comparison method, income capitalisation method and/or discounted cash flow method to derive the fair value of the property as if the redevelopment or development was already completed as at the balance sheet date. Deductions from that fair value, such as estimated construction cost and other costs to completion and estimated profit margin required to hold and develop property to completion, are made to reflect the current condition of the property under redevelopment and development.

Fair values of properties are determined by external independent valuers. The valuations of significant properties are presented to and discussed with the Audit and Risk Committee as well as the Board of Directors.

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NOTES TO THE FINANCIAL STATEMENTS

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34. Fair value measurements (continued)

(b) Valuation techniques (continued)

(ii) *Non-financial assets at fair value (continued)*

Management is of the view that the valuation methods and estimates adopted and considered by professional valuers were based on information available and reflective of market conditions as at 31 March 2020. Certain valuation reports have highlighted that given the future uncertainty arising from COVID-19, the valuation of these properties subsequent to the balance sheet date may be subjected to more fluctuation than during normal market conditions. Accordingly, management will continue to monitor the situation.

(iii) *Financial assets and financial liabilities not carried at fair values*

The carrying values of trade and other receivables, other assets and trade and other payables approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair values of borrowings approximate their carrying amounts as the interest rates of such loans are adjusted for changes in relevant market interest rates except for the fixed rate medium term notes of \$3.7 billion (2019: \$3.2 billion) whose fair value amounted to \$3.7 billion (2019: \$3.3 billion), determined from adjusted quoted prices.

(c) Level 3 assets measured at fair value

The movements of non-financial assets classified under Level 3 for completed investment properties and investment properties under redevelopment are presented in Note 18, properties under development in Note 19 and leasehold land and building under property, plant and equipment in Note 20.

The following table presents the valuation techniques and key inputs that were used to determine the fair value of the non-financial assets classified under Level 3 of the fair value hierarchy:

<u>Description</u>	<u>Valuation techniques</u>	<u>Key unobservable inputs</u>	<u>Relationship of unobservable inputs to fair value</u>
Completed investment properties	Income capitalisation	Capitalisation rate <ul style="list-style-type: none"> Singapore: 3.5% to 9.5% (2019: 3.6% to 9.0%) Others: 3.8% to 11.0% (2019: 3.8% to 10.5%) 	The higher the capitalisation rate, the lower the fair value.
	Direct comparison	Adjusted price <ul style="list-style-type: none"> Singapore: \$26,942 psm (2019: \$24,374 psm) Others: \$372 to \$14,857 psm (2019: \$333 to \$13,055 psm) 	The higher the adjusted price, the higher the fair value.

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34. Fair value measurements (continued)

(c) Level 3 assets measured at fair value (continued)

<u>Description</u>	<u>Valuation techniques</u>	<u>Key unobservable inputs</u>	<u>Relationship of unobservable inputs to fair value</u>
Completed investment properties (continued)	Discounted cash flows	Discount rate <ul style="list-style-type: none">Singapore: 6.5% to 12.5% (2019: 6.8% to 12.0%)Others: 3.4% to 15.5% (2019: 3.4% to 15.0%)	The higher the discount rate, the lower the fair value.
		Terminal yield <ul style="list-style-type: none">Singapore: 4.3% to 7.6% (2019: 4.4% to 7.6%)Others: 3.7% to 11.0% (2019: 3.8% to 10.5%)	The higher the terminal yield, the lower the fair value.
Investment properties under redevelopment	Residual value	Gross development valuation <ul style="list-style-type: none">Singapore: \$18,014 to \$27,165 psm (2019: \$3,443 to \$17,572 psm)	The higher the gross development valuation, the higher the fair value.
		Development cost <ul style="list-style-type: none">Singapore: \$3,831 to \$4,162 psm (2019: \$541 to \$4,103 psm)	The higher the development cost, the lower the fair value.
Properties under development	Income capitalisation	Capitalisation rate <ul style="list-style-type: none">Others: Nil (2019: 10.0% to 13.5%)	The higher the capitalisation rate, the lower the fair value.
	Direct comparison	Adjusted price <ul style="list-style-type: none">Others: \$53 to \$195 psm (2019: \$48 to \$395 psm)	The higher the adjusted price, the higher the fair value.
	Residual value	Gross development valuation <ul style="list-style-type: none">Others: \$601 to \$1,221 psm (2019: \$534 to \$774 psm)	The higher the gross development valuation, the higher the fair value.
Development cost <ul style="list-style-type: none">Others: \$545 to \$960 psm (2019: \$414 to \$693 psm)		The higher the development cost, the lower the fair value.	
Leasehold land and building classified as property, plant and equipment	Income capitalisation	Capitalisation rate <ul style="list-style-type: none">Others: 8.8% (2019: 8.8%)	The higher the capitalisation rate, the lower the fair value.

35. Immediate and ultimate holding companies

The Company's immediate holding company is Fullerton Management Pte Ltd, incorporated in Singapore. The ultimate holding company is Temasek Holdings (Private) Limited, incorporated in Singapore.

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36. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties during the financial year:

(a) Sales and purchases of goods and services

	2020	Group 2019
	\$'000	\$'000
Leasing and other services to related corporations	57,637	50,593
Purchase of goods/services from related corporations	18,526	17,828
Fees from provision of fund management services to associated companies	195,278	186,352
Dividend income from associated companies	165,838	267,455
Interest expense to related corporations	83,107	68,712
Trustee's fees to Trustee	2,410	2,189
Acquisition of properties from an associated company	-	988,273
Acquisition of company from an associated company	320,704	-
Return of capital from associated companies	375,659	359,836

(b) Key management personnel compensation

	2020	Group 2019
	\$'000	\$'000
Salaries and other short-term employee benefits	25,982	39,839
Post-employment benefits – Contribution to CPF	219	206
Share-based compensation expenses	28,335	33,125
	54,536	73,170

Salaries and other short-term employee benefits disclosed include bonus allocated to the key management personnel for the financial year. Bonus that were accrued but not allocated will be disclosed in the corresponding financial years when allocated.

(c) PSU and RSU granted to key management personnel

During the financial year, the Group granted 7,003,352 PSU and 4,215,165 RSU (2019: 5,373,419 PSU and 3,003,394 RSU) to the key management personnel of the Group under the share-based compensation plans as set out in Note 28. The PSU and RSU were given on the same terms and conditions as those offered to other employees of the Group. The outstanding number of PSU and RSU as at 31 March 2020 granted by the Group to the key management personnel of the Group were 24,213,156 and 7,243,169 (2019: 19,890,707 and 5,336,931) respectively.

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37. Dividends

	<u>Group and Company</u>	
	2020	2019
	\$'000	\$'000
Final exempt (one-tier) redeemable preference share dividends paid in respect of the prior financial year of \$1,000 (2019: \$1,000) per redeemable preference share	15,700	15,700
Final exempt (one-tier) ordinary share dividend paid in respect of the prior financial year of 16.8208 cents (2019: 13.1338 cents) per ordinary share	256,400	200,200
	272,100	215,900

At the Annual General Meeting to be held, the following dividends will be proposed:

- Final exempt (one-tier) redeemable preference share dividend of \$1,000 (2019: \$1,000) per redeemable preference share amounting to \$15.7 million (2019: \$15.7 million); and
- Final exempt (one-tier) ordinary share dividend of 15.3250 cents (2019: 16.8208 cents) per ordinary share amounting to \$233.6 million (2019: \$256.4 million).

These financial statements do not reflect the above dividends, which will be accounted for in shareholder's equity as an appropriation of retained earnings in the financial year ending 31 March 2021.