



(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 25 August 2005 (as amended))

ANNOUNCEMENT

THE PROPOSED ACQUISITION OF THE PROPERTY (COMPRISING MAPLETREE BUSINESS CITY (PHASE 2) AND THE COMMON PREMISES) THROUGH THE ACQUISITION OF THE SHARES OF MAPLETREE BUSINESS CITY PTE. LTD., AS AN INTERESTED PERSON TRANSACTION

1. INTRODUCTION

27 September 2019 - Mapletree Commercial Trust Management Ltd., in its capacity as manager of Mapletree Commercial Trust (“MCT” and as manager of MCT, the “**Manager**”), is pleased to announce that DBS Trustee Limited, in its capacity as trustee of MCT (the “**Trustee**”), and 80 Alexandra Pte. Ltd. (“**80 Alexandra**”, and together with the Trustee, the “**Purchasers**”) have on 26 September 2019 entered into a conditional share purchase agreement (the “**Share Purchase Agreement**”) with Heliconia Realty Pte Ltd (the “**Vendor**”) and Mapletree Dextra Pte. Ltd. (“**Dextra**”), each a direct wholly-owned subsidiary of Mapletree Investments Pte Ltd (“**MIPL**” or the “**Sponsor**”), to acquire Mapletree Business City (Phase 2) located at 40, 50, 60, 70 and 80 Pasir Panjang Road, Singapore 117383/117384/117385/117371/117372 including the common property (carpark, landscape areas, driveways and walkways) (“**Mapletree Business City (Phase 2)**” or “**MBC II**”) and the common carpark, multi-purpose hall, retail area and common property (including the landscape areas, driveways and walkways) located at 10, 20, 30 Pasir Panjang Road Singapore 117438/117439/117440 (the “**Common Premises**”, and together with Mapletree Business City (Phase 2), the “**Property**”) through the acquisition of 100.0% of the ordinary shares (“**Sale Shares**”) in the issued share capital of Mapletree Business City Pte. Ltd. (“**MBCPL**”, and the acquisition of the Sale Shares, the “**Acquisition**”).

In connection with the Acquisition, the Trustee has on 26 September 2019 completed the acquisition of the entire issued and paid-up share capital of 80 Alexandra, a special purpose vehicle which has been incorporated for the purpose of the Acquisition.

The Manager intends to finance part of the total cost of the Acquisition (the “**Total Acquisition Cost**”) for the Property of approximately S\$1,575.8 million through the net proceeds raised from the issuance of up to 500.0 million new units in MCT (“**Units**”, and the new Units, the “**New Units**”) pursuant to an equity fund raising (the “**Equity Fund Raising**”). The balance of the Total Acquisition Cost would be funded by a drawdown of the new loan facilities of up to an aggregate amount of S\$800.0 million, comprising (i) a five-year term loan facility, (ii) a six-year term loan facility, (iii) a seven-year term loan facility and (iv) a six-year revolving credit facility (collectively, the “**New Loan Facilities**”) and/or existing loan facilities granted to MCT (the “**Existing Loan Facilities**”, and together with the New Loan Facilities, the “**Loan Facilities**”).

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2. THE PROPOSED ACQUISITION OF THE PROPERTY

2.1 Description of the Property

The Property comprises Mapletree Business City (Phase 2) and the Common Premises. The Property, together with the office and business park complex located at 10, 20, 30 Pasir Panjang Road Singapore 117438/117439/117440 (“**Mapletree Business City (Phase 1)**” or “**MBC I**”, and together with the Property, “**Mapletree Business City Development**”), forms Mapletree Business City Development and is one of the largest integrated office and business park developments in Singapore with Grade A building specifications. Mapletree Business City Development, together with PSA Building (which is currently owned by MCT), forms the Alexandra Precinct, which spans 13.5 hectares and comprises high quality developments catering to a wide range of office and business park uses, is located in the Queenstown Planning Area along Alexandra Road/Telok Blangah Road (the “**Alexandra Precinct**”).

Mapletree Business City Development has excellent transport connectivity and is approximately a 10-minute drive from the Central Business District of Singapore (the “**CBD**”). It is well-served by major roads and expressways such as the West Coast Highway, the Ayer Rajah Expressway and the Marina Coastal Expressway. Extensive bus services run through the surrounding area. All blocks in Mapletree Business City Development are linked by elevated covered walkways, which also provide connectivity to the adjacent PSA Building, as well as to Labrador Park MRT Station.

The Property has a net lettable area (“**NLA**”) of 1,184,704 square feet (“**sq ft**”) (as at 31 August 2019) and comprises four blocks of business park space (MBC 50, 60, 70 and 80 with a total NLA of 1,167,106 sq ft) and retail space with a total NLA of 17,598 sq ft. Mapletree Business City Development is zoned business park (with 15% white and gross plot ratio of 2.8) with a land tenure of 99 years leasehold commencing 1 October 1997. This is in line with the land tenures for commercial developments as opposed to the typical business park properties which have land tenures of 60 years leasehold.

Offering commanding views of the sea and surrounding parks, MBC II’s 30-storey business park tower terraces down to eight, six and five-storey blocks and is set amidst 2.8 hectares of lush landscape. The carpark podium, which is linked to all blocks in Mapletree Business City Development, provides 2,001 carpark lots over two levels and serves both MBC I and MBC II. Amenities within Mapletree Business City Development include modern conference facilities, a 294-seat auditorium, an on-site gym with a 44 metre-long heated pool, sporting facilities such as an outdoor running track, tennis, futsal and basketball courts, a garden amphitheatre for arts events and performances, as well as a wide assortment of food and beverage (“**F&B**”) options. Mapletree Business City Development is also directly linked via elevated covered walkways to Alexandra Retail Centre (“**ARC**”). ARC has a wide range of tenants, which include F&B establishments, retail outlets and service trades as well as a supermarket, providing amenities to the growing working population within the Alexandra Precinct.

Completed in 2016, MBC II has been designed with environmentally friendly features and has garnered numerous local and international awards including the prestigious Building and Construction Authority of Singapore (“**BCA**”) Green Mark Platinum Award, BCA Universal Design Mark (Platinum) Award and Leadership in Energy and Environmental Design Gold certification.

Since its completion in 2016, MBC II has attracted a strong and diverse tenant base comprising many well-known and reputable multinational corporations (“**MNCs**”), and enjoys a committed occupancy rate of 99.4% (as at 31 August 2019).

Further details of the Property will be set out in the circular to Unitholders dated 27 September 2019 (the “**Circular**”).

2.2 Total Consideration and Valuation

Pursuant to the Share Purchase Agreement dated 26 September 2019, the Purchasers will acquire the Property through the acquisition of the Sale Shares.

The total purchase consideration payable by the Purchasers in connection with the Acquisition is S\$884.9 million (the “**Total Consideration**”). The Trustee and 80 Alexandra shall each be responsible for 99.9% and 0.1% of the Total Consideration respectively. The Total Consideration is derived from the adjusted net asset value (the “**Adjusted Net Asset Value**”) of MBCPL (based on the pro forma completion balance sheet of MBCPL as at 31 July 2019 and subject to completion adjustments up to the day preceding the date of completion of the Acquisition (“**Completion**”, and the date of Completion, the “**Completion Date**”)) after taking into account, among others, the agreed value of the Property of S\$1,550.0 million (the “**Agreed Property Value**”), less the intercompany loans of approximately S\$665.0 million¹ owed by MBCPL to the Vendor and Mapletree Treasury Services Limited, a wholly-owned subsidiary of MIPL (collectively, the “**Intercompany Loan**”) which shall be fully repaid on the Completion Date upon the drawdown of the New Loan Facilities, taken up to part-finance the Total Acquisition Cost.

The Agreed Property Value of S\$1,550.0 million was arrived at on a willing-buyer and willing-seller basis after taking into account the two independent valuations of the Property.

The Trustee has commissioned an independent property valuer, Savills Valuation and Professional Services (S) Pte. Ltd. (“**Savills**”) and the Manager has commissioned another independent property valuer, CBRE Pte. Ltd. (“**CBRE**”, and together with Savills, the “**Independent Valuers**”) to value the Property. According to the independent valuation reports² issued by Savills and CBRE, the market value of the Property as at 31 August 2019 is S\$1,552.0 million and S\$1,560.0 million respectively. In arriving at the market value, the Independent Valuers relied on the income capitalisation approach and the discounted cash flow analysis. The average appraised value of the Property by the Independent Valuers is S\$1,556.0 million as at 31 August 2019.

The Agreed Property Value of S\$1,550.0 million is in line with the appraised values of the Independent Valuers.

2.3 Estimated Total Acquisition Cost

The Total Acquisition Cost is estimated to be approximately S\$1,575.8 million, comprising:

- (a) the Total Consideration which is estimated to be S\$884.9 million, subject to post-Completion adjustments to the Adjusted Net Asset Value of MBCPL;
- (b) the repayment of the entire Intercompany Loan on the Completion Date;
- (c) the acquisition fee payable in Units³ to the Manager for the Acquisition (the “**Acquisition Fee**”) of approximately S\$7.8 million (representing 0.5% of the Agreed Property Value); and

¹ Based on the amount expected to be outstanding on the Completion Date.

² The independent valuation reports issued by Savills and CBRE are dated 31 August 2019.

³ As the Acquisition will constitute an “interested party transaction” under the Property Funds Appendix issued by the Monetary Authority of Singapore (“MAS”), the Acquisition Fee will be in the form of Units (the “Acquisition Fee Units”), which shall not be sold within one year from the date of issuance in accordance with Paragraph 5.7 of the Property Funds Appendix.

- (d) the estimated stamp duty, professional and other fees and expenses of approximately S\$18.1 million incurred or to be incurred by MCT in connection with the Acquisition, the Equity Fund Raising and the New Loan Facilities.

2.4 Interested Person Transaction and Interested Party Transaction

As at 19 September 2019, being the latest practicable date prior to the printing of the Circular (the “**Latest Practicable Date**”), MIPL holds, through its wholly-owned subsidiaries, an aggregate interest in 992,114,110 Units, which is equivalent to approximately 34.3% of the total number of Units in issue. MIPL is therefore regarded as a “controlling unitholder” of MCT under both the listing manual of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”, and the listing manual of the SGX-ST, the “**Listing Manual**”) and Appendix 6 of the Code on Collective Investment Schemes (the “**Property Funds Appendix**”). In addition, as the Manager is a wholly-owned subsidiary of MIPL, MIPL is therefore regarded as a “controlling shareholder” of the Manager under both the Listing Manual and the Property Funds Appendix.

As the Vendor is a direct wholly-owned subsidiary of MIPL, the Vendor (being a wholly-owned subsidiary of both a “controlling unitholder” of MCT and a “controlling shareholder” of the Manager), is (for the purposes of the Listing Manual) an “interested person” and (for the purposes of the Property Funds Appendix) an “interested party” of MCT.

Therefore, the Acquisition will constitute an “interested person transaction” under Chapter 9 of the Listing Manual as well as an “interested party transaction” under the Property Funds Appendix, in respect of which the approval of unitholders of MCT (the “**Unitholders**”) is required.

2.5 Certain Terms and Conditions of the Share Purchase Agreement

The principal terms of the Share Purchase Agreement include, among others, the following conditions precedent:

- (i) in respect of the State leases (as amended and supplemented) issued by the President of the Republic of Singapore and his successors-in-office (the “**State Lessor**”) in respect of Mapletree Business City Development, the approval of the State Lessor for the assignment of the Property to the limited liability partnership to which MBCPL will be converted upon completion of the Acquisition (“**MBC LLP**”), and if such approval is given subject to conditions, such conditions being acceptable to the Vendor and the Purchasers acting reasonably;
- (ii) the approval of the Unitholders at the extraordinary general meeting of Unitholders to be convened to approve the Acquisition;
- (iii) the receipt of an in-principle approval from Inland Revenue Authority of Singapore to grant relief from stamp duties for the transfer of assets under Section 15(1A) of the Stamp Duties Act arising from the proposed conversion of MBCPL to MBC LLP, and there not having occurred any withdrawal of such in-principle approval and, if applicable, the conditions to such in-principle approval having been fulfilled;
- (iv) the receipt of approval in-principle of the SGX-ST for the listing and quotation of the New Units to be issued pursuant to the Equity Fund Raising, and there not having occurred any revocation or withdrawal of such approval;
- (v) the listing and commencement of trading of the New Units to be issued pursuant to the Private Placement (as defined herein);
- (vi) the receipt by the Purchasers of the proceeds of the Private Placement and/or external

borrowings to fully fund the Acquisition;

- (vii) there being no compulsory acquisition of the whole or any part of the Property which, in the reasonable opinion of the Purchasers, acting on the recommendation of the Manager, will have an adverse effect on the financial condition, prospects, earnings, business, undertaking or assets of MCT or on the Property, in each case, taken as a whole, and no notice of such intended compulsory acquisition has been given, by the government or other competent authority; and
- (viii) there being no material damage to the Property and/or the plant and equipment in the Property and no material breach of the warranties which, in the reasonable opinion of the Purchasers acting on the recommendation of the Manager, will have a material adverse effect on the financial condition, prospects, earnings, business, undertaking or assets of MCT or on the Property, in each case, taken as a whole.

3. RATIONALE FOR AND KEY BENEFITS OF THE ACQUISITION

The Manager believes that the Acquisition will bring the following key benefits to Unitholders:

3.1 Owning the workplace of the future

- (i) **Campus for the workforce of the future** – Grade A building specifications and comprehensive suite of amenities amidst 2.8 hectares of lush landscape
- (ii) **Excellent location and connectivity** – closest business park to the CBD
- (iii) **Award-winning eco-friendly features** – attracts modern and high quality tenants, and delivers energy and cost savings
- (iv) **Beneficiary of decentralisation and flight to quality**
 - a. A cost-efficient alternative to the CBD – almost half the rent at similar quality
 - b. 52.9% of the Property's business park tenants have relocated from the CBD
 - c. 29.4% of the Property's business park tenants have relocated to the Property in pursuit of higher quality space

3.2 Asset class provides steady rental growth at low volatility

- (i) **City fringe business parks have experienced steady rental growth over the past five years** – supported by low vacancies compared to business parks in the rest of the island
- (ii) **Limited supply supports stable rents and occupancies** – upcoming city fringe business park supply consists of only two built-to-suit facilities

3.3 Stable cashflows with embedded rental growth from high quality tenants

- (i) **Proven demand from key growth industries** – 78.8%⁴ of gross rental income from the technology sector

⁴ As at 31 August 2019.

- (ii) **MNC tenants with strong credit quality** – over 80% of gross rental income from tenants with strong credit ratings⁵
- (iii) **High occupancy with embedded rental step-ups** – 99.4%⁶ committed occupancy, with approximately 97% of leased NLA having contractual step-ups

3.4 Further enhances MCT's portfolio

- (i) **Solidifies MCT's leadership in the Greater Southern Waterfront⁷** – prime beneficiary of Singapore's latest 2,000 hectares urban transformation project
- (ii) **Completes MCT's control over the entire Alexandra Precinct** – which delivers greater flexibility and economies of scale
- (iii) **Further enhances and diversifies MCT's income streams** – technology sector becomes the largest industry within MCT's tenant trade mix
- (iv) **Increases MCT's size, free float and liquidity** – 21.1% increase in total valuation

3.5 Attractive valuation and NPI, DPU and NAV accretive

- (i) **Higher net property income (“NPI”) yield than MCT's existing portfolio**
- (ii) **4.0%⁸ distribution per Unit (“DPU”) accretion**
- (iii) **2.2%⁹ net asset value (“NAV”) per Unit accretion**

4. THE PROPOSED ISSUE OF UP TO 500.0 MILLION NEW UNITS UNDER THE EQUITY FUND RAISING

The Manager proposes to issue up to 500.0 million New Units pursuant to the Equity Fund Raising to partially fund the cash portion of the Total Acquisition Cost (which comprises the Total Acquisition Cost less the Acquisition Fee which is payable in Units).

The balance of the Total Acquisition Cost would be funded by a drawdown of the Loan Facilities. The final decision regarding the proportion of equity and debt to be employed to fund the Acquisition will be made by the Manager at the appropriate time taking into account the then prevailing market conditions to provide overall DPU and NAV accretion to Unitholders, while maintaining an optimum level of leverage.

The structure and timing of the Equity Fund Raising have not been determined. If and when the Manager decides to undertake the Equity Fund Raising, the Equity Fund Raising may, at the Manager's absolute discretion, comprise:

- (a) a private placement of New Units to institutional and other investors (the “**Private Placement**”); and/or
- (b) a non-renounceable preferential offering of New Units to the existing Unitholders on a *pro rata* basis (the “**Preferential Offering**”).

The structure and timing of the Equity Fund Raising, as well as the issue price of the New Units (the “**Issue Price**”) will be determined in accordance with, among others, Chapter 8 of the

⁵ Based on tenants' parent company having S&P Credit Rating of A (or equivalent) and above.

⁶ As at 31 August 2019.

⁷ “Greater Southern Waterfront” means Singapore's southern waterfront comprising 2,000 hectares of land with 30 kilometres of coastline which extends from Marina East to Pasir Panjang.

⁸ Please refer to paragraph 6.2 of this announcement for further details.

⁹ Please refer to paragraph 6.3 of this announcement for further details.

Listing Manual. The Issue Price for the New Units under the Private Placement and/or Preferential Offering will comply with Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than 10.0% discount to the volume weighted average price for trades done on the SGX-ST for the full market day on which the underwriting agreement to be entered into between the Manager and the Joint Global Co-ordinators and Bookrunners (the “**Underwriting Agreement**”) is signed, or (if trading in the Units is not available for a full market day) for the preceding market day up to the time the Underwriting Agreement is signed, excluding (where applicable) declared distributions provided that the holders of the New Units are not entitled to the declared distributions.

In the event that the Equity Fund Raising comprises a Private Placement and a Preferential Offering, the Issue Price of New Units pursuant to the Private Placement may differ from the Issue Price of New Units pursuant to the Preferential Offering.

The Manager has appointed Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd. and UBS AG, Singapore Branch as Joint Global Co-ordinators and Bookrunners to the Equity Fund Raising (the “**Joint Global Co-ordinators and Bookrunners**”) and will work with the Joint Global Co-ordinators and Bookrunners to determine the structure of the Equity Fund Raising, the timing for the Equity Fund Raising and the Issue Price, taking into account market conditions and other factors that the Manager and the Joint Global Co-ordinators and Bookrunners may consider relevant. The Manager will announce details of the Equity Fund Raising at the appropriate time.

Further details of the Equity Fund Raising will be set out in the Circular.

4.1 Undertaking by the Sponsor

To demonstrate its support for MCT and the Equity Fund Raising, the Sponsor, which owns an aggregate interest of approximately 34.3% of the total number of issued Units in issue through its wholly-owned subsidiaries as at the Latest Practicable Date, has irrevocably undertaken to the Manager and the Joint Global Co-ordinators and Bookrunners on 26 September 2019 (the “**Undertaking**”) that, among other things, in the event that the Equity Fund Raising includes a Preferential Offering:

- (i) subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), and in accordance with the terms and conditions of the Preferential Offering, it will accept, or procure that its subsidiaries (the “**Relevant Entities**”) accept, subscribe and pay in full for its and the Relevant Entities’ total provisional allotment of the Preferential Offering Units; and
- (ii) (subject to and conditional upon the approval of the Whitewash Resolution (as defined herein) by Unitholders other than MIPL and parties acting in concert with it (the “**Concert Party Group**”) or parties not independent of them (the “**Independent Unitholders**”)), in the event that the Equity Fund Raising includes a Private Placement in addition to the Preferential Offering, it will, in addition to paragraph (i) above, apply for, and/or procure the application of such number of excess Units under the Preferential Offering (the “**Sponsor Excess Units**”) in accordance with the terms and conditions of the Preferential Offering, so that if it and/or the Relevant Entities are fully allotted the Sponsor Excess Units, MIPL would maintain its percentage unitholding at the level immediately prior to the Private Placement (the “**Pre-Placement**”).

Percentage)¹⁰. For the avoidance of doubt, MIPL, among others, will rank last in the allocation of excess Unit applications. If the Whitewash Resolution is not approved, the Undertaking shall apply only to MIPL's and the Relevant Entities' total provisional allotment of the Preferential Offering.

It is intended that in the event the number of excess New Units under the Preferential Offering, even if fully allotted to MIPL and/or its Relevant Entities, would not be sufficient for MIPL to maintain its Pre-Placement Percentage, MIPL would apply for, and/or procure the application by the Relevant Entities of, the maximum number of excess New Units under the Preferential Offering.

5. THE WHITEWASH RESOLUTION IN RELATION TO THE CONCERT PARTY GROUP

The Securities Industry Council (the "**SIC**") has on 20 September 2019 granted a waiver (the "**SIC Waiver**") of the requirement for the Concert Party Group to make a mandatory offer ("**Mandatory Offer**") for the remaining Units not owned or controlled by the Concert Party Group, in the event that they incur an obligation to make a Mandatory Offer pursuant to Rule 14 of The Singapore Code on Take-overs and Mergers (the "**Code**") as a result of:

- (a) the issuance of New Units under the Private Placement (the "**Private Placement Units**") such that MIPL's percentage unitholding would decrease, as MIPL will not be participating in the Private Placement;
- (b) the subscription by MIPL and/or the Relevant Entities of the New Units to be issued under the Preferential Offering (the "**MIPL Preferential Offering Units**") in accordance with the terms of the Undertaking, such that MIPL's percentage unitholding after the completion of the Preferential Offering will not exceed its Pre-Placement Percentage;
- (c) the receipt by the Manager in its personal capacity of approximately 3.7 million Acquisition Fee Units¹¹; and
- (d) the receipt by the Manager in its personal capacity of approximately 1.1 million Units (the "**2Q Management Fee Units**") as payment for the management fees for the period from 1 July 2019 to 30 September 2019 ("**2Q 2019/20**", and the management fees for 2Q 2019/20, the "**2Q Management Fee**") that the Manager in its personal capacity is entitled to for 2Q 2019/20¹².

The SIC granted the waiver subject to *inter alia*, the satisfaction of the following conditions:

- (a) a majority of Unitholders approve at a general meeting, before the issue of the New Units to Unitholders pursuant to the Preferential Offering (the "**Preferential Offering Units**"), the Acquisition Fee Units, or the 2Q Management Fee Units (collectively, the "**Proposed Issuance of Units**"), the whitewash resolution by way of a poll to waive their rights to receive a Mandatory Offer from the Concert Party Group (the "**Whitewash Resolution**");
- (b) the Whitewash Resolution is separate from other resolutions;
- (c) the Concert Party Group and parties not independent of them abstain from voting on

¹⁰ In the event that the Equity Fund Raising comprises a Private Placement and a Preferential Offering and the Preferential Offering follows after the Private Placement, the Sponsor's percentage unitholding will decrease immediately after the Private Placement as the Sponsor will not be participating in the Private Placement.

¹¹ This is based on an illustrative issue price of S\$2.10 per Acquisition Fee Unit.

¹² This is based on an illustrative issue price of S\$2.04 per 2Q Management Fee Unit.

the Whitewash Resolution;

- (d) the Concert Party Group did not acquire or are not to acquire any units or instruments convertible into and options in respect of units in MCT (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Units which have been disclosed in the Circular):
 - (i) during the period between the first announcement of the Acquisition and the date Unitholders' approval is obtained for the Whitewash Resolution; and
 - (ii) in the six months prior to the announcement of the Acquisition but subsequent to negotiations, discussion or the reaching of understandings or agreements with the directors of the Manager in relation to such proposal;
- (e) MCT appoints an independent financial adviser to advise the Independent Unitholders on the Whitewash Resolution;
- (f) MCT sets out clearly in the Circular:
 - (i) details of the Proposed Issuance of Units;
 - (ii) the dilution effect of the Proposed Issuance of Units to existing holders of voting rights;
 - (iii) the number and percentage of voting rights in MCT as well as the number of instruments convertible into, rights to subscribe for and options in respect of Units held by the Concert Party Group at the Latest Practicable Date;
 - (iv) the number and percentage of voting rights in MCT to be acquired by the Concert Party Group as a result of their acquisition of the Preferential Offering Units, the Acquisition Fee Units, and the 2Q Management Fee Units; and
 - (v) specific and prominent reference to the fact that Unitholders, by voting for the Whitewash Resolution, are waiving their rights to a Mandatory Offer from the Concert Party Group at the highest price paid by the Concert Party Group for the Units in the past 6 months preceding the commencement of the offer;
- (g) the Circular state that the waiver granted by SIC to the Concert Party Group from the requirement to make a Mandatory Offer under Rule 14 is subject to the conditions set out in sub-paragraphs (a) to (f) above;
- (h) MCT obtains SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution; and
- (i) to rely on the Whitewash Resolution, the acquisition of the Preferential Offering Units, the Acquisition Fee Units, and the 2Q Management Fee Units by the Concert Party Group must be completed within three months of the approval of the Whitewash Resolution.

Pursuant to Rule 14.1(b) of the Code, except with the consent from the SIC, where any person who, together with persons acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights and such person, or any person acting in concert with him, acquires in any period of six months additional Units which carry more than 1.0% of the voting rights, such person must extend offers immediately, on the basis set out in Rule 14 of the Code, to the holders of Units. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

In the event that the Equity Fund Raising comprises a Private Placement and a Preferential Offering (which will follow after the Private Placement), the Sponsor's percentage unitholding will decrease in the interim immediately after the Private Placement (as the Sponsor is not participating in the Private Placement), and increase after the Preferential Offering. The exact percentage increase following the Preferential Offering would depend on the overall level of acceptances and excess applications by Unitholders for the Preferential Offering, as in compliance with Rule 877(10) of the Listing Manual, the Sponsor, amongst others, will rank last in the allocation of excess unit applications. In the event that the Sponsor is allocated in full its application for the Sponsor Excess Units, the Sponsor's holdings will return to its percentage unitholding immediately prior to the Equity Fund Raising, the increase of which could exceed 1.0%. Accordingly, this may trigger a requirement for the Concert Party Group to make a Mandatory Offer for MCT pursuant to Rule 14 of the Code unless the Whitewash Resolution is obtained from Independent Unitholders.

It should be noted that the increase of the Sponsor's percentage unitholding upon completion of the Preferential Offering will be purely due to a time gap between the completion dates of the Private Placement and the Preferential Offering. Taking the Equity Fund Raising as a whole, the Sponsor's percentage unitholding immediately after the Equity Fund Raising (excluding the Acquisition Fee Units to be issued) will actually be equal to or lower than its percentage unitholding immediately prior to the Equity Fund Raising.

Further details of the Whitewash Resolution will be set out in the Circular.

6. THE FINANCIAL EFFECTS OF THE ACQUISITION

6.1 Pro Forma Financial Effects of the Acquisition

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on the DPU and NAV per Unit presented below are strictly for illustrative purposes and have been prepared based on the audited consolidated financial statements of MCT for the financial year ended 31 March 2019 (the “**2018/19 Audited Financial Statements**”) as well as the following assumptions that:

- (i) the Property had an occupancy rate of 99.4% for the entire financial year ended 31 March 2019 and all leases, whether existing or committed as at 31 August 2019, were in place since 1 April 2018¹³;
- (ii) approximately 417.1 million New Units are issued at the illustrative issue price of S\$2.10 per New Unit pursuant to the Equity Fund Raising (the “**Illustrative Issue Price**”);
- (iii) the Manager’s Acquisition Fee is paid in the form of approximately 3.7 million Acquisition Fee Units at the illustrative issue price of S\$2.10 per Acquisition Fee Unit;
- (i) the Manager’s management fee in relation to the Acquisition is paid entirely in the form of cash; and
- (iv) S\$697.5 million is drawn down by MCT and/or MBCPL from the New Loan Facilities with an average interest cost of 2.9% per annum to repay, among other things, the Intercompany Loan.

¹³ The Property was completed in April 2016 and for the financial year ended 31 March 2019, the average occupancy rate of the Property was approximately 76.3%. As at 31 August 2019, the committed occupancy rate of the Property is 99.4%.

6.2 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on MCT's DPU for the 2018/19 Audited Financial Statements, as if the Acquisition, the issuance of New Units, the issuance of Acquisition Fee Units and the drawdown of the New Loan Facilities were completed on 1 April 2018, and MCT had held and operated the Property through to 31 March 2019 are as follows:

	Effects of the Acquisition	
	Before the Acquisition	After the Acquisition ⁽¹⁾
Profit before tax and fair value change in investment properties (S\$'000)	245,684	288,392 ⁽²⁾
Distributable income (S\$'000)	264,027	314,624 ⁽³⁾
Units in issue (million)	2,889.7 ⁽⁴⁾	3,310.5 ⁽⁵⁾
DPU (Singapore cents)	9.14 ⁽⁶⁾	9.51 ⁽⁷⁾
DPU accretion	-	4.0%

Notes:

- (1) Based on the drawdown of S\$697.5 million from the New Loan Facilities and the gross proceeds raised from the Equity Fund Raising of S\$874.8 million with the New Units issued at an Illustrative Issue Price of S\$2.10 per New Unit.
- (2) Assuming that the Property had an occupancy rate of 99.4% for the entire financial year ended 31 March 2019 and all leases, whether existing or committed as at 31 August 2019, were in place since 1 April 2018. The profit before tax and fair value change in investment properties were after deducting the borrowing costs associated with the New Loan Facilities, the Manager's management fees, Trustee's fees and other trust expenses incurred in connection with the Acquisition.
- (3) After adjustment for non-tax deductible item arising from the amortisation of rental income for fit-out periods.
- (4) Number of Units in issue as at 31 March 2019.
- (5) Includes (a) approximately 417.1 million New Units issued at an Illustrative Issue Price of S\$2.10 per New Unit and (b) approximately 3.7 million Acquisition Fee Units issuable as payment of the Acquisition Fee payable to the Manager at an illustrative issue price of S\$2.10 per Acquisition Fee Unit.
- (6) For the financial year ended 31 March 2019.
- (7) Comprises taxable distribution and capital distribution arising from the amortisation of rental income for fit-out periods.

6.3 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Acquisition on the NAV per Unit as at 31 March 2019, as if the Acquisition, the issuance of New Units and the issuance of Acquisition Fee Units were completed on 31 March 2019, are as follows:

	Effects of the Acquisition	
	Before the Acquisition	After the Acquisition ⁽¹⁾
NAV (S\$ million)	4,616.0	5,460.1
Units in issue (million)	2,889.7 ⁽²⁾	3,310.5 ⁽³⁾
NAV per Unit (S\$) ⁽⁴⁾	1.60	1.65

Notes:

- (1) Based on the drawdown of S\$697.5 million from the New Loan Facilities and the gross proceeds raised from the Equity Fund Raising of S\$874.8 million with the New Units issued at an Illustrative Issue Price of S\$2.10 per New Unit.

- (2) Number of Units in issue as at 31 March 2019.
- (3) Includes (a) approximately 417.1 million New Units issued at an Illustrative Issue Price of S\$2.10 per New Unit and (b) approximately 3.7 million Acquisition Fee Units issuable as payment of the Acquisition Fee payable to the Manager at an illustrative issue price of S\$2.10 per Acquisition Fee Unit.
- (4) The pro forma NAV per unit adjusted for the changes in valuation of the Existing Portfolio from 31 March 2019 to 31 August 2019 before and after the Acquisition will be S\$1.71 and S\$1.74 respectively.

7. OTHER INFORMATION

7.1 Interests of Directors and Substantial Unitholders

As at the Latest Practicable Date, certain directors of the Manager (the “**Directors**”) collectively hold an aggregate direct and indirect interest in 6,005,730 Units.

Mr. Tsang Yam Pui is a member of the board of directors in the Sponsor (the “**Sponsor Board**”) and is a member of the Audit and Risk Committee of the Sponsor. Mr. Hiew Yoon Khong is the Executive Director of the Sponsor Board and the Group Chief Executive Officer of the Sponsor. Mr. Wong Mun Hoong is the Regional Chief Executive Officer, Australia & North Asia of the Sponsor. Ms. Amy Ng Lee Hoon is the Regional Chief Executive Officer, South East Asia & Group Retail of the Sponsor. Ms. Lim Hwee Li Sharon is the Chief Executive Officer and Executive Director of the Manager, a wholly-owned subsidiary of the Sponsor.

Based on the Register of Directors’ Unitholdings maintained by the Manager and save as disclosed in the table below, none of the Directors currently has a direct or deemed interest in the Units as at the Latest Practicable Date:

Name of Director	Direct Interest		Deemed Interest		Total no. of Units held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		
Mr. Tsang Yam Pui	-	-	397,800	0.01	397,800	0.01
Ms. Kwa Kim Li	10,000	0.0003	27,600	0.0009	37,600	0.001
Mrs. Jennifer Loh	397,800	0.01	-	-	397,800	0.01
Mr. Kan Shik Lum	-	-	-	-	-	-
Mr. Koh Cheng Chua	-	-	-	-	-	-
Mr. Premod P. Thomas	-	-	-	-	-	-
Mr. Alvin Tay	-	-	-	-	-	-
Mr. Wu Long Peng	-	-	-	-	-	-
Mr. Hiew Yoon Khong	572,130	0.02	3,946,200	0.13	4,518,330	0.15
Mr. Wong Mun Hoong	-	-	-	-	-	-
Ms. Amy Ng Lee Hoon	635,400	0.02	-	-	635,400	0.02
Ms. Lim Hwee Li Sharon	-	-	18,800	0.0006	18,800	0.0006

Note:

- (1) The percentage is based on 2,895,631,555 Units in issue as at the Latest Practicable Date.

Based on the Register of Substantial Unitholders¹⁴ Unitholdings maintained by the Manager, the Substantial Unitholders of MCT and their interests in the Units as at the Latest Practicable Date are as follows:

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total no. of Units held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		
Temasek Holdings (Private) Limited (“ Temasek ”) ⁽²⁾	-	-	1,013,781,354	35.01	1,013,781,354	35.01
Fullerton Management Pte Ltd (“ Fullerton ”) ⁽²⁾	-	-	992,114,110	34.26	992,114,110	34.26
MIPL ⁽³⁾	-	-	992,114,110	34.26	992,114,110	34.26
The HarbourFront Pte. Ltd. (“ HFPL ”) ⁽⁴⁾	128,571,428	4.44	742,376,570	25.63	870,947,998	30.07
HarbourFront Place Pte. Ltd. (“ HF Place ”)	413,488,636	14.27	-	-	413,488,636	14.27
HarbourFront Eight Pte Ltd (“ HF Eight ”)	328,887,934	11.35	-	-	328,887,934	11.35
Schroders plc ⁽⁵⁾	-	-	220,332,843	7.60	220,332,843	7.60

Notes:

- (1) The percentage is based on 2,895,631,555 Units in issue in MCT as at the Latest Practicable Date.
- (2) Each of Temasek and Fullerton is deemed to be interested in the 128,571,428 Units held by HFPL, 413,488,636 Units held by HF Place, 328,887,934 Units held by HF Eight, 44,072,730 Units held by Sienna Pte. Ltd. (“**Sienna**”) and 77,093,382 Units held by the Manager. In addition, Temasek is deemed to be interested in the 21,667,244 units in which its other portfolio companies have direct or deemed interests. HFPL, HF Place, HF Eight, Sienna and the Manager are wholly-owned subsidiaries of MIPL which is in turn a wholly-owned subsidiary of Fullerton. Fullerton is a wholly owned subsidiary of Temasek. Each of MIPL and the portfolio companies referred to above is an independently-managed Temasek portfolio company. Temasek and Fullerton are not involved in their business or operating decisions, including those regarding their unitholdings.
- (3) MIPL is deemed to be interested in the 128,571,428 units held by HFPL, 413,488,636 Units held by HF Place, 328,887,934 Units held by HF Eight, 44,072,730 Units held by Sienna and 77,093,382 Units held by the Manager.
- (4) HFPL as holding company of HF Place and HF Eight is deemed to be interested in the 413,488,636 Units held by HF Place and 328,887,934 Units held by HF Eight.
- (5) Schroders plc is deemed to be interested in the 220,332,843 Units held on behalf of clients as investment managers.

Save as disclosed above and based on information available to the Manager as at the Latest Practicable Date, none of the Directors or the Substantial Unitholders has an interest, direct or indirect, in the Acquisition.

¹⁴

“Substantial Unitholders” refers to a person with an interest in Units constituting not less than 5.0% of all Units in issue.

7.2 Directors' Service Contracts

No person is proposed to be appointed as a Director in relation to the Acquisition or any other transactions contemplated in relation to the Acquisition.

7.3 Relative Figure computed on the Basis set out in Rules 1006(b) and 1006(c) of the Listing Manual

The relative figures for the Acquisition computed on the applicable bases set out in Rules 1006(b) and 1006(c) of the Listing Manual are as follows:

- (a) the net profits attributable to the assets acquired, compared with MCT's net profits; and
- (b) the aggregate value of the consideration given, compared with MCT's market capitalisation.

Comparison of	The Property (S\$ million)	MCT (S\$ million)	Relative figure (%)
NPI	77.0 ⁽¹⁾	347.6	22.2
Consideration against market capitalisation	1,550.0 ⁽²⁾	6,746.8 ⁽³⁾	23.0

Notes:

- (1) Assuming that the Property had an occupancy rate of 99.4% for the entire financial year ended 31 March 2019 and all leases, whether existing or committed as at the 31 August 2019, were in place since 1 April 2018 without taking into effect the amortisation of rental income for fit-out periods.
- (2) The figure represents the Agreed Property Value. For the avoidance of doubt, the amount to be received by the Vendors in connection with the Acquisition shall be the aggregate of the Total Consideration and the Intercompany Loan.
- (3) The figure is based on the closing price of S\$2.33 per Unit on the SGX-ST as at 25 September 2019, being the market day immediately prior to the entry of the Share Purchase Agreement.

Although the relative figures computed based on Rules 1006(b) and 1006(c) of the Listing Manual exceed 20.0%, the Manager is of the view that the Acquisition is in the ordinary course of MCT's business as the Property being acquired is within the investment policy of MCT and does not change the risk profile of MCT. As such, the Acquisition should therefore not be subject to Chapter 10 of the Listing Manual notwithstanding that the relative figure exceeds 20.0%. Nonetheless, as the Acquisition is an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction" under Paragraph 5 of the Property Funds Appendix, the Acquisition will still be subject to the specific approval of Unitholders.

7.4 Opinion of the Independent Financial Adviser and Statement of the Independent Directors and the Audit and Risk Committee Statement

The Manager has appointed Australia and New Zealand Banking Group Limited, Singapore Branch (the "IFA") to advise the independent directors of the Manager (the "Independent Directors"), the audit and risk committee of the Manager (the "Audit and Risk Committee") and the Trustee on whether the Acquisition is based on normal commercial terms and not prejudicial to the interests of MCT and the minority Unitholders.

The opinion of the IFA as well as the statement by the Independent Directors and the Audit and Risk Committee on the Acquisition (after taking into account the opinion of the IFA) are set out in the Circular.

8. APPROVAL IN-PRINCIPLE

The Manager is pleased to announce that approval in-principle was received on 26 September 2019 from the SGX-ST for the listing of, dealing in, and quotation on the Main Board of the SGX-ST of up to 500.0 million New Units which are proposed to be issued pursuant to the Equity Fund Raising.

The SGX-ST's approval in-principle is subject to, *inter alia*, compliance with the SGX-ST's listing requirements. The SGX-ST's approval in-principle is not an indication of the merits of the Acquisition, the Equity Fund Raising, the New Units, the Whitewash Resolution, the Manager, MCT and/or its subsidiaries. The SGX-ST's approval-in-principle is subject to the following:

- (a) in respect of the Private Placement,
 - (i) compliance with the SGX-ST's listing requirements;
 - (ii) Unitholders' approval of the Equity Fund Raising; and
 - (iii) submission of:
 - (1) a written undertaking from the Manager that it will comply with Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of proceeds from the Private Placement and where proceeds are to be used for working capital purposes, MCT will disclose a breakdown with specific details on the use of proceeds for working capital in its announcements on use of proceeds and in the annual report;
 - (2) a written undertaking from the Manager that it will comply with Rule 803 of the Listing Manual;
 - (3) written undertakings from the Joint Global Co-ordinators and Bookrunners that they will ensure that MCT will comply with Rule 803 of the Listing Manual;
 - (4) a written confirmation from the Manager that it will not issue the New Units to persons prohibited under Rule 812(1) of the Listing Manual; and
 - (5) written confirmations from the Joint Global Co-ordinators and Bookrunners that the New Units will not be placed out to persons prohibited under Rule 812(1) of the Listing Manual; and
- (b) in respect of the Preferential Offering,
 - (i) compliance with the SGX-ST's listing requirements;
 - (ii) Unitholders' approval of the Equity Fund Raising; and
 - (iii) submission of:
 - (1) a written undertaking from the Manager that it will comply with Rules 704(30), 815 and 1207(20) of the Listing Manual in relation to the use of proceeds from the Preferential Offering and where proceeds are to be used for working capital purposes, MCT will disclose a breakdown with specific details on the use of proceeds for working capital in its announcements on use of proceeds and in the annual report;

- (2) a written undertaking from the Manager that it will comply with Rule 877(10) of the Listing Manual with regard to the allotment of any excess New Units; and
- (3) a written confirmation from the financial institution as required under Rule 877(9) of the Listing Manual that the Unitholders who have given irrevocable undertakings to subscribe for the Preferential Offering Units have sufficient financial resources to fulfil their obligations under their undertakings.

9. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager (by prior appointment) at 10 Pasir Panjang Road #13-01 Mapletree Business City, Singapore 117438 from the date of this announcement up to and including the date falling three months after the date of the Circular:

- (a) the Share Purchase Agreement;
- (b) the letter from the IFA containing its opinion on the Acquisition;
- (c) the independent valuation report of the Property issued by CBRE;
- (d) the independent valuation report of the Property issued by Savills;
- (e) the independent market research report issued by CBRE, as the independent market research consultant (the “**Independent Market Research Consultant**”);
- (f) the audited financial statements of MCT for the financial year ended 31 March 2019; and
- (g) the written consents of each of the IFA, the Independent Market Research Consultant and the Independent Valuers.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as MCT is in existence.

10. FURTHER DETAILS

The Manager has issued and will be despatching to Unitholders the Circular, setting out the details of, and other relevant information in relation to, the Acquisition, the Equity Fund Raising and the Whitewash Resolution, together with a notice for convening an extraordinary general meeting of Unitholders for the purposes of seeking Unitholders' approval for the Acquisition, the Equity Fund Raising and the Whitewash Resolution.

A copy of the Circular is also available on the website of MCT at www.mapletreecommercialtrust.com and the website of Singapore Exchange Securities Trading Limited at www.sgx.com.

Unitholders who have not received the Circular within 10 days from the date hereof should contact the Manager at the following address:

Mapletree Commercial Trust Management Ltd.
10 Pasir Panjang Road
#13-01 Mapletree Business City
Singapore 117438
Tel: +65 6377 6111
Email: enquiries_mct@mapletree.com.sg

By Order of the Board
Wan Kwong Weng
Joint Company Secretary
Mapletree Commercial Trust Management Ltd.
(Company Registration No. 200708826C)
As Manager of Mapletree Commercial Trust

Important Notice

The value of Units in MCT 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 MCT 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.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units. The past performance of MCT and the Manager is not necessarily indicative of the future performance of MCT and the Manager.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

This announcement is not for distribution, directly or indirectly, in or into the United States and is not an offer of securities for sale in the United States or any other jurisdictions. Any proposed issue of new Units described in this announcement and the Circular have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under the securities laws of any state or other jurisdiction of the United States, or under the securities laws of any other jurisdiction, and any such new Units may not be offered or sold, directly or indirectly, in the United States or any other jurisdiction except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws. The Manager does not intend to conduct a public offering of any securities of MCT in the United States.