FINANCIAL STATEMENTS

CONTENTS

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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 2021, 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 2021.

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 142 to 231 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 2021 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 136 to 138 of this statement.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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 2021	As at 1 April 2020	**As at 31 March 2021**	As at 1 April 2020
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$200,000**	US$200,000	**–**	–
(ASTREA IV S$242M 4.35% B280614)				
Lim Hng Kiang	**S$8,000**	S$8,000	**–**	–
(ASTREA IV US$110M 6.75% B280614)				
Lim Hng Kiang	**US$200,000**	–	**–**	–
Astrea V Pte. Ltd.				
(ASTREA V US$230M 4.5% B290620)				
Lim Hng Kiang	**US$400,000**	US$200,000	**–**	–
Astrea VI Pte. Ltd.				
(ASTREA VI US$228M 3.25% B310318)				
Lim Hng Kiang	**US$200,000**	–	**–**	–
(ASTREA VI US$130M 4.35% B310318)				
Lim Hng Kiang	**US$800,000**	–	**–**	–
CapitaLand Limited				
(Ordinary shares)				
Lim Hng Kiang	**50,000**	30,000	**–**	–
Hiew Yoon Khong	**105,550**	105,550	**–**	–
Ma Kah Woh Paul	**7,539**	7,539	**–**	–
Olam International Limited				
(OLAM US$500M 5.35% PERCAPSEC)				
Lim Hng Kiang	**US$400,000**	US$200,000	**–**	–
Singapore Telecommunications Limited				
(Ordinary shares)				
Lim Hng Kiang	**11,360**	66,360	**–**	–
Ma Kah Woh Paul	**190**	190	**190**	190
Wong Meng Meng	**1,667**	1,667	**1,550**	1,550

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 2021	As at 1 April 2020	**As at 31 March 2021**	As at 1 April 2020
Singapore Airlines Ltd				
(Ordinary shares)				
Lim Hng Kiang	**7,500**	3,000	**–**	–
(SIA S$300M 3.75% N240408)				
Lim Hng Kiang	**S$250,000**	S$250,000	**–**	–
(SIA MCB S$3.496B Z300608)				
Lim Hng Kiang	**S$8,000**	–	**–**	–
Singapore Technologies Engineering Ltd				
(Ordinary shares)				
Lim Hng Kiang	**35,000**	5,000	**–**	–
Hiew Yoon Khong	**–**	–	**30,000**	30,000
Singapore Technologies Telemedia Pte Ltd				
(ST TELEM S$375M 4.1% PERSEC)				
Lim Hng Kiang	**S$250,000**	–	**–**	–
StarHub Ltd				
(Ordinary shares)				
Ma Kah Woh Paul	**175,780**	145,780	**–**	–
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.

SHARE-BASED COMPENSATION PLANS (CONTINUED)

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

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.

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

	Outstanding as at 31 March 2021	Outstanding as at 1 April 2020
Hiew Yoon Khong		
– PSU to be released after 31 March 2020	**–**	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)**	2,038,217 (1)
– PSU to be released after 31 March 2025	**1,248,227 (1)**	–
– RSU to be released after 31 March 2018	**–**	144,760 (3)
– RSU to be released after 31 March 2019	**215,596 (3)**	431,193 (4)
– RSU to be released after 31 March 2020	**602,691 (4)**	717,489 (2)
– RSU to be released after 31 March 2021	**425,121 (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.

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 from 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 31 March 2021	Outstanding as at 1 April 2020
Cheng Wai Wing Edmund	**52,173**	55,796
Cheah Kim Teck	**8,809**	6,106
David Christopher Ryan	**26,357**	29,166
Lee Chong Kwee	**31,970**	33,934
Ma Kah Woh Paul	**30,876**	33,967
Marie Elaine Teo	**15,434**	11,981
Samuel N. Tsien	**15,344**	16,762
Tsang Yam Pui	**24,677**	23,631
Wong Meng Meng	**25,698**	27,434
Lim Hng Kiang	**5,185**	1,656

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

19 May 2021

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 2021, 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 Company and the Group for the financial year ended 31 March 2021;
- the statements of comprehensive income for the Company and the Group for the financial year then ended;
- the statement of financial position – Group as at 31 March 2021;
- the statement of financial position – Company as at 31 March 2021;
- 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 Note 3 and Note 33 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.

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.

Other Information (continued)

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.

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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF MAPLETREE INVESTMENTS PTE LTD

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

- 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, 19 May 2021

STATEMENTS OF
PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Group		Company	
		2021	2020	**2021**	2020
		$'000	$'000	**$'000**	$'000
Revenue	4	**2,881,832**	4,030,011	**748,229**	2,034,095
Other gains/(losses) – net and other income	5	**948,837**	1,229,379	**(100,443)**	21,186
Expenses					
– Depreciation and amortisation		**(40,024)**	(59,077)	**(15,436)**	(15,500)
– Employee compensation	6	**(360,580)**	(514,045)	**(163,675)**	(248,572)
– Utilities and property maintenance		**(195,484)**	(309,063)	**(636)**	(772)
– Property and related taxes		**(198,514)**	(282,967)	**(129)**	(155)
– Marketing and promotion expenses		**(26,950)**	(46,441)	**(5,101)**	(6,295)
– Professional fees		**(79,286)**	(112,166)	**(6,606)**	(5,968)
– Property rental expenses		**(43,472)**	(331,391)	**(20)**	(39)
– Cost of residential properties sold		**(97,758)**	(2,423)	**–**	–
– Others		**(67,207)**	(101,225)	**(16,743)**	(10,195)
		2,721,394	3,500,592	**439,440**	1,767,785
Finance costs		**(493,349)**	(715,271)	**(246)**	(367)
Finance income		**14,695**	26,204	**45,278**	111,784
Finance (costs)/income – net	7	**(478,654)**	(689,067)	**45,032**	111,417
Share of profit of associated companies	15	**191,833**	232,761	**–**	–
Share of profit of joint ventures	16	**69,485**	74,609	**–**	–
Profit before income tax		**2,504,058**	3,118,895	**484,472**	1,879,202
Income tax (expense)/credit	8	**(395,613)**	(322,726)	**6,826**	7,615
Profit for the financial year		**2,108,445**	2,796,169	**491,298**	1,886,817
Profit attributable to:					
Equity holder of the Company		**1,777,155**	1,705,494	**491,298**	1,886,817
Perpetual securities holders		**72,795**	72,994	**–**	–
Non-controlling interests		**258,495**	1,017,681	**–**	–
		2,108,445	2,796,169	**491,298**	1,886,817

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

STATEMENTS OF
COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Group		Company	
		2021	2020	**2021**	2020
		$'000	$'000	**$'000**	$'000
Profit for the financial year		**2,108,445**	2,796,169	**491,298**	1,886,817
Other comprehensive income/(loss):					
Items that may be reclassified subsequently to profit or loss					
Cash flow hedges					
– Net fair value gain/(loss)		**32,270**	(235,710)	**–**	–
– Realised and transferred to profit or loss		**29,551**	46,576	**–**	–
– Realised to profit and loss on deconsolidation of subsidiaries		**34,606**	–	**–**	–
Currency translation differences		**(84,205)**	113,498	**–**	–
Share of other comprehensive income of associated companies and joint ventures					
– Net fair value gain/(loss) on cash flow hedges		**27,975**	(9,411)	**–**	–
– Net fair value loss on cash flow hedges realised and transferred to profit or loss		**(1,348)**	–	**–**	–
– Currency translation differences		**1,509**	51,503	**–**	–
Items that will not be reclassified subsequently to profit or loss					
Revaluation (loss)/gain on property, plant and equipment, net of deferred tax		**(15,096)**	4,920	**–**	–
Financial assets, at fair value through other comprehensive income ("FVOCI")					
– Fair value gain on equity investments	13	**14,245**	–	**–**	–
Other comprehensive income/(loss) for the financial year, net of tax		**39,507**	(28,624)	**–**	–
Total comprehensive income for the financial year		**2,147,952**	2,767,545	**491,298**	1,886,817
Total comprehensive income attributable to:					
Equity holder of the Company		**1,840,364**	1,651,095	**491,298**	1,886,817
Perpetual securities holders		**72,795**	72,994	**–**	–
Non-controlling interests		**234,793**	1,043,456	**–**	–
		2,147,952	2,767,545	**491,298**	1,886,817

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

STATEMENT OF
FINANCIAL POSITION – GROUP

AS AT 31 MARCH 2021

	Note	2021 $'000	2020 $'000
ASSETS			
Current assets			
Cash and cash equivalents	9	**2,021,268**	2,440,059
Trade and other receivables	10	**664,471**	860,574
Properties held for sale	11	**800,144**	205,944
Other assets	12	**400,546**	405,939
Inventories		**871**	2,026
Financial assets, at fair value through profit or loss ("FVPL")	14	**9,503**	–
Derivative financial instruments	25	**56,320**	26,576
		3,953,123	3,941,118
Non-current assets			
Trade and other receivables	10	**148,819**	111,555
Other assets	12	**22,928**	5,063
Financial assets, at FVOCI	13	**68,178**	69,973
Financial assets, at FVPL	14	**51,551**	48,742
Investments in associated companies	15	**3,864,469**	2,194,090
Investments in joint ventures	16	**584,016**	1,334,589
Investment properties	18	**42,957,430**	46,371,136
Properties under development	19	**1,606,316**	1,129,656
Property, plant and equipment	20	**185,313**	230,248
Intangible assets	23	**110,112**	139,685
Derivative financial instruments	25	**47,227**	35,584
		49,646,359	51,670,321
Total assets		**53,599,482**	55,611,439
LIABILITIES			
Current liabilities			
Trade and other payables	24	**1,605,233**	1,375,445
Derivative financial instruments	25	**113,358**	193,513
Borrowings	26	**1,911,361**	2,807,414
Lease liabilities		**35,046**	44,123
Current income tax liabilities		**180,195**	230,691
		3,845,193	4,651,186
Non-current liabilities			
Trade and other payables	24	**488,389**	576,952
Derivative financial instruments	25	**197,798**	351,882
Borrowings	26	**18,271,662**	18,758,385
Lease liabilities		**209,698**	267,480
Deferred income taxes	27	**619,904**	471,211
		19,787,451	20,425,910
Total liabilities		**23,632,644**	25,077,096
NET ASSETS		**29,966,838**	30,534,343
EQUITY			
Share capital	28	**3,094,307**	3,094,307
Retained earnings		**14,647,437**	13,056,610
Foreign currency translation reserve		**(96,637)**	(53,926)
Revaluation reserve		**17,871**	32,967
Hedging reserve	30	**(61,303)**	(168,074)
Fair value reserve		**14,245**	–
Capital and other reserves		**44,226**	122,867
Shareholder's funds		**17,660,146**	16,084,751
Perpetual securities	29	**1,760,018**	1,760,200
Non-controlling interests	39	**10,546,674**	12,689,392
Total equity		**29,966,838**	30,534,343

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

STATEMENT OF
FINANCIAL POSITION – COMPANY

AS AT 31 MARCH 2021

	Note	2021 $'000	2020 $'000
ASSETS			
Current assets			
Cash and cash equivalents	9	**39,535**	23,661
Trade and other receivables	10	**8,371,355**	7,928,698
Other assets	12	**2,669**	2,166
		8,413,559	7,954,525
Non-current assets			
Trade and other receivables	10	**1,089,599**	1,200,568
Investments in subsidiaries	17	**1,364,759**	1,465,202
Property, plant and equipment	20	**29,917**	17,936
Intangible assets	23	**247**	1,648
Deferred income taxes	27	**53,728**	49,459
		2,538,250	2,734,813
Total assets		**10,951,809**	10,689,338
LIABILITIES			
Current liabilities			
Trade and other payables	24	**181,997**	167,516
Lease liabilities		**9,161**	7,515
Current income tax liabilities		**5,690**	20,771
		196,848	195,802
Non-current liabilities			
Trade and other payables	24	**199,372**	194,152
Lease liabilities		**15,627**	1,420
		214,999	195,572
Total liabilities		**411,847**	391,374
NET ASSETS		**10,539,962**	10,297,964
EQUITY			
Share capital	28	**3,094,307**	3,094,307
Retained earnings		**7,445,655**	7,203,657
Total equity		**10,539,962**	10,297,964

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

STATEMENT OF CHANGES IN EQUITY – GROUP

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Share capital $'000	Retained earnings $'000	Foreign currency translation reserve $'000	Revaluation reserve $'000	Hedging reserve $'000	Fair value reserve $'000	Capital and other reserves $'000	Perpetual securities $'000	Non-controlling interests $'000	Total equity $'000
As at 1 April 2020		3,094,307	13,056,610	(53,926)	32,967	(168,074)	–	122,867	1,760,200	12,689,392	30,534,343
Profit for the financial year		–	1,777,155	–	–	–	–	–	72,795	258,495	2,108,445
Other comprehensive (loss)/income for the financial year		–	–	(42,711)	(15,096)	106,771	14,245	–	–	(23,702)	39,507
Total comprehensive income/(loss) for the financial year		**–**	**1,777,155**	**(42,711)**	**(15,096)**	**106,771**	**14,245**	**–**	**72,795**	**234,793**	**2,147,952**
Dividend paid to shareholder	36	–	(249,300)	–	–	–	–	–	–	–	(249,300)
Dividend paid to non-controlling interests		–	–	–	–	–	–	–	–	(497,560)	(497,560)
Restricted profits		–	(889)	–	–	–	–	889	–	–	–
Share of associated companies' issuance costs		–	–	–	–	–	–	(8,987)	–	–	(8,987)
Capital contribution from non-controlling interests, net of transaction costs		–	–	–	–	–	–	(14,912)	–	619,758	604,846
Deconsolidation of subsidiaries		–	60,566	–	–	–	–	(60,566)	–	(2,477,761)	(2,477,761)
Changes in ownership interest in subsidiaries with no change in control		–	–	–	–	–	–	–	–	(6,185)	(6,185)
Dilution of interest in subsidiaries to non-controlling interests		–	(6,187)	–	–	–	–	4,935	–	(15,763)	(17,015)
Perpetual securities – distribution paid		–	–	–	–	–	–	–	(72,977)	–	(72,977)
Tax credit arising from perpetual securities distribution	27	–	9,482	–	–	–	–	–	–	–	9,482
Total transactions with owners, recognised directly in equity		**–**	**(186,328)**	**–**	**–**	**–**	**–**	**(78,641)**	**(72,977)**	**(2,377,511)**	**(2,715,457)**
As at 31 March 2021		**3,094,307**	**14,647,437**	**(96,637)**	**17,871**	**(61,303)**	**14,245**	**44,226**	**1,760,018**	**10,546,674**	**29,966,838**

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

STATEMENT OF
CHANGES IN EQUITY – GROUP

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	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	36	–	(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	27	–	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.

STATEMENT OF
CHANGES IN EQUITY – COMPANY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Share capital $'000	Retained earnings $'000	Total equity $'000
As at 1 April 2020		3,094,307	7,203,657	10,297,964
Total comprehensive income for the financial year		**–**	**491,298**	**491,298**
Dividend paid	36	–	(249,300)	(249,300)
As at 31 March 2021		**3,094,307**	**7,445,655**	**10,539,962**
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	36	–	(272,100)	(272,100)
As at 31 March 2020		3,094,307	7,203,657	10,297,964

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

CONSOLIDATED
STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	2021 $'000	2020 $'000
Cash flows from operating activities		
Profit for the financial year	**2,108,445**	2,796,169
Adjustments for:		
– Income tax expense	**395,613**	322,726
– Depreciation and amortisation	**40,024**	59,077
– Net (gain)/loss on disposal of property, plant and equipment	**(3,667)**	2,889
– Net gain on disposal of investment properties	**–**	(34,421)
– Impairment loss on intangible assets	**10,750**	13,258
– Impairment loss on properties held for sale	**3,497**	–
– Write-off of shareholder's loan extended to an associated company	**–**	1,357
– Fair value gain on financial assets, at FVPL	**(14)**	–
– Fair value changes in derivative financial instruments	**(133,951)**	144,187
– Gain on deconsolidation of subsidiaries	**(829,991)**	–
– Net gain on disposal of subsidiaries, associated companies and joint ventures	**(43,183)**	(15,938)
– Net revaluation gain on investment properties and properties under development	**(100,039)**	(1,258,441)
– Finance costs – net and interest income from loans to non-related parties	**474,781**	675,409
– Share of profit of associated companies and joint ventures	**(261,318)**	(307,370)
– Fee income of associated companies and joint ventures paid in units	**(41,261)**	–
– Unrealised currency translation gains	**(42,804)**	(67,217)
Operating cash flow before working capital changes	**1,576,882**	2,331,685
Changes in operating assets and liabilities		
– Trade and other receivables	**(15,913)**	(157,057)
– Inventories	**1,155**	2,953
– Other assets	**1,563**	22,241
– Trade and other payables	**28,178**	343,818
– Properties held for sale	**(597,644)**	(80,641)
Cash generated from operations	**994,221**	2,462,999
Income tax paid	**(282,088)**	(172,214)
Net cash generated from operating activities	**712,133**	2,290,785
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	**(684,097)**	(605,215)
Disposal of subsidiaries, associated companies and joint ventures, net of cash disposed	**76,703**	1,635,822
Cash outflow from deconsolidation of subsidiaries	**(212,691)**	–
Payments for investments in associated companies and joint ventures	**–**	(1,514,554)
Loans to associated companies and joint ventures	**(7,664)**	(47,728)
Dividends received from associated companies and joint ventures	**189,078**	169,186
Capital return from associated companies	**384,870**	375,659
Payments for investment properties	**(1,821,476)**	(2,842,539)
(Payment for)/return of deposit for investment properties	**(142,337)**	6,079
Proceeds from disposal of investment properties	**–**	208,638
Payments for properties under development	**(1,494,332)**	(751,884)
Prepayments for properties under development	**(132,971)**	(166,287)
Payments for intangible assets and property, plant and equipment	**(13,094)**	(23,961)
Proceeds from disposal of property, plant and equipment	**6,451**	1,476
Payments for financial assets, at FVOCI	**(6,046)**	(404)
Proceeds from financial assets, at FVOCI	**21,952**	–
Payments for financial assets, at FVPL	**(11,288)**	–
Net (loan to)/repayment from a non-related party	**(1,432)**	44,051
Interest received	**24,609**	32,370
Net cash used in investing activities	**(3,823,765)**	(3,479,291)

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

CONSOLIDATED
STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	2021 $'000	2020 $'000
Cash flows from financing activities			
Loan proceeds from financial institutions and TMK bonds		**11,804,493**	17,383,470
Repayment of loans from financial institutions		**(8,435,875)**	(16,083,019)
Proceeds from issuance of medium term notes		**308,146**	888,490
Repayment of medium term notes		**(259,232)**	(148,313)
Loan proceeds from non-controlling interests		**1,175**	1,950
Repayment of loans from non-controlling interests		**(18,466)**	(31,092)
Principal payment of lease liabilities		**(38,788)**	(40,522)
Perpetual securities distribution paid		**(72,977)**	(72,812)
Net capital contribution from non-controlling interests		**582,611**	1,571,738
Acquisition of non-controlling interest		**(6,185)**	–
Net outflow from dilution of interest in subsidiaries to non-controlling interests		**(16,989)**	(2,252)
Cash dividend paid to non-controlling interests		**(475,325)**	(735,178)
Dividends paid		**(249,300)**	(272,100)
Interest paid		**(404,113)**	(681,930)
Financing fees paid		**(8,755)**	(13,555)
Increase in restricted cash		**(46,673)**	(26,694)
Net cash generated from financing activities		**2,663,747**	1,738,181
Net (decrease)/increase in cash and cash equivalents		**(447,885)**	549,675
Cash and cash equivalents at beginning of financial year	9	**2,385,259**	1,874,661
Effects of currency translation on cash and cash equivalents		**(13,744)**	(39,077)
Cash and cash equivalents at end of financial year	9	**1,923,630**	2,385,259

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	Lease liabilities $'000
As at 1 April 2020	17,243,263	4,283,800	38,736	311,603
Proceeds	11,804,493	308,146	1,175	–
Repayment	(8,435,875)	(259,232)	(18,466)	(50,380)
Financing fees paid	(8,755)	–	–	–
Non-cash changes:				
– Additions	–	–	–	5,979
– Acquisition of subsidiaries (Note 40(a))	479,485	–	–	–
– Disposal of subsidiaries (Note 40(b))	(1,749,167)	–	–	–
– Deconsolidation of subsidiaries (Note 40(c))	(2,905,185)	(408,098)	–	(27,041)
– Disposal	–	–	–	(3,423)
– Financing fees expense	16,317	1,111	–	11,592
– Currency translation differences	(164,101)	(45,688)	1,064	(3,586)
As at 31 March 2021	**16,280,475**	**3,880,039**	**22,509**	**244,744**
As at 1 April 2019	19,841,816	3,499,695	68,643	296,000
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:				
– Additions	–	–	–	67,543
– Acquisition of subsidiaries (Note 40(a))	76,677	–	–	–
– Disposal of subsidiaries (Note 40(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

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

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 2020

On 1 April 2020, 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 as follows:

(a) Amendments to SFRS(I) 9 *Financial Instruments* and SFRS(I) 7 *Financial Instruments: Disclosures* – Interest Rate Benchmark Reform

In accordance with the transition provisions, the Group has adopted the amendments to SFRS(I) 9 and SFRS(I) 7 on 1 April 2020 retrospectively to hedging relationships that existed at the start of the reporting period or were designated thereafter, and to the amount accumulated in the cash flow hedge reserve at that date. The amendments provide temporary relief from applying specific hedge accounting requirements to hedging relationships directly affected by interbank offered rate ("IBOR") reform.

The Group has applied the following reliefs that were introduced by the amendments made to SFRS(I) 9:

- when considering the 'highly probable' requirement, the Group has assumed that the interest rates on which the Group's hedged debt are based do not change as a result of IBOR reform;
- in assessing whether the hedge is expected to be highly effective on a forward-looking basis, the Group has assumed that the interest rates on which the cash flows of the hedged debt and the interest rate swap that hedges it are based are not altered by the IBOR reform; and
- the Group has not recycled the cash flow hedge reserve relating to the period after the reforms are expected to take effect.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Interpretations and amendments to published standards effective in 2020 (continued)

(a) Amendments to SFRS(I) 9 *Financial Instruments* and SFRS(I) 7 *Financial Instruments: Disclosures* – Interest Rate Benchmark Reform (continued)

The reliefs have the effect that IBOR reform should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness continues to be recorded in the income statement. The reliefs will cease to apply when the uncertainties arising from interest rate benchmark reform are no longer present.

A fundamental reform of major interest rate benchmarks is being undertaken globally to replace some of the interbank offered rates ("IBORs") with alternative risk free rates. While the timing and the methods of transition of the IBORs are still uncertain, the Group has started to engage the existing lenders and derivative counterparties to plan the transition of the affected loans and derivatives.

Assumptions made

<u>Cash flow hedge</u>

In calculating the change in fair value, the Group assumes that the loans and related derivatives will progressively move to the replacement benchmark rates in the same time period and the spread adjustment between the current and the replacement benchmark rates will be on a similar basis.

No other material changes to the terms, other than the transition to the replacement benchmark rates, are anticipated.

Note 32(a)(iii) provides information about the uncertainty arising from IBOR reform for hedging relationships for which the Group has applied the reliefs. No changes were required to any of the amounts recognised in the current or prior period as a result of these amendments.

(b) Amendments to SFRS(I) 3 *Business Combinations*

The Group applied the amendments relating to the definition of a business to acquisitions whose acquisition dates are on or after 1 April 2020. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

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.

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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Group accounting (continued)

(a) Subsidiaries (continued)

(ii) Acquisitions

The Group may elect to apply the optional concentration test in SFRS(I) 3 to assess whether an acquisition must be accounted for as a business combination. When substantially all of the fair value of the gross assets acquired is concentrated in a single asset (or a group of similar assets), the transaction is accounted for as an asset acquisition. The consideration paid is allocated to the identifiable assets and liabilities acquired on the basis of their relative fair values at the acquisition date. Where an acquisition does not satisfy the concentration test and the acquired set of activities meets the definition of a business, the Group applies the acquisition method of accounting.

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.

(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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Group accounting (continued)

(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.

(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.

(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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

(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:

	Useful lives
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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

(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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Intangible assets (continued)

(b) Goodwill on acquisitions (continued)

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.

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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

(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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Impairment of non-financial assets (continued)

(b) Other non-financial assets (continued)

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.

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 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.

- 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/(losses) – net and other income" and "interest income" respectively.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial assets (continued)

(a) Classification and measurement (continued)

<u>*At subsequent measurement*</u> (continued)

(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/(losses) – net and other income", 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 32 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.

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 and joint ventures. These guarantees are financial guarantees as they require the Company to reimburse the financial institutions if the subsidiaries or joint ventures fail to make principal or interest payments when due in accordance with the terms of their borrowings. Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(i) Amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(ii) The amount of expected loss allowance computed using the impairment methodology under SFRS(I) 9.

Intra-group transactions are eliminated on consolidation.

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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Derivative financial instruments and hedging activities (continued)

(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 hedge 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.

- 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 fair value 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Derivative financial instruments and hedging activities (continued)

(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.

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) 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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Leases (continued)

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

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 not to separate lease and non-lease components for property leases and account these as one single lease component.

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.

(b) When the Group is the lessor:

Lessor – Operating leases

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.

Lessor – Subleases

The Group as an intermediate lessor classifies its sublease as operating leases with reference to the right-of-use asset arising from the head lease. The Group recognises lease income from subleases in profit or loss within "Revenue". The right-of-use asset relating to the head lease is not derecognised.

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.

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").

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Employee compensation (continued)

(b) Share-based compensation (continued)

(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 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.

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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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/(losses) – net and other income".

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. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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.

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 33).

The valuation reports obtained from independent valuers for certain properties have highlighted that, with the heightened uncertainty of the COVID-19 outbreak, a degree of caution should be attached to the valuations as they may be subjected to more fluctuation subsequent to 31 March 2021 than during normal market conditions.

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

(b) Control assessment of investment in Mapletree Industrial Trust ("MIT"), Mapletree Redwood Data Centre Trust ("MRDCT") and Mapletree Rosewood Data Centre Trust ("MRODCT")

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. Significant judgement is applied in assessing the extent of control and level of exposure to variable returns that would give rise to control.

In the current financial year, the Group reviewed the control assessment of its investment in MIT following a dilution of its interest subsequent to an equity fund raising exercise by MIT in July 2020. Having considered that the Manager of MIT is a wholly-owned subsidiary of the Group, management evaluated the Group's overall exposure to variable returns arising from both the REIT Manager's remuneration and its interest in MIT, and the sustainability of such returns. It was concluded that the Group does not have sufficient interest to control MIT and accordingly, the investment in MIT was accounted for as an investment in an associated company from the date that control was lost.

The Group further reviewed the extent of its control over MRDCT and MRODCT, joint ventures between the Group and MIT that were accounted for as investments in subsidiaries as at 31 March 2020. Following the loss of control in MIT, the Group assessed that control over MRDCT and MRODCT was also lost as the Group does not have the ability to affect the variable returns from MRDCT and MRODCT without unanimous consent from MIT. The investments in MRDCT and MRODCT were therefore accounted for as investments in joint ventures from the date that control over MIT was lost.

(c) 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.

4. REVENUE

	Group		Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Leasing income				
– Investment properties	**1,991,812**	2,628,772	**–**	–
– Corporate housing operations	**66,972**	424,262	**–**	–
Income from hotel operations	**6,186**	34,095	**–**	–
Sale of residential properties	**180,592**	2,524	**–**	–
Service charge	**294,127**	424,901	**–**	–
Fees from management services				
– Subsidiaries	**–**	–	**98,107**	119,931
– Others	**161,371**	232,448	**–**	–
Car parking fees	**36,272**	63,058	**–**	–
Dividend income from subsidiaries	**–**	–	**646,603**	1,910,564
Interest income from loans to non-related parties	**3,873**	13,658	**–**	–
Government grant income (Note (a))	**68,425**	–	**–**	–
Less: Government grant expense (Note (b))	**(63,202)**	–	**–**	–
Other operating income	**135,404**	206,293	**3,519**	3,600
	2,881,832	4,030,011	**748,229**	2,034,095

(a) Government grant income

Government grant income relates mainly to property tax rebates and cash grants received from the Singapore Government to help businesses cope with the impact from COVID-19.

For the property tax rebates received where the Group is a lessor, the Group is obliged to pass on the benefits to its tenants and has transferred these to the tenants in the form of rent rebates during the current financial year. For cash grants, the Group is obliged to waive up to two months of rental to eligible tenants.

(b) Government grant expense

Government grant expense relates to the property tax rebates received from the Singapore Government that were transferred to tenants in the form of rent rebates during the financial year and rental waivers provided to eligible tenants as part of the qualifying conditions of the cash grant.

5. OTHER GAINS/(LOSSES) – NET AND OTHER INCOME

	Group		Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
(Allowance for)/reversal of impairment loss in subsidiaries	**–**	–	**(100,443)**	21,186
Net revaluation gain on investment properties and properties under development	**100,039**	1,258,441	**–**	–
Net gain on disposal of:				
– Investment properties	**–**	34,421	**–**	–
– Subsidiaries, associated companies and joint ventures (Note 40(b))	**43,183**	15,938	**–**	–
	43,183	50,359	**–**	–
Gain on deconsolidation of subsidiaries (Note 40(c))	**829,991**	–	**–**	–
Impairment loss on intangible assets (Note 23)	**(10,750)**	(13,258)	**–**	–
Impairment loss on properties held for sale (Note 11)	**(3,497)**	–	**–**	–
Net currency exchange (loss)/gain	**(189,530)**	105,558	**–**	–
Net change in fair value of derivative financial instruments	**133,951**	(144,187)	**–**	–
Fair value gain on financial assets, at FVPL (Note 14)	**14**	–	**–**	–
Restructuring costs	**(957)**	(26,177)	**–**	–
Write-off of shareholder's loan extended to an associated company	**–**	(1,357)	**–**	–
Insurance proceeds relating to claims for property damage and revenue loss due to business interruption at a subsidiary	**46,393**	–	**–**	–
	948,837	1,229,379	**(100,443)**	21,186

6. EMPLOYEE COMPENSATION

	Group		Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Wages and salaries	**260,355**	470,850	**95,181**	225,761
Employer's contribution to defined contribution plans including Central Provident Fund ("CPF")	**20,572**	20,980	**10,686**	10,897
Share-based compensation expenses	**79,653**	22,215	**57,808**	11,914
	360,580	514,045	**163,675**	248,572

7. FINANCE (COSTS)/INCOME – NET

	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Interest expense				
– Loans from financial institutions	**(262,638)**	(544,697)	**–**	–
– Derivative instruments – hedge accounting	**(50,201)**	(2,276)	**–**	–
– Derivative instruments – non-hedge accounting	**(33,567)**	(14,407)	**–**	–
– Medium term notes	**(116,488)**	(119,554)	**–**	–
– Loans from non-controlling interests	**(1,435)**	(2,685)	**–**	–
– Lease liabilities	**(11,592)**	(13,047)	**(246)**	(367)
	(475,921)	(696,666)	**(246)**	(367)
Financing fees	**(17,428)**	(18,605)	**–**	–
Interest income for financial assets measured at amortised cost				
– Deposits placed with subsidiaries	**–**	–	**45,263**	111,695
– Short-term bank deposits	**10,813**	16,363	**15**	89
– Others	**3,882**	9,841	**–**	–
	14,695	26,204	**45,278**	111,784
	(478,654)	(689,067)	**45,032**	111,417

8. INCOME TAX EXPENSE/(CREDIT)

	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Tax expense/(credit) attributable to profit is made up of:				
Profit for the financial year:				
Current income tax	**183,415**	188,694	**–**	10,910
Deferred income tax	**167,139**	90,614	**(4,269)**	(16,262)
Withholding tax	**55,053**	45,974	**–**	–
	405,607	325,282	**(4,269)**	(5,352)
(Over)/underprovision in prior financial years:				
– Current income tax	**(2,307)**	(7,714)	**(2,557)**	(2,263)
– Deferred income tax	**(7,687)**	5,158	**–**	–
	395,613	322,726	**(6,826)**	(7,615)

8. INCOME TAX EXPENSE/(CREDIT) (CONTINUED)

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:

	Group		Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Profit before income tax	**2,504,058**	3,118,895	**484,472**	1,879,202
Share of results of associated companies and joint ventures, net of tax	**(261,318)**	(307,370)	**–**	–
Profit before share of results of associated companies and joint ventures	**2,242,740**	2,811,525	**484,472**	1,879,202
Tax calculated at a tax rate of 17% (2020: 17%)	**381,266**	477,959	**82,360**	319,464
Effects of:				
– Singapore statutory stepped income exemption and concessionary tax rate	**(6,066)**	(13,745)	**–**	(32)
– Income not subject to tax	**(210,431)**	(355,808)	**(112,583)**	(328,466)
– Expenses not deductible for tax purposes	**115,229**	126,106	**22,910**	3,682
– Effects of different tax rates in other countries	**96,468**	60,330	**–**	–
– Deferred tax benefits not recognised	**24,511**	25,785	**3,044**	–
– Overprovision in prior financial years	**(9,994)**	(2,556)	**(2,557)**	(2,263)
– Others	**4,630**	4,655	**–**	–
Tax expense/(credit)	**395,613**	322,726	**(6,826)**	(7,615)

9. CASH AND CASH EQUIVALENTS

	Group		Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**1,528,301**	1,904,573	**36,535**	23,661
Short-term bank deposits	**492,967**	535,486	**3,000**	–
	2,021,268	2,440,059	**39,535**	23,661

	Group	
	2021	2020
	$'000	$'000
Cash and bank balances (as above)	**2,021,268**	2,440,059
Less: Restricted cash	**(97,638)**	(54,800)
Cash and cash equivalents per consolidated statement of cash flows	**1,923,630**	2,385,259

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.

10. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Current				
Trade receivables:				
– Subsidiaries	–	–	3,208	3,242
– Associated companies	49,676	27,893	–	–
– Non-related parties	79,772	117,362	–	–
	129,448	145,255	3,208	3,242
Less: Loss allowance on receivables from non-related parties	(15,224)	(9,925)	–	–
Trade receivables – net	114,224	135,330	3,208	3,242
Non-trade receivables:				
– Subsidiaries	–	–	396,581	398,257
Interest receivable:				
– Subsidiaries	–	–	5,810	33,081
– Non-related parties	3,920	9,961	–	–
	3,920	9,961	5,810	33,081
Dividend receivable	150,074	39,415	156,200	935,500
Deposits placed with a subsidiary	–	–	7,808,969	6,557,350
Loans:				
– Joint venture	–	24,221	–	–
– Non-controlling interest	–	161,227	–	–
	–	185,448	–	–
Value-added tax – net	199,552	120,790	587	1,268
Sundry receivables	56,579	71,102	–	–
Accrued revenue	140,122	298,528	–	–
	396,253	490,420	587	1,268
	664,471	860,574	8,371,355	7,928,698
Non-current				
Non-trade receivables:				
– Associated companies	2,129	2,191	–	–
Loans:				
– Subsidiaries	–	–	1,089,599	1,200,568
– Associated company	42,568	31,606	–	–
– Joint venture	92,485	77,758	–	–
	135,053	109,364	1,089,599	1,200,568
Advance tax recoverable	11,637	–	–	–
	148,819	111,555	1,089,599	1,200,568
	813,290	972,129	9,460,954	9,129,266

10. TRADE AND OTHER RECEIVABLES (CONTINUED)

Current

(a) Non-trade receivables due from subsidiaries are unsecured, interest-free and repayable on demand.

(b) Deposits placed with a subsidiary mature within five months (2020: five months) from the end of the financial year. The effective interest rates of the deposits as at the balance sheet date ranged from 0.22% to 0.29% (2020: 0.98% to 1.75%) per annum. The interest rates are re-priced upon maturity.

(c) The loan to a joint venture was unsecured, bore interest ranging from 4.24% to 4.26% per annum and was repaid during the financial year.

(d) The loan to non-controlling interest was secured, bore interest at 1% per annum and was repaid during the financial year. The loan formed part of the consideration for the Group's acquisition of a land parcel in Japan from the non-controlling interest.

Non-current

(a) Non-trade receivables due from associated companies are unsecured, interest-free and repayment is not expected within the next 12 months.

(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.

(d) The loan to a joint venture amounting to $47.6 million (2020: $25.3 million) is unsecured, bears interest of 1.44% per annum and is repayable in full in December 2024. The remaining balance of the loan of $44.9 million (2020: $52.5 million) is unsecured, interest-free and repayment is not expected within the next 12 months.

11. PROPERTIES HELD FOR SALE

	Group	
	2021	2020
	$'000	$'000
Properties under development, units for which revenue is recognised at a point in time:		
Land and other related costs	**692,330**	32,174
Development costs, interest expense, property tax and others	**5,406**	122,579
Properties under development	**697,736**	154,753
Completed development properties, at cost	**105,852**	51,191
Less: Allowance for foreseeable losses	**(3,444)**	–
Completed development properties	**102,408**	51,191
Total properties held for sale	**800,144**	205,944

11. PROPERTIES HELD FOR SALE (CONTINUED)

Movements in allowance for foreseeable losses are as follows:

	Group 2021 $'000	Group 2020 $'000
As at 1 April	**–**	–
Allowance during the financial year (Note 5)	**(3,497)**	–
Translation differences	**53**	–
As at 31 March	**(3,444)**	–

As at 31 March 2021, no properties held for sale were mortgaged to banks to secure credit facilities of the Group.

12. OTHER ASSETS

	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Current				
Deposits	**42,653**	45,742	**569**	610
Prepayments	**357,893**	360,197	**2,100**	1,556
	400,546	405,939	**2,669**	2,166
Non-current				
Deposits	**4,667**	3,135	**–**	–
Prepayments	**11,995**	1,928	**–**	–
Others	**6,266**	–	**–**	–
	22,928	5,063	**–**	–
	423,474	411,002	**2,669**	2,166

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

Nature	Country	Group 2021 No.	Group 2021 $'000	Group 2020 No.	Group 2020 $'000
Acquired land parcels	China	**8**	**65,924**	7	35,975
Completed development	China/Japan	**1**	**128,252**	1	141,461
			194,176		177,436

13. FINANCIAL ASSETS, AT FVOCI

	Group 2021 $'000	Group 2020 $'000
As at 1 April	**69,973**	69,564
Addition	**6,046**	404
Disposal/redemption	**(21,952)**	–
Fair value gain	**14,245**	–
Currency translation differences	**(134)**	5
As at 31 March	**68,178**	69,973
Unquoted equity securities	**68,178**	69,973

14. FINANCIAL ASSETS, AT FVPL

	Group 2021 $'000	Group 2020 $'000
As at 1 April	**48,742**	93,553
Additions	**29,559**	5,766
Repayments	**(16,839)**	(49,817)
Fair value gain (Note 5)	**14**	–
Currency translation differences	**(422)**	(760)
As at 31 March	**61,054**	48,742
Equity securities		
Non-current	**244**	–
Debt instruments		
Current	**9,503**	–
Non-current	**51,307**	48,742
	60,810	48,742

Included in debt instruments are loans to non-related parties of $49.7 million (2020: $48.7 million) which are secured, bear interest at 7% (2020: 7%) per annum and are repayable between September 2021 and January 2023 (2020: between September 2020 and January 2023).

15. INVESTMENTS IN ASSOCIATED COMPANIES

	Group	
	2021	2020
	$'000	$'000
Investments in associated companies	**3,864,469**	2,194,090

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

	Group	
	2021	2020
	$'000	$'000
Net profit	**191,833**	232,761
Other comprehensive income, net of tax	**36,142**	19,257
Total comprehensive income	**227,975**	252,018

Set out below are the associated companies that are material to the Group.

Name of entity	Principal activities	Principal place of business	% of ownership interest 2021	% of ownership interest 2020
Mapletree Industrial Trust	Real estate investment fund which invests in assets primarily for industrial purposes in Singapore and data centres worldwide	Singapore	**27**	29*
Mapletree US & EU Logistics Private Trust	Private equity fund which invests in logistics properties in the United States and across Europe	The United States/ Europe	**34**	33

* Mapletree Industrial Trust was accounted for as a subsidiary in the prior financial year (Note 17).

Summarised financial information for associated companies

Summarised balance sheet

	Mapletree Industrial Trust	Mapletree US & EU Logistics Private Trust	
	2021	**2021**	2020
	$'000	**$'000**	$'000
Current assets	**249,069**	**377,150**	404,064
Current liabilities	**(477,869)**	**(134,748)**	(122,699)
Non-current assets	**6,142,550**	**6,494,755**	6,278,704
Non-current liabilities	**(2,018,750)**	**(3,649,819)**	(3,701,725)

15. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Summarised statement of comprehensive income

	Mapletree Industrial Trust	Mapletree US & EU Logistics Private Trust	
	2021	**2021**	2020
	$'000	**$'000**	$'000
Revenue	**348,097**	**466,685**	39,722
Profit from continuing operations	**92,002**	**440,873**	276,314
Other comprehensive income/(loss)	**26,867**	**(51,324)**	29,506
Total comprehensive income	**118,869**	**389,549**	305,820

The information above reflects the amounts presented in the financial statements of the associated companies (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:

	2021	2020
	$'000	$'000
Profit from continuing operations	**18,554**	140,770
Other comprehensive income	**52,977**	8,478
Total comprehensive income	**71,531**	149,248

Reconciliation of summarised financial information

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

	Mapletree Industrial Trust	Mapletree US & EU Logistics Private Trust		Total	
	2021	**2021**	2020	**2021**	2020
	$'000	**$'000**	$'000	**$'000**	$'000
Net assets	3,895,000	3,087,338	2,858,344	**6,982,338**	2,858,344
Group's equity interest	27%	34%	33%		
Group's share of net assets	1,070,735	1,038,272	950,370	**2,109,007**	950,370
Fair value measurement gain	810,531	–	–	**810,531**	–
Carrying value	1,881,266	1,038,272	950,370	**2,919,538**	950,370
Add: Carrying value of individually immaterial associated companies, in aggregate				**944,931**	1,243,720
Carrying value of Group's interest in associated companies				**3,864,469**	2,194,090

16. INVESTMENTS IN JOINT VENTURES

	Group	
	2021	2020
	$'000	$'000
Investments in joint ventures	**584,016**	1,334,589

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.

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

	Group	
	2021	2020
	$'000	$'000
Net profit	**69,485**	74,609
Other comprehensive (loss)/income, net of tax	**(6,658)**	22,835
Total comprehensive income	**62,827**	97,444

17. INVESTMENTS IN SUBSIDIARIES

	Company	
	2021	2020
	$'000	$'000
Investments in subsidiaries	**1,606,836**	1,606,836
Less: Accumulated impairment losses	**(242,077)**	(141,634)
	1,364,759	1,465,202

Details of significant subsidiaries and summarised financial information of subsidiaries with material non-controlling interests are disclosed in Note 38 and Note 39 respectively.

Control without majority equity interest and voting power

For the financial year ended 31 March 2021, the Group has assessed that it controls Mapletree Commercial Trust ("MCT"), Mapletree North Asia Commercial Trust ("MNACT") 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 38. 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 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 39.

As disclosed in Note 3(b), the Group has assessed that control over MIT, MRDCT and MRODCT was lost during the current financial year. Summarised financial information of MIT, which has been assessed to be a material associated company of the Group for the current financial year, is disclosed in Note 15. Summarised financial information of MIT as a subsidiary with material non-controlling interests for the financial year ended 31 March 2020 is disclosed in Note 39.

18. INVESTMENT PROPERTIES

	Group 2021 $'000	Group 2020 $'000
Completed investment properties		
As at 1 April	**46,017,023**	47,011,696
Additions	**2,184,411**	3,465,042
Acquisition of subsidiaries (Note 40(a))	**1,811,919**	691,110
Disposals	**–**	(182,617)
Disposal of subsidiaries (Note 40(b))	**(1,969,100)**	(7,348,944)
Deconsolidation of subsidiaries (Note 40(c))	**(6,419,430)**	–
Transfer to properties under development (Note 19)	**(49,305)**	(3,727)
Transfer from properties under development (Note 19)	**1,263,439**	567,099
Transfer from investment properties under redevelopment	**316,205**	86,491
Net revaluation gain recognised in profit or loss	**64,017**	1,088,545
Currency translation differences	**(326,428)**	642,328
As at 31 March	**42,892,751**	46,017,023
Investment properties under redevelopment		
As at 1 April	**354,113**	212,693
Additions	**22,142**	52,396
Transfer to completed investment properties	**(316,205)**	(86,491)
Net revaluation gain recognised in profit or loss	**4,337**	175,441
Currency translation differences	**292**	74
As at 31 March	**64,679**	354,113
Total investment properties	**42,957,430**	46,371,136

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

	Group 2021 $'000	Group 2020 $'000
Leasing income	**1,991,812**	2,628,772
Direct operating expenses arising from investment properties that generated leasing income	**(467,581)**	(680,861)

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

	Group 2021 $'000	Group 2020 $'000
Fair value change of investment properties	**68,354**	1,263,986
Effect of lease incentive and marketing commission amortisation	**(997)**	(73,281)
Revaluation gain recognised in profit or loss	**67,357**	1,190,705

18. INVESTMENT PROPERTIES (CONTINUED)

(c) Certain investment properties of the Group, amounting to $5,079.9 million (2020: $4,035.1 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 33.

(e) As at 31 March 2021, 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.

19. PROPERTIES UNDER DEVELOPMENT

	Group	
	2021	2020
	$'000	$'000
As at 1 April	**1,129,656**	804,970
Additions	**1,577,414**	822,697
Acquisition of subsidiaries (Note 40(a))	**116,435**	–
Transfer to completed investment properties (Note 18)	**(1,263,439)**	(567,099)
Transfer from completed investment properties (Note 18)	**49,305**	3,727
Disposal of subsidiaries (Note 40(b))	**(57,576)**	(4,409)
Net revaluation gain recognised in profit or loss	**32,682**	67,736
Currency translation differences	**21,839**	2,034
As at 31 March	**1,606,316**	1,129,656

During the financial year, finance costs capitalised as part of cost of properties under development amounted to $7.1 million (2020: $9.4 million).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

20. PROPERTY, PLANT AND EQUIPMENT

	Group Leasehold land and building $'000	Other assets $'000	Total $'000
Cost or valuation			
As at 1 April 2019	183,678	67,874	251,552
Additions	16,401	28,397	44,798
Acquisition of subsidiaries (Note 40(a))	–	29	29
Write-offs/Disposals	(6,409)	(21,888)	(28,297)
Disposal of subsidiaries (Note 40(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
Additions	977	9,263	10,240
Write-offs/Disposals	(5,321)	(2,122)	(7,443)
Disposal of subsidiaries (Note 40(b))	–	(109)	(109)
Deconsolidation of subsidiaries (Note 40(c))	–	(299)	(299)
Revaluation loss	(20,329)	–	(20,329)
Revaluation adjustment	(4,904)	–	(4,904)
Currency translation differences	(4,953)	(616)	(5,569)
As at 31 March 2021	162,424	80,433	242,857
Comprising:			
31 March 2020			
At cost	34,699	74,316	109,015
At valuation	162,255	–	162,255
	196,954	74,316	271,270
31 March 2021			
At cost	29,939	80,433	110,372
At valuation	132,485	–	132,485
	162,424	80,433	242,857
Accumulated depreciation			
As at 1 April 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 40(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
Depreciation	12,243	15,156	27,399
Write-offs/Disposals	(3,674)	(985)	(4,659)
Disposal of subsidiaries (Note 40(b))	–	(81)	(81)
Deconsolidation of subsidiaries (Note 40(c))	–	(149)	(149)
Revaluation adjustment	(4,904)	–	(4,904)
Currency translation differences	(708)	(376)	(1,084)
As at 31 March 2021	11,791	45,753	57,544
Net book value			
As at 31 March 2020	188,120	42,128	230,248
As at 31 March 2021	**150,633**	**34,680**	**185,313**

20. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The leasehold land and building of the Group with a carrying value of $132.5 million (2020: $162.3 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 $108.9 million (2020: $122.0 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.

	Company		
	Building $'000	Other assets $'000	Total $'000
Cost			
As at 1 April 2019	17,372	32,830	50,202
Additions	–	5,241	5,241
Disposals	–	(2,328)	(2,328)
As at 31 March 2020	17,372	35,743	53,115
Additions	24,685	1,975	26,660
Disposals	(12,837)	(959)	(13,796)
As at 31 March 2021	29,220	36,759	65,979
Accumulated depreciation			
As at 1 April 2019	–	23,422	23,422
Depreciation	8,584	5,396	13,980
Disposals	–	(2,223)	(2,223)
As at 31 March 2020	8,584	26,595	35,179
Depreciation	8,788	5,127	13,915
Disposals	(12,837)	(195)	(13,032)
As at 31 March 2021	4,535	31,527	36,062
Net book value			
As at 31 March 2020	8,788	9,148	17,936
As at 31 March 2021	**24,685**	**5,232**	**29,917**

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.

21. LEASES – THE GROUP AS A LESSEE (CONTINUED)

Right-of-use assets

		Property, plant and equipment		
	Investment properties $'000	Leasehold land and building $'000	Other assets $'000	Total $'000
Cost or valuation				
As at 1 April 2019	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
As at 31 March 2020	285,576	53,555	10,153	349,284
Additions	9,225	977	293	10,495
Write-offs/Disposals	–	(4,097)	(791)	(4,888)
Deconsolidation of subsidiaries	(28,581)	–	–	(28,581)
Lease modification	–	(1,224)	–	(1,224)
Revaluation adjustment	–	617	–	617
Currency translation differences	(4,229)	(931)	220	(4,940)
As at 31 March 2021	261,991	48,897	9,875	320,763
Fair value loss and accumulated depreciation				
As at 1 April 2019	–	–	–	–
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
As at 31 March 2020	32,531	8,833	1,676	43,040
Depreciation charge during the financial year	–	6,757	2,382	9,139
Revaluation loss recognised in profit or loss	38,353	–	–	38,353
Write-offs/Disposals	–	(3,674)	(703)	(4,377)
Deconsolidation of subsidiaries	(1,217)	–	–	(1,217)
Currency translation differences	(1,308)	(126)	110	(1,324)
As at 31 March 2021	68,359	11,790	3,465	83,614
Net book value of ROU assets				
As at 31 March 2020	253,045	44,722	8,477	306,244
As at 31 March 2021	**193,632**	**37,107**	**6,410**	**237,149**

Lease expense not capitalised in lease liabilities

	Group	
	2021 $'000	2020 $'000
Lease expense:		
– Short-term leases	**44,545**	331,102
– Low-value leases	**547**	289
Rent concessions received from lessors	**(1,620)**	–
Total	**43,472**	331,391

21. LEASES – THE GROUP AS A LESSEE (CONTINUED)

Total cash outflow for leases

	Group 2021 $'000	Group 2020 $'000
Repayment under lease liabilities:		
– Principal	**38,788**	40,522
– Interest	**11,592**	13,047
Total cash outflow for leases	**50,380**	53,569

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 for monthly lease payments. 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.

Nature of the Group's leasing activities – Group as an intermediate lessor

Subleases – classified as operating leases

The Group acts as an intermediate lessor under arrangements in which it subleases corporate housing to third parties for monthly lease payments. The sublease periods do not form a major part of the remaining lease terms under the head leases and accordingly, the sub-leases are classified as operating leases.

Income from subleasing of corporate housing is disclosed in Note 4.

Maturity analysis of lease payments – Group as a lessor

The table below discloses the undiscounted lease payments to be received by the Group for its leases and sub-leases after the balance sheet date as follows:

	Group 2021 $'000	Group 2020 $'000
Less than one year	**1,970,355**	2,450,618
One to two years	**1,453,888**	1,918,687
Two to three years	**1,001,899**	1,402,523
Three to four years	**662,374**	954,531
Four to five years	**510,408**	659,671
Later than five years	**1,649,691**	2,449,555
Total undiscounted lease payments	**7,248,615**	9,835,585

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	Total $'000
Group						
Cost						
As at 1 April 2019	14,819	23,613	78,700	76,821	55,373	249,326
Additions	51	–	1,089	–	–	1,140
Write-offs/Disposals	(184)	–	–	–	–	(184)
Currency translation differences	4	313	–	1,299	291	1,907
As at 31 March 2020	14,690	23,926	79,789	78,120	55,664	252,189
Additions	143	214	3,809	–	–	4,166
Write-offs/Disposals	(234)	–	–	–	–	(234)
Deconsolidation of subsidiaries (Note 40(c))	–	–	–	–	(8,327)	(8,327)
Currency translation differences	(5)	(282)	–	(1,990)	–	(2,277)
As at 31 March 2021	14,594	23,858	83,598	76,130	47,337	245,517
Accumulated amortisation and impairment						
As at 1 April 2019	11,083	3,911	9,318	18,237	33,903	76,452
Amortisation charge	1,792	11,492	9,453	–	–	22,737
Write-offs/Disposals	(149)	–	–	–	–	(149)
Impairment charged to profit or loss (Note 5)	–	–	–	–	13,258	13,258
Currency translation differences	–	30	–	–	176	206
As at 31 March 2020	12,726	15,433	18,771	18,237	47,337	112,504
Amortisation charge	1,660	1,070	9,895	–	–	12,625
Write-offs/Disposals	(234)	–	–	–	–	(234)
Impairment charged to profit or loss (Note 5)	–	–	–	10,750	–	10,750
Currency translation differences	(3)	(21)	–	(216)	–	(240)
As at 31 March 2021	14,149	16,482	28,666	28,771	47,337	135,405
Net book value						
As at 31 March 2020	1,964	8,493	61,018	59,883	8,327	139,685
As at 31 March 2021	**445**	**7,376**	**54,932**	**47,359**	**–**	**110,112**

23. INTANGIBLE ASSETS (CONTINUED)

	Definite useful life Software licences $'000	Total $'000
Company		
Cost		
As at 1 April 2019	12,907	12,907
Additions	4	4
As at 31 March 2020	12,911	12,911
Additions	120	120
As at 31 March 2021	13,031	13,031
Accumulated amortisation		
As at 1 April 2019	9,743	9,743
Amortisation charge	1,520	1,520
As at 31 March 2020	11,263	11,263
Amortisation charge	1,521	1,521
As at 31 March 2021	12,784	12,784
Net book value		
As at 31 March 2020	1,648	1,648
As at 31 March 2021	**247**	**247**

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 2021, the Group recorded an impairment charge on trade names of $10.8 million, as a result of the impact of COVID-19 on the future business outlook of the Group's lodging business. In 2020, the Group recorded an impairment charge on goodwill of $13.3 million, thereby fully impairing goodwill, 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 five-year (2020: four-year) period approved by management. Cash flows beyond the five-year (2020: four-year) period were extrapolated using the estimated growth rate of 2% (2020: 2%) which did not exceed the long-term average growth rate for the corporate housing and hospitality industry in countries in which the CGU operates.

Other key assumptions included the budgeted gross profit margin for the period from 2022 to 2026 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 17.5% (2020: 18.6%).

24. TRADE AND OTHER PAYABLES

	Group		Company	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000
Trade payables:				
– Related parties	**14,327**	3,511	**–**	–
– Non-related parties	**32,230**	38,833	**297**	708
	46,557	42,344	**297**	708
Non-trade payables:				
– Subsidiaries	**–**	–	**19,913**	16,933
Interest payable	**53,440**	65,337	**–**	–
Property tax payable	**23,292**	21,222	**–**	–
Tenancy deposits	**462,009**	492,956	**–**	–
Rental received in advance	**102,541**	123,432	**–**	–
Other deposits	**34,699**	72,080	**–**	–
Other payables	**302,866**	175,921	**–**	–
Provision for Corporate and Staff Social Responsibilities ("CSSR")	**13,488**	14,994	**13,488**	14,994
Accrued capital expenditure	**140,932**	152,476	**–**	–
Accrued operating expenses	**617,631**	667,788	**266,844**	279,418
Accrued share-based compensation expenses	**109,294**	71,483	**80,827**	49,615
Accrued retention sum	**185,150**	46,902	**–**	–
Deferred revenue	**1,723**	5,462	**–**	–
	2,047,065	1,910,053	**361,159**	344,027
Total	**2,093,622**	1,952,397	**381,369**	361,668
Less: Non-current portion	**(488,389)**	(576,952)	**(199,372)**	(194,152)
Current portion	**1,605,233**	1,375,445	**181,997**	167,516

(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 (2020: $4.0 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 2021, these accruals for the Group and the Company amounted to $383.9 million (2020: $387.4 million) and $318.1 million (2020: $299.5 million); out of which $239.4 million (2020: $249.4 million) and $199.4 million (2020: $194.2 million) are classified as non-current for the Group and the Company respectively.

25. DERIVATIVE FINANCIAL INSTRUMENTS

	Group		
	Contract notional amount $'000	Fair value of assets $'000	Fair value of liabilities $'000
31 March 2021			
Hedge accounting – Cash flow hedges			
– Interest rate swaps	6,949,200	2,545	(148,495)
– Cross currency interest rate swaps	1,726,743	28,977	(30,224)
		31,522	(178,719)
Hedge accounting – Net investment hedges			
– Currency forwards	1,081,822	4,792	(26,650)
Non-hedge accounting			
– Interest rate swaps	232,686	–	(3,621)
– Currency forwards	8,241,871	62,537	(77,287)
– Cross currency interest rate swaps	347,100	4,696	(24,879)
		67,233	(105,787)
Represented by:			
– Current		56,320	(113,358)
– Non-current		47,227	(197,798)
		103,547	**(311,156)**
31 March 2020			
Hedge accounting – Cash flow hedges			
– 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)
		17,848	(307,476)
Hedge accounting – Net investment hedges			
– Currency forwards	1,085,043	15,152	(7,590)
Hedge accounting – Fair value hedges			
– Interest rate swaps	75,000	2,911	–
Non-hedge accounting			
– 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)
		26,249	(230,329)
Represented by:			
– Current		26,576	(193,513)
– Non-current		35,584	(351,882)
		62,160	(545,395)

25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Hedging instruments used in the Group's hedging strategy in the financial year ended 31 March 2021

	Contractual notional amount $'000	Carrying amount: Liabilities $'000	Carrying amount: Financial statement line item	Changes in fair value used for calculating hedge ineffectiveness: Hedging instrument $'000	Changes in fair value used for calculating hedge ineffectiveness: Hedged item $'000	Hedge ineffectiveness recognised in profit or loss * $'000	Weighted average hedged rate	Maturity date
Group								
Cash flow hedges								
Foreign currency risk/interest rate risk								
– Cross currency swaps to hedge floating rate borrowings denominated in foreign currency	1,726,743	(1,247)	Derivative financial instruments	43,893	(43,545)	348	SGD1: GBP1.78 SGD1: HKD5.75 USD1: HKD7.79 SGD1: JPY81.2 HKD1: JPY14.28 0.00% – 4.65%	2021 – 2027
Interest rate risk								
– Interest rate swaps to hedge floating rate borrowings	6,949,200	(145,950)	Derivative financial instruments	12,988	(11,694)	1,294	0.15% – 2.86%	2021 – 2028
Net investment hedges								
Foreign exchange risk								
– Forward contracts to hedge net investments in foreign operations	1,081,822	(21,858)	Derivative financial instruments	(15,057)	15,057	–	JPY: 0.01224 USD: 1.3627 CNY: 0.2222 GBP: 1.7277 AUD: 0.9848 INR: 0.0193 EUR: 1.5589 KRW: 0.00121 MYR: 3.3299	2021 – 2024
– Borrowings to hedge net investments in foreign operations	–	(949,997)	Borrowings	(43,928)	43,928	–	–	–

* All hedge ineffectiveness and costs of hedging are recognised in profit and loss within "other gains/(losses) – net and other income".

25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

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

	Contractual notional amount $'000	Carrying amount: Assets/ (liabilities) $'000	Carrying amount: Financial statement line item	Changes in fair value used for calculating hedge ineffectiveness: Hedging instrument $'000	Changes in fair value used for calculating hedge ineffectiveness: Hedged item $'000	Hedge ineffectiveness recognised in profit or loss * $'000	Weighted average hedged rate	Maturity date
Group								
Cash flow hedges								
Currency risk								
– Currency forwards to hedge quarterly dividend income receivable in foreign currency	20,575	(1,104)	Derivative financial instruments	(840)	840	–	USD1: SGD1.35	2020 – 2022
Foreign currency risk/interest rate risk								
– 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
Interest rate risk								
– 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								
Foreign exchange risk								
– 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								
Interest rate risk								
– 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/(losses) – net and other income".

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			
Group			
Fair value hedges			
Interest rate risk			
– Interest rate swaps to hedge fixed rate borrowings	77,911	Borrowings	2,911

26. BORROWINGS

	Group	
	2021 $'000	2020 $'000
Current		
– Loans from financial institutions (secured) (Note (a))	**443**	219,355
– Loans from financial institutions (unsecured) (Note (b))	**1,363,823**	2,319,162
– Medium term notes (unsecured) (Note (d))	**531,053**	268,897
– Loans from non-controlling interests (unsecured) (Note (e))	**16,042**	–
	1,911,361	2,807,414
Non-current		
– Loans from financial institutions (secured) (Note (a))	**1,793,110**	1,393,241
– Loans from financial institutions (unsecured) (Note (b))	**13,044,156**	13,225,200
– Medium term notes (secured) (Note (c))	**327,271**	338,489
– Medium term notes (unsecured) (Note (d))	**3,021,715**	3,676,414
– Loans from non-controlling interests (unsecured) (Note (e))	**6,467**	38,736
– Tokutei Mokuteki Kaisha ("TMK") bonds (secured) (Note (f))	**78,943**	86,305
	18,271,662	18,758,385
	20,183,023	21,565,799

26. BORROWINGS (CONTINUED)

		Group	
		2021	2020
(a)	**Loans from financial institutions (secured)**		
	($'000)	**1,793,553**	1,612,596
	Repayable between	**2022 to 2034**	2020 to 2027
	Effective interest rate (per annum)	**0.35% to 7.80%**	0.27% to 10.10%
	Re-pricing	**Three months**	One to three months
	Secured by	**Certain investment properties**	Certain investment properties
(b)	**Loans from financial institutions (unsecured)**		
	($'000)	**14,407,979**	15,544,362
	Repayable between	**2021 to 2029**	2020 to 2028
	Effective interest rate (per annum)	**0.40% to 7.20%**	0.38% to 5.78%
	Re-pricing	**One to six months**	One to six months
(c)	**Medium term notes (secured)**		
	($'000)	**327,271**	338,489
	Repayable between	**2026 and 2027**	2026 and 2027
	Effective interest rate (per annum)	**0.84% to 4.30%**	0.26% to 1.24%
	Re-pricing	**Not applicable**	Not applicable
	Secured by	**Certain investment properties**	Certain investment properties
(d)	**Medium term notes (unsecured)**		
	($'000)	**3,552,768**	3,945,311
	Repayable between	**2021 to 2031**	2020 to 2031
	Effective interest rate (per annum)	**0.90% to 4.95%**	2.29% to 4.95%
	Re-pricing	**Not applicable**	Not applicable
(e)	**Loans from non-controlling interests (unsecured)**		
	($'000)	**22,509**	38,736
	Repayable between	**2021 to 2023**	2021 to 2024
	Effective interest rate (per annum)	**2.20% to 4.82%**	1.93% to 4.87%
	Re-pricing	**Six months**	Three to six months
(f)	**TMK bonds (secured)**		
	($'000)	**78,943**	86,305
	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

27. DEFERRED INCOME TAXES

Movements in deferred income taxes are as follows:

	Group		Company	
	2021	2020	**2021**	2020
	$'000	$'000	**$'000**	$'000
As at 1 April	**471,211**	400,872	**(49,459)**	(33,197)
Tax charged/(credited) to:				
– Profit or loss	**159,452**	95,772	**(4,269)**	(16,262)
– Other comprehensive income	**(2,366)**	(4,763)	**–**	–
– Equity	**(9,482)**	(9,508)	**–**	–
Acquisition of subsidiaries (Note 40(a))	**6,819**	–	**–**	–
Disposal of subsidiaries (Note 40(b))	**(4,166)**	(16,114)	**–**	–
Deconsolidation of subsidiaries (Note 40(c))	**(9,251)**	–	**–**	–
Utilisation of tax benefits	**9,508**	9,482	**–**	–
Currency translation differences	**(1,821)**	(4,530)	**–**	–
As at 31 March	**619,904**	471,211	**(53,728)**	(49,459)

Tax expense of $2.9 million (2020: tax credit $4.7 million) relating to fair value changes and reclassification adjustments on cash flow hedges is included in other comprehensive income.

Tax credit of $9.5 million (2020: $9.5 million) relating to perpetual securities distribution is recognised directly in equity.

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 $338.0 million (2020: $259.2 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 $104.4 million (2020: $62.6 million) which will expire between 2021 and 2031 (2020: 2020 to 2030).

Deferred income tax liabilities have not been recognised for the withholding and other taxes that will be payable on unremitted earnings of $116.1 million (2020: $109.0 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.

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
Deferred income tax liabilities					
As at 1 April 2020	270,781	247,968	8,780	30,625	558,154
Acquisition of subsidiaries (Note 40(a))	884	–	–	5,935	6,819
Disposal of subsidiaries (Note 40(b))	–	(4,166)	–	–	(4,166)
Deconsolidation of subsidiaries (Note 40(c))	(1,924)	(1,149)	(6,178)	–	(9,251)
Charged/(credited) to:					
– Profit or loss	52,260	103,980	3,150	131	159,521
– Other comprehensive income	–	(5,233)	–	2,867	(2,366)
Currency translation differences	(4,950)	3,978	(366)	(313)	(1,651)
As at 31 March 2021	**317,051**	**345,378**	**5,386**	**39,245**	**707,060**
As at 1 April 2019	242,822	230,511	4,827	15,311	493,471
Disposal of subsidiaries (Note 40(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

	Perpetual securities $'000	Provisions $'000	Tax losses $'000	Total $'000
Deferred income tax assets				
As at 1 April 2020	(2,771)	(74,558)	(9,614)	(86,943)
Charged/(credited) to:				
– Profit or loss	–	81	(150)	(69)
– Equity	(9,482)	–	–	(9,482)
Utilisation of tax benefits	9,508	–	–	9,508
Currency translation differences	–	(84)	(86)	(170)
As at 31 March 2021	**(2,745)**	**(74,561)**	**(9,850)**	**(87,156)**
As at 1 April 2019	(2,745)	(65,273)	(24,581)	(92,599)
Disposal of subsidiaries (Note 40(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)

27. DEFERRED INCOME TAXES (CONTINUED)

Company

	Accelerated tax depreciation $'000	Notional interest income $'000	Total $'000
Deferred income tax liabilities			
As at 1 April 2020	1,814	280	2,094
(Credited)/charged to profit or loss	(910)	48	(862)
As at 31 March 2021	**904**	**328**	**1,232**
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

	Provisions $'000
Deferred income tax assets	
As at 1 April 2020	(51,553)
Credited to profit or loss	(3,407)
As at 31 March 2021	**(54,960)**
As at 1 April 2019	(35,496)
Credited to profit or loss	(16,057)
As at 31 March 2020	(51,553)

28. SHARE CAPITAL

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

	Issued share capital No. of shares '000	Amount $'000
Balance as at 31 March 2021 and 31 March 2020		
– 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**

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 right 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.

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 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.

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:

	2021 **'000**	2020 '000
As at 1 April	**22,104**	19,077
Initial award granted	**3,744**	6,024
Adjustment for performance targets	**2,774**	2,165
Forfeited/cancelled	**(502)**	(192)
Released	**(6,512)**	(4,970)
As at 31 March	**21,608**	22,104

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 6,511,617 (2020: 4,969,881) were cash-settled.

The number of PSU awarded and outstanding of 21,607,535 (2020: 22,103,757) is to be cash-settled. The final number of units to be released in respect of 21,607,535 (2020: 22,103,757) 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:

	2021 '000	2020 '000
As at 1 April	**6,715**	4,887
Initial award granted	**2,342**	3,739
Adjustment for performance targets	**960**	1,067
Forfeited/cancelled	**(390)**	(239)
Released	**(3,325)**	(2,739)
As at 31 March	**6,302**	6,715

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 3,325,487 (2020: 2,739,071) were cash-settled.

The number of RSU awarded and outstanding of 6,302,413 (2020: 6,714,609) is to be cash-settled. The final number of units to be released in respect of 2,239,484 (2020: 3,693,407) 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 $5.28 (2020: $3.37) as at the balance sheet date.

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 from 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 equivalent, 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 equivalent, 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:

	2021	2020
	'000	'000
As at 1 April	**240**	230
Granted	**47**	44
Exercised	**(50)**	(34)
As at 31 March	**237**	240

The NED RSU exercised during the financial year of 50,262 (2020: 33,896) were cash-settled.

The number of units awarded, vested and outstanding of 236,523 (2020: 240,433) 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.

(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 profit or loss amounts to $11,285,012 (2020: $8,625,925).

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 2021, total incremental cost of $11.1 million (2020: $11.1 million) is recognised in equity as a deduction from proceeds.

(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 2021, total incremental cost of $3.8 million (2020: $3.8 million) is 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.

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

30. HEDGING RESERVE

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

	Group		
	Interest rate risk $'000	Interest rate risk/ Foreign exchange risk $'000	Total $'000
31 March 2021			
Beginning of financial year	(182,985)	14,911	(168,074)
Fair value (loss)/gain	(11,764)	46,901	35,137
Tax on fair value loss/(gain)	725	(3,592)	(2,867)
	(194,024)	58,220	(135,804)
Reclassification to profit or loss, as hedged item has affected profit or loss			
– Finance expense	59,266	(9,065)	50,201
– Foreign exchange	8,277	(28,927)	(20,650)
Share of hedging reserve from associated companies	27,975	–	27,975
Less: Non-controlling interests	(11,254)	(4,683)	(15,937)
Deconsolidation of subsidiaries	33,494	(582)	32,912
End of financial year	**(76,266)**	**14,963**	**(61,303)**
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			
– Finance 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. COMMITMENTS

Capital commitments

	Group	
	2021	2020
	$'000	$'000
Development expenditure contracted for	**1,269,068**	906,514
Capital expenditure contracted for	**50,057**	90,735
Commitment in respect of equity participation in financial asset, at FVOCI	**18,670**	24,596
Commitments in respect of equity participation in associated companies	**–**	3,591

32. 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 is no significant hedge ineffectiveness for the financial year ended 31 March 2021 in relation to the cash flow and net investment hedges.

32. 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	INR $'000	VND $'000
31 March 2021											
Financial assets											
Cash and cash equivalents	395,625	205,847	498,052	42,103	196,267	45,168	27,700	160,718	98,317	85,008	183,549
Trade and other receivables (including intercompany balances)	14,807,351	8,359,217	11,153,707	171,220	1,669,532	227,113	317,721	2,756,730	1,583,841	555,704	69,776
Deposits	12,750	18,413	7,635	1,548	530	924	21	164	134	1,883	3,290
	15,215,726	8,583,477	11,659,394	214,871	1,866,329	273,205	345,442	2,917,612	1,682,292	642,595	256,615
Financial liabilities											
Borrowings	6,596,843	3,144,146	2,228,713	2,429,159	2,207,360	403,339	659,441	1,382,752	508,148	201,663	–
Lease liabilities	110,149	69,290	8,369	447	222	42	11	5,205	169	333	50,506
Trade and other payables (including intercompany balances)	15,830,728	8,458,657	11,461,003	295,455	1,362,938	189,885	323,419	2,753,132	1,400,579	597,366	108,834
	22,537,720	11,672,093	13,698,085	2,725,061	3,570,520	593,266	982,871	4,141,089	1,908,896	799,362	159,340
Net financial (liabilities)/assets	(7,321,994)	(3,088,616)	(2,038,691)	(2,510,190)	(1,704,191)	(320,061)	(637,429)	(1,223,477)	(226,604)	(156,767)	97,275
Net financial liabilities/(assets) denominated in the respective entities' functional currencies	6,442,008	5,900,694	5,089,887	2,457,473	1,965,053	645,865	775,448	1,640,884	403,397	686,184	(94,516)
Notional amount of currency forwards and cross currency swaps not designated as net investment hedge	832,398	(3,435,232)	(2,850,094)	33,557	(337,050)	(127,133)	(112,435)	(459,906)	(376,892)	(319,593)	–
Loans designated as net investment hedge	–	527,207	–	–	–	–	–	–	192,380	–	–
Currency exposures on financial (liabilities)/ assets	**(47,588)**	**(95,947)**	**201,102**	**(19,160)**	**(76,188)**	**198,671**	**25,584**	**(42,499)**	**(7,719)**	**209,824**	**2,759**

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) *Foreign exchange risk (continued)*

	SGD $'000	USD $'000	RMB $'000	HKD $'000	JPY $'000	MYR $'000	AUD $'000	GBP $'000	EUR $'000	INR $'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	40,865	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	377,881	63,658
Deposits	13,108	3,089	12,251	2,013	599	2,808	9,883	419	178	883	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	419,629	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	171,505	34,308
Lease liabilities	144,865	94,682	9,568	1,690	749	136	328	6,044	–	555	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	462,187	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	634,247	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)	(214,618)	(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	538,980	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)	(291,587)	–
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)	32,775	12,656

32. 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, INR and RMB exposures for SGD functional currency entities and EUR exposure for Polish Złoty ("PLN") functional currency entities.

If the Group's USD, INR, RMB and EUR exposures change against the respective functional currencies by 3.0% (2020: 3.0%) with all other variables including tax rate being held constant, the effects arising from the Group's net currency exposures will be as follows:

	Group Increase/(Decrease)	
	2021 Profit after tax $'000	2020 Profit after tax $'000
USD against VND		
– Strengthened	**(8,940)**	(10,665)
– Weakened	**8,940**	10,665
INR against SGD		
– Strengthened	**5,225**	816
– Weakened	**(5,225)**	(816)
RMB against SGD		
– Strengthened	**5,007**	8,119
– Weakened	**(5,007)**	(8,119)
EUR against PLN		
– Strengthened	**(2,474)**	(7,018)
– Weakened	**2,474**	7,018

(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. The Group has no significant interest rate risk arising from interest-bearing assets.

32. 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 critical terms matched during the financial year, the economic relationship is deemed to be 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.

Hedges directly affected by interest rate benchmark reform

Hedging relationships that are impacted by IBOR reform may experience ineffectiveness because of a timing mismatch between the hedged item and the hedging instrument regarding IBOR reform transition. On 5 March 2021, the Financial Conduct Authority ("FCA") formally announced the dates for the cessation of all LIBOR benchmark settings currently published by the ICE Benchmark Administration. The transition into the new benchmark rates may occur at different times for the hedged item and hedging instruments, which may impact the hedging relationship. The Group applied the amendments to SFRS(I) 9 issued in December 2019 to those hedging relationships directly affected by IBOR reform.

There is no hedge ineffectiveness in relation to the IBOR reform recognised for the financial year. The assumptions taken are disclosed in Note 2.2(a).

As at 31 March 2021, the contractual notional amounts for interest rate swaps held for hedging of interest rate risk arising from variable rate borrowings are as below:

Reference rates	Group Notional amount 2021 $'000
SOR	2,088,195
USD – LIBOR	1,980,616
GBP – LIBOR	828,503
JPY – LIBOR	531,226

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

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

The Group is actively engaging with its lenders and derivative counterparties to modify floating rate instruments to transit into the new benchmark rates.

If the interest rates increase or decrease by 0.50% (2020: 0.50%) per annum with all other variables including tax rate being held constant, the profit after tax would have been lower by $28.8 million (2020: $33.3 million) and higher by $28.8 million (2020: $33.3 million) as a result of higher and lower interest expense on these borrowings respectively. Other comprehensive income would have been higher by $41.0 million (2020: $66.0 million) and lower by $42.4 million (2020: $68.0 million) mainly as a result of higher/lower fair value of interest rate swaps designated as cash flow hedges of variable rate borrowings.

(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 assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

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:

	Company	
	2021	2020
	$'000	$'000
Corporate guarantees provided to financial institutions on loans of subsidiaries	**9,268,146**	9,170,245
Corporate guarantees provided to financial institutions on loans of a joint venture	**553,614**	–

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 such as asset class, geographic location and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customer 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 2021 and 31 March 2020 has been assessed to be immaterial.

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

(i) *Trade receivables (continued)*

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.

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 March 2021 and 31 March 2020 is set out as follows:

	Past due		
	Less than 3 months $'000	More than 3 months $'000	Total $'000
31 March 2021			
Gross carrying amount:			
– Past due but not impaired	28,932	7,112	**36,044**
– Past due and impaired	3,718	11,582	**15,300**
	32,650	18,694	**51,344**
Less: Allowance for impairment			**(15,224)**
Net carrying amount			**36,120**
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
	33,126	18,508	51,634
Less: Allowance for impairment			(9,925)
Net carrying amount			41,709

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

	2021 $'000	2020 $'000
As at 1 April	**9,925**	7,586
Allowance made	**15,676**	5,422
Allowance utilised	**(5,776)**	(2,038)
Allowance reversed	**(1,966)**	(100)
Disposal	**(2,548)**	(1,139)
Currency translation differences	**(87)**	194
As at 31 March	**15,224**	9,925

Other than the above, 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.

32. 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
Group			
31 March 2021			
Trade and other payables	1,448,999	434,063	52,856
Borrowings and interest payable	2,474,960	16,367,533	3,802,184
Lease liabilities	42,597	124,154	166,948
	3,966,556	**16,925,750**	**4,021,988**
31 March 2020			
Trade and other payables	1,186,676	499,765	71,725
Borrowings and interest payable	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
Company			
31 March 2021			
Trade and other payables	181,997	168,131	31,241
Lease liabilities	9,161	15,627	–
	191,158	**183,758**	**31,241**
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

32. 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 1 year $'000	Between 1 and 5 years $'000	Over 5 years $'000
Group			
31 March 2021			
Net-settled interest rate swaps and cross currency swaps			
– Net cash outflows	**83,040**	**151,825**	**20,213**
Gross-settled currency forwards and cross currency swaps			
– Receipts	**(5,849,438)**	**(576,485)**	**–**
– Payments	**5,989,985**	**633,693**	**–**
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

(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 2021 and 31 March 2020, the Group is required by the financial institutions to maintain a consolidated tangible net worth of not less than $1.0 billion.

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

32. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Financial instruments by category

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

	Group $'000	Company $'000
31 March 2021		
Financial assets, at FVPL	**164,601**	**–**
Financial assets, at FVOCI	**68,178**	**–**
Financial assets, at amortised cost	**2,688,592**	**9,500,471**
Financial liabilities, at FVPL	**311,156**	**–**
Financial liabilities, at amortised cost	**22,417,125**	**406,157**
31 March 2020		
Financial assets, at FVPL	110,902	–
Financial assets, at FVOCI	69,973	–
Financial assets, at amortised cost	3,340,275	9,152,269
Financial liabilities, at FVPL	545,395	–
Financial liabilities, at amortised cost	23,700,905	370,603

33. FAIR VALUE MEASUREMENTS

(a) Fair value hierarchy

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)

The Group's policy is to recognise transfers into and out of fair value hierarchy levels at the balance sheet date. There are no transfers into or out of fair value hierarchy levels for the financial years ended 31 March 2021 and 2020.

33. FAIR VALUE MEASUREMENTS (CONTINUED)

(a) Fair value hierarchy (continued)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group				
31 March 2021				
Financial assets				
Derivative financial instruments	–	103,547	–	103,547
Financial assets, at FVPL	–	–	61,054	61,054
Financial assets, at FVOCI	–	–	68,178	68,178
	–	**103,547**	**129,232**	**232,779**
Financial liabilities				
Derivative financial instruments	**–**	**(311,156)**	**–**	**(311,156)**
Non-financial assets				
Investment properties	–	–	42,957,430	42,957,430
Properties under development	–	–	1,606,316	1,606,316
Property, plant and equipment	–	–	132,485	132,485
	–	**–**	**44,696,231**	**44,696,231**
31 March 2020				
Financial assets				
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
Financial liabilities				
Derivative financial instruments	–	(545,395)	–	(545,395)
Non-financial assets				
Investment properties	–	–	46,371,136	46,371,136
Properties under development	–	–	1,129,656	1,129,656
Property, plant and equipment	–	–	162,255	162,255
	–	–	47,663,047	47,663,047

33. FAIR VALUE MEASUREMENTS (CONTINUED)

(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.

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 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 investment 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.

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 2021. Certain valuation reports have highlighted that with the uncertainty of COVID-19, the valuation of these properties subsequent to the balance sheet date may be subjected to more fluctuation than during normal market conditions and have recommended to keep the valuation of these properties under frequent review.

33. FAIR VALUE MEASUREMENTS (CONTINUED)

(b) Valuation techniques (continued)

(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 $3.4 billion (2020: $3.7 billion) whose fair value amounted to $3.6 billion (2020: $3.7 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:

Description	Valuation techniques	Key unobservable inputs	Relationship of unobservable inputs to fair value
Completed investment properties	Income capitalisation	Capitalisation rate • Singapore: 3.5% to 9.5% *(2020: 3.5% to 9.5%)* • Others: 2.6% to 11.0% *(2020: 3.8% to 11.0%)*	The higher the capitalisation rate, the lower the fair value.
	Direct comparison	Adjusted price • Singapore: $27,599 psm *(2020: $26,942 psm)* • Others: $1,860 to $15,222 psm *(2020: $372 to $14,857 psm)*	The higher the adjusted price, the higher the fair value.
	Discounted cash flows	Discount rate • Singapore: 6.5% to 12.5% *(2020: 6.5% to 12.5%)* • Others: 2.3% to 16.0% *(2020: 3.4% to 15.5%)*	The higher the discount rate, the lower the fair value.
		Terminal yield • Singapore: 3.8% to 7.8% *(2020: 4.3% to 7.6%)* • Others: 2.7% to 11.0% *(2020: 3.7% to 11.0%)*	The higher the terminal yield, the lower the fair value.

33. FAIR VALUE MEASUREMENTS (CONTINUED)

(c) Level 3 assets measured at fair value (continued)

Description	Valuation techniques	Key unobservable inputs	Relationship of unobservable inputs to fair value
Investment properties under redevelopment	Residual value	Gross development valuation • Singapore: $18,115 psm *(2020: $18,014 to $27,165 psm)*	The higher the gross development valuation, the higher the fair value.
		Development cost • Singapore: $4,164 psm *(2020: $3,831 to $4,162 psm)*	The higher the development cost, the lower the fair value.
Properties under development	Direct comparison	Adjusted price • Others: $59 to $1,241 psm *(2020: $53 to $195 psm)*	The higher the adjusted price, the higher the fair value.
	Residual value	Gross development valuation • Others: $556 to $17,478 psm *(2020: $601 to $1,211 psm)*	The higher the gross development valuation, the higher the fair value.
		Development cost • Others: $389 to $6,009 psm *(2020: $545 to $960 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 • Others: Nil *(2020: 8.8%)*	The higher the capitalisation rate, the lower the fair value.
	Discounted cash flows	Discount rate • Others: 12.5% (2020: Nil)	The higher the discount rate, the lower the fair value.
		Terminal yield • Others: 8.5% (2020: Nil)	The higher the terminal yield, the lower the fair value.

34. 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.

35. RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the direct and indirect ability to control the party, jointly control or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or significant influence.

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

	Group	
	2021	2020
	$'000	$'000
Leasing and other services to related corporations	**41,260**	57,637
Purchase of goods/services from related corporations	**4,583**	18,526
Fees from provision of fund management services to associated companies	**142,449**	195,278
Dividend income from associated companies	**231,816**	142,490
Dividend income from joint ventures	**94,454**	26,696
Interest expense to related corporations	**66,883**	83,107
Trustee's fees to Trustee	**1,906**	2,410
Acquisition of company from an associated company	**–**	320,704
Return of capital from associated companies	**159,881**	375,659
Return of capital from joint ventures	**224,989**	–

(b) Key management personnel compensation

	Group	
	2021	2020
	$'000	$'000
Salaries and other short-term employee benefits	**25,146**	25,982
Post-employment benefits – Contribution to CPF	**213**	219
Share-based compensation expenses	**36,128**	28,335
	61,487	54,536

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

During the financial year, the Group granted 3,682,797 PSU and 2,077,250 RSU (2020: 7,003,352 PSU and 4,215,165 RSU) to key management 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 2021 granted by the Group to key management of the Group were 24,437,102 and 6,402,880 (2020: 24,213,156 and 7,243,169) respectively.

36. DIVIDENDS

	Group and Company 2021 $'000	2020 $'000
Final exempt (one-tier) redeemable preference share dividends paid in respect of the prior financial year of $1,000 (2020: $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 15.3250 cents (2020: 16.8208 cents) per ordinary share	**233,600**	256,400
	249,300	272,100

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 (2020: $1,000) per redeemable preference share amounting to $15.7 million (2020: $15.7 million); and

– Final exempt (one-tier) ordinary share dividend of 14.6493 cents (2020: 15.3250 cents) per ordinary share amounting to $223.3 million (2020: $233.6 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 2022.

37. SEGMENT REPORTING

The operating segments are determined based on the segment reports reviewed by the Executive Management Committee ("EMC") for strategic and operational decision-making purposes. The EMC comprises the Group Chief Executive Officer, Deputy Group Chief Executive Officer, Group Chief Financial Officer, Group Chief Corporate Officer, Group Chief Development Officer, Head of Operations System & Control and the heads of each business unit.

The EMC considers the business from both a geographic and business segment perspective.

The following summary describes the operations from the business segment perspective:

- **South East Asia and Group Retail**
  Developer/investor/manager of commercial properties (and select industrial properties) in Singapore and properties in South East Asia

- **Logistics Development**
  Developer/manager of logistics properties in Australia, China, India, Malaysia and Vietnam

- **China and India**
  Developer/investor/manager of properties in China and India

- **Australia and North Asia**
  Developer/investor/manager of properties in Australia, Hong Kong SAR, Japan and South Korea

- **Group Lodging**
  Developer/investor/manager of global lodging properties in North America, the United Kingdom and Oakwood

- **Europe and USA**
  Developer/investor/manager of properties in Europe, North America and the United Kingdom

- **Singapore-listed REITs**
  Mapletree Logistics Trust, Mapletree Commercial Trust, Mapletree North Asia Commercial Trust and Mapletree Industrial Trust

- **Others**
  Investor of data centres in the United States and corporate departments

37. SEGMENT REPORTING (CONTINUED)

The segment information provided to the EMC for the reportable segments is as follows:

	South East Asia and Group Retail $'000	Logistics Development $'000	China and India $'000	Australia and North Asia $'000	Group Lodging $'000	Europe and USA $'000	Singapore-listed REITs $'000	Others $'000	Total $'000
2021									
Revenue	**408,790**	**95,869**	**95,129**	**61,866**	**267,536**	**334,851**	**1,583,398**	**34,393**	**2,881,832**
Segmental results									
Earnings/(losses) before revaluation gains/ (losses), interest and tax	221,132	59,308	72,203	41,189	60,378	225,081	2,182,815	(240,751)	2,621,355
Net revaluation (loss)/ gain on investment properties and properties under development	(30,772)	187,927	2,583	325,513	(90,600)	48,106	(442,719)	100,001	100,039
Share of profit in associated companies and joint ventures	8,108	2,006	16,486	46	2,022	189,918	25,212	17,520	261,318
	198,468	**249,241**	**91,272**	**366,748**	**(28,200)**	**463,105**	**1,765,308**	**(123,230)**	**2,982,712**
Finance costs – net	–	–	–	–	–	–	(241,133)	(237,521)	(478,654)
Tax expense	–	–	–	–	–	–	(199,879)	(195,734)	(395,613)
Profit for the financial year									**2,108,445**
Segment assets	**3,781,082**	**3,537,891**	**3,992,503**	**2,139,888**	**3,860,560**	**5,385,378**	**30,085,897**	**816,283**	**53,599,482**
Segment liabilities	**227,276**	**418,071**	**274,687**	**118,156**	**205,413**	**213,346**	**11,984,158**	**10,191,537**	**23,632,644**
Other segment items									
Depreciation and amortisation	(17,868)	(148)	(513)	(497)	(5,132)	(4,868)	(2,073)	(8,925)	(40,024)

	Singapore $'000	South East Asia (excluding Singapore) $'000	China (excluding Hong Kong SAR) $'000	Hong Kong SAR $'000	Japan $'000	Europe $'000	The United States $'000	Australia $'000	Rest of the World $'000	Total $'000
2021										
Geography information										
Revenue	**959,429**	**351,559**	**256,397**	**305,200**	**207,350**	**260,477**	**361,912**	**54,833**	**124,675**	**2,881,832**
Non-current assets	**15,574,979**	**2,134,868**	**7,902,444**	**7,321,994**	**3,614,768**	**3,157,136**	**5,916,809**	**1,169,797**	**2,686,608**	**49,479,403**
Total assets	**16,371,657**	**2,624,880**	**9,600,884**	**7,362,839**	**3,896,392**	**3,561,308**	**6,099,678**	**1,181,653**	**2,900,191**	**53,599,482**

37. SEGMENT REPORTING (CONTINUED)

	South East Asia and Group Retail $'000	Logistics Development $'000	China and India $'000	Australia and North Asia $'000	Group Lodging $'000	Europe and USA $'000	Singapore-listed REITs $'000	Others $'000	Total $'000
2020									
Revenue	382,115	110,773	157,533	227,731	674,647	646,116	1,735,669	95,427	4,030,011
Segmental results									
Earnings/(losses) before revaluation gains/(losses), interest and tax	252,727	49,144	151,723	139,857	22,417	401,186	1,437,204	(212,107)	2,242,151
Net revaluation gain on investment properties and properties under development	255,403	170,983	122,639	32,778	56,326	101,414	414,278	104,620	1,258,441
Share of profit in associated companies and joint ventures	12,155	24	55,679	67,510	17,532	91,991	–	62,479	307,370
	520,285	220,151	330,041	240,145	96,275	594,591	1,851,482	(45,008)	3,807,962
Finance costs – net	–	–	–	–	–	–	(277,253)	(411,814)	(689,067)
Tax expense	–	–	–	–	–	–	(108,578)	(214,148)	(322,726)
Profit for the financial year									2,796,169
Segment assets	3,991,524	3,389,420	2,663,873	1,367,628	3,993,872	5,438,673	30,909,021	3,857,428	55,611,439
Segment liabilities	382,423	271,257	189,318	73,363	280,223	329,701	12,671,570	10,879,241	25,077,096
Other segment items									
Depreciation and amortisation	(18,240)	(215)	(481)	(534)	(25,404)	(2,755)	(1,665)	(9,783)	(59,077)

	Singapore $'000	South East Asia (excluding Singapore) $'000	China (excluding Hong Kong SAR) $'000	Hong Kong SAR $'000	Japan $'000	Europe $'000	The United States $'000	Australia $'000	Rest of the World $'000	Total $'000
2020										
Geography information										
Revenue	1,358,746	213,848	327,451	317,894	257,184	402,053	962,399	110,949	79,487	4,030,011
Non-current assets	18,276,463	2,240,724	6,105,419	7,767,059	2,969,785	4,285,100	7,606,105	777,174	1,488,193	51,516,022
Total assets	19,182,321	2,805,760	6,959,606	7,806,807	3,869,142	4,717,434	7,845,283	818,463	1,606,623	55,611,439

Sales between segments are carried out at market terms. The revenue from external parties reported to the EMC is measured in a manner consistent with that in the statement of profit or loss.

The EMC assesses the performance of the operating segment based on a measure of earnings before interest and tax plus share of operating profits in associated companies and joint ventures. The accounting policies of the reportable segments are the same as the Group's accounting policies as described in Note 2. Segment profit represents the profit earned by each segment without allocation of central administration costs. Excluding the Singapore-listed REITs, borrowings, finance income and finance expenses are not allocated to segments but grouped under "others" (which includes corporate departments) as such liabilities and expenses are centrally monitored at the corporate level.

38. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP

(a) Subsidiaries

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2021 %	2020 %
Held by the Company				
Mapletree Dextra Pte. Ltd.	Investment holding	Singapore	**100**	100
Mapletree Treasury Services Limited	Finance and treasury centre performing financial and treasury operations and activities for the holding and related companies within the Group	Singapore	**100**	100
The HarbourFront Pte Ltd	Property owner	Singapore	**100**	100
Held by subsidiaries				
Beijing Yinhe Yongtai Business Management Co., Ltd.	Property owner	China	**100**	100
Guangzhou Xingjian Xingsui Real Estate Co., Ltd [1]	Property owner	China	**100**	65
Adamas Builders Private Limited	Property owner	India	**100**	100
Faery Estates Private Limited	Property owner	India	**100**	100
HarbourFront Centre Pte. Ltd.	Property owner	Singapore	**100**	100
HarbourFront Two Pte Ltd	Property owner	Singapore	**100**	100
Oakwood Worldwide (Asia) Pte. Ltd.	Management services	Singapore	**100**	100
Godo Kaisha Namba 3-Chome Kaihatsu Jigyo	Property owner	Japan	**100**	90
Hardman Investments Unit Trust	Property owner	Jersey/ The United Kingdom	**–**	100
Green Park Reading No. 1 LLP	Property owner	The United Kingdom	**100**	100
Pine (UK) Holdings Ltd	Management services	The United Kingdom	**100**	100

38. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP (CONTINUED)

(a) Subsidiaries (continued)

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2021 %	2020 %
Held by subsidiaries (continued)				
Coventry Assets (UK) Limited	Property owner	The United Kingdom	**100**	100
Uptown Broadway LLC [2]	Property owner	The United States	**100**	–
Oakwood Worldwide (US) LP	Management services	The United States	**100**	100
Boulevard City LLC	Property owner	The United States	**100**	100
Chester Loft LLC	Property owner	The United States	**100**	100
South Sixth Office LLC	Property owner	The United States	**100**	100
EM Chestnut Venture LLC	Property owner	The United States	**97**	97
Nova Asset (Dublin) Limited	Property owner	Ireland	**100**	100
Saigon Boulevard Complex Company Limited	Property owner	Vietnam	**100**	100
IGIS Qualified Investment Type Private Placement Real Estate Investment Trust No.6 [2]	Property owner	Korea	**69**	–
Mapletree Redwood Data Centre Trust	Property owner	Singapore/ The United States	**–**	72
Mapletree Logistic Trust [3] – Real Estate Investment Trust	Property owner	Singapore	**31**	30
Mapletree North Asia Commercial Trust [3] – Real Estate Investment Trust	Property owner	Singapore	**37**	36
Mapletree Commercial Trust [3] – Real Estate Investment Trust	Property owner	Singapore	**32**	32

38. LISTING OF SIGNIFICANT ENTITIES IN THE GROUP (CONTINUED)

(b) Associated companies

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2021 %	2020 %
Held by subsidiaries				
Mapletree Industrial Trust [4] – Real Estate Investment Trust	Property owner	Singapore	**27**	29
Mapletree China Opportunity Fund II Feeder LP	Investment holding and property owner	Cayman Islands/ China	**36**	36
MGSA Private Trust	Investment holding and property owner	Singapore/ The United States/ The United Kingdom	**34**	34
MUSEL Private Trust	Investment holding and property owner	Singapore/ The United States/ Europe	**34**	33
MASCOT Private Trust	Investment holding and property owner	Singapore/ Australia	**25**	24
Mapletree Europe Income Trust (MERIT) [2]	Investment holding and property owner	Singapore/ The United Kingdom/Europe	**37**	–

(c) Joint ventures

Name of companies	Principal activities	Country of incorporation/ Place of business	Effective interest held by the Group 2021 %	2020 %
Held by subsidiaries				
Mapletree Rosewood Data Centre Trust [5]	Property owner	Singapore/ The United States	**50**	65
Blue Sling Ventures LLC [6]	Investment holding and property owner	The United States	**40**	52

1 The Group has accounted for this investment as an associated company as at 31 March 2020 as key decisions on relevant activities are made by an independent board in which the Group does not have majority or control.
2 Incorporated/acquired during the financial year
3 Control of the REITs without majority equity interest and voting power (Note 17)
4 Mapletree Industrial Trust is accounted for as an associated company as at 31 March 2021 and as a subsidiary as at 31 March 2020 (Note 3(b)).
5 Mapletree Rosewood Data Centre Trust is accounted for as a joint venture as at 31 March 2021 and as a subsidiary as at 31 March 2020 (Note 3(b)).
6 The Group has accounted for this investment as a joint venture as the Group has joint control over the relevant activities with the joint venture partner.

39. SUMMARISED FINANCIAL INFORMATION OF SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

The Group's subsidiaries with material non-controlling interests ("NCI") comprise the following:

	Group	
	2021	2020
	$'000	$'000
MLT	**3,909,627**	3,200,738
MCT	**3,854,102**	3,917,881
MIT (Note 3(b))	**–**	2,520,050
MNACT	**2,743,308**	3,003,318
Others	**39,637**	47,405
	10,546,674	12,689,392

The REITs are regulated by the Monetary Authority of Singapore and supervised by the Singapore Exchange Securities Trading Limited for compliance with the Singapore Listing Rules. Under the regulatory framework, transactions with the REITs are either subjected to review by the trustee of the REITs or significant transactions must be approved by a majority of votes by the remaining unitholders in the REITs at a meeting of unitholders. Under the respective trust deeds, neither the Group nor any other unitholders have the right to transfer assets (or part therefore) of the REITs to other entities within or outside of the Group.

Set out below are the summarised financial information of the REITs. These are presented before intra-group eliminations.

Summarised statements of financial position

	MLT $'000	MCT $'000	MIT $'000	MNACT $'000
31 March 2021				
Assets				
– Current assets	362,868	206,551	–	272,714
– Non-current assets	10,841,805	8,744,033	–	7,815,959
Liabilities				
– Current liabilities	(474,886)	(186,437)	–	(366,877)
– Non-current liabilities	(4,610,601)	(3,055,179)	–	(3,336,673)
Net assets	6,119,186	5,708,968	–	4,385,123
Net assets attributable to NCI	**3,909,627**	**3,854,102**	**–**	**2,743,308**
31 March 2020				
Assets				
– Current assets	223,414	73,262	69,556	228,129
– Non-current assets	8,827,959	8,933,811	5,118,327	8,358,545
Liabilities				
– Current liabilities	(428,536)	(264,797)	(101,028)	(541,890)
– Non-current liabilities	(3,605,346)	(2,955,328)	(1,526,734)	(3,314,154)
Net assets	5,017,491	5,786,948	3,560,121	4,730,630
Net assets attributable to NCI	3,200,738	3,917,881	2,520,050	3,003,318

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

39. SUMMARISED FINANCIAL INFORMATION OF SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

Summarised statements of comprehensive income

	MLT $'000	MCT $'000	MIT $'000	MNACT $'000
2021				
Revenue	**561,140**	**478,997**	**99,106**	**391,415**
Profit before income tax	565,719	68,609	72,495	(228,103)
Income tax expense	(101,709)	(3)	–	(36,459)
Profit after income tax	464,010	68,606	72,495	(264,562)
Other comprehensive income/(loss)	11,554	5,427	(6,879)	(47,759)
Total comprehensive income	**475,564**	**74,033**	**65,616**	**(312,321)**
Total comprehensive income allocated to NCI	**327,562**	**49,991**	**46,658**	**(193,724)**
Dividends paid to NCI	**(221,502)**	**(113,770)**	**(88,946)**	**(71,747)**
2020				
Revenue	490,777	482,825	405,858	354,478
Profit before income tax	446,478	543,097	367,199	161,718
Income tax expense	(51,176)	(2)	(56)	(37,452)
Profit after income tax	395,302	543,095	367,143	124,266
Other comprehensive (loss)/income	(12,304)	(24,633)	(31,466)	84,914
Total comprehensive income	382,998	518,462	335,677	209,180
Total comprehensive income allocated to NCI	254,838	342,459	234,310	139,198
Dividends paid to NCI	(204,071)	(185,147)	(154,583)	(182,114)

Summarised statement of cash flows

	MLT $'000	MCT $'000	MIT $'000	MNACT $'000
2021				
Net cash generated from operating activities	446,640	355,435	–	313,106
Net cash used in investing activities	(1,270,399)	(13,737)	–	(133,859)
Net cash generated from/(used in) financing activities	950,027	(215,012)	–	(136,215)
Net increase in cash and cash equivalents	**126,268**	**126,686**	**–**	**43,032**
2020				
Net cash generated from operating activities	369,265	370,216	286,886	265,768
Net cash used in investing activities	(515,808)	(904,239)	(429,425)	(476,250)
Net cash generated from financing activities	191,615	550,761	155,953	221,300
Net increase in cash and cash equivalents	45,072	16,738	13,414	10,818

40. ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

(a) Acquisition of subsidiaries which does not constitute a business combination

The cash flows and net assets of subsidiaries acquired are provided below:

	Group	
	2021 $'000	2020 $'000
Cash and cash equivalents	**267,455**	31,527
Trade and other receivables	**11,363**	32,077
Other assets	**28,660**	5,046
Investment properties (Note 18)	**1,811,919**	691,110
Properties under development (Note 19)	**116,435**	–
Property, plant and equipment (Note 20)	**–**	29
Trade and other payables	**(362,601)**	(43,201)
Net deferred income tax liabilities (Note 27)	**(6,819)**	–
Borrowings	**(479,485)**	(76,677)
Net assets acquired/Total purchase consideration	**1,386,927**	639,911
Less:		
Cash of subsidiaries acquired	**(267,455)**	(31,527)
Deposits paid in prior financial year	**–**	(3,169)
Acquisition cost paid in prior years	**(385,000)**	–
Deferred purchase consideration	**(50,375)**	–
Cash outflow on acquisition	**684,097**	605,215

(b) Disposal of subsidiaries, associated companies and joint ventures

	Group	
	2021 $'000	2020 $'000
Cash and cash equivalents	**120,648**	341,510
Trade and other receivables	**81,110**	134,844
Other assets	**2,167**	23,971
Assets of disposal group held for sale	**–**	1,720,248
Investments in joint ventures	**54,289**	–
Investment properties (Note 18)	**1,969,100**	7,348,944
Property under development (Note 19)	**57,576**	4,409
Property, plant and equipment (Note 20)	**28**	896
Trade and other payables	**(66,809)**	(206,756)
Liabilities directly associated with disposal group held for sale	**–**	(734,653)
Borrowings	**(1,749,167)**	(4,346,601)
Lease liabilities	**–**	(11,534)
Deferred income tax liabilities (Note 27)	**(4,166)**	(16,114)
Non-controlling interests	**–**	(1,078,521)
Net assets disposed	**464,776**	3,180,643
Equity interest retained in associated companies	**(299,925)**	(1,220,419)
Gain on disposal (Note 5)	**43,183**	15,938
Release of foreign currency translation reserve and hedging reserve	**(10,683)**	1,170
	197,351	1,977,332
Less:		
Cash of subsidiaries disposed	**(120,648)**	(341,510)
Cash inflow on disposal	**76,703**	1,635,822

40. ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES (CONTINUED)

(c) Deconsolidation of subsidiaries

	Group 2021 $'000
Cash and cash equivalents	212,691
Trade and other receivables	62,338
Other assets	1,562
Derivative financial assets	4,012
Investment in joint venture	1,179,280
Investment properties (Note 18)	6,419,430
Property, plant and equipment (Note 20)	150
Intangible assets (Note 23)	8,327
Trade and other payables	(245,457)
Derivative financial liabilities	(67,162)
Borrowings	(3,313,283)
Lease liabilities	(27,041)
Deferred income tax liabilities (Note 27)	(9,251)
Non-controlling interests	(2,477,761)
Net assets deconsolidated	1,747,835
Equity interest retained in associated companies	(2,609,746)
Gain on deconsolidation of subsidiaries (Note 5)	829,991
Release of foreign currency translation reserve and hedging reserve	31,920
	–
Less:	
Cash of subsidiaries deconsolidated	(212,691)
Cash outflow on deconsolidation	(212,691)

Included in gain on deconsolidation of subsidiaries is gain attributable to measurement of retained equity interest at fair value on the date when control was lost.

41. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards and interpretations to existing standards that have been published and are relevant for the Group's financial year beginning on or after 1 April 2021 and which the Group has not early adopted:

(a) Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

41. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

(b) Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7 and SFRS(I) 16 (effective for annual periods beginning on or after 1 January 2021)

The Phase 2 amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7 and SFRS(I) 16 are applicable for periods beginning on or after 1 January 2021 ("Phase 2 amendments"). The Phase 2 amendments provide further reliefs for hedge accounting as well as practical expedients for modifications of debt instruments and lease liabilities for lessees with IBOR based terms. The Group has not early adopted the Phase 2 amendments.

Management is currently assessing the impact of the Phase 2 amendments on the Group.

42. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Mapletree Investments Pte Ltd on 19 May 2021.

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