



Mapletree Commercial Trust

3Q & YTD FY20/21 Business Updates

27 January 2021

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Key Highlights



Financial Performance

- YTD FY20/21 gross revenue and net property income (“NPI”) down 1.9% and 1.2% respectively mainly due to COVID-19 rental rebates for eligible tenants but offset by contribution from Mapletree Business City (“MBC”) II

Portfolio Performance

- Progressive recovery of shopper traffic and tenant sales at VivoCity since Phase Two of Singapore’s re-opening, further boosted by festivities in 3Q FY20/21
- Revitalised F&B cluster on Level 1 well-received by shoppers since its progressive opening from September 2020
- Existing tenant, adidas, expanded its footprint to introduce adidas Originals’ largest flagship store in Southeast Asia
- Portfolio achieved 98.1% committed occupancy
- MBC continues to be an anchor of stability

Capital Management

- Proactive and prudent capital management continues to prioritise financial flexibility and liquidity
- Facilities in place to refinance all borrowings due in FY21/22
- Well-distributed debt maturity profile with no more than 24% of debt due for refinancing in any financial year

Financial Performance

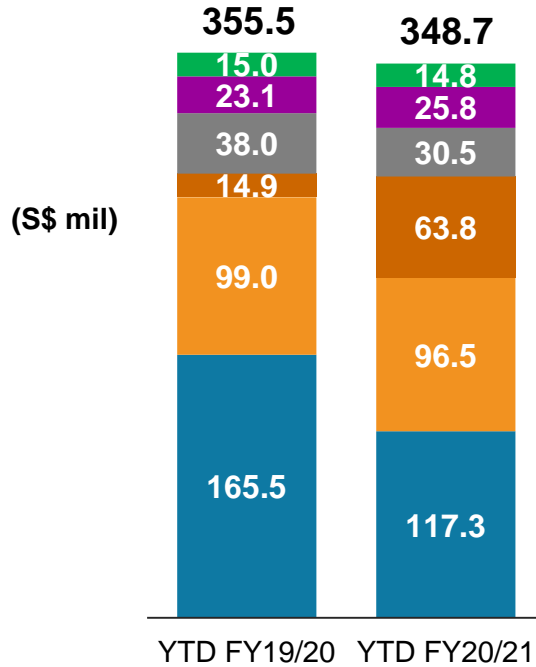


YTD FY20/21 Financial Scorecard

YTD FY20/21 gross revenue and NPI down 1.9% and 1.2% respectively mainly due to COVID-19 rental rebates for eligible tenants but offset by contribution from MBC II

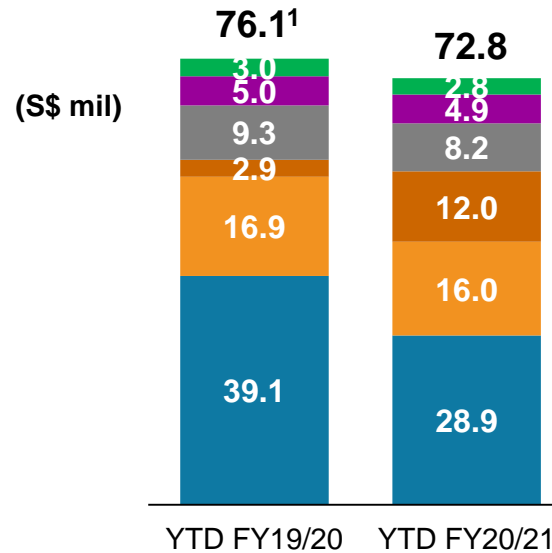
Gross Revenue

▼ 1.9%



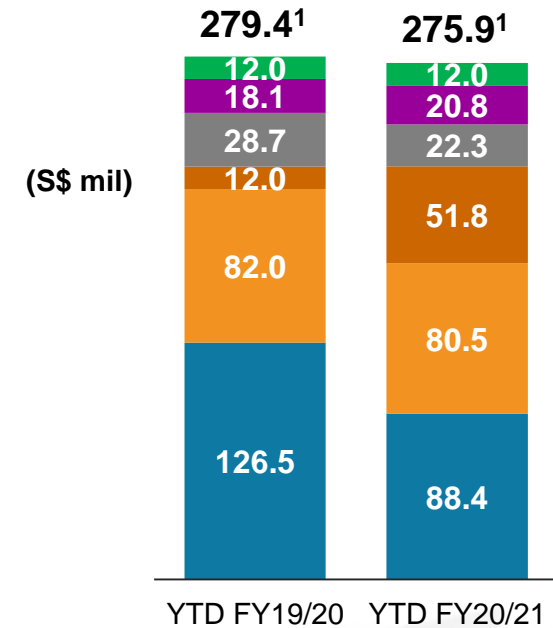
Property Expenses

▼ 4.4%



Net Property Income

▼ 1.2%



■ VivoCity
 ■ MBC I
 ■ MBC II
 ■ mTower²
■ Mapletree Anson
 ■ MLHF

1. Total does not add up due to rounding differences
 2. Former PSA Building

Key Financial Indicators

Maintained robust balance sheet

Every 25 bps change in Swap Offer Rate estimated to impact DPU by 0.06 cents p.a.

	As at 31 December 2020	As at 30 September 2020	As at 31 December 2019
Total Debt Outstanding	S\$3,002.9 mil	S\$2,998.9 mil	S\$3,014.2 mil
Gearing Ratio	34.0%¹	33.8%	33.4%
Interest Coverage Ratio (12-month trailing basis)	4.2 times	4.0 times	4.5 times
% Fixed Rate Debt	71.4%	71.5%	75.3%
Weighted Average All-In Cost of Debt (p.a.) ²	2.51%³	2.57%⁴	2.96%⁵
Average Term to Maturity of Debt	4.4 years	4.5 years	4.4 years
Unencumbered Assets as % of Total Assets	100%	100%	100%
MCT Corporate Rating (by Moody's)	Baa1(negative)	Baa1(negative)	Baa1(stable)

1. Based on total gross borrowings divided by total assets. Correspondingly, the ratio of total gross borrowings to total net assets is 53.6%

2. Including amortised transaction costs

3. Annualised based on YTD ended 31 December 2020

4. Annualised based on 1H ended 30 September 2020

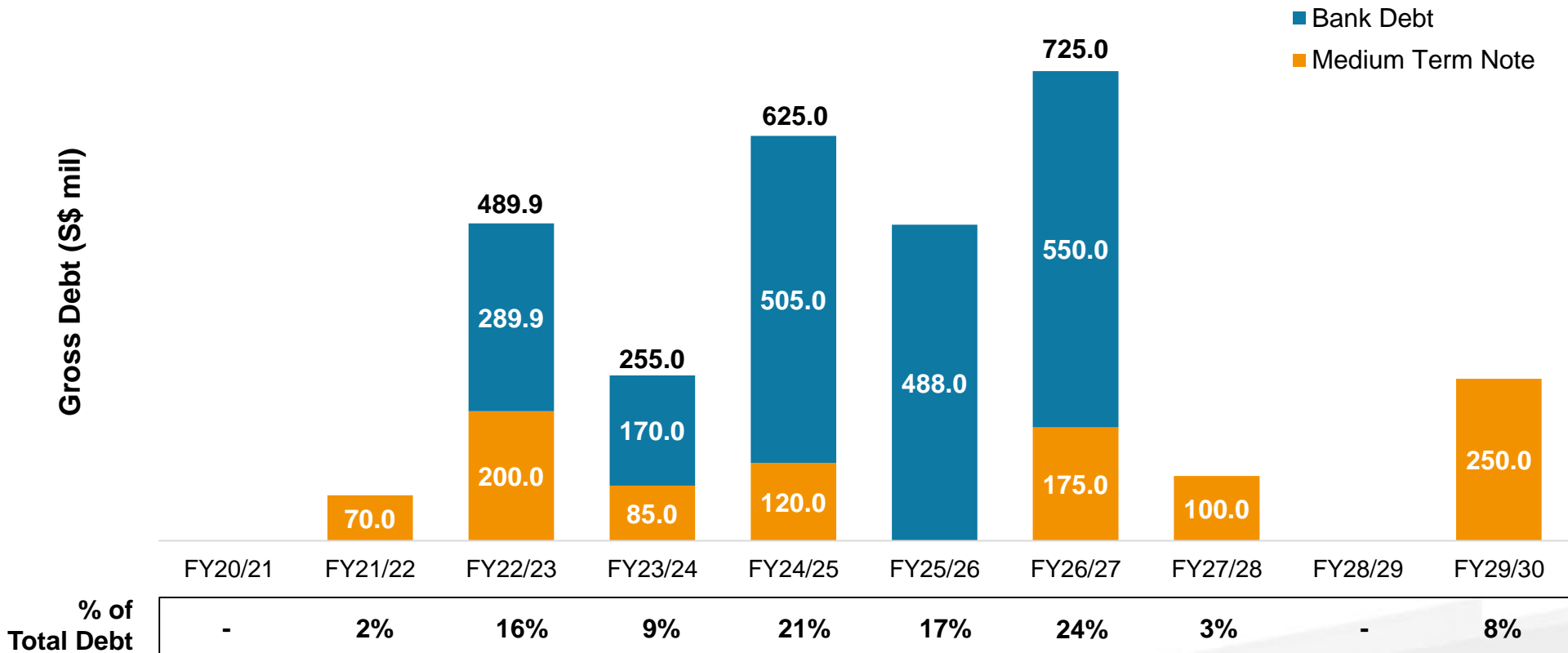
5. Annualised based on YTD ended 31 December 2019

Debt Maturity Profile (as at 31 December 2020)

Financial flexibility from more than 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\$3,002.9 mil

- Facilities in place to refinance all borrowings due in FY21/22



Portfolio Updates



Portfolio Occupancy

Achieved healthy committed occupancy of 98.1%

	December 2019	September 2020	December 2020	
			Actual	Committed ¹
VivoCity	99.2%	96.0%	96.9%	99.5%
MBC I	99.7%	97.9%	95.2%	98.2%
MBC II	99.4%	100%	99.9%	100%
mTower	89.1%	69.7% ²	71.1% ²	88.4%
Mapletree Anson	97.0%	100%	100%	100%
MLHF	100%	100%	100%	100%
MCT Portfolio	98.3%	95.3%	94.7%	98.1%

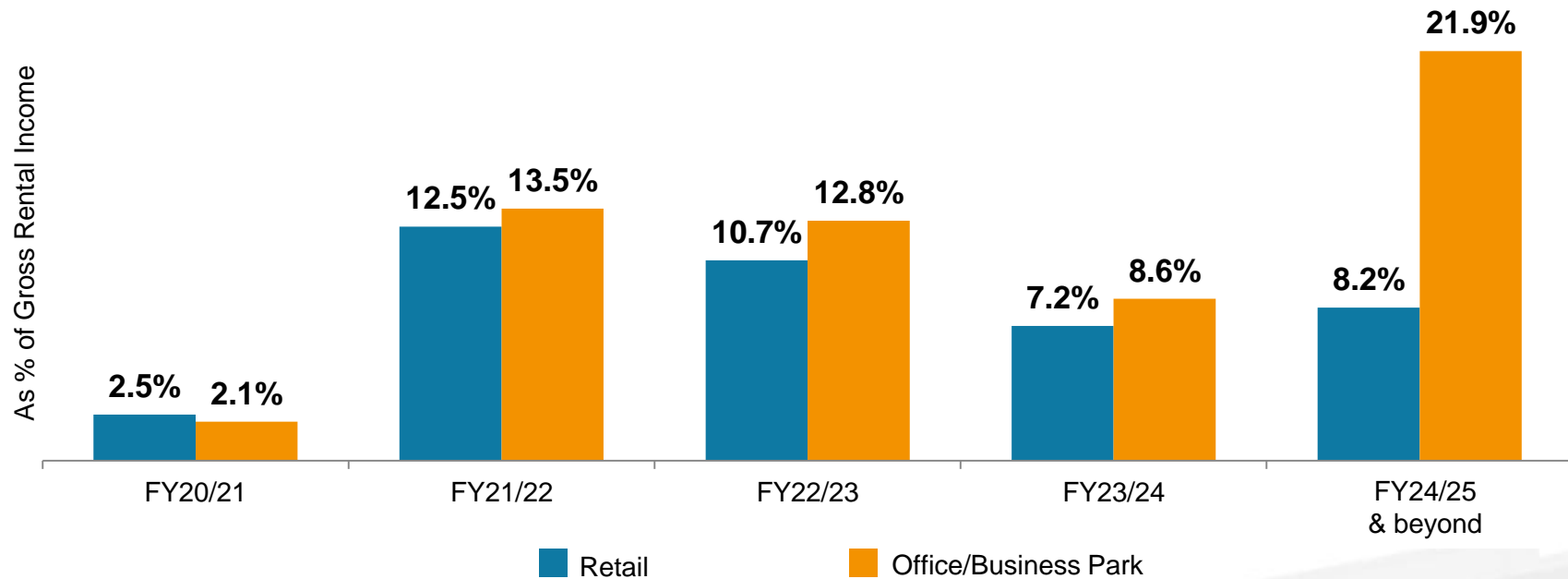
1. As at 31 December 2020

2. Mainly due to the expiry of a major tenant's short-term lease on 31 August 2020

Lease Expiry Profile (as at 31 December 2020)

Portfolio resilience supported by manageable lease expiries

WALE	Committed Basis
Portfolio	2.5 years¹
Retail	2.1 years
Office/Business Park	2.8 years



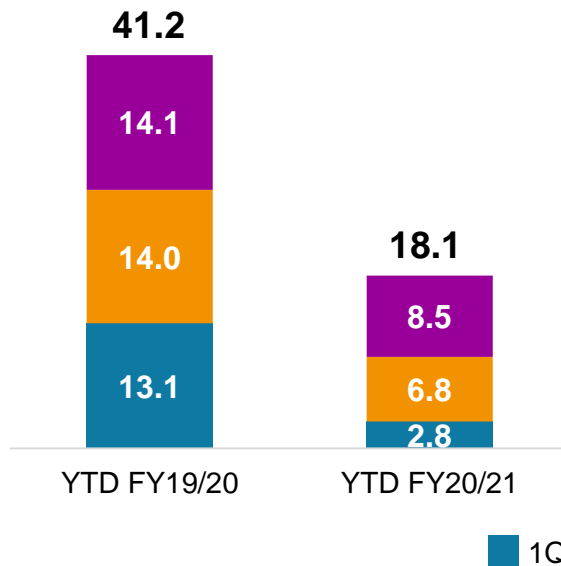
1. Portfolio WALE was 2.1 years based on the date of commencement of leases

VivoCity – Shopper Traffic and Tenant Sales

1Q FY20/21 impacted by ten weeks of mandatory business closures¹
 Progressive recovery since Phase Two of re-opening from 19 June 2020 further boosted by
 festivities in 3Q FY20/21

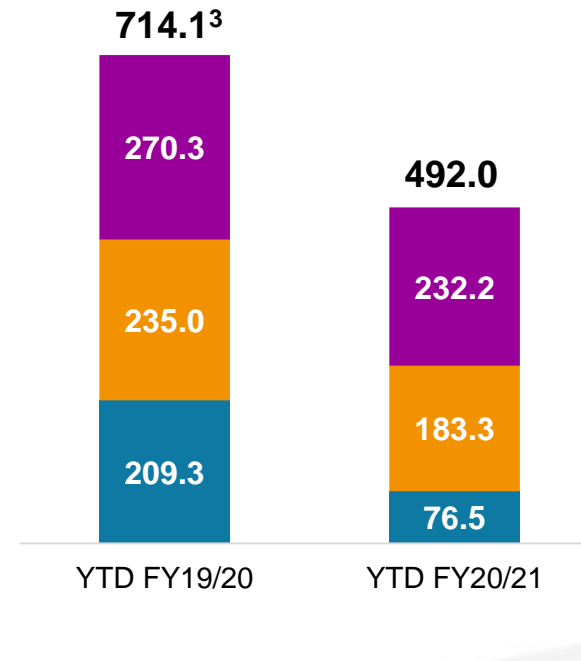
Shopper Traffic (mil)

▼ 56.1%



Tenant Sales (\$ mil)²

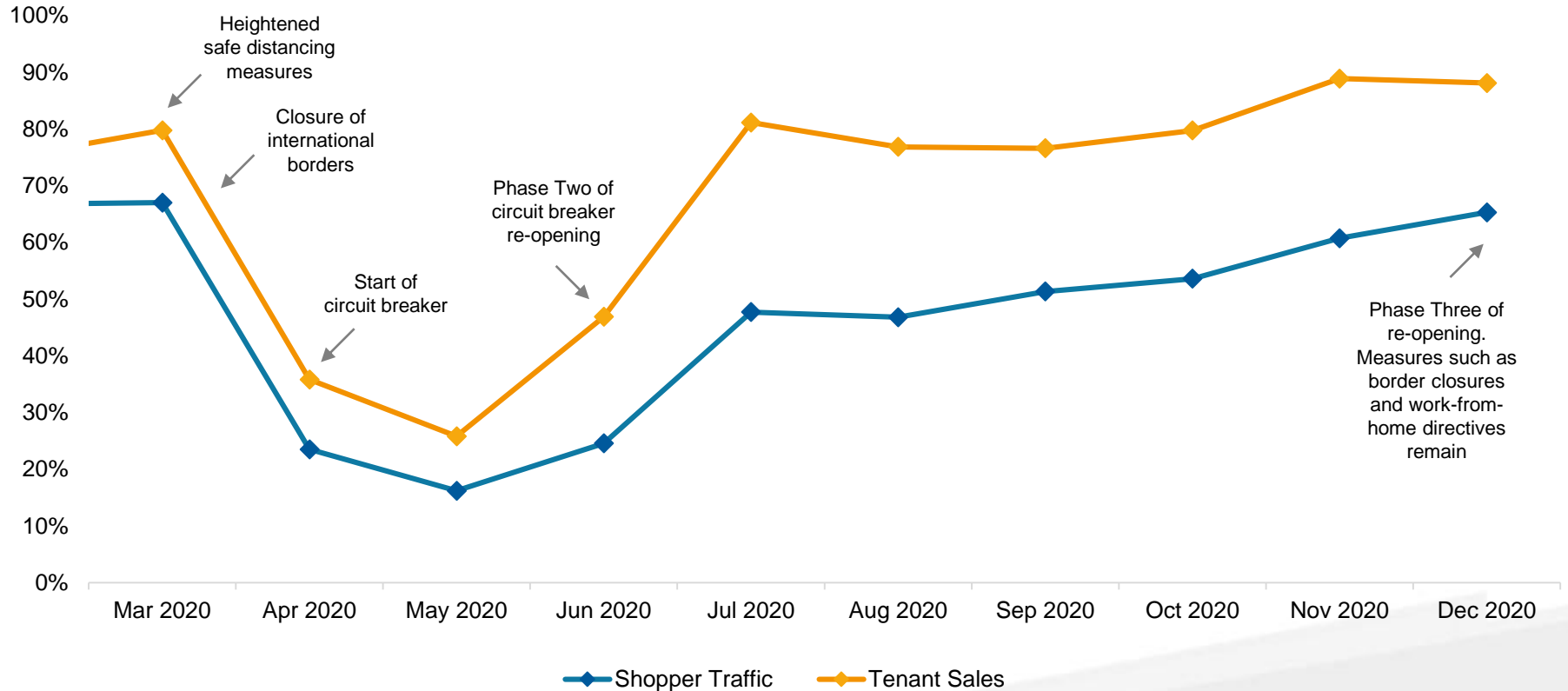
▼ 31.1%



1. Refers to 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. Total does not add up due to rounding differences

**Rebound in tenant sales continued to outpace shopper traffic
But COVID-19 protocols continue to be in place and pose disruptions**

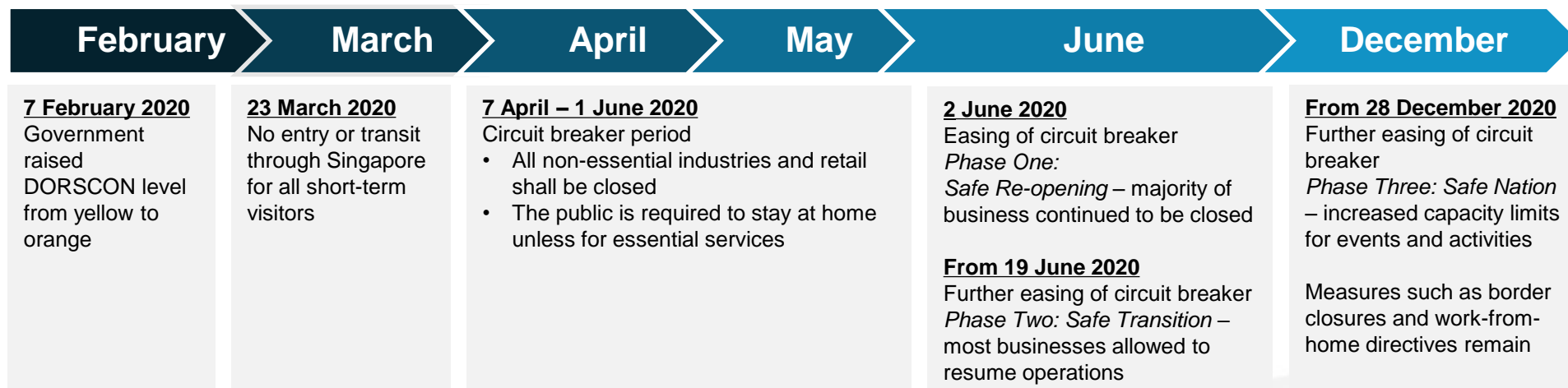
**Monthly Shopper Traffic and Tenant Sales
(rebased against 2019)**



Assisting Our Tenants to Weather the COVID-19 Headwinds

Rendered approximately S\$70 mil¹ of rental assistance since the start of the pandemic
To help eligible retail tenants offset on average more than 4 months of their fixed rents

Period	Average quantum of rental rebate/waiver for eligible tenants
March 2020	~0.5 month
1Q FY20/21	~2.8 months
2Q FY20/21	~0.7 month
3Q FY20/21	~0.2 month ²

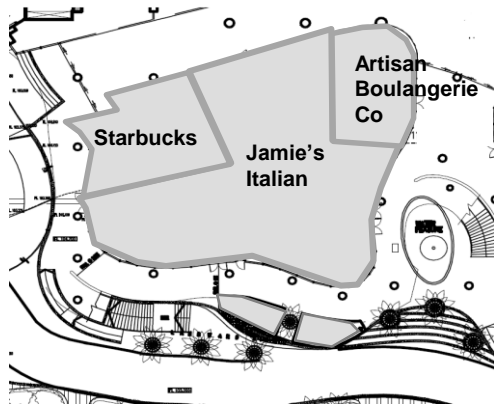


1. Refers to assistance for eligible retail tenants granted and/or announced to date, and includes the passing on of property tax rebates, cash grants from the government and other mandated grants to qualifying tenants
2. The assistance for each tenant is calibrated based on their respective actual sales performance and subject to tenant's acceptance

VivoCity – Revitalised F&B Cluster on Level 1

Well-received by shoppers since its progressive opening from September 2020
Entire exercise to deliver ~30% ROI on stabilised basis¹

Before

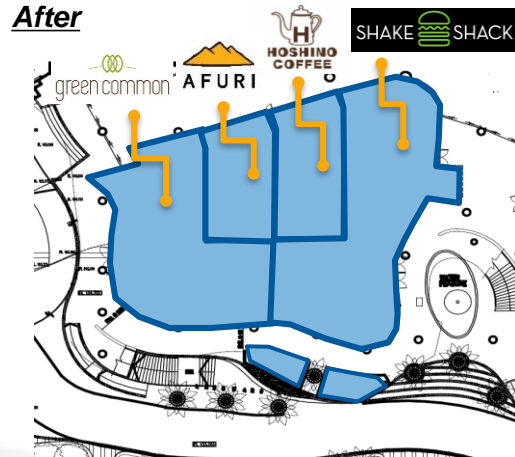


Shake Shack – Widely popular American burger joint known for its delicious burgers and milkshakes



Green Common – Novel concept championing sustainable consumption of plant-based products

After



Hoshino Coffee – Japanese-western fusion café featuring hand-dripped coffees and soufflé pancakes



Afuri Ramen – Japanese ramen shop well-known for its signature yuzu-based broth

1. Based on estimated capital expenditure of approximately S\$700,000

VivoCity – Expansion by Existing Tenant

Novel flagship stores by adidas further define VivoCity's position as key destination mall

- adidas Originals doubled its footprint to ~6,000 square feet on Basement 1, creating its largest flagship store in Southeast Asia
 - Carries the most extensive collection including exclusive and limited editions, as well as collaborative statement pieces by famed designers
 - First in Singapore with a dedicated sneakers collectors lounge
 - Reopened on 18 December 2020
- Work in progress to introduce another adidas flagship store on Level 1 by 1Q FY21/22



Image courtesy of adidas



Image courtesy of adidas

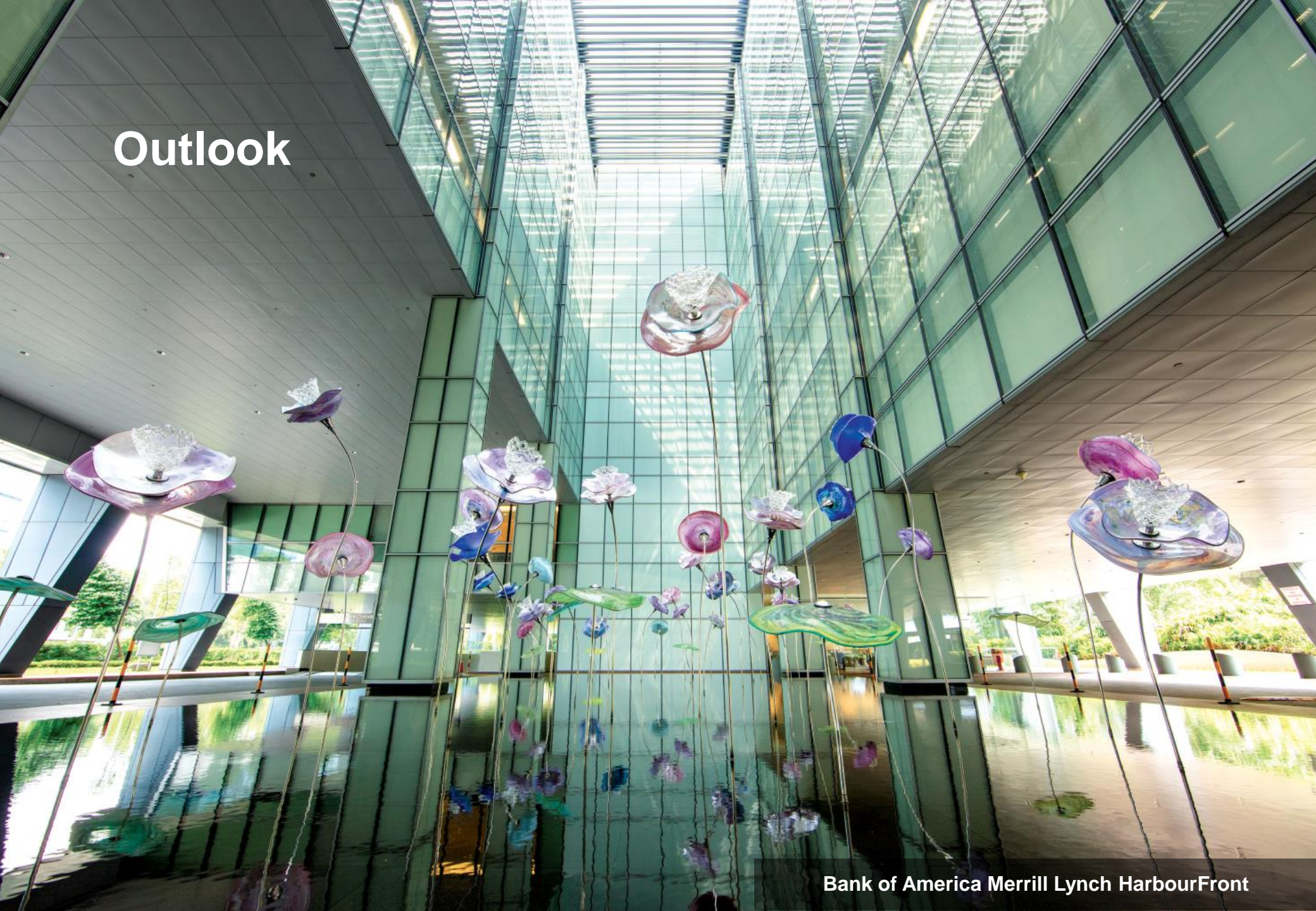
VivoCity – Refreshing Tenant Mix

Spicing up VivoCity with new and popular F&B concepts



Note: The above only represents a portion of tenants that were introduced in 3Q FY20/21

Outlook



Singapore Economy

- Based on the Ministry of Trade and Industry's ("MTI") advance estimates, the Singapore economy contracted by 3.8% on a year-on-year basis in the fourth quarter of 2020, an improvement from the 5.6% contraction in the third quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy grew by 2.1% in the fourth quarter, following the 9.5% expansion in the third quarter. For the whole of 2020, the Singapore economy contracted by 5.8%.

Retail

- According to CBRE, the retail sector remained challenged with continued social distancing measures and border closures. Nonetheless, compared to the previous quarter, there was greater positivity with shopper traffic recovering to about 60%-80% of pre-COVID-19 levels.
- The prioritising of occupancy by landlords has resulted in more realistic rental expectations, particularly for spaces in secondary locations and floors.
- Although the economy is stabilising and Phase 3 of re-opening will lend some positivity to the retail sector in 2021, hiring sentiments remain cautious and there are still uncertainties on how the global pandemic will pan out. The sector will continue to remain under pressure and market recovery could be long and uneven.

Sources: The Singapore Ministry of Trade and Industry Press Release, 4 January 2021 and CBRE MarketView Singapore Q4 2020

Office

- Demand remained relatively weak towards the end of 2020. The lower occupancy of new developments and the impact from COVID-19 have led to higher vacancy rates in Q4 2020.
- The impending rise in vacancy has led to continued downward pressure on office rents. In view of the pandemic, demand is likely to remain subdued in 1H 2021. However, spots of demand could come from Chinese technology companies and non-bank financial services firms. Displaced tenants from upcoming redevelopment projects will also contribute to occupier activities.
- The market is poised to benefit from employment gains should economic activities and business sentiments improve with the rolling out of COVID-19 vaccine. With limited Grade A supply in 2021, there are prospects for rents to turn upwards by 2H 2021.

Business Park

- The business park market continued to deliver a resilient performance towards the end of 2020, primarily contributed by a pick up in demand in the Rest of Island submarket.
- Renewals continued to feature prominently in leasing activities. For the whole of 2020, the technology sector was a demand driver especially for the City Fringe submarket.
- With continued support by high-tech industries, demand for business parks will remain steady. However, with limited supply within the City Fringe submarket, more transactions may occur in the outlying decentralised areas.

Overall

- Notwithstanding the Phase Three easing of circuit breaker and the availability of COVID-19 vaccine, there are continued uncertainties posed by COVID-19 on the overall sector, including weaker economic sentiments, continued border closures, work-from-home directives and social distancing measures, as well as lower prospective demand for commercial space. Potential challenges could also arise when the COVID-19 impact hits in full force after the end of government support.
- MCT's focus remains to maintain a healthy portfolio occupancy and sustainable rental income by working closely with our tenants. MCT will also continue to be proactive and nimble in implementing appropriate measures such as assisting tenants, managing costs and mitigating the impact from further disruptions, while supporting the authorities' effort in containing the outbreak.
- 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 resilience will position us well to ride through the pandemic.



Thank You

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