



# Mapletree Commercial Trust

## 2H and FY21/22 Financial Results

20 April 2022

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# Key Highlights



## **Financial Performance**

- FY21/22 income available for distribution up 5.1%, driven by higher revenue from all properties except Mapletree Anson due to transitional vacancy
- Full year DPU totalled 9.53 Singapore cents
- Valuation of investment properties up slightly to S\$8.8 billion

## **Portfolio Performance**

- Steady operational performance in spite of COVID-19 disruptions as portfolio recorded positive full year rental reversion
- All properties achieved higher occupancy, lifting portfolio committed and actual occupancy rates to 97.0% and 94.3% respectively
- Positive leasing momentum for office/business park expected to continue
- VivoCity's full year tenant sales up 15.6% year-on-year, with 4Q FY21/22 tenant sales recovering to pre-COVID levels

## **Capital Management**

- Continues to adopt forward-looking capital management strategy that prioritises sustainable returns to Unitholders
- Released remaining S\$15.7 million of cash retained in 4Q FY19/20 as distributions to Unitholders
- Well-distributed debt maturity profile with no more than 24% of debt due for refinancing in any financial year

## **Proposed Merger with Mapletree North Asia Commercial Trust (“MNACT”)<sup>1</sup>**

- Introduced Cash-Only Consideration option to MNACT Unitholders with full backing from Sponsor of up to S\$2.2 billion for MCT’s Preferential Offering
- Rationale and pro forma financial effects of proposed merger remain unchanged
- Post-Merger, MCT Manager will adopt tailored “4R” strategy to drive growth

1. Capitalised terms not defined herein shall have the meaning given to them in the joint announcement issued by the MCT Manager and the MNACT Manager on the revision of the Trust Scheme on 21 March 2022, a copy of which is available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com). This presentation should be read in conjunction with the said joint announcement.

# Financial Performance



## 2H FY21/22 Financial Performance

**Better operational performance as compared to 1H FY21/22**  
**Year-on-year comparison affected by higher COVID-19 one-offs recorded in 2H FY20/21**

S\$'000 unless otherwise stated	2H FY21/22	1H FY21/22	Variance (half-on-half)	2H FY20/21	Variance (year-on-year)
Gross revenue	255,753	243,722	▲ 4.9%	260,326 <sup>1</sup>	▼ 1.8%
Property operating expenses	(56,927)	(53,867)	▲ 5.7%	(54,775) <sup>1</sup>	▲ 3.9%
Net property income	198,826	189,855	▲ 4.7%	205,551	▼ 3.3%
Net finance costs	(35,648)	(36,643)	▼ 2.7%	(36,361)	▼ 2.0%
Income available for distribution	154,773	146,456	▲ 5.7%	163,298	▼ 5.2%
Amount available for distribution <sup>2</sup>	170,526	146,456	▲ 16.4%	176,298	▼ 3.3%
Distribution per Unit (cents) <sup>2</sup>	5.14	4.39	▲ 17.1%	5.32	▼ 3.4%

- COVID-19 one-offs were recorded in 2H FY20/21. These include the property tax rebate, cash grants and wage support from the Job Support Scheme received from the government. The cash grants were received in 2H FY20/21 but the corresponding disbursement was made to eligible tenants in advance in 1H FY20/21.
- In view of the COVID-19 uncertainty, MCT made capital allowance claims and retained capital distribution totalling S\$43.7 million in 4Q FY19/20. S\$15.0 million and S\$13.0 million of the retained cash was released as distribution to Unitholders in 1H FY20/21 and 2H FY20/21 respectively. The balance of S\$15.7 million will be released and included in the 2H FY21/22 distribution to Unitholders.

# FY21/22 Financial Performance

**Full year income available for distribution up 5.1% year-on-year**  
**Higher revenue from all properties except Mapletree Anson due to transitional vacancy**

S\$'000 unless otherwise stated	FY21/22	FY20/21	Variance
Gross revenue	499,475	478,997 <sup>1</sup>	▲ 4.3%
Property operating expenses	(110,794)	(101,987) <sup>1</sup>	▲ 8.6%
Net property income	388,681	377,010	▲ 3.1%
Net finance costs	(72,291)	(76,094)	▼ 5.0%
Income available for distribution	301,229	286,720	▲ 5.1%
Distribution per Unit before release of retained cash (cents)	9.06	8.65	▲ 4.7%
Amount available for distribution <sup>2</sup>	316,982	314,720	▲ 0.7%
Distribution per Unit after release of retained cash (cents) <sup>2</sup>	9.53	9.49	▲ 0.4%

1. Higher COVID-19 one-offs were recorded in FY20/21. These mostly relate to the property tax rebate and wage support from the Job Support Scheme received from the government, and include the 15% property tax rebate received in FY20/21 but the corresponding disbursement was made to eligible tenants in advance in FY19/20.
2. In view of the COVID-19 uncertainty, MCT made capital allowance claims and retained capital distribution totalling S\$43.7 million in 4Q FY19/20. S\$15.0 million and S\$13.0 million of the retained cash was released as distribution to Unitholders in 1H FY20/21 and 2H FY20/21 respectively. The balance of S\$15.7 million will be released and included in the 2H FY21/22 distribution to Unitholders.

# Portfolio Valuation

**Slight growth in portfolio valuation as compared to 30 September 2021  
Mostly due to adjustments in market assumptions**

	Valuation as at 31 March 2022 <sup>1</sup>			Valuation as at 30 September 2021 <sup>1</sup>	Valuation as at 31 March 2021 <sup>2</sup>
	S\$ million	S\$ per sq ft NLA	Capitalisation Rate (%)	S\$ million	S\$ million
VivoCity	3,182.0	2,953 psf	4.60%	3,146.0	3,148.0
MBC I	2,249.0	1,317 psf	Office: 3.75% Business Park: 4.85%	2,249.0	2,226.0
MBC II	1,551.0	1,309 psf	Business Park: 4.80% Retail: 4.75%	1,551.0	1,535.0
mTower	747.0	1,420 psf	Office: 4.00% Retail: 4.75%	748.0	742.0
Mapletree Anson	752.0	2,284 psf	3.35%	750.0	747.0
MLHF	340.0	1,576 psf	3.75%	340.0	339.0
<b>MCT Portfolio</b>	<b>8,821.0</b>			<b>8,784.0</b>	<b>8,737.0</b>

1. The valuation for VivoCity was undertaken by CBRE Pte. Ltd., while the valuations for MBC I and II, mTower, Mapletree Anson and MLHF were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd.
2. The valuation for VivoCity was undertaken by Savills Valuation and Professional Services (S) Pte. Ltd., while the valuations for MBC I and II, mTower, Mapletree Anson and MLHF were undertaken by CBRE Pte. Ltd.

# Balance Sheet

NAV per Unit up to S\$1.74 mainly due to  
year-on-year increase in valuation of investment properties

S\$'000 unless otherwise stated	As at 31 March 2022	As at 31 March 2021
Investment Properties	8,821,000	8,737,000
Other Assets	163,523	213,584
<b>Total Assets</b>	<b>8,984,523</b>	<b>8,950,584</b>
Net Borrowings	3,004,334	3,029,625
Other Liabilities	186,652	211,991
<b>Net Assets</b>	<b>5,793,537</b>	<b>5,708,968</b>
Units in Issue ('000)	3,323,514	3,316,204
<b>Net Asset Value per Unit (S\$)</b>	<b>1.74</b>	<b>1.72</b>

# Key Financial Indicators

**Maintained robust set of financial indicators**  
**Every 50 bps change in SOR/SORA<sup>1</sup> estimated to impact DPU by 0.09 cent p.a.**

	As at 31 March 2022	As at 31 December 2021	As at 31 March 2021
Total Debt Outstanding	<b>S\$3,014.0 mil</b>	<b>S\$3,014.0 mil</b>	<b>S\$3,032.9 mil</b>
Gearing Ratio <sup>2</sup>	<b>33.5%</b>	<b>34.1%</b>	<b>33.9%</b>
Interest Coverage Ratio (12-month trailing basis)	<b>4.8 times</b>	<b>4.8 times</b>	<b>4.4 times</b>
% Fixed Rate Debt	<b>80.3%</b>	<b>75.3%</b>	<b>70.7%</b>
Weighted Average All-In Cost of Debt (p.a.) <sup>3</sup>	<b>2.40%</b>	<b>2.39%<sup>4</sup></b>	<b>2.48%</b>
Average Term to Maturity of Debt	<b>3.3 years</b>	<b>3.5 years</b>	<b>4.2 years</b>
Unencumbered Assets as % of Total Assets	<b>100%</b>	<b>100%</b>	<b>100%</b>
MCT Corporate Rating (by Moody's)	<b>Baa1 (rating under review)</b>	<b>Baa1 (stable)</b>	<b>Baa1 (negative)</b>

1. Refers to Swap Offer Rate/Singapore Overnight Rate Average.

2. Based on total gross borrowings divided by total assets. Correspondingly, the ratio of total gross borrowings to total net assets is 52.0%.

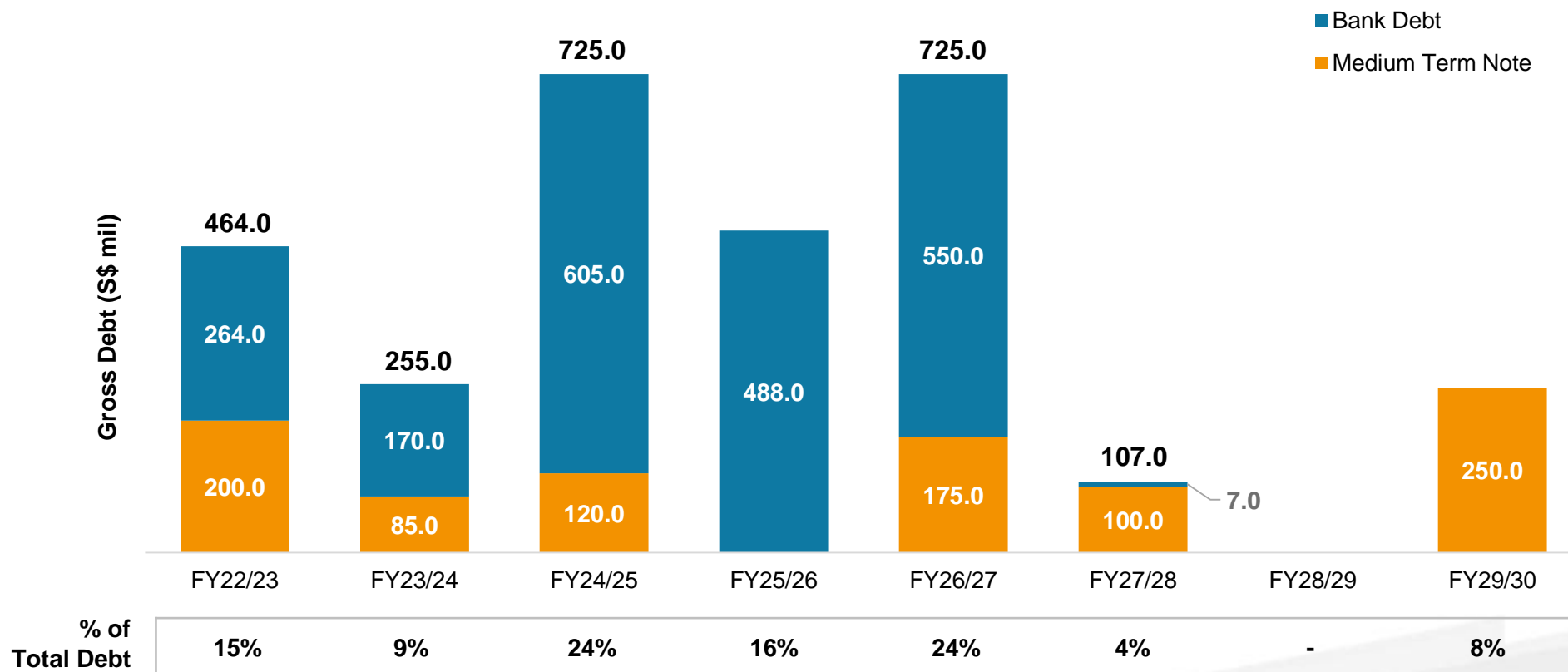
3. Including amortised transaction costs.

4. Annualised based on YTD ended 31 December 2021.






# Debt Maturity Profile (as at 31 March 2022)

Financial flexibility supported by ~S\$500 mil of cash and undrawn committed facilities  
Well-distributed debt maturity profile with no more than 24% of debt due in any financial year

Total gross debt: S\$3,014.0 mil



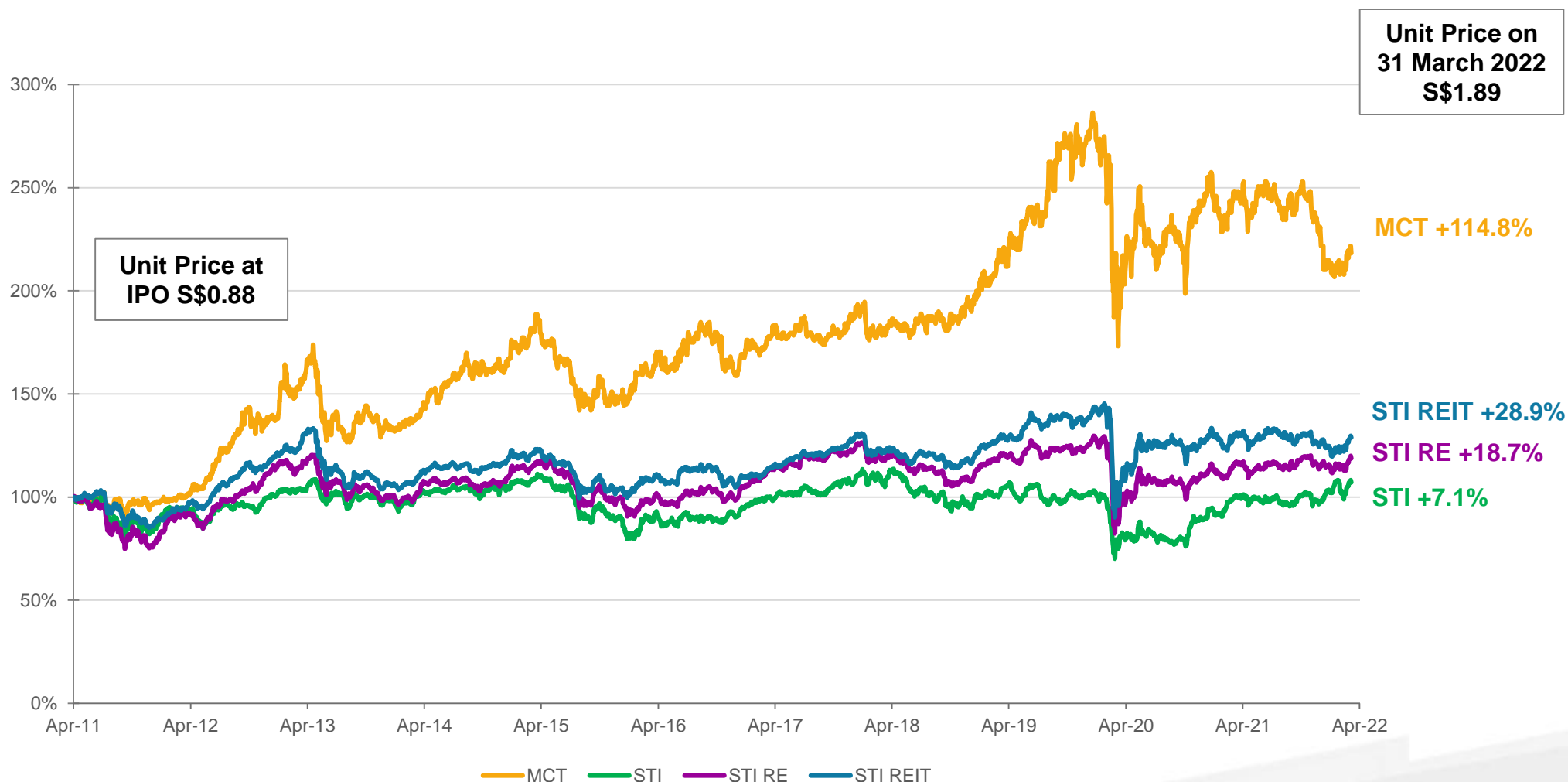
# FY21/22 – Performance In A Glance

VivoCity	MBC	mTower	Mapletree Anson	MLHF
				
Key Indicators		As at or for Financial Year ended 31 March 2021		As at or for Financial Year ended 31 March 2022
Gross Revenue (S\$ million)		479.0	↑ 4.3%	499.5
NPI (S\$ million)		377.0	↑ 3.1%	388.7
Amount Available for Distribution (S\$ million) <sup>1</sup>		314.7	↑ 0.7%	317.0
DPU (Singapore cents) <sup>1</sup>		9.49	↑ 0.4%	9.53
Market Capitalisation (S\$ million)		7,030	↓ 10.7%	6,281
Investment Property Value (S\$ million)		8,737	↑ 1.0%	8,821
Net Asset Value per Unit (S\$)		1.72	↑ 1.2%	1.74
Gearing (%)		33.9	↓ 0.4 p.p.	33.5

1. In view of the COVID-19 uncertainty, MCT made capital allowance claims and retained capital distribution totalling S\$43.7 million in 4Q FY19/20. S\$15.0 million and S\$13.0 million of the retained cash was released as distribution to Unitholders in 1H FY20/21 and 2H FY20/21 respectively. The balance of S\$15.7 million will be released and included in the 2H FY21/22 distribution to Unitholders.

# MCT Unit Price Performance

(Relative Price Performance from MCT's Listing on 27 April 2011 to 31 March 2022)



# Total Returns to Unitholders

Focusing on delivering long-term sustainable returns

Unit Price of S\$1.89 as at 31 March 2022	Since IPO	For FY21/22
Capital Appreciation / (Depreciation)	114.8% <sup>1</sup>	(10.8%) <sup>2</sup>
Total Distributions Paid Out / Payable <sup>3</sup>	101.2%	4.5%
<b>Total Returns</b>	<b>216.0%</b>	<b>(6.4%)<sup>4</sup></b>

1. Based on closing unit price of S\$1.89 on 31 March 2022, compared against IPO unit price of S\$0.88.

2. Based on closing unit price of S\$1.89 on 31 March 2022, compared against closing unit price of S\$2.12 on 31 March 2021.

3. Including 5.14 Singapore cents payable for 2H FY21/22, adding up to 9.53 Singapore cents for FY21/22 and 89.08 Singapore cents since IPO.

4. Total does not add up due to rounding differences.

# Distribution Details

**2H FY21/22 distribution of 5.14 Singapore cents**  
**Includes release of the remaining cash retained in 4Q FY19/20**

Distribution Period	1 October 2021 – 31 March 2022
Distribution Amount	5.14 Singapore cents per unit

Distribution Timetable	
Notice of Record Date	Wednesday, 20 April 2022
Last Day of Trading on “cum” Basis	Tuesday, 26 April 2022
Ex-Date	Wednesday, 27 April 2022
Record Date	5.00 pm, Thursday, 28 April 2022
Distribution Payment Date	Friday, 3 June 2022

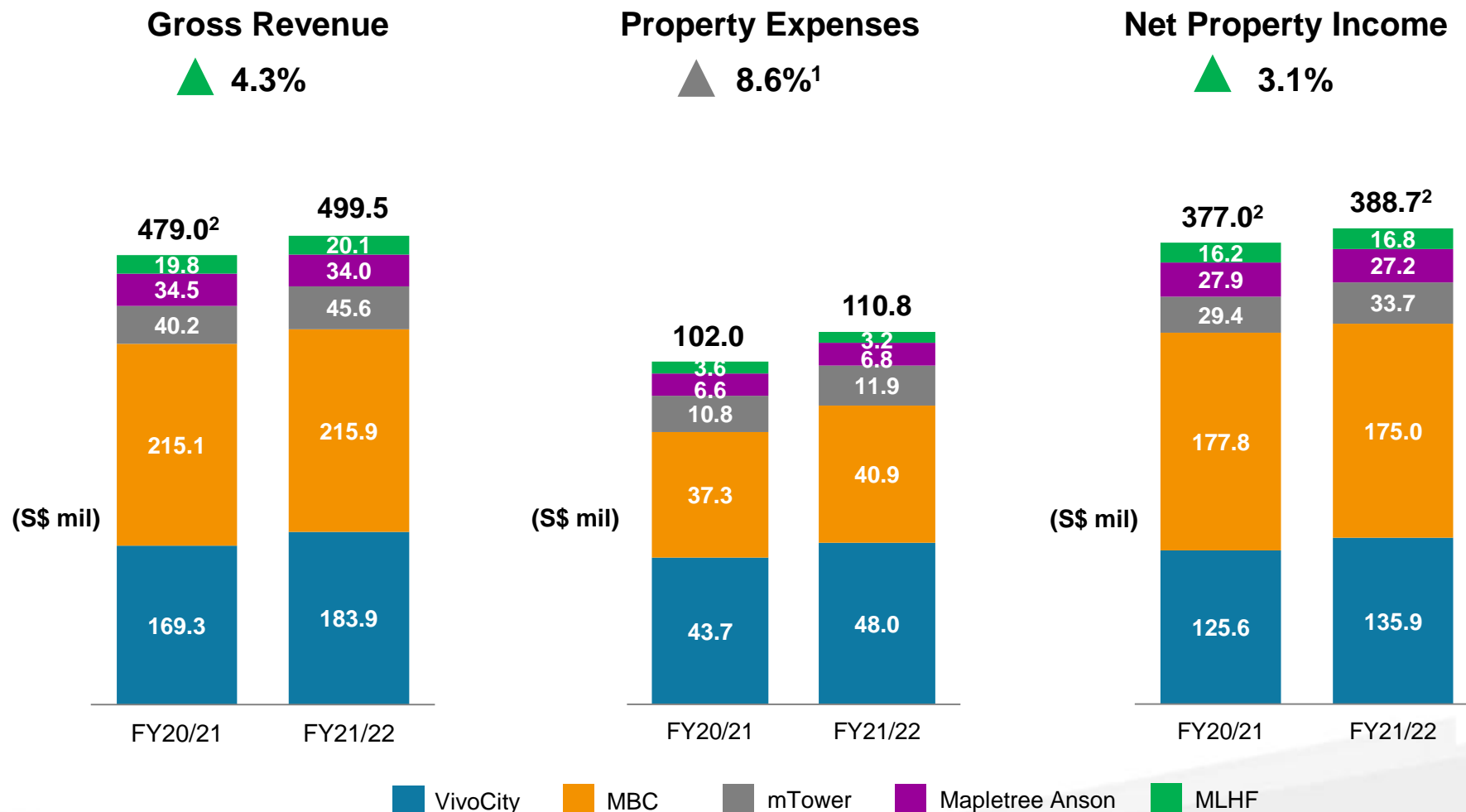
# Portfolio Updates



Mapletree Business City

# FY21/22 Segmental Results

**FY21/22 gross revenue and NPI up 4.3% and 3.1% respectively**  
**Higher revenue from all properties except Mapletree Anson due to transitional vacancy**



1. Mainly due to property tax rebates and higher wage support through the Job Support Scheme received from the government in FY20/21.
2. Total does not add up due to rounding differences.

# Portfolio Occupancy

Higher actual and committed occupancy for all properties with significant improvement at mTower<sup>1</sup>  
Positive leasing momentum for office/business park expected to continue

	March 2021	December 2021	March 2022	
			Actual	Committed <sup>2</sup>
VivoCity	97.1%	98.4%	98.6%	99.2%
MBC	94.2%	92.8%	94.0%	97.3%
mTower	75.5% <sup>3</sup>	75.0%	84.7%	88.0%
Mapletree Anson	100%	92.8%	95.0%	100%
MLHF	100%	100%	100%	100%
<b>MCT Portfolio</b>	<b>93.5%</b>	<b>92.5%</b>	<b>94.3%</b>	<b>97.0%</b>

1. Except for MLHF which continued to be 100% occupied.

2. As at 31 March 2022.

3. Due to a negotiated pre-termination of lease, there was compensation received in 1Q FY21/22 that provided more than a year of lead time for backfilling.

# FY21/22 Leasing Update

**Attained 1.9% portfolio rental reversion in spite of COVID-19 disruptions during the year**

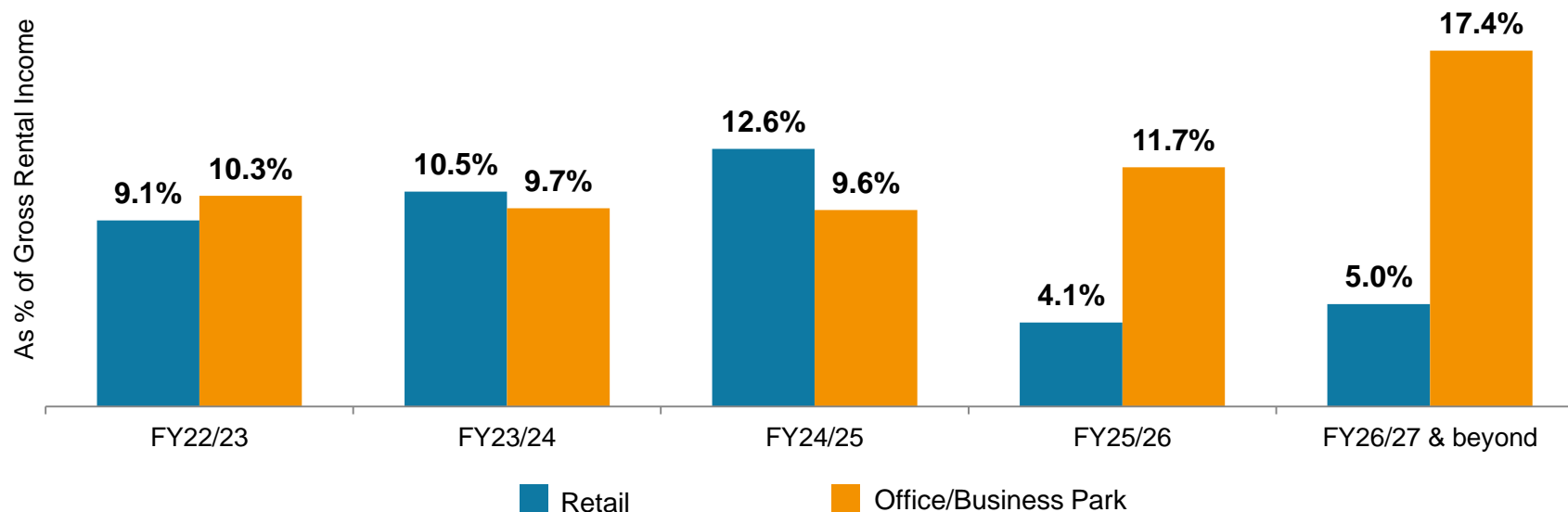
	Number of Leases Committed	Retention Rate (by NLA)	% Change in Fixed Rents <sup>1</sup>
Retail	172	78.6%	2.1% <sup>2</sup>
Office/Business Park	32	87.9%	1.7%
<b>MCT Portfolio</b>	<b>204</b>	<b>86.0%</b>	<b>1.9%</b>

1. On committed basis and calculated based on the average fixed rents over the lease periods of the new committed leases divided by the preceding fixed rents of the expiring leases. Rent reviews are typically not included in such calculations.
2. Includes the effect from trade mix changes and units subdivided and/or amalgamated.

# Lease Expiry Profile (as at 31 March 2022)

## Portfolio resilience supported by manageable lease expiries

Weighted Average Lease Expiry ("WALE")	Committed Basis
Portfolio	2.6 years <sup>1</sup>
Retail	2.1 years
Office/Business Park	2.9 years



1. Portfolio WALE was 2.3 years based on the date of commencement of leases.

## Overall Top 10 Tenants (as at 31 March 2022)

Top ten tenants contributed 27.7%<sup>1</sup> of gross rental income

	Tenant	% of Gross Rental Income
1	Google Asia Pacific Pte. Ltd.	10.5%
2	Merrill Lynch Global Services Pte. Ltd.	3.1%
3	(Undisclosed tenant)	-
4	The Hongkong and Shanghai Banking Corporation Limited	2.8%
5	Info-Communications Media Development Authority	2.4%
6	SAP Asia Pte. Ltd.	2.0%
7	Mapletree Investments Pte Ltd	1.9%
8	NTUC Fairprice Co-operative Ltd	1.9%
9	WeWork Singapore Pte. Ltd.	1.7%
10	Samsung Asia Pte. Ltd.	1.5%
	<b>Total</b>	<b>27.7%<sup>1,2</sup></b>

1. Excluding the undisclosed tenant.

2. Total does not add up due to rounding difference.

# Portfolio Tenant Trade Mix (as at 31 March 2022)

	Trade Mix	% of Gross Rental Income
1	IT Services & Consultancy	19.7%
2	F&B	14.6%
3	Banking & Financial Services	10.1%
4	Fashion	6.7%
5	Government Related	6.6%
6	Fashion Related	4.3%
7	Shipping Transport	3.8%
8	Hypermarket / Departmental Store	3.8%
9	Electronics <sup>1</sup>	3.7%
10	Real Estate	3.6%
11	Beauty	2.8%
12	Consumer Goods	2.8%
13	Pharmaceutical	2.5%
14	Sports	2.5%
15	Electronics <sup>2</sup>	2.3%
16	Lifestyle	2.1%
17	Others <sup>3</sup>	8.1%
	<b>Total MCT Portfolio</b>	<b>100%</b>

1. Refers to tenants in office/business park.

2. Refers to tenants in retail.

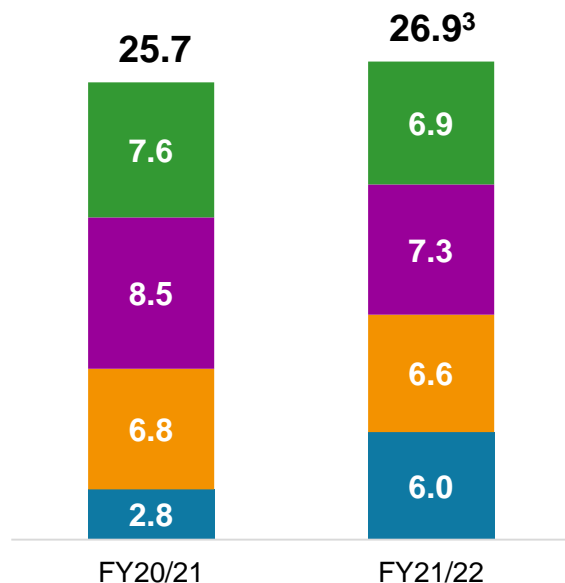
3. Others include Entertainment, Trading, Energy, Optical, Education, Insurance, Retail Bank, Consumer Services, Medical, Services and Convenience.

# VivoCity – Shopper Traffic and Tenant Sales

4Q FY21/22 tenant sales rebounded further by 10.3% in spite of lower shopper traffic  
Strong year-on-year growth also due to stringent COVID-19 measures in 1Q FY20/21<sup>1</sup>

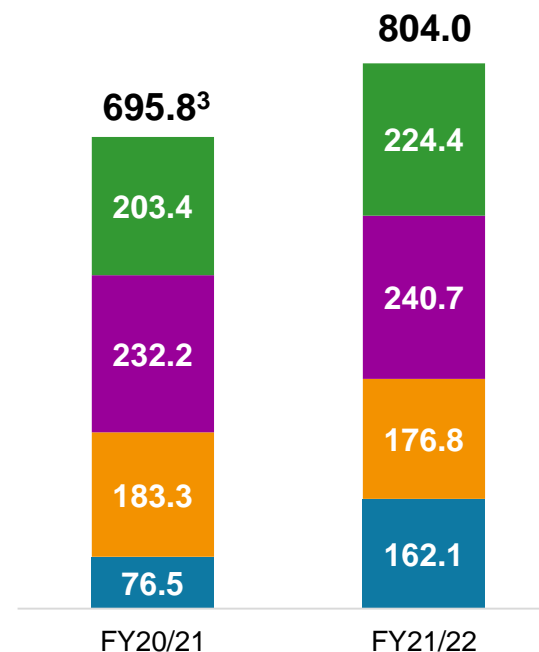
Shopper Traffic (mil)

▲ 4.5%



Tenant Sales (\$ mil)<sup>2</sup>

▲ 15.6%



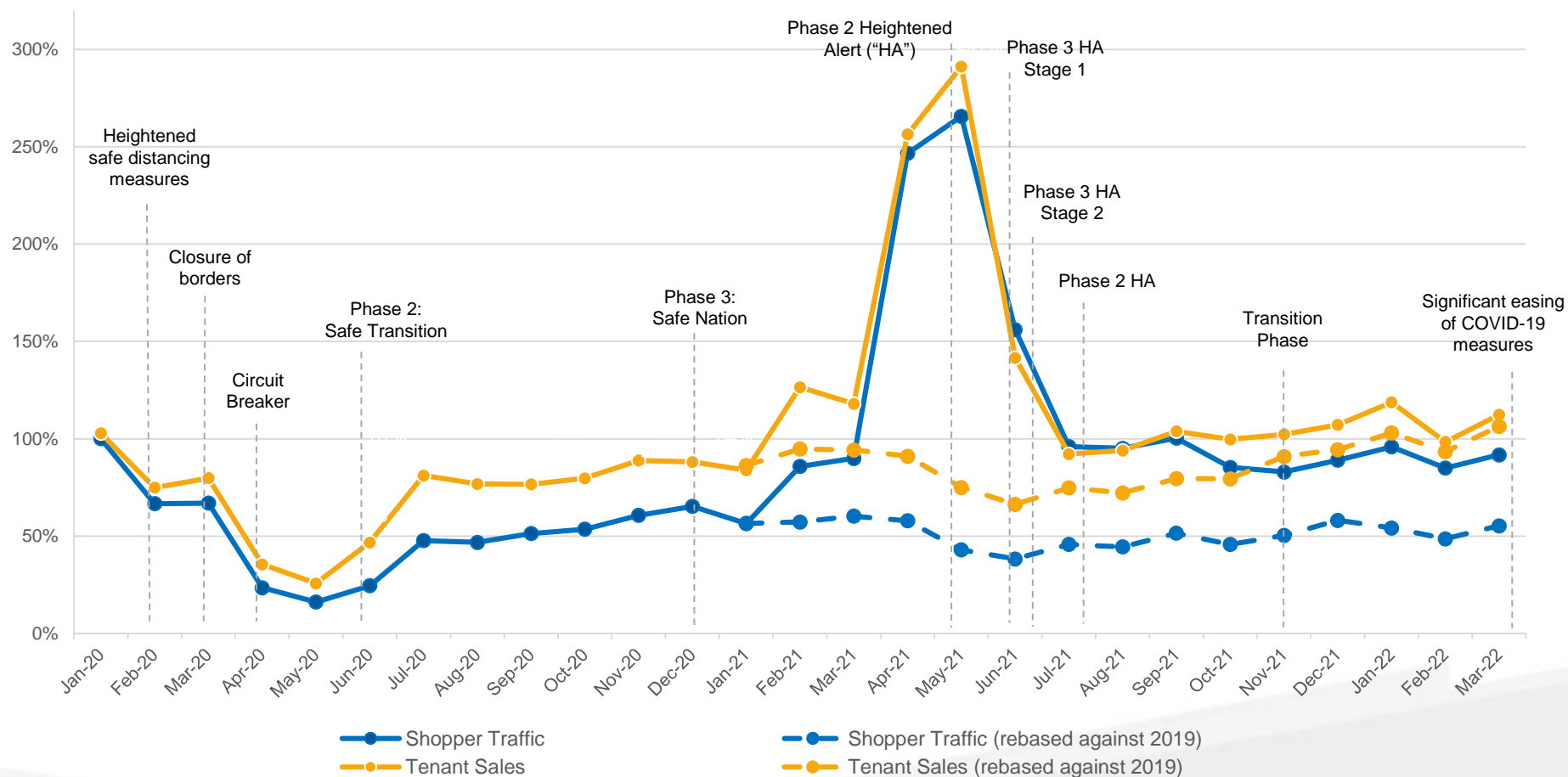
■ 1Q ■ 2Q ■ 3Q ■ 4Q

1. Refers to the circuit breaker from 7 April to 1 June 2020 and Phase One easing of circuit breaker from 2 to 18 June 2020 during which the majority of businesses were closed.
2. Includes estimates of tenant sales for a small portion of tenants
3. Does not add up due to rounding differences.

# VivoCity – Tenant Sales Continued Steady Recovery Momentum in Tandem with Easing COVID-19 Measures

**4Q FY21/22 tenant sales recovered to pre-COVID levels**  
**Significant relaxation of COVID-19 measures<sup>1</sup> expected to benefit VivoCity further**

**Monthly Tenant Sales and Shopper Traffic**  
 (year-on-year comparison)



1. Refers to "Easing of Community Safe Management Measures and Border Measures" announced by Singapore's Ministry of Health on 24 March 2022.

## Tapering rental rebate in tandem with easing COVID-19 restrictions Full year rental rebates to eligible retail tenants totals ~1.4 month<sup>1</sup> of fixed rents

COVID-19 Timeline	
7 Feb 2020	Government raised DORSCON <sup>2</sup> level from yellow to orange
23 Mar 2020	No entry or transit through Singapore for all short-term visitors
7 Apr 2020	Circuit breaker period <ul style="list-style-type: none"> <li>All non-essential industries and retail shall be closed</li> <li>The public is required to stay at home unless for essential services</li> </ul>
2 Jun 2020	Easing of circuit breaker <i>Phase One: Safe Re-opening</i> – majority of business remained closed
19 Jun 2020	Further easing of circuit breaker <i>Phase Two: Safe Transition</i> – most businesses allowed to resume operations; social gatherings allowed in groups of five
28 Sep 2020	Up to 50% of workforce allowed to return to their workplaces
28 Dec 2020	<i>Phase Three: Safe Nation</i> – increased capacity limits for events and activities; social gathering sizes raised from five to eight
5 Apr 2021	More employees (up to 75% of workforce) allowed to return to their workplaces
8 May 2021	<i>Phase Two (Heightened Alert) ("HA")</i> – Tightened circuit breaker measures. Workplace capacity reverted to 50% and social gathering limits reduced to from eight to five
16 May 2021	Cessation of dining-in at all F&B establishments, reduced social gathering limit to two and resumption of work-from-home as default arrangement
Jun to Nov 2021	Stabilisation Phase - Multiple shifts in dine-in and social group limits
10 Nov 2021	Up to five vaccinated individual from same household allowed to dine in
22 Nov 2021	<i>Transition Phase</i> – Increased limits on dining-in and social groups to five fully vaccinated individuals (need not be from same household)
1 Jan 2022	Up to 50% of workforce allowed to return to their workplaces
29 Mar 22	Significant easing of COVID-19 measures <ul style="list-style-type: none"> <li>Social and dine-in group size increased from 5 to 10 persons</li> <li>Up to 75% of workforce allowed to return to their workplaces</li> <li>Mask-wearing optional in outdoor settings</li> </ul>
1 Apr 22	Fully vaccinated visitors can enter Singapore without quarantine requirements

Period	Average quantum of rental rebate/waiver for eligible tenants
March 2020 – March 2021	~4.4 months <sup>3</sup>
FY21/22	~1.4 months
<b>Total to date</b>	<b>~5.8 months</b>



1. Assistance for each tenant is calibrated based on their respective actual sales performance and subject to tenant's acceptance.
2. The DORSCON is a colour-coded framework administered by the Government that shows the current disease situation and provides general guidelines on what needs to be done to prevent and reduce the impact of infections. DORSCON orange signifies an outbreak with moderate to high public health impact and the public has to comply with control measures.
3. Includes the passing on of property tax rebates, cash grants from the Government and other mandated grants to qualifying tenants.

# VivoCity – Continuous Effort in Refreshing Tenant Mix

New and exciting concepts to inject novelty



**Dyson** – Opens its largest Demo Store in Southeast Asia, featuring demonstration zones and “try-before-you-buy” concept



**Una Una** – Popular and wallet-friendly Japanese restaurant specialising in charcoal-grilled unagi



**Burgs** – Halal gourmet burgers at everyday prices



**Flash Coffee** – Tech-enabled coffee chain where ordering coffee is fun and seamless



**Go Noodle House** – Malaysia’s popular Qing Dynasty-inspired restaurant known for its special broth recipe

Note: The above only represents a portion of tenants that were introduced in 2H FY21/22.

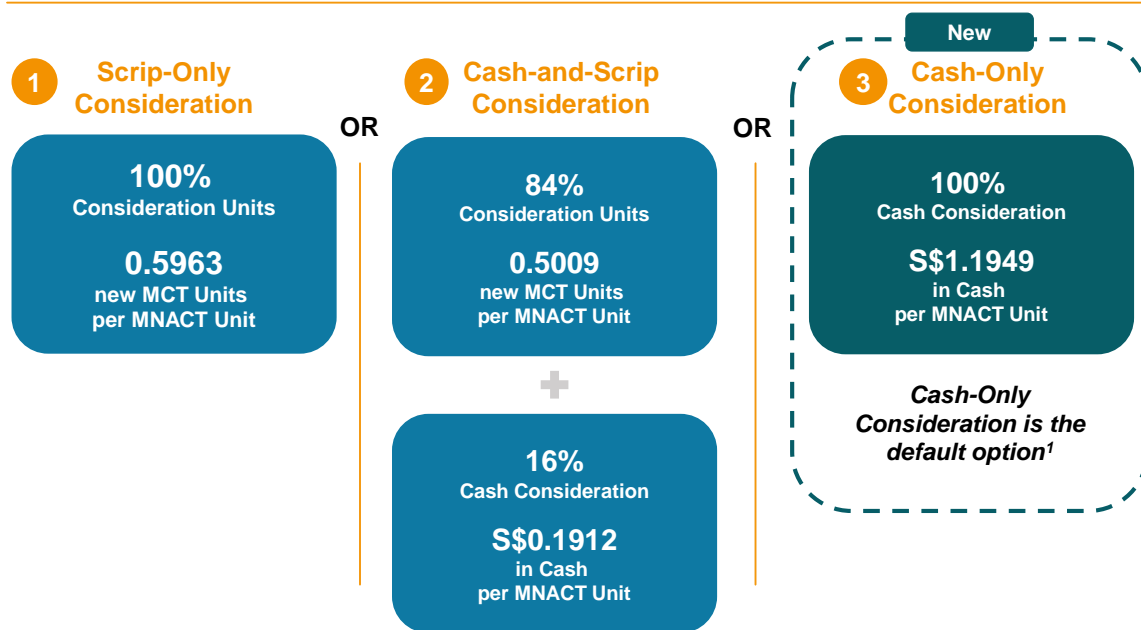
# Proposed Merger with Mapletree North Asia Commercial Trust



# Revision of Trust Scheme and Inclusion of Alternative Cash-Only Consideration

## Cash-Only Consideration to MNACT Unitholders with full backing from Sponsor of up to S\$2.2 billion for MCT's Preferential Offering

### Scheme Consideration Options



Scheme Consideration of S\$1.1949<sup>2</sup> for all three options is in line with MNACT's NAV<sup>3</sup> per Unit, and implies a 1.0x P/NAV for MNACT

### Rationale for Alternative Cash-Only Consideration

- ✓ Commitment to original terms of the Trust Scheme based on a Scheme Issue Price of S\$2.0039 per Consideration Unit and Scheme Consideration of S\$1.1949 per MNACT Unit
- ✓ Pro forma financial effects of the Merger remain intact as compared to the original terms of the Trust Scheme
- ✓ Provides MNACT Unitholders with greater flexibility in choosing to
  - (i) stay invested in the Merged Entity; or
  - (ii) fully realise their investment
- ✓ Safeguards the interests of MCT Unitholders as Merger remains DPU and NAV accretive

Notes: Unitholders shall be entitled to receive and retain any permitted distributions declared by the respective managers in the ordinary course of business in respect of the period from 1 April 2021 or 1 October 2021, as the case may be, up to the day immediately before the date on which the Trust Scheme becomes effective in accordance with its terms ("Effective Date").

- Pursuant to the revised Trust Scheme, the Cash-Only Consideration will be the default form of the Scheme Consideration. MNACT Unitholders who do not make any election or fail to make a valid election for the Scrip-Only Consideration, Cash-and-Scrip Consideration or Cash-Only Consideration shall be deemed to have elected to receive the Cash-Only Consideration if the Trust Scheme becomes effective in accordance with its terms.
- The implied value of the Scrip-Only Consideration and the implied value of the Cash-and-Scrip Consideration of S\$1.1949 is computed by multiplying the illustrative value of one new MCT Unit at the issue price of S\$2.0039, which is determined by reference to the 1-day VWAP per MCT Unit as at 27 December 2021 (i) by 0.5963x under the Scrip-Only Consideration or (ii) by 0.5009x, plus the cash consideration of S\$0.1912 under the Cash-and-Scrip Consideration. The Scheme Issue Price of S\$2.0039 per Consideration Unit may not be equivalent to the market price of, nor reflective of the fair value of, the Consideration Units at the Effective Date and/or the settlement date of the Trust Scheme. Each Consideration Unit may, depending on changing market conditions and sentiments, trade above or below the Scheme Issue Price of each Consideration Unit of S\$2.0039.
- For the purposes of this presentation, unless otherwise stated, all references to Net Asset Value ("NAV") of MNACT is based on MNACT's NAV per unit as at 30 September 2021 and applying the following adjustments: (i) excludes MNACT's reported 1H FY21/22 DPU of 3.426 Singapore cents paid on 24 December 2021; and (ii) assumes that the full valuation of MNACT's investment properties and joint venture held as at 30 September 2021 is based on valuation as at 31 October 2021 as announced on 31 December 2021.

# Preferential Offering by MCT

## MIPL, the Sponsor of MCT and MNACT, has undertaken to subscribe for the Maximum Preferential Offering Units of up to S\$2.2 billion in support of the Merger (“MIPL Undertaking”)

Amount <sup>1</sup> and Use of Proceeds	Up to S\$2.2 billion to finance the additional cash requirement arising from the introduction of the alternative Cash-Only Consideration
Issue Price Under the Preferential Offering	S\$2.0039 (based on the same Scheme Issue Price, which is equivalent to the 1-day VWAP per MCT Unit as at 27 December 2021)
Maximum Preferential Offering Units	Up to 1,094 million
Application Period for MCT Unitholders	Expected to take place by end-July 2022, after the election period for Scheme Consideration by MNACT Unitholders
Voluntary Lock-up by Sponsor	Sponsor has agreed to a voluntary 6-month lock-up of the unitholdings <sup>2</sup> of the MIPL Entities in the Merged Entity following the completion of the Trust Scheme or the Preferential Offering (whichever is earlier)
Conditions of the Preferential Offering	<ul style="list-style-type: none"> <li>• The approval of the requisite resolutions in relation to the Merger by the MCT Unitholders and the MNACT Unitholders</li> <li>• The approval of the Revised Whitewash Resolution by the MCT Unitholders<sup>3</sup></li> <li>• The SGX-ST's approval-in-principle for the listing and quotation of the Preferential Offering Units</li> <li>• The elections for the Scheme Consideration made by the MNACT Unitholders in relation to the Trust Scheme results in the cash component payable by MCT exceeding S\$417.3 million in aggregate</li> <li>• The sanction of the Trust Scheme by the Court</li> </ul>

Notes: For further information, please refer to the 21 March 2022 Joint Announcement, Paragraph 2.2, and the 21 March 2022 MCT Announcement, Paragraph 5.

1. Whether the Preferential Offering will be undertaken, as well as the size of the Preferential Offering, will be determined based on the results of the election by MNACT Unitholders for the different forms of the Scheme Consideration pursuant to the Trust Scheme.
2. Assuming that (I) all MNACT Unitholders (excluding the MIPL Entities) elect to receive the Cash-Only Consideration pursuant to the Trust Scheme, (II) the Preferential Offering is not taken up by any other MCT Unitholder and (III) the MIPL Entities would be required to subscribe for the Maximum Preferential Offering Units for an aggregate subscription consideration of S\$2.2 billion (which is equivalent to the maximum size of the Preferential Offering announced by the MCT Manager), the MIPL Entities would in aggregate hold 57.09% of the total MCT Units in issue immediately after the completion of the Trust Scheme and the Preferential Offering. This figure does not take into consideration any fees that may be payable in MCT Units or MNACT Units to the MCT Manager, the MNACT Manager or MNAPML (in its capacity as property manager of the MNACT Properties) prior to the record date of the Trust Scheme (the “Record Date”) and the record date of the Preferential Offering (the “Preferential Offering Record Date”).
3. On 18 March 2022, the SIC confirmed that each of the existing Whitewash Waiver and the Whitewash Resolution may be extended to include the waiver of the mandatory offer obligation which would arise from the MIPL Entities' acquisition of the Preferential Offering Units (such expanded Whitewash Waiver and the Whitewash Resolution, the “Revised Whitewash Waiver” and the “Revised Whitewash Resolution” respectively).

# Strong Commitment from the Sponsor

Clear demonstration of conviction for the Merger and Trust Scheme, as well as the long term value and articulated strategy of the Merged Entity



- 1 Sponsor has undertaken to subscribe for the Maximum Preferential Offering Units of up to S\$2.2 billion at the issue price of S\$2.0039<sup>1</sup> per MCT Unit to be used to finance the additional cash requirement of the alternative Cash-Only Consideration option
- 2 Sponsor's undertaking to receive 100% Scrip-Only Consideration remains unchanged
- 3 Sponsor has agreed to a voluntary 6-month lock-up of its unitholdings in the Merged Entity<sup>2</sup>  
*Sponsor's resultant stake in MPACT could range from 34.75%<sup>3</sup> to 57.09%<sup>4</sup>, representing its conviction in the Merged Entity*
- 4 Sponsor continues to support the MCT Manager's agreement to waive its acquisition fee entitlement
- 5 Sponsor supports the adoption of REIT management fee structure pegged to distributable income and DPU growth, which will promote closer alignment of interests with unitholders

1. The issue price of S\$2.0039 per MCT Unit under the Preferential Offering is the same as the Scheme Issue Price of each Consideration Unit of S\$2.0039 (being the 1-day VWAP per MCT Unit as at the last trading day immediately prior to 31 December 2021).

2. The lock-up period commences from the earlier of the date of completion of the Trust Scheme and the date of completion of the Preferential Offering (the "Relevant Date") until the date falling six (6) months after the Relevant Date.

3. Based on an aggregate of 5,427,244,574 units in the Merged Entity, assuming all MNACT Unitholders elect to receive the Scrip-Only Consideration. This figure does not take into consideration any fees that may be payable in MCT Units or MNACT Units to the MCT Manager, the MNACT Manager or MNAPML (in its capacity as property manager of the MNACT Properties) prior to the Record Date.

4. Based on an aggregate of 5,218,993,868 units in the Merged Entity, assuming all MNACT Unitholders except MIPL Entities elect to receive the Cash-Only Consideration and MIPL Entities fulfil their Excess Commitment in full. This figure does not take into consideration any fees that may be payable in MCT Units or MNACT Units to the MCT Manager, the MNACT Manager or MNAPML (in its capacity as property manager of the MNACT Properties) prior to the Preferential Offering Record Date.

# Rationale for the Merger Remains Unchanged

maple<sup>re</sup>tree  
commercial

Largest pure-play Singapore commercial REIT  
with longstanding track record in delivering  
stable returns to unitholders



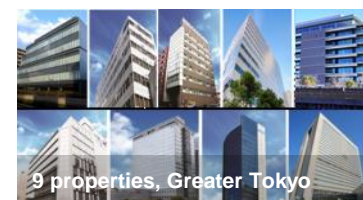
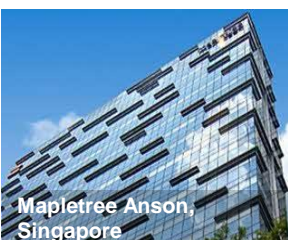
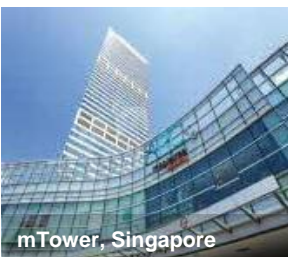
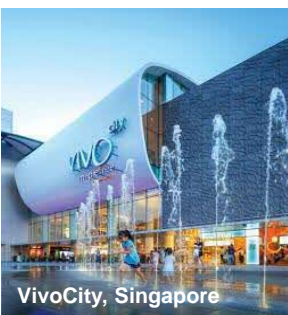
maple<sup>re</sup>tree  
north asia commercial

First and only North Asia focused REIT listed in  
Singapore, with properties in key gateway  
markets including China, Hong Kong SAR<sup>1</sup>,  
Japan and South Korea

## Strength

## Growth

-  Creates a proxy to key gateway markets of Asia
-  Anchored by high quality and diversified portfolio
-  Leapfrogs to top 10 largest REIT in Asia
-  Well-placed to pursue growth opportunities through a ready platform
-  Attractive financial benefits to Unitholders of both MCT and MNACT
-  Strong and continued support from Sponsor



1. Where "Hong Kong SAR" is mentioned, it refers to the Hong Kong Special Administrative Region ("SAR").

Post-Merger, the MCT Manager will adopt tailored “4R” Asset and Capital Management Strategy to drive growth



## Singapore

### Core and Stability

- Will remain a core market to provide underlying portfolio stability



## South Korea

### Step-Up and Grow

- Favourable market dynamics makes it primed for targeted expansion



## Hong Kong SAR

### Recovery

- Focus on the stabilisation and improvement of Festival Walk before considering further expansion



## Japan

### Rebalance

- Capitalise on opportunities to recycle capital



## China

### Harvest and Grow

- Focus on maintaining high occupancy levels and seeking opportunistic acquisitions in office and office-like business park assets



Drive NPI and DPU growth through cross-pollination of teams and active asset management while capitalising on market recovery



Unlock value through selective strategic divestments at an opportune time



Focus on accretive acquisitions of office and office-like business park assets in key gateway cities, anchored by tenants in high growth sectors and leveraging on the enlarged balance sheet and enhanced financial flexibility

# Unitholders' Approvals to be obtained at EGM

**EGM targeted to be held by end-May 2022**

**Subject to relevant approvals, Trust Scheme expected to take effect by end-August 2022**

	Approvals	Requirements	Parties to abstain
	<u>At the MCT EGM</u>		
1	<b>Proposed merger of MCT and MNACT by way of a trust scheme of arrangement as an interested person transaction</b> (Ordinary Resolution)	<ul style="list-style-type: none"> <li>More than 50% of the total number of votes cast</li> <li>Based on the number of MCT Units held by MCT Unitholders present and voting either in person or by proxy at the EGM</li> </ul>	<ul style="list-style-type: none"> <li>The Sponsor and its associates, including the MIPL Entities which in aggregate hold 32.61% of the total MCT Units in issue<sup>1</sup>, will abstain from voting on Resolution 1, 2 and 4</li> <li>The Sponsor and its concert parties, and parties not independent of them, including the MIPL Entities which in aggregate hold 32.61% of the total MCT Units in issue<sup>1</sup>, will abstain from voting on Resolution 3</li> <li>For good corporate governance, non-independent directors will also abstain from voting on all resolutions</li> </ul>
2	<b>Issuance of new MCT units as part of the consideration for the Merger</b> (Ordinary Resolution)	<ul style="list-style-type: none"> <li>More than 50% of the total number of votes cast</li> <li>Based on the number of MCT Units held by MCT Unitholders present and voting either in person or by proxy at the EGM</li> </ul>	
3	<b>The waiver of the requirement for MIPL and its Concert Parties to make a mandatory general offer for MCT as a result of the increase in its unitholding in MCT pursuant to the Trust Scheme and the Preferential Offering</b> (Ordinary Resolution)	<ul style="list-style-type: none"> <li>More than 50% of the total number of votes cast</li> <li>Based on the number of MCT Units held by MCT Unitholders present and voting either in person or by proxy at the EGM</li> </ul>	
4	<b>Change in MCT Fee Structure and any required subsequent changes to the Trust Deed</b> (Extraordinary Resolution)	<ul style="list-style-type: none"> <li>Not less than 75% of the total number of votes cast</li> <li>Based on the number of MCT Units held by MCT Unitholders present and voting either in person or by proxy at the EGM</li> </ul>	

***In the event that Resolutions 1, 2 and 3 are passed but Resolution 4 is not passed, the MCT Manager will proceed with the Merger and MCT's existing fee structure will continue to apply to the Merged Entity, if the Trust Scheme becomes effective in accordance with its terms.***

***In the event any one of Resolutions 1, 2 or 3 is not passed but Resolution 4 is passed, the MCT Trust Deed Amendments will not be adopted and MCT's existing fee structure will continue to apply to MCT.***

1. For the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, each of Temasek, Fullerton and MIPL are "interested persons" and will, pursuant to Rule 919 of the Listing Manual and Paragraph 5.2(b) of the Property Funds Appendix, abstain, and procure that their associates abstain, from voting on the relevant resolutions approving the Merger.

# Outlook



## Singapore Economy

- Based on the Ministry of Trade and Industry's ("MTI") advanced estimates, the Singapore economy grew by 3.4% on a year-on-year basis in the first quarter of 2022, moderating from the 6.1% growth recorded in the previous quarter. On a quarter-on-quarter seasonally adjusted annualised basis, the economy expanded by 0.4%, slower than the 2.3% growth in the previous quarter.
- The Monetary Authority of Singapore and MTI expect global inflation to stay high for some time before easing in the latter half of the year. In the near term heightened geopolitical risks and tight supply conditions will keep crude oil prices elevated. While ongoing external supply constraints should ease in the second half of 2022, leading to some moderation in imported inflation, there remain upside risks to inflation from geopolitical and pandemic-related shocks.

## Retail

- According to CBRE, retail indicators have continued to show signs of recovery. Business expectations improved further with the end of work-from-home as a default since 1 January 2022 and the doubling in group size for dine-in effective 29 March 2022. Amid a strong economic recovery in 2021 and a rise in tourist arrivals, retailers are optimistic in view of an eventual return of tourist spending and the return of employees to the office.
- While domestic and travel restrictions have eased, and shopper traffic has improved, the persistent rise in energy and raw material costs, as well as manpower shortage are now posing additional challenges to retailers. Nonetheless, new retail supply in the next few years is relatively limited and should support a more meaningful retail rent recovery after H2 2022.

## Office

- CBRE noted the positive leasing momentum from 2021 carried over to Q1 2022. Non-bank financial institutions and technology companies remain as key demand drivers, but sectors such as pharmaceutical and fast-moving consumer goods also saw significant activity.
- With the prevailing tight vacancy in the Core CBD (Grade A) market, so much demand has spilled over to the other submarkets. The office sector is poised to benefit from a growth in office demand as workplace measures were further relaxed and rental growth should gain momentum in the coming quarters.

## Business Park

- Leasing demand in the business park market remained steady, with pharmaceutical and biomedical companies actively seeking to expand their R&D and lab facilities. Other demand drivers include the tech and chemicals sector. Leasing activity for back-end operations of banks took a backseat, as consolidation and downsizing activities remained a common theme with firms adopting flexible working practices.
- The outlook for the business park market is expected to face less uncertainty with the relaxation of workplace measures and leasing momentum should pick up in the coming quarters.

## Overall

- Singapore has significantly relaxed COVID-19 measures, including raising the limits for dining-in and social gatherings, allowing more employees to return to their workplaces and reopening the borders. While these are expected to benefit MCT's portfolio, downside risks could materialise from global geopolitical uncertainties, rising energy prices and interest rate hikes.
- As more economic activities resume and international travelling progressively returns to normalcy, we will remain proactive and nimble in managing our assets, with a focus on maintaining healthy portfolio occupancy and steady rental income, while managing costs in a sustainable manner.
- Anchored by a well-diversified portfolio with key best-in-class assets, MCT is expected to derive stable cashflows from high quality tenants. MCT's overall resilience will place the vehicle well to ride through the pandemic and further economic cycles.



# Thank You

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