

## ANNOUNCEMENT

### EXPANSION OF INVESTMENT MANDATE

25 September 2020 – Mapletree North Asia Commercial Trust Management Ltd., as manager (the “**Manager**”) of Mapletree North Asia Commercial Trust (“**MNACT**”), wishes to notify unitholders of MNACT (“**Unitholders**”) that in accordance with the trust deed constituting MNACT (the “**Trust Deed**”) and with effect from 30 days following the date of this announcement, the investment mandate of MNACT will be expanded to include South Korea.

The new investment mandate of MNACT is as follows:

“MNACT is a Singapore real estate investment trust established with the investment mandate of principally investing, directly or indirectly, in a diversified portfolio of income-producing real estate in the Greater China region, Japan and South Korea, which is used primarily for commercial purposes (including real estate used predominantly for retail and/or office purposes), as well as real estate-related assets.”

The expansion of the investment mandate of MNACT is in line with the Manager's key financial objectives to provide Unitholders with an attractive rate of return on their investment through regular and stable distributions to Unitholders and to achieve long-term growth in distribution per unit and net asset value per unit, while maintaining an appropriate capital structure for MNACT.

South Korea has established itself as one of the top three investment destinations in Asia Pacific<sup>1</sup> with attractive investment characteristics, and has emerged as one of the most resilient economies<sup>2</sup> in Asia Pacific amid the COVID-19 situation. The Manager is of the view that the broadening of the mandate into South Korea will widen MNACT's access into another scalable new market with quality commercial assets and freehold land tenure<sup>3</sup>, and will further accelerate the diversification of MNACT's portfolio.

The broadening of investment mandate builds on the Manager's track record of operating a diversified portfolio

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<sup>1</sup> Asia Pacific Capital Markets Overview (1H 2020), Cushman & Wakefield.

<sup>2</sup> Korea Defies COVID: A Low Volatility-high Growth Bet (JLL, July 2020).

<sup>3</sup> Savills, Asia Pacific Real Estate Investment Country Guides (2018).

of income-generating commercial assets in Beijing, Greater Tokyo, Hong Kong SAR<sup>1</sup> and Shanghai. The Manager will also be able to leverage on the established local network and resources of the Sponsor, Mapletree Investments Pte Ltd, who has been operating in the South Korea market since 2008.

The Manager will continue its disciplined evaluation of all acquisition opportunities, while seeking long-term sustainable yield accretive returns for Unitholders. In this regard, the Manager will make appropriate announcements in the event that there are any material developments.

By Order of the Board

Wan Kwong Weng

Joint Company Secretary

Mapletree North Asia Commercial Trust Management Ltd.

(Company Registration No. 201229323R)

As Manager of Mapletree North Asia Commercial Trust

#### **Important Notice**

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in MNACT ("**Units**"). This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations.

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by the Manager, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of MNACT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of MNACT and the Manager is not necessarily indicative of the future performance of MNACT and the Manager.

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<sup>1</sup> Hong Kong SAR refers to the Hong Kong Special Administrative Region ("SAR").